

CITY OF MATLOSANA

**MUNICIPAL FINANCE MANAGEMENT ACT (MFMA):
MID-YEAR BUDGET AND PERFORMANCE
ASSESSMENT REPORT
IN TERMS MFMA Section 72 (1) (a)
FOR THE SIX MONTHS
PERIOD ENDED 31 DECEMBER 2023**



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MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT IN TERMS MFMA SECTION 72 (1) (a) FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2023

PART 1: IN-YEAR REPORT

1. EXECUTIVE MAYOR'S REPORT

The municipality must prepare a Mid-Year Budget and Performance for the first six months of each financial year to assess the performance of the municipality for the period and the Executive Mayor must table it within the stipulated period.

The 2023/24 Mid-Year Budget and Performance Assessment of the City of Matlosana which is both a legislative and accountability requirement in terms Section 72 (1) (a) and 52 (d) of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing a statement on the implementation of the budget and financial state of affairs of the municipality to the Executive Mayor, as legislated.

The Mid-Year Budget and Performance Assessment is one of the highly reputable tools of government to assess the effectiveness and impact the municipality is making in the lives of its community/residents.

Furthermore, it also gives or create an opportunity to diagnose the state of financial affairs, as well as how the administration and government maturity levels of an institution are for the said period.

Overview 2022/23 Annual Report

It is the purpose of this report is to indicate how the municipality has fulfilled its vision and mission of being service delivery driven entity, which has been achieved throughout. However, this can be a daunting task to perform. Additionally, it must cope with the frustration of communities over matters, which as the city we have no control over, and an increase in unemployment rate. It is important to note that municipality is committed on the dignity and livelihood of citizens, it is therefore having unprecedented effort to deliver on its socioeconomic mandate.

Thus, the City of Matlosana is aware that basic services cannot be rendered in a sustainable manner nor can infrastructure such as roads and electricity, water and sewerage networks be maintained unless rates taxes are paid consistently by citizens/communities of Matlosana in particular.

The City acknowledges its success and its achievement made to our citizens and all stakeholders through participation on insuring that the City of Matlosana tries to meet all its obligations despite the difficulty on economic climate that is clouded within our communities.

The 2022/23 financial year has not been without its challenges, amongst others being the ageing of infrastructure, damages to public property, high vandalism, vandalism of engineering services or equipment, sport facilities and ablution facilities. This has contributed to high spending on municipal budget.

Revenue collection remains one of the main challenges as it affects the municipality's ability to have a funded budget. Therefore, the municipality still have a long way to go on improving the internal control environment or systems.

Overview 2023/24 Mid-Year Assessment

The impact of loadshedding during the first six months of 2023/24 financial year, has negatively affected the country and municipality and has a negative impact on the economy, as well as the municipal income on the sales of electricity.

It also affected negatively on the electricity infrastructure within the municipality. The high rate of load shedding also affected the service delivery of the municipality, especially the provision of water, as reservoir cannot be filled up to the necessary levels.

Ultimately, the municipality will not comply with the MFMA in terms of the requirements of a funded budget. It also emphasizes the need to collect outstanding debt, but COVID 19 has impacted negative on our collection rate as most people within our municipality has lost jobs. This effort needs to be taken forward to ensure that the municipality remain funded and have a sustainable budget.

I wish to extend my hearty gratitude to all Councillors of the City of Matlosana, different Directorates and their champions, Head of Departments on ensuring that positive outcomes for the city remains the priority to our community at large for service delivery.

Members of Mayoral Committee as well as Municipal Manager, Ms L. Seametso are hereby singled out for their unrelenting service to the municipality.

Lastly, I wish to thank my family with greatest support for being always there with me.



N.J. TSOLELA
EXECUTIVE MAYOR
25/01/2024

2. RESOLUTION

2.1 Municipal Manager's Resolution

MM 38/2024 MID -YEAR PERFORMANCE ASSESSMENT REPORT FOR THE PERIOD 1 JULY 2023 TO 31 DECEMBER 2023

In terms of Section 116 of the Municipal Finance Management Act, (No 56 of 2003) as amended it is hereby resolved.

It is hereby,

RESOLVED

- a) That cognisance be taken of the Mid-Year Assessment report for the period 1 July 2023 to 31 December 2023.
- b) That a request for an Adjustment Budget, in terms of the results of the 2023/24 Mid-Year Budget and Performance Assessment be noted and approved.
- c) That the 2023/24 Service Delivery and Budget Implementation Plan, which formed the basis of the mid-year assessment, be approved with the necessary adjustments.
- d) That the adjustments on the 2023/24 Mid-Year Performance Assessment Service Delivery and Budget Implementation Plan, with the necessary budget adjustments be signed by the Section 54A and Section 56 managers and that it be attached to their performance agreements and forwarded to National and Provincial Treasury.
- e) That in terms of chapter 4 section 72 of the Municipal Finance Management Act, Act 56 of 2003 the Mid-Year Budget and Performance Assessment report be submitted to the National and Provincial Treasury by not later than the 25 January 2024.
- f) That the Accounting Officer submit the Mid-Year and Performance Assessment report to the Executive Mayor for tabling in Council.
- g) That the amendments on the MIG projects be updated after the approval of the Adjustment Budget.
- h) That all financial figures be updated after the approval of the Adjustment Budget.
- i) That the 2023/24 SDBIP, IDP and budget be aligned accordingly.
- j) That Council take note of the recommendations/conclusions from COGTA.


MUNICIPAL MANAGER

24 | 01 | 2024
DATE

FOR COGNIZANCE

EXECUTIVE MAYOR

DATE

2.2 Quality Certificate



P.O. Box 35, Klerksdorp, 2570 Tel: +27 18 406 8300 Fax: +27 18 4642318 E-mail: finance@klerksdorp.org

CITY OF
MATLOSANA

QUALITY CERTIFICATE

I, **Lesego Seametso, Municipal Manager of the City of Matlosana Local Municipality**, hereby certify that the 2023/24 Mid-Year Budget and Performance Report and Supporting Documentation (Section 72 report) have been prepared in accordance with the Municipal Finance Management Act, act 56 of 2003, as amended, and the Municipal Budget Reporting Regulations (MBRR) made under the Act.

Lesego Seametso, Municipal Manager of the City of Matlosana - NW403

Signature _____

Date 24 January 2024



8 SALGA

LGSETA



3. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT IN TERMS SECTION 72 (1) (a) FOR THE SIX MONTHS PERIOD ENDED ON 31 DECEMBER 2023

3.1 Performance summary

Table 1: Performance summary

SUMMARY STATEMENT OF FINANCIAL PERFORMANCE				
Description	YTD Budget 2023/24	2nd Quarter Actual	YTD Actual 2023/24	Variance Favourable (Unfavourable)
Revenue by Source	2,107,277,496	1,020,586,888	2,134,133,800	26,856,304
Operating Expenditure	2,143,858,368	727,635,363	1,342,782,861	(801,075,507)
(SURPLUS)/ DEFICIT	-36,580,872	292,951,526	791,350,939	(827,931,811)

REVENUE BY SOURCE EXCLUDING GRANTS

SUMMARY STATEMENT OF FINANCIAL PERFORMANCE				
Description	YTD Budget 2023/24	2nd Quarter Actual	YTD Actual 2023/24	Variance Favourable (Unfavourable)
Revenue by Source	1,798,817,527	818,716,620	453,136,895	(117,820,309)

Revenue

The revenue for the six months ending 31 December 2023 amounts to R 2,134 billion and reflects a favourable outcome of 1% when compared with the year-to date budget of R 2, 107 billion.

The favourable outcome on the year date can be attributed to the following:

✚ Transfers received in the month of December from the following Grants:

- Equitable Share: R185 million
- WSIG: R 20 million
- NDPG: R 5.2 million
- INEP: R732 thousands

Two tranches of equitable share were received for the period up to 31 December 2023.

Note that if government grants are excluded from the revenue, it results in a negative result for the six months.

From the above financial performance table, it is evident that most of the revenue line items had reflected an unfavourable deviation. The unfavourable deviation can be attributed to the following:

- ✚ **Service charges – Electricity revenue (-8%):** The municipality implement the normal billing cycle continuously. The reduction on this line item is impacted by the current implementation of load shedding by

ESKOM and the acceleration of customers converting to solar. The municipality is also enforcing the measures to reduce illegal connections and ensure that all properties consuming electricity are billed.

- ✚ **Service charges – Refuse revenue (-22%):** Process of reconciling the valuation roll and the financial system on an ongoing basis to ensure that all properties within City of Matlosana are billed for refuse collection. The available of vehicles have a negative impact on the delivery of the services.
- ✚ **Service charges – Water revenue (-9%) and Sanitation revenue (-10%):** Revenue was less than projected. The theft of water and maintenance of water meters impacted negatively on this critical revenue source, especially on bulk water losses.
- ✚ **Interest earned from receivables 8% more:** The variance is because of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charge. The collection of interest especially on old debt is merely impossible.
- ✚ **License and Permits (-11%):** One of the reasons for under collection is that members of the public can renew vehicle licences online using eNaTIS electronic system instead of going physically to municipality offices.
- ✚ **Other Revenue (-38%):** The budgeted amount consists of numerous items (e.g. Commission: insurance, Commission: Transaction Handling fees, Plan printing and duplicate, etc.) in this instance under performance was mostly on the Sale of Property and Commission Transaction Handling fees. The reason for under collection is that there has been delays in the issuing of clearance figures for property transfers.

It must be noted that interest earned, licences & permits end other revenue are all secondary sources of income that have a reliance on human activity.

The negative revenue is also affected by the following factors:

- ✚ The revenue enhancement strategies as reflected in the budget funding plan has not yet been fully effective.
- ✚ Illegal connections.
- ✚ Debtors' book that is increasing due to non-payment of debtors.
- ✚ Load shedding and consumers that immigrate to solar power.
- ✚ Nonpayment of municipal accounts.
- ✚ The affordability of municipal services, especially water and electricity.

The municipality has measures in place, which seeks to improve revenue collection like the Financial Recovery Plan and Operation Patela, however due to economic factors the municipality is not able to collect as planned. This is not an easy task as the country is still battling with the increase in unemployment rate that causes some consumers to stealing municipal services. Inflation rate as well as the load shedding also continues to affect the National economy negatively. The detailed reasons for the variances are outlined on table 18.

Expenditure

The operating expenditure for the period ending 31 December 2023 amounts to R 1, 343 billion and reflects a negative deviation of -37% when compared with the year-to-date budget amount of R 2,144 billion. The negative deviation is mainly because of cash flow challenges. Spending on most of the items is directly linked with cash flow. The provision for debt provision must also be updated to give a more realistic picture.

The variance on the expenditure against the YTD budget is mainly on the following items:

- ✚ **Interest (-91%):** The underspending is mainly on interest paid on overdue accounts, most of the journals for interest paid on overdue accounts are done at the end of the financial year.
- ✚ **Bulk Purchases (-45%):** Expenditure is lower due to the outstanding Eskom invoices; it is difficult for the municipality to meet the obligation due to the low cash flow challenges.

- ✚ **Inventory consumed (-37%):** Inventory consumed includes Bulk Water, expenditure is lower due to the outstanding Midvaal invoices, and the Municipality is struggling to meet the obligation due to cash flow challenges.
- ✚ **Contracted services (-32%):** Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset Register administration. Low spending than initially planned due to cash flow challenges.
- ✚ **Debt Impairment (-100%):** Most of the Debt Impairment journals are done at the end of financial year.
- ✚ **Other Expenditure (-17%):** less spending due to cash flow challenges.

CASH MANAGEMENT	
Bank Balances	R 6 247
Call Investments	R 80 150
Cash and Cash Investments	R 86 397

Investment Portfolio: 31 December 2023			
City of Matlosana			
INSTITUTION	INTEREST RATE	DECEMBER 2023	EXPLANATION
Call Investment			
ABSA: 3854	3,73%	31 628 966,84	WSIG
ABSA: 5047	4,70%	5 071 313,39	INEP
ABSA: 6177	6,75%	179 389,37	MIG
ABSA: 2264	4,70%	7 831,49	own (Eskom)
ABSA: 4682	6,65%	131 495,82	NDPG
ABSA: 4063	1,55%	3 234 994,28	EEDSM
ABSA: 1223	6,75%	2 582 282,63	Auction
ABSA: 5203		4 783 325,00	own (Salaries)
INVESTEC	3,30%	8 024 399,95	own
FNB		24 506 067,37	COVID
TOTAL Call Investment		80 150 066,14	

Note: The R65 million Call investment is ring-fenced for Conditional Grants

Collection Rate & Outstanding Debtors as of 31 December 2023

TOTAL OUTSTANDING DEBTORS	R'000
	R 8 665 588
Debtors: Government	R 91 268
Debtors: Business	R 656 102
Debtors: Household	R 7 918 218

Collection Rate & Outstanding Debtors as of 31 December 2022

TOTAL OUTSTANDING DEBTORS	R'000
	R 7,446,278
Debtors: Government	R 111,767
Debtors: Business	R 657,290
Debtors: Household	R 6,677,219

Note: The detailed Debtors Age analysis is outlined on Table 12. The collection rate for the period ending on 31 December 2023 is 60% compared to the average for the six months ending 31 December 2022 of 63.79%. The National Treasury expect from municipalities to collect minimum 95% as guided by the MFMA circulars. The collection rate should be in the range of 90 to 95%.

Since the approval of the Debt Relief application by NT the debt book has increase by R 800 million.

The information above indicates that the debt book has increase with R 1, 24 billion in the last 12 months.

Creditors as of 31 December 2023

TOTAL OUTSTANDING CREDITORS	R'000
	R 3 508 627
ESKOM	R 1 849 786
Midvaal	R 1 573 141
Trade Creditors	R 81 753
Auditor General	R 3 947

Creditors as of 31 December 2022

TOTAL OUTSTANDING CREDITORS	R'000
	R 2,790,333
ESKOM	R 1,542,479
Midvaal	R 1,108,906
Trade Creditors	R 133,779
Auditor General	R 5,167

Note: The detailed Creditors Age analysis is outlined on Table 13

NB: The more the creditors increase, the more difficult it will become for the municipality to table a funded budget.

The information above indicates that outstanding creditors have increase with R 718, 29 million in the last 12 months.

Capital Grants Expenditure

CAPITAL GRANT EXPENDITURE	BUDGET 2023/24	2nd Quarter 2023/24 VAT Incl	YTD ACTUALS VAT Incl	YTD BUDGET	YTD % Incl VAT
MIG	109 945 401	23 202 703	24 853 543	54 972 701	22,61
NDPG	31 162 000	10 737 274	12 247 936	15 581 000	39,30
INEP	1 732 000	1 702 737	1 702 737	866 000	98,31
WSIG	48 630 000	17 269 258	18 810 674	24 315 000	38,68
TOTAL	191 469 401	52 911 972	57 614 889	95 734 701	30,09

Note: The total Capital grants budget amounts to R191, 5 million. The total expenditure for six months ending 31 December 2023 amounts to R57 million representing 30% of the total Capital Grants budget. Capital Grants spending is relatively low as compared to the 50% of the year-to-date budget.

We are at risk of NT taking action to withhold grant allocations due to the low spending in terms of section 30 of the MFMA due to the detailed reasons for underspending are in Table 7.

4. IN – YEAR BUDGET STATEMENT MAIN TABLE

4.1 Monthly budget statement summary Table2 C1:

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

NW403 City Of Matlosana - Table C1 Monthly Budget Statement Summary - M06 December									
Description	2022/23	Budget Year 2023/24		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget						
R thousands									
Financial Performance									
Property rates	456 397	561 076	561 076	37 759	280 521	280 538	(17)	-0%	561 076
Service charges	1 949 608	2 305 667	2 305 667	136 457	1 033 972	1 152 833	(118 862)	-10%	2 305 667
Investment revenue	15 402	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	15 402	9 761	9 761	778	4 559	4 880	(322)	-7%	9 761
Other own revenue	1 308 912	1 338 052	1 338 052	246 393	799 975	669 026	130 949	20%	-
Total Revenue (excluding capital transfers and contributions)	3 745 722	4 214 556	4 214 556	421 387	2 119 026	2 107 277	11 749	1%	4 214 556
Employee costs	696 837	785 821	785 821	59 909	365 165	392 912	(27 747)		785 821
Remuneration of Councillors	36 912	41 586	41 586	5 577	20 794	20 793	0		41 586
Depreciation and amortisation	382 953	440 000	440 000	63 217	189 651	220 000	(30 349)		440 000
Interest	237 534	10 711	10 711	70	457	5 355	(4 898)		10 711
Inventory consumed and bulk purchases	1 430 478	1 645 412	1 645 612	158 679	474 162	822 773	(348 612)		1 645 612
Transfers and subsidies	-	-	-	-	-	-	-		-
Other expenditure	1 952 982	1 364 177	1 363 977	53 853	292 554	682 024	(389 470)	-57%	1 363 977
Total Expenditure	4 737 696	4 287 708	4 287 708	341 306	1 342 783	2 143 858	(801 076)	-37%	4 287 708
Surplus/(Deficit)	(991 975)	(73 152)	(73 152)	80 081	776 243	(36 581)	812 824	-2222%	(73 152)
Transfers and subsidies - capital (monetary allocations)	107 437	191 469	191 469	4 746	15 108	-	15 108	#DIV/0!	191 469
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	(884 538)	118 317	118 317	84 827	791 351	(36 581)	827 932	-2263%	118 317
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	(884 538)	118 317	118 317	84 827	791 351	(36 581)	827 932	-2263%	118 317
Capital expenditure & funds sources									
Capital expenditure	83 952	231 469	231 469	32 673	50 464	115 735	(65 271)	-56%	231 469
Capital transfers recognised	77 727	191 469	191 469	32 422	50 100	95 735	(45 635)	-48%	191 469
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	6 225	40 000	40 000	251	364	20 000	(19 636)	-98%	40 000
Total sources of capital funds	83 952	231 469	231 469	32 673	50 464	115 735	(65 271)	-56%	231 469
Financial position									
Total current assets	1 903 959	487 454	487 454		3 332 241				487 454
Total non current assets	5 453 531	4 119 658	4 119 658		5 314 343				4 119 658
Total current liabilities	4 977 029	230 387	230 387		5 479 964				230 387
Total non current liabilities	26 576	81 274	81 274		21 386				81 274
Community wealth/Equity	3 963 559	4 177 134	4 177 134		3 157 329				4 177 134
Cash flows									
Net cash from (used) operating	1 691 423	218 461	218 461	227 286	1 509 199	109 228	(1 399 971)	-1282%	218 461
Net cash from (used) investing	(83 952)	(231 437)	(231 469)	(32 673)	(50 464)	(115 718)	(65 255)	56%	(231 437)
Net cash from (used) financing	-	(2 300)	(4 800)	621	377	(1 150)	(1 527)	133%	(2 300)
Cash/cash equivalents at the month/year end	1 832 393	197 724	195 192	-	1 563 886	205 360	(1 358 525)	-662%	89 498
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	280 421	204 545	172 423	8 008 199	-	-	-	-	8 665 589
Creditors Age Analysis									
Total Creditors	227 248	160 515	210 377	2 910 487	-	-	-	-	3 508 628

4.2 Monthly Budget Statement – Financial Performance (Revenue by source)

Actual operating revenue per source

The actual operating revenue per department is set out in Table 3 below. From table 1 year to date actual operating revenue amounts to R2,134 billion and compares favourably with the pro rata budgeted figure of R2,107 billion a positive variance of R27 million for the month ending 31 December 2023.

TABLE 3: ACTUAL REVENUE PER SOURCE FOR PERIOD ENDING 31 DECEMBER 2023

NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		876 124	1 100 940	1 100 940	47 662	504 783	550 470	(45 687)	-8%	1 100 940
Service charges - Water		736 820	787 552	787 552	60 464	356 688	393 776	(37 088)	-9%	787 552
Service charges - Waste Water Management		141 373	162 319	162 319	12 147	72 932	81 159	(8 227)	-10%	162 319
Service charges - Waste management		195 291	254 856	254 856	16 184	99 568	127 428	(27 860)	-22%	254 856
Sale of Goods and Rendering of Services		6 086	8 971	8 971	628	4 511	4 485	26	1%	8 971
Agency services		-	-	-	-	-	-	-		-
Interest										
Interest earned from Receivables		550 656	558 181	558 181	51 077	300 573	279 090	21 483	8%	558 181
Interest from Current and Non Current Assets		15 402	9 761	9 761	778	4 559	4 880			9 761
Dividends										
Rent on Land										
Rental from Fixed Assets		106 775	9 300	9 300	623	4 401	4 650	(249)	-5%	9 300
Licence and permits		7 528	8 909	8 909	581	3 959	4 455	(496)	-11%	8 909
Operational Revenue		49 986	77 620	77 620	2 217	23 976	38 810	(14 834)	-38%	77 620
Non-Exchange Revenue										
Property rates		456 397	561 076	561 076	37 759	280 521	280 538	(17)	0%	561 076
Surcharges and Taxes		14	241	241	-	-	120	(120)		241
Fines, penalties and forfeits		8 377	3 104	3 104	157	1 445	1 552	(107)		3 104
Licence and permits		261	50	50	-	-	25	(25)		50
Transfers and subsidies - Operational		559 520	616 921	616 921	186 088	438 029	308 460	129 569		616 921
Interest		50 406	54 756	54 756	5 022	23 077	27 378	(4 301)		54 756
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets		(16 572)	-	-	-	-	-	-		-
Other Gains		1 276	-	-	-	3	-	3		-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		3 745 722	4 214 556	4 214 556	421 387	2 119 026	2 107 277	11 749	1%	4 214 556
Transfers and subsidies - capital (monetary allocations)		107 437	191 469	191 469	4 746	15 108	-	15 108	#DIV/0!	191 469
TOTAL Revenue (including capital transfer		3 853 158	4 406 025	4 406 025	426 133	2 134 134	2 107 277	26 856		4 406 025

TABLE 4: ACTUAL REVENUE PER REVENUE DEPARTMENT FOR THE SIX MONTHS ENDING 31 DECEMBER 2023

NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		1 103 392	1 220 631	1 220 631	225 643	749 355	610 315	139 040	23%	1 220 631
Executive and council		952	2 829	2 829	71	903	1 414	(512)	-36%	2 829
Finance and administration		1 102 440	1 217 802	1 217 802	225 572	748 452	608 901	139 552	23%	1 217 802
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		325 340	99 627	99 627	9 075	23 180	49 813	(26 633)	-53%	99 627
Community and social services		263 727	4 350	4 350	144	1 011	2 175	(1 164)	-54%	4 350
Sport and recreation		29 670	14 872	14 872	6 255	6 357	7 436	(1 079)	-15%	14 872
Public safety		28 136	33 404	33 404	2 205	12 037	16 702	(4 665)	-28%	33 404
Housing		3 808	47 000	47 000	472	3 776	23 500	(19 724)	-84%	47 000
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		70 959	57 038	57 038	7 276	20 822	28 519	(7 697)	-27%	57 038
Planning and development		9 993	10 763	10 763	969	4 692	5 382	(690)	-13%	10 763
Road transport		60 814	46 065	46 065	6 294	16 002	23 032	(7 031)	-31%	46 065
Environmental protection		152	210	210	13	129	105	24	22%	210
Trading services		2 316 072	2 785 219	2 785 219	207 654	1 248 560	1 392 609	(144 049)	-10%	2 785 219
Energy sources		1 017 620	1 209 703	1 209 703	85 974	510 400	604 852	(94 451)	-16%	1 209 703
Water management		879 796	1 018 229	1 018 229	80 694	495 621	509 114	(13 494)	-3%	1 018 229
Waste water management		143 840	207 797	207 797	14 028	75 578	103 899	(28 320)	-27%	207 797
Waste management		274 817	349 489	349 489	26 957	166 961	174 745	(7 784)	-4%	349 489
Other	4	36 863	27 258	27 258	1 844	10 123	13 629	(3 506)	-26%	27 258
Total Revenue - Functional	2	3 852 626	4 189 772	4 189 772	451 492	2 052 041	2 094 886	(42 845)	-2%	4 189 772

Revenue

The revenue for the period ending 31 December 2023 amounts to R2,134 billion and reflects a favourable outcome of 1% when compared with the year-to date budget of R2,107 billion.

