

REPORT TO: COUNCIL

1. ITEM NUMBER

2. SUBJECT

QUARTERLY FINANCIAL REPORT: SEPTEMBER 2022

(LSUA1980)

ONDERWERP

KWARTAALLIKSE FINANSIËLE VERSLAG: SEPTEMBER 2022

ISIHLOKO

INGXELO YEMALI YARHOQO NGEKOTA: EYOMSINTSI 2022

3. DELEGATED AUTHORITY

In terms of delegation

This report is for NOTING BY

☐ **Committee name :**

☐ The Executive Mayor together with the Mayoral Committee (MAYCO)

☒ Council

4. DISCUSSION

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

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

This report presents the financial position of the abovementioned indicators as at 30 September 2022. These financial results are provisional and subject to change as a result of year-end processes.


ANNEXURES

Annexure A: Quarterly Financial Report (MFMA S52) - 30 September 2022

Annexure B: 2022/23 Q1 Corporate Performance Report

Annexure C: Original Budget vs Actual Expenditure_Capital Budget

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EXECUTIVE DIRECTOR

NAME	KEVIN JACOBY	COMMENT:
DATE		
SIGNATURE		

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

MAYORAL COMMITTEE MEMBER

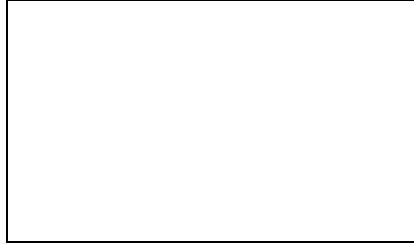
NAME

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.

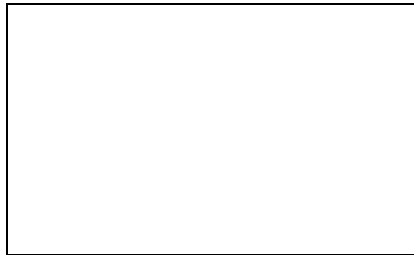
☐ NON-COMPLIANT

NAME

COMMENT:

DATE

SIGNATURE



EXECUTIVE MAYOR

NAME

GEORDIN HILL-LEWIS

COMMENT:

DATE

SIGNATURE



Making progress possible. Together.



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

QUARTERLY FINANCIAL REPORT (MFMA S52)

30 SEPTEMBER 2022

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EXECUTIVE SUMMARY

BACKGROUND

Section 52 of the MFMA states:

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

Regulation 31 of the MBRR states:

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

MAYOR'S QUARTERLY REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 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 '2021/22 Provisional Outcome' columns in the ensuing tables have been populated with pre-audited figures and are provisional where final figures are not available yet.

KEY DATA (PAGE 4 - 30)

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

IN YEAR BUDGET STATEMENT TABLES (PAGE 31 – 37)

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

- **Table C1 (Page 31)** provides a high level summation of the operating and capital budgets, actuals to date, financial position and cash flow.
- **Table C2 (Pages 32)** is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- **Table C3 (Pages 33)** shows budgeted financial performance in relation to the revenue and expenditure as well as the operating surplus or deficit.
- **Table C4 (Page 34)** is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.
- **Table C5 (Pages 35)** 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 36)** reflects the performance to date in relation to the financial position of the municipality.
- **Table C7 (Page 37)** indicates the cash flow position and cash/cash equivalents.

IN YEAR BUDGET STATEMENT SUPPORTING TABLES (PAGE 38 – 78)

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

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR) TABLES (PAGE 81 – 86)

KEY DATA**OPERATING BUDGET**

Operating Budget	Budget 2022/23	YearTD budget 2022/23	YearTD actual 2022/23	YTD variance	Full Year Forecast
Total Revenue ¹ (R'Thousands)	53 285 975	13 863 046	13 657 635	(205 411)	53 161 507
Total Expenditure ¹ (R'Thousands)	53 797 046	11 666 352	10 750 722	(915 630)	52 939 871
Surplus/(Deficit) ¹ (excl. capital transfers and contributions)	(511 072)	2 196 694	2 906 913	710 218	221 635

CAPITAL BUDGET

Capital Budget	Budget 2022/23	YearTD budget 2022/23	YearTD actual 2022/23	YTD variance	Full Year Forecast
Total Capital Expenditure (R'Thousands)	7 759 512	735 231	805 861	70 630	7 556 823

FINANCIAL POSITION

Working Capital	Provisional Outcome 2021/22	Original Budget 2022/23	Adjusted budget 2022/23	YearTD actual
Cost coverage ratio³ Cash and investments at period end less restricted cash/Monthly operating Expenditure	1.8:1	-	-	1.5:1
Liquidity Current Ratio (Current assets/current liabilities) ⁴	1.7	1.4	1.4	2.3
Borrowing Capital Charges to Operating Expenditure (Interest & principal paid/Operating Expenditure) ⁵	2.3%	4.3%	4.3%	2.8%
Borrowed funding of 'own' capital expenditure (Borrowings/Capital expenditure excl. transfers and grants) ⁶	26.7%	38.2%	36.4%	27.5%
Financial Position (R'Thousands)⁷ Total Assets	82 604 495	82 851 621	85 003 581	81 811 728
Total Liabilities	23 829 217	24 744 710	26 896 670	20 785 207
Cash Flow (R'Thousands) Cash/cash equivalents at month/year end	8 295 143	6 021 524	6 921 291	8 332 262

- Cost coverage ratio³**

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

The ratio outcome for the period under review is 1.5 and falls within the National Treasury norm of 1-3 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 2.3 shows that the City has sufficient cash to meet its short-term financial obligations and is within the National Treasury norm of 1.5 to 2:1 (MFMA Circular 71). A ratio above one indicates that the City would be able to pay all its current or short-term obligations if they fall due at any specific point.

- **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 is 2.8% and is below the National Treasury norm of 6% to 8% (MFMA Circular 71). This is as a result of the City's borrowing strategy.

- **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 27.5%, and is budgeted at 36.4% 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 332 million as at 30 September 2022. This positive cash position has been maintained since the previous 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 R Thousands	Current - 0 to 30 days	31-60 Days	61 days and over	TOTAL
Water	369 213	74 891	1 910 835	2 354 939
Electricity	1 037 926	47 812	592 327	1 678 066
Rates	791 648	112 014	1 409 212	2 312 874
Sewerage	176 987	36 877	738 620	952 484
Refuse	109 282	22 984	535 222	667 489

The 12-months moving average YTD collection ratio (reflected in the table below) is for the period October 2021 to September 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 % ^s	Previous year 2021/22	Current year 2022/23 (Interim ratios)	12 Months moving average YTD collection ratio (Interim ratios)	Monthly Collection Ratio per Service
Electricity	101.11%	96.71%	97.54%	86.74%
Water	94.66%	90.06%	90.02%	93.16%
Sewerage	96.38%	94.89%	94.97%	97.71%
Refuse	95.05%	92.39%	92.51%	89.60%
Rates	97.82%	98.80%	98.87%	98.05%
Other	102.94%	94.43%	95.49%	83.79%

^s12 Months Collection Ratio. Calculated in to National Treasury Circular 71.

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

Monthly Collection Rate	
Period	Current year
12 Months	96.93%
6 Months	96.92%
3 Months	97.41%
Monthly	92.48%

The 12 Months Moving Average Payment Ratio for the period ended 30 September 2022 is 96.93%.

Human Resources

Human Resources	Provisional Outcome 2021/22	Original Budget 2022/23	Adjusted Budget 2022/23	YearTD actual 2022/23
Employee and Councillor remuneration (R'Thousands)	15 421 068	17 499 069	17 513 344	3 639 153
Employee Costs (Employee costs/Total Revenue - capital revenue)	29.5%	32.5%	32.5%	26.3%
Total Cost of Overtime (R'Thousands)	963 851	864 989	864 930	179 693

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 67.

Staff Complement

Municipal Employees (numbers)	As at 30 June 2022	Original Budget 2022/23	September 2022
Filled posts - Permanent	27 784	27 845	28 167
Filled posts - Temporary	1 618	2 483	1 362
Vacant posts - Permanent	3 763	3 844	3 875
	33 165	34 172	33 404

Municipal Councillors (numbers)	As at 30 June 2022	Original Budget 2022/23	September 2022
Municipal Councillors	231	231	229
Municipal Councillors - Vacancies	-	-	2
	231	231	231

The City had 3875 vacancies as at 30 September 2022; 3046 positions were filled (908 internal, 257 external, 354 rehire, and 1527 EPWP), with 440 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	510	R156 704 497	91.37%	8.63%
Corporate Services	354	R153 353 762	86.34%	13.66%
Economic Growth	63	R30 494 526	84.77%	15.23%
Energy	304	R109 633 805	89.40%	10.60%
Finance	165	R57 117 043	90.78%	9.22%
Future Planning and Resilience	51	R27 327 897	84.82%	15.18%
Human Settlements	109	R44 232 526	89.91%	10.09%
Office of the City Manager	46	R20 769 122	94.91%	5.09%
Safety and Security	867	R251 627 395	87.00%	13.00%
Spatial Planning and Environment	88	R36 768 764	90.86%	9.14%
Urban Mobility	242	R82 565 497	89.46%	10.54%
Urban Waste management	204	R64 721 492	94.44%	5.56%
Water and Sanitation	872	R286 311 544	86.30%	13.70%
TOTAL	3 875	R1 321 627 869	89.11%	10.89%

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	295	139	71	5	510
Corporate Services	182	124	43	5	354
Economic Growth	35	21	1	6	63
Energy	152	74	61	17	304
Finance	119	28	16	2	165
Future Planning and Resilience	30	11	10	0	51
Human Settlements	44	47	9	9	109
Office of the City Manager	31	9	5	1	46
Safety and Security	697	123	40	7	867
Spatial Planning and Environment	44	28	10	6	88
Urban Mobility	137	61	24	20	242
Urban Waste management	96	45	39	24	204
Water and Sanitation	399	244	127	102	872
Grand Total	2 261	954	456	204	3 875

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

Description	Original Budget 2022/23	Adjusted Budget 2022/23	YearTD actual 2022/23	YearTD budget 2022/23	YTD variance
R'Thousands					
Total Revenue (excluding capital transfers and contributions)	53 285 975	53 285 975	13 657 635	13 863 046	(205 411)
Total Expenditure	53 797 051	53 797 046	10 750 722	11 666 352	(915 630)
Surplus/(Deficit)	(511 076)	(511 072)	2 906 913	2 196 694	710 218

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 2022/23**

Description	Budget Year 2022/23						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Revenue By Source							
Property rates	11 519 486	11 519 486	2 898 802	2 880 003	18 799	0.7%	11 517 470
Service charges - electricity revenue	17 241 469	17 241 469	4 906 574	4 757 498	149 076	3.1%	17 241 464
Service charges - water revenue	3 928 012	3 928 012	877 996	876 729	1 267	0.1%	3 927 853
Service charges - sanitation revenue	2 014 506	2 014 506	448 039	441 334	6 705	1.5%	2 014 506
Service charges - refuse revenue	1 381 241	1 381 241	320 948	339 885	(18 936)	-5.6%	1 295 590
Rental of facilities and equipment	389 180	389 180	92 453	99 483	(7 030)	-7.1%	391 945
Interest earned - external investments	1 118 566	1 118 566	293 326	278 973	14 353	5.1%	1 103 356
Interest earned - outstanding debtors	367 515	367 515	97 904	105 351	(7 447)	-7.1%	366 906
Dividends received	—	—	—	—	—	—	—
Fines, penalties and forfeits	1 262 193	1 262 193	459 202	399 163	60 039	15.0%	1 243 044
Licences and permits	73 251	73 251	11 431	12 661	(1 229)	-9.7%	48 678
Agency services	271 616	271 616	66 613	66 132	481	0.7%	267 195
Transfers and subsidies	6 260 172	6 260 172	1 751 808	1 842 996	(91 189)	-4.9%	6 345 501
Other revenue	3 466 403	3 466 403	1 153 004	1 095 613	57 390	5.2%	3 405 112
Gains	3 992 365	3 992 365	279 535	667 225	(387 690)	-58.1%	3 992 887
Total Revenue (excluding capital transfers and contributions)	53 285 975	53 285 975	13 657 635	13 863 046	(205 411)	-1.5%	53 161 507

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

- **Service charges - electricity revenue (R149.1 million over)**

The over-recovery is mainly due to seasonal fluctuations in the new Time-of-Use tariffs, in particular the winter tariffs.

- **Fines, penalties and forfeits (R60.0 million over)**

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

- **Transfers and subsidies (R91.1 million under)**

Under-recovery reflects in the following directorates:

- Community Services & Health, due to outstanding invoices from the Western Cape Government (WCG) as well as invoices received after month-end.
- Human Settlements, mainly on:
 - Grant and Subsidies (National), due to numerous grant-funded vacancies within various projects, outstanding invoices for Informal Settlement Planning as well as Dido Valley land claim delays.
 - Grant and Subsidies (Provincial), due to:
 - Outstanding invoices for works rendered on the Gugulethu Infill and Valhalla Park Integrated Housing projects;
 - Delays in appointment of contractors as the civil infrastructure portion of the Edward Street: Grassy Park, Sir Lowry's Pass HSDG and Macassar BNG Housing projects are still ongoing;
 - Delays on the Belhar/Pentech Infill Housing project due to contractual issues, which have since been resolved; and
 - Sheffield Road Housing Project, which still requires MoA amendments.
- Urban Waste Management, due to initial delays in signing up the number of EPWP members as per quota requirements.

- **Other Revenue (R57.4 million over)**

The variance is mainly on:

- Development Levies, where revenue is dependent on property development, which is difficult to predict.
- Busfares Transit products, due to higher than anticipated revenue on the N2 Express Way routes.
- Recoveries of Operational Expenditure, where the actual billing relating to the Koeberg Disaster Recovery tariff is higher than the planned value.

- **Gains (R387.7 million under)**

The variance reflects mainly against Inventory consumed: Price Adjustment Bulk Water and Price Adjustment Raw Water, due to misalignment of the periodic plan, and outstanding accounts from National Department of Water & Sanitation impacting the water inventory accounts. Updated accounts will only be received in future periods.

Reasons for variances on revenue can be found in *Material variance explanations for operating revenue by source and by vote* on page 38.

EXPENDITURE

Main expenditure types for 2022/23

Description R thousands	Budget Year 2022/23						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type							
Employee related costs	17 322 936	17 337 211	3 592 232	3 936 731	(344 500)	-8.8%	16 282 996
Remuneration of councillors	176 133	176 133	46 922	46 074	848	1.8%	176 133
Debt impairment	2 316 909	2 316 909	512 263	512 275	(12)	0.0%	2 646 168
Depreciation & asset impairment	3 208 222	3 208 221	795 944	795 737	207	0.0%	3 217 697
Finance charges	862 999	862 999	175 182	206 876	(31 694)	-15.3%	863 240
Bulk purchases - electricity	12 350 900	12 350 900	3 008 720	3 194 435	(185 715)	-5.8%	12 350 900
Inventory consumed	5 214 790	5 211 565	616 024	889 837	(273 814)	-30.8%	5 069 281
Contracted services	8 572 922	8 579 846	1 251 634	1 243 222	8 412	0.7%	8 576 309
Transfers and subsidies	391 480	388 831	76 864	72 040	4 824	6.7%	406 913
Other expenditure	2 927 064	2 911 735	648 063	700 257	(52 194)	-7.5%	2 896 185
Losses	452 697	452 697	26 875	68 869	(41 994)	-61.0%	454 049
Total Expenditure	53 797 051	53 797 046	10 750 722	11 666 352	(915 630)	-7.8%	52 939 871

Reasons for major over-/under expenditure by type

- Employee related costs (R344.5 million under)**

Under expenditure is mainly due to:

- The turnaround time in filling vacancies;
- The internal filling of vacancies; and
- Slower than planned implementation of job creation projects (EPWP).

- Bulk purchases (R185.7 million under)**

The variance is mainly due to the impact of load shedding on electricity consumption resulting in lower than planned purchases to date.

- Inventory Consumed (R273.8 million under)**

Under expenditure reflects on the following subcategories:

- G&D Pharmaceutical supplies and G&D Vaccines, due to outstanding invoices.
- Inventory consumed: Bulk Water and Inventory consumed: Reticulation Water, where outstanding accounts from the National Department of Water & Sanitation resulted in the inventory system not being updated.
- Chemicals, where sufficient stock on hand for current operations resulted in a decrease in chemicals procured within the Bulk Water-, and Wastewater Departments.

- **Other Expenditure (R52.2 million under)**

Under expenditure reflects against the following subcategories:

- Hire Charges, due to a decrease in the need for external hiring of plant at pump stations.
- Indigent Relief: Electricity - Eskom Re-Imburse, where the invoice for Free Basic Electricity for the reporting period was received after month-end.
- R&M Hire of LDV, PVan, Bus, Special Vehicle, due to misalignment of period budget with actual expenditure to date.
- Training, due to delays in prioritisation and finalisation of training requirements and implementation thereof.
- G&D Books Periodicals & Subscriptions, where the provision is linked to a capital project funded from a provincial grant and actuals will only reflect on the operating budget at year-end.

- **Losses (R41.9 million under)**

The variance is mainly against Inventory consumed (various) within the Water & Sanitation Directorate, due to misalignment of the periodic plan, and outstanding accounts from the National Department of Water & Sanitation.

Expenditure per vote (directorate)

Vote Description R thousands	Budget Year 2022/23						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure by Vote							
Vote 1 - Community Services & Health	4 435 582	4 435 579	806 821	938 583	(131 762)	-14.0%	4 435 579
Vote 2 - Corporate Services	3 347 229	3 347 228	733 436	712 850	20 586	2.9%	3 347 228
Vote 3 - Economic Growth	711 443	711 443	143 310	159 458	(16 148)	-10.1%	711 323
Vote 4 - Energy	15 248 998	15 248 998	3 629 347	3 851 516	(222 168)	-5.8%	15 248 998
Vote 5 - Finance	3 295 289	3 295 289	788 854	846 447	(57 592)	-6.8%	3 295 289
Vote 6 - Future Planning & Resilience	560 878	560 878	91 840	98 815	(6 974)	-7.1%	560 878
Vote 7 - Human Settlements	1 545 840	1 545 840	290 932	305 124	(14 192)	-4.7%	1 545 840
Vote 8 - Office of the City Manager	472 208	472 208	98 658	108 201	(9 543)	-8.8%	472 208
Vote 9 - Safety & Security	5 166 367	5 166 367	962 847	1 000 444	(37 597)	-3.8%	4 802 497
Vote 10 - Spatial Planning & Environment	1 274 335	1 274 335	267 060	277 793	(10 733)	-3.9%	1 248 848
Vote 11 - Urban Mobility	3 848 458	3 848 458	713 572	672 924	40 649	6.0%	3 848 458
Vote 12 - Urban Waste Management	3 340 398	3 340 398	642 243	673 434	(31 190)	-4.6%	2 984 601
Vote 13 - Water & Sanitation	10 550 026	10 550 026	1 581 799	2 020 765	(438 966)	-21.7%	10 438 125
Total Expenditure by Vote	53 797 052	53 797 046	10 750 722	11 666 352	(915 630)	-7.8%	52 939 871

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 44.

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.

Overall over expenditure will be addressed with the review of period budget provisions on related expenditure elements.

- **Corporate Services (R20.6 million over)**

Over expenditure reflects against the following categories:

- Inventory Consumed - Fuel (Petrol, Diesel and Fuel oil), due to fuel price fluctuations during the year.
- Councillor Remuneration, due to salary increases backdated to 1 July 2021.

- **Urban Mobility (R40.6 million over)**

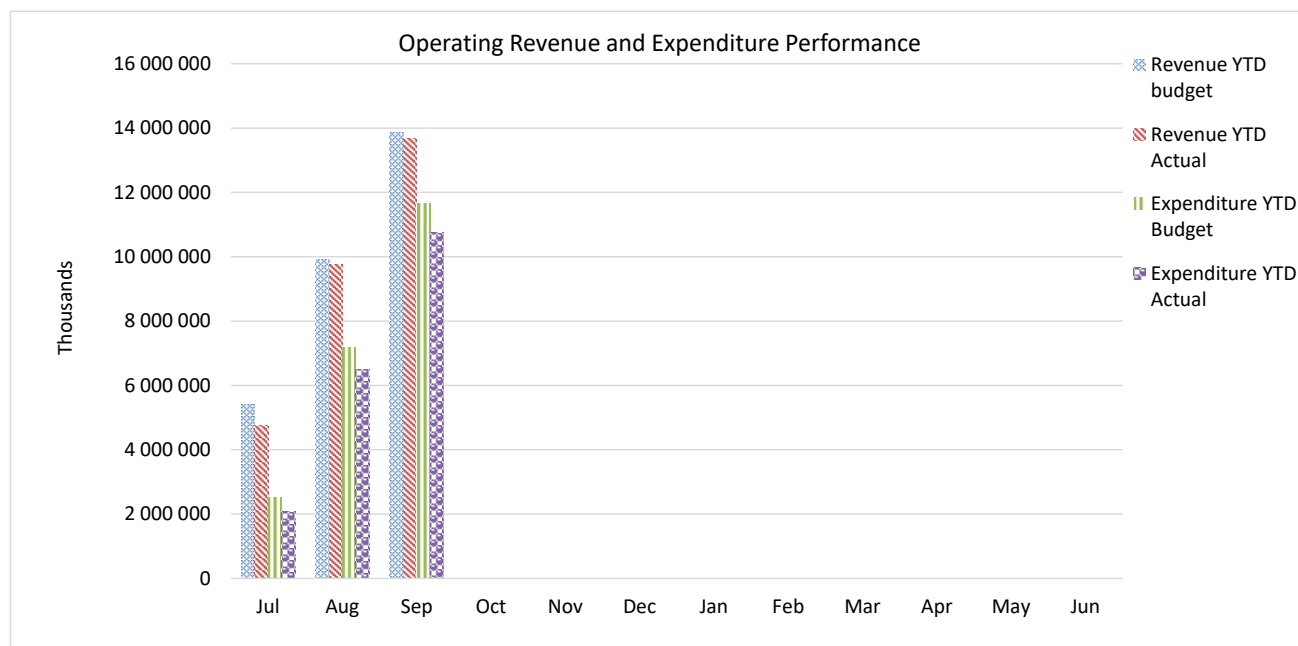
Over expenditure reflects against the following categories:

- Depreciation, where assets were acquired earlier than anticipated resulting in assets being brought into use and being capitalised.
- Inventory Consumed, mainly on:
 - R&M Materials General & Consumables, due to the earlier than anticipated start on traffic signals, general roads and stormwater maintenance by the Roads depots, and
 - Fuel, due to various fuel price increases over the past few months.
- Contracted Services, mainly on:
 - G&D Contracted Services Building, due to faster than expected progress on the Automated Fare Collection (AFC) project;
 - R&M Contracted Services Building, due to faster than anticipated progress on metro- and local road resurfacing maintenance programmes;
 - G&D Security Services & Charges, due to increased costs to minimise the risk of vandalism, asset stripping and land invasion on IRT Properties; and
 - Transportation Services: People, due to increased costs on the four VOC contracts as a result of the significant fuel price increases and a higher rate negotiated to renew the N2 Express contract late in the previous financial year.

Details on variances for operating expenditure can be found in *Material variance explanations for operating expenditure by vote and by type* on page 44.

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 2022/23						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Total Capital Expenditure	7 507 319	7 759 512	805 861	735 231	70 630	9.6%	7 556 823
Funded by:							
National Government	2 165 521	2 165 528	272 423	245 397	27 026	11.0%	2 077 265
Provincial Government	5 492	5 492	1 492	300	1 192	397.4%	5 492
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	100 854	100 860	13 188	10 161	3 027	29.8%	100 860
Transfers recognised - capital	2 271 867	2 271 879	287 103	255 858	31 245	12.2%	2 183 617
Borrowing	2 000 000	2 000 000	142 521	95 634	46 887	49.0%	1 986 655
Internally generated funds	3 235 452	3 487 632	376 236	383 739	(7 503)	-2.0%	3 386 551
Total Capital Funding	7 507 319	7 759 512	805 861	735 231	70 630	9.6%	7 556 823

The summary statement of capital budget performance indicates actual capital expenditure of R806 million or 10.36% of the current budget.

The year-to-date spend represents 9.45% (R519 million) on internally-funded projects and 12.64% (R287 million) on externally-funded projects.

Capital budget by municipal vote for 2022/23

Vote Description R thousands	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Vote 1 - Community Services & Health	272 395	244 533	259 811	25 569	31 771	(6 202)	-19.5%	256 323
Vote 2 - Corporate Services	412 747	395 619	409 745	28 182	43 186	(15 004)	-34.7%	401 614
Vote 3 - Economic Growth	46 999	48 748	53 069	3 796	11 075	(7 279)	-65.7%	52 666
Vote 4 - Energy	754 877	1 052 059	1 088 067	163 281	129 847	33 434	25.7%	1 077 633
Vote 5 - Finance	16 290	18 129	18 178	5 149	2 584	2 565	99.2%	18 304
Vote 6 - Future Planning & Resilience	39 103	26 415	27 558	989	4 873	(3 883)	-79.7%	27 308
Vote 7 - Human Settlements	892 564	884 428	910 682	159 921	124 565	35 356	28.4%	910 082
Vote 8 - Office of the City Manager	5 961	13 329	14 163	468	349	119	34.2%	14 163
Vote 9 - Safety & Security	192 797	236 735	242 541	20 112	9 495	10 616	111.8%	242 191
Vote 10 - Spatial Planning & Environment	99 615	217 455	228 274	28 789	34 545	(5 757)	-16.7%	242 244
Vote 11 - Urban Mobility	651 164	1 379 126	1 436 184	77 607	170 483	(92 876)	-54.5%	1 289 479
Vote 12 - Urban Waste Management	327 566	647 002	694 253	28 796	39 563	(10 767)	-27.2%	652 750
Vote 13 - Water & Sanitation	1 714 114	2 343 741	2 376 985	263 201	132 895	130 306	98.1%	2 372 067
Total Capital Expenditure	5 426 192	7 507 319	7 759 512	805 861	735 231	70 630	9.6%	7 556 823

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

- **Human Settlements directorate (R35.4 million over)**

The positive variance is mainly due to good contractor performance on the following programme/projects:

- The Urbanisation: Backyards/Informal Settlements Upgrade programme, mainly in Kosovo; Deep Freeze; Wolwerivier and Enkanini South;
- ACSA Symphony Housing project; and
- Macassar BNG Housing project.

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

- **Urban Mobility directorate (R92.9 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:

- IRT Phase 2 programme, due to:
 - Outstanding Department of Labour permit number;
 - Property acquisition at various stages of the acquisition process; and
 - Contractor's invoices for the reporting period being vetted before being processing.
- Dualling: Main Road 27 to Altena Road, as a result of the late appointment of a professional service provider.
- Road Upgrade: Amandel Road: Bottelary River-Church, as a result of delayed construction start date.

