

REPORT TO: COUNCIL

1. ITEM NUMBER

2. SUBJECT

QUARTERLY FINANCIAL REPORT: JUNE 2022

ONDERWERP

KWARTAALLIKSE FINANSIËLE VERSLAG: JUNIE 2022

ISIHLOKO

INGXELO YEMALI YARHOQO NGEKOTA: EYESILIMELA 2022

(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 June 2022. These financial results are provisional and subject to change as a result of year-end processes.

Financial Implications ☒ None ☐ Opex ☐ Capex

☐ Capex: New Projects

☐ Capex: Existing projects requiring additional funding

☐ Capex: Existing projects with no Additional funding requirements

Policy and Strategy ☐ Yes ☒ No

Legislative Vetting ☐ Yes ☒ No

Legal Implications ☒ Yes ☐ No

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

Staff Implications ☐ Yes ☒ No

Risk Implications ☐ Yes The risks for approving and/or not approving the recommendations are listed below:

☐ No Report is for decision and has no risk implications.

☒ No Report is for noting only and has no risk implications.

POPIA Compliance	<input checked="" type="checkbox"/> Yes	It is confirmed that this report has been checked and considered for POPIA compliance.
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5. RECOMMENDATIONS

a) The quarterly financial report for the quarter ended 30 June 2022 is submitted for information and noting only.

AANBEVELING

a) Die kwartaallikse finansiële verslag vir die kwartaal geëindig 30 Junie 2022 word slegs ter inligting en kennisname voorgelê.

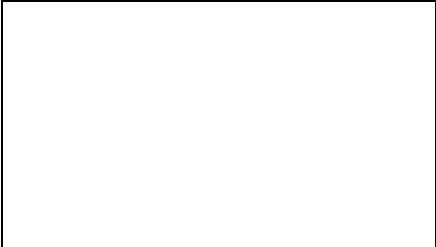
ISINDULULO

a) INgxelo yeMali yaRhoqo ngeKota yekota ephela ngowama- 30 eyeSilimela 2022 ingeniselwa iinjongo zolwazi nokugatshelwa kuphela.

ANNEXURES

Annexure A: Quarterly Financial Report (MFMA S52) – 30 June 2022

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SIGNATURE : DIRECTOR			

EXECUTIVE DIRECTOR

NAME	KEVIN JACOBY	COMMENT:
DATE		
SIGNATURE		

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

MAYORAL COMMITTEE MEMBER

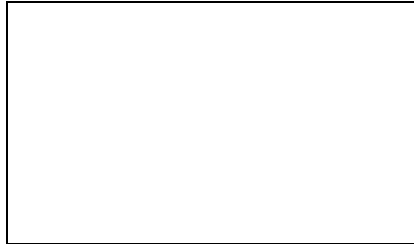
NAME

CLLR SISEKO MBANDEZI

COMMENT:

DATE

SIGNATURE



LEGAL COMPLIANCE

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

☐ NON-COMPLIANT

NAME

COMMENT:

DATE

SIGNATURE



EXECUTIVE MAYOR

NAME

GEORDIN HILL-LEWIS

COMMENT:

DATE

SIGNATURE



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CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

QUARTERLY FINANCIAL REPORT (MFMA S52)

**JUNE 2022
(PROVISIONAL RESULTS)**

EXECUTIVE SUMMARY	2
KEY DATA.....	4
IN YEAR BUDGET STATEMENT TABLES.....	33
Budget Statement Summary.....	33
Financial Performance (standard classification)	34
Financial Performance (revenue and expenditure by municipal vote)	35
Financial Performance (revenue by source and expenditure by type)	36
Capital Expenditure (municipal vote, standard classification and funding)	37
Financial Position	38
Cash Flow.....	39
SUPPORTING DOCUMENTATION	40
Material variance explanations for operating revenue by source and by vote	40
Material variance explanations for operating expenditure by vote and by type.....	52
Material variance explanations for capital expenditure by vote.....	73
Material variance explanations for cash flow	80
Material variance explanations for corporate performance for Quarter 4 of 2022.....	81
Performance indicators.....	82
Aged Creditors.....	82
Aged Debtors.....	83
Investment portfolio	84
Transfers and grants expenditure	88
Councillor and staff benefits	90
Actual and revised targets for cash receipts and cash flows	93
Capital expenditure trend.....	95
Capital expenditure on new assets by asset class	96
Capital expenditure on renewal of existing assets by asset class	97
Capital expenditure on upgrading of existing assets by asset class	98
Expenditure on repairs and maintenance by asset class.....	99
Depreciation by asset class	100
MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR)	102
City of Cape Town	103
Cape Town International Convention Centre.....	106
Cape Town Stadium	108
MUNICIPAL MANAGER QUALITY CERTIFICATION.....	110

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 JUNE 2022

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 financial results submitted herewith are provisional and subject to change as a result of year end processes.

KEY DATA (PAGE 4 - 32)

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

IN YEAR BUDGET STATEMENT TABLES (PAGE 33 – 39)

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

- **Table C1 (Page 33)** provides a high level summation of the operating and capital budgets, actuals to date, financial position and cash flow.
- **Table C2 (Pages 34)** is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- **Table C3 (Pages 35)** shows budgeted financial performance in relation to the revenue and expenditure as well as the operating surplus or deficit.
- **Table C4 (Page 36)** is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.
- **Table C5 (Pages 37)** 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 38)** reflects the performance to date in relation to the financial position of the municipality.
- **Table C7 (Page 39)** indicates the cash flow position and cash/cash equivalents.

IN YEAR BUDGET STATEMENT SUPPORTING TABLES (PAGE 40 – 100)

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

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR) (PAGE 103 – 109)

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)	50 524 904	50 524 904	50 280 237	(244 667)	51 020 778
Total Expenditure ¹ (R'Thousands)	51 237 836	51 237 836	47 674 607	(3 563 229)	50 706 112
Surplus/(Deficit) ¹ (excl. capital transfers and contributions)	(712 932)	(712 932)	2 605 630	3 318 562	314 666

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)	6 095 115	6 095 115	5 101 372	(993 744)	5 616 289

FINANCIAL POSITION

Working Capital	Audited 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	1.8:1	-	-	2.3:1
Liquidity Current Ratio (Current assets/current liabilities) ⁴	1.8	1.4	1.7	2.2
Borrowing Capital Charges to Operating Expenditure (Interest & principal paid/Operating Expenditure) ⁵	1.1%	2.4%	2.3%	2.3%
Borrowed funding of 'own' capital expenditure (Borrowings/Capital expenditure excl. transfers and grants) ⁶	0.0%	48.3%	27.9%	26.0%
Financial Position (R'Thousands)⁷				
Total Assets	78 680 064	83 193 449	79 569 000	80 474 356
Total Liabilities	23 564 986	27 147 023	23 222 884	21 139 440
Cash Flow (R'Thousands)				
Cash/cash equivalents at month/year end	8 126 100	7 517 656	7 143 195	8 335 240

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

- **Current Ratio⁴**

This ratio 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 2.2 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 (MFMA Circular 71). The outcome is as a result of current assets being above the budgeted level as well current liabilities falling significantly below the budgeted level. The expected annual outcome of 1.7 is 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 outcome of 2.3% is aligned to the budgeted ratio and below the National Treasury norm of 6% to 8% (MFMA Circular 71).

- **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 26%, and is budgeted at 27.9% for the current 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 335 million as at 30 June 2022. This positive cash position has been maintained since the start of the financial year. The funds are invested in compliance with the MFMA and City's Cash Management and 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	349 245	93 345	1 866 511	2 309 101
Electricity	726 575	39 780	578 811	1 345 166
Rates	724 819	154 254	1 369 392	2 248 464
Sewerage	169 352	41 096	718 486	928 934
Refuse	104 231	23 663	510 951	638 844

The 12-months moving average YTD collection ratio (reflected in the table below) is for the period July 2021 to June 2022 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	101.75%	98.01%	99.49%	101.96%
Water	94.61%	89.84%	92.31%	103.77%
Sewerage	96.27%	94.74%	95.53%	106.86%
Refuse	94.39%	92.50%	93.71%	92.90%
Rates	97.83%	98.95%	97.93%	102.10%
Other	98.29%	95.72%	99.50%	105.44%

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

The overall collection ratio results for June 2022 are reflected in the table below:

Monthly Collection Rate	
Period	Current year
12 Months	97.28%
6 Months	95.31%
3 Months	96.37%
Monthly	102.08%

The 12 Months Moving Average Payment Ratio for the period ended 30 June 2022 is 97.28%.

Human Resources

Human Resources	Audited 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	16 043 943	15 357 323
Employee Costs (Employee costs/Total Revenue - capital revenue)	35.0%	32.9%	31.4%	30.2%
Total Cost of Overtime (R'Thousands)	942 386	838 145	951 837	866 870

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 90.

Staff Complement

Municipal Employees (numbers)	As at 30 June 2021	Original Budget 2021/22	June 2022
Filled posts - Permanent	27 721	27 729	27 784
Filled posts - Temporary	1 663	1 941	1 618
Vacant posts - Permanent	3 088	2 932	3 763
	32 472	32 602	33 165

Municipal Councillors (numbers)	As at 30 June 2021	Original Budget 2021/22	June 2022
Municipal Councillors	228	231	231
Municipal Councillors - Vacancies	3	-	-
	231	231	231

The City had 3763 vacancies as at 30 June 2022; 4345 positions were filled (2005 internal, 806 external, 1534 rehire), with 2611 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		
Community Services and Health	505	R151 767 828	92.31%	7.69%
Corporate Services	325	R137 420 309	88.20%	11.80%
Economic Growth	56	R27 091 753	88.44%	11.56%
Energy	281	R92 568 477	91.41%	8.59%
Finance	213	R68 880 843	88.67%	11.33%
Future Planning and Resilience	43	R23 637 974	89.09%	10.91%
Human Settlements	125	R46 108 437	91.31%	8.69%
Office of the City Manager	35	R15 085 078	94.91%	5.09%
Safety and Security	676	R194 022 880	89.84%	10.16%
Spatial Planning and Environment	76	R31 168 107	92.64%	7.36%
Urban Mobility	291	R90 345 437	88.85%	11.15%
Urban Waste management	201	R61 336 631	95.20%	4.80%
Water and Sanitation	936	R285 881 952	87.81%	12.19%
TOTAL	3 763	R1 225 315 705	90.54%	9.46%

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
Community Services and Health	306	141	56	2	505
Corporate Services	156	130	34	5	325
Economic Growth	18	29	3	6	56
Energy	95	96	76	14	281
Finance	120	60	25	8	213
Future Planning and Resilience	23	12	8	0	43
Human Settlements	61	43	12	9	125
Office of the City Manager	20	10	4	1	35
Safety and Security	424	172	34	46	676
Spatial Planning and Environment	35	23	7	11	76
Urban Mobility	165	55	31	40	291
Urban Waste management	70	66	36	29	201
Water and Sanitation	353	299	144	140	936
Grand Total	1 846	1 136	470	311	3 763

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	50 524 904	50 280 237	50 524 904	(244 667)
Total Expenditure	48 274 839	51 237 836	47 674 607	51 237 836	(3 563 229)
Surplus/(Deficit)	(765 240)	(712 932)	2 605 630	(712 932)	3 318 562

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 is 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	10 983 815	10 630 623	10 983 815	(353 192)	-3.2%	10 631 676
Service charges - electricity revenue	15 734 566	15 734 566	16 060 465	15 734 566	325 899	2.1%	16 066 192
Service charges - water revenue	3 556 345	3 549 249	3 642 649	3 549 249	93 399	2.6%	3 643 992
Service charges - sanitation revenue	1 775 113	1 791 914	1 828 752	1 791 914	36 839	2.1%	1 829 475
Service charges - refuse revenue	1 330 442	1 267 313	1 238 923	1 267 313	(28 391)	-2.2%	1 234 985
Rental of facilities and equipment	350 647	368 900	387 886	368 900	18 986	5.1%	395 604
Interest earned - external investments	855 119	895 923	942 124	895 923	46 201	5.2%	945 912
Interest earned - outstanding debtors	449 452	361 774	369 838	361 774	8 065	2.2%	372 885
Dividends received	—	—	—	—	—	—	—
Fines, penalties and forfeits	1 247 015	1 250 376	1 932 989	1 250 376	682 614	54.6%	1 790 110
Licences and permits	67 110	70 030	45 488	70 030	(24 542)	-35.0%	45 961
Agency services	261 614	269 491	260 891	269 491	(8 600)	-3.2%	262 780
Transfers and subsidies	5 650 364	6 070 243	5 207 550	6 070 243	(862 693)	-14.2%	5 656 444
Other revenue	3 194 622	3 200 322	3 291 940	3 200 322	91 617	2.9%	3 280 542
Gains	2 053 058	4 710 989	4 440 121	4 710 989	(270 868)	-5.7%	4 864 219
Total Revenue (excluding capital transfers and contributions)	47 509 600	50 524 904	50 280 237	50 524 904	(244 667)	-0.5%	51 020 778

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

- **Property Rates (R353.2 million under)**

The variance is mainly due to resolution of GV2018 objections and appeals. A further contributing factor to the variance is adjustments on accrued income as a result of processing applications from property owners to move from one property category to another where the tax rate (rate-in-the-Rand) is significantly lower. In addition, the new property categories implemented by the City, as a strategy to support not-for-profit organisations providing essential support to those suffering the effects of the pandemic and other social ills, resulted in property rates being lowered significantly due to the different rate-in-the-Rand applied.

- **Service charges - electricity revenue (R325.9 million over)**

The over-recovery is due to the lifting of COVID-19 lockdown restrictions and the impact of subsequent economic recovery on electricity sales.

- **Service charges - water revenue (R93.4 million over)**

The over-recovery is due to higher than anticipated water sales for the industrial/commercial category.

- **Fines, penalties and forfeits (R682.6 million over)**

The variance is mainly on Traffic Fines as a result of more than planned traffic fines issued for the year-to-date.

- **Transfers and subsidies (R862.7 million under)**

Under-recovery reflects in the following directorates:

- Community Services & Health, where June 2022 month-end transactions are still being processed.
- Human Settlements, mainly within the following subcategories:
 - Grant and Subsidies (National), on the following projects:
 - Informal Settlement Planning, where statutory planning studies are still being undertaken. Invoices for work done up to 30 June 2022 are still being processed;
 - Informal Settlement Community Surveying, where surveys conducted in areas affected by gang-related violence could not be conducted as originally planned. Invoices for work done up to 30 June 2022 are still being processed; and
 - Dido Valley (Luyolo) Land Claim, where the appointment of the contractor could not be made as the Land Claims subsidy was insufficient to cover the quote provided by the contractor.
 - Grant and Subsidies (Provincial), on the following projects:
 - PHP and other Projects, due to outstanding invoices;
 - Valhalla Park Integrated Housing Project, due to expiration and subsequent renewal of the framework agreement resulting in delays in spending, and outstanding invoices for June 2022;
 - Outstanding invoices on some of the projects administered by the WCG; and

- Maroela Housing (South), due to delays in the appointment of the consultant and contractor.
- Urban Mobility, mainly due to:
 - Unfilled grant-funded contract vacancies, due to withdrawal of the budget for posts for the Public Transport Safety project as the anticipated funding from the WCG was not secured resulting in lower than planned expenditure to date;
 - Outstanding AFS/APTMS invoices;
 - Verification of MyCiTi and PTI invoices for June 2022 before payment is made;
 - Underspending on marketing and communication in respect of public transport as no corporate tender is currently in place;
 - Lower than expected consultant expenditure for monitoring of Public Transport projects; and
 - Slower than anticipated performance by consultants on the Phase 2A Industry Transition and Development of the Taxi Operators project.
- Urban Waste Management, due to less than planned revenue-recognition as a result of the ongoing process to transfer expenditure booked against the cost centre to the relevant grant-funded projects.
- Economic Growth, where ongoing compliance checks have resulted in the National Skills Fund tranche payment not being received.
- Safety & Security, due to recoveries still to be processed before year end.
- Finance, where the VAT clawback is less than anticipated as a result of underspending on various National grant-funded projects where VAT clawback is applied.
- Future Planning & Resilience, where the tender capacity of the corporate tender for Professional Services was limited and work had to be performed internally.
- Spatial Planning & Environment, where invoices are still to be processed before year end.
- Water & Sanitation, due to revenue recognition being slightly lower than anticipated as a result of a few outstanding invoices. It is anticipated that the full grant for the COVID-19 project will not be recognised as a result of implementation challenges.
- **Other Revenue (R91.6 million over)**

Over-recovery reflects against the following categories:

 - Cash Recoveries Claims, due to recovery of various SASRIA claims in respect of riot/protest damage to several MyCiTi bus stations.
 - Discounts, due to an unplanned payment from the Cape Municipal Pension Fund relating to an amount due to the City from the City's Employer Surplus Account.
 - Busfares-Transit Products, due to an increase in revenue as a result of the N2 Express contract renewal.
 - Collection Charges Recovered, due to an increase in the number of customers handed over for outstanding debt.

- **Gains (R270.9 million under)**

Under-recovery reflects in the following directorates:

- Economic Growth, due to the submission of Land Sale Write-off Schedules to Finance (Corporate Assets) for approval and processing as part of year end processing.
- Water & Sanitation, on Gains Inventory Consumed, where gains for the reporting period have not yet been captured.

Reasons for variances on revenue can be found in *Material variance explanations for operating revenue by source and by vote* on page 40.

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
Expenditure By Type							
Employee related costs	15 612 510	15 864 116	15 192 176	15 864 116	(671 940)	-4.2%	15 462 170
Remuneration of councillors	179 826	179 826	165 147	179 826	(14 680)	-8.2%	179 876
Debt impairment	2 716 859	2 371 700	2 223 494	2 371 700	(148 206)	-6.2%	2 612 459
Depreciation & asset impairment	3 013 855	3 073 473	3 017 721	3 073 473	(55 752)	-1.8%	3 060 227
Finance charges	794 747	788 687	736 434	788 687	(52 252)	-6.6%	789 658
Bulk purchases - electricity	11 182 400	11 218 900	10 313 584	11 218 900	(905 316)	-8.1%	11 574 478
Inventory consumed	3 703 850	5 679 947	5 428 875	5 679 947	(251 071)	-4.4%	5 835 916
Contracted services	7 960 363	8 129 329	7 217 823	8 129 329	(911 506)	-11.2%	7 629 516
Transfers and subsidies	464 263	569 460	401 619	569 460	(167 841)	-29.5%	473 328
Other expenditure	2 632 043	2 714 622	2 441 231	2 714 622	(273 391)	-10.1%	2 553 067
Losses	14 124	647 776	536 504	647 776	(111 272)	-17.2%	535 416
Total Expenditure	48 274 839	51 237 836	47 674 607	51 237 836	(3 563 229)	-7.0%	50 706 112

Reasons for major over-/under expenditure per type

- **Employee related costs – (R671.9 million under)**

Under expenditure is mainly due to:

- The turnaround time in filling vacancies;
- The internal filling of vacancies;
- Slower than planned implementation of job creation projects (EPWP); and
- Final year end processing on Post-Retirement Medical Aid, and other employee-related expenditure.

- **Debt Impairment (R148.2 million under)**

The variance is due to final year end calculations still to be done and processed.

- **Bulk purchases – electricity (R905.3 million under)**

The variance is mainly due to the June 2022 invoice that must still be processed.

- **Inventory consumed (R251.1 million under)**

Under expenditure is mainly due to:

- Materials, Consumables Tools & Equipment, due to lower than planned general requirements and fewer refuse containers purchased as the rate at which containers were stolen/damaged was lower than anticipated.
- Pharmaceutical supplies, G&D Pharmaceutical supplies and G&D Vaccines, due to outstanding invoices and final year end processing still to be completed.
- Printing Stationery & Photographic, mainly as a result of staff working remotely during the year.
- Inventory Consumed: Reticulation Water, due to outstanding volumes for the reporting period. Final accounts from the DWS is still outstanding, however, it is anticipated that the actuals will exceed budget provision.
- R&M Material General & Consumables, mainly due to the Public Lighting Maintenance contract being awarded later than anticipated, the reduced number of standby teams responding to C3 "no water complaints" as well as discontinuation of water management devices during the year.

- **Contracted Services (R911.5 million under)**

Under expenditure reflects against the following subcategories:

- Advisory Services - Research and Advisory, due to initial delays in the commencement of the Desalination - TMG Aquifer and Catchment projects as well as delays in commencement of the Pump Station Review project.
- R&M Contracted Services Buildings, due to outstanding invoices, a reduction in the number of standby teams responding to C3 'no water complaints', slower than planned implementation of maintenance programmes, and more work being done internally.
- R&M Maintenance Equipment, due to outstanding invoices still to be processed, and lower than planned demand for maintenance of equipment.
- Recreation, Sport, Tourism Development Programmes, due to lower than planned implementation of ward allocation projects and departmental development programmes.
- R&M Contracted Services electrical, due to a decrease in the number of electrical repairs and maintenance at waste water plants, and delays in award of the Public Lighting Maintenance contract.
- Sewerage Services, due to a number of outstanding invoices that must still be processed, and the variable costs for the management of the Zandvliet Treatment Plant being slightly less than anticipated. In addition, there have been delays in the approval for implementation of the Faecal Sludge Management Facility.
- Relief Drivers, where challenges relating to the hiring of vehicles resulted in fewer drivers being appointed.
- Administrative and Support Staff, due to the demand for Labour Broker staff being lower than planned for the year.
- G&D Transportation Services People, where the new tender for the MyCiTi Station & PTI Management had rates lower than originally projected resulting in savings, and due to outstanding invoices for June 2022.

- Transportation Services People, due to shift workers not making use of staff transportation when working night shift and overtime as a precautionary measure to prevent the spread of the COVID-19 virus as well as outstanding invoices for June 2022, which must still to be processed. Under spend on Management Services of the PTIs, which was co-funded by the PTNG grant contributed to the variance as additional funding on the grant was utilised first resulting in savings on the Rates-funded budget.
- Cleaning Costs, where costs relating to COVID-19 requirements are lower than anticipated.
- Meter Management, mostly within the Water & Sanitation directorate, due to projects relating to the excessive use approach within the Customer Services branch not being fully operational yet.
- R&M Gardening, due to lower than planned demand for services, and invoices still to be processed.
- G&D Contracted Services Buildings, due to delays with Top Structures Project, and outstanding invoices still to be processed.
- G&D Sewerage Services, due to outstanding invoices that must still be processed.
- Advisory Services Project Management, due to procurement delays. Fleet Management applied for the transversal use of the replacement tender and approval is still pending. In addition, a lower than planned demand for services contributed to the variance.
- G&D Advisory Service - Project Management, due to slower than anticipated performance by consultants on the Phase 2A Industry Transition and Development of the Taxi Operating Companies, and the AFC/APTMS project.
- G&D Professional Services - Town Planner, due to transactions still to be processed against the Programme Project Preparation Support Grant.
- **Transfers and subsidies (R167.8 million under)**

Under expenditure reflects against the following directorates:

 - Human Settlements, on G&D Housing PHP Payment, due to beneficiary administration issues/challenges, court cases, poor performances of some contractors and outstanding invoices still to be processed.
 - Finance, mainly on Grants/Sponsorships, as a result of the Cape Town Stadium entity generating sufficient revenue to cover its operational expenditure resulting in a lower requirement for grant funding from the City.
 - Water & Sanitation, due to the late commencement and amendments to the project plan of the Alien Vegetation Removal Programme, which has since gained momentum.
 - Economic Growth, where the National Skills Fund tranche payments was received but not yet paid to the service providers as a result of the protracted administration process for payment.
- **Other expenditure (R273.4 million under)**

Under expenditure reflects against the following categories:

 - Operating Leases, where the June 2022 invoice must still be processed.
 - Bulk Water: Levy (Berg Water Project), due to a decrease in the Berg Water Levy tariff as well as outstanding invoices for the reporting period.

- R&M Hire of LDV, P/Van, Bus, Specialised Vehicle, due to outstanding invoices.
 - Hire Charges, due to outstanding invoices, and a decrease in the number of pumps hired for reticulation.
 - Commission - Pre-paid electricity Vendor, due to the June 2022 invoice that must still be processed, and a decline on prepaid sales as a result of load shedding.
 - Commission - Revenue Sharing, due to less than anticipated commission paid to third party vendors.
 - Furniture Tools and Equipment, where the financial year end transactions still need to be processed.
 - Insurance, due to lower than planned claims received and paid for during the year.
 - Specialised Information Technology Services, due to outstanding invoices that still need to be processed.
 - Uniform & Protective Clothing, due to delays as a result of an appeal in respect of the awarded tender.
- **Losses (R111.3 million under)**
The variance is mainly on Losses - Inventory Consumed Water, due to outstanding volumes for the reporting period. Awaiting accounts from the DWS and internal operations. It is anticipated that losses for inventory consumed will be less than anticipated due to high water sales.

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	Projected Full Year variance
Expenditure by Vote								
Vote 1 - Community Services & Health	4 203 855	4 364 284	4 094 878	4 364 284	(269 406)	-6.2%	4 364 284	—
Vote 2 - Corporate Services	3 219 552	3 178 267	(710 840)	3 178 267	(3 889 107)	-122.4%	3 178 267	—
Vote 3 - Economic Growth	761 637	790 497	607 103	790 497	(183 393)	-23.2%	778 257	(12 240)
Vote 4 - Energy	13 826 537	13 885 266	13 249 609	13 885 266	(635 657)	-4.6%	14 177 741	292 474
Vote 5 - Finance	3 222 505	3 329 145	5 842 532	3 329 145	2 513 387	75.5%	3 242 965	(86 180)
Vote 6 - Future Planning & Resilience	503 141	519 583	425 456	519 583	(94 127)	-18.1%	519 623	40
Vote 7 - Human Settlements	1 446 865	1 467 828	1 338 503	1 467 828	(129 325)	-8.8%	1 378 039	(89 789)
Vote 8 - Office of the City Manager	336 605	361 819	385 758	361 819	23 939	6.6%	361 819	—
Vote 9 - Safety & Security	4 707 856	4 614 791	4 283 902	4 614 791	(330 889)	-7.2%	4 556 557	(58 234)
Vote 10 - Spatial Planning & Environment	1 171 915	1 178 500	1 150 998	1 178 500	(27 502)	-2.3%	1 136 189	(42 311)
Vote 11 - Urban Mobility	3 669 117	3 727 691	3 389 746	3 727 691	(337 945)	-9.1%	3 533 021	(194 669)
Vote 12 - Urban Waste Management	3 138 571	3 215 107	3 208 157	3 215 107	(6 950)	-0.2%	3 089 767	(125 341)
Vote 13 - Water & Sanitation	8 066 681	10 605 059	10 408 804	10 605 059	(196 255)	-1.9%	10 389 585	(215 474)
Total Expenditure by Vote	48 274 838	51 237 836	47 674 607	51 237 836	(3 563 229)	-7.0%	50 706 112	(531 724)

Reasons for under expenditure per vote (directorate)

Details on under expenditure by vote can be found in *Material variance explanations for operating expenditure by vote and by type* on page 52.

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.

- **Finance (R2 513.4 million over)**

Over expenditure reflects against Contribution to Provision: Post-Retirement Medical Aid (PRMA), which was not finalised at the time of reporting. It has since been finalised and the directorate reflects an underspend.

- **Office of the City Manager (R23.9 million over)**

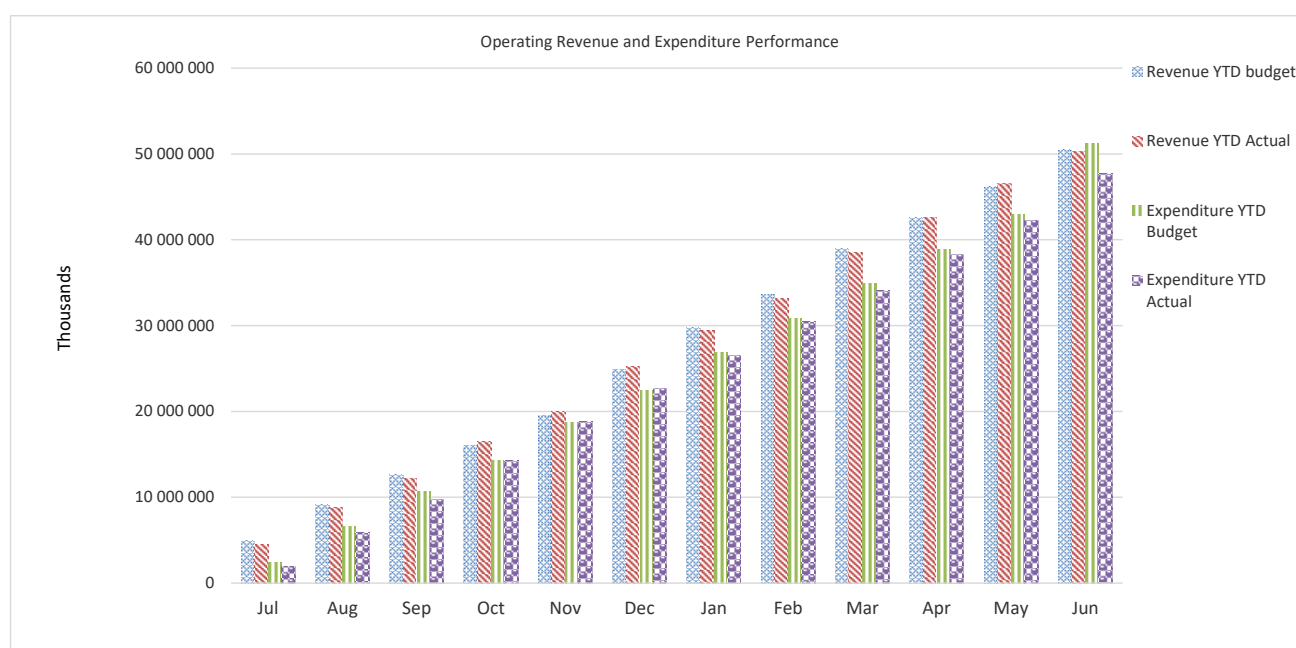
Over expenditure reflects against the following categories:

- Contracted Services, mainly on:
 - Legal Cost - Legal Advice and Litigation, as a result of the significant increase in legal requests, especially litigation matters of which a significant number was High Court matters; and
 - Security Services: Municipal Facilities, due to the need for 24-hour security services at Lentegour Court as well as the change in security services providers in October 2021, which increased the expenditure to date.
- Other Expenditure - Membership Fees: Professional, due to the advance payment of 2022/23 SALGA membership fees.

Details on variances for operating expenditure can be found in *Material variance explanations for operating expenditure by vote and by type* on page 52.

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	6 095 115	5 101 372	6 095 115	(993 744)	-16.3%	5 616 289
Funded by:							
National Government	3 050 778	1 705 493	1 519 004	1 705 493	(186 489)	-10.9%	1 612 105
Provincial Government	15 866	27 760	27 511	27 760	(249)	-0.9%	27 597
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	72 198	59 336	46 519	59 336	(12 817)	-21.6%	49 149
Transfers recognised - capital	3 138 842	1 792 589	1 593 034	1 792 589	(199 555)	-11.1%	1 688 851
Borrowing	2 500 000	1 200 000	911 906	1 200 000	(288 094)	-24.0%	1 081 905
Internally generated funds	2 675 925	3 102 526	2 596 432	3 102 526	(506 094)	-16.3%	2 845 533
Total Capital Funding	8 314 767	6 095 115	5 101 372	6 095 115	(993 744)	-16.3%	5 616 289

The summary statement of capital budget performance indicates actual capital expenditure of R5 101 million or 83.70% of the current budget.

The year-to-date spend represents 81.54% (R3 508 million) on internally-funded projects and 88.87% (R1 593 million) on externally-funded projects.

Capital budget by municipal vote for 2021/22

Vote Description R thousands	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Vote 1 - Community Services & Health	294 831	299 732	298 971	234 290	298 971	(64 682)	-21.6%	277 840
Vote 2 - Corporate Services	438 453	418 663	435 081	402 534	435 081	(32 546)	-7.5%	417 984
Vote 3 - Economic Growth	90 132	57 073	51 116	41 261	51 116	(9 856)	-19.3%	47 543
Vote 4 - Energy	732 741	952 575	863 527	739 288	863 527	(124 239)	-14.4%	781 833
Vote 5 - Finance	248 489	25 515	16 542	16 288	16 542	(254)	-1.5%	16 315
Vote 6 - Future Planning & Resilience	51 741	79 452	46 623	36 641	46 623	(9 982)	-21.4%	40 797
Vote 7 - Human Settlements	737 971	827 201	928 826	808 262	928 826	(120 564)	-13.0%	892 670
Vote 8 - Office of the City Manager	6 002	6 175	6 343	5 725	6 343	(618)	-9.7%	6 284
Vote 9 - Safety & Security	367 879	258 298	199 062	192 011	199 062	(7 051)	-3.5%	192 783
Vote 10 - Spatial Planning & Environment	114 093	154 142	112 056	85 871	112 056	(26 185)	-23.4%	100 123
Vote 11 - Urban Mobility	776 446	2 191 855	722 772	612 258	722 772	(110 514)	-15.3%	648 034
Vote 12 - Urban Waste Management	528 035	661 993	388 298	321 810	388 298	(66 488)	-17.1%	333 249
Vote 13 - Water & Sanitation	2 141 660	2 382 091	2 025 899	1 605 133	2 025 899	(420 766)	-20.8%	1 860 835
Total Capital Expenditure	6 528 474	8 314 767	6 095 115	5 101 372	6 095 115	(993 744)	-16.3%	5 616 289

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

- **Energy directorate (R124.2 million under)**

The negative variance reflects mainly on the following projects:

- Vehicles - Replacement FY22: All items barring the aerial platforms have been received and are in the process of being marked as received. The aerial platforms will not be delivered in this financial year due to supplier constraints.
- SCADA Master Station Upgrade, where the computer hardware could not be delivered by 30 June 2022 as a result of the impact of the COVID-19 pandemic on worldwide production of semi-conductors.
- 132kV OH Insulator Replacement, where orders for material could only be placed after the scope of the project was finalised. Some material have been delivered on site.
- Prepayment Meter Replacement FY22, where works have been completed but the invoices were submitted after month-end.

