

REPORT TO: COUNCIL

1. ITEM NUMBER

2. SUBJECT

QUARTERLY FINANCIAL REPORT: SEPTEMBER 2019

LSUA1980

ONDERWERP

KWARTAALLIKSE FINANSIËLE VERSLAG: SEPTEMBER 2019

ISIHLOKO

INGXELO YEMALI YARHOQO NGEKOTA: EYOMSINTSI 2019

3. DELEGATED AUTHORITY

In terms of delegation

This report is FOR NOTING BY

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

4. DISCUSSION

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

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

This report presents the financial position of the abovementioned indicators as at 30 September 2019.

4.1. Financial Implications ☒ None ☐ Opex ☐ Capex

☐ Capex: New Projects

☐ Capex: Existing projects requiring additional funding

☐ Capex: Existing projects with no additional funding requirements

4.2. Legal Compliance ☒

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

4.3. Staff Implications ☐ Yes ☒ No

4.4. Risk Implications ☐ Yes ☒ No

5. RECOMMENDATIONS

- a) The quarterly financial report for the quarter ended 30 September 2019 is submitted for information and noting only.

AANBEVELING

- a) Die kwartaallikse finansiële verslag vir die kwartaal geëindig 30 September 2019 word slegs ter inligting en kennisname voorgelê.

ISINDULULO

- a) INgxelo yeMali yaRhoqo ngeKota yekota ephela ngowama-30 eyoMsintsi 2019 ingeniselwa iinjongo zolwazi nokuqatshelwa kuphela.

ANNEXURES

Annexure A: Quarterly Financial Report – 30 September 2019

FOR FURTHER DETAILS CONTACT

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

CHIEF FINANCIAL OFFICER

NAME	KEVIN JACOBY	COMMENT:
DATE	_____	_____
SIGNATURE	_____	_____

LEGAL COMPLIANCE

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

NAME	_____	COMMENT:
DATE	_____	_____
SIGNATURE	_____	_____

EXECUTIVE MAYOR

☐ SUPPORTED

☐ NOT SUPPORTED

NAME ALD. DAN PLATO

COMMENT:

DATE

SIGNATURE



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

ANNEXURE A

S52 MAYOR'S QUARTERLY REPORT

SEPTEMBER 2019 (2020 Q01)

EXECUTIVE SUMMARY	2
KEY DATA	4

IN YEAR BUDGET STATEMENT TABLES28

Summary	28
Financial Performance (standard classification)	29
Financial Performance (revenue and expenditure by municipal vote)	30
Financial Performance (revenue by source and expenditure by type)	31
Capital Expenditure (municipal vote, standard classification and funding)	32
Financial Position	33
Cash Flow.....	34

IN YEAR BUDGET STATEMENT SUPPORTING TABLES35

Material variance explanations for operating revenue by source and by vote	35
Material variance explanations for operating expenditure by type and by vote.....	41
Material variance explanations for capital expenditure by vote.....	48
Material variance explanations for cash flow	53
Performance indicators	53
Material variance explanations for corporate performance	54
Aged Debtors.....	55
Aged Creditors.....	55
Investment portfolio	56
Transfers and grants expenditure	60
Councillor and staff benefits	62
Actual and revised targets for cash receipts and cash flows	65
Capital expenditure trend.....	67
Capital expenditure on new assets by asset class	68
Capital expenditure on renewal of existing assets by asset class	69
Capital expenditure on upgrading of existing assets by asset class	70
Expenditure on repairs and maintenance by asset class.....	71
Depreciation by asset class	72

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR)74

City of Cape Town	75
Cape Town International Convention Centre.....	76
Cape Town Stadium	76

MUNICIPAL MANAGER QUALITY CERTIFICATION

EXECUTIVE SUMMARY

BACKGROUND

Section 52 of the MFMA states:

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

Regulation 31 of the MBRR states:

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

MAYOR'S QUARTERLY REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2019

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

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

The '2018/19 Audited Outcome' columns in the ensuing tables are populated with unaudited figures and have been left blank in instances where figures are not available yet.

KEY DATA (PAGE 4 - 27)

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

IN YEAR BUDGET STATEMENT TABLES (PAGE 28 – 34)

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

- **Table C1 (Page 28)** provides a high level summation of the operating and capital budgets, actuals to date, financial position and cash flow.
- **Table C2 (Pages 29)** is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- **Table C3 (Pages 30)** shows budgeted financial performance in relation to the revenue and expenditure as well as the operating surplus or deficit.
- **Table C4 (Page 31)** is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.
- **Table C5 (Pages 32)** 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 33)** reflects the performance to date in relation to the financial position of the municipality.
- **Table C7 (Page 34)** indicates the cash flow position and cash/cash equivalents.

IN YEAR BUDGET STATEMENT SUPPORTING TABLES (PAGE 35– 72)

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

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR) (PAGE 74 – 76)

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

KEY DATA

The '2018/19 Audited Outcome' columns in the ensuing tables have been populated with pre-audited figures.

Operating Budget

Operating Budget	Adjusted Budget 2019/20	YearTD budget 2019/20	YearTD actual 2019/20	YTD variance	Full Year Forecast
Total Revenue ¹ (R'Thousands)	41,038,608	10,718,938	11,240,164	521,226	40,587,341
Total Expenditure ¹ (R'Thousands)	41,896,275	9,279,961	8,771,205	(508,756)	40,506,813
Surplus/(Deficit)	(857,667)	1,438,977	2,468,959	1,029,982	80,528
¹ (excl. capital transfers and contributions)					

Capital Budget

Capital Budget	Adjusted Budget 2019/20	YearTD budget 2019/20	YearTD actual 2019/20	YTD variance	Full Year Forecast
Total Capital Expenditure (R'Thousands)	8,784,724	767,986	682,239	(85,747)	7,514,105

Financial position

Working Capital	Pre-Audited Outcomes 2018/19	Original Budget 2019/20	Adjusted budget 2019/20	YearTD actual
Cost coverage ratio³				
Cash and investments at period end less restricted cash/Monthly operating Expenditure	3,85:1	-	-	1,86:1
Liquidity				
Current Ratio (Current assets/current liabilities) ⁴	2.04	1.44	1.82	2.96
Borrowing				
Capital Charges to Operating Expenditure (Interest & principal paid/Operating Expenditure) ⁵	1.3%	2.8%	2.8%	3.6%
Borrowed funding of 'own' capital expenditure (Borrowings/Capital expenditure excl. transfers and grants) ⁶	7.3%	17.8%	16.7%	19.1%
Financial Position (R'Thousands)⁷				
Total Assets	70,953,565	76,535,561	74,496,454	70,286,940
Total Liabilities	22,262,316	27,768,659	23,401,711	18,996,482
Cash Flow (R'Thousands)				
Cash/cash equivalents at month/year end	8,419,275	4,985,877	5,656,001	8,671,878

- Cost coverage ratio³**

The 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 month under review shows that the City is within the norm of 1-3 months (MFMA Circular 71). The ratio has decreased slightly from last month due to a decrease in actual cash and cash equivalents.

- **Current Ratio⁴**

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

The year-to-date ratio shows that the City has sufficient cash to meet its short-term financial obligations and is above the norm of 1.5 to 2.1 (MFMA Circular 71). Should this position persist it will be reviewed during the mid-year review and performance assessment process and also considered when compiling future years' budgets.

- **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 for September 2019 is below the National Treasury norm of 6% to 8% (MFMA Circular 71).

This ratio is budgeted to be below the National Treasury norm. The ratio outcome at year end is expected to be in line with the budgeted outcome of 2.8% for the year.

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

The ratio also 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 ratio outcome is lower than the budgeted ratio.

It is expected that the ratio outcome at year end will be in line with the budgeted ratio as capital performance accelerates.

- **Financial Position⁷**

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

- **Cash Flow**

The cash and cash equivalents of the City is R8 672 million as at 30 September 2019. This position is mainly due to the levels of cash that was realised in the previous financial year. It includes the reserves and commitments required to be backed by cash. The funds are invested in compliance with the MFMA and the City's Cash Management and Investment policy. The current cash position will be reviewed during the mid-year review and performance assessment process and taken into consideration when compiling future years' budgets.

Debtors

Debtors ¹	Current - 0 to 30 days	31-60 Days	61 days and over	TOTAL
R Thousands				
Water	301,107	53,262	2,042,021	2,396,390
Electricity	937,565	48,223	386,199	1,371,987
Rates	739,093	76,037	1,208,775	2,023,904
Sewerage	163,820	25,089	705,424	894,332
Refuse	118,292	27,705	486,915	632,912

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

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

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

Debtors Collection Rate % ⁸	Previous year 2018/19	Current year 2019/20 (Interim ratios)	12 Months moving average YTD collection ratio (Interim ratios)
Electricity	98.21%	99.00%	98.46%
Water	71.70%	103.59%	98.28%
Sewerage	87.26%	103.18%	101.16%
Refuse	93.12%	90.61%	90.70%
Rates	98.37%	96.02%	96.14%
Other	97.82%	96.62%	97.99%

⁸12 Months Collection Ratio. Calculated into National Treasury Circular 71.

The 12 Months Moving Average Payment Ratio for the period ended 30 September 2019 is 97.54% as reflected in the following table.

Monthly Collection Rate	
Period	Current year
12 Months	97.54%
6 Months	97.02%
3 Months	97.96%
Monthly	99.12%

Human Resources

Human Resources	Audited Outcomes 2018/19	Original Budget 2019/20	Adjusted Budget 2019/20	YearTD actual 2019/20
Employee and Councillor remuneration (R'Thousands)	12,526,853	13,997,624	13,999,778	2,921,567
Employee Costs (Employee costs/Total Revenue - capital revenue)	30.8%	33.8%	33.7%	25.6%
Total Cost of Overtime (R'Thousands)	680,581	606,267	606,263	106,282

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

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

Details on senior managers remuneration and the remuneration of other municipal staff can be found on page 62.

Staff Complement

Municipal Employees (numbers)	As at 30 June 2019	Adjusted Budget 2019/20	Sep-19
Filled posts - Permanent	26,646	26,478	26,863
Filled posts - Temporary	697	645	630
Vacant posts - Permanent	3,625	3,613	3,874
	30,968	30,736	31,367

Municipal Councillors (numbers)	As at 30 June 2019	Adjusted Budget 2019/20	Sep-19
Municipal Councillors	230	231	228
Municipal Councillors - Vacancies	1	-	3
	231	231	231

The City had 3874 vacancies at 30 September 2019; 705 positions were filled (475 internal and 230 external) with 309 terminations processed since the beginning of the financial year. The filling of vacancies is ongoing and seasonal staff are appointed as and when required.

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

DIRECTORATE	VACANT POSTS (Permanent positions)		% of Posts Filled	Vacancy Rate
	Number of Posts	Value		
Community Services & Health	486	R142,100,409	91.76%	8.24%
Corporate Services	224	R111,958,413	87.80%	12.20%
Economic Opportunities & Asset Management	158	R50,268,117	85.40%	14.60%
Energy & Climate Change	332	R100,607,987	87.53%	12.47%
Finance	189	R59,688,485	89.87%	10.13%
Human Settlements	174	R72,702,250	81.53%	18.47%
Office of the City Manager	36	R21,637,220	83.93%	16.07%
Safety & Security	566	R143,384,860	88.41%	11.59%
Spatial Planning & Environment	96	R45,553,143	89.24%	10.76%
Transport	360	R95,581,169	82.46%	17.54%
Urban Management	60	R31,961,062	89.09%	10.91%
Water & Waste	1,193	R310,312,904	85.93%	14.07%
TOTAL	3874	R1,185,756,019	87.65%	12.35%

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 & Health	364	97	23	2	486
Corporate Services	125	49	37	13	224
Economic Opportunities & Asset Management	44	63	38	13	158
Energy & Climate Change	147	91	74	20	332
Finance	112	38	30	9	189
Human Settlements	28	35	53	58	174
Office of the City Manager	18	14	4	0	36
Safety & Security	338	160	51	17	566
Spatial Planning & Environment	33	32	16	15	96
Transport	100	128	79	53	360
Urban Management	32	17	6	5	60
Water & Waste	474	334	267	118	1193
Grand Total	1815	1058	678	323	3874

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

R'Thousands	Original Budget 2019/20	Adjusted Budget	YearTD actual 2019/20	YearTD budget 2019/20	YTD variance
Total Revenue (excluding capital transfers and contributions)	40,921,950	41,038,608	11,240,164	10,718,938	521,226
Total Expenditure	41,779,617	41,896,275	8,771,205	9,279,961	(508,756)
Surplus/(Deficit)	(857,667)	(857,667)	2,468,959	1,438,977	1,029,982

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

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

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

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

Description	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
<u>Revenue By Source</u>							
Property rates	9,916,685	9,916,685	2,480,630	2,479,170	1,459	0.1%	9,916,685
Service charges - electricity revenue	13,623,146	13,623,146	3,907,174	3,586,296	320,878	8.95%	13,623,146
Service charges - water revenue	3,212,017	3,212,017	666,754	738,687	(71,933)	-9.7%	3,051,653
Service charges - sanitation revenue	1,568,599	1,568,599	340,638	360,497	(19,859)	-5.5%	1,490,169
Service charges - refuse revenue	1,286,433	1,286,433	321,902	321,608	294	0.1%	1,245,733
Rental of facilities and equipment	311,781	311,781	76,133	78,295	(2,162)	-2.8%	311,893
Interest earned - external investments	912,495	912,495	313,923	252,682	61,242	24.2%	912,724
Interest earned - outstanding debtors	380,814	380,814	97,626	89,711	7,915	8.8%	420,931
Dividends received	–	–	–	–	–	–	–
Fines, penalties and forfeits	1,185,453	1,185,453	367,731	313,106	54,625	17.4%	1,185,897
Licences and permits	82,218	82,218	16,725	16,191	534	3.3%	78,156
Agency services	217,672	217,672	56,636	50,418	6,218	12.3%	217,672
Transfers and subsidies	7,376,568	7,493,227	2,339,841	2,238,468	101,373	4.5%	7,348,982
Other revenue	804,335	804,335	252,275	183,500	68,775	37.5%	739,966
Gains on disposal of PPE	43,732	43,732	2,176	10,308	(8,132)	-78.9%	43,732
Total Revenue (excluding capital transfers and contributions)	40,921,950	41,038,608	11,240,164	10,718,938	521,226	4.9%	40,587,341

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

- **Service charges – electricity revenue (R320.9 million over)**

The 'over-recovery' on electricity sales reflects against the Large Customer (Commercial customers) category (R222 million) and against the Time Of Use (TOU) Tariff category (R128 million). This over-recovery is due to periodic changes in consumption or the winter peak tariff seasonalisation of customers linked to these categories. The seasonalisation of the TOU tariff is not aligned to the period budget as it is wholly dependent on when customers migrate to the new tariffs. Affected customers were given the option to move to the TOU tariff category but very few responded although it is the cheaper option for them. It is expected that this over-recovery will reduce as the low demand period has been reached.

- **Service charges - water revenue (R71.9 million under)**

Anticipated revenue for 2019/20 is dependent on the consumption trends projected as the City moves out of the drought period to sustain the cost of water and sanitation services. From analysis of the financial information at this stage, the indication is that the consumption has not increased to the anticipated levels as estimated resulting in this under-recovery.

- **Interest earned - external investments (R61.2 million over)**

The variance is a combination of over-/under-recovery and reflects within the Finance directorate and is largely against the following revenue categories:

- Interest Received - Short Term and Call (over), mainly due to higher than expected cash and investment.
- Interest Received - Allocation to Donors (under), mainly due to lower than planned unspent donor fund balances to date.

- **Fines, penalties and forfeits (R54.6 million over)**

The over-recovery is mainly on Traffic Fines (accruals) and is due to more than planned fines issued for traffic and various by-law offences during this period.

- **Transfers and subsidies (R101.4 million over)**

This variance is a combination of over-/under-recovery in various directorates. Only directorates with over-recovery are listed below.

- Human Settlements, where spending is higher than planned on projects rolled over from 2018/19 as progress on site is ahead of the original construction schedule.
- Transport, where payments for the Automated Fare Collection(AFC) and Advanced Public Transport Management Systems (APTMS) were processed earlier than expected as the deviation reports and service provider contracts were finalised and concluded faster than anticipated.

- **Other revenue (R68.8 million over)**

This variance is a combination of over-/under-recovery in various categories. Only categories with over-recovery are listed below.

- Recoveries of Infrastructure Maintenance, where prior years' underspending on electrification projects in the Eskom area of supply (funded from a national grant allocation paid to the utility provider) resulted in a refund.
- Skills Development Levy, due to the unpredictable and erratic nature of actual income on this revenue item.
- By-product sales, due to an increase in the sale of by-products (timber) at Steenbras- and Wemmershoek dam.
- Development Levies/BICL, due to higher than planned actual revenue received for the month under review. Development levies are linked to property developments and accurate period planning is not possible.
- Hire of municipal staff, due to higher than anticipated demand for law enforcement staff at externally-funded events.
- Recoveries of Operational Expenditure, due to the Cost Recovery charge raised for Koeberg (Nuclear Power plant - Disaster Contingency Plan) not being aligned to the period budget provision.

- **Gains on disposal of PPE (R41.1 million over)**

The variance is due to actual revenue being less than the period budget to date as timing of actuals cannot be forecasted.

Reasons for variances on revenue by source and by type can be found on page 35.

EXPENDITURE

Main expenditure types for 2019/20

Description	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Expenditure By Type							
Employee related costs	13,817,805	13,817,892	2,874,286	3,156,616	(282,330)	-8.9%	13,467,935
Remuneration of councillors	179,818	179,818	40,396	40,719	(323)	-0.8%	179,818
Debt impairment	2,341,628	2,341,628	577,034	567,225	9,809	1.7%	2,319,877
Depreciation & asset impairment	3,015,086	3,015,086	727,718	736,458	(8,741)	-1.2%	2,945,042
Finance charges	790,756	790,756	190,503	192,844	(2,341)	-1.2%	790,987
Bulk purchases	10,092,601	10,092,601	2,525,799	2,563,769	(37,970)	-1.5%	9,992,601
Other materials	1,611,763	1,619,984	272,223	318,687	(46,464)	-14.6%	1,391,014
Contracted services	7,156,498	7,224,131	950,510	1,075,811	(125,302)	-11.6%	6,667,942
Transfers and subsidies	446,206	470,086	103,898	104,118	(220)	-0.2%	464,381
Other expenditure	2,326,698	2,343,537	503,610	523,584	(19,973)	-3.8%	2,279,774
Loss on disposal of PPE	756	756	5,229	130	5,099	3923.9%	7,443
Total Expenditure	41,779,617	41,896,275	8,771,205	9,279,961	(508,756)	-5.5%	40,506,813

Reasons for major over-/under expenditure per type

- **Employee related costs (R282.3 million under)**

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

- **Bulk purchases (R37.9 million under)**

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

- Bulk Water Levy, due to invoices outstanding from the National Department of Water & Sanitation and lower than expected levels of consumption; and
- Bulk Water - Desalination, where invoices relating to temporary desalination plants are currently pending, due to verification of contract conditions by the project manager. In addition, the City is currently in a legal dispute with one of the contractors.

- **Other materials (R46.5 million under)**

Under expenditure reflects against the following cost elements:

- Pharmaceutical Supplies and Vaccines, due to issues identified in the supporting documents submitted by the vendor resulting in payment delays.
- Materials Consumables Tools & Equipment, mainly within the Energy & Climate Change directorate, due to the additional budget allocation for MURP-related expenditure that has not yet been spent. The directorate's budget was prepared based on directorate capacity to implement budget allocations. It is not possible to spend this once-off allocation at such short notice and within the limited capacity available.
- Fuel, due to a lower demand for hired vehicles resulting in less fuel.
- Chemicals, where the current water consumption and lower levels of demand resulted in a decline in the need for procurement of chemicals.

- **Contracted services (R125.3 million under)**

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

- Advisory Services: Legal Cost, due to outstanding invoices.
- R&M, where a number of work projects are still in the process of being finalised before purchase orders can be generated. In addition, certain project tenders are in various stages of the tender process.
- Sewerage services, due to delays in submission of invoices by vendors for services at informal settlements as well as delays in awarding the Faecal Sludge Management Facility tender.
- Advisory Services - Project Management, mainly within Energy & Climate Change directorate, due to an additional budget allocation for MURP-related expenditure that has not yet been spent. The directorate's budget was prepared based on directorate capacity to implement budget allocations. It is not possible to spend this once-off allocation at such short notice and within the limited capacity available.
- Haulage, Litter Picking and Street Cleaning, where plans for the removal of illegal dumping was only finalised in July 2019 resulting in the process being behind schedule and not aligned to the period budget provisions.

- Meter Management, due to misalignment of the period budget with the actual expenditure as well as a decrease in the number of C3 notifications received.
- R&M Electrical, due to delays in receipt of invoices from contractors for work performed.
- Waste Minimisation, due to an appeal against the Chipping tender award.

Reasons for variances on expenditure by type can be found in on page 41.

Expenditure by vote (directorate)

Vote Description	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Expenditure by Vote							
Vote 1 - Community Services & Health	3,925,379	3,925,379	704,359	744,222	(39,864)	-5.4%	3,887,379
Vote 2 - Corporate Services	1,808,667	1,808,667	441,645	451,568	(9,923)	-2.2%	1,808,667
Vote 3 - Economic Opportunities & Asset Managemnt	1,368,210	1,368,335	296,159	304,312	(8,153)	-2.7%	1,368,335
Vote 4 - Energy & Climate Change	12,060,720	12,061,417	2,948,924	3,012,927	(64,003)	-2.1%	11,961,417
Vote 5 - Finance	3,004,417	3,004,417	697,040	707,739	(10,699)	-1.5%	3,004,417
Vote 6 - Human Settlements	1,468,810	1,584,646	287,740	315,448	(27,707)	-8.8%	1,300,191
Vote 7 - Office of the City Manager	237,561	237,560	55,991	59,490	(3,499)	-5.9%	237,561
Vote 8 - Safety & Security	3,598,555	3,598,555	756,103	772,987	(16,884)	-2.2%	3,598,555
Vote 9 - Spatial Planning & Environment	711,474	711,474	142,557	158,471	(15,914)	-10.0%	681,049
Vote 10 - Transport	3,679,302	3,679,302	647,014	602,203	44,811	7.4%	3,204,127
Vote 11 - Urban Management	1,142,379	1,142,379	182,822	189,406	(6,584)	-3.5%	1,142,379
Vote 12 - Water & Waste	8,774,142	8,774,142	1,610,851	1,961,188	(350,337)	-17.9%	8,312,736
Total Expenditure by Vote	41,779,617	41,896,275	8,771,205	9,279,961	(508,756)	-5.5%	40,506,814

Reasons for over expenditure per vote (directorate)

The directorate listed below has bottom line over expenditure for the year-to-date. The narrative below provides details of categories with an overall over expenditure.

Transport (R44.8 million over)

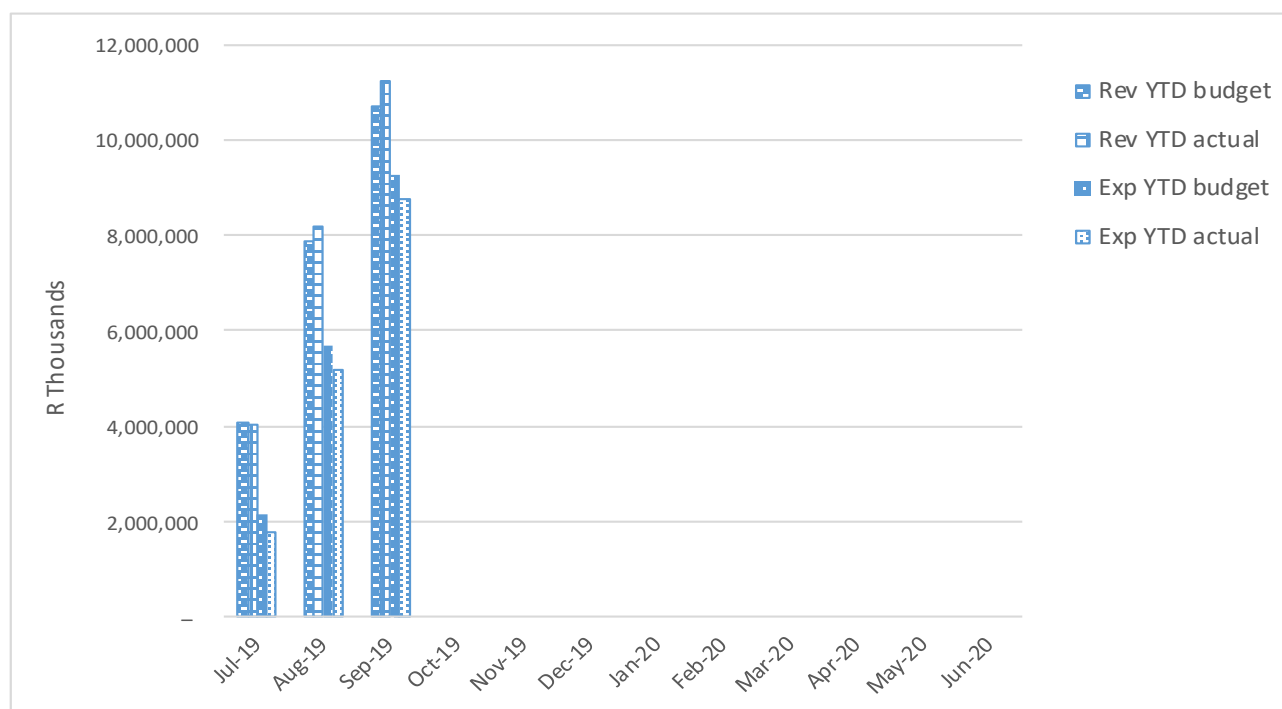
- Other materials, mainly on fuel, due to the numerous fuel price increases and consumption levels/requirements for the period.
- Contracted services, mainly on R&M Contracted Services - Buildings, where road maintenance programmes were brought forward as one term tender will expire in March 2020.
- Other expenditure, due to the upfront payment of 70% of the 2019/20 premium for MyCiTi Insurance as required by the insurer.

The overall over expenditure will be addressed via virements and review of period budget provisions where required.

Details on variances for expenditure by vote can be found on page 41.

Monthly Operating Revenue and Expenditure Performance

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



CAPITAL EXPENDITURE AND FUNDING

Summary Statement of Capital Budget Performance

Vote Description	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Total Capital Expenditure	8,388,432	8,784,724	682,239	767,986	(85,747)	-11.2%	7,514,105
Funded by:							
National Government	2,189,348	2,189,635	119,641	208,240	(88,599)	-42.5%	1,722,078
Provincial Government	22,038	22,038	1,691	770	921	119.6%	20,597
Other transfers and grants	53,700	53,700	10,146	11,240	(1,094)	-9.7%	53,700
Transfers recognised - capital	2,265,085	2,265,373	131,479	220,250	(88,771)	-40.3%	1,796,376
Borrowing *	1,091,580	1,091,580	105,191	34,144	71,047	208.1%	854,856
Internally generated funds	5,031,767	5,427,771	445,569	513,592	(68,023)	-13.2%	4,862,874
Total Capital Funding	8,388,432	8,784,724	682,239	767,986	(85,747)	-11.2%	7,514,105

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

The year-to-date spend of R682.2 million represents 8.5% (R551 million) on internally-funded projects and 5.8% (R131 million) on externally-funded projects.

The full year forecast indicates that 85.5% of the capital budget is anticipated to be spent by the end of the financial year.