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

- **Water & Sanitation directorate (R130.3 million over)**

Projects are at various stages of completion. The Cape Flats Aquifer Recharge, Meter Replacement program, and Zandvliet WWTW Primary Treatment projects are ahead of schedule, which is primarily the cause of the positive year-to-date variance.

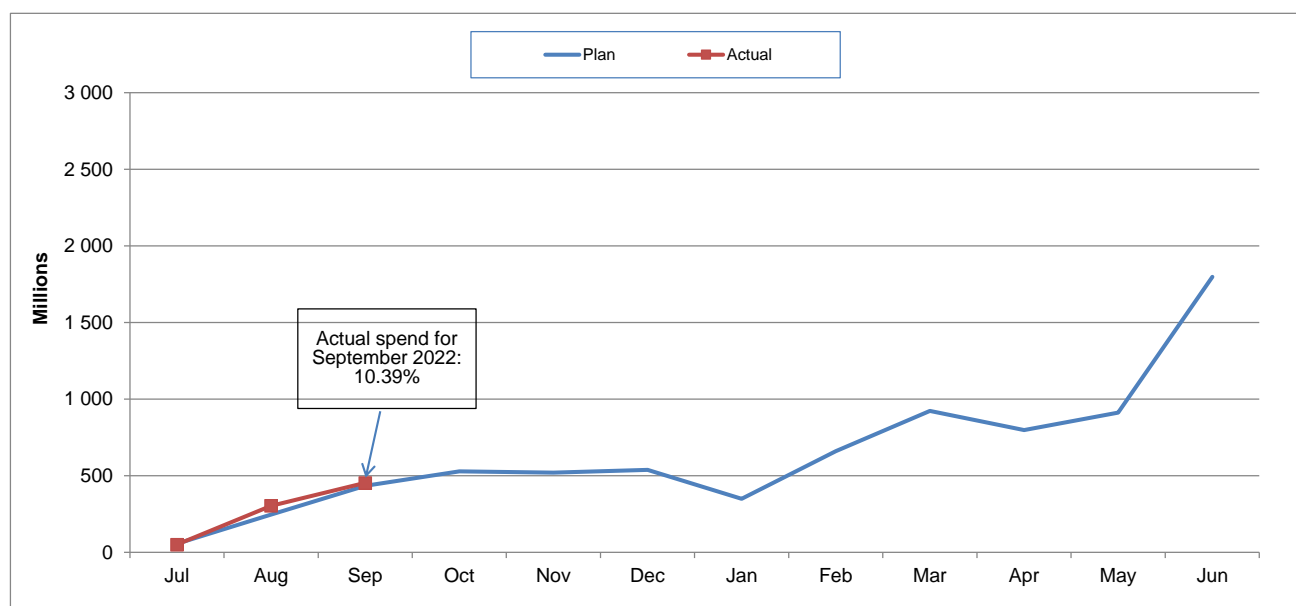
100% spend is forecasted for the projects currently on the budget.

Detailed explanations and remedial action on variances on the capital budget (**Adjusted Budget vs YearTD actual**) can be found in *Material variance explanations for capital expenditure by vote* on page 55.

Detailed explanations and remedial action on variances on the capital budget (**Original Budget vs YearTD actual**) can be found in Annexure B.

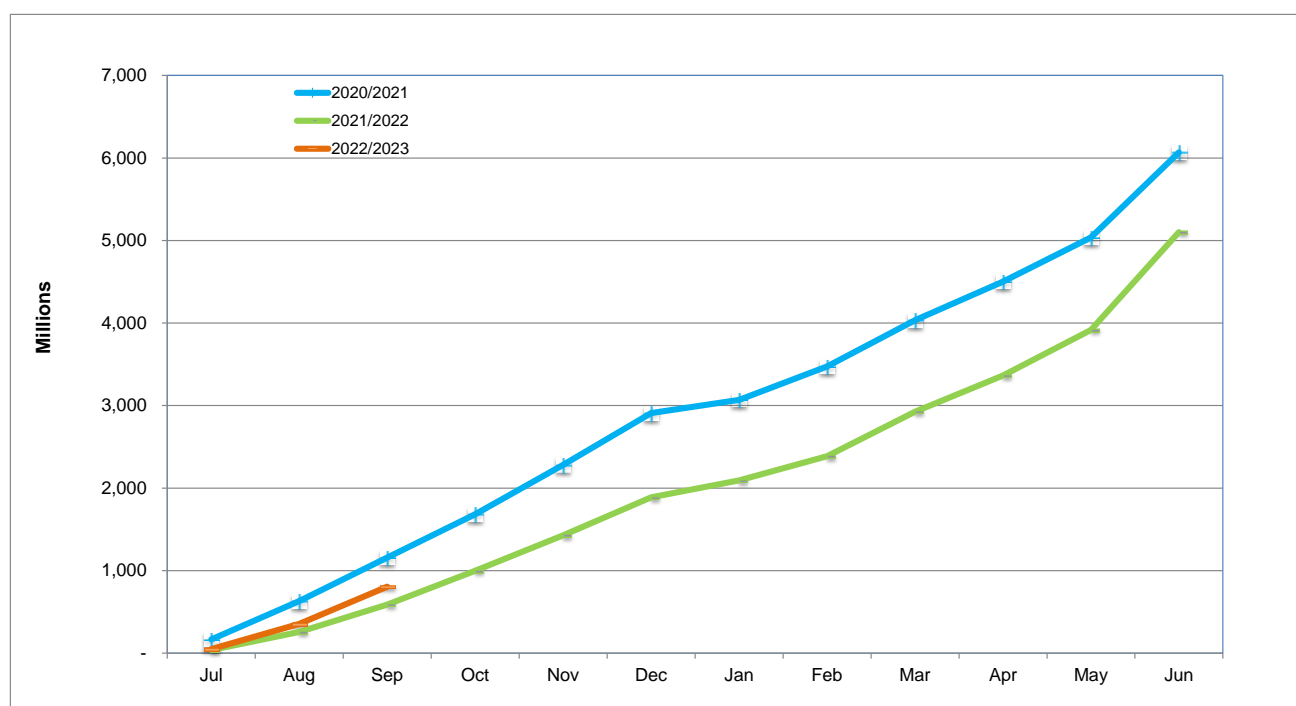
Monthly capital expenditure

The graph below reflects the City's monthly capital expenditure to date measured against the 2022/23 current budget.

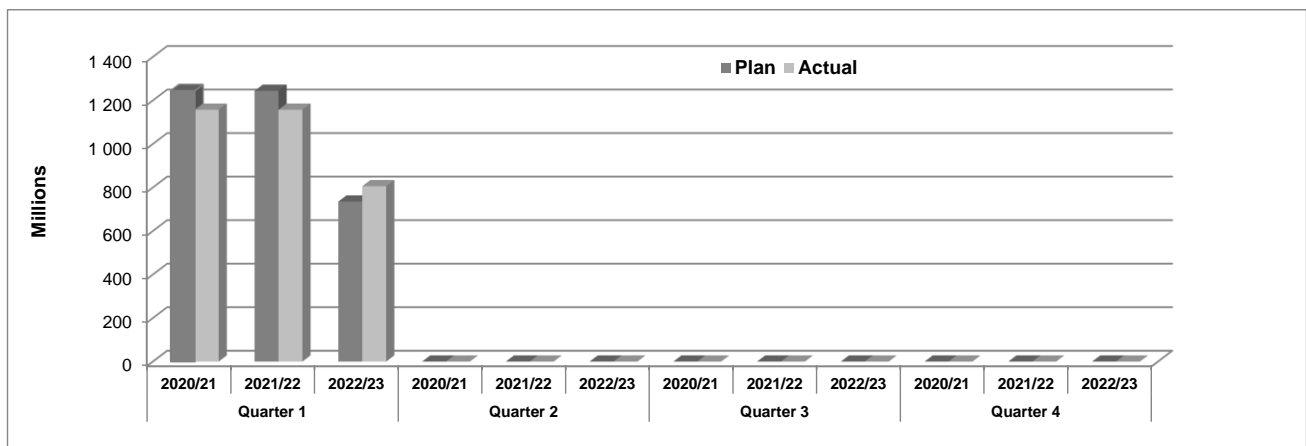


Capital expenditure trend over the current- and past two years

The graph below shows the City's capital expenditure trend for 2020/21, 2021/22 and 2022/23.



The capital expenditure quarterly trend for the 2020/21, 2021/22 and 2022/23 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
IRT Phase 2 A	556 284 057	45 714 864	23 121 993	-22 592 871	542 401 266	The IRT Phase 2A: East budget provides for professional services for the detail design, service investigations and service relocation for the IRT Phase 2A: East work packages. Project initially delayed due to expiry of tender for professional services. However replacement tender 225C/2020/21 has been awarded and the latest fee proposal indicates that additional funding will be required. Funds will be reprioritised within the IRT: Phase 2A project.
Plant & Vehicles: Replacement	291 719 216	5 000 000	2 269 216	-2 730 784	291 719 216	An appeal was lodged against the award of Tender 190G/2021/22, which was subsequently resolved. The contract is currently with the service providers for signature, however, two service providers are seeking amendment to the contract conditions and this has been referred to the Supply Chain Management Department to resolve. Further orders will be placed once the tender is available.
Cape Flats Aquifer Recharge	255 179 400	21 000 000	63 960 695	42 960 695	255 179 400	The project is ahead of schedule due to good project management and performance of service providers.
Potsdam WWTW - Extension	200 000 000	-	-	-	200 000 000	Tenders 146Q/2021/22 (Mechanical/Electrical) and 295Q/2021/22 (Civil project) have closed and are currently in the evaluation stage. A portion of the project will be rephased to outer financial years. Funds will be reprioritised to other priority projects within the directorate once they are identified.
Coastal Park:Design and develop (MRF)	186 669 936	27 209 560	16 827 236	-10 382 324	186 669 936	Initial delays were as a result of tax clearance issues on tender 107Q (Construction), which have since been resolved. The contractor is now on site. Tender 301Q (Mechanical) has been awarded and is progressing well, however, the contractor wanted to increase the tender value on imported items due to the Russia/Ukraine conflict. A mediation process has been concluded with the current rates agreed upon.
Zandvliet WWTW - Extension	160 800 000	10 000 000	55 146 482	45 146 482	160 800 000	The project is ahead of schedule as more work has been completed than initially anticipated due to good performance of the service provider and project manager.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q1 (September 2022)

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Meter Replacement Programme	153 135 000	5 200 000	16 453 357	11 253 357	153 135 000	The project is ahead of schedule due to good performance of the service provider.
Replace & Upgrade Sewer Network	150 000 000	14 000 000	16 790 573	2 790 573	150 000 000	The project is progressing faster than anticipated due to good planning and management by the project manager.
Cape Flats Rehabilitation	141 412 220	5 000 000	20 267 409	15 267 409	141 412 220	The project is ahead of schedule due to good performance of the service provider.
Broadband Infrastructure Programme	141 336 566	17 540 643	4 394 090	-13 146 553	141 336 566	The appeal against term tender 131Q/2021/22 (Construction of optic fibre civils infrastructure) is the reason for the project being behind schedule. The project plan has been revised and implementation will occur when the tender is awarded.
System Equipment Replacement	139 286 468	28 954 519	53 742 375	24 787 856	144 626 468	Project ahead of schedule due to satisfactory contractor performance.
Urbanisation: Backyards/Infrm Settl Upgr	136 168 863	17 770 334	59 134 303	41 363 969	136 168 863	The project is ahead of schedule mainly due to good contractor performance on the Kosovo, Deep Freeze, Wolwerivier, and Enkanini South projects.
Morgen Gronde Switching Station	129 347 001	1 000 000	2 597 611	1 597 611	129 347 001	The project is ahead of schedule due to good contractor performance. Delays have, however, been experienced due to the rock-filling activity that has taken longer than anticipated. A Notice of Concern in respect of progress was issued to the builder. The builder has managed to make up some lost time and is still on track to complete the project on time.
Sir Lowry's Pass River Upgrade	115 000 000	209 200	22 751	-186 449	115 000 000	Orders have been placed; awaiting delivery of specialised equipment with long lead times. A Section 33 report has been submitted for approval.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q1 (September 2022)

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Triangle 132kV Upgrade	110 250 000	20 000	153 932	133 932	110 250 000	The project is progressing faster than anticipated due to satisfactory contractor performance. Land reservation for the new Triangle Switching Station has been completed with the land use application being submitted. Site preparations to facilitate the construction of the new building and access road were completed. The consultant for the building work has been appointed and both the Building Construction of Triangle Switching Station and 145kV GIS Switchgear tenders were awarded.
Replace & Upgrade Water Network	109 499 999	9 293 773	4 145 659	-5 148 114	109 499 999	Thirty-nine works projects, of which seven were advertised, have been identified for the financial year. The project is behind schedule as acceptance of these projects by contractors is taking longer than anticipated.
IRT Phase 2 A	108 286 747	2 533 534	-	-2 533 534	18 813 750	The negative variance is due to outstanding invoices, which the project manager is following up on. The latest programme indicates that additional funding will be required, which will be reprioritised in the January 2023 adjustments budget.
Land Acquisition (USDG)	90 053 341	2 524 050	-	-2 524 050	90 053 341	The final Marikana land acquisition has been completed, however, an amount of approximately R7.5 million is available as some of the sellers were non-VAT vendors while the budgeted purchase price was inclusive of VAT. Furthermore, the finalisation of the registration of acquisitions in Sir Lowry's Pass is taking longer than anticipated.
Atlantis Aquifer	90 000 000	-	2 730 730	2 730 730	90 000 000	The project is ahead of schedule due to good project management and performance of the service provider.
Athlone WWTW-Capacity Extension-phase 1	86 000 000	-	-	-	86 000 000	A new Section 33 report needs to be submitted for approval and appointment of a contractor, due to cancellation of the previous successful bidder on tender 376Q/2018/19.
Service Connections: Quote	77 422 500	10 413 601	17 388 405	6 974 804	77 422 500	This project is customer demand driven. Applications for new/upgraded supplies have been more than planned for the period under review.
Repl & Upgr Sewerage Pump Stations	71 200 000	8 350 000	5 307 137	-3 042 863	71 200 000	Orders have been placed for the upgrade- and replacement of pump stations city-wide. The delivery of components is taking longer than anticipated due to long lead times.
Bellville WWTW	59 900 000	5 975 000	15 095	-5 959 905	59 900 000	The impact of the cancellation of tenders 140C/2011/12 and 293C/2018/19 in the previous financial year has delayed the submission of Section 33 reports for tenders 3Q/2019/20 and 5Q/2019/20 in the current financial year. These reports have now been submitted for approval.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q1 (September 2022)

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Vehicles, Plant Equip: Additional	59 018 949	6 009 475	15 657 556	9 648 081	59 018 949	The project is ahead of schedule due to good project management and performance of the service provider.
Development of landfill infrastructure	58 853 960	1 332 196	134 632	-1 197 564	58 853 960	The project was initially behind schedule as a result of the site handover taking place later than anticipated. Construction is now underway.
	3 676 824 223	245 050 749	380 261 236	135 210 487	3 578 808 435	

COMMITMENTS AGAINST CASH AND INVESTMENTS

Cash and Investments

The cash and cash equivalents amount to R8 332 million for the month under review. This position is mainly due to the levels of cash realised in the 2021/22 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	19 040 886	17 859 893
Total Commitments	11 909 254	11 556 150
Unspent Conditional Grants	1 800 831	1 557 014
Housing Development	314 257	316 853
MTAB	27 389	27 507
Trust Funds	971	975
Insurance reserves	569 053	569 355
CRR / Revenue	5 763 142	5 650 835
Other contractual commitments	3 433 611	3 433 611
Uncommitted Funds	7 131 632	6 303 743
Closing Cash and Investment Balance	19 040 886	17 859 893
Non Current Investments	3 845 236	3 874 596
Current Investments	5 738 895	5 653 035
Cash and Cash Equivalents as per Cash flow statement (Table C7)	9 456 755	8 332 262

Details on the cash flow can be found in *Cash Flow* on page 37.

The City's investment portfolio breakdown can be found in *Investment portfolio* on page 62.

The monthly actual and targets can be found in *Actual and revised targets for cash receipts and cash flows* on page 70.

GRANT UTILISATION

Description	Budget Year 2022/23						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Total operating expenditure of Transfers and Grants	6 260 172	6 260 172	279 633	452 252	(172 619)	-38.2%	6 260 172
Total capital expenditure of Transfers and Grants	2 271 867	2 271 879	287 103	255 858	31 245	12.2%	2 183 617
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	8 532 039	8 532 052	566 736	708 109	(141 374)	-20.0%	8 443 789

Detailed information on transfers and grants per funding source is reflected in *Transfers and grants expenditure* on page 65.

CREDITORS**Creditors Analysis**

R thousands	Budget Year 2022/23								
	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	300	69	54	–	–	–	–	(45)	378

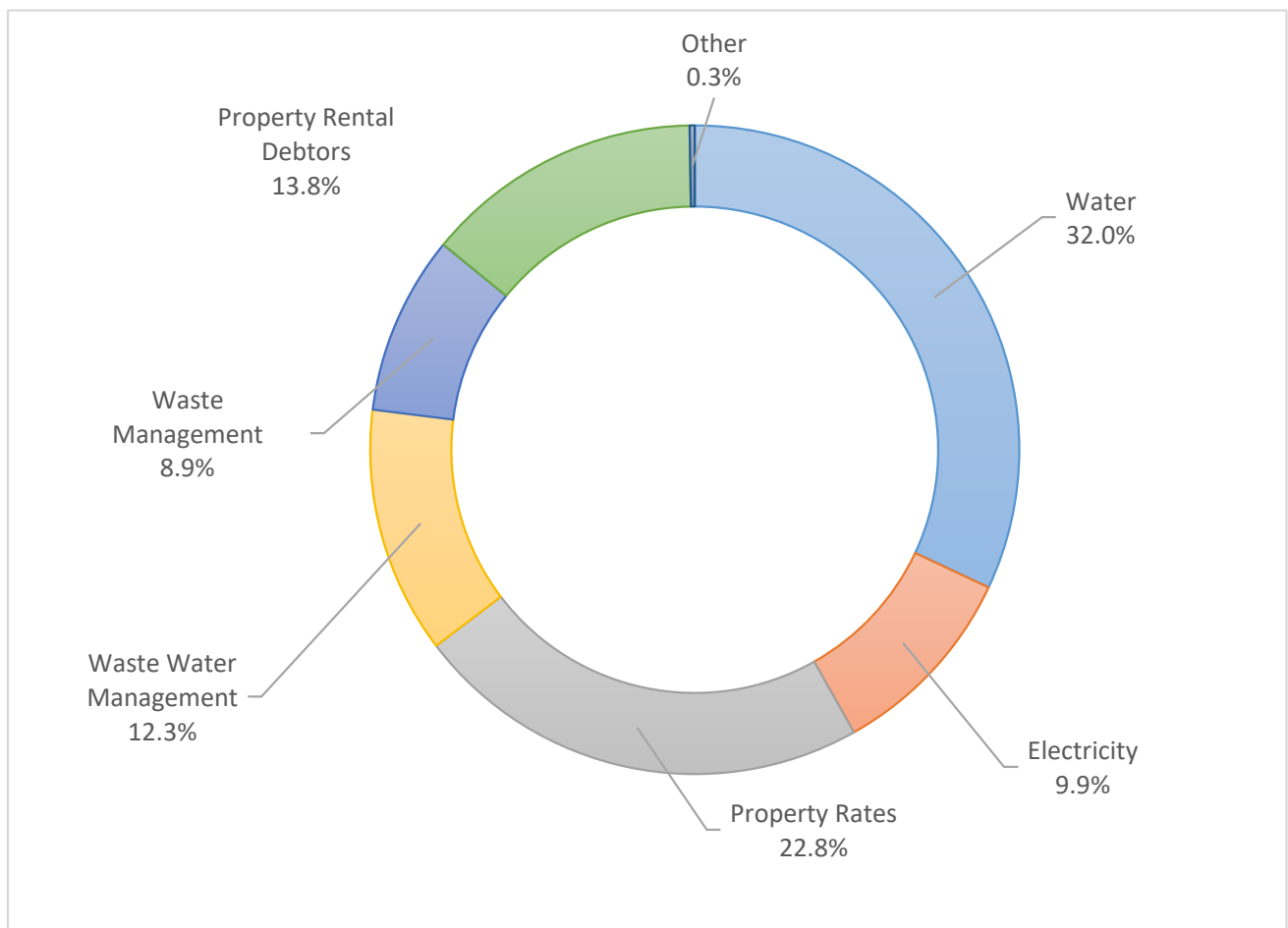
The City's creditors are paid within 30 days as stipulated in the MFMA. Creditors older than 31 days are largely due to blocked payments as a result of incorrect vendor banking details and outstanding amended credit notes from vendors.

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 2022/23								
	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	2 511 606	29.7%	18 811	0.2%	153 254	1.8%	5 780 917	68.3%	8 464 589
2021/22 - totals only	2 228 799	28.5%	104 596	1.3%	88 080	1.1%	5 391 629	69.0%	7 813 103
Movement	282 808		(85 785)		65 174		389 288		651 485
% Increase/(Decrease) year on year		12.7%		-82.0%		74.0%		7.2%	8.34%

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	R30 799 390.43	R1 927 530.36	R1 708 102.90	R1 306 447.23	R0.00	R12 144 884.04	R0.00	R1 449 176.36	R12 263 249.54	An instalment plan is in place and a settlement offer of R46.9 million is expected for six accounts as per correspondence received from the client's attorneys in August 2022. A payment of R1 556 447.23 was expected by 7 October 2022 but was not received.
Basfour 2295 (Pty) Ltd	R33 250 415.55	R4 221 054.33	R3 886 065.60	R0.00	R0.00	R2 790 272.68	R0.00	R6 774 603.57	R15 578 419.37	An instalment plan is in place and a settlement offer of R46.9 million is expected for six accounts as per correspondence received from the client's attorneys in August 2022. The last payment of R4 218 098.90 was received on 2 September 2022 with the next payment of R4 136 065.60 expected by 15 October 2022.
Transnet Limited	R13 306 727.12	R126 672.90	R85 868.14	R166 103.44	R98 583.92	R11 684 218.01	R1 145 280.71	R0.00	R0.00	The water meter has been located and actual reading obtained. However, there are payments that have been returned back to the client, due to inaccurate transaction codes. This was acknowledged by the client in a meeting held on 7 October 2022. The client will rectify that within the next reporting period.
Cape Town Community Housing Co (Pty) Ltd	R13 282 822.76	R311 028.14	R283 224.95	R292 580.89	R270 788.69	R275 604.36	R294 397.65	R1 913 598.40	R9 641 599.68	There are numerous subdivided portions of this development that are awaiting registration and ownership transfer. The developer has consistently declined to pay the account. The Valuations Department has confirmed that the developer is responsible for the unregistered portions. A panel of attorneys have been appointed to assist.
Transnet Ltd	R12 175 273.01	R80 621.04	R81 021.18	R80 522.39	R80 061.03	R71 861.59	R244 933.95	R3 884 876.38	R7 651 375.45	Transnet will be reminded of the need to pay the account as they are aware that they need to install private sub meters for the various tenants at Bellville Station. No response has yet been received on this matter. The last payment was in July 2018.
Cornucopia Trust	R19 356 242.18	R2 706 316.54	R2 509 399.42	R2 362 537.29	R0.00	R1 493 775.46	R0.00	R6 829 894.20	R3 454 319.27	An instalment plan is in place and a settlement offer of R46.9 million is expected for six accounts as per correspondence received from the client's attorneys in August 2022. A payment of R5 121 936.71 was expected by 7 October 2022 but was not received.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q1 (September 2022)

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Warm Home Trading (Pty) Ltd	R 14 256 710.25	R 1 262 611.58	R 955 190.62	R 932 902.72	R 867 420.86	R 9 528 116.94	R 6 726.40	R 100 682.04	R 603 059.09	The client is non-responsive on emails requesting payment as well as requesting access to read the water meter as the account is based on estimated readings. The last payment was received in June 2022.
Cornucopia Trust	R 14 043 773.46	R 1 325 974.82	R 1 051 074.97	R 1 184 243.54	R 1 692 117.79	R 0.00	R 2 138 531.47	R 5 616 177.81	R 1 035 653.06	An instalment plan is in place and a settlement offer of R46.9 million is expected for six accounts as per correspondence received from the client's attorneys in August 2022. A payment amounting to R1 537 168.63 was made on 4 July 2022 and a payment of R678 486.34 was expected by 7 October 2022 but was not received.
Arabella S.A. Holdings (Pty) Ltd	R 10 669 174.11	R 0.00	-R 24 999.99	R 803 882.38	R 939 618.96	R 0.00	R 2 016 801.46	R 6 678 550.93	R 255 320.37	There is an active up to date arrangement of R25 000 per month.
S A Rail Commuter Corporation	R 12 682 536.15	R 1 001 961.70	R 994 099.96	R 998 349.93	R 934 519.56	R 897 656.85	R 1 143 374.00	R 6 712 574.15	R 0.00	An e-mail was sent to Prasa for payment.
TOTALS	R 173 823 065.02	R 12 963 771.41	R 11 529 047.75	R 8 127 569.81	R 4 883 110.81	R 38 886 389.93	R 6 990 045.64	R 39 960 133.84	R 50 482 995.83	

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 530 560.29	R 406 428.13	R 0.00	R 20 490 838.74	R 9 374 594.27	-R 3 031.00	R 30 799 390.43
Basfour 2295 (Pty) Ltd	R 0.00	R 33 474 415.55	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	-R 224 000.00	R 33 250 415.55
Transnet Limited	R 0.00	R 0.00	R 13 306 727.12	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 13 306 727.12
Cape Town Community Housing Co (Pty) Ltd	R 21.10	R 0.00	R 9 304.86	R 6 242.10	R 10 460.43	R 13 256 794.27	R 0.00	R 0.00	R 13 282 822.76
Transnet Ltd	R 0.00	R 0.00	R 6 592 337.82	R 5 583 474.40	R 0.00	R 0.00	R 0.00	-R 539.21	R 12 175 273.01
Cornucopia Trust	R 0.00	R 19 356 242.18	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 19 356 242.18
Warm Home Trading (Pty) Ltd	R 64.62	R 13 809 549.03	R 170 394.85	R 118 057.76	R 0.00	R 206 742.62	R 0.00	-R 48 098.63	R 14 256 710.25
Cornucopia Trust	R 0.00	R 0.00	R 1 235 451.50	R 1 491 793.07	R 0.00	R 9 197 832.40	R 2 119 453.49	-R 757.00	R 14 043 773.46
Arabella S.A. Holdings (Pty) Ltd	-R 24 999.99	R 0.00	R 1 206 673.80	R 961 057.87	R 0.00	R 6 915 042.97	R 1 613 147.68	-R 1 748.22	R 10 669 174.11
S A Rail Commuter Corporation	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 12 682 536.15	R 0.00	R 0.00	R 12 682 536.15