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

- **Human Settlements directorate (R120.5 million under)**

The negative variance is mainly as a result of:

- Delayed implementation of external bulk road infrastructure, due to land acquisition taking longer than anticipated on the Conradie Housing Development (PGWC) project.
- Invoices received after month-end on the Asset Upgrade: Routine Programmes, and the Informal Settlement Upgrade: Imizamo Yethu project.
- Outstanding invoices for various completed projects.

96% spend is forecasted for the projects currently on the budget.

- **Urban Mobility directorate (R110.5 million under)**

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

- Grassy Park Non-Motorised Transport, due to initial delays as a result of material quality issues resulting in a complete review of the project in order to determine cash flow requirements for the 2021/22 and 2022/23 financial years. A value at risk has been identified.
- Green Point Precinct Road Upgrades, where a value at risk was identified as the event organiser's PSP undertook work originally anticipated to be done by the City's PSP resulting in the budget provision not being used. Delayed construction commencement because of protracted environmental authorisation from DEADP also contributed to the underspend.
- IRT Phase 2A, due to:
 - Fewer than planned properties being acquired on the IRT Ph2A: Land & Property Acquisition project; and
 - A lower than anticipated final invoice received for the close-out of the previous PSP appointment on the IRT phase 2A: West project.

- IRT: Control Centre, due to initial delays on the MFMA Section 116(3) process, which is required before any amendments to capital works may commence. This budget funds the ongoing implementation of the Advanced Public Transport Management System (APTMS). Awaiting outstanding invoice for work done to date.
- Heavy Duty Vehicles: Additional FY22, where the delivery of vehicle orders were delayed due to unavailability of stock.
- Vygeskraal River Pedestrian Bridge, due to expiration of the previous tender resulting in the need for advertisement of a new tender. Construction will only commence in the 2022/23 financial year. Funds will be used for professional services for the review of tender documentation before advertising.
- Public Transport Interchange Programme, due to:
 - Delays as a result of no approved temporary holding area for taxis during the construction period on the Bellville: Public Transport Hub. Payments relating to PSP completed for 2021/22; awaiting outstanding construction invoice;
 - Finalisation of the new term tender on the Public Transport Facility: Makhaza: Mini-bus Taxi project, which took longer than anticipated. The contractor has, however, completed the layer works and kerbing; and
 - Delays in appointment of the service provider to finalise the conceptual designs on the Durbanville PTI Upgrade project.
- Transport System Management Projects: Civils FY22, where the budget was primarily for the construction of a large roundabout in Khayelitsha via term tender. The contractor has declined the work due to capacity constraints and indicated that the work would only commence in the 2022/23 financial year.
- Transport Facilities Upgrades FY22, due to outstanding invoices for the installation of permanent fences at a number of PTI facilities in Kuyasa, Masiphumelele, Wynberg, Parow and Bellville.
- Road Rehabilitation: Jakes Gerwel - N2 & N1 project, where implementation has been slightly slower than anticipated due to unforeseen ground conditions, and as a result of the focus being shifted to the slower, lower production intersections as the high production work was completed.
- Vetting of the PSP and contractors' invoices on the Inner City NMT project.
- Unmade Roads - Residential FY22 project, due to outstanding invoices for the construction of Corfu Road link and Doig Road, which has been completed.
- MyCiTi Buses - Refurbishment, where teething problems were experienced by the three Vehicle Operating Company (VOC) who have chosen different methods of refurbishing from in-house to outsourcing.

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

- **Water & Sanitation directorate (R420.8 million under)**

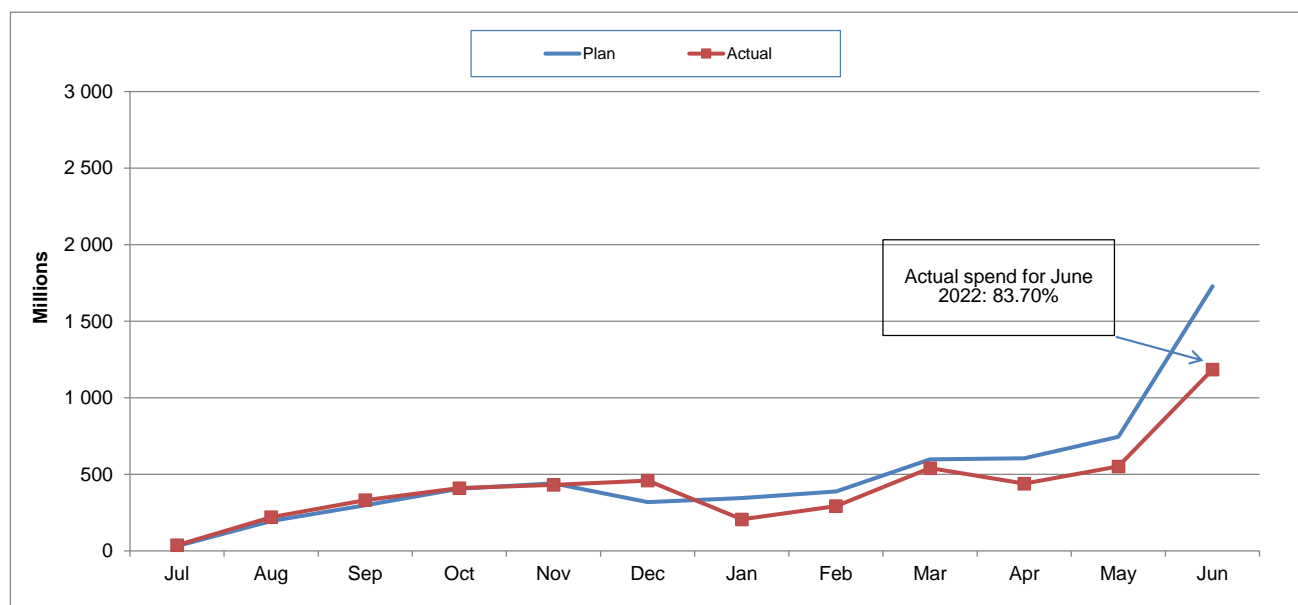
The variance includes contingencies amounting to R163 million. Invoices for work performed up to 30 June 2022 are still being processed as part the financial year end process. The remaining variance relates to delays flowing from appeals lodged on tenders, community resistance, items not delivered on time, etc.

92% 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 73.

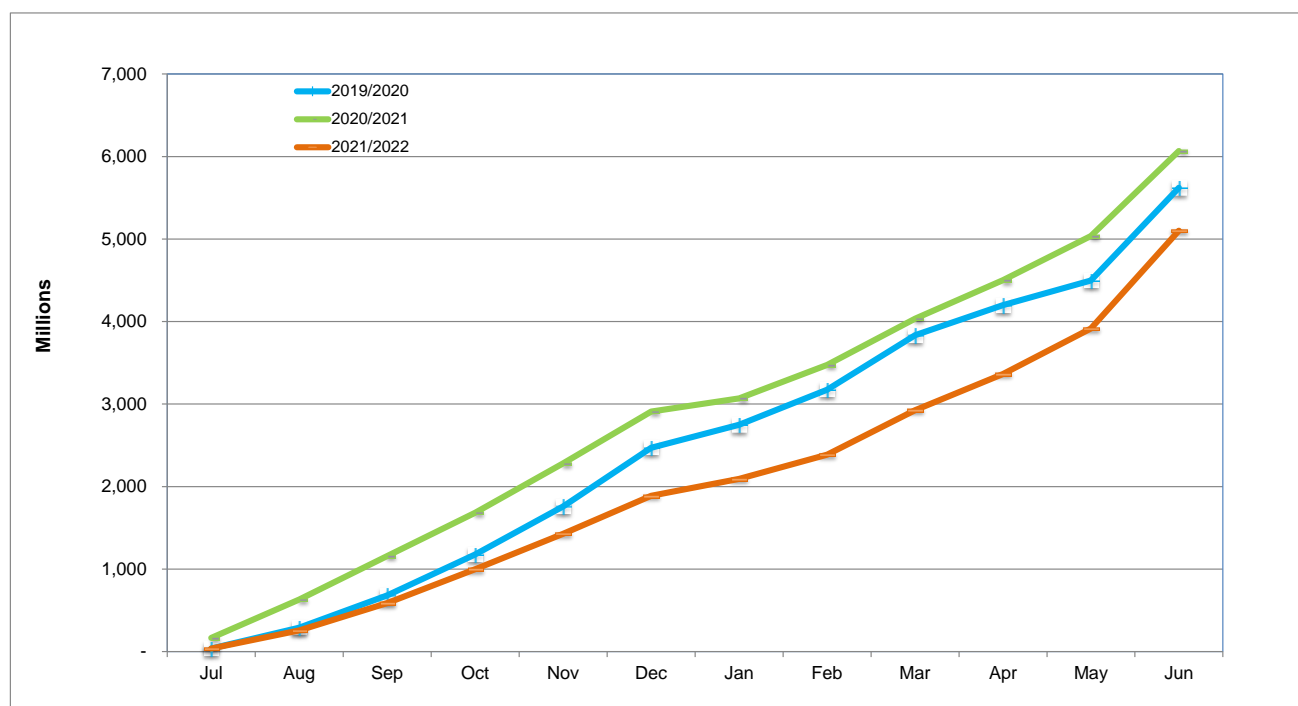
Monthly capital expenditure

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

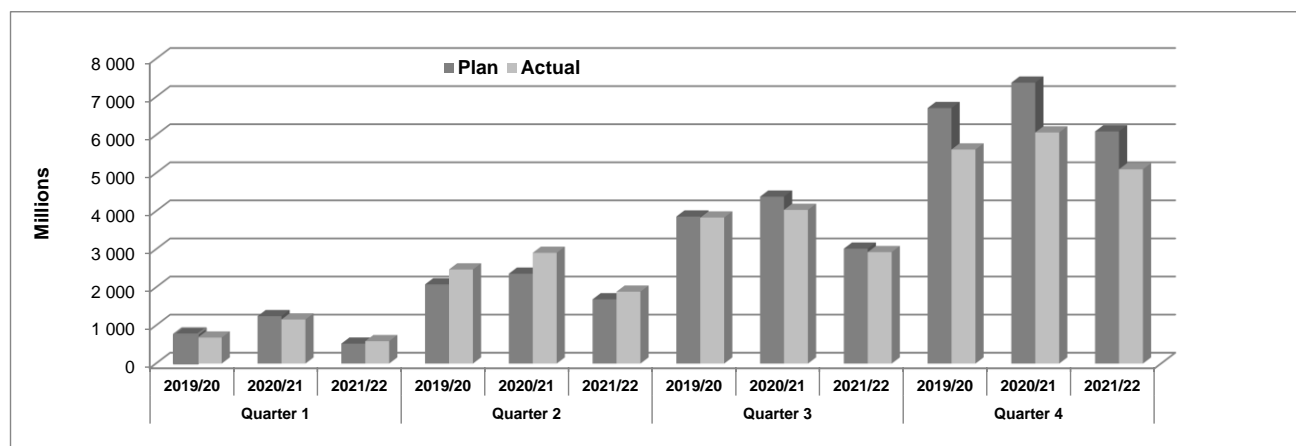


Capital expenditure trend over the current- and past two years

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	Full Year Forecast	Comments
Zandvliet WWTW-Extension	406 753 064	406 753 064	359 656 514	-47 096 550	406 753 064	All works planned for the 2021/22 financial year have been completed. The construction invoices are in the process of being vetted and will be processed by 15 July 2022.
System Equipment Replacement: East	194 183 503	194 183 503	182 189 733	-11 993 770	188 950 668	Project phase completed. Underspend identified due to loadshedding, delayed transformer and minisub delivery, material shortages (ring main unit - RMU) and delayed award of construction tender. Funds have been made available in the 2022/23 financial year to continue with the project implementation.
Cape Flats Rehabilitation	192 391 113	192 391 113	173 176 059	-19 215 054	192 391 113	All works planned for the 2021/22 financial year have been completed. The construction invoices are in the process of being vetted and will be processed by 15 July 2022.
Plant & Vehicles: Replacement	190 127 722	190 127 722	177 171 138	-12 956 584	177 171 138	Some vehicles have been delivered ahead of schedule as a result of stock availability. However, one of the vendors has indicated that two plant items will not be delivered by the end of the financial year as a result of the war in Ukraine, which has impacted delivery of parts imported from Europe. This will result in a portion of the budget being rolled over to the 2022/23 financial year.
Urbanisation: Backyards/Informal Settlement Upgrades	160 731 344	160 731 344	151 553 961	-9 177 383	155 165 385	All works planned for the 2021/22 financial year have been completed. Awaiting final invoice, which will be vetted and processed by 15 July 2022. Unspent balance relates to contingency funds, which were not required during the financial year. A roll-over application will be submitted to National Treasury for the unspent balance.
FS Replacement Vehicles	160 721 203	160 721 203	160 718 946	-2 257	160 718 947	Project completed. Minor savings realised.
Contermanskloof Reservoir	133 894 097	133 894 097	99 776 041	-34 118 056	128 086 952	All works planned for the 2021/22 financial year have been completed. The construction invoices are in the process of being vetted and will be processed by 15 July 2022. Balance of funds to be rolled over to the 2022/23 financial year.
Land Acquisition (USDG)	118 137 670	118 137 670	115 274 450	-2 863 220	115 274 450	Some land acquisitions were finalised by 30 June 2022. The under expenditure is as a result of the deeds of sale for two land parcels in Sir Lowry's Pass not being lodged at the Deeds Office by 30 June 2022. A roll-over application will be submitted to National Treasury for the unspent funds.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Cape Flats Aquifer Recharge	116 129 405	116 129 405	84 273 331	-31 856 074	114 129 406	The project is behind programme due to delays in finalising the outcome of the appeal received against the award of tender 348Q/2018/19, and due to the impact of the COVID-19 lockdown restrictions on the overseas supplier of materials, which resulted in the project programme being re-baselined. Unspent funds will be rolled over to the 2022/23 financial year in the August 2022 adjustments budget.
IRT Phase 2 A	105 994 424	105 994 424	96 994 530	-8 999 894	99 726 658	The negative variance is due to the lower than anticipated final invoice submitted for the close-out of the previous Professional Services Provider (PSP) appointment. Further work will be completed by a new PSP under a new contract, who has been appointed. A roll-over application will be submitted to National Treasury for the unspent balance.
Replace & Upgrade Sewer City wide	102 596 000	102 596 000	53 234 332	-49 361 668	88 561 182	Project behind schedule as some of the work projects were not accepted by the contractors and needs to be re-advertised. Some of the work projects are taking longer than anticipated due to the complexity of the works, density of the area and the possible effects on the surrounding infrastructure. The unspent funds to be rolled over to the 2022/23 financial year in the August 2022 adjustments budget process.
Replace & Upgrade Water Network	102 320 000	102 320 000	85 189 121	-17 130 879	85 459 714	All works planned for the 2021/22 financial year have been completed. The construction invoices are in the process of being vetted and will be processed by 15 July 2022. Savings to be realised.
Bulk Water Infrastructure Replacement	91 421 960	91 421 960	65 941 145	-25 480 815	79 055 933	The programme consist of multiple active contracts to replace/refurbish infrastructure at bulk water plants. The programme is in various stages of design/execution/completion and generally on programme. There were delays in the delivery of valves and flowmeters as a result of the impact of COVID-19 lockdown restrictions on manufacturing and shipping. This has now resulted in some of the work planned not being completed by 30 June 2022. The balance of the funding will be rolled over in the August 2022 adjustments budget.
Greenville Housing Project Phase 4	82 661 442	82 661 442	82 661 341	-101	82 661 343	Project phase completed; minor savings realised.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Table Mountain Group Aquifer: Steenbras	79 741 896	79 741 896	42 536 884	-37 205 012	71 035 227	The preparation and evaluation of term tenders for utilisation in the development of the Table Mountain Group Aquifer (019Q/2018/19, 285Q/2020/21, 364Q/2020/21 & 311Q/2020/21) have proved extremely challenging and has not proceeded as planned. The challenges experienced include viz., litigation against tenders 019Q/2018/19 and 285Q/2020/21 as well as appeals against awards. The litigation and delays to the awards of the term tenders and resultant late commencement of the contracts have impacted on the predicted cash flow on this project. The balance of the funding will be rolled over in the August 2022 adjustments budget.
Athlone WWTW-Capacity Extension-phase 1	76 819 832	76 819 832	58 544 924	-18 274 908	59 997 586	<p>The successful bidder on tender 376Q/2018/19 sent the City a letter in February 2022 indicating that the tender price is no longer valid and wanted to renegotiate with the City. The bidder subsequently withdrew the offer and the award was reverted to the next bidder at a BAC meeting on 23 May 2022.</p> <p>The current expenditure relates to demolition of the blower house as well as consultants making use of tender 296Q/2018/19 and 194C/2020/21. A portion of the project is being rephased to the 2022/23 financial year.</p>
Meter Replacement Programme	75 655 351	75 655 351	61 152 802	-14 502 549	64 485 873	The programme is behind schedule as a result of unavailability of tender 28Q/2019/20, which is required for implementation. The tender is in appeal and the matter is being dealt with at the High Court. Sufficient budget has been made available in the 2022/23 financial year to implement this programme.
Cape Flats Aquifer	72 850 000	72 850 000	57 561 515	-15 288 485	63 927 524	The preparation and evaluation of term tenders for utilisation in the development of the Cape Flats Aquifer (004Q/2021/22, 095Q/2021/22 & 177Q/2021/22) has proven extremely challenging and has not proceeded as planned. The challenges experienced included viz., the high number of rates to be captured and scheduled by SCM, checking of schedules by line and correction of scheduling errors, change in PSP from previous tenders, workload and resultant availability of stakeholders with all tenders concurrently in process, need to request Preferred Bidder approval and high level of external due diligence required. The delays to the award of the term tenders and resultant commencement of contracts has impacted on the predicted cash flow on this project. As a result of the delays not all work planned was completed by 30 June 2022, which will result in funds being rolled over to the 2022/23 financial year via the August 2022 adjustments budget process.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Service Connections: Quote	72 750 000	72 750 000	68 300 701	-4 449 299	69 394 208	Customer demand driven. Applications for new- and upgraded supplies have been less than planned. Furthermore, delays on the River Club redevelopment will result in underspend.
Rd Rehab:Jakes Gerwel - N2 & N1	70 217 150	70 217 150	63 229 543	-6 987 607	70 048 035	The construction work is slightly slower than anticipated due to unforeseen ground conditions, and as a result of the focus being on lower production intersections because the high production work has been completed. Unspent funds will be reposted from various projects to ensure full USDG spend on the project.
Law Enforcement Advancement Plan	70 094 944	70 094 944	67 405 653	-2 689 291	67 548 575	Radios have been delivered, however, the consoles could not be delivered by 30 June 2022 due to stock unavailability. The balance of the funds will be rolled over in the August 2022 adjustments budget.
MV System Infrastructure	64 431 000	64 431 000	53 014 770	-11 416 230	58 050 000	Project phase completed. Balance of funds will not be utilised due to initial unavailability of tender 109Q/2018/19. Provision has been made in the 2022/23 financial year.
IT: CAR Infrastructure	59 739 085	59 739 085	56 403 089	-3 335 996	58 416 954	All works planned for the 2021/22 financial year have been completed. Awaiting final invoice, which will be vetted and processed by 15 July 2022.
SCADA Master Station Upgrade	55 000 000	55 000 000	44 685 000	-10 315 000	44 685 000	Delivery of computer hardware was delayed due to the impact of COVID-19 lockdown restrictions on the worldwide production of semi-conductors. This will result in a portion of the budget being rolled over to the 2022/23 financial year.
Smart Technologies at PTIs	54 385 000	54 385 000	54 263 447	-121 553	54 263 448	Programme phase has been completed. A roll-over application will be submitted to National Treasury for the unspent balance.
	2 909 747 205	2 909 747 205	2 514 908 969	-394 838 236	2 755 958 382	

COMMITMENTS AGAINST CASH AND INVESTMENTS**Cash and Investments**

The cash and cash equivalents amount to R8 335 million for the month under review. 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	18 561 451	17 792 244
Total Commitments	10 039 565	9 514 829
Unspent Conditional Grants	1 822 672	1 347 465
Housing Development	328 761	328 682
MTAB	23 433	23 433
Trust Funds	958	958
Insurance reserves	651 063	601 613
CRR / Revenue	3 951 628	3 951 628
Other contractual commitments	3 261 050	3 261 050
Uncommitted Funds	8 521 886	8 277 415
Closing Cash and Investment Balance	18 561 451	17 792 244
Non Current Investments	3 699 338	3 727 865
Current Investments	5 757 666	5 729 139
Cash and Cash Equivalents as per Cash flow statement (Table C7)	9 104 447	8 335 240

Details on the cash flow can be found in *Cash Flow* on page 39.

The City's investment portfolio breakdown can be found in *Investment portfolio* on page 84.

The monthly actual and targets can be found in *Actual and revised targets for cash receipts and cash flows* on page 93.

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	6 070 243	5 349 814	6 070 243	(720 429)	-11.9%	6 070 243
Total capital expenditure of Transfers and Grants	3 138 842	1 792 589	1 593 034	1 792 589	(199 555)	-11.1%	1 688 851
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	8 785 773	7 862 831	6 942 848	7 862 831	(919 984)	-11.7%	7 759 094

Detailed information on transfers and grants per funding source is reflected in *Transfers and grants expenditure* on page 88.

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	2 727	108	(5)	(198)	–	2	–	4	2 638

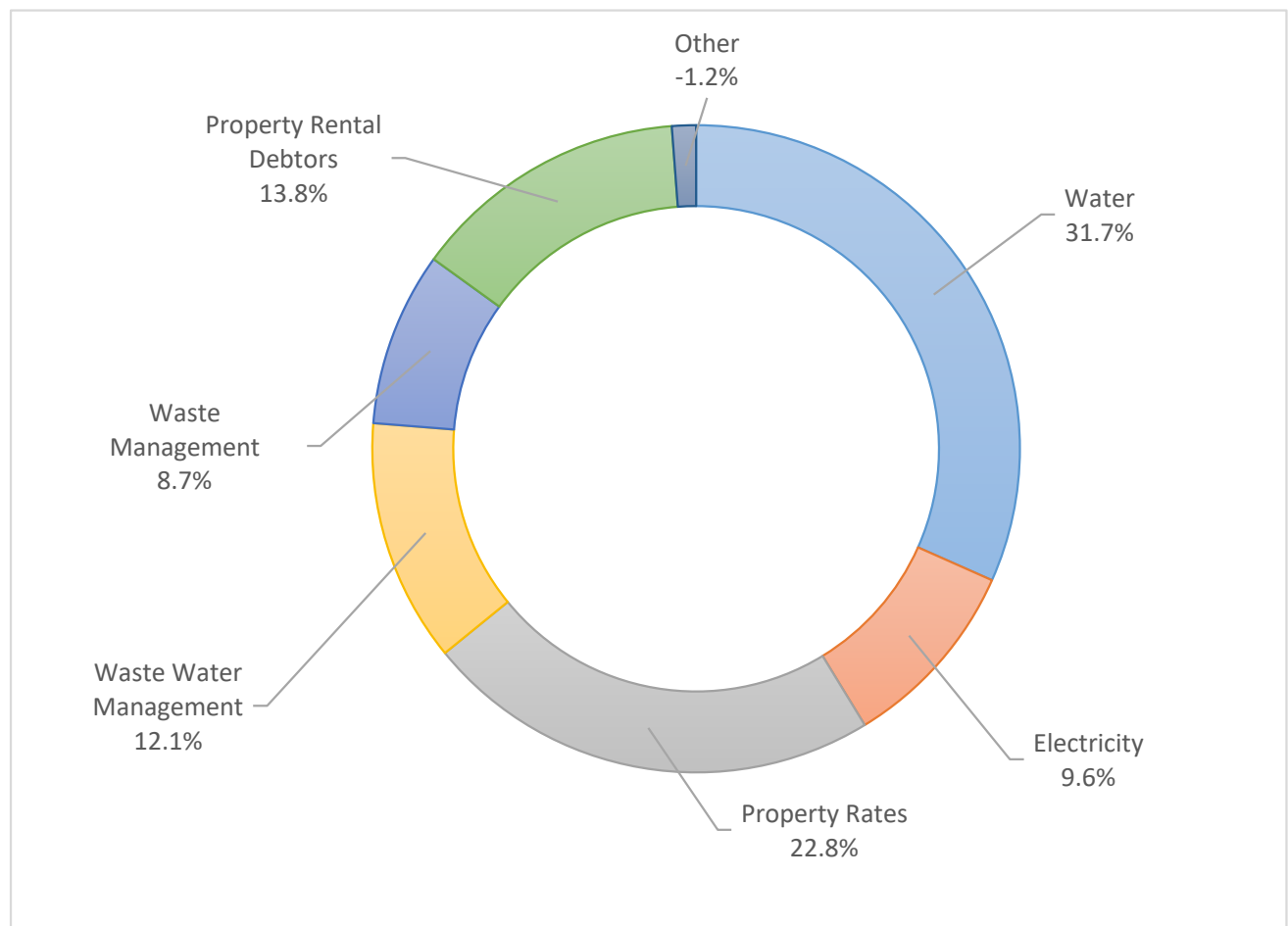
The City's creditors are paid within 30 days as stipulated in the MFMA. Creditors older than 31 days are due to debit balances, blocked payments, bank rejections and a foreign exchange journal.

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	2 107 884	25.7%	320 910	3.9%	196 633	2.4%	5 582 177	68.0%	8 207 604
2020/21 - totals only	1 975 475	25.4%	341 595	4.4%	155 799	2.0%	5 293 039	68.2%	7 765 908
Movement	132 410		(20 685)		40 834		289 138		441 696
% Increase/(Decrease) year on year		6.7%		-6.1%		26.2%		5.5%	5.69%

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	150><365	365 days	Comments
Basfour 2295 (Pty) Ltd	R27 327 938.28	R1 470 628.33	R12 144 884.04	R0.00	R0.00	R0.00	R0.00	R13 715 456.91	-R3 031.00	The client paid R1 720 628.33 on 4 July 2022 with an interim instalment plan in place for current account plus R250 000 per month. The client's attorney sent confirmation on 1 July 2022 that the client is in the process of selling a property to make a settlement offer with income of proceeds shared among the various accounts.
Basfour 2295 (Pty) Ltd	R27 083 875.59	R1 690 579.96	R2 790 272.68	R0.00	R0.00	R0.00	R0.00	R6 774 603.57	R15 828 419.38	The client paid R3 040 443.48 on 4 July 2022 with an interim instalment plan in place for current account plus R250 000 per month. The client's attorney sent confirmation on 1 July 2022 that the client is in the process of selling a property to make a settlement offer with income of proceeds shared among the various accounts.
The Business Manager	R17 422 468.44	R103 362.06	R578 273.79	R506 344.01	R484 270.19	R550 450.57	R512 590.86	R3 570 292.09	R11 116 884.87	This is a PRASA account. The water account was consolidated with the sewerage account in May 2022. An adjustment is pending the actual meter reading.
Cornucopia Trust	R14 120 951.50	R599 187.11	R1 493 775.46	R0.00	R0.00	R0.00	R1 413 000.66	R7 248 338.54	R3 366 649.73	The client paid R1 743 775.46 on 4 July 2022 and an interim instalment plan is in place for current account plus R250 000 per month. The client's attorney sent confirmation on 1 July 2022 that the client is in the process of selling a property to make a settlement offer with income of proceeds shared among the various accounts.
Cape Town Community Housing Co Pty	R12 395 988.78	R270 788.69	R275 604.36	R294 397.65	R331 259.50	R566 328.13	R0.00	R1 811 602.48	R8 846 007.97	This account is for the remainder even of a development with delayed transfers of 779 subdivisions into individual owners.
Cornucopia Trust	R12 019 648.76	R1 692 117.79	R932 403.61	R1 206 127.86	R0.00	R0.00	R1 222 252.76	R5 050 292.22	R1 916 454.52	The client paid R1 537 168.63 on 4 July 2022 and an interim instalment plan is in place for current account plus R250 000 per month. The client's attorney sent confirmation on 1 July 2022 that the client is in the process of selling a property to make a settlement offer with income of proceeds shared among the various accounts.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Transnet Ltd	R 11 933 559.61	R 80 061.03	R 71 861.59	R 244 933.95	R 298 583.00	R 227 923.77	R 2 603 748.95	R 1 788 155.57	R 6 618 291.75	The account has been locked until October 2022 to allow for the metering issue between Prasa and Transnet to be sorted out in order to determine who is responsible for the debt. There is no confirmed ownership on the erf as the account is for water and sewerage only.
Transnet Limited	R 11 609 732.21	R 443 656.71	R 482 195.37	R 463 864.68	R 425 218.37	R 430 006.49	R 484 066.29	R 3 036 270.11	R 5 844 454.19	Ownership has been confirmed to be correct. Transnet officials are sorting the payment plan.
Arabella S.A. Holdings Pty Ltd	R 10 744 174.11	R 939 618.96	R 945 616.03	R 1 071 185.43	R 0.00	R 930 107.09	R 2 052 546.48	R 4 806 848.34	-R 1 748.22	The client has an active deferment arrangement in place and is up to date with the payments.
The Silo Hotel (Pty) Ltd	R 10 578 064.80	R 0.00	-R 203 747.20	R 427 562.51	R 65 677.85	R 366 184.56	R 717 497.31	R 9 204 889.77	R 0.00	The client paid R939 008.22 on 28 June 2022 and entered into a payment arrangement for settlement over six months.
TOTALS	R 155 236 402.08	R 7 290 000.64	R 19 511 139.73	R 4 214 416.09	R 1 605 008.91	R 3 071 000.61	R 9 005 703.31	R 57 006 749.60	R 53 532 383.19	

Top 10 Commercial debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	CIDS	Security deposit	TOTAL
Basfour 2295 (Pty) Ltd	R 0.00	R 0.00	R 326 882.86	R 237 297.28	R 0.00	R 18 041 883.18	R 8 724 905.96	-R 3 031.00	R 27 327 938.28
Basfour 2295 (Pty) Ltd	R 0.00	R 27 307 875.59	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	-R 224 000.00	R 27 083 875.59
The Business Manager	R 10.29	R 0.00	R 17 422 458.15	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 17 422 468.44
Cornucopia Trust	R 0.00	R 14 120 951.50	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 14 120 951.50
Cape Town Community Housing Co Pty	R 20.56	R 0.00	R 8 736.42	R 6 009.18	R 9 745.45	R 12 371 477.17	R 0.00	R 0.00	R 12 395 988.78
Cornucopia Trust	R 0.00	R 0.00	R 939 417.91	R 1 259 241.99	R 0.00	R 8 056 695.16	R 1 765 050.70	-R 757.00	R 12 019 648.76
Transnet Ltd	R 0.00	R 0.00	R 6 452 075.03	R 5 482 023.79	R 0.00	R 0.00	R 0.00	-R 539.21	R 11 933 559.61
Transnet Limited	R 306 035.53	R 0.00	R 71 098.86	R 0.00	R 0.00	R 11 232 597.82	R 0.00	R 0.00	R 11 609 732.21
Arabella S.A. Holdings Pty Ltd	R 0.00	R 0.00	R 1 249 145.22	R 997 706.50	R 0.00	R 6 902 886.14	R 1 596 184.47	-R 1 748.22	R 10 744 174.11
The Silo Hotel (Pty) Ltd	-R 600 973.54	R 0.00	R 0.00	R 0.00	R 0.00	R 11 179 038.34	R 0.00	R 0.00	R 10 578 064.80