Capital budget by municipal vote for 2019/20

Vote Description	2018/19	Budget Year 2019/20						
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Multi-Year expenditure appropriation								
Vote 1 - Community Services & Health	294,231	354,281	366,393	11,705	19,222	(7,518)	-39.1%	363,095
Vote 2 - Corporate Services	252,050	149,863	158,194	5,404	59,044	(53,641)	-90.8%	133,635
Vote 3 - Economic Opportunities & Asset Managemnt	272,714	389,498	393,253	18,449	15,767	2,683	17.0%	383,752
Vote 4 - Energy & Climate Change	749,456	834,094	890,899	138,596	157,036	(18,440)	-11.7%	849,233
Vote 5 - Finance	26,225	116,957	117,129	2,341	5,846	(3,505)	-60.0%	108,935
Vote 6 - Human Settlements	670,112	869,063	885,245	80,363	99,002	(18,640)	-18.8%	819,441
Vote 7 - Office of the City Manager	2,500	973	1,115	146	291	(145)	-49.9%	1,225
Vote 8 - Safety & Security	206,866	535,237	539,292	19,389	11,178	8,211	73.5%	530,611
Vote 9 - Spatial Planning & Environment	57,070	92,847	111,072	5,090	11,731	(6,641)	-56.6%	94,445
Vote 10 - Transport	973,584	1,326,126	1,482,117	88,787	139,554	(50,766)	-36.4%	1,075,588
Vote 11 - Urban Management	22,429	122,981	123,901	2,455	1,209	1,247	103.2%	121,943
Vote 12 - Water & Waste	1,789,054	3,596,511	3,716,114	309,514	248,107	61,408	24.8%	3,032,203
Total Capital Multi-year expenditure	5,316,290	8,388,432	8,784,724	682,239	767,986	(85,747)	-11.2%	7,514,105

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

- Corporate Services directorate (R54 million under)**

The directorate has a net negative variance, which was caused by the following programmes/projects:

- Enterprise Monitoring and Management Solutions programme and Data Storage Security & Accessibility FY20: Misalignment of cash flows as progress is slower than anticipated;
- Computers and Equipment - Replacement FY20 projects: Delays in replacement of Windows 7 devices, due to unavailability of the IT tender; and
- ERP Business Systems programme: Rates for professional services are lower than what the market is demanding resulting in delays in appointment of the professional services.

84.5% spend is forecasted for the projects currently on the budget.

- Transport directorate (R51 million under)**

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

- IRT - Jan Smuts: Construction and services relocation is underway. The contract progress is good with an anticipated completion date of December 2020. Crime as well as damage to existing infrastructure and theft, especially after hours, remain a major problem on the construction site;
- Bosmansdam dualling - Koeberg to Monta Vista Drive: An accrual of R20.9 million in respect of work done in the 2018/19 financial year resulted in negative expenditure for the 2019/20 financial year;
- Non-Motorised Transport programme: This budget is primarily allocated to fund the professional services that are necessary to implement the various NMT projects. The current professional services tender expired at the end of the 2018/19 financial year; approval to re-appoint the service providers to conclude the projects already in the implementation stage is now being pursued;

- Rehabilitation of Jakes Gerwel: Tender was cancelled and will be re-advertised for implementation in the 2020/21 financial year; and
- Road Construction: Belhar Main Road: Stellendale - Highbury: Commencement of work has been delayed as a result of the curtailment of the professional engineering consultant contract. The district office is investigating various other options to procure the services of a professional engineering consultant to render the construction administration and site supervision services required to proceed with the execution of the work.

72.6% spend is forecasted for the projects currently on the budget.

- **Water & Waste directorate: (R61.4 million over)**
- **Solid Waste Management department (R80 million under)**

The department has a net negative variance, which was caused by the following programmes/projects:

- Coastal Park - Design and develop (MRF): Delays due to an appeal that has been upheld. It is anticipated that the construction portion of the project will now only commence in the 2020/21 financial year;
- Vissershok - LFG Infrastructure to Flaring: Initial delays were due to the appeal linked to the professional services tender 217C. It is anticipated that construction will commence in November 2019 with a 12-month construction period;
- New Prince George Drop-off: Delays on project as a result of a lengthy procurement process including legal consideration of objection to fencing specifications. Final design completed and currently in the Bid Evaluation Committee process. It is anticipated that construction will start in January 2020. Professional services tender 420C/2014/15 ends at the end of October 2019 and replacement tender 217C/2018/19 is already in place. The report for the award of the construction tender 310Q/2018/19 will be submitted to the Bid Adjudication Committee by the end of October 2019;
- Retreat Drop-off Upgrade Waste Minimisation: Construction tender 65Q/2017/18 commenced in November 2018 with an anticipated completion date of January 2020. The contractor is currently running behind schedule as a result of insufficient allocation of resources but has confirmed that the work will be completed on time;
- Woodstock Drop-off Upgrade Waste Minimisation: Construction tender 70Q/2018/19 commenced mid-June 2019 and is progressing satisfactorily. The anticipated completion period is 12 months with extension granted for inclement weather. The invoice for the month of September 2019 is still outstanding;
- Hanover Park Depot Upgrade: Delays experienced, due to clarification required from bidders regarding compliance (local content, sub-contracting, etc.) and arithmetical errors. Design phase has been completed. The construction tender was advertised on 5 April 2019, with a closing date of 13 May 2019 and is now in the Bid Evaluation process. Additional budget will be required as increased bids were submitted by tenderers. Anticipated site hand over will take place in November 2019;

- Maitland Specialised Equipment Depot Upgrade: The contractor is under performing against the anticipated completion date of September 2019 resulting in penalties. Additional delays are as a result of the approval of a report for the extension of time to allow for the payments from July 2019. The report will be submitted to the BAC mid-October 2019;
- Schaapkraal Depot Upgrade: Delays in delivery of temporary accommodation and setup resulted in consultant claiming for additional time worked. Construction is underway and is anticipated to be completed by April 2020; and
- Scottsdene Depot Upgrade: Construction commenced in May 2019 as a result of the initial delays with the guarantees, construction permits and building plans approval. Construction to be completed in May 2020.

72.7% spend is forecasted for the projects currently on the budget.

▪ **Water & Sanitation Services department (R141 million over)**

The department's positive variance is mainly due to the good performance of contractors on the following projects:

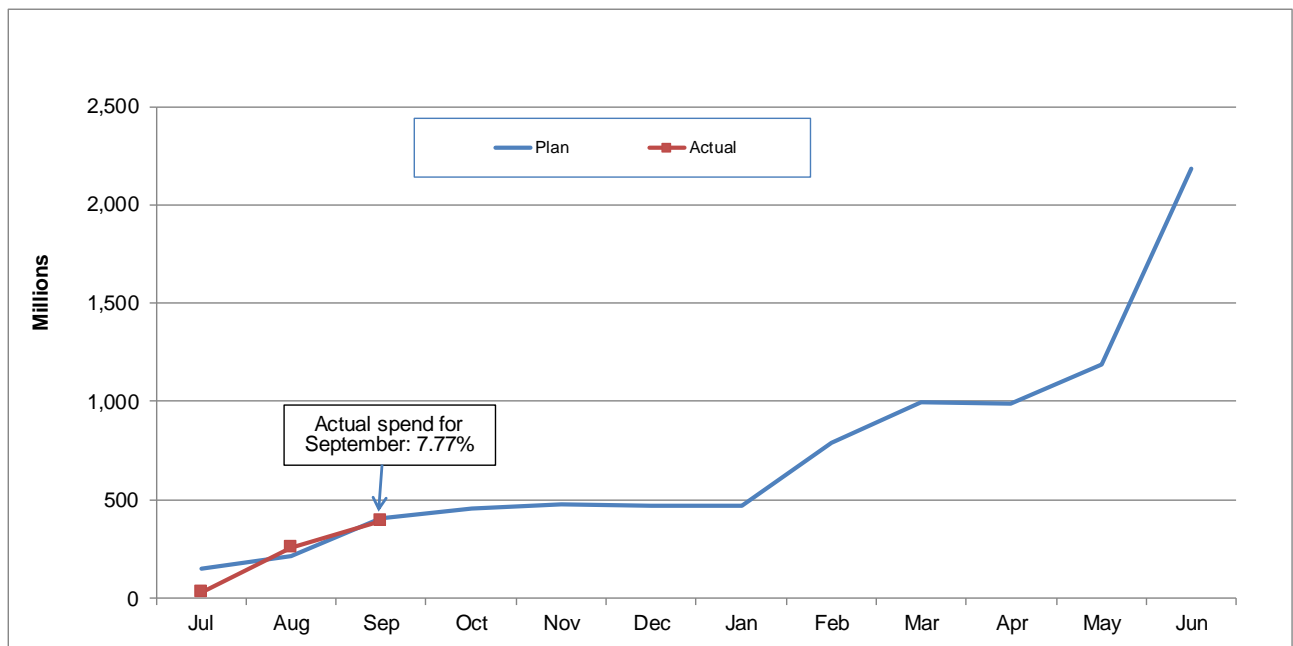
- Zandvliet Waste Water Treatment plant;
- Cape Flats and Atlantis group aquifer;
- Retreat Low Lift Pump station;
- Cape Flats Waste Water Treatment plant;
- Replacement of Sewer pump stations; and
- other various smaller projects.

83.6% spend is forecasted for the projects currently on the budget.

Detailed explanations and remedial action on variances on the capital budget can be found on page 48.

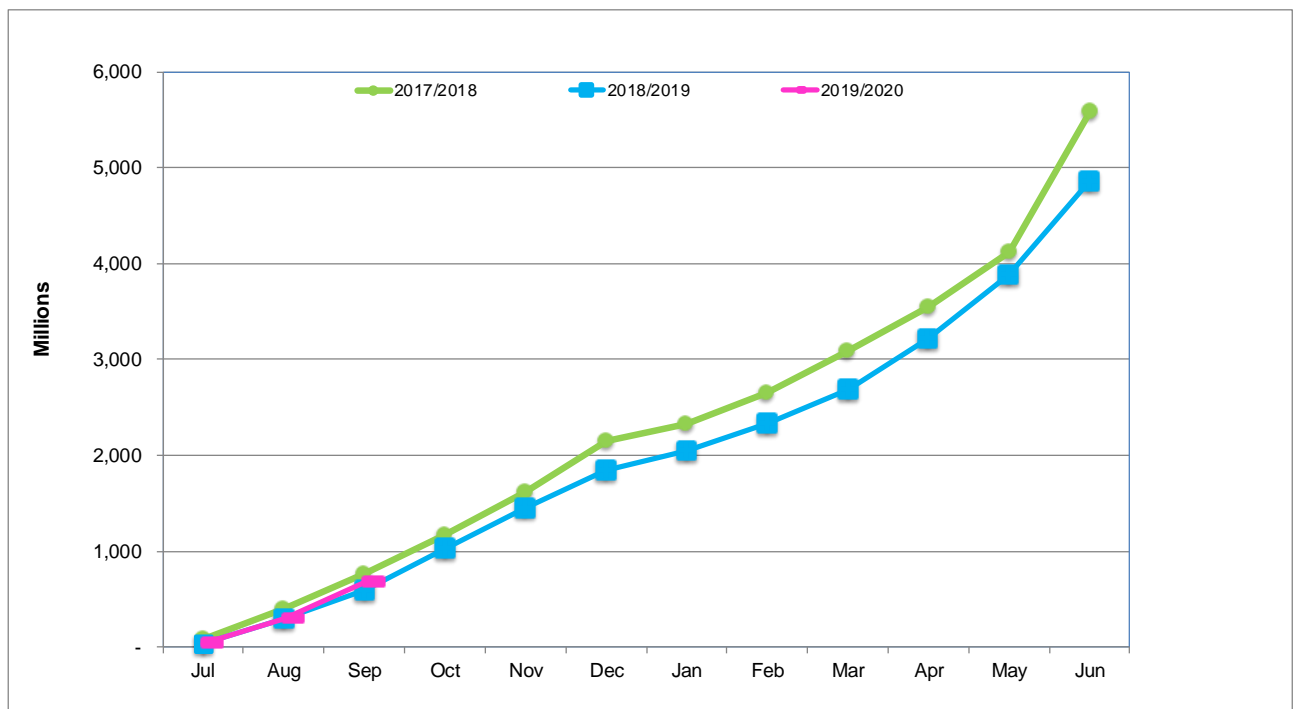
Monthly capital expenditure

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

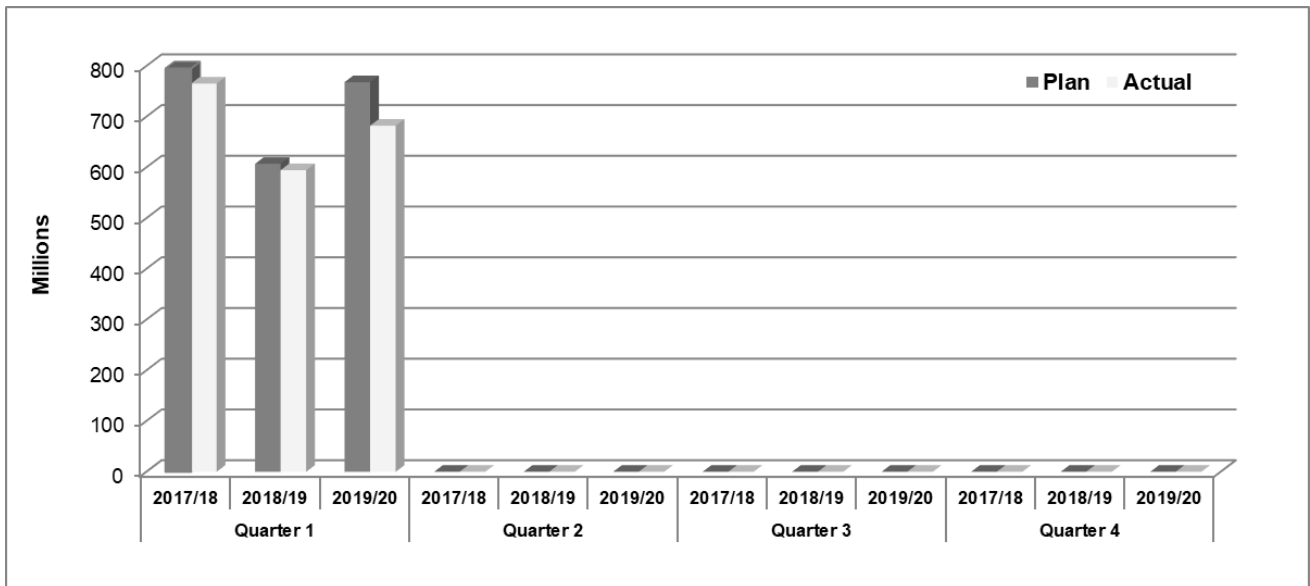


Capital expenditure trend over the current- and past two years

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



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



Status of certain major capital programmes/projects in the City

Programme or Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Comments
Facilities Management Infrastructure	82,271,471	171,472	245,470.00	73,998.00	Construction has commenced on this project with some work being completed earlier than anticipated. Awaiting additional quotations before balance of orders can be placed.
Plant & Vehicles: Replacement	140,000,000	-	-4,000.00	-4,000.00	Credit reversal as a result of accruals from the 2018/19 financial year. The project is on schedule and in the execution phase. Orders were placed in August 2019 for long lead time vehicles and orders are currently being processed for short lead time vehicles.
Upgrading Solid Waste facilities	120,485,472	27,959,429	3,966,673.00	-23,992,756.00	<p>1. Maitland Depot: The anticipated completion date was 30 September 2019. The current delay is as a result of the contractor underperforming, for which the contractor is being penalised. A report for extension of time is being prepared and will be submitted to the Bid Adjudication Committee (BAC) mid-October 2019.</p> <p>2. Scottsdene Depot: Construction commenced in May 2019 as a result of initial delays with guarantees, construction permits and building plan approval. Construction to be completed in May 2020.</p> <p>3. Hanover Park: Delays experienced due to clarification required from bidders for compliance (local content, sub-contracting, etc.) and arithmetical errors. Design has been completed. Construction tender was advertised on 5 April 2019 and closed 13 May 2019. Currently in the bid evaluation process. Site hand over anticipated to take place in November 2019. Additional budget will be required as increased bids were received from tenderers.</p> <p>4. Schaapkraal Depot: Initial delays as a result of temporary accommodation delivery and setup taking longer than anticipated resulting in consultant claiming for additional time worked. Construction is underway and anticipated to be completed by April 2020. Invoice for September 2019 has not yet been received. The project manager is liaising with the contractor regarding the outstanding invoice.</p>
Upgrading of drop-off facilities	86,279,939	12,959,998	7,163,584.00	-5,796,414.00	<p>1. Woodstock Drop-off: Construction tender 70Q/2018/19 commenced mid-June 2019 and is progressing satisfactorily. Awaiting the invoice for September 2019. The project manager is following up with the contractor regarding the outstanding invoice. Extension of time has been granted due to inclement weather and a portion of the project will be proposed for re-phasing to the 2020/21 financial year in the January 2020 adjustments budget process.</p> <p>2. Wynberg Drop-off: Detailed design has been completed. Construction tender was advertised in August 2019 with an anticipated commencement date of April 2020, due to initial lengthy procurement processes. A portion of the budget will therefore be proposed for re-phasing to the 2020/21 financial year during the January 2020 adjustments budget process.</p> <p>3. Kommetjie Drop-off: Construction is underway and anticipated to be completed by May 2020. Initial delays on the project, due to community objections against the appointment of EPWP staff from neighbouring communities.</p> <p>4. Houtbay Drop-off: Construction is underway and anticipated to be completed by May 2020. Initial delays on the project are due to community objections against the appointment of EPWP staff from neighbouring communities.</p> <p>5. Gordons Bay Drop-off: Detailed design is complete. Construction tender was advertised in August 2019 with an anticipated commencement date in April 2020, due to the initial lengthy procurement process. A portion of the budget will be proposed for re-phasing to the 2020/21 financial year during the January 2020 adjustments budget.</p>

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Programme or Major Project	Current Budget	YTD Planned Spend	YTD Actual Spend	YTD Variance	Comments
Metro Roads: Reconstruction	55,898,047	2,500,000	10,462,279	7,962,279	An invoice was processed earlier than anticipated. This contract is nearing completion and full budget expenditure is anticipated.
IRT Phase 2 A	374,556,579	39,800,000	24,831,568	-14,968,432	Earlier delays with the concept design details have largely been resolved to allow preliminary and detailed design to continue on the most critical work packages. Engagement with the property owners who will be affected by the next construction work package in Govan Mbeki Drive has commenced. Supervision of W3 Jan Smuts Drive construction works (75Q) is ongoing.
Non-Motorised Transport Programme	145,335,860	16,200,000	9,132,026	-7,067,974	This budget represents the top line of the NMT programme budget and is primarily allocated to fund the professional services that are necessary to implement the various NMT projects. The existing professional services tender expired at the end of 2018/19 and approval is being sought to re-appoint the service providers to conclude the projects already in the implementation stage. The negative expenditure is in respect of an accrual, where expenditure was reposted back to the 2018/19 financial year.
Urbanisation: Backyards/Infrm Settl Upgr	87,595,899	14,445,899	3,165,027	-11,280,872	Project is behind schedule, due to delays in award of the contract. Funding approval has since been received. Documentation being finalised and spend to commence in October 2019.
Asset Management Programme	99,879,009	2,039,120	33,030,360	30,991,240	Budget to be utilised for contractor and consultant fees. A portion of the budget has been committed to the Hanover Park site, where intermittent delays are being experienced due to gang-related shootings. The Heideveld emergency staircase replacement has commenced, with Susan Court being fast-tracked.
Roads: Bulk: Housing Projects	64,928,860	5,000,000	5,604,059	604,059	The bulk budget is for eleven projects in various stages of planning and construction. Overall the projects are ahead of schedule, due to good contractor performance.
System Equipment Replacement: East	182,000,000	42,780,000	48,873,313	6,093,313	The programme is ahead of schedule, due to good contractor performance on the following projects: 1. System Equip Repl: South Area S FY20; 2. System Equip Repl: East Area E FY20; and 3. System Equip Repl: South Area C FY20.
Electricity Facilities	50,996,541	10,910,390	5,347,724	-5,562,666	The programme is behind schedule as a result of community protest action, vandalism, stolen equipment and failure to appoint sub-contractors to commence with the necessary construction work on site on the following projects: 1. Hout Bay LV Depot; and 2. Blue Downs Streetlighting Depot.
Electrification	60,511,000	2,450,000	2,336,346	-113,654	There are delays with the final wayleave before Shukushukuma project can be handed over for implementation, however, the design- and cost review is currently underway. The wayleave delay has been escalated to management. The last two pockets of the Mfuleni projects are continuing as part of the Mfuleni rollout from 2018/19 but there were some delays, however, both pockets should be completed by December 2019. The Nomzamo project is continuing with less community interference and contractor delays.
MV System Infrastructure	90,000,000	15,252,793	6,440,237	-8,812,556	Delays in the building and switchgear tender awards as well as the unavailability of MV joints resulted in delays on the following projects: 1. MV Sys Infra: North Area N FY20; 2. MV Sys Infra: South Area C FY20; and 3. MV Sys Infra: East Area N FY20.
	1,640,738,677	192,469,101	160,594,666	-31,874,435	

COMMITMENTS AGAINST CASH AND INVESTMENTS

Cash and Investments

For the month under review, the cash and cash equivalents amounted to R8.7 billion. This position is mainly due to the levels of cash realised in the 2018/19 financial year. The current cash position will be reviewed during the mid-year review and performance assessment and taken into consideration when compiling future years' budgets.

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

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

Item	Previous Month	Current Month
R'Thousands		
Closing Cash Balance	17,078,286	16,489,155
Unspent Conditional Grants	1,869,829	1,843,671
Housing Development	383,801	390,772
MTAB	18,330	18,493
Trust Funds	844	850
Restricted cash	2,272,804	2,253,786
Insurance reserves	498,064	503,133
CRR	3,755,592	3,987,341
Commitments	1,290,817	1,073,017
TOTAL	7,817,277	7,817,277
TOTAL Cash and Cash Equivalents	9,261,009	8,671,878

*Current month restated with the adjusted budget

Details on the cash flow can be found on page 34.

The City's investment portfolio breakdown can be found on page 56.

The monthly actual and targets can be found on page 65.

GRANT UTILISATION

Description	Budget Year 2019/20						
	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
Total operating expenditure of Transfers and Grants	7,376,568	7,493,227	270,768	260,220	10,548	4.1%	7,493,227
Total capital expenditure of Transfers and Grants	2,265,085	2,265,373	131,479	220,250	(88,771)	-40.3%	1,796,376
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	9,641,654	9,758,600	402,247	480,471	(78,223)	-16.3%	9,289,602

Detailed information on transfers and grants per funding source is reflected on page 60.

CREDITORS

Creditors Analysis

R thousands	Budget Year 2019/20								
	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	217,710	5,038	(10)	(1)	–	(6)	(0)	2,722	225,453

The City's creditors are paid within 30 days as stipulated in the MFMA. Outstanding creditors older than 31 days are due to, inter alia, manual clearings to be processed and legal-related matters.

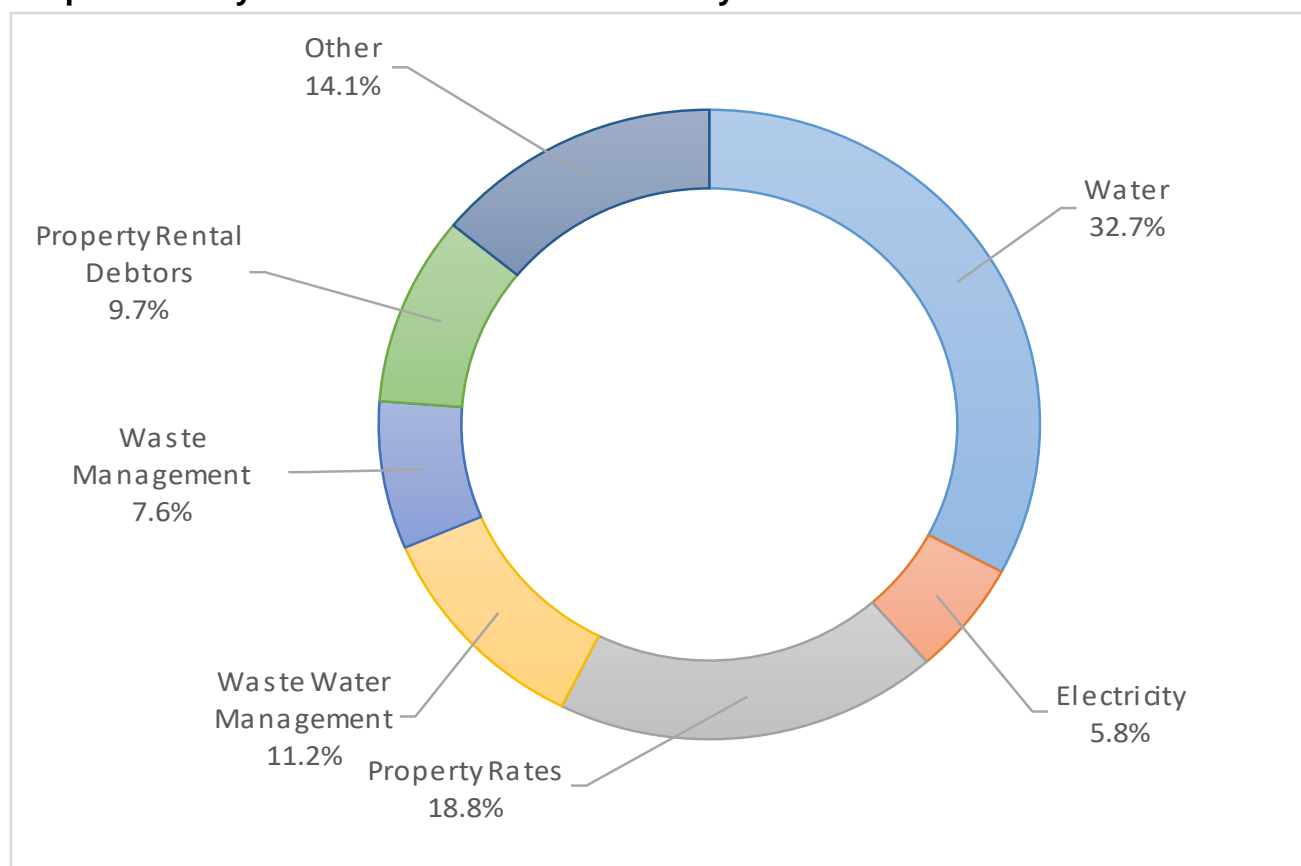
The City has a continuous management follow-up control system in place to facilitate the ultimate payment of these invoices.

