



nelson mandela bay
M U N I C I P A L I T Y



**2020/
2021**

**Annual
Report**

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NOTE:

The key to references to the various financial years throughout this Annual Report is provided in the table below:

YEAR	FINANCIAL YEAR
Year -2	2018/19
Year -1	2019/20
Year 0	2020/21
Year 1	2021/22
Year 2	2022/23

ACRONYMS

ABET	Adult Basic Education and Training
ACDP	African Christian Democratic Party
AIC	African Independent Congress
AET	Adult Education and Training
AFC	Automatic Fare Collection
AG	Auditor General
AGSA	Auditor General South Africa
ANC	African National Congress
ATTP	Assistance to the Poor
BEE	Black Economic Empowerment
BEP	Bucket Eradication Programme
BEPP	Built Environment Performance Plan
BICC	By-law Implementation Coordinating Committee
BPESA	Business Process Enabling South Africa
CBE	Council for the Built Environment
CBD	Central Business District
CCGT	Combined Cycle Gas Turbine
CDC	Coega Development Corporation
CDW	Community Development Workers
CEPIS	Creative Economy Programmes Investment Strategy
CFIR	Consultative Forum on International Relations
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
CITP	Comprehensive Integrated Transport Plan
CM	City Manager
CoGTA	Cooperative Governance and Traditional Affairs
COPE	Congress of the People
CSD	Central Supplier Database
CSIR	Council for Scientific and Industrial Research
DA	Democratic Alliance
DDM	District Development Model
DMAF	Disaster Management Advisory Forum
DoRA	Division of Revenue Act
DPSA	Department of Public Service and Administration

ECDEET	Eastern Cape Disability Economic Empowerment Trust
ECPTA	Eastern Cape Parks and Tourism Agency
EFF	Economic Freedom Fighters
EHIA	Environmental and Heritage Impact Assessment
EIA	Environmental Impact Assessment
EME	Emerging Micro Enterprise
EPWP	Expanded Public Works Programme
EU	European Union
FLISP	Finance Linked Individual Subsidy Program
GASP	Get Ahead Sports Programme
GBS	Global Business Services
GDP	Gross Domestic Product
GHS	General Housing Survey
GIS	Geographic Information System
GRAP	Generally Recognised Accounting Practice
GWh	Gigawatt hours
GBVF	Gender Based Violence Femicide
FBE	Free Basic Electricity
HDA	Housing Development Agency
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immunodeficiency Syndrome
HRD	Human Resources Development
HSDG	Human Settlement Development Grant
ICC	Industry Consultative Committee
ICDG	Integrated City Development Grant
ICT	Information and Communication Technology
ICTS	International Cooperation Trade and Security
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IHHS	Integrated Housing and Human Settlements Grant
INEP	Integrated National Electrification Programme
IPC	Intermodal Planning Committee
IPTS	Integrated Public Transport System
IVR	Interactive Voice Response
KM	Kilometre
KPA	Key Performance Area
KPE	Key Performance Element

KPI	Key Performance Indicator
Kv	Kilovolt
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
LNG	Liquid Natural Gas
LTGDP	Long-Term Growth and Development Plan
LSDF	Local Spatial Development Framework Plans
MBBF	Mandela Bay Book Fair
MBDA	Mandela Bay Development Agency
MFMA	Municipal Finance Management Act
MW	Mega Watts
MPAC	Municipal Public Accounts Committee
MPT	Municipal Planning Tribunal
MSA	Municipal Systems Act
MSDF	Metropolitan Spatial Development Framework
MTREF	Medium-Term Revenue and Expenditure Framework
MMC	Member of Mayoral Committee
MW	Megawatts
MV	Megavolt
MWh	Megawatt-hour
mSCOA	Municipal Standard Chart of Accounts
NAEIS	National Atmospheric Emissions Inventory System
N/A	Not applicable
NCLLS	Nooitgedacht Coega Low Level Scheme
NDPG	Neighbourhood Development Partnership Grant
NERSA	National Energy Regulator of South Africa
NGO	Non-Governmental Organisation
NHBRC	National Home Builders Registration Council
NMB	Nelson Mandela Bay
NMU	Nelson Mandela University
NMBESCC	Nelson Mandela Bay Emergency Services Coordinating Committee
NMBM	Nelson Mandela Bay Municipality
NMBMPD	Nelson Mandela Bay Metro Police Department
NMBT	Nelson Mandela Bay Tourism
NPO	Non-Profit Organisation
NUSP	National Upgrading Support Programme

NYDA	National Youth Development Agency
OHS	Occupational Health and Safety
PA	Patriotic Alliance
PAC	Provincial Audit Committee
PEMBBA	Port Elizabeth Metro Bed and Breakfast Association
PHB	Provincial Housing Board
POS	Public Open Space
PSC	Public Service Commission
PPE	Property, Plant and Equipment
PPPFA	Preferential Procurement Policy Framework Act
PROs	Provisional Outcome Results
PTIS	Public Transport Infrastructure Support
RDP	Reconstruction and Development Programme
RFQ	Request for Quotation
SAACI	South African Association for the Conference Industry
SALGA	South African Local Government Association
SANS	South African National Standards
SAPS	South African Police Service
SARS	South African Revenue Services
SATSA	South African Tourism Services Association
SCM	Supply Chain Management
SCMU	Supply Chain Management Unit
SCOA	Standard Chart of Accounts
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SETA	Sector Education and Training Authority
SEZ	Special Economic Zone
SIF	Strategic Interface Forum
SIPDM	Supply Chain Management for Infrastructure Procurement and Delivery Management
SITA	State Information Technology Agency
SIU	Special Investigation Unit
SPD	Spatial Planning and Development
SMMEs	Small Medium and Macro Enterprises
SNDB	Sub-national Doing Business
SOC	State Owned Corporation

SOP	Standard Operating Procedure
SPCA	Society for the Prevention of Cruelty to Animals
SPLUMA	Spatial Planning and Land Use Management Act
SPD	Spatial Planning and Development
SRAC	Sport, Recreation Art and Culture
STI	Sexually Transmitted Infection
SHI	Social Housing Institution
TOC	Transport Operation Center
TASK	Tuned Assessment of Skills and Knowledge
TNPA	Transnet National Ports Authority
UDM	United Democratic Movement
UFEC	United Front Eastern Cape
UISPG	Upgrading of Informal Settlements Partnership Grant
USDG	Urban Settlements Development Grant
VAT	Value Added Tax
VCP	Vehicle Control Points
VWSA	Volkswagen South Africa
VOC	Vehicle Operating Company
WO	Work Opportunities
WSDP	Water Services Development Plan
WWTW	Wastewater Treatment Works

CHAPTER 1: MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A

Message from the **EXECUTIVE MAYOR, COUNCILLOR EUGENE JOHNSON**

On behalf of the new Nelson Mandela Bay Municipality coalition government and my committed Mayoral Committee members, I present the 2020/21 Annual Report highlighting key service delivery achievements and challenges pertaining to the 2020/21 financial year. This Annual Report is prepared in compliance with the Local Government: Municipal Finance Management Act (2003) and other applicable legislation.

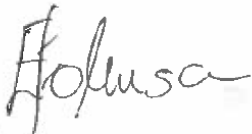
This Annual Report reflects the promises and actions by the previous coalition government. The Municipality recorded the following key service delivery achievements during the 2020/21 financial year.

- Provision of access to water – 99.89% households have access to water supply infrastructure of RDP standard or higher (STATS SA Household Survey, 2020).
- Provision of access to sanitation – 98.9% of households have access to improved sanitation facilities (STATS SA Household Survey, 2020).
- Provision of waste management services – 90.8% of households have their refuse removed by either a private company or the Municipality (STATS SA Household Survey, 2020).
- Provision of access to electricity – 98.85% of households have access to electricity (STATS SA Household Survey, 2020).

As indicated in my inaugural speech, this new coalition government will endeavour to restore dignity to our citizens through job creation and effective basic service delivery. We are optimistic that a much more improved performance will be realized in the coming financial years. We acknowledge the following service delivery challenges and continue to find ways to address them:

- Vandalism and theft of municipal asset and infrastructure.
- Severe water drought coupled with high water losses.
- High electricity losses.
- The use of the bucket system resulting from sanitation provision backlog.
- Huge housing provision backlog and illegal land invasions.
- Illegal dumping which threatens the health of citizens.
- High dependency on external capital grant funding.

I humbly request all stakeholders to work together and make our iconic city a preferred destination for both investors and tourists, whilst improving quality of life for all residents.



COUNCILLOR EUGENE JOHNSON
EXECUTIVE MAYOR

CITY MANAGER'S OVERVIEW

The 2020/21 Annual Report presents key service delivery achievements and failures in line with the Local Government: Municipal Finance Management Act (2003).

The following are some of the highlights of the 2020/21 Annual Report:

Basic service delivery:

- 99.89% households have access to water supply infrastructure of RDP standard or higher (STATS SA Household Survey, 2020).
- 98.9% of households have access to improved sanitation facilities (STATS SA Household Survey, 2020).
- 90.8% of households have their refuse removed by either a private company or the Municipality (STATS SA Household Survey, 2020).
- 98.85% of households have access to electricity (STATS SA Household Survey, 2020).
- 1671 dwellings were provided with connections to the mains electricity supply by the Municipality.
- 44.63 MWh of free basic electricity (FBE) was provided to indigent households.
- 95.66% of planned maintenance was performed by our Electricity Directorate.
- 3.79 megawatts embedded generator capacity was installed on the municipal distribution network.
- 1489 formal sites were serviced with water, sanitation and electricity.
- 7.58km of unsurfaced roads were graded.
- 528 844.9 m² of a total municipal road network of 2846.9 km (18 099 496m²) was Municipality resurfaced.
- 1222 state subsidised housing units were provided with new water and sewer connections.
- The water connections metered as a percentage of total connections was calculated at 96.74%.

Municipal institutional development and transformation

- All Section 56 Manager positions were filled as at 30 June 2021.

Local economic development

- The average turnaround time for the processing of building plan applications was calculated at 8.30 days.
- 2 905 work opportunities created through the Expanded Public Works Programme, Community Works Programme and other related infrastructure programmes.

Municipal financial viability and management

- 0,03719% of the Municipality's budget was spent on implementing its Workplace Skills Plan.
- 81% of the Municipality's Capital Budget was spent.
- The average cash collection rate for billed revenue was 85.5% for the 2020/21 financial year.

Good governance and public participation

- All Ward Committees remain functional.
- The Disciplinary Board, Audit Committee and Risk Management Committee were in place as at 30 June 2021.
- The Nelson Mandela Bay Municipality has a functional Municipal Public Accounts Committee (MPAC) which provides the appropriate mechanism through which Council can fulfil its oversight responsibilities.
- Ten (10) Council meetings were held during the 2020/21 financial year.

In its effort to promote sport development in the city, the Municipality hosted a number of national and international sport events during the 2020/21 financial year. During the reporting year, the Municipality continued to support each of the professional teams (e.g. Chippa United Football Club; Eastern Province Rugby and the Warriors Cricket Team) in the city with an amount of R6 million. In addition, the Municipality continued to provide financial support to other sport and recreation clubs and federations during the Covid-19 national lockdown.

The Municipality continues to suffer from the scourge of Covid-19, which plagued the country since 2019. The Covid-19 pandemic continues to pose a severe challenge to our service delivery effort, whilst many officials and our citizens continue to succumb to the pandemic. Other service delivery challenges include ageing infrastructure

coupled with vandalism of municipal facilities, which invariably results in service delivery disruptions. In addition, the Covid-19 national lockdown and the loadshedding implemented by ESKOM in the 2020/21 financial year had a negative impact on our economy resulting in huge number of job losses.

The Municipality continues to find new ways to deliver basic services and improve the quality of life of our valuable citizens within the current crises.

My sincere appreciation is extended to both our internal and external stakeholders for their commitment and support to the Municipality. Your different contributions are recognized in the effort to create a better life for all citizens in the metro.



DR N NQWAZI
CITY MANAGER

COMPONENT B: EXECUTIVE SUMMARY

1.1 NELSON MANDELA BAY MUNICIPALITY

LOCATION

The Nelson Mandela Bay Municipality is a metropolitan municipality in South Africa located on the shores of Algoa Bay in the Eastern Cape Province. The Nelson Mandela Bay Municipality serves as an administrative area covering Gqeberha, the neighbouring towns of Kariega and Despatch, and the surrounding agricultural areas. It is a major seaport and automotive manufacturing centre. The Nelson Mandela Bay Municipality boasts of a multibillion-dollar industrial development complex (the Coega Industrial Development Zone). The Nelson Mandela Bay Municipality further has two ports (i.e. Gqeberha Harbour and Ngqura) which create an opportunity for the establishment of a strong and vibrant maritime sector. The location of Nelson Mandela Bay is depicted in the map below.

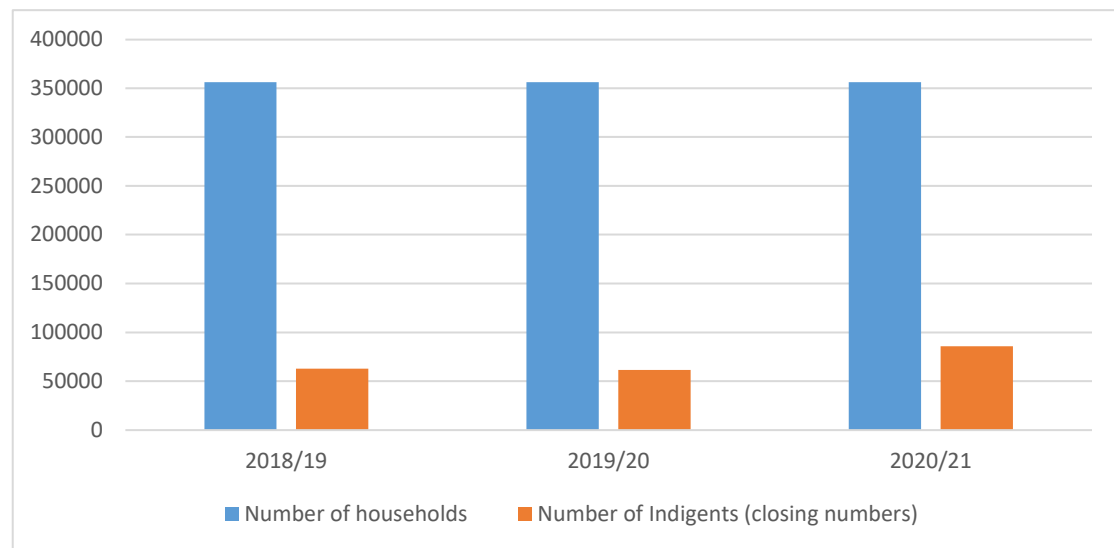
FIGURE 1.1: Location of Nelson Mandela Bay



POPULATION AND HUMAN DEVELOPMENT

The current population of Nelson Mandela Bay is estimated at 1.25 million, which constitutes about 19% of the total population of the Eastern Cape (STATSA, 2020). The Municipality has a total of 359 412 households, with an average household size of 3.5 persons (STATSA, 2019). The figure below indicates the proportion of registered indigent households in the municipal area over three financial years (2018/19 – 2020/21).

FIGURE 1.2: Proportion of registered indigent households



ACCESS TO SERVICES

(a) Water

- 1222 state subsidised housing units were provided with new water connections in 2020/21.
- 96.74% of total water connections metered as at 30 June 2021.

(b) Sanitation

- 1222 state subsidised housing units were provided with new sewer connections in 2020/21.

(c) Waste management (refuse removal)

- 54% of known informal settlements received integrated waste handling services (litter picking and refuse removal on a weekly basis) as at 30 June 2021.

(d) Electricity

- 1671 formal and informal residential dwellings provided with connections to the mains electricity supply in 2020/21.
- 44.63 MWh of free basic electricity (FBE) was provided to indigent households in 2020//21.

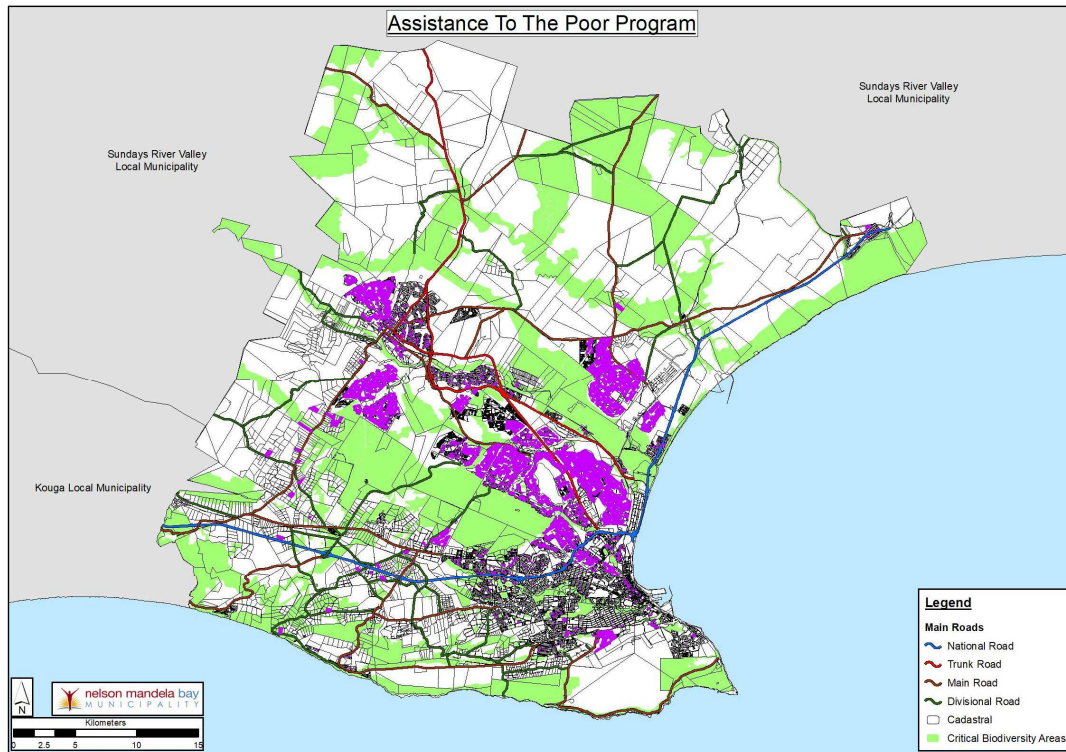
(e) Human settlement

- 1489 formal sites were serviced with water, sanitation and electricity in 2020/21.

ASSISTANCE TO THE POOR (ATTP) PROGRAMME

The Municipality provides support to indigent households through its ATTP / Indigent Assistance Programme. In this regard, qualifying indigent formal households are given subsidies, in line with the NMBM ATTP policy.

The spatial distribution of ATTP beneficiaries in the Municipality is illustrated in the figure below.

FIGURE 1.3: Spatial distribution of ATTP beneficiaries

(Source: NMBM CorpGIS, 2021)

The number of ATTP households on the Municipality's Indigent Register increased by 1326 in the 2020/21 financial year, which represents a 2.15% increase compared to the 2019/20 Indigent Register.

About 16.84% of formal households in the Municipality are classified as indigent in terms of the NMBM Indigent Programme. This represents an increase of 0.36% in the number of indigent households reported in the 2019/20 financial year (i.e. 16.48% reported in 2019/20).

The following table and figure illustrate the number and value of Equitable Share subsidies allocated to ATTP households over the last six financial years.

TABLE 1.1: ATTP - Number and Value of Financial Assistance to ATTP Households

Description	2020/2021	2019/20	2018/19	2017/18	2016/17	2015/16
Number of Indigents (closing numbers)	62,871	61,545	85,779	101,258	112,419	88,776
Year-on-Year increase / decline in indigents	1,326	-24,234	-15,479	-11,161	23,643	2,348
Actual Indigent Allocation	512,820,892	472,010,063	620,138,592	641,779,834	621,744,119	397,277.713
Gazetted Equitable Share	1,260,840,000	1,021,661,000	939,530,000	844,287,000	798,043,000	774,616,000
% Equitable Share allocated	40.67%	46.20%	66.01%	76.01%	77.91%	51.29%

Source: NMBM Budget & Treasury, 2021

NATURAL RESOURCES

The Nelson Mandela Bay Municipality is endowed with many natural resources, which are of relevance to the development of communities within the Municipality. The Table below indicates five major natural resources and their relevance to the development of local communities.

TABLE 1.2: Natural resources

Natural resources	
Major Natural Resource	Relevance to Community
The ocean	Creates recreational and job opportunities (Ocean economy)
Wildlife and game reserves	Creates recreational and job opportunities (tourism)
5 Biomes (Thicket, Grassland, Nama-Karoo, Fynbos and Forest Biomes)	Creates recreational and job opportunities (tourism)
Bottlenose dolphins (28 000 - largest population in the world)	Creates recreational and job opportunities (tourism)
Sundays River	Creates recreational and job opportunities (tourism)

COMMENT ON BACKGROUND DATA

The Municipality's natural resources, such as the ocean, provides a huge amount of economic opportunities through tourism and the maritime industry. The Municipality is home to the most modern deep-water port in the Southern Hemisphere - the Port of Ngqura. The availability of wildlife and malaria-free game reserves, together with monumental icons in the Municipality, is vital in unlocking the full tourism potential of the Municipality. An addition to these advantages is the Chief Dawid Stuurman International Airport, which provides international air access for tourists and investors. The presence of major automotive and other manufacturing industries in the Municipality presents an opportunity for improved economic growth. In an effort to create economic opportunities for its citizens, the Municipality seeks to create an environment conducive for businesses to thrive.

1.2 MUNICIPAL FUNCTIONS

The Nelson Mandela Bay Municipality facilitates the provision of the following basic services to its citizens:

- Integrated human settlements
- Water and sanitation services
- Electricity services
- Waste management services
- Stormwater drainage
- Roads
- Public transport

1.3 SERVICE DELIVERY OVERVIEW

Deliverables and outcomes in respect of the Urban Settlement Development Grant (USDG) funding for the 2020/21 financial year are reflected below:

TABLE 1.3: Service delivery highlights

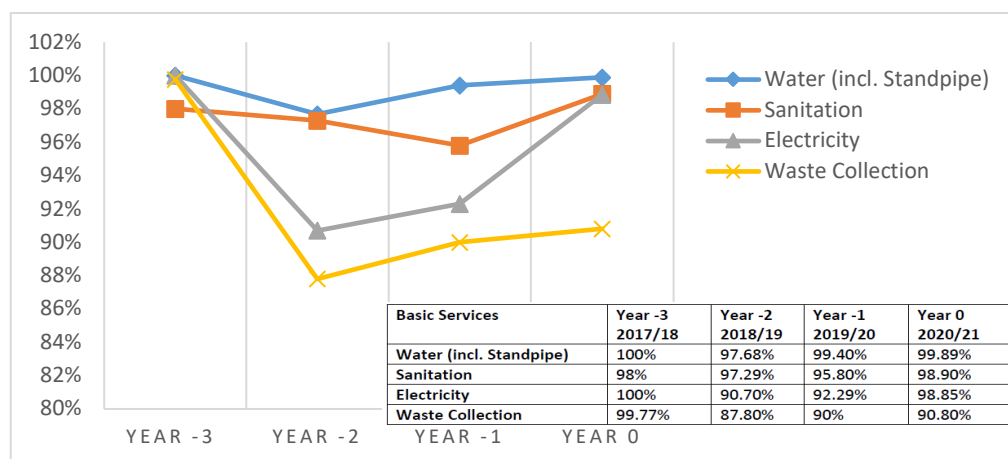
DELIVERABLE	OUTCOME
Servicing of sites	1489
Drought Mitigation Plan: Drilling of Boreholes	Equipping of boreholes for drinking water
Loerie Water Treatment Works: Augmentation	99% completion of the upgrade of the final water pump station
Coegakop Wellfield Phase 4: Production Boreholes and Water Pipelines	44% completion of the construction of the Coegakop Water Treatment works and equipping of drilled boreholes. Concrete work currently underway. Once completed the new Water Treatment works will provide an additional 20Ml/day of potable water.
Seaview Water Pump Station Augmentation	100% completion of the augmentation, refurbishment and upgrading of the Seaview potable water pump station.
Purchase and installation of water meters in support of the Housing Programme	1222 metered connections installed in various wards.
Rehabilitation of reservoirs	Reservoirs refurbished <ul style="list-style-type: none"> • McNaughton • KwaNobuhle
Driftsands Collector Sewer	Augmentation of the existing collector sewer through the installation of a parallel sewer pipeline through multiple phases Phase 2 (925m) – 62% complete.
KwaNobuhle Wastewater Treatment Works upgrade	The upgrade of the KwaNobuhle Wastewater Treatment Works is 100% complete.
Augmentation of the Collector Sewer from Walmer Heights to Mount Pleasant – Phase 1	New sewer pipeline installed: 100% Complete.
Tarring of Gravel Roads	5.113km
Electrification of state subsidised and informal houses on formalized sites.	A total number of 1671 new customers were connected to the electrical network during the 2020/21 financial year. <ol style="list-style-type: none"> 1. <i>MV and LV ABC overhead line construction were completed in the following areas:</i> <ul style="list-style-type: none"> • Motherwell NU 30/31 • Ekuphumleni (Ward 19) • Rosedale Extension, Phase 2 (Ward 53) • Chatty Jachtlakte, Housing Phase 5B (Ward 29) • Doornhoek (Ward 48) • Sisulu Village (Ward 18)

DELIVERABLE	OUTCOME
	<p>2. Service Connections</p> <ul style="list-style-type: none"> • Motherwell NU 30/31, Ph 5 (Ward 54) – • Malabar Ext 6, Phase 2 (Ward 12) • Red Location (Ward 15) • Ekuphumleni (Ward 19) • Rosedale Extension, Phase 2 (Ward 53) • Chatty Jachtlakte, Housing Phase 5B (Ward 29) • Joe Slovo West (Ward 41) – Area is fully electrified. Completed 107 connections and installed 107 split pre-paid meters. • Doornhoek (Ward 48) • Sisulu Village (Ward 18) • Walmer Airport Valley, Section A (Ward 4) • Motherwell NU 12 Extension (Ward 54) <p>Installation of service connections on demand in other areas (Ward 99) - Completed 16 connections and installed 16 split pre-paid meters.</p>
Upgrading and development of public open spaces	<p>12 public open spaces were upgraded/developed:</p> <ul style="list-style-type: none"> ○ Befile Park ○ Nkabalaza Park ○ Baatjies Park ○ Raxa Park ○ Denmark Park ○ Mvetshana Park ○ Krebe Park ○ Diggery Park ○ Rina Park ○ Gwanga Park ○ MPC Park ○ Maswangana Park
Upgrading and development of cemeteries	<p>5</p> <ul style="list-style-type: none"> ○ Bloemendal, Motherwell, Matanzima Cemetery (construction of berms) ○ Gqeberha and Despatch (fencing)

Note: NMBM received an original allocation for USDG funding to the value of R815 million in terms of a submitted USDG Business Plan for the 2020/21 financial year. In March 2021, the Municipality received an additional amount of R390 million which was appropriated into the Budget during April 2021. The Municipality spent the full value of the original allocation and an amount of R215 million of the additional allocation. An amount of R175 million which was unspent as at 30 June 2021 of the additional USDG allocation was returned to National Treasury as the Municipality was only left with two months to spend the additional funding.

The figure below illustrates the trend among households regarding access to basic services over the last three financial years.

FIGURE 1.4: Percentage of households with access to basic services



COMMENT ON BASIC SERVICE DELIVERY

The provision of quality services to residents is a priority of the Municipality. The Municipality provided access to basic services such as electricity, refuse removal, water and sanitation to its citizens during the period under review. The Municipality continues its effort to ensure the provision of proper sanitation to all households.

Electricity

Progress with regard to the provision of electricity is reflected below:

TABLE 1.4: Access to electricity

Type of service	2019/20 Actual	2020/21 Target	2020/21 Actual
Free Basic Electricity provision levels as a percentage of total residential electricity provision (in terms of MWh)	6%	7%	6,3%
Number of dwellings provided with connections to the mains electricity supply by the Municipality	124 (formal: state subsidised)	1733	1671
	216 (formal: residential / other)		
	850 (informal)		

Type of service	2019/20 Actual	2020/21 Target	2020/21 Actual
Installed capacity of embedded generators on the municipal distribution network	New KPI	3 Mega Watts	3.79 Mega Watts

Water and sanitation

Progress with regard to the provision of water and sanitation services is reflected below:

TABLE 1.5: Access to water and sanitation

Type of service	2019/20 Actual	2020/21 Target	2020/21 Actual
Number of new water connections meeting minimum standards	1468 In line with Housing Programme	850	1222
Number of new sewer connections meeting minimum standards	1468 In line with Housing Programme	850	1222
Percentage of total water connections metered	New KPI	96%	96,74%

Refuse removal

Progress with regard to refuse removal over the review period is reflected below:

TABLE 1.6: Refuse removal

Type of service	2019/20 Actual	2020/21 Target	2020/21 Actual
Percentage of known informal settlements receiving integrated waste handling services	74%	100%	54%

Housing delivery

Performance with regard to housing delivery over the review period is reflected below:

TABLE 1.7: Housing opportunities

Type of service	2019/20 Actual	2020/21 Target	2020/21 Actual
Number of formal sites serviced	0	1598	1489 (serviced with water, sanitation and electricity)

1.4 FINANCIAL HEALTH OVERVIEW

This section presents the financial performance highlights during the 2020/21 financial year.

TABLE 1.8: Consolidated Annual Financial Statements: Financial Performance

Description	2019/20	2020/21			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YTD variance
R thousands					
Revenue By Source					
Property rates	2,357,411	2,486,145	2,488,283	2,506,420	18,137
Service charges - electricity revenue	3,721,446	4,359,003	3,954,693	3,966,501	11,808
Service charges - water revenue	1,189,576	1,050,759	1,301,832	1,578,367	276,647
Service charges - sanitation revenue	654,164	722,107	698,045	709,117	11,072
Service charges - refuse revenue	247,927	264,511	264,511	259,810	(4,701)
Rental of facilities and equipment	22,785	22,627	28,739	27,042	(1,698)
Interest earned - external investments	234,799	161,511	161,511	150,039	(11,471)
Interest earned - outstanding debtors	254,866	265,534	334,541	320,478	(14,063)
Dividends received			-	-	-
Fines, penalties and forfeits	224,919	224,224	205,224	79,979	(125,245)
Licences and permits	15,137	22,748	12,104	15,042	2,938
Agency services	3,546	3,327	3,059	3,734	675
Transfers and subsidies	1,880,746	2,187,776	2,497,826	2,129,771	(368,054)
Other revenue	105,073	168,878	151,168	110,745	(40,423)
Gains		510	510	-	(510)
Total Revenue (excluding capital transfers and contributions)	10,912,396	11,939,659	12,102,045	11,857,045	(244,999)
Expenditure By Type					
Employee related costs	3,116,780	3,768,245	3,756,172	3,912,167	155,995
Remuneration of councillors	76,474	85,283	85,215	76,244	(8,971)
Debt impairment	1,303,375	1,084,879	1,284,675	1,772,262	487,586
Depreciation & asset impairment	1,072,017	740,575	740,575	1,005,386	264,810
Finance charges	124,825	141,084	128,874	127,631	(1,243)
Bulk purchases	3,515,565	3,844,678	3,775,867	3,819,893	44,027
Other materials	210,535	222,873	221,091	156,681	(64,410)
Contracted services	664,974	1,125,323	1,192,883	738,573	(454,309)
Transfers and subsidies	32,531	57,746	59,571	30,426	(29,145)
Other expenditure	579,804	621,178	809,182	680,050	(129,132)
Losses			-	8	8
Total Expenditure	10,696,879	11,691,864	12,054,104	12,319,320	265,216
Surplus/(Deficit)	215,517	247,794	47,941	(462,275)	(510,215)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	660,086	944,113	658,005	972,837	314,833
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	103,802	32,897	66,236	143,595	77,360
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	979,405	1,224,804	772,181	654,157	
Taxation					-
Surplus/(Deficit) after taxation	979,405	1,224,804	772,181	654,157	
Attributable to minorities					
Surplus/(Deficit) attributable to municipality	979,405	1,224,804	772,181	654,157	
Share of surplus/ (deficit) of associate					
Surplus/ (Deficit) for the year	979,405	1,224,804	772,181	654,157	

Financial Performance

During the 2020/21 financial year, actual operating revenue amounted to R11.857 billion, whilst actual operating expenditure amounted to R12.319 billion, resulting in an operating deficit of R510.215 million. The Adjustments Budget for operating revenue during the 2020/21 financial year amounted to R12.102 billion, whilst operating expenditure amounted to R12.054 billion, resulting in a budgeted surplus of R47.94 million. The combined operating revenue for property rates and service charges was higher than anticipated in the 2020/21 Adjustments Budget, due to the following factors:

Property Rates

During the 2020/21 financial year, property rates revenue raised amounted to R2.506 billion, compared to the Adjustments budgeted amount of R2.488 billion. Revenue raised was reduced by an amount of approximately R101.655 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. Property rates revenue raised was approximately R18.137 million more than anticipated.

Table 1.9: Property Rates

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Property rates	- 2,357,411	- 2,486,145	- 2,488,283	- 2,506,420	18,137
Agricultural Property	- 5,517	- 5,831	- 5,831	- 5,781	50
Business and Commercial Properties	- 844,686	- 907,543	- 907,543	- 896,548	10,995
Formal and Informal Settlements	89,074	48,317	48,317	148,201	- 99,884
Industrial Properties	- 240,474	- 253,516	- 253,516	- 256,370	2,854
Mining Properties	- 158	- 167	- 167	- 214	47
Public Benefit Organisations	- 1,419	- 1,999	- 1,999	- 1,672	327
Public Service Infrastructure Properties	- 476	- 38	- 38	- 212	174
Residential Properties: Developed	- 1,109,278	- 1,118,104	- 1,118,104	- 1,232,889	114,785
Residential Properties: Vacant Land	- 76,123	- 79,016	- 79,016	- 81,704	2,688
Special Rating Area	- 1,777	- 2,036	- 4,174	- 4,066	108
State-owned Properties	- 166,578	- 166,213	- 166,213	- 175,166	8,953

Service charges – Electricity Revenue

Electricity revenue raised, amounted to R3.967 billion, compared to the Adjustments budgeted amount of R3.955 billion during the 2020/21 financial year. Revenue raised was reduced by an amount of approximately R37.78 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. The electricity revenue raised was approximately R11.81 million more than anticipated. The impact of the price elasticity of demand, the consistent annual increase in electricity losses and other factors affecting the electricity revenue stream require urgent attention to mitigate the variance between electricity revenue budgeted and electricity revenue raised. Unfortunately, year-on-year electricity losses increased from a high level of 15.47% in the 2018/19 financial year even further to 20.30% in the 2019/20 financial year. The electricity losses increased to 21.63% in the 2020/21 financial year.

TABLE 1.10: Service Charges: Electricity Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Service charges - electricity revenue	-3,721,446	- 4,359,003	- 3,954,673	- 3,966,501	11,828
Availability Charges	- 50,052	- 41,929	- 41,929	- 45,958	4,029
Connection/Reconnection:Change Circuit Breaker	- 154	- 178	- 178	- 1	- 177
Connection/Reconnection:Connections New:Non-government Housing	- 4,441	- 5,849	- 5,849	- 5,169	- 680
Electricity Sales:Agricultural High	- 4				
Electricity Sales:Commercial Conventional (3-Phase)	- 348,552	- 253,515	- 17,561	- 120,659	103,098
Electricity Sales:Commercial Prepaid	- 69,877	- 89,376	- 89,376	- 53,529	- 35,848
Electricity Sales:Domestic High:Prepaid	-1,128,446	- 1,101,670	- 1,101,670	-1,172,801	71,131
Electricity Sales:Domestic Low:Domestic Indigent	- 45,547	- 55,043	- 63,554	- 37,777	- 25,778
Electricity Sales:Domestic Low:Prepaid	31,556	- 9,957	- 73,446	- 117,692	44,246
Electricity Sales:Industrial more than (11 000 Volts) (High Voltage)	- 1,814,312	- 2,383,914	- 1,628,375		-1,628,375
Electricity Sales:Industrial (400 Volts) (Low Voltage)	- 292,630	- 412,453	- 249,969	- 235,560	- 14,409
Electricity Sales:Industrial more than (11 000 Volts) (High Voltage)				- 802,751	802,751
Electricity Sales:Time of Use Tariffs	1,185	- 5,020	- 682,667	- 1,374,508	691,841
Joint Pole Usage	- 25	- 25	- 25	- 25	0
Meter Compliance Testing	- 129	- 52	- 52	- 61	9
Meter Reading Fees	- 17	- 22	- 22	- 11	- 11

Service Charges – Water Revenue

During the 2020/21 financial year, water revenue raised, amounted to R1,578 billion, compared to the Adjustments budgeted amount of R1.302 billion. Revenue raised was

reduced by an amount of approximately R123.01 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. Due to the implementation of punitive water tariffs to assist in managing a severe drought environment and the use of the scarce water resource, an amount of R276.65 million in water revenue more than the budgeted target was raised. Unfortunately, the annual water losses remained at a high level of 40.0% in the 2020/21 financial year although it did decline from the 43% in the 2019/20 financial year. It is important to refer to the Note 35.10 of the 2020/21 Consolidated Annual Financial Statements which disclosed the Water Losses as follows:

The NMBM suffered water losses of 43,349 megalitres (40%) amounting to R217.1 million (2020: 46,741 megalitres (43%) amounting to R180,7 million) during the year. The value of the water losses has been based on cost for both years. Various water demand management interventions are being implemented to curb water losses.

The 40% of water losses are made up of apparent (commercial) losses (11%) and real (physical) losses (29%). Apparent losses include unauthorised consumption from theft or illegal use, plus all technical and administrative inaccuracies associated with customer metering.

TABLE 1.11: Service Charges: Water Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Service charges - water revenue	- 1,189,576	- 1,050,759	- 1,301,832	- 1,578,367	276,535
Agricultural and Rural Water Service	- 30,264	- 35,498	- 37,198	- 42,326	5,128
Availability Charges	- 155,988	- 166,273	- 170,078	- 166,233	- 3,845
Connection/Disconnection	- 5,039	- 6,813	- 5,531	- 5,811	280
Industrial Water	- 318,845	- 268,155	- 191,485	- 273,131	81,647
Sale: Conventional	136,578	199,015	219,615	178,493	41,122
Sale: Flat Rate	- 2,460	- 2,585	- 2,585	- 2,624	39
Urban Higher Level Service	- 813,558	- 770,451	- 1,114,569	- 1,266,246	151,677

Service Charges – Sanitation Revenue

During the 2020/21 financial year, sanitation revenue raised, amounted to R709.81 million, compared to the Adjustments budgeted amount of R698.05 million. The revenue raised, was reduced by an amount of approximately R155.84 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. Sanitation revenue raised, was approximately R11.07 million more than anticipated.

TABLE 1.12: Service Charges – Sanitation Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Service charges - sanitation revenue	- 654,164	- 722,107	- 698,045	- 709,117	11,072
Waste Water Management: Availability Charges	- 155,089	- 164,759	- 164,759	- 165,515	756
Waste Water Management: Connection/Reconnection	- 1,247	- 2,246	- 2,164	- 1,905	- 259
Waste Water Management: Higher Level Service	- 114,751	- 105,616	- 122,466	- 142,946	20,480
Waste Water Management: Industrial Effluent	- 35,166	- 34,220	- 36,234	- 35,747	487
Waste Water Management: Industrial Waste Water	- 59,170	- 80,165	- 48,165	- 54,147	5,982
Waste Water Management: Sanitation Charges	- 288,742	- 335,101	- 324,256	- 308,857	- 15,400

Service Charges – Refuse Revenue

Refuse revenue raised, amounted to R259.81 million, compared to the Adjustments budgeted amount of R264.51 million. Revenue raised was reduced by an amount of approximately R94.09 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. Refuse revenue raised, was approximately R4.70 million less than anticipated.

TABLE 1.13: Services Charges – Refuse Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Service charges - refuse revenue	- 247,927	- 264,311	- 264,311	- 259,810	- 4,501
Waste Management: Refuse Removal	- 234,998	- 247,345	- 249,945	- 245,793	- 4,152
Waste Management: Waste Bins	- 12,929	- 16,966	- 14,366	- 14,017	- 348

Property Rates and Services Revenue

The table below reflects the Municipality's revenue streams in respect of property rates and services revenue, excluding revenue foregone.

TABLE 1.14: Property rates and services revenue

Property Rates and Services	2020/21 Adjustments Budget R'000	Actuals 2020/21 as per AFS R'000	Variance R'000	%
Property Rates	2,488,283	2,506,420	18,137	0.73%
Electricity	3,954,693	3,966,501	11,808	0.29%
Water	1,301,832	1,578,367	276,535	21.24%
Sanitation	698,045	709,117	11,072	1.59%
Refuse	264,511	259,810	(4,701)	(1.78%)
Total	8,707,364	9,020,215	312,851	3.59%

Revenue foregone in respect of the Indigent Consumers amounted to R512.369 million, compared to the original budgeted provision of R643.371 million. Revenue foregone relates to the ATTP rebates for consumers qualifying as poor residents of the Nelson Mandela Bay municipal area. Revenue foregone has been financed through the Equitable Share allocation.

The table below provides a further overview of growth in respect of budget projections and actual revenue trends.

TABLE 1.15: Growth in respect of budget projections and actual revenue trends

Service Charges	2018/19 Actual	2018/19 Original Budget	2019/20 Actual	2019/20 Original Budget	2019/20 Adjustments Budget	% Actual Growth	% Budget Growth	% Adjustments Budget Growth
Sale of Electricity	3,687,352	3,964,692	3,721,446	4,379,448	3,983,323	0.92%	10.46%	0.47%
Sale of Water	850,694	749,547	1,189,576	815,772	1,177,942	39.84%	8.84%	57.15%
Sanitation	536,186	459,930	654,164	554,361	656,826	22.00%	20.53%	42.81%
Refuse Removal	192,754	294,667	247,927	246,024	245,151	28.62%	-16.51%	-16.80%
	2019/20 Actual	2019/20 Original Budget	2020/21 Actual	2020/21 Original Budget	2020/21 Adjustments Budget	% Actual Growth	% Budget Growth	% Adjustments Budget Growth
Sale of Electricity	3,721,446	4,379,448	3,966,501	4,359,003	3,954,693	6.58%	-0.47%	-9.70%
Sale of Water	1,189,576	815,772	1,578,367	1,005,759	1,301,832	32.68%	23.29%	59.58%
Sanitation	654,164	554,361	709,117	722,107	698,045	8.40%	30.26%	25.92%
Refuse Removal	247,927	246,024	259,810	264,511	264,511	4.79%	7.51%	7.51%

The above table indicates that the Sale of Electricity is not growing at the same rate as the approved tariff increases on an annual basis and that the price elasticity of demand and theft of electricity appears to be much higher than anticipated. Whilst the Electricity Service should be achieving an at least 15% profit margin after both primary and secondary costs are taken into account, it has been running at a loss since the 2018/19 financial year. The calculations in the table below only considered the primary costs.

To determine the true surplus or loss, the secondary costs should also be taken into account. Secondary costs are made up of Human Resource, Budget and Treasury, Corporate Services, Information Technology, security charges, internal service charges, etc. which is charged to the trading and other services. Therefore, secondary costs could be substantial for any of the trading services and must be taken into consideration when the appropriate tariff are determined per trading service. It is considered as a benchmark that trading services should operate at a 15% profit margin

after taking into account both primary and secondary costs. This then ensures that the small Property Rates base is supported and allows for generating operational funds to fund much needed trading services capital projects to either grow the revenue base or protect the revenue base by replacing old infrastructure that pose a threat to service delivery.

It should be noted that the Covid-19 pandemic may have material impact on financial outcomes as a result of reduced spending in some instances. However, it would appear that only Wastewater Management (Sanitation / Sewerage) would have had a true profit taking all costs into consideration. It would be important for all the trading services to recalculate the true cost of service delivery taking both primary and secondary costs into consideration. Water services creates an anomaly at the moment as punitive water tariffs are applicable whilst the extreme drought environment continuous in the NMBM water catchment areas.

The continuous increase over the last five to six years in water losses and electricity losses are in the process of being addressed. However, the improvement from the 2019/20 financial year to the 2020/21 financial year is only marginal and remains at unacceptable high levels. The Water losses was reduced from approximately 43% to 40% and Electricity losses reduced from 20.3% to 20.08%. Electricity losses being reduced to an acceptable percentage or level will not be the only strategy required to cut costs in order to prevent electricity tariff increases. A proper tariff strategy should be developed, maintained and managed to ensure that proper services can be provided to residents. A plan of action to deal with the thousands of prepaid electricity meter consumers not purchasing any electricity, but using electricity and thereby contributing to the excessive electricity losses should be made a priority matter to be addressed.

To this end, the 2022/23 Original Budget should be re-assessed and tariffs adjusted in line with revenue and expenditure projections in order to provide a surplus and a realistic budget. An inappropriate budget will result in a cash flow crisis.

TABLE 1.16: Profit and Loss on Trading Services (Primary Costs only)

Description	2018/19 Restated Actual	2019/20 Restated Actual	2020/21 Actual
R thousands			
Operating Revenue			
Energy sources	3,739,684	3,842,856	3,960,363
Water management	1,103,842	1,401,672	1,971,249
Wastewater management	773,636	940,651	1,028,452
Waste management	343,033	415,629	448,105
Operating Expenditure			
Energy sources	3,782,329	4,101,438	4,481,412
Water management	1,019,707	1,180,842	1,669,024
Wastewater management	543,364	635,926	747,311
Waste management	350,580	400,674	459,524
Profit / (Deficit)			
Energy sources	(42,645)	(258,582)	(521,049)
Water management	84,135	220,830	301,225
Wastewater management	230,273	304,725	281,140
Waste management	(7,546)	14,955	(11,419)
% Profit / (Deficit)			
Energy sources	(1.14%)	(6.73%)	(13.16%)
Water management	7.62%	15.75%	15.28%
Wastewater management	29.76%	32.40%	27.34%
Waste management	(2.20%)	3.60%	(2.55%)

It is clear from the above table that the profitability of the Trading Services had deteriorated even further, requiring an urgent analysis of the tariff structures. The material increase in debt impairment in respect of Trading Consumer Debtors had a material impact on the 2020/21 profitability of the Trading Services.

Rental of Facilities and Equipment:

During the 2020/21 financial year, R27.04 million was raised from the rental of facilities and equipment, compared to the Adjustments budgeted amount of R28.36 million.

TABLE 1.17: Rental of facilities and equipment

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Rental of facilities and equipment	- 22,785	- 22,247	- 28,359	- 27,042	- 1,318
Market Related:					
Investment Property: Straight-lined Operating	- 3,017	-	- 7,925	- 9,449	1,524
Property Plant and Equipment: Ad-hoc rentals: Community Assets	- 7,761	- 8,292	- 8,225	- 7,977	248
Property Plant and Equipment: Straight-lined Operating: Other Assets	- 577	- 710	- 560	- 620	60
Non-market Related:					
Investment Property: Ad-hoc rentals	- 4,117	- 4,146	- 4,294	- 3,596	698
Property Plant and Equipment: Ad-hoc rentals: Community Assets	- 1,583	- 1,942	- 718	- 429	289
Property Plant and Equipment: Ad-hoc rentals: Machinery and Equipment	- 95	- 190	- 141	- 133	8
Property Plant and Equipment: Ad-hoc rentals: Other Assets	- 847	- 1,817	- 1,417	-	1,417
Property Plant and Equipment: Ad-hoc rentals: Solid Waste Infrastructure	- 4,403	- 4,810	- 4,690	- 4,545	144
Property Plant and Equipment: Straight-lined Operating: Community Assets	- 6	- 4	- 4	- 7	2
Property Plant and Equipment: Straight-lined Operating: Electrical Infrastructure	- 38	- 16	- 16	- 16	0
Property Plant and Equipment: Straight-lined Operating: Machinery and Equipment	- 103	- 20	- 20	- 1	19
Property Plant and Equipment: Straight-lined Operating: Other Assets		- 300	-	-	-
Property Plant and Equipment: Sub-lease Payment: Roads Infrastructure	- 236	-	- 350	- 263	87
Property Plant and Equipment: Sub-lease Payment: Water Supply Infrastructure		-	-	5	5

Fines

Fines Revenue

This revenue source as per the 2020/21 Consolidated Annual Financial Statements reflected an actual received of R79.98 million, compared to the 2020/21 Adjustments budget estimate of R205.22 million. However, this does not reflect the cash that was collected. Due to GRAP being applied in respect of traffic fines revenue, the Municipality must in its financial records disclose the value of fines issued. Therefore, when analysing the traffic fines revenue of R19.84 million, it must also be analysed against the impairment of fines, as disclosed under the Statement of Financial Performance line item Impairment – Other, in the amount of R15.382 million.

TABLE 1.18: Fines Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Fines, penalties and forfeits	-224,919	-224,224	-205,224	-79,979	-125,244
Fines: Councillors	-11	-40	-40	-9	-32
Fines: Illegal Connections	-2,215	-8,118	-5,618	-3,977	-1,641
Fines: Law Enforcement	-28	-47	-47	-16	-31
Fines: Overdue Books Fine	-594	-1,031	-1,031	-1	-1,029
Fines: Pound Fees	-324	-197	-134	-469	335
Fines: Traffic: Court Fines		-	-	-5	5

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Fines:Traffic:Municipal	-19,334	-12,368	-12,585	19,840	7,255
Fines:Traffic:Service Provider	-58,786	-159,133	-134,279		-134,279
Forfeits: Deposits	903	-	-	1,192	-1,192
Forfeits: Retentions	-120,362	-	-27,200	-2,684	-24,516
Forfeits: Unclaimed Money	-4,529	-	-	-11,051	11,051
Penalties: Disconnection Fees	-19,639	-43,290	-24,290	-43,118	18,828

Transfer Recognised – Operational

This revenue source as per the 2020/21 Consolidated Annual Financial Statements reflected an actual revenue recognised of R2.13 billion, compared to the 2020/21 Adjustments budget estimate of R2.35 billion.

It is important to note that the following transfers relating to previous financial years remained outstanding as at 30 June 2021.

- During the 2018/19 financial year, revenue from transfers amounted to R1.910 billion, compared to the Adjustments budgeted amount of R2.186 billion. All operating grants have been received as anticipated except for the Equitable Share to be received from Provincial Government. This payment in the amount of R255,415,000 was outstanding as at 30 June 2020. A debtors accrual was raised as at 30 June 2020 in respect of the outstanding Equitable Share transfer. This amount remained outstanding for the 2020/21 financial year.
- During the 2020/21 financial year National Treasury offset the conditional grants that was not approved for roll-over from the 2019/20 financial year to the 2020/21 financial year. However, National Treasury had offset R10 million more than required and are therefore still required to transfer the R10 million Equitable Share in respect of the 2020/21 financial year.

TABLE 1.19: Transfers and Subsidies

Description (Inclusive of Fuel Levy used for capital expenditure) R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Transfers and subsidies	-1,880,746	-2,292,341	-2,351,781	-2,129,771	-222,010
Departmental Agencies and Accounts: National Departmental Agencies: Local Government, Water and Related Service SETA	-3,881	-9,260	-9,260	-5,774	-3,486
Departmental Agencies and Accounts: National Departmental Agencies: Marine Living Resources Fund	-742	-896	-896	-591	-306

Description (Inclusive of Fuel Levy used for capital expenditure) R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Departmental Agencies and Accounts: National Departmental Agencies: South Africa Revenue Service (SARS)	-5,213	-107,079	-120,971	-6,417	-114,554
National Governments: Expanded Public Works Programme Integrated Grant	-8,950	-10,117	-10,117	-10,117	-
National Governments: Infrastructure Skills Development Grant	-9,443	-10,500	-10,500	-7,899	-2,601
National Governments: Integrated City Development Grant		-6,214	-3,614	-	-3,614
National Governments: Local Government Financial Management Grant	-1,000	-1,000	-1,199	-1,000	-199
National Governments: Public Transport Network Grant	-42,022	-169,634	-169,634	-61,677	-107,957
National Governments: Urban Settlement Development Grant	-75,955	-35,975	-27,926	-40,654	12,728
National Revenue Fund: Equitable Share	-1,021,661	-1,204,840	-1,260,840	-1,260,840	-
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-690,344	-706,955	-706,955	-706,955	-
Provincial Government: Eastern Cape: Capacity Building and Other: Specify (Add grant description)	-21,535	-29,870	-29,870	-27,848	-2,022

The Fuel Levy includes the portion that was used to fund capital expenditure. Due to GRAP principles this grant is recognised as an operating grant. From the 2021/22 financial year the Fuel Levy will not be regarded as a grant as it is in fact own revenue which is collected by the South African Revenue Service (SARS) on behalf of local government and redistributed by National Treasury back to municipalities. The portion not used for operating purposes are then transferred through internally generated funds to assist in funding the capital budget through own revenue sources.

Grant performance and explanation of variance is indicated below:

DORA Operating Grants

Expanded Public Works Programme (EPWP)

This grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery.

DORA Allocation:	R 10,117,000
Amount of Grant Received:	R 10,117,000
Expenditure to date:	R 10,117,000
Unspent as at 30 June 2021	R 0

As at 30 June 2021, 100% of the DORA allocation was spent.

Infrastructure Skills Development

This grant is to strengthen capacity of local government to effectively and efficiently deliver quality infrastructure by increasing the pool of skills.

DORA Allocation:	R9,806,000
Amount of Grant Received:	R9,806,000
Expenditure to date:	R7,913,306
Unspent as at 30 June 2021:	R1,892,694

As at 30 June 2021, 80.70% of the DORA allocation was spent.

Finance Management Grant

This grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R1,000,000
Amount of Grant Received:	R1,000,000
Expenditure to date:	R1,000,000
Unspent as at 30 June 2021:	R 0

As at 30 June 2021, 100% of the DORA allocation was spent.

Urban Settlements Development Grant – Portion allocated for operational expenditure

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Allocation:	R 40,653,857
Amount of Grant Received	R 40,653,857
Expenditure to date:	R 40,653,857
Unspent as at 30 June 2021:	R 0

As at 30 June 2021, 100% of the DORA allocation was spent.

Public Transport Networks Operations – Portion allocated for operational expenditure

This grant is to provide supplementary operational funding to municipalities.

DORA Allocation:	R 220,334,000
Amount of Grant Received	R 220,334,000
Transferred to the Public Transport Infrastructure Grant	R 65,484,507
Balance for Public Transport Networks Operations Grant	R 154,849,493
Expenditure to date:	R 61,676,911
Unspent as at 30 June 2021:	R 93,172,582

As at 30 June 2021, 39.83% of the DORA allocation was spent.

The unspent 2019/20 conditional grant was offset against the 2020/21 Equitable Share in the amount of R96,112,294.

An application was made for the roll-over of the unspent grant funding in respect of the 2020/21 financial year to the 2021/22 financial year.

Human Settlements Development Grant

This grant provides funding to create sustainable human settlements that enable improved quality in household life, as well as improved access and integrated settlements:

Unspent as at 30 June 2020	R 1,200,000
Interest Received:	R 47,571
Expenditure to date:	R 0
Unspent as at 30 June 2021:	R 1,247,571

As this grant is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year. As at financial year-end, a debtor was raised in the amount of R210,320,725 for outstanding claims to be paid by the Eastern Cape Provincial Treasury for top structures built by the Municipality, based on an Agency Agreement basis. As at 30 June 2020, the Municipality was bridge-funding this project by approximately R195.07 million, decreasing from R196.65 million in the 2018/19 financial year. This had an impact on the Municipality's cash flow, as well as its

investment portfolio, resulting in less interest revenue earned and/or inability to fund critical projects that could enhance the revenue base of the institution.

Other Operating Grants

Provincial Department of Human Settlements: Accreditation Grant

This grant is used for capacity building towards Level 3 accreditation in preparing the NMBM for Human Settlements development.

Unspent as at 30 June 2020:	R 1,973,952
Expenditure to date:	R 0
Unspent as at 30 June 2021:	R 1,973,952

No funds were spent during 2020/21. As this is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year.

European Union Grant (3rd Tranche)

This grant contributes to the improvement of the quality of life of marginalised people in urban areas within the framework of the South Africa Government's Urban Renewal Programme.

Restated Unspent as at 30 June 2020:	R1,744,599
Expenditure to date:	R 0
Unspent as at 30 June 2021:	R1,744,599

The spending incurred against the unspent European Union Grant amounted to 0% as at 30 June 2021.

National Lotteries

This grant is used to fund arts and culture programmes.

Unspent as at 30 June 2020:	R 1,305,131
Expenditure to date:	R 0
Unspent as at 30 June 2021:	R 1,305,131

The spending incurred against the unspent National Lotteries grant amounted to 0% as at 30 June 2021.

Provincial Government Grants: Library Services

This grant is used to subsidise NMBM libraries.

Received	:	R15,870,000
Expenditure to date:		R15,870,000
Unspent as at 30 June 2021:		R 0

As at 30 June 2021, the subsidy was fully spent.

Smart Grid Initiative

This grant is used to develop innovative, interactive and improved technological solutions to deal with revenue enhancement.

Unspent as at 30 June 2020:		R 711,836
Amount of Grant Received:		R 0
Expenditure to date:		R 0
Unspent as at 30 June 2021:		R 711 836

As at 30 June 2021, 0% of the allocation was spent. As this is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year.

LGSETA Discretionary Learnership Funding

This grant is used to facilitate access to skills development, education and training in the local government sector and community in general.

Unspent as at 30 June 2020:		R 9,260,412
Amount of Grant Received:		R 5,825,740
Expenditure to date:		R 7,167,735
Unspent as at 30 June 2020:		R 7,918,417

As at 30 June 2021, 47.51% of the allocation was spent. As this is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year.

Provincial Department Agency: Communication Grant

This grant is used for the roll-out of public Wi-Fi to all municipal libraries, customer care centres and traffic licencing centres.

Unspent as at 30 June 2020:	R	872,781
Amount of Grant Received:	R	0
Expenditure to date:	R	0
Unspent as at 30 June 2020:	R	872,781

As at 30 June 2021, 0% of the allocation was spent. As this is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year.

As at 30 June 2020, National Treasury had not transferred the following Grants to NMBM due to different non-compliance issues:

- Equitable Share: R255,415,000
- Public Transport Infrastructure Systems: R98,154,007
- Neighbourhood Development partnership Grant: R10,000,000
- Urban Settlements Development Grant: R390,274,000

During March 2021, National Treasury Transferred R390,274,00 Urban Settlements Development Grant and R83,370,000 Public Transport Infrastructure Systems funding as relating to the 2019/20 Grant roll-over to the 2020/21 financial year. The late transfers of conditional DORA grants contributed towards the unspent conditional grants as at 30 June 2021.

National Treasury offset the grants that was not approved for roll-over from the 2019/20 financial year to the 2020/21 financial year against the 2020/21 Equitable Share allocation as follows:

2020/21 Equitable Share not transferred to NMBM:	R298,275,000
Roll-over disallowed:	
Drought Recovery Grant	R188,078,967
Public Transport Infrastructure Grant	R 647,470
Public Transport Networks Operations Grant	R 96,112,294
Integrated City Development Grant	R 351,265
Neighbourhood Development Partnership Grant	R 13,085,004
Total	R298,275,000

Although the grants were not allowed to be rolled over to the 2020/21 financial year, National Treasury did not transfer R10 million of the R13,085,004 to the NMBM.

Therefore, National Treasury owes the NMBM R10 million in respect of the 2020/21 Equitable Share allocation due to the aforementioned.

Interest Earned – External Investments:

Interest earned – External investments were R11.47 million less than anticipated in the 2020/21 Adjustments Budget. Interest earnings were influenced by the extent of the Municipality's investment portfolio throughout the financial year, mainly due to the National Treasury not transferring 2019/20 Equitable Share in the amount of R255,415,00 as well as delaying the transfer of the 2020/21 Equitable Share and all conditional grants during the first half of the 2020/21 financial year. The transfer of grants only commenced during December 2020 and impacted on the investment portfolio of the NMBM. The interest earned could, however, have been significantly higher, if it was not for the bridge-funding of housing projects, in the amount of approximately R195.07 million. Management should focus on reducing the bridge-funding to approximately R100 million over the short term, as it impacts significantly on the cash position of the Municipality. A lower annual cash collection rate than anticipated in the Adjustments Budget also negatively affects the cash flow and interest earned from investments of the Municipality. The average cash collection rate for billed revenue was 85.5% for the 2020/21 financial year, which is marginally higher than the Adjustments Budget rate of 85%. However, the collection rate was achieved as a result of cash collected in July 2021 in respect of the June 2021 billing accounts. Electricity revenue was lower than anticipated by approximately R201.78 million indicating a further negative cash flow. However, the non-transfer of grants impacted and resulted in a low capital spending together with the impact of the Covid-19 pandemic on capital project management. Further to this, the interest rate of the Reserve Bank was also reduced in order to protect and stimulate economic activity and assist in dealing with the global impact of the Covid-19 pandemic.

TABLE 1.20: Interest earned - external investments

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Interest earned - external investments	- 234,799	- 161,511	- 159,511	- 150,039	- 11,471
Short Term Investments and Call Accounts	-234,799	- 161,511	- 159,511	- 150,039	- 11,471

Interest Raised – Outstanding Debtors:

Interest raised – Outstanding debtors amounted to R14.28 million less than the Adjustments budgeted amount of R335.25 million. Interest was also influenced by the extent of outstanding debtors as well as the reduction in the interest rate charged on outstanding debtors.

TABLE 1.21: Interest raised

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Interest earned - outstanding debtors	-254,866	-265,534	- 335,254	- 320,973	14,281
Interest:Receivables:Electricity	-44,816	- 22,602	- 60,909	81,844	- 142,753
Interest:Receivables:Housing Selling Schemes	- 7	-	-	-	-
Interest:Receivables:Service Charges	-108,752	- 96,227	- 96,227	- 132,420	36,193
Interest:Receivables:Waste Management	- 29,375	- 22,732	- 22,732	- 37,340	14,608
Interest:Receivables:Waste Water Management	- 48,383	- 36,520	- 36,520	- 64,297	27,777
Interest:Receivables:Water	- 23,532	- 87,453	- 118,153	- 168,265	50,112

The Consolidated Annual Financial Statements reflected growth in property rates and service debtors from the 2019/20 financial year to the 2020/21 financial year as follows:

TABLE 1.22: Outstanding debtors

Description	Gross Balances	Impairment Allowance	Carrying Amount
2020/21			
Property Rates	1,719,114,870	1,366,567,567	352,547,303
Electricity	2,024,354,487	749,785,638	1,274,568,849
Water	2,559,906,552	1,952,115,311	607,791,241
Sanitation	939,687,608	679,487,600	260,200,008
Refuse	564,909,369	430,630,395	134,278,974
House Rentals	55,521,033	43,869,037	11,651,996
Total Debt	7,863,493,919	5,222,455,548	2,641,038,371
2019/20			
Property Rates	1,466,226,906	1,061,256,830	404,970,076
Electricity	1,610,443,981	670,641,113	939,802,868
Water	1,707,614,192	1,085,792,614	621,821,578
Sanitation	741,566,479	495,690,241	245,876,238
Refuse	454,491,218	317,231,121	137,260,097
House Rentals	48,046,192	34,033,624	14,012,568
Total Debt	6,028,388,968	3,664,645,543	2,363,743,425

The above table clearly indicates that property rates and all services debt increased significantly during the 2020/21 financial year. The extent of the growth in consumer

debt was higher than originally anticipated and therefore, the interest earned on outstanding debtors followed the same trend although the interest rate decreased due to Covid-19 and the National Lockdown resulting in a weak South African economy. The interest raised on outstanding debtors may not necessarily result in a cash inflow for the Municipality.

Licenses and Permits:

Licenses and permits revenue was R2.94 million more than anticipated in the 2020/21 Adjustments Budget, mainly due to the following:

- Legislation does not specify where card conversions must take place. With such services also being provided by neighbouring municipalities, there is a risk of competition with these municipalities in providing driver's license services.

TABLE 1.23: Licenses and permits

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Licences and permits	-15,137	-22,748	-12,104	-15,042	2,938
Boat	-187	-420	-372	-225	-148
Fauna and Flora	-353	-390	-341	-270	-71
Health Certificates	-63	-195	-29	-970	941
Road and Transport: Drivers Licence Application/Duplicate Drivers Licences	-1,749	-3,591	-1,394	-2,035	641
Road and Transport: Drivers Licence Certificate	-7,703	-10,948	-6,357	-6,793	436
Road and Transport: Learner Licence Application	-2,947	-4,508	-1,946	-2,874	927
Road and Transport: Learners Certificate	-690	-1,088	-529	-703	175
Road and Transport: Operators and Public Drivers Permits	-982	-1,417	-830	-821	-9
Threatened and Protected Species		-6	-6	-	-6
Trading	-460	-181	-296	-348	52
Dog	-1	-2	-2	-4	1

Agency Services:

Agency Services was R0.68 million more than anticipated in the 2020/21 Adjustments Budget, mainly due to the following:

TABLE 1.24: Agency Services

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Agency services	-3,546	-3,327	-3,059	-3,734	675
National: Department of Environmental Affairs: Alien Clearing Management Fees	-3,545	-3,325	-3,057	-3,733	676
National: Department of Environmental Affairs: Alien Clearing Operational	-1	-2	-2	-1	-1

Other revenue:

Other revenue was R40.42 million less than anticipated in the 2020/21 Adjustments Budget, mainly due to the following:

TABLE 1.25: Other revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Other revenue	-105,073	-168,878	-151,168	-110,745	-40,423
Operational Revenue:					
Administrative Handling Fees	-96	-1,190	-1,190	-225	-965
Breakages and Losses Recovered	-6	-12	-12	-1	-12
Collection Charges	-22	-11	-11	-53	42
Commission: Transaction Handling Fees	-14,763	-20,981	-20,981	-13,663	-7,318
Discounts and Early Settlements	-3,709	-5,473	-3,233	-5,514	2,280
Incidental Cash Surpluses	-22	-21	-21	-30	8
Inspection Fees: Statutory Services	-3,379	-5,100	-4,400	-4,193	-207
Insurance Refund	-4,201	-1,033	-1,812	-1,722	-90
Recovery Infrastructure Maintenance	-3,069	-2,000	-2,000	-154	-1,846
Recovery Maintenance		-	-	-4,256	4,256
Registration Fees: Inflammable Material		-	-	-2	2
Registration Fees: Road and Transport	-94	-161	-161	-92	-69
Request for Information: Access to Information Act	-3,064	-116	-234	-6,907	6,673
Request for Information: Accident Reports	-272	-289	-289	-320	31
Request for Information: Duplicate IRP 5 Certificate		-	-	-0	0
Request for Information: Municipal Information and Statistics	-4	-72	-73	-1	-72
Request for Information: Plan Printing and Duplicates	-4	-100	-20	-0	-20
Sale of Property	-12	-266	-266	-3,612	3,346
	-1,093	-595	-599	-799	
Staff Recoveries					200
Sales of Goods and Rendering of Services:					
Academic Services: Formal Training	-519	-1,856	-1,856	-1,142	-714
Advertisements	-4,718	-7,750	-6,720	-1,832	-4,888
Application Fees for Land Usage	-0	-	-	-	-
Building Plan Approval	-8,366	-13,000	-11,000	-10,600	-400
Buyers Card	-107	-115	-115	-95	-20
Camping Fees	-40	-44	-44	-	-44
Cemetery and Burial	-9,882	-12,501	-21,681	-18,267	-3,414
Cleaning and Removal	-173	-1,081	-289	-183	-107

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Clearance Certificates	-1,095	-1,409	-1,409	-1,535	126
Computer Services	-46	-63	-63	-45	-18
Drainage Fees	-352	-255	-255	-11	-244
Encroachment Fees	-323	-400	-400	-357	-43
Entrance Fees	-6,315	-11,495	-11,495	-66	-11,429
Escort Fees	-1,133	-1,075	-270	-796	526
Fire Services	-1,141	-40	-40	62	-102
Laboratory Services	-834	-1,512	-580	-390	-190
Legal Fees	-13,364	-37,121	-37,121	-15,480	-21,641
Library Fees: Membership	-0	-	-	-	-
Meal and Refreshment	-47	-54	-14	-14	-0
Parking Fees	-14	-28	-28	-5	-22
Photocopies and Faxes	-170	-202	-202	-1	-202
Removal of Restrictions	-1,039	-1,705	-305	-476	171
Sale of Goods: Agricultural Products: Nursery Sale of Plants	-20	-26	-26	-8	-18
Sale of Goods: Assets < Capitalisation Threshold	-5	-	-	-14	14
Sale of Goods: Consumables		-5	-	- 0	0
Sale of Goods:Publications:Books		- 9	-9	-1	-8
Sale of Goods:Publications:Charts/Posters	- 5	-13	-13	- 5	-8
Sale of Goods:Publications:Prints	-130	-248	-106	-78	-28
Sale of Goods:Publications:Tender Documents	-1,043	-1,000	-1,000	-1,303	303
Sale of Goods:Sub-division and Consolidation Fees		-2,776	-2,776	-	-2,776
Scrap, Waste & Other Goods: By Products	-29	-50	-30	-	-30
Scrap, Waste & Other Goods: Recycling of Waste	-9,411	-14,666	-11,558	-11,312	-246
Scrap, Waste & Other Goods: Scrap	-154	-540	-540	-5	-535
Transport Fees	-10,444	-20,000	-5,500	-5,067	-433
Valuation Services	-342	-403	-403	-171	-233
Weighbridge Fees	-3	-15	-15	-3	-12

Operating expenditure was lower than anticipated in the 2020/21 Adjustments Budget, due to the following factors:

Employee Related Costs:

Actual expenditure was R3.912 billion, compared to the Adjustments budgeted amount of R3.756 billion, resulting in overspending of R155.99 million. The overspending is mainly due to the line items indicated in the table below. It is clear that overtime is not being maintained or controlled within the budget projections.

TABLE 1.26: Employee related costs

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Employee related costs	3,116,780	3,709,727	3,756,172	3,912,167	155,995
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	- 88,465	82,146	82,146	276,699	-194,553

Description	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
R'000					
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Cellular and Telephone	9	10	8	8	0
Allowances: Housing Benefits and Incidental: Essential User	25,767	29,751	28,532	26,461	2,071
Allowances: Housing Benefits and Incidental: Housing Benefits	13,096	14,606	14,039	13,741	299
Allowances: Non-pensionable	1,460	1,609	1,542	993	549
Allowances: Service Related Benefits: Acting and Post Related Allowances	19,260	8,281	20,576	23,841	-3,265
Allowances: Service Related Benefits: Bonus	148,704	166,112	176,486	159,438	17,048
Allowances: Service Related Benefits: Entertainment	1	2	1	1	0
Allowances: Service Related Benefits: Leave Pay	61,267	14,803	14,803	96,973	-82,170
Allowances: Service Related Benefits: Long Service Award	52,999	115,335	112,284	249,280	-136,996
Allowances: Service Related Benefits:Overtime:Night Shift	17,494	19,545	18,990	18,805	185
Allowances: Service Related Benefits:Overtime:Non Structured	228,519	175,877	201,021	263,342	-62,321
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	17,192	20,923	20,927	21,179	- 252
Allowances: Service Related Benefits:Overtime:Structured	40,494	25,082	26,654	40,950	-14,296
Allowances: Service Related Benefits: Scarcity Allowance	18,529	20,672	19,530	18,662	868
Allowances: Service Related Benefits: Standby Allowance	25,177	26,243	26,343	27,434	- 1,091
Allowances: Service Related Benefits: Uniform/Special/Protective Clothing	2	2	2	2	0
Allowances: Travel or Motor Vehicle	55,933	69,287	65,665	57,586	8,079
Basic Salary and Wages	1,883,417	2,257,109	2,290,015	1,986,935	303,080
Bonuses	34,665	40,909	36,621	36,443	178
Municipal Staff: Social Contributions					
Bargaining Council	720	778	760	742	18
Group Life Insurance	20,480	22,473	22,072	21,793	279
Medical	185,433	198,919	193,579	192,339	1,241
Pension	325,623	360,839	347,118	346,611	508
Unemployment Insurance	12,610	13,805	12,504	12,550	- 47
Senior Management:					
Chief Financial Officer: Salaries and Allowances: Basic Salary	1,064	2,347	2,214	2,214	0
Chief Financial Officer: Salaries and Allowances: Bonuses	155	236	236	310	- 74
Chief Financial Officer: Social Contributions: Unemployment Insurance	1	2	2	2	0
Designation: Salaries and Allowances: Basic Salary	9,271	19,438	19,129	15,720	3,409
Designation: Salaries and Allowances: Bonuses	884	2,497	2,236	2,185	51
Designation: Social Contributions: Unemployment Insurance	10	15	83	13	69
Municipal Manager (MM):Salaries and Allowances: Basic Salary	4,460			- 1,085	,085
Municipal Manager (MM):Salaries and Allowances: Bonuses	545				-
Municipal Manager (MM):Social Contributions: Unemployment Insurance	2		- 1	- 1	- 0

Interest Expense – External Borrowings:

The interest expense is in line with the Municipality's loan repayment obligations. Actual expenditure was R127.63 million, compared to the Adjustments budgeted amount of R128.87 million, resulting in underspending of R1.24 million.

TABLE 1.27: Interest Expense – External Borrowings:

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Finance charges	124,825	128,874	128,874	127,631	1,243
Interest Paid:Borrowings:Annuity Loans	124,916	128,874	128,874	124,849	4,024
Interest Paid: Overdue Accounts	- 91	-	-	2,781	- 2,781

Interest Expense – Debt Impairment:

Actual expenditure was R1.772 billion, compared to the Adjustments budgeted amount of R1.285 billion, resulting in overspending of R487.59 million.

TABLE 1.28: Debt Impairment: Receivables

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Debt impairment	1,303,375	1,084,810	1,284,675	1,772,262	-487,587
Expenditure: Bad Debts Written Off	64,461	-	-	100,913	-100,913
Gains and Losses: Impairment Loss					
Other Receivables from Non-exchange Revenue: on Specific Accounts	191,107	128,886	116,011	16,197	99,815
Other Receivables from Non-exchange Revenue: Property Rates	207,139	367,184	525,151	313,863	211,287
Trade and Other Receivables from Exchange Transactions: Electricity	112,472	344,244	303,817	67,947	235,870
Trade and Other Receivables from Exchange Transactions: Waste Management	79,002	31,752	39,714	125,270	-85,556
Trade and Other Receivables from Exchange Transactions: Waste Water Management	158,466	86,653	104,707	215,415	-110,709
Trade and Other Receivables from Exchange Transactions: Water	485,588	126,091	195,275	925,955	-730,680
Gains and Losses: Reversal of Impairment Loss:					
Trade and Other Receivables from Exchange Transactions: Electricity	5,140	-	-	6,702	-6,702

Debt Impairment consists of Debt Impairment – Receivables (R1.756 billion), Debt Impairment - Traffic Fines (R15.382 million), Debt Impairment – MBDA (R700,437) and Impairment of Property, Plant and Equipment (R17.981 million). The PPE relates to Vehicles, Furniture and Clinics.

Debt Impairment Receivables: Non-specific Accounts includes: Impairment of Traffic Fines. Based on historical trends of actual collection of traffic fines, an amount of R15,382,045 was calculated as the impairment value for traffic fines - fines that are very unlikely to be paid. Bad debts are written off upon Council's approval. The bad debts written off for the 2020/21 financial year amounted to R381.133 million which is lower than the R586.06 million written off in the 2019/20 financial year. Write-offs in respect of arrears amounts reflected on the accounts of poor households prior to these households qualifying for the ATTP subsidy are reflected in the table below:

TABLE 1.29: Write offs

Period	Capital	VAT	Total
2014/15	47,290,190.07	4,177,616.69	51,467,806.76
2015/16	36,433,157.18	3,285,414.60	39,718,571.78
2016/17	429,161,048.51	39,190,453.06	468,351,501.57

Period	Capital	VAT	Total
2017/18	32,273,234.02	3,128,872.28	35,402,106.30
2018/19	31,225,655.12	3,062,579.24	34,288,234.36
2019/20	81,835,695.13	7,781,381.46	89,617,076.59
2020/21	202,612,331.81	20,433,553.52	223,045,885.33

Write-offs in respect of arrears amount to over 90 days reflected on the accounts of poor households qualifying for the ATTP subsidy, are provided below:

TABLE 1.30: Write-offs

Period	Capital	VAT	Total
2014/15	97,644,607.19	10,674,551.72	108,349,158.91
2015/16	90,758,098.45	10,211,901.07	100,969,999.52
2016/17	130,374,723.69	15,080,772.58	145,455,496.27
2017/18	155,943,968.99	17,995,588.94	162,939,557.93
2018/19	121,007,026.18	14,735,686.08	135,742,712.26
2019/20	147,282,936.91	16,852,718.25	164,135,655.16
2020/21	179,795,495.74	20,716,680.97	200,812,176.71

TABLE 1.31: Debt relief programme: Write-offs

Period	Capital	VAT	Total
2014/15	114,387,293.15	9,507,544.42	123,894,837.57
2015/16	70,313,014.35	5,600,160.44	75,913,174.79
2016/17	41,913,506.80	3,609,129.06	45,522,635.86
2017/18	62,440.06	4,167.37	66,607.43
2018/19	0	0	0
2019/20	0	0	0
2020/21	0	0	0

The automatic write-off in respect of ATTP customers outstanding for 90 days and over presents a number of challenges to the Municipality. Procedures are continuously being put in place to address such challenges.

Bulk Purchases:

The actual bulk purchases of electricity were higher than the 2020/21 Adjustments Budget by R52.82 million. Electricity bulk purchases were overspent in the amount of R58.82 million or 1.45%. Electricity losses increased from 15.47% in the 2018/19 financial year to 20.30% in the 2019/20 financial year. The electricity losses declined marginally during the 2020/21 financial year to 21.63%. Various electricity management interventions are being implemented to curb these losses. The electricity

bulk purchases (purchase of power - Eskom vote) was also impacted by approximately R37.71 million, spent in respect of Green Energy resources. The Electricity losses are separated between technical (6% amounting to R 179.6 million) and non-technical losses (15.6% amounting to R471.99 million). Technical losses are inherent losses in a distribution system and these include copper losses, iron losses and heat losses due to current flow. Public lightning includes traffic signals, high-mast and streetlights. Non-technical losses can be attributed to theft that is illegal connections, meter tampering and non-billed revenue due to faulty meters.

TABLE 1.32: Bulk purchases

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Bulk purchases	3,515,565	3,844,678	3,775,867	3,819,893	-44,027
Expenditure: Bulk Purchases:Electricity:ESKOM	3,387,434	3,709,894	3,641,083	3,693,906	-52,824
Expenditure: Bulk Purchases: Water	128,131	134,784	134,784	125,987	8,797

Water bulk purchases was lower than anticipated. The drought related restrictions on water usage assisted in this regard. However, water losses decreased from 43% in the 2019/20 financial year to 40% in the 2020/21 financial year. The 40% of water losses are made up of apparent (commercial) losses (11%) and real (physical) losses (29%). Apparent losses include unauthorised consumption from theft or illegal use, including all technical and administrative inaccuracies associated with customer metering. Various water demand management interventions are being implemented to curb water losses.

Transfers and Grants:

Actual expenditure was R30.43 million, compared to the Adjustments budgeted amount of R59.57 million, resulting in underspending of R29.15 million.

TABLE 1.33: Transfers and Grants

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Transfers and subsidies	32,531	143,906	153,071	30,426	122,645
Allocations In-kind: Departmental Agencies and Accounts: Provincial Departmental Agencies: Northern Cape Economic Development Agency	35	35	35	-	35
Monetary Allocations: Departmental Agencies and Accounts: National Departmental Agencies: South Africa Blind Workers Organisation Johannesburg	45	45	45	-	45
Monetary Allocations: Departmental Agencies and Accounts: National Departmental Agencies: South Africa Local Government Association (SALGA)	14,900	15,700	15,650	14,132	1,518
Monetary Allocations: Departmental Agencies and Accounts: Provincial Departmental Agencies: Subsidiary Entity	-35,026	93,500	102,500	-16,775	119,275
Monetary Allocations:Households:Other Transfers (Cash):Bursaries (Non-Employee)	378	1,100	1,100	1,072	28

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Monetary Allocations:Households:Social Security Payments: Social Assistance: Old Age Grant	120	120	120	-	120
Monetary Allocations: Non-profit institutions: Animal Welfare	100	100	100	-	100
Monetary Allocations: Non-profit institutions: Old Age Homes	954	969	969	15	954
Monetary Allocations: Non-profit institutions: Public Schools: Other Educational Institutions: School Support		75	75	-	75
Monetary Allocations: Non-profit institutions: Public Schools: Section 20 Schools	75	75	75	-	75
Monetary Allocations: Non-profit institutions: Public Schools: Section 21 Schools: Services Rendered	1,321	1,491	1,491	50	1,441
Monetary Allocations: Non-profit institutions: Sporting Bodies - Rent	871	960	960	-	960
Monetary Allocations: Non-profit institutions: Use - It	48,758	29,737	29,952	31,932	-1,981

Contracted Services

Actual expenditure was R738.57 million, compared to the Adjustments budgeted amount of R1.193 billion, resulting in underspending of R454.31 million.

