

REPORT TO: COUNCIL

1. ITEM NUMBER

2. SUBJECT

QUARTERLY FINANCIAL REPORT: DECEMBER 2022

(LSUA1980)

ONDERWERP

KWARTAALLIKSE FINANSIËLE VERSLAG: DESEMBER 2022

ISIHLOKO

INGXELO YEMALI YARHOQO NGEKOTA: EYOMNGA 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 31 December 2022. These financial results are provisional and subject to change as a result of year-end processes.

Financial Implications ☒ None ☐ Opex ☐ Capex
 ☐ Capex: New Projects
 ☐ Capex: Existing projects requiring additional funding
 ☐ Capex: Existing projects with no Additional funding requirements

Policy and Strategy ☐ Yes ☒ No

Legislative Vetting ☐ Yes ☒ No

Legal Implications ☒ Yes ☐ No

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

Staff Implications ☐ Yes ☒ No

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

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

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

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

5. RECOMMENDATIONS

a) The quarterly financial report for the quarter ended 31 December 2022 is submitted for information and noting only.

AANBEVELING

a) Die kwartaallikse finansiële verslag vir die kwartaal geëindig 31 Desember 2022 word slegs ter inligting en kennisname voorgelê.

ISINDULULO

a) INgxelo yeMali yaRhoqo ngeKota yekota ephele ngowama- 31 eyoMnga 2022 ingeniselwa iinjongo zolwazi nokuqatshelwa kuphela.


ANNEXURES

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

Annexure B: 2022/23 Q2 Corporate Performance Report

Annexure C: Section 71(1)(d) - Original Budget vs Actual expenditure per vote - Capital

FOR FURTHER DETAILS CONTACT

NAME	CARL STROUD	CONTACT NUMBER	082 922 8990
E-MAIL ADDRESS	CARL.STROUD@CAPETOWN.GOV.ZA		
DIRECTORATE		FILE REF No	N/A
SIGNATURE : DIRECTOR			

EXECUTIVE DIRECTOR

NAME	KEVIN JACOBY	COMMENT:
DATE		
SIGNATURE		

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

MAYORAL COMMITTEE MEMBER

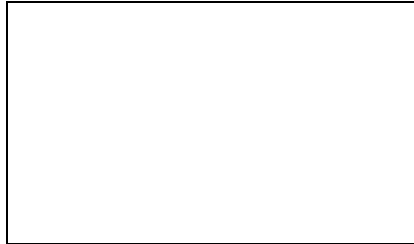
NAME

CLLR SISEKO MBANDEZI

COMMENT:

DATE

SIGNATURE



LEGAL COMPLIANCE

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

☐ NON-COMPLIANT

NAME

COMMENT:

DATE

SIGNATURE



EXECUTIVE MAYOR

NAME

GEORDIN HILL-LEWIS

COMMENT:

DATE

SIGNATURE



Making progress possible. Together.



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

QUARTERLY FINANCIAL REPORT (MFMA S52)

DECEMBER 2022

EXECUTIVE SUMMARY	2
KEY DATA	4
 IN YEAR BUDGET STATEMENT TABLES	 40
Budget Statement Summary	40
Financial Performance (standard classification)	41
Financial Performance (revenue and expenditure by municipal vote)	42
Financial Performance (revenue by source and expenditure by type)	43
Capital Expenditure (municipal vote, standard classification and funding)	44
Financial Position	45
Cash Flow	46
 SUPPORTING TABLES	 47
Material variance explanations for operating revenue by source and by vote	47
Material variance explanations for operating expenditure by vote and by type	55
Material variance explanations for capital expenditure by vote	74
Material variance explanations for cash flow	80
Material variance explanations for corporate performance for Quarter 2 of 2023	81
Performance indicators	84
Aged Creditors	84
Aged Debtors	85
Investment portfolio	86
Transfers and grants expenditure	89
Councillor and staff benefits	91
Actual and revised targets for cash receipts and cash flows	94
Capital expenditure trend	96
Capital expenditure on new assets by asset class	97
Capital expenditure on renewal of existing assets by asset class	98
Capital expenditure on upgrading of existing assets by asset class	99
Expenditure on repairs and maintenance by asset class	100
Depreciation by asset class	102
 MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR) TABLES	 104
CITY OF CAPE TOWN	105
CAPE TOWN INTERNATIONAL CONVENTION CENTRE	108
CAPE TOWN STADIUM	110
 MUNICIPAL MANAGER QUALITY CERTIFICATION	 112

EXECUTIVE SUMMARY

BACKGROUND

Section 52 of the MFMA states:

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

Regulation 31 of the MBRR states:

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

MAYOR’S QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 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.

KEY DATA (PAGE 4 - 39)

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

IN YEAR BUDGET STATEMENT TABLES (PAGE 40 – 46)

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

- **Table C1 (Page 40)** provides a high level summation of the operating and capital budgets, actuals to date, financial position and cash flow.
- **Table C2 (Pages 41)** is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- **Table C3 (Pages 42)** shows budgeted financial performance in relation to the revenue and expenditure as well as the operating surplus or deficit.
- **Table C4 (Page 43)** is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.
- **Table C5 (Pages 44)** 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 45)** reflects the performance to date in relation to the financial position of the municipality.
- **Table C7 (Page 46)** indicates the cash flow position and cash/cash equivalents.

IN YEAR BUDGET STATEMENT SUPPORTING TABLES (PAGE 47 – 102)

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

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR) TABLES (PAGE 104 – 111)

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	27 567 655	27 093 449	(474 206)	53 805 182
Total Expenditure ¹ (R'Thousands)	53 797 046	24 762 200	23 801 639	(960 561)	54 483 104
Surplus/(Deficit)	(511 072)	2 805 455	3 291 810	486 355	(677 922)
¹ (excl. capital transfers and contributions)					

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	2 392 280	2 165 195	(227 085)	7 726 572

FINANCIAL POSITION

Working Capital	Audited 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	1.6	1.4	1.4	2.3
Borrowing Capital Charges to Operating Expenditure (Interest & principal paid/Operating Expenditure) ⁵	2.3%	4.3%	4.3%	2.3%
Borrowed funding of 'own' capital expenditure (Borrowings/Capital expenditure excl. transfers and grants) ⁶	26.7%	38.2%	36.4%	32.0%
Financial Position (R'Thousands)⁷				
Total Assets	81 865 292	82 851 621	85 003 581	82 499 749
Total Liabilities	23 844 591	24 744 710	26 896 670	20 676 941
Cash Flow (R'Thousands)				
Cash/cash equivalents at month/year end	8 295 143	6 021 524	6 921 291	8 365 397

- **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). A ratio above one indicates that the municipality would be able to pay all its current or short-term obligations if they fall due at any specific point.

The year-to-date ratio outcome of 2.3 is slightly above the National Treasury norm of 1.5 to 2:1 (MFMA Circular 71).

- **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 2.3% 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 32.0%, 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 365 million as at 31 December 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	Current - 0 to 30 days	31-60 Days	61 days and over	TOTAL
R Thousands				
Water	427 167	75 170	1 994 911	2 497 248
Electricity	780 421	61 522	704 527	1 546 470
Rates	785 740	119 367	1 450 193	2 355 300
Sewerage	216 357	37 050	778 569	1 031 976
Refuse	110 834	25 351	560 320	696 504

The 12-months moving average YTD collection ratio (reflected in the table below) is for the period January 2022 to December 2022 and therefore reflects a more favourable 12-months position.

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

Debtors Collection Rate %⁸	Previous year 2021/22	Current year 2022/23 (Interim ratios)	12 Months moving average YTD collection ratio (Interim ratios)	Monthly Collection Ratio per Service
Electricity	98.91%	96.53%	97.16%	95.73%
Water	92.80%	89.10%	89.86%	81.69%
Sewerage	95.56%	93.85%	94.57%	87.26%
Refuse	93.55%	92.18%	92.38%	91.26%
Rates	97.84%	97.18%	98.37%	89.74%
Other	100.94%	92.33%	94.31%	93.39%

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

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

Overall Collection Ratio	
Period	Current year
12 Months	96.45%
6 Months	97.52%
3 Months	97.64%
Monthly	95.67%

The 12 Months Moving Average Payment Ratio (as per the above table) for the 12 months ended 31 December 2022 is 96.45%.

Human Resources

Human Resources	Audited 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	17 524 039	8 188 732
Employee Costs (Employee costs/Total Revenue - capital revenue)	29.5%	32.5%	32.6%	29.9%
Total Cost of Overtime (R'Thousands)	963 851	864 989	863 490	483 123

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 91.

Staff Complement

Municipal Employees (numbers)	As at 30 June 2022	Original Budget 2022/23	December 2022
Filled posts - Permanent	27 784	27 845	28 346
Filled posts - Temporary	1 618	2 483	2 027
Vacant posts - Permanent	3 763	3 844	3 447
	33 165	34 172	33 820

Municipal Councillors (numbers)	As at 30 June 2022	Original Budget 2022/23	December 2022
Municipal Councillors	231	231	230
Municipal Councillors - Vacancies	-	-	1
	231	231	231

The City had 3447 vacancies as at 31 December 2022; 6112 positions were filled (1576 internal, 599 external, 1178 rehire, and 2759 EPWP), with 1184 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.

Analysis on Vacant Posts							
DIRECTORATE	November 2022		December 2022				Comment on Movement between current month and previous month
	No Of Posts	Value	No Of Posts	Value	% of Posts Filled	Vacancy Rate	
Community Services and Health	470	140 533 291	436	R 134 557 862	93.48%	6.52%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 34 terminations/resignations; - 15 internal appointments; - 24 external appointments and - 29 rehire. <p>Action to reduce number of posts</p> <ul style="list-style-type: none"> - Departments have weekly/bi-weekly recruitment and selection (R&S) update meetings to track and ensure movement on the R&S process and to prioritise vacancies nine months and older.
Corporate Services	336	145 475 004	349	R 147 692 995	86.74%	13.26%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 9 terminations/resignations; - 13 external appointments (rehire included); and - 17 other (creation and abolishment included). <p>Action to reduce number of vacant posts</p> <ul style="list-style-type: none"> - The need for two professional officers as a permanent resource to boost capacity with Corporate R&S has been identified. Funding to create the two positions must still to be sourced. - A process for students to be appointed to assist all HR Practitioners in the R&S space has been initiated. This will allow the HR Practitioners to focus on high level processes while the students assist with admin. - Corporate HR has a multi-layered vacancy mitigation strategy and plan in place aimed at reducing the vacancy rate and turnaround times for the filling of vacancies. Discussions with the Office of the City Manager on how the directorate can replicate the SCM demand planning tool and process within the R&S environment is also taking place.

Table continues on next page.

Analysis on Vacant Posts							
DIRECTORATE	November 2022		December 2022				Comment on Movement between current month and previous month
	No Of Posts	Value	No Of Posts	Value	% of Posts Filled	Vacancy Rate	
Economic Growth	60	29 390 349	59	R 28 240 258	85.20%	14.80%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 1 internal promotion with a consequential vacancy. <p>Action to reduce number of vacant posts</p> <ul style="list-style-type: none"> - Fast tracking of recruitment and selection processes.
Energy	300	110 231 456	301	R 106 827 652	89.40%	10.60%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 25 terminations/resignations; - 9 internal appointments; and - 13 external appointments. <p>Action to reduce number of posts</p> <ul style="list-style-type: none"> - Weekly/bi-weekly R&S update meetings to track and ensure movement on the R&S process and to prioritise vacancies nine months and older.
Finance	164	54 456 700	161	R 53 372 365	90.90%	9.10%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 2 new positions created; - 5 terminations/resignations; and - 6 external appointments. <p>Action to reduce number of vacant posts</p> <ul style="list-style-type: none"> - Parallel interviews on a weekly basis. The focus is mostly on the predicted consequential bulk vacancies caused by internal promotions. - R&S process commences prior to the date of retirement to prevent delays in filling vacancies.

Table continues on next page.

Analysis on Vacant Posts							
DIRECTORATE	November 2022		December 2022				Comment on Movement between current month and previous month
	No Of Posts	Value	No Of Posts	Value	% of Posts Filled	Vacancy Rate	
Future Planning and Resilience	51	27 631 561	52	R 27 470 133	83.28%	16.72%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 2 appointments; and - 3 terminations. <p>Action to reduce number of vacant posts</p> <ul style="list-style-type: none"> - A dedicated HR practitioner was appointed to address the slow turnaround time in the R&S process. - A HR Business Partner (HRBP) was appointed in January 2023 and will assist in addressing existing gaps.
Human Settlements	106	43 290 602	107	R 43 621 589	89.12%	10.88%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 5 resignations; - 14 terminations; and - 18 external appointments. <p>Action to reduce number of vacant posts</p> <ul style="list-style-type: none"> - Monthly collaborative meetings with Corporate HR. - Finalisation of SLA with relevant role-players with the main stakeholder being Corporate HR to reduce the turnaround time in filling vacancies. - Improved monitoring schedule.
Office of the City Manager	50	23 328 566	46	R 21 011 750	87.67%	12.33%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 4 appointments; and - 2 new positions created. <p>Action to reduce number of vacant posts</p> <ul style="list-style-type: none"> - R&S processes are underway to fill a number of posts. - Business Improvement Project completed which will impact the filling of positions in future months.

Table continues on next page.

Analysis on Vacant Posts							
DIRECTORATE	November 2022		December 2022				Comment on Movement between current month and previous month
	No Of Posts	Value	No Of Posts	Value	% of Posts Filled	Vacancy Rate	
Safety and Security	657	202 922 177	583	R 183 073 252	91.42%	8.58%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 22 terminations/resignations; - 47 external appointments; and - 49 other/abolishments. <p>Action to reduce number of vacant posts</p> <ul style="list-style-type: none"> - Piggy-backing on vacancies within directorate as well as corporately. - Project management approach. - Combined approach by various departments to fill same positions within departments e.g. emergency communicators in Metro Police and Emergency Services.
Spatial Planning & Environment	84	35 317 848	75	R 32 626 600	92.30%	7.70%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 9 external appointments <p>Action to reduce number of vacant posts</p> <ul style="list-style-type: none"> - R&S processes were designed to create 'pipeline of position ready' candidates per job segment, where appropriate.
Urban Mobility	256	84 395 602	233	R 79 795 268	89.20%	10.80%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 3 new position created; - 3 positions abolished; - 84 terminations/resignations; and - 85 other. <p>Action to reduce number of vacant posts</p> <ul style="list-style-type: none"> - Three labour broker to assist the R&S in order to reduce the vacancy rate. - Fortnightly tracking of vacancies by HR Business Partner together with R&S.

Table continues on next page.

Analysis on Vacant Posts							
DIRECTORATE	November 2022		December 2022				Comment on Movement between current month and previous month
	No Of Posts	Value	No Of Posts	Value	% of Posts Filled	Vacancy Rate	
Urban Waste management	203	68 850 265	215	R 71 943 076	94.11%	5.89%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 12 new positions created; - 27 terminations/resignations; - 5 external appointments; and - 2 internal appointments. <p>Action to reduce number of vacant posts</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 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 a position becomes vacant; - Weekly vacancy tracker to ensure that vacancies are moving in the R&S process; - Utilisation of databases (e.g. clerks, workers, operational supervisor, drivers etc.); - E-recruitment and questionnaire report; - Piggy-backing (internal and external); - Head hunting; and - Early advertising of vacancies.

Table continues on next page.

Analysis on Vacant Posts							
DIRECTORATE	November 2022		December 2022				Comment on Movement between current month and previous month
	No Of Posts	Value	No Of Posts	Value	% of Posts Filled	Vacancy Rate	
Water and Sanitation	842	276 592 927	830	R 270 170 434	87.65%	12.35%	<p>The movement of the number of posts as at end of November and end of December is as a result of:</p> <ul style="list-style-type: none"> - 17 new positions created; - 9 positions abolished; - 15 terminations/resignations; and - 17 external appointments. <p>Action to reduce number of vacant posts</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 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 NoA can be run when a position becomes vacant; - Weekly vacancy tracker to ensure that vacancies are moving in the R&S process; - Focus on external advertising in order to manage consequential fills and to also attract a bigger pool of applicants; - Suspension of certain non-mandatory technical assessments in order to fast track the R&S process; and - Augmentation of the R&S capacity.
Total	3 579	R 1 242 416 347	3447	R 1 200 403 234	90.58%	9.42%	

The table below shows the number of posts per T-grade level per directorate.

Directorate	Number of posts per T-Grade						
	T1 -T5	T6 -T9	T10 -T13	T14 - T16	T17 -T18	T19 - T21	Total
Community Services & Health	164	108	140	22	1	1	436
Corporate Services	67	51	115	108	4	4	349
Economic Growth	8	5	22	18	5	1	59
Energy	110	53	95	36	5	2	301
Finance	83	28	29	19	2	0	161
Future Planning & Resilience	7	2	15	20	6	2	52
Human Settlements	21	21	38	25	2	0	107
Office of the City Manager	8	3	20	11	4	0	46
Safety And Security	120	291	138	30	3	1	583
Spatial Planning And Environment	8	9	39	17	1	1	75
Urban Mobility	96	54	34	41	2	6	233
Urban Waste Management	77	74	40	17	3	4	215
Water & Sanitation	315	267	157	79	11	1	830
Total	1084	966	882	443	49	23	3447

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	274	120	38	4	436
Corporate Services	181	95	70	3	349
Economic Growth	35	19	3	2	59
Energy	170	55	58	18	301
Finance	123	28	9	1	161
Future Planning and Resilience	39	6	7	0	52
Human Settlements	39	33	22	13	107
Office of the City Manager	32	8	5	1	46
Safety and Security	362	180	37	4	583
Spatial Planning and Environment	40	18	9	8	75
Urban Mobility	152	45	30	6	233
Urban Waste management	107	40	43	25	215
Water and Sanitation	411	201	152	66	830
Grand Total	1 965	848	483	151	3 447

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
RThousands					
Total Revenue (excluding capital transfers and contributions)	53 285 975	53 285 975	27 093 449	27 567 655	(474 206)
Total Expenditure	53 797 051	53 797 046	23 801 639	24 762 200	(960 561)
Surplus/(Deficit)	(511 076)	(511 072)	3 291 810	2 805 455	486 355

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	5 749 205	5 760 006	(10 801)	-0.2%	11 519 486
Service charges - electricity revenue	17 241 469	17 241 469	8 689 343	8 764 694	(75 351)	-0.9%	17 241 469
Service charges - water revenue	3 928 012	3 928 012	1 899 140	1 893 116	6 024	0.3%	3 984 368
Service charges - sanitation revenue	2 014 506	2 014 506	976 045	965 662	10 383	1.1%	2 048 465
Service charges - refuse revenue	1 381 241	1 381 241	644 868	684 278	(39 409)	-5.8%	1 352 423
Rental of facilities and equipment	389 180	389 180	202 276	196 927	5 348	2.7%	388 808
Interest earned - external investments	1 118 566	1 118 566	635 449	558 343	77 106	13.8%	1 263 260
Interest earned - outstanding debtors	367 515	367 515	195 366	191 118	4 249	2.2%	352 054
Dividends received	—	—	—	—	—	—	—
Fines, penalties and forfeits	1 262 193	1 262 193	1 010 344	915 944	94 399	10.3%	1 358 709
Licences and permits	73 251	73 251	21 363	24 993	(3 630)	-14.5%	73 251
Agency services	271 616	271 616	136 327	136 336	(9)	0.0%	271 616
Transfers and subsidies	6 260 172	6 260 172	3 384 685	3 663 077	(278 392)	-7.6%	6 304 679
Other revenue	3 466 403	3 466 403	2 299 681	2 167 618	132 063	6.1%	3 555 498
Gains	3 992 365	3 992 365	1 249 357	1 645 543	(396 186)	-24.1%	4 091 097
Total Revenue (excluding capital transfers and contributions)	53 285 975	53 285 975	27 093 449	27 567 655	(474 206)	-1.7%	53 805 182

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

- **Service charges - electricity revenue (R75,4 million under)**

The under-recovery is mainly due to the newly introduced Time-of-Use tariffs and the seasonal fluctuations in these tariffs, in particular the winter tariffs.

- **Interest earned - external investments (R77,1 million over)**

The over-recovery is mainly on Interest Received: Short Term and Call Accounts, due to improved investment returns as a result of higher than expected interest rates.

- **Fines, penalties and forfeits (R94,4 million over)**

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

- **Transfers and subsidies (R278,4 million under)**

Under-recovery reflects in the following directorates:

- Community Services & Health, mainly on:
 - National (Conditional), due to fewer than expected employment projects funded from national grant funding.
 - Provincial (Conditional), due to outstanding claims.
 - Provincial (Unconditional), due to an unpaid claim made to the Western Cape Government (WCG).
- Human Settlements, mainly on:
 - Grant and Subsidies (National), due to numerous grant-funded vacancies within various projects, verification of invoices received for Dido Valley Project, initial delays in the appointment of the contractor for the Informal Settlement Community Surveying Project; and
 - Grant and Subsidies (Provincial), mainly on:
 - Belhar/Pentech Infill Housing project, due to the late contractor appointment as a result of contingency issues;
 - Edward Street: Grassy Park Development Project, where the Civils component of the project is still underway; and
 - Maroela Housing (South), due to delays in the appointment of contractors.
- Safety & Security, where the business plans and Transfer Payment Agreement (TPA) for the LEAP programme has not yet been finalised.
- Urban Waste Management, due to initial delays in signing up the number of EPWP workers as per quota requirements.
- Economic Growth, due to misalignment of the period budget provisions and the actual revenue recognised to date.

- **Other Revenue (R132,1 million over)**

The over-recovery reflects mainly against:

- Development Levies, which is dependent on developer requirements and currently higher than anticipated.
- Bus fares Transit products, due to higher than anticipated revenue on the N2 Express Way routes.

- Recoveries of Operational Expenditure, due to the actual billing relating to the Koeberg Disaster Recovery tariff being higher than planned, the recovery of legal costs not planned for where court rulings were in favour of the City, and a R20 million recovery that relates to a settlement from contractors who built the Cape Town Stadium.
- Gains (R396,2 million under)**
The over-recovery is mainly on inventory consumed, where the water drawn from internal dams is slightly lower than anticipated. Entries could not be processed in the reporting period as the accounts from the National Department of Water & Sanitation were still outstanding.

Reasons for variances on revenue by source can be found in *Material variance explanations for operating revenue by source and by vote* on page 47.

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	17 347 906	8 103 469	8 595 548	(492 078)	-5.7%	17 288 203
Remuneration of councillors	176 133	176 133	85 262	89 840	(4 578)	-5.1%	181 120
Debt impairment	2 316 909	2 316 909	1 103 988	1 104 006	(18)	0.0%	2 473 077
Depreciation & asset impairment	3 208 222	3 208 221	1 590 876	1 591 625	(748)	0.0%	3 270 102
Finance charges	862 999	862 999	350 387	413 930	(63 544)	-15.4%	751 615
Bulk purchases - electricity	12 350 900	12 350 900	5 599 247	5 901 141	(301 894)	-5.1%	12 350 900
Inventory consumed	5 214 790	5 213 096	1 937 375	2 146 407	(209 031)	-9.7%	5 582 458
Contracted services	8 572 922	8 572 526	3 422 376	3 259 218	163 158	5.0%	8 820 327
Transfers and subsidies	391 480	383 679	141 554	134 443	7 111	5.3%	425 327
Other expenditure	2 927 064	2 911 981	1 308 761	1 349 245	(40 484)	-3.0%	2 863 394
Losses	452 697	452 697	158 343	176 798	(18 455)	-10.4%	476 581
Total Expenditure	53 797 051	53 797 046	23 801 639	24 762 200	(960 561)	-3.9%	54 483 104

Reasons for major over-/under expenditure by type

- Employee related costs (R492,1 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).
- Finance Charges (R63,5 million under)**
The variance is mainly on Interest - External, where the interest provision for a loan that was not taken up at the end of the previous financial year is included in the current budget.
- Bulk purchases (R301,9 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 (R209,0 million under)**

Under expenditure reflects on the following subcategories:

- G&D Pharmaceutical supplies and G&D Vaccines, due to outstanding invoices.
- Inventory consumed Reticulation Water and Bulk Water, where sales to reticulation end-user customers are lower than anticipated, and due to outstanding accounts from the National Department of Water & Sanitation.
- G&D Material General & Consumables, due to outstanding invoices, and correction of entries relating to prior year transactions.

- **Contracted Services (R163,2 million over)**

Over expenditure reflects against the following subcategories:

- Professional Services – Engineering Civil, due to some projects being ahead of schedule as a result of good contractor performance.
- G&D Professional Services - Engineering Civil, due to good contractor performance.
- Relief Drivers, where additional drivers were appointed for new projects in the Cleansing Branch (Urban Waste Directorate).
- R&M Contracted Services Building, due to more repairs required at depots and pump stations than originally anticipated. The impact of bulk sewer collapses due to ageing infrastructure has contributed significantly to the increase in the repairs and maintenance cost due to the complexity of these repairs. The majority of repairs and maintenance i.e. mechanical, electrical, instrumentation, and building repairs is reactive in nature.
- R&M Maintenance of Equipment, where a significant amount of work has been completed due to tender availability.
- Transportation Services – People, due to increased cost on the four VOC contracts as a result of the significant fuel price increases, and the higher than anticipated rate to renew the N2 Express contract negotiated late in the previous financial year.
- Security Services - Municipal Facilities, as a result of increased security at vacant properties to avoid illegal occupation and damage, and at various landfill sites.
- G&D Transportation Services People, where the Public Transport Interchanges (PTI) service is co-funded by grant funding, which is utilised before City funding, and expenditure being slightly higher than planned to date.

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	1 905 076	2 107 199	(202 123)	-9.6%	4 412 344
Vote 2 - Corporate Services	3 347 229	3 347 228	1 596 567	1 508 861	87 706	5.8%	3 222 159
Vote 3 - Economic Growth	711 443	711 443	306 726	297 672	9 054	3.0%	639 084
Vote 4 - Energy	15 248 998	15 248 998	6 932 028	7 304 355	(372 327)	-5.1%	15 313 040
Vote 5 - Finance	3 295 289	3 295 289	1 599 543	1 704 632	(105 089)	-6.2%	3 480 911
Vote 6 - Future Planning & Resilience	560 878	560 878	211 299	221 629	(10 330)	-4.7%	470 022
Vote 7 - Human Settlements	1 545 840	1 545 840	706 712	695 333	11 379	1.6%	1 593 122
Vote 8 - Office of the City Manager	472 208	472 208	207 179	224 252	(17 073)	-7.6%	447 763
Vote 9 - Safety & Security	5 166 367	5 166 367	2 264 569	2 232 823	31 746	1.4%	5 385 152
Vote 10 - Spatial Planning & Environment	1 274 335	1 274 335	574 641	597 283	(22 642)	-3.8%	1 355 928
Vote 11 - Urban Mobility	3 848 458	3 848 458	1 717 028	1 588 304	128 724	8.1%	4 022 314
Vote 12 - Urban Waste Management	3 340 398	3 340 398	1 510 710	1 581 162	(70 452)	-4.5%	3 357 866
Vote 13 - Water & Sanitation	10 550 026	10 550 026	4 269 562	4 698 697	(429 134)	-9.1%	10 783 400
Total Expenditure by Vote	53 797 052	53 797 046	23 801 639	24 762 200	(960 561)	-3.9%	54 483 104

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 55.

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.

Budget provisions were reviewed during the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.

- **Corporate Services (R87,7 million over)**

Over expenditure reflects against the following categories:

- Inventory Consumed - Fuel (Petrol, Diesel and Fuel oil), due to fluctuations in the fuel price as well as an increase in demand for diesel as a result of load shedding.
- Contracted services, mainly on the following subcategories:
 - Security Services: Municipality Facilities, as a result of increased security services required to avoid illegal occupation and/or damage to City property;
 - Advisory Services - Accountants and Auditing, relating to unplanned services required for the restoration of conventional and heritage buildings City-wide; and
 - R&M Contracted Serv Building, where expenditure took place earlier than anticipated as some of the R&M programmes are ahead of schedule.
- Other Expenditure - Telecom: Cell Phone additional Call Charges, where additional call changes currently being paid against the directorate's cost centre must still be allocated to the directorates responsible for the costs.

- **Economic Growth (R9,1 million over)**

Over expenditure reflects against the following categories:

- Contracted Services - Security Services: Municipal Facilities, due to increased requirements for security services at facilities in order to mitigate possible vandalism and theft.
- Transfers and Subsidies: Grants/Sponsorships, where payment for the Smart Procurement Supplier Development Programme was made earlier than anticipated.
- Other expenditure - Advertising - Corporate and Municipal Accounts, where costs relating to the advertisement of International Social Media Campaigns as part of the Destination Marketing Project were incurred earlier than anticipated.

- **Human Settlements (R11,4 million over)**

Over expenditure reflects against the following categories:

- Inventory Consumed - R&M Material General & Consumables, due to the high volumes of C3 notifications (service requests) for maintenance of rental units.
- Contracted Services, mainly on:
 - G&D Professional Services - Engineer: Civil, due to good contractor performance;
 - G&D Professional Services - Engineer: Civil, due to misalignment of the budget at cost element level on the Eradication of Registration Backlog Project funded from a grant. The full budget was loaded against one GL instead of being allocated to the various GLs within the project;
 - Building Contractors, due to good contractor performance;
 - Security Services, where increased security services were required at construction sites, and emergency security services were required at depots due to the increased risk of breaking-ins;
 - Administrative and Support Staff, due to the temporary appointment of labour brokers for critical positions while the recruitment process is being finalised; and
 - R&M Pest Control due to the incorrect allocation of expenditure.
- Other Expenditure, against:
 - Management Fee paid, due to the earlier than anticipated appointment of the management agency for the Woodstock Hospital property.
 - Housing PHP payments, where grant-funded expenditure was incorrectly posted against a cost centre.

- **Safety & Security (R31,7 million over)**

Over expenditure reflects against the following categories:

- Employee related costs, mainly due to overtime payments as a result of increased roadblocks and traffic policing visibility, and an increase in demand for law enforcement services at events.
- Contracted Services, due to an increase in expenditure for the repair of lifts, roof leaks, burst geysers, repairs and cooling towers at drivers licence testing stations (DLTC) and traffic operations buildings.

