

1/25/2024

SECTION 72: MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

OKHAHLAMBA LOCAL MUNICIPALITY (KZN235)

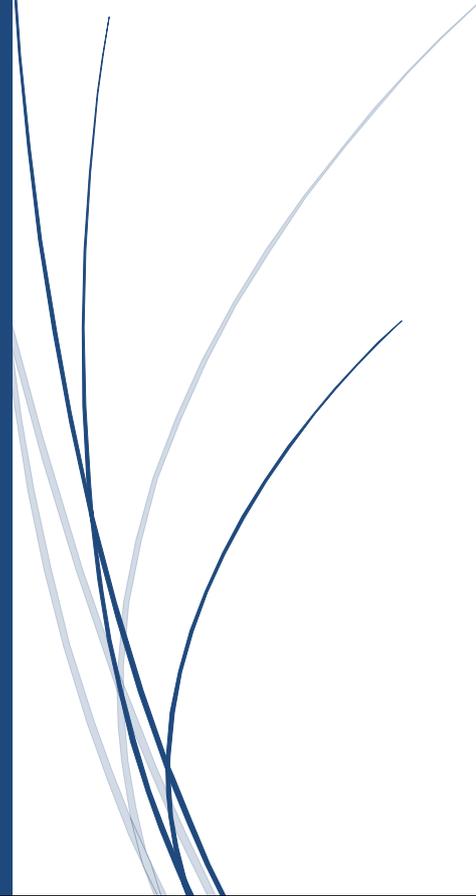


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INTRODUCTION

In terms of Section 72 of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) state that the Accounting Officer must by 25 January of each year assess the budget and performance of the Municipality during the first half of the financial year. A report on such assessment must in terms of section 72 (1) (b) of the MFMA be submitted to the Mayor, Provincial Treasury and National Treasury.

The Mid-Year performance supporting tables were prepared in accordance with MFMA Circular 13, Municipal Budget and Reporting Regulations and Provincial Treasury Circular PT/MF 06 of 2023/24.

MAYOR'S REPORT

MAYORAL 2023/24 MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT SPEECH

Honourable Speaker, Cllr. S. Z. Khumalo
Deputy Mayor of Okhahlamba Municipality Cllr. N. E. Shabalala
Members of the Council of Okhahlamba
Councillors present.
Officials, all protocol observed.

Greetings to all

I thank you Mr Speaker, I would like to greet you and all members of the council and officials, and I present this Mid -Year Budget and Performance Assessment for 2023/24 financial year as outlined in the Municipal Finance Management Act. (MFMA, Section 72 of MFMA in relation to the tabling of Mid-Year Budget and Performance Assessment Report, I would like to highlight the following items:

Actual Operating Expenditure	: R 131 065 000(55% spending of the budget)
Actual Capital expenditure	: R 29 076 000 (72% spending of the budget) (Inclusive of VAT)
Actual Operating revenue	: R 152 635 000 (72% of projected revenue)

Honourable Speaker, this report reflects the wishes and aspirations of the people of Okhahlamba and it is aligned with the priorities set by Treasury (circular 72) and it is in line with the Okhahlamba SDBIP and IDP priorities which according to my administration's point of view should be implemented at a Local Level after considering the needs of the Community.

In light of the content of the report there are no indications that the municipality is facing financial risks and/or problems, this is also emphasised by the fact that the municipality received a clean audit opinion from the Auditor General (AGSA) for 2023/2024 financial year, however the Accounting Officer is recommending the adjustments budget since there are line items that require such adjustments as a result of, over/under collection of revenue and over/ under expenditure identified, The National Treasury issued a revised gazette, there were adjustments on approved grants (MIG, INEP, EPWP and new grant for Disaster Recovery Grant) and approved Roller over grant. I would like to grant council members a chance to investigate the content and more details are contained in the attached reports.

As I conclude I would like council members to have in mind the need to provide quality services to our community when considering Mid –Year Budget and Performance Assessment, I thank you for this wonderful opportunity granted to me to present this report to the Council of Okhahlamba.

I thank you.

RESOLUTIONS

On 26th January 2024, the Council of Okhahlamba Local Municipality met in the Council Chambers of Okhahlamba Municipality to consider the Mid-Year Budget and Performance Assessment Report of the municipality for the financial year 2023/24. The Council approved and adopted the following resolutions:

1. The Council of Okhahlamba Local Municipality, acting in terms of section 72 of the Municipal Finance Management Act, (Act 56 of 2003) notes:

- 1.1. Mid-Year Budget and Performance Assessment

EXECUTIVE SUMMARY

PURPOSE

The purpose of this report is for Council to note the mid-year budget and performance assessment for the 2023/24 financial year and service delivery actual performance against the set targets.

The purpose of this report is also to comply with 72 (1) (a) (b), (2) and (3) (a) (b) of the Municipal Finance Management Act (MFMA) and the requirements as promulgated in the Government Gazette no 32141 of 17 April 2009 regarding Municipal Budget and Reporting Regulations which requires that specific financial particulars be reported on and in the formats prescribed.

BACKGROUND

Sec 72 (1) (a) of the Municipal Finance Management Act (MFMA) No.56 of 2003 states:

The accounting officer of the municipality must by 25 January of each year

- (a) Assess the performance of the municipality during the first half of the financial year considering– the monthly statements referred to in section 71 for the first half of the year.
- (b) Submit the report on such assessments to - the mayor of the municipality, national treasury, and relevant provincial treasury.

The accounting officer must as part of the review make recommendation as to whether an adjustment budget is necessary and recommended revised projections for revenue and expenditure to the extent that this may be necessary.

After careful analysis of the mid-year revenue and expenditure results of the municipality the accounting officer is recommending the adjustments budget since there are line items that require such adjustments because of adjusted grant allocation from national & provincial government, over/under collection of revenue and over/ under expenditure identified.

The mid-year report and supporting tables of Okhahlamba Municipality prepared in accordance with the Municipal Budget and Reporting Regulations are attached as Annexures A, B and C.

