

**THE PROVINCE OF
GAUTENG**



**DIE PROVINSIE VAN
GAUTENG**

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PROVINCIAL NOTICES • PROVINSIALE KENNISGEWINGS

PROVINCIAL NOTICE 147 OF 2023

PUBLICATION OF THE GAUTENG CONSOLIDATED STATEMENT ON THE STATE OF MUNICIPAL BUDGETS FOR THE QUARTER ENDED 31 DECEMBER 2022.

1. Section 71(7) of the MFMA requires the Provincial Treasury to publish a consolidated statement on the state of municipal budgets per municipality in the province, within 30 days after the end of each quarter.
2. The publication is based on the numbers as reported by all the municipalities in the Province, which the provincial treasury extracted from the National Treasury Local Government Database.
3. We have noted some discrepancies in the numbers which is mainly attributed to some municipalities still experiencing challenges with the implementation of the 'Municipal Standard Chart of Accounts' and related processes. Reporting is however a continuous process and municipalities are always requested to correct these discrepancies in subsequent reporting periods and thereby increasing the credibility of the reporting data strings.
4. In particular, the 'Monthly Budget Statements' from the National Treasury Local Government Database does not provide a complete set of information on cash flow position of municipalities and some municipalities reported distorted information in respect of their capital budgets and monthly Grant Reporting.
5. This publication is hereby made by the Gauteng Provincial Treasury in compliance with section 71(7) of the MFMA.


Ms. Ncumisa Mnyani
Head of Department
Gauteng Provincial Treasury
Date: 06 FEBRUARY 2023

Gauteng Province

Consolidated Municipal Budgets
Performance Report
for the period ended 31 December 2022



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A. Background and Introduction

1. Gauteng Province: List of municipalities

| No. | District | Municipality | Category |
|-----|--------------|-----------------------------------|----------|
| 1 | Ekurhuleni | City of Ekurhuleni | A |
| 2 | Johannesburg | City of Johannesburg | A |
| 3 | Tshwane | City of Tshwane | A |
| 4 | Sedibeng | Emfuleni Local Municipality | B |
| 5 | Sedibeng | Lesedi Local Municipality | B |
| 6 | Sedibeng | Midvaal Local Municipality | B |
| 7 | Sedibeng | Sedibeng District Municipality | C |
| 8 | West Rand | Merafong City Local Municipality | B |
| 9 | West Rand | Mogale City Local Municipality | B |
| 10 | West Rand | Rand West City Local Municipality | B |
| 11 | West Rand | West Rand District Municipality | C |

2. The municipal reporting timeline

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 |
|  | | | | | | | | | | | |

- The monthly municipal reporting is always 1 month in arrears (late) as municipalities each month submit 10 working days after the end of each month. eg. the December 2022 reports were due on 16 January 2023.
- The MSCOA data strings submissions in this report are also as at 31 December 2022 to align with the reporting period although the submission report is available on a daily basis.

B. The 2022/23 Annual Budgets - Overview

3. Total Aggregated Annual Budget for the 2022/23 financial year in R'000.

| Municipality R'000 | Operating Revenue | Operating Expenditure | Difference |
|--------------------|--------------------|-----------------------|----------------|
| CoE | 48,266,991 | 47,966,991 | 300,000 |
| CoJ | 70,024,240 | 69,649,019 | 375,221 |
| CoT | 42,151,840 | 42,148,532 | 3,308 |
| Emfuleni LM | 7,001,734 | 6,817,079 | 184,655 |
| Lesedi LM | 1,096,246 | 1,139,900 | (43,654) |
| Merafong LM | 2,005,986 | 1,999,507 | 6,479 |
| Midvaal LM | 1,492,049 | 1,550,469 | (58,420) |
| Mogale City LM | 3,364,885 | 3,600,016 | (235,131) |
| Rand West City LM | 2,370,935 | 2,370,873 | 62 |
| Sedibeng DM | 395,284 | 412,463 | (17,179) |
| West Rand DM | 267,550 | 269,858 | (2,308) |
| Total | 178,437,740 | 177,924,707 | 513,033 |

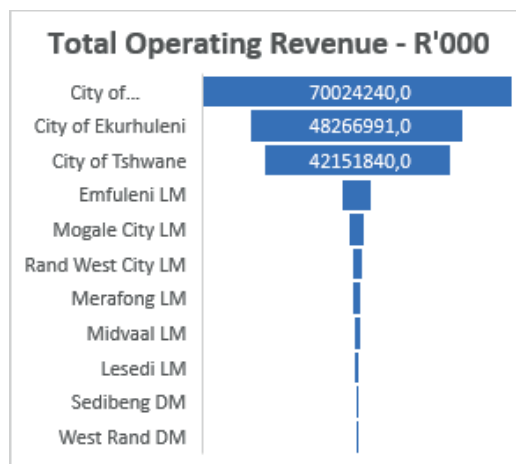
4. Total Aggregated Operating Revenue for the 2022/23 financial year.