DEBTORS

Debtors Age Analysis

Description	Budget Year 2019/20								
	0-30 Days		31-60 Days		61-90 Days		Total over 90 days		Total
	R Thousands	%	R Thousands	%	R Thousands	%	R Thousands	%	R Thousands
Total By Income Source	2,364,281	27.4%	866	0.0%	188,273	2.2%	6,065,861	70.4%	8,619,281
2018/19 - totals only	2,721,859	27.9%	336,918	3.4%	519,308	5.3%	6,190,812	63.4%	9,768,896
Movement	(357,578)		(336,052)		(331,035)		(124,951)		(1,149,615)
% Increase/(Decrease) year on year		-13.1%		-99.7%		-63.7%		-2.0%	-11.77%

Graphical Analysis of debtors older than 90 days



Top 10 Commercial debtors - Age Analysis

Account Owner Name	Total	Current	30	60	90	120	150	365	>365	Comments
Cape Peninsula University of Technology	R41,306,107.74	R1,106,222.96	R14,070,357.69	R0.00	-R1,555.63	R0.00	R0.00	R26,131,082.72	R0.00	The arrears are as a result of property rates billed from 2016 to February 2019. There is an active instalment plan arrangement that goes with the valuation objection. Payments are being adhered to.
Church Methodist	R25,065,219.69	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R6,141,160.89	R18,924,058.80	The Church is in the process of transferring the land to identified beneficiaries. The City is to assist with the property transfers in adherence to approved policies. The Water & Sanitation Services department is in the process of obtaining actual readings for the account to be adjusted accordingly. The Valuations department will correct the municipal property value (as per General Valuation 2018) through the appropriate processes. The erf is being used as a multipurpose consisting of a school, a church and an informal settlement. Interest was reversed and an interest lock activated to control further accumulation of debt. Water connections have been installed for individual properties and water pressure has been reduced to control water consumption and reduce water losses/wastage. There are active discussions and investigations on the best processes to effectively assist and resolve all issues relating to the properties.
Basfour 2295 (Proprietary) Limited	R21,500,545.15	R1,840,177.00	R1,934,478.63	R1,631,706.98	R16,097,213.54	R0.00	-R757.00	-R757.00	R0.00	There are active discussions with the client over renewed settlement arrangements and payments currently being adhered to.
Moslem Cemetery Board Trustees	R13,026,886.32	R3,707.31	R3,803.67	R0.00	R0.00	R0.00	R0.00	R534,850.17	R12,484,525.17	The cemetery is owned by a NPO that is struggling to manage administration and funding of relevant cemeteries. The decision for property rates revaluation of cemeteries is with the City's delegated authority.
Proxa	R12,161,314.68	R4,844.72	R0.00	R607,792.56	R0.00	R77,442.57	R77,442.57	R11,393,792.26	R0.00	The account is a sundry charge for electricity recovery costs at the desalination plant at Monwabisi Beach in Khayelitsha. The debtor has entered into an arrangement.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Account Owner Name	Total	Current	30	60	90	120	150	365	>365	Comments
Mitchells Plain Foundation	R 11,733,248.11	R 99,528.65	R 134,337.60	R 156,465.99	R 160,370.26	R 169,776.61	R 155,471.35	R 2,034,257.60	R 8,823,040.05	The City has received confirmation from the Department of Social Development of the status change of this organisation to Beaconvale Community Frail Care Centre and has advised the organisation to confirm its Rates liability. This may assist the organisation with benefits of rates rebate and reducing the debt.
Cornucopia Trust	R 11,716,627.39	R 1,621,722.12	R 1,699,455.24	R 1,233,269.31	R 1,215,533.63	R 1,072,675.40	R 892.14	R 4,873,079.55	R 0.00	An active instalment plan continues as the valuation objection is pending.
Zonnebloem College	R 11,055,541.90	R 102,353.14	R 113,438.14	R 153,758.32	R 0.00	R 189,966.43	R 166,911.38	R 732,965.27	R 9,596,149.22	The Trust is awaiting registration of an NPO status from SARS; the monthly payment arrangement is being adhered to.
Cornucopia Trust	R 10,002,432.54	R 0.00	R 1,675,432.92	R 1,726,131.83	R 1,372,828.29	R 0.00	R 1,301,822.87	R 3,926,216.63	R 0.00	The debtor has entered into an arrangement, which is valid until March 2020.
Bestinverprop01 Proprietary Limited	R 8,678,464.16	R 1,017,604.09	R 937,332.50	R 896,800.43	R 889,900.07	R 835,351.28	R 5,134,975.79	R 0.00	-R 1,033,500.00	The active instalment plan arrangement is valid up to November 2019 and is being adhered to.

Top 10 Commercial debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	CIDS	SECD	Sundries	TOTAL
Cape Peninsula University of Technology	R 0.00	R 0.00	R 4,679,074.18	R 7,440,685.04	R 0.00	R 29,187,904.15	R 0.00	-R 1,555.63	R 0.00	R 41,306,107.74
Church Methodist	R 23.66	R 0.00	R 25,002,715.34	R 62,480.69	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 25,065,219.69
Basfour 2295 (Proprietary) Limited	R 16,097,213.54	R 0.00	R 461,071.11	R 379,750.24	R 0.00	R 3,788,108.79	R 777,432.47	-R 3,031.00	R 0.00	R 21,500,545.15
Moslem Cemetery Board Trustees	R 7,138.85	R 1,553.34	R 4,331.25	R 248,854.79	R 49,261.12	R 12,579,825.91	R 0.00	R 0.00	R 135,105.87	R 13,026,886.32
Proxa	R 0.00	R 0.00	R 12,161,314.68	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 12,161,314.68
Mitchells Plain Foundation	R 12,827.94	R 4,707,580.85	R 2,606,322.70	R 1,925,000.00	R 446,262.32	R 2,035,254.30	R 0.00	R 0.00	R 0.00	R 11,733,248.11
Cornucopia Trust	R 0.00	R 0.00	R 883,007.99	R 706,062.60	R 0.00	R 8,236,015.75	R 1,892,298.05	-R 757.00	R 0.00	R 11,716,627.39
Zonnebloem College	R 31,108.68	R 0.00	R 686,197.81	R 625,459.79	R 63,323.12	R 9,626,101.26	R 0.00	R 0.00	R 23,351.24	R 11,055,541.90
Cornucopia Trust	R 0.00	R 10,002,432.54	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 10,002,432.54
Bestinverprop01 Proprietary Limited	R 0.18	R 9,711,963.98	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	-R 1,033,500.00	R 0.00	R 8,678,464.16

Top 10 Residential debtors - Age Analysis

Account Owner Name	Total	Current	30	60	90	120	150	365	>365	Comments
Amakhaya Ngoku	R14,427,499.87	R216,025.39	R212,842.38	R190,712.37	R146,956.96	R159,023.37	R171,923.10	R2,398,410.37	R10,931,605.93	This is an unregistered individual unit ownership complex with no formal body corporate. There is an appointed board that is not effectively performing its roles. In order to manage and control further accumulation of debt, the water pressure has been reduced to manage consumption as well as to reduce water loss/wastage. The land belongs to the City and therefore meetings have been scheduled with the City's Human Settlements directorate. The dunning lock has been extended until 31 January 2020.
Ndabeni Communal Property Trust	R5,801,266.29	R89,443.99	R100,622.79	R0.00	R18,136.06	R192,740.51	R98,246.68	R724,749.99	R4,484,259.81	This is a land restitution case and the beneficiaries' representatives, who were appointed by the High Court, submitted an offer in full and final settlement. An application for funding by the Rural Development department was submitted. Once secured, a further meeting to discuss settlement will be arranged. The City's attorneys are also monitoring a provisional sequestration application against the entity, which has been opposed by the Trustees, due to outstanding results on expected funding.
Body Corp Sandpiper Mansions	R4,533,079.06	R60,565.86	R95,469.46	R100,454.87	R85,511.20	R75,499.61	R43,474.61	R593,699.63	R3,478,403.82	The body corporate has installed individual water meters for each unit. An arrangement was entered into between the City and the debtor resulting in payments from April 2019. Adjustments and write-offs are pending.
Friends of Bathandwa Trust	R4,410,142.88	R70,995.95	R74,682.10	R67,368.33	R65,663.80	R391,108.46	R0.00	R551,946.96	R3,188,377.28	This property is operating as a crèche and a community organisation. According to the trustees, the crèche is occupying the property illegally. However, the crèche claims to have legal documents allowing them to occupy and utilise the property. The City previously requested all relevant documentation but it was not provided. Summonses were issued and successfully delivered and an instruction has been given to the City's appointed attorney to proceed with the judgement phase.
Silvermist Mountain Lodge Body Corporate	R4,001,040.38	R146,278.35	R141,962.57	R94,404.30	R84,442.37	R94,402.11	R82,047.52	R0.00	R0.00	Investigations to ascertain the cause of the high electricity and water consumption/billing are closely monitored while the current account payments continue. An Interdict/Spoliation Application lock is active until 31 December 2019.
Park Road Place	R3,494,670.92	R25,528.61	R44,375.33	R59,203.05	R62,369.21	R41,058.39	R46,660.84	R3,215,475.49	R0.00	The debtor is disputing the water charges and has applied for a meter test. The interim payment arrangement continues while the dispute is being addressed.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Account Owner Name	Total	Current	30	60	90	120	150	365	>365	Comments
Bangikaya Lolo	R3,044,268.60	R25,596.39	R37,257.14	R35,450.54	R37,476.83	R36,603.42	R35,931.17	R558,775.91	R2,277,177.20	The Water Management Device (WMD) was replaced and set to 350kl as the previous one was faulty. The Valuations department is still to value the property so that the Water & Sanitation Services department can determine if the property qualifies for a zero-rate tariff, which might lead to execution of a debt write-off.
Joseph Diamond	R2,722,289.16	R21,565.84	R21,679.92	R21,678.77	R21,700.38	R464.50	R216.84	R2,634,982.91	R0.00	Site inspection is completed and a new account was created. Consolidation by Water & Sanitation Services is still pending.
Arun Lifestyle Proprietary Limited	R2,540,544.99	R238,276.68	R0.00	R0.00	R0.00	R2,302,268.31	R0.00	R0.00	R0.00	This property was not valued until the recent General Valuation. The account consists of 159 units, which are currently being sold. Rates clearance figures were issued to the debtor with debt to be settled during the property transfer.
First on Forest Body Corporate	R2,443,897.56	R25,882.55	R153,075.37	R90,932.67	R67,644.31	R87,158.55	R70,421.70	R1,948,782.41	R0.00	The replacement of a faulty water meter has led to an arrangement that was entered into to settle the debt.

Top 10 Residential debtors service charges breakdown

Account Owner Name	Other	Electricity	Water	Sewerage	Refuse	Rates	SECD	Sundries	TOTAL
Amakhaya Ngoku	R 452.10	R 0.00	R 6,735,198.82	R 6,743,955.09	R 950,102.04	R 0.00	-R 2,208.18	R 0.00	R 14,427,499.87
Ndabeni Communal Property Trust	R 10,811.22	R 0.00	R 5,545.64	R 5,545.64	R 5,272.92	R 5,244,267.85	R 0.00	R 529,823.02	R 5,801,266.29
Body Corp Sandpiper Mansions	R 207.06	R 0.00	R 2,137,805.79	R 2,089,491.29	R 324,082.56	R 0.00	R 0.00	R 0.00	R 4,533,079.06
Friends of Bathandwa Trust	R 111.91	R 0.00	R 4,070,743.26	R 308,944.29	R 9,258.85	R 21,084.57	R 0.00	R 0.00	R 4,410,142.88
Silvermist Mountain Lodge Body Corporate	R 18.24	R 3,564,134.87	R 349,697.93	R 0.00	R 14,114.34	R 73,075.00	R 0.00	R 0.00	R 4,001,040.38
Park Road Place	R 9.39	R 0.00	R 2,606,617.19	R 833,112.00	R 54,932.34	R 0.00	R 0.00	R 0.00	R 3,494,670.92
Bangikaya Lolo	R 747.68	R 0.00	R 2,955,173.04	R 88,347.88	R 0.00	R 0.00	R 0.00	R 0.00	R 3,044,268.60
Joseph Diamond	R 0.00	R 0.00	R 2,652,610.17	R 69,678.99	R 0.00	R 0.00	R 0.00	R 0.00	R 2,722,289.16
Arun Lifestyle Proprietary Limited	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 2,540,544.99	R 0.00	R 0.00	R 2,540,544.99
First on Forest Body Corporate	R 0.00	R 0.00	R 1,118,265.85	R 1,215,832.03	R 109,799.68	R 0.00	R 0.00	R 0.00	R 2,443,897.56

IN YEAR BUDGET STATEMENT TABLES

Summary

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

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Financial Performance								
Property rates	9,536,185	9,916,685	9,916,685	2,480,630	2,479,170	1,459	0.1%	9,916,685
Service charges	18,907,828	19,690,195	19,690,195	5,236,469	5,007,089	229,380	4.6%	19,410,701
Investment revenue	1,122,065	912,495	912,495	313,923	252,682	61,242	24.2%	912,724
Transfers and subsidies	7,049,218	7,376,568	7,493,227	2,339,841	2,238,468	101,373	4.5%	7,348,982
Other own revenue	3,575,074	3,026,006	3,026,006	869,302	741,530	127,772	17.2%	2,998,248
Total Revenue (excluding capital transfers and contributions)	40,190,370	40,921,950	41,038,608	11,240,164	10,718,938	521,226	4.9%	40,587,341
Employee costs	12,365,555	13,817,805	13,817,892	2,874,286	3,156,616	(282,330)	-8.9%	13,467,935
Remuneration of Councillors	161,297	179,818	179,818	40,396	40,719	(323)	-0.8%	179,818
Depreciation & asset impairment	2,832,012	3,015,086	3,015,086	727,718	736,458	(8,741)	-1.2%	2,945,042
Finance charges	833,211	790,756	790,756	190,503	192,844	(2,341)	-1.2%	790,987
Materials and bulk purchases	9,937,128	11,704,364	11,712,585	2,798,022	2,882,456	(84,434)	-2.9%	11,383,615
Transfers and subsidies	391,968	446,206	470,086	103,898	104,118	(220)	-0.2%	464,381
Other expenditure	9,557,855	11,825,581	11,910,052	2,036,382	2,166,750	(130,368)	-6.0%	11,275,034
Total Expenditure	36,079,026	41,779,617	41,896,275	8,771,205	9,279,961	(508,756)	-5.5%	40,506,813
Surplus/(Deficit)	4,111,344	(857,667)	(857,667)	2,468,959	1,438,977	1,029,982	71.6%	80,528
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,078,060	2,211,385	2,211,673	123,333	207,280	(83,948)	-40.5%	1,994,106
Contributions & Contributed assets	52,664	53,700	53,700	10,157	11,240	(1,083)	-9.6%	53,700
Surplus/(Deficit) after capital transfers & contributions	6,242,068	1,407,418	1,407,706	2,602,449	1,657,497	944,952	57.0%	2,128,334
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	6,242,068	1,407,418	1,407,706	2,602,449	1,657,497	944,952	57.0%	2,128,334
Capital expenditure & funds sources								
Capital expenditure	5,316,290	8,388,432	8,784,724	682,239	767,986	(85,747)	-11.2%	7,514,105
Capital transfers recognised	2,119,370	2,265,085	2,265,373	131,479	220,250	(88,771)	-40.3%	1,796,376
Borrowing	388,077	1,091,580	1,091,580	105,191	34,144	71,047	208.1%	854,856
Internally generated funds	2,808,842	5,031,767	5,427,771	445,569	513,592	(68,023)	-13.2%	4,862,874
Total sources of capital funds	5,316,290	8,388,432	8,784,724	682,239	767,986	(85,747)	-11.2%	7,514,105
Financial position								
Total current assets	18,597,563	18,469,328	15,471,870	17,692,877				15,471,870
Total non current assets	52,356,002	58,066,233	59,024,584	52,594,063				59,024,584
Total current liabilities	9,114,291	12,857,487	8,490,539	5,984,053				8,490,539
Total non current liabilities	13,148,025	14,911,172	14,911,172	13,012,429				14,911,172
Community wealth/Equity	48,691,250	48,766,902	51,094,743	51,290,459				51,094,743
Cash flows								
Net cash from (used) operating	9,246,334	4,563,204	4,563,492	1,786,576	1,823,041	36,466	2.0%	4,563,492
Net cash from (used) investing	(6,170,498)	(7,718,788)	(8,075,450)	(1,404,492)	(2,246,162)	(841,670)	37.5%	(8,075,450)
Net cash from (used) financing	(143,179)	748,685	748,685	(129,481)	(129,481)	—	—	748,685
Cash/cash equivalents at the month/year end	8,419,275	4,985,877	5,656,001	8,671,878	7,866,673	(805,205)	-10.2%	5,656,001
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	2,364,281	866	188,273	237,854	243,501	1,035,401	4,331,871	8,619,281
Creditors Age Analysis								
Total Creditors	217,710	5,038	(10)	—	(6)	(0)	2,722	225,453

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

Financial Performance (standard classification)

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

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue - Functional								
Governance and administration	15,443,185	15,376,936	15,376,950	4,253,080	4,186,604	66,476	1.6%	15,376,542
Executive and council	1,085	299	299	58	59	(2)	-2.8%	299
Finance and administration	15,442,092	15,376,634	15,376,648	4,253,014	4,186,548	66,466	1.6%	15,376,240
Internal audit	8	3	3	8	(4)	12	-323.5%	3
Community and public safety	3,321,949	3,278,566	3,394,402	724,476	646,510	77,966	12.1%	3,382,402
Community and social services	133,503	125,649	125,649	18,960	21,239	(2,278)	-10.7%	113,649
Sport and recreation	88,066	63,591	63,591	8,313	9,355	(1,042)	-11.1%	63,591
Public safety	1,397,410	1,238,308	1,238,308	383,938	324,732	59,206	18.2%	1,238,308
Housing	1,305,811	1,374,066	1,489,902	251,657	197,574	54,082	27.4%	1,489,902
Health	397,158	476,952	476,952	61,608	93,610	(32,002)	-34.2%	476,952
Economic and environmental services	1,820,674	2,297,417	2,297,692	303,114	301,883	1,231	0.4%	1,905,904
Planning and development	361,835	450,811	450,811	94,804	97,144	(2,340)	-2.4%	417,083
Road transport	1,435,992	1,831,775	1,832,049	206,993	203,892	3,101	1.5%	1,473,932
Environmental protection	22,848	14,831	14,831	1,318	847	470	55.5%	14,889
Trading services	21,732,550	22,228,113	22,228,810	6,090,995	5,799,766	291,230	5.0%	21,964,171
Energy sources	13,551,701	14,080,480	14,081,178	4,094,815	3,720,919	373,895	10.0%	14,081,178
Water management	4,539,934	4,468,355	4,468,354	1,115,745	1,190,326	(74,581)	-6.3%	4,326,070
Waste water management	2,061,455	1,956,104	1,956,104	374,573	388,532	(13,959)	-3.6%	1,858,300
Waste management	1,579,460	1,723,174	1,723,174	505,862	499,988	5,874	1.2%	1,698,623
Other	2,736	6,002	6,127	1,989	2,696	(707)	-26.2%	6,127
Total Revenue - Functional	42,321,094	43,187,035	43,303,981	11,373,654	10,937,458	436,196	4.0%	42,635,147
Expenditure - Functional								
Governance and administration	8,078,174	8,994,792	8,980,185	1,809,422	1,940,006	(130,584)	-6.7%	8,946,754
Executive and council	427,984	535,009	534,482	115,913	120,519	(4,606)	-3.8%	534,482
Finance and administration	7,607,324	8,413,698	8,401,621	1,682,124	1,809,293	(127,169)	-7.0%	8,368,189
Internal audit	42,866	46,085	44,083	11,385	10,194	1,191	11.7%	44,083
Community and public safety	7,347,035	7,785,248	7,913,718	1,619,816	1,702,058	(82,242)	-4.8%	7,591,262
Community and social services	905,997	971,924	972,410	188,488	212,280	(23,791)	-11.2%	934,410
Sport and recreation	1,192,184	1,114,871	1,114,313	236,190	235,645	545	0.2%	1,114,313
Public safety	2,903,921	2,910,539	2,923,228	654,220	665,216	(10,996)	-1.7%	2,923,228
Housing	1,173,517	1,480,067	1,595,903	287,784	315,838	(28,054)	-8.9%	1,311,447
Health	1,171,416	1,307,848	1,307,864	253,134	273,080	(19,946)	-7.3%	1,307,864
Economic and environmental services	4,414,880	5,277,186	5,276,490	974,675	959,832	14,843	1.5%	4,770,495
Planning and development	1,028,431	1,511,371	1,505,877	295,810	322,811	(27,000)	-8.4%	1,468,232
Road transport	3,238,984	3,607,973	3,609,128	648,510	604,019	44,491	7.4%	3,133,953
Environmental protection	147,465	157,842	161,485	30,355	33,002	(2,647)	-8.0%	168,310
Trading services	16,131,637	19,596,544	19,599,768	4,351,971	4,662,215	(310,244)	-6.7%	19,072,189
Energy sources	10,058,040	11,596,405	11,598,812	2,877,654	2,904,796	(27,141)	-0.9%	11,498,812
Water management	2,661,718	3,747,227	3,746,519	721,747	843,488	(121,741)	-14.4%	3,498,932
Waste water management	1,546,091	2,049,818	2,051,343	363,382	428,374	(64,992)	-15.2%	1,871,352
Waste management	1,865,788	2,203,094	2,203,093	389,188	485,557	(96,370)	-19.8%	2,203,093
Other	107,300	125,847	126,114	15,321	15,851	(530)	-3.3%	126,114
Total Expenditure - Functional	36,079,026	41,779,617	41,896,276	8,771,205	9,279,961	(508,756)	-5.5%	40,506,814
Surplus/ (Deficit) for the year	6,242,068	1,407,418	1,407,706	2,602,449	1,657,497	944,952	57.0%	2,128,333

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

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

Financial Performance (revenue and expenditure by municipal vote)

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

Vote Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue by Vote								
Vote 1 - Community Services & Health	920,099	974,189	974,189	169,266	204,962	(35,696)	-17.4%	962,189
Vote 2 - Corporate Services	69,717	71,523	71,523	16,120	18,262	(2,142)	-11.7%	71,523
Vote 3 - Economic Opportunities & Asset Managemnt	282,742	181,445	181,570	40,463	46,246	(5,784)	-12.5%	181,570
Vote 4 - Energy & Climate Change	13,350,399	13,874,705	13,875,403	4,009,047	3,635,157	373,890	10.3%	13,875,403
Vote 5 - Finance	15,957,830	16,196,525	16,196,538	4,761,502	4,673,650	87,852	1.9%	16,196,538
Vote 6 - Human Settlements	1,185,791	1,249,070	1,364,906	199,578	145,494	54,084	37.2%	1,364,906
Vote 7 - Office of the City Manager	164	6	6	31	(3)	34	-1306.1%	6
Vote 8 - Safety & Security	1,431,606	1,291,229	1,291,229	393,926	334,246	59,680	17.9%	1,291,229
Vote 9 - Spatial Planning & Environment	152,894	166,410	166,410	33,839	38,134	(4,295)	-11.3%	132,332
Vote 10 - Transport	1,421,443	1,801,886	1,802,161	200,671	196,281	4,390	2.2%	1,444,044
Vote 11 - Urban Management	231,777	301,769	301,769	61,878	60,267	1,611	2.7%	301,769
Vote 12 - Water & Waste	7,316,631	7,078,278	7,078,278	1,487,332	1,584,761	(97,429)	-6.1%	6,813,638
Total Revenue by Vote	42,321,094	43,187,035	43,303,982	11,373,654	10,937,458	436,196	4.0%	42,635,147
Expenditure by Vote								
Vote 1 - Community Services & Health	3,414,260	3,925,379	3,925,379	704,359	744,222	(39,864)	-5.4%	3,887,379
Vote 2 - Corporate Services	1,709,075	1,808,667	1,808,667	441,645	451,568	(9,923)	-2.2%	1,808,667
Vote 3 - Economic Opportunities & Asset Managemnt	1,176,967	1,368,210	1,368,335	296,159	304,312	(8,153)	-2.7%	1,368,335
Vote 4 - Energy & Climate Change	10,354,181	12,060,720	12,061,417	2,948,924	3,012,927	(64,003)	-2.1%	11,961,417
Vote 5 - Finance	3,363,625	3,004,417	3,004,417	697,040	707,739	(10,699)	-1.5%	3,004,417
Vote 6 - Human Settlements	1,164,939	1,468,810	1,584,646	287,740	315,448	(27,707)	-8.8%	1,300,191
Vote 7 - Office of the City Manager	176,978	237,561	237,560	55,991	59,490	(3,499)	-5.9%	237,561
Vote 8 - Safety & Security	3,347,986	3,598,555	3,598,555	756,103	772,987	(16,884)	-2.2%	3,598,555
Vote 9 - Spatial Planning & Environment	575,368	711,474	711,474	142,557	158,471	(15,914)	-10.0%	681,049
Vote 10 - Transport	3,322,165	3,679,302	3,679,302	647,014	602,203	44,811	7.4%	3,204,127
Vote 11 - Urban Management	748,443	1,142,379	1,142,379	182,822	189,406	(6,584)	-3.5%	1,142,379
Vote 12 - Water & Waste	6,725,039	8,774,142	8,774,142	1,610,851	1,961,188	(350,337)	-17.9%	8,312,736
Total Expenditure by Vote	36,079,026	41,779,617	41,896,275	8,771,205	9,279,961	(508,756)	-5.5%	40,506,814
Surplus/ (Deficit) for the year	6,242,068	1,407,418	1,407,707	2,602,449	1,657,497	944,952	57.0%	2,128,333

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

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

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

Financial Performance (revenue by source and expenditure by type)

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

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Property rates	9,536,185	9,916,685	9,916,685	2,480,630	2,479,170	1,459	0.1%	9,916,685
Service charges - electricity revenue	13,042,932	13,623,146	13,623,146	3,907,174	3,586,296	320,878	8.9%	13,623,146
Service charges - water revenue	3,123,527	3,212,017	3,212,017	666,754	738,687	(71,933)	-9.7%	3,051,653
Service charges - sanitation revenue	1,602,463	1,568,599	1,568,599	340,638	360,497	(19,859)	-5.5%	1,490,169
Service charges - refuse revenue	1,138,907	1,286,433	1,286,433	321,902	321,608	294	0.1%	1,245,733
Rental of facilities and equipment	395,688	311,781	311,781	76,133	78,295	(2,162)	-2.8%	311,893
Interest earned - external investments	1,122,065	912,495	912,495	313,923	252,682	61,242	24.2%	912,724
Interest earned - outstanding debtors	358,499	380,814	380,814	97,626	89,711	7,915	8.8%	420,931
Dividends received	—	—	—	—	—	—	-	—
Fines, penalties and forfeits	1,485,757	1,185,453	1,185,453	367,731	313,106	54,625	17.4%	1,185,897
Licences and permits	64,881	82,218	82,218	16,725	16,191	534	3.3%	78,156
Agency services	230,144	217,672	217,672	56,636	50,418	6,218	12.3%	217,672
Transfers and subsidies	7,049,218	7,376,568	7,493,227	2,339,841	2,238,468	101,373	4.5%	7,348,982
Other revenue	916,842	804,335	804,335	252,275	183,500	68,775	37.5%	739,966
Gains on disposal of PPE	123,262	43,732	43,732	2,176	10,308	(8,132)	-78.9%	43,732
Total Revenue (excluding capital transfers and contributions)	40,190,370	40,921,950	41,038,608	11,240,164	10,718,938	521,226	4.9%	40,587,341
Expenditure By Type								
Employee related costs	12,365,555	13,817,805	13,817,892	2,874,286	3,156,616	(282,330)	-8.9%	13,467,935
Remuneration of councillors	161,297	179,818	179,818	40,396	40,719	(323)	-0.8%	179,818
Debt impairment	1,582,947	2,341,628	2,341,628	577,034	567,225	9,809	1.7%	2,319,877
Depreciation & asset impairment	2,832,012	3,015,086	3,015,086	727,718	736,458	(8,741)	-1.2%	2,945,042
Finance charges	833,211	790,756	790,756	190,503	192,844	(2,341)	-1.2%	790,987
Bulk purchases	8,632,303	10,092,601	10,092,601	2,525,799	2,563,769	(37,970)	-1.5%	9,992,601
Other materials	1,304,825	1,611,763	1,619,984	272,223	318,687	(46,464)	-14.6%	1,391,014
Contracted services	5,996,310	7,156,498	7,224,131	950,510	1,075,811	(125,302)	-11.6%	6,667,942
Transfers and subsidies	391,968	446,206	470,086	103,898	104,118	(220)	-0.2%	464,381
Other expenditure	1,954,501	2,326,698	2,343,537	503,610	523,584	(19,973)	-3.8%	2,279,774
Loss on disposal of PPE	24,097	756	756	5,229	130	5,099	3923.9%	7,443
Total Expenditure	36,079,026	41,779,617	41,896,275	8,771,205	9,279,961	(508,756)	-5.5%	40,506,813
Surplus/(Deficit)	4,111,344	(857,667)	(857,667)	2,468,959	1,438,977	1,029,982	71.6%	80,528
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,078,060	2,211,385	2,211,673	123,333	207,280	(83,948)	-40.5%	1,994,106
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	49,804	53,700	53,700	10,157	11,240	(1,083)	-9.6%	53,700
Transfers and subsidies - capital (in-kind - all)	2,860	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & Taxation	6,242,068	1,407,418	1,407,706	2,602,449	1,657,497			2,128,334
Surplus/(Deficit) after taxation	6,242,068	1,407,418	1,407,706	2,602,449	1,657,497			2,128,334
Attributable to minorities	—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality	6,242,068	1,407,418	1,407,706	2,602,449	1,657,497			2,128,334
Share of surplus/ (deficit) of associate	—	—	—	—	—			—
Surplus/ (Deficit) for the year	6,242,068	1,407,418	1,407,706	2,602,449	1,657,497			2,128,334