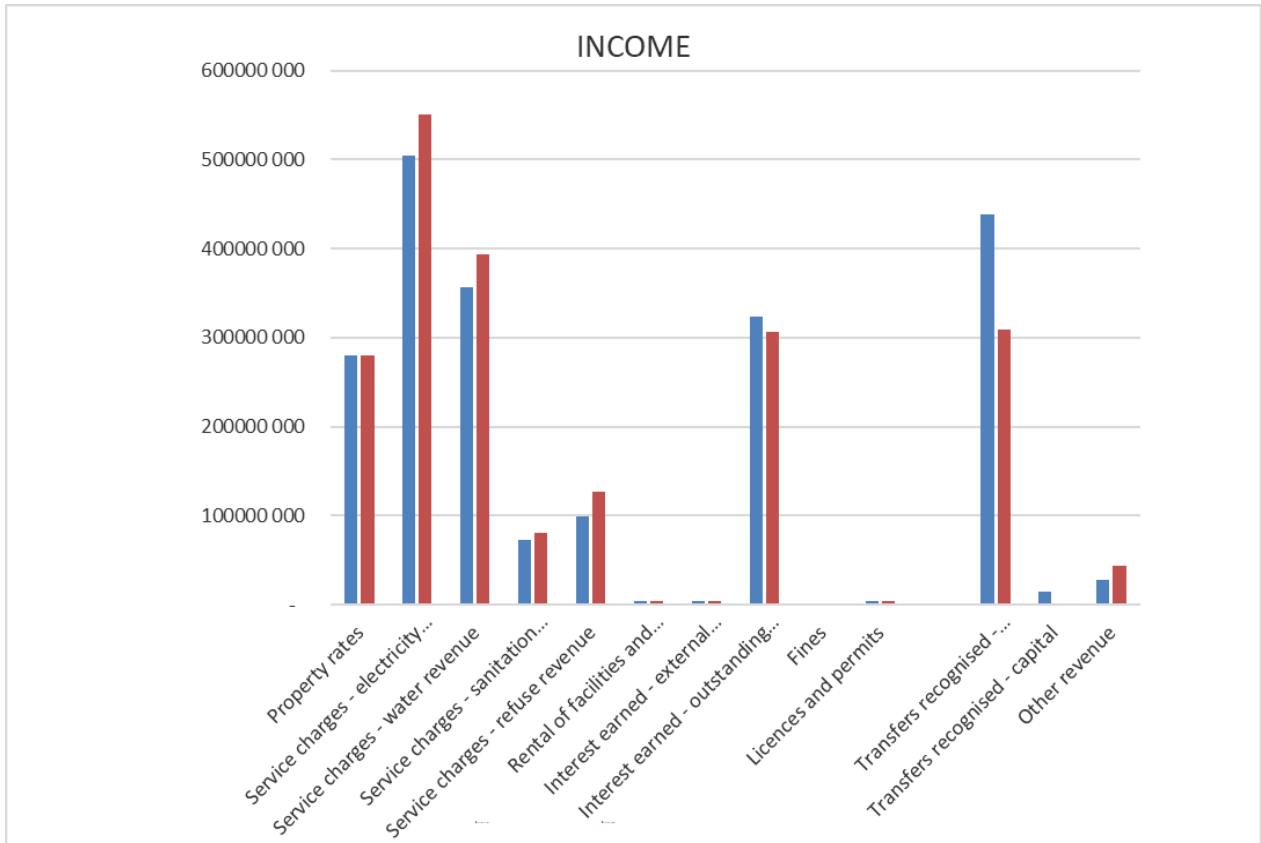
The favourable outcome on the year date can be attributed to the following:

- ✚ Property Rates that are by once a year, in July by farmers and Government.
- ✚ Transfers received in the month of December from the following Grants:
 - Equitable Share: R 185 million
 - INEP: R 732 thousand
- ✚ Interest earned on debtors, due to the huge debtor's balance, which currently amounts to R8, 7 billion.

From the above financial performance table, it is evident that most of the revenue line items had reflected an unfavourable deviation. The unfavourable deviation can be attributed to the following.

- ✚ **Service charges – Electricity revenue (-8%):** Less revenue billed on electricity than initially anticipated. The reduction on this line item can be attributed to the current implementation of load shedding by ESKOM and the acceleration of customers converting to solar. The municipality is also enforcing the measures to reduce illegal connections and ensure that all properties consuming electricity are billed.
- ✚ **Service charges – Refuse revenue (-22%):** Less revenue billed as the anticipated increase on the refuse revenue has not materialised. Process of reconciling the valuation roll and the financial system on an ongoing basis to ensure that all properties within City of Matlosana are billed for refuse collection.
- ✚ **Service charges – Water revenue (-9%) and Sanitation revenue (-10%):** Revenue was less than projected.

- ✚ **Interest earned from receivables 8% more:** The variance is because of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charge.
- ✚ **License and Permits (-11%):** One of the reasons for under collection is that members of the public can renew vehicle licences online using eNaTIS electronic system instead of going physically to municipality offices.
- ✚ **Other Revenue (-38%):** The budgeted amount consists of numerous items (e.g. Commission: insurance, Commission: Transaction Handling fees, Plan printing and duplicate, etc.) in this instance under performance was mostly on the Sale of Property and Commission Transaction Handling fees. The reason for under collection is that there has been delays in the issuing of clearance figures for property transfers.



4.3 Monthly Budget Statement – Financial Performance (Expenditure per category)

Actual operating expenditure per category

The actual operating expenditure per vote is set out in Table 5 below. The operating expenditure for the year-to-date actual operating expenditure amounts to R1,343 billion.

There is an unfavourable deviation of 37% when the year-to-date operating expenditure is compared with year-to-date budget of R2,144 billion a variance of R801 million.

TABLE 5: ACTUAL OPERATIONAL EXPENDITURE PER CATEGORY FOR DECEMBER 2023

NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		696 837	785 821	785 821	59 909	365 165	392 912	(27 747)	-7%	785 821
Remuneration of councillors		36 912	41 586	41 586	5 577	20 794	20 793	0	0%	41 586
Bulk purchases - electricity		848 230	1 109 287	1 109 287	93 893	304 320	554 643	(250 324)		1 109 287
Inventory consumed		582 248	536 125	536 325	64 786	169 842	268 130	(98 288)		536 325
Debt impairment		3 750	579 349	579 349	-	-	289 674	(289 674)	-100%	579 349
Depreciation and amortisation		382 953	440 000	440 000	63 217	189 651	220 000	(30 349)	-14%	440 000
Interest		237 534	10 711	10 711	70	457	5 355	(4 898)	-91%	10 711
Contracted services		249 463	465 092	464 842	35 515	158 925	232 511	(73 586)	-32%	464 842
Transfers and subsidies										
Irrecoverable debts written off		1 386 491	-	-	1 450	1 514	-	1 514		-
Operational costs		312 936	319 737	319 787	16 888	132 116	159 839	(27 723)	-17%	319 787
Losses on Disposal of Assets		-	-	-	-	-	-	-		-
Other Losses		342	-	-	-	-	-	-		-
Total Expenditure		4 737 696	4 287 708	4 287 708	341 306	1 342 783	2 143 858	(801 076)	-37%	4 287 708

TABLE 6: ACTUAL OPERATIONAL EXPENDITURE PER VOTE FOR THE PERIOD ENDING 31 DECEMBER 2023

NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

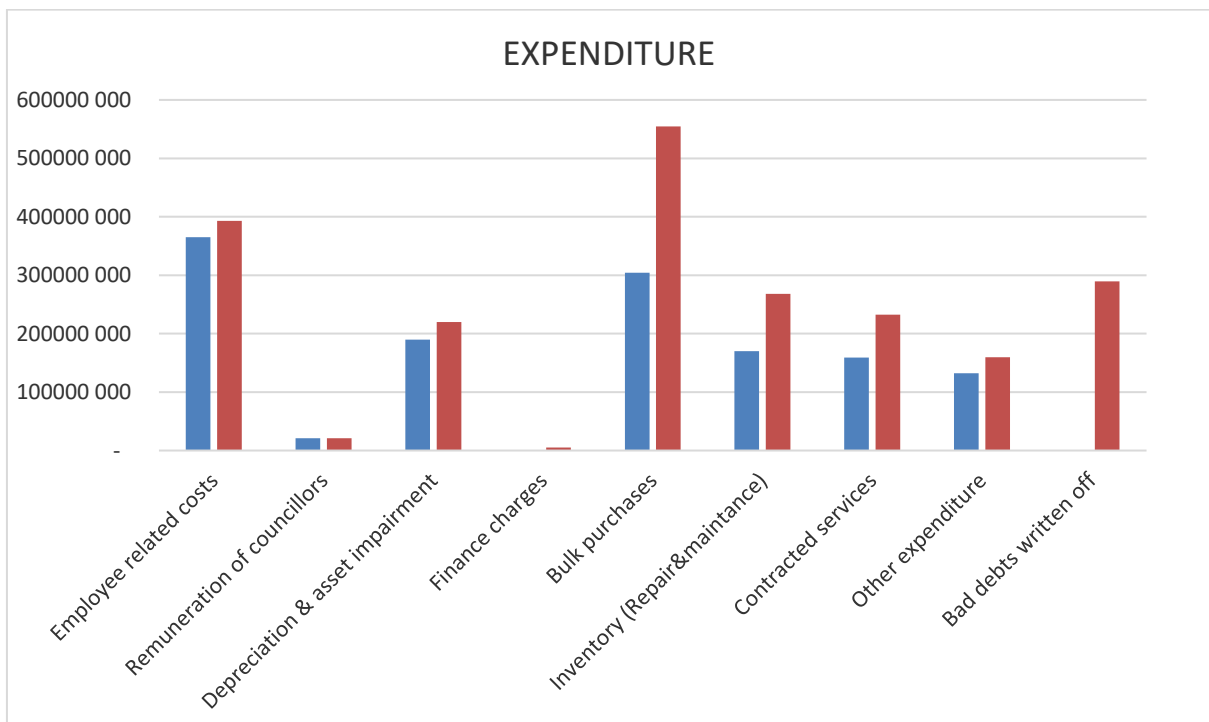
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure - Functional										
Governance and administration		1 206 014	746 226	746 226	41 271	295 252	373 114	(77 863)	-21%	746 226
Executive and council		279 619	431 089	431 089	25 569	154 620	215 546	(60 926)	-28%	431 089
Finance and administration		922 698	309 136	309 136	15 231	137 926	154 568	(16 642)	-11%	309 136
Internal audit		3 697	6 001	6 001	470	2 706	3 001	(294)	-10%	6 001
Community and public safety		296 946	383 563	383 813	24 874	164 304	191 883	(27 579)	-14%	383 813
Community and social services		63 816	116 557	116 557	7 265	40 081	58 279	(18 198)	-31%	116 557
Sport and recreation		90 892	100 852	100 852	7 741	52 247	50 426	1 820	4%	100 852
Public safety		138 930	159 088	159 088	9 808	64 858	79 545	(14 686)	-18%	159 088
Housing		3 206	6 903	7 153	60	7 107	3 552	3 555	100%	7 153
Health		101	162	162	-	10	81	(71)	-87%	162
Economic and environmental services		246 223	284 751	284 501	32 532	119 960	142 277	(22 317)	-16%	284 501
Planning and development		84 720	69 467	69 217	4 968	29 954	34 634	(4 681)	-14%	69 217
Road transport		161 979	213 300	213 300	27 481	89 393	106 650	(17 257)	-16%	213 300
Environmental protection		(476)	1 984	1 984	83	613	992	(379)	-38%	1 984
Trading services		2 700 663	2 501 039	2 815 042	219 910	747 091	1 407 522	(660 431)	-47%	2 815 042
Energy sources		1 148 407	1 629 984	1 629 984	113 703	300 831	814 992	(514 162)	-63%	1 629 984
Water management		1 046 263	417 355	731 358	77 838	265 068	365 679	(100 611)	-28%	731 358
Waste water management		218 936	200 674	200 674	14 370	91 252	100 337	(9 085)	-9%	200 674
Waste management		287 057	253 026	253 026	13 999	89 940	126 514	(36 573)	-29%	253 026
Other		24 043	25 948	25 948	1 358	7 553	12 974	(5 421)	-42%	25 948
Total Expenditure - Functional	3	4 473 890	3 941 528	4 255 531	319 945	1 334 159	2 127 770	(793 611)	-37%	4 255 531

Expenditure

The operating expenditure for the period ending 31 December 2023 amounts to R1, 343 billion and reflects a negative deviation of 37% when compared with the year-to-date budget amount of R2,144 billion. The negative deviation is because of cash flow challenges. Spending on most of the items is directly linked with cash flow. If there is improvement on cash flow, then spending will also increase.

The variance on the expenditure against the YTD budget is mainly on the following items:

- ✚ **Interest (-91%):** The underspending is mainly on interest paid on overdue accounts, most of the journals for interest paid on overdue accounts are done at the end of the financial year.
- ✚ **Bulk Purchases (-45%):** Expenditure is lower due to the outstanding Eskom invoices; it is difficult for the municipality to meet the obligation due to the low cash flow challenges.
- ✚ **Inventory consumed (-37%):** Inventory consumed includes Bulk Water, expenditure is lower due to the outstanding Midvaal invoices, and the Municipality is struggling to meet the obligation due to cash flow challenges.
- ✚ **Contracted services (-32%):** Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset Register administration. Low spending than initially planned due to cash flow challenges.
- ✚ **Debt Impairment (-100%):** Most of the Debt Impairment journals are done at the end of financial year.
- ✚ **Other Expenditure (-17%):** less spending due to cash flow challenges.



NB: From the information above it is evident that the following municipal services is operating at a loss and is therefore a liability for the municipality.

- ✚ Community & Public Safety.
- ✚ Economic & Environmental Services.
- ✚ Trading Services.
 - Electricity
 - Water

4.4 Actual capital expenditure (excluding vat) per vote and funding source.

The actual capital expenditure per vote is set out in Table 7 below.

TABLE 7: ACTUAL CAPITAL EXPENDITURE PER VOTE FOR THE PERIOD ENDING 31 DECEMBER 2023

NW403 City Of Matlosana -Table C5 Monthly Budget Statement -Capital Expenditure (municipal vote, functional classification and funding) -2nd QUARTER										
Vote Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	2nd QUARTER	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Capital Expenditure - Functional Classification										
Governance and administration		0	10 000	10 000	356	364	5 000	(4 636)	-93%	10 000
Executive and council		0	2 000	2 000	68	77	1 000	(923)	-92%	2 000
Finance and administration		-	8 000	8 000	287	287	4 000	(3 713)	-93%	8 000
Internal audit								-		
Community and public safety		2 950	7 800	7 800	4 304	4 304	3 900	404	10%	7 800
Community and social services		-	800	800	-	-	400	(400)	-100%	800
Sport and recreation		2 950	7 000	7 000	4 304	4 304	3 500	804	23%	7 000
Public safety		-	-	-	-	-	-	-	0%	-
Housing		-	-	-	-	-	-	-	0%	-
Health								-		
Economic and environmental services		23 808	43 685	43 685	17 471	19 666	21 842	(2 176)	-10%	43 685
Planning and development								-		
Road transport		23 808	43 685	43 685	17 471	19 666	21 842	(2 176)	-10%	43 685
Environmental protection								-		
Trading services		52 849	169 985	169 985	23 173	25 067	84 992	(59 925)	-71%	169 985
Energy sources		33 033	19 406	19 406	1 481	1 481	9 703	(8 222)	-85%	19 406
Water management		9 728	56 893	56 893	15 037	15 037	28 446	(13 410)	-47%	56 893
Waste water management		6 584	53 672	53 672	1 922	3 262	26 836	(23 574)	-88%	53 672
Waste management		3 504	40 014	40 014	4 734	5 288	20 007	(14 719)	-74%	40 014
Other		4 345	-	-	1 063	1 063	-	1 063	#DIV/0!	-
Total Capital Expenditure - Functional Classification	3	83 952	231 469	231 469	46 366	50 464	115 735	(65 271)	-56%	231 469

NOTE The total capital budget amounts to R231, 5 million. The expenditure for the quarter ending 31 December 2023 amounts to R46, 4 million and reflects a negative deviation of 56% when compared with the year-to-date budget amount of R51 million.

The detailed reasons for the variances are outlined below table 8.

An amount of R11, 3 million was rejected for the roll-over of WSIG and NDPG. The reason for rejection is that the projects has been rolled over for the third consecutive years.

MIG and INEP amounting to R24, 6 million was approved for 2022/23 financial year.

TABLE 8: ACTUAL CAPITAL EXPENDITURE PER FUNDING SOURCE FOR DECEMBER 2023

NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Funded by:										
National Government		77 727	191 469	191 469	32 422	50 100	95 735	(45 635)	-48%	191 469
Provincial Government		-	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		77 727	191 469	191 469	32 422	50 100	95 735	(45 635)	-48%	191 469
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		6 225	40 000	40 000	251	364	20 000	(19 636)	-98%	40 000
Total Capital Funding		83 952	231 469	231 469	32 673	50 464	115 735	(65 271)	-56%	231 469

31 DECEMBER 2023 CAPITAL GRANTS CHALLENGES AND MITIGATIONS

#	Challenges	Mitigation
1.	<p>NDP Grant: Jouberton Taxi Rank</p> <ul style="list-style-type: none"> ✚ Council approved amount of professional fees has been depleted and it has not been possible to make any payment to the previous consultant. ✚ Not enough funds to complete all works the contractor was appointed for and pay for additional professional fees for the construction of Jouberton Taxi Rank. ✚ The construction works are behind in comparison with time elapsed and there is poor expenditure. Design reviews by new consultant are also contributing to slow progress. ✚ The municipality has addressed all changes in the scope of work. So that progress and expenditure can be accelerated. 	<ul style="list-style-type: none"> ✚ Report was prepared for council to approve the adjustment of the consultant's fees, however referred for additional information. ✚ Municipality submitted the report to National Treasury on 30 August 2023 to request the additional funds. National Treasury did not approve the additional funding. ✚ Council should consider funding the shortfall to complete the project.
2.	<p>Refurbishment of Sewer Pump Stations in KOSH:</p> <ul style="list-style-type: none"> ✚ Budget limitations in completing some of the construction scope of works due to AFA partial approval, and there is not enough budget for consultants' fees. 	<ul style="list-style-type: none"> ✚ Consultant requested to do project cost analysis and estimate contractor's final account to ensure we remain within budget. ✚ The project is not on the 2023/2024 FY implementation plan which delayed the processing of payments. The rollover has been approved.
3.	<p>Extension of National Fresh Produce Market in Klerksdorp Phase2:</p> <ul style="list-style-type: none"> ✚ Poor workmanship on the main building roof and side cladding. 	<ul style="list-style-type: none"> ✚ Poor workmanship on the main building roof and side cladding. ✚ The project is not on the 2023/2024 FY implementation plan which delayed the processing of payments. The rollover has been approved. ✚ New consultant has been appointed.

#	Challenges	Mitigation
4.	<p>Poor performance by the contractor on the Refurbishment of Jouberton Reservoir, resulting to poor expenditure on the WSIG Grant.</p> <ul style="list-style-type: none"> ✚ Consulting engineer's contract was ended on 6 September 2023 due to contract period exceeding 3 years. New consulting engineer has been appointed on the 29 September 2023. ✚ Shutdown request for the 26th of October has been postponed to the 02 November 2023. 	<ul style="list-style-type: none"> ✚ Contractor to return to site to continue with the external works and finish the remaining scope of phase 1. ✚ Contractor put on penalties for failure to complete external works within the stipulated time and failure to request extension of time.
5.	<p>Klerksdorp West – Alabama 88kV Loop-In Loop-Out & 20MVA Substation</p> <ul style="list-style-type: none"> ✚ Delays in payment of orders by the municipality has resulted in the contractor applying for extension of time. ✚ Quality of workmanship done by Ultimate Dynamic is not acceptable (earth mat not done according to the designs). There are also repairs that are required as part of secondary plant. ✚ Consulting engineer's contract was ended on 6 September 2023 due to contract period exceeding 3 years. 	<ul style="list-style-type: none"> ✚ Consultant advised that the remedial work costs of the earth mat be taken from the retention held for Ultimate Dynamic. ✚ Municipality to fast-track OEM payments to aid progress on site. ✚ Consulting engineer replaced and site inspection meeting conducted on the 30 November 2023 with consulting engineer to fast-track progress.
6.	<p>Refurbishment of Electrical and Mechanical Equipment in the Water Pump Stations in KOSH</p> <ul style="list-style-type: none"> ✚ Slow progress by contractor. ✚ Delays in arrival of soft starters from international supplier hampering with progress. ✚ The Old consultant is not on the new panel; the Contract has been terminated. 	<ul style="list-style-type: none"> ✚ The contractor has been instructed to complete original scope by End of November 2023. ✚ The project is not on the 2023/2024 FY implementation plan, which delayed the processing of payments and contributed to the slow progress. The rollover has been approved.
7.	<p>Paving of Taxi Routes and Storm Water Drainage in Khuma (Phase 9):</p> <ul style="list-style-type: none"> ✚ Delays by the households at extension 11 to relocate their household as per Surveyor's Certificate. This is delaying Eskom from relocating their infrastructure and the contractor to be able to start working on extension 11. ✚ The construction works are behind in comparison with time elapsed and there is poor expenditure. Contractor has removed some of the construction equipment from site on 30 November 2023. ✚ Main contractor not on site to do the storm water drainage that is outstanding on Skhosana Street. ✚ The termination of the main contractor has been recommended by the Consulting engineer due to the Contractor failing to honour his contractual obligations. 	<ul style="list-style-type: none"> ✚ Contractor issued with notice to correct performance and submitted catch up plan, revised programme, and cash flow projections to the municipality. Performance of the contractor is being closely monitored. ✚ Main contractor has signed a cession with a nominated subcontractor to assist with the layer works on the project to expedite progress. ✚ Municipality to prepare termination letter to main contractor due to failure to reach contractual obligations and slow progress.
8.	<p>Electrification of Alabama – Phase 2</p> <ul style="list-style-type: none"> ✚ Contractor must install light fittings which were not provisioned for which has led to an extension of scope, this has extended the completion date. 	<ul style="list-style-type: none"> ✚ Contractor to fast-track installation of lights.
9	<p>Projects delayed for advertisement by SCM</p> <ul style="list-style-type: none"> ✚ Jouberton Alabama Sewer Outfall (Phase 1) ✚ Waterborne Toilets in Kanana 	<ul style="list-style-type: none"> ✚ Memos drafted to SCM to speed up advertisement of projects.

