

REPORT TO: COUNCIL

1. ITEM NUMBER

2. SUBJECT

QUARTERLY FINANCIAL REPORT: MARCH 2020

LSUA1980

ONDERWERP

KWARTAALLIKSE FINANSIËLE VERSLAG: MAART 2020

ISIHLOKO

INGXELO YEMALI YARHOQO NGEKOTA: EYOKWINDLA 2020

3. DELEGATED AUTHORITY

In terms of delegation

This report is FOR NOTING BY

- ☐ Committee name :
- ☐ The Executive Mayor together with the Mayoral Committee (MAYCO)
- ☒ Council
- ☐ The Executive Mayor

4. DISCUSSION

The Municipal Finance Management Act (MFMA) requires municipalities to submit regular reports on matters related to the municipality's financial performance.

The quarterly financial report is submitted in accordance with Section 52 of the MFMA and provides an overview of the City's budget implementation status and its financial viability and sustainability.

This report presents the financial position of the abovementioned indicators as at 31 March 2020.

4.1. Financial Implications ☒ None ☐ Opex ☐ Capex

☐ Capex: New Projects

☐ Capex: Existing projects requiring additional funding

☐ Capex: Existing projects with no additional funding requirements

4.2. Legal Compliance ☒

Municipal Finance Management Act, 2003 (Act 56 of 2003), Section 52

4.3. Staff Implications ☐ Yes ☒ No

4.4. Risk Implications ☐ Yes ☒ No

5. RECOMMENDATIONS

- a) The quarterly financial report for the quarter ended 31 March 2020 is submitted for information and noting only.

AANBEVELING

- a) Die kwartaallikse finansiële verslag vir die kwartaal geëindig 31 Maart 2020 word slegs ter inligting en kennisname voorgelê.

ISINDULULO

- a) INgxelo yeMali yaRhoqo ngeKota yekota ephela ngowama- eyoKwindla 2020 ingeniselwa iinjongo zolwazi nokuqatshelwa kuphela.

ANNEXURES

Annexure A: Quarterly Financial Report – 31 March 2020

FOR FURTHER DETAILS CONTACT

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DIRECTORATE	FINANCE	FILE REF NO	N/A
SIGNATURE : DIRECTOR _____			

CHIEF FINANCIAL OFFICER

NAME	KEVIN JACOBY	COMMENT:
DATE	_____	_____
SIGNATURE	_____	_____

LEGAL COMPLIANCE

- ☐ REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION. ☐ NON-COMPLIANT

NAME	_____	COMMENT:
DATE	_____	_____
SIGNATURE	_____	_____

EXECUTIVE MAYOR

☐ SUPPORTED

☐ NOT SUPPORTED

NAME ALD. DAN PLATO

COMMENT:

DATE

SIGNATURE



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

S52 MAYOR'S QUARTERLY REPORT

MARCH 2020 (2020 Q3)

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MUNICIPAL MANAGER QUALITY CERTIFICATION

EXECUTIVE SUMMARY

BACKGROUND

Section 52 of the MFMA states:

"The mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality;"

Regulation 31 of the MBRR states:

"The S52 Mayor's Report must be in the format specified as per Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Municipal Management Finance Act; and must be consistent with the monthly budget statements for September, December, March and June as applicable;..."

MAYOR'S QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2020

The Mayor's Quarterly Report is prepared in compliance to Section 52 of the MFMA and sets out financial particulars in the format prescribed by the MFMA and the MBRR.

It provides a high level overview of the organisation's financial viability and sustainability.

KEY DATA (PAGE 4 - 28)

This section of the report includes certain Key Financial Performance Indicators for the City.

IN YEAR BUDGET STATEMENT TABLES (PAGE 29 - 35)

This section provides the City's key tables in the format prescribed by the MBRR.

- **Table C1 (Page 29)** provides a high level summation of the operating and capital budgets, actuals to date, financial position and cash flow.
- **Table C2 (Pages 30)** is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- **Table C3 (Pages 31)** shows budgeted financial performance in relation to the revenue and expenditure as well as the operating surplus or deficit.
- **Table C4 (Page 32)** is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.
- **Table C5 (Pages 33)** reflects the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and funding sources required to fund the capital budget, including information on capital transfers from national and provincial departments.
- **Table C6 (Page 34)** reflects the performance to date in relation to the financial position of the municipality.
- **Table C7 (Page 35)** indicates the cash flow position and cash/cash equivalents.

IN YEAR BUDGET STATEMENT SUPPORTING TABLES (PAGE 36 - 73)

This section provides the City's supporting tables in the format prescribed by the MBRR.

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR) (PAGE 74 - 77)

This section provides the cost containment in-year reporting for the City as well as its two entities i.e. Cape Town International Convention Centre and Cape Town Stadium.

KEY DATA**Operating Budget**

Operating Budget	Adjusted Budget 2019/20	YearTD budget 2019/20	YearTD actual 2019/20	YTD variance	Full Year Forecast
Total Revenue ¹ (R'Thousands)	41,667,901	32,406,186	33,246,462	840,276	41,460,735
Total Expenditure ¹ (R'Thousands)	41,933,801	28,470,621	28,063,728	(406,893)	41,386,932
Surplus/(Deficit) contributions)	(265,900)	3,935,565	5,182,734	1,247,169	73,802

Capital Budget

Capital Budget	Adjusted Budget 2019/20	YearTD budget 2019/20	YearTD actual 2019/20	YTD variance	Full Year Forecast
Total Capital Expenditure (R'Thousands)	7,879,749	3,374,165	3,834,579	460,413	7,049,375

Financial position

Working Capital	Audited Outcomes 2018/19	Original Budget 2019/20	Adjusted budget 2019/20	YearTD actual
Cost coverage ratio³				
Cash and investments at period end less restricted cash/Monthly operating Expenditure	3,85:1	-	-	1,60:1
Liquidity				
Current Ratio (Current assets/current liabilities) ⁴	2.0	1.4	1.9	2.6
Borrowing				
Capital Charges to Operating Expenditure (Interest & principal paid/Operating Expenditure) ⁵	1.3%	2.8%	2.7%	3.2%
Borrowed funding of 'own' capital expenditure (Borrowings/Capital expenditure excl. transfers and grants) ⁶	7.3%	17.8%	20.7%	22.7%
Financial Position (R'Thousands)⁷				
Total Assets	70,953,565	76,535,561	75,575,382	75,962,262
Total Liabilities	22,262,316	27,768,659	24,522,926	20,794,116
Cash Flow (R'Thousands)				
Cash/cash equivalents at month/year end	8,419,275	4,985,877	7,862,063	12,744,623

- Cost coverage ratio³**

This ratio indicates a municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue during that period.

The ratio outcome for the period under review is 1.6 months which falls within the norm of 1-3 months (MFMA Circular 71). This outcome shows a significant drop from the previous period's outcome of 3 months. This change is attributable to the amendments to cash and Restricted Cash based on funding requirements for the 2021 MTREF.

- **Current Ratio⁴**

This ratio is used to assess a municipality's ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, inventory and receivables).

The year-to-date ratio shows that the City has sufficient cash to meet its short-term financial obligations and is above the norm of 1.5 to 2.1 (MFMA Circular 71). The ratio outcome of 2.6 is slightly lower than the previous month, due to a decrease in consumer debtors.

- **Capital Charges to Operating Expenditure⁵**

This ratio indicates the cost required to service the borrowing of a municipality. It assesses the borrowing or payment obligation expressed as a percentage of total operating expenditure.

The year-to-date ratio of 3.2% is below the National Treasury norm of 6% to 8% (MFMA Circular 71). This ratio is budgeted to be below the National Treasury norm. It is expected that the ratio outcome will be in line with the budgeted ratio as expenditure accelerates over the remainder of the financial year.

- **Borrowed funding of 'own' Capital Expenditure⁶**

The ratio indicates the extent of capital expenditure being financed from borrowed funding compared to own and other funding sources, excluding transfers and grant funded expenditure.

The year-to-date outcome of 22.7% is slightly more than the budgeted ratio of 20.7%. The year-to-date capital expenditure exceeds the year-to-date budget by R460.4 million.

- **Financial Position⁷**

The outcomes on the financial position is a result of the movements in the Statement of Financial Performance and the capital budget. However, there is no monthly financial position available as the budget represents the full year while the actuals represents year-to-date outcomes. The full year outcome will only be analysable at year end.

- **Cash Flow**

Cash and cash equivalents amount to R12 745 million as at 31 March 2020. This position is mainly due to the levels of cash that were realised in the previous financial year. It includes the reserves and commitments required to be backed by cash. The funds are invested in compliance with the MFMA and City's Cash Management and Investment policy.

Debtors

Debtors ¹	Current - 0 to 30 days	31-60 Days	61 days and over	TOTAL
R Thousands				
Water	407,952	64,838	1,877,360	2,350,150
Electricity	887,771	72,590	375,196	1,335,558
Rates	754,389	91,467	1,187,813	2,033,670
Sewerage	206,155	31,876	674,410	912,441
Refuse	123,683	24,878	559,788	708,349

Debt Management action is carried out in terms of the City's Credit Control and Debt Collection Bylaw and Policy with Indigent Relief.

There is a continuous drive to reduce water consumption, which led to higher billings on indigent and water leaks project properties with a municipal valuation of R400 000 and less, and to appropriately deal with the debt on these accounts.

The table below reflects the City's collection ratio per category excluding the related water and sewerage adjustments as reported previously, which is part of the process implemented to rectify the indigent accounts.

Debtors Collection Rate % ^s	Previous year 2018/19	Current year 2019/20 (Interim ratios)	12 Months moving average YTD collection ratio (Interim ratios)
Electricity	98.05%	98.76%	98.81%
Water	83.83%	99.79%	104.44%
Sewerage	94.66%	98.21%	101.85%
Refuse	91.78%	88.82%	89.98%
Rates	96.09%	96.92%	96.04%
Other	94.21%	100.60%	98.67%

^s12 Months Collection Ratio. Calculated into National Treasury Circular 71.

The 12 Months Moving Average Payment Ratio for the period ended 31 March 2020 is 97.05% as reflected in the following table.

Monthly Collection Rate	
Period	Current year
12 Months	97.05%
6 Months	97.08%
3 Months	95.91%
Monthly	99.82%

Human Resources

Human Resources	Audited Outcomes 2018/19	Original Budget 2019/20	Adjusted Budget 2019/20	YearTD actual 2019/20
Employee and Councillor remuneration (R'Thousands)	12,526,851	14,027,918	14,210,260	9,749,842
Employee Costs (Employee costs/Total Revenue - capital revenue)	30.8%	33.8%	33.7%	29.0%
Total Cost of Overtime (R'Thousands)	666,269	606,267	704,222	487,617

Employee related costs are influenced by ongoing terminations, the turnaround time of filling vacancies and the internal filling of vacancies.

Overtime has a structured and non-structured component. Line departments are phasing out reliance on non-structured overtime by ensuring that continuous shift rosters and stand-by allowances are put in place where 24-hour continuous services are required. Absenteeism and sick leave are also managed to curb this expenditure.

Details on senior managers remuneration and the remuneration of other municipal staff can be found in *Table SC8 Monthly Budget Statement - councillor and staff benefits* on page 62.

Staff Complement

Municipal Employees (numbers)	As at 30 June 2019	Adjusted Budget 2019/20	March 2020
Filled posts - Permanent	26,646	26,478	27,704
Filled posts - Temporary	697	645	1,632
Vacant posts - Permanent	3,625	3,613	4,113
	30,968	30,736	33,449

Municipal Councillors (numbers)	As at 30 June 2019	Adjusted Budget 2019/20	March 2020
Municipal Councillors	230	231	231
Municipal Councillors - Vacancies	1	-	-
	231	231	231

The City had 4113 vacancies as at 31 March 2020; 2876 positions were filled (1631 internal and 1245 external) with 1152 terminations processed since the beginning of the financial year. The filling of vacancies is ongoing and seasonal staff are appointed as and when required.

The table below shows the number and value of vacancies per directorate for the period under review.

DIRECTORATE	VACANT POSTS (Permanent positions)		% of Posts Filled	Vacancy Rate
	Number of Posts	Value		
City Manager (Office of CM)	30	R23,547,004	88.74%	11.26%
Community Services and Health	409	R150,230,229	95.09%	4.91%
Corporate Services	190	R112,155,943	91.21%	8.79%
Economic Opportunities and Asset Management	159	R64,550,338	87.03%	12.97%
Energy & Climate Change	318	R132,958,808	89.80%	10.20%
Finance	192	R76,462,851	92.31%	7.69%
Human Settlements	151	R72,886,557	85.27%	14.73%
Safety and Security	914	R272,205,758	85.07%	14.93%
Spatial Planning and Environment	135	R77,418,098	87.62%	12.38%
Transport	358	R135,406,041	83.94%	16.06%
Urban Management	49	R27,076,805	92.25%	7.75%
Water and Waste	1208	R418,978,329	87.82%	12.18%
TOTAL	4,113	R1,563,876,763	89.05%	10.95%

The table below provides an age analysis of vacancies per directorate.

DIRECTORATE	Less Than 6 Months	6 to 12 Months	1 to 2 Years	More Than 2 Years	Grand Total
City Manager (Office of CM)	9	12	7	2	30
Community Services and Health	272	127	10	0	409
Corporate Services	90	63	27	10	190
Economic Opportunities & Asset Management	77	38	36	8	159
Energy and Climate Change	184	81	34	19	318
Finance	106	59	18	9	192
Human Settlements	59	22	23	47	151
Safety and Security	602	234	67	11	914
Spatial Planning and Environment	87	24	16	8	135
Transport	138	108	70	42	358
Urban Management	25	14	5	5	49
Water and Waste	579	287	244	98	1,208
Grand Total	2,228	1,069	557	259	4113

BUDGET PERFORMANCE ANALYSIS**Summary Statement of Financial Performance**

Description	Original Budget 2019/20	Adjusted Budget	YearTD actual 2019/20	YearTD budget 2019/20	YTD variance
R'Thousands					
Total Revenue (excluding capital transfers and	40,921,950	41,667,901	33,246,462	32,406,186	840,276
Total Expenditure	41,779,617	41,933,801	28,063,728	28,470,621	(406,893)
Surplus/(Deficit)	(857,667)	(265,900)	5,182,734	3,935,565	1,247,169

Continuous identification of under-/over expenditure is taking place and communicated to line thereby affording line the opportunity to redirect potential savings to other needy/priority areas within their areas of responsibility.

Virementation of funds to prevent unauthorised expenditure are done on a regular basis.

Any instances of apparent non-compliance are addressed by the relevant finance officials.

REVENUE**Main revenue sources for 2019/20**

Description	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Revenue By Source							
Property rates	9,916,685	9,950,180	7,497,321	7,480,131	17,190	0.2%	9,950,180
Service charges - electricity revenue	13,623,146	14,368,248	10,978,912	10,807,198	171,714	1.59%	14,368,393
Service charges - water revenue	3,212,017	2,969,773	2,266,500	2,244,072	22,428	1.0%	2,969,773
Service charges - sanitation revenue	1,568,599	1,482,072	1,160,207	1,116,901	43,307	3.9%	1,482,072
Service charges - refuse revenue	1,286,433	1,236,834	965,559	918,366	47,194	5.1%	1,236,855
Rental of facilities and equipment	311,781	319,959	217,079	222,799	(5,720)	-2.6%	323,604
Interest earned - external investments	912,495	912,473	948,800	803,239	145,561	18.1%	912,698
Interest earned - outstanding debtors	380,814	394,487	295,793	297,020	(1,228)	-0.4%	385,592
Dividends received	-	-	-	-	-	-	-
Fines, penalties and forfeits	1,185,453	1,142,748	1,313,367	960,031	353,336	36.8%	1,147,149
Licences and permits	82,218	79,696	43,784	46,597	(2,812)	-6.0%	73,331
Agency services	217,672	219,336	183,221	160,092	23,130	14.4%	219,336
Transfers and subsidies	7,376,568	7,722,432	6,721,680	6,753,264	(31,584)	-0.5%	7,521,102
Other revenue	804,335	822,156	613,144	562,589	50,555	9.0%	832,337
Gains on disposal of PPE	43,732	47,505	41,093	33,888	7,205	21.3%	38,312
Total Revenue (excluding capital transfers and contributions)	40,921,950	41,667,901	33,246,462	32,406,186	840,276	2.6%	41,460,735

Reasons for major over-/under-recovery per revenue source

- Service charges - electricity revenue (R171.7 million over)**

The over-recovery is largely due to customers in the commercial large power category who have not yet migrated to the new Time-of-use tariff despite it being the cheaper option.

- **Interest earned - external investments (R145.6 million over)**

The over-recovery is due to higher than expected cash and investment fund balances to date.

- **Fines, penalties and forfeits (R353.3 million over)**

The over-recovery reflects mainly against Traffic Fines - Accruals and is due to more than planned fines issued for traffic- and various by-law offences during this period.

- **Other revenue (R50.6 million over)**

The over-recovery reflects mainly against the following categories:

- Service Charges Infrastructure and Facilities, due to broadband-related revenue being higher than planned to date.
- Cash Recovery - Claims, due to an unplanned refund from SASRIA.
- By-product sales, due to an increase in the sale of by-products (timber) at Steenbras- and Wemmershoek dams.
- Development Levies/BICL, due to higher than planned revenue received for the month under review.
- Hire of municipal staff, due to higher than anticipated demand for law enforcement staff for externally-funded events.
- Recoveries of Operational Expenditure, where cost for running the temporary desalination plants was recovered from the contractor.

Reasons for variances on revenue by source and vote can be found in *Table SC1: Material variance explanations for revenue by source and by vote* on page 36.

EXPENDITURE

Main expenditure types for 2019/20

Description R thousands	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type							
Employee related costs	13,817,805	14,028,148	9,628,303	9,904,575	(276,272)	-2.8%	13,671,459
Remuneration of councillors	179,818	179,818	121,539	121,249	290	0.2%	179,818
Debt impairment	2,341,628	2,213,244	1,649,837	1,557,893	91,944	5.9%	2,213,244
Depreciation & asset impairment	3,015,086	3,040,783	2,189,637	2,224,615	(34,978)	-1.6%	3,026,008
Finance charges	790,756	760,816	573,793	548,770	25,023	4.6%	801,399
Bulk purchases	10,092,601	10,069,094	6,791,799	6,748,379	43,420	0.6%	10,070,868
Other materials	1,611,763	1,476,044	1,000,563	1,005,181	(4,618)	-0.5%	1,477,829
Contracted services	7,156,498	7,339,120	4,367,774	4,538,780	(171,006)	-3.8%	7,121,729
Transfers and subsidies	446,206	571,067	290,375	323,416	(33,042)	-10.2%	567,557
Other expenditure	2,326,698	2,254,884	1,439,098	1,497,111	(58,013)	-3.9%	2,250,901
Loss on disposal of PPE	756	783	11,010	650	10,360	1593.1%	6,121
Total Expenditure	41,779,617	41,933,801	28,063,728	28,470,621	(406,893)	-1.4%	41,386,932

Reasons for major over-/under expenditure per type

- **Employee Related Costs (R276.3 million under)**

The variance is mainly due to the turnaround time in filling vacancies; internal filling of vacant positions; and slower than planned implementation of job creation projects.

- **Debt impairment (R91.9 million over)**

The variance is due to the period budget provision for Bad Debt Provision within the Water & Waste directorate not being aligned to the actual monthly posting.

- **Contracted Services (R171.0 million under)**

This variance is a combination of over-/under expenditure against various cost elements within the category. Only cost elements with under expenditure are listed below.

- Building Contractors, due to staff capacity constraints within maintenance teams, mainly within the Human Settlements directorate, and delays in awarding maintenance tenders resulting in maintenance projects being implemented later than planned.
- G&D Contracted Services Building, due to invoices outstanding from the Western Cape Government (WCG) for the following projects: Delft The Hague, Valhalla Park and Belhar Pentech.
- R&M Electrical, due to electrical tenders not being in place as well as plant maintenance orders and invoices that must still be processed.
- R&M Maintenance of Equipment, where the replacement of old vehicles resulted in less repairs being needed.
- Meter Management, where expenditure patterns are not aligned to the period budget provision.
- Administrative and Support Staff, due to less than anticipated demand for Labour Broker staff to date.
- Sewerage Services, where invoices for services within informal settlements are still outstanding.
- Cleaning Costs, where budget provisions were made to procure sanitizers and other material in response to the Covid19 pandemic, but actual expenditure is not reflected yet.

- **Transfers and Subsidies (R33.0 million under)**

The variance is mainly within the Human Settlements directorate and reflects against G&D Housing PHP Payment, due to delays in submission of invoices by the contractors as the Housing Subsidy System (HSS) payment notification from the Western Cape Government for the payment of beneficiary subsidies is still outstanding.

- **Other Expenditure (R58.0 million under)**

This variance is a combination of over-/under expenditure against various cost elements within the category. Only cost elements with under expenditure are listed below.

- Electricity, due to lower than planned consumption of electricity at City facilities.
- Insurance premiums and claims, where actual premiums and claims paid were less than planned to date.
- Advertising, due to a lower demand for recruitment- and corporate advertising to date.

- Software Licences, mainly due to the SAP annual licence payment, specific to the Transport directorate, which was scheduled for payment in December 2019 but has not yet been processed as the report is still being finalised.

Expenditure per vote (directorate)

Vote Description	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Expenditure by Vote							
Vote 1 - Community Services & Health	3,925,379	3,844,311	2,627,780	2,638,829	(11,049)	-0.4%	3,815,700
Vote 2 - Corporate Services	1,808,667	1,872,734	1,366,725	1,332,483	34,242	2.6%	1,872,734
Vote 3 - Economic Opportunities & Asset Managemnt	1,368,210	1,425,879	990,017	968,434	21,583	2.2%	1,425,879
Vote 4 - Energy & Climate Change	12,060,720	12,097,935	8,132,451	8,283,571	(151,120)	-1.8%	11,971,904
Vote 5 - Finance	3,004,417	3,321,105	2,123,044	2,214,700	(91,656)	-4.1%	3,258,164
Vote 6 - Human Settlements	1,468,810	1,600,804	921,689	1,024,555	(102,866)	-10.0%	1,603,141
Vote 7 - Office of the City Manager	237,561	239,104	153,145	173,602	(20,458)	-11.8%	239,104
Vote 8 - Safety & Security	3,598,555	3,596,416	2,562,657	2,535,169	27,488	1.1%	3,596,416
Vote 9 - Spatial Planning & Environment	711,474	697,345	481,079	492,265	(11,186)	-2.3%	697,345
Vote 10 - Transport	3,679,302	3,664,518	2,402,548	2,439,642	(37,094)	-1.5%	3,418,037
Vote 11 - Urban Management	1,142,379	1,097,253	656,978	653,410	3,568	0.5%	1,097,253
Vote 12 - Water & Waste	8,774,142	8,476,397	5,645,615	5,713,961	(68,346)	-1.2%	8,391,255
Total Expenditure by Vote	41,779,617	41,933,801	28,063,728	28,470,621	(406,893)	-1.4%	41,386,932

Reasons for over expenditure per vote (directorate)

The narrative below provides details of categories with overall over expenditure within directorates where there is bottom-line **over expenditure**.

The over expenditure within these directorates will be addressed by the review and subsequent adjustment of period budget provisions on affected expenditure categories.

- **Corporate Services (R34.2 million over)**
 - Employee related costs, due to staff appointments made earlier than planned.
 - Contracted Services - Advisory Services: Legal cost & Litigation, due to several unplanned high priority legal cases instituted during the year.
 - Other expenditure:
 - Training Other, due to training programmes being scheduled earlier than planned;
 - Corporate Training Programmes, due to additional training interventions offered, accelerated training programmes, and higher volumes of invoices processed to date; and
 - G&D Specialised IT Services, due to the erroneous processing of expenditure against this element.

- **Economic Opportunities & Asset Management (R21.6 million over)**

- Debt impairment, due to an unprocessed journal entry on Bad Debts Written-Off Transferred to Provision.
- Other materials, mainly on Materials Consumable, Tools and Equipment, where expenditure on materials was much higher than planned as a result of ongoing maintenance at various facilities in the Strategic Assets- and Fleet Management departments.
- Contracted services, mainly on:
 - Contractors: Building Contractors and R&M-Building Contractors, where work progressed faster than planned in the Facilities Management department;
 - Contractors: Servicing of Vehicles/Equipment and R&M - Vehicles/Equipment, due to a higher demand for maintenance on vehicles and equipment within the Fleet- and Facilities Management departments;
 - Outsourced services: Cleaning costs, due to misalignment of actual expenditure with the period budget; and
 - Outsourced services: Security services - Municipal facilities, due to an increase in security services rates, and additional facilities requiring security services as a result of continuous vandalism and burglaries.
- Other Expenditure - Operating Leases, where the period budget provision is not aligned to the actual expenditure for the hire of LDV/PVan/Special Vehicles/Trucks.

- **Safety & Security (R27.5 million over)**

- Employee related costs:
 - Overtime, due to by-law enforcement operations and crime prevention programmes, which are often conducted after hours resulting in overtime; and
 - Standby, due to staff shortages within the Law Enforcement department resulting in a number of officials being asked to be on standby.

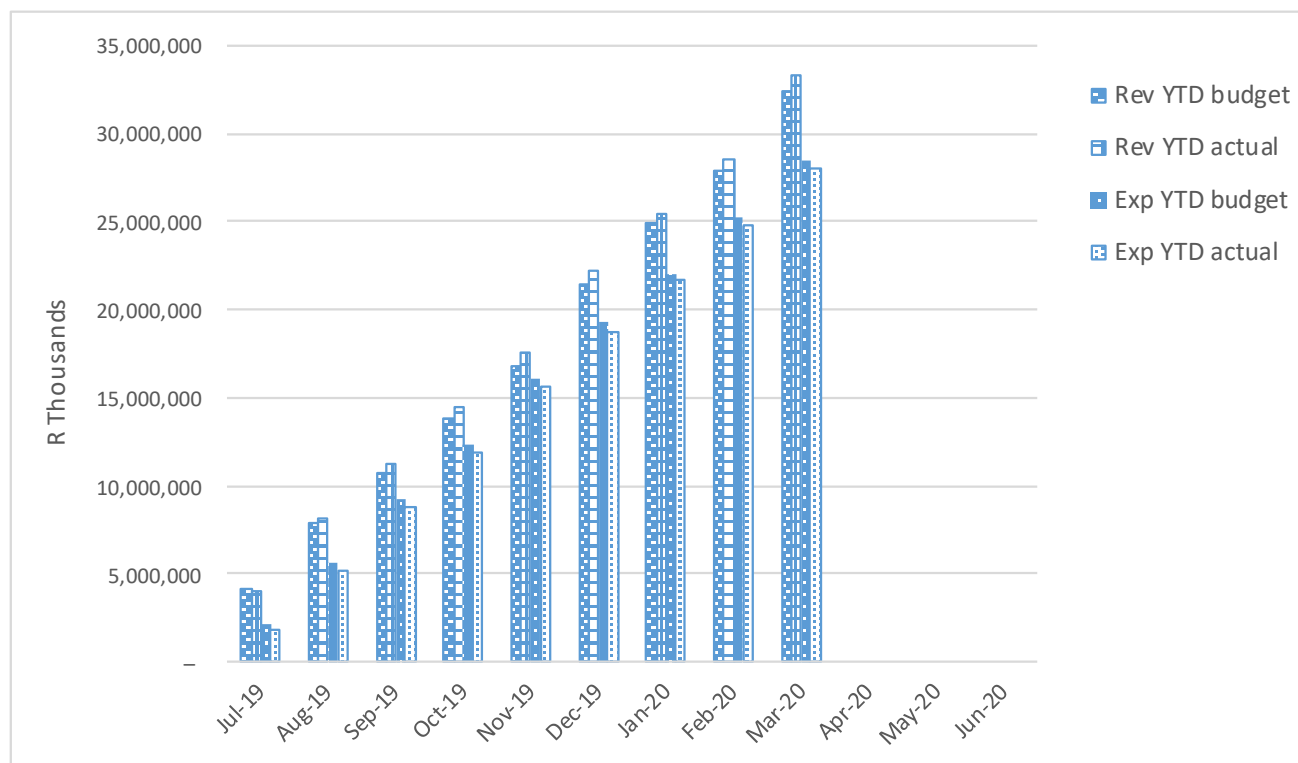
- **Urban Management (R3.6 million over)**

- Contracted Services, mainly on:
 - Advisory Services - Project Management, where MURP projects are progressing faster than anticipated;
 - Legal Cost - Legal Advice and Litigation, where actual expenditure relating to urgent legal matters was higher than planned; and
 - Building Contractors, due to expenditure relating to MURP projects at subcouncils progressing faster than anticipated.
- Event Promoters, due to Ward Allocation projects progressing faster than anticipated.