• Urban Mobility (R128,7 million over)

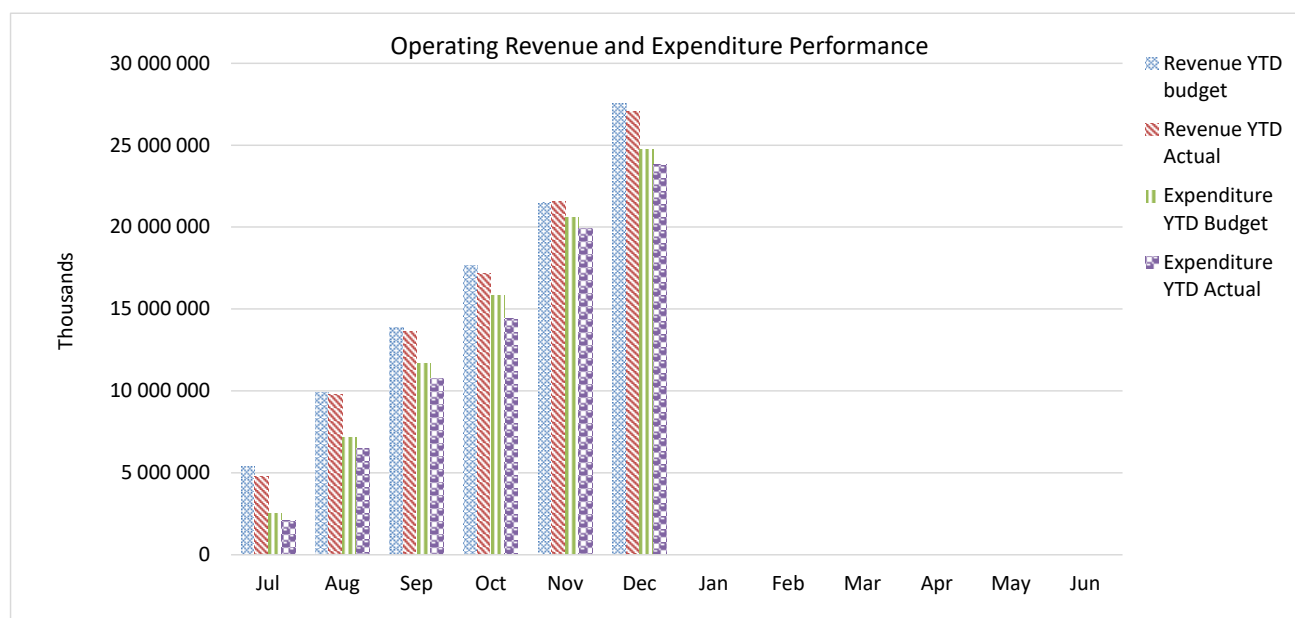
Over expenditure reflects against the following categories:

- Depreciation, where some assets were capitalised timeously, and some assets were acquired earlier than planned resulting in assets being brought into use and being capitalised earlier than anticipated.
- Contracted Services, mainly on:
 - R&M Contracted Services Building, due to faster than expected progress on metro- and local road resurfacing maintenance programmes;
 - Transportation Services: People, due to Increased costs on the four VOC contracts as a result of significant fuel price increases, and the higher rates negotiated to renew the N2 Express contract late in the previous financial year; and
 - G&D Transportation Services People, where the PTI service is co-funded by the grant and grant funding is utilised before City-funding, and where expenditure is slightly higher than planned to date.

Details on variances for operating expenditure can be found in *Material variance explanations for operating expenditure by vote and by type* on page 55.

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	2 165 195	2 392 280	(227 085)	-9.5%	7 726 572
Funded by:							
National Government	2 165 521	2 165 528	663 717	816 830	(153 113)	-18.7%	2 188 370
Provincial Government	5 492	5 492	3 394	1 500	1 894	126.2%	9 924
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	30 705	23 464	7 241	30.9%	95 654
Transfers recognised - capital	2 271 867	2 271 879	697 816	841 794	(143 978)	-17.1%	2 293 949
Borrowing	2 000 000	2 000 000	469 734	473 018	(3 284)	-0.7%	2 000 000
Internally generated funds	3 235 452	3 487 632	997 645	1 077 467	(79 822)	-7.4%	3 432 624
Total Capital Funding	7 507 319	7 759 512	2 165 195	2 392 280	(227 085)	-9.5%	7 726 572

The summary statement of capital budget performance indicates actual capital expenditure of R2 165 million or 27.90% of the current budget.

The year-to-date spend represents 26.74% (R1 467 million) on internally-funded projects and 30.72% (R698 million) on externally-funded projects.

Capital budget by municipal vote for 2022/23

Vote Description R thousands	2021/22	Budget Year 2022/23						
	Audited 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	82 547	94 765	(12 219)	-12.9%	267 938
Vote 2 - Corporate Services	412 747	395 619	409 745	82 484	112 600	(30 116)	-26.7%	426 776
Vote 3 - Economic Growth	46 999	48 748	53 069	15 327	23 246	(7 920)	-34.1%	67 306
Vote 4 - Energy	754 877	1 052 059	1 088 067	401 597	318 751	82 846	26.0%	1 074 183
Vote 5 - Finance	16 290	18 129	18 178	9 868	7 252	2 617	36.1%	30 683
Vote 6 - Future Planning & Resilience	39 103	26 415	27 558	1 377	9 795	(8 418)	-85.9%	26 251
Vote 7 - Human Settlements	892 564	884 428	910 682	313 630	356 810	(43 180)	-12.1%	892 900
Vote 8 - Office of the City Manager	5 961	13 329	14 163	1 062	903	159	17.6%	7 405
Vote 9 - Safety & Security	192 797	236 735	242 541	64 008	62 214	1 793	2.9%	281 946
Vote 10 - Spatial Planning & Environment	99 615	217 455	228 274	71 358	82 722	(11 364)	-13.7%	241 506
Vote 11 - Urban Mobility	651 164	1 379 126	1 436 184	311 766	524 060	(212 294)	-40.5%	1 329 677
Vote 12 - Urban Waste Management	327 566	647 002	694 253	154 536	159 563	(5 028)	-3.2%	694 253
Vote 13 - Water & Sanitation	1 714 114	2 343 741	2 376 985	655 635	639 596	16 039	2.5%	2 385 748
Total Capital Expenditure	5 426 192	7 507 319	7 759 512	2 165 195	2 392 280	(227 085)	-9.5%	7 726 572

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

- **Urban Mobility directorate (R212,3 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:
 - Delays in receipt of the Department of Labour permit number, which has since been received;
 - Property acquisitions being at various stages of the acquisition process;
 - Pending creation of SAP agreement; and
 - Delays in finalisation of the scope of work in terms of the Water Services term contract.
- 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, which is behind schedule as a result of the process of creating and signing the MoA after the BAC award.
- Dualling: Jip De Jager: Kommissaris - Van Riebeeckshof, where the due diligence process is taking longer than anticipated.
- Road Rehabilitation: Bishop Lavis, where appointment of the service provider took longer than anticipated delaying commencement of the project.
- Road Upgrade: CTICC FW De Klerk Boulevard, where the underground services investigations were completed later than anticipated. Detail design is complete and has been submitted to the Roads Infrastructure Management (RIM) district office for approval.

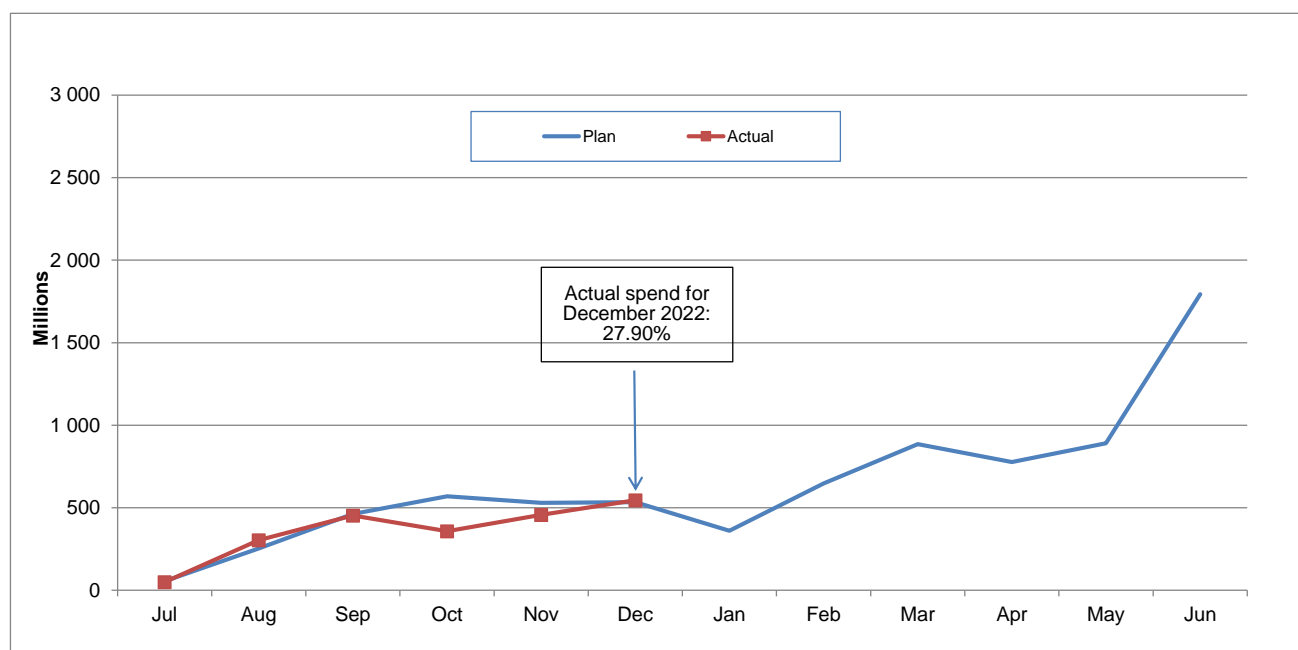
83% spend is forecasted for the projects currently on the budget.

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 74.

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

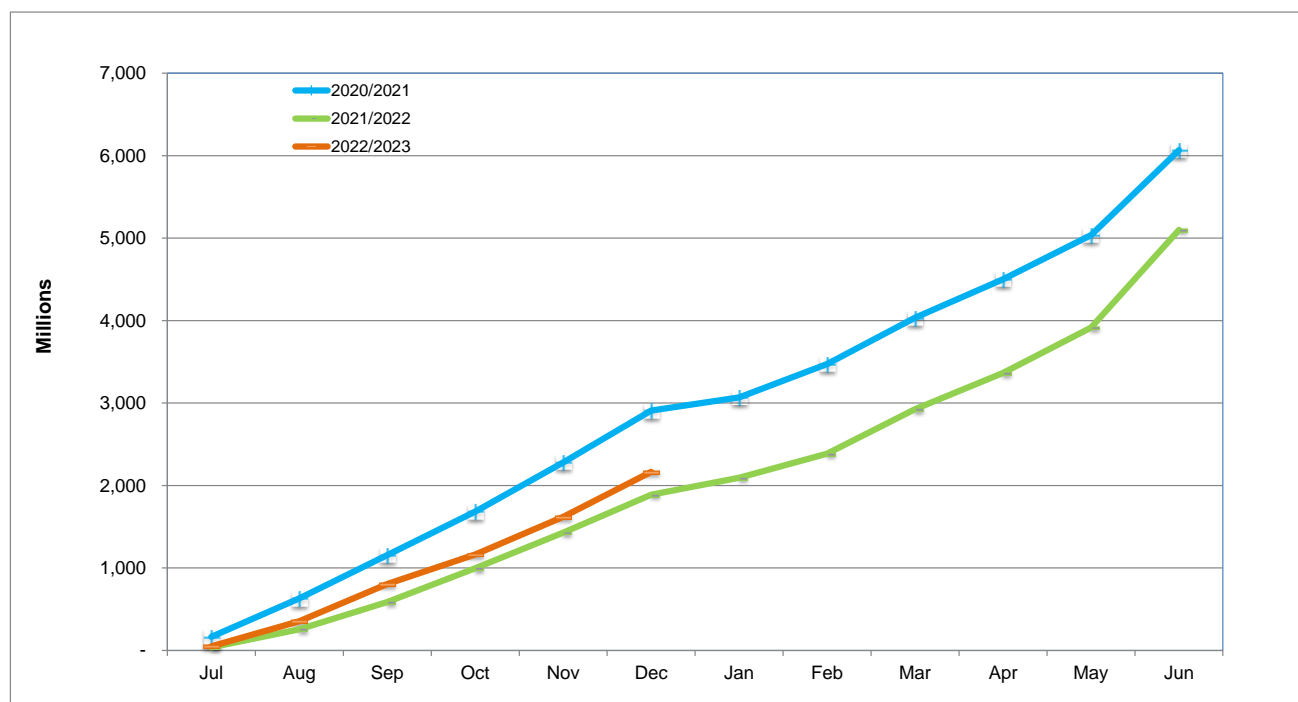
Monthly capital expenditure

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

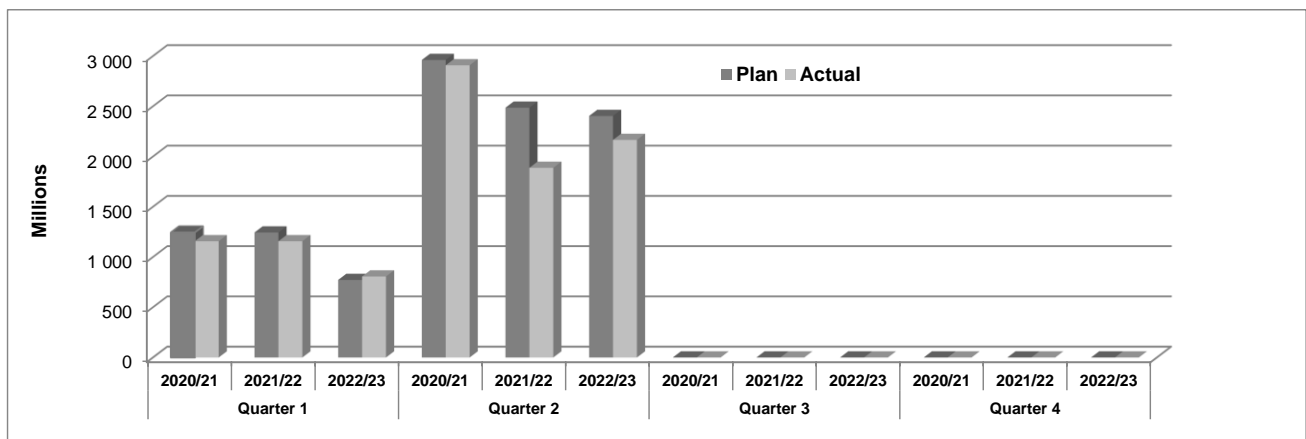


Capital expenditure trend over the current- and past two years

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	180 723 725	106 847 414	-73 876 311	488 435 366	Construction works initially delayed due to outstanding Department of Labour permit number. This matter was resolved and construction is underway. Budget and cash flow to be amended in the January 2023 adjustments budget as per the latest cash flow received from the contractor.
Plant & Vehicles: Replacement	291 719 216	46 458 370	37 339 687	-9 118 683	289 633 604	Additional funding is required for the procurement of light duty vehicles in order to continue with the roll-out of EPWP projects. Delivery is delayed as a result of supplier constraints; the project manager is following up with the vendor. Budget and cash flow to be amended in the January 2023 adjustments budget.
Cape Flats Aquifer Recharge	256 843 581	66 664 181	130 413 758	63 749 577	256 843 581	The project is ahead of schedule due to good project management and performance of service providers.
Zandvliet WWTW - Extension	209 800 000	127 389 384	109 594 250	-17 795 134	216 209 988	The project is on schedule. However, delivery of membranes from abroad is taking longer than anticipated. Additional funding is required to bring forward the work planned in the outer financial years to the current financial year as the consultant/contractor has capacity to perform more work. Budget and cash flow to be amended in the January 2023 adjustments budget.
Coastal Park: Design and develop (MRF)	186 669 936	59 893 255	76 799 950	16 906 695	208 531 876	Tender 107Q/2020/21 (construction) and tender 301Q/2020/21 (mechanical) has been awarded and the contractors are on site and ahead of schedule due to good contractor performance. Additional funding is required to make provision for the Contract Price Adjustment (CPA) increase requested on both tenders. Budget and cash flow to be amended in the January 2023 adjustments budget.
Meter Replacement Programme	153 135 000	26 200 000	44 013 339	17 813 339	153 135 000	The project is ahead of schedule due to good performance of the service provider.

Table continues on next page.

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Replace & Upgrade Sewer Network	150 000 000	60 000 000	65 897 715	5 897 715	180 000 000	Projects are at various stages of completion, however, the majority are ahead of schedule due to good performance of the service provider. Additional funding is required to replace the aging sewer network in order to prevent the spillage of hazardous material. Budget and cash flow to be amended in the January 2023 adjustments budget.
System Equipment Replacement	144 326 206	71 265 513	99 389 686	28 124 173	166 233 206	The project is ahead of schedule due to satisfactory contractor performance. Additional funding is required as a result of an increase in theft, vandalism, equipment fault related to age, and load shedding. Budget and cash flow to be amended in the January 2023 adjustments budget.
Cape Flats Rehabilitation	141 412 220	39 583 525	21 711 084	-17 872 441	147 129 256	Signing of the MOA took longer than anticipated due to legal issues that had to be resolved. Tender 135Q/2020/21 is now active and work packages are being issued; awaiting feedback from the contractors. Additional funding is required to bring forward the work planned in the outer financial years to the current financial year as the consultant has capacity to perform more work. Budget and cash flow to be amended in the January 2023 adjustments budget.
Broadband Infrastructure Programme	141 336 566	47 203 576	17 890 836	-29 312 740	114 744 717	At the time of forecasting spend it was not anticipated that tender 131Q/2021/22 (construction of optic fibre civils infrastructure) would have no bidders. As a result the tender process needed to be repeated resulting in one appeal, which was upheld. The fibre builds have subsequently started. Four projects are currently in the build stage with testing on seven fibre lines ongoing. The remainder of the projects have been scheduled and the delay has been mitigated. A portion of the project will be rephased to the 2023/24 financial year as the tender required to implement the project become available later than initially anticipated. Budget and cash flow to be amended in the January 2023 adjustments budget.
Urbanisation: Backyards/Infrm Settl Upgr	136 168 863	50 425 835	81 412 835	30 987 000	76 332 925	The project is ahead of schedule mainly due to good contractor performance on the Kosovo, Deep Freeze, Wolwerivier and Enkanini South projects. Budget of R36,7 million and R10,7 million will be reprioritised to CPX.0033979-F1 (Informal Settlements Upgrade: Kosovo) and CPX.0034005-F1 (Informal Settlements Upgrade: Deep Freeze) respectively as new stand-alone projects in the January 2023 adjustments budget. Expenditure to be reposted.

Table continues on next page.

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Morgen Gronde Switching Station	129 347 001	5 000 000	18 484 626	13 484 626	129 347 001	The project is ahead of schedule due to accelerated contractor performance. However, delays were experienced due to the rock-filling activity, which took longer than anticipated. A notice of concern with respect to the current progress was issued to the builder who has managed to make up some lost time and is now on track to complete the project on time.
Sir Lowry's Pass River Upgrade	115 000 000	15 469 200	62 406	-15 406 794	56 500 000	A Section 33 report has been approved. The project was initially delayed by appeals lodged against the contract, which have since been resolved. A portion of the project will be rephased to outer financial years. Budget and cash flow to be amended in the January 2023 adjustments budget.
Triangle 132kV Upgrade	110 250 000	45 000	20 082 033	20 037 033	110 250 000	Project is ahead of schedule due to satisfactory contractor performance. Land reservation, LUM application and building plan approval has been completed. Construction of the new Triangle Switching Station has started. Tender for 145kV GIS Switchgear was awarded. Cable manufacturing is ahead of schedule and civil works has started along the HV Cable route.
Replace & Upgrade Water Network	109 499 999	40 668 773	32 555 818	-8 112 955	129 985 839	Projects are at various stages of completion, however, there are delays as a result of non-acceptance of projects by contractors. Additional funding is required to replace the aging water network in order to secure the provision of portable water to residents. Budget and cash flow to be amended in the January 2023 adjustments budget.
IRT Phase 2 A	105 286 747	6 333 835	5 258 786	-1 075 049	17 310 000	The project manager is following up on outstanding Professional Service Provider (PSP) invoices for December 2022.
Potsdam WWTW - Extension	93 060 646	6 499 918	6 499 917	-1	48 060 090	Tender 146Q/2021/22 (Mechanical/Electrical) and 295Q/2021/22 (Civil) has surpassed the 21-day appeal period with dismissed appeals received on both projects. A portion of the project will be rephased to outer financial years. Budget and cash flow to be amended in the January 2023 adjustments budget.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q2 (December 2022)

Programme/Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Full Year Forecast	Comments
Repl & Upgr Sewerage Pump Stations	91 669 354	34 176 459	29 323 937	-4 852 522	111 669 354	Projects at various stages of completion, however some are behind schedule due to the complex nature of certain pump stations. This routine capital project is for the minor upgrade and replacements to sewer pump station i.e. mechanical, electrical and civil engineering components, infrastructure and fittings City-wide. Additional funding is required to replace the aging pump stations in order to prevent spillage of hazardous material. Budget and cash flow to be amended in the January 2023 adjustments budget.
Land Acquisition (USDG)	90 053 341	45 763 550	2 081 226	-43 682 324	54 342 190	Finalisation of the registration of acquisitions in Sir Lowry's Pass is taking longer than anticipated. Furthermore, the roll over application to NT was unsuccessful resulting in the project not being able to start. Budget and cash flow to be amended in the January 2023 adjustments budget.
Atlantis Aquifer	90 000 000	20 000 000	7 854 689	-12 145 311	90 000 000	The project is on track, however, the payment certificate for the current reporting period is outstanding. The project manager has followed up.
Vehicles, Plant Equip: Additional	89 718 949	16 321 084	22 030 051	5 708 967	89 718 949	Some vehicles received earlier than anticipated due to availability of stock.
Athlone WWTW-Capacity Extension-phase 1	86 000 000	-	13 266 049	13 266 049	89 100 000	The project is ahead of schedule due to good performance of the service provider.
Service Connections: Quote	77 422 500	23 961 403	42 082 005	18 120 602	71 000 000	This project is customer demand driven. Applications for new/upgraded supplies have been more than planned for the period under review.
Bulk Water Infrastructure Replacement	60 200 000	24 819 631	23 622 622	-1 197 009	60 200 000	Some equipment has been received. Further orders for specialised equipment have been placed; deliveries are delayed due to supply constraints.
Bellville WWTW	59 900 000	15 760 000	470 264	-15 289 736	59 900 000	Both Section 33 reports for tender 3Q/2019/20 and tender 5Q/2019/20 have been approved by Council. Agreement numbers for the contracts were received later than planned; orders have been placed.
	3 675 104 182	1 030 626 217	1 014 984 987	-15 641 230	3 414 612 942	

COMMITMENTS AGAINST CASH AND INVESTMENTS

Cash and Investments

The cash and cash equivalents amount to R8 365 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	16 917 797	17 893 027
Total Commitments	11 513 422	11 596 192
Unspent Conditional Grants	1 685 582	1 636 855
Housing Development	321 368	324 063
MTAB	27 706	27 635
Trust Funds	985	991
Insurance reserves	567 400	567 820
CRR / Revenue	5 476 770	5 605 217
Other contractual commitments	3 433 611	3 433 611
Uncommitted Funds	5 404 375	6 296 836
Closing Cash and Investment Balance	16 917 797	17 893 027
Non Current Investments	3 935 496	3 963 408
Current Investments	5 592 134	5 564 222
Cash and Cash Equivalents as per Cash flow statement (Table C7)	7 390 167	8 365 397

Details on the cash flow can be found in *Cash Flow* on page 46.

The City's investment portfolio breakdown can be found in *Investment portfolio* on page 86.

The monthly actual and targets can be found in *Actual and revised targets for cash receipts and cash flows* on page 94.

GRANT UTILISATION

Description R thousands	Budget Year 2022/23						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Total operating expenditure of Transfers and Grants	6 260 172	6 260 172	649 923	976 339	(326 415)	-33.4%	6 304 679
Total capital expenditure of Transfers and Grants	2 271 867	2 271 879	697 816	841 794	(143 978)	-17.1%	2 110 392
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	8 532 039	8 532 052	1 347 739	1 818 133	(470 394)	-25.9%	8 415 071

Detailed information on transfers and grants per funding source is reflected in *Transfers and grants expenditure* on page 89.

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	1 314	623	76	2	199	4	3	2	2 223

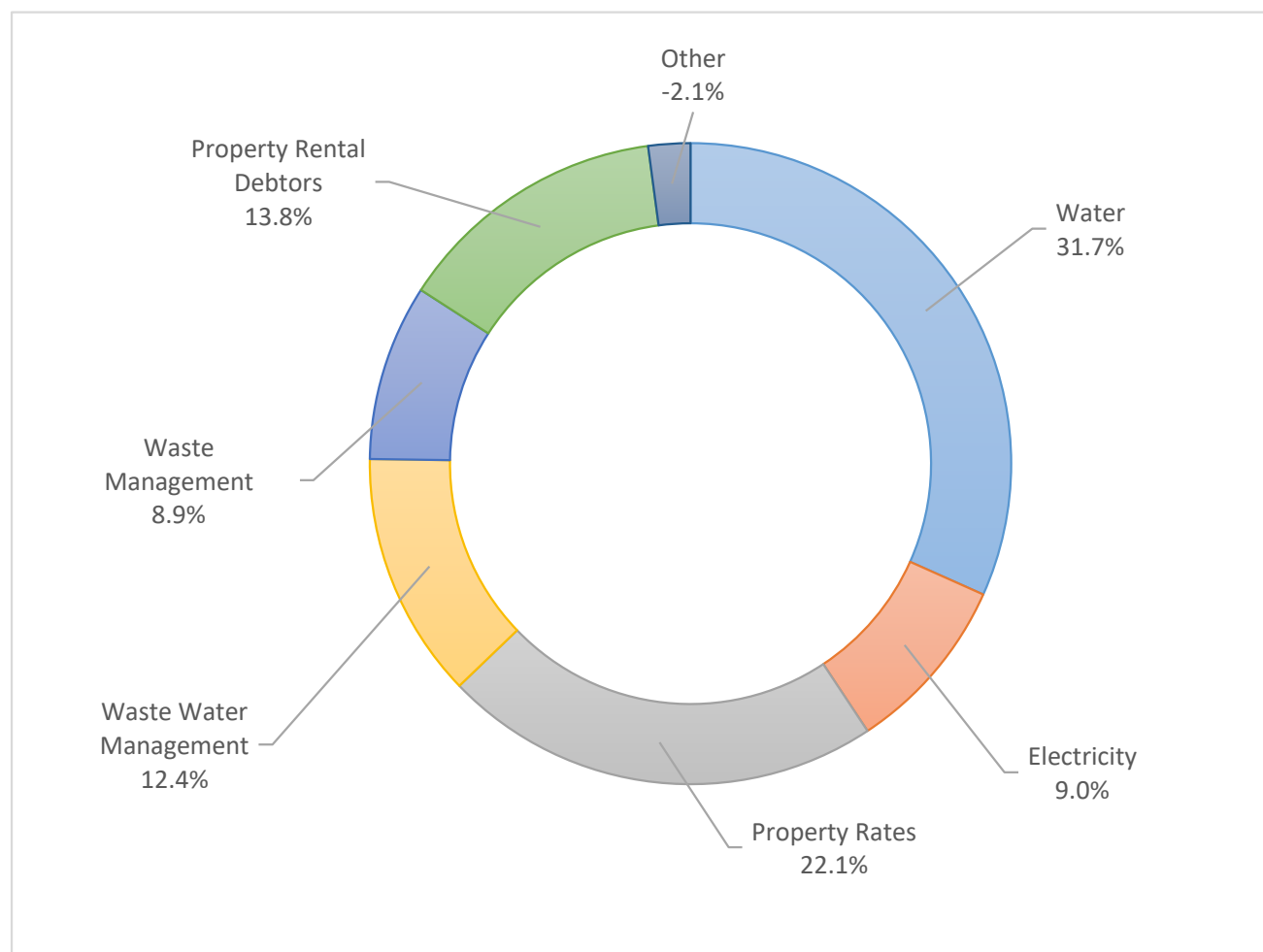
The City's creditors are paid within 30 days as stipulated in the MFMA. Creditors older than 31 days are due to a bank rejection, blocked payments, late submission of invoices and a foreign exchange journal.