#	Challenges	Mitigation
10.	<p>Youth Development Centre</p> <p>✚ Permission to proceed with procurement has not been granted by National Treasury due to slow progress of the Jouberton taxi rank.</p>	<p>✚ National Treasury indicated that the Youth Development Centre will only be implemented when the Taxi Rank is completed</p>
11	<p>Refurbishment of Chlorine Dosing Plants, Reservoirs and Pump Stations in the City of Matlosana.</p> <p>✚ Contractor has encountered a stoppage from the construction mafia at the Jouberton Reservoir. Which is resulting in a delay in the commencement of the project.</p>	<p>✚ Municipality to seek assistance from MMC and Councillors</p>

TABLE 9: FINANCIAL POSITION FOR THE PERIOD ENDING 31 DECEMBER 2023

NW403 City Of Matlosana - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		104 773	197 692	197 692	647 733	197 692
Trade and other receivables from exchange transactions		(900 930)	(44 544)	(44 544)	(167 381)	(44 544)
Receivables from non-exchange transactions		1 376 535	47 081	47 081	1 442 228	47 081
Current portion of non-current receivables		0	29	29	(15)	29
Inventory		52 414	55 129	55 129	65 801	55 129
VAT		1 230 782	195 040	195 040	1 303 462	195 040
Other current assets		40 384	37 026	37 026	40 414	37 026
Total current assets		1 903 959	487 454	487 454	3 332 241	487 454
Non current assets						
Investments						
Investment property		345 682	257 100	257 100	345 682	257 100
Property, plant and equipment		5 724 841	3 851 286	3 851 286	5 585 653	3 851 286
Biological assets						
Living and non-living resources						
Heritage assets		(618 290)	9 941	9 941	(618 290)	9 941
Intangible assets		1 297	1 297	1 297	1 297	1 297
Trade and other receivables from exchange transactions		-	33	33	-	33
Non-current receivables from non-exchange transactions						
Other non-current assets						
Total non current assets		5 453 531	4 119 658	4 119 658	5 314 343	4 119 658
TOTAL ASSETS		7 357 489	4 607 112	4 607 112	8 646 584	4 607 112
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		(622)	(2 800)	(2 800)	(622)	(2 800)
Consumer deposits		67 916	97 430	97 430	68 292	97 430
Trade and other payables from exchange transactions		3 370 254	(530 429)	(530 429)	3 640 566	(530 429)
Trade and other payables from non-exchange transactions		56 275	93 816	93 816	133 058	93 816
Provision		269 517	265 605	265 605	269 517	265 605
VAT		928 916	-	-	1 084 275	-
Other current liabilities		284 774	306 766	306 766	284 878	306 766
Total current liabilities		4 977 029	230 387	230 387	5 479 964	230 387
Non current liabilities						
Financial liabilities		26 576	81 274	81 274	21 386	81 274
Provision		-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
Total non current liabilities		26 576	81 274	81 274	21 386	81 274
TOTAL LIABILITIES		5 003 605	311 661	311 661	5 501 350	311 661
NET ASSETS	2	2 353 884	4 295 451	4 295 451	3 145 235	4 295 451
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		3 963 559	4 177 134	4 177 134	3 157 329	4 177 134
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	3 963 559	4 177 134	4 177 134	3 157 329	4 177 134

Note: The financial position as indicated in Table 9 above shows that the Net Assets of the City of Matlosana as at 31 December 2023 amounts to R3, 2 billion compared to 31 December 2022 that amounts to R3, 9 billion.

4.5 Monthly Budget Statement - Cash Flow Statement (Annexure B)

TABLE 10: ACTUAL CASH FLOW FOR THE PERIOD ENDING 31 DECEMBER 2023

NW403 City Of Matlosana - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	Budget Year 2023/24								
		2022/23 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		340 348	448 861	448 861	25 984	227 181	224 430	2 750	1%	448 861
Service charges		1 056 634	1 868 568	1 868 568	90 153	550 988	934 284	(383 295)	-41%	1 868 568
Other revenue		3 341 579	107 954	107 954	194 378	1 337 467	53 977	#####	2378%	107 954
Transfers and Subsidies - Operational		554 939	611 134	611 134	187 052	442 606	305 567	137 039	45%	611 134
Transfers and Subsidies - Capital		150 412	197 256	197 256	732	87 314	98 628	(11 314)	-11%	197 256
Interest		1 067	9 761	9 761	(59)	(380)	4 880	(5 261)	-108%	9 761
Dividends								-		
Payments										
Suppliers and employees		(3 753 555)	(3 025 072)	(3 025 072)	(270 954)	(1 135 977)	(1 512 538)	(376 562)	25%	(3 025 072)
Interest								-		
Transfers and Subsidies								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 691 423	218 461	218 461	227 286	1 509 199	109 228	#####	-1282%	218 461
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		-	33	-	-	-	16	(16)	-100%	33
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(83 952)	(231 469)	(231 469)	(32 673)	(50 464)	(115 735)	(65 271)	56%	(231 469)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(83 952)	(231 437)	(231 469)	(32 673)	(50 464)	(115 718)	(65 255)	56%	(231 437)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits		-	2 500	-	621	377	1 250	(873)	-70%	2 500
Payments										
Repayment of borrowing		-	(4 800)	(4 800)	-	-	(2 400)	(2 400)	100%	(4 800)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(2 300)	(4 800)	621	377	(1 150)	(1 527)	133%	(2 300)
NET INCREASE/ (DECREASE) IN CASH HELD		1 607 471	(15 276)	(17 808)	195 235	1 459 112	(7 640)			(15 276)
Cash/cash equivalents at beginning:		224 921	213 000	213 000	179 393	104 773	213 000			104 773
Cash/cash equivalents at month/year end:		1 832 393	197 724	195 192		1 563 886	205 360			89 498

Collection rate – The YTD collection rate for the 12 months ending on 31 December 2023 is 68.52%. The cash and call Investments for the period ending 31 December 2023 amounts to R86, 4 million that consists of the following:

- Bank balances: R6,2 million
- Call investments: R80,2 million

Actual income received in the 2nd quarter includes the grant monies received for following grants:

- Equitable Share: R185 million
- WSIG: R20 million
- NDPG: R5,2 million
- INEP: R732 thousands

The cash and call Investments for the corresponding period of 2022/23 amounted to R253 million which consists of the following:

- Bank balances: R4.7 million.
- Call investments: R247.9 million.

Therefore, a reduction in the cash-flow position.

Under the cash flow from operating activities category:

Regarding receipts:

- ✚ Ratepayers and other services reflect a year-to-date amount of **R788, 16 million** compared to a year-to-date target of **R1, 158 billion** a shortfall of **R370, 54 million**. The shortfall for the corresponding period for 2022/23 was R325, 84 million.
- ✚ Operating grants and subsidies were received as per DORA and show a year-to-date amount of **R442, 6 million** as per payment schedule.
- ✚ Capital grants and subsidies show a year-to-date amount of **R98, 62 million** as of 31 December 2023.

Regarding payments:

- ✚ Suppliers and employees' payments indicate a year-to-date amount R1.15 billion compared to a year-to-date target of R1.51 billion. The payments are more than to what we expected or year to date target. From the above information it is evident that Council cash flow is over committed, and the cost containment should be adhered.
- ✚ The following payments need to be prioritised:
 - Eskom.
 - Midvaal.
 - Employee related cost.
 - Service delivery contracts.
 - Repair & Maintenance.
- ✚ Payment's capital assets reflect a year-to-date expenditure of R50, 39 million which is 64% less than the year-to-date target of R115, 73 million.

4.6 Actual borrowings

The municipality's position on external loans is set out in Table 11 below. The municipality started the 2023/24 financial year with borrowing debt of R9 363 331 and after repayments R958 042 were made, the total borrowings outstanding as of 31 December 2023 amounts to R7 472 187.

TABLE 11: ACTUAL BORROWING FOR DECEMBER 2023

Municipality	Year End	Quarter	Loans									Additional	
NW403	2024	Q2 Oct-Dec	No						Interest	Balance	Debt Repaid	Principal	Balance
Loan	Municipality		Planned	Loan	Loan	Type of	Timing of	% Interest Paid	at Begin	or redeemed	Accrued	at End	
Instrument	Loan	Start Date	End Date	Source	Institution	interest	Interest	Rate (2 de	This Quarter	of Quarter	This Quarter	This Quarter	of Quarter
No	Reference No	(ccyy/mm/dd)	(ccyy/mm/dd)		(max 40 chars)		payment	Per Annu	(Rand)	(Rand)	(Rand)	(Rand)	(Rand)
1													0
2	nw138741	2001/10/01	2019/09/30	Development Bank of SA (03)	DBSA	Fixed (01)	Quarterly (03)	14,75	0	0	0		0
3	nw138742	2001/07/01	2019/09/30	Development Bank of SA (03)	DBSA	Fixed (01)	Quarterly (03)	14,75	0	0	0		0
4	nw1012971	2004/07/01	2019/06/30	Development Bank of SA (03)	DBSA	Fixed (01)	Quarterly (03)	11,20	0	0	0		0
5	nw1012972	2004/07/01	2019/06/30	Development Bank of SA (03)	DBSA	Fixed (01)	Quarterly (03)	11,20	0	0	0		0
6	nw103677	2010/11/01	2025/11/01	Development Bank of SA (03)	DBSA	Fixed (01)	Quarterly (03)	14,75	216 203	8 430 229	958 042		7 472 187
7	10906	1999/09/30	2019/09/30	Development Bank of SA (03)	DBSA	Fixed (01)	Semi-annually (02)	15,25	0	0	0		0
8	10912	1999/09/30	2019/09/30	Development Bank of SA (03)	DBSA	Fixed (01)	Semi-annually (02)	15,25	0	0	0		0
9	10913	1999/09/30	2019/09/30	Development Bank of SA (03)	DBSA	Fixed (01)	Semi-annually (02)	15,25	0	0	0		0
10	nw13637	2000/10/01	2020/09/30	Development Bank of SA (03)	DBSA	Fixed (01)	Quarterly (03)	15,60	0	0	0		0
TOTAL									216 203	8 430 229	958 042		7 472 187

31-Dec											
Borrowing Reference No	Start Date	End Date	Borrowing Period	Original Loan	Lender	Purpose	% Interest Rate (2 dec) Per Annum	Interest Paid	Opening Balance	Debt Repaid or Re-	Balance at
								This quarter	01/07/2023	deemed	31/12/2023
Monthly Payments											
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		83 990,19	9 363 330,99	307 424,99	9 055 906,06
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		81 232,97	9 055 906,06	310 182,15	8 745 723,91
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		75 920,34	8 745 723,91	315 494,78	8 430 229,13
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		75 647,91	8 430 229,13	315 567,21	8 114 661,92
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		70 443,07	8 114 661,92	320 972,05	7 793 689,87
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)		69 912,45	7 793 689,87	321 502,67	7 472 187,20
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			7 472 187,20		7 472 187,20
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			7 472 187,20		7 472 187,20
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			7 472 187,20		7 472 187,20
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			7 472 187,20		7 472 187,20
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			7 472 187,20		7 472 187,20
103677/1	01/11/2010	01/11/2025			Development Bank of SA	Acquisition of Other Assets (03)			7 472 187,20		7 472 187,20
TOTAL ANNUITIES								457 346,93	9 363 330,99	1 891 143,79	7 472 187,20

PART 2 SUPPORTING DOCUMENTS

5 IN -YEAR BUDGET STATEMENT SUPPORTING TABLES AND DOCUMENTATIONS

5.1 Debtors age analysis

Debtors age analysis per service

The municipality's total outstanding debtors amounted to R8,665,588,887 as of 31 December 2023 compared to R 7 446 278 760 as of 31 December 2022.

Current to 30 days debt amounted to R280 421 076 as of 31 December 2023 and has decreased with R47 180 232 compared to R327 601 308 as of 30 November 2023.

31 to 60 days debt increased with R14 594 005; 61 to 90 days decreased with R2 020 570 and 91 days and older debt as of 31 December 2023 amounted to R8 008 199 219 and has increased with R134 787 419 compared to R7 873 411 801 as of 30 November 2023.

Interest on debtors is also included in total debtors' book.

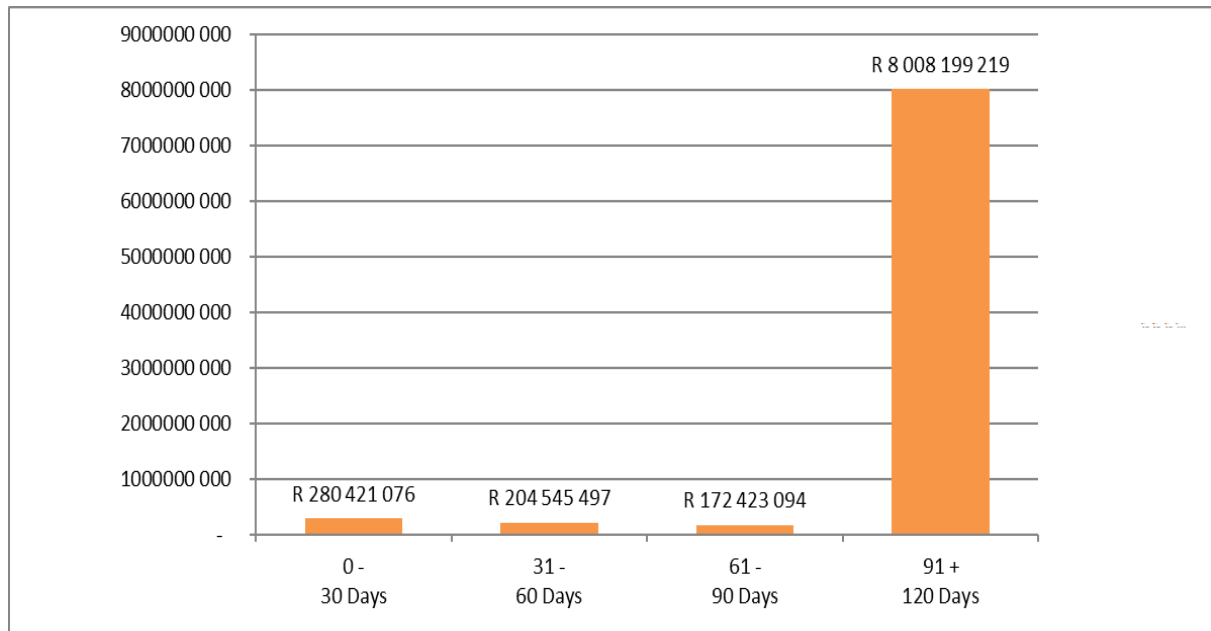
Debtors age analysis per debtor type (December 2021, December 2021 & December 2023 comparison)

Government Debt	R 91,268,295 (1%)	31December 2023
	R111,767,850 (1.5%)	31 December 2022
	R 91,162,246 (1.5%)	31 December 2021
Business debtors'	R 656,102,117 (8%)	31 December 2023
	R 657,290,967 (8.8%)	31 December 2022
	R 557,151,658 (9.82)	31 December 2021
Domestic debtors'	R 7,918,218,475 (91%)	31 December 2023
	R 6,677,219,943 (89.7%)	31 December 2022
	R 5,407,645,389 (89.3%)	31 December 2021

TABLE 12: OUTSTANDING DEBTORS AS AT 31 DECEMBER 2023

Outstanding debtor's analysis as of 31 December 2023

DEBTOR'S AGE ANALYSIS - 31 December 2023					
Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total
Debtors Age Analysis By Income Source					
Water Tariffs	78 119 011	69 056 121	55 623 128	2 913 325 979	3 116 124 239
Electricity Tariffs	73 287 953	30 898 487	21 277 782	529 345 134	654 809 356
Rates (Property Rates)	34 029 695	16 705 060	12 333 004	424 083 809	487 151 569
Sewerage/ Sanitation	9 210 490	7 173 695	6 333 154	384 277 731	406 995 070
Refuse Removal Tariffs	17 835 252	14 286 037	13 271 869	776 045 239	821 438 397
Other	67 938 675	66 426 097	63 584 158	2 981 121 327	3 179 070 256
Total By Income Source	280 421 076	204 545 497	172 423 094	8 008 199 219	8 665 588 887
Debtors Age Analysis By Customer Group					
Government	6 217 052	5 990 950	3 344 925	75 715 369	91 268 295
Business	66 824 685	26 186 162	18 442 661	544 648 608	656 102 117
Households	207 379 339	172 368 385	150 635 508	7 387 835 243	7 918 218 475
Other					-
Total By Customer Group	280 421 076	204 545 497	172 423 094	8 008 199 219	8 665 588 887



Note: According to the Debtors Age Analysis, the Household owes the 91% of the total outstanding debt.

Reason for increase in debtor's book

- ✚ Poor collection because of increasing high unemployment within the Matlosana area.
- ✚ Difficult economic conditions with high inflation and interest rates.
- ✚ Ineffective credit control implementation in ESKOM electricity supply areas namely: Khuma, Kanana, Tigane.
- ✚ Political interference.

5.2 Creditors age analysis

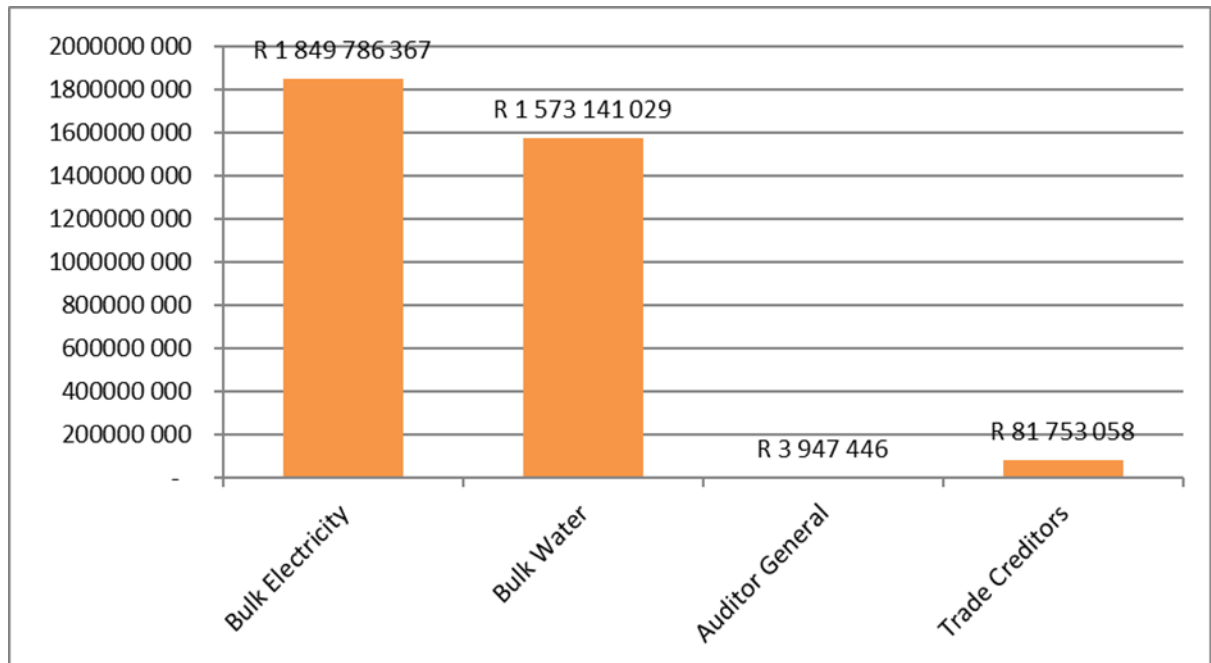
The municipality's total outstanding creditors amounted to R3,508,627,900 as of 31 December 2023 compared with R3,613,918,124 as of 30 December 2023 and has decreased with R105,290,224.

For the same period ending 31 December 2022 the municipality's total outstanding creditors amounted to R2,790,333,522. An increase of R 718 294 348.

An amount of R5 million and R86, 2 million was paid to **Midvaal** and **Eskom** respectively in the second quarter ending 31 December 2023.

TABLE 13: CREDITOR'S AGE ANALYSIS AS AT 31 DECEMBER 2022

CREDITORS AGE ANALYSIS - 31 DECEMBER 2023						
Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 +Days/Arreas	Total
Bulk Electricity	83 733 806	75 771 701	86 757 151	1 603 523 709		1 849 786 367
Bulk Water	121 206 979	68 568 748	59 753 455	1 323 611 847		1 573 141 029
Auditor General	3 896 941	6 080	451	43 974	-	3 947 446
Trade Creditors	18 410 618	16 168 886	63 865 843	(16 692 289)	-	81 753 058
Total	227 248 344	160 515 415	210 376 900	2 910 487 241	-	3 508 627 900



NOTE: According to the above information, the municipality's highest outstanding creditor is Eskom with the total outstanding amount of R1, 850 billion followed by Midvaal with the total outstanding amount of R1, 573 billion.

The outstanding amount for the corresponding period of 2022/23 is as follows: Eskom was owed an amount of R1, 542 billion followed by Midvaal with the total outstanding amount of R1, 109 billion as 31 December 2022.

5.3 Investments

Surplus cash is invested daily depending on the commitment of funds. The municipality's investments as of 31 December 2023 is as set out in Table14 below.

TABLE 14: INVESTMENTS AS AT 31 DECEMBER 2023

NW403 City Of Matlosana - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality														
ABSA	-	-	daily call	yes	Variable	-	-	-	-	84 780	1 162	(261 019)	222 697	47 620
INVESTEC	-	-	daily call	yes	Variable	-	-	-	-	7 970	55	-	-	8 024
SAWLAN	-	2yrs	Policy	yes	Variable	-	-	-	2024/08/01	12 094	-	-	-	12 094
FNB	-	12months	Long term	yes	Variable	-	-	-	2024/06/30	71	-	-	-	71
FNB	-	-	daily call	yes	Variable	-	-	-	-	24 339	167	-	-	24 506
Municipality sub-total										129 253	1 385	(261 019)	222 697	92 315
Entities														
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST										129 253	1 385	(261 019)	222 697	92 315

Note: The municipality started the beginning of the quarter with total investments of R122 million and after investment made of R350 million and withdrawals of R381 million closed with an investment balance of R92,3 million that includes collateral and long-term investment at the five listed local banks.

5.4 Allocations received and actual expenditure on allocations received.

The municipality’s position regarding grant allocation received and the actual expenditure on the grant allocations received are set out in Table 15 and 16 below.