Reasons for variances on expenditure by type and by vote can be found in *Table SC1: Material variance explanations for expenditure by type and by vote* on page 41.

Monthly Operating Revenue and Expenditure Performance

The graph below shows the monthly actual operating revenue and expenditure against budget.



CAPITAL EXPENDITURE AND FUNDING

Summary Statement of Capital Budget Performance

Vote Description	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Total Capital Expenditure	8,388,432	7,879,749	3,834,579	3,374,165	460,413	13.6%	7,049,375
Funded by:							
National Government	2,189,348	2,518,433	1,228,902	1,031,307	197,594	19.2%	2,053,962
Provincial Government	22,038	37,788	12,824	8,900	3,923	44.1%	36,501
Other transfers and grants	53,700	60,887	34,389	34,503	(114)	-0.3%	45,861
Transfers recognised - capital	2,265,085	2,617,108	1,276,115	1,074,711	201,404	18.7%	2,136,323
Borrowing *	1,091,580	1,091,580	580,148	392,771	187,377	47.7%	1,036,911
Internally generated funds	5,031,767	4,171,062	1,978,316	1,906,683	71,632	3.8%	3,876,141
Total Capital Funding	8,388,432	7,879,749	3,834,579	3,374,165	460,413	13.6%	7,049,375

*The YTD actual reflected against the 'Borrowing' funding source is currently funded through internal funds.

The year-to-date spend of R3 835 million represents 48.62% (R2 559 million) on internally-funded projects and 48.76% (R1 276 million) on externally-funded projects.

The full year forecast indicates that 89.5% of the capital budget is anticipated to be spent by the end of the financial year.

Capital budget by municipal vote for 2019/20

Vote Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Multi-Year expenditure appropriation								
Vote 1 - Community Services & Health	294,231	354,281	374,140	126,634	160,125	(33,490)	-20.9%	341,348
Vote 2 - Corporate Services	252,050	149,863	187,210	62,859	91,074	(28,214)	-31.0%	184,663
Vote 3 - Economic Opportunities & Asset Management	272,714	389,498	478,520	221,586	125,203	96,383	77.0%	463,588
Vote 4 - Energy & Climate Change	749,456	834,094	871,137	473,985	493,848	(19,862)	-4.0%	700,061
Vote 5 - Finance	26,225	116,957	108,721	32,854	33,050	(196)	-0.6%	108,625
Vote 6 - Human Settlements	670,112	869,063	1,052,544	464,763	489,240	(24,477)	-5.0%	909,363
Vote 7 - Office of the City Manager	2,500	973	1,710	756	1,115	(359)	-32.2%	1,680
Vote 8 - Safety & Security	206,866	535,237	552,515	231,782	145,631	86,151	59.2%	550,850
Vote 9 - Spatial Planning & Environment	57,070	92,847	86,810	31,917	52,538	(20,621)	-39.2%	76,613
Vote 10 - Transport	973,584	1,326,126	1,275,143	624,297	705,568	(81,271)	-11.5%	1,028,232
Vote 11 - Urban Management	22,429	122,981	106,991	18,118	47,205	(29,087)	-61.6%	106,950
Vote 12 - Water & Waste	1,789,054	3,596,511	2,784,309	1,545,026	1,029,568	515,457	50.1%	2,577,402
Total Capital Multi-year expenditure	5,316,290	8,388,432	7,879,749	3,834,579	3,374,165	460,413	13.6%	7,049,375

Reasons for major over-/under expenditure (YTD)

- **Community Services & Health directorate (R33.5 million under)**

The negative year-to-date variance is due to:

- Delays in the award of tender 30C, which resulted in the following programmes being behind schedule:
 - Ideal clinics; and
 - National Core Standards Compliance.
- Delays in obtaining approval for an extension of the contract period on the Construction of the Heideveld ECD project.
- Zoning correction resulting in implementation delays on the Millers Camp Sport Field Upgrade project.
- Slight delays on implementation of the Mfuleni Integrated Recreational Facility project, due to external stakeholder delays.

91% spend is forecasted for the projects currently on the budget.

- **Economic Opportunities & Asset Management directorate (R96.4 million over)**

The following projects are ahead of schedule resulting in a positive variance for the directorate:

- Replacement of fleet and plant: Items were ordered and delivered earlier than anticipated.
- Upgrade of City Hall Good Hope Centre: Good contractor performance.

97% spend is forecasted for the projects currently on the budget.

- **Transport directorate (R81.3 million under)**

The directorate has a net negative variance, which is an accumulation of slower than anticipated expenditure on a number of projects, the most significant of which are:

- IRT Jan Smuts: Initial delays were experienced, due to issues with underground services, as well as protracted processes in resolving the claim iro an error in measurement.
- IRT Phase 2A – Land and Property Acquisition: The acquisition process in respect of Govan Mbeki Road is progressing as well. MayCo approved the acquisition of six erven on 4 February 2020 with a further six erven anticipated to be approved at the April/May 2020 MayCo meeting. Approval of expropriation of partial pieces of land will be sought from MayCo in May 2020.
- IRT Phase 2A - East: The service provider's fee forecast was based on progression of detail design. However, due to a cost cutting exercise, significant changes to the IRT infrastructure provision have been identified, which implies a redesign of large parts of the project.
- Vehicles & Plant - Additional FY20: Orders placed; awaiting delivery.
- Reconstruction of Ottery Road: Delays as a result of late start in December 2019.

81% spend is forecasted for the projects currently on the budget.

- **Urban Management directorate (R29.1 million under)**

The negative variance reflects primarily on the following projects where orders were placed but delivery has not taken place yet:

- MURP Infrastructure;
- Safety Measures;
- CCTV/WIFI infrastructure Manenberg/Hanover Park; and
- Upgrading Vuyiseka Multi-Purpose Centre.

100% spend is forecasted for the projects currently on the budget.

- **Water & Waste directorate (R515.5 million over):**

- **Water & Sanitation Services department (R577.2 million over)**

The following major projects are ahead of schedule, due to good service provider performance:

- Cape Flats Aquifer;
- Zandvliet WWTW;
- Table Mountain Group Aquifer;
- Bellville WWTW; and
- The Meter replacement programme

Expenditure is progressing well and planned spend is currently ahead of what was anticipated. It must however be noted that the current year-to-date variance is overstated, due to an anomaly that occurred during the updating of the period budget for the January 2020 adjustments budget.

93% spend is forecasted for the projects currently on the budget.

▪ **Solid Waste Management department (R62.8 million under)**

The underspend is mainly due to delays on the following programmes:

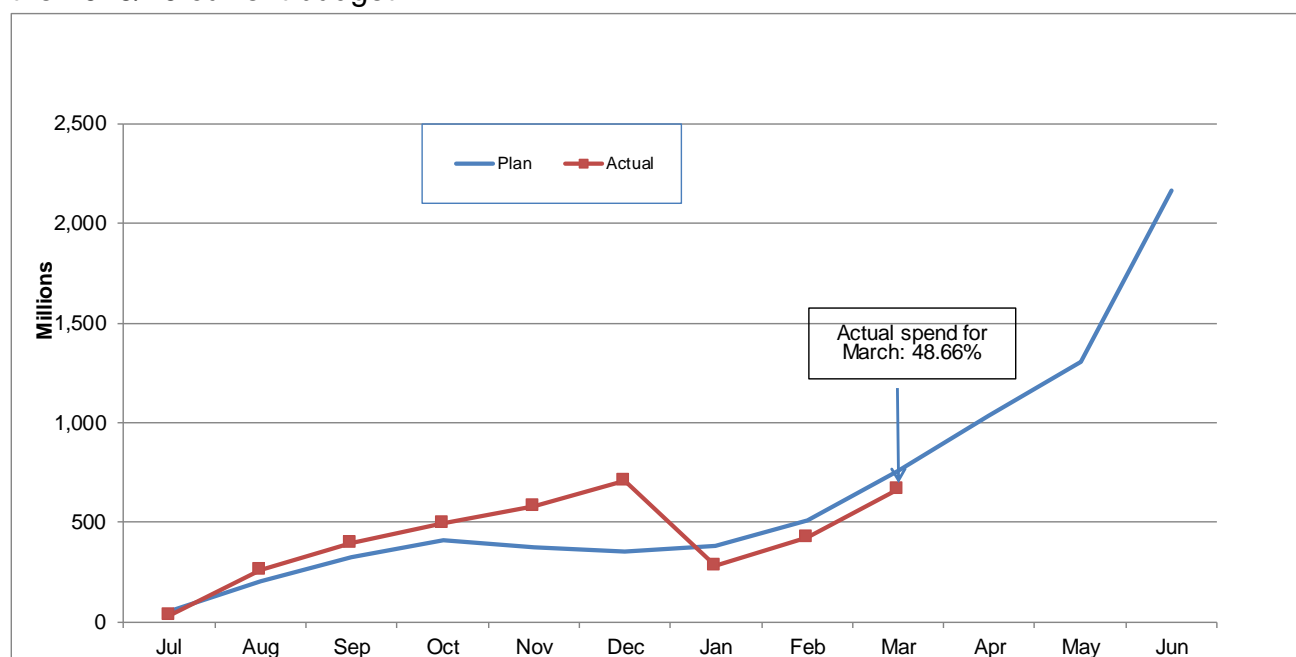
- Plant & Vehicles - Replacement FY20 Programme:
The project is on schedule and currently in the execution phase. Orders were placed in August 2019 for long lead time vehicles. Awaiting delivery of smaller vehicles, which were ordered as well.
- Scottsdene Depot Upgrade:
Construction only commenced in May 2019, due to initial delays with guarantees, construction permits and approval of building plans. The contractor is currently behind schedule but has indicated that work will be completed by 30 May 2020.

90% spend is forecasted for the projects currently on the budget.

Detailed explanations and remedial action on variances on the capital budget can be found in *Table SC1: Material variance explanations for capital expenditure by vote* on page 48.

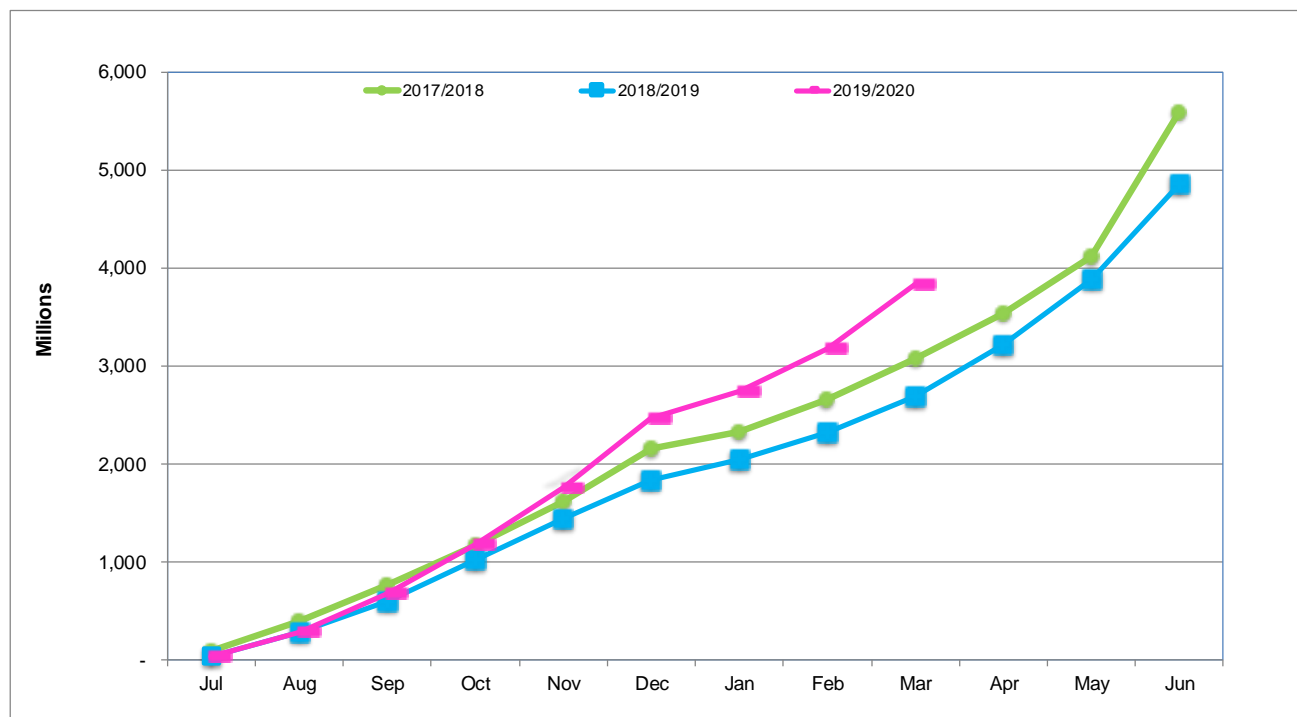
Monthly capital expenditure

The graph below reflects the City's monthly capital expenditure to date measured against the 2019/20 current budget.

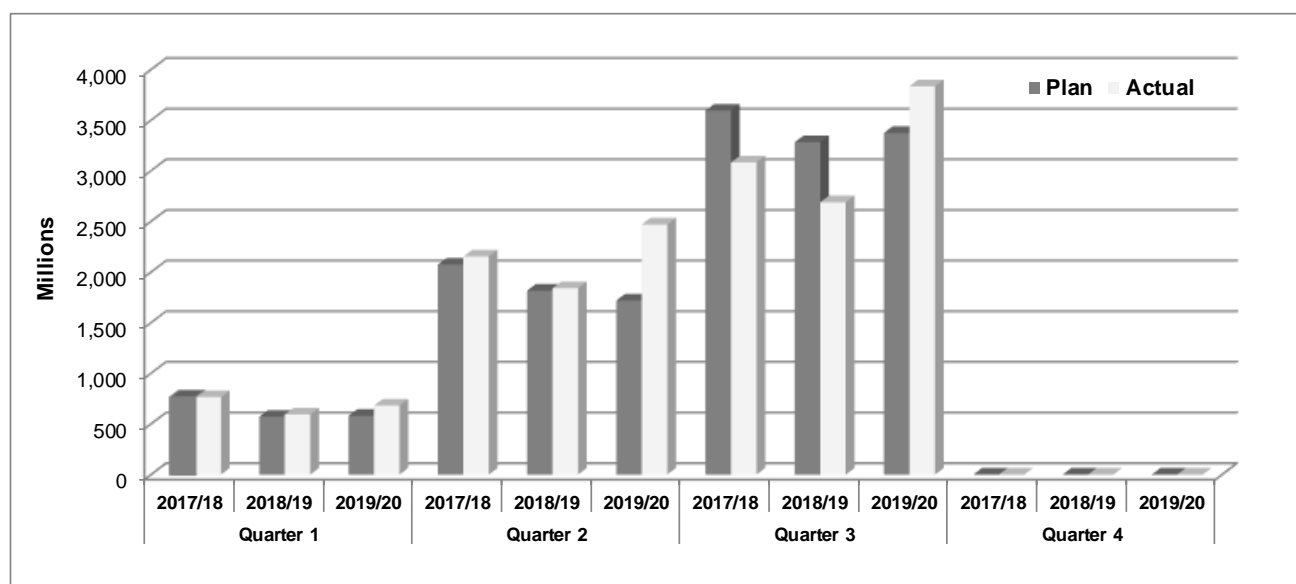


Capital expenditure trend over the current- and past two years

The graph below shows the City's capital expenditure trend for 2017/18, 2018/19 and 2019/20.



The capital expenditure quarterly trend for the 2017/18, 2018/19 and 2019/20 financial years is graphically illustrated below.



Status of certain major capital programmes/projects in the City

Programme or Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Comments
Zandvliet WWTW-Extension	500,938,474	160,280,084	333,245,233	172,965,149	Project progressing ahead of planned schedule as a result of good contractor performance. All contracts are currently in the execution phase.
IRT Phase 2 A	457,666,091	119,415,235	95,415,527	-23,999,708	The negative variance is due to initial delays as a result of issues with underground services, as well as protracted processes in resolving the claim iro the correction of an error in measurement. This has been referred back for adjudication. The contractor has started work on South Bound carriage ways and is on schedule.
Cape Flats Aquifer	293,667,501	94,640,680	213,614,371	118,973,691	The project is proceeding ahead of the New Water Programme and Water Strategy approved by Council (MC 29/05/19), due to good supplier performance. Boreholes already drilled: 51 of 52 exploration boreholes, 53 of 57 monitoring boreholes, 58 of 89 production boreholes, and 31 of 37 sonic boreholes. MAR boreholes drilled: 25 of 64 MAR boreholes and 41 of 96 MAR monitoring boreholes. Boreholes yield tested: 41 of 52 exploration boreholes, 42 of 96 monitoring boreholes, and 53 of 89 production boreholes. The feasibility and conceptual design has been completed and the detailed design and drilling is being conducted concurrently.
FS Replacement Vehicles	232,876,438	22,814,638	95,268,368	72,453,730	The project was initiated ahead of schedule, with some vehicles delivered earlier than anticipated. Further orders will be placed from the remaining balance in April 2020, subject to COVID-19 lockdown restrictions.
Table Mountain Group Aquifer	220,000,000	55,000,000	113,576,422	58,576,422	The project is proceeding ahead of schedule, due to good performance of the service providers.
Asset Management Programme	212,491,323	108,626,066	82,865,677	-25,760,389	Initial delays in obtaining the approval for the transversal use of various term tenders resulted in the programme running behind schedule. Approval has since been received and the contractor will commence after the COVID-19 Lockdown.
Replacement of Fire Vehicles	186,813,540	15,003,670	38,911,574	23,907,904	Some vehicles delivered earlier than anticipated. Further orders have been placed; awaiting delivery.
System Equipment Replacement: East	182,000,000	134,831,841	120,516,777	-14,315,064	The following projects are behind schedule, due to the transformer/mini-sub tender not being in place: 1. System Equipment Replacement: North Area N FY20; 2. System Equipment Replacement: South Area S FY20; and 3. System Equipment Replacement: North Area C FY20.
Plant & Vehicles: Replacement	147,615,962	80,243,804	36,418,862	-43,824,942	The project is on schedule and currently in the execution phase. Orders for long lead time vehicles were placed in August 2019; awaiting response from the vendor regarding the delay in delivery. It is anticipated that all vehicles will be delivered by the end of the financial year.
Bellville WWTW	120,379,525	26,243,675	59,062,450	32,818,775	Project is ahead of planned spend, due to good performance of the service providers.
Meter Replacement Programme	105,000,000	52,336,465	82,695,574	30,359,109	Project is progressing ahead of schedule, due to good performance of the service providers.
Urbanisation: Backyards/ Informal Settlements Upgrade	101,795,878	58,533,881	52,782,481	-5,751,400	Construction has commenced but the COVID-19 lockdown will have an impact on the implementation rate of the project.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Programme or Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Comments
Forest Village Housing Project	90,000,000	24,727,651	33,448,338	8,720,687	This project is managed by the Western Cape Government as grant funding is utilised for the construction of internal- and bulk services. It is progressing ahead of schedule, due to good contractor performance.
Upgrading Solid Waste facilities	85,400,680	50,294,084	33,852,351	-16,441,733	Initial delays with the guarantees, construction permits and building plan approval resulted in construction only commencing in May 2019. The contractor is running behind schedule; the SCM process to ensure that the contractor complies with the conditions of the award is underway. The contract may have to be extended to the end of November 2020.
Upgrading of drop-off facilities	84,339,225	57,618,689	59,548,003	1,929,314	The project is running ahead of schedule, due to good contractor performance.
Facilities Management Infrastructure	83,375,428	35,966,564	27,803,210	-8,163,354	Contractors are on site at various facilities, however, the project is running behind schedule as a result of continuous breakdowns and entrapments during the upgrading process.
Non-Motorised Transport Programme	81,413,191	62,494,136	60,471,589	-2,022,547	This budget is primarily for professional services required to implement the various Non Motorised Transport (NMT) projects. The Professional Services tender expired at the end of 2018/19; approval is being sought to re-appoint the service providers to conclude projects already in the implementation stage. The negative variance should be corrected as soon as the service providers are re-appointed.
Service Connections: Quote	79,900,000	41,700,265	40,038,204	-1,662,061	The negative variance is due to fewer applications for new- and upgraded supplies.
Water Supply at Baden Powell Drive to Khayelitsha	76,862,236	53,000,000	34,282,432	-18,717,568	Delays in the delivery of ductile iron pipes from China has resulted in the project being behind schedule. The pipes have now arrived but installation will be delayed, due to the COVID-19 Lockdown.
Public Transport System Projects	76,500,000	44,507,017	52,371,201	7,864,184	Project is well ahead of schedule with systems being delivered earlier than anticipated. The Professional Services tender, which has not been concluded, raises a business continuity concern, however, Tender 342C will be utilised to mitigate the risk. The approval of the various project initiation documents for software development projects is currently being sourced.
Cape Flats WWTW - Refurbish various structure	70,180,470	9,765,826	29,556,334	19,790,508	The project is progressing satisfactory, due to good contractor performance.
Suites Cape Town Stadium	74,743,068	20,386,690	18,473,959	-1,912,731	The impact of the COVID-19 Lockdown is being mitigated as the aluminium for this project was initially going to be procured from China, but has now been sourced locally.
Road Dualling: Kommetjie Road and Ou Kaapse Weg	71,852,743	59,763,543	70,875,337	11,111,794	Delays in service relocation requires additional funding for which a report will be submitted to Council. The contractor is now on schedule; practical completion was achieved by 26 March 2020.
Replace and Upgrade Water Network	74,400,000	49,619,668	44,719,668	-4,900,000	Some projects are currently delayed, due to the COVID-19 Lockdown while densification of underground services, which affects the construction phase, is also causing delays.
Replace and Upgrade Sewer City-wide	67,766,995	10,549,592	35,752,307	25,202,715	The project is ahead of planned spend, due to good performance by service providers. The one standalone project, which is being implemented using tender 171Q/2018/19, is delayed by two and a half months as the contractor did not comply with contractual requirements. Implementation of projects will be affected by the COVID-19 Lockdown.
	3,777,978,768	1,448,363,764	1,865,566,248	417,202,484	

COMMITMENTS AGAINST CASH AND INVESTMENTS

Cash and Investments

For the month under review, the cash and cash equivalents amounted to R12 745 million. This position is mainly due to the levels of cash realised in the 2018/19 financial year.

Commitments against cash and investments on hand (current and non-current investments)

The table below shows that the City's cash and investments on hand is capable of funding the City's reserves with the residual balance used for working capital.

Item	Previous Month	Current Month
R'Thousands		
Closing Cash and Investment Balance	18,300,066	20,561,901
Total Commitments	9,254,203	14,971,805
Unspent Conditional Grants	1,870,821	2,574,677
Housing Development	413,656	409,485
MTAB	19,283	18,933
Trust Funds	874	879
Insurance reserves	516,130	521,313
CRR / Revenue	3,754,424	8,353,698
Other contractual commitments	2,679,015	3,092,820
Commitments Funded from Cash and Cash Equivalent	(1,436,925)	(7,154,527)
TOTAL Cash and Cash Equivalents as per Cash flow statement (C7)	10,482,789	12,744,623

Details on the cash flow can be found in *Table C7: Monthly Budget Statement - Cash Flow* on page 35.

The City's investment portfolio breakdown can be found in *Table SC5 Monthly Budget Statement investment portfolio* on page 55.

The monthly actual and targets can be found in *Table SC9: Monthly Budget Statement - Actual and revised targets for cash receipts and cash flows* on page 65.

GRANT UTILISATION

Description	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Total operating expenditure of Transfers and Grants	7,376,568	7,722,432	1,130,911	1,914,320	(783,409)	-40.9%	7,722,432
Total capital expenditure of Transfers and Grants	2,265,085	2,617,108	1,276,115	1,074,711	201,404	18.7%	2,136,323
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	9,641,654	10,339,540	2,407,026	2,989,031	(582,005)	-19.5%	9,858,755

Detailed information on transfers and grants per funding source is reflected in *Table SC7 Monthly Budget Statement transfers and grants expenditure* on page 59.

CREDITORS

Creditors Analysis

R thousands	Budget Year 2019/20								Total
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
Total Creditors	486,597	–	–	(55)	(11)	–	–	(2)	486,529

The City's creditors are paid within 30 days as stipulated in the MFMA. Outstanding creditors older than 31 days, as reflected in the table above, are due to debit balances to be deducted from the next pay run.

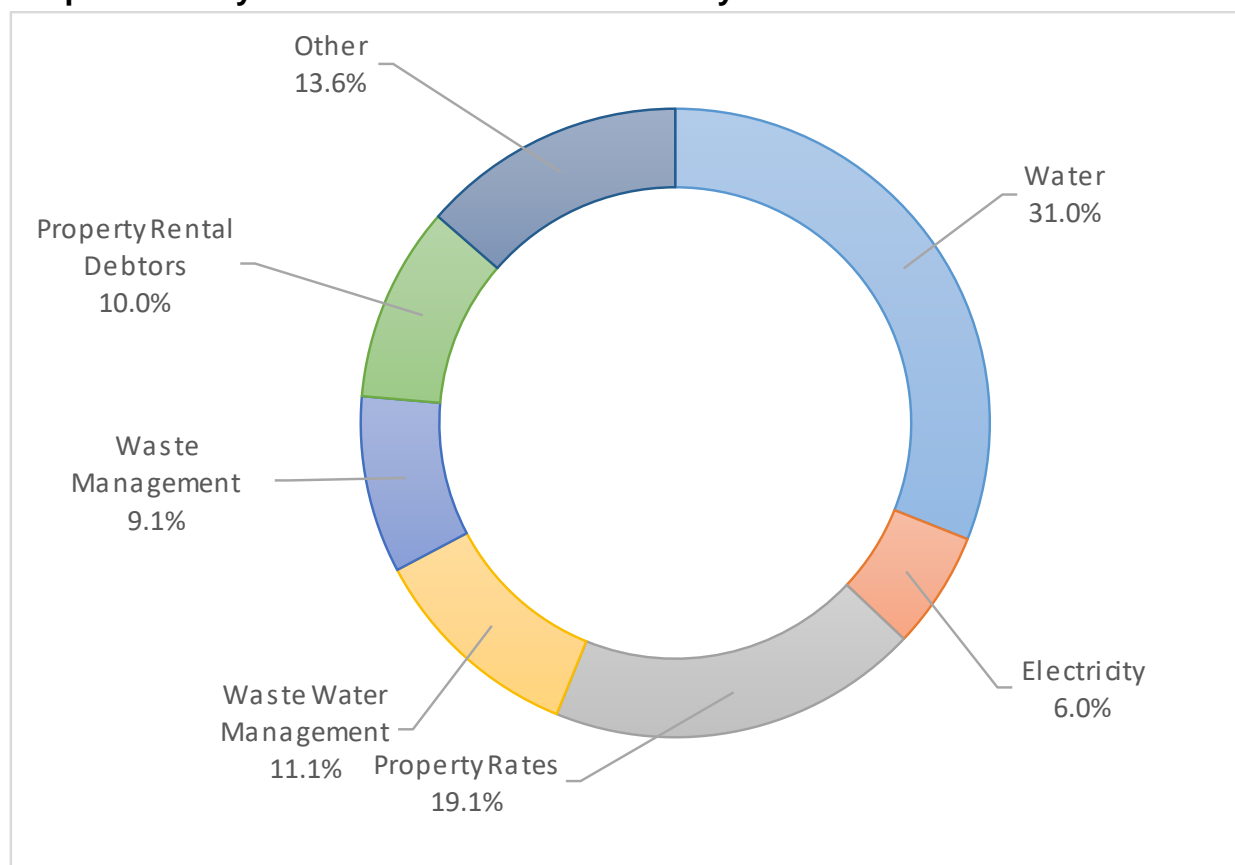
The City has a continuous management follow-up control system in place to facilitate the ultimate payment of these invoices.