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

DEBTORS**Debtors Age Analysis**

Description	Budget Year 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	2 227 627	25.6%	295 093	3.4%	423 210	4.9%	5 765 484	66.2%	8 711 414
2021/22 - totals only	2 078 282	27.0%	220 910	2.9%	210 799	2.7%	5 176 993	67.3%	7 686 985
Movement	149 345		74 183		212 411		588 490		1 024 430
% Increase/(Decrease) year on year		7.2%		33.6%		100.8%		11.4%	13.33%

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	R38 454 269.31	R2 928 902.50	R15 800 033.61	R0.00	R0.00	R0.00	R0.00	R2 790 272.68	R16 935 060.52	The instalment plan is active and payment of R2,7 million was received on 19 December 2022.
Basfour 2295 (Pty) Ltd	R35 189 634.02	R2 068 235.26	R1 984 052.88	R1 993 645.68	R1 927 530.36	R1 708 102.90	R0.00	R12 144 884.04	R13 363 182.90	The instalment plan is up-to-date; a payment of R2,5 million was received on 30 December 2022.
Cornucopia Trust	R21 651 380.93	R1 607 008.29	R1 544 936.91	R1 674 130.26	R2 706 316.54	R178.60	R2 509 220.82	R4 414 969.66	R7 194 619.85	The account is up-to-date; a payment of R1,6 million was received on 30 December 2022.
Transnet Ltd	R18 005 934.52	R4 297 035.88	R3 841 375.99	R4 044 183.51	R5 842 548.14	R0.00	R0.00	R0.00	-R19 209.00	Monthly payments equate to the amounts in the Rates category. Electricity disconnections have been requested for the last three months.
Transnet Limited	R16 590 605.83	R2 819 648.06	R10 443 545.84	R0.00	R0.00	R0.00	R0.00	R3 327 411.93	R0.00	The Water & Sanitation Directorate has advised that the water meter is not in use. Payments received in December 2022 and January 2023 amount to R12 million.
The Business Manager	R16 048 411.22	R123 640.95	R123 640.95	R0.00	R15 801 129.32	R0.00	R0.00	R0.00	R0.00	The Water & Sanitation Directorate is in the process of locating the water meter.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q2 (December 2022)

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Cornucopia Trust	R 15 447 708.84	R 915 741.43	R 0.00	R 0.00	R 2 492 652.12	R 1 051 074.97	R 910 709.17	R 5 543 399.60	R 4 534 131.55	The account is up to date with an instalment plan; the next payment is due on 3 February 2023.
S A Rail Commuter Corporation	R 14 782 428.99	R 1 113 801.30	R 980 581.97	R 1 071 886.31	R 1 001 961.70	R 994 099.96	R 998 349.93	R 7 013 577.07	R 1 608 170.75	Although payments continue to be made by the client, the Water & Sanitation Directorate is unable to locate the water meters for disconnection in order for the client to claim responsibility of the water usage.
Cape Town Community Housing Co Pty Ltd	R 14 173 914.22	R 309 845.08	R 288 253.51	R 292 992.87	R 311 028.14	R 283 224.95	R 292 580.89	R 1 931 929.01	R 10 464 059.77	The account has been handed over to the City's attorneys for specialised administration of debt collection.
Transnet Ltd	R 12 442 483.75	R 105 550.61	R 80 802.44	R 80 857.69	R 80 621.04	R 81 021.18	R 80 522.39	R 3 634 469.18	R 8 298 639.22	The Water & Sanitation Directorate replaced the broken water meter in July 2022; adjustments to the water account is pending.
TOTALS	R 202 786 771.63	R 16 289 409.36	R 35 087 224.10	R 9 157 696.32	R 30 163 787.36	R 4 117 702.56	R 4 791 383.20	R 40 800 913.17	R 62 378 655.56	

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 38 678 269.31	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	-R 224 000.00	R 38 454 269.31
Basfour 2295 (Pty) Ltd	R 0.00	R 0.00	R 1 273 415.78	R 1 027 694.07	R 0.00	R 22 883 101.18	R 10 007 696.99	-R 2 274.00	R 35 189 634.02
Cornucopia Trust	R 0.00	R 21 651 380.93	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 21 651 380.93
Transnet Ltd	R 13 060.77	R 7 570 313.25	R 0.00	R 0.00	R 0.00	R 10 441 769.50	R 0.00	-R 19 209.00	R 18 005 934.52
Transnet Limited	R 0.00	R 0.00	R 16 590 605.83	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 16 590 605.83
The Business Manager	R 0.00	R 0.00	R 16 048 411.22	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 16 048 411.22
Cornucopia Trust	R 0.00	R 0.00	R 1 213 025.30	R 1 455 448.45	R 0.00	R 10 372 128.30	R 2 407 863.79	-R 757.00	R 15 447 708.84
S A Rail Commuter Corporation	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 14 782 428.99	R 0.00	R 0.00	R 14 782 428.99
Cape Town Community Housing Co Pty Ltd	R 21.64	R 0.00	R 9 880.81	R 6 476.59	R 11 186.72	R 14 146 348.46	R 0.00	R 0.00	R 14 173 914.22
Transnet Ltd	R 0.00	R 0.00	R 6 746 873.16	R 5 696 149.80	R 0.00	R 0.00	R 0.00	-R 539.21	R 12 442 483.75

Top 10 Residential debtors - Age Analysis

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Ndabeni Communal Property	R8 850 965.93	R131 160.79	R123 158.54	R129 951.02	R123 818.31	R125 671.32	R130 525.01	R908 785.43	R7 177 895.51	Two meetings to discuss settlement with various stakeholders including officials of the Land Claims Commission of SA were held in December 2022. The ultimate goal of the external stakeholders is to seek a solution with the Mayor and the executive officials of the City due to the complex nature of this matter. The next meeting will be held when relevant stakeholders return from festive leave.
Silvermist Mountain Lodge Body Cor	R3 552 041.02	R103 414.73	R101 400.79	R113 929.03	R123 248.02	R109 195.59	R93 308.44	R686 622.99	R2 220 921.43	A full and final settlement of R2 014 005.83 million was made on 1 December 2022 with the recommendation report pending final approval.
Body Corp Sandpiper Mansions	R3 414 495.52	R26 944.23	R26 841.27	R85 286.58	R79 369.98	R191 239.64	R413.40	R494 789.94	R2 509 610.48	A report recommending debt write-off as a result of a Zero Water tariff is pending final approval.
Coleman Industrial Park Body Corp	R2 702 268.89	R45 944.72	R37 744.60	R43 868.83	R28 975.47	R47 562.88	R24 247.15	R1 951 186.12	R522 739.12	The account has been handed over for collection by the City's attorneys. Numerous calls were made to the client to acknowledge debt without any response. Both metered services were disconnected and summons were served on 5 January 2023.
Strawberry Place Body Corporate	R2 461 190.68	R37 637.38	R37 350.73	R41 349.66	R36 539.22	R55 098.88	R67 580.57	R634 861.63	R1 550 772.61	A report recommending debt write-off as a result of a Zero Water tariff is pending final approval. The business partner has been contacted with no response.
Monkey Valley Share Block Ltd	R2 350 909.70	R80 131.49	R61 727.63	R72 673.56	R63 366.39	R64 658.35	R60 374.61	R438 652.68	R1 509 324.99	A valuation dispute and resolution is pending. There is an interdict spoliation lock until 30 June 2023.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q2 (December 2022)

Account Owner Name	Total	Current	30 days	60 days	90 days	120 days	150 days	150><365	365 days	Comments
Rapidough Properties 560 CC	R2 266 804.74	R31 218.06	R29 539.12	R30 311.43	R33 594.94	R322 444.11	R86 056.76	R175 926.63	R1 557 713.69	The client continues to pay the current account and is not responding to offers of convenient and alternate settlements.
G The Great Family Trust	R2 203 605.29	R52 201.57	R43 511.56	R48 269.28	R46 459.93	R46 170.41	R48 065.74	R341 727.89	R1 577 198.91	The metered services are pending disconnection. A request to investigate tampering of the metered services was made on 5 January 2023. The account was handed over to the City's attorneys for special debt collection.
Kimbili	R2 146 564.06	R15 443.66	R15 320.95	R27 680.10	R15 765.49	R15 593.07	R15 536.17	R174 110.20	R1 867 114.42	The client was not responding to calls to discuss the settlement of the account. An amount of R822 was collected from prepaid electricity sales in November 2022. The Water & Sanitation- and Energy Directorates have confirmed that metered services have been tampered with. Although the account has been handed to the City's attorney for collection, a total shutdown of services took place at the beginning of 2023.
Machin	R2 056 677.47	R19 990.99	R19 561.40	R19 740.51	R20 183.06	R19 597.03	R19 791.77	R132 355.03	R1 805 457.68	A progress report is pending from the liquidator.
TOTALS	R 32 005 523.30	R 544 087.62	R 496 156.59	R 613 060.00	R 571 320.81	R 997 231.28	R 545 899.62	R 5 939 018.54	R 22 298 748.84	

Top 10 Residential debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	Sundries	Security deposit	TOTAL
Ndabeni Communal Property	R 32 072.31	R 0.00	R 9 358.99	R 9 358.99	R 8 912.34	R 8 056 296.12	R 734 967.18	R 0.00	R 8 850 965.93
Silvermist Mountain Lodge Body Cor	R 0.00	R 3 278 285.26	R 227 020.65	R 0.00	R 46 735.11	R 0.00	R 0.00	R 0.00	R 3 552 041.02
Body Corp Sandpiper Mansions	R 1 201.02	R 0.00	R 1 628 755.04	R 1 419 140.63	R 365 398.83	R 0.00	R 0.00	R 0.00	R 3 414 495.52
Coleman Industrial Park Body Corp	R 787 165.53	R 170 778.69	R 911 807.97	R 643 379.74	R 195 284.96	R 0.00	R 0.00	-R 6 148.00	R 2 702 268.89
Strawberry Place Body Corporate	R 1 723.68	R 10 891.85	R 1 303 402.71	R 1 051 785.00	R 93 387.44	R 0.00	R 0.00	R 0.00	R 2 461 190.68
Monkey Valley Share Block Ltd	R 25.47	R 0.00	R 1 548 204.12	R 4 512.32	R 0.00	R 798 167.79	R 0.00	R 0.00	R 2 350 909.70
Rapidough Properties 560 CC	R 30.61	R 0.00	R 1 215 516.50	R 1 050 480.67	R 0.00	R 776.96	R 0.00	R 0.00	R 2 266 804.74
G The Great Family Trust	R 1 886.40	R 602 920.90	R 346 632.80	R 82 212.54	R 9 478.02	R 1 160 474.63	R 0.00	R 0.00	R 2 203 605.29
Kimbili	R 2 073.55	R 0.00	R 1 995 998.95	R 114 837.23	R 11 100.52	R 22 553.81	R 0.00	R 0.00	R 2 146 564.06
Machin	R 439 816.14	R 20 749.34	R 450 014.38	R 36 118.04	R 40 354.53	R 1 069 625.04	R 0.00	R 0.00	R 2 056 677.47

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						
	Audited 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	5 749 205	5 760 006	(10 801)	-0.2%	11 519 486
Service charges	23 028 320	24 565 228	24 565 228	12 209 396	12 307 750	(98 354)	-0.8%	24 626 725
Investment revenue	977 254	1 118 566	1 118 566	635 449	558 343	77 106	13.8%	1 263 260
Transfers and subsidies	5 820 598	6 260 172	6 260 172	3 384 685	3 663 077	(278 392)	-7.6%	6 304 679
Other own revenue	11 203 563	9 822 523	9 822 523	5 114 713	5 278 479	(163 765)	-3.1%	10 091 031
Total Revenue (excluding capital transfers and contributions)	51 681 565	53 285 975	53 285 975	27 093 449	27 567 655	(474 206)	-1.7%	53 805 182
Employee costs	15 255 905	17 322 936	17 347 906	8 103 469	8 595 548	(492 078)	-5.7%	17 288 203
Remuneration of Councillors	165 163	176 133	176 133	85 262	89 840	(4 578)	-5.1%	181 120
Depreciation & asset impairment	3 056 503	3 208 222	3 208 221	1 590 876	1 591 625	(748)	-0.0%	3 270 102
Finance charges	776 622	862 999	862 999	350 387	413 930	(63 544)	-15.4%	751 615
Inventory consumed and bulk purchases	17 346 967	17 565 690	17 563 996	7 536 623	8 047 548	(510 925)	-6.3%	17 933 358
Transfers and subsidies	406 842	391 480	383 679	141 554	134 443	7 111	5.3%	425 327
Other expenditure	13 636 658	14 269 591	14 254 113	5 993 468	5 889 267	104 201	1.8%	14 633 378
Total Expenditure	50 644 660	53 797 051	53 797 046	23 801 639	24 762 200	(960 561)	-3.9%	54 483 104
Surplus/(Deficit)	1 036 905	(511 076)	(511 072)	3 291 810	2 805 455	486 355	17.3%	(677 922)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 654 020	2 171 013	2 171 013	667 111	817 814	(150 703)	-18.4%	2 198 294
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	30 685	23 464	7 221	30.8%	95 654
Surplus/(Deficit) after capital transfers & contributions	2 903 185	1 760 790	1 760 808	3 989 606	3 646 733	342 873	9.4%	1 616 027
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	2 903 185	1 760 790	1 760 808	3 989 606	3 646 733	342 873	9.4%	1 616 027
Capital expenditure & funds sources								
Capital expenditure	5 426 192	7 507 319	7 759 512	2 165 195	2 392 280	(227 085)	-9.5%	7 726 572
Capital transfers recognised	1 701 131	2 271 867	2 271 879	697 816	841 794	(143 978)	-17.1%	2 293 949
Borrowing	994 517	2 000 000	2 000 000	469 734	473 018	(3 284)	-0.69%	2 000 000
Internally generated funds	2 730 544	3 235 452	3 487 632	997 645	1 077 467	(79 822)	-7.4%	3 432 624
Total sources of capital funds	5 426 192	7 507 319	7 759 512	2 165 195	2 392 280	(227 085)	-9.5%	7 726 572
Financial position								
Total current assets	18 389 398	14 594 517	17 494 285	18 421 455				17 557 141
Total non current assets	63 475 894	68 257 103	67 509 296	64 078 294				66 969 341
Total current liabilities	11 192 700	10 307 659	12 459 620	8 202 576				11 343 554
Total non current liabilities	12 651 891	14 437 050	14 437 050	12 474 365				13 663 916
Community wealth/Equity	58 020 701	58 106 911	58 106 912	61 822 808				59 519 012
Cash flows								
Net cash from (used) operating	5 978 008	5 106 527	5 106 539	2 754 697	2 842 272	87 575	3.1%	5 531 179
Net cash from (used) investing	(5 437 471)	(6 818 047)	(7 070 239)	(2 498 696)	(4 036 319)	(1 537 623)	38.1%	(7 032 804)
Net cash from (used) financing	(371 495)	589 849	589 849	(185 747)	(185 747)	—	—	673 391
Cash/cash equivalents at the month/year end	8 295 143	6 021 524	6 921 291	8 365 397	6 915 349	(1 450 048)	-21.0%	7 466 909
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	2 227 627	295 093	423 210	9 457	121 489	1 171 437	4 313 113	8 711 414
Creditors Age Analysis								
Total Creditors	1 314	623	76	199	4	3	2	2 223

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						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue - Functional								
Governance and administration	16 648 758	17 786 194	17 786 206	9 610 432	9 553 615	56 817	0.6%	17 942 315
Executive and council	17 162	1 372	1 372	575	169	406	239.7%	338
Finance and administration	16 631 593	17 784 818	17 784 830	9 609 859	9 553 444	56 414	0.6%	17 941 973
Internal audit	3	3	3	(2)	2	(3)	-193.2%	3
Community and public safety	4 507 540	4 000 007	4 000 007	2 012 992	2 135 434	(122 442)	-5.7%	4 186 821
Community and social services	98 136	104 197	104 197	57 881	55 372	2 509	4.5%	120 042
Sport and recreation	42 933	66 919	66 919	21 245	32 998	(11 753)	-35.6%	61 572
Public safety	2 333 791	1 706 432	1 706 432	1 027 809	1 001 200	26 609	2.7%	1 809 439
Housing	1 550 083	1 623 592	1 623 592	725 490	793 706	(68 216)	-8.6%	1 693 272
Health	482 598	498 867	498 867	180 567	252 158	(71 591)	-28.4%	502 496
Economic and environmental services	1 888 397	2 307 254	2 307 254	899 054	963 045	(63 991)	-6.6%	2 340 764
Planning and development	523 486	552 759	552 759	252 824	267 100	(14 276)	-5.3%	550 371
Road transport	1 309 425	1 709 236	1 709 236	629 997	679 469	(49 472)	-7.3%	1 744 149
Environmental protection	55 486	45 259	45 259	16 233	16 476	(243)	-1.5%	46 244
Trading services	30 502 896	31 459 089	31 459 089	15 267 339	15 754 194	(486 855)	-3.1%	31 623 933
Energy sources	16 665 828	17 775 482	17 775 482	9 021 545	9 063 980	(42 435)	-0.5%	17 770 060
Water management	9 760 350	8 510 472	8 510 472	3 512 837	3 922 084	(409 247)	-10.4%	8 651 163
Waste water management	2 237 638	3 177 244	3 177 244	1 708 986	1 673 201	35 786	2.1%	3 235 674
Waste management	1 839 080	1 995 890	1 995 890	1 023 970	1 094 929	(70 959)	-6.5%	1 967 036
Other	253	5 298	5 298	1 429	2 645	(1 216)	-46.0%	5 298
Total Revenue - Functional	53 547 845	55 557 841	55 557 854	27 791 245	28 408 933	(617 688)	-2.2%	56 099 130
Expenditure - Functional								
Governance and administration	7 903 220	2 963 104	2 955 490	1 783 814	1 153 166	630 648	54.7%	3 487 594
Executive and council	593 056	173 918	173 810	47 650	69 847	(22 197)	-31.8%	152 073
Finance and administration	7 258 452	2 786 198	2 777 960	1 736 165	1 081 794	654 371	60.5%	3 332 444
Internal audit	51 712	2 988	3 720	(1)	1 525	(1 526)	-100.0%	3 078
Community and public safety	10 349 559	13 136 483	13 134 355	5 808 134	6 155 577	(347 443)	-5.6%	13 334 003
Community and social services	1 033 625	1 899 826	1 899 936	869 147	928 330	(59 183)	-6.4%	1 884 354
Sport and recreation	1 367 622	1 991 079	1 992 971	846 254	949 176	(102 921)	-10.8%	2 018 110
Public safety	4 634 871	5 246 351	5 240 335	2 238 126	2 343 009	(104 883)	-4.5%	5 418 594
Housing	1 801 020	2 189 567	2 189 930	996 153	1 016 728	(20 575)	-2.0%	2 229 716
Health	1 512 421	1 809 659	1 811 183	858 454	918 334	(59 881)	-6.5%	1 783 230
Economic and environmental services	5 402 304	6 492 526	6 501 673	2 886 224	2 850 046	36 177	1.3%	6 664 723
Planning and development	1 403 730	1 738 251	1 734 341	796 142	793 431	2 711	0.3%	1 758 730
Road transport	3 726 776	4 431 267	4 444 273	1 946 217	1 904 937	41 279	2.2%	4 577 389
Environmental protection	271 798	323 008	323 058	143 865	151 678	(7 813)	-5.2%	328 605
Trading services	26 789 545	31 016 671	31 017 709	13 243 275	14 520 376	(1 277 101)	-8.8%	30 802 539
Energy sources	15 499 565	17 360 287	17 360 758	7 990 735	8 353 247	(362 512)	-4.3%	17 192 773
Water management	8 460 931	7 480 308	7 479 935	2 849 432	3 245 191	(395 759)	-12.2%	7 593 412
Waste water management	1 906 466	4 153 482	4 154 422	1 806 806	1 989 295	(182 489)	-9.2%	4 192 930
Waste management	922 583	2 022 595	2 022 595	596 303	932 643	(336 340)	-36.1%	1 823 423
Other	200 032	188 261	187 819	80 192	83 035	(2 842)	-3.4%	194 245
Total Expenditure - Functional	50 644 660	53 797 046	53 797 046	23 801 639	24 762 200	(960 561)	-3.9%	54 483 104
Surplus/ (Deficit) for the year	2 903 185	1 760 795	1 760 807	3 989 606	3 646 733	342 873	9.4%	1 616 027

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						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue by Vote								
Vote 1 - Community Services & Health	1 105 900	1 033 395	1 033 395	417 062	526 027	(108 965)	-20.7%	1 036 840
Vote 2 - Corporate Services	87 995	70 505	70 518	23 584	33 525	(9 941)	-29.7%	69 997
Vote 3 - Economic Growth	294 969	303 782	303 782	122 302	133 713	(11 410)	-8.5%	237 727
Vote 4 - Energy	16 417 785	17 626 588	17 626 588	8 914 243	8 956 743	(42 500)	-0.5%	17 621 165
Vote 5 - Finance	17 789 452	17 075 935	17 075 935	9 374 685	9 285 635	89 050	1.0%	17 226 170
Vote 6 - Future Planning & Resilience	34 799	61 932	61 932	6 873	16 866	(9 993)	-59.3%	64 917
Vote 7 - Human Settlements	1 288 801	1 623 584	1 623 584	725 326	793 702	(68 376)	-8.6%	1 692 838
Vote 8 - Office of the City Manager	17 094	824	824	1 664	46	1 618	3532.2%	824
Vote 9 - Safety & Security	2 372 930	1 763 850	1 763 850	1 053 856	1 019 456	34 401	3.4%	1 876 430
Vote 10 - Spatial Planning & Environment	482 283	498 030	498 030	245 547	238 394	7 153	3.0%	556 336
Vote 11 - Urban Mobility	1 288 185	1 756 273	1 756 273	644 301	705 748	(61 447)	-8.7%	1 809 599
Vote 12 - Urban Waste Management	1 407 356	2 022 324	2 022 324	1 025 539	1 096 773	(71 235)	-6.5%	1 998 511
Vote 13 - Water & Sanitation	10 960 296	11 720 819	11 720 819	5 236 264	5 602 306	(366 042)	-6.5%	11 907 777
Total Revenue by Vote	53 547 845	55 557 842	55 557 854	27 791 245	28 408 933	(617 688)	-2.2%	56 099 131
Expenditure by Vote								
Vote 1 - Community Services & Health	4 130 899	4 435 582	4 435 579	1 905 076	2 107 199	(202 123)	-9.6%	4 412 344
Vote 2 - Corporate Services	2 921 407	3 347 229	3 347 228	1 596 567	1 508 861	87 706	5.8%	3 222 159
Vote 3 - Economic Growth	653 510	711 443	711 443	306 726	297 672	9 054	3.0%	639 084
Vote 4 - Energy	14 136 256	15 248 998	15 248 998	6 932 028	7 304 355	(372 327)	-5.1%	15 313 040
Vote 5 - Finance	2 945 125	3 295 289	3 295 289	1 599 543	1 704 632	(105 089)	-6.2%	3 480 911
Vote 6 - Future Planning & Resilience	434 653	560 878	560 878	211 299	221 629	(10 330)	-4.7%	470 022
Vote 7 - Human Settlements	1 432 260	1 545 840	1 545 840	706 712	695 333	11 379	1.6%	1 593 122
Vote 8 - Office of the City Manager	486 976	472 208	472 208	207 179	224 252	(17 073)	-7.6%	447 763
Vote 9 - Safety & Security	5 170 329	5 166 367	5 166 367	2 264 569	2 232 823	31 746	1.4%	5 385 152
Vote 10 - Spatial Planning & Environment	1 152 131	1 274 335	1 274 335	574 641	597 283	(22 642)	-3.8%	1 355 928
Vote 11 - Urban Mobility	3 582 776	3 848 458	3 848 458	1 717 028	1 588 304	128 724	8.1%	4 022 314
Vote 12 - Urban Waste Management	3 138 453	3 340 398	3 340 398	1 510 710	1 581 162	(70 452)	-4.5%	3 357 866
Vote 13 - Water & Sanitation	10 459 885	10 550 026	10 550 026	4 269 562	4 698 697	(429 134)	-9.1%	10 783 400
Total Expenditure by Vote	50 644 660	53 797 052	53 797 046	23 801 639	24 762 200	(960 561)	-3.9%	54 483 104
Surplus/ (Deficit) for the year	2 903 185	1 760 790	1 760 807	3 989 606	3 646 733	342 873	9.4%	1 616 027

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						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Property rates	10 651 829	11 519 486	11 519 486	5 749 205	5 760 006	(10 801)	-0.2%	11 519 486
Service charges - electricity revenue	16 275 591	17 241 469	17 241 469	8 689 343	8 764 694	(75 351)	-0.9%	17 241 469
Service charges - water revenue	3 670 013	3 928 012	3 928 012	1 899 140	1 893 116	6 024	0.3%	3 984 368
Service charges - sanitation revenue	1 841 919	2 014 506	2 014 506	976 045	965 662	10 383	1.1%	2 048 465
Service charges - refuse revenue	1 240 798	1 381 241	1 381 241	644 868	684 278	(39 409)	-5.8%	1 352 423
Rental of facilities and equipment	382 647	389 180	389 180	202 276	196 927	5 348	2.7%	388 808
Interest earned - external investments	977 254	1 118 566	1 118 566	635 449	558 343	77 106	13.8%	1 263 260
Interest earned - outstanding debtors	369 842	367 515	367 515	195 366	191 118	4 249	2.2%	352 054
Dividends received	—	—	—	—	—	—	—	—
Fines, penalties and forfeits	1 926 090	1 262 193	1 262 193	1 010 344	915 944	94 399	10.3%	1 358 709
Licences and permits	45 490	73 251	73 251	21 363	24 993	(3 630)	-14.5%	73 251
Agency services	262 094	271 616	271 616	136 327	136 336	(9)	0.0%	271 616
Transfers and subsidies	5 820 598	6 260 172	6 260 172	3 384 685	3 663 077	(278 392)	-7.6%	6 304 679
Other revenue	3 323 291	3 466 403	3 466 403	2 299 681	2 167 618	132 063	6.1%	3 555 498
Gains	4 894 111	3 992 365	3 992 365	1 249 357	1 645 543	(396 186)	-24.1%	4 091 097
Total Revenue (excluding capital transfers and contributions)	51 681 565	53 285 975	53 285 975	27 093 449	27 567 655	(474 206)	-1.7%	53 805 182
Expenditure By Type								
Employee related costs	15 255 905	17 322 936	17 347 906	8 103 469	8 595 548	(492 078)	-5.7%	17 288 203
Remuneration of councillors	165 163	176 133	176 133	85 262	89 840	(4 578)	-5.1%	181 120
Debt impairment	2 842 836	2 316 909	2 316 909	1 103 988	1 104 006	(18)	0.0%	2 473 077
Depreciation & asset impairment	3 056 503	3 208 222	3 208 221	1 590 876	1 591 625	(748)	0.0%	3 270 102
Finance charges	776 622	862 999	862 999	350 387	413 930	(63 544)	-15.4%	751 615
Bulk purchases - electricity	11 561 609	12 350 900	12 350 900	5 599 247	5 901 141	(301 894)	-5.1%	12 350 900
Inventory consumed	5 785 358	5 214 790	5 213 096	1 937 375	2 146 407	(209 031)	-9.7%	5 582 458
Contracted services	7 734 377	8 572 922	8 572 526	3 422 376	3 259 218	163 158	5.0%	8 820 327
Transfers and subsidies	406 842	391 480	383 679	141 554	134 443	7 111	5.3%	425 327
Other expenditure	2 442 207	2 927 064	2 911 981	1 308 761	1 349 245	(40 484)	-3.0%	2 863 394
Losses	617 238	452 697	452 697	158 343	176 798	(18 455)	-10.4%	476 581
Total Expenditure	50 644 660	53 797 051	53 797 046	23 801 639	24 762 200	(960 561)	-3.9%	54 483 104
Surplus/(Deficit)	1 036 905	(511 076)	(511 072)	3 291 810	2 805 455	486 355	17.3%	(677 922)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 654 020	2 171 013	2 171 013	667 111	817 814	(150 703)	-18.4%	2 198 294
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	30 685	23 464	7 221	30.8%	95 654
Transfers and subsidies - capital (in-kind - all)	2 480	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	2 903 185	1 760 790	1 760 808	3 989 606	3 646 733			1 616 027
Taxation	—	—	—	—	—			—
Surplus/(Deficit) after taxation	2 903 185	1 760 790	1 760 808	3 989 606	3 646 733			1 616 027
Attributable to minorities	—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality	2 903 185	1 760 790	1 760 808	3 989 606	3 646 733			1 616 027
Share of surplus/ (deficit) of associate	—	—	—	—	—			—
Surplus/ (Deficit) for the year	2 903 185	1 760 790	1 760 808	3 989 606	3 646 733			1 616 027

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						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Multi-Year expenditure appropriation								
Vote 1 - Community Services & Health	272 395	244 533	259 811	82 547	94 765	(12 219)	-12.9%	267 938
Vote 2 - Corporate Services	412 747	395 619	409 745	82 484	112 600	(30 116)	-26.7%	426 776
Vote 3 - Economic Growth	46 999	48 748	53 069	15 327	23 246	(7 920)	-34.1%	67 306
Vote 4 - Energy	754 877	1 052 059	1 088 067	401 597	318 751	82 846	26.0%	1 074 183
Vote 5 - Finance	16 290	18 129	18 178	9 868	7 252	2 617	36.1%	30 683
Vote 6 - Future Planning & Resilience	39 103	26 415	27 558	1 377	9 795	(8 418)	-85.9%	26 251
Vote 7 - Human Settlements	892 564	884 428	910 682	313 630	356 810	(43 180)	-12.1%	892 900
Vote 8 - Office of the City Manager	5 961	13 329	14 163	1 062	903	159	17.6%	7 405
Vote 9 - Safety & Security	192 797	236 735	242 541	64 008	62 214	1 793	2.9%	281 946
Vote 10 - Spatial Planning & Environment	99 615	217 455	228 274	71 358	82 722	(11 364)	-13.7%	241 506
Vote 11 - Urban Mobility	651 164	1 379 126	1 436 184	311 766	524 060	(212 294)	-40.5%	1 329 677
Vote 12 - Urban Waste Management	327 566	647 002	694 253	154 536	159 563	(5 028)	-3.2%	694 253
Vote 13 - Water & Sanitation	1 714 114	2 343 741	2 376 985	655 635	639 596	16 039	2.5%	2 385 748
Total Capital Expenditure	5 426 192	7 507 319	7 759 512	2 165 195	2 392 280	(227 085)	-9.5%	7 726 572
Capital Expenditure - Functional Classification								
Governance and administration	1 039 906	1 171 731	1 264 996	273 325	298 363	(25 038)	-8.4%	1 343 326
Executive and council	5 162	18 166	22 825	2 499	2 511	(13)	-0.5%	5 072
Finance and administration	1 034 488	1 153 487	1 242 092	270 826	295 772	(24 946)	-8.4%	1 338 175
Internal audit	256	79	79	—	79	(79)	-100.0%	79
Community and public safety	1 195 637	1 223 732	1 259 931	408 360	475 651	(67 292)	-14.1%	1 292 793
Community and social services	65 703	55 398	59 180	30 694	27 170	3 524	13.0%	68 941
Sport and recreation	74 378	93 090	99 225	22 752	31 470	(8 717)	-27.7%	104 662
Public safety	129 148	167 415	170 303	36 245	45 561	(9 317)	-20.4%	204 853
Housing	876 563	870 578	891 408	311 024	350 857	(39 833)	-11.4%	871 895
Health	49 845	37 250	39 815	7 644	20 593	(12 949)	-62.9%	42 442
Economic and environmental services	739 095	1 589 981	1 662 494	372 851	606 736	(233 886)	-38.5%	1 539 932
Planning and development	105 541	127 118	134 130	39 338	39 928	(589)	-1.5%	144 268
Road transport	593 902	1 324 240	1 384 597	291 312	508 266	(216 954)	-42.7%	1 246 826
Environmental protection	39 652	138 623	143 766	42 201	58 543	(16 343)	-27.9%	148 838
Trading services	2 450 505	3 515 725	3 571 955	1 110 642	1 011 428	99 214	9.8%	3 550 117
Energy sources	753 036	1 045 059	1 083 912	399 425	318 596	80 829	25.4%	1 070 028
Water management	670 076	879 104	901 752	296 723	239 485	57 238	23.9%	916 230
Waste water management	882 852	1 233 422	1 193 440	298 523	340 957	(42 434)	-12.4%	1 175 508
Waste management	144 542	358 139	392 851	115 970	112 390	3 580	3.2%	388 351
Other	1 048	6 150	135	18	101	(84)	-82.7%	405
Total Capital Expenditure - Functional Classification	5 426 192	7 507 319	7 759 512	2 165 195	2 392 280	(227 085)	-9.5%	7 726 572
Funded by:								
National Government	1 626 427	2 165 521	2 165 528	663 717	816 830	(153 113)	-18.7%	2 188 370
Provincial Government	27 609	5 492	5 492	3 394	1 500	1 894	126.2%	9 924
Other transfers and grants	47 095	100 854	100 860	30 705	23 464	7 241	30.9%	95 654
Transfers recognised - capital	1 701 131	2 271 867	2 271 879	697 816	841 794	(143 978)	-17.1%	2 293 949
Borrowing	994 517	2 000 000	2 000 000	469 734	473 018	(3 284)	-0.7%	2 000 000
Internally generated funds	2 730 544	3 235 452	3 487 632	997 645	1 077 467	(79 822)	-7.4%	3 432 624
Total Capital Funding	5 426 192	7 507 319	7 759 512	2 165 195	2 392 280	(227 085)	-9.5%	7 726 572