Table1.34: Contracted Services

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Contracted services	664,974	1,116,151	1,192,883	738,573	454,309
Consultants and Professional Services:					
Business and Advisory: Audit Committee	327	588	588	841	- 253
Business and Advisory: Business and Financial Management	268	1,584	1,271	43	1,227
Business and Advisory: Commissions and Committees	84	1,756	1,713	298	1,415
Business and Advisory: Forensic Investigators	1,089	3,219	3,011	147	2,864
Business and Advisory: Human Resources		450	350		350
Business and Advisory: Occupational Health and Safety	1,947	333	333	1,297	- 964
Business and Advisory: Project Management	12,491	57,895	40,015	10,732	29,283
Business and Advisory: Quality Control	1,347	-	123		123
Business and Advisory: Research and Advisory	3,811	12,027	12,127	2,919	9,208
Infrastructure and Planning: Architectural	20				-
Infrastructure and Planning:Engineering:Civil	1,443	6,095	11,304	1,903	9,401
Infrastructure and Planning:Engineering:Electrical	22,765	21,510	18,370	12,616	5,754
Infrastructure and Planning: Geodetic, Control and Surveys		3			-
Infrastructure and Planning: Town Planner		1,700	1,171		1,171
Laboratory Services: Roads	191	200	200	238	- 38
Laboratory Services: Water	53	109	109	31	78
Legal Cost: Collection	13,366	30,592	31,492	15,441	16,051
Legal Cost: Issue of Summons		6,529	5,629		5,629
Legal Cost: Legal Advice and Litigation	37,835	48,367	52,032	55,156	- 3,124
Contractors:					
Artists and Performers	1,217	1,979	2,029	1,872	157
Audio-visual Services	514	1,741	1,300	843	457
Building	756	4,411	19,811	1,520	18,291
Catering Services	1,800	1,201	2,611	245	2,366
Chipping	2		10		10
Employee Wellness	337	593	489	276	214

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Fire Protection	207	1,401	1,335	91	1,243
Gardening Services	4,786	5,776	8,026	8,328	- 302
Gas	863	1,225	683	315	368
Maintenance of Buildings and Facilities	58,240	83,989	99,982	69,369	30,613
Maintenance of Equipment	119,088	228,750	207,878	111,841	96,037
Maintenance of Unspecified Assets	17,317	26,463	51,814	40,329	11,485
Management of Informal Settlements	1,528	800	775	1,680	- 905
Medical Services	2,618	2,146	2,146	2,313	- 168
Pest Control and Fumigation	334	770	687	161	526
Plants, Flowers and Other Decorations	1,474	1,518	1,148	1,258	- 110
Prepaid Electricity Vendors	4,426	7,693	7,638	4,283	3,356
Preservation/Restoration/Dismantling/Cleaning Services	135	227	237	168	69
Safeguard and Security	946	2,089	1,960	296	1,663
Sewerage Services	39,813	62,050	57,377	47,918	9,458
Sports and Recreation	1,717	2,364	1,774	1,828	- 53
Stage and Sound Crew	34	430	430		430
Tracing Agents and Debt Collectors		438	438		438
Traffic and Street Lights	721	1,127	1,127	857	270
Transportation	33,668	38,466	36,414	32,853	3,561
Outsourced Services					
Administrative and Support Staff	4	3	3	1,814	- 1,811
Alien Vegetation Control	1,935	8,522	7,290	1,991	5,299
Animal Care	581	1,917	1,917	581	1,336
Burial Services	1,641	1,782	2,142	1,892	250
Business and Advisory: Accounting and Auditing	870	3,400	1,800		1,800
Business and Advisory: Communications	1,995	5,300	3,800	2,949	851
Business and Advisory: Human Resources	130	100			-
Business and Advisory: Occupational Health and Safety	1,176	2,000	1,141	123	1,018
Business and Advisory: Organisational	- 0				-
Business and Advisory: Project Management	129,113	176,972	253,106	129,953	123,153
Business and Advisory: Qualification Verification				39	- 39
Business and Advisory: Quality Control		2,000	1,829	1,242	586
Business and Advisory: Research and Advisory	344	1,070	1,370	23	1,347
Business and Advisory: Valuer	2,121	15,000	15,000	9,925	5,075
Catering Services	11	261	251	19	232
Cleaning Services	609	1,255	1,412	499	913
Clearing and Grass Cutting Services	16,238	33,720	31,518	14,069	17,448
Connection/Dis-connection: Electricity		877	877		877
Connection/Dis-connection: Water		7,419	7,419		7,419
Drivers Licence Cards	2,926	4,843	4,343	2,573	1,771
Electrical	21,989	33,924	37,074	34,087	2,987
Hygiene Services	34,572	49,000	42,574	45,666	- 3,092
Illegal Dumping	5,488	5,210	2,058	1,541	516
Litter Picking and Street Cleaning	5,699	7,000	7,000	5,365	1,635
Medical Waste Removal	101	220	220	160	60
Meter Management	10,050	16,075	17,467	12,959	4,508
Printing Services	57	4,421	4,421	3,268	1,153
Professional Staff	13	20	20		20
Refuse Removal	28,625	41,516	42,994	33,338	9,656
Security Services	2,541	3,689	11,070	2,620	8,450
Sewerage Services	83	2,800	2,104	8	2,096
Traffic Fines Management	6,466	15,023	2,500	1,556	944
Transport Services	16	209	209	7	202

Other Expenditure

Actual expenditure was R680.05 million, compared to the Adjustments budgeted amount of R809.18 billion, resulting in underspending of R129.13 million.

TABLE 1.35: Other Expenditure

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other expenditure	579,812	606,458	809,182	680,050	129,132
Operating Leases:					
Computer Equipment	1,136	2,606	2,132	157	1,974
Furniture and Office Equipment	9,463	14,798	14,517	10,261	4,256
Machinery and Equipment	2,453				-
Other Assets	11,003	25,430	27,306	20,968	6,339
Transport Assets	8,346	24,566	24,566	10,995	13,571
Operational Cost:					
Achievements and Awards	60				-
Advertising, Publicity and Marketing: Auctions	3	5	5		5
Advertising, Publicity and Marketing: Bursaries (Non-employees)	8	45	45	25	20
Advertising, Publicity and Marketing: Corporate and Municipal Activities	16,808	10,595	9,433	4,306	5,127
Advertising, Publicity and Marketing: Customer/Client Information	372	482	482	384	97
Advertising, Publicity and Marketing: Gifts and Promotional Items	15	181	181	111	70
Advertising, Publicity and Marketing: Municipal Newsletters	17	241	224	8	216
Advertising, Publicity and Marketing: Signs	1,269	792	762		762
Advertising, Publicity and Marketing: Staff Recruitment	387	1,290	1,355	1,087	268
Advertising, Publicity and Marketing: Tenders	1,693	1,558	1,689	981	708
Assets less than the Capitalisation Threshold	19,292	19,644	144,069	87,688	56,381
Bank Charges, Facility and Card Fees: Bank Accounts	5,485	7,273	7,273	4,617	2,656
Bank Charges, Facility and Card Fees: Third Parties		3	3		3
Bursaries (Employees)	418	1,300	1,300	520	780
Cash Discount	152	105	105	153	-48
Cleaning Services: Car Valet and Washing Services	1	9	9	1	8
Cleaning Services: Laundry Services	42	215	204	53	151
Commission: Prepaid Electricity	15,428	16,950	16,065	12,423	3,642
Commission: Third Party Vendors	6,526	5,412	5,412	7,125	-1,712
Communication: Cellular Contract (Subscription and Calls)	14,650	17,876	18,516	16,821	1,695
Communication: Licences (Radio and Television)	424	399	577	413	164
Communication: Postage/Stamps/Frinking Machines	8,318	4,705	4,925	1,617	3,308
Communication: Radio and TV Transmissions		24	24	10	14
Communication: Rent Private Bag and Postal Box	0	1	1	1	1
Communication: MS Bulk Message Service	2,051	1,359	1,359	1,237	122
Communication: Telemetric Systems	7	150	150	7	143
Communication: Telephone Installation		105	95		95
Communication: Telephone, Fax, Telegraph and Telex	11,475	17,140	16,868	11,462	5,406
Contribution to Provisions: Decommissioning, Restoration and Similar Liabilities: Non-specific	3,193			762	-762
Cost relating to the Sale of Houses	9			6	-6
Courier and Delivery Services	256	378	378	279	100
Deeds	178	351	641	222	419
Drivers Licences and Permits	41	156	161	25	136
Entertainment: Executive Mayor			30	38	-8
Entertainment: Senior Management	18	40	25		25
External Audit Fees	26,333	24,500	24,500	22,123	2,377
External Computer Service: Data Lines	1,239	2,181	2,101	1,241	860

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
External Computer Service: Information Services	2,852	3,311	6,006	11,123	-5,117
External Computer Service: Internet Charge	1,093	1,403	1,321	1,020	300
External Computer Service: Network Extensions	46	609	629	184	445
External Computer Service: Remote Server Access	128		2,717	754	1,963
External Computer Service: Software Licences	41,054	30,931	32,652	38,518	-5,866
External Computer Service: Specialised Computer Service	1,573	2,928	2,878	1,657	1,221
External Computer Service: System Adviser	4,280	6,250	5,755	4,467	1,287
External Computer Service: System Development	85,963	45,553	45,553	68,590	-23,037
External Computer Service: Wireless Network	-206	7,410	3,781	4,410	-629
Firearm Handling Fees		7	7		7
Hire Charges	122,889	102,037	121,347	126,699	-5,352
Insurance Underwriting: Claims paid to Third Parties	3,469	4,347	4,787	2,681	2,106
Insurance Underwriting: Insurance Brokers Fees	295	652	618	273	345
Insurance Underwriting: Premiums	11,627	15,260	15,981	11,974	4,007
Insurance Underwriting: Risk Management Programs		32	32		32
Intercompany/Parent-subsidiary Transactions	1,882	2,036	4,369	3,561	809
Land Alienation Costs			4,500		4,500
Learnerships and Internships	4,398	2,000	9,260	6,269	2,991
Levies Paid - Water Resource Management Charges	9,304	11,539	11,539	9,547	1,992
Licences: Motor Vehicle Licence and Registrations	4,780	7,813	7,804	8,387	-583
Licences: Performing Arts		50	50		50
Management Fee	6,552	7,665	7,665	5,014	2,651
Municipal Services	37,260	50,082	75,941	87,925	-11,984
Office Decorations		24	14		14
Printing, Publications and Books	1,030	1,810	2,342	632	1,710
Professional Bodies, Membership and Subscription	368	405	491	414	77
Registration Fees: Professional and Regulatory Bodies	93	410	413	10	403
Registration Fees: Seminars, Conferences, Workshops and Events: National	2,193	4,568	4,206	725	3,481
Remuneration to Ward Committees	12,374	20,400	19,400	14,790	4,610
Resettlement Cost			32		32
Rewards Incentives	3,222	1,500	1,500	1,938	-438
Samples and Specimens	3	250	250	31	219
Signage	57	212	254	47	207
Skills Development Fund Levy	27,461	31,505	31,097	29,230	1,868
Storage of Files (Archiving)	288	857	812	366	446
Transport Provided as Part of Departmental Activities: Municipal Activities	3,610	3,611	3,511	3,578	-68
Travel Agency and Visa's	203	446	426	25	401
Travel and Subsistence:Domestic:Accommodation	839	1,275	1,209	82	1,126
Travel and Subsistence:Domestic:Daily Allowance	524	440	427	78	350
Travel and Subsistence:Domestic:Food and Beverage (Served)	20	142	138		138
Travel and Subsistence:Domestic:Incidental Cost	73	79	85	10	75
Travel and Subsistence:Domestic:Transport with Operator:Other Transport Provider		27	27		27
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	801	1,831	1,668	90	1,578
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	114	100	126	4	122
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	40	949	958	174	783
Travel and Subsistence:Domestic:Transport without Operator: Own Transport	59	314	320		320
Travel and Subsistence:Foreign:Accommodation	98	100	80		80
Travel and Subsistence:Foreign:Daily Allowance	69				-
Travel and Subsistence:Foreign:Incidental Cost	1				-

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	448	89	89		89
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Road Transport	20	17	17		17
Travel and Subsistence:Non-employees	76	9	179	35	144
Uniform and Protective Clothing	12,020	12,987	13,897	7,230	6,668
Wet Fuel	15	12,386	5,257	1,431	3,826
Workmen's Compensation Fund	5,924	4,936	4,938	9,547	-4,609

Other Materials

Actual expenditure was R156.68 million, compared to the Adjustments budgeted amount of R221.09 billion, resulting in underspending of R64.41 million.

TABLE 1.36: Other Materials

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other materials	210,535	222,873	221,091	156,681	64,410
Expenditure: Inventory Consumed:Consumables:Standard Rated	100,281	103,256	107,152	65,905	41,247
Expenditure: Inventory Consumed:Consumables:Zero Rated	54,658	53,782	52,672	45,337	7,335
Expenditure: Inventory Consumed: Finished Goods	23,524	17,248	22,111	8,032	14,079
Expenditure: Inventory Consumed: Land	- 5				-
Expenditure: Inventory Consumed: Materials and Supplies	32,077	48,587	39,155	37,406	1,984

Depreciation and Amortisation

Actual expenditure was R987.41 million, compared to the Adjustments budgeted amount of R740.58 million, resulting in overspending of R246.83 million.

TABLE 1.37: Depreciation and Amortisation

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Depreciation and asset impairment	1,072,017	739,288	740,575	987,405	-246,830
Depreciation: Community Assets: Community Facilities: Capital Spares	20,682	27,728	27,728	21,437	6,291
Depreciation: Community Assets: Community Facilities: Markets	1,338	147	147	1,580	-1,433
Depreciation: Community Assets: Community Facilities: Public Open Space	91	-	-	-	-
Depreciation: Community Assets: Sport and Recreation Facilities: Outdoor Facilities		100,113	100,113	-	100,113
Depreciation: Computer Equipment	92,980	76,788	76,788	110,066	-33,278
Depreciation: Furniture and Office Equipment	790,742	492,147	492,147	850,614	-358,468

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Depreciation: Other Assets:Housing:Social Housing	1,404	605	995	1,262	-267
Depreciation: Sanitation Infrastructure: Capital Spares		20	20	-	20
Depreciation: Sanitation Infrastructure: Pump Station	49	-	-	14	-14
Depreciation: Solid Waste Infrastructure: Waste Drop-off Points	412	176	176	502	-326
Depreciation: Storm water Infrastructure: Storm Water Conveyance	5,003	-	-	-	-
Depreciation: Water Supply Infrastructure: Dams and Weirs	7,637	46	46	-	46
Depreciation: Water Supply Infrastructure: Pump Stations	3,227	-	-	-	-
Depreciation: Water Supply Infrastructure: Reservoirs	148,387	41,518	41,518	1,929	39,588
Depreciation: Water Supply Infrastructure: Water Treatment Works	65	-	-	-	-

Loss on disposal of PPE

Actual loss on PPE was R8,395.

TABLE 1.38: Loss on Disposal of PPE

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Loss on disposal of PPE		-	-	8	- 8
Gains and Losses: Disposal of Fixed and Intangible Assets: Property, Plant and Equipment: Furniture and Office Equipment: Losses		-	-	15	- 15
Gains and Losses: Disposal of Fixed and Intangible Assets: Property, Plant and Equipment: Machinery and Equipment: Losses		-	-	- 7	7

Remuneration of Councillors

Actual expenditure was R76.24 million, compared to the Adjustments budgeted amount of R85.21 million, resulting in underspending of R8.97 million.

TABLE 1.39: Remuneration of Councillors

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Remuneration of councillors	76,474	83,926	83,926	76,244	7,682
Chief Whip: Allowances and Service Related Benefits: Basic Salary		994	994	-	994
Executive Mayor: Allowances and Service Related Benefits: Basic Salary	14,702	14,559	14,559	14,755	-196
Section 79 committee chairperson: Allowances and Service Related Benefits: Basic Salary		778	778	-	778
Speaker: Allowances and Service Related Benefits: Basic Salary	56,443	61,800	61,800	56,485	5,316
Speaker: Allowances and Service Related Benefits: Cell phone Allowance	4,896	5,334	5,334	4,871	463
Speaker: Allowances and Service Related Benefits: Market Related Non-pensionable Allowance	433	462	462	134	328

Conclusion

The 2020/21 Consolidated Annual Financial Statements reflects a restated operating surplus in the amount of R57,502,520 compared to the Audited 2019/20 Consolidated Annual Financial Statements operating surplus in the amount of R84,707,870. The following table reflects the restated amounts by category in the Statement of Financial Position:

TABLE 1.40: Restated amounts by category

Statement of Financial performance	2019/20 Audited AFS	2019/20 Restated AFS	Restated Variance
Revenue By Source			
Property rates	2,352,436,832	2,357,411,400	4,974,568
Service charges - electricity revenue	3,707,062,068	3,721,445,541	14,383,473
Service charges - water revenue	1,175,414,451	1,189,576,359	14,161,908
Service charges - sanitation revenue	648,852,703	654,164,013	5,311,310
Service charges - refuse revenue	246,979,791	247,927,121	947,330
Rental of facilities and equipment	22,974,466	22,785,134	-189,331
Interest earned - external investments	233,799,306	234,799,306	1,000,000
Interest earned - outstanding debtors	254,959,258	254,866,375	-92,883
Dividends received	0	0	0
Fines, penalties and forfeits	224,357,770	224,919,446	561,676
Licences and permits	15,131,856	15,136,856	5,000
Agency services	3,546,008	3,546,006	-2
Transfers and subsidies	1,910,464,045	1,880,745,852	-29,718,193
Other revenue	103,308,445	105,072,636	1,764,191
Gains on disposal of PPE	0	0	0
Total Revenue (excluding capital transfers and contributions)	10,899,286,999	10,912,396,046	13,109,047
Less: Fuel Levy funding capital projects	158,014,078	158,014,078	0
Total Revenue funding Operating Projects	10,741,272,921	10,754,381,968	13,109,047
Expenditure By Type			
Employee related costs	3,114,785,197	3,116,780,257	1,995,060
Remuneration of councillors	76,474,313	76,474,313	1
Debt impairment - Receivables	1,112,267,565	1,112,267,565	0
Debt impairment - Traffic Fines	78,371,200	78,371,200	0
Debt impairment - MBDA	495,015	495,015	0
Depreciation	958,299,541	958,299,541	-1
Amortisation	113,717,663	113,717,663	0
Impairment	112,240,750	112,240,750	0
Finance charges	124,824,808	124,824,808	0

Statement of Financial performance	2019/20 Audited AFS	2019/20 Restated AFS	Restated Variance
Bulk purchases	3,511,404,955	3,515,564,578	4,159,623
Other materials	206,152,347	210,534,926	4,382,579
Contracted services	646,861,680	664,973,504	-18,111,825
Transfers and subsidies	32,754,512	32,530,875	-223,637
Other expenditure	567,915,505	579,804,453	11,888,949
Loss on disposal of PPE	0	0	0
Total Expenditure	10,656,565,051	10,696,879,448	40,314,397
Surplus/(Deficit)	84,707,870	57,502,520	-27,205,350

In conclusion the Audited 2020/21 Consolidated Annual Financial Statements reflected in the statement of Financial Performance a surplus of R654,157,957. However, the surplus does not represent the true operating surplus as the Grant funding received and utilised for capital expenditure is included in the Transfers and Subsidies as reflected under Non-exchange revenue. The capital conditional grants that funded the capital expenditure was R1,041,194,439. Capital projects funded from the Fuel Levy also included under the Transfers and Subsidies amounted to R148,695,083. Therefore, the true audited operating deficit for the 2020/21 financial year amounts to R535,731,565. Considering that the 2020/21 Adjustments Budget projected a true operating deficit of R225.224 million, the financial results are worse than anticipated. Some of the main reasons for this are the Debt Impairment exceeding the Adjustments budget by at least R505.56 million and once again the Depreciation outcomes exceeding the Adjustments budget by approximately R246.83 million. Employee related costs such as The Long Service Awards, Post Retirement pension costs, Provision for Leave Pay and Overtime also contributed materialy towards the deficit position as they exceeded the Adjustments budget by R136.996 million, R194.553 million, R84.170 million and R76.617 million respectively. The electricity bulk purchase costs also exceeded the adjustment budget by R52.824 million. The Covid-19 pandemic and the National lockdown actioned by Government had a material impact on expenditure trends during the 2020/21 financial year. The price elasticity for the demand of electricity appears to be underestimated as the revenue raised was once again lower than anticipated in the 2020/21 Original Budget which was required to be adjusted in the 2020/21 Adjustments Budget. The escalating electricity and water losses are not contributing towards the financial viability of the Municipality. Further, it is clear that a trading service such as Electricity that should operate at a benchmarked 15% profit margin after considering both primary and secondary costs is now since the

2018/19 running at a loss and are now effectively being funded from the Property Rates Revenue, a situation that is not sustainable.

It is important that all the processes for determining the useful life of assets and asset condition assessments be finalised to determine an appropriate depreciation rate and amount. The actual depreciation is once again more than anticipated in the budget projections and should be analysed to either ensure that all outstanding processes are being concluded or that the budget projections be in line with actual depreciating costs as being disclosed in the annual financial statements. The actual depreciation of R987,405,037 is approximately R246,829,622 more than the budgeted R740,575,415.

The performance of Traffic fines revenue is poor due to a sharp decrease in fines issued due to a fines management contract not being in place and this resulted in almost no traffic fines revenue being collected.

Other materials (R64.41 million), other expenditure (R129.13 million) and contracted services (R454.31 million) contributed to reduce the deficit outcome for the 2020/21 financial year.

Taking into account the persistent annual increases in respect of the percentages of electricity and water losses, the escalating outstanding debtors and the reduced revenue streams against planned budgets, the Municipality should urgently implement strategies to address and mitigate the high risk it is exposed to, in order to prevent a deficit outcome for the 2021/22 financial year.

The 85.5% collection rate on property rates and service debtors is higher than the 85% provided for in the 2020/21 Adjustments Budget. However, this still represents a poor collection rate and this has resulted in an alarming escalation in the outstanding debtors. Outstanding Service Debtors is growing at a rate above 30% for the 2018/19, 2019/20 and 2020/21 financial years. This will put financial risk to the medium term financial sustainability of the metro.

As at 30 June 2021 the National Treasury had not yet transferred the full quantum of the 2019/20 Equitable Share. National Treasury also offset R10 million more from the 2020/21 Equitable Share than was appropriate. This together with the Covid-19 pandemic and the National lockdown assisted in the low spending patterns as observed in both the operating and capital expenditure environment. National

Treasury had put conditions in place which must be met by the metro (to the satisfaction of the National Treasury) before the outstanding transfers can be released to the metro. On that understanding, debtors were raised in the 2019/20 financial year in anticipation of the outstanding Transfers being released by the National Treasury. National Treasury only transferred the outstanding 2019/20 Conditional Grants that were approved for rollover purposes from the 2019/20 financial year during March 2021 leaving only a small timeframe within which the metro had to spend the 2019/20 grants.

Statement of Financial Position

Net Assets

Net assets increased from R18.202 billion (in 2019/20) to R18.855 billion (in 2020/21), as a result of the following:

Non-current Liabilities

Long-term liabilities decreased from R1.016 billion in 2019/20 to R991.07 million in 2020/21, due to the redemption of loans. R214,414,700 of the new R750,602,100 NEDBANK loan was taken up during the 2020/21 financial year.

The Employee Benefit Obligation increased during the 2020/21 financial year, based on an actuarial valuation. The obligation consequently increased from R1.820 billion in 2019/20 to R2.154 billion in 2020/21. The Employee Benefit Obligation consists of three categories, namely Gratuity Benefits, Post-retirement Benefits, and Long Service Awards and Long Service Bonuses. Post-retirement Benefits and Long Service Awards and Long Service Bonuses contributed R194.209 million and R142.100 million respectively towards the overall increase. It includes the following provisions:

- Gratuity Benefit – R5.55 million
- Post-retirement Benefits – R1.411 billion
- Long Service Awards and Long Service Bonus – R736.99 million

Other non-current provisions increased by R69.77 million (from R431.78 million to R501.55 million), including the following provisions:

- Rehabilitation of Swartkops River – R94.67 million
- Rehabilitation of landfill sites – R406.89 million

The increase of R378.221 million from R3.268 billion in 2019/20 to R3.646 billion in 2020/21 in respect of non-current liabilities impacted negatively on the net assets or equity of the Municipality.

Current liabilities:

Provisions:

The current Employee Benefit Obligation provision increased by R3.836 million, whilst the other current provisions increased by R0.762 million from the 2019/20 financial year to the 2020/21 financial year. The current Employee Benefit Obligation was mainly impacted by -

- Performance Bonus Liability increasing by R3.094 million from R6.833 million in 2019/20 to R9.927 million in 2020/21.
- Post Retirement Benefits increasing by R4.377 million from R69.962 million in 2019/20 to R74.339 million in 2020/21.
- Long Service Awards and Long Service Bonuses reducing by R3.692 million from R100.231 million in 2019/20 to R96.539 million in 2020/21.

The other current provision was impacted by the provision for litigation and claims increasing by R0.762 million (from R14.515 million in 2019/20 to R15.278 million in 2020/21). The level of the provisions was mainly the result of more comprehensive information, resulting in a more accurate determination of the liabilities requiring funding.

Trade and Other Payables:

Creditors increased by R510.837 million, from R1.901 billion in 2019/20 to R2.412 billion in 2020/21. At financial year-end, long outstanding payments were still experienced in certain directorates.

Creditors consist of the following:

TABLE 1.41: Creditors – exchange transactions

Description	2019/20 R	2020/21 R
Payables and Accruals	1,402,963,607	1,828,534,694
Payments Received in Advance	85,642,706	91,934,710
Retentions	97,103,200	104,100,155
Staff Leave	315,115,899	387,092,670
Total Creditors	1,900,825,412	2,411,662,229

Transfers and Subsidies: (Unspent Conditional Grants)

It is to be noted that unspent conditional grants decreased from R721.092 million in the 2019/20 financial year to R351.572 million in the 2020/21 financial year. The following DORA grants remained unspent as at 30 June 2021:

- Public Transport Infrastructure Grant – R41.968 million
- Public Transport Networks Operations Grant – R93.173 million
- Neighbourhood Partnership Development Grant – R2.158 million
- Urban Settlements Development Grant – R175.125 million
- Integrated City Development Grant – R5.292 million
- Integrated Skills Development Grant – R1.893 million

National Treasury had not approved any roll-over of unspent 2020/21 Conditional Grant Funding. The unspent 2020/21 conditional grant funding had been off-set against the Equitable Share on 7 December 2021 in the amount of R 319.6 million.

The unspent DoRA grants were as follows:

• Public Transport Infrastructure Grant	R 41,967,79
• Public Transport Networks Operations Grant	R 93,172,58
• Neighbourhood Partnership Development Grant	R 2,157,622
• Infrastructure Skills Development Grant	R 1,892,693
• Integrated City Development Grant	R 5,292,146
• Urban Settlement Development Grant	R175,124,719
Total	R319,607,552

In addition, the following non-DORA Grants remained unspent as at 30 June 2021:

- PHB Subsidies – R1.248 million
- European Union Grant (3rd Tranche) – R1.745 million
- National Lotteries – R1.305 million
- Smart Grid Initiative – R0.712 million
- CDC Walmer Intervention Funding Grant – R9.068 million
- LGSETA Discretionary Learnership Funding – R7.918 million
- Provincial Department Agency: Communication Grant – R0.873 million
- Provincial Department of Human Settlements: Accreditation Grant – R1.974 million
- Other Grants – R7.121 million

Consumer Deposits:

Consumer deposits, consisting of electricity and water deposits, decreased by R1.735 million in the 2020/21 financial year due to the required deposits by new home owners/lessees and also adjustments to existing home owners' deposits in cases of non-payment.

VAT Payable:

VAT payable increased by R7.814 million from R152.284 million in 2019/20 to R160.099 million in 2020/21.

Current Portion of Long-Term Liabilities:

The current portion of long-term liabilities increased by R97.226 million from R99.143 million in 2019/20 to R196.369 million in 2020/21.

The increase in current liabilities resulted in a decrease of R249.220 million towards the net assets or equity of the Municipality.

Non-current Assets:

- PPE increased by R424.281 million from R17.298 billion in 2019/20 to R17.723 billion in 2020/21.
- Heritage assets increased by R7.867 million from R211.314 million to R219.182 million.
- Investment property decreased by R12.969 million from R165.088 million to R152.119 million.
- Intangible assets decreased by R45.850 million from R151.508 million to R105.658 million.
- Long-term receivables increased by R59.636 million from R53.144 million to R112.780 million.

The increase in non-current assets provided a positive contribution of R432.965 million towards the net assets or equity of the Municipality.

Current AssetsConsumer Debtors

The increase in net consumer debtors of R277.295 million, or 11.73%, compared to the previous financial year is cause for concern. It is important to note the gross consumer debtors and the impairment allowance outcomes to fully understand the cause for concern in respect of consumer debtors. A debtors' collection rate of 85.5% was achieved in the 2020/21 financial year, against a target of 85%. Debt collection requires attention in order to improve the financial sustainability of the Municipality.

TABLE 1.42: Consumer debtors

Year	Gross Balances R	Impairment Allowance R	Carrying Amount R
2020/21	7,863,493,919	(5,222,455,548)	2,641,038,371
2019/20	6,028,388,968	(3,664,645,543)	2,363,743,425
Increase	1,835,104,951	(1,557,810,005)	277,294,946

Overdue consumer debts increased as follows from the 2019/20 financial year to the 2020/21 financial year.

TABLE 1.43: Overdue consumer debtors

Description	Gross Balances	Impairment Allowance	Carrying Amount
2020/21			
Property Rates	1,719,114,870	1,366,567,567	352,547,303
Electricity	2,024,354,487	749,785,638	1,274,568,849
Water	2,559,906,552	1,952,115,311	607,791,241
Sanitation	939,687,608	679,487,600	260,200,008
Refuse	564,909,369	430,630,395	134,278,974
House Rentals	55,521,033	43,869,037	11,651,996
Total Debt	7,863,493,919	5,222,455,548	2,641,038,371
2019/20			
Property Rates	1,466,226,906	1,061,256,830	404,970,076
Electricity	1,610,443,981	670,641,113	939,802,868
Water	1,707,614,192	1,085,792,614	621,821,578
Sanitation	741,566,479	495,690,241	245,876,238
Refuse	454,491,218	317,231,121	137,260,097
House Rentals	48,046,192	34,033,624	14,012,568
Total Debt	6,028,388,968	3,664,645,543	2,363,743,425
Growth			
Property rates	252,887,964 17.25%	305,308,737 28.77%	(52,422,773) (12.94%)
Electricity	413,910,506 25.70%	79,144,525 11.80%	334,765,981 35.62%
Water	852,292,360 51.98%	866,322,697 79.79%	14,030,337 2.26%
Sanitation	198,121,129 26.72%	183,797,359 37.08%	14,323,770 5.83%
Refuse	110,418,151 24.29%	113,399,274 35.75%	(2,981,123) (2.17%)
House Rentals	7,474,841 15.56%	9,835,413 28.90%	(2,360,572) (16.85%)
Growth	1,835,104,951	1,557,810,005	277,294,946
% Growth	30.44%	42.51%	11.73%

The above table illustrates the growth in Gross Debtors, Provision for Impairment of Debtors and Net Debtors from the 2019/20 financial year to the 2020/21 financial year. The municipal debtors book contains a large portion of very old debt that needs consideration for write-off purposes. It is also clear that House Rentals reflects very little recovery of outstanding debtors.

The growth in outstanding debtors is escalating and requires urgent mitigation to eliminate the evident risk it poses to the Municipality.

Other Receivables

Other debtors decreased by R456.23 million from R1.050 billion in the 2019/20 financial year to R593.34 million in the 2020/21 financial year. A considerable effort should be made to recover the outstanding debt owed by National Government, Provincial Government, Coega Development Corporation and others for services delivered. The Provision for Bad Debts for the Housing Top Structures and the Fresh Produce Market that remained unchanged for the last three to four years should be dealt with accordingly.

VAT Refund and VAT Receivable

VAT refund and VAT receivable increased by R189.5 thousand from R1.87 million in the 2019/20 financial year to R2.06 million in the 2020/21 financial year.

Short-term Investments, Short-term Investment Deposits and Bank Balances and Cash

This component of current assets increased by R1.011 billion (30.99%), from R3,262,488,646 in 2019/20 to R4,273,425,736 in 2020/21. The following factors contributed towards the level of this category:

- The electricity sales, not being realised as projected in the 2019/20 Adjustments Budget.
- The debtors' collection rate was only 85.5% compared to the 85% as provided for in the Adjustments Budget.
- Increase in consumer debtors
- Poor billing and/or collection of rentals relating to facilities and equipment
- Unsustainable level of bridge-funding of housing projects in the amount of R195.07 million, as at 30 June 2021.
- Capital spending of R1.313 billion or 81.78% of the Available Budget funding of R1.605 billion. It must be noted that a material portion of the R1.313 billion was paid during the period July 2021 to September 2021 and is therefore included in the R4.273 billion as reflected above.
- Equitable Share and other conditional grants were only transferred as from December 2020 with the conditional grants relating to the 2019/20 financial

year only being transferred during March 2021. The Equitable Share of approximately R255 million in respect of the 2019/20 financial year was not transferred by National Treasury and remains as an outstanding debtor. The late transfer of conditional grants and the uncertainty as to whether they would be transferred during the first half of the financial year contributed towards the level of capital budget being spent for the 2020/21 financial year as well as the level of unspent conditional grants as reflected in the 2020/21 Consolidated Annual Financial Statements.

- Reduction of interest rate by the Reserve Bank as a result of the Covid-19 pandemic and the very weak South African economy to stimulate economic activity reduced interest that could have been earned on investments.

The afore-mentioned influenced the interest earned on investments by the Municipality.

Inventory

This component of current assets increased by R15.180 million from R138.802 million in 2019/20 to R153.983 million in 2020/21.

The increase in current assets saw a contribution of R847.371 million towards the net assets or equity of the Municipality.

Conclusion:

The Municipality's financial position were influenced by the following factors:

- Cash and investments increased by R1.011 billion (30.99%) from R3.262 billion in 2019/20 to R4.273 billion in 2020/21.
- Only 81.78% of the available capital funds for the 2020/21 financial year was spent.
- The continued escalation in outstanding debtors poses a risk to the Municipality's financial sustainability.
- Electricity losses remaining above 20% at 21.63%
- Water losses still at approximately 40%.
- The cost coverage ratio at 5.13 months for 2020/21 was higher than the anticipated 3.90 months (Adjustments Budget target). National Treasury has set a benchmark of three months to ensure continued financial sustainability.
- The financially unsustainable level of bridge-funding for housing top structures of R195.07 million has negatively affected the Municipality's cash and investments. A further risk is that the Provincial Government may not honour some of the Municipality's claims.
- The liquidity ratio of 1.23:1 is higher than the norm of 1:1 that indicates medium to long-term financial sustainability.
- The debtors' collection rate of only 85.5% is higher than the low target of 85%.
- Revenue raised from electricity, Licences or Permits, Fines, and Other revenue sources require urgent analysis to ensure realistic revenue budgeting practices.
- The Electricity function operating at a loss since the 2018/19 financial year and is escalating after only considering the primary costs.

In general, the financial ratios show an improvement compared to the previous financial years. However, the following ratios reflecting the Municipality's sustainability require urgent attention:

- Total outstanding service debtors
- Creditors systems efficiency
- Repairs and maintenance

TABLE 1.44: Financial ratio

Description	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Liquidity ratio	0.68:1	0.70:1	0.67:1	0.71:1	0.73:1	0.90:1	1.05:1	1.01:1	1.23:1
Cost coverage	1.98 months	2.24 months	2.03 months	1.96 months	1.61 months	3.00 months	3.64 months	3.88 months	5.13 months
Total outstanding service debtors	13.70%	20.89%	21.52%	20.99%	25.01%	25.68%	30.92%	32.87%	33.16%
Debt coverage	19.40 times	20.56 times	23.12 times	28.16 times	29.20 times	34.24 times	37.59 times	41.76 times	42.90 times
Creditors systems efficiency	75.0%	75.0%	59.0%	65%	58%	59%	49.65%	37.88%	38.32%
Capital charges to operating expenditure	4.20%	4.08%	3.53%	3.07%	2.84%	2.70%	2.15%	2.01%	1.84%
Employee costs	26.84%	23.38%	26.40%	26.85%	34.95%	26.35%	32.11%	28.56%	31.76%
Repairs and maintenance	7.36%	6.50%	6.83%	4.69%	3.78%	3.94%	4.28%	2.62%	2.80%

To strengthen the financial sustainability of the institution, the targets for the aforementioned ratios will be reviewed and included in the Municipality's IDP and 2022/23 MTREF. The effectiveness and efficiency of the creditors' payment process will be prioritised to achieve a more efficient creditors system. Improved ratios will contribute positively towards the credit rating of the Municipality, which will in turn contribute positively towards investment in the City and lower borrowing, based on lower perceived financial risks.

TABLE 1.45: Financial overview: Year 2020/21

Financial Overview: Year 2020/21			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	2,187,776	2,497,826	2,129,771
Taxes, Levies and tariffs	8,882,525	8,707,363	9,020,214
Other	869,357	896,856	690,583
Sub Total	11,939,659	12,102,045	11,857,045
Less: Expenditure	11,691,864	12,054,104	12,319,320
Net Total*	247,794	47,941	(462,275)

COMMENT ON OPERATING RATIOS

Liquidity ratio

The liquidity ratio assesses the Municipality's ability to meet its short-term commitments from monetary assets. The liquidity ratio represents the monetary assets, divided by current liabilities. The ratio remained at a level of approximately 0.7:1 from the 2012/13 to the 2016/17 financial years. The ratio significantly increased to 0.90:1 for the 2017/18 financial year. The ratio has further increased to 1.05:1 for the 2018/19 financial year and then decreased to 1.008:1 for the 2019/20 financial year. The ratio increased to 1.23:1 for the 2020/21 financial year. The NMBM must, however, ensure that the ratio is maintained above the 1:1 level to be considered financially sustainable. The Cash and Cash equivalents increased by R1.011 billion during the 2020/21 financial year. Current liabilities increased by R249.22 million, from R3.225 billion in 2019/20 to R3.475 billion in 2020/21. The increase in current liabilities is mainly due to an increase Trade and Other Payables from R1.901 billion as at 30 June 2020 to R2.412 billion as at 30 June 2021.

Cost Coverage

The ratio indicates the extent to which the available cash and investments are adequate to cover monthly payments. The cost coverage ratio closely follows the trends observed in the liquidity ratio. The 2020/21 ratio of 5.13 months is higher than the 2019/20 ratio of 3.88 months. The ratio is influenced by cash and cash equivalents that increased by R1.01 billion from R3.260 billion in 2019/20 to R4.271 billion in the 2020/21 financial year. It should be noted that only 81.78% of the Capital Adjustments Budget was spent. The delayed transfer of Gazetted Dora conditional grants and Equitable Share funding, together with the national lockdown due to the Covid-19 pandemic impacted materially on capital spending in the 2020/21 financial year. The National Treasury promotes a ratio of at least three months to be assessed as adequately sustainable. The ratio must be treated with caution as the outflow of cash during the period July 2021 to August 2021 will be substantial to deal with the 2020/21 outstanding invoices in respect of payables and accruals, as reflected in the 2020/21 Consolidated Annual Financial Statements.

Total Outstanding Service Debtors:

This ratio focuses on the amount owed by outstanding service debtors as a percentage of the annual operating services revenue. The ratio increased from 12.6% in 2011/12 to 24.55% in 2016/17. The ratio further increased during the 2017/18 financial year to 25.68%, due to a debtors' collection rate of only 93.1% for the 2017/18 financial year as well as the material increase in water service debtors as a result of the punitive water drought tariffs. This upward trend continued and in the 2020/21 financial year the ratio now standing at an alarming 35.1%. Approximately R381.133 million was written off as bad debt. This growing trend must be viewed with caution.

The increase in consumer service debtors of R329.718 million, or 16.83%, compared to the previous financial year, is cause for concern. A debtors' collection rate of 85.5% was achieved in the 2020/21 financial year, against a target of 85%.

TABLE 5.73: Consumer service debtors

Year	Gross Balances R	Impairment Allowance R	Carrying Amount R
2020/21	6,088,858,016	(3,812,018,944)	2,276,839,072
2019/20	4,514,115,870	(2,569,355,089)	1,944,760,781
Increase	1,574,742,146	1,242,663.855	332,078,291

Overdue consumer service debts increased as follows from the 2019/20 financial year to the 2020/21 financial year.

TABLE 5.74: Overdue consumer service debts

Description	Gross Balances	Impairment Allowance	Carrying Amount
2020/21			
Electricity	2,024,354,487	749,785,638	1,274,568,849
Water	2,559,906,552	1,952,115,311	607,791,241
Sanitation	939,687,608	679,487,600	260,200,008
Refuse	564,909,369	430,630,395	134,278,974
Total Debt	6,088,858,016	3,812,018,944	2,276,839,072
2019/20			
Electricity	1,610,443,981	670,641,113	939,802,868
Water	1,707,614,192	1,085,792,614	621,821,578
Sanitation	741,566,479	495,690,241	245,876,238
Refuse	454,491,218	317,231,121	137,260,097
Total Debt	4,514,115,870	2,569,355,089	1,944,760,781
Growth			
Electricity	413,910,506	79,144,525	334,765,981

Description	Gross Balances	Impairment Allowance	Carrying Amount
	25.70%	11.80%	35.62%
Water	852,292,360 51.98%	866,322,697 79.79%	14,030,337 2.26%
Sanitation	198,121,129 26.72%	183,797,359 37.08%	14,323,770 5.83%
Refuse	110,418,151 24.29%	113,399,274 35.75%	(2,981,123) (2.17%)
Growth	1,574,742,146	1,242,663,855	332,078,291
% Growth	34.88%	48.36%	17.08%

The above table illustrates the growth in Gross Service Debtors, Provision for impairment of Service Debtors and Net Service Debtors from the 2019/20 financial year to the 2020/21 financial year. The municipal debtors book contains a large portion of very old debt that needs consideration for write-off purposes.

The growth in outstanding service debtors is escalating and requires urgent mitigation to eliminate the evident risk it poses to the Municipality. Debt collection must be prioritised to improve the financial sustainability of the Municipality. The current level of outstanding service debtors is cause for concern. Credit control and other related strategies should be implemented to improve the collection rate of the Municipality.

Debt Coverage

This ratio indicates the number of times the operating revenue covers the debt servicing costs. The ratio improved positively from 41.76 times in 2019/20 to 42.9 times in 2020/21. The financial position of the Municipality indicates that external borrowing in the amount of R750.6 million can be taken up over the next 3 years as indicated in the 2020/21 MTREF to improve the funding mix of capital expenditure. An amount of R214,414,700 was taken up in respect of the External borrowing of R745.6 million available. The remaining external borrowing balance will be taken up over the next two years.

Creditors System Efficiency

This ratio measures the proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases. A ratio of 38.32% indicates that the NMBM is not performing at the required level and is therefore not legislatively compliant. Management reports are prepared on a monthly basis, indicating the total days taken by each directorate to process payments from the date of receipt of the invoice. Most directorates are not meeting the legislative timeframes of processing payments within 30 days from the date of receipt of the invoice. This

ratio does not intrinsically reflect the efficiency of the Creditors Section, but measures the efficiency of the payment process from the date of receipt of the invoice by each directorate until the processing of the payment through the creditors payment system. The scorecards of Executive Directors should include the legislative timeframes for processing payments. The ratio of 38.32% achieved in the 2020/21 financial year represents a marginal improvement from the 37.88% achieved in the 2019/20 financial year.

The National lockdown due to the COVID-19 pandemic impacted materially on this outcome due to staff being available only on a rotational basis to enforce social distancing in the work environment.

Capital Charges to Operating Expenditure

This ratio indicates the proportion of capital charges (interest and principal paid on borrowing) to actual operating expenditure to date. The ratio also provides assurance that the proportion of capital charges to total annual operating expenditure is financially prudent. The ratio has decreased from 4.15% in 2010/11 to 1.84% in 2020/21, and will remain constant as the remaining balance of the R745.6 million external borrowing are taken up during the 2021/22 and 2021/22 financial years.

Employee costs

This ratio assesses the extent to which the Municipality's Operating Revenue is consumed by costs associated with the employment of human resources. Employee costs as a percentage of operating revenue increased from 26.35% in the 2017/18 financial year to 32.11% in the 2018/19 financial year. The ratio has however, been increasing annually since the 2013/14 financial year, in which the ratio was 23.38%. The ratio for the 2020/21 financial year is 31.76%. National Treasury has stated that there is no benchmark for employee costs for municipalities, as they operate under different circumstances. Considering the current financial position of the NMBM, the target for this ratio should be revisited. Financial pressures such as TASK implementation, the filling of vacancies and the finalisation of the new organisational structure will be significant factors to manage over the 2021/22 MTREF. Employee related costs increased by R795.39 million from R3.117 billion (in 2019/20) to R3.912 billion (in 2020/21). The ratio still indicates cash flow pressures over the short to medium-term and will negatively impact on the financial sustainability of the Municipality if employee related costs are not properly managed and kept under

control. The inconsistent determination of the Post retirement benefit requirement through actuarial analysis is challenging in a very volatile and weak global and South African economic environment as the parameters at any time is uncertain and results in material adjustments to the future requirements of such long term benefits.

Repairs and Maintenance

This represents the proportion of operating expenditure spent on repairs and maintenance projects. The ratio is calculated by dividing the total repairs and maintenance by the annual operating revenue. The ratio is at a low 2.80%. It is critical that the Municipality either increases its spending on infrastructural repairs and maintenance or increases its capital spending on the renewal of current assets in order to deal with the ever-growing backlog in maintaining old infrastructure. Considering the backlog in maintaining infrastructure, it is evident that this ratio should at least be at a 6% level. At this stage, the Municipality's cash position is unable to support a level in excess of 6%. Alternative strategies and/or funding mechanisms must be developed to address the eradication of infrastructure maintenance backlogs. The main risk associated with a low repairs and maintenance ratio is that the expected useful lives of assets will decrease, resulting in the earlier replacement of assets, for which inadequate financial capacity exists within the NMBM's current revenue base. The NMBM is not allocating Employee related costs to the Repairs and Maintenance projects. Considering the amount of money spent on overtime by infrastructure directorates this cost and employee permanently employed on Maintenance Teams should contribute materially to the cost of performing the Repairs and Maintenance functionality within the NMBM.

TABLE 1.48: Operating ratios

Operating Ratios	
Detail	%
Employee Cost	31.76%
Repairs & Maintenance	2.70%
Finance Charges & Impairment	15.57%

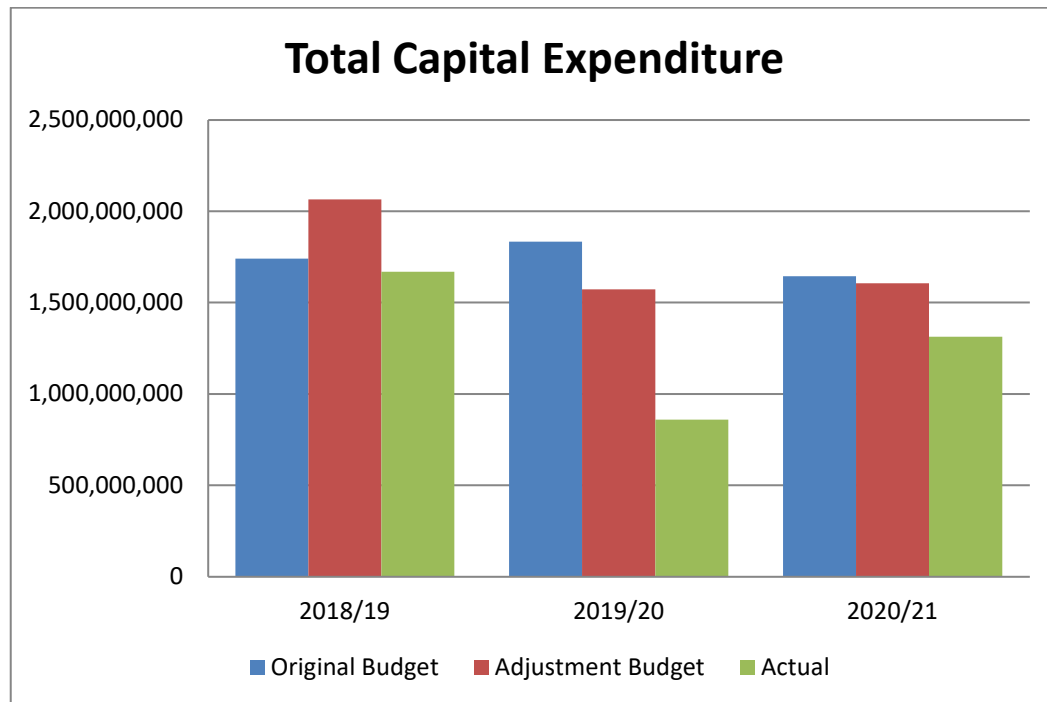
The above table reflects the percentage spent on employee related costs, repairs and maintenance and finance charges and impairment, as measured against the total operating expenditure.

Capital Budget Spending

The Municipality spent R1.313 billion (representing 81.78%) of its approved R1.605 billion Adjustments Budget in the 2020/21 financial year. This is an improvement from the 54% of the Municipality's capital expenditure spent in the 2019/20 financial year. Delays in supply chain management processes and the unavailability of certain stock/asset types resulted in lower than anticipated spending on capital projects. The threat of Covid-19 as well as the national lockdown also had a material impact on capital spending. The unspent DORA grants as at 30 June 2021 will be paid back or offset against the Equitable Share to be received during the 2021/22 financial year. It is important to note that National Treasury delayed the transfer of the Equitable Share and conditional DORA grants. The first transfers were made as from December 2020. The conditional grants that was not transferred during the 2019/20 financial year and that was approved by National Treasury for rollover purposes to the 2020/21 financial year were only transferred in March 2021. The delayed transfers impacted on the capital spending as procurement of services and goods could only be commenced through the supply chain management process once the cash was secured and transferred by National Treasury.

TABLE 1.49: Total capital expenditure: 2018/19 to 2020/21

Total Capital Expenditure: 2018/19 -2020/21			
			R'000
Detail	2018/19	2019/20	2020/21
Original Budget	1,740,079	1,832,628	1,644,753
Adjustment Budget	2,063,593	1,572,555	1,605,188
Actual	1,668,463	858,525	1,312,701

FIGURE 1.5: Total capital expenditure

The table below indicates the spending by municipal directorates (including MBDA projects) against the Capital Budget:

TABLE 1.50: Capital Spending by Directorates

Directorate / Vote	Adj. Budget Plus Additional Funds R'000	2020/21 Actual R'000	% Spent	Reason for variance
Budget and Treasury	6,480,000	1,817,901	28.05	SCM processes not completed on time to purchase computer related products. The construction of new Supply Chain Offices is going through tender processes, therefore, construction has not taken place yet.
Public Health	83,624,872	73,813,369	88.27	Purchase of vehicles delayed due to shortage of microchips. Due to delays in SCM processes, MIS was unable to purchase computer related equipment.
Human Settlements	72,678,709	64,282,647	88.45	The Capital Budget for connection of water meters was not fully utilised as this activity was mostly done under the Water Services Department's budget.
Economic Development, Tourism and Agriculture	18,043,479	11,167,285	61.89	The underperformance is attributed to the delays in the procurement processes in respect of the informal trading project.

Directorate / Vote	Adj. Budget Plus Additional Funds R'000	2020/21 Actual R'000	% Spent	Reason for variance
Corporate Services	24,465,000	11,271,792	46.07	SCM processes were not completed in time for various Capital Projects linked to Corporate Facilities Management as well as MIS.
Infrastructure & Engineering – Roads & Stormwater	547,366,428	452,373,720	82.65	The IPTS Bus Station project has gone to mediation and waiting for the outcome, therefore the budget remained unspent as at 30 June 2021. The tender for the Vehicles tracking system is still undergoing SCM processes and the Purchase of vehicles have been delayed due to a global shortage of microchips.
Water Services	440,623,870	371,085,135	84.22	The installation of water restrictors on pressure reducing infrastructure project was halted by Council. Contracts for Coegakop Water Treatment Works and the upgrade of Kwanobuhle Water Pump Station were awarded late in the financial year, thereby limiting the ability of the Directorate to spend their capital budget.
Sanitation Services	107,239,548	99,944,530	93.20	
Electricity and Energy	228,941,507	183,126,559	79.99	Expenditure and cash flow projections for Public Contributions projects were not properly aligned to the actual cash received during the financial year. The HV Transmission line contract was awarded late in the financial year.
Safety and Security	9,339,000	4,987,755	53.41	Purchase of vehicles is delayed due to global shortage of microchips. MIS was unable to purchase many computer-related equipment due to procurement delays.
Sports, Recreation and Cultural services	50,427,484	17,588,393	34.88	Delays on Capital Budget spending due to tender objections for the multi-purpose center projects as well as the Galvendale Astro turf. SCM processes were not completed on time for fencing of the Red Location Precinct, therefore the budget remained unspent as at 30 June 2021.
Mandela Bay Development Agency	15,957,833	21,242,289	133.12	Increase in the purchase of Land and Buildings.
Total	1,605,187,730	1,312,701,375	81.78	

Performance of the Five Largest Capital Projects

Project 1: Resurfacing Tar Roads – The objective of this project is to resurface and increase the lifespan of deteriorating roads in the NMBM. Project stoppages and delays caused by emerging contractors as well as the late approval of the capital

budget were challenges experienced during the 2020/21 financial year. The increasing backlog due to the limited available funding remains a challenge. Actual expenditure amounted to R134,405,850 compared to the Adjustment Budget of R25,000,000. A virement as requested by the Directorate has been approved and therefore, no over-expenditure was incurred.

Project 2: Construction of Coegakop Water Treatment Works (NON-MDRG) - The construction of the Coegakop Water Treatment Works will treat 12MI/day of borehole water abstracted from the Coegakop Wellfield. This will diversify the current, predominantly surface water supply, with an alternative water supply that is not dependant on local droughts. There were appeals during the award stage that delayed the commencement of the contract. Actual expenditure in the amount of R96,685,677 was incurred compared to the Adjustment Budget of R107,600,000.

Project 3: IPTS – Surfacing of IPTS Routes – The objective of this project is to resurface and rehabilitate IPTS Trunk and Feeder Route to improve Public Transport in the NMBM. This is an on-going project to address lack of lighting. Delays caused by challenges such as the late approval of the rollover budget, the procurement of service providers and the socio economic challenges including work stoppages by EMEs impacted on the progress of this project. It is anticipated that the project will improve public transport and stimulate the economic activities along the IPTS Bus Routes. Although only R19,042,410 was provided for this project in the Adjustment Budget, an amount of R77,629,847 was spent during the 2020/21 financial year. A virement as requested by the Directorate has been approved and therefore, no over-expenditure was incurred.

Project 4: Rehabilitation of Loerie Water Treatment Works - The upgrading of exiting pump and motor sets reached the end of their design and usable asset lifespan. The replacement includes the installation of three new pump and motor sets, variable speed drives, new medium and low voltage reticulation systems and transformers, new variable speed drive building and general building renovations to the Loerie Water Treatment works. Challenges to this project include EME delays at the start of the project and the impact of the Covid-19 pandemic resulting in a national lockdown. Actual expenditure in the amount of R35,460,546 was incurred compared to the Adjustment Budget of R32,000,000. A virement as requested by the Directorate has been approved and therefore, no over-expenditure was incurred.

Project 5: IPTS – Construction of Sidewalks along IPTS trunk and feeder - The objective of the project is to upgrade and construct sidewalks along the IPTS routes so that all is universally accessible to all City Residents. The late approval of the Rollover Budget the procurement of service providers and socio-economic challenges such as EME Work stoppages impacted on the progress of this project. Actual expenditure in the amount of R33,514,389 was incurred compared to the Adjustment Budget of R15,000,000. A virement as requested by the Directorate has been approved and therefore, no over-expenditure was incurred.

The 2020/21 Capital Budget was funded as follows:

TABLE 1.51: Capital spending

Funding Source	% of Original Budget	% of Adjustments Budget	% of Actual Expenditure
Grant Funding	59.40%	52.88%	70.29%
Internal Funding	27.56%	31.49%	16.82%
Borrowing	13.04%	15.63%	12.89%
Total	100.00%	100.00%	100.00%

The public contributions revenue source (now referred to as 'private contributions') under the 'Transfers and Subsidies' revenue category relates to funds provided by private entities to Council for the provision of infrastructure to enhance their business operations.

The following account for the performance of capital grants and explains the variance:

DORA Capital Grants:

Urban Settlements Development Grant

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Allocation:	R 774,952,143
Amount of Grant Received	R 815,606,000
2019/20 DORA roll-over received	R 390,274,000

Expenditure Incurred 2019/20	R 82,932,099
Expenditure to date:	R 947,823,182
Unspent as at 30 June 2021:	R 175,124,719

As at 30 June 2021, 84.40% of the DORA allocation inclusive of roll-over was spent. An application for the roll-over of funds to the 2021/22 financial year was submitted to National Treasury. Roll-over was not approved by National Treasury.

Public Transport Infrastructure Grant

This grant is to provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.

Unspent 2019/20 DORA Allocation	R 84,019,013
DORA Allocation:	R 45,682,000
Amount of Grant Received	R 45,682,000
Transferred from Public Transport Networks Operations Grant	R 65,484,507
Balance for Public Transport Infrastructure Grant	R 195,185,520
Offset against 2020/21 Equitable Share	R 647,470
Expenditure to date:	R 152,570,260
Unspent as at 30 June 2021:	R 41,967,790

As at 30 June 2021, 78.17% of the DORA allocations was spent.

National Treasury paid an amount of R83,370,000 in respect of roll-over approved for the 2019/20 financial year in the 2020/21 financial year and is included in the opening unspent 2019/20 DORA Allocation that contained a debtor for R83,370,000.

An application was made for the roll-over of the unspent grant funding in respect of the 2020/21 financial year to the 2021/22 financial year.

Integrated City Development Grant

This grant is to provide a financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form.

DORA Allocation:	R10,356,000
Amount of Grant Received:	R10,356,000
Expenditure to date:	R 5,063,854
Unspent as at 30 June 2021:	R 5,292,146

As at 30 June 2020, 48.91% of the DORA allocation was spent. The application for the roll-over of funds to the 2020/21 financial year in the amount of R351,265 was rejected by National Treasury.

Neighbourhood Development Partnership

This grant is to support and facilitate the planning and implementation of neighbourhood development programmes and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life of residents in targeted underserved neighbourhoods.

DORA Allocation:	R 15,000,000
Amount of Grant Received:	R 15,000,000
Expenditure to date:	R 12,842,378
Unspent as at 30 June 2021:	R 2,157,622

As at 30 June 2021, 85.62% of the DORA allocation was spent.

As at 30 June 2020 National Treasury had not transferred the final allocation of this gazetted conditional grant due to non-compliance matters. The application for the roll-over of funds to the 2020/21 financial year was rejected by National Treasury. However, National Treasury had not transferred R10 million of the disallowed rollover, but had offset the R10 million incorrectly under the impression that they had transfer the funds to NMBM. After further investigation National Treasury was in agreement that the funds were not transferred to the NMBM and therefore National Treasury accepted that they still owe the NMBM R10 million in respect of the 2020/21 Equitable Share allocation.

Municipal Disaster Recovery Grant (Drought Relief)

An amount of R97 million was received for Drought Relief in 2017/18.

DORA 2017/18 Allocation:	R 97,000,000
DORA Received 2017/18:	R 97,000,000
DORA Allocation Spent 2017/18:	R 7,782,215

Unspent as at 30 June 2018:	R 89,217,785
DORA 2018/19 Allocation:	R 233,400,000
DORA Received 2018/19:	R 233,400,000
DORA Roll-over to 2018/19 Rejected:	R 18,494,873
DORA Allocation Spent 2018/19:	R 96,427,516
Unspent as at 30 June 2019:	R 207,695,396
DORA Roll-over to 2019/20 Rejected:	R 6,833,954
Expenditure to date:	R 12,782,475
Unspent as at 30 June 2020:	R 188,078,967

Application was made to National Treasury for the roll-over of the remaining unspent funds in the amount of R188,078,967 to the 2020/21 financial year. Despite many attempts to obtain a rollover, National Treasury did not approve the roll-over and was therefore offset against the 2020/21 Equitable Share allocation.

Other Capital Grants

CDC Walmer Intervention Funding Grant

This grant is used to speed up service delivery intervention in the Walmer Gqebera Township.

Received 2015/16:	R 9,068,420
Expenditure to date:	R 0
Unspent as at 30 June 2021:	R 9,068,420

As at 30 June 2021, 0% of the allocation was spent. Revenue is recognised against the unspent grant only once the conditions in respect of the grant are met.

As at 30 June 2020, National Treasury had not transferred the following grants to the Municipality:

- Equitable Share: R255,415,000
- Public Transport Infrastructure Systems: R98,154,007
- Neighbourhood Development partnership Grant: R10,000,000; and
- Urban Settlements Development Grant: R390,274,000

During March 2021, National Treasury transferred the Urban Settlements Development Grant and Public Transport Infrastructure Systems Grant in the amounts of R390,274,000 and R83,370,000 respectively. The 2019/20 Equitable Share had been raised as a debtor as it has not yet been transferred to NMBM by National Treasury.

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

The Municipality has a workforce of approximately 6 021 permanent employees, ten Section 56 employees and 2 539 temporary workers as at 30 June 2021. As at 30 June 2021, all senior managerial positions in terms of Section 56 of the Local Government: Municipal Systems Act, No.32 of 2000 were filled except the position of the City Manager.

Employees' pension and medical aid funds

Employees' pension and medical aid statistics as at 30 June 2021, are reflected in the table below.

Table: 1.52: Employees' pension and medical aid fund (PAYROLL)

Name of Pension Fund	Number of Members	Name of Medical Aids	Number of Members
Cape Joint	4666	LA Health	3437
SALA	2231	Bonitas	1772
Municipal Workers Retirement Fund	57	Key Health	186
		Hosmed	340
		SAMWUMED	577

1.6 AUDITOR-GENERAL'S REPORT

The Municipality received a qualified audit opinion for the 2020/2021 financial year. The basis of the qualified audit opinion as per the Auditor-General's report was as follows:

Property, plant and equipment (PPE)

The municipality did not adequately assess at each reporting date whether there were any indications that the expectations on the useful lives of property, plant and equipment had changed in accordance with GRAP 17, *Property, plant and equipment*. I was unable to determine the impact on property, plant and equipment stated at R17,7 billion (2020: R17,3 billion) in note 9 to the financial statements as well as depreciation stated at R937,8 million and R936,9 million (2020: R957,2 million and R858,3 million) in note 31.1 to the consolidated and separate financial statements, as it was

impracticable to do so. There was also an impact on the surplus for the period and on the accumulated surplus which was impracticable to determine.

Included in property, plant and equipment are infrastructure assets of R12,9 billion disclosed in note 9 to the consolidated and separate financial statements. I was unable to obtain sufficient appropriate evidence that the municipality had appropriately accounted for and disclosed these assets due to the status of the accounting records. Certain infrastructure assets could not be supported by complete and accurate underlying records. I could not confirm infrastructure assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to infrastructure assets.

As a result of the misstatements on depreciation, I was unable to obtain sufficient appropriate audit evidence that the municipality correctly calculated unauthorised expenditure in the current year. I was unable to confirm the unauthorised expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the unauthorised expenditure stated at R849,5 million in note 44.1 to the consolidated and separate financial statements.

Trade Receivables - Exchange Transactions

The municipality did not have adequate systems for recording and accounting for indigent debtors. Some indigent subsidies were provided to consumers that did not qualify for the indigent subsidies and supporting evidence could not be provided for the indigent subsidies of some consumers. I was unable to determine the full extent of the misstatements to trade receivables from exchange transactions stated at R2,3 billion in note 15 to the consolidated and separate financial statements as well as the related service charges in note 21.1 to the consolidated and separate financial statements, as it was impractical to do so. There was also an impact on the surplus for the period and on the accumulated surplus which was impracticable to determine.

The Auditor-General also identified the following emphasis of matter:

- Restatement of corresponding figures
- Material losses and impairment
- Underspending on conditional grants

The Municipality is in the process of drafting an action plan to address the findings by the Auditor-General.

The Auditor-General's Audit Report in its entirety is stated in "Volume III" of this Annual Report.

1.7 STATUTORY ANNUAL REPORT PROCESS

The table below indicates the Annual Report process plan.

TABLE 1.53: Statutory Annual Report process

NO	ACTIVITY	TIMEFRAME
1	Drafting and submission of a Multi-year Strategic Planning time schedule to Council (<i>Development of the Annual Report is part of the Multi-year Strategic Planning process</i>)	The Multi-Year Strategic Time Schedule was approved by Council in 2018 for a period of five years
2	Finalisation of the Fourth Quarter Report for the 2020/21 financial year	31 August 2021
3	Submission of the Fourth Quarter Report for the 2020/21 financial year to NMBM Internal Audit	31 August 2021
4	Drafting and submission of first Draft 2020/21 NMBM Annual Report to NMBM Internal Audit, Auditor-General and National Treasury	31 August 2021
5	Auditor-General audits Consolidated Financial Statements and performance data	01 September 2021
6	Receipt of Auditor-General's Audit Report and commencing with addressing findings	31 December 2021
7	Submission of second Draft 2020/21 Annual Report to the Auditor-General	10 January 2022
8	Executive Mayor tables NMBM 2020/21 Annual Report and audited Financial Statements in Council, with the Auditor-General's Report	25 January 2022
9	Audited NMBM 2020/21 Annual Report is made public and representations are invited	25 January 2022
10	Municipal Public Accounts Committee concludes assessment of NMBM 2020/21 Annual Report	11 March 2022
11	Council adopts Oversight Report on 2020/21 Annual Report	31 March 2022
12	2020/21 Oversight Report is made public	31 March 2022
13	2020/21 Oversight Report is submitted to relevant Provincial and National Departments	31 March 2022

COMMENT ON ANNUAL REPORT PROCESS

The above Annual Report Process Plan seeks to ensure alignment between the Municipality's Integrated Development Plan (IDP), Budget and Performance Management System. To this end, the development of the 2020/21 Annual Report took into consideration the Annual Financial Statements and the Annual Performance Report of the Municipality for the said year.

The Municipal Finance Management Act: Annual Report Circular 63 places a stringent timeline on municipalities for the development and adoption of annual reports by their Councils. The Municipality was unable to table its 2020/21 Annual Report to Council by December 2021, as required by MFMA Circular 63, due to the fact that, the Auditor-General's Report in terms of the 2020/21 financial year will be made available only towards the end of February 2022.

CHAPTER 2 - GOVERNANCE

INTRODUCTION

The business operations of the Nelson Mandela Bay Municipality are underpinned by the following good governance principles:

- Accountability
- Participation
- Transparency
- Responsiveness
- Inclusiveness
- Effectiveness and efficiency

The Municipality promotes public participation in its decision-making processes. The Municipality undertakes regular participation on key strategic documents such as the IDP, Budget and Annual Report. The Municipality further undertakes annual customer satisfaction surveys to identify possible areas of service delivery which require improvement.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The municipal structure is made up of both political and administrative structures.

2.1 POLITICAL STRUCTURE

The following political parties are represented in the Council of Nelson Mandela Bay Municipality:

- Abantu Integrity Movement
- African Christian Democratic Party
- African Independent Congress
- African National Congress
- Defenders of the People
- Democratic Alliance
- Economic Freedom Fighters
- Good
- Northern Alliance
- Pan Africanist Congress of Azania
- Patriotic Alliance
- United Democratic Movement
- Vryheidsfront Plus

The political structure of the Nelson Mandela Bay Municipal Council comprises the Executive Mayoral Committee, the Portfolio Committees, the Municipal Public Accounts Committee (MPAC) and the Rules and Ethics Committee.

2.1.1 Council

The Council of the Nelson Mandela Bay Municipality governs the local government affairs of the Municipality. The Council performs this core function through exercising both legislative and executive authority over the Municipality's administrative processes. The Council of the Nelson Mandela Bay Municipality is headed by the Speaker, as reflected in the figure below.



The Council comprises 120 Councillors, elected through a mixed-member proportional representation system. Sixty (60) of the Councillors were elected through a voting process in the 60 wards that make up Nelson Mandela Bay. The remaining 60 Councillors were selected from party lists, on the basis that the total number of party representatives must be proportional to the number of votes received. The Speaker of Council is supported by the Chief Whip as reflected in the figure below.



There are 33 female and 87 male councillors serving in Council. The African National Congress (ANC) and the Democratic Alliance (DA) has the largest number of seats (48 seats each); the Economic Freedom Fighters (EFF) (8 seats); the Northern Alliance (NA) (3 seats), the African Christian Democratic Party (ACDP) (2 seats), Defenders of the People (DOP) (2 seats), Patriotic Alliance (PA), (2 seats), Vryheidsfront Plus (VFP) (2 seats), and the Abantu Integrity Movement (AIM), African Independent Congress (AIC), Good (GOOD), Pan Africanist Congress of Azania (PAC), and the United Democratic Movement (UDM) has one seat each. The political party seat allocation and gender distribution of the Nelson Mandela Bay Municipality's Council in the review period is illustrated in the table below.

POLITICAL PARTY	ALLOCATION OF SEATS	GENDER DISTRIBUTION	
		MALE	FEMALE
Abantu Integrity Movement	1	1	
African Christian Democratic Party	2	1	1
African Independent Congress	1	1	
African National Congress	48	35	13
Defenders of the People	2	1	1
Democratic Alliance	48	33	15
Economic Freedom Fighters	8	6	2
Good	1	1	
Northern Alliance	3	3	
Pan Africanist Congress of Azania	1	1	
Patriotic Alliance	2	1	1
United Democratic Movement	1	1	
Vryheidsfront Plus	2	2	
TOTAL	120	87	33

The Nelson Mandela Bay Municipality has a functional Municipal Public Accounts Committee (MPAC) which provides the appropriate mechanism through which Council can fulfil its oversight responsibilities.

The Municipality further has a functional Audit Committee in place.

2.1.2 The Executive Mayoral System

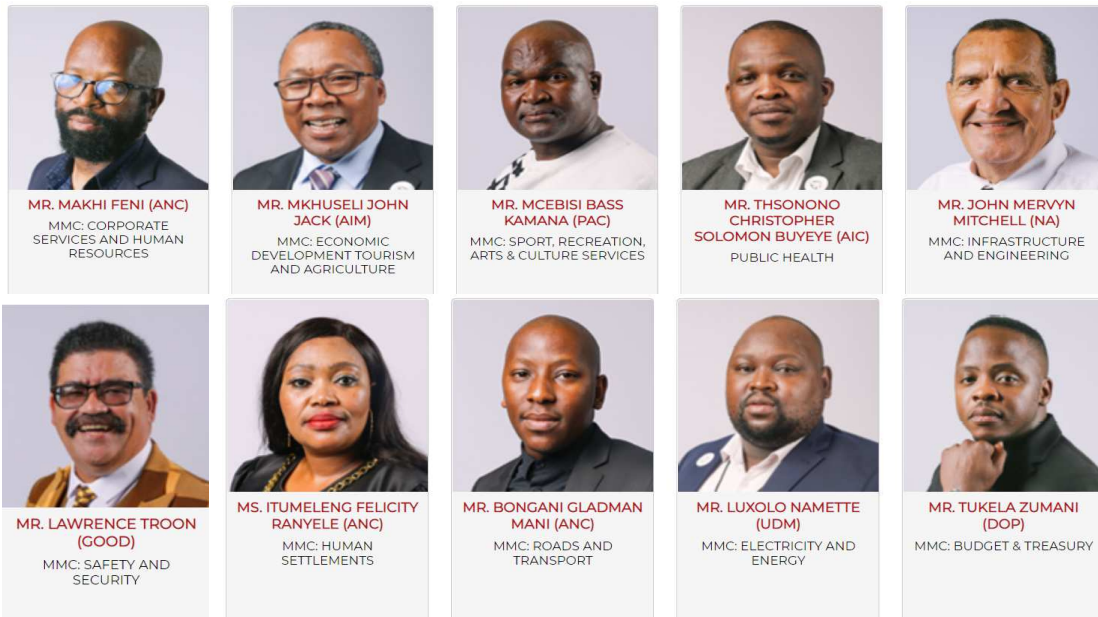
The Executive Mayor oversees the delivery of services by the administrative structure of the Municipality. The Executive Mayor is supported by the Deputy Executive Mayor and the Mayoral Committee, comprising ten members, each chairing a portfolio committee. The political seat (Office of the Executive Mayor) of the Nelson Mandela Bay Municipality is located on the first floor of the City Hall, Market Square, Central, Gqeberha.

The Executive Mayoral Committee of the Municipality is illustrated in the figure below.

FIGURE 2.1: MEMBERS OF THE MAYORAL COMMITTEE



Members of the Mayoral Committee:



2.1.3 Office of the Chief Whip

The primary role of the Chief Whip of Council is to maintain discipline amongst councillors. The Office of the Chief Whip serves as the contact point between the executive and legislative spheres of the Municipality.

Other focus areas of the Office of the Chief Whip include the following:

- Building better relations between the various political parties represented in Council.
- Political management of Council meetings.
- Management of the majority and Coalition caucuses.

The Office of the Chief Whip is also responsible for recommending to the Executive Mayor which councillors should serve on committees and represent the Municipality on external bodies. The Office of the Chief Whip also deals with addressing and resolving complaints that come directly from communities or through the Municipality's Petitions Office.

Bi-monthly internal meetings, as well as multi-party whippy meetings are held to enhance relationship between political parties. In addition, there is a multi-party whippy forum where all parties represented in Council discuss the order of business in Council and determine which items serving before it will require debate.

Council Decision-making Process

Draft Council resolutions are usually tabled in Council by directorates/offices through the following structures:

- Executive Mayor's reports to Council
- City Manager's reports to Council
- Speaker's reports to Council
- MPAC reports to Council
- Audit Committee reports to Council
- Those outlined in Council's Rules of Order

Council resolutions are captured by Secretariat, and their implementation by the administration is monitored.

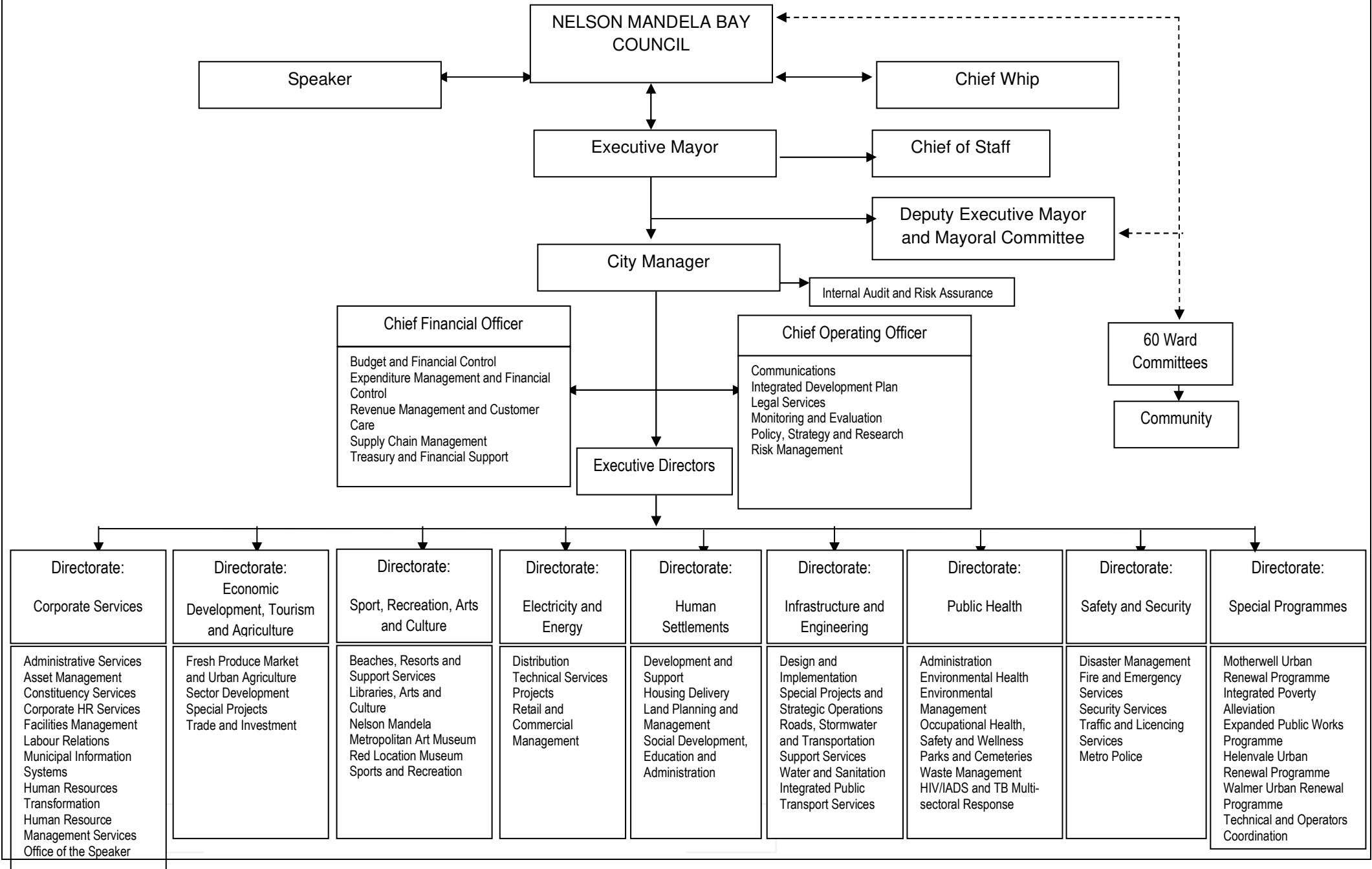
2.2 ADMINISTRATION

The City Manager (appointed by Council) is the accounting officer and the administrative head of the Municipality. The position of the City Manager remained vacant during the 2020//21 financial year. There is an Executive Management Team to assist the City Manager in running the administration. The Executive Management Team comprises 10 senior managers as per the following:

- Chief Operating Officer
- Chief Financial Officer
- Executive Director: Corporate Services
- Executive Director: Economic Development, Tourism and Agriculture
- Executive Director: Electricity and Energy
- Executive Director: Human Settlements
- Executive Director: Infrastructure and Engineering
- Executive Director: Public Health
- Executive Director: Sport, Recreation, Arts and Culture
- Executive Director: Safety and Security

The administrative seat (Office of the City Manager) of the Nelson Mandela Bay Municipality is located on the first floor of the City Hall, Market Square, Central, Gqeberha. The current organisational structure of the Municipality is reflected in the figure below.

FIGURE 2.2: ORGANISATIONAL STRUCTURE OF NELSON MANDELA BAY MUNICIPALITY



2.3 INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTER-GOVERNMENTAL RELATIONS

The foundation for intergovernmental relations and cooperative decision-making is underpinned by co-operative governance. Co-operative governance ensures effective delivery of services through policies and activities across spheres of government.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3.1 National Intergovernmental Structures

The External Relations Sub-directorate (in the Office of the Chief Operating Officer) of the Municipality coordinates its intergovernmental relations. The Municipality participates in the Consultative Forum on International Relations (CFIR).

2.3.2 Provincial Intergovernmental Structures

The Municipality participates in the following provincial structures:

- Governance and Administration Cluster
- Provincial IGR Forum
- PMU meetings
- Technical MuniMEC
- District Development Model (DDM) Technical Task Team
- Political MuniMEC
- Premier Coordinating Forum

2.3.3 NMBM IGR Forum

The NMBM IGR Forum seeks to ensure better coordination of intergovernmental relations activities in the NMBM. The Municipality has an IGR Strategy. The last NMBM IGR Forum was held on 8 April 2019. There were no IGR Forum meetings held during the 2020/21 financial year. It is anticipated that the meetings will reconvene in the 2021/22 financial year.

INTERNATIONAL RELATIONS

The Nelson Mandela Bay Municipality participates in the Consultative Forum on International Relations (CFIR) on a national level and in the Eastern Cape Steering Committee on International Relations (PIRSC) coordinated and supported by the Office of the Premier on a provincial level. The Nelson Mandela Bay Municipality manages and coordinates its international relations within national and international protocol framework parameters. Through its international relations, the NMBM seeks to position itself globally through sharing experiences, knowledge and information in various fields, including economic development. The Municipality establishes international relations with other cities through entering into sister city agreements and memoranda of understanding. The Municipality further undertakes study tours and scoping visits and attends conferences focusing on best practices. The Municipality currently has active partnerships with the following cities:

- Gothenburg, Sweden Partnership
- Jacksonville, Florida Partnership
- Ningbo, China Partnership

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

The Municipality promotes public accountability and participation through consultative processes with the communities of Nelson Mandela Bay.

2.4 PUBLIC PARTICIPATION

The Municipality is required to actively engage communities and stakeholders in all decision-making processes. The following role-players and stakeholders play an important role in the IDP and Budget development and review processes of the Municipality:

- Communities of Nelson Mandela Bay
- Organised stakeholder groupings, e.g. Nelson Mandela Bay Business Chamber; NGOs; civic groupings; unions and ratepayers' associations and other big economic players in the metro.
- The Nelson Mandela University and government sector departments.

- Creative arts and heritage organisations.
- Special sectors (children, youth, women, elderly people and people with disabilities)
- Municipal Councillors and officials.
- Ward Committees.
- Community Development Workers (CDWs)

Details of public participation meetings during the review period are provided below.

TABLE 2.2: Public Participation

Nature and purpose of meeting	Date of events	Cluster	Issue addressed (Yes/No)
IDP and Budget Public Participation	26 – 27 May 2021	(1) Zola Nqini Cluster (Kariega / Despatch Area) (2) Alex Matikinca Cluster (Motherwell / Wells Estate Area) (3) Govan Mbeki Cluster (Ibhayi Area) (4) Champion Galela Cluster (Zwide Area) (5) Molly Blackburn Cluster (Suburbs) and (6) Lillian Diedericks Cluster (Northern Areas).	Mostly yes

COMMENT ON THE EFFECTIVENESS OF PUBLIC PARTICIPATION

The Covid-19 pandemic has necessitated a new way of pursuing public participation. The Municipality's new approach in respect of stakeholder engagement includes the following:

- The use of an IDP APP for contributions and comments from the public and organisations.
- The use of radio.
- The use of social media platforms as well as a WhatsApp number to receive contributions and comments and for responses from the Municipality.
- The use of the Interactive Voice Response (IVR) accountholder database for communication.
- Press releases.
- Loud hailing.
- Explanatory video clips posted on social media platforms.
- Municipal Website.

2.5 IDP PARTICIPATION AND ALIGNMENT

TABLE 2.3: IDP participation and alignment

IDP Participation and Alignment Criteria	Yes/No
Does the Municipality have impact, outcome, input and output indicators?	Yes
Does the IDP have priorities, objectives, KPIs and development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they be calculated into a score?	Yes
Does the Budget align directly to the KPIs in the Strategic Plan?	Yes
Do the KPIs in the IDP align to Section 57 managers?	Yes
Do the KPIs in the IDP lead to functional area KPIs, as per the SDBIP?	Yes
Do the KPIs in the IDP align with the provincial KPIs on the 12 Outcomes?	Yes
Were the indicators communicated to the public?	Yes (IDP, SDBIP and Annual Reports are open for inspection at municipal libraries, Customer Care Centres and on the Municipal Website)
Were the four quarter aligned reports submitted within stipulated timeframes?	The four quarterly aligned reports were submitted within the following timeframes: First Quarter: 10 December 2020 Second Quarter: The Mid-Term Performance Report was adopted by Council on 26 February 2021. Third Quarter: 20 May 2021 Fourth Quarter: The Fourth Quarter Performance Report was submitted to the Auditor-General and National Treasury on 31 August 2021

COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

The Municipality is required to take all reasonable steps to maintain an effective, efficient and transparent system of financial, risk management and internal control systems in line with Section 62(1) of the Local Government: Municipal Finance Management Act (MFMA), 2003 (Act 56 of 2003). The Nelson Mandela Bay Municipality has a functional risk management system, which comprises the NMBM Risk Management Policy and a Tool Kit (procedures and methodology) for identifying, assessing, monitoring and reporting on all material risks facing the Municipality.