| Operating Revenue Items | Aggregate Total | Size % | Ranking |
|--|--------------------|---------------|---------|
| Service charges - electricity revenue | 63,415,820 | 35.5% | 1 |
| Property rates | 33,669,205 | 18.9% | 2 |
| Service charges - water revenue | 23,905,524 | 13.4% | 3 |
| Transfers and subsidies | 21,117,618 | 11.8% | 4 |
| Other revenue | 12,508,442 | 7.0% | 5 |
| Service charges - sanitation revenue | 10,744,593 | 6.0% | 6 |
| Service charges - refuse revenue | 6,467,044 | 3.6% | 7 |
| Fines, penalties and forfeits | 2,294,348 | 1.3% | 8 |
| Interest earned - outstanding debtors | 2,195,873 | 1.2% | 9 |
| Rental of facilities and equipment | 859,420 | 0.5% | 10 |
| Agency services | 480,445 | 0.3% | 11 |
| Licences and permits | 408,508 | 0.2% | 12 |
| Interest earned - external investments | 363,314 | 0.2% | 13 |
| Gains | 7,587 | 0.0% | 14 |
| Dividends received | - | 0.0% | 15 |
| Total | 178,437,740 | 100.0% | |

- Electricity the biggest revenue source for municipalities followed by property rates.
- Other revenue distorts the reporting as it includes traffic fines which are significantly impaired under expenses.
- Revenue from refuse seems small and may be an opportunity for increased revenue.

5. Total Aggregated Operating Revenue per municipality for the 2022/23 financial year.

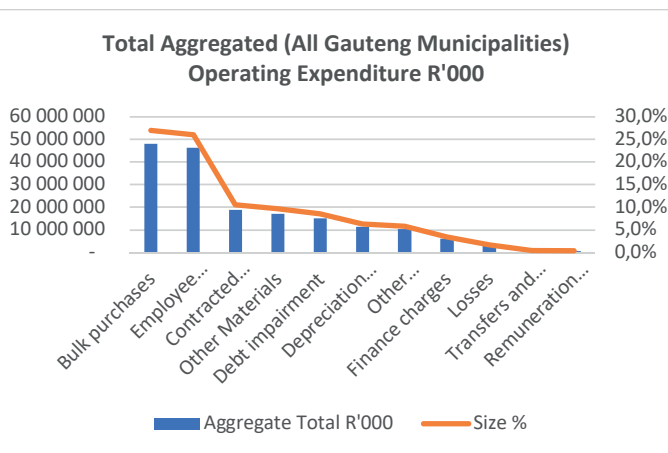
| Municipality R'000 | Operating Revenue | % of Total |
|----------------------|-----------------------|-------------|
| City of Johannesburg | 70,024,240 | 39% |
| City of Ekurhuleni | 48,266,991 | 27% |
| City of Tshwane | 42,151,840 | 24% |
| Emfuleni LM | 7,001,734 | 4% |
| Mogale City LM | 3,364,885 | 2% |
| Rand West City LM | 2,370,935 | 1% |
| Merafong LM | 2,005,986 | 1% |
| Midvaal LM | 1,492,049 | 1% |
| Lesedi LM | 1,096,246 | 1% |
| Sedibeng DM | 395,284 | 0% |
| West Rand DM | 267,550 | 0% |
| Total | 178,437,740.00 | 100% |



- Metropolitan municipalities’ budgets make up the bulk of the aggregated budget (R160.4 billion).
- City of Johannesburg the biggest budget (R70.024 billion) with Ekurhuleni the 2nd biggest and Tshwane the 3rd biggest.
- The 2 x district municipalities have the smallest operating revenue budgets, mainly because they do not provide basic services (e.g. water and electricity) to communities.

6. Total Aggregated Operating Expenditure for the 2022/23 financial year

| Operating Expenditure Items | Aggregate Total R'000 | Size % | Ranking |
|-----------------------------------|-----------------------|---------------|---------|
| Bulk purchases | 48,043,416 | 27.0% | 1 |
| Employee related costs | 46,333,481 | 26.0% | 2 |
| Contracted services | 18,889,628 | 10.6% | 3 |
| Other Materials | 17,231,656 | 9.7% | 4 |
| Debt impairment | 15,133,840 | 8.5% | 5 |
| Depreciation and asset impairment | 11,258,497 | 6.3% | 6 |
| Other expenditure | 10,438,769 | 5.9% | 7 |
| Finance charges | 6,152,820 | 3.5% | 8 |
| Losses | 2,956,935 | 1.7% | 9 |
| Transfers and subsidies | 779,711 | 0.4% | 10 |
| Remuneration of councillors | 705,955 | 0.4% | 11 |
| Total | 177,924,708 | 100.0% | |

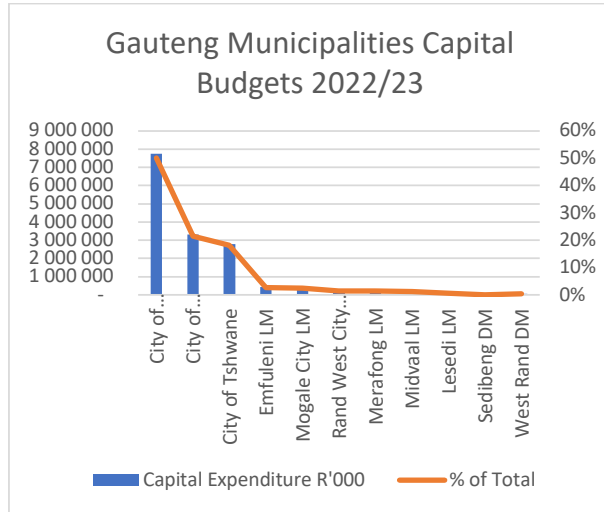


- Bulk purchases (water and electricity) make up the bulk of the budget (R48.043 billion) at 27% of the total budget followed by ‘Employee Related Costs’ at R46.3 billion or 26%.
- The total employee related costs percentage or ratio of 26% is still well within the norm of 30 – 35%.