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			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
<u>ASSETS</u>					
Current assets					
Cash	301 457	96 396	96 396	195 504	96 396
Call investment deposits	10 739 893	6 924 764	9 824 532	10 739 893	10 370 150
Consumer debtors	6 051 470	6 396 636	6 396 636	5 764 114	6 040 615
Other debtors	863 109	682 375	682 375	1 206 173	607 548
Current portion of long-term receivables	3 246	93	93	3 246	1 677
Inventory	430 223	494 253	494 253	512 526	440 755
Total current assets	18 389 398	14 594 517	17 494 285	18 421 455	17 557 141
Non current assets					
Long-term receivables	1 242	122	122	3 290	891
Investments	6 837 924	6 875 252	5 875 252	6 909 078	5 875 252
Investment property	577 820	576 147	576 147	577 820	576 147
Investments in Associate	–	–	–	–	–
Property, plant and equipment	55 427 040	60 355 266	60 603 142	55 956 238	59 900 967
Biological	–	–	–	–	–
Intangible	621 600	439 143	443 459	621 600	605 817
Other non-current assets	10 268	11 173	11 173	10 268	10 268
Total non current assets	63 475 894	68 257 103	67 509 296	64 078 294	66 969 341
TOTAL ASSETS	81 865 292	82 851 621	85 003 581	82 499 749	84 526 482
<u>LIABILITIES</u>					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	1 426 476	1 808 361	1 808 361	1 426 476	1 729 579
Consumer deposits	487 878	571 504	571 504	444 609	519 431
Trade and other payables	7 586 088	6 391 580	8 543 540	4 640 505	7 329 249
Provisions	1 692 258	1 536 214	1 536 214	1 690 986	1 765 294
Total current liabilities	11 192 700	10 307 659	12 459 620	8 202 576	11 343 554
Non current liabilities					
Borrowing	5 220 709	6 624 774	6 624 774	5 043 183	5 626 024
Provisions	7 431 182	7 812 276	7 812 276	7 431 182	8 037 893
Total non current liabilities	12 651 891	14 437 050	14 437 050	12 474 365	13 663 916
TOTAL LIABILITIES	23 844 591	24 744 710	26 896 670	20 676 941	25 007 470
NET ASSETS	58 020 701	58 106 911	58 106 911	61 822 808	59 519 012
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)	52 952 706	53 332 902	53 432 738	56 780 292	54 878 461
Reserves	5 067 995	4 774 009	4 674 173	5 042 516	4 640 552
TOTAL COMMUNITY WEALTH/EQUITY	58 020 701	58 106 911	58 106 912	61 822 808	59 519 012

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						
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	10 358 743	11 116 304	11 116 304	5 723 189	5 651 327	71 862	1.3%	11 116 304
Service charges	23 526 030	23 922 286	23 922 286	12 139 419	12 131 610	7 809	0.1%	24 087 492
Other revenue	3 018 242	4 559 563	4 559 563	3 519 205	2 697 786	821 419	30.4%	4 510 120
Transfers and Subsidies - Operational	5 203 436	6 260 172	6 260 172	3 926 546	3 973 435	(46 889)	-1.2%	6 304 679
Transfers and Subsidies - Capital	1 374 421	2 271 867	2 271 879	608 163	1 564 102	(955 939)	-61.1%	2 293 949
Interest	1 432 200	1 118 566	1 118 566	628 973	533 563	95 410	17.9%	1 263 260
Dividends	–	–	–	–	–	–	–	–
Payments								
Suppliers and employees	(38 232 596)	(43 339 074)	(43 339 074)	(23 449 931)	(23 321 553)	128 378	-0.6%	(42 945 931)
Finance charges	(702 468)	(803 157)	(803 157)	(340 866)	(387 996)	(47 130)	12.1%	(673 367)
Transfers and Grants	–	–	–	–	–	–	–	(425 327)
NET CASH FROM/(USED) OPERATING ACTIVITIES	5 978 008	5 106 527	5 106 539	2 754 697	2 842 272	87 575	3.1%	5 531 179
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	71 208	54 742	54 742	–	–	–	–	56 743
Decrease (increase) in non-current receivables	12 851	751	751	–	–	–	–	3 246
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)	(2 498 696)	(4 036 319)	(1 537 623)	38.1%	(7 726 572)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(5 437 471)	(6 818 047)	(7 070 239)	(2 498 696)	(4 036 319)	(1 537 623)	38.1%	(7 032 804)
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	–	–	–	–	31 552
Payments								
Repayment of borrowing	(371 495)	(1 438 161)	(1 438 161)	(185 747)	(185 747)	–	–	(1 358 161)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(371 495)	589 849	589 849	(185 747)	(185 747)	–	–	673 391
NET INCREASE/ (DECREASE) IN CASH HELD	169 042	(1 121 671)	(1 373 852)	70 254	(1 379 794)			(828 234)
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	8 365 397	6 915 349			7 466 909

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	(10 801)	-0.2%	Immaterial variance.	-
Service charges - electricity revenue	(75 351)	-0.9%	The under-recovery is mainly due to the newly introduced Time-of-Use tariffs and the seasonal fluctuations in these tariffs, in particular the winter tariffs.	No immediate corrective action required.
Service charges - water revenue	6 024	0.3%	Immaterial variance.	-
Service charges - sanitation revenue	10 383	1.1%	Immaterial variance.	-
Service charges - refuse revenue	(39 409)	-5.8%	The variance is 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.	Budget provisions to be adjusted in the January 2023 adjustments budget.
Rental of facilities and equipment	5 348	2.7%	Immaterial variance.	-
Interest earned - external investments	77 106	13.8%	The over-recovery is mainly on Interest Received: Short Term and Call Accounts, due to improved investment returns as a result of higher than expected interest rates.	No immediate corrective action required.

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	4 249	2.2%	Immaterial variance.	-
Fines, penalties and forfeits	94 399	10.3%	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	(3 630)	-14.5%	The under-recovery is mainly due to the issuing of wayleave permits for road trenches, which was less than anticipated to date.	No immediate corrective action required.
Agency services	(9)	0.0%	Immaterial variance.	-
Transfers and subsidies	(278 392)	-7.6%	<p>The under-recovery reflects in the following directorates:</p> <p>1. Community Services & Health, mainly on:</p> <p>a) National (Conditional), due to fewer than expected employment projects funded from national grant funding.</p> <p>b) Provincial (Conditional), due to outstanding claims.</p> <p>c) Provincial (Unconditional), due to an unpaid claim made to the Western Cape Government (WCG).</p> <p>2. Human Settlements, mainly on:</p> <p>a) Grant and Subsidies (National), due to numerous grant-funded vacancies within various projects, verification of invoices received for Dido Valley Project, initial delays in the appointment of the contractor for the Informal Settlement Community Surveying Project; and</p> <p>b) Grant and Subsidies (Provincial), mainly on:</p> <p>i) Belhar/Pentech Infill Housing project, due to the late contractor appointment as a result of contingency issues;</p> <p>ii) Edward Street: Grassy Park Development Project, where the Civils component of the project is still underway; and</p> <p>iii) Maroela Housing (South), due to delays in the appointment of contractors.</p> <p>3. Safety & Security, where the business plans and Transfer Payment Agreement (TPA) for the LEAP programme has not yet been finalised.</p> <p>4. Urban Waste Management, due to initial delays in signing up the number of EPWP workers as per quota requirements.</p> <p>5. Economic Growth, due to misalignment of the period budget provisions and the actual revenue recognised to date.</p>	<p>Outstanding invoices to be processed after receipt and verification.</p> <p>Human Settlements: Grant and Subsidies (National): Contractor to be appointed in the next reporting period.</p> <p>Budget provisions to be adjusted in the January 2023 adjustments budget.</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	132 063	6.1%	The variance reflects against the following categories: 1. Development Levies, where developer requirements are currently higher than anticipated. 2. Busfares Transit products, due to higher than anticipated revenue on the N2 Express Way routes. 3. Recoveries of Operational Expenditure, due to the actual billing relating to the Koeberg Disaster Recovery tariff being higher than planned, the recovery of legal costs not planned for where court rulings were in favour of the City, and a R20 million recovery that relates to a settlement from contractors who built the Cape Town Stadium. 4. Treatment Effluent Sales, where revenue generated for treated effluent sales is higher than anticipated to date.	Budget provisions to be adjusted in the January 2023 adjustments budget.
Gains	(396 186)	-24.1%	The over-recovery is mainly on inventory consumed, where the water drawn from internal dams is slightly lower than anticipated. Entries could not be processed in the reporting period as the accounts from the National Department of Water & Sanitation were still outstanding.	Budget provisions to be adjusted 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 1 - Community Services & Health	(108 965)	-20.7%	<p>The under-recovery reflects mainly in the following categories:</p> <ol style="list-style-type: none"> 1. Rental of Facilities: Non-market related, due to outstanding lease agreements for Recreation & Parks facilities. 2. Fines, Penalties and Forfeits, due to lower than planned year-to-date income received as revenue stream is linked to by-law infringements. 3. Grants and Subsidies: <ol style="list-style-type: none"> a) National (Conditional), due to fewer than expected employment projects funded from national grant funding. b) Provincial (Conditional), where claims must still be processed and submitted for payment. c) Provincial (Unconditional), due to an unpaid claim made to the WCG. 4. Transfers and subsidies – capital, due to slower than expected spending on capital projects funded from national grants. 	<p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amended in the January 2023 adjustments budget.</p> <p>Recreation & Parks facility lease agreements to be finalised.</p> <p>Claims to be processed and submitted to WCG in the next reporting period.</p> <p>Implementation of grant-funded capital projects to be accelerated.</p>
Vote 2 - Corporate Services	(9 941)	-29.7%	<p>The under-recovery reflects mainly on:</p> <ol style="list-style-type: none"> 1. Other Revenue - Skills Development Levy, where revenue received to date is less than planned due to monthly claims being unpredictable and difficult to plan accurately; and 2. Gains - Profit on Sale of Assets, as a result of the vehicle auction only taking place in March 2023. 	<p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amended in the January 2023 adjustments budget.</p>
Vote 3 - Economic Growth	(11 410)	-8.5%	<p>The variance is a combination of over-/under-recovery mainly on:</p> <ol style="list-style-type: none"> 1. Rental of facilities and equipment (over), combination of over-/under-recovery, mainly on: <ol style="list-style-type: none"> a) Rental Fixed assets: Non-market related (under), due to reversals of prior year billings that negatively impacted the current year actuals; b) Rental Fixed assets: Market related: Other (over), as a result of the bulk amounts for back-billing and beneficial occupation rental combined with the unexpected conclusion of leases, which bolstered the billings initially projected; and c) Rental Fixed assets: Market related: Residential (under), due to expired market-related residential rental agreements. 2. Revenue: Capital: Capital GGR - National (under), due to initial delays in the appointment of service providers, who have since been appointed with execution works underway. 3. Transfers and Subsidies (under), Grants and Subsidies: National (Conditional), due to misalignment of the period budget provisions and the actual revenue recognised. 	<p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amended in the January 2023 adjustments budget.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 4 - Energy	(42 500)	-0.5%	The variance is a combination of over-/under-recovery mainly on: 1. Service charges - electricity revenue (under), due to the newly introduced Time-of-Use tariffs and the seasonal fluctuations in these tariffs, in particular the winter tariffs. The summer seasonal tariffs will also be reviewed during the 2023/24 tariff setting exercise. 2. Other Revenue (over), mainly on Development Levies, where developer requirements are currently more than anticipated. 3. Revenue: Capital: Capital GGR - National (over), where work required on the dedicated network to provide capacity for new- and upgraded supplies have been more than planned due to customer demand.	Budget provisions were reviewed in the mid-year budget and performance assessment process and amended in the January 2023 adjustments budget.
Vote 5 - Finance	89 050	1.0%	The variance is a combination of over-/under-recovery mainly on: 1. Interest earned - external investments (over), mainly on Interest Received: Short Term and Call Accounts, due to improved investment returns as a result of higher than expected interest rates. 2. Interest earned - outstanding debtors (over), mainly on Interest on Arrear Rates, due to higher than expected outstanding debtor balances, which resulted in higher than planned interest charged. 3. Transfers and subsidies (under), where the VAT portion on various national grant-funded projects where VAT clawback is applied is still to be captured. 4. Other revenue (over), mainly on: a) Collection Charges Recovered, where more than planned warning letters for outstanding debt were delivered; b) Prior Year Revenue and Refunds Received, where funds were recovered as a result of fraudulent information provided by a bidder; and c) Recoveries of Operational Expenditure, due to the R20 million recovery relating to a settlement from contractors who built the Cape Town Stadium. The City was successful in its litigation against the contractors for inflating prices at the time and the basis of the settlement is that there will be three annual settlements of which R20 million is the first.	Budget provisions were reviewed during the mid-year budget and performance assessment process and amendments were proposed in the January 2023 adjustments budget. Transfers and subsidies: The VAT portion will be captured in ensuing reporting periods.
Vote 6 - Future Planning & Resilience	(9 993)	-59.3%	The variance reflects mainly against Grants and Subsidies: National (Conditional) relating to the Programme and Project Preparation Support Grant (PPPSG), where operating grant-funded projects are progressing slower than originally planned. Revenue is recognised when expenditure is incurred.	Budget provisions were reviewed during the mid-year budget and performance assessment process and amendments proposed 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 7 - Human Settlements	(68 376)	-8.6%	The variance reflects in the following categories: 1. Transfers and Subsidies, mainly on: a) Grant and Subsidies (National), due to numerous grant-funded vacancies within various projects, invoices for the Dido Valley Project received after month-end, and initial delays in appointing the contractor for the Informal Settlement Community Surveying Project; and b) Grant and Subsidies (Provincial), mainly on: i) Belhar/Pentech Infill Housing Project, due to late contractor appointment as a result of contingency issues that had to be resolved first; ii) Edward Street: Grassy Park Development Project, where the Civils component of the project is still underway; and iii) Maroela Housing (South), due to delays in appointment of contractors. 2. Transfers and Subsidies - Capital, due to delays in negotiation and finalisation of the registration of various land acquisitions.	Outstanding matters are being resolved. Invoices to be processed on receipt thereof. Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.
Vote 8 - Office of the City Manager	1 618	3532.2%	The variance reflects mainly against Sales of Goods and Rendering of Services, due to the recovery of unplanned legal costs as a result of court rulings in favour of the City.	No remedial action required.
Vote 9 - Safety & Security	34 401	3.4%	The variance is a combination of over-/under-recovery against the following categories: 1. Fines, penalties and forfeits (over), due to more than planned fines issued in the reporting period. 2. Transfers and Subsidies (under), where the business plans and TPA for the LEAP programme is still being finalised. 3. Other Revenue - Recoveries of Operational Expenditure (over), where the actual billing relating to the Koeberg Disaster Recovery tariff is higher than planned.	Transfers and Subsidies: The TPA has now been signed by the Safety and Security Executive Director. The first tranche will be made once the Western Cape Department of Community Services has returned the signed agreement; recoveries will be processed thereafter. Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.
Vote 10 - Spatial Planning & Environment	7 153	3.0%	The variance is a combination of over-/under-recovery mainly on: 1. Property Rates - Special Rating Areas (CIDS) (over), where actual billings are more than planned as a result of higher than planned property valuations due to objections, court rulings, supplementary/new valuations. 2. Transfers and Subsidies (under), due to initial delays in the Community Ambassadors project for MURP as SAP Agreements for tender 135C/2021/22 were still being finalised.	Transfers and Subsidies: The tender process has been finalised and administration of the project has commenced. A plan is in place to accelerate the project.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote Vote 11 - Urban Mobility	(61 447)	-8.7%	<p>The variance is a combination of over-/under-recovery against:</p> <p>1. Other revenue (over), mainly on:</p> <p>a) Development Contribution/Levy & BICL, where revenue is dependent on property development, which is difficult to plan accurately; and</p> <p>b) Bus fares, where revenue on the N2 Express Way routes for July 2022 to December 2022 was higher than anticipated.</p> <p>2. Revenue - Capital: Transfers & subsidies - Capital (under), mainly due to under expenditure resulting in reduced revenue recognition on the following projects/programmes:</p> <p>a) IRT Phase 2 programme, due to:</p> <p>i. Outstanding Department of Labour permit number, which has since been received;</p> <p>ii. Property acquisitions being at various stages of the acquisition process;</p> <p>iii. Awaiting creation of SAP agreement; and</p> <p>iv. Delays in finalisation of the scope of work in terms of the Water & Sanitation Directorate's term tender.</p> <p>b) Dualling: Main Road 27 to Altena Road, as a result of the late appointment of the professional service provider.</p> <p>c) Road Upgrade: Amandel Road: Bottelary River-Church, which is behind schedule as a result of the process of creating and signing the MoA after BAC award.</p> <p>d) Dualling: Jip De Jager: Kommissaris - Van Riebeeckshof, where the due diligence process is taking longer than anticipated.</p> <p>e) Road Rehabilitation: Bishop Lavis, where challenges regarding the BEC process delayed the commencement of the project. One appeal was received, however, the contract was awarded in December 2022 and processes are underway.</p> <p>f) Road Upgrade: CTICC FW De Klerk Boulevard, where service investigations were completed later than anticipated. Budget provides for professional services for completing the detail design, which can now take place.</p>	<p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue by Vote</u>				
Vote 12 - Urban Waste Management	(71 235)	-6.5%	The under-recovery reflects against the following categories: 1. Service charges - refuse revenue, a combination of over-/under-recovery, mainly on: a) Refuse Charges (under), due to the number of billing corrections being 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; and 2. Transfers and subsidies, due to initial delays in signing up the number of EPWP members as per quota requirements.	Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.
Vote 13 - Water & Sanitation	(366 042)	-6.5%	The variance is a combination of over-/under-recovery mainly on: 1. Interest earned - outstanding debtors (under), where interest on outstanding debtors is slightly lower than anticipated. 2. Other revenue (over), mainly on: a) Development Contribution/Levy & BICL, due to more than anticipated applications received to date; and b) Treatment Effluent - Sales, where revenue generated for treated effluent sales is higher than anticipated to date. 3. Gains (under), mainly on Inventory consumed, where the variance is as a result of the water drawn from internal dams being slightly lower than anticipated. Entries could not be processed in the reporting period as the accounts from the National Department of Water & Sanitation were still outstanding.	Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.

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	(202 123)	-9.6%	<p>The variance is a combination of over/under expenditure against the following categories:</p> <p>1. Employee related costs (under), a combination of over-/under expenditure, mainly on;</p> <p>a) Salaries and Wages (under), due to the turnaround time in filling vacancies and the impact of internally-filled vacancies;</p> <p>b) Wages: Mayor's Job Creation Project (under), where project implementation was delayed as a result of the late sign off of the PID. The bulk of the projects is expected to commence in the first few months of 2023; and</p> <p>c) Non-structured Overtime (over), where year-to-date actual expenditure is linked to additional overtime paid to City staff cutting grass in the absence of the grass cutting tender.</p> <p>2. Depreciation & asset impairment, and Depreciation PPE, (under), due to delays/postponement in the acquisition of assets resulting in assets not being brought into use and capitalised later than planned.</p> <p>3. Inventory Consumed (under), a combination of over-/under expenditure, mainly on:</p> <p>a) Fuel (Petrol, Diesel and Fuel Oil) (over), due to the numerous fuel price increases over the last few months;</p> <p>b) Pharmaceutical Supplies (over), due to misalignment of the period budget with the actual expenditure to date;</p> <p>c) G&D Mat General & Consumables (under), due to outstanding invoices and incorrect costing of invoices; and</p> <p>d) G&D Pharmaceutical Supplies and G&D Vaccines (under), due to outstanding invoices.</p> <p><i>Continued on next page.</i></p>	<p>The directorate has 436 vacancies in various stages of the recruitment and selection process; 957 posts were filled while 582 positions were terminated since the beginning of the financial year.</p> <p>Budget provisions were reviewed during the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p> <p>Process underway to follow up on outstanding invoices.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u> Vote 1 - Community Services & Health	<i>See previous page.</i>	<i>See previous page.</i>	4. Contracted Services (under), combination of over-/under expenditure, mainly on: a) Advisory Services - Project Management (over), due to actual expenditure relating to the management of safe spaces being higher than budget to date; b) Building Contractors (under), due to challenges experienced with transversal tenders, and outstanding invoices; c) R&M Electrical (over), due to the higher than expected demand to date; and d) R&M Gardening Service, and R&M Clearing & Grass Cut Services (under), where the grass cutting tender has not been awarded yet. 5. Grants-in-Aid : Grants Policy (under), as a result of outstanding documentation. 6. Other Expenditure (under): a) Telecommunication: Cell Phone Subscriptions, due to lower than expected demand as staff are mostly working from home; and b) G&D Books Periodicals & Subscriptions, where the provision is linked to a capital project and actual expenditure will only reflect on the operating budget at year-end.	<i>See previous page.</i>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u> Vote 2 - Corporate Services	87 706	5.8%	<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. Depreciation & Asset impairment (under), due to delays in the implementation of the capital programme, and long lead times assets that are currently on order. 3. Inventory Consumed - Fuel (Petrol, Diesel and Fuel oil) (over), due to fluctuations in the fuel price as well as an increase in demand for diesel as a result of load shedding. 4. Contracted services (over), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Security Services: Municipality Facilities (over), as a result of increased security services required to avoid illegal occupation and/or damage to City property; b) Advisory Services - Accountants and Auditing (over), relating to unplanned services required for the restoration of conventional and heritage buildings City-wide; c) R&M Contracted Serv Building (over), where expenditure took place earlier than anticipated as some of the R&M programmes are ahead of schedule; and d) R&M Electrical (under), as a result of lesser demand for electrical work than initially anticipated. 5. Other Expenditure (over), a combination of over-/ under expenditure, mainly on: <ol style="list-style-type: none"> a) Telecom: Cell Phone additional Call Charges (over), where additional call charges currently being paid against the directorate's cost centre must still be allocated to the directorates responsible for the costs; b) Telecommunication Services (under), due to delays in receipt of invoices from the service provider; and c) R&M Spec Information Tech Services (under), due to delays in receipt of invoices from vendors. 	<p>Year-to-date over expenditure is as a result of increased security services and the fluctuation in the price of fuel.</p> <p>The overall over expenditure will be addressed by the appropriation of additional funding for fuel in the January 2023 adjustments budget. The Facilities Management Department is currently embarking on a rationalisation exercise for security services.</p> <p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p> <p>Process underway to follow up on outstanding invoices.</p> <p>Telecom: Cell Phone additional Call Charges: The allocation of additional charges to relevant cost centres will be done in the next reporting period.</p> <p>The directorate has 349 vacancies in various stages of the recruitment and selection process; 463 positions were filled and 64 terminations processed since the start of the financial year.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u> Vote 3 - Economic Growth	9 054	3.0%	The variance is a combination of over-/under expenditure against the following categories: 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Contracted Services - Security Services: Municipal Facilities (over), due to increased requirements for security services at facilities in order to mitigate possible vandalism and theft. 3. Transfers and Subsidies: Grants/Sponsorships (over), where payment for the Smart Procurement Supplier Development Programme was made earlier than anticipated. 4. Other expenditure - Advertising - Corporate and Municipal Accounts (over), where costs relating to the advertisement of International Social Media Campaigns as part of the Destination Marketing Project were incurred earlier than anticipated.	Year-to-date over expenditure is as a result of a payment made earlier than anticipated as well as earlier than anticipated advertising costs incurred. Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget. The directorate has 59 vacancies in various stages of the recruitment and selection process; 45 positions were filled and 10 terminations processed since the beginning of the financial year.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u> Vote 4 - Energy	(372 327)	-5.1%	<p>The variance is a combination of over-/under expenditure mainly on the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), a combination of over-/under expenditure, due to: <ol style="list-style-type: none"> a) The turnaround time in filling vacancies and the impact of the internal filling of vacancies; b) Fewer than planned apprentices appointed; c) Non Structured Overtime (over), where emergency overtime was necessary as a result of high levels of load shedding; and d) Leave pay (under), where actuals are dependent on staff cashing in leave, which is less than anticipated to date. 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), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Cleaning Costs (under), due to delays in the award of various cleaning tenders; b) R&M Maintenance of Equipment (under), due to delays in the fleet repair and servicing tender as well as a lag in the fleet, plant and accessories refurbishment programme; and c) Advisory Services - Project Management (under), due to delays in implementation of the Mayoral Pledge projects. 4. Other Expenditure (over), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Uniform & Protective Clothing (over), due to the early than planned acquisition of the annual provision of personal protective equipment; and b) Commission - Pre-paid electricity Vendor (under), due to a decline in prepaid sales of electricity as a result of load shedding. 5. Inventory Consumed (over), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Fuel (Petrol, Diesel and Fuel Oil) (over), due to the numerous fuel price increases over the last few months; and b) R&M Material General & Consumables (under), due to delays in receipt of invoices from suppliers. 	<p>The directorate has 301 vacancies in various stages of the recruitment and selection process; 150 positions were filled and 68 terminations processed since the beginning of the financial year.</p> <p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 5 - Finance	(105 089)	-6.2%	<p>The variance is a combination of over-/under expenditure and reflects mainly in 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 not taken up at the end of the previous financial year is included in the current budget. 3. Other expenditure (under), mainly on Indigent Relief: Electricity - Eskom Re-imburse, where the invoice for Free Basic Electricity for the current reporting period will only be paid in the next reporting period. 4. Losses (over), as a result of the valuation of financial instruments (e.g. investments), which is not budgeted for, but does occur occasionally due to market valuation movements. 	<p>The directorate has 161 vacancies in various stages of the recruitment and selection process; 218 positions were filled while 61 were terminated since the start of the financial year.</p> <p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p>
Vote 6 - Future Planning & Resilience	(10 330)	-4.7%	Immaterial variance.	<p>The directorate has 52 vacancies in various stages of the recruitment and selection process; 26 positions were filled while 12 were terminated since the beginning of the financial year. Filling of vacancies is ongoing.</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 7 - Human Settlements	11 379	1.6%	<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 impact of the internal filling of vacancies. 2. Depreciation and asset impairment (under), due to delays in completion of capital projects as well as delays in capital purchases i.e. computers, fleet etc. 3. Inventory Consumed (over), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) G&D Material General (under), and Consumables and Material General & Consumables (over), due to a prior year adjustment error resulting from expenditure being booked against the grant-funded project instead of internal funds. b) R&M Material General & Consumables (over), due to the high volumes of C3 notifications (service requests) for maintenance of rental units. 4. Contracted Services (over), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) G&D Professional Services - Engineer: Civil (over), due to good contractor performance; b) Legal Cost - Legal Advice and Litigation (under), and Professional Services: Land and Quantity Surveyor (under), where a journal for a prior year adjustment had to be processed in the current year to correct the misallocation of expenditure in the prior year; c) G&D Contracted Services Building, and R&M Services Building (under), due to delays in implementation of some projects, and outstanding invoices; d) G&D Professional Services - Engineer: Civil (over), due to misalignment of the budget at cost element level on the Eradication of Registration Backlog Project funded from a grant. The full budget was loaded against one GL instead of being allocated to the various GLs within the project; e) Building Contractors (over), due to good contractor performance; f) Security Services (over), where increased security services were required at construction sites, and emergency security services were required at depots due to the increased risk of breaking-ins; h) Administrative and Support Staff (over), due to the temporary appointment of labour brokers for critical positions while the recruitment process is being finalised; <p><i>Continued on next page.</i></p>	<p>Year-to-date over expenditure is as a result of a higher than anticipated demand for security services.</p> <p>Budget provisions were reviewed during the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p> <p>Reposting of costs and correction of allocation errors will be done in the next reporting period.</p> <p>The directorate has 107 vacancies in various stages of the recruitment and selection process; 184 positions were filled while 21 were terminated since the beginning of the financial year.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u> Vote 7 - Human Settlements	<i>See previous page.</i>	<i>See previous page.</i>	<p>i) G&D Professional Services - Engineering: Industrial (under), where budget was allocated to an incorrect GL; and</p> <p>j) R&M Pest Control (over), due to the incorrect allocation of expenditure.</p> <p>5. Other Expenditure (over) a combination of over-/under expenditure, against:</p> <p>a) Subsidy on Homeowners Redemption (under), which relates to the accounting treatment/entry of the redemption of the unrealised portion of the Housing Fund that is linked to the transfer of properties in respect of saleable Council Rental Units where individuals were eligible for the Enhanced Extended Discount Benefit Scheme (EEDBS) subsidy; and</p> <p>b) Management Fee paid (over), due to the earlier than anticipated appointment of the management agency for the Woodstock Hospital property.</p> <p>6. Transfers and Subsidies (under), a combination of over-/under expenditure, mainly on:</p> <p>a) G&D Housing PHP Payments (under), due to outstanding invoices for various projects; and</p> <p>b) Housing PHP payments (over), where grant-funded expenditure was incorrectly posted against a cost centre.</p>	<i>See previous page.</i>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u> Vote 8 - Office of the City Manager	(17 073)	-7.6%	<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. Contracted Services (under), a combination of over-/under expenditure, against: <ol style="list-style-type: none"> a) Audit Committee Fees (over), due to an increase in the number of APAC (Audit Committee) meetings as well as an increase in the rate of payment to the members per meeting; b) Legal Cost - Legal Advice and Litigation (under), where payment of legal cost is progressing slower than anticipated; and c) Security Services : Municipal Facilities (over), due to urgent security services required at municipal courts across the City. 3. Transfers and Subsidies (under), mainly against: <ol style="list-style-type: none"> a) Sponsorships - Events (Section 80), due to incorrect period budget provision on the Mayoral Projects; and b) Relief and Charitable contributions (Section 12), due to lower than planned expenditure on the Mayoral Fund. 4. Other Expenditure (under), a combination of over-/under expenditure, against: <ol style="list-style-type: none"> a) Operating Leases (over), where the office space required by the Legal Department is more than planned; b) Specialised Information Technology services (over), where actual expenditure for improvements to the intranet/internet database of legislation and legal publications is more than planned; and c) Advertising - Corporate and Municipal Accounts (under), due to lower than planned demand for advertising in newspaper publications as well as on regional- and community radio stations. 	<p>The directorate has 46 vacancies in various stages of the recruitment and selection process; 50 positions were filled while 10 were terminated since the beginning of the financial year. Filling of vacant posts is ongoing. Progress to ensure accelerated recruitment and selection processes is monitored continuously.</p> <p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 9 - Safety & Security	31 746	1.4%	<p>The variance is a combination of over-/under expenditure.</p> <p>1. Employee related costs (over), mainly due to overtime payments as a result of increased roadblocks and traffic policing visibility, and an increase in demand for law enforcement services at events.</p> <p>2. Depreciation (under), as a result of assets not being purchased and received as planned by the Law Enforcement Department.</p> <p>3. Inventory consumed (under), where the business plans and TPA for the LEAP programme is still being finalised.</p> <p>4. Contracted Services (over), due to an increase in expenditure for the repair of lifts, roof leaks, burst geysers, repairs and cooling towers at drivers licence testing stations (DLTC) and traffic operations buildings.</p> <p>5. Other Expenditure (under), mainly on G&D Uniforms and Protective Clothing, and G&D Training as the business plans and TPA for the LEAP programme is still being finalised.</p>	<p>Year-to-date over expenditure is as a result of increased roadblocks and traffic policing visibility, and an increase in demand for law enforcement services at events. Additional budget will be allocated to these categories in the January 2023 adjustments budget.</p> <p>The TPA has been signed by the Safety & Security Executive Director. The first tranche will be made once the Western Cape DoCS has returned the signed agreement; recoveries will be processed thereafter.</p> <p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p> <p>The directorate has 583 vacancies in various stages of the recruitment and selection process; 1116 posts were filled while 117 were terminated since the beginning of the financial year.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u>				
Vote 10 - Spatial Planning & Environment	(22 642)	-3.8%	Immaterial variance.	The directorate has 75 vacancies in various stages of the recruitment and selection process; 161 posts were filled while 16 were terminated since the beginning of the financial year.
Vote 11 - Urban Mobility	128 724	8.1%	<p>The variance is a combination of over-/under expenditure against the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Depreciation (over), where some assets were capitalised timeously, and some assets were acquired earlier than planned resulting in assets being brought into use and being capitalised earlier than anticipated. 3. Inventory consumed (under), mainly on repairs where the award of the labour tender for traffic signals has been delayed resulting in the contract coming into place later than planned. 4. Contracted Services (over), mainly on: <ol style="list-style-type: none"> a) R&M Contracted Services Building, due to faster than expected progress on metro- and local road resurfacing maintenance programmes; b) Transportation Services: People, due to Increased costs on the four VOC contracts as a result of significant fuel price increases, and the higher rates negotiated to renew the N2 Express contract late in the previous financial year; and c) G&D Transportation Services People, where the PTI service is co-funded by the grant and grant funding is utilised before City-funding, and where expenditure is slightly higher than planned to date. 	<p>The overall over expenditure, which is mainly on Depreciation and Contracted Services, will be addressed by:</p> <ol style="list-style-type: none"> a) Revising cash flows; b) Reducing non- and poor performing IRT Bus routes; and c) Savings on IRT Bus maintenance; and <p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p> <p>The directorate has 233 vacancies in various stages of the recruitment and selection process; 229 posts were filled while 44 terminations was processed since the beginning of the financial year.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote Vote 12 - Urban Waste Management	(70 452)	-4.5%	<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 (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 are placed; b) Fuel (Petrol, Diesel and Fuel Oil) (over), where the cost of fuel is higher than anticipated due to the fuel price volatility; c) Materials Consumables Tools & Equipment (over), where more refuse containers needed to be replaced due to theft or damage; d) Chemicals (under), where the Vissershok Leachate Plant is currently not fully operational resulting in less chemicals being required; e) R&M Material General & Consumables (over), due to increased efforts to address the backlog in the maintenance programme; and f) G&D Cleansing Related Cost (under), due to initial delays in signing up of the number of EPWP workers as per quota requirements. 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 to date; b) Administrative and Support Staff (under), due to incorrect booking of costs; c) R&M Maintenance of Equipment (under), due to backlogs, which is currently being addressed; <p><i>Continued on next page.</i></p>	<p>The directorate has 215 vacancies at various stages of the recruitment and selection process; 1688 posts were filled while 79 terminations were processed since the beginning of the financial year.</p> <p>Budget provisions were reviewed in the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u> Vote 12 - Urban Waste Management	See previous page.	See previous page.	d) Relief Drivers (over), due to the appointment of additional drivers for new projects within the Cleansing Branch; e) Waste Minimisation (over), where chipping of green waste is consumption driven and the amount of waste received to date has been higher than anticipated; f) Security Services Municipal Facilities (over), where the increase in security incidents has resulted in additional security at various landfill sites; g) Haulage (under), due to less than planned waste being hauled to landfill sites; and h) Building Contractors (over), where incorrect actuals were posted to the GL account. 4. Other Expenditure (over), a combination of over-/under expenditure, mainly on: a) Hire of LDV, PVan, Bus, Special Vehicle (over), due to the appointment of additional drivers for new projects within the Cleansing Branch; b) Training (over), where training picked up at a rapid pace after the relaxation of lockdown restrictions; c) Uniform & Protective Clothing (over), where the number of EPWP staff for the Rapid Response Programme is higher than anticipated; d) G&D Hire of LDV, P/Van, Bus, Special Vehicle (under), due to initial delays in signing up the number of EPWP workers as per quota requirements; and e) Bursaries - Non-employees (over), as a result of additional bursaries issued to EPWP staff. 5. Depreciation (under), where delays in the Coastal Park Material Recovery Facility Project have led to lower than planned capital spend resulting in lower capitalisation rates.	See previous page.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote Vote 13 - Water & Sanitation	(429 134)	-9.1%	<p>The variance is a combination of over-/under expenditure against the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the internal filling of vacancies. 2. Inventory Consumed (under), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Fuel (Petrol, Diesel and Fuel Oil) (over), due to the increased fuel price post finalisation of the current budget as well as the continuous load shedding resulting in generators utilising more fuel at Plants; and b) Inventory consumed: Reticulation and Bulk Water (under), where sales to reticulation end-user customers were lower than planned, and due to outstanding accounts from the National Department of Water & Sanitation. 3. Contracted Services (over), a combination of over-/under expenditure, mainly on: <ol style="list-style-type: none"> a) Advisory Services - Research & Advisory (under), due to delays in implementation of pump station assessments as well as the tender for the aquifer monitoring which has not been finalised – the process is currently underway; and b) Professional Services - Engineering: Civil (over), due to feasibility studies and conceptual design of capital projects that is required to be incurred within the operating budget prior to the commencement of detailed design. The expenditure that has already been incurred predominantly relates to projects for the rehabilitation of sewer pump stations in line with the Mayor Priority Programme to prevent sewer overflows; c) R&M Contracted Services Building (over), due to contractors rendering services at depots and pump stations. The impact of bulk sewer collapses due to ageing infrastructure has contributed significantly to the increase in the repairs and maintenance cost due to the complexity of these repairs. Most of the R&M are re-active maintenance which is ongoing mechanical, electrical, instrumentation, and building repairs; <p><i>Continued on next page.</i></p>	<p>The directorate has 830 vacancies at various stages of the recruitment and selection process, 825 posts were filled while 100 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 a position becomes vacant; - Weekly vacancy tracker to ensure that vacancies are moving in the R&S Process; - Focus on external advertising so consequential fills are managed and to also attract a bigger pool of applicants; - Suspension of certain non-mandatory technical assessments in order to fast track the R&S process; and - Augmentation of the R&S Capacity. <p><i>Continued on next page.</i></p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure by Vote</u> Vote 13 - Water & Sanitation	<i>See previous page.</i>	<i>See previous page.</i>	d) R&M Electrical (under), due to misalignment of the period budget and actuals; e) R&M Maintenance of Equipment (over), as a result of a significant amount of work completed in the first quarter of this financial year due to the availability of tenders to execute maintenance work and the implementation of conditional assessments of pump stations; f) Security Services: Municipal Facilities (over), due to an increased security requirement for Bulk & Waste water plants and Informal Settlements basic services facilities; and g) Sewerage Services (under), due to outstanding invoices and delays in implementation of the faecal sludge management system at Borchards Quarry WWTW. 4. Other Expenditure (under), mainly on: a) Hire Charges, due to delays in the external hiring of plant equipment at pump stations; and b) R&M Hire of LDV, PVan, Bus, Specialised Vehicles, due to delays in the Fleet Hire tender. The tender issues have since been resolved and the tender is currently active. Project managers are in the process of liaising with contractors to scope work. 5. Losses, mainly on Inventory consumed: Real: Leakage B/Water, where the inventory drawn from external dams are higher than anticipated (Note: This is comparatively higher than the inventory drawn by reticulation- and bulk external customers).	Budget provisions were reviewed during the mid-year budget and performance assessment process and amendments proposed in the January 2023 adjustments budget. Invoices to be processed on receipt thereof.