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

Capital Expenditure (municipal vote, standard classification and funding)

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

Vote Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Multi-Year expenditure appropriation								
Vote 1 - Community Services & Health	294,231	354,281	366,393	11,705	19,222	(7,518)	-39.1%	363,095
Vote 2 - Corporate Services	252,050	149,863	158,194	5,404	59,044	(53,641)	-90.8%	133,635
Vote 3 - Economic Opportunities & Asset Management	272,714	389,498	393,253	18,449	15,767	2,683	17.0%	383,752
Vote 4 - Energy & Climate Change	749,456	834,094	890,899	138,596	157,036	(18,440)	-11.7%	849,233
Vote 5 - Finance	26,225	116,957	117,129	2,341	5,846	(3,505)	-60.0%	108,935
Vote 6 - Human Settlements	670,112	869,063	885,245	80,363	99,002	(18,640)	-18.8%	819,441
Vote 7 - Office of the City Manager	2,500	973	1,115	146	291	(145)	-49.9%	1,225
Vote 8 - Safety & Security	206,866	535,237	539,292	19,389	11,178	8,211	73.5%	530,611
Vote 9 - Spatial Planning & Environment	57,070	92,847	111,072	5,090	11,731	(6,641)	-56.6%	94,445
Vote 10 - Transport	973,584	1,326,126	1,482,117	88,787	139,554	(50,766)	-36.4%	1,075,588
Vote 11 - Urban Management	22,429	122,981	123,901	2,455	1,209	1,247	103.2%	121,943
Vote 12 - Water & Waste	1,789,054	3,596,511	3,716,114	309,514	248,107	61,408	24.8%	3,032,203
Total Capital Expenditure	5,316,290	8,388,432	8,784,724	682,239	767,986	(85,747)	-11.2%	7,514,105
Capital Expenditure - Functional Classification								
Governance and administration	953,790	1,120,012	1,142,589	44,614	99,886	(55,272)	-55.3%	1,062,741
Executive and council	3,413	24,280	24,480	214	285	(70)	-24.7%	24,423
Finance and administration	950,102	1,095,600	1,117,977	44,396	99,594	(55,198)	-55.4%	1,038,027
Internal audit	275	131	131	4	8	(3)	-44.3%	291
Community and public safety	988,852	1,547,286	1,577,642	99,780	118,550	(18,770)	-15.8%	1,511,455
Community and social services	83,095	105,089	117,306	5,577	9,275	(3,698)	-39.9%	117,306
Sport and recreation	88,538	141,792	140,414	1,703	3,766	(2,063)	-54.8%	140,033
Public safety	87,618	349,905	355,042	9,442	4,014	5,428	135.2%	355,041
Housing	670,112	869,063	885,245	80,363	99,002	(18,640)	-18.8%	819,441
Health	59,489	81,436	79,634	2,695	2,493	202	8.1%	79,634
Economic and environmental services	1,066,375	1,534,310	1,707,903	95,748	152,537	(56,789)	-37.2%	1,276,627
Planning and development	51,066	151,588	167,416	6,305	12,441	(6,137)	-49.3%	164,183
Road transport	988,308	1,345,610	1,500,785	88,658	139,965	(51,306)	-36.7%	1,086,137
Environmental protection	27,000	37,112	39,702	785	131	654	497.6%	26,306
Trading services	2,292,473	4,176,629	4,346,329	442,063	396,533	45,530	11.5%	3,653,021
Energy sources	736,092	805,190	858,054	134,718	149,934	(15,216)	-10.1%	816,393
Water management	921,660	1,517,922	1,535,558	150,848	57,175	93,673	163.8%	1,288,708
Waste water management	533,320	1,381,056	1,432,083	141,244	93,124	48,120	51.7%	1,204,226
Waste management	101,400	472,461	520,633	15,253	96,300	(81,047)	-84.2%	343,695
Other	14,800	10,195	10,261	34	480	(446)	-92.9%	10,261
Total Capital Expenditure - Functional Classification	5,316,290	8,388,432	8,784,724	682,239	767,986	(85,747)	-11.2%	7,514,105
Funded by:								
National Government	2,047,136	2,189,348	2,189,635	119,641	208,240	(88,599)	-42.5%	1,722,078
Provincial Government	22,430	22,038	22,038	1,691	770	921	119.6%	20,597
District Municipality	-	-	-	-	-	-	-	-
Other transfers and grants	49,804	53,700	53,700	10,146	11,240	(1,094)	-9.7%	53,700
Transfers recognised - capital	2,119,370	2,265,085	2,265,373	131,479	220,250	(88,771)	-40.3%	1,796,376
Public contributions & donations	-	-	-	-	-	-	-	-
Borrowing	388,077	1,091,580	1,091,580	105,191	34,144	71,047	208.1%	854,856
Internally generated funds	2,808,842	5,031,767	5,427,771	445,569	513,592	(68,023)	-13.2%	4,862,874
Total Capital Funding	5,316,290	8,388,432	8,784,724	682,239	767,986	(85,747)	-11.2%	7,514,105

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

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

Financial Position

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

Description	2018/19	Budget Year 2019/20			
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
<u>ASSETS</u>					
Current assets					
Cash	302,472	146,904	146,904	171,691	146,904
Call investment deposits	10,649,133	6,199,428	7,773,568	10,649,133	7,773,568
Consumer debtors	6,215,923	9,710,204	6,538,936	5,096,181	6,538,936
Other debtors	985,204	1,826,248	528,864	1,320,633	528,864
Current portion of long-term receivables	8,838	15,755	4,007	8,838	4,007
Inventory	435,992	570,789	479,590	446,401	479,590
Total current assets	18,597,563	18,469,328	15,471,870	17,692,877	15,471,870
Non current assets					
Long-term receivables	23,794	23,333	11,450	20,835	11,450
Investments	5,342,557	5,171,322	5,765,080	5,624,600	5,765,080
Investment property	582,962	581,285	581,285	582,962	581,285
Investments in Associate	–	–	–	–	–
Property, plant and equipment	45,703,232	51,856,546	52,233,023	45,658,006	52,233,023
Biological	–	–	–	–	–
Intangible	693,178	424,856	424,856	697,380	424,856
Other non-current assets	10,280	8,891	8,891	10,280	8,891
Total non current assets	52,356,002	58,066,233	59,024,584	52,594,063	59,024,584
TOTAL ASSETS	70,953,565	76,535,561	74,496,454	70,286,940	74,496,454
<u>LIABILITIES</u>					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	427,597	489,858	489,858	427,597	489,858
Consumer deposits	410,962	461,809	452,058	436,931	452,058
Trade and other payables	7,127,758	10,762,203	6,405,006	3,984,350	6,405,006
Provisions	1,147,974	1,143,617	1,143,617	1,135,176	1,143,617
Total current liabilities	9,114,291	12,857,487	8,490,539	5,984,053	8,490,539
Non current liabilities					
Borrowing	6,270,937	7,838,577	7,838,577	6,135,341	7,838,577
Provisions	6,877,088	7,072,595	7,072,595	6,877,088	7,072,595
Total non current liabilities	13,148,025	14,911,172	14,911,172	13,012,429	14,911,172
TOTAL LIABILITIES	22,262,316	27,768,659	23,401,711	18,996,482	23,401,711
NET ASSETS	48,691,250	48,766,902	51,094,743	51,290,459	51,094,743
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)	43,892,330	43,002,095	46,323,333	46,573,932	46,323,333
Reserves	4,798,920	5,764,808	4,771,410	4,716,527	4,771,410
TOTAL COMMUNITY WEALTH/EQUITY	48,691,250	48,766,902	51,094,743	51,290,459	51,094,743

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

Cash Flow

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

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates	9,319,556	9,714,194	9,714,194	2,415,942	2,388,859	27,083	1.1%	9,714,194
Service charges	20,600,259	18,787,179	18,787,179	5,107,221	4,861,132	246,088	5.1%	18,787,179
Other revenue	2,573,710	1,746,152	1,746,152	349,916	431,252	(81,336)	-18.9%	1,746,152
Government - operating	4,468,913	7,376,568	7,493,227	2,424,809	2,622,857	(198,049)	-7.6%	7,493,227
Government - capital	2,079,448	2,211,385	2,211,673	761,809	733,990	27,819	3.8%	2,211,673
Interest	1,427,759	912,495	912,495	273,092	210,418	62,674	29.8%	912,495
Dividends	–	–	–	–	–	–	–	–
Payments								
Suppliers and employees	(30,505,458)	(35,467,695)	(35,584,353)	(9,349,801)	(9,229,092)	120,709	-1.3%	(35,584,353)
Finance charges	(717,853)	(717,075)	(717,075)	(196,412)	(196,376)	36	0.0%	(717,075)
Transfers and Grants	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	9,246,334	4,563,204	4,563,492	1,786,576	1,823,041	36,466	2.0%	4,563,492
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	151,009	97,432	97,432	–	–	–	–	97,432
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	7,513	1,228	1,228	–	–	–	–	1,228
Decrease (increase) in non-current investments	(936,202)	(267,859)	(267,859)	–	–	–	–	(267,859)
Payments								
Capital assets	(5,392,818)	(7,549,589)	(7,906,251)	(1,404,492)	(2,246,162)	(841,670)	37.5%	(7,906,251)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(6,170,498)	(7,718,788)	(8,075,450)	(1,404,492)	(2,246,162)	(841,670)	37.5%	(8,075,450)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	196,420	1,091,580	1,091,580	–	–	–	–	1,091,580
Increase (decrease) in consumer deposits	29,302	41,983	41,983	–	–	–	–	41,983
Payments								
Repayment of borrowing	(368,901)	(384,878)	(384,878)	(129,481)	(129,481)	–	–	(384,878)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(143,179)	748,685	748,685	(129,481)	(129,481)	–	–	748,685
NET INCREASE/ (DECREASE) IN CASH HELD	2,932,657	(2,406,899)	(2,763,274)	252,603	(552,601)			(2,763,274)
Cash/cash equivalents at beginning:	5,486,618	7,392,776	8,419,275	8,419,275	8,419,275			8,419,275
Cash/cash equivalents at month/year end:	8,419,275	4,985,877	5,656,001	8,671,878	7,866,673			5,656,001

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

IN YEAR BUDGET STATEMENT SUPPORTING TABLES

Material variance explanations for operating revenue by source and by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source				
Property rates	1,459	0.1%	Immaterial variance.	No remedial action required.
Service charges - electricity revenue	320,878	8.9%	The 'over-recovery' on electricity sales reflects against the Large Customer (commercial customers) category (R222 million) and against the Time Of Use (TOU) Tariff category (R128 million). This over-recovery is due to periodic changes in consumption or the winter peak tariff seasonalisation of customers linked to these categories. The seasonalisation of the TOU tariff is not aligned to the period budget as it is wholly dependent on when customers migrate to the new tariffs. Affected customers were given the option to move to the TOU tariff category but very few responded although it is the cheaper option for them. It is expected that this over-recovery will reduce as the low demand period has been reached.	Actual revenue is dependent on consumer demand. No immediate corrective action is required.
Service charges - water revenue	(71,933)	-9.7%	The 2019/20 anticipated revenue is dependent on the consumption trends projected as the City moves out of the drought period to sustain the cost of water and sanitation services. From analysis of the financial information at this stage, the indication is that the consumption has not increased to the anticipated levels as estimated resulting in this under-recovery.	The department will continue to monitor consumption levels and trends, which will influence the decision to adjust the revenue estimates in the January 2020 adjustments budget.
Service charges - sanitation revenue	(19,859)	-5.5%	The 2019/20 anticipated revenue is dependent on the consumption trends projected as the City moves out of the drought period to sustain the cost of water and sanitation services. From analysis of the financial information at this stage, the indication is that the consumption has not increased to the anticipated levels as estimated resulting in this under-recovery.	The department will continue to monitor consumption levels and trends, which will influence the decision to adjust the revenue estimates in the January 2020 adjustments budget.
Service charges - refuse revenue	294	0.1%	Immaterial variance.	No remedial action required.
Rental of facilities and equipment	(2,162)	-2.8%	The variance is mainly due to the lower than planned demand for municipal facilities and the impact of intermittent maintenance and emergency repairs resulting in temporary closure of municipal facilities. In addition, the Revenue department, as part of their continuous clean-up of long outstanding debtors, is in the process of reversing prior years' housing rental billings relating to deceased debtors.	Budget will be reviewed during the mid-year performance review and assessment process and will be adjusted to be in line with the actual revenue trends.
Interest earned - external investments	61,242	24.2%	The over-recovery is a combination of over-/under-recovery on the following cost elements within this revenue source: 1. Interest Received - Short Term and Call (over), mainly due to higher than expected cash and investment balances; and 2. Interest Received - Allocation to Donors (under), mainly due to lower than planned unspent donor fund balances to date.	No immediate corrective action required.
Interest earned - outstanding debtors	7,915	8.8%	The over-recovery is due to higher than planned outstanding Property Rates and Solid Waste debtor accounts resulting in higher than planned interest for the period.	Collection of outstanding debtors are based on principles and guidelines as contained in the City's Credit Control and Debt Management policy. Monthly meetings are held between the Debt Management department and various other departments to discuss possible solutions to minimise the growing debt.

Table continues on next page

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue By Source				
Dividends received	—	-	-	-
Fines, penalties and forfeits	54,625	17.4%	The over-recovery is mainly on Traffic Fines, which is linked to the number of fines issued. 80% of fines are deemed as accruals while 20% relates to the collectable portion. a) Traffic fines (accruals) (R54.2 million), due to more than planned fines issued for traffic-and various by-law offences during this period; and b) Traffic Fines (collectable) (R3 million), due to more fines paid to date as a result of convenient payment facilities being made available to the public as well as the impact of fines reduced by the Magistrates Courts, making it more affordable for the public to pay.	Actual revenue trends are monitored and period budget provisions will be reviewed and adjusted where so identified.
Licences and permits	534	3.3%	Immaterial variance.	-
Agency services	6,218	12.3%	The over-recovery is due to an increase in the number of registration of new- and unlicensed vehicles.	No corrective action required.
Transfers and subsidies	101,373	4.5%	The variance is a combination of over-/under-recovery within the following directorates: 1. Community Services (under), due to outstanding payments from the Western Cape Government for expenditure claims submitted. 2. Human Settlements (over), where spending is higher than planned on projects rolled over from 2018/19 as progress on site is ahead of the original construction schedule. 3. Transport (over), where payments for the Automated Fare Collection (AFC) and Advanced Public Transport Management Systems (APTMS) were processed earlier than expected as the deviation reports and service provider contracts were concluded faster than anticipated. 4. Safety & Security (under), where the appointment of EPWP staff for various CID projects was delayed as relevant HR processes were dependant on approval of an EPWP Exclusion report. The purpose of the report was to request approval for exemption from the provisions of the Management of the Jobseekers Database policy.	Period budget provisions will be reviewed and adjusted where so required.
Other revenue	68,775	37.5%	The variance is a combination of over-/under-recovery. 1. Recoveries of Infrastructure Maintenance (over), where prior years' underspending on electrification projects in the Eskom area of supply (funded from a national grant allocation paid to the utility provider) resulted in a refund. 2. Skills Development Levy (over), due to the unpredictable and erratic nature of actual income on this revenue item. 3. By-product sales (over), due to an increase in the sale of by-products (timber) at Steenbras- and Wemmershoek dam. 4. Development Levies/BICL (over), due to higher than planned actual revenue received for the month under review. Development levies are linked directly to property developments and accurate period planning is not possible. 5. Hire of municipal staff (over), due to higher than anticipated demand for law enforcement staff at externally-funded events. 6. Bus fares - Transit Products (under), where the N2 Express contract has not been renewed as an agreement with CODETA has not been reached. The long term negative impact of the MyCiTi bus drivers' strike on ridership further contributed to this variance. 7. Recoveries of Operational Expenditure (over), due to the Cost Recovery charge raised for Koeberg (Nuclear Power plant - Disaster Contingency Plan) not being aligned to the period budget provision.	Trends and performance will be monitored and period budget provisions will be adjusted, where needed, to ensure alignment with actual trends. Grant funding refunded by Eskom will be repaid to National Treasury.
Gains on disposal of PPE	(8,132)	-78.9%	The variance is due to actual revenue being less than the period budget to date as timing of actuals cannot be forecasted.	Period budget provisions will be review where necessary.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 1 - Community Services & Health	(35,696)	-17.4%	<p>The variance is a combination of over-/under-recovery.</p> <ol style="list-style-type: none"> 1. Rental of facilities and equipment (under), due to lower than anticipated demand as well as the impact of intermittent maintenance and emergency repairs, which resulted in the temporary closure of facilities. 2. Fines, penalties and forfeits (under), due to lower than anticipated revenue from overdue book fines. 3. Transfers and subsidies (under), where payment for expenditure claims submitted to Western Cape Government (WCG) is still outstanding. 4. Other revenue (under), combination of over/under, mainly on: <ol style="list-style-type: none"> a) Camp/Resort fees and admission fees (under), due to lower than planned income received during winter as use and demand for facilities was lower than expected. b) Burial fees (over), due to higher than anticipated burials to date. c) Application fees (over), due to more than planned applications for extended liquor trading hours received to date. 	<p>The period budget for Transfers and Subsidies will be reviewed and aligned to payments received/anticipated from WCG.</p> <p>The budget base will be aligned to actual revenue trends in the January 2020 adjustments budget.</p>
Vote 2 - Corporate Services	(2,142)	-11.7%	<p>The variance is a combination of over-/under-recovery.</p> <ol style="list-style-type: none"> 1. Skills Development Levy (over), due to the unpredictable nature of actual income on this revenue item. 2. Service Charges - Infrastructure and Facilities (under), mainly on Broadband-related work, where the work was paused following an investigation and the subsequent requirement to review the Broadband business model for the City, and the cancellation of the bulk of the contract with the Western Cape Government (WCG) as fewer services supplied by the WCG was needed. 3. Grants and subsidies - National (under), due to the inability to appoint the full complement of graduates on the Graduate Intern Program (funded from Infrastructure Skills Development grant), as well as delays in the filling of the Implementation Coordinator System position in the CPPPM department (funded from the PPM Programme Support grant). 	<p>Period budget provisions will be reviewed and adjusted in October 2019.</p>
Vote 3 - Economic Opportunities & Asset Managemnt	(5,784)	-12.5%	<p>The variance is a combination of over-/under-recovery.</p> <ol style="list-style-type: none"> 1. Rental of facilities and equipment (over), due to more lease agreements concluded than anticipated and higher than planned negotiated lease rental rates. 2. Gains on disposal of PPE (under), where income on land sales is only recognised after completion of the conveyancing process currently in progress. 	<p>No remedial action required at this stage.</p>
Vote 4 - Energy & Climate Change	373,890	10.3%	<p>The 'over-recovery' on electricity sales reflects against the Large Customer (commercial customers) category (R222 million) and against the Time Of Use (TOU) Tariff category (R128 million). This over-recovery is due to periodic changes in consumption or the winter peak tariff seasonalisation of customers linked to these categories. The seasonalisation of the TOU tariff is not aligned to the period budget as it is wholly dependent on when customers migrate to the new tariffs. Affected customers were given the option to move to the TOU tariff category but very few responded although it is the cheaper option for them. It is expected that this over-recovery will reduce as the low demand period has been reached.</p>	<p>Period budget provisions will be aligned to actual trends, where necessary.</p> <p>Grant funding refunded by Eskom will be repaid to National Treasury.</p>

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 5 - Finance	87,852	1.9%	<p>The variance is a combination of over-/under-recovery.</p> <ol style="list-style-type: none"> 1. Property Rates (under), due to continuous real time supplementary valuations resulting in an updated valuation base. Incorrect billings were reversed in September 2019 and will be rebilled at the correct rate in October 2019. 2. Fines, Penalties and Forfeits (under), due to previously unclaimed credit balances now being claimed by debtors. 3. Agency Income - Provincial (over), due to an increase in the number of registration of new- and unlicensed vehicles. 4. Other income (over), mainly on Recoveries of Operational Expenditure, due to the Cost Recovery charge raised for Koeberg (Nuclear Power plant - Disaster Contingency Plan) not being aligned to the period budget provision. 5. Income forgone (under), due to fewer than planned old age rebates and exemptions processed to date. 6. Indigent Relief (under), due to lower than planned indigent assistance towards consumers of refuse removal services. 7. Interest received - External Investments (over) mainly on: <ol style="list-style-type: none"> a) Interest Received - Short Term and Call (over), mainly due to higher than expected cash and investment balances; and b) Interest Received - Allocation to Donors (under), mainly due to lower than planned unspent donor fund balances to date. 	Actual revenue trends will be monitored and period budget provisions will be reviewed, where necessary.
Vote 6 - Human Settlements	54,084	37.2%	<p>The variance is a combination of over-/under-recovery.</p> <ol style="list-style-type: none"> 1. Rental of Facilities and Equipment (under), where the Revenue department, as part of their continuous clean-up of long outstanding debtors, is in the process of reversing prior years' housing rental billings relating to deceased debtors. This is a continuation of a process already started in the 2018/19 financial year and the result is a reduction on monthly actuals. 2. Grants and subsidies (over), where spending is higher than planned on projects rolled over from 2018/19 as progress on site is ahead of the original construction schedule. 3. Capital GGR - National (under): <ol style="list-style-type: none"> a) Forest Village Project: Awaiting outstanding invoices from the Western Cape Government (WCG) for work completed on the project. b) Belhar CBD project: WCG is waiting on funding approval from the City's Grant Committee before submitting their invoices for work done. 	Corporate Finance's assessment of estimates for the reversal of prior year billings will be finalised and incorporated in the next reporting period. Period budget will be adjusted, where necessary.
Vote 7 - Office of the City Manager	34	-1306.1%	Immaterial variance.	No remedial action required at this stage.

Table continues on next page.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Revenue by Vote				
Vote 8 - Safety & Security	59,680	17.9%	<p>The variance is a combination of over-/under-recovery.</p> <ol style="list-style-type: none"> 1. Fines, penalties and forfeits (over), mainly on traffic fines, which is linked to the number of fines issued. 80% of fines are deemed as accruals while 20% relates to the collectable portion. <ol style="list-style-type: none"> a) Traffic fines (accruals) (R54.2 million), due to more than planned fines issued for traffic and various by-law offences during this period; and b) Traffic fines (collectable) (R3 million), due to more fines paid to date as a result of convenient payment facilities being made available to the public as well as the impact of fines reduced by the Magistrates Courts, making it more affordable for the public to pay. 2. Other revenue - Hire of municipal staff (over), due to higher than anticipated demand for law enforcement staff at externally-funded events. 3. Transfers and subsidies (under), where the appointment of EPWP staff for various CID projects was delayed as relevant HR processes were dependant on approval of an EPWP Exclusion report. The purpose of the report was to request approval for exemption from the provisions of the Management of the Jobseekers Database policy. 	Actual revenue trends are monitored; period budget provisions will be reviewed and adjusted where so identified.
Vote 9 - Spatial Planning & Environment	(4,295)	-11.3%	<p>The variance is a result of the following under-recoveries.</p> <ol style="list-style-type: none"> 1. Building Levies, due to demand being less than anticipated as a result of instability in the construction industry. 2. Transfers and subsidies, due to a grant-funded position that will not be filled in this directorate as the functions of the position fall within the Transport directorate. 3. Capital Revenue, mainly on the Kruskal Avenue Upgrade Project, due to initial delays in implementation of the project caused by informal traders refusing to relocate to new trading areas. 	Actual revenue trends will be monitored and period budget provisions will be reviewed, where necessary. The grant provision for the position will be reduced to zero in the January 2020 adjustments budget. Performance on the Kruskal Avenue project will be monitored closely to prevent any further delays.
Vote 10 - Transport	4,390	2.2%	<p>The variance is a combination of over-/under-recovery.</p> <ol style="list-style-type: none"> 1. Licences and permits: Road and transport (under), due to fewer than anticipated wayleave permit applications received where the trenchless methodology has not yet been applied by contractors. 2. Transfers and subsidies (over), due to payments for the Automated Fare Collection (AFC) and Advanced Public Transport Management Systems (APTMS) being processed earlier than expected as the deviation reports and service provider contracts were concluded faster than anticipated. 3. Other revenue (under), mainly on: <ol style="list-style-type: none"> a) Advertising fees, due to some advertising space not being available as a result of vandalism to infrastructure. b) Bus fares - Transit Products, where the N2 Express contract has not been renewed as an agreement with CODETA has not been reached. The long term negative impact of the MyCiTi bus drivers' strike on ridership also contributed to this variance. 4. Transfers and Subsidies - Capital (under), due to: <ol style="list-style-type: none"> a) IRT - Jan Smuts project: The contractor is insolvent and the contract termination is in progress. Re-tender of remaining works will follow after legal processes have been completed. b) Inner City NMT Project: A prolonged tender evaluation process has delayed the commencement of this project, which is now anticipated to begin in January 2020. The revised implementation programme indicates that budget adjustments will be needed. c) Grassy Park NMT project: The original contract was terminated on 19 December 2017 with a new tender process initiated in August 2018, however, no tender has been awarded yet as contractors were seen to be unresponsive. d) Road Rehabilitation - Bishop Lavis: Contractor insolvent and the contract termination is in progress. Re-tender of remaining works will follow after legal processes have been completed. 	Period budget provisions will be reviewed against actual trends and adjusted where needed. Negotiations are currently underway for an interim agreement on the N2 Express Way bus service. Transfers and Subsidies - Capital: Budget to be reviewed in the mid-year review and performance assessment process.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue by Vote</u>				
Vote 11 - Urban Management	1,611	2.7%	The over-recovery is mainly on CID: Commercial, due to higher than planned revenue received from levies, as a result of supplemental valuations of properties within the CID and two new CIDs added since the start of the financial year.	Budget provisions will be reviewed during the mid-year review and performance assessment process.
Vote 12 - Water & Waste	(97,429)	-6.1%	<p>The variance is a combination of over-/under-recovery.</p> <p>1. Service Charges - Water Revenue (R71.8 million under) and Sanitation Revenue (R19.9 million under). The 2019/20 anticipated revenue depends on the consumption trends projected to sustain the cost of water and sanitation services as the City moves out of the drought period. The analysis of the financial information at this early stage indicates that consumption has not increased to the anticipated levels.</p> <p>2. Service Charges - Refuse Revenue (R15.1 million under) mainly on:</p> <p>a) Refuse charges, where the use of refuse containers is demand driven and currently lower than anticipated.</p> <p>b) Disposal coupon fees, due to less than planned waste being disposed of by private contractors.</p> <p>3. Other revenue (over), mainly on:</p> <p>a) Collection charges recovered, due to higher than estimated debt recovered through the pre-payment meter system;</p> <p>b) Development Contribution Levy, due to higher than planned revenue received from development levies imposed on developers; and</p> <p>c) By-product sales, due to an increase in the sale of by-products (timber) at Steenbras- and Wemmershoek dam.</p> <p>4. Interest earned - outstanding debtors (under), where the year to date actual is less than planned. Actuals are likely to re-align with the planned budget in future months.</p>	<p>The department will continue to monitor consumption levels and trends, which will influence the decision to adjust the revenue estimates in the January 2020 adjustments budget.</p>