- We have noted that ‘Contracted services’ which include the hiring of consultants, is still high at almost R18.889 billion.
- It should be noted that ‘Depreciation’ and ‘Debt impairment’ are non-cash items.

7. Total Aggregated Capital Budgets for the 2022/23 financial year

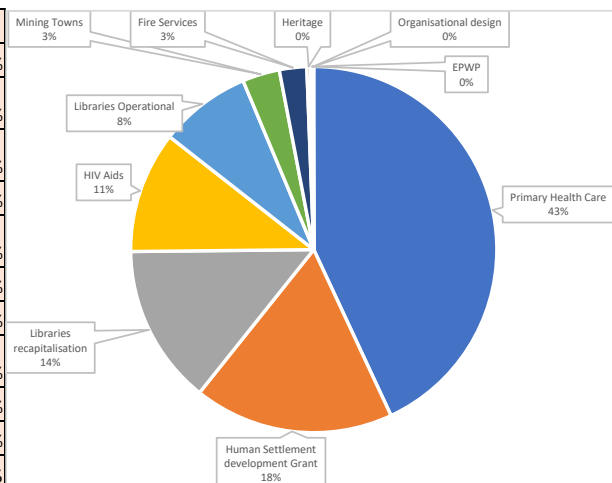
| Municipality | Capital Expenditure R'000 | % of Total |
|----------------------|---------------------------|-------------|
| City of Johannesburg | 7,740,924 | 50% |
| City of Ekurhuleni | 3,323,853 | 22% |
| City of Tshwane | 2,793,105 | 18% |
| Emfuleni LM | 422,019 | 3% |
| Mogale City LM | 384,391 | 2% |
| Rand West City LM | 212,245 | 1% |
| Merafong LM | 226,000 | 1% |
| Midvaal LM | 186,658 | 1% |
| Lesedi LM | 105,243 | 1% |
| Sedibeng DM | 2,445 | 0% |
| West Rand DM | 45,200 | 0% |
| Total | 15,442,083 | 100% |



- Note the capital budgets are received from municipalities which may differ with the ‘GoMuni’ information.
- The metropolitan municipalities’ capital budgets are significant in size (R13.857 billion) compared to that of the other municipalities. We have noted though that the conditional grant funding from government constitute the bulk of the funding sources for capital projects.

8. Total Aggregated Provincial Allocations to Municipalities for the 2022/23 financial year

| Department | Grant | Total | % of Total |
|--------------------------------|------------------------------------|----------------|-------------|
| Health | Primary Health Care | 392,611 | 43.1% |
| Human Settlements | Human Settlement development Grant | 161,035 | 17.7% |
| Sports Recreation Arts Culture | Libraries recapitalisation | 128,649 | 14.1% |
| Health | HIV Aids | 97,904 | 10.7% |
| Sports Recreation Arts Culture | Libraries Operational | 74,000 | 8.1% |
| Human Settlements | Mining Towns | 30,000 | 3.3% |
| CoGTA | Fire Services | 22,000 | 2.4% |
| Sports Recreation Arts Culture | Heritage | 2,927 | 0.3% |
| CoGTA | EPWP | 2,106 | 0.2% |
| CoGTA | Organisational design | 500 | 0.1% |
| Total | | 911,732 | 100% |



- The total provincial allocations for the 2022/23 financial year (before adjustments) amounts to R911,732 million with the biggest allocations in respect of ‘Primary Health Care’, ‘Human Settlements’ and ‘Sport Recreation Arts and Culture’.
- The Department of Health published the biggest allocations of R490,515 million in respect of ‘Primary Health Care (R392,611 mil) and HIV/Aids (R97,904 mil).

C. In-Year Report – Period ended 31 December 2022

9. Municipal Chart of Accounts (MSCOA) reporting progress

| Financial Year | | | 2021 | 2022 | 2023 | SUBMISSIONCODE | | | | | | | | | | |
|----------------------------------|-----------------------|-----|------|------|------|----------------|------|------|------|-----|-----|-----|-----|-----|-----|--|
| | | | RAUD | PAUD | AUDA | ORGB | PROR | ADJB | PRAD | M01 | M02 | M03 | M04 | M05 | M06 | |
| Demarcation Description | Demarc Code | CAP | | | | | | | | | | | | | | |
| Province : GAUTENG (GT) | | | | | | | | | | | | | | | | |
| City of Ekurhuleni | EKU | H | | | | | | | | | | | | | | |
| City of Johannesburg | JHB | H | | | | | | | | | | | | | | |
| City of Tshwane | TSH | H | | | | | | | | | | | | | | |
| Emfuleni | GT421 | H | | | | | | | | | | | | | | |
| Lesedi | GT423 | M | | | | | | | | | | | | | | |
| Merafong City | GT484 | H | | | | | | | | | | | | | | |
| Midvaal | GT422 | M | | | | | | | | | | | | | | |
| Mogale City | GT481 | H | | | | | | | | | | | | | | |
| Rand West City | GT485 | H | | | | | | | | | | | | | | |
| Sedibeng | DC42 | M | | | | | | | | | | | | | | |
| West Rand | DC48 | M | | | | | | | | | | | | | | |