COUNCILLORS, EXECUTIVE COMMITTEE AND OFFICIALS

EXECUTIVE COMMITTEE

DESIGNATION	SURNAME & INITIALS
Mayor	Cllr. V. R. Mlotshwa
Deputy Mayor	Cllr. N. E. Shabalala
Executive Committee Member	Cllr. M. A. Mavundla
Executive Committee Member	Cllr. S. M. Buthelezi
Executive Committee Member	Cllr. M. G. Ndlangisa

COUNCIL

DESIGNATION	SURNAME & INITIALS
Mayor	Cllr. V. R. Mlotshwa
Deputy Mayor	Cllr. N. E. Shabalala
Speaker	Cllr. S. Z. Khumalo
Councillor	Cllr. M. N. Dlamini
Councillor	Cllr. S. P. Sehlako
Councillor	Cllr. P. N. Zwane
Councillor	Cllr. B. Z. Mchunu
Councillor	Cllr. D.R. Hlongwane
Councillor	Cllr. M. A. Mavundla
Councillor	Cllr. S. M. Buthelezi
Councillor	Cllr. L. K. Letsoalo
Councillor	Cllr. B. A. Coka
Councillor	Cllr V. W. Mazibuko
Councillor	Cllr. S. P Khoza
Councillor	Cllr. T. J. Dladla
Councillor	Cllr SR Ngwenya
Councillor	Cllr. R. T. Khoza
PR	Cllr. M. G. Ndlangisa
PR	Cllr. V. P. Mvula
PR	Cllr. P.A.M Mfuphi
PR	Cllr. P. W. Hlongwane
PR	Cllr. K.O. Hadebe
PR	Cllr. K. A. Hlongwane
PR	Cllr. I. M. Buthelezi
PR	Cllr. N. P. Khumalo
PR	Cllr. D. T. Sibeko
PR	Cllr. N. A Mdakane
PR	Cllr. D. S. Ndaba
PR	Cllr. M. M. Zakwe

MANAGEMENT COMMITTEE MEMBERS

DESIGNATION	SURNAME & INITIALS
Municipal Manager	SN Malinga
Chief Financial Officer	SS Dlamini
Director: Technical Services	SR Zwane
Director: Social and Community	HP Ndaba
Director: Corporate	MF Khulu
Senior Legal Advisor	JN Khumalo
Manager in the Office of the Mayor	MA Hlatshwayo
Maintenance Manager	MK Hlatshwayo
Thusong Centre Manager	ZA Zikode
Internal Audit Manager	SB Xaba
IDP/PMS Manager	SS Nene
Protection Services Manager	TN Langa
IT Manager	TM Hlatshwayo
Risk Management and Communication Manager	ME Khumalo
HR Manager	ZR Makhaza
Manager Finance	N Nene
Accountant Expenditure	S Cebekhulu
Accountant Income	Z Mazibuko
Accountant Assets	S Mncube
Accountant SCM	T Maphalala
Accountant Budget	K Dubazane
Housing Officer/ Building Inspector	AP Nkosi
Waste Management Officer	Vacant

Overall performance of the municipality

The Municipality's performance against the budget is satisfactory, even though there are specific line items which reflect over & under performance, the Municipality has implemented strict measures on trying to limit the negative financial impact on the budget.

In assessing the Mid-year Budget and performance the following have been identified:

Financial Performance for the first six (6) months.**Operating Revenue**

Description	Budget R '000	YTD Budget R '000	Actual R '000	Variance	%
Property rates	28 790	14 395	14 713	-317	-2%
Service Charges	1 707	854	958	-104	-12%
Investment income	3 783	1 891	2 823	-932	-49%
Transfers and subsidies	166 283	83 142	124 557	-41 416	-50%
Rental from Fixed Assets	537	269	585	-317	-118%
Agency Services	1 461	730	953	-222	-30
Licence & Permits	2 855	1 427	1 192	-235	
Fines, penalties & forfeits	633	317	218	99	31%
Interest on debtors	6 382	3 191	4 490	1 299	
Other revenue	608	303	2 147	1 844	624%
Total	213 040	106 520	152 635	46 115	-43%

Operating revenue variance explanations

Property rates – The municipality had a system problem in December 2023, billing was delayed, hence the data strings submitted for Section 71 does not reflect M06 billing of property rates.

Service Charges -Khethani township (RDP) households offered rebates on refuse removal as per the Municipality's indigent policy, however due to the new valuation roll some properties with improvements are now above the R 100 000 threshold as per the Indigent Policy, these properties no longer receive the rebates. The budget figure will be increased during the adjustments budget.

Rental of facilities and equipment –The municipality has anew lease with Department of Agriculture at Community Service Centre and it was backdated to the date of occupation. There were events during the first six (6) month which resulted in sport complex rental to host those events.

Investment income – The repo rate has been increased; this will further boost the performance of this line as interest offered by the bank increases. The Budget will be revised during the adjustments budget.

Interest earned - outstanding debtors –There was a decrease in collection rate of debtors. The Budget will be increased during the adjustments budget. The figure is not the same as S71 because there was a system problem. December billing was delayed.

Licenses and permits –The Municipality has received a smaller number of motor licenses and driver's licenses application; budget will be adjusted downwards.

Transfers and subsidies – The majority of equitable share has been received hence the over performance of this line item.

Fines, penalties, and forfeits – The Municipality has conducted less roadblock during the first half of the financial year. The budget figure will be decreased during the adjustments budget.

Agency services- There has been an increase of 30% in the volume of vehicle licensed. The budget figure will be increased during the adjustments budget.

Operating expenditure

Description	Budget R '000	YTD Budget R '000	Actual R '000	Variance	%
Employee related cost	126 698	63 349.00	64 130.00	-781.00	-1%
Remuneration of councillors	11 334	5 667.00	6 480.00	-813.00	-14%
Depreciation and assets impairment	37 615	18 807.00	14 330.00	4 478.00	24%
Debt impairment	8 200	4 300.00	4 522.00	- 222.00	-5%
Finance charges	0	0.00	0.00	0.00	0%
Transfers and subsidies	220	110.00	118.00	-13.00	-12%
Other expenditure	54 557	27 279.00	41 485.00	-13 072.00	-36%
Total	239 024	119 512	131 065	-11 397	-44%

Operating expenditure variance explanations

Remuneration of councilors – COGTA has issued in August 2023 a new gazette for determination of upper limits for Councilors which has been implemented by the Municipality. The budget figure will be increased during the adjustments budget and the position for MPAC chairperson has been designated as full time by MEC for COGTA.

Transfers and subsidies – The scholar patrol is now paid on a fixed amount on monthly basis compared to 2022-2023 financial year, where they were paid based on the number of days worked.

Depreciation and assets impairment – The Municipality provided additional depreciation because of WIP worth R 71 million as of 30 June 2023 and considering the additions which will be made in the 2023/2024 budget year. The infrastructure and buildings have not been capitalized in the first half of the financial year.

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Debt impairment – The actual collection rate has regressed compared to the projected collection rate, the municipality on average impairs 62% of outstanding debtors. The budget figure will be reconsidered during the adjustment budget.

Contracted services – This line item's expenses are overperforming due to asset maintenance and the increase in EPWP beneficiaries to reduce unemployment impact, and other social programs, Adjustments for overperforming of this line item will be made in the adjustment budget, but the municipality will enforce strict cost containment measures to limit spending during the end of the financial year.

Other expenditure – The overperforming expenses in this line item include a significant increase in fuel prices and a drastic increase in audit fees, increase in electricity bill due to increase in Eskom tariffs, Due to the new appointment in the Licensing department staff attending workshops, there has been an increase in S&T, During the adjustment budget, the municipality will make adjustments, but it will take strict cost containment measures to limit spending towards the end of financial year.