DEBTORS

Debtors Age Analysis

Description	Budget Year 2019/20								
	0-30 Days		31-60 Days		61-90 Days		Total over 90 days		Total
	R Thousands	%	R Thousands	%	R Thousands	%	R Thousands	%	R Thousands
Total By Income Source	2,469,613	28.0%	281,312	3.2%	199,990	2.3%	5,878,944	66.6%	8,829,859
2018/19 - totals only	2,236,634	21.9%	345,577	3.4%	266,019	2.6%	7,375,383	72.1%	10,223,613
Movement	232,980		(64,265)		(66,029)		(1,496,439)		(1,393,754)
% Increase/(Decrease) year on year		10.4%		-18.6%		-24.8%		-20.3%	-13.63%

Graphical Analysis of debtors older than 90 days



Top 10 Commercial debtors - Age Analysis

Account Owner Name	Total	Current	30	60	90	120	150	365	>365	Comments
V & A Waterfront Holdings Pty Ltd	R58,095,165.24	R17,584,514.63	R20,497,941.25	R320.72	R20,134,820.16	-R3,675.00	R0.00	-R3,875.00	-R114,881.52	This debt is at 30 days and is as a result of the unresolved dispute relating to the GV2018. Monthly payments favourable to the client are being made and a valuation objection lock has been set to 30 June 2020.
Church Methodist	R27,686,345.85	R2,621,126.16	R0.00	R0.00	R0.00	R0.00	R0.00	R117,767.82	R24,947,451.87	The erf is being used as a multipurpose property consisting of a school, a church and an informal settlement. The Church is in the process of transferring the land to identified beneficiaries. The City will assist with property transfers in adherence to approved policies. The Water & Sanitation Services department is in the process of obtaining actual readings for the account to be adjusted accordingly. The Valuations department will correct the municipal property value (as per General Valuation 2018) through the appropriate processes. Interest was reversed and an interest lock activated to control further accumulation of debt. There are active discussions and investigations on the best processes to effectively assist and resolve all issues relating to the property. Investigations to locate water meters continue to be a challenge. No change in the status of the account.
Basfour 2295 (Proprietary) Limited	R20,473,377.69	R1,461,633.22	R1,668,911.40	R0.00	R1,636,233.71	R695,187.02	R0.00	R15,013,686.34	-R2,274.00	A payment of over R4.2 million was made in February 2020. The debtor renewed payment arrangement on 6 February 2020 to settle all outstanding amounts by 30 May 2020. Dunning lock was extended to 30 June 2020.
Moslem Cemetery Board Trustees	R13,019,917.49	R2,274.86	R0.00	R0.00	R0.00	R0.00	R3,408.19	R11,359.11	R13,002,875.33	A decision for Rates revaluation of cemeteries is awaiting a Council resolution amendment with the annual Rates policy review process. If approved, it will be implemented in the 2020/2021 financial year.
Mitchells Plain Foundation / Beacon Valley Frail Care Centre	R12,050,174.82	R247,726.78	R3,218,637.56	R0.00	R0.00	R0.00	R0.00	R166.52	R8,583,643.96	The City is awaiting outstanding documents from the debtor for recommendation of a debt write-off. Dunning action is on hold as this is a frail care facility.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Account Owner Name	Total	Current	30	60	90	120	150	365	>365	Comments
Zonnebloem College	R 10,728,068.93	R 85,274.05	R 89,511.60	R 0.00	R 0.00	R 0.00	R 97,741.39	R 734,827.80	R 9,720,714.09	The Anglican Church is the owner of the property and is awaiting submission of a Rates tariff change from the Valuations Department. This will be followed by a rates rebate application. The payment arrangement is being adhered to and will expire in May 2020 with a dunning lock inserted.
Bestinverprop01 Proprietary Limited Erf 9261	R 10,628,301.85	R 1,024,357.59	R 1,043,132.28	R 0.00	R 0.00	R 1,023,234.89	R 1,030,120.93	R 7,540,956.16	-R 1,033,500.00	The property owner is adhering to the active payment arrangement with the City.
Methodist Church	R 9,318,605.11	R 103,532.31	R 823,689.97	R 76,605.37	R 65,686.70	R 43,000.73	R 71,533.32	R 339,796.41	R 7,794,760.30	The erf is being used as a multipurpose property consisting of a school, a church and an informal settlement. The Church is in the process of transferring the land to identified beneficiaries. The City will assist with the property transfers in adherence to approved policies. The Water & Sanitation Services department is in the process of obtaining actual readings for the account to be adjusted accordingly. The Valuations department will correct the municipal property value (as per GV 2018) through the appropriate processes. Interest was reversed and an interest lock activated to control accumulation of further debt. There are active discussions and investigations on the best processes to effectively assist and resolve all issues relating to the properties. Location of water meters continue to be a challenge. No change in the status of the account.
The Business Manager	R 8,074,320.70	R 460,102.35	R 512,535.58	R 455,765.29	R 422,285.21	R 520,892.07	R 375,604.00	R 2,902,431.35	R 2,424,704.85	The water meter replaced in February 2020 is faulty as it read 'non-readable' on 11 March 2020. The Water & Sanitation Services department is investigating this matter.
Gayatri Paper Mills Gauteng Pty Ltd	R 7,224,398.46	R 1,908,952.57	R 0.00	R 0.00	R 0.00	R 0.00	R 5,316,874.09	R 0.00	-R 1,428.20	The account escalated as a result of a water meter leak. The monthly payment arrangement plan ending in June 2020 is being adhered to.

Top 10 Commercial debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	CIDS	SECD	Sundries	TOTAL
V & A Waterfront Holdings Pty Ltd	R 0.00	R 1,361,800.99	R 3,455,340.72	R 1,351,645.19	R 0.00	R 52,048,809.86	R 0.00	-R 122,431.52	R 0.00	R 58,095,165.24
Church Methodist	R 25.89	R 0.00	R 27,617,625.80	R 68,694.16	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 27,686,345.85
Basfour 2295 (Proprietary) Limited	R 11,450,939.13	R 0.00	R 420,069.37	R 339,444.99	R 0.00	R 6,719,850.17	R 1,546,105.03	-R 3,031.00	R 0.00	R 20,473,377.69
Moslem Cemetry Board Trustees	R 7,138.85	R 1,716.66	R 4,331.25	R 250,105.55	R 50,717.94	R 12,570,801.37	R 0.00	R 0.00	R 135,105.87	R 13,019,917.49
Mitchells Plain Foundation / Beacon Valley Frail Care Cer	R 9,490.98	R 5,083,555.79	R 2,716,112.56	R 2,016,621.87	R 374,513.99	R 1,849,879.63	R 0.00	R 0.00	R 0.00	R 12,050,174.82
Zonnebloem College	R 30,814.69	R 0.00	R 671,848.20	R 590,832.95	R 62,857.33	R 9,348,375.72	R 0.00	R 0.00	R 23,340.04	R 10,728,068.93
Bestinverprop01 Proprietary Limited Erf 9261	R 0.18	R 11,661,801.67	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	-R 1,033,500.00	R 0.00	R 10,628,301.85
Methodist Church	R 916.32	R 0.00	R 9,237,356.03	R 80,332.76	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 9,318,605.11
The Business Manager	R 9.93	R 0.00	R 8,074,310.77	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 8,074,320.70
Gayatri Paper Mills Gauteng Pty Ltd	R 0.00	R 0.00	R 912,456.39	R 4,470,531.12	R 0.00	R 1,732,152.73	R 110,686.42	-R 1,428.20	R 0.00	R 7,224,398.46

Top 10 Residential debtors - Age Analysis

Account Owner Name	Total	Current	30	60	90	120	150	365	>365	Comments
Amakhaya Ngoku	R17,044,928.70	R327,156.70	R1,686,433.80	R0.00	R193,144.44	R224,531.05	R186,162.84	R1,253,244.37	R13,174,255.50	This is an unregistered individual unit ownership complex with no formal body corporate. There is an appointed board, however it is not performing its roles effectively. In order to manage and control further accumulation of debt, the water pressure was reduced to manage consumption as well as to reduce water losses/wastage. The Director: Revenue met with relevant stakeholders to address the matter in February 2020. Dunning action is on hold until 30 June 2020. The Director: Revenue is considering the possibility of reversing the current water charges and billing at zero rate.
Ndabeni Communal Property Trust	R6,396,269.05	R113,385.98	R102,778.57	R96,907.93	R91,449.20	R100,296.28	R90,184.80	R692,749.37	R5,108,516.92	This is a land restitution case and the representatives of the beneficiaries were appointed by the High Court. They submitted an offer of full and final settlement subject to the approved application for funding by the City's Rural Development department. The process has been delayed even though the representatives requested additional time to address the Minister of Land and Rural Development and the Master's High Court in February 2020. The City has decided to continue with the dunning action, handing over the account for further debt collection action.
Body Corp Sandpiper Mansions	R4,791,199.79	R44,948.42	R44,872.07	R44,867.49	R44,789.53	R44,784.85	R44,780.85	R505,548.70	R4,016,607.88	The body corporate has installed individual water meters for each unit. However, individual property units are being assessed to ascertain whether they could benefit from the zero-rated tariff for water and sanitation for properties below R400 000. A report to recommend debt write-off is awaiting approval thereof.
Friends of Bathandwa Trust	R4,680,410.86	R38,344.24	R30,174.45	R33,553.51	R40,640.66	R63,822.80	R63,732.32	R669,818.64	R3,740,324.24	The property is operating as a crèche and a community organisation. According to the trustees, the crèche is occupying the property illegally. However, the crèche claims to have legal documents, which were never confirmed nor sighted. Summonses were issued and successfully delivered and an instruction has been given to the City's appointed attorney to proceed with the judgement phase. A health inspection was conducted in November 2019 and overall conditions in terms of hygiene and housekeeping were found to be satisfactory. The property's water supply was set to trickle resulting in a drastic reduction in the monthly account. A report recommending debt write-off was submitted to the delegated authority for consideration. There is no change in the status of the account while awaiting approval of report.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Account Owner Name	Total	Current	30	60	90	120	150	365	>365	Comments
Silvermist Mountain Lodge Body Corporat	R3,929,259.59	R80,110.37	R112,235.63	R106,229.84	R633,566.84	R0.00	R0.00	R348,469.03	R2,648,647.88	Although adjustments were processed successfully in February 2020 and the debtor was advised to settle the account accordingly. However, in March 2020, the body corporate appointed new attorneys to challenge unsettled differences with the City. Payments continue to be maintained and the City is yet to consider the new challenge.
Bangikaya Lolo	R3,151,080.96	R19,516.99	R21,843.29	R21,823.74	R22,079.21	R21,549.13	R25,596.39	R255,106.63	R2,763,565.58	A report recommending debt write-off as a result of water zero-tariffs was submitted for consideration to the delegated authority. The water meter was replaced with a Water Management Device (WMD) set to 350kl per day.
Schotsche Kloof Flats Body Corporate	R2,230,700.05	R19,347.83	R42,306.29	R14,222.75	R25,221.99	R27,858.64	R23,323.94	R158,887.44	R1,919,531.17	Investigation outcomes to install WMD in the properties revealed that there are technical constraints with the location. A report recommending a debt write-off was submitted to the delegated authority for consideration
Mary Jane Vaas	R2,208,675.29	R16,897.66	R41,626.36	R0.00	R0.00	R16,413.48	R12,592.03	R100,009.52	R2,021,136.24	This is an Estate Late with no executor. It is currently being occupied illegally and a crèche is being run from the property. The illegal meter connections on the property were disconnected. The Water & Sanitation Services department has updated the data with the account billing availability charges only. The account has been handed over and assigned to an attorney in order to proceed with the necessary legal action.
Victoria Wilhelmina Pedro	R2,154,855.91	R14,664.89	R24,600.71	R26,078.67	R24,085.78	R23,999.56	R23,873.76	R163,443.53	R1,854,109.01	The property is a deceased estate with no executor. It was used as a crèche at some stage. A joint inspection was done by a Health Inspector and a Law Enforcement officer as the area is deemed volatile. Feedback from the site visit is that the crèche no longer exists and that the water has been disconnected as dunning action was revised. Suspected tampering is being investigated and effective disconnection is recommended. The Water & Sanitation Services department is in the process of replacing the water meter outside the property with a WMD to ensure that accurate readings can be taken. No payments are currently being made but collection is done via prepaid electricity payments.
Matthew Paul Machin	R2,149,368.28	R16,129.37	R16,684.61	R17,369.32	R16,392.63	R17,228.11	R16,259.69	R113,717.29	R1,935,587.26	The property is under liquidation and claim documents have been submitted to the liquidator. Awaiting amended offers on the Nedbank-owned movable property as the court order has granted the liquidator permission to sell. The remainder of the assets are still under interdict while litigation is ongoing. An Insolvency Lock is active until 31 January 2021. There is no change in the status of the account.

Top 10 Residential debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	SECD	Sundries	TOTAL
Amakhaya Ngoku	R 504.25	R 0.00	R 7,996,615.72	R 7,933,048.02	R 1,116,968.89	R 0.00	-R 2,208.18	R 0.00	R 17,044,928.70
Ndabeni Communal Property Trust	R 11,144.58	R 0.00	R 6,230.98	R 6,230.98	R 5,931.58	R 5,799,006.04	R 0.00	R 567,724.89	R 6,396,269.05
Body Corp Sandpiper Mansions	R 217.19	R 0.00	R 2,252,905.35	R 2,166,406.43	R 371,670.82	R 0.00	R 0.00	R 0.00	R 4,791,199.79
Friends of Bathandwa Trust	R 117.06	R 0.00	R 4,291,037.09	R 352,763.97	R 10,558.89	R 25,933.85	R 0.00	R 0.00	R 4,680,410.86
Silvermist Mountain Lodge Body Corpora	R 18.24	R 3,524,756.89	R 383,050.05	R 0.00	R 21,434.41	R 0.00	R 0.00	R 0.00	R 3,929,259.59
Bangikaya Lolo	R 775.78	R 0.00	R 3,058,466.99	R 91,838.19	R 0.00	R 0.00	R 0.00	R 0.00	R 3,151,080.96
Schotsche Kloof Flats Body Corporate	R 319.88	R 0.00	R 2,144,949.81	R 85,430.36	R 0.00	R 0.00	R 0.00	R 0.00	R 2,230,700.05
Mary Jane Vaas	R 12,324.18	R 0.00	R 2,047,508.79	R 81,841.54	R 26,617.64	R 37,866.42	R 0.00	R 2,516.72	R 2,208,675.29
Victoria Wilhelmina Pedro	R 207,885.36	R 0.00	R 1,755,860.00	R 134,388.66	R 20,947.79	R 35,774.10	R 0.00	R 0.00	R 2,154,855.91
Matthew Paul Machin	R 439,843.59	R 7,055.04	R 612,142.18	R 42,628.66	R 33,908.74	R 1,013,790.07	R 0.00	R 0.00	R 2,149,368.28

IN YEAR BUDGET STATEMENT TABLES

Summary

The table below provides a high-level summation of the City's operating- and capital budget, actuals to date, financial position and cash flow.

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Financial Performance</u>								
Property rates	9,536,185	9,916,685	9,950,180	7,497,321	7,480,131	17,190	0.2%	9,950,180
Service charges	18,907,828	19,690,195	20,056,927	15,371,179	15,086,537	284,643	1.9%	20,057,092
Investment revenue	1,122,065	912,495	912,473	948,800	803,239	145,561	18.1%	912,698
Transfers and subsidies	7,049,218	7,376,568	7,722,432	6,721,680	6,753,264	(31,584)	-0.5%	7,521,102
Other own revenue	3,575,074	3,026,006	3,025,888	2,707,481	2,283,015	424,467	18.6%	3,019,662
Total Revenue (excluding capital transfers and contributions)	40,190,370	40,921,950	41,667,901	33,246,462	32,406,186	840,276	2.6%	41,460,735
Employee costs	12,365,555	13,817,805	14,028,148	9,628,303	9,904,575	(276,272)	-2.8%	13,671,459
Remuneration of Councillors	161,297	179,818	179,818	121,539	121,249	290	0.2%	179,818
Depreciation & asset impairment	2,832,012	3,015,086	3,040,783	2,189,637	2,224,615	(34,978)	-1.6%	3,026,008
Finance charges	833,211	790,756	760,816	573,793	548,770	25,023	4.6%	801,399
Materials and bulk purchases	9,937,128	11,704,364	11,545,138	7,792,362	7,753,560	38,802	0.5%	11,548,697
Transfers and subsidies	391,968	446,206	571,067	290,375	323,416	(33,042)	-10.2%	567,557
Other expenditure	9,557,855	11,825,581	11,808,031	7,467,719	7,594,435	(126,716)	-1.7%	11,591,994
Total Expenditure	36,079,026	41,779,617	41,933,801	28,063,728	28,470,621	(406,893)	-1.4%	41,386,932
Surplus/(Deficit)	4,111,344	(857,667)	(265,900)	5,182,734	3,935,565	1,247,169	31.7%	73,802
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,078,060	2,211,385	2,556,221	1,243,726	1,041,956	201,770	19.4%	2,167,669
Contributions & Contributed assets	52,664	53,700	60,887	34,400	35,763	(1,364)	-3.8%	59,687
Surplus/(Deficit) after capital transfers & contributions	6,242,068	1,407,418	2,351,208	6,460,859	5,013,284	1,447,575	28.9%	2,301,158
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	6,242,068	1,407,418	2,351,208	6,460,859	5,013,284	1,447,575	28.9%	2,301,158
<u>Capital expenditure & funds sources</u>								
Capital expenditure	5,316,290	8,388,432	7,879,749	3,834,579	3,374,165	460,413	13.6%	7,049,375
Capital transfers recognised	2,119,370	2,265,085	2,617,108	1,276,115	1,074,711	201,404	18.7%	2,136,323
Borrowing	388,077	1,091,580	1,091,580	580,148	392,771	187,377	47.7%	1,036,911
Internally generated funds	2,808,842	5,031,767	4,171,062	1,978,316	1,906,683	71,632	3.8%	3,876,141
Total sources of capital funds	5,316,290	8,388,432	7,879,749	3,834,579	3,374,165	460,413	13.6%	7,049,375
<u>Financial position</u>								
Total current assets	18,405,667	18,469,328	18,356,299	17,453,551				18,356,299
Total non current assets	52,547,898	58,066,233	57,219,083	58,508,711				57,219,083
Total current liabilities	9,114,291	12,857,487	9,599,900	6,837,265				9,599,900
Total non current liabilities	13,148,025	14,911,172	14,923,026	13,956,851				14,923,026
Community wealth/Equity	48,691,250	48,766,902	51,052,456	55,168,146				51,052,456
<u>Cash flows</u>								
Net cash from (used) operating	9,246,334	4,563,204	5,951,813	7,556,033	6,079,282	(1,476,751)	-24.3%	5,951,813
Net cash from (used) investing	(6,170,498)	(7,718,788)	(7,256,823)	(4,000,369)	(3,747,776)	252,593	-6.7%	(7,256,823)
Net cash from (used) financing	(143,179)	748,685	747,798	769,685	769,685	0	-	747,798
Cash/cash equivalents at the month/year end	8,419,275	4,985,877	7,862,063	12,744,623	11,520,466	(1,224,158)	-10.6%	7,862,063
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<u>Debtors Age Analysis</u>								
Total By Income Source	2,469,613	281,312	199,990	184,691	162,868	802,514	4,514,416	8,829,859
<u>Creditors Age Analysis</u>								
Total Creditors	486,597	-	-	(11)	-	-	(2)	486,529

Financial Performance (standard classification)

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

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue - Functional								
Governance and administration	15,443,185	15,376,936	15,455,711	12,684,088	12,463,717	220,372	1.8%	15,445,802
Executive and council	1,085	299	2,333	174	686	(512)	-74.6%	2,333
Finance and administration	15,442,092	15,376,634	15,453,376	12,683,900	12,463,030	220,870	1.8%	15,443,466
Internal audit	8	3	3	15	1	14	2013.9%	3
Community and public safety	3,321,949	3,278,566	3,499,727	2,693,990	2,397,420	296,569	12.4%	3,427,362
Community and social services	133,503	125,649	139,675	82,680	95,368	(12,688)	-13.3%	117,262
Sport and recreation	88,066	63,591	62,318	36,993	39,742	(2,749)	-6.9%	60,519
Public safety	1,397,410	1,238,308	1,205,474	1,368,874	1,006,195	362,679	36.0%	1,205,474
Housing	1,305,811	1,374,066	1,638,645	927,528	957,305	(29,777)	-3.1%	1,638,804
Health	397,158	476,952	453,615	277,914	298,809	(20,895)	-7.0%	405,304
Economic and environmental services	1,820,674	2,297,417	2,436,084	1,319,122	1,349,801	(30,680)	-2.3%	2,004,013
Planning and development	361,835	450,811	432,163	288,321	293,162	(4,841)	-1.7%	432,163
Road transport	1,435,992	1,831,775	1,972,608	1,014,654	1,040,024	(25,370)	-2.4%	1,538,971
Environmental protection	22,848	14,831	31,313	16,147	16,615	(468)	-2.8%	32,879
Trading services	21,732,550	22,228,113	22,887,359	17,823,831	17,267,862	555,969	3.2%	22,804,787
Energy sources	13,551,701	14,080,480	14,826,243	11,352,689	11,182,946	169,743	1.5%	14,826,893
Water management	4,539,934	4,468,355	4,499,568	3,656,524	3,487,172	169,352	4.9%	4,927,066
Waste water management	2,061,455	1,956,104	1,864,930	1,401,108	1,231,133	169,975	13.8%	1,354,210
Waste management	1,579,460	1,723,174	1,696,618	1,413,511	1,366,611	46,900	3.4%	1,696,618
Other	2,736	6,002	6,127	3,556	5,105	(1,548)	-30.3%	6,127
Total Revenue - Functional	42,321,094	43,187,035	44,285,009	34,524,587	33,483,905	1,040,682	3.1%	43,688,091
Expenditure - Functional								
Governance and administration	8,078,174	8,994,792	9,285,289	5,825,257	6,237,939	(412,682)	-6.6%	9,058,086
Executive and council	427,984	535,009	532,367	340,420	362,113	(21,693)	-6.0%	532,367
Finance and administration	7,607,324	8,413,698	8,704,935	5,449,295	5,842,512	(393,217)	-6.7%	8,477,731
Internal audit	42,866	46,085	47,987	35,542	33,314	2,228	6.7%	47,987
Community and public safety	7,347,035	7,785,248	7,863,312	5,590,858	5,506,782	84,076	1.5%	7,939,616
Community and social services	905,997	971,924	970,562	685,710	673,954	11,756	1.7%	955,153
Sport and recreation	1,192,184	1,114,871	1,142,644	888,084	805,972	82,113	10.2%	1,209,695
Public safety	2,903,921	2,910,539	2,901,116	2,172,863	2,111,811	61,051	2.9%	2,901,006
Housing	1,173,517	1,480,067	1,601,535	920,594	1,025,391	(104,797)	-10.2%	1,602,095
Health	1,171,416	1,307,848	1,247,455	923,607	889,654	33,953	3.8%	1,271,667
Economic and environmental services	4,414,880	5,277,186	5,348,372	3,494,422	3,542,792	(48,370)	-1.4%	5,114,449
Planning and development	1,028,431	1,511,371	1,434,068	941,340	944,161	(2,821)	-0.3%	1,430,109
Road transport	3,238,984	3,607,973	3,725,685	2,436,590	2,473,825	(37,236)	-1.5%	3,496,687
Environmental protection	147,465	157,842	188,618	116,492	124,806	(8,313)	-6.7%	187,654
Trading services	16,131,637	19,596,544	19,301,416	13,071,148	13,101,184	(30,036)	-0.2%	19,140,917
Energy sources	10,058,040	11,596,405	11,630,875	7,896,095	7,943,159	(47,064)	-0.6%	11,510,543
Water management	2,661,718	3,747,227	3,339,732	2,287,391	2,298,069	(10,678)	-0.5%	3,489,480
Waste water management	1,546,091	2,049,818	2,124,807	1,406,439	1,429,197	(22,758)	-1.6%	1,934,893
Waste management	1,865,788	2,203,094	2,206,001	1,481,223	1,430,758	50,464	3.5%	2,206,001
Other	107,300	125,847	135,413	82,043	81,924	119	0.1%	133,865
Total Expenditure - Functional	36,079,026	41,779,617	41,933,801	28,063,728	28,470,621	(406,893)	-1.4%	41,386,932
Surplus/ (Deficit) for the year	6,242,068	1,407,418	2,351,208	6,460,859	5,013,284	1,447,575	28.9%	2,301,158

Note: As per GFS classification, Trading Services expenditure above excludes Street Lighting provisions (included with Community and public safety).

Financial Performance (revenue and expenditure by municipal vote)

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

Vote Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue by Vote								
Vote 1 - Community Services & Health	920,099	974,189	986,510	611,227	660,287	(49,060)	-7.4%	901,708
Vote 2 - Corporate Services	69,717	71,523	66,230	51,314	41,071	10,244	24.9%	66,722
Vote 3 - Economic Opportunities & Asset Management	282,741	181,445	222,865	160,868	157,168	3,699	2.4%	219,879
Vote 4 - Energy & Climate Change	13,350,399	13,874,705	14,620,468	11,147,201	10,977,137	170,064	1.5%	14,621,118
Vote 5 - Finance	15,957,830	16,196,525	16,236,222	13,772,923	13,512,914	260,009	1.9%	16,245,323
Vote 6 - Human Settlements	1,185,791	1,249,070	1,513,649	802,539	832,311	(29,771)	-3.6%	1,513,805
Vote 7 - Office of the City Manager	164	6	6	34	3	31	947.1%	6
Vote 8 - Safety & Security	1,431,606	1,291,229	1,386,588	1,427,220	1,082,324	344,896	31.9%	1,386,588
Vote 9 - Spatial Planning & Environment	152,894	166,410	168,977	111,761	116,986	(5,225)	-4.5%	168,977
Vote 10 - Transport	1,421,444	1,801,886	1,807,517	960,886	967,825	(6,939)	-0.7%	1,371,219
Vote 11 - Urban Management	231,778	301,769	283,268	190,889	192,934	(2,046)	-1.1%	283,268
Vote 12 - Water & Waste	7,316,631	7,078,278	6,992,710	5,287,724	4,942,944	344,780	7.0%	6,909,478
Total Revenue by Vote	42,321,093	43,187,035	44,285,009	34,524,587	33,483,905	1,040,682	3.1%	43,688,091
Expenditure by Vote								
Vote 1 - Community Services & Health	3,414,260	3,925,379	3,844,311	2,627,780	2,638,829	(11,049)	-0.4%	3,815,700
Vote 2 - Corporate Services	1,709,075	1,808,667	1,872,734	1,366,725	1,332,483	34,242	2.6%	1,872,734
Vote 3 - Economic Opportunities & Asset Management	1,168,348	1,368,210	1,425,879	990,017	968,434	21,583	2.2%	1,425,879
Vote 4 - Energy & Climate Change	10,354,181	12,060,720	12,097,935	8,132,451	8,283,571	(151,120)	-1.8%	11,971,904
Vote 5 - Finance	3,363,625	3,004,417	3,321,105	2,123,044	2,214,700	(91,656)	-4.1%	3,258,164
Vote 6 - Human Settlements	1,164,939	1,468,810	1,600,804	921,689	1,024,555	(102,866)	-10.0%	1,603,141
Vote 7 - Office of the City Manager	176,978	237,561	239,104	153,145	173,602	(20,458)	-11.8%	239,104
Vote 8 - Safety & Security	3,347,986	3,598,555	3,596,416	2,562,657	2,535,169	27,488	1.1%	3,596,416
Vote 9 - Spatial Planning & Environment	575,368	711,474	697,345	481,079	492,265	(11,186)	-2.3%	697,345
Vote 10 - Transport	3,330,783	3,679,302	3,664,518	2,402,548	2,439,642	(37,094)	-1.5%	3,418,037
Vote 11 - Urban Management	748,443	1,142,379	1,097,253	656,978	653,410	3,568	0.5%	1,097,253
Vote 12 - Water & Waste	6,725,039	8,774,142	8,476,397	5,645,615	5,713,961	(68,346)	-1.2%	8,391,255
Total Expenditure by Vote	36,079,026	41,779,617	41,933,801	28,063,728	28,470,621	(406,893)	-1.4%	41,386,932
Surplus/ (Deficit) for the year	6,242,067	1,407,419	2,351,208	6,460,859	5,013,284	1,447,575	28.9%	2,301,158

Note: the above table includes capital grant and donations (CGD).