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Employee related costs	(492 078)	-5.7%	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 (EPWP) as a result of the delayed submission of Project Identification Documents (PID) and challenges experienced in identifying workers from the subcouncil database of registered community members.	The City had 3447 vacancies as at 31 December 2022; 6112 positions were filled (1576 internal, 599 external, 1178 rehire, 2759 EPWP) with 1184 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	(4 578)	-5.1%	Immaterial variance.	-
Debt impairment	(18)	0.0%	Immaterial variance.	-
Depreciation & asset impairment	(748)	0.0%	Immaterial variance.	-
Finance charges	(63 544)	-15.4%	The variance is mainly on Interest - External, where the interest provision for a loan that was not taken up at the end of the previous financial year is included in the current budget.	Budget to be amended in the January 2023 adjustments budget.
Bulk purchases - electricity	(301 894)	-5.1%	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.

Table continues on next page.

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure By Type</u>				
Inventory Consumed	(209 031)	-9.7%	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 to the increased fuel price post finalisation of the current budget as well as higher fuel consumption to date. 2. G&D Pharmaceutical supplies and G&D Vaccines (under), due to outstanding invoices. 3. Inventory consumed Reticulation Water and Bulk Water (under), where sales to reticulation end-user customers are lower than anticipated, and due to outstanding accounts from the National Department of Water & Sanitation. 4. G&D Material General & Consumables (under), due to outstanding invoices, and correction of entries relating to prior year transactions.	Outstanding invoices will be processed and verified on receipt thereof. Budget provisions were reviewed and will be adjusted, if required, in the January 2023 adjustments budget.
Contracted services	163 158	5.0%	The variance is a combination of over-/under expenditure and reflects mainly against the following subcategories: 1. Advisory Services - Research and Advisory (under), due to delays in implementation of pump station assessments as well as the tender for the aquifer monitoring that has not yet been finalised. 2. Professional Services – Engineering Civil (over), due to some projects being ahead of schedule as a result of good contractor performance. 3. Legal Costs (under), where a journal to correct the misallocation of expenditure in the prior financial year was processed in the current financial year. 4. G&D Professional Services - Engineering Civil (over), due to good contractor performance. 5. Relief Drivers (over), where additional drivers were appointed for new projects in the Cleansing Branch (Urban Waste Directorate). 6. G&D Contracted Services - Building (under), due to delays in implementation of some projects, and outstanding invoices. <i>Continued on next page.</i>	Budget provisions were reviewed and will be adjusted, if required, in the January 2023 adjustments budget. Outstanding invoices to be verified and paid on receipt. Reposting of costs incorrectly allocated will be done 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>Expenditure By Type</u> Contracted services	<i>See previous page.</i>	<i>See previous page.</i>	<p>7. R&M Contracted Services Building (over), due to more repairs required at depots and pump stations than originally anticipated. The impact of bulk sewer collapses due to ageing infrastructure has contributed significantly to the increase in the repairs and maintenance cost due to the complexity of these repairs. The majority of repairs and maintenance i.e. mechanical, electrical, instrumentation, and building repairs is reactive in nature.</p> <p>8. R&M Gardening (under), due to the absence of a grass cutting tender within the Community Services & Health Directorate.</p> <p>9. R&M Maintenance of Equipment (over), where a significant amount of work has been completed due to tender availability.</p> <p>10. Cleaning Costs (under), due to delays in the award of various cleaning tenders.</p> <p>11. Transportation Services – People (over), due to increased cost on the four VOC contracts as a result of the significant fuel price increases, and the higher than anticipated rate to renew the N2 Express contract negotiated late in the previous financial year.</p> <p>12. Security Services - Municipal Facilities (over), as a result of increased security at vacant properties to avoid illegal occupation and damage, and at various landfill sites.</p> <p>13. Administration & Support Staff (under), where costs were incorrectly booking against the Relief Drivers cost element.</p> <p>14. Litter Picking and Street Cleaning (under), due to less waste being generated by informal settlements than originally anticipated.</p> <p>15. Sewerage Services (under), due to outstanding invoices and delays in implementation of the faecal sludge management system at Borchards Quarry WWTW.</p> <p>16. G&D Transportation Services People (over), where the Public Transport Interchanges (PTI) service is co-funded by grant funding, which is utilised before City funding, and expenditure being slightly higher than planned to date.</p>	<i>See previous page.</i>
Transfers and subsidies	7 111	5.3%	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	(40 484)	-3.0%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Hire Charges (under), due to delays in the external hiring of plant equipment 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. R&M Hire of LDV, PVan, Bus, Special Vehicle (under), due to delays in the fleet hire tender. The tender issues have since been resolved and the tender is currently active. Project managers in are the process of liaising with contractors to scope work. 4. G&D Books Periodicals & Subscriptions (under), where the provision is linked to a capital project funded from a Western Cape Government (WCG) grant and where actual expenditure will only reflect on the operating budget at year-end. 5. Commission - Pre-paid electricity Vendor (under), due to the decline in prepaid sales of electricity as a result of load shedding. 7. G&D Training, and G&D Uniforms and Protective Clothing (under), where the business plans and TPA for LEAP has not been finalised yet. 8. Telecom: Cellphone Additional Call Charges (over), where additional call changes currently being paid against the Corporate Services Directorate's cost centre must still be allocated to the directorates responsible for the costs. 9. Management Fee paid (over), where the year-to-date overspend relates to the earlier than anticipated appointment of the management agency for the Woodstock Hospital property. 10. Uniform & Protective Clothing (over), due to the early than anticipated acquisition of the annual provision of personal protective equipment. 	Budget provisions were reviewed and will be adjusted, if required, in the January 2023 adjustments budget.
Losses	(18 455)	-10.4%	<p>The variance is a combination of over-/under expenditure within the following directorates:</p> <ol style="list-style-type: none"> 1. Finance (over), as a result of the valuation of financial instruments (e.g. investments), which is not budgeted for, but does occur occasionally due to market valuation movements. 2. Water & Sanitation (under), mainly on Inventory consumed: Real: Leakage B/Water, where inventory drawn from external dams is higher than anticipated (Note: This is comparatively higher than the inventory drawn by reticulation- and bulk external customers). 	Budget provisions were reviewed and will be adjusted, if required, in the January 2023 adjustments budget.

Material variance explanations for capital expenditure by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Capital Expenditure by Vote</u> Vote 1 - Community Services & Health	(12 219)	-12.9%	The current negative variance reflects on the following projects/programmes: 1. Elsies River Integrated Recreation Facility project, which is currently on schedule although road upgrades and fencing installation has been delayed as Eskom is required to relocate a light pole in order for work to proceed. 2. Recreation & Parks Upgrade: Delays experienced as a result of approval of tender extension and loading of agreements for Tender 339Q/2018/19. Fencing and electrical upgrades at Parow North Office and hard surfacing at Blue Downs Stadium have been completed. Orders placed for upgrades at various facilities; work in progress. Further orders placed for Upgrade to Green Point Stadium Road project, Durbanville Town Hall sewer line, and replacement of asbestos roofing at Goodwood Training Centre. 3. Fisantekraal Synthetic Pitch: Delays in implementation are due to unavailability of Tender 245Q/2021/22, which was finalised in the reporting period with the contract now being finalised.	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 that 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 adjustments budget to align projects to implementation-readiness based on challenges experienced.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 2 - Corporate Services	(30 116)	-26.7%	The negative variance reflects on the following projects/programmes: 1. Broadband Infrastructure Programme, where Tender 131Q/2021/22 (Construction of optic fibre civils infrastructure) received no bidders, which resulted in the tender being re-advertised. 2. Radio Infrastructure project, where the process of obtaining quotations from the service provider took longer than anticipated. 3. Plant & Equipment project, where there are delays in delivery due to the unavailability of stock.	1. The technical team has scheduled the fibre builds to start from January 2023 and will do as much preparatory work as possible to mitigate the delay. A portion of the project will be rephased to the 2023/24 financial year. Budget and cash flow to be amended in the January 2023 adjustments budget. 2. Some orders have since been placed; awaiting delivery. 3. Project manager is following up on outstanding delivery.
Vote 3 - Economic Growth	(7 920)	-34.1%	The negative variance is attributed to the following projects: 1. CTICC 2 - Interface Structure project, which was initially delayed due to complex front-end loading re-conclusion of agreements and the detailed design phase taking longer than anticipated, and adverse underground conditions necessitating pile redesign and additional piling. 2. Philippi Fresh Produce Market Refurbishment, where various professional services were appointed later than anticipated due to resource unavailability.	1. Construction is currently underway. 2. All resources have been appointed and project is currently underway. Cash flows to be amended in the January 2023 adjustments budget.
Vote 4 - Energy	82 846	26.0%	The positive variance is mainly is due to satisfactory contractor performance, and more than planned applications for new- and upgraded supplies on the following programmes: 1. Triangle 132kV Upgrade; 2. Morgen Gronde Switching Station; 3. System Equipment Replacement: South Area S FY23; 4. Conn Infrastructure (Quote): East FY23; and 5. 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 taken as and when required to ensure maximum spend.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 5 - Finance	2 617	36.1%	System enhancements and capital purchases projects were fast-tracked.	Cash flow to be amended in the January 2023 adjustments budget.
Vote 6 - Future Planning & Resilience	(8 418)	-85.9%	The negative variance reflects on the following projects/programmes: 1. Contract Management System Integration, due to implementation delays attributed to capacity constraints including the governance vetting process for IT System Development. 2. Integration and Enhancement, where the project was initially delayed due to unavailability of Tender 187S/2021/22. Work has since commenced with Phase 2 completed in November 2022. Additional funding is required for further work requested from IS&T. 3. Computer Equipment: Replacement FY23, where orders could not be delivered due to the price refresh on Tender 060G/2018/19.	1. A portion of the budget will be reprioritised as a result of the delay. Budget and cash flows to be amended in the January 2023 adjustments budget. 2. Phase 3 scope of work will be assessed for award in January 2023 and additional funding will be allocated to this project in the January 2023 adjustments budget. 3. Further orders have been placed as the price refresh is complete.
Vote 7 - Human Settlements	(43 180)	-12.1%	The negative variance is mainly due to: 1. Land Acquisition FY23, due to delays experienced in negotiations and registrations of various land acquisitions. 2. Asset Upgrade programme: Professional Services Tender 109C/2020/21, required for implementation of the City Rental Unit Upgrade projects, is delayed until approximately March 2023 due to the legal opinion received regarding the Section 33 process.	Budget and cash flows to be amended in the January 2023 adjustments budget.
Vote 8 - Office of the City Manager	159	17.6%	The positive variance reflects mainly on the following programmes/projects: 1. Refurbishment: Wynberg Court, where work is progressing ahead of schedule due to satisfactory contractor performance. 2. IT Equipment, where some items were delivered earlier than anticipated.	Budget and cash flows to be amended 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
Capital Expenditure by Vote				
Vote 9 - Safety & Security	1 793	2.9%	Immaterial variance.	-
Vote 10 - Spatial Planning & Environment	(11 364)	-13.7%	<p>The negative variance reflects mainly on the following projects within the Coastal Programme:</p> <p>1. Milnerton Beachfront Retreat project, where the eligibility criteria in the contract document was not met resulting in non-compliance and work being suspended on 14 September 2022. The project is now back on schedule.</p> <p>2. Table View Beachfront Upgrade, where delays in the water- and electricity connection (Eskom) are delaying the planting of dune vegetation.</p>	<p>1. The project is expected to be completed by May 2023 as per the contract completion date.</p> <p>2. Budget and cash flows to be amended in the January 2023 adjustments budget.</p> <p>There are on-going engagements with project managers, PMO and departmental finance manager to ensure all orders are placed timeously, projects are implemented within the prescribed timeframes and that corrective action is taken as and when required.</p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 11 - Urban Mobility	(212 294)	-40.5%	<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) Delays in receipt of the Department of Labour permit number, which has since been received; b) Property acquisitions being at various stages of the acquisition process; c) Pending creation of SAP agreement; and d) Delays in finalisation of the scope of work in terms of the Water Services term contract. 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, which is behind schedule as a result of the process of creating and signing the MoA after the BAC award. 4. Dualling: Jip De Jager: Kommissaris - Van Riebeeckshof, where the due diligence process is taking longer than anticipated. 5. Road Rehabilitation: Bishop Lavis, where appointment of the service provider took longer than anticipated delaying commencement of the project. 6. Road Upgrade: CTICC FW De Klerk Boulevard, where the underground services investigations were completed later than anticipated. Detail design is complete and has been submitted to the Roads Infrastructure Management (RIM) district office for approval. 	<ol style="list-style-type: none"> 1.a) The contractor is busy with site establishment and will commence with existing service relocation in due course. b) Expenditure will be incurred as the acquisition processes are finalised and the necessary approvals obtained. c) Budget and cash flows to be amended in the January 2023 adjustments budget to align to the latest cash flow projections provided by the contractor. d) Budget for work packages E1 and E2 provides for accelerated implementation of bulk water relocation to allow for unimpeded implementation of civil works. The limit of the two works packages has been reviewed and the required work now all fall within the E2 works package. Additional budget required will be reprioritised from the E1 works package in the January 2023 adjustments budget. <ol style="list-style-type: none"> 2. A construction contract has been awarded and the constructor is on site. Budget will be rephased due to the late start. Budget and cash flows will be amended in the January 2023 adjustments budget. 3. Contract has been vetted by the Legal Services Department and is ready for signature. There is currently a value at risk that will be reprioritised to other priority projects in the January 2023 adjustments budget. <p><i>Continue on next page.</i></p>

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Capital Expenditure by Vote</u>				
Vote 11 - Urban Mobility	<i>See previous page.</i>	<i>See previous page.</i>	<i>See previous page.</i>	<p>4. The memorandum of agreement is in the process of being vetted by the Legal Services Department. Construction will commence in January 2023. There is a value at risk of R16.3 million.</p> <p>5. The contract has been awarded and has commenced in December 2022. Funds will be reprioritised within the directorate in the January 2023 adjustments budget.</p> <p>6. Construction is expected to commence in February 2023. Budget will be adjusted in the January 2023 adjustments budget to align with the latest construction cost estimate.</p>
Vote 12 - Urban Waste Management	(5 028)	-3.2%	Immaterial variance.	-
Vote 13 - Water & Sanitation	16 039	2.5%	Immaterial variance.	-

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	71 862	1.3%	More rate income received than originally budgeted for.	No corrective action required.
Service charges	7 809	0.1%	Immaterial variance.	-
Other revenue	821 419	30.4%	The over-recovery includes amounts relating to other categories not allocated at the time of reporting.	No corrective action required.
Government - operating	(46 889)	-1.2%	Lower than expected grant income received to date.	Seasonalisation to be aligned to NT's grant payment schedule in the January 2023 adjustments budget.
Government - capital	(955 939)	-61.1%	Lower than expected grant income received to date.	Seasonalisation to be aligned to NT's grant payment schedule in the January 2023 adjustments budget.
Interest	95 410	17.9%	More interest income received due to higher interest rates.	No corrective action required.
Dividends	-	-	-	-
Payments				
Suppliers and employees	128 378	-0.6%	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	(47 130)	12.1%	Finance charges include a portion relating to borrowings not taken up in the previous financial year.	To be corrected in the January 2023 adjustments budget.
Transfers and Grants	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	87 575	3.1%		
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-
Payments				
Capital assets	(1 537 623)	38.1%	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	(1 537 623)	38.1%		
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 2 of 2023

Description of Indicator	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
2.A Taps provided in informal settlements (number) (NKPI) Target: 300 Actual: 254	46	Delays with the installation of new taps are due to material shortages in corporate stores.	A request for quotation (RFQ) has been initiated to source the materials (galvanised tees) required for the installations.
3.B Load-shedding level variance (%) Target: 40% Actual: 20%	20%	Exceptional high load-shedding incidents.	Life extension of Steenbras plus procurement of battery energy system storage (BESS) underway.
4.D Valid applications for residential water services closed within the response standard (%) (NKPI) Target: 80% Actual: 49.41%	30.59%	Unavailability of Tender 28Q, due to the High Court ruling to re-award the tender, resulted in delays in commencement.	In an effort to increase performance levels, weekly meetings are held with meter management staff and contractors to discuss and resolve outstanding service orders. A dedicated focus team of staff in Administration and Operational sections will be appointed.
4.E Valid applications for residential sewerage services closed within the response standard (%) (NKPI) Target: 80% Actual: 40.28%	39.72%		
4.G Residential electricity services applications finalised within industry standard timeframes (%) (NKPI) Target: 90% Actual: 50.50%	39.50%	Delays are suspected to be due to a combination of long waits for wayleaves, time taken for the customer to indicate readiness to receive the connection, and shortages in the supply of equipment such as mini-substations, cables etc.	Investigations are underway to determine where exactly the blockages exist so as to make an informed determination as to how best to remove them.

Table continues on next page.

Description of Indicator	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
6.A New auxiliary law enforcement officers recruited and trained (number) Target: 40 Actual: 34	6	The appointment process was slower than expected.	The appointment process is ongoing and managed on a continuous basis.
7.A Well located land parcels released to the private sector for affordable housing (number) Target: 2 Actual: 1	1	The land parcel earmarked for release during quarter two of the current financial year was unsuccessful due to non-responsive bids.	A new process has been initiated and the land parcel is projected for release in quarter four of this financial year.
7.B Human Settlement Top structures (houses) provided per housing programme (number) Target: 900 Actual: 811	89	Target was not achieved due to gang violence in Manenberg.	Handover of the outstanding units is planned in January and February 2023 and will be recorded as part of the quarter three reporting cycle.
7.C Formal housing serviced sites provided (number) Target: 1 100 Actual: 840	260	The target was not achieved due to the contractor for the Macassar Housing Project not achieving practical completion of the 2nd phase of 745 sites as originally planned.	Handover of the outstanding units is planned in January and February 2023 and will be recorded as part of the quarter three reporting cycle.
7.D Land acquired for human settlements in Priority Housing Development Areas (Hectares) Target: 4 Actual: 0	4	The City is awaiting the State Attorney to effect the transfer of two land parcels in Goodwood and Ysterplaat for social housing purposes. Erf 20582, Cape Town in Ysterplaat and Erf 22374/RE, Goodwood measure 0.95ha respectively. These acquisitions have been approved by MayCo.	Necessary follow ups are made on a continuous basis.

Table continues on next page.

Description of Indicator	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<p>14.A Public safety awareness and preparedness sessions held in the communities (number)</p> <p>Target: 230 Actual: 446</p>	216	The variance is due to the Mayoral priority campaigns i.e. flood, fire-wise programmes, and heat wave conditions, including the need for DRM to report on the Climate Change Action Plan, which has increased the number of community sessions.	No remedial action required at this stage.
<p>16.H Kilometres of fibre infrastructure for broadband connectivity installed (kilometres)</p> <p>Target: 13.9 Actual: 5</p>	8.9	Initial delays in award of tender 131Q with the final award letter issued on 2 November 2022.	The target for 2022/23 has been revised downwards and relevant scorecards are being amended.