Conditional Grants:

Description	Budget R '000	Allocation R '000	YTD Spent R '000	%
MIG	33 175	33 175	23 314	70%
FMG	1 850	1 850	741	40%
INEP	10 000	10 000	3 998	40%
EPWP	2 581	2 581	2 581	100%
Museum subsidy	249	249	249	100%
Provincialisation of Libraries	1 964	1 964	1 263	64%
Community Library Services subsidy	1 023	1 023	703	69%
Small Town	7 100	7 100	5 762	81%
Human Settlement	0.00	0.00	0.00	0%
Small Business Development (Industrial Hub)	0.00	0.00	0.00	0%
Small Town				
Smart Centres				
Disaster Management Grant				
TOTAL	57 942	57 942	38 611	67%

Conditional grant variance explanations

INEP – The electrification projects expenditure is below 50% due to the delayed appointment of contractors for the INEP projects. The municipality will keep a close eye on it to ensure it stays within its allocated budget.

EPWP – The municipality has established multiple EPWP beneficiaries to decrease unemployment rates in society. As a result, the grant was utilized completely in the first half of the financial year.

MIG- Expenditure on MIG projects has been accelerated to ensure funds are fully spent by year end.

FMG, the municipality delayed appointing a service provider for MFMP, because of lower expenditures for this grant. The municipality will keep a close eye on it to ensure it stays within its allocated budget.

Small Business Development Grant- The municipality accelerated the spending of this grant, as a result the work in progress is at the last stage.

Cash Flow position

The Municipality had cash balance of R 44 499 245.77 as the opening balance, the net cash movement for the first six is R 41 320 899.15, and closing balance as of 30 December is R 70 406 379.88. Unspent grants amount to R 12 587 860.56, cash available is R 57 818 519.32

The municipality is currently having challenges with the cash flow reporting on the monthly data strings, as the municipality would have to transact on the grant funded bank accounts for the data strings to populate on the cash flow figures. The municipality is busy working on resolving this issue, therefore the data strings do not reflect the

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true cash flow transactions and position of the municipality. The municipality had an engagement with PT and system regarding this issue. However, the municipality are working on this issue.

Cost coverage ratio is 3.10, Level of cash-backed grants is 2.79.

The following operational allocations have been received:

DESCRIPTION	AMOUNT
EQUITABLE SHARE	118 962 000.00
Electrification of households	5 000 000.00
Expanded Public Works Programme grant	1 806 000.00
Finance management grant	1 850 000.00
Provincialisation of Libraries	1 964 000.00
Community Library Services Grant	1 023 000.00
Museum subsidy	249 000.00
Small Town Grant (Industrial Hub)	0.00
Small Business Development (Industrial Hub)	7 100 000.00

Borrowings

The Municipality has settled the ABSA lease in 2022-2023 financial year.

Adjustments budget

After careful analysis of the mid-year revenue and expenditure results of the municipality the Accounting Officer is recommending the adjustments budget since there are line items that require such adjustments as a result of, over/under collection of revenue and over/ under expenditure identified.

The is expected adjustments in the allocation to be received by the Municipality:

SERVICE DELIVERY PERFORMANCE ANALYSIS

Early indicators are that the performance against the output and goals of the Service Delivery Budget Implementation Plan (SDBIP) are well on track.

2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

IN - YEAR REPORT BUDGET STATEMENT TABLES

Choose name from list - Table C1 Monthly Budget Statement Summary - M06 December									
Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	30,197	28,790	-	2,479	14,713	14,395	317	2%	28,790
Service charges	1,704	1,707	-	159	958	854	104	12%	1,707
Investment revenue	4,664	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	4,664	3,783	-	706	2,823	1,891	932	49%	3,783
Other own revenue	168,936	178,760	-	55,031	134,142	89,380	44,762	50%	-
Total Revenue (excluding capital transfers and contributions)	210,166	213,040	-	58,375	152,635	106,520	46,115	43%	213,040
Employee costs	119,586	126,698	-	11,308	64,130	63,349	781	-	126,698
Remuneration of Councillors	11,348	11,334	-	1,052	6,480	5,667	813	-	11,334
Depreciation and amortisation	31,596	37,615	-	14,330	14,330	18,807	(4,478)	-	37,615
Interest	201	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	2,245	1,921	-	391	1,670	960	709	-	1,921
Transfers and subsidies	171	220	-	20	118	110	8	7%	220
Other expenditure	100,960	61,237	-	10,877	44,338	30,619	13,719	45%	61,237
Total Expenditure	266,108	239,024	-	37,978	131,065	119,512	11,553	10%	239,024
Surplus/(Deficit)	(55,941)	(25,984)	-	20,397	21,570	(12,992)	34,562	-266%	(25,984)
Transfers and subsidies - capital (monetary allocations)	73,764	40,275	-	2,793	29,076	20,138	8,938	44%	40,275
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	17,822	14,291	-	23,190	50,646	7,146	43,500	609%	14,291
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	17,822	14,291	-	23,190	50,646	7,146	43,500	609%	14,291
Capital expenditure & funds sources									
Capital expenditure	30,920	34,234	-	2,549	25,135	17,117	8,018	47%	34,234
Capital transfers recognised	10,402	34,234	-	2,334	24,919	17,117	7,803	46%	34,234
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	20,518	-	-	215	215	-	215	#DIV/0!	-
Total sources of capital funds	30,920	34,234	-	2,549	25,135	17,117	8,018	47%	34,234
Financial position									
Total current assets	128,732	107,581	-	-	211,498	-	-	-	107,581
Total non current assets	469,282	472,603	-	-	480,087	-	-	-	472,603
Total current liabilities	96,110	51,985	-	-	89,312	-	-	-	51,985
Total non current liabilities	18,099	6,021	-	-	18,099	-	-	-	6,021
Community wealth/Equity	483,806	522,177	-	-	534,452	-	-	-	522,177
Cash flows									
Net cash from (used) operating	131,162	41,312	-	(24,560)	(55,837)	31,989	87,826	275%	41,312
Net cash from (used) investing	117,248	(40,275)	-	(2,549)	(25,135)	(20,138)	4,997	-25%	(40,275)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	344,684	30,035	-	-	(80,930)	40,850	121,780	298%	-
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	3,328	2,112	1,865	1,853	1,658	1,633	11,630	70,231	94,310
Creditors Age Analysis									
Total Creditors	(62)	(435)	497	-	-	(5)	5	-	-