Annexure B reflects actual operating expenditure per vote including internal costs incurred across votes. (Refer to charge-in and -out columns.)

Financial Performance (revenue by source and expenditure by type)

The table below is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Property rates	9,536,185	9,916,685	9,950,180	7,497,321	7,480,131	17,190	0.2%	9,950,180
Service charges - electricity revenue	13,042,932	13,623,146	14,368,248	10,978,912	10,807,198	171,714	1.6%	14,368,393
Service charges - water revenue	3,123,527	3,212,017	2,969,773	2,266,500	2,244,072	22,428	1.0%	2,969,773
Service charges - sanitation revenue	1,602,463	1,568,599	1,482,072	1,160,207	1,116,901	43,307	3.9%	1,482,072
Service charges - refuse revenue	1,138,907	1,286,433	1,236,834	965,559	918,366	47,194	5.1%	1,236,855
Rental of facilities and equipment	395,688	311,781	319,959	217,079	222,799	(5,720)	-2.6%	323,604
Interest earned - external investments	1,122,065	912,495	912,473	948,800	803,239	145,561	18.1%	912,698
Interest earned - outstanding debtors	358,499	380,814	394,487	295,793	297,020	(1,228)	-0.4%	385,592
Dividends received	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1,485,757	1,185,453	1,142,748	1,313,367	960,031	353,336	36.8%	1,147,149
Licences and permits	64,881	82,218	79,696	43,784	46,597	(2,812)	-6.0%	73,331
Agency services	230,144	217,672	219,336	183,221	160,092	23,130	14.4%	219,336
Transfers and subsidies	7,049,218	7,376,568	7,722,432	6,721,680	6,753,264	(31,584)	-0.5%	7,521,102
Other revenue	916,842	804,335	822,156	613,144	562,589	50,555	9.0%	832,337
Gains on disposal of PPE	123,262	43,732	47,505	41,093	33,888	7,205	21.3%	38,312
Total Revenue (excluding capital transfers and contributions)	40,190,370	40,921,950	41,667,901	33,246,462	32,406,186	840,276	2.6%	41,460,735
Expenditure By Type								
Employee related costs	12,365,555	13,817,805	14,028,148	9,628,303	9,904,575	(276,272)	-2.8%	13,671,459
Remuneration of councillors	161,297	179,818	179,818	121,539	121,249	290	0.2%	179,818
Debt impairment	1,582,947	2,341,628	2,213,244	1,649,837	1,557,893	91,944	5.9%	2,213,244
Depreciation & asset impairment	2,832,012	3,015,086	3,040,783	2,189,637	2,224,615	(34,978)	-1.6%	3,026,008
Finance charges	833,211	790,756	760,816	573,793	548,770	25,023	4.6%	801,399
Bulk purchases	8,632,303	10,092,601	10,069,094	6,791,799	6,748,379	43,420	0.6%	10,070,868
Other materials	1,304,825	1,611,763	1,476,044	1,000,563	1,005,181	(4,618)	-0.5%	1,477,829
Contracted services	5,996,310	7,156,498	7,339,120	4,367,774	4,538,780	(171,006)	-3.8%	7,121,729
Transfers and subsidies	391,968	446,206	571,067	290,375	323,416	(33,042)	-10.2%	567,557
Other expenditure	1,954,501	2,326,698	2,254,884	1,439,098	1,497,111	(58,013)	-3.9%	2,250,901
Loss on disposal of PPE	24,097	756	783	11,010	650	10,360	1593.1%	6,121
Total Expenditure	36,079,026	41,779,617	41,933,801	28,063,728	28,470,621	(406,893)	-1.4%	41,386,932
Surplus/(Deficit)	4,111,344	(857,667)	(265,900)	5,182,734	3,935,565	1,247,169	31.7%	73,802
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,078,060	2,211,385	2,556,221	1,243,726	1,041,956	201,770	19.4%	2,167,669
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	49,804	53,700	60,887	34,400	35,763	(1,364)	-3.8%	59,687
Transfers and subsidies - capital (in-kind - all)	2,860	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	6,242,068	1,407,418	2,351,208	6,460,859	5,013,284			2,301,158
Taxation	–	–	–	–	–			–
Surplus/(Deficit) after taxation	6,242,068	1,407,418	2,351,208	6,460,859	5,013,284			2,301,158
Attributable to minorities	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality	6,242,068	1,407,418	2,351,208	6,460,859	5,013,284			2,301,158
Share of surplus/ (deficit) of associate	–	–	–	–	–			–
Surplus/ (Deficit) for the year	6,242,068	1,407,418	2,351,208	6,460,859	5,013,284			2,301,158

Capital Expenditure (municipal vote, standard classification and funding)

The table below reflects the City's capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and funding sources required to fund the capital budget, including information on capital transfers from National and Provincial departments.

Vote Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Multi-Year expenditure appropriation								
Vote 1 - Community Services & Health	294,231	354,281	374,140	126,634	160,125	(33,490)	-20.9%	341,348
Vote 2 - Corporate Services	252,050	149,863	187,210	62,859	91,074	(28,214)	-31.0%	184,663
Vote 3 - Economic Opportunities & Asset Management	272,714	389,498	478,520	221,586	125,203	96,383	77.0%	463,588
Vote 4 - Energy & Climate Change	749,456	834,094	871,137	473,985	493,848	(19,862)	-4.0%	700,061
Vote 5 - Finance	26,225	116,957	108,721	32,854	33,050	(196)	-0.6%	108,625
Vote 6 - Human Settlements	670,112	869,063	1,052,544	464,763	489,240	(24,477)	-5.0%	909,363
Vote 7 - Office of the City Manager	2,500	973	1,710	756	1,115	(359)	-32.2%	1,680
Vote 8 - Safety & Security	206,866	535,237	552,515	231,782	145,631	86,151	59.2%	550,850
Vote 9 - Spatial Planning & Environment	57,070	92,847	86,810	31,917	52,538	(20,621)	-39.2%	76,613
Vote 10 - Transport	973,584	1,326,126	1,275,143	624,297	705,568	(81,271)	-11.5%	1,028,232
Vote 11 - Urban Management	22,429	122,981	106,991	18,118	47,205	(29,087)	-61.6%	106,950
Vote 12 - Water & Waste	1,789,054	3,596,511	2,784,309	1,545,026	1,029,568	515,457	50.1%	2,577,402
Total Capital Expenditure	5,316,290	8,388,432	7,879,749	3,834,579	3,374,165	460,413	13.6%	7,049,375
Capital Expenditure - Functional Classification								
Governance and administration	953,790	1,120,012	1,196,379	504,103	464,713	39,390	8.5%	1,153,251
Executive and council	3,413	24,280	5,568	1,826	963	863	89.6%	5,541
Finance and administration	950,102	1,095,600	1,190,220	502,180	463,618	38,562	8.3%	1,147,118
Internal audit	275	131	591	96	131	(36)	-27.1%	591
Community and public safety	988,852	1,547,286	1,723,715	706,430	699,240	7,190	1.0%	1,560,922
Community and social services	83,095	105,089	114,641	55,272	47,754	7,518	15.7%	105,878
Sport and recreation	88,538	141,792	148,346	46,629	58,228	(11,599)	-19.9%	147,782
Public safety	87,618	349,905	331,447	118,507	62,960	55,547	88.2%	331,360
Housing	670,112	869,063	1,052,444	464,763	489,240	(24,477)	-5.0%	909,263
Health	59,489	81,436	76,838	21,258	41,058	(19,800)	-48.2%	66,638
Economic and environmental services	1,066,375	1,534,310	1,542,764	686,790	806,275	(119,485)	-14.8%	1,285,327
Planning and development	51,066	151,588	152,451	36,741	82,505	(45,765)	-55.5%	143,202
Road transport	988,308	1,345,610	1,348,538	638,897	706,836	(67,940)	-9.6%	1,101,826
Environmental protection	27,000	37,112	41,775	11,153	16,934	(5,781)	-34.1%	40,299
Trading services	2,292,473	4,176,629	3,413,030	1,937,064	1,401,525	535,539	38.2%	3,046,049
Energy sources	736,092	805,190	839,605	454,609	471,491	(16,882)	-3.6%	673,746
Water management	921,660	1,517,922	1,181,498	705,355	431,481	273,874	63.5%	1,099,533
Waste water management	533,320	1,381,056	1,101,587	639,220	342,105	297,115	86.8%	1,025,285
Waste management	101,400	472,461	290,341	137,880	156,448	(18,568)	-11.9%	247,485
Other	14,800	10,195	3,861	192	2,413	(2,221)	-92.1%	3,826
Total Capital Expenditure - Functional Classification	5,316,290	8,388,432	7,879,749	3,834,579	3,374,165	460,413	13.6%	7,049,375
Funded by:								
National Government	2,047,136	2,189,348	2,518,433	1,228,902	1,031,307	197,594	19.2%	2,053,962
Provincial Government	22,430	22,038	37,788	12,824	8,900	3,923	44.1%	36,501
District Municipality	-	-	-	-	-	-	-	-
Other transfers and grants	49,804	53,700	60,887	34,389	34,503	(114)	-0.3%	45,861
Transfers recognised - capital	2,119,370	2,265,085	2,617,108	1,276,115	1,074,711	201,404	18.7%	2,136,323
Public contributions & donations	-	-	-	-	-	-	-	-
Borrowing	388,077	1,091,580	1,091,580	580,148	392,771	187,377	47.7%	1,036,911
Internally generated funds	2,808,842	5,031,767	4,171,062	1,978,316	1,906,683	71,632	3.8%	3,876,141
Total Capital Funding	5,316,290	8,388,432	7,879,749	3,834,579	3,374,165	460,413	13.6%	7,049,375

*The YTD actual reflected against the 'Borrowing' funding source is currently funded through internal funds.

Financial Position

The table below reflects the performance to date in relation to the financial position of the City.

Description	2018/19	Budget Year 2019/20			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
<u>ASSETS</u>					
Current assets					
Cash	302,472	146,904	146,904	131,076	146,904
Call investment deposits	10,649,133	6,199,428	9,979,630	10,649,133	9,979,630
Consumer debtors	6,215,923	9,710,204	6,610,409	4,807,556	6,610,409
Other debtors	793,308	1,826,248	1,132,985	1,435,375	1,132,985
Current portion of long-term receivables	8,838	15,755	6,781	8,838	6,781
Inventory	435,992	570,789	479,590	421,572	479,590
Total current assets	18,405,667	18,469,328	18,356,299	17,453,551	18,356,299
Non current assets					
Long-term receivables	215,690	23,333	19,374	207,184	19,374
Investments	5,342,557	5,171,322	5,765,080	9,662,480	5,765,080
Investment property	582,962	581,285	581,247	582,962	581,247
Investments in Associate	–	–	–	–	–
Property, plant and equipment	45,703,232	51,856,546	50,306,036	47,348,426	50,306,036
Biological	–	–	–	–	–
Intangible	693,178	424,856	537,066	697,380	537,066
Other non-current assets	10,280	8,891	10,280	10,280	10,280
Total non current assets	52,547,898	58,066,233	57,219,083	58,508,711	57,219,083
TOTAL ASSETS	70,953,565	76,535,561	75,575,382	75,962,262	75,575,382
<u>LIABILITIES</u>					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	427,597	489,858	489,858	427,597	489,858
Consumer deposits	410,962	461,809	452,058	438,643	452,058
Trade and other payables	7,127,758	10,762,203	7,516,249	4,839,534	7,516,249
Provisions	1,147,974	1,143,617	1,141,735	1,131,491	1,141,735
Total current liabilities	9,114,291	12,857,487	9,599,900	6,837,265	9,599,900
Non current liabilities					
Borrowing	6,270,937	7,838,577	7,838,577	7,079,763	7,838,577
Provisions	6,877,088	7,072,595	7,084,449	6,877,088	7,084,449
Total non current liabilities	13,148,025	14,911,172	14,923,026	13,956,851	14,923,026
TOTAL LIABILITIES	22,262,316	27,768,659	24,522,926	20,794,116	24,522,926
NET ASSETS	48,691,250	48,766,902	51,052,456	55,168,146	51,052,456
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)	43,892,330	43,002,095	46,272,255	50,785,219	46,272,255
Reserves	4,798,920	5,764,808	4,780,201	4,382,928	4,780,201
TOTAL COMMUNITY WEALTH/EQUITY	48,691,250	48,766,902	51,052,456	55,168,146	51,052,456

Cash Flow

The City's cash flow position and cash/cash equivalent outcome is shown in the table below.

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	9,319,556	9,714,194	9,769,268	7,387,226	7,306,021	81,205	1.1%	9,769,268
Service charges	20,154,718	18,787,179	19,259,186	15,305,871	14,551,576	754,295	5.2%	19,259,186
Other revenue	2,573,710	1,746,152	1,743,792	1,125,354	1,253,614	(128,260)	-10.2%	1,743,792
Government - operating	4,468,913	7,376,568	7,722,432	7,126,242	6,994,609	131,632	1.9%	7,722,432
Government - capital	2,079,448	2,211,385	2,556,221	2,368,205	1,863,589	504,616	27.1%	2,556,221
Interest	1,427,759	912,495	912,473	781,407	748,114	33,293	4.5%	912,473
Dividends	-	-	-	-	-	-	-	-
Payments								
Suppliers and employees	(30,085,454)	(35,467,695)	(35,294,485)	(26,006,590)	(26,106,563)	(99,974)	0.4%	(35,294,485)
Finance charges	(692,316)	(717,075)	(717,075)	(531,682)	(531,678)	3	0.0%	(717,075)
Transfers and Grants	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	9,246,334	4,563,204	5,951,813	7,556,033	6,079,282	(1,476,751)	-24.3%	5,951,813
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	151,009	97,432	108,392	-	-	-	-	108,392
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	7,513	1,228	4,419	-	-	-	-	4,419
Decrease (increase) in non-current investments	(936,202)	(267,859)	(267,859)	-	-	-	-	(267,859)
Payments								
Capital assets	(5,392,818)	(7,549,589)	(7,101,774)	(4,000,369)	(3,747,776)	252,593	-6.7%	(7,101,774)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(6,170,498)	(7,718,788)	(7,256,823)	(4,000,369)	(3,747,776)	252,593	-6.7%	(7,256,823)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	196,420	1,091,580	1,091,580	1,091,579	1,091,579	-	-	1,091,580
Increase (decrease) in consumer deposits	29,302	41,983	41,096	-	-	-	-	41,096
Payments								
Repayment of borrowing	(368,901)	(384,878)	(384,878)	(321,895)	(321,895)	0	-	(384,878)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(143,179)	748,685	747,798	769,685	769,685	0	-	747,798
NET INCREASE/ (DECREASE) IN CASH HELD	2,932,657	(2,406,899)	(557,212)	4,325,349	3,101,191			(557,212)
Cash/cash equivalents at beginning:	5,486,618	7,392,776	8,419,275	8,419,275	8,419,275			8,419,275
Cash/cash equivalents at month/year end:	8,419,275	4,985,877	7,862,063	12,744,623	11,520,466			7,862,063

IN YEAR BUDGET STATEMENT SUPPORTING TABLES***Material variance explanations for operating revenue by source and by vote***

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>				
Property rates	17,190	0.2%	Immaterial variance.	-
Service charges - electricity revenue	171,714	1.6%	The over-recovery is largely due to customers in the commercial large power category who are still paying the old inflated tariff and have not migrated to the new Time-of-Use tariff, which is the cheaper option.	No immediate corrective action is required.
Service charges - water revenue	22,428	1.0%	Immaterial variance.	-
Service charges - sanitation revenue	43,307	3.9%	Immaterial variance.	-
Service charges - refuse revenue	47,194	5.1%	The variance is mainly due to indigent relief on refuse service charges being less than planned.	No immediate corrective action is required.
Rental of facilities and equipment	(5,720)	-2.6%	Immaterial variance.	-
Interest earned - external investments	145,561	18.1%	The over-recovery is due to higher than expected cash and investment fund balances to date.	No immediate corrective action is required.
Interest earned - outstanding debtors	(1,228)	-0.4%	Immaterial variance.	-
Dividends received	-	-	-	-
Fines, penalties and forfeits	353,336	36.8%	The variance reflects against Traffic Fines - Accruals and is due to more than planned fines issued for traffic- and various by-law offences during this period.	No immediate corrective action is required.
Licences and permits	(2,812)	-6.0%	Immaterial variance.	-
Agency services	23,130	14.4%	The over-recovery is due to an increase in the number of registration of new- and unlicensed vehicles.	No immediate corrective action is required.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>				
Transfers and subsidies	(31,584)	-0.47%	Immaterial variance.	-
Other revenue	50,555	9.0%	The over-recovery reflects against the following categories: 1. Service Charges Infrastructure and Facilities, due to broadband-related revenue being higher than planned to date. 2. Cash Recovery - Claims, due to an unplanned refund from SASRIA. 3. By-product sales, due to an increase in the sale of by-products (timber) at Steenbras- and Wemmershoek dams. 4. Development Levies/BICL, due to higher than planned revenue received for the month under review. Development levies are linked directly to property developments making accurate period planning impossible. 5. Hire of municipal staff, due to higher than anticipated demand for law enforcement staff for externally-funded events. 6. Recoveries of Operational Expenditure, where cost for running the temporary desalination plants was recovered from the contractor.	No immediate corrective action is required.
Gains on disposal of PPE	7,205	21.3%	The variance is due to more land sales concluded to date as well as higher than anticipated proceeds from the auction of fleet, plant and equipment.	No immediate corrective action is required.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 1 - Community Services & Health	(49,060)	-7.4%	The under-recovery reflects against the following categories: 1. Rental of Facilities and Equipment, due to lower than anticipated demand, intermittent maintenance and emergency repairs, and the temporary closure of facilities due to the COVID-19 lockdown. 2. Transfers and Subsidies, due to outstanding payments from the Western Cape Government (WCG) for health claims submitted by the City. 3. Transfers and Subsidies - Capital, where construction of the ECD Centre: Heideveld, Welmoed Cemetery development, and upgrading of various clinics to reach Ideal Clinic status are behind schedule.	Periodic budget provisions will be reviewed and adjusted where required. The impact of the COVID-19 lockdown will be assessed and addressed in the upcoming adjustments budget.
Vote 2 - Corporate Services	10,244	24.9%	The over-recovery reflects against the following categories: 1. Transfers & Subsidies, due to more than planned work completed to date against the PPM Programme Support grant. 2. Other Revenue: a) Service Charges - Infrastructure and Facilities, mainly broadband-related revenue, due to misalignment of actual revenue to the budget provision; and b) Skills Development Levy, due to the unpredictable nature of the frequency of payments.	The alignment of period budgets to actual revenue trends will be reviewed.
Vote 3 - Economic Opportunities & Asset Management	3,699	2.4%	Immaterial variance.	-
Vote 4 - Energy & Climate Change	170,064	1.5%	The over-recovery reflects against electricity sales and is largely due to customers in the commercial large power category who are still paying the old inflated tariff and have not migrated to the new Time-of-Use tariff, which is the cheaper option.	No immediate corrective action is required.
Vote 5 - Finance	260,009	1.9%	The variance is a combination of over-/under-recovery. 1. Indigent Relief - Refuse (under), due to fewer consumers qualifying for indigent relief than originally anticipated. 2. Interest Earned - External Investments (over), due to higher than expected cash and investment fund balances to date. 3. Agency Income (over), due to an increase in the number of registration of new- and unlicensed vehicles. 4. Transfers & Donations (over), due to earlier than anticipated income realised iro the VAT portion on a number of grant-funded projects currently in progress. 5. Property Rates (over), largely due to real-time supplementary valuations resulting in an updated and increased valuation base. 6. Income Forgone (over), due to more than planned rates rebates and exemptions approved to date.	No immediate corrective action is required.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 6 - Human Settlements	(29,771)	-3.6%	The variance is a combination of over-/under-recovery mainly on: 1. Rental of Facilities and Equipment (under): a). Indigent relief and Subsidies/Rebates, which is demand driven and dependent on eligibility of tenants. b) Rental of fixed assets: Non-market related, due to the transfer of rental units sold and the number of vacant units not generating rental income. 2. Transfers and subsidies (under): a) Title Deeds Rectification project, which is running behind schedule as a result of the lengthy processes involved in investigating and rectifying the backlog of title deeds; and b) Outstanding invoices from the WCG for work completed on various housing projects. 3. Transfers and Subsidies - Capital (over), due to good contractor/consultant performance resulting in the following projects progressing ahead of schedule: a) Belhar CBD project; b) Conradie Housing Development (PGWC); and c) Greenville Housing Project.	Period budget provisions will be reviewed and adjusted in line with actual and anticipated trends. The directorate is actively driving the transfer of units to qualifying recipients and ensuring that units are occupied timeously when vacated.
Vote 7 - Office of the City Manager	31	947.1%	Immaterial variance.	-
Vote 8 - Safety & Security	344,896	31.9%	The variance is a combination of over-/under-recovery. 1. Fines, penalties and forfeits: Traffic fines - accruals (R357 million over), due to more than planned fines issued for traffic- and various by-law offences during this period. 2. Other revenue - Hire of municipal staff (over), due to higher than planned demand for law enforcement staff for externally-funded events. 3. Transfers and subsidies (under), due to unrecognised revenue at the end of March 2020 in respect of the LEAP and School Resource Officers Provincial projects.	Actual revenue trends and budgets will be aligned where required.
Vote 9 - Spatial Planning & Environment	(5,225)	-4.5%	Immaterial variance.	-

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 10 - Transport	(6,939)	-0.7%	Immaterial variance.	-
Vote 11 - Urban Management	(2,046)	-1.1%	Immaterial variance.	-
Vote 12 - Water & Waste	344,780	7.0%	<p>The variance is a combination of over-/under-recovery.</p> <ol style="list-style-type: none"> 1. Service charges - Water revenue and Sanitation revenue (over): The anticipated revenue provisions were adjusted to be in line with the latest reduced consumption trends in the January 2020 adjustments budget. Consumer reaction to the warmer months is still being established. 2. Other revenue (over), mainly on: <ol style="list-style-type: none"> a) Development Contribution Levy, due to higher than planned levies relating to the water, sewer and stormwater component of the development levy; b) By-product sales, due to an increase in the sale of by-products (timber) at Steenbras- and Wemmershoek dams; and c) Recoveries of operational expenditure, where costs were recovered from contractors for running the temporary desalination plants. 3. Interest on outstanding debtors (under), where the year-to-date actuals are less than anticipated. 4. Transfers and subsidies - Capital (over), due to good contractor performance on certain projects, and misalignment between the periodic plan and the actual spend on grant-funded projects within the Water & Sanitation Services department. 	<p>The directorate will continue to monitor consumption levels and trends for future refinement.</p> <p>Periodic budget provisions will be reviewed and adjusted where required.</p>

Material variance explanations for operating expenditure by type and by vote

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure By Type</u>				
Employee related costs	(276,272)	-2.8%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; and 3. Slower than planned implementation of job creation projects.	The City had 4113 vacancies as at 31 March 2020; 2876 positions were filled (1631 internal and 1245 external) with 1152 terminations processed since the beginning of the financial year. The filling of vacancies is ongoing and seasonal staff are appointed as and when required.
Remuneration of councillors	290	0.2%	Immaterial variance.	-
Debt impairment	91,944	5.9%	The variance is due to the period budget provision for Bad Debt Provision within the Water & Waste directorate not being aligned to the actual monthly posting.	Period budget provisions will be reviewed and adjusted in the next reporting period.
Depreciation & asset impairment	(34,978)	-1.6%	Immaterial variance.	-
Finance charges	25,023	4.6%	Immaterial variance.	-
Bulk purchases	43,420	0.6%	Immaterial variance.	-
Other materials	(4,618)	-0.5%	Immaterial variance.	-
Contracted services	(171,006)	-3.8%	The variance is a combination of over-/under expenditure against the following categories: 1. Building Contractors (under), due to staff capacity constraints within maintenance teams, mainly within the Human Settlements directorate, and delays in awarding maintenance tenders resulting in projects being implemented later than planned. 2. Waste Minimisation (over), where expenditure relating to haulage was incorrectly booked to this element. 3. Haulage (over), due to the Green Chipping Waste tender being awarded later than anticipated resulting in green waste being hauled to the landfill site. 4. G&D Contracted Serv Building (under), due to invoices outstanding from the Western Cape Government (WCG) for the following projects: Delft The Hague, Valhalla Park and Belhar Pentech. 5. R&M Contracted Serv Building (over), where road maintenance programmes within the Transport directorate were prioritised as one term tender expired in March 2020. 6. R&M Electrical (under), due to electrical tenders not being in place as well as plant maintenance orders and invoices that must still be processed. 7. R&M Gardening Services (over), due to misalignment of period budget provisions with actual expenditure to date. 8. R&M Maintenance of Equipment (under), where the replacement of older vehicles resulted in less repairs being needed. 9. Meter Management (under), where expenditure patterns are not aligned to the period budget provision. 10. Administrative and Support Staff (under), due to a lower demand for Labour Broker staff to date. <i>Continue next page.</i>	Period budget provisions will be reviewed and adjusted to align to actual trend. Virements will be processed where required. Corrective journal entries will be processed. Outstanding invoices will be processed on receipt thereof.

Table continues on next page.