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 Trust	R8 466 695.58	R123 818.31	R125 671.32	R130 525.01	R139 549.62	R117 170.75	R130 733.17	R884 005.29	R6 815 222.11	On 31 August 2022, a meeting was held with the deputy minister of Agriculture, Land Reform and Rural Development, the Acting Land Claims Commissioner and the Regional Land Claims Commissioner. They advised that the funding to pay the City is available and they are in the process of engaging with the stakeholders on the best way to access it. A follow-up reminder will be sent.
Silvermist Mountain Lodge Body Corporat	R5 311 509.86	R123 248.02	R109 195.59	R93 308.44	R68 956.85	R118 601.54	R101 787.20	R1 163 450.57	R3 532 961.65	The client is making current payments on a monthly basis but has requested to pay R1 million as full and final settlement. This request has not been accepted. The client will be advised to enter into a payment arrangement until the debt is settled.
Body Corp Sandpiper Mansions	R3 341 562.56	R79 132.88	R191 239.64	R413.40	R56 667.46	R24 759.74	R55 253.98	R759 992.41	R2 174 103.05	The client received a debt remission benefit. The short term arrangement has expired. The client confirmed in writing that the body corporate lacks funds. Although the Manager: Debt Management is currently looking at other ways to assist the body corporate, the client's managing agent has been reminded to enter into a payment arrangement.
Coleman Industrial Park Body Corp	R2 574 710.74	R28 975.47	R47 562.88	R24 247.15	R26 808.15	R36 204.81	R35 846.68	R1 852 337.98	R522 727.62	An electricity supply has been disconnected. A further request for disconnection of water supply is due while handing over is delayed by the appointment of a panel of attorneys.
Arun Lifestyle Proprietary Limited	R2 551 977.44	R14 648.60	R118 010.18	R107 902.77	R112 487.19	R103 173.23	R104 168.26	R727 791.58	R1 263 795.63	An updated valuation of the property has been done; awaiting further processes which include billing adjustments.
Strawberry Place Body Corporate	R2 431 870.67	R36 539.22	R55 098.88	R67 580.57	R73 453.70	R87 460.83	R71 101.39	R669 168.65	R1 371 467.43	The Water & Sanitation Directorate has confirmed that the water rebate application has been rejected due to insufficient information from the client, however, a dunning lock was inserted and is valid until 5 December 2022 to allow the client time to provide the additional information.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q1 (September 2022)

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Sicelo Kimbili	R2 274 840.93	R45 106.96	R15 593.07	R15 536.17	R24 631.19	R25 758.59	R24 540.14	R173 961.12	R1 949 713.69	Water has been estimated for more than four years. The client was contacted and has agreed to enter into a payment arrangement as soon as actual readings are provided.
Monkey Valley Share Block Ltd	R2 136 377.02	R63 366.39	R64 658.35	R60 374.61	R53 378.56	R72 014.60	R97 366.42	R338 500.41	R1 386 717.68	The account has an active Interdict/ Spoliation Applications lock until 31 December 2022.
Matthew Machin	R1 996 959.07	R19 757.56	R19 597.03	R19 791.77	R18 812.50	R18 958.58	R19 637.18	R130 629.22	R1 749 775.23	A payment of R58 000 was made in July 2022 and an Insolvency lock is in place. An email has been sent to the liquidator to provide a status update.
G The Great Family Trust	R2 059 622.88	R46 459.93	R46 170.41	R48 065.74	R42 565.37	R47 835.68	R52 300.73	R350 810.30	R1 425 414.72	Water and electricity has been disconnected as the last payment was received in 2018. Communication with the client has been met with non-responsiveness.
TOTALS	R 33 146 126.75	R 581 053.34	R 792 797.35	R 567 745.63	R 617 310.59	R 651 938.35	R 692 735.15	R 7 050 647.53	R 22 191 898.81	

Top 10 Residential debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	Sundries	Security deposit	TOTAL
Ndabeni Communal Property Trust	R 31 480.38	R 0.00	R 8 913.61	R 8 913.61	R 8 487.18	R 7 690 044.04	R 718 856.76	R 0.00	R 8 466 695.58
Silvermist Mountain Lodge Body Corporat	R 18.24	R 4 677 170.44	R 574 106.29	R 0.00	R 60 214.89	R 0.00	R 0.00	R 0.00	R 5 311 509.86
Body Corp Sandpiper Mansions	R 940.96	R 0.00	R 1 600 933.78	R 1 402 667.66	R 337 020.16	R 0.00	R 0.00	R 0.00	R 3 341 562.56
Coleman Industrial Park Body Corp	R 772 904.16	R 161 546.29	R 854 025.83	R 609 965.98	R 182 416.48	R 0.00	R 0.00	-R 6 148.00	R 2 574 710.74
Arun Lifestyle Proprietary Limited	R 24.92	R 0.00	R 0.00	R 0.00	R 0.00	R 2 551 952.52	R 0.00	R 0.00	R 2 551 977.44
Strawberry Place Body Corporate	R 1 686.72	R 9 744.16	R 1 314 031.19	R 1 019 799.36	R 86 609.24	R 0.00	R 0.00	R 0.00	R 2 431 870.67
Sicelo Kimbili	R 1 848.60	R 0.00	R 2 131 581.22	R 108 232.42	R 10 784.25	R 22 394.44	R 0.00	R 0.00	R 2 274 840.93
Monkey Valley Share Block Ltd	R 24.93	R 0.00	R 1 387 558.82	R 4 403.18	R 0.00	R 744 390.09	R 0.00	R 0.00	R 2 136 377.02
Matthew Machin	R 439 815.15	R 19 105.30	R 441 184.54	R 35 104.58	R 38 558.82	R 1 023 190.68	R 0.00	R 0.00	R 1 996 959.07
G The Great Family Trust	R 1 853.10	R 567 949.33	R 329 228.85	R 76 766.77	R 8 797.26	R 1 075 027.57	R 0.00	R 0.00	R 2 059 622.88

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	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Financial Performance								
Property rates	10 651 829	11 519 486	11 519 486	2 898 802	2 880 003	18 799	0.7%	11 517 470
Service charges	23 028 320	24 565 228	24 565 228	6 553 558	6 415 446	138 112	2.2%	24 479 413
Investment revenue	977 254	1 118 566	1 118 566	293 326	278 973	14 353	5.1%	1 103 356
Transfers and subsidies	5 820 598	6 260 172	6 260 172	1 751 808	1 842 996	(91 189)	-4.9%	6 345 501
Other own revenue	11 203 563	9 822 523	9 822 523	2 160 142	2 445 628	(285 486)	-11.7%	9 715 767
Total Revenue (excluding capital transfers and contributions)	51 681 565	53 285 975	53 285 975	13 657 635	13 863 046	(205 411)	-1.5%	53 161 507
Employee costs	15 255 905	17 322 936	17 337 211	3 592 232	3 936 731	(344 500)	-8.8%	16 282 996
Remuneration of Councillors	165 163	176 133	176 133	46 922	46 074	848	1.8%	176 133
Depreciation & asset impairment	3 056 503	3 208 222	3 208 221	795 944	795 737	207	0.0%	3 217 697
Finance charges	776 622	862 999	862 999	175 182	206 876	(31 694)	-15.3%	863 240
Inventory consumed and bulk purchases	17 346 967	17 565 690	17 562 465	3 624 743	4 084 272	(459 529)	-11.3%	17 420 181
Transfers and subsidies	406 842	391 480	388 831	76 864	72 040	4 824	6.7%	406 913
Other expenditure	13 636 658	14 269 591	14 261 187	2 438 835	2 524 623	(85 787)	-3.4%	14 572 710
Total Expenditure	50 644 660	53 797 051	53 797 046	10 750 722	11 666 352	(915 630)	-7.8%	52 939 871
Surplus/(Deficit)	1 036 905	(511 076)	(511 072)	2 906 913	2 196 694	710 218	32.3%	221 635
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 654 020	2 171 013	2 171 013	273 915	244 314	29 601	12.1%	2 199 527
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)	212 260	100 854	100 866	13 188	10 161	3 027	29.8%	94 141
Surplus/(Deficit) after capital transfers & contributions	2 903 185	1 760 790	1 760 808	3 194 016	2 451 169	742 847	30.3%	2 515 304
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	2 903 185	1 760 790	1 760 808	3 194 016	2 451 169	742 847	30.3%	2 515 304
Capital expenditure & funds sources								
Capital expenditure	5 426 192	7 507 319	7 759 512	805 861	735 231	70 630	9.6%	7 556 823
Capital transfers recognised	1 701 131	2 271 867	2 271 879	287 103	255 858	31 245	12.2%	2 183 617
Borrowing	994 517	2 000 000	2 000 000	142 521	95 634	46 887	49.03%	1 986 655
Internally generated funds	2 730 544	3 235 452	3 487 632	376 236	383 739	(7 503)	-2.0%	3 386 551
Total sources of capital funds	5 426 192	7 507 319	7 759 512	805 861	735 231	70 630	9.6%	7 556 823
Financial position								
Total current assets	19 168 478	14 594 517	17 494 285	18 560 675				17 494 285
Total non current assets	63 436 017	68 257 103	67 509 296	63 251 053				67 509 296
Total current liabilities	11 177 326	10 307 659	12 459 620	8 255 531				12 459 620
Total non current liabilities	12 651 891	14 437 050	14 437 050	12 529 676				14 437 050
Community wealth/Equity	58 775 278	58 106 911	58 106 912	61 026 521				58 106 912
Cash flows								
Net cash from (used) operating	5 978 008	5 106 527	5 106 539	1 365 620	1 280 726	(84 894)	-6.6%	5 106 539
Net cash from (used) investing	(5 437 471)	(6 818 047)	(7 070 239)	(1 199 020)	(2 139 250)	(940 230)	44.0%	(7 070 239)
Net cash from (used) financing	(371 495)	589 849	589 849	(129 481)	(129 481)	–	–	589 849
Cash/cash equivalents at the month/year end	8 295 143	6 021 524	6 921 291	8 332 262	7 307 139	(1 025 124)	-14.0%	6 921 291
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	2 511 606	18 811	153 254	149 314	203 575	1 123 032	4 077 831	8 464 589
Creditors Age Analysis								
Total Creditors	300	69	54	–	–	–	(45)	378

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	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Revenue - Functional</u>								
<i>Governance and administration</i>	16 648 758	17 786 194	17 786 206	4 814 292	4 802 259	12 033	0.3%	17 786 217
Executive and council	17 162	1 372	1 372	236	85	151	179.0%	1 372
Finance and administration	16 631 593	17 784 818	17 784 830	4 814 052	4 802 174	11 878	0.2%	17 784 842
Internal audit	3	3	3	4	1	3	358.3%	3
<i>Community and public safety</i>	4 507 540	4 000 007	4 000 007	946 947	927 399	19 549	2.1%	3 993 432
Community and social services	98 136	104 197	104 197	33 464	28 618	4 846	16.9%	104 164
Sport and recreation	42 933	66 919	66 919	8 795	15 449	(6 654)	-43.1%	66 919
Public safety	2 333 791	1 706 432	1 706 432	469 672	406 460	63 212	15.6%	1 699 890
Housing	1 550 083	1 623 592	1 623 592	356 744	353 669	3 075	0.9%	1 623 592
Health	482 598	498 867	498 867	78 273	123 202	(44 930)	-36.5%	498 867
<i>Economic and environmental services</i>	1 888 397	2 307 254	2 307 254	383 870	396 884	(13 015)	-3.3%	2 307 255
Planning and development	523 486	552 759	552 759	125 046	127 829	(2 782)	-2.2%	552 759
Road transport	1 309 425	1 709 236	1 709 236	254 766	263 836	(9 071)	-3.4%	1 709 236
Environmental protection	55 486	45 259	45 259	4 058	5 220	(1 162)	-22.3%	45 259
<i>Trading services</i>	30 502 896	31 459 089	31 459 089	7 798 752	7 989 656	(190 904)	-2.4%	31 362 975
Energy sources	16 665 828	17 775 482	17 775 482	5 081 206	4 912 232	168 973	3.4%	17 775 482
Water management	9 760 350	8 510 472	8 510 472	1 349 402	1 728 507	(379 105)	-21.9%	8 510 472
Waste water management	2 237 638	3 177 244	3 177 244	847 580	788 571	59 009	7.5%	3 171 458
Waste management	1 839 080	1 995 890	1 995 890	520 564	560 346	(39 782)	-7.1%	1 905 562
<i>Other</i>	253	5 298	5 298	877	1 322	(446)	-33.7%	5 297
Total Revenue - Functional	53 547 845	55 557 841	55 557 854	13 944 738	14 117 521	(172 783)	-1.2%	55 455 175
<u>Expenditure - Functional</u>								
<i>Governance and administration</i>	7 903 220	2 963 104	2 959 740	828 798	487 900	340 898	69.9%	2 885 934
Executive and council	593 056	173 918	174 088	22 571	30 689	(8 118)	-26.5%	173 998
Finance and administration	7 258 452	2 786 198	2 782 665	806 227	456 497	349 730	76.6%	2 708 949
Internal audit	51 712	2 988	2 988	(0)	714	(714)	-100.0%	2 988
<i>Community and public safety</i>	10 349 559	13 136 483	13 128 019	2 529 616	2 818 776	(289 159)	-10.3%	12 769 268
Community and social services	1 033 625	1 899 826	1 899 318	377 653	425 917	(48 263)	-11.3%	1 899 314
Sport and recreation	1 367 622	1 991 079	1 990 667	364 832	420 934	(56 103)	-13.3%	1 991 357
Public safety	4 634 871	5 246 351	5 236 123	970 211	1 076 736	(106 524)	-9.9%	4 876 690
Housing	1 801 020	2 189 567	2 190 719	431 164	462 086	(30 922)	-6.7%	2 190 716
Health	1 512 421	1 809 659	1 811 191	385 756	433 103	(47 346)	-10.9%	1 811 191
<i>Economic and environmental services</i>	5 402 304	6 492 526	6 504 612	1 266 186	1 299 784	(33 599)	-2.6%	6 476 955
Planning and development	1 403 730	1 738 251	1 738 037	370 513	394 432	(23 919)	-6.1%	1 712 287
Road transport	3 726 776	4 431 267	4 443 516	829 204	833 946	(4 742)	-0.6%	4 441 659
Environmental protection	271 798	323 008	323 058	66 469	71 407	(4 938)	-6.9%	323 008
<i>Trading services</i>	26 789 545	31 016 671	31 016 545	6 088 545	7 019 480	(930 935)	-13.3%	30 619 453
Energy sources	15 499 565	17 360 287	17 360 287	4 143 591	4 368 922	(225 331)	-5.2%	17 360 287
Water management	8 460 931	7 480 308	7 478 858	976 778	1 378 288	(401 510)	-29.1%	7 417 867
Waste water management	1 906 466	4 153 482	4 154 805	779 907	920 173	(140 266)	-15.2%	4 128 598
Waste management	922 583	2 022 595	2 022 595	188 268	352 096	(163 828)	-46.5%	1 712 702
<i>Other</i>	200 032	188 261	188 131	37 578	40 412	(2 834)	-7.0%	188 261
Total Expenditure - Functional	50 644 660	53 797 046	53 797 046	10 750 722	11 666 352	(915 630)	-7.8%	52 939 871
Surplus/ (Deficit) for the year	2 903 185	1 760 795	1 760 807	3 194 016	2 451 169	742 847	30.3%	2 515 304

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	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue by Vote								
Vote 1 - Community Services & Health	1 105 900	1 033 395	1 033 395	181 844	255 884	(74 040)	-28.9%	1 033 395
Vote 2 - Corporate Services	87 995	70 505	70 518	9 678	16 306	(6 629)	-40.7%	70 518
Vote 3 - Economic Growth	294 969	303 782	303 782	54 923	70 388	(15 464)	-22.0%	303 750
Vote 4 - Energy	16 417 785	17 626 588	17 626 588	5 023 083	4 854 142	168 941	3.5%	17 626 588
Vote 5 - Finance	17 789 452	17 075 935	17 075 935	4 731 746	4 684 383	47 363	1.0%	17 075 935
Vote 6 - Future Planning & Resilience	34 799	61 932	61 932	1 917	768	1 149	149.7%	61 932
Vote 7 - Human Settlements	1 288 801	1 623 584	1 623 584	356 744	353 667	3 077	0.9%	1 623 584
Vote 8 - Office of the City Manager	17 094	824	824	316	23	293	1280.1%	824
Vote 9 - Safety & Security	2 372 930	1 763 850	1 763 850	487 388	415 758	71 630	17.2%	1 757 308
Vote 10 - Spatial Planning & Environment	482 283	498 030	498 030	119 356	116 646	2 710	2.3%	498 030
Vote 11 - Urban Mobility	1 288 185	1 756 273	1 756 273	252 644	266 379	(13 735)	-5.2%	1 756 273
Vote 12 - Urban Waste Management	1 407 356	2 022 324	2 022 324	520 567	561 005	(40 438)	-7.2%	1 932 006
Vote 13 - Water & Sanitation	10 960 296	11 720 819	11 720 819	2 204 531	2 522 172	(317 641)	-12.6%	11 715 033
Total Revenue by Vote	53 547 845	55 557 842	55 557 854	13 944 738	14 117 521	(172 783)	-1.2%	55 455 175
Expenditure by Vote								
Vote 1 - Community Services & Health	4 130 899	4 435 582	4 435 579	806 821	938 583	(131 762)	-14.0%	4 435 579
Vote 2 - Corporate Services	2 921 407	3 347 229	3 347 228	733 436	712 850	20 586	2.9%	3 347 228
Vote 3 - Economic Growth	653 510	711 443	711 443	143 310	159 458	(16 148)	-10.1%	711 323
Vote 4 - Energy	14 136 256	15 248 998	15 248 998	3 629 347	3 851 516	(222 168)	-5.8%	15 248 998
Vote 5 - Finance	2 945 125	3 295 289	3 295 289	788 854	846 447	(57 592)	-6.8%	3 295 289
Vote 6 - Future Planning & Resilience	434 653	560 878	560 878	91 840	98 815	(6 974)	-7.1%	560 878
Vote 7 - Human Settlements	1 432 260	1 545 840	1 545 840	290 932	305 124	(14 192)	-4.7%	1 545 840
Vote 8 - Office of the City Manager	486 976	472 208	472 208	98 658	108 201	(9 543)	-8.8%	472 208
Vote 9 - Safety & Security	5 170 329	5 166 367	5 166 367	962 847	1 000 444	(37 597)	-3.8%	4 802 497
Vote 10 - Spatial Planning & Environment	1 152 131	1 274 335	1 274 335	267 060	277 793	(10 733)	-3.9%	1 248 848
Vote 11 - Urban Mobility	3 582 776	3 848 458	3 848 458	713 572	672 924	40 649	6.0%	3 848 458
Vote 12 - Urban Waste Management	3 138 453	3 340 398	3 340 398	642 243	673 434	(31 190)	-4.6%	2 984 601
Vote 13 - Water & Sanitation	10 459 885	10 550 026	10 550 026	1 581 799	2 020 765	(438 966)	-21.7%	10 438 125
Total Expenditure by Vote	50 644 660	53 797 052	53 797 046	10 750 722	11 666 352	(915 630)	-7.8%	52 939 871
Surplus/ (Deficit) for the year	2 903 185	1 760 790	1 760 807	3 194 016	2 451 169	742 847	30.3%	2 515 304

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

Financial Performance (revenue by source and expenditure by type)

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

Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Property rates	10 651 829	11 519 486	11 519 486	2 898 802	2 880 003	18 799	0.7%	11 517 470
Service charges - electricity revenue	16 275 591	17 241 469	17 241 469	4 906 574	4 757 498	149 076	3.1%	17 241 464
Service charges - water revenue	3 670 013	3 928 012	3 928 012	877 996	876 729	1 267	0.1%	3 927 853
Service charges - sanitation revenue	1 841 919	2 014 506	2 014 506	448 039	441 334	6 705	1.5%	2 014 506
Service charges - refuse revenue	1 240 798	1 381 241	1 381 241	320 948	339 885	(18 936)	-5.6%	1 295 590
Rental of facilities and equipment	382 647	389 180	389 180	92 453	99 483	(7 030)	-7.1%	391 945
Interest earned - external investments	977 254	1 118 566	1 118 566	293 326	278 973	14 353	5.1%	1 103 356
Interest earned - outstanding debtors	369 842	367 515	367 515	97 904	105 351	(7 447)	-7.1%	366 906
Dividends received	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	1 926 090	1 262 193	1 262 193	459 202	399 163	60 039	15.0%	1 243 044
Licences and permits	45 490	73 251	73 251	11 431	12 661	(1 229)	-9.7%	48 678
Agency services	262 094	271 616	271 616	66 613	66 132	481	0.7%	267 195
Transfers and subsidies	5 820 598	6 260 172	6 260 172	1 751 808	1 842 996	(91 189)	-4.9%	6 345 501
Other revenue	3 323 291	3 466 403	3 466 403	1 153 004	1 095 613	57 390	5.2%	3 405 112
Gains	4 894 111	3 992 365	3 992 365	279 535	667 225	(387 690)	-58.1%	3 992 887
Total Revenue (excluding capital transfers and contributions)	51 681 565	53 285 975	53 285 975	13 657 635	13 863 046	(205 411)	-1.5%	53 161 507
Expenditure By Type								
Employee related costs	15 255 905	17 322 936	17 337 211	3 592 232	3 936 731	(344 500)	-8.8%	16 282 996
Remuneration of councillors	165 163	176 133	176 133	46 922	46 074	848	1.8%	176 133
Debt impairment	2 842 836	2 316 909	2 316 909	512 263	512 275	(12)	0.0%	2 646 168
Depreciation & asset impairment	3 056 503	3 208 222	3 208 221	795 944	795 737	207	0.0%	3 217 697
Finance charges	776 622	862 999	862 999	175 182	206 876	(31 694)	-15.3%	863 240
Bulk purchases - electricity	11 561 609	12 350 900	12 350 900	3 008 720	3 194 435	(185 715)	-5.8%	12 350 900
Inventory consumed	5 785 358	5 214 790	5 211 565	616 024	889 837	(273 814)	-30.8%	5 069 281
Contracted services	7 734 377	8 572 922	8 579 846	1 251 634	1 243 222	8 412	0.7%	8 576 309
Transfers and subsidies	406 842	391 480	388 831	76 864	72 040	4 824	6.7%	406 913
Other expenditure	2 442 207	2 927 064	2 911 735	648 063	700 257	(52 194)	-7.5%	2 896 185
Losses	617 238	452 697	452 697	26 875	68 869	(41 994)	-61.0%	454 049
Total Expenditure	50 644 660	53 797 051	53 797 046	10 750 722	11 666 352	(915 630)	-7.8%	52 939 871
Surplus/(Deficit)	1 036 905	(511 076)	(511 072)	2 906 913	2 196 694	710 218	32.3%	221 635
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 654 020	2 171 013	2 171 013	273 915	244 314	29 601	12.1%	2 199 527
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	209 780	100 854	100 866	13 188	10 161	3 027	29.8%	94 141
Transfers and subsidies - capital (in-kind - all)	2 480	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	2 903 185	1 760 790	1 760 808	3 194 016	2 451 169			2 515 304
Taxation	–	–	–	–	–			–
Surplus/(Deficit) after taxation	2 903 185	1 760 790	1 760 808	3 194 016	2 451 169			2 515 304
Attributable to minorities	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality	2 903 185	1 760 790	1 760 808	3 194 016	2 451 169			2 515 304
Share of surplus/ (deficit) of associate	–	–	–	–	–			–
Surplus/ (Deficit) for the year	2 903 185	1 760 790	1 760 808	3 194 016	2 451 169			2 515 304

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	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Multi-Year expenditure appropriation								
Vote 1 - Community Services & Health	272 395	244 533	259 811	25 569	31 771	(6 202)	-19.5%	256 323
Vote 2 - Corporate Services	412 747	395 619	409 745	28 182	43 186	(15 004)	-34.7%	401 614
Vote 3 - Economic Growth	46 999	48 748	53 069	3 796	11 075	(7 279)	-65.7%	52 666
Vote 4 - Energy	754 877	1 052 059	1 088 067	163 281	129 847	33 434	25.7%	1 077 633
Vote 5 - Finance	16 290	18 129	18 178	5 149	2 584	2 565	99.2%	18 304
Vote 6 - Future Planning & Resilience	39 103	26 415	27 558	989	4 873	(3 883)	-79.7%	27 308
Vote 7 - Human Settlements	892 564	884 428	910 682	159 921	124 565	35 356	28.4%	910 082
Vote 8 - Office of the City Manager	5 961	13 329	14 163	468	349	119	34.2%	14 163
Vote 9 - Safety & Security	192 797	236 735	242 541	20 112	9 495	10 616	111.8%	242 191
Vote 10 - Spatial Planning & Environment	99 615	217 455	228 274	28 789	34 545	(5 757)	-16.7%	242 244
Vote 11 - Urban Mobility	651 164	1 379 126	1 436 184	77 607	170 483	(92 876)	-54.5%	1 289 479
Vote 12 - Urban Waste Management	327 566	647 002	694 253	28 796	39 563	(10 767)	-27.2%	652 750
Vote 13 - Water & Sanitation	1 714 114	2 343 741	2 376 985	263 201	132 895	130 306	98.1%	2 372 067
Total Capital Expenditure	5 426 192	7 507 319	7 759 512	805 861	735 231	70 630	9.6%	7 556 823
Capital Expenditure - Functional Classification								
Governance and administration	1 039 906	1 171 731	1 232 762	95 710	100 803	(5 093)	-5.1%	1 211 722
Executive and council	5 162	18 166	22 578	561	477	83	17.4%	22 277
Finance and administration	1 034 488	1 153 487	1 210 105	95 149	100 326	(5 177)	-5.2%	1 189 366
Internal audit	256	79	79	—	—	—	-	79
Community and public safety	1 195 637	1 223 732	1 259 163	181 107	152 416	28 691	18.8%	1 257 025
Community and social services	65 703	55 398	62 814	7 142	9 511	(2 369)	-24.9%	62 133
Sport and recreation	74 378	93 090	95 576	4 214	5 879	(1 665)	-28.3%	94 113
Public safety	129 148	167 415	168 742	8 487	4 067	4 421	108.7%	168 997
Housing	876 563	870 578	892 168	158 740	121 691	37 049	30.4%	892 068
Health	49 845	37 250	39 864	2 524	11 269	(8 745)	-77.6%	39 714
Economic and environmental services	739 095	1 589 981	1 659 961	106 043	204 237	(98 194)	-48.1%	1 527 276
Planning and development	105 541	127 118	130 972	9 454	16 672	(7 218)	-43.3%	142 961
Road transport	593 902	1 324 240	1 380 748	75 843	164 632	(88 789)	-53.9%	1 234 243
Environmental protection	39 652	138 623	148 241	20 746	22 933	(2 187)	-9.5%	150 072
Trading services	2 450 505	3 515 725	3 607 490	423 000	277 774	145 225	52.3%	3 560 665
Energy sources	753 036	1 045 059	1 080 912	163 281	129 692	33 589	25.9%	1 073 478
Water management	670 076	879 104	898 979	124 057	59 632	64 425	108.0%	898 979
Waste water management	882 852	1 233 422	1 234 749	109 865	54 242	55 622	102.5%	1 230 860
Waste management	144 542	358 139	392 851	25 797	34 208	(8 411)	-24.6%	357 348
Other	1 048	6 150	135	1	—	1	100.00%	135
Total Capital Expenditure - Functional Classification	5 426 192	7 507 319	7 759 512	805 861	735 231	70 630	9.6%	7 556 823
Funded by:								
National Government	1 626 427	2 165 521	2 165 528	272 423	245 397	27 026	11.0%	2 077 265
Provincial Government	27 609	5 492	5 492	1 492	300	1 192	397.4%	5 492
Other transfers and grants	47 095	100 854	100 860	13 188	10 161	3 027	29.8%	100 860
Transfers recognised - capital	1 701 131	2 271 867	2 271 879	287 103	255 858	31 245	12.2%	2 183 617
Borrowing	994 517	2 000 000	2 000 000	142 521	95 634	46 887	49.03%	1 986 655
Internally generated funds	2 730 544	3 235 452	3 487 632	376 236	383 739	(7 503)	-2.0%	3 386 551
Total Capital Funding	5 426 192	7 507 319	7 759 512	805 861	735 231	70 630	9.6%	7 556 823

