

REPORT TO: COUNCIL

1. ITEM NUMBER

2. SUBJECT

QUARTERLY FINANCIAL REPORT: SEPTEMBER 2021

ONDERWERP

KWARTAALLIKSE FINANSIËLE VERSLAG: SEPTEMBER 2021

ISIHLOKO

INGXELO YEMALI YARHOQO NGEKOTA: EYOMSINTSI 2021

(LSUA1980)

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

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 30 September 2021.

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. Policy and Strategy ☐ Yes ☒ No

4.3. Legislative Vetting ☐ Yes ☒ No

4.4. Legal Implications ☒ Yes ☐ No
Municipal Finance Management Act, 2003 (Act 56 of 2003), Section 52

4.5. Staff Implications ☐ Yes ☒ No

4.6. Risk Implications ☐ Yes ☒ No

POPIA Compliance ☒ Yes It is confirmed that this report has been checked and considered for POPIA compliance.

5. RECOMMENDATIONS

a) The quarterly financial report for the quarter ended 30 September 2021 is submitted for information and noting only.

AANBEVELING

a) Die kwartaallikse finansiële verslag vir die kwartaal geëindig 30 September 2021 word slegs ter inligting en kennisname voorgelê.

ISINDULULO

a) INgxelo yeMali yaRhoqo ngeKota yekota ephela ngowama- 30 eyoMsintsi 2021 ingeniselwa iinjongo zolwazi nokuqatshelwa kuphela.

ANNEXURES

Annexure A: Quarterly Financial Report (MFMA S52) – 30 September 2021

FOR FURTHER DETAILS CONTACT

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DIRECTORATE		FILE REF No	N/A
SIGNATURE : DIRECTOR			

EXECUTIVE DIRECTOR

NAME		COMMENT:	
DATE			
SIGNATURE			

The ED's signature represents support for report content and confirms POPIA compliance.

LEGAL COMPLIANCE

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

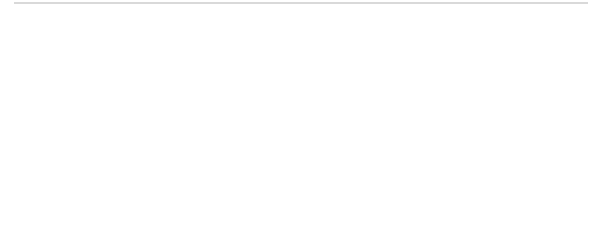
☐ NON-COMPLIANT

NAME _____

COMMENT: _____

DATE _____

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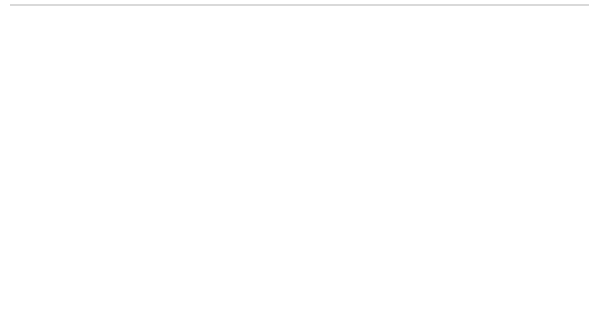
EXECUTIVE MAYOR

NAME DAN PLATO

COMMENT: _____

DATE _____

SIGNATURE





CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

QUARTERLY FINANCIAL REPORT (MFMA S52)

SEPTEMBER 2021 (2022 Q1)

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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 30 SEPTEMBER 2021

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.

The '2020/21 Provisional Outcome' columns in the ensuing tables have been populated with pre-audited figures and are provisional where final figures are not available yet.

KEY DATA (PAGE 4 - 29)

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

IN YEAR BUDGET STATEMENT TABLES (PAGE 30 – 36)

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

- **Table C1 (Page 30)** provides a high level summation of the operating and capital budgets, actuals to date, financial position and cash flow.
- **Table C2 (Pages 31)** is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- **Table C3 (Pages 32)** shows budgeted financial performance in relation to the revenue and expenditure as well as the operating surplus or deficit.
- **Table C4 (Page 33)** is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.
- **Table C5 (Pages 34)** 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 35)** reflects the performance to date in relation to the financial position of the municipality.
- **Table C7 (Page 36)** indicates the cash flow position and cash/cash equivalents.

IN YEAR BUDGET STATEMENT SUPPORTING TABLES (PAGE 37 – 75)

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

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR) (PAGE 77 – 84)

KEY DATA**OPERATING BUDGET**

Operating Budget	Budget 2021/22	YearTD budget 2021/22	YearTD actual 2021/22	YTD variance	Full Year Forecast
Total Revenue ¹ (R'Thousands)	47 553 699	12 635 685	12 230 222	(405 462)	47 824 130
Total Expenditure ¹ (R'Thousands)	48 322 260	10 631 169	9 777 816	(853 353)	48 532 697
Surplus/(Deficit) ¹ (excl. capital transfers and contributions)	(768 561)	2 004 516	2 452 406	447 891	(708 566)

CAPITAL BUDGET

Capital Budget	Budget 2021/22	YearTD budget 2021/22	YearTD actual 2021/22	YTD variance	Full Year Forecast
Total Capital Expenditure (R'Thousands)	8 828 682	987 919	587 834	(400 084)	6 382 329

FINANCIAL POSITION

Working Capital	Provisional Outcome 2020/21	Original Budget 2021/22	Adjusted budget 2021/22	YearTD actual
Cost coverage ratio³ Cash and investments at period end less restricted cash/Monthly operating Expenditure	1,82:1	-	-	1,80:1
Liquidity Current Ratio (Current assets/current liabilities) ⁴	1.8	1.4	1.7	2.3
Borrowing Capital Charges to Operating Expenditure (Interest & principal paid/Operating Expenditure) ⁵	1.1%	2.4%	2.4%	3.2%
Borrowed funding of 'own' capital expenditure (Borrowings/Capital expenditure excl. transfers and grants) ⁶	0.0%	48.3%	43.9%	46.3%
Financial Position (R'Thousands)⁷ Total Assets	78 680 064	83 193 449	86 919 328	79 062 719
Total Liabilities	23 564 986	27 147 023	27 179 882	21 300 736
Cash Flow (R'Thousands) Cash/cash equivalents at month/year end	8 126 100	7 517 656	7 037 185	8 733 280

- **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 1.80 and falls within the norm of 1-3 months (MFMA Circular 71).

- **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 outcome of 2.3 shows that the City has sufficient cash to meet its short-term financial obligations and is slightly above the norm of 1.5 to 2.1 (MFMA Circular 71). The expected annual budgeted outcome of 1.7, however, falls within the norm.

- **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 at 2.4% for the 2021/22 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 is 46.3%, and is budgeted at 43.9% for the 2021/22 financial year.

- **Financial Position⁷**

Movements on the operating- and capital budget will impact on the financial position. Underspending on the capital budget will, for instance, lead to the property, plant and equipment result being less than budget. As such the outcome and related reasons for variances in the operating- and capital budget forms a critical link in determining the variance on the financial position of a municipality. The final outcomes for the financial position will only be known once year-end transactions have been finalised.

- **Cash Flow**

Cash and cash equivalents amount to R8 733 million as at 30 September 2021. This position is as a result of levels of cash realised in the previous financial year. The total includes all reserves and commitments required to be backed by cash. The funds are invested in compliance with the MFMA, and the City's Cash Management & Investment policy.

Debtors

Debt management is carried out in terms of the City's Credit Control and Debt Collection Bylaw and Policy. Outstanding debtors per category are reflected in the table below.

Debtors	Current - 0 to 30 days	31-60 Days	61 days and over	TOTAL
R Thousands				
Water	319 109	81 559	1 870 226	2 270 893
Electricity	801 473	66 465	443 419	1 311 357
Rates	763 491	147 259	1 474 217	2 384 966
Sewerage	158 559	36 018	723 039	917 615
Refuse	102 805	26 508	550 791	680 104

The 12-months moving average YTD collection ratio (reflected in the table below) is for the period October 2020 to September 2021 and therefore reflects a more favourable 12-months position.

The monthly collection ratio per service (reflected in the table below) is a more accurate reflection of the City's current collection ratio for property rates, electricity, water, sewerage and refuse, bearing in mind that this calculation is based on MFMA Circular 71, which takes the opening and closing balances, billing, write offs etc. into account.

Debtors Collection Rate % ⁸	Previous year 2020/21	Current year 2021/22 (Interim ratios)	12 Months moving average YTD collection ratio (Interim ratios)	Monthly Collection Ratio per Service
Electricity	98.37%	101.11%	101.50%	94.48%
Water	89.96%	94.66%	94.79%	87.67%
Sewerage	91.85%	96.38%	96.16%	96.75%
Refuse	87.50%	95.05%	95.14%	92.27%
Rates	94.08%	97.82%	98.19%	99.63%
Other	90.57%	102.94%	102.91%	92.92%

⁸12 Months Collection Ratio. Calculated in to National Treasury Circular 71.

The overall collection ratio results for September 2021 are reflected in the table below:

Monthly Collection Rate	
Period	Current year
12 Months	98.79%
6 Months	97.05%
3 Months	98.78%
Monthly	95.24%

The 12 Months Moving Average Payment Ratio for the period ended 30 September 2021 is 98.79%.

Human Resources

Human Resources	Provisional Outcome 2020/21	Original Budget 2021/22	Adjusted Budget 2021/22	YearTD actual 2021/22
Employee and Councillor remuneration (R'Thousands)	15 274 440	15 792 336	15 800 578	3 339 652
Employee Costs (Employee costs/Total Revenue - capital revenue)	35.0%	32.9%	32.8%	27.0%
Total Cost of Overtime (R'Thousands)	942 386	838 145	837 037	153 774

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

Details on senior managers remuneration and the remuneration of other municipal staff can be found in *Councillor and staff benefits* on page 65.

Staff Complement

Municipal Employees (numbers)	As at 30 June 2021	Original Budget 2021/22	September 2021
Filled posts - Permanent	27 721	27 729	27 739
Filled posts - Temporary	1 663	1 941	1 617
Vacant posts - Permanent	3 088	2 932	3 172
	32 472	32 602	32 528

Municipal Councillors (numbers)	As at 30 June 2021	Original Budget 2021/22	September 2021
Municipal Councillors	228	231	227
Municipal Councillors - Vacancies	3	-	4
	231	231	231

The City had 3172 vacancies as at 30 September 2021; 951 positions were filled (513 internal, 170 external, 268 rehire), with 322 terminations processed since the start of the financial year. 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)	11	R5 893 439	94.91%	5.09%
Community Services and Health	234	R70 177 192	96.10%	3.90%
Corporate Services	161	R71 376 071	91.27%	8.73%
Economic Opportunities and Asset Management	83	R27 128 390	91.83%	8.17%
Energy & Climate Change	229	R69 615 566	91.92%	8.08%
Finance	140	R43 099 867	93.12%	6.88%
Human Settlements	114	R33 790 039	88.53%	11.47%
Safety and Security	699	R167 754 606	90.31%	9.69%
Spatial Planning and Environment	78	R31 070 903	92.15%	7.85%
Transport	314	R86 398 788	90.70%	9.30%
Urban Management	25	R11 857 799	95.38%	4.62%
Water and Waste	1084	R290 330 760	87.63%	12.37%
TOTAL	3 172	R908 493 421	91.19%	8.81%

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)	6	4	0	1	11
Community Services and Health	160	46	28	0	234
Corporate Services	117	36	5	3	161
Economic Opportunities & Asset Management	35	36	11	1	83
Energy and Climate Change	72	102	45	10	229
Finance	58	44	32	6	140
Human Settlements	65	35	8	6	114
Safety and Security	371	52	273	3	699
Spatial Planning and Environment	44	17	11	6	78
Transport	101	70	55	88	314
Urban Management	15	4	6	0	25
Water and Waste	335	310	265	174	1 084
Grand Total	1 379	756	739	298	3172

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

Description	Original Budget 2021/22	Adjusted Budget 2021/22	YearTD actual 2021/22	YearTD budget 2021/22	YTD variance
R'Thousands					
Total Revenue (excluding capital transfers and contributions)	47 509 600	47 553 699	12 230 222	12 635 685	(405 462)
Total Expenditure	48 274 839	48 322 260	9 777 816	10 631 169	(853 353)
Surplus/(Deficit)	(765 240)	(768 561)	2 452 406	2 004 516	447 891

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 in 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 2021/22**

Description	Budget Year 2021/22						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Revenue By Source							
Property rates	10 984 132	10 984 132	2 692 747	2 746 033	(53 286)	-1.9%	10 984 132
Service charges - electricity revenue	15 734 566	15 734 566	4 489 933	4 388 979	100 954	2.30%	16 114 611
Service charges - water revenue	3 556 345	3 556 345	807 027	772 881	34 147	4.4%	3 556 345
Service charges - sanitation revenue	1 775 113	1 775 113	399 918	383 216	16 702	4.4%	1 775 113
Service charges - refuse revenue	1 330 442	1 330 442	303 600	332 611	(29 011)	-8.7%	1 292 192
Rental of facilities and equipment	350 647	350 647	87 586	87 662	(75)	-0.1%	346 661
Interest earned - external investments	855 119	855 119	230 823	213 780	17 043	8.0%	855 122
Interest earned - outstanding debtors	449 452	449 452	103 464	106 461	(2 997)	-2.8%	449 558
Dividends received	—	—	—	—	—	-	—
Fines, penalties and forfeits	1 247 015	1 247 015	392 042	299 396	92 646	30.9%	1 274 106
Licences and permits	67 110	67 110	9 696	12 008	(2 312)	-19.3%	65 016
Agency services	261 614	261 614	67 186	60 163	7 023	11.7%	261 614
Transfers and subsidies	5 650 364	5 694 463	1 604 988	1 767 252	(162 263)	-9.2%	5 606 530
Other revenue	3 194 622	3 194 622	1 040 649	1 019 765	20 884	2.0%	3 197 320
Gains	2 053 058	2 053 058	563	445 479	(444 916)	-99.9%	2 045 810
Total Revenue (excluding capital transfers and contributions)	47 509 600	47 553 699	12 230 222	12 635 685	(405 462)	-3.2%	47 824 130

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

- Service charges - electricity revenue (R100.9 million over)**

The over-recovery is largely due to the partial lifting of lockdown restrictions and the subsequent increase in economic activities.

- **Fines, penalties and forfeits (R92.6 million over)**

The over-recovery is mainly due to more than anticipated income received from environmental health air quality fines, as well as higher traffic fine accruals as more traffic fines were issued to date.

- **Transfers and subsidies (R162.3 million under)**

The variance reflects mainly in the following directorates:

- Community Services & Health, due to slower than expected implementation on some integrated recreational facilities/grant-funded projects in Belhar, Blue Ridge, Delft Enkanini, Pelican Park, Philippi and Site C;
- Human Settlements, due to outstanding invoices, and poor performance by a contractor;
- Safety & Security, due to unprocessed recoveries relating to the LEAP project as the Transfer Payment Agreement (TPA) has not been finalised; and
- Transport, due to unfilled grant-funded vacancies, and delays in receipt of invoice from the contractor on the Automated Fare Collection project.

- **Gains (R444.9 million under)**

The variance reflects mainly on Inventory Consumed: Gains Water and Price adjustments, where actuals can only be processed in the next reporting period due to system developments. National Treasury's requirement to reflect Bulk Water Purchases as part of the Inventory System has also resulted in misalignment of actuals and budget.

Reasons for variances on revenue can be found in *Material variance explanations for operating revenue by source and by vote* on page 37.

EXPENDITURE

Main expenditure types for 2021/22

Description R thousands	Budget Year 2021/22						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Expenditure By Type</u>							
Employee related costs	15 612 510	15 620 752	3 298 238	3 528 303	(230 065)	-6.5%	15 464 921
Remuneration of councillors	179 826	179 826	41 414	41 982	(568)	-1.4%	179 781
Debt impairment	2 716 859	2 716 859	600 282	600 167	115	0.0%	2 716 859
Depreciation & asset impairment	3 013 855	3 013 855	752 790	747 957	4 833	0.6%	2 981 584
Finance charges	794 747	794 747	185 735	183 274	2 461	1.3%	798 802
Bulk purchases - electricity	11 182 400	11 182 400	2 911 800	2 780 382	131 419	4.7%	11 562 400
Inventory consumed	3 703 850	3 705 423	278 864	789 088	(510 224)	-64.7%	3 630 541
Contracted services	7 960 363	7 961 698	1 004 219	1 200 550	(196 331)	-16.4%	8 070 815
Transfers and subsidies	464 263	491 970	93 085	121 371	(28 286)	-23.3%	484 157
Other expenditure	2 632 043	2 640 606	608 099	634 978	(26 879)	-4.2%	2 628 506
Losses	14 124	14 124	3 290	3 117	173	5.5%	14 332
Total Expenditure	48 274 839	48 322 260	9 777 816	10 631 169	(853 353)	-8.0%	48 532 697

Reasons for major over-/under expenditure per type

- **Employee Related Costs (R230.1 million under)**

The variance is mainly due to the turnaround time in filling vacancies; internal filling of vacant positions; slower than planned implementation of job creation (EPWP) projects, and the hold placed on identified vacancies.

- **Bulk purchases – electricity (R131.4 million over)**

The variance is largely due to under billing of the Eskom main account, which has been rectified in this reporting period. The increase in purchases as a result of the partial lifting of COVID-19 lockdown restrictions and the subsequent economic recovery further contributed to the over expenditure.

- **Inventory consumed (R510.2 million under)**

Under expenditure reflects against the following elements:

- Pharmaceutical supplies, G&D Pharmaceutical supplies, G&D Vaccines, due to outstanding invoices; and
- Inventory consumed: Bulk Water, where actuals can only be processed in the next reporting period due to new line items required for the implementation of National Treasury's requirement to reflect Bulk Purchases as part of the Inventory System. Further delays in processing of entries were experienced, due to additional system refinements.

- **Contracted Services (R196.3 million under)**

Under expenditure reflects against the following elements:

- Advisory Services - Project Management, where expenditure for the Walk-in Bus project and Citizens Deployment project were incurred against employee-related cost resulting in misalignment of the budget provision.
- Security Municipal Facilities, due to outstanding invoices, and ongoing procurement processes for the appointment of security services for land invasion.
- R&M Contracted Services Buildings, due to the slower than anticipated start of maintenance programmes as well as savings realised as a result of changes to the implementation of the maintenance contract for the repair of plumbing and installation of water management devices at domestic properties occupied by indigent households.
- Sludge removal, due to outstanding invoices as well as misalignment of the periodic budget with actual expenditure.
- Research Advisory, where the extension of tender 26C 2017/18 is still in the process of being awarded.
- Haulage, as the amount of waste being hauled from transfer stations and drop-off sites to landfill sites is lower than anticipated to date.
- R&M Contracted Services electrical, where the period budget provision was based on the previous financial year's periodic expenditure, although, similar expenditure trends were not experienced to date.

- Sewerage Services, due to outstanding invoices as well as misalignment of the periodic plan with actual expenditure to date. The full budget provision is anticipated to be spent due to additional requirements at the Zandvliet Wastewater plant.

Expenditure per vote (directorate)

Vote Description R thousands	Budget Year 2021/22						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure by Vote							
Vote 1 - Community Services & Health	4 203 855	4 203 870	810 563	885 887	(75 325)	-8.5%	4 203 870
Vote 2 - Corporate Services	2 270 723	2 270 735	462 628	485 104	(22 476)	-4.6%	2 270 723
Vote 3 - Economic Opportunities & Asset Management	1 499 132	1 508 519	310 395	333 507	(23 112)	-6.9%	1 506 637
Vote 4 - Energy & Climate Change	13 841 423	13 841 423	3 497 011	3 401 047	95 963	2.8%	14 112 223
Vote 5 - Finance	3 222 505	3 222 505	769 772	798 704	(28 931)	-3.6%	3 222 505
Vote 6 - Human Settlements	1 543 675	1 569 989	269 362	302 217	(32 855)	-10.9%	1 569 989
Vote 7 - Office of the City Manager	320 619	320 619	80 449	92 358	(11 908)	-12.9%	320 619
Vote 8 - Safety & Security	4 611 047	4 611 046	857 513	860 875	(3 362)	-0.4%	4 611 046
Vote 9 - Spatial Planning & Environment	861 959	865 289	164 890	182 768	(17 878)	-9.8%	865 289
Vote 10 - Transport	3 673 960	3 680 679	618 398	603 561	14 836	2.5%	3 680 679
Vote 11 - Urban Management	1 080 086	1 081 732	215 987	217 992	(2 005)	-0.9%	1 081 732
Vote 12 - Water & Waste	11 145 854	11 145 853	1 720 848	2 467 148	(746 300)	-30.2%	11 087 385
Total Expenditure by Vote	48 274 839	48 322 260	9 777 816	10 631 169	(853 353)	-8.0%	48 532 697

Reasons for over expenditure per vote (directorate)

The narrative below provides details of over expenditure within directorates with bottom-line **year-to-date over expenditure**.

- **Energy & Climate Change (R95.9 million over)**

Over expenditure reflects against the following categories:

- Bulk Purchases, largely due to under billing of the Eskom main account, which has been rectified in this reporting period. There has also been an increase in purchases due to the partial lifting of COVID-19 lockdown restrictions and the subsequent economic recovery.
- Contracted services - Security Services: Municipal Facilities, due to an increase in theft and vandalism as well as security services rendered in the previous financial year being paid in this financial year due to invoice disputes.

Cash flow alignments and budget reallocation, where necessary, will take place in ensuing periods.

- **Transport (R14.8 million over)**

Over expenditure reflects against the following categories:

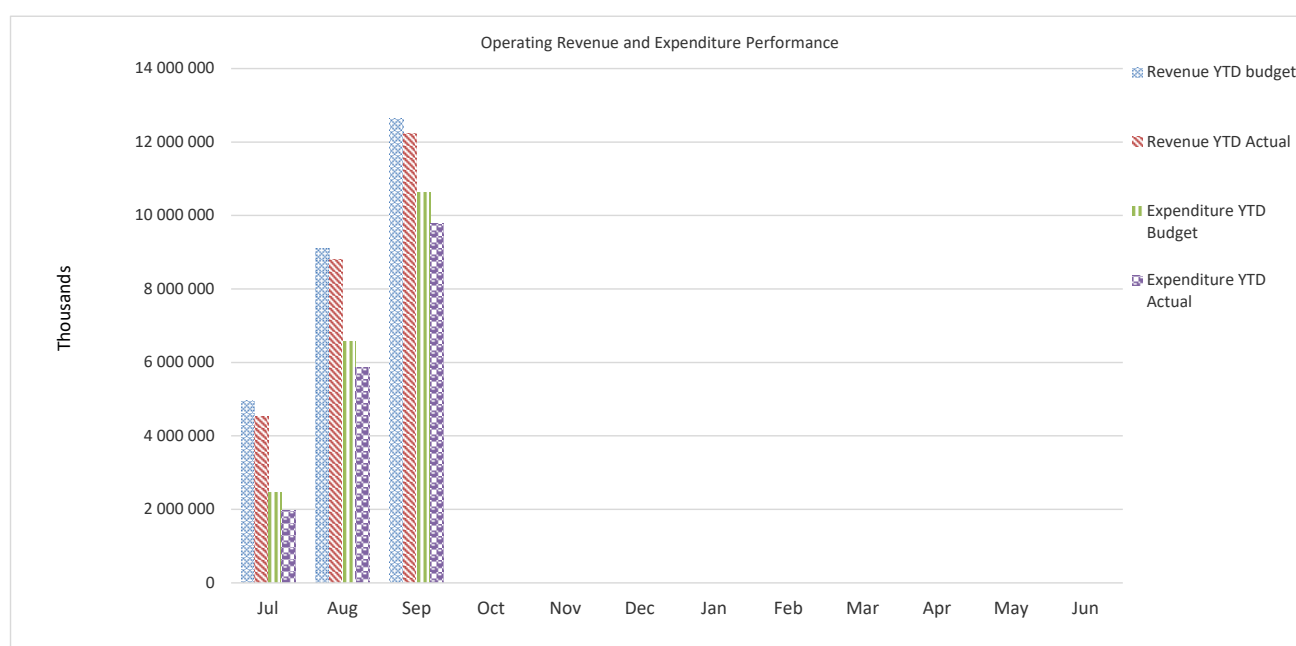
- Depreciation, due to assets being capitalised earlier than anticipated.
- Inventory Consumed, mainly on:
 - R&M Materials General & Consumables, as a result of road- and traffic signal maintenance expenditure being higher than initially planned; and
 - Fuel, due to fuel price increases.
- Contracted Services, mainly on:
 - R&M Maintenance of Equipment, due to more than anticipated maintenance on MyCiTi buses in preparation of the recommencement of the N2 Express Way route in November 2021;
 - R&M Contracted Services Buildings, due to road- and stormwater maintenance expenditure on the road resurfacing programme being more than planned; and
 - Security Services - Municipal Facilities, due to an increased requirement for Security at Public Transport Interchanges (PTI).
- Other expenditure, mainly on Software Licences - Upgrades/Protection, due to the upgrade of the Facility Management Enterprise system at the Transport Management Centre (TMS), MyCiTi stations as well as PTI, which is crucial to passenger safety.

Budget realignments/virements to be processed, where identified.

Details on variances for operating expenditure can be found in *Material variance explanations for operating expenditure by vote and by type* on page 43.

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 R thousands	Budget Year 2021/22						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Total Capital Expenditure	8 314 767	8 828 682	587 834	987 919	(400 084)	-40.5%	6 382 329
Funded by:							
National Government	3 050 778	3 050 778	157 183	210 627	(53 444)	-25.4%	1 549 485
Provincial Government	15 866	15 866	1 755	615	1 140	185.3%	5 400
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	72 198	72 198	10 610	20 131	(9 521)	-47.3%	61 753
Transfers recognised - capital	3 138 842	3 138 842	169 547	231 372	(61 825)	-26.7%	1 616 638
Borrowing	2 500 000	2 500 000	193 654	289 987	(96 333)	-33.2%	1 984 171
Internally generated funds	2 675 925	3 189 840	224 633	466 559	(241 926)	-51.9%	2 781 520
Total Capital Funding	8 314 767	8 828 682	587 834	987 919	(400 084)	-40.5%	6 382 329

The summary statement of capital budget performance indicates actual capital expenditure of R587.8 million or 6.66% of the current budget.

The year-to-date spend represents 7.35% (R418.3 million) on internally-funded projects and 5.40% (R169.5 million) on externally-funded projects.

The full year forecast indicates that 72.3% of the capital budget is anticipated to be spent for the 2021/22 financial year.

Capital budget by municipal vote for 2021/22

Vote Description R thousands	2020/21	Budget Year 2021/22						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation								
Vote 1 - Community Services & Health	294 831	299 732	323 511	20 813	40 769	(19 956)	-48.9%	313 252
Vote 2 - Corporate Services	208 287	248 768	258 834	5 835	36 099	(30 264)	-83.8%	258 190
Vote 3 - Economic Opportunities & Asset Management	320 315	215 801	247 220	17 600	14 401	3 199	22.2%	244 601
Vote 4 - Energy & Climate Change	750 278	1 014 657	1 053 511	114 026	176 050	(62 025)	-35.2%	986 588
Vote 5 - Finance	248 489	25 515	25 929	795	1 218	(422)	-34.7%	25 758
Vote 6 - Human Settlements	737 971	827 201	835 682	78 331	97 176	(18 845)	-19.4%	763 850
Vote 7 - Office of the City Manager	1 281	1 103	1 286	185	154	31	20.3%	1 251
Vote 8 - Safety & Security	367 879	258 298	273 398	16 873	28 980	(12 107)	-41.8%	275 346
Vote 9 - Spatial Planning & Environment	105 564	141 722	168 027	6 998	18 499	(11 501)	-62.2%	118 498
Vote 10 - Transport	776 446	2 191 855	2 279 172	48 649	117 689	(69 040)	-58.7%	753 095
Vote 11 - Urban Management	48 608	46 729	65 399	2 673	5 751	(3 078)	-53.5%	53 258
Vote 12 - Water & Waste	2 668 524	3 043 384	3 296 712	275 055	451 131	(176 076)	-39.0%	2 588 641
Total Capital Multi-year expenditure	6 528 474	8 314 767	8 828 682	587 834	987 919	(400 084)	-40.5%	6 382 329

Reasons for major over/under expenditure (YTD) on the capital budget

- **Community Services & Health directorate (R19.9 million under)**

The negative variance reflects on the following projects/programmes:

- Site C and Delft Integrated Recreation Facility, which was initially delayed due to inclement weather as well as community unrest, however, construction work is currently underway.
- Blue Ridge Integrated Recreation Facility, due to land invasions, which has since been resolved.
- Upgrade of Ravensmead swimming pool, which was delayed due to finalisation of specifications with stakeholders.
- IT Modernisation, where appeals lodged against tender 56S/2020/21 delayed the project initially.