Top 10 Residential debtors - Age Analysis

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Ndabeni Communal Property	R8 086 680.94	R139 549.62	R117 170.75	R130 733.17	R127 212.49	R141 495.23	R126 708.33	R834 227.25	R6 469 584.10	There has been no response from the attorneys representing the Trust with regards to accessing funds for settlement of these accounts. Internal legal proceedings are pending appointment of the City's attorneys.
Silvermist Mountain Lodge Body Cor	R5 135 579.21	R68 778.25	R118 601.54	R101 787.20	R102 896.50	R95 096.15	R109 074.88	R856 383.04	R3 682 961.65	The client is making payments on a monthly basis, however does not qualify for debt remission benefit. The client is willing to come up with a settlement offer after consultation with the managing directors hence there is no outstanding dispute on the account. Awaiting feedback.
Body Corp Sandpiper Mansions	R3 070 360.94	R350.35	R7 037.37	R55 253.98	R63 452.98	R95 135.50	R105 588.94	R671 602.90	R2 071 938.92	There is a temporary arrangement of R10k + current over 3 months. The client is, however, not paying according to this arrangement and has advised that the body corporate has run out of funds.
Xantha Properties 18 Proprietary Li	R2 786 142.66	R192 761.39	R192 441.65	R447 606.66	R105 712.97	R108 008.24	R115 388.13	R1 198 125.18	R426 098.44	This is a defended matter with attorneys yet to be appointed. A payment of R10k was received on 7 April 2022.
Coleman Industrial Park Body Corp	R2 473 925.24	R26 808.15	R36 204.81	R35 846.68	R48 258.44	R74 505.75	R1 519 242.05	R212 087.57	R520 971.79	An updated debt remission offer of R519 971.91 was communicated to the client. Attempts to access the property in order to disconnect the water supply on 7 July 2022 was refused by the client.
Strawberry Place Body Corporate	R2 339 556.84	R73 453.70	R87 460.83	R71 101.39	R62 797.92	R57 455.55	R151 907.83	R594 319.12	R1 241 060.50	A financial adjustment iro an underground leak was compiled and approved with the client being advised on 29 June 2022. However, the credit is not yet reflecting on the account.
Arun Lifestyle Proprietary Limited	R2 215 418.13	R12 356.34	R103 173.23	R104 168.26	R114 259.93	R94 101.81	R203 051.37	R616 967.25	R967 339.94	The client is disputing the valuation on the account. The Valuations department has been consulted on this matter and a response is awaited.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Kimbili	R2 200 517.23	R24 580.19	R25 758.59	R24 540.14	R24 746.92	R23 801.62	R26 015.61	R172 122.26	R1 878 951.90	The water reading has been estimated for years. The Water & Sanitation directorate is to install a meter outside the boundary wall for future access.
Pedro	R2 063 178.54	R23 479.78	R23 764.32	R24 958.03	R23 695.10	R24 380.65	R24 104.45	R160 853.75	R1 757 942.46	The property is deemed as a 'problem building'. The appointment of attorneys to take reasonable steps and action is pending.
Rapidough Properties 560 CC	R2 058 461.72	R96 275.88	R79 472.15	R96 419.91	R1 333.57	R0.00	R0.00	R0.00	R1 784 960.21	An action from the Water & Sanitation directorate is awaited after a follow up email requesting accurate meter readings as the readings have been estimated for a long time.
TOTALS	R 32 429 821.45	R 658 393.65	R 791 085.24	R 1 092 415.42	R 674 366.82	R 713 980.50	R 2 381 081.59	R 5 316 688.32	R 20 801 809.91	

Top 10 Residential debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	CIDS	Sundries	Security deposit	TOTAL
Ndabeni Communal Property	R 30 888.45	R 0.00	R 8 475.25	R 8 475.25	R 8 068.74	R 7 330 153.65	R 0.00	R 700 619.60	R 0.00	R 8 086 680.94
Silvermist Mountain Lodge Body Cor	R 18.24	R 4 522 045.66	R 557 595.02	R 0.00	R 55 920.29	R 0.00	R 0.00	R 0.00	R 0.00	R 5 135 579.21
Body Corp Sandpiper Mansions	R 217.00	R 0.00	R 1 477 763.90	R 1 286 256.06	R 306 123.98	R 0.00	R 0.00	R 0.00	R 0.00	R 3 070 360.94
Xantha Properties 18 Proprietary Li	R 4 896.04	R 0.00	R 611 785.30	R 452 331.47	R 226 932.29	R 1 204 341.23	R 287 988.73	R 0.00	-R 2 132.40	R 2 786 142.66
Coleman Industrial Park Body Corp	R 758 642.79	R 152 239.47	R 813 122.47	R 586 290.68	R 169 777.83	R 0.00	R 0.00	R 0.00	-R 6 148.00	R 2 473 925.24
Strawberry Place Body Corporate	R 1 649.76	R 8 761.86	R 1 298 325.08	R 950 875.92	R 79 944.22	R 0.00	R 0.00	R 0.00	R 0.00	R 2 339 556.84
Arun Lifestyle Proprietary Limited	R 24.44	R 0.00	R 0.00	R 0.00	R 0.00	R 2 215 393.69	R 0.00	R 0.00	R 0.00	R 2 215 418.13
Kimbili	R 1 754.03	R 0.00	R 2 065 096.91	R 102 472.05	R 10 072.57	R 21 121.67	R 0.00	R 0.00	R 0.00	R 2 200 517.23
Pedro	R 107 347.40	R 0.00	R 1 773 430.33	R 135 252.72	R 18 332.96	R 28 815.13	R 0.00	R 0.00	R 0.00	R 2 063 178.54
Rapidough Properties 560 CC	R 120.94	R 0.00	R 1 061 870.66	R 996 124.75	R 0.00	R 345.37	R 0.00	R 0.00	R 0.00	R 2 058 461.72

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						
	Audited 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	10 983 815	10 630 623	10 983 815	(353 192)	-3.2%	10 631 676
Service charges	20 275 960	22 396 466	22 343 043	22 770 788	22 343 043	427 746	1.9%	22 774 644
Investment revenue	896 540	855 119	895 923	942 124	895 923	46 201	5.2%	945 912
Transfers and subsidies	5 793 196	5 650 364	6 070 243	5 207 550	6 070 243	(862 693)	-14.2%	5 656 444
Other own revenue	5 917 410	7 623 518	10 231 880	10 729 152	10 231 880	497 272	4.9%	11 012 101
Total Revenue (excluding capital transfers and contributions)	43 158 377	47 509 600	50 524 904	50 280 237	50 524 904	(244 667)	-0.5%	51 020 778
Employee costs	15 108 022	15 612 510	15 864 116	15 192 176	15 864 116	(671 940)	-4.2%	15 462 170
Remuneration of Councillors	166 417	179 826	179 826	165 147	179 826	(14 680)	-8.2%	179 876
Depreciation & asset impairment	2 863 255	3 013 855	3 073 473	3 017 721	3 073 473	(55 752)	-1.8%	3 060 227
Finance charges	831 478	794 747	788 687	736 434	788 687	(52 252)	-6.6%	789 658
Inventory consumed and bulk purchases	11 303 210	14 886 250	16 898 847	15 742 459	16 898 847	(1 156 388)	-6.8%	17 410 394
Transfers and subsidies	401 555	464 263	569 460	401 619	569 460	(167 841)	-29.5%	473 328
Other expenditure	12 486 322	13 323 388	13 863 427	12 419 051	13 863 427	(1 444 376)	-10.4%	13 330 458
Total Expenditure	43 160 260	48 274 839	51 237 836	47 674 607	51 237 836	(3 563 229)	-7.0%	50 706 112
Surplus/(Deficit)	(1 883)	(765 240)	(712 932)	2 605 630	(712 932)	3 318 562	-465.5%	314 666
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 616 023	3 066 644	1 733 253	1 265 773	1 733 253	(467 480)	-27.0%	1 603 391
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	210 717	223 947	210 717	13 230	6.3%	213 713
Surplus/(Deficit) after capital transfers & contributions	2 054 420	2 507 586	1 231 038	4 095 350	1 231 038	2 864 312	232.7%	2 131 770
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	2 054 420	2 507 586	1 231 038	4 095 350	1 231 038	2 864 312	232.7%	2 131 770
Capital expenditure & funds sources								
Capital expenditure	6 528 474	8 314 767	6 095 115	5 101 372	6 095 115	(993 744)	-16.3%	5 616 289
Capital transfers recognised	1 676 001	3 138 842	1 792 589	1 593 034	1 792 589	(199 555)	-11.1%	1 688 851
Borrowing	(1 281)	2 500 000	1 200 000	911 906	1 200 000	(288 094)	-24.01%	1 081 905
Internally generated funds	4 853 753	2 675 925	3 102 526	2 596 432	3 102 526	(506 094)	-16.3%	2 845 533
Total sources of capital funds	6 528 474	8 314 767	6 095 115	5 101 372	6 095 115	(993 744)	-16.3%	5 616 289
Financial position								
Total current assets	18 044 543	16 853 068	16 244 681	17 036 529				16 244 681
Total non current assets	60 635 521	66 340 381	63 324 319	63 437 827				63 324 319
Total current liabilities	9 902 651	11 660 078	9 432 885	7 817 983				9 432 885
Total non current liabilities	13 662 335	15 486 945	13 789 999	13 321 457				13 789 999
Community wealth/Equity	55 115 078	56 046 426	56 346 117	59 334 916				56 346 117
Cash flows								
Net cash from (used) operating	6 427 873	5 769 282	4 473 874	5 660 607	4 473 874	(1 186 733)	-26.5%	4 473 874
Net cash from (used) investing	(7 317 202)	(8 523 340)	(6 372 955)	(5 079 973)	(6 372 955)	(1 292 982)	20.3%	(6 372 955)
Net cash from (used) financing	(351 140)	2 145 615	916 175	(371 495)	916 175	1 287 669	140.5%	916 175
Cash/cash equivalents at the month/year end	8 126 100	7 517 656	7 143 195	8 335 240	7 143 195	(1 192 045)	-16.7%	7 143 195
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	2 107 884	320 910	196 633	204 658	200 112	835 664	3 978 469	8 207 604
Creditors Age Analysis								
Total Creditors	2 727	108	(5)	–	2	–	4	2 638

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 R thousands	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional								
Governance and administration	16 364 564	16 555 169	16 747 429	16 427 996	16 747 429	(319 432)	-1.9%	16 616 233
Executive and council	1 307	1 325	17 336	16 504	17 336	(833)	-4.8%	16 502
Finance and administration	16 363 257	16 553 841	16 730 089	16 411 490	16 730 089	(318 599)	-1.9%	16 599 728
Internal audit	1	3	3	3	3	(0)	-13.1%	3
Community and public safety	3 424 098	3 768 707	3 932 058	4 010 587	3 932 058	78 529	2.0%	4 097 305
Community and social services	102 164	110 743	107 692	92 070	107 692	(15 622)	-14.5%	106 512
Sport and recreation	49 376	44 660	42 419	40 406	42 419	(2 012)	-4.7%	41 729
Public safety	1 605 703	1 662 159	1 640 349	2 229 963	1 640 349	589 615	35.9%	2 092 632
Housing	1 203 248	1 426 546	1 650 311	1 286 655	1 650 311	(363 656)	-22.0%	1 365 142
Health	463 607	524 600	491 288	361 493	491 288	(129 795)	-26.4%	491 289
Economic and environmental services	2 374 868	3 323 940	1 995 163	1 542 156	1 995 163	(453 007)	-22.7%	1 855 379
Planning and development	433 171	530 303	570 600	480 348	570 600	(90 252)	-15.8%	549 421
Road transport	1 892 477	2 742 355	1 373 509	1 022 148	1 373 509	(351 361)	-25.6%	1 265 093
Environmental protection	49 220	51 281	51 053	39 659	51 053	(11 394)	-22.3%	40 864
Trading services	23 050 397	27 129 505	29 789 119	29 787 059	29 789 119	(2 060)	0.0%	30 262 556
Energy sources	14 689 026	16 224 903	16 204 165	16 466 308	16 204 165	262 143	1.6%	16 510 328
Water management	4 569 126	6 907 736	9 540 612	9 345 483	9 540 612	(195 129)	-2.0%	9 782 691
Waste water management	2 086 936	2 160 243	2 172 101	2 168 534	2 172 101	(3 567)	-0.2%	2 172 073
Waste management	1 705 309	1 836 622	1 872 241	1 806 734	1 872 241	(65 507)	-3.5%	1 797 463
Other	753	5 105	5 105	2 158	5 105	(2 946)	-57.7%	6 408
Total Revenue - Functional	45 214 680	50 782 426	52 468 873	51 769 957	52 468 873	(698 917)	-1.3%	52 837 881
Expenditure - Functional								
Governance and administration	9 158 064	9 828 627	9 720 978	8 073 441	9 720 978	(1 647 537)	-16.9%	9 603 781
Executive and council	548 399	664 033	665 987	623 425	665 987	(42 562)	-6.4%	665 549
Finance and administration	8 559 137	9 114 249	9 001 946	7 398 309	9 001 946	(1 603 637)	-17.8%	8 885 175
Internal audit	50 528	50 346	53 045	51 706	53 045	(1 339)	-2.5%	53 058
Community and public safety	8 889 478	9 036 851	9 152 526	8 797 553	9 152 526	(354 973)	-3.9%	9 002 646
Community and social services	1 026 947	970 743	1 012 580	1 010 663	1 012 580	(1 917)	-0.2%	1 012 795
Sport and recreation	1 320 836	1 159 619	1 234 876	1 205 090	1 234 876	(29 786)	-2.4%	1 225 325
Public safety	3 584 092	3 972 218	3 940 132	3 728 389	3 940 132	(211 743)	-5.4%	3 888 136
Housing	1 457 421	1 534 627	1 494 652	1 357 940	1 494 652	(136 712)	-9.1%	1 406 823
Health	1 500 182	1 399 645	1 470 287	1 495 472	1 470 287	25 185	1.7%	1 469 567
Economic and environmental services	5 205 563	5 282 640	5 460 011	4 994 487	5 460 011	(465 523)	-8.5%	5 220 775
Planning and development	1 355 201	1 433 576	1 506 657	1 361 763	1 506 657	(144 894)	-9.6%	1 459 134
Road transport	3 615 195	3 609 570	3 691 155	3 374 297	3 691 155	(316 858)	-8.6%	3 512 681
Environmental protection	235 167	239 495	262 199	258 427	262 199	(3 772)	-1.4%	248 959
Trading services	19 767 213	23 921 216	26 682 816	25 612 648	26 682 816	(1 070 169)	-4.0%	26 659 057
Energy sources	11 826 795	13 555 616	13 623 093	13 054 630	13 623 093	(568 463)	-4.2%	13 904 034
Water management	3 332 820	5 286 244	7 810 525	7 271 261	7 810 525	(539 264)	-6.9%	7 741 250
Waste water management	2 161 929	2 569 535	2 628 082	2 661 096	2 628 082	33 013	1.3%	2 500 772
Waste management	2 445 669	2 509 821	2 621 116	2 625 661	2 621 116	4 545	0.2%	2 513 001
Other	139 942	205 505	221 504	196 478	221 504	(25 027)	-11.3%	219 852
Total Expenditure - Functional	43 160 260	48 274 839	51 237 836	47 674 607	51 237 836	(3 563 229)	-7.0%	50 706 112
Surplus/ (Deficit) for the year	2 054 420	2 507 586	1 231 038	4 095 350	1 231 038	2 864 312	232.7%	2 131 770

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						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue by Vote								
Vote 1 - Community Services & Health	1 219 915	1 006 695	1 128 776	925 064	1 128 776	(203 712)	-18.0%	1 128 776
Vote 2 - Corporate Services	71 582	68 146	84 382	96 428	84 382	12 046	14.3%	96 425
Vote 3 - Economic Growth	269 474	322 342	328 079	265 414	328 079	(62 665)	-19.1%	333 428
Vote 4 - Energy	14 472 434	15 976 619	15 956 166	16 219 156	15 956 166	262 990	1.6%	16 265 102
Vote 5 - Finance	16 823 143	17 564 399	17 895 000	17 645 077	17 895 000	(249 923)	-1.4%	17 690 461
Vote 6 - Future Planning & Resilience	6 415	38 311	44 361	16 875	44 361	(27 486)	-62.0%	44 361
Vote 7 - Human Settlements	1 071 872	1 165 767	1 389 531	1 025 373	1 389 531	(364 159)	-26.2%	1 107 342
Vote 8 - Office of the City Manager	3 878	788	788	2 723	788	1 935	245.5%	788
Vote 9 - Safety & Security	1 967 592	1 717 141	1 707 498	2 270 521	1 707 498	563 023	33.0%	2 178 297
Vote 10 - Spatial Planning & Environment	425 301	474 291	474 735	464 522	474 735	(10 213)	-2.2%	479 672
Vote 11 - Urban Mobility	1 612 650	2 700 909	1 334 063	999 833	1 334 063	(334 230)	-25.1%	1 211 730
Vote 12 - Urban Waste Management	1 607 666	1 699 585	1 442 972	1 362 655	1 442 972	(80 317)	-5.6%	1 371 542
Vote 13 - Water & Sanitation	5 662 757	8 047 433	10 682 521	10 476 316	10 682 521	(206 206)	-1.9%	10 929 958
Total Revenue by Vote	45 214 680	50 782 426	52 468 873	51 769 957	52 468 873	(698 917)	-1.3%	52 837 881
Expenditure by Vote								
Vote 1 - Community Services & Health	4 220 408	4 203 855	4 364 284	4 094 878	4 364 284	(269 406)	-6.2%	4 364 284
Vote 2 - Corporate Services	3 461 186	3 219 552	3 178 267	(710 840)	3 178 267	(3 889 107)	-122.4%	3 178 267
Vote 3 - Economic Growth	665 563	761 637	790 497	607 103	790 497	(183 393)	-23.2%	778 257
Vote 4 - Energy	12 121 799	13 826 537	13 885 266	13 249 609	13 885 266	(635 657)	-4.6%	14 177 741
Vote 5 - Finance	3 074 201	3 222 505	3 329 145	5 842 532	3 329 145	2 513 387	75.5%	3 242 965
Vote 6 - Future Planning & Resilience	398 811	503 141	519 583	425 456	519 583	(94 127)	-18.1%	519 623
Vote 7 - Human Settlements	1 400 320	1 446 865	1 467 828	1 338 503	1 467 828	(129 325)	-8.8%	1 378 039
Vote 8 - Office of the City Manager	346 079	336 605	361 819	385 758	361 819	23 939	6.6%	361 819
Vote 9 - Safety & Security	4 461 150	4 707 856	4 614 791	4 283 902	4 614 791	(330 889)	-7.2%	4 556 557
Vote 10 - Spatial Planning & Environment	1 176 252	1 171 915	1 178 500	1 150 998	1 178 500	(27 502)	-2.3%	1 136 189
Vote 11 - Urban Mobility	3 198 844	3 669 117	3 727 691	3 389 746	3 727 691	(337 945)	-9.1%	3 533 021
Vote 12 - Urban Waste Management	2 889 088	3 138 571	3 215 107	3 208 157	3 215 107	(6 950)	-0.2%	3 089 767
Vote 13 - Water & Sanitation	5 746 558	8 066 681	10 605 059	10 408 804	10 605 059	(196 255)	-1.9%	10 389 585
Total Expenditure by Vote	43 160 260	48 274 838	51 237 836	47 674 607	51 237 836	(3 563 229)	-7.0%	50 706 112
Surplus/ (Deficit) for the year	2 054 420	2 507 588	1 231 038	4 095 350	1 231 038	2 864 312	232.7%	2 131 770

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

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

Financial Performance (revenue by source and expenditure by type)

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

Description	2020/21	Budget Year 2021/22						
	Audited 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	10 983 815	10 630 623	10 983 815	(353 192)	-3.2%	10 631 676
Service charges - electricity revenue	14 241 794	15 734 566	15 734 566	16 060 465	15 734 566	325 899	2.1%	16 066 192
Service charges - water revenue	3 226 406	3 556 345	3 549 249	3 642 649	3 549 249	93 399	2.6%	3 643 992
Service charges - sanitation revenue	1 604 014	1 775 113	1 791 914	1 828 752	1 791 914	36 839	2.1%	1 829 475
Service charges - refuse revenue	1 203 747	1 330 442	1 267 313	1 238 923	1 267 313	(28 391)	-2.2%	1 234 985
Rental of facilities and equipment	329 574	350 647	368 900	387 886	368 900	18 986	5.1%	395 604
Interest earned - external investments	896 540	855 119	895 923	942 124	895 923	46 201	5.2%	945 912
Interest earned - outstanding debtors	454 919	449 452	361 774	369 838	361 774	8 065	2.2%	372 885
Dividends received	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 571 762	1 247 015	1 250 376	1 932 989	1 250 376	682 614	54.6%	1 790 110
Licences and permits	44 655	67 110	70 030	45 488	70 030	(24 542)	-35.0%	45 961
Agency services	270 810	261 614	269 491	260 891	269 491	(8 600)	-3.2%	262 780
Transfers and subsidies	5 793 196	5 650 364	6 070 243	5 207 550	6 070 243	(862 693)	-14.2%	5 656 444
Other revenue	3 174 093	3 194 622	3 200 322	3 291 940	3 200 322	91 617	2.9%	3 280 542
Gains	71 597	2 053 058	4 710 989	4 440 121	4 710 989	(270 868)	-5.7%	4 864 219
Total Revenue (excluding capital transfers and contributions)	43 158 377	47 509 600	50 524 904	50 280 237	50 524 904	(244 667)	-0.5%	51 020 778
Expenditure By Type								
Employee related costs	15 108 022	15 612 510	15 864 116	15 192 176	15 864 116	(671 940)	-4.2%	15 462 170
Remuneration of councillors	166 417	179 826	179 826	165 147	179 826	(14 680)	-8.2%	179 876
Debt impairment	2 854 651	2 716 859	2 371 700	2 223 494	2 371 700	(148 206)	-6.2%	2 612 459
Depreciation & asset impairment	2 863 255	3 013 855	3 073 473	3 017 721	3 073 473	(55 752)	-1.8%	3 060 227
Finance charges	831 478	794 747	788 687	736 434	788 687	(52 252)	-6.6%	789 658
Bulk purchases - electricity	9 718 558	11 182 400	11 218 900	10 313 584	11 218 900	(905 316)	-8.1%	11 574 478
Inventory consumed	1 584 652	3 703 850	5 679 947	5 428 875	5 679 947	(251 071)	-4.4%	5 835 916
Contracted services	7 195 014	7 960 363	8 129 329	7 217 823	8 129 329	(911 506)	-11.2%	7 629 516
Transfers and subsidies	401 555	464 263	569 460	401 619	569 460	(167 841)	-29.5%	473 328
Other expenditure	2 339 410	2 632 043	2 714 622	2 441 231	2 714 622	(273 391)	-10.1%	2 553 067
Losses	97 246	14 124	647 776	536 504	647 776	(111 272)	-17.2%	535 416
Total Expenditure	43 160 260	48 274 839	51 237 836	47 674 607	51 237 836	(3 563 229)	-7.0%	50 706 112
Surplus/(Deficit)	(1 883)	(765 240)	(712 932)	2 605 630	(712 932)	3 318 562	-465.5%	314 666
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 616 023	3 066 644	1 733 253	1 265 773	1 733 253	(467 480)	-27.0%	1 603 391
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	210 717	221 947	210 717	11 230	5.3%	211 713
Transfers and subsidies - capital (in-kind - all)	125 211	–	–	2 000	–	2 000	100%	2 000
Surplus/(Deficit) after capital transfers & contributions	2 054 420	2 507 586	1 231 038	4 095 350	1 231 038			2 131 770
Taxation	–	–	–	–	–			–
Surplus/(Deficit) after taxation	2 054 420	2 507 586	1 231 038	4 095 350	1 231 038			2 131 770
Attributable to minorities	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality	2 054 420	2 507 586	1 231 038	4 095 350	1 231 038			2 131 770
Share of surplus/ (deficit) of associate	–	–	–	–	–			–
Surplus/ (Deficit) for the year	2 054 420	2 507 586	1 231 038	4 095 350	1 231 038			2 131 770

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						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Multi-Year expenditure appropriation								
Vote 1 - Community Services & Health	294 831	299 732	298 971	234 290	298 971	(64 682)	-21.6%	277 840
Vote 2 - Corporate Services	438 453	418 663	435 081	402 534	435 081	(32 546)	-7.5%	417 984
Vote 3 - Economic Growth	90 132	57 073	51 116	41 261	51 116	(9 856)	-19.3%	47 543
Vote 4 - Energy	732 741	952 575	863 527	739 288	863 527	(124 239)	-14.4%	781 833
Vote 5 - Finance	248 489	25 515	16 542	16 288	16 542	(254)	-1.5%	16 315
Vote 6 - Future Planning & Resilience	51 741	79 452	46 623	36 641	46 623	(9 982)	-21.4%	40 797
Vote 7 - Human Settlements	737 971	827 201	928 826	808 262	928 826	(120 564)	-13.0%	892 670
Vote 8 - Office of the City Manager	6 002	6 175	6 343	5 725	6 343	(618)	-9.7%	6 284
Vote 9 - Safety & Security	367 879	258 298	199 062	192 011	199 062	(7 051)	-3.5%	192 783
Vote 10 - Spatial Planning & Environment	114 093	154 142	112 056	85 871	112 056	(26 185)	-23.4%	100 123
Vote 11 - Urban Mobility	776 446	2 191 855	722 772	612 258	722 772	(110 514)	-15.3%	648 034
Vote 12 - Urban Waste Management	528 035	661 993	388 298	321 810	388 298	(66 488)	-17.1%	333 249
Vote 13 - Water & Sanitation	2 141 660	2 382 091	2 025 899	1 605 133	2 025 899	(420 766)	-20.8%	1 860 835
Total Capital Expenditure	6 528 474	8 314 767	6 095 115	5 101 372	6 095 115	(993 744)	-16.3%	5 616 289
Capital Expenditure - Functional Classification								
Governance and administration	996 767	893 761	932 704	829 633	932 704	(103 071)	-11.1%	878 571
Executive and council	14 904	5 052	8 112	4 896	8 112	(3 216)	-39.6%	5 451
Finance and administration	981 766	888 469	924 323	824 482	924 323	(99 842)	-10.8%	872 865
Internal audit	98	240	269	256	269	(13)	-4.9%	256
Community and public safety	1 446 713	1 211 834	1 265 319	1 096 711	1 265 319	(168 608)	-13.3%	1 208 806
Community and social services	87 604	74 151	72 234	55 915	72 234	(16 319)	-22.6%	66 244
Sport and recreation	300 069	98 585	78 244	63 715	78 244	(14 528)	-18.6%	75 358
Public safety	264 183	154 854	131 924	128 451	131 924	(3 473)	-2.6%	129 032
Housing	737 971	827 201	928 826	808 262	928 826	(120 564)	-13.0%	892 670
Health	56 885	57 042	54 091	40 367	54 091	(13 724)	-25.4%	45 502
Economic and environmental services	918 709	2 367 117	857 887	715 005	857 887	(142 882)	-16.7%	770 763
Planning and development	77 284	89 433	88 202	68 146	88 202	(20 055)	-22.7%	85 518
Road transport	777 047	2 190 255	719 779	609 528	719 779	(110 251)	-15.3%	645 303
Environmental protection	64 377	87 428	49 907	37 331	49 907	(12 575)	-25.2%	39 941
Trading services	3 154 273	3 831 805	3 029 102	2 450 646	3 029 102	(578 455)	-19.1%	2 748 573
Energy sources	734 756	1 012 157	891 488	758 782	891 488	(132 706)	-14.9%	805 338
Water management	1 109 478	966 786	943 499	715 433	943 499	(228 066)	-24.2%	837 246
Waste water management	969 082	1 350 020	1 006 365	836 847	1 006 365	(169 518)	-16.8%	955 130
Waste management	340 956	502 843	187 750	139 585	187 750	(48 165)	-25.7%	150 859
Other	12 012	10 250	10 103	9 376	10 103	(727)	-7.20%	9 576
Total Capital Expenditure - Functional Classification	6 528 474	8 314 767	6 095 115	5 101 372	6 095 115	(993 744)	-16.3%	5 616 289
Funded by:								
National Government	1 602 827	3 050 778	1 705 493	1 519 004	1 705 493	(186 489)	-10.9%	1 612 105
Provincial Government	13 195	15 866	27 760	27 511	27 760	(249)	-0.9%	27 597
District Municipality	—	—	—	—	—	—	—	—
Other transfers and grants	59 979	72 198	59 336	46 519	59 336	(12 817)	-21.6%	49 149
Transfers recognised - capital	1 676 001	3 138 842	1 792 589	1 593 034	1 792 589	(199 555)	-11.1%	1 688 851
Borrowing	(1 281)	2 500 000	1 200 000	911 906	1 200 000	(288 094)	-24.01%	1 081 905
Internally generated funds	4 853 753	2 675 925	3 102 526	2 596 432	3 102 526	(506 094)	-16.3%	2 845 533
Total Capital Funding	6 528 474	8 314 767	6 095 115	5 101 372	6 095 115	(993 744)	-16.3%	5 616 289

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			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
<u>ASSETS</u>					
Current assets					
Cash	215 607	134 904	134 903	280 253	134 903
Call investment deposits	10 794 362	6 686 030	8 641 706	10 794 362	8 641 706
Consumer debtors	5 256 966	7 940 433	6 228 608	4 494 390	6 228 608
Other debtors	1 302 943	1 616 220	749 236	1 003 480	749 236
Current portion of long-term receivables	7 600	4 889	4 311	7 600	4 311
Inventory	467 065	470 592	485 917	456 445	485 917
Total current assets	18 044 543	16 853 068	16 244 681	17 036 529	16 244 681
Non current assets					
Long-term receivables	1 397	212	215	(970)	215
Investments	6 573 136	6 240 856	6 241 472	7 294 157	6 241 472
Investment property	582 962	577 820	577 861	582 962	577 861
Investments in Associate	–	–	–	–	–
Property, plant and equipment	52 770 368	58 952 744	55 951 008	54 854 019	55 951 008
Biological	–	–	–	–	–
Intangible	697 380	524 765	542 589	697 380	542 589
Other non-current assets	10 280	43 983	11 173	10 280	11 173
Total non current assets	60 635 521	66 340 381	63 324 319	63 437 827	63 324 319
TOTAL ASSETS	78 680 064	83 193 449	79 569 000	80 474 356	79 569 000
<u>LIABILITIES</u>					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	440 239	1 565 429	1 486 784	440 239	1 486 784
Consumer deposits	439 775	455 824	543 494	488 005	543 494
Trade and other payables	7 449 967	7 497 681	5 717 652	5 332 458	5 717 652
Provisions	1 572 671	2 141 143	1 684 955	1 557 280	1 684 955
Total current liabilities	9 902 651	11 660 078	9 432 885	7 817 983	9 432 885
Non current liabilities					
Borrowing	6 547 823	7 589 127	6 360 401	6 206 945	6 360 401
Provisions	7 114 512	7 897 818	7 429 598	7 114 512	7 429 598
Total non current liabilities	13 662 335	15 486 945	13 789 999	13 321 457	13 789 999
TOTAL LIABILITIES	23 564 986	27 147 023	23 222 884	21 139 440	23 222 884
NET ASSETS	55 115 078	56 046 426	56 346 116	59 334 916	56 346 116
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)	49 616 547	51 800 220	50 915 099	54 463 517	50 915 099
Reserves	5 498 532	4 246 206	5 431 017	4 871 399	5 431 017
TOTAL COMMUNITY WEALTH/EQUITY	55 115 078	56 046 426	56 346 117	59 334 916	56 346 117

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						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	10 005 031	10 544 767	10 544 463	10 169 079	10 544 463	(375 384)	-3.6%	10 544 463
Service charges	21 101 782	21 640 699	21 610 703	22 403 003	21 610 703	792 300	3.7%	21 610 703
Other revenue	2 747 064	4 049 121	4 060 272	4 753 957	4 060 272	693 684	17.1%	4 060 272
Transfers and Subsidies - Operational	5 781 742	5 650 364	6 070 243	5 843 312	6 070 243	(226 931)	-3.7%	6 070 243
Transfers and Subsidies - Capital	1 616 702	3 200 628	1 943 969	1 789 486	1 943 969	(154 484)	-7.9%	1 943 969
Interest	1 304 749	855 119	895 923	987 483	895 923	91 560	10.2%	895 923
Dividends	–	–	–	–	–	–	–	–
Payments								
Suppliers and employees	(35 397 699)	(39 430 834)	(39 949 353)	(39 583 316)	(39 949 353)	(366 038)	-0.9%	(39 949 353)
Finance charges	(731 498)	(740 582)	(702 345)	(702 396)	(702 345)	51	0.0%	(702 345)
Transfers and Grants	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	6 427 873	5 769 282	4 473 874	5 660 607	4 473 874	(1 186 733)	-26.5%	4 473 874
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	84 028	124 139	54 741	–	54 741	(54 741)	-100.0%	54 741
Decrease (increase) in non-current receivables	(32 484)	(751)	(3)	–	(3)	3	-100.0%	(3)
Decrease (increase) in non-current investments	(840 273)	(331 962)	(332 578)	–	(332 578)	332 578	-100.0%	(332 578)
Payments								
Capital assets	(6 528 473)	(8 314 767)	(6 095 115)	(5 079 973)	(6 095 115)	(1 015 142)	-16.7%	(6 095 115)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(7 317 202)	(8 523 340)	(6 372 955)	(5 079 973)	(6 372 955)	(1 292 982)	-20.3%	(6 372 955)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	2 500 000	1 200 000	–	1 200 000	(1 200 000)	-100.0%	1 200 000
Increase (decrease) in consumer deposits	20 354	17 110	87 669	–	87 669	(87 669)	-100.0%	87 669
Payments								
Repayment of borrowing	(371 494)	(371 495)	(371 495)	(371 495)	(371 495)	–	–	(371 495)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(351 140)	2 145 615	916 175	(371 495)	916 175	1 287 669	140.5%	916 175
NET INCREASE/ (DECREASE) IN CASH HELD	(1 240 469)	(608 444)	(982 906)	209 139	(982 906)			(982 906)
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	7 143 195	8 335 240	7 143 195			7 143 195

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	(353 192)	-3.22%	The variance is mainly due to resolution of GV2018 objections and appeals. A further contributing factor to the variance is adjustments on accrued income as a result of processing applications from property owners to move from one property category to another where the tax rate (rate-in-the-Rand) is significantly lower. In addition, the new property categories implemented by the City, as a strategy to support not-for-profit organisations providing essential support to those suffering the effects of the pandemic and other social ills, resulted in property rates being lowered significantly due to the different rate-in-the-Rand applied.	The accrual under-recovery will be analysed with lessons learnt to be implemented in future budgeting processes. The Valuations department is continuously undertaking various projects to ensure that income not yet identified through the standard Property Value Chain is identified and billed.
Service charges - electricity revenue	325 899	2.07%	The over-recovery is due to the lifting of COVID-19 lockdown restrictions and the impact of the subsequent economic recovery on electricity sales.	No corrective action required.
Service charges - water revenue	93 399	2.63%	The over-recovery is due to higher than anticipated water sales for the industrial/commercial category.	No corrective action required.
Service charges - sanitation revenue	36 839	2.06%	The over-recovery is due to higher than anticipated sewerage sales in the industrial/commercial and schools/education categories.	No corrective action required.
Service charges - refuse revenue	(28 391)	-2.24%	The variance is mainly on: a) Refuse Charges, due to fewer than planned new properties being serviced; and b) Disposal Coupon Fees, where the disposal of general waste is consumption driven and currently lower than anticipated.	No corrective action required. Current year trends and results will be considered when planning future budget cycles.