Description	YTD Variance R Thousand s	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure By Type</u>				
Contracted services	See previous page	See previous page	11. Sewerage Services (under), where invoices for services within informal settlements are still outstanding. 12. Cleaning Costs (under), where budget provisions were made to procure sanitizers and other material in response to the Covid19 pandemic, but actual expenditure is not reflected yet. 13. Security Services (over), due to an increased demand for security at municipal buildings and facilities. 14. Advisory Services - Legal Cost and Litigation (over), due to several unplanned high priority legal cases instituted to date.	See previous page
Transfers and subsidies	(33,042)	-10.2%	The variance is mainly within the Human Settlements directorate on G&D Housing PHP Payment, due to delays in the submission of invoices by the contractors as the Housing Subsidy System (HSS) payment notification from the Western Cape Government (WCG) for the payment of beneficiary subsidies is still outstanding.	The matter has been escalated to ensure timeous honouring of HSS claims submitted to WCG.
Other expenditure	(58,013)	-3.9%	The variance is a combination of over-/under expenditure. 1. Hire of LDV, panel van, bus, special vehicle (over), due to emergencies and special vehicle equipment needed for pond cleaning. 2. Electricity (under), due to lower than planned consumption of electricity at City facilities. 3. Insurance premiums and claims (under), where the actual premiums and claims paid to date were less than planned. 4. Advertising (under), due to a lower demand for recruitment- and corporate advertising to date. 5. Skills development levy (over), where actual expenditure reflects against this category while the budget reflects against the employee-related costs category. 6. Software Licences (under), mainly due to the SAP annual licence payment, specific to the Transport directorate, which was scheduled for payment in December 2019 but has not yet been processed as the report is still being finalised.	Period budget provisions will be reviewed and virements will be processed where required.
Loss on disposal of PPE	10,360	1593.1%	The variance is due to the write-off of damaged MyCiTi busses and scrapping of radios donated to various City-wide neighbourhood watches.	No immediate corrective action is required.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 1 - Community Services & Health	(11,049)	-0.4%	Immaterial variance.	The directorate has 409 vacancies, which are in various stages of the recruitment and selection process. For the period 1 July 2019 to 31 March 2020, 592 posts were filled while 333 were terminated.
Vote 2 - Corporate Services	34,242	2.6%	The variance is a combination of over-/under expenditure. 1. Employee related costs (over), due to staff appointments made earlier than planned, resulting in misalignment of period budgets with actual trends. 2. Depreciation & Asset Impairment (under), where delays in completion of projects impacted the capitalisation of assets resulting in lower depreciation changes to date. 3. Contracted Services (over), a combination of over-/under expenditure against: a) Advisory Services: Legal cost & Litigation (over), due to several unplanned high priority legal cases instituted during the year; and b) Administrative and Support Staff (under), due to lower than planned demand and dependence on labour broker staff to perform admin- and support functions. 4. Other expenditure (over), combination of over-/under expenditure: a) Training Other (over), due to training programmes being scheduled earlier than planned; b) Corporate Training Programmes (over), due to additional training interventions offered, accelerated training programmes, and higher volumes of invoices processed to date; c) Advertising - Corporate & Municipal Activities (under), due to misalignment of actual expenditure with period budget provisions; and d) G&D Specialised IT Services (over), due to the erroneous processing of expenditure against this element.	The overall over expenditure to date will be addressed by the review and adjustment of period budget provisions on various elements. The directorate has 190 vacancies in various stages of the recruitment and selection process; 212 positions were filled and 71 terminations processed since the beginning of the financial year. Journals will be processed to ensure that costs are reflected against the correct cost element.
Vote 3 - Economic Opportunities & Asset Managemnt	21,583	2.2%	The variance is a combination of over-/under expenditure. 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Debt impairment (over), due to an unprocessed journal entry on Bad Debts Written-Off Transferred to Provision. 3. Depreciation & Asset Impairment (under), where the depreciation (based on actual capitalisation of assets) is less than planned as capitalisation of assets were done later than planned. 4. Other materials (over), mainly on Materials Consumable, Tools and Equipment, where expenditure on materials was much higher than planned as the result of ongoing maintenance at various facilities in the Strategic Assets- and Fleet Management departments. 5. Contracted services (over), mainly on: a) Contractors: Building Contractors and R&M-Building Contractors (over), where work progressed faster than planned in the Facilities Management department; b) Contractors: Servicing of Vehicles/Equipment and R&M - Vehicles/Equipment (over), due to a higher demand for maintenance on vehicles and equipment within the Fleet- and Facilities Management departments; c) Outsourced services: Cleaning costs (over), due to misalignment of actual expenditure with the period budget; and d) Outsourced services: Security services - Municipal facilities (over), due to the increase in the security services rates, and additional facilities requiring security services as a result of continuous vandalism and burglaries. 6. Other Expenditure - Operating Leases (over), where the period budget provision is not aligned to the actual expenditure for the hire of LDV/PVan/Special Vehicles/Trucks.	The overall over expenditure will be addressed by reviewing and adjusting period budget provisions on a number of expenditure elements within Contracted Services. The directorate has 159 vacancies in various stages of the recruitment and selection process; 65 positions (48 internally and 17 externally) were filled and 35 terminations processed since the beginning of the financial year. Virements will be processed where so identified. Periodic budgets will be reviewed and aligned to actual trends.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 4 - Energy & Climate Change	(151,120)	-1.8%	The variance is a combination of over-/under expenditure: 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Other Materials (under), mainly on R&M Materials General and Consumables, where less than planned materials and consumables were required for the new public lighting maintenance operations. 3. Contracted Services (under), a combination of over-/under expenditure mainly on: a) R&M Electrical (over), due to actual expenditure on high voltage substations being more than planned to date resulting in misalignment of the period budget, and b) R&M Maintenance of Equipment (under), due to less than planned fleet maintenance required as older vehicles were replaced.	The directorate has 318 vacancies in various stages of the recruitment and selection process. 375 vacancies were filled and 81 posts terminated since the beginning of the financial year. Period budget provisions will be adjusted according to spending plans, where required.
Vote 5 - Finance	(91,656)	-4.1%	The variance is a combination of over-/under expenditure mainly on: 1. Employee related costs (under), due to the turnaround time in filling vacancies as well as the impact of the internal filling of vacant posts. 2. Interest - External (over), due to budgetary shifts processed for the procurement of emergency supplies in response to the Covid-19 pandemic. 3. Contracted services (under), where budgetary provision was made to procure sanitizers and other materials in response to the Covid-19 pandemic, but actual expenditure is not reflected yet. 4. Other Expenditure (under), mainly on Insurance, where the actual premiums and claims paid are less than planned for this period.	The directorate has 192 vacancies in various stages of the recruitment and selection process; 144 positions were filled and 54 terminations processed since the start of the financial year. All efforts are being made to fill vacancies as soon as possible. Alignment of period budgets with actual trends will be undertaken where necessary. Expenditure relating to the Covid-19 pandemic will be regularised in the upcoming adjustments budget.
Vote 6 - Human Settlements	(102,866)	-10.0%	The variance is a combination of over-/under expenditure mainly on: 1. Employee related costs, due to the turnaround time in filling vacancies as well as the impact of the internal filling of vacant posts. 2. Contracted Services, a combination of over-/under expenditure on: a) Professional Services Engineering Civil (over), due to an increase in demand of housing construction services; b) G&D Contracted Service Building (under), due to the late submission of invoices from the Western Cape Government (WCG) for Delft the Hague, Valhalla Park and Belhar Pentech projects; c) Management of Informal settlements (under), where expenditure is incurred against the grant allocation before City funding is used; and d) Building Contractors and R&M Contracted Services (under), where capacity constraints within the Upgrades and Maintenance Implementation team impacted negatively on the ability to perform planned maintenance tasks. 3. Transfers and Subsidies (under), mainly on G&D Housing PHP Payment, due to delays in the submission of invoices by contractors who are waiting on the Housing Subsidy System (HSS) payment notification from the Western Cape Government for the payment of beneficiary subsidies. 4. Other Expenditure (over), mainly on Subsidy on Homeowners Redemption, due to misalignment of the budget provision of the unrealised portion of the housing fund linked to property transfers with the actuals to date.	The directorate has 151 vacancies of which 15 posts are in various stages of the recruitment and selection process; 85 positions were filled and 37 terminations processed since the start of the financial year. There are continuous efforts to fill vacancies as quickly as possible. Management is planning to implement capacity building measures, which includes appointing additional staff within the branch responsible for building contractors and repairs and maintenance projects. New projects to the value of R47 million have been rolled out but implementation of these projects are currently delayed, due to the COVID-19 lockdown. The matter relating to delays with the payment of invoices by the WCG has been escalated. Expenditure trends will be analysed and used to align period budget provisions with actual expenditure.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 7 - Office of the City Manager	(20,458)	-11.8%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies as well as delays in creating and filling new posts for the Office of the Mayor. 2. Contracted Services (under) mainly on: <ol style="list-style-type: none"> a) Legal Cost - Legal Advice and Litigation, where the actual expenditure relating to forensic investigations are lower than planned as payments are only made once investigations have been completed; and b) Event Promoters, where the bulk provision for mayoral events is provided on this element but actual costs are incurred on different elements. 3. Transfers and Subsidies: Relief and charitable contributions (over), due to misalignment of actual expenditure with the period budget for mayoral allocations. 4. Other expenditure: Entertainment (under), due to mayoral event requirements for which the actual expenditure to date was less than planned. 	<p>The directorate has 30 vacancies in various stages of the recruitment and selection process; 20 positions were filled and 7 terminations processed since the start of the financial year. All efforts are being made to fill vacancies as soon as possible.</p> <p>Virements will be processed to align the period budget with the actual trend and incorrect postings will be addressed.</p>
Vote 8 - Safety & Security	27,488	1.1%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (over), mainly on: <ol style="list-style-type: none"> a) Overtime, due to by-law enforcement operations and crime prevention programmes, which are often conducted after hours resulting in overtime; and b) Standby (over), due to staff shortages within the Law Enforcement department resulting in more officials being asked to be on standby. 2. Depreciation (under), due to delays in completing two fire stations resulting in the assets not being capitalised as planned. 3. Other materials (under), where recoveries relating to labour in respect of LEAP have not yet been processed as the staff list where the necessary recoveries will be processed from is in the process of being verified. 4. Other expenditure (under), mainly on G&D Uniforms and Protective Clothing relating to LEAP, as the process of issuing uniforms was completely halted as a result of the COVID-19 lockdown. 	<p>The overall over expenditure to date will be addressed by the review and adjustments of period budget provisions on various elements.</p> <p>The directorate has 914 vacancies in various stages of the recruitment and selection process; 647 posts were filled while 123 were terminated since the beginning of the financial year.</p>
Vote 9 - Spatial Planning & Environment	(11,186)	-2.3%	Immaterial variance.	-

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 10 - Transport	(37,094)	-1.5%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Other Materials (under), due to lower than planned recovery of G&D labour to operating costs of Safety & Security staff assigned to the Rail Safety project. 3. Contracted Services (over), combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) G&D - Contracted Services Buildings (over), where the AFC maintenance invoices for March 2020 was approved for payment earlier than anticipated; b) Cleaning Costs (over), due to an increase in the level of services at public transport interchanges as well as the use of a transversal cleaning tender resulting in higher costs; c) R&M Contracted Services Buildings (over), due to road maintenance programmes being brought forward as one term tender expired in March 2020; and d) Transportation Services People (under), where the N2 Express contract has not been renewed yet. 4. Other Expenditure - G&D Uniforms and Protective clothing (under), due to delays in processing uniform costs for Safety & Security staff assigned to the Rail Safety project. 5. Loss on disposal of PPE (over), due to the write-off of MyCiti busses, which was not budgeted for. 	<p>The directorate currently has 358 vacancies in various stages of the recruitment and selection process. For the period 1 July 2019 to 31 March 2020, 132 posts were filled while 78 were terminated.</p> <p>Expenditure trends will be analysed and used to align period budget provisions with actual expenditure.</p> <p>Virements will be processed where required.</p>
Vote 11 - Urban Management	3,568	0.5%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies as well as the creation of new posts. 2. Contracted Services (over), mainly on: <ol style="list-style-type: none"> a) Advisory Services - Project Management (over), where MURP projects are progressing faster than anticipated; b) Legal Cost - Legal Advice and Litigation (over), where actual expenditure relating to urgent legal matters are higher than planned; and c) Building Contractors (over), due to expenditure relating to MURP projects at sub councils progressing faster than anticipated. 3. Event Promoters (over), due to Ward Allocation projects progressing faster than anticipated. 	<p>The overall over expenditure to date will be addressed by the review and adjustment of period budget provisions relating to MURP projects.</p> <p>The directorate has 49 vacancies in various stages of the recruitment and selection process; 54 positions were filled and 24 terminations processed since the beginning of the financial year.</p> <p>Period budget provisions will be reviewed against actual trends and adjusted where so identified.</p> <p>Virements will be initiated from anticipated savings to offset over expenditure where identified.</p>

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 12 - Water & Waste	(68,346)	-1.2%	<p>The variance is a combination of over-/under expenditure mainly on:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies as well as the impact of the internal filling of vacancies. 2. Debt Impairment (over), where the period budget provision for Bad Debt Provision is not aligned to the actual monthly posting. 3. Bulk purchases - Water (over), mainly on: <ol style="list-style-type: none"> a) Raw water, due to the large number of invoices received for payment from the National Department of Water and Sanitation; and b) Bulk purchase - Water reclamation, where electricity costs were erroneously included in invoices. 4. Other materials (under), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Materials Consumables Tools & Equipment (under), due to fewer refuse containers needing to be replaced; and b) Fuel (over), due to fluctuations in the fuel price and the unforeseen use of older refuse compactor vehicles, which are not fuel efficient. 5. Contracted services (under), combination of over- /under expenditure, mainly on: <ol style="list-style-type: none"> a) Haulage (over), due to the green chipping waste tender being awarded later than anticipated resulting in green waste being hauled to the landfill site; b) R&M Contracted Serv Building (over), where more projects were completed than initially anticipated; c) Refuse Removal (over), where waste removal costs were higher than anticipated; d) Administrative and Support Staff (under), as a result of fewer labour broker staff being appointed to date; e) Sludge removal (under), where the requirement for sludge removal was less than anticipated; f) R&M Maintenance of Equipment (under), where the replacement of older vehicles resulted in less repairs being made to vehicles; g) Meter Management (under), where expenditure patterns are not aligned to the period budget provision; and h) Sewerage Services (under), where invoices for informal settlements must still be processed. 6. Other Expenditure (under), combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Hire of LDV, P/Van, Bus, Special Vehicle (over), due to unplanned emergencies and pond cleaning requirements to date; b) Software licenses - Upgrade/Protection (under), as a result of quite a few technical software licenses that is only renewable between March 2020 and May 2020; c) Motor vehicle license and registration (under), due to misalignment of period budget provisions with the actual expenditure trend; and d) Specialised Information Technology Service (under), due to invoices outstanding for the completed Automated Water Pollution project, and a decrease in demand for software licenses and ad-hoc support. 	<p>The directorate has 1208 vacancies in various stages of the recruitment and selection process; 480 vacancies were filled and 274 posts were terminated since the beginning of the financial year.</p> <p>Virements will be processed and periodic budget provisions will be reviewed and adjusted in line with actual expenditure trends.</p>

Material variance explanations for capital expenditure by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 1 - Community Services & Health	(33,490)	-20.9%	<p>The negative year-to-date variance is due to:</p> <ol style="list-style-type: none"> 1. Delays in the award of tender 30C, which resulted in the following programmes being behind schedule: <ol style="list-style-type: none"> a) Ideal clinics; and b) National Core Standards Compliance. 2. Delays in obtaining approval for an extension of the contract period on the Construction of the Heideveld ECD project. 3. Zoning correction resulting in implementation delays on the Millers Camp Sport Field Upgrade project. 4. Slight delays on implementation of the Mfuleni Integrated Recreational Facility project, due to external stakeholder delays. 	<p>Tender 30C has now been awarded and consultants are in the process of being appointed.</p> <p>Project managers together with the support of the finance manager/heads will:</p> <ol style="list-style-type: none"> a) Continue to closely monitor and ensure that projects are implemented within the prescribed timelines by ensuring all payment certificates are received timeously; b) Engage with communities in order to mitigate concerns; c) Identify challenges and process virements, where applicable, to ensure maximum spend at financial year-end; and d) Rework project implementation as a result of the negative impact of the COVID 19 pandemic.
Vote 2 - Corporate Services	(28,214)	-31.0%	<p>The negative variance reflects on the following programmes/projects:</p> <ol style="list-style-type: none"> 1. Enterprise Monitoring & Management Solution FY20: The protracted process of obtaining approval for the contract value increase on tender 9G/15/16 resulted in delays. 2. Integration and Enhancement: SAP resources are unavailable on tender 44S. The scope of the project is defined, but completion thereof with the limited resources will be a challenge. 3. Computers & Equipment - Replacement FY20: Delays with deliveries from China, due to the COVID 19 pandemic. 4. CityWeb/CityApps Redevelopment Resources: The project is running behind schedule as a result of difficulty in sourcing consultants with scarce skills. 5. Delays in awarding tender 330G impacted on the following projects: <ol style="list-style-type: none"> a) Microsoft Infrastructure Services FY20; and b) ERP Annual Capacity Growth FY20. 	<ol style="list-style-type: none"> 1. Approval for the contract value increase on tender 9G/15/16 has been awarded. 2. Tender 266S was utilised as an alternative for tender 44S, but the deadline to use these resources was 31 March 2020. The IS&T department will segregate the 31 priorities into different work packages based on the similarity of work required. 3. Orders have been placed; awaiting delivery. 4. Funds will be reprioritised via the virement process in April 2020. 5. Tender 330G has now been awarded.
Vote 3 - Economic Opportunities & Asset Management	96,383	77.0%	<p>The following projects are ahead of schedule:</p> <ol style="list-style-type: none"> 1. Replacement of fleet and plant: Items were ordered and delivered earlier than anticipated; and 2. Upgrade of City Hall Good Hope Centre: Good contractor performance. 	<p>Further deliveries and construction work may be delayed as a result of the COVID-19 lockdown.</p>

Table continues on next page.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 4 - Energy & Climate Change	(19,862)	-4.0%	Immaterial variance.	-
Vote 5 - Finance	(196)	-0.6%	Immaterial variance.	-
Vote 6 - Human Settlements	(24,477)	-5.0%	The negative variance reflects mainly on the following projects/programmes: 1. Land Acquisitions FY20: Delays in the finalisation of land acquisitions. 2. Valhalla Park Integrated Housing: Contractor progressing with remaining civil work, however, the invoice from the Western Cape Government was only submitted after month-end. 3. Major Upgrading - Area North and South: CRU Electrical Upgrades project commenced later than anticipated, due to delays in obtaining transversal use approval of tenders required to perform the work.	1. Finalisation of acquisition process to be prioritised so that expenditure is incurred before year-end. 2. Payment will be processed once invoice is verified. 3. Transversal use approval of the required tenders has been obtained and some work has commenced. The impact of the COVID-19 lockdown is being assessed on a continuous basis. The value at risk is to be reprioritised to projects required to mitigate the COVID-19 outbreak or to other projects that might require additional budget.
Vote 7 - Office of the City Manager	(359)	-32.2%	IT Equipment: Only some items were delivered. In the process of verifying purchase orders before further orders can be placed.	Further orders will be placed after the COVID-19 lockdown.
Vote 8 - Safety & Security	86,151	59.2%	1. The positive variance is due to earlier than anticipated delivery on the following projects: a) Fire Vehicles: Replacement FY20; b) CCTV projects; c) Specialised vehicles: Add FY20; and d) Fire Relief Volunteer Equipment TY20. 2. Misalignment of cash flow on the Integrated Contact Centre project.	No remedial action required.
Vote 9 - Spatial Planning & Environment	(20,621)	-39.2%	The negative variance is mainly as a result of the following: 1. Computer equipment and software: Deliveries have been delayed due to, inter alia, the recent Chinese holidays, shortage of microchips and the outbreak of the Coronavirus. 2. Vehicles - Additional FY20: Awaiting delivery of orders placed. 3. Reserve Upgrade - Fencing FY20: Symphony Way and False Bay started later than anticipated while there was poor contractor performance on Vesuvius Way. 4. Basement Parking & Access: MayCo, on 3 March 2020, approved the acquisition of a servitude for the completion of the CTICC2 marshalling yard and the City's b-1 basement parking. A deviation approval for appointment of the contractor will be obtained from the City Manager.	The COVID-19 lockdown will have an impact on the delivery of projects. The situation will be monitored on a weekly basis.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Capital Expenditure by Vote</u>				
Vote 10 - Transport	(81,271)	-11.5%	The directorate has a net negative variance, which is an accumulation of slower than anticipated expenditure on a number of projects, the most significant of which are: 1. IRT Jan Smuts: Initial delays were experienced, due to issues with underground services, as well as protracted processes in resolving the claim iro an error in measurement. 2. IRT Phase 2A – Land and Property Acquisition: The acquisition process in respect of Govan Mbeki Road is progressing as well. MayCo approved the acquisition of six erven on 4 February 2020 with a further six erven anticipated to be approved at the April/May 2020 MayCo meeting. Approval of expropriation of partial pieces of land will be sought from MayCo in May 2020. 3. IRT Phase 2A - East: The service provider's fee forecast was based on progression of detail design. However, due to a cost cutting exercise, significant changes to the IRT infrastructure provision have been identified, which implies a redesign of large parts of the project. 4. Vehicles & Plant - Additional FY20: Orders placed; awaiting delivery. 5. Reconstruction of Ottery Road: Delays as a result of late start in December 2019.	1. IRT Jan Smuts: Approval of the claim has been referred to external adjudicator. 2. An offer of R5.4 million was made to the Western Cape Government for two pieces of publicly-owned land. 5. The contractor is on schedule and progressing well with no issues at this stage. The COVID-19 lockdown will have an impact on the delivery of projects, vehicles and plant.
Vote 11 - Urban Management	(29,087)	-61.6%	The negative variance reflects primarily on the following projects where orders were placed and awaiting delivery. 1. MURP Infrastructure; 2. Safety Measures; 3. CCTV/WIFI infrastructure Manenberg/Hanover Park; and 4. Upgrading Vuyiseka Multi-Purpose Centre.	Project managers following up on delivery.
Vote 12 - Water & Waste	515,457	50.1%	The directorate is ahead of planned spend for the period under review. The main reasons are listed below at departmental level.	There are on-going engagements with directors and respective project managers to ensure that tracking and monitoring of projects are within the prescribed timeframes and that corrective action is processed timeously so as to ensure maximum spend. Remedial action, where required, is indicated below.
Management: Water & Waste	153	937.8%	Computer Equipment - Additional FY20: Some items were delivered earlier than anticipated.	Further orders to be placed in April 2020.
Project Monitoring Unit: W & W	(14)	-100.0%	Computer Equipment - Replacement: Delays in placing orders due to COVID-19 lockdown.	-

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Capital Expenditure by Vote</u>				
Solid Waste Management	(61,835)	-25.6%	1. Plant & Vehicles - Replacement FY20: The project is on schedule and currently in the execution phase. Orders were placed in August 2019 for long lead time vehicles. Awaiting delivery of smaller vehicles, which were ordered as well. 2. Scottsdene Depot Upgrade: Construction only commenced in May 2019, due to initial delays with guarantees, construction permits and approval of building plans. The contractor is currently behind schedule but has indicated that work will be completed by 30 May 2020.	The COVID-19 lockdown will have an impact on the delivery of projects, vehicles and plant.
Water & Sanitation Management	577,153	73.2%	The following major projects are ahead of schedule, due to good service provider performance: a) Cape Flats Aquifer; b) Zandvliet WWTW; c) Table Mountain Group Aquifer; d) Bellville WWTW; and e) Meter replacement program. Expenditure is progressing well and planned spend is currently ahead of what was anticipated. It must however be noted that the current year-to-date variance is overstated, due to an anomaly that occurred during the updating of the period budget for the January 2020 adjustment budget.	In order to ensure improved performance in the current financial year the following interventions were implemented: 1. Focused management attention on capital programme implementation. 2. Absorption of the New Water Programme into the Bulk Water branch to regularise project management. 3. Introduction of a Project Support Office to support project managers with contract- and tender management. 4. Engagement with the CFO's office in the form of monthly meetings to resolve issues impacting service delivery in a timely manner, and bring urgent issues to the CFO/SCM management's attention.

Material variance explanations for cash flow

Description	YTD variance R Thousands	YTD variance %	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	81,205	1.1%	Immaterial variance.	-
Service charges	754,295	5.2%	Immaterial variance.	-
Other revenue	(128,260)	-10.2%	Less other income received than originally budgeted for.	No corrective action required.
Government - operating	131,632	1.9%	Immaterial variance.	-
Government - capital	504,616	27.1%	More grant income received than originally budgeted for.	No corrective action required.
Interest	33,293	4.5%	Immaterial variance.	-
Dividends	-	0.0%		
Payments				
Suppliers and employees	(99,974)	0.4%	Immaterial variance.	-
Finance charges	3	0.0%	Immaterial variance.	-
Transfers and Grants	-	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES	(1,476,751)	-24.3%		
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	-		
Decrease (Increase) in non-current debtors	-	-		
Decrease (increase) other non-current receivables	-	-		
Decrease (increase) in non-current investments	-	-		
Payments				
Capital assets	252,593	-6.7%	Higher creditors outflow than originally expected.	No corrective action required.
NET CASH FROM/(USED) INVESTING ACTIVITIES	252,593	-6.7%		
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-		
Borrowing long term/refinancing	-	-		
Increase (decrease) in consumer deposits	-	-		
Payments				
Repayment of borrowing	0	-		
NET CASH FROM/(USED) FINANCING ACTIVITIES	0	-		

Performance indicators

Description of financial indicator	Basis of calculation	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	1.3%	2.8%	2.7%	3.2%	2.4%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	7.3%	17.8%	20.7%	22.7%	18.0%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	28.4%	39.1%	31.0%	22.4%	31.0%
Gearing	Long Term Borrowing/ Funds & Reserves	130.7%	136.0%	164.0%	161.5%	164.0%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	2.02	1.44	1.91	2.55	1.91
Liquidity Ratio	Monetary Assets/Current Liabilities	1.20	0.49	1.05	1.58	1.05
<u>Revenue Management</u>						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	18.0%	28.3%	18.6%	19.4%	18.7%
<u>Other Indicators</u>						
Employee costs	Employee costs/Total Revenue - capital revenue	30.8%	33.8%	33.7%	29.0%	33.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	9.1%	9.3%	9.1%	8.4%	2.4%

Material variance explanations for corporate performance

Description of Indicator	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1.A Percentage Building Plans approved in statutory time-frames (30-60 days)	2%	Reduced capacity during the holiday season resulted in under achievement of this target (target 94% - actual 92%).	The scenario will be monitored on a continuous basis.
3.H Number of Human Settlement opportunities (formal sites services)	348	The completion of the sites for the Valhalla project was delayed as a result of the high, unaffordable costs for security; an alternative plan to rollout the project in a small-scale community labour intensive manner has been adopted. (Target 500 – actual achieved 152)	Contractors have been appointed via the Provincial Panel of Contractors and are on site for the completion of internal services.
3.I Number of water services points (taps) provided to informal settlements (NKPI)	358	Implementation of tap provisions has been negatively affected by the current lockdown as service providers have indicated that supply of materials from vendors who have closed has become a major concern. Whilst additional taps, over and above what has been reported, have been installed, logistics and staff capacity challenges have prevented new installations from taking place by the required deadline. These installations will therefore be reflected as part of the April 2020 submission. (Target 500 - actual achieved 142)	As a result of the Covid-19 outbreak and subsequent National Lockdown, new technologies in the form of water tanks and wash stations are currently being implemented to provide water to informal settlements that thus far have not had a water supply. With these additional interventions that are currently underway, it is expected that the annual target will be achieved.
4.C Total number of passenger journeys on MyCiTi	2,002,536	As a result of the N2 Express Service not being operational since 1 June 2019 and the National State of Disaster announced on 19 March 2020, which resulted in a "Lockdown" from 27 March 2020, only 86% of the cumulative target was achieved. Public Transport Regulations has been implemented during the lockdown, which only allows for essential travel further negatively affecting passenger journeys.	Re-implementation of the N2 Express Service. Relaxation of Public Transport Regulations when announced will have a positive effect on passenger journeys recorded.
5.E Cash/cost coverage ratio (excluding unspent conditional grants) NKPI	0.90	Council at its March 2020 meeting approved the utilisation of working capital to fund the 2020/21 capital programme resulting in a lower cash/cost ratio. (Target 2.50 - actual achieved 1.60)	Remedial action not applicable.
5.G Debt (total borrowings) to total operating revenue. NKPI	2.25	Council at its March 2020 meeting approved the utilisation of working capital to fund the 2020/21 capital programme. The variance of 2.25 is compensated by this action. (Target 22.50 - actual 24.75)	Remedial action not applicable.