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

- **Corporate Services directorate (R30.2 million under)**

The negative variance reflects on the following projects/programmes:

- Wayleave System, which was initially delayed due to the original tender (365C/2018/19) being put on hold.
- ERP Business Systems FY22, which was delayed due to a change in the tender price as there was an increase in the amount of cabling required for the project.
- Business Continuity FY22, where quotations were received but the proposal was referred back to the supplier to appropriately address the business case to ensure value for money.

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

- **Energy & Climate Change directorate (R62.0 million under)**

The negative variance reflects mainly on the following projects/programmes:

- SCADA Master Station Upgrade, where establishment of the project team is still taking place although the local contractor team and City team are ready to begin work. The project start-up meeting has been completed and the first invoice will be signed off at the end of October 2021.
- System Equipment Replacement - South Area S FY22, due to planning and prioritisation taking longer than anticipated. Some projects have commenced with others to follow.
- System Equipment Replacement - North Area N FY22, which is behind schedule as tender 218Q/2015/16 expired in September 2021. It is anticipated the replacement tender (082Q/2020/21), currently in finalising award status, will be in place in October 2021. Some projects have commenced with others to follow.
- HV OH Line Refurbish (structures) FY22, due to outstanding Health & Safety certificate guarantee, and insurance as well as signed worked project document from contractor before work can commence.

- Resource Efficiency Municipal Building FY22, which is behind schedule due to delays in finalisation of the contract for the HVAC systems retrofit.

94% spend is forecasted for the projects currently on the budget.

- **Human Settlements directorate (R18.8 million under)**

The negative variance is mainly due to the following projects/programmes being behind schedule:

- Pooke se Bos Housing project, due to the late appointment of the contractor.
- Sheffield Road Housing project, where the MOA between the Western Cape Government (WCG) and its implementing agent, Housing Development Agency (HDA), is still being finalised.
- Asset Upgrade - Routine Programmes, where the transversal tender is in the process of being approved.

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

- **Safety & Security (R12.1 million under)**

- The following projects are behind schedule as a result of appeals lodged against tender 056S/2020/21:
 - EPIC 1.1: Computer Aided Dispatch System;
 - EPIC 2.1: Contravention System;
 - EPIC 2.2: NW Community Safety System; and
 - Specialised IT Equipment: Replacement FY22.
- Fire & Rescue Services Specialised Vehicles - Replacement FY22, which is behind schedule due to delays in the import of items ordered from overseas.

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

- **Spatial Planning & Environment (R11.5 million under)**

The negative variance reflects on the following projects/programmes:

- Helderberg Nature Reserve Development, which was delayed due to inclement weather.
- Strand Pavilion Ablutions Upgrade, due to misaligned cash flow.
- The Glencairn Precinct Upgrade, where the discovery of electrical cables throughout the site delayed the project.
- Philippi Fresh Produce Market Refurbishment project, where the appointment of service providers is delayed as a result of capacity constraints on various transversal tenders.

71% spend is forecasted for the projects currently on the budget.

- **Transport directorate (R69.0 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 Ph2A: Depot Building Works – Mitchells Plain and Khayelitsha: Construction has been delayed due to cancellation of the replacement professional services tender. The application for transversal use of framework tender 194C/2020/21 has been submitted with the S33 process to commence after BAC approval, which is anticipated to be at the end of October 2021. New professional services tender process has also commenced (DP6727).
- Somerset West Public Transport Interchange: The project had a late start as a result of a prolonged evaluation process. An award was made by BAC with no appeals received. The MOA between the City and the contractor is being finalised. The contractor has applied for a construction permit and wayleaves.
- Grassy Park Non-Motorised Transport: Cash flows misaligned. However, contractor is on site and construction is progressing well. No delays reported to date.
- Public Transport Systems Management -Transport Intelligence: Project delayed due to delays in finalising the exact scope of work.

33% spend is forecasted for the projects currently on the budget.

- **Water & Waste directorate (R176.1 million under)**

- **Solid Waste Management (R146.1 million under)**

The negative variance reflects on the following projects/programmes:

- Coastal Park - Design and develop (MRF): Project currently delayed as a result of negotiations on tender 301Q/2020/21 that need to be finalised before an award can be made.
- Vissershok North - Design and develop Airspace: Current delays as a result of feedback required from the National Department of Water Services on the design submitted for the new landfill airspace.
- New Prince George Drop-off: Construction is underway but the invoice for period 3 was received after month-end.
- Coastal Park: LFG Infrastructure - Beneficiation: Project currently delayed as approval of the electrical earthing design is taking longer than anticipated.

65% spend is forecasted for the projects currently on the budget.

- **Water & Sanitation (R29.9 million under)**

The underspend is due to:

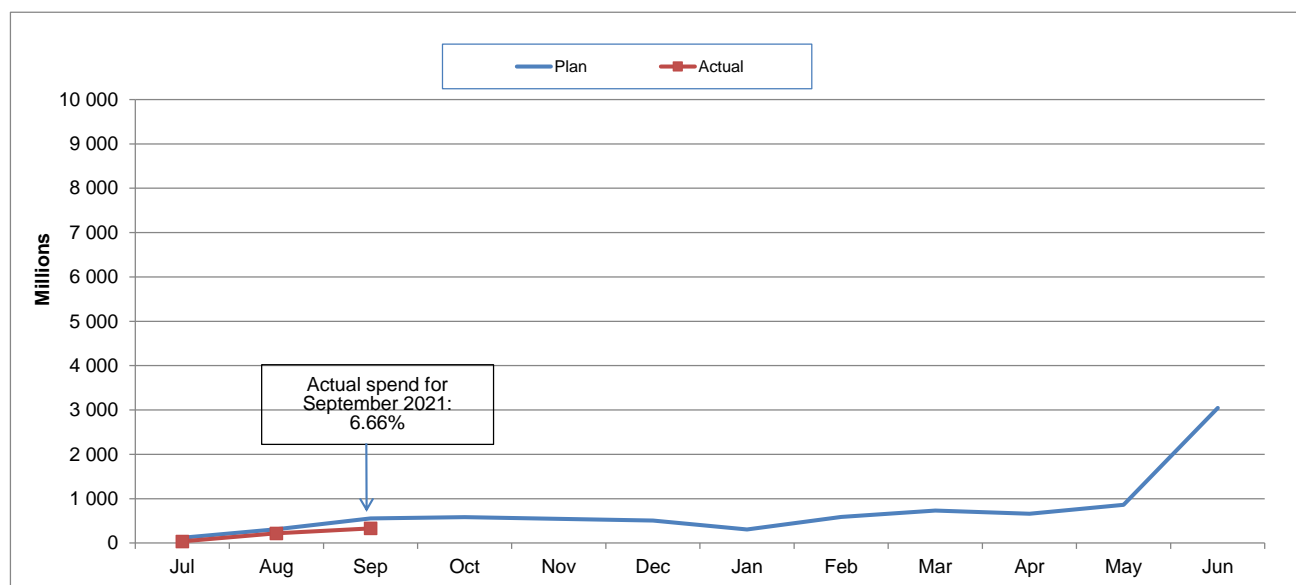
- Delays in uploading new contracts resulting in installation of replacement meters being behind schedule; and
- Misalignment of cash flows on various projects.

83% 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 *Material variance explanations for capital expenditure by vote* on page 52.

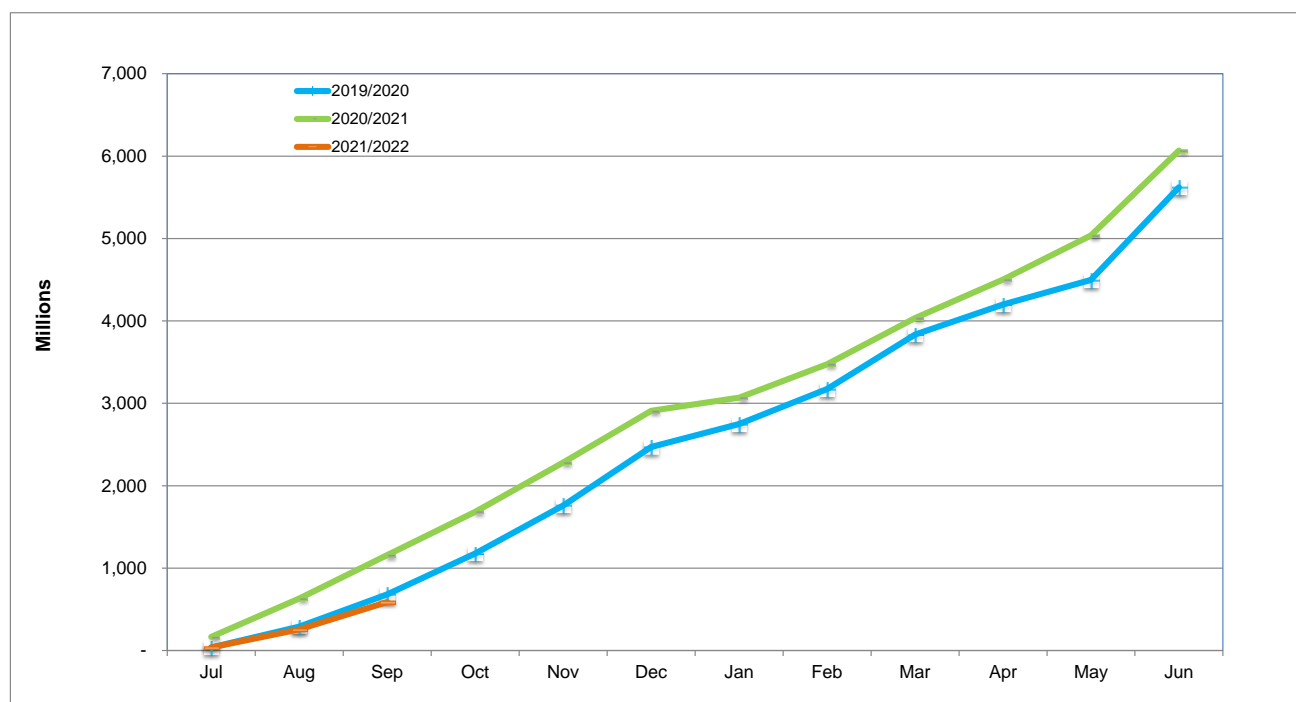
Monthly capital expenditure

The graph below reflects the City's monthly capital expenditure to date measured against the 2021/22 current budget.

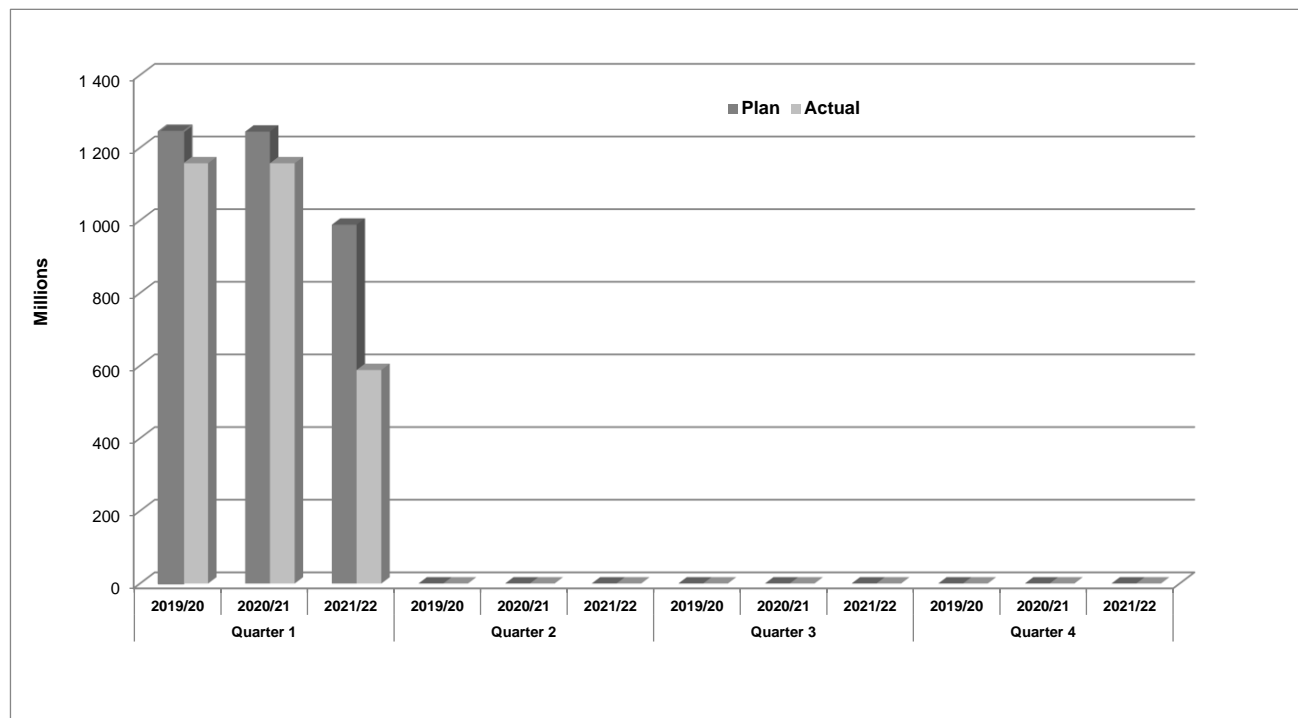


Capital expenditure trend over the current- and past two years

The graph below shows the City's capital expenditure trend for 2019/20, 2020/21 and 2021/22.



The capital expenditure quarterly trend for the 2019/20, 2020/21 and 2021/22 financial years is graphically illustrated below.



Status of major capital programmes/projects

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Comments
IRT Phase 2 A	1 408 142 740	23 703 090	10 670 617	-13 032 473	The project has been delayed due to cancellation of the Replacement Professional Services tender, which will result in a portion of the budget being reprioritised in the January 2022 adjustments budget. However, an application for transversal use of framework tender 194C/2020/21 has been submitted.
Zandvliet WWTW-Extension	386 789 335	50 000 000	60 239 345	10 239 345	The project is progressing ahead of plan due to good contractor performance and project management.
Potsdam WWTW-Extension	380 500 001	7 000 000	-	-7 000 000	Professional services tender 300C/2016/17 is in place although the construction component will not be spent in the 2021/22 financial year. The timeline for the construction component had to be re-aligned due to the extended bid specification process. The extension relates to the review and additions required to the tender documentation as part of the due diligence process undertaken by the City's external service provider and was not foreseen at the time of budget finalisation. The construction component will be re-phased to the 2022/23 financial year in the January 2022 adjustments budget.
Meter Replacement Programme	206 282 019	31 000 000	6 928 117	-24 071 883	Installation of replacement meters is behind schedule as the project commenced later than anticipated due to delays in uploading new contracts.
System Equipment Replacement: East	204 847 800	44 181 874	24 202 651	-19 979 223	The project is behind schedule due to longer than anticipated planning and prioritisation processes. Some projects have commenced with others to follow.
Plant & Vehicles: Replacement	186 607 982	39 107 982	31 905 218	-7 202 764	Tender 74G/2017/18 and 92G/2018/19 are in place. Some orders have been placed. The project manager is following up on the delayed delivery of a water bowser.
Cape Flats Aquifer Recharge	172 574 825	14 000 000	307 449	-13 692 551	The project is behind programme due to delays in finalising the outcome of the appeal received against the award of tender 348Q/2018/19.
Coastal Park: Design and develop (MRF)	151 708 685	33 750 000	50 874	-33 699 126	Project initially delayed as a result of a disputed COVID-19 claim on tender 57Q/2017/18, which has since been resolved. The project is, however, further delayed due to negotiations with the preferred bidder on tender 301Q/2020/21 for mechanical equipment, which is taking longer than anticipated. Tender 107Q/2020/21 for construction is dependent on successful negotiations and award of tender 301Q/2020/21. If negotiations on tender 301Q/2020/21 is unsuccessful, the tender process for both tenders will need to restart.
Athlone WWTW-Capacity Extension-phase 1	145 345 103	19 016 502	39 756 720	20 740 218	This project is ahead of plan due to good project management and service provider performance.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Comments
Cape Flats Rehabilitation	142 157 479	7 422 479	18 328 939	10 906 460	Professional services tender 70C/2017/18 for the design is in place with payment made earlier than anticipated due to good contractor performance. Tender 176Q/2018/19 (Rehabilitation of Cape Flats 1 and 2 Bulk Sewers) has been awarded with contractors on site and busy with five works projects.
Vissershok North:Design and develop Airs	141 117 122	32 398 196	-	-32 398 196	Tender 293Q/2019/20 for the construction phase is currently in the bid evaluation stage. The National Department of Water & Sanitation (DWS) and Department of Forestry, Fisheries and Environment (DFFE) did not approve the design and drawings. The City and the professional service provider met with the departments to discuss the way forward and requested upfront parameter testing and a revised detail design report before reconsidering the design for approval. The re-design is complete with the results having been received and included in the revised report. The design report was re-submitted for consideration. The evaluation process may only be concluded after the design is approved by the DFFE. A portion of the budget will be re-phased to the 2022/23 financial year in the January 2022 adjustments budget.
Contermanskloof Reservoir	115 694 097	30 000 000	14 099 737	-15 900 263	Cash flows and actual project implementation are misaligned. The environmental authorisation is in place and land acquisition has been concluded. The progress on site for work relating to floor slabs, column bases, ancillary building, placing of beams and hollow core roof slabs, and laying of 1000 outlet pipes between Contermanskloof Road and the Voëlvlei Pipeline connection is satisfactory.
Land Acquisition (USDG)	115 642 912	7 271 398	7 271 398	-	This budget is required as a consequence of the Supreme Court of Appeal Arbitration (SCA) Order (dd 17 June 2021) whereby the City was instructed to compensate eight private property owners in Philippi whose properties are currently illegally occupied by the Marikana Informal Settlement residents.
Table Mountain Group Aquifer	85 541 896	13 500 000	25 193 660	11 693 660	The project is ahead of schedule due to good project management and service provider performance.
FS Replacement Vehicles	80 604 365	6 864 051	16 636 576	9 772 525	The project was initiated slightly ahead of schedule with some orders delivered earlier than anticipated. Further orders will be raised when the prioritisation process has been finalised. Some items are expected to be delivered in October 2021. Long lead-times deliveries only expected from March 2022 onwards.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Programme or Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Comments
Bulk Water Infrastructure Replacement	80 000 000	11 000 000	5 014 976	-5 985 024	The projects consist of multiple active contracts to replace/refurbish infrastructure at bulk water plants. Orders have been placed; awaiting delivery.
Sir Lowry's Pass River Upgrade	80 000 000	2 000 000	-	-2 000 000	Approval of term tender 194C/2020/21 (provision of multi-disciplinary professional services) is taking longer than anticipated, which is putting the budget at risk of not being fully spent. The budget provision will therefore be reduced and re-phased in the January 2022 adjustments budget in order to mitigate the risk of under expenditure.
PPDR Radio Network Upgrade	78 522 000	-	-	-	Deviation DP6554G for the sole provider (System Update Package for the Radio Trunking Master Switching Office and Dispatch Consoles) is currently in progress. Project will be executed once approved.
Replace & Upgrade Water Network	76 320 000	6 000 000	5 901 988	-98 012	The project is behind schedule due to the outstanding payment certificate with the project manager following up.
Service Connections: Quote	75 050 000	13 525 000	13 961 121	436 121	This project is customer demand driven with more than anticipated demand for the period under review.
MV System Infrastructure	73 500 000	13 363 927	11 980 924	-1 383 004	The project is behind schedule as tender 218Q/2015/16 expired in September 2021. It is anticipated that replacement tender 082Q/2020/21, which is currently in award status, will be in place in October 2021.
Rd Rehab:Jakes Gerwel - N2 & N1	73 217 150	3 950 000	3 747 517	-202 483	The project was delayed due to inclement weather and low value works currently being undertaken. The contractor has, to avoid material quality issues relating to high moisture content, reprogrammed roadworks (high value work) to start early October 2021. Contractor on schedule in accordance with the revised programme.
Replace & Upgr Sewer City wide	71 450 000	6 500 000	4 271 320	-2 228 680	Reprioritisation of needs took longer than anticipated. Orders have been placed for minor City-wide upgrade work.
Cape Flats Aquifer	65 149 600	10 000 000	12 219 475	2 219 475	The project is ahead of schedule due to good contract management and supplier performance.
Inf Settlem Upgr: Kosovo	63 328 400	10 000 000	28 966 418	18 966 418	This is a Western Cape Government (WCG) administered project, which is progressing slightly ahead of schedule due to good contractor performance.
	4 660 093 511	435 554 499	341 655 040	-93 899 459	

COMMITMENTS AGAINST CASH AND INVESTMENTS

Cash and Investments

For the month under review, the cash and cash equivalents amounted to R8 733 million. This position is mainly due to the levels of cash realised in the 2020/21 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 R Thousand	Current Month R Thousand
Closing Cash and Investment Balance	18 899 683	18 190 285
Total Commitments	12 626 467	11 229 879
Unspent Conditional Grants	3 394 581	2 154 328
Housing Development	414 352	415 052
MTAB	27 096	27 180
Trust Funds	930	933
Insurance reserves	562 594	567 914
CRR / Revenue	4 965 864	4 803 422
Other contractual commitments	3 261 050	3 261 050
Uncommitted Funds	6 273 216	6 960 406
Closing Cash and Investment Balance	18 899 683	18 190 285
Non Current Investments	3 406 397	3 432 677
Current Investments	6 050 607	6 024 328
Cash and Cash Equivalents as per Cash flow statement (Table C7)	9 442 679	8 733 280

Details on the cash flow can be found in *Cash Flow* on page 36.

The City's investment portfolio breakdown can be found in *Investment portfolio* on page 59.

The monthly actual and targets can be found in *Actual and revised targets for cash receipts and cash flows* on page 68.

GRANT UTILISATION

Description R thousands	Budget Year 2021/22						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Total operating expenditure of Transfers and Grants	5 646 931	5 691 030	221 043	381 168	(160 124)	-42.0%	5 691 030
Total capital expenditure of Transfers and Grants	3 138 842	3 138 842	169 547	231 372	(61 825)	-26.7%	1 616 638
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	8 785 773	8 829 872	390 591	612 540	(221 949)	-36.2%	7 307 668

Detailed information on transfers and grants per funding source is reflected in *Transfers and grants expenditure* on page 63.

CREDITORS**Creditors Analysis**

R thousands	Budget Year 2021/22								
	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 Creditors	16 953	739	1	5	–	–	–	1	17 698

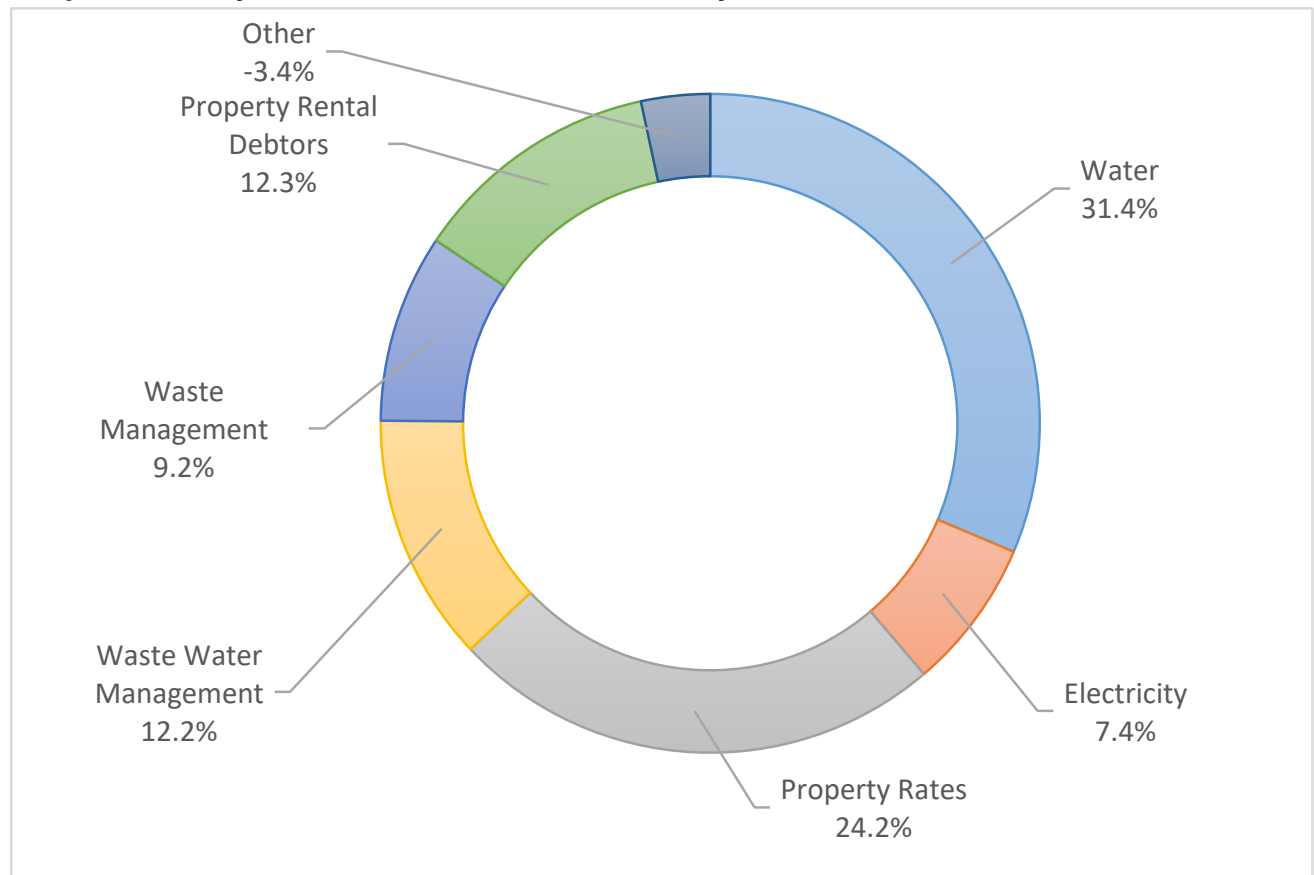
The City's creditors are paid within 30 days as stipulated in the MFMA. Outstanding creditors older than 31 days are due to incorrect vendor details, manual clearing to be processed and a system error which is to be reversed.