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Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December										
Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Government and administration		192,790	199,505	-	56,982	143,619	99,753	43,866	44%	199,505
Executive and council		149,789	158,678	-	52,875	118,993	79,339	39,654	50%	158,678
Finance and administration		43,001	40,827	-	4,107	24,626	20,414	4,212	21%	40,827
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		10,916	7,026	-	891	5,680	3,513	2,167	62%	7,026
Community and social services		3,784	3,808	-	322	2,819	1,904	916	48%	3,808
Sport and recreation		3,658	2,581	-	546	2,581	1,290	1,291	100%	2,581
Public safety		989	637	-	24	280	319	(39)	-12%	637
Housing		2,485	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		68,032	40,742	-	2,806	29,286	20,371	8,915	44%	40,742
Planning and development		68,032	40,742	-	2,806	29,286	20,371	8,915	44%	40,742
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		7,878	1,707	-	159	958	854	104	12%	1,707
Energy sources		6,174	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		1,704	1,707	-	159	958	854	104	12%	1,707
Other	4	4,314	4,335	-	329	2,168	2,167	1	0%	4,335
Total Revenue - Functional	2	283,930	253,315	-	61,168	181,711	126,658	55,054	43%	253,315
Expenditure - Functional										
Government and administration		121,418	108,164	-	19,708	63,451	54,082	9,369	17%	108,164
Executive and council		32,778	29,910	-	6,884	19,993	14,955	5,038	34%	29,910
Finance and administration		87,266	76,344	-	12,648	42,492	38,172	4,320	11%	76,344
Internal audit		1,375	1,910	-	176	966	955	11	1%	1,910
Community and public safety		72,773	59,717	-	6,118	32,697	29,858	2,839	10%	59,717
Community and social services		51,585	39,347	-	4,294	23,306	19,673	3,633	18%	39,347
Sport and recreation		6,586	5,147	-	862	4,116	2,573	1,542	60%	5,147
Public safety		8,548	11,381	-	642	3,236	5,691	(2,454)	-43%	11,381
Housing		6,054	3,842	-	320	2,039	1,921	118	6%	3,842
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		46,235	51,467	-	10,447	25,243	25,734	(491)	-2%	51,467
Planning and development		46,235	51,467	-	10,447	25,243	25,734	(491)	-2%	51,467
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		21,898	15,418	-	1,390	7,109	7,709	(600)	-8%	15,418
Energy sources		7,026	1,257	-	105	276	628	(353)	-56%	1,257
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		14,872	14,161	-	1,286	6,833	7,081	(247)	-3%	14,161
Other		3,783	4,258	-	315	2,566	2,129	437	21%	4,258
Total Expenditure - Functional	3	266,108	239,024	-	37,978	131,065	119,512	11,553	10%	239,024
Surplus/ (Deficit) for the year		17,822	14,291	-	23,190	50,646	7,146	43,500	609%	14,291
References										
1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes										
2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in the Financial Performance Statement										
3. Total Expenditure by functional classification must reconcile to total operating expenditure shown in 'Financial Performance Statement'										
4. All amounts must be classified under a functional classification (modified GFS). The GFS function 'Other' is only for Abattoirs, Air Transport, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification										

2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December										
Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - Executive & Council	1	149,789	158,678	-	52,875	118,993	79,339	39,654	50.0%	158,678
Vote 2 - Finance & Administration		43,001	40,827	-	4,107	24,626	20,414	4,212	20.6%	40,827
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Planning & Development		3,784	3,808	-	322	2,819	1,904	916	48.1%	3,808
Vote 5 - Public Safety		3,658	2,581	-	546	2,581	1,290	1,291	100.0%	2,581
Vote 6 - Sports & Recreation		989	637	-	24	280	319	(39)	-12.1%	637
Vote 7 - Road Transport		2,485	-	-	-	-	-	-	-	-
Vote 8 - Waste Management		68,032	40,742	-	2,806	29,286	20,371	8,915	43.8%	40,742
Vote 9 - Community & Social Services		-	-	-	-	-	-	-	-	-
Vote 10 - Community & Social Services		6,174	-	-	-	-	-	-	-	-
Vote 11 - Community & Social Services		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		1,704	1,707	-	159	958	854	104	12.2%	1,707
Vote 13 - Environmental Protection		4,314	4,335	-	329	2,168	2,167	1	0.0%	4,335
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	283,930	253,315	-	61,168	181,711	126,658	55,054	43.5%	253,315
Expenditure by Vote										
Vote 1 - Executive & Council	1	32,778	29,910	-	6,884	19,993	14,955	5,038	33.7%	29,910
Vote 2 - Finance & Administration		85,222	73,786	-	12,474	41,392	36,893	4,499	12.2%	73,786
Vote 3 - Internal Audit		1,375	1,910	-	176	966	955	11	1.2%	1,910
Vote 4 - Planning & Development		53,630	41,905	-	4,468	24,407	20,953	3,454	16.5%	41,905
Vote 5 - Public Safety		6,586	5,147	-	862	4,116	2,573	1,542	59.9%	5,147
Vote 6 - Sports & Recreation		8,548	11,381	-	642	3,236	5,691	(2,454)	-43.1%	11,381
Vote 7 - Road Transport		6,054	3,842	-	320	2,039	1,921	118	6.1%	3,842
Vote 8 - Waste Management		46,235	51,467	-	10,447	25,243	25,734	(491)	-1.9%	51,467
Vote 9 - Community & Social Services		-	-	-	-	-	-	-	-	-
Vote 10 - Community & Social Services		7,026	1,257	-	105	276	628	(353)	-56.1%	1,257
Vote 11 - Community & Social Services		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		14,872	14,161	-	1,286	6,833	7,081	(247)	-3.5%	14,161
Vote 13 - Environmental Protection		3,783	4,258	-	315	2,566	2,129	437	20.5%	4,258
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	266,108	239,024	-	37,978	131,065	119,512	11,553	9.7%	239,024
Surplus/ (Deficit) for the year	2	17,822	14,291	-	23,190	50,646	7,146	43,501	608.8%	14,291
<i>References</i>										
1. Insert 'Vote'; e.g. Department, if different to standard classification structure										
2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)										