TABLE 15: TRANSFER AND GRANT RECEIPTS

NW 403 City Of Matlosana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS										
Operating Transfers and Grants										
National Government:		558 483	615 503	615 503	186 088	437 690	307 751	129 938	42,2%	615 503
Energy Efficiency and Demand Side Management Grant		2 997	4 000	4 000	-	26	2 000	(1 974)	-98,7%	4 000
Equitable Share		545 270	599 104	599 104	185 052	434 678	299 552	135 126	45,1%	599 104
Expanded Public Works Programme Integrated Grant		2 181	3 512	3 512	979	979	1 756	(777)	-44,3%	3 512
Local Government Financial Management Grant		3 007	3 100	3 100	57	316	1 550	(1 234)	-79,6%	3 100
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	5 028	5 787	5 787	-	1 691	2 893	(1 203)	-41,6%	5 787
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		1 037	1 418	1 418	-	340	709	(369)	-52,1%	1 418
Capacity Building and Other Grants		1 037	1 418	1 418	-	340	709	(369)	-52,1%	1 418
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	559 520	616 921	616 921	186 088	438 029	308 460	129 569	42,0%	616 921
Capital Transfers and Grants										
National Government:		107 437	191 469	191 469	4 746	15 108	95 735	(80 627)	-84,2%	191 469
Integrated National Electrification Programme Grant		24 633	1 732	1 732	973	973	866	107	12,4%	1 732
Municipal Infrastructure Grant		62 977	109 945	109 945	3 010	8 833	54 973	(46 140)	-83,9%	109 945
Neighbourhood Development Partnership Grant		12 921	31 162	31 162	763	2 689	15 581	(12 892)	-82,7%	31 162
Water Services Infrastructure Grant		6 905	48 630	48 630	-	2 613	24 315	(21 702)	-89,3%	48 630
Provincial Government:		-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Developers Contribution		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	107 437	191 469	191 469	4 746	15 108	95 735	(80 627)	-84,2%	191 469
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	666 957	808 390	808 390	190 835	453 137	404 195	48 942	12,1%	808 390

Note: The table reflect the YTD actual revenue amounts to R453 million, against the YTD budget of R404 million as of 31 December 2023. Revenue on Grants can only be recognized when conditions are met.

TABLE 16: TRANSFER AND GRANT EXPENDITURE

NW403 City Of Matlosana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		98 226	109 706	109 706	10 933	61 427	54 853	6 574	12,0%	109 706
Energy Efficiency and Demand Side Management Grant		3 186	4 000	4 000	2 242	2 224	2 000	224	11,2%	4 000
Equitable Share		77 894	93 855	93 855	7 920	55 035	46 927	8 108	17,3%	93 855
Expanded Public Works Programme Integrated Grant		1 982	3 512	3 512	326	1 305	1 756	(451)	-25,7%	3 512
Local Government Financial Management Grant		9 910	3 100	3 100	53	373	1 550	(1 177)	-75,9%	3 100
Municipal Disaster Relief Grant		141	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		5 113	5 239	5 239	391	2 490	2 620	(129)	-4,9%	5 239
Provincial Government:		1 374	3 308	3 308	274	981	1 654	(673)	-40,7%	3 308
Capacity Building and Other Grants		1 374	3 308	3 308	274	981	1 654	(673)	-40,7%	3 308
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		99 600	113 014	113 014	11 207	62 409	56 507	5 902	10,4%	113 014
Capital expenditure of Transfers and Grants										
National Government:		77 727	191 469	191 469	32 422	50 100	95 735	(45 635)	-47,7%	191 469
Integrated National Electrification Programme Grant		23 032	1 732	1 732	635	1 481	866	615	71,0%	1 732
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		37 455	109 945	109 945	13 931	21 612	54 973	(33 361)	-60,7%	109 945
Neighbourhood Development Partnership Grant		11 236	31 162	31 162	7 259	10 650	15 581	(4 931)	-31,6%	31 162
Water Services Infrastructure Grant		6 004	48 630	48 630	10 598	16 357	24 315	(7 958)	-32,7%	48 630
Provincial Government:		-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Developers Contribution		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		77 727	191 469	191 469	32 422	50 100	95 735	(45 635)	-47,7%	191 469
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		177 327	304 483	304 483	43 629	112 509	152 242	(39 733)	-26,1%	304 483

Note: The table reflect the YTD actual expenditure incurred amounting to R112, 5 million against the YTD budget of R152 million as of 31 December 2023.

5.5 Councillors and Employee Benefits

NOTE

- Employees related cost – R365 million spent for the 6 months ending 31 December 2023.
- Council Remuneration – R21 million spent for the 6 months ending as of 31 December 2023.

TABLE 17: COUNCILOUR AND EMPLOYEE BENEFITS

NW403 City Of Matlosana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		23 751	25 884	25 884	3 307	12 760	12 942	(182)	-1%	25 884
Pension and UIF Contributions		1 782	2 368	2 368	144	860	1 184	(324)	-27%	2 368
Medical Aid Contributions		-	19	19	-	-	10	(10)	-100%	19
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 867	3 013	3 013	976	2 635	1 506	1 128	75%	3 013
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		8 511	10 303	10 303	1 150	4 540	5 152	(612)	-12%	10 303
Sub Total - Councillors		36 912	41 586	41 586	5 577	20 794	20 793	0	0%	41 586
% increase	4		12,7%	12,7%						12,7%
Senior Managers of the Municipality										
Basic Salaries and Wages		1 914	11 387	11 387	(1 018)	(4 042)	5 693	(9 735)	-171%	11 387
Pension and UIF Contributions		5	17	17	-	1	8	(7)	-89%	17
Medical Aid Contributions		33	53	53	-	-	26	(26)	-100%	53
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		192	1 438	1 438	-	-	719	(719)	-100%	1 438
Cellphone Allowance		-	222	222	-	-	111	(111)	-100%	222
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	8	8	-	17	4	13	306%	8
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2 144	13 124	13 124	(1 018)	(4 024)	6 562	(10 586)	-161%	13 124
% increase	4		512,2%	512,2%						512,2%
Other Municipal Staff										
Basic Salaries and Wages		439 677	486 850	486 850	38 527	232 367	243 425	(11 058)	-5%	486 850
Pension and UIF Contributions		89 792	103 620	103 620	7 814	47 001	51 810	(4 810)	-9%	103 620
Medical Aid Contributions		39 568	46 423	46 423	3 379	20 446	23 212	(2 766)	-12%	46 423
Overtime		69 475	30 224	30 224	5 734	34 112	15 112	19 000	126%	30 224
Performance Bonus		33 962	40 102	40 102	2 293	17 012	20 051	(3 039)	-15%	40 102
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		1 450	1 486	1 486	131	854	743	111	15%	1 486
Housing Allowances		6 312	8 525	8 525	522	3 138	4 263	(1 125)	-26%	8 525
Other benefits and allowances		18 977	40 503	41 103	1 812	9 725	20 552	(10 826)	-53%	41 103
Payments in lieu of leave		16 297	14 964	14 364	716	4 535	7 182	(2 648)	-37%	14 364
Long service awards		(1 095)	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		(19 722)	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		694 693	772 697	772 697	60 927	369 189	386 350	(17 161)	-4%	772 697
% increase	4		11,2%	11,2%						11,2%
Total Parent Municipality		733 749	827 408	827 408	65 486	385 959	413 706	(27 747)	-7%	827 408

Overtime

The total overtime budget for the 2023/24 financial year amounts to R30 224 335 million and Year to date actual expenditure on this line item at the end of December 2023 amounted to R34 112093 million that is 113% of the total budget.

OVERTIME 31 DECEMBER 2023						
Department	Description	Budget/OpenBal	Curr Mth Expend	YTD Movement	Balance	YTD % of Budget Spent
Public Safety	MS: OVERTIME - NON STRUCTURED	2 992 203	452 735	2 381 603	610 600	79.59
Community Services	MS: OVERTIME - NON STRUCTURED	2 135 311	38 391	1 002 616	1 132 695	46.95
Planning & Human Settlement	MS: OVERTIME - NON STRUCTURED	25 065	3 860	3 860	21 205	15.40
Sports Arts & Culture	MS: OVERTIME - NON STRUCTURED	787 250	7 488	742 831	44 419	94.35
Council General	MS: OVERTIME - NON STRUCTURED	290 097		76 917	213 180	26.51
Civil Engineering	MS: OVERTIME - NON STRUCTURED	904 400	89 278	605 955	298 445	67.00
Water	MS: OVERTIME - NON STRUCTURED	4 918 897	1 009 368	7 112 349	-2 193 452	144.59
Electrical Engineering/Garage & Workshop	MS: OVERTIME - NON STRUCTURED	1 078 147	53 413	733 361	344 786	68.02
Electrical	MS: OVERTIME - NON STRUCTURED	2 020 376	555 449	4 600 596	-2 580 220	227.70
Corporate	MS: OVERTIME - NON STRUCTURED	313 685	98 288	620 090	- 306 405	197.67
Finance	MS: OVERTIME - NON STRUCTURED	1 478 080	399 462	2 763 982	-1 285 902	186.99
Cleansing	MS: OVERTIME - NON STRUCTURED	7 870 067	2 090 979	7 034 922	835 145	89.38
Sewerage	MS: OVERTIME - NON STRUCTURED	5 206 311	911 501	6 263 086	-1 056 775	120.29
Market	MS: OVERTIME - NON STRUCTURED	183 245	23 437	163 196	20 049	89.05
LED & Marketing Tourism	MS: OVERTIME - NON STRUCTURED	21 201		6 728	14 473	31.73
		30 224 335	5 733 650	34 112 093	-3 887 758	112,86

Note: The cost of employment needs to be closely monitored during 2023/24 financial year specifically expenditure item like overtime to ensure that these costs remain within the allocated budget.

TABLE: 18 MATERIAL VARIANCES

NW403 City of Matlosana - Supporting Table SC1 Material variance explanations – M06 December 2022					
Ref	Description	Variance	%	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands					
1	<u>Revenue by Source</u>				
	Service Charges: Electricity	(45 687)	-8%	Less revenue billed on electricity than initially anticipated. The reduction on this line item can be attributed to the current implementation of load shedding by ESKOM and the acceleration of customers converting to solar. The municipality is also enforcing the measures to reduce illegal connections and ensure that all properties consuming electricity are billed.	
	Service Charges: Refuse	(27 860)	-22%	Less revenue billed as the anticipated increase on the refuse revenue has not materialised.	The municipality has to ensure that the process of reconciling the valuation roll and the financial system is accelerated to ensure

					that all properties within City of Matlosana are billed for refuse collection.
	Service Charges: Water	(37 088)	-9%	Revenue was less than projected.	
	Service Charges: Sanitation	(8 227)	-10%	Revenue was less than projected.	
	Licence and permits.	(496)	-11%	One of the reasons for under collection is that members of the public can renew vehicle licences online using eNaTIS electronic system instead of going physically to municipality offices	
	Interest earned from Receivables.	21 483 121	8%	The variance is because of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charge.	
2	<u>Expenditure by Type</u>				
	Contracted services	(73 586)	-32%	Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset Register administration. Low spending than initially planned due to cash flow challenges.	
	Interest	(4 898)	-91%	The underspending is mainly on interest paid on overdue accounts, most of the journals for interest paid on overdue accounts are done at the end of the financial year	
	Debt Impairment	(289 674)	-100%	Most of the Debt Impairment journals are done at the end of financial year.	

TABLE 19: FINANCIAL PERFORMANCE

NW403 City Of Matlosana - Supporting Table SC2 Monthly Budget Statement - performance indicators - M06 December

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		5,0%	10,5%	10,5%	0,0%	1,2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0,0%	0,0%	0,0%	0,0%	0,0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		87,1%	-8,6%	-8,6%	120,2%	-8,6%
Gearing	Long Term Borrowing/ Funds & Reserves		0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	38,3%	211,6%	211,6%	60,8%	211,6%
Liquidity Ratio	Monetary Assets/Current Liabilities		2,1%	85,8%	85,8%	11,8%	85,8%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		13,8%	0,0%	0,0%	0,0%	0,0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	0,0%	19,0%	19,0%	0,0%	19,0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	0,0%	15,0%	15,0%	0,0%	15,0%
Employee costs	Employee costs/Total Revenue - capital revenue		18,6%	18,6%	18,6%	17,2%	18,6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		7,3%	13,2%	13,2%	11,5%	13,2%
Interest & Depreciation	I&D/Total Revenue - capital revenue		16,6%	10,7%	10,7%	0,0%	1,2%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

Capital Charges to Operating Expenditure:

Positive and lower than the norm.

Borrowed funding of 'own' capital expenditure:

N/A no new borrowings.

Debt to Equity:

At 120, 2% it is higher than the norm of 45% and the budgeted 22.9% for the six-month period.

Current ratio: Indicate that the actuals liabilities as of 31 December 2023 stands at 60, 8% of the current assets and is low compare to the norm of 85% and lower than the 66% as 31 December 2022 and 77% as 31 December 2021.

- ✚ Liquidity ratio: the liquidity ratio is unfavourable, and the lower ratio is mostly a reflective of the increase in payables.
- ✚ Annual Debtors collection rate: At 64, 5% for the six months ending 31 December 2023, need to be at least 90% to be sustainable.
- ✚ Other indicators
 - Employee Costs: With in the NT norm indicating that the municipality do have a high vacancy rate.
 - Repair & Maintenance: Higher for the six months an improvement from the previous period, but still below the 8% NT norm. This is because of the unfunded budget challenges.

TABLE: 20 CAPITAL EXPENDITURE PERFORMANCE

NW403 City Of Matlosana - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	6 996	19 289	19 289	246	246	19 289	19 044	98,7%	0%
August	6 996	19 289	19 289	1 370	1 370	38 578	37 209	96,4%	1%
September	6 996	19 289	19 289	2 482	2 482	57 867	55 385	95,7%	1%
October	6 996	19 289	19 289	9 533	9 533	77 157	67 623	87,6%	4%
November	6 996	19 289	19 289	4 160	4 160	96 446	92 286	95,7%	2%
December	6 996	19 289	19 289	32 673	32 673	115 735	83 062	71,8%	14%
January	6 996	19 289	19 289	-	-	135 024	135 024	100,0%	0%
February	6 996	19 289	19 289	-	-	154 313	154 313	100,0%	0%
March	6 996	19 289	19 289	-	-	173 602	173 602	100,0%	0%
April	6 996	19 289	19 289	-	-	192 891	192 891	100,0%	-
May	6 996	19 289	19 289	-	-	212 180	212 180	100,0%	-
June	6 996	19 289	19 289	-	-	231 469	231 469	100,0%	-
Total Capital expenditure	83 952	231 469	231 469	50 464					

5.6 OTHER SUPPORTING DOCUMENTS

- ✚ SC13a: Capital expenditure on new assets by assets class
- ✚ SC 13b: Capital expenditure on renewal of existing assets
- ✚ SC 13c: Expenditure On repairs and maintenance by assets class
- ✚ SC 13d: Depreciation by assets class
- ✚ SC 13e: Expenditure on upgrading of existing assets by assets class.

SUPPORTING TABLE SC13a:

NW403 City Of Matlosana - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure	1	72 053	178 183	178 183	21 447	30 549	89 091	58 542	65,7%	178 183
Roads Infrastructure		23 808	43 685	43 685	14 045	19 666	21 842	2 176	10,0%	43 685
Roads		23 808	43 685	43 685	14 045	19 666	21 842	2 176	10,0%	43 685
Electrical Infrastructure		29 978	14 200	14 200	-	-	7 100	7 100	100,0%	14 200
Power Plants										
HV Substations		6 225	14 200	14 200	-	-	7 100	7 100	100,0%	14 200
MV Networks		21 362	-	-	-	-	-	-		-
LV Networks		2 391	-	-	-	-	-	-		-
Capital Spares										
Water Supply Infrastructure		8 186	45 475	45 475	4 598	5 154	22 737	17 584	77,3%	45 475

Bulk Mains	6 660	19 000	19 000	396	951	9 500	8 549	90,0%	19 000
Distribution	1 526	26 475	26 475	4 202	4 202	13 237	9 035	68,3%	26 475
Sanitation Infrastructure	6 584	39 352	39 352	440	2 811	19 676	16 865	85,7%	39 352
Pump Station	2 799	-	-	440	440	-	(440)	#DIV/0!	-
Reticulation	2 688	8 935	8 935	-	-	4 467	4 467	100,0%	8 935
Waste Water Treatment Works	-	-	-	-	-	-	-	-	-
Outfall Sewers	-	19 000	19 000	-	551	9 500	8 949	94,2%	19 000
Toilet Facilities	1 097	11 418	11 418	-	1 821	5 709	3 888	68,1%	11 418
Capital Spares	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	3 496	35 471	35 471	2 364	2 918	17 736	14 817	83,5%	35 471
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	3 496	35 471	35 471	2 364	2 918	17 736	14 817	83,5%	35 471
Community Assets	2 950	7 000	7 000	3 945	4 304	3 500	(804)	-23,0%	7 000
Community Facilities	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	2 950	7 000	7 000	3 945	4 304	3 500	(804)	-23,0%	7 000
Indoor Facilities	-	-	-	-	-	-	-	-	-
Outdoor Facilities	2 950	7 000	7 000	3 945	4 304	3 500	(804)	-23,0%	7 000
Computer Equipment	-	8 000	8 000	215	287	4 000	3 713	92,8%	8 000
Computer Equipment	-	8 000	8 000	215	287	4 000	3 713	92,8%	8 000
Furniture and Office Equipment	0	1 800	1 800	36	39	900	861	95,7%	1 800
Furniture and Office Equipment	0	1 800	1 800	36	39	900	861	95,7%	1 800
Machinery and Equipment	-	1 000	1 000	-	38	500	462	92,4%	1 000
Machinery and Equipment	-	1 000	1 000	-	38	500	462	92,4%	1 000
Transport Assets	7	4 543	4 543	-	2 369	2 271	(98)	-4,3%	4 543
Transport Assets	7	4 543	4 543	-	2 369	2 271	(98)	-4,3%	4 543
Total Capital Expenditure on new assets	1	75 010	200 526	200 526	25 643	37 586	100 263	62,5%	200 526

SUPPORTING TABLE SC13b

NW403 City Of Matlosana - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		3 055	19 526	19 526	635	1 932	9 763	7 831	80,2%	19 526
Electrical Infrastructure		3 055	5 206	5 206	635	1 481	2 603	1 122	43,1%	5 206
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		1 670	1 732	1 732	635	1 481	866	(615)	-71,0%	1 732
LV Networks		1 385	3 474	3 474	-	-	1 737	1 737	100,0%	3 474
Sanitation Infrastructure		-	14 320	14 320	-	451	7 160	6 709	93,7%	14 320
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	14 320	14 320	-	451	7 160	6 709	93,7%	14 320
Total Capital Expenditure on renewal of existing ass	1	3 055	19 526	19 526	635	1 932	9 763	7 831	80,2%	19 526

SUPPORTING TABLE SC13c

NW403 City Of Matlosana - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		106 663	196 020	196 020	19 644	108 804	98 010	(10 794)	-11,0%	196 020
Roads Infrastructure		18 695	56 998	56 998	7 053	51 901	28 499	(23 402)	-82,1%	56 998
Roads		18 070	56 065	56 065	7 053	51 600	28 033	(23 567)	-84,1%	56 065
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		625	933	933	-	302	467	165	35,3%	933
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	10 000	10 000	822	1 429	5 000	3 571	71,4%	10 000
Drainage Collection		-	10 000	10 000	822	1 429	5 000	3 571	71,4%	10 000
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		72 297	91 719	91 719	10 203	45 474	45 860	386	0,8%	91 719

MV Substations	261	823	823	-	-	412	412	100,0%	823	
MV Switching Stations	165	122	122	-	-	61	61	100,0%	122	
MV Networks										
LV Networks	71 871	90 774	90 774	10 203	45 474	45 387	(87)	-0,2%	90 774	
Capital Spares										
Water Supply Infrastructure	11 580	15 812	15 812	818	4 799	7 906	3 107	39,3%	15 812	
Dams and Weirs										
Boreholes										
Reservoirs	1 044	3 697	3 697	-	25	1 849	1 824	98,6%	3 697	
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution	10 536	12 115	12 115	818	4 774	6 057	1 283	21,2%	12 115	
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure	4 091	21 490	21 490	750	5 200	10 745	5 545	51,6%	21 490	
Pump Station										
Reticulation	2 716	11 281	11 281	750	4 486	5 640	1 155	20,5%	11 281	
Waste Water Treatment Works	1 375	10 210	10 210	-	714	5 105	4 391	86,0%	10 210	
Community Assets	5 742	18 730	18 730	786	2 587	9 365	6 778	72,4%	18 730	
Community Facilities	3 113	10 612	10 612	433	2 051	5 306	3 255	61,3%	10 612	
Museums	81	1 064	1 064	-	21	532	511	96,1%	1 064	
Galleries										
Theatres										
Libraries	619	1 911	1 911	29	834	955	121	12,7%	1 911	
Cemeteries/Crematoria	2 253	6 030	6 030	375	1 076	3 015	1 939	64,3%	6 030	
Police										
Parks										
Public Open Space	-	130	130	-	-	65	65	100,0%	130	
Nature Reserves	104	729	729	30	119	365	245	67,2%	729	
Public Ablution Facilities										
Markets	55	748	748	-	-	374	374	100,0%	748	
Sport and Recreation Facilities	2 630	8 119	8 119	353	536	4 059	3 523	86,8%	8 119	
Indoor Facilities	1 359	2 505	2 505	38	53	1 252	1 200	95,8%	2 505	
Outdoor Facilities	1 271	5 614	5 614	315	484	2 807	2 323	82,8%	5 614	
Capital Spares										
Heritage assets	136	199	199	25	26	99	74	74,1%	199	
Monuments										
Historic Buildings										
Works of Art	-	-	-	-	-	-	-	-	-	
Conservation Areas	136	199	199	25	26	99	74	74,1%	199	
Other assets	4 604	10 626	10 826	589	1 016	5 380	4 364	81,1%	10 826	
Operational Buildings	4 604	10 626	10 826	589	1 016	5 380	4 364	81,1%	10 826	
Municipal Offices	4 576	10 566	10 766	559	986	5 350	4 364	81,6%	10 766	
Pay/Enquiry Points										
Building Plan Offices										
Workshops	28	51	51	30	30	25	(5)	-18,1%	51	
Yards										
Stores	-	10	10	-	-	5	5	100,0%	10	
Intangible Assets	5 072	4 563	4 563	689	2 202	2 281	79	3,5%	4 563	
Servitudes										
Licences and Rights	5 072	4 563	4 563	689	2 202	2 281	79	3,5%	4 563	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications	5 072	4 563	4 563	689	2 202	2 281	79	3,5%	4 563	
Load Settlement Software Applications										
Unspecified										
Computer Equipment	1 847	4 300	4 300	40	464	2 150	1 686	78,4%	4 300	
Computer Equipment	1 847	4 300	4 300	40	464	2 150	1 686	78,4%	4 300	
Furniture and Office Equipment	2 356	3 068	3 068	29	901	1 534	633	41,3%	3 068	
Furniture and Office Equipment	2 356	3 068	3 068	29	901	1 534	633	41,3%	3 068	
Machinery and Equipment	10 911	25 639	25 639	1 924	5 779	12 820	7 041	54,9%	25 639	
Machinery and Equipment	10 911	25 639	25 639	1 924	5 779	12 820	7 041	54,9%	25 639	
Transport Assets	194	14 390	14 390	-	31	7 195	7 164	99,6%	14 390	
Transport Assets	194	14 390	14 390	-	31	7 195	7 164	99,6%	14 390	
Total Repairs and Maintenance Expenditure	1	137 526	277 534	277 734	23 725	121 810	138 834	17 025	12,3%	277 734