Financial Position

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

Description	2021/22	Budget Year 2022/23			
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
<u>ASSETS</u>					
Current assets					
Cash	301 457	96 396	96 396	443 809	96 396
Call investment deposits	10 739 893	6 924 764	9 824 532	10 739 893	9 824 532
Consumer debtors	6 051 470	6 396 636	6 396 636	5 946 052	6 396 636
Other debtors	1 642 190	682 375	682 375	957 072	682 375
Current portion of long-term receivables	3 246	93	93	3 246	93
Inventory	430 223	494 253	494 253	470 603	494 253
Total current assets	19 168 478	14 594 517	17 494 285	18 560 675	17 494 285
Non current assets					
Long-term receivables	6 485	122	122	4 922	122
Investments	6 837 924	6 875 252	5 875 252	6 644 606	5 875 252
Investment property	577 820	576 147	576 147	577 820	576 147
Investments in Associate	–	–	–	–	–
Property, plant and equipment	55 381 920	60 355 266	60 603 142	55 391 837	60 603 142
Biological	–	–	–	–	–
Intangible	621 600	439 143	443 459	621 600	443 459
Other non-current assets	10 268	11 173	11 173	10 268	11 173
Total non current assets	63 436 017	68 257 103	67 509 296	63 251 053	67 509 296
TOTAL ASSETS	82 604 495	82 851 621	85 003 581	81 811 728	85 003 581
<u>LIABILITIES</u>					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	1 426 476	1 808 361	1 808 361	1 426 476	1 808 361
Consumer deposits	488 005	571 504	571 504	477 238	571 504
Trade and other payables	7 570 587	6 391 580	8 543 540	4 659 589	8 543 540
Provisions	1 692 258	1 536 214	1 536 214	1 692 228	1 536 214
Total current liabilities	11 177 326	10 307 659	12 459 620	8 255 531	12 459 620
Non current liabilities					
Borrowing	5 220 709	6 624 774	6 624 774	5 098 495	6 624 774
Provisions	7 431 182	7 812 276	7 812 276	7 431 182	7 812 276
Total non current liabilities	12 651 891	14 437 050	14 437 050	12 529 676	14 437 050
TOTAL LIABILITIES	23 829 217	24 744 710	26 896 670	20 785 207	26 896 670
NET ASSETS	58 775 278	58 106 911	58 106 911	61 026 521	58 106 911
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)	53 394 463	53 332 902	53 432 738	55 762 420	53 432 738
Reserves	5 380 815	4 774 009	4 674 173	5 264 101	4 674 173
TOTAL COMMUNITY WEALTH/EQUITY	58 775 278	58 106 911	58 106 912	61 026 521	58 106 912

Cash Flow

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

Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	10 358 743	11 116 304	11 116 304	3 073 882	2 766 330	307 552	11.1%	11 116 304
Service charges	23 526 030	23 922 286	23 922 286	6 305 773	6 168 671	137 103	2.2%	23 922 286
Other revenue	3 018 242	4 559 563	4 559 563	1 714 326	1 315 350	398 976	30.3%	4 559 563
Transfers and Subsidies - Operational	5 203 436	6 260 172	6 260 172	2 184 685	2 165 221	19 464	0.9%	6 260 172
Transfers and Subsidies - Capital	1 374 421	2 271 867	2 271 879	446 849	852 317	(405 468)	-47.6%	2 271 879
Interest	1 432 200	1 118 566	1 118 566	287 390	266 205	21 185	8.0%	1 118 566
Dividends	–	–	–	–	–	–	–	–
Payments								
Suppliers and employees	(38 232 596)	(43 339 074)	(43 339 074)	(12 480 042)	(12 039 863)	440 179	-3.7%	(42 947 594)
Finance charges	(702 468)	(803 157)	(803 157)	(167 244)	(213 505)	(46 261)	21.7%	(803 157)
Transfers and Grants	–	–	–	–	–	–	–	(391 480)
NET CASH FROM/(USED) OPERATING ACTIVITIES	5 978 008	5 106 527	5 106 539	1 365 620	1 280 726	(84 894)	-6.6%	5 106 539
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	71 208	54 742	54 742	–	–	–	–	54 742
Decrease (increase) in non-current receivables	12 851	751	751	–	–	–	–	751
Decrease (increase) in non-current investments	(71 280)	633 780	633 780	–	–	–	–	633 780
Payments								
Capital assets	(5 450 250)	(7 507 319)	(7 759 512)	(1 199 020)	(2 139 250)	(940 230)	44.0%	(7 759 512)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(5 437 471)	(6 818 047)	(7 070 239)	(1 199 020)	(2 139 250)	(940 230)	44.0%	(7 070 239)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	2 000 000	2 000 000	–	–	–	–	2 000 000
Increase (decrease) in consumer deposits	–	28 010	28 010	–	–	–	–	28 010
Payments								
Repayment of borrowing	(371 495)	(1 438 161)	(1 438 161)	(129 481)	(129 481)	–	–	(1 438 161)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(371 495)	589 849	589 849	(129 481)	(129 481)	–	–	589 849
NET INCREASE/ (DECREASE) IN CASH HELD	169 042	(1 121 671)	(1 373 852)	37 119	(988 004)			(1 373 852)
Cash/cash equivalents at beginning:	8 126 100	7 143 195	8 295 143	8 295 143	8 295 143			8 295 143
Cash/cash equivalents at month/year end:	8 295 143	6 021 524	6 921 291	8 332 262	7 307 139			6 921 291

SUPPORTING TABLES

Material variance explanations for operating revenue by source and by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>				
Property rates	18 799	0.65%	Immaterial variance.	-
Service charges - electricity revenue	149 076	3.13%	The over-recovery is mainly due to seasonal fluctuations in the new Time-of-Use tariffs, in particular the winter tariffs.	No immediate corrective action required.
Service charges - water revenue	1 267	0.14%	Immaterial variance.	-
Service charges - sanitation revenue	6 705	1.52%	Immaterial variance.	-
Service charges - refuse revenue	(18 936)	-5.57%	Immaterial variance	-
Rental of facilities and equipment	(7 030)	-7.07%	Immaterial variance.	-
Interest earned - external investments	14 353	5.15%	Immaterial variance.	-

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>				
Interest earned - outstanding debtors	(7 447)	-7.07%	Immaterial variance.	-
Fines, penalties and forfeits	60 039	15.04%	The variance is mainly on Traffic Fines as a result of more than planned traffic fines issued to date.	No immediate corrective action required.
Licences and permits	(1 229)	-9.71%	Immaterial variance.	-
Agency services	481	0.73%	Immaterial variance.	-
Transfers and subsidies	(91 189)	-4.95%	<p>The variance is a combination of over-/under-recovery in the following directorates:</p> <ol style="list-style-type: none"> 1. Community Services & Health (under), due to outstanding invoices from the Western Cape Government (WCG) as well as invoices received after month-end. 2. Human Settlements (under), mainly on: <ol style="list-style-type: none"> a) Grant and Subsidies (National), due to numerous grant-funded vacancies within various projects, outstanding invoices for Informal Settlement Planning as well as Dido Valley land claim delays. b) Grant and Subsidies (Provincial), due to: <ol style="list-style-type: none"> (i) Outstanding invoices for works rendered on the Gugulethu Infill and Valhalla Park Integrated Housing projects; (ii) Delays in appointment of contractors as the civil infrastructure portion of the Edward Street: Grassy Park, Sir Lowry's Pass HSDG and Macassar BNG Housing projects are still ongoing; (iii) Delays on the Belhar/Pentech Infill Housing project due to contractual issues, which have since been resolved; and iv) Sheffield Road Housing Project, which still requires MoA amendments. 3. Finance (over), where actuals were posted to the Finance Directorate instead of to the Community Services & Health Directorate. 4. Urban Waste Management (under), due to initial delays in signing up the number of EPWP members as per quota requirements. 	<p>Outstanding invoices to be processed after receipt and verification.</p> <p>Period budget provisions to be reviewed.</p> <p>Incorrect postings to be addressed in the next reporting period.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>				
Other revenue	57 390	5.24%	The variance is mainly on: 1. Development Levies, where revenue is dependent on property development, which is difficult to predict. 2. Busfares Transit products, due to higher than anticipated revenue on the N2 Express Way routes. 3. Recoveries of Operational Expenditure, where the actual billing relating to the Koeberg Disaster Recovery tariff is higher than the planned value.	Koeberg Disaster Recovery Tariff budget to be reviewed in the mid-year review and performance assessment process.
Gains	(387 690)	-58.10%	The variance reflects mainly against Inventory consumed: Price Adjustment Bulk Water and Price Adjustment Raw Water, due to misalignment of the periodic plan, and outstanding accounts from National Department of Water & Sanitation impacting the water inventory accounts. Updated accounts will only be received in future periods.	Period budgets to be aligned. Outstanding accounts to be processed on receipt.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 1 - Community Services & Health	(74 040)	-28.9%	The variance is a combination of over-/under-recovery mainly on: 1. Fines, Penalties and Forfeits (under), where revenue is uncontrollable as it is linked to By-Law infringements. 2. Transfers and Subsidies (under), due to outstanding invoices from the WCG as well as invoices received after month-end. 3. Other Revenue - Application fees (over), due to an increase in demand for extended liquor licence hours. 4. Transfers and subsidies – capital (under), due to slower than expected implementation on the following grant funded projects: a) Khaya Integrated Recreation Facility; b) Bellville Integrated Recreation Facility; c) Bardale Recreation Facility; and d) National Core Standards.	Revenue recognition will be processed in the next reporting period. Period budget provisions to be reviewed. The implementation of capital grant-funded projects will be expedited.
Vote 2 - Corporate Services	(6 629)	-40.7%	The variance is mainly on Other Revenue - Skills Development Levy, where revenue received to date is less than planned due to monthly claims being difficult to plan accurately.	No remedial action required.
Vote 3 - Economic Growth	(15 464)	-22.0%	The variance reflects mainly against the following categories: 1. Transfers and Subsidies, due to misalignment of the period budget and actual revenue recognised. 2. Gains, Profit on Sale of Assets, where processing of land sale write offs may only be done once the Land Sale Write Off Schedules have been approved.	Cash flows to be aligned and accounting entries to be processed. Land Sales Write off Schedules submitted for approval.
Vote 4 - Energy	168 941	3.5%	The variance reflects mainly against the following categories: 1. Service charges - electricity revenue (over), mainly due to seasonal fluctuations in the new Time-of-Use tariffs, in particular the winter tariffs. 2. Other Revenue (over), mainly on Development Levies, which is dependent on developer requirements that is currently higher than anticipated. 3. Revenue: Capital: Capital GGR - National (over), which is customer demand driven. Work required on the dedicated network to provide capacity for new/upgraded supplies has been more than planned for the period under review.	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 5 - Finance	47 363	1.0%	The variance reflects against the following categories: 1. Interest earned - external investments, mainly on Interest Received: Short Term and Call Accounts, due to improved investment returns as a result of higher than expected interest rates. 2. Transfers and subsidies, where actuals were posted to the Finance Directorate instead of to the Community Services & Health Directorate.	The actuals that were incorrectly posted will be corrected in the next reporting period.
Vote 6 - Future Planning & Resilience	1 149	149.7%	The variance is mainly on Transfers & Subsidies and is due to operating grant-funded projects progressing faster than originally planned.	Period budget provisions to be reviewed.
Vote 7 - Human Settlements	3 077	0.9%	Immaterial variance.	-
Vote 8 - Office of the City Manager	293	1280.1%	The variance reflects mainly against Recoveries of Operational Expenditure, due to the recovery of legal costs not planned for where court rulings were in favour of the City.	No remedial action required.
Vote 9 - Safety & Security	71 630	17.2%	The variance is mainly on: 1. Fines, penalties and forfeits, due to more than planned fines issued to date. 2. Other Revenue, mainly on: a) Recoveries of Operational Expenditure, where the actual billing relating to the Koeberg Disaster Recovery tariff is higher than planned. b) Fire Fees, due to an increase in the amount of fire call outs, which is difficult to predict.	Recoveries of Operational Expenditure: Budget correction to be done in the January 2023 adjustments budget.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 10 - Spatial Planning & Environment	2 710	2.3%	Immaterial variance.	-
Vote 11 - Urban Mobility	(13 735)	-5.2%	Immaterial variance.	-
Vote 12 - Urban Waste Management	(40 438)	-7.2%	The variance reflects against the following categories: 1. Service charges - refuse revenue (under), a combination of over-/under recovery, mainly on: a) Refuse Charges (under), where the amount of billing corrections is higher than anticipated; and b) Indigent Relief: Refuse (over), where job losses as a result of the COVID-19 pandemic resulted in more than planned indigent relief applications to date. 2. Transfers and subsidies (under), due to initial delays in signing up the number of EPWP members as per quota requirements.	No immediate remedial action required. Budget and actuals to be reviewed in the mid-year performance and assessment review.
Vote 13 - Water & Sanitation	(317 641)	-12.6%	The variance is a combination of over-/under-recovery mainly on: 1. Gains Inventory consumed (under), due to misalignment of the periodic plan as well as outstanding accounts from the National Department of Water & Sanitation impacting the water inventory accounts. 2. Interest earned - outstanding debtors (under), due to interest on outstanding debtors being slightly lower than anticipated. 3. Transfers and subsidies (over), where revenue against EPWP projects was recognised earlier than anticipated. 4. Other revenue (over), mainly on: a) Development Contribution/Levy & BICL (over), where revenue received from development charges is higher than anticipated as a result of an increase in developments within the City; and b) Treatment Effluent - Sales (over), where revenue generated for treated effluent sales is higher than anticipated to date. 5. Revenue Capital (over), mainly on Transfers & Subsidies - Capital - National and Provincial, as a result of revenue being recognised earlier than anticipated, due to good contractor performance on the Zandvliet WWTW: Prim Treatment & Sludge Facility project.	Gains Inventory consumed: Entries to be captured in future periods once accounts are received.

Material variance explanations for operating expenditure by vote and by type

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 1 - Community Services & Health	(131 762)	-14.0%	<p>The variance reflects against the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies, the impact of internally filled vacancies, and the delayed start of current year EPWP projects. 2. Inventory Consumed (under), mainly on: <ol style="list-style-type: none"> a) Materials, consumables, tools and equipment, due to late implementation of the Mayor's Job Creation Projects as well as lower than expected demand to date; and b) G&D Pharmaceutical supplies, and G&D Vaccines, due to outstanding invoices. 3. Contracted Services (under), mainly on G&D Laboratory Services - Medical, R&M Contracted Services Building Maintenance, R&M Electrical and R&M Gardening Services, due to outstanding invoices. 4. Other Expenditure (under), mainly on: <ol style="list-style-type: none"> a) Hire of LDV, P/Van, Bus, Special Vehicle, due to delayed implementation of Departmental programmes; and b) G&D Books Periodicals & Subscriptions, due to provision being linked to a capital project funded from a provincial grant and where actual expenditure will only reflect on the operating budget at year-end. 	<p>The directorate has 510 vacancies in various stages of the recruitment and selection process; 183 posts were filled while 146 positions were terminated since the beginning of the financial year.</p> <p>Realignments/virements to be processed to address variances.</p> <p>Process underway to follow up on outstanding invoices.</p>
Vote 2 - Corporate Services	20 586	2.9%	<p>The variance is a combination of over-/under expenditure mainly on:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Inventory Consumed - Fuel (Petrol, Diesel and Fuel oil) (over), due to fuel price fluctuations. 3. Contracted services (under), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) R&M Contracted Service Building (under), due to various delays at SLA clients (Libraries and City Health); and b) Security Services: Municipality Facilities (over), as a result of increased security required to avoid illegal occupation and/or damage to City property. 4. Councillor Remuneration (over), due to salary increases backdated to 1 July 2021. 5. Training (under), due to delays in prioritisation and finalisation of training requirements and implementation thereof. 	<p>The directorate has 354 vacancies in various stages of the recruitment and selection process; 91 positions were filled and 33 terminations processed since the start of the financial year.</p> <p>The overall over expenditure will be addressed by reviewing period budget provisions on various expenditure elements.</p> <p>Realignments/virements to be processed to address variances.</p> <p>Journal entry to be processed for prior year expenditure on Councillor Remuneration.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 3 - Economic Growth	(16 148)	-10.1%	The variance reflects against the following categories: 1. Employee related costs, due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies; and 2. Transfers and subsidies, G&D Grants/Sponsorships, due to misalignment of the period budget and actual expenditure.	The directorate has 63 vacancies in various stages of the recruitment and selection process; 28 positions were filled and 6 terminations processed since the beginning of the financial year. Cash flow to be aligned.
Vote 4 - Energy	(222 168)	-5.8%	The variance is a combination of over-/under expenditure mainly on the following categories: 1. Employee related costs (under), a combination of over-/under expenditure, due to: a) The turnaround time in filling vacancies and the impact of the internal filling of vacancies; b) Only 105 out of 195 apprentices (non-permanent staff) appointed to date. Further appointments are in the process of being made; and c) Non Structured Overtime (over), where emergency overtime was necessary as a result of high levels of load shedding. 2. Bulk Purchases (under), due to the impact of load shedding on electricity consumption resulting in lower than planned purchases to date. 3. Contracted services (under), mainly on: a) R&M Electrical, where payment for services rendered in this reporting period will only be paid in the next reporting period; and b) R&M Maintenance of Equipment, due to delays in the Fleet Repair and Servicing tender as well as a lag in the Fleet, Plant and Accessories Refurbishment programme. 4. Other Expenditure (over), a combination of over/under, mainly on: a) Uniform & Protective Clothing (over), due to the earlier than planned acquisition of the annual Personal Protective Equipment quota. b) Commission - Pre-paid electricity Vendor (under), due to a decline in prepaid electricity sales as a result of load shedding. 5. Inventory Consumed (over), mainly on Fuel (Petrol, Diesel and Fuel Oil), due to the global increase in the oil price, which has caused the fuel price to increase significantly whereas a 0% parameter increase was allowed for this category. 6. Transfers and subsidies (over), due to the earlier than planned grant payment to the Green Cape Sector Development.	The directorate has 304 vacancies in various stages of the recruitment and selection process; 74 positions were filled and 31 terminations processed since the beginning of the financial year Period budget provisions will be reviewed, where necessary.

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 5 - Finance	(57 592)	-6.8%	<p>The variance is a combination of over-/under expenditure and reflects mainly on the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), as a result of the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Finance Charges (under), mainly on Interest - External, where the interest provision for a loan that was subsequently not taken up at the end of the previous financial year is included in the budget. 3. Transfers and subsidies (over), mainly on Grants/Sponsorships, due to misalignment of the period budget and actuals. 4. Other expenditure (under), mainly on Indigent Relief: Electricity - Eskom Re-Imburse, where the invoice for Free Basic Electricity for the reporting period was received after month-end. 	<p>The directorate has 165 vacancies in various stages of the recruitment and selection process; 125 positions were filled while 17 were terminated since the start of the financial year.</p> <p>Period budget provisions will be reviewed, where necessary.</p> <p>Finance Charges: Budget to be amended in the January 2023 adjustments budget.</p>
Vote 6 - Future Planning & Resilience	(6 974)	-7.1%	<p>The variance is a combination of over-/under expenditure mainly on:</p> <ol style="list-style-type: none"> a) Salaries and Wages (under), as a result of the turnaround time in filling vacancies and the impact of the internal filling of vacancies; b) Non-permanent staff (over), due to misalignment of the period budget and the actual expenditure to date; and c) Pension Scheme Employer Contribution (under), as a result of the turnaround time in filling vacancies and the impact of the internal filling of vacancies. <ol style="list-style-type: none"> 2. Depreciation & asset impairment - Depreciation PPE, (under), due to delays/postponement in acquisition of assets resulting in assets being brought into use and capitalised later than planned. 3. Contracted Services (under), mainly on G&D Professional Services, where the department performed some planning work internally thus absorbing the costs within Salaries and Wages. Expenditure will reflect from the next reporting period after the appointment of specialist consultants on the 3PSG initiatives. 	<p>The directorate has 51 vacancies in various stages of the recruitment and selection process; 18 positions were filled while 9 were terminated since the beginning of the financial year. Filling of vacancies is ongoing.</p> <p>Period budget provisions will be updated and reviewed against actual trends and adjusted where so identified.</p>
Vote 7 - Human Settlements	(14 192)	-4.7%	Immaterial variance.	The directorate has 109 vacancies in various stages of the recruitment and selection process; 121 positions were filled and 11 terminations processed since the start 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 8 - Office of the City Manager	(9 543)	-8.8%	<p>The variance reflects against the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs, mainly due to the turnaround time in filling vacancies. 2. Inventory Consumed, mainly on Pharmaceutical Supplies, due to the lower than planned requirement on pharmaceutical items to date. 3. Contracted Services, mainly on Legal Cost - Legal Advice and Litigation, where actual expenditure is slightly less than planned as it is difficult to predict accurately when legal costs are to be paid. 	<p>The directorate has 46 vacancies in various stages of the recruitment and selection process; 28 positions were filled while 4 were terminated since the beginning of the financial year.</p> <p>Period budget provisions to be reviewed.</p>
Vote 9 - Safety & Security	(37 597)	-3.8%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), mainly against: <ol style="list-style-type: none"> a) Salaries and Wages, due to the turnaround time in filling vacancies; and b) Overtime payments being made one month in arrears. 2. Depreciation (under), where assets were not purchased and received as planned due to the long lead time. 3. Inventory consumed (under), due to business plans and Transfer Payment Agreement (TPA) for LEAP not being finalised yet. 4. Contracted Services (over), mainly on Security Services, due to an increased requirement for security services at Law Enforcement Facilities. Services are required to mitigate the possibility of vandalism as well as protecting armoury at these facilities. 5. Other Expenditure (under), mainly on Uniforms and Protective Clothing, due to tender 208G not being finalised yet. 	<p>The directorate has 867 vacancies in various stages of the recruitment and selection process; 643 posts were filled while 83 were terminated since the beginning of the financial year.</p> <p>Period budget provision to be reviewed and adjusted.</p> <p>Virements to be processed where so identified.</p>