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 2021/22								
	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	2 228 799	28.5%	104 596	1.3%	88 080	1.1%	5 391 629	69.0%	7 813 103
2020/21 - totals only	2 372 778	24.1%	520 664	5.3%	173 746	1.8%	6 792 828	68.9%	9 860 017
Movement	(143 980)		(416 069)		(85 666)		(1 401 199)		(2 046 914)
% Increase/(Decrease) year on year		-6.1%		-79.9%		-49.3%		-20.6%	-20.76%

Graphical Analysis of debtors older than 90 days



Top 10 Commercial debtors - Age Analysis

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	365 days	>365 days	Comments
Lexshell 44 General Trading	R198 137 085.59	R19 219 902.33	R19 334 839.14	R19 614 111.35	R17 819 389.79	R16 311 061.69	R20 363 240.75	R85 525 095.54	-R50 555.00	This account belongs to the V&A Waterfront and has a valuation appeal pending finalisation. An amount of R10.9 million was paid in September 2021.
Basfour 2295 (Proprietary) Limited	R27 774 426.36	R3 390 455.37	R3 626 671.50	R3 419 050.91	R0.00	R3 838 509.45	R0.00	R13 723 739.13	-R224 000.00	This is an electricity account for the Parow Mall with an instalment plan. The client has intentions to offer full and final settlement in the near future. A payment of R4.1 million was made at the beginning of October 2021.
S A Rail Commuter Corporation	R17 220 661.77	R959 472.86	R1 072 029.89	R931 661.40	R934 272.10	R791 440.39	R989 300.49	R5 907 537.20	R5 634 947.44	PRASA has reported challenges in settling outstanding municipal accounts and is waiting on additional funding from National Treasury. The last payment of R1.7 million was made in February 2021.
UCT Graduate School of Business	R13 562 955.41	R91 063.36	R619 411.95	R615 801.95	R620 737.72	R488 855.74	R1 061 996.96	R3 051 134.11	R7 013 953.62	This account belongs to the V&A Waterfront and has a valuation appeal pending finalisation.
The Business Manager	R13 205 164.96	R588 969.70	R514 072.98	R537 695.04	R392 518.53	R456 983.07	R415 712.28	R3 038 229.08	R7 260 984.28	PRASA has reported challenges in settling outstanding municipal accounts and is waiting on additional funding from National Treasury. The last payment of R2.6 million was made in December 2020.
Mitchells Plain Foundation	R10 549 993.68	R186 329.79	R183 730.96	R176 437.85	R168 536.22	R96 859.07	R95 281.50	R606 166.56	R9 036 651.73	The last payment on the account was made in February 2020. Although the dunning level is at 6, the officials of the entity are not responding to any of the emails and calls made. This is an old age home and the services cannot be disconnected.
S A Rail Commuter Corporation	R13 044 340.10	R1 139 292.72	R1 137 582.61	R1 182 865.76	R41 106.95	R1 038 847.31	R2 203 321.36	R6 301 323.39	R0.00	PRASA has reported challenges in settling outstanding municipal accounts and is waiting on additional funding from National Treasury. The last payment of R7.5 million was made in February 2021.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	365 days	>365 days	Comments
Cape Town Community Housing	R 9 912 793.97	R 270 693.46	R 269 445.25	R 273 640.31	R 252 506.15	R 172 858.84	R 216 204.97	R 1 499 162.56	R 6 958 282.43	The property is a delayed transfer and the developer has refused to make payments until the properties are registered to the individual owners. The account was handed over for legal action on 2 October 2021.
The Silo Hotel (Pty) Ltd	R 10 236 495.53	R 488 903.74	R 58 472.17	R 864 652.19	R 53 642.44	R 368 584.44	R 800 717.92	R 7 601 522.63	R 0.00	This account belongs to the V&A Waterfront and has a valuation appeal pending finalisation.
Methodist Church	R 9 087 785.54	R 127 818.26	R 93 843.30	R 93 410.54	R 64 966.88	R 56 609.06	R 24 095.61	R 235 908.17	R 8 391 133.72	An executive decision to resolve various scenarios of transfer and ownership of the property is pending. Water readings have been estimated since September 2018.
TOTALS	R 322 731 702.91	R 26 462 901.59	R 26 910 099.75	R 27 709 327.30	R 20 347 676.78	R 23 620 609.06	R 26 169 871.84	R 127 489 818.37	R 44 021 398.22	

Top 10 Commercial debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	Security deposit	Sundries	TOTAL
Lexshell 44 General Trading	R 169.44	R 4 649 699.19	R 1 811 692.07	R 940 840.81	R 0.00	R 190 788 239.08	-R 53 555.00	R 0.00	R 198 137 085.59
Basfour 2295 (Proprietary) Limited	R 0.00	R 27 998 426.36	R 0.00	R 0.00	R 0.00	R 0.00	-R 224 000.00	R 0.00	R 27 774 426.36
S A Rail Commuter Corporation	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 17 220 661.77	R 0.00	R 0.00	R 17 220 661.77
UCT Graduate School of Business	R 11.58	R 0.00	R 0.00	R 0.00	R 0.00	R 13 562 943.83	R 0.00	R 0.00	R 13 562 955.41
The Business Manager	R 9.48	R 0.00	R 13 205 155.48	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 13 205 164.96
Mitchells Plain Foundation	R 15 579.49	R 4 842 791.85	R 2 249 065.39	R 1 615 668.31	R 352 478.76	R 1 472 187.95	R 0.00	R 2 221.93	R 10 549 993.68
S A Rail Commuter Corporation	R 0.00	R 0.00	R 0.00	R 881.57	R 0.00	R 12 936 596.08	R 0.00	R 106 862.45	R 13 044 340.10
Cape Town Community Housing	R 18.96	R 0.00	R 7 594.75	R 5 326.06	R 7 990.36	R 9 891 863.84	R 0.00	R 0.00	R 9 912 793.97
The Silo Hotel (Pty) Ltd	R 11.58	R 0.00	R 0.00	R 0.00	R 0.00	R 10 236 483.95	R 0.00	R 0.00	R 10 236 495.53
Methodist Church	R 800.17	R 0.00	R 8 995 343.74	R 91 641.63	R 0.00	R 0.00	R 0.00	R 0.00	R 9 087 785.54

Top 10 Residential debtors - Age Analysis

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	365 days	>365 days	Comments
Amakhaya Ngoku	R17 785 509.80	R284 306.74	R391 687.62	R326 963.60	R291 903.10	R242 984.77	R195 875.33	R1 680 351.94	R14 371 436.70	The City's Revenue department in consultation with the City's Human Settlements directorate and Water & Sanitation Services department is facilitating registration of this property. The dunning lock activated on 30 June 2021 is for management decision.
Ndabeni Communal Property Trust	R7 287 651.57	R110 632.03	R119 364.97	R108 727.96	R117 545.08	R82 685.56	R116 109.38	R542 708.86	R6 089 877.73	Although the account has been handed over, there is pending action and response awaited from the attorneys representing the Trustees.
Body Corp Sandpiper Mansions	R5 639 788.91	R211 262.91	R40 633.90	R40 372.65	R94 781.36	R33 471.48	R56 741.63	R319 697.91	R4 842 827.07	The client is not responding to the City's communiques. A water disconnection notice has been served. The payment of R30 000 made in August 2021 is without an agreed settlement arrangement.
Silvermist Mountain Lodge Body Corporate	R5 518 416.90	R139 161.20	R144 823.47	R121 837.68	R116 010.72	R753 729.97	R93 936.72	R650 818.24	R3 498 098.90	The client is disputing tariffs with raised billing. The Accounting Interface & Control Branch in the Revenue department is yet to respond to the alleged incorrect account reconciliation provided by the client. An amount of R29 173 was paid in September 2021.
Bangikaya Lolo	R2 733 934.56	R21 517.17	R22 144.70	R22 013.46	R21 999.04	R451.27	R1 220.23	R3 303.81	R2 641 284.88	This is a RDP property with no value but with a Water Management Device (WMD). No payment has ever been made on this account.
Xolani Tawa	R2 336 884.14	R18 564.63	R22 900.58	R21 706.34	R19 224.28	R2 889.88	R2 973.62	R12 470.97	R2 236 153.84	This is a zero-valued property with no payment history.
Sicelo Bennett Kimbili	R1 982 579.75	R25 288.48	R24 406.69	R24 208.24	R24 110.36	R8 418.72	R10 453.88	R67 787.25	R1 797 906.13	The property value is R799 000 with no payment history. The water meter has not been located despite a water restriction notification in September 2021.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	365 days	>365 days	Comments
Welgelegen Body Corporate	R1 991 821.10	R23 394.67	R23 483.73	R39 376.29	R23 616.30	R9 821.00	R9 789.91	R229 408.16	R1 632 931.04	An amount of R30 000 was paid in September 2021, however, there is no payment for settlement arrangement on this account.
Rawna Investments CC	R1 894 046.19	R153.46	R0.00	R449.35	R15 692.65	R1 855.33	R1 272.08	R30 715.53	R1 843 907.79	A payment plan arrangement is in place and R3 000 was paid in September 2021.
Rapidough Properties 560 CC	R2 092 760.94	R80 348.93	R90 970.47	R56 481.33	R0.00	R0.00	R70 370.19	R356 274.49	R1 438 315.53	There is a settlement arrangement on this account with a payment of R60 000 made at the beginning of October 2021.
TOTALS	R 49 263 393.86	R 914 630.22	R 880 416.13	R 762 136.90	R 724 882.89	R 1 136 307.98	R 558 742.97	R 3 893 537.16	R 40 392 739.61	

Top 10 Residential debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	Sundries	Security deposit	TOTAL
Amakhaya Ngoku	R 829.25	R 0.00	R 8 427 286.51	R 8 222 766.78	R 1 136 835.44	R 0.00	R 0.00	-R 2 208.18	R 17 785 509.80
Ndabeni Communal Property Trust	R 10 144.17	R 0.00	R 7 546.21	R 7 546.21	R 7 183.58	R 6 662 061.94	R 593 169.46	R 0.00	R 7 287 651.57
Body Corp Sandpiper Mansions	R 203.68	R 0.00	R 2 665 059.42	R 2 527 855.65	R 446 670.16	R 0.00	R 0.00	R 0.00	R 5 639 788.91
Silvermist Mountain Lodge Body Corporate	R 18.24	R 4 254 882.28	R 1 219 353.70	R 0.00	R 44 162.68	R 0.00	R 0.00	R 0.00	R 5 518 416.90
Bangikaya Lolo	R 684.67	R 0.00	R 2 648 147.99	R 82 050.03	R 3 051.87	R 0.00	R 0.00	R 0.00	R 2 733 934.56
Xolani Tawa	R 28.36	R 0.00	R 2 239 323.35	R 97 532.43	R 0.00	R 0.00	R 0.00	R 0.00	R 2 336 884.14
Sicelo Bennett Kimbili	R 1 674.52	R 0.00	R 1 869 232.18	R 86 091.29	R 8 064.10	R 17 517.66	R 0.00	R 0.00	R 1 982 579.75
Welgelegen Body Corporate	R 0.00	R 0.00	R 958 964.62	R 854 248.70	R 178 607.78	R 0.00	R 0.00	R 0.00	R 1 991 821.10
Rawna Investments CC	R 1 646 881.83	R 6 179.98	R 48 337.30	R 131 053.64	R 11 154.68	R 50 438.76	R 0.00	R 0.00	R 1 894 046.19
Rapidough Properties 560 CC	R 120.94	R 0.00	R 1 090 645.78	R 1 001 649.85	R 0.00	R 344.37	R 0.00	R 0.00	R 2 092 760.94

IN YEAR BUDGET STATEMENT TABLES

Budget Statement 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	2020/21	Budget Year 2021/22						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Financial Performance								
Property rates	10 275 271	10 984 132	10 984 132	2 692 747	2 746 033	(53 286)	-1.9%	10 984 132
Service charges	20 275 960	22 396 466	22 396 466	6 000 478	5 877 686	122 792	2.1%	22 738 261
Investment revenue	896 540	855 119	855 119	230 823	213 780	17 043	8.0%	855 122
Transfers and subsidies	5 793 196	5 650 364	5 694 463	1 604 988	1 767 252	(162 263)	-9.2%	5 606 530
Other own revenue	5 917 410	7 623 518	7 623 518	1 701 187	2 030 934	(329 748)	-16.2%	7 640 084
Total Revenue (excluding capital transfers and contributions)	43 158 377	47 509 600	47 553 699	12 230 222	12 635 685	(405 462)	-3.2%	47 824 130
Employee costs	15 108 022	15 612 510	15 620 752	3 298 238	3 528 303	(230 065)	-6.5%	15 464 921
Remuneration of Councillors	166 417	179 826	179 826	41 414	41 982	(568)	-1.4%	179 781
Depreciation & asset impairment	2 863 255	3 013 855	3 013 855	752 790	747 957	4 833	0.6%	2 981 584
Finance charges	831 478	794 747	794 747	185 735	183 274	2 461	1.3%	798 802
Inventory consumed and bulk purchases	11 463 610	14 886 250	14 887 823	3 190 664	3 569 469	(378 805)	-10.6%	15 192 941
Transfers and subsidies	401 555	464 263	491 970	93 085	121 371	(28 286)	-23.3%	484 157
Other expenditure	12 325 923	13 323 388	13 333 288	2 215 890	2 438 813	(222 923)	-9.1%	13 430 511
Total Expenditure	43 160 260	48 274 839	48 322 260	9 777 816	10 631 169	(853 353)	-8.0%	48 532 697
Surplus/(Deficit)	(1 883)	(765 240)	(768 561)	2 452 406	2 004 516	447 891	22.3%	(708 566)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 616 023	3 066 644	3 066 644	160 938	229 972	(69 034)	-30.0%	3 046 543
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	440 280	206 182	206 182	59 323	53 627	5 696	10.6%	249 762
Surplus/(Deficit) after capital transfers & contributions	2 054 420	2 507 586	2 504 265	2 672 667	2 288 114	384 553	16.8%	2 587 738
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	2 054 420	2 507 586	2 504 265	2 672 667	2 288 114	384 553	16.8%	2 587 738
Capital expenditure & funds sources								
Capital expenditure	6 528 474	8 314 767	8 828 682	587 834	987 919	(400 084)	-40.5%	6 382 329
Capital transfers recognised	1 676 001	3 138 842	3 138 842	169 547	231 372	(61 825)	-26.7%	1 616 638
Borrowing	(1 281)	2 500 000	2 500 000	193 654	289 987	(96 333)	-33.22%	1 984 171
Internally generated funds	4 853 753	2 675 925	3 189 840	224 633	466 559	(241 926)	-51.9%	2 781 520
Total sources of capital funds	6 528 474	8 314 767	8 828 682	587 834	987 919	(400 084)	-40.5%	6 382 329
Financial position								
Total current assets	18 044 543	16 853 068	19 620 610	18 022 451				19 620 610
Total non current assets	60 635 521	66 340 381	67 298 718	61 040 268				67 298 718
Total current liabilities	9 902 651	11 660 078	11 692 937	7 761 613				11 692 937
Total non current liabilities	13 662 335	15 486 945	15 486 945	13 539 123				15 486 945
Community wealth/Equity	55 115 078	56 046 426	59 739 446	57 761 983				59 739 446
Cash flows								
Net cash from (used) operating	6 427 873	5 769 282	5 875 539	1 796 294	1 908 011	111 717	5.9%	5 875 539
Net cash from (used) investing	(7 317 202)	(8 523 340)	(9 110 069)	(1 059 634)	(2 101 211)	(1 041 577)	49.6%	(9 110 069)
Net cash from (used) financing	(351 140)	2 145 615	2 145 615	(129 481)	(129 481)	—	—	2 145 615
Cash/cash equivalents at the month/year end	8 126 100	7 517 656	7 037 185	8 733 280	7 803 420	(929 861)	-11.9%	7 037 185
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
Debtors Age Analysis								
Total By Income Source	2 228 799	104 596	88 080	221 081	161 226	911 493	3 913 389	7 813 103
Creditors Age Analysis								
Total Creditors	16 953	739	1	—	—	—	1	17 698

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	2020/21	Budget Year 2021/22						
	Provisional Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue - Functional								
Governance and administration	16 364 564	16 555 169	16 556 815	4 477 178	4 494 518	(17 340)	-0.4%	16 544 036
Executive and council	1 307	1 325	2 971	175	81	94	116.4%	2 971
Finance and administration	16 363 257	16 553 841	16 553 841	4 477 003	4 494 436	(17 434)	-0.4%	16 541 063
Internal audit	1	3	3	0	1	(1)	-85.5%	3
Community and public safety	3 424 098	3 768 707	3 795 041	782 280	752 015	30 265	4.0%	3 439 061
Community and social services	102 164	110 743	110 743	25 133	19 063	6 070	31.8%	110 509
Sport and recreation	49 376	44 660	44 660	7 009	10 165	(3 156)	-31.0%	44 395
Public safety	1 605 703	1 662 159	1 662 159	400 815	308 409	92 406	30.0%	1 306 679
Housing	1 203 248	1 426 546	1 452 861	263 160	295 203	(32 043)	-10.9%	1 452 861
Health	463 607	524 600	524 618	86 163	119 175	(33 012)	-27.7%	524 618
Economic and environmental services	2 374 868	3 323 940	3 340 059	267 021	442 822	(175 801)	-39.7%	3 695 539
Planning and development	433 171	530 303	539 703	113 947	119 857	(5 909)	-4.9%	539 703
Road transport	1 892 477	2 742 355	2 749 075	148 674	319 785	(171 111)	-53.5%	3 104 555
Environmental protection	49 220	51 281	51 281	4 399	3 181	1 219	38.3%	51 281
Trading services	23 050 397	27 129 505	27 129 505	6 922 951	7 228 651	(305 700)	-4.2%	27 436 693
Energy sources	14 689 026	16 224 903	16 224 903	4 640 784	4 540 436	100 348	2.2%	16 604 900
Water management	4 569 126	6 907 736	6 907 736	1 309 602	1 706 246	(396 644)	-23.2%	6 884 279
Waste water management	2 086 936	2 160 243	2 160 243	466 798	447 836	18 963	4.2%	2 154 112
Waste management	1 705 309	1 836 622	1 836 622	505 766	534 134	(28 367)	-5.3%	1 793 403
Other	753	5 105	5 105	1 053	1 276	(223)	-17.5%	5 105
Total Revenue - Functional	45 214 680	50 782 426	50 826 524	12 450 483	12 919 283	(468 800)	-3.6%	51 120 435
Expenditure - Functional								
Governance and administration	9 158 064	9 828 627	9 817 241	1 983 403	2 170 874	(187 471)	-8.6%	9 824 078
Executive and council	548 399	664 033	665 732	147 770	159 513	(11 744)	-7.4%	665 732
Finance and administration	8 559 137	9 114 249	9 101 164	1 823 823	1 998 958	(175 135)	-8.8%	9 108 001
Internal audit	50 528	50 346	50 346	11 811	12 403	(592)	-4.8%	50 346
Community and public safety	8 889 478	9 036 851	9 066 743	1 767 329	1 803 667	(36 338)	-2.0%	8 371 814
Community and social services	1 026 947	970 743	971 501	207 218	211 232	(4 014)	-1.9%	970 922
Sport and recreation	1 320 836	1 159 619	1 159 955	239 507	244 751	(5 244)	-2.1%	1 159 909
Public safety	3 584 092	3 972 218	3 972 853	741 665	736 362	5 303	0.7%	3 278 554
Housing	1 457 421	1 534 627	1 560 728	266 657	300 107	(33 451)	-11.1%	1 560 728
Health	1 500 182	1 399 645	1 401 706	312 283	311 215	1 068	0.3%	1 401 701
Economic and environmental services	5 205 563	5 282 640	5 308 262	987 065	991 962	(4 897)	-0.5%	6 007 027
Planning and development	1 355 201	1 433 576	1 450 170	313 751	338 688	(24 937)	-7.4%	1 454 149
Road transport	3 615 195	3 609 570	3 615 266	630 046	606 566	23 481	3.9%	4 310 053
Environmental protection	235 167	239 495	242 825	43 268	46 708	(3 440)	-7.4%	242 825
Trading services	19 767 213	23 921 216	23 924 509	5 001 843	5 624 048	(622 204)	-11.1%	24 131 802
Energy sources	11 826 795	13 555 616	13 559 778	3 448 962	3 343 722	105 241	3.1%	13 822 681
Water management	3 332 820	5 286 244	5 293 277	611 434	1 135 979	(524 546)	-46.2%	5 285 427
Waste water management	2 161 929	2 569 535	2 561 633	455 006	575 475	(120 469)	-20.9%	2 513 873
Waste management	2 445 669	2 509 821	2 509 821	486 442	568 872	(82 430)	-14.5%	2 509 821
Other	139 942	205 505	205 505	38 175	40 618	(2 442)	-6.0%	197 977
Total Expenditure - Functional	43 160 260	48 274 839	48 322 260	9 777 816	10 631 169	(853 353)	-8.0%	48 532 697
Surplus/ (Deficit) for the year	2 054 420	2 507 586	2 504 265	2 672 667	2 288 114	384 553	16.8%	2 587 738

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	2020/21	Budget Year 2021/22						
	Provisional 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	1 220 474	1 006 695	1 006 714	207 674	239 335	(31 661)	-13.2%	1 006 714
Vote 2 - Corporate Services	57 245	90 525	90 525	11 944	16 493	(4 549)	-27.6%	90 525
Vote 3 - Economic Opportunities & Asset Managemnt	252 287	270 274	279 673	44 160	66 408	(22 248)	-33.5%	267 444
Vote 4 - Energy & Climate Change	14 477 227	15 982 719	15 982 719	4 539 820	4 439 502	100 318	2.3%	16 362 719
Vote 5 - Finance	16 823 143	17 564 399	17 564 399	5 072 101	5 081 857	(9 756)	-0.2%	17 564 399
Vote 6 - Human Settlements	1 071 885	1 165 880	1 192 195	154 483	186 575	(32 093)	-17.2%	1 192 195
Vote 7 - Office of the City Manager	153	7	7	0	2	(1)	-79.6%	7
Vote 8 - Safety & Security	1 967 579	1 717 028	1 717 028	409 025	403 644	5 381	1.3%	1 717 028
Vote 9 - Spatial Planning & Environment	187 261	235 548	235 548	45 290	37 897	7 393	19.5%	235 548
Vote 10 - Transport	1 612 651	2 700 909	2 707 628	142 639	226 706	(84 067)	-37.1%	2 707 628
Vote 11 - Urban Management	275 524	302 124	303 770	71 926	74 606	(2 679)	-3.6%	303 770
Vote 12 - Water & Waste	7 269 251	9 746 317	9 746 317	1 751 421	2 146 260	(394 838)	-18.4%	9 672 458
Total Revenue by Vote	45 214 680	50 782 426	50 826 524	12 450 483	12 919 283	(468 800)	-3.6%	51 120 435
Expenditure by Vote								
Vote 1 - Community Services & Health	4 231 746	4 203 855	4 203 870	810 563	885 887	(75 325)	-8.5%	4 203 870
Vote 2 - Corporate Services	2 568 521	2 270 723	2 270 735	462 628	485 104	(22 476)	-4.6%	2 270 723
Vote 3 - Economic Opportunities & Asset Managemnt	1 392 703	1 499 132	1 508 519	310 395	333 507	(23 112)	-6.9%	1 506 637
Vote 4 - Energy & Climate Change	12 131 526	13 841 423	13 841 423	3 497 011	3 401 047	95 963	2.8%	14 112 223
Vote 5 - Finance	3 074 201	3 222 505	3 222 505	769 772	798 704	(28 931)	-3.6%	3 222 505
Vote 6 - Human Settlements	1 469 250	1 543 675	1 569 989	269 362	302 217	(32 855)	-10.9%	1 569 989
Vote 7 - Office of the City Manager	242 392	320 619	320 619	80 449	92 358	(11 908)	-12.9%	320 619
Vote 8 - Safety & Security	4 392 221	4 611 047	4 611 046	857 513	860 875	(3 362)	-0.4%	4 611 046
Vote 9 - Spatial Planning & Environment	798 435	861 959	865 289	164 890	182 768	(17 878)	-9.8%	865 289
Vote 10 - Transport	3 205 869	3 673 960	3 680 679	618 398	603 561	14 836	2.5%	3 680 679
Vote 11 - Urban Management	1 074 188	1 080 086	1 081 732	215 987	217 992	(2 005)	-0.9%	1 081 732
Vote 12 - Water & Waste	8 579 208	11 145 854	11 145 853	1 720 848	2 467 148	(746 300)	-30.2%	11 087 385
Total Expenditure by Vote	43 160 260	48 274 839	48 322 260	9 777 816	10 631 169	(853 353)	-8.0%	48 532 697
Surplus/ (Deficit) for the year	2 054 420	2 507 586	2 504 265	2 672 667	2 288 114	384 553	16.8%	2 587 738

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

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	2020/21	Budget Year 2021/22						
	Provisional Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Property rates	10 275 271	10 984 132	10 984 132	2 692 747	2 746 033	(53 286)	-1.9%	10 984 132
Service charges - electricity revenue	14 241 794	15 734 566	15 734 566	4 489 933	4 388 979	100 954	2.3%	16 114 611
Service charges - water revenue	3 226 406	3 556 345	3 556 345	807 027	772 881	34 147	4.4%	3 556 345
Service charges - sanitation revenue	1 604 014	1 775 113	1 775 113	399 918	383 216	16 702	4.4%	1 775 113
Service charges - refuse revenue	1 203 747	1 330 442	1 330 442	303 600	332 611	(29 011)	-8.7%	1 292 192
Rental of facilities and equipment	329 574	350 647	350 647	87 586	87 662	(75)	-0.1%	346 661
Interest earned - external investments	896 540	855 119	855 119	230 823	213 780	17 043	8.0%	855 122
Interest earned - outstanding debtors	454 919	449 452	449 452	103 464	106 461	(2 997)	-2.8%	449 558
Dividends received	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 571 762	1 247 015	1 247 015	392 042	299 396	92 646	30.9%	1 274 106
Licences and permits	44 655	67 110	67 110	9 696	12 008	(2 312)	-19.3%	65 016
Agency services	270 810	261 614	261 614	67 186	60 163	7 023	11.7%	261 614
Transfers and subsidies	5 793 196	5 650 364	5 694 463	1 604 988	1 767 252	(162 263)	-9.2%	5 606 530
Other revenue	3 174 093	3 194 622	3 194 622	1 040 649	1 019 765	20 884	2.0%	3 197 320
Gains	71 597	2 053 058	2 053 058	563	445 479	(444 916)	-99.9%	2 045 810
Total Revenue (excluding capital transfers and contributions)	43 158 377	47 509 600	47 553 699	12 230 222	12 635 685	(405 462)	-3.2%	47 824 130
Expenditure By Type								
Employee related costs	15 108 022	15 612 510	15 620 752	3 298 238	3 528 303	(230 065)	-6.5%	15 464 921
Remuneration of councillors	166 417	179 826	179 826	41 414	41 982	(568)	-1.4%	179 781
Debt impairment	2 854 651	2 716 859	2 716 859	600 282	600 167	115	0.0%	2 716 859
Depreciation & asset impairment	2 863 255	3 013 855	3 013 855	752 790	747 957	4 833	0.6%	2 981 584
Finance charges	831 478	794 747	794 747	185 735	183 274	2 461	1.3%	798 802
Bulk purchases - electricity	10 130 965	11 182 400	11 182 400	2 911 800	2 780 382	131 419	4.7%	11 562 400
Inventory consumed	1 332 645	3 703 850	3 705 423	278 864	789 088	(510 224)	-64.7%	3 630 541
Contracted services	7 195 014	7 960 363	7 961 698	1 004 219	1 200 550	(196 331)	-16.4%	8 070 815
Transfers and subsidies	401 555	464 263	491 970	93 085	121 371	(28 286)	-23.3%	484 157
Other expenditure	2 179 010	2 632 043	2 640 606	608 099	634 978	(26 879)	-4.2%	2 628 506
Losses	97 246	14 124	14 124	3 290	3 117	173	5.5%	14 332
Total Expenditure	43 160 260	48 274 839	48 322 260	9 777 816	10 631 169	(853 353)	-8.0%	48 532 697
Surplus/(Deficit)	(1 883)	(765 240)	(768 561)	2 452 406	2 004 516	447 891	22.3%	(708 566)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 616 023	3 066 644	3 066 644	160 938	229 972	(69 034)	-30.0%	3 046 543
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	315 069	206 182	206 182	59 323	53 627	5 696	10.6%	249 762
Transfers and subsidies - capital (in-kind - all)	125 211	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	2 054 420	2 507 586	2 504 265	2 672 667	2 288 114			2 587 738
Taxation	–	–	–	–	–			–
Surplus/(Deficit) after taxation	2 054 420	2 507 586	2 504 265	2 672 667	2 288 114			2 587 738
Attributable to minorities	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality	2 054 420	2 507 586	2 504 265	2 672 667	2 288 114			2 587 738
Share of surplus/ (deficit) of associate	–	–	–	–	–			–
Surplus/ (Deficit) for the year	2 054 420	2 507 586	2 504 265	2 672 667	2 288 114			2 587 738