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City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>				
Rental of facilities and equipment	18 986	5.15%	Immaterial variance.	No corrective action required.
Interest earned - external investments	46 201	5.16%	The variance is mainly on: a) Interest Received: Short Term and Call Accounts, due to improved investment returns as a result of higher than expected interest rates as well as investment balances; and b) Interest Received - Allocation to Donors, where higher than expected unspent grant balances and higher interest rates resulted in better returns.	No corrective action required.
Interest earned - outstanding debtors	8 065	2.23%	Immaterial variance.	-
Fines, penalties and forfeits	682 614	54.59%	The variance is mainly on Traffic Fines as a result of more than planned traffic fines issued for the year-to-date.	No corrective action required.
Licences and permits	(24 542)	-35.04%	The variance is mainly on: a) Licences or Permits: Road and Transport, due to less than anticipated wayleave permits for road trenches issued to date; and b) Drivers Licence/Learners Licence application fees and Learners Certificates, where the impact of load shedding on systems used for processing resulted in fewer applications.	No corrective action required.
Agency services	(8 600)	-3.19%	Immaterial variance.	-

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>				
Transfers and subsidies	(862 693)	-14.21%	<p>The variance reflects mainly in the following directorates:</p> <ol style="list-style-type: none"> 1. Community Services & Health, where June 2022 month-end transactions are still being processed. 2. Human Settlements, mainly within the following subcategories: <ol style="list-style-type: none"> a) Grant and Subsidies (National), on the following projects: <ol style="list-style-type: none"> i. Informal Settlement Planning, where statutory planning studies are still being undertaken. Invoices for work done up to 30 June 2022 are still being processed; ii. Informal Settlement Community Surveying, where surveys conducted in areas affected by gang-related violence could not be conducted as originally planned. Invoices for work done up to 30 June 2022 are still being processed; and iii. Dido Valley (Luyolo) Land Claim, where the appointment of the contractor could not be made as the Land Claims subsidy was insufficient to cover the quote provided by the contractor. b) Grant and Subsidies (Provincial), on the following projects: <ol style="list-style-type: none"> i. PHP and other Projects, due to outstanding invoices; ii. Valhalla Park Integrated Housing Project, due to expiration and subsequent renewal of the framework agreement resulting in delays in spending, and outstanding invoices for June 2022; iii. Outstanding invoices on some of the projects administered by the WCG; and iv. Maroela Housing (South), due to delays in the appointment of the consultant and contractor. 3. Urban Mobility, mainly due to: <ol style="list-style-type: none"> a) Unfilled grant-funded contract vacancies, due to withdrawal of the budget for posts for the Public Transport Safety project as the anticipated funding from the WCG was not secured resulting in lower than planned expenditure to date; b) Outstanding AFS/APTMS invoices; c) Verification of MyCiTi and PTI invoices for June 2022 before payment is made; <p><i>Continued next page.</i></p>	Final transactions still to be processed before financial year end.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source				
Transfers and subsidies	<i>See previous page.</i>	<i>See previous page.</i>	<p>d) Underspending on marketing and communication in respect of public transport as no corporate tender is currently in place;</p> <p>e) Lower than expected consultant expenditure for monitoring of Public Transport projects; and</p> <p>f) Slower than anticipated performance by consultants on the Phase 2A Industry Transition and Development of the Taxi Operators project.</p> <p>4. Urban Waste Management, due to less than planned revenue-recognition as a result of the ongoing process to transfer expenditure booked against the cost centre to the relevant grant-funded projects.</p> <p>5. Economic Growth, where ongoing compliance checks have resulted in the National Skills Fund tranche payment not being received.</p> <p>6. Safety & Security, due to recoveries still to be processed before year end.</p> <p>7. Finance, where the VAT clawback is less than anticipated as a result of underspending on various National grant-funded projects where VAT clawback is applied.</p> <p>8. Future Planning & Resilience, where the tender capacity of the corporate tender for Professional Services was limited and work had to be performed internally.</p> <p>9. Spatial Planning & Environment, where invoices are still to be processed before year end.</p> <p>10. Water & Sanitation, due to revenue recognition being slightly lower than anticipated as a result of a few outstanding invoices. It is anticipated that the full grant for the COVID-19 project will not be recognised as a result of implementation challenges.</p>	<i>See previous page.</i>

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>				
Other revenue	91 617	2.86%	Over-recovery reflects in the following subcategories: 1. Cash Recoveries Claims, due to recovery of various SASRIA claims in respect of riot/protest damage to several MyCiTi bus stations. 2. Discounts, due to an unplanned payment from the Cape Municipal Pension Fund relating to an amount due to the City from the City's Employer Surplus Account. 3. Busfares-Transit Products, due to an increase in revenue as a result of the N2 Express contract renewal. 4. Collection Charges Recovered, due to an increase in the number of customers handed over for outstanding debt.	No corrective action required.
Gains	(270 868)	-5.75%	The variance is a combination of over-/under-recovery and mainly reflects in the following directorates: 1. Finance (over), due to the higher than anticipated valuation of financial instruments as a result of current market valuation movements. 2. Economic Growth (under), due to the submission of Land Sale Write-off Schedules to Finance (Corporate Assets) for approval and processing as part of year end processing. 3. Water & Sanitation (under), on Gains Inventory Consumed, where gains for the reporting period have not yet been captured. Awaiting accounts from the National Department of Water & Sanitation (DWS) and internal operations.	Final transactions still to be processed before financial year end.

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City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 1 - Community Services & Health	(203 712)	-18.0%	The variance is a combination of over-/under-recovery and reflects mainly in the following categories: 1. Rental of facilities and equipment (under), due to lower than expected demand for rental of facilities during the year. 2. Fines, Penalties and Forfeits (under), due to lower than expected income as a direct result of the COVID-19 lockdown restrictions experienced during the financial year. 3. Transfers and Subsidies (under), where June 2022 month-end transactions still need to be processed. 4. Other Revenue (over), mainly on: a) Recoveries - Staff, due to unforeseen staff recoveries; b) Admission/Entry fees and Camp/Resort fees, due to higher than planned demand after the relaxation of COVID-19 lockdown restrictions; and c) Burial fees, due to a higher demand for services linked to COVID-19 related burials. 5. Transfers and subsidies - capital (under), due to outstanding transactions still to be processed before year end.	Final transactions still to be processed before financial year end.
Vote 2 - Corporate Services	12 046	14.3%	The over-recovery reflects mainly in the following categories: 1. Other revenue, mainly on Skills Development Levy, where revenue received is higher than planned as claims are unpredictable and difficult to plan accurately. 2. Grants and Subsidies National (conditional) (under), relating to the Infrastructure Skills Development Grant, where expenditure incurred was less than planned. 3. Transfers and Subsidies (capital-in-kind), due to the unplanned donation of radio transmission equipment from the WCG's Health Department.	No corrective action required.

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City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 3 - Economic Growth	(62 665)	-19.1%	<p>The variance is a combination of over-/under-recovery on:</p> <ol style="list-style-type: none"> 1. Rental of facilities and equipment (over), combination of over-/under-recovery, mainly on: <ol style="list-style-type: none"> a) Rental Fixed assets: Non-market related (under), due to cancellation and expiration of non-market related rental contracts and COVID-19 lockdown restrictions, which negatively affected the usage/hiring of facilities; b) Rental Fixed assets: Market related (over), mainly due to the faster growth rate in market-related residential rental agreements and back-billing of six accounts over previous financial years; and c) Rental Fixed assets: Market related: Other (over), mainly due to bulk amounts for back-billing and beneficial occupation rental combined with unexpected conclusion of leases that bolstered the billings initially projected. 2. Transfers and Subsidies: National (Conditional) (under), where ongoing compliance checks have resulted in the National Skills Fund tranche payment not being received. 3. Profit on Sale of Assets (under), where the Land Sale Write-off Schedules submitted to Corporate Assets is awaiting approval and processing by the Treasury Department. 	Final transactions still to be processed before financial year end.
Vote 4 - Energy	262 990	1.6%	<p>The variance is a combination of over-/under-recovery and reflects in the following categories:</p> <ol style="list-style-type: none"> 1. Service charges - electricity revenue (over), due to the lifting of COVID-19 lockdown restrictions and the impact of the subsequent economic recovery. 2. Other revenue (under), on: <ol style="list-style-type: none"> a) Recoveries of Infrastructure Maintenance, due to lower than planned customer demand for maintenance related work; and b) Salvaged Items, where less field work was performed due to COVID-19 restrictions resulting in less material and redundant items being salvaged and sold. 3. Interest Earned on Arrears - Electricity (under), due to the impact of indigent debtors written off in the previous financial year. 4. Revenue: Capital (under), on: <ol style="list-style-type: none"> a) Development Contribution/Levy & BICL, which is dependent on developer requirements and is currently lower than anticipated; b) Capital GGR - National, due to material shortages affecting a number of electrification projects; and c) Transfers and Subsidies Capital - Capital PCDR, which is customer demand driven and where less than planned applications for new/upgraded supplies were received to date. 	Final transactions still to be processed before financial year end.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 5 - Finance	(249 923)	-1.4%	<p>The variance is a combination of over-/under-recovery mainly on:</p> <ol style="list-style-type: none"> 1. Property Rates (under), due to resolution of GV2018 objections and appeals. A further contributing factor to the variance is adjustments on accrued income as a result of processing applications from property owners to move from one property category to another where the tax rate (rate-in-the-Rand) is significantly lower. The new property categories implemented by the City, as a strategy to support not-for-profit organisations providing essential support to those suffering the effects of the pandemic and other social ills, resulted in property rates being lowered significantly due to the different rate-in-the-Rand applied. 2. Interest earned - external investments (over), mainly on: <ol style="list-style-type: none"> a) Interest Received: Short Term and Call Accounts, due to improved investment returns as a result of higher than expected interest rates as well as investment balances; and b) Interest Received - Allocation to Donors, where higher than expected unspent grant balances and interest rates resulted in better returns. 3. Interest earned - outstanding debtors (over), due to higher than anticipated interest earned on outstanding debtor accounts. 4. Agency services (under), due to fewer motor vehicle licence renewals as a result of other options to renew licences i.e. online renewals provided by the Road Traffic Management Corporation. 5. Transfers and subsidies (under), where VAT clawback realised is less than anticipated as a result of underspending on various National grant -funded projects where VAT clawback is applicable. 6. Other Revenue (over), mainly on: <ol style="list-style-type: none"> a) Collection Charges Recovered, due to an increase in the number of customers handed over to lawyers for outstanding debt; b) Discounts, due to an unplanned payment from the Cape Municipal Pension Fund relating to an amount due to the City; and c) Cash Recoveries Claims, due to the recovery of various SASRIA claims in respect of riot/protest damage to several MyCiTi bus stations. 7. Gains (over), due to the higher than anticipated valuation of financial instruments as a result of current market valuation movements. 	<p>The Valuations department is continuously undertaking various projects to ensure that income not yet identified through the standard Property Value Chain is identified and billed.</p> <p>Final year end transactions still in progress.</p>
Vote 6 - Future Planning & Resilience	(27 486)	-62.0%	<p>The under-recovery reflects mainly against Transfers & Subsidies (Grants and Subsidies: National), due to lower than planned utilisation of the corporate tender for Professional Services as the tender capacity was limited and work was performed internally as far as possible.</p>	<p>Final year end transactions still in progress.</p>

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote Vote 7 - Human Settlements	(364 159)	-26.2%	<p>The variance is a combination of over-/under-recovery against the following categories:</p> <p>1. Rental of facilities and Equipment (under), mainly within the following subcategories:</p> <p>a) Indigent relief, which is demand driven and dependent on eligibility of tenants for assistance; and</p> <p>b) Rental Fixed Assets: Non Market Related, due to the reversal of historic billings as a result of the regularisation of rental contracts, and more rental units being transferred to owners.</p> <p>2. Transfers and Subsidies (under), mainly on:</p> <p>a) Grant and Subsidies (National), on the following projects:</p> <p>i. Informal Settlement Planning, due to statutory planning studies currently being undertaken. Invoices for work done up to 30 June 2022 must still be processed;</p> <p>ii. Informal Settlement Community Surveying, where fewer than planned surveys were conducted in areas that are affected by gang-related violence. Invoices for work done up to 30 June 2022 must still be processed; and</p> <p>iii. Dido Valley (Luyolo) Land Claim, where the appointment of the contractor could not be made as the Land Claims subsidy was insufficient to cover the quote provided by the contractor.</p> <p>b) Grant and Subsidies (Provincial), on the following projects:</p> <p>i. PHP and other Projects, due to outstanding invoices;</p> <p>ii. Valhalla Park Integrated Housing Project, due to expiration and subsequent renewal of the framework agreement resulting in delays in spending and outstanding invoices for June 2022;</p> <p>iii. Outstanding invoices on some of the projects administered by the WCG; and</p> <p>iv. Maroela Housing (South), due to delays in appointment of the consultant and contractor.</p> <p>3. Transfers and Subsidies - Capital (under), on the following projects:</p> <p>a) Informal Settlements Upgrade, due to outstanding invoices.</p> <p>b) Conradie Housing Development (PGWC), which is a WCG project funded from the USDG in terms of a Memorandum of Agreement (MoA). More than 90% of the installation and construction of the bulk electrical and civil engineering infrastructure took place ahead of schedule due to good contractor performance. However, delays are now being experienced with the external bulk road infrastructure, due to land acquisition taking longer than anticipated as well as the discovery of out-of-position services during construction. The project team has prioritised these matters and are in the process of resolving it with relevant City departments.</p>	<p>Project managers are currently vetting invoices for processing before closure of the financial year.</p> <p>Transfers and subsidies: The effect of delays on projects are being assessed and any outstanding work will be completed in the 2022/23 financial year as per revised construction timelines. A roll-over request for committed unspent grant funds will be made to National and Provincial Treasury.</p>
Vote 8 - Office of the City Manager	1 935	245.5%	The variance reflects mainly against Recoveries of Operational Expenditure, due to the unplanned recovery of legal costs where court rulings were in favour of the City.	No remedial action required.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 9 - Safety & Security	563 023	33.0%	The variance is a combination of over-/under-recovery in the following categories: 1. Traffic Fines (over), due to more than planned traffic fines issued to date. 2. Transfers & Subsidies (under), due to recoveries still to be processed before year end. 3. Other Revenue (under), a combination of over-/under-recovery, on a) Hire of Municipal staff (under), mainly due to lower than planned demand for hiring of municipal staff for external events; and b) Salvaged Items (over), where no budget provision was made on this item but actuals were posted as a result of vehicles sold at the public auction in November 2021. 4. Licences and permits (under), due to a decrease in applications for drivers licences, learners licences and learner certificates as a result of the impact of load shedding on systems used for processing.	Final year end transactions still in progress.
Vote 10 - Spatial Planning & Environment	(10 213)	-2.2%	Immaterial variance.	-
Vote 11 - Urban Mobility	(334 230)	-25.1%	The variance is a combination of over-/under-recovery in the following categories: 1. Licences or Permits: Road and Transport (under), where less than anticipated wayleave permits for road trenches were issued to date. 2. Transfers & Subsidises (under), mainly due to: a) Unfilled grant-funded contract vacancies as a result of the withdrawal of the budget for posts for the Public Transport Safety project as the anticipated funding from WCG was not secured as originally planned; b) Outstanding AFS/APTMS invoices; c) Verification of MyCiTi and PTI invoices for June 2022 before payment is made; d) Underspending on marketing and communication in respect of public transport due to the corporate tender not being in place; e) Lower than expected consultant expenditure for monitoring of Public Transport projects; and f) Slower than anticipated performance by the consultants on the Phase 2A Industry Transition and Development of the Taxi Operators project. <i>Continued on next page.</i>	Final year end transactions still in progress.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue by Vote</u> Vote 11 - Urban Mobility	<i>See previous page.</i>	<i>See previous page.</i>	<p>3. Other Revenue (over), mainly on:</p> <p>a) Busfares-Transit Products, where renewal and operation of the N2 Express contract since February 2022 yielded additional revenue; and</p> <p>b) Recoveries of Infrastructure Maintenance, due to recovery of the installation of traffic signals at the north and south terminals of the N2/Mew Way Interchange in terms of the MoA signed with SANRAL.</p> <p>4. Revenue - Capital (under), combination of over-/under-recovery, mainly on:</p> <p>a) Somerset PTI (under), as a result of delayed trader relocation, and a labour dispute;</p> <p>b) Grassy Park NMT (under), due to the slow start of the project and contractor submitting zero rates for G7 material. The contractor had to redo certain sections of the road twice at his own expense due to material failure. Material quality issues are continuously being experienced on site resulting in delays and slippage in programme and expenditure.</p> <p>c) IRT: Control Centre (under), due to approval of the contract amendment as per Section 116(3) in November 2021 after which capital works started and spend started to pick up.</p> <p>d) Vygeskraal River Pedestrian Bridge (under), due to the expiration of the previous tender and advertisement of a new tender, which will result in the construction only commencing in the 2022/23 financial year.</p> <p>e) IRT Ph2A: Land & Property Acquisition (under), where the numerous properties required for the IRT phase 2A project are at various stages in the property acquisition process. Expenditure will be incurred as the processes are finalised and the necessary approvals obtained; and</p> <p>f) Development Contribution/BICL (over), where revenue is dependent on property development applications, which is unpredictable in nature and currently higher than anticipated.</p>	<i>See previous page.</i>

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue by Vote</u>				
Vote 12 - Urban Waste Management	(80 317)	-5.6%	<p>The variance is mainly on:</p> <ol style="list-style-type: none"> 1. Service charges - refuse revenue (under), on: <ol style="list-style-type: none"> a) Refuse Charges, due to fewer than planned new properties being serviced; and b) Disposal Coupon Fees, where the disposal of general waste is consumption driven and currently lower than anticipated. 2. Transfers and subsidies (under), due to lower than planned revenue-recognition as a result of the ongoing process to transfer expenditure booked against the cost centre to the relevant grant-funded projects. 	Final year end transactions still in progress.
Vote 13 - Water & Sanitation	(206 206)	-1.9%	<p>The variance is a combination of over-/under-recovery in the following categories:</p> <ol style="list-style-type: none"> 1. Service charges - water revenue (over), due to higher than anticipated water sales for the industrial/commercial category. 2. Service charges - sanitation revenue (over), due to higher than anticipated sewerage sales in the industrial/commercial and schools/education categories. 3. Fines and Penalties (over), where the performance guarantee for the Contermanskloof project was called up because of the contractors' inability to complete the project. 4. Transfers and Subsidies (under), where revenue recognition is slightly lower than anticipated as a result of a few outstanding invoices. It is anticipated that the full grant will not be recognised for the COVID-19 project due to implementation challenges. 5. Revenue: Capital - Transfers & subsidies capital NT & PT (under), due to a number of outstanding invoices that must still be processed. 6. Gains Inventory consumed (under), where gains for the reporting period have not yet been captured. Awaiting accounts from the DWS and internal operations. 	Final year end transactions still in progress.

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
Expenditure by Vote Vote 1 - Community Services & Health	(269 406)	-6.2%	<p>The variance is a combination of over-/under expenditure against the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), mainly on: <ol style="list-style-type: none"> a) Salaries and Wages (under), due to vacancies within the directorate; b) Non-Permanent Staff (over), due to outstanding journal entries for COVID-19 related expenses funded from the Equitable Share; c) Wages: Mayor's Job Creation Project (under), due to the final pay run posting that still needs to take place; d) Allowances: Standby (over), which is linked to the number of vacancies resulting in increased standby allowances; e) Leave Pay (over), due to higher than expected pay-outs and provisions; and f) Long Service Award (under), due to outstanding year end provisions. 3. Depreciation and Asset Impairment (under), due to outstanding month-end transactions. 4. Inventory consumed, mainly on: <ol style="list-style-type: none"> a) Fuel (over), due to fuel price increases experienced during the year; b) Materials Consumables Tools & Equipment (under), due to the slow implementation of EPWP projects; c) Pharmaceutical Supplies, G&D Pharmaceuticals, G&D Vaccines (under), due to outstanding invoices and final year end processing still to be completed; and d) R&M Maintenance of Materials General & Consumables (over), mainly due to the acceleration of repairs and maintenance backlogs in order to fully spend the budget by year end. 5. Contracted Services (under), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Advisory Services - Accountants and Auditors (over), due to the additional demand for this services, resulting in the increase in professionals appointed to fill the skills gap within the directorate; b) Advisory Services - Project Management (over), due to insufficient budget linked to Safe Space Management; <p><i>Continued on next page.</i></p>	<p>The directorate has 505 vacancies at various stages of the recruitment and selection process; 939 posts were filled while 1056 positions were terminated since the beginning of the financial year.</p> <p>Final year end transactions still in progress.</p> <p>Virements to be processed where so identified and required.</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 1 - Community Services & Health	<i>See previous page.</i>	<i>See previous page.</i>	c) Laboratory Services - Medical (over), due to higher than anticipated demand for services; d) G&D Lab Services - Medical (under), due to outstanding payments; e) Pest Control (under), as a result of lower than anticipated year-to-date demand for services; f) Recreation, Sport, Tourism & Social Development (under), due to lower than expected implementation of ward allocation projects and departmental development programmes; g) Building Contractors (under), due to outstanding payments; h) Gardening Service (under), due to lower than expected demand; and i) R&M Contracted Services Building (under), due to outstanding payments. 6. Other Expenditure (under), combination of under-/over expenditure, mainly on: a) Telecomm: Cell Phone additional Call (over), due to higher than anticipated expenditure linked to COVID-19 work from home arrangements during the year; b) Telecommunication: Cell Phone Subscriptions (under), as a result of lower than planned year-to-date demand for services; c) Uniform & Protective Clothing (under), due to lower than expected demand; and d) Furniture, Fittings Tools and Equipment (under), where actuals are to be processed as part of year end procedures as the provision for procurement of items are budgeted for on the capital budget and funded from operating revenue.	<i>See previous page.</i>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote Vote 2 - Corporate Services	(3 889 107)	-122.4%	<p>The variance is a combination of over-/under expenditure against the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the cumulative effect of vacancies during the year, and the turnaround time in filling vacancies. 2. Councillor Remuneration (under), due to the cumulative effect of unfilled vacancies throughout the year as well as no annual increases implemented on councillor remuneration. 3. Depreciation and Asset Impairment (under), due to initial delays in prioritising projects as well as the lead time of orders, which impacted the capitalisation of assets. 4. Inventory consumed (under), mainly on: <ol style="list-style-type: none"> a) Fuel (under), due to a number of fuel transactions that still need to be processed before year end closure; and b) Printing Stationery & Photographic (under), due to less than planned demand for printing and stationery as a result of staff working remotely. 5. Contracted Services (under), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Occupational Health (under), due to outstanding invoices; b) Project Management (under), due to procurement delays. Approval for transversal use of the replacement tender is still pending; c) Event Promoters (under), mainly as a result of delays in planned sub council events as well as events not implemented; d) Servicing of Vehicles & Equipment (under), where credits were posted as a result of motor claim repudiations; e) R&M Contracted Services Building (under), due to planned repairs and maintenance taking longer than anticipated as well as once-off savings realised; f) R&M Gardening Services (over), due to additional mowing and pruning across all sub council wards; <p><i>Continued on next page.</i></p>	<p>The directorate has 325 vacancies at various stages of the recruitment and selection process; 372 posts were filled while 290 positions were terminated since the beginning of the financial year.</p> <p>Other Expenditure - Telecomm Cell Phone additional call charges: Reposting to the various cost centres will be done before year end closure.</p> <p>Virements will be processed where required to utilise savings achieved.</p> <p>Misallocation of expenditure will be corrected before year end closure.</p> <p>The over expenditure relating to the prepayment of SAP software will be corrected via recognition of a prepayment adjustment at the end of the current 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 2 - Corporate Services	See previous page.	See previous page.	g) R&M Maintenance of Equipment (under), due to procurement delays which resulted in planned R&M works not implemented as planned; h) Security Services: Municipal Facilities (over), due to an increase in security services required to avoid illegal occupation and damage to vacant City property as well as for staff and the public at City facilities; i) Cleaning Costs (under), due to initial procurement delays; j) Food & Beverages (over), due to more than anticipated in-person Council meetings, public- and other meetings as well as staff returning to office after working remotely; k) Administrative and Support Staff (under), due to less demand for labour brokers resulting in year-to-date savings; and l) R&M Clearing & Grass Cut Service (over), due to more than anticipated demand for services in Ocean View and Masiphumelele. 6. Other Expenditure (under), combination of over-/under expenditure, mainly on: a) Software License - Upgrade/Protection (over), as a result of the prepayment of SAP Licenses and Palo Alto Renewal Security services for software; b) Telecomm Cell Phone additional call charges (over), due to the full cost (City wide) that was posted on the IS&T cost centre, which will be reallocated and processed accordingly as part of year end transactions; c) Training programmes (under), due to the turnaround time in filling graduate student vacancies, and slower than planned implementation of the job creation project; d) Hire of LDV, P/Van, Bus, Special Vehicle (under), due to outstanding invoices; e) Allowances: Ward Forum Members (under), as a result of the turnaround time of filling vacancies; f) Telecommunication Lines (under), due to new lower tender rates as well as discontinuation of redundant services; g) Specialised Information Technology Services (under), due to outstanding invoices; h) R&M Vehicle Tracking (under), where the actual price increase was less than projected resulting in savings; i) R&M Road worthy test (under), due to backlogs in processing certificates; and j) R&M Specialised Information Technical Services (under), due to year-to-date savings achieved as the actual expenditure was less than budgeted.	See previous page.

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 Growth	(183 393)	-23.2%	<p>The variance is a combination of over-/under expenditure against the following categories:</p> <ol style="list-style-type: none"> Employee related costs (under), mainly on <ol style="list-style-type: none"> Salaries and Wages, due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies; and Non-Permanent Staff, where no further appointments were made due to the measures implemented by the City to safeguard staff in response to the COVID-19 pandemic. Contracted Services (under), combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> Professional Services - Architectural (under), due to lower than planned demand for architectural services for projects implemented; G&D Professional Services - Town Planner (under), due to lower than planned demand for the year; Administrative and Support Staff (under), where no further appointments were made due to the measures implemented by the City to safeguard staff in response to the COVID-19 pandemic; G&D Advisory Services – Research & Advisory (over), due to more consultancy services required in the latter half of the financial year as a result of planning for future project implementation; Security Services: Municipal Facilities (under), due to the lower than anticipated need for security in the event of land invasion at municipal facilities. Furthermore, buildings are now occupied as the number of staff returning to work has increased resulting in reduced need for security services to protect against land invasion; Advisory Services - Project Management (under), due to the June 2022 invoice not yet processed; R&M Professional Services - Architectural (under), due to lower than planned demand for services; and Building Contractors (under), due to the lower than anticipated demand for the year. Depreciation (under), mainly due to capital purchases on order having longer lead times. Transfers and subsidies, G&D Grants/Sponsorships (under), where payments in respect of the National Skills Fund tranche were received but not yet paid to the service providers due to the protracted administration process for payment. Other Expenditure (under), mainly on: <ol style="list-style-type: none"> Operating Leases, due to the June 2022 invoice not yet processed; and Software Licences - Upgrade/Protection, due to licences that have not yet expired in the current financial year. 	<p>The directorate has 56 vacancies in various stages of the recruitment and selection process; 13 positions were filled and 21 terminations processed since the beginning of the financial year.</p> <p>Final year end transactions still in progress.</p> <p>Virements to be processed where so identified and required.</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 4 - Energy	(635 657)	-4.6%	<p>The variance is a combination of over-/under expenditure mainly on:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to <ol style="list-style-type: none"> a) The turnaround time in filling vacancies and the impact of the internal filling of vacancies; b) Booking of Long Service Award expenditure to the incorrect cost element; and c) Only 130 out of 198 apprentices (non-permanent staff) being appointed as a result of COVID-19 social distancing requirements. 2. Bulk Purchases (under), due to the June 2022 invoice still to be processed. 3. Inventory Consumed (under), mainly on: <ol style="list-style-type: none"> a) R&M Material General & Consumables, due to delays in award of the Public Lighting Maintenance contract; and b) Printing Stationery & Photographic, as a result of staff working remotely during the first few months of the financial year resulting in less printing and stationery being required. 4. Contracted services (under), combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) R&M Contracted Services Building (over), due to more than planned building maintenance required to date; b) R&M Maintenance of Equipment (under), due to delays in the fleet repair and servicing tender as well as a lag in the fleet, plant and accessories refurbishment programme; c) Cleaning Costs (under), due to delays in award of the cleaning services tender as a result of an appeal, which is currently being addressed by the appeals authority; d) Meter Management (under), where reduced meter management services were performed at the start of the financial year as a result of COVID-19 lockdown restrictions; e) Transportation Services: People (under), where shift workers are not making use of staff transportation when working night shift and overtime as a result of precautionary measures being implemented to prevent the spread of the COVID-19 virus; f) R&M Electrical (over), as a result of the backlogs caused by delays in the award of the Public Lighting Maintenance contract; <p><i>Continued on next page.</i></p>	<p>The directorate has 281 vacancies in various stages of the recruitment and selection process; 176 positions were filled and 105 terminations processed since the beginning of the financial year.</p> <p>Invoices will be processed by year end closure.</p> <p>Final year end transactions still in progress.</p> <p>Virements to be processed where so identified and required.</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 4 - Energy	See previous page.	See previous page.	g) Security Services: Municipal Facilities (under), due to the June 2022 invoice still to be processed; and h) Advisory Services - Research & Advisory (under), due to the June 2022 invoice still to be processed. 5. Other Expenditure (under), on a) Commission - Pre-paid electricity Vendor, due to the June 2022 invoice that must still be processed, and a decline in prepaid sales as a result of load shedding; b) Electricity, due to the 2022 June invoice still to be processed; and c) Uniform & Protective Clothing, due to an appeal in respect of the tender that has led to delays in it being available for use resulting in stock not being procured for issuing. 6. Depreciation, due to lower than planned rate of capital spend resulting in lower capitalisation rates.	See previous page.
Vote 5 - Finance	2 513 387	75.5%	The variance reflects on the following categories: 1. Employee related costs (over), mainly on: a) Basic Salaries and Wages (under), due to the turnaround time in filling vacancies as well as the impact of the internal filling of vacancies; and b) Contribution to Provision: Post-Retirement Medical Aid (PRMA) (over), where year end postings were not finalised by month-end. 2. Inventory consumed (under), where the provision for additional printing for inserts to indigent property holders and the renewal of license notifications was not required as no additional printing was needed. 3. Transfers and subsidies (under), mainly on Grants/Sponsorships, as a result of the Cape Town Stadium entity generating sufficient revenue to cover its operational expenditure resulting in a lower requirement for grant funding from the City. <i>Continued on next page.</i>	The overall overspend is as a result of the year end transaction iro the PRMA, which was not finalised at the time of reporting. It has since been finalised and the directorate reflects a underspend. The directorate has 213 vacancies in various stages of the recruitment and selection process; 123 vacancies were filled and 96 posts terminated since the start of the financial year. Final year end transactions still in progress. Virements to be processed where so identified and required.