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 10 - Spatial Planning & Environment	(10 733)	-3.9%	Immaterial variance.	The directorate has 88 vacancies in various stages of the recruitment and selection process; 42 posts were filled while 68 were terminated since the beginning of the financial year.
Vote 11 - Urban Mobility	40 649	6.0%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Depreciation (over), where assets were acquired earlier than anticipated resulting in assets being brought into use and being capitalised. 3. Inventory Consumed (over), mainly on: <ol style="list-style-type: none"> a) R&M Materials General & Consumables, due to the earlier than anticipated start on traffic signals, general roads and stormwater maintenance by the Roads depots, and b) Fuel, due to various fuel price increases over the past few months. 4. Contracted Services (over), mainly on: <ol style="list-style-type: none"> a) G&D Contracted Services Building, due to faster than expected progress on the Automated Fare Collection (AFC) project; b) R&M Contracted Services Building, due to faster than anticipated progress on metro- and local road resurfacing maintenance programmes; c) G&D Security Services & Charges, due to increased costs to minimise the risk of vandalism, asset stripping and land invasion on IRT Properties; and d) Transportation Services: People, due to increased costs on the four VOC contracts as a result of the significant fuel price increases and a higher rate negotiated to renew the N2 Express contract late in the previous financial year. 5. Other expenditure (under), mainly on G&D Advertising - Corporate & Municipal Account, due to the slow start on IRT advertising. 	<p>The directorate has 242 vacancies in various stages of the recruitment and selection process; 119 posts were filled while 17 termination was processed since the beginning of the financial year.</p> <p>The overall over expenditure will be addressed by:</p> <ol style="list-style-type: none"> a) Revising cash flows; b) Non- and poor performing IRT Bus routes being reduced; c) Savings on IRT Bus maintenance is expected, and d) Adjustments in the January 2023 adjustments budget. <p>Budget realignments/virements to be processed to address variances.</p> <p>Period budget provision to be reviewed and adjusted.</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 12 - Urban Waste Management	(31 190)	-4.6%	<p>The variance reflects mainly 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 (over), combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Cleansing Related Costs (under), where plastic bags purchased in the previous financial year are being utilised before new orders will be placed; b) G&D Cleansing Related Cost (under), due to initial delays in signing up the number of EPWP members as per quota requirements; c) Fuel (Petrol, Diesel and Fuel Oil) (over), where the cost of fuel is higher than anticipated due to volatility in the fuel price; and d) Materials Consumables Tools & Equipment (over), where the purchase of refuse containers is based on the rate at which bins are stolen or damaged. At this time the numbers required are higher than anticipated. 3. Contracted Services (under), combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Litter Picking and Street Cleaning (under), where the amount of waste being generated by informal settlements is lower than anticipated. b) Administrative and Support Staff (under), due to the delayed start of the Rapid Response Programme project (grant-funded) as a result of last minute changes to the types of job opportunities to be made available; c) R&M Maintenance of Equipment (under), where vehicle repairs are taking longer than anticipated; d) Relief Drivers (over), where the number of EPWP staff for the Seasonal Programme is higher than anticipated; e) Waste Minimisation (over), due to more than anticipated waste being received to date; and f) Security Services Municipal Facilities (over), where an increase in security incidents has resulted in additional security requirements at various landfill sites. 4. Other Expenditure (over), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) G&D Hire of LDV, PVan, Bus, Special Vehicle (under), due to initial delay in signing up the number of EPWP members as per quota requirements; b) Motor vehicle License and Registration (under), where delays are being experienced in the issuing of motor vehicle license for new vehicles; c) Rehabilitation Costs Actual Expenditure (over), where rehabilitation work at the Bellville Landfill site is running ahead of schedule as a result of good contractor performance; d) Uniform & Protective Clothing (over), where the number of EPWP staff for the Rapid Response Programme is higher than anticipated; and e) Hire of LDV, P/Van, Bus, Special Vehicle (over), where the high number of vehicle breakdowns has resulted in more vehicles being hired to date. 	<p>The directorate has 204 vacancies at various stages of the recruitment and selection process; 1012 posts were filled while 30 terminations were processed since the beginning of the financial year.</p> <p>Period budget provisions to be reviewed and adjusted.</p> <p>Budget realignments/virements will be processed, where identified.</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 13 - Water & Sanitation	(438 966)	-21.7%	<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), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Inventory consumed: Bulk Water and Inventory consumed: Reticulation Water (under), due to outstanding accounts from the National Department of Water & Sanitation; b) Chemicals (under), due to a decrease in the chemicals procured within the Bulk Water-, and Wastewater Departments as a result of sufficient stock at hand for current operations; c) R&M Material General & Consumables (over), due to an increase in materials and consumables procured for maintenance work to be executed within the Reticulation-, and Engineering and Asset Management Departments; and d) Fuel (Petrol, Diesel and Fuel Oil) (over), due to the increased fuel prices post the finalisation of the 2023 budget as well as the constant load shedding resulting in more fuel being used at Plants. 3. Contracted Services (over), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Sewerage Services (under), due to outstanding invoices, and delays in the approval of the Section 33 report for the Faecal Sludge Management System at Borchers Quarry WWTW; b) R&M Electrical (under), due to misalignment of the period plan, which is based on historical expenditure patterns. It is anticipated that expenditure will increase in future periods; c) Advisory Services - Research & Advisory (under), due to delays in implementation of pump station assessments. Project managers are currently finalising project briefs before purchase orders are issued to service providers; d) Sludge removal (under), where sludge production at wastewater plants is less than anticipated, and misalignment of the period budget and anticipated actual expenditure to date; e) R&M Maintenance of Equipment (over), due to a significant amount of work that was processed within the first three months of the financial year. The budget for R&M is, however, projected to be sufficient for the current financial year; and <p><i>Continued on next page.</i></p>	<p>The directorate has 872 vacancies at various stages of the recruitment and selection process, 462 posts were filled while 45 terminations were processed since the beginning of the financial year.</p> <p>The directorate has implemented a Vacancy Filling 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 so that a Notice of Appointment (NoA) can be run when positions become vacant; - Weekly Vacancy tracker to ensure that vacancies are moving in the R&S process; - Focusing on external advertising so consequential fills are managed and to also attract a bigger pool of applicants; - Suspending certain non-mandatory technical assessments in order to fast track the R&S process; and - Augmenting the R&S Capacity. <p><i>Continued on next page.</i></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 13 - Water & Sanitation	<i>See previous page.</i>	<i>See previous page.</i>	<p>f) R&M Contracted Services Building (over), due to an increase in repairs at depots and pump stations. Most of the R&M is re-active maintenance which is ongoing mechanical, electrical, instrumentation and building repairs.</p> <p>4. Other Expenditure (under), a combination of over-/under expenditure mainly on:</p> <p>a) R&M Hire of LDV, PVan, Bus, Special Vehicle (under), due to misalignment of the periodic plan with actual expenditure;</p> <p>b) Hire Charges (under), due to a decrease in the need for external hiring of plants at pump stations;</p> <p>c) Bulk Water: Levy (Berg Water Project) (under), due to the decrease in tariff by the National Department of Water & Sanitation as per agreement - current budget trends are based on the previous tariff; and</p> <p>d) Electricity (over), due to increased electricity costs at some of the larger plants.</p> <p>5. Losses (under), mainly on Inventory consumed (various), due to outstanding accounts from the National Department of Water & Sanitation.</p> <p>6. Depreciation & asset impairment (over), where assets were capitalised earlier than anticipated.</p>	<p>Period budget provision to be reviewed and adjusted.</p> <p>Budget amendments to be made in the January 2023 adjustments budget.</p>

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Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Employee related costs	(344 500)	-8.8%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; and 3. Slower than planned implementation of job creation projects (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.	The City had 3875 vacancies as at 30 September 2022; 3046 positions were filled (908 internal, 257 external, 354 rehire, 1527 EPWP) with 440 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.
Remuneration of councillors	848	1.8%	Immaterial variance.	-
Debt impairment	(12)	0.0%	Immaterial variance.	-
Depreciation & asset impairment	207	0.0%	Immaterial variance.	-
Finance charges	(31 694)	-15.3%	The variance is mainly on Interest - External, where the interest provision for a loan that was subsequently not taken up at the end of the previous financial year is included in the budget.	Budget to be amended in the January 2023 adjustments budget.
Bulk purchases - electricity	(185 715)	-5.8%	The variance is mainly due to the impact of load shedding on electricity consumption resulting in lower than planned purchases to date.	No immediate corrective action required.
Inventory Consumed	(273 814)	-30.8%	The variance is a combination of over-/under expenditure and reflects mainly on the following subcategories: 1. Fuel (Petrol, Diesel and Fuel Oil) (over), due the increased fuel prices post finalisation of the annual budget as well as fuel consumption to date. 2. G&D Pharmaceutical supplies and G&D Vaccines (under), due to outstanding invoices. 3. Inventory consumed: Bulk Water and Inventory consumed: Reticulation Water (under), where outstanding accounts from the National Department of Water & Sanitation resulted in the inventory system not being updated. <i>Continued on next page.</i>	Outstanding invoices will be processed in the next reporting period. Period budget provisions to be reviewed.

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Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Inventory Consumed	<i>See previous page.</i>	<i>See previous page.</i>	4. R&M Material General and Consumables (over), due to: a) The maintenance programme of the CRU progressing ahead of schedule due to good contractor performance; b) The earlier start on traffic signals, general roads and stormwater maintenance by the Roads depots; c) An increase in materials and consumables procured for maintenance work to be executed within the Reticulation-, and Engineering and Asset Management Departments. 5. Chemicals (under), where sufficient stock on hand for current operations resulted in a decrease in chemicals procured within the Bulk Water-, and Wastewater Departments.	<i>See previous page.</i>
Contracted services	8 412	0.7%	Immaterial variance.	-
Transfers and subsidies	4 824	6.7%	Immaterial variance.	-

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	(52 194)	-7.5%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Hire Charges (under), due to a decrease in the need for external hiring of plant at pump stations. 2. Indigent Relief: Electricity - Eskom Re-Imburse (under), where the invoice for Free Basic Electricity for the reporting period was received after month-end. 3. Uniforms and Protective Clothing (over), due to the earlier than anticipated acquisition of the annual provision of Personal Protective Equipment, and the number of EPWP staff for the Rapid Response Programme being more than anticipated. 4. Electricity (over), due to increased electricity costs at some of the larger plants within the Bulk Water Department. 5. R&M Hire of LDV, PVan, Bus, Special Vehicle (under), due to misalignment of period budget with actual expenditure to date. 6. Training (under), due to delays in prioritisation and finalisation of training requirements and implementation thereof. 7. G&D Books Periodicals & Subscriptions (under), where the provision is linked to a capital project funded from a provincial grant and actuals will only reflect on the operating budget at year-end. 	<p>Period budget provisions to be reviewed.</p> <p>Processing of invoices to be done in the next reporting period.</p>
Losses	(41 994)	-61.0%	<p>The variance is mainly against Inventory consumed (various) within the Water & Sanitation Directorate, due to misalignment of the periodic plan, and outstanding accounts from the National Department of Water & Sanitation.</p>	<p>Period budget provisions to be reviewed.</p>

Material variance explanations for capital expenditure by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 1 - Community Services & Health	(6 202)	-19.5%	The current negative variance reflects on the following projects; 1. Bloekombos Community Hall Upgrade, where the appointment of local labour took place later than anticipated. Construction is, however, currently underway. This has resulted in the invoice for the period being less than anticipated. 2. Elsies River Integrated Recreation Facility, where road infrastructure and fencing was expected to be completed in the reporting period, however, the contractor is still currently attending to snags. 3. Recreation & Parks Upgrade, where the outstanding approval of extension and loading of agreements for tender 339Q/2018/19 has resulted in orders being placed later than anticipated.	Project managers together with the support of the finance manager/heads will: 1. Continue to closely monitor and ensure that projects are implemented within the prescribed timelines by ensuring all payment certificates are received timeously. 2. Identify challenges and process virements where applicable to ensure maximum capital spend at financial year-end. 3. Utilise the January 2023 adjustment budget to align projects to implementation readiness based on challenges experienced during the current financial year.
Vote 2 - Corporate Services	(15 004)	-34.7%	The negative variance reflects on the following projects/programmes: 1. Radio Infrastructure project, where the process of obtaining quotations from the service provider is taking longer than anticipated. Vendor quotations are anticipated in October 2022. 2. Broadband Infrastructure programme, where the project is behind planned spend as a result of an appeal lodged against tender 131Q/2021/22 for the construction of optic fibre civils infrastructure.	1. Orders will be placed in October 2022. 2. The project plan has been revised and implementation of this project will be executed once the tender has been awarded. Orders for professional services have been placed and will be processed monthly.
Vote 3 - Economic Growth	(7 279)	-65.7%	The negative variance reflects on the CTICC 2 - Interface Structure project, which was initially behind schedule due to complex front end loading, and re-conclusion of agreements resulting in the detailed design phase taking longer than anticipated. In addition, adverse underground conditions necessitated pile redesign and additional piling.	Construction is currently underway.
Vote 4 - Energy	33 434	25.7%	The positive variance is mainly as a result of implementation being ahead of schedule due to satisfactory contractor performance on the following programmes: 1. System Equipment Replacement FY23; 2. Area East LED Refurbishment FY23; and 3. Area South LED Refurbishment FY23.	There are on-going engagements with project managers to ensure all orders are placed timeously, projects are implemented within the prescribed timeframes and that corrective action is processed as and when required so as to ensure maximum spend.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 5 - Finance	2 565	99.2%	Orders were delivered earlier than anticipated due to stock availability.	Cash flow to be amended in the January 2023 adjustments budget.
Vote 6 - Future Planning & Resilience	(3 883)	-79.7%	The negative variance is attributable to the Contract Management System Integration project, where it took longer than expected to capture the extension of tender 266S/2018/19 that expired on June 30 2022. Extension was granted until 30 September 2022. Orders could only be placed once the financial system was updated.	The project manager will ensure that work is completed as planned. The balance of funds will be utilised on replacement tender 187S/2021/22, which is currently in appeals stage.
Vote 7 - Human Settlements	35 356	28.4%	The positive variance is mainly due to good contractor performance on the following programme/projects: 1. The Urbanisation: Backyards/Informal Settlements Upgrade programme, mainly in Kosovo; Deep Freeze; Wolwerivier and Enkanini South; 2. ACSA Symphony Housing project; and 3. Macassar BNG Housing project.	Project managers will ensure that projects continue to perform ahead of schedule and timeously mitigate any delays.
Vote 8 - Office of the City Manager	119	34.2%	The positive variance is as a result of some IT equipment and furniture being delivered earlier than expected due to stock availability.	Cash flow to be amended in the January 2023 adjustments budget.
Vote 9 - Safety & Security	10 616	111.8%	The positive variance is due to items i.e. computer equipment, firearms and radio equipment being delivered earlier than anticipated. Furthermore, work was completed earlier than anticipated on the following projects due to earlier deployment of resources on tender 56S/2021: 1. EPIC 2.1: Contravention System; 2. EPIC1.1: Computer Aided Dispatch System; and 3. Online Volunteer Application System.	Cash flow to be amended in the January 2023 adjustments budget.
Vote 10 - Spatial Planning & Environment	(5 757)	-16.7%	The under expenditure reflects on the following projects: 1. Milnerton Beachfront Retreat and Fisherman's Lane/Strandfontein Boardwalk projects, which is delayed due to the lead time required to create agreements on SAP; and 2. E-systems enhancements project, where invoices for the current reporting period were received after month-end.	1. Delays relating to the loading of tender agreements have been resolved. Orders have been placed with some invoices anticipated to be submitted in the next reporting period. 2. Invoices have been vetted and will be processed in the next reporting period.

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	(92 876)	-54.5%	<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. IRT Phase 2 programme, due to <ol style="list-style-type: none"> a) Outstanding Department of Labour permit number; b) Property acquisition at various stages of the acquisition process; and c) Contractor's invoices for the reporting period being vetted before being processing. 2. Dualling: Main Road 27 to Altena Road, as a result of the late appointment of a professional service provider. 3. Road Upgrade: Amandel Road: Bottelary River-Church, as a result of delayed construction start date. 	<p>1.a) This matter has now been resolved. The contractor is currently busy with site establishment and will commence with existing service relocation in due course.</p> <p>b) Expenditure will be incurred as the processes are finalised and the necessary approvals obtained.</p> <p>c) Invoices will be processed in the next reporting period.</p> <p>2. New expected construction start estimated at the end of October 2022 with first payment to be made in November 2022. R19.7 million is available to be reprioritised to other priority projects during the January 2023 adjustments budget.</p> <p>3. There is currently R8.7 million available to be reprioritised to other priority projects during the</p>
Vote 12 - Urban Waste Management	(10 767)	-27.2%	<p>The negative year-to-date variance reflects on the Coastal Park: Design and develop (MRF) project, where the award of construction tender 107Q/2021/22 took longer than anticipated as a result of the contractor not receiving tax clearance. This has since been resolved and the contractor is on site.</p>	<p>The project manager is closely monitoring this project. The mechanical tender (301Q/2020/21) has also been awarded. However, the contractor wanted to increase the tender value on imported items due to the conflict in Russia and Ukraine. A mediation process was concluded with current rates agreed upon. Expenditure will reflect from the next reporting period.</p>
Vote 13 - Water & Sanitation	130 306	98.1%	<p>Projects are at various stages of completion. The Cape Flats Aquifer Recharge, Meter Replacement program and Zandvliet WWTW Primary Treatment projects are ahead of schedule, which is primarily the cause of the positive year-to-date variance.</p>	<p>Processes to identify projects at risk of being spent are being followed. Close engagement with CPPPM and the Office of the CFO takes place on a monthly basis.</p>

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	307 552	11.1%	More rates income received than originally budgeted for.	No corrective action required.
Service charges	137 103	2.2%	Immaterial variance.	-
Other revenue	398 976	30.3%	The over-recovery of other revenue includes amounts relating to other categories not allocated at the time of reporting.	No corrective action required.
Government - operating	19 464	0.9%	Immaterial variance.	-
Government - capital	(405 468)	-47.6%	Grants received were lower than anticipated due to some grants not being received as expected.	To be corrected as and when grants are received and updated as per the grants payment schedule in the January 2023 adjustments budget.
Interest	21 185	8.0%	More interest income received due to higher interest rates.	No corrective action required.
Dividends	-	-	-	-
Payments				
Suppliers and employees	440 179	-3.7%	The quicker than expected outflow can best be described by the fact that the system in some instances is unable to differentiate accurately between capital- and operating expenditure. Refer 'Capital expenditure' below.	No corrective action required.
Finance charges	(46 261)	21.7%	Finance charges include a portion related to borrowings not taken up in the old financial year.	To be corrected in the January 2023 adjustments budget.
Transfers and Grants	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	(84 894)	-6.6%		
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-
Payments				
Capital assets	(940 230)	44.0%	Cash outflows are lower than anticipated. In certain instances the system is unable to differentiate accurately between capital- and operating expenditure. Refer 'Suppliers and employees' above.	No corrective action required.
NET CASH FROM/(USED) INVESTING ACTIVITIES	(940 230)	44.0%		
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	-	-	-	-
Borrowing long term/refinancing	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-
Payments				
Repayment of borrowing	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-

Material variance explanations for corporate performance for Quarter 1 of 2023

Description of Indicator	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Load-shedding level variance (%) Target: 40% Actual: 20%	20%	Exceptional high load-shedding incidents.	Life extension of Steenbras plus battery energy system storage (BESS).
Human Settlements top structures (houses) provided (number) Target: 500 Actual: 368	132	The construction of top structures on the Greenville Phase 4 project was delayed due to community unrest on site.	All issues have been addressed and the contractor for top structures has commenced on site.
Passenger transported for each scheduled kilometre travelled by MyCiTi buses (ratio) Target: 1.10 Actual: 1.01	0.09	MyCiTi passenger journeys dropped significantly in July 2022 due to school holidays while the scheduled kilometres remained fairly consistent resulting in an underachieved target.	Route optimisation and service reductions have been implemented from 1 October 2022. This will improve efficiency of the service and reduce the overall kilometres.

The full quarterly performance report is attached as Annexure B to the report.

Material variance explanations for capital expenditure by vote (Indicator 16.D capital spend) is reflected in Annexure C.

Performance indicators

Description of financial indicator	Basis of calculation	2021/22	Budget Year 2022/23			
		Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	2.3%	4.3%	4.3%	2.8%	4.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	26.7%	38.2%	36.4%	27.5%	37.0%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	24.2%	25.5%	29.2%	18.3%	29.2%
Gearing	Long Term Borrowing/ Funds & Reserves	97.0%	138.8%	141.7%	96.9%	141.7%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	1.7	1.4	1.4	2.2	1.4
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	0.7	0.8	1.4	0.8
<u>Revenue Management</u>						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	14.9%	13.3%	13.3%	50.6%	13.3%
<u>Other Indicators</u>						
Employee costs	Employee costs/Total Revenue - capital revenue	29.5%	32.5%	32.5%	26.3%	30.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue	7.4%	7.6%	7.6%	1.3%	2.0%

Aged Creditors

Description	Budget Year 2022/23									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	300	69	54	–	–	–	–	(45)	378	2 058
Auditor General	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	300	69	54	–	–	–	–	(45)	378	2 058

Aged Debtors

Description	Budget Year 2022/23											
	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	369 213	74 891	62 190	71 676	47 502	53 267	250 939	1 425 261	2 354 939	1 848 645	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1 037 926	47 812	22 344	25 045	2 963	25 967	265 496	250 512	1 678 066	569 983	–	–
Receivables from Non-exchange Transactions - Property Rates	791 648	112 014	89 325	75 524	52 446	59 851	258 989	873 078	2 312 874	1 319 887	–	–
Receivables from Exchange Transactions - Waste Water Management	176 987	36 877	27 104	24 150	19 534	24 180	97 551	546 100	952 484	711 516	–	–
Receivables from Exchange Transactions - Waste Management	109 282	22 984	19 254	18 448	12 464	13 652	68 552	402 851	667 489	515 968	–	–
Receivables from Exchange Transactions - Property Rental Debtors	65 410	10 825	(1 475)	(7 570)	11 497	13 948	70 157	712 272	875 064	800 304	–	–
Interest on Arrear Debtor Accounts	75 369	32 428	29 595	30 407	27 583	28 267	154 403	74 738	452 792	315 399	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–	–	–	–
Other	(114 229)	(319 022)	(95 083)	(10 515)	(24 675)	(15 556)	(43 057)	(206 982)	(829 119)	(300 785)	–	–
Total By Income Source	2 511 606	18 811	153 254	227 166	149 314	203 575	1 123 032	4 077 831	8 464 589	5 780 917	–	–
2021/22 - totals only	2 228 799	104 596	88 080	184 440	221 081	161 226	911 493	3 913 389	7 813 103	5 391 629	–	–
Debtors Age Analysis By Customer Group												
Organs of State	96 902	(237 046)	(57 459)	10 046	9 475	10 365	21 044	(36 253)	(182 927)	14 677	–	–
Commercial	1 225 392	86 003	61 977	72 334	36 024	55 157	199 359	367 962	2 104 207	730 835	–	–
Households	1 119 171	214 456	159 125	148 686	124 151	140 129	686 532	3 519 646	6 111 896	4 619 145	–	–
Other	70 142	(44 602)	(10 388)	(3 900)	(20 336)	(2 076)	216 098	226 476	431 413	416 261	–	–
Total By Customer Group	2 511 606	18 811	153 254	227 166	149 314	203 575	1 123 032	4 077 831	8 464 589	5 780 917	–	–

Investment portfolio

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

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands	Days								
ABSA Bank	74	Fixed	6.00%	2022/10/14	95 000	468	–	–	95 468
ABSA Bank	99	Fixed	6.10%	2022/11/15	210 000	1 053	–	–	211 053
ABSA Bank	63	Fixed	5.95%	2022/10/14	50 000	245	–	–	50 245
ABSA Bank	63	Fixed	5.95%	2022/10/14	30 000	147	–	–	30 147
ABSA Bank	63	Fixed	5.95%	2022/10/14	15 000	73	–	–	15 073
ABSA Bank	51	Fixed	5.85%	2022/10/07	55 000	264	–	–	55 264
ABSA Bank	57	Fixed	5.85%	2022/10/14	35 000	168	–	–	35 168
ABSA Bank	50	Fixed	5.85%	2022/10/14	45 000	216	–	–	45 216
ABSA Bank	53	Fixed	5.85%	2022/10/21	105 000	505	–	–	105 505
ABSA Bank	58	Fixed	5.90%	2022/10/27	55 000	267	–	–	55 267
ABSA Bank	55	Fixed	5.90%	2022/10/27	50 000	234	–	–	50 234
ABSA Bank	32	Fixed	5.85%	2022/10/07	105 000	438	–	–	105 438
ABSA Bank	53	Fixed	5.90%	2022/10/31	55 000	204	–	–	55 204
ABSA Bank	28	Fixed	5.75%	2022/10/14	45 000	106	–	–	45 106
ABSA Bank	43	Fixed	5.85%	2022/11/04	35 000	50	–	–	35 050
ABSA Bank	39	Fixed	6.55%	2022/11/04	50 000	45	–	–	50 045
Firststrand	74	Fixed	6.22%	2022/10/14	100 000	511	–	–	100 511
Firststrand	99	Fixed	6.33%	2022/11/15	210 000	1 093	–	–	211 093
Firststrand	63	Fixed	6.19%	2022/10/14	50 000	254	–	–	50 254
Firststrand	63	Fixed	6.19%	2022/10/14	35 000	178	–	–	35 178
Firststrand	63	Fixed	6.19%	2022/10/14	10 000	51	–	–	10 051
Firststrand	51	Fixed	6.01%	2022/10/07	90 000	445	–	–	90 445
Firststrand	57	Fixed	6.18%	2022/10/14	40 000	203	–	–	40 203
Firststrand	50	Fixed	6.02%	2022/10/14	45 000	223	–	–	45 223
Firststrand	53	Fixed	6.04%	2022/10/21	70 000	348	–	–	70 348
Firststrand	58	Fixed	6.20%	2022/10/27	50 000	255	–	–	50 255
Firststrand	55	Fixed	6.20%	2022/10/27	10 000	49	–	–	10 049
Firststrand	55	Fixed	6.20%	2022/10/27	50 000	246	–	–	50 246
Firststrand	32	Fixed	5.98%	2022/10/07	105 000	447	–	–	105 447
Firststrand	51	Fixed	6.04%	2022/10/27	55 000	228	–	–	55 228
Firststrand	53	Fixed	6.05%	2022/10/31	60 000	229	–	–	60 229
Firststrand	28	Fixed	5.95%	2022/10/14	15 000	37	–	–	15 037
Firststrand	28	Fixed	5.95%	2022/10/14	35 000	86	–	–	35 086
Firststrand	43	Fixed	6.01%	2022/11/04	40 000	59	–	–	40 059
Firststrand	42	Fixed	6.68%	2022/11/04	20 000	29	–	–	20 029
Firststrand	39	Fixed	6.67%	2022/11/04	60 000	55	–	–	60 055
Investec Bank	74	Fixed	6.00%	2022/10/14	35 000	173	–	–	35 173
Investec Bank	99	Fixed	6.00%	2022/11/15	85 000	419	–	–	85 419
Investec Bank	63	Fixed	5.90%	2022/10/14	15 000	73	–	–	15 073
Investec Bank	63	Fixed	5.90%	2022/10/14	20 000	97	–	–	20 097
Investec Bank	51	Fixed	5.85%	2022/10/07	30 000	144	–	–	30 144
Investec Bank	57	Fixed	5.85%	2022/10/14	15 000	72	–	–	15 072
Investec Bank	50	Fixed	5.80%	2022/10/14	15 000	72	–	–	15 072
Investec Bank	58	Fixed	5.90%	2022/10/27	10 000	48	–	–	10 048
Investec Bank	55	Fixed	5.85%	2022/10/27	20 000	93	–	–	20 093

Table continues on next page.