2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

KZN235 Okhahlamba - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December										
Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	-	-	-	-	-	-
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		1,704	1,707	-	159	958	854	104	12%	1,707
Sale of Goods and Rendering of Services		539	602	-	18	2,143	301	1,842	612%	602
Agency services		1,556	1,461	-	118	953	730	222	30%	1,461
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		485	430	-	71	409	215	194	90%	430
Interest from Current and Non Current Assets		4,664	3,783	-	706	2,823	1,891	-	-	3,783
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		524	537	-	47	585	269	317	118%	537
Licence and permits		2,455	2,554	-	194	1,086	1,277	(191)	-15%	2,554
Operational Revenue		46	6	-	1	4	3	0	12%	6
Non-Exchange Revenue										
Property rates		30,197	28,790	-	2,479	14,713	14,395	317	2%	28,790
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		972	633	-	23	218	317	(99)	-	633
Licence and permits		321	301	-	16	106	150	(45)	-	301
Transfers and subsidies - Operational		160,988	166,283	-	53,841	124,557	83,142	41,416	-	166,283
Interest		5,716	5,952	-	702	4,081	2,976	1,105	-	5,952
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		210,166	213,040	-	58,375	152,635	106,520	46,115	43%	213,040
Expenditure By Type										
Employee related costs		119,586	126,698	-	11,308	64,130	63,349	781	1%	126,698
Remuneration of councillors		11,348	11,334	-	1,052	6,480	5,667	813	14%	11,334
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-
Inventory consumed		2,245	1,670	-	391	1,670	960	709	-	1,921
Debt impairment		7,636	8,600	-	4,522	4,522	4,300	222	5%	8,600
Depreciation and amortisation		31,596	37,615	-	14,330	14,330	18,807	(4,478)	-24%	37,615
Interest		201	-	-	-	-	-	-	-	-
Contracted services		49,426	20,401	-	3,413	18,466	10,200	8,266	81%	20,401
Transfers and subsidies		171	220	-	20	118	110	8	7%	220
Irrecoverable debts written off		548	-	-	2	169	-	169	-	-
Operational costs		41,814	32,236	-	2,940	21,180	16,118	5,062	31%	32,236
Losses on Disposal of Assets		1,536	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		266,108	238,773	-	37,978	131,065	119,512	11,553	10%	239,024
Surplus/(Deficit)		(55,941)	(25,733)	-	20,397	21,570	(12,992)	34,562	(0)	(25,984)
Transfers and subsidies - capital (monetary allocations)		73,764	40,275	-	2,793	29,076	20,138	8,938	0	40,275
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		17,822	14,542	-	23,190	50,646	7,146			14,291
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		17,822	14,542	-	23,190	50,646	7,146			14,291
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		17,822	14,542	-	23,190	50,646	7,146			14,291
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		17,822	14,542	-	23,190	50,646	7,146			14,291
References										
1. Material variances to be explained on Table SC1										
Total Revenue (excluding capital transfers and contributions) including capi		283,930	253,315		61,168	181,711	126,658			253,315

2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06
December

Vote Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive & Council		-	-	-	-	-	-	-		-
Vote 2 - Finance & Administration		-	-	-	-	-	-	-		-
Vote 3 - Internal Audit		-	-	-	-	-	-	-		-
Vote 4 - Planning & Development		-	-	-	-	-	-	-		-
Vote 5 - Public Safety		-	-	-	-	-	-	-		-
Vote 6 - Sports & Recreation		-	-	-	-	-	-	-		-
Vote 7 - Road Transport		-	-	-	-	-	-	-		-
Vote 8 - Waste Management		-	-	-	-	-	-	-		-
Vote 9 - Community & Social Services		-	-	-	-	-	-	-		-
Vote 10 - Community & Social Services		-	-	-	-	-	-	-		-
Vote 11 - Community & Social Services		-	-	-	-	-	-	-		-
Vote 12 - Energy Sources		-	-	-	-	-	-	-		-
Vote 13 - Environmental Protection		-	-	-	-	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - Executive & Council		-	-	-	-	-	-	-		-
Vote 2 - Finance & Administration		9,125	-	-	91	91	-	91	#DIV/0!	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-		-
Vote 4 - Planning & Development		(1,206)	-	-	-	-	-	-		-
Vote 5 - Public Safety		-	-	-	-	-	-	-		-
Vote 6 - Sports & Recreation		1,370	-	-	-	-	-	-		-
Vote 7 - Road Transport		-	-	-	-	-	-	-		-
Vote 8 - Waste Management		16,382	34,234	-	2,334	24,919	17,117	7,803	46%	34,234
Vote 9 - Community & Social Services		587	-	-	-	-	-	-		-
Vote 10 - Community & Social Services		-	-	-	-	-	-	-		-
Vote 11 - Community & Social Services		-	-	-	-	-	-	-		-
Vote 12 - Energy Sources		1,039	-	-	124	124	-	124	#DIV/0!	-
Vote 13 - Environmental Protection		3,623	-	-	-	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	30,920	34,234	-	2,549	25,135	17,117	8,018	47%	34,234
Total Capital Expenditure		30,920	34,234	-	2,549	25,135	17,117	8,018	47%	34,234
Capital Expenditure - Functional Classification										
Governance and administration		9,125	-	-	91	91	-	91	#DIV/0!	-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		9,125	-	-	91	91	-	91	#DIV/0!	-
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		163	-	-	-	-	-	-		-
Community and social services		(1,206)	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		1,370	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		16,969	34,234	-	2,334	24,919	17,117	7,803	46%	34,234
Planning and development		16,382	34,234	-	2,334	24,919	17,117	7,803	46%	34,234
Road transport		587	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		1,039	-	-	124	124	-	124	#DIV/0!	-
Energy sources		-	-	-	-	-	-	-		-
Water management		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		1,039	-	-	124	124	-	124	#DIV/0!	-
Other		3,623	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	30,920	34,234	-	2,549	25,135	17,117	8,018	47%	34,234
Funded by:										
National Government		11,874	28,199	-	1,084	19,909	14,099	5,810	41%	28,199
Provincial Government		(4,349)	6,035	-	-	-	3,018	(3,018)	-100%	6,035
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind)		2,876	-	-	1,250	5,010	-	5,010	#DIV/0!	-
Transfers recognised - capital		10,402	34,234	-	2,334	24,919	17,117	7,803	46%	34,234
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		20,518	-	-	215	215	-	215	#DIV/0!	-
Total Capital Funding		30,920	34,234	-	2,549	25,135	17,117	8,018	47%	34,234

2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M06 December						
Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		43,297	30,035	–	138,189	30,035
Trade and other receivables from exchange transactions		37,747	56,181	–	34,116	56,181
Receivables from non-exchange transactions		36,783	4,512	–	27,861	4,512
Current portion of non-current receivables		117	19	–	34	19
Inventory		–	(218)	–	265	(218)
VAT		10,905	17,053	–	11,151	17,053
Other current assets		(118)	–	–	(118)	–
Total current assets		128,732	107,581	–	211,499	107,581
Non current assets						
Investments		–	–	–	–	–
Investment property		–	–	–	–	–
Property, plant and equipment		455,171	471,173	–	465,976	471,173
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		13,556	290	–	13,556	290
Trade and other receivables from exchange transactions		556	1,140	–	556	1,140
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		469,282	472,603	–	480,087	472,603
TOTAL ASSETS		598,014	580,184	–	691,586	580,184
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		(0)	–	–	(0)	–
Consumer deposits		30	72	–	24	72
Trade and other payables from exchange transactions		36,345	29,623	–	26,383	29,623
Trade and other payables from non-exchange transactions		12,102	10,350	–	15,245	10,350
Provision		3,044	10,770	–	3,044	10,770
VAT		44,589	1,170	–	44,630	1,170
Other current liabilities		–	–	–	–	–
Total current liabilities		96,110	51,985	–	89,327	51,985
Non current liabilities						
Financial liabilities		–	156	–	–	156
Provision		18,099	–	–	18,099	–
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	5,865	–	–	5,865
Total non current liabilities		18,099	6,021	–	18,099	6,021
TOTAL LIABILITIES		114,209	58,006	–	107,426	58,006
NET ASSETS	2	483,806	522,177	–	584,161	522,177
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		400,057	522,177	–	450,690	522,177
Reserves and funds		83,748	–	–	83,748	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	483,806	522,177	–	534,438	522,177

Financial Position

The above table gives us a picture of the Financial Position of the municipality. The movements in the Financial Performance and cash flow affects the balances on the financial position. The monthly data strings are currently reporting the movements that have affected the balance sheet accounts and not the balances on the balance sheet. The municipality has populated the correct balance sheet balances on the C schedule for correct reporting.