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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	See previous page.	See previous page.	<p>4. Other expenditure (under), combination of under-/over expenditure, mainly on:</p> <p>a) Insurance (under), due to lower than planned claims received to date;</p> <p>b) Indigent Relief: Electricity - Eskom Reimburse (over), where the number of qualifying customers are more than planned to date;</p> <p>c) Commission - Revenue Sharing (under), due to less than anticipated commission paid to third party vendors; and</p> <p>d) Specialised information technology services (under), due to the development of a valuations Government Revenue Management (GRM) system that could not commence in the current financial year.</p> <p>5. Losses (under), due to the valuation of financial instruments as a result of current market valuation movements that are not budgeted for.</p>	See previous page.
Vote 6 - Future Planning & Resilience	(94 127)	-18.1%	<p>Under expenditure reflects on the following categories:</p> <p>1. Employee related costs:</p> <p>a) Non-Permanent Staff: S56 Employees, due to vacant Executive Director position;</p> <p>b) Salaries and Wages, due to vacancies and the turnaround time in filling vacancies; and</p> <p>c) Wages: Mayor's Job Creation Project, where payments in respect of the Public Participation Skills Development Project are not yet finalised.</p> <p>2. Depreciation & asset impairment, where actuals for this reporting period have not yet been posted.</p> <p>3. Inventory Consumed, mainly on Printing Stationery & Photographic, due to the lower demand for printing and stationery as most staff are working remotely.</p> <p>4. Contracted Services, combination of under-/over expenditure, mainly on:</p> <p>a) Advisory Services - Project Management, (over), due to Communications, Policy & Strategy and CPPPM expenditure progressing faster than anticipated;</p> <p><i>Continued on next page.</i></p>	<p>The directorate has 43 vacancies in various stages of the recruitment and selection process; 56 positions were filled while 24 were terminated since the beginning of the financial year. Filling of vacancies is ongoing. The directorate's Finance Section continuously monitors progress in collaboration with the HR business partner to ensure accelerated recruitment and selection processes.</p> <p>Final year end transactions still in progress.</p> <p>Virements to be processed where so identified and required.</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 6 - Future Planning & Resilience	See previous page.	See previous page.	<p>b) Advisory Services - Research & Advisory (under), due to various research and advisory services in respect of customer and resident satisfaction surveys, leadership and assessment tool etc. being completed at lower than planned costs;</p> <p>c) G&D Professional Services - Town Planner (under), due to outstanding transactions still to be processed against the Programme Project Preparation Support Grant;</p> <p>d) Graphic Designers (under), due to final invoices not yet processed; and</p> <p>e) Administrative and Support Staff (under), due to lower than planned demand for labour broker staff during the financial year.</p> <p>5. Other Expenditure, mainly on</p> <p>a) Operating Leases, due to the overstated CPPPM lease agreement commitment;</p> <p>b) Survey Expenses, where the survey expenses in respect of the Policy & Strategy department was completed under budget;</p> <p>c) Training Programmes, due to lower than planned demand for trainees within CPPPM;</p> <p>d) Specialised Information Technology services, due to the CPPPM, Organisation Performance Management and Policy & Strategy departments experiencing tender constraints and not being able to spend as planned; and</p> <p>e) Training, due to final invoices not yet processed.</p>	See previous page.
Vote 7 - Human Settlements	(129 325)	-8.8%	<p>The variance is a combination of over-/under expenditure within the following categories:</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. Depreciation and asset Impairment (under), due to delays in completion of capital infrastructure projects for Housing Development.</p> <p>3. Contracted Services (under), combination of over-/under expenditure, on:</p> <p>a) Professional Services - Engineering Civil, Legal Cost - Legal Advice, and Litigation and Building Contractors (over), where grant-funded expenditure needs to be reposted/reallocated to the correct grant cost elements;</p> <p>b) G&D Contracted Service Building, and G&D Professional Services - Town Planner (under), due to outstanding transactions against the Programme Project Preparation Support Grant;</p> <p>c) R&M Contracted Service Building (under), due to outstanding invoices for completed works;</p> <p>d) Security Services - Municipal Facilities (over), due to the increased demand for protection of City owned land parcels from land invasion as well as for construction sites, and emergency security required at depots as a result of break-ins;</p> <p><i>Continued on next page.</i></p>	<p>The directorate has 125 vacancies in various stages of the recruitment and selection process; 149 positions were filled while 43 were terminated since the beginning of the financial year. The filling of vacancies is ongoing.</p> <p>Professional Services - Engineering Civil, Legal Cost - Legal Advice, and Litigation and Building Contractors: Reposting of grant-funded expenditure will be done before 15 July 2022.</p> <p>Final year end transactions still in progress.</p> <p>Virements to be processed where so identified and required</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 7 - Human Settlements	See previous page.	See previous page.	<p>e) G&D Professional Services - Engineer Civil (under), which relates to the Enhance Extended Discount Benefit Scheme (EEDBS) Planning project. The WCG's Department of Human Settlements indicated after the approval of the mid-year adjustments budget that the EEDBS will no longer be funded from the HSDG. The funding will be reprioritised to the Gugulethu Infill Housing Project upon approval by MayCo; and</p> <p>f) G&D Electrical (under), due to delays in the PHP projects in ESKOM areas.</p> <p>4. Transfers and Subsidies - G&D Housing PHP payment (under), due to beneficiary administration issues/challenges, court cases, poor performances of some contractors and outstanding invoices.</p> <p>5. Other Expenditure (under), mainly on:</p> <p>a) Subsidy on Homeowners Redemption, which relates to the accounting treatment/entry of the redemption of the unrealised portion of the housing fund and is linked to the transfer of properties in respect of saleable Council Rental Units for which individuals were eligible for the Enhanced Extended Discount Benefit Scheme (EEDBS) subsidy; and</p> <p>b) G&D Survey Expenses, mainly due to fewer surveys being conducted in areas affected by gang-related violence.</p>	See previous page.
Vote 8 - Office of the City Manager	23 939	6.6%	<p>The variance is a combination of over-/under expenditure against the following categories:</p> <p>1. Employee related costs (under), mainly due to the turnaround time in the filling of vacancies.</p> <p>2. Contracted Services (over);</p> <p>a) Legal Cost - Legal Advice and Litigation, as a result of the significant increase in legal requests, especially litigation matters of which a significant number was High Court matters; and</p> <p>b) Security Services: Municipal Facilities, due to the need for 24-hour security services at Lentegeur Court as well as the change in security services providers in October 2021, which increased the expenditure to date.</p> <p>3. Other Expenditure (over), mainly on Membership Fees: Professional, due to advance payment of 22/23 SALGA membership fees.</p>	<p>The general over expenditure is the result of a significant increase in legal requests, especially litigation matters of which a significant number was High Court matters, and the advance payment of SALGA membership fees. Over expenditure to be addressed by virements, repostings and year end closure transactions.</p> <p>The directorate has 35 vacancies in various stages of the recruitment and selection process; 49 positions were filled while 43 were terminated since the beginning of the financial year.</p> <p>Reposting to be done before final year end closure.</p> <p>Final year end transactions still in progress.</p> <p>Virements to be processed where so identified and required.</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 9 - Safety & Security	(330 889)	-7.2%	<p>The variance is a combination of over-/under expenditure and reflects against the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), mainly on: <ol style="list-style-type: none"> a) Salaries and Wages, due to delays in appointment of permanent staff relating to the command and control staff for the LEAP project as well as Anti-land invasion operations; and b) Overtime, due to less than planned overtime required for operational purposes. 2. Depreciation (under), due to assets not being purchased and received as planned as a result of the COVID-19 pandemic. 3. Inventory Consumed (under), combination of under-/over expenditure, on: <ol style="list-style-type: none"> a) Fuel (over), due to the increase in fuel and diesel prices as well as the increase in vehicle utilisation; and b) Printing & Stationery, due to lower than planned demand and cost saving initiatives during the year. 4. Contracted Services (under), combination of under-/over expenditure, mainly on: <ol style="list-style-type: none"> a) Security Services – other (under), due to the Gunshot Detection System tender that came into effect later than anticipated; b) Repairs and Maintenance (over), due to the increased demand for maintenance of CCTV cameras; and c) Security Services Municipal Facilities (over), due to higher than planned demand for security services at facilities. 5. Other Expenditure (under), mainly on: <ol style="list-style-type: none"> a) Training - Co Op Students, due to fewer requests for students during the year; and b) Furniture Tools and Equipment, where the financial year end transactions still need to be processed. 	<p>The directorate has 676 vacancies at various stages of the recruitment and selection process; 1162 posts were filled while 468 were terminated since the beginning of the financial year.</p> <p>Final year end transactions still in progress.</p> <p>Virements to be processed where so identified and required.</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 10 - Spatial Planning & Environment	(27 502)	-2.3%	<p>The variance is a combination of over-/under expenditure against the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), mainly on: <ol style="list-style-type: none"> a) Salaries and Wages, due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies; and b) Non-Permanent Staff, where no further appointments were made due to the measures implemented by the City to safeguard staff in response to the COVID-19 pandemic. 2. Depreciation (under), due to the lower than planned rate of capital spend resulting in lower capitalisation rates. 3. Contracted Services (under), combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Advisory Services - Project Management (over), where various professional services were employed to assist with project packaging as well as to facilitate the Mayoral Urban Regeneration Programme Implementation; b) Security Services: Municipal Facilities (under), where the portion of the budget dedicated to the employment of tactical response teams for land invasion was not utilised as it was not required as planned; c) Administrative and Support Staff (under), where labour brokers expenses are much less than budgeted as emphasis was placed on filling vacancies with less reliance on labour brokers; and d) Alien Vegetation Control (under), due to the June 2022 invoice still to be processed. 4. Other Expenditure (under), mainly on Advertising - Corporate and Municipal Account, due to saving initiatives implemented by reducing the number of words per advert, avoiding duplications and placing the advert to communicate only what is necessary in terms of legislation in an aim to be more cost effective. 	<p>The directorate has 76 vacancies in various stages of the recruitment and selection process; 115 positions were filled and 38 terminations processed since the beginning of the financial year.</p> <p>Final year end transactions still in progress.</p> <p>Virements to be processed where so identified and required.</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 11 - Urban Mobility	(337 945)	-9.1%	<p>The variance is a combination of over-/under 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 impact of the internal filling of vacancies. 2. Depreciation (over), due to slightly faster than anticipated acquisition of assets that led to assets being brought to use earlier than planned resulting in higher depreciation charges. 3. Inventory Consumed (under), combination of under-/over expenditure, mainly on: <ol style="list-style-type: none"> a) G&D Material General & Consumables (under), due to lower than planned requirement for IRT Cards; b) G&D Labour to Operating (under), due to withdrawal of the budget for posts for the Public Transport Safety project as the anticipated funding from WCG was not secured resulting in lower than planned expenditure to date; c) Fuel (Petrol, Diesel and Fuel Oil) (over), due to numerous significant fuel price increases over the past few months; and d) R&M Mat General & Consumables (under), due to lower than projected expenditure on general roads and stormwater maintenance. 4. Contracted Services (under), mainly on: <ol style="list-style-type: none"> a) G&D Advisory Service - Project Management (under), due to slower than anticipated performance by the consultants on the Phase 2A Industry Transition and Development of the Taxi Operating Companies project and the AFC/APTMS project; b) G&D Contracted Services Building (under), due to savings realised on AFC/APTMS contractor costs as a result of the impact of the pandemic particularly in the early periods of the financial year; c) R&M Contracted Services Building (under), due to June 2022 invoices still to be processed; d) Transportation Services: People (under), due to outstanding invoices for June 2022. Under spend on Management Services of the PTIs, which was co-funded by the PTNG grant contributed to the variance as additional funding on the grant was utilised first resulting in savings on the Rates-funded budget; <p><i>Continued on next page.</i></p>	<p>The directorate has 291 vacancies at various stages of the recruitment and selection process; 259 posts were filled while 90 terminations were processed since the beginning of the financial year.</p> <p>Final year end transactions still in progress.</p> <p>Virements to be processed where so identified and required.</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 11 - Urban Mobility	See previous page.	See previous page.	<p>e) G&D Transportation Service People (under), where the new tender awarded for the MyCiTi Station & PTI Management had rates lower than originally projected resulting in savings on the budget as well as outstanding invoices for June 2022; and</p> <p>f) G&D Professional Services - Town Planner (under), due to slower than expected consultants progress on the Integrated Public Transport Network (IPTN) project.</p> <p>5. Other expenditure (under), mainly on:</p> <p>a) G&D Hire Motor Cars - VAT Non Claimable, Double Cab (under), where the budget for the Public Transport Safety project, which includes the hire of vehicles, was withdrawn as the funding from the WCG has not been secured;</p> <p>b) Specialised Information Technology services (over), due to higher than planned expenditure as a result of the requirement for specialist IT consultants to resource the Transport Intelligence System (TIS), Transport Reporting System (TRS) and Primary Systems to ensure improved systems and processes; and</p> <p>c) G&D Insurance: Non GIF (under), where only 60% of the quoted premium has been paid. If the claims exceeds 60% then the Insurer will ask for additional premiums.</p> <p>6. Losses (over), due to loss on sale of auctioned assets, which is difficult to predict.</p>	See previous page.
Vote 12 - Urban Waste Management	(6 950)	-0.2%	Immaterial variance.	The directorate has 201 vacancies at various stages of the recruitment and selection process; 263 posts were filled while 134 terminations were processed since the beginning of the financial year.

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 13 - Water & Sanitation	(196 255)	-1.9%	<p>The variance is a combination of over-/under 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 internal filling of vacancies. 2. Inventory Consumed (under) mainly on: <ol style="list-style-type: none"> a) Inventory consumed: Reticulation Water, due to outstanding volumes for the reporting period. The final accounts from the DWS is outstanding; it is anticipated that the actuals will exceed the budget provision; b) R&M Mat General & Consumables, due to a reduced number of contract standby teams responding to C3 "no water complaints" as well as discontinuation of installation of water management devices (WMD). 3. Contracted Services (under), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Sewerage Services (under), due to a number of outstanding invoices that must still be processed as well as the variable costs for the management of the Zandvliet Treatment Plant being slightly less than anticipated. In addition, there have been delays in the approval for the implementation of the Faecal Sludge Management Facility; b) R&M Contracted Service Building (under), due to a number of outstanding invoices for work completed and a reduction in the number of contract standby teams responding to C3 "no water complaints" flowing from the change in the metering strategy; c) R&M Electrical (under), due to a decrease in the number of electrical repairs and maintenance required at waste water plants; d) Advisory Services - Research & Advisory (under), due to initial delays in the commencement of the Desalination - TMG Aquifer project and Catchment project as well as delays in commencement of the pump stations review project; <p><i>Continued on next page.</i></p>	<p>The directorate has 936 vacancies at various stages of the recruitment and selection process, 669 posts were filled while 203 terminations were processed since the beginning of the financial year. 418 of the 669 filled positions were internal appointments, which had zero impact on the vacancy rate.</p> <p>The directorate has implemented a Vacancy Fast Track Project with the aim of reducing the current vacancy rate. The project includes the streamlining of the recruitment and selection (R&S) processes with specific focus on the following:</p> <ul style="list-style-type: none"> - Adopting a monthly planner for bulk vacancies; - Generating pools of competent candidates for certain designations in order for a Notice of Appointment (NOA) to be completed when positions become vacant; - Weekly vacancy tracker to ensure that vacancies are moving in the R&S process; - External advertising so that consequential fills can be managed and to attract a bigger pool of applicants; - Suspension of certain technical assessments where they are not mandatory in order to fast track the R&S process; and - Augmentation of the R&S Capacity. <p>Final year end transactions still in progress.</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 13 - Water & Sanitation	<i>See previous page.</i>	<i>See previous page.</i>	<p>e) Professional Services - Engineering: Civil (under), due to initial delays in the finalisation of works packages on tender 194C, and a number of outstanding invoices;</p> <p>f) Meter Management (under), due to some projects within the Customer Services branch relating to the excessive use approach not being fully operational yet;</p> <p>g) G&D Sewerage Services (under), due to a number of outstanding invoices; and</p> <p>h) R&M Alien Vegetation Control (over), due to an increase in the amount of alien vegetation cleared.</p> <p>4. Other Expenditure (under), combination of over-/under expenditure, mainly on:</p> <p>a) R&M Hire of LDV, P/Van, Bus, Specialised Vehicle (under), due to a number of outstanding invoices still to be paid;</p> <p>b) Hire Charges (under), due to outstanding invoices still to be paid and a decrease in the number of pumps hired for reticulation;</p> <p>c) Water Resource Management Charge DWS (over), where updated accounts from the DWS reflected higher than anticipated water resource management charges for the current financial year; and</p> <p>d) Bulk Water: Levy (Berg Water Project)(under), due to a decrease in the Berg Water Levy tariff, and outstanding invoices for the reporting period.</p> <p>5. Transfers and subsidies (under), due to late project commencement and amendments to the project plan of the Alien Vegetation Removal Programme by The Nature Conservancy (TNC), which has since gained momentum.</p> <p>6. Losses - Inventory consumed (under), due to outstanding volumes for the reporting period. Awaiting updated accounts from DWS and internal operations. It is anticipated that losses for inventory consumed will be less than anticipated due to the high water sales.</p>	<i>See previous page.</i>

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Employee related costs	(671 940)	-4.2%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; and 3. Slower than planned implementation of job creation projects (EPWP) as a result of the delayed submission of Project Identification Documents (PID) and challenges experienced in identifying workers from the sub council database of registered community members. 4. Final year end processing on PRMA and other employee related expenditure still to be finalised.	The City had 3763 vacancies as at 30 June 2022; 4345 positions were filled (2005 internal, 806 external, 1534 rehire) with 2611 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 roll-out of programmes is ongoing. Final year end transactions still in progress.
Remuneration of councillors	(14 680)	-8.2%	The variance is due to the cumulative effect of unfilled vacancies throughout the year as well as no annual increases implemented on councillor remuneration.	No corrective action required.
Debt impairment	(148 206)	-6.2%	The variance is due to final year end calculations still to be done and processed.	Final year end transactions still in progress.
Depreciation & asset impairment	(55 752)	-1.8%	The variance is due to the lower than planned rate of construction/completion/procurement of assets and year end processes still to be completed.	Final year end transactions still in progress.
Finance charges	(52 252)	-6.6%	The variance is mainly on Interest Costs Unwinding of discounts within the Urban Waste Management directorate, due to year end processes still to be finalised.	Final year end transactions still in progress.
Bulk purchases - electricity	(905 316)	-8.1%	The variance is mainly due to the June 2022 invoice not yet processed.	The invoice will be processed by 15 July 2022.

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure By Type</u>				
Inventory Consumed	(251 071)	-4.4%	<p>The variance is a combination of over-/under expenditure in the following subcategories:</p> <ol style="list-style-type: none"> 1. Materials, Consumables Tools & Equipment (under), due to lower than planned general requirements and fewer refuse containers purchased as the rate at which containers were stolen/damaged was lower than anticipated. 2. Pharmaceutical supplies, G&D Pharmaceutical supplies and G&D Vaccines (under), due to outstanding invoices and final year end processing still to be completed. 3. Fuel (Petrol, Diesel, Fuel Oil) (over), due to higher than planned demand for fuel as well as the increase in fuel prices. 4. Printing Stationery & Photographic (under), mainly as a result of staff working remotely during the year. 5. Inventory Consumed: Reticulation Water (under), due to outstanding volumes for the reporting period. Final accounts from the DWS is still outstanding, however, it is anticipated that the actuals will exceed budget provision. 6. R&M Material General & Consumables (under), mainly due to the Public Lighting Maintenance contract being awarded later than anticipated, the reduced number of standby teams responding to C3 "no water complaints" as well as discontinuation of water management devices during the year. 	<p>Final year end transactions still in progress</p> <p>Virements will be processed where required.</p>
Contracted services	(911 506)	-11.2%	<p>The variance is a combination of over-/under expenditure against the following subcategories:</p> <ol style="list-style-type: none"> 1. Advisory Services - Research and Advisory (under), due to initial delays in the commencement of the Desalination - TMG Aquifer and Catchment projects as well as delays in commencement of the Pump Station Review project. 2. R&M Contracted Services Buildings (under), due to outstanding invoices, a reduction in the number of standby teams responding to C3 'no water complaints', slower than planned implementation of maintenance programmes, and more work being done internally. 3. R&M Maintenance Equipment (under), due to outstanding invoices still to be processed and lower than planned demand for maintenance of equipment. 4. Recreation, Sport, Tourism Development Programmes (under), due to lower than planned implementation of ward allocation projects and departmental development programmes. 5. Security Services Municipal Facilities (over), due to an increase in security services to avoid illegal occupation and damage/vandalism to City property and infrastructure. 6. R&M Contracted Services electrical (under), due to a decrease in the number of electrical repairs and maintenance at waste water plants, and delays in award of the Public Lighting Maintenance contract. 7. Sewerage Services (under), due to a number of outstanding invoices that must still be processed and the variable costs for the management of the Zandvliet Treatment Plant being slightly less than anticipated. In addition, there have been delays in the approval for implementation of the Faecal Sludge Management Facility. <p><i>Continued on next page.</i></p>	<p>Final year end transactions still in progress.</p> <p>Virements to be processed where required.</p>

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure By Type</u> Contracted services	See previous page.	See previous page.	<p>8. Relief Drivers (under), where challenges relating to the hiring of vehicles resulted in fewer drivers being appointed.</p> <p>9. Administrative and Support Staff (under), due to the demand for Labour Broker staff being lower than planned for the year.</p> <p>10. G&D Transportation Services People (under), where the new tender for the MyCiTi Station & PTI Management had rates lower than originally projected resulting in savings, and due to outstanding invoices for June 2022.</p> <p>11. Transportation Services People (under), due to shift workers not making use of staff transportation when working night shift and overtime as a precautionary measure to prevent the spread of the COVID-19 virus as well as outstanding invoices for June 2022, which must still to be processed. Under spend on Management Services of the PTIs, which was co-funded by the PTNG grant contributed to the variance as additional funding on the grant was utilised first resulting in savings on the Rates-funded budget.</p> <p>12. Cleaning Costs (under), where costs relating to COVID-19 requirements are lower than anticipated.</p> <p>13. Building Contractors (over), due to the misallocation of expenditure, which is in the process of being reposted to the correct cost elements.</p> <p>14. Meter Management (under), mostly within the Water & Sanitation directorate, due to projects relating to the excessive use approach within the Customer Services branch not being fully operational yet.</p> <p>15. R&M Gardening (under), due to lower than planned demand for services, and invoices still to processed.</p> <p>16. G&D Contracted Services Buildings (under), due to delays with Top Structures Project, and outstanding invoices still to be processed.</p> <p>17. Legal Cost - Legal Advice and Litigation (over), due to a significant increase in legal requests to date, especially litigation matters of which a significant number was High Court matters.</p> <p>18. G&D Sewerage Services (under), due to outstanding invoices that must still be processed.</p> <p>19. Advisory Services Project Management (under), due to procurement delays. Fleet Management applied for the transversal use of the replacement tender and approval is still pending. In addition, a lower than planned demand for services contributed to the variance.</p> <p>20. G&D Advisory Service - Project Management (under), due to slower than anticipated performance by consultants on the Phase 2A Industry Transition and Development of the Taxi Operating Companies, and the AFC/APTMS project.</p> <p>21. G&D Professional Services - Town Planner (under), due to transactions still to be processed against the Programme Project Preparation Support Grant.</p>	See previous page.

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Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Transfers and subsidies	(167 841)	-29.5%	The variance reflects in the following directorates: 1. Human Settlements, on G&D Housing PHP Payment, due to beneficiary administration issues/challenges, court cases, poor performances of some contractors and outstanding invoices still to be processed. 2. Finance, mainly on Grants/Sponsorships, as a result of the Cape Town Stadium entity generating sufficient revenue to cover its operational expenditure resulting in a lower requirement for grant funding from the City. 3. Water & Sanitation, due to the late commencement and amendments to the project plan of the Alien Vegetation Removal Programme, which has since gained momentum. 4. Economic Growth, where the National Skills Fund tranche payments was received but not yet paid to the service providers as a result of the protracted administration process for payment.	Final year end transactions still in progress.
Other expenditure	(273 391)	-10.1%	The variance is a combination of over-/under expenditure and reflects mainly on: 1. Operating Leases (under), where the June 2022 invoice must still be processed. 2. Membership Fees – Professional (over), due to the advance payment of the 2022/23 SALGA membership fees. 3. Software Licences – Upgrade (over), due to the prepayment of SAP Licenses and Palo Alto Renewal Security services for software. 4. Water Resource Management Charge DWS (over), where the updated accounts received from the DWS reflect higher than anticipated water resource management charges for the current financial year. 5. Bulk Water: Levy (Berg Water Project) (under), due to a decrease in the Berg Water Levy tariff as well as outstanding invoices for the reporting period. 6. Indigent Relief-Eskom Reimburse (over), where the number of qualifying customers is more than planned to date. 7. R&M Hire of LDV, P/Van, Bus, Specialised Vehicle (under), due to outstanding invoices. 8. Hire Charges (under), due to outstanding invoices, and a decrease in the number of pumps hired for reticulation. 9. Commission - Pre-paid electricity Vendor (under), due to the June 2022 invoice that must still be processed, and a decline on prepaid sales as a result of load shedding. <i>Continued on next page.</i>	Final year end transactions still in progress.

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure By Type</u>				
Other expenditure	<i>See previous page.</i>	<i>See previous page.</i>	<p>10. Commission - Revenue Sharing (under), due to less than anticipated commission paid to third party vendors.</p> <p>11. Furniture Tools and Equipment (under), where the financial year end transactions still need to be processed.</p> <p>12. Insurance (under), due to lower than planned claims received and paid for during the year.</p> <p>13. Specialised Information Technology Services (under), due to outstanding invoices that still need to be processed.</p> <p>14. Uniform & Protective Clothing (under), due to delays as a result of an appeal in respect of the awarded tender.</p> <p>15. Rehabilitation Costs transferred to Provision (over), within the Urban Waste Management directorate, as year end processing is still taking place.</p>	<i>See previous page.</i>
Losses	(111 272)	-17.2%	The variance is mainly on Losses - Inventory Consumed Water, due to outstanding volumes for the reporting period. Awaiting accounts from the DWS and internal operations. It is anticipated that losses for inventory consumed will be less than anticipated due to high water sales.	Final year end transactions still in progress.

Material variance explanations for capital expenditure by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote Vote 1 - Community Services & Health	(64 682)	-21.6%	The current negative variance reflects on the following projects: 1. Bardale MPC: The project is behind schedule due to community engagement issues. Appointments have been made and contractor has moved on site but works have since been stopped by the community's business forum representatives. 2. Sarepta clinic: Construction was delayed due to adverse site conditions. The project will therefore only reach practical completion during the first week of August 2022. 3. Facility upgrades - SASREA: Initial delays were caused due to the protracted approval of compliance certificates. Snag lists are currently being vetted in order to process payments by 15 July 2022. 4. Bellville Integrated Facility, where the project phase has reached practical completion and the payment certificate was submitted after month-end. 5. Sport and Recreation Facilities Upgrade, where projects are completed with snag lists being vetted. The payment certificate and Contract Price Adjustment (CPA) was submitted after month-end. 6. Blue Ridge Integrated Recreational Facility: The project was initially delayed due to community engagements, which took longer than anticipated. This was resolved with the site handed over in March 2022. The project phase has been completed. 7. Elsies River Integrated Recreational Facility: The project was initially delayed due to insufficient budget, which has since been sourced. Project planning has been completed for Area 1, concept design was completed in-house; construction commenced in April 2022. 8. Bloekombos Community Hall Upgrade: The project was initially delayed due to community unrest as well as unavailability of procurement method, however this has since been resolved. The detailed design has been completed and construction is underway.	Project managers together with the support of the finance manager/heads will: a) Prepare roll-over applications to National Treasury; b) Verify payment certificates and process payments by 15 July 2022; and c) Process contract price adjustments. Unspent balances, where items could not be delivered or projects could not be completed by 30 June 2022 will be rolled over to the 2022/23 financial year in the August 2022 adjustments budget.

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City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 2 - Corporate Services	(32 546)	-7.5%	The negative variance reflects on the following projects/programmes: 1. BIP Applications, where the project is behind spend due to delays in delivery of long-lead equipment. 2. Business Support Infrastructure Development Area North FY22, where orders could only be placed after receiving approval to make use of transversal tender 339Q/2018/19. The upgrading of Uluntu Plaza Phase 1 and Du Noon is currently in the implementation phase. 3. FS Replacement Plant FY22, where some vehicles were delivered but the balance could not be delivered as a result of the floods in Durban in April 2022. 4. Various projects completed; awaiting final invoices for processing.	Invoices to be processed before 15 July 2022. Unspent balance will be rolled over to the 2022/23 financial year in the August 2022 adjustments budget.
Vote 3 - Economic Growth	(9 856)	-19.3%	The negative variance reflects on the following projects/programmes and is due to invoices being received after month-end: 1. CTICC 2 - Interface Structure project; and 2. Philippi Fresh Produce Market Refurbishment project.	Invoices for the works completed up to 30 June 2022 are being vetted and will be processed by 15 July 2022. Unspent funds will be rolled over to the 2022/23 financial year in the August 2022 adjustments budget.