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Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands	Days								
Investec Bank	53	Fixed	5.80%	2022/10/28	50 000	207	–	–	50 207
Investec Bank	51	Fixed	5.80%	2022/10/27	35 000	139	–	–	35 139
Investec Bank	53	Fixed	5.85%	2022/10/31	20 000	74	–	–	20 074
Investec Bank	43	Fixed	6.20%	2022/11/04	20 000	31	–	–	20 031
Investec Bank	44	Fixed	6.45%	2022/11/11	45 000	24	–	–	45 024
Investec Bank	47	Fixed	6.45%	2022/11/15	90 000	32	–	–	90 032
Nedbank	365	Fixed	7.45%	2023/06/30	165	1	–	–	166
Nedbank	365	Fixed	7.45%	2023/06/30	62 100	380	–	–	62 480
Nedbank	365	Fixed	7.45%	2023/06/30	715	4	–	–	719
Nedbank	365	Fixed	7.45%	2023/06/30	590	4	–	–	594
Nedbank	365	Fixed	7.45%	2023/06/30	13 900	85	–	–	13 985
Nedbank	365	Fixed	7.45%	2023/06/30	290	2	–	–	292
Nedbank	365	Fixed	7.45%	2023/06/30	1 479	9	–	–	1 488
Nedbank	365	Fixed	7.45%	2023/06/30	21 550	132	–	–	21 682
Nedbank	365	Fixed	7.45%	2023/06/30	28 000	171	–	–	28 171
Nedbank	55	Fixed	5.80%	2022/10/27	10 000	48	–	–	10 048
Nedbank	74	Fixed	5.80%	2022/10/14	80 000	381	–	–	80 381
Nedbank	99	Fixed	5.85%	2022/11/15	180 000	865	–	–	180 865
Nedbank	63	Fixed	5.80%	2022/10/14	35 000	167	–	–	35 167
Nedbank	63	Fixed	5.80%	2022/10/14	35 000	167	–	–	35 167
Nedbank	63	Fixed	5.80%	2022/10/14	10 000	48	–	–	10 048
Nedbank	51	Fixed	5.75%	2022/10/07	55 000	260	–	–	55 260
Nedbank	57	Fixed	5.80%	2022/10/14	30 000	143	–	–	30 143
Nedbank	50	Fixed	5.75%	2022/10/14	35 000	165	–	–	35 165
Nedbank	58	Fixed	5.80%	2022/10/27	15 000	72	–	–	15 072
Nedbank	55	Fixed	5.80%	2022/10/27	55 000	253	–	–	55 253
Nedbank	53	Fixed	5.80%	2022/10/28	80 000	331	–	–	80 331
Nedbank	51	Fixed	5.80%	2022/10/27	60 000	238	–	–	60 238
Nedbank	53	Fixed	5.80%	2022/10/31	45 000	164	–	–	45 164
Nedbank	45	Fixed	6.45%	2022/11/11	95 000	67	–	–	95 067
Nedbank	45	Fixed	6.45%	2022/11/11	35 000	25	–	–	35 025
Nedbank	44	Fixed	6.45%	2022/11/11	45 000	24	–	–	45 024
Nedbank	47	Fixed	6.45%	2022/11/15	90 000	32	–	–	90 032
Standard Bank	74	Fixed	5.99%	2022/10/14	95 000	468	–	–	95 468
Standard Bank	99	Fixed	6.06%	2022/11/15	205 000	1 021	–	–	206 021
Standard Bank	63	Fixed	6.00%	2022/10/14	50 000	247	–	–	50 247
Standard Bank	63	Fixed	6.00%	2022/10/14	30 000	148	–	–	30 148
Standard Bank	63	Fixed	6.00%	2022/10/14	10 000	49	–	–	10 049
Standard Bank	51	Fixed	5.96%	2022/10/07	55 000	269	–	–	55 269
Standard Bank	57	Fixed	5.98%	2022/10/14	40 000	197	–	–	40 197
Standard Bank	50	Fixed	5.96%	2022/10/14	45 000	220	–	–	45 220
Standard Bank	53	Fixed	5.97%	2022/10/21	75 000	368	–	–	75 368
Standard Bank	58	Fixed	5.98%	2022/10/27	50 000	246	–	–	50 246
Standard Bank	55	Fixed	5.98%	2022/10/27	45 000	214	–	–	45 214
Standard Bank	55	Fixed	5.98%	2022/10/27	20 000	95	–	–	20 095
Standard Bank	53	Fixed	5.96%	2022/10/28	85 000	361	–	–	85 361
Standard Bank	53	Fixed	5.97%	2022/10/31	50 000	188	–	–	50 188
Standard Bank	28	Fixed	5.83%	2022/10/14	35 000	84	–	–	35 084
Standard Bank	43	Fixed	6.08%	2022/11/04	25 000	37	–	–	25 037
Standard Bank	39	Fixed	6.57%	2022/11/04	40 000	36	–	–	40 036
ABSA Bank	-	Call deposit	6.25%	-	319 530	1 699	(265 000)	320 000	376 228
Firststrand Bank	-	Call deposit	6.10%	-	301 387	1 436	(241 387)	290 000	351 436
Investec Bank	-	Call deposit	6.10%	-	186 092	662	(151 092)	45 000	80 662
Nedbank	-	Call deposit	6.10%	-	216 080	814	(216 080)	100 000	100 814
Standard Bank	-	Call deposit	6.25%	-	321 702	1 795	(236 702)	320 000	406 795

Table continues on next page.

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Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands	Days								
Nedbank current account	-	-	-	-	276 497	715	-	171 425	448 637
Fund Managers	-	-	-	-	7 401 844	30 910	-	-	7 432 754
Liberty, RMB and Nedbank sinking fund	-	-	-	-	3 464 686	29 417	-	-	3 494 103
Cash in transit	-	-	-	-	4 904	-	(416)	-	4 488
CTICC	-	-	-	-	271 435	-	-	-	271 435
COLD	-	-	-	-	52 615	(57)	-	-	52 558
Shares in Atlantis Special Economic Zone Company SOC Ltd	-	-	-	-	56 500	-	-	-	56 500
TOTAL INVESTMENTS AND INTEREST					17 637 061	-	(1 110 677)	1 246 425	17 859 893

Transfers and grants expenditure

Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Operating expenditure of Transfers and Grants								
National Government:	4 255 124	4 727 836	4 727 836	129 286	159 087	(29 801)	-18.7%	4 727 836
Local Government Equitable Share	3 215 174	3 656 394	3 656 394	–	–	–	–	3 656 394
Finance Management grant	1 000	1 000	1 000	340	231	109	47.3%	1 000
Urban Settlements Development Grant	113 551	124 584	124 584	4 648	6 666	(2 019)	-30.3%	124 584
Energy Efficiency and Demand Side Management Grant	1 084	900	900	190	91	99	109.2%	900
Dept. of Environ Affairs and Tourism	55	220	220	40	–	40	100.0%	220
Expanded Public Works Programme	49 072	41 469	41 469	9 818	6 177	3 641	58.9%	41 469
Public Transport Infrastructure & Systems Grant	3 860	52 233	52 233	1 633	9 244	(7 611)	-82.3%	52 233
Infrastructure Skills Development	9 318	10 446	10 446	2 107	1 800	307	17.0%	10 446
Public Transport Network Grant	468 579	477 706	477 706	95 399	87 544	7 855	9.0%	477 706
Informal Settlements Upgrading Partnership Grant	6 243	90 959	90 959	1 758	9 000	(7 242)	-80.5%	90 959
National Skills Fund	18 543	27 788	27 788	–	–	–	–	27 788
National Treasury General Budget Support	–	10 125	10 125	–	127	(127)	-100.0%	10 125
Programme And Project Preparation Support Grant	61 954	65 970	65 970	1 872	659	1 213	184.1%	65 970
Public Employment Program (NT PEP)	154 365	156 000	156 000	11 482	37 548	(26 067)	-69.4%	156 000
Philippi Agri-Hub	9 591	–	–	–	–	–	–	–
Equitable Share: COVID 19 Relief	142 735	–	–	–	–	–	–	–
Regional Land Claims Commissioner	–	12 043	12 043	–	–	–	–	12 043
Provincial Government:	1 148 647	1 499 281	1 499 281	150 216	290 573	(140 358)	-48.3%	1 499 281
Cultural Affairs and Sport - Provincial Library Services	6 032	52 712	52 712	11 642	12 442	(800)	-6.4%	52 712
Cultural Affairs and Sport - Municipal Library Support	8 533	–	–	–	–	–	–	–
Cultural Affairs and Sport - Library Services: Transfer	43 431	5 338	5 338	3 658	5 071	(1 412)	-27.9%	5 338
Human Settlements - Human Settlement Development	282 579	318 630	318 630	48 063	53 679	(5 617)	-10.5%	318 630
Health - TB	32 715	33 546	33 546	5 451	5 451	–	–	33 546
Health - ARV	300 980	316 834	316 834	52 745	77 073	(24 327)	-31.6%	316 834
Health - Nutrition	3 987	6 832	6 832	1 617	1 698	(81)	-4.8%	6 832
Health - Vaccines	112 443	117 033	117 033	15 723	29 258	(13 535)	-46.3%	117 033
Comprehensive Health	–	210 841	210 841	–	–	–	–	210 841
LEAP	313 951	400 000	400 000	30	99 833	(99 803)	-100.0%	400 000
Transport and Public Works - Provision for persons with	10 019	10 000	10 000	–	–	–	–	10 000
Community Safety - Law Enforcement Auxiliary Services	3 667	2 852	2 852	138	661	(522)	-79.1%	2 852
Community Development Workers	1 925	1 034	1 034	209	–	209	100.0%	1 034
Establishment and Support K9 unit	1 588	1 000	1 000	55	–	55	100.0%	1 000
Municipal accreditation and capacity building grant	8 871	10 000	10 000	2 373	2 250	123	5.5%	10 000
Human Settlements - Informal Settlements	1 233	1 500	1 500	392	375	17	4.5%	1 500
Law Enforcement Officers	2 209	–	–	–	–	–	–	–
Local Government Public Employment Support (PEP)	14 315	–	–	–	–	–	–	–
Financial Management Capacity Building Grant	169	–	–	–	–	–	–	–
Title Deeds Restoration Grant	–	11 129	11 129	8 119	2 782	5 337	191.8%	11 129
Other grant providers:	12 426	33 055	33 055	131	2 592	(2 461)	-94.9%	33 055
CMTF	6 210	3 000	3 000	14	300	(286)	-95.3%	3 000
University of Connecticut	18	–	–	–	–	–	–	–
CID	6 198	7 704	7 704	107	1 867	(1 760)	-94.3%	7 704
KFW- Technical Assistance (GDB)	–	20 000	20 000	–	–	–	–	20 000
Orio	–	2 310	2 310	–	404	(404)	-100.0%	2 310
The Cape Academy for MST	–	41	41	10	21	(10)	-50.0%	41
Total operating expenditure of Transfers and Grants:	5 416 196	6 260 172	6 260 172	279 633	452 252	(172 619)	-38.2%	6 260 172

Table continues on next page.

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Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure of Transfers and Grants								
National Government:	1 626 843	2 165 521	2 165 528	272 423	245 397	27 026	11.0%	2 077 265
Minerals and Energy: Energy Efficiency and Demand Side Management Grant	8 904	8 100	8 100	3 920	2 250	1 670	74.2%	8 100
National Government - Other: Previous years' Dora allocations	-	-	6	-	-	-	-	6
National Treasury: Expanded Public Works Programme	699	937	937	-	105	(105)	-100.0%	937
National Treasury: Informal Settlements Upgrading Partnership Grant: Municipalities	449 154	458 053	458 053	68 758	54 875	13 884	25.3%	458 053
National Treasury: Infrastructure Skills Development Grant	1 081	1 000	1 000	283	-	283	100.0%	1 000
National Treasury: Local Government Restructuring Grant	59	217	217	173	173	(0)	-	217
National Treasury: Neighbourhood Development Partnership Grant	10 132	19 699	19 699	1 103	1 000	103	10.3%	19 699
National Treasury: Public Transport Network: Budget Facility for Infrastructure Grant	92 901	335 000	335 000	23 713	30 391	(6 678)	-22.0%	327 997
National Treasury: Urban Settlements Development Grant	751 509	840 960	840 960	147 100	96 123	50 976	53.0%	833 560
Accreditation Development Support	209	-	-	-	-	-	-	-
Integrated City Development Grant	3 977	-	-	-	-	-	-	-
Transport: Public Transport Network Grant	307 787	501 555	501 555	27 374	60 480	(33 106)	-54.7%	427 696
Contributed Assets	432	-	-	-	-	-	-	-
Provincial Government:	29 609	5 492	5 492	1 492	300	1 192	397.4%	5 492
Cultural Affairs and Sport: Library Services: Metro Library Grant	5 725	5 492	5 492	1 492	300	1 192	397.4%	5 492
LEAP	19 216	-	-	-	-	-	-	-
Law Enforcement Officers	2 668	-	-	-	-	-	-	-
Contributed Assets	2 000	-	-	-	-	-	-	-
Other grant providers:	47 159	100 854	100 860	13 188	10 161	3 027	29.8%	100 860
Other: Other	47 111	100 854	100 860	13 188	10 161	3 027	29.8%	100 860
Contributed Assets	48	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	1 703 611	2 271 867	2 271 879	287 103	255 858	31 245	12.2%	2 183 617
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	7 119 807	8 532 039	8 532 052	566 736	708 109	(141 374)	-20.0%	8 443 789

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

Summary of Employee and Councillor remuneration	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Councillors (Political Office Bearers plus Other)</u>								
Basic Salaries and Wages	144 359	157 201	157 201	41 521	41 341	181	0.4%	157 201
Pension and UIF Contributions	3 477	–	–	793	–	793	100.0%	–
Motor Vehicle Allowance	295	669	669	59	167	(108)	-64.8%	669
Cellphone Allowance	9 342	9 887	9 887	2 342	2 472	(130)	-5.2%	9 887
Other benefits and allowances	7 690	8 376	8 376	2 206	2 094	112	5.4%	8 376
Sub Total - Councillors	165 163	176 133	176 133	46 922	46 074	848	1.8%	176 133
% increase		6.6%	6.6%					6.6%
<u>Senior Managers of the Municipality</u>								
Basic Salaries and Wages	19 788	28 566	28 566	7 282	7 329	(48)	-0.7%	28 566
Pension and UIF Contributions	1 055	8 326	8 326	593	1 939	(1 347)	-69.4%	8 326
Medical Aid Contributions	103	47	47	47	12	35	296.1%	47
Motor Vehicle Allowance	391	321	321	148	80	67	84.2%	321
Cellphone Allowance	142	351	351	41	88	(47)	-53.5%	351
Other benefits and allowances	46	48	48	31	12	19	159.4%	48
Sub Total - Senior Managers of Municipality	21 525	37 659	37 659	8 140	9 460	(1 320)	-14.0%	37 659
% increase		75.0%	75.0%					75.0%
<u>Other Municipal Staff</u>								
Basic Salaries and Wages	10 380 988	12 061 394	12 072 349	2 455 768	2 691 036	(235 268)	-8.7%	12 072 349
Pension and UIF Contributions	1 571 622	2 099 245	2 099 210	411 984	512 659	(100 675)	-19.6%	2 099 210
Medical Aid Contributions	939 221	982 302	982 302	240 004	248 012	(8 008)	-3.2%	982 302
Overtime	963 851	864 989	864 930	179 693	168 216	11 478	6.8%	864 930
Motor Vehicle Allowance	220 390	233 564	233 006	57 251	57 824	(573)	-1.0%	233 006
Cellphone Allowance	33 910	37 655	37 710	8 900	9 298	(398)	-4.3%	37 710
Housing Allowances	58 989	61 907	61 931	15 649	15 516	133	0.9%	61 931
Other benefits and allowances	358 828	370 019	373 771	97 739	90 615	7 124	7.9%	373 771
Payments in lieu of leave	87 368	114 406	114 546	18 502	23 881	(5 379)	-22.5%	114 546
Long service awards	60 152	151 391	151 391	22 259	36 581	(14 322)	-39.2%	151 391
Post-retirement benefit obligations	559 060	308 405	308 405	76 341	73 633	2 708	3.7%	308 405
Sub Total - Other Municipal Staff	15 234 381	17 285 277	17 299 552	3 584 091	3 927 271	(343 180)	-8.7%	17 299 552
% increase		13.5%	13.6%					13.6%
Total Parent Municipality	15 421 068	17 499 069	17 513 344	3 639 153	3 982 805	(343 651)	-8.6%	17 513 344

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	181	0.4%	Immaterial variance.	-
Pension and UIF Contributions	793	100.0%	Variance is as a result of salary increases received by Councillors backdated until 1 July 2021.	The periodic budget provision will be reviewed and adjusted in line with actual trends. The journal for prior year expenditure still needs to be processed.
Medical Aid Contributions	-	-	-	-
Motor Vehicle Allowance	(108)	-64.8%	Immaterial variance.	-
Cellphone Allowance	(130)	-5.2%	Immaterial variance.	-
Housing Allowances	-	-	-	-
Other benefits and allowances	112	5.4%	Immaterial variance.	-
<u>Senior Managers of the Municipality</u>				
Basic Salaries and Wages	(48)	-0.7%	Immaterial variance.	-
Pension and UIF Contributions	(1 347)	-69.4%	Immaterial variance.	-
Medical Aid Contributions	35	296.1%	Immaterial variance.	-
Motor Vehicle Allowance	67	84.2%	Immaterial variance.	-
Cellphone Allowance	(47)	-53.5%	Immaterial variance.	-
Other benefits and allowances	19	159.4%	Immaterial variance.	-
Payments in lieu of leave	-	-	-	-
<u>Other Municipal Staff</u>				
Basic Salaries and Wages	(235 268)	-8.7%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; and 3. Slower than planned implementation of job creation projects.	The City had 3875 vacancies as at 30 September 2022; 3046 positions were filled (908 internal, 257 external, 354 rehire, and 1527 EPWP) with 440 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	(100 675)	-19.6%	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	(8 008)	-3.2%	Immaterial variance.	-
Overtime	11 478	6.8%	The over expenditure reflects mainly within the following directorates: 1. Water & Sanitation, due to the shift system not being in place, and emergency overtime worked as a result of burst pipes, drains overflowing, and mechanical and electrical breakdown at plants; and b) Energy, due to emergency overtime worked as a result of high levels of load shedding.	The periodic budget provision to be reviewed and adjusted in line with actual trends.

Table continues on next page.

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Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Motor Vehicle Allowance	(573)	-1.0%	Immaterial variance.	-
Cellphone Allowance	(398)	-4.3%	Immaterial variance.	-
Housing Allowances	133	0.9%	Immaterial variance.	-
Other benefits and allowances	7 124	7.9%	The variance is mainly against the following sub categories: 1. Uniform and protective clothing allowances, due to misalignment of the period budget with the actual expenditure within the Community Services & Health directorate; and 2. Standby allowances, which is more than planned to date across a number of directorates.	The periodic budget provision to be reviewed and adjusted in line with actual trends.
Payments in lieu of leave	(5 379)	-22.5%	Due to once off payments in lieu of leave to employees who retired and resigned. This is difficult to plan accurately per monthly cycles.	The periodic budget provision to be reviewed and adjusted in line with actual trends.
Long service awards	(14 322)	-39.2%	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	2 708	3.7%	Immaterial variance.	-

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

Description	Budget Year 2022/23												2022/23 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands															
Cash Receipts By Source															
Property rates	888 427	1 259 229	926 226	1 022 205	949 335	913 457	920 814	914 944	944 820	866 214	938 654	571 979	11 116 304	11 707 835	12 408 436
Service charges - electricity revenue	1 419 838	1 626 905	1 539 023	1 514 171	1 389 943	1 392 652	1 349 598	1 356 809	1 469 860	1 220 156	1 441 493	1 481 740	17 202 189	19 579 827	21 864 014
Service charges - water revenue	318 622	294 537	285 071	320 312	302 774	294 590	302 953	367 403	362 947	303 015	323 868	255 519	3 731 612	3 915 535	4 297 279
Service charges - sanitation revenue	147 544	151 996	153 137	162 748	155 810	150 091	147 298	170 006	183 481	146 222	165 277	139 879	1 873 490	2 004 635	2 201 088
Service charges - refuse	130 504	123 297	115 299	96 635	98 123	96 679	89 485	94 659	97 438	87 761	94 688	(9 573)	1 114 995	1 216 486	1 325 160
Rental of facilities and equipment	20 048	21 891	18 344	25 201	29 301	27 411	27 193	29 137	25 765	22 520	22 896	41 635	311 344	324 797	338 965
Interest earned - external investments	95 521	98 666	93 203	88 467	84 309	94 582	93 970	83 098	96 206	100 830	101 694	88 020	1 118 566	1 119 454	970 357
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	16 240	17 215	25 453	30 126	26 985	24 946	22 629	25 216	24 940	20 053	23 509	37 282	294 593	296 911	299 332
Licences and permits	20 035	48 631	21 158	7 188	7 472	6 790	4 790	6 699	4 857	4 957	5 564	(64 890)	73 251	76 474	79 839
Agency services	–	–	–	26 652	27 705	25 176	17 761	24 841	18 011	18 382	20 630	92 458	271 616	283 567	296 044
Transfers and Subsidies - Operational	1 525 823	566 731	92 131	9 303	867 130	931 782	28 256	1 113 360	1 145 121	–	–	(19 464)	6 260 172	6 454 997	6 693 166
Other revenue	141 411	1 130 187	233 712	71 933	85 878	959 673	88 643	72 605	993 367	72 394	81 192	(322 234)	3 608 760	3 621 973	3 735 966
Cash Receipts by Source	4 724 014	5 339 285	3 502 757	3 374 941	4 024 765	4 917 828	3 093 388	4 258 777	5 366 813	2 862 506	3 219 466	2 292 351	46 976 891	50 602 489	54 509 646
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	446 849	–	–	3 662	341 337	366 786	–	261 221	446 544	–	–	405 480	2 271 879	2 643 500	3 551 397
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	–	–	–	–	–	–	–	–	–	–	–	54 742	54 742	57 150	59 665
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	2 000 000	2 000 000	6 479 900	7 480 175
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	28 010	28 010	26 908	28 731
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	751	751	97	99
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	633 780	633 780	909 552	1 859 336
Total Cash Receipts by Source	5 170 863	5 339 285	3 502 757	3 378 603	4 366 102	5 284 615	3 093 388	4 519 998	5 813 357	2 862 506	3 219 466	5 415 114	51 966 053	60 719 596	67 489 048

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q1 (September 2022)

Description	Budget Year 2022/23												2022/23 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousands															
Cash Payments by Type															
Employee related costs	1 288 581	1 280 575	1 276 704	1 388 488	2 061 344	1 377 104	1 386 505	1 416 377	1 413 120	1 434 113	1 405 080	1 444 052	17 172 042	18 125 309	19 168 994
Remuneration of councillors	13 132	18 076	13 453	14 042	13 995	14 188	14 207	17 509	14 627	14 623	15 408	12 874	176 133	184 204	192 463
Interest paid	27 970	–	139 273	142	9 838	164 512	35 892	–	186 007	1	25 561	213 961	803 157	858 329	1 371 972
Bulk purchases - Electricity	1 316 177	1 421 094	1 552 597	1 010 855	902 994	1 038 827	833 825	873 731	839 795	878 274	835 102	847 628	12 350 900	14 201 053	16 328 728
Acquisitions - water & other inventory	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	673 180	713 425	792 311	520 438	564 540	713 634	770 523	562 991	3 263 264	8 574 307	8 756 750	8 884 837
Grants and subsidies paid - other municipalities	–	–	–	32 823	34 786	38 632	25 376	27 526	34 796	37 570	27 451	132 521	391 480	361 696	326 291
Grants and subsidies paid - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
General expenses	2 304 505	787 444	1 207 705	371 815	394 043	408 821	287 452	311 810	394 159	425 580	310 954	(2 530 074)	4 674 213	4 941 184	5 046 792
Cash Payments by Type	4 950 364	3 507 190	4 189 731	3 491 344	4 130 424	3 834 394	3 103 695	3 211 494	3 596 139	3 560 684	3 182 547	3 384 225	44 142 232	47 428 525	51 320 077
Other Cash Flows/Payments by Type															
Capital assets	593 815	247 167	358 038	474 478	568 901	782 272	290 876	415 366	630 152	597 817	793 803	2 006 827	7 759 512	10 974 216	12 678 671
Repayment of borrowing	50 000	–	79 481	–	42 933	13 333	50 000	–	79 481	–	42 933	1 080 000	1 438 161	1 758 161	2 991 495
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	5 594 179	3 754 357	4 627 250	3 965 823	4 742 258	4 630 000	3 444 571	3 626 860	4 305 771	4 158 501	4 019 284	6 471 052	53 339 905	60 160 902	66 990 242
NET INCREASE/(DECREASE) IN CASH HELD	(423 316)	1 584 928	(1 124 493)	(587 220)	(376 156)	654 615	(351 183)	893 138	1 507 586	(1 295 995)	(799 818)	(1 055 938)	(1 373 852)	558 693	498 806
Cash/cash equivalents at the month/year beginning:	8 295 143	7 871 827	9 456 755	8 332 262	7 745 042	7 368 886	8 023 501	7 672 318	8 565 456	10 073 043	8 777 047	7 977 229	8 295 143	6 921 291	7 479 985
Cash/cash equivalents at the month/year end:	7 871 827	9 456 755	8 332 262	7 745 042	7 368 886	8 023 501	7 672 318	8 565 456	10 073 043	8 777 047	7 977 229	6 921 291	6 921 291	7 479 985	7 978 791

Capital expenditure trend

Month	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
Monthly expenditure performance trend								
July	36 569	148 857	56 023	49 895	56 023	6 129	10.9%	0.7%
August	219 800	282 132	245 933	353 332	301 956	(51 376)	-17.0%	4.7%
September	331 466	370 838	433 275	805 861	735 231	(70 630)	-9.6%	10.7%
October	409 474	476 660	528 334	-	1 263 565	-	-	-
November	431 250	472 116	519 246	-	1 782 811	-	-	-
December	458 885	497 537	537 789	-	2 320 600	-	-	-
January	205 701	403 823	348 424	-	2 669 024	-	-	-
February	292 565	584 863	660 498	-	3 329 522	-	-	-
March	540 494	873 599	923 133	-	4 252 655	-	-	-
April	438 795	716 326	798 059	-	5 050 714	-	-	-
May	551 302	902 444	911 033	-	5 961 746	-	-	-
June	1 509 891	1 778 125	1 797 765	-	7 759 512	-	-	-
Total Capital expenditure	5 426 192	7 507 319	7 759 512					