Risk Culture

The Nelson Mandela Bay Municipality's Risk Management Unit works together with the NMBM Internal Audit Department to prevent fraud and corruption in the Municipality. The NMBM Risk Management Unit conducts quarterly analysis of all identified risks. The Chief Risk Officer and three Risk Specialists drive the implementation of risk management processes and assist in improving the risk maturity level of the Municipality. The team is assisted by three graduate trainees, who are employed on a 12-months contract basis.

The Municipality further has a Risk Management Committee. All Executive Directors within the Municipality serve on the Risk Management Committee and are accountable for the maintenance of an effective risk management system. The Chief Risk Officer reports to the Risk Management Committee and accounts to the Audit Committee on a quarterly basis on the status of risk management in the institution. The Executive Directors have further appointed appropriate officials to serve as Risk Champions within their respective directorates to assist in coordinating risk management activities and creating awareness of risk management within the directorates. The Municipality also has a Risk Management Policy which outlines the various roles and responsibilities of all internal stakeholders in relation to the enterprise risk management process. Employees can access the policy on the municipal website.

Internal Assurance Providers

The Municipality's Audit Committee and Internal Audit and Risk Assurance Unit provide objective and independent assurance to management and the Council of the Municipality. Internal audit processes are governed by an Internal Audit Charter, approved by the Municipality's Audit Committee. The Charter defines the purpose, authority and responsibility of the Internal Audit Unit. Both external and internal auditors attend Audit Committee meetings.

External Audit

On an annual basis, the Office of the Auditor-General provides the Municipality with an independent opinion on the Municipality's annual financial statements. The high level and detailed operational risk registers of the Municipality are updated based on the external audit outcomes.

Risk Disclosure

The integrated enterprise risk management process is at its initial stages of risk maturity (at 3.9 points), as measured using the National Treasury's Local Government Risk Management Maturity Framework. The National Treasury Guidance Notes form an integral part of the NMBM Risk Management Implementation Plan.

Strategic Risks

The following are some strategic risks identified by Municipality:

- Financial instability / sustainability due to declining revenue streams
- Shortage of water supply due to current drought combined with high consumption by residents due to Covid-19 hygiene requirements
- Inability to spend conditional grants
- Health and safety of employees may be compromised by (Covid-19) contaminated Municipal buildings
- Negative psycho-social impact of Covid-19 on all employees
- IT systems may be inadequate to support continuous service delivery during the Covid-19 pandemic.
- Compromised governance, compliance, and control environment
- Non-compliance with contractual obligations
- Increased exposure of NMBM Infrastructure to vandalism, theft and destruction
- Possible electricity outages due to delays in projects e.g. refurbishment of substations
- Increase in the prevalence of electricity theft
- Difficulty in attracting and retaining investment - Decline in foreign investors and firms disinvesting.
- Decline in domestic and foreign tourist visiting the city
- Continuing negative audit outcomes
- Increased levels of fraud:

2.7 ANTI-FRAUD AND ANTI-CORRUPTION STRATEGY

Council adopted the updated Anti-fraud and Anti-Corruption Strategy and Related Policies on 31 March 2021. This is also available to the public on the NMBM Website. Fraud risk assessments were conducted during the 2020/21 financial year and the fraud risk registers for all affected directorates were updated. An institutional fraud risk register indicating common high fraud risks was subsequently developed. Directorate Fraud Risk Champions were appointed to conduct quarterly assessments for their respective directorates.

The Municipality receives tip-offs in respect of fraud and corruption through walk-in complainants, telephone, fax, email and post. The NMBM Forensics Investigation Division has an Anti-Fraud and Anti-Corruption Hotmail, encouraging all citizens and NMBM employees to report any kind of unethical activity to the Hotmail address (ethics@mandelametro.gov.za). The Nelson Mandela Bay Fraud and Corruption Hotline number is 041 506 5522. Complaints can also be submitted via the NMBM App. The Municipality also uses the following additional hotlines:

- National Anti-Corruption Hotline (0800 701 701) managed by the Office of the Premier and the Public Service Commission (PSC) to manage fraud and corruption.
- Public Protector (0800 112 040) and email registration2@pprotect.org, which has jurisdiction over organs of state and state functionaries, and manages cases of improper prejudice experienced as a result of, amongst others, abuse of power, maladministration, improper enrichment and dishonesty / improper dealing with respect to public monies.

All referrals and tip offs from the National Anti-Corruption Hotline and Public Prosecutor are investigated by the Municipality. The Forensics Unit has a close working relationship with law enforcement agencies, including SAPS, HAWKS, SIU and Public Protector.

2.8 SUPPLY CHAIN MANAGEMENT

BRIEF NARRATIVE OF SCM POLICIES AND PROCESSES

The Municipality's Supply Chain Management Policy is in line with the Municipal Supply Chain Management Regulations. The procurement of goods and services with a value ranging from R10 000 to R30 000 (VAT inclusive) is tendered through written price quotations. Written price

quotations are sourced from three different service providers. Where three quotations are not obtained, a written report is compiled and submitted to the City Manager to provide reasons why three quotations were not obtained.

Goods and services with a value exceeding R30 000, but not exceeding R200 000 (VAT inclusive) are procured through competitive bidding processes. Invitations for bids are advertised for seven days on the municipal Website and notice-boards.

Bids above R200 000 follow a competitive bidding process and are advertised in the local newspapers, on the NMBM website, National Treasury's e-Tender Portal, and the CIDB website (Construction Works). The closing period for the submission of NMBM tenders is not less than either 30 days or 14 days, depending on the type of formal tender. The tender period may, however, be shortened on justifiable grounds, considered and approved by the City Manager.

IMPROVEMENTS CONTRIBUTING TO EFFECTIVE SERVICE DELIVERY

Through proper procurement processes, the Municipality is able to deliver effective services to its citizens. The Municipality implements a Quality Management System to ensure proper procurement processes. The Municipality has included in its SCM Policy a Supply Chain Management for Infrastructure Procurement and Delivery Management (SIPDM) to ensure value for money in the implementation of infrastructure related projects.

Establishment of SCM Elements

The following SCM elements have been established by the Municipality (in 2017/18):

- Demand Management.
- Contracts Management
- Risk and Performance Management elements
- Contracts Management element
- Acquisitions Management element.

The Contracts Management element is divided into three sections - the Contracts Management Section; the Performance Management Section; and the Records Management Section.

Process and systems improvement in 2020/21

The Municipality continued to implement the following process and systems improvement introduced in the previous financial year.

- Business process re-engineering was conducted which assisted in segregation of functions and definition of employees' roles.
- The NMBM SCM policy was reviewed; tender validity period was reduced to 90 days (NMBM SCM Policy Version 5). To this end, the SCM Office does not need to consult project managers in extending tender validity period. However, no validity period is extended beyond 360 days where there is no valid reason provided to the SCM Office.

CHALLENGES EXPERIENCED IN ATTAINING STANDARDS SET IN SECTION 112 OF MFMA

Challenges experienced in attaining the standards set in Section 112 of MFMA include inadequate capacity at the Demand Management, Acquisitions Management, Contracts Management and Compliance Management Sections due to high vacancy rates.

The table below indicates the unfilled critical vacancies in the NMBM Supply Chain Management Unit:

TABLE 2.4: SCM vacant positions

Section	Designation	Number of Vacancies	Task Grade
Contracts Management	Admin Clerk	1	6
	Senior Admin Clerk	6	10
	Chief Admin - Support	1	11
	Chief Admin - Contracts	2	12
Risk and Performance Management	Chief Compliance Officer	2	12
	Senior Compliance Officer	5	6
Acquisitions Management	Admin Clerk	2	6
	Assistant Buyer	8	7
	Procurement Officer	6	9
	Procurement Clerk	10	7
	Assistant Acquisition Controller	2	11
Logistics and Disposal Management	Store-keepers	4	6
	Stores Assistant	2	4

Long-term Contracts

Contracts in excess of three years relate to longer-term projects, such as the Nooitgedacht Low-level Scheme. There are 163 contracts in total.

Remedial Action

Altogether, 160 of such contracts have been terminated and only three appointments are outstanding.

2.9 BY-LAWS

The Municipality's By-law Implementation Coordinating Committee (BICC) coordinates and monitors the implementation of municipal By-laws through the following:

- Receiving complaints on local By-law transgressions
- Undertaking site visits
- Organising joint operations pertaining to infringements of municipal By-laws (where three or more infringements have been reported)
- Holding regular meetings to discuss issues or concerns relating to By-law transgressions and complaints.

The Committee meets on a monthly basis to interrogate identified By-law transgressions and specific actions to be taken in respect of those transgressions. During the 2020/21 financial year, altogether, the BICC held seven meetings to discuss progress reports and specific actions taken by various role-players during by-law implementation and enforcement within the Municipality.

Site visits and joint operations

Joint operations are undertaken together with the South African Police Service, the Department of Home Affairs and South African Revenue Services – Customs Section. During the 2020/21 financial year one site visit and seven Joint Operations were conducted to monitor by-law compliance in the Municipality. Notices and fines were issued, where applicable, and awareness was created in respect of by-law compliance.

TABLE 2.5: Site visits / Joint operations

NO	SITES VISITED	DATE
1	Korsten Joint Operation	8, 10, 12 March 2021
2	Ward 38 (Jacksonville / Timothy Valley / Kwanoxolo Joint Operation	17 March 2021
3	Site Visit to Avonmouth and 3 Pommern Street	19 March 2021
4	North End Lake Joint Operation	25 March 2021
5	Mount Croix, St Georges Park and Mount Road Under The Bridge	29 March 2021
6	Chatty 11 Joint Operation	23 April 2021
7	Algoa Street under the bridge Joint Operation	17 June 2021
8	Swartkops Street and Roberson Street Joint Operation	17 June 2021

2.10 WEBSITE - COMMUNICATIONS

TABLE 2.6: Website

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current Annual and Adjustments Budgets and all budget-related documents	Yes	2020/21 Early Adjustments Budget: 15 December 2020 2020/21 Adjustments Budget: 03 March 2020 2020/21 Draft Budget: 17 June 2020 2020/21 Final Budget: 09 July 2020
All current Budget-related policies	Yes	09 July 2020
The previous Annual Report (Year -1 = 2019/20)	Yes	01 April 2021 (1 st Draft version) 15 June 2021 (2 nd Draft version)
The Annual Report (Year 0 = 2020/21)	Yes	31 January 2022
All current performance agreements required in terms of Section 57(1)(b) of the Municipal Systems Act (Year 0 = 2020/21) and resulting scorecards	Yes	2020/21: 21 August 2020
All service delivery agreements (Year 0 = 2020/21)	N/A	No service delivery agreements entered into during the review period
All long-term borrowing contracts (Year 0 = 2020/21)	Yes	20 August 2020
All Supply Chain Management contracts above a prescribed value for Year 0 (2020/21)	Yes	All SCM awards published as they occur
An information statement containing a list of assets over a prescribed value, disposed of in terms of Section 14(2) or (4) during Year	Yes	Last published on 08 April 2019

Municipal Website: Content and Currency of Material		
Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Contracts agreed in Year 0 (2020/21) to which Subsection (1) of Section 33 apply, subject to Subsection (3) of that Section	N/A	No contracts entered into during the review period
Public-private partnership agreements referred to in Section 120 made in Year 0 (2020/21)	N/A	No Partnership agreements entered into during the review period
All quarterly reports tabled in Council in terms of Section 52(d) during Year 0 (2020/21)	Yes	Qtr. 1: No Committee meetings held (for submission to Council) Qtr. 2: 02 March 2021 Qtr. 3: 21 June 2021

2.11 PUBLIC SATISFACTION WITH MUNICIPAL SERVICES

CUSTOMER SATISFACTION SURVEY

The Nelson Mandela Bay Municipality conducts customer satisfaction surveys to determine any gaps in the provision of services to ensure that processes can be put in place to address any deficiencies/gaps identified.

The household satisfaction survey, planned for the 2020/21 financial year could not be undertaken due to the risk reduction strategies imposed by the national government to mitigate the impact of the Covid-19 pandemic. Limitation in respect of office space, access to information and communication technology and infrastructure, and delays in the supply chain management value chain, were but some of the reasons for not undertaking the survey. It is therefore intended that the household survey will be undertaken in the 2021/22 financial year.

CHAPTER 3 - SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

Below are the service delivery performance highlights during the 2020/21 financial year.

- **Provision of integrated and sustainable human settlements**
 - 1489 formal sites serviced
- **Provision of water and sanitation**
 - 1222 new water connections meeting minimum standards.
- **Provision of electricity**
 - 1671 dwellings provided with connections to the mains electricity supply.
- **Provision of solid waste services**
 - 54% of known informal settlements receiving integrated waste handling services.
- **Provision of recreational facilities and public amenities**
 - 80% (in line with the project plan) completion of the upgrades to the changing rooms at Walmer Sports Field.
 - 95% of the Springs Resorts infrastructure upgrades have been completed

Other key focus areas of the Municipality include:

- Municipal institutional development and transformation
- Local economic development (including job creation through the Expanded Public Works Programme)
- Municipal financial viability and management
- Good governance and public participation

COMPONENT A: BASIC SERVICES

INTRODUCTION TO BASIC SERVICES

The Municipality provides the following basic services to its residents: water; sanitation; electricity; waste management; housing services among others.

3.1 WATER PROVISION

The review of the Municipality's Water Service Development Plan is completed and was submitted to the Infrastructure and Engineering Portfolio Committee during the 2020/21 financial year. The Draft Plan will be submitted to other Council structures during the 2021/22 financial year for consideration.

Basic Water:

The upgrade of the Loerie Water Treatment Works is complete and Nooitgedacht Low Level Scheme (Phase 3) is still under construction through Amatola Water as an implementing agent.

Water Augmentation:

Progress in terms of the water augmentation is indicated in the table below.

TABLE 3.1: Water Augmentation

No	Augmentation	Progress
1	Coega Kop boreholes	Production boreholes and water pipelines contract completed
2	Desalination	Funding applications have been made
3	Non-revenue water	Pressure management, meter replacement and pipe replacement carried out

Efficient Water Use:

The table below indicates water operations and presents a comparative analysis of water losses since 2016/17.

TABLE 3.2: Water savings / losses

Details	2016/17	2017/18	2018/19	2019/20	2020/21
Treated volume (MI)	101 298	100 028	100 620	106 853	107 522
Billed volume (MI)	63,262	56 163	56 400	57 330	60 100
Non-Revenue Water %	37.5%	43.9%	43.9%	46.3%	44.1%
Real losses %	34.2%	34.2%	34.0%	35.0%	29.3%
Non-Revenue Water	38,063	43 864	44 220	49 523	47 422
Real Losses	29 807	34 187	34 212	37 418	31 458

The table below indicates the total use of water by sector during the 2020/21 financial year.

TABLE 3.3: Total use of water by sector (Megalitres)

Total Use of Water by Sector (Megalitres)					
	Agriculture	Forestry	Industrial & Commercial	Domestic	Unaccountable water losses
Year -2	0	0	18224	37843	32.0%
Year - 1	0	0	24528	32802	35.0%
Year 0	0	0	37633	69889	29.3%

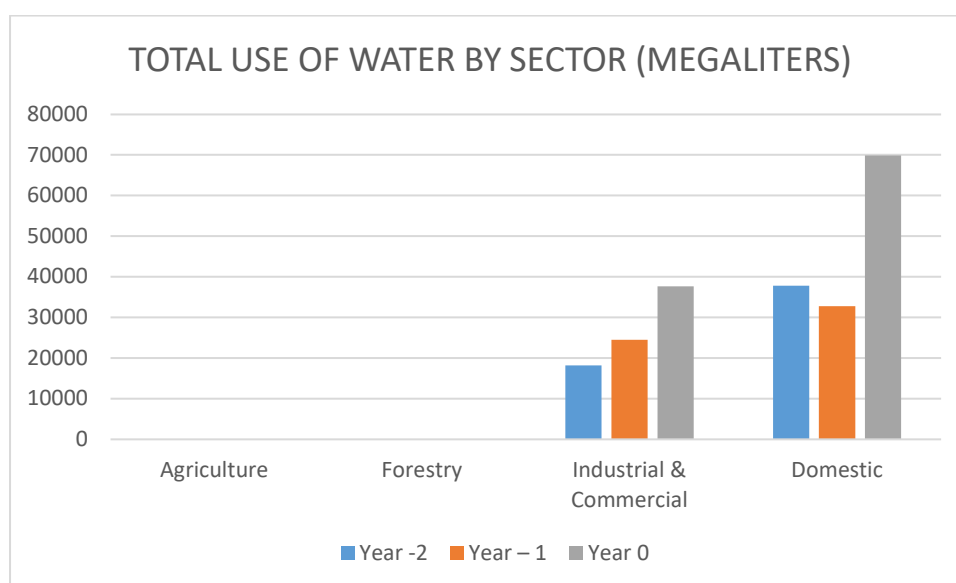
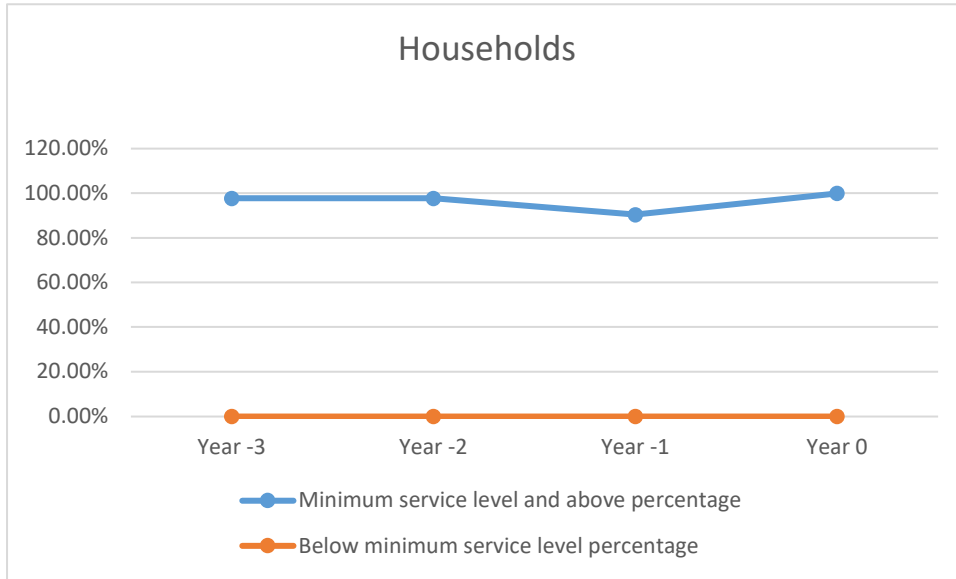
FIGURE 3.1: Water use by sector

FIGURE 3.2: Water (above minimum level)

Households						
Description	Year -3	Year -2	Year -1	Year 0		
	Actual	Actual	Actual	Target	Actual	Variance
	No.	No.	No.	No.	No.	No.
Water: (above minimum level)						
Piped water inside dwelling	309061	309920	299 168	299 168	320 084	-20 916
Piped water inside yard (but not in dwelling)			44 479	44 479	30 692	13 787
Using public tap (within 200m from dwelling)	15231	14372	9143	9143	6 314	2829
Other water supply (within 200m)			1275	1275	1910	635
Minimum service level and above sub-total	324292	324292	354065	354065	359000	-4935
Minimum service level and above percentage	97.68%	97.68%	99.44%	99.44%	99.88%	
Water: (below minimum level)	0	0	0	0	0	
Using public tap (more than 200 m from dwelling)	0	0	0	0	0	
Other water supply (more than 200 m from dwelling)			0	0	0	
No water supply			2000	2000	412	
Below minimum service level sub-total	0	0	2000	2000	412	1588
Below minimum service level percentage	0	0	0.56%	0.56%	0.11%	0
Total number of households	324292	324292	356065	356065	359412	

TABLE 3.5: Household access to water

Year	Proportion of households with access to water points	Proportion of households with access to piped water
Year -2	11279	313013
Year -1	45453	352790
Year 0	45453	314481

TABLE 3.6: Performance Score Card

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1	Year -1	Year 0	Year 0	Year 1
		TARGET	ACTUAL	TARGET	ACTUAL	TARGET
		2019/20	2019/20	2020/21	2020/21	2021/22
KPA: Basic Service Delivery	Number of new water connections meeting minimum standards	2000 In line with Housing Programme	1468 In line with Housing Programme	850	1222	300
KPA: Basic Service Delivery	Percentage of complaints/callouts responded to within 24 hours (water)	100%	94.44%	100%	23.56%	98%
KPA: Basic Service Delivery	Percentage of total water connections metered	95%	96.96%	96%	96.74%	97%

TABLE 3.7: Employees: Water Services

Employees: Water Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	175	250	235	15	6%
4 - 6	93	160	146	14	9%
7 - 9	48	79	68	11	14%
10 - 12	29	54	44	10	19%
13 - 15	3	30	7	23	77%
16 - 18	3	3	2	1	33%
19 - 20	0	1	0	1	100%
Total	351	577	502	75	13%

There are vacant supervisory positions at Levels 13 – 15.

TABLE 3.8: Financial Performance 2020/21: Water Management

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,401,672	1,342,297	1,640,249	1,971,249	331,000
Expenditure:					
Employees	175,349	199,543	213,352	221,196	7,844
Repairs and Maintenance	70,201	145,574	124,142	61,580	(62,562)
Other	935,292	517,223	582,852	1,386,248	808,396
Total Operational Expenditure	1,180,842	862,340	920,346	1,669,024	748,678
Net Operational Expenditure	(220,830)	(479,957)	(719,903)	(301,225)	(418,678)

TABLE 3.8.1: Financial Performance 2020/21: Water Treatment					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	136	-	1	1	0
Expenditure:					
Employees	41,669	46,726	46,051	62,324	16,273
Repairs and Maintenance	14,341	51,001	35,141	19,707	15,434
Other	109,926	137,094	136,677	229,993	93,316
Total Operational Expenditure	165,937	234,821	217,869	312,024	94,155
Net Operational Expenditure	165,802	234,821	217,868	312,023	94,155

TABLE 3.8.1.1: Function: Water Management: Core	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Function: Water Treatment	86,543,046	234,820,580	217,867,560	260,828,371	-42,960,811
Expenditure By Type / Contracted services	14,479,238	53,355,100	37,125,100	19,917,401	17,207,699
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation		60,000	60,000		60,000
Contractors:					
Maintenance of Buildings and Facilities	217,458	1,964,010	1,814,010	19,655	1,794,355
Maintenance of Equipment	13,951,559	48,290,210	32,630,210	19,688,285	12,941,925
Maintenance of Unspecified Assets	188,550	737,680	687,680		687,680
Pest Control and Fumigation		5,960	5,960		5,960
Sewerage Services	18,725	280,000	180,000		180,000
Outsourced Services:					
Business and Advisory: Project Management	76,000	400,000	355,000	4,811	350,189
Business and Advisory: Research and Advisory		50,000	50,000		50,000

TABLE 3.8.1.1: Function: Water Management: Core	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Clearing and Grass Cutting Services	26,946	1,557,240	1,332,240	204,651	1,127,589
Sewerage Services		10,000	10,000		10,000
Expenditure By Type / Depreciation and asset impairment	43,269,333	39,219,960	39,219,960	153,253,380	-114,033,420
Furniture and Office Equipment	1,262,573			153,253,380	-153,253,380
Storm water Infrastructure: Storm Water Conveyance	5,002,729				0
Water Supply Infrastructure: Reservoirs	36,938,890	39,219,960	39,219,960		39,219,960
Water Supply Infrastructure: Water Treatment Works	65,140				0
Expenditure By Type / Employee related costs	41,669,355	46,726,170	46,051,410	62,323,744	-16,272,334
Municipal Staff: Post-retirement Benefit: Pension:					
Pension: Current Service Cost				16,793,753	-16,793,753
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	301,363	331,040	321,270	321,269	1
Allowances: Housing Benefits and Incidental: Housing Benefits	124,259	143,400	138,930	135,924	3,006
Allowances: Non-pensionable	360	3,380			0
Allowances: Service Related Benefits: Acting and Post Related Allowances	171,334	45,000	337,750	238,887	98,863
Allowances: Service Related Benefits: Bonus	1,770,283	1,931,800	2,224,220	1,857,252	366,968
Allowances: Service Related Benefits: Long Service Award	1,508,059	1,660,830	1,465,120	1,507,918	-42,798
Allowances: Service Related Benefits:Overtime:Night Shift	601,362	534,040	618,680	703,543	-84,863
Allowances: Service Related Benefits:Overtime:Non Structured	8,935,504	6,951,310	6,561,310	11,808,719	-5,247,409
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	406,306	504,190	504,190	435,419	68,771
Allowances: Service Related Benefits:Overtime:Structured	648,482		490,000	689,756	-199,756
Allowances: Service Related Benefits: Scarcity Allowance	509,492	585,390	566,000	567,642	-1,642
Allowances: Service Related Benefits: Standby Allowance	634,816	589,580	589,580	658,969	-69,389
Allowances: Travel or Motor Vehicle	732,769	1,129,540	1,066,010	727,145	338,865
Basic Salary and Wages	19,133,291	25,394,200	24,837,910	19,525,003	5,312,907
Municipal Staff: Social Contributions:					
Bargaining Council	7,353	8,040	7,520	7,356	164

TABLE 3.8.1.1: Function: Water Management: Core	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Group Life Insurance	213,730	239,660	218,810	216,204	2,606
Medical	1,987,685	2,208,990	2,015,020	2,091,049	-76,029
Pension	3,864,480	4,334,500	3,977,220	3,927,389	49,831
Unemployment Insurance	118,428	131,280	111,870	110,549	1,321
Expenditure By Type / Other expenditure	35,904,758	49,750,010	49,698,020	41,859,311	7,838,709
Operational Cost:					
Advertising, Publicity and Marketing: Staff Recruitment		5,000	5,000		5,000
Advertising, Publicity and Marketing: Tenders	15,931	30,000	30,000	28,903	1,097
Assets less than the Capitalisation Threshold	319,581	4,320	69,320	59,445	9,875
Communication: Cellular Contract (Subscription and Calls)	48,269	153,520	153,520	55,323	98,197
Communication: Telemetric Systems		100,000	100,000		100,000
Communication: Telephone, Fax, Telegraph and Telex	148,524	254,270	254,270	149,301	104,969
Drivers Licences and Permits	804	4,570	4,570		4,570
Hire Charges	1,852,537	2,669,940	2,466,940	1,412,964	1,053,976
Insurance Underwriting: Premiums	10,273	12,540	15,540	12,856	2,684
Licences: Motor Vehicle Licence and Registrations		10,000	10,000		10,000
Municipal Services	32,392,318	44,367,970	44,367,970	39,196,729	5,171,241
Skills Development Fund Levy	603,388	610,860	698,870	706,429	-7,559
Travel Agency and Visa's	518	1,000	1,000		1,000
Travel and Subsistence:Domestic:Accommodation	3,391	10,000	10,000		10,000
Travel and Subsistence:Domestic:Daily Allowance	320	2,000	2,000		2,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		15,000	15,000		15,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	609				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		2,000	2,000		2,000
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		2,500	2,500		2,500
Uniform and Protective Clothing	70,400	123,520	118,520	79,405	39,115

TABLE 3.8.1.1: Function: Water Management: Core	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Wet Fuel		869,000	869,000	145,122	723,878
Workmen's Compensation Fund	437,896	502,000	502,000	12,831	489,169
Expenditure By Type / Other materials	30,614,397	45,769,340	45,774,340	34,670,105	11,104,235
Consumables: Standard Rated	30,047,865	45,339,430	45,344,430	34,417,595	10,926,835
Consumables: Zero Rated	423,357	132,360	132,360	145,231	-12,871
Finished Goods	96,911	215,180	215,180	70,586	144,594
Materials and Supplies	46,264	82,370	82,370	36,692	45,678
Revenue By Source / Other revenue	-135,500		-1,270	-1,270	0
Operational Revenue:					
Staff Recoveries			-1,270	-1,270	0
Sales of Goods and Rendering of Services:					
Scrap, Waste & Other Goods: Scrap	-135,500				0
Revenue By Source / Transfers and subsidies - capital	-79,258,535			-51,194,300	51,194,300
National Government: Urban Settlements Development Grant	-79,258,535			-51,194,300	51,194,300

TABLE 3.8.2: Financial Performance 2020/21: Water Storage

R'000

Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	
Expenditure:					
Employees	18,447	19,680	19,983	19,535	(448)
Repairs and Maintenance	1,369	2,602	4,002	671	(3,331)
Other	21,990	17,614	16,759	6,284	(10,475)
Total Operational Expenditure	41,806	39,896	40,744	26,490	(14,254)
Net Operational Expenditure	41,806	39,896	40,744	26,490	(14,254)

TABLE 3.8.2.1: Function: Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Water Storage	41,805,783	39,896,170	40,744,450	26,489,909	14,254,541
Expenditure By Type / Contracted services	2,498,544	11,218,090	11,483,090	2,861,948	8,621,142
Contractors:					
Gas	619	5,290	5,290		5,290
Maintenance of Buildings and Facilities		1,080,180	1,080,180		1,080,180
Maintenance of Equipment	1,368,908	1,314,620	2,714,620	670,961	2,043,659
Maintenance of Unspecified Assets		80,960	80,960		80,960
Pest Control and Fumigation	2,670	48,600	48,600	1,980	46,620
Safeguard and Security	39,885			35,596	-35,596
Outsourced Services:					
Alien Vegetation Control		5,121,190	4,221,190	825,567	3,395,623
Clearing and Grass Cutting Services	1,086,463	3,540,610	3,305,610	1,327,845	1,977,765
Sewerage Services		26,640	26,640		26,640
Expenditure By Type / Depreciation and asset impairment	16,096,618	2,200,970	2,200,970		2,200,970
Expenditure: Depreciation and Amortisation:Depreciation:Water Supply Infrastructure: Dams and Weirs	7,636,742	45,710			0
Expenditure: Depreciation and Amortisation:Depreciation:Water Supply Infrastructure: Pump Stations	3,203,715				0
Expenditure: Depreciation and Amortisation:Depreciation:Water Supply Infrastructure: Reservoirs	5,256,161	2,155,260	2,200,970		2,200,970
Expenditure By Type / Employee related costs	18,447,132	19,679,630	19,982,910	19,534,520	448,390
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Cellular and Telephone	4,716	5,190	4,730	4,716	14
Allowances: Housing Benefits and Incidental: Housing Benefits	49,885	35,850	69,460	69,408	52
Allowances: Non-pensionable	720	1,720	720	720	0
Allowances: Service Related Benefits: Acting and Post Related Allowances	11,917		35,000	21,758	13,242
Allowances: Service Related Benefits: Bonus	832,212	895,790	974,540	864,788	109,752

TABLE 3.8.2.1: Function: Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits: Long Service Award	811,040	847,570	843,810	900,923	-57,113
Allowances: Service Related Benefits:Overtime:Night Shift	51,486	77,870	77,870	71,313	6,557
Allowances: Service Related Benefits:Overtime:Non Structured	3,585,147	2,824,410	3,054,410	3,682,344	-627,934
Allowances: Service Related Benefits:Overtime:Structured	427,180	200,000	224,130	567,587	-343,457
Allowances: Service Related Benefits: Standby Allowance	675,558	540,750	540,750	750,816	-210,066
Basic Salary and Wages	8,968,968	10,953,650	11,065,610	9,442,978	1,622,632
Municipal Staff: Social Contributions:					
Bargaining Council	5,005	5,410	5,170	5,287	-117
Group Life Insurance	94,073	109,580	100,020	104,517	-4,497
Medical	1,009,515	1,084,500	996,820	1,014,263	-17,443
Pension	1,839,960	2,011,070	1,912,680	1,953,671	-40,991
Unemployment Insurance	79,752	86,270	77,190	79,431	-2,241
Expenditure By Type / Other expenditure	3,321,726	5,658,630	5,883,630	3,207,014	2,676,616
Operational Cost:					
Assets less than the Capitalisation Threshold	2,990				0
Communication: Cellular Contract (Subscription and Calls)	23,387	60,000	60,000	26,744	33,256
Communication: Telephone, Fax, Telegraph and Telex	18,083	146,810	146,810	20,241	126,569
Drivers Licences and Permits		570	570		570
Hire Charges	2,891,639	3,579,050	3,454,050	2,376,846	1,077,204
Insurance Underwriting: Premiums	19,848	28,310	28,310	24,059	4,251
Licences: Motor Vehicle Licence and Registrations	258	1,000	1,000	311	689
Municipal Services	284,058	601,370	901,370	409,916	491,454
Uniform and Protective Clothing	78,563	131,520	181,520	163,255	18,265
Wet Fuel		1,110,000	1,110,000	185,643	924,357
Workmen's Compensation Fund	2,900				0
Expenditure By Type / Other materials	1,441,764	1,138,850	1,193,850	886,427	307,423
Consumables: Standard Rated	67,664	281,400	281,400	109,458	171,942

TABLE 3.8.2.1: Function: Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Consumables: Zero Rated	1,153,965	341,920	396,920	514,812	-117,892
Finished Goods	21,968	155,780	155,780	36,397	119,383
Materials and Supplies	198,167	359,750	359,750	225,760	133,990

TABLE 3.8.3: Financial Performance 2020/21: Water Distribution

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,401,537	1,342,297	1,640,247	1,970,248	330,001
Expenditure:					
Employees	115,233	133,137	147,318	139,337	(7,981)
Repairs and Maintenance	54,491	91,971	84,999	41,202	(43,797)
Other	803,376	362,515	429,416	1,149,971	720,555
Total Operational Expenditure	973,100	587,623	661,733	1,330,510	668,777
Net Operational Expenditure	(428,437)	(754,674)	(978,515)	(639,738)	(338,777)

TABLE 3.8.3.1: Function: Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Water Distribution	-536,090,973	-912,724,010	-1,268,664,530	-740,382,717	-528,281,813
Expenditure By Type / Bulk purchases	128,130,995	134,784,000	134,784,000	125,987,239	8,796,761
Water	128,130,995	134,784,000	134,784,000	125,987,239	8,796,761
Expenditure By Type / Contracted services	60,579,245	93,901,640	95,305,360	48,785,369	46,519,991
Consultants and Professional Services:					
Business and Advisory: Research and Advisory	223,480	200,000	200,000	136,860	63,140
Legal Cost: Legal Advice and Litigation	868,757	600,000	600,000	381,261	218,739
Contractors:					

TABLE 3.8.3.1: Function: Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Gas	2,502	7,280	7,280	1,128	6,152
Maintenance of Buildings and Facilities	14,583	1,220,520	946,520	41,633	904,887
Maintenance of Equipment	54,854,589	84,350,890	85,049,870	41,224,852	43,825,018
Maintenance of Unspecified Assets	12,201	1,414,850	1,414,850		1,414,850
Pest Control and Fumigation	3,200	30,000	30,000		30,000
Safeguard and Security			24,000		24,000
Outsourced Services:					
Business and Advisory: Project Management	4,599,934	5,622,100	6,546,840	6,784,544	-237,704
Clearing and Grass Cutting Services		439,000	439,000	215,090	223,910
Hygiene Services		17,000	17,000		17,000
Refuse Removal		0	30,000		30,000
Expenditure By Type / Debt impairment	485,587,842	126,091,130	195,274,740	925,954,832	-730,680,092
Gains and Losses: Impairment Loss: Trade and Other Receivables from Exchange Transactions: Water	485,587,842	126,091,130	195,274,740	925,954,832	-730,680,092
Expenditure By Type / Depreciation and asset impairment	106,215,440	142,460	142,460	1,929,239	-1,786,779
Expenditure: Depreciation and Amortisation: Depreciation: Water Supply Infrastructure: Pump Stations	23,643				0
Expenditure: Depreciation and Amortisation: Depreciation: Water Supply Infrastructure: Reservoirs	106,191,797	142,460	142,460	1,929,239	-1,786,779
Expenditure By Type / Employee related costs	115,232,844	133,136,860	147,317,860	139,337,145	7,980,715
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	3,489,880	10,325,900	10,325,900		10,325,900
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	302,864	332,700	333,720	333,708	12
Allowances: Housing Benefits and Incidental: Housing Benefits	389,003	460,970	380,820	390,177	-9,357
Allowances: Non-pensionable	360	1,320	360	240	120
Allowances: Service Related Benefits: Acting and Post Related Allowances	478,470	0	1,045,000	576,877	468,123

TABLE 3.8.3.1: Function: Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits: Bonus	4,704,840	5,148,880	5,337,880	4,843,703	494,177
Allowances: Service Related Benefits: Leave Pay	2,662,882	587,700	587,700	6,820,458	-6,232,758
Allowances: Service Related Benefits: Long Service Award	886,027	4,061,590	3,756,570	11,131,228	-7,374,658
Allowances: Service Related Benefits:Overtime:Night Shift	308,805	332,670	422,280	377,522	44,758
Allowances: Service Related Benefits:Overtime:Non Structured	21,945,764	14,690,600	18,089,080	24,593,898	-6,504,818
Allowances: Service Related Benefits:Overtime:Structured	12,122			7,119	-7,119
Allowances: Service Related Benefits: Scarcity Allowance	1,373,676	1,557,470	1,382,970	1,370,737	12,233
Allowances: Service Related Benefits: Standby Allowance	1,973,536	1,667,550	1,583,390	2,065,878	-482,488
Allowances: Travel or Motor Vehicle	850,025	1,085,260	1,011,230	832,910	178,320
Basic Salary and Wages	57,818,485	72,968,120	84,717,440	67,691,972	17,025,468
Municipal Staff: Social Contributions:					
Bargaining Council	24,028	26,280	24,580	23,928	652
Group Life Insurance	665,014	739,170	709,270	699,637	9,633
Medical	6,841,924	7,429,870	6,811,880	6,865,755	-53,875
Pension	10,063,125	11,261,810	10,394,620	10,224,507	170,113
Unemployment Insurance	442,014	459,000	403,170	486,890	-83,720
Expenditure By Type / Finance charges	17,630,301	30,118,700	24,071,840	23,186,982	884,858
Interest Paid:Borrowings:Annuity Loans	17,630,301	30,118,700	24,071,840	23,186,982	884,858
Expenditure By Type / Other expenditure	55,601,826	58,826,800	61,382,800	62,857,697	-1,474,897
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	91,905	170,000	170,000	80,064	89,936
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		10,000	10,000		10,000
Advertising, Publicity and Marketing: Staff Recruitment	7,644	25,000	25,000		25,000
Advertising, Publicity and Marketing: Tenders	7,463	25,000	53,500	43,635	9,865
Assets less than the Capitalisation Threshold	4,542	127,510	487,510	366,375	121,135

TABLE 3.8.3.1: Function: Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Cellular Contract (Subscription and Calls)	355,461	567,550	490,050	425,980	64,070
Communication: Telemetric Systems	7,095	20,000	20,000	7,278	12,722
Communication: Telephone, Fax, Telegraph and Telex	436,512	430,000	430,000	520,615	-90,615
Drivers Licences and Permits		5,370	5,370	1,168	4,202
External Computer Service: Network Extensions		12,500	12,500	4,275	8,225
External Computer Service: Software Licences		64,210	64,210	6,200	58,010
Hire Charges	42,805,900	38,594,540	41,639,540	48,096,818	-6,457,278
Insurance Underwriting: Claims paid to Third Parties	304,508	500,000	500,000	387,951	112,049
Insurance Underwriting: Premiums	657,668	801,720	801,720	703,838	97,882
Levies Paid - Water Resource Management Charges	9,304,135	11,539,220	11,539,220	9,547,030	1,992,190
Licences: Motor Vehicle Licence and Registrations	4,518	26,840	26,840	16,760	10,080
Printing, Publications and Books	25,259	35,000	35,000	25,559	9,441
Professional Bodies, Membership and Subscription	58,578	60,000	60,000	46,499	13,501
Registration Fees: Seminars, Conferences, Workshops and Events: National		96,000	96,000		96,000
Skills Development Fund Levy	948,578	1,060,170	1,060,170	994,787	65,383
Travel Agency and Visa's	294	1,800	1,800		1,800
Travel and Subsistence:Domestic:Accommodation		7,500	7,500		7,500
Travel and Subsistence:Domestic:Daily Allowance		1,000	1,000		1,000
Travel and Subsistence:Domestic:Incidental Cost		500	500		500
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		15,000	15,000		15,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		7,500	7,500		7,500
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		10,000	10,000		10,000
Uniform and Protective Clothing	440,243	785,000	785,000	599,947	185,053
Wet Fuel		3,650,000	2,850,000	816,595	2,033,405

TABLE 3.8.3.1: Function: Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Workmen's Compensation Fund	141,522	177,870	177,870	166,321	11,549
Expenditure By Type / Other materials	4,121,035	10,621,760	3,453,760	2,471,323	982,437
Consumables: Standard Rated	298,892	504,190	556,190	477,517	78,673
Consumables: Zero Rated	3,232,274	2,308,730	2,478,730	1,828,316	650,414
Finished Goods	25,891	137,000	147,000	46,875	100,125
Materials and Supplies	563,977	7,671,840	271,840	118,615	153,225
Revenue By Source / Interest earned - outstanding debtors	-23,532,311	-87,452,840	-118,153,060	-168,265,336	50,112,276
Interest:Receivables:Water	-23,532,311	-87,452,840	-118,153,060	-168,265,336	50,112,276
Revenue By Source / Other revenue	-374,857		-30,000	-22,618	-7,382
Operational Revenue:					
Insurance Refund	-3,015		-30,000	-22,618	-7,382
Request for Information: Access to Information Act	-368,346				0
Staff Recoveries	-996				0
Sales of Goods and Rendering of Services:					
Scrap, Waste & Other Goods: Scrap	-2,500				0
Revenue By Source / Rental of facilities and equipment	-577,312	-660,000	-560,000	-619,701	59,701
Property Plant and Equipment: Straight-lined Operating: Other Assets	-577,312	-660,000	-560,000	-619,701	59,701
Revenue By Source / Service charges - water revenue	-1,189,576,359	-1,050,759,400	-1,301,831,630	-1,578,366,944	276,535,314
Revenue: Exchange Revenue: Service Charges:Water:Agricultural and Rural Water Service	-30,263,801	-35,497,680	-37,197,680	-42,326,172	5,128,492
Revenue: Exchange Revenue: Service Charges:Water:Availability Charges	-155,988,103	-166,272,590	-170,078,090	-166,232,902	-3,845,188
Revenue: Exchange Revenue: Service Charges:Water:Connection/Disconnection	-5,039,392	-6,812,510	-5,531,240	-5,810,966	279,726
Revenue: Exchange Revenue: Service Charges:Water:Industrial Water	-318,844,882	-268,155,360	-191,484,710	-273,131,248	81,646,538
Revenue: Exchange Revenue: Service Charges:Water:Sale:Conventional	136,577,584	171,966,520	219,614,520	178,004,881	41,609,639

TABLE 3.8.3.1: Function: Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue: Exchange Revenue: Service Charges:Water:Sale:Flat Rate	-2,460,223	-2,585,120	-2,585,120	-2,624,392	39,272
Revenue: Exchange Revenue: Service Charges:Water:Urban Higher Level Service	-813,557,542	-743,402,660	-1,114,569,310	-1,266,246,127	151,676,817
Revenue By Source / Transfers and subsidies	-187,475,930	-203,425,120	-219,672,660	-222,973,120	3,300,460
National Revenue Fund: Equitable Share	-187,475,930	-203,425,120	-219,672,660	-222,973,120	3,300,460
Revenue By Source / Transfers and subsidies - capital	-1,667,279				0
South Africa Revenue Service (SARS)	-1,667,279				0
Revenue By Source / Transfers and subsidies - capital	-105,986,453	-158,050,000	-290,150,000	-100,644,822	-189,505,178
Municipal Disaster Relief Grant	-37,461,683				0
National Government: Urban Settlements Development Grant	-68,524,770	-158,050,000	-290,150,000	-100,644,822	-189,505,178

TABLE 3.9: Capital expenditure: Water Services

Capital Expenditure 2020/21						
Water Services						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	204,166	322,050	461,600	371,069	13%	
Fencing of Voortreker Reservoir	1,000	-	-	-		
Fencing of Gelvandale Reservoir	500	1,000,000	-	-		
Fencing of Struandale Reservoir	500	1,000,000	-	-		
Water Services: Rehabilitation of Reservoirs	7,999	-	-	11,687,142	100%	
Water Services: Loerie Treatment Works: Rehabilitation	-	1,500,000	650,000	542,397	-177%	
Water Services: Installation of Zone Water meters	2,996	5,000,000	500,000	499,958	-900%	
Water Services: Purchase of Water Meters - Metro	9,597	-	-	-		
Supply & Installation of water Meters BEP	2,314	-	-	-		

Capital Expenditure 2020/21						
Water Services						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Water Services: Upgrade and Rehabilitation of Water Pipelines	16,216	-	-	-		
Water Services: Older Dams Pipelines Augmentation	-	3,000,000	3,000,000	2,634,466	-14%	
Water Services: Linton: Additional treatment facility	969	1,500,000	1,500,000	2,345,102	36%	
Water Services: Nooitgedagt/Coega Low Level System	11,932	10,000,000	13,000,000	13,968,173	28%	
Water Services: Seaview Water Pump Station: Upgrades	33,272	1,500,000	13,500,000	14,597,254	90%	
Water Services: Upgrading of Churchill Water Treatment Works	-	6,500,000	-	-		
Water Services: Rudimentary Service: Water	618	-	-	-		
Installation of Standpipes and Associated Water Meters-Rudimentary Services	6,923	5,000,000	5,000,000	4,172,105	-20%	
Water Services: Telemetry Equipment	-	3,000,000	500,000	245,065	-1124%	
Groundwater Drought Interventions - Coegakop Boreholes	9,596	-	-	-		
Water Services: Bulk Water Metering and Control	996	5,000,000	500,000	2,485,668	-101%	
Water Services: Rehabilitation of Pipe Bridges	-	1,500,000	-	-		
Water Services: Advanced Meter Infrastructure	2,745	5,000,000	650,000	1,548,242	-223%	
1412:Groundwater:Drought Intervention: Drilling of Boreholes	12,881	14,000,000	70,300,000	13,919,137	-1%	
1412:Loerie Water Treatment Works: Rehab	67,326	28,000,000	32,000,000	35,460,546	21%	
Construction of Coegakop Water Treatment Works (MDRG)	11,115	-	-	-		
Construction of Coegakop Water Treatment Works (NON-MDRG)	4,671	52,000,000	107,600,000	96,685,677	46%	
Upgrading of Groendal Treatment Works	-	1,500,000	-	-		
Jagtvlakte: Bulk Water Supply Pipeline	-	1,000,000	1,000,000	974,474	-3%	
Construction of a 1,0 MI reclaimed effluent reservoir: Kariega	-					

Capital Expenditure 2020/21						
Water Services						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Water Services: Upgrading of Springs Water Treatment Works	-	250,000	250,000	248,711	-1%	
NOOITGEDAGT:NEW PUMP SETS - M/WELL + STANFD RD PUMP STATION	-	3,000,000	1,000,000	970,797	-209%	
Water Services: Rehabilitation of Water Pump Stations	-	6,000,000	4,400,000	4,801,108	-25%	
Water Services: Rehabilitation of Dams	-	1,500,000	1,500,000	3,558,608	58%	
WATER: UPGRADE OF RESERVOIR: KWANOBUHLE	-	5,000,000	5,000,000	4,985,086	0%	
Renewal of Water Pipeline - Bloemendal	-	-	12,000,000	10,434,324	100%	
Purchase & installation of Impofu Water Barge Equipment	-	-	-	2,987,369	100%	
Colchester Development Augmentation - New Water Pipeline	-	-	7,500,000	7,463,074	100%	
WATER: UPGRADE OF RESERVOIR: Mc NAUGHTON	-	5,000,000	5,000,000	4,868,925	-3%	
Bulk Water Supply: Florida Heights	-	-	5,000,000	-		
Renewal of Water Pipelines	-	20,000,000	20,000,000	25,832,477	23%	
Upgrade of Kwanobuhle Water Pump Station	-	-	20,000,000	-		
Construction of Amanzi Reservoir and Pipeline	-	1,000,000	-	-		
Construction of a 1,0 MI reclaimed effluent reservoir: Kariega	-	1,500,000	-	-		
Water: Purchase of Furniture & Office Equipment.	-	-	50,000	-		
Water: Purchase of Computer Equipment	-	-	200,000	-		
WATER: PRESSURE REDUCING INFRASTRUCTURE	-	20,000,000	20,000,000	12,551,658	-59%	
Renewal of Water Pipeline - Ibhayi	-	-	5,000,000	4,999,991	100%	
Renewal of Water Pipeline - Kabega	-	10,000,000	4,000,000	2,406,581	-316%	
RENEWAL OF WATER PIPELINE - VAN DER STEL	-	10,000,000	-	-		
RENEWAL OF WATER PIPELINE - DRIFTSANDS	-	10,000,000	-	-		
Renewal of Water Pipeline - Deal Party	-	-	1,000,000	998,615	100%	
RENEWAL OF WATER PIPELINE - DESPATCH	-	-	10,000,000	9,999,803	100%	

Capital Expenditure 2020/21**Water Services**

R' 000

Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Renewal of Water Pipeline - Helenvale	-	-	5,000,000	4,099,137	100%	
Renewal of Water Pipeline - Airport	-	20,000,000	1,000,000	989,552	-1921%	
Renewal of Water Pipeline - Govan Mbeki, Ibhayi	-	-	5,000,000	4,998,750	100%	
RENEWAL OF WATER PIPELINE - PERSERVERANCE	-	-	10,000,000	10,808,691	100%	
Renewal of Water Pipeline - William Moffat	-	-	4,000,000	1,371,945	100%	
Renewal of Water Pipeline - Swartkops	-	-	5,000,000	4,343,709	100%	
Renewal of Water Pipeline - Churchill	-	20,000,000	5,000,000	4,640,903	-331%	
RENEWAL OF WATER PIPELINE - BETHELSDORP	-	-	5,000,000	4,994,029	100%	
Water Services: Seaview Bulk Water	-	1,300,000	-	-		
Water Services: St Albans Bulk Water	-	500,000	-	-		
Water: Purchase and Installation of Water Meters	-	40,000,000	40,000,000	25,951,758	-54%	
RENEWAL OF WATER PIPELINE - MOTHERWELL	-	-	10,000,000	9,997,526	100%	

COMMENT ON WATER SERVICES PERFORMANCE OVERALL

The Municipality continues to find effective ways of providing potable water to all its residents. This includes the installation of standpipes (including water tanks) for informal households within at least 200m from where they live.

3.2 WASTEWATER (SANITATION) PROVISION

- **Bucket eradication:** The number of buckets in use as a means of sanitation has remained at 5 696 since the 2018/19 financial year as a result of the Covid-19 pandemic. However, additional chemical toilets were rolled-out in existing and new informal settlements.
- **Bulk wastewater pipelines:**

- Driftsands collector sewer line augmentation (Phase 2 under construction) - 62% completion. This will support the development of Walmer Township.
- Walmer Height sewer was also completed and supports the development of the Old Race Course site.

The table below illustrates the sanitation service delivery levels.

TABLE 3.10: Sanitation service delivery levels						
Sanitation Service Delivery Levels						
*Households						
Description	Year -3	Year -2	Year -1	Year 0		
	Actual	Actual	Actual	Target	Actual	Variance
	No.	No.	No.	No.	No.	No.
Sanitation/Sewerage: (above minimum level)						
Flush toilets (connected to sewerage)	309816	310675	336 595	336 595	346 683	-10 088
Flush toilets (with septic tank)			3 338	3 338	3 846	-508
Chemical toilets		581	1594	1594	1594	0
Pit toilets (ventilated)		134	134	134	0	134
Other toilet provision (above min. service level)		5804	0	0	3335	-3335
Minimum service level and above sub-total	309816	317194	341661	341661	355458	-13797
Minimum service level and above percentage	96%	98%	95.95%	95.95%	98.89%	
Sanitation/Sewerage: (below minimum level)						34174
Bucket toilets	14476	7098	5696	5696	3954	-5696
Other toilet provision (below min. service level)			6708	6708		
No toilet provision			2000	2000		
Below minimum service level sub-total	14476	7098	14404	14404	3954	19770
Below minimum service level percentage	4.5%	2.2%	4.05%	4.05%	1.10%	
Total households	324292	324292	356065	356065	359412	

TABLE 3.11: Household access to sanitation

	Proportion of households with access to sanitation
Year -2	313013
Year -1	354065
Year 0	355458

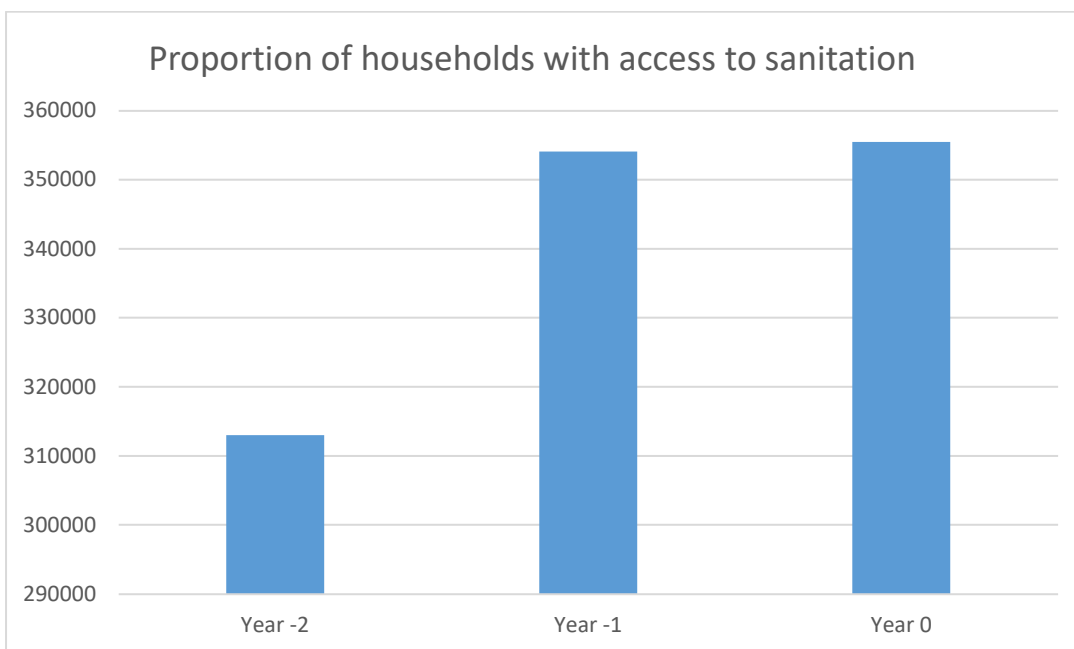
FIGURE 3.3: Access to sanitation

TABLE 3.12: Performance scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Basic Service Delivery	Number of new sewer connections meeting minimum standards	2000 In line with Housing Programme	1468 In line with Housing Programme	2000	1222	300
KPA: Basic Service Delivery	Percentage of complaints/callouts responded to within 24 hours (sanitation/wastewater)	100%	98.19	100%	23.78%	98%
KPA: Basic Service Delivery	Percentage of industries with trade effluent inspected for compliance	100%	33%	N/A	N/A	75%
KPA: Basic Service Delivery	Percentage of wastewater treatment capacity unused	N/A	N/A	N/A	N/A	15%

TABLE 3.13: Employees: Sanitation Services

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	175	310	175	135	44%
4 - 6	45	188	45	143	76%
7 - 9	30	55	30	25	45%
10 - 12	19	41	19	22	54%
13 - 15	4	18	4	14	78%
16 - 18	1	2	1	1	50%
19 - 20	0	0	0	0	0%
Total	274	614	274	340	55%

TABLE 3.14: Financial Performance 2020/21: Sanitation Services

Financial Performance 2020/21: Sanitation Services					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	940,651	955,063	952,195	1,028,452	76,257
Expenditure:					
Employees	199,215	244,270	246,132	225,994	(29,138)
Repairs and Maintenance	70,425	106,817	102,278	78,004	(24,274)
Other	352,440	223,702	231,109	443,313	212,204
Total Operational Expenditure	622,080	574,789	579,519	747,311	167,792
Net Operational Expenditure	(318,571)	(380,274)	(372,676)	(281,140)	(91,536)

TABLE 3.14.1: Financial Performance 2020/21: Sanitation Services : Public Toilets					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0
Expenditure:					
Employees	4,857	5,547	5,669	4,517	(1,152)
Repairs and Maintenance	1,073	1,028	1,028	592	(436)
Other	680	1,079	1,049	621	(428)
Total Operational Expenditure	6,610	7,653	7,745	5,729	(2,016)
Net Operational Expenditure	6,610	7,653	7,745	5,729	(2,016)

TABLE 3.14.1.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Public Toilets	6,609,541	7,653,490	7,745,220	5,729,192	2,016,028
Expenditure By Type / Contracted services	1,072,663	1,724,300	1,724,300	591,805	1,132,495
Contractors:					
Maintenance of Buildings and Facilities	1,072,663	1,027,630	1,027,630	591,805	435,825
Outsourced Services:					
Hygiene Services		696,670	696,670		696,670
Expenditure By Type / Depreciation and asset impairment	411,578	176,020	176,020	502,438	-326,418
Expenditure: Depreciation and Amortisation: Depreciation: Solid Waste Infrastructure: Waste Drop-off Points	411,578	176,020	176,020	502,438	-326,418
Expenditure By Type / Employee related costs	4,856,849	5,547,280	5,669,010	4,516,648	1,152,362
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	21,768	23,900	23,900	23,136	764
Allowances: Service Related Benefits: Acting and Post Related Allowances	7,680		40,990	981	40,009
Allowances: Service Related Benefits: Bonus	258,964	284,520	298,110	241,262	56,848

TABLE 3.14.1.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits: Long Service Award	210,793	220,800	220,800	166,550	54,251
Allowances: Service Related Benefits:Overtime:Night Shift		100	100		100
Allowances: Service Related Benefits:Overtime:Non Structured	426,883	708,700	708,700	504,234	204,466
Basic Salary and Wages	2,925,280	3,192,870	3,247,840	2,644,323	603,517
Bonuses	116,768	151,960	151,960	156,213	-4,253
Municipal Staff: Social Contributions:					
Bargaining Council	2,041	2,160	2,270	1,861	409
Group Life Insurance	34,556	37,360	40,800	34,347	6,453
Medical	234,835	252,870	252,870	189,322	63,548
Pension	584,813	636,760	645,390	526,191	119,199
Unemployment Insurance	32,468	35,280	35,280	28,228	7,053
Expenditure By Type / Other expenditure	36,849	81,360	51,360	17,311	34,049
Insurance Underwriting: Premiums	1,385	1,700	1,700	1,706	-6
Uniform and Protective Clothing	35,464	79,660	49,660	15,605	34,055
Expenditure By Type / Other materials	231,601	124,530	124,530	100,991	23,539
Consumables: Standard Rated	231,601	124,530	124,530	100,991	23,539

TABLE 3.14.2: Financial Performance 2020/21: Sanitation Services: Sewerage

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	905,358	920,709	915,727	992,609	76,882
Expenditure:					
Employees	150,366	190,286	185,679	175,026	(10,653)
Repairs and Maintenance	55,770	83,905	79,377	62,918	(16,459)
Other	347,290	208,197	216,563	437,354	220,791
Total Operational Expenditure	553,425	482,388	481,619	675,299	193,680
Net Operational Expenditure	(351,932)	(438,321)	(434,109)	(317,309)	(116,800)

TABLE 3.14.2.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Sewerage	-410,327,454	-593,191,030	-523,378,110	-369,899,456	-153,478,654
Expenditure By Type / Contracted services	77,331,127	130,676,980	117,154,320	110,679,595	6,474,725
Consultants and Professional Services:					
Business and Advisory: Project Management		300,000	100,000		100,000
Business and Advisory: Research and Advisory	1,907,632	4,500,000	4,500,000	13,897	4,486,103
Legal Cost: Legal Advice and Litigation	422,720	808,130	808,130	17,243,380	-16,435,250
Contractors:					
Chipping	1,733		10,000		10,000
Gas	26,295	100,000	100,000		100,000
Maintenance of Buildings and Facilities	1,132,945	2,316,820	2,811,820	944,848	1,866,972
Maintenance of Equipment	3,225,343	12,707,120	12,219,120	4,139,791	8,079,329
Maintenance of Unspecified Assets	67,978	1,805,850	1,805,850	19,027	1,786,823
Pest Control and Fumigation	2,699	20,000	20,000	9,480	10,520
Sewerage Services	39,794,587	61,536,700	56,962,940	47,918,049	9,044,891

TABLE 3.14.2.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Transportation	5,996	85,000	85,000	41,569	43,431
Outsourced Services:					
Alien Vegetation Control		10,000	10,000		10,000
Business and Advisory: Project Management		1,225,530	969,630	176,245	793,385
Clearing and Grass Cutting Services	25,000	209,240	209,240	4,800	204,440
Hygiene Services	30,718,199	45,050,000	36,540,000	40,168,509	-3,628,509
Transport Services		2,590	2,590		2,590
Expenditure By Type / Debt impairment	158,465,918	86,652,840	104,706,720	215,415,420	-110,708,700
Gains and Losses: Impairment Loss: Trade and Other Receivables from Exchange Transactions: Waste Water Management	158,465,918	86,652,840	104,706,720	215,415,420	-110,708,700
Expenditure By Type / Depreciation and asset impairment	127,437,023	31,917,210	31,917,210	136,043,486	-104,126,276
Expenditure: Depreciation and Amortisation: Depreciation: Furniture and Office Equipment	127,437,023	31,917,210	31,917,210	136,043,486	-104,126,276
Expenditure By Type / Employee related costs	150,366,167	190,285,690	185,678,760	175,026,065	10,652,695
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	-6,365,544	9,095,580	9,095,580	7,166,746	1,928,834
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	302,864	332,700	333,720	333,708	12
Allowances: Housing Benefits and Incidental: Housing Benefits	495,926	532,240	550,560	555,923	-5,363
Allowances: Non-pensionable		5,130	600	600	0
Allowances: Service Related Benefits: Acting and Post Related Allowances	759,611		1,110,000	1,108,798	1,202
Allowances: Service Related Benefits: Bonus	6,717,670	7,558,000	7,724,390	7,360,837	363,553
Allowances: Service Related Benefits: Leave Pay	3,863,051	500,000	500,000	5,111,933	-4,611,933
Allowances: Service Related Benefits: Long Service Award	1,632,305	4,643,160	4,132,860	13,918,767	9,785,907
Allowances: Service Related Benefits: Overtime: Night Shift	267,819	293,050	293,050	177,086	115,964
Allowances: Service Related Benefits: Overtime: Non Structured	19,740,046	20,558,890	21,901,890	20,422,080	1,479,810

TABLE 3.14.2.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	18,811	14,240	16,240	20,806	-4,566
Allowances: Service Related Benefits: Scarcity Allowance	1,844,880	2,013,370	1,862,330	1,787,738	74,592
Allowances: Service Related Benefits: Standby Allowance	4,812,498	4,505,580	4,551,580	5,058,718	-507,138
Allowances: Travel or Motor Vehicle	1,881,378	3,141,320	3,188,350	1,915,330	1,273,020
Basic Salary and Wages	82,668,822	103,513,100	98,619,230	77,001,082	21,618,148
Bonuses	5,711,870	4,914,400	4,914,400	6,261,373	-1,346,973
Municipal Staff: Social Contributions:					
Bargaining Council	38,510	41,640	39,670	38,820	850
Group Life Insurance	995,172	1,104,900	1,078,080	1,074,540	3,540
Medical	9,293,674	10,200,870	9,573,440	9,617,853	-44,413
Pension	15,007,541	16,633,140	15,531,460	15,449,291	82,169
Unemployment Insurance	679,262	684,380	661,330	644,036	17,294
Expenditure By Type / Finance charges	17,789,976	19,943,840	19,194,580	18,049,285	1,145,295
Interest Paid:Borrowings:Annuity Loans	17,789,976	19,943,840	19,194,580	18,049,285	1,145,295
Expenditure By Type / Other expenditure	4,643,089	8,589,100	9,109,700	5,118,323	3,991,377
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	160,255	472,070	442,070	126,132	315,938
Operational Cost:					
Advertising, Publicity and Marketing: Staff Recruitment		5,000	5,000		5,000
Advertising, Publicity and Marketing: Tenders	22,045	91,400	86,400	30,380	56,020
Assets less than the Capitalisation Threshold	98,275	88,850	533,850	115,072	418,778
Communication: Cellular Contract (Subscription and Calls)	627,992	1,152,550	1,152,550	750,022	402,528
Communication: Telemetric Systems		30,220	30,220		30,220
Communication: Telephone, Fax, Telegraph and Telex	2,397	70,000	60,000	2,331	57,669
Drivers Licences and Permits	3,690	18,750	18,750	3,304	15,446
External Computer Service: Data Lines		660	660		660

TABLE 3.14.2.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
External Computer Service: Information Services				172,518	-172,518
External Computer Service: Network Extensions		33,880	33,880		33,880
External Computer Service: Software Licences		105,850	105,850		105,850
External Computer Service: Specialised Computer Service		940,530	940,530		940,530
Hire Charges	874,794	1,752,280	1,752,280	1,412,839	339,441
Insurance Underwriting: Claims paid to Third Parties	43,509	30,000	30,000	120,000	-90,000
Insurance Underwriting: Premiums	90,907	158,560	159,160	50,813	108,347
Learnerships and Internships	4,545				0
Licences: Motor Vehicle Licence and Registrations	10,749	79,030	79,030	48,095	30,935
Printing, Publications and Books		9,940	9,940		9,940
Professional Bodies, Membership and Subscription	16,755	18,640	18,640	6,165	12,475
Registration Fees: Seminars, Conferences, Workshops and Events: National	12,162	20,000	20,000		20,000
Signage		20,000	20,000		20,000
Skills Development Fund Levy	1,115,131	1,501,400	1,501,400	1,160,981	340,419
Travel Agency and Visa's	574	1,770	1,770		1,770
Travel and Subsistence:Domestic:Accommodation	4,957	9,910	9,910		9,910
Travel and Subsistence:Domestic:Daily Allowance		6,810	6,810		6,810
Travel and Subsistence:Domestic:Incidental Cost		1,750	1,750		1,750
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	2,284	17,450	17,450		17,450
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		7,530	7,530		7,530
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		1,190	1,190		1,190
Uniform and Protective Clothing	1,456,370	1,913,080	1,783,080	860,554	922,526
Wet Fuel		30,000	280,000	229,334	50,666
Workmen's Compensation Fund	95,699			29,782	-29,782

TABLE 3.14.2.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other materials	17,392,158	14,322,330	13,857,330	14,967,305	-1,109,975
Consumables: Standard Rated	12,681,969	7,622,690	7,532,690	11,384,444	-3,851,754
Consumables: Zero Rated	4,404,433	5,411,120	5,161,120	3,304,178	1,856,942
Finished Goods	95,842	545,360	525,360	65,319	460,041
Materials and Supplies	209,913	743,160	638,160	213,365	424,795
Revenue By Source / Interest earned - outstanding debtors	-48,383,107	-36,520,140	-36,520,140	-64,297,153	27,777,013
Interest:Receivables:Waste Water Management	-48,383,107	-36,520,140	-36,520,140	-64,297,153	27,777,013
Revenue By Source / Other revenue	-3,731,076	-5,355,000	-4,655,000	-4,203,826	-451,174
Operational Revenue:					
Inspection Fees: Statutory Services	-3,379,468	-5,100,000	-4,400,000	-4,192,804	-207,196
Sales of Goods and Rendering of Services:					
Drainage Fees	-351,607	-255,000	-255,000	-11,021	-243,979
Revenue By Source / Service charges - sanitation revenue	-618,994,789	-687,883,420	-661,806,640	-673,365,566	11,558,926
Availability Charges	-155,088,763	-164,758,520	-164,758,520	-165,514,904	756,384
Connection/Reconnection	-1,247,126	-2,246,320	-2,164,290	-1,905,169	-259,121
Higher Level Service	-114,750,509	-105,616,440	-122,466,440	-142,946,101	20,479,661
Industrial Waste Water	-59,169,789	-80,164,880	-48,164,880	-54,146,548	5,981,668
Sanitation Charges	-288,738,602	-335,097,260	-324,252,510	-308,852,826	-15,399,684
Revenue By Source / Transfers and subsidies	-234,248,625	-190,950,910	-212,745,400	-250,742,260	37,996,860
South Africa Revenue Service (SARS)	-4,307,183			-5,772,000	5,772,000
National Governments: Urban Settlement Development Grant	-32,941,442	-35,000,000	-24,000,000	-38,480,000	14,480,000
National Revenue Fund: Equitable Share	-197,000,000	-155,950,910	-188,745,400	-206,490,260	17,744,860
Revenue By Source / Transfers and subsidies - capital	-58,395,315	-154,869,550	-89,269,550	-52,590,129	-36,679,421
National Government: Urban Settlements Development Grant	-58,395,315	-154,869,550	-89,269,550	-52,590,129	-36,679,421

TABLE 3.14.3: Financial Performance 2020/21: Sanitation Services: Waste Water Treatment					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	35,293	34,354	36,468	35,843	(625)
Expenditure:					
Employees	43,992	48,437	54,785	46,451	(8,334)
Repairs and Maintenance	13,583	21,885	21,873	14,494	(7,379)
Other	4,471	14,426	13,498	5,338	(8,160)
Total Operational Expenditure	62,045	84,747	90,155	66,283	(23,872)
Net Operational Expenditure	26,752	50,394	53,687	30,440	(23,247)

TABLE 3.14.3.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Waste Water Treatment	-48,495,724	50,393,680	53,687,120	3,139,692	50,547,428
Expenditure By Type / Contracted services	13,935,107	27,468,010	27,472,360	15,676,546	11,795,814
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	96,937	632,490	632,490	56,736	575,754
Contractors:					
Maintenance of Buildings and Facilities	165,515	796,330	1,022,970	113,763	909,207
Maintenance of Equipment	13,424,283	20,556,240	20,269,360	14,389,433	5,879,927
Maintenance of Unspecified Assets		154,420	116,910		116,910
Pest Control and Fumigation	424	14,680	16,680	2,150	14,530
Sewerage Services		233,600	233,600		233,600
Outsourced Services:					
Alien Vegetation Control		110,210	110,210	9,800	100,410
Business and Advisory: Project Management	10,994	139,960	300,370	140,033	160,338
Cleaning Services			236,090	29,999	206,091

TABLE 3.14.3.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Clearing and Grass Cutting Services	153,618	2,025,300	2,425,300	927,132	1,498,168
Hygiene Services		41,440	41,440		41,440
Sewerage Services	83,336	2,763,340	2,066,940	7,500	2,059,440
Expenditure By Type / Depreciation and asset impairment		20,360	20,360		20,360
Expenditure: Depreciation and Amortisation:Depreciation:Sanitation Infrastructure: Capital Spares		20,360	20,360		20,360
Expenditure By Type / Employee related costs	43,991,641	48,436,640	54,784,670	46,451,440	8,333,230
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	177,591	195,080	195,650	195,635	15
Allowances: Housing Benefits and Incidental: Housing Benefits	197,466	229,440	213,940	233,989	-20,049
Allowances: Non-pensionable	4,710	6,140	4,320	4,320	0
Allowances: Service Related Benefits: Acting and Post Related Allowances	466,898		578,200	738,478	-160,278
Allowances: Service Related Benefits: Bonus	2,130,021	2,302,410	2,453,790	2,198,204	255,586
Allowances: Service Related Benefits: Long Service Award	1,019,203	1,454,880	1,189,150	1,322,772	-133,622
Allowances: Service Related Benefits:Overtime:Night Shift	560,547	890,900	775,270	564,909	210,361
Allowances: Service Related Benefits:Overtime:Non Structured	5,290,400	1,353,740	4,586,370	5,872,262	-1,285,892
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	560,812	695,430	695,430	790,187	-94,757
Allowances: Service Related Benefits:Overtime:Structured	800,892	2,743,900	1,082,700	787,909	294,791
Allowances: Service Related Benefits: Scarcity Allowance	136,236	172,110	112,110	104,689	7,421
Allowances: Service Related Benefits: Standby Allowance	779,955	1,029,170	964,170	765,933	198,237
Allowances: Travel or Motor Vehicle	245,390	357,580	204,230	171,029	33,201
Basic Salary and Wages	23,741,433	28,429,580	33,488,990	24,523,008	8,965,982
Bonuses	2,656				0
Municipal Staff: Social Contributions:					
Bargaining Council	11,155	12,000	11,750	11,398	352
Group Life Insurance	367,372	404,470	391,560	388,992	2,568
Medical	2,788,021	2,933,210	2,869,230	2,870,889	-1,659

TABLE 3.14.3.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Pension	4,533,096	5,030,600	4,792,860	4,735,714	57,146
Unemployment Insurance	177,788	196,000	174,950	171,123	3,827
Expenditure By Type / Other expenditure	1,348,324	1,353,530	2,192,670	1,591,284	601,386
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	27,185	43,780	35,780	34,308	1,472
Operational Cost:					
Advertising, Publicity and Marketing: Tenders		23,490	23,490	3,703	19,787
Assets less than the Capitalisation Threshold	84,191	98,460	276,270	87,975	188,295
Cleaning Services: Laundry Services	2,340	63,800	52,780	1,260	51,520
Communication: Cellular Contract (Subscription and Calls)	92,986	124,720	124,720	102,581	22,139
Communication: Telephone, Fax, Telegraph and Telex	4,730	50,690	8,690	4,852	3,838
Drivers Licences and Permits	674	7,820	7,820	918	6,902
External Computer Service: Network Extensions		5,990			0
Hire Charges	613,401	217,510	888,530	819,830	68,700
Insurance Underwriting: Claims paid to Third Parties				17,000	-17,000
Insurance Underwriting: Premiums	11,182	13,680	13,780	13,366	414
Licences: Motor Vehicle Licence and Registrations		2,340	2,340		2,340
Professional Bodies, Membership and Subscription	26,247	39,890	39,890	26,247	13,643
Registration Fees: Seminars, Conferences, Workshops and Events: National		1,090	1,090		1,090
Signage		11,760	38,980		38,980
Skills Development Fund Levy	260,593	356,400	356,400	279,384	77,016
Travel Agency and Visa's	516	1,870	1,870		1,870
Travel and Subsistence:Domestic:Accommodation	3,652	8,450	8,450		8,450
Travel and Subsistence:Domestic:Daily Allowance		1,210	1,210		1,210
Travel and Subsistence:Domestic:Food and Beverage (Served)		610	610		610
Travel and Subsistence:Domestic:Incidental Cost		100	100		100

TABLE 3.14.3.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		6,580	6,580		6,580
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		3,050	3,050		3,050
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		1,350	1,350		1,350
Uniform and Protective Clothing	203,738	253,740	253,740	185,771	67,969
Wet Fuel		10,000	40,000	9,359	30,641
Workmen's Compensation Fund	16,889	5,150	5,150	4,730	420
Expenditure By Type / Other materials	2,769,859	7,468,720	5,685,240	2,563,692	3,121,548
Consumables: Standard Rated	1,201,234	3,777,050	2,473,450	1,227,886	1,245,564
Consumables: Zero Rated	844,702	860,410	890,410	453,659	436,751
Finished Goods	639,964	2,580,210	2,070,710	844,408	1,226,302
Materials and Supplies	83,960	251,050	250,670	37,739	212,931
Revenue By Source / Other revenue	-123,795	-130,000	-230,000	-92,014	-137,986
Operational Revenue:					
Request for Information: Access to Information Act	-90,710	-80,000	-200,000	-92,014	-107,986
Staff Recoveries	-4,585				0
Sales of Goods and Rendering of Services:					
Scrap, Waste & Other Goods: By Products	-28,500	-50,000	-30,000		-30,000
Revenue By Source / Service charges - sanitation revenue	-35,169,224	-34,223,580	-36,238,180	-35,750,939	-487,241
Industrial Effluent	-35,165,504	-34,219,610	-36,234,210	-35,747,219	-486,991
Sanitation Charges	-3,720	-3,970	-3,970	-3,720	-250
Revenue By Source / Transfers and subsidies - capital	-75,247,637			-27,300,318	27,300,318
National Government: Urban Settlements Development Grant	-75,247,637			-27,300,318	27,300,318

TABLE 3.15: Capital expenditure 2020/21: Sanitation Services

Capital Expenditure 2020/21: Sanitation Services						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	133,714	180,370	109,970	99,906	-81%	
Sanitation Services: Improvements to Sewerage System	1,186	-	320,000	169,797	100%	
Sanitation Services: Chatty Valley collector Sewer Stage 1	852	-	-	-		
Sanitation Services: Purchase Telemetry Equip- Pump Stations	-	500,000	500,000	235,613	-112%	
Sanitation Services: Markman - Replace 600mm Sewer	2,836	1,000,000	1,000,000	-		
Sanitation Services: Upgrade Despatch Reclamation Works	855	13,000,000	4,000,000	3,192,480	-307%	
Sanitation Services: Rehabilitation of Sewer Pipes	-	1,000,000	-	-		
Sanitation Services: Cape Recife WWTW : Upgrade	12,494	27,000,000	6,820,000	7,669,613	-252%	
Sanitation Services: Motherwell North Bulk Sewerage	-	1,000,000	-	-		
Sanitation Services: Motherwell/Coega WWTW and outfall sewer	-	1,000,000	-	-		
Sanitation: Driftsands Collector Sewer Augmentation - Phase1	963	-	-	-		
Sanitation Services: Rehabilitation of Pump Stations	883	1,000,000	500,000	-		
Sanitation Services: Rehab of Kwazakhele Collector Sewer	-	1,000,000	500,000	-		
Sanitation Services: Kwanobuhle WWTW : Upgrading	16,848	1,000,000	6,950,000	10,099,674	90%	
Sanitation: Kelvin Jones WWTW:Upgrade	4,913	10,000,000	4,000,000	3,839,957	-160%	
Sanitation Services: Fishwater Flats WWTW Upgrade	14,080	2,000,000	2,000,000	2,818,420	29%	
UPGRADE OF MELBROOKS BULK SEWER	-	1,000,000	-	-		
Brickfields: Upgrade	746	500,000	500,000	457,104	-9%	
Sanitation Services: Swartkops Low Level Collector Sewer Upgd	-	2,500,000	2,500,000			
Bulk Sewer Joe Slovo Mandelville Allenridge Phase 2 Sub 1	3,027	1,000,000	-	196,176	-410%	
1411:Fishwater Flats WWTW: Medium Voltage Network Phase 2	1,542	-	-			
1411:Fishwater Flats WWTW:Sludge Stabilisation	17,400	-	2,000,000	1,643,507	100%	
1411:Driftsands WWTW: Upgrade Existing Composting Plant	2,006	1,000,000	-	-		
1411:Driftsands Collector Sewer Augmentation Phase 2	24,380	42,234,548	31,334,548	29,448,474	-43%	
1411:Augment Collector Sewer Walmer Heights & Mount Pleasant	23,318	2,135,000	3,065,000	4,399,695	51%	
1411:Fishwater Flats WWTW Grit & Sludge Treatment Facility	3,500	2,000,000	300,000	-		

Capital Expenditure 2020/21: Sanitation Services						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Purchase of Vehicles for Sanitation Services:2019-20	194	5,500,000	428,000	-		
Construction of Access Road - Sanitation	-	2,000,000	-	-		
TEI: Sampling Stations	827	500,000	2,300,000	-		
Paapenkuils Main Sewers Augmentation	-	500,000	-	-		
Sewer Protection works for collector sewers	-	500,000	-	-		
Rocklands PHB Housing project WWTW	863	-	-	-		
BEP: Supply and install communal ablutions	-	4,500,000	500,000	-		
Sanitation: Upgrade of Rocklands WWTW	-	-	250,000	397,983	100%	
Sanitation: Improvements to Sewerage System	-	10,000,000	5,680,000	1,444,776	-592%	
FISH WATER FLATS WWTW: SECURITY MEASURES AT FACILITY	-	1,120,000	520,000	369,860	-203%	
Fish Water Flats WWTW - Renewal of Mechanical Equipment	-	24,380,000	16,200,000	18,392,496	-33%	
Fish Water Flats WWTW - New Screening and Washing System	-	2,500,000	1,830,000	763,973	-227%	
Upgrading of Mechanical Equipment at Driftsands WWTW	-	12,500,000	12,500,000	11,803,619	-6%	
Renewal of Mechanical Equipment at Drifstands WWTW	-	2,500,000	2,500,000	1,621,111	-54%	
Sanitation: Purchase of Small Plant & Equipment	-	-	-	870,044	100%	
Sanitation: Coastal Water Discharge Permit & WULA -FWF WWTW	-	-	200,000	-		
Sanitation: Purchase of Small Plant & Equipment	-	-	72,000	71,673	100%	
CONSTRUCTION OF FLORIDA HEIGHTS BULK SEWER	-	2,000,000	700,000	-		

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL

During the 2020/21 financial year, the Municipality provided 1222 state subsidised housing units with new sewer connections.