SUPPORTING TABLE SC13d

NW403 City Of Matlosana - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		-	322 692	322 692	49 438	148 313	161 346	13 033	8,1%	322 692
Roads Infrastructure		-	96 260	96 260	15 951	47 853	48 130	276	0,6%	96 260
Roads		-	96 260	96 260	15 951	47 853	48 130	276	0,6%	96 260
Electrical Infrastructure		-	59 997	59 997	9 041	27 122	29 998	2 877	9,6%	59 997
MV Networks		-	59 997	59 997	9 041	27 122	29 998	2 877	9,6%	59 997
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	93 480	93 480	11 494	34 482	46 740	12 258	26,2%	93 480
Distribution		-	93 480	93 480	11 494	34 482	46 740	12 258	26,2%	93 480
Sanitation Infrastructure		-	72 956	72 956	12 952	38 856	36 478	(2 379)	-6,5%	72 956
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	72 956	72 956	12 952	38 856	36 478	(2 379)	-6,5%	72 956
Other assets		136 154	79 263	79 263	12 797	38 392	39 631	1 240	3,1%	79 263
Operational Buildings		136 154	79 263	79 263	12 797	38 392	39 631	1 240	3,1%	79 263
Municipal Offices		136 154	79 263	79 263	12 797	38 392	39 631	1 240	3,1%	79 263
Computer Equipment		-	1 763	1 763	218	653	881	228	25,9%	1 763
Computer Equipment		-	1 763	1 763	218	653	881	228	25,9%	1 763
Furniture and Office Equipment		3 651	2 617	2 617	247	740	1 308	568	43,4%	2 617
Furniture and Office Equipment		3 651	2 617	2 617	247	740	1 308	568	43,4%	2 617
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		243 149	33 666	33 666	518	1 553	16 833	15 280	90,8%	33 666
Transport Assets		243 149	33 666	33 666	518	1 553	16 833	15 280	90,8%	33 666
Total Depreciation	1	382 953	440 000	440 000	63 217	189 651	220 000	30 349	13,8%	440 000

SUPPORTING TABLE SC13e

NW403 City Of Matlosana - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		1 542	11 418	11 418	6 396	9 883	5 709	(4 174)	-73,1%	11 418
Water Supply Infrastructure		1 542	11 418	11 418	6 396	9 883	5 709	(4 174)	-73,1%	11 418
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		1 542	11 418	11 418	6 396	9 883	5 709	(4 174)	-73,1%	11 418
Community Assets		4 345	-	-	-	1 063	-	(1 063)	#DIV/0!	-
Community Facilities		4 345	-	-	-	1 063	-	(1 063)	#DIV/0!	-
Markets		4 345	-	-	-	1 063	-	(1 063)	#DIV/0!	-
Total Capital Expenditure on upgrading of existing a	1	5 887	11 418	11 418	6 396	10 946	5 709	(5 237)	-91,7%	11 418

PART 3: OVERVIEW OF THE 2022/23 FINANCIAL YEAR

6.1 Overview of the Unaudited Financial Results of the 2022/23 Financial Year

The CoM received an unqualified audit opinion for the annual financial statements for the third consecutive year.

The municipality has a dedicated team that put in a lot of hard work and effort with the available resources to deliver a set of AFS that is credible. The accounting officer also convene regular audit steering committee meetings that addresses the post audit action plan as well as the audit readiness. The meetings are well represented by all the departments to ensure that the best possible audit outcome could be achieved.

As always it is important for the municipality to have a mutual benefitting relationship with the Auditor- General. A good working relationship with the AG ensures that the legislated timeframes are adhered too. Open communication also helps empowering the municipality on understanding and accepting advice given by the AG. We used all our available resources to address their requests and findings in a timeous manner.

Other issues raised by the Auditor-General as matters of emphasis are analysed to establish its root causes and to come up with corrective action plans. Determined correctives are both short and medium term in nature. Increased effort will ensure that the intended objectives are achieved through regular and continuous progress reporting mechanisms.

6.2 Comments on the Financial Ratio

The liquidity ratio is unfavourable, and the lower ratio is mostly reflective of the increase in payables. The low liquidity ratio does require a major improvement in the bottom line as reflected on the statement of financial performance to rectify and bring the ratio in line with the norm. The recovery is dependent on the budget constraints and the higher debtors' impairment realised. The municipality should accelerate collection and further focus on cost curtailment and reducing its creditors.

A higher cost coverage ratio is necessary in a highly fluctuating income environment as it indicates the ability to cover monthly fixed operational expenditure costs if there is a sudden loss of income. The lower ratio at present is of concern and needs to be addressed.

The total outstanding services debtors' ratio remains unfavourable in the last period, and it can be attributed to the low collection rate. Unrecoverable debts should also be written off to keep the ratio comparable between years.

The debt coverage ratio is lower due to higher short-term debt redemption commitments. The ratio is still positive and should improve again in the next financial year.

The financial performance of the municipality can be measured in the lower creditors' efficiency ratio. The municipality must work towards a cash positive budget to ensure that creditors can be serviced.

The low reliance on capital funding is reflected in the ratio of capital charges to operational expenditure. The ratio slightly increased due to short term debt redemption commitment.

The ratio of employee cost to revenue is relatively constant and falls in the ranges that are experienced in the local government sector. The slight increase is due in most part to higher percentage increase in employee costs in relation to the increase in revenue.

The lower rate for repairs and maintenance is a factor of both the lower actual spending on repairs and maintenance as well as the increase in total operating expenditure. This low rate remains a concern as it is lower than what is expected of a municipality as to ensure the assets are kept in service. It must be noted that the salary cost of repair and maintenance is not included and will increase the percentage if included.

Management must implement revenue enhancement and recovery strategies while ensuring that other non-essential costs are reduced and managed to enable the municipality to recover and improve the ratios and improve service delivery.

PART 4: FINANCIAL RECOVERY PLAN

7.1 Financial Plan

With the 2023/24 Annual Budget that was approved during June 2022. The municipality was required to adopt a financial plan to correct the unfunded cash flow position and report monthly on the progress.

Revenue Enhancement Measures Operating Revenue

Revenue Enhancement Measures

Focus Area	Operating Revenue Activities	Period (as disclosed on the adopted financial plan)	Achievements / non-achievements	Reasons for non-achievements	Remedial Actions to address non-achievements
Revenue Enhancement – Expected inflow R12m	To provide amnesty to 4 500 additional customers in the entire Matlosana area.	1/07/2023-30/06/2024	Not achieved	The advert was done to invite all illegal connected customers to receive amnesty. Unfortunately, there was no response from the customers/public.	The project Amnesty steering committee has been resuscitated, currently holding meetings on Fridays at 8 o'clock
Land – Expected Inflow R63,277,200	<p>Proclamation of additional 13 020 stands and to be billed.</p> <p>Kanana Ext. 5 Kanana Ext .16 Jouberton Ext. 31 Jouberton Ext. 34 Sunny Side Tigane Ext. 7 Tigane Ext. 8 (Income expected only from Basic Service Charges)</p>	01/07/2023-30/06/2024	<p>Total estimated revenue per annum for basic charges in the proposed Townships: R63,277,200</p> <p>Notes: The expected revenue collection contains basic charges, however on the commercial erven the basic rates/levies are not taken into consideration due to differences in extents. The residential erven are based on the average erven size. The forecasted figures do not take electricity figures as well as any additional usage into account. The estimated amounts are calculated based the promulgation of Local Authority Notice 377 of 2023 by virtue of Provincial Gazette no. 8550 dated 1 August 2023, in terms of Section 14 (1) (2) of the Municipal Property Rates Act, 2004 (Act 6 of 2004).</p>	<p>Kanana Ext 5 Proclamation – Site Permits being prepared and submitted to BTO for billing purposes.</p> <p>Tigane Ext 7 & 8 Proclamation Finalized - Permits being compiled.</p> <p>A total of 3 450 Site Permits have been compiled from July-November 2023, namely:</p> <p>Alabama Ext 5 – 305 (1412 submitted to BTO, only 1357 registered on the System – 843 outstanding) Jouberton Ext. 31 – 494 Jacaranda Ext. 10 – 1009 Kanana Ext. 15 – 660 Tigane Ext. 7 - 982</p>	<p>The Directorate has developed a time-bound program, to visit all the mentioned Settlements for the completion of Site Permits.</p> <p>The Program to be completed by the end of February 2024</p>
Land - Expected inflow – R29,534,220	<p>Proclamation of additional 6 077 stands to be billed.</p> <p>Alabama Ext. 5 Kanana Ext.14 Kanana Ext 15 (Income expected only from basic services charges)</p>	01/07/2023 – 30/06/2024	A Total of 24 Stands have been disposed to date, resulting in revenue of R1,582,856.00	Delays in the issuing of zero-rated Clearance figures on Municipal	Review of the current process plan and policies (Rates and Credit Control)

	Residential, Commercial & Industrial Developments		From 01/07/2023-31/12/2023.	Owned Land, to accelerate transfers and registration.	affecting the issuing of Clearance Figures. A list of all outstanding Clearance Figures has been submitted to CFO. The Directorate is awaiting an official response to the submission in this regard.
Debt Collection Electricity – Expected Inflow – R55 Million	Procurement and Installation of Anti-Tampering boxes. 2023/24 FY 714	01/07/2023–30/06/2024	Not achieved	Service providers busy with procurement of anti- tempering boxes	Service provider to speed up the procurement and installation. Municipality political leaders to source community buy-in to implement the project
Expected Inflow – R70 Million	2024/25 FY 1500	01/07/2024 – 30/06/2025			
Electricity – Electricity losses in Jouberton & Alabama – Expected inflow R15 Million	<ul style="list-style-type: none"> • Audits on all bypassed meters • Energy Efficiency • Revenue improvement of medium voltage Network <p>Expected inflow due to implementation of credit control on those in arrears.</p>	01/07/2023 – 30/06/2024	<p>2%- achieved on audit – 225 280.12 collected</p> <p>60% achieved. On energy efficiency lightning target</p> <p>0% achieved on mv network improvement</p>	<p>Resource constraints – fleet and community not cooperating.</p> <p>Financial constraints to implement targeted programs.</p> <p>Delay in appointment of service provider for implementation of energy efficiency and demand side management program (EEDSM)</p> <p>Financial constraints to implement targeted programmes</p>	<p>Leasing of required fleet and community consultation</p> <p>Investment in a form of capital budget need to be made to reduce technical losses.</p> <p>Execution of EEDSM program to be finalized in March 2024</p> <p>Investment in a form of capital budget need to be made to refurbish MV network</p>
Debt collection and Recovery Expected inflow R300 Million	Utilize Internal Debt Collectors	01/07/2023-30/06/2024	R108 million collected by 31 December 2023 on 90 days accounts. 36% achieved of the target	More efforts by internal staff needs to be put and update of client's information needs to be encouraged to be able to do follow-ups by phones.	Follow ups are conducted by the credit control officials and it is noted that some households are still restricted, and some have illegally connected themselves or

					have tampered with the restrictors and in those cases, fines have been issued.
Market Rental Estate Expected inflow – R800 000	Rand value revenue collected from rental estate	01/07/2023 - 30/06/2024	The revenue is already budgeted for, it is not additional, therefore the plan will be revised during adjustment budget		
Market – Ripening and Cooling rooms Expected inflow – R1 500 000	Collection of ripening and cooling revenue	01/07/2023 - 30/06/2024	The revenue is already budgeted for, it is not additional, therefore the plan will be revised during adjustment budget		
Market Dues Expected inflow – R1 500 000	Collection of market dues revenue	01/07/2023 - 30/06/2024	The revenue is already budgeted for, it is not additional, therefore the plan will be revised during Adjustment budget		
Rental of carriages Expected inflow – R150 000	Collection of rental carriages revenue	01/07/2023- 30/06/ 2024			
Outdoor Advertising	Revenue improves	01/07/2023 – 30/07/ 2024			

1. Operating Expenditure

Cost Cutting Measures	Time Frame (as disclosed on the adopted financial plan)	Achievements / Non-achievements	Reasons for Non-achievements	Remedial Actions to address non-achievements
<p>Wet fuel Outsource wet fuel instead of using our own depots. This is transferring the risk of misuse and theft to external service provider. Expected Inflow – R3 Million</p>	01/07/2023– 30/06/2024	Not achieved	The municipality is outsourcing wet fuel currently. However, there are no savings realized.	Stringent control measures should be put in place to monitor fleet management.
<p>Repairs and maintenance –Expected Inflow – R30 Million</p> <p>Reduce spending on Repairs and maintenance on fleet management through procurement of new fleet, plant and equipment. BTO has provided funds to the amount of R15 million to commence with the Turn-around Strategy for the Fleet Repairs & Maintenance Programme. The programme entails the re-organisation of the municipal garage, and implementation of systems of control. This will be a short to medium-term initiative</p>	01/07/2023 30/06/2024			No information received from department
<p>Travelling and subsistence Expected Inflow – R600 000</p> <p>Cutting unnecessarily travelling and accommodation (Office of the CFO and Municipal Manager have jointly issued moratorium to suspend all non-essential travelling and accommodation for the whole financial year).</p>	01/07/2023- 30/06/2024		S & T budget was reduced.	
<p>Contracted Services – Expected Inflow – R289,494 on R2,605,446 p.a</p> <p>To review operational contract to scale down their services and support on the following expenditure items: • Hire charges - reduce printing and photocopy machine from 101 to 58 number of stand-alone high-volume devices and replace 34 desktop devices machines in order to decrease copy production and costs.</p>	01/07/2023- 30 /06/2024	Not achieved	No information received from the departments.	

NOTE: The Financial Plan need to be revised as the current plan did not yield the expected results.

7.2 MUNICIPAL DEBT RELIEF

Monthly Compliance Check List	6,3	Maintaining the Eskom and bulk water current account – (current account for the purpose of this exercise means the account for a single month's consumption):	Responsible Person	Monthly Progress	How are you going to ensure compliance (applicable manager to provide SOP that will be updated and monitored)
	6.3.1	- Has the municipality paid its <i>bulk water current account</i> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)?	Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org Lesego Seametso (MM) 018 487 8009 / 076 018 7668 lseametso@klerksdorp.org	No	The municipality arranged a meeting with CEO of Midvaal to revise the current payment agreement to a more affordable one for the CoM. However, partial payments are made as per the current arrangement.
	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	J Makudubele (Accountant) – 018 487 8483 jpapers@klerksdorp.org J Letlhoo (Assistant Director Expenditure) – 018 487 8533 gopolang@klerksdorp.org Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org	Yes	Both Midval and Eskom were partially paid and proof was uploaded.
	6.3.4	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	J Makudubele (Accountant) – 018 487 8483 jpapers@klerksdorp.org J Letlhoo (Assistant Director Expenditure) – 018 487 8533 gopolang@klerksdorp.org Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org	Yes	
	6.3.1	- Has the municipality paid its <i>Eskom bulk current account</i> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)?	Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org Lesego Seametso (MM) 018 487 8009 / 076 018 7668 lseametso@klerksdorp.org	No	The bill from Eskom was higher the amount billed and collected by the municipality, making it difficult for the invoice to be paid in full.
	6.3.2 6.3.3	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://lguploadportal.treasury.gov.za?	J Makudubele (Accountant) – 018 487 8483 jpapers@klerksdorp.org J Letlhoo (Assistant Director Expenditure) – 018 487 8533 gopolang@klerksdorp.org Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org	Yes	
	6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	J Makudubele (Accountant) – 018 487 8483 jpapers@klerksdorp.org J Letlhoo (Assistant Director Expenditure) – 018 487 8533 gopolang@klerksdorp.org Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org	Yes	
	6,4	Compliance with a funded MTREF –			

6.4.1	- Has the municipality tabled and adopted a funded 2023/24 MTREF aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No	Attached monthly funding progress, Municipal intends to revise the current funding plan.
6.4.1	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	Yes	C4 attached as POE
6.4.1	- Has the municipality made adequate provision for debt impairment (<i>considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget</i>) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No	The municipality made provision for debt impairment in line with the budgeted expected collection rate. If the collection rate is not achieved by 31 December 2023 for the first six months, it will be revised. The debt impairment will be revised during the adjustment budget.
	<i>Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".</i>			
6.4.1	- Has the municipality made adequate provision for depreciation and asset impairment (<i>considering its asset register and physical state of assets</i>) on the A1 Schedule) Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	Yes	The figures is based on the 2021/22 audit outcome and take into consideration the budgeted capital acquisitions for the 2023/24 year.
	<i>Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".</i>			
6.4.2	- <i>If the municipality's MTREF is not funded</i> , has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No	The financial plan will be revised to accommodate the activities currently being implemented, e.g "Operation Patela". Progress on the plan is not satisfying.
6.4.2	- Does the municipality's annual and monthly cash flow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 – Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	Yes	The system vendor should assist the municipality with the A1 Schedule. The A7 is currently projecting 12 equal amounts. This is not the proper projection, and will be corrected accordingly.

	Funding Plan strategy and related seasonal trends (For example higher winter Eskom tariffs, lower January collection rates, etc.?)			
6,5	Cost reflective tariffs – has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality’s annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No	BTO official attended the Tariff Tool training organised by National Treasury and Provincial Treasury.
6,6	Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org	Yes	As per credit control policy
6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	N Kegakilwe (Assistant Director Revenue Management) 018 487 8046/083 254 6573 nkegakilwe@klerksdorp.org O Kgoete (Deputy Director Income and Expenditure) 018 487 8043/072 781 2082 okgoete@klerksdorp.org	Yes	
6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org	Yes	As per credit control policy
6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org	Yes	As per credit control policy
	<i>Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.</i>			
6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org	No	The municipality is planning to constantly monitor and restrict the indigents who are defaulting

	free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively?			
6.6	<i>Supporting evidence: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.</i>			
6.7	Maintain a minimum average quarterly collection of property rates and services charges –			
6.7.1	- Has the municipality achieved a minimum of <i>80 per cent average quarterly collection</i> of property rates and service charges with effect from 01 April 2023 and <i>85 per cent average quarterly collection</i> with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded to the LGDRS?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org	No	For the current month the municipality achieved a collection rate of 43%
	<i>Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.</i>			
6.7.2	- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of the National Treasury that –	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org	No	Municipality has targeted all areas that Municipality in servicing for electricity. Please find attached areas that disconnection and reconnection has took place for the past two weeks(18- 25-09-2023)
6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool <u>and</u> that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;		Yes	
6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org	No	The Municipality does restrict water in Eskom supplied areas as per credit control policy, the challenge is that the community bridge and break water meters.

6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed <u>and</u> the reason(s) for the failure?	Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org Lesego Seametso (MM) 018 487 8009 / 076 018 7668 lseametso@klerksdorp.org	No	There is a proposal that was sent in the current year for Eskom to assist in areas such as Kanana, Tigane and Khuma, but no response was received from Eskom.
6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection <u>and</u> only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org	No	The municipality is in a process of installing smart-prepaid meters
6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	J Pilusa (Acting Director Technical) 018 487 8023/072 313 4253 tpelesane@klerksdorp.org	No	No information received
6.7.5	-Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	Yes	C schedule
6,8	Municipality's Completeness of the revenue base –			
6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer and demonstrated the steps taken to correct the variances identified?	N Kegakilwe (Assistant Director Revenue Management) 018 487 8046/083 254 6573 nkegakilwe@klerksdorp.org O Kgoete (Deputy Director Income and Expenditure) 018 487 8043/072 781 2082 okgoete@klerksdorp.org	Yes	1. The approved GVR was loaded into the municipal financial system (Solar). 2. All SV's (SV01-SV02) are implemented into the financial system. 3. SV03 Roll with 4343 entries is opened for inspection and objections until the 30 th June 2023. 4. Differences will be addressed as follows: - Reconciliation will be done monthly, and variances identified will be addressed accordingly. Occupation certificates and Valuation certificates to be sent to the Municipal Valuer to ensure that all properties are updated and billed accurately.
6.8.2	- Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://lguploadportal.treasury.gov.za ?	N Kegakilwe (Assistant Director Revenue Management) 018 487 8046/083 254 6573 nkegakilwe@klerksdorp.org O Kgoete (Deputy Director Income and Expenditure) 018 487 8043/072 781 2082 okgoete@klerksdorp.org	Yes	
6,9	Monitor and report on implementation –			

6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality’s funded budget and Budget Funding Plan where relevant?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No	Municipal is in the process of adjusting the adopted Funding plan.
6.9.2	- If progress is slow in terms of paragraph 6.8.3, is the active intervention evident from the narratives supporting the municipality’s monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No	Municipality has established MSCOA Steering Committee which meet monthly to address any MSCOA Issues
6.9.3	- Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org Lesego Seametso (MM) 018 487 8009 / 076 018 7668 lseametso@klerksdorp.org	The Municipal does not have financial recovery plan yet, but they are in process	Awaiting the response from Province
6.9.4	- If the municipality that has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress reports to the Provincial Executive, has the municipality also submitted such FRP progress reports to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously?	Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org Lesego Seametso (MM) 018 487 8009 / 076 018 7668 lseametso@klerksdorp.org	No	PT is still in the process of drafting the FRP
	<i>Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.</i>			
	<i>Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.</i>			
6,11	Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No	There are currently no plans to borrow any money.
	<i>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme</i>			
6,12	For the duration of the Municipal Debt Relief (to ensure proper management of resources):			

6.12.1	- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?	Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org	Partially	The revenue from electricity and water Is not entirely ring-fenced only prepaid is ring-fenced and conventional can only be calculated when month-end processes are completed and by this time, the Eskom bill is due, and money paid directly without being transferred from the primary bank account.
6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.11.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org Lesego Seametso (MM) 018 487 8009 / 076 018 7668 lseametso@klerksdorp.org	No	Due to cash flow issues, it is not yet possible to entirely pay Eskom and Midvaal in full.
	<i>Note: A request will be made to the Minister of Finance immediately succeeding the application to exempt municipalities formally from MFMA s.8(3) to facilitate this condition.</i>			
	<i>Supporting evidence:</i> Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	Yes	
6.13	Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date?	Mercy Phetla (CFO) 018 487 8016/ 083 427 4045 mmphetla@klerksdorp.org Lesego Seametso (MM) 018 487 8009 / 076 018 7668 lseametso@klerksdorp.org	No	Not yet applicable. The write-off will only be implemented after 12 months as per NT guidelines.
6.14	'NERSA License - has the municipality during the month failed to comply with any condition if the Municipal Debt Relief?	N Kegakilwe (Assistant Director Revenue Management) 018 487 8046/083 254 6573 nkegakilwe@klerksdorp.org O Kgoete (Deputy Director Income and Expenditure) 018 487 8043/072 781 2082 okgoete@klerksdorp.org	Yes	The current month bill was not paid in full.
	<i>Note: By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 18 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006).</i>			

7.3 RECOMMENDATIONS AND CONCLUSION *(Drafted by COGTA support team after the work session with the municipality)*

1. The compilation, analytical review and assessment of the 2023/24 Mid-Year Performance Review provides the empirical outcomes that the Executive Mayor and the Matlosana Municipal Council to undertake and manage the prudent adjustment of the 2023/24 MTREF Municipal Budget.
2. It is a prerequisite requirement for the Matlosana Local Municipality to achieve effective and complete compliance to the following Sections of the Municipal Finance Management Act no 56 of 2003 (MFMA), namely.
 - a. Section 18 of the MFMA – Funding of Expenditure.
 - b. Section 28 of the MFMA – Municipal Adjustments Budget.
 - c. Section 72 of the MFMA – Mid-Year Budget Performance Assessment.
3. The key contributory and influential factor from analytical review and assessment on the budget and financial performance is primarily due to the 43% decline in the monthly collection and rate standard against the approved Municipal Own Revenue Fiscal Framework that was approved and adopted by the Matlosana Municipal Council in the 2023/24 MTREF Municipal Budget.