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City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 4 - Energy	(124 239)	-14.4%	<p>The negative variance reflects mainly on the following projects:</p> <ol style="list-style-type: none"> 1. Vehicles - Replacement FY22: All items barring the aerial platforms have been received and are in the process of being marked as received. The aerial platforms will not be delivered in this financial year due to supplier constraints. 2. SCADA Master Station Upgrade, where the computer hardware could not be delivered by 30 June 2022 as a result of the impact of the COVID-19 pandemic on worldwide production of semi-conductors. 3. 132kV OH Insulator Replacement, where orders for material could only be placed after the scope of the project was finalised. Some material have been delivered on site. 4. Prepayment Meter Replacement FY22, where works have been completed but the invoices were submitted after month-end. 	<p>Project manager is following up on outstanding invoices, which will be vetted and processed before 15 July 2022.</p> <p>Unspent balance of funds will be rolled over in the August 2022 adjustments budget.</p>
Vote 5 - Finance	(254)	-1.5%	Immaterial variance.	-
Vote 6 - Future Planning & Resilience	(9 982)	-21.4%	<p>The negative variance reflects mainly on the following projects/programmes:</p> <ol style="list-style-type: none"> 1. Resource Efficiency Municipal Building FY22, where works have been completed but invoices were not received by month-end. 2. Photovoltaic installation in Municipal buildings FY22, where tender 148Q/2021/22, which was anticipated to be awarded in June 2022, was not awarded. This will result in planned work to be completed in the 2022/23 financial year with sufficient provision made available. 3. Contract Management System Integration, which is behind schedule due to the consultant being appointed later than anticipated. 	<ol style="list-style-type: none"> 1. The project managers are currently following up on the outstanding invoices for payment by the financial year end deadline. 2. Roll-over requests for items that could not be delivered or projects not completed by 30 June 2022 to be submitted as part of the August 2022 adjustments budget. 3. Committed unspent balances will be rolled over in the August 2022 adjustments budget. Anticipated project completion date is 30 September 2022.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Capital Expenditure by Vote</u>				
Vote 7 - Human Settlements	(120 564)	-13.0%	The negative variance is mainly as a result of: 1. Delayed implementation of external bulk road infrastructure due to land acquisition taking longer than anticipated on the Conradie Housing Development (PGWC) project. 2. Invoices received after month-end on the Asset Upgrade: Routine Programmes, and the Informal Settlement Upgrade: Imizamo Yethu project. 3. Outstanding invoices for various completed projects.	1. Funding will be reprioritised to other priority projects that require additional funding. 2. Invoices being vetted and processed by project managers. Roll-over of committed funds and funds linked to contingencies will be requested in the August 2022 adjustments budget. Savings will be reprioritised to other priority projects where funding is required. 3. Invoices are being vetted for processing by 15 July 2022.
Vote 8 - Office of the City Manager	(618)	-9.7%	Some items were delivered. The balance of the items could not be delivered by 30 June 2022 due to stock unavailability.	Unspent committed funds will be rolled over to the 2022/23 financial year in the August 2022 adjustments budget.
Vote 9 - Safety & Security	(7 051)	-3.5%	Immaterial variance.	-
Vote 10 - Spatial Planning & Environment	(26 185)	-23.4%	The negative variance is attributable to the following projects/ programmes: 1. MURP-related projects, where initial delays were experienced as projects could only commence once transversal use approval for tender 339Q/2018/19 was received. Projects have been completed and project managers are vetting invoices for processing. 2. Reserve Upgrade - Metro South East FY22, where the project was delayed due to unavailability of tender 235Q/2020/21, which was only approved in May 2022. 3. Helderberg Nature Reserve, where the paving could not be executed due to the time required to obtain approval for the transversal use of tender 142Q/2019/20. 4. Table Bay & Tygerberg Nature Reserve Upgrade, where the required remedial work and stop notices delayed the practical completion of works on both projects. 5. Computer and IT equipment: Some items could not be delivered due to the worldwide component shortage and logistical delays as a result of the COVID-19 pandemic, which severely affected the manufacturing and import of electronic goods.	Unspent committed balance of funds will be rolled over to the 2022/23 financial year in the August 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 11 - Urban Mobility	(110 514)	-15.3%	<p>The directorate has a net negative variance, which is an accumulation of slower than anticipated expenditure on a number of projects/programmes, the most significant of which are:</p> <ol style="list-style-type: none"> 1. Grassy Park Non-Motorised Transport, due to initial delays as a result of material quality issues resulting in a complete review of the project in order to determine cash flow requirements for the 2021/22 and 2022/23 financial years. A value at risk has been identified. 2. Green Point Precinct Road Upgrades, where a value at risk was identified as the event organiser's PSP undertook work originally anticipated to be done by the City's PSP resulting in the budget provision not being used. Delayed construction commencement because of protracted environmental authorisation from DEADP also contributed to the underspend. 3. IRT Phase 2A, due to: <ol style="list-style-type: none"> a) Fewer than planned properties being acquired on the IRT Ph2A: Land & Property Acquisition project; and b) A lower than anticipated final invoice received for the close-out of the previous PSP appointment on the IRT phase 2A: West project. 4. IRT: Control Centre, due to initial delays on the MFMA Section 116(3) process, which is required before any amendments to capital works may commence. This budget funds the ongoing implementation of the Advanced Public Transport Management System (APTMS). Awaiting outstanding invoice for work done to date. 5. Heavy Duty Vehicles: Additional FY22, where the delivery of vehicle orders were delayed due to unavailability of stock. 6. Vygeskraal River Pedestrian Bridge, due to expiration of the previous tender resulting in the need for advertisement of a new tender. Construction will only commence in the 2022/23 financial year. Funds will be used for professional services for the review of tender documentation before advertising. <p><i>Continued on next page.</i></p>	<p>A roll-over application for committed unspent grant funding will be made to National Treasury.</p> <p>Project managers are following up on outstanding invoices for payment by 15 July 2022.</p> <p>Vygeskraal River Pedestrian Bridge: The balance of the budget will be returned to National Treasury.</p> <p>Public Transport Interchange Programme: Additional funds will be transferred from the Retreat Public Transport Interchange project in order to meet the contractual commitments in the 2021/22 financial year.</p> <p>Transport System Management Projects - Civils FY22: A roll over will be necessary as work is scheduled to commence in September 2022 after the rainy season.</p> <p>Road Rehabilitation: Jakes Gerwel - N2 & N1 project: Funds to be reposted from savings on various projects to ensure full USDG spend on the project.</p> <p>Inner City NMT project: Payments to be processed once invoices are vetted.</p>

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 11 - Urban Mobility	<i>See previous page.</i>	<i>See previous page.</i>	<p>7. Public Transport Interchange Programme, due to:</p> <p>a) Delays as a result of no approved temporary holding area for taxis during the construction period on the Bellville: Public Transport Hub. Payments relating to PSP completed for 2021/22; awaiting outstanding construction invoice;</p> <p>b) Finalisation of the new term tender on the Public Transport Facility: Makhaza: Mini-bus Taxi project, which took longer than anticipated. The contractor has, however, completed the layer works and kerbing; and</p> <p>c) Delays in the appointment of the service provider to finalise the conceptual designs on the Durbanville PTI Upgrade project.</p> <p>8. Transport System Management Projects: Civils FY22, where the budget was primarily for the construction of a large roundabout in Khayelitsha via term tender. The contractor has declined the work due to capacity constraints and indicated that the work would only commence in the 2022/23 financial year.</p> <p>9. Transport Facilities Upgrades FY22, due to outstanding invoices for the installation of permanent fences at a number of PTI facilities in Kuyasa, Masiphumelele, Wynberg, Parow and Bellville.</p> <p>10. Road Rehabilitation: Jakes Gerwel - N2 & N1 project, where implementation has been slightly slower than anticipated due to unforeseen ground conditions, and as a result of the focus being shifted to the slower, lower production intersections as the high production work was completed.</p> <p>11. Vetting of the PSP and contractors' invoices on the Inner City NMT project.</p> <p>12. Unmade Roads - Residential FY22 project, due to outstanding invoices for the construction of Corfu Road link and Doig Road, which has been completed.</p> <p>13. MyCiTi Buses - Refurbishment, where teething problems were experienced by the three Vehicle Operating Company (VOC) who have chosen different methods of refurbishing from in-house to outsourcing. More buses will be completed in the 2022/23 financial year as the VOC will have the necessary staff and structures in place.</p>	<i>See previous page.</i>

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Capital Expenditure by Vote</u>				
Vote 12 - Urban Waste Management	(66 488)	-17.1%	The underspend is as a result of: 1. Contingencies not taken up during the course of the year; 2. Delays at the Coastal Park Material Recovery Facility as a result of negotiations before the award could be made; and 3. Non-delivery of two Plant items by financial year end as a result of the war in Ukraine impacting on imports from Europe.	Unspent balances where items could not be delivered or projects could not be completed by 30 June 2022 will be rolled over to the 2022/23 financial year in the August 2022 adjustments budget.
Vote 13 - Water & Sanitation	(420 766)	-20.8%	The variance includes contingencies amounting to R163 million. Invoices for work performed up to 30 June 2022 are still being processed as part the financial year end process. The remaining variance relates to delays flowing from appeals lodged on tenders, community resistance, items not delivered on time, etc.	Remaining unspent commitments will be rolled over to the 2022/23 financial year in the August 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	(375 384)	-3.6%	Less rate income received than originally budgeted for.	No corrective action required.
Service charges	792 300	3.7%	More service related revenue received than anticipated.	No corrective action required.
Other revenue	693 684	17.1%	Other revenue received includes receipts not yet categorised.	Categorisation of revenue to take place in ensuing periods.
Government - operating	(226 931)	-3.7%	Less operational grant income received than anticipated.	No corrective action required.
Government - capital	(154 484)	-7.9%	Less capital grant income received than anticipated.	No corrective action required.
Interest	91 560	10.2%	More interest income than budgeted for.	No corrective action required.
Dividends	—	-	-	-
Payments				
Suppliers and employees	(366 038)	-0.9%	Immaterial variance.	-
Finance charges	51	0.0%	Immaterial variance.	-
Transfers and Grants	—	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	(1 186 733)	-26.5%		
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	(54 741)	-100.0%	This is a year end transaction.	Financial year end processes still in progress.
Decrease (Increase) in non-current debtors	—	-	-	-
Decrease (increase) other non-current receivables	3	-100.0%	This is a year end transaction.	Financial year end processes still in progress.
Decrease (increase) in non-current investments	332 578	-100.0%	This is a year end transaction.	Financial year end processes still in progress.
Payments				
Capital assets	(1 015 142)	-16.7%	Slower cash outflow than originally budgeted for.	No corrective action required.
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 292 982)	-20.3%		
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	—	-	-	-
Borrowing long term/refinancing	(1 200 000)	-100.0%	No loans taken up in the current financial year.	No corrective action required.
Increase (decrease) in consumer deposits	(87 669)	-100.0%	This is a year end transaction.	No corrective action required.
Payments				
Repayment of borrowing	—	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	1 287 669	140.5%		

Material variance explanations for corporate performance for Quarter 4 of 2022

Description of Indicator	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
3.H Number of human settlements opportunities (formal sites serviced) Target: 1 940 Actual: 1 423	517	Community protest action stopped work on Greenville Phase 4 at the beginning of June 2022 which prevented the contractor from achieving practical completion of all 1019 sites in this financial year.	The protest action issues were resolved and the contractor returned to site at the beginning of July 2022. 523 sites will be practically completed on 31 August 2022.
5.C Percentage spend of capital budget (NKPI) Target: 90% Actual: 83.70%	6.30%	Material variance explanations for capital expenditure by vote is reflected in the Material variance explanations for capital expenditure table on page 73 of Annexure A.	Remedial or corrective action is reflected in the Material variance explanations for capital expenditure table on page 73 of Annexure A.
5.D Percentage spent on repairs and maintenance Target: 95% Actual: 93.64%	1.36%	Variance is due to financial year end transactions still being processed and system still open for updates.	No remedial action required. Final outcome will only be known after year end transactions have been finalised.

Performance indicators

Description of financial indicator	Basis of calculation	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	1.1%	2.4%	2.3%	2.3%	2.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	48.3%	27.9%	26.0%	27.5%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	26.2%	29.7%	24.1%	20.2%	24.1%
Gearing	Long Term Borrowing/ Funds & Reserves	119.1%	178.7%	117.1%	127.4%	117.1%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	1.82	1.45	1.72	2.18	1.72
Liquidity Ratio	Monetary Assets/Current Liabilities	1.11	0.58	0.93	1.42	0.93
<u>Revenue Management</u>						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	15.2%	20.1%	13.8%	10.9%	13.7%
<u>Other Indicators</u>						
Employee costs	Employee costs/Total Revenue - capital revenue	35.0%	32.9%	31.4%	30.2%	30.3%
Interest & Depreciation	I&D/Total Revenue - capital revenue	8.6%	8.0%	7.6%	1.5%	1.9%

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	2 727	108	(5)	(198)	–	2	–	4	2 638	254 243
Auditor General	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	2 727	108	(5)	(198)	–	2	–	4	2 638	254 243

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	349 245	93 345	55 992	66 344	55 457	49 583	238 580	1 400 554	2 309 101	1 810 519	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	726 575	39 780	28 403	183 546	24 646	28 473	35 222	278 521	1 345 166	550 409	–	–
Receivables from Non-exchange Transactions - Property Rates	724 819	154 254	62 669	70 266	53 286	54 800	268 789	859 582	2 248 464	1 306 722	–	–
Receivables from Exchange Transactions - Waste Water Management	169 352	41 096	24 493	23 509	23 491	19 059	91 909	536 025	928 934	693 993	–	–
Receivables from Exchange Transactions - Waste Management	104 231	23 663	13 327	15 470	13 566	12 467	67 339	388 782	638 844	497 624	–	–
Receivables from Exchange Transactions - Property Rental Debtors	29 835	12 140	15 630	(1 296)	26 246	14 575	55 698	696 176	849 004	791 399	–	–
Interest on Arrear Debtor Accounts	71 963	30 191	30 413	27 618	28 129	27 634	157 320	693	373 961	241 395	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–	–	–	–
Other	(68 134)	(73 559)	(34 293)	(22 183)	(20 163)	(6 480)	(79 194)	(181 864)	(485 869)	(309 883)	–	–
Total By Income Source	2 107 884	320 910	196 633	363 275	204 658	200 112	835 664	3 978 469	8 207 604	5 582 177	–	–
2020/21 - totals only	1 975 475	341 595	155 799	199 044	252 338	148 318	832 612	3 860 726	7 765 908	5 293 039	–	–
Debtors Age Analysis By Customer Group												
Organs of State	98 887	26 354	15 353	10 229	7 819	7 327	(27 830)	(6 768)	131 371	(9 223)	–	–
Commercial	1 005 746	115 867	56 318	52 692	48 816	40 552	215 546	357 385	1 892 922	714 992	–	–
Households	993 656	238 731	144 278	139 358	147 995	130 142	653 426	3 393 526	5 841 113	4 464 447	–	–
Other	9 596	(60 042)	(19 315)	160 995	28	22 091	(5 479)	234 326	342 198	411 960	–	–
Total By Customer Group	2 107 884	320 910	196 633	363 275	204 658	200 112	835 664	3 978 469	8 207 604	5 582 177	–	–

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	81	Fixed	4.70%	2022/07/01	85 000	328	–	–	85 328
ABSA Bank	80	Fixed	4.70%	2022/07/01	30 000	116	–	–	30 116
ABSA Bank	79	Fixed	4.70%	2022/07/01	20 000	77	–	–	20 077
ABSA Bank	71	Fixed	4.70%	2022/07/01	20 000	77	–	–	20 077
ABSA Bank	77	Fixed	4.70%	2022/07/08	25 000	97	–	–	25 097
ABSA Bank	74	Fixed	4.70%	2022/07/08	45 000	174	–	–	45 174
ABSA Bank	72	Fixed	4.70%	2022/07/15	60 000	232	–	–	60 232
ABSA Bank	67	Fixed	4.75%	2022/07/15	75 000	293	–	–	75 293
ABSA Bank	66	Fixed	4.75%	2022/07/15	25 000	98	–	–	25 098
ABSA Bank	65	Fixed	4.75%	2022/07/15	20 000	78	–	–	20 078
ABSA Bank	64	Fixed	4.75%	2022/07/15	25 000	98	–	–	25 098
ABSA Bank	59	Fixed	4.75%	2022/07/15	30 000	117	–	–	30 117
ABSA Bank	65	Fixed	4.75%	2022/07/22	20 000	78	–	–	20 078
ABSA Bank	64	Fixed	4.75%	2022/07/22	20 000	78	–	–	20 078
ABSA Bank	60	Fixed	5.10%	2022/07/22	40 000	168	–	–	40 168
ABSA Bank	64	Fixed	5.10%	2022/07/27	30 000	126	–	–	30 126
ABSA Bank	58	Fixed	5.10%	2022/07/27	30 000	126	–	–	30 126
ABSA Bank	57	Fixed	5.10%	2022/07/27	25 000	105	–	–	25 105
ABSA Bank	55	Fixed	5.10%	2022/07/27	60 000	243	–	–	60 243
ABSA Bank	56	Fixed	5.10%	2022/07/29	50 000	196	–	–	50 196
ABSA Bank	60	Fixed	5.15%	2022/08/05	70 000	247	–	–	70 247
ABSA Bank	65	Fixed	5.15%	2022/08/12	50 000	162	–	–	50 162
ABSA Bank	67	Fixed	5.15%	2022/08/15	25 000	78	–	–	25 078
ABSA Bank	62	Fixed	5.15%	2022/08/15	25 000	60	–	–	25 060
ABSA Bank	55	Fixed	5.15%	2022/08/15	30 000	42	–	–	30 042
ABSA Bank	54	Fixed	5.15%	2022/08/15	20 000	25	–	–	20 025
ABSA Bank	48	Fixed	5.15%	2022/08/15	35 000	15	–	–	35 015
ABSA Bank	47	Fixed	5.15%	2022/08/15	30 000	8	–	–	30 008
ABSA Bank	57	Fixed	5.25%	2022/08/26	30 000	4	–	–	30 004
ABSA Bank	57	Fixed	5.25%	2022/08/26	35 000	5	–	–	35 005
ABSA Bank	57	Fixed	5.25%	2022/08/26	65 000	9	–	–	65 009
Firststrand	81	Fixed	4.98%	2022/07/01	50 000	205	–	–	50 205
Firststrand	80	Fixed	4.97%	2022/07/01	25 000	102	–	–	25 102
Firststrand	79	Fixed	4.97%	2022/07/01	20 000	82	–	–	20 082
Firststrand	71	Fixed	4.96%	2022/07/01	20 000	82	–	–	20 082
Firststrand	77	Fixed	4.97%	2022/07/08	25 000	102	–	–	25 102
Firststrand	74	Fixed	4.96%	2022/07/08	45 000	183	–	–	45 183
Firststrand	72	Fixed	4.97%	2022/07/15	60 000	245	–	–	60 245
Firststrand	67	Fixed	5.02%	2022/07/15	70 000	289	–	–	70 289
Firststrand	66	Fixed	5.02%	2022/07/15	25 000	103	–	–	25 103
Firststrand	65	Fixed	5.02%	2022/07/15	25 000	103	–	–	25 103
Firststrand	64	Fixed	5.02%	2022/07/15	20 000	83	–	–	20 083
Firststrand	59	Fixed	5.02%	2022/07/15	30 000	124	–	–	30 124
Firststrand	65	Fixed	5.07%	2022/07/22	25 000	104	–	–	25 104
Firststrand	64	Fixed	5.07%	2022/07/22	15 000	63	–	–	15 063
Firststrand	60	Fixed	5.43%	2022/07/22	40 000	179	–	–	40 179
Firststrand	64	Fixed	4.45%	2022/07/27	30 000	110	–	–	30 110

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

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	58	Fixed	5.45%	2022/07/27	30 000	134	–	–	30 134
Firststrand	57	Fixed	5.45%	2022/07/27	20 000	90	–	–	20 090
Firststrand	55	Fixed	5.44%	2022/07/27	60 000	259	–	–	60 259
Firststrand	56	Fixed	5.44%	2022/07/29	10 000	42	–	–	10 042
Firststrand	56	Fixed	5.44%	2022/07/29	50 000	209	–	–	50 209
Firststrand	60	Fixed	4.45%	2022/08/05	70 000	213	–	–	70 213
Firststrand	65	Fixed	5.46%	2022/08/12	50 000	172	–	–	50 172
Firststrand	67	Fixed	5.46%	2022/08/15	25 000	82	–	–	25 082
Firststrand	62	Fixed	5.46%	2022/08/15	30 000	76	–	–	30 076
Firststrand	61	Fixed	5.46%	2022/08/15	30 000	72	–	–	30 072
Firststrand	55	Fixed	5.50%	2022/08/15	35 000	53	–	–	35 053
Firststrand	54	Fixed	5.50%	2022/08/15	20 000	27	–	–	20 027
Firststrand	49	Fixed	5.35%	2022/08/15	20 000	12	–	–	20 012
Firststrand	49	Fixed	5.35%	2022/08/15	70 000	41	–	–	70 041
Firststrand	48	Fixed	5.35%	2022/08/15	30 000	13	–	–	30 013
Firststrand	47	Fixed	5.35%	2022/08/15	30 000	9	–	–	30 009
Firststrand	57	Fixed	5.54%	2022/08/26	30 000	5	–	–	30 005
Firststrand	57	Fixed	5.54%	2022/08/26	55 000	8	–	–	55 008
Firststrand	57	Fixed	5.54%	2022/08/26	35 000	5	–	–	35 005
Investec Bank	77	Fixed	4.55%	2022/07/08	15 000	56	–	–	15 056
Investec Bank	74	Fixed	4.55%	2022/07/08	20 000	75	–	–	20 075
Investec Bank	72	Fixed	4.45%	2022/07/15	50 000	183	–	–	50 183
Investec Bank	67	Fixed	4.65%	2022/07/15	30 000	115	–	–	30 115
Investec Bank	66	Fixed	4.65%	2022/07/15	10 000	38	–	–	10 038
Investec Bank	65	Fixed	4.65%	2022/07/15	10 000	38	–	–	10 038
Investec Bank	59	Fixed	4.65%	2022/07/15	10 000	38	–	–	10 038
Investec Bank	65	Fixed	4.65%	2022/07/22	10 000	38	–	–	10 038
Investec Bank	64	Fixed	4.65%	2022/07/22	10 000	38	–	–	10 038
Investec Bank	60	Fixed	4.95%	2022/07/22	15 000	61	–	–	15 061
Investec Bank	64	Fixed	4.95%	2022/07/27	10 000	41	–	–	10 041
Investec Bank	58	Fixed	4.95%	2022/07/27	50 000	203	–	–	50 203
Investec Bank	57	Fixed	4.95%	2022/07/27	15 000	61	–	–	15 061
Investec Bank	55	Fixed	4.95%	2022/07/27	30 000	118	–	–	30 118
Investec Bank	56	Fixed	4.95%	2022/07/29	20 000	76	–	–	20 076
Investec Bank	60	Fixed	4.95%	2022/08/05	15 000	51	–	–	15 051
Investec Bank	65	Fixed	4.95%	2022/08/12	15 000	47	–	–	15 047
Investec Bank	67	Fixed	4.98%	2022/08/15	10 000	30	–	–	10 030
Investec Bank	62	Fixed	4.98%	2022/08/15	10 000	23	–	–	10 023
Investec Bank	55	Fixed	5.05%	2022/08/15	10 000	14	–	–	10 014
Investec Bank	54	Fixed	5.05%	2022/08/15	10 000	12	–	–	10 012
Investec Bank	49	Fixed	5.05%	2022/08/15	25 000	14	–	–	25 014
Investec Bank	49	Fixed	5.05%	2022/08/15	30 000	17	–	–	30 017
Investec Bank	48	Fixed	5.05%	2022/08/15	25 000	10	–	–	25 010
Investec Bank	47	Fixed	5.00%	2022/08/15	10 000	3	–	–	10 003
Nedbank	80	Fixed	4.45%	2022/07/01	20 000	73	–	–	20 073
Nedbank	79	Fixed	4.45%	2022/07/01	30 000	110	–	–	30 110
Nedbank	71	Fixed	4.45%	2022/07/01	20 000	73	–	–	20 073
Nedbank	77	Fixed	4.45%	2022/07/08	45 000	165	–	–	45 165
Nedbank	74	Fixed	4.45%	2022/07/08	40 000	146	–	–	40 146
Nedbank	72	Fixed	4.45%	2022/07/15	60 000	219	–	–	60 219
Nedbank	67	Fixed	4.45%	2022/07/15	65 000	238	–	–	65 238
Nedbank	66	Fixed	4.50%	2022/07/15	15 000	55	–	–	15 055
Nedbank	65	Fixed	4.50%	2022/07/15	20 000	74	–	–	20 074
Nedbank	64	Fixed	4.50%	2022/07/15	20 000	74	–	–	20 074
Nedbank	59	Fixed	4.50%	2022/07/15	25 000	92	–	–	25 092
Nedbank	65	Fixed	4.55%	2022/07/22	20 000	75	–	–	20 075
Nedbank	64	Fixed	4.55%	2022/07/22	15 000	56	–	–	15 056

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
Nedbank	60	Fixed	4.90%	2022/07/22	30 000	121	–	–	30 121
Nedbank	64	Fixed	4.85%	2022/07/27	25 000	100	–	–	25 100
Nedbank	58	Fixed	4.90%	2022/07/27	25 000	101	–	–	25 101
Nedbank	57	Fixed	4.90%	2022/07/27	15 000	60	–	–	15 060
Nedbank	55	Fixed	4.90%	2022/07/27	55 000	214	–	–	55 214
Nedbank	56	Fixed	4.90%	2022/07/29	10 000	38	–	–	10 038
Nedbank	56	Fixed	4.90%	2022/07/29	55 000	207	–	–	55 207
Nedbank	60	Fixed	4.95%	2022/08/05	60 000	203	–	–	60 203
Nedbank	65	Fixed	4.95%	2022/08/12	35 000	109	–	–	35 109
Nedbank	67	Fixed	4.94%	2022/08/15	25 000	74	–	–	25 074
Nedbank	62	Fixed	4.95%	2022/08/15	25 000	58	–	–	25 058
Nedbank	55	Fixed	4.95%	2022/08/15	25 000	34	–	–	25 034
Nedbank	54	Fixed	4.95%	2022/08/15	15 000	18	–	–	15 018
Nedbank	49	Fixed	4.95%	2022/08/15	50 000	27	–	–	50 027
Nedbank	48	Fixed	4.95%	2022/08/15	20 000	8	–	–	20 008
Nedbank	47	Fixed	4.95%	2022/08/15	20 000	5	–	–	20 005
Nedbank	57	Fixed	5.00%	2022/08/26	20 000	3	–	–	20 003
Nedbank	57	Fixed	5.00%	2022/08/26	50 000	7	–	–	50 007
Nedbank Pledges	365	Fixed	7.45%	2023/06/30	165	0	–	–	165
Nedbank Pledges	365	Fixed	7.45%	2023/06/30	62 100	13	–	–	62 113
Nedbank Pledges	365	Fixed	7.45%	2023/06/30	715	0	–	–	715
Nedbank Pledges	365	Fixed	7.45%	2023/06/30	590	0	–	–	590
Nedbank Pledges	365	Fixed	7.45%	2023/06/30	13 900	3	–	–	13 903
Nedbank Pledges	365	Fixed	7.45%	2023/06/30	290	0	–	–	290
Nedbank Pledges	365	Fixed	7.45%	2023/06/30	1 479	0	–	–	1 479
Nedbank Pledges	365	Fixed	7.45%	2023/06/30	21 550	4	–	–	21 554
Nedbank Pledges	365	Fixed	7.45%	2023/06/30	28 000	6	–	–	28 006
Standard Bank	81	Fixed	4.65%	2022/07/01	50 000	191	–	–	50 191
Standard Bank	80	Fixed	4.65%	2022/07/01	25 000	96	–	–	25 096
Standard Bank	79	Fixed	4.65%	2022/07/01	20 000	76	–	–	20 076
Standard Bank	71	Fixed	4.63%	2022/07/01	15 000	57	–	–	15 057
Standard Bank	77	Fixed	4.64%	2022/07/08	20 000	76	–	–	20 076
Standard Bank	74	Fixed	4.62%	2022/07/08	40 000	152	–	–	40 152
Standard Bank	72	Fixed	4.67%	2022/07/15	60 000	230	–	–	60 230
Standard Bank	67	Fixed	4.68%	2022/07/15	70 000	269	–	–	70 269
Standard Bank	66	Fixed	4.68%	2022/07/15	25 000	96	–	–	25 096
Standard Bank	65	Fixed	4.68%	2022/07/15	20 000	77	–	–	20 077
Standard Bank	64	Fixed	4.70%	2022/07/15	25 000	97	–	–	25 097
Standard Bank	59	Fixed	4.75%	2022/07/15	30 000	117	–	–	30 117
Standard Bank	65	Fixed	4.76%	2022/07/22	25 000	98	–	–	25 098
Standard Bank	64	Fixed	4.76%	2022/07/22	20 000	78	–	–	20 078
Standard Bank	60	Fixed	5.05%	2022/07/22	45 000	187	–	–	45 187
Standard Bank	64	Fixed	5.10%	2022/07/27	25 000	105	–	–	25 105
Standard Bank	58	Fixed	5.08%	2022/07/27	30 000	125	–	–	30 125
Standard Bank	57	Fixed	5.08%	2022/07/27	20 000	84	–	–	20 084
Standard Bank	55	Fixed	5.09%	2022/07/27	60 000	243	–	–	60 243
Standard Bank	56	Fixed	5.09%	2022/07/29	10 000	39	–	–	10 039
Standard Bank	56	Fixed	5.09%	2022/07/29	45 000	176	–	–	45 176
Standard Bank	60	Fixed	5.09%	2022/08/05	70 000	244	–	–	70 244
Standard Bank	65	Fixed	5.11%	2022/08/12	50 000	161	–	–	50 161
Standard Bank	67	Fixed	5.13%	2022/08/15	25 000	77	–	–	25 077
Standard Bank	62	Fixed	5.17%	2022/08/15	25 000	60	–	–	25 060
Standard Bank	61	Fixed	5.17%	2022/08/15	30 000	68	–	–	30 068
Standard Bank	55	Fixed	5.18%	2022/08/15	30 000	43	–	–	30 043
Standard Bank	54	Fixed	5.17%	2022/08/15	20 000	25	–	–	20 025
Standard Bank	48	Fixed	5.17%	2022/08/15	10 000	4	–	–	10 004
Standard Bank	47	Fixed	5.17%	2022/08/15	30 000	8	–	–	30 008

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Investments by maturity Name of institution & investment ID R thousands	Period of Investment Days	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
Standard Bank	57	Fixed	Fixed	5.20%	2022/08/26	30 000	4	–	–	30 004
Standard Bank	57	Fixed	Fixed	5.20%	2022/08/26	55 000	8	–	–	55 008
Standard Bank	57	Fixed	Fixed	5.20%	2022/08/26	50 000	7	–	–	50 007
ABSA Bank	-	Call deposit	Fixed	4.75%	-	409 640	1 533	(105 000)	185 000	491 173
Firststrand Bank	-	Call deposit	Fixed	4.60%	-	331 225	1 178	(101 225)	175 000	406 178
Investec Bank	-	Call deposit	Fixed	4.60%	-	130 414	459	(35 414)	140 000	235 459
Nedbank	-	Call deposit	Fixed	4.60%	-	185 706	696	(50 706)	155 000	290 696
Standard Bank	-	Call deposit	Fixed	4.75%	-	451 704	1 632	(136 704)	175 000	491 632
Nedbank current account	-	Current account	-	4.55%	-	120 954	489	–	152 628	274 071
Fund Managers	-	-	-	-	-	7 396 409	34 108	(603 921)	–	6 826 596
Liberty, RMB and Nedbank sinking fund	-	-	-	-	-	3 375 709	28 579	–	–	3 404 289
Cash in transit	-	-	-	-	-	2 558	–	–	2 343	4 902
CTICC	-	-	-	-	-	271 435	–	–	–	271 435
COID	-	-	-	-	-	52 194	(52)	–	–	52 142
TOTAL INVESTMENTS AND INTEREST						17 756 737	–	(1 032 969)	984 972	17 792 244

Transfers and grants expenditure

Description	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Operating expenditure of Transfers and Grants								
National Government:	4 334 795	4 239 294	4 583 830	4 144 987	4 583 830	(438 843)	-9.6%	4 583 830
Local Government Equitable Share	3 509 590	3 215 174	3 215 174	3 215 174	3 215 174	-	-	3 215 174
Local Government Equitable Share Covid Rollover	-	-	144 562	139 252	144 562	(5 311)	-3.7%	144 562
Finance Management grant	1 000	1 000	1 000	1 000	1 000	-	-	1 000
Urban Settlements Development Grant	202 546	219 147	233 182	104 655	233 182	(128 527)	-55.1%	233 182
Energy Efficiency and Demand Side Management Grant	818	800	1 085	986	1 085	(99)	-9.1%	1 085
Dept. of Environ Affairs and Tourism	220	220	220	55	220	(165)	-74.8%	220
Expanded Public Works Programme	43 601	49 072	49 072	46 190	49 072	(2 882)	-5.9%	49 072
Public Transport Infrastructure & Systems Grant	-	38 640	25 894	5 092	25 894	(20 803)	-80.3%	25 894
Infrastructure Skills Development	10 006	11 000	11 000	9 261	11 000	(1 739)	-15.8%	11 000
Public Transport Network Grant	513 632	489 103	528 888	416 454	528 888	(112 433)	-21.3%	528 888
Neighbourhood Development Partnership Grant	1 394	5 000	227	-	227	(227)	-100.0%	227
Informal Settlements Upgrading Partnership Grant	-	76 143	64 514	4 546	64 514	(59 968)	-93.0%	64 514
National Skills Fund	18 470	46 276	55 675	18 543	55 675	(37 132)	-66.7%	55 675
National Treasury General Budget Support	-	16 829	16 829	9 591	16 829	(7 237)	-43.0%	16 829
National Treasury: Integrated City Development Grant	21 014	-	603	-	603	(603)	-100.0%	603
Public Employment Program (NT PEP)	-	-	161 000	132 799	161 000	(28 201)	-17.52%	161 000
Regional Land Claims Commissioner	-	-	4 014	-	4 014	(4 014)	-100.0%	4 014
Philippi Agri Hub	12 504	-	-	-	-	-	-	-
Programme And Project Preparation Support Grant	-	70 890	70 890	41 388	70 890	(29 502)	-41.6%	70 890
Provincial Government:	1 128 492	1 371 012	1 459 146	1 193 121	1 459 146	(266 024)	-18.2%	1 459 146
Cultural Affairs and Sport - Provincial Library Services	49 192	43 116	46 926	46 841	46 926	(85)	-0.2%	46 926
Cultural Affairs and Sport - Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	5 338	5 338	5 368	5 353	5 368	(15)	-0.3%	5 368
Municipal Library Support	-	-	8 533	8 533	8 533	-	-	8 533
Human Settlements - Human Settlement Development Grant	196 080	262 554	348 158	196 672	348 158	(151 486)	-43.5%	348 158
Human Settlements - Informal Settlements	-	-	1 500	1 233	1 500	(267)	-17.8%	1 500
Health - TB	27 380	87 317	32 715	19 638	32 715	(13 077)	-40.0%	32 715
Health - ARV	266 024	300 230	300 980	253 521	300 980	(47 459)	-15.8%	300 980
Health - Nutrition	5 692	6 664	6 664	3 987	6 664	(2 677)	-40.2%	6 664
Health - Vaccines	132 426	91 661	114 134	103 959	114 134	(10 175)	-8.9%	114 134
Comprehensive Health	-	173 489	205 618	205 618	205 618	-	-	205 618
LEAP	417 000	350 000	319 478	311 735	319 478	(7 743)	-2.4%	319 478
Transport and Public Works - Provision for persons with special needs	10 000	10 000	10 019	10 019	10 019	-	-	10 019
Economic Development and Tourism: Public Access Centres TSLE	-	5 480	3 667	3 457	3 667	(210)	-5.7%	3 667
Community Safety - Law Enforcement Auxiliary Services	4 388	4 629	3 429	498	3 429	(2 931)	-85.5%	3 429
Community Development Workers	1 034	1 001	2 647	1 910	2 647	(737)	-27.9%	2 647
Finance Management Capacity Building Grant	300	250	250	-	250	(250)	-100.0%	250
Transport Safety and Compliance - Rail Safety	-	19 000	21 000	-	21 000	(21 000)	-100.0%	21 000
Tourism Safety Law Enforcement Unit	3 608	-	-	-	-	-	-	-
Establishment and Support K9 unit	2 530	2 783	1 589	1 588	1 589	(1)	0.0%	1 589
LG Public Employment Support Grant	-	-	17 600	9 688	17 600	(7 912)	-45.0%	17 600
Municipal accreditation and capacity building grant	7 500	7 500	8 871	8 871	8 871	-	-	8 871
Other grant providers:	101	36 625	27 267	11 705	27 267	(15 562)	-57.1%	27 267
CMTF	-	15 400	13 500	5 832	13 500	(7 668)	-56.8%	13 500
CID	-	2 052	5 144	4 278	5 144	(866)	-16.8%	5 144
Century City	-	618	618	618	618	-	-	618
Westcott Primary School - Traffic Attendant	-	43	53	53	53	-	-	53
Rustenberg Junior Girls School - Traffic Attendant	-	43	53	53	53	-	-	53
KFW - Technical Assistance (GDB)	-	15 000	5 000	-	5 000	(5 000)	-100.0%	5 000
Greenpoint Law enforcement	-	-	410	365	410	(45)	-11.0%	410
Long Street Law enforcement	-	-	992	-	992	(992)	-100.0%	992
Orio	-	3 421	969	-	969	(969)	-100.0%	969
Forres Prep School	-	19	43	43	43	-	-	43
The Cape Academy for MST	-	29	82	82	82	-	-	82
V&A Waterfront	-	-	332	332	332	-	-	332
Curro Durbanville - Part Time Attend	-	-	53	48	53	(4)	-8.3%	53
Mayor's Relief fund	101	-	-	-	-	-	-	-
University of Connecticut	-	-	18	-	18	(18)	-100.0%	18
Total Operating Transfers and Grants	5 463 389	5 646 931	6 070 243	5 349 814	6 070 243	(720 429)	-11.87%	6 070 243