2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M06 December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		21,051	22,744	-	2,111	11,795	11,372	423	4%	22,744
Service charges		178	216	-	70	447	108	339	314%	216
Other revenue		5,807	7,011	-	416	5,094	3,506	1,588	45%	7,011
Transfers and Subsidies - Operational		188,157	166,283	-	3,137	64,527	83,142	(18,614)	-22%	166,283
Transfers and Subsidies - Capital		53,234	50,275	-	-	20,000	25,137	(5,137)	-20%	50,275
Interest		3,592	3,783	-	706	2,823	1,891	932	49%	3,783
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(230,088)	(208,781)	-	(30,976)	(160,401)	(93,057)	67,344	-72%	(208,781)
Finance charges		(399)	-	-	-	-	-	-		-
Transfers and Subsidies		(120)	(220)	-	(25)	(123)	(110)	13	-12%	(220)
NET CASH FROM/(USED) OPERATING ACTIVITIES		41,413	41,312	-	(24,560)	(55,837)	31,989	87,826	275%	41,312
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(58,891)	(40,275)	-	(2,549)	(25,135)	(20,138)	4,997	-25%	(40,275)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(58,891)	(40,275)	-	(2,549)	(25,135)	(20,138)	4,997	-25%	(40,275)
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		-	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		(17,478)	1,037	-	(27,109)	(80,972)	11,852			-
Cash/cash equivalents at beginning:		96,274	28,998	-	42	42	28,998			42
Cash/cash equivalents at month/year end:		78,797	30,035	-		(80,930)	40,850			-
<u>References</u>										
1. Material variances to be explained in Table SC1										

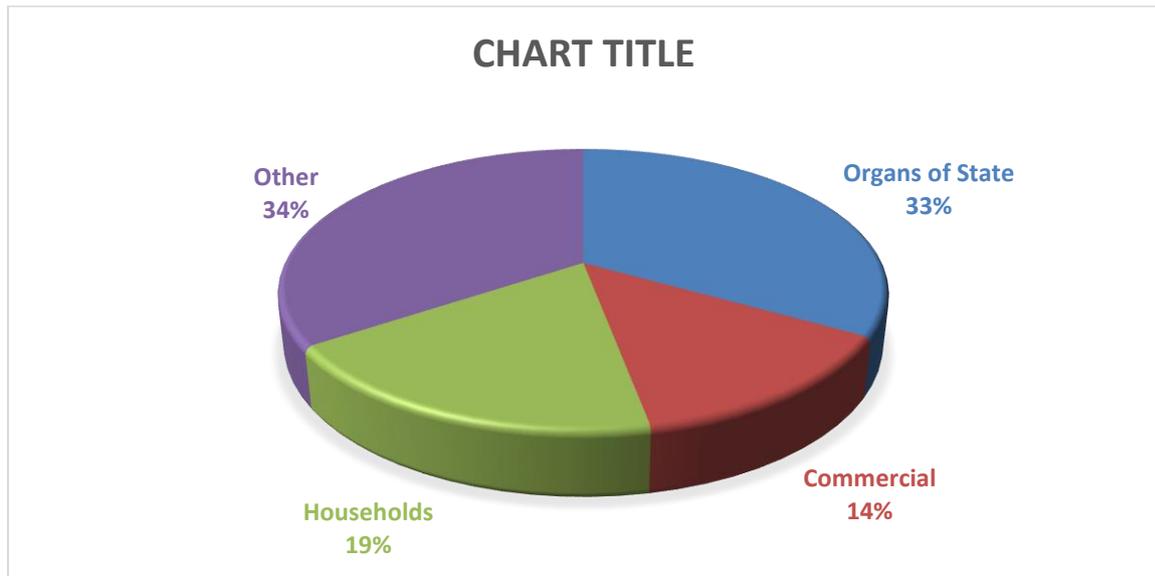
PART 2- SUPPORTING DOCUMENTS

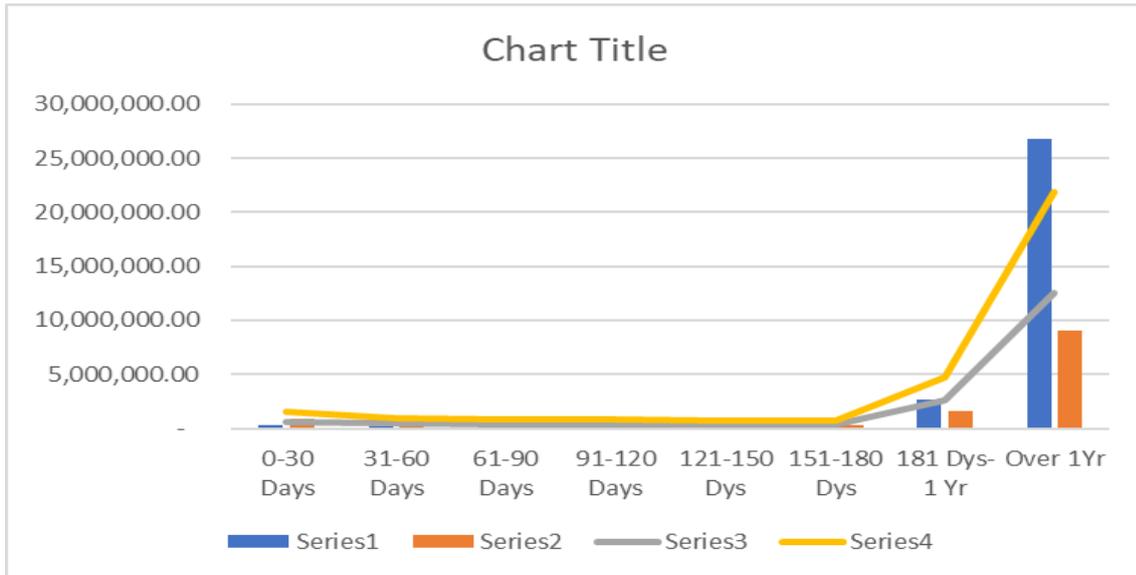
Choose name from list - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2023/24										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 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2,928	1,952	1,740	1,729	1,537	1,513	10,840	60,894	83,133	76,513	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Management	1600	169	134	126	124	121	120	761	2,742	4,297	3,868	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	231	27	-	-	-	-	31	283	572	314	-	-	
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	5,902	5,902	5,902	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	(1)	(1)	-	(0)	(0)	(0)	(2)	411	407	408	-	-	
Total By Income Source	2000	3,328	2,112	1,865	1,853	1,658	1,633	11,630	70,231	94,310	87,005	-	-	
2022/23 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	343	335	328	328	319	313	2,654	26,740	31,359	30,354	-	-	
Commercial	2300	865	361	315	303	269	251	1,594	9,053	13,010	11,470	-	-	
Households	2400	558	445	357	339	308	302	2,647	12,567	17,323	16,163	-	-	
Other	2500	1,562	972	865	883	761	767	4,736	21,871	32,418	29,018	-	-	
Total By Customer Group	2600	3,328	2,112	1,865	1,853	1,658	1,633	11,630	70,231	94,310	87,005	-	-	

92% of debtors are above 90 days.