It must be acknowledged that the 40% (rounded off) decline in the envisaged Municipal Own Revenue Fiscal Framework has placed the 2023/24 Municipal Budget is to be Unfunded to the remainder of the 2023/24 Municipal Financial year ending 30th June 2024;

4. The current Municipal Own Revenue collection rate and standard is at a fluctuating 60% (rounded off) that continues to contribute to the significant increase in the aggregate Municipal “Sin” Debt i.e. the Matlosana LM is experiencing extensive financial limitations to pay the monthly current account and arrear bulk purchases debt that is owed to Eskom and Midvaal.

In addition, that due to the extensive limitation in its financial resources the Matlosana LM continues to be unable and does not have the Municipal Own Revenue in abundance to provide the undisturbed and uninterrupted funding for effective Repairs and Maintenance to its economic assets i.e. the Water, Electricity, Sanitation and Refuse Removal.

It should be acknowledged that 2023/24 Mid-Year Performance Review and Assessment provides the confirmation that the current Distribution Losses on Electricity and Water is fluctuating at approximately 51% during the first six (6) months of the 2023/24 Municipal Financial Year.

In addition, due to the deterioration in the current economic assets that relate to the Refuse Removal Function the Matlosana LM remain unable to achieve and sustain the prerequisite standards in refuse removal.

5. The Fourth (4th) largest recurrent expenditure during the first six (6) months of the 2023/24 Municipal Financial Year is the payment of Overtime expenditure. The Matlosana Municipal Council did not approve the Appropriation in the 2023/24 Municipal Budget to the amount of R 65 million for the payment of Overtime.

It should be acknowledged that the Matlosana LM incurred approximately R 32 million in the payment of Overtime from 1st July 2023 to 31st December 2023.

It is imperative to acknowledge that the approval and payment of Overtime should only be for essential and emergency services i.e. the recovery and restoration when there is the unforeseen and unavoidable occurrence

in the undisturbed and uninterrupted supply in water and electricity and or in the event of an “Act of God” incident that will have a material consequential negative impact on the Life of the People, the Social Standing and Welfare of the People;

The current trends continue to reveal that the claims for the payment of overtime is primarily due to the matter of the fact that Work Outputs in the externally and internally focused Departments are being undertaken from 17h00 instead of during normal official time.

In line with the extensive rapid decline in the Current, Medium- and Long-Term Financial Health and Sustainability of the Matlosana LM, it is imperative for the Executive Mayor and the Matlosana Municipal Council to implement urgent measures to significantly limit the payment of Overtime for emergency and essential Municipal Services in accordance with the description as indicated above.

The current trends in the payment of Overtime provide the confirmation that Matlosana LM will incur approximately R 65 million by 30th June 2023.

6. The Aggregate Municipal “Sin” Debt – Current and Carrying Municipal Debt

a. The 2022/23 U. I. F & W Expenditure	-	R 1, 720 billion
b. The Arrear Municipal Services Debt	-	R 9, 294 billion
c. The Arrear Unpaid Trade Creditors	-	R 6, 646 billion
d. The Arrear Eskom Debt	-	R 1, 888 billion
e. The Arrear Midvaal Debt	-	R 1, 810 billion
TOTAL	R	21, 358 billion

Important Note

The 2023/24 Municipal Budget as adopted by the Matlosana LM

= R 4, 215 billion with the Equitable Share of R 545, 300 million

It should be acknowledged that the current trends in the 60% (rounded off) in Municipal Own Revenue will continue to burden wherein extensively and significantly the aggregate Arrear Municipal Services Debt will be approximately R 11, 659 billion.

7. The Political and Management Decision Makers implement and manage the Municipal Budget and Financial Ring-Fencing procedure and process to achieve and sustain recovery and restoration from 1st February 2023 and beyond.

The Matlosana LM and Municipal Council should adopt the 2023/24 Mid-Year Municipal Budget Performance Review, the 2023/24 Municipal Adjustments Budget and the 2024/25 to 2026/27 Municipal Budget with priority emphasis on the following key recurrent and capital expenditure, namely:

- a. The payment of the monthly Eskom Current Account for the Bulk Purchases on Electricity.
 - b. The payment of the monthly Midvaal Current Account for the Bulk Purchases on Water.
 - c. The payment of the monthly Salaries and Allowances Bill.
 - d. The payment of the capital and recurrent expenditure on Repairs and Maintenance.
 - e. The payment of the recurrent expenditure on the internal and external Service Delivery Contracts.
8. The Political and Management Decision Makers within the Matlosana LM should place limited and or reliance, trust, and dependence on the Secondary Sources of Municipal Own Revenue due to the matter of the fact that the municipal own revenue from Traffic Fines, Libraries, Interest on Investments, and other Community Services are influenced by Human Activities.

In essence it will be extremely difficult and or impossible to determine the number of People that will be fined for the incidents on Traffic Violations or the Hiring of Municipal Facilities or the number of People that will visit and or utilize the Library Facilities etc.

9. Considering the current extensive decline, precarious and perilous position in the Current, Medium- and Long-Term Financial Health and Sustainability, it is imperative for the Political and Management decision Makers to implement and manage effective Austerity Measures.
10. It is imperative that under the Institutional and Governance Leadership of the Municipal Manager and with the institutional and technical support of the Dept. of Infrastructure / Technical and the Budget and Treasury Office the Matlosana LM must implement the Municipal Related Policy, Procedures and Processes, the Credit Control and Debt Management Policies with effective Disconnections and Reconnections of Electricity, Water, and other Municipal Services.
11. It is imperative that under the Institutional and Governance Leadership of the Municipal Manager and with the institutional and technical support of the Dept. of Infrastructure / Technical and the Budget and Treasury Office the Matlosana LM must undertake and manage effective measures to prevent all forms of unrelated and extravagant recurrent and capital expenditure that has contribution to Institutional and Infrastructure Service Delivery.

It is imperative that Political and Management Decision Makers within the Matlosana LM undertake and manage effective measures with monitoring and evaluation for the implementation and management of the 2023/24 Municipal Capital Budget.

PERFORMANCE MANAGEMENT ASSESSMENT

PART 5: PERFORMANCE ASSESSMENT

8.1. Status of Service Delivery Performance Against Indicators and Targets Set

The Executive Mayor approved the SDBIP, which include the municipality's key performance indicators for 2023/24, in terms of Section 53(1) (c) (ii) of the Local Government: Municipal Finance Management Act (MFMA), on 20 June 2023 (EM 10/2023).

To comply with MFMA Section 72, the Municipal Budget, and Reporting Regulations, 2008 (Regulation 33-35) and MFMA Circular 13, the Performance Management Unit conducted Mid-Year SDBIP assessments by conducting workshops with the directorates during January 2024.

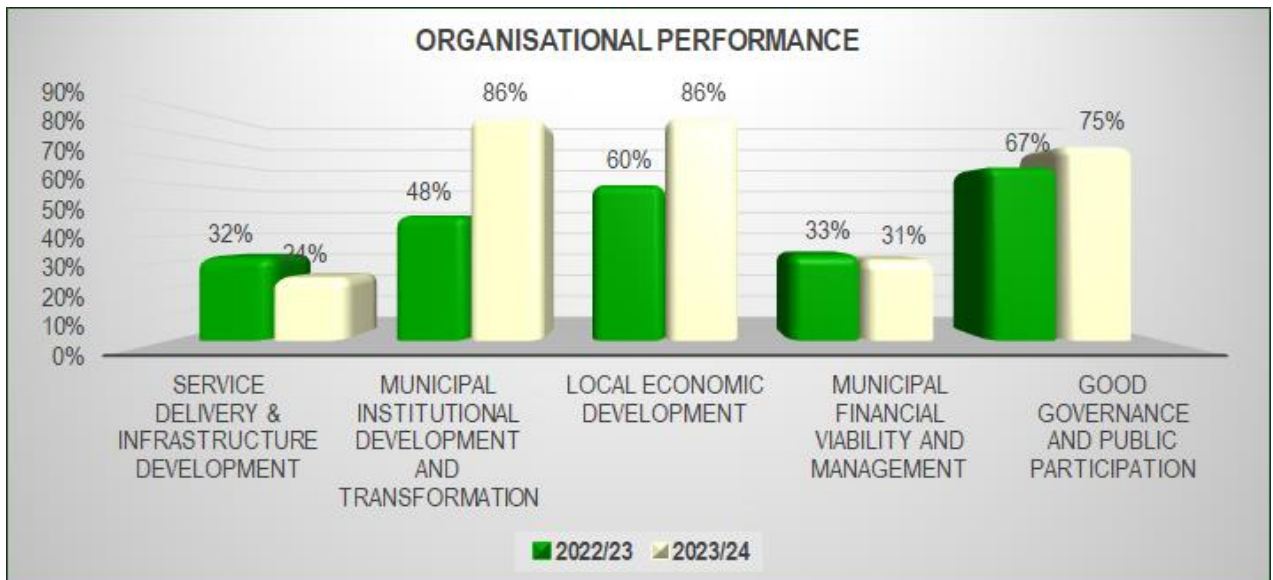
Focus during these assessment sessions were placed on the following problematic areas causing non-performance and remedial actions:

- ✚ Financial Constraints.
- ✚ Supply Chain Management challenges.
- ✚ Shortage of materials in central stores.
- ✚ Aging infrastructure and vehicles.
- ✚ Cancelled Portfolio, MayCo and Council meetings.
- ✚ Financial Recovery Plan in assessment stage and not yet approved.
- ✚ Numerous postponed of LLF meetings.
- ✚ Submission dates and flow of information.
- ✚ Adjustment of budgets.
- ✚ Adjustment of targets.
- ✚ Well defined indicators and targets.
- ✚ Vote numbers.
- ✚ Internal Audit findings.
- ✚ Auditor-General findings.
- ✚ Poor planning
- ✚ C88 indicators; and
- ✚ Baselines.

Detailed below are the achievements for the first half of the financial year ending 31 December 2023, which measures the overall performance for the municipality per Key Performance Area as well as per individual directorates.

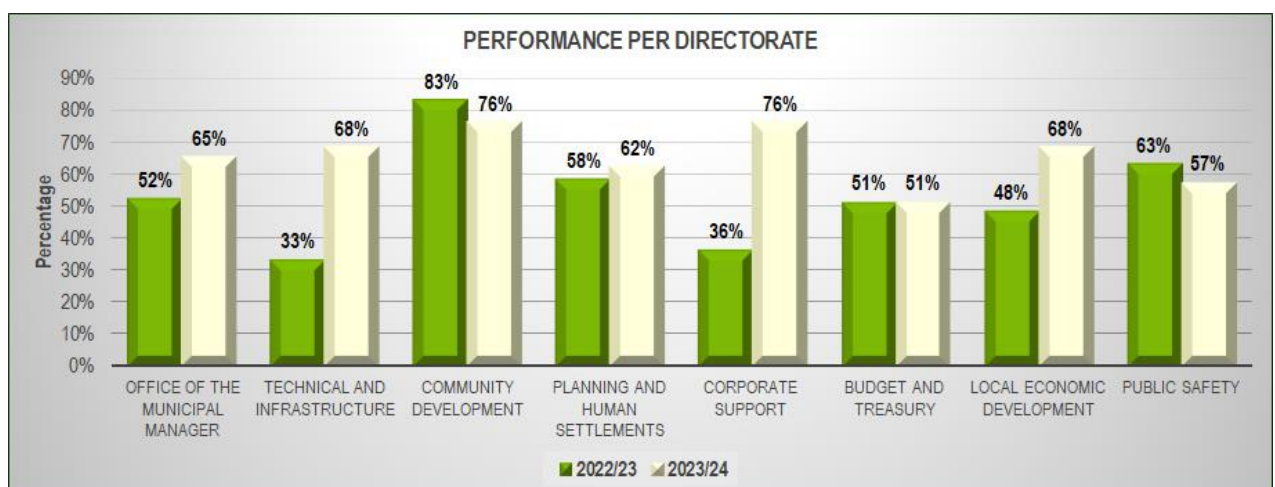
Performance by Government's 5 Key Performance Areas:

KEY PERFORMANCE AREAS	NUMBER OF KPI'S APPLICABLE TO 1 ST AND 2 ND QUARTER	NUMBER ACHIEVED	% ACHIEVED
Service Delivery & Infrastructure Development	28	7	24%
Municipal Institutional Development and Transformation	25	24	86%
Local Economic Development	7	6	86%
Municipal Financial Viability and Management	45	15	31%
Good Governance and Public Participation	84	70	75%
Total	189	122	65%



Performance by the various directorates

DIRECTORATES	NUMBER OF KPI'S APPLICABLE TO 1 ST AND 2 ND QUARTER	NUMBER OF KPI'S ACHIEVED	NUMBER OF KPI'S NOT ACHIEVED	% ACHIEVEMENT
Office of the Municipal Manager	20	13	7	65%
Technical and Infrastructure	22	15	7	68%
Community Development	17	13	4	76%
Planning and Human Settlements	21	13	8	62%
Corporate Support	25	20	5	80%
Budget and Treasury	41	21	20	51%
Local Economic Development	22	15	7	68%
Public Safety	21	12	9	57%
OVERALL PERFORMANCE	189	122	67	65%



The municipality met 65% out of the applicable 189 KPI's for the period 1 July 2023 to 31 December 2023, while 35% of the KPI targets were not achieved on 31 December 2023.

8.2 Comments on the Auditor-General's Opinion - 2022/23

Financial Statements

Management is pleased that the municipality again obtained unqualified audit opinions for the financial statements.

Management is also aware that to not regress and to improve the opinions going forward, that attention to matters noted in the audit must be addressed. It will therefore formulate the post audit action plan which will be monitored by the audit steering committee on a regular basis.

The municipality is currently busy with the implementation of the Post Audit Action Plan (PAAP), after receipt of the final Audit and Management Report. The Provincial Treasury has introduced the Web-based Post Audit Action Plan (PAAP), to assist the municipalities to report progress timeously.

Performance Management

Performance Management has regressed and have received a qualified audit opinion.

Reasons for regression are mainly due to:

- ✚ A lack of adequate supporting evidence to determine if achievements might be more or less than reported and were not reliable for determining if the targets had been achieved for LED – job creation and Service Delivery – households.
- ✚ Only 65% of all targets achieved (PMU) – SCM Processes and poor performance of contractors / consultants.
- ✚ Financial performance of 61%

8.3. Proposed adjustments

After careful assessment and meeting with the Office of the Auditor-General, it is suggested that the following Key Performance Indicators be adjusted accordingly on the approved 2023/24 SDBIP.

KPI'S to be adjusted on the 2023/24 SDBIP are summarized in the following table:

CURRENT APPROVED KEY PERFORMANCE INDICATORS 2023/24 SDBIP – PROJECTS

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU 1 - 11		It was suggested by the Office of the Auditor-General that the annual KPI be less detailed, but still SMART and that reference be made to the implementation plan. Quarterly targets need to be detailed and SMART.			<i>All relevant PMU KPI's to be amended to comply with the AG recommendation</i>	
PMU1	40256472420NDC12ZZ32	Completing construction of 1 new taxi rank with facilities in Jouberton Ext 19 by installing: - a roof for 1 main ablution facility; - 1 office facility; - 1 trading area; - 2 small ablution facilities; - 4,917m ² roof covering for the main taxi rank and waiting area; and - 5856m ² paving by 31 March 2024. R22 227 380	Installing roof 1 main ablution facility, 1 office facility, 1 trading area and 2 small ablution facilities completed. The Contractor is currently working on the variation order, which is the covering of the existing bulk water pipeline. R10 650 379	AG recommendation. Additional work has been granted to the Contractor. Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Completing construction of 1 new taxi rank with facilities in Jouberton Ext 19 (Ward 37) according to the implementation plan by 30 June 2024</i> <i>3rd Quarter: Installing 4917m² roof covering for the main taxi rank and waiting area. Installing 12 700 m² paving. Installing 9 culverts. Project scope completed.</i> <i>4th Quarter: Final Payment</i>	R21 162 000
PMU 3	75156449420MGD16ZZWM	Upgrading sections of the sewer pipeline in Jouberton Ext 19 (Phase 1) (Wards 7, 8 & 37) by constructing 2,413km of 355mmø uPVC pipeline by 30 June 2024. R19 000 000	Draft tender document submitted to SCM on 21 September 2023. The tender was advertised on 16 November 2023, which was supposed to close on 18 December 2023, however there was an erratum issued on 8 December 2023 extending the closing date to 17 January 2024. R550 591	Delays by SCM to advertise for the appointment of the Contractor. Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged	Upgrading sections of the sewer pipeline in Jouberton Ext 19 (Phase 1) (Wards 7, 8 & 37) by constructing 2,413km of 355mmø uPVC pipeline by 30 June 2024. R19 000 000 <i>3rd Quarter: Appointment of the contractor. Site establishment.</i> <i>4th Quarter: Constructing 1.8km of 355mmø uPVC pipeline. Constructing 1km of 355mmø uPVC pipeline. Scope completed.</i>	R2 771 356

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU2	40256472420MGD09ZZWM	<p>Paving of 4,2Km taxi route and constructing 3,592Km storm-water drainage in Skhosana Street, Khuma Ext 11 (Phase 9) (Ward 33) by</p> <ul style="list-style-type: none"> - constructing 3,592km of storm-water pipes; - constructing 4,2km layer works; - laying of 4,2km paving blocks; and - installing 8,4km kerbing by 30 June 2024. <p>R21 457 136</p>	<p>Laid 0,5296 km of stormwater, 0,532 km of box cutting (roadbed). 0.037km of storm-water drainage laid in Skhosana street. Construction of 9 Manholes. 0,3km of Subgrade and subbase completed.</p> <p>R9 237 565</p>	<p>AG recommendation. Notice of non-compliance issued to contractor on 27 November 2023 to remedy poor performance. Annual, 3rd and 4th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.</p>	<p><i>Paving of 4,2Km taxi route and constructing 3,592Km storm-water drainage in Skhosana Street, Khuma Ext 11 (Phase 9) (Ward 33) according to the implementation plan by 30 June 2024</i></p> <p><i>3rd Quarter: 1,91Km of layer works (subgrade and subbase) and laying of 0,8334Km of storm water pipeline in Skhosana. Installing of 1,1Km paving and 2,2Km kerbing in Skhosana. Installing of 1,11Km paving and 2,22Km kerbing in Skhosana. Laying of 2,192km of (600mmø, 525mmø and 400mmø) storm-water pipes and 0,85Km of box cutting/excavation in Ext 11. 1,14Km of box cutting/excavating and 1,99Km of layer works (roadbed, subgrade, and subbase) in Ext 11. Installing of 0,73km paving and 1,46km kerbing in Ext 11</i></p> <p><i>4th Quarter: 1,14Km of box cutting/excavating and 1,99Km of layer works (roadbed, subgrade, and subbase) in Ext 11. Installing of 0,73km paving and 1,46km kerbing in Extension 11. Installing of 1,26km paving and 2,54km kerbing in Extension 11. Project scope completed. Final Payment.</i></p>	R16 439 188

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU4	70306450020MGD11ZZWMM	Developing the Klerksdorp Landfill Site Cell 3 (Phase 2) (Ward 19) by <ul style="list-style-type: none"> - appointing the contractor and establishing the site. - clearing 15 525m² site. - excavating 192 270m³. - constructing 2-layer works. - installing 3,458Km perforated and 0,052Km HDPE sub-soil drainage pipes. - construct 3 layers of clay silt liner by 30 June 2024 R35 471 188	Tender advertised on 07/09/2023, closing date 10/10/2023. Appointment of Contractor - 12 December 2023, Site handover 28 December 2023. R554 295	AG recommendation. Delays by SCM to advertise for the appointment of the Contractor. Annual and 3 rd quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged	<i>Developing the Klerksdorp Landfill Site Cell 3 (Phase 2) (Ward 19) according to the implementation plan by 30 June 2024</i> <u>3rd Quarter:</u> <i>Establishing the site. Clearing the site 15 525m². Bulk excavation and stockpile 192 270m³. Construct layer works. (1 selected layer, 1 rip and compact layer)</i> <u>4th Quarter:</u> <i>Installing 3,458Km perforated and 0,052Km HDPE sub-soil drainage pipes. Construct 3 layers of clay silt liner. Project completed. Final payment.</i>	R23 080 047
PMU5	75156449420WGD26ZZWMM	Re-constructing and refurbishing toilets in Kanana Proper and Kanana Ext 4 (Wards 20 & 24) by: <ul style="list-style-type: none"> - advertising tender - appointing the contractor and establishing the site. - constructing 1 250 toilets; and - refurbishing 120 toilets by 30 June 2024. R11 417 615	Detail Design Report accepted by the Municipality. Draft tender document submitted to SCM on 14 September 2023. The tender was advertised on 16 November 2023, which was supposed to close on 18 December 2023, however there was an erratum issued on 8 December 2023 extending the closing date to 17 January 2024.	AG recommendation. Delays by SCM to advertise for the appointment of the Contractor. Annual and 3 rd quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged	<i>Re-constructing and refurbishing toilets in Kanana Proper and Kanana Ext 4 (Wards 20 & 24) according to the implementation plan by 30 June 2024</i> <u>3rd Quarter:</u> <i>Appointment of the contractor. Site establishment.</i> <u>4th Quarter:</u> <i>Constructing 500 toilets in Kanana Proper and refurbishing 120 toilets in Kanana Extension 4. Scope completed.</i>	R6 000 000