Material variance explanations for operating expenditure by type and by vote

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure By Type				
Employee related costs	(282,330)	-8.9%	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 3874 vacancies as at 30 September 2019; 705 positions were filled (475 internal and 230 external) with 309 terminations processed since the beginning of the financial year. The filling of vacancies is ongoing and seasonal staff are appointed as and when required.
Remuneration of councillors	(323)	-0.8%	Immaterial variance.	-
Debt impairment	9,809	1.7%	Immaterial variance.	-
Depreciation & asset impairment	(8,741)	-1.2%	Immaterial variance.	-
Finance charges	(2,341)	-1.2%	Immaterial variance.	-
Bulk purchases	(37,970)	-1.5%	The variance is a combination of over-/under-recovery. 1. Bulk Purchases - Electricity (over), due to higher than planned bulk purchases of electricity as a result of higher demand during winter. The remaining months are likely to be lower or equal to the budget provision. 2. Bulk Purchases - Water (under), mainly on: a) Bulk Water Levy, due to invoices outstanding from the National Department of Water & Sanitation and lower than expected levels of consumption; and b) Bulk Water - Desalination, where invoices relating to temporary desalination plants are currently pending, due to verification of contract conditions by the project manager. In addition, the City is currently in a legal dispute with one of the contractors.	Period budget provisions will be reviewed and aligned to the actual trend, where needed. Invoices to be verified and processed for payment when received.
Other materials	(46,464)	-14.6%	The under expenditure reflects against the following cost elements: 1. Pharmaceutical Supplies and Vaccines, due to issues identified in the supporting documents submitted by the vendor resulting in payment delays. 2. Materials Consumables Tools & Equipment, mainly within the Energy & Climate Change directorate, due to the additional budget allocation for MURP-related expenditure that has not yet been spent. The directorate's budget was prepared based on directorate capacity to implement budget allocations. It is not possible to spend this once-off allocation at such short notice and within the limited capacity available. 3. Fuel, due to a lower demand for hired vehicles resulting in less fuel. 4. Chemicals, where the current water consumption and lower levels of demand resulted in a decline in the need for procurement of chemicals.	Period budget provisions will be reviewed and aligned to the actual trend. Verification of supporting documents will be resolved in order to process payment of invoices.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Expenditure By Type</u>				
Contracted services	(125,302)	-11.6%	<p>The variance is a combination of under-/over expenditure.</p> <ol style="list-style-type: none"> 1. Advisory Services: Legal Cost (under), due to outstanding invoices. 2. R&M (under), where a number of work projects are still in the process of being finalised before purchase orders can be generated. In addition, certain project tenders are in various stages of the tender process. 3. Sewerage services (under), due to delays in submission of invoices by vendors for services rendered at informal settlements as well as delays in awarding the Faecal Sludge Management Facility tender. 4. Advisory Services - Project Management (under), mainly within Energy & Climate Change directorate, due to an additional budget allocation for MURP-related expenditure that has not yet been spent. The directorate's budget was prepared based on directorate capacity to implement budget allocations. It is not possible to spend this once-off allocation at such short notice and within the limited capacity available. 5. Security Services - Municipal Facilities (over), due to the actual requirement for security at municipal facilities being higher than planned to date. 6. Haulage, Litter Picking and Street Cleaning (under), where plans for the removal of illegal dumping was only finalised in July 2019 resulting in the process being behind schedule and not aligned to the period budget provisions. 7. Meter Management (under), due to misalignment of the period budget with the actual expenditure as well as a decrease in the number of C3 notifications received. 8. R&M Contracted Services-Buildings (over), due to road maintenance programmes being brought forward as one term tender will expire in March 2020 resulting in misalignment of the period budget and actual expenditure trends. 9. R&M Electrical (under), due to delays in receipt of invoices from contractors for work performed. 10. Waste Minimisation (under), due to an appeal against the Chipping tender award. 	<p>Finance- and project managers will follow up on outstanding invoices.</p> <p>Period budget provisions to be aligned with actual expenditure and future planned work.</p>
Transfers and subsidies	(220)	-0.2%	Immaterial variance.	-
Other expenditure	(19,973)	-3.8%	Immaterial variance.	-
Loss on disposal of PPE	5,099	3923.9%	The variance is due to misalignment of the period budget provision and actual trend as timing of actual is unknown until it occurs.	To be reviewed in the mid-year review and performance assessment process.

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 1 - Community Services & Health	(39,864)	-5.4%	<p>The variance is a combination of over-/under expenditure and reflects 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. Other Materials (under), mainly against: <ol style="list-style-type: none"> a) Pharmaceutical Supplies and Vaccines, due to issues identified in the supporting documents submitted by the vendor resulting in delays in the verification process; and b) Capturing of labour to operating timesheets not finalised at month-end. 3. Contracted Services (over), mainly due to the utilisation of labour broker staff as a result of the high level of medical staff vacancies as well as higher than anticipated security services at municipal facilities. 4. Other Expenditure (over), mainly on uniforms and protective clothing, due to higher than planned requirement for uniforms for EPWP projects. 	<p>The directorate currently has 486 vacancies in various stages of the recruitment and selection process; 146 posts were filled while 60 were terminated since the start of the financial year.</p> <p>Corrective action will include:</p> <ol style="list-style-type: none"> 1. Review of period budgets where necessary; 2. Expenditure trends will be analysed and used to align actual expenditure with period budget; and 3. Major budget variances will be corrected in the January 2020 adjustments budget.
Vote 2 - Corporate Services	(9,923)	-2.2%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Advisory Services: Legal Cost (under), due to outstanding invoices. 3. Advisory Services: Human Resources (over), due to unplanned expenditure to date. 4. Training (under), due to actual spending on training being lower than planned as training needs and training programmes are in the process of being prioritised. 5. Computer Services Specialised IT Services (over), where the periodic budget provision is not aligned to the actual trend. 6. G & D Specialised IT Services (under), due to delays in filling the Implementation Coordinator Systems position in the CPPPM Office. 	<p>The directorate has 224 vacancies in various stages of the recruitment and selection process; 83 positions were filled and 26 terminations processed since the beginning of the financial year.</p> <p>Virements to realign budget provisions have been submitted.</p>

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote Vote 3 - Economic Opportunities & Asset Managemnt	(8,153)	-2.7%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Debt Impairment (over), where the journal entry for Bad Debts W/O Transferred to Provision has not been processed as the verification process has not been concluded yet. 3. Depreciation & asset impairment (under), due to the period budget provision being misaligned with actual depreciation charges to date. Actual depreciation is based on actual capitalisation dates of assets and accurate planning of depreciation is not possible at time of budget preparation. 4. Contracted services (combination of over-/under expenditure), mainly on: <ol style="list-style-type: none"> a) Contractors: Other - Building Contractors (under), due to project implementation being behind schedule as a result of delays in awarding of tenders and capacity constraints by vendors to deliver services. b) Contractors: R&M - Buildings (over), due to misalignment of the period budget with the actual expenditure trend as the period budget provision for period 3 was under estimated. c) Contractors: R&M - Electrical (under), due to invoices not being submitted in time for processing. d) Contractors: R&M - Maintenance of Equipment (under), due to less than planned maintenance on equipment within the Fleet Management-and Facilities Management departments. e) Outsourced Services: R&M - Clearing & Grass Cutting (under), due to period budget provisions being misaligned with planned work, which is only anticipated to start in the second quarter of the financial year. f) Outsourced Services - Cleaning costs (under), due to invoices not being submitted in time for processing. 5. Other Expenditure: Operating Leases (under), due to misalignment of the period budget with actual expenditure patterns. Period budget provisions were based on past trends but over estimated for period 3. 	<p>The directorate has 158 vacancies in various stages of the recruitment and selection process; 15 positions were filled and 6 terminations processed since the beginning of the financial year.</p> <p>Virements to adjust budget provisions will be done in October 2019.</p> <p>Outstanding invoices to be processed in October 2019. Project managers/Cost centre managers are in continuous contact with vendors/contractors regarding submission of invoices.</p>
Vote 4 - Energy & Climate Change	(64,003)	-2.1%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Bulk Purchases (over), due to higher than planned bulk purchases of electricity as a result of higher demand during winter. The remaining months are likely to be lower or equal to the budget provisions. 3. Other Materials - Materials Consumables Tools & Equipment (under), mainly due to an additional budget allocation for MURP-related expenditure that has not yet been spent. The directorate's budget was prepared based on directorate capacity to implement budget allocations. It is not possible to spend this once-off allocation at such short notice and within the limited capacity available. 4. Contracted Services (under), mainly on: <ol style="list-style-type: none"> a) R&M Electrical, due to delays in receipt of invoices from contractors for work performed; and b) Advisory Services - Project Management, due to an additional budget allocation for MURP-related expenditure that has not yet been spent. The directorate's budget was prepared based on directorate capacity to implement budget allocations. It is not possible to spend this once-off allocation at such short notice and within the limited capacity available. 	<p>The directorate has 332 vacancies in various stages of the recruitment and selection process; 79 vacancies were filled and 22 posts terminated since the beginning of the financial year.</p> <p>Cash flows will be adjusted according to spending plans where necessary.</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 5 - Finance	(10,699)	-1.5%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), combination of over/under, mainly on: <ol style="list-style-type: none"> a) Salaries and Wages (under), due to the turnaround time in filling vacancies as well as the impact of the internal filling of vacant posts; and b) Post-retirement benefit obligations (over), as the result of the misalignment of period budget provisions with actual expenditure. 2. Finance charges (under), due to fewer than planned external loans being taken up resulting in lower finance charges to date. 3. Transfers and Sponsorship (under), due to fewer than planned co-sponsored events at the Cape Town Stadium to date. 4. Other expenditure (under), mainly on Investment Management Fees, where fees are paid one month in arrears resulting in misalignment of the period budget with the actual expenditure. 	<p>The directorate has 189 vacancies in various stages of the recruitment and selection process; 59 posts were filled while 20 were terminated since the beginning of the financial year.</p> <p>Alignment of the period budget with actual expenditure will be undertaken.</p>
Vote 6 - Human Settlements	(27,707)	-8.8%	<p>Under expenditure reflects on the following categories:</p> <ol style="list-style-type: none"> 1. Employee related costs, due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Contracted Services, mainly on R&M Contracted Services - Building, where the upgrades and maintenance implementation team is experiencing staff capacity constraints. 3. Subsidy on Homeowners Redemption, due to misalignment of the budget provision with the actuals to date. 	<p>The directorate has 174 vacancies in various stages of the recruitment and selection process; 19 posts were filled and 6 posts terminated since the beginning of the financial year. The reported vacancy rate for the directorate is 18.47% and processes have been put in place to expedite and manage the turnaround time of staff appointments.</p> <p>Management is in the process of exploring the feasibility of alternative options to address capacity constraints.</p> <p>Budget provisions to be revised.</p>
Vote 7 - Office of the City Manager	(3,499)	-5.9%	<p>The variance is a combination of over-/under expenditure.</p> <ol style="list-style-type: none"> 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Contracted Services (under), mainly against: <ol style="list-style-type: none"> a) Advisory Services - Research and Advisory, due to programmes starting later than anticipated; and b) Legal Cost - Legal Advice and Litigation, due to litigation matters starting later than anticipated. 3. Transfers and Subsidies (over), due to actual expenditure relating to Mayoral Events and Sponsorships being more than planned to date. 	<p>The directorate has 36 vacancies in various stages of the recruitment and selection process; 6 positions were filled and 4 terminations processed since the start of the financial year. There are continuous efforts to fill vacancies as quickly as possible.</p> <p>Virements will be processed to address budget variances.</p> <p>Period budget provisions will be reviewed and adjusted.</p>

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Expenditure by Vote				
Vote 8 - Safety & Security	(16,884)	-2.2%	The variance is a combination of over-/under expenditure. 1. Employee related costs (under), due to the turnaround time in filling of vacancies. 2. Depreciation (under), due to delays in the completion of two fire stations in the previous financial year resulting in the assets not being capitalised as planned. 3. Other Materials - Materials Consumables (under), due to cancellation of the ammunition tender. 4. Other expenditure (over), mainly on: a) Hire Charges - Wet Fuel, due to an increase in overtime callouts, which resulted in more than planned utilisation of vehicles afterhours. b) Uniform & Protective Clothing, due to an increased demand for bullet proof vests as well as distribution of uniforms for auxiliary members, who were appointed earlier than planned.	The directorate has 566 vacancies in various stages of the recruitment and selection process; 134 posts were filled while 49 were terminated since the beginning of the financial year. Alignment of the period budget with actual expenditure will be undertaken, where required.
Vote 9 - Spatial Planning & Environment	(15,914)	-10.0%	The variance is a combination of over-/under expenditure. 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Contracted Services (under), where the Elsies River Public Investment Framework grant project was put on hold as the City is awaiting clarification to confirm precinct owner. 3. Transfers and Subsidies (over), due to the earlier than planned payment to the Philippi East Development Initiative as approved by Council.	The directorate has 96 vacancies in various stages of the recruitment and selection; 20 posts were filled and 8 posts terminated since the beginning of the financial year. Two labour brokers are in the process of being appointed to assist with the recruitment and selection function. The Elsies River Public Investment Framework project will proceed once the precinct owner is confirmed.
Vote 10 - Transport	44,811	7.4%	The variance is a combination of over-/under expenditure. 1. Employee related costs (under), due to the turnaround time in filling vacancies and the impact of the internal filling of vacancies. 2. Other Materials (over), mainly on fuel, due to the numerous fuel price increases and consumption levels/requirements for the period. 3. Contracted Services (over), mainly on R&M Contracted Services - Buildings, where road maintenance programmes were brought forward as one term tender will expire in March 2020, resulting in misalignment of the period budget provision and actual expenditure trends. 4. Other Expenditure (over), due to the upfront payment of 70% of the 2019/20 premium for MyCiTi Insurance as required by the insurer resulting in misalignment of budget with actuals.	The overall over expenditure to date will be addressed with the review of period budget provisions on various elements. The directorate currently has 360 vacancies in various stages of the recruitment and selection process; 26 posts were filled while 25 were terminated since the start of the financial year. Cash flows will be aligned with expected reasonable expenditure timelines and capacity and actual expenditure trends.
Vote 11 - Urban Management	(6,584)	-3.5%	The variance is a combination of over-/under expenditure. 1. Employee related costs (under), due to the turnaround time of filling vacancies as well as the impact of the internal filling of vacancies. 2. Transfers and Subsidies (over), mainly on Grants/Sponsorships, due to the earlier than planned payment made by the MURP department towards the Safety Lab as per Council resolution.	The directorate has 60 vacancies in various stages of the recruitment and selection process; 17 positions were filled and 10 terminations processed since the beginning of the financial year. Period budget provisions will be reviewed and adjusted.

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 - Water & Waste	(350,337)	-17.9%	<p>The variance is a combination of over-/under expenditure.</p> <p>1. Employee related costs (under), due to the turnaround time in filling vacancies, the consequential impact of the filling of vacancies from internal resources as well delays experienced as a result of realignment processes that is currently taking place within the Water & Sanitation Services department.</p> <p>2. Bulk Purchases - Water (under), mainly on:</p> <p>a) Bulk Water Levy, due to invoices outstanding from the National Department of Water & Sanitation and lower than expected levels of consumption; and</p> <p>b) Bulk Water - Desalination, where invoices relating to temporary desalination plants are currently pending, due to verification of contract conditions by the project manager. In addition the City is currently in a legal dispute with one of the contractors.</p> <p>3. Other materials (under), combination of over/under, mainly on:</p> <p>a) Chemicals (under), where the current water consumption and lower levels of demand resulted in a decline in the need for procurement of chemicals;</p> <p>b) Fuel (under), where the reduction in hiring vehicles has resulted in lower fuel requirements; and</p> <p>c) Materials Consumables Tools & Equipment (over), where a large number of refuse bins had to be purchased to replace damaged bins.</p> <p>4. Contracted Services (under), combination of over/under, mainly on:</p> <p>a) R&M (under), where a number of work projects are still in the process of being finalised in order for purchase orders to be generated as well as tenders being at different stages of the tender process;</p> <p>b) Sewerage services (under), due to delays in submission of invoices by vendors for services at informal settlements as well as delays in awarding the Faecal Sludge Management Facility tender;</p> <p>c) Meter Management (under), due to misalignment of the period budget and a decrease in the number of C3 notifications received;</p> <p>d) Haulage, Litter Picking and Street Cleaning (under), where plans for the removal of illegal dumping was only finalised in July 2019 resulting in the process being behind schedule and not aligned to the period budget provisions;</p> <p>e) Servicing of vehicles and equipment (under), due to replacement of vehicle fleet, which resulted in maintenance costs being much lower than planned;</p> <p>f) Relief drivers (under), due to challenges experienced with the appointment of EPWP staff resulting in fewer drivers being required;</p> <p>g) Security Services - Municipal Facilities (over), due to actual expenditure being higher than planned; and</p> <p>h) Waste Minimisation (under), due to an appeal against the award of the Chipping tender.</p> <p>5. Other Expenditure (under), mainly on:</p> <p>a) Hire of LDV/Cars, due to expenditure minimisation efforts and delays in receipt of invoices for September 2019;</p> <p>b) Electricity, due to lower than planned volumetric flows requiring transportation;</p> <p>c) Water Research Levy, due to direct alignment of the water levy with the raw water bulk purchases, which was lower than anticipated; and</p> <p>d) Training, as the dates for a number of training interventions are still being finalised with service providers.</p>	<p>The directorate has 1193 vacancies in various stages of the recruitment and selection process; 101 vacancies were filled and 73 posts were terminated since the beginning of the financial year.</p> <p>Period budget provisions will be reviewed and adjusted where required.</p> <p>Virements will be processed where needed.</p> <p>Budget provisions will be reviewed during the mid-year review and performance assessment process.</p>

Material variance explanations for capital expenditure by vote

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 1 - Community Services & Health	(7,518)	-39.1%	The negative variance reflects on the following projects/programmes: 1. IT Equipment and Infrastructure - Replacement FY20: Orders on IS&T tender 152G/2015/16 were placed on hold as the tender extension has reached its financial limit. 2. Cemetery Developments programme: Delays in building plans approval. 3. Heideveld ECD: Project initially delayed, due to community unrest, however, the contractor is currently progressing satisfactory as per revised implementation programme. 4. National Core Standards Compliance programme: Initial delays, due to the outstanding tender, which has now been awarded. Currently in the process of completing the detailed design.	1. IS&T tender 60G/2018/19 has been awarded. Orders will be placed, once the tender has been loaded on SAP. 2. Project manager is liaising with the relevant line department to ensure that the approval is expedited. 3. Extension of timelines has been approved. Contractor progress will be monitored to ensure compliance with new timeframes. 4. Term tender 30C/2018/19 has been awarded.
Vote 2 - Corporate Services	(53,641)	-90.8%	The negative variance reflects on the following projects/programmes: 1. Enterprise Monitoring and Management Solutions programme, where cash flows are misaligned. Projects are currently in the initiation phase with procurement processes to follow in October 2019. 2. ERP Business Systems programme, where the appointment of the professional services is delayed, due to the rates for professional services being lower than what the market demands. 3. Computers and Equipment Replacement: The replacement of Windows 7 devices was delayed, due to the unavailability of the IS&T tender. 4. Data Storage Security & Accessibility FY20, where cash flows are misaligned. Some orders have been placed; awaiting delivery.	1. and 4. Cash flows will be amended during the January 2020 adjustments budget. 2. Alternative vendors, as reflected within the tender, will be selected to ensure that the correct skills level is recruited. The programme development will be fast tracked once the resources are in place. 3. IS&T tender has been awarded; orders will be placed from October 2019.
Vote 3 - Economic Opportunities & Asset Managemnt	2,683	17.0%	The positive variance is a result of Fleet and Plant replacements, which were ordered and delivered earlier than anticipated.	The procurement of replacement fleet was accelerated as all tenders are in place.
Vote 4 - Energy & Climate Change	(18,440)	-11.7%	The negative variance reflects on the following projects: 1. Hout Bay LV Depot: Project delayed, due to protest action during which most of the electrical equipment and material were stolen and the perimeter fence and storage structures on site were damaged. 2. MV System infrastructure: Delays in the building and switchgear tender awards as well as the unavailability of medium voltage joints.	There are on-going engagements with directors and project managers to ensure that 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.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Vote 5 - Finance	(3,505)	-60.0%	The negative variance reflects on the following projects: 1. System Enhancement Projects FY20: There were delays in appointing the project manager and business analyst. The scope of work for both positions has been finalised. 2. Security at Cash (MVR) Offices FY20: Awaiting delivery of specialist equipment, which will be imported from Canada.	1. Project manager is set to start on 7 October 2019 and business analyst to start 1 November 2019. 2. Equipment ordered; department to follow up on delivery timeframes.
Vote 6 - Human Settlements	(18,640)	-18.8%	The following projects were the main contributors to the negative variance: 1. Forest Village Housing Project: The project is managed by the Western Cape Government (WCG) in terms of a Memorandum of Agreement (MOA) where grant funding for the construction of internal- and bulk services is provided by the City. The invoice from the WCG is currently being verified. 2. Belhar CBD Housing Development (PGWC): The project is managed by the WCG in terms of a Memorandum of Agreement (MOA), where grant funding for the construction of internal- and bulk services is provided by the City. Technical funding application is in the process of being approved.	1. Invoice will be processed in October 2019. 2. Invoice will be submitted by WCG once funding application is approved.
Vote 7 - Office of the City Manager	(145)	-49.9%	The variance is due to IS&T tender 152G/2015/16, which was put on hold, as the tender extension had reached its financial limit. Orders placed before the tender was put on hold will be delivered shortly.	IS&T tender 60G/2018/19 has been awarded. Orders will be placed as soon as the tender has been loaded onto SAP.
Vote 8 - Safety & Security	8,211	73.5%	The positive variance is due to earlier than anticipated delivery on the following projects: 1. Radios & related equipment FY20; and 2. Fire Vehicles: Replacement FY20.	No remedial action needed.
Vote 9 - Spatial Planning & Environment	(6,641)	-56.6%	The negative variance is due to: 1. Computer Equipment and Software related projects: All computer hardware orders on IS&T tender 152G/2015/16 have been placed on hold as the tender extension has reached its financial limit. 2. Kruskal Avenue Upgrade: Delays due to informal traders being on site resulting in contractor not being able to work.	1. Further orders will be placed once tender 60G has been loaded onto SAP. 2. The contractor will work over weekends in order to get the project back on schedule. The project is due to be completed in February 2020.

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 10 - Transport	(50,766)	-36.4%	<p>The directorate has a net negative variance, which is an accumulation of slower than anticipated expenditure on a number of projects, the most significant of which are:</p> <ol style="list-style-type: none"> 1. IRT - Jan Smuts: Construction and services relocation is underway. The contract progress is good with an anticipated completion date of December 2020. Crime as well as damage to existing infrastructure and theft, especially after hours, remain a major problem on the construction site. 2. Bosmansdam dualling - Koeberg to Monta Drive: R20.9 million was accrued in respect of work done in the 2018/19 financial year, which resulted in negative expenditure for the 2019/20 financial year. 3. Non-Motorised Transport programme: This budget is primarily allocated to fund the professional services that are necessary to implement the various NMT projects. The current professional services tender expired at the end of 2018/19. Approval to re-appoint the service providers to conclude the projects already in the implementation stage is now being pursued. 4. Rehabilitation of Jakes Gerwel: Tender was cancelled and will be re-advertised for implementation in the 2020/21 financial year. 5. Road Construction: Belhar Main Road: Stellingdale - Highbury: Commencement of work has been delayed as a result of curtailment of the professional engineering consultant contract. The district office is investigating various other options to procure the services of a professional engineering consultant to render the construction administration and site supervision services required to proceed with the execution of the work. 	<ol style="list-style-type: none"> 1. Cash flow will be adjusted during the January 2020 adjustments budget process. 2. The invoice in respect of the 2018/19 accrual was paid in the first week of October 2019. 3. Cash flow will be adjusted during the January 2020 adjustments budget process. 4. The allocated budget will be reprioritised within the directorate. 5. The anticipated spend and cash flow for this project will be amended during the January 2020 adjustments budget process.
Vote 11 - Urban Management	1,247	103.2%	The positive variance reflects on the Infrastructure and Safety Measures FY20 project and is due to good contractor performance.	Project managers to continue managing and monitoring projects to prevent them from falling behind schedule.
Vote 12 - Water & Waste	61,408	24.8%	The directorate is ahead of planned spend. The main reasons are listed below at departmental level.	There are on-going engagements with directors and relevant project managers to ensure that tracking and monitoring of projects are within the prescribed timeframes and that corrective action is taken timeously so as to ensure maximum spend. Specific remedial action is indicated below.
Management: Water & Waste	(54)	-100.0%	The negative variance is due to IS&T tender 152G/2015/16 being put on hold as the tender extension has reached its financial limit.	IS&T tender 60G/2018/19 has been awarded. Orders will be placed as soon as the tender has been loaded on SAP.
Project Monitoring Unit: W & W	(14)	-100.0%	The negative variance is due to IS&T tender 152G/2015/16 being put on hold as the tender extension has reached its financial limit.	IS&T tender 60G/2018/19 has been awarded. Orders will be placed as soon as the tender has been loaded onto SAP. Quotations were obtained in the interim.