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	2020/21	Budget Year 2021/22						
	Provisional 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	294 831	299 732	323 511	20 813	40 769	(19 956)	-48.9%	313 252
Vote 2 - Corporate Services	208 287	248 768	258 834	5 835	36 099	(30 264)	-83.8%	258 190
Vote 3 - Economic Opportunities & Asset Management	320 315	215 801	247 220	17 600	14 401	3 199	22.2%	244 601
Vote 4 - Energy & Climate Change	750 278	1 014 657	1 053 511	114 026	176 050	(62 025)	-35.2%	986 588
Vote 5 - Finance	248 489	25 515	25 929	795	1 218	(422)	-34.7%	25 758
Vote 6 - Human Settlements	737 971	827 201	835 682	78 331	97 176	(18 845)	-19.4%	763 850
Vote 7 - Office of the City Manager	1 281	1 103	1 286	185	154	31	20.3%	1 251
Vote 8 - Safety & Security	367 879	258 298	273 398	16 873	28 980	(12 107)	-41.8%	275 346
Vote 9 - Spatial Planning & Environment	105 564	141 722	168 027	6 998	18 499	(11 501)	-62.2%	118 498
Vote 10 - Transport	776 446	2 191 855	2 279 172	48 649	117 689	(69 040)	-58.7%	753 095
Vote 11 - Urban Management	48 608	46 729	65 399	2 673	5 751	(3 078)	-53.5%	53 258
Vote 12 - Water & Waste	2 668 524	3 043 384	3 296 712	275 055	451 131	(176 076)	-39.0%	2 588 641
Total Capital Expenditure	6 528 474	8 314 767	8 828 682	587 834	987 919	(400 084)	-40.5%	6 382 329
Capital Expenditure - Functional Classification								
Governance and administration	996 767	893 761	998 784	74 732	136 226	(61 494)	-45.1%	983 043
Executive and council	14 904	5 052	10 865	1 004	256	748	292.3%	9 485
Finance and administration	981 766	888 469	987 680	73 728	135 970	(62 243)	-45.8%	973 319
Internal audit	98	240	240	-	-	-	-	240
Community and public safety	1 446 713	1 211 834	1 249 498	100 068	130 028	(29 960)	-23.0%	1 168 161
Community and social services	87 604	74 151	86 086	5 959	4 134	1 826	44.2%	86 066
Sport and recreation	300 069	98 585	103 385	3 989	3 616	373	10.3%	93 903
Public safety	264 183	154 854	169 009	6 298	12 818	(6 520)	-50.9%	169 007
Housing	737 971	827 201	835 682	78 331	97 176	(18 845)	-19.4%	763 850
Health	56 885	57 042	55 335	5 491	12 284	(6 793)	-55.3%	55 335
Economic and environmental services	918 709	2 367 117	2 492 400	57 025	142 179	(85 154)	-59.9%	907 788
Planning and development	77 284	89 433	109 717	3 523	9 397	(5 875)	-62.5%	86 440
Road transport	777 047	2 190 255	2 276 888	48 583	117 589	(69 007)	-58.7%	751 011
Environmental protection	64 377	87 428	105 796	4 919	15 192	(10 273)	-67.6%	70 337
Trading services	3 154 273	3 831 805	4 077 374	355 624	579 451	(223 828)	-38.6%	3 310 411
Energy sources	734 756	1 012 157	1 043 854	113 994	176 050	(62 056)	-35.2%	976 932
Water management	1 109 478	966 786	1 066 660	97 803	151 162	(53 359)	-35.3%	1 061 660
Waste water management	969 082	1 350 020	1 412 061	132 183	102 545	29 638	28.9%	974 942
Waste management	340 956	502 843	554 799	11 644	149 694	(138 050)	-92.2%	296 877
Other	12 012	10 250	10 626	385	34	351	1034.75%	12 926
Total Capital Expenditure - Functional Classification	6 528 474	8 314 767	8 828 682	587 834	987 919	(400 084)	-40.5%	6 382 329
Funded by:								
National Government	1 602 827	3 050 778	3 050 778	157 183	210 627	(53 444)	-25.4%	1 549 485
Provincial Government	13 195	15 866	15 866	1 755	615	1 140	185.3%	5 400
District Municipality	-	-	-	-	-	-	-	-
Other transfers and grants	59 979	72 198	72 198	10 610	20 131	(9 521)	-47.3%	61 753
Transfers recognised - capital	1 676 001	3 138 842	3 138 842	169 547	231 372	(61 825)	-26.7%	1 616 638
Borrowing	(1 281)	2 500 000	2 500 000	193 654	289 987	(96 333)	-33.22%	1 984 171
Internally generated funds	4 853 753	2 675 925	3 189 840	224 633	466 559	(241 926)	-51.9%	2 781 520
Total Capital Funding	6 528 474	8 314 767	8 828 682	587 834	987 919	(400 084)	-40.5%	6 382 329

Financial Position

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

Description	2020/21	Budget Year 2021/22			
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
<u>ASSETS</u>					
Current assets					
Cash	215 607	134 904	134 904	218 840	134 904
Call investment deposits	10 794 362	6 686 030	9 453 572	10 794 362	9 453 572
Consumer debtors	5 256 966	7 940 433	7 940 433	4 889 950	7 940 433
Other debtors	1 302 943	1 616 220	1 616 220	1 619 840	1 616 220
Current portion of long-term receivables	7 600	4 889	4 889	7 600	4 889
Inventory	467 065	470 592	470 592	491 860	470 592
Total current assets	18 044 543	16 853 068	19 620 610	18 022 451	19 620 610
Non current assets					
Long-term receivables	1 397	212	212	(652)	212
Investments	6 573 136	6 240 856	6 685 279	7 144 886	6 685 279
Investment property	582 962	577 820	577 820	582 962	577 820
Investments in Associate	–	–	–	–	–
Property, plant and equipment	52 770 368	58 952 744	59 508 963	52 605 412	59 508 963
Biological	–	–	–	–	–
Intangible	697 380	524 765	483 205	697 380	483 205
Other non-current assets	10 280	43 983	43 239	10 280	43 239
Total non current assets	60 635 521	66 340 381	67 298 718	61 040 268	67 298 718
TOTAL ASSETS	78 680 064	83 193 449	86 919 328	79 062 719	86 919 328
<u>LIABILITIES</u>					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	440 239	1 565 429	1 565 429	440 239	1 565 429
Consumer deposits	439 775	455 824	455 824	450 460	455 824
Trade and other payables	7 449 967	7 497 681	7 530 540	5 309 779	7 530 540
Provisions	1 572 671	2 141 143	2 141 143	1 561 134	2 141 143
Total current liabilities	9 902 651	11 660 078	11 692 937	7 761 613	11 692 937
Non current liabilities					
Borrowing	6 547 823	7 589 127	7 589 127	6 424 611	7 589 127
Provisions	7 114 512	7 897 818	7 897 818	7 114 512	7 897 818
Total non current liabilities	13 662 335	15 486 945	15 486 945	13 539 123	15 486 945
TOTAL LIABILITIES	23 564 986	27 147 023	27 179 882	21 300 736	27 179 882
NET ASSETS	55 115 078	56 046 426	59 739 446	57 761 983	59 739 446
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)	49 616 547	51 800 220	55 035 454	52 301 667	55 035 454
Reserves	5 498 532	4 246 206	4 703 992	5 460 317	4 703 992
TOTAL COMMUNITY WEALTH/EQUITY	55 115 078	56 046 426	59 739 446	57 761 983	59 739 446

Cash Flow

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

Description	2020/21	Budget Year 2021/22						
	Provisional 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	10 005 031	10 544 767	10 544 767	2 602 394	2 622 116	(19 722)	-0.8%	10 544 767
Service charges	21 101 782	21 640 699	21 640 699	5 786 750	5 496 642	290 109	5.3%	21 640 699
Other revenue	2 747 064	4 049 121	4 049 121	1 746 430	1 305 632	440 799	33.8%	4 049 121
Transfers and Subsidies - Operational	5 781 742	5 650 364	5 694 463	1 648 181	1 551 164	97 017	6.3%	5 694 463
Transfers and Subsidies - Capital	1 616 702	3 200 628	3 272 826	1 130 717	1 207 384	(76 668)	-6.3%	3 272 826
Interest	1 304 749	855 119	855 119	240 836	201 042	39 794	19.8%	855 119
Dividends	–	–	–	–	–	–	–	–
Payments								
Suppliers and employees	(35 397 699)	(39 430 834)	(39 479 110)	(11 182 001)	(10 298 997)	883 004	-8.6%	(39 479 110)
Finance charges	(731 498)	(740 582)	(702 345)	(177 014)	(176 972)	42	-0.02%	(702 345)
Transfers and Grants	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	6 427 873	5 769 282	5 875 539	1 796 294	1 908 011	111 717	5.9%	5 875 539
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	84 028	124 139	51 942	–	–	–	–	51 942
Decrease (increase) in non-current receivables	(32 484)	(751)	(751)	–	–	–	–	(751)
Decrease (increase) in non-current investments	(840 273)	(331 962)	(332 578)	–	–	–	–	(332 578)
Payments								
Capital assets	(6 528 473)	(8 314 767)	(8 828 682)	(1 059 634)	(2 101 211)	(1 041 577)	49.6%	(8 828 682)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(7 317 202)	(8 523 340)	(9 110 069)	(1 059 634)	(2 101 211)	(1 041 577)	49.6%	(9 110 069)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	2 500 000	2 500 000	–	–	–	–	2 500 000
Increase (decrease) in consumer deposits	20 354	17 110	17 110	–	–	–	–	17 110
Payments								
Repayment of borrowing	(371 494)	(371 495)	(371 495)	(129 481)	(129 481)	–	–	(371 495)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(351 140)	2 145 615	2 145 615	(129 481)	(129 481)	–	–	2 145 615
NET INCREASE/ (DECREASE) IN CASH HELD	(1 240 469)	(608 444)	(1 088 915)	607 180	(322 681)			(1 088 915)
Cash/cash equivalents at beginning:	9 366 569	8 126 100	8 126 100	8 126 100	8 126 100			8 126 100
Cash/cash equivalents at month/year end:	8 126 100	7 517 656	7 037 185	8 733 280	7 803 420			7 037 185

SUPPORTING DOCUMENTATION***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	(53 286)	-1.9%	The variance is a combination of over-/under-recovery within the following categories: 1. Property Rates (under), due to resolution of GV2018 objections and appeals. Changes in the rating category for B&Bs and guesthouses backdated to March 2020 as well as residential/business and commercial rating categories associated with a reduced rate-in-rand further contributed to the under-recovery. 2. Rates Revenue Forgone: Old Age Pension (over), due to less than anticipated pensioner rebate applications received to date.	No immediate corrective action required.
Service charges - electricity revenue	100 954	2.3%	The variance is largely due to the partial lifting of lockdown restrictions and subsequent increase in economic activities.	No immediate corrective action required.
Service charges - water revenue	34 147	4.4%	The variance is due to higher than anticipated service charges relating to water sales for bulk tariffs, domestic full and industrial. Seasonal trends are still to stabilise.	No immediate corrective action required.
Service charges - sanitation revenue	16 702	4.4%	Immaterial variance.	-
Service charges - refuse revenue	(29 011)	-8.7%	The variance is mainly on disposal coupon fees where disposal of general waste is consumption driven and is currently lower than anticipated.	No immediate corrective action required.
Rental of facilities and equipment	(75)	-0.1%	Immaterial variance.	-
Interest earned - external investments	17 043	8.0%	The variance is mainly on Interest on Short Term and Call Accounts, due to higher than expected cash and investment funds on hand.	No immediate corrective action required.
Interest earned - outstanding debtors	(2 997)	-2.8%	Immaterial variance.	-

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>				
Dividends received	–	-	-	-
Fines, penalties and forfeits	92 646	30.9%	The variance is mainly due to: 1. Higher than anticipated income received from environmental health air quality fines; and 2. More than planned traffic fines issued resulting in higher traffic fine accruals.	No immediate corrective action required.
Licences and permits	(2 312)	-19.3%	Immaterial variance	-
Agency services	7 023	11.7%	The variance is mainly due to an increase in motor vehicle registrations and license renewals, which was largely influenced by the extensions granted for license renewals.	No immediate corrective action required.
Transfers and subsidies	(162 263)	-9.18%	The variance reflects mainly in the following directorates: 1. Community Services & Health, mainly due to slower than expected implementation on some integrated recreational facilities/grant-funded projects in Belhar, Blue Ridge, Delft Enkanini, Pelican Park, Philippi and Site C; 2. Human Settlements, mainly due to outstanding invoices, and poor performance by a contractor; 3. Safety & Security, due to unprocessed recoveries relating to the LEAP project as the Transfer Payment Agreement (TPA) has not been finalised; and 4. Transport, mainly due to unfilled grant-funded vacancies, and delays in receipt of invoice from the contractor on the Automated Fare Collection project.	Outstanding invoices to be processed on receipt thereof. Period budget provisions to be reviewed and adjusted, if required. TPA to be finalised with revenue recognition to follow.
Other revenue	20 884	2.05%	Immaterial variance.	-
Gains	(444 916)	-99.87%	The variance reflects mainly on Inventory Consumed: Gains Water and Price adjustments, where actuals can only be processed in the next reporting period due to system developments. National Treasury's (NT's) requirement to reflect Bulk Water Purchases as part of the Inventory System has furthermore resulted in misalignment of actuals and budget.	Entries for Inventory Consumed: Gains Water and Price adjustments will be processed in period 4.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 1 - Community Services & Health	(31 661)	-13.2%	The variance is a combination of over-/under-recovery and reflects mainly in the following categories: 1. Rental of facilities and equipment (under), where the year-to-date demand for facility rental is less than anticipated largely due to the impact of COVID-19 lockdown restrictions. 2. Fines and Penalties (over), due to higher than anticipated income received from environmental health air quality fines. 3. Transfers and Subsidies (under), due to outstanding invoices. 4. Other Revenue (over), combination of over-/under-recovery, on: a) Admission/Entry fees and Camp/Resort fees (under), largely as a result of lockdown restrictions that impacted the utilisation of facilities; and b) Burial fees (over), due to higher demand for services linked to COVID-19 related burials. 5. Transfers and subsidies capital (under), mainly due to slower than planned implementation on some integrated recreational facilities/ grant-funded projects in Belhar, Blue Ridge, Delft Enkanini, Pelican Park, Philippi and Site C.	Outstanding invoices to be processed on receipt thereof.
Vote 2 - Corporate Services	(4 549)	-27.6%	The variance is mainly on: 1. Transfers and Subsidies, due to delays in implementation of projects; and 2. Skills Development Levy, where revenue has not been received as claims are unpredictable and difficult to plan accurately.	No immediate corrective action required.
Vote 3 - Economic Opportunities & Asset Managemnt	(22 248)	-33.5%	The under-recovery is mainly on: 1. Transfers and subsidies, where the National Skills Fund tranche payment has not yet been received as compliance checks are still underway; and 2. Gains, mainly due to lower than anticipated land sales as well as proceeds from sale of assets that must still be recognised.	Period budget provision to be reviewed and aligned with the actual revenue trend.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 4 - Energy & Climate Change	100 318	2.3%	The variance is a combination of over-/under-recovery mainly on: 1. Service Charges Electricity Revenue (over), due to the partial lifting of COVID-19 lockdown restrictions and the subsequent increase in economic activities; 2. Recoveries of Infrastructure Maintenance (under), which is dependent on customer demand for maintenance-related work; and 3. Salvaged Items (under), where less material and redundant items were salvaged and sold as a result of the COVID-19 lockdown restrictions.	No immediate corrective action required.
Vote 5 - Finance	(9 756)	-0.2%	Immaterial variance.	-
Vote 6 - Human Settlements	(32 093)	-17.2%	The under-recovery reflect against the following categories: 1. Rental of facilities and Equipment, mainly on: a) Indigent relief and Subsidies/Rebates, which is demand driven and dependent on eligibility; and b) Rental Fixed Assets: Non Market Related, due to more than planned saleable rental units transferred, vacant units to be rented out to qualifying tenants and tenants defaulting on payments as a result of prevailing economic conditions. 2. Transfers & Subsidies - Operating, due to outstanding invoices and poor contractor performance. 3. Revenue - Capital, largely on the following projects: a) Sheffield Road Housing Project, due to contractual challenges; b) Informal Settlement Upgrade - Enkanini, where the project is dependent on the construction of the Zandvliet sewerage plant, which is currently delayed; and c) Pooke se Bos Housing Project, due to delays in appointment of the contractor.	Outstanding matters are in the process of being resolved. Period budget provision to be reviewed and aligned with the actual revenue trend.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 7 - Office of the City Manager	(1)	-79.6%	Immaterial variance.	-
Vote 8 - Safety & Security	5 381	1.3%	Immaterial variance.	-
Vote 9 - Spatial Planning & Environment	7 393	19.5%	The over-recovery is mainly on Building Levies, as a result of a substantial increase in the number of building plans and land use applications submitted after the relaxation of the COVID-19 lockdown restriction levels.	No immediate corrective action required.
Vote 10 - Transport	(84 067)	-37.1%	<p>The variance is a combination of over-/under-recovery.</p> <ol style="list-style-type: none"> 1. Fines, penalties and forfeits (over), due to expired MyCiTi cards with credit balances accrued to revenue. 2. Licences and Permits: Road and Transport (under), due to fewer than planned wayleave permits issued for road trenches. 3. Transfers & Subsidises (under), mainly due to unfilled grant-funded vacancies, and outstanding invoice from the contractor on the Automated Fare Collection project. 4. Other revenue (under), mainly on: <ol style="list-style-type: none"> a) Busfares - Transit Products, due to the impact of adjusted COVID-19 restriction levels, which resulted in reduced utilisation of services on some routes, and the delayed recommencement of the N2 Express Way, which is projected to only become operational in November 2021; and b) Parking fees, due to delays in award of the new Parking management tender where request for quotations were advertised twice. 5. Revenue - Capital (under), a combination of over-/under-recovery, mainly on the following projects: <ol style="list-style-type: none"> a) Somerset West PTI (under), as the project is currently in the bid specification process; b) Road Rehabilitation - Hanover Park: Area 2 (under), where orders were only placed recently; and c) IRT Phase 2A (Orio funded) (under), as a result of delays in the award of the professional services tender. 6. Development Contribution/BICL (over), where revenue is dependent on property development applications. 	<p>Outstanding invoices will be followed up on.</p> <p>Parking fees: A new negotiated agreement commencing 1 January 2022 has been signed with the vendor.</p>

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 11 - Urban Management	(2 679)	-3.6%	Immaterial variance.	-
Vote 12 - Water & Waste	(394 838)	-18.4%	<p>The variance is a combination of over-/under-recovery on the following categories:</p> <ol style="list-style-type: none"> 1. Service charges - water revenue and sanitation revenue (over), due to higher than anticipated service charges relating to water sales for bulk tariffs, domestic full and industrial. Seasonal trends are still to stabilise. 2. Services charges - Refuse revenue (under), mainly on disposal coupon fees where disposal of general waste is consumption driven and is lower than anticipated. 3. Interest earned - outstanding debtors (under), due to the impact of Council's decision to write-off all interest on arrears up to the end of May 2021. 4. Transfers & subsidies (under), due to misalignment of the period budget provision and actual implementation of projects. 5. Gains (under), mainly on Inventory Consumed: Gains Water and Price adjustments, where actuals can only be processed in the next reporting period due to system developments. NT's requirement to reflect Bulk Water Purchases as part of the Inventory System has furthermore resulted in misalignment of actuals and budget. 6. Revenue - Capital (over): <ol style="list-style-type: none"> a) Transfers & subsidies capital: National- and Provincial Treasury, where revenue recognition took place earlier than anticipated as a result of good contractor performance on the Athlone WWTW - Capacity Extension - Phase 1 project and the Cape Flats Rehabilitation project; and b) Development Contribution/Levy & BICL, where more than anticipated development applications were received to date, which is based on consumer demand and difficult to predict. 	<p>Period budget provisions to be reviewed and aligned with the actual revenue trend, where required.</p> <p>Inventory consumed: Gains Water and Price adjustments: Entries will be processed in period 4.</p> <p>Budgetary alignments to conform to NT's requirement on Inventory consumed will be effected in the January 2022 adjustments budget.</p>

Material variance explanations for operating expenditure by vote and by type

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 1 - Community Services & Health	(75 325)	-8.5%	<p>Under expenditure reflects against the following categories:</p> <p>1. Employee related costs, due to the turnaround time of filling vacancies, vacant positions put on hold, and the delayed start of EPWP projects as a result of the delayed submissions of Project Identification Documents (PID) and challenges with identifying workers from the sub council database of registered community members.</p> <p>2. Inventory Consumed, mainly on:</p> <p>a) Materials, consumables, tools and equipment, due to lower than planned requirements for the month; and</p> <p>b) Pharmaceutical supplies, G&D Pharmaceutical supplies, G&D Vaccines, due to outstanding invoices.</p> <p>3. Contracted Services, mainly on:</p> <p>a) G&D Laboratory Services - Medical, due to outstanding invoices;</p> <p>b) Security Services: Municipal Facilities, due to less spending on security relating costs relating to land invasions;</p> <p>c) R&M Contracted Services Buildings, due to slower than expected start on maintenance programmes; and</p> <p>d) Medical Staff, due to lower than anticipated demand for Labour Broker services.</p> <p>4. Other Expenditure, mainly on:</p> <p>a) Hire charges, due to lower than expected implementation of ward allocation projects and departmental development programmes;</p> <p>b) Training, due to delayed implementation of WSP22 interventions, and the moratorium placed on non-essential training;</p> <p>c) Electricity, due to outstanding ESKOM invoices, and;</p> <p>d) Hire of LDV, where fewer community-related programmes were implemented as a result of the COVID-19 restriction levels.</p>	<p>The directorate has 234 vacancies in various stages of the recruitment and selection process; 102 posts were filled while 85 positions were terminated since the beginning of the financial year.</p> <p>Realignments/virements to be processed to address variances, where required.</p> <p>Outstanding invoices to be processed on receipt thereof.</p>
Vote 2 - Corporate Services	(22 476)	-4.6%	Immaterial variance.	<p>The directorate has 161 vacancies in various stages of the recruitment and selection process; 28 positions were filled and 19 terminations processed since the start of the financial year.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 3 - Economic Opportunities & Asset Managemnt	(23 112)	-6.9%	Immaterial variance.	The directorate has 83 vacancies in various stages of the recruitment and selection process; 18 positions were filled and 8 terminations processed since the beginning of the financial year.
Vote 4 - Energy & Climate Change	95 963	2.8%	<p>The variance is a combination of over/under expenditure.</p> <p>1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies.</p> <p>2. Bulk Purchases (over), largely due to under billing of the Eskom main account, which has now been rectified in this reporting period. There has also been an increase in purchases due to the partial lifting of COVID-19 lockdown restrictions and the subsequent economic recovery.</p> <p>3. Contracted services (under), combination of over/under expenditure, largely on:</p> <p>a) Advisory Services - Project Management (under), due to expiration of a project management tender, which is yet to be renewed, and delays in the Athlone Power Station decommissioning project as a result of a heritage site consideration appeal;</p> <p>b) R&M Electrical (under), where the Public Lighting maintenance contract is only partially in place as two of the three contracts are still to be awarded;</p> <p>c) R&M Maintenance Equipment (under), where the award of the vehicle repair and servicing tender is currently in process;</p> <p>d) Cleaning Costs (under), due to an appeal in respect of the cleaning services tender that is currently being addressed by the appeals authority; and</p> <p>e) Security Services: Municipal Facilities (over), due to an increase in theft and vandalism as well as payment of security services rendered in the previous financial year being paid in this financial year due to invoice disputes.</p>	<p>The directorate has 229 vacancies in various stages of the recruitment and selection process; 34 positions were filled and 16 terminations processed since the beginning of the financial year.</p> <p>Cash flow alignments and budget reallocation, where necessary, will take place in ensuing periods.</p>

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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 5 - Finance	(28 931)	-3.6%	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. Transfers and subsidies (under), mainly on Grants/Sponsorships, as the Cape Town Stadium entity is generating sufficient revenue to cover its operational expenditure therefore not requiring payment from the City.	The directorate has 140 vacancies in various stages of the recruitment and selection process; 20 vacancies were filled and 18 posts terminated since the start of the financial year.
Vote 6 - Human Settlements	(32 855)	-10.9%	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. Depreciation and asset impairment (under), due to delays in completion of capital infrastructure for housing developments. 3. G&D Contracted Service Building (under), due to outstanding invoices as well as poor contractor performance. 4. Transfers and Subsidies (under), due to outstanding invoices.	The directorate has 114 vacancies in various stages of the recruitment and selection process; 46 positions were filled with 5 terminations processed since the start of the financial year. Poor contractor performance is being addressed through contract management procedures. Outstanding invoices to be processed in the next reporting period. Period budget provision to be reviewed and adjusted, where so identified.

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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	(11 908)	-12.9%	<p>The variance is a combination of over/under expenditure.</p> <p>1. Employee related costs (under), combination of over/under expenditure, due to</p> <p>a) The turnaround time in filling vacancies and the impact of the internal filling of vacancies and;</p> <p>b) Higher than anticipated expenditure on Wages: Mayor's Job Creation Project, due to the budget provision for the Walk-in Bus project and the Citizens Deployment project reflecting on the incorrect element.</p> <p>2. Contracted Services - Advisory Services - Project Management (under), where expenditure for the Walk-in Bus project and Citizens Deployment project were incurred against employee related cost resulting in misalignment of the budget provision with the actual expenditure.</p> <p>3. Transfers and Subsidies - Relief and Charitable contributions (over), due to higher than planned humanitarian assistance provided from the Mayoral Special Fund.</p> <p>4. Other Expenditure (under):</p> <p>a) Uniform & Protective Clothing, due to less than planned procurement of uniforms and protective clothing to date; and</p> <p>b) Advertising - Corporate and Municipal Accounts, due to lower than planned need for advertising and media campaigns to date.</p>	<p>The directorate has 11 vacancies in various stages of the recruitment and selection process; 6 positions were filled and 2 were terminated since the start of the financial year. The filling of vacancies is an ongoing process.</p> <p>The processing of virements and review of the period budget is underway.</p>
Vote 8 - Safety & Security	(3 362)	-0.4%	Immaterial variance.	The directorate has 699 vacancies in various stages of the recruitment and selection process; 404 posts were filled while 49 posts were terminated since the beginning of the financial year.
Vote 9 - Spatial Planning & Environment	(17 878)	-9.8%	<p>The variance reflects mainly against the following categories:</p> <p>1. Employee related costs, due to the turnaround time in filling vacancies; and</p> <p>2. Contracted Services, due to outstanding invoices for security services for period 3.</p>	<p>The directorate has 78 vacancies in various stages of the recruitment and selection process; 29 posts were filled while 11 were terminated since the beginning of the financial year.</p> <p>Outstanding invoices to be processed in period 4.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 10 - Transport	14 836	2.5%	<p>The variance is a combination of under/over expenditure against the following categories:</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. Depreciation (over), due to assets being capitalised earlier than anticipated. 3. Inventory Consumed (over), mainly on: <ol style="list-style-type: none"> a) R&M Materials General & Consumables, due to road- and traffic signal maintenance being more than planned; and b) Fuel, due to fuel price increases. 4. Contracted Services (over), a combination of over/under expenditure, mainly on: <ol style="list-style-type: none"> a) R&M Maintenance of Equipment (over), due to more maintenance on the MyCiTi buses in preparation of the recommencement of the N2 Express Way route in November 2021; b) R&M Contracted Services Buildings (over), due to road- and stormwater maintenance on the road resurfacing programme being more than planned; c) Security Services - Municipal Facilities (over), due to an increased requirement for Security at PTI; and d) G&D Transportation Services People (under), due to delays in processing invoices for the MyCiTi Station Management and PTI for period 2 and 3 as the vendor changed its name resulting in the need to update the vendor database and creation of a new agreement number. 5. Other expenditure (over), mainly on Software Licences - Upgrades/Protection, due to the upgrade of the Facility Management Enterprise system at the Transport Management Centre (TMS), MyCiTi stations as well as PTI, which is crucial to passenger safety. 	<p>The directorate has 314 vacancies in various stages of the recruitment and selection process; 51 posts were filled while 20 terminations were processed since the beginning of the financial year.</p> <p>Budget realignments/virements to be processed, where identified.</p>
Vote 11 - Urban Management	(2 005)	-0.9%	Immaterial variance.	<p>The directorate has 25 vacancies in various stages of the recruitment and selection process; 7 posts were filled while 7 were terminated since the beginning of the financial year.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u> Vote 12 - Water & Waste	(746 300)	-30.2%	<p>The variance is a combination of over/under expenditure, which reflects against the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the internal filling of vacancies. 2. Finance Charges (over), where a payment was made as a result of a court order. 3. Inventory Consumed (under), a combination of over/under expenditure, mainly on: <ol style="list-style-type: none"> a) Fuel (over), due to fuel price fluctuations, and the increased utilisation of fleet to cover the required level of refuse services; b) Materials Consumables Tools & Equipment (under), where the purchase of refuse containers is lower than anticipated as fewer bins have been stolen/damaged to date; c) Inventory consumed: Bulk Water (under), due to NT's requirement to reflect Bulk Water Purchases as part of the Inventory System. System refinements have resulted in further delays in processing entries. 4. Contracted Services (under), a combination of over/under, mainly on: <ol style="list-style-type: none"> a) Waste Minimisation (over), where chipping of green waste is consumption driven and higher than anticipated at present; b) Sludge removal (under), due to a number of outstanding invoices and misalignment of the periodic planned budget with actual expenditure to date; c) Research Advisory (under), where the extension of tender 26C 2017/18 is in the process of being awarded to allow for further expenditure; d) Haulage (under), where the amount of waste being hauled from transfer stations and drop-off sites to landfill sites is lower than anticipated to date; <p><i>Continued on next page.</i></p>	<p>The directorate has 1084 vacancies in various stages of the recruitment and selection process; 181 vacancies were filled while 69 were terminated since the beginning of the financial year.</p> <p>Inventory consumed: Budgetary alignment will be effected in the January 2022 adjustments budget.</p> <p>Invoices to be processed on receipt thereof.</p> <p>Budget realignments/virements to be processed, where identified.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 12 - Water & Waste	<i>See previous page</i>	<i>See previous page</i>	<p>e) R&M Contracted Services Building (under), where savings were realised as a result of changes to the implementation of the maintenance contract for the repair of plumbing and installation of water management devices at domestic properties occupied by indigent households;</p> <p>f) R&M Contracted Services electrical (under), where the period budget provision is based on the previous financial year's periodic expenditure, however, similar expenditure trends were not experienced in the first quarter; and</p> <p>g) Sewerage Services (under), due to a number of outstanding invoices as well as misalignment of the periodic plan with actual expenditure to date. It is anticipated that the full budget provision will be spent due to additional requirements at the Zandvliet Wastewater plant.</p> <p>5. Other expenditure (over), a combination of over/under expenditure, mainly on:</p> <p>a) Hire Charges (under), due to outstanding invoices for the hiring of pumps;</p> <p>b) Hire of LDV (over), due to an increase in vehicles needed for extra drivers in Informal Settlement areas and additional vehicles needed to adhere to COVID-19 social distancing regulations when transporting staff;</p> <p>c) Rehabilitation of Landfill Sites (under), where the rehabilitation of the Radnor site and the Coastal Park landfill site is running behind schedule; and</p> <p>d) Water Resource management (over), where the water resource management charges relating to bulk purchases have been split from the other cost elements.</p> <p>6. Transfers and subsidies (under), due to delays in finalisation of the report for the alien vegetation project, which is now in the process of being approved.</p>	<i>See previous page.</i>

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City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure By Type</u>				
Employee related costs	(230 065)	-6.5%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; 3. Slower than planned implementation of job creation projects (EPWP) as a result of the delayed submission of Project Identification Documents (PID) and challenges with identifying workers from the sub council database of registered community members; and 4. Hold placed on identified vacancies.	The City had 3 172 vacancies as at 30 September 2021; 951 positions were filled (513 internal, 170 external, 268 rehire) with 322 terminations processed since the start of the financial year. Filling of vacancies is ongoing and seasonal staff are appointed as and when required. The appointment of EPWP workers through the roll-out of programmes is a continuous process.
Remuneration of councillors	(568)	-1.4%	Immaterial variance.	-
Debt impairment	115	0.0%	Immaterial variance.	-
Depreciation & asset impairment	4 833	0.6%	Immaterial variance.	-
Finance charges	2 461	1.3%	Immaterial variance.	-
Bulk purchases - electricity	131 419	4.7%	The variance is largely due to under billing of the Eskom main account, which has been rectified in this reporting period. The increase in purchases as a result of the partial lifting of COVID-19 lockdown restrictions and the subsequent economic recovery further contributed to the over expenditure.	No immediate corrective action required.
Inventory consumed	(510 224)	-64.7%	The variance is a combination of over/under expenditure. 1. Pharmaceutical supplies, G&D Pharmaceutical supplies, G&D Vaccines (under), due to outstanding invoices. 2. Fuel (Petrol, Diesel, Fuel Oil) (over), due to higher than planned demand for fuel as well as the increase in the fuel price. 3. Inventory consumed: Bulk Water (under), where actuals can only be processed in the next reporting period due to new line items required for the implementation of NT's requirement to reflect Bulk Purchases as part of the Inventory System. Further delays in processing of entries were experienced, due to additional system refinements.	Outstanding transactions and invoices will be processed in the next reporting period. The anticipated completion date for the first quarter actual entries for Bulk Water inventory is mid-October 2021. Budgetary alignment will be effected in the January 2022 adjustments budget.