33% of the debtors are government debt.





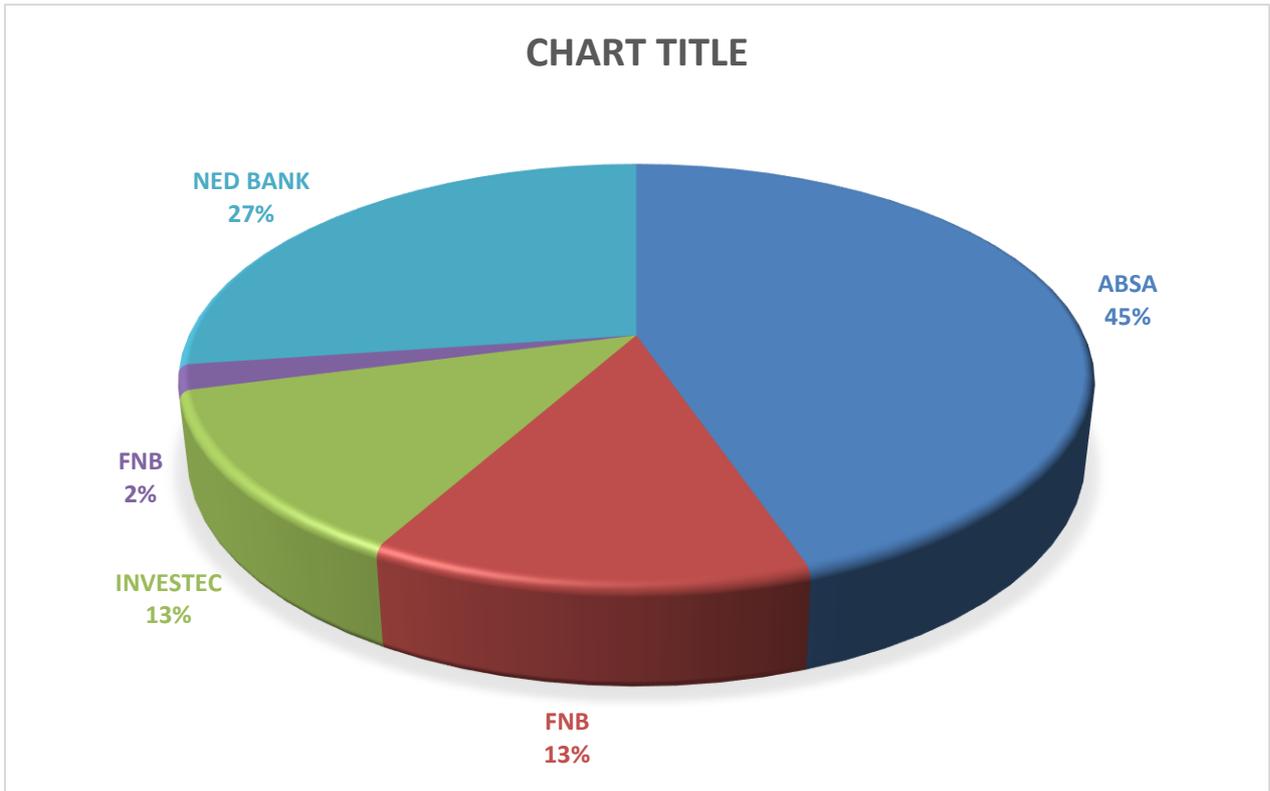
2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

Choose name from list - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December											
Description	NT Code	Budget Year 2023/24									Prior year totals for chart (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	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	(62)	(435)	497	-	-	(5)	5	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	(62)	(435)	497	-	-	(5)	5	-	-	-
<i>Notes</i>											
<i>Material increases in value of creditors' categories compared to previous month to be explained</i>											

2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

Choose name from list - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
Municipality														
ABSA		92 Days	Fixed Deposit			0.008.93				18,126	388			18,514
FNB		32 Days	Fixed Deposit			0.008.5				5,441	39			5,480
INVESTEC		30 Days	Call Deposit			0.008.10				5,241	36			5,277
FNB			Call Deposit							833	4	(42)		795
NED BANK		6 MONTHS	Call Deposit			0.006				11,179	75			11,254
														-
														-
Municipality sub-total										40,821		(42)	-	41,321
Entities														
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									40,821		(42)	-	41,321



2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

KZN235 Okhahlamba - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December										
Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		155,221	163,047	-	52,872	122,618	81,524	41,095	50.4%	163,047
EPWP Incentive	-	3,638	2,581	-	-	1,806	1,290	516	39.9%	2,581
Finance Management	-	1,850	1,850	-	-	1,850	925	925	100.0%	1,850
Local Government Equitable Share	-	149,733	158,616	-	52,872	118,962	79,308	39,654	50.0%	158,616
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	3	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		15,900	7,100	-	-	7,100	3,550	3,550	100.0%	7,100
KwaZulu-Natal_Capacity Building and Other_Capacity Building and Other	-	15,900	7,100	-	-	7,100	3,550	3,550	100.0%	7,100
KwaZulu-Natal_Infrastructure_Infrastructure_RECEIPTS	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	4	-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		507	-	-	-	1,058	-	1,058	#DIV/0!	-
National Departmental Agencies_Construction, Education and Training	-	-	-	-	-	692	-	692	#DIV/0!	-
Grant-LG Seta/ learnerships	-	507	-	-	-	366	-	366	#DIV/0!	-
-	-	-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	171,628	170,147	-	52,872	130,776	85,074	45,703	53.7%	170,147
Capital Transfers and Grants										
National Government:		54,891	43,175	-	-	25,000	21,587	3,413	15.8%	43,175
Municipal Infrastructure Grant (MIG)	-	47,791	33,175	-	-	20,000	16,587	3,413	20.6%	33,175
Integrated National Electrification Programme Grant	-	7,100	10,000	-	-	5,000	5,000	0	0.0%	10,000
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		8,665	3,236	-	249	3,236	1,618	1,618	100.0%	3,236
KwaZulu-Natal_Capacity Building and Other_Specify (Add grant description)	-	3,222	3,236	-	249	3,236	1,618	1,618	100.0%	3,236
KwaZulu-Natal_Capacity Building and Other_Specify (Add grant description)	-	5,443	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	63,556	46,411	-	249	28,236	23,205	5,031	21.7%	46,411
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	235,184	216,558	-	53,121	159,012	108,279	50,733	46.9%	216,558
References										
1. Each grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation										
2. Grant expenditure must be separately listed for each grant received										
3. Replacement of RSC levies										
4. Housing subsidies for housing where ownership transferred										
5. Total recurrent/capital grants and subsidies must reconcile to the 'Financial Performance' Statement										