- a) The level of compliance with the data strings have significantly improved compared to previous financial years and the previous months.
- b) The Gauteng Provincial Treasury on 1 September 2022, appointed 2 x MSCOA Technical Advisors to support municipalities with the implementation of the MSCOA regulations and the result of this initiative is already visible with the improvement of the data string submissions.
- c) We however still observe some challenges with the implementation by our municipalities with the reform. Some of these challenges include the following:
 - Establishment or reviving of the mSCOA Steering Committees at Municipalities;
 - The development of MSCOA Road Maps (strategic plans) as per MFMA Budget Circular No. 98;

- Systems challenges at Emfuleni, Merafong and Mogale City and capacity building required at municipalities;
 - Challenges with the accounting treatment of ‘Inventory Water as per GRAP12’;
 - Data strings being manually populated and C-Schedules not extracted from the financial systems;
 - The lack of timeous implementation of recommendations after monthly data string analysis by the provincial treasury to improve credibility of data strings;
- d) We are making small strides and some of the initiatives and progress include amongst other:
- the development of mSCOA support plans for each municipality in line with the National mSCOA Strategy and baseline assessments; and
 - the development of the mSCOA training and capacity building training material for all Gauteng municipalities.

10. Total Aggregated Operating Revenue: Actual against Budget – 2022/23

| | 2022/23 | | | | | | | | | | | | Mid-Year Performance - 2022/23 | |
|--|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|--|-------------------|------------------|------------------|-------------------|--|--------------------------------|--|
| | 2022/23 | | First Quarter | | | | | Second Quarter | | | | | Year to Date | |
| | Budget | | M01 July | M02 August | M03 September | Year to Date | | M04 October | M05 November | M06 December | Year to Date | | Year to Date | |
| | Main appropriation | Adjusted Budget | Actual | Actual | Actual | Actual | Total Revenue as % of adjusted appropriation | Actual | Actual | Actual | Actual | Total Revenue as % of adjusted appropriation | Actual | Total Revenue as % of adjusted appropriation |
| R thousands | | | | | | | | | | | | | | |
| Operating Revenue | | | | | | | | | | | | | | |
| Operating Revenue | 178,457,645 | 178,437,740 | 21,004,086 | 15,753,409 | 22,693,850 | 59,451,345 | 33% | 13,423,490 | 9,620,386 | 5,476,216 | 28,520,092 | 16% | 87,971,437 | 49% |
| Property rates | 33,659,205 | 33,669,205 | 2,901,371 | 2,978,160 | 2,658,081 | 8,537,612 | 25% | 2,764,387 | 2,118,455 | 2,170,338 | 7,053,181 | 21% | 15,590,793 | 46% |
| Service charges - electricity revenue | 63,415,820 | 63,415,820 | 5,511,553 | 5,958,124 | 5,377,270 | 16,846,947 | 27% | 4,672,791 | 3,199,181 | 3,072,345 | 10,944,317 | 17% | 27,791,265 | 44% |
| Service charges - water revenue | 23,959,708 | 23,905,524 | 1,648,608 | 1,855,200 | 1,922,835 | 5,426,643 | 23% | 2,012,219 | 1,487,958 | 1,397,578 | 4,897,755 | 20% | 10,324,398 | 43% |
| Service charges - sanitation revenue | 10,725,769 | 10,744,593 | 824,017 | 934,425 | 976,285 | 2,734,726 | 25% | 1,071,989 | 911,127 | 899,524 | 2,882,640 | 27% | 5,617,366 | 52% |
| Service charges - refuse revenue | 6,461,837 | 6,467,044 | 527,059 | 553,416 | 644,436 | 1,724,911 | 27% | 422,853 | 412,741 | 397,031 | 1,232,626 | 19% | 2,957,536 | 46% |
| Rental of facilities and equipment | 859,420 | 859,420 | 41,442 | 56,534 | 37,528 | 135,504 | 16% | 75,700 | 41,815 | 41,110 | 158,625 | 18% | 294,129 | 34% |
| Interest earned - external investments | 363,314 | 363,314 | 20,068 | 15,176 | 41,307 | 76,552 | 21% | 27,791 | 32,796 | 67,251 | 127,837 | 35% | 204,389 | 56% |
| Interest earned - outstanding debtors | 2,195,873 | 2,195,873 | 369,577 | 459,808 | 9,750,683 | 10,580,067 | 482% | 496,648 | 321,782 | (8,879,993) | (8,061,564) | -367% | 2,518,503 | 115% |
| Dividends received | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | 2,294,348 | 2,294,348 | 15,876 | 65,726 | 29,447 | 111,049 | 5% | 57,881 | 30,201 | 22,234 | 110,316 | 5% | 221,364 | 10% |
| Licences and permits | 408,508 | 408,508 | 27,318 | 37,424 | 41,596 | 106,339 | 26% | 37,100 | 29,889 | 23,890 | 90,879 | 22% | 197,218 | 48% |
| Agency services | 488,534 | 480,445 | 35,387 | 48,050 | 50,996 | 134,432 | 28% | 35,946 | 56,513 | 28,360 | 120,819 | 25% | 255,252 | 53% |
| Transfers and subsidies | 21,117,618 | 21,117,618 | 8,757,358 | 1,180,738 | 936,007 | 10,874,103 | 51% | 998,265 | 589,514 | 5,236,578 | 6,824,357 | 32% | 17,698,460 | 84% |
| Other revenue | 12,500,104 | 12,508,442 | 323,976 | 1,609,380 | 232,372 | 2,165,728 | 17% | 750,586 | 387,063 | 1,000,228 | 2,137,877 | 17% | 4,303,605 | 34% |
| Gains | 7,587 | 7,587 | 477 | 1,249 | (4,994) | (3,267) | -43% | (665) | 1,352 | (258) | 428 | 6% | (2,840) | -37% |
| Total | 178,457,645 | 178,437,740 | 21,004,086 | 15,753,409 | 22,693,850 | 59,451,345 | 33% | 13,423,490 | 9,620,386 | 5,476,216 | 28,520,092 | 16% | 87,971,437 | 49% |