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City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Contracted services	(196 331)	-16.4%	<p>The variance is a combination of over/under expenditure against the following elements:</p> <ol style="list-style-type: none"> 1. Advisory Services - Project Management (under), where expenditure for the Walk-in Bus project and Citizens Deployment project were incurred against employee-related cost resulting in misalignment of the budget provision. 2. Security Municipal Facilities (under), due to outstanding invoices, and ongoing procurement processes for the appointment of security services for land invasion. 3. R&M Contracted Services Buildings (under), due to the slower than anticipated start of maintenance programmes as well as savings realised as a result of changes to the implementation of the maintenance contract for the repair of plumbing and installation of water management devices at domestic properties occupied by indigent households. 4. Waste Minimisation (over), where chipping of green waste is consumption driven and higher than anticipated to date. 5. Sludge removal (under), due to outstanding invoices as well as misalignment of the periodic budget with actual expenditure. 6. Research Advisory (under), where the extension of tender 26C 2017/18 is still in the process of being awarded. 7. Haulage (under), as the amount of waste being hauled from transfer stations and drop-off sites to landfill sites is lower than anticipated to date. 8. R&M Contracted Services electrical (under), where the period budget provision was based on the previous financial year's periodic expenditure, although, similar expenditure trends were not experienced to date. 9. Sewerage Services (under), due to outstanding invoices as well as misalignment of the periodic plan with actual expenditure to date. The full budget provision is anticipated to be spent due to additional requirements at the Zandvliet Wastewater plant. 	<p>Realignments/virements to be processed to address variances, where required.</p> <p>Outstanding invoices to be processed on receipt thereof.</p> <p>Poor contractor performance to be addressed through contract management procedures.</p>
Transfers and subsidies	(28 286)	-23.3%	<p>The variance is largely due to:</p> <ol style="list-style-type: none"> 1. The outstanding tranche payment from the National Skills Fund as the compliance verification of the reporting requirements is still underway. 2. Less than planned grant funding paid to the Cape Town Stadium as the entity is generating sufficient revenue to cover its operational expenditure. 	No immediate corrective action required.
Other expenditure	(26 879)	-4.2%	<p>The variance is a combination of over/under expenditure.</p> <ol style="list-style-type: none"> 1. Hire charges (under), due to lower than expected implementation of ward allocation projects and departmental development programmes. 2. Training (under), due to delayed implementation of WSP22 interventions, and the moratorium placed on non-essential training. 3. Electricity (under), due to outstanding ESKOM invoices. 4. Uniform & Protective Clothing (under), due to less than planned procurement of uniforms and protective clothing to date. 5. Advertising - Corporate and Municipal Accounts (under), due to less than planned advertising and media campaigns. 6. Software Licences -Upgrades/Protection (over), due to the upgrade of the Facility Management Enterprise system at the Transport Management Centre, MyCiTi stations and Public Transport Interchanges (PTI), which is crucial for passenger safety. 	Realignments/virements to be processed to address variances, where required.
Losses	173	5.5%	Immaterial variance.	-

Material variance explanations for capital expenditure by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Capital Expenditure by Vote</u>				
Vote 1 - Community Services & Health	(19 956)	-48.9%	The negative variance reflects on the following projects/programmes: 1. Site C and Delft Integrated Recreation Facility, which was initially delayed due to inclement weather as well as community unrest, however, construction work is currently underway. 2. Blue Ridge Integrated Recreation Facility, due to land invasions, which has since been resolved. 3. Upgrade of Ravensmead swimming pool, which was delayed due to finalisation of specifications with stakeholders. 4. IT Modernisation, where appeals lodged against tender 56S/2020/21 caused initial delays on the programme.	Project managers, together with the support of the finance manager/heads, will 1. Continue to closely monitor and ensure that projects are implemented within the prescribed timelines by ensuring all payment certificates are received timeously; 2. Engage with the community in order to mitigate concerns raised; and 3. Identify challenges and process requirements, where applicable, to ensure maximum capital spend at financial year-end. Upgrade of Ravensmead swimming pool: Tenders are in place with project currently in the design phase. Tender 339Q/2018/19 will be utilised for implementation. IT Modernisation: An increase in appointment of resources is expected in ensuing months.
Vote 2 - Corporate Services	(30 264)	-83.8%	The negative variance reflects on the following projects/programmes: 1. Wayleave System, which was initially delayed due to the original tender (365C/2018/19) being put on hold. 2. ERP Business Systems FY22, which was delayed due to a change in the tender price as there was an increase in the amount of cabling required for the project. 3. Business Continuity FY22, where quotations were received, but the proposal was referred back to the supplier to appropriately address the business case to ensure value for money.	1. Tender 254C/2020/21 is being used for the Wayleave System project. Awaiting delivery of orders placed. 2. New quotes were requested from the vendor. Cash flow will be amended in the January 2022 adjustments budget. 3. The deadline set for the proposal is 15 October 2021. Project is currently in the planning phase with spending anticipated to start in October 2021.
Vote 3 - Economic Opportunities & Asset Management	3 199	22.2%	The variance is as a result of the earlier than anticipated delivery of fleet replacement, due to stock availability.	No remedial action required.

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 4 - Energy & Climate Change	(62 025)	-35.2%	The negative variance reflects mainly on the following projects/programmes: 1. SCADA Master Station Upgrade, where establishment of the project team is still taking place although the local contractor team and City team are ready to begin work. The project start-up meeting has been completed and the first invoice will be signed off at the end of October 2021. 2. System Equipment Replacement - South Area S FY22, due to planning and prioritisation taking longer than anticipated. Some projects have commenced with others to follow. 3. System Equipment Replacement - North Area N FY22, which is behind schedule as tender 218Q/2015/16 expired in September 2021. It is anticipated that the replacement tender 082Q/2020/21, currently in finalising award status, will be in place in October 2021. Some projects have commenced with others to follow. 4. HV OH Line Refurbish (structures) FY22, due to outstanding Health & Safety certificate guarantee, and insurance as well as the signed worked project document from the contractor before work can commence. 5. Resource Efficiency Municipal Building FY22, which is behind schedule due to delays in finalisation of the contract for the HVAC systems retrofit.	There are on-going engagements with project managers to ensure all orders are placed timeously, projects are implemented within the prescribed timeframes, and that corrective action is processed as and when required to ensure maximum spend.
Vote 5 - Finance	(422)	-34.7%	The negative variance reflects on the following projects/programmes: 1. IT tender 60G/2018/19, which is currently under price refresh and will only be completed by December 2021, after which the order to replace obsolete laptops will be placed. 2. System Enhancement Revenue project, which is delayed due to the late award of tender 056S/2020/21. Orders have now been placed with work commencing on 22 September 2021.	1. Departments to place orders as soon as tender refresh is approved. 2. The first invoice is expected at the end of November 2021 and will be processed once vetted.
Vote 6 - Human Settlements	(18 845)	-19.4%	The negative variance is mainly due to the following projects/programmes being behind schedule: 1. Pooke se Bos Housing project, due to the late appointment of the contractor. 2. Sheffield Road Housing project, where the MOA between the Western Cape Government (WCG) and its implementing agent, Housing Development Agency (HDA), is still being finalised. 3. Asset Upgrade - Routine Programmes, where the transversal tender is in the process of being approved.	1. Contract document signed with site handover taking place towards the end of September 2021. Construction will start once all contractual documentation have been received and approved. First invoice expected in November 2021. 2. Project manager following up on MOA. 3. Some orders have been placed, with more orders to be placed once transversal tender applications are approved.
Vote 7 - Office of the City Manager	31	20.3%	Computer and office equipment delivered earlier than anticipated, due to stock availability.	Cash flows will be adjusted in the January 2022 adjustments budget.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 8 - Safety & Security	(12 107)	-41.8%	<p>1. The following projects are behind schedule as a result of appeals lodged against tender 056S/2020/21:</p> <p>a) EPIC 1.1: Computer Aided Dispatch System;</p> <p>b) EPIC 2.1: Contravention System;</p> <p>c) EPIC 2.2: NW Community Safety System; and</p> <p>d) Specialised IT Equipment: Replacement FY22.</p> <p>2. Fire & Rescue Services Specialised Vehicles - Replacement FY22, which is behind schedule due to delays in the import of items ordered from overseas.</p>	<p>1. The appeal has been resolved and tender 056S/2020/21 is now active.</p> <p>2. Cash flow will be adjusted in the January 2022 adjustments budget as delivery of the replacement specialised vehicles could take longer than anticipated.</p>
Vote 9 - Spatial Planning & Environment	(11 501)	-62.2%	<p>The negative variance reflects on the following projects/programmes:</p> <p>1. Helderberg Nature Reserve Development, which was delayed due to inclement weather.</p> <p>2. Strand Pavilion Ablutions Upgrade, due to misaligned cash flow.</p> <p>3. The Glencairn Precinct Upgrade, where discovery of electrical cables throughout the site delayed the project.</p> <p>4. Philippi Fresh Produce Market Refurbishment project, where the appointment of service providers is delayed as a result of capacity constraints on various transversal tenders.</p>	<p>1. Consultants currently vetting invoices for processing with project anticipated to be completed by end November 2021.</p> <p>2. Practical completion expected in October 2021.</p> <p>3 & 4. Projects are closely monitored by project managers to ensure projects are within the prescribed timeframes.</p>
Vote 10 - Transport	(69 040)	-58.7%	<p>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:</p> <p>1. IRT Ph2A: Depot Building Works – Mitchells Plain and Khayelitsha (Orio funded): Construction has been delayed due to cancellation of the replacement professional services tender. The application for transversal use of framework tender 194C/2020/21 has been submitted with the S33 process to commence after BAC approval, which is anticipated to be at the end of October 2021. New professional services tender process has also commenced (DP6727).</p> <p>2. Somerset West Public Transport Interchange: The project had a late start as a result of a prolonged evaluation process. An award was made by BAC with no appeals received. The MOA between the City and the contractor is being finalised. The contractor has applied for a construction permit and wayleaves.</p> <p>3. Grassy Park Non-Motorised Transport: Cash flows misaligned, however contractor is on site and construction is progressing well. No delays reported to date.</p> <p>4. Public Transport Systems Management -Transport Intelligence: Project delayed due to delays in finalising the exact scope of work.</p>	<p>1. Orio funding will not be required in the current financial year and will be reduced to zero in the January 2022 adjustments budget.</p> <p>2. A portion of the budget will be rephased in the January 2022 adjustments budget as the full budget will not be spent in the current financial year.</p> <p>3. Budget and cash flows will be adjusted in the January 2022 adjustments budget.</p> <p>4. Solution back-end software has been installed on the server platform. Data integration is currently in progress. Business continuity infrastructure still needs to be procured. Business cases for software development still to be approved.</p>

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 11 - Urban Management	(3 078)	-53.5%	The negative variance reflects on the following projects/programmes: 1. Philippi-East Multi-Purpose Centre: Funding for this project is no longer required as the project will be transferred to the Community Services & Health directorate. 2. Nyanga Urban Node Informal Trade: Delays in accessing tender 149S/2018/19 has resulted in the late commencement of the project. Project scope, project schedule and draft project specifications to appoint the professional team to undertake contextual analysis and planning have been completed. 3. Bonteheuwel Town Centre Upgrade Building: Delays due to tender 301Q/2017/18 reaching its capacity.	There are on-going engagements with the directors and project managers to ensure all orders are placed timeously, projects are implemented within the prescribed timeframes and that corrective action is processed as and when required to ensure maximum spend. Budget and cash flows will be amended in the January 2022 adjustments budget. Bonteheuwel Town Centre Upgrade Building: Tender 301Q/2017/18 will be utilised once the tender capacity is resolved.
Vote 12 - Water & Waste	(176 076)	-39.0%	The directorate is behind planned spend for the period under review. The main reasons are listed below at departmental level.	There are on-going engagements with directors and project managers to ensure that tracking and monitoring of projects are within the prescribed timeframes and that corrective action is processed timeously to ensure maximum spend. Remedial action, where required, is indicated below.
Management: Water & Waste	–	-		-
Solid Waste Management	(146 088)	-76.9%	The negative variance reflects on the following projects/programmes: 1. Coastal Park - Design and develop (MRF): Project currently delayed as a result of negotiations on tender 301Q/2020/21 that need to be finalised before an award can be made. 2. Vissershok North - Design and develop Airspace: Current delays as a result of feedback required from the National Department of Water Services on the design submitted for the new landfill airspace. 3. New Prince George Drop-off: Construction is underway but the invoice for period 3 was received after month-end. 4. Coastal Park: LFG Infrastructure - Beneficiation: Project currently delayed as approval of the electrical earthing design is taking longer than anticipated.	1. The tenderer has submitted the revised tender schedule, which is in the process of being vetted. 2. The matter has been escalated to the Director General: Department of Water Services. 3. The project manager has asked the contractors to submit invoices on time. Outstanding invoice will be verified and processed in period 4. 4. The project manager is following up on the approval of the design, which should be obtained in October 2021.
Water & Sanitation Services	(29 989)	-11.5%	The underspend is due to: 1. Delays in uploading new contracts resulting in installation of replacement meters being behind schedule. 2. Misalignment of cash flows on various projects.	Cash flows will be adjusted in the January 2022 adjustments budget.

Material variance explanations for cash flow

Description R thousands	YTD variance R Thousands	YTD variance %	Reasons for material deviations	Remedial or corrective steps/remarks
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	(19 722)	-0.8%	Immaterial variance.	-
Service charges	290 109	5.3%	More income received than originally budgeted for.	No corrective action required.
Other revenue	440 799	33.8%	Revenue not allocated to the correct categories at the time of reporting.	Allocation will take place in ensuing periods.
Government - operating	97 017	6.3%	Transfers received not allocated between 'Government - operating' and 'Government - capital' at the time of reporting.	Allocation will take place in ensuing periods.
Government - capital	(76 668)	-6.3%	Transfers received not allocated between 'Government - operating' and 'Government - capital' at the time of reporting.	Allocation will take place in ensuing periods.
Interest	39 794	19.8%	More interest income received than originally budgeted for.	No corrective action required.
Dividends	-	-	-	-
Payments				
Suppliers and employees	883 004	-8.6%	Cash outflows took place earlier than originally budgeted for as a result of 2020/21 year-end expenditure being paid in the current financial year.	No corrective action required.
Finance charges	42	0.0%	Immaterial variance.	-
Transfers and Grants	-	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES	111 717	5.9%		
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-
Payments				
Capital assets	(1 041 577)	49.6%	Lower creditors outflow than budgeted for.	No corrective action required.
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 041 577)	49.6%		
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-	-	-
Borrowing long term/refinancing	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-
Payments				
Repayment of borrowing	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-

Material variance explanations for corporate performance for Quarter 1 of 2022

The full quarterly performance report is attached as Annexure 1. Material variance explanations for capital expenditure by vote (Indicator 5C capital spend) is reflected on page 52.

Performance indicators

Description of financial indicator	Basis of calculation	2020/21	Budget Year 2021/22			
		Provisional Outcomes	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	1.1%	2.4%	2.4%	3.2%	2.4%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	48.3%	43.9%	46.3%	41.6%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	26.2%	29.7%	27.9%	21.1%	27.9%
Gearing	Long Term Borrowing/ Funds & Reserves	119.1%	178.7%	161.3%	117.7%	161.3%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	1.82	1.45	1.68	2.32	1.68
Liquidity Ratio	Monetary Assets/Current Liabilities	1.11	0.58	0.82	1.42	0.82
<u>Revenue Management</u>						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	15.2%	20.1%	20.1%	53.3%	20.0%
<u>Other Indicators</u>						
Employee costs	Employee costs/Total Revenue - capital revenue	35.0%	32.9%	32.8%	27.0%	32.3%
Interest & Depreciation	I&D/Total Revenue - capital revenue	8.6%	8.0%	8.0%	1.5%	2.0%

Aged Creditors

Description	Budget Year 2021/22									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	16 953	739	1	5	–	–	–	1	17 698	207 904
Auditor General	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	16 953	739	1	5	–	–	–	1	17 698	207 904

Aged Debtors

Description	Budget Year 2021/22											
	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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	319 109	81 559	55 815	52 214	57 398	46 777	258 529	1 399 493	2 270 893	1 814 411	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	801 473	66 465	15 847	20 152	22 538	13 601	98 884	272 397	1 311 357	427 572	–	–
Receivables from Non-exchange Transactions - Property Rates	763 491	147 259	75 106	84 377	86 386	65 352	331 094	831 902	2 384 966	1 399 111	–	–
Receivables from Exchange Transactions - Waste Water Management	158 559	36 018	20 482	19 581	26 418	21 010	111 711	523 837	917 615	702 556	–	–
Receivables from Exchange Transactions - Waste Management	102 805	26 508	16 406	17 460	17 227	14 099	82 641	402 958	680 104	534 385	–	–
Receivables from Exchange Transactions - Property Rental Debtors	85 763	10 465	(4 815)	13 193	11 318	11 809	69 468	602 951	800 152	708 739	–	–
Interest on Arrear Debtor Accounts	72 338	39 654	28 900	206	207	227	3 805	19 224	164 560	23 669	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–	–	–	–
Other	(74 739)	(303 331)	(119 661)	(22 745)	(409)	(11 648)	(44 638)	(139 373)	(716 545)	(218 814)	–	–
Total By Income Source	2 228 799	104 596	88 080	184 440	221 081	161 226	911 493	3 913 389	7 813 103	5 391 629	–	–
2020/21 - totals only	2 372 778	520 664	173 746	300 888	304 854	217 318	1 079 294	4 890 476	9 860 017	6 792 828	–	–
Debtors Age Analysis By Customer Group												
Organs of State	79 472	(212 709)	(84 642)	10 360	12 707	4 281	18 571	(11 810)	(183 769)	34 109	–	–
Commercial	1 096 688	136 500	62 128	57 598	70 391	50 408	277 062	305 832	2 056 608	761 292	–	–
Households	1 052 282	224 794	121 017	129 847	131 318	109 152	608 694	3 315 954	5 693 058	4 294 966	–	–
Other	357	(43 990)	(10 422)	(13 366)	6 665	(2 615)	7 166	303 412	247 207	301 262	–	–
Total By Customer Group	2 228 799	104 596	88 080	184 440	221 081	161 226	911 493	3 913 389	7 813 103	5 391 629	–	–

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 R thousands	Period of Investment Days	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
ABSA Bank	77	Fixed	3.90%	2021/10/15	115 000	369	–	–	115 369
ABSA Bank	74	Fixed	3.90%	2021/10/15	70 000	224	–	–	70 224
ABSA Bank	73	Fixed	3.90%	2021/10/15	60 000	192	–	–	60 192
ABSA Bank	58	Fixed	3.85%	2021/10/01	75 000	237	–	–	75 237
ABSA Bank	57	Fixed	3.90%	2021/10/08	25 000	80	–	–	25 080
ABSA Bank	56	Fixed	3.90%	2021/10/08	10 000	32	–	–	10 032
ABSA Bank	70	Fixed	3.95%	2021/10/22	25 000	81	–	–	25 081
ABSA Bank	70	Fixed	3.95%	2021/10/22	30 000	97	–	–	30 097
ABSA Bank	70	Fixed	3.95%	2021/10/22	15 000	49	–	–	15 049
ABSA Bank	75	Fixed	3.95%	2021/10/27	20 000	65	–	–	20 065
ABSA Bank	75	Fixed	3.95%	2021/10/27	20 000	65	–	–	20 065
ABSA Bank	75	Fixed	3.95%	2021/10/27	10 000	32	–	–	10 032
ABSA Bank	75	Fixed	3.95%	2021/10/27	45 000	146	–	–	45 146
ABSA Bank	75	Fixed	3.95%	2021/10/27	20 000	65	–	–	20 065
ABSA Bank	75	Fixed	3.95%	2021/10/27	15 000	49	–	–	15 049
ABSA Bank	75	Fixed	3.95%	2021/10/27	25 000	81	–	–	25 081
ABSA Bank	73	Fixed	3.90%	2021/10/29	50 000	160	–	–	50 160
ABSA Bank	72	Fixed	3.90%	2021/10/29	25 000	80	–	–	25 080
ABSA Bank	50	Fixed	3.80%	2021/10/08	20 000	62	–	–	20 062
ABSA Bank	74	Fixed	3.90%	2021/11/05	30 000	96	–	–	30 096
ABSA Bank	80	Fixed	3.90%	2021/11/12	25 000	80	–	–	25 080
ABSA Bank	79	Fixed	3.90%	2021/11/12	25 000	80	–	–	25 080
ABSA Bank	77	Fixed	3.90%	2021/11/15	55 000	176	–	–	55 176
ABSA Bank	76	Fixed	3.90%	2021/11/15	30 000	96	–	–	30 096
ABSA Bank	75	Fixed	3.90%	2021/11/15	30 000	96	–	–	30 096
ABSA Bank	74	Fixed	3.90%	2021/11/15	50 000	155	–	–	50 155
ABSA Bank	74	Fixed	3.90%	2021/11/19	65 000	174	–	–	65 174
ABSA Bank	78	Fixed	3.90%	2021/11/26	20 000	47	–	–	20 047
ABSA Bank	74	Fixed	3.90%	2021/11/26	10 000	19	–	–	10 019
ABSA Bank	52	Fixed	3.85%	2021/11/05	20 000	36	–	–	20 036
ABSA Bank	70	Fixed	3.90%	2021/11/26	10 000	15	–	–	10 015
ABSA Bank	65	Fixed	3.85%	2021/11/26	20 000	19	–	–	20 019
ABSA Bank	64	Fixed	3.85%	2021/11/26	15 000	13	–	–	15 013
ABSA Bank	60	Fixed	3.85%	2021/11/26	25 000	11	–	–	25 011
ABSA Bank	60	Fixed	3.85%	2021/11/26	45 000	19	–	–	45 019
ABSA Bank	66	Fixed	3.85%	2021/12/03	40 000	13	–	–	40 013
ABSA Bank	65	Fixed	3.85%	2021/12/03	40 000	8	–	–	40 008
Firststrand	77	Fixed	4.12%	2021/10/15	115 000	389	–	–	115 389
Firststrand	74	Fixed	4.10%	2021/10/15	65 000	219	–	–	65 219
Firststrand	73	Fixed	4.10%	2021/10/15	60 000	202	–	–	60 202
Firststrand	58	Fixed	4.05%	2021/10/01	75 000	250	–	–	75 250
Firststrand	57	Fixed	4.04%	2021/10/08	25 000	83	–	–	25 083
Firststrand	56	Fixed	4.03%	2021/10/08	10 000	33	–	–	10 033
Firststrand	70	Fixed	4.08%	2021/10/22	10 000	34	–	–	10 034
Firststrand	70	Fixed	4.08%	2021/10/22	30 000	101	–	–	30 101
Firststrand	70	Fixed	4.08%	2021/10/22	15 000	50	–	–	15 050
Firststrand	70	Fixed	4.08%	2021/10/22	15 000	50	–	–	15 050

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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	75	Fixed	4.09%	2021/10/27	20 000	67	–	–	20 067
Firststrand	75	Fixed	4.09%	2021/10/27	45 000	151	–	–	45 151
Firststrand	75	Fixed	4.09%	2021/10/27	20 000	67	–	–	20 067
Firststrand	75	Fixed	4.09%	2021/10/27	15 000	50	–	–	15 050
Firststrand	75	Fixed	4.09%	2021/10/27	15 000	50	–	–	15 050
Firststrand	75	Fixed	4.09%	2021/10/27	25 000	84	–	–	25 084
Firststrand	73	Fixed	4.09%	2021/10/29	50 000	168	–	–	50 168
Firststrand	72	Fixed	4.09%	2021/10/29	20 000	67	–	–	20 067
Firststrand	50	Fixed	4.02%	2021/10/08	20 000	66	–	–	20 066
Firststrand	74	Fixed	4.10%	2021/11/05	65 000	219	–	–	65 219
Firststrand	80	Fixed	4.11%	2021/11/12	25 000	84	–	–	25 084
Firststrand	79	Fixed	4.11%	2021/11/12	25 000	84	–	–	25 084
Firststrand	77	Fixed	4.10%	2021/11/15	50 000	168	–	–	50 168
Firststrand	76	Fixed	4.09%	2021/11/15	30 000	101	–	–	30 101
Firststrand	76	Fixed	4.09%	2021/11/15	10 000	34	–	–	10 034
Firststrand	75	Fixed	4.09%	2021/11/15	20 000	67	–	–	20 067
Firststrand	74	Fixed	4.08%	2021/11/15	50 000	162	–	–	50 162
Firststrand	73	Fixed	4.08%	2021/11/15	30 000	94	–	–	30 094
Firststrand	73	Fixed	4.08%	2021/11/15	60 000	188	–	–	60 188
Firststrand	73	Fixed	4.08%	2021/11/15	25 000	78	–	–	25 078
Firststrand	73	Fixed	4.08%	2021/11/15	30 000	94	–	–	30 094
Firststrand	74	Fixed	4.09%	2021/11/19	80 000	224	–	–	80 224
Firststrand	78	Fixed	4.09%	2021/11/26	75 000	185	–	–	75 185
Firststrand	63	Fixed	4.05%	2021/11/12	45 000	105	–	–	45 105
Firststrand	74	Fixed	4.09%	2021/11/26	75 000	151	–	–	75 151
Firststrand	52	Fixed	4.02%	2021/11/05	30 000	56	–	–	30 056
Firststrand	70	Fixed	4.08%	2021/11/26	10 000	16	–	–	10 016
Firststrand	65	Fixed	4.09%	2021/11/26	20 000	20	–	–	20 020
Firststrand	64	Fixed	4.09%	2021/11/26	15 000	13	–	–	15 013
Firststrand	60	Fixed	4.07%	2021/11/26	35 000	16	–	–	35 016
Firststrand	66	Fixed	4.10%	2021/12/03	45 000	15	–	–	45 015
Firststrand	65	Fixed	4.09%	2021/12/03	40 000	9	–	–	40 009
Investec Bank	77	Fixed	3.90%	2021/10/15	45 000	144	–	–	45 144
Investec Bank	74	Fixed	3.85%	2021/10/15	30 000	95	–	–	30 095
Investec Bank	58	Fixed	3.85%	2021/10/01	30 000	95	–	–	30 095
Investec Bank	63	Fixed	3.75%	2021/10/08	10 000	31	–	–	10 031
Investec Bank	57	Fixed	3.80%	2021/10/08	10 000	31	–	–	10 031
Investec Bank	56	Fixed	3.78%	2021/10/08	10 000	31	–	–	10 031
Investec Bank	70	Fixed	3.83%	2021/10/22	15 000	47	–	–	15 047
Investec Bank	70	Fixed	3.83%	2021/10/22	15 000	47	–	–	15 047
Investec Bank	70	Fixed	3.83%	2021/10/22	10 000	31	–	–	10 031
Investec Bank	70	Fixed	3.83%	2021/10/22	20 000	63	–	–	20 063
Investec Bank	70	Fixed	3.83%	2021/10/22	10 000	31	–	–	10 031
Investec Bank	75	Fixed	3.85%	2021/10/27	10 000	32	–	–	10 032
Investec Bank	75	Fixed	3.85%	2021/10/27	15 000	47	–	–	15 047
Investec Bank	73	Fixed	3.85%	2021/10/29	20 000	63	–	–	20 063
Investec Bank	72	Fixed	3.85%	2021/10/29	10 000	32	–	–	10 032
Investec Bank	74	Fixed	3.85%	2021/11/05	10 000	32	–	–	10 032
Investec Bank	80	Fixed	3.85%	2021/11/12	10 000	32	–	–	10 032
Investec Bank	79	Fixed	3.85%	2021/11/12	10 000	32	–	–	10 032
Investec Bank	77	Fixed	3.85%	2021/11/15	20 000	63	–	–	20 063
Investec Bank	76	Fixed	3.85%	2021/11/15	15 000	47	–	–	15 047
Investec Bank	75	Fixed	3.85%	2021/11/15	10 000	32	–	–	10 032
Investec Bank	74	Fixed	3.85%	2021/11/15	20 000	61	–	–	20 061
Investec Bank	73	Fixed	3.85%	2021/11/15	10 000	30	–	–	10 030
Investec Bank	73	Fixed	3.85%	2021/11/15	20 000	59	–	–	20 059
Investec Bank	74	Fixed	3.85%	2021/11/19	60 000	158	–	–	60 158