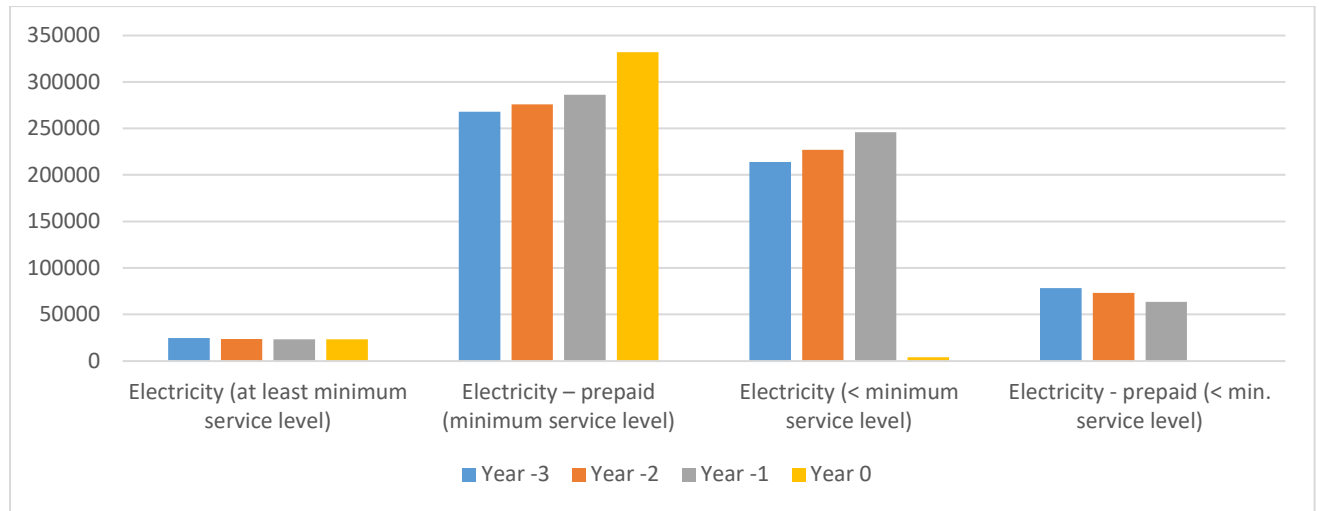
3.3 ELECTRICITY AND ENERGY

Universal access to electricity

The Nelson Mandela Bay Municipality, through its distribution licence granted it by ESKOM, takes pride in exercising its exclusive right to supply electricity to all consumers within its vast boundaries. During the 2020/21 financial year, 3271 GWh was purchased of which 2558 Gwh was sold to customers. The Municipality continued to provide electricity services to 337 037 customers through its well-penetrated electrical infrastructure which does not only support the needs of our current consumers, but is also geared towards future growth and expansion within our licenced area.

The Electricity and Energy Directorate's organogram remains under pressure with only 46% of positions filled. This high level of vacancy within a service delivery directorate heavily impacts on the Municipality's ability to ensure efficient service delivery to customers.

The Municipality continues to face the challenge of increasing prevalence of vandalism and attacks on the metro's electrical infrastructure. The Municipality, however, remains positive that this challenge will be overcome and continues to explore innovative and technologically advanced ways to detect, monitor and track any adverse tampering or interference with our electrical infrastructure.

FIGURE 3.4: Electricity service delivery levels**TABLE 3.16: Electricity Service Delivery Levels**

Households				
Description	Year -3	Year -2	Year -1	Year 0
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
Energy (above minimum level)				
Electricity (at least minimum service level)	24569	23797	23162	23287
Electricity – prepaid (minimum service level)	267983	275755	286143	331997
Minimum service level and above sub-total	292552	299552	309305	355284
Minimum service level and above percentage	0.083982	0.079009	0.074884	98.85%
Energy (below minimum level)				
Electricity (< minimum service level)	214050	227090	245778	4128
Electricity - prepaid (< min. service level)	78502	73346	63527	
Other energy sources	13557	13790	13907	
Below minimum service level sub-total	306109	314226	323212	4128
Below minimum service level percentage				1.14%
Total number of households	292552	368 518	309305	359412

TABLE 3.17: Performance scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 0 TARGET 2021/22
KPA: Basic Service Delivery	Number of dwellings provided with connections to the mains electricity supply by the Municipality	152 (formal: state subsidised) 280 (formal: residential / other) 1145 (informal)	124 (formal: state subsidised) 216 (formal: residential) 850 (informal)	1733	1671	1333
KPA: Basic Service Delivery	Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards	N/A	N/A	N/A	N/A	90%
KPA: Basic Service Delivery	Free Basic Electricity provision levels as a percentage of total residential electricity provision (in terms of MWh)	7%	6%	7%	6,3%	7%

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 0 TARGET 2021/22
KPA: Basic Service Delivery	Percentage of unplanned outages that are restored to supply within industry standard timeframes	98% within 24 hours	The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to record and track power outages, no target could be set which would comply with the audit criteria specified by the Auditor General.	The inclusion of the KPI in the SDBIP is regulated by National Treasury. The monitoring and reporting system currently being used by the Municipality does not record and track power outages in the manner required by National Treasury. The setting of a target for the KPI is therefore not possible at this stage.	The inclusion of the KPI in the SDBIP is regulated by National Treasury through MFMA Circular 88. The monitoring and reporting system currently being used by the Municipality does unfortunately not record and track power outages in the manner prescribed by National Treasury. The setting of a target for the KPI was therefore not possible during the 2020/21 financial year.	98% within 24 hours (1 January 2022 - 30 June 2022)
KPA: Basic Service Delivery	Percentage of planned maintenance performed	95%	81.76%	95%	95,66%	95%
KPA: Basic Service Delivery	Installed capacity of embedded generators on the municipal distribution network	3 MW	4.1 MW	3 Mega Watts	3.79 Mega Watts	4.1MW

TABLE 3.18: Employees: Electricity Services

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	79	210	79	131	62%
4 - 6	221	589	221	368	62%
7 - 9	32	55	32	23	42%
10 - 12	168	260	168	92	35%
13 - 15	16	24	16	8	33%
16 - 18	5	8	5	3	38%
19 - 20	2	3	2	1	33%
Total	523	1149	523	626	54%

TABLE 3.19: Financial Performance 2020/21: Function: Energy Sources: Electricity

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3,842,856	4,457,532	4,097,540	3,960,363	(137,177)
Expenditure:					
Employees	325,989	384,903	387,146	423,272	36,126
Repairs and Maintenance	42,256	61,297	58,709	50,796	(7,913)
Other	3,733,192	4,297,582	4,179,768	4,007,681	(172,087)
Total Operational Expenditure	4,101,438	4,743,782	4,625,623	4,481,412	(144,211)
Net Operational Expenditure	258,582	286,250	528,083	521,049	(7,034)

TABLE 3.19.1: Financial Performance 2020/21: Function: Energy Sources: Electricity

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3,842,856	4,457,532	4,097,540	3,960,363	-19%
Expenditure:					
Employees	322,662	381,409	383,651	420,248	3%
Repairs and Maintenance	42,256	61,297	58,709	50,586	-21%
Other	3,732,911	4,297,296	4,179,459	4,007,471	-7%
Total Operational Expenditure	4,097,829	4,740,001	4,621,820	4,478,307	-6%
Net Operational Expenditure	254,973	282,469	524,279	517,944	60%

Table 3.19.1.1: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Electricity	182,194,690	229,710,490	476,152,160	442,192,227	33,959,933
Expenditure By Type / Bulk purchases	3,387,433,582	3,709,894,210	3,641,082,620	3,693,906,128	-52,823,508
Electricity: ESKOM	3,387,433,582	3,709,894,210	3,641,082,620	3,693,906,128	-52,823,508
Expenditure By Type / Contracted services	55,525,599	74,363,380	73,294,480	56,704,643	16,589,837
Consultants and Professional Services:					
Business and Advisory: Research and Advisory	1,595,039	1,822,430	1,822,430	2,615,482	-793,052
Infrastructure and Planning: Engineering: Electrical	22,764,811	21,510,000	18,370,000	12,615,935	5,754,065
Legal Cost: Legal Advice and Litigation	557,608	1,000,000	725,000	894,632	-169,632
Contractors:					
Building	899,307	1,410,620	1,410,620	1,243,354	167,266
Catering Services	945	20,000	20,000		20,000
Maintenance of Buildings and Facilities	1,379,116	3,561,650	3,534,050	1,672,393	1,861,657
Maintenance of Equipment	1,508,384	3,261,090	2,531,090	429,138	2,101,952
Maintenance of Unspecified Assets	1,367,765	364,500	364,500	170,228	194,272

Table 3.19.1.1: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Safeguard and Security	53,239	100,000	41,700	17,405	24,295
Traffic and Street Lights	227,731	500,000	500,000	171,471	328,529
Transportation	235,074	1,628,980	1,628,980	186,453	1,442,527
Outsourced Services:					
Business and Advisory: Project Management	1,116,960	1,898,000	1,898,000	1,103,522	794,478
Business and Advisory: Research and Advisory	343,552	550,000	550,000	4,718	545,282
Clearing and Grass Cutting Services	1,280,624	2,264,270	2,176,270	964,917	1,211,353
Electrical	21,727,030	33,623,650	36,873,650	33,862,107	3,011,543
Hygiene Services	17,102	87,190	87,190	54,557	32,633
Security Services	446,833	761,000	761,000	698,332	62,668
Transport Services	4,477				0
Expenditure By Type / Debt impairment	118,127,697	344,243,680	303,816,600	74,648,723	229,167,877
Bad Debts Written Off	515,900				0
Gains and Losses: Impairment Loss: Electricity	112,472,133	344,243,680	303,816,600	67,946,917	235,869,683
Gains and Losses: Reversal of Impairment Loss: Electricity	5,139,664			6,701,807	-6,701,807
Expenditure By Type / Depreciation and asset impairment	113,662,347	104,515,810	104,515,810	131,502,119	-26,986,309
Community Assets: Community Facilities: Capital Spares	20,681,903				0
Computer Equipment	92,980,445	76,787,990	76,787,990	110,065,585	-33,277,595
Electrical Infrastructure:HV Substations		27,727,820	27,727,820	21,436,534	6,291,286
Expenditure By Type / Employee related costs	322,602,139	381,345,490	383,611,320	420,247,540	-36,636,220
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	-10,930,802	19,221,320	19,221,320	33,395,750	-14,174,430
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,850,799	2,213,390	2,076,960	1,908,871	168,089
Allowances: Housing Benefits and Incidental: Housing Benefits	1,345,050	1,502,900	1,432,800	1,392,275	40,525
Allowances: Service Related Benefits: Acting and Post Related Allowances	4,253,153	2,650,000	5,742,950	4,723,461	1,019,489

Table 3.19.1.1: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits: Bonus	14,126,768	15,408,180	16,550,220	14,940,704	1,609,516
Allowances: Service Related Benefits: Leave Pay	6,522,154	800,000	800,000	13,501,512	-12,701,512
Allowances: Service Related Benefits: Long Service Award	6,227,678	13,081,720	12,378,280	24,780,810	-12,402,530
Allowances: Service Related Benefits:Overtime:Night Shift	691,182	603,090	610,670	744,176	-133,506
Allowances: Service Related Benefits:Overtime:Non Structured	41,162,705	30,972,770	35,546,070	49,892,257	-14,346,187
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	434,668	430,000	430,000	426,340	3,660
Allowances: Service Related Benefits:Overtime:Structured	557,654	610,000	566,970	488,105	78,865
Allowances: Service Related Benefits: Scarcity Allowance	7,173,000	8,126,980	7,580,400	7,629,690	-49,290
Allowances: Service Related Benefits: Standby Allowance	5,630,318	6,257,800	6,257,800	6,242,404	15,396
Allowances: Travel or Motor Vehicle	11,494,462	13,051,390	11,782,850	11,795,336	-12,486
Basic Salary and Wages	172,530,062	195,765,380	200,479,570	186,628,724	13,850,846
Bonuses	8,246,800	12,446,460	8,008,360	7,301,422	706,938
Municipal Staff: Social Contributions:					
Bargaining Council	59,436	64,090	61,560	60,112	1,448
Group Life Insurance	1,687,021	1,866,100	1,782,710	1,761,504	21,206
Medical	16,688,082	18,184,640	17,133,060	17,088,989	44,071
Pension	30,598,787	34,719,240	32,047,040	32,338,023	-290,983
Unemployment Insurance	1,045,921	1,153,360	1,016,430	1,075,552	-59,122
Senior Management: Designation:					
Salaries and Allowances: Basic Salary	1,053,660	1,980,280	1,868,210	1,868,192	18
Salaries and Allowances: Bonuses	152,569	235,300	235,300	261,547	-26,247
Social Contributions: Unemployment Insurance	1,010	1,100	1,790	1,785	5
Expenditure By Type / Finance charges	33,877,199	39,522,510	34,108,120	33,783,625	324,495
Interest Paid:Borrowings:Annuity Loans	33,981,591	39,522,510	34,108,120	33,892,752	215,368
Interest Paid: Overdue Accounts	-104,391			-109,127	109,127
Expenditure By Type / Other expenditure	29,497,025	39,086,640	37,666,640	27,584,411	10,082,229

Table 3.19.1.1: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	798,722	1,621,180	1,710,180	1,088,829	621,351
Advertising, Publicity and Marketing: Corporate and Municipal Activities	127,955	255,580	255,580	207,726	47,854
Advertising, Publicity and Marketing: Customer/Client Information		120,000	120,000	50,102	69,898
Advertising, Publicity and Marketing: Gifts and Promotional Items		161,200	161,200	110,968	50,232
Assets less than the Capitalisation Threshold	1,772,851	3,366,300	3,242,300	1,846,256	1,396,044
Bursaries (Employees)		300,000	300,000		300,000
Cleaning Services: Laundry Services	3,748	8,000	8,000		8,000
Commission: Prepaid Electricity	15,428,130	16,950,000	16,065,000	12,423,448	3,641,552
Communication: Cellular Contract (Subscription and Calls)	2,093,075	2,700,710	2,700,710	2,405,498	295,212
Communication: Licences (Radio and Television)		11,910	11,910	48,114	-36,204
Communication: Postage/Stamps/Frinking Machines		1,000	1,000		1,000
Communication: Telephone, Fax, Telegraph and Telex	1,077,254	1,459,190	1,459,190	1,151,549	307,641
Drivers Licences and Permits	8,080	4,690	4,690	2,130	2,560
External Computer Service: Data Lines	448,653	639,210	639,210	563,639	75,571
External Computer Service: Internet Charge	2,320	5,000	5,000	1,814	3,186
External Computer Service: Software Licences	914,968	1,344,900	1,344,900	137,581	1,207,319
External Computer Service: System Adviser	181,174	1,500,000	1,000,000	215,635	784,365
Insurance Underwriting: Claims paid to Third Parties	117,460	876,720	876,720	215,745	660,975
Insurance Underwriting: Premiums	1,446,299	2,270,440	2,270,440	1,589,247	681,193
Learnerships and Internships				17,516	-17,516
Licences: Motor Vehicle Licence and Registrations	458,665	409,390	409,390	406,121	3,269
Professional Bodies, Membership and Subscription	74,600	40,000	40,000	67,110	-27,110
Registration Fees: Seminars, Conferences, Workshops and Events: National	88,530	50,000	50,000	33,043	16,957

Table 3.19.1.1: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Skills Development Fund Levy	2,852,717	3,189,750	3,189,750	3,109,477	80,273
Travel Agency and Visa's	38,531	70,000	70,000	1,456	68,544
Travel and Subsistence:Domestic:Accommodation	170,695	250,000	250,000	12,806	237,194
Travel and Subsistence:Domestic:Daily Allowance	1,170	49,380	49,380		49,380
Travel and Subsistence:Domestic:Food and Beverage (Served)	1,615	35,000	35,000		35,000
Travel and Subsistence:Domestic:Incidental Cost	4,194	15,100	15,100		15,100
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	173,588	315,000	315,000	20,328	294,672
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	8,653	5,000	5,000		5,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	2,560	132,250	132,250	1,687	130,563
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		65,000	65,000		65,000
Uniform and Protective Clothing	703,442	864,740	864,740	464,813	399,927
Workmen's Compensation Fund	497,377			1,391,772	-1,391,772
Expenditure By Type / Other materials	36,555,286	46,070,770	42,938,770	39,929,747	3,009,023
Consumables: Standard Rated	904,871	1,576,150	1,397,150	900,691	496,459
Consumables: Zero Rated	5,271,568	5,633,940	5,633,940	5,144,944	488,996
Finished Goods	1,050,177	2,323,480	1,087,480	736,987	350,493
Materials and Supplies	29,328,670	36,537,200	34,820,200	33,147,124	1,673,076
Revenue By Source / Fines, penalties and forfeits	-2,214,838	-8,118,000	-5,618,000	-3,973,962	-1,644,038
Illegal Connections	-2,214,838	-8,118,000	-5,618,000	-3,977,459	-1,640,541
Forfeits: Deposits				3,497	-3,497
Revenue By Source / Interest earned - outstanding debtors	-44,816,472	-22,602,320	-60,909,050	81,844,371	-142,753,421
Interest:Receivables:Electricity	-44,816,472	-22,602,320	-60,909,050	81,844,371	-142,753,421
Revenue By Source / Other revenue	-2,279,516	-2,250,000	-2,250,000	-263,027	-1,986,973
Operational Revenue:					

Table 3.19.1.1: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Administrative Handling Fees	-14,449				0
Insurance Refund	-2,028,451			-22,674	22,674
Recovery Infrastructure Maintenance	-208,932				0
Recovery Maintenance		-2,000,000	-2,000,000	-178,960	-1,821,040
Staff Recoveries	-5,238			-1,399	1,399
Sales of Goods and Rendering of Services:					
Academic Services: Formal Training				-16,522	16,522
Buyers Card	-15,645			-40,970	40,970
Sale of Goods: Consumables				-1	1
Scrap, Waste & Other Goods: Scrap	-6,800	-250,000	-250,000	-2,500	-247,500
Revenue By Source / Rental of facilities and equipment	-38,395	-15,770	-35,770	-15,763	-20,007
Straight-lined Operating: Electrical Infrastructure	-38,395	-15,770	-15,770	-15,763	-7
Straight-lined Operating: Machinery and Equipment			-20,000		-20,000
Revenue By Source / Service charges - electricity revenue	-3,721,445,541	-4,359,003,000	-3,954,672,900	-3,966,501,060	11,828,160
Availability Charges	-50,052,447	-41,929,300	-41,929,300	-45,958,423	4,029,123
Connection/Reconnection: Change Circuit Breaker	-154,010	-177,860	-177,860	-706	-177,154
Connection/Reconnection: Connections New: Non-government Housing	-4,441,097	-5,848,590	-5,848,590	-5,168,599	-679,991
Electricity Sales: Agricultural High	-4,271				0
Electricity Sales: Commercial Conventional (3-Phase)	-348,551,740	-253,515,350	-17,561,080	-120,659,359	103,098,279
Electricity Sales: Commercial Prepaid	-69,876,637	-89,376,390	-89,376,390	-53,528,701	-35,847,689
Electricity Sales: Domestic High: Prepaid	-1,128,446,128	-1,101,669,660	-1,101,669,660	-1,172,801,134	71,131,474
Electricity Sales: Domestic Low: Domestic Indigent	-45,547,194	-55,043,330	-63,554,460	-37,776,533	-25,777,927
Electricity Sales: Domestic Low: Prepaid	31,555,957	-9,956,670	-73,445,540	-117,691,869	44,246,329
Electricity Sales: Industrial more than (11 000 Volts) (High Voltage)	-1,814,312,118	-2,383,914,450	-1,628,375,380		-1,628,375,380
Electricity Sales: Industrial (400 Volts) (Low Voltage)	-292,629,833	-412,452,920	-249,968,800	-235,559,742	-14,409,058

Table 3.19.1.1: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Electricity Sales: Industrial more than (11 000 Volts) (High Voltage)				-802,750,556	802,750,556
Electricity Sales: Time of Use Tariffs	1,184,521	-5,020,000	-682,667,360	-1,374,508,310	691,840,950
Joint Pole Usage	-24,864	-24,750	-24,750	-24,864	114
Meter Compliance Testing	-128,959	-51,980	-51,980	-61,123	9,143
Meter Reading Fees	-16,722	-21,750	-21,750	-11,142	-10,608
Revenue By Source / Transfers and subsidies	-72,061,068	-65,543,330	-74,054,460	-71,453,251	-2,601,209
National Governments: Infrastructure Skills Development Grant	-9,443,198	-10,500,000	-10,500,000	-7,898,791	-2,601,209
National Revenue Fund: Equitable Share	-62,617,870	-55,043,330	-63,554,460	-63,554,460	0
Revenue By Source / Transfers and subsidies - capital	-72,230,355	-51,799,580	-47,342,020	-75,752,016	28,409,996
National Government: Integrated National Electrification Programme Grant	-27,655,033	-51,799,580	-47,342,020	-11,009,507	-36,332,513
National Government: Urban Settlements Development Grant	-44,575,322			-64,742,509	64,742,509

TABLE 3.19.1.2: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Electricity	547,984	958,770	785,230	608,408	176,822
Expenditure By Type / Contracted services	316,871	670,000	570,000	423,035	146,965
Contractors:					
Maintenance of Buildings and Facilities	55,136	250,000	250,000	152,080	97,920
Maintenance of Equipment	1	120,000	120,000	46,455	73,545
Outsourced Services:					
Electrical	261,734	300,000	200,000	224,500	-24,500
Expenditure By Type / Employee related costs	59,600	63,590	40,050	40,050	0
:Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Service Related Benefits: Bonus	59,600	63,590	40,050	40,050	0
Expenditure By Type / Other expenditure	99,616	90,180	90,180	94,373	-4,193

TABLE 3.19.1.2: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	21,246	20,000	20,000	35,757	-15,757
Operational Cost:					
Assets less than the Capitalisation Threshold	8,374				0
Communication: Cellular Contract (Subscription and Calls)	5,273	15,000	15,000	6,206	8,794
Insurance Underwriting: Premiums	146	180	180	147	33
Licences: Motor Vehicle Licence and Registrations	58,734	55,000	55,000	52,263	2,737
Uniform and Protective Clothing	5,843				0
Expenditure By Type / Other materials	71,897	135,000	85,000	50,950	34,050
Consumables: Standard Rated	37,515	30,000	30,000	32,231	-2,231
Consumables: Zero Rated	24,989	30,000	30,000	7,160	22,840
Finished Goods	8,568	50,000			0
Materials and Supplies	825	25,000	25,000	11,559	13,441

TABLE 3.19.2: Financial Performance 2020/21: Function: Energy Sources: Street Lighting and Signal Systems

R'000

Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	
Expenditure:					
Employees	3,328	3,494	3,494	3,024	(470)
Repairs and Maintenance	-	-	-	-	
Other	281	287	309	210	(99)
Total Operational Expenditure	3,609	3,781	3,804	3,105	(699)
Net Operational Expenditure	3,609	3,781	3,804	3,105	(699)

TABLE 3.19.2.1: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Street Lighting and Signal Systems	3,609,036	3,780,710	3,803,690	3,105,299	698,391
Expenditure By Type / Employee related costs	3,327,552	3,494,210	3,494,210	3,023,586	470,624
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Service Related Benefits: Bonus	173,836	190,960	190,960	190,069	891
Allowances: Service Related Benefits: Long Service Award	248,854	273,350	273,350	234,393	38,957
Allowances: Service Related Benefits:Overtime:Night Shift	129				0
Allowances: Service Related Benefits:Overtime:Non Structured	16,594	25,790	25,790	26,192	-402
Allowances: Service Related Benefits: Scarcity Allowance	161,147	177,020	136,230	136,211	19
Allowances: Service Related Benefits: Standby Allowance	125,127	60,640	124,680	148,671	-23,991
Allowances: Travel or Motor Vehicle	192,834	187,680	194,940	190,796	4,144
Basic Salary and Wages	1,837,176	2,018,130	2,012,480	1,609,944	402,536
Municipal Staff: Social Contributions:					
Bargaining Council	447	480	580	376	204
Group Life Insurance	13,357	14,670	15,140	10,122	5,018
Medical	175,246	185,600	185,600	138,980	46,620
Pension	375,667	352,050	328,800	332,180	-3,380
Unemployment Insurance	7,139	7,840	5,660	5,651	9
Expenditure By Type / Other expenditure	19,055	31,000	56,980	32,863	24,117
Operational Cost:					
Advertising, Publicity and Marketing: Tenders				8,884	-8,884
Communication: Cellular Contract (Subscription and Calls)	11,855	20,000	20,000	11,997	8,003
Drivers Licences and Permits		1,000	1,000		1,000
Licences: Motor Vehicle Licence and Registrations		1,000	1,000	403	597
Registration Fees: Professional and Regulatory Bodies	7,200	5,000	8,000	7,875	125
Skills Development Fund Levy			22,980		22,980
Uniform and Protective Clothing		4,000	4,000	3,705	295

TABLE 3.19.2.1: Function: Energy Sources:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other materials	262,428	255,500	252,500	48,850	203,650
Consumables: Standard Rated	5,170	1,000	1,000		1,000
Consumables: Zero Rated	107,980	104,500	104,500	44,888	59,612
Finished Goods	149,278	150,000	147,000	3,962	143,038

TABLE 3.20: Capital expenditure 2020/21: Electricity Services

Capital Expenditure 2020/21: Electricity Services						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	125,524	175,964	171,507	182,484	4%	
Distribution Kiosk Replacement	1,203					Ongoing
Distribution Substation Building Refurbishment Program	270	1,000	1,000	2,755	64%	Ongoing
ELECTRICITY BUILDING IMPROVEMENTS	614					Ongoing
Electrification -Bulk Infrastructure	6,664					Ongoing
Electrification of State Subsidised Houses	17,096	19,718	19,718	18,951	-4%	Ongoing
Fairview Refurbishment	957					Ongoing
Gas Turbine Refurbishment			2,800			Ongoing
HV Line Refurbishment (66 & 132kV)	754	8,000	1,500	1,084	-638%	Ongoing
HV Network Reinforcement - New Substations	4,868	2,900	2,900	15,999	82%	Ongoing
HV Network Reinforcement - Overhead Cabling	0	1,100	1,100	1,140	3%	Ongoing
HV Transmission Line		10,000	10,000	1,791	-458%	Ongoing
Informal Housing Electrification						Ongoing
Installation of 500KWp PV system at Newton Park Swimming pool		6,082	6,082			Ongoing
Low Voltage Reticulation Improvement	648	1,000	200	182	-449%	Ongoing
Munelek Office furniture and equipment			1,000	527	100%	Ongoing
Mayoral project for electrification of Ramaphosa (ward 56,57)	113					Ongoing
Meters and Current Transformers	2,813					Ongoing
Miscellaneous Mains and Substations	10,286	10,000	10,000	11,510	13%	Ongoing
MV and HV Switchgear replacement	25		4,000	3,038	100%	Ongoing

Capital Expenditure 2020/21: Electricity Services

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
New/Replacement of plant and motor vehicles	174	3,000	3,000	1,133	-165%	Ongoing
Non Electrification Areas - Service Connections	913	2,000	2,000	1,642	-22%	Ongoing
North Depot Improvements	381					Ongoing
Overhead Lines Refurbishment	3,921	5,000				Ongoing
Peri-Urban Network	25					Ongoing
Private Township Development	2,930	10,000	10,000	3,970	-152%	Ongoing
Procurement of metering products	-	2,000	2,000	1,851	-8%	Ongoing
Public Lighting	27,655	20,000	12,000	11,010	-82%	Ongoing
Public Lighting - Refurbishment/Retro fit			3,542	3,276	100%	Ongoing
Radio and Test Equipment	86	500	500	268	-86%	Ongoing
Refurbishment of Power Transformers		11,000	6,000	7,392	-49%	Ongoing
Reinforcement of electricity network - Coega	4,097	10,000	10,000	15,260	34%	Ongoing
Reinforcement of electricity network - Despatch	131	500	500	1,430	65%	Ongoing
Reinforcement of electricity network - Korsten	464	1,500	1,500			Ongoing
Reinforcement of electricity network - Malabar/ Helenvale	802					Ongoing
Reinforcement of electricity network - Swartkops	1,919					Ongoing
Reinforcement of electricity network - Kariega	1,718	2,000	2,000	2,267	12%	Ongoing
Reinforcement of electricity network - Walmer Lorraine	2,604	3,000	3,700	-		Ongoing
Reinforcement of Electricity Network- South				5,533	100%	Ongoing
Reinforcement of electricity network - Western	2,002	2,000	2,000	2,498	20%	Ongoing
Reinforcement of electricity network - Bethelsdorp 11 kV	80					Ongoing
Reinforcement of Electricity Network - Hunters Retreat	718					Ongoing
Reinforcement of Electricity Network - Ibhayi	1,241	2,000				Ongoing
Reinforcement of Electricity Network - Newton Park	999	500	500			Ongoing
MV and LV Line Refurbishment			5,500	5,035	100%	Ongoing
Reinforcement of electricity network - Summerstrand	686					Ongoing
Reinforcement of electricity network - Wells Estate	1,485	1,500	1,500	711	-111%	Ongoing
Reinforcement of Electricity Network- Mount Road	542	3,000	2,300	4,239	29%	Ongoing
REINFORCEMENT OF ELECTRICITY NETWORK- NORTH			2,000	652	100%	Ongoing
Relay Replacement	142		4,000	4,238	100%	Ongoing
Relocation of Existing Electrical Service Connections						Ongoing
Replace Switchgear in Mini susbs - KwaNobuhle	496					Ongoing

Capital Expenditure 2020/21: Electricity Services

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
SANEDI - SMART GRID INITIATIVE						Ongoing
Smart Pre-Payment Meters		10,943	10,943	10,650	-3%	Ongoing
Substation Fibre Optic Backbone	1,870	1,250	1,250	8	-14635%	Ongoing
Supervisory Control System - Equipment Upgrading	319	1,000	1,000	252	-297%	Ongoing
Test Van Equipment						Ongoing
Undeclared Informal Electrification	20,816	18,000	18,000	33,478	46%	Ongoing
E&E - EEDSM Energy Efficient Public Lighting				6,080	100%	
Upgrade of Commercial Meters - Remote Metering		5,472	5,472	2,633	-108%	Ongoing

COMMENT ON ELECTRICITY PROVISION PERFORMANCE OVERALL

During the 2020/21 financial year, altogether 1671 formal, informal and formal residential dwellings were provided with connections to the mains electricity supply by the Municipality. Altogether 44.63 MWh of free basic electricity (FBE) was provided to indigent households in 2020/21.

3.4 WASTE MANAGEMENT

The Nelson Mandela Bay Municipality's Third Generation Integrated Waste Management Plan is currently under review. The Integrated Waste Management Plan guides the implementation of waste management functions within the Municipality. The Municipality has town rangers who ensure the enforcement of the Municipality's Waste Management By-law. The town rangers issued 692 warnings and 129 fines to the value of R171 000 for waste management by-law contraventions during the 2020/21 financial year.

Collection of domestic waste

The Municipality provided domestic waste collection services to 270 237 households (235 644 formal and 34 644 informal) during the 2020/2021 financial year. A total of 77 informal settlements received waste collection services. Additional 27 informal settlements have been

identified for the provision of waste management services. A total of **232 582** tons of waste was transported by municipal fleet to the two landfill sites.

Collection of trade waste

During the 2020/21 financial year, the Municipality continued to provide waste management services to businesses, complexes and industries. A total of 1 837 collection points were serviced in the period under review.

Cleansing Services

The implementation of the Municipality's strategy for the elimination of illegal dumping and maintenance of municipal land and property continued in the 2020/21 financial year. The Municipality's 41 community entities programme provides waste management services (including waste collection and cleansing services) to 39 964 households.

DISPOSAL OF WASTE

Landfill Sites

The Municipality currently has two active landfill sites (i.e. Arlington and Koedoeskloof landfill sites). The Ibhayi and KwaNobuhle landfill sites remain closed as they need to be rehabilitated. The audit of the two active landfill sites in terms of the permit conditions as determined by the National Department of Environmental Affairs for the 2020/21 financial year indicated the following levels of compliance:

- Arlington – 75% (compared to 70% in 2019/20)
- Koedoeskloof - 71% (compared to 70% in 2019/20)

A total of 446 796 545 tonnes of waste (excluding recyclables and cover materials) was disposed of at the two main landfill sites (i.e. Koedoeskloof, 148,870,147 tonnes and Arlington, 297,926,398 tonnes). A total amount of R11,311,617.39 was accrued (through tariffs) from waste disposed of at the landfill sites.

Waste Drop-off Sites

The Nelson Mandela Bay Municipality currently services 18 formal and 33 informal drop-off sites. In the period under review, a total of 47 550 tonnes of waste (compared to 41 200 tonnes in 2019/2020) was removed from formal drop-off sites and 2 640 tonnes from informal drop-off sites to the landfill sites.

TABLE 3.21: Solid Waste Service Delivery levels

Solid Waste Service Delivery Levels				
Description	Year -3	Year -2	Year -1	Households Year 0
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	307,811	359,633	356,518	326 182
<i>Minimum Service Level and Above sub-total</i>	307,811	359,633	356,518	326 182
<i>Minimum Service Level and Above percentage</i>	93.1%	96.3%	96.6%	90.80%
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week	0	0	0	0
Using communal refuse dump	14,968	10,865	11,761	
Using own refuse dump	0	0	0	
Other rubbish disposal	6,852	0	0	
No rubbish disposal	893	2,899	658	
<i>Below Minimum Service Level sub-total</i>	22,713	13,764	12,419	33230
<i>Below Minimum Service Level percentage</i>	6.9%	3.7%	3.4%	9.24%
Total number of households	330,524	373,397	368,937	359412

TABLE 3.22: Performance scorecard

KEY PERFORMANCE AREA AND KEY PERFORMANCE ELEMENT	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Basic Service Delivery	Percentage of known informal settlements receiving integrated waste handling services	100%	74%	100%	54%	100%

TABLE 3.23: Employees: Solid Waste Management Services

Employees: Solid Waste Management Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	151	168	144	24	14%
4 - 6	66	75	56	19	25%
7 - 9	0	0	0	0	0%
10 - 12	21	21	15	6	29%
13 - 15	0	3	0	3	100%
16 - 18	1	1	1	0	
19 - 20	0	0	0	0	
Total	239	268	216	52	19%

TABLE 3.24: Employees: Waste Disposal and Other Services

Employees: Waste Disposal and Other Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	237	401	214	187	47%
4 - 6	17	21	17	4	19%
7 - 9	2	4	2	2	50%
10 - 12	12	23	10	13	57%
13 - 15	1	2	1	1	50%
16 - 18	0	0	0	0	
19 - 20	0	0	0	0	
Total	269	451	244	207	46%

TABLE 3.25: Financial Performance 2020/21: Waste Disposal and Other Services					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	415,629	441,713	439,278	448,105	8,827
Expenditure:					
Employees	185,039	216,329	220,143	205,004	(15,139)
Repairs and Maintenance	1,334	1,891	1,771	801	(970)
Other	214,300	166,563	176,698	253,719	(77,021)
Total Operational Expenditure	400,674	384,784	398,612	459,524	60,912
Net Operational Expenditure	(14,955)	(56,929)	(40,666)	11,419	52,085

TABLE 3.25.1: Financial Performance 2020/21: Waste Disposal: Solid Waste Disposal (Landfill Sites)					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	9,410	14,757	12,442	11,312	(1,130)
Expenditure:					
Employees	7,660	8,976	9,005	7,323	(1,682)
Repairs and Maintenance	618	1,207	1,087	373	(714)
Other	34,796	31,086	33,336	37,813	4,477
Total Operational Expenditure	43,074	41,268	43,428	45,509	2,081
Net Operational Expenditure	33,664	26,511	30,986	34,197	3,211

TABLE 3.25.1.1: Function: Waste Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Solid Waste Disposal (Landfill Sites)	33,663,795	26,511,280	27,486,170	34,197,238	-6,711,068
Expenditure By Type / Contracted services	3,457,298	3,274,670	3,714,670	2,027,172	1,687,498
:Consultants and Professional Services:					
Business and Advisory: Project Management	2,655,180	1,655,000	1,655,000	1,499,383	155,617
Contractors:					
Maintenance of Buildings and Facilities	18,470	45,060	45,060	19,235	25,825
Maintenance of Equipment	604,425	1,164,610	1,044,610	359,717	684,893
Outsourced Services:					
Business and Advisory: Project Management			690,000		690,000
Clearing and Grass Cutting Services		70,000			0
Hygiene Services	179,223	340,000	280,000	146,637	133,363
Litter Picking and Street Cleaning				2,200	-2,200
Expenditure By Type / Employee related costs	7,659,818	8,975,570	9,005,460	7,323,237	1,682,223
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	54,420	59,750	59,750	46,272	13,478
Allowances: Service Related Benefits: Acting and Post Related Allowances	26,119		10,230	36,397	-26,167
Allowances: Service Related Benefits: Bonus	309,581	322,170	335,920	255,331	80,589
Allowances: Service Related Benefits: Long Service Award	114,348	86,500	98,190	33,600	64,590
Allowances: Service Related Benefits:Overtime:Night Shift	287	2,720	2,720		2,720
Allowances: Service Related Benefits:Overtime:Non Structured	1,877,023	1,779,560	1,779,560	1,946,829	-167,269
Allowances: Service Related Benefits: Standby Allowance	111,787	81,000	81,000	124,798	-43,798
Basic Salary and Wages	3,939,837	5,258,170	5,235,130	3,728,567	1,506,563
Bonuses	6,181		17,090	35,427	-18,337
Municipal Staff: Social Contributions:					
Bargaining Council	1,929	2,160	2,160	1,782	378
Group Life Insurance	60,172	67,480	67,650	63,562	4,088
Medical	494,501	555,770	555,770	459,584	96,186
Pension	626,719	718,290	718,290	558,213	160,077

TABLE 3.25.1.1: Function: Waste Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Unemployment Insurance	36,915	42,000	42,000	32,873	9,127
Expenditure By Type / Other expenditure	31,767,009	28,869,350	30,449,350	35,939,833	-5,490,483
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	78,709	55,000	55,000	101,133	-46,133
Operational Cost:					
Communication: Cellular Contract (Subscription and Calls)	11,136	20,000	20,000	12,815	7,185
Communication: Telephone, Fax, Telegraph and Telex	19,670	20,000	20,000	19,896	104
External Computer Service: Software Licences	76,000	124,000	124,000		124,000
Hire Charges	31,523,516	28,597,740	30,177,740	35,783,376	-5,605,636
Insurance Underwriting: Premiums	497	610	660	612	48
Uniform and Protective Clothing	57,481	52,000	51,950	22,001	29,949
Expenditure By Type / Other materials	189,655	148,260	258,260	218,614	39,646
Consumables: Standard Rated	83,428	42,900	152,900	120,079	32,821
Consumables: Zero Rated	106,226	105,360	105,360	98,535	6,825
Revenue By Source / Other revenue	-9,409,986	-14,756,570	-11,648,070	-11,311,617	-336,453
Sales of Goods and Rendering of Services:					
Cleaning and Removal		-90,350	-90,350		-90,350
Scrap, Waste & Other Goods: Recycling of Waste	-9,409,986	-14,666,220	-11,557,720	-11,311,617	-246,103
Revenue By Source / Transfers and subsidies			-793,500		-793,500
South Africa Revenue Service (SARS)			-103,500		-103,500
National Governments: Integrated City Development Grant			-690,000		-690,000
Revenue By Source / Transfers and subsidies - capital			-3,500,000		-3,500,000
National Government: Integrated City Development Grant			-3,500,000		-3,500,000

TABLE 3.25.2: Financial Performance 2020/21: Waste Disposal: Solid Waste Removal

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	406,219	426,956	426,836	436,793	9,957
Expenditure:					
Employees	94,604	112,592	114,270	109,940	(4,330)
Repairs and Maintenance	464	328	328	381	53
Other	149,393	109,043	119,020	194,002	72,982
Total Operational Expenditure	244,460	221,963	233,618	304,323	70,705
Net Operational Expenditure	(161,759)	(204,993)	(193,218)	(132,470)	(60,748)

TABLE 3.25.2.1: Function: Waste Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Solid Waste Removal	-161,759,122	-204,993,370	-193,218,400	-132,470,340	-60,748,060
Expenditure By Type / Contracted services	30,434,340	46,252,060	46,127,060	35,445,136	10,681,924
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	681,987	2,503,000	2,503,000	1,917,553	585,447
Contractors:					
Catering Services	3,035	5,000	20,000	1,800	18,200
Maintenance of Equipment	463,561	319,060	319,060	381,090	-62,030
Outsourced Services:					
Business and Advisory: Accounting and Auditing	870,281	1,900,000	300,000		300,000
Business and Advisory: Project Management	2,850	270,000	270,000	161,000	109,000
Business and Advisory: Research and Advisory		255,000	255,000	17,860	237,140
Illegal Dumping	690				0
Refuse Removal	28,411,936	41,000,000	42,460,000	32,965,834	9,494,166
Expenditure By Type / Debt impairment	79,001,812	31,752,080	39,646,650	125,270,428	-85,623,778

TABLE 3.25.2.1: Function: Waste Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Gains and Losses: Impairment Loss: Trade and Other Receivables from Exchange Transactions: Waste Management	79,001,812	31,752,080	39,646,650	125,270,428	-85,623,778
Expenditure By Type / Employee related costs	94,604,092	112,592,480	114,270,210	109,939,671	4,330,539
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	1,650,000	4,069,950	4,069,950	4,692,878	-622,928
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	275,955	303,140	303,140	298,707	4,433
Allowances: Housing Benefits and Incidental: Housing Benefits	348,730	379,260	389,720	334,522	55,198
Allowances: Service Related Benefits: Acting and Post Related Allowances	285,228		499,240	329,240	170,000
Allowances: Service Related Benefits: Bonus	4,235,888	4,557,110	5,141,150	4,492,607	648,543
Allowances: Service Related Benefits: Leave Pay	2,112,581	475,000	475,000	2,828,684	-2,353,684
Allowances: Service Related Benefits: Long Service Award	3,609,344	3,948,130	3,977,120	8,831,198	-4,854,078
Allowances: Service Related Benefits:Overtime:Night Shift	33,322	110,000	110,000	39,509	70,491
Allowances: Service Related Benefits:Overtime:Non Structured	8,025,028	8,852,850	8,852,850	10,326,418	-1,473,568
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	15,754	15,620	15,620	16,821	-1,201
Allowances: Service Related Benefits: Standby Allowance	1,080,071	838,200	842,080	1,276,005	-433,925
Allowances: Travel or Motor Vehicle	888,115	1,097,280	1,032,280	875,623	156,657
Basic Salary and Wages	47,130,816	61,567,440	61,934,980	49,436,627	12,498,353
Bonuses	9,348,445	9,827,290	9,687,290	9,861,444	-174,154
Municipal Staff: Social Contributions:					
Bargaining Council	23,838	24,840	25,720	24,826	894
Group Life Insurance	461,835	478,120	527,450	525,102	2,348
Medical	5,530,251	5,770,520	5,868,260	5,712,513	155,747
Pension	9,154,300	9,864,370	10,103,170	9,656,960	446,210
Unemployment Insurance	394,593	413,360	415,190	379,987	35,203
Expenditure By Type / Finance charges	70,190	66,170	66,170	66,170	0
Interest Paid:Borrowings:Annuity Loans	70,190	66,170	66,170	66,170	0

TABLE 3.25.2.1: Function: Waste Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other expenditure	25,178,182	21,580,510	24,333,180	23,181,365	1,151,815
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	23,184	54,250	54,250	9,696	44,554
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	6,798				0
Advertising, Publicity and Marketing: Staff Recruitment	41,931	43,510	43,510		43,510
Advertising, Publicity and Marketing: Tenders	9,058	5,000	5,000		5,000
Assets less than the Capitalisation Threshold	38,362	8,450	48,450		48,450
Communication: Cellular Contract (Subscription and Calls)	168,516	155,300	155,300	201,419	-46,119
Hire Charges	23,601,084	12,484,660	21,981,520	22,058,091	-76,571
Insurance Underwriting: Premiums	26,329	32,130	32,130	240	31,890
Licences: Motor Vehicle Licence and Registrations		32,000	32,000	5,409	26,591
Professional Bodies, Membership and Subscription	3,617	2,000	2,000		2,000
Skills Development Fund Levy	855,445	1,756,810	1,756,810	889,026	867,784
Travel Agency and Visa's	2,689	2,000	2,000		2,000
Travel and Subsistence: Domestic: Accommodation	11,798	9,830			0
Travel and Subsistence: Domestic: Transport with Operator: Public Transport: Air Transport	21,811	30,000	10,000		10,000
Travel and Subsistence: Domestic: Transport with Operator: Public Transport: Road Transport	4,424				0
Travel and Subsistence: Domestic: Transport without Operator: Car Rental	1,605	3,000	3,000		3,000
Uniform and Protective Clothing	346,973	253,000	203,000	3,310	199,690
Wet Fuel		6,708,570	4,210		4,210
Workmen's Compensation Fund	14,557			14,173	-14,173
Expenditure By Type / Other materials	15,171,549	9,719,590	9,174,590	10,419,747	-1,245,157
Consumables: Standard Rated	4,379,006	3,567,080	3,717,080	3,524,101	192,979
Consumables: Zero Rated	10,792,543	6,152,510	5,452,510	6,895,316	-1,442,806
Finished Goods		0	5,000	331	4,669

TABLE 3.25.2.1: Function: Waste Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Interest earned - outstanding debtors	-29,375,397	-22,731,950	-22,731,950	-37,340,251	14,608,301
Interest:Receivables:Waste Management	-29,375,397	-22,731,950	-22,731,950	-37,340,251	14,608,301
Revenue By Source / Other revenue		-6,420	-6,420		-6,420
Operational Revenue:					
Staff Recoveries		-6,420	-6,420		-6,420
Revenue By Source / Rental of facilities and equipment	-4,403,109	-4,809,560	-4,689,560	-4,545,099	-144,461
Rental from Fixed Assets: Property Plant and Equipment:					
Ad-hoc rentals: Solid Waste Infrastructure	-4,403,109	-4,809,560	-4,689,560	-4,545,099	-144,461
Revenue By Source / Service charges - refuse revenue	-247,927,121	-264,311,000	-264,311,000	-259,805,921	-4,505,079
Waste Management: Refuse Removal	-234,997,988	-247,345,160	-249,945,160	-245,788,494	-4,156,666
Waste Management: Waste Bins	-12,929,133	-16,965,840	-14,365,840	-14,017,428	-348,412
Revenue By Source / Transfers and subsidies	-124,513,660	-135,097,330	-135,097,330	-135,097,330	0
:National Revenue Fund: Equitable Share	-124,513,660	-135,097,330	-135,097,330	-135,097,330	0

TABLE 3.25.3: Financial Performance 2020/21: Waste Disposal: Street Cleaning

R'000

Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0
Expenditure:					
Employees	82,775	94,761	96,867	87,741	(9,126)
Repairs and Maintenance	253	357	357	47	(310)
Other	30,112	26,435	24,342	21,904	(2,438)
Total Operational Expenditure	113,140	121,553	121,566	109,693	(11,873)
Net Operational Expenditure	113,140	121,553	121,566	109,693	(11,873)

TABLE 3.25.3.1: Function: Waste Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Street Cleaning	113,139,977	121,553,050	121,566,060	109,692,529	11,873,531
Expenditure By Type / Contracted services	11,484,848	12,673,390	9,500,590	7,022,823	2,477,767
Contractors:					
Maintenance of Buildings and Facilities	252,620	356,960	356,960	47,180	309,780
Maintenance of Equipment	75,783	86,000	86,000	71,974	14,026
Outsourced Services:					
Alien Vegetation Control		20,000			0
Illegal Dumping	5,463,620	5,210,430	2,057,630	1,541,306	516,324
Litter Picking and Street Cleaning	5,692,826	7,000,000	7,000,000	5,362,363	1,637,637
Expenditure By Type / Employee related costs	82,775,400	94,761,180	96,867,160	87,741,470	9,125,690
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	272,870	322,500	331,090	268,607	62,483
Allowances: Service Related Benefits: Acting and Post Related Allowances	430,002		772,410	762,209	10,201
Allowances: Service Related Benefits: Bonus	3,618,595	4,056,760	4,058,460	3,687,308	371,152
Allowances: Service Related Benefits: Long Service Award	1,995,480	1,950,130	2,081,530	1,813,005	268,525
Allowances: Service Related Benefits:Overtime:Night Shift	259,366	336,010	336,010	238,649	97,361
Allowances: Service Related Benefits:Overtime:Non Structured	7,853,033	7,740,410	7,740,410	9,428,767	-1,688,357
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	31,525	46,500	46,500	19,261	27,239
Allowances: Service Related Benefits: Standby Allowance	263,400	200,260	200,260	278,748	-78,488
Allowances: Travel or Motor Vehicle	268,318	280,780	233,930	245,695	-11,765
Basic Salary and Wages	46,278,104	54,359,510	55,476,560	48,521,728	6,954,832
Bonuses	6,979,866	9,251,640	9,251,640	7,878,728	1,372,912
Municipal Staff: Social Contributions:					
Bargaining Council	29,305	32,300	32,910	28,839	4,071
Group Life Insurance	593,819	656,800	674,020	638,787	35,233
Medical	5,598,049	6,295,170	6,327,360	5,676,317	651,043
Pension	7,842,982	8,708,920	8,779,740	7,790,792	988,948

TABLE 3.25.3.1: Function: Waste Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Unemployment Insurance	460,687	523,490	524,330	464,031	60,299
Expenditure By Type / Other expenditure	17,123,200	12,714,870	13,664,870	13,323,102	341,768
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	248,370	230,410	230,410	251,954	-21,544
Operational Cost:					
Assets less than the Capitalisation Threshold	4,998			8,000	-8,000
Communication: Cellular Contract (Subscription and Calls)		4,440	4,440		4,440
Drivers Licences and Permits	748	2,000	2,000	434	1,566
External Computer Service: Network Extensions		5,000	5,000		5,000
Hire Charges	16,160,444	12,003,730	12,823,730	12,879,016	-55,286
Insurance Underwriting: Premiums	21,429	26,130	256,130	3	256,127
Uniform and Protective Clothing	563,669	443,160	343,160	9,086	334,074
Wet Fuel		0			0
Workmen's Compensation Fund	123,542			174,609	-174,609
Expenditure By Type / Other materials	1,756,529	1,403,610	1,533,440	1,605,134	-71,694
Consumables: Standard Rated	843,129	526,950	636,950	651,879	-14,929
Consumables: Zero Rated	913,400	873,130	873,130	939,298	-66,168
Finished Goods		3,530	23,360	13,958	9,402

TABLE 3.26: Capital Expenditure 2020/21: Waste Management Services

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	8,596	8,200	8,200	5,452	-50%	
Replacement of Refuse Compactors	-	3,500	-			
Urban Refuse Transfer/Recycling Station	-	-				
Urban Refuse Transfer station - Gillespie	2,563	-				
Solid Waste Diversion and Beneficiation Project	-					
Waste Management Containers	-					
Development of Waste Disposal Facilities	6,033	-	-			
Purchase of Waste Containers	-	2,200	400	180,000.00	-1122%	
Development of Waste Disposal Facilities - Koedoeskloof		-	5,800	3,771,224.97	100%	
Development of Waste Disposal Facilities - Arlington		2,500	2,000	1,500,340.92	-67%	

3.5 HUMAN SETTLEMENTS

Development and support

The Nelson Mandela Bay Municipality has a Development and Support Unit which provides technical support including land surveying, architectural and drawing, GIS as well as planning and implementation of civil engineering services for housing development. The Municipality's Human Settlements Plan informs the provision of sustainable and integrated human settlements, including the provision of quality infrastructure services to communities. Through the implementation of the NMBM Human Settlements Plan, the Municipality has upgraded a total of 55 informal settlements and developed 20 Greenfields areas. Altogether 37 843 sites have been serviced with permanent water and sanitation services since the implementation of the NMBM Human Settlements Plan. Only 300 sites were serviced during the current reporting period due to a budget reprioritization to assist with the supply and erection of emergency shelters and acquisition of land for informal settlement upgrading in the Lorraine area.

Housing Delivery

The Nelson Mandela Bay Municipality takes all reasonable measures within its available resources to ensure access to adequate housing as stipulated in Section 26 of the Constitution of the Republic of South Africa. The housing development function was still being handled by the Housing Development Agency during the period under review.

Upgrading of Informal Settlements Partnership Grant (UISPG)

The National Department of Human Settlements introduced a window period in preparation of dedicated grant intended to support incremental upgrading on a city-wide scale. The grant would be fully introduced as a separate grant in the 2021/22 financial year. During the period under review, the Nelson Mandela Bay Municipality was allocated R181 million to provide various services in the upgrading of settlements, however, the budget had to be redirected to Covid-19 interventions.

The Municipality is in a process of developing Informal Settlements Upgrading Strategy which will be approved by Council during the 2021/22 financial year. The aim of this strategy is to ensure effective, uniform and fair process in upgrading, managing and formalizing existing informal settlements resulting from historic illegal occupation relating to various aspects and including recently land invaded areas.

Categorisation of Informal Settlements

Informal settlements have been categorised as follows:

- **Category A settlements:** Informal settlements planned for formal *in situ* upgrading through the implementation of the National Upgrading of Informal Settlements Programme (UISP) and for which funding has already been approved.
- **Category B settlements:** Informal settlements identified for possible *in situ* upgrading in future subject to additional land being identified for de-densification of the settlements.
- **Category C settlements:** Informal settlements identified for future relocation because of their current hazardous locations posing a risk to the lives and livelihoods of inhabitants

Strategy for better located housing development, specifically the poor

The Nelson Mandela Bay Municipality seeks to locate housing development at strategic areas through the following:

- Strengthening existing major bus routes and commuter routes through high-density development along the routes especially in the identified Integration Zones.
- Intensifying development around existing public open spaces, where appropriate.

Relocation of households from stressed informal settlements

During the 2020/21 financial year, the Municipality relocated 632 households from stressed informal areas to serviced sites.

Waiting list review process

The approved allocation of housing opportunities created through the National Housing Programme require an approach based on fairness, equity, credibility and integrity in the management of housing need registers, and more specifically, the manner in which housing opportunities created and provided by the government are to be allocated. Everyone who has a need for a housing and human settlement, of whatever description, should be required to register their housing and human settlement need. An enquiry function has been created on NMBM Mobile App.

Land invasion:

A strategy to respond to unlawful land invasions has been developed. The strategy deals with the prevention of new unlawful land invasions but also seeks to acknowledge and formalize existing land invasions.

Profiling of informal settlements is underway. This process will determine the real need for housing. Those that do not qualify for housing in terms of Breaking New Ground and Housing Code will be allowed to purchase sites to build their own top structures through the Finance Linked Individual Subsidy Program (FLISP) or other tools.

The table below illustrates the percentage of households in the Municipality with access to basic housing.

TABLE 3.27: Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of households in formal settlements
Year -3	324 292	276 850	85%
Year -2	365 973	289 547	79%
Year -1	356 065	328 726	92%
Year 0	359412	335 380	93.31

TABLE 3.28: Performance scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA 1 : Basic Service Delivery	Number of formal sites serviced	1577	0	1598	1489	1333
KPA 1: Basic Service Delivery	Number of informal settlements enumerated and classified (in terms of National Upgrading Support Programme or equivalent classification)	0 (Count was completed in the 2017/18 financial year)	0 (Count was completed in the 2017/18 financial year)	0 (Count was completed in the 2017/18 financial year)	0	0 (Count was completed in the 2017/18 financial year)
KPA 1 : Basic Service Delivery	Percentage of informal settlements using a participatory approach to planning or implementing upgrading	100%	N/A (No new projects registered that required a participatory approach to planning or implementing upgrading)	100% (in line with new applications for planning or upgrading)	0% (no new applications for planning or upgrading received by the Municipality)	0%
KPA 3: Local Economic Development	Percentage implementation of the Njoli Square Redevelopment Key Capital Project in line with the Ibhayi Precinct Plan	N/A	N/A	100% (400m construction of Daku Street Dual Carriage Way)	95% (380m construction of Daku Street Dual Carriage Way completed)	N/A

TABLE 3.28: Financial performance 2020/21: Housing Services

Financial Performance 2020/21: Housing Services					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	5,111	143,099	126,307	3,652	(122,655)
Expenditure:					
Employees	98,607	116,553	119,197	104,529	(14,668)
Repairs and Maintenance	1,849	3,030	4,705	1,257	(3,448)
Other	20,468	51,151	46,707	18,959	(27,748)
Total Operational Expenditure	120,923	170,734	170,609	124,746	(45,863)
Net Operational Expenditure	115,812	27,635	44,302	121,094	(76,792)

TABLE 3.28.1: Financial Performance 2020/21: Housing Services: Housing

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	4,798	143,099	126,307	3,652	-122,655
Expenditure:					
Employees	77,121	89,683	89,691	79,554	(10,137)
Repairs and Maintenance	1,661	2,994	4,564	1,087	(3,477)
Other	15,393	48,131	44,216	16,548	(27,668)
Total Operational Expenditure	94,175	140,808	138,471	97,190	(41,281)
Net Operational Expenditure	89,378	(2,291)	12,164	93,538	81,374

TABLE 3.28.1.1: Function: Housing:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Housing	46,405,390	-352,446,660	-177,785,830	-47,646,250	-130,139,580
Expenditure By Type / Contracted services	9,158,916	40,980,990	38,239,900	9,550,067	28,689,833
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	5,631,914	10,022,970	10,022,970	5,828,781	4,194,189
Contractors:					
Building	-144,917	3,000,000	18,400,000	276,690	18,123,310
Catering Services		10,000	10,000		10,000
Maintenance of Buildings and Facilities	1,699,170	2,951,970	4,531,970	1,090,405	3,441,565
Maintenance of Equipment	153,430	511,920	507,380	73,487	433,893
Stage and Sound Crew		114,890	114,890		114,890
Transportation	7,400	10,690	10,690	9,800	890
Outsourced Services:					
Business and Advisory: Project Management	1,741,499	24,005,610	4,239,060	2,173,857	2,065,203
Business and Advisory: Qualification Verification				19,267	-19,267
Cleaning Services	9,000	9,500	9,500		9,500
Clearing and Grass Cutting Services	25,521	152,040	152,040	35,272	116,768
Hygiene Services			50,000		50,000
Refuse Removal	35,900	191,400	191,400	42,507	148,893
Expenditure By Type / Debt impairment	3,874				0
Expenditure: Bad Debts Written Off	3,874				0
Expenditure By Type / Depreciation and asset impairment	1,404,243	49,950	439,900	1,262,359	-822,459
Expenditure: Depreciation and Amortisation:Depreciation:Furniture and Office Equipment		45,370	45,370		45,370
Expenditure: Depreciation and Amortisation:Depreciation:Other Assets:Housing:Social Housing	1,404,243	4,580	394,530	1,262,359	-867,829
Expenditure By Type / Employee related costs	77,121,095	89,683,020	89,690,540	79,554,028	10,136,512
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,585,758	1,799,980	1,712,460	1,605,326	107,134

TABLE 3.28.1.1: Function: Housing:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Housing Benefits and Incidental: Housing Benefits	518,965	581,740	571,880	578,190	-6,310
Allowances: Non-pensionable	360	400	360	360	0
Allowances: Service Related Benefits: Acting and Post Related Allowances	505,392	10,000	184,410	393,017	-208,607
Allowances: Service Related Benefits: Bonus	4,159,263	4,566,590	5,062,730	4,452,327	610,403
Allowances: Service Related Benefits: Long Service Award	2,703,795	3,042,630	2,866,690	2,864,446	2,244
Allowances: Service Related Benefits:Overtime:Non Structured	380,807	339,550	354,250	109,315	244,935
Allowances: Service Related Benefits: Scarcity Allowance	937,790	1,022,050	1,000,640	949,148	51,492
Allowances: Travel or Motor Vehicle	3,571,251	4,040,320	4,081,180	3,455,864	625,316
Basic Salary and Wages	47,561,765	55,525,920	56,053,420	49,281,285	6,772,135
Municipal Staff: Social Contributions:					
Bargaining Council	16,077	17,280	16,850	16,555	295
Group Life Insurance	558,300	607,680	587,310	585,230	2,080
Medical	4,920,375	5,297,020	4,988,530	5,024,101	-35,571
Pension	9,293,853	10,214,790	9,842,110	9,698,688	143,422
Unemployment Insurance	258,117	284,240	251,720	249,574	2,146
:Senior Management: Designation:					
Salaries and Allowances: Basic Salary	149,078	2,116,000	2,116,000	254,778	1,861,222
Salaries and Allowances: Bonuses		214,880		35,527	-35,527
Social Contributions: Unemployment Insurance	149	1,950		297	-297
Expenditure By Type / Finance charges	428,209	440,320	440,320	440,320	0
Interest Paid:Borrowings:Annuity Loans	428,209	440,320	440,320	440,320	0
Expenditure By Type / Other expenditure	5,719,468	8,958,370	8,904,890	6,017,600	2,887,290
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	42,560	95,400	95,400	11,740	83,660
Expenditure: Operating Leases: Furniture and Office Equipment	318,379	508,890	598,890	279,955	318,935
Expenditure: Operating Leases: Other Assets	1,847,156	2,755,460	2,500,000	2,376,677	123,323

TABLE 3.28.1.1: Function: Housing:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	18,848	117,630	107,630		107,630
Advertising, Publicity and Marketing: Staff Recruitment	18,429	30,000	20,000	66,442	-46,442
Advertising, Publicity and Marketing: Tenders	3,084		190,000	39,808	150,192
Assets less than the Capitalisation Threshold	164,773	605,310	603,910	68,949	534,961
Communication: Cellular Contract (Subscription and Calls)	806,495	766,770	906,770	896,445	10,325
Communication: Licences (Radio and Television)		1,280	1,280		1,280
Communication: Postage/Stamps/Frinking Machines	226,953	231,370	231,370	42,522	188,848
Communication: Telephone Installation		15,000			0
Communication: Telephone, Fax, Telegraph and Telex		15,800	15,800		15,800
Cost relating to the Sale of Houses	8,817			6,396	-6,396
Courier and Delivery Services		2,500	2,500	250	2,250
Drivers Licences and Permits	648	4,610	4,610	190	4,420
External Computer Service: Data Lines		3,120	3,120		3,120
External Computer Service: Internet Charge	20,896	27,500	47,500	20,450	27,050
External Computer Service: Network Extensions				32,309	-32,309
External Computer Service: Software Licences	58,447	100,000	100,000	5,940	94,060
External Computer Service: Wireless Network	11,732	16,340	16,340	13,379	2,961
Insurance Underwriting: Premiums	369,311	754,470	754,470	211,550	542,920
Licences: Motor Vehicle Licence and Registrations		2,250	2,250		2,250
Management Fee	29,945	26,810	26,810	14,378	12,432
Municipal Services	356,013	797,320	695,700	410,232	285,468
Printing, Publications and Books		170,000	70,000		70,000
Skills Development Fund Levy	1,373,568	1,542,930	1,542,930	1,461,737	81,193
Storage of Files (Archiving)		50,000	50,000	25,458	24,542
Travel Agency and Visa's	2,422	21,500	21,500	73	21,427
Travel and Subsistence:Domestic:Accommodation	3,287	41,940	41,940		41,940

TABLE 3.28.1.1: Function: Housing:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Daily Allowance	5,994	12,300	12,300		12,300
Travel and Subsistence:Domestic:Food and Beverage (Served)	382				0
Travel and Subsistence:Domestic:Incidental Cost		5,880	5,880		5,880
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	16,256	88,530	88,530		88,530
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport		8,970	8,970		8,970
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		48,260	48,260		48,260
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		1,000	1,000		1,000
Travel and Subsistence:Non-employees				6,404	-6,404
Uniform and Protective Clothing	5,380	79,230	79,230	19,829	59,401
Workmen's Compensation Fund	9,693	10,000	10,000	6,487	3,513
Expenditure By Type / Other materials	339,589	695,430	755,430	365,338	390,093
Consumables: Standard Rated	303,092	585,240	655,220	346,058	309,162
Consumables: Zero Rated	10,575	49,550	49,550	1,714	47,836
Finished Goods	25,922	60,640	50,660	17,566	33,094
Revenue By Source / Interest earned - outstanding debtors	-7,227				0
Interest:Receivables:Housing Selling Schemes	-7,227				0
Revenue By Source / Other revenue	-1,602,467	-3,521,200	-2,521,200	-66,719	-2,454,481
Operational Revenue:					
Administrative Handling Fees	-2,800	-1,000,000	-1,000,000		-1,000,000
Insurance Refund				-601	601
Request for Information: Municipal Information and Statistics		-20,000	-20,000		-20,000
Request for Information: Plan Printing and Duplicates				-9	9
Sale of Property		-100,000	-100,000		-100,000
Staff Recoveries	-257	-1,200	-1,200	-2,190	990
Sales of Goods and Rendering of Services:					

TABLE 3.28.1.1: Function: Housing:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Advertisements	-1,599,411	-2,400,000	-1,400,000	-61,685	-1,338,315
Sale of Goods: Assets < Capitalisation Threshold				-2,234	2,234
Revenue By Source / Rental of facilities and equipment	-757,514	-68,000	-58,150	-780,555	722,405
Ad-hoc rentals: Community Assets	-757,152	-68,000	-58,000	-780,243	722,243
Investment Property: Ad-hoc rentals	-362		-150	-311	161
Revenue By Source / Transfers and subsidies	-2,430,508	-139,510,110	-123,727,750	-2,804,354	-120,923,396
South Africa Revenue Service (SARS)	-189,031	-115,934,800	-119,802,150	-630,497	-119,171,653
National Governments: Urban Settlement Development Grant	-1,841,092	-23,575,310	-3,925,600	-2,173,857	-1,751,743
Capacity Building and Other: Specify (Add grant description)	-400,385				0
Revenue By Source / Transfers and subsidies - capital	-42,972,288	-350,155,430	-189,949,710	-141,184,333	-48,765,377
National Government: Urban Settlements Development Grant	-42,972,288	-350,155,430	-51,149,710	-141,184,333	90,034,623
National Governments: Urban Settlement Development Grant			-138,800,000		-138,800,000

TABLE 3.28.2: Financial Performance 2020/21: Housing Services: Informal Settlements

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	314	-	-	-	0
Expenditure:					
Employees	21,486	26,869	29,506	24,975	(4,531)
Repairs and Maintenance	188	36	141	170	29
Other	5,074	3,020	2,371	2,297	(74)
Total Operational Expenditure	26,748	29,926	32,018	27,442	(4,576)
Net Operational Expenditure	26,434	29,926	32,018	27,442	(4,576)

TABLE 3.28.2.1: Function: Housing:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Informal Settlements	26,433,989	29,925,760	32,017,560	27,441,801	4,575,759
Expenditure By Type / Contracted services	1,610,235	1,675,760	1,235,760	1,806,335	-570,575
Contractors:					
Catering Services	188				0
Maintenance of Buildings and Facilities	55,493	60,000	40,000	35,200	4,800
Maintenance of Equipment	15,161	40,870	40,870	12,553	28,317
Management of Informal Settlements	1,527,502	800,000	775,000	1,680,127	-905,127
Transportation	9,200	400,000	50,000	75,655	-25,655
Outsourced Services:					
Business and Advisory: Project Management		250,000	205,000		205,000
Business and Advisory: Research and Advisory		114,890	114,890		114,890
Hygiene Services	2,691	10,000	10,000	2,800	7,200
Expenditure By Type / Employee related costs	21,485,532	26,869,490	29,506,290	24,975,177	4,531,113
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	403,926	443,720	445,160	445,146	14
Allowances: Housing Benefits and Incidental: Housing Benefits	81,630	83,650	105,150	113,752	-8,602
Allowances: Non-pensionable	720	800	720	720	0
Allowances: Service Related Benefits: Acting and Post Related Allowances	41,316		21,250	56,341	-35,091
Allowances: Service Related Benefits: Bonus	990,498	1,101,450	1,317,460	1,130,368	187,092
Allowances: Service Related Benefits: Long Service Award	574,522	627,200	619,070	629,924	-10,854
Allowances: Service Related Benefits:Overtime:Non Structured	369,732	400,000	468,160	405,183	62,977
Allowances: Travel or Motor Vehicle	1,976,808	2,431,350	2,143,710	2,170,519	-26,809
Basic Salary and Wages	13,176,735	17,598,290	20,112,420	15,653,705	4,458,715
Municipal Staff: Social Contributions:					
Bargaining Council	4,194	4,440	4,790	4,772	18
Group Life Insurance	150,900	163,680	171,610	172,360	-750
Medical	1,324,900	1,415,080	1,393,160	1,464,350	-71,190

TABLE 3.28.2.1: Function: Housing:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Pension	2,314,172	2,523,420	2,619,560	2,630,037	-10,477
Unemployment Insurance	75,480	76,410	84,070	98,001	-13,931
Expenditure By Type / Other expenditure	816,715	1,253,450	1,173,450	549,723	623,727
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	19,929	80,450	80,450	21,705	58,745
Expenditure: Operating Leases: Furniture and Office Equipment	46,266	180,000	180,000	42,139	137,861
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		270,000	150,000		150,000
Assets less than the Capitalisation Threshold	361,258	130,000	170,000	20,135	149,865
Cleaning Services: Car Valet and Washing Services	270	2,450	2,450	530	1,920
Communication: Cellular Contract (Subscription and Calls)	261,207	220,000	220,000	328,382	-108,382
Communication: MS Bulk Message Service	22,000				0
Communication: Telephone Installation		24,810	24,810		24,810
Communication: Telephone, Fax, Telegraph and Telex	11,825	15,000	15,000	12,104	2,896
Courier and Delivery Services	55				0
Deeds		25,310	25,310		25,310
Drivers Licences and Permits		2,550	2,550		2,550
External Computer Service: Internet Charge	8,212	22,500	22,500	5,521	16,979
External Computer Service: Network Extensions		40,000	40,000		40,000
External Computer Service: System Development		130,000	130,000		130,000
Insurance Underwriting: Premiums	37	50	50	37	13
Learnerships and Internships	45,444			96,564	-96,564
Licences: Motor Vehicle Licence and Registrations		4,000	4,000	1,930	2,070
Travel Agency and Visa's	3,232	3,000	3,000	72	2,928
Travel and Subsistence:Domestic:Accommodation	9,816	9,000	9,000		9,000
Travel and Subsistence:Domestic:Daily Allowance	11,765	5,000	5,000		5,000
Travel and Subsistence:Domestic:Food and Beverage (Served)	856				0

TABLE 3.28.2.1: Function: Housing:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	12,450	13,210	13,210		13,210
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	1,552				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		11,120	11,120		11,120
Uniform and Protective Clothing	542	65,000	65,000	20,604	44,396
Expenditure By Type / Other materials	2,835,062	127,060	102,060	110,567	-8,507
Consumables: Standard Rated	44,211	57,060	62,060	61,065	995
Consumables: Zero Rated	59,828	70,000	30,000	39,902	-9,902
Finished Goods	2,731,022		10,000	9,600	400
Revenue By Source / Other revenue	-313,555				0
Operational Revenue:					
Insurance Refund	-313,555				0

TABLE 3.28.2.2: Function: Housing:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Function:Housing:Core Function: Informal Settlements			120,000	114,342	5,658
Expenditure By Type / Contracted services			120,000	114,342	5,658
Contractors:					
Maintenance of Buildings and Facilities			120,000	114,342	5,658

TABLE 3.29: Capital expenditure 2020/21: Housing Services

Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	42,245	226,155	51,150	64,283	-252%	
Khayamnandi Extension - Roadworks (Human Settlements)	(187)	1,000	-			Ongoing
Missionvale Garden Lots - Roadworks (Human Settlements)	3,755	15,000	8,000	17,194	13%	Ongoing
Kwanobuhle Area 11 - Roadworks (Human Settlements)	15,503	12,000	7,000	13,698	12%	Ongoing
Kwazakhele: Ekhumphumleni Roadworks (Human Settlements)	2,082	14,000	-			Ongoing
Jagvlagte (Chatty 11-14) Roadworks (Human Settlements)	122	250	38	38	-557%	Ongoing
Seaview Housing - Roadworks (Human Settlements)	-	500	-			Ongoing
Walmer Development - Roadworks (Human Settlements)	6,228	10,000	-			Ongoing
MK SILVERTOWN 2 QAQAWULI - ROADWORKS (Human Settlements)	-	-	-			Ongoing
Motherwell NU30 - Roadworks (Human Settlements)	(354)	10,000	-			Ongoing
Malabar Ext 6 Phase 2 - Roadworks (Human Settlements)	-	1,000	-			Ongoing
Nkatha/Seyisi - Roadworks (Human Settlements)	-	3,000	-			Ongoing
Bethelsdorp Ext 32, 34 & 36 - Roadworks (Human Settlements)	-	500	-			Ongoing
Kleinskool Kliprand - Roadworks Human Settlements (Services)	-	-	-			Ongoing
ERF 818/868, Roadworks (Human Settlements)	1,499	-	-			Ongoing
Malabar Ext 6 Phase 2 - Stormwater (Human Settlements)	-	500	-			Ongoing
Malabar Ext 6 Phase 2 - Water (Human Settlements)	-	500	-			Ongoing
Khayamnandi Extension - Water (Human Settlements)	-	1,000	-			Ongoing
Khayamnandi Extension - Stormwater (Human Settlements)	-	1,000	-			Ongoing
Malabar Ext 6 Phase 2 - Sewer (Human Settlements)	-	500	-			Ongoing
Khayamnandi Extension - Sewer (Human Settlements)	-	1,000	-			Ongoing
Kwanobuhle Area 11 - Stormwater (Human Settlements)	3,196	3,600	1,000	-		Ongoing
Kwanobuhle Area 11 - Water (Human Settlements)	2,376	500	-			Ongoing

Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Kwanobuhle Area 11 - Sewer (Human Settlements)	2,998	500	-			Ongoing
Nkatha/Seyisi - Stormwater (Human Settlements)	-	1,500	-			Ongoing
Nkatha/Seyisi - Water Bulks (Human Settlements)	-	2,000	-			Ongoing
Nkatha/Seyisi - Sewer Bulks (Human Settlements)	-	3,000	-			Ongoing
Bethelsdorp Ext 32, 34, & 36 - Stormwater(Human Settlements)	-	500	-			Ongoing
Jagvlagte (Chatty 11-14) Stormwater (Human Settlements)	37	250	11	11	-2083%	Ongoing
Bethelsdorp Ext 32, 34, & 36 - Water Bulk(Human Settlements)	-	500	-			Ongoing
Jagvlagte (Chatty 11-14) Water (Human Settlements)	37	500	5,000	6,571	92%	Ongoing
Bethelsdorp Ext 32, 34, & 36 - Sewer (Human Settlements)	-	500	-			Ongoing
Kleinskool Kliprand - Stormwater (Human Settlements)	-	-	-			Ongoing
Jagvlagte (Chatty 11-14) Sewer (Human Settlements)	49	500	2,000	15	-3186%	Ongoing
Seaview Housing - Stormwater (Human Settlements)	-	500	-			Ongoing
Kleinskool Kliprand - Water Bulks (Human Settlements)	-	-	-			Ongoing
Seaview Housing - Water (Human Settlements)	-	500	-			Ongoing
Kleinskool Kliprand - Sewer Bulks (Human Settlements)	-	-	-			Ongoing
Seaview Housing - Sewer Bulks (Human Settlements)	-	500	-			Ongoing
Walmer Development - Stormwater (Human Settlements)	(107)	3,500	-	(121)	2988%	Ongoing
Walmer Development - Water (Human Settlements)	-	6,000	2,500	2,599	-131%	Ongoing
Walmer Development - Sewer (Human Settlements)	-	12,200	7,500	4,857	-151%	Ongoing
Motherwell NU30 - Stormwater (Human Settlements)	87	2,100	-			Ongoing
Kwazakhele: Ekuphumleni Stormwater (Human Settlements)	-	4,000	-			Ongoing
MK SILVERTOWN 2 QAWULI - WATER (Human Settlements)		-	-			Ongoing
MK SILVERTOWN 2 QAWULI - SEWER (Human Settlements)		-	-			Ongoing
MK SILVERTOWN 2 QAWULI - STORMWATER (Human Settlements)		-	-			Ongoing

Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Erf 818/868, water bulks	570	-	-			Ongoing
Erf 818/868, Sewer Bulks		-	-			Ongoing
ERF 818/868, Kariega Stormwater		-	-			Ongoing
Missionvale Stormwater (Human Settlements)	810	4,500	3,000			Ongoing
Missionvale - Water (Human Settlements)	142	500	-			Ongoing
Missionvale - Sewer (Human Settlements)	170	1,000	-			Ongoing
Khayamandi Extension - Parks (Human Settlements)	-	1,500	-			Ongoing
Kwanobuhle Area 11 - Parks (Human Settlements)	396	1,500	-			Ongoing
Jagvlagte (Chatty 11-14) - Parks (Human Settlements)	-	1,500	-			Ongoing
Walmer Development - Parks		-	-			Ongoing
Malabar Ext 6 Phase 2 - Parks (Human Settlements)		1,500	-			Ongoing
Bethelsdorp Ext 32, 34 & 36 - Parks	299	-	-			Ongoing
Kleinskool Kliprand - Parks		-	-			Ongoing
Missionvale Parks	299	1,200	-			Ongoing
Mk Silvertown 2 Qaqawuli - Parks	456	-	-			Ongoing
Connections and Water Meters	456	5,000	5,000	(444)	1225%	Ongoing
Ekuphumleni - Kwazakhele - Parks	254	-	-			Ongoing
Motherwell NU 30- Parks (Human Settlements)	299	-	-			Ongoing
Motherwell NU30 - Water Reticulation (Human Settlements)		-	-			Ongoing
Motherwell NU30 - Sewer Reticulation (Human Settlements)		-	-			Ongoing
John Street - Roadworks (Human Settlements)		-	-			Ongoing
John Street - Stormwater (Human Settlements)		-	-			Ongoing
John Street - Water Bulks (Human Settlements)		100	2,500	2,158	95%	Ongoing
John Street - Sewer (Human Settlements)		2,500	3,600			Ongoing
Land Acquisition – Lorraine	414	-	-			Ongoing

Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Ekuphumleni - Kwazakhele - Water Bulks (Human Settlements)	108	3,000	0	0	-1315459%	Ongoing
Ekuphumleni - Kwazakhele - Sewer Bulks (Human Settlements)	54	7,000	-			Ongoing
Polar Park - Roadworks (Human Settlement)	72	-	-			Ongoing
Polar Park - Stormwater (Human Settlement)	126	-	-			Ongoing
Polar Park - Water Reticulation (Human Settlement)		-	-			Ongoing
Polar Park - Sewer Reticulation (Human Settlement)		-	-			Ongoing
Land Acquisition: Lorraine(Erf 114,115,120,122,123,124) (HS)	-	-	-	17,706	100%	
Land Acquisition: Parsonsvele		50,000				
Land Acquisition: Bloemendal		25,000				
Kariega Infill Sites / In Situ - Roadworks		1,900				
Kariega Infill Sites / In Situ - Stormwater Reticulation		1,000				
Kariega Infill Sites / In Situ - Water Reticulation		1,000				
Kariega Infill Sites / In Situ - Sewer Reticulation		1,555				
Mandela Village 71 Sites - Water Reticulation (Human Settlements)			2,000	-		
Mandela Village 71 Sites - Sewer Reticulation (Human Settlements)			2,000	-		

COMMENTS ON PERFORMANCE OF HOUSING SERVICES

During the period under review, altogether 1489 formal sites were serviced with water, sanitation and electricity for human settlements development. The Municipality continues to experience the challenge of land invasions which hampers the implementation of human settlements development projects.

3.6 FREE BASIC SERVICES AND INDIGENT SERVICES

The Nelson Mandela Bay Municipality's Assistance to the Poor (ATTP) Policy guides the provision of free basic services to qualifying indigent households; households with a combined household income not exceeding the equivalent of two welfare state pensions (R3 780 as from 1 April 2021) may qualify for free basic services. The following free basic services are provided to qualifying indigent households in line with the NMBM ATTP Policy.

- Full credit for monthly refuse
- Credit (to the maximum of 8 kl of water per month)
- Credit (to the maximum of 11 kl of sewerage per month)
- Free monthly token of 75 kWh of electricity per month
- Full credit for monthly property rates

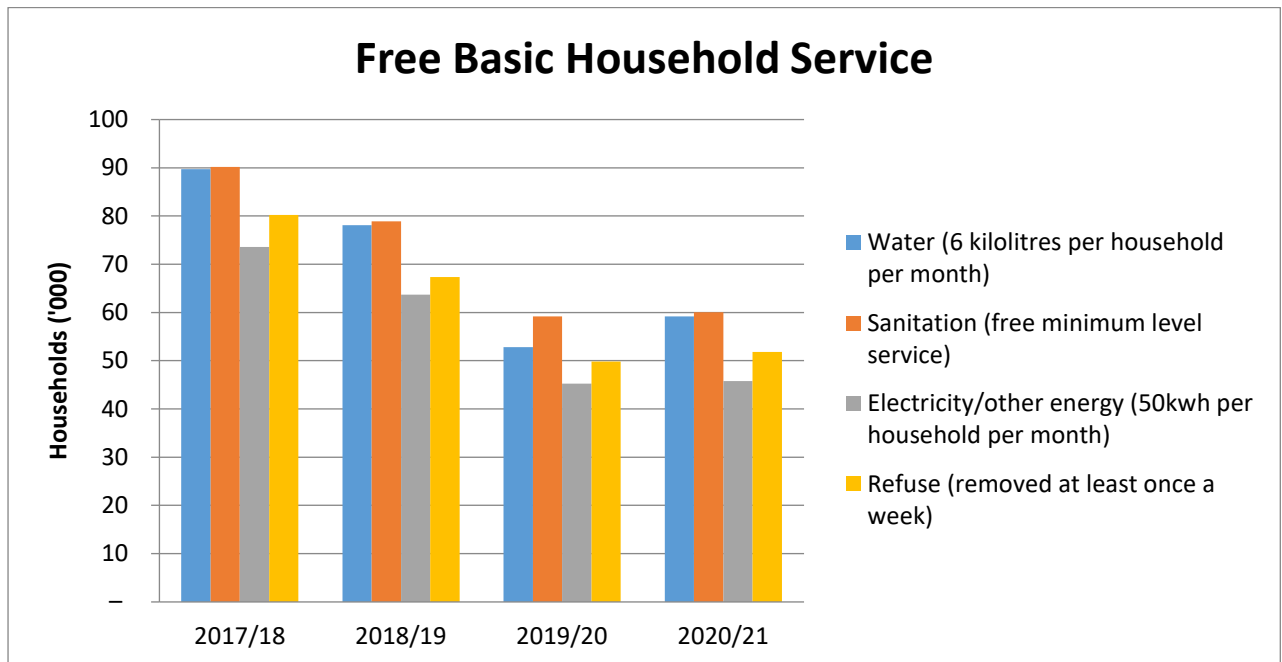
There were 62 871 approved households (compared with 61 545 in 2019/20) on the NMBM ATTP Register, with 5272 (compared with 11672 in 2019/20) applications still awaiting approval as at 30 June 2021.

Expenditure:

The table below indicates the Municipality's Free Basic Services expenditure for the 2020/21 financial year.

TABLE 3.30: Free Basic Services expenditure

Description	2020/21	2019/2020	Variance	% Growth
Property rates	101,655,165	89,074,381	12,580,784	14.12%
Services				
Electricity	38,228,563	45,625,454	-7,396,891	-16.21%
Water	123,006,930	113,460,802	9,546,128	8.41%
Sanitation	155,842,461	153,437,340	2,405,121	1.57%
Refuse	94,087,769	82,656,854	11,430,915	13.83%
Sub-total	411,165,723	395,180,450	15,985,273	4.05%
Total	512,820,888	484,254,831	28,566,057	5.90%

FIGURE 3.5: Free Basic Household Services

Grants received during the 2020/21 financial year:

The Equitable Share Grant amount for 2020/21 was R1,260,840,000 as per the 2020/21 Adjustments DoRA. However, only R1,250,840,000 was received from National Treasury. The remaining balance of R10,000,000 was not transferred by National Treasury during the 2020/21 financial year.