Capital expenditure on new assets by asset class

Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	1 446 043	2 643 063	2 739 535	354 422	298 926	55 497	18.6%	2 682 579
Roads Infrastructure	334 765	902 023	921 001	93 814	105 973	(12 159)	-11.5%	883 154
Roads	334 704	888 223	907 201	93 792	104 973	(11 181)	-10.7%	861 015
Road Structures	60	13 800	13 800	22	1 000	(978)	-97.8%	22 139
Storm water Infrastructure	116 603	178 018	179 994	36 047	26 748	9 298	34.8%	179 994
Drainage Collection	116 603	178 018	179 994	36 047	26 748	9 298	34.8%	179 994
Electrical Infrastructure	249 766	346 071	349 090	54 020	33 371	20 648	61.9%	343 090
HV Substations	219 399	319 971	322 990	44 885	29 221	15 663	53.6%	316 990
LV Networks	30 367	26 100	26 100	9 135	4 150	4 985	120.1%	26 100
Water Supply Infrastructure	291 468	436 170	556 518	75 416	52 227	23 189	44.4%	556 518
Reservoirs	118 992	212 398	332 199	42 237	20 205	22 032	109.0%	332 199
Pump Stations	–	1 360	7 221	583	1 295	(712)	-55.0%	7 221
Water Treatment Works	3 325	7 500	7 500	254	800	(546)	-68.2%	7 500
Bulk Mains	46 022	30 050	30 000	2 844	5 937	(3 093)	-52.1%	30 000
Distribution	123 130	184 862	179 598	29 497	23 989	5 508	23.0%	179 598
Sanitation Infrastructure	317 052	458 911	360 271	67 895	35 447	32 448	91.5%	360 271
Reticulation	96 089	141 632	142 548	24 436	18 689	5 747	30.8%	142 548
Waste Water Treatment Works	220 963	317 279	217 723	43 459	16 758	26 701	159.3%	217 723
Solid Waste Infrastructure	90 848	209 388	239 985	20 416	30 813	(10 396)	-33.7%	226 876
Landfill Sites	90 848	209 388	239 985	20 416	30 813	(10 396)	-33.7%	226 876
Coastal Infrastructure	–	10 675	13 531	–	3 523	(3 523)	-100.0%	13 531
Promenades	–	10 675	13 531	–	3 523	(3 523)	-100.0%	13 531
Information and Communication Infrastructure	45 541	101 807	119 145	6 814	10 823	(4 008)	-37.0%	119 145
Data Centres	32 856	41 282	45 294	4 125	232	3 892	1674.9%	45 294
Core Layers	11 602	59 113	72 440	2 299	10 590	(8 291)	-78.3%	72 440
Distribution Layers	1 084	1 412	1 412	390	–	390	100.0%	1 412
Community Assets	243 028	202 981	213 367	18 802	30 203	(11 401)	-37.7%	212 156
Community Facilities	243 028	196 916	207 302	18 737	30 193	(11 456)	-37.9%	206 091
Halls	108	–	–	–	–	–	–	–
Centres	–	18 234	20 027	–	–	–	–	20 027
Clinics/Care Centres	13 436	–	428	428	428	–	–	428
Libraries	10 121	11 793	11 793	1 787	2 968	(1 181)	-39.8%	11 793
Public Open Space	106	4 193	4 193	753	125	628	502.6%	3 442
Nature Reserves	14 333	6 400	8 732	777	616	161	26.1%	7 941
Markets	1 447	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals	203 477	156 296	162 128	14 991	26 055	(11 064)	-42.5%	162 459
Sport and Recreation Facilities	–	6 065	6 065	65	10	55	549.5%	6 065
Outdoor Facilities	–	6 065	6 065	65	10	55	549.5%	6 065
Other assets	50 786	81 272	83 139	1 753	2 548	(794)	-31.2%	82 946
Operational Buildings	49 594	72 579	74 338	579	548	31	5.7%	74 144
Municipal Offices	39 600	70 159	71 763	352	393	(41)	-10.5%	71 569
Workshops	9 994	2 420	2 575	227	155	72	46.6%	2 575
Housing	1 192	8 693	8 801	1 175	2 000	(825)	-41.3%	8 801
Social Housing	1 192	8 693	8 801	1 175	2 000	(825)	-41.3%	8 801
Intangible Assets	12 957	41 516	49 591	10 241	11 570	(1 328)	-11.5%	49 591
Licences and Rights	12 957	41 516	49 591	10 241	11 570	(1 328)	-11.5%	49 591
Water Rights	19	150	150	–	–	–	–	150
Computer Software and Applications	12 938	41 366	49 441	10 241	11 570	(1 328)	-11.5%	49 441
Computer Equipment	105 652	107 938	111 279	16 671	14 382	2 289	15.9%	111 348
Computer Equipment	105 652	107 938	111 279	16 671	14 382	2 289	15.9%	111 348
Furniture and Office Equipment	14 977	16 213	19 340	2 032	2 651	(618)	-23.33%	19 199
Furniture and Office Equipment	14 977	16 213	19 340	2 032	2 651	(618)	-23.33%	19 199
Machinery and Equipment	132 436	116 919	123 952	19 075	13 766	5 309	38.6%	144 664
Machinery and Equipment	132 436	116 919	123 952	19 075	13 766	5 309	38.6%	144 664
Transport Assets	103 651	256 111	270 092	23 442	18 965	4 477	23.6%	176 573
Transport Assets	103 651	256 111	270 092	23 442	18 965	4 477	23.6%	176 573
Land	125 646	167 529	175 053	2 097	9 524	(7 427)	-78.0%	175 053
Land	125 646	167 529	175 053	2 097	9 524	(7 427)	-78.0%	175 053
Total Capital Expenditure on new assets	2 235 177	3 633 542	3 785 347	448 536	402 534	46 002	11.4%	3 654 109

Capital expenditure on renewal of existing assets by asset class

Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on renewal of existing assets by Asset Class/Sub-class								
Infrastructure	1 127 351	1 304 889	1 315 635	193 464	140 290	53 173	37.9%	1 289 968
Roads Infrastructure	140 954	140 280	141 719	8 326	17 172	(8 846)	-51.5%	127 830
Roads	133 486	138 280	138 374	8 057	16 172	(8 114)	-50.2%	126 199
Road Structures	7 468	2 000	3 345	269	1 000	(731)	-73.1%	1 631
Storm water Infrastructure	5 061	7 991	7 991	1 296	1 468	(173)	-11.8%	7 991
Drainage Collection	5 061	7 991	7 991	1 296	1 468	(173)	-11.8%	7 991
Electrical Infrastructure	384 403	383 657	392 680	101 901	72 691	29 210	40.2%	384 840
HV Substations	95 857	121 990	131 013	24 933	25 663	(730)	-2.8%	136 013
MV Substations	39 026	38 000	38 000	605	3 684	(3 079)	-83.6%	31 000
MV Networks	181 660	139 286	139 286	53 742	28 955	24 788	85.6%	144 626
LV Networks	67 860	84 380	84 380	22 620	14 390	8 230	57.2%	73 200
Water Supply Infrastructure	236 649	318 135	318 135	33 693	15 994	17 699	110.7%	318 135
Bulk Mains	77 471	55 000	55 000	12 902	1 500	11 402	760.1%	55 000
Distribution	159 177	263 135	263 135	20 791	14 494	6 298	43.5%	263 135
Sanitation Infrastructure	354 740	435 062	436 300	47 764	29 650	18 114	61.1%	432 361
Pump Station	44 751	69 550	69 550	5 307	8 350	(3 043)	-36.4%	69 550
Reticulation	266 343	353 012	353 012	39 941	21 300	18 641	87.5%	349 074
Waste Water Treatment Works	43 646	12 500	13 737	2 516	–	2 516	100.0%	13 737
Information and Communication Infrastructure	5 544	19 764	18 811	484	3 316	(2 832)	-85.4%	18 811
Data Centres	2 800	17 623	16 670	474	3 096	(2 621)	-84.7%	16 670
Core Layers	2 744	2 141	2 141	10	220	(210)	-95.6%	2 141
Community Assets	22 950	24 434	31 318	1 675	3 874	(2 199)	-56.8%	33 595
Community Facilities	22 153	24 434	31 318	1 675	3 874	(2 199)	-56.8%	33 595
Halls	5 586	7 000	12 880	288	2 761	(2 473)	-89.6%	12 880
Libraries	7	–	–	–	–	–	–	–
Public Open Space	561	484	507	–	–	–	–	507
Markets	14 317	15 000	15 683	881	883	(3)	-0.3%	15 683
Taxi Ranks/Bus Terminals	1 681	1 950	2 248	507	230	277	120.9%	4 525
Sport and Recreation Facilities	797	–	–	–	–	–	–	–
Outdoor Facilities	797	–	–	–	–	–	–	–
Heritage assets	899	–	–	–	–	–	–	–
Monuments	899	–	–	–	–	–	–	–
Other assets	84 826	11 065	13 599	1 847	3 764	(1 916)	-50.9%	11 477
Operational Buildings	25 473	9 426	9 994	–	926	(926)	-100.0%	7 872
Municipal Offices	22 605	9 026	9 594	–	926	(926)	-100.0%	7 472
Workshops	1 726	–	–	–	–	–	–	–
Laboratories	1 141	400	400	–	–	–	–	400
Housing	59 354	1 639	3 604	1 847	2 837	(990)	-34.9%	3 604
Social Housing	59 354	1 639	3 604	1 847	2 837	(990)	-34.9%	3 604
Intangible Assets	8 124	10 150	9 710	1 855	1 000	855	85.5%	9 709
Licences and Rights	8 124	10 150	9 710	1 855	1 000	855	85.5%	9 709
Computer Software and Applications	8 124	10 150	9 710	1 855	1 000	855	85.5%	9 709
Computer Equipment	74 265	67 920	71 385	12 905	13 417	(512)	-3.8%	67 569
Computer Equipment	74 265	67 920	71 385	12 905	13 417	(512)	-3.8%	67 569
Furniture and Office Equipment	4 962	13 235	13 958	861	1 734	(874)	-50.4%	6 641
Furniture and Office Equipment	4 962	13 235	13 958	861	1 734	(874)	-50.4%	6 641
Machinery and Equipment	46 277	82 167	88 954	6 223	3 445	2 778	80.6%	71 266
Machinery and Equipment	46 277	82 167	88 954	6 223	3 445	2 778	80.6%	71 266
Transport Assets	433 248	462 147	485 651	4 714	17 170	(12 456)	-72.5%	485 651
Transport Assets	433 248	462 147	485 651	4 714	17 170	(12 456)	-72.5%	485 651
Total Capital Expenditure on renewal of existing assets	1 802 902	1 976 006	2 030 211	223 545	184 694	38 850	21.0%	1 975 877

Capital expenditure on upgrading of existing assets by asset class

Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class								
Infrastructure	915 774	1 313 044	1 338 783	99 998	88 344	11 655	13.2%	1 306 403
Roads Infrastructure	168 640	232 574	243 590	12 836	41 585	(28 749)	-69.1%	218 150
Roads	149 967	216 749	226 335	12 051	34 585	(22 534)	-65.2%	200 895
Road Structures	13 525	10 925	12 347	785	7 000	(6 215)	-88.8%	12 347
Road Furniture	5 148	4 900	4 908	—	—	—	-	4 908
Storm water Infrastructure	62 766	156 863	159 305	2 077	3 522	(1 446)	-41.0%	159 305
Drainage Collection	62 766	156 863	159 305	2 077	3 522	(1 446)	-41.0%	159 305
Electrical Infrastructure	52 874	187 000	196 663	2 073	920	1 153	125.3%	196 663
HV Substations	52 874	187 000	196 663	2 073	920	1 153	125.3%	196 663
Water Supply Infrastructure	85 562	13 500	13 575	5 784	3 225	2 559	79.4%	13 575
Reservoirs	1 654	3 000	3 000	556	750	(194)	-25.8%	3 000
Distribution	83 908	10 500	10 575	5 228	2 475	2 753	111.2%	10 575
Sanitation Infrastructure	469 666	530 040	530 115	55 787	16 200	39 587	244.4%	530 115
Pump Station	—	4 650	4 650	48	—	48	100.0%	4 650
Reticulation	34 667	1 500	1 575	578	225	353	156.9%	1 575
Waste Water Treatment Works	434 999	523 890	523 890	55 162	15 975	39 187	245.3%	523 890
Solid Waste Infrastructure	15 781	67 067	69 062	371	1 694	(1 322)	-78.1%	59 540
Landfill Sites	15 781	67 067	69 062	371	1 694	(1 322)	-78.1%	59 540
Coastal Infrastructure	16 582	55 522	69 546	16 502	13 526	2 976	22.0%	72 128
Promenades	16 582	55 522	69 546	16 502	13 526	2 976	22.0%	72 128
Information and Communication Infrastructure	43 904	70 477	56 927	4 567	7 672	(3 105)	-40.5%	56 927
Data Centres	18 669	40 107	2 931	80	108	(28)	-26.0%	2 931
Core Layers	25 234	30 371	53 996	4 487	7 563	(3 077)	-40.7%	53 996
Community Assets	233 232	208 901	218 588	12 219	27 479	(15 260)	-55.5%	224 645
Community Facilities	166 014	140 574	149 362	9 930	21 171	(11 241)	-53.1%	156 014
Halls	11 682	4 151	3 739	882	640	242	37.9%	3 739
Centres	5 625	7 623	8 365	41	2 000	(1 959)	-98.0%	8 365
Clinics/Care Centres	39 594	38 435	37 265	2 322	9 177	(6 855)	-74.7%	37 265
Museums	7 342	—	236	236	236	—	-	236
Theatres	—	100	100	—	—	—	-	100
Libraries	1 073	2 662	2 662	—	—	—	-	2 662
Cemeteries/Crematoria	7 412	8 700	8 490	1 492	697	795	114.0%	8 490
Public Open Space	59 775	46 632	45 075	2 862	382	2 480	649.6%	44 814
Nature Reserves	1 965	2 297	9 196	1 228	1 800	(572)	-31.8%	9 196
Public Ablution Facilities	2 258	3 100	4 555	6	250	(244)	-97.5%	4 554
Taxi Ranks/Bus Terminals	29 288	26 873	29 677	860	5 989	(5 128)	-85.6%	36 592
Sport and Recreation Facilities	67 218	68 328	69 226	2 289	6 307	(4 018)	-63.7%	68 630
Indoor Facilities	26 364	23 500	24 406	2 723	3 859	(1 137)	-29.5%	24 406
Outdoor Facilities	40 853	44 828	44 821	(434)	2 448	(2 882)	-117.7%	44 225
Other assets	170 885	344 383	350 724	14 274	23 012	(8 738)	-38.0%	345 915
Operational Buildings	170 063	278 982	280 280	12 004	19 270	(7 266)	-37.7%	275 472
Municipal Offices	104 348	194 173	193 527	7 208	16 383	(9 175)	-56.0%	192 591
Workshops	65 715	84 810	86 754	4 795	2 887	1 909	66.1%	82 881
Housing	822	65 401	70 443	2 270	3 742	(1 472)	-39.3%	70 443
Social Housing	822	65 401	70 443	2 270	3 742	(1 472)	-39.3%	70 443
Intangible Assets	11 507	21 054	22 525	5 737	6 764	(1 028)	-15.2%	36 540
Licences and Rights	11 507	21 054	22 525	5 737	6 764	(1 028)	-15.2%	36 540
Computer Software and Applications	11 507	21 054	22 525	5 737	6 764	(1 028)	-15.2%	36 540
Computer Equipment	54 520	7 088	7 546	1 430	2 240	(810)	-36.2%	7 546
Computer Equipment	54 520	7 088	7 546	1 430	2 240	(810)	-36.2%	7 546
Furniture and Office Equipment	696	300	308	42	56	(14)	-24.8%	308
Furniture and Office Equipment	696	300	308	42	56	(14)	-24.8%	308
Machinery and Equipment	1 499	3 000	5 481	80	108	(28)	-26.0%	5 481
Machinery and Equipment	1 499	3 000	5 481	80	108	(28)	-26.0%	5 481
Total Capital Expenditure on upgrading of existing assets	1 388 113	1 897 771	1 943 954	133 780	148 002	(14 223)	-9.6%	1 926 838

Expenditure on repairs and maintenance by asset class

Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Repairs and maintenance expenditure by Asset Class/Sub-class								
Infrastructure	2 228 775	2 223 930	2 259 570	442 642	390 270	(52 371)	-13.4%	2 259 570
Roads Infrastructure	604 829	708 812	664 730	71 897	55 819	(16 078)	-28.8%	664 730
Roads	604 829	692 584	664 730	71 897	55 819	(16 078)	-28.8%	664 730
Road Furniture	–	16 228	–	–	–	–	–	–
Storm water Infrastructure	–	148 037	–	–	–	–	–	–
Drainage Collection	–	148 037	–	–	–	–	–	–
Electrical Infrastructure	562 390	596 334	596 334	138 548	144 343	5 795	4.0%	596 334
Power Plants	17 151	20 757	20 757	3 662	4 251	589	13.9%	20 757
HV Substations	30 975	31 706	31 706	9 855	7 220	(2 635)	-36.5%	31 706
MV Substations	389 390	–	–	–	–	–	–	–
MV Networks	–	396 902	396 902	93 008	96 354	3 346	3.5%	396 902
LV Networks	124 874	146 969	146 969	32 024	36 518	4 494	12.3%	146 969
Water Supply Infrastructure	438 319	381 434	483 042	107 367	82 925	(24 442)	-29.5%	483 042
Boreholes	2	–	18 329	–	–	–	–	18 329
Reservoirs	28 346	42 589	31 017	7 898	5 817	(2 082)	-35.8%	31 017
Pump Stations	68 945	28 875	56 018	20 448	11 909	(8 539)	-71.7%	56 018
Water Treatment Works	49 428	25 029	37 878	8 327	6 161	(2 166)	-35.2%	37 878
Bulk Mains	7 455	237	44 101	1 307	7 849	6 542	83.3%	44 101
Distribution	284 144	284 704	295 699	69 386	51 189	(18 197)	-35.5%	295 699
Sanitation Infrastructure	620 607	373 761	503 302	124 253	106 925	(17 327)	-16.2%	503 302
Reticulation	460 904	212 654	338 475	94 420	72 013	(22 408)	-31.1%	338 475
Waste Water Treatment Works	153 223	156 129	159 781	28 468	33 756	5 288	15.7%	159 781
Outfall Sewers	6 480	4 978	5 046	1 364	1 156	(208)	-18.0%	5 046
Solid Waste Infrastructure	2 631	11 558	12 162	577	257	(319)	-124.1%	12 162
Landfill Sites	2 631	9 556	12 162	577	257	(319)	-124.1%	12 162
Waste Processing Facilities	–	2 002	–	–	–	–	–	–
Coastal Infrastructure	–	3 994	–	–	–	–	–	–
Promenades	–	3 994	–	–	–	–	–	–
Community Assets	580 807	581 473	708 823	66 552	131 984	65 432	49.6%	708 823
Community Facilities	146 832	486 075	152 763	7 287	30 245	22 957	75.9%	152 763
Halls	58 648	9 712	37 929	1 436	7 428	5 991	80.7%	37 929
Centres	9 671	4 603	2 907	41	310	269	86.7%	2 907
Clinics/Care Centres	24 123	13 399	29 128	528	7 168	6 640	92.6%	29 128
Fire/Ambulance Stations	713	4 879	5 484	187	982	794	80.9%	5 484
Testing Stations	–	11 795	–	–	–	–	–	–
Libraries	18 232	29 092	26 804	390	6 257	5 867	93.8%	26 804
Cemeteries/Crematoria	22 074	33 747	35 474	3 309	6 727	3 418	50.8%	35 474
Public Open Space	–	356 123	–	–	–	–	–	–
Nature Reserves	3 187	5 606	6 176	621	824	203	24.6%	6 176
Public Ablution Facilities	7 741	13 967	6 469	759	550	(209)	-38.1%	6 469
Markets	2 442	3 151	2 392	15	–	(15)	-100.0%	2 392
Sport and Recreation Facilities	433 976	95 399	556 061	59 265	101 740	42 475	41.7%	556 061
Indoor Facilities	1 042	13 540	4	–	1	1	100.0%	4
Outdoor Facilities	432 934	81 858	556 056	59 265	101 738	42 473	41.7%	556 056
Heritage assets	69	2 832	661	49	39	(9)	-24.3%	661
Works of Art	69	–	661	49	39	(9)	-24.3%	661
Other Heritage	–	2 832	–	–	–	–	–	–

Table continues on next page.

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Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>								
<u>Investment properties</u>	230	6 639	824	102	163	61	37.2%	824
Revenue Generating	228	6 639	813	102	152	50	32.9%	813
<i>Improved Property</i>	228	6 629	813	102	152	50	32.9%	813
<i>Unimproved Property</i>	–	10	–	–	–	–	–	–
Non-revenue Generating	1	–	11	–	11	11	100.0%	11
<i>Unimproved Property</i>	1	–	11	–	11	11	100.0%	11
<u>Other assets</u>	192 275	266 277	172 425	31 543	25 841	(5 702)	-22.1%	172 425
Operational Buildings	192 275	247 129	172 425	31 543	25 841	(5 702)	-22.1%	172 425
<i>Municipal Offices</i>	189 328	222 246	156 840	28 679	22 570	(6 109)	-27.1%	156 840
<i>Workshops</i>	–	21 879	–	–	–	–	–	–
<i>Laboratories</i>	2 116	3 004	2 793	138	314	177	56.2%	2 793
<i>Training Centres</i>	786	–	751	153	147	(6)	-4.1%	751
<i>Depots</i>	45	–	12 041	2 573	2 809	236	8.4%	12 041
Housing	–	19 148	–	–	–	–	–	–
<i>Social Housing</i>	–	19 148	–	–	–	–	–	–
<u>Computer Equipment</u>	199 261	431 201	281 720	44 834	42 717	(2 117)	-5.0%	281 720
Computer Equipment	199 261	431 201	281 720	44 834	42 717	(2 117)	-5.0%	281 720
<u>Furniture and Office Equipment</u>	830 169	334 180	827 981	126 711	145 720	19 009	13.0%	827 981
Furniture and Office Equipment	830 169	334 180	827 981	126 711	145 720	19 009	13.0%	827 981
<u>Machinery and Equipment</u>	–	393 019	–	–	–	–	–	–
Machinery and Equipment	–	393 019	–	–	–	–	–	–
<u>Transport Assets</u>	436 693	520 676	515 461	81 488	79 915	(1 573)	-2.0%	515 461
Transport Assets	436 693	520 676	515 461	81 488	79 915	(1 573)	-2.0%	515 461
Total Repairs and Maintenance Expenditure	4 468 279	4 760 227	4 767 466	793 921	816 649	22 728	2.8%	4 767 466

Depreciation by asset class

Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Depreciation by Asset Class/Sub-class								
Infrastructure	1 327 019	1 403 827	1 403 827	359 231	350 957	(8 274)	-2.36%	1 403 827
Roads Infrastructure	448 397	469 209	469 209	117 378	117 302	(76)	-0.06%	469 209
Roads	419 050	440 104	440 104	109 400	110 026	626	0.57%	440 104
Road Structures	12 168	12 357	12 357	3 126	3 089	(36)	-1.18%	12 357
Road Furniture	17 179	16 748	16 748	4 853	4 187	(666)	-15.90%	16 748
Storm water Infrastructure	62 098	63 973	63 973	16 236	15 993	(243)	-1.52%	63 973
Drainage Collection	62 098	63 973	63 973	16 236	15 993	(243)	-1.52%	63 973
Electrical Infrastructure	297 462	312 102	312 102	80 090	78 025	(2 064)	-2.65%	312 102
Power Plants	8 179	8 175	8 175	2 045	2 044	(1)	-0.06%	8 175
HV Substations	19 795	26 913	26 913	5 220	6 728	1 508	22.41%	26 913
MV Substations	64 272	65 170	65 170	17 584	16 292	(1 291)	-7.93%	65 170
MV Networks	119 413	123 253	123 253	31 337	30 813	(523)	-1.70%	123 253
LV Networks	85 803	88 591	88 591	23 904	22 148	(1 756)	-7.93%	88 591
Water Supply Infrastructure	195 524	220 610	220 610	51 863	55 152	3 290	5.96%	220 610
Reservoirs	25 370	27 582	27 582	6 561	6 896	335	4.86%	27 582
Pump Stations	9 789	9 570	9 570	2 639	2 393	(247)	-10.31%	9 570
Water Treatment Works	12 461	11 564	11 564	3 244	2 891	(353)	-12.22%	11 564
Bulk Mains	3 022	6 571	6 571	756	1 643	887	54.00%	6 571
Distribution	144 882	165 323	165 323	38 663	41 331	2 668	6.45%	165 323
Sanitation Infrastructure	181 734	192 062	192 062	53 762	48 015	(5 746)	-11.97%	192 062
Pump Station	6 966	9 831	9 831	3 419	2 458	(961)	-39.12%	9 831
Reticulation	67 905	70 547	70 547	20 324	17 637	(2 687)	-15.24%	70 547
Waste Water Treatment Works	102 119	106 943	106 943	28 833	26 736	(2 097)	-7.84%	106 943
Outfall Sewers	4 743	4 741	4 741	1 186	1 185	(1)	-0.05%	4 741
Solid Waste Infrastructure	40 433	41 455	41 455	12 445	10 364	(2 081)	-20.08%	41 455
Landfill Sites	32 154	33 176	33 176	9 652	8 294	(1 358)	-16.38%	33 176
Waste Processing Facilities	8 280	8 280	8 280	2 793	2 070	(723)	-34.93%	8 280
Coastal Infrastructure	5 900	6 063	6 063	1 495	1 516	21	1.39%	6 063
Promenades	5 900	6 063	6 063	1 495	1 516	21	1.39%	6 063
Information and Communication Infrastructure	95 470	98 354	98 354	25 962	24 588	(1 373)	-5.59%	98 354
Data Centres	42 239	43 485	43 485	11 666	10 871	(794)	-7.31%	43 485
Core Layers	49 922	51 329	51 329	13 469	12 832	(637)	-4.96%	51 329
Distribution Layers	3 310	3 540	3 540	828	885	58	6.50%	3 540
Community Assets	346 375	350 275	350 275	85 454	87 569	2 115	2.42%	350 275
Community Facilities	128 611	132 368	132 368	30 834	33 092	2 258	6.82%	132 368
Halls	4 186	4 296	4 296	1 112	1 074	(38)	-3.53%	4 296
Centres	4 368	4 526	4 526	1 132	1 131	(1)	-0.03%	4 526
Clinics/Care Centres	7 396	8 734	8 734	1 987	2 183	196	8.99%	8 734
Fire/Ambulance Stations	2 696	2 696	2 696	674	674	(0)	-0.04%	2 696
Testing Stations	1 508	1 508	1 508	377	377	-	-	1 508
Museums	340	505	505	85	126	41	32.65%	505
Theatres	112	112	112	28	28	0	0.35%	112
Libraries	18 197	15 649	15 649	2 617	3 912	1 295	33.10%	15 649
Cemeteries/Crematoria	4 712	4 802	4 802	1 203	1 201	(3)	-0.24%	4 802
Public Open Space	14 997	17 045	17 045	3 769	4 261	493	11.56%	17 045
Nature Reserves	486	1 618	1 618	121	405	283	70.00%	1 618
Public Ablution Facilities	2 933	3 005	3 005	772	751	(21)	-2.76%	3 005
Markets	1 835	1 845	1 845	719	461	(258)	-55.97%	1 845
Airports	1	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	64 846	66 027	66 027	16 236	16 507	270	1.64%	66 027
Sport and Recreation Facilities	217 764	217 907	217 907	54 620	54 477	(143)	-0.26%	217 907
Indoor Facilities	11 515	11 688	11 688	3 119	2 922	(197)	-6.73%	11 688
Outdoor Facilities	206 249	206 219	206 219	51 501	51 555	54	0.10%	206 219

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q1 (September 2022)

Description	2021/22	Budget Year 2022/23						
	Provisional Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Depreciation by Asset Class/Sub-class</u>								
<u>Investment properties</u>	1 714	1 714	1 714	428	428	-	-	1 714
Revenue Generating	1 714	1 714	1 714	428	428	-	-	1 714
Improved Property	1 714	1 714	1 714	428	428	-	-	1 714
<u>Other assets</u>	344 791	343 021	343 021	89 190	85 755	(3 435)	-4.01%	343 021
Operational Buildings	238 050	230 312	230 312	62 393	57 578	(4 815)	-8.36%	230 312
Municipal Offices	201 374	191 970	191 970	52 905	47 992	(4 912)	-10.24%	191 970
Workshops	35 689	37 313	37 313	9 208	9 328	120	1.29%	37 313
Laboratories	651	679	679	165	170	4	2.52%	679
Training Centres	289	303	303	102	76	(27)	-35.04%	303
Depots	47	47	47	12	12	0	0.01%	47
Housing	106 741	112 709	112 709	26 797	28 177	1 380	4.90%	112 709
Social Housing	106 741	112 709	112 709	26 797	28 177	1 380	4.90%	112 709
<u>Biological or Cultivated Assets</u>	192	179	179	48	45	(3)	-7.45%	179
Biological or Cultivated Assets	192	179	179	48	45	(3)	-7.45%	179
<u>Intangible Assets</u>	157 679	126 444	126 444	34 712	31 611	(3 101)	-9.81%	126 444
Licences and Rights	157 679	126 444	126 444	34 712	31 611	(3 101)	-9.81%	126 444
Water Rights	-	8	8	-	2	2	100.00%	8
Computer Software and Applications	107 517	115 160	115 160	30 315	28 790	(1 525)	-5.30%	115 160
Unspecified	50 162	11 276	11 276	4 397	2 819	(1 578)	-55.97%	11 276
<u>Computer Equipment</u>	230 410	239 525	239 525	59 669	59 881	212	0.35%	239 525
Computer Equipment	230 410	239 525	239 525	59 669	59 881	212	0.35%	239 525
<u>Furniture and Office Equipment</u>	61 425	60 464	60 464	15 733	15 116	(617)	-4.08%	60 464
Furniture and Office Equipment	61 425	60 464	60 464	15 733	15 116	(617)	-4.08%	60 464
<u>Machinery and Equipment</u>	159 650	182 145	182 145	41 999	45 536	3 538	7.77%	182 145
Machinery and Equipment	159 650	182 145	182 145	41 999	45 536	3 538	7.77%	182 145
<u>Transport Assets</u>	411 971	477 431	477 431	108 207	119 358	11 151	9.34%	477 431
Transport Assets	411 971	477 431	477 431	108 207	119 358	11 151	9.34%	477 431
<u>Land</u>	25 413	23 198	23 198	-	5 799	5 799	100.00%	23 198
Land	25 413	23 198	23 198	-	5 799	5 799	100.00%	23 198
Total Depreciation	3 066 639	3 208 222	3 208 222	794 670	802 055	7 385	0.92%	3 208 222

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR) TABLES

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				
Measures	2022/23 Current Budget	Q1 2023		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	9 557 997	1 433 077	1 387 516	<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 2022/23 against this category.
Travel and Subsistence	19 194	4 056	3 814	<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	1 792	147	37	<p>The City's Travel Management Policy sets out the applicable cost containment measures, which are strictly adhered to within the City.</p> <p>Online conferences, meetings, events and training are explored/recommended first. In-person events are approved strictly according to the City's cost containment policy.</p>

Table continues on next page.