Notes:

- The aggregated reported performance of 49% is below par, despite “Interest on outstanding debtors” at 115% against the budget. Some other individual revenue items were however reported below the straight-line average although these items do not generate consistent revenues on a monthly basis. (eg. rentals of facilities, interest on investments and fines/penalties, etc.)

11. Total Aggregated Operating Expenditure: Actual against Budget

| R thousands | 2022/23 | | | | | | | | | | | Mid-Year Performance - 2022/23 | | |
|-----------------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|--|-------------------|-------------------|-------------------|-------------------|--|-------------------|--|
| | 2022/23 | | First Quarter | | | | Second Quarter | | | | | Year to Date | | |
| | Budget | | M01 July | M02 August | M03 September | Year to Date | | M04 October | M05 November | M06 December | Year to Date | | Year to Date | |
| | Main appropriation | Adjusted Budget | Actual | Actual | Actual | Actual | Total Expenditure as % of adjusted appropriation | Actual | Actual | Actual | Actual | Total Expenditure as % of main appropriation | Actual | Total Expenditure as % of main appropriation |
| Operating Expenditure | 177,944,374 | 177,924,708 | 15,838,621 | 14,080,292 | 15,624,459 | 45,543,372 | 26% | 14,671,953 | 11,156,467 | 11,135,141 | 36,963,562 | 21% | 82,506,933 | 46% |
| Employee related costs | 46,346,232 | 46,333,481 | 4,484,353 | 3,669,363 | 3,708,917 | 11,862,633 | 26% | 3,649,274 | 3,182,283 | 2,754,168 | 9,585,724 | 21% | 21,448,357 | 46% |
| Remuneration of councillors | 705,955 | 705,955 | 62,354 | 53,633 | 56,024 | 172,011 | 24% | 53,673 | 62,196 | 44,590 | 160,460 | 23% | 332,471 | 47% |
| Debt impairment | 15,145,668 | 15,133,840 | 1,034,882 | 1,112,116 | 1,448,960 | 3,595,959 | 24% | 961,673 | 961,548 | 1,171,341 | 3,094,562 | 20% | 6,690,521 | 44% |
| Depreciation and asset impairment | 11,269,928 | 11,258,497 | 846,014 | 859,083 | 824,408 | 2,529,505 | 22% | 835,456 | 360,545 | 1,009,303 | 2,205,304 | 20% | 4,734,809 | 42% |
| Finance charges | 6,152,820 | 6,152,820 | 371,409 | 372,934 | 455,744 | 1,200,087 | 20% | 538,673 | 564,971 | 554,601 | 1,659,245 | 27% | 2,859,332 | 46% |
| Bulk purchases | 47,883,053 | 48,043,416 | 5,458,628 | 4,835,552 | 4,225,642 | 14,519,822 | 30% | 3,895,562 | 2,468,527 | 2,154,125 | 8,518,214 | 18% | 23,038,036 | 48% |
| Other Materials | 17,247,434 | 17,231,656 | 1,162,672 | 966,687 | 1,573,558 | 3,722,917 | 22% | 1,552,076 | 764,959 | 1,105,867 | 3,422,901 | 20% | 7,145,818 | 41% |
| Contracted services | 18,967,179 | 18,889,628 | 762,783 | 608,682 | 1,580,086 | 2,951,551 | 16% | 1,413,607 | 1,006,702 | 843,618 | 3,263,927 | 17% | 6,215,478 | 33% |
| Transfers and subsidies | 779,711 | 779,711 | 548,219 | 472,262 | 378,586 | 1,399,067 | 173% | 587,787 | 501,430 | 551,289 | 1,640,475 | 210% | 3,039,542 | 390% |
| Other expenditure | 10,489,458 | 10,438,769 | 858,064 | 856,954 | 1,117,101 | 2,832,118 | 27% | 921,889 | 870,342 | 651,825 | 2,444,066 | 23% | 5,276,184 | 51% |
| Losses | 2,956,935 | 2,956,935 | 249,244 | 253,026 | 255,433 | 757,702 | 26% | 261,273 | 412,966 | 294,444 | 968,683 | 33% | 1,726,386 | 58% |
| Total | 177,944,374 | 177,924,708 | 15,838,621 | 14,080,292 | 15,624,459 | 45,543,372 | 26% | 14,671,953 | 11,156,467 | 11,135,141 | 36,963,562 | 21% | 82,506,933 | 46% |