The table below indicates free basic services provided to qualifying indigent households over the last seven financial years.

TABLE 3.31: Free Basic Services to low income households

Free Basic Services To Low Income Households											
Number of households											
	Total households	Total ATTP households	Households earning less than R3,780 per month								
			Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse		
			%	Access	%	Access	%	Access	%	Access	%
2014/15	334,007	85,840	25.70%	76,272	88.85%	76,371	88.97%	66,300	77.24%	67,214	78.30%
2015/16	334,007	87,050	26.06%	76,944	88.39%	78,970	90.72%	66,448	76.33%	69,206	79.50%
2016/17	334,007	112,419	33.66%	97,742	86.94%	98,689	87.79%	78,916	70.20%	91,192	81.12%
2017/18	373,393	101,258	27.12%	89,721	88.61%	90,175	89.05%	73,593	72.68%	80,221	79.22%
2018/19	373,393	85,779	22.97%	78,097	91.04%	78,914	92.00%	63,706	74.27%	67,363	78.53%
2019/20	373,393	61,545	16.48%	52,801	85.79%	59,154	96.12%	45,224	73.48%	49,846	80.99%
2020/21	359 412	62,871	16.84%	59,161	94.10%	60,011	95.45%	45,778	72.81%	51,827	82.43%

Households includes formal and informal households

TABLE 3.32: Performance scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Local Economic Development	Percentage of households earning less than R3 720 per month with access to free basic services	100%	100%	100%	100%	100%
KPA: Local Economic Development	Percentage of the municipality's operating budget spent on free basic services to indigent households	6%	4,41%	6%	4.2%	6%

TABLE 3.33: Financial performance 2020/21: Cost to Municipality of Free Basic Services delivered

Services Delivered	2019/20	2020/21			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	113,460,802	174,924,660	201,972,660	123,006,930	-78,965,730
Wastewater (Sanitation)	153,437,340	143,248,110	171,245,400	155,842,461	-15,402,939
Electricity	45,625,454	55,053,330	63,554,460	38,228,563	-25,325,897
Waste management (Solid Waste)	82,656,854	135,097,330	135,097,330	94,087,769	-41,009,561
Total	395,180,450	508,333,430	571,869,850	411,165,723	160,704,127

The above table only deals with Free Basic Services and does not incorporate Property Rates.

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT

During the period under review, 100% of qualifying households earning less than R3 720 per month (two state pensions) (R3 780 as from June 2020) had access to free basic services. There is a backlog of 5272 applications in the system. The backlog is attributed to the detailed nature of the verification processes.

COMPONENT B: ROAD TRANSPORT

3.7 ROADS

The Municipality continues to implement a comprehensive road tarring and planned maintenance programme which includes the following:

- Tarring of gravel roads
- Provision/repair of sidewalks and cycle tracks
- Rehabilitation of roads
- Resurfacing of roads
- Fixing of potholes
- Painting of road markings
- Rehabilitation and maintenance of bridge structures and stormwater culverts

The Municipality conducts regular monitoring of traffic movement patterns and congested roads are identified for upgrading.

TABLE 3.34: Gravel Road Infrastructure

Kilometres	
Year	Gravel roads upgraded to tar
Year -2	11.4
Year -1	10.6
Year 0	0.38

TABLE 3.35: Cost of Construction/Maintenance

R' 000						
	Gravel			Tar		
	New	Gravel – Tar	Maintained	New	Re-worked	Maintained
Year -2		108 395	0	10 000	60 000	31 860
Year -1		80 378	1 000	10 000	6 000	9 000
Year 0		32 633	1 500	46 000	10 000	155 000

FIGURE 3.6: Roads infrastructure costs

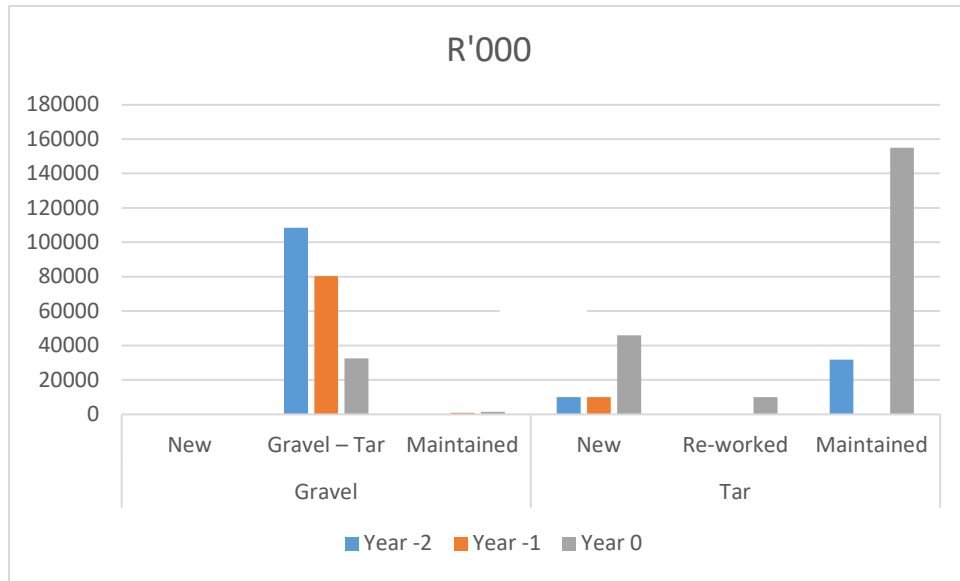


TABLE 3.36: Performance scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Basic Service Delivery	Percentage of unsurfaced road graded	1.80%	0%	0.72%	0.97%	0.90%
KPA: Basic Service Delivery	Percentage of surfaced municipal road lanes which has been resurfaced and resealed	0.37%	0.216%	0.6%	2.922%	0.38%

TABLE 3.37: Financial Performance 2020/21: Function: Road Transport: Roads

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	9,207	15,073	41,683	38,747	(2,936)
Expenditure:					
Employees	92,115	105,595	107,262	94,343	(12,919)
Repairs and Maintenance	23,192	36,903	68,092	60,836	(7,256)
Other	60,948	65,658	65,284	60,697	(4,687)
Total Operational Expenditure	176,254	208,156	240,638	215,876	(24,762)
Net Operational Expenditure	167,047	193,083	198,955	177,129	(21,826)

TABLE 3.37.1.1: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Roads	78,356,360	98,607,200	177,472,130	-3,219,171	180,691,301
Expenditure By Type / Contracted services	35,915,153	55,765,200	86,519,640	75,512,613	11,007,027
Consultants and Professional Services:					
Infrastructure and Planning:Engineering:Civil	86,075	700,000	400,000		400,000
Legal Cost: Legal Advice and Litigation Consultants and Professional Services:	781,167	2,991,000	2,991,000	1,960,002	1,030,998
Contractors:					
Gas	5,428	22,000	22,000		22,000
Maintenance of Buildings and Facilities	13,070,271	13,645,000	23,834,440	23,089,464	744,976
Maintenance of Equipment	9,366,111	19,708,200	15,208,200	13,101,673	2,106,527
Maintenance of Unspecified Assets	11,953,530	17,418,560	42,918,560	36,636,357	6,282,204
Safeguard and Security				39,850	-39,850
Traffic and Street Lights	493,189	627,000	627,000	685,266	-58,266
Transportation		170,000	170,000		170,000

TABLE 3.37.1.1: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Outsourced Services:					
Business and Advisory: Project Management	159,380	483,440	348,440		348,440
Expenditure By Type / Employee related costs	92,114,890	105,594,820	107,262,010	94,343,262	12,918,748
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	169,671	332,700	170,000	138,072	31,928
Allowances: Housing Benefits and Incidental: Housing Benefits	179,636	233,580	172,590	177,285	-4,695
Allowances: Non-pensionable	6,120	8,600	6,520	3,954	2,566
Allowances: Service Related Benefits: Acting and Post Related Allowances	1,112,202		1,242,580	1,709,037	-466,457
Allowances: Service Related Benefits: Bonus	4,832,630	5,680,300	5,652,740	4,996,643	656,097
Allowances: Service Related Benefits: Long Service Award	3,131,249	3,656,910	3,198,000	2,504,368	693,632
Allowances: Service Related Benefits:Overtime:Night Shift		500	500		500
Allowances: Service Related Benefits:Overtime:Non Structured	1,740,237	2,550,000	2,551,000	3,568,761	-1,017,761
Allowances: Service Related Benefits: Scarcity Allowance	548,523	756,130	754,220	447,233	306,987
Allowances: Service Related Benefits: Standby Allowance	494,725	534,800	534,800	527,174	7,626
Allowances: Travel or Motor Vehicle	1,118,296	1,670,170	1,573,280	1,143,678	429,602
Basic Salary and Wages	57,096,145	66,523,220	68,681,720	56,347,303	12,334,417
Bonuses	3,071,927	2,300,000	3,000,000	4,174,714	-1,174,714
Municipal Staff: Social Contributions:					
Bargaining Council	29,581	32,890	30,880	29,501	1,379
Group Life Insurance	757,105	848,730	826,840	810,320	16,520
Medical	6,758,293	7,642,010	7,136,430	6,844,234	292,196
Pension	10,596,648	12,292,170	11,198,260	10,479,526	718,734
Unemployment Insurance	471,903	532,110	531,650	441,457	90,193
Expenditure By Type / Finance charges	42,832,632	39,591,270	39,591,270	41,921,832	-2,330,562
Interest Paid:Borrowings:Annuity Loans	42,819,000	39,591,270	39,591,270	39,031,547	559,723
Interest Paid: Overdue Accounts	13,632			2,890,285	-2,890,285

TABLE 3.37.1.1: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Loss on disposal of PPE				-6,871	6,871
Gains and Losses: Machinery and Equipment: Losses				-6,871	6,871
Expenditure By Type / Other expenditure	3,107,794	4,043,260	4,103,660	1,170,743	2,932,918
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	112,256	123,000	123,000	116,834	6,166
Operational Cost:					
Advertising, Publicity and Marketing: Staff Recruitment		10,000	10,000	1,707	8,293
Advertising, Publicity and Marketing: Tenders	9,366	40,000	40,000	50,408	-10,408
Assets less than the Capitalisation Threshold	32,811	112,000	112,000	58,154	53,846
Communication: Cellular Contract (Subscription and Calls)	279,063	305,000	305,000	322,513	-17,513
Drivers Licences and Permits	3,083	10,000	10,000	1,989	8,011
External Computer Service: Information Services	3,357	10,800	10,800	4,450	6,350
External Computer Service: Network Extensions	954	22,000	22,000	2,945	19,055
Hire Charges	563				0
Insurance Underwriting: Claims paid to Third Parties	2,126,486	2,300,000	2,000,000	12,589	1,987,411
Insurance Underwriting: Premiums	2,823	503,460	303,460	10,909	292,551
Licences: Motor Vehicle Licence and Registrations	5,446	10,000	10,000	9,220	780
Registration Fees: Seminars, Conferences, Workshops and Events: National	7,043	80,000	80,000		80,000
Skills Development Fund Levy			740,400		740,400
Travel Agency and Visa's	349	1,000	1,000		1,000
Travel and Subsistence: Domestic: Accommodation	3,363	4,000	4,000		4,000
Travel and Subsistence: Domestic: Daily Allowance	33	2,000	2,000		2,000
Travel and Subsistence: Domestic: Transport with Operator: Public Transport: Road Transport		5,000	5,000		5,000
Travel and Subsistence: Domestic: Transport without Operator: Car Rental		5,000	5,000		5,000
Uniform and Protective Clothing	506,519	500,000	320,000	548,528	-228,528
Workmen's Compensation Fund	14,278			30,498	-30,498

TABLE 3.37.1.1: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other materials	2,283,643	3,161,220	3,161,220	2,934,604	226,616
Consumables: Standard Rated	216,426	355,500	355,500	285,258	70,242
Consumables: Zero Rated	2,066,018	2,746,210	2,746,210	2,638,109	108,101
Finished Goods		9,510	9,510	1,705	7,805
Materials and Supplies	1,199	50,000	50,000	9,532	40,468
Revenue By Source / Other revenue	-3,838,860	-1,073,210	-1,083,140	-168,322	-914,818
Operational Revenue:					
Administrative Handling Fees	-78,974	-190,000	-190,000	-179,667	-10,333
Insurance Refund	-899,165	-883,210	-893,140	-9,925	-883,215
Recovery Infrastructure Maintenance	-2,859,678				0
Recovery Maintenance				24,924	-24,924
Staff Recoveries	-1,043			-3,652	3,652
Revenue By Source / Rental of facilities and equipment	-103,273			-1,123	1,123
Straight-lined Operating: Machinery and Equipment	-103,273			-1,123	1,123
Revenue By Source / Transfers and subsidies			-26,600,000	-26,600,000	0
:National Revenue Fund: Fuel Levy (RSC Replacement Grant)			-26,600,000	-26,600,000	0
Revenue By Source / Transfers and subsidies - capital	-93,955,617	-108,475,360	-35,482,530	-192,325,907	156,843,377
National Government: Urban Settlements Development Grant	-93,955,617	-108,475,360	-35,482,530	-192,325,907	156,843,377

TABLE 3.37.2.2: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Roads	-5,264,926	-14,000,000	-14,000,000	-11,977,827	-2,022,173
Revenue By Source / Transfers and subsidies	-5,264,926	-14,000,000	-14,000,000	-11,977,827	-2,022,173
Capacity Building and Other: Specify (Add grant description)	-5,264,926	-14,000,000	-14,000,000	-11,977,827	-2,022,173

TABLE 3.38: Capital Expenditure 2019/20: Road Services

Capital Expenditure 2020/21: Road Services						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	135,729	281,325	196,330	280,870	0%	
Acquisition of Properties - Stanford Road	-	1,500	1,500			Ongoing
Aluta Continua Access Road - Joe Slovo 41	-	500	-			Ongoing
Construction of Bantom Road	-	-	-	3,914	100%	Ongoing
Construction of Bloemendal Arterial	-	8,000	1,000			Ongoing
Construction of footbridges	-	1,000	1,000	972	-3%	Ongoing
Construction of Jack road - Missionvale	4,805	-	-			Ongoing
Construction of Joe Slovo Bridge – Ward 41	-	500	500	-		Ongoing
Facilities for the Disabled	-	300	300	30	-901%	Ongoing
Intersection Improvements	127	-	-			Ongoing
John Tallant Link Road	11,008	14,000	17,000	16,086	13%	Ongoing
Minor intersection improvement	-	2,000	1,800	1,452	-38%	Ongoing
New Laboratory Equipment - Scientific Services	131	2,500	2,500	2,417	-3%	Ongoing
New Traffic Signals for Road intersections	481	2,000	3,097	1,682	-19%	Ongoing
Peri-Urban Rehabilitation of gravel roads	-	2,000	1,500	1,499	-33%	Ongoing
Provision of Rudimentary Services - Stormwater Bulks	-	2,000	1,700	2,727	27%	Ongoing
Provision of Sidewalks	8,374	10,000	16,000	15,144	34%	Ongoing
Public Transport Facilities	-	2,000	800	238	-742%	Ongoing
Purchase of Erven 11616 and 11617 in Despatch	377	-	-	-		Ongoing
Rehabilitate Concrete Roads - Northern Areas	-	1,000	1,000	762	-31%	Ongoing
Rehabilitation of Bridge Structures	1,611	7,500	3,000	1,473	-409%	Ongoing

Capital Expenditure 2020/21: Road Services

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Rehabilitation of roads	6,198	10,000	10,000	10,132	1%	Ongoing
Rehabilitation of Verges and Sidewalks - Northern Areas	-	2,000	2,000	1,119	-79%	Ongoing
Rehabilitation of William Moffett Expressway	-	2,000	2,200	2,196	9%	Ongoing
Replacement of Laboratory Equipment-Scientific Services	23	3,000	3,000	3,902	23%	Ongoing
Replacement of Vehicle Tracking System	-	7,700	7,700	-		Ongoing
Replacement Vehicles Fleet	-	10,000	10,000	2,299	-335%	Ongoing
Replacement Vehicles Fleet - Automotive Transport Pool	5,682	-	-	-		Ongoing
Resurfacing of Subsidised Roads	1,638	6,000	6,000	4,739	-27%	Ongoing
Resurfacing Tar roads	-	23,000	25,000	134,406	83%	Ongoing
Resurfacing Tar roads (non-subsidy)	6,747	-	-			Ongoing
Road Upgrades to increase Capacity	4,948	12,000	12,000	14,986	20%	Ongoing
Roads - New / Replacement Vehicles (Fleet)	-	2,000	11,500	5,942	66%	Ongoing
Small plant & equipment	-	2,000	5,000	2,808	29%	Ongoing
Stanford Road Extension	-	10,000	1,500			Ongoing
Tarring of Gravel Roads	80,378	122,475	35,483	32,805	-273%	Ongoing
TM24 Guidance Signs	-	350	250	-		Ongoing
Traffic Calming Measures - 2019	1,207	-	-	-		Ongoing
Traffic Calming Measures - 2020	-	3,000	3,000	3,983	25%	Ongoing
Traffic Control Equipment	1,993	2,000	3,000	2,839	30%	Ongoing
Upgrade Main Road through Swartkops	-	2,000	1,000	999	-100%	Ongoing
Wells Estate - Access Road	-	5,000	5,000	9,321	46%	Ongoing

COMMENT ON OVERALL PERFORMANCE OF ROADS

A total of 5.113km of gravel roads were tarred during the 2020/21 financial year. The Municipality further graded 7.58km of unsurfaced roads. The total length of the unsurfaced road network is 778.38km. This equates to 0.97% of unsurfaced roads graded. At the end of the 2020/21 financial year, the Municipality resurfaced 528 844.9 m² of a total municipal road network of 2846.9 km (18 099 496m²).

3.8 TRANSPORT

PUBLIC TRANSPORT STRATEGY

1.1.1 Phase 1A: Cleary Park

The Municipality implemented the Phase 1A Starter Services in the Cleary Park corridor on 16 May 2018. During the 2020/21 financial year, a total of 677,475 (compared to 1.6 million passengers reported in 2019/20) passengers were transported, generating R5.053 million in fare revenue. The implementation of the Integrated Public Transport System was affected by the Covid-19 pandemic and the instability of the Vehicle Operating Company (VOC), which resulted in labour unrests and other disruptions. In addition, a surge in informal and illegal public transport operators in the areas where the feeder routes operate have severely affected the passenger figures on these routes. In an attempt to reduce the illegal competition, the IPTS Sub-directorate has concluded an agreement with the Traffic Department of the Municipality to patrol the IPTS routes and in particular, the main terminals and stops where these operations are based.

FIGURE 3.7: Passengers: Monthly Summary

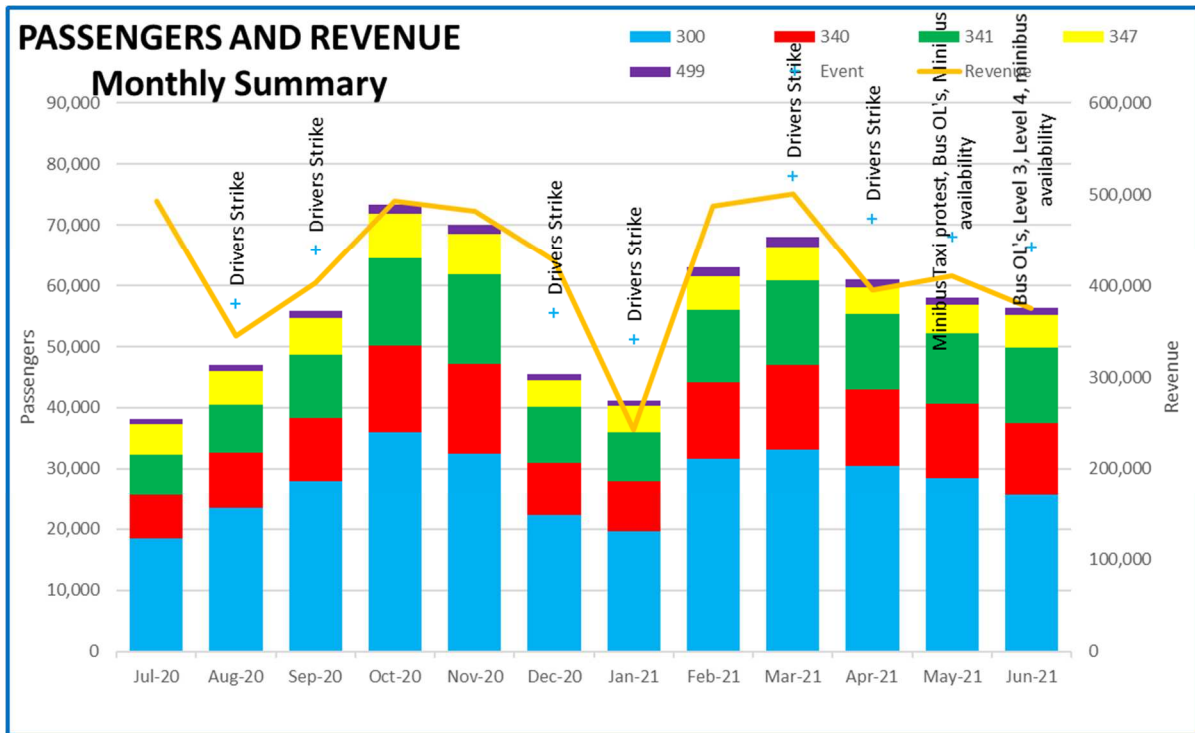


TABLE 3.39: Employees: Transport Services

Employees: Transport Services					
Job level	Year -1	Year 0			
	Employee No	Post No	Employee No	Vacancies(Full time equivalent)	Vacancies (as a % of total post)
0-3	1	2	1	1	50%
4-6	9	13	9	4	31%
7-9	1	1	1	0	0
10-12	0	0	0	0	0
13-15	5	11	5	6	55%
16-18	6	14	8	6	43%
19-20	1	1	1	0	0%
TOTAL	23	42	25	17	40%

TABLE 3.40: Financial Performance 2020/21: Transport Services

Financial Performance 2020/21: Road Transport: Public Transport					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	52,466	164,992	175,147	71,014	(104,133)
Expenditure:					
Employees	18,675	34,895	35,440	25,015	(10,425)
Repairs and Maintenance	–	65	465	–	(465)
Other	99,477	140,671	164,505	96,811	(67,694)
Total Operational Expenditure	118,152	175,631	200,411	121,826	(78,585)
Net Operational Expenditure	65,686	10,638	25,264	50,813	25,549

TABLE 3.40.1: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Public Transport	-96,379,712	-330,261,190	-266,194,480	-205,853,753	-60,340,727
Expenditure By Type / Employee related costs	3,580,375	4,531,210	4,106,920	3,857,904	249,016
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	21,768	23,900	23,160	30,848	-7,688
Allowances: Service Related Benefits: Bonus	219,984	311,580	245,110	210,207	34,904
Allowances: Service Related Benefits: Long Service Award	121,329	108,960	149,230	155,962	-6,732
Allowances: Service Related Benefits: Overtime: Non Structured	25,751	50,310	50,400	29,828	20,572
Allowances: Service Related Benefits: Scarcity Allowance	142,459	202,060	153,050	153,028	22
Allowances: Service Related Benefits: Standby Allowance	48,706	43,000	53,330	48,615	4,715
Allowances: Travel or Motor Vehicle	69,581	40,000	70,000	73,254	-3,254
Basic Salary and Wages	2,187,619	2,635,800	2,588,730	2,388,696	200,034
Municipal Staff: Social Contributions:					
Bargaining Council	697	1,030	720	713	7
Group Life Insurance	23,093	29,660	25,600	23,358	2,242
Medical	257,941	380,060	266,510	261,572	4,938
Pension	450,291	693,090	469,940	471,117	-1,177
Unemployment Insurance	11,154	11,760	11,140	10,708	432

TABLE 3.40.1: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other expenditure	64,258	1,405,600	1,205,600	74,898	1,130,702
Operational Cost:					
Assets less than the Capitalisation Threshold	729	4,000	4,000		4,000
Communication: Cellular Contract (Subscription and Calls)	34,789	47,000	47,000	36,846	10,154
External Computer Service: Wireless Network	11,997	1,300,000	1,100,000	37,445	1,062,555
Hire Charges		20,000	20,000		20,000
Insurance Underwriting: Premiums	492	600	600	607	-7
Professional Bodies, Membership and Subscription		20,000	20,000		20,000
Travel Agency and Visa's	147	1,000	1,000		1,000
Travel and Subsistence:Domestic:Accommodation		5,000	5,000		5,000
Travel and Subsistence:Domestic:Daily Allowance	16,104	500	500		500
Travel and Subsistence:Domestic:Incidental Cost		500	500		500
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		3,000	3,000		3,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		3,000	3,000		3,000
Uniform and Protective Clothing		1,000	1,000		1,000
Expenditure By Type / Other materials	2,961	9,000	9,000	2,131	6,869
Consumables: Standard Rated	2,961	9,000	9,000	2,131	6,869
Revenue By Source / Other revenue	-10,444,258	-20,000,000	-5,500,000	-5,067,285	-432,715
Sales of Goods and Rendering of Services:					
Transport Fees	-10,444,258	-20,000,000	-5,500,000	-5,067,285	-432,715
Revenue By Source / Transfers and subsidies	-42,021,706	-144,992,460	-169,633,500	-61,676,911	-107,956,589
National Governments: Public Transport Network Grant	-42,021,706	-144,992,460	-169,633,500	-61,676,911	-107,956,589
Revenue By Source / Transfers and subsidies - capital	-47,561,343	-171,214,540	-96,382,500	-143,044,491	46,661,991
National Government: Public Transport Network Grant	-47,561,343	-171,214,540	-96,382,500	-143,044,491	46,661,991

TABLE 3.40.2: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Public Transport	114,504,619	169,684,919	195,075,520	113,621,794	81,453,726
Expenditure By Type / Contracted services	86,779,654	109,000,360	131,384,820	81,415,129	49,969,691
Consultants and Professional Services:					

TABLE 3.40.2: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory: Project Management	8,282,099	52,223,720	33,073,720	8,454,651	24,619,069
Business and Advisory: Quality Control	123,000	0	123,000		123,000
Infrastructure and Planning:Engineering:Civil	1,252,085	4,586,910	10,000,000	1,388,637	8,611,363
Legal Cost: Legal Advice and Litigation	2,243,953	1,749,000	1,749,000	1,507,647	241,353
Contractors:					
Catering Services	4,660	81,860	20,000		20,000
Maintenance of Buildings and Facilities	8,400	95,000			0
Maintenance of Equipment	1,398,791	1,691,680	3,091,680	1,153,511	1,938,169
Maintenance of Unspecified Assets		10,800	210,800		210,800
Medical Services	2,063	2,650	2,650		2,650
Outsourced Services:					
Business and Advisory: Project Management	73,452,623	48,199,650	74,661,970	67,501,110	7,160,860
Clearing and Grass Cutting Services		95,290			0
Hygiene Services		252,000	252,000		252,000
Illegal Dumping	15,840	0			0
Meter Management			1,500,000	1,381,380	118,620
Refuse Removal	-3,859	11,800		28,193	-28,193
Security Services		0	6,700,000		6,700,000
Expenditure By Type / Employee related costs	15,094,620	30,363,889	31,333,470	21,157,435	10,176,035
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Service Related Benefits: Acting and Post Related Allowances	211,382	350,000	350,000	516,879	-166,879
Allowances: Service Related Benefits:Overtime:Non Structured	238,961	200,000	240,000	452,534	-212,534
Allowances: Travel or Motor Vehicle	159,665	50,000	200,000	185,534	14,466
Basic Salary and Wages	14,387,253	29,669,809	30,442,390	19,918,585	10,523,805
Municipal Staff: Social Contributions:					
Bargaining Council	941	1,080	1,080	1,000	80
Unemployment Insurance	96,417	93,000	100,000	82,902	17,098

TABLE 3.40.2: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other expenditure	11,533,326	28,667,620	31,010,620	14,375,006	16,635,614
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	42,591	82,550	40,000		40,000
Expenditure: Operating Leases: Furniture and Office Equipment		82,030			0
Expenditure: Operating Leases: Other Assets	305,358	1,060,000	2,571,660	1,068,402	1,503,258
Expenditure: Operating Leases: Transport Assets	8,345,700	24,565,630	24,565,630	10,994,970	13,570,660
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		48,760			0
Advertising, Publicity and Marketing: Staff Recruitment		118,000	50,000		50,000
Advertising, Publicity and Marketing: Tenders	342,439	228,500	50,000	39,801	10,199
Assets less than the Capitalisation Threshold	95,128	155,700	305,700		305,700
Communication: Cellular Contract (Subscription and Calls)	191,741	280,900	280,900	187,948	92,952
Communication: Licences (Radio and Television)		2,520	2,520		2,520
Communication: Telephone Installation		22,480			0
External Computer Service: Internet Charge	43,462	228,800	600,000	304,382	295,618
External Computer Service: Software Licences		397,200			0
Hire Charges	1,774,661	500,000	2,000,000	1,134,864	865,136
Insurance Underwriting: Premiums	234,804	261,020	261,020	208,965	52,055
Licences: Motor Vehicle Licence and Registrations	3,570	63,600	63,600	3,570	60,030
Municipal Services	-69,291	239,530		217,021	-217,021
Printing, Publications and Books		1,000	1,000		1,000
Registration Fees: Seminars, Conferences, Workshops and Events: National	20,085	102,610	20,000		20,000
Skills Development Fund Levy	154,943	93,750	155,000	206,626	-51,626
Travel Agency and Visa's	5,987	19,280	8,000	794	7,206
Travel and Subsistence:Domestic:Accommodation	16,158	28,430	10,000	1,868	8,132
Travel and Subsistence:Domestic:Daily Allowance	1,280	2,250	2,250		2,250
Travel and Subsistence:Domestic:Food and Beverage (Served)	230	5,620	1,000		1,000

TABLE 3.40.2: Function: Road Transport:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Incidental Cost		750	200		200
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	12,367	58,060	10,000	5,037	4,963
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	760	1,110	800		800
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		7,200	1,000		1,000
Travel and Subsistence:Non-employees	6,475	4,380	4,380		4,380
Uniform and Protective Clothing		5,960	5,960		5,960
Workmen's Compensation Fund	4,879			758	-758
Expenditure By Type / Other materials	1,097,019	1,653,050	1,360,110	943,955	416,155
Consumables: Standard Rated	158,041	241,640	237,110	247,907	-10,797
Consumables: Zero Rated	151,193	343,740	153,000	58,507	94,493
Finished Goods	787,785	1,067,670	970,000	637,540	332,460
Revenue By Source / Other revenue			-13,500	-4,269,730	4,256,230
Operational Revenue:					
Insurance Refund			-13,500	-13,500	0
Recovery Maintenance				-4,256,230	4,256,230

TABLE 3.41: Capital Expenditure 2020/21: Transport Services

Capital Expenditure 2020/21: Transport Services						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	61,197	166,850	92,018	151,656	-10%	
IPTS - Work Package: Public Transport Facilities	13,401	20,000	32,000	9,526	-110%	Ongoing

Capital Expenditure 2020/21: Transport Services

R' 000

Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
IPTS - Construction of a Holding Public Depot - Kariega	1,178	13,748	2,000	(184)	7588%	Ongoing
IPTS - Construction of Cleary Park Operational Area Depot Phase 3 & Terminal	-	348	348	-		Ongoing
IPTS - Interim Ticket System		550	550	-		Ongoing
IPTS - Rehabilitation/Surfacing of IPTS Routes including road	13,623	3,000	19,042	77,630	96%	Ongoing
IPTS - Stanford Rd / N2 Bridge Widening and Construc Pedest	21,519	1,500	1,500	731	-105%	Ongoing
IPTS - Upgrading of Njoli /Daku Road Intersect East Phase2	2,250					Ongoing
IPTS - Upgrading of Njoli Street to a dual Carriageway-North	942					Ongoing
IPTS - Upgrading of Njoli/Daku Road Intersect - West - Phase2	200					Ongoing
IPTS - Work Package: Road Works	235					Ongoing
IPTS -Automated fare collection system		19,404	2,853			Ongoing
IPTS -Construction of bus embayment in IPTS Routes	2,878		10,000	30,439	100%	Ongoing
IPTS -OMS APTMS Lite	1,185					Ongoing
IPTS- Procurement of transport modelling soft ware		1,000				Ongoing
IPTS -Upgrading of Njoli Street to a dual Carriageway South	3,355	-				Ongoing
IPTS-Automated Bus station Door system		2,000	500			Ongoing
IPTS-Construction of Bantom Road(Phase 3)		10,000				Ongoing
IPTS-Construction of Rosedale/Kwalanga Depot-Kariega contract Area		5,000				Ongoing
IPTS-Construction of sidewalks along all IPTS Trunk and Routes in all contract areas		10,000	15,000	33,514	70%	Ongoing
IPTS-Mobile App						Ongoing
IPTS-Provision of Kerbside shelter along IPTS Trunk Routes and Feeders		2,000	200			Ongoing
IPTS-Supply, installation and upgrading of traffic loops and signals:IPTS Routes in all contract		300	100			Ongoing
IPTS-The development of Cleary Park depot and Terminal		-				Ongoing

Capital Expenditure 2020/21: Transport Services						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
IPTS-Upgrading and rehabilitation of passenger terminals:Mabandla & Jabavu street, Ponana Tini&Tize and Ponana Tini&Mengo		3,000				Ongoing
IPTS-Upgrading of Acacia Road and 24 Avenue including Ancillary Work		20,000				Ongoing
IPTS-Upgrading of Bantom Road-Phase 1		17,000				Ongoing
IPTS-Upgrading of Bantom Road-Phase 2		13,000				Ongoing
IPTS-Upgrading of Ngwedu Road including Ancillary work		7,000				Ongoing
IPTS-Upgrading of Tuna Drive and steenbok street including ancillary work		18,000				Ongoing
IPTS-Installation CCTV equipment and Fibre for IPTS roll-out		-	500			Ongoing
IPTS - Development of Public Transport Application		-	1,423			Ongoing
IPTS - Improvement of Entrance at Cleary Park Taxi Rank		-	3,000			Ongoing
IPTS - Widening of section in William Slammert Drive (Between Lawrence Erasmus and Finnis Street)		-	3,000			

TABLE 3.42: Performance scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Basic Service Delivery	Percentage of scheduled municipal bus services 'on time'	The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to track bus services, no target could be set which would comply with the audit criteria specified by the Auditor General.	The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to track bus services, no target could be set which would comply with the audit criteria specified by the Auditor General.	The inclusion of this KPI in the SDBIP is regulated by National Treasury through MFMA Circular 88. Since the Municipality's current Municipal Bus Operations Monitoring System is not configured to track bus services in real time, no target could be set which would comply with the audit criteria specified by the Auditor General in respect of monitoring and reporting against this Key Performance Indicator.	The inclusion of this KPI in the SDBIP is regulated by National Treasury through MFMA Circular 88. Since the Municipality's current Municipal Bus Operations Monitoring System is not configured to track bus services in real time, no target could be set which would comply with the audit criteria specified by the Auditor General in respect of monitoring and reporting against this Key Performance Indicator.	N/A

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Basic Service Delivery	Number of scheduled public transport access points added	1 (Ward 5 – CBD)	1 (Ward 5 – CBD)	5 (Ward 5 - Pier 14 and Law Court; Ward 7 - Cottrell Street; Ward 32 - Cleary Park; Ward 11 - Livingstone)	0	0 (The Municipality has no plan of adding scheduled public transport access points in the 2021/22 financial year. The inclusion of this KPI in the SDBIP is regulated by National Treasury through the MFMA Circular 88.)
KPA: Basic Service Delivery	Number of weekday scheduled municipal bus passenger trips	9360	1 296 590	640 000	572 033	N/A
KPA: Basic Service Delivery	Percentage of scheduled municipal busses that are low-entry	100%	100%	100%	100%	26%

TABLE 3.43: Municipal Bus Service Data

Municipal Bus Service Data					
		Year -1	Year 0		Year 1
	Details	Actual	Estimate	Actual	Estimate
1	Passenger journeys	1,826,815	2,880,000	677,475	755,200
2	Seats available for all journeys	7,966,931	8,891,700	5,431,630	6,317,300
3	Average unused bus capacity for all journeys	77%	68%	88%	88%
4	Size of bus fleet at year end	123	123	100	100
5	Average number of buses off the road at any one time	71		56	25
6	Proportion of the fleet off road at any one time	58%	0%	56%	25%
7	Number of bus journeys scheduled	229,677	237,852	234,020	234,020
8	Number of journeys cancelled	35,731	0	49,583	0
9	Proportion of journeys cancelled	16%	0%	21%	0%

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

The implementation of the Integrated Public Transport System continues to be affected by the instability of the Vehicle Operating Company (VOC), which results in labour unrests and other disruptions.

3.9 STORMWATER DRAINAGE

The Municipality has determined all major rivers (1:100 year floodlines) to give guidance on developable areas. Specific high risk areas of flooding have been identified and a maintenance programme drawn up to reduce flood risk. The programme gives guidance to priority areas as well as the installation of bulk stormwater and flood risk elimination in informal areas.

The NMBM has received very little rain over the past few years and that has contributed to less areas being flooded which would have given directive to further stormwater improvements. The Municipality has, however, continued to rehabilitate stormwater ponding areas to be useable as recreational areas.

TABLE 3.44: Stormwater infrastructure		
Kilometres		
Year	New stormwater measures	Stormwater measures upgraded
Year -2	1.7	0.2
Year -1	1.8	0.1
Year 0	0.2	0.1

TABLE 3.45: Cost of construction/maintenance		
R' 000		
Year	Stormwater measures	
	New	Upgraded
Year -2	16 247	15 000
Year -1	16 100	6 200
Year 0	4 700	12 400

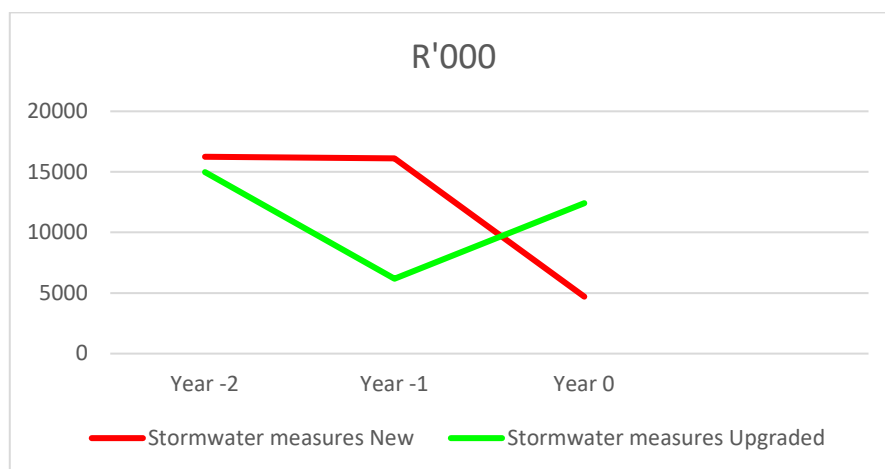
FIGURE 3.8: Stormwater infrastructure costs

TABLE 3.46: Employees: Road & Stormwater Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	No.
0 - 3	172	203	197	6	3%
4 - 6	33	147	44	103	70%
7 - 9	22	35	18	17	49%
10 - 12	15	39	22	17	44%
13 - 15	3	15	3	12	80%
16 - 18	1	3	1	2	33%
19 - 20	0	1	1	0	100%
Total	246	443	286	157	35%

TABLE 3.47: Financial Performance 2020/21: Stormwater Management

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–		0
Expenditure:					
Employees	961	3,150	650	35	(615)
Repairs and Maintenance	11,262	17,357	17,297	14,654	(2,643)
Other	1,623	2,111	3,005	2,733	(272)
Total Operational Expenditure	13,846	22,619	20,952	17,421	(3,531)
Net Operational Expenditure	13,846	22,619	20,952	17,421	(3,531)

TABLE 3.47.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Storm Water Management	13,846,489	22,618,530	20,952,090	8,563,212	12,388,878
Expenditure By Type / Contracted services	12,179,116	18,897,000	18,897,000	15,532,452	3,364,548
Consultants and Professional Services:					
Infrastructure and Planning:Engineering:Civil		100,000	100,000		100,000
Legal Cost: Legal Advice and Litigation	1,502,824	1,400,000	1,400,000	878,798	521,202
Contractors:					
Maintenance of Buildings and Facilities	4,826,861	9,966,000	9,966,000	9,508,560	457,440
Maintenance of Equipment	5,338,712	7,300,000	7,300,000	5,145,094	2,154,906
Maintenance of Unspecified Assets	505,558	31,000	31,000		31,000
Outsourced Services:					
Business and Advisory: Research and Advisory		100,000	100,000		100,000
Illegal Dumping	5,160				0
Expenditure By Type / Employee related costs	961,271	3,150,470	650,470	34,699	615,771
Municipal Staff: Salaries, Wages and Allowances:					

TABLE 3.47.1: Function: Waste Water Management:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Basic Salary and Wages	931,900	3,000,000	500,000	8,260	491,740
Municipal Staff: Social Contributions:					
Unemployment Insurance	29,371	150,470	150,470	26,439	124,031
Expenditure By Type / Other expenditure	706,101	571,060	1,404,620	1,853,900	-449,280
Operational Cost:					
Assets less than the Capitalisation Threshold	3,651	11,000	11,000		11,000
Insurance Underwriting: Claims paid to Third Parties	591,236	60,000	860,000	1,846,206	-986,206
Insurance Underwriting: Premiums	111,215	500,060	500,060	5,592	494,468
Skills Development Fund Levy			33,560		33,560
Workmen's Compensation Fund				2,102	-2,102
Revenue By Source / Transfers and subsidies -				-8,857,839	8,857,839
National Government: Urban Settlements Development Grant				-8,857,839	8,857,839

TABLE 3.48: Capital Expenditure 2020/21: Stormwater Services

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	23,715	40,000	22,000	18,536	-116%	
Blue Horizan Bay Bulk Stormwater	-	1,000	500	357	-180%	Ongoing
Cannonville/Colchester: Stormwater improvements	8,431	8,000	3,000	7,100	-13%	Ongoing
Chatty: Stormwater Improvement	2,293	-	-	(16)	100%	Ongoing
Flood Risk Improvements (All other rivers)	-	500	400			Ongoing
Greenbushes: Stormwater Improvements	-	500	300			Ongoing
Groundwater Problem Elimination Northern Areas	-	2,000	1,700	1,115	-79%	Ongoing

TABLE 3.48: Capital Expenditure 2020/21: Stormwater Services

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Motherwell Canal Pedestrian crossings	–	–				Ongoing
Motherwell canal wetlands	92	1,000	300			Ongoing
Motherwell NU29 & 30 : Roads & S/w Bulk Infrastructure	–	–	–			Ongoing
Motherwell NU31 : Stormwater Bulk Infrastructure	–	500	400			Ongoing
New Brighton/Kwazakhele: Bulk Stormwater	1,317	3,000	2,500	1,857	-62%	Ongoing
paapenkuils canal rehabilitation	–	500	200			Ongoing
Provision of Rudimentary Services - Roads and Stormwater	1,199		–			Ongoing
Reconstruction of open canals-metrowide	3,004	4,000	3,000	2,543	-57%	Ongoing
Reconstruction of stormwater system - Kariega	1,675	3,000	2,000	1,640	-83%	Ongoing
Rehabilitation of Stormwater Ponds	241	3,000	2,500	385	-680%	Ongoing
Stormwater Improvements	–	3,000	2,700	2,033	-48%	Ongoing
Stormwater Improvements - Simnka Street (Ward 17)	–	500	–			Ongoing
Stormwater Improvements - Stokwe Street (Ward 17)	–	500	500	–		
Stormwater Improvements Ikamvelihle	–	1,000	600	1,388		
Zwide Bulk Stormwater	5,463	8,000	1,400	133	-5894%	Ongoing

COMPONENT C: PLANNING AND DEVELOPMENT

3.10 LAND PLANNING AND MANAGEMENT

Land planning and development functions performed by the Municipality include land planning, planning and property administration, building control and facilitation of social housing development projects.

Municipal Spatial Development Framework Planning (MSDF)

The Municipality's MSDF is continually refined through on-going information gathering and studies, policy formulation and policy adjustments. The terms of reference for the appointment of technical expertise to assist with a major review of the MSDF together with the Bioregional Plan was concluded in the 2019/20 financial year, which resulted in a tender advertised for prospective bidders. The procurement process was, however, delayed due to the impact of Covid-19 and the subsequent national lockdown. The process will continue in the 2021/22 financial year.

Local Spatial Development Framework (LSDF)

The LSDF informs the development of more detailed spatial framework and precinct plans at a localised level. The principles of "Sustainable Community Units," as set out in the Sustainable Community Planning Methodology of the NMBM, guided the delineation of the 16 Local Spatial Framework Areas of the metro. Fifteen (15) Local Spatial Development Framework Plans (LSDFs) have been developed since 2008. The tender to appoint a service provider to assist with the development of the outstanding (16th) LSDF had to be cancelled due to supply chain management challenges. A new procurement process will commence in the 2021/22 financial year.

Precinct Planning

Precinct Planning focuses on the formulation of detailed spatial development and implementation plans for pre-determined, prioritized spatial areas/nodes for intensified development and use. The development of the Motherwell and Kariega precinct plans will commence in the 2021/22 financial year.

Land Use Management

Land Use Management involves the receipt, processing and assessment of a variety of land use/land development applications (e.g. removal of restrictive conditions, rezoning, subdivision, consolidation and applications for town planning departures). The assessment of land development applications is now fully aligned with the legislative prescripts and development principles of the Spatial Planning and Land Use Management Act (SPLUMA), Act 16 of 2013. A total of 331 land use applications were received of which 238 were processed during the current reporting period.

Municipal Planning Tribunal (MPT)

The Nelson Mandela Bay Municipal Municipality has a functional Planning Tribunal in place. A total of seven meetings were held and 117 land use applications were considered and adjudicated by the MPT during the 2020/21 reporting period. A further 113 land use applications were considered by the Authorised Official during the same reporting period.

Appeal Authority

The Executive Mayor (the Mayoral Committee) serves as the NMBM Appeal Authority whilst the City Manager is appointed as the Registrar of the Appeal Authority and is responsible for receiving, processing and assessing all land use related appeals. The City Manager is assisted by the Office of the Chief Operating Officer (the Appeals Administrator). A total of 12 land use applications adjudicated by the MPT were appealed during the 2020/21 financial year of which 10 were adjudicated.

Policies and By-laws

The Municipality has the following human settlements related policies/ by-laws:

- The Problem Buildings By-law.
- The Spatial Planning and Land Use Management (SPLUM) By-law.
- The Integrated Zoning Scheme.
- The Tall Buildings Policy.
- Draft Street Naming Policy
- The Telecommunication Infrastructure and Cell Mast Policy
- Draft NMBM Liquor Outlet Policy

Social Housing

The NMBM has four Restructuring Zones (i.e. Gqeberha CBD; Kariega/Despatch CBD, Coega IDZ; and Baywest Area). In previous years, social housing stock has been developed in Gqeberha Areas like Walmer and Fairview Area (with 3 projects each respectively). A new social housing project consisting 385 units was completed in Kariega during the 2020/21 financial year.

Rental Housing Stock

The Municipality has only two rental housing stock (i.e. Culenmborg Flats in Kariega, and the Old Fire Station Apartment in Sidwell).

Title Deeds

Title Deeds registered in the reporting period is 435 whilst 552 title deeds were handed over to beneficiaries.

The following table summarises the status in relation to title deed administration in the Municipality as at 30 June 2021.

TABLE 3.49: Title deeds registration as at 30 June 2021

<u>Details</u>	<u>No</u>
Total number of HHS approvals (cumulative)	63738
Total number of title deeds registered	40673
Total number of title deeds pending registration	23065

Table 3.50: Title deeds issued as at 30 June 2021

<u>Details</u>	<u>No</u>
Total number of title deeds registered	40673
Total number of title deeds issued	35124
Total number of title deeds held by NMBM	6370

Old Age Homes:

The Municipality currently manages the following old age homes.

- Elizabeth Stuurman
- Adcock Home
- Alan Hendricks
- Bethelsdorp Old Age Home
- Cuylerhof
- Nic Claassen

Building Control:

Turnaround time for building plan assessment was 8.3 days (compared to 10.84 days reported in 2019/20). The table below shows an increase in the number of building plans submitted and processed during the current reporting period.

TABLE 3.51: Building plan applications

NO	FINANCIAL YEAR	NUMBER SUBMITTED	VALUE (R)	NUMBER PROCESSED	VALUE (R)	% PROCESSED
1	2018/19	4080	3,263,508,609	3625	2,907,259,502	88.85%
2	2019/20	3199	3,802,625,990	2707	3,340,925,499	84.62%
3	2020/21	6494	6,875,981,752.90	3320	3,350,203,296.96	51.12%

Advertising Control:

Advertising Control is exercised in terms of the NMBM Outdoor Signs (Advertising and Other) Bylaw (2010). It comprises a set of provisions and schedules in terms of which Council exercises its obligations and powers in the interest of amenity, public safety and business interest. The Bylaw is currently under review to be aligned with updated legislative and policy prescripts, as well as current advertising.

Advertising contracting refers to the management and control of contracts with the private sector on municipal assets (e.g. bus shelters, street lights, buildings, etc.). Many of these contracts have expired and are inhibiting business opportunities. The Municipality has

commenced with a process to review all expired contracts. A service provider was appointed to assist in this regard and it is anticipated that the procurement of new advertising contracts will be concluded during the 2022/23 financial year due to the lead time required in the cancellation of contracts.

TABLE 3.52: Applications for Land Use Development

Detail	Formalisation of Townships		Rezoning		Built Environment	
	2019/2020	2020/21	2019/20	2020/21	2019/20	2020/21
Planning application received	0	0	101		371	
Determination made in year of receipt	0	0	29	3	129	6
Determination made in following year	0	0	54 (15+39 ex previous years)	73 (ex prev. yrs.)	79	153 (ex prev. yrs.)
Applications withdrawn	0	0	0		0	
Applications outstanding at year-end	0	0	72		474	
Notes			Total of 83 Rezoning Applications considered 2019/20 (54 from prior years)	Total 76 Rezoning Appl. Considered in 2020/21	Total 208 Built Environment Applications considered in 2019/20 (79 from prior years)	Total 159 Built Environment Applications considered

TABLE 3.53: Employees: Town Planning

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	1	1	0	0%
4 – 6	8	9	8	1	12.5%
7 – 9	3	4	3	1	33.3%
10 – 12	5	16	5	11	68.75%
13 – 15	7	15	6	9	60.0%
16 – 18	5	8	4	4	50.0%
19 – 20	0	1	0	1	100.0%
Total	29	54	27	27	50.0%

TABLE 3.54: Employees: Properties and Planning Administration

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0%
4 – 6	13	17	13	4	23.5%
7 – 9	6	6	4	2	33.3%
10 – 12	0	4	1	3	75%
13 – 15	0	0	0	0	0%
16 – 18	0	1	1	0	0%
19 – 20	0	0	0	0	0%
Total	19	28	19	9	32.14%

TABLE 3.55: Financial Performance 2020/21: Planning Services

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	19,602	33,480	26,031	25,233	(798)
Expenditure:					
Employees	145,076	168,349	174,878	154,207	(20,671)
Repairs and Maintenance	3,134	4,313	4,837	3,565	(1,272)
Other	16,220	34,837	40,504	13,659	(26,845)
Total Operational Expenditure	164,430	207,499	220,220	171,432	(48,788)
Net Operational Expenditure	144,828	174,019	194,188	146,198	(47,990)

TABLE 3.55.1: Financial Performance 2020/21: Planning Services: Corporate Wide Strategic Planning (IDPs, LEDs)					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	-	-	-	0
Expenditure:					
Employees	16,758	18,944	19,114	18,323	(791)
Repairs and Maintenance	3,134	4,171	4,171	3,494	(677)
Other	1,647	9,576	8,991	1,302	(7,689)
Total Operational Expenditure	21,539	32,690	32,276	23,118	(9,158)
Net Operational Expenditure	21,539	32,690	32,276	23,118	(9,158)

TABLE 3.55.1.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Corporate Wide Strategic Planning (IDPs, LEDs)	21,538,567	32,690,270	32,275,710	23,118,299	9,157,411
Expenditure By Type / Contracted services	4,020,159	12,796,580	12,196,580	4,105,430	8,091,150
Consultants and Professional Services:					
Business and Advisory: Project Management	608,979	2,000,000	1,900,000	524,884	1,375,116
Business and Advisory: Research and Advisory		4,876,000	4,376,000		4,376,000
Contractors:					
Catering Services		5,810	5,810		5,810
Maintenance of Buildings and Facilities	4,303	5,000	5,000	4,242	758
Maintenance of Equipment	84,085	200,390	200,390	73,082	127,308
Maintenance of Unspecified Assets	3,133,616	4,115,440	4,115,440	3,493,535	621,906
Transportation		4,140	4,140		4,140
Outsourced Services:					
Business and Advisory: Project Management	189,177	1,589,800	1,589,800	9,689	1,580,111
Expenditure By Type / Employee related costs	16,757,871	18,943,600	19,114,040	18,322,919	791,121

TABLE 3.55.1.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	651,775	721,000	712,940	712,925	15
Allowances: Housing Benefits and Incidental: Housing Benefits	87,072	95,600	92,620	84,832	7,788
Allowances: Service Related Benefits: Acting and Post Related Allowances	88,625		80,000	50,659	29,341
Allowances: Service Related Benefits: Bonus	901,927	990,770	1,090,160	994,689	95,471
Allowances: Service Related Benefits: Long Service Award	313,746	300,790	362,160	428,178	-66,018
Allowances: Service Related Benefits:Overtime:Non Structured	127,607	460,000	460,000	159,411	300,589
Allowances: Travel or Motor Vehicle	580,655	620,910	635,800	635,334	466
Basic Salary and Wages	11,023,794	12,544,520	12,440,960	11,980,031	460,929
Municipal Staff: Social Contributions:					
Bargaining Council	2,721	2,880	3,000	3,029	-29
Group Life Insurance	96,305	104,150	105,360	105,218	142
Medical	841,348	891,760	902,980	924,547	-21,567
Pension	1,994,150	2,160,180	2,182,120	2,193,908	-11,788
Unemployment Insurance	48,146	51,040	45,940	50,160	-4,220
Expenditure By Type / Other expenditure	737,531	891,950	891,950	611,210	280,740
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	26,707				0
Expenditure: Operating Leases: Furniture and Office Equipment	168,086	192,560	192,560	171,675	20,885
Operational Cost:					
Advertising, Publicity and Marketing: Tenders	2,359	15,900	10,900		10,900
Assets less than the Capitalisation Threshold	202,444	175,690	175,690	68,249	107,441
Communication: Cellular Contract (Subscription and Calls)	166,565	118,900	118,900	191,565	-72,665
Communication: Postage/Stamps/Frinking Machines	97				0
Communication: Telephone, Fax, Telegraph and Telex	20,184	20,220	20,220	20,640	-420
Courier and Delivery Services	3,032	3,250	8,250	7,583	667
External Computer Service: Network Extensions		5,620	5,620	4,266	1,354

TABLE 3.55.1.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
External Computer Service: System Adviser		242,500	242,500		242,500
Learnerships and Internships	60,592			145,144	-145,144
Printing, Publications and Books		7,120	7,120		7,120
Signage				1,520	-1,520
Travel Agency and Visa's	7,392	12,400	12,400		12,400
Travel and Subsistence:Domestic:Accommodation	36,525	25,760	25,760		25,760
Travel and Subsistence:Domestic:Daily Allowance	16,104	4,700	4,700		4,700
Travel and Subsistence:Domestic:Food and Beverage (Served)	687	5,850	5,850		5,850
Travel and Subsistence:Domestic:Incidental Cost	88	1,200	1,200		1,200
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	22,878	28,260	28,260		28,260
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	3,790				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		26,720	26,720		26,720
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		5,300	5,300		5,300
Workmen's Compensation Fund				569	-569
Expenditure By Type / Other materials	23,221	58,140	73,140	78,739	-5,599
Consumables: Standard Rated	22,787	54,490	69,490	76,516	-7,026
Consumables: Zero Rated	435	740	740	180	560
Finished Goods		2,910	2,910	2,043	867
Revenue By Source / Other revenue	-215				0
Operational Revenue:					
Staff Recoveries	-215				0

TABLE 3.55.2: Financial Performance 2020/21: Planning Services: Project Management Unit

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	8,991	14,732	10,118	10,118	0
Expenditure:					
Employees	29,415	33,064	39,503	33,809	(5,694)
Repairs and Maintenance	-	42	42	2	(40)
Other	9,348	14,851	15,737	9,353	(6,384)
Total Operational Expenditure	38,762	47,957	55,282	43,163	(12,119)
Net Operational Expenditure	29,771	33,225	45,164	33,045	(12,119)

TABLE 3.55.2.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Project Management Unit	13,384,854	24,111,340	43,418,920	-67,198,962	110,617,882
Expenditure By Type / Contracted services	7,667,400	10,897,860	10,638,970	7,294,045	3,344,925
Consultants and Professional Services:					
Infrastructure and Planning:Engineering:Civil	104,943	108,290	4,290	186,061	-181,771
Legal Cost: Legal Advice and Litigation	3,232,595	1,472,020	1,472,020	133,633	1,338,387
Contractors:					
Maintenance of Buildings and Facilities		17,000	6,000		6,000
Maintenance of Equipment	74,901	218,530	218,530	50,894	167,636
Transportation	-190				0
Outsourced Services:					
Business and Advisory: Project Management	4,243,221	9,079,200	8,935,310	6,911,229	2,024,081
Illegal Dumping	2,880				0
Litter Picking and Street Cleaning	6,500				0
Refuse Removal	2,550	2,820	2,820	12,228	-9,408
Expenditure By Type / Employee related costs	29,414,821	33,064,300	39,502,950	33,808,503	5,694,447

TABLE 3.55.2.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	481,939	513,950	514,970	333,708	181,262
Allowances: Housing Benefits and Incidental: Housing Benefits	31,745	56,070	50,500	34,704	15,796
Allowances: Service Related Benefits: Acting and Post Related Allowances	88,088		80,540	287,317	-206,777
Allowances: Service Related Benefits: Bonus	820,898	1,150,070	1,232,140	989,387	242,753
Allowances: Service Related Benefits: Long Service Award	167,020	268,250	331,510	253,599	77,911
Allowances: Service Related Benefits: Overtime: Non Structured	237,742	132,060	149,570	500,715	-351,145
Allowances: Service Related Benefits: Scarcity Allowance	435,111	482,630	472,530	349,213	123,317
Allowances: Travel or Motor Vehicle	177,655	261,290	239,330	172,831	66,499
Basic Salary and Wages	24,957,602	28,046,510	33,840,390	28,644,340	5,196,050
Municipal Staff: Social Contributions:					
Bargaining Council	3,691	4,080	6,660	6,326	334
Group Life Insurance	122,964	139,820	133,300	128,347	4,954
Medical	517,285	433,440	600,310	569,756	30,554
Pension	1,212,809	1,457,790	1,635,000	1,335,010	299,990
Unemployment Insurance	160,273	118,340	216,200	203,250	12,950
Expenditure By Type / Other expenditure	1,577,023	3,641,720	4,784,310	1,989,026	2,795,284
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	8,326	10,000	10,000	15,678	-5,678
Expenditure: Operating Leases: Furniture and Office Equipment	106,141	180,580	180,580	87,308	93,272
Expenditure: Operating Leases: Other Assets	172,079	439,320	439,320	555,049	-115,729
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		950	950		950
Advertising, Publicity and Marketing: Tenders	8,855	15,070	15,070	11,026	4,044
Assets less than the Capitalisation Threshold	60,825	166,810	273,810	48,919	224,891
Communication: Cellular Contract (Subscription and Calls)	215,089	357,670	366,670	219,777	146,893
Communication: Telephone, Fax, Telegraph and Telex	22,572	130,130	130,130	23,329	106,801

TABLE 3.55.2.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Entertainment: Senior Management		3,150	3,150		3,150
External Computer Service: Internet Charge	11,749	40,000	40,000		40,000
External Computer Service: Network Extensions		30,000	30,000		30,000
External Computer Service: Software Licences		6,800	6,800		6,800
External Computer Service: System Adviser			5,000	1,550	3,450
Hire Charges	190,110	582,200	103,450	36,292	67,158
Insurance Underwriting: Premiums	517,248	505,020	954,020	793,266	160,754
Municipal Services	23,265	135,110	1,879,710	154,949	1,724,761
Professional Bodies, Membership and Subscription	18,701	12,000	12,000	18,038	-6,038
Registration Fees: Professional and Regulatory Bodies	22,826	50,000	50,000	1,036	48,964
Registration Fees: Seminars, Conferences, Workshops and Events: National	9,374	20,000	20,000		20,000
Skills Development Fund Levy		106,270	70,120		70,120
Travel Agency and Visa's	6,757	13,500	13,500		13,500
Travel and Subsistence:Domestic:Accommodation	12,612	31,980	31,980		31,980
Travel and Subsistence:Domestic:Daily Allowance	4,585	33,160	19,050	-3,145	22,195
Travel and Subsistence:Domestic:Food and Beverage (Served)	478	5,710	5,710		5,710
Travel and Subsistence:Domestic:Incidental Cost	913	3,270	3,270		3,270
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	43,250	71,520	69,520		69,520
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	7,954				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	970	42,500	42,500		42,500
Uniform and Protective Clothing	109,912	641,000			0
Wet Fuel		8,000	8,000	3,565	4,435
Workmen's Compensation Fund	2,430			22,389	-22,389
Expenditure By Type / Other materials	103,187	353,290	355,290	71,677	283,613
Consumables: Standard Rated	57,875	167,840	169,840	65,158	104,682

TABLE 3.55.2.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Consumables: Zero Rated	43,569	170,450	170,450	6,519	163,931
Finished Goods	1,743	15,000	15,000		15,000
Revenue By Source / Other revenue	-46,691	-1,000	-1,000	-926	-74
Operational Revenue:					
Insurance Refund	-46,691			-926	926
Staff Recoveries		-1,000	-1,000		-1,000
Revenue By Source / Transfers and subsidies	-8,944,405	-14,730,910	-10,117,000	-10,117,000	0
National Governments: Expanded Public Works Programme Integrated Grant	-8,944,405	-10,117,000	-10,117,000	-10,117,000	0
National Governments: Integrated City Development Grant		-4,613,910			0
Revenue By Source / Transfers and subsidies - capital			-1,744,600		-1,744,600
European Union			-1,744,600		-1,744,600
Revenue By Source / Transfers and subsidies - capital	-16,386,481	-9,113,920		-100,244,285	100,244,285
National Government: Integrated City Development Grant		-9,113,920			0
Urban Settlements Development Grant	-16,386,481			-100,244,285	100,244,285

TABLE 3.55.3: Financial Performance 2020/21: Planning Services: Town Planning, Building Regulations and Enforcement, and City Engineer.

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	10,610	18,748	15,913	15,115	(798)
Expenditure:					
Employees	98,903	116,341	116,261	102,076	(14,185)
Repairs and Maintenance	-	101	625	69	(556)
Other	5,225	10,410	15,776	3,005	(12,771)
Total Operational Expenditure	104,129	126,852	132,662	105,150	(27,512)
Net Operational Expenditure	93,518	108,104	116,749	90,035	(26,714)

TABLE 3.55.3.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Town Planning, Building Regulations and Enforcement, and City Engineer	93,518,474	108,028,600	112,249,160	90,035,277	22,213,883
Expenditure By Type / Contracted services	1,682,573	4,620,910	6,224,730	890,473	5,334,257
Consultants and Professional Services:					
Business and Advisory: Project Management			1,600,000		1,600,000
Infrastructure and Planning:Engineering:Civil		600,100	800,100	328,400	471,700
Infrastructure and Planning: Geodetic, Control and Surveys		3,170			0
Infrastructure and Planning: Town Planner		1,700,000	1,171,000		1,171,000
Legal Cost: Legal Advice and Litigation	683,743	750,000	550,000	315,333	234,667
Contractors:					
Building	1,678				0
Catering Services	10,000	25,000	25,000		25,000
Maintenance of Buildings and Facilities	539,168	300,000	784,970	69,260	715,710
Maintenance of Equipment	300,173	486,030	645,030	172,883	472,147
Medical Services	6,966	43,150	43,150		43,150
Transportation	28,150	40,000	20,000		20,000
Outsourced Services:					
Business and Advisory: Project Management	112,694	523,460	485,480	4,596	480,884
Clearing and Grass Cutting Services		150,000	100,000		100,000
Expenditure By Type / Employee related costs	98,903,280	116,266,490	116,261,450	102,076,068	14,185,382
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	2,175,475	2,423,040	2,427,260	2,375,452	51,808
Allowances: Housing Benefits and Incidental: Housing Benefits	429,011	466,050	456,400	454,044	2,356
Allowances: Non-pensionable	270	850	1,350	360	990
Allowances: Service Related Benefits: Acting and Post Related Allowances	918,633	1,157,140	616,060	1,093,533	-477,473
Allowances: Service Related Benefits: Bonus	5,450,327	7,377,220	6,627,880	5,847,295	780,585
Allowances: Service Related Benefits: Long Service Award	3,192,865	3,453,880	3,323,000	3,293,761	29,239
Allowances: Service Related Benefits:Overtime:Night Shift	1,983	5,000	5,000		5,000
Allowances: Service Related Benefits:Overtime:Non Structured	345,538	215,000	39,500	25,673	13,827
Allowances: Service Related Benefits: Scarcity Allowance	1,810,790	2,012,320	2,007,330	2,003,099	4,231
Allowances: Service Related Benefits: Standby Allowance	9,573	22,000	22,000		22,000
Allowances: Travel or Motor Vehicle	4,957,980	6,040,130	6,612,320	4,980,888	1,631,432
Basic Salary and Wages	64,243,190	76,393,680	77,760,760	66,148,132	11,612,628
Municipal Staff: Social Contributions:					
Bargaining Council	15,555	16,800	16,570	15,700	870
Group Life Insurance	538,545	585,140	567,580	548,669	18,911
Medical	4,394,561	4,670,870	4,511,990	4,401,852	110,138
Pension	10,150,080	11,122,770	10,987,320	10,646,546	340,774
Unemployment Insurance	268,903	304,600	279,130	241,064	38,066
Expenditure By Type / Other expenditure	2,890,646	4,949,410	9,227,790	1,657,634	7,570,156
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	25,778	70,640	70,640	5,923	64,717
Expenditure: Operating Leases: Furniture and Office Equipment	248,762	388,130	448,130	210,033	238,097
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	717,239	1,434,140	1,114,140	280,751	833,389
Advertising, Publicity and Marketing: Tenders		25,000	25,000		25,000
Assets less than the Capitalisation Threshold	286,516	480,230	461,730	65,722	396,008
Communication: Cellular Contract (Subscription and Calls)	575,850	876,210	791,210	658,612	132,598

TABLE 3.55.3.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Licences (Radio and Television)		1,000			0
Communication: Telephone Installation		13,000			0
Communication: Telephone, Fax, Telegraph and Telex		6,500	6,500		6,500
Deeds		4,000	4,000		4,000
Drivers Licences and Permits	648	2,000	2,000	324	1,676
External Computer Service: Data Lines	10,390	25,000	25,000	8,914	16,086
External Computer Service: Information Services	247,697	550,000	550,000		550,000
External Computer Service: Internet Charge				27,714	-27,714
External Computer Service: Network Extensions	1,182	43,550	33,550	6,800	26,750
External Computer Service: Software Licences	94,762	50,000	50,000	51,232	-1,232
Insurance Underwriting: Premiums	431,362	530,090	515,090	244,752	270,338
Land Alienation Costs			4,500,000		4,500,000
Professional Bodies, Membership and Subscription	46,463	50,000	50,000	31,516	18,484
Registration Fees: Seminars, Conferences, Workshops and Events: National	12,696	47,660	45,660		45,660
Skills Development Fund Levy			224,130		224,130
Travel Agency and Visa's	3,692	5,000	5,000		5,000
Travel and Subsistence:Domestic:Accommodation	14,651	26,660	21,660		21,660
Travel and Subsistence:Domestic:Daily Allowance	16,605	16,100	13,600		13,600
Travel and Subsistence:Domestic:Food and Beverage (Served)	287	22,230	22,230		22,230
Travel and Subsistence:Domestic:Incidental Cost		5,000	5,000		5,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	16,069	91,860	81,860		81,860
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport		220	220		220
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		27,690	27,690		27,690
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		1,000	1,000		1,000
Uniform and Protective Clothing	90,099	146,500	130,750	63,761	66,989
Workmen's Compensation Fund	49,899	10,000	2,000	1,578	422
Expenditure By Type / Other materials	652,217	939,930	948,430	526,100	422,330
Consumables: Standard Rated	242,644	510,480	520,480	243,768	276,712
Consumables: Zero Rated	397,544	409,450	399,450	257,567	141,883
Finished Goods	12,028	20,000	28,500	24,765	3,735
Revenue By Source / Other revenue	-9,756,737	-15,471,200	-11,961,300	-15,107,628	3,146,328
Operational Revenue:					
Insurance Refund				-51,945	51,945
Request for Information: Municipal Information and Statistics		-50,000	-50,000		-50,000
Request for Information: Plan Printing and Duplicates	-4,108	-100,000	-20,000	-483	-19,517
Sale of Property		-150,000	-150,000	-3,600,000	3,450,000
Staff Recoveries	-2,880	-3,200	-3,200		-3,200
Sales of Goods and Rendering of Services:					
Advertisements	-17,376	-50,000	-20,000	-16,272	-3,728
Building Plan Approval	-8,365,853	-13,000,000	-11,000,000	-10,600,044	-399,956
Encroachment Fees	-322,995	-400,000	-400,000	-357,095	-42,905
Photocopies and Faxes	-118				0
Removal of Restrictions	-1,038,560	-1,705,000	-305,000	-476,371	171,371
Sale of Goods:Publications:Books			-100	-565	465
Sale of Goods:Publications:Charts/Posters	-4,847	-13,000	-13,000	-4,852	-8,148
Revenue By Source / Rental of facilities and equipment	-853,506	-1,436,940	-1,436,940	-7,370	-1,429,570

TABLE 3.55.3.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Ad-hoc rentals: Community Assets	-6,917	-20,000	-20,000	-7,370	-12,630
Ad-hoc rentals: Other Assets	-846,588	-1,416,940	-1,416,940		-1,416,940
Revenue By Source / Transfers and subsidies		-1,840,000	-2,515,000		-2,515,000
South Africa Revenue Service (SARS)		-240,000	-915,000		-915,000
National Governments: Integrated City Development Grant		-1,600,000	-1,600,000		-1,600,000
Revenue By Source / Transfers and subsidies - capital			-4,500,000		-4,500,000
National Governments: Urban Settlement Development Grant			-4,500,000		-4,500,000

3.11 RESEARCH AND DEVELOPMENT

The Municipality conducts household surveys every two years, interspersed by business surveys. Survey results are important indicators of whether or not the Municipality is achieving service delivery outcomes. The Policy and Research Office serves as the link between the Municipality and other research institutions and networks. It facilitates the provision of data for national, provincial or local reporting, in addition to managing empirical research undertaken within the Municipality.

3.12 LONG-TERM GROWTH AND DEVELOPMENT PLAN

The Nelson Mandela Bay Municipality's Long-Term Growth and Development Plan (adopted in 2018) is designed to provide a framework for three successive five-year Integrated Development Plans, up to the 2031/2032 financial year. The Plan aims to achieve sustainable and comprehensive socio-economic development.

3.13 INTEGRATION OF STRATEGIC PLANNING INITIATIVES OF NMBM

The Municipality has a functional Strategic Planning Steering Committee, which seeks to integrate the strategic planning processes of the Municipality in order to ensure a planning led budget process.

3.14 ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE

The Economic Development, Tourism and Agriculture function of the Nelson Mandela Bay Municipality ensures that local economic development helps communities to realise a lively, resilient and sustainable local economy to improve the quality of life of residents. This is achieved by growing and diversifying the local economy through the attraction of new investments, skills development and the facilitation of an enabling environment for small business growth and job creation.

The Nelson Mandela Bay Municipality continued to suffer the effects of Covid-19 which hit the world in the 2019/20 financial year. Apart from the impact on human life and health, the biggest concern with regards to Covid-19 has been the impact on the economy of the Nelson Mandela Bay and South Africa at large. In response to the pandemic, the Nelson Mandela Bay Municipality identified measures that the Municipality can adopt in reducing the impact of Covid-19 on the economy of the city.

The Nelson Mandela Bay Municipality has a very large comparative advantage in the manufacturing sector and particularly, the transport sector from a value add perspective and trade. In addition, the Nelson Mandela Bay Municipality has the most advanced infrastructure in the Eastern Cape Province including the Port of Ngqura and other trading platforms which assist in its economic performance (IHS Markit, 2019).

Whilst the GDP contribution remained positive during 2019 (with community services sector amounting to R29.8 billion or 24.2%, manufacturing sector amounting to R25.4 billion or 21.3% followed by finance sector at 20.4%), there was significant decrease of GDP and poor economic performance of all sectors during 2020 due to the Covid-19 pandemic.

Economic interventions in the Nelson Mandela Bay

The Nelson Mandela Bay Municipality approved its Economic Recovery Framework linked to the National Economic Recovery Framework aimed at responding to the devastating effects of the Covid-19 pandemic. The Economic Recovery Framework's main objectives are as follows:

- To support the ongoing survival of existing businesses in the Nelson Mandela Bay Municipality;
- To create an enabling environment for businesses and investors to generate meaningful and sustainable profits that contribute to enhanced economic performance;
- To provide support and grow key economic sectors;
- To develop and support SMMEs and informal businesses;
- To enable sustainable, quality employment opportunities and improved individual income levels in the municipal area;
- To increase and broaden the tax-base and new revenue streams for NMBM.

To ensure the realisation of the above mentioned objectives, interventions and specific plans have been put in place to positively impact on the economy of the Nelson Mandela Bay.

Nelson Mandela Bay Business Chamber

The Nelson Mandela Bay Business Chamber is a non-profit company, established by the private sector with representatives from a broad spectrum of businesses across Nelson Mandela Bay. It is one of the largest business associations in the Eastern Cape. The Business Chamber connects businesses and aims to stimulate economic progress in the city. The Business Chamber collaborates with the Municipality to achieve the goals of economic growth and prosperity.

The Nelson Mandela Business Chamber focuses on the following catalytic economic sectors that are key to the trade and investment strategy of Nelson Mandela Bay: Agro-processing, Automotive, Creative industry, Light manufacturing, Maritime/ Ocean economy, Oil, Gas, Tourism and Hospitality. Good progress has been made over the past 3 years in these sectors. These sectors were also identified as sectors where the Municipality could realistically influence growth and development. Their growth would not only benefit the economy but also provide an opportunity for inclusive growth in the metro through employment opportunities.

BayGrow is also the Business Chamber's initiative to effectively promote trade and investment within the Nelson Mandela Bay. The services of BayGrow includes an Investor One-Stop-Shop, Business Help-desk, a Research Unit and Investment Promotion. The Business Chamber is very instrumental in providing reliable data in regards to the performance of

various industries. Furthermore, the Chamber continues to link the city with the business sector.

Coega SEZ and Ports

The Nelson Mandela Bay is a two port city which presents opportunities for a strong maritime sector - the Port of Port Elizabeth near the city centre and the deep water Port of Ngqura in the Coega Special Economic Zone (SEZ) located 30km north of the City Centre.

The Coega Strategic Economic Zone is a multi-billion-rand industrial development complex customised for heavy, medium and light industries. It is adjacent to the Port of Ngqura, and covers 110km² of land. Its establishment reinforces Nelson Mandela Bay as the economic focus of the Eastern Cape and it presents opportunities for the growth of the city and the region.

Transnet National Ports Authority (TNPA) is consolidating the Head Offices of Parktown, Johannesburg and Kingsmead, Durban at the Port of Ngqura from 1 April 2021. Transnet's strategy is to create a national spread of Head Office locations, strengthen geographic ties and with coastal regions and encourage local economic development. The Port of Ngqura is South Africa's newest port and the deepest container port in the country with various Transnet Business Activities in the Nelson Mandela metro.

Sub-national Doing Business

A "Doing Business in South Africa" Survey (SNDB) was undertaken by National Treasury in 2015 and 2018 among the nine South African Metropolitan Municipalities. The survey measured the performance of cities in relation to the cost of doing business over three indicators: construction permits, registering property and getting electricity. The Municipality is currently considering the automation as well as the establishment of a complementary one-stop shop to ease interaction between the city and investors/business. The Accounting Officer closely monitors progress on cost of doing business through monthly progress reports and the National Treasury tracks progress in the metro through quarterly reports.

Creating an enabling business environment

The Nelson Mandela Bay Municipality is committed to work with businesses and influence investor confidence as well as diversify industries. The Municipality through its Economic

Development Directorate has been consulting with different business organisations in an attempt to boost business confidence and assist with fast-tracking the resolution of some challenges faced by investors in the municipal area.

Key programmes to achieve this include:

- Provision of economic infrastructure (water, electricity and ICT).
- Enterprise development and support to foster innovation and entrepreneurial activity.
- Skills development and support to ensure industry skills availability and alignment.
- Competitive business support to reduce regulation and red-tape and support new businesses, export and productivity.
- Internal coordination of directorates responsible for business related municipal services.

The Municipality continues to strengthen its internal stakeholder coordination to ensure that issues such as processing of land/re-zoning applications, electricity connections and environmental impact assessments are speedily addressed.

Mandela Bay Development Agency (MBDA)

The Mandela Bay Development Agency (MBDA) is an entity of the Nelson Mandela Bay Municipality which implements a number of programmes and projects designed to stimulate socio-economic growth and prosperity. The MBDA implements several programmes across its mandated areas in order to achieve its strategic objectives.

Business Retention and Expansions

The Municipality continues to support and promote its traditional industries of manufacturing especially the automotive sector, tourism, pharmaceutical, retail and construction, while making a determined effort to move towards more knowledge-intensive, high-value and internationally competitive economic activities.

Re-investment by existing companies is also encouraged not only to ensure the retention of existing jobs, but also to create new jobs. It is of critical importance that growth strategies for labour intensive sectors such as tourism, construction/property development, business process outsourcing and off-shoring are developed.

The Municipality continues to implement its plan to retain and encourage re-investment by existing companies in the municipal area through the implementation of its Investment Incentive Policy adopted in October 2020. Three (3) investors operating in the Municipality have applied to be funded under this investment incentive fund. The applications of these investors are being processed.

SECTOR DEVELOPMENT/ ENTERPRISE DEVELOPMENT PROGRAMME

Development of the township economy

A strong focus is placed on the economic development of townships and other previously neglected areas. A focus is on the development of businesses in these areas, improvement of infrastructure and links between business hubs. A plan to develop and deliver an enhanced economic infrastructure to townships is being prepared. Some of the NMBM business facilities located in the townships have been debilitated and some even hijacked by illegal occupant. Examples are the Walmer Enterprise Village in Walmer Township and the SMME hub in Mabandla Street in Kariega. The Municipality is engaging community leaders, various business forums, and illegal occupants to institute the SMME development programme.

Key to this important work is the collaboration with NMBM Facilities Management to ensure the facilities are placed under the asset register so that budget for maintenance can be allocated. The formalisation and institution of the SMME development programme will ensure that rental agreements are negotiated and concluded with the beneficiaries. Off-site incubation centers such as the one located at Veeplaas stand to benefit from the mentioned intervention.

Development and support provided to SMMEs located in townships and around the city include the following:

- Advisory and business networking services provided through specific help-desks aimed at empowering SMMEs with trading permits, key business data and information as well as links to markets.
- SMMEs operating in specific sectors are supported through the mentorship and hand-holding incubation programmes run through the Municipality's one-stop shop delivery model. The incubation centers provide skills, assist in the development of business plans and ensure compliance.

To promote the culture of entrepreneurship and self-reliance, the Municipality offers support to informal traders, cooperatives and young aspiring entrepreneurs through the provision of trading facilities, equipment, skill training, trading permits, material and production stock/inputs. The Urban Agriculture Unit, Informal Trading, Automotive Sector and Cooperative Development help-desks are instrumental in providing the above-mentioned solutions to SMMEs and entrepreneurs.

The Municipality is collaborating with VWSA and the Nelson Mandela University (NMU) in developing sustainable township based projects focused on food security, waste management and alternative renewable energy. The NMU has already initiated similar projects in the Kwa-Zakhele Township whilst VWSA has finalised baseline studies and is planning to invest significantly through its community trust in the Kariega area.

The Municipality is implementing the 30% Set-aside Policy (EME Policy) aimed at assisting SMMEs to secure work through various projects undertaken by the Municipality. A Social Economic consultant was appointed to ensure the implementation of the Set-aside Policy.

The Municipality has an agricultural sector plan which includes agro-processing initiatives. Intensive, sustainable and commercial agricultural projects are supported as well as food security initiatives championed by mainly SMMEs and small scale farmers in the city. Agro-processing is identified in the National Development Plan as a key vehicle for creating jobs and growth. Strengths of this sector in the Nelson Mandela Bay include existing industries, an agricultural hinterland and the SEZ to support industries. Some of the key initiatives include mohair processing and export, processing of dairy products and export of other agricultural products such as citrus fruit.

The agricultural sector is, however, constrained by trade policies, lack of skills, loss of productive land and zoning limitations as well as a lack of coordination between stakeholders. Work is underway to ensure meaningful participation of SMMEs in the industry and a programme to develop SMMEs is being designed in collaboration with the Provincial Department of Economic Development, Tourism and Environmental Affairs. The programme considers the existing value chains such as the prominent animal production corridor in the Kariega, St Albans as well as the animal product value addition facilities in the industrial areas of the City. In addition, the programme considers the Fresh Produce Market Facility as a platform to develop value addition and food processing in collaboration with industry and key government departments. The Agro-processing initiatives are supported by primary agriculture production located in the Sarah Baartman District Municipality which has been hit by drought and water shortages. With dam levels decreasing daily, agricultural production faces the risk of drought.

The Table below provides a summary of sector development/enterprise development performance.