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote				
Solid Waste Management	(79,502)	-82.2%	<p>The negative variance reflects on the following projects:</p> <ol style="list-style-type: none"> 1. Coastal Park - Design and develop (MRF): Delays are as a result of an appeal that has been upheld. It is anticipated that the construction portion of the project will now only commence in the 2020/21 financial year. 2. Vissershok - LFG Infrastructure to Flaring: Initial delays were due to the appeal linked to the professional services tender 217C. It is anticipated that construction will commence in November 2019 with a 12-month construction period. 3. New Prince George Drop-off: Delays are as a result of the lengthy procurement process including legal consideration of objection to fencing specifications. Final design completed and currently in the Bid Evaluation Committee process. It is anticipated that construction will start in January 2020. Professional services tender 420C/2014/15 ends at the end of October 2019 and replacement tender 217C/2018/19 is already in place. The report for the award of the construction tender 310Q/2018/19 will be submitted to the Bid Adjudication Committee by the end of October 2019. 4. Retreat Drop-off Upgrade Waste Minimisation: Construction tender 65Q/2017/18 commenced in November 2018 with an anticipated completion date of January 2020. The contractor is currently running behind schedule as a result of insufficient allocation of resources but has confirmed that work will be completed on time. 5. Woodstock Drop-off Upgrade Waste Minimisation: Construction tender 70Q/2018/19 commenced mid-June 2019 and is progressing satisfactorily. The anticipated completion period is 12 months with extension granted for inclement weather. The invoice for September 2019 is still outstanding. 6. Hanover Park Depot Upgrade: Delays experienced, due to clarification required from bidders regarding compliance (local content, sub-contracting, etc.) and arithmetical errors. Design phase has been completed. The construction tender was advertised on 5 April 2019 with a closing date of 13 May 2019 and is now in the bid evaluation process. Additional budget will be required as increased bids were submitted by tenderers. Anticipated site handover will take place in November 2019. 7. Maitland Specialised Equipment Depot Upgrade: The contractor is under performing against the anticipated completion date of September 2019 resulting in penalties. Additional delays are as a result of the approval of a report for the extension of time to allow for the payments from July 2019. The report will be submitted to BAC mid-October 2019. 	<p>Awaiting court ruling on the legality of the contested contract for the Coastal Park - Design and develop (MRF) project. Delayed projects will be fast tracked and, where necessary, adjustments will be made to the cash flows and/or budget during the January 2020 adjustments budgets. Project managers are liaising with the contractors regarding outstanding invoices.</p>
<i>Continues on next page.</i>				

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Description	YTD Variance R thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Capital Expenditure by Vote <i>Continued from previous page.</i> Water & Sanitation Management	140,977	93.2%	<p>8. Schaapkraal Depot Upgrade: Delays with delivery and setup of temporary accommodation resulted in the consultant claiming for additional time worked. Construction is underway and is anticipated to be completed by April 2020.</p> <p>9. Scottsdene Depot Upgrade: Construction commenced in May 2019 as a result of initial delays with guarantees, construction permits and building plans approval. Construction to be completed in May 2020.</p> <p>The positive variance reflects on the following major projects, which are ahead of schedule due to good performance by the service providers:</p> <ul style="list-style-type: none"> a. Zandvliet WWTW: Prim Treatment & Sludge (R30 million); b. Retreat Low Lift Pump station (R7 million); c. Cape Flats Aquifer Recharge (R6.5 million) Atlantis Aquifer (R6 million); d. Cape Flats WWTW (R5 million) & Replace Sewer pump stations (R1.5 million); and e. Other various smaller projects. 	<p>The department is in the process of introducing a Project Support Office in order to ensure improved performance in the 2019/20 financial year. Closer engagements are also taking place with corporate departments to identify risks and to resolve issues impacting on service delivery in a timely manner.</p>

Material variance explanations for cash flow

Description	YTD variance R Thousands	YTD variance %	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	27,083	1.1%	Immaterial variance.	No corrective action required.
Service charges	246,088	5.1%	Immaterial variance.	No corrective action required.
Other revenue	(81,336)	-18.9%	Less other income received than originally budgeted for.	No corrective action required.
Government - operating	(198,049)	-7.6%	Less operating grant income received than originally budgeted for. DORA payment schedules were unavailable at the time of drafting the budget.	The budget for the remainder of the year will be aligned with the payment schedule.
Government - capital	27,819	3.8%	Immaterial variance.	No corrective action required.
Interest	62,674	29.8%	Higher cash balances as a result of slower expenditure in previous financial year.	To be aligned in the January 2020 adjustments budget.
Dividends	-	-	-	-
Payments				
Suppliers and employees	120,709	-1.3%	Immaterial variance.	No corrective action required.
Finance charges	36	0.0%	Immaterial variance.	No corrective action required.
Transfers and Grants	-	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES	36,466	2.0%		
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	-	0.0%		
Decrease (Increase) in non-current debtors	-	0.0%		
Decrease (increase) other non-current receivables	-	0.0%		
Decrease (increase) in non-current investments	-	0.0%		
Payments				
Capital assets	(841,670)	37.5%	Lower creditors outflow than expected.	No corrective action required.
NET CASH FROM/(USED) INVESTING ACTIVITIES	(841,670)	37.5%		
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	-	-		

Performance indicators

Description of financial indicator	Basis of calculation	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	1.3%	2.8%	2.8%	3.6%	2.4%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	7.3%	17.8%	16.7%	19.1%	11.6%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	28.4%	39.1%	28.8%	20.6%	28.8%
Gearing	Long Term Borrowing/ Funds & Reserves	130.7%	136.0%	164.3%	130.1%	164.3%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	2.04	1.44	1.82	2.96	1.82
Liquidity Ratio	Monetary Assets/Current Liabilities	1.20	0.49	0.93	1.81	0.93
<u>Revenue Management</u>						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	18.0%	28.3%	17.3%	57.4%	17.5%
<u>Other Indicators</u>						
Employee costs	Employee costs/Total Revenue - capital revenue	30.8%	33.8%	33.7%	25.6%	33.2%
Interest & Depreciation	I&D/Total Revenue - capital revenue	9.1%	9.3%	9.3%	8.2%	2.4%

Material variance explanations for corporate performance

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1.B Percentage of rates clearance certificate issued within ten working days [C]	-0.60%	Target was not achieved as the SAP Portal was down on a number of occasions in September 2019 resulting in no online Rates Clearance Certificates (RCC) transactions being actioned. This matter and the impact on the online services especially for DAM and RCC resulted in the target not being achieved despite staff working overtime during the times when the SAP Portal was working.	Continuous monitoring. Responsible official: Trevor Blake Due date: On-going
1.C Number of outstanding valid applications for commercial electricity services expressed as a percentage of commercial customers	-3.80%	This indicator was under-achieved due to the complex nature of these supplies, which took longer than the target timeframes.	Propose an amendment to the target. Responsible official: Nassiep Kadri Due date: On-going
3.I Number of water services points (taps) provided to informal settlements (NKPI)	-48%	The non-performance is related to the unavailability of the new plumbing and maintenance tender (296Q/2016/17). The tender was envisaged to be in place within the first quarter of 2019/20, however, this did not materialise subsequently delaying the planned projects.	The department is currently in the process of raising purchase orders with the project rollout anticipated to follow shortly. Responsible official: Llast Mudondo Due date: On-going
4.D Total number of passenger journeys on MyCiTi	-13.63%	This quarter was affected by protest action and the N2 Express Service not being operational.	Re-implementation of the N2 Express Service. Responsible official: Ernest Sass Due date: On-going
4.E Percentage of people from employment equity target groups employed in three highest levels of management, in compliance with the City's approved employment equity (EE plan) (NKPI)	-0.97%	There was a considerable number of appointments in the first quarter, which was not in line with the EE plan targets for the year. The appointment of non-designated employees accounted for over 80% of level 1-3 appointments made in in this quarter.	Ensure that appointments/promotions are in line with the City's EE Plan targets for 2019/20. Responsible official: Craig Kesson/ Zukiswa Mandlana Due date: On-going

Aged Debtors

Description	Budget Year 2019/20										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Year	Over 1 Year	Total	Total over 90 days		
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	301,107	53,262	55,573	43,893	67,654	70,387	367,540	1,436,974	2,396,390	1,986,448	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	937,565	48,223	32,084	21,158	5,740	14,354	87,467	225,395	1,371,987	354,114	-	-
Receivables from Non-exchange Transactions - Property Rates	739,093	76,037	70,170	84,798	55,758	65,133	237,758	695,158	2,023,904	1,138,605	-	-
Receivables from Exchange Transactions - Waste Water Management	163,820	25,089	23,228	21,463	22,358	28,072	121,226	489,077	894,332	682,196	-	-
Receivables from Exchange Transactions - Waste Management	118,292	27,705	27,101	25,265	39,326	29,036	56,449	309,737	632,912	459,813	-	-
Receivables from Exchange Transactions - Property Rental Debtors	91,663	8,395	(1,890)	6,498	2,062	(1,889)	49,701	533,691	688,231	590,063	-	-
Interest on Arrear Debtor Accounts	81,183	29,027	34,063	32,334	44,364	40,050	140,169	716,288	1,117,478	973,205	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-
Other	(68,441)	(266,872)	(52,057)	(18,175)	592	(1,642)	(24,910)	(74,450)	(505,954)	(118,585)	-	-
Total By Income Source	2,364,281	866	188,273	217,235	237,854	243,501	1,035,401	4,331,871	8,619,281	6,065,861	-	-
2018/19 - totals only	2,721,859	336,918	519,308	438,755	378,386	310,803	1,006,444	4,056,424	9,768,896	6,190,812	-	-
Debtors Age Analysis By Customer Group												
Organs of State	121,815	(202,469)	(37,312)	19,932	13,949	12,552	27,352	17,595	(26,584)	91,381	-	-
Commercial	1,298,980	55,695	43,642	42,844	26,723	32,881	147,322	321,632	1,969,718	571,400	-	-
Households	1,062,007	161,962	152,869	141,415	179,786	162,943	755,713	3,570,892	6,187,588	4,810,750	-	-
Other	(118,521)	(14,322)	29,073	13,044	17,395	35,125	105,014	421,752	488,559	592,330	-	-
Total By Customer Group	2,364,281	866	188,273	217,235	237,854	243,501	1,035,401	4,331,871	8,619,281	6,065,861	-	-

Aged Creditors

Description	Budget Year 2019/20									Prior year totals (same period)
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	-	-	-	-	-	-	-	-	-	-
Bulk Water	-	-	-	-	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	217,710	5,038	(10)	(1)	-	(6)	(0)	2,722	225,453	208,748
Auditor General	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	217,710	5,038	(10)	(1)	-	(6)	(0)	2,722	225,453	208,748

Investment portfolio

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate ^s	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
ABSA Bank	99	Fixed	7.25%	2019/10/15	85,000	507	–	–	85,507
ABSA Bank	87	Fixed	7.20%	2019/10/04	40,000	237	–	–	40,237
ABSA Bank	93	Fixed	7.22%	2019/10/11	15,000	89	–	–	15,089
ABSA Bank	95	Fixed	7.21%	2019/10/15	50,000	296	–	–	50,296
ABSA Bank	85	Fixed	7.15%	2019/10/11	25,000	147	–	–	25,147
ABSA Bank	76	Fixed	7.00%	2019/10/15	30,000	173	–	–	30,173
ABSA Bank	76	Fixed	7.00%	2019/10/15	20,000	115	–	–	20,115
ABSA Bank	77	Fixed	7.00%	2019/10/18	20,000	115	–	–	20,115
ABSA Bank	77	Fixed	7.00%	2019/10/18	25,000	144	–	–	25,144
ABSA Bank	81	Fixed	7.00%	2019/10/25	40,000	230	–	–	40,230
ABSA Bank	80	Fixed	7.00%	2019/10/25	90,000	518	–	–	90,518
ABSA Bank	99	Fixed	7.05%	2019/11/15	190,000	1,101	–	–	191,101
ABSA Bank	76	Fixed	6.95%	2019/10/31	15,000	86	–	–	15,086
ABSA Bank	76	Fixed	6.95%	2019/10/31	25,000	143	–	–	25,143
ABSA Bank	76	Fixed	6.95%	2019/10/31	10,000	57	–	–	10,057
ABSA Bank	74	Fixed	6.95%	2019/11/01	95,000	543	–	–	95,543
ABSA Bank	73	Fixed	6.95%	2019/11/01	30,000	171	–	–	30,171
ABSA Bank	58	Fixed	6.95%	2019/10/18	20,000	114	–	–	20,114
ABSA Bank	78	Fixed	7.00%	2019/11/08	25,000	144	–	–	25,144
ABSA Bank	88	Fixed	7.03%	2019/11/22	15,000	87	–	–	15,087
ABSA Bank	91	Fixed	7.00%	2019/11/27	25,000	144	–	–	25,144
ABSA Bank	90	Fixed	7.00%	2019/11/27	25,000	144	–	–	25,144
ABSA Bank	85	Fixed	7.00%	2019/11/27	25,000	134	–	–	25,134
ABSA Bank	84	Fixed	7.00%	2019/11/27	35,000	181	–	–	35,181
ABSA Bank	83	Fixed	6.98%	2019/11/27	20,000	99	–	–	20,099
ABSA Bank	37	Fixed	6.85%	2019/10/25	40,000	98	–	–	40,098
ABSA Bank	57	Fixed	6.90%	2019/11/15	35,000	79	–	–	35,079
ABSA Bank	65	Fixed	6.93%	2019/11/27	45,000	68	–	–	45,068
ABSA Bank	72	Fixed	6.90%	2019/12/06	15,000	17	–	–	15,017
Firststrand	99	Fixed	7.15%	2019/10/15	100,000	588	–	–	100,588
Firststrand	87	Fixed	7.14%	2019/10/04	45,000	264	–	–	45,264
Firststrand	93	Fixed	7.14%	2019/10/11	20,000	117	–	–	20,117
Firststrand	95	Fixed	7.13%	2019/10/15	50,000	293	–	–	50,293
Firststrand	85	Fixed	7.11%	2019/10/11	30,000	175	–	–	30,175
Firststrand	77	Fixed	6.92%	2019/10/15	65,000	370	–	–	65,370
Firststrand	76	Fixed	6.90%	2019/10/15	30,000	170	–	–	30,170
Firststrand	76	Fixed	6.90%	2019/10/15	30,000	170	–	–	30,170
Firststrand	77	Fixed	6.90%	2019/10/18	25,000	142	–	–	25,142
Firststrand	77	Fixed	6.90%	2019/10/18	20,000	113	–	–	20,113
Firststrand	81	Fixed	6.92%	2019/10/25	55,000	313	–	–	55,313
Firststrand	80	Fixed	6.93%	2019/10/25	105,000	598	–	–	105,598
Firststrand	99	Fixed	6.97%	2019/11/15	210,000	1,203	–	–	211,203
Firststrand	76	Fixed	6.91%	2019/10/31	15,000	85	–	–	15,085
Firststrand	76	Fixed	6.91%	2019/10/31	20,000	114	–	–	20,114
Firststrand	58	Fixed	6.85%	2019/10/18	20,000	113	–	–	20,113

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Investments by maturity Name of institution & investment ID R thousands	Period of Investment Days	Type of Investment	Interest Rate ^a	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
Firststrand	78	Fixed	6.91%	2019/11/08	30,000	170	–	–	30,170
Firststrand	88	Fixed	6.93%	2019/11/22	35,000	199	–	–	35,199
Firststrand	91	Fixed	6.94%	2019/11/27	20,000	114	–	–	20,114
Firststrand	90	Fixed	6.94%	2019/11/27	30,000	171	–	–	30,171
Firststrand	85	Fixed	6.90%	2019/11/27	30,000	159	–	–	30,159
Firststrand	84	Fixed	6.90%	2019/11/27	40,000	204	–	–	40,204
Firststrand	83	Fixed	6.90%	2019/11/27	20,000	98	–	–	20,098
Firststrand	77	Fixed	6.89%	2019/11/29	55,000	187	–	–	55,187
Firststrand	77	Fixed	6.89%	2019/11/29	150,000	510	–	–	150,510
Firststrand	77	Fixed	6.89%	2019/11/29	45,000	153	–	–	45,153
Firststrand	65	Fixed	6.80%	2019/11/27	35,000	52	–	–	35,052
Firststrand	72	Fixed	6.80%	2019/12/06	20,000	22	–	–	20,022
Firststrand	74	Fixed	6.88%	2019/12/13	50,000	9	–	–	50,009
Investec Bank	99	Fixed	7.35%	2019/10/15	65,000	393	–	–	65,393
Investec Bank	87	Fixed	7.30%	2019/10/04	20,000	120	–	–	20,120
Investec Bank	93	Fixed	7.35%	2019/10/11	10,000	60	–	–	10,060
Investec Bank	95	Fixed	7.35%	2019/10/15	30,000	181	–	–	30,181
Investec Bank	85	Fixed	7.35%	2019/10/11	10,000	60	–	–	10,060
Investec Bank	76	Fixed	7.00%	2019/10/15	20,000	115	–	–	20,115
Investec Bank	76	Fixed	7.00%	2019/10/15	15,000	86	–	–	15,086
Investec Bank	77	Fixed	7.30%	2019/10/18	15,000	90	–	–	15,090
Investec Bank	81	Fixed	7.28%	2019/10/25	20,000	120	–	–	20,120
Investec Bank	80	Fixed	7.25%	2019/10/25	40,000	238	–	–	40,238
Investec Bank	99	Fixed	7.05%	2019/11/15	80,000	464	–	–	80,464
Investec Bank	76	Fixed	6.95%	2019/10/31	15,000	86	–	–	15,086
Investec Bank	76	Fixed	6.95%	2019/10/31	10,000	57	–	–	10,057
Investec Bank	76	Fixed	6.95%	2019/10/31	10,000	57	–	–	10,057
Investec Bank	74	Fixed	6.95%	2019/11/01	45,000	257	–	–	45,257
Investec Bank	73	Fixed	7.10%	2019/11/01	20,000	117	–	–	20,117
Investec Bank	78	Fixed	7.10%	2019/11/08	20,000	117	–	–	20,117
Investec Bank	91	Fixed	7.10%	2019/11/27	25,000	146	–	–	25,146
Investec Bank	90	Fixed	7.10%	2019/11/27	10,000	58	–	–	10,058
Investec Bank	85	Fixed	7.10%	2019/11/27	15,000	82	–	–	15,082
Investec Bank	84	Fixed	7.10%	2019/11/27	15,000	79	–	–	15,079
Investec Bank	83	Fixed	7.00%	2019/11/27	10,000	50	–	–	10,050
Investec Bank	77	Fixed	7.00%	2019/12/06	10,000	21	–	–	10,021
Investec Bank	65	Fixed	6.98%	2019/11/27	15,000	23	–	–	15,023
Investec Bank	72	Fixed	6.95%	2019/12/06	10,000	11	–	–	10,011
Nedbank	99	Fixed	7.25%	2019/10/15	30,000	179	–	–	30,179
Nedbank	87	Fixed	7.20%	2019/10/04	35,000	207	–	–	35,207
Nedbank	93	Fixed	7.20%	2019/10/11	20,000	118	–	–	20,118
Nedbank	95	Fixed	7.20%	2019/10/15	50,000	296	–	–	50,296
Nedbank	85	Fixed	7.15%	2019/10/11	25,000	147	–	–	25,147
Nedbank	76	Fixed	6.95%	2019/10/15	15,000	86	–	–	15,086
Nedbank	76	Fixed	6.95%	2019/10/15	30,000	171	–	–	30,171
Nedbank	76	Fixed	6.95%	2019/10/15	20,000	114	–	–	20,114
Nedbank	77	Fixed	6.95%	2019/10/18	25,000	143	–	–	25,143
Nedbank	81	Fixed	6.95%	2019/10/25	45,000	257	–	–	45,257
Nedbank	80	Fixed	6.95%	2019/10/25	95,000	543	–	–	95,543
Nedbank	99	Fixed	7.05%	2019/11/15	170,000	985	–	–	170,985

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City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate ^a	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
Nedbank	76	Fixed	6.95%	2019/10/31	20,000	114	–	–	20,114
Nedbank	76	Fixed	6.95%	2019/10/31	20,000	114	–	–	20,114
Nedbank	74	Fixed	6.95%	2019/11/01	30,000	171	–	–	30,171
Nedbank	73	Fixed	6.95%	2019/11/01	35,000	200	–	–	35,200
Nedbank	58	Fixed	6.90%	2019/10/18	15,000	85	–	–	15,085
Nedbank	78	Fixed	6.95%	2019/11/08	30,000	171	–	–	30,171
Nedbank	88	Fixed	6.95%	2019/11/22	130,000	743	–	–	130,743
Nedbank	92	Fixed	7.00%	2019/11/27	20,000	115	–	–	20,115
Nedbank	91	Fixed	7.00%	2019/11/27	60,000	345	–	–	60,345
Nedbank	90	Fixed	7.00%	2019/11/27	30,000	173	–	–	30,173
Nedbank	14	Fixed	8.35%	2019/04/30	62,100	426	–	–	62,526
Nedbank	366	Fixed	8.35%	2020/04/30	165	1	–	–	166
Nedbank	363	Fixed	7.80%	2020/06/30	715	5	–	–	720
Nedbank	86	Fixed	6.98%	2019/11/27	40,000	222	–	–	40,222
Nedbank	85	Fixed	6.98%	2019/11/27	20,000	107	–	–	20,107
Nedbank	84	Fixed	6.98%	2019/11/27	35,000	181	–	–	35,181
Nedbank	83	Fixed	6.98%	2019/11/27	25,000	124	–	–	25,124
Nedbank	37	Fixed	6.90%	2019/10/25	40,000	98	–	–	40,098
Nedbank	57	Fixed	6.95%	2019/11/15	40,000	91	–	–	40,091
Nedbank	50	Fixed	6.90%	2019/11/08	55,000	125	–	–	55,125
Nedbank	77	Fixed	6.95%	2019/12/06	35,000	73	–	–	35,073
Nedbank	65	Fixed	6.95%	2019/11/27	50,000	76	–	–	50,076
Nedbank	72	Fixed	6.90%	2019/12/06	20,000	23	–	–	20,023
Nedbank	74	Fixed	6.90%	2019/12/13	50,000	9	–	–	50,009
Standard Bank	99	Fixed	7.34%	2019/10/15	65,000	392	–	–	65,392
Standard Bank	87	Fixed	7.27%	2019/10/04	40,000	239	–	–	40,239
Standard Bank	93	Fixed	7.29%	2019/10/11	20,000	120	–	–	20,120
Standard Bank	95	Fixed	7.25%	2019/10/15	50,000	298	–	–	50,298
Standard Bank	85	Fixed	7.24%	2019/10/11	25,000	149	–	–	25,149
Standard Bank	76	Fixed	7.08%	2019/10/15	10,000	58	–	–	10,058
Standard Bank	76	Fixed	7.08%	2019/10/15	40,000	233	–	–	40,233
Standard Bank	77	Fixed	7.10%	2019/10/18	30,000	175	–	–	30,175
Standard Bank	81	Fixed	7.11%	2019/10/25	50,000	292	–	–	50,292
Standard Bank	80	Fixed	7.11%	2019/10/25	100,000	584	–	–	100,584
Standard Bank	99	Fixed	7.25%	2019/11/15	210,000	1,251	–	–	211,251
Standard Bank	76	Fixed	7.07%	2019/10/31	25,000	145	–	–	25,145
Standard Bank	76	Fixed	7.07%	2019/10/31	25,000	145	–	–	25,145
Standard Bank	73	Fixed	7.05%	2019/11/01	20,000	116	–	–	20,116
Standard Bank	77	Fixed	6.99%	2019/10/18	20,000	115	–	–	20,115
Standard Bank	78	Fixed	7.07%	2019/11/08	25,000	145	–	–	25,145
Standard Bank	88	Fixed	7.09%	2019/11/22	20,000	117	–	–	20,117
Standard Bank	92	Fixed	7.10%	2019/11/27	25,000	146	–	–	25,146
Standard Bank	91	Fixed	7.10%	2019/11/27	50,000	292	–	–	50,292
Standard Bank	90	Fixed	7.10%	2019/11/27	25,000	146	–	–	25,146
Standard Bank	85	Fixed	7.08%	2019/11/27	25,000	136	–	–	25,136
Standard Bank	84	Fixed	7.07%	2019/11/27	40,000	209	–	–	40,209
Standard Bank	83	Fixed	7.07%	2019/11/27	25,000	126	–	–	25,126
Standard Bank	37	Fixed	6.94%	2019/10/25	40,000	99	–	–	40,099
Standard Bank	57	Fixed	6.99%	2019/11/15	40,000	92	–	–	40,092
Standard Bank	77	Fixed	7.00%	2019/12/06	25,000	53	–	–	25,053

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City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate ^a	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
R thousands	Days								
Standard Bank	65	Fixed	7.01%	2019/11/27	85,000	131	–	–	85,131
Standard Bank	72	Fixed	7.04%	2019/12/06	20,000	23	–	–	20,023
Standard Bank	74	Fixed	7.04%	2019/12/13	75,000	14	–	–	75,014
ABSA Bank		Call deposit	6.50%		343,160	2,103	(180,000)	265,000	430,263
Firststrand Bank		Call deposit	6.25%		241,730	1,651	(111,730)	140,000	271,651
Investec Bank		Call deposit	6.30%		95,637	675	(25,637)	40,000	110,675
Standard Bank		Call deposit	6.25%		211,387	1,603	(36,388)	145,000	321,602
Nedbank current account		Current account	6.30%		289,101	577	–	(158,299)	131,379
Fund Managers					6,331,727	39,128	–	–	6,370,856
Liberty, RMB and Nedbank sinking fund					2,546,996	21,110	–	–	2,568,106
Cash in transit					18,352	–	(7,135)	–	11,217
CTICC					366,187	–	–	–	366,187
ABSA IRT Bank account					36,332	–	–	2,041	38,373
COID					82,838	(2,117)	–	1,119	81,840
TOTAL INVESTMENTS AND INTEREST					16,321,427		(360,890)	434,861	16,489,155

Transfers and grants expenditure

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Operating expenditure of Transfers and Grants								
National Government:	533,846	6,273,080	6,273,080	79,913	58,763	21,151	36.0%	6,273,080
Local Government Equitable Share	—	2,815,558	2,815,558	—	—	—	—	2,815,558
Finance Management grant	1,000	1,000	1,000	210	250	(40)	-15.8%	1,000
Urban Settlements Development Grant	32,326	186,298	186,298	3,457	8,267	(4,810)	-58.2%	186,298
Energy Efficiency and Demand Side Management Grant	700	600	600	51	—	51	100.0%	600
Dept. of Environ Affairs and Tourism	38	10,598	10,598	—	—	—	-	10,598
Expanded Public Works Programme	23,266	32,877	32,877	—	—	—	-	32,877
Integrated City Development Grant	1,083	6,854	6,854	—	71	(71)	-100.0%	6,854
Public Transport Infrastructure & Systems Grant	24,843	37,183	37,183	1,601	3,076	(1,475)	-47.9%	37,183
Infrastructure Skills Development	9,600	13,605	13,605	2,925	3,401	(476)	-14.0%	13,605
Public Transport Network Grant	440,780	554,849	554,849	71,669	43,698	27,971	64.0%	554,849
Neighbourhood Development Partnership Grant	—	3,600	3,600	—	—	—	-	3,600
Informal Settlements Upgrading Partnership Grant	—	39,572	39,572	—	—	—	-	39,572
Fuel Levy	—	2,570,486	2,570,486	—	—	—	-	2,570,486
Health & Hygiene Education: Informal Settlements	11	—	—	—	—	—	-	—
Accreditation: Development Support	200	—	—	—	—	—	-	—
Provincial Government:	918,700	1,088,633	1,204,469	190,071	198,063	(7,992)	-4.0%	1,204,469
Cultural Affairs and Sport - Provincial Library Services	45,550	47,062	47,062	9,843	10,902	(1,059)	-9.7%	47,062
Cultural Affairs and Sport - Library Services: Transfer funding to enable City of Cape Town to procure periodicals and newspapers	4,944	5,150	5,150	68	78	(11)	-13.7%	5,150
Human Settlements - Human Settlement Development Grant	456,558	392,430	497,199	113,738	113,816	(78)	-0.1%	497,199
Human Settlements - Municipal Accreditation Assistance	5,000	—	—	—	—	—	-	—
Human Settlement - Settlement Assistance	—	1,500	1,500	294	375	(81)	-21.5%	1,500
Health - TB	29,095	65,227	65,227	4,402	4,402	—	-	65,227
Health - ARV	234,180	257,047	257,047	39,093	53,293	(14,200)	-26.6%	257,047
Health - Nutrition	5,470	6,248	6,248	1,438	1,544	(106)	-6.9%	6,248
Health - Vaccines	101,499	91,661	91,661	14,017	7,638	6,378	83.5%	91,661
Comprehensive Health	—	173,489	173,489	—	—	—	-	173,489
Transport and Public Works - Provision for persons with special needs	8,912	10,000	10,000	3,451	2,500	951	38.0%	10,000
Community Safety - Law Enforcement	5,692	4,159	4,159	—	—	—	-	4,159
Auxiliary Services	—	—	—	—	—	—	-	—
Community Development Workers	701	—	—	—	—	—	-	—
Finance Management Capacity Building Grant	280	380	380	—	95	(95)	-100.0%	380
Provincial Government: Financial Management Support Grant	230	230	230	—	—	—	-	230
Provincial Contribution towards addressing Natural Disasters	2,500	—	—	—	—	—	-	—
Transport Safety and Compliance - Rail Safety Establishment and Support K9 unit	9,483	17,000	17,000	1,078	—	1,078	100.0%	17,000
Municipal accreditation and capacity building grant	365	2,300	2,300	—	—	—	-	2,300
Human Settlements- Masakheni Khayelitsha	—	14,750	14,750	2,150	2,920	(770)	-26.4%	14,750
Human Settlements- Housing Consumer Education Manuals	—	—	5,051	—	—	—	-	5,051
Human Settlements- Edward Road Energy Efficient Project	108	—	8	—	—	—	-	8
Human Settlements- Eradication of registration backlog	—	—	3,787	—	—	—	-	3,787
Municipal Disaster Grant	3,133	—	2,221	499	499	—	-	2,221
	5,000	—	—	—	—	—	-	—