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Capital expenditure of Transfers and Grants</u>								
National Government:	1 602 827	3 050 778	1 705 493	1 519 004	1 705 493	(186 489)	-10.93%	1 612 105
Minerals and Energy: Energy Efficiency and Demand Side Management Grant	8 170	9 200	8 915	8 904	8 915	(11)	-0.1%	8 904
National Government - Other: Previous years' Dora allocations	–	–	232	225	232	(7)	-3.1%	225
National Treasury: Expanded Public Works Programme	1 171	700	700	699	700	(1)	-0.2%	699
National Treasury: Informal Settlements Upgrading Partnership Grant: Municipalities	265 251	441 997	453 626	415 676	453 626	(37 950)	-8.4%	436 828
National Treasury: Infrastructure Skills Development Grant	863	1 000	1 137	1 081	1 137	(57)	-5.0%	1 081
National Treasury: Local Government Restructuring Grant	276	60	60	59	60	(1)	-1.2%	59
National Treasury: Neighbourhood Development Partnership Grant	11 288	45 000	10 172	10 132	10 172	(40)	-0.4%	10 172
National Treasury: Public Transport Network: Budget Facility for Infrastructure Grant	290 583	1 433 000	93 000	87 611	93 000	(5 389)	-5.8%	90 343
National Treasury: Urban Settlements Development Grant	747 706	753 284	791 491	693 906	791 491	(97 585)	-12.3%	753 900
National Treasury: Integrated City Development Grant	40 410	–	4 023	3 955	4 023	(68)	-1.7%	4 022
National Treasury: Municipal Disaster Recovery Grant	(30)	–	–	–	–	–	–	–
Transport: Public Transport Network Grant	237 139	366 537	342 137	296 757	342 137	(45 380)	-13.3%	305 874
Provincial Government:	13 875	15 866	27 760	27 511	27 760	(249)	-0.9%	27 597
Community Safety: Law Enforcement Advancement Plan	–	–	19 264	19 119	19 264	(146)	-0.8%	19 119
Cultural Affairs and Sport: Library Services: Metro Library Grant	11 404	5 400	5 816	5 725	5 816	(91)	-1.6%	5 811
Community Safety: Amarok	679	–	–	–	–	–	–	–
Tourism Safety Law Enforcement Unit	1 312	–	–	–	–	–	–	–
Housing: Integrated Housing and Human Settlement Development Grant	478	10 466	–	–	–	–	–	–
Provincial Government: Community Safety: Training and Equipment for Volunteers: Law Enforcement Service	–	–	2 679	2 668	2 679	(12)	-0.4%	2 668
Other grant providers:	184 510	72 198	59 336	46 519	59 336	(12 817)	-21.60%	49 149
Other: Other	184 510	72 198	59 336	46 519	59 336	(12 817)	-21.6%	49 149
Total capital expenditure of Transfers and Grants	1 801 212	3 138 842	1 792 589	1 593 034	1 792 589	(199 555)	-11.1%	1 688 851
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	7 264 601	8 785 773	7 862 831	6 942 848	7 862 831	(919 984)	-11.7%	7 759 094

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						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Councillors (Political Office Bearers plus Other)</u>								
Basic Salaries and Wages	143 109	154 911	154 911	144 342	154 911	(10 568)	-6.8%	154 911
Pension and UIF Contributions	5 175	6 358	6 358	3 477	6 358	(2 881)	-45.3%	6 358
Motor Vehicle Allowance	471	638	638	295	638	(343)	-53.7%	638
Cellphone Allowance	9 335	9 544	9 544	9 342	9 544	(202)	-2.1%	9 544
Other benefits and allowances	8 328	8 376	8 376	7 690	8 376	(686)	-8.2%	8 376
Sub Total - Councillors	166 417	179 826	179 826	165 147	179 826	(14 680)	-8.2%	179 826
% increase		8.1%	8.1%					8.1%
<u>Senior Managers of the Municipality</u>								
Basic Salaries and Wages	27 729	30 393	27 534	19 986	27 534	(7 548)	-27.41%	27 534
Pension and UIF Contributions	925	2 901	2 405	1 595	2 405	(810)	-33.68%	2 405
Medical Aid Contributions	84	188	166	128	166	(37)	-22.59%	166
Motor Vehicle Allowance	536	444	431	392	431	(40)	-9.22%	431
Cellphone Allowance	261	297	267	142	267	(124)	-46.68%	267
Other benefits and allowances	39	42	41	46	41	5	11.58%	41
Sub Total - Senior Managers of Municipality	29 575	34 265	30 844	22 290	30 844	(8 555)	-27.7%	30 844
% increase		15.9%	4.3%					4.3%
<u>Other Municipal Staff</u>								
Basic Salaries and Wages	9 816 836	10 836 321	10 705 887	10 375 405	10 705 887	(330 482)	-3.1%	10 705 887
Pension and UIF Contributions	1 506 502	1 836 528	1 722 273	1 581 867	1 722 273	(140 406)	-8.2%	1 722 273
Medical Aid Contributions	897 200	945 285	956 598	939 196	956 598	(17 402)	-1.8%	956 598
Overtime	942 386	838 145	951 837	866 870	951 837	(84 967)	-8.9%	951 837
Motor Vehicle Allowance	211 641	232 146	237 912	220 389	237 912	(17 522)	-7.4%	237 912
Cellphone Allowance	36 809	32 144	35 769	33 910	35 769	(1 859)	-5.2%	35 769
Housing Allowances	69 198	68 776	69 314	58 989	69 314	(10 324)	-14.9%	69 314
Other benefits and allowances	323 396	319 830	382 498	358 828	382 498	(23 670)	-6.2%	382 498
Payments in lieu of leave	203 383	95 681	115 958	151 333	115 958	35 376	30.5%	115 958
Long service awards	75 562	81 383	77 390	24 040	77 390	(53 350)	-68.9%	77 390
Post-retirement benefit obligations	995 534	292 006	577 838	559 060	577 838	(18 778)	-3.25%	577 838
Sub Total - Other Municipal Staff	15 078 447	15 578 245	15 833 272	15 169 887	15 833 272	(663 385)	-4.19%	15 833 272
% increase		3.3%	5.0%					5.0%
Total Parent Municipality	15 274 440	15 792 336	16 043 943	15 357 323	16 043 943	(686 620)	-4.3%	16 043 943

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	(10 568)	-6.8%	The variance is mainly as result of unfilled vacancies and no increases implemented on councillor remuneration.	A provision of R4.5 million has been made in the current financial year for payment of backdated Councillor Remuneration once approved.
Pension and UIF Contributions	(2 881)	-45.3%	The variance is mainly as result of unfilled vacancies and no increases implemented on councillor remuneration.	A provision of R4.5 million has been made in the current financial year for payment of backdated Councillor Remuneration once approved.
Medical Aid Contributions	-	-	-	-
Motor Vehicle Allowance	(343)	-53.7%	Immaterial variance.	-
Cellphone Allowance	(202)	-2.1%	Immaterial variance.	-
Housing Allowances	-	-	-	-
Other benefits and allowances	(686)	-8.2%	Immaterial variance.	-
<u>Senior Managers of the Municipality</u>				
Basic Salaries and Wages	(7 548)	-27.4%	The variance is mainly due to the turnaround time in filling vacancies and the cumulative effect of senior management vacancies.	A number of vacant positions will be filled from 1 July 2022.
Pension and UIF Contributions	(810)	-33.7%	Immaterial variance.	-
Medical Aid Contributions	(37)	-22.6%	Immaterial variance.	-
Motor Vehicle Allowance	(40)	-9.2%	Immaterial variance.	-
Cellphone Allowance	(124)	-46.7%	Immaterial variance.	-
Other benefits and allowances	5	11.6%	Immaterial variance.	-
Payments in lieu of leave	-	-	Immaterial variance.	-
<u>Other Municipal Staff</u>				
Basic Salaries and Wages	(330 482)	-3.1%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	The City had 3763 vacancies as at 30 June 2022; 4345 positions were filled (2005 internal, 806 external, 1534 rehire) with 2611 terminations processed since the beginning of the financial year. The filling of vacancies is ongoing and seasonal staff are appointed as and when required. The appointment of EPWP(Job Creation) workers through the roll-out of programmes as per approved Project Identification Documents (PID) is a continuous process.
Pension and UIF Contributions	(140 406)	-8.2%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is on-going.
Medical Aid Contributions	(17 402)	-1.8%	Immaterial variance.	-
Overtime	(84 967)	-8.9%	The variance is mainly within the following directorates: a) Safety & Security, as a result of less staff required to work overtime for operational purposes. In addition, restriction were placed on the number of overtime hours worked by staff in accordance with the Basic Conditions of Employment Act (BCEA). b) Energy, due to delays in processing overtime for this reporting period.	Overtime payments will be processed in the next reporting period.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Motor Vehicle Allowance	(17 522)	-7.4%	Immaterial variance.	-
Cellphone Allowance	(1 859)	-5.2%	Immaterial variance.	-
Housing Allowances	(10 324)	-14.9%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is on-going.
Other benefits and allowances	(23 670)	-6.2%	The variance is mainly on shift allowances as a result of vacancies and staff linked to the control and command center who assist if and when operationally required.	Savings will be realised on this category.
Payments in lieu of leave	35 376	30.5%	The variance is due to once-off payments in lieu of leave to employees who have retired/resigned. This is difficult to plan accurately per monthly cycles. In addition, 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 as part of year end processing.
Long service awards	(53 350)	-68.9%	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 provisions will be transferred to the leave provision in accordance with GRAP 19 as these relate to the vested leave benefits owed to employees.
Post-retirement benefit obligations	(18 778)	-3.2%	The post-retirement benefit obligations are linked to when qualifying employees retire, which is difficult to accurately predict. Final year end transactions must still be processed.	Year end transactions are in progress and will be completed by 15 July 2022.

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 Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	June Outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands															
Cash Receipts By Source															
Property rates	913 458	921 780	767 156	917 442	751 796	874 047	861 254	780 356	876 304	780 386	819 311	905 788	10 544 463	11 070 877	11 593 784
Service charges - electricity revenue	1 379 033	1 446 970	1 509 550	1 388 285	1 279 238	1 245 091	1 088 881	1 179 157	1 415 632	1 261 791	1 301 143	1 283 275	15 577 221	17 396 037	19 458 551
Service charges - water revenue	289 506	196 458	251 290	266 282	262 297	294 230	282 522	292 102	362 087	300 061	320 898	316 233	3 336 294	3 617 473	3 857 775
Service charges - sanitation revenue	119 655	121 315	135 714	141 090	140 605	147 749	150 857	159 472	200 326	155 905	171 929	174 607	1 666 480	1 782 663	1 907 249
Service charges - refuse	113 719	111 767	111 774	114 709	113 428	124 965	108 496	108 394	124 047	105 538	116 362	118 566	1 030 708	1 168 697	1 294 750
Rental of facilities and equipment	18 880	18 681	20 007	17 563	29 684	25 980	26 318	21 962	19 452	20 977	17 199	67 048	276 675	274 047	286 392
Interest earned - external investments	91 274	76 765	72 796	77 118	79 961	81 549	75 943	76 752	81 766	79 785	90 019	103 754	895 923	912 415	884 108
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	17 150	17 604	21 338	18 919	22 158	20 872	19 033	22 273	20 832	16 537	19 407	22 846	250 075	249 835	250 278
Licences and permits	12 420	48 664	12 179	39 425	41 968	37 722	12 860	22 414	24 895	33 060	21 202	21 393	339 520	70 197	73 355
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	282 544	305 147
Transfers and Subsidies - Operational	1 509 068	553 976	97 854	190 782	–	1 071 725	289 650	625 801	1 353 168	–	34 200	117 086	6 070 243	5 774 670	5 357 558
Other revenue	138 238	928 791	77 617	45 203	204 641	1 043 440	107 188	124 832	968 921	105 215	47 043	91 907	3 194 002	3 338 795	3 362 991
Cash Receipts by Source	4 602 401	4 442 771	3 077 275	3 216 819	2 925 776	4 967 372	3 023 001	3 413 516	5 447 431	2 859 255	2 958 714	3 222 503	43 181 603	45 938 250	48 631 939
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 032 862	–	–	76 983	476 451	93 850	–	–	–	109 339	–	–	1 943 969	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	–	–	–	–	–	–	–	–	–	–	–	–	54 741	54 331	56 776
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	1 200 000	4 500 000	7 000 000
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	87 669	104 605	151 802
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	(3)	94	94
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	(332 578)	633 780	909 552
Total Cash Receipts by Source	5 635 263	4 442 771	3 077 275	3 293 802	3 402 227	5 061 222	3 023 001	3 413 516	5 447 431	2 968 593	2 958 714	3 222 503	46 135 402	54 332 852	59 774 047

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	Budget Year 2021/22												2021/22 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	June Outcome	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	1 197 904	1 777 655	1 503 820	1 223 177	1 234 087	1 222 465	1 234 228	1 238 820	1 242 170	15 486 593	16 148 490	16 615 073
Remuneration of councillors	12 972	13 123	13 101	13 038	11 409	11 803	12 432	12 555	13 229	13 169	13 137	13 173	179 396	187 739	196 375
Interest paid	33 081	–	143 933	–	43 865	134 578	30 513	3	141 122	–	41 425	133 877	702 345	1 050 657	1 112 246
Bulk purchases - Electricity	1 123 945	1 375 670	1 499 975	866 732	832 413	816 545	787 797	862 498	794 270	858 533	786 915	883 678	11 218 900	12 669 659	14 354 724
Acquisitions - water & other inventory	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	–	–	–	–	–	–	–	–	–	–	7 586 651	7 861 893
Grants and subsidies paid - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	404 613	362 078
Grants and subsidies paid - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
General expenses	2 472 879	750 511	607 918	1 389 203	904 301	1 290 759	879 144	814 060	864 192	1 364 879	896 719	520 407	13 064 465	4 444 641	4 644 848
Cash Payments by Type	4 639 019	3 284 929	3 435 066	3 466 877	3 569 643	3 757 506	2 933 062	2 923 201	3 035 278	3 470 809	2 977 016	2 793 305	40 651 698	42 492 450	45 147 237
Other Cash Flows/Payments by Type															
Capital assets	608 315	179 192	272 127	333 264	288 316	454 590	133 482	365 163	440 278	404 344	415 832	1 185 071	6 095 115	9 033 880	11 621 478
Repayment of borrowing	50 000	–	79 481	–	42 933	13 333	50 000	–	79 481	–	42 933	13 333	371 495	1 588 161	1 924 828
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	5 297 334	3 464 121	3 786 674	3 800 141	3 900 892	4 225 429	3 116 544	3 288 364	3 555 037	3 875 153	3 435 781	3 991 710	47 118 308	53 114 492	58 693 543
NET INCREASE/(DECREASE) IN CASH HELD	337 929	978 650	(709 398)	(506 339)	(498 665)	835 793	(93 542)	125 152	1 892 394	(906 560)	(477 067)	(769 207)	(982 906)	1 218 360	1 080 505
Cash/cash equivalents at the month/year beginning:	8 126 100	8 464 029	9 442 679	8 733 280	8 226 942	7 728 277	8 564 070	8 470 528	8 595 679	10 488 073	9 581 514	9 104 447	8 126 100	7 143 195	8 361 555
Cash/cash equivalents at the month/year end:	8 464 029	9 442 679	8 733 280	8 226 942	7 728 277	8 564 070	8 470 528	8 595 679	10 488 073	9 581 514	9 104 447	8 335 240	7 143 195	8 361 555	9 442 059

Capital expenditure trend

Month	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
Monthly expenditure performance trend								
July	165 244	138 042	30 722	36 569	30 722	5 847	19.0%	0.4%
August	465 478	272 138	194 406	256 369	225 128	(31 241)	-13.9%	3.1%
September	526 381	413 626	297 881	587 834	523 009	(64 826)	-12.4%	7.1%
October	526 124	514 542	405 445	997 308	928 454	(68 855)	-7.4%	12.0%
November	597 685	539 338	440 129	1 428 559	1 368 583	(59 975)	-4.4%	17.2%
December	626 979	440 569	318 068	1 887 443	1 686 652	(200 792)	-11.9%	22.7%
January	161 229	265 378	344 219	2 093 144	2 030 871	(62 274)	-3.1%	25.2%
February	404 334	538 927	387 995	2 385 709	2 418 866	33 156	1.4%	28.7%
March	561 530	650 180	597 657	2 926 204	3 016 523	90 319	3.0%	35.2%
April	467 049	606 381	605 171	3 364 999	3 621 693	256 694	7.1%	40.5%
May	533 478	726 125	745 557	3 916 301	4 367 250	450 949	10.3%	47.1%
June	1 492 962	3 209 522	1 727 865	5 101 372	6 095 115	993 744	16.3%	61.4%
Total Capital expenditure	6 528 474	8 314 767	6 095 115					

Capital expenditure on new assets by asset class

Description	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	2 146 176	3 410 867	1 685 811	1 351 395	1 685 811	(334 416)	-19.8%	1 532 890
Roads Infrastructure	488 593	1 766 163	367 621	305 874	367 621	(61 746)	-16.8%	334 453
Roads	488 593	1 764 964	362 137	305 814	362 137	(56 323)	-15.6%	334 393
Road Structures	–	1 199	5 484	60	5 484	(5 423)	-98.9%	60
Storm water Infrastructure	113 152	149 668	121 882	105 062	121 882	(16 821)	-13.8%	116 621
Drainage Collection	113 152	149 668	121 882	105 062	121 882	(16 821)	-13.8%	116 621
Electrical Infrastructure	398 082	317 389	281 424	239 198	281 424	(42 226)	-15.0%	254 871
HV Substations	342 824	266 925	248 265	208 970	248 265	(39 295)	-15.8%	223 636
LV Networks	55 258	50 465	33 160	30 229	33 160	(2 931)	-8.8%	31 235
Water Supply Infrastructure	634 995	460 677	497 860	373 217	497 860	(124 643)	-25.0%	449 878
Reservoirs	416 227	236 676	309 356	215 824	309 356	(93 533)	-30.2%	279 001
Water Treatment Works	–	3 000	3 326	3 300	3 326	(26)	-0.78%	3 325
Bulk Mains	46 459	46 000	50 985	43 949	50 985	(7 036)	-13.8%	48 450
Distribution	172 310	175 001	134 192	110 144	134 192	(24 048)	-17.9%	119 102
Sanitation Infrastructure	264 910	281 260	247 868	195 333	247 868	(52 535)	-21.2%	236 291
Reticulation	99 197	118 281	102 099	85 547	102 099	(16 552)	-16.2%	95 633
Waste Water Treatment Works	165 713	162 979	145 769	109 786	145 769	(35 983)	-24.7%	140 658
Solid Waste Infrastructure	213 265	376 760	121 427	89 907	121 427	(31 520)	-26.0%	94 736
Landfill Sites	213 265	376 760	121 427	89 907	121 427	(31 520)	-26.0%	94 736
Coastal Infrastructure	305	2 000	–	–	–	–	–	–
Promenades	305	2 000	–	–	–	–	–	–
Information and Communication Infrastructure	32 875	56 949	47 729	42 804	47 729	(4 926)	-10.3%	46 041
Data Centres	34 115	46 579	39 377	35 764	39 377	(3 612)	-9.2%	37 773
Core Layers	(1 240)	7 870	7 264	6 046	7 264	(1 218)	-16.8%	7 179
Distribution Layers	–	2 500	1 088	993	1 088	(95)	-8.8%	1 088
Community Assets	224 792	277 564	253 176	235 022	253 176	(18 155)	-7.2%	242 391
Community Facilities	224 025	273 564	253 176	235 022	253 176	(18 155)	-7.2%	242 391
Halls	53	60	118	108	118	(10)	-8.35%	117
Centres	–	2	–	–	–	–	–	–
Clinics/Care Centres	19 212	21 459	15 766	13 436	15 766	(2 331)	-14.8%	13 436
Fire/Ambulance Stations	210	4 000	–	–	–	–	–	–
Libraries	–	10 141	10 121	10 121	10 121	(0)	0.0%	10 121
Cemeteries/Crematoria	2 876	–	–	–	–	–	–	–
Public Open Space	232	–	106	106	106	–	0.0%	106
Nature Reserves	15 448	14 302	16 665	13 570	16 665	(3 095)	-18.6%	14 405
Markets	219	1 150	1 454	1 447	1 454	(7)	-0.5%	1 448
Taxi Ranks/Bus Terminals	185 774	222 450	208 946	196 234	208 946	(12 712)	-6.1%	202 758
Sport and Recreation Facilities	767	4 000	–	–	–	–	–	–
Outdoor Facilities	767	4 000	–	–	–	–	–	–
Heritage assets	12	–	–	–	–	–	–	–
Other Heritage	12	–	–	–	–	–	–	–
Other assets	97 990	115 871	55 677	42 722	55 677	(12 954)	-23.3%	51 320
Operational Buildings	81 135	104 305	54 372	41 644	54 372	(12 728)	-23.4%	50 028
Municipal Offices	65 988	93 305	42 860	35 044	42 860	(7 817)	-18.2%	39 849
Workshops	15 147	11 000	11 512	6 600	11 512	(4 912)	-42.7%	10 179
Housing	16 855	11 566	1 304	1 078	1 304	(226)	-17.3%	1 292
Social Housing	16 855	11 566	1 304	1 078	1 304	(226)	-17.3%	1 292
Intangible Assets	15 940	24 598	14 755	12 253	14 755	(2 502)	-17.0%	12 585
Licences and Rights	15 940	24 598	14 755	12 253	14 755	(2 502)	-17.0%	12 585
Water Rights	–	–	115	19	115	(96)	-83.1%	20
Computer Software and Applications	15 940	24 598	14 640	12 233	14 640	(2 407)	-16.4%	12 565
Computer Equipment	131 350	104 249	112 180	104 615	112 180	(7 566)	-6.7%	107 902
Computer Equipment	131 350	104 249	112 180	104 615	112 180	(7 566)	-6.7%	107 902
Furniture and Office Equipment	42 591	25 374	19 421	12 653	19 421	(6 768)	-34.85%	15 188
Furniture and Office Equipment	42 591	25 374	19 421	12 653	19 421	(6 768)	-34.85%	15 188
Machinery and Equipment	169 276	142 842	147 697	130 415	147 697	(17 282)	-11.7%	136 548
Machinery and Equipment	169 276	142 842	147 697	130 415	147 697	(17 282)	-11.7%	136 548
Transport Assets	88 670	92 046	131 122	103 531	131 122	(27 591)	-21.04%	103 557
Transport Assets	88 670	92 046	131 122	103 531	131 122	(27 591)	-21.04%	103 557
Land	6 800	51 785	137 226	130 385	137 226	(6 840)	-4.98%	130 385
Land	6 800	51 785	137 226	130 385	137 226	(6 840)	-4.98%	130 385
Total Capital Expenditure on new assets	2 923 598	4 245 198	2 557 065	2 122 990	2 557 065	(434 075)	-17.0%	2 332 766

Capital expenditure on renewal of existing assets by asset class

Description	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on renewal of existing assets by Asset Class/Sub-class								
Infrastructure	918 940	1 257 139	1 247 180	1 050 694	1 247 180	(196 486)	-15.8%	1 160 069
Roads Infrastructure	101 807	178 832	143 177	127 007	143 177	(16 171)	-11.3%	135 414
Roads	98 331	170 698	134 161	119 539	134 161	(14 623)	-10.9%	127 946
Road Structures	3 476	8 134	9 016	7 468	9 016	(1 548)	-17.2%	7 468
Storm water Infrastructure	15 931	2 910	6 062	3 903	6 062	(2 159)	-35.6%	5 268
Drainage Collection	15 931	2 910	6 062	3 903	6 062	(2 159)	-35.6%	5 268
Electrical Infrastructure	252 917	434 796	423 296	380 418	423 296	(42 879)	-10.1%	404 392
HV Substations	58 792	106 948	112 019	92 263	112 019	(19 757)	-17.6%	103 932
MV Substations	26 986	44 000	43 093	38 380	43 093	(4 713)	-10.9%	41 653
MV Networks	129 873	209 848	194 184	182 190	194 184	(11 994)	-6.2%	188 951
LV Networks	37 266	74 000	74 000	67 585	74 000	(6 415)	-8.7%	69 856
Water Supply Infrastructure	272 484	359 820	269 397	212 283	269 397	(57 114)	-21.2%	229 002
Bulk Mains	88 217	80 000	91 422	65 941	91 422	(25 481)	-27.9%	79 056
Distribution	184 267	279 820	177 975	146 342	177 975	(31 633)	-17.8%	149 946
Sanitation Infrastructure	270 583	274 406	399 529	321 684	399 529	(77 845)	-19.5%	380 465
Pump Station	37 820	25 000	46 754	43 882	46 754	(2 872)	-6.1%	45 404
Reticulation	87 142	216 930	151 269	98 824	151 269	(52 444)	-34.7%	135 344
Waste Water Treatment Works	62 971	32 476	46 888	42 647	46 888	(4 241)	-9.0%	45 098
Outfall Sewers	82 650	–	154 618	136 330	154 618	(18 288)	-11.8%	154 618
Information and Communication Infrastructure	5 218	6 375	5 718	5 400	5 718	(319)	-5.6%	5 529
Data Centres	1 216	5 000	2 886	2 778	2 886	(108)	-3.8%	2 800
Core Layers	4 002	1 375	2 832	2 622	2 832	(210)	-7.4%	2 729
Community Assets	36 074	21 700	23 486	12 300	23 486	(11 187)	-47.6%	17 847
Community Facilities	32 191	15 200	22 689	11 502	22 689	(11 187)	-49.3%	17 050
Halls	–	–	5 115	–	5 115	(5 115)	-100.0%	–
Clinics/Care Centres	652	–	–	–	–	–	–	–
Libraries	–	–	7	7	7	(0)	-0.2%	7
Public Open Space	788	500	584	446	584	(138)	-23.6%	584
Markets	6 392	10 700	15 000	9 365	15 000	(5 635)	-37.6%	14 772
Taxi Ranks/Bus Terminals	24 359	4 000	1 983	1 683	1 983	(299)	-15.1%	1 687
Sport and Recreation Facilities	3 883	6 500	797	797	797	–	–	797
Outdoor Facilities	3 883	6 500	797	797	797	–	–	797
Heritage assets	597	744	905	619	905	(286)	-31.6%	901
Monuments	597	744	905	619	905	(286)	-31.6%	901
Other assets	125 389	85 401	98 021	58 025	98 021	(39 996)	-40.8%	89 007
Operational Buildings	17 523	28 272	29 553	25 331	29 553	(4 222)	-14.3%	25 711
Municipal Offices	15 825	26 072	26 460	22 463	26 460	(3 996)	-15.1%	22 702
Workshops	1 482	1 900	1 780	1 726	1 780	(54)	-3.0%	1 726
Laboratories	215	300	1 313	1 141	1 313	(172)	-13.07%	1 283
Housing	107 866	57 129	68 469	32 694	68 469	(35 775)	-52.3%	63 295
Social Housing	107 866	57 129	68 469	32 694	68 469	(35 775)	-52.3%	63 295
Intangible Assets	9 106	12 000	8 398	8 124	8 398	(274)	-3.3%	8 136
Licences and Rights	9 106	12 000	8 398	8 124	8 398	(274)	-3.3%	8 136
Computer Software and Applications	9 106	12 000	8 398	8 124	8 398	(274)	-3.3%	8 136
Computer Equipment	133 748	61 268	81 166	72 386	81 166	(8 779)	-10.8%	74 955
Computer Equipment	133 748	61 268	81 166	72 386	81 166	(8 779)	-10.8%	74 955
Furniture and Office Equipment	4 982	9 242	10 315	4 461	10 315	(5 854)	-56.8%	5 694
Furniture and Office Equipment	4 982	9 242	10 315	4 461	10 315	(5 854)	-56.8%	5 694
Machinery and Equipment	29 992	95 417	62 109	45 285	62 109	(16 824)	-27.1%	47 468
Machinery and Equipment	29 992	95 417	62 109	45 285	62 109	(16 824)	-27.1%	47 468
Transport Assets	557 974	343 346	458 963	430 488	458 963	(28 476)	-6.2%	432 747
Transport Assets	557 974	343 346	458 963	430 488	458 963	(28 476)	-6.2%	432 747
Total Capital Expenditure on renewal of existing assets	1 816 802	1 886 257	1 990 544	1 682 381	1 990 544	(308 163)	-15.5%	1 836 825

Capital expenditure on upgrading of existing assets by asset class

Description R thousands	2020/21	Budget Year 2021/22						
	Audited 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	974 556	1 573 574	1 021 995	886 272	1 021 995	(135 723)	-13.3%	961 049
Roads Infrastructure	135 960	200 528	185 141	158 896	185 141	(26 245)	-14.2%	170 141
Roads	124 517	174 087	165 003	140 473	165 003	(24 530)	-14.9%	151 454
Road Structures	10 049	21 541	14 981	13 275	14 981	(1 706)	-11.4%	13 539
Road Furniture	1 393	4 900	5 157	5 148	5 157	(8)	-0.2%	5 148
Storm water Infrastructure	28 472	139 086	65 121	57 891	65 121	(7 230)	-11.1%	59 710
Drainage Collection	28 472	139 086	65 121	57 891	65 121	(7 230)	-11.1%	59 710
Electrical Infrastructure	5 463	124 430	68 049	52 774	68 049	(15 275)	-22.4%	52 815
HV Substations	5 463	124 430	68 049	52 774	68 049	(15 275)	-22.4%	52 815
Water Supply Infrastructure	56 243	50 472	84 184	79 729	84 184	(4 456)	-5.3%	81 929
Reservoirs	4 518	3 000	2 289	1 973	2 289	(315)	-13.8%	1 988
Distribution	51 725	47 472	81 896	77 756	81 896	(4 140)	-5.1%	79 941
Sanitation Infrastructure	681 675	899 695	538 332	463 377	538 332	(74 955)	-13.9%	518 951
Pump Station	–	2 200	2 200	–	2 200	(2 200)	-100.0%	1 000
Reticulation	16 353	19 823	34 027	32 513	34 027	(1 515)	-4.5%	33 469
Waste Water Treatment Works	665 323	877 672	502 104	430 864	502 104	(71 240)	-14.2%	484 483
Solid Waste Infrastructure	46 392	50 949	18 946	14 324	18 946	(4 621)	-24.4%	16 472
Landfill Sites	46 392	50 949	18 946	14 324	18 946	(4 621)	-24.4%	16 472
Coastal Infrastructure	6 857	42 371	17 400	16 604	17 400	(796)	-4.6%	16 614
Promenades	6 857	42 371	17 400	16 604	17 400	(796)	-4.6%	16 614
Information and Communication Infrastructure	13 493	66 043	44 822	42 676	44 822	(2 146)	-4.8%	44 417
Data Centres	6 132	50 286	20 335	19 809	20 335	(526)	-2.6%	20 039
Core Layers	7 361	15 757	24 487	22 867	24 487	(1 620)	-6.6%	24 378
Community Assets	490 553	281 380	263 786	203 451	263 786	(60 335)	-22.9%	241 677
Community Facilities	190 711	207 835	190 610	149 602	190 610	(41 007)	-21.5%	170 864
Halls	12 876	22 275	18 413	13 362	18 413	(5 051)	-27.4%	18 378
Centres	12 850	7 711	6 641	5 423	6 641	(1 218)	-18.3%	5 588
Clinics/Care Centres	43 920	34 800	41 334	30 067	41 334	(11 267)	-27.3%	35 811
Fire/Ambulance Stations	1 837	–	–	–	–	–	–	–
Museums	2 391	7 000	7 579	6 302	7 579	(1 277)	-16.85%	7 579
Theatres	40	–	–	–	–	–	–	–
Libraries	6 974	1 082	1 197	1 073	1 197	(125)	-10.4%	1 197
Cemeteries/Crematoria	8 508	7 200	8 040	6 109	8 040	(1 931)	-24.0%	7 877
Public Open Space	57 031	60 910	62 021	54 462	62 021	(7 559)	-12.2%	61 346
Nature Reserves	2 254	6 176	8 038	1 295	8 038	(6 742)	-83.9%	1 578
Public Ablution Facilities	489	–	2 258	2 258	2 258	–	–	2 258
Taxi Ranks/Bus Terminals	41 541	60 680	35 088	29 252	35 088	(5 836)	-16.6%	29 252
Sport and Recreation Facilities	299 842	73 546	73 177	53 848	73 177	(19 328)	-26.4%	70 813
Indoor Facilities	19 086	15 700	29 439	18 850	29 439	(10 589)	-36.0%	28 059
Outdoor Facilities	280 756	57 846	43 737	34 998	43 737	(8 739)	-20.0%	42 755
Heritage assets	31 715	–	–	–	–	–	–	–
Monuments	31 715	–	–	–	–	–	–	–
Other assets	221 782	270 064	192 323	138 608	192 323	(53 716)	-27.9%	175 179
Operational Buildings	209 083	268 861	190 950	138 085	190 950	(52 865)	-27.7%	174 356
Municipal Offices	121 820	184 776	116 035	89 373	116 035	(26 662)	-23.0%	106 662
Workshops	86 635	83 385	74 915	48 712	74 915	(26 203)	-35.0%	67 694
Training Centres	628	700	–	–	–	–	–	–
Housing	12 699	1 203	1 373	523	1 373	(851)	-61.9%	823
Social Housing	12 699	1 203	1 373	523	1 373	(851)	-61.9%	823
Intangible Assets	41 534	6 912	11 907	11 507	11 907	(401)	-3.4%	11 641
Licences and Rights	41 534	6 912	11 907	11 507	11 907	(401)	-3.4%	11 641
Computer Software and Applications	41 534	6 912	11 907	11 507	11 907	(401)	-3.4%	11 641
Computer Equipment	16 487	49 811	55 253	54 015	55 253	(1 238)	-2.2%	54 935
Computer Equipment	16 487	49 811	55 253	54 015	55 253	(1 238)	-2.2%	54 935
Furniture and Office Equipment	175	500	724	650	724	(74)	-10.2%	718
Furniture and Office Equipment	175	500	724	650	724	(74)	-10.2%	718
Machinery and Equipment	11 272	1 070	1 517	1 499	1 517	(18)	-1.2%	1 499
Machinery and Equipment	11 272	1 070	1 517	1 499	1 517	(18)	-1.2%	1 499
Total Capital Expenditure on upgrading of existing assets	1 788 074	2 183 312	1 547 506	1 296 001	1 547 506	(251 505)	-16.3%	1 446 699