Notes:

- The aggregated reported performance of 46% is below par as well as the individual expenditure items except "Transfers and Subsidies" at 390% against the budget (relatively small) is significantly high.

12. Total Budget, Actuals and Surplus / Deficits

| R thousands | 2022/23 | | | | | | | | | | | Mid-Year Performance - 2022/23 | | |
|-----------------------|--------------------|-----------------|---------------|------------|---------------|--------------|---|-------------|--------------|--------------|--------------|---|--------------|---|
| | 2022/23 | | First Quarter | | | | Second Quarter | | | | | Year to Date | | |
| | Budget | | M01 July | M02 August | M03 September | Year to Date | | M04 October | M05 November | M06 December | Year to Date | | Year to Date | |
| | Main appropriation | Adjusted Budget | Actual | Actual | Actual | Actual | Total Revenue/Exp enditure as % of adjusted appropriation | Actual | Actual | Actual | Actual | Total Revenue/Exp enditure as % of adjusted appropriation | Actual | Total Revenue/Exp enditure as % of adjusted appropriation |
| Operating Revenue | 178,457,645 | 178,437,740 | 21,004,086 | 15,753,409 | 22,693,890 | 59,451,345 | 33% | 13,423,490 | 9,620,386 | 5,476,216 | 28,520,092 | 16% | 87,971,437 | 49% |
| Operating Expenditure | 177,944,374 | 177,924,708 | 15,838,621 | 14,080,292 | 15,624,459 | 45,543,372 | 26% | 14,671,953 | 11,156,467 | 11,135,141 | 36,963,562 | 21% | 82,506,933 | 46% |
| Surplus/(Deficit) | 513,271 | 513,032 | 5,165,465 | 1,673,118 | 7,069,391 | 13,907,973 | 2711% | (1,248,463) | (1,536,080) | (5,658,925) | (8,443,469) | -1646% | 5,464,504 | 1065% |

Notes:

- The monthly budgets are not displayed on the table and hence the operating deficit of R8.443 billion as at 31 December 2022 as well as the year-to-date surplus of R5.464 billion cannot be compared for variance analysis.