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City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Other grant providers:	22,015	14,855	15,677	784	3,394	(2,611)	-76.9%	15,677
Tourism	2,000	1,291	1,416	–	875	(875)	-100.0%	1,416
CMTF	2,323	2,000	2,000	–	300	(300)	-100.0%	2,000
CID	5,422	5,141	5,141	64	1,002	(938)	-93.7%	5,141
Century City Property Owners Association	539	–	–	–	–	–	–	–
Traffic Free Flow (PTY) Ltd	–	580	580	97	145	(48)	-33.3%	580
Westcott Primary	43	43	43	7	11	(4)	-33.3%	43
Airports Company South Africa SOC Ltd	1,333	–	–	–	–	–	–	–
Rockefeller Philanthropy Advisor's Inc	1,113	–	–	–	–	–	–	–
V&A Waterfront Holdings (Pty) Ltd	853	891	891	149	223	(74)	-33.3%	891
The South African Breweries	2,584	–	–	–	–	–	–	–
Bayside	510	556	556	–	–	–	–	556
Big Bay	385	–	–	–	–	–	–	–
Long Street law Enforcement	–	1,583	1,583	277	374	(97)	-25.9%	1,583
Sustainable Energy Africa	–	274	971	–	–	–	–	971
Prasa	3,725	–	–	–	–	–	–	–
Marine Circle Rent-A-Cop	173	569	569	–	134	(134)	-100.0%	569
GRAND CHINA	166	396	396	58	94	(36)	-38.3%	396
Bergvliet High Part-time Trfc Attendant	29	–	–	–	–	–	–	–
CCID - Traffic Wardnes	744	902	902	125	225	(100)	-44.4%	902
Green Point Law Enforcement	–	586	586	–	–	–	–	586
Part Time Trfc Attend: Rustenberg Girls	43	43	43	7	11	(4)	-33.3%	43
POPART - Stellenbosch University	28	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:	1,474,561	7,376,568	7,493,227	270,768	260,220	10,548	4.1%	7,493,227
Capital expenditure of Transfers and Grants								
National Government:	2,035,630	2,189,348	2,189,635	119,641	208,240	(88,599)	-42.5%	1,722,078
Minerals and Energy; Energy Efficiency and Demand Side Management Grant	9,300	10,465	10,465	3,955	4,300	(345)	-8.0%	10,465
National Government - Other; Previous years' Dora allocations	–	50	50	11	10	1	8.3%	50
National Treasury; Informal Settlements Upgrading Partnership Grant: Municipalities	–	276,803	276,803	14,371	37,154	(22,783)	-61.3%	240,022
National Treasury; Integrated City Development Grant	54,560	48,533	48,533	2,529	5,589	(3,059)	-54.7%	46,133
National Treasury; Local Government Restructuring Grant	1,156	250	263	51	13	38	299.4%	263
National Treasury; Neighbourhood Development Partnership Grant	7,166	26,400	26,400	–	–	–	–	26,400
National Treasury; Public Transport Network: Budget Facility for Infrastructure Grant	–	354,000	354,000	23,719	38,800	(15,081)	-38.9%	168,138
National Treasury; Urban Settlements Development Grant	1,107,450	1,070,051	1,070,051	59,846	92,367	(32,521)	-35.2%	892,474
Transport; Public Transport Network Grant	468,073	402,796	402,796	15,161	30,009	(14,847)	-49.5%	337,859
Transport; Public Transport Infrastructure & Systems Grant	925	–	275	–	–	–	–	275
National Treasury: DME Grant	12,234	–	–	–	–	–	–	–
Expanded Public Works Programme	1,000	–	–	–	–	–	–	–
Infrastructure Skills Development	582	–	–	–	–	–	–	–
Municipal Disaster Fund	31,219	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant	307,600	–	–	–	–	–	–	–
Dept. of Environ Affairs and Tourism	1,167	–	–	–	–	–	–	–
Transport; Public Transport Network Grant - BFI	33,000	–	–	–	–	–	–	–
Accreditation: Development Support	198	–	–	–	–	–	–	–
National Treasury; Municipal Disaster Recovery Grant	–	–	–	(2)	–	(2)	-100.0%	–
Provincial Government:	22,430	22,038	22,038	1,691	770	921	119.6%	20,597
Cultural Affairs and Sport; Library Services: Metro Library Grant	13,241	10,000	10,000	303	770	(467)	-60.6%	10,000
Housing; Integrated Housing and Human Settlement Development Grant	8,363	11,788	11,788	1,388	–	1,388	100.0%	10,347
Provincial Government; Municipal Accreditation and Capacity Building Grant	–	250	250	–	–	–	–	250
Community Development Workers	63	–	–	–	–	–	–	–
Community Safety - Law Enforcement Auxiliary Services	762	–	–	–	–	–	–	–
Other grant providers:	49,804	53,700	53,700	10,146	11,240	(1,094)	-9.7%	53,700
Other; Other	49,804	53,700	53,700	10,146	11,240	(1,094)	-9.7%	53,700
Total capital expenditure of Transfers and Grants	2,107,864	2,265,085	2,265,373	131,479	220,250	(88,771)	-40.3%	1,796,376
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	3,582,425	9,641,654	9,758,600	402,247	480,471	(78,223)	-16.3%	9,289,602

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

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

Summary of Employee and Councillor remuneration	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Councillors (Political Office Bearers plus Other)</u>								
Basic Salaries and Wages	146,974	146,004	146,004	34,399	35,160	(761)	-2.2%	146,004
Pension and UIF Contributions	4,984	5,992	5,992	1,263	1,001	262	26.2%	5,992
Motor Vehicle Allowance	–	601	601	116	150	(34)	-22.7%	601
Cellphone Allowance	9,339	8,996	8,996	2,329	2,329	(1)	0.0%	8,996
Other benefits and allowances	–	18,225	18,225	2,289	2,078	211	10.2%	18,225
Sub Total - Councillors	161,297	179,818	179,818	40,396	40,719	(323)	-0.8%	179,818
% increase		11.5%	11.5%					11.5%
<u>Senior Managers of the Municipality</u>								
Basic Salaries and Wages	23,285	27,879	27,879	5,886	6,970	(1,084)	-15.55%	27,879
Pension and UIF Contributions	1,341	4,379	4,379	550	1,099	(549)	-49.95%	4,379
Medical Aid Contributions	92	136	136	30	34	(4)	-11.54%	136
Motor Vehicle Allowance	404	439	439	203	110	93	85.14%	439
Cellphone Allowance	147	292	292	39	73	(34)	-47.20%	292
Other benefits and allowances	24	61	61	140	11	129	1181.44%	61
Payments in lieu of leave	–	–	–	356	–	356	100.00%	–
Sub Total - Senior Managers of Municipality	25,293	33,186	33,186	7,203	8,296	(1,093)	-13.2%	33,186
% increase		31.2%	31.2%					31.2%
<u>Other Municipal Staff</u>								
Basic Salaries and Wages	8,077,775	9,640,920	9,641,868	2,002,541	2,202,350	(199,809)	-9.1%	9,369,046
Pension and UIF Contributions	1,252,341	1,713,894	1,714,020	336,694	416,273	(79,579)	-19.1%	1,671,508
Medical Aid Contributions	745,922	823,574	823,578	194,654	206,382	(11,728)	-5.7%	803,198
Overtime	680,581	606,267	606,263	106,282	95,723	10,560	11.0%	591,268
Motor Vehicle Allowance	200,746	225,780	225,743	52,571	56,287	(3,716)	-6.6%	220,194
Cellphone Allowance	21,910	24,352	24,391	5,664	6,096	(432)	-7.1%	23,749
Housing Allowances	61,444	65,440	65,430	16,283	16,394	(110)	-0.7%	63,821
Other benefits and allowances	261,709	238,910	239,790	71,338	61,928	9,411	15.2%	232,982
Payments in lieu of leave	173,125	97,768	98,235	24,524	24,779	(255)	-1.0%	95,549
Long service awards	511	86,529	86,270	221	18,611	(18,390)	-98.8%	84,388
Post-retirement benefit obligations	864,199	261,187	261,187	63,194	50,297	12,898	25.64%	254,725
Sub Total - Other Municipal Staff	12,340,263	13,784,620	13,786,774	2,873,968	3,155,119	(281,151)	-8.91%	13,410,428
% increase		11.7%	11.7%					8.7%
Total Parent Municipality	12,526,853	13,997,624	13,999,778	2,921,567	3,204,134	(282,567)	-8.8%	13,623,432

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

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
Councillors (Political Office Bearers plus Other)				
Basic Salaries and Wages	(761)	-2.2%	Immaterial variance.	-
Pension and UIF Contributions	262	26.2%	Immaterial variance.	-
Medical Aid Contributions	-	-	-	-
Motor Vehicle Allowance	(34)	-22.7%	Immaterial variance.	-
Cellphone Allowance	(1)	0.0%	Immaterial variance.	-
Housing Allowances	-	-	-	-
Other benefits and allowances	211	10.2%	Immaterial variance.	-
Senior Managers of the Municipality				
Basic Salaries and Wages	(1,084)	-15.6%	The variance is due to savings realised on vacant executive director positions in respect of the Water & Waste, Transport and Urban Management directorates.	The Executive Director: Urban Management's position was filled effective 1 October 2019. The other vacancies are still in the recruitment and selection process.
Pension and UIF Contributions	(549)	-49.9%	Immaterial variance.	-
Medical Aid Contributions	(4)	-11.5%	Immaterial variance.	-
Motor Vehicle Allowance	93	85.1%	Immaterial variance.	-
Cellphone Allowance	(34)	-47.2%	Immaterial variance.	-
Other benefits and allowances	129	1181.4%	Immaterial variance.	-
Payments in lieu of leave	356	100.0%	Immaterial variance.	-
Other Municipal Staff				
Basic Salaries and Wages	(199,809)	-9.1%	The variance is mainly due to: 1. The turnaround time in filling vacancies; 2. The internal filling of vacancies; 3. Slower than planned implementation of job creation projects; and 4. Appointment of seasonal staff.	The City had 3874 vacancies as at 30 September 2019; 705 positions were filled (475 internal and 230 external) with 309 terminations processed from 1 July 2019. The achieved vacancy rate is 12.35%, which is below the targeted vacancy rate of 13.26% for September 2019. The filling of vacancies is ongoing.
Pension and UIF Contributions	(79,579)	-19.1%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is on-going.

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	YTD Variance R Thousands	Variance %	Reasons for material deviations	Remedial or corrective steps/remarks
Medical Aid Contributions	(11,728)	-5.7%	The variance is mainly due to the turnaround time in filling vacancies and the internal filling of vacancies.	Filling of vacancies is ongoing
Overtime	10,560	11.0%	The variance is mainly as a result of unplanned overtime within the Safety & Security directorate, due to 'lockdown operations' requiring Law Enforcement members to assist SAPS and SANDF to stabilise high crime areas.	Alignment of the period budget with the actual expenditure will be undertaken.
Motor Vehicle Allowance	(3,716)	-6.6%	Immaterial variance.	-
Cellphone Allowance	(432)	-7.1%	Immaterial variance.	-
Housing Allowances	(110)	-0.7%	Immaterial variance.	-
Other benefits and allowances	9,411	15.2%	The variance is mainly on standby allowances within Safety & Security directorate, where new recruitments were transferred to operational duty and is eligible for standby allowances.	Virement will be processed to address over expenditure.
Payments in lieu of leave	(255)	-1.0%	Immaterial variance.	
Long service awards	(18,390)	-98.8%	Payments are dependent on when qualifying employees exercise the option to convert leave days to cash.	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	12,898	25.6%	The variance is due to misalignment of period budget provisions with the actual expenditure.	Alignment of the period budget with the actual expenditure will be undertaken.

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

Description	Budget Year 2019/20												2019/20 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Budget	Nov Budget	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands															
<u>Cash Receipts By Source</u>															
Property rates	787,067	837,524	791,351	834,485	847,693	784,635	786,082	799,231	854,505	701,342	851,772	838,507	9,714,194	10,327,307	10,830,171
Service charges - electricity revenue	1,257,553	1,245,944	1,379,036	1,237,739	1,127,299	1,086,094	1,096,143	1,016,363	1,109,875	852,268	1,245,216	918,993	13,572,524	15,140,505	16,772,413
Service charges - water revenue	204,828	223,895	229,296	213,741	218,813	170,753	171,665	310,112	291,245	293,214	313,103	216,994	2,857,659	3,506,983	4,217,263
Service charges - sanitation revenue	97,501	113,241	115,202	109,526	119,849	89,813	90,635	133,485	153,938	138,508	153,757	30	1,315,486	1,777,068	2,140,389
Service charges - refuse	81,120	81,080	78,524	88,017	88,897	83,769	83,602	81,262	88,585	79,287	89,923	117,444	1,041,510	1,113,994	1,181,726
Rental of facilities and equipment	20,625	21,853	27,968	15,265	19,621	14,502	15,305	17,640	16,716	14,942	16,767	9,331	210,536	232,744	236,361
Interest earned - external investments	109,378	85,203	78,511	76,999	71,844	69,627	77,714	69,718	76,640	77,683	81,666	37,512	912,495	930,613	1,022,317
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	21,853	20,676	18,368	20,524	20,781	19,481	18,018	16,775	20,070	17,408	20,290	22,847	237,091	242,205	241,088
Licences and permits	25,124	17,419	30,664	10,521	3,827	5,273	10,907	8,072	1,771	6,744	6,155	(44,259)	82,219	86,371	90,732
Agency services	–	–	–	27,855	10,132	13,960	28,876	21,370	4,688	17,854	16,296	76,640	217,672	245,412	254,598
Transfer receipts - operating	1,211,303	1,213,505	–	93,453	328,837	1,885,850	480,609	–	1,880,567	354,388	2,011	42,703	7,493,227	7,707,345	8,136,559
Other revenue	89,913	17,634	37,818	51,428	83,674	31,849	223,108	119,337	65,930	33,870	16,506	227,568	998,635	1,074,890	1,140,512
Cash Receipts by Source	3,906,266	3,877,975	2,786,739	2,779,553	2,941,268	4,255,606	3,082,664	2,593,364	4,564,530	2,587,508	2,813,462	2,464,312	38,653,248	42,385,438	46,264,128
<u>Other Cash Flows by Source</u>															
Transfer receipts - capital	618,934	61,670	81,205	331,047	32,714	–	70,014	48,445	691,626	10,962	–	265,056	2,211,673	3,043,827	3,608,514
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–	–	–	53,700	53,700	56,700	57,000
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	43,732	43,732	43,732	43,732
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	1,091,580	1,091,580	3,000,000	3,000,000
Increase in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	41,983	41,983	46,181	50,799
Receipt of non-current debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Receipt of non-current receivables	–	–	–	–	–	–	–	–	–	–	–	1,228	1,228	1,167	1,108
Change in non-current investments	–	–	–	–	–	–	–	–	–	–	–	(267,859)	(267,859)	(298,475)	(332,578)
Total Cash Receipts by Source	4,525,200	3,939,645	2,867,944	3,110,600	2,973,982	4,255,606	3,152,678	2,641,810	5,256,155	2,598,470	2,813,462	3,693,731	41,829,284	48,278,569	52,692,703

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	Budget Year 2019/20												2019/20 Medium Term Revenue & Expenditure Framework		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
<u>Cash Payments by Type</u>															
Employee related costs	1,026,594	1,017,347	1,035,203	1,070,771	1,654,832	1,111,371	1,087,234	1,114,675	957,708	1,131,768	1,126,431	1,397,378	13,731,313	14,799,293	15,960,959
Remuneration of councillors	12,678	12,766	12,655	13,763	13,774	13,849	13,906	23,128	15,036	15,002	15,032	18,230	179,818	190,697	202,234
Interest paid	43,259	–	153,153	–	6,273	137,895	40,680	–	150,418	–	48,595	136,803	717,075	731,329	1,191,845
Bulk purchases - Electricity	946,536	1,246,370	1,156,304	1,176,077	680,778	705,827	665,611	630,552	670,219	631,557	661,557	304,112	9,475,500	10,564,235	11,704,116
Bulk purchases - Water & Sewer	15,515	27,292	26,412	59,787	60,214	59,318	58,083	37,480	37,808	52,259	45,767	137,165	617,101	909,598	871,284
Other materials	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
General expenses	1,328,647	746,028	739,455	900,798	786,344	1,199,230	621,285	706,584	972,975	767,376	552,103	2,259,797	11,580,621	11,424,643	11,941,547
Cash Payments by Type	3,373,229	3,049,803	3,123,181	3,221,197	3,202,215	3,227,491	2,486,799	2,512,418	2,804,164	2,597,961	2,449,486	4,253,485	36,301,429	38,619,795	41,871,985
<u>Other Cash Flows/Payments by Type</u>															
Capital assets	933,838	216,241	254,413	238,732	551,758	466,566	83,348	377,104	610,539	744,134	1,193,550	2,236,027	7,906,251	10,364,140	10,672,162
Repayment of borrowing	50,000	–	79,481	–	42,933	20,000	50,000	–	79,481	–	42,933	20,050	384,878	371,495	671,495
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	4,357,066	3,266,044	3,457,075	3,459,929	3,796,906	3,714,057	2,620,147	2,889,523	3,494,183	3,342,095	3,685,970	6,509,562	44,592,558	49,355,429	53,215,642
NET INCREASE/(DECREASE) IN CASH HELD	168,133	673,600	(589,131)	(349,329)	(822,924)	541,550	532,531	(247,713)	1,761,972	(743,625)	(872,508)	(2,815,831)	(2,763,274)	(1,076,860)	(522,938)
Cash/cash equivalents at the month/year beginning:	8,419,275	8,587,408	9,261,009	8,671,878	8,322,549	7,499,625	8,041,175	8,573,706	8,325,993	10,087,965	9,344,339	8,471,832	8,419,275	5,656,001	4,579,141
Cash/cash equivalents at the month/year end:	8,587,408	9,261,009	8,671,878	8,322,549	7,499,625	8,041,175	8,573,706	8,325,993	10,087,965	9,344,339	8,471,832	5,656,001	5,656,001	4,579,141	4,056,203

Capital expenditure trend

Month	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
Monthly expenditure performance trend								
July	37,034	127,858	147,662	31,156	147,662	116,506	78.9%	0.4%
August	252,295	225,455	216,555	290,206	364,217	74,011	20.3%	3.5%
September	304,942	356,938	403,770	682,239	767,986	85,747	11.2%	8.1%
October	430,752	409,037	457,660		1,225,646	–		
November	417,260	427,100	477,917		1,703,563	–		
December	396,972	366,517	467,465		2,171,028	–		
January	202,221	274,033	474,542		2,645,570	–		
February	286,640	508,539	788,833		3,434,403	–		
March	359,440	757,430	997,810		4,432,213	–		
April	532,842	1,009,269	985,045		5,417,257	–		
May	664,731	1,421,432	1,186,672		6,603,929	–		
June	1,431,160	2,504,826	2,180,795		8,784,724	–		
Total Capital expenditure	5,316,290	8,388,432	8,784,724					

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

Capital expenditure on new assets by asset class

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	1,797,980	2,886,525	2,961,017	228,221	259,642	(31,421)	-12.1%	2,322,142
Roads Infrastructure	800,145	929,567	1,221,321	52,711	139,287	(86,576)	-62.2%	901,760
Roads	800,145	929,567	1,221,321	52,711	139,287	(86,576)	-62.2%	901,760
Storm water Infrastructure	2,093	117,312	2,257	61	–	61	100.0%	2,257
Drainage Collection	2,093	117,312	2,257	61	–	61	100.0%	2,257
Electrical Infrastructure	319,606	368,700	384,729	40,571	41,597	(1,026)	-2.5%	373,909
HV Substations	261,124	314,395	328,173	30,566	35,675	(5,109)	-14.3%	317,353
MV Networks	(145)	6,200	6,200	1,779	1,550	229	14.8%	6,200
LV Networks	58,627	48,105	50,356	8,226	4,373	3,854	88.1%	50,356
Water Supply Infrastructure	461,126	971,327	908,649	120,927	21,843	99,084	453.6%	761,861
Reservoirs	387,712	743,800	734,494	114,018	14,294	99,724	697.7%	607,600
Water Treatment Works	1,491	–	10,000	857	–	857	100.0%	3,107
Bulk Mains	41,936	73,000	72,155	1,602	2,549	(947)	-37.2%	66,155
Distribution	29,987	154,527	92,000	4,450	5,000	(550)	-11.0%	85,000
Sanitation Infrastructure	129,147	218,499	148,676	13,117	11,000	2,117	19.2%	133,010
Reticulation	30,907	129,199	72,260	8,020	4,000	4,020	100.5%	72,710
Waste Water Treatment Works	96,932	89,300	76,416	5,097	7,000	(1,903)	-27.2%	60,300
Outfall Sewers	1,308	–	–	–	–	–	–	–
Solid Waste Infrastructure	13,523	251,120	264,371	822	45,410	(44,588)	-98.2%	119,000
Landfill Sites	13,523	251,120	264,371	822	45,410	(44,588)	-98.2%	119,000
Information and Communication Infrastructure	72,339	30,000	31,015	12	505	(493)	-97.5%	30,345
Data Centres	72,339	30,000	31,015	12	505	(493)	-97.5%	30,345
Community Assets	295,414	243,160	267,634	11,649	21,735	(10,086)	-46.4%	256,400
Community Facilities	294,880	242,440	267,204	11,638	21,657	(10,019)	-46.3%	255,969
Halls	–	25	25	22	25	(3)	-12.2%	25
Centres	–	17,505	18,177	–	–	–	–	18,169
Clinics/Care Centres	37,750	21,296	22,729	–	2,360	(2,360)	-100.0%	22,729
Fire/Ambulance Stations	17,103	–	2,739	–	2,739	(2,739)	-100.0%	2,739
Museums	2,951	–	121	–	121	(121)	-100.0%	121
Libraries	8,366	7,375	8,014	–	639	(639)	-100.0%	8,014
Cemeteries/Crematoria	6,237	3,500	9,934	1,188	2,734	(1,545)	-56.5%	9,934
Public Open Space	291	11,100	11,229	–	30	(30)	-100.0%	11,229
Nature Reserves	1,280	10,634	10,634	–	–	–	–	2,970
Markets	–	710	710	–	–	–	–	710
Taxi Ranks/Bus Terminals	220,903	170,296	182,892	10,428	13,009	(2,581)	-19.8%	179,329
Sport and Recreation Facilities	534	720	431	11	78	(67)	-86.4%	431
Outdoor Facilities	534	720	431	11	78	(67)	-86.4%	431
Heritage assets	–	30	30	–	–	–	–	30
Works of Art	–	30	30	–	–	–	–	30
Other assets	101,917	209,953	228,105	14,212	22,364	(8,153)	-36.5%	226,664
Operational Buildings	83,095	159,033	175,013	6,862	11,160	(4,298)	-38.5%	175,012
Municipal Offices	34,113	115,455	121,996	1,564	250	1,314	525.7%	121,995
Laboratories	8,222	–	–	–	–	–	–	–
Depots	40,760	43,578	53,017	5,298	10,910	(5,613)	-51.4%	53,017
Housing	18,822	50,920	53,092	7,350	11,204	(3,854)	-34.4%	51,652
Social Housing	18,822	50,920	53,092	7,350	11,204	(3,854)	-34.4%	51,652
Intangible Assets	12,014	41,512	45,687	1,197	1,948	(750)	-38.5%	37,687
Licences and Rights	12,014	41,512	45,687	1,197	1,948	(750)	-38.5%	37,687
Computer Software and Applications	12,014	41,512	45,687	1,197	1,948	(750)	-38.5%	37,687
Computer Equipment	121,869	95,626	91,253	3,147	5,729	(2,582)	-45.1%	73,617
Computer Equipment	121,869	95,626	91,253	3,147	5,729	(2,582)	-45.1%	73,617
Furniture and Office Equipment	101,282	119,167	120,631	10,718	12,202	(1,484)	-12.2%	107,311
Furniture and Office Equipment	101,282	119,167	120,631	10,718	12,202	(1,484)	-12.2%	107,311
Machinery and Equipment	36,812	48,127	55,203	1,624	3,097	(1,473)	-47.6%	52,203
Machinery and Equipment	36,812	48,127	55,203	1,624	3,097	(1,473)	-47.6%	52,203
Transport Assets	155,011	197,348	197,429	249	–	249	100.0%	193,948
Transport Assets	155,011	197,348	197,429	249	–	249	100.0%	193,948
Land	5,157	26,000	26,000	73	–	73	100.0%	26,000
Land	5,157	26,000	26,000	73	–	73	100.0%	26,000
Total Capital Expenditure on new assets	2,627,456	3,867,449	3,992,990	271,090	326,716	(55,627)	-17.0%	3,296,002