Expenditure on repairs and maintenance by asset class

Description	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Repairs and maintenance expenditure by Asset Class/Sub-class								
Infrastructure	1 862 246	2 079 007	2 302 280	2 132 328	2 302 280	(169 952)	-7.4%	2 302 280
Roads Infrastructure	417 198	637 154	615 751	567 726	615 751	(48 025)	-7.8%	615 751
Roads	417 198	637 154	615 751	567 726	615 751	(48 025)	-7.8%	615 751
Storm water Infrastructure	—	140 345	—	—	—	—	—	—
Drainage Collection	—	140 345	—	—	—	—	—	—
Electrical Infrastructure	460 718	542 654	544 116	558 355	544 116	14 239	2.6%	544 116
Power Plants	15 637	19 286	19 289	17 111	19 289	(2 178)	-11.3%	19 289
HV Substations	32 659	27 042	27 933	29 986	27 933	2 053	7.3%	27 933
MV Substations	307 406	353 961	360 191	387 180	360 191	26 989	7.5%	360 191
LV Networks	105 016	142 365	136 703	124 078	136 703	(12 625)	-9.2%	136 703
Water Supply Infrastructure	430 692	411 499	519 638	419 566	519 638	(100 072)	-19.3%	519 638
Boreholes	—	—	22 359	2	22 359	(22 357)	-100.0%	22 359
Reservoirs	30 547	49 366	39 849	27 406	39 849	(12 444)	-31.2%	39 849
Pump Stations	52 681	39 826	80 040	67 576	80 040	(12 464)	-15.6%	80 040
Water Treatment Works	48 391	34 590	46 465	44 695	46 465	(1 770)	-3.8%	46 465
Bulk Mains	6 636	215	21 101	6 332	21 101	(14 769)	-70.0%	21 101
Distribution	292 436	287 502	309 823	273 555	309 823	(36 268)	-11.7%	309 823
Sanitation Infrastructure	552 692	334 708	620 615	584 050	620 615	(36 565)	-5.9%	620 615
Reticulation	383 217	171 428	451 688	428 773	451 688	(22 915)	-5.1%	451 688
Waste Water Treatment Works	166 971	157 461	164 367	148 830	164 367	(15 536)	-9.5%	164 367
Outfall Sewers	2 505	5 819	4 560	6 446	4 560	1 887	41.4%	4 560
Solid Waste Infrastructure	945	8 653	2 161	2 631	2 161	470	21.7%	2 161
Landfill Sites	945	8 653	2 161	2 631	2 161	470	21.7%	2 161
Coastal Infrastructure	—	3 994	—	—	—	—	—	—
Promenades	—	3 994	—	—	—	—	—	—
Community Assets	518 541	295 941	463 686	551 835	463 686	88 150	19.0%	463 686
Community Facilities	131 941	228 329	101 056	129 728	101 056	28 671	28.4%	101 056
Halls	52 769	21 624	36 214	48 163	36 214	11 949	33.0%	36 214
Centres	11 463	7 713	8 110	8 521	8 110	411	5.1%	8 110
Clinics/Care Centres	34 374	7 820	7 440	22 253	7 440	14 813	199.1%	7 440
Fire/Ambulance Stations	765	2 512	3 858	713	3 858	(3 145)	-81.5%	3 858
Testing Stations	—	9 940	—	—	—	—	—	—
Libraries	5 724	3 804	16 065	16 091	16 065	26	0.2%	16 065
Cemeteries/Crematoria	15 766	10 720	16 138	21 060	16 138	4 923	30.5%	16 138
Public Open Space	—	144 909	—	—	—	—	—	—
Nature Reserves	3 141	3 141	4 795	2 961	4 795	(1 834)	-38.3%	4 795
Public Ablution Facilities	7 281	13 323	6 158	7 697	6 158	1 539	25.0%	6 158
Markets	658	2 822	2 278	2 268	2 278	(10)	-0.4%	2 278
Sport and Recreation Facilities	386 600	67 613	362 629	422 108	362 629	59 478	16.4%	362 629
Indoor Facilities	161	8 732	4	1 035	4	1 031	25178.6%	4
Outdoor Facilities	386 439	58 881	362 625	421 072	362 625	58 447	16.1%	362 625
Heritage assets	3 626	1 912	840	69	840	(771)	-91.8%	840
Works of Art	3 626	1 912	840	69	840	(771)	-91.8%	840
Investment properties	100	10 107	229	218	229	(11)	-4.7%	229
Revenue Generating	99	10 096	219	217	219	(2)	-1.0%	219
Improved Property	99	10 096	219	217	219	(2)	-1.0%	219
Non-revenue Generating	1	11	10	1	10	(9)	-85.7%	10
Unimproved Property	1	11	10	1	10	(9)	-85.7%	10
Other assets	130 727	204 823	205 008	181 086	205 008	(23 922)	-11.7%	205 008
Operational Buildings	130 727	189 833	205 008	181 086	205 008	(23 922)	-11.7%	205 008
Municipal Offices	129 264	174 611	195 549	178 158	195 549	(17 391)	-8.9%	195 549
Laboratories	1 129	2 039	2 100	2 116	2 100	16	0.7%	2 100
Training Centres	329	701	978	773	978	(205)	-21.0%	978
Depots	5	12 482	6 381	39	6 381	(6 342)	-99.4%	6 381
Housing	—	14 990	—	—	—	—	—	—
Social Housing	—	14 990	—	—	—	—	—	—
Computer Equipment	234 027	427 869	257 602	187 811	257 602	(69 790)	-27.1%	257 602
Computer Equipment	234 027	427 869	257 602	187 811	257 602	(69 790)	-27.1%	257 602
Furniture and Office Equipment	600 104	770 057	853 695	792 702	853 695	(60 994)	-7.1%	853 695
Furniture and Office Equipment	600 104	770 057	853 695	792 702	853 695	(60 994)	-7.1%	853 695
Machinery and Equipment	—	2 069	—	—	—	—	—	—
Machinery and Equipment	—	2 069	—	—	—	—	—	—
Transport Assets	317 250	461 100	480 943	426 311	480 943	(54 632)	-11.4%	480 943
Transport Assets	317 250	461 100	480 943	426 311	480 943	(54 632)	-11.4%	480 943
Total Repairs and Maintenance Expenditure	3 666 620	4 252 885	4 564 283	4 272 360	4 564 283	(291 922)	-6.4%	4 564 283

Depreciation by asset class

Description	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Depreciation by Asset Class/Sub-class								
Infrastructure	1 209 481	1 267 358	1 300 717	1 315 597	1 300 717	14 880	1.14%	1 300 717
Roads Infrastructure	403 094	470 598	474 958	447 315	474 958	(27 643)	-5.82%	474 958
Roads	376 768	338 665	338 609	417 995	338 609	79 387	23.44%	338 609
Road Structures	11 807	88 293	89 094	12 123	89 094	(76 970)	-86.39%	89 094
Road Furniture	14 519	43 639	47 256	17 196	47 256	(30 060)	-63.61%	47 256
Storm water Infrastructure	57 729	58 610	61 838	61 838	61 838	-	-	61 838
Drainage Collection	57 729	58 610	61 838	61 838	61 838	-	-	61 838
Electrical Infrastructure	280 055	263 112	265 315	296 171	265 315	30 856	11.63%	265 315
Power Plants	8 177	7 933	8 175	8 175	8 175	-	-	8 175
HV Substations	19 005	-	-	19 770	-	19 770	100.00%	-
HV Transmission Conductors	-	14 754	15 526	-	15 526	(15 526)	-100.00%	15 526
MV Substations	60 512	10 655	3 567	63 719	3 567	60 153	1686.58%	3 567
MV Switching Stations	-	60 046	63 718	-	63 718	(63 718)	-100.00%	63 718
MV Networks	114 444	117 440	119 638	119 005	119 638	(633)	-0.53%	119 638
LV Networks	77 918	52 284	54 692	85 501	54 692	30 810	56.33%	54 692
Water Supply Infrastructure	174 107	184 784	189 721	191 411	189 721	1 690	0.89%	189 721
Reservoirs	20 898	20 957	24 753	24 758	24 753	5	0.02%	24 753
Pump Stations	5 386	5 345	9 584	9 642	9 584	59	0.61%	9 584
Water Treatment Works	18 181	10 092	11 565	11 565	11 565	-	-	11 565
Bulk Mains	3 022	6 572	3 022	3 022	3 022	-	-	3 022
Distribution	126 619	141 818	140 796	142 423	140 796	1 627	1.16%	140 796
Sanitation Infrastructure	161 551	164 781	177 828	179 256	177 828	1 429	0.80%	177 828
Pump Station	6 963	8 377	6 966	6 966	6 966	-	-	6 966
Reticulation	54 719	56 968	64 560	65 956	64 560	1 395	2.16%	64 560
Waste Water Treatment Works	95 559	95 125	101 560	101 591	101 560	31	0.03%	101 560
Outfall Sewers	4 310	4 310	4 741	4 743	4 741	3	0.05%	4 741
Solid Waste Infrastructure	44 357	34 129	31 069	39 516	31 069	8 447	27.19%	31 069
Landfill Sites	37 136	34 129	31 069	31 236	31 069	167	0.54%	31 069
Waste Processing Facilities	7 221	-	-	8 280	-	8 280	100.00%	-
Coastal Infrastructure	5 845	5 730	5 900	5 900	5 900	(0)	0.00%	5 900
Promenades	5 845	5 730	5 900	5 900	5 900	(0)	0.00%	5 900
Information and Communication Infrastructure	82 742	85 614	94 089	94 190	94 089	101	0.11%	94 089
Data Centres	34 615	-	-	41 063	-	41 063	100.00%	-
Core Layers	44 817	7 127	7 127	49 817	7 127	42 691	599.03%	7 127
Distribution Layers	3 310	78 488	86 962	3 310	86 962	(83 652)	-96.19%	86 962
Community Assets	330 936	381 173	372 500	343 344	372 500	(29 155)	-7.83%	372 500
Community Facilities	121 818	170 682	163 636	125 616	163 636	(38 021)	-23.23%	163 636
Halls	3 736	3 925	4 126	4 176	4 126	50	1.22%	4 126
Centres	4 468	54 692	53 209	4 323	53 209	(48 886)	-91.88%	53 209
Clinics/Care Centres	7 144	8 133	7 383	7 347	7 383	(36)	-0.49%	7 383
Fire/Ambulance Stations	2 683	2 716	2 696	2 696	2 696	-	-	2 696
Testing Stations	1 476	1 343	1 375	1 375	1 375	(0)	0.00%	1 375
Museums	301	373	318	340	318	22	6.92%	318
Theatres	112	112	112	112	112	-	-	112
Libraries	16 464	6 468	6 403	18 168	6 403	11 765	183.75%	6 403
Cemeteries/Crematoria	4 503	4 507	4 699	4 700	4 699	2	0.03%	4 699
Public Open Space	14 584	17 514	15 829	14 865	15 829	(963)	-6.09%	15 829
Nature Reserves	479	459	378	378	378	(0)	0.00%	378
Public Ablution Facilities	2 588	2 687	2 893	2 902	2 893	9	0.30%	2 893
Markets	1 720	1 697	1 804	1 821	1 804	17	0.93%	1 804
Airports	4	4	1	1	1	0	0.00%	1
Taxi Ranks/Bus Terminals	61 556	66 051	62 411	62 411	62 411	(0)	0.00%	62 411
Sport and Recreation Facilities	209 118	210 491	208 863	217 729	208 863	8 865	4.24%	208 863
Indoor Facilities	11 321	6 560	6 629	11 451	6 629	4 822	72.73%	6 629
Outdoor Facilities	197 797	203 931	202 234	206 277	202 234	4 043	2.00%	202 234

Table continues on next page.

City of Cape Town: S52 Annexure A – 2022 Q4 (June 2022 – Provisional Results)

Description	2020/21	Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Depreciation by Asset Class/Sub-class</u>								
<u>Investment properties</u>	1 714	1 714	1 714	1 714	1 714	-	-	1 714
Revenue Generating	1 714	1 714	1 714	1 714	1 714	-	-	1 714
Improved Property	1 714	1 714	1 714	1 714	1 714	-	-	1 714
<u>Other assets</u>	322 964	294 428	307 621	342 868	307 621	35 246	11.46%	307 621
Operational Buildings	217 859	181 253	201 097	236 344	201 097	35 246	17.53%	201 097
Municipal Offices	183 220	7 430	5 748	199 679	5 748	193 931	3373.88%	5 748
Workshops	33 655	37 175	35 578	35 515	35 578	(63)	-0.18%	35 578
Laboratories	649	-	-	649	-	649	100.00%	-
Training Centres	289	303	289	289	289	-	-	289
Manufacturing Plant	-	7 213	8 280	-	8 280	(8 280)	-100.00%	8 280
Depots	47	129 132	151 203	212	151 203	(150 991)	-99.86%	151 203
Housing	105 105	113 176	106 524	106 524	106 524	-	-	106 524
Social Housing	105 105	113 176	106 524	106 524	106 524	-	-	106 524
<u>Biological or Cultivated Assets</u>	192	-	-	-	-	-	-	-
Biological or Cultivated Assets	192	-	-	-	-	-	-	-
<u>Intangible Assets</u>	168 921	141 627	162 118	156 991	162 118	(5 127)	-3.16%	162 118
Licences and Rights	168 921	141 627	162 118	156 991	162 118	(5 127)	-3.16%	162 118
Computer Software and Applications	98 740	91 465	111 956	106 830	111 956	(5 127)	-4.58%	111 956
Unspecified	70 180	50 162	50 162	50 162	50 162	-	-	50 162
<u>Computer Equipment</u>	214 908	221 972	245 220	229 558	245 220	(15 662)	-6.39%	245 220
Computer Equipment	214 908	221 972	245 220	229 558	245 220	(15 662)	-6.39%	245 220
<u>Furniture and Office Equipment</u>	72 050	115 877	105 977	100 551	105 977	(5 425)	-5.12%	105 977
Furniture and Office Equipment	72 050	115 877	105 977	100 551	105 977	(5 425)	-5.12%	105 977
<u>Machinery and Equipment</u>	156 024	134 643	133 885	122 305	133 885	(11 580)	-8.65%	133 885
Machinery and Equipment	156 024	134 643	133 885	122 305	133 885	(11 580)	-8.65%	133 885
<u>Transport Assets</u>	375 830	431 673	420 331	404 791	420 331	(15 540)	-3.70%	420 331
Transport Assets	375 830	431 673	420 331	404 791	420 331	(15 540)	-3.70%	420 331
<u>Land</u>	20 483	23 198	23 198	-	23 198	(23 198)	-100.00%	23 198
Land	20 483	23 198	23 198	-	23 198	(23 198)	-100.00%	23 198
<u>Zoo's, Marine and Non-biological Animals</u>	-	192	192	-	192	(192)	-100.00%	192
Zoo's, Marine and Non-biological Animals	-	192	192	-	192	(192)	-100.00%	192
Total Depreciation	2 873 505	3 013 855	3 073 473	3 017 720	3 073 473	(55 753)	-1.81%	3 073 473

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 May 2022. 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	Q4 2022		Comment
	Current Budget	Budget	Actual	
	R Thousand			
Use of consultants	8 950 020	8 950 020	7 897 869	<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	-	-	-	No provision for 2021/22 against this category.
Travel and Subsistence	17 724	17 724	11 920	<p>The City's Travel Management Policy sets out the applicable cost containment measures, which are strictly adhered to within the City.</p> <p>The expenditure incurred to date relates largely to claims submitted by staff members using their own vehicles for business purposes who do not receive an allowance for essential users or participate in a structured travel allowance.</p>
Domestic Accommodation	1 379	1 379	169	<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>

Cost Containment In-Year Report				
Expenditure Category	2021/22	Q4 2022		Comment
	Current Budget	Budget	Actual	
	R Thousand			
Sponsorships, events and Catering	295 193	295 193	249 583	<p>Sponsorships (consisting 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 year-to-date expenditure relates largely to payments for annual- and ad hoc allocations to support specific programs/events aligned to the City's IDP and strategic objectives.</p>
Communication	90 315	90 315	68 940	<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 so as to ensure stricter controls, which include the following measures:</p> <p>a) Reducing the number and scale of communication campaigns;</p> <p>b) Reducing the size and range of print- and radio advertising;</p> <p>c) Shifting advertising to the digital space from the traditional print and radio; and</p> <p>d) Increasing the use of social media as a communication tool using insourced resources.</p>

Cost Containment In-Year Report				
Expenditure Category	2021/22	Q4 2022		Comment
	Current Budget	Budget	Actual	
	R Thousand			
Other related expenditure items - Conferences & Seminars	3 056	3 056	1 146	<p>The City's Systems and Procedures (SOP) for attendance of seminars, external meetings/workshops and conferences sets out cost containment measures, which are strictly adhered to within the City.</p> <p>The year-to-date expenditure relates to online events.</p>
Other related expenditure items - Overtime	945 496	945 496	861 786	<p>The City's Overtime Policy sets out the applicable cost containment measures, which include:</p> <p>a) Guidelines for administration of overtime work on Sundays and public holidays;</p> <p>b) Application and approval process management;</p> <p>c) Approval of overtime work and payment by officials with delegated authority; and</p> <p>d) Monitoring and review of provisions and justification of overtime expenditure by relevant directors.</p> <p>Directorates have implemented strict measures to manage overtime and closely monitor the amount of overtime operational staff may claim each month.</p> <p>The bulk of the overtime was spent within the Safety & Security directorate, due to additional deployment outside of normal working hours for operations such as taxi strikes, festive season initiatives, special operations etc. In addition, unfilled vacancies resulted in staff working after hours to provide the required services.</p>
Other related expenditure items - Office furniture	14 178	14 178	7 894	<p>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. The budget for office furniture is likely to be further reduced as funds are re-prioritised.</p>
Total	10 317 361	10 317 361	9 099 305	

Cape Town International Convention Centre

Cost Containment In-Year Report				
Measures	2021/22 CURRENT budget	Q4 2022		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	4 892	4 892	3 288	The contracts for the internal audit, legal services and customer satisfactory surveys are included in the costs. The CTICC does not possess the skillsets required in-house.
Travel and Subsistence	611	611	1 002	Bookings for local- and international travel as well as International accommodation for sales trips, events and conferences are made through an agent with the applicable National Treasury code used for bookings. Attendance of events are an integral part of the entity's business strategy to grow revenue and as industry events and conferences returned the company sent representatives. The overexpenditure is as a result of costs incurred on a study tour to Europe by the Board's sub-committee relating to the new strategy.
Domestic Accommodation	38	38	29	All bookings are done using the applicable National Treasury code. The attendance of events are an integral part of the entity's business strategy to grow revenue.
Sponsorships, events and Catering	292	292	235	The entity's business model is based on good client relations and regular interaction with clients and conference organisations to showcase the CTICC through various Client and Stakeholder Relationship Management (CRM) events.

Table continues on next page.

Cost Containment In-Year Report				
Measures	2021/22 CURRENT budget	Q4 2022		Comment
		Budget	Actual	
	R Thousand			
Communication	1 261	1 261	896	The contract for cellphone and data services was issued before 1 July 2019. The company has utilised the NT transversal contract wef from the fourth quarter of 2022.
Other related expenditure items - Conferences & Seminars	-	-	-	No budget or expenditure for the reporting period.
Other related expenditure items - Overtime	378	378	1 388	This category includes overtime, night shift allowances and public holiday pay. The higher spend relates to more events being hosted in the second, third and fourth quarter of the 2021/22 financial year as COVID-19 restrictions were relaxed and eventually ended allowing for bigger events, requiring staff to work more than the budgeted hours.
Other related expenditure items - Office furniture	-	-	-	No office furniture replacements have been budgeted for.
Total	7 472	7 472	6 839	

Cape Town Stadium

Cost Containment In-Year Report				
Measures	2021/22 Current Budget	Q4 2022		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	1 858	1 858	1 041	Expenditure in this category facilitates the entity's objectives, inter alia, to commercialise in terms of the Service Delivery Agreement (SDA). Expenditure incurred relates to the assistance provided by the following consultants: Hello FCB (HFCB) - During the 2021/22 FY, HFCB assisted the entity's Marketing department with various marketing related tasks including the management of the DHL Stadium (trading name) website. HFCB was responsible for ad hoc work relating to company documents such as the business plan and corporate branding document including supporting templates. Furthermore, HFCB provided support with regards to various website updates and acted as an intermediary between third party suppliers. SAIL Rights Commercialisation (Pty) Ltd assisted the entity with the following: - Naming Rights award – submission of the DHL Stadium infrastructure upgrade for an international award application. - Naming rights outdoor advertising process – completion of the outdoor advertising submissions and appeals to gain approval from City of Cape Town to erect naming rights branding. - Naming Rights evaluation – development and structuring of naming rights template to evaluate the delivery of rights and in turn the measurement of the delivery of rights. MMS Communications assisted with the publication of the 2020/21 integrated annual report.
Travel and Subsistence	473	473	5	Costs were incurred to enable the commercialisation accounts officer to travel to Johannesburg to attend the Nielsen Sports workshop on broadcast rights on 28 June 2022.
Domestic Accommodation	8	8	-	No expenditure incurred in the period under review.
Sponsorships, events and Catering	157	157	48	Catering provided by Kouga Development Company t/a Circa for the CEO suite for various rugby matches. This expenditure was incurred to foster good business relationships between the entity and its stakeholders.

Table continues on next page.

Cost Containment In-Year Report				
Measures	2021/22	Q4 2022		Comment
	Current Budget	Budget	Actual	
	R Thousand			
Communication	275	275	-	No advertisement was required for tenders/staff appointments for the 2021/22 financial year.
Other related expenditure items - Conferences & Seminars	128	128	-	No expenditure incurred for the 2021/22 financial year.
Other related expenditure items - Overtime	2 171	2 171	1 167	The Events, Commercial and Operations department staff are required to work overtime when the entity hosts certain events, which at times takes place after hours and over weekends. Overtime cost also relates to and includes City services rendered at events.
Total	5 069	5 069	2 260	

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 4 of the 2021/2022 financial year** has been prepared in accordance with the Municipal Finance Management Act (MFMA) and regulations made under that Act.

Print name ----- Lungelo Mbandazayo -----

Municipal Manager of City of Cape Town (CPT)












































Digitally signed by Lungelo
Mbandazayo
Date: 2022.07.11 12:27:09 +02'00'








Signature -----

Date -----

2021/2022 Q4 PERFORMANCE REPORT - CITY OF CAPE TOWN

Well Above 		Above 		On target 		Below 		Well below 		AT - Annual Target	
Objectives	Indicator	2020/21 (previous Q4)			2021/22 (current Q4)			Reason for variance	Remedial action		
		Target	Actual	Status	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 within 30-60 days	95%	98.0%		96.0%	96%		On Target	Maintain the momentum		
	1.B Percentage of rates clearance certificates issued within ten working days	90%	92.63%		90.00%	99.06%		Increase in working overtime by relevant staff to ensure the processing of Revenue Clearance Certificates completed on time.	Maintain the momentum		
	1.C Number of outstanding valid applications for commercial electricity services, expressed as a percentage of commercial customers	0.70%	0.23%		<0,70%	0.18%		Well above target. This indicator is customer-driven and, therefore, reliant on applications received. A higher-than-anticipated number of applications were received and processed.	Maintain the momentum		
1.2 Leveraging technology for progress	1.D Broadband Infrastructure Programme (BIP)	Approved detailed design of BIP	Approved detailed design of BIP		Implementation of programme will commence in line with approved detailed design	Implementation of programme will commence in line with approved detailed design		On target	Maintain the momentum		
1.3 Economic Inclusion	1.E Number of Mayor's Job Creation Programme (MJCP) opportunities created (NKPI)	28 000	34 306		25 000	38135		Figures are provisional subject to change based on our internal processes. We will only receive the final figures by 20/07/2022.	Not applicable		
	1.F Percentage budget spent on implementation of Workplace Skills Plan (WSP) (NKPI)	90%	88.44%		90.00%	90.29%		Above target	Maintain the momentum		
1.4 Resource efficiency and security	1.G Percentage compliance with drinking water quality standards	98%	99.11%		98.00%	98.96%		Above target	Maintain the momentum		
	1.H (SSEG) capacity legally installed and grid-tied, measured in (MVA)	4.50	18.49		5	19.49		Well above target. This indicator is customer-driven and, therefore, reliant on applications received. A higher-than-anticipated number of applications were received and processed.	Maintain the momentum		
SFA 2: Safe City											
2.1 Safe Communities	2.A Number of new areas in which additional - CCTV cameras have been installed	5	5		0	0		on target	Maintain the momentum		
	2.B Community satisfaction survey (score 1-5) - safety and security	2.8	2.5		2.7	2.7		on target	Maintain the momentum		
SFA 3: Caring City											
3.1 Excellence in service delivery	3.A Community satisfaction survey (score 1-5) - Citywide	2.8	2.5		2.7	2.7		on target	Maintain the momentum		
	3.B Number of outstanding valid applications for water services, expressed as percentage of total number of billings for the service (NKPI)	<0.7%	0.16%		<0,7%	0.26%		Well above target. This indicator is customer-driven and, therefore, reliant on applications received.	Maintain the momentum		
	3.C Number of outstanding valid applications for sewerage services, expressed as a percentage of total number of billings for the service (NKPI)	<0.7%	0.21%		<0,7%	0.29%		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)	<0,3%	0.04%		<0,2	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)	<0,2%	0.003%		<0,1%	0,004%		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	90%	85.46%		90%	85.35%		Community Services & Health achieved 66.2%, Human Settlements achieved 47.66% & Urban Mobility achieved 35.35%	Streamlining of process underway in under-achieved departments in order to improve service delivery.		
	3.G Number of human settlement opportunities provided (Top structures)	2050	2587		2430	2517		Above target	Maintain the momentum		
	3.H Number of human settlement opportunities provided (Formal sites serviced)	2800	2363		1940	1423		Under-achieved target due to community protest action at the Greenville Phase 4 housing project at the beginning of June 2022.	The protest action issues were resolved and the balance of the sites will be practically completed by end of August 2022.		

Well Above  Above  On target  Below  Well below  AT - Annual Target									
Objectives	Indicator	2020/21 (previous Q4)			2021/22 (current Q4)			Reason for variance	Remedial action
		Target	Actual	Status	Target	Actual	Status		
3.2 Mainstreaming basic service delivery to informal settlements and backyard dwellers	3.I Number of water services points (taps) provided to informal settlements NKPI	700	799		700	801		Well above target	Maintain the momentum
	3.J Number of sanitation service points (toilets) provided to informal settlements (NKPI)	2500	3422		2500	6 484		Well above target	Maintain the momentum
	3.K Percentage of areas of informality receiving waste removal and area cleaning services (NKPI)	99.00%	99.79%		99%	99.79%		Above target	Maintain the momentum
	3.L Number of service points (toilet and tap with hand basin) provided to backyarders	350	357		400	476		Well above target	Maintain the momentum
	3.M Number of subsidised electricity connections installed (NKPI)	1500	1721		1500	1503		Above target	Maintain the momentum
	3.N Number of sites serviced in informal settlements	1350	1274		800	829		Above target	Maintain the momentum
	3.O Number of community services facilities in informal settlements	0	0		0	0		The project is technically ready for implementation, with all the planning and design being completed. The continuation of this programme is dependent on the outcome of the funding application submitted to National Treasury.	Maintain the momentum
SFA 4: Inclusive City									
4.1.Dense and transit-oriented growth and development	4.A Catalytic Land Development Programme (CLDP)	Biennial target	Biennial target		Planning and enablement of CLDP projects for implementation	Planning and enablement achieved and ongoing of various CLDP projects towards implementation		on target	Maintain the momentum
4.2. An efficient, integrated transport system	4.B Number of passenger journeys per kilometre operated (MyCiti)	0.73	0.8		0.94	0.97		Above target	Maintain the momentum
	4.C Total number of passenger journeys on MyCiti	10 200 000	10 901 143		12 500 000	14 258 883		Well above target. MyCiti Passenger Journeys have recovered at a much faster rate due to the multiplied effect of the N2 Express service reinstatement and easing of covid-19 restrictions. N2 Express passengers journey were not included in the Q3 and Q4 projections and target amendments due to the uncertainty of the start up of N2 Express service at the time of setting these targets.	N2 Express passenger journeys to be included into future projections and targets.

Well Above  Above  On target  Below  Well below  AT - Annual Target									
Objectives	Indicator	2020/21 (previous Q4)			2021/22 (current Q4)			Reason for variance	Remedial action
		Target	Actual	Status	Target	Actual	Status		
4.3 Building integrated communities	4.D Percentage of employees from EE target (designated) groups employed in the three highest levels of management (NKPI)	75.00%	74.20%		75.00%	75.24%		On Target	Maintain the momentum
	4.E Number of Strengthening Families programmes implemented	12	16		16	17		Above target	Maintain the momentum
SFA 5: Well Run City									
5.1 Operational sustainability	5.A Opinion of independent rating agency	High investment rating	High investment rating		High investment rating	High investment rating		On Target	Maintain the momentum
	5.B Opinion of the Auditor-General	Clean audit	Unqualified opinion		Clean audit	Not applicable		Results will only be available November/December 2022 after the finalisation of the audit process by the Auditor-General.	Not applicable
	5.C Percentage of capital budget spent (NKPI)	90.00%	88.51%		90.00%	83.70%		The actuals are provisional and subject to change. Material variance explanations for capital expenditure by vote is reflected in the Material variance explanations for capital expenditure table on page 73 of Annexure A to the S52 report.	Not applicable
	5.D Percentage spent on repairs and maintenance	95.00%	90.33%		95.00%	93.64%		The results is preliminary for 2021/2022 as the financial year-end processes are still underway and the system is still open for processing of transactions. Final results will only be available on completion of the final financial transactions.	Not applicable
	5.E Cash/cost coverage ratio (excluding unspent conditional grants) (NKPI)	1.81	1.82		2.1	2.30		Interim figures. Final year adjustments still to be made (accruals)	Not applicable
	5.F Net Debtors to annual income (NKPI)	22.97%	17.15%		21.50%	10.15%		Interim figures. Final year adjustments still to be made (reclassifications)	Not applicable
	5.G Debt (total borrowings) to total operating revenue (NKPI)	25.02%	23.00%		24.20%	20.06%		Interim figures. Final year adjustments still to be made (accruals).	Not applicable