Aged Debtors

Description	Budget Year 2019/20										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Year	Over 1 Year	Total	Total over 90 days		
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	407,952	64,838	53,354	55,926	50,355	36,922	198,650	1,482,153	2,350,150	1,824,006	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	887,771	72,590	21,013	12,351	12,170	11,540	67,977	250,145	1,335,558	354,184	-	-
Receivables from Non-exchange Transactions - Property Rates	754,389	91,467	64,900	67,538	58,687	47,312	219,749	729,627	2,033,670	1,122,913	-	-
Receivables from Exchange Transactions - Waste Water Management	206,155	31,876	21,674	23,763	25,077	10,708	86,713	506,475	912,441	652,736	-	-
Receivables from Exchange Transactions - Waste Management	123,683	24,878	24,434	24,849	24,043	22,097	136,432	327,933	708,349	535,354	-	-
Receivables from Exchange Transactions - Property Rental Debtors	94,304	12,512	11,472	8,398	(1,724)	12,137	26,472	545,518	709,090	590,801	-	-
Interest on Arrear Debtor Accounts Recoverable unauthorised, irregular, fruitless and wasteful expenditure	85,876	33,834	32,082	36,216	28,971	30,924	173,841	752,158	1,173,901	1,022,109	-	-
Other	(90,518)	(50,683)	(28,938)	(14,588)	(12,887)	(8,771)	(107,319)	(79,593)	(393,298)	(223,159)	-	-
Total By Income Source	2,469,613	281,312	199,990	214,454	184,691	162,868	802,514	4,514,416	8,829,859	5,878,944	-	-
2018/19 - totals only	2,236,634	345,577	266,019	329,524	300,402	348,840	1,939,326	4,457,291	10,223,613	7,375,383	-	-
Debtors Age Analysis By Customer Group												
Organs of State	99,100	19,021	11,514	14,355	10,199	7,621	(64,263)	40,779	138,325	8,690	-	-
Commercial	1,380,586	104,524	40,870	47,315	45,537	21,284	113,195	312,194	2,065,506	539,526	-	-
Households	1,110,742	184,211	154,480	161,192	129,772	133,593	684,891	3,716,364	6,275,244	4,825,811	-	-
Other	(120,814)	(26,444)	(6,874)	(8,407)	(817)	371	68,691	445,079	350,784	504,917	-	-
Total By Customer Group	2,469,613	281,312	199,990	214,454	184,691	162,868	802,514	4,514,416	8,829,859	5,878,944	-	-

Aged Creditors

Description	Budget Year 2019/20									Prior year totals (same period)
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	-	-	-	-	-	-	-	-	-	-
Bulk Water	-	-	-	-	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	486,597	-	-	(55)	(11)	-	-	(2)	486,529	266,939
Auditor General	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	486,597	-	-	(55)	(11)	-	-	(2)	486,529	266,939

Investment portfolio

The investment portfolio analysis includes information on the institution where funds are invested, period of investment, type of investment and accrued interest for the month.

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
ABSA Bank	114	Fixed	7.15%	2020/04/15	135,000	820	–	–	135,820
ABSA Bank	101	Fixed	7.15%	2020/04/09	20,000	121	–	–	20,121
ABSA Bank	98	Fixed	7.06%	2020/04/15	40,000	240	–	–	40,240
ABSA Bank	99	Fixed	7.07%	2020/04/17	15,000	90	–	–	15,090
ABSA Bank	95	Fixed	7.04%	2020/04/17	30,000	179	–	–	30,179
ABSA Bank	100	Fixed	7.07%	2020/04/24	90,000	540	–	–	90,540
ABSA Bank	99	Fixed	7.07%	2020/04/24	35,000	210	–	–	35,210
ABSA Bank	95	Fixed	6.77%	2020/04/24	40,000	230	–	–	40,230
ABSA Bank	94	Fixed	6.77%	2020/04/24	20,000	115	–	–	20,115
ABSA Bank	99	Fixed	6.77%	2020/04/30	15,000	86	–	–	15,086
ABSA Bank	94	Fixed	6.75%	2020/04/30	90,000	516	–	–	90,516
ABSA Bank	100	Fixed	6.80%	2020/05/08	20,000	116	–	–	20,116
ABSA Bank	105	Fixed	6.80%	2020/05/15	35,000	202	–	–	35,202
ABSA Bank	105	Fixed	6.80%	2020/05/15	85,000	491	–	–	85,491
ABSA Bank	102	Fixed	6.80%	2020/05/15	20,000	116	–	–	20,116
ABSA Bank	59	Fixed	6.65%	2020/04/03	40,000	226	–	–	40,226
ABSA Bank	86	Fixed	6.75%	2020/04/30	40,000	229	–	–	40,229
ABSA Bank	101	Fixed	6.80%	2020/05/22	30,000	173	–	–	30,173
ABSA Bank	100	Fixed	6.80%	2020/05/22	20,000	116	–	–	20,116
ABSA Bank	98	Fixed	6.80%	2020/05/27	15,000	87	–	–	15,087
ABSA Bank	91	Fixed	6.75%	2020/05/27	20,000	115	–	–	20,115
ABSA Bank	66	Fixed	6.65%	2020/05/08	15,000	79	–	–	15,079
ABSA Bank	79	Fixed	6.80%	2020/05/22	25,000	130	–	–	25,130
ABSA Bank	102	Fixed	6.75%	2020/06/15	190,000	949	–	–	190,949
ABSA Bank	113	Fixed	6.80%	2020/06/26	30,000	151	–	–	30,151
ABSA Bank	43	Fixed	6.55%	2020/04/24	50,000	179	–	–	50,179
ABSA Bank	91	Fixed	6.62%	2020/06/12	145,000	500	–	–	145,500
ABSA Bank	84	Fixed	6.60%	2020/06/05	100,000	344	–	–	100,344
ABSA Bank	72	Fixed	6.59%	2020/05/29	30,000	76	–	–	30,076
ABSA Bank	100	Fixed	6.66%	2020/06/26	100,000	255	–	–	100,255
ABSA Bank	104	Fixed	6.67%	2020/06/30	35,000	90	–	–	35,090
ABSA Bank	28	Fixed	5.70%	2020/04/24	180,000	141	–	–	180,141
ABSA Bank	81	Fixed	5.83%	2020/06/19	45,000	14	–	–	45,014
Firststrand Bank	105	Fixed	6.75%	2020/04/03	40,000	229	–	–	40,229
Firststrand Bank	105	Fixed	6.75%	2020/04/03	30,000	172	–	–	30,172
Firststrand Bank	-261	Fixed	6.75%	2020/04/03	40,000	229	–	–	40,229
Firststrand Bank	114	Fixed	6.77%	2020/04/15	100,000	575	–	–	100,575
Firststrand Bank	101	Fixed	6.75%	2020/04/09	70,000	401	–	–	70,401
Firststrand Bank	98	Fixed	6.72%	2020/04/15	35,000	200	–	–	35,200
Firststrand Bank	99	Fixed	6.72%	2020/04/17	20,000	114	–	–	20,114
Firststrand Bank	95	Fixed	6.72%	2020/04/17	30,000	171	–	–	30,171
Firststrand Bank	99	Fixed	6.75%	2020/04/24	20,000	115	–	–	20,115
Firststrand Bank	95	Fixed	6.51%	2020/04/24	70,000	387	–	–	70,387
Firststrand Bank	94	Fixed	6.49%	2020/04/24	40,000	220	–	–	40,220
Firststrand Bank	99	Fixed	6.45%	2020/04/30	25,000	137	–	–	25,137

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Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
Firststrand Bank	105	Fixed	6.52%	2020/05/15	110,000	609	—	—	110,609
Firststrand Bank	102	Fixed	6.48%	2020/05/15	15,000	83	—	—	15,083
Firststrand Bank	59	Fixed	6.40%	2020/04/03	40,000	217	—	—	40,217
Firststrand Bank	86	Fixed	6.44%	2020/04/30	40,000	219	—	—	40,219
Firststrand Bank	101	Fixed	6.55%	2020/05/22	30,000	167	—	—	30,167
Firststrand Bank	100	Fixed	6.55%	2020/05/22	25,000	139	—	—	25,139
Firststrand Bank	100	Fixed	6.57%	2020/05/27	45,000	251	—	—	45,251
Firststrand Bank	94	Fixed	6.48%	2020/05/22	30,000	165	—	—	30,165
Firststrand Bank	98	Fixed	6.48%	2020/05/27	25,000	138	—	—	25,138
Firststrand Bank	90	Fixed	6.46%	2020/05/27	55,000	302	—	—	55,302
Firststrand Bank	90	Fixed	6.46%	2020/05/27	85,000	466	—	—	85,466
Firststrand Bank	90	Fixed	6.46%	2020/05/27	30,000	165	—	—	30,165
Firststrand Bank	102	Fixed	6.45%	2020/06/15	160,000	763	—	—	160,763
Firststrand Bank	113	Fixed	6.40%	2020/06/26	60,000	284	—	—	60,284
Firststrand Bank	43	Fixed	6.27%	2020/04/24	50,000	172	—	—	50,172
Firststrand Bank	84	Fixed	6.30%	2020/06/05	50,000	164	—	—	50,164
Firststrand Bank	73	Fixed	6.27%	2020/05/29	40,000	103	—	—	40,103
Firststrand Bank	42	Fixed	5.45%	2020/05/08	95,000	71	—	—	95,071
Investec Bank	105	Fixed	7.15%	2020/04/03	10,000	61	—	—	10,061
Investec Bank	105	Fixed	7.15%	2020/04/03	10,000	61	—	—	10,061
Investec Bank	105	Fixed	7.15%	2020/04/03	15,000	91	—	—	15,091
Investec Bank	105	Fixed	7.15%	2020/04/03	15,000	91	—	—	15,091
Investec Bank	114	Fixed	7.25%	2020/04/15	70,000	431	—	—	70,431
Investec Bank	101	Fixed	7.15%	2020/04/09	15,000	91	—	—	15,091
Investec Bank	98	Fixed	6.95%	2020/04/15	10,000	59	—	—	10,059
Investec Bank	99	Fixed	6.95%	2020/04/17	10,000	59	—	—	10,059
Investec Bank	95	Fixed	7.05%	2020/04/17	25,000	150	—	—	25,150
Investec Bank	100	Fixed	7.05%	2020/04/24	55,000	329	—	—	55,329
Investec Bank	99	Fixed	7.05%	2020/04/24	20,000	120	—	—	20,120
Investec Bank	95	Fixed	6.60%	2020/04/24	10,000	56	—	—	10,056
Investec Bank	94	Fixed	6.75%	2020/04/24	10,000	57	—	—	10,057
Investec Bank	99	Fixed	6.75%	2020/04/30	10,000	57	—	—	10,057
Investec Bank	105	Fixed	6.90%	2020/05/15	80,000	469	—	—	80,469
Investec Bank	105	Fixed	6.90%	2020/05/15	30,000	176	—	—	30,176
Investec Bank	59	Fixed	6.70%	2020/04/03	20,000	114	—	—	20,114
Investec Bank	86	Fixed	6.80%	2020/04/30	20,000	116	—	—	20,116
Investec Bank	101	Fixed	6.89%	2020/05/22	10,000	59	—	—	10,059
Investec Bank	100	Fixed	6.89%	2020/05/22	10,000	59	—	—	10,059
Investec Bank	100	Fixed	6.88%	2020/05/27	10,000	58	—	—	10,058
Investec Bank	94	Fixed	6.82%	2020/05/22	10,000	58	—	—	10,058
Investec Bank	98	Fixed	6.85%	2020/05/27	10,000	58	—	—	10,058
Investec Bank	89	Fixed	6.75%	2020/05/27	10,000	57	—	—	10,057
Investec Bank	102	Fixed	6.75%	2020/06/15	70,000	350	—	—	70,350
Investec Bank	113	Fixed	6.85%	2020/06/26	20,000	101	—	—	20,101
Investec Bank	43	Fixed	6.50%	2020/04/24	25,000	89	—	—	25,089
Investec Bank	91	Fixed	6.70%	2020/06/12	85,000	296	—	—	85,296
Investec Bank	84	Fixed	6.65%	2020/06/05	30,000	104	—	—	30,104
Investec Bank	73	Fixed	6.65%	2020/05/29	15,000	41	—	—	15,041
Investec Bank	104	Fixed	6.65%	2020/06/30	80,000	204	—	—	80,204
Investec Bank	28	Fixed	5.65%	2020/04/24	50,000	39	—	—	50,039

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
Nedbank	380	Fixed	8.35%	2020/04/30	62,100	440	–	–	62,540
Nedbank	63	Fixed	6.60%	2020/04/30	13,900	78	–	–	13,978
Nedbank	366	Fixed	8.35%	2020/04/30	165	1	–	–	166
Nedbank	363	Fixed	7.80%	2020/06/30	715	5	–	–	720
Nedbank	243	Fixed	7.40%	2020/06/30	590	4	–	–	594
Nedbank	105	Fixed	7.05%	2020/04/03	30,000	180	–	–	30,180
Nedbank	114	Fixed	7.15%	2020/04/15	150,000	911	–	–	150,911
Nedbank	101	Fixed	7.00%	2020/04/09	35,000	208	–	–	35,208
Nedbank	78	Fixed	6.95%	2020/04/15	35,000	207	–	–	35,207
Nedbank	99	Fixed	6.95%	2020/04/17	15,000	89	–	–	15,089
Nedbank	100	Fixed	7.00%	2020/04/24	55,000	327	–	–	55,327
Nedbank	100	Fixed	7.00%	2020/04/24	55,000	327	–	–	55,327
Nedbank	99	Fixed	6.95%	2020/04/24	50,000	295	–	–	50,295
Nedbank	94	Fixed	6.65%	2020/04/24	10,000	56	–	–	10,056
Nedbank	99	Fixed	6.70%	2020/04/30	15,000	85	–	–	15,085
Nedbank	94	Fixed	6.65%	2020/04/30	90,000	508	–	–	90,508
Nedbank	100	Fixed	6.70%	2020/05/08	75,000	427	–	–	75,427
Nedbank	105	Fixed	6.75%	2020/05/15	40,000	229	–	–	40,229
Nedbank	105	Fixed	6.75%	2020/05/15	95,000	545	–	–	95,545
Nedbank	102	Fixed	6.75%	2020/05/15	15,000	86	–	–	15,086
Nedbank	59	Fixed	6.55%	2020/04/03	40,000	223	–	–	40,223
Nedbank	86	Fixed	6.65%	2020/04/30	35,000	198	–	–	35,198
Nedbank	59	Fixed	6.68%	2020/04/03	45,000	255	–	–	45,255
Nedbank	101	Fixed	6.75%	2020/05/22	35,000	201	–	–	35,201
Nedbank	100	Fixed	6.75%	2020/05/22	25,000	143	–	–	25,143
Nedbank	100	Fixed	6.75%	2020/05/27	105,000	602	–	–	105,602
Nedbank	94	Fixed	6.70%	2020/05/22	30,000	171	–	–	30,171
Nedbank	98	Fixed	6.70%	2020/05/27	15,000	85	–	–	15,085
Nedbank	111	Fixed	6.65%	2020/05/27	55,000	311	–	–	55,311
Nedbank	66	Fixed	6.50%	2020/05/08	15,000	77	–	–	15,077
Nedbank	79	Fixed	6.55%	2020/05/22	85,000	427	–	–	85,427
Nedbank	102	Fixed	6.65%	2020/06/15	190,000	935	–	–	190,935
Nedbank	113	Fixed	6.75%	2020/06/26	65,000	325	–	–	65,325
Nedbank	43	Fixed	6.40%	2020/04/24	45,000	158	–	–	45,158
Nedbank	91	Fixed	6.45%	2020/06/12	55,000	185	–	–	55,185
Nedbank	84	Fixed	6.40%	2020/06/05	50,000	167	–	–	50,167
Nedbank	73	Fixed	6.45%	2020/05/29	10,000	27	–	–	10,027
Nedbank	72	Fixed	6.45%	2020/05/29	30,000	74	–	–	30,074
Nedbank	100	Fixed	6.55%	2020/06/26	100,000	251	–	–	100,251
Nedbank	104	Fixed	6.60%	2020/06/30	40,000	101	–	–	40,101
Nedbank	71	Fixed	6.45%	2020/05/29	35,000	80	–	–	35,080
Nedbank	11	Fixed	5.25%	2020/04/07	180,000	129	–	–	180,129
Nedbank	81	Fixed	5.65%	2020/06/19	125,000	39	–	–	125,039
Standard Bank	114	Fixed	7.27%	2020/04/15	180,000	1,111	–	–	181,111
Standard Bank	101	Fixed	7.16%	2020/04/09	40,000	243	–	–	40,243
Standard Bank	98	Fixed	7.14%	2020/04/15	40,000	243	–	–	40,243
Standard Bank	99	Fixed	7.15%	2020/04/17	20,000	121	–	–	20,121
Standard Bank	95	Fixed	7.11%	2020/04/17	35,000	211	–	–	35,211
Standard Bank	99	Fixed	7.15%	2020/04/24	25,000	152	–	–	25,152
Standard Bank	95	Fixed	6.86%	2020/04/24	40,000	233	–	–	40,233

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City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
Standard Bank	94	Fixed	6.85%	2020/04/24	25,000	145	–	–	25,145
Standard Bank	99	Fixed	6.89%	2020/04/30	15,000	88	–	–	15,088
Standard Bank	94	Fixed	6.84%	2020/04/30	90,000	523	–	–	90,523
Standard Bank	100	Fixed	6.86%	2020/05/08	30,000	175	–	–	30,175
Standard Bank	105	Fixed	6.91%	2020/05/15	40,000	235	–	–	40,235
Standard Bank	105	Fixed	6.91%	2020/05/15	100,000	587	–	–	100,587
Standard Bank	102	Fixed	6.90%	2020/05/15	15,000	88	–	–	15,088
Standard Bank	59	Fixed	6.68%	2020/04/03	45,000	255	–	–	45,255
Standard Bank	86	Fixed	6.76%	2020/04/30	40,000	230	–	–	40,230
Standard Bank	101	Fixed	6.89%	2020/05/22	35,000	205	–	–	35,205
Standard Bank	100	Fixed	6.89%	2020/05/22	20,000	117	–	–	20,117
Standard Bank	100	Fixed	6.88%	2020/05/27	50,000	292	–	–	50,292
Standard Bank	94	Fixed	6.82%	2020/05/22	25,000	145	–	–	25,145
Standard Bank	98	Fixed	6.85%	2020/05/27	20,000	116	–	–	20,116
Standard Bank	91	Fixed	6.79%	2020/05/27	20,000	115	–	–	20,115
Standard Bank	66	Fixed	6.70%	2020/05/08	10,000	53	–	–	10,053
Standard Bank	79	Fixed	6.84%	2020/05/22	30,000	157	–	–	30,157
Standard Bank	102	Fixed	6.82%	2020/06/15	190,000	959	–	–	190,959
Standard Bank	113	Fixed	6.88%	2020/06/26	45,000	229	–	–	45,229
Standard Bank	39	Fixed	6.53%	2020/04/20	50,000	179	–	–	50,179
Standard Bank	91	Fixed	6.63%	2020/06/12	160,000	552	–	–	160,552
Standard Bank	84	Fixed	6.60%	2020/06/05	50,000	172	–	–	50,172
Standard Bank	73	Fixed	6.50%	2020/05/29	15,000	40	–	–	15,040
Standard Bank	72	Fixed	6.48%	2020/05/29	35,000	87	–	–	35,087
Standard Bank	100	Fixed	6.57%	2020/06/26	100,000	252	–	–	100,252
Standard Bank	104	Fixed	6.59%	2020/06/30	55,000	139	–	–	55,139
Standard Bank	28	Fixed	5.58%	2020/04/24	250,000	191	–	–	250,191
Standard Bank	81	Fixed	5.80%	2020/06/19	45,000	14	–	–	45,014
Standard Bank	91	Fixed	5.82%	2020/06/30	60,000	10	–	–	60,010
ABSA Bank	-	Call deposit	5.25%	-	436,154	2,171	(180,000)	240,000	498,326
Firststrand Bank	-	Call deposit	5.00%	-	512,309	3,732	(382,309)	905,000	1,038,733
Investec Bank	-	Call deposit	5.05%	-	80,325	481	(120,325)	205,000	165,481
Standard Bank	-	Call deposit	5.00%	-	336,410	1,666	(161,410)	270,000	446,666
Nedbank current account	-	Current account	5.05%	-	105,003	782	(40,979)	–	64,806
Fund Managers	-	-	-	-	6,583,647	41,973	–	–	6,625,620
Liberty, RMB and Nedbank sinking fund	-	-	-	-	2,679,015	23,168	–	–	2,702,182
Cash in transit	-	-	-	-	32,296	–	(11,983)	–	20,314
CTICC	-	-	-	-	366,187	–	–	–	366,187
ABSA IRT Bank account	-	-	-	-	49,438	–	–	1,761	51,200
COID	-	-	-	-	71,614	(47)	–	–	71,567
TOTAL INVESTMENTS AND INTEREST					19,724,870	–	(897,006)	1,621,761	20,561,901

Transfers and grants expenditure

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Operating expenditure of Transfers and Grants								
National Government:	533,846	6,273,080	6,261,486	395,424	648,561	(253,138)	-39.0%	6,261,486
Local Government Equitable Share	–	2,815,558	2,815,558	–	–	–	–	2,815,558
Finance Management grant	1,000	1,000	1,000	792	1,000	(208)	-20.8%	1,000
Urban Settlements Development Grant	32,326	186,298	178,430	23,505	42,767	(19,262)	-45.0%	178,430
Energy Efficiency and Demand Side Management Grant	700	600	640	240	640	(400)	-62.5%	640
Dept. of Environ Affairs and Tourism	38	10,598	11,204	2,804	11,204	(8,400)	-75.0%	11,204
Expanded Public Works Programme	23,266	32,877	32,147	15,299	32,147	(16,848)	-52.4%	32,147
Integrated City Development Grant	1,083	6,854	11,460	203	5,484	(5,281)	-96.3%	11,460
Public Transport Infrastructure & Systems Grant	24,843	37,183	24,221	7,708	24,221	(16,513)	-68.2%	24,221
Infrastructure Skills Development	9,600	13,605	11,000	8,901	11,000	(2,099)	-19.1%	11,000
Public Transport Network Grant	440,780	554,849	554,849	335,971	509,270	(173,299)	-34.0%	554,849
Neighbourhood Development Partnership Grant	–	3,600	5,040	–	–	–	–	5,040
Informal Settlements Upgrading Partnership Grant	–	39,572	45,450	–	10,827	(10,827)	-100.0%	45,450
Fuel Levy	–	2,570,486	2,570,486	–	–	–	–	2,570,486
Health & Hygiene Education: Informal Settlements	11	–	–	–	–	–	–	–
Accreditation: Development Support	200	–	–	–	–	–	–	–
Provincial Government:	918,700	1,088,633	1,418,796	726,273	1,223,825	(497,552)	-40.7%	1,418,796
Cultural Affairs and Sport - Provincial Library Services	45,550	47,062	47,632	35,644	47,632	(11,988)	-25.2%	47,632
Cultural Affairs and Sport - Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	4,944	5,150	5,343	3,957	5,343	(1,386)	-25.9%	5,343
Human Settlements - Human Settlement Development Grant	456,558	392,430	568,138	339,103	594,895	(255,792)	-43.0%	568,138
Human Settlements - Municipal Accreditation Assistance	5,000	–	–	–	–	–	–	–
Human Settlement - Settlement Assistance	–	1,500	2,067	765	2,067	(1,302)	-63.0%	2,067
Health - TB	29,095	65,227	30,666	13,207	30,666	(17,459)	-56.9%	30,666
Health - ARV	234,180	257,047	257,047	178,356	257,047	(78,691)	-30.6%	257,047
Health - Nutrition	5,470	6,248	6,248	4,154	6,248	(2,094)	-33.5%	6,248
Health - Vaccines	101,499	91,661	106,980	71,920	106,980	(35,060)	-32.8%	106,980
Comprehensive Health	–	173,489	192,731	–	–	–	–	192,731
LEAP	–	–	110,954	29,223	110,954	(81,730)	-73.7%	110,954
Transport and Public Works - Provision for persons with special needs	8,912	10,000	11,155	9,797	11,155	(1,358)	-12.2%	11,155
Community Safety - Law Enforcement Auxiliary Services	5,692	4,159	4,714	3,699	4,714	(1,015)	-21.5%	4,714
Appointment, Training , Equipping and Operationalisation of School Resource Officers	–	–	165	–	–	–	–	165
Community Development Workers	701	–	2,034	–	–	–	–	2,034
Finance Management Capacity Building Grant	280	380	500	–	500	(500)	-100.0%	500
Provincial Government: Financial Management Support Grant	230	230	230	230	230	–	–	230
Provincial Contribution towards addressing Natural Disasters	2,500	–	–	–	–	–	–	–
Transport Safety and Compliance - Rail Safety	9,483	17,000	23,517	22,381	23,517	(1,136)	-4.8%	23,517
Aerial support fire suppression	–	–	41	–	–	–	–	41
Establishment and Support K9 unit	365	2,300	4,935	2,635	4,935	(2,300)	-46.6%	4,935
Human Settlements - Tittle deeds restoration	–	–	26,757	–	–	–	–	26,757
Municipal accreditation and capacity building grant	–	14,750	14,714	9,060	14,714	(5,654)	-38.4%	14,714
Human Settlements- Housing Consumer Education Manuals	108	–	8	–	8	(8)	-100.0%	8
Human Settlements- Eradication of registration backlog	3,133	–	2,221	2,142	2,221	(79)	-3.5%	2,221
Municipal Disaster Grant	5,000	–	–	–	–	–	–	–

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Other grant providers:	22,015	14,855	42,150	9,215	41,933	(32,719)	-78.0%	42,150
Tourism	2,000	1,291	1,416	1,197	1,416	(220)	-15.5%	1,416
CMTF	2,323	2,000	2,000	398	2,000	(1,602)	-80.1%	2,000
CID	5,422	5,141	5,892	1,944	5,892	(3,948)	-67.0%	5,892
National Skills Fund	–	–	12,122	–	12,122	(12,122)	-100.0%	12,122
Century City Property Owners Association	539	–	–	–	–	–	–	–
Traffic Free Flow (PTY) Ltd	–	580	580	435	580	(145)	-25.0%	580
Westcott Primary	43	43	43	33	43	(11)	-25.0%	43
Airports Company South Africa SOC Ltd	1,333	–	2,052	1,539	2,052	(513)	-25.0%	2,052
Rockefeller Philanthropy Advisor's Inc	1,113	–	–	–	–	–	–	–
V&A Waterfront Holdings (Pty) Ltd	853	891	891	668	891	(223)	-25.0%	891
The South African Breweries	2,584	–	217	–	–	–	–	217
Bayside	510	556	556	426	556	(130)	-23.3%	556
Big Bay	385	–	189	(0)	189	(189)	-100.0%	189
Long Street law Enforcement	–	1,583	1,583	1,036	1,583	(547)	-34.6%	1,583
University of Connecticut	–	–	73	–	73	(73)	-100.0%	73
Medicins Sans Frontieres	–	–	119	63	119	(55)	-46.5%	119
Sustainable Energy Africa	–	274	204	174	204	(30)	-14.8%	204
MLTF Rail safety Prasa	3,725	–	12,275	–	12,275	(12,275)	-100.0%	12,275
Marine Circle Rent-A-Cop	173	569	–	–	–	–	–	–
GRAND CHINA	166	396	396	245	396	(151)	-38.1%	396
Bergvliet High Part-time Trfc Attendant	29	–	43	33	43	(11)	-25.0%	43
CCID - Traffic Wardnes	744	902	902	626	902	(276)	-30.6%	902
Green Point Law Enforcement	–	586	554	366	554	(187)	-33.9%	554
Part Time Trfc Attend: Rustenberg Girls	43	43	43	33	43	(11)	-25.0%	43
POPART - Stellenbosch University	28	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:	1,474,561	7,376,568	7,722,432	1,130,911	1,914,320	(783,409)	-40.9%	7,722,432
Capital expenditure of Transfers and Grants								
National Government:	2,055,630	2,189,348	2,518,433	1,228,902	1,031,307	197,594	19.2%	2,053,962
Minerals and Energy; Energy Efficiency and Demand Side Management Grant	9,300	10,465	10,425	9,637	9,500	137	1.4%	10,292
Rural Households Infrastructure	–	50	–	–	–	–	–	–
National Treasury; Informal Settlements Upgrading Partnership Grant: Municipalities	–	276,803	270,925	98,572	114,825	(16,253)	-14.2%	207,097
National Treasury; Integrated City Development Grant	54,560	48,533	46,927	34,093	25,668	8,425	32.8%	46,348
National Treasury; Local Government Restructuring Grant	1,156	250	343	341	343	(2)	-0.5%	342
National Treasury; Neighbourhood Development Partnership Grant	7,166	26,400	36,960	–	9,500	(9,500)	-100.0%	36,960
National Treasury; Public Transport Network: Budget Facility for Infrastructure Grant	–	354,000	354,000	76,595	113,015	(36,420)	-32.2%	145,668
National Treasury; Urban Settlements Development Grant	1,127,450	1,070,051	1,195,414	625,200	510,772	114,428	22.4%	1,058,449
Transport; Public Transport Network Grant	468,073	402,796	402,796	188,209	192,060	(3,851)	-2.0%	348,162
Transport; Public Transport Infrastructure & Systems Grant	925	–	275	–	275	(275)	-100.0%	275
National Treasury; DME Grant	12,234	–	–	–	–	–	–	–
Expanded Public Works Programme	1,000	–	–	–	–	–	–	–
Infrastructure Skills Development	582	–	–	–	–	–	–	–
Municipal Disaster Fund	31,219	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant	307,600	–	–	–	–	–	–	–
Dept. of Environ Affairs and Tourism	1,167	–	–	–	–	–	–	–
Transport; Public Transport Network Grant - BFI	33,000	–	–	–	–	–	–	–
Accreditation: Development Support	198	–	–	–	–	–	–	–
National Treasury; Expanded Public Works Programme	–	–	730	348	300	48	16.0%	730
National Treasury; Municipal Disaster Grant	–	–	–	(1)	–	(1)	-100.0%	–
National Treasury; Municipal Disaster Recovery Grant	–	–	199,589	195,858	55,000	140,858	256.1%	199,589
National Government - Other; Previous years' Dora allocations	–	–	50	49	50	(1)	-1.8%	50