13. Total Aggregated Capital Budget: Actual expenditure to date

| R thousands | 2022/23 | | | | | | | | | | | | Mid-Year Total | |
|--|-----------------------|--------------------|--------------------|-------------------------|----------------------------|------------------|--|--------------------------|---------------------------|---------------------------|------------------|--|------------------|--|
| | Budget | | M01 July Actual | M02 August Actual | M03 September Actual | Year to Date | | M04 October Actual | M05 November Actual | M06 December Actual | Year to Date | | Year to Date | |
| | Main appropriation | Adjusted Budget | | | | Actual | Total Expenditure as % of adjusted appropriation | | | | Actual | Total Expenditure as % of main appropriation | Actual | Total Expenditure as % of main appropriation |
| | | | | | | | | | | | | | | |
| Capital Revenue and Expenditure | 15,480,022 | 15,442,083 | 117,933 | 523,603 | 742,588 | 1,384,124 | 9% | 715,829 | 791,542 | 802,143 | 2,309,515 | 15% | 3,693,638 | 24% |
| Source of Finance | | | | | | | | | | | | | | |
| National Government | 7,386,996 | 7,342,996 | 105,462 | 202,144 | 366,102 | 673,708 | 9% | 353,332 | 265,446 | 422,000 | 1,040,778 | 14% | 1,714,486 | 23% |
| Provincial Government | 178,116 | 178,316 | 214 | (11) | - | 203 | 0% | 3,666 | 1,401 | 10,287 | 15,353 | 9% | 15,556 | 9% |
| District Municipality | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary alloc)(Departm Agencies,HH,PE,PC...) | 790,140 | 790,140 | 8,048 | 16,018 | 58,748 | 82,813 | 10% | 63,132 | 52,614 | 22,455 | 138,202 | 17% | 221,015 | 28% |
| Transfers recognised - capital | 8,355,253 | 8,311,453 | 113,724 | 218,150 | 424,850 | 756,724 | 9% | 420,130 | 319,461 | 454,742 | 1,194,333 | 14% | 1,951,058 | 23% |
| Borrowing | 3,079,602 | 3,082,832 | 7,920 | 150,408 | 198,307 | 336,635 | 12% | 104,878 | 150,340 | 192,398 | 447,615 | 15% | 804,250 | 26% |
| Internally generated funds | 4,045,168 | 4,047,799 | (3,711) | 155,044 | 119,430 | 270,764 | 7% | 190,821 | 321,741 | 155,004 | 667,566 | 16% | 938,330 | 23% |
| Capital Expenditure Functional | 15,480,472 | 15,446,533 | 117,959 | 523,719 | 743,014 | 1,384,691 | 9% | 716,075 | 747,905 | 803,021 | 2,267,011 | 15% | 3,651,692 | 24% |
| Municipal governance and administration | 1,770,696 | 1,730,946 | 139 | 25,044 | 37,013 | 62,195 | 4% | 101,379 | 232,123 | 80,780 | 414,283 | 24% | 476,478 | 28% |
| Executive and Council | 79,280 | 79,280 | 47 | 394 | 576 | 1,017 | 1% | 1,717 | (1,646) | (123) | (51) | 0% | 966 | 1% |
| Finance and administration | 1,690,885 | 1,651,135 | 92 | 24,650 | 36,437 | 61,178 | 4% | 99,662 | 233,769 | 80,903 | 414,334 | 25% | 475,512 | 29% |
| Internal audit | 551 | 551 | - | - | - | - | - | - | - | - | - | - | - | - |
| Community and Public Safety | 3,618,391 | 3,620,511 | (32,983) | 131,705 | 249,699 | 348,421 | 10% | 167,437 | 101,190 | 190,385 | 459,013 | 13% | 807,433 | 22% |
| Community and Social Services | 472,680 | 472,680 | (33,904) | 32,106 | 82,556 | 80,759 | 17% | 13,334 | 16,610 | (12,460) | 17,484 | 4% | 98,243 | 21% |
| Sport And Recreation | 184,590 | 184,590 | 921 | 112 | 1,326 | 2,359 | 1% | 9,606 | 7,329 | 7,639 | 24,574 | 13% | 26,933 | 15% |
| Public Safety | 183,215 | 185,335 | - | 170 | 1,672 | 1,842 | 1% | 2,255 | 5,491 | 18,913 | 26,659 | 14% | 28,502 | 15% |
| Housing | 2,574,630 | 2,574,630 | - | 99,316 | 162,851 | 262,167 | 10% | 143,528 | 69,323 | 162,007 | 374,858 | 15% | 637,025 | 25% |
| Health | 203,275 | 203,275 | - | - | 1,293 | 1,293 | 1% | (1,286) | 2,438 | 14,286 | 15,438 | 8% | 16,731 | 8% |
| Economic and Environmental Services | 3,903,586 | 3,908,586 | 7,453 | 101,435 | 117,992 | 226,880 | 6% | 87,102 | 114,997 | 130,713 | 332,812 | 9% | 559,692 | 14% |
| Planning and Development | 992,597 | 992,597 | - | 6,914 | 51,225 | 58,139 | 6% | 38,012 | 45,308 | 73,138 | 156,468 | 16% | 214,597 | 22% |
| Road Transport | 2,861,539 | 2,866,539 | 7,429 | 94,521 | 66,767 | 168,717 | 6% | 45,949 | 67,833 | 55,310 | 169,092 | 6% | 337,809 | 12% |
| Environmental Protection | 49,450 | 49,450 | 24 | - | - | 24 | 0% | 3,141 | 1,856 | 2,266 | 7,262 | 15% | 7,266 | 15% |
| Trading Services | 6,024,417 | 6,023,108 | 141,204 | 256,645 | 353,971 | 751,820 | 12% | 353,522 | 293,040 | 344,287 | 990,850 | 16% | 1,742,670 | 29% |
| Energy sources | 2,746,818 | 2,742,323 | 41,303 | 129,432 | 208,814 | 379,548 | 14% | 196,455 | 184,323 | 152,046 | 532,824 | 19% | 912,372 | 33% |
| Water Management | 1,950,998 | 1,951,336 | 35,534 | 83,263 | 47,639 | 166,435 | 9% | 81,051 | 44,288 | 61,353 | 186,691 | 10% | 353,126 | 18% |
| Waste Water Management | 982,330 | 982,330 | 62,533 | 42,289 | 79,165 | 183,988 | 19% | 70,371 | 56,809 | 73,851 | 201,031 | 21% | 385,019 | 40% |
| Waste Management | 364,271 | 367,120 | 1,834 | 1,662 | 18,353 | 21,848 | 6% | 5,646 | 7,621 | 57,038 | 70,304 | 19% | 92,152 | 25% |
| Other | 163,383 | 163,383 | 2,146 | 8,890 | (15,660) | (4,624) | -3% | 6,634 | 6,554 | 56,855 | 70,043 | 43% | 65,419 | 40% |

Notes:

- The aggregated reported capital expenditure year to date is very low at 24% which is of concern against the recent roll-over applications for unspent allocations of the previous financial year.