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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								
Investec Bank	78	Fixed	3.85%	2021/11/26	15 000	35	–	–	15 035
Investec Bank	63	Fixed	3.80%	2021/11/12	20 000	44	–	–	20 044
Investec Bank	74	Fixed	3.83%	2021/11/26	20 000	38	–	–	20 038
Investec Bank	52	Fixed	3.75%	2021/11/05	10 000	17	–	–	10 017
Investec Bank	70	Fixed	3.80%	2021/11/26	30 000	44	–	–	30 044
Investec Bank	65	Fixed	3.75%	2021/11/26	10 000	9	–	–	10 009
Investec Bank	60	Fixed	3.75%	2021/11/26	15 000	6	–	–	15 006
Investec Bank	60	Fixed	3.75%	2021/11/26	15 000	6	–	–	15 006
Investec Bank	66	Fixed	3.80%	2021/12/03	15 000	5	–	–	15 005
Investec Bank	65	Fixed	3.75%	2021/12/03	15 000	3	–	–	15 003
Nedbank	428	Fixed	4.70%	2022/06/30	21 550	83	–	–	21 633
Nedbank	426	Fixed	4.70%	2022/06/30	165	1	–	–	166
Nedbank	426	Fixed	4.70%	2022/06/30	62 100	240	–	–	62 340
Nedbank	426	Fixed	4.70%	2022/06/30	13 900	54	–	–	13 954
Nedbank	365	Fixed	4.65%	2022/06/30	715	3	–	–	718
Nedbank	365	Fixed	4.65%	2022/06/30	590	2	–	–	592
Nedbank	365	Fixed	4.65%	2022/06/30	290	1	–	–	291
Nedbank	365	Fixed	4.65%	2022/06/30	1 479	6	–	–	1 485
Nedbank	77	Fixed	3.75%	2021/10/15	85 000	262	–	–	85 262
Nedbank	74	Fixed	3.70%	2021/10/15	75 000	228	–	–	75 228
Nedbank	73	Fixed	3.75%	2021/10/15	40 000	123	–	–	40 123
Nedbank	58	Fixed	3.70%	2021/10/01	65 000	198	–	–	65 198
Nedbank	63	Fixed	3.70%	2021/10/08	20 000	61	–	–	20 061
Nedbank	57	Fixed	3.70%	2021/10/08	20 000	61	–	–	20 061
Nedbank	70	Fixed	3.70%	2021/10/22	10 000	30	–	–	10 030
Nedbank	70	Fixed	3.70%	2021/10/22	30 000	91	–	–	30 091
Nedbank	70	Fixed	3.70%	2021/10/22	15 000	46	–	–	15 046
Nedbank	70	Fixed	3.70%	2021/10/22	15 000	46	–	–	15 046
Nedbank	75	Fixed	3.75%	2021/10/27	10 000	31	–	–	10 031
Nedbank	75	Fixed	3.75%	2021/10/27	40 000	123	–	–	40 123
Nedbank	75	Fixed	3.75%	2021/10/27	20 000	62	–	–	20 062
Nedbank	75	Fixed	3.75%	2021/10/27	10 000	31	–	–	10 031
Nedbank	75	Fixed	3.75%	2021/10/27	20 000	62	–	–	20 062
Nedbank	75	Fixed	3.75%	2021/10/27	25 000	77	–	–	25 077
Nedbank	73	Fixed	3.70%	2021/10/29	45 000	137	–	–	45 137
Nedbank	72	Fixed	3.70%	2021/10/29	20 000	61	–	–	20 061
Nedbank	50	Fixed	3.65%	2021/10/08	15 000	45	–	–	15 045
Nedbank	77	Fixed	3.75%	2021/11/05	60 000	185	–	–	60 185
Nedbank	77	Fixed	3.75%	2021/11/05	15 000	46	–	–	15 046
Nedbank	74	Fixed	3.70%	2021/11/05	95 000	289	–	–	95 289
Nedbank	80	Fixed	3.70%	2021/11/12	25 000	76	–	–	25 076
Nedbank	79	Fixed	3.70%	2021/11/12	15 000	46	–	–	15 046
Nedbank	77	Fixed	3.70%	2021/11/15	45 000	137	–	–	45 137
Nedbank	76	Fixed	3.70%	2021/11/15	25 000	76	–	–	25 076
Nedbank	75	Fixed	3.70%	2021/11/15	30 000	91	–	–	30 091
Nedbank	74	Fixed	3.70%	2021/11/15	45 000	132	–	–	45 132
Nedbank	73	Fixed	3.70%	2021/11/15	30 000	85	–	–	30 085
Nedbank	73	Fixed	3.70%	2021/11/15	20 000	57	–	–	20 057
Nedbank	74	Fixed	3.70%	2021/11/19	55 000	139	–	–	55 139
Nedbank	78	Fixed	3.70%	2021/11/26	25 000	56	–	–	25 056
Nedbank	74	Fixed	3.70%	2021/11/26	30 000	55	–	–	30 055
Nedbank	52	Fixed	3.65%	2021/11/05	20 000	34	–	–	20 034
Nedbank	70	Fixed	3.70%	2021/11/26	10 000	14	–	–	10 014
Nedbank	65	Fixed	3.70%	2021/11/26	15 000	14	–	–	15 014
Nedbank	64	Fixed	3.70%	2021/11/26	10 000	8	–	–	10 008
Nedbank	60	Fixed	3.65%	2021/11/26	15 000	6	–	–	15 006
Nedbank	60	Fixed	3.65%	2021/11/26	15 000	6	–	–	15 006
Nedbank	66	Fixed	3.70%	2021/12/03	40 000	12	–	–	40 012
Nedbank	65	Fixed	3.70%	2021/12/03	30 000	6	–	–	30 006
Standard Bank	77	Fixed	4.07%	2021/10/15	125 000	418	–	–	125 418
Standard Bank	74	Fixed	4.06%	2021/10/15	75 000	250	–	–	75 250

Table continues on next page.

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Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Variable or Fixed interest rate	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	73	Fixed	Fixed	4.07%	2021/10/15	80 000	268	–	–	80 268
Standard Bank	58	Fixed	Fixed	3.89%	2021/10/01	75 000	240	–	–	75 240
Standard Bank	63	Fixed	Fixed	3.93%	2021/10/08	20 000	65	–	–	20 065
Standard Bank	63	Fixed	Fixed	3.93%	2021/10/08	65 000	210	–	–	65 210
Standard Bank	57	Fixed	Fixed	3.83%	2021/10/08	20 000	63	–	–	20 063
Standard Bank	56	Fixed	Fixed	3.83%	2021/10/08	15 000	47	–	–	15 047
Standard Bank	70	Fixed	Fixed	3.87%	2021/10/22	50 000	159	–	–	50 159
Standard Bank	70	Fixed	Fixed	3.87%	2021/10/22	20 000	64	–	–	20 064
Standard Bank	75	Fixed	Fixed	3.89%	2021/10/27	10 000	32	–	–	10 032
Standard Bank	75	Fixed	Fixed	3.89%	2021/10/27	15 000	48	–	–	15 048
Standard Bank	75	Fixed	Fixed	3.89%	2021/10/27	15 000	48	–	–	15 048
Standard Bank	75	Fixed	Fixed	3.89%	2021/10/27	35 000	112	–	–	35 112
Standard Bank	75	Fixed	Fixed	3.89%	2021/10/27	25 000	80	–	–	25 080
Standard Bank	75	Fixed	Fixed	3.89%	2021/10/27	15 000	48	–	–	15 048
Standard Bank	75	Fixed	Fixed	3.89%	2021/10/27	25 000	80	–	–	25 080
Standard Bank	75	Fixed	Fixed	3.89%	2021/10/27	30 000	96	–	–	30 096
Standard Bank	73	Fixed	Fixed	3.88%	2021/10/29	55 000	175	–	–	55 175
Standard Bank	72	Fixed	Fixed	3.88%	2021/10/29	20 000	64	–	–	20 064
Standard Bank	50	Fixed	Fixed	3.81%	2021/10/08	20 000	63	–	–	20 063
Standard Bank	74	Fixed	Fixed	3.74%	2021/11/05	10 000	31	–	–	10 031
Standard Bank	80	Fixed	Fixed	3.76%	2021/11/12	25 000	77	–	–	25 077
Standard Bank	79	Fixed	Fixed	3.76%	2021/11/12	25 000	77	–	–	25 077
Standard Bank	77	Fixed	Fixed	3.70%	2021/11/15	55 000	167	–	–	55 167
Standard Bank	76	Fixed	Fixed	3.69%	2021/11/15	30 000	91	–	–	30 091
Standard Bank	75	Fixed	Fixed	3.69%	2021/11/15	30 000	91	–	–	30 091
Standard Bank	74	Fixed	Fixed	3.68%	2021/11/15	60 000	175	–	–	60 175
Standard Bank	74	Fixed	Fixed	3.68%	2021/11/26	30 000	54	–	–	30 054
Standard Bank	52	Fixed	Fixed	3.64%	2021/11/05	20 000	34	–	–	20 034
Standard Bank	70	Fixed	Fixed	3.69%	2021/11/26	10 000	14	–	–	10 014
Standard Bank	65	Fixed	Fixed	3.64%	2021/11/26	15 000	13	–	–	15 013
Standard Bank	64	Fixed	Fixed	3.64%	2021/11/26	15 000	12	–	–	15 012
Standard Bank	60	Fixed	Fixed	3.75%	2021/11/26	60 000	25	–	–	60 025
Standard Bank	60	Fixed	Fixed	3.75%	2021/11/26	35 000	14	–	–	35 014
Standard Bank	66	Fixed	Fixed	3.76%	2021/12/03	45 000	14	–	–	45 014
Standard Bank	65	Fixed	Fixed	3.76%	2021/12/03	40 000	8	–	–	40 008
ABSA Bank	-	Call deposit	Fixed	3.50%	-	436 246	1 323	(145 000)	170 000	462 569
Firststrand Bank	-	Call deposit	Fixed	3.35%	-	230 737	649	(165 737)	155 000	220 649
Investec Bank	-	Call deposit	Fixed	3.35%	-	125 402	352	(60 402)	60 000	125 352
Nedbank	-	Call deposit	Fixed	3.35%	-	130 519	406	(125 519)	140 000	145 406
Standard Bank	-	Call deposit	Fixed	3.50%	-	341 167	1 014	(161 167)	175 000	356 014
Nedbank current account	-	Current account	-	3.30%	-	170 738	381	–	28 840	199 959
Fund Managers	-	-	-	-	-	7 136 816	25 160	–	–	7 161 976
Liberty, RMB and Nedbank sinking fund	-	-	-	-	-	3 125 388	26 344	–	–	3 151 732
Cash in transit	-	-	-	-	-	2 834	–	–	20 538	23 372
CTICC	-	-	-	-	-	220 435	–	–	–	220 435
ABSA IRT Bank account	-	-	-	-	-	7 326	–	(12)	–	7 314
COID	-	-	-	-	-	53 247	(52)	–	–	53 196
TOTAL INVESTMENTS AND INTEREST						18 026 645	–	(657 838)	749 378	18 190 285

Transfers and grants expenditure

Description	2020/21	Budget Year 2021/22						
	Provisional 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:	4 313 068	4 239 294	4 255 413	90 237	130 538	(40 301)	-30.9%	4 255 413
Local Government Equitable Share	3 509 590	3 215 174	3 215 174	–	–	–	–	3 215 174
Finance Management grant	1 000	1 000	1 000	339	326	13	4.0%	1 000
Urban Settlements Development Grant	202 546	219 147	219 147	19 234	31 744	(12 510)	-39.4%	219 147
Energy Efficiency and Demand Side Management Grant	818	800	800	57	91	(34)	-37.0%	800
Dept. of Environ Affairs and Tourism	394	220	220	–	–	–	–	220
Expanded Public Works Programme	51 156	49 072	49 072	6 499	5 258	1 241	23.6%	49 072
Public Transport Infrastructure & Systems Grant	25 679	38 640	45 360	362	1 539	(1 177)	-76.5%	45 360
Infrastructure Skills Development	8 289	11 000	11 000	2 010	2 488	(478)	-19.2%	11 000
Public Transport Network Grant	451 468	489 103	489 103	54 940	65 639	(10 699)	-16.3%	489 103
Neighbourhood Development Partnership Grant	1 394	5 000	5 000	–	–	–	–	5 000
Informal Settlements Upgrading Partnership Grant	10 113	76 143	76 143	135	4 500	(4 365)	-97.0%	76 143
National Skills Fund	16 061	46 276	55 675	–	10 408	(10 408)	-100.0%	55 675
National Treasury General Budget Support	–	16 829	16 829	5 184	5 200	(16)	-0.3%	16 829
Integrated City Development Grant	21 014	–	–	–	–	–	–	–
Peninsula Wetlands Rehabilitation Project	994	–	–	–	–	–	–	–
Philippi Agri Hub	12 551	–	–	–	–	–	–	–
Programme And Project Preparation Support Grant	–	70 890	70 890	1 478	3 345	(1 867)	-55.8%	70 890
Provincial Government:	1 049 044	1 371 012	1 398 973	130 615	248 786	(118 171)	-47.5%	1 398 973
Cultural Affairs and Sport - Provincial Library Services	50 635	43 116	43 116	13 674	11 164	2 509	22.5%	43 116
Cultural Affairs and Sport - Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	1 073	5 338	5 338	871	76	794	1043.2%	5 338
Human Settlements - Human Settlement Development Grant	280 951	262 554	288 869	31 156	38 405	(7 249)	-18.9%	288 869
Health - TB	32 138	87 317	87 317	5 451	5 451	–	–	87 317
Health - ARV	278 156	300 230	300 230	54 720	78 811	(24 091)	-30.6%	300 230
Health - Nutrition	5 551	6 664	6 664	584	1 630	(1 046)	-64.2%	6 664
Health - Vaccines	112 115	91 661	91 661	20 021	22 915	(2 894)	-12.6%	91 661
Comprehensive Health	2 465	173 489	173 489	–	–	–	–	173 489
LEAP	256 667	350 000	350 000	2 323	86 352	(84 029)	-97.3%	350 000
Transport and Public Works - Provision for persons with special needs	10 102	10 000	10 000	–	1 500	(1 500)	-100.0%	10 000
Economic Development and Tourism: Public Access Centres TSLE	–	5 480	5 480	–	–	–	–	5 480
Community Safety - Law Enforcement Auxiliary Services	3 474	4 629	4 629	–	–	–	–	4 629
Community Development Workers	972	1 001	2 647	62	–	62	100.0%	2 647
Finance Management Capacity Building Grant	300	250	250	–	45	(45)	-100.0%	250
Transport Safety and Compliance - Rail Safety	–	19 000	19 000	–	–	–	–	19 000
Tourism Safety Law Enforcement Unit	3 521	–	–	–	–	–	–	–
Establishment and Support K9 unit	1 968	2 783	2 783	–	696	(696)	-100.0%	2 783
Municipal accreditation and capacity building grant	8 954	7 500	7 500	1 754	1 740	14	0.82%	7 500
Other grant providers:	7 414	36 625	36 643	191	1 843	(1 653)	-89.7%	36 643
CMTF	1 428	15 400	15 400	–	300	(300)	-100.0%	15 400
CID	4 933	2 052	2 052	–	513	(513)	-100.0%	2 052
Century City	–	618	618	154	154	0	–	618
Westcott Primary School - Traffic Attendant	50	43	43	11	11	–	–	43
Rustenberg Junior Girls School - Traffic Attendant	50	43	43	11	11	–	–	43
V&A Waterfront: Traffic Officer	854	–	–	–	–	–	–	–
KFW- Technical Assistance (GDB)	–	15 000	15 000	–	500	(500)	-100.0%	15 000
Orio	–	3 421	3 421	–	342	(342)	-100.0%	3 421
Forres Prep School	24	19	19	5	5	–	–	19
Regional Tourism	(30)	–	–	–	–	–	–	–
University of Connecticut	52	–	18	–	–	–	–	18
The Cape Academy for MST	54	29	29	10	7	2	33.3%	29
Total Operating Transfers and Grants	5 369 525	5 646 931	5 691 030	221 043	381 168	(160 124)	-42.01%	5 691 030

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Description	2020/21	Budget Year 2021/22						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure of Transfers and Grants								
National Government:	1 602 827	3 050 778	3 050 778	157 183	210 627	(53 444)	-25.37%	1 549 485
Minerals and Energy: Energy Efficiency and Demand Side Management Grant	8 170	9 200	9 200	2 216	2 477	(261)	-10.5%	9 200
National Treasury: Expanded Public Works Programme	1 171	700	700	96	—	96	100.0%	700
National Treasury: Informal Settlements Upgrading Partnership Grant: Municipalities	265 251	441 997	441 997	65 903	71 610	(5 707)	-8.0%	394 242
National Treasury: Infrastructure Skills Development Grant	863	1 000	1 000	—	200	(200)	-100.0%	1 000
National Treasury: Local Government Restructuring Grant	276	60	60	—	—	—	-	60
National Treasury: Neighbourhood Development Partnership Grant	11 288	45 000	45 000	156	6 590	(6 434)	-97.6%	36 304
National Treasury: Public Transport Network: Budget Facility for Infrastructure Grant	290 583	1 433 000	1 433 000	11 107	23 277	(12 171)	-52.3%	167 757
National Treasury: Urban Settlements Development Grant	747 706	753 284	753 284	68 703	68 953	(250)	-0.4%	688 759
National Treasury: Integrated City Development Grant	40 410	—	—	—	—	—	-	—
National Treasury: Municipal Disaster Recovery Grant	(30)	—	—	—	—	—	-	—
Transport: Public Transport Network Grant	237 139	366 537	366 537	9 002	37 519	(28 517)	-76.0%	251 463
Provincial Government:	13 875	15 866	15 866	1 755	615	1 140	185.30%	5 400
Cultural Affairs and Sport: Library Services: Metro Library Grant	11 404	5 400	5 400	1 755	550	1 205	219.02%	5 400
Community Safety: Amarok	679	—	—	—	—	—	-	—
Tourism Safety Law Enforcement Unit	1 312	—	—	—	—	—	-	—
Housing: Integrated Housing and Human Settlement Development Grant	478	10 466	10 466	—	65	(65)	-100.0%	—
Other grant providers:	184 510	72 198	72 198	10 610	20 131	(9 521)	-47.30%	61 753
Other: Other	184 510	72 198	72 198	10 610	20 131	(9 521)	-47.3%	61 753
Total capital expenditure of Transfers and Grants	1 801 212	3 138 842	3 138 842	169 547	231 372	(61 825)	-26.72%	1 616 638
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	7 170 737	8 785 773	8 829 872	390 591	612 540	(221 949)	-36.2%	7 307 668

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

Summary of Employee and Councillor remuneration	2020/21	Budget Year 2021/22						
	Provisional 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	143 109	154 911	154 911	35 584	35 753	(169)	-0.5%	154 911
Pension and UIF Contributions	5 175	6 358	6 358	1 205	1 589	(384)	-24.2%	6 358
Motor Vehicle Allowance	471	638	638	98	160	(61)	-38.4%	638
Cellphone Allowance	9 335	9 544	9 544	2 309	2 386	(77)	-3.2%	9 544
Other benefits and allowances	8 328	8 376	8 376	2 218	2 094	124	5.9%	8 376
Sub Total - Councillors	166 417	179 826	179 826	41 414	41 982	(568)	-1.4%	179 826
% increase		8.1%	8.1%					8.1%
<u>Senior Managers of the Municipality</u>								
Basic Salaries and Wages	27 729	30 393	30 393	5 152	6 230	(1 078)	-17.30%	30 393
Pension and UIF Contributions	925	2 901	2 901	443	725	(282)	-38.94%	2 901
Medical Aid Contributions	84	188	188	32	31	1	3.33%	188
Motor Vehicle Allowance	536	444	444	98	111	(13)	-12.06%	444
Cellphone Allowance	261	297	297	41	74	(34)	-45.12%	297
Other benefits and allowances	39	42	42	11	10	1	7.82%	42
Sub Total - Senior Managers of Municipality	29 575	34 265	34 265	5 776	7 182	(1 406)	-19.6%	34 265
% increase		15.9%	15.9%					15.9%
<u>Other Municipal Staff</u>								
Basic Salaries and Wages	9 816 836	10 836 321	10 841 149	2 255 939	2 425 531	(169 593)	-7.0%	10 836 906
Pension and UIF Contributions	1 506 502	1 836 528	1 836 556	381 943	443 117	(61 174)	-13.8%	1 836 536
Medical Aid Contributions	897 200	945 285	945 285	230 082	238 793	(8 712)	-3.6%	945 285
Overtime	942 386	838 145	837 037	153 774	135 806	17 969	13.2%	838 145
Motor Vehicle Allowance	211 641	232 146	232 198	54 759	57 161	(2 402)	-4.2%	232 146
Cellphone Allowance	36 809	32 144	32 561	8 040	8 100	(60)	-0.7%	32 144
Housing Allowances	69 198	68 776	68 776	14 605	17 402	(2 797)	-16.1%	68 776
Other benefits and allowances	323 396	319 830	322 808	87 908	86 443	1 465	1.7%	319 996
Payments in lieu of leave	203 383	95 681	96 728	33 025	23 353	9 672	41.4%	95 896
Long service awards	75 562	81 383	81 383	211	15 704	(15 493)	-98.7%	81 383
Post-retirement benefit obligations	995 534	292 006	292 006	72 176	69 709	2 466	3.54%	292 006
Sub Total - Other Municipal Staff	15 078 447	15 578 245	15 586 487	3 292 461	3 521 121	(228 660)	-6.49%	15 579 219
% increase		3.3%	3.4%					3.3%
Total Parent Municipality	15 274 440	15 792 336	15 800 578	3 339 652	3 570 285	(230 633)	-6.5%	15 793 310

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	(169)	-0.5%	Immaterial variance.	-
Pension and UIF Contributions	(384)	-24.2%	Immaterial variance.	-
Medical Aid Contributions	-	-	-	-
Motor Vehicle Allowance	(61)	-38.4%	Immaterial variance.	-
Cellphone Allowance	(77)	-3.2%	Immaterial variance.	-
Housing Allowances	-	-	-	-
Other benefits and allowances	124	5.9%	Immaterial variance.	-
<u>Senior Managers of the Municipality</u>				
Basic Salaries and Wages	(1 078)	-17.3%	The variance is mainly due to the turnaround time in filling vacancies. There is currently four senior management vacancies.	-
Pension and UIF Contributions	(282)	-38.9%	Immaterial variance.	-
Medical Aid Contributions	1	3.3%	Immaterial variance.	-
Motor Vehicle Allowance	(13)	-12.1%	Immaterial variance.	-
Cellphone Allowance	(34)	-45.1%	Immaterial variance.	-
Other benefits and allowances	1	7.8%	Immaterial variance.	-
Payments in lieu of leave	-	-	-	-
<u>Other Municipal Staff</u>				
Basic Salaries and Wages	(169 593)	-7.0%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; 3. Slower than planned implementation of job creation (EPWP) projects; and 4. The hold placed on identified vacancies in the City.	The City had 3172 vacancies as at 30 September 2021; 951 positions were filled (513 internal, 170 external, and 268 rehire) with 322 terminations processed since the start of the financial year. The filling of vacancies is ongoing and seasonal staff are appointed as and when required. The appointment of EPWP workers through the rollout of programmes as per approved Project Identification Documents (PID) is ongoing.
Pension and UIF Contributions	(61 174)	-13.8%	The variance is mainly due to the turnaround time in filling vacancies, and the internal filling of vacancies.	The filling of vacancies is ongoing.
Medical Aid Contributions	(8 712)	-3.6%	The variance is mainly due to the turnaround time in filling vacancies, and the internal filling of vacancies.	The filling of vacancies is ongoing.
Overtime	17 969	13.2%	The variance is mainly within the following directorates/departments: 1. Safety & Security directorate, due to ad-hoc traffic- and law enforcement to ensure the safety of communities including responses to land invasion, taxi violence, and looting. Overtime was also required to eradicate backlogs caused by integration issues of the recently implemented contravention system; and 2. Water & Sanitation Services department, due to emergency overtime within the Reticulation branch as a result of internal staff performing the work as the maintenance tender is not available yet.	The periodic budget provision will be reviewed and adjusted in line with actual trends.