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City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure of Transfers and Grants								
Provincial Government:	22,430	22,038	37,788	12,824	8,900	3,923	44.1%	36,501
Cultural Affairs and Sport; Library Services: Metro Library Grant	13,241	10,000	11,245	7,259	6,065	1,194	19.7%	11,245
Housing; Integrated Housing and Human Settlement Development Grant	8,363	11,788	3,811	1,830	2,320	(490)	-21.1%	2,526
Provincial Government; Municipal Accreditation and Capacity Building Grant	–	250	286	124	286	(162)	-56.6%	286
Community Development Workers	63	–	–	–	–	–	-	–
Community Safety - Law Enforcement Auxiliary Services	762	–	–	–	–	–	-	–
Community Safety; Law Enforcement Advancement Plan	–	–	19,046	3,605	–	3,605	100.0%	19,046
Cultural Affairs and Sport; Development of Sport and Recreation Facilities	–	–	779	–	229	(229)	-100.0%	779
Cultural Affairs and Sport; Library Services (Conditional Grant)	–	–	2,612	–	–	–	-	2,612
Provincial Government; Community Safety: Training and Equipment for Volunteers: Law Enforcement Service	–	–	8	6	–	6	100.0%	6
Other grant providers:	49,804	53,700	60,887	34,389	34,503	(114)	-0.3%	45,861
Other grant providers:	49,804	53,700	60,887	34,389	34,503	(114)	-0.3%	45,861
Total capital expenditure of Transfers and Grants	2,127,864	2,265,085	2,617,108	1,276,115	1,074,711	201,404	18.7%	2,136,323
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	3,602,425	9,641,654	10,339,540	2,407,026	2,989,031	(582,005)	-19.5%	9,858,755

Expenditure on councilor and board members' allowances and employee benefits***Councillor and staff benefits***

Summary of Employee and Councillor remuneration	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Councillors (Political Office Bearers plus Other)</u>								
Basic Salaries and Wages	146,974	146,004	146,004	103,573	103,680	(107)	-0.1%	146,004
Pension and UIF Contributions	4,984	5,992	5,992	3,812	4,255	(443)	-10.4%	5,992
Motor Vehicle Allowance	–	601	601	355	403	(48)	-12.0%	601
Cellphone Allowance	9,339	8,996	8,996	7,019	6,754	265	3.9%	8,996
Other benefits and allowances	–	18,225	18,225	6,779	6,156	623	10.1%	18,225
Sub Total - Councillors	161,297	179,818	179,818	121,539	121,249	290	0.2%	179,818
% increase		11.5%	11.5%					11.5%
<u>Senior Managers of the Municipality</u>								
Basic Salaries and Wages	23,285	27,879	27,879	19,638	20,909	(1,271)	-6.08%	27,879
Pension and UIF Contributions	1,341	4,379	4,379	1,712	3,284	(1,572)	-47.86%	4,379
Medical Aid Contributions	92	136	136	106	102	4	4.40%	136
Motor Vehicle Allowance	404	439	439	490	329	161	48.87%	439
Cellphone Allowance	147	292	292	142	219	(77)	-35.15%	292
Other benefits and allowances	24	61	61	319	46	273	597.43%	61
Payments in lieu of leave	–	–	–	356	–	356	100.00%	–
Sub Total - Senior Managers of Municipality	25,293	33,186	33,186	22,764	24,890	(2,126)	-8.5%	33,186
% increase		31.2%	31.2%					31.2%
<u>Other Municipal Staff</u>								
Basic Salaries and Wages	8,090,078	9,671,214	9,414,043	6,750,467	6,951,525	(201,059)	-2.9%	9,409,272
Pension and UIF Contributions	1,253,682	1,713,911	1,585,179	1,028,575	1,150,764	(122,189)	-10.6%	1,585,180
Medical Aid Contributions	746,014	823,574	823,615	606,284	618,174	(11,890)	-1.9%	823,615
Overtime	666,269	606,267	704,222	487,617	473,214	14,403	3.0%	704,588
Motor Vehicle Allowance	201,150	225,780	227,986	158,702	170,041	(11,339)	-6.7%	227,986
Cellphone Allowance	22,056	24,352	25,091	17,043	18,451	(1,408)	-7.6%	25,091
Housing Allowances	61,444	65,440	65,780	48,902	49,265	(363)	-0.7%	65,780
Other benefits and allowances	261,732	238,893	260,668	215,158	193,657	21,502	11.1%	261,679
Payments in lieu of leave	173,125	97,768	102,204	97,146	74,451	22,694	30.5%	102,210
Long service awards	511	86,529	85,156	410	7,598	(7,188)	-94.6%	85,156
Post-retirement benefit obligations	864,199	261,187	703,314	195,235	193,179	2,057	1.06%	703,314
Sub Total - Other Municipal Staff	12,340,262	13,814,914	13,997,256	9,605,539	9,900,320	(294,781)	-2.98%	13,993,870
% increase		11.9%	13.4%					13.4%
Total Parent Municipality	12,526,851	14,027,918	14,210,260	9,749,842	10,046,459	(296,617)	-3.0%	14,206,874

The table below reflects the percentage variance for councilor and staff benefits, reasons for material deviations and the remedial action thereof.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Councillors (Political Office Bearers plus Other)</u>				
Basic Salaries and Wages	(107)	-0.1%	Immaterial variance.	-
Pension and UIF Contributions	(443)	-10.4%	Immaterial variance.	-
Medical Aid Contributions	-	-	-	-
Motor Vehicle Allowance	(48)	-12.0%	Immaterial variance.	-
Cellphone Allowance	265	3.9%	Immaterial variance.	-
Housing Allowances	-	-	-	-
Other benefits and allowances	623	10.1%	Immaterial variance.	-
<u>Senior Managers of the Municipality</u>				
Basic Salaries and Wages	(1,271)	-6.1%	Immaterial variance.	-
Pension and UIF Contributions	(1,572)	-47.9%	Immaterial variance.	-
Medical Aid Contributions	4	4.4%	Immaterial variance.	-
Motor Vehicle Allowance	161	48.9%	Immaterial variance.	-
Cellphone Allowance	(77)	-35.1%	Immaterial variance.	-
Other benefits and allowances	273	597.4%	Immaterial variance.	-
Payments in lieu of leave	356	100.0%	Immaterial variance.	-
<u>Other Municipal Staff</u>				
Basic Salaries and Wages	(201,059)	-2.9%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; and 3. Slower than planned implementation of job creation projects.	The City had 4113 vacancies as at 31 March 2020; 2876 positions were filled (1631 internal and 1245 external) with 1152 terminations processed since the beginning of the financial year. The filling of vacancies is ongoing and seasonal staff are appointed as and when required.
Pension and UIF Contributions	(122,189)	-10.6%	The variance is mainly due the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is on-going.
Medical Aid Contributions	(11,890)	-1.9%	The variance is mainly due the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is ongoing.
Overtime	14,403	3.0%	The variance is mainly as a result of unplanned overtime within the following directorates: 1. Safety & Security, due to law enforcement operations and crime prevention programmes that are often conducted after hours by law enforcement officers who mostly work straight shifts from 7:30am to 4pm daily. Anything outside these hours form part of overtime, which includes the festive season and adhoc deployments. 2. Community Services & Health, due to: a) Overtime worked at various Recreation & Parks facilities as a result of extended operating hours during the peak season (October 2019 to March 2020). b) Overtime worked by the unit assigned to address the growing number of people living on the street as part of the reintegration programme run by SDECD in cooperation with the Safety & Security directorate.	Budgetary provision were adjusted during the January 2020 adjustment budget; realignment of the period budget will be undertaken during the ensuing reporting periods.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Motor Vehicle Allowance	(11,339)	-6.7%	The variance is mainly due the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is ongoing.
Cellphone Allowance	(1,408)	-7.6%	Immaterial variance.	-
Housing Allowances	(363)	-0.7%	Immaterial variance.	-
Other benefits and allowances	21,502	11.1%	The variance is mainly on standby allowances within the Safety & Security directorate, due to staff shortages within certain units resulting in an increase in officials who need to be on standby in order to be available as and when required.	The alignment of the period budget will be reviewed and adjusted to actual trend.
Payments in lieu of leave	22,694	30.5%	Payments are linked to resignation and retirement of employees, which is difficult to plan accurately on a monthly basis.	The alignment of the period budget will be reviewed and adjusted to actual trend.
Long service awards	(7,188)	-94.6%	Payments are dependent on when qualifying employees exercise their option to convert leave days to cash, which is difficult to plan monthly.	The balance of the budgetary provisions will be transferred to the leave provision in accordance with GRAP 19 as these relate to the vested leave benefits owed to employees.
Post-retirement benefit obligations	2,057	1.1%	Immaterial variance.	-

Monthly actual and targets for cash flow***Actual and revised targets for cash receipts and cash flows***

Description	Budget Year 2019/20												2019/20 Medium Term Revenue & Expenditure Framework		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget			
<u>Cash Receipts By Source</u>															
Property rates	787,067	837,524	791,351	873,918	791,709	854,102	806,386	818,801	826,369	701,342	851,772	828,928	9,769,268	10,327,307	10,830,171
Service charges - electricity revenue	1,257,553	1,245,944	1,379,036	1,341,607	1,119,281	1,261,072	1,188,860	1,086,416	1,336,811	852,268	1,245,216	1,008,955	14,323,020	15,140,505	16,772,413
Service charges - water revenue	204,828	223,895	229,296	260,802	234,526	239,630	231,876	283,978	298,584	293,214	313,103	(160,556)	2,653,178	3,506,983	4,217,263
Service charges - sanitation revenue	97,501	113,241	115,202	139,667	121,947	127,891	118,895	147,678	158,758	138,508	153,757	(177,113)	1,255,933	1,777,068	2,140,389
Service charges - refuse	81,120	81,080	78,524	89,385	79,800	80,890	82,554	81,973	85,768	79,287	89,923	116,753	1,027,056	1,113,994	1,181,726
Rental of facilities and equipment	20,625	21,853	27,968	20,531	22,253	32,039	24,967	16,688	20,184	14,942	16,767	(9,314)	229,503	232,744	236,361
Interest earned - external investments	109,378	85,203	78,511	86,723	94,600	76,802	78,703	76,824	94,664	77,683	81,666	(28,282)	912,473	930,613	1,022,317
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	21,853	20,676	18,368	21,391	23,841	22,548	20,829	21,273	19,194	17,408	20,290	880	228,550	242,205	241,088
Licences and permits	25,124	17,419	30,664	20,894	37,929	51,657	2,539	24,564	28,561	6,744	6,155	(172,555)	79,696	86,371	90,732
Agency services	-	-	-	-	-	-	-	-	-	17,854	16,296	185,186	219,336	245,412	254,598
Transfer receipts - operating	1,211,303	1,213,505	-	-	322,775	2,344,077	500,609	-	1,533,973	354,388	2,011	239,792	7,722,432	7,707,345	8,136,559
Other revenue	89,913	17,634	37,818	45,579	37,633	24,173	55,396	39,756	141,019	33,870	16,506	447,409	986,707	1,074,890	1,140,512
Cash Receipts by Source	3,906,266	3,877,975	2,786,739	2,900,498	2,886,293	5,114,881	3,111,613	2,597,952	4,543,884	2,587,508	2,813,462	2,280,083	39,407,153	42,385,438	46,264,128
<u>Other Cash Flows by Source</u>															
Transfer receipts - capital	618,934	61,670	81,205	109,431	182,264	-	103,262	103,818	1,107,621	10,962	-	177,054	2,556,221	3,043,827	3,608,514
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	60,887	60,887	56,700	57,000
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	47,505	47,505	43,732	43,732
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	1,091,579	-	-	-	-	-	-	1	1,091,580	3,000,000	3,000,000
Increase in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	41,096	41,096	45,206	49,726
Receipt of non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	4,419	4,419	3,390	2,797
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	(267,859)	(267,859)	(298,475)	(332,578)
Total Cash Receipts by Source	4,525,200	3,939,645	2,867,944	3,009,928	4,160,136	5,114,881	3,214,875	2,701,770	5,651,505	2,598,470	2,813,462	2,343,185	42,941,001	48,279,818	52,693,320

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Description	Budget Year 2019/20												2019/20 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Budget	May Budget	June Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands															
Cash Payments by Type															
Employee related costs	1,026,594	1,017,347	1,035,203	1,035,492	1,592,965	1,050,001	1,090,786	1,108,430	1,097,459	1,131,768	1,126,431	1,195,683	13,508,159	14,798,493	15,960,159
Remuneration of councillors	12,678	12,766	12,655	12,806	12,732	12,807	12,737	12,814	12,755	15,002	15,032	35,033	179,818	190,697	202,234
Interest paid	43,259	–	153,153	–	6,274	137,895	40,683	–	150,418	–	48,595	136,799	717,075	731,329	1,191,845
Bulk purchases - Electricity	946,536	1,246,370	1,156,304	685,094	716,349	685,142	621,869	688,950	651,554	631,557	661,557	856,513	9,547,793	10,564,235	11,704,116
Bulk purchases - Water & Sewer	15,515	27,292	26,412	19,090	18,270	22,623	17,517	32,696	21,652	52,259	45,767	222,208	521,301	909,598	871,284
Other materials	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
General expenses	1,328,647	746,028	739,455	838,687	1,123,399	891,115	869,178	819,166	882,654	767,376	552,103	1,979,605	11,537,413	11,637,413	11,637,413
Cash Payments by Type	3,373,229	3,049,803	3,123,181	2,591,168	3,469,989	2,799,583	2,652,771	2,662,056	2,816,492	2,597,961	2,449,486	4,425,842	36,011,560	38,831,766	41,567,051
Other Cash Flows/Payments by Type															
Capital assets	933,838	216,241	254,413	339,732	465,994	599,805	372,960	323,688	493,697	744,134	1,193,550	1,163,721	7,101,774	8,016,608	8,575,287
Repayment of borrowing	50,000	–	79,481	–	42,933	20,000	50,000	–	79,481	–	42,933	20,050	384,878	371,495	671,495
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	4,357,066	3,266,044	3,457,075	2,930,900	3,978,916	3,419,388	3,075,731	2,985,744	3,389,670	3,342,095	3,685,970	5,609,612	43,498,213	47,219,869	50,813,833
NET INCREASE/(DECREASE) IN CASH HELD	168,133	673,600	(589,131)	79,028	181,220	1,695,492	139,144	(283,974)	2,261,835	(743,625)	(872,508)	(3,266,428)	(557,212)	1,059,949	1,879,486
Cash/cash equivalents at the month/year beginning:	8,419,275	8,587,408	9,261,009	8,671,878	8,750,906	8,932,126	10,627,619	10,766,762	10,482,789	12,744,623	12,000,998	11,128,491	8,419,275	7,862,063	8,922,012
Cash/cash equivalents at the month/year end:	8,587,408	9,261,009	8,671,878	8,750,906	8,932,126	10,627,619	10,766,762	10,482,789	12,744,623	12,000,998	11,128,491	7,862,063	7,862,063	8,922,012	10,801,498

Capital expenditure trend

Month	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
Monthly expenditure performance trend								
July	37,034	127,858	55,513	31,156	55,513	24,357	43.9%	0.4%
August	252,295	225,455	199,784	290,206	255,297	(34,909)	-13.7%	3.5%
September	304,942	356,938	323,620	682,239	578,917	(103,322)	-17.8%	8.1%
October	430,752	409,037	410,976	1,176,811	989,893	(186,918)	-18.9%	14.0%
November	417,260	427,100	360,929	1,759,443	1,350,822	(408,621)	-30.2%	21.0%
December	396,972	366,517	305,885	2,470,421	1,656,707	(813,714)	-49.1%	29.5%
January	202,221	274,033	369,238	2,748,830	2,025,944	(722,886)	-35.7%	32.8%
February	286,640	508,539	512,572	3,172,695	2,538,517	(634,178)	-25.0%	37.8%
March	359,440	757,430	776,455	3,834,579	3,314,971	(519,607)	-15.7%	45.7%
April	532,842	1,009,269	1,063,379	-	4,378,350	-	-	-
May	664,731	1,421,432	1,332,998	-	5,711,348	-	-	-
June	1,431,160	2,504,826	2,168,402	-	7,879,749	-	-	-
Total Capital expenditure	5,316,290	8,388,432	7,879,749					

Capital expenditure on new assets by asset class

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	1,797,980	2,886,525	2,590,883	1,237,264	990,348	246,917	24.9%	2,024,382
Roads Infrastructure	800,145	929,567	1,266,680	535,323	505,508	29,815	5.9%	899,216
Roads	800,145	929,567	1,266,680	535,323	505,508	29,815	5.9%	899,216
Storm water Infrastructure	2,093	117,312	5,500	183	2,442	(2,259)	-92.5%	4,500
Drainage Collection	2,093	117,312	5,500	183	2,442	(2,259)	-92.5%	4,500
Electrical Infrastructure	319,606	368,700	314,792	159,758	166,394	(6,635)	-4.0%	216,959
HV Substations	261,124	314,395	243,464	124,173	123,692	481	0.4%	178,534
MV Networks	(145)	6,200	16,700	5,077	6,668	(1,592)	-23.9%	5,700
LV Networks	58,627	48,105	54,628	30,508	36,033	(5,525)	-15.3%	32,724
Water Supply Infrastructure	461,126	971,327	747,213	441,757	240,073	201,684	84.0%	677,697
Reservoirs	387,712	743,800	581,874	364,155	156,833	207,322	132.2%	545,571
Water Treatment Works	1,491	–	5,000	2,497	2,500	(3)	-0.1%	5,000
Bulk Mains	41,936	73,000	29,260	13,962	3,065	10,897	355.5%	24,260
Distribution	29,987	154,527	131,079	61,143	77,674	(16,532)	-21.3%	102,866
Sanitation Infrastructure	129,147	218,499	134,386	52,201	35,711	16,490	46.2%	123,078
Reticulation	30,907	129,199	65,936	22,649	17,728	4,921	27.8%	54,628
Waste Water Treatment Works	96,932	89,300	68,450	29,553	17,984	11,569	64.3%	68,450
Outfall Sewers	1,308	–	–	–	–	–	–	–
Solid Waste Infrastructure	13,523	251,120	95,298	37,879	34,276	3,603	10.5%	78,942
Landfill Sites	13,523	251,120	95,298	37,879	34,276	3,603	10.5%	78,942
Information and Communication Infrastructure	72,339	30,000	27,015	10,163	5,944	4,219	71.0%	23,992
Data Centres	72,339	30,000	27,015	10,163	5,944	4,219	71.0%	23,992
Community Assets	295,414	243,160	209,749	125,991	137,448	(11,457)	-8.3%	219,968
Community Facilities	294,880	242,440	209,193	125,644	137,017	(11,373)	-8.3%	219,412
Halls	–	25	263	25	58	(33)	-57.3%	262
Centres	–	17,505	100	65	–	65	100.0%	100
Clinics/Care Centres	37,750	21,296	19,923	4,664	12,032	(7,368)	-61.2%	8,191
Fire/Ambulance Stations	17,103	–	2,739	1,772	2,739	(968)	-35.3%	2,739
Museums	2,951	–	121	77	121	(44)	-36.2%	77
Theatres	–	–	121	9	–	9	100.0%	121
Libraries	8,366	7,375	59	59	59	(0)	0.0%	59
Cemeteries/Crematoria	6,237	3,500	11,844	6,549	9,155	(2,606)	-28.5%	11,694
Public Open Space	291	11,100	11,499	3,676	7,179	(3,504)	-48.8%	4,650
Nature Reserves	1,280	10,634	2,362	411	561	(150)	-26.7%	2,362
Markets	–	710	590	–	40	(40)	-100.0%	590
Taxi Ranks/Bus Terminals	220,903	170,296	159,572	108,338	105,073	3,265	3.1%	188,567
Sport and Recreation Facilities	534	720	556	346	431	(84)	-19.6%	555
Outdoor Facilities	534	720	556	346	431	(84)	-19.6%	555
Heritage assets	–	30	30	–	30	(30)	-100.0%	30
Works of Art	–	30	30	–	30	(30)	-100.0%	30
Other assets	101,917	209,100	172,288	71,604	78,835	(7,232)	-9.2%	165,087
Operational Buildings	83,095	158,180	162,285	67,041	74,123	(7,082)	-9.6%	156,869
Municipal Offices	34,113	114,602	110,380	32,401	37,375	(4,974)	-13.3%	110,379
Laboratories	8,222	–	–	–	–	–	–	–
Depots	40,760	43,578	51,905	34,640	36,748	(2,108)	-5.7%	46,489
Housing	18,822	50,920	10,003	4,562	4,712	(150)	-3.2%	8,218
Social Housing	18,822	50,920	10,003	4,562	4,712	(150)	-3.2%	8,218
Intangible Assets	12,014	41,512	30,467	15,089	12,014	3,075	25.6%	30,467
Licences and Rights	12,014	41,512	30,467	15,089	12,014	3,075	25.6%	30,467
Computer Software and Applications	12,014	41,512	30,467	15,089	12,014	3,075	25.6%	30,467
Computer Equipment	121,869	95,626	85,700	33,797	40,305	(6,508)	-16.1%	84,194
Computer Equipment	121,869	95,626	85,700	33,797	40,305	(6,508)	-16.1%	84,194
Furniture and Office Equipment	101,282	119,167	131,257	54,990	41,078	13,912	33.9%	125,873
Furniture and Office Equipment	101,282	119,167	131,257	54,990	41,078	13,912	33.9%	125,873
Machinery and Equipment	36,812	48,127	60,396	27,526	31,877	(4,351)	-13.6%	59,656
Machinery and Equipment	36,812	48,127	60,396	27,526	31,877	(4,351)	-13.6%	59,656
Transport Assets	155,011	197,348	229,689	117,920	124,365	(6,446)	-5.2%	204,677
Transport Assets	155,011	197,348	229,689	117,920	124,365	(6,446)	-5.2%	204,677
Land	5,157	26,000	46,250	12,804	30,794	(17,990)	-58.4%	46,071
Land	5,157	26,000	46,250	12,804	30,794	(17,990)	-58.4%	46,071
Total Capital Expenditure on new assets	2,627,456	3,866,597	3,556,710	1,696,985	1,487,094	209,891	14.1%	2,960,406

Capital expenditure on renewal of existing assets by asset class

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	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	837,504	1,468,835	1,031,235	599,193	519,488	79,705	15.3%	955,073
Roads Infrastructure	123,380	214,477	144,568	92,172	115,389	(23,217)	-20.1%	163,972
Roads	123,380	214,477	144,568	92,172	115,389	(23,217)	-20.1%	163,972
Storm water Infrastructure	27,376	59,700	35,094	8,599	5,660	2,939	51.9%	21,121
Drainage Collection	27,376	59,700	35,094	8,599	5,660	2,939	51.9%	21,121
Electrical Infrastructure	301,112	346,825	348,317	220,173	227,817	(7,644)	-3.4%	335,057
HV Substations	70,633	74,825	104,569	66,278	60,805	5,473	9.0%	105,536
MV Substations	18,328	50,000	19,748	3,084	3,482	(398)	-11.4%	5,521
MV Networks	169,030	182,000	182,000	120,203	134,832	(14,629)	-10.8%	182,000
LV Networks	43,122	40,000	42,000	30,608	28,698	1,910	6.7%	42,000
Water Supply Infrastructure	245,200	409,900	234,400	149,056	107,261	41,795	39.0%	220,000
Bulk Mains	27,999	60,000	55,000	21,641	5,305	16,336	307.9%	50,000
Distribution	217,201	349,900	179,400	127,415	101,956	25,459	25.0%	170,000
Sanitation Infrastructure	132,652	436,433	264,837	125,714	59,942	65,772	109.7%	210,904
Pump Station	8,288	78,733	73,224	34,112	26,504	7,608	28.7%	68,147
Reticulation	38,034	87,700	67,767	35,752	10,550	25,203	238.9%	59,534
Waste Water Treatment Works	69,421	170,000	113,346	53,173	22,888	30,285	132.3%	72,722
Outfall Sewers	16,908	100,000	10,500	2,677	–	2,677	100.0%	10,500
Solid Waste Infrastructure	–	–	189	189	189	–	–	189
Landfill Sites	–	–	189	189	189	–	–	189
Information and Communication Infrastructure	7,784	1,500	3,830	3,290	3,230	60	1.8%	3,830
Data Centres	7,784	1,500	3,830	3,290	3,230	60	1.8%	3,830
Community Assets	3,774	19,283	36,225	3,604	6,700	(3,096)	-46.2%	34,725
Community Facilities	3,774	19,283	33,525	3,604	6,700	(3,096)	-46.2%	32,025
Halls	–	9,883	–	–	–	–	–	–
Clinics/Care Centres	1,172	8,000	1,500	–	–	–	–	–
Libraries	1,992	–	–	–	–	–	–	–
Public Open Space	610	1,400	1,400	585	182	403	221.7%	1,400
Taxi Ranks/Bus Terminals	–	–	30,625	3,020	6,519	(3,499)	-53.7%	30,625
Sport and Recreation Facilities	–	–	2,700	–	–	–	–	2,700
Outdoor Facilities	–	–	2,700	–	–	–	–	2,700
Heritage assets	5,074	600	1,251	1,195	988	206	20.9%	1,195
Monuments	5,074	600	1,251	1,195	988	206	20.9%	1,195
Other assets	72,045	71,250	167,594	34,047	64,284	(30,237)	-47.0%	115,472
Operational Buildings	20,078	26,689	22,977	5,967	8,046	(2,079)	-25.8%	22,694
Municipal Offices	11,282	24,339	19,294	4,128	5,853	(1,725)	-29.5%	19,011
Laboratories	299	300	300	164	10	154	1538.4%	300
Depots	8,497	2,050	3,383	1,675	2,183	(507)	-23.2%	3,383
Housing	51,967	44,561	144,617	28,080	56,238	(28,158)	-50.1%	92,778
Social Housing	51,967	44,561	144,617	28,080	56,238	(28,158)	-50.1%	92,778
Intangible Assets	9,154	2,500	7,600	4,033	3,342	691	20.7%	7,600
Licences and Rights	9,154	2,500	7,600	4,033	3,342	691	20.7%	7,600
Computer Software and Applications	9,154	2,500	7,600	4,033	3,342	691	20.7%	7,600
Computer Equipment	117,790	125,859	146,357	64,609	95,600	(30,991)	-32.4%	125,399
Computer Equipment	117,790	125,859	146,357	64,609	95,600	(30,991)	-32.4%	125,399
Furniture and Office Equipment	17,030	28,889	40,849	16,988	18,857	(1,870)	-9.9%	38,557
Furniture and Office Equipment	17,030	28,889	40,849	16,988	18,857	(1,870)	-9.9%	38,557
Machinery and Equipment	62,916	11,454	12,195	3,953	5,767	(1,814)	-31.5%	10,354
Machinery and Equipment	62,916	11,454	12,195	3,953	5,767	(1,814)	-31.5%	10,354
Transport Assets	375,447	622,937	756,513	267,430	156,419	111,011	71.0%	740,897
Transport Assets	375,447	622,937	756,513	267,430	156,419	111,011	71.0%	740,897
Total Capital Expenditure on renewal of existing assets	1,500,735	2,351,609	2,199,819	995,052	871,447	123,606	14.2%	2,029,272