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU6	75156449420NDC80ZZWM	Constructing 1 New Youth Development Centre in Jouberton Ext 19 precinct (Ward 37) by: - advertising tender; - appointing the contractor and establishing the site; - excavating and constructing layer works 100%; - constructing foundations and top structure for 1 youth centre by 30 June 2024. R8 934 620	None R0	AG recommendation. National treasury has not given permission to procure the contractor due to the slow progress on the Taxi Rank project. The KPI should therefore be stopped and removed from the SDBIP.	Removed Constructing 1 New Youth Development Centre in Jouberton Ext 19 precinct (Ward 37) according to the implementation plan by 30 June 2024 <u>3rd Quarter:</u> - <u>4th Quarter:</u> -	R0
PMU 9	55106433020MGD19ZZWM	Constructing 3 high mast lights in Brakspruit / Nkagisang CPA's (Phase 1) by 30 June 2024. R1 285 525	BID specification sat on 20 September 2023. The tender was advertised on 13 October 2023 and closed on 14 November 2023. R0	Delays by SCM to advertise for the appointment of the Contractor. Annual and 3 rd quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged	Constructing 3 high mast lights in Brakspruit / Nkagisang CPA's (Phase 1) by 30 June 2024. <u>3rd Quarter:</u> Appointment of the contractor. Site establishment. <u>4th Quarter:</u> Constructing 2 high mast lights. Testing, commissioning, and handing over. Project completed. R1 285 525	N/A

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU7	45106446020MGD15ZZWM	<p>Constructing 1 water supply pipeline from Jouberton Reservoir to Kanana Bulk water supply (Phase 1) (Wards 6, 14 and 18) by</p> <ul style="list-style-type: none"> - Advertisement for the Contractor - appointment of the contractor and site establishment - construction 3,356km of 200mm diameter pipe. - Construction of 4,410km of 500 mm diameter pipe - construction of 12 air valves and Construction of 4 scour valves. by 30 June 2024. <p>R19 000 000</p>	<p>Draft tender document was submitted to SCM on 04 June 2023. The tender was advertised on 13 October 2023 and closed on 17 November 2023. Contractor appointed on 12 December 2023.</p> <p>R555 815</p>	<p>AG recommendation. Delays by SCM to advertise for the appointment of the Contractor. Annual, 3rd and 4th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged</p>	<p><i>Constructing 1 water supply pipeline from Jouberton Reservoir to Kanana Bulk water supply (Phase 1) (Wards 6, 14 and 18) according to the implementation plan by 30 June 2024</i></p> <p><i>3rd Quarter: Site establishment. Construction of 0,900km of 200mm diameter water line. Construction of 4 air valves.</i></p> <p><i>4th Quarter: Construction of 1 scour valve. Construction of 2,456km of 200mm diameter water line with all the valves. Construction of 1,800km of 500mm diameter water line. Construction of 4 air valves. Construction of 2 scour valves. Scope completed.</i></p> <p><i>R19 000 000</i></p>	N/A
PMU11	55106433020INC87ZZWM	<p>Pre-engineering on 1 x Jouberton substation by</p> <ul style="list-style-type: none"> - appointing a consulting engineer. - developing a feasibility study report; and - developing and submitting of a detailed design report by 30 June 2024 	<p>Appointment of Consultant on the 30 August 2023. Investigation and Development of Feasibility study report, Development of Detailed Designs, Submission of Detailed design report and costing.</p> <p>R1 480 641</p>	<p>AG recommendation. Work is done in Ext 31, not 25. To be corrected. Project will be completed in 3rd quarter. Annual, 3rd and 4th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged. Also amend objective and KPI</p>	<p><i>Pre-engineering on 1 x Jouberton substation according to the implementation plan by 30 June 2024</i></p> <p><i>3rd Quarter: Development of Detailed Designs. Submission of Detailed design report and costing.</i></p> <p><i>4th Quarter: Scope completed. Final payment.</i></p> <p><i>R1 732 000</i></p>	N/A

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU8	75156449420WGC85ZZWM	Upgrading sections of the sewer pipeline in Khuma Proper by installing: - 1 410m of 250mm sewer pipe - 1 330m of 315mm sewer pipe - 20 manholes of 250mm - 16 manholes of 315mm by 30 June 2024. R14 319 717	Tender document submitted to SCM on 17 August 2023 and appeared at Bid specification on 19 September 2023. Target not achieved. Tender advertisement - 13 October 2023 and closed 17 November 2023. R450 914	AG recommendation. Delays by SCM to advertise for the appointment of the Contractor. Annual and 3 rd quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged	<i>Upgrading sections of the sewer pipeline in Khuma Proper according to the implementation plan by 30 June 2024</i> <i>3rd Quarter: Appointment of the contractor. Site establishment</i> <i>Construction of 705m of 250mm sewer pipe. Installation of 9 250mm concrete manholes.</i> <i>4th Quarter: Construction of 400m of 250mm sewer pipe and 600m of 315mm sewer pipe. Installation of 8 250mm concrete manholes.</i> <i>Installation of 6 315mm concrete manholes. Scope completed.</i>	R8 000 000
PMU10	55106433020MGD18ZZWM	Constructing 6 high mast lights in Alabama Ext 4 & 5 (Phase 2) (Wards 4 & 5) by 30 June 2024. R2 188 652	BID specification sat on 20 September 2023. The tender was advertised on 13 October 2023 and closed on 14 November 2023. R0	Delays by SCM to advertise for the appointment of the Contractor. Annual and 3 rd quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.	Constructing 6 high mast lights in Alabama Ext 4 & 5 (Phase 2) (Wards 4 & 5) by 30 June 2024. <i>3rd Quarter: Appointment of the contractor. Site establishment.</i> <i>Constructing 3 high mast lights in Alabama Ext 4.</i> <i>4th Quarter: Constructing 3 high mast lights in Alabama Ext 5. Testing, commissioning, and handing over.</i> <i>Project completed.</i> R2 188 652	N/A

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU12	45106446020WGD28ZZWM	<p>Refurbishment of 3 dosing chlorine dosing plants, reservoirs at 3 water pump stations at Jouberton, Orkney and Kanana (Wards) by</p> <ul style="list-style-type: none"> -renovating / construction of dosing building -installing chlorine dosing equipment with pipe fitting -installing of security upgrades by 30 June 2024. <p>R11 417 870</p>	<p>Appointment of Contractor and site establishment achieved. Renovation of dosing building in Orkney and Kanana, Installation of chlorine dosing equipment with all fittings in Kanana, Installation of security upgrades in Kanana and Orkney. Installation of Safety signs in Dawkinsville Pump station completed.</p> <p>R12 269 951</p>	<p>AG recommendation. Target over-achieved. Two additional water-pumpstations included. Phase 1 to be included. Annual, 3rd and 4th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.</p>	<p><i>Refurbishment of 5 dosing chlorine dosing plants, reservoirs at 5 water pump stations at Jouberton, Orkney and Kanana (Phase 1) (Wards 1 - 39) according to the implementation plan by 30 June 2024</i></p> <p><i>3rd Quarter: Installation of Safety Signs in Dawkinsville Pump station. Mooi street, Kanana, Orkney. Renovation of dosing building in Mooi street, Installation of security upgrades</i></p> <p><i>4th Quarter: Phase 1 Scope completed.</i></p>	R20 655 202
PMU13	50052261200DMMRCZZWM	<p>Retrofitting 264 Conventional streetlights with LED lights Klerksdorp (Phase 4).</p> <p>R4 000 000k</p>	<p>Appointment of consultant, preparation of the scoping report and tender document. Tender document at Bid specification on 1 September 2023.</p> <p>R2 331 767</p>	<p>Request for deviation to use Internal Electrical contractors to allocation contractors for the retrofitting of streetlights approved on 10 November 2023. 3 Contractors have been appointed from the internal Panel of Contractors on the 24 November 2023. Annual, 3rd and 4th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.</p>	<p><i>Retrofitting 206 Conventional streetlights and 264 High mast lights with LED lights Klerksdorp (Phase 4) by 30 June 2024.</i></p> <p><i>3rd Quarter: Appointment of the contractor. 206 Conventional streetlights and 264 High mast lights replaced with LED lights.</i></p> <p><i>4th Quarter: Project completed.</i></p> <p><i>R4 000 000</i></p>	N/A

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU15	30206473520MGC19ZZ09	Constructing a new sport complex in Khuma Ext 9 (Ward 31)(Phase 2) by - constructing players tunnel - constructing throwing sporting codes (long jump, triple jump, discuss throw, javelin throw, shot put) - constructing 0,05km of 110mmø of HDPE pipe - constructing 0,15km of 32mmø - 65mmø galvanized steel pipe by 31 August 2023	Appointment of contractor - 31 July 2023 and accepted 11 August 2023. Site establishment completed, long jump, staple chase and Javelin Runway excavated. R4308 338	AG recommendation. Delays in construction due to the Hall being utilized by school children for exams. This has delayed the progress of the work as the contractor could only work 4 hours a day. Annual and 3 rd quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Constructing a new sport complex in Khuma Ext 9 (Ward 31) (Phase 2) according to the implementation plan by 30 June 2024.</i> <i>3rd Quarter: Constructing throwing sporting codes (long jump, triple jump, discuss throw, javelin throw, shot put), Constructing player's tunnel. Constructing 0,05km of 110mmø of HDPE pipe. Constructing 0,15km of 32mmø - 65mmø galvanized steel pipe for Fire protection. Project completed.</i> <i>4th Quarter: Final payment. R7 000 000</i>	N/A
PMU16	45106446020WGD02ZZWM	Refurbishing the 26Mℓ Jouberton reservoir (ward 13) by 30 September 2023. R11 474 798	Installation of 15M of 500 Diameter pipe from Reservoir to Pump house, Installation of 350mm Valve, Installation of 500mm valve.	AG recommendation. Municipality to appoint a new consultant to complete work on site. Contractor to be put on penalties for slow w progress. The Contractor was instructed to complete the external works since the previous contractor failed to complete the project in the 1 st Q. Annual and 3 rd quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Refurbishing the 26Mℓ Jouberton reservoir (ward 13) with the completion of the external works by 30 June 2024</i> <i>3rd Quarter: Completion of the External works - V-drain construction, valve chamber construction, Detailed Condition assessment report submission. Completion of the External works - Installation of 15M of 500 Diameter pipe from Reservoir to Pump house, Installation of 350mm Valve, Installation of 500mm valve.</i> <i>4th Quarter: Scope completed. Final payment. R11 474 798</i>	N/A

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU14	70056420420MGD17ZZW M	Purchasing and delivery of specialised vehicles (1 x Tipper trucks and 1 Water tanker) for solid waste removal by 31 March 2023. R4 542 900	The National Treasury has granted the Municipality the approval to procure using transversal contracts on 21 September 2023. Payment for the 1 procurement of tipper truck have been processed, currently awaiting delivery. The tipper truck has been delivered. The payment for the water tanker has been proceeded, currently waiting for delivery. R4 733 500	Incorrect FY – should be 2024. There was insufficient budget to procure the water tanker, the Municipality requested additional funds to cover the shortfall. The request for additional funding has been approved. Annual target to be amended accordingly,	<i>Purchasing and delivery of specialised vehicles (1 x Tipper trucks and 1 Water tanker) for solid waste removal by 30 June 2024.</i> <i>3rd Quarter: Delivery of specialized vehicles</i> <i>4th Quarter: Final payment</i>	R5 443 525
PMU17		To improve accessibility and mobility and control and direct the flow of stormwater and prevent road erosion in Jouberton (Phase 9). Number of reports and drawings payments settled for the construction of taxi routes in Jouberton (Phase 9) (Wards 5, 6, 11, 13 and 14)	2022/23 FY Projects	<i>Budget re-allocations were requested after the assessment (constructual and planning) on the progress on certain projects were done. This is to ensure adequate funds for performing projects, efficient budget, finalization of outstanding projects and critical / important projects. CC 3/2024 dated 25 January 2024.</i> <i>KPI to be added to the SDBIP</i>	<i>Settling the fees for the close-out report and as-built drawings for the finalization of the paved taxi routes in Jouberton (Motswiri Street; 6th, JB Marks, Anthorium and David Webster Streets) (Phase 9) (Wards 5, 6, 11, 13 and 14) by 30 June 2024</i> <i>3rd Quarter: Obtained outstanding invoices.</i> <i>4th Quarter: Final payment</i>	R250 515
PMU18		To upgrade the Tigane Sport Field – Tigane Village to provide recreational facilities for the community. Number of Sport Fields in Tigane Village upgraded.	New project		<i>Upgrading the Tigane Sport Field – Tigane Village according to the implementation plan by 30 June 2024</i> <i>3rd Quarter: Preparing the Preliminary design report, detailed design report and submission of Detailed Drawings.</i> <i>4th Quarter: Tender advertisement and appointment of contractor</i>	R1 500 000

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU19		To improve collection of refuse and maintain environmental care. Number of specialised vehicles for solid waste removal purchased and delivered Procurement of Specialised Vehicles for Solid Waste Removal (Phase 3)	Additional funding requested.	<i>Budget re-allocations were requested after the assessment (constructual and planning) on the progress on certain projects were done. This is to ensure adequate funds for performing projects, efficient budget, finalization of outstanding projects and critical / important projects. CC 3/2024 dated 25 January 2024. KPI to be added to the SDBIP</i>	<i>Purchasing and delivery of specialised vehicles (3 x Tipper trucks and 1 Landfill Compactor, 20-22m³ Rear-End Loading Refuse Truck) for solid waste removal by 30 June 2024. 3rd Quarter: Submission of a requisition, for approval, issuing of an order, delivery, and payment of 3 x Tipper trucks and 1 Landfill Compactor, 20-22m³ Rear-End Loading Refuse Truck. Project completed. 4th Quarter: Final payment.</i>	R23 246 592
PMU20		To refurbish electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) water pump-stations to maintain the existing infrastructure. Number of water pump-stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	Rolled over 2022/23 FY Projects	Requested rolled overs were approved by National Treasury on 19 October 2023, and approved by the Municipal Manager, MM308/2023 dated 9 November 2023. KPI to be added to the SDBIP	<i>Refurbishing electrical and mechanical equipment at 2 water pump-stations (Ellaton, Khuma ext. 8, Lorraine) in the Matlosana area (Wards 1 - 39) according to the implementation plan by 30 June 2024. 3rd Quarter: Replacement of 2 pumps sets and 2 soft starters installed. 4th Quarter: 8 x Alarm system, 0,33km of electric fence, and 0,08km barbed wire fence installed. 1 Mobile generator supplied, and delivery delivered. Scope completed.</i>	R 9 167 471

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU21		<i>To refurbish electrical and mechanical equipment in the Matlosana area (Wards 1 - 39) sewer pump-stations to maintain the existing infrastructure.</i> Number of sewer pump-stations refurbished with electrical and mechanical equipment at the Matlosana area (Wards 1 - 39)	Rolled over 2022/23 FY Projects	Requested rolled overs were approved by National Treasury on 19 October 2023, and approved by the Municipal Manager, MM308/2023 dated 9 November 2023. <i>KPI to be added to the SDBIP</i>	<i>Refurbishing electrical and mechanical equipment at 1 sewer pump-station (Swart Street) in the Matlosana area (Wards 19) with the installation of the LV kiosk by 30 June 2024</i> <u>3rd Quarter:</u> LV kiosk installed. <u>4th Quarter:</u> Project completed. Final payment	R1 386 367
PMU22		To upgrade the existing Fresh Produce Market (Phase 2) (Ward 9) to cater for the increasing customer needs. Number of the existing Fresh Produce Market (Phase 2)(Ward 9) upgraded	Rolled over 2022/23 FY Projects	Requested rolled overs were approved by National Treasury on 19 October 2023, and approved by the Municipal Manager, MM308/2023 dated 9 November 2023. <i>KPI to be added to the SDBIP</i>	<i>Upgrading the existing Fresh Produce Market (Phase 2) (Ward 9) according to the implementation plan by 30 June 2024</i> <u>3rd Quarter:</u> The outstanding 21% storage unit completed. <u>4th Quarter:</u> Installing Electricity of 4 core to 7 core 600/100V PVCSWAPVC Cu Cable ranging from 6mm ² to 185 mm ² installed. The remaining 6% of the ablution facilities completed. Project completed. Final payment	R 3 067 348
PMU23		To construct a new sports complex in Khuma Ext 9 (Ward 31)(Phase 2)to provide recreational facilities for the community. Number of new Sports Complex in Khuma Ext 9 (Ward 31)(Phase 2) constructed.	Rolled over 2022/23 FY Projects	Requested rolled overs were approved by National Treasury on 19 October 2023, and approved by the Municipal Manager, MM308/2023 dated 9 November 2023. <i>KPI to be added to the SDBIP</i>	<i>Settling the fees for the constructing a new sport complex in Khuma Ext 9 (Ward 31) (Phase 2) according to the implementation plan by 30 June 2024</i> <u>3rd Quarter:</u> Payment of Final Certificate to Contractor <u>4th Quarter:</u> Scope completed.	R406 488

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU24		To upgrade sections of the outfall sewer line from Jouberton to Alabama (Wards 4-6) to increase the capacity of the sewer system. Kilometre of outfall sewer line from Jouberton Ext 19 to Alabama (Wards 4-6) upgraded	Rolled over 2022/23 FY Projects	Requested rolled overs were approved by National Treasury on 19 October 2023, and approved by the Municipal Manager, MM308/2023 dated 9 November 2023. KPI to be added to the SDBIP	<i>Appointing a contractor and establishing the site for the upgrading sections of the sewer pipeline from Jouberton Ext 19 to Alabama (Wards 4-6) by 30 June 2024</i> <i>3rd Quarter: Finalize the SCM process.</i> <i>4th Quarter: Contractor appointed. Site establishment.</i>	R2 400 000
PMU25		To improve accessibility and mobility and control and direct the flow of stormwater and prevent road erosion in Khuma Ext 11 (Phase 9) (Ward 33). Kilometre of taxi routes paved, and km of storm-water drainage constructed in Khuma Ext 11 (Phase 9) (Ward 33).	Rolled over 2022/23 FY Projects	Requested rolled overs were approved by National Treasury on 19 October 2023, and approved by the Municipal Manager, MM308/2023 dated 9 November 2023. KPI to be added to the SDBIP	<i>Paving of 2,21km taxi route and constructing 2.19 km storm-water drainage in Skhosana street in Khuma (Phase 9) according to the implementation plan by June 2023</i> <i>3rd Quarter: 0.55 Km of box cutting / excavation, and 1.977 km layer works completed.</i> <i>4th Quarter: Construction (laying) of 1.44 km of storm-water pipes completed. 2,21 Km paving blocks completed, and 4,42km kerbing installed. Project completed.</i>	R2 779 338

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: PMU						
PMU26		To ensure the safe and disposal of urban solid waste to protect human health and to reduce the risk of environmental pollution in Klerksdorp (Ward 19). Number of cells developed for Klerksdorp landfill site (Cell 3) (Phase 2) (Ward 19)	Rolled over 2022/23 FY Projects	Requested rolled overs were approved by National Treasury on 19 October 2023, and approved by the Municipal Manager, MM308/2023 dated 9 November 2023. KPI to be added to the SDBIP	<i>Developing the Klerksdorp Landfill Site Cell 3 (Phase 2) (Ward 19) with the payment of consulting engineers' fees by 30 June 2024</i> <i>3rd Quarter: Payment of consulting engineers' fees</i> <i>4th Quarter: Scope completed.</i>	R979 189
PMU27		To provide electrification for the new development in Alabama ext. 5 (Phase 2) (Ward 4). Kilometres of line constructed in Alabama Ext 5 (Ward 4) (Phase 2)	Rolled over 2022/23 FY Projects	Requested rolled overs were approved by National Treasury on 19 October 2023, and approved by the Municipal Manager, MM308/2023 dated 9 November 2023. KPI to be added to the SDBIP	<i>Constructing 4.9 km of MV and 16.4 LV power lines for the electrification of Alabama extension 5 (Ward 4) (Phase 2) by 30 June 2024</i> <i>3rd Quarter: Installation of 1549 Light fixtures</i> <i>4th Quarter: Final payment</i>	R4 430 725

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: COMMUNITY DEVELOPMENT						
SECTION: LIBRARY SERVICES						
LIB1	30152283610NXP95ZZWM 30152303300NXMRCZZWM 30152320601NXP08ZZWM	Improving library services and maintenance at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2024. R216 000	Supply and Delivery of extension cords and multiplugs in all Libraries. Catering for colouring-in competition. R49 085	Training and awareness SCM process delays. Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Improving library services and maintenance at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2024.</i> <i>3rd Quarter: SCM process finalised, and training conducted.</i> <i>4th Quarter: Final payment done.</i> R216 000	N/A
LIB2	'30152283600NXP52ZZWM	Improving supplementary shortcoming at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2024. R734 000	Installation of Solar Panels and Inventors at; Orkney, Stilfontein, Alabama, Jouberton, Tigane RNT: Request for Specification was submitted at Electrical on the 14/11/23 and Assessment cost received on 23/11/23. Repair, Replacement and Servicing of existing ventilation, air conditioners and cooling systems at all Libraries: Job Card 62027 on 24/11/23. Installation of Water Tanks at All Libraries: Project advertised on 07/12/23 and close on 14/12/23. R0	Solar panels SCM process delays. Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Improving supplementary shortcoming at all 12 libraries according to the operational activities on the approved project business plan by 30 June 2024.</i> <i>3rd Quarter: SCM process finalised, and solar panels purchased.</i> <i>4th Quarter: Solar panels installed. Final payment done.</i> R734 000	N/A

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS						
SECTION: HOUSING SERVICES						
HOU1	N/A	Facilitating the services of 496 residential stands (excluding electricity) at Matlosana Estate Ext 10 as allocated by the Department of Human Settlements by 30 June 2024	None	The Provincial Department of Human Settlements did not include this project in the current year's Business Plan nor Budget as has been the norm. The Provincial Department is to be requested to include the project in its Business Plan and Budget for the 2024/2025 Financial Year. The KPI should be removed until such time the project is being budget for.	<i>Facilitating the services of 496 residential stands (excluding electricity) at Matlosana Estate Ext 10 as allocated by the Department of Human Settlements by 30 June 2024. Removed</i>	N/A

OPERATIONAL

OFFICE OF THE MUNICIPAL MANAGER

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KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT						
DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER AND ALL DIRECTORATES						
SECTION: MUNICIPAL MANAGER AND DIRECTORS						
MM4 DTI3 DCS3 DCD3 DLED3 DTI3 DPS3 CFO3	N/A	Resolving at least 90% of all the activities as per the Council's approved Financial Recovery Plan by 30 June 2024 R0	None	The development and assessment by Provincial Treasury were approved in terms of Council resolution CC188/2022 dated 29 November 2022. Council forwarded a letter dated 5 December 2022, to Provincial Treasury confirming participation in assessment and development of a Financial Recovery Plan. Due to this process Council cannot commit towards implementation of the Recovery Financial Plan. The KPI need to be moved to the next financial year to allow the development of FRP for approval by Council.	Resolving at least 90% of all the activities as per the Council's approved Financial Recovery Plan by 30 June 2024 <u>Removed</u>	N/A
All Directors		All financial figures	If any financial figures change during the Adjustment Budget in February 2024, figures will be updated accordingly or if unrealistic, in terms of % division of previous FY		Figures will be updated according to adjustment budget or if unrealistic, in terms of % division of previous FY	To be determined