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			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	2.3%	4.3%	4.3%	2.3%	3.9%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	26.7%	38.2%	36.4%	32.0%	36.8%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	24.5%	25.5%	29.2%	18.0%	24.7%
Gearing	Long Term Borrowing/ Funds & Reserves	103.0%	138.8%	141.7%	100.0%	121.2%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	1.6	1.4	1.4	2.2	1.5
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	0.7	0.8	1.3	0.9
<u>Revenue Management</u>						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.4%	13.3%	13.3%	25.8%	12.4%
<u>Other Indicators</u>						
Employee costs	Employee costs/Total Revenue - capital revenue	29.5%	32.5%	32.6%	29.9%	32.1%
Interest & Depreciation	I&D/Total Revenue - capital revenue	7.4%	7.6%	7.6%	1.3%	1.7%

Aged Creditors

Description R thousands	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	
Creditors Age Analysis By Customer Type										
Bulk Electricity	–	–	–	–	–	–	–	–	–	–
Bulk Water	–	–	–	–	–	–	–	–	–	–
PAYE deductions	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	–	–	–	–	–	–	–	–	–	–
Loan repayments	–	–	–	–	–	–	–	–	–	–
Trade Creditors	1 314	623	76	2	199	4	3	2	2 223	16 261
Auditor General	–	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	1 314	623	76	2	199	4	3	2	2 223	16 261

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	427 167	75 170	87 045	51 488	54 845	44 930	281 586	1 475 017	2 497 248	1 907 866	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	780 421	61 522	162 641	(1 023)	11 081	10 282	249 459	272 087	1 546 470	541 886	–	–
Receivables from Non-exchange Transactions - Property Rates	785 740	119 367	118 728	54 023	54 127	47 015	270 841	905 459	2 355 300	1 331 464	–	–
Receivables from Exchange Transactions - Waste Water Management	216 357	37 050	30 919	21 928	23 953	18 448	114 946	568 375	1 031 976	747 650	–	–
Receivables from Exchange Transactions - Waste Management	110 834	25 351	25 525	15 180	15 005	12 644	74 245	417 721	696 504	534 795	–	–
Receivables from Exchange Transactions - Property Rental Debtors	61 074	13 383	7 590	14 708	11 422	15 602	60 186	727 127	911 090	829 043	–	–
Interest on Arrear Debtor Accounts	72 584	34 032	32 680	33 682	30 143	27 447	156 541	145 451	532 560	393 265	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–	–	–	–
Other	(226 550)	(70 781)	(41 918)	(39 998)	(191 118)	(54 878)	(36 368)	(198 123)	(859 735)	(520 486)	–	–
Total By Income Source	2 227 627	295 093	423 210	149 988	9 457	121 489	1 171 437	4 313 113	8 711 414	5 765 484	–	–
2021/22 - totals only	2 078 282	220 910	210 799	(2 590)	120 396	187 889	858 535	4 012 764	7 686 985	5 176 993	–	–
Debtors Age Analysis By Customer Group												
Organs of State	121 171	21 364	25 827	(10 267)	(172 699)	(46 715)	27 860	(20 175)	(53 635)	(221 996)	–	–
Commercial	1 093 950	85 005	92 731	38 124	46 127	30 111	220 486	388 799	1 995 333	723 647	–	–
Households	1 142 251	215 805	216 278	142 583	143 150	128 834	719 309	3 684 365	6 392 575	4 818 242	–	–
Other	(129 744)	(27 081)	88 375	(20 453)	(7 121)	9 259	203 782	260 124	377 141	445 591	–	–
Total By Customer Group	2 227 627	295 093	423 210	149 988	9 457	121 489	1 171 437	4 313 113	8 711 414	5 765 484	–	–

Investment portfolio

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

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
ABSA Bank	44	Fixed	6.60%	2023/01/13	65 000	364	–	–	65 364
ABSA Bank	41	Fixed	6.60%	2023/01/13	40 000	224	–	–	40 224
ABSA Bank	40	Fixed	6.55%	2023/01/06	25 000	139	–	–	25 139
ABSA Bank	39	Fixed	6.60%	2023/01/13	50 000	280	–	–	50 280
ABSA Bank	39	Fixed	6.60%	2023/01/13	10 000	56	–	–	10 056
ABSA Bank	38	Fixed	6.55%	2023/01/06	30 000	167	–	–	30 167
ABSA Bank	30	Fixed	7.15%	2023/01/13	30 000	176	–	–	30 176
ABSA Bank	30	Fixed	7.15%	2023/01/13	30 000	176	–	–	30 176
ABSA Bank	30	Fixed	7.15%	2023/01/13	25 000	147	–	–	25 147
ABSA Bank	26	Fixed	7.15%	2023/01/13	45 000	229	–	–	45 229
ABSA Bank	25	Fixed	7.15%	2023/01/13	115 000	563	–	–	115 563
ABSA Bank	25	Fixed	7.35%	2023/02/15	130 000	654	–	–	130 654
ABSA Bank	24	Fixed	7.25%	2023/01/27	260 000	1 239	–	–	261 239
ABSA Bank	23	Fixed	7.25%	2023/01/31	25 000	114	–	–	25 114
ABSA Bank	20	Fixed	7.20%	2023/01/20	45 000	178	–	–	45 178
ABSA Bank	19	Fixed	7.20%	2023/01/20	35 000	131	–	–	35 131
ABSA Bank	18	Fixed	7.25%	2023/01/31	25 000	89	–	–	25 089
ABSA Bank	13	Fixed	7.25%	2023/02/15	60 000	155	–	–	60 155
ABSA Bank	3	Fixed	7.35%	2023/02/10	50 000	30	–	–	50 030
Firststrand	40	Fixed	6.81%	2023/01/06	25 000	145	–	–	25 145
Firststrand	39	Fixed	6.83%	2023/01/13	20 000	116	–	–	20 116
Firststrand	38	Fixed	6.81%	2023/01/06	25 000	145	–	–	25 145
Firststrand	30	Fixed	7.40%	2023/01/13	35 000	213	–	–	35 213
Firststrand	30	Fixed	7.40%	2023/01/13	30 000	182	–	–	30 182
Firststrand	30	Fixed	7.40%	2023/01/13	25 000	152	–	–	25 152
Firststrand	26	Fixed	7.40%	2023/01/13	110 000	580	–	–	110 580
Firststrand	25	Fixed	7.40%	2023/01/13	170 000	862	–	–	170 862
Firststrand	25	Fixed	7.62%	2023/02/15	180 000	939	–	–	180 939
Firststrand	24	Fixed	7.42%	2023/01/20	50 000	244	–	–	50 244
Firststrand	24	Fixed	7.44%	2023/01/27	220 000	1 076	–	–	221 076
Firststrand	23	Fixed	7.45%	2023/01/31	20 000	94	–	–	20 094
Firststrand	20	Fixed	7.41%	2023/01/20	30 000	122	–	–	30 122
Firststrand	19	Fixed	7.41%	2023/01/20	25 000	96	–	–	25 096
Firststrand	18	Fixed	7.47%	2023/01/31	30 000	111	–	–	30 111
Firststrand	13	Fixed	7.51%	2023/02/15	100 000	267	–	–	100 267
Firststrand	3	Fixed	7.46%	2023/02/10	50 000	31	–	–	50 031
Firststrand	2	Fixed	7.48%	2023/02/17	65 000	27	–	–	65 027
Firststrand	2	Fixed	7.48%	2023/02/17	15 000	6	–	–	15 006
Investec Bank	80	Fixed	6.50%	2023/01/06	20 000	110	–	–	20 110
Investec Bank	66	Fixed	6.53%	2023/01/06	20 000	111	–	–	20 111
Investec Bank	66	Fixed	6.53%	2023/01/06	10 000	55	–	–	10 055
Investec Bank	54	Fixed	6.60%	2023/01/06	25 000	140	–	–	25 140
Investec Bank	53	Fixed	6.60%	2023/01/06	10 000	56	–	–	10 056
Investec Bank	52	Fixed	6.60%	2023/01/06	10 000	56	–	–	10 056
Investec Bank	48	Fixed	6.55%	2023/01/06	30 000	167	–	–	30 167

Table continues on next page.

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
Investec Bank	46	Fixed	6.55%	2023/01/06	35 000	195	–	–	35 195
Investec Bank	44	Fixed	6.65%	2023/01/13	30 000	169	–	–	30 169
Investec Bank	39	Fixed	6.75%	2023/01/13	10 000	57	–	–	10 057
Investec Bank	25	Fixed	7.35%	2023/02/15	15 000	76	–	–	15 076
Investec Bank	24	Fixed	7.28%	2023/01/27	100 000	478	–	–	100 478
Investec Bank	18	Fixed	7.35%	2023/01/31	10 000	36	–	–	10 036
Investec Bank	13	Fixed	7.40%	2023/02/15	55 000	145	–	–	55 145
Investec Bank	11	Fixed	7.35%	2023/02/03	20 000	44	–	–	20 044
Investec Bank	10	Fixed	7.35%	2023/02/03	10 000	20	–	–	10 020
Investec Bank	3	Fixed	7.35%	2023/02/10	30 000	18	–	–	30 018
Nedbank	185	Fixed	7.45%	2023/06/30	165	1	–	–	166
Nedbank	185	Fixed	7.45%	2023/06/30	62 100	393	–	–	62 493
Nedbank	185	Fixed	7.45%	2023/06/30	715	5	–	–	720
Nedbank	185	Fixed	7.45%	2023/06/30	590	4	–	–	594
Nedbank	185	Fixed	7.45%	2023/06/30	13 900	88	–	–	13 988
Nedbank	185	Fixed	7.45%	2023/06/30	290	2	–	–	292
Nedbank	185	Fixed	7.45%	2023/06/30	1 479	9	–	–	1 488
Nedbank	185	Fixed	7.45%	2023/06/30	21 550	136	–	–	21 686
Nedbank	185	Fixed	7.45%	2023/06/30	28 000	177	–	–	28 177
Nedbank	40	Fixed	6.45%	2023/01/06	20 000	111	–	–	20 111
Nedbank	39	Fixed	6.45%	2023/01/13	15 000	84	–	–	15 084
Nedbank	38	Fixed	6.45%	2023/01/06	15 000	83	–	–	15 083
Nedbank	25	Fixed	6.45%	2023/01/13	100 000	490	–	–	100 490
Nedbank	25	Fixed	6.45%	2023/02/15	100 000	497	–	–	100 497
Nedbank	24	Fixed	6.45%	2023/01/27	220 000	1 042	–	–	221 042
Nedbank	20	Fixed	6.45%	2023/01/20	10 000	39	–	–	10 039
Nedbank	19	Fixed	6.40%	2023/01/20	20 000	74	–	–	20 074
Nedbank	18	Fixed	6.45%	2023/01/31	25 000	89	–	–	25 089
Nedbank	13	Fixed	6.45%	2023/02/15	100 000	258	–	–	100 258
Nedbank	12	Fixed	6.45%	2023/02/03	70 000	166	–	–	70 166
Nedbank	11	Fixed	6.50%	2023/02/03	85 000	184	–	–	85 184
Nedbank	10	Fixed	6.55%	2023/02/03	60 000	118	–	–	60 118
Nedbank	3	Fixed	6.55%	2023/02/10	60 000	36	–	–	60 036
Standard Bank	40	Fixed	6.65%	2023/01/06	25 000	144	–	–	25 144
Standard Bank	39	Fixed	6.64%	2023/01/13	10 000	58	–	–	10 058
Standard Bank	38	Fixed	6.63%	2023/01/06	20 000	115	–	–	20 115
Standard Bank	30	Fixed	6.65%	2023/01/13	30 000	180	–	–	30 180
Standard Bank	30	Fixed	6.66%	2023/01/13	25 000	150	–	–	25 150
Standard Bank	30	Fixed	6.66%	2023/01/13	25 000	150	–	–	25 150
Standard Bank	26	Fixed	6.70%	2023/01/13	25 000	130	–	–	25 130
Standard Bank	25	Fixed	6.70%	2023/01/13	115 000	576	–	–	115 576
Standard Bank	25	Fixed	6.70%	2023/02/15	125 000	636	–	–	125 636
Standard Bank	24	Fixed	6.70%	2023/01/20	50 000	240	–	–	50 240
Standard Bank	24	Fixed	6.70%	2023/01/27	200 000	965	–	–	200 965
Standard Bank	23	Fixed	6.70%	2023/01/31	15 000	69	–	–	15 069
Standard Bank	20	Fixed	6.70%	2023/01/20	40 000	160	–	–	40 160
Standard Bank	19	Fixed	6.70%	2023/01/20	25 000	96	–	–	25 096
Standard Bank	18	Fixed	6.70%	2023/01/31	25 000	91	–	–	25 091
Standard Bank	13	Fixed	6.80%	2023/02/15	130 000	343	–	–	130 343
Standard Bank	3	Fixed	6.80%	2023/02/10	60 000	36	–	–	60 036
Standard Bank	2	Fixed	6.80%	2023/02/17	45 000	18	–	–	45 018
ABSA Bank	-	Call deposit	7.00%	-	435 852	2 818	(275 000)	190 000	353 670
Firststrand Bank	-	Call deposit	6.85%	-	195 000	1 337	–	40 000	236 337
Investec Bank	-	Call deposit	6.85%	-	145 000	1 075	(65 000)	70 000	151 075
Nedbank	-	Call deposit	6.85%	-	145 000	1 027	(105 000)	150 000	191 027

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q2 (December 2022)

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate	Expiry date of investment	Opening Balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
Standard Bank	-	Call deposit	7.00%	-	370 000	2 422	(35 000)	65 000	402 422
Nedbank current account	-	Current account	6.80%	-	239 671	-	(69 452)	-	170 219
Fund Managers	-	-	-	-	7 529 604	51 525	-	-	7 581 129
Liberty, RMB and Nedbank sinking fund	-	-	-	-	3 555 118	27 964	-	-	3 583 082
Cash in transit	-	-	-	-	3 543	-	40 707	-	44 250
CTICC	-	-	-	-	271 435	-	-	-	271 435
COID	-	-	-	-	52 443	(52)	-	-	52 391
Shares in Atlantis Special Economic Zone Company SOC Ltd	-	-	-	-	56 500	-	-	-	56 500
TOTAL INVESTMENTS AND INTEREST					17 777 955		(508 746)	515 000	17 893 027

Transfers and grants expenditure

Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Operating expenditure of Transfers and Grants								
National Government:	4 255 124	4 727 836	4 727 836	306 889	330 880	(23 991)	-7.3%	4 655 147
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	659	538	120	22.3%	1 000
Urban Settlements Development Grant	113 551	124 584	124 584	9 786	13 366	(3 580)	-26.8%	118 728
Energy Efficiency and Demand Side Management Grant	1 084	900	900	294	274	20	7.3%	900
Dept. of Environ Affairs and Tourism	55	220	220	56	–	56	100.0%	220
Expanded Public Works Programme	49 072	41 469	41 469	21 961	23 610	(1 649)	-7.0%	42 406
Public Transport Infrastructure & Systems Grant	3 860	52 233	52 233	4 042	21 051	(17 008)	-80.8%	–
Infrastructure Skills Development	9 318	10 446	10 446	4 695	4 500	195	4.3%	10 446
Public Transport Network Grant	468 579	477 706	477 706	211 990	185 938	26 052	14.0%	477 706
Informal Settlements Upgrading Partnership Grant	6 243	90 959	90 959	5 959	18 000	(12 041)	-66.9%	78 248
National Skills Fund	18 543	27 788	27 788	–	(18 062)	18 062	-100.0%	21 072
National Treasury General Budget Support	–	10 125	10 125	–	2 658	(2 658)	-100.0%	10 125
Programme And Project Preparation Support Grant	61 954	65 970	65 970	7 957	6 985	971	13.9%	67 294
Public Employment Program (NT PEP)	154 365	156 000	156 000	37 494	68 007	(30 514)	-44.9%	156 000
Philippi Agri-Hub	9 591	–	–	–	–	–	–	–
Equitable Share: COVID 19 Relief	142 735	–	–	–	–	–	–	–
Regional Land Claims Commissioner	–	12 043	12 043	1 997	4 014	(2 017)	-50.3%	14 608
Provincial Government:	1 148 647	1 499 281	1 499 281	341 563	639 365	(297 802)	-46.6%	1 576 093
Cultural Affairs and Sport - Provincial Library Services	6 032	52 712	52 712	25 717	27 236	(1 520)	-5.6%	55 952
Cultural Affairs and Sport - Municipal Library Support	8 533	–	–	–	–	–	–	–
Cultural Affairs and Sport - Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	43 431	5 338	5 338	3 813	5 163	(1 350)	-26.1%	5 338
Cultural Affairs and Sport - Provincial Others	–	–	–	–	–	–	–	96
Human Settlements - Human Settlement Development Grant	282 579	318 630	318 630	117 643	147 771	(30 128)	-20.4%	378 328
Health - TB	32 715	33 546	33 546	12 359	12 359	–	–	33 546
Health - ARV	300 980	316 834	316 834	122 943	162 689	(39 745)	-24.4%	316 834
Health - Nutrition	3 987	6 832	6 832	2 984	3 405	(421)	-12.4%	6 832
Health - Vaccines	112 443	117 033	117 033	38 721	58 516	(19 795)	-33.8%	117 033
Comprehensive Health	–	210 841	210 841	–	–	–	–	210 841
LEAP	313 951	400 000	400 000	30	207 189	(207 159)	-100.0%	395 750
Transport and Public Works - Provision for persons with special needs	10 019	10 000	10 000	–	–	–	–	10 015
Community Safety - Law Enforcement Auxiliary Services	3 667	2 852	2 852	155	1 358	(1 203)	-88.6%	4 167
Community Development Workers	1 925	1 034	1 034	538	–	538	100.0%	1 756
Establishment and Support K9 unit	1 588	1 000	1 000	522	–	522	100.0%	1 000
Public Employment Program (Provincial PEP)	–	–	–	–	–	–	–	3 285
Municipal Library Services	–	–	–	–	–	–	–	23
Municipal accreditation and capacity building grant	8 871	10 000	10 000	5 351	5 050	301	6.0%	10 000
Human Settlements - Informal Settlements	1 233	1 500	1 500	695	750	(55)	-7.3%	1 767
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	10 091	7 878	2 213	28.1%	23 529
Other grant providers:	12 426	33 055	33 055	1 471	6 094	(4 623)	-75.9%	73 438
CMTF	6 210	3 000	3 000	327	1 200	(873)	-72.7%	6 100
University of Connecticut	18	–	–	–	–	–	–	–
CID	6 198	7 704	7 704	1 123	3 813	(2 690)	-70.6%	9 192
KFW- Technical Assistance (GDB)	–	20 000	20 000	–	–	–	–	–
Orio	–	2 310	2 310	–	1 040	(1 040)	-100.0%	–
National Treasury - Interest	–	–	–	–	–	–	–	58 106
The Cape Academy for MST	–	41	41	21	41	(21)	-50.0%	41
Total operating expenditure of Transfers and Grants:	5 416 196	6 260 172	6 260 172	649 923	976 339	(326 415)	-33.4%	6 304 679

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q2 (December 2022)

Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure of Transfers and Grants								
National Government:	1 626 843	2 165 521	2 165 528	663 717	816 830	(153 113)	-18.7%	2 010 060
Minerals and Energy: Energy Efficiency and Demand Side Management Grant	8 904	8 100	8 100	6 878	5 750	1 128	19.6%	8 100
National Government - Other: Previous years' Dora allocations	-	-	6	-	6	(6)	-100.0%	6
National Treasury: Expanded Public Works Programme	699	937	937	211	460	(249)	-54.1%	937
National Treasury: Informal Settlements Upgrading Partnership Grant: Municipalities	449 154	458 053	458 053	168 975	182 502	(13 527)	-7.4%	394 994
National Treasury: Infrastructure Skills Development Grant	1 081	1 000	1 000	283	-	283	100.0%	1 056
National Treasury: Local Government Restructuring Grant	59	217	217	173	217	(44)	-20.3%	217
National Treasury: Neighbourhood Development Partnership Grant	10 132	19 699	19 699	6 042	6 593	(551)	-8.4%	19 699
National Treasury: Public Transport Network: Budget Facility for Infrastructure Grant	92 901	335 000	335 000	95 891	110 855	(14 964)	-13.5%	335 000
National Treasury: Urban Settlements Development Grant	751 509	840 960	840 960	263 186	318 866	(55 680)	-17.5%	768 506
Accreditation Development Support	209	-	-	-	-	-	-	-
Integrated City Development Grant	3 977	-	-	-	-	-	-	-
Transport: Public Transport Network Grant	307 787	501 555	501 555	122 079	191 582	(69 503)	-36.3%	481 546
Contributed Assets	432	-	-	-	-	-	-	-
Provincial Government:	29 609	5 492	5 492	3 394	1 500	1 894	126.2%	5 670
Cultural Affairs and Sport: Library Services: Metro Library Grant	5 725	5 492	5 492	3 394	1 500	1 894	126.2%	5 670
LEAP	19 216	-	-	-	-	-	-	-
Law Enforcement Officers	2 668	-	-	-	-	-	-	-
Contributed Assets	2 000	-	-	-	-	-	-	-
Other grant providers:	47 159	100 854	100 860	30 705	23 464	7 241	30.9%	94 661
Other: Other	47 111	100 854	100 860	30 705	23 464	7 241	30.9%	94 661
Contributed Assets	48	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	1 703 611	2 271 867	2 271 879	697 816	841 794	(143 978)	-17.1%	2 110 392
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	7 119 807	8 532 039	8 532 052	1 347 739	1 818 133	(470 394)	-25.9%	8 415 071

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						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Councillors (Political Office Bearers plus Other)</u>								
Basic Salaries and Wages	144 359	157 201	155 281	74 367	79 416	(5 049)	-6.4%	159 895
Pension and UIF Contributions	3 477	–	1 920	1 507	958	549	57.3%	1 978
Motor Vehicle Allowance	295	669	669	110	335	(225)	-67.2%	689
Cellphone Allowance	9 342	9 887	9 887	4 683	4 943	(260)	-5.3%	10 182
Other benefits and allowances	7 690	8 376	8 376	4 596	4 188	408	9.7%	8 376
Sub Total - Councillors	165 163	176 133	176 133	85 262	89 840	(4 578)	-5.1%	181 120
% increase		6.6%	6.6%					9.7%
<u>Senior Managers of the Municipality</u>								
Basic Salaries and Wages	19 788	28 566	28 566	16 380	15 065	1 315	8.7%	33 371
Pension and UIF Contributions	1 055	8 326	8 326	1 218	3 765	(2 547)	-67.7%	2 421
Medical Aid Contributions	103	47	47	99	23	76	322.8%	205
Performance Bonus	–	–	–	–	–	–		732
Motor Vehicle Allowance	391	321	321	289	160	129	80.4%	574
Cellphone Allowance	142	351	351	91	175	(85)	-48.3%	268
Other benefits and allowances	46	48	48	70	24	46	191.3%	148
Sub Total - Senior Managers of Municipality	21 525	37 659	37 659	18 147	19 213	(1 066)	-5.5%	37 718
% increase		75.0%	75.0%					75.2%
<u>Other Municipal Staff</u>								
Basic Salaries and Wages	10 380 988	12 061 394	12 083 850	5 688 562	6 047 638	(359 076)	-5.9%	11 621 803
Pension and UIF Contributions	1 571 622	2 099 245	2 099 210	830 674	1 028 192	(197 518)	-19.2%	1 851 526
Medical Aid Contributions	939 221	982 302	982 302	482 044	496 059	(14 015)	-2.8%	1 002 069
Overtime	963 851	864 989	863 490	483 123	393 526	89 597	22.8%	1 017 233
Motor Vehicle Allowance	220 390	233 564	233 347	115 905	115 512	394	0.3%	234 863
Cellphone Allowance	33 910	37 655	37 781	18 240	18 607	(367)	-2.0%	38 117
Housing Allowances	58 989	61 907	61 931	31 414	31 060	354	1.1%	63 637
Other benefits and allowances	358 828	370 019	374 023	199 541	180 440	19 101	10.6%	394 223
Payments in lieu of leave	87 368	114 406	114 517	38 255	47 865	(9 610)	-20.1%	122 026
Long service awards	60 152	151 391	151 391	45 223	70 416	(25 194)	-35.8%	151 391
Post-retirement benefit obligations	559 060	308 405	308 405	152 341	147 020	5 321	3.6%	753 597
Sub Total - Other Municipal Staff	15 234 381	17 285 277	17 310 247	8 085 322	8 576 335	(491 013)	-5.7%	17 250 485
% increase		13.5%	13.6%					13.2%
Total Parent Municipality	15 421 068	17 499 069	17 524 039	8 188 732	8 685 388	(496 656)	-5.7%	17 469 324

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	(5 049)	-6.4%	Immaterial variance.	-
Pension and UIF Contributions	549	57.3%	Immaterial variance.	-
Medical Aid Contributions	-	-	-	-
Motor Vehicle Allowance	(225)	-67.2%	Immaterial variance.	-
Cellphone Allowance	(260)	-5.3%	Immaterial variance.	-
Housing Allowances	-	-	-	-
Other benefits and allowances	408	9.7%	Immaterial variance.	-
<u>Senior Managers of the Municipality</u>				
Basic Salaries and Wages	1 315	8.7%	Immaterial variance.	-
Pension and UIF Contributions	(2 547)	-67.7%	The variance relates to the structuring of the TCOE of senior managers.	Budget realignment will be effected in the January 2023 adjustments budget.
Medical Aid Contributions	76	322.8%	Immaterial variance.	-
Motor Vehicle Allowance	129	80.4%	Immaterial variance.	-
Cellphone Allowance	(85)	-48.3%	Immaterial variance.	-
Other benefits and allowances	46	191.3%	Immaterial variance.	-
Payments in lieu of leave	-	-	-	-
<u>Other Municipal Staff</u>				
Basic Salaries and Wages	(359 076)	-5.9%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; and 3. Slower than planned implementation of job creation projects.	The City had 3447 vacancies as at 31 December 2022; 6112 positions were filled (1576 internal, 599 external, 1178 rehired, 2759 EPWP) with 1184 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 ongoing.
Pension and UIF Contributions	(197 518)	-19.2%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is ongoing.
Medical Aid Contributions	(14 015)	-2.8%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is ongoing.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q2 (December 2022)

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Overtime	89 597	22.8%	The variance reflects in the following directorates: a) Water & Sanitation, due to emergency overtime as a result of burst pipes, overflowing drains, mechanical and electrical breakdowns as well as the impact of load shedding at plants, and where the shift system is not in place. There has also been an increase in the rate of bulk sewer collapses due to ageing infrastructure, which is more labour intensive and time consuming and impacts on the overtime worked by attending teams; b) Energy, due to emergency overtime worked as a result of high levels of load shedding; c) Safety & Security, as a result of an increase in roadblocks; and d) Community Services & Health, due to additional overtime paid to staff in the absence of a grass cutting tender.	Periodic budget provision was reviewed and will be adjusted in line with actual trends in the January 2023 adjustments budget.
Motor Vehicle Allowance	394	0.3%	Immaterial variance.	-
Cellphone Allowance	(367)	-2.0%	Immaterial variance.	-
Housing Allowances	354	1.1%	Immaterial variance.	-
Other benefits and allowances	19 101	10.6%	The variance is mainly on Standby Allowances within the Safety & Security Directorate as a result of delays in filling vacancies.	Periodic budget provision was reviewed and will be adjusted in line with actual trends in the January 2023 adjustments budget.
Payments in lieu of leave	(9 610)	-20.1%	Payments are linked to resignation and retirement of employees, which is difficult to plan accurately on a monthly basis. Payments further include encashment of leave days opted for by qualifying employees of long service awards.	Periodic budget provision was reviewed and will be adjusted in line with actual trends in the January 2023 adjustments budget.
Long service awards	(25 194)	-35.8%	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	5 321	3.6%	These obligations are linked to when qualifying employees retire, which is difficult to plan accurately on a monthly basis.	Periodic budget provision was reviewed and will be adjusted in line with actual trends in the January 2023 adjustments budget.

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 Outcome	Nov Outcome	Dec Outcome	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	916 521	844 543	888 243	920 814	914 944	944 820	866 214	938 654	807 669	11 116 304	11 707 835	12 408 436
Service charges - electricity revenue	1 419 838	1 626 905	1 539 023	1 443 458	1 325 976	1 294 042	1 349 598	1 356 809	1 469 860	1 220 156	1 441 493	1 692 931	17 180 090	19 579 827	21 864 014
Service charges - water revenue	318 622	294 537	285 071	292 109	309 761	313 644	302 953	367 403	362 947	303 015	323 868	311 219	3 785 149	3 915 535	4 297 279
Service charges - sanitation revenue	147 544	151 996	153 137	159 211	171 747	167 566	147 298	170 006	183 481	146 222	165 277	141 587	1 905 072	2 004 635	2 201 088
Service charges - refuse	130 504	123 297	115 299	117 316	120 216	118 599	89 485	94 659	97 438	87 761	94 688	27 917	1 217 181	1 216 486	1 325 160
Rental of facilities and equipment	20 048	21 891	18 344	23 325	23 732	16 862	27 193	29 137	25 765	22 520	22 896	59 332	311 046	324 797	338 965
Interest earned - external investments	95 521	98 666	93 203	114 623	116 629	110 330	93 970	83 098	96 206	100 830	101 694	158 490	1 263 260	1 119 454	970 357
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	16 240	17 215	25 453	20 269	21 126	20 771	22 629	25 216	24 940	20 053	23 509	61 290	298 709	296 911	299 332
Licences and permits	20 035	48 631	21 158	28 780	47 035	28 443	4 790	6 699	4 857	4 957	5 564	(147 699)	73 251	76 474	79 839
Agency services	–	–	–	–	–	–	17 761	24 841	18 011	18 382	20 630	171 991	271 616	283 567	296 044
Transfers and Subsidies - Operational	1 525 823	566 731	92 131	155 271	340 399	1 246 191	28 256	1 113 360	1 145 121	–	–	91 395	6 304 679	6 454 997	6 693 166
Other revenue	141 411	1 130 187	233 712	90 720	321 392	1 162 425	88 643	72 605	993 367	72 394	81 192	(832 549)	3 555 498	3 621 973	3 735 966
Cash Receipts by Source	4 724 014	5 339 285	3 502 757	3 361 603	3 642 557	5 367 116	3 093 388	4 258 777	5 366 813	2 862 506	3 219 466	2 543 573	47 281 855	50 602 489	54 509 646
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	446 849	–	–	–	161 314	–	–	261 221	446 544	–	–	978 021	2 293 949	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	–	–	–	–	–	–	–	–	–	–	–	56 743	56 743	57 150	59 665
Short term loans	–	–	–	–	–	–	–	–	–	–	–	2 000 000	2 000 000	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	6 479 900	7 480 175
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	31 552	31 552	26 908	28 731
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	3 246	3 246	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	3 361 603	3 803 871	5 367 116	3 093 388	4 519 998	5 813 357	2 862 506	3 219 466	6 246 915	52 301 125	60 719 596	67 489 048

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q2 (December 2022)

Description	Budget Year 2022/23												2022/23 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	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	1 306 504	1 981 075	1 345 926	1 386 505	1 416 377	1 413 120	1 434 113	1 405 080	1 157 060	16 691 620	18 125 309	19 168 994
Remuneration of councillors	13 132	18 076	13 453	13 394	13 392	13 478	14 207	17 509	14 627	14 623	15 408	19 823	181 120	184 204	192 463
Interest paid	27 970	–	139 273	–	40 356	133 267	35 892	–	186 007	1	25 561	85 040	673 367	858 329	1 371 972
Bulk purchases - Electricity	1 316 177	1 421 094	1 552 597	877 541	877 259	866 421	833 825	873 731	839 795	878 274	835 102	1 179 084	12 350 900	14 201 053	16 328 728
Acquisitions - water & other inventory	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	–	–	–	520 438	564 540	713 634	770 523	562 991	5 688 199	8 820 327	8 756 750	8 884 837
Grants and subsidies paid - other municipalities	–	–	–	–	–	–	25 376	27 526	34 796	37 570	27 451	272 608	425 327	361 696	326 291
Grants and subsidies paid - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
General expenses	2 304 505	787 444	1 207 705	1 044 322	1 156 239	1 474 340	287 452	311 810	394 159	425 580	310 954	(4 802 546)	4 901 963	4 941 184	5 046 792
Cash Payments by Type	4 950 364	3 507 190	4 189 731	3 241 760	4 068 320	3 833 431	3 103 695	3 211 494	3 596 139	3 560 684	3 182 547	3 599 268	44 044 624	47 428 525	51 320 077
Other Cash Flows/Payments by Type															
Capital assets	593 815	247 167	358 038	304 430	450 125	545 121	290 876	415 366	630 152	597 817	793 803	2 499 863	7 726 572	10 974 216	12 678 671
Repayment of borrowing	50 000	–	79 481	–	42 933	13 333	50 000	–	79 481	–	42 933	1 000 000	1 358 161	1 758 161	2 991 495
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	5 594 179	3 754 357	4 627 250	3 546 191	4 561 378	4 391 886	3 444 571	3 626 860	4 305 771	4 158 501	4 019 284	7 099 131	53 129 358	60 160 902	66 990 242
NET INCREASE/(DECREASE) IN CASH HELD	(423 316)	1 584 928	(1 124 493)	(184 588)	(757 508)	975 231	(351 183)	893 138	1 507 586	(1 295 995)	(799 818)	(852 216)	(828 234)	558 693	498 806
Cash/cash equivalents at the month/year beginning:	8 295 143	7 871 827	9 456 755	8 332 262	8 147 674	7 390 167	8 365 397	8 014 214	8 907 353	10 414 939	9 118 944	8 319 126	8 295 143	7 466 909	8 025 603
Cash/cash equivalents at the month/year end:	7 871 827	9 456 755	8 332 262	8 147 674	7 390 167	8 365 397	8 014 214	8 907 353	10 414 939	9 118 944	8 319 126	7 466 909	7 466 909	8 025 603	8 524 409