Capital expenditure on upgrading of existing assets by asset class

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class								
Infrastructure	679,219	1,244,091	1,254,097	803,486	610,296	193,190	31.7%	1,249,136
Roads Infrastructure	178,498	192,672	250,787	186,944	198,774	(11,829)	-6.0%	253,002
Roads	178,498	192,672	250,787	186,944	198,774	(11,829)	-6.0%	253,002
Storm water Infrastructure	4,893	41,000	2,874	1,985	2,440	(455)	-18.7%	2,418
Drainage Collection	4,893	41,000	2,874	1,985	2,440	(455)	-18.7%	2,418
Electrical Infrastructure	40,691	29,582	24,237	23,034	23,471	(437)	-1.9%	23,789
HV Substations	40,691	29,582	24,237	23,034	23,471	(437)	-1.9%	23,789
Water Supply Infrastructure	117,651	75,350	90,901	50,855	67,134	(16,279)	-24.2%	88,500
Reservoirs	4,973	10,350	15,029	10,285	12,429	(2,144)	-17.3%	14,828
Distribution	112,679	65,000	75,872	40,571	54,705	(14,134)	-25.8%	73,672
Sanitation Infrastructure	324,757	788,773	739,454	474,604	247,783	226,821	91.5%	738,442
Reticulation	7,723	7,323	2,623	1,216	1,723	(507)	-29.4%	2,623
Waste Water Treatment Works	317,033	781,450	736,831	473,388	246,060	227,328	92.4%	735,820
Solid Waste Infrastructure	12,233	111,425	100,105	64,069	66,679	(2,610)	-3.9%	97,544
Landfill Sites	12,233	111,425	100,105	64,069	66,679	(2,610)	-3.9%	97,544
Coastal Infrastructure	496	290	1,740	86	990	(904)	-91.4%	1,440
Promenades	496	290	1,740	86	990	(904)	-91.4%	1,440
Information and Communication Infrastructure	–	5,000	44,000	1,909	3,026	(1,117)	-36.9%	44,000
Data Centres	–	5,000	44,000	1,909	3,026	(1,117)	-36.9%	44,000
Community Assets	239,151	375,689	385,697	128,155	150,734	(22,579)	-15.0%	372,257
Community Facilities	152,601	228,535	209,333	70,876	96,842	(25,965)	-26.8%	200,754
Halls	1,698	8,430	1,385	127	384	(257)	-66.9%	1,385
Centres	13,117	19,900	18,413	8,093	4,835	3,257	67.4%	18,380
Clinics/Care Centres	39,641	61,400	67,261	20,950	39,587	(18,636)	-47.1%	63,024
Fire/Ambulance Stations	12,394	–	770	707	770	(63)	-8.1%	770
Museums	302	–	–	–	–	–	–	–
Libraries	7,819	10,125	7,843	5,942	4,868	1,074	22.1%	7,843
Cemeteries/Crematoria	5,922	19,750	6,634	2,834	2,284	550	24.1%	6,234
Public Open Space	40,940	48,450	53,054	15,414	23,822	(8,408)	-35.3%	50,968
Nature Reserves	10,569	6,680	12,273	1,552	5,976	(4,424)	-74.0%	11,575
Public Ablution Facilities	1,923	8,000	16,401	4,422	–	4,422	100.0%	15,275
Taxi Ranks/Bus Terminals	18,278	45,800	25,300	10,835	14,315	(3,481)	-24.3%	25,300
Sport and Recreation Facilities	86,550	147,154	176,363	57,279	53,893	3,386	6.3%	171,503
Indoor Facilities	1,102	14,290	44,879	22,185	11,771	10,414	88.5%	42,079
Outdoor Facilities	85,448	132,864	131,484	35,094	42,122	(7,028)	-16.7%	129,424
Heritage assets	1,293	–	236	17	45	(28)	-62.3%	75
Monuments	1,293	–	236	17	45	(28)	-62.3%	75
Other assets	223,244	499,947	444,488	195,114	237,709	(42,594)	-17.9%	402,297
Operational Buildings	187,997	424,070	371,034	140,069	180,741	(40,672)	-22.5%	330,043
Municipal Offices	87,612	266,259	241,009	83,833	104,992	(21,158)	-20.2%	223,958
Yards	76	–	200	180	141	39	27.7%	200
Depots	100,309	157,811	129,825	56,055	75,608	(19,553)	-25.9%	105,885
Housing	35,247	75,878	73,454	55,045	56,967	(1,922)	-3.4%	72,254
Social Housing	35,247	75,878	73,454	55,045	56,967	(1,922)	-3.4%	72,254
Intangible Assets	23,908	16,950	18,045	6,486	10,494	(4,007)	-38.2%	18,010
Licences and Rights	23,908	16,950	18,045	6,486	10,494	(4,007)	-38.2%	18,010
Computer Software and Applications	23,908	16,950	18,045	6,486	10,494	(4,007)	-38.2%	18,010
Computer Equipment	225	17,540	1,410	70	170	(100)	-58.8%	760
Computer Equipment	225	17,540	1,410	70	170	(100)	-58.8%	760
Furniture and Office Equipment	10,973	10,347	14,072	7,112	3,743	3,370	90.0%	13,535
Furniture and Office Equipment	10,973	10,347	14,072	7,112	3,743	3,370	90.0%	13,535
Machinery and Equipment	10,085	5,662	5,175	2,100	2,435	(335)	-13.7%	3,627
Machinery and Equipment	10,085	5,662	5,175	2,100	2,435	(335)	-13.7%	3,627
Total Capital Expenditure on upgrading of existing assets	1,188,099	2,170,227	2,123,220	1,142,541	1,015,625	126,916	12.5%	2,059,697

Expenditure on repairs and maintenance by asset class

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Repairs and maintenance expenditure by Asset Class/Sub-class								
Infrastructure	1,889,711	2,047,033	1,992,996	1,394,865	1,354,024	40,841	3.0%	1,992,996
Roads Infrastructure	596,375	688,377	680,712	447,945	448,352	(407)	-0.1%	680,712
Roads	596,375	688,377	680,712	447,945	448,352	(407)	-0.1%	680,712
Electrical Infrastructure	507,109	541,437	541,381	382,867	388,544	(5,677)	-1.5%	541,381
Power Plants	19,690	17,215	18,861	15,202	13,142	2,060	15.7%	18,861
HV Substations	35,464	31,272	31,204	30,272	22,438	7,834	34.9%	31,204
MV Substations	329,468	353,066	351,361	233,746	252,447	(18,700)	-7.4%	351,361
LV Networks	122,487	139,884	139,955	103,647	100,518	3,130	3.1%	139,955
Water Supply Infrastructure	400,456	440,218	425,619	286,240	307,690	(21,449)	-7.0%	425,619
Reservoirs	24,249	41,845	36,175	21,887	25,451	(3,563)	-14.0%	36,175
Pump Stations	24,840	53,419	57,136	26,237	37,647	(11,410)	-30.3%	57,136
Water Treatment Works	39,571	43,287	34,191	29,924	21,339	8,585	40.2%	34,191
Bulk Mains	9,863	8,242	5,621	8,792	1,865	6,927	371.5%	5,621
Distribution	301,932	293,425	292,497	199,401	221,388	(21,988)	-9.9%	292,497
Sanitation Infrastructure	384,042	374,750	343,039	276,808	207,966	68,842	33.1%	343,039
Reticulation	312,669	250,258	239,877	200,782	141,089	59,693	42.3%	239,877
Waste Water Treatment Works	68,247	113,257	92,360	73,223	59,864	13,359	22.3%	92,360
Outfall Sewers	3,127	11,235	10,802	2,803	7,012	(4,210)	-60.0%	10,802
Solid Waste Infrastructure	1,728	2,250	2,245	1,004	1,472	(468)	-31.8%	2,245
Landfill Sites	1,728	2,250	2,245	1,004	1,472	(468)	-31.8%	2,245
Community Assets	483,865	504,731	513,087	329,274	316,559	12,715	4.0%	513,087
Community Facilities	120,476	122,404	117,542	69,991	62,721	7,270	11.6%	117,542
Halls	56,324	45,452	55,827	27,892	26,953	939	3.5%	55,827
Centres	8,697	6,514	6,753	6,141	3,483	2,657	76.3%	6,753
Clinics/Care Centres	12,883	6,258	6,252	13,912	3,639	10,274	282.3%	6,252
Fire/Ambulance Stations	2,739	5,562	5,604	554	3,915	(3,361)	-85.9%	5,604
Libraries	14,223	34,665	16,906	5,807	11,150	(5,343)	-47.9%	16,906
Cemeteries/Crematoria	10,482	10,129	12,385	6,543	5,389	1,154	21.4%	12,385
Nature Reserves	4,721	4,689	4,703	3,437	2,514	924	36.7%	4,703
Public Ablution Facilities	8,887	6,856	6,833	4,129	4,740	(611)	-12.9%	6,833
Markets	1,520	2,278	2,278	1,575	938	637	68.0%	2,278
Sport and Recreation Facilities	363,389	382,327	395,545	259,283	253,838	5,445	2.1%	395,545
Indoor Facilities	158	25	25	64	25	39	152.5%	25
Outdoor Facilities	363,231	382,301	395,520	259,219	253,813	5,406	2.1%	395,520
Heritage assets	266	1,916	1,691	58	574	(516)	-89.9%	1,691
Works of Art	266	1,916	1,691	58	574	(516)	-89.9%	1,691
Investment properties	3,459	8,043	56	199	47	151	320.6%	56
Revenue Generating	132	43	43	55	34	21	62.9%	43
Improved Property	132	43	43	55	34	21	62.9%	43
Non-revenue Generating	3,328	8,001	13	143	13	130	980.3%	13
Unimproved Property	3,328	8,001	13	143	13	130	980.3%	13
Other assets	161,132	338,649	211,682	83,217	135,653	(52,437)	-38.7%	211,682
Operational Buildings	161,132	338,649	211,682	83,217	135,653	(52,437)	-38.7%	211,682
Municipal Offices	159,427	333,831	207,142	82,397	132,163	(49,765)	-37.7%	207,142
Laboratories	1,393	2,136	1,882	745	1,509	(764)	-50.6%	1,882
Training Centres	271	521	496	69	373	(303)	-81.4%	496
Depots	41	2,162	2,162	5	1,609	(1,604)	-99.7%	2,162
Computer Equipment	214,045	246,058	235,814	110,671	144,364	(33,693)	-23.3%	235,814
Computer Equipment	214,045	246,058	235,814	110,671	144,364	(33,693)	-23.3%	235,814
Furniture and Office Equipment	557,451	542,256	838,902	462,616	530,317	(67,700)	-12.8%	838,902
Furniture and Office Equipment	557,451	542,256	838,902	462,616	530,317	(67,700)	-12.8%	838,902
Transport Assets	470,466	440,991	460,100	286,572	314,968	(28,397)	-9.0%	460,100
Transport Assets	470,466	440,991	460,100	286,572	314,968	(28,397)	-9.0%	460,100
Total Repairs and Maintenance Expenditure	3,780,395	4,129,677	4,254,327	2,667,472	2,796,508	(129,036)	-4.6%	4,254,327

Depreciation by asset class

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Depreciation by Asset Class/Sub-class								
Infrastructure	1,254,022	1,296,991	1,330,895	998,433	998,171	(262)	-0.03%	1,296,991
Roads Infrastructure	359,467	406,286	391,955	294,263	293,966	(297)	-0.10%	406,286
Roads	359,467	294,830	277,686	208,384	208,264	(119)	-0.06%	294,830
Road Structures	–	72,658	73,751	55,491	55,313	(178)	-0.32%	72,658
Road Furniture	–	38,798	40,518	30,389	30,389	0	0.00%	38,798
Storm water Infrastructure	46,522	45,851	51,326	38,525	38,495	(31)	-0.08%	45,851
Drainage Collection	46,522	45,851	51,326	38,525	38,495	(31)	-0.08%	45,851
Electrical Infrastructure	246,946	233,540	233,413	175,130	175,059	(71)	-0.04%	233,540
Power Plants	6,957	6,955	6,955	5,216	5,216	(0)	0.00%	6,955
HV Substations	20,514	–	–	–	–	–	–	–
HV Transmission Conductors	–	14,594	14,657	10,993	10,993	(0)	0.00%	14,594
MV Substations	52,768	13,983	3,567	2,675	2,675	0	0.00%	13,983
MV Switching Stations	–	52,620	56,110	42,077	42,082	5	0.01%	52,620
MV Networks	103,470	104,873	107,102	80,323	80,327	3	0.00%	104,873
LV Networks	63,237	40,516	45,022	33,846	33,767	(79)	-0.24%	40,516
Water Supply Infrastructure	236,904	264,253	276,772	207,939	207,579	(360)	-0.17%	264,253
Reservoirs	21,898	22,414	41,763	31,387	31,323	(64)	-0.20%	22,414
Pump Stations	5,459	5,415	5,441	4,081	4,081	(0)	0.00%	5,415
Water Treatment Works	28,239	26,172	31,766	24,077	23,824	(253)	-1.06%	26,172
Bulk Mains	10,405	17,915	10,413	7,810	7,810	(0)	0.00%	17,915
Distribution	170,903	192,337	187,389	140,585	140,542	(43)	-0.03%	192,337
Sanitation Infrastructure	266,016	264,260	270,473	202,868	202,855	(13)	-0.01%	264,260
Pump Station	7,130	8,144	6,982	5,236	5,236	0	0.00%	8,144
Reticulation	157,546	155,668	155,956	116,976	116,967	(9)	-0.01%	155,668
Waste Water Treatment Works	88,511	87,640	94,692	71,025	71,019	(5)	-0.01%	87,640
Outfall Sewers	12,830	12,807	12,843	9,631	9,632	1	0.01%	12,807
Solid Waste Infrastructure	45,630	36,207	39,657	28,408	29,743	1,335	4.49%	36,207
Landfill Sites	45,630	36,207	39,657	28,408	29,743	1,335	4.49%	36,207
Coastal Infrastructure	–	4,560	5,675	4,257	4,257	0	0.00%	4,560
Promenades	–	4,560	5,675	4,257	4,257	0	0.00%	4,560
Information and Communication Infrastructure	52,537	42,035	61,623	47,042	46,218	(825)	-1.78%	42,035
Data Centres	52,537	–	–	–	–	–	–	–
Core Layers	–	6,610	7,086	5,315	5,315	(0)	0.00%	6,610
Distribution Layers	–	35,424	54,537	41,727	40,903	(825)	-2.02%	35,424
Community Assets	348,370	364,191	356,444	268,565	267,333	(1,232)	-0.46%	364,191
Community Facilities	129,027	155,005	149,049	111,371	111,787	416	0.37%	155,005
Halls	2,727	2,756	3,326	2,501	2,495	(7)	-0.26%	2,756
Centres	3,835	47,842	49,538	36,649	37,154	505	1.36%	47,842
Clinics/Care Centres	9,506	8,247	6,758	5,140	5,068	(71)	-1.41%	8,247
Fire/Ambulance Stations	1,696	2,462	2,263	1,633	1,697	64	3.76%	2,462
Testing Stations	1,106	1,122	1,315	984	986	2	0.18%	1,122
Museums	194	363	221	166	166	(0)	0.00%	363
Theatres	112	112	112	84	84	0	0.00%	112
Libraries	5,270	6,142	5,988	4,504	4,491	(14)	-0.31%	6,142
Cemeteries/Crematoria	3,256	3,880	3,282	2,461	2,462	0	0.01%	3,880
Public Open Space	18,365	17,178	14,889	11,172	11,167	(5)	-0.05%	17,178
Nature Reserves	378	817	378	283	283	(0)	0.00%	817
Public Ablution Facilities	2,350	1,941	2,400	1,804	1,800	(4)	-0.21%	1,941
Markets	1,586	1,509	1,633	1,227	1,225	(2)	-0.16%	1,509
Airports	4	4	4	3	3	0	0.00%	4
Taxi Ranks/Bus Terminals	78,643	60,630	56,942	42,758	42,706	(52)	-0.12%	60,630
Sport and Recreation Facilities	219,343	209,186	207,395	157,194	155,546	(1,648)	-1.06%	209,186
Indoor Facilities	9,678	6,267	6,514	4,886	4,885	(0)	0.00%	6,267
Outdoor Facilities	209,665	202,919	200,881	152,308	150,661	(1,648)	-1.09%	202,919

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q3 (March 2020)

Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Depreciation by Asset Class/Sub-class</u>								
<u>Investment properties</u>	1,714	1,714	1,714	1,285	1,285	(0)	0.00%	1,714
Revenue Generating	1,714	1,714	1,714	1,285	1,285	(0)	0.00%	1,714
Improved Property	1,714	1,714	1,714	1,285	1,285	(0)	0.00%	1,714
<u>Other assets</u>	291,700	258,709	264,711	196,945	198,533	1,589	0.80%	258,709
Operational Buildings	192,111	155,594	163,429	122,778	122,572	(206)	-0.17%	155,594
Municipal Offices	162,150	9,231	6,058	4,545	4,543	(1)	-0.03%	9,231
Workshops	–	31,024	30,860	22,581	23,145	563	2.43%	31,024
Yards	212	–	–	–	–	–	–	–
Laboratories	295	–	–	–	–	–	–	–
Training Centres	289	303	289	217	217	(0)	0.00%	303
Manufacturing Plant	–	6,970	6,970	5,228	5,227	(1)	-0.01%	6,970
Depots	29,165	108,066	119,254	90,208	89,440	(768)	-0.86%	108,066
Housing	99,589	103,115	101,282	74,167	75,962	1,795	2.36%	103,115
Social Housing	99,589	103,115	101,282	74,167	75,962	1,795	2.36%	103,115
<u>Intangible Assets</u>	147,789	143,931	156,112	114,717	117,084	2,367	2.02%	143,931
Licences and Rights	147,789	143,931	156,112	114,717	117,084	2,367	2.02%	143,931
Computer Software and Applications	77,609	73,751	85,932	62,082	64,449	2,367	3.67%	73,751
Unspecified	70,180	70,180	70,180	52,635	52,635	(0)	0.00%	70,180
<u>Computer Equipment</u>	223,929	228,215	233,514	167,091	175,136	8,045	4.59%	228,215
Computer Equipment	223,929	228,215	233,514	167,091	175,136	8,045	4.59%	228,215
<u>Furniture and Office Equipment</u>	124,655	115,391	110,419	76,317	82,814	6,497	7.85%	115,391
Furniture and Office Equipment	124,655	115,391	110,419	76,317	82,814	6,497	7.85%	115,391
<u>Machinery and Equipment</u>	110,232	119,369	116,573	85,391	87,430	2,039	2.33%	119,369
Machinery and Equipment	110,232	119,369	116,573	85,391	87,430	2,039	2.33%	119,369
<u>Transport Assets</u>	333,717	417,125	400,955	280,748	300,716	19,968	6.64%	417,125
Transport Assets	333,717	417,125	400,955	280,748	300,716	19,968	6.64%	417,125
<u>Land</u>	–	69,253	69,253	–	51,940	51,940	100.00%	69,253
Land	–	69,253	69,253	–	51,940	51,940	100.00%	69,253
<u>Zoo's, Marine and Non-biological Animals</u>	–	197	192	144	144	0	0.00%	197
Zoo's, Marine and Non-biological Animals	–	197	192	144	144	0	0.00%	197
Total Depreciation	2,836,129	3,015,086	3,040,783	2,189,637	2,280,587	90,950	3.99%	3,015,086

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR)

The Municipal Cost Containment Regulations (MCCR) were promulgated on 7 June 2019, and came into effect on 1 July 2019.

In terms of the MCCR, municipalities are to implement cost containment measures to ensure that municipal resources are used effectively, efficiently and economically.

The MCCR further requires municipalities and municipal entities to either develop or review their cost containment policies. The City's Cost Containment policy was approved by Council at the meeting held on 31 October 2019. The cost containment policies of the City's entities have been approved by their respective board of directors.

Municipalities and municipal entities must furthermore disclose cost containment measures in their in-year budget reports, and annual costs savings in their annual reports. The cost containment in-year report tables reflected on the following pages are in adherence to this reporting requirement.

City of Cape Town

Cost Containment In-Year Report				
Measures	2019/20 budget	Q3 2020		Comment
		Budget	Actual	
	R Thousand			
Use of Consultants	8,053,271	2,273,495	1,874,379	<p>This category includes EPWP/Mayor's Job Creation Programme (MJCP) staff, all non-permanent staff i.e. temporary contract staff including libraries, health, seasonal workers, apprenticeships and learnerships, and contracted services i.e. professional services, advisory services and contractors.</p> <p>Contracted services indicates an underspending against the year-to-date projection. Reasons for this variance include capacity constraints within maintenance teams, increased demand for security services at municipal facilities, expiration of a maintenance tender in the Transport directorate, outstanding invoices that still need to be processed, increase in budget provision for cleaning costs as a result of the unplanned requirement to procure sanitisers and other material in relation to the COVID-19 pandemic and less than anticipated demand for labour broker staff. Further contributions to the expenditure trend for the quarter are largely delays with the roll-out of MJCP projects and appointment of non-permanent staff members partly as a result of Covid-19 lockdown restrictions.</p>
Vehicle used for political office-bearers	-	0	0	No provision for 2019/20 against this category.
Travel and Subsistence	25,046	5,346	3,010	The City's Travel Management Policy sets out the applicable cost containment measures, which strictly adhered to within the City.
Domestic Accommodation	2,362	445	155	The City's Travel Management Policy sets out the applicable cost containment measures, which are strictly adhered to within the City.
Sponsorships, events and Catering	281,869	68,235	69,245	Sponsorships: All grant-in-aid applications are subject to a screening process to ensure that recommended grants comply with the City's Grant-in-aid Policy as well as other relevant policies.
Communication	73,175	17,010	9,659	The City, as far as possible, uses newspapers with a readership-base predominantly within the City's geographical area and also focuses on community newspapers.
Other related expenditure items - Conferences & Seminars	6,311	1,349	42	The City's Systems and Procedures (SOP) for attendance of seminars, external meetings/workshops and conferences sets out the cost containment measures, which are strictly adhered to within the City. The initial impact of COVID-19 lockdown restrictions further contributed to the year-to-date expenditure trend.
Other related expenditure items - Overtime	705,680	221,120	198,494	<p>The variance is mainly as a result of unplanned overtime within the following directorates:</p> <p>1. Safety & Security, due to law enforcement operations and crime prevention programmes that are often conducted after hours by Law Enforcement services employees</p> <p>2. Community Services & Health, due to:</p> <p>a) Overtime worked at various Recreation and Parks facilities during the peak season (October 2019 to March 2020) as a result of extended operating hours.</p> <p>b) Overtime worked by the unit addressing the growing numbers of people living on the street as part of the reintegration programme run by Community Services and Health directorate in cooperation with the Safety & Security directorate.</p>
Other related expenditure items - Office furniture	23,423	15,901	13,536	The City's Corporate Office Furniture & Associated Equipment Policy seeks to exercise frugality by managing the utilisation of existing redundant office furniture before new office furniture may be procured. The policy stipulates that the relevant delegated official must scrutinise the City's 'used furniture inventory' depository before any new furniture may be procured and must sign a declaration form confirming that this process has been followed.
Total	9,171,137	2,602,901	2,168,520	

Cape Town International Convention Centre

Cost Containment In-Year Report				
Measures	2019/20 Budget	Q3 2020		Comments
		Budget	Actual	
	R Thousands			
Use of Consultants	4,542	3,406	3,306	The contracts for the Legal and Customer Satisfactory Surveys were signed prior to 1 July 2019. The CTICC does not possess the required skillsets in-house.
Vehicles used for political office-bearers	-	-	-	-
Travel and subsistence	2,088	1,410	1,392	Bookings for local- and international travel as well as International accommodation for sales trips, events and conferences are made via the contract issued before 1 July 2019. National Treasury's code applicable to entities is used when making bookings. The attendance of events are an integral part of the entity's business strategy to grow its revenue.
Domestic accommodation	132	107	107	Bookings for local- and international travel as well as International accommodation for sales trips, events and conferences are made via the contract issued before 1 July 2019. National Treasury's code applicable to entities is used when making bookings. The attendance of events are an integral part of the entity's business strategy to grow its revenue.
Sponsorships, events and catering	581	506	354	The entity's business model is based on good client relations, and regular interaction with clients and conference organisations to showcase the CTICC through various Client and Stakeholder Relationship Management (CRM) events.
Communication	606	455	489	The contract for cellphone- and data services was issued before 1 July 2019.
Other related expenditure items - Office Furniture	200	-	-	No expenditure was incurred for the quarter under review.
Total	8,149	5,884	5,648	

Cape Town Stadium

Measures	Cost Containment In-Year Report			Comments
	2019/20 Budget	Q3 2020		
		Budget	Actual	
		R Thousands		
Use of Consultants	5,728	2,247	1,335	Expenditure incurred in this category facilitates the entity's objectives, inter alia, to commercialise in terms of the Service Delivery Agreement (SDA). R806 622 was incurred with Invula Risk Management (IRM) to assist in the formal anchor tenant agreement project with Western Province Rugby (WPR). R427 960 was incurred with HelloFCB to assist the entity with website hosting as well as maintaining the entity's presence on social media. R100 445 was incurred with Moore Stephens to undertake a basic due diligence of the additional suites.
Vehicles used for accounting officer/board members	-	-	-	-
Travel and subsistence	68	29	4	The CEO and COO attended meetings with CEOs from various organisations at the Loftus- and FNB Stadium to share industry intellectual property relating to, inter alia, stadium commercialisation and naming rights as this was required in order to facilitate the commercialisation process as mandated in the Service Delivery Agreement (SDA).
Domestic accommodation	20	9	0	No domestic accommodation needed in the quarter under review.
Sponsorships, events and catering	80	30	1	Catering was procured for a business engagement (board meeting and AGM) during the quarter under review, in line with Circular 97.
Communication	696	288	0	No advertisements were placed on any media platform during the quarter under review.
Other related expenditure items	69	30	0	No conferences were attended during the quarter under review.
Total	6,661	2,631	1,341	

QUALITY CERTIFICATE

I, **LUNGELO MBANDAZAYO**, the Municipal Manager of **CITY OF CAPE TOWN**, hereby certify that –

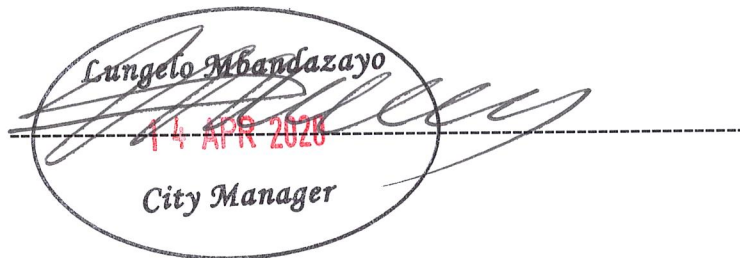
- ☐ the monthly budget statement
- ☒ quarterly report on the implementation of the budget and financial state affairs of the municipality
- ☐ mid-year budget and performance assessment

for the month of **March of 2020** has been prepared in accordance with the Municipal Finance Management Act (MFMA) and regulations made under that Act.

Print name _____

Municipal Manager of City of Cape Town (CPT)

Signature

The signature is written in black ink over a circular official stamp. The stamp contains the name 'Lungelo Mbandazayo' at the top, the date '14 APR 2020' in red in the center, and the title 'City Manager' at the bottom.

Date _____