TABLE 3.56 Sector Development/ Enterprise Development Performance

Sector Development/ Enterprise Development Performance		
No	Initiative	Performance
1	i-Hub (ICT) Incubation Centre	200 SMMEs in the ICT sector supported
2	National Construction Incubator (NCI)	100 SMMEs in the Construction sector supported
3	Business Place	2500 SMMEs and aspiring entrepreneurs supported
4	Informal Traders	800 trade permits and support provided to Informal Traders
5	Facilities and Equipment provided to SMMEs and Informal Traders and Corporative	Over 80 entrepreneurs provided with trading facilities, equipment and machinery
6	Farmers and poverty alleviation	Approximately 78 farmers (livestock, food gardens) provided with production inputs and equipment

TOURISM MARKETING

Tourism Recovery Strategy

The tourism industry is one of the worst affected sectors by the crippling financial constraints imposed by the Covid-19 pandemic and subsequent lockdown regulations, especially those prohibiting movement. In response to the global pandemic. The Municipality developed a recovery plan in an attempt to minimize the effects of this crisis, but also to build a stronger and more resilient future for the tourism sector.

The Municipality participated in the National Tourism Sector Recovery Plan engagement sessions, seeking to align its tourism recovery plan with South African Tourism. The NMB Tourism Recovery Plan was developed in partnership with a Covid-19 Industry Task Team consisting Nelson Mandela Bay Tourism (NMBT), Port Elizabeth Metro Bed and Breakfast Association (PEMBBA), South African Tourism Services Association (SATSA) - Eastern Cape Chapter and the South African Association for the Conference Industry (SAACI).

Investment Retention Incentive

The Investment Retention Incentives form part of the Municipality's objectives in trying to keep businesses open and operating to protect employment in the city. This initiative focused specifically on supporting the tourism accommodation establishments on a local level to mitigate loss of revenue caused by the global Covid-19 pandemic. Most accommodation facilities in the metro have been struggling due to low to zero occupancies. The Municipality provided a rebate to the value of R4 857 194.16 to 96 accommodation facilities that applied for the Accommodation Investment Retention Incentives in Phase 1 of the Investment Retention Incentive Programme. Successful applications will be provided a rebate amounting to R2.2 million in Phase 2.

Job Retention Incentives

As part of supporting the township economy, which is a key pillar of the NMBM Economic Recovery Plan and to help reduce the impact of Covid-19 regulations on the tavern industry, the Nelson Mandela Bay Municipality offered support to qualifying tavern owners to retain existing employees. A monthly stipend of R3 300, for a maximum of two employees per tavern was offered for a period of two months. Seventy-nine tavern applications to the value of R1,042,800 were approved.

Destination Marketing Programme

As part of tourism brand awareness, city beautification, and promoting the city's major attractions/landmarks, the Municipality is implementing a programme:

- To encourage domestic and local travel;
- To create awareness of product offerings in Nelson Mandela Bay;
- To promote tourism marketing channels such as website and social media platforms.
- To obtain tourism content for the destination shared through the visitors' platforms (user generated content);
- To increase awareness of the destination tourism brand.

Below is the list of programmes implemented:

- **Branded Murals** - Happy Valley Bridge and Humerail Bridge.
- **Tourism Attraction Selfie boards** - Two selfie boards installed at the Donkin Reserve and Shark Rock Pier at Hobie Beach. An additional three boards being procured and campaign implemented to identify spots.
- **Branded Umbrellas and Chairs** - Destination branded umbrellas and chairs will be used for activations at the Donkin Visitor Information Centre and for beach activations as part of Summer Season and Easter Holiday Campaigns.
- **Vehicle Branding** - Two vehicles branded to promote the destination and to be used as part of tourism destination activations.

Airlift Strategy and Performance

Access to the Nelson Mandela Bay and the cost thereof, was identified as barriers to tourism and economic growth within the region. To unlock the full tourism potential, air access needed to be prioritised in order to make it easier and more affordable for visitors to explore the Nelson Mandela Bay. As a result, the Nelson Mandela Bay Airlift Project Committee was established with specific objectives to look at:

- Developing new routes with new and existing airlines.
- Maintaining existing routes and airlines, while monitoring the performance and maintaining regular contact with airlines.
- Promoting tourism growth (economic) through increase in flights, improved schedules, deployment of larger aircraft, and trade engagements to increase demand.
- Enabling economic development through air access and capacity, Economic development creates more demand.
- Matching commercial interests of airlines with benefits to the Airport and communities.
- Maximizing sustainable air service opportunities.
- Applying considered and relevant analysis on a case-specific basis (Quantitative and qualitative information to assist decision-making).
- Engaging stakeholders to support air service development efforts (Winning and retaining air service is a community effort).
- Communicating the success.

The Municipality together with the Airport Company of South Africa is currently working on a plan for collaborative destination marketing campaigns with airlines including discussions with FlySafair and ComAir. The partnership has seen Airlift being included in the Incentive Policy as well as the development of a NMBM Airlift Marketing Strategy.

Airlift Performance

Passenger numbers at the Chief Dawid Stuurman International Airport declined from 1,733,868 in 2019 to only 559,479 in 2020 due to the national lockdown. December alone saw a decline in almost 100 000 passengers. Below are the figures for passengers and traffic movement.

TABLE 3.57: Number of Passengers 2020

Chief Dawid Stuurman International Airport			
Month	Departures	Arrivals	Total
January	78,811	69,031	147,842
February	66,863	67,014	133,877
March	50,060	44,239	94,299
April	0	0	0
May	0	0	0
June	0	0	0
July	5,610	5,638	11,248
August	11,992	11,802	23,794
September	19,066	19,709	38,775
October	24,624	24,733	49,357
November	30,184	30,103	60,287
December	36,394	36,380	72,774
Total	323,604	308,649	559,479

TABLE 3.58: Air Traffic Movements 2020

Chief Dawid Stuurman International Airport	
Month	Total
January	1,362
February	1,226
March	950
April	0
May	0

Chief Dawid Stuurman International Airport	
June	0
July	291
August	385
September	510
October	592
November	784
December	1,019
Total	7,119

TOURISM DEVELOPMENT

The Municipality developed an Economic Recovery Plan to assist the immediate, short, medium and long-term recovery of the city's economy. Tourism industry has been the hardest hit sector by the crippling financial constraints imposed by the Covid-19 pandemic. SMME's are in the centre of economic recovery, therefore, the Municipality continues to ensure that they participate, resuscitate, and sustain their businesses. The following programmes were implemented as part of the Economic Recovery Implementation Plan.

- Trainings and Workshops
 - ***Covid-19 Tourism Ambassadors*** - A Group of eight (8) Covid-19 Tourism Ambassadors were trained and issued with the Covid-19 compliance officer certificates.
 - ***Tourism Monitors Training*** - Training of tourist guiding was motivated by number of non-compliant or illegal tourist guiding taking place in the city. Tourist guides are an important part of tourism value chain as their role is to educate, interpret, and highlight the cultural and natural heritage for tourists, thus enhance visitors' experience. The Eastern Cape Parks and Tourism Agency in partnership with the Nelson Mandela Bay Municipality conducted these trainings to improve the capacity of aspirant tourist guides to operate legally, thus becoming compliant and adhere to the required tourism service standards. Twenty-seven (27) aspirant tourist guides from Nelson Mandela Bay were trained.

- Tourism Relief Fund

As part of the Tourism Relief Fund that was given by the National Department of Tourism, the Municipality in partnership with the Eastern Cape Parks and Tourism Agency (ECPTA) arranged a workshop to assist SMMEs to access funding from the national government.

- SMME Support

The Municipality offered support to four Tourism Tour Operators on the following;

- Developing and designing of a website
- Designing and printing of business cards
- Training and how to manage and update the website

- Life-size Statue

The Municipality seeks to create tourism products, moments of reflections that will promote and market the city as a preferred destination for tourists. It is envisaged that the installation of a life-sized statue of Nelson Mandela at the Shark Rock Pier (Summerstrand) will boost tourism in the city. The Municipality is in a process of appointing a service provider to design and install the life-sized statue.

- Tower of Light (Iconic Landmark Precinct)

A business plan for the development of an Iconic Landmark Precinct was completed and approved by the Municipality's Economic Development, Tourism and Agriculture Standing Committee in the 2018/19 financial year. A stakeholder consultation was undertaken. The next phase of the project is to undertake an Environmental and Heritage Impact Assessment (EHIA).

TRADE AND INVESTMENT

A strong focus is placed on Trade and Investment facilitation through strengthening domestic and international partnerships, increasing of the region's export base, and attracting investment. To achieve these objectives, the Trade and Investment function focuses on the following:

- Promoting Nelson Mandela Bay as a preferred investment destination.
- Facilitating trade through participation on both international and local exhibitions with the view of assisting local companies to access international markets via the Export Helpdesk.
- Training, developing and raising awareness on exports.
- Identifying, developing and packaging investment opportunities.
- Attracting and retaining investments in the municipal area.
- Strengthening collaboration and partnership with the Nelson Mandela Bay Business Chamber, Eastern Cape Exporters and other clusters in and around the Nelson Mandela Bay municipal area.

Investment Incentive

The Municipality has reviewed its Investment Incentive Policy to respond to the current economic challenges. The reviewed policy was adopted by Council during the 2020/21 financial year. The Municipality concluded three investment incentive applications. The three business investors will collectively be investing a total of R567 million in the Nelson Mandela Bay over the next 5 years, with an estimated number of 417 permanent jobs over the next 3 years. A total of 116 new permanent jobs have since been created.

Export Help Desk

During the 2020/21 financial year, the Municipality (in collaboration with ECDC and the Department of Trade, Industry and Competition) provided export development training for 63 local entrepreneurs. Furthermore, the Municipality facilitated the participation of five SMMEs from Nelson Mandela Bay metro at the Annual Eastern Cape Export Symposium and Exhibition, held in East London from 24 – 25 March 2021. The purpose of the event was to assist companies to rebuild export capacity post Covid-19, and create an opportunity to tighten regional integration in ways that better leverage local resources and make Eastern Cape globally competitive.

Memorandum of understanding between NMBM and BPESA

The process of concluding a Memorandum of Understanding with the Business Process Enabling South Africa (BPESA) is underway. The purpose of this MoU is to develop and grow

the Global Business Services (GBS) sector in the Nelson Mandela Bay. Furthermore, partnership with BPESA would intensify efforts of attracting Foreign Direct Investment into the metro which would lead to the creating of jobs particularly for the unemployed youth.

(R)			
Sector	Year -2 (2018/19)	Year -1 (2019/20)	Year 0 (2020/21)
Agriculture, forestry and fishing			
Mining and quarrying			
Manufacturing			
Electricity			
Transport			
Manufacturing – investment incentives			
Clover	0		
Lighting Innovation	0		
Aspen Pharmaceutical Company	571 195		
LA Mohair	0		
RV Footwear	2 602		
BPO and Services – Investment Incentives			
Discovery	0		
Mutual Financial Analysts (MFA)	0		
Price Water House Coopers (PWHC)	2 450		
NS Global Services	39 900		
Dimension Data	3 908		
Automotive – investment incentives			
FAW	0		
Wholesale and retail	11 917 686		
Finance, property etc.	17 404 633		
Government, community and social services	17 725 957		
Infrastructure services	2 417 013		
FORMEX			6, 950,200
BPO and Services – Investment Incentives			
ISON			10, 532,585
Total	86 121 498	940 766 703	61 305 056

Source: IHS Markit Research Explorer

TABLE 3.60: Economic activity by sector

Annual gross value added (GVA) by broad economic sector in Nelson Mandela Bay, mid-year estimates [R, current prices]			
Economic sector	Year -2 (2018/19)	Year -1 (2019/20)	Year 0 (2020/21)
Agriculture, hunting, forestry, and fishing	349,207,594	299,309,055	366,638,938
Mining and quarrying	80,089,736	83,981,255	57,953,691
Manufacturing	23,681,261,193	24,367,415,607	23,334,799,963
Utilities	2,036,299,396	2,167,840,513	2,163,181,714
Construction	3,970,332,238	3,952,974,584	3,189,333,431
Trade (wholesale and retail) and hospitality	19,289,879,880	20,204,580,582	19,431,525,180
Transport, storage and communications	13,082,519,877	13,403,089,951	11,905,406,150
Finance, real estate and business services	24,386,041,345	24,767,206,707	24,012,525,185
Community, social and personal services	27,885,907,529	28,502,886,770	28,892,666,054
Total	114,761,538,787	117,749,285,022	113,354,030,306

Source: IHS Markit Regional eExplorer, 2021 (Version 2142, 1 July)

TABLE 3.61: Employment by economic sector

Total employment per broad economic sector in Nelson Mandela Bay, mid-year estimates [jobs/employment numbers]			
Economic sector	Year -2 (2018/19)	Year -1 (2019/20)	Year 0 (2020/21)
Agriculture, hunting, forestry, and fishing	9,139	9,287	9,687
Mining and quarrying	405	437	475
Manufacturing	66,250	67,491	68,480
Utilities	722	737	878
Construction	31,780	31,484	30,572
Trade (wholesale and retail) and hospitality	97,646	94,893	90,203
Transport, storage and communications	25,861	26,999	28,819
Finance, real estate and business services	62,189	61,617	61,670
Community, social and personal services	89,361	92,468	95,278
Households	31,536	32,384	32,649
Total	414,890	417,797	418,711

Source: IHS Markit Regional eExplorer, 2021 (Version 2142, 1 July)

TABLE 3.62: Jobs created by LED initiatives (Excluding EPWP projects)

Incentivised investments	Year 0 (2020/21)
Clover S.A. (Pty) Ltd	0
Dastile Wealth Insure (Pty) Ltd	82
Formex Industries (Pty) Ltd	34
Total	116

Source: Data compiled from reports provided by the various companies/employers

EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

The Expanded Public Works Programme (EPWP) is a government programme aimed at alleviating poverty, developing local communities, providing work opportunities and enhancing social protection. The Municipality created 2905 work opportunities through the implementation of its capital projects during the 2020/21 financial year.

Implementation of Strategic Projects

Strategic projects act as catalysts for economic growth. Such projects assist the metro to become competitive. A Spatial Planning and Development (SPD) Committee, which is a Subcommittee of the Strategic Interface Forum (SIF) comprising the Nelson Mandela Bay Municipality, Transnet, Coega Development Corporation, ACSA, Nelson Mandela University, PRASA and the South African National Roads Agency Limited has been established to fast-track the implementation of strategic projects. The SPD meets on a monthly basis and is well represented by technical officials from all State owned Corporations (SOC) and NMBM directorates. The SPD has developed a dashboard of 48 projects which is a combination of key strategic projects being implemented by the different SOC's. The dashboard is updated on a quarterly basis. Challenges on projects that cannot be resolved by the SPD are elevated to the Strategic Interface Forum.

The identified strategic projects include the following:

- Establishment of Tank Farm and Manganese Exports Facility in the Coega Special Economic Zone (SEZ)
- Waterfront Development/Baakens River Precinct
- Bayworld
- Telkom Park Precinct/Happy Valley
- Combined cycle gas turbine (CCGT) & liquid natural gas (LNG) Facilities at Coega
- Addo Road upgrade
- Bulk water supply including Nooitgedacht water treatment works and a desalination plant at Coega.

The relocation of manganese from the Port of Port Elizabeth has gained provincial support as the Premier of the Eastern Cape announced in his state of the province address on 23 February 2021 that the bulk manganese terminal should be relocated by 31 December 2021.

Nelson Mandela Bay Steam Train

There are continuous engagements between the Municipality and Transnet on the implementation of the Nelson Mandela Bay Steam Train (i.e. Apple Express). Transnet has prepared a 'request for proposal' to be advertised.

Njoli Square Redevelopment

The Njoli Square redevelopment will take place in phases. The first phase is road construction. National Treasury through the Neighbourhood Development Partnership Grant (NDPG) has made funding available for the upgrading of the four major roads that intersect at Njoli Square. The roads open access to this important hub in the township. The next phase is the appoint of professionals to prepare feasibility studies and business plans for the different land uses in Njoli Square.

TABLE 3.63: Performance scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Local Economic Development	Number of work opportunities created through Expanded Public Works Programme, Community Works Programme and other related infrastructure programmes	6519	6523	8137	2905	7073
KPA: Basic Service Delivery	% achievement of the Mandela Bay Development Agency's 2020/21 Key Performance Indicators	80% overall performance achieved for 2019/20	28% overall performance achieved for 2019/20	80%	33%	80%
KPA: Local Economic Development	Number of rateable residential properties in the subsidy housing market entering the municipal valuation roll	2256	0	0	0	353
KPA: Local Economic Development	Average number of days taken to process building plan applications	30 days (Legislative timeframe)	10.84 Days	30 days (Legislative timeframe)	8.30 days	30 days (Legislative timeframe)
KPA 3: Local Economic Development	Number of jobs created through the municipality's local economic development initiatives	100	121	75	116	N/A

Details	EPWP Projects	Jobs created through EPWP projects
	No.	No.
Year 0 (2018/2019)	155	5030
Year 0 (2019/2020)	120	6523
Year 0 (2020/2021)	70	2905

Job Level	Year -1 (2018/2019)	Year 0 (2020/21)			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	10	10	10	0	0%
4 – 6	18	19	18	1	5%
7 – 9	5	6	5	1	17%
10 – 12	5	6	5	1	17%
13 – 15	6	6	6	0	0%
16 – 18	5	5	5	0	0%
19 - 20	0	0	0	0	
Non-Permanent	21	21	21	0	0%
Special Programmes	25	34	25	9	26%
TOTAL	95	107	95	12	11%

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	107,009	87,800	104,197	102,508	(1,689)
Expenditure:					
Employees	61,220	83,312	72,017	59,714	(12,303)
Repairs and Maintenance	13	736	37	3	(34)
Other	57,557	55,776	93,137	50,941	(42,196)
Total Operational Expenditure	118,791	139,823	165,190	110,658	(54,532)
Net Operational Expenditure	11,781	52,022	60,993	8,150	(52,843)

TABLE 3.66.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Economic Development/Planning	-27,144,204	24,090,070	40,123,220	-10,076,422	50,199,642
Expenditure By Type / Contracted services	13,736,817	1,015,680	1,621,010	11,755,947	-10,134,937
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation				531,621	-531,621
Contractors:					
Catering Services		30,000	30,000		30,000
Maintenance of Buildings and Facilities	13,657,532	698,480		11,069,734	-11,069,734
Maintenance of Equipment	33,011	98,640	148,640	97,988	50,652
Safeguard and Security		19,740	19,740	8,761	10,979
Transportation	3,883	107,750	37,650		37,650
Outsourced Services:					
Business and Advisory: Project Management	42,391	61,070	1,384,980		1,384,980
Refuse Removal				47,843	-47,843
Expenditure By Type / Employee related costs	61,219,916	24,793,400	28,658,450	59,714,063	-31,055,613
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,043,800	1,220,720	1,220,720	991,825	228,895
Allowances: Housing Benefits and Incidental: Housing Benefits	123,352	143,400	125,410	119,536	5,874
Allowances: Service Related Benefits: Acting and Post Related Allowances	407,569		700,000	374,552	325,448
Allowances: Service Related Benefits: Bonus	1,087,047	1,200,720	1,093,870	1,008,439	85,431
Allowances: Service Related Benefits: Long Service Award	562,837	797,690	518,270	537,973	-19,703
Allowances: Service Related Benefits: Overtime: Non Structured	135,936	97,570	97,570	69,867	27,703
Allowances: Service Related Benefits: Scarcity Allowance	67,726	74,390	71,970	71,958	12
Allowances: Travel or Motor Vehicle	770,494	1,113,250	1,178,220	729,448	448,772
Basic Salary and Wages	51,665,379	13,894,510	18,243,980	50,371,242	-32,127,262
Municipal Staff: Social Contributions:					
Bargaining Council	2,535	2,880	2,300	2,346	-46

TABLE 3.66.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Group Life Insurance	94,102	107,840	90,200	92,811	-2,611
Medical	708,270	806,470	632,260	643,790	-11,530
Pension	2,215,449	2,614,340	2,026,620	2,101,302	-74,682
Unemployment Insurance	89,222	94,930	65,400	73,447	-8,047
Senior Management: Designation:					
Salaries and Allowances: Basic Salary	2,063,620	2,346,640	2,313,820	2,213,808	100,012
Salaries and Allowances: Bonuses	180,794	276,050	276,050	309,933	-33,883
Social Contributions: Unemployment Insurance	1,785	2,000	1,790	1,785	5
Expenditure By Type / Other expenditure	78,202,342	24,336,140	24,035,100	55,757,598	-31,722,498
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	5,316	8,070	8,070	8,276	-206
Expenditure: Operating Leases: Furniture and Office Equipment	55,316	89,110	89,110	37,371	51,739
Expenditure: Operating Leases: Other Assets		2,137,710	2,137,710	1,952,087	185,623
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		36,400	36,400		36,400
Advertising, Publicity and Marketing: Staff Recruitment		25,000	125,000	207,832	-82,832
Advertising, Publicity and Marketing: Tenders	10,985	10,000	10,000	52,267	-42,267
Assets less than the Capitalisation Threshold	70,959	133,640	101,640	30,609	71,031
Communication: Cellular Contract (Subscription and Calls)	333,235	369,670	369,670	367,485	2,185
Communication: Telephone, Fax, Telegraph and Telex	2,365	21,100	21,100	2,426	18,674
External Computer Service: Internet Charge	19,723	15,000	15,000	7,352	7,648
External Computer Service: Network Extensions	3,818	3,500	3,500		3,500
External Computer Service: System Development	76,635,017	20,342,000	20,342,000	52,645,393	-32,303,393
Hire Charges		238,810			0
Insurance Underwriting: Premiums	391,833	279,520	484,620	431,368	53,252
Learnerships and Internships	60,592			-32,188	32,188
Licences: Motor Vehicle Licence and Registrations		24,410	24,410		24,410

TABLE 3.66.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Services				-281,265	281,265
Printing, Publications and Books			2,000	1,357	643
Skills Development Fund Levy	236,108	502,350	165,020	249,277	-84,257
Travel Agency and Visa's	12,329	29,150	29,150	5,340	23,810
Travel and Subsistence:Domestic:Accommodation	25,125	17,000	17,000	41,043	-24,043
Travel and Subsistence:Domestic:Daily Allowance	102,197	10,000	10,000	14,858	-4,858
Travel and Subsistence:Domestic:Food and Beverage (Served)	510	350	350		350
Travel and Subsistence:Domestic:Incidental Cost		350	350		350
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	27,344	30,000	30,000	8,639	21,361
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	6,520				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		12,000	12,000		12,000
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		1,000	1,000		1,000
Travel and Subsistence:Foreign:Accommodation	26,798				0
Travel and Subsistence:Foreign:Daily Allowance	26,833				0
Travel and Subsistence:Foreign:Incidental Cost	1,100				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	16,780				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Road Transport	2,960				0
Travel and Subsistence:Non-employees	-5,927			8,070	-8,070
Uniform and Protective Clothing	134,507				0
Expenditure By Type / Other materials	236,436	334,420	334,420	110,813	223,607
Consumables: Standard Rated	32,671	112,110	112,110	69,896	42,214
Consumables: Zero Rated	95,710	212,490	212,490	59,908	152,582
Finished Goods	108,055	9,820	9,820	-18,991	28,811
Expenditure By Type / Transfers and subsidies	-34,604,901	97,720,020	102,715,020	-16,680,457	119,395,477

TABLE 3.66.1: Function: Planning and Development:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Provincial Departmental Agencies: Subsidiary Entity	-35,025,533	93,500,020	102,500,020	-16,774,637	119,274,657
Non-profit institutions: Use - It	420,632	4,220,000	215,000	94,180	120,820
Revenue By Source / Other revenue	-9,350			-8,391	8,391
Operational Revenue:					
Insurance Refund				-8,391	8,391
Sales of Goods and Rendering of Services:					
Scrap, Waste & Other Goods: Scrap	-9,350				0
Revenue By Source / Rental of facilities and equipment		-174,780	-174,780		-174,780
Ad-hoc rentals: Community Assets		-174,780	-174,780		-174,780
Revenue By Source / Transfers and subsidies	-107,000,000	-93,500,020	-104,022,520	-102,500,020	-1,522,500
National Governments: Integrated City Development Grant			-1,323,910		-1,323,910
National Governments: Local Government Financial Management Grant			-198,590		-198,590
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-107,000,000	-93,500,020	-102,500,020	-102,500,020	0
Revenue By Source / Transfers and subsidies - capital	-1,554,130			-1,675,093	1,675,093
South Africa Revenue Service (SARS)	-1,554,130			-1,675,093	1,675,093
Revenue By Source / Transfers and subsidies - capital	-37,371,334	-30,434,790	-13,043,480	-16,550,882	3,507,402
National Government: Neighbourhood Development Partnership Grant	-37,371,334	-30,434,790	-13,043,480	-16,550,882	3,507,402

TABLE 3.67: Capital Expenditure 2020/21: Economic Development Services

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	10,361	30,435	18,043	11,167	-173%	
		-	-			
Informal Trading Infrastructure - KwaDwesi		-	-			
Informal Infrastructure Trading facilities - Njoli		-	5,000			
Njoli Square Redevelopment	10,361	30,435	13,043	11,167	-173%	
Kariega Fresh Produce Market	-	-	-	-		150
Motherwell Container Retail Boxes		-	-			320

TABLE 3.68: Financial Performance 2020/21: Other: Markets

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	16,840	23,346	23,346	15,598	(7,748)
Expenditure:					
Employees	7,744	12,520	12,828	18,631	5,803
Repairs and Maintenance	3,166	4,888	7,118	2,974	(4,144)
Other	3,265	2,508	2,464	3,098	634
Total Operational Expenditure	14,175	19,916	22,410	24,703	2,293
Net Operational Expenditure	(2,666)	(3,430)	(937)	9,105	10,042

TABLE 3.68.1: Function: Other:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Markets	-2,665,644	-3,429,980	-936,800	2,857,799	-3,794,599
Expenditure By Type / Contracted services	4,085,990	5,590,940	8,165,940	3,575,643	4,590,297
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	14,409	337,300	337,300	506,918	-169,618
Contractors:					
Maintenance of Buildings and Facilities	1,372,647	1,914,970	4,244,970	1,030,644	3,214,326
Maintenance of Equipment	1,797,481	3,011,410	2,911,410	1,946,801	964,609
Pest Control and Fumigation		38,140	38,140	9,800	28,340
Safeguard and Security	68,277	69,930	69,930	19,580	50,350
Transportation	833,177	19,070	374,430		374,430
Outsourced Services:					
Business and Advisory: Project Management		76,130	26,130		26,130
Cleaning Services				29,400	-29,400
Clearing and Grass Cutting Services		63,630	163,630	32,500	131,130
Refuse Removal		60,360			0
Security Services		0			0
Expenditure By Type / Depreciation and asset impairment	1,337,774	147,460	147,460	1,580,088	-1,432,628
Expenditure: Depreciation and Amortisation: Depreciation: Community Assets: Community Facilities: Markets	1,337,774	147,460	147,460	1,580,088	-1,432,628
Expenditure By Type / Employee related costs	7,743,607	12,520,200	12,827,500	18,630,703	-5,803,203
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	-1,975,022	1,455,260	1,455,260	7,377,655	-5,922,395
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	75,336	83,650	81,040	68,444	12,596
Allowances: Service Related Benefits: Acting and Post Related Allowances	37,517		50,000	42,443	7,557
Allowances: Service Related Benefits: Bonus	489,860	490,580	608,930	500,340	108,590
Allowances: Service Related Benefits: Leave Pay	57,333	940,050	940,050	59,973	880,077

TABLE 3.68.1: Function: Other:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits: Long Service Award	96,402	257,070	257,070	736,988	-479,918
Allowances: Service Related Benefits:Overtime:Night Shift	27,050	33,840	33,840	21,932	11,908
Allowances: Service Related Benefits:Overtime:Non Structured	666,442	597,450	617,450	598,392	19,058
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	44,594	55,700	55,700	51,624	4,076
Allowances: Service Related Benefits: Standby Allowance	95,507	81,950	81,950	103,669	-21,719
Allowances: Travel or Motor Vehicle	38,246	46,440	46,440	24,428	22,012
Basic Salary and Wages	6,201,028	6,461,810	6,661,810	7,058,785	-396,975
Municipal Staff: Social Contributions:					
Bargaining Council	2,740	2,880	2,910	3,128	-218
Group Life Insurance	76,648	84,200	83,380	83,257	123
Medical	736,858	796,220	709,380	742,199	-32,819
Pension	1,019,810	1,075,620	1,094,280	1,099,657	-5,377
Unemployment Insurance	53,258	57,480	48,010	57,789	-9,779
Expenditure By Type / Other expenditure	835,424	1,336,600	897,480	664,553	232,927
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	5,316	2,000	2,000		2,000
Expenditure: Operating Leases: Furniture and Office Equipment	386,471	483,680	238,680	398,077	-159,397
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	2,905	32,000	32,000		32,000
Advertising, Publicity and Marketing: Tenders		50,000	50,000	10,564	39,436
Assets less than the Capitalisation Threshold	29,672	65,360	39,360	10,043	29,317
Bank Charges, Facility and Card Fees: Bank Accounts	117,028	233,070	233,070	10,798	222,272
Communication: Cellular Contract (Subscription and Calls)	20,731	24,220	24,220	23,722	498
Communication: Licences (Radio and Television)		1,970	1,970		1,970
Communication: Telephone, Fax, Telegraph and Telex	25,619	45,810	45,810	12,130	33,680
Hire Charges	88,697	64,400	49,400	40,102	9,298
Insurance Underwriting: Premiums	29,089	21,300	27,300	26,910	390

TABLE 3.68.1: Function: Other:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Registration Fees: Seminars, Conferences, Workshops and Events: National	2,000	3,000	3,000		3,000
Signage		10,000	10,000		10,000
Skills Development Fund Levy	82,927	251,180	77,060	91,701	-14,641
Travel Agency and Visa's		1,200	1,200		1,200
Travel and Subsistence:Domestic:Accommodation	1,150	1,670	1,670		1,670
Travel and Subsistence:Domestic:Daily Allowance	2,486	820	820		820
Travel and Subsistence:Domestic:Food and Beverage (Served)	350	650	650		650
Travel and Subsistence:Domestic:Incidental Cost		350	350		350
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		3,160	3,160		3,160
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		760	760		760
Uniform and Protective Clothing	40,984	40,000	55,000	40,507	14,493
Expenditure By Type / Other materials	171,713	321,180	371,180	252,089	119,091
Consumables: Standard Rated	134,253	253,980	243,980	136,780	107,200
Consumables: Zero Rated	31,665	38,160	38,160	22,374	15,786
Finished Goods	5,795	29,040	79,040	89,275	-10,235
Materials and Supplies			10,000	3,661	6,339
Revenue By Source / Agency services	-987	-1,740	-1,740	-949	-791
National: Department of Environmental Affairs: Alien Clearing Operational	-987	-1,740	-1,740	-949	-791
Revenue By Source / Interest earned - external investments	-68,270	-262,430	-262,430		-262,430
Current and Non-current Assets: Short Term Investments and Call Accounts	-68,270	-262,430	-262,430		-262,430
Revenue By Source / Other revenue	-14,952,451	-21,137,910	-21,137,910	-13,830,193	-7,307,717
Operational Revenue:					
Collection Charges	-22,174	-10,720	-10,720	-53,130	42,410
Commission: Transaction Handling Fees	-14,762,807	-20,980,640	-20,980,640	-13,662,705	-7,317,935
Incidental Cash Surpluses	-4,551	-1,030	-1,030	-262	-768
Insurance Refund	-76,248	-67,240	-67,240	-36,316	-30,924

TABLE 3.68.1: Function: Other:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Staff Recoveries	-9,350	-650	-650	-6,301	5,651
Sales of Goods and Rendering of Services:					
Buyers Card	-30,870	-14,240	-14,240	-26,017	11,777
Computer Services	-46,452	-63,390	-63,390	-45,461	-17,929
Revenue By Source / Rental of facilities and equipment	-1,818,444	-1,944,280	-1,944,280	-1,766,655	-177,625
Ad-hoc rentals: Community Assets	-1,818,444	-1,944,280	-1,944,280	-1,637,310	-306,970
Ad-hoc rentals: Machinery and Equipment				-124,528	124,528
Sub-lease Payment: Water Supply Infrastructure				-4,817	4,817

TABLE 3.69: Financial Performance 2020/21: Other: Tourism

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0
Expenditure:					
Employees	4,306	5,212	1,228	4,510	3,282
Repairs and Maintenance	-	-	-	-	
Other	4,645	10,474	10,474	4,502	(5,972)
Total Operational Expenditure	8,951	15,685	11,701	9,012	(2,689)
Net Operational Expenditure	8,951	15,685	11,701	9,012	(2,689)

TABLE 3.69.1: Function: Other:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Tourism	8,950,705	15,685,320	10,156,340	8,268,870	1,887,470
Expenditure By Type / Contracted services	4,392,234	8,000,000	8,000,000	3,476,075	4,523,925
Outsourced Services:					
Business and Advisory: Project Management	4,392,234	8,000,000	8,000,000	3,476,075	4,523,925
Expenditure By Type / Employee related costs	4,305,924	5,211,700	1,227,780	4,509,818	-3,282,038
Municipal Staff: Salaries, Wages and Allowances:					
Basic Salary and Wages	4,305,825	5,211,700	1,221,620	4,479,087	-3,257,467
Municipal Staff: Social Contributions:					
Bargaining Council			30	109	-79
Unemployment Insurance	99		6,130	30,623	-24,493
Expenditure By Type / Other expenditure	252,547	2,468,370	923,310	281,827	641,483
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment		47,480	47,480		47,480
Expenditure: Operating Leases: Other Assets		1,545,060			0
Operational Cost:					
Assets less than the Capitalisation Threshold	204,001	375,850	375,850	263,649	112,201
Communication: Telephone, Fax, Telegraph and Telex		248,460	248,460	16,442	232,018
External Computer Service: Data Lines	868	32,750	32,750	1,736	31,014
Travel Agency and Visa's	3,176	15,830	15,830		15,830
Travel and Subsistence:Domestic:Accommodation	17,785	81,880	81,880		81,880
Travel and Subsistence:Domestic:Food and Beverage (Served)	1,304	1,000	1,000		1,000
Travel and Subsistence:Domestic:Incidental Cost		1,300	1,300		1,300
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	18,598	85,500	85,500		85,500
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	6,815	1,000	1,000		1,000

TABLE 3.69.1: Function: Other:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		32,260	32,260		32,260
Expenditure By Type / Other materials		5,250	5,250	1,150	4,100
Consumables: Standard Rated		5,250	5,250	1,150	4,100
Function:Other:Non-core Function: Tourism			1,545,060	743,197	801,863
Expenditure By Type / Other expenditure			1,545,060	743,197	801,863
Operating Leases:					
Expenditure: Operating Leases: Other Assets			1,545,060	743,197	801,863

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes: libraries and archives; museums, arts and galleries; community halls; cemeteries and crematoria; child care; aged care and social programmes.

3.15 ARTS, CULTURE, HERITAGE AND LIBRARIES

The core mandate of the Arts, Culture, Heritage, and Libraries Sub-directorate as legislated in the Arts and Culture White Paper is to develop local artists, conserve and preserve heritage of the Municipality to ensure that citizens benefit through the implementation of arts, culture and heritage projects and programmes.

The new Mendi Art Centre was open during the 2020/21 financial year. The Red Location Gallery and NMM Art Museum collaborated to purchase R300 000.00 worth of artwork through a competition and selection process. The Municipality continued to provide support to local art organisations through the Art Grant. The closure of facilities due to the Covid-19 lockdown hampered service delivery and further resulted in vandalism and theft of municipal facilities.

Libraries

The Municipality provides library and information services to citizens through the following sections and facilities:

- 22 libraries metro wide
- Three modular libraries (KwaZakhele, Colchester and Kuyga)
- Digital library (closed since 2013, due to community protest for housing) and archives at Red Location Cultural Precinct

The Municipality ensures access to information to residents through the provision of library services. A culture of reading is promoted through programmes conducted in the key local languages (i.e. English, isiXhosa and Afrikaans), in addition to the provision of library services, which include the circulation of resources to the public. The provision of library services remains the mandate of the Eastern Cape Department of Arts and Culture, and the Municipality receives an annual subsidy library operations. The funding received from the Eastern Cape Department of Arts and Culture is insufficient to allow for the provision of efficient and easily accessible library services to all residents. The table below reflects the library capital projects initiated/completed during the 2020/21 financial year.

Table 3.70: Summary library capital projects

NO	PROJECT	PROGRESS
1	Main Library refurbishment	Tendering documents completed in 2020/21 & project to complete in 2021/23
2	Zwide roof replacement	Inception reports implemented in 2020/21 & project to complete in 2021/22
3	Chatty roof replacement	Inception reports implemented in 2020/21 & project to complete in 2021/22
4	Motherwell roof replacement	Inception reports implemented in 2020/21 & project to complete in 2021/22
5	Newton Park Fencing	Complete
6	Chatty Fencing	Complete
7	Re-Construction of KwaNobuhle Library	Service provider appointed to do Assessment report for quantifying work to be done

During the Covid-19 lockdown period many libraries were vandalised and are currently closed as indicated below.

TABLE 3.71 Libraries currently closed for maintenance

	Library	Reason for closure	Work to date
1	Motherwell	Roof replacement	Work in progress
2	Main Library	refurbishment	
3	Chatty	Roof replacement	
4	Zwide	Roof replacement	
5	Allanridge	Compromised building due to vandalism	<ul style="list-style-type: none"> • Assessment of damages to building to be undertaken • Insurance submission completed with regards to the library resources
6	KwaMagxaki	Compromised building due to vandalism	

Provision of library services to the public was affected by the Covid-19 pandemic and the national lockdown. The following limited library services were provided during the 2020/21 financial year.

- Call and collect service to the public for lending of resources
- Electronic lending services
- Limited numbers entering a facility at a time to access library services

The following library programmes were implemented during the 2020/21 financial year.

- *National Book Week*: The National Book Week is a national reading campaign facilitated by the South African Book Development Council in collaboration with the Department of Arts and Culture. The 2020 National Book Week virtual programme was held from 7 – 13 September 2020. The programme was hosted on the National Book Week Facebook page and YouTube. Programmes facilitated include storytelling, book launches in IsiXhosa and English, poetry performances, digital resources marketing, and book donations. About 164 participants attended the programme.
- *National Book Week School Programme*. The programme was aimed at school children to share the love of reading. The programme took place from 10 - 12 November 2020.

- *Reading City and Library Advocacy - Book Club Activity.* Little Minds Read is a book club based in the Northern Areas with children from Helenvale, Gelvandale and Booysen Park. The NMBM Library Services collaborated and donated material to the Book Club. Items donated were 75 Reading books, 50 craft books, and 6 children movie DVDs. The programme took place on 17 December 2020 and was attended by 72 children.
- *Reading City and Library Advocacy - Xhosa High School Poetry Competition in collaboration with Vundu Poetry Club.* On the 8 December 2020, high school children participated in writing and poem competition. The NMBM Library Services donated 30 reading books, National Book Week Craft Books, 30 Notepads and 30 pens to the participants.
- *World Read Aloud activities.* Library staff held reading sessions at their libraries and also went out to public spaces, and pre-schools for storytelling sessions. The programme took place on 3 February 2021.
- *The Little Minds Read Book Club* ran their World Read Aloud programme on 4 February 2021. 26 Children between the ages of 4 and 14 years participated in the programme.
- *Reading Challenge (Children's programme):* The programme was held from 10 February 2021 to 10 March 2021. The programme was facilitated in partnership with the Little Minds Read Book Club.
- *South African Library Week.* The programme was held from 15 to 21 March 2021 under the theme "Libraries Matter".
- *Youth Month - Xhosa High School Poetry Competition in collaboration with Vundu Poetry Club.* On 4 June 2021, high school children competed in an IsiXhosa poetry writing competition. The NMBM Library Services donated reading books, notepads, earphones, USBs, back packs, water bottles and stationery to the participants.
- *Youth Month- Unesiduko Nje unetyala Book launch and social dialogue programme.* The NMBM Library Services collaborated with Buyel'embo Village to facilitate the programme in the metro. The programme took place on 19 June 2021 at Bayworld and about 906 people attended the programme.

TABLE 3.72: Employees: Libraries – Sport, Recreation, Arts and Culture

Job Grade	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	24	36	26	10	28%
4 – 6	71	144	72	72	50%
7 – 9	15	24	13	11	46%
10 - 12	59	76	55	21	28%
13 - 15	5	6	5	1	17%
16 - 18	1	1	1	0	0%
19 - 20					
Total	175	287	172	115	40%

HERITAGE, ARTS AND CULTURE

The Municipality conducts research and documents the history of the Nelson Mandela Bay and its cultural heritage as well as provides the public and tourists with well-maintained and clean heritage sites. The current status of heritage sites in the city is reflected in the table below.

TABLE 3.73: Current Status of the 19 Heritage Sites

	SITE & LOCATION	STATUS/INVASION
1	The Cenotaph (1st world War Memorial) -1 Park Drive, Central	Good
2	Price Alfred Guard Memorial -St Georges Park, Central	Good
3	Horse Memorial, -5 Cape Rd, Gqeberha Central,	Vagrants
4	Fort Frederick, -located along Belmont Terrace, Central	Vagrants
5	Donkin Pyramid (In memory of Elizabeth Donkin after which the Port Elizabeth was named) DONKIN RESERVE, PYRAMID AND LIGHTHOUSE, -Athol Fugard Terrace	Good
6	Bartholomeus Dias Park, -Located next to the Pier Street Mosque or Green Mosque, South End	Vagrants
7	War Memorial - Walmer	Good
8	The Campanile, -Strand Street, Central (Next to the Train Station)	Good
9	Piet Retief Memorial, - Marine Drive, Pick and Pay Centre, Summerstrand	Vagrants

	SITE & LOCATION	STATUS/INVASION
10	Cradock Place, - Ditching Road in the suburb now known as Cradock Place	Good
11	Zwide Heroes Acres, -Zwide Cemetery	Good
12	Alms or Mission Bell, - Van Der Kemps Kloof Church, Bethelsdorp	Vagrants
13	Emlotheni Heritage Site, -Corner of Nqadini Street and Limba Street, New Brighton	Good
14	SS Mendi Memorial, - Mendi Road, New Brighton	Good
15	Sheya Kulati Memorial, - Corner of Mendi Road and Avenue A, New Brighton	Good
16	Langa Massacre Memorial Site, - Maduna Road, Kariega	Theft
17	Langa Massacre Grave Site, -Bucwa Cemetery, KwaNobuhle	Good
18	Kariega City Monuments, - Market Square, Kariega	Good
19	Cradock Four Memorial, - Coega Village	Good

The table below indicates the heritage programmes implemented during the 2020/21 financial year.

Table 3.74: Heritage programmes

No	programme	Date	comments
1	3 x Burials (Maqungu and Tshiwula and Makina)	July 2020 - June 2021	Successful implementation
2	1 x Exhumation (Mini Family)	04 December 2020	Successful implementation
3	1 x Memorial Lecture (Human Rights)	21 st March	This was interrupted by the victims of the massacre
4	Mendi Art Centre Opening	March	Successful opening of the centre
5	Mendi ongoing programmes	March - June	Activity currently on hold due to Level 4 lockdown
6	Arts Grant Awarding of 31 recipients	May and June	Currently on payment process and monitoring and evaluation
7	Partnership with Nomhle Nkonyeni Foundation through a festival at Mendi Art Centre	June	Postponed due to Level 4 lockdown

INTERIM ACTIVATION OF MENDI ART CENTRE

The Mendi Art Centre intends to develop the art sector. An interim operational plan is in place to facilitate continued discussions in the community and allow for a period of programme testing that will inform the operational management of the centre. An Acting Centre Manager and a team of EPWP workers from the area have been appointed to ensure management of the centre. There were about 12 bookings for the Mendi Art Centre during the 2020/21 financial year.

Job Level	Year -1	Year 0			
	Employee s	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3					
4 - 6	1	2	1	1	50%
7 - 9					
10 - 12	1	5	1	4	80%
13 - 15	3	3	3	0	0%
16 - 18	1	1	1	0	0%
19 - 20					
Total	6	11	6	5	45%

MUSEUMS AND GALLERY

The Municipality currently owns the following facilities.

- Nelson Mandela Metropolitan Art Museum
- Red Location Gallery
- Red Location Museum

The above facilities are currently in bad state and require renovations. The fencing of the Art Museum is completed whilst the Red Location fencing is in progress. The Municipality continues to implement programmes under the banner of *“precinct without walls”* in partnership with museums and galleries in the city. Museums and gallery programmes implemented during the 2020/21 financial year include the following:

- Through Our Eyes: Journey to America
- Celebrating Eastern Cape Art: City Collection
- Sketchbook 3D: Ceramics – development programme for visual artists with a focus on ceramics
- Kreative Youth Programme – creative and entrepreneurship training for unemployed youth
- Struggle and Resistance in Kariega – new permanent exhibition at the Drodsty Museum
- Public Art Mural Restoration and Development (Mendi)

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	3	0	3	100%
4 - 6	6	9	6	3	33%
7 - 9	1	5	1	4	80%
10 - 12	4	6	4	2	33%
13 - 15	1	2	1	1	50%
16 - 18					
19 - 20					
Total	12	25	12	13	52%

The Municipality recorded a reduction in the number of visitors to the NMM Art Museum in the 2020/21 financial year due to the Covid-19 regulations. In mitigation, the Municipality implemented virtual exhibitions and programmes during the period under review.

The Nelson Mandela Bay Municipality has a collection of over 8000 artworks. The Municipality ensures the correct preservation and conservation of the different artworks. 25 artworks were restored and 13 artworks reframed in the 2020/21 financial year. As part of the NMM Art Museum and Red Location Gallery Covid-19 Stimulus projects, 17 artworks were purchased to the value of R 306,500.00 from 17 artists from the Eastern Cape. A total of 134 opportunities were provided by the NMM Art Museum to local artists in the 2020/21 financial year through the following programmes:

- Life in the Time of Covid: Sketchbook
- Helenvale Poets: Imaging the Voice
- Mendi Youth Exhibition
- Poetry Event – Youth Talk
- Sketchbook Exhibition
- International Exhibition: Through Our Eyes: Journey to America
- Celebrating Eastern Cape Art

A total of 14 workshops were held in different Wards. The Municipality installed nine new exhibitions and embarked on a virtual tour programme (accessible on our website and on Facebook and Instagram) to ensure that the Art Museum remained accessible during the Covid-19 national lockdown. The programme included the following:

- Series of exhibitions promoting the collection
- An international exhibition from USA
- An exhibition of artworks by youth reflecting on life during the current Covid pandemic
- An exhibition celebrating top contemporary Eastern Cape art.

TABLE 3.77: Employees: Art Museum

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	1	4	2	2	50%
4 – 6	2	5	2	3	60%
7 – 9	3	4	3	1	25%
10 - 12	3	7	3	4	57%
13 - 15	1	1	1	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	10	21	11	10	48%

TABLE 3.78: Employees: Libraries – Sport, Recreation, Arts and Culture

Job Grade	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	24	36	22	14	39%
4 – 6	72	144	71	73	51%
7 – 9	16	24	15	9	38%
10 - 12	59	76	60	16	21%
13 - 15	5	6	5	1	17%
16 - 18	1	1	1	0	0%
19 - 20					
Total	177	287	174	113	39%

TABLE 3.79: Financial Performance 2020/21: Function: Community and Social services: Libraries; Archives; Museums; Galleries; Community Facilities; Other

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	22,013	20,174	26,162	26,453	291
Expenditure:					
Employees	150,233	175,071	172,706	158,592	(14,114)
Repairs and Maintenance	7,810	17,390	17,858	8,468	(9,390)
Other	23,408	54,407	58,131	38,197	(19,934)
Total Operational Expenditure	181,452	246,868	248,694	205,257	(43,437)
Net Operational Expenditure	159,439	226,694	222,532	178,804	(43,728)

TABLE 3.79.1: Financial Performance 2020/21: Function: Community and Social services: Community Halls and Facilities

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	5,294	2,864	8,853	10,484	1,631
Expenditure:					
Employees	56,751	66,490	63,600	59,327	(4,273)
Repairs and Maintenance	7,079	15,649	16,746	8,117	(8,629)
Other	6,053	7,573	8,115	5,888	(2,227)
Total Operational Expenditure	69,883	89,711	88,461	73,331	(15,130)
Net Operational Expenditure	64,589	86,847	79,609	62,847	(16,762)

TABLE 3.79.1.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Community Halls and Facilities	64,589,113	86,847,330	79,608,600	62,846,843	16,761,757
Expenditure By Type / Contracted services	9,021,338	18,805,850	19,683,620	9,167,388	10,516,232
Contractors:					
Fire Protection	198,601	1,385,000	1,299,000	77,687	1,221,313
Maintenance of Buildings and Facilities	6,731,503	13,229,530	15,489,530	8,006,488	7,483,042
Maintenance of Equipment	363,443	1,788,090	835,090	135,074	700,016
Maintenance of Unspecified Assets	1,230	88,230			0
Pest Control and Fumigation	112,659	350,000	285,000	51,850	233,150
Safeguard and Security		250,000	160,000		160,000
Stage and Sound Crew	13,670	50,000	50,000		50,000
Transportation	5,500				0
Outsourced Services:					
Business and Advisory: Organisational	-2				0
Business and Advisory: Project Management	344,900	150,000	50,000	4,318	45,682
Cleaning Services	456,967	475,000	353,000	272,018	80,982
Clearing and Grass Cutting Services	600,881	585,000	825,000	441,415	383,585
Hygiene Services	191,986	455,000	277,000	164,026	112,974
Refuse Removal			60,000	14,512	45,488
Expenditure By Type / Depreciation and asset impairment				1,344,374	-1,344,374
Expenditure: Depreciation and Amortisation: Depreciation: Furniture and Office Equipment				1,344,374	-1,344,374
Expenditure By Type / Employee related costs	56,750,635	66,489,740	63,599,640	59,326,790	4,272,850
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	231,856	233,670	261,340	237,276	24,064
Allowances: Service Related Benefits: Acting and Post Related Allowances	351,780		98,380	304,103	-205,723
Allowances: Service Related Benefits: Bonus	2,952,639	3,375,600	3,597,250	3,273,609	323,642
Allowances: Service Related Benefits: Long Service Award	1,547,409	1,585,520	1,608,660	1,716,622	-107,962

TABLE 3.79.1.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits:Overtime:Night Shift	78,054	158,720	139,470	3,757	135,713
Allowances: Service Related Benefits:Overtime:Non Structured	3,716,940	2,945,800	2,947,600	2,531,063	416,537
Allowances: Service Related Benefits:Overtime:Structured	13,661				0
Allowances: Service Related Benefits: Scarcity Allowance	222,126	244,020	236,050	236,008	42
Allowances: Service Related Benefits: Standby Allowance			2,230	3,374	-1,144
Allowances: Travel or Motor Vehicle	1,075,442	1,351,830	1,223,330	1,054,451	168,879
Basic Salary and Wages	33,739,624	42,658,510	39,991,050	36,536,477	3,454,573
Municipal Staff: Social Contributions:					
Bargaining Council	22,200	24,490	23,400	22,830	570
Group Life Insurance	542,937	615,790	606,610	597,774	8,836
Medical	5,248,424	5,399,900	5,477,440	5,509,063	-31,623
Pension	6,643,953	7,493,580	7,023,560	6,945,149	78,411
Unemployment Insurance	363,589	402,310	363,270	355,236	8,034
Expenditure By Type / Finance charges	561,900	494,530	494,530	263,750	230,780
Interest Paid:Borrowings:Annuity Loans	561,900	494,530	494,530	263,750	230,780
Expenditure By Type / Other expenditure	1,769,371	1,892,520	2,745,020	1,958,117	786,903
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	52,015	130,000	130,000	61,186	68,814
Expenditure: Operating Leases: Other Assets	376,057	100,000	250,000	397,714	-147,714
Operational Cost:					
Assets less than the Capitalisation Threshold	119,561	50,000	50,000	31,599	18,401
Cleaning Services: Laundry Services	10,534	70,000	70,000	1,199	68,801
Communication: Cellular Contract (Subscription and Calls)	219,381	230,000	195,000	267,403	-72,403
Communication: Licences (Radio and Television)	287,335	170,000	349,000	286,854	62,146
Communication: Telephone, Fax, Telegraph and Telex	410,069	410,000	348,000	418,477	-70,477
Courier and Delivery Services		5,000			0
Insurance Underwriting: Premiums	139,842	170,030	170,530	153,603	16,927

TABLE 3.79.1.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Services	1,373	460,000	540,000	266,148	273,852
Registration Fees: Seminars, Conferences, Workshops and Events: National		17,490	17,490		17,490
Skills Development Fund Levy	329				0
Travel and Subsistence: Domestic: Transport with Operator: Public Transport: Road Transport	23,760				0
Uniform and Protective Clothing	128,257	80,000	625,000	73,933	551,067
Workmen's Compensation Fund	858				0
Expenditure By Type / Other materials	1,501,400	1,720,000	1,629,500	1,240,807	388,693
Consumables: Standard Rated	1,077,445	1,150,000	1,099,500	990,047	109,453
Consumables: Zero Rated	271,467	230,000	210,000	83,531	126,469
Finished Goods	37,591	125,000	105,000	44,878	60,122
Materials and Supplies	114,896	215,000	215,000	122,351	92,649
Expenditure By Type / Transfers and subsidies	278,800	308,800	308,800	30,000	278,800
Northern Cape Economic Development Agency	35,000	35,000	35,000		35,000
-profit institutions: Use - It	243,800	273,800	273,800	30,000	243,800
Revenue By Source / Other revenue	-531,425	-58,750	-14,440	-417,880	403,440
Operational Revenue:					
Administrative Handling Fees				-44,939	44,939
Insurance Refund	-484,634			-358,509	358,509
Sales of Goods and Rendering of Services:					
Meal and Refreshment	-46,790	-53,750	-14,440	-14,432	-8
Sale of Goods: Consumables		-5,000			0
Revenue By Source / Rental of facilities and equipment	-4,762,908	-2,805,360	-8,838,070	-10,066,503	1,228,433
:Investment Property: Straight-lined Operating	-3,016,990		-7,924,850	-9,449,096	1,524,246
Ad-hoc rentals: Community Assets	-70,592	-113,040	-96,170	-69,960	-26,210
Straight-lined Operating: Other Assets		-50,000			0
Investment Property: Ad-hoc rentals	-130,623		-147,930	-140,217	-7,713

TABLE 3.79.1.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Ad-hoc rentals: Community Assets	-1,444,597	-1,747,570	-523,710	-392,124	-131,586
Ad-hoc rentals: Machinery and Equipment	-94,050	-190,450	-141,110	-8,415	-132,695
Ad-hoc rentals: Other Assets		-400,000			0
Straight-lined Operating: Community Assets	-6,055	-4,300	-4,300	-6,690	2,390
:Straight-lined Operating: Other Assets		-300,000			0

TABLE 3.79.2: Financial Performance 2020/21: Function: Community and Social services: Libraries and Archives

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	16,710	17,288	17,288	15,968	(1,320)
Expenditure:					
Employees	79,174	91,831	92,031	84,061	(7,970)
Repairs and Maintenance	580	1,106	506	168	(338)
Other	4,142	12,971	13,705	9,975	(3,730)
tal Operational Expenditure	83,896	105,909	106,242	94,204	(12,038)
Net Operational Expenditure	67,186	88,621	88,954	78,236	(10,718)

TABLE 3.79.2.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Function: Community and Social Services: Core Function: Libraries and Archives	-4,576	99,860	99,860	815,022	-715,162
Expenditure By Type / Contracted services		100,000	100,000		100,000
Contractors:					
Maintenance of Buildings and Facilities		100,000	100,000		100,000
Expenditure By Type / Debt impairment				814,606	-814,606
Gains and Losses: Impairment Loss: Non Specific Accounts				814,606	-814,606

TABLE 3.79.2.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other expenditure	310	380	380	416	-36
Operational Cost:					
Insurance Underwriting: Premiums	310	380	380	416	-36
Revenue By Source / Fines, penalties and forfeits	-4,885	-520	-520		-520
Fines: Overdue Books Fine	-4,885	-520	-520		-520

TABLE 3.79.2.2: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Libraries and Archives	67,190,081	88,521,370	88,854,040	77,420,566	11,433,474
Expenditure By Type / Contracted services	1,541,221	2,447,740	1,931,610	899,408	1,032,202
Consultants and Professional Services:					
Business and Advisory: Research and Advisory			400,000	23,914	376,086
Legal Cost: Legal Advice and Litigation				6,420	-6,420
Contractors:					
Artists and Performers	558,912	507,120	507,120	398,952	108,168
Maintenance of Buildings and Facilities	580,231	1,006,340	406,340	167,748	238,592
Maintenance of Equipment	107,537	291,950	191,950	29,320	162,630
Safeguard and Security	11,625	32,670	32,670		32,670
Outsourced Services:					
Business and Advisory: Project Management	282,916	598,000	381,870	273,054	108,816
Hygiene Services		11,660	11,660		11,660
Expenditure By Type / Debt impairment	-2,593			-58	58
Expenditure: Bad Debts Written Off	-2,593			-58	58
Expenditure By Type / Depreciation and asset impairment	49,275			14,402	-14,402
Sanitation Infrastructure: Pump Station	49,275			14,402	-14,402
Expenditure By Type / Employee related costs	79,173,556	91,831,480	92,030,640	84,061,183	7,969,457
Municipal Staff: Salaries, Wages and Allowances:					

TABLE 3.79.2.2: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Housing Benefits and Incidental: Essential User	150,681	191,660	186,780	160,635	26,145
Allowances: Housing Benefits and Incidental: Housing Benefits	526,201	603,640	541,280	554,301	-13,021
Allowances: Service Related Benefits: Acting and Post Related Allowances	68,008	250,000	50,000	3,215	46,785
Allowances: Service Related Benefits: Bonus	4,677,929	5,135,600	5,381,340	5,019,202	362,138
Allowances: Service Related Benefits: Long Service Award	3,422,492	3,698,860	3,706,680	4,128,464	-421,784
Allowances: Service Related Benefits:Overtime:Night Shift		7,660	7,660		7,660
Allowances: Service Related Benefits:Overtime:Non Structured	579,544	145,680	99,670	6,945	92,725
Allowances: Travel or Motor Vehicle	433,790	649,680	365,980	323,867	42,113
Basic Salary and Wages	53,231,213	63,503,380	64,881,180	57,034,087	7,847,093
Municipal Staff: Social Contributions:					
Bargaining Council	19,563	21,240	20,370	19,999	371
Group Life Insurance	559,688	617,940	585,770	581,751	4,019
Medical	5,068,555	5,451,150	5,120,840	5,172,548	-51,708
Pension	10,101,966	11,192,740	10,764,380	10,725,912	38,468
Unemployment Insurance	333,925	362,250	318,710	330,258	-11,548
Expenditure By Type / Other expenditure	1,895,396	9,606,450	9,945,960	6,908,185	3,037,775
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	61,027	165,000	165,000	7,089	157,911
Expenditure: Operating Leases: Furniture and Office Equipment	706,234	1,039,770	1,024,770	730,860	293,910
Expenditure: Operating Leases: Other Assets	42,000	56,020	56,020		56,020
Operational Cost:					
Advertising, Publicity and Marketing: Tenders		50,000	50,000	28,238	21,762
Assets less than the Capitalisation Threshold	73,472	5,200,080	5,000,080	185,927	4,814,153
Cleaning Services: Car Valet and Washing Services	310	700	700		700
Communication: Cellular Contract (Subscription and Calls)	72,410	65,490	65,490	78,460	-12,970
Communication: Postage/Stamps/Frinking Machines				4,052	-4,052
Communication: Telephone, Fax, Telegraph and Telex	38,482	83,480	83,480	37,949	45,531

TABLE 3.79.2.2: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Drivers Licences and Permits		5,140	5,140	868	4,272
External Computer Service: Data Lines	45,729	50,000	50,000	46,664	3,336
External Computer Service: Network Extensions		65,190	65,190	1,725	63,465
External Computer Service: Software Licences		1,633,250	1,633,250	4,799,376	-3,166,126
External Computer Service: Wireless Network		162,460	262,460	194,040	68,420
Hire Charges	7,500	36,580			0
Insurance Underwriting: Premiums	6,882	7,820	9,320	8,472	848
Licences: Motor Vehicle Licence and Registrations	1,536	5,640	5,640	2,360	3,280
Printing, Publications and Books	35,700	114,320	714,320	36,665	677,655
Professional Bodies, Membership and Subscription	3,075	5,330	5,330		5,330
Skills Development Fund Levy	650,707	716,300	655,890	690,372	-34,482
Travel Agency and Visa's	2,844	27,790	27,790		27,790
Travel and Subsistence:Domestic:Accommodation	25,770	20,000	20,000		20,000
Travel and Subsistence:Domestic:Daily Allowance		3,000	3,000		3,000
Travel and Subsistence:Domestic:Food and Beverage (Served)	1,447	4,000	4,000		4,000
Travel and Subsistence:Domestic:Incidental Cost	1,652	3,000	3,000		3,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	23,302	16,000	16,000		16,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	3,748	8,430	8,430	136	8,294
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		7,000	7,000		7,000
Uniform and Protective Clothing		54,660	4,660		4,660
Workmen's Compensation Fund	91,570			54,933	-54,933
Expenditure By Type / Other materials	1,238,579	1,923,180	2,233,310	1,505,420	727,890
Consumables: Standard Rated	300,965	426,800	642,930	483,935	158,995
Consumables: Zero Rated	75,026	89,080	89,080	9,602	79,478
Finished Goods	140,913	316,970	580,970	289,762	291,208
Materials and Supplies	721,675	1,090,330	920,330	722,122	198,208

TABLE 3.79.2.2: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Fines, penalties and forfeits	-589,260	-1,030,030	-1,030,030	-1,182	-1,028,848
Fines: Overdue Books Fine	-589,260	-1,030,030	-1,030,030	-1,182	-1,028,848
Revenue By Source / Other revenue	-179,834	-292,700	-292,700	-96,793	-195,907
Operational Revenue:					
Insurance Refund				-95,836	95,836
Staff Recoveries	-9,817	-91,070	-91,070	-158	-90,912
Sales of Goods and Rendering of Services:					
Library Fees: Membership	-128				0
Photocopies and Faxes	-169,889	-201,630	-201,630	-800	-200,830
Revenue By Source / Rental of facilities and equipment	-66,260	-94,750	-94,750		-94,750
Ad-hoc rentals: Community Assets	-66,260	-94,750	-94,750		-94,750
Revenue By Source / Transfers and subsidies	-15,870,000	-15,870,000	-15,870,000	-15,870,000	0
:Provincial Government: Eastern Cape: Capacity Building and Other: Specify (Add grant description)	-15,870,000	-15,870,000	-15,870,000	-15,870,000	0

TABLE 3.79.3: Financial Performance 2020/21: Function: Community and Social services: Cultural Matters

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	8	22	22	1	(21)
Expenditure:					
Employees	13,967	16,387	16,713	14,842	(1,871)
Repairs and Maintenance	151	635	605	184	(421)
Other	13,213	33,862	36,311	22,334	(13,977)
Total Operational Expenditure	27,331	50,885	53,629	37,360	(16,269)
Net Operational Expenditure	27,323	50,863	53,608	37,359	(16,249)

TABLE 3.79.3.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Cultural Matters	27,322,730	50,863,060	53,607,510	37,359,411	16,248,099
Expenditure By Type / Contracted services	1,604,333	4,372,940	4,112,810	2,826,065	1,286,745
Contractors:					
Artists and Performers	657,724	1,472,270	1,522,270	1,473,458	48,813
Audio-visual Services	513,769	1,741,000	1,300,120	843,241	456,879
Maintenance of Buildings and Facilities	150,781	635,170	755,170	206,679	548,491
Maintenance of Equipment	7,362	38,310	38,310	4,982	33,328
Preservation/Restoration/Dismantling/Cleaning Services	134,769	227,350	237,350	168,415	68,935
Safeguard and Security	1,550	6,370	46,370		46,370
Outsourced Services:					
Business and Advisory: Project Management	126,164	195,650	166,400	81,333	85,067
Catering Services		11,240	1,240		1,240
Cleaning Services	2,864	19,080	44,080	47,957	-3,877
Hygiene Services	9,350	26,500	1,500		1,500
Expenditure By Type / Depreciation and asset impairment		1,942,880	1,942,880		1,942,880
Expenditure: Depreciation and Amortisation:Depreciation:Furniture and Office Equipment		1,942,880	1,942,880		1,942,880
Expenditure By Type / Employee related costs	13,967,439	16,387,450	16,713,300	14,842,173	1,871,127
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	250,547	275,240	276,160	184,097	92,063
Allowances: Housing Benefits and Incidental: Housing Benefits	93,421	95,600	119,400	119,308	92
Allowances: Service Related Benefits: Acting and Post Related Allowances	50,170	100,000	140,000	85,933	54,067
Allowances: Service Related Benefits: Bonus	786,050	876,990	925,860	856,879	68,981
Allowances: Service Related Benefits: Long Service Award	332,296	353,850	383,810	394,108	-10,298
Allowances: Service Related Benefits:Overtime:Night Shift	246	3,590	3,590		3,590
Allowances: Service Related Benefits:Overtime:Non Structured	192,031	284,050	263,690	195,909	67,781
Allowances: Travel or Motor Vehicle	249,379	386,110	349,010	295,473	53,537

TABLE 3.79.3.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Basic Salary and Wages	9,576,593	11,337,580	11,629,600	10,219,820	1,409,780
Municipal Staff: Social Contributions:					
Bargaining Council	3,132	3,360	3,360	3,247	113
Group Life Insurance	115,382	126,730	124,980	120,361	4,619
Medical	559,028	588,270	571,440	547,528	23,912
Pension	1,704,400	1,895,850	1,867,260	1,763,696	103,564
Unemployment Insurance	54,764	60,230	55,140	55,814	-674
Expenditure By Type / Other expenditure	10,197,774	26,392,650	29,091,380	18,175,401	10,915,979
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	60,581	80,000	80,000	51,164	28,836
Expenditure: Operating Leases: Other Assets	2,978	3,000	3,000	2,484	516
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	154,944	209,140	229,140	148,284	80,856
Advertising, Publicity and Marketing: Municipal Newsletters	16,666	35,740	18,740	8,000	10,740
Advertising, Publicity and Marketing: Signs		0	30,000		30,000
Advertising, Publicity and Marketing: Staff Recruitment				82,797	-82,797
Assets less than the Capitalisation Threshold	70,556	134,140	585,980	502,240	83,740
Cleaning Services: Car Valet and Washing Services				160	-160
Communication: Cellular Contract (Subscription and Calls)	153,925	133,280	133,280	173,363	-40,083
Communication: Postage/Stamps/Franking Machines	119	130	130		130
Communication: Telephone, Fax, Telegraph and Telex	65,349	92,480	92,480	66,181	26,299
External Computer Service: Data Lines	10,416	41,090	41,090	10,416	30,674
External Computer Service: System Development	9,328,128	25,081,040	25,081,040	15,944,260	9,136,780
Insurance Underwriting: Premiums	274,084	331,010	331,310	321,040	10,270
Licences: Motor Vehicle Licence and Registrations	1,434	3,590	3,590	325	3,265
Municipal Services			2,260,000	850,000	1,410,000
Printing, Publications and Books	17,845	52,580	52,580	8,700	43,880

TABLE 3.79.3.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Signage	13,935	9,060	9,060	112	8,948
Skills Development Fund Levy		129,980	119,620		119,620
Storage of Files (Archiving)	5,825				0
Travel Agency and Visa's	75	6,700			0
Travel and Subsistence:Domestic:Accommodation		14,080			0
Travel and Subsistence:Domestic:Daily Allowance	12,955	19,880	19,880		19,880
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	7,190	7,190			0
Uniform and Protective Clothing	769	8,540	460	5,874	-5,414
Expenditure By Type / Other materials	61,373	182,910	162,910	79,651	83,259
Consumables: Standard Rated	49,819	141,750	141,750	80,360	61,390
Consumables: Zero Rated	4,924	4,000	4,000		4,000
Finished Goods	6,630	29,110	9,110	-6,287	15,397
Materials and Supplies		8,050	8,050	5,578	2,472
Expenditure By Type / Transfers and subsidies	1,500,000	1,606,050	1,606,050	1,436,783	169,267
Non-profit institutions: Use - It	1,500,000	1,606,050	1,606,050	1,436,783	169,267
Revenue By Source / Other revenue	-8,189	-21,820	-21,820	-661	-21,159
Operational Revenue:					
Breakages and Losses Recovered	-5,866	-10,000	-10,000	-661	-9,339
Insurance Refund	-2,300				0
Staff Recoveries	-23	-2,380	-2,380		-2,380
Sales of Goods and Rendering of Services					
Photocopies and Faxes		-700	-700		-700
Sale of Goods:Publications:Books		-8,740	-8,740		-8,740

TABLE 3.79.4: Financial Performance 2020/21: Function: Community and Social services: Museums and Art Galleries					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0
Expenditure:					
Employees	342	362	362	362	0
Repairs and Maintenance	-	-	-	-	0
Other	-	-	-	-	0
Total Operational Expenditure	342	362	362	362	0
Net Operational Expenditure	342	362	362	362	0

TABLE 3.79.4.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Museums and Art Galleries	341,741	361,990	361,990	362,131	-141
Expenditure By Type / Employee related costs	341,741	361,990	361,990	362,131	-141
Medical	341,741	361,990	361,990	362,131	-141

TABLE 3.80: Capital Expenditure 2019/20: Libraries; Archives; Museums; Galleries; Community Facilities; Other						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	7,814	41,520	32,876	9,129	-355%	
Security Upgrading: City Hall		2,000	1,000	359	-5	
Fencing of Colchester Community Hall		1,300	1,200	1,084	-0	Ongoing
Mathew Goniwe - Councillors office	297	-	551	485	1	Ongoing

TABLE 3.80: Capital Expenditure 2019/20: Libraries; Archives; Museums; Galleries; Community Facilities; Other

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Upgrade of Ward 51 Councillor Office	167	800	800	617	-0	Ongoing
Fencing of Pieter Rademeyer Hall		1,100	850	793	-0	
Fencing of Allanridge Hall		1,450	1,300	1,299	-0	
Walmer/ Gqebera Upgrading of Hall		850				
Ward 33 Councillor's office: Installation of fencing		850	850	623	-0	
Upgrading of City Hall		-	1,000	319	1	
Construction of a Guard House at Motherwell Thusong Centre		900	300	216	3	
Erection of Ward 34 Councillor Office		1,200	-	-		Ongoing
Upgrade of Community Halls	215	-	-	-		Ongoing
Office Accommodation - Ward Councillors	667	-	225	240	1	Ongoing
Ward Councillor Furniture	-	250	-	-		Ongoing
Nangoza Jebe Hall	-	1,200	-	-		Ongoing
Purchase of Tables and Chairs for Community Halls		1,000				
Woolboard Conference Centre Rehabilitation		120				
Upgrade and Restoration of Libraries	2,934	1,800	1,800	-		Ongoing
Upgrade and restoration of libraries - Motherwell	-	-	-	-		Ongoing
Upgrade and restoration of libraries - Zwide	739	500	500	-		Ongoing
Upgrade and restoration of libraries - Chatty	-	-	-	-		Ongoing
SRAC: Motherwell library roof replacement	-	500	500	-		
SRAC: Chatty library roof replacement	-	500	500	-		
Fencing of Libraries : Newton Park Library	-	-	500	1,079		
Fencing of Libraries :Chatty Library	-	-	1,000	864		
Re-Construction of Kwanobuhle Library	-	200	200			

TABLE 3.80: Capital Expenditure 2019/20: Libraries; Archives; Museums; Galleries; Community Facilities; Other

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Construction of Multi-Purpose Centre - Ward 21	969	5,000	5,000	-		Ongoing
Ward 38 - George Botha Multipurpose Centre	,309	-	-	-		Ongoing
Construction of Multi-Purpose Centre - Ward 17		5,700	4,400	-		Ongoing
Construction of Multi-Purpose Centre - Ward 34	(866)	6,300	2,400	-		Ongoing
Construction of Multi-Purpose Centre - Ward 42	1,384	5,000	5,000	-		Ongoing
Rehabilitation of Red Location Precinct Buildings		-	-			
SRAC: Furniture & Equipment for Mendi Arts & Cultural Centre		1,000	1,000			
SRAC: CCTV Equipment - Mendi Arts & Cultural Centre		500	500			
Replacement of cork floor - Kariega indoor centre		500	500	388	-0	
Fencing of Nelson Mandela Art Museum		500	500	497	-0	
SRAC: Mendi Arts & Cultural Centre		500	500	265	-1	

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES AND OTHERS OVERALL

The Covid-19 pandemic and the national lockdown implemented during the 2020/21 financial year continued to impact on the implementation of programmes and projects relating to library services, museums and galleries.

3.16 CEMETERIES

During the 2020/21 financial year, the following cemeteries were upgraded:

- Bloemendal Cemetery
- Motherwell Cemetery
- Matanzima Cemetery

- Gqeberha Cemetery
- Despatch Cemetery

In addition, the following cemeteries were partially upgraded:

- Bucwa
- Forest Hill cemetery
- Gerald Smith
- Kabah Cemetery
- Govan Mbeki

TABLE 3.81: Employees: Cemeteries and Crematoriums

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	22	32	27	5	16%
4 - 6	19	24	22	2	8%
7 - 9	9	10	10	0	0%
10 - 12	3	5	4	1	20%
13 - 15	1	1	0	1	100%
16 - 18	0	0	0	0	
19 - 20	0	0	0	0	
Total	54	72	63	9	13%

TABLE 3.82: Financial Performance 2020/21: Function: Community and Social services: Cemeteries, Funeral Parlours and Crematoriums

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	10,047	12,616	21,796	18,450	(3,346)
Expenditure:					
Employees	25,344	29,687	29,636	27,478	(2,160)
Repairs and Maintenance	1,068	1,642	1,642	1,287	(355)
Other	3,428	4,998	4,938	3,556	(1,382)

TABLE 3.82: Financial Performance 2020/21: Function: Community and Social services: Cemeteries, Funeral Parlours and Crematoriums					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Expenditure	29,841	36,327	36,216	32,322	(3,894)
Net Operational Expenditure	19,793	23,712	14,420	13,872	(548)

TABLE 3.82.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Cemeteries, Funeral Parlours and Crematoriums	19,793,063	23,711,630	14,420,080	13,871,500	548,580
Expenditure By Type / Contracted services	3,511,142	5,200,820	5,200,820	3,975,097	1,225,723
Contractors:					
Gardening Services	11,902	232,770	232,770		232,770
Maintenance of Buildings and Facilities	1,068,001	1,534,190	1,534,190	1,287,388	246,802
Maintenance of Equipment	3,443	118,200	118,200	9,641	108,559
Outsourced Services:					
Burial Services		74,050	74,050		74,050
Clearing and Grass Cutting Services	2,427,796	3,207,150	3,207,150	2,659,317	547,833
Hygiene Services		34,460	34,460	18,750	15,710
Expenditure By Type / Employee related costs	25,344,254	29,687,250	29,635,700	27,478,365	2,157,335
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	87,072	95,600	95,600	81,940	13,660
Allowances: Service Related Benefits: Acting and Post Related Allowances	34,359			8,385	-8,385
Allowances: Service Related Benefits: Bonus	1,445,104	1,542,300	1,485,750	1,486,440	-690
Allowances: Service Related Benefits: Long Service Award	1,480,604	1,628,730	1,633,730	1,598,708	35,022
Allowances: Service Related Benefits:Overtime:Non Structured	2,133,819	1,048,730	1,048,730	2,680,900	-1,632,170
Allowances: Service Related Benefits:Overtime:Structured		381,300	381,300		381,300

TABLE 3.82.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits: Standby Allowance	38,203	54,090	54,090	60,576	-6,486
Basic Salary and Wages	15,072,491	19,399,710	19,399,710	16,150,632	3,249,078
Municipal Staff: Social Contributions:					
Bargaining Council	7,354	8,040	8,040	7,653	387
Group Life Insurance	156,553	171,760	171,760	166,801	4,959
Medical	1,755,074	1,866,930	1,866,930	1,896,884	-29,954
Pension	3,016,255	3,358,740	3,358,740	3,224,348	134,392
Unemployment Insurance	117,365	131,320	131,320	115,098	16,222
Expenditure By Type / Other expenditure	308,814	712,030	652,030	378,130	273,900
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	41,263	61,200	61,200	37,824	23,376
Operational Cost:					
Assets less than the Capitalisation Threshold	3,771	220,720	160,720	19,890	140,830
Communication: Cellular Contract (Subscription and Calls)	79,560	120,000	120,000	94,116	25,884
Communication: Telephone, Fax, Telegraph and Telex	41,690	60,060	60,060	44,000	16,060
External Computer Service: Network Extensions	5,495				0
Hire Charges		150,420	150,420	84,596	65,824
Insurance Underwriting: Premiums	536	660	660	670	-10
Uniform and Protective Clothing	136,499	98,970	98,970	93,110	5,860
Workmen's Compensation Fund				3,923	-3,923
Expenditure By Type / Other materials	676,343	727,360	727,360	490,145	237,215
Consumables: Standard Rated	53,541	77,870	77,870	132,181	-54,311
Consumables: Zero Rated	384,238	465,750	465,750	175,563	290,187
Finished Goods	97,258	93,520	93,520	95,472	-1,952
Materials and Supplies	141,305	90,220	90,220	86,929	3,291
Revenue By Source / Other revenue	-10,047,489	-12,615,830	-21,795,830	-18,450,237	-3,345,593
Sales of Goods and Rendering of Services:					

TABLE 3.82.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Cemetery and Burial	-9,881,691	-12,501,250	-21,681,250	-18,267,473	-3,413,777
Cleaning and Removal	-165,798	-114,580	-114,580	-182,764	68,184

TABLE 3.83: Capital Expenditure 2020/21: Cemeteries and Crematoriums

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	12,337	9,500	8,720	44,504	79%	
Fencing of Cemeteries - Bethelsdorp						Ongoing
Upgrade and Development of Forest Hill Cemetery	224			434		Ongoing
Upgrade and Development of Bloemendal Cemetery	1,341	500	500	4,975	90%	Ongoing
Upgrade and Development of Matanzima Cemetery	931	500	500	500	0%	Ongoing
Upgrade and Development of Gerald Smith Cemetery	249	-	-	435	100%	Ongoing
Upgrade and Development of Motherwell Cemetery	1,085	500	500	8,614	94%	Ongoing
Fencing of Paapenkuil Cemetery	6,512					Ongoing
Fencing of Naude Cemetery						Ongoing
Fencing of Gqebera Cemetery		2,000	1,805	2,152	7%	
Fencing of Bucwa Cemetery				4,902		
Fencing of Despatch Cemetery		6,000	5,415	4,785	-25%	
Fencing of South-End Cemetery						Ongoing
Fencing of Goven Mbeki Cemetery				2,793	100%	
Upgrade and development of Kabah Cemetery				6,922		
Fencing of Russel Road Cemetery						Ongoing
Water Drainage & Roads at Motherwell Cemetery	1,995			7,991		Ongoing

3.17 SPECIAL SECTOR PROGRAMMES

The Nelson Mandela Bay Municipality has developed a framework for the mainstreaming of the special sectors such as children, people with disabilities, elderly, women and youth. The Special Programmes Unit is dedicated to ensuring special sectors responsive planning, budgeting, implementation, reporting, monitoring and evaluation.

The Municipality partners with both local and international organisations in building capacity for people with special needs. The Children's Forum has created a platform for learners to find solutions to challenges and share best practices. Children can now participate in National Children's Day celebration, Conversations on Gender-Based Violence and Femicide (GBVF), National Children's Rights Inter-sectoral Coordinating Committee, dialogue on learner-led interventions on building child friendly systems and in the Child Rights Committee. Chairpersons of the Children's Forum were appointed as Provincial Ambassadors of Children's Rights and represented the Eastern Cape Province in national programmes.

A number of children from indigent households in wards 16, 26, 30, 23, 53, 54, 55, 56, 57, 58, 59 and 60 were provided with school uniforms during the 2020/21 financial year. This is an annual project named after Alex Matikinca. A number of organisations serving the elderly, women and people with disabilities were further provided with financial support.

Support provided to Older Persons during the 2020/21 financial year includes hosting parliaments for the elderly, awareness raising sessions on lockdown protocols and provision of PPEs. The Municipality partners with the following organisations in the provision of support to Older Persons: Department of Social Development, National and Provincial Older Person's Forum, Department of Sports, Recreation, Arts and Culture as well as the NMB Metrowide and Cluster Based Older Persons' Fora platforms.

The following projects were implemented for People with Disabilities:

- Awareness sessions on the different types of disabilities;
- Disability mainstreaming conversations with a range of stakeholders in the metro including the Nelson Mandela University;
- Enrolment of about fifty people with disabilities from the metro in a driver training programme;
- Reviewing of the Disability Mainstreaming Policy.

The Municipality partners with the following organisations in capacitating People with Disabilities: Department of Education; Department of Sports, Recreation, Arts & Culture; RetinaSA; Nkosinathi Foundation; Siyaya Skills Institution; Eastern Cape Disability Economic Empowerment Trust; Association of Physically Disabled, Umphanda, Disabled People of South Africa, Nelson Mandela University and others.

The Municipality partners with different organisations to fight against Gender Based Violence and Femicide. Such organisations include DOXA, Amadoda Okwenene, Phila Ndoda, Ulwaluko, SADRAT, NICRO, Zusilwelwe Thina, Global Men's Movement, Young Pioneers Milestone, Rape Crisis among others. The NMBM through active support and capacity building programmes by the Department of Women, Youth and Persons with Disabilities developed a Terms of Reference to systematically fight the scourge of gender based violence and femicide in the city.

The Municipality partners with different organisations such as the National Youth Development Agency (NYDA), Office of the Premier, DOXA Youth Programmes and NMBM Youth Council to implement programmes to empower the youth. The Department of Women, Youth and Persons with Disabilities in conjunction with CoGTA, SALGA and the Office of the Premier coordinated consultations towards the adoption of the Integrated Youth Development Strategy. The NYDA is assisting in reviving youth information centres for the Nelson Mandela Youth.

Cluster Forum Structures

The Municipality has Sector Forum structures functioning in the six clusters (Alex Matikinca, Champion Galela, Govan Mbeki, Lillian Diedericks, Molly Blackburn and Zola Nqini) to ensure broad based grassroots participation in planning and implementation of special sector rights programmes.

Sector Forum Platforms

The Municipality has established Special Forum Platforms through which special sector rights programmes are discussed, lobbied and advocated. Government departments, civil societies and the municipal council are engaged through these platforms in the advancement of the rights and interests of the special sector groups.