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Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Motor Vehicle Allowance	(2 402)	-4.2%	Immaterial variance.	-
Cellphone Allowance	(60)	-0.7%	Immaterial variance.	-
Housing Allowances	(2 797)	-16.1%	The variance is mainly due to the turnaround time in filling vacancies, and the internal filling of vacancies.	The filling of vacancies is ongoing.
Other benefits and allowances	1 465	1.7%	Immaterial variance.	-
Payments in lieu of leave	9 672	41.4%	The over expenditure is due to once off payments in lieu of leave to employees who retired/resigned, which is difficult to plan accurately per monthly cycles. The portion relating to the pay-out of leave conversion of long service awards must still be reposted.	The expenditure relating to the leave pay-out of long service awards will be reposted to the correct GL account before year-end closure.
Long service awards	(15 493)	-98.7%	Payments are dependent on when qualifying employees exercise their option to convert leave days to cash, which is difficult to plan.	The balance of the budgetary provision will be transferred to the leave provision in accordance with GRAP19 as these relate to the vested leave benefits owed to employees.
Post-retirement benefit obligations	2 466	3.5%	Immaterial variance.	-

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

Description	Budget Year 2021/22												2021/22 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands															
<u>Cash Receipts By Source</u>															
Property rates	913 458	921 780	767 156	995 959	886 567	841 241	898 050	884 199	904 522	787 336	869 250	875 249	10 544 767	11 070 877	11 593 784
Service charges - electricity revenue	1 379 033	1 446 970	1 509 550	1 423 259	1 265 632	1 258 524	1 218 541	1 230 915	1 315 526	1 148 172	1 308 060	1 073 037	15 577 221	17 396 037	19 458 551
Service charges - water revenue	289 506	196 458	251 290	290 212	274 365	261 677	270 433	320 617	324 898	270 138	292 268	301 101	3 342 964	3 617 473	3 857 775
Service charges - sanitation revenue	119 655	121 315	135 714	144 222	139 252	131 785	127 343	152 543	160 914	126 635	142 864	148 614	1 650 855	1 782 663	1 907 249
Service charges - refuse	113 719	111 767	111 774	93 405	91 323	88 933	87 715	87 367	94 395	85 785	92 088	11 390	1 069 659	1 168 697	1 294 750
Rental of facilities and equipment	18 880	18 681	20 007	20 390	23 181	22 905	19 722	20 343	21 776	17 958	19 599	39 545	262 985	274 047	286 392
Interest earned - external investments	91 274	76 765	72 796	66 559	64 946	70 301	71 325	62 178	74 229	76 854	78 613	49 278	855 119	912 415	884 108
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	17 150	17 604	21 338	24 132	23 543	21 723	20 459	20 955	21 951	16 433	18 410	25 705	249 403	249 835	250 278
Licences and permits	12 420	48 664	12 179	6 762	6 837	6 429	4 407	6 189	4 711	4 453	5 125	(51 066)	67 110	70 197	73 355
Agency services	-	-	-	26 360	26 652	25 064	17 181	24 126	18 364	17 359	19 980	86 529	261 614	282 544	305 147
Transfers and Subsidies - Operational	1 509 068	139 113	97 854	106 975	679 602	1 043 017	32 017	991 532	1 268 187	11 390	8 905	(193 198)	5 694 463	5 774 670	5 357 558
Other revenue	138 238	1 343 654	77 617	16 165	58 572	935 021	57 020	18 468	990 468	5 511	11 030	(443 756)	3 208 008	3 338 795	3 362 991
Cash Receipts by Source	4 602 401	4 442 771	3 077 275	3 214 398	3 540 473	4 706 620	2 824 212	3 819 432	5 199 942	2 568 024	2 866 191	1 922 429	42 784 168	45 938 250	48 631 939
<u>Other Cash Flows by Source</u>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 032 862	-	-	182 947	280 577	230 430	85 707	290 497	691 783	25 743	6 615	445 666	3 272 826	3 101 792	3 023 885
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	51 942	51 942	54 331	56 776
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	2 500 000	2 500 000	4 500 000	7 000 000
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	17 110	17 110	19 145	20 899
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	(751)	(751)	(97)	(99)
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	(332 578)	(332 578)	633 780	909 552
Total Cash Receipts by Source	5 635 263	4 442 771	3 077 275	3 397 345	3 821 050	4 937 050	2 909 919	4 109 929	5 891 725	2 593 767	2 872 807	4 603 817	48 292 716	54 247 201	59 642 952

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Description	Budget Year 2021/22												2021/22 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands															
Cash Payments by Type															
Employee related costs	996 142	1 145 626	1 170 139	1 215 190	1 861 875	1 244 420	1 251 468	1 282 261	1 280 217	1 297 737	1 269 753	1 517 273	15 532 101	16 148 490	16 615 073
Remuneration of councillors	12 972	13 123	13 101	14 245	14 155	14 370	14 363	18 454	14 914	14 923	15 901	19 306	179 826	187 739	196 375
Interest paid	33 081	–	143 933	–	43 865	134 577	30 510	–	141 121	–	41 424	133 834	702 345	1 191 274	1 243 329
Bulk purchases - Electricity	1 123 945	1 375 670	1 499 975	931 324	816 585	968 585	751 761	792 151	761 484	789 312	749 932	621 675	11 182 400	12 669 659	14 354 724
Acquisitions - water & other inventory	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	600 039	654 165	689 576	500 917	503 097	675 961	705 692	504 416	3 132 803	7 966 666	7 586 651	7 861 893
Grants and subsidies paid - other municipalities	–	–	–	38 903	42 412	44 708	32 477	32 618	43 825	45 753	32 703	186 294	499 693	404 613	362 078
Grants and subsidies paid - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
General expenses	2 472 879	750 511	607 918	159 451	173 834	183 244	133 111	133 690	179 625	187 526	134 040	(997 404)	4 118 424	4 444 641	4 644 848
Cash Payments by Type	4 639 019	3 284 929	3 435 066	2 959 152	3 606 891	3 279 480	2 714 606	2 762 271	3 097 147	3 040 942	2 748 170	4 613 780	40 181 455	42 633 067	45 278 320
Other Cash Flows/Payments by Type															
Capital assets	608 315	179 192	272 127	452 973	566 538	815 300	305 409	417 853	641 846	623 677	849 521	3 095 930	8 828 682	9 110 548	11 476 119
Repayment of borrowing	50 000	–	79 481	–	42 933	13 333	50 000	–	79 481	–	42 933	13 333	371 495	1 674 828	2 011 495
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	5 297 334	3 464 121	3 786 674	3 412 125	4 216 363	4 108 114	3 070 015	3 180 124	3 818 474	3 664 619	3 640 625	7 723 044	49 381 632	53 418 443	58 765 934
NET INCREASE/(DECREASE) IN CASH HELD	337 929	978 650	(709 398)	(14 780)	(395 312)	828 936	(160 096)	929 804	2 073 251	(1 070 852)	(767 818)	(3 119 227)	(1 088 915)	828 758	877 018
Cash/cash equivalents at the month/year beginning:	8 126 100	8 464 029	9 442 679	8 733 280	8 718 501	8 323 188	9 152 124	8 992 028	9 921 832	11 995 083	10 924 230	10 156 412	8 126 100	7 037 185	7 865 943
Cash/cash equivalents at the month/year end:	8 464 029	9 442 679	8 733 280	8 718 501	8 323 188	9 152 124	8 992 028	9 921 832	11 995 083	10 924 230	10 156 412	7 037 185	7 037 185	7 865 943	8 742 961

Capital expenditure trend

Month	2020/21	Budget Year 2021/22						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
Monthly expenditure performance trend								
July	165 244	138 042	119 656	36 569	119 656	(83 087)	-69.4%	0.4%
August	465 478	272 138	311 865	256 369	431 522	175 153	40.6%	3.1%
September	526 381	413 626	556 397	587 834	987 919	400 084	40.5%	7.1%
October	526 124	514 542	585 811	-	1 573 729	-	-	-
November	597 685	539 338	545 367	-	2 119 097	-	-	-
December	626 979	440 569	509 953	-	2 629 050	-	-	-
January	161 229	265 378	307 392	-	2 936 442	-	-	-
February	404 334	538 927	588 291	-	3 524 733	-	-	-
March	561 530	650 180	732 551	-	4 257 284	-	-	-
April	467 049	606 381	659 826	-	4 917 110	-	-	-
May	533 478	726 125	863 950	-	5 781 060	-	-	-
June	1 492 962	3 209 522	3 047 621	-	8 828 682	-	-	-
Total Capital expenditure	6 528 474	8 314 767	8 828 682					

Capital expenditure on new assets by asset class

Description	2020/21	Budget Year 2021/22						
	Provisional 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	2 140 441	3 470 297	3 522 495	177 043	378 932	(201 889)	-53.3%	1 904 325
Roads Infrastructure	487 592	1 842 348	1 810 528	30 713	70 466	(39 753)	-56.4%	456 389
Roads	487 592	1 841 149	1 803 845	30 713	69 466	(38 753)	-55.8%	449 706
Road Structures	–	1 199	6 683	–	1 000	(1 000)	-100.0%	6 683
Storm water Infrastructure	113 152	150 473	127 743	5 609	15 988	(10 379)	-64.9%	112 773
Drainage Collection	113 152	150 473	127 743	5 609	15 988	(10 379)	-64.9%	112 773
Electrical Infrastructure	398 082	317 389	332 370	53 724	59 589	(5 865)	-9.8%	325 151
HV Substations	342 824	266 925	281 905	52 125	53 014	(888)	-1.7%	274 686
LV Networks	55 258	50 465	50 465	1 599	6 576	(4 977)	-75.7%	50 465
Water Supply Infrastructure	634 995	446 177	488 379	70 674	85 174	(14 500)	-17.0%	474 398
Reservoirs	416 227	236 676	296 096	54 578	58 500	(3 922)	-6.7%	296 096
Bulk Mains	46 459	46 000	41 700	842	7 069	(6 227)	-88.1%	41 700
Distribution	172 310	163 501	150 583	15 254	19 605	(4 351)	-22.2%	136 602
Sanitation Infrastructure	260 175	276 400	289 573	7 921	28 205	(20 284)	-71.9%	280 592
Reticulation	99 197	119 781	105 404	3 948	12 905	(8 957)	-69.4%	96 422
Waste Water Treatment Works	160 978	156 619	184 170	3 973	15 300	(11 327)	-74.0%	184 170
Solid Waste Infrastructure	213 265	376 760	419 474	6 544	116 199	(109 656)	-94.4%	202 626
Landfill Sites	213 265	376 760	419 474	6 544	116 199	(109 656)	-94.4%	202 626
Coastal Infrastructure	305	2 000	2 031	–	–	–	–	–
Promenades	305	2 000	2 031	–	–	–	–	–
Information and Communication Infrastructure	32 875	58 749	52 397	1 857	3 310	(1 453)	-43.9%	52 397
Data Centres	34 115	48 379	43 355	1 556	3 177	(1 621)	-51.0%	43 355
Core Layers	(1 240)	7 870	6 542	301	133	168	126.0%	6 542
Distribution Layers	–	2 500	2 500	–	–	–	–	2 500
Community Assets	224 753	256 504	267 548	9 141	39 396	(30 255)	-76.8%	207 753
Community Facilities	223 987	252 504	262 548	9 141	39 396	(30 255)	-76.8%	207 753
Halls	53	100	158	44	–	44	100.0%	158
Centres	–	2	1 041	–	–	–	–	1 041
Clinics/Care Centres	19 212	21 259	19 308	3 505	4 194	(689)	-16.4%	19 308
Fire/Ambulance Stations	210	4 000	4 000	–	–	–	–	4 000
Theatres	56	–	12	12	12	–	–	12
Libraries	–	10 141	10 141	2 601	2 344	256	10.9%	10 121
Cemeteries/Crematoria	2 876	–	–	–	–	–	–	–
Public Open Space	232	–	6	–	–	–	–	6
Nature Reserves	15 448	14 302	22 954	1 744	7 295	(5 551)	-76.1%	22 954
Markets	219	1 150	1 704	–	100	(100)	-100.0%	1 454
Taxi Ranks/Bus Terminals	185 680	201 550	203 223	1 236	25 451	(24 215)	-95.1%	148 698
Sport and Recreation Facilities	767	4 000	5 000	–	–	–	–	–
Outdoor Facilities	767	4 000	5 000	–	–	–	–	–
Heritage assets	12	–	–	–	–	–	–	–
Other Heritage	12	–	–	–	–	–	–	–
Other assets	97 990	110 371	129 647	5 168	6 132	(964)	-15.7%	112 268
Operational Buildings	81 135	98 805	118 081	5 168	5 967	(799)	-13.4%	112 268
Municipal Offices	65 988	87 805	99 924	5 137	3 967	1 169	29.5%	95 112
Workshops	15 147	11 000	18 157	32	2 000	(1 969)	-98.4%	17 157
Housing	16 855	11 566	11 566	–	165	(165)	-100.0%	–
Social Housing	16 855	11 566	11 566	–	165	(165)	-100.0%	–
Intangible Assets	15 940	22 648	22 749	91	912	(821)	-90.0%	25 049
Licences and Rights	15 940	22 648	22 749	91	912	(821)	-90.0%	25 049
Computer Software and Applications	15 940	22 648	22 749	91	912	(821)	-90.0%	25 049
Computer Equipment	131 350	91 445	98 211	4 772	6 711	(1 939)	-28.9%	97 117
Computer Equipment	131 350	91 445	98 211	4 772	6 711	(1 939)	-28.9%	97 117
Furniture and Office Equipment	42 775	25 855	28 135	872	2 580	(1 708)	-66.20%	27 905
Furniture and Office Equipment	42 775	25 855	28 135	872	2 580	(1 708)	-66.20%	27 905
Machinery and Equipment	169 036	158 138	166 858	5 272	17 794	(12 521)	-70.4%	164 188
Machinery and Equipment	169 036	158 138	166 858	5 272	17 794	(12 521)	-70.4%	164 188
Transport Assets	88 670	42 600	45 907	277	2 558	(2 282)	-89.18%	45 907
Transport Assets	88 670	42 600	45 907	277	2 558	(2 282)	-89.18%	45 907
Land	7 896	21 000	129 973	7 271	7 271	–	–	129 973
Land	7 896	21 000	129 973	7 271	7 271	–	–	129 973
Total Capital Expenditure on new assets	2 918 863	4 198 858	4 411 522	209 908	462 287	(252 379)	-54.6%	2 714 484

Capital expenditure on renewal of existing assets by asset class

Description	2020/21	Budget Year 2021/22						
	Provisional 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	923 675	1 275 699	1 320 332	118 419	166 824	(48 406)	-29.0%	1 249 091
Roads Infrastructure	101 807	178 832	196 575	14 003	17 600	(3 597)	-20.4%	141 952
Roads	98 331	170 698	187 416	9 142	15 200	(6 058)	-39.9%	132 794
Road Structures	3 476	8 134	9 158	4 861	2 400	2 461	102.6%	9 158
Storm water Infrastructure	15 931	2 910	7 248	2 733	2 233	499	22.4%	7 031
Drainage Collection	15 931	2 910	7 248	2 733	2 233	499	22.4%	7 031
Electrical Infrastructure	252 917	434 796	446 808	52 607	82 209	(29 602)	-36.0%	441 121
HV Substations	58 792	106 948	123 960	8 331	20 068	(11 737)	-58.5%	118 273
MV Substations	26 986	44 000	44 000	1 715	4 500	(2 785)	-61.9%	44 000
MV Networks	129 873	209 848	204 848	24 203	44 182	(19 979)	-45.2%	204 848
LV Networks	37 266	74 000	74 000	18 358	13 459	4 899	36.4%	74 000
Water Supply Infrastructure	272 484	369 820	372 602	17 845	48 000	(30 155)	-62.8%	372 602
Reservoirs	–	–	–	–	–	–	–	–
Bulk Mains	88 217	80 000	80 000	5 015	11 000	(5 985)	-54.4%	80 000
Distribution	184 267	289 820	292 602	12 830	37 000	(24 170)	-65.3%	292 602
Sanitation Infrastructure	275 318	282 966	292 605	30 998	16 022	14 975	93.5%	281 891
Pump Station	37 820	27 200	28 559	1 084	2 000	(916)	-45.8%	28 559
Reticulation	87 142	216 930	95 839	6 554	13 600	(7 046)	-51.8%	95 839
Waste Water Treatment Works	67 706	38 836	38 875	5 030	–	5 030	100.0%	38 875
Outfall Sewers	82 650	–	129 332	18 329	422	17 906	4238.4%	118 618
Information and Communication Infrastructure	5 218	6 375	4 495	234	759	(526)	-69.3%	4 495
Data Centres	1 216	5 000	2 648	206	450	(244)	-54.2%	2 648
Core Layers	4 002	1 375	1 847	27	309	(282)	-91.1%	1 847
Community Assets	36 990	28 700	33 775	126	1 837	(1 712)	-93.2%	32 062
Community Facilities	33 107	22 200	27 275	126	1 837	(1 712)	-93.2%	25 562
Halls	916	7 000	10 852	–	–	–	–	10 852
Centres	–	–	74	–	–	–	–	74
Clinics/Care Centres	652	–	–	–	–	–	–	–
Public Open Space	788	500	586	59	36	23	64.5%	586
Markets	6 392	10 700	10 700	42	1 300	(1 258)	-96.7%	10 700
Taxi Ranks/Bus Terminals	24 359	4 000	5 063	25	501	(477)	-95.1%	3 350
Sport and Recreation Facilities	3 883	6 500	6 500	–	–	–	–	6 500
Outdoor Facilities	3 883	6 500	6 500	–	–	–	–	6 500
Heritage assets	597	744	905	105	161	(56)	-34.94%	905
Monuments	597	744	905	105	161	(56)	-34.94%	905
Other assets	125 389	87 401	99 287	4 454	16 510	(12 055)	-73.0%	96 062
Operational Buildings	17 523	30 272	34 627	2 550	4 401	(1 851)	-42.1%	31 403
Municipal Offices	15 825	28 072	32 432	2 691	4 401	(1 710)	-38.8%	29 208
Workshops	1 482	1 900	1 900	–	–	–	–	1 900
Laboratories	215	300	295	(141)	–	(141)	-100.0%	295
Housing	107 866	57 129	64 659	1 904	12 109	(10 205)	-84.3%	64 659
Social Housing	107 866	57 129	64 659	1 904	12 109	(10 205)	-84.3%	64 659
Intangible Assets	9 106	12 000	12 158	27	5 038	(5 011)	-99.5%	12 158
Licences and Rights	9 106	12 000	12 158	27	5 038	(5 011)	-99.5%	12 158
Computer Software and Applications	9 106	12 000	12 158	27	5 038	(5 011)	-99.5%	12 158
Computer Equipment	133 748	62 803	69 326	4 806	23 738	(18 933)	-79.8%	68 452
Computer Equipment	133 748	62 803	69 326	4 806	23 738	(18 933)	-79.8%	68 452
Furniture and Office Equipment	4 982	9 645	9 524	657	1 398	(741)	-53.0%	6 531
Furniture and Office Equipment	4 982	9 645	9 524	657	1 398	(741)	-53.0%	6 531
Machinery and Equipment	29 992	96 117	116 043	11 302	12 272	(970)	-7.9%	106 790
Machinery and Equipment	29 992	96 117	116 043	11 302	12 272	(970)	-7.9%	106 790
Transport Assets	557 974	363 793	402 352	48 716	53 127	(4 412)	-8.3%	402 352
Transport Assets	557 974	363 793	402 352	48 716	53 127	(4 412)	-8.3%	402 352
Total Capital Expenditure on renewal of existing assets	1 822 452	1 936 901	2 063 703	188 611	280 906	(92 295)	-32.9%	1 974 403

Capital expenditure on upgrading of existing assets by asset class

Description R thousands	2020/21	Budget Year 2021/22						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class								
Infrastructure	975 921	1 582 620	1 682 899	162 102	152 661	9 441	6.2%	1 100 720
Roads Infrastructure	137 324	209 528	241 262	23 679	22 808	871	3.8%	184 374
Roads	125 882	183 087	210 429	21 742	18 674	3 068	16.4%	153 541
Road Structures	10 049	21 541	25 676	678	4 134	(3 456)	-83.6%	25 676
Road Furniture	1 393	4 900	5 157	1 259	–	1 259	100.0%	5 157
Storm water Infrastructure	28 472	138 282	118 799	10 484	5 017	5 466	108.9%	84 514
Drainage Collection	28 472	138 282	118 799	10 484	5 017	5 466	108.9%	84 514
Electrical Infrastructure	5 463	124 430	125 011	2 209	19 900	(17 691)	-88.9%	73 011
HV Substations	5 463	124 430	125 011	2 209	19 900	(17 691)	-88.9%	73 011
Water Supply Infrastructure	56 243	51 972	75 904	15 824	12 323	3 501	28.4%	75 904
Reservoirs	4 518	3 000	22 632	–	4 300	(4 300)	-100.0%	22 632
Distribution	51 725	48 972	53 272	15 824	8 023	7 801	97.2%	53 272
Sanitation Infrastructure	681 675	898 995	949 041	106 988	77 697	29 292	37.7%	557 687
Reticulation	16 353	20 672	20 672	6 290	1 680	4 610	274.4%	20 672
Waste Water Treatment Works	665 323	877 672	927 718	100 698	76 017	24 682	32.5%	536 364
Outfall Sewers	–	651	651	–	–	–	-	651
Solid Waste Infrastructure	46 392	50 949	64 298	534	7 460	(6 926)	-92.8%	43 568
Landfill Sites	46 392	50 949	64 298	534	7 460	(6 926)	-92.8%	43 568
Coastal Infrastructure	6 857	42 421	44 527	1 989	3 393	(1 404)	-41.4%	17 606
Promenades	6 857	42 421	44 527	1 989	3 393	(1 404)	-41.4%	17 606
Information and Communication Infrastructure	13 493	66 043	64 056	393	4 063	(3 669)	-90.3%	64 056
Data Centres	6 132	50 286	42 550	309	496	(187)	-37.8%	42 550
Core Layers	7 361	15 757	21 506	85	3 567	(3 482)	-97.6%	21 506
Community Assets	488 272	271 600	299 217	13 849	37 235	(23 387)	-62.8%	266 449
Community Facilities	188 430	196 835	217 546	11 829	33 000	(21 171)	-64.2%	185 140
Halls	11 960	15 575	19 471	205	508	(303)	-59.7%	19 771
Centres	12 850	7 711	9 785	–	125	(125)	-100.0%	9 785
Clinics/Care Centres	43 920	35 000	35 598	1 953	7 498	(5 545)	-74.0%	35 598
Fire/Ambulance Stations	1 837	–	–	–	–	–	-	–
Museums	2 391	7 000	7 579	–	–	–	-	7 579
Theatres	40	–	–	–	–	–	-	–
Libraries	6 974	1 082	1 082	194	–	194	100.0%	1 082
Cemeteries/Crematoria	8 508	7 200	8 868	133	1 132	(999)	-88.2%	8 868
Public Open Space	57 031	60 910	63 900	5 298	13 697	(8 399)	-61.3%	60 837
Nature Reserves	2 254	6 176	7 456	150	910	(760)	-83.5%	9 645
Public Ablution Facilities	489	–	2 541	511	2 442	(1 931)	-79.08%	2 541
Taxi Ranks/Bus Terminals	40 176	56 180	61 266	3 386	6 689	(3 303)	-49.4%	29 434
Sport and Recreation Facilities	299 842	74 766	81 671	2 020	4 236	(2 216)	-52.3%	81 309
Indoor Facilities	19 086	15 900	16 037	1 686	707	979	138.5%	20 737
Outdoor Facilities	280 756	58 866	65 634	334	3 529	(3 195)	-90.5%	60 572
Heritage assets	31 715	–	–	–	–	–	-	–
Monuments	31 715	–	–	–	–	–	-	–
Other assets	221 782	266 764	286 486	10 671	48 715	(38 043)	-78.1%	241 419
Operational Buildings	209 083	265 561	284 912	10 671	47 804	(37 133)	-77.7%	239 845
Municipal Offices	121 820	181 476	206 116	6 034	20 198	(14 164)	-70.1%	180 760
Workshops	86 635	83 385	78 622	4 637	27 432	(22 795)	-83.1%	58 911
Training Centres	628	700	174	–	174	(174)	-100.0%	174
Housing	12 699	1 203	1 573	–	910	(910)	-100.0%	1 573
Social Housing	12 699	1 203	1 573	–	910	(910)	-100.0%	1 573
Intangible Assets	41 534	6 912	19 278	2 280	3 491	(1 211)	-34.7%	19 278
Licences and Rights	41 534	6 912	19 278	2 280	3 491	(1 211)	-34.7%	19 278
Computer Software and Applications	41 534	6 912	19 278	2 280	3 491	(1 211)	-34.7%	19 278
Computer Equipment	16 487	49 811	63 801	408	2 599	(2 191)	-84.3%	63 801
Computer Equipment	16 487	49 811	63 801	408	2 599	(2 191)	-84.3%	63 801
Furniture and Office Equipment	175	300	302	6	24	(18)	-73.6%	302
Furniture and Office Equipment	175	300	302	6	24	(18)	-73.6%	302
Machinery and Equipment	11 272	1 000	1 474	–	–	–	-	1 474
Machinery and Equipment	11 272	1 000	1 474	–	–	–	-	1 474
Total Capital Expenditure on upgrading of existing assets	1 787 158	2 179 007	2 353 457	189 315	244 725	(55 410)	-22.6%	1 693 442

Expenditure on repairs and maintenance by asset class

Description	2020/21	Budget Year 2021/22						
	Provisional 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	1 862 246	2 079 007	2 213 473	346 161	397 043	(50 882)	-12.8%	2 213 473
Roads Infrastructure	417 198	637 154	589 078	73 009	47 487	25 523	53.7%	589 078
Roads	417 198	637 154	589 078	73 009	47 487	25 523	53.7%	589 078
Storm water Infrastructure	–	140 345	–	–	–	–	–	–
Drainage Collection	–	140 345	–	–	–	–	–	–
Electrical Infrastructure	460 718	542 654	542 654	118 693	126 828	(8 135)	-6.4%	542 654
Power Plants	15 637	19 286	19 286	3 331	4 244	(912)	-21.5%	19 286
HV Substations	32 659	27 042	27 042	3 619	6 193	(2 575)	-41.6%	27 042
MV Substations	307 406	353 961	353 961	84 207	83 209	998	1.2%	353 961
LV Networks	105 016	142 365	142 365	27 536	33 182	(5 646)	-17.0%	142 365
Water Supply Infrastructure	430 692	411 499	540 751	65 847	98 482	(32 635)	-33.1%	540 751
Boreholes	–	–	22 359	1	–	1	100.0%	22 359
Reservoirs	30 547	49 366	41 949	4 239	875	3 364	384.5%	41 949
Pump Stations	52 681	39 826	65 500	11 219	9 356	1 864	19.9%	65 500
Water Treatment Works	48 391	34 590	47 545	6 038	11 587	(5 550)	-47.9%	47 545
Bulk Mains	6 636	215	19 665	1 421	8 250	(6 829)	-82.8%	19 665
Distribution	292 436	287 502	343 733	42 929	2 700	40 229	1489.8%	343 733
Distribution Points	–	–	–	–	65 714	(65 714)	-100.0%	–
Sanitation Infrastructure	552 692	334 708	537 917	88 002	123 760	(35 758)	-28.9%	537 917
Reticulation	383 217	171 428	369 094	58 423	81 290	(22 867)	-28.1%	369 094
Waste Water Treatment Works	166 971	157 461	162 915	28 482	41 493	(13 011)	-31.4%	162 915
Outfall Sewers	2 505	5 819	5 908	1 097	977	120	12.2%	5 908
Solid Waste Infrastructure	945	8 653	3 072	610	486	124	25.6%	3 072
Landfill Sites	945	8 653	3 072	610	486	124	25.6%	3 072
Coastal Infrastructure	–	3 994	–	–	–	–	–	–
Promenades	–	3 994	–	–	–	–	–	–
Community Assets	518 541	295 941	380 765	79 577	52 240	27 337	52.3%	380 765
Community Facilities	131 941	228 329	110 815	13 358	17 028	(3 670)	-21.6%	110 815
Halls	52 769	21 624	47 911	2 930	7 821	(4 891)	-62.5%	47 911
Centres	11 463	7 713	7 105	521	196	324	165.1%	7 105
Clinics/Care Centres	34 374	7 820	9 192	2 818	2 313	505	21.8%	9 192
Fire/Ambulance Stations	765	2 512	4 826	94	823	(729)	-88.6%	4 826
Testing Stations	–	9 940	–	–	–	–	–	–
Libraries	5 724	3 804	16 257	2 021	3 763	(1 742)	-46.3%	16 257
Cemeteries/Crematoria	15 766	10 720	11 836	3 664	955	2 709	283.7%	11 836
Public Open Space	–	144 909	–	–	–	–	–	–
Nature Reserves	3 141	3 141	5 250	545	633	(88)	-13.9%	5 250
Public Ablution Facilities	7 281	13 323	6 160	736	524	213	40.6%	6 160
Markets	658	2 822	2 278	29	–	29	100.0%	2 278
Sport and Recreation Facilities	386 600	67 613	269 950	66 219	35 212	31 007	88.1%	269 950
Indoor Facilities	161	8 732	4	172	1	171	12970.3%	4
Outdoor Facilities	386 439	58 881	269 946	66 047	35 211	30 836	87.6%	269 946
Heritage assets	3 626	1 912	1 447	5	122	(117)	-95.8%	1 447
Works of Art	3 626	1 912	1 447	5	122	(117)	-95.8%	1 447
Investment properties	100	10 107	208	40	70	(29)	-42.1%	208
Revenue Generating	99	10 096	198	40	60	(20)	-32.9%	198
Improved Property	99	10 096	198	40	60	(20)	-32.9%	198
Non-revenue Generating	1	11	10	0	10	(10)	-96.8%	10
Unimproved Property	1	11	10	0	10	(10)	-96.8%	10
Other assets	130 727	204 823	191 114	15 813	25 637	(9 824)	-38.3%	191 114
Operational Buildings	130 727	189 833	191 114	15 813	25 637	(9 824)	-38.3%	191 114
Municipal Offices	129 264	174 611	181 891	15 558	23 627	(8 069)	-34.2%	181 891
Laboratories	1 129	2 039	2 099	86	260	(174)	-66.8%	2 099
Training Centres	329	701	531	168	101	67	66.9%	531
Depots	5	12 482	6 593	–	1 648	(1 648)	-100.0%	6 593
Housing	–	14 990	–	–	–	–	–	–
Social Housing	–	14 990	–	–	–	–	–	–
Computer Equipment	234 027	427 869	249 415	25 393	27 986	(2 593)	-9.3%	249 415
Computer Equipment	234 027	427 869	249 415	25 393	27 986	(2 593)	-9.3%	249 415
Furniture and Office Equipment	600 104	770 057	748 167	105 547	109 073	(3 526)	-3.2%	748 167
Furniture and Office Equipment	600 104	770 057	748 167	105 547	109 073	(3 526)	-3.2%	748 167
Machinery and Equipment	–	2 069	–	–	–	–	–	–
Machinery and Equipment	–	2 069	–	–	–	–	–	–
Transport Assets	317 250	461 100	473 759	80 204	75 584	4 621	6.1%	473 759
Transport Assets	317 250	461 100	473 759	80 204	75 584	4 621	6.1%	473 759
Total Repairs and Maintenance Expenditure	3 666 620	4 252 885	4 258 347	652 741	687 754	(35 013)	-5.1%	4 258 347