Cost Containment In-Year Report				
Measures	2022/23 Current Budget	Q1 2023		Comment
		Budget	Actual	
	R Thousand			
Sponsorships, events and Catering	245 711	56 473	62 633	<p>Sponsorships (consisting of grants-in-aid and sponsorships): All grants-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 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, such as the Cape Town Stadium, and Tourism Development Management.</p>
Communication	76 157	12 542	10 478	<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>

Table continues on next page.

Cost Containment In-Year Report				
Measures	2022/23 Current Budget	Q1 2023		Comment
		Budget	Actual	
	R Thousand			
Other related expenditure items - Conferences & Seminars	2 210	337	72	<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 as online conferences, meetings, events and training are recommended and explored first. In-person events are approved strictly according to the City's cost containment policy.</p>
Other related expenditure items - Overtime	864 030	168 241	179 653	<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 expenditure to date is largely due to emergency overtime worked as a result of:</p> <p>1. Burst pipes, overflowing drains, and mechanical and electrical breakdowns at sewer plants;</p> <p>2. High levels of load shedding; and</p> <p>3. Protest action, taxi violence, looting incidences and events requiring Safety & Security staff to be present.</p>
Other related expenditure items -Office furniture	13 767	1 778	1 233	<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	10 780 857	1 676 652	1 645 436	

CAPE TOWN INTERNATIONAL CONVENTION CENTRE

Cost Containment In-Year Report				
Measures	2022/23 CURRENT budget	Q1 2023		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	5 023	1 256	977	The contracts for the internal audit, legal services, labour related and customer satisfactory surveys are included in the costs. The CTICC does not possess the skillsets required in-house.
Travel and Subsistence	1 242	321	363	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 higher costs are due to the increase in flight costs due to the current economic crisis and BA/Comair liquidation.
Domestic Accommodation	87	32	8	All bookings are done using the applicable National Treasury code. Attendance of events are an integral part of the entity's business strategy to grow revenue.
Sponsorships, events and Catering	411	122	257	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	2022/23 CURRENT budget	Q1 2023		Comment
		Budget	Actual	
	R Thousand			
Communication	1 483	371	301	The company is utilising the NT transversal contract.
Other related expenditure items - Conferences & Seminars	-	-	-	No budget or expenditure for the reporting period.
Other related expenditure items - Overtime	300	75	488	This category includes overtime, night shift allowances and public holiday pay. The reason for the higher spend is related to the full return of events hosted as COVID-19 lockdown restrictions were removed, requiring staff to work overtime and over weekends. This was not included in the original budget projections.
Other related expenditure items - Office furniture	0	0	0	No office furniture replacements have been budgeted for.
Total	8 546	2 176	2 394	

CAPE TOWN STADIUM

Cost Containment In-Year Report				
Measures	2022/23	Q1 2023		Comment
	Current Budget	Budget	Actual	
	R Thousand			
Use of consultants	2 636	659	-	No expenditure incurred for the quarter under review.
Travel and Subsistence	148	-	-	No budget/expenditure for the quarter under review.
Domestic Accommodation	8	-	-	No budget/expenditure for the quarter under review.
Sponsorships, events and Catering	163	41	-	No expenditure incurred for the quarter under review.
Communication	286	71	-	No expenditure incurred for the quarter under review.
Other related expenditure items - Conferences & Seminars	133	-	-	No budget/expenditure for the quarter under review.
Other related expenditure items - Overtime	2 171	362	174	Staff in the Events-, Commercial- and Operations Department are required to work overtime when events taking place after hours and over weekends are hosted.
Total	5 544	1 133	174	

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 1 of the 2022/2023 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)
































Signature































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2022/2023 Q1 PERFORMANCE REPORT - CITY OF CAPE TOWN

<div><div><div> Well Above</div><div> Above</div><div> On target</div><div> Below</div><div> Well below</div><div>AT - Annual Target</div></div></div>									
IDP Objective	Key Performance Indicator	2021/2022 (Quarter 1)			2022/2023 (Quarter 1)			Reason for variance	Remedial action
		Target	Actual	Status	Target	Actual	Status		
Priority: Economic Growth									
1. Increased Jobs and Investment in the Cape Town economy	1.A Building plans (<500m2) approved within 30 days (%)	New	New	New	96%	97.90%			
1. Increased Jobs and Investment in the Cape Town economy	1.B Building plans (>500m2) approved within 60 days (%)	New	New	New	96%	98.40%			
1. Increased Jobs and Investment in the Cape Town economy	1.C Property Revenue clearance certificates issued within 10 workings days (%)	90%	96.60%		93%	99.88%			
1. Increased Jobs and Investment in the Cape Town economy	1.D Commercial electricity services applications finalised within industry standard timeframes (%)	New	New	New	95%	100%			
1. Increased Jobs and Investment in the Cape Town economy	1.E Council approved trading plans developed or revised for informal trading (number)	New	New	New	0	2			
1. Increased Jobs and Investment in the Cape Town economy	1.F Regulatory Impact Assessments Completed (number)	New	New	New	1	1			
1. Increased Jobs and Investment in the Cape Town economy	1.G Work opportunities created through Public Employment Programmes (Number) (NKPI)	7500	13479		7 500	10 498			
Priority: Basic Services									
2. Improved access to quality and reliable basic services	2.A Taps provided in informal settlements (number) (NKPI)	100	105		100	202			
2. Improved access to quality and reliable basic services	2.B Toilets provided in informal settlements (number)(NKPI)	500	821		500	1 036			
2. Improved access to quality and reliable basic services	2.C Informal Settlements receiving waste removal and area cleaning services %(NKPI)	99%	100%		99%	99.78%			
2. Improved access to quality and reliable basic services	2.D Subsidised electricity connections installed (Number) (NKPI)	375	73		375	494			
3. End load shedding in Cape Town over time	3.A Capacity of additional approved alternative energy sources (Small Scale Embedded Generation (SSEG)) grid tied installations (MegaVolt Ampere)	1.25	7.05		1.25	7.04			
3. End load shedding in Cape Town over time	3. B Load-shedding level variance (%)	New	New	New	40%	20%		Exceptional high load shedding incidents	Life extension of Steebras plus Battery Energy System Storage (BESS)
4. Well-managed and modernised infrastructure to support economic growth	4.A Sewer reticulations pipelines replaced (metres)	New	New	New	10 000	10 917			
4. Well-managed and modernised infrastructure to support economic growth	4.B Compliance with drinking water quality standards (%)	98%	99.09%		99%	99.46%			
4. Well-managed and modernised infrastructure to support economic growth	4.C Total augmented water capacity in megalitres per day (MLD)	New	New	New	AT	AT	AT		
4. Well-managed and modernised infrastructure to support economic growth	4.D Valid applications for residential water services closed within the response standard (%) (NKPI)	New	New	New	80%	40.28%		Unavailability of Tender 28Q due to High Court ruling received to re-award tender: o Tender 270Q was used to assist with the installation of new connections as an interim measure as a result of the delay in 28Q activation o The mobility application designed for 28Q is an electronic application used on mobile devices to capture field actions and the live updating of information in the SAP system with less user interaction – the process is automated o As Tender 270Q still operated on manual job cards and not on mobility, it caused delays in the completion of service orders o Incomplete orders can also include orders where the sites are not ready for installation. This will only be determined once the contractor visits the property. In those instances, only once the site is ready for installation, will the department have another 30 working days to install a meter	The Department remains committed to achieving this indicator with the following remedial actions currently underway: o In an effort to report on this indicator in an auditable manner, the Department had a work session with Operational Performance Management to identify the key challenges related to measuring this indicator performance and reaching a consensus for future reporting
4. Well-managed and modernised infrastructure to support economic growth	4.E Valid applications for residential sewerage services closed within the response standard %(NKPI)	New	New	New	80%	40.28%			o Due to various delays in the tender process, a new meter installation/replacement contractor were appointment and their duties commenced on 01 September 2022
4. Well-managed and modernised infrastructure to support economic growth									o In an effort to drive performance levels, two key positions within the Meter Management Section have been filled with anticipated commencement on 01 November 2022
4. Well-managed and modernised infrastructure to support economic growth	4.F Service requests for non-collection of refuse resolved within 3 days (%) (NKPI)	New	New	New	80%	20.94%		Refuse collection is a scheduled service occurring Monday to Friday. While every effort is made to complete all beats on the scheduled day or, if need be, the following day or two, there is an administrative complication in that non collection of refuse reported on a Friday afternoon, say at 15h00, though likely to be handled the following day, will only receive administrative attention (routing to the relevant depot) the next working day, which is Monday or technically day 4, as the system is not configured to discount weekends.	Plans are underfoot to find credible ways of aligning reporting with the actual work done and a number of options are under consideration.

2022/2023 QUARTER 1 PERFORMANCE REPORT - CITY OF CAPE TOWN									
 Well Above  Above  On target  Below  Well below AT - Annual Target									
IDP Objective	Key Performance Indicator	2021/2022 (Quarter 1)			2022/2023 (Quarter 1)			Reason for variance	Remedial action
		Target	Actual	Status	Target	Actual	Status		
4. Well-managed and modernised infrastructure to support economic growth	4.G Residential electricity services applications finalised within industry standard timeframes (%) (NKPI)	New	New	New	95%	57.60%			
Priority: Safety									
5. Effective law enforcement to make communities safer	5.A Drone flights used for safety and security activities (number)	New	New	New	AT	AT	AT		
5. Effective law enforcement to make communities safer	5.B Roadblocks focussed on drinking and driving offences (number)	New	New	New	72	174			
5. Effective law enforcement to make communities safer	5.C Closed-Circuit Television (CCTV) detected incidents relayed to responders (number)	New	New	New	2 250	3821			
6. Strengthen partnerships for safer communities	6.A New auxiliary law enforcement officers recruited and trained (number)	New	New	New	0	13			
6. Strengthen partnerships for safer communities	6.B Client satisfaction survey neighbourhood watch programme (%)	New	New	New	70%	100%			
Priority: Housing									
7. Increased supply of affordable, well located homes	7.A Well located land parcels released to the private sector for affordable housing (number)	New	New	New	1	1			
7. Increased supply of affordable, well located homes	7.B Human Settlement Top structures (houses) provided per housing programme (number)	530	375		500	368		The construction of Top Structures on the Greenville Phase 4 was delayed due to the delayed completion of the serviced sites. The delayed was caused by community unrest on site and the contractor only achieved practical completion of all sites on 9 September 2022.	All issues have been addressed and the contractor for Top Structures has commenced on site.
7. Increased supply of affordable, well located homes	7.C Formal housing serviced sites provided (number)	0	571		0	714			
7. Increased supply of affordable, well located homes	7.D Land acquired for human settlements in Priority Housing Development Areas (Hectares)	New	New	New	2	0		No land parcel has been acquired yet as we are still awaiting the State Attorney to finalise the Deed of Sale and lodge the transfer documents at the Deeds Office.	
7. Increased supply of affordable, well located homes	7.E Transfer of ownership to new beneficiaries (number)	New	New	New	350	662			
8. Safer, better quality homes in informal settlements and backyards over time	8.A Informal settlement sites serviced (number)	0	0		0	0			
Priority: Public Space, Environment and Amenities									
9. Healthy and sustainable environment	9.A Proportion of biodiversity priority areas protected (%)	New	New	New	65.08%	65.44%			
9. Healthy and sustainable environment	9.B Biodiversity priority areas remaining (hectares)	New	New	New	85 000	85 000			
9. Healthy and Sustainable Environment	9.C Severe/Moderate dehydration in children under the age of five presenting at City health facilities with diarrhea (%)	New	New	New	AT	AT	AT		
10. Clean and healthy waterways and beaches	10.A Coastline with protection measures in place (%)	New	New	New	6.08%	6.20%			
10. Clean and healthy waterways and beaches	10.B Days in a year that Vleis are open (%)	New	New	New	AT	AT	AT		
11. Quality and safe parks and recreation facilities	11.A Recreation and Parks open space mowed according to annual mowing plan (%)	New	New	New	AT	AT	AT		
Priority: Transport									
12. A sustainable transport system that is integrated, efficient and provides safe and affordable travel options for all	12.A Passengers transported for each scheduled kilometer travelled by MyCiTi buses (ratio)	0.80	0.89		1.1	1.01		The MyCiTi passenger journeys dropped significantly in July due to school holidays while the scheduled kms remained fairly consistent resulting in an overall reduction the ratio.	Route optimization and service reductions implemented from 01 October 2022. This will improve efficiency of the service and reduce the overall kms.
12. A sustainable transport system that is integrated, efficient and provides safe and affordable travel options for all	12.B Passenger journeys travelled on MyCiTi buses (Number)	2 900 000	2 996 368		4 225 000	4 447 141			
12. A sustainable transport system that is integrated, efficient and provides safe and affordable travel options for all	12.C Road corridors on which traffic signal timing plans are updated (number)	New	New	New	Identify and commence review of traffic signal plans along 5 major arterials	Identify and commence review of traffic signal plans along 5 major arterials			
13. Safe and quality roads for pedestrians, cyclists and vehicles	13.A Surfaced road resurfaced (kilometres)	New	New	New	10km	15.5km			
13. Safe and quality roads for pedestrians, cyclists and vehicles	13.B Potholes reported per 10 kilometres of network	New	New	New	19	7.03			

2022/2023 QUARTER 1 PERFORMANCE REPORT - CITY OF CAPE TOWN									
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IDP Objective	Key Performance Indicator	2021/2022 (Quarter 1)			2022/2023 (Quarter 1)			Reason for variance	Remedial action
		Target	Actual	Status	Target	Actual	Status		
Priority: A Resilient City									
14. A Resilient City	14.A Public safety awareness and preparedness sessions held in the communities (number)	New	New	New	125	264			
14. A Resilient City	14.B Disaster Risk Management volunteer/audiliary staff members appointed (number)	New	New	New	AT	AT	AT		
14. A Resilient City	14.C Storm water cleaning budget spend (%)	New	New	New	20%	16%		1) Late start in the 1st Month of Financial Year (July Month 2022) due to finalisation/approval of Health and Safety Plan for certain suppliers.2) Delays from Sub- Councils in finalising the request for number of EPWP Workers via the Randomisation, Recruitment and Selection Process.	1) Increase contractors team sizes and with longer planned Works Project duration. 2) Engagement with Corporate EPWP Department to streamline the EPWP Recruitment and Selection Process and address the delays.
Priority: A more spatially integrated and inclusive city									
15. A more spatially integrated and inclusive city	15.A Local neighbourhood plans approved for mixed-use development (number)	New	New	New	AT	AT	AT		
Priority: A Capable and Collaborative City Government									
16. A Capable and Collaborative City Government	16.A Community satisfaction City-wide survey (score 1–5)	AT	AT	AT	AT	AT	AT		
16. A Capable and Collaborative City Government	16.B Opinion of independent rating agency	High investment rating	Ba3/NP Rating on review Aa3.za/P-1.za long and short term National and Global scale.ratin		High investment rating	High investment rating Ba3/Aa3.zaP-1.za Stable outlook - long and short-term national and global scale rating			
16. A Capable and Collaborative City Government	16.C Opinion of the Auditor-General	Submission of Annual Financial Statements and Consolidated Financial Statements	AFS submitted 31/08/2021 and CAFS submitted 30/09/2021		AFS and CAFS submitted	100% AFS and CAFS submitted on 31 August and 30 September respectively			
16. A Capable and Collaborative City Government	16.D Spend of capital budget (%) (NKPI)	9.91%	6.66%		10.68%	10.73%		See Annexure C to the S52 report.	
16. A Capable and Collaborative City Government	16.E Cash/cost coverage ratio (NKPI)	2:1	1.8:1		2.0:1	1.53:1		5.E compensated by the positive 5G. The 2 KPI's are interrelated to ensure a cost effectiveness strategy at all times. Within Treasury's risk parameter of 1.5 times	No remedial action required
16. A Capable and Collaborative City Government	16.F Net Debtors to annual income (NKPI)	18.25%	15.98%		18.25%	15.89%			
16. A Capable and Collaborative City Government	16.G Debt (total borrowings) to total operating revenue (NKPI)	23.50%	20.73%		23.50%	18.19%			
16. A Capable and Collaborative City Government	16.H Kilometres of fibre infrastructure for broadband connectivity installed (kilometres)	New	New	New	4.6	0		Delay in award of tender 131Q TERM TENDER FOR CONSTRUCTION OF OPTIC FIBRE CIVILS INFRASTRUCTURE FOR THE CITY OF CAPE TOWN. Currently in appeal period until end October 2022.	R27m of budget is being rephased over the next two years. Target for 2022-23 will be reduced to 33km. BIP Steering Committee approved this subject to Corporate Services being able to spend the R27m capital in other areas.
16. A Capable and Collaborative City Government	16.I Employees from the employee equity (EE) designated groups in the three highest levels of management (%) (NKPI)	75.00%	74.21%		75%	75%			
16. A Capable and Collaborative City Government	16.J Budget spent on implementation of Workplace Skills Plan (%)	10%	9%		10%	14.95%			
16. A Capable and Collaborative City Government	16.K Adherence to service requests (%)	80%	92.17%		90%	95.54%			

S71 (1) (d) Actual Expenditure per Vote - 2023 M03 (September 2022)

			Actuals measured against ORIGINAL Budget			
Directorate	Original Budget 2022/23	YTD Actual Spend	YTD Variance	YTD % Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Community Services & Health	244 532 712	25 569 319	-1 934 422	-7.03%	The negative variance reflects on the following projects: 1. Bloekombos Community Hall Upgrade, where the appointment of local labour took place later than anticipated, however, construction is currently underway. This has resulted in the invoice for the period being less than anticipated. 2. Elsie's River Integrated Recreation Facility, where road infrastructure and fencing was expected to be completed in the reporting period, however, the contractor is still currently attending to snags. 3. Recreation & Parks Upgrade, where the outstanding approval of extension and loading of agreements for tender 339Q/2018/19 has resulted in orders being placed later than anticipated.	Project managers together with the support of the finance manager/heads will: 1. Continue to closely monitor and ensure that projects are implemented within the prescribed timelines by ensuring all payment certificates are received timeously. 2. Identify challenges and process virements where applicable to ensure maximum capital spend at financial year-end. 3. Utilise the January 2023 adjustment budget to align projects to implementation readiness based on challenges experienced during the current financial year.
Corporate Services	395 618 903	28 182 347	-14 970 698	-34.69%	The negative variance reflects on the following projects/programmes: 1. Radio Infrastructure project, where the process of obtaining quotations is taking longer than anticipated. 2. Broadband Infrastructure programme, where the project is behind planned spend as a result of an appeal lodged against tender 131Q/2021/22 for the construction of optic fibre civils infrastructure.	1. Vendor quotations are anticipated in October 2022 after which orders will be placed. 2. The project plan has been revised and implementation of this project will take place once the tender has been awarded. Orders for professional services have been placed and will be processed monthly.
Economic Growth	48 747 763	3 795 995	-7 056 006	-65.02%	The negative variance reflects on the CTICC 2 - Interface Structure project, which was initially behind schedule due to complex front end loading, and re-conclusion of agreements resulting in the detailed design phase taking longer than anticipated. In addition, adverse underground conditions necessitated pile redesign and additional piling.	Construction is currently underway.
Energy	1 052 059 276	163 280 654	58 074 963	55.20%	The positive variance is mainly as a result of implementation being ahead of schedule due to satisfactory contractor performance on the following programmes: 1. System Equipment Replacement FY23; and 2. Area East LED Refurbishment FY23 and; 3. Area South LED Refurbishment FY23.	There are on-going engagements with project managers to ensure all orders are placed timeously, projects are implemented within the prescribed timeframes and that corrective action is processed as and when required so as to ensure maximum spend.
Finance	18 128 683	5 148 562	3 613 562	235.41%	Orders were delivered earlier than anticipated due to stock availability.	Cash flow to be amended in the January 2023 adjustments budget.
Future Planning & Resilience	26 414 872	989 480	-3 283 086	-76.84%	The negative variance is attributable to the Contract Management System Integration project, where it took longer than expected to capture the extension of tender 266S/2018/19 that expired on June 30 2022. Extension was granted until 30 September 2022. Orders could only be placed once the financial system was updated.	The project manager will ensure that work is completed as planned. The balance of funds will be utilised on replacement tender 187S/2021/22, which is currently in appeals stage.
Human Settlements	884 428 345	159 921 153	41 701 624	35.27%	The positive variance is mainly due to good contractor performance on the following programme/projects: 1. The Urbanisation: Backyards/Informal Settlements Upgrade programme, mainly in Kosovo; Deep Freeze; Wolwerivier and Enkanini South; 2. ACSA Symphony Housing project; and 3. Macassar BNG Housing project.	Project managers will ensure that projects continue to perform ahead of schedule and timeously mitigate any delays.
Office of the City Manager	13 328 927	468 091	224 423	92.10%	The positive variance is as a result of some IT equipment and Furniture being delivered earlier than expected due to stock availability.	Cash flow to be amended in the January 2023 adjustments budget.
Safety & Security	236 735 233	20 111 765	16 634 063	478.31%	The positive variance is due to items i.e. computer equipment, firearms and radio equipment being delivered earlier than anticipated. Furthermore, work was completed earlier than anticipated on the following projects due to earlier deployment of resources on tender 56S/2020/2021: 1. EPIC 2.1: Contravention System; 2. EPIC 1.1: Computer Aided Dispatch System; and 3. Online Volunteer Application System.	Cash flow to be amended in the January 2023 adjustments budget.

			Actuals measured against ORIGINAL Budget			
Directorate	Original Budget 2022/23	YTD Actual Spend	YTD Variance	YTD % Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Spatial Planning & Environment	217 455 263	28 788 579	16 294 530	130.42%	The positive variance reflects on the following projects/programmes: 1. Table View Beachfront Upgrade, where dune rehabilitation works have been accelerated due to good contractor performance. 2. Land Acquisition: Development Offsets FY23, where the land acquisition process was completed earlier than anticipated. 3. E-Systems enhancements FY23, where the project is ahead of schedule as a result of earlier than anticipated resource availability.	Projects are being monitored.
Urban Mobility	1 379 126 007	77 607 335	-129 978 182	-62.61%	The directorate has a negative variance, which is an accumulation of slower than anticipated expenditure on a number of projects/programmes, the most significant of which are: 1. IRT Phase 2 programme, due to a. Outstanding Department of Labour permit number; b. Property acquisition at various stages of the acquisition process; and c. Contractor's invoices for the reporting period being vetted before being processed. 2. Dualling: Main Road 27 to Altena Road, as a result of the late appointment of a professional service provider. 3. Road Upgrade: Amandel Road: Bottelary River-Church, as a result of delayed construction start date.	1.a. This matter has now been resolved. The contractor is currently busy with site establishment and will commence with existing service relocation in due course. b. Expenditure will be incurred as the processes are finalised and the necessary approvals obtained. c. Invoices will be processed in the next reporting period. 2. New expected construction start estimated at the end of October 2022 with first payment to be made in November 2022. R19.7 million is available to be reprioritised to other priority projects in the January 2023 adjustments budget. 3. There is currently R8.7 million available to be reprioritised to other priority projects in the January 2023 adjustments budget.
Urban Waste Management	647 001 662	28 796 297	-14 822 714	-33.98%	The negative year-to-date variance reflects on the Coastal Park: Design and develop (MRF) project, where the award of construction tender 107Q/2021/22 took longer than anticipated as a result of the contractor not receiving tax clearance. This has been resolved and the contractor has commenced on site.	The project manager is closely monitoring this project. The mechanical tender (301Q/2020/21) has also been awarded. However, the contractor wanted to increase the tender value on imported items due to the conflict in Russia and Ukraine. A meditation process was concluded with current rates agreed upon. Expenditure will reflect from the next reporting period.
Water & Sanitation	2 343 741 253	263 201 151	39 535 706	17.68%	Projects are at various stages of completion. The Cape Flats Aquifer Recharge, Meter Replacement program and Zandvliet WWTW Primary Treatment projects are ahead of schedule, which is primarily the cause of the positive year-to-date variance.	Processes to identify projects at risk of being spent are being followed. Close engagement with CPPPM and the Office of the CFO takes place on a monthly basis.
	7 507 318 899	805 860 728	4 033 763	0.50%		