TABLE 3.84: Performance scorecard

KEY PERFORMANCE AREA AND KEY PERFORMANCE ELEMENT	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Good Governance and Public Participation	Percentage of Ward Committees with 6 or more ward committee members (excluding the ward councillor)	100%	0%	100%	100%	100%
KPA: Good Governance and Public Participation	Percentage of wards where at least one Councillor-convened community meeting was held	100%	0%	100%	0%	100%
KPA: Good Governance and Public Participation	Percentage of Councillors who have declared their financial interests	100% By March 2020	61.6%	100% by June 2021	21%	100%
KPA: Good Governance and Public Participation	Number of agenda items deferred to the next council meeting	25	28	30	22	28

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

3.18 POLLUTION CONTROL

As part of the Municipality's strategies to control pollution, it identifies and monitors polluting agents, sources of water, air and soil pollution. Environmental health impact assessments including the assessment of major hazard installations are conducted for development projects. The Municipality further undertakes the following measures to control air pollution:

- Investigating air pollution complaints.
- Following up on existing complaints.
- Processing air pollution related permit applications.
- Issuing statutory notices and, where applicable, spot fines.

During the 2020/21 financial year, 35 new air pollution complaints were received as per the table below.

TABLE 3.85: Air pollution complaints

Categories of complaints received	Number
Smoke	4
Dust	17
Offensive odours	2
Fumes	10
Illegal burning	2
Total	35

The above complaints were investigated and statutory notices were issued where appropriate.

During the 2020/21 financial year, 114 follow-up inspections in terms of air pollution were conducted as per the table below.

TABLE 3.86: Air pollution follow-up inspections

Categories of Complaints Received	Number of Follow ups
Smoke	12
Dust	60
Offensive odours	8
Fumes	30
Illegal burning	4
Total	114

A total of 37 compliance monitoring inspections were conducted during the 2020/21 financial year as per the table below.

TABLE 3.87: Compliance monitoring inspections

Categories of inspection	Number
Routine visits to fuel burning installations	7
Applications for control burning	23
Applications to install new fuel burning equipment	7
Total	37

Noise pollution control services

The Municipality undertakes the following measures to control noise pollution:

- Investigating noise pollution complaints.
- Following up on existing complaints.
- Processing noise pollution related permit applications.
- Issuing statutory notices and, where applicable, spot fines.

During the 2020/21 financial year, 45 new complaints regarding noise pollution were received as per the table below.

TABLE 3.88: Noise Pollution Complaints

Categories of Complaints Received	Number of Complaints
Amplified sound	18
Compressor noise	4
Industrial noise	4
Student-accommodation	8
Crèche	1
Revvng of cars	2
Panel beating	2
Loud hailers	0
Animals	2
Aviation noise	2
Total	43

During the 2020/21 financial year, 79 noise certificates were issued for Open Air Events and 151 follow-up inspections on noise pollution were conducted as per the table below.

TABLE 3.89: Noise pollution inspections

Categories of Inspection	Number
Amplified sound	108
Compressor noise	8
Industrial noise	8
School accommodation	12
Crèche	2
Revvng of cars	2
Panel beating	4
Animals	4
Alarm Noise	3
Total	151

Ambient Air Quality Monitoring

The Municipality's quality monitoring network, consisting of five fixed point monitoring stations assists to monitor air quality in compliance with the National Framework for Air Quality Management. The Municipality had an acceptable ambient air quality status and no exceedances of the ambient air monitoring standards were recorded in the 2020/21 financial year.

Atmospheric Emission Licensing System

The Nelson Mandela Bay Municipality is a Licensing Authority for implementing the licensing system set out in Chapter 5 of the National Environmental Management: Air Quality Act, 2004. Statistics for the reporting period are as follows:

TABLE 3.90: Atmospheric Emission Licensing System Statistics

Item	Number
Atmospheric Emission Licenses applications received	11
Atmospheric Emission Licenses issued	1
Atmospheric Emission Licenses being processed	10
Total Number of Atmospheric Emission Licenses Holders	66

National Atmospheric Emissions Inventory System (NAEIS)

The Nelson Mandela Bay Municipality is a licensing authority that audits the submission of emission information on the NAEIS System annually. Forty-three (43) NAEIS industrial submitted reports were audited by the Municipality during the 2020/21 financial year.

Emission Reports / EIA Reports / Air Quality Impact Assessment Reports

Two hundred and eight (208) reports were scrutinized during the 2020/21 financial year for compliance and comments.

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0%
4 – 6	1	1	1	0	0%
7 – 9	0	0	0	0	0%
10 - 12	2	3	2	1	33%
13 - 15	1	1	1	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	0%
Total	5	6	5	1	17%

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	46	183	16	890	874
Expenditure:					
Employees	5,386	6,448	6,595	6,998	403
Repairs and Maintenance	–	2	2	–	(2)
Other	576	2,300	2,359	436	(1,923)
Total Operational Expenditure	5,962	8,750	8,955	7,434	(1,521)
Net Operational Expenditure	5,917	8,567	8,939	6,544	(2,395)

	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Pollution Control	5,916,575	8,567,040	8,939,130	6,543,640	2,395,490
Expenditure By Type / Contracted services	378,219	1,806,560	1,753,560	275,154	1,478,406
Consultants and Professional Services:					
Business and Advisory: Project Management	362,854	1,515,000	1,515,000	253,224	1,261,776

TABLE 3.92.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory: Research and Advisory		100,000	100,000	21,930	78,070
Contractors:					
Maintenance of Equipment		1,560	1,560		1,560
Outsourced Services:					
Business and Advisory: Project Management	15,365	190,000	137,000		137,000
Expenditure By Type / Employee related costs	5,386,166	6,447,970	6,594,810	6,997,924	-403,114
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	43,536	47,800	47,800	60,732	-12,932
Allowances: Service Related Benefits: Acting and Post Related Allowances	9,359			94,282	-94,282
Allowances: Service Related Benefits: Bonus	238,887	294,520	344,480	346,733	-2,253
Allowances: Service Related Benefits: Long Service Award	192,655	199,890	236,790	239,727	-2,937
Allowances: Service Related Benefits: Overtime: Non Structured	291,731	80,000	131,710	162,580	-30,870
Allowances: Service Related Benefits: Standby Allowance	102,762	152,000	152,000	99,435	52,565
Allowances: Travel or Motor Vehicle	587,252	590,870	725,520	709,074	16,446
Basic Salary and Wages	3,084,407	4,195,670	3,898,930	4,214,294	-315,364
Municipal Staff: Social Contributions:					
Bargaining Council	746	720	960	891	69
Group Life Insurance	29,682	29,340	37,420	35,426	1,994
Medical	206,254	199,160	252,000	240,995	11,005
Pension	586,403	645,430	752,920	780,221	-27,301
Unemployment Insurance	12,493	12,570	14,280	13,534	746
Expenditure By Type / Other expenditure	171,358	185,720	295,720	109,231	186,489
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		5,000	5,000		5,000
Assets less than the Capitalisation Threshold	4,210	5,000	5,000		5,000
Communication: Cellular Contract (Subscription and Calls)	69,394	70,330	70,330	88,114	-17,784
Communication: Telephone, Fax, Telegraph and Telex	2,365	5,660	15,660	9,161	6,499

TABLE 3.92.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
External Computer Service: Data Lines	4,693	35,000	55,000		55,000
Hire Charges		11,160	91,160		91,160
Insurance Underwriting: Premiums	13	20	20	16	4
Printing, Publications and Books		2,000	2,000	1,600	400
Professional Bodies, Membership and Subscription		10,660	10,660		10,660
Registration Fees: Seminars, Conferences, Workshops and Events: National	80,000	25,490	25,490	10,340	15,150
Travel Agency and Visa's	675				0
Travel and Subsistence:Domestic:Accommodation	4,696	4,380	4,380		4,380
Travel and Subsistence:Domestic:Daily Allowance	5,087	3,520	3,520		3,520
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		3,500	3,500		3,500
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		4,000	4,000		4,000
Uniform and Protective Clothing	226				0
Expenditure By Type / Other materials	26,682	309,290	311,290	51,794	259,496
Consumables: Standard Rated	12,538	12,470	14,470	11,682	2,788
Consumables: Zero Rated	14,144	88,820	88,820		88,820
Finished Goods		208,000	208,000	40,112	167,888
Revenue By Source / Licences and permits	-45,850	-182,500	-16,250	-888,737	872,487
Revenue: Exchange Revenue: Licences or Permits: Health Certificates	-45,850	-176,250	-10,000	-888,737	878,737
Revenue: Exchange Revenue: Licences or Permits: Threatened and Protected Species		-6,250	-6,250		-6,250
Revenue By Source / Other revenue				-1,725	1,725
Operational Revenue:					
Registration Fees: Inflammable Material				-1,725	1,725

TABLE 3.93: Capital Expenditure 2020/21: Pollution Control

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	164	300	300	-		
Air Pollution Monitoring Equipment	164	300	300	-		280

3.19 BIODIVERSITY, LANDSCAPE AND OTHERS

The Municipality is committed to both creating and maintaining landscaped areas (developed public open spaces) and managing undeveloped open spaces (nature reserves and natural areas) in a sustainable, aesthetic, eco-friendly and safe environment to improve the quality of life of all citizens.

Public Open Spaces

During the 2020/21 financial year, 13 identified public open spaces were fully upgraded as follows:

Table 3.94 Open spaces upgraded

No	Park name	Ward no	Development details
1.	Befile	19	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.
2.	Baatjies	48	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches, and outdoor gym equipment.
3.	Nkabalaza	22	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.
4.	Krebe	55	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.
5.	Masangwana	14	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.
6.	Raxa	15	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.
7.	Gwangwa	54	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.
8.	Multi-Purpose Centre	29	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.
9.	Rina	9	Outdoor gym equipment.

No	Park name	Ward no	Development details
10.	Diggery:	9	Outdoor gym equipment.
11.	Mvetshana	44	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.
12.	Ridgewood	39	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.
13.	Denmark	38	Fencing, pathways, topsoil, grass laying, trees, bins, tables, benches and outdoor gym equipment.

TABLE 3.95: Performance scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1	Year -1	Year 0	Year 0	Year 1
		TARGET	ACTUAL	TARGET	ACTUAL	TARGET
		2019/20	2019/20	2020/21	2020/21	2021/22
KPA: Basic Service Delivery	Percentage of biodiversity priority area within the metro	62%	62%	62%	62%	62%
KPA: Basic Service Delivery	Proportion of biodiversity priority areas protected	8.64%	8.64%	8.64%	8.64%	8.64%
KPA: Basic Service Delivery	Percentage of AQ monitoring stations providing adequate data over a reporting year	80%	20%	20%	20%	20%
KPA: Basic Service Delivery	Number of coastal water samples taken for monitoring purposes	N/A	N/A	N/A	N/A	70 Samples
KPA: Basic Service Delivery	Number of inland water samples tested for monitoring purposes	N/A	N/A	N/A	N/A	1296 samples

TABLE 3.96: Employees: Bio-Diversity; Landscape and Other

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	147	183	176	7	4%
4 - 6	42	48	47	1	2%
7 - 9	27	28	21	7	25%
10 - 12	31	35	34	1	3%
13 - 15	5	5	4	1	20%
16 - 18	0	2	1	1	50%
19 - 20	0	0	0	0	
Total	252	301	283	18	6%

TABLE 3.97: Financial Performance 2020/21: Environmental Protection: Bio-Diversity; Landscape and Other

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3,363	3,775	3,678	3,152	-20%
Expenditure:					
Employees	25,725	32,739	33,052	25,462	-29%
Repairs and Maintenance	245	740	735	419	-76%
Other	2,373	4,285	4,179	2,003	-114%
Total Operational Expenditure	28,343	37,763	37,966	27,884	-35%
Net Operational Expenditure	24,979	33,988	34,288	24,732	-37%

TABLE 3.97.1: Financial Performance 2020/21: Environmental Protection: Coastal Protection					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	929	1,700	1,603	1,086	(517)
Expenditure:					
Employees	6,189	7,878	7,789	5,794	(1,995)
Repairs and Maintenance	49	80	80	39	(41)
Other	724	919	907	554	(353)
Total Operational Expenditure	6,963	8,877	8,776	6,386	(2,390)
Net Operational Expenditure	6,034	7,177	7,173	5,301	(1,872)

TABLE 3.97.1.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Coastal Protection	6,033,583	7,177,180	7,173,430	5,300,948	1,872,482
Expenditure By Type / Contracted services	49,490	109,570	79,570	38,918	40,652
Consultants and Professional Services:					
Business and Advisory: Project Management		30,000			0
Contractors:					
Maintenance of Equipment	49,490	79,570	79,570	38,918	40,652
Expenditure By Type / Employee related costs	6,188,963	7,878,350	7,789,350	5,793,740	1,995,610
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	25,396	23,900	23,900	22,172	1,728
Allowances: Service Related Benefits: Acting and Post Related Allowances	9,515				0
Allowances: Service Related Benefits: Bonus	346,079	372,020	372,020	344,213	27,807
Allowances: Service Related Benefits: Long Service Award	396,082	437,110	437,110	381,467	55,643
Allowances: Travel or Motor Vehicle	178,876	288,800	199,800	91,251	108,549
Basic Salary and Wages	4,112,996	5,528,220	5,528,220	3,896,137	1,632,083

TABLE 3.97.1.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Staff: Social Contributions:					
Bargaining Council	1,557	2,070	2,070	1,544	526
Group Life Insurance	25,159	27,630	27,630	22,339	5,291
Medical	324,832	354,070	354,070	316,051	38,019
Pension	739,919	813,170	813,170	691,796	121,374
Unemployment Insurance	28,554	31,360	31,360	26,770	4,590
Expenditure By Type / Other expenditure	296,643	251,450	260,300	115,812	144,488
Operational Cost:					
Assets less than the Capitalisation Threshold	189,873	99,830	129,830	19,917	109,913
Communication: Cellular Contract (Subscription and Calls)	14,246	25,000	25,000	16,372	8,628
Communication: Telephone, Fax, Telegraph and Telex	10,275	13,000	13,000	6,207	6,793
Insurance Underwriting: Premiums	11,701	14,270	14,270	11,835	2,435
Licences: Motor Vehicle Licence and Registrations	330	22,220	10,470	330	10,140
Signage	18,992	8,250	8,250		8,250
Travel Agency and Visa's		500			0
Travel and Subsistence: Domestic: Accommodation		1,400			0
Travel and Subsistence: Domestic: Transport with Operator: Public Transport: Air Transport		8,000			0
Uniform and Protective Clothing	51,225	58,980	59,480	57,507	1,973
Workmen's Compensation Fund				3,644	-3,644
Expenditure By Type / Other materials	427,854	637,520	646,920	438,011	208,909
Consumables: Standard Rated	55,808	63,650	58,650	29,154	29,496
Consumables: Zero Rated	323,396	551,150	551,150	378,533	172,617
Finished Goods	48,650	22,720	37,120	30,324	6,796
Revenue By Source / Licences and permits	-187,775	-803,370	-706,370	-494,949	-211,421
Revenue: Exchange Revenue: Licences or Permits: Boat	-186,549	-413,370	-365,370	-224,560	-140,810
Revenue: Exchange Revenue: Licences or Permits: Fauna and Flora	-1,226	-390,000	-341,000	-270,389	-70,611

TABLE 3.97.1.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Transfers and subsidies	-741,593	-896,340	-896,340	-590,582	-305,758
National Departmental Agencies: Marine Living Resources Fund	-741,593	-896,340	-896,340	-590,582	-305,758

TABLE 3.97.2: Financial Performance 2020/21: Environmental Protection: Nature Conservation					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	79	73	73	66	(7)
Expenditure:					
Employees	13,477	17,108	16,659	14,283	(2,376)
Repairs and Maintenance	196	660	655	380	(275)
Other	935	1,036	1,036	658	(378)
Total Operational Expenditure	14,608	18,805	18,351	15,321	(3,030)
Net Operational Expenditure	14,528	18,731	18,278	15,255	(3,023)

TABLE 3.97.2.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Nature Conservation	14,528,446	18,731,440	18,277,640	15,255,049	3,022,591
Expenditure By Type / Contracted services	379,051	910,330	905,330	411,277	494,053
Contractors:					
Maintenance of Buildings and Facilities	148,736	571,120	571,120	362,889	208,231
Maintenance of Equipment	46,973	89,210	84,210	17,588	66,622
Outsourced Services:					
Clearing and Grass Cutting Services	183,342	250,000	250,000	30,800	219,200
Expenditure By Type / Employee related costs	13,476,630	17,108,240	16,659,440	14,282,956	2,376,484
Municipal Staff: Salaries, Wages and Allowances:					

TABLE 3.97.2.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Housing Benefits and Incidental: Housing Benefits	49,885	47,800	58,260	55,912	2,348
Allowances: Service Related Benefits: Acting and Post Related Allowances	2,228			98	-98
Allowances: Service Related Benefits: Bonus	768,072	836,130	894,750	792,562	102,188
Allowances: Service Related Benefits: Long Service Award	883,822	996,640	996,640	868,044	128,596
Allowances: Service Related Benefits: Overtime: Non Structured	13,400	25,630	25,630	9,170	16,460
Allowances: Travel or Motor Vehicle	187,091	224,060	224,060	151,599	72,461
Basic Salary and Wages	8,737,694	11,888,290	11,297,500	9,445,322	1,852,178
Municipal Staff: Social Contributions:					
Bargaining Council	4,129	4,440	4,460	4,217	243
Group Life Insurance	73,463	79,080	88,840	78,090	10,750
Medical	1,025,862	1,106,480	1,119,500	1,065,148	54,352
Pension	1,665,099	1,827,170	1,877,280	1,749,400	127,880
Unemployment Insurance	65,883	72,520	72,520	63,393	9,127
Expenditure By Type / Other expenditure	188,416	168,950	171,950	132,215	39,736
Operational Cost:					
Assets less than the Capitalisation Threshold	15,662	8,000	8,000	3,352	4,648
Communication: Cellular Contract (Subscription and Calls)	52,102	73,710	73,710	59,115	14,595
Communication: Telephone, Fax, Telegraph and Telex	12,445	22,970	22,970	12,980	9,990
Insurance Underwriting: Premiums	1,282	1,570	1,570	1,584	-14
Signage	8,610	10,000	5,000	4,300	700
Uniform and Protective Clothing	96,023	52,700	60,700	42,328	18,372
Workmen's Compensation Fund	2,293			8,556	-8,556
Expenditure By Type / Other materials	563,604	617,000	614,000	494,967	119,033
Consumables: Standard Rated	74,254	70,220	62,220	73,731	-11,511
Consumables: Zero Rated	399,737	462,630	452,430	324,847	127,583
Finished Goods	73,683	62,980	73,180	74,324	-1,144
Materials and Supplies	15,930	21,170	26,170	22,064	4,106

TABLE 3.97.2.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Rental of facilities and equipment	-79,254	-73,080	-73,080	-66,364	-6,716
Ad-hoc rentals: Community Assets	-18,482	-7,740	-7,740	1,700	-9,440
Investment Property: Ad-hoc rentals	-60,771	-65,340	-65,340	-68,064	2,724

TABLE 3.97.3: Financial Performance 2020/21: Environmental Protection: Biodiversity and Landscape

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2,355	2,002	2,002	2,000	(2)
Expenditure:					
Employees	6,059	7,752	8,603	5,385	(3,218)
Repairs and Maintenance	-	-	-	-	0
Other	713	2,330	2,236	791	(1,445)
Total Operational Expenditure	6,772	10,082	10,839	6,176	(4,663)
Net Operational Expenditure	4,417	8,080	8,837	4,176	(4,661)

TABLE 3.97.3.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Biodiversity and Landscape	4,417,421	8,079,760	8,836,850	4,176,176	4,660,674
Expenditure By Type / Contracted services	205,835	1,427,580	1,383,740	263,730	1,120,010
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation		24,140	24,140		24,140
Contractors:					
Maintenance of Equipment	140,784	193,540	193,540	168,426	25,114
Outsourced Services:					
Business and Advisory: Project Management	65,051	1,209,900	1,166,060	95,304	1,070,756

TABLE 3.97.3.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Employee related costs	6,059,102	7,752,270	8,603,200	5,385,010	3,218,190
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	121,946	195,080	195,080		195,080
Allowances: Housing Benefits and Incidental: Housing Benefits	50,968	59,750	59,750	46,272	13,478
Allowances: Service Related Benefits: Acting and Post Related Allowances	7,802		20,210	5,116	15,094
Allowances: Service Related Benefits: Bonus	358,017	393,240	442,550	303,351	139,199
Allowances: Service Related Benefits: Long Service Award	31,216	81,440	86,950	42,623	44,327
Allowances: Travel or Motor Vehicle	303,152	261,770	261,770	206,904	54,866
Basic Salary and Wages	4,023,494	5,419,760	6,077,100	3,730,398	2,346,702
Municipal Staff: Social Contributions:					
Bargaining Council	1,128	1,200	1,440	1,188	252
Group Life Insurance	45,635	48,900	57,410	46,716	10,694
Medical	348,737	391,990	391,990	302,414	89,576
Pension	748,716	879,540	986,480	682,263	304,217
Unemployment Insurance	18,293	19,600	22,470	17,765	4,705
Expenditure By Type / Finance charges	294,800	277,890	277,890	277,890	0
Interest Paid:Borrowings:Annuity Loans	294,800	277,890	277,890	277,890	0
Expenditure By Type / Other expenditure	91,751	480,770	268,290	82,169	186,121
Operational Cost:					
Assets less than the Capitalisation Threshold	122				0
Communication: Cellular Contract (Subscription and Calls)	54,673	363,980	113,980	58,504	55,476
Drivers Licences and Permits			2,000	434	1,566
External Computer Service: Network Extensions			2,300	2,050	250
Insurance Underwriting: Premiums	13,777	47,740	47,790	61	47,729
Printing, Publications and Books	15,022	16,880	66,880	15,123	51,757
Professional Bodies, Membership and Subscription		25,340	23,040		23,040
Travel Agency and Visa's	796	5,740	3,740		3,740

TABLE 3.97.3.1: Function: Environmental Protection:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Accommodation	1,140	3,720	890		890
Travel and Subsistence:Domestic:Daily Allowance		1,780	1,780		1,780
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	3,808	10,590	890		890
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	2,412				0
Uniform and Protective Clothing		5,000	5,000	3,610	1,390
Workmen's Compensation Fund				2,387	-2,387
Expenditure By Type / Other materials	120,599	143,400	305,880	167,378	138,502
Consumables: Standard Rated	42,497	59,690	222,170	93,834	128,336
Consumables: Zero Rated	78,102	81,930	81,930	73,543	8,387
Finished Goods		1,780	1,780		1,780
Revenue By Source / Licences and permits	-352,230				0
Fauna and Flora	-352,230				0
Revenue By Source / Other revenue	-348	-2,150	-2,150		-2,150
Sales of Goods and Rendering of Services:					
Academic Services: Formal Training	-348	-2,150	-2,150		-2,150
Revenue By Source / Rental of facilities and equipment	-2,088				0
:Ad-hoc rentals: Community Assets	-2,088				0
Revenue By Source / Transfers and subsidies	-2,000,000	-2,000,000	-2,000,000	-2,000,000	0
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-2,000,000	-2,000,000	-2,000,000	-2,000,000	0

COMPONENT F: HEALTH

The Municipality seeks to prevent environmental risk factors that can negatively affect the health of citizens.

3.20 CLINICS

The provision of primary health care is no longer a function of the Municipality; hence the transfer of this function, together with all municipal clinics, to the Eastern Cape Department of Health.

3.21 AMBULANCE SERVICES

The provision of ambulance services falls outside the role and responsibilities of the Nelson Mandela Bay Municipality. This function is performed by the Eastern Cape Department of Health.

3.22 HEALTH INSPECTION, FOOD AND ABATTOIR LICENSING AND INSPECTION

The Municipality monitors formal and informal food handling premises evaluated and certified in terms of the Foodstuffs, Cosmetics and Disinfectants Act. The Municipality further evaluates all milking parlours to ensure that milk produced for local communities complies with the Foodstuffs, Cosmetics and Disinfectants Act. The Municipality also monitors the fortification of flour and maize, and iodation of salt in accordance with the Foodstuffs, Cosmetics and Disinfectants Act.

The Municipality continued the implementation of measures to curb the spread of Covid-19 during the 2020/21 financial year. The Municipality's Covid-19 Response Programme include the following:

- An immediate identification of the drivers of the pandemic in the municipal area
- Establishment of Response Structures / Streams
- Identification of resource and logistical requirements

- A plan for collaboration with relevant stakeholders
- Programme implementation

3.23 HIV/AIDS AND TB MULTI-SECTORAL RESPONSE

The World AIDS Day was held in December 2020. Unfortunately build up programmes towards the event could not be held due to the national lockdown implemented during the period.

TABLE 3.98: Employees: Health Inspection

Job Level	Year -1		Year 0		
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	
4 - 6	5	5	4	1	20%
7 - 9	0	0	0	0	
10 - 12	28	34	32	2	6%
13 - 15	6	9	8	1	11%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	
Total	40	49	45	4	8%

TABLE 3.99: Financial Performance 2020/21: Health Function

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,436	2,585	977	823	(154)
Expenditure:					
Employees	61,700	71,157	73,402	78,187	4,785
Repairs and Maintenance	3,144	5,299	5,289	3,080	(2,209)
Other	14,030	19,557	19,076	12,119	(6,957)
Total Operational Expenditure	78,873	96,013	97,767	93,386	(4,381)
Net Operational Expenditure	77,437	93,428	96,790	92,563	(4,227)

TABLE 3.99.1: Financial Performance 2020/21: Health Function: Health services					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	602	1,073	397	433	36
Expenditure:					
Employees	48,043	55,939	57,591	63,238	5,647
Repairs and Maintenance	98	1,182	1,172	164	(1,008)
Other	7,173	10,509	10,290	7,045	(3,245)
Total Operational Expenditure	55,315	67,630	69,053	70,448	1,395
Net Operational Expenditure	54,713	66,558	68,657	70,015	1,358

TABLE 3.99.1.1: Function: Health:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Health Services	52,693,943	65,127,650	67,066,230	68,655,124	-1,588,894
Expenditure By Type / Contracted services	2,815,316	5,234,260	5,174,260	3,285,971	1,888,289
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	1,016,037	1,684,540	1,684,540	1,113,745	570,795
Contractors:					
Catering Services	4,375	3,000	3,000		3,000
Maintenance of Buildings and Facilities	61,587	310,000	300,000	125,755	174,245
Maintenance of Equipment	23,800	119,890	119,890	21,781	98,109
Outsourced Services:					
Burial Services	1,640,650	1,707,760	2,067,760	1,891,700	176,060
Business and Advisory: Project Management	32,402	563,380	153,380	94,453	58,927
Clearing and Grass Cutting Services	36,465	845,690	845,690	38,537	807,153
Expenditure By Type / Employee related costs	46,329,767	54,755,860	56,307,410	61,913,119	-5,605,709

TABLE 3.99.1.1: Function: Health:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	612,336	662,080	662,080	621,817	40,263
Allowances: Housing Benefits and Incidental: Housing Benefits	283,891	334,620	334,620	304,624	29,996
Allowances: Non-pensionable	720	2,300	2,300	720	1,580
Allowances: Service Related Benefits: Acting and Post Related Allowances	162,123		21,980	20,770	1,210
Allowances: Service Related Benefits: Bonus	2,401,941	2,648,560	2,845,020	3,163,508	-318,488
Allowances: Service Related Benefits: Long Service Award	2,241,343	2,460,360	2,522,000	2,958,120	-436,120
Allowances: Service Related Benefits:Overtime:Non Structured	1,399,096	1,066,720	1,432,450	3,317,072	-1,884,622
Allowances: Service Related Benefits: Standby Allowance	219,092	303,990	403,990	235,252	168,738
Allowances: Service Related Benefits: Uniform/Special/Protective Clothing	186	210	210	186	24
Allowances: Travel or Motor Vehicle	3,489,604	4,513,740	4,477,970	3,688,755	789,215
Basic Salary and Wages	27,543,111	31,390,680	32,022,750	35,551,606	-3,528,856
Municipal Staff: Social Contributions:					
Bargaining Council	7,531	8,040	8,270	7,989	281
Group Life Insurance	248,779	272,170	279,210	274,765	4,445
Medical	2,312,471	2,548,020	2,568,140	2,398,898	169,242
Pension	5,279,863	5,812,640	5,921,430	6,729,308	-807,878
Unemployment Insurance	127,681	141,730	143,200	130,436	12,764
Senior Management: Designation:					
Salaries and Allowances: Basic Salary		2,300,000	2,300,000	2,197,573	102,427
Salaries and Allowances: Bonuses		290,000	290,000	309,933	-19,933
Social Contributions: Unemployment Insurance			71,790	1,785	70,005
Expenditure By Type / Other expenditure	3,699,794	5,362,190	5,140,280	3,552,860	1,587,420
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	248,630	300,000	300,000	255,215	44,785
Operational Cost:					

TABLE 3.99.1.1: Function: Health:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Advertising, Publicity and Marketing: Corporate and Municipal Activities	5,384	9,760	9,760		9,760
Advertising, Publicity and Marketing: Signs	62,966	75,000	75,000		75,000
Advertising, Publicity and Marketing: Staff Recruitment		32,000	102,590	17,021	85,569
Advertising, Publicity and Marketing: Tenders	13,944	20,000	20,000	10,891	9,109
Assets less than the Capitalisation Threshold		65,490	65,490	3,284	62,206
Communication: Cellular Contract (Subscription and Calls)	364,470	510,040	510,040	455,318	54,722
Communication: Licences (Radio and Television)		10,000	10,000		10,000
Communication: Postage/Stamps/Frinking Machines	3,259	14,910	14,910	1,934	12,976
Communication: Telephone Installation		10,500	500		500
Courier and Delivery Services	4,255				0
External Computer Service: Data Lines		10,000	10,000		10,000
External Computer Service: Network Extensions		20,790	20,790		20,790
Hire Charges		19,190	4,190		4,190
Insurance Underwriting: Claims paid to Third Parties	244,294	550,000	450,000	44,271	405,729
Insurance Underwriting: Premiums	147,536	179,860	179,860	108,971	70,889
Licences: Motor Vehicle Licence and Registrations	840	8,280	8,280		8,280
Printing, Publications and Books		4,240	4,240		4,240
Registration Fees: Seminars, Conferences, Workshops and Events: National	170,792	479,420	284,420	100,731	183,689
Samples and Specimens	3,305	250,000	250,000	31,413	218,587
Skills Development Fund Levy	2,298,958	2,682,990	2,682,990	2,521,181	161,809
Travel Agency and Visa's	5,649	5,000	5,000		5,000
Travel and Subsistence:Domestic:Accommodation	20,720	20,580	20,580		20,580
Travel and Subsistence:Domestic:Daily Allowance	480	9,580	13,080	2,630	10,450
Travel and Subsistence:Domestic:Food and Beverage (Served)	560	2,000	2,000		2,000
Travel and Subsistence:Domestic:Incidental Cost	1,157	3,270	3,270		3,270

TABLE 3.99.1.1: Function: Health:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	24,181	40,430	36,430		36,430
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	5,945		5,000		5,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		8,860	8,860		8,860
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		20,000	23,000		23,000
Travel and Subsistence:Non-employees	1,478		20,000		20,000
Uniform and Protective Clothing	67,161				0
Workmen's Compensation Fund	3,830				0
Expenditure By Type / Other materials	450,946	815,860	838,860	335,681	503,179
Consumables: Standard Rated	211,111	232,760	265,760	228,687	37,073
Consumables: Zero Rated	207,826	471,870	471,870	73,233	398,637
Finished Goods	17,420	56,230	46,230	33,761	12,469
Materials and Supplies	14,589	55,000	55,000		55,000
Revenue By Source / Licences and permits	-478,872	-202,680	-317,680	-432,506	114,826
Health Certificates	-17,481	-19,080	-19,080	-80,843	61,763
Trading	-460,329	-181,450	-296,450	-348,124	51,674
Dog	-1,062	-2,150	-2,150	-3,539	1,389
Revenue By Source / Other revenue	-123,008	-837,840	-76,900		-76,900
Operational Revenue:					
Insurance Refund	-88,568				0
Request for Information: Access to Information Act	-9,805				0
Staff Recoveries	-20,223	-4,710	-4,710		-4,710
Sales of Goods and Rendering of Services:					
Cleaning and Removal	-4,412	-833,130	-72,190		-72,190

TABLE 3.99.1.2: Function: Health:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Health Services	2,018,838	1,429,860	1,590,550	1,360,138	230,412
Expenditure By Type / Contracted services	192,121	26,190	26,190		26,190
Contractors:					
Catering Services	8,610	6,670	6,670		6,670
Outsourced Services:					
Business and Advisory: Project Management	170,300				0
Professional Staff	13,211	19,520	19,520		19,520
Expenditure By Type / Employee related costs	1,713,577	1,183,410	1,283,850	1,325,289	-41,439
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	125,273	137,620	138,080	138,072	8
Allowances: Housing Benefits and Incidental: Housing Benefits	10,884	11,950	11,950	11,568	382
Allowances: Service Related Benefits: Bonus	53,484	58,750	58,750	59,668	-918
Allowances: Service Related Benefits: Long Service Award			2,850	25,572	-22,722
Allowances: Service Related Benefits:Overtime:Non Structured	186,260		120,230	144,814	-24,584
Allowances: Service Related Benefits: Scarcity Allowance	529,548	70,500	70,500	68,192	2,308
Allowances: Service Related Benefits: Standby Allowance	20,175	40,000	40,000	36,396	3,604
Basic Salary and Wages	641,808	705,030	681,930	681,924	6
Municipal Staff: Social Contributions:					
Bargaining Council	112	120	120	119	1
Group Life Insurance	4,452	4,890	4,890	4,672	218
Medical	24,271	25,690	25,690	25,157	533
Pension	115,525	126,900	126,900	127,349	-449
Unemployment Insurance	1,785	1,960	1,960	1,785	175
Expenditure By Type / Loss on disposal of PPE				6,771	-6,771
Gains and Losses: Furniture and Office Equipment: Losses				6,771	-6,771
Expenditure By Type / Other expenditure	107,764	228,120	258,120	14,907	243,213

TABLE 3.99.1.2: Function: Health:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Operational Cost:					
Communication: Cellular Contract (Subscription and Calls)		11,730	11,730		11,730
Communication: Telephone, Fax, Telegraph and Telex	64,942		30,000	12,407	17,593
Printing, Publications and Books	28,500	74,990	74,990		74,990
Registration Fees: Seminars, Conferences, Workshops and Events: National		114,170	114,170	2,500	111,670
Travel Agency and Visa's	649	490	490		490
Travel and Subsistence:Domestic:Accommodation	5,358	2,500	2,500		2,500
Travel and Subsistence:Domestic:Daily Allowance	960	1,000	1,000		1,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	6,618	16,100	16,100		16,100
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		7,140	7,140		7,140
Workmen's Compensation Fund	737				0
Expenditure By Type / Other materials	5,376	24,390	24,390	13,171	11,219
Consumables: Standard Rated	4,293	4,390	4,390	4,900	-510
Consumables: Zero Rated	1,083	20,000	20,000	8,272	11,728
Revenue By Source / Other revenue		-32,250	-2,000		-2,000
Sales of Goods and Rendering of Services:					
Cleaning and Removal		-32,250	-2,000		-2,000

TABLE 3.99.2: Financial Performance 2020/21: Health Function: Laboratory Services

R'000

Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	834	1,512	580	390	(190)
Expenditure:					
Employees	13,656	15,218	15,811	14,948	(863)
Repairs and Maintenance	3,046	4,117	4,117	2,915	(1,202)
Other	6,857	9,048	8,786	5,074	(3,712)
Total Operational Expenditure	23,559	28,383	28,714	22,938	(5,776)
Net Operational Expenditure	22,725	26,870	28,134	22,548	(5,586)

TABLE 3.99.2.1: Function: Health:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Laboratory Services	22,724,699	26,870,480	28,133,560	22,547,911	5,585,649
Expenditure By Type / Contracted services	4,988,192	7,276,650	7,080,970	4,851,746	2,229,224
Consultants and Professional Services:					
Business and Advisory: Quality Control	1,224,414				0
Laboratory Services: Roads	190,582	200,000	200,000	238,315	-38,315
Contractors					
Gas	352,613	500,000	500,000	275,196	224,804
Maintenance of Buildings and Facilities	7,834	368,550	368,550	159,386	209,164
Maintenance of Equipment	3,117,390	3,848,030	3,848,030	2,774,282	1,073,748
Medical Services		10	10		10
Outsourced Services:					
Business and Advisory: Project Management		147,340	103,140		103,140
Business and Advisory: Quality Control		2,000,000	1,828,520	1,242,457	586,063
Hygiene Services			20,000	2,141	17,859

TABLE 3.99.2.1: Function: Health:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Medical Waste Removal	95,357	212,720	212,720	159,969	52,751
Expenditure By Type / Employee related costs	13,656,208	15,218,210	15,811,150	14,948,470	862,680
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	150,681	165,520	160,640	160,635	5
Allowances: Housing Benefits and Incidental: Housing Benefits	130,608	143,400	138,920	126,284	12,636
Allowances: Non-pensionable		1,000	1,000		1,000
Allowances: Service Related Benefits: Acting and Post Related Allowances	1,916		50,000	25,026	24,974
Allowances: Service Related Benefits: Bonus	727,871	863,070	863,070	811,241	51,829
Allowances: Service Related Benefits: Long Service Award	298,737	323,940	349,290	425,461	-76,171
Allowances: Service Related Benefits:Overtime:Night Shift		1,000	1,000		1,000
Allowances: Service Related Benefits:Overtime:Non Structured	39,705	53,000	53,000	40,975	12,025
Allowances: Service Related Benefits: Scarcity Allowance	600,925	660,100	652,720	652,628	92
Allowances: Travel or Motor Vehicle		8,000	8,000		8,000
Basic Salary and Wages	9,330,958	10,296,870	10,823,710	10,080,887	742,823
Municipal Staff: Social Contributions:					
Bargaining Council	2,405	2,520	2,640	2,614	26
Group Life Insurance	77,992	87,090	87,090	85,215	1,875
Medical	662,630	832,080	832,080	735,981	96,099
Pension	1,585,061	1,727,340	1,740,990	1,754,602	-13,612
Unemployment Insurance	46,719	53,280	47,000	46,922	79
Expenditure By Type / Other expenditure	437,836	329,940	533,420	151,807	381,613
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	49,925	49,120	119,120	42,708	76,412
Operational Cost:					
Advertising, Publicity and Marketing: Tenders	14,682	15,300	15,300	27,842	-12,542
Assets less than the Capitalisation Threshold	140,215	80,860	100,860	18,113	82,747
Communication: Cellular Contract (Subscription and Calls)	14,618	20,000	20,000	21,443	-1,443

TABLE 3.99.2.1: Function: Health:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Telephone, Fax, Telegraph and Telex		11,780	11,780		11,780
External Computer Service: Information Services	8,807	28,000	28,000	8,676	19,324
External Computer Service: Internet Charge	11,890	21,200	21,200	10,163	11,037
External Computer Service: Network Extensions		2,000	2,000		2,000
Insurance Underwriting: Premiums	707	850	850	1,542	-692
Printing, Publications and Books	300				0
Registration Fees: Seminars, Conferences, Workshops and Events: National	173,119	50,000	50,000		50,000
Skills Development Fund Levy			113,480		113,480
Travel Agency and Visa's	1,963				0
Travel and Subsistence:Domestic:Accommodation	2,200	3,260	3,260		3,260
Travel and Subsistence:Domestic:Daily Allowance		2,320	2,320		2,320
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	9,271	16,000	16,000		16,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	1,510				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		2,320	2,320		2,320
Uniform and Protective Clothing	8,628	26,930	26,930	21,321	5,609
Expenditure By Type / Other materials	4,476,393	5,558,020	5,288,020	2,986,034	2,301,986
Consumables: Standard Rated	1,157,512	1,358,020	1,588,020	1,016,656	571,364
Finished Goods	3,318,881	4,200,000	3,700,000	1,969,379	1,730,621
Revenue By Source / Other revenue	-833,931	-1,512,340	-580,000	-390,145	-189,855
Sales of Goods and Rendering of Services:					
Laboratory Services	-833,931	-1,512,340	-580,000	-390,145	-189,855

TABLE 3.100: Financial Performance 2020/21: Function: Public Safety: Cleansing

R'000					
Details	2019/20	2019/20			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0
Expenditure:					
Employees	2,152	2,226	2,359	2,316	(43)
Repairs and Maintenance	-	-	-	-	
Other	69	76	76	145	69
Total Operational Expenditure	2,220	2,302	2,436	2,461	25
Net Operational Expenditure	2,220	2,302	2,436	2,461	25

TABLE 3.100.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Cleansing	2,220,344	2,302,130	2,435,740	2,460,925	-25,185
Expenditure By Type / Employee related costs	2,151,535	2,225,770	2,359,380	2,315,773	43,607
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	10,884	11,950	11,950	11,568	382
Allowances: Service Related Benefits: Acting and Post Related Allowances	7,967		73,900	55,262	18,638
Allowances: Service Related Benefits: Bonus	98,545	108,250	154,350	108,520	45,830
Allowances: Service Related Benefits: Long Service Award	94,081	86,860	99,870	102,347	-2,477
Allowances: Service Related Benefits: Overtime: Non Structured	429,469	367,790	367,790	397,228	-29,438
Basic Salary and Wages	1,103,460	1,212,170	1,212,170	1,202,388	9,782
Municipal Staff: Social Contributions:					
Bargaining Council	559	600	600	594	6
Group Life Insurance	13,188	14,490	14,490	14,015	475
Medical	169,567	179,530	179,530	180,022	-492

TABLE 3.100.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Pension	214,891	234,330	234,930	234,907	23
Unemployment Insurance	8,923	9,800	9,800	8,923	877
Expenditure By Type / Other expenditure	23,509	17,580	17,580	15,329	2,251
Operational Cost:					
Uniform and Protective Clothing	23,509	17,580	17,580	15,329	2,251
Expenditure By Type / Other materials	45,300	58,780	58,780	129,823	-71,043
Consumables: Standard Rated	1,152	1,980	1,980	918	1,062
Consumables: Zero Rated	44,148	54,630	54,630	128,692	-74,062
Finished Goods		2,170	2,170	213	1,957

Table 3.101: Capital Expenditure 2020/21: Health Inspection and Etc.

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	500	500	130	-286%	
Occupational Health and Wellness Center - Walmer		200	200	-		
Specialised Medical Equipment		100	100	74	-35%	
Upgrading of Kariega Depot into Wellness Centre		200	200	56	-260%	

COMPONENT G: SAFETY AND SECURITY

This component includes: Metro Police; Fire and Emergency Services; Disaster Management; Traffic and Licensing Services and Security Services.

3.24 METRO POLICE DEPARTMENT

The NMBM Metro Police Department is mandated to perform the following functions:

- Road Traffic Policing
- By-law enforcement and
- Crime Prevention.

The NMB Metro Police executed:

- 909 arrests;
- responded to 117 service delivery unrests;
- attended to homeless persons at 81 locations;
- executed 761 autonomous operations and
- 235 joint operations consisting of Vehicle Control Points (VCP), Random Stop and Searches, Municipal By-Law- and Crime Prevention Operations

The NMB Metro Police participated in:

- 995 Liquor Compliance Checks;
- conducted 31 Stop and Search Operations;
- conducted crime prevention duties at 45 meetings and events;
- visited 8 clinics;
- conducted 288 School Crime Prevention visits;
- attended 17 Social Crime Prevention initiatives and
- conducted 7 154 hours of foot patrols.

The Covid-19 lockdown regulations were enforced from 27 March 2020 to 28 February 2021.

The following were executed to ensure compliance with the Covid-19 lockdown regulations:

- 3284 Beach compliance visits,
- 685 Disaster Management Permit checks,
- 410 Shop compliance visits,
- 75 funerals were inspected
- 56 church services inspected

The following are the top three categories of arrests:

- Failing to be confined to residence under lockdown (687 arrests)
- Public Transport: Overloading (38 arrests)
- Driving under the influence of alcohol (31 arrests)

	Details	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	72	N/A	50	N/A
2	Number of by-law infringements attended to	389	N/A	N/A	N/A
3	Number of Police officers in the field on an average day	12	18	12	18
4	Number of Police officers on duty on an average day	18	18	18	18

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	0	0	0	0	0
4 – 6	14	20	5	15	75%
7 – 9	33	400	98	302	76%
10 – 12	36	330	10	320	97%
13 – 15	6	208	9	199	96%
16 – 18	2	6	2	4	66%
Total	91	964	124	840	87%

TABLE 3.104: Financial Performance 2020/21: Public Safety: Police Forces, Traffic and Street Parking Control					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	547,093	817,185	819,716	670,454	(149,262)
Expenditure:					
Police Officers					
Other employees	218,890	249,371	251,736	226,844	(24,892)
Repairs and Maintenance	1,375	1,763	2,303	1,399	(904)
Other	101,165	171,385	147,250	44,026	(103,224)
Total Operational Expenditure	321,429	422,520	401,289	272,269	(129,020)
Net Operational Expenditure	(225,663)	(394,665)	(418,427)	(398,184)	(20,243)

TABLE 3.104.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Police Forces, Traffic and Street Parking Control	-225,663,334	-394,664,740	-418,427,090	-398,184,275	-20,242,815
Expenditure By Type / Contracted services	10,518,266	26,738,540	14,502,040	13,488,358	1,013,682
:Consultants and Professional Services:					
Business and Advisory: Commissions and Committees			57,000	11,322	45,678
Legal Cost: Legal Advice and Litigation	582,505	970,930	970,930	449,789	521,141
Contractors:					
Catering Services	14,400	39,160	29,160		29,160
Fire Protection	8,635	11,500	31,500	13,001	18,499
Maintenance of Buildings and Facilities	1,315,593	1,444,820	1,984,820	1,350,663	634,157
Maintenance of Equipment	145,224	814,920	689,920	120,780	569,140
Pest Control and Fumigation	9,669	21,510	21,510	8,067	13,443

TABLE 3.104.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Safeguard and Security	148,107	172,540	172,540	60,282	112,258
Transportation	49,043	121,970	151,970	119,466	32,504
Outsourced Services:					
Business and Advisory: Project Management	1,739,485	7,994,840	7,727,840	9,620,124	-1,892,284
Cleaning Services	2,524	19,380	19,380	58,095	-38,715
Clearing and Grass Cutting Services	17,202	45,930	86,930	107,506	-20,576
Hygiene Services	19,379	58,540	58,540	12,988	45,552
Traffic Fines Management	6,466,499	15,022,500	2,500,000	1,556,274	943,726
Expenditure By Type / Debt impairment	78,371,200	128,886,460	116,011,330	15,382,044	100,629,286
Gains and Losses: Impairment Loss: Other Specific Accounts	78,371,200	128,886,460	116,011,330	15,382,044	100,629,286
Expenditure By Type / Employee related costs	218,889,604	249,371,420	251,735,580	226,844,091	24,891,489
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,111,912	1,221,440	1,219,960	1,135,427	84,533
Allowances: Housing Benefits and Incidental: Housing Benefits	1,092,632	1,181,070	1,116,890	1,078,504	38,386
Allowances: Non-pensionable	906,576	892,600	892,220	451,719	440,501
Allowances: Service Related Benefits: Acting and Post Related Allowances	545,869		921,000	2,019,635	-1,098,635
Allowances: Service Related Benefits: Bonus	11,022,649	12,189,480	13,072,020	11,736,378	1,335,642
Allowances: Service Related Benefits: Long Service Award	7,603,921	8,300,760	8,497,490	8,275,105	222,385
Allowances: Service Related Benefits:Overtime:Night Shift	1,663,635	1,891,670	1,891,670	1,550,318	341,352
Allowances: Service Related Benefits:Overtime:Non Structured	12,011,918	8,870,110	9,883,460	10,351,489	-468,029
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	4,435,334	5,106,370	5,100,370	4,533,066	567,304
Allowances: Service Related Benefits:Overtime:Structured	6,337,541	7,419,340	7,381,950	5,958,551	1,423,399
Allowances: Service Related Benefits: Standby Allowance	1,163,994	1,230,400	1,260,400	1,483,654	-223,254
Allowances: Travel or Motor Vehicle	1,507,721	1,769,780	1,658,570	1,656,441	2,129
Basic Salary and Wages	127,527,833	153,106,810	155,265,830	133,532,906	21,732,924
Bonuses				13,020	-13,020

TABLE 3.104.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Staff: Social Contributions:					
Bargaining Council	45,538	49,530	48,040	46,748	1,292
Group Life Insurance	1,597,367	1,761,400	1,654,610	1,625,264	29,346
Medical	13,500,034	14,584,800	13,776,220	13,726,624	49,596
Pension	23,931,302	26,581,150	24,956,430	24,736,578	219,852
Unemployment Insurance	758,373	830,200	754,150	807,211	-53,061
Senior Management: Designation:					
Salaries and Allowances: Basic Salary	1,862,868	2,101,850	2,101,850	1,862,868	238,982
Salaries and Allowances: Bonuses	260,802	280,660	280,660	260,802	19,858
Social Contributions: Unemployment Insurance	1,785	2,000	1,790	1,785	5
Expenditure By Type / Finance charges	-618,549				0
Interest Paid:Borrowings:Annuity Loans	-618,549				0
Expenditure By Type / Other expenditure	8,700,371	9,477,430	10,672,870	8,914,602	1,758,268
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment		2,000	2,000		2,000
Expenditure: Operating Leases: Furniture and Office Equipment	263,386	386,690	511,690	266,133	245,557
:Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	168,077	306,350	200,450	1,978	198,472
Advertising, Publicity and Marketing: Staff Recruitment	54,954	112,040	112,040		112,040
Advertising, Publicity and Marketing: Tenders	9,255	40,000	40,000	5,439	34,561
Assets less than the Capitalisation Threshold	71,557	802,370	1,115,420	250,517	864,903
Cleaning Services: Laundry Services		980	980		980
Communication: Cellular Contract (Subscription and Calls)	491,059	743,800	743,800	569,503	174,297
Communication: Postage/Stamps/Frinking Machines	115,270	146,600	154,950	129,380	25,570
Communication: Telephone, Fax, Telegraph and Telex	403,343	563,680	563,680	666,432	-102,752
Courier and Delivery Services	527	6,650	6,650	802	5,848

TABLE 3.104.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Drivers Licences and Permits	1,884	45,180	45,180	1,161	44,019
External Computer Service: Internet Charge	37,195	63,610	63,610	28,100	35,510
External Computer Service: Network Extensions	3,092	42,460	42,460	18,880	23,580
External Computer Service: Software Licences	74,967	137,410	137,410	86,745	50,665
External Computer Service: Wireless Network	54,073	408,810	408,810		408,810
Insurance Underwriting: Claims paid to Third Parties	41,634	0	10,000	17,077	-7,077
Insurance Underwriting: Premiums	674,613	811,440	811,440	634,199	177,241
Licences: Motor Vehicle Licence and Registrations	7,191	188,200	188,200	10,050	178,150
Municipal Services			320,000	271,878	48,122
Office Decorations		24,100	14,100		14,100
Printing, Publications and Books	77,310	136,540	136,540	96,867	39,673
Professional Bodies, Membership and Subscription	9,500	0	22,000	12,000	10,000
Registration Fees: Professional and Regulatory Bodies	60,338	332,500	332,500		332,500
Registration Fees: Seminars, Conferences, Workshops and Events: National	4,800	23,220	23,220		23,220
Signage	3,500	106,000	66,000	41,554	24,447
Skills Development Fund Levy	4,706,011	2,175,080	2,068,020	5,100,172	-3,032,152
Travel Agency and Visa's	10,190	18,330	18,330	603	17,727
Travel and Subsistence:Domestic:Accommodation	76,082	85,270	85,270	1,420	83,850
Travel and Subsistence:Domestic:Daily Allowance	12,535	14,870	14,870	949	13,921
Travel and Subsistence:Domestic:Food and Beverage (Served)	6,679	13,630	13,630		13,630
Travel and Subsistence:Domestic:Incidental Cost	187	1,460	1,460		1,460
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	34,820	67,180	67,180	24,613	42,567
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	3,080				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	842	62,400	62,400	1,383	61,017

TABLE 3.104.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		16,880	16,880		16,880
Travel and Subsistence:Non-employees	10,184				0
Uniform and Protective Clothing	866,139	1,591,700	2,241,700	339,240	1,902,460
Workmen's Compensation Fund	346,095	0	10,000	337,527	-327,527
Expenditure By Type / Other materials	5,568,430	8,046,080	8,366,980	7,640,302	726,678
Consumables: Standard Rated	736,971	1,259,350	1,327,350	912,585	414,765
Consumables: Zero Rated	4,413,593	5,688,900	5,688,900	6,226,660	-537,760
Finished Goods	417,866	1,053,220	1,306,120	501,058	805,062
Materials and Supplies		44,610	44,610		44,610
Revenue By Source / Fines, penalties and forfeits	-78,297,085	-171,586,870	-146,996,620	-20,266,002	-126,730,618
Law Enforcement	-27,765			-16,215	16,215
Pound Fees	-148,652	-86,000	-133,280	-404,423	271,143
Traffic: Court Fines				-5,200	5,200
Traffic: Municipal	-19,334,318	-12,368,370	-12,584,810	-19,840,165	7,255,355
Traffic: Service Provider	-58,786,350	-159,132,500	-134,278,530		-134,278,530
Revenue By Source / Other revenue	-2,007,241	-3,159,910	-2,355,290	-2,260,331	-94,960
Operational Revenue:					
Incidental Cash Surpluses	-1,229			-2,322	2,322
Request for Information: Access to Information Act	-3,997			-8,520	8,520
Request for Information: Accident Reports	-271,628	-289,110	-289,110	-320,169	31,059
Staff Recoveries	-124,780	-10,750	-10,750	-6,431	-4,319
Sales of Goods and Rendering of Services:					
Academic Services: Formal Training	-450,958	-1,718,720	-1,718,720	-1,121,790	-596,930
Escort Fees	-1,133,456	-1,075,000	-270,380	-796,102	525,722
Parking Fees	-13,445	-27,550	-27,550	-4,997	-22,553
Sale of Goods:Publications:Prints	-7,749	-38,780	-38,780		-38,780

TABLE 3.104.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Rental of facilities and equipment	-19,200	-214,750	-214,750	-19,200	-195,550
Investment Property: Ad-hoc rentals	-19,200	-214,750	-214,750	-19,200	-195,550
Revenue By Source / Transfers and subsidies	-466,769,130	-642,223,140	-670,149,230	-647,908,140	-22,241,090
National Revenue Fund: Equitable Share	-308,526,720	-405,358,250	-427,599,340	-405,358,250	-22,241,090
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-158,242,410	-236,864,890	-242,549,890	-242,549,890	0

TABLE 3.105: Capital Expenditure 2020/2021: Metro Police						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	3,310	3,500	3,500	1,600	-119%	
Purchase of Vehicles for Metro Police	1,661	300	2,000	341	12%	
Furniture for Metro Police	591	1,200	600	502	-139%	
Law Enforcement Equipment for Metro Police	1,058	2,000	900	756	-165%	

3.25 SECURITY SERVICES

The Municipality continues to implement the following in an attempt to promote secure working environments for municipal employees and the protection of municipal assets (e.g. buildings and equipment):

- Provision of access control and patrols at strategic municipal localities;
- Investigation of losses/thefts/damage or misuse of municipal assets;
- Rapid response to any alarm conditions;
- Supervision of all sites guarded by guarding personnel;
- Armed escorts and other relevant functions;

- Security surveys and recommendations to directorates to prevent loss and potential loss;
- By-law enforcement; and
- Integrated municipal firearm management.

TABLE 3.106: Security and protection service data

	Details	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of notices/fines issued in terms of By-law infringements	360	300	934	800
2	Number of security officers in the field on an average day	30	216	241	241
3	Number of security officers on duty on an average day	40	236	298	298

TABLE 3.107: Employees: Security Officers

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
Administrators	2	4	2	2	50%
0 – 3	460	672	660	12	1.8%
4 – 6	188	232	173	59	25%
7 – 9	20	152	19	133	88%
10 – 12	10	22	10	12	55%
13 – 15	4	7	2	5	71%
16 – 18	0	1	1	0	0%
Total	684	1090	867	223	20%

3.26 FIRE AND EMERGENCY SERVICES

The Municipality's Fire and Emergency Services Department is mandated to perform the following functions:

- Preventing the outbreak or spread of fire;
- Fighting or extinguishing fire;
- Protecting life or property against fire or other threatening danger; and
- Rescuing life or property from fire or other danger.

The Municipality provides fire and emergency services through consultation with communities, business, schools, non-governmental organisations, ward committees as well as various other means of communication to residents of the Nelson Mandela Bay.

The following strategies are implemented to enhance the provision of fire and emergency services to residents:

- Nine fire stations are strategically placed within the borders of the metro to ensure an efficient and effective response to incidents on a 24-hour basis.
- Fire Safety staff members provide an active service to all citizens in creating an awareness of the importance of practicing fire safety and empowering communities in protecting themselves and their environment.
- Proficiency training is conducted to ensure that staff members stay abreast of the latest techniques, technology and use of specialized equipment.
- Fleet Maintenance staff members ensure that the emergency fleet is operational and they also provide a service on a 24-hour basis.
- Fire hydrants are maintained on a planned basis, to ensure that water resources are adequate, in order to compliment fire-fighting operations.
- The Centralized Control Centre ensures quick dispatch to emergency incidents and maintains an accurate database of all communication and resources.

	Details	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	3579	3600	3636	3500
2	Total of other incidents attended in the year	1073	1100	1091	1000
3	Average turnout time - (combined average of all calls)	10m: 56s	14	14m: 52s	14
4	Average turnout time - rural areas	N/A	N/A	N/A	N/A
5	Fire fighters in post at year end	237	240	235	245
6	Total fire appliances at year end	71	72	71	73
7	Average number of appliances off the road (for major repairs/services) during the year	19	20	16	20

TABLE 3.108: Performance Scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Basic Service Delivery	Percentage compliance with the required attendance time for structural firefighting incidents	75%	63.76%	75%	58.56%	75%
KPA: Basic Service Delivery	Number of full time firefighters per 1 000 population	0.2 : 1000	0.2 : 1000	0.2 : 1000	0.18 : 1000	N/A

Job Level	Year -1		Year 0		
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Chief Fire Officer	1	1	1	0	0%
Other Fire Officers					
0 – 3	0	0	0	0	0%
4 – 6	0	0	0	0	0%
7 – 9	75	80	75	5	6%
10 – 12	153	160	153	7	4%
13 – 15	7	16	7	9	56%
16 – 18	1	5	1	4	80%
19 – 20	0	0	0	0	0%
Total	237	262	237	25	10%

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,842	175	175	(55)	(230)
Expenditure:					
Fire fighters					
Other employees	198,245	225,728	225,491	211,515	(13,976)
Repairs and Maintenance	3,626	3,834	3,834	3,296	(538)
Other	8,972	11,349	11,349	10,195	(1,154)
Total Operational Expenditure	210,842	240,912	240,674	225,005	(15,669)
Net Operational Expenditure	209,000	240,737	240,499	225,060	(15,439)

	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Fire Fighting and Protection	208,999,889	240,736,650	240,498,960	225,060,166	15,438,794
Expenditure By Type / Contracted services	2,440,966	3,742,330	3,732,330	2,466,116	1,266,214

TABLE 3.110.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	353	261,390	261,390	100,986	160,404
Contractors:					
Maintenance of Buildings and Facilities	1,068,960	1,306,240	1,296,240	1,118,596	177,644
Maintenance of Equipment	1,312,596	1,748,220	1,748,220	1,237,608	510,612
Pest Control and Fumigation		10,000	10,000		10,000
Outsourced Services:					
Business and Advisory: Project Management	54,606	272,640	272,640		272,640
Clearing and Grass Cutting Services	3,535	127,690	127,690		127,690
Hygiene Services	916	16,150	16,150	8,925	7,225
Expenditure By Type / Employee related costs	198,244,603	225,728,260	225,490,570	211,514,560	13,976,010
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	332,454	365,200	366,280	366,267	13
Allowances: Housing Benefits and Incidental: Housing Benefits	937,154	1,026,970	976,570	979,528	-2,958
Allowances: Non-pensionable	536,715	669,780	617,770	527,190	90,580
Allowances: Service Related Benefits: Acting and Post Related Allowances	212,184		158,000	359,865	-201,865
Allowances: Service Related Benefits: Bonus	9,922,899	10,966,870	11,508,190	10,432,801	1,075,389
Allowances: Service Related Benefits: Long Service Award	11,510,893	12,552,530	11,894,960	12,127,478	-232,518
Allowances: Service Related Benefits:Overtime:Night Shift	2,389,301	2,737,360	2,144,970	2,496,046	-351,076
Allowances: Service Related Benefits:Overtime:Non Structured	11,839,640	8,448,570	10,978,930	15,531,273	-4,552,343
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	5,350,104	6,356,540	6,356,540	5,708,996	647,544
Allowances: Service Related Benefits:Overtime:Structured	12,518,385	10,193,310	11,693,310	12,897,512	-1,204,202
Allowances: Service Related Benefits: Scarcity Allowance	98,243	128,210	87,600	64,635	22,965
Allowances: Service Related Benefits: Standby Allowance	910,612	1,849,530	1,849,530	884,291	965,239
Allowances: Service Related Benefits: Uniform/Special/Protective Clothing	1,833	2,020	1,850	1,833	17
Allowances: Travel or Motor Vehicle	1,488,150	1,804,960	1,397,500	1,471,344	-73,844

TABLE 3.110.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Basic Salary and Wages	106,238,780	131,045,180	130,168,520	112,160,635	18,007,885
Bonuses	2,500		2,500	2,500	0
Municipal Staff: Social Contributions:					
Bargaining Council	31,092	33,840	32,610	32,165	445
Group Life Insurance	1,069,638	1,184,670	1,118,800	1,116,145	2,655
Medical	11,028,414	12,022,440	11,261,170	11,376,987	-115,817
Pension	21,329,321	23,787,670	22,389,120	22,493,579	-104,459
Unemployment Insurance	496,292	552,610	485,850	483,489	2,361
Expenditure By Type / Finance charges	1,763,450	1,590,680	1,590,680	1,587,404	3,276
Interest Paid:Borrowings:Annuity Loans	1,763,450	1,590,680	1,590,680	1,587,404	3,276
Expenditure By Type / Loss on disposal of PPE				-77,494	77,494
Gains and Losses: Furniture and Office Equipment: Losses				-77,494	77,494
Expenditure By Type / Other expenditure	4,494,006	5,470,880	5,530,880	5,278,074	252,806
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment		372,150	72,150		72,150
Expenditure: Operating Leases: Furniture and Office Equipment		43,300	43,300		43,300
Operational Cost:					
Advertising, Publicity and Marketing: Staff Recruitment				9,213	-9,213
Advertising, Publicity and Marketing: Tenders		20,000	30,000	24,845	5,155
Assets less than the Capitalisation Threshold	31,607	69,990	69,990	49,877	20,113
Cleaning Services: Laundry Services	2,950	14,660	14,660	3,966	10,694
Communication: Cellular Contract (Subscription and Calls)	195,332	236,690	236,690	222,473	14,217
Communication: Postage/Stamps/Frinking Machines	544	10,360	10,360		10,360
Communication: Telephone, Fax, Telegraph and Telex	908,214	1,074,470	1,074,470	906,347	168,123
Drivers Licences and Permits	12,296	22,500	22,500	8,944	13,556
External Computer Service: Network Extensions		16,050	16,050	4,344	11,706
External Computer Service: Software Licences	384,012	458,430	458,430	402,828	55,602

TABLE 3.110.1: Function: Public Safety:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Insurance Underwriting: Premiums	41,024	50,070	50,070	45,133	4,937
Licences: Motor Vehicle Licence and Registrations	151,825	215,070	215,070	230,885	-15,815
Municipal Services			50,000	80,018	-30,018
Printing, Publications and Books	1,951	31,600	31,600	7,400	24,200
Skills Development Fund Levy	1,660,400	1,877,170	1,877,170	1,770,754	106,416
Uniform and Protective Clothing	1,044,270	958,370	1,258,370	1,348,972	-90,602
Workmen's Compensation Fund	59,581			162,076	-162,076
Expenditure By Type / Other materials	3,899,232	4,379,470	4,329,470	4,236,710	92,760
Consumables: Standard Rated	270,578	518,780	518,780	417,476	101,304
Consumables: Zero Rated	1,826,306	1,846,890	1,846,890	2,025,866	-178,976
Finished Goods	1,486,350	1,617,150	1,592,150	1,443,020	149,130
Materials and Supplies	315,998	396,650	371,650	350,348	21,302
Revenue By Source / Other revenue	-1,342,368	-174,970	-174,970	54,796	-229,766
Operational Revenue:					
Insurance Refund	-26,387			-3,404	3,404
Staff Recoveries	-107,556				0
Sales of Goods and Rendering of Services:					
Academic Services: Formal Training	-67,585	-134,840	-134,840	-3,377	-131,463
Fire Services	-1,140,840	-40,130	-40,130	61,577	-101,707
Revenue By Source / Transfers and subsidies	-500,000				0
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-500,000				0

TABLE 3.111: Capital Expenditure 2020/21: Fire Services

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				Total Project Value
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	1,476	9,500	2,000	688	-1280%	
S&S: Motherwell Fire Station - Rehab and Refurbishment	243	-	600	116	100%	
S&S: Office Accommodation Security - Sidwell Fire Station	7	-	-	-		
Purchase of Plant and Equipment - Fire	1,227	500	-	-		
Construction of Security Wall - Fire Training Centre Markman	-	1,000	400	174		
Rehabilitation of South End Fire Station Drill Tower&Shutter	-	1,000	1,000	398		
Purchase of Off-Road Vehicles for Fire & Emergency Services	-	3,000	-	-		
Fire: Purchase of Fire Appliance/ Engine	-	4,000	-	-		

3.27 TRAFFIC AND LICENSING SERVICES

The following mandated functions are performed by the NMBM Traffic & Licensing Services Department in promoting safe and free flow of traffic in the municipal area.

- Law enforcement services
- Licensing services
- Support and Training services
- Legal process and municipal court

The Municipality recorded an average turnaround time of 4 weeks and 7 weeks for learners' license tests and drivers' license tests respectively in the financial year. A total of 7 363 drivers' licenses, 15 410 learners' licenses and 9 138 Professional Driving Permit was issued and 32 165 driver's licenses was renewed during this period.

A total of 35 426 vehicles was stopped at roadblock operations and a total of 27 021 fines issued during the financial year. A total of 9907 taxis were prosecuted for various offences. The NMBM Traffic & Licensing Services Department responded to 72 protest actions, performed 154 escorts, assisted with 51 special events and a total of 298 vehicles were impounded within the metro. A total of 21 arrests were made in relation to the National Road Traffic Act (93 of 96). The average response time to accidents achieved in the financial year was 11 minutes and 39 seconds.

A total of 12 020 road accidents was recorded, indicating a decrease of 7.4% year-on-year. This decrease could be attributed to increased visible traffic policing, as well as increased roadblock operations conducted to check non-compliance with the relevant legislation.

The NMBM Traffic & Licensing Services Department received a donation of two Toyota Hino Mobile Roadworthy Vehicles (Trucks) during the 2020/21 financial year. The vehicles are used across the metro to test the roadworthiness of vehicles. Only vehicles with a capacity of 4 ton or less can be tested using the mobile testing vehicles. Vehicles with a capacity above 4 tons are tested at the Sidwell Roadworthy Testing Centre. A total of 351 mobile roadworthy tests were conducted during the financial year.

The Nelson Mandela Bay Municipality has three municipal courts which cover magisterial districts of Gqeberha, Motherwell and Kariega. A total of 4 934 cases were processed and a total of 1 290 warrants of arrest were issued at the three courts during the 2020/21 financial year.

The Traffic Training College provides training services to internal (NMBM staff) and external (from local authorities in the country) candidates. During the 2020/21 financial year, a total of 208 students graduated from the Traffic Training College.

TABLE 3.112: Traffic Service Data

	Detail	Year -1	Year 0		Year 1
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	12980	15500	12020	12500
2	Number of By-law infringements attended	859	1670	565	1670
3	Number of traffic officers in the field on an average day	42	60	40	60
4	Number of traffic officers on duty on an average day	45	55	41	55

TABLE 3.113: Employees: Traffic Officers

Job Level	Year -1	Year 0			
Traffic Officers	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Traffic Officer & Deputy	2	2	2	0	0%
Other Traffic Officers					
0 – 3	3	5	3	2	40%
4 – 6	3	6	4	2	33%
7 – 9	15	24	14	10	42%
10 – 12	99	230	107	123	53%
13 – 15	1	2	1	1	50%
16 – 18	42	48	40	8	17%
19 – 20					
Total	165	317	171	146	46.%

TABLE 3.114: Financial Performance 2020/21: Other: Licencing and Regulation

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	14,275	21,890	11,323	13,433	2,110
Expenditure:					
Employees	17,021	26,181	28,117	18,897	(9,220)
Repairs and Maintenance	141	324	284	95	(189)
Other	3,744	6,443	5,934	3,397	(2,537)
Total Operational Expenditure	20,906	32,948	34,336	22,389	(11,947)
Net Operational Expenditure	6,631	11,059	23,013	8,957	(14,056)

TABLE 3.114.1: Function: Other:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Licensing and Regulation	6,631,379	11,058,710	23,012,890	8,956,626	14,056,264
Expenditure By Type / Contracted services	3,073,477	5,249,040	4,709,040	2,705,479	2,003,561
Contractors:					
Maintenance of Buildings and Facilities	75,680	196,150	156,150	77,222	78,928
Maintenance of Equipment	65,141	163,240	163,240	17,625	145,615
Outsourced Services:					
Business and Advisory: Project Management	6,733	41,050	41,050	38,052	2,998
Drivers Licence Cards	2,925,923	4,843,210	4,343,210	2,572,580	1,770,630
Hygiene Services		5,390	5,390		5,390
Expenditure By Type / Employee related costs	17,021,102	26,181,180	28,116,810	18,897,155	9,219,655
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	50,994	55,990	44,650	41,733	2,917
Allowances: Service Related Benefits: Acting and Post Related Allowances	12,326		65,000	23,460	41,540
Allowances: Service Related Benefits: Bonus	961,133	1,078,440	1,100,740	1,041,167	59,573
Allowances: Service Related Benefits: Long Service Award	649,939	672,900	675,790	682,850	-7,060

TABLE 3.114.1: Function: Other:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits:Overtime:Night Shift	1,123				0
Allowances: Service Related Benefits:Overtime:Non Structured	744,077	714,300	1,514,300	1,414,868	99,432
Allowances: Travel or Motor Vehicle	2,392				0
Basic Salary and Wages	10,871,342	19,522,350	20,811,480	11,740,120	9,071,360
Municipal Staff: Social Contributions:					
Bargaining Council	4,706	5,170	4,950	4,910	40
Group Life Insurance	152,452	170,070	160,800	163,726	-2,926
Medical	1,372,502	1,510,110	1,392,510	1,432,658	-40,148
Pension	2,123,266	2,368,940	2,272,800	2,277,898	-5,098
Unemployment Insurance	74,851	82,910	73,790	73,765	25
Expenditure By Type / Other expenditure	427,199	921,430	913,080	372,153	540,927
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment		32,170	32,170		32,170
Operational Cost:					
Communication: Cellular Contract (Subscription and Calls)		920	920		920
Communication: Postage/Stamps/Frinking Machines		13,060	4,710		4,710
Communication: Telephone, Fax, Telegraph and Telex		61,390	61,390		61,390
Insurance Underwriting: Premiums	465	530	530	576	-46
Printing, Publications and Books	134,446	185,200	185,200	66,682	118,518
Registration Fees: Professional and Regulatory Bodies	2,891	22,570	22,570	1,403	21,167
Registration Fees: Seminars, Conferences, Workshops and Events: National		3,760	3,760		3,760
Storage of Files (Archiving)	246,121	512,610	512,610	289,265	223,345
Travel Agency and Visa's		2,200	2,200		2,200
Travel and Subsistence:Domestic:Accommodation		3,860	3,860		3,860
Travel and Subsistence:Domestic:Daily Allowance		1,610	1,610		1,610
Travel and Subsistence:Domestic:Food and Beverage (Served)		5,270	5,270		5,270

TABLE 3.114.1: Function: Other:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		3,500	3,500		3,500
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		2,070	2,070		2,070
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		5,250	5,250		5,250
Uniform and Protective Clothing	18,587	65,460	65,460	1,277	64,183
Workmen's Compensation Fund	24,688			12,951	-12,951
Expenditure By Type / Other materials	384,607	596,680	596,680	414,351	182,329
Consumables: Standard Rated	384,607	596,680	596,680	414,351	182,329
Revenue By Source / Licences and permits	-14,072,129	-21,552,300	-11,056,800	-13,226,295	2,169,495
Road and Transport: Drivers Licence Application/Duplicate Drivers Licences	-1,749,431	-3,591,070	-1,394,080	-2,034,924	640,844
Road and Transport: Drivers Licence Certificate	-7,703,203	-10,947,590	-6,357,370	-6,792,957	435,587
Road and Transport: Learner Licence Application	-2,947,488	-4,507,780	-1,946,440	-2,873,555	927,115
Road and Transport: Learners Certificate	-690,303	-1,088,430	-528,550	-703,383	174,833
Road and Transport: Operators and Public Drivers Permits	-981,704	-1,417,430	-830,360	-821,476	-8,884
Revenue By Source / Other revenue	-202,876	-337,320	-265,920	-206,218	-59,702
Operational Revenue:					
Registration Fees: Road and Transport	-94,055	-161,250	-161,250	-91,875	-69,375
Request for Information: Access to Information Act	-48,350	-36,360	-33,980	-37,575	3,595
Sales of Goods and Rendering of Services: Sale of Goods:					
Sale of Goods:Publications:Prints	-57,382	-124,660	-55,640	-74,172	18,532
Weighbridge Fees	-3,089	-15,050	-15,050	-2,596	-12,454

3.28 DISASTER MANAGEMENT

The top identified disaster management risks in the Municipality include the following:

- Floods, especially affecting informal settlement and infrastructure;
- The effects of fire, explosions and spillage of hazardous materials;
- Severe storms;
- Human disease (e.g.Covid-19, HIV/AIDS, Tuberculosis, Cholera etc.)
- Drought, as is evident from the current drought conditions.

Disaster Declaration

The Municipality continues to experience drought conditions with below average monthly rainfall. The severity of the drought and its impact on dams supplying water to the Nelson Mandela Bay Municipality (NMBM) again necessitated the declaration of a local state of disaster on 7 September 2020, in terms of the Disaster Management Act (57 of 2002).

TABLE 3.115: Employees: Disaster Management

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	4	4	4	0	0 %
4 – 6	2	2	2	0	0%
7 – 9	4	7	4	3	43%
10 – 12	11	14	11	3	21%
13 – 15	0	0	0	0	0%
16 – 18	2	2	2	0	0%
19 – 20	1	1	1	0	0%
Total	24	30	24	6	20%

TABLE 3.116: Financial Performance 2020/21: Function: Community and Social Services: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc.

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	42,010	158	56,048	56,065	17
Expenditure:					
Employees	18,788	22,438	22,463	19,760	(2,703)
Repairs and Maintenance	122	266	366	104	(262)
Other	71,160	7,889	205,688	130,677	(75,011)
Total Operational Expenditure	90,070	30,592	228,516	150,540	(77,976)
Net Operational Expenditure	48,060	30,434	172,468	94,475	(77,993)

TABLE 3.116.1: Financial Performance 2020/21: Function: Community and Social Services: Animal Care and Diseases

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	176	158	48	65	17
Expenditure:					
Employees	2,212	2,628	2,244	2,170	(74)
Repairs and Maintenance	60	130	130	16	(114)
Other	894	2,374	2,374	827	(1,547)
Total Operational Expenditure	3,166	5,132	4,747	3,013	(1,734)
Net Operational Expenditure	2,990	4,973	4,699	2,949	(1,750)

TABLE 3.116.1.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Animal Care and Diseases	2,990,320	4,973,380	4,699,080	2,948,676	1,750,404
Expenditure By Type / Contracted services	640,729	2,107,100	2,107,100	597,000	1,510,100
Contractors:					
Maintenance of Buildings and Facilities	60,077	130,230	130,230	16,425	113,805
Outsourced Services:					
Animal Care	580,652	1,916,870	1,916,870	580,575	1,336,295
Business and Advisory: Project Management		60,000	60,000		60,000
Expenditure By Type / Employee related costs	2,211,509	2,627,840	2,243,540	2,170,184	73,356
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	10,884	11,950	11,950	11,568	382
Allowances: Service Related Benefits: Bonus	138,261	141,030	138,680	135,917	2,763
Allowances: Service Related Benefits: Long Service Award	120,312	128,240	128,240	115,650	12,590
Basic Salary and Wages	1,459,808	1,827,650	1,445,700	1,409,864	35,836
Municipal Staff: Social Contributions:					
Bargaining Council	690	720	720	624	96
Group Life Insurance	17,809	19,560	19,560	18,686	874
Medical	159,662	167,840	167,840	184,334	-16,494
Pension	293,079	314,090	314,090	284,172	29,918
Unemployment Insurance	11,005	16,760	16,760	9,369	7,391
Expenditure By Type / Other expenditure	7,028	32,510	32,510	7,341	25,169
Operational Cost:					
Advertising, Publicity and Marketing: Auctions	2,870	5,000	5,000		5,000
Assets less than the Capitalisation Threshold		10,000	9,870		9,870
Communication: Telephone Installation		5,000	5,000		5,000
Communication: Telephone, Fax, Telegraph and Telex	2,365	4,390	4,390	2,382	2,008
External Computer Service: Network Extensions		5,830	5,830		5,830
Insurance Underwriting: Premiums	144	180	310	153	157

TABLE 3.116.1.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Licences: Motor Vehicle Licence and Registrations	450	2,110	2,110	696	1,414
Uniform and Protective Clothing	1,200				0
Workmen's Compensation Fund				4,111	-4,111
Expenditure By Type / Other materials	306,747	364,190	364,190	238,939	125,251
Consumables: Standard Rated	164,710	176,470	176,470	153,214	23,256
Consumables: Zero Rated	142,037	179,860	179,860	83,560	96,300
Finished Goods		7,860	7,860	2,165	5,695
Revenue By Source / Fines, penalties and forfeits	-175,693	-158,260	-48,260	-64,788	16,528
Fines: Law Enforcement		-47,060	-47,060		-47,060
Fines: Pound Fees	-175,693	-111,200	-1,200	-64,788	63,588

TABLE 3.116.2: Financial Performance 2020/21: Function: Community and Social Services: Disaster Management					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	41,835	-	56,000	56,000	0
Expenditure:					
Employees	16,576	19,810	20,219	17,589	(2,630)
Repairs and Maintenance	62	55	155	88	(67)
Other	70,198	5,366	203,165	129,811	(73,354)
Total Operational Expenditure	86,836	25,231	223,539	147,488	(76,051)
Net Operational Expenditure	45,002	25,231	167,539	91,488	(76,051)

TABLE 3.116.2.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Disaster Management	45,001,730	25,231,070	167,539,360	91,488,313	76,051,047
Expenditure By Type / Contracted services	4,029,916	276,260	21,876,260	5,278,721	16,597,539
:Consultants and Professional Services:					
Infrastructure and Planning: Architectural	20,000				0
Legal Cost: Legal Advice and Litigation		16,220	16,220		16,220
Contractors:					
Catering Services	1,439,065	23,940	1,523,940	54,760	1,469,180
Maintenance of Buildings and Facilities	62,093	47,600	147,600	87,581	60,020
Maintenance of Equipment		88,710	88,710	22,084	66,626
Safeguard and Security	1,975				0
Outsourced Services:					
Business and Advisory: Project Management	49,300	99,790	17,099,790	89,934	17,009,856
Cleaning Services	9,880				0
Hygiene Services	2,447,603		3,000,000	5,024,362	-2,024,362
Expenditure By Type / Employee related costs	16,576,498	19,810,150	20,219,460	17,589,450	2,630,010
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	376,573	331,040	321,270	321,269	1
Allowances: Housing Benefits and Incidental: Housing Benefits	118,817	131,450	127,350	126,284	1,066
Allowances: Service Related Benefits: Acting and Post Related Allowances	80,614		50,000	82,236	-32,236
Allowances: Service Related Benefits: Bonus	718,695	789,480	965,160	777,509	187,651
Allowances: Service Related Benefits: Long Service Award	444,478	531,380	623,200	539,698	83,502
Allowances: Service Related Benefits:Overtime:Non Structured	786,717	343,590	361,020	590,038	-229,018
Allowances: Service Related Benefits: Standby Allowance	1,032,868	776,950	719,840	1,071,394	-351,554
Allowances: Travel or Motor Vehicle	610,022	928,390	690,100	661,319	28,781
Basic Salary and Wages	10,051,375	13,281,120	13,848,670	10,877,570	2,971,100
Municipal Staff: Social Contributions:					

TABLE 3.116.2.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Bargaining Council	2,572	2,760	2,760	2,732	28
Group Life Insurance	89,481	98,290	95,440	95,310	130
Medical	650,072	692,840	674,830	701,481	-26,651
Pension	1,554,103	1,853,690	1,694,680	1,687,678	7,002
Unemployment Insurance	60,111	49,170	45,140	54,931	-9,791
Expenditure By Type / Other expenditure	17,849,428	4,660,250	150,109,230	124,347,399	25,761,832
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	3,544	3,970	3,970	898	3,072
Expenditure: Operating Leases: Furniture and Office Equipment		77,530	77,530	67,542	9,988
Expenditure: Operating Leases: Machinery and Equipment	2,452,670				0
Expenditure: Operating Leases: Other Assets	16,000				0
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	111,649	2,590	2,590		2,590
Advertising, Publicity and Marketing: Gifts and Promotional Items	15,200				0
Advertising, Publicity and Marketing: Signs	360,245				0
Advertising, Publicity and Marketing: Staff Recruitment				19,235	-19,235
Advertising, Publicity and Marketing: Tenders	19,613	40,000	40,000		40,000
Assets less than the Capitalisation Threshold	6,436,677	230	121,848,250	76,120,026	45,728,224
Communication: Cellular Contract (Subscription and Calls)	263,459	186,990	186,990	265,119	-78,129
Communication: Postage/Stamps/Frinking Machines		870	870		870
Communication: Telephone, Fax, Telegraph and Telex	237,492	346,000	346,000	207,617	138,383
Drivers Licences and Permits		1,060	1,060	324	736
External Computer Service: Internet Charge	10,416	34,570	34,570	15,872	18,698
External Computer Service: Wireless Network		68,760	68,760		68,760
Hire Charges			3,000,000	376,902	2,623,098
Insurance Underwriting: Premiums	3,481	4,290	4,290	3,888	402
Licences: Motor Vehicle Licence and Registrations	3,948	5,150	5,150	3,622	1,528

TABLE 3.116.2.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Services	2,745,138		20,050,960	43,149,448	- 23,098,488
Printing, Publications and Books	1,097	16,560	16,560		16,560
Registration Fees: Seminars, Conferences, Workshops and Events: National	7,400	7,730	7,730		7,730
Skills Development Fund Levy	144,615	152,680	152,680	160,909	-8,229
Transport Provided as Part of Departmental Activities: Municipal Activities	3,610,407	3,610,500	3,510,500	3,578,230	-67,730
Travel Agency and Visa's	1,363	1,550	1,550		1,550
Travel and Subsistence:Domestic:Accommodation	11,054	17,780	17,780		17,780
Travel and Subsistence:Domestic:Daily Allowance		3,630	3,630	8,353	-4,723
Travel and Subsistence:Domestic:Food and Beverage (Served)	180	470	470		470
Travel and Subsistence:Domestic:Incidental Cost	295	240	240		240
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	1,102	20,120	20,120		20,120
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		8,100	8,100		8,100
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		17,180	17,180		17,180
Uniform and Protective Clothing	1,392,382	31,700	681,700	369,415	312,285
Expenditure By Type / Other materials	48,380,575	484,410	31,334,410	272,744	31,061,666
Consumables: Standard Rated	36,954,417	44,170	23,894,170	174,390	23,719,780
Consumables: Zero Rated	135,071	440,240	440,240	92,550	347,690
Finished Goods	11,291,087		7,000,000	5,803	6,994,197
Revenue By Source / Other revenue	-2,045				0
Operational Revenue					
Staff Recoveries	-2,045				0
Revenue By Source / Transfers and subsidies	-41,832,642		-56,000,000	-56,000,000	0
:South Africa Revenue Service (SARS)	-659,978				0
Revenue: on-exchange Revenue: Transfers and Subsidies:Operational:Monetary Allocations: National Governments: Urban Settlement Development Grant	-41,172,664				0

TABLE 3.116.2.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue: on-exchange Revenue: Transfers and Subsidies:Operational:Monetary Allocations: National Revenue Fund: Equitable Share			-56,000,000	-56,000,000	0

TABLE 3.116.3: Financial Performance 2020/21: Function: Community and Social Services: Indigenous and Customary Law

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0
Expenditure:					
Employees	-	-	-	-	0
Repairs and Maintenance	-	80	80	-	(80)
Other	68	149	149	38	(111)
Total Operational Expenditure	68	229	229	38	(191)
Net Operational Expenditure	68	229	229	38	(191)

TABLE 3.116.3.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Indigenous and Customary Law	67,633	229,460	229,460	38,320	191,140
Expenditure By Type / Contracted services		80,000	80,000		80,000
Contractors:					
Maintenance of Buildings and Facilities		80,000	80,000		80,000
Expenditure By Type / Other expenditure		109,340	109,340		109,340
Operational Cost:					
Hire Charges		99,840	99,840		99,840
Travel and Subsistence:Domestic:Accommodation		3,500	3,500		3,500
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		6,000	6,000		6,000

TABLE 3.116.3.1: Function: Community and Social Services:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other materials	67,633	40,120	40,120	38,320	1,800
Consumables: Standard Rated		5,000	5,000		5,000
Consumables: Zero Rated	67,633	35,120	35,120	38,320	-3,200

TABLE 3.117: Capital Expenditure 2020/21: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc.