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER						
SECTION: OFFICE OF THE MUNICIPAL MANAGER						
MM7	N/A	Conducting 12 SDBIP meetings between MM and directors (leading to quarterly performance assessments) by 30 June 2024	5 SDBIP meetings conducted	Due to urgent Midvaal and Eskom meetings some top meetings in the 1 st quarter were cancelled. Annual target to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Conducting 9 SDBIP meetings between MM and directors (leading to quarterly performance assessments) by 30 June 2024</i> <i>3rd Quarter: 2 SDBIP meetings conducted.</i> <i>4th Quarter: 2 SDBIP meetings conducted.</i>	N/A
MM8	N/A	Conducting 12 SDBIP meetings with senior personnel in own directorate by 30 June 2024	3 SDBIP meetings conducted		<i>Conducting 6 SDBIP meetings between MM and directors (leading to quarterly performance assessments) by 30 June 2024</i> <i>3rd Quarter: 2 SDBIP meetings conducted.</i> <i>4th Quarter: 2 SDBIP meetings conducted.</i>	N/A

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KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER						
SECTION: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE						
MPAC1	N/A	Conducting 30 public participation (s129(4) of the MFMA) meetings to monitor the performance and financial situation in the City of Matlosana by 30 June 2024	3 Public Meetings conducted	Meetings could not be conducted due to the removal of MPAC Chairperson in Council with Motion of no confidence. CC 152/2023 dated 29/08/2023. New MPAC Chairperson	<i>Conducting 24 public participation (s129(4) of the MFMA) meetings to monitor the performance and financial situation in the City of Matlosana by 30 June 2024.</i>	N/A
MPAC2	N/A	Issuing 4 MPAC reports to council which assess the efficiency and effectiveness of performance and finances achieved by Council by 30 June 2024	1 MPAC Report issued to Council.	appointed CC 185/2023 dated 28/11/2023. Annual target to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Issuing 2 MPAC reports to council which assess the efficiency and effectiveness of performance and finances achieved by Council by 30 June 2024.</i>	N/A
MPAC5	N/A	Issuing 4 UIF&W Expenditure reports to council to investigate unauthorised, irregular, fruitless and wasteful expenditure of the municipality's performance and financial situation by 30 June 2024	0 UIF&W Expenditure report issued	The committee were still busy with investigations on UIF & W Expenditure register during 1 st and 2 nd quarter. Annual target to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Issuing 2 UIF&W Expenditure reports to council to investigate unauthorised, irregular, fruitless and wasteful expenditure of the municipality's performance and financial situation by 30 June 2024</i>	N/A

DIRECTORATE TECHNICAL AND INFRASTRUCTURE

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: ROADS AND STORMWATER DRAINAGE						
ROA1	40252320602PRQ37ZZWM (Split vote with normal maintenance)	Grading of 100 km roads in the KOSH as per maintenance programme by 30 June 2024 R8 630 203	28.71 Km graded	There is a delay of signatures and printing of orders. To date the no orders has been printed and service providers not paid. The service providers pulled out the machines. To date the no orders has been printed. Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Grading of 75 km roads in the KOSH as per maintenance programme by 30 June 2024</i> <i>3rd Quarter: 23.14 km Graded R5 966 328</i> <i>4th Quarter: 23.15 km Graded R8 630 203</i>	N/A
ROA2	40252320602PRQ37ZZWM (Split vote with normal maintenance and ROA1)	Cleaning 30 km of open storm-water channels as per maintenance programme in the CoM municipal area by 30 June 2024 R5 000 000	7.27 Km open storm-water channels cleaned		<i>Cleaning 20 km of open storm-water channels as per maintenance programme in the CoM municipal area by 30 June 2024</i> <i>3rd Quarter: 6.36 Km open storm-water channels cleaned. R3 407 500</i> <i>4th Quarter: 6.37 Km open storm-water channels cleaned. R5 000 000</i>	N/A
ROA3	40252320602PRQ37ZZWM	Cleaning 30km of storm-water pipes as per maintenance programme in the CoM municipal area by 30 June 2024 R5 000 000	15.51 km of storm-water pipes cleaned	The section underperformed in the 2 nd quarter and need to catch up with the backlog in the 3 rd and 4 th quarters. Mentioned quarters to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>3rd Quarter: 7.19 km of storm-water pipes cleaned. R4 112 342</i> <i>4th Quarter: 5.32 km of storm-water pipes cleaned. R5 000 000</i>	N/A

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KEY PERFORMANCE AREA 1: SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: SANITATION						
SAN3	N/A	Obtaining a minimum score of 70% of effluent quality compliance on the Department of Water & Sanitation - IRIS/Green Drop compliance system by 30 June 2024. R0	Monthly compliance documentation submitted to DWS. Obtaining 13,65% IRIS wastewater effluent compliance system	Due to vandalism some plants and pump-stations are not operational and the target of 70% will not be reached. It is requested that the percentage be lowered to 60%. Annual, 3 rd and 4 th quarter targets to be amended accordingly.	Obtaining a minimum score of 60% of effluent quality compliance on the Department of Water & Sanitation - IRIS/Green Drop compliance system by 30 June 2024. <i>3rd Quarter: Obtaining 60% IRIS wastewater effluent compliance system</i> <i>4th Quarter: Obtaining 60% IRIS wastewater effluent compliance system</i>	N/A
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: BUILDING CONSTRUCTION						
BUI2	N/A	Resolving at least 55% of all municipal facility default complaints within 30 days in the Matlosana area (telephonic, written and verbal) received by 30 June 2024	82% 195 Complaints received / 160 resolved	This is a new indicator with no baseline. After six months the section is "overperforming" due to no baseline. It is requested that the target to be amended to be in line with the half-year performance. Annual, 3 rd & 4 th quarter targets to be amended accordingly.	<i>Resolving at least 85% of all municipal facility default complaints within 30 days in the Matlosana area (telephonic, written and verbal) received by 30 June 2024</i> <i>3rd Quarter: 85%</i> <i>4th Quarter: 85%</i>	N/A
SECTION: ELECTRICAL AND MECHANICAL						
ELE3	N/A	Resolving 80% of all low voltage complaints in the CoM licensed area (telephonic, written and verbal) received in accordance with NRS-047-1 Electricity Supply Quality of Service (Minimum Standard) by 30 June 2024	99% 3 904 received / 3 882 resolved and 24 resolved outside the standard	The available resource increased percentage of achievement. Therefore, the section is currently "overperforming". The Target to be amended to 95%. Annual, 3 rd & 4 th quarter targets to be amended accordingly.	<i>Resolving 95% of all low voltage complaints in the CoM licensed area (telephonic, written and verbal) received in accordance with NRS-047-1 Electricity Supply Quality of Service (Minimum Standard) by 30 June 2024</i> <i>3rd Quarter: 95%</i> <i>4th Quarter: 95%</i>	N/A

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: ELECTRICAL AND MECHANICAL						
ELE4	N/A	Resolving at least 95% of all medium voltage forced interruptions within industry standard timeframes (8 hours) in the CoM licensed area in accordance with NRS-047-1 Electricity Supply Quality of Service (Minimum Standard) by 30 June 2024	98% 223 received / 219 resolved and 4 resolved outside the standard	The available resource increased percentage of achievement. Therefore, the section is currently "overperforming". The Target to be amended to 95%. Annual, 3 rd & 4 th quarter targets to be amended accordingly.	<i>Resolving at least 97% of all medium voltage forced interruptions within industry standard timeframes (8 hours) in the CoM licensed area in accordance with NRS-047-1 Electricity Supply Quality of Service (Minimum Standard) by 30 June 2024</i> <u>3rd Quarter: 97%</u> <u>4th Quarter: 97%</u>	N/A
ELE5	N/A	Resolving at least 50% of all streetlight's complaints in the Matlosana licensed area (telephonic, written and verbal) within a month from received by 30 June 2024	60% 1 126 received / 668 resolved	Due to unavailability of materials at central stores and yellow fleet the target of 50% cannot be achieved. Target to be amended to 40%. The annual, 3 rd and 4 th quarter targets need to be amended accordingly	<i>Resolving at least 55% of all streetlight's complaints in the Matlosana licensed area (telephonic, written and verbal) within a month from received by 30 June 2024</i> <u>3rd Quarter: 55%</u> <u>4th Quarter: 55%</u>	N/A
ELE6	N/A	Resolving at least 80% of all high mast lights complaints within 30 days in the CoM licensed area (telephonic, written and verbal) within a month from receipt by 30 June 2024	47% 85 received / 40 resolved	Due to unavailability of materials at central stores and yellow fleet the target of 80% cannot be achieved. Target to be amended to 50%. The annual, 3 rd and 4 th quarter targets need to be amended accordingly	<i>Resolving at least 50% of all high mast lights complaints within 30 days in the CoM licensed area (telephonic, written and verbal) within a month from receipt by 30 June 2024</i> <u>3rd Quarter: 50%</u> <u>4th Quarter: 50%</u>	N/A
ELE7	N/A	Resolving 60% of all traffic control signals complaints within 30 days in the CoM licensed area (telephonic, written and verbal) received by 30 June 2024	78% 59 received / 46 resolved	Due to high number of theft and vandalism on traffic signals the target of 60% cannot be achieved. Target to be amended to 50%. The annual, 3 rd and 4 th quarter targets need to be amended accordingly.	<i>Resolving 65% of all traffic control signals complaints within 30 days in the CoM licensed area (telephonic, written and verbal) received by 30 June 2024</i> <u>3rd Quarter: 65%</u> <u>4th Quarter: 65%</u>	N/A

DIRECTORATE CORPORATE SUPPORT

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION						
DIRECTORATE: CORPORATE SUPPORT						
SECTION: OFFICE OF THE SPEAKER						
SPE1	N/A	Submitting 12 Ward Committee reports to council to identify and evaluate the service delivery / burning issues within the CoM municipal area by 30 June 2024	2 Ward Committee reports submitted to Council	Monthly reports are submitted to ad-hoc committees, but a combined report is submitted quarterly to Council. The Annual target should therefore be amended to 4 Ward Committee reports submitted to Council.	Submitting 4 Ward Committee reports to council to identify and evaluate the service delivery / burning issues within the CoM municipal area by 30 June 2024. <u>3rd Quarter:</u> 1 Ward Committee report on service delivery / burning issues submitted to Council. <u>4th Quarter:</u> 1 Ward Committee report on service delivery / burning issues submitted to Council.	N/A
SPE3	N/A	Conducting at least 75% of one councillor-convened community meeting to improve municipal responsiveness by 30 June 2024	61% 39 Councillor-convened community meeting / 24 Councillors Convened Community meetings.	Some Ward Councillors did not convene the meetings as planned and others do not submit reports. The Speaker will issue warnings to Councillors not adhering to the legislation. The annual, 3 rd and 4 th quarter targets need to be amended accordingly.	Conducting at least 65% of one councillor-convened community meeting to improve municipal responsiveness by 30 June 2024. <u>3rd Quarter:</u> 65% <u>4th Quarter:</u> 65%	N/A
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
SECTION: OFFICE OF THE EXECUTIVE MAYOR						
EM1	N/A	Conducting 24 Imbizos in the Matlosana area by 30 June 2024	24 Imbizos conducted	The office has already reached full achievement in the first 6 months of the year. Due to Thuntsha Lerole, only 2 more imbizos will be conducted for the remainder of the FY. The annual, 3 rd and 4 th quarter targets need to be amended accordingly.	Conducting 26 Imbizos in the Matlosana area by 30 June 2024 <u>3rd Quarter:</u> 1 Imbizo conducted <u>4th Quarter:</u> 1 Imbizo conducted	N/A

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KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
DIRECTORATE: CORPORATE SUPPORT						
SECTION: CORPORATE ADMINISTRATION						
ADM1	N/A	Conducting 90 (sec.80) committee meetings (Portfolio Meetings) by 30 June 2024	30 (sec.80) committee meetings conducted	Council reduced monthly meetings to bi-monthly meetings. CC136/2023 dated 25 July 2023. Annual and 4 th quarter targets to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Conducting 60 (sec.80) committees' meetings (Portfolio Meetings) by 30 June 2023</i> <i>4th Quarter: 10 (sec.80) committee meetings conducted.</i>	N/A
ADM2	N/A	Conducting 18 Mayoral Committee meetings (special meetings included) by 30 June 2024	11 MayCo meetings conducted	Special Mayoral Committee meetings were held during 1 st quarter to deal with legislative compliance matters. The Annual target to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Conducting 20 Mayoral Committee meetings (special meetings included) by 30 June 2023</i>	N/A
ADM3	N/A	Conducting 18 Council meetings (special meetings included) by 30 June 2024	8 Council meetings conducted	Special Council Committee meetings are held during 2 nd quarter to deal with legislative compliance matters. The Annual target to be amended accordingly, and that the performance of previous quarters be acknowledged.	<i>Conducting 20 Council meetings (special meetings included) by 30 June 2023</i>	N/A
SECTION OFFICE OF THE WHIP						
WHI1	N/A	New indicator To conducted moral re-generations workshops as per national legislation to promote social development within communities. Number of moral re-generation workshops in KOSH conducted		The Office of the Whip must conduct / facilitate RHR (Reconciliation, Healing and Renewal) workshops as per national legislation to promote social development within communities. KPI to in added on the SDBIP	<i>Conducting / facilitating 3 RHR (Reconciliation, Healing and Renewal) workshops and 3 community events (as per programme) in Matlosana area by June 2024</i> <i>3rd Quarter: 2 Workshops and 2 Events conducted / facilitated. R</i> <i>4th Quarter: 1 Workshop and 1 Event conducted / facilitated. R</i>	N/A

DIRECTORATE COMMUNITY DEVELOPMENT

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
DIRECTORATE: COMMUNITY DEVELOPMENT						
SECTION: REFUSE REMOVAL						
REF2	70102320603W S MRCZZWM	Purchasing and distributing 2 591x 240ℓ dustbins for new promulgated areas and replacement of old dustbins in the Matlosana area by June 2024	None	There was a delay with supply chain process. The tender has not been advertised; Specification Committee was held on 19 October 2023. Process still not finalised. Annual, 3 rd & 4 th quarter targets to be amended accordingly.	3 rd Q: Finalising the SCM process 4 th Q: 2 591 x 240ℓ dustbins purchased and distributed. R2 000 000	N/A
SECTION: MUSEUM AND HERITAGE						
MUS1	N/A	Conducting at least 75 consultation sessions with educators, students, researchers, and public upon request to promote heritage awareness and disseminate educational content by 30 June 2024	34 Consultation sessions conducted	The museum is currently overperforming due to a high demand of educators requesting visits to our cultural heritage museum. New pioneer exhibition also contributed to the increase in educational programs. Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	Conducting at least 90 consultation sessions with educators, students, researchers, and public upon request to promote heritage awareness and disseminate educational content by 30 June 2024 3 rd Q: 25 Consultation sessions conducted. 4 th Q: 28 Consultation sessions conducted.	N/A
MUS3	N/A	Presenting at least 45 educational programs to learners and adults to expand their knowledge of SA history and cultural heritage in general and that of CoM municipal area in particular by 30 June 2024	26 Educational programs presented	The museum is currently overperforming due to learners and adults interested to expand their knowledge of SA history and cultural heritage in general. Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	Presenting at least 52 educational programs to learners and adults to expand their knowledge of SA history and cultural heritage in general and that of CoM municipal area in particular by 30 June 2024 3 rd Q: 11 Educational programs presented. 4 th Q: 15 Educational programs presented.	N/A
MUS4	N/A	Convening 8 heritage awareness projects to disseminate knowledge regarding heritage and promote cultural heritage and national unity by 30 June 2024	5 Projects convened	The museum convened an extra awareness of demand during the 1 st quarter. Annual target to be amended accordingly, and that the overperformance of the 1 st quarter be acknowledged.	Convening 9 heritage awareness projects to disseminate knowledge regarding heritage and promote cultural heritage and national unity by 30 June 2024	N/A

DIRECTORATE LOCAL ECONOMIC DEVELOPMENT

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT						
DIRECTORATE: LOCAL ECONOMIC DEVELOPMENT						
SECTION: FRESH PRODUCE MARKET						
FPM2	N/A	Resolving at least 80% of all Occupational Health & Safety recommendation by 30 June 2024	No OHS recommendations received for the 1 st 6 months.	The KPI should move to the office of the Director LED, as OHS deals with all sections within LED. All remains the same except for the reference number – DLED8	<u>DLED8</u> <i>Resolving at least 80% of all Occupational Health & Safety recommendation by 30 June 2024</i>	N/A
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
SECTION: FRESH PRODUCE MARKET						
FPM1	N/A	Developing Fresh Produce Market turn-around Strategy by 30 June 2024	'Fresh Produce Market Strategy Developed	The strategy must be developed AND approved by the Municipal Manager. Annual be amended accordingly.	<i>Developing Fresh Produce Market turn-around Strategy to be approved by the Municipal Manager by 30 June 2024.</i>	N/A

DIRECTORATE PUBLIC SAFETY

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT						
DIRECTORATE: PUBLIC SAFETY						
SECTION: LICENSING						
LIS4	10151060110L PZZZZVM; 10151400880R FZZZZVM	Collecting revenue from businesses / hawkers and stands by 30 June 2024 R55 518	R1 300 collected	Powers to issue business licenses have been taken away from municipalities since introduction of the new Northwest Business act 2019. KPI to be removed from SDBIP.	Collecting revenue from businesses / hawkers and stands by 30 June 2024. <u>Removed</u>	R1 300

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
SECTION: DIRECTORATOR PUBLIC SAFETY						
SECTION: DIRECTORATOR PUBLIC SAFETY						
DPS7	N/A	Conducting 8 community safety campaigns in the CoM municipal area according to programme by 30 June 2024	2 Community safety campaigns conducted	Financial issues from the Provincial and Sister Departments were experienced in the 1 st quarter. Annual target to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	<i>Conducting 6 community safety campaigns in the CoM municipal area according to programme by 30 June 2024</i>	N/A
SECTION: FIRE AND DISASTER						
FIR1	N/A	Conducting 900 general fire inspections according to programme in the CoM municipal area by 30 June 2024	258 General fire inspections conducted	Fire & Rescues have been experiencing a critical shortage of vehicles. Vehicles have been repaired, though the delay is from Finance Department to release payment of service providers to release the vehicles. Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	<i>Conducting 660 general fire inspections according to programme in the CoM municipal area by 30 June 2024 3rd Q: 191 General fire inspections conducted. 4th Q: 211 General fire inspections conducted</i>	N/A
FIR2	N/A	Conducting 16 fire prevention information sessions according to programme in identified wards by 30 June 2024	No Fire prevention information sessions conducted	Fire & Rescues have been experiencing a critical shortage of vehicles. Vehicles have been repaired, though the delay is from Finance Department to release payment of service providers to release the vehicles. Annual target to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	<i>Conducting 8 fire prevention information sessions according to programme in identified wards by 30 June 2024</i>	N/A

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
DIRECTORATE: TECHNICAL AND INFRASTRUCTURE						
SECTION: ELECTRICAL AND MECHANICAL						
FIR3	N/A	Conducting 8 fire safety campaigns for schools in the CoM municipal area according to programme by 30 June 2024	3 Fire safety campaigns conducted	Fire & Rescues have been experiencing a critical shortage of vehicles. Vehicles have been repaired, though the delay is from Finance Department to release payment of service providers to release the vehicles. Annual and 3 rd quarter targets to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	<i>Conducting 6 fire safety campaigns for schools in the CoM municipal area according to programme by 30 June 2024. 3rd Q: 1 Fire safety campaigns conducted. 4th Q: 2 Fire safety campaigns conducted.</i>	N/A

DIRECTORATE PLANNING AND HUMAN SETTLEMENTS

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 4: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT						
DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS						
SECTION: TOWN-PLANNING						
TP3	N/A	Issuing at least 180 contravention notices during inspections conducted by 30 June 2024	20 Notices issued	Appointment of Land Use Inspectors will improve performance of the Unit. Annual and 3 rd quarter targets to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	<i>Issuing at least 50 contravention notices during inspections conducted by 30 June 2024.</i> <u>3rd Q:</u> 15 Notices issued <u>4th Q:</u> 15 Notices issued	N/A
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS						
SECTION: HOUSING SERVICES						
LAN2	N/A	Processing and finalising at least 90% of all lease applications within 90 days by 30 June 2024	100% 25 Applications received / 25 of applications finalised	The appointment of new personnel has boosted performance. The target to be increased drastically. Annual and 3 rd quarter targets to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	<i>Processing and finalising at least 97% of all lease applications within 90 days by 30 June 2024.</i> <u>3rd Q:</u> 97% <u>4th Q:</u> 97%	N/A

ITEM NR.	IDP & BUDGET LINKAGE / PROJECT ID.	OBJECTIVE / KEY PERFORMANCE INDICATORS (KPI) WITH ANNUAL TARGET	ACTUAL MID-YEAR PERFORMANCE	REASON AND SUGGESTIONS FOR ADJUSTMENT	ADJUSTED ANNUAL AND / OR QUARTERLY TARGET	ADJUSTED AMOUNT
KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
DIRECTORATE: PLANNING AND HUMAN SETTLEMENTS						
SECTION: HOUSING SERVICES						
HOU2	N/A	Registering 400 beneficiaries on the Matlosana Housing Needs Register for housing opportunities by 30 June 2024	1 312 forms registered	The appointment of new personnel has boosted performance. The target to be increased drastically. Annual and 3 rd quarter targets to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	<i>Registering 2 800 beneficiaries on the Matlosana Housing Needs Register for housing opportunities by 30 June 2024.</i> <u>3rd Q:</u> 744 Needs registered. <u>4th Q:</u> 744 Needs registered.	N/A
HOU3	N/A	Transferring at least 400 old municipal housing stock through housing subsidy programme by 30 June 2024	218 New applications completed and submitted to attorneys then province	According to our work program, the focus was on one area (Jouberton). The new program will include all the areas within Matlosana (Tigane, Alabama, Kanana and Khuma). Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	<i>Transferring at least 250 old municipal housing stock through housing subsidy programme by 30 June 2024.</i> <u>3rd Q:</u> 32 Forward applications and deed of sale to attorney <u>4th Q:</u> 250 Title Deeds received.	N/A
HOU6	N/A	Verification of 316 stands in Jouberton Ext 2 (Sun City) to confirm rightful occupancy (owners) by 30 December 2023	548 Stands verified Closeout Report received	548 Is the correct number of stands according to the map and the target should be adjusted according to it. The tender process still not finalized. Annual, 3 rd and 4 th quarter targets to be amended accordingly, and that the overperformance of previous quarters be acknowledged.	<i>Verification of 548 stands in Jouberton Ext 2 (Sun City) to confirm rightful occupancy (owners) by 30 December 2023</i>	N/A

GENERAL

That all objectives, KPI's and annual targets which do not comply with the AG's recommendations and/or "smart" principle, be corrected.