Capital expenditure trend

Month	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
Monthly expenditure performance trend								
July	36 569	148 857	57 008	49 895	57 008	7 113	12.5%	0.7%
August	219 800	282 132	253 737	353 332	310 745	(42 587)	-13.7%	4.7%
September	331 466	370 838	459 002	805 861	769 747	(36 114)	-4.7%	10.7%
October	409 474	476 660	567 095	1 163 247	1 336 842	173 594	13.0%	15.5%
November	431 250	472 116	525 603	1 620 074	1 862 444	242 371	13.0%	21.6%
December	458 885	497 537	529 835	2 165 195	2 392 280	227 085	9.5%	28.8%
January	205 701	403 823	356 765	-	2 749 045	-	-	-
February	292 565	584 863	641 771	-	3 390 816	-	-	-
March	540 494	873 599	879 467	-	4 270 282	-	-	-
April	438 795	716 326	776 418	-	5 046 700	-	-	-
May	551 302	902 444	888 160	-	5 934 860	-	-	-
June	1 509 891	1 778 125	1 824 652	-	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						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	1 446 043	2 646 063	2 728 264	899 296	897 878	1 418	0.2%	2 685 234
Roads Infrastructure	334 765	901 795	919 251	261 567	349 288	(87 721)	-25.1%	915 653
Roads	334 704	887 995	905 451	260 672	346 693	(86 021)	-24.8%	894 114
Road Structures	60	13 800	13 800	894	2 595	(1 701)	-65.5%	21 539
Storm water Infrastructure	116 603	178 245	179 994	71 123	71 439	(317)	-0.4%	186 505
Drainage Collection	116 603	178 245	179 994	71 123	71 439	(317)	-0.4%	186 505
Electrical Infrastructure	249 766	349 071	345 292	139 338	88 994	50 344	56.6%	338 057
HV Substations	219 399	322 971	319 192	121 031	76 586	44 445	58.0%	311 957
LV Networks	30 367	26 100	26 100	18 307	12 408	5 899	47.5%	26 100
Water Supply Infrastructure	291 468	555 602	551 903	171 209	161 405	9 805	6.1%	542 017
Reservoirs	118 992	331 830	332 084	104 194	80 034	24 160	30.2%	332 284
Pump Stations	–	4 110	7 099	1 848	2 347	(499)	-21.3%	7 221
Water Treatment Works	3 325	7 500	3 000	1 084	65	1 019	1568.0%	3 000
Bulk Mains	46 022	30 000	30 000	6 883	13 825	(6 942)	-50.2%	35 000
Distribution	123 130	182 162	179 720	57 201	65 134	(7 933)	-12.2%	164 511
Sanitation Infrastructure	317 052	339 480	357 958	145 738	102 713	43 024	41.9%	331 314
Reticulation	96 089	141 632	143 071	63 285	52 757	10 528	20.0%	154 091
Waste Water Treatment Works	220 963	197 848	214 887	82 453	49 957	32 496	65.0%	177 223
Solid Waste Infrastructure	90 848	209 388	239 985	86 289	73 870	12 420	16.8%	242 854
Landfill Sites	90 848	209 388	239 985	86 289	73 870	12 420	16.8%	242 854
Coastal Infrastructure	–	10 675	14 051	3 251	13 531	(10 280)	-76.0%	28 891
Promenades	–	10 675	14 051	3 251	13 531	(10 280)	-76.0%	28 891
Information and Communication Infrastructure	45 541	101 807	119 829	20 781	36 638	(15 857)	-43.3%	99 944
Data Centres	32 856	45 192	45 977	11 338	9 083	2 255	24.8%	49 316
Core Layers	11 602	55 204	72 440	8 276	26 143	(17 867)	-68.3%	48 742
Distribution Layers	1 084	1 412	1 412	1 167	1 412	(245)	-17.3%	1 885
Community Assets	243 028	202 981	213 367	80 150	85 547	(5 397)	-6.3%	233 673
Community Facilities	243 028	196 916	207 302	80 085	85 502	(5 417)	-6.3%	233 608
Halls	108	–	–	–	–	–	–	–
Centres	–	18 234	20 027	–	–	–	–	7 500
Clinics/Care Centres	13 436	–	428	428	428	–	–	428
Libraries	10 121	11 793	11 793	6 207	7 231	(1 025)	-14.2%	11 903
Public Open Space	106	4 193	4 193	1 642	1 481	161	10.9%	3 734
Nature Reserves	14 333	6 400	8 732	2 865	1 808	1 057	58.5%	8 876
Markets	1 447	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals	203 477	156 296	162 128	68 944	74 554	(5 610)	-7.5%	201 167
Sport and Recreation Facilities	–	6 065	6 065	65	45	20	44.3%	65
Outdoor Facilities	–	6 065	6 065	65	45	20	44.3%	65
Other assets	46 817	81 272	84 582	12 175	6 202	5 973	96.3%	94 980
Operational Buildings	45 625	72 579	75 781	9 115	4 093	5 022	122.7%	85 479
Municipal Offices	35 630	70 159	73 206	8 816	3 630	5 185	142.8%	81 724
Workshops	9 994	2 420	2 575	299	463	(164)	-35.3%	3 754
Housing	1 192	8 693	8 801	3 060	2 108	952	45.1%	9 501
Social Housing	1 192	8 693	8 801	3 060	2 108	952	45.1%	9 501
Intangible Assets	12 957	45 026	53 991	15 054	21 198	(6 144)	-29.0%	75 810
Licences and Rights	12 957	45 026	53 991	15 054	21 198	(6 144)	-29.0%	75 810
Water Rights	19	150	150	–	–	–	–	150
Computer Software and Applications	12 938	44 876	53 841	15 054	21 198	(6 144)	-29.0%	75 660
Computer Equipment	105 652	101 622	116 523	34 767	32 467	2 300	7.1%	125 823
Computer Equipment	105 652	101 622	116 523	34 767	32 467	2 300	7.1%	125 823
Furniture and Office Equipment	14 977	16 213	19 080	6 000	6 798	(798)	-11.74%	29 950
Furniture and Office Equipment	14 977	16 213	19 080	6 000	6 798	(798)	-11.74%	29 950
Machinery and Equipment	132 436	116 725	119 416	38 841	39 747	(906)	-2.3%	145 421
Machinery and Equipment	132 436	116 725	119 416	38 841	39 747	(906)	-2.3%	145 421
Transport Assets	103 651	256 111	299 683	55 560	67 326	(11 766)	-17.5%	207 526
Transport Assets	103 651	256 111	299 683	55 560	67 326	(11 766)	-17.5%	207 526
Land	125 646	167 529	170 553	4 447	63 840	(59 393)	-93.0%	84 842
Land	125 646	167 529	170 553	4 447	63 840	(59 393)	-93.0%	84 842
Total Capital Expenditure on new assets	2 231 208	3 633 542	3 805 459	1 146 290	1 221 003	(74 713)	-6.1%	3 683 259

Capital expenditure on renewal of existing assets by asset class

Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on renewal of existing assets by Asset Class/Sub-class								
Infrastructure	1 127 351	1 304 889	1 343 336	451 373	458 973	(7 600)	-1.7%	1 454 999
Roads Infrastructure	140 954	140 280	139 673	13 374	41 192	(27 818)	-67.5%	113 731
Roads	133 486	138 280	137 874	12 151	39 393	(27 242)	-69.2%	112 547
Road Structures	7 468	2 000	1 799	1 223	1 799	(576)	-32.0%	1 184
Storm water Infrastructure	5 061	7 991	10 189	3 494	3 648	(155)	-4.2%	12 027
Drainage Collection	5 061	7 991	10 189	3 494	3 648	(155)	-4.2%	12 027
Electrical Infrastructure	384 403	383 657	393 998	204 511	171 571	32 940	19.2%	407 846
HV Substations	95 857	121 990	142 496	58 172	56 159	2 013	3.6%	142 697
MV Substations	39 026	38 000	27 645	7 409	16 781	(9 372)	-55.8%	24 615
MV Networks	181 660	139 286	144 326	99 390	71 266	28 124	39.5%	166 233
LV Networks	67 860	84 380	79 530	39 540	27 366	12 174	44.5%	74 300
Water Supply Infrastructure	236 649	318 135	323 335	100 389	91 688	8 700	9.5%	344 277
Bulk Mains	77 471	55 000	60 200	23 623	24 820	(1 197)	-4.8%	60 200
Distribution	159 177	263 135	263 135	76 766	66 869	9 898	14.8%	284 077
Sanitation Infrastructure	354 740	435 062	457 331	125 860	142 422	(16 562)	-11.6%	557 886
Pump Station	44 751	69 550	90 019	29 324	34 176	(4 853)	-14.2%	110 019
Reticulation	266 343	353 012	349 074	93 248	103 652	(10 405)	-10.0%	384 284
Waste Water Treatment Works	43 646	12 500	18 237	3 289	4 593	(1 304)	-28.4%	17 583
Outfall Sewers	-	-	-	-	-	-	-	46 000
Information and Communication Infrastructure	5 544	19 764	18 811	3 746	8 452	(4 706)	-55.7%	19 232
Data Centres	2 800	17 623	16 670	3 326	7 629	(4 303)	-56.4%	17 022
Core Layers	2 744	2 141	2 141	421	823	(402)	-48.9%	2 210
Community Assets	22 950	24 434	31 718	12 241	14 027	(1 786)	-12.7%	35 808
Community Facilities	22 153	24 434	31 718	12 241	14 027	(1 786)	-12.7%	35 808
Halls	5 586	7 000	12 880	7 671	7 500	171	2.3%	12 880
Clinics/Care Centres	-	-	-	(1 533)	-	(1 533)	-100.0%	-
Libraries	7	-	-	-	-	-	-	-
Public Open Space	561	484	507	-	23	(23)	-100.0%	507
Markets	14 317	15 000	15 683	4 802	5 576	(774)	-13.9%	16 783
Taxi Ranks/Bus Terminals	1 681	1 950	2 648	1 300	927	373	40.2%	5 638
Sport and Recreation Facilities	797	-	-	-	-	-	-	-
Outdoor Facilities	797	-	-	-	-	-	-	-
Heritage assets	899	-	-	-	-	-	-	-
Monuments	899	-	-	-	-	-	-	-
Other assets	84 826	11 065	13 580	6 664	4 977	1 687	33.9%	27 739
Operational Buildings	25 473	9 426	10 594	4 784	1 991	2 792	140.2%	15 075
Municipal Offices	22 605	9 026	10 194	4 715	1 891	2 824	149.3%	12 775
Workshops	1 726	-	-	-	-	-	-	-
Laboratories	1 141	400	400	68	100	(32)	-31.6%	400
Depots	-	-	-	-	-	-	-	1 900
Housing	59 354	1 639	2 986	1 880	2 986	(1 106)	-37.0%	12 664
Social Housing	59 354	1 639	2 986	1 880	2 986	(1 106)	-37.0%	12 664
Intangible Assets	8 124	10 150	9 710	2 344	3 120	(776)	-24.9%	9 509
Licences and Rights	8 124	10 150	9 710	2 344	3 120	(776)	-24.9%	9 509
Computer Software and Applications	8 124	10 150	9 710	2 344	3 120	(776)	-24.9%	9 509
Computer Equipment	74 265	68 350	75 342	27 019	29 582	(2 563)	-8.7%	92 431
Computer Equipment	74 265	68 350	75 342	27 019	29 582	(2 563)	-8.7%	92 431
Furniture and Office Equipment	4 962	13 035	13 705	2 350	3 303	(952)	-28.8%	17 352
Furniture and Office Equipment	4 962	13 035	13 705	2 350	3 303	(952)	-28.8%	17 352
Machinery and Equipment	46 277	81 937	88 722	20 527	17 009	3 518	20.7%	91 732
Machinery and Equipment	46 277	81 937	88 722	20 527	17 009	3 518	20.7%	91 732
Transport Assets	433 248	462 147	489 297	59 546	82 131	(22 584)	-27.5%	505 588
Transport Assets	433 248	462 147	489 297	59 546	82 131	(22 584)	-27.5%	505 588
Total Capital Expenditure on renewal of existing assets	1 802 902	1 976 006	2 065 410	582 064	613 122	(31 058)	-5.1%	2 235 158

Capital expenditure on upgrading of existing assets by asset class

Description R thousands	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class								
Infrastructure	915 774	1 307 075	1 280 927	293 280	367 254	(73 974)	-20.1%	1 144 711
Roads Infrastructure	168 640	230 257	247 340	55 821	110 170	(54 348)	-49.3%	241 364
Roads	149 967	214 432	230 085	51 925	96 266	(44 341)	-46.1%	224 109
Road Structures	13 525	10 925	12 347	2 662	10 695	(8 034)	-75.1%	12 347
Road Furniture	5 148	4 900	4 908	1 234	3 208	(1 974)	-61.5%	4 908
Storm water Infrastructure	62 766	159 180	157 107	7 554	22 995	(15 441)	-67.2%	97 966
Drainage Collection	62 766	159 180	157 107	7 554	22 995	(15 441)	-67.2%	97 966
Electrical Infrastructure	52 874	187 000	196 663	27 397	1 935	25 462	1315.8%	157 150
HV Substations	52 874	187 000	196 663	27 397	1 935	25 462	1315.8%	157 150
Water Supply Infrastructure	85 562	13 500	13 575	10 452	6 675	3 777	56.6%	16 500
Reservoirs	1 654	3 000	3 000	556	1 500	(944)	-62.9%	3 000
Distribution	83 908	10 500	10 575	9 896	5 175	4 721	91.2%	13 500
Sanitation Infrastructure	469 666	530 040	472 176	138 890	152 364	(13 474)	-8.8%	439 310
Pump Station	–	4 650	4 650	529	–	529	100.0%	4 650
Reticulation	34 667	1 500	1 575	1 179	675	504	74.6%	4 500
Waste Water Treatment Works	434 999	523 890	465 951	137 183	151 689	(14 506)	-9.6%	430 160
Solid Waste Infrastructure	15 781	67 067	68 953	12 822	20 147	(7 325)	-36.4%	64 332
Landfill Sites	15 781	67 067	68 953	12 822	20 147	(7 325)	-36.4%	64 332
Coastal Infrastructure	16 582	55 522	68 186	26 215	31 548	(5 333)	-16.9%	64 439
Promenades	16 582	55 522	68 186	26 215	31 548	(5 333)	-16.9%	64 439
Information and Communication Infrastructure	43 904	64 509	56 927	14 129	21 420	(7 291)	-34.0%	63 649
Data Centres	18 669	6 418	2 931	597	688	(91)	-13.3%	2 980
Core Layers	25 234	58 091	53 996	13 532	20 732	(7 200)	-34.7%	60 668
Community Assets	233 232	207 001	216 148	54 517	83 410	(28 893)	-34.6%	230 312
Community Facilities	166 014	138 674	151 320	42 368	59 321	(16 953)	-28.6%	163 788
Halls	11 682	4 151	3 739	1 826	1 688	138	8.2%	3 889
Centres	5 625	7 623	8 365	53	3 758	(3 704)	-98.6%	4 048
Clinics/Care Centres	39 594	38 435	37 265	10 640	19 715	(9 075)	-46.0%	40 735
Museums	7 342	–	236	236	236	–	-	236
Theatres	–	100	100	–	100	(100)	-100.0%	104
Libraries	1 073	2 662	2 662	1 715	–	1 715	100.0%	2 662
Cemeteries/Crematoria	7 412	8 700	8 490	2 928	2 203	726	32.9%	10 715
Public Open Space	59 775	44 732	44 077	12 534	11 305	1 229	10.9%	42 910
Nature Reserves	1 965	2 297	9 546	3 253	3 819	(566)	-14.8%	9 553
Public Ablution Facilities	2 258	3 100	4 555	2 011	775	1 236	159.5%	3 544
Taxi Ranks/Bus Terminals	29 288	26 873	32 284	7 170	15 721	(8 551)	-54.4%	45 392
Sport and Recreation Facilities	67 218	68 328	64 828	12 149	24 089	(11 940)	-49.6%	66 524
Indoor Facilities	26 364	23 500	20 606	6 446	8 731	(2 285)	-26.2%	22 930
Outdoor Facilities	40 853	44 828	44 222	5 703	15 358	(9 655)	-62.9%	43 594
Other assets	174 855	344 383	351 261	70 073	91 458	(21 385)	-23.4%	364 770
Operational Buildings	174 032	278 982	281 199	62 005	76 358	(14 353)	-18.8%	300 257
Municipal Offices	108 317	194 173	193 955	42 856	54 564	(11 708)	-21.5%	204 507
Workshops	65 715	84 810	87 244	19 149	21 795	(2 645)	-12.1%	95 749
Housing	822	65 401	70 062	8 068	15 100	(7 032)	-46.6%	64 514
Social Housing	822	65 401	70 062	8 068	15 100	(7 032)	-46.6%	64 514
Intangible Assets	11 507	21 683	27 025	13 909	12 661	1 248	9.9%	41 458
Licences and Rights	11 507	21 683	27 025	13 909	12 661	1 248	9.9%	41 458
Computer Software and Applications	11 507	21 683	27 025	13 909	12 661	1 248	9.9%	41 458
Computer Equipment	54 520	8 359	7 493	2 543	2 995	(452)	-15.1%	12 718
Computer Equipment	54 520	8 359	7 493	2 543	2 995	(452)	-15.1%	12 718
Furniture and Office Equipment	696	300	308	131	138	(6)	-4.5%	308
Furniture and Office Equipment	696	300	308	131	138	(6)	-4.5%	308
Machinery and Equipment	1 499	8 968	5 481	2 387	238	2 150	904.0%	13 879
Machinery and Equipment	1 499	8 968	5 481	2 387	238	2 150	904.0%	13 879
Total Capital Expenditure on upgrading of existing assets	1 392 083	1 897 771	1 888 643	436 841	558 155	(121 314)	-21.7%	1 808 155

Expenditure on repairs and maintenance by asset class

Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Repairs and maintenance expenditure by Asset Class/Sub-class								
Infrastructure	2 228 775	2 223 930	2 259 570	1 089 895	934 598	(155 297)	-16.6%	2 397 321
Roads Infrastructure	604 829	708 812	664 730	274 753	198 029	(76 724)	-38.7%	774 451
Roads	604 829	692 584	664 730	274 753	198 029	(76 724)	-38.7%	756 559
Road Furniture	–	16 228	–	–	–	–	-	17 891
Storm water Infrastructure	–	148 037	–	–	–	–	-	162 010
Drainage Collection	–	148 037	–	–	–	–	-	162 010
Electrical Infrastructure	562 390	596 334	596 334	283 654	293 179	9 525	3.2%	623 224
Power Plants	17 151	20 757	20 757	10 686	10 768	82	0.8%	21 351
HV Substations	30 975	31 706	31 706	16 797	14 653	(2 144)	-14.6%	33 508
MV Substations	389 390	–	–	–	–	–	-	414 873
MV Networks	–	396 902	396 902	185 903	194 643	8 740	4.5%	–
LV Networks	124 874	146 969	146 969	70 268	73 115	2 847	3.9%	153 492
Water Supply Infrastructure	438 319	381 434	483 042	231 724	204 968	(26 755)	-13.1%	420 621
Boreholes	2	–	18 329	15	4 582	4 568	99.7%	–
Reservoirs	28 346	42 589	31 017	16 840	13 973	(2 867)	-20.5%	58 691
Pump Stations	68 945	28 875	56 018	41 256	27 803	(13 453)	-48.4%	30 026
Water Treatment Works	49 428	25 029	37 878	20 676	17 000	(3 676)	-21.6%	27 577
Bulk Mains	7 455	237	44 101	8 479	17 291	8 813	51.0%	260
Distribution	284 144	284 704	295 699	144 458	124 319	(20 140)	-16.2%	304 066
Sanitation Infrastructure	620 607	373 761	503 302	298 583	234 240	(64 343)	-27.5%	401 464
Reticulation	460 904	212 654	338 475	219 198	162 104	(57 093)	-35.2%	227 271
Waste Water Treatment Works	153 223	156 129	159 781	75 943	70 320	(5 623)	-8.0%	168 826
Outfall Sewers	6 480	4 978	5 046	3 442	1 816	(1 626)	-89.6%	5 366
Solid Waste Infrastructure	2 631	11 558	12 162	1 181	4 181	3 001	71.8%	11 558
Landfill Sites	2 631	9 556	12 162	1 181	4 181	3 001	71.8%	9 556
Waste Processing Facilities	–	2 002	–	–	–	–	-	2 002
Coastal Infrastructure	–	3 994	–	–	–	–	-	3 994
Promenades	–	3 994	–	–	–	–	-	3 994
Community Assets	580 807	581 473	708 823	208 337	294 476	86 138	29.3%	863 230
Community Facilities	146 832	486 075	152 763	45 123	64 499	19 376	30.0%	726 702
Halls	58 648	9 712	37 929	28 030	16 795	(11 235)	-66.9%	10 643
Centres	9 671	4 603	2 907	196	1 562	1 366	87.5%	4 936
Clinics/Care Centres	24 123	13 399	29 128	1 591	14 335	12 744	88.9%	13 478
Fire/Ambulance Stations	713	4 879	5 484	425	642	217	33.8%	4 879
Testing Stations	–	11 795	–	–	–	–	-	11 962
Libraries	18 232	29 092	26 804	1 138	12 542	11 404	90.9%	30 638
Cemeteries/Crematoria	22 074	33 747	35 474	8 501	14 629	6 128	41.9%	51 278
Public Open Space	–	356 123	–	–	–	–	-	574 651
Nature Reserves	3 187	5 606	6 176	2 343	2 682	338	12.6%	5 606
Public Ablution Facilities	7 741	13 967	6 469	2 139	1 241	(898)	-72.3%	15 395
Markets	2 442	3 151	2 392	759	70	(689)	-987.0%	3 237
Sport and Recreation Facilities	433 976	95 399	556 061	163 214	229 977	66 763	29.0%	136 528
Indoor Facilities	1 042	13 540	4	2	2	0	0.8%	14 923
Outdoor Facilities	432 934	81 858	556 056	163 212	229 974	66 763	29.0%	121 605
Heritage assets	69	2 832	661	75	105	30	28.6%	3 005
Works of Art	69	–	661	75	105	30	28.6%	–
Other Heritage	–	2 832	–	–	–	–	-	3 005

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q2 (December 2022)

Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Repairs and maintenance expenditure by Asset Class/Sub-class								
Investment properties	230	6 639	824	176	351	175	49.8%	19 293
Revenue Generating	228	6 639	813	176	341	164	48.2%	19 283
Improved Property	228	6 629	813	176	341	164	48.2%	19 283
Unimproved Property	–	10	–	–	–	–	–	–
Non-revenue Generating	1	–	11	–	11	11	100.0%	10
Unimproved Property	1	–	11	–	11	11	100.0%	10
Other assets	192 275	266 277	172 425	80 727	58 319	(22 407)	-38.4%	283 106
Operational Buildings	192 275	247 129	172 425	80 727	58 319	(22 407)	-38.4%	263 954
Municipal Offices	189 328	222 246	156 840	70 728	53 227	(17 502)	-32.9%	236 659
Workshops	–	21 879	–	–	–	–	–	24 026
Laboratories	2 116	3 004	2 793	1 588	653	(934)	-143.0%	3 269
Training Centres	786	–	751	749	322	(427)	-132.7%	–
Depots	45	–	12 041	7 662	4 118	(3 544)	-86.1%	–
Housing	–	19 148	–	–	–	–	–	19 152
Social Housing	–	19 148	–	–	–	–	–	19 152
Computer Equipment	199 261	431 201	281 625	113 304	117 971	4 667	4.0%	458 364
Computer Equipment	199 261	431 201	281 625	113 304	117 971	4 667	4.0%	458 364
Furniture and Office Equipment	830 169	334 180	828 062	321 755	328 958	7 202	2.2%	356 648
Furniture and Office Equipment	830 169	334 180	828 062	321 755	328 958	7 202	2.2%	356 648
Machinery and Equipment	–	393 019	–	–	–	–	–	417 791
Machinery and Equipment	–	393 019	–	–	–	–	–	417 791
Transport Assets	436 693	520 676	515 489	191 239	195 860	4 621	2.4%	546 803
Transport Assets	436 693	520 676	515 489	191 239	195 860	4 621	2.4%	546 803
Total Repairs and Maintenance Expenditure	4 468 279	4 760 227	4 767 479	2 005 508	1 930 638	(74 870)	-3.9%	5 345 559

Depreciation by asset class

Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Depreciation by Asset Class/Sub-class								
Infrastructure	1 327 019	1 403 827	1 403 827	718 929	701 914	(17 016)	-2.42%	1 440 018
Roads Infrastructure	448 397	469 209	469 209	235 046	234 604	(442)	-0.19%	471 394
Roads	419 050	440 104	440 104	219 091	220 052	961	0.44%	439 613
Road Structures	12 168	12 357	12 357	6 251	6 178	(73)	-1.18%	12 502
Road Furniture	17 179	16 748	16 748	9 705	8 374	(1 331)	-15.89%	19 279
Storm water Infrastructure	62 098	63 973	63 973	32 472	31 986	(486)	-1.52%	64 945
Drainage Collection	62 098	63 973	63 973	32 472	31 986	(486)	-1.52%	64 945
Electrical Infrastructure	297 462	312 102	312 102	160 179	156 051	(4 129)	-2.65%	320 359
Power Plants	8 179	8 175	8 175	4 090	4 088	(2)	-0.06%	8 180
HV Substations	19 795	26 913	26 913	10 440	13 456	3 016	22.41%	20 881
MV Substations	64 272	65 170	65 170	35 167	32 585	(2 583)	-7.93%	70 335
MV Networks	119 413	123 253	123 253	62 673	61 626	(1 047)	-1.70%	125 346
LV Networks	85 803	88 591	88 591	47 809	44 296	(3 513)	-7.93%	95 617
Water Supply Infrastructure	195 524	220 610	220 610	103 726	110 305	6 579	5.96%	207 453
Reservoirs	25 370	27 582	27 582	13 121	13 791	670	4.86%	26 243
Pump Stations	9 789	9 570	9 570	5 279	4 785	(494)	-10.32%	10 559
Water Treatment Works	12 461	11 564	11 564	6 488	5 782	(706)	-12.22%	12 977
Bulk Mains	3 022	6 571	6 571	1 511	3 285	1 774	54.00%	3 022
Distribution	144 882	165 323	165 323	77 326	82 662	5 336	6.45%	154 652
Sanitation Infrastructure	181 734	192 062	192 062	107 524	96 031	(11 493)	-11.97%	215 048
Pump Station	6 966	9 831	9 831	6 838	4 915	(1 923)	-39.12%	13 676
Reticulation	67 905	70 547	70 547	40 648	35 274	(5 375)	-15.24%	81 297
Waste Water Treatment Works	102 119	106 943	106 943	57 666	53 472	(4 194)	-7.84%	115 332
Outfall Sewers	4 743	4 741	4 741	2 372	2 370	(1)	-0.05%	4 743
Solid Waste Infrastructure	40 433	41 455	41 455	25 069	20 728	(4 341)	-20.95%	51 032
Landfill Sites	32 154	33 176	33 176	19 483	16 588	(2 896)	-17.46%	39 860
Waste Processing Facilities	8 280	8 280	8 280	5 586	4 140	(1 446)	-34.93%	11 171
Coastal Infrastructure	5 900	6 063	6 063	2 989	3 032	42	1.39%	5 979
Promenades	5 900	6 063	6 063	2 989	3 032	42	1.39%	5 979
Information and Communication Infrastructure	95 470	98 354	98 354	51 923	49 177	(2 746)	-5.58%	103 809
Data Centres	42 239	43 485	43 485	23 331	21 742	(1 589)	-7.31%	46 663
Core Layers	49 922	51 329	51 329	26 937	25 664	(1 272)	-4.96%	53 836
Distribution Layers	3 310	3 540	3 540	1 655	1 770	115	6.50%	3 310
Community Assets	346 375	350 275	350 275	171 105	175 138	4 033	2.30%	345 537
Community Facilities	128 611	132 368	132 368	61 853	66 184	4 332	6.54%	126 999
Halls	4 186	4 296	4 296	2 229	2 148	(80)	-3.74%	4 464
Centres	4 368	4 526	4 526	2 267	2 263	(5)	-0.20%	4 535
Clinics/Care Centres	7 396	8 734	8 734	3 976	4 367	391	8.95%	7 953
Fire/Ambulance Stations	2 696	2 696	2 696	1 348	1 348	(0)	-0.02%	2 696
Testing Stations	1 508	1 508	1 508	754	754	-	-	1 508
Museums	340	505	505	170	252	82	32.65%	340
Theatres	112	112	112	56	56	0	0.35%	112
Libraries	18 197	15 649	15 649	5 409	7 824	2 415	30.86%	14 105
Cemeteries/Crematoria	4 712	4 802	4 802	2 407	2 401	(6)	-0.24%	4 814
Public Open Space	14 997	17 045	17 045	7 537	8 523	985	11.56%	15 075
Nature Reserves	486	1 618	1 618	243	809	566	70.00%	486
Public Ablution Facilities	2 933	3 005	3 005	1 544	1 502	(42)	-2.76%	3 088
Markets	1 835	1 845	1 845	1 439	922	(516)	-55.97%	2 878
Airports	1	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	64 846	66 027	66 027	32 473	33 013	541	1.64%	64 946
Sport and Recreation Facilities	217 764	217 907	217 907	109 252	108 953	(299)	-0.27%	218 538
Indoor Facilities	11 515	11 688	11 688	6 247	5 844	(403)	-6.90%	12 504
Outdoor Facilities	206 249	206 219	206 219	103 005	103 109	104	0.10%	206 034

Table continues on next page.