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

Capital expenditure on renewal of existing assets by asset class

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on renewal of existing assets by Asset Class/Sub-class								
Infrastructure	837,504	1,408,835	1,489,395	140,649	139,597	1,053	0.8%	1,131,481
Roads Infrastructure	123,380	214,477	246,691	20,885	19,630	1,255	6.4%	121,887
Roads	123,380	214,477	246,691	20,885	19,630	1,255	6.4%	121,887
Storm water Infrastructure	27,376	59,700	71,394	541	2,900	(2,359)	-81.3%	60,247
Drainage Collection	27,376	59,700	71,394	541	2,900	(2,359)	-81.3%	60,247
Electrical Infrastructure	301,112	346,825	376,784	72,951	71,536	1,414	2.0%	354,428
HV Substations	70,633	74,825	107,934	17,094	15,698	1,396	8.9%	107,428
MV Substations	18,328	50,000	46,850	8	3,208	(3,200)	-99.7%	25,000
MV Networks	169,030	182,000	182,000	48,560	42,780	5,780	13.5%	182,000
LV Networks	43,122	40,000	40,000	7,289	9,850	(2,561)	-26.0%	40,000
Water Supply Infrastructure	245,200	409,900	409,900	24,180	25,000	(820)	-3.3%	321,900
Bulk Mains	27,999	60,000	60,000	3,375	4,000	(625)	-15.6%	60,000
Distribution	217,201	349,900	349,900	20,805	21,000	(195)	-0.9%	261,900
Sanitation Infrastructure	132,652	376,433	380,596	21,904	19,500	2,404	12.3%	268,999
Pump Station	8,288	18,733	18,733	7,722	3,000	4,722	157.4%	16,733
Reticulation	38,034	87,700	87,700	4,873	-	4,873	100.0%	72,700
Waste Water Treatment Works	69,421	170,000	174,163	8,906	5,000	3,906	78.1%	149,163
Outfall Sewers	16,908	100,000	100,000	403	11,500	(11,097)	-96.5%	30,403
Solid Waste Infrastructure	-	-	200	189	200	(11)	-5.7%	189
Landfill Sites	-	-	200	189	200	(11)	-5.7%	189
Information and Communication Infrastructure	7,784	1,500	3,830	-	830	(830)	-100.0%	3,830
Data Centres	7,784	1,500	3,830	-	830	(830)	-100.0%	3,830
Community Assets	3,774	19,283	25,306	-	450	(450)	-100.0%	25,306
Community Facilities	3,774	19,283	25,306	-	450	(450)	-100.0%	25,306
Halls	-	9,883	9,883	-	-	-	-	9,883
Clinics/Care Centres	1,172	8,000	8,000	-	-	-	-	8,000
Libraries	1,992	-	-	-	-	-	-	-
Public Open Space	610	1,400	7,423	-	450	(450)	-100.0%	7,423
Heritage assets	5,074	600	1,251	182	651	(470)	-72.1%	1,251
Monuments	5,074	600	1,251	182	651	(470)	-72.1%	1,251
Other assets	72,045	71,250	71,049	10,358	2,406	7,952	330.6%	56,667
Operational Buildings	20,078	26,689	26,487	236	307	(71)	-23.2%	12,138
Municipal Offices	11,282	24,339	24,137	200	232	(32)	-13.8%	9,788
Laboratories	299	300	300	3	75	(72)	-95.9%	300
Depots	8,497	2,050	2,050	33	-	33	100.0%	2,050
Housing	51,967	44,561	44,561	10,122	2,099	8,023	382.2%	44,529
Social Housing	51,967	44,561	44,561	10,122	2,099	8,023	382.2%	44,529
Intangible Assets	9,154	2,500	7,600	19	1,100	(1,081)	-98.2%	7,600
Licences and Rights	9,154	2,500	7,600	19	1,100	(1,081)	-98.2%	7,600
Computer Software and Applications	9,154	2,500	7,600	19	1,100	(1,081)	-98.2%	7,600
Computer Equipment	117,790	125,859	125,183	9,007	61,103	(52,096)	-85.3%	115,994
Computer Equipment	117,790	125,859	125,183	9,007	61,103	(52,096)	-85.3%	115,994
Furniture and Office Equipment	17,030	28,889	27,028	5,959	1,620	4,338	267.7%	24,723
Furniture and Office Equipment	17,030	28,889	27,028	5,959	1,620	4,338	267.7%	24,723
Machinery and Equipment	62,916	11,454	11,735	1,405	2,486	(1,082)	-43.5%	8,535
Machinery and Equipment	62,916	11,454	11,735	1,405	2,486	(1,082)	-43.5%	8,535
Transport Assets	375,447	622,937	623,967	23,265	5,250	18,015	343.1%	624,054
Transport Assets	375,447	622,937	623,967	23,265	5,250	18,015	343.1%	624,054
Total Capital Expenditure on renewal of existing assets	1,500,735	2,291,609	2,382,513	190,844	214,664	(23,820)	-11.1%	1,995,611

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

Capital expenditure on upgrading of existing assets by asset class

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class								
Infrastructure	678,723	1,303,801	1,422,995	172,988	148,272	24,716	16.7%	1,305,969
Roads Infrastructure	178,498	192,672	235,643	32,529	40,776	(8,247)	-20.2%	239,314
Roads	178,498	192,672	235,643	32,529	40,776	(8,247)	-20.2%	239,314
Storm water Infrastructure	4,893	41,000	44,307	155	–	155	100.0%	5,396
Drainage Collection	4,893	41,000	44,307	155	–	155	100.0%	5,396
Electrical Infrastructure	40,691	29,582	29,582	16,648	15,073	1,575	10.4%	29,582
HV Substations	40,691	29,582	29,582	16,648	15,073	1,575	10.4%	29,582
Water Supply Infrastructure	117,651	75,350	93,676	5,247	2,000	3,247	162.4%	93,526
Reservoirs	4,973	10,350	15,220	1,882	800	1,082	135.3%	15,070
Distribution	112,679	65,000	78,456	3,365	1,200	2,165	180.4%	78,456
Sanitation Infrastructure	324,757	848,773	891,399	108,128	67,249	40,879	60.8%	827,981
Pump Station	–	60,000	60,000	901	8,249	(7,348)	-89.1%	60,000
Reticulation	7,723	7,323	7,323	354	–	354	100.0%	1,000
Waste Water Treatment Works	317,033	781,450	824,076	106,872	59,000	47,872	81.1%	766,981
Solid Waste Infrastructure	12,233	111,425	123,388	10,281	22,674	(12,393)	-54.7%	105,171
Landfill Sites	12,233	111,425	123,388	10,281	22,674	(12,393)	-54.7%	105,171
Information and Communication Infrastructure	–	5,000	5,000	–	500	(500)	-100.0%	5,000
Data Centres	–	5,000	5,000	–	500	(500)	-100.0%	5,000
Community Assets	239,647	368,879	378,361	9,682	13,398	(3,716)	-27.7%	354,735
Community Facilities	153,098	221,725	207,171	6,731	10,034	(3,303)	-32.9%	183,845
Halls	1,698	8,430	234	–	30	(30)	-100.0%	234
Centres	13,117	12,800	20,022	21	100	(79)	-79.5%	20,022
Clinics/Care Centres	39,641	61,400	55,161	2,695	2,172	523	24.1%	55,161
Fire/Ambulance Stations	12,394	–	770	–	770	(770)	-100.0%	770
Museums	302	–	–	–	–	–	-	–
Libraries	7,819	10,125	10,796	–	721	(721)	-100.0%	10,796
Cemeteries/Crematoria	5,922	19,750	10,904	32	404	(372)	-92.1%	10,904
Public Open Space	41,436	48,740	41,996	330	977	(647)	-66.2%	39,555
Nature Reserves	10,569	6,680	9,180	7	62	(55)	-89.4%	9,180
Public Ablution Facilities	1,923	8,000	8,000	–	–	–	-	8,000
Taxi Ranks/Bus Terminals	18,278	45,800	50,110	3,647	4,800	(1,153)	-24.0%	29,224
Sport and Recreation Facilities	86,550	147,154	171,190	2,951	3,364	(413)	-12.3%	170,890
Indoor Facilities	1,102	14,290	39,572	828	682	146	21.5%	39,572
Outdoor Facilities	85,448	132,864	131,618	2,122	2,682	(560)	-20.9%	131,318
Heritage assets	1,293	–	45	–	–	–	-	45
Monuments	1,293	–	45	–	–	–	-	45
Other assets	223,244	499,095	551,225	35,040	62,520	(27,480)	-44.0%	515,364
Operational Buildings	187,997	423,217	475,348	12,132	58,928	(46,796)	-79.4%	439,512
Municipal Offices	87,612	265,406	294,359	7,814	30,698	(22,884)	-74.5%	291,874
Yards	76	–	200	51	–	51	100.0%	200
Depots	100,309	157,811	180,789	4,266	28,229	(23,963)	-84.9%	147,438
Housing	35,247	75,878	75,878	22,908	3,593	19,316	537.7%	75,851
Social Housing	35,247	75,878	75,878	22,908	3,593	19,316	537.7%	75,851
Intangible Assets	23,908	16,950	26,952	564	2,295	(1,731)	-75.4%	24,738
Licences and Rights	23,908	16,950	26,952	564	2,295	(1,731)	-75.4%	24,738
Computer Software and Applications	23,908	16,950	26,952	564	2,295	(1,731)	-75.4%	24,738
Computer Equipment	225	17,540	15,583	–	–	–	-	7,583
Computer Equipment	225	17,540	15,583	–	–	–	-	7,583
Furniture and Office Equipment	10,973	17,447	9,822	2,032	–	2,032	100.0%	9,822
Furniture and Office Equipment	10,973	17,447	9,822	2,032	–	2,032	100.0%	9,822
Machinery and Equipment	10,085	5,662	4,236	–	121	(121)	-100.0%	4,236
Machinery and Equipment	10,085	5,662	4,236	–	121	(121)	-100.0%	4,236
Total Capital Expenditure on upgrading of existing assets	1,188,099	2,229,374	2,409,220	220,306	226,607	(6,301)	-2.8%	2,222,492

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

Expenditure on repairs and maintenance by asset class

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Repairs and maintenance expenditure by Asset Class/Sub-class								
Infrastructure	713,245	2,047,033	2,046,972	337,752	374,846	(37,094)	-9.9%	2,046,972
Roads Infrastructure	590	688,377	688,377	87,295	95,493	(8,198)	-8.6%	688,377
Roads	590	688,377	688,377	87,295	95,493	(8,198)	-8.6%	688,377
Electrical Infrastructure	229,128	541,437	541,437	121,690	124,604	(2,914)	-2.3%	541,437
Power Plants	113,328	17,215	17,215	6,430	3,960	2,470	62.4%	17,215
HV Substations	–	31,272	31,272	4,087	7,195	(3,108)	-43.2%	31,272
MV Substations	–	353,066	353,066	75,839	81,254	(5,415)	-6.7%	353,066
LV Networks	115,800	139,884	139,884	35,334	32,194	3,140	9.8%	139,884
Water Supply Infrastructure	195,130	440,218	440,183	75,860	82,947	(7,087)	-8.5%	440,183
Reservoirs	–	41,845	41,845	6,582	8,247	(1,665)	-20.2%	41,845
Pump Stations	25,734	53,419	53,340	7,250	9,642	(2,391)	-24.8%	53,340
Water Treatment Works	1,866	43,287	43,287	8,319	7,367	952	12.9%	43,287
Bulk Mains	–	8,242	8,242	2,696	2,355	341	14.5%	8,242
Distribution	167,530	293,425	293,470	51,012	55,336	(4,324)	-7.8%	293,470
Sanitation Infrastructure	282,758	374,750	374,724	52,614	71,310	(18,696)	-26.2%	374,724
Reticulation	–	250,258	250,232	33,192	49,986	(16,793)	-33.6%	250,232
Waste Water Treatment Works	282,718	113,257	113,257	18,524	18,587	(63)	-0.3%	113,257
Outfall Sewers	40	11,235	11,235	898	2,737	(1,839)	-67.2%	11,235
Solid Waste Infrastructure	5,639	2,250	2,250	293	492	(199)	-40.5%	2,250
Landfill Sites	5,639	2,250	2,250	293	492	(199)	-40.5%	2,250
Community Assets	131,143	504,731	504,795	55,270	71,948	(16,678)	-23.2%	504,795
Community Facilities	130,809	122,404	122,468	5,889	17,968	(12,079)	-67.2%	122,468
Halls	17,593	45,452	45,452	1,612	4,751	(3,140)	-66.1%	45,452
Centres	83	6,514	6,514	176	420	(243)	-58.0%	6,514
Clinics/Care Centres	10,690	6,258	6,258	1,118	1,445	(328)	-22.7%	6,258
Fire/Ambulance Stations	–	5,562	5,562	136	896	(760)	-84.9%	5,562
Libraries	98,314	34,665	34,665	734	7,517	(6,783)	-90.2%	34,665
Cemeteries/Crematoria	2,874	10,129	10,129	1,426	949	477	50.2%	10,129
Nature Reserves	923	4,689	4,753	555	823	(268)	-32.6%	4,753
Public Ablution Facilities	332	6,856	6,856	41	1,167	(1,126)	-96.5%	6,856
Markets	–	2,278	2,278	92	–	92	100.0%	2,278
Sport and Recreation Facilities	334	382,327	382,327	49,381	53,980	(4,599)	-8.5%	382,327
Indoor Facilities	269	25	25	–	0	(0)	-100.0%	25
Outdoor Facilities	65	382,301	382,301	49,381	53,980	(4,599)	-8.5%	382,301
Heritage assets	–	1,916	1,916	22	77	(55)	-71.5%	1,916
Works of Art	–	1,916	1,916	22	77	(55)	-71.5%	1,916
Investment properties	13,891	8,043	56	137	38	99	259.3%	56
Revenue Generating	13,891	43	43	20	25	(5)	-20.2%	43
Improved Property	13,891	43	43	20	25	(5)	-20.2%	43
Non-revenue Generating	–	8,001	13	117	13	104	781.2%	13
Unimproved Property	–	8,001	13	117	13	104	781.2%	13
Other assets	72,660	338,649	342,530	19,664	28,789	(9,125)	-31.7%	342,530
Operational Buildings	72,660	338,649	342,530	19,664	28,789	(9,125)	-31.7%	342,530
Municipal Offices	590	333,831	337,712	19,575	27,911	(8,336)	-29.9%	337,712
Laboratories	–	2,136	2,136	41	219	(178)	-81.3%	2,136
Training Centres	72,070	521	521	46	131	(85)	-65.1%	521
Depots	–	2,162	2,162	2	528	(526)	-99.7%	2,162
Computer Equipment	63,807	246,058	246,452	30,537	34,756	(4,219)	-12.1%	246,452
Computer Equipment	63,807	246,058	246,452	30,537	34,756	(4,219)	-12.1%	246,452
Furniture and Office Equipment	3	542,256	542,446	112,127	101,582	10,545	10.4%	542,446
Furniture and Office Equipment	3	542,256	542,446	112,127	101,582	10,545	10.4%	542,446
Transport Assets	102,625	440,991	444,971	74,752	88,805	(14,053)	-15.8%	444,971
Transport Assets	102,625	440,991	444,971	74,752	88,805	(14,053)	-15.8%	444,971
Total Repairs and Maintenance Expenditure	1,097,376	4,129,677	4,130,138	630,260	700,841	(70,580)	-10.1%	4,130,138

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

Depreciation by asset class

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Depreciation by Asset Class/Sub-class								
Infrastructure	1,254,022	1,296,991	1,296,991	332,320	324,248	8,073	2.5%	1,296,991
Roads Infrastructure	359,467	406,286	406,286	97,894	101,571	(3,678)	-3.6%	406,286
Roads	359,467	294,830	294,830	69,394	73,708	(4,314)	-5.9%	294,830
Road Structures	–	72,658	72,658	18,371	18,164	206	1.1%	72,658
Road Furniture	–	38,798	38,798	10,130	9,700	430	4.4%	38,798
Stormwater Infrastructure	46,522	45,851	45,851	12,824	11,463	1,361	11.9%	45,851
Drainage Collection	46,522	45,851	45,851	12,824	11,463	1,361	11.9%	45,851
Electrical Infrastructure	246,946	233,540	233,540	58,400	58,385	15	0.0%	233,540
Power Plants	6,957	6,955	6,955	1,739	1,739	0	0.0%	6,955
HV Substations	20,514	–	–	–	–	–	–	–
HV Transmission Conductors	–	14,594	14,594	3,664	3,648	16	0.4%	14,594
MV Substations	52,768	13,983	13,983	892	3,496	(2,604)	-74.5%	13,983
MV Switching Stations	–	52,620	52,620	14,020	13,155	865	6.6%	52,620
MV Networks	103,470	104,873	104,873	26,775	26,218	557	2.1%	104,873
LV Networks	63,237	40,516	40,516	11,311	10,129	1,182	11.7%	40,516
Water Supply Infrastructure	236,904	264,253	264,253	69,398	66,063	3,335	5.0%	264,253
Reservoirs	21,898	22,414	22,414	10,420	5,604	4,816	86.0%	22,414
Pump Stations	5,459	5,415	5,415	1,360	1,354	6	0.5%	5,415
Water Treatment Works	28,239	26,172	26,172	8,195	6,543	1,652	25.2%	26,172
Bulk Mains	10,405	17,915	17,915	2,603	4,479	(1,875)	-41.9%	17,915
Distribution	170,903	192,337	192,337	46,820	48,084	(1,265)	-2.6%	192,337
Sanitation Infrastructure	266,016	264,260	264,260	67,608	66,065	1,543	2.3%	264,260
Pump Station	7,130	8,144	8,144	1,745	2,036	(291)	-14.3%	8,144
Reticulation	157,546	155,668	155,668	38,984	38,917	66	0.2%	155,668
Waste Water Treatment Works	88,511	87,640	87,640	23,670	21,910	1,760	8.0%	87,640
Outfall Sewers	12,830	12,807	12,807	3,208	3,202	7	0.2%	12,807
Solid Waste Infrastructure	45,630	36,207	36,207	9,438	9,052	386	4.3%	36,207
Landfill Sites	45,630	36,207	36,207	9,438	9,052	386	4.3%	36,207
Coastal Infrastructure	–	4,560	4,560	1,419	1,140	279	24.5%	4,560
Promenades	–	4,560	4,560	1,419	1,140	279	24.5%	4,560
Information and Communication Infrastructure	52,537	42,035	42,035	15,340	10,509	4,831	46.0%	42,035
Data Centres	52,537	–	–	–	–	–	–	–
Core Layers	–	6,610	6,610	1,771	1,653	119	7.2%	6,610
Distribution Layers	–	35,424	35,424	13,569	8,856	4,713	53.2%	35,424
Community Assets	348,370	364,191	364,191	90,286	91,048	(762)	-0.8%	364,191
Community Facilities	129,027	155,005	155,005	36,888	38,751	(1,863)	-4.8%	155,005
Halls	2,727	2,756	2,756	828	689	139	20.1%	2,756
Centres	3,835	47,842	47,842	12,211	11,960	251	2.1%	47,842
Clinics/Care Centres	9,506	8,247	8,247	1,676	2,062	(386)	-18.7%	8,247
Fire/Ambulance Stations	1,696	2,462	2,462	424	616	(192)	-31.2%	2,462
Testing Stations	1,106	1,122	1,122	288	281	7	2.6%	1,122
Museums	194	363	363	55	91	(35)	-39.1%	363
Theatres	112	112	112	28	28	0	0.0%	112
Libraries	5,270	6,142	6,142	1,497	1,536	(39)	-2.5%	6,142
Cemeteries/Crematoria	3,256	3,880	3,880	820	970	(150)	-15.5%	3,880
Public Open Space	18,365	17,178	17,178	3,726	4,294	(569)	-13.2%	17,178
Nature Reserves	378	817	817	94	204	(110)	-53.7%	817
Public Ablution Facilities	2,350	1,941	1,941	600	485	115	23.6%	1,941
Markets	1,586	1,509	1,509	407	377	30	8.0%	1,509
Airports	4	4	4	1	1	(0)	0.0%	4
Taxi Ranks/Bus Terminals	78,643	60,630	60,630	14,233	15,157	(925)	-6.1%	60,630
Sport and Recreation Facilities	219,343	209,186	209,186	53,398	52,296	1,101	2.1%	209,186
Indoor Facilities	9,678	6,267	6,267	1,628	1,567	61	3.9%	6,267
Outdoor Facilities	209,665	202,919	202,919	51,770	50,730	1,041	2.1%	202,919

Table continues on next page.

City of Cape Town: S52 Annexure A – 2020 Q1 (September 2019)

Description	2018/19	Budget Year 2019/20						
	*Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Depreciation by Asset Class/Sub-class								
Investment properties	1,714	1,714	1,714	428	428	(0)	0.0%	1,714
Revenue Generating	1,714	1,714	1,714	428	428	(0)	0.0%	1,714
Improved Property	1,714	1,714	1,714	428	428	(0)	0.0%	1,714
Other assets	291,700	258,709	258,709	65,441	64,677	764	1.2%	258,709
Operational Buildings	192,111	155,594	155,594	40,719	38,898	1,820	4.7%	155,594
Municipal Offices	162,150	9,231	9,231	1,515	2,308	(793)	-34.4%	9,231
Workshops	–	31,024	31,024	7,425	7,756	(331)	-4.3%	31,024
Yards	212	–	–	–	–	–	–	–
Laboratories	295	–	–	–	–	–	–	–
Training Centres	289	303	303	72	76	(4)	-4.8%	303
Manufacturing Plant	–	6,970	6,970	1,742	1,742	0	0.0%	6,970
Depots	29,165	108,066	108,066	29,965	27,017	2,948	10.9%	108,066
Housing	99,589	103,115	103,115	24,722	25,779	(1,057)	-4.1%	103,115
Social Housing	99,589	103,115	103,115	24,722	25,779	(1,057)	-4.1%	103,115
Intangible Assets	147,789	143,931	143,931	37,956	35,983	1,973	5.5%	143,931
Licences and Rights	147,789	143,931	143,931	37,956	35,983	1,973	5.5%	143,931
Computer Software and Applications	77,609	73,751	73,751	20,411	18,438	1,973	10.7%	73,751
Unspecified	70,180	70,180	70,180	17,545	17,545	–	–	70,180
Computer Equipment	223,929	228,215	228,215	56,403	57,054	(651)	-1.1%	228,215
Computer Equipment	223,929	228,215	228,215	56,403	57,054	(651)	-1.1%	228,215
Furniture and Office Equipment	124,655	115,391	115,391	26,063	28,848	(2,784)	-9.7%	115,391
Furniture and Office Equipment	124,655	115,391	115,391	26,063	28,848	(2,784)	-9.7%	115,391
Machinery and Equipment	110,232	119,369	119,369	28,096	29,842	(1,746)	-5.9%	119,369
Machinery and Equipment	110,232	119,369	119,369	28,096	29,842	(1,746)	-5.9%	119,369
Transport Assets	333,717	417,125	417,125	90,676	104,281	(13,605)	-13.0%	417,125
Transport Assets	333,717	417,125	417,125	90,676	104,281	(13,605)	-13.0%	417,125
Land	–	69,253	69,253	–	17,313	(17,313)	-100.0%	69,253
Land	–	69,253	69,253	–	17,313	(17,313)	-100.0%	69,253
Zoo's, Marine and Non-biological Animals	–	197	197	48	49	(1)	-2.1%	197
Zoo's, Marine and Non-biological Animals	–	197	197	48	49	(1)	-2.1%	197
Total Depreciation	2,836,129	3,015,086	3,015,086	727,718	753,772	(26,054)	-3.5%	3,015,086

*The '2018/19 Audited Outcome' column has been populated with pre-audited figures.

MUNICIPAL COST CONTAINMENT REGULATIONS (MCCR)

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

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

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

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

City of Cape Town

Cost Containment In-Year Report				
Measures	2019/20 budget	Q1 2020		Comment
		Budget	Actual	
	R Thousand			
Use of consultants	7 870 746	1 166 249	1 032 766	<p>This category includes EPWP/Mayor's Job Creation Programme (MJCP) staff, all non-permanent staff i.e. temporary contract staff including libraries, health, seasonal workers, apprenticeships and learnerships, and contracted services i.e. professional services, advisory services and contractors.</p> <p>The process to procure services of consultants is aligned to the stipulations of the City's Supply Chain Management Policy, which is in line with the MCCR. In addition, provisions for uncommitted consultants are centralised and accessed via reports, approved by the respective executive director, which clearly demonstrate that the department/directorate does not have the requisite skills/resources to perform the specified functions/services.</p>
Vehicle used for political office-bearers	-	-	-	No provision has been made against this category in the 2019/20 financial year.
Travel and Subsistence	22 666	5 111	4 013	The City's Travel Management Policy sets out the cost containment measures, which are in place in relation to travel and subsistence within the City.
Domestic Accommodation	2 344	428	57	The City's Travel Management Policy sets out the cost containment measures, which are in place in relation to domestic accommodation within the City.
Sponsorships, events and Catering	268 655	76 853	76 807	<p>Sponsorships: All grant-in-aid applications are subject to a screening process to ensure that recommended grants comply with the City's Grant-in-aid Policy as well as other relevant policies.</p> <p>Events: An ad-hoc committee facilitates the selection of events and makes recommendations to the Executive Mayor, of which events the City may support in terms of the Integrated Development Plan (IDP) and the City's Events Policy.</p> <p>Catering: The City's Catering & Beverage Provision Policy sets out the cost containment measures, which are in place in relation to catering expenditure for official meetings and workshops in the City.</p>
Communication	70 999	10 487	10 579	The City, as far as possible, uses newspapers with a readership-base predominantly within the City's geographical area and also focuses on community newspapers.
Other related expenditure items - Conferences & Seminars	6 231	873	1 532	The City's Systems and Procedures (SOP) for attendance of seminars, external meetings/workshops and conferences sets out the cost containment measures, which are in place in relation to attendance of conferences, meetings and study tours.
Other related expenditure items - Overtime	606 263	95 723	106 282	<p>Overtime has a structured and non-structured component. Line departments are phasing out reliance on non-structured overtime by ensuring that continuous shift rosters and stand-by allowances are put in place where 24-hour continuous services are required.</p> <p>The expenditure for the quarter under review is largely against non-structured overtime, where law enforcement officers were required to assist SAPS and SANDF in high crime areas. Staff were also deployed to areas where protest actions and/or service delivery strikes took place.</p>
Other related expenditure items - Office furniture	23 423	3 025	3 531	The City's Corporate Office Furniture & Associated Equipment Policy seeks to exercise frugality by managing the utilisation of existing redundant office furniture before new office furniture may be procured. The policy stipulates that the relevant delegated official must scrutinise the City's 'used furniture inventory' depository before any new furniture may be procured and must sign a declaration form confirming that this process has been followed. The actual expenditure for the quarter under review is slightly higher than the budget as certain furniture items were delivered earlier than planned, however, budget control is in place to ensure that no over expenditure occurs.
Total	8 871 327	1 358 748	1 235 566	

Cape Town International Convention Centre (CTICC)

Cost Containment In-Year Report				
Measures	2019/20 Budget	Q1 2020		Comments
		Budget	Actual	
	R Thousand			
Use of Consultants	5 733	1 433	490	The contracts for the Legal and Customer Satisfactory Surveys were signed prior to 1 July 2019. The CTICC does not possess the skillsets required in-house.
Travel and subsistence	1 814	528	810	Bookings for local- and international travel as well as International accommodation for sales trips, events and conferences are done through the contract issued before 1 July 2019. The expenditure for the quarter also relates to purchase orders raised for travel to be undertaken in October and November 2019. National Treasury's code applicable to entities was used when making bookings. The attendance of events are an integral part of the entity's business strategy to grow revenue.
Domestic accommodation	201	46	26	Bookings for accommodation for sales trips and events are done through the contract issued before 1 July 2019. National Treasury's code applicable to entities are used when making bookings. The attendance of events are an integral part of the entity's business strategy to grow revenue.
Sponsorships, events and catering	725	87	147	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 take place.
Communication	709	177	153	The contract for cellphone and data services was issued before 1 July 2019.
Other related expenditure items - Office Furniture	200	-	-	No expenditure was incurred for the quarter under review.
Total	9 382	2 271	1 626	

Cape Town Stadium (CTS)

Cost Containment In-Year Report				
Measures	2019/20 Budget	Q1 2020		Comments
		Budget	Actual	
	R Thousand			
Use of Consultants	6 129	1 532	89	All contracts with consultants were concluded prior 1 July 2019. Invula Risk Management (IRM) was utilised to assist with the impact that the Municipal Asset Transfer Regulations (MATR) process will have on the commercialisation tender process. Moore Stephens was appointed to undertake a basic due diligence of the additional suites.
Travel and subsistence	68	17	1	Limited staff claims for fuel for the quarter under review.
Domestic accommodation	20	5	-	No domestic accommodation needed in the quarter under review.
Sponsorships, events and catering	57	14	-	No catering expenditure incurred for the quarter under review.
Communication	105	26	6	Advert in respect of a manager position only placed in local newspaper and career-related websites.
Other related expenditure items	69	17	-	No conferences were attended during the quarter under review.
Total	6 448	1 612	96	

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

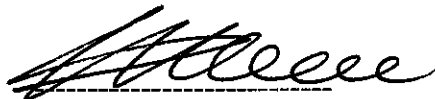
I, **Lungelo Mbandazayo**, the Municipal Manager of **City of Cape Town**, hereby certifies that the quarterly report on the implementation of the budget and financial state of affairs of the municipality, for the period ended **30 September 2019** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Lungelo Mbandazayo

Print name -----

Municipal Manager of City of Cape Town (CPT)

Signature



Date

2019 -10- 0 4