2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

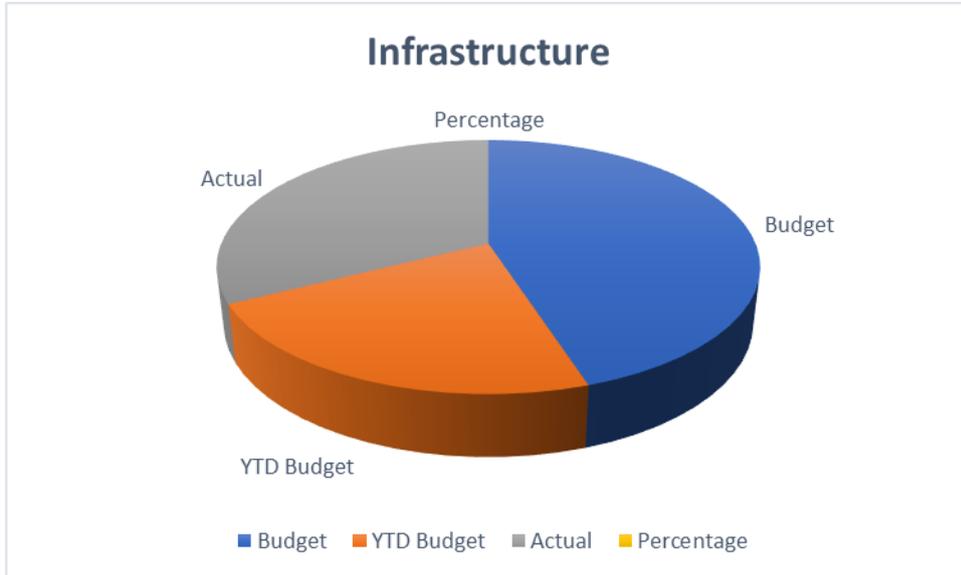
KZN235 Okhahlamba - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		155,221	163,047	-	53,567	122,284	81,524	40,760	50.0%	163,047
EPWP Incentive	-	3,638	2,581	-	546	2,581	1,290	1,291	100.0%	2,581
Finance Management	-	1,850	1,850	-	149	741	925	(184)	-19.9%	1,850
Local Government Equitable Share	-	149,733	158,616	-	52,872	118,962	79,308	39,654	50.0%	158,616
Municipal Infrastructure Grant	-									
Other transfers and grants [insert description]										
Provincial Government:		15,900	7,100	-	1,437	5,762	3,550	2,212	62.3%	7,100
KwaZulu-Natal_Capacity Building and Other_Capacity Building and Other_RE	-	15,900	7,100	-	1,437	5,762	3,550	2,212	62.3%	7,100
KwaZulu-Natal	-									
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		507	-	-	-	1,058	-	1,058	#DIV/0!	-
National Departmental Agencies_ Construction, Education and Training SET	-	-	-	-	-	692	-	692	#DIV/0!	-
Grant-LG Setal/ learnerships	-	507	-	-	-	366	-	366	#DIV/0!	-
Total operating expenditure of Transfers and Grants:		171,628	170,147	-	55,004	129,104	85,074	44,030	51.8%	170,147
Capital expenditure of Transfers and Grants										
National Government:		54,891	43,175	-	3,334	27,312	21,587	5,724	26.5%	43,175
Integrated National Electrification Programme Grant	-	7,100	10,000	-	1,978	3,998	5,000	(1,002)	-20.0%	10,000
Municipal Infrastructure Grant	-	47,791	33,175	-	1,356	23,314	16,587	6,726	40.6%	33,175
Other capital transfers [insert description]										
Provincial Government:		8,665	3,236	-	274	2,215	1,618	597	36.9%	3,236
KwaZulu-Natal_Capacity Building and Other_Capacity Building and Oth	-	3,222	3,236	-	274	2,215	1,618	597	36.9%	3,236
KwaZulu-Natal_Capacity Building and Other_Capacity Building and Other_RE	-	5,443								
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		63,556	46,411	-	3,608	29,527	23,205	6,321	27.2%	46,411
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		235,184	216,558	-	58,612	158,630	108,279	50,351	46.5%	216,558
<i>References</i>										

2023 /24 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

KZN235 Okhahlamba - Supporting Table SC1 Material variance explanations - M06 December				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue			
	Sale of Goods and Rendering of Services	1,842	The municipality disposed assets, however the municipality made a p	Prepare appropriate asset disposal journal
	Rental from Fixed Assets	317	The municipality has anew lease with Department of Agriculture at Co	This line item will be adjusted
	Licence and permits	(191)	The Municipality has received a smaller number of motbr licenses an	This line item will be adjusted
	Agency services	222	There has been an increase of 30% in the volume of vehicle licenses	This line item will be adjusted
2	Expenditure By Type			
	Remuneration of councillors	1	There were Upperlimits on Councilors remuneration in November 20	This line item will be adjusted
	Inventory consumed	1	Inventory is purchased in bulk so that there will be no month to month	This line item will be adjusted
	Contracted services	8	The municipality purchased Repairs & Maintenance in bulk at the beg	This line item will be adjusted
3	Capital Expenditure			
	Planning and development	7,803	The municipality has been accerlebing the MIG expenditure to ensur	To monitor the spending closely to ensure that is within the allocation
4	Financial Position			
5	Cash Flow			
6	Measurable performance			
7	Municipal Entities			
<p><u>References</u></p> <p>1. Revenue for each source, vote and standard classification</p> <p>2. Expenditure for each type, vote and standard classification</p> <p>3. Capital expenditure for each vote and standard classification</p> <p>4. Explain any material variances between the annual budget and the expected financial position based on current trends</p> <p>5. Cash receipts by source and cash payments by type where not explained under revenue and expenditure</p> <p>6. For Sept, Dec, Mar and Jun statements explain any material variances in achievement of measurable performance objectives</p>				

CAPITAL PROGRAMME PERFORMANCE

Description	Budget R '000	YTD Budget R '000	Actual R '000	Variance	%
Infrastructure	40 275	20 138	29 075	20 200	72%
TOTAL	40 275	20 138	29 075	20 200	72%



Capital expenditure variance explanations:

Infrastructure and Community Assets – The budget is funded by the MIG grant, Small Town Grant, In the report above expenditure has been reported inclusive of VAT.

Significant infrastructure projects

The Municipality has the following significant infrastructure projects:

- Khethani Township Road
- Industrial Hub

ADJUSTMENT BUDGET

Regulation 23 of the Municipal Budget and Reporting Regulations provides *in te alia* for the following:

“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-Year Budget and performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during financial year”.

A report on adjustment to the budget will be submitted for approval by Council before 28 February 2024.