City of Cape Town: S52 Annexure A – 2023 Q2 (December 2022)

Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Depreciation by Asset Class/Sub-class</u>								
<u>Investment properties</u>	1 714	1 714	1 714	857	857	-	-	1 714
Revenue Generating	1 714	1 714	1 714	857	857	-	-	1 714
Improved Property	1 714	1 714	1 714	857	857	-	-	1 714
<u>Other assets</u>	344 791	343 021	343 021	178 338	171 510	(6 828)	-3.98%	355 865
Operational Buildings	238 050	230 312	230 312	124 743	115 156	(9 587)	-8.33%	248 675
Municipal Offices	201 374	191 970	191 970	105 774	95 985	(9 789)	-10.20%	210 747
Workshops	35 689	37 313	37 313	18 410	18 656	246	1.32%	36 810
Laboratories	651	679	679	331	339	9	2.52%	662
Training Centres	289	303	303	205	152	(53)	-35.04%	410
Depots	47	47	47	24	24	0	0.01%	47
Housing	106 741	112 709	112 709	53 595	56 354	2 760	4.90%	107 189
Social Housing	106 741	112 709	112 709	53 595	56 354	2 760	4.90%	107 189
<u>Biological or Cultivated Assets</u>	192	179	179	93	89	(4)	-4.43%	169
Biological or Cultivated Assets	192	179	179	93	89	(4)	-4.43%	169
<u>Intangible Assets</u>	157 679	126 444	126 444	67 840	63 222	(4 618)	-7.30%	137 110
Licences and Rights	157 679	126 444	126 444	67 840	63 222	(4 618)	-7.30%	137 110
Water Rights	-	8	8	-	4	4	100.00%	-
Computer Software and Applications	107 517	115 160	115 160	60 537	57 580	(2 957)	-5.14%	125 834
Unspecified	50 162	11 276	11 276	7 302	5 638	(1 664)	-29.52%	11 276
<u>Computer Equipment</u>	230 410	239 525	239 525	119 388	119 763	375	0.31%	255 845
Computer Equipment	230 410	239 525	239 525	119 388	119 763	375	0.31%	255 845
<u>Furniture and Office Equipment</u>	61 425	60 464	60 464	31 489	30 232	(1 258)	-4.16%	64 371
Furniture and Office Equipment	61 425	60 464	60 464	31 489	30 232	(1 258)	-4.16%	64 371
<u>Machinery and Equipment</u>	159 650	182 145	182 145	84 051	91 073	7 021	7.71%	187 039
Machinery and Equipment	159 650	182 145	182 145	84 051	91 073	7 021	7.71%	187 039
<u>Transport Assets</u>	411 971	477 431	477 431	217 512	238 715	21 203	8.88%	459 238
Transport Assets	411 971	477 431	477 431	217 512	238 715	21 203	8.88%	459 238
<u>Land</u>	25 413	23 198	23 198	-	11 599	11 599	100.00%	23 198
Land	25 413	23 198	23 198	-	11 599	11 599	100.00%	23 198
Total Depreciation	3 066 639	3 208 222	3 208 222	1 589 602	1 604 111	14 508	0.90%	3 270 102

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	Q2 2023		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	9 557 997	3 637 225	3 777 292	<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> <p>The YTD over expenditure reflects largely on the following subcategories:</p> <p>1. R&M Contracted Services Building, for services rendered to repair and fixing work at depots and pump stations. The impact of bulk sewer collapses due to ageing infrastructure has contributed significantly to the increase in the repairs and maintenance cost due to the complexity of these repairs.</p> <p>2. Transportation Services – People, due to the increased cost on the four VOC contracts as a result of the significant fuel price increases, and the higher rate to renew the N2 Express contract negotiated late in the previous financial year.</p> <p>3. Security Services - Municipal Facilities, as a result of increased security at vacant properties to avoid illegal occupation and damage, and at various landfill sites.</p>
Vehicle used for political office-bearers	-	-	-	No provision against this category in the current financial year.
Travel and Subsistence	19 194	9 243	8 785	<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 YTD expenditure relates largely to claims submitted by staff, who do not receive an allowance for essential users or participate in a structured travel allowance, using their own vehicles for business purposes.</p>
Domestic Accommodation	1 792	713	318	<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 or recommended first, and in-person events are approved strictly in accordance with the City's Cost Containment Policy.</p>

Table continues on next page.

Cost Containment In-Year Report				
Measures	2022/23 Current Budget	Q2 2023		Comment
		Budget	Actual	
	R Thousand			
Sponsorships, events and Catering	245 711	106 943	116 020	<p>Sponsorships (consisting of grants-in-aid and sponsorships): All grant-in-aid applications are subject to a screening process to ensure that allocations recommended by the relevant delegated authority comply with the City's Grant-in-aid Policy as well as other relevant policies. Sponsorships are allocations made to organisations who support the City's strategic objectives. Memoranda of Agreements, indicating clear deliverables, are signed with all organisations and payments are made in tranches based on outcomes of agreed deliverables.</p> <p>Events: An ad-hoc committee facilitates selection of events and makes recommendations to the Executive Mayor on which events the City may support in terms of the City's Integrated Development Plan (IDP), and Events Policy.</p> <p>Catering: The City's Catering & Beverage Provision Policy sets out the applicable cost containment measures, which are strictly adhered to within the City.</p> <p>The YTD 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	33 933	31 530	<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	Q2 2023		Comment
		Budget	Actual	
	R Thousand			
Other related expenditure items - Conferences & Seminars	2 210	787	442	<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 YTD 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	393 314	483 066	<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 reviewing 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 YTD expenditure is largely as a result of emergency overtime worked due to:</p> <p>1. Burst pipes, drains overflowing as well as mechanical- and electrical breakdowns at sewer plants;</p> <p>2. High levels of load shedding; and</p> <p>3. Protest action, taxi violence and looting incidences.</p>
Other related expenditure items - Office furniture	13 767	5 289	3 858	<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	4 187 448	4 421 311	

CAPE TOWN INTERNATIONAL CONVENTION CENTRE

Cost Containment In-Year Report				
Measures	2022/23 CURRENT budget	Q2 2023		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	5 023	2 511	2 744	<p>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.</p> <p>The additional spend in the half-year was due to work done on the CTICC's new strategy and is purely a timing matter as it was budgeted for later in the budget.</p>
Travel and Subsistence	1 242	668	1 479	<p>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 (NT) 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.</p> <p>The higher than planned YTD expenditure is due to an increase in flight costs as a result of the current economic crisis and BA/Comair liquidation.</p>
Domestic Accommodation	87	43	23	<p>All bookings are done using the applicable NT code. The attendance of events are an integral part of the entity's business strategy to grow revenue.</p> <p>The spend was lower than budget as the costs came in lower than anticipated.</p>

Table continues on next page.

Cost Containment In-Year Report				
Measures	2022/23 CURRENT budget	Q2 2023		Comment
		Budget	Actual	
	R Thousand			
Sponsorships, events and Catering	411	202	371	<p>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.</p> <p>The YTD spend is higher than planned as client events were held sooner than anticipated after removal of COVID-19 restrictions.</p>
Communication	1 483	742	619	<p>The NT transversal contract is being used by the entity.</p> <p>The YTD spend is as a result of the rates on the NT contract being lower than budget.</p>
Other related expenditure items - Conferences & Seminars	-	-	-	No budget or expenditure for the reporting period.
Other related expenditure items - Overtime	300	150	1 029	<p>This category includes overtime, night shift allowances and public holiday pay.</p> <p>The higher than anticipated expenditure relates to the full return of events after the COVID-19 restrictions were removed, which required staff to work overtime and on weekends. This was not included in the original budget projections.</p> <p>The higher costs are directly related to the increase in business levels after the removal of the COVID-19 restrictions. The budget has been adjusted accordingly in the January 2023 adjustments budget.</p>
Other related expenditure items - Office furniture	0	0	0	No office furniture replacements have been budgeted for.
Total	8 546	4 317	6 265	

CAPE TOWN STADIUM

Cost Containment In-Year Report				
Measures	2022/23 Current Budget	Q2 2023		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	2 636	1 318	250	<p>Expenditure in this category facilitates the entity's objectives, inter alia, to commercialise in terms of the Service Delivery Agreement (SDA).</p> <p>Expenditure relates to assistance provided by consultants as reflected below: Spot Custom Communications and MMS Communications SA (Pty) Ltd: Editing and design of the Integrated Annual Report for the 2021/22 financial year end (R172k). SAIL Rights Commercialisation (Pty) Ltd: DHL naming rights evaluation for year one of the contract (R78k).</p>
Travel and Subsistence	148	-	62	<p>The entity anticipated that officials will commence travelling during Q3 and Q4 of the 2022/23 financial year, and therefore provision to travel was only made in Q3 and Q4. There are however sufficient funds for the remainder of the financial year to cover the travel costs incurred during Q2.</p> <p>The Chief Operating Officer was required to travel to Amsterdam (Netherlands) to attend the International Project Management Association Awards in November 2022 (R38k). The Head: Events and Senior Superintendent: Infrastructure were required to travel to Johannesburg to attend the Africa Cares Women's Tennis Challenge in December 2022. The event organiser had approached and invited stadium management to this event to access the technical and event operational feasibility of hosting the event in Cape Town in 2023 (R17k). The Head:SCM was required to travel to Arniston to attend the Annual Supply Chain Management Indaba hosted by the Western Cape Government in December 2022 (R7k).</p>

Table continues on next page.

Cost Containment In-Year Report				
Measures	2022/23 Current Budget	Q2 2023		Comment
		Budget	Actual	
	R Thousand			
Domestic Accommodation	8	-	6	The entity anticipated that officials will commence travelling during Q3 and Q4 of the 2022/23 financial year, and therefore provision to travel was only made in Q3 and Q4. However, there are sufficient funds for the remainder of the financial year to cover the travel costs incurred in Q2. Expenditure incurred was for the the Head: Events and Senior Superintendent: Infrastructure who attended the Africa Cares Women's Tennis Challenge held in Johannesburg in December 2022. The event organiser had approached and invited stadium management to this event to access the technical and event operational feasibility of hosting the event in Cape Town in 2023.
Sponsorships, events and Catering	163	82	-	No expenditure was incurred to date.
Communication	286	143	6	Expenditure relates to advertising of the entity's tenders in the independent newspapers and Media 24 in October 2022.
Other related expenditure items - Conferences & Seminars	133	-	-	No expenditure was incurred to date.
Other related expenditure items - Overtime	2 171	905	622	The Events, Commercial, and Operations department staff are required to work overtime when the entity hosts certain events, which at times takes place after hours and over weekends.
Total	5 544	2 447	946	

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 2 of 2023** 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







































Digitally signed by Lungelo
Mbandazayo
Date: 2023.01.11 13:14:32 +02'00'

Date

2022/2023 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN									
<div><div><div> Well</div><div>Above</div></div><div><div> Above</div><div></div></div><div><div> On target</div><div></div></div><div><div> Below</div><div></div></div><div><div> Well below</div><div></div></div></div>								AT - Annual Target	
IDP Objective	Key Performance Indicator	2021/2022 (Quarter 2)			2022/2023 (Quarter 2)			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 (%)	96.00%	96.00%		96%	99.10%		The target was exceeded as a result of sheer determination and performance management by the Plans Examiners and Approvers to get the "job done" over a protracted period.	Maintain the momentum
1. Increased Jobs and Investment in the Cape Town economy	1.B Building plans (>500m2) approved within 60 days (%)	New	New	New	96%	100.00%		The target was exceeded as a result of sheer determination and performance management by the Plans Examiners and Approvers to get the "job done" over a protracted period.	Maintain the momentum
1. Increased Jobs and Investment in the Cape Town economy	1.C Property Revenue clearance certificates issued within 10 workings days (%)	90%	72.02%		93%	100.00%		Above target	Maintain the momentum
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%		Above target	Maintain the momentum
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	2	4		Well above target	Maintain the momentum
1. Increased Jobs and Investment in the Cape Town economy	1.F Regulatory Impact Assessments (RIA) Completed (number)	New	New	New	2	1		It took longer than expected to attain access to external stakeholders to provide evidence for the Regular Impact Assessment.	On-going monitoring. No remedial action is necessary at this stage.
1. Increased Jobs and Investment in the Cape Town economy	1.G Work opportunities created through Public Employment Programmes (Number) (NKPI)	15000	19 296		15 000	22 137		The targets were set at a time when there was budget and Covid-related uncertainties. The target will be adjusted during the Mid-year review.	Maintain the momentum
Priority: Basic Services									
2. Improved access to quality and reliable basic services	2.A Taps provided in informal settlements (number) (NKPI)	300	293		300	254		Delays with the installation of new taps was due to material shortages in corporate stores.	A request for quotation (RFQ) has been initiated to source the materials (galvanised tees) required for the installations.
2. Improved access to quality and reliable basic services	2.B Toilets provided in informal settlements (number)(NKPI)	1100	2211		1 100	1 801		Well above target	Maintain the momentum
2. Improved access to quality and reliable basic services	2.C Informal Settlements receiving waste removal and area cleaning services (%)(NKPI)	99%	99.79%		99%	99.78%		Above target	Maintain the momentum
2. Improved access to quality and reliable basic services	2.D Subsidised electricity connections installed (Number) (NKPI)	750	148		750	984		Target exceeded due to good contractor performance, minimal interference from communities and Project Managers being adequately equipped to execute implementation-ready projects (material availability, etc.).	Maintain the momentum
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)	2.5	9.72		2.5	10.78		This indicator is customer driven, therefore not in control of the results achieved.	Maintain the momentum
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 Steenbras plus procurement of battery energy system storage underway.
4. Well-managed and modernised infrastructure to support economic growth	4.A Sewer reticulations pipelines replaced (metres)	New	New	New	23 000	25 120		Above target	Maintain the momentum
4. Well-managed and modernised infrastructure to support economic growth	4.B Compliance with drinking water quality standards (%)	98%	99.09%		99%	99.36%		Above target	Maintain the momentum
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	Annual target	Annual target
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%	49.41%		Unavailability of Tender 28Q, due to the High Court ruling to re-award the tender, resulted in delays in commencement of water and sewer connections.	In an effort to increase performance levels, weekly meetings are held with meter management staff and contractors to discuss and resolve outstanding service orders. A dedicated focus team of staff in Administration and Operational sections will be appointed.
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%			

2022/2023 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN									
<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>									
IDP Objective	Key Performance Indicator	2021/2022 (Quarter 2)			2022/2023 (Quarter 2)			Reason for variance	Remedial action
		Target	Actual	Status	Target	Actual	Status		
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	85%	27.37%		The target was not achieved due to multifaceted and magnitude of challenges. An intervention commenced late in November 2022 since the performance on this Key Performance Indicator was very poor in Q1. However, slow progress were made to address these challenges and this matter is still work in progress, which will provide a difference in the performance within 3 days.	Although there was an under performance, the backlogs from Q1 were all completed as well as those in Q2. As such the overall collection of refuse is above 99%
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%	50.50%		Delays are due to a combination of various factios of long waits for wayleaves, time taken for the customer to indicate readiness to receive the connection, and shortages in the supply of equipment such as mini-substations, cables etc.	Investigations are underway to determine where exactly the blockages exist so as to make an informed determination as to how best to remove it.
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	Annual target	Annual target
5. Effective law enforcement to make communities safer	5.B Roadblocks focussed on drinking and driving offences (number)	New	New	New	144	349		Well above target. Target is exceeded due to additional roadblocks often conducted but not necessarily planned and based on complaints from residents.	Maintain the momentum
5. Effective law enforcement to make communities safer	5.C Closed-Circuit Television (CCTV) detected incidents relayed to responders (number)	New	New	New	4 500	9 414		Well above target	Maintain the momentum
6. Strengthen partnerships for safer communities	6.A New auxiliary law enforcement officers recruited and trained (number)	New	New	New	40	47		Well above target	Maintain the momentum
6. Strengthen partnerships for safer communities	6.B Client satisfaction survey neighbourhood watch programme (%)	New	New	New	70%	100%		Well above target	Maintain the momentum
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	2	1		The land parcel earmarked for release during quarter two of the current financial year was unsuccessful due to non-responsive bids.	A new process has been initiated and the land parcel is projected for release in quarter four of this financial year.
7. Increased supply of affordable, well located homes	7.B Human Settlement Top structures (houses) provided per housing programme (number)	935	1148		900	811		Target was not achieved due to gang violence in Manenberg.	Handover of the outstanding units is planned in January and February 2023 and will be recorded as part of the quarter three reporting cycle.
7. Increased supply of affordable, well located homes	7.C Formal housing serviced sites provided (number)	0	617		1 100	840		The target was not achieved due to the contractor for the Macassar Housing Project not achieving practical completion of the second phase of 745 sites as originally planned.	Handover of the outstanding units is planned in January and February 2023 and will be recorded as part of the quarter three reporting cycle.
7. Increased supply of affordable, well located homes	7.D Land acquired for human settlements in Priority Housing Development Areas (Hectares)	New	New	New	4	0		The City is awaiting the State Attorney to effect the transfer of two land parcels in Ysterplaat and Goodwood for social housing purposes. Erf 20582 in Ysterplaat and Erf 22374/RE in Goodwood which measure 0.95ha respectively. These acquisitions have been approved by MayCo.	Necessary follow ups are made on a continuous basis.
7. Increased supply of affordable, well located homes	7.E Transfer of ownership to new beneficiaries (number)	New	New	New	800	921		Transfers for the Harare and Greenville Phase 3 housing projects are ahead of the original programme schedule.	Maintain the momentum
8. Safer, better quality homes in informal settlements and backyards over time	8.A Informal settlement sites serviced (number)	250	251		200	434		The bulk of infrastructure related to the projects was completed sooner than anticipated, which enabled the sites to be handed over in Q2 instead of Q4 as planned.	Maintain the momentum

2022/2023 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN									
<div><div> Well Above</div><div> Above</div><div> On target</div><div> Below</div><div> Well below</div></div> <div>AT - Annual Target</div>									
IDP Objective	Key Performance Indicator	2021/2022 (Quarter 2)			2022/2023 (Quarter 2)			Reason for variance	Remedial action
		Target	Actual	Status	Target	Actual	Status		
Priority: Public Space, Environment and Amenities									
9. Healthy and sustainable environment	9.A Proportion of biodiversity priority areas protected (%)	New	New	New	65.16%	64.91%		The November 2022 de-proclamation of CapeNature's 507 hectares of Driftsands Nature Reserve and following the land invasion has had a significant negative impact on this target. 450 hectares was considered to be "protected" at Driftsands. This equated to 0.53% of the Bionet which has now had to be removed from the conservation estate. Before the loss, the unit was well ahead of the target with 65.5% conserved.	The targets has to be adjusted.
9. Healthy and sustainable environment	9.B Biodiversity priority areas remaining (hectares)	New	New	New	85 000	85 000		On target	Maintain the momentum
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	Annual target	Annual target
10. Clean and healthy waterways and beaches	10.A Coastline with protection measures in place (%)	New	New	New	6.15%	6.20%		Above target	Maintain the momentum
10. Clean and healthy waterways and beaches	10.B Days in a year that Vleis are open (%)	New	New	New	AT	AT	AT	Annual target	Annual target
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	Annual target	Annual target
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	0.94		1.1	1.04		The MyCiti passenger journeys dropped significantly in December 2022 due to the school holidays and the close of work during the festive season. Even though scheduled kilometres during this quarter was reduced, as a result of the significant drop in passenger journeys this indicator was affected negatively.	Route optimisation is considered in order to improve the overall efficiency of the service.
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)	5 800 000	6 388 600		8 450 000	9 057 307		Above target	Maintain the momentum
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	AT	AT	AT	Annual Target	Annual Target
13. Safe and quality roads for pedestrians, cyclists and vehicles	13.A Surfaced road resurfaced (kilometres)	New	New	New	40	54		Most of the projects started earlier due to the fact that term contracts were in place, resulting in improved effeciency.	Maintain the momentum
13. Safe and quality roads for pedestrians, cyclists and vehicles	13.B Potholes reported per 10 kilometres of network	New	New	New	28	12.8		An actual reported lower than the target reflects good performance in this instance.	Maintain the momentum
Priority: A Resilient City									
14. A Resilient City	14.A Public safety awareness and preparedness sessions held in the communities (number)	New	New	New	230	446		Well above performance is due to the Mayoral priority campaigns i.e. flood, fire-wise programmes, and heat wave conditions, including the need for DRM to report on the Climate Change Action Plan, which has increased the number of community sessions.	No remedial action is required at this stage.
14. A Resilient City	14.B Disaster Risk Management volunteer/auxiliary staff members appointed (number)	New	New	New	AT	AT	AT	Annual target	Annual target
14. A Resilient City	14.C Storm water cleaning budget spend (%)	New	New	New	30%	41%		Above target	Maintain the momentum
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	Annual target	Annual target

2022/2023 QUARTER 2 PERFORMANCE REPORT - CITY OF CAPE TOWN									
<div><div> Well Above</div><div> Above</div><div> On target</div><div> Below</div><div> Well below</div></div>								AT - Annual Target	
IDP Objective	Key Performance Indicator	2021/2022 (Quarter 2)			2022/2023 (Quarter 2)			Reason for variance	Remedial action
		Target	Actual	Status	Target	Actual	Status		
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	Annual target	Annual target
16. A Capable and Collaborative City Government	16.B Opinion of independent rating agency	High investment rating	High investment rating		High investment rating	High investment rating		On target	Maintain the momentum
16. A Capable and Collaborative City Government	16.C Opinion of the Auditor-General	Clean audit outcome 2020/21	In progress	In progress	Unqualified audit opinion	Unqualified audit opinion		On target	Maintain the momentum
16. A Capable and Collaborative City Government	16.D Spend of capital budget (%) (NKPI)	30.18%	21.38%		29.95%	28.84%		The under performance is due to various factors: Slower than anticipated expenditure spent on a number of projects. Delays in delivery were due to supplier constraints. Initial delays in establishing finalising certain tenders in time. For full details, see Annexure C to the S52 report.	Engagement with directors and responsible project managers is ongoing to ensure that tracking and monitoring of projects occur within the prescribed timeframes, and that corrective actions are processed timeously to ensure maximum spend. Citywide action: A working group established by the City Manager meets on a monthly basis to review all the City's capital expenditure and corporate contracts.
16. A Capable and Collaborative City Government	16.E Cash/cost coverage ratio (NKPI)	2.00	2.00		2.0:1	1,53:1		Indicator 16.E is compensated by positive indicator 16.G. 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)	18.52%	12.50%		18.25%	16.06%		Well above target	Maintain the momentum
16. A Capable and Collaborative City Government	16.G Debt (total borrowings) to total operating revenue (NKPI)	23.50%	20.84%		23.50%	18.15%		Well above target	Maintain the momentum
16. A Capable and Collaborative City Government	16.H Kilometres of fibre infrastructure for broadband connectivity installed (kilometres)	New	New	New	13.9	5		Initial delays in award of tender 131Q with the final award letter issued on 2 November 2022.	Target for 2022/23 has been revised downwards and relevant scorecards are being amended.
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%	75%		75%	75%		Above target	Maintain the momentum
16. A Capable and Collaborative City Government	16.J Budget spent on implementation of Workplace Skills Plan (%)	30%	35.39%		30%	45.95%		Target exceeded due to key traing interventions urgently implemented. As well as early payment of internal financial support.	Maintain the momentum
16. A Capable and Collaborative City Government	16.K Adherence to service requests (%)	80%	88.01%		90%	91.88%		Above target	Maintain the momentum

S71(1)(d) Actual Expenditure per Vote - December 2022 (M06 2023)

Actuals measured against ORIGINAL Budget							
Directorate	Original Budget	YTD Planned Spend - Original Budget	YTD Actual Spend	YTD Variance	YTD % Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Community Services & Health	244 532 712	86 951 955	82 546 537	-4 405 418	-5.07%	The current negative variance reflects on the following projects: 1. Bloekombos Community Hall Upgrade project, where initial delays in the appointment of local labour resulted in less work being completed as well as a lower than projected invoice for work done to date. 2. Bishop Lavis Sport Ground Upgrade project, where detailed design is taking longer than anticipated due to the change in scope to include a synthetic pitch as well as unavailability of active tender 266C/2021/22 and term tender 245Q/2021/22.	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. Process outstanding invoices and contract price adjustments.
Corporate Services	395 618 903	105 450 920	82 484 014	-22 966 906	-21.78%	The negative variance reflects on the following projects/ programmes: 1. Broadband Infrastructure Programme, where Tender 131Q/2021/22 (Construction of optic fibre civils infrastructure) received no bidders, which resulted in the tender being re-advertised. 2. Radio Infrastructure project, where the process of obtaining quotations from the service provider took longer than anticipated. 3. Plant & Equipment project, where there are delays in delivery due to the unavailability of stock.	1. The technical team has scheduled the fibre builds to start from January 2023 and will do as much preparatory work as possible to mitigate the delay. A portion of the project will be rephased to the 2023/24 financial year. Budget and cash flow to be amended in the January 2023 adjustments budget. 2. Some orders have since been placed; awaiting delivery. 3. Project manager is following up on outstanding delivery.
Economic Growth	48 747 763	24 141 608	15 326 571	-8 815 037	-36.51%	The negative variance is attributed to the following projects: 1. CTICC 2 - Interface Structure project, which was initially delayed due to complex front-end loading re-conclusion of agreements and the detailed design phase taking longer than anticipated, and adverse underground conditions necessitating pile redesign and additional piling. 2. Philippi Fresh Produce Market Refurbishment, where various professional services were appointed later than anticipated due to resource unavailability.	1. Construction is currently underway. 2. All resources have been appointed and project is currently underway. Cash flows to be amended in the January 2023 adjustments budget.
Energy	1 052 059 276	255 150 593	401 596 930	146 446 337	57.40%	The positive variance is mainly as a result of implementation being ahead of schedule due to satisfactory contractor performance on various projects.	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	6 234 931	9 868 500	3 633 569	58.28%	System enhancements and capital purchases projects were fast-tracked.	Cash flow to be amended in the January 2023 adjustments budget.
Future Planning & Resilience	26 414 872	11 714 927	1 377 314	-10 337 613	-88.24%	The negative variance reflects on the following projects/programmes: 1. Contract Management System Integration, due to implementation delays attributed to capacity constraints including the governance vetting process for IT System Development. 2. Integration and Enhancement, where the project was initially delayed due to unavailability of Tender 187S/2021/22. Work has since commenced with Phase 2 completed in November 2022. Additional funding is required for further work requested from IS&T. 3. Computer Equipment: Replacement FY23, where orders could not be delivered due to the price refresh on Tender 060G/2018/19.	1. A portion of the budget will be reprioritised as a result of the delay. Budget and cash flows to be amended in the January 2023 adjustments budget. 2. Phase 3 scope of work will be assessed for award in January 2023 and additional funding will be allocated to this project in the January 2023 adjustments budget. 3. Further orders have been placed as the price refresh is complete.
Human Settlements	884 428 345	352 580 835	313 629 889	-38 950 946	-11.05%	The negative variance is mainly due to: 1. Land Acquisition FY23, due to delays experienced in negotiations and registrations of various land acquisitions. 2. Asset Upgrade programme: Professional Services Tender 109C/2020/21, required for implementation of the City Rental Unit Upgrade projects, is delayed until approximately March 2023 due to the legal opinion received regarding the Section 33 process.	Budget and cash flows to be amended in the January 2023 adjustments budget.
Office of the City Manager	13 328 927	496 268	1 061 982	565 714	113.99%	The positive variance reflects mainly on the following programmes/projects: 1. Refurbishment: Wynberg Court, where work is progressing ahead of schedule due to satisfactory contractor performance. 2. IT Equipment, where some items were delivered earlier than anticipated.	Budget and cash flows to be amended in the January 2023 adjustments budget.

Actuals measured against ORIGINAL Budget							
Directorate	Original Budget	YTD Planned Spend - Original Budget	YTD Actual Spend	YTD Variance	YTD % Variance	Reasons for material deviations	Remedial or corrective steps/remarks
Safety & Security	236 735 233	43 131 841	64 007 666	20 875 825	48.40%	The positive variance reflects mainly on the following programmes/projects: 1. EPIC 2.1: Contravention System & EPIC1.1: Computer Aided Dispatch System projects, where work is ahead of schedule as the required resources on tender 056S/2021 were available earlier than anticipated. 2. 24hr Operations: HP Vehicles Add FY23 and Vehicles - Traffic: Additional FY23, where vehicles were delivered earlier than anticipated due to stock availability.	Cash flow to be amended in the January 2023 adjustments budget.
Spatial Planning & Environment	217 455 263	43 236 832	71 357 995	28 121 163	65.04%	The positive variance is mainly attributable to the Coastal Programme delivering ahead of schedule as well as the Khayelitsha Training Centre Upgrade phase that was accelerated by sourcing a transversal tender 339Q/2018/19 for implementation.	Cash flows to be amended in the January 2023 adjustments budget.
Urban Mobility	1 379 126 007	527 076 796	311 766 229	-215 310 567	-40.85%	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: 1. IRT Phase 2 programme, due to a. Delays in receipt of the Department of Labour permit number, which has since been received; b. Property acquisitions being at various stages of the acquisition process; c. Creation of SAP agreement pending; and d. Delays in finalisation of the scope of work in terms of the Water Services term contract. 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, which is behind schedule as a result of the process of creating and signing the MoA after the BAC award. 4. Dualling: Jip De Jager: Kommissaris - Van Riebeeckshof, where the due diligence process is taking longer than anticipated. 5. Road Rehabilitation: Bishop Lavis, where appointment of the service provider took longer than anticipated delaying commencement of the project. 6. Road Upgrade: CTICC FW De Klerk Boulevard, where the services investigations have been completed later than anticipated. Detail design is complete and has been submitted to RIM district office for approval.	1.a. The contractor is busy with site establishment and will commence with existing service relocation in due course. b. Expenditure will be incurred as the acquisition processes are finalised and the necessary approvals obtained. c. Budget and cash flows to be amended in the January 2023 adjustments budget to align to the latest cash flow projections provided by the contractor. d. Budget for work packages E1 and E2 provides for accelerated implementation of bulk water relocation to allow for unimpeded implementation of civil works. The limit of the two works packages has been reviewed and the required work now all fall within the E2 works package. Additional budget required will be reprioritised from the E1 works package in the January 2023 adjustments budget. 2. A construction contract has been awarded and the constructor is on site. Budget will be rephased due to the late start. Budget and cash flows will be amended in the January 2023 adjustments budget. 3. Contract has been vetted by the Legal Services Department and is ready for signature. There is currently a value at risk that will be reprioritised to other priority projects in the January 2023 adjustments budget. 4. The memorandum of agreement is in the process of being vetted by the Legal Services Department. Construction will commence in January 2023. There is a value at risk of R16.3 million. 5. The contract has been awarded and has commenced in December 2022. Funds will be reprioritised within the directorate in the January 2023 adjustments budget. 6. Construction is expected to commence in February 2023. Budget will be adjusted in the January 2023 adjustments budget to align with latest construction cost estimate.
Urban Waste Management	647 001 662	149 557 580	154 535 908	4 978 328	3.33%	Immaterial variance.	-
Water & Sanitation	2 343 741 253	642 414 754	655 635 242	13 220 488	2.06%	Immaterial variance.	-
	7 507 318 899	2 248 139 840	2 165 194 777	-82 945 063	-3.69%		