14. Total Aggregated Outstanding Debtors

| R thousands | 0 - 30 Days | | 31 - 60 Days | | 61 - 90 Days | | Over 90 Days | | Total | |
|---|------------------|-------------|------------------|-------------|------------------|-------------|-------------------|--------------|-------------------|---------------|
| | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % |
| Debtors Age Analysis By Income Source | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1,544,957 | 5.2% | 1,190,889 | 4.0% | 832,318 | 2.8% | 26,048,729 | 88.0% | 29,616,893 | 32.0% |
| Trade and Other Receivables from Exchange Transactions - Electricity | 2,190,160 | 18.0% | 690,336 | 5.7% | 738,714 | 6.1% | 8,569,148 | 70.3% | 12,188,359 | 13.2% |
| Receivables from Non-exchange Transactions - Property Rates | 1,287,945 | 6.9% | 767,008 | 4.1% | 621,907 | 3.3% | 15,947,069 | 85.6% | 18,623,929 | 20.1% |
| Receivables from Exchange Transactions - Waste Water Management | 701,252 | 5.9% | 513,936 | 4.3% | 355,658 | 3.0% | 10,366,302 | 86.8% | 11,937,149 | 12.9% |
| Receivables from Exchange Transactions - Waste Management | 368,993 | 4.4% | 207,172 | 2.5% | 180,432 | 2.1% | 7,688,279 | 91.0% | 8,444,876 | 9.1% |
| Receivables from Exchange Transactions - Property Rental Debtors | (1,167) | (.3%) | 24,169 | 6.1% | 22,939 | 5.8% | 348,616 | 88.4% | 394,558 | .4% |
| Interest on Arrear Debtor Accounts | 169,937 | 3.8% | 170,435 | 3.9% | 185,995 | 4.2% | 3,891,565 | 88.1% | 4,417,932 | 4.8% |
| Recoverable unauthorised, irregular or fruitless and wasteful Expenditure | - | - | - | - | - | - | - | - | - | - |
| Other | 321,519 | 4.6% | 306,694 | 4.4% | 191,811 | 2.8% | 6,124,025 | 88.2% | 6,944,049 | 7.5% |
| Total By Income Source | 6,583,596 | 7.1% | 3,870,640 | 4.2% | 3,129,774 | 3.4% | 78,983,733 | 85.3% | 92,567,744 | 100.0% |
| Debtors Age Analysis By Customer Group | | | | | | | | | | |
| Organs of State | 156,499 | 7.1% | 102,892 | 4.7% | 42,350 | 1.9% | 1,889,040 | 86.2% | 2,190,781 | 2.4% |
| Commercial | 2,631,526 | 14.3% | 994,438 | 5.4% | 722,630 | 3.9% | 14,042,051 | 76.4% | 18,390,645 | 19.9% |
| Households | 3,768,420 | 5.3% | 2,753,637 | 3.9% | 2,374,924 | 3.3% | 62,449,274 | 87.5% | 71,346,255 | 77.1% |
| Other | 27,151 | 4.2% | 19,673 | 3.1% | (10,129) | (1.6%) | 603,369 | 94.3% | 640,064 | .7% |
| Total By Customer Group | 6,583,596 | 7.1% | 3,870,640 | 4.2% | 3,129,774 | 3.4% | 78,983,733 | 85.3% | 92,567,744 | 100.0% |

Notes:

- The municipalities in Gauteng reported total outstanding debtors of just over R92.567 billion of which the bulk is overdue.

15. Total Aggregated Outstanding Creditors

| R thousands | 0 - 30 Days | | 31 - 60 Days | | 61 - 90 Days | | Over 90 Days | | Total | |
|------------------------------|------------------|--------------|----------------|-------------|----------------|-------------|------------------|--------------|-------------------|---------------|
| | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % |
| Creditor Age Analysis | | | | | | | | | | |
| Bulk Electricity | 3,158,194 | 28.7% | 220,931 | 2.0% | 362,925 | 3.3% | 7,269,236 | 66.0% | 11,011,286 | 60.3% |
| Bulk Water | 512,292 | 28.8% | 218,766 | 12.3% | 54,414 | 3.1% | 991,339 | 55.8% | 1,776,811 | 9.7% |
| PAYE deductions | 11,799 | 100.0% | - | - | - | - | - | - | 11,799 | .1% |
| VAT (output less input) | 161 | 100.0% | - | - | - | - | - | - | 161 | - |
| Pensions / Retirement | 44,334 | 58.2% | 31,834 | 41.8% | - | - | - | - | 76,167 | .4% |
| Loan repayments | 4,187 | 100.0% | - | - | - | - | - | - | 4,187 | - |
| Trade Creditors | 2,354,489 | 62.2% | 347,809 | 9.2% | 111,399 | 2.9% | 971,441 | 25.7% | 3,785,138 | 20.7% |
| Auditor-General | 22,831 | 88.8% | 2,755 | 10.7% | 4 | - | 116 | .5% | 25,706 | .1% |
| Other | 1,156,152 | 73.8% | 7,990 | .5% | 5,665 | .4% | 397,430 | 25.4% | 1,567,237 | 8.6% |
| Total | 7,264,438 | 39.8% | 830,084 | 4.5% | 534,407 | 2.9% | 9,629,562 | 52.7% | 18,258,492 | 100.0% |

Notes:

- The municipalities in Gauteng reported total outstanding creditors of R18.258 billion of which the bulk is overdue and in contravention of section 65 of the MFMA.

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