Depreciation by asset class

Description	2020/21	Budget Year 2021/22						
	Provisional 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	1 209 481	1 267 358	1 267 358	327 082	316 840	10 242	3.23%	1 267 358
Roads Infrastructure	403 094	470 598	470 597	111 010	117 649	(6 640)	-5.64%	470 597
Roads	376 768	338 665	338 665	103 903	84 666	19 237	22.72%	338 665
Road Structures	11 807	88 293	88 293	2 992	22 073	(19 082)	-86.45%	88 293
Road Furniture	14 519	43 639	43 639	4 115	10 910	(6 795)	-62.28%	43 639
Storm water Infrastructure	57 729	58 610	58 610	15 459	14 652	807	5.51%	58 610
Drainage Collection	57 729	58 610	58 610	15 459	14 652	807	5.51%	58 610
Electrical Infrastructure	280 055	263 112	263 111	74 028	65 778	8 250	12.54%	263 111
Power Plants	8 177	7 933	7 933	2 044	1 983	61	3.05%	7 933
HV Substations	19 005	–	–	4 942	–	4 942	100.00%	–
HV Transmission Conductors	–	14 754	14 754	–	3 688	(3 688)	-100.00%	14 754
MV Substations	60 512	10 655	10 655	15 929	2 664	13 266	498.02%	10 655
MV Switching Stations	–	60 046	60 046	–	15 011	(15 011)	-100.00%	60 046
MV Networks	114 444	117 440	117 440	29 740	29 360	380	1.29%	117 440
LV Networks	77 918	52 284	52 284	21 372	13 071	8 301	63.50%	52 284
Water Supply Infrastructure	174 107	184 784	184 785	47 336	46 196	1 139	2.47%	184 785
Reservoirs	20 898	20 957	20 957	6 188	5 239	949	18.11%	20 957
Pump Stations	5 386	5 345	5 345	2 396	1 336	1 060	79.29%	5 345
Water Treatment Works	18 181	10 092	10 092	2 891	2 523	368	14.60%	10 092
Bulk Mains	3 022	6 572	6 572	756	1 643	(887)	-54.01%	6 572
Distribution	126 619	141 818	141 818	35 104	35 455	(350)	-0.99%	141 818
Sanitation Infrastructure	161 551	164 781	164 781	44 456	41 195	3 261	7.92%	164 781
Pump Station	6 963	8 377	8 377	1 741	2 094	(353)	-16.87%	8 377
Reticulation	54 719	56 968	56 968	16 138	14 242	1 895	13.31%	56 968
Waste Water Treatment Works	95 559	95 125	95 125	25 392	23 781	1 611	6.77%	95 125
Outfall Sewers	4 310	4 310	4 310	1 185	1 077	108	10.00%	4 310
Solid Waste Infrastructure	44 357	34 129	34 129	9 837	8 532	1 305	15.29%	34 129
Landfill Sites	37 136	34 129	34 129	7 767	8 532	(765)	-8.97%	34 129
Waste Processing Facilities	7 221	–	–	2 070	–	2 070	100.00%	–
Coastal Infrastructure	5 845	5 730	5 730	1 475	1 433	43	2.97%	5 730
Promenades	5 845	5 730	5 730	1 475	1 433	43	2.97%	5 730
Information and Communication Infrastructure	82 742	85 614	85 614	23 481	21 404	2 078	9.71%	85 614
Data Centres	34 615	–	–	10 252	–	10 252	100.00%	–
Core Layers	44 817	7 127	7 127	12 402	1 782	10 620	596.09%	7 127
Distribution Layers	3 310	78 488	78 488	828	19 622	(18 794)	-95.78%	78 488
Community Assets	330 936	381 173	381 173	85 514	95 293	(9 779)	-10.26%	381 173
Community Facilities	121 818	170 682	170 682	31 285	42 670	(11 386)	-26.68%	170 682
Halls	3 736	3 925	3 925	1 032	981	50	5.14%	3 925
Centres	4 468	54 692	54 692	1 061	13 673	(12 612)	-92.24%	54 692
Clinics/Care Centres	7 144	8 133	8 133	1 816	2 033	(217)	-10.69%	8 133
Fire/Ambulance Stations	2 683	2 716	2 716	674	679	(5)	-0.74%	2 716
Testing Stations	1 476	1 343	1 343	377	336	41	12.27%	1 343
Museums	301	373	373	79	93	(14)	-14.66%	373
Theatres	112	112	112	28	28	(0)	-0.47%	112
Libraries	16 464	6 468	6 468	4 391	1 617	2 775	171.60%	6 468
Cemeteries/Crematoria	4 503	4 507	4 507	1 159	1 127	32	2.84%	4 507
Public Open Space	14 584	17 514	17 514	3 716	4 378	(662)	-15.13%	17 514
Nature Reserves	479	459	459	120	115	5	4.32%	459
Public Ablution Facilities	2 588	2 687	2 687	723	672	52	7.68%	2 687
Markets	1 720	1 697	1 697	451	424	27	6.27%	1 697
Airports	4	4	4	1	1	0	-	4
Taxi Ranks/Bus Terminals	61 556	66 051	66 051	15 656	16 513	(857)	-5.19%	66 051
Sport and Recreation Facilities	209 118	210 491	210 491	54 229	52 623	1 607	3.05%	210 491
Indoor Facilities	11 321	6 560	6 560	2 844	1 640	1 204	73.39%	6 560
Outdoor Facilities	197 797	203 931	203 931	51 386	50 983	403	0.79%	203 931

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q1 (September 2021)

Description	2020/21	Budget Year 2021/22						
	Provisional 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	428	428	0	-	1 714
Revenue Generating	1 714	1 714	1 714	428	428	0	-	1 714
Improved Property	1 714	1 714	1 714	428	428	0	-	1 714
<u>Other assets</u>	322 964	294 428	294 428	85 182	73 607	11 575	15.72%	294 428
Operational Buildings	217 859	181 253	181 253	58 551	45 313	13 238	29.21%	181 253
Municipal Offices	183 220	7 430	7 430	49 521	1 857	47 664	2566.05%	7 430
Workshops	33 655	37 175	37 175	8 783	9 294	(510)	-5.49%	37 175
Laboratories	649	-	-	162	-	162	100.00%	-
Training Centres	289	303	303	72	76	(4)	-4.81%	303
Manufacturing Plant	-	7 213	7 213	-	1 803	(1 803)	-100.00%	7 213
Depots	47	129 132	129 132	12	32 283	(32 271)	-99.96%	129 132
Housing	105 105	113 176	113 175	26 631	28 294	(1 663)	-5.88%	113 175
Social Housing	105 105	113 176	113 175	26 631	28 294	(1 663)	-5.88%	113 175
<u>Biological or Cultivated Assets</u>	192	-	-	48	-	48	100.00%	-
Biological or Cultivated Assets	192	-	-	48	-	48	100.00%	-
<u>Intangible Assets</u>	168 921	141 627	141 627	43 369	35 407	7 963	22.49%	141 627
Licences and Rights	168 921	141 627	141 627	43 369	35 407	7 963	22.49%	141 627
Computer Software and Applications	98 740	91 465	91 465	25 824	22 866	2 958	12.94%	91 465
Unspecified	70 180	50 162	50 162	17 545	12 540	5 005	39.91%	50 162
<u>Computer Equipment</u>	214 908	221 972	221 972	56 612	55 493	1 119	2.02%	221 972
Computer Equipment	214 908	221 972	221 972	56 612	55 493	1 119	2.02%	221 972
<u>Furniture and Office Equipment</u>	72 050	115 877	115 877	14 709	28 969	(14 261)	-49.23%	115 877
Furniture and Office Equipment	72 050	115 877	115 877	14 709	28 969	(14 261)	-49.23%	115 877
<u>Machinery and Equipment</u>	156 024	134 643	134 643	39 025	33 661	5 364	15.94%	134 643
Machinery and Equipment	156 024	134 643	134 643	39 025	33 661	5 364	15.94%	134 643
<u>Transport Assets</u>	375 830	431 673	431 673	100 820	107 918	(7 098)	-6.58%	431 673
Transport Assets	375 830	431 673	431 673	100 820	107 918	(7 098)	-6.58%	431 673
<u>Land</u>	20 483	23 198	23 198	-	5 799	(5 799)	-100.00%	23 198
Land	20 483	23 198	23 198	-	5 799	(5 799)	-100.00%	23 198
<u>Zoo's, Marine and Non-biological Animals</u>	-	192	192	-	48	(48)	-100.00%	192
Zoo's, Marine and Non-biological Animals	-	192	192	-	48	(48)	-100.00%	192
Total Depreciation	2 873 505	3 013 855	3 013 855	752 790	753 464	(674)	-0.09%	3 013 855

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				
Expenditure Category	2021/22 Current Budget	Q1 2022		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	9 061 548	1 384 088	1 128 924	<p>This category includes EPWP/Mayor's Job Creation Programme (MJCP) staff, all non-permanent staff including library staff, health- and seasonal workers, apprenticeships and learnerships, and contracted services i.e. professional- and advisory services, and contractors.</p> <p>Consultants are used for various repairs and maintenance programs, outsourced administrative support and medical staff, and for professional- and advisory services.</p> <p>Requests for the use of consultants must be supported by the relevant executive director or senior manager.</p>
Vehicle used for political office-bearers	-	-	-	-
Travel and Subsistence	20 664	3 909	2 907	The City's Travel Management Policy sets out the applicable cost containment measures, which are strictly adhered to within the City.
Domestic Accommodation	1 804	163	1	<p>The City's Travel Management Policy sets out the applicable cost containment measures, which are strictly adhered to within the City.</p> <p>COVID-16 lockdown restrictions have resulted in the majority of conferences, meetings, events and training taking place online.</p>

Table continues on next page.

Cost Containment In-Year Report				
Expenditure Category	2021/22 Current Budget	Q1 2022		Comment
		Budget	Actual	
	R Thousand			
Sponsorships, events and Catering	280 521	84 319	65 351	<p>Sponsorships (made up of grants-in-aid and sponsorships): All grant-in-aid applications are subject to a screening process to ensure that allocations recommended by the relevant delegated authority comply with the City's Grant-in-aid Policy as well as other relevant policies. Sponsorships are allocations made to organisations who supports the City's strategic objectives. MOAs indicating clear deliverables are signed with all organisations. Payments are made in tranches based on outcomes of agreed deliverables.</p> <p>Events: An ad-hoc committee facilitates the selection of events and makes recommendations to the Executive Mayor on which events the City may support in terms of the City's Integrated Development Plan (IDP), and Events Policy.</p> <p>Catering: The City's Catering & Beverage Provision Policy sets out the applicable cost containment measures, which are strictly adhered to within the City.</p> <p>The expenditure relates largely to payments for annual- and adhoc allocations to support specific programs or events aligned to the City's IDP and strategic objectives.</p>
Communication	75 076	13 002	5 017	<p>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. The function is centralised within the Corporate Services directorate and is managed by the Communication Department in order to ensure stricter controls including the following measures:</p> <p>a) Reduce the number and scale of communication campaigns;</p> <p>b) Reduce size and range of print- and radio advertising;</p> <p>c) Shift advertising to the digital space from the traditional print and radio; and</p> <p>d) Increase use of social media as a communication tool using insourced resources.</p>

Table continues on next page.

Cost Containment In-Year Report				
Expenditure Category	2021/22 Current Budget	Q1 2022		Comment
		Budget	Actual	
	R Thousand			
Other related expenditure items - Conferences & Seminars	2 160	419	9	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 year-to-date expenditure relates to online events.
Other related expenditure items - Overtime	837 037	135 806	153 774	<p>The City's Overtime Policy sets out the applicable cost containment measures, which include:</p> <ul style="list-style-type: none">a. Guidelines for administration of overtime work on Sundays and public holidays;b. Application and approval process management;c. Approval of overtime work and payment by officials with delegated authority; andd. Monitoring and review of provisions and justification of overtime expenditure by relevant directors. <p>The bulk of the overtime was spent within the Safety & Security directorate, due to additional security requirements as a result of an increase in land invasions and other public unrest activities. The directorate has implemented strict measures to manage overtime and closely monitor the number of overtime operational staff can claim per month.</p>

Table continues on next page.

Cost Containment In-Year Report				
Expenditure Category	2021/22 Current Budget	Q1 2022		Comment
		Budget	Actual	
	R Thousand			
Other related expenditure items - Office furniture	17 347	2 039	367	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 is procured, and must sign a declaration form confirming that this process has been followed. Furniture requirements have been reviewed in a number of departments as most of their staff are working from home. Funding is, therefore, available to be reprioritised to other priority projects within these departments. Virement of funds will be processed once suitable projects are identified, which will reduce the budget on this category.
Total	10 296 156	1 623 744	1 356 350	

Cape Town International Convention Centre

Cost Containment In-Year Report				
Expenditure Category	2021/22 CURRENT budget	Q1 2022		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	4 389	1 097	630	This category includes contracts for internal audit, legal services and customer satisfactory surveys as the entity does not possess the skillsets required in-house.
Travel and Subsistence	504	-	-	Bookings for local- and international travel as well as International accommodation for sales trips, events and conferences are done through an agent using the applicable National Treasury (NT) code. Attendance of events are an integral part of the entity's business strategy to grow revenue. No travel was budgeted or incurred in this quarter.
Domestic Accommodation	50	-	-	All bookings are done using the applicable NT code. The attendance of events are an integral part of the entity's business strategy to grow revenue. No travel was budgeted or incurred in this quarter.
Sponsorships, events and Catering	350	168	-	The entity's business model is based on good client relations as well as regular interaction with clients and conference organisations to showcase the CTICC through various Client and Stakeholder Relationship Management (CRM) events. No expenditure was incurred in this quarter.

Table continues on next page.

Cost Containment In-Year Report				
Expenditure Category	2021/22 CURRENT budget	Q1 2022		Comment
		Budget	Actual	
	R Thousand			
Communication	1 272	318	197	The contract for cellphone and data services was issued before 1 July 2019.
Other related expenditure items - Conferences & Seminars	-	-	-	No budget or expenditure for the reporting period.
Other related expenditure items - Overtime	330	83	67	This category includes overtime, night shift allowances and public holiday pay. Expenditure for the quarter relates to overtime, which is linked to the temporary vaccination centre at the CTICC as well as other smaller events. In addition, staff extended their normal shifts, due to the retrenchment process in the 2020/21 financial year, which resulted in fewer staff.
Other related expenditure items - Office furniture	-	-	-	No budget for the financial year.
Total	6 895	1 665	894	

Cape Town Stadium

Cost Containment In-Year Report				
Expenditure Category	2021/22 Current Budget	Q1 2022		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	1 858	465	5	Expenditure in this category facilitates the entity's objectives, inter alia, to commercialise in terms of the Service Delivery Agreement (SDA). Expenditure incurred during the quarter under review relates to the assistance provided by Hello FCB to update the CTS website and maintain the entity's presence on social media. This includes the upload of the terms and conditions to the website in order to align with the POPI Act, the re-designing of the DHL stadium invoicing template as well as the update of social media handles from the CTS to the DHL Stadium.
Travel and Subsistence	142	-	-	No expenditure was budgeted/incurred in this quarter.
Domestic Accommodation	8	-	-	No expenditure was budgeted/incurred in this quarter.
Sponsorships, events and Catering	157	39	-	No expenditure was incurred for the quarter under review, due to COVID-19 restrictions and the seasonalisation of the budget.
Communication	275	-	-	No expenditure was budgeted/incurred in this quarter.
Other related expenditure items - Conferences & Seminars	128	32	-	No expenditure was incurred for the quarter under review, due to COVID-19 restrictions and the seasonalisation of the budget.
Other related expenditure items - Overtime	2 171	362	157	The events-, commercial- and operations department officials are required to work overtime when the entity hosts certain events such as the British Irish Lions (BIL) tour as well as events taking place over weekends.
Other related expenditure items - Office furniture	-	-	-	Not budgeted for the financial year.
Total	4 738	897	163	

QUALITY CERTIFICATE

I, **LUNGELO MBANDAZAYO**, the municipal manager of **CITY OF CAPE TOWN**, hereby certify that –

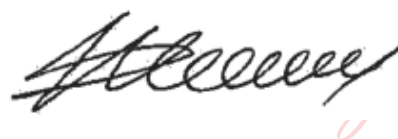
- ☐ the monthly budget statement
- ☒ quarterly report on the implementation of the budget and financial state affairs of the municipality
- ☐ mid-year budget and performance assessment

for **quarter one of 2022 (July to September 2021)** has been prepared in accordance with the Municipal Finance Management Act (MFMA) and regulations made under the MFMA.

Print name **LUNGELO MBANDAZAYO**













Municipal Manager of City of Cape Town (CPT)

Signature


















Digitally signed by Lungelo
Mbandazayo
Date: 2021.10.11 14:55:58
+02'00'









Date












2021/22 Q1 PERFORMANCE REPORT - CITY OF CAPE TOWN						
Well Above  Above  On target  Below  Well below  AT - Annual Target						
Objectives	Indicator	2021/22 (Quarter 1)			Reason for variance	Remedial action
		Target	Actual	Status		
SFA 1: Opportunity City						
1.1 Positioning Cape Town as a forward-looking globally competitive City	1.A Percentage Building Plans approved in statutory time-frames (30-60 days)	96.0%	97.40%		Above target	Maintain the momentum
	1.B Percentage of rates clearance certificate issued within ten working days [C]	90.00%	96.61%		Above target	Maintain the momentum
	1.C Number of outstanding valid applications for commercial electricity services expressed as a percentage of commercial customers	0.70%	0.20%		Well above target: This indicator is customer driven, and therefore reliant on such applications as are received. Higher than anticipated applications were received and processed.	Maintain the momentum
1.2 Leveraging technology for progress	1.D Broadband Infrastructure Programme (BIP)	AT	AT	AT	Annual Target	Annual Target
1.3 Economic Inclusion	1.E Number of Mayor's Job Creation Programme (MJCP) opportunities created (NKPI)	7 500	12 756		Well above target: The target was over-achieved due to the changing lockdown levels. The target was set at a time when the lockdown levels were uncertain and project budgets were being cut. Due to the easing of the lockdown, more projects were implemented and work opportunities created; than originally planned.	Maintain the momentum
	1.F Percentage budget spent on implementation of Workplace Skills Plan (WSP) (NKPI)	10.00%	8.60%		The variance is due to the slow implementation of the WSP as a result of COVID-19 restrictions. It remains a challenge for lower level staff to attend virtual/online training, due to lack of resources i.e. computers, laptops, internet access etc. Departments have implemented internal training but this has no impact on the training budget expenditure.	COVID-19 restrictions have shifted to Level 1, which will allow all staff to attend classroom training.
1.4 Resource efficiency and security	1.G Percentage compliance with drinking water quality standards	98.00%	99.09%		Above target	Maintain the momentum
	1.H Small scale embedded generation (SSEG) capacity legally installed and grid-tied measured in megavolt-ampere (MVA)	1.25	7.05		Well above target: This indicator is customer driven, and therefore reliant on such applications as are received. Higher than anticipated applications were received and processed.	Maintain the momentum
SFA 2: Safe City						
2.1 Safe Communities	2.A Number of new areas with closed-circuit television (CCTV) surveillance cameras	AT	AT	AT	Annual Target	Annual Target
3.1 Excellence in basic service delivery	2.B Community satisfaction survey (Score 1-5) - safety and security	AT	AT	AT	Annual Target	Annual Target

2021/22 Q1 PERFORMANCE REPORT - CITY OF CAPE TOWN						
Well Above  Above  On target  Below  Well below  AT - Annual Target						
Objectives	Indicator	2021/22 (Quarter 1)			Reason for variance	Remedial action
		Target	Actual	Status		
SFA 3: Caring City						
3.1 Excellence in basic service delivery	3.A Community satisfaction survey (Score 1-5) - city wide	AT	AT	AT	Annual Target	Annual Target
	3.B Number of outstanding valid applications for water services, expressed as percentage of total billings for the service (NKPI)	0.70%	0.18%		Well above target: This indicator is customer driven, and therefore reliant on applications received.	Maintain the momentum
	3.C Number of outstanding applications for sewerage services, expressed as a percentage of total number of billings for the service (NKPI)	0.70%	0.20%		Well above target: This indicator is customer driven, and therefore reliant on applications received.	Maintain the momentum
	3.D Number of outstanding valid applications for electricity services, expressed as percentage of total number of billings for the service (NKPI)	0.20%	0.04%		Well above target: This indicator is customer driven, and therefore reliant on applications received.	Maintain the momentum
	3.E Number of outstanding valid applications for refuse collection services, expressed as a percentage of total number of billings for the service (NKPI)	0.10%	0.01%		Well above target: This indicator is customer driven, and therefore reliant on applications received.	Maintain the momentum
	3.F Percentage adherence to Citywide service requests	80.00%	91.17%		Well above target. The City is emerging from 19 months of COVID pandemic. The lock down restrictions as well as the rapid spread of the virus severely restricted the availability of staff, vehicles, material etc. It closed entire depots. We lost thousands of person days due to the virus and this severely impacted on the city's ability to provide services. The Service Delivery Turnaround project has assisted the service delivery depts. to focus on improving their service standards and reducing backlogs to pre-COVID levels.	Maintain the momentum

2021/22 Q1 PERFORMANCE REPORT - CITY OF CAPE TOWN						
Well Above  Above  On target  Below  Well below  AT - Annual Target						
Objectives	Indicator	2021/22 (Quarter 1)			Reason for variance	Remedial action
		Target	Actual	Status		
3.2 Mainstreaming basic service delivery to informal settlements and backyard dwellers	3.G Number of human settlement opportunities (Top structures)	530	375		The Top Structure contractors appointed via the Western Cape Government's (WCG) panel of contractors for various City housing projects are progressing slower than target.	There are ongoing engagements with the WCG's Human Settlements Management Team to fast track the appointment of additional contractors on site. Existing contracts and construction programmes will be revisited.
	3.H Number of human settlement opportunities (Formal sites serviced)	0	571		Well above Background – There was an under delivery on sites in the previous financial year and one of the projects which contributed to this was the Maroela South Project which was supposed to deliver 571 sites. The Maroela South project engineers were unable to sign-off on the serviced sites because the contractor fell behind by a few weeks and missed the June 2021 completion deadline. The sites have been completed in the first quarter of the new financial and is now recorded as part of this financial year's delivery.	Maintain the momentum
	3.I Number of water services points (taps) provided to informal settlements NKPI	100	105		Above target	Maintain the momentum
	3.J Number of sanitation service points (toilets) provided to informal settlements NKPI	500	821		The provision of toilets in the form of PFT's and the installation of FFT's and new container toilets have been continuous in the various areas resulting in an overachievement of our first quarter target. With the increased priority of providing toilets as an emergency relief measure to the recently invaded areas, it is anticipated that our departmental quarterly and annual target for toilet installations will be exceeded for the current financial year.	Maintain the momentum

2021/22 Q1 PERFORMANCE REPORT - CITY OF CAPE TOWN						
Well Above  Above  On target  Below  Well below  AT - Annual Target						
Objectives	Indicator	2021/22 (Quarter 1)			Reason for variance	Remedial action
		Target	Actual	Status		
3.2 Mainstreaming basic service delivery to informal settlements and backyard dwellers	3.K Percentage of areas of informality receiving waste removal and area cleaning service (NKPI)	99.00%	99.79%		Above target	Maintain the momentum
	3.L Number of service points (toilet and tap with hand basin) provided to backyarders	50	50		On target	Maintain the momentum
	3.M Number of electricity subsidised connections installed [C] - NKPI	375	73		<p>New construction term tender for all electrification projects, came into effect 4 September 2021.</p> <p>New contractors are only anticipated to start on site during October 2021. The focus during October 2021 will be on:</p> <ul style="list-style-type: none"> -Introducing the new Contractors to the respective teams; -Introducing the respective projects to the Contractors; and -Preparation of project-related documentation. <p>During July and August 2021, the focus was on project reconciliation and close-out with the previous Contractors.</p>	The electrification programme has been adjusted to take into account the delayed start and the overall electrification target should still be achieved.
	3.N Number of sites serviced in the informal settlements	0	0		No target for Quarter 1	No target for Quarter 1
	3.O Number of community services facilities within informal settlements	AT	AT	AT		

2021/22 Q1 PERFORMANCE REPORT - CITY OF CAPE TOWN						
Well Above  Above  On target  Below  Well below  AT - Annual Target						
Objectives	Indicator	2021/22 (Quarter 1)			Reason for variance	Remedial action
		Target	Actual	Status		
SFA 4: Inclusive City						
4.2 An efficient, integrated transport system	4.A Catalytic Land Development	Bi-Annual Target	Bi-Annual Target	Bi-Annual Target	Bi-Annual Target	Bi-Annual Target
	4.B Number of passenger journeys per kilometre operated [AT]	0.80	0.89		<p>Well above. Target setting for this indicator is based on current and historical information. Historically, the target was set to 75% for the 2020/21 financial year and in May and June 2021 78% was achieved.</p> <p>The intension is always to increase on previous performance but simultaneously considering the effects of the unprecedented and unpredictable current climate, and therefore could not risk setting targets too optimistically. Hence a target of 80% was set for this financial year, 5% greater than the previous year.</p> <p>Currently an escalation in passenger journeys from July to August/September is evident returning back to normality faster than what was projected. More passengers return to work and become increasingly accustomed to using public transport. This rapid increase in passenger journeys, combined with a reduction in scheduled kms resulted in a 10% increase in from July to August and a further increase of 5% in September 2021.</p> <p>Well above achievement shows a greater than expected improvement of the operational efficiency.</p>	Maintain the momentum
	4.C Total number of passenger journeys on MyCiti	2 900 000	2 996 368		Above target	Maintain the momentum
	4.D Percentage of people from EE target groups employed in 3 highest levels of management in compliance with the City's approved EE plan (EE)	75.00%	74.21%		Limited appointments made during quarter one of 2021/22.	Continue to monitor and influence appointments in line with EE Plan.
	4.3 Building integrated communities	4.E Number of strengthening families programmes implemented [C]	0	0		No target for Quarter 1

2021/22 Q1 PERFORMANCE REPORT - CITY OF CAPE TOWN						
Well Above  Above  On target  Below  Well below  AT - Annual Target						
Objectives	Indicator	2021/22 (Quarter 1)			Reason for variance	Remedial action
		Target	Actual	Status		
SFA 5: Well Run City						
5.1 Operational sustainability	5.A Opinion of independent rating agency	High investment rating	High investment rating		On target	Maintain the momentum
	5.B Opinion of the Auditor General	AT	AT	AT	Annual Target	Annual Target
	5.C Percentage spend of capital budget (NKPI)	9.91%	6.66%		Material variance explanations for capital expenditure by vote is reflected in the Material variance explanations for capital expenditure by vote table on page 52 of Annexure A to the S52 report.	Engagement with directors and responsible project managers is ongoing to ensure that tracking and monitoring of projects is within the prescribed timeframes, and that corrective actions are processed timeously to ensure maximum spend. Citywide action: A working group established by the City Manager meets on a monthly basis to review all the City's capital expenditure and contracts.
	5.D Percentage spend on repairs and maintenance	16.80%	15.30%		R&M Electrical: Public Lighting maintenance contract only partially in place as two of the three contracts are still to be awarded. R&M Maintenance of Equipment: Award of the vehicle repair and servicing tender has not been finalized and is currently in progress. R&M Contracted Services Building: Due to changes made to the implementation of the maintenance contract in the Customer Services department within Water and Waste, which have resulted in savings being realized.	Realignments/Virements to be processed to address variances, where required.
	5.E Cash/cost coverage ratio (excluding unspent conditional grants) (NKPI)	2:1	1.8:1		Indicator 5E is compensated by the positive score of indicator 5G (Debt (total borrowings) to total operating revenue). The two indicators are interrelated to ensure a cost effectiveness strategy at all time.	No remedial action is required as the indicator is within National Treasury's risk parameter of 1.5.
	5.F Net Debtors to annual income (NKPI)	18.25%	15.98%		The debtors performed much better than what was anticipated from a budget perspective.	Maintain the momentum
	5.G Debt (total borrowings) to total operating revenue (NKPI)	23.50%	20.73%		The City's income accrual is much more than what was anticipated with the forecasting	Maintain the momentum