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	11,735	3,539	3,559	2,726	-30%	
Vehicles for Safety and Security (Security only)	3,298	800	2,240	2,215	64%	
S&S: CCTV Equipment & Infrastructure - Disaster Management	5,711	-	-	-		
Traffic Training College - Equipment for Training Centre	221	-	-	-		
Traffic : Motherwell Thusong Centre – Vehicles	2,272	-	-	-		
Purchase of Firearm Traffic Training Equipment for TTC	123	-	-	-		
Upgrade of Kariega Dog Pound	110	700	700	353	-98%	
Security: Airconditioner for Mobile Surveillance Vehicle	-	80	-	-		
Security: Installation of Camera System - Mobile Surveillance	-	1,440	-	-		
TRAFFIC: REPLACEMENT OF FLEET BO604	-	419	419	-		
CCTV Mobile Vehicle Enhancements	-	100	200	158		

COMPONENT H: SPORT AND RECREATION

Sport and recreation remain a key tool for social cohesion, mass participation, gender equality and the promotion of campaigns and awareness programmes aimed at reducing crime and substance abuse as well as to improve the general health and well-being of the communities within the Nelson Mandela Bay. Sport and recreation further promote nation building. In terms of the White Paper on Sport and Recreation, 2011; it is the responsibility of Local Government to:

- Develop, implement and monitor sport and recreation policies
- Provide financial support to clubs and individuals
- Develop, upgrade, maintain and manage infrastructure for sport and recreation in the Municipality.

The Municipality provides and manages sport and recreation infrastructure in a manner that is sustainable, equitable and complies with the national norms and standards of Sport and Recreation South Africa (SRSA) as well as the safety standards prescribed in the SASREA Act (2010) and its Regulations in Gazette no 40661.

The provision of sport and recreation services in the 2020/21 financial year was negatively affected by the Covid-19 pandemic and the National Disaster Regulations proclaimed since March 2020.

MAJOR ACHIEVEMENTS DURING THE 2020/21 FINANCIAL YEAR

Despite the impact of the Covid-19 pandemic and the National Disaster Regulations, the Municipality was able to host a number of national and international sport events as per the following:

- Eastern Province Athletics Legacy Project consisting of the following races:
 - NMBM/ ASA Half Marathon
 - Colchester Race
 - Gelvandale Race
 - St Albans Race
 - Nedbank Runnified 50km Ultra-Marathon Challenge
 - 5 Cross Country Races

- 5 Track and Field Events
- COSAFA AFCON Qualifiers (Men's U/17 and U/20)
- COSAFA Women's Championships
- Toyota National Disability Championships
- Chippa United Football matches
- Rugby – EP Elephants Matches
- Cricket – EP Warriors matches
- NMB Boxing Indaba
- NMB Aquatics – Olympics Qualifier
- NMB Sports Summit
- COSAFA CUP Senior Men Championships

Hosting of the Olympic Swimming Trials at the Newton Park Pool was significant as we ensured that in partnership with NMB Aquatics the Pool was compliant with the required International Swimming Federation (FINA) Standards.

CHALLENGES EXPERIENCED DURING THE 2020/21 FINANCIAL YEAR

The following challenges were experienced in the provision of sport and recreation services during the 2020/21 financial year:

- a) The drought and subsequent water restrictions impacted negatively on the ability of the Municipality to deliver sport and recreation services to communities.
- b) Grass pitches at the sportfields could not be adequately maintained as a result of the water restrictions as well as the grass cutting tender that had expired.
- c) Insufficient capital and operational budget allocation to address maintenance backlogs in accordance with national norms and standards remains a challenge.
- d) Ageing sport and recreation infrastructure and equipment: Some sport facilities were constructed more than 30 years ago and are a safety risk. This situation has serious implications in terms of our compliance with the OHS Act of 1993 and the SASREA Regulations.
- e) Continuous vandalism of sport and recreation facilities.
- f) Declining staff numbers due to natural attrition and budgetary constraint.
- g) Covid-19 Regulations and the National Disaster had a major impact on infrastructure as well as the hosting of strategic sport and recreation events.

PROVISION OF SPORT AND RECREATION INFRASTRUCTURE

The Municipality provides sport and recreation infrastructure related services through the following facilities:

- Formal and Informal Sport fields
- Sport Stadiums
- Indoor Sport Centres and Multi-purpose Centres
- Municipal Pools
- Basketball and Netball Courts

During lockdown levels 5 to 3, the Municipality saw a sharp increase in vandalism and destruction of sport and recreation infrastructure. This has rendered many of our sport and recreation facilities in a state of disrepair. Due to increasing vandalism of the sport and recreation facilities, budget had to be reprioritized to secure facilities like Finnis Street Sport Fields, Lillian Ngoyi Indoor Sport Centre, Raymond Mhlaba Sport Centre and the St George's Pool Precinct.

Construction of the multi-purpose centres was delayed due to prolonged supply chain management processes. The tenders for the Wards 17 and 34 multi-purpose centres had to be cancelled as no responsive tenders were received. An objection against the appointed consultants for Wards 42 and 21 multi-purpose centres resulted in a legal challenge.

Construction of the Gelvandale Astroturf will commence in the 2021/22 financial year due to the late appointment of the contractor. The construction of Walmer Changing Rooms is anticipated for completion in August 2021. The first phase of the rehabilitation of the Central Stadium boundary wall and the Kariega Indoor Centre floor has been completed. The Jachtlakte sportfield was completed with fencing and grass planting and the procurement of the water tanker was finalized.

SUPPORT TO SPORT AND RECREATION CLUBS AND FEDERATIONS

The table below indicates the various sport organizations and programmes supported in the 2020/21 financial year.

TABLE 3.118: Support to sport and recreation clubs and federations

NAME OF ORGANISATION	ASSISTANCE RECOMMENDED	WARD
11 Stars Cricket Club	Playing kit	45
Abahlobo Cricket Club	Playing kit	43
BD Blues Rugby Club	Playing kit	49
Bethelsdorp Weightlifting Association	Weightlifting Equipment	32
Big House Athletics Club	Sports Attire	14
Coastal Ice Hockey Club	Sports Equipment (Figure Skates)	12
Eyethu Youth Champs Boxing Club	Playing Attire	57
Fabs FC	Playing Attire	30
Fairview Rovers FC	Playing Attire	35
Helenvale United Cricket Club	Playing Attire	13
Helenvale United Rugby Club	Playing Attire	13
Kabah United Rugby Club	Playing Attire	48
Kuphuka FC	Playing Attire	56
Major Chiefs Sports Club	Venue Hire	26
Mighty Blues Rugby Club	Playing Attire	50
Motherwell Cricket Club	Playing Attire	58
Rainbow City	Playing Attire	29
Real Madrid FC	Playing Attire	4
Royal Stars	Playing Attire	29
Spring Rose RFC	Playing Attire	15
St Marks RFC	Rugby Equipment	11
Sunshine Coast Figure Skating Club	Sports Equipment (Figure Skates)	39
Thistles Sport Club	Playing Attire	34
Township Junior Rugby Development	Venue hire assistance	15
Thubalethu Boxing Club	Playing Attire	44
United Cricket Club	Playing Attire	15
Wells Open Boxing Club	Playing Attire	60
Young Aces FC	Playing Attire	30
Young Pirates	Playing Attire	46
PE Harlequins	Playing Attire	11
Glen Roses RFC	Playing Attire	10
Excelsior Rugby Club	Playing Attire	48
NAME OF NPO	ASSISTANCE RECOMMENDED	WARD
Ggebera Youth Empowerment Initiative	Sport Equipment	3
Life After Sport	Sports Equipment	58
SL Africa Sports NPC	Soccer Equipment	25
Vulindlela Sports Centre	Indoor Sports Equipment	16
Zwide Eagles Development Club	Basketball Playing Attire	25

MAYORAL CUP

Due to the Covid-19 pandemic, the Mayoral Cup competition could not be held in the 2020/21 financial year. The administrative process for transfer of the funds that was delayed in the previous financial year was, however, finalized.

SUPPORT TO PROFESSIONAL AND SEMI-PROFESSIONAL SPORT

During the reporting year, the Municipality continued to support each of the professional teams (e.g. Chippa United Football Club; Eastern Province Rugby and the Warriors Cricket Team) in the city with an amount of R6 million.

TABLE 3.119: Support to professional and semi- professional sport

NAME OF CLUB	LEAGUE	AMOUNT	WARD
PE Stars FC	ABC Motsepe League	R70 000	34
Swartkops Valley United Brothers	ABC Motsepe League	R70 000	59
Port Elizabeth FC	ABC Motsepe League	R70 000	35
Bishop Stars	ABC Motsepe League	R70 000	
Golden Stars Ladies FC	SASOL League	R70 000	17
Sophakama Ladies FC	SASOL League	R70 000	21
City Lads Ladies FC	SASOL League	R70 000	14
Volcano Ladies FC	SASOL League	R70 000	
Dower United Ladies FC	SASOL League	R70 000	53

In addition to the above-mentioned clubs, financial support was provided to the following organizations.

TABLE 3.120: Financial support to sport organisations

NAME OF ORGANISATION	AMOUNT	WARD
Nelson Mandela Bay Sport Confederation	R100 000 towards administration cost and women in sport programs.	Operates from office Location of office in Ward 11 – Metro-wide benefit.
Nelson Mandela Bay Judo Association	R20 000 towards transport cost and EMS and venue hire.	Operates from office. Location of office in Ward 12 – Metro-wide benefit.
Nelson Mandela Bay Netball Association	R20 000 towards transport cost and venue hire.	Operates from office. Location of office in Ward 9 – Metro-wide benefit.
Thistles Sport Club	R30 000 support towards 90 th Anniversary Celebration of the Club.	Ward 34

TABLE 3.121: Employee: Sports and Recreation

Employees: Sport & Recreation					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	89	132	72	60	45%
4 - 6	55	95	52	43	45%
7 - 9	17	40	16	24	60%
10 - 12	6	9	5	4	44%
13 - 15	2	2	2	0	0%
16 - 18	2	2	2	0	0%
19 - 20					
Total	171	280	149	131	47%

TABLE 3.122: Financial performance: Sport and Recreation

Financial Performance 2020/21: Sport and Recreation					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3,284	4,520	5,943	1,533	(4,410)
Expenditure:					
Employees	177,710	212,936	213,132	184,018	(29,114)
Repairs and Maintenance	6,284	15,064	15,932	5,510	(10,422)
Other	239,156	306,797	304,595	204,852	(99,743)
Total Operational Expenditure	423,150	534,797	533,659	394,380	(139,279)
Net Operational Expenditure	419,867	530,277	527,716	392,848	(134,868)

TABLE 3.122.1: Financial Performance 2020/21: Sport and Recreation: Beaches and Jetties					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	619	862	862	517	(345)
Expenditure:					
Employees	19,285	19,776	19,921	21,469	1,548
Repairs and Maintenance	572	1,160	1,838	1,219	(619)
Other	2,344	3,720	3,397	1,066	(2,331)
Total Operational Expenditure	22,201	24,657	25,155	23,754	(1,401)
Net Operational Expenditure	21,582	23,794	24,293	23,237	(1,056)

TABLE 3.122.1.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Beaches and Jetties	21,582,018	23,794,280	24,292,830	23,237,044	1,055,786
Expenditure By Type / Contracted services	1,856,277	3,194,290	3,443,290	1,633,599	1,809,691
Consultants and Professional Services:					
Business and Advisory: Research and Advisory	84,800	253,230	253,230	89,040	164,190
Laboratory Services: Water	53,130	109,180	109,180	31,320	77,860
Contractors:					
Maintenance of Buildings and Facilities	556,945	1,127,960	1,806,280	1,189,523	616,757
Maintenance of Equipment	22,889	50,410	50,410	29,172	21,238
Transportation	295,776	275,470	270,470	264,764	5,706
Outsourced Services:					
Business and Advisory: Research and Advisory		0	300,000		300,000
Clearing and Grass Cutting Services	82,159	154,260	154,260	19,989	134,271
Hygiene Services	760,577	1,223,780	499,460	9,790	489,670
Expenditure By Type / Employee related costs	19,285,444	19,776,480	19,920,570	21,469,220	-1,548,650

TABLE 3.122.1.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	125,273	137,620	138,080	138,072	8
Allowances: Housing Benefits and Incidental: Housing Benefits	48,071	59,750	36,660	36,632	28
Allowances: Service Related Benefits: Acting and Post Related Allowances	48,969	55,000	0	58,848	-58,848
Allowances: Service Related Benefits: Bonus	619,844	683,650	757,740	664,236	93,504
Allowances: Service Related Benefits: Long Service Award	479,827	572,240	542,820	490,024	52,796
Allowances: Service Related Benefits:Overtime:Night Shift	12,051	1,500	1,500	12,739	-11,239
Allowances: Service Related Benefits:Overtime:Non Structured	2,243,039	721,200	721,200	1,469,832	-748,632
Allowances: Service Related Benefits:Overtime:Structured	431,363	107,980	107,980	596,967	-488,987
Allowances: Service Related Benefits: Standby Allowance	204,563	55,570	55,570	168,382	-112,812
Basic Salary and Wages	12,776,410	14,870,350	15,194,820	14,399,463	795,357
Municipal Staff: Social Contributions:					
Bargaining Council	4,010	3,720	3,720	5,574	-1,854
Group Life Insurance	77,937	85,650	84,570	152,040	-67,470
Medical	764,318	824,750	792,250	1,164,397	-372,147
Pension	1,320,831	1,478,190	1,411,600	1,990,793	-579,193
Unemployment Insurance	128,939	119,310	72,060	121,222	-49,162
Expenditure By Type / Loss on disposal of PPE				-164,270	164,270
Gains and Losses: Furniture and Office Equipment: Losses				-164,270	164,270
Expenditure By Type / Other expenditure	403,601	621,300	828,350	347,741	480,609
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	5,880		3,000	1,176	1,824
Expenditure: Operating Leases: Furniture and Office Equipment	29,497				0
Operational Cost:					
Assets less than the Capitalisation Threshold	159,651	217,270	201,050	101,399	99,651
Communication: Cellular Contract (Subscription and Calls)	78,677	111,960	111,960	96,037	15,923
Communication: Telephone, Fax, Telegraph and Telex	4,885	85,680	85,680	5,008	80,672

TABLE 3.122.1.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Insurance Underwriting: Premiums	52,810	63,530	63,530	53,666	9,864
Licences: Motor Vehicle Licence and Registrations	803	1,200	3,200	-11	3,211
Signage			70,000		70,000
Skills Development Fund Levy			91,440		91,440
Uniform and Protective Clothing	56,415	141,660	157,880	41,531	116,349
Wet Fuel	3,429		40,610	22,831	17,779
Workmen's Compensation Fund	11,553			26,105	-26,105
Expenditure By Type / Other materials	655,391	1,064,620	963,030	467,880	495,150
Consumables: Standard Rated	161,775	294,020	275,030	172,844	102,186
Consumables: Zero Rated	342,991	557,280	516,680	165,878	350,802
Finished Goods	96,526	178,910	136,910	95,574	41,336
Materials and Supplies	54,098	34,410	34,410	33,585	825
Revenue By Source / Licences and permits		-6,910	-6,910		-6,910
Boat		-6,910	-6,910		-6,910
Revenue By Source / Rental of facilities and equipment	-618,694	-855,500	-855,500	-517,127	-338,373
Investment Property: Ad-hoc rentals	-480,000	-661,390	-661,390	-480,000	-181,390
:Ad-hoc rentals: Community Assets	-138,694	-194,110	-194,110	-37,127	-156,983

TABLE 3.122.2: Financial Performance 2020/21: Sport and Recreation: Community Parks (including Nurseries)

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	79	98	58	18	(40)
Expenditure:					
Employees	79,514	97,103	95,180	84,866	(10,314)
Repairs and Maintenance	536	3,042	2,799	904	(1,895)
Other	20,620	32,325	32,083	20,110	(11,973)
Total Operational Expenditure	100,670	132,470	130,062	105,880	(24,182)
Net Operational Expenditure	100,591	132,372	130,004	105,862	(24,142)

TABLE 3.122.2.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Function: Sport and Recreation: Nurseries)	100,590,950	132,372,250	130,004,110	105,830,970	24,173,140
Expenditure By Type / Contracted services	16,275,596	28,630,560	27,897,560	16,730,600	11,166,960
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	69,919	368,790	368,790	1,658	367,132
Contractors:					
Catering Services	19,600	29,830	29,830		29,830
Gardening Services	4,773,900	5,543,040	7,793,040	8,328,310	-535,270
Maintenance of Buildings and Facilities	418,959	2,128,900	1,943,900	865,805	1,078,095
Maintenance of Equipment	187,403	1,015,540	957,540	77,497	880,043
Stage and Sound Crew	7,500	15,000	15,000		15,000
Transportation	2,400	39,620	39,620		39,620
Outsourced Services:					
Alien Vegetation Control	1,934,680	3,248,460	2,948,460	1,155,409	1,793,051

TABLE 3.122.2.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory: Project Management	-214	368,250	278,250	117,680	160,570
Cleaning Services	88,589	186,500	186,500	40,454	146,046
Clearing and Grass Cutting Services	8,686,149	15,512,250	13,162,250	6,133,837	7,028,413
Electrical	0				0
Hygiene Services	86,712	174,380	174,380	9,950	164,430
Expenditure By Type / Depreciation and asset impairment	90,747				0
Expenditure: Depreciation and Amortisation:Depreciation:Community Assets: Community Facilities: Public Open Space	90,747				0
Expenditure By Type / Employee related costs	79,513,779	97,103,050	95,179,910	84,835,083	10,344,827
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	25,114	144,400	144,400		144,400
Allowances: Housing Benefits and Incidental: Housing Benefits	356,167	408,460	416,900	357,647	59,253
Allowances: Service Related Benefits: Acting and Post Related Allowances	219,293		185,000	105,521	79,479
Allowances: Service Related Benefits: Bonus	4,746,619	5,179,300	5,417,220	4,888,524	528,696
Allowances: Service Related Benefits: Long Service Award	3,517,040	3,773,600	3,783,080	3,498,092	284,988
Allowances: Service Related Benefits:Overtime:Non Structured	2,194,064	3,208,290	3,808,290	4,006,778	-198,488
Allowances: Service Related Benefits: Standby Allowance	229,375	229,960	229,960	226,435	3,525
Allowances: Travel or Motor Vehicle	458,465	633,920	654,410	747,053	-92,643
Basic Salary and Wages	50,993,284	64,674,380	61,665,010	53,713,427	7,951,583
Municipal Staff: Social Contributions:					
Bargaining Council	27,159	29,880	29,880	27,591	2,289
Group Life Insurance	542,515	604,610	611,900	591,350	20,550
Medical	5,724,353	6,273,600	6,289,510	5,840,456	449,054
Pension	10,047,437	11,433,750	11,435,450	10,415,754	1,019,696
Unemployment Insurance	432,894	508,900	508,900	416,455	92,445
Expenditure By Type / Finance charges	1,038,800	979,240	979,240	979,240	0
Interest Paid:Borrowings:Annuity Loans	1,038,800	979,240	979,240	979,240	0

TABLE 3.122.2.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other expenditure	1,327,120	2,477,530	2,592,530	1,518,229	1,074,301
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	265,475	325,400	325,400	236,308	89,092
Operational Cost:					
Advertising, Publicity and Marketing: Tenders	11,631	35,000	35,000		35,000
Assets less than the Capitalisation Threshold	112,321	201,650	141,650	53,593	88,057
Communication: Cellular Contract (Subscription and Calls)	244,319	338,410	338,410	278,481	59,929
Communication: Telephone, Fax, Telegraph and Telex	29,221	135,100	135,100	29,901	105,199
Drivers Licences and Permits	1,596	7,500	7,500		7,500
External Computer Service: Information Services		197,100	185,050		185,050
External Computer Service: Software Licences		445,000	445,000		445,000
External Computer Service: Wireless Network		32,370	32,370		32,370
Hire Charges	67,080	260,050	340,050	20,378	319,672
Insurance Underwriting: Premiums	1,887	2,340	2,390	2,339	51
Professional Bodies, Membership and Subscription	14,070	5,000	17,000		17,000
Registration Fees: Seminars, Conferences, Workshops and Events: National	10,000	10,000	10,000		10,000
Signage	11,961	36,760	16,760		16,760
Travel Agency and Visa's	1,722	1,550	1,550		1,550
Travel and Subsistence:Domestic:Accommodation	10,450	3,340	3,340		3,340
Travel and Subsistence:Domestic:Daily Allowance	2,935	2,730	2,730		2,730
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	9,283	7,230	7,230		7,230
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		3,000	3,000		3,000
Uniform and Protective Clothing	426,379	428,000	543,000	531,461	11,539
Workmen's Compensation Fund	106,791			365,768	-365,768
Expenditure By Type / Other materials	2,424,208	3,279,580	3,412,580	1,785,935	1,626,645
Consumables: Standard Rated	431,314	364,180	409,180	330,318	78,862

TABLE 3.122.2.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Consumables: Zero Rated	1,787,928	2,638,340	2,630,340	1,074,163	1,556,177
Finished Goods	152,290	187,640	282,640	326,235	-43,595
Materials and Supplies	52,677	89,420	90,420	55,219	35,201
Revenue By Source / Other revenue	-35,589	-35,830	-35,830	-21,677	-14,153
Operational Revenue:					
Insurance Refund	-10,438			-8,518	8,518
Staff Recoveries	-2,435			-5,604	5,604
Sales of Goods and Rendering of Services:					
Cleaning and Removal	-2,946	-10,240	-10,240		-10,240
Photocopies and Faxes	-5				0
Sale of Goods: Agricultural Products: Nursery Sale of Plants	-19,765	-25,590	-25,590	-7,555	-18,035
Revenue By Source / Rental of facilities and equipment	-43,712	-61,880	-21,880	3,560	-25,440
Ad-hoc rentals: Community Assets	-43,712	-61,880	-21,880	3,560	-25,440

TABLE 3.122.2.2: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Community Parks (including Nurseries)				30,571	-30,571
Expenditure By Type / Employee related costs				30,571	-30,571
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Service Related Benefits: Acting and Post Related Allowances				30,571	-30,571

TABLE 3.122.3: Financial Performance 2020/21: Sport and Recreation: Recreational Facilities					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2,135	2,909	3,909	384	(3,525)
Expenditure:					
Employees	43,432	55,454	55,620	41,923	(13,697)
Repairs and Maintenance	682	4,106	3,533	631	(2,902)
Other	157,513	126,487	123,846	128,892	5,046
Total Operational Expenditure	201,627	186,047	182,999	171,446	47,600
Net Operational Expenditure	199,492	183,138	179,091	171,063	(8,028)

TABLE 3.122.3.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Recreational Facilities	199,483,005	171,101,800	169,126,940	180,199,841	-11,072,901
Expenditure By Type / Contracted services	11,506,486	20,228,230	21,376,600	7,268,443	14,108,157
:Consultants and Professional Services:					
Business and Advisory: Research and Advisory		275,600	475,600	18,034	457,566
Legal Cost: Legal Advice and Litigation	576,576	355,970	555,970	1,451,227	-895,257
Contractors:					
Gas	402,228	590,000	48,480	38,840	9,641
Maintenance of Buildings and Facilities	844,952	3,559,770	4,362,190	619,145	3,743,045
Maintenance of Equipment	272,661	1,092,300	1,019,620	243,140	776,480
Maintenance of Unspecified Assets	86,825	240,840	67,030	9,372	57,658
Safeguard and Security	167,508	657,540	622,540	3,640	618,900
Transportation	263,046	260,950	260,950	53,922	207,028
Outsourced Services:					

TABLE 3.122.3.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Administrative and Support Staff	3,800	3,000	3,000		3,000
Business and Advisory: Project Management	8,643,445	12,848,470	13,467,430	4,688,171	8,779,259
Cleaning Services		4,000	4,000		4,000
Clearing and Grass Cutting Services	205,219	209,170	359,170	138,004	221,166
Hygiene Services	40,227	130,620	130,620	4,948	125,673
Expenditure By Type / Depreciation and asset impairment	97,697,817	74,673,070	74,673,070	96,717,529	-22,044,459
Expenditure: Depreciation and Amortisation:Depreciation:Furniture and Office Equipment	97,697,817	74,673,070	74,673,070	96,717,529	-22,044,459
Expenditure By Type / Employee related costs	43,431,620	55,453,130	55,619,530	41,922,407	13,697,123
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	710,684	980,680	783,170	783,148	22
Allowances: Housing Benefits and Incidental: Housing Benefits	120,466	131,450	135,090	124,356	10,734
Allowances: Service Related Benefits: Acting and Post Related Allowances	564,276	184,800	223,800	233,464	-9,664
Allowances: Service Related Benefits: Bonus	1,922,314	2,122,660	2,357,960	2,024,016	333,944
Allowances: Service Related Benefits: Long Service Award	2,757,746	3,372,510	2,829,280	2,621,909	207,371
Allowances: Service Related Benefits:Overtime:Night Shift	5,394	18,510	19,100		19,100
Allowances: Service Related Benefits:Overtime:Non Structured	1,755,195	1,223,900	2,036,500	883,528	1,152,972
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	32,473	35,120	43,210	35,155	8,055
Allowances: Service Related Benefits:Overtime:Structured	234,370	61,850	61,850	30,634	31,216
Allowances: Service Related Benefits: Scarcity Allowance	32,834	36,070	36,060	36,055	5
Allowances: Service Related Benefits: Standby Allowance	8,682			8,991	-8,991
Allowances: Travel or Motor Vehicle	913,547	1,338,240	1,337,790	1,449,453	-111,663
Basic Salary and Wages	25,211,959	35,580,300	35,654,070	23,998,114	11,655,956
Municipal Staff: Social Contributions:					
Bargaining Council	8,658	9,500	9,330	8,732	598
Group Life Insurance	229,661	254,930	256,430	247,808	8,622
Medical	2,391,738	2,597,050	2,572,840	2,457,733	115,107

TABLE 3.122.3.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Pension	4,108,863	4,682,060	4,601,870	4,301,861	300,009
Unemployment Insurance	173,226	173,610	145,570	151,925	-6,355
Senior Management:Designation:Salaries and Allowances:					
Salaries and Allowances: Basic Salary	2,066,956	2,346,640	2,213,820	2,213,808	12
Salaries and Allowances: Bonuses		300,000	300,000	309,933	-9,933
Senior Management:Designation:Social Contributions:					
Social Contributions: Unemployment Insurance	1,785	3,250	1,790	1,785	5
Senior Management: Municipal Manager (MM):					
Expenditure: Employee Related Cost: Senior Management: Municipal Manager (MM):Salaries and Allowances: Bonuses	180,794				0
Expenditure By Type / Finance charges	6,081,780	5,358,750	5,358,750	4,742,831	615,919
Interest Paid:Borrowings:Annuity Loans	6,081,780	5,358,750	5,358,750	4,742,831	615,919
Expenditure By Type / Other expenditure	2,910,821	3,638,590	3,183,690	3,115,403	68,287
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	189,625	185,500	60,500	290,758	-230,258
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	53,488	159,000	100,000	25,486	74,514
Advertising, Publicity and Marketing: Staff Recruitment				2,264	-2,264
Advertising, Publicity and Marketing: Tenders	36,158	53,000	53,000	17,949	35,051
Assets less than the Capitalisation Threshold	112,441	279,240	589,830	233,143	356,687
Communication: Cellular Contract (Subscription and Calls)	209,916	245,280	245,280	239,903	5,377
Communication: Postage/Stamps/Frinking Machines	1,100	1,000	1,000		1,000
Communication: Telephone, Fax, Telegraph and Telex	202,676	252,440	264,440	195,585	68,855
External Computer Service: Network Extensions	4,816	8,340	88,340	70,458	17,882
Insurance Underwriting: Claims paid to Third Parties			30,000	20,057	9,943
Insurance Underwriting: Premiums	773,962	941,610	941,710	836,665	105,045
Licences: Motor Vehicle Licence and Registrations	588	2,070	2,070	899	1,171

TABLE 3.122.3.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Registration Fees: Seminars, Conferences, Workshops and Events: National	37,535	11,250	11,250		11,250
Signage		0	10,000		10,000
Skills Development Fund Levy	950,569	1,057,710	298,820	939,097	-640,277
Travel Agency and Visa's	7,182	15,680	15,680		15,680
Travel and Subsistence:Domestic:Accommodation	36,436	15,000	15,000		15,000
Travel and Subsistence:Domestic:Daily Allowance	13,519	7,000	7,000		7,000
Travel and Subsistence:Domestic:Food and Beverage (Served)	378	4,000	4,000		4,000
Travel and Subsistence:Domestic:Incidental Cost	609	2,000	2,000		2,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	19,538	15,000	15,000		15,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	2,470				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		5,000	5,000		5,000
Travel and Subsistence:Foreign:Accommodation	23,973				0
Travel and Subsistence:Foreign:Daily Allowance	9,690				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	110,989				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Road Transport	16,707				0
Travel and Subsistence:Non-employees	2,887	0			0
Uniform and Protective Clothing	67,254	378,470	368,470	224,016	144,454
Wet Fuel	11,612		55,300	12,658	42,642
Workmen's Compensation Fund	14,703			6,466	-6,466
Expenditure By Type / Other materials	692,114	1,538,750	1,251,510	548,745	702,765
Consumables: Standard Rated	196,810	505,260	447,210	250,092	197,118
Consumables: Zero Rated	225,145	596,160	500,770	104,022	396,748
Finished Goods	236,827	377,410	263,610	152,225	111,385
Materials and Supplies	33,333	59,920	39,920	42,406	-2,486

TABLE 3.122.3.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Transfers and subsidies	39,297,593	25,120,000	21,500,000	26,268,033	-4,768,033
Non-profit institutions: Use - It	39,297,593	25,120,000	21,500,000	26,268,033	-4,768,033
Revenue By Source / Other revenue	-1,032,860	-1,196,080	-1,196,080	-71,294	-1,124,786
Operational Revenue:					
Breakages and Losses Recovered		-2,280	-2,280		-2,280
Staff Recoveries		-6,840	-6,840	-5,026	-1,814
Sales of Goods and Rendering of Services:					
Camping Fees	-40,207	-44,180	-44,180		-44,180
Entrance Fees	-992,653	-1,142,780	-1,142,780	-66,267	-1,076,513
Revenue By Source / Rental of facilities and equipment	-1,102,366	-1,562,640	-1,562,640	-312,256	-1,250,384
Ad-hoc rentals: Community Assets	-636,725	-916,100	-916,100	-128,225	-787,875
Investment Property: Ad-hoc rentals	-465,641	-646,540	-646,540	-184,031	-462,509
Revenue By Source / Transfers and subsidies		-150,000	-1,150,000		-1,150,000
South Africa Revenue Service (SARS)		-150,000	-150,000		-150,000
Integrated City Development Grant			-1,000,000		-1,000,000
Revenue By Source / Transfers and subsidies - capital		-12,000,000	-9,927,490		-9,927,490
National Government: Integrated City Development Grant		-1,000,000			0
Urban Settlements Development Grant		-11,000,000	-9,927,490		-9,927,490

TABLE 3.122.3.2: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Recreational Facilities	9,043	36,270	36,150	-9,137,045	9,173,195
Expenditure By Type / Contracted services	8,428	35,550	35,550	13,563	21,987
Contractors:					
Maintenance of Equipment	8,428	35,550	35,550	13,563	21,987
Expenditure By Type / Employee related costs	615	720	600	594	6
Municipal Staff: Social Contributions:					

TABLE 3.122.3.2: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Bargaining Council	615	720	600	594	6
Expenditure By Type / Loss on disposal of PPE				-9,151,202	9,151,202
Gains and Losses: Furniture and Office Equipment: Losses				-9,151,202	9,151,202

TABLE 3.122.4: Financial Performance 2020/21: Sport and Recreation: Grounds and Stadiums

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	450	651	1,114	614	(500)
Expenditure:					
Employees	35,479	40,602	42,412	35,760	(6,652)
Repairs and Maintenance	4,494	6,755	7,761	2,756	(5,005)
Other	58,680	144,266	145,269	54,784	(90,485)
Total Operational Expenditure	98,652	191,623	195,443	93,300	(102,143)
Net Operational Expenditure	98,202	190,972	194,328	92,686	(101,642)

TABLE 3.122.4.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Sports Grounds and Stadiums	96,308,494	190,972,200	193,328,410	91,782,993	101,545,417
Expenditure By Type / Contracted services	34,925,324	36,756,870	38,573,910	24,919,492	13,654,418
Consultants and Professional Services:					
Business and Advisory: Occupational Health and Safety	1,946,608	257,730	257,730	1,296,518	-1,038,788
Legal Cost: Legal Advice and Litigation	212,800	153,670	153,670	20,325	133,345
Contractors:					
Catering Services	4,500	55,840	55,840	3,000	52,840
Gas	73,055				0

TABLE 3.122.4.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Maintenance of Buildings and Facilities	5,171,329	8,237,080	9,243,080	3,161,082	6,081,998
Maintenance of Equipment	203,599	264,630	264,630	120,043	144,587
Pest Control and Fumigation	176,180	137,150	137,150	66,000	71,150
Plants, Flowers and Other Decorations		16,300	16,300		16,300
Sports and Recreation	1,717,498	2,364,020	1,774,020	1,827,500	-53,480
Transportation	170,129	212,000	212,000	168,204	43,796
Outsourced Services:					
Business and Advisory: Project Management	21,556,013	19,290,480	20,010,480	15,518,996	4,491,484
Cleaning Services		413,560	413,560		413,560
Clearing and Grass Cutting Services	1,397,503	2,151,190	2,151,190	787,761	1,363,429
Hygiene Services	101,500	207,370	207,370	28,250	179,120
Refuse Removal	100,608	68,090	68,090		68,090
Security Services	2,094,002	2,927,760	3,608,800	1,921,812	1,686,988
Expenditure By Type / Debt impairment				17,866,442	-17,866,442
Expenditure: Bad Debts Written Off				17,866,442	-17,866,442
Expenditure By Type / Depreciation and asset impairment		100,113,360	100,113,360		100,113,360
Expenditure: Depreciation and Amortisation:Depreciation:Community Assets: Sport and Recreation Facilities: Outdoor Facilities		100,113,050	100,113,050		100,113,050
Expenditure: Depreciation and Amortisation:Depreciation:Furniture and Office Equipment		310	310		310
Expenditure By Type / Employee related costs	35,478,710	40,602,420	42,411,830	35,760,268	6,651,562
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	93,955	125,390	138,080	138,072	8
Allowances: Housing Benefits and Incidental: Housing Benefits	133,749	154,900	141,830	157,107	-15,277
Allowances: Service Related Benefits: Acting and Post Related Allowances	292,261	24,000	201,390	282,996	-81,606
Allowances: Service Related Benefits: Bonus	1,939,821	2,167,860	2,277,140	2,147,119	130,021
Allowances: Service Related Benefits: Long Service Award	492,304	527,540	542,850	541,399	1,451
Allowances: Service Related Benefits:Overtime:Night Shift	7,694	50,980	43,720	1,138	42,582

TABLE 3.122.4.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits:Overtime:Non Structured	2,411,927	1,893,110	1,842,730	1,516,241	326,489
Allowances: Service Related Benefits:Overtime:Structured	11,033	51,030	51,030		51,030
Allowances: Service Related Benefits: Scarcity Allowance	374	450	450		450
Allowances: Service Related Benefits: Standby Allowance	-8,253		20,830	12,276	8,554
Allowances: Travel or Motor Vehicle	265,335	284,350	349,830	310,443	39,387
Basic Salary and Wages	22,177,771	27,066,150	28,850,400	22,861,552	5,988,848
Bonuses		3,880	3,880		3,880
Municipal Staff: Social Contributions:					
Bargaining Council	12,368	13,440	12,750	12,275	475
Group Life Insurance	214,904	230,350	233,660	229,122	4,538
Medical	2,865,193	2,992,980	2,904,200	2,873,082	31,118
Pension	4,369,892	4,795,350	4,604,910	4,488,001	116,909
Unemployment Insurance	198,380	220,660	192,150	189,446	2,704
Expenditure By Type / Other expenditure	25,257,301	11,748,730	11,623,540	13,568,567	-1,945,027
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	130,631	170,000	170,000	84,278	85,722
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	14,318,116	3,500,000	3,500,000	3,283,750	216,250
Advertising, Publicity and Marketing: Signs	776,498	400,000	400,000		400,000
Advertising, Publicity and Marketing: Staff Recruitment	21,134	100,000	100,000		100,000
Advertising, Publicity and Marketing: Tenders	811,360	300,000	300,000	284,380	15,620
Assets less than the Capitalisation Threshold	4,634,261	835,570	835,570	5,602,471	-4,766,901
Bank Charges, Facility and Card Fees: Bank Accounts	1,281,789	1,500,000	1,500,000	1,104,434	395,566
Communication: Cellular Contract (Subscription and Calls)	143,330	193,980	193,980	177,461	16,519
Communication: Licences (Radio and Television)	136,265	200,000	200,000	77,978	122,022
Communication: Telephone Installation			50,000		50,000
Communication: Telephone, Fax, Telegraph and Telex	395,191	1,159,450	959,450	253,190	706,260

TABLE 3.122.4.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Drivers Licences and Permits	2,332	680	680		680
External Computer Service: Software Licences	22,048	50,000	50,000	24,587	25,413
Insurance Underwriting: Premiums	2,257,068	2,502,290	2,502,990	2,516,889	-13,899
Licences: Motor Vehicle Licence and Registrations		1,060	1,060		1,060
Licences: Performing Arts		50,000	50,000		50,000
Professional Bodies, Membership and Subscription	21,261			10,027	-10,027
Skills Development Fund Levy		255,920	280,030		280,030
Travel and Subsistence:Domestic:Accommodation	32,867	60,000	60,000		60,000
Travel and Subsistence:Domestic:Daily Allowance	1,740	1,000	1,000		1,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	330	50,000	50,000		50,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	15,861	30,000	30,000		30,000
Travel and Subsistence:Domestic:Transport without Operator: Own Transport	52,807	100,000	100,000		100,000
Travel and Subsistence:Foreign:Accommodation		50,000	50,000		50,000
Uniform and Protective Clothing	201,349	238,780	238,780	144,759	94,021
Workmen's Compensation Fund	1,063			4,363	-4,363
Expenditure By Type / Other materials	1,240,765	2,402,070	2,219,960	1,185,532	1,034,428
Consumables: Standard Rated	734,221	1,095,170	913,060	455,900	457,160
Consumables: Zero Rated	135,461	520,140	520,140	227,356	292,784
Finished Goods	147,319	252,050	252,050	128,131	123,919
Materials and Supplies	223,764	534,710	534,710	374,145	160,565
Expenditure By Type / Transfers and subsidies	1,750,000	0	500,000		500,000
Non-profit institutions: Use - It	1,750,000	0	500,000		500,000
Revenue By Source / Other revenue		-2,280	-465,220	-462,935	-2,285
Operational Revenue					
Insurance Refund			-462,940	-462,935	-5
Staff Recoveries		-2,280	-2,280		-2,280

TABLE 3.122.4.1: Function: Sport and Recreation:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Rental of facilities and equipment	-450,469	-648,970	-648,970	-151,021	-497,949
Ad-hoc rentals: Community Assets	-434,289	-620,890	-620,890	-151,178	-469,712
Investment Property: Ad-hoc rentals	-16,180	-28,080	-28,080	157	-28,237
Revenue By Source / Transfers and subsidies - capital	-1,893,137		-1,000,000	-903,351	-96,649
National Government: Integrated City Development Grant			-1,000,000	-903,351	-96,649
National Government: Urban Settlements Development Grant	-1,893,137				0

TABLE 3.123: Capital Expenditure 2019/20: Sport and Recreation

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	32,503	53,400	47,740	36,073	-48%	
		-				
PH - Upgrade & Development of POS -Kougaberg, Fletcher, Meuse	1,287	-	-	-		Ongoing
PH - Upgrade & Development of POS- Mqolomba & Jacob Matomela	1,942	-	-	-		Ongoing
Upgrading of Ablution Facility - Peter Gibbs Nursery	-	1,000	675	656	-53%	Ongoing
Procurement of Specialised Vehicles - Public Health	-	5,000	4,500	2,379	-110%	Ongoing
PH -Upgrade and Development of public open spaces - Avenue A	1,003	-	-	-		Ongoing
Development of public open spaces - Raxa park	-	1,500	1,354	1,346		
Development of public open spaces - Denmark park	-	1,900	1,715	2,062		
Development of public open spaces - Mvetshane park	-	2,000	1,805	1,720		
Development of public open spaces - Ridgewood park	-	1,200	1,083	1,270		
Development of public open spaces - Krebe park	-	2,000	1,805	1,636		
Development of public open spaces - Befile park	-	1,700	1,534	1,462		
Development of public open spaces - Nkabalaza park	-	1,600	1,444	1,636	2%	Ongoing
Development of public open spaces - Baatjies park	-	1,700	1,534	1,582		
Development of public open spaces - Rina park	-	1,400	564	745		
Upgrade and development of Public open spaces - Diggery Park	-	-	700	755		
Upgrade & Development of Public Open Spaces - Masagwana Park	-	-	1,160	1,432		
Upgrade & Development of Public Open Spaces - MPC Park	-	-	1,170	1,542		
Upgrade & Development of Public Open Spaces - Gwangwa Park	-	-	1,170	1,354		
PH - Fencing of Settlers Park	-	-	500	-		
SRAC: Upgrading of High Street Swimming Pool infrastructure	1,790	1,000	1,500	435	-130%	Ongoing

TABLE 3.123: Capital Expenditure 2019/20: Sport and Recreation

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
SRAC: Springs Resort - Upgrade Infrastructure	–	1,300	1,300	1,112	-17%	Ongoing
SRAC: Jagtvlakte Sports Field	1,893	–	1,000	903	100%	Ongoing
SRAC: Construction of Ablution block at Sardinia Bay Beach	–	1,000	1,000	865	-16%	Ongoing
Wells Estate Beach- Upgrade of Infrastructure	–	1,000	1,000	802	-25%	Ongoing
Happy Valley - Upgrade of Infrastructure	–	500	500	57	-773%	Ongoing
SRAC: Upgrade of Rosedale Pool Infrastructure	730	–	–	(222)	100%	Ongoing
SRAC: Gelvandale Sportsfield Astro turf	–	11,000	9,927	–		Ongoing
Upgrade and development of Hobie Beach Yatch Club	–	500	500	–		Ongoing
Purchase of Aquatic emergency response vehicles	–	1,500	1,500	1,111	-35%	Ongoing
Upgrade of Walmer change rooms	–	1,500	1,500	4,554	67%	Ongoing
Rehabilitation of Main Pavilion - Kariega sportsfields	–	200	200	174	-15%	Ongoing
Upgrade and Development of Brighton Beach Infrastructure	–	700	300	–		Ongoing
Upgrade & Development of Bluewater Bay Beach Infrastructure	–	300	300	–		Ongoing
Purchase of vehicles: Water Tanker (Sport facilities)	–	1,500	1,500	1,199	-25%	Ongoing
Fencing of Finnis street sportsfield	–	–	600	1,291	100%	Ongoing
Fencing of Raymond Mhlaba Sports centre	–	–	1,000	536	100%	Ongoing
Fencing of Lillian Ngoyi Sports centre	–	–	1,000	1,289	100%	Ongoing
Fencing of coastal infrastructure and amenities - Ward 1	–	–	400	–		Ongoing
Fencing of ST Georges pool	–	–	–	390	100%	Ongoing
Upgrade and Development of Public Open Spaces - Sindindi	1,193					
Upgrade and Development of Public open space - Gaika2	1,409					
Upgrade and Development of Public open space - Mjojeli	1,793					
Upgrade and Development of Public open space - Chatty Road	830					

TABLE 3.123: Capital Expenditure 2019/20: Sport and Recreation

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Upgrade and Development of Public open space - Koopman	303					
Upgrade and Development of Public open space - Madzihane	1,803					
Upgrade and Development of Public open space - Majombozi	1,702					
Upgrade and Development of Public Open Spaces - Mavavana	633					
Upgrade and Development of Public Open Spaces - Tshauka	1,252					
Upgrade and Development of Public Open Spaces - Sicongwana	1,494					
Upgrade and Development of Public Open Spaces - Mtshekisane	1,500					
Upgrade and Development of Public Open Spaces - Dwarhana	1,130					
Upgrade and Development of Public Open Spaces - Modise	1,244					
Playground Equipment - Ward 31	292					
Playground Equipment - Ward 34	292					
Playground Equipment - Ward 36	292					
Playground Equipment - Ward 55	292					
PH - Upgrade & Development of POS - Qwarha, ward 56	362					
PH - Upgrade & Development of POS - Nkadimeng, ward 36	1,288					
PH - Upgrade & Development of POS - Nobili, ward 7	299					
PH - Upgrade & Development of POS - Aubrey/Bell, ward 10	456					
PH - Upgrade & Development of POS - Ndlovu, ward 45	216					
Upgrade and Development of Sports Facilities	97					
Mendi Arts & Cultural Centre	120					
Beach Development - Summerstrand	152	600				
Upgrade and Rehabilitate KwaZakhele Pool	554					
Beach Development - Bird Rock	733	800				

TABLE 3.123: Capital Expenditure 2019/20: Sport and Recreation

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Upgrade Major Parks - Willow Dam	2,125					
NMBM Multi-Purpose Stadium - Upgrades	-	9,000	-	-		Ongoing

3.29 BEACHES, RESORTS AND EVENTS MANAGEMENT

The Municipality hosted the Summer Season, Ebubeleni Music Festival and Golf Classic events. Both the Summer Season and Ebubeleni Music Festival were hosted virtually. The events are part of the strategy to position the city as a destination of choice. The Golf Classic was an inaugural event at the Seaside Links Course. The event provided an opportunity for professional golfers to test their skills against each other on a golf course that is one of most highly rated in South Africa. The event was a significant milestone for the Eastern Cape Region as a whole and for NMB in particular, as it gave the city an opportunity to showcase its ability to host this prestigious event during the Covid-19 pandemic.

The Municipality implemented Phase 1 of the process of employing permanent lifeguards to comply with minimum requirements of 4 lifeguards per beach. A total of 28 lifeguards were absorbed during Phase 1. The NMBM is looking at absorbing more lifeguards for the next phase. The absorbed lifeguards were also trained as Peace Officers to assist with law enforcement at the beaches and ensure adherence to the city's By-laws. In addition, the city is in a process of finalising another 3-year contract with the Lifesaving NMBM to ensure that all lifeguards are trained with the latest requirements and have a valid lifesaving certificate or lifeguard award. The Covid-19 pandemic lockdown restrictions continue to have a negative impact on the management of beaches, resorts and events. A significant number of recreational facilities have been vandalized and some events were cancelled.

BLUE FLAG BEACH PROGRAMME

The Municipality maintained the Blue Flag status in 2020/21 for Kings Beach, Humewood Beach and Hobie Beach. A Blue Flag Pilot status has been achieved for both Wells Estate Beach and Blue Water Bay Beach. The city is in the process of planning for the development of a long term strategy aimed at including other NMBM beaches in the Programme.

TABLE 3.124: Implementation of Blue Flag Programme in NMBM

<i>Blue Flag Criteria</i>	<i>Programme implementation</i>	<i>Ward no.</i>
School visits	Schools that were involved as part of the Programme from March 2021 – May 2021, are: <ul style="list-style-type: none"> • Lovebirds Day Care Centre • Lukhanyise Co Day Centre • Oosterland Child & Youth Centre • Zizamele Pre School • Harvest Educare Centre 	Ward 7, 41, 4, 30
Beach Clean-Ups	Total Beach Clean-Ups took place from March 2021 to June 2021 at the following: <ul style="list-style-type: none"> • First Beacon Beach • Bluewater Bay • Wells Estate 	Ward 1, 60
Environmental Education awareness	Oceans day and Environmental Day were held at Wells Estate Beach on 5 June 2021	Ward 60

RECORD OF DOWNING INCIDENTS IN NELSON MANDELA BAY

The table below presents the drowning incidences that occurred in rivers/dams and beaches in NMBM.

TABLE 3.125: Drowning incidences at rivers/dams and beaches for 2020/21

Reporting Year	Drowning incidents in rivers and dams	Drowning incidents in beaches
Incidents in 2019/20	12	9
Incidents in 2020/21	19	11

The table below indicates Beaches, Resorts and Events Management Capital Programmes Implemented in 2020/21.

TABLE 3.126: Beaches, Resorts and Events Management Capital Programmes Implemented in 2020/21

Area	Description of work done	Benefitting Wards
Wells Estate Beach	Upgrade of Caravan Park through installation of new fencing and upgrade of traders zone through installation of bollards and road marking.	Ward 60
Sardinia Bay	Upgrade of ablution block space through fencing of area where ablution block will be built	Ward 1
Springs Resort	Fencing around the Pool area	Ward 51
Lifeguard Rescue equipment and vehicles	Purchase of lifeguard vehicles to service NMB during aquatic emergency incidents	All NMBM Wards

EVENT PROGRAMME

The table below indicates Events Programmes Implemented in 2020/21.

TABLE 3.127: Events Programmes Implemented in 2020/21

Event name	Funding support
Nelson Mandela Bay Golf Classic	R1 500 000
NMBM Summer Season	R4 000 000
Annual Ebubeleni Music Festival	R1 150 000

TABLE 3.128: Employees: Beaches, Resorts and Events Management

Job Level	Year - 2019/20	Year 2020/21			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	17	17	17	0	0.00%
4-6	8	12	6	6	50%
7-9	9	35	33	2	6%
10-12	1	7	1	6	85.71%
13 – 15	1	-	-	-	0.00%
16 – 18	2	2	2	-	0.00%
19 – 20	-	-	-	-	0.00%
Total	38	73	59	14	19%

TABLE 3.129: Capital Expenditure 2020/21: Sport and Recreation – Beaches, resorts and Events portion

R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	32,503	53,400	47,740	36,073	-48%	
		–				
SRAC: Construction of Ablution block at Sardinia Bay Beach	–	1,000	1,000	865	-16%	Ongoing
Wells Estate Beach- Upgrade of Infrastructure	–	1,000	1,000	802	-25%	Ongoing
Upgrade and Development of Brighton Beach Infrastructure	–	700	300	–		Ongoing
Upgrade & Development of Bluewater Bay Beach Infrastructure	–	300	300	–		Ongoing
Beach Development - Summerstrand	152	600				
Beach Development - Bird Rock	733	800				
Upgrade Major Parks - Willow Dam	2,125					

COMMENTS ON PERFORMANCE OF BEACHES, RESORTS AND EVENTS MANAGEMENT SERVICES

The Municipality maintained the Blue Flag status for Kings Beach, Humewood Beach and Hobie Beach in 2020/21. In addition, a Blue Flag Pilot status has been achieved for both Wells Estate Beach and Blue Water Bay Beach. The Covid-19 pandemic lockdown restrictions continue to have a negative impact on the management of beaches, resorts and events. A significant number of recreational facilities have been vandalized and some events were cancelled.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policies, financial services, human resource services, ICT services, property services, etc.

3.30 POLICIES

A database of all policies is managed by the Municipality. The table below indicates Corporate Services policies registered on the Policy Database as at 30 June 2021.

TABLE 3.130: Corporate Services policies

Corporate Services (HR Policies and Plans) (status as at 30 June 2021)				
No	Name of Policy	Completed %	Reviewed	Date adopted by Council or expected adoption date
1	Acting Procedure	90% revised draft in place	Under review – – deliberations between labour unions and management have not resulted in a recommended draft policy to next committees on route for Council Approval.	Expected adoption – 30 June 2022
2	Adult Basic Education and Training (ABET)	0%	A crippling lack of staff in the Skills Development and Employment Equity sub- directorate as well as the passing of three members of management in said office, drafting a revised policy was not possible during the 2020/21 financial year.	Expected adoption -- 30 June 2022.
3	Asset Loss Control Policy	95%	Under review – to be submitted to relevant Committees for recommendation and Council approval.	Expected adoption -- 30 June 2022
4	Asset Management Policy	95%	Under review – to be submitted to relevant Committees for recommendation and Council approval.	Expected adoption -- 30 June 2022
5	Asset Disposal Policy	50%	Under review – to be submitted to relevant Committees for recommendation and Council approval.	Expected adoption -- 30 June 2022
6	Policy and Procedure for the Disposal of Movable Assets Not of High Value	50%	Under review – to be submitted to relevant Committees for recommendation and Council approval.	Expected adoption -- 30 June 2022
7	Bay Stars Employee Excellence Programme Policy Procedure Manual	80%	Under review – noting that since the Bay Stars Programme was stopped due to lack of funding and poor participation from employees, the draft revised policy has not been tabled at the LLF again.	Expected adoption -- 30 June 2022
8	Career Management	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phased reviewal process will be introduced.	31 December 2022

Corporate Services (HR Policies and Plans) (status as at 30 June 2021)				
No	Name of Policy	Completed	Reviewed	Date adopted by Council or expected adoption date
		%		
9	Cellular and Data Services	50%	Under review – to be submitted to relevant Committees for recommendation and Council approval.	Expected adoption -- 30 June 2022
10	Councillor Welfare Policy	0%	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
11	Councillor Support Policy	0%	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
12	Communication Policy	70 %	Under review – revised final draft to be consolidated after which submission to relevant Committees for recommendation and Council approval.	Expected adoption -- 31 March 2022
13	Education, Training and Development (ETD)	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
14	Experiential and Internship	0%	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
15	Employee Bursary	0%	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
16	External Bursaries	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
17	E-governance	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
18	Induction Policy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
19	Information Security Management Policy, Procedures and Guidelines	95%	Under review – to be submitted to relevant Committees for recommendation and Council approval.	Expected adoption -- 30 June 2022
20	Language Policy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022

Corporate Services (HR Policies and Plans) (status as at 30 June 2021)				
No	Name of Policy	Completed	Reviewed	Date adopted by Council or expected adoption date
		%		
21	Learnership Policy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
22	Mentorship Strategy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
23	Organizational Establishment Policy	0%	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
24	Performance Management Policy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
25	Petition Policy	0%	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
26	Policy Governing Funding to External Organisations previously called the Grant-in-Aid Policy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
27	Public Participation Policy and Public Participation Procedure Manual	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
28	Records Management	70%	Under review – revised final draft to be consolidated after which submission to relevant Committees for recommendation and Council approval.	Expected adoption -- 31 March 2022
29	Recruitment, Selection & Retention	90%	Under review – – deliberations between labour unions and management have not resulted in a recommended draft policy to next committees on route for Council Approval.	Expected adoption – 30 June 2022
30	Rules of Order	100%	Current document.	29 June 2020 approved by Council
31	Recognition of Prior Learning	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022

Corporate Services (HR Policies and Plans) (status as at 30 June 2021)				
No	Name of Policy	Completed	Reviewed	Date adopted by Council or expected adoption date
		%		
32	Strategy to integrate People with Disability	0%	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
33	Strategy to Mainstream Gender in the workplace	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
34	Succession Planning	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
35	Travel	70%	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
36	Ward Committee Policy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
37	Work Attendance policy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
38	Sexual Harassment Policy	100%	Review is only due when certain section of the Labour Relations Act changes (no changes were made since 2007)	April 11, 2007
39	Danger Allowance Policy	80% revised draft in place	Under review – – deliberations between labour unions and management have not resulted in a recommended draft policy to next committees on route for Council Approval.	Expected adoption – 30 June 2022
40	ICT Governance Framework	90% revised draft in place	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
41	ICT Enterprise Change Management Policy & Procedure	90% revised draft in place	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
42	ICT Disaster Recovery policy	90% revised draft in place	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022

Corporate Services (HR Policies and Plans) (status as at 30 June 2021)				
No	Name of Policy	Completed %	Reviewed	Date adopted by Council or expected adoption date
43	ICT Policy	90% revised draft in place	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
44	Information Security Governance Framework	90% revised draft in place	Due for review – revised draft to be developed & submitted to relevant Committees for recommendation and Council approval	Expected adoption -- 30 June 2022
45	Migration and Placement Policy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
46	TASK Job Evaluation Policy	0%	Due to the volume of policies to be reviewed in Corporate Services and lack of staff in various office a phase reviewal process will be introduced.	31 December 2022
47	Scarce Skills Policy	90% revised draft in place	Under review – – deliberations between labour unions and management have not resulted in a recommended draft policy to next committees on route for Council Approval.	Expected adoption – 30 June 2022

COMMENT ON WORKFORCE POLICY DEVELOPMENT

The implementation of all approved Corporate Services policies continued during the 2020/21 financial year. No policies were reviewed in the 2020/21 financial year.

3.31 EXECUTIVE AND COUNCIL

The Municipality is governed in terms of an Executive Mayoral System. It has a functional Executive Mayoral Committee in place, headed by the Executive Mayor, supported by the Deputy Executive Mayor and the members of the Mayoral Committee. The Committee, *inter alia*, comprises Councillors who serve as Chairpersons of the following Portfolio Committees:

- (a) Budget and Treasury

- (b) Economic Development, Tourism and Agriculture
- (c) Public Health
- (d) Human Settlements
- (e) Human Resources and Corporate Administration
- (f) Infrastructure, Engineering, Electricity and Energy
- (g) Sport, Recreation, Arts and Cultural Services
- (h) Safety and Security
- (i) Roads and Transport

The Municipality further has a Member of the Mayoral Committee for Constituency Services whose responsibilities revolve around public participation and other community issues in Council. The NMBM Council is the highest decision-making authority in the Municipality and is chaired by the Speaker. The Municipality also has a functional Whippery system in place.

TABLE 3.131: Employees: The Executive and Council

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	120	120	120	120	0%

The NMBM has 120 seats in Council (60 are Portfolio Councillors and 60 are Ward Councillors). Council has an Executive Mayoral System, which comprises 13 Councillors. Councillors are remunerated in accordance with the Government Gazette, which is promulgated annually. The regulations in this Gazette determine the upper limits of salaries, allowances and benefits of different members of the municipal Council.

TABLE 3.132: Financial Performance 2020/21: The Executive and Council: Mayor and Council

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	813	420	460	819	359
Expenditure:					
Employees	44,499	45,071	45,427	43,248	(2,179)
Repairs and Maintenance	6	186	166	13	(153)
Other	122,675	144,218	142,693	119,196	(24,497)
Total Operational Expenditure	167,180	189,474	188,285	162,457	(25,828)
Net Operational Expenditure	166,367	189,054	187,825	161,638	(26,187)

TABLE 3.132.1: Financial Performance 2020/21: The Executive and Council: Mayor and Council					
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Total Operational Expenditure	167,180	189,474	188,285	162,457	(25,828)
Net Operational Expenditure	166,367	189,054	187,825	161,638	(26,187)

TABLE 3.132.1: Function: Executive and Council:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Mayor and Council	166,367,025	189,053,710	187,825,050	161,637,931	26,187,119
Expenditure By Type / Contracted services	2,952,480	5,297,800	4,472,800	1,871,933	2,600,867
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation		50,000	50,000		50,000
Contractors:					
Catering Services	237,630	681,270	631,270	172,400	458,870
Maintenance of Buildings and Facilities	5,884	25,000	25,000	13,156	11,844
Maintenance of Equipment	525,550	1,100,730	980,730	379,752	600,978
Plants, Flowers and Other Decorations	1,474,402	1,502,000	1,122,000	1,248,252	-126,252
Safeguard and Security				2,702	-2,702
Stage and Sound Crew	12,919	250,000	250,000		250,000
Transportation		15,000			0
Outsourced Services:					

TABLE 3.132.1: Function: Executive and Council:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory: Project Management	673,576	1,217,000	957,000	29,331	927,669
Catering Services	10,724	250,000	250,000	19,245	230,756
Transport Services	11,795	206,800	206,800	7,095	199,706
Expenditure By Type / Employee related costs	44,498,617	45,070,660	45,426,830	43,247,938	2,178,892
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	30,838	47,800	23,160	26,028	-2,868
Allowances: Service Related Benefits: Acting and Post Related Allowances	20,824				0
Allowances: Service Related Benefits: Bonus	713,009	821,940	852,750	820,052	32,698
Allowances: Service Related Benefits: Long Service Award	542,543	566,200	603,250	634,455	-31,205
Allowances: Service Related Benefits:Overtime:Non Structured	303,862	597,780	647,660	287,351	360,309
Allowances: Travel or Motor Vehicle	354,875	358,440	337,870	345,453	-7,583
Basic Salary and Wages	39,609,060	39,530,300	39,905,590	37,910,250	1,995,340
Municipal Staff: Social Contributions:					
Bargaining Council	8,891	9,720	5,660	9,900	-4,240
Group Life Insurance	123,089	130,610	135,520	136,884	-1,364
Medical	802,617	841,660	901,300	914,347	-13,047
Pension	1,691,037	1,842,150	1,855,890	1,861,451	-5,561
Unemployment Insurance	297,973	324,060	158,180	301,769	-143,589
Expenditure By Type / Other expenditure	23,695,419	34,266,210	33,672,090	22,362,854	11,309,236
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	637,881	1,104,000	1,104,000	12,586	1,091,414
Expenditure: Operating Leases: Furniture and Office Equipment	1,258,062	1,650,970	1,610,970	1,801,018	-190,048
Expenditure: Operating Leases: Other Assets		65,490	65,490		65,490
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	904,732	2,650,000	2,153,000	532	2,152,468
Assets less than the Capitalisation Threshold	490,562	961,490	941,540	60,786	880,754
Cleaning Services: Car Valet and Washing Services		900	900		900

TABLE 3.132.1: Function: Executive and Council:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Cellular Contract (Subscription and Calls)	1,459,171	837,920	1,817,920	1,583,912	234,008
Communication: Telephone Installation		3,000	3,000		3,000
Communication: Telephone, Fax, Telegraph and Telex	983,169	1,130,290	1,125,290	975,756	149,534
Entertainment: Executive Mayor			30,000	37,690	-7,690
External Computer Service: Network Extensions	1,122	55,500	5,500	1,014	4,487
Hire Charges		120,000	120,000		120,000
Insurance Underwriting: Premiums	109,129	126,130	161,130	104,301	56,829
Licences: Motor Vehicle Licence and Registrations	546	2,450	2,450	-545	2,995
Printing, Publications and Books	1,611	35,000	35,000	4,973	30,027
Registration Fees: Seminars, Conferences, Workshops and Events: National	1,328,977	2,875,000	2,825,000	564,800	2,260,200
Remuneration to Ward Committees	12,373,790	20,400,000	19,400,000	14,789,542	4,610,458
Rewards Incentives	3,221,656	1,500,000	1,500,000	1,938,101	-438,101
Skills Development Fund Levy	252,117	269,720	269,720	260,065	9,655
Travel Agency and Visa's	27,792	29,040	27,170	14,774	12,396
Travel and Subsistence:Domestic:Accommodation	64,546	59,620	52,320	12,044	40,276
Travel and Subsistence:Domestic:Daily Allowance	129,826	58,150	58,150		58,150
Travel and Subsistence:Domestic:Food and Beverage (Served)	716	11,500	11,500		11,500
Travel and Subsistence:Domestic:Incidental Cost	12,648	10,500	17,500	10,162	7,338
Travel and Subsistence:Domestic:Transport with Operator:Other Transport Provider		26,560	26,560		26,560
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	114,590	154,050	129,050	14,329	114,721
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	10,010		13,000	3,420	9,580
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	16,679	110,590	147,590	169,804	-22,214
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		18,340	18,340		18,340
Travel and Subsistence:Foreign:Accommodation	16,517				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	279,570				0

TABLE 3.132.1: Function: Executive and Council:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Wet Fuel				3,792	-3,792
Expenditure By Type / Other materials	926,050	1,212,830	1,137,180	602,239	534,941
Consumables: Standard Rated	510,869	941,600	865,950	436,597	429,353
Consumables: Zero Rated	415,180	261,230	261,230	165,642	95,588
Finished Goods		10,000	10,000		10,000
Expenditure By Type / Remuneration of councillors	76,474,314	83,926,210	83,926,210	76,244,045	7,682,165
Chief Whip: Allowances and Service Related Benefits: Basic Salary		993,540	993,540		993,540
Deputy Executive Mayor: Allowances and Service Related Benefits: Basic Salary		1,098,160	1,098,160	478,759	619,401
Executive Committee: Allowances and Service Related Benefits: Basic Salary		13,075,940	13,075,940	13,242,799	-166,859
Executive Mayor: Allowances and Service Related Benefits: Basic Salary	14,702,212	1,483,250	1,483,250	1,511,984	-28,734
Section 79 committee chairperson: Allowances and Service Related Benefits: Basic Salary		777,740	777,740		777,740
Speaker: Allowances and Service Related Benefits: Basic Salary	56,443,421	1,197,910	1,197,910	1,131,001	66,909
Speaker: Allowances and Service Related Benefits: Cell phone Allowance	4,895,781	5,333,580	5,333,580	4,870,700	462,880
Speaker: Allowances and Service Related Benefits: Market Related Non-pensionable Allowance	432,900	462,000	462,000	134,059	327,941
Total for All Other Councillors: Allowances and Service Related Benefits: Basic Salary		59,504,090	59,504,090	54,874,741	4,629,349
Expenditure By Type / Transfers and subsidies	18,632,713	19,700,000	19,650,000	18,128,405	1,521,595
National Departmental Agencies: South Africa Local Government Association (SALGA)	14,900,000	15,700,000	15,650,000	14,131,905	1,518,095
Non-profit institutions: Use - It	3,732,713	4,000,000	4,000,000	3,996,500	3,500
Revenue By Source / Fines, penalties and forfeits	-10,500	-40,000	-40,000	-8,500	-31,500
Councillors	-10,500	-40,000	-40,000	-8,500	-31,500
Revenue By Source / Other revenue	-802,067	-380,000	-420,060	-810,983	390,923
Operational Revenue:					
Insurance Refund	-113,801		-40,060	-88,824	48,764
Staff Recoveries	-688,267	-380,000	-380,000	-722,158	342,158

TABLE 3.132.2: Financial Performance 2020/21: The Executive and Council: Municipal Manager, Town Secretary and Chief Executive

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	16	-	-	1	1
Expenditure:					
Employees	34,809	44,565	47,892	40,577	(7,315)
Repairs and Maintenance	7	212	212	9	(203)
Other	8,313	11,268	15,499	15,987	(488)
Total Operational Expenditure	43,129	56,046	63,604	56,573	(7,031)
Net Operational Expenditure	43,113	56,046	63,604	56,572	(7,032)

TABLE 3.132.2.1: Function: Executive and Council:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Municipal Manager, Town Secretary and Chief Executive	43,112,840	56,045,630	63,603,530	56,571,988	7,031,542
Expenditure By Type / Contracted services	1,047,021	2,387,740	6,841,480	7,723,027	-881,547
Consultants and Professional Services:					
Business and Advisory: Project Management	444,673	0			0
Legal Cost: Legal Advice and Litigation	228,048	1,001,260	5,391,000	7,075,407	-1,684,407
Contractors:					
Catering Services	30,413	143,140	127,140		127,140
Maintenance of Buildings and Facilities	6,110	90,000	90,000	9,061	80,939
Maintenance of Equipment	195,432	465,650	545,650	400,506	145,144
Outsourced Services:					
Business and Advisory: Project Management	142,345	687,690	687,690	238,053	449,637
Expenditure By Type / Employee related costs	34,808,535	44,565,200	47,892,400	40,576,915	7,315,485
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Cellular and Telephone	1,572	1,730	1,580	1,572	8

TABLE 3.132.2.1: Function: Executive and Council:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Housing Benefits and Incidental: Essential User	728,696	1,058,590	1,047,690	987,941	59,749
Allowances: Housing Benefits and Incidental: Housing Benefits	159,004	209,160	166,780	180,054	-13,274
Allowances: Non-pensionable		800	800		800
Allowances: Service Related Benefits: Acting and Post Related Allowances	102,622		167,880	899,287	-731,407
Allowances: Service Related Benefits: Bonus	839,893	806,500	895,860	952,500	-56,640
Allowances: Service Related Benefits: Entertainment	1,400	1,540	1,410	1,400	10
Allowances: Service Related Benefits: Long Service Award	330,262	354,140	374,570	616,780	-242,210
Allowances: Service Related Benefits:Overtime:Non Structured	575,010	435,550	707,340	520,729	186,611
Allowances: Service Related Benefits: Scarcity Allowance	237,713	370,530	370,530	386,914	-16,384
Allowances: Service Related Benefits: Standby Allowance	101,060	160,960	160,960	106,903	54,057
Allowances: Travel or Motor Vehicle	497,336	1,346,480	1,127,260	597,662	529,598
Basic Salary and Wages	18,521,783	28,829,050	31,979,440	25,338,443	6,640,997
Municipal Staff: Social Contributions:					
Bargaining Council	6,151	6,120	6,490	6,398	92
Group Life Insurance	218,834	228,030	240,770	236,275	4,495
Medical	1,496,516	1,504,120	1,586,790	1,581,687	5,103
Pension	3,638,896	4,132,870	4,107,570	3,898,155	209,415
Unemployment Insurance	156,602	187,790	130,850	170,616	-39,766
Senior Management: Designation:					
Salaries and Allowances: Basic Salary	2,075,170	4,326,930	4,214,850	4,555,408	-340,558
Salaries and Allowances: Bonuses	289,772	600,000	600,000	619,866	-19,866
Social Contributions: Unemployment Insurance	3,569	4,310	3,580	3,569	11
Senior Management: Municipal Manager (MM):					
Expenditure: Employee Related Cost: Senior Management: Municipal Manager (MM):Salaries and Allowances: Basic Salary	4,460,444			-1,084,650	1,084,650
Expenditure: Employee Related Cost: Senior Management: Municipal Manager (MM):Salaries and Allowances: Bonuses	364,442				0

TABLE 3.132.2.1: Function: Executive and Council:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure: Employee Related Cost: Senior Management: Municipal Manager (MM):Social Contributions: Unemployment Insurance	1,785		-600	-595	-5
Expenditure By Type / Other expenditure	6,710,122	7,333,680	7,025,640	6,975,114	50,526
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	35,884	97,360	46,360	1,727	44,633
Expenditure: Operating Leases: Furniture and Office Equipment	301,049	536,690	536,690	238,672	298,018
Operational Cost:					
Advertising, Publicity and Marketing: Bursaries (Non-employees)	8,102	45,000	45,000	25,481	19,519
Advertising, Publicity and Marketing: Corporate and Municipal Activities	22,350	180,500	196,500	144,114	52,386
Advertising, Publicity and Marketing: Staff Recruitment	26,406	321,400	368,400	262,694	105,706
Assets less than the Capitalisation Threshold	137,253	317,450	688,950	321,649	367,301
Communication: Cellular Contract (Subscription and Calls)	795,942	926,200	889,700	833,799	55,901
Communication: Postage/Stamps/Frinking Machines	4,542	8,000	8,000	4,799	3,201
Communication: Telephone, Fax, Telegraph and Telex	33,726	96,980	96,980	35,557	61,423
Courier and Delivery Services	1,825	5,000	5,000	1,183	3,817
Entertainment: Senior Management	18,457	36,690	21,690		21,690
External Computer Service: Internet Charge	32,975	69,140	69,140	36,130	33,010
External Computer Service: Network Extensions		15,960	15,960	2,550	13,410
External Computer Service: Software Licences		20,400	20,400		20,400
External Computer Service: Wireless Network		10,000	10,000		10,000
Hire Charges	436,693	34,560	184,560	166,492	18,068
Insurance Underwriting: Premiums	425,891	510,560	510,590	361,866	148,724
Learnerships and Internships	60,826			32,188	-32,188
Licences: Motor Vehicle Licence and Registrations		4,800	4,800		4,800
Municipal Services			234,000	305,409	-71,409
Printing, Publications and Books	3,155	14,000	14,000		14,000
Professional Bodies, Membership and Subscription		2,500	2,500		2,500

TABLE 3.132.2.1: Function: Executive and Council:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Registration Fees: Seminars, Conferences, Workshops and Events: National	27,849	66,000	66,000	1,022	64,978
Skills Development Fund Levy	4,007,029	3,380,410	2,400,440	4,180,114	-1,779,674
Travel Agency and Visa's	15,522	53,770	51,770	149	51,621
Travel and Subsistence:Domestic:Accommodation	43,363	91,840	84,840		84,840
Travel and Subsistence:Domestic:Daily Allowance	47,824	21,110	21,110	4,292	16,818
Travel and Subsistence:Domestic:Food and Beverage (Served)		6,010	6,010		6,010
Travel and Subsistence:Domestic:Incidental Cost	44,604	10,430	10,430		10,430
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	46,471	142,100	139,000		139,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	3,061	5,000	5,000		5,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		119,290	107,290		107,290
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		8,000	8,000		8,000
Travel and Subsistence:Foreign:Accommodation	30,910	50,000	30,000		30,000
Travel and Subsistence:Foreign:Daily Allowance	32,048				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	40,285	89,100	89,100		89,100
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Road Transport		16,680	16,680		16,680
Travel and Subsistence:Non-employees	23,676	5,000	5,000		5,000
Uniform and Protective Clothing	2,403	15,750	15,750	8,101	7,649
Wet Fuel				2,480	-2,480
Workmen's Compensation Fund				4,646	-4,646
Expenditure By Type / Other materials	185,344	659,010	744,010	226,169	517,841
Consumables: Standard Rated	176,903	466,730	551,730	208,491	343,239
Consumables: Zero Rated	6,872	107,280	107,280	17,594	89,686
Finished Goods	1,569	85,000	85,000	85	84,915
Expenditure By Type / Transfers and subsidies	377,699	1,100,000	1,100,000	1,071,648	28,353
Households: Other Transfers (Cash):Bursaries (Non-Employee)	377,699	1,100,000	1,100,000	1,071,648	28,353

TABLE 3.132.2.1: Function: Executive and Council:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Other revenue	-15,881			-884	884
Operational Revenue:					
Staff Recoveries	-15,881			-884	884

TABLE 3.133: Capital Expenditure 2020/21 The Executive and Council						
R' 000						
Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	9,114	-	-		
Integrated City Development Programme		9,114	-	-		Ongoing

TABLE 3.134: Financial Performance 2020/21: Internal Audit: Governance Function					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	2	2	27	25
Expenditure:					
Employees	19,581	21,843	21,707	20,373	(1,334)
Repairs and Maintenance	12	26	26	2	(24)
Other	34,873	38,976	38,908	31,538	(7,370)
Total Operational Expenditure	54,467	60,844	60,641	51,914	(8,727)
Net Operational Expenditure	54,467	60,842	60,639	51,886	(8,753)

TABLE 3.134.1: Function: Internal Audit:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Governance Function	54,466,878	60,842,460	60,639,240	51,886,352	8,752,888
Expenditure By Type / Contracted services	1,370,430	4,106,740	3,998,740	1,168,566	2,830,174
Consultants and Professional Services:					
Business and Advisory: Audit Committee	327,350	588,240	588,240	841,044	-252,804
Business and Advisory: Forensic Investigators	977,602	1,500,000	1,500,000	106,340	1,393,660
Contractors:					
Catering Services	9,875	5,000	5,000		5,000
Maintenance of Equipment	25,132	36,500	36,500	84,032	-47,532
Transportation				9,300	-9,300
Outsourced Services:					
Business and Advisory: Accounting and Auditing		1,500,000	1,500,000		1,500,000
Business and Advisory: Project Management	0	360,000	252,000	65,569	186,431
Cleaning Services	28,074	90,000	90,000	6,000	84,000
Hygiene Services		2,000	2,000		2,000
Refuse Removal	2,397	25,000	25,000	56,281	-31,281
Expenditure By Type / Employee related costs	19,581,376	21,842,660	21,707,440	20,373,160	1,334,280
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	642,458	773,460	528,870	531,622	-2,752
Allowances: Housing Benefits and Incidental: Housing Benefits	78,909	83,650	80,070	72,300	7,770
Allowances: Service Related Benefits: Acting and Post Related Allowances			150,000	5,807	144,193
Allowances: Service Related Benefits: Bonus	951,199	1,027,880	1,157,000	932,221	224,779
Allowances: Service Related Benefits: Long Service Award	880,430	994,180	896,550	898,466	-1,916
Allowances: Travel or Motor Vehicle	230	1,000	70	1,570	-1,500
Basic Salary and Wages	14,276,471	15,912,380	16,079,150	15,163,362	915,788
Municipal Staff: Social Contributions:					
Bargaining Council	2,871	2,640	2,500	2,661	-161
Group Life Insurance	65,816	73,100	66,650	66,960	-310
Medical	643,702	690,480	671,140	664,769	6,371
Pension	1,983,006	2,220,130	2,034,850	1,977,165	57,685
Unemployment Insurance	56,285	63,760	40,590	56,256	-15,666
Expenditure By Type / Other expenditure	33,478,624	34,836,560	34,876,560	30,344,644	4,531,917
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	52,539	198,000	198,000	247,705	-49,705
Expenditure: Operating Leases: Other Assets	174,178	1,500,000	1,500,000	2,180,586	-680,586
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities			40,000	32,787	7,213
Advertising, Publicity and Marketing: Staff Recruitment				26,744	-26,744
Assets less than the Capitalisation Threshold	121,518	120,000	120,000		120,000
Cleaning Services: Car Valet and Washing Services		400	400		400
Communication: Cellular Contract (Subscription and Calls)	83,962	259,200	259,200	89,706	169,494
Communication: Licences (Radio and Television)		500	500		500
Communication: Postage/Stamps/Frinking Machines		750	750		750

TABLE 3.134.1: Function: Internal Audit:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Telephone, Fax, Telegraph and Telex		2,500	2,500		2,500
External Audit Fees	26,332,974	24,500,000	24,500,000	22,122,640	2,377,360
External Computer Service: Network Extensions		5,000	5,000		5,000
External Computer Service: Software Licences		12,000	12,000		12,000
Insurance Underwriting: Premiums	2,150	2,590	2,590	2,351	239
Licences: Motor Vehicle Licence and Registrations		1,000	1,000		1,000
Management Fee	6,521,739	7,638,420	7,638,420	5,000,000	2,638,420
Municipal Services	23,347	350,400	350,400	494,467	-144,067
Professional Bodies, Membership and Subscription	36,182	80,000	80,000	145,940	-65,940
Registration Fees: Seminars, Conferences, Workshops and Events: National	85,068	100,000	100,000		100,000
Travel Agency and Visa's	4,455	4,000	4,000		4,000
Travel and Subsistence:Domestic:Accommodation	18,173	30,000	30,000		30,000
Travel and Subsistence:Domestic:Daily Allowance	1,280	1,500	1,500		1,500
Travel and Subsistence:Domestic:Food and Beverage (Served)		2,000	2,000		2,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	18,600	20,000	20,000		20,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	2,460	4,800	4,800		4,800
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		3,500	3,500		3,500
Workmen's Compensation Fund				1,717	-1,717
Expenditure By Type / Other materials	36,666	58,500	58,500	27,277	31,223
Consumables: Standard Rated	34,176	50,000	50,000	26,826	23,174
Consumables: Zero Rated	2,068	3,500	3,500	262	3,238
Finished Goods	423	5,000	5,000	189	4,811
Revenue By Source / Other revenue	-217	-2,000	-2,000	-27,295	25,295
Operational Revenue:					
Insurance Refund				-27,295	27,295
Staff Recoveries	-217	-2,000	-2,000		-2,000

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL

Ten (10) Council meetings were held during the 2020/21 financial year. The meetings were held as follows:

- 25 August 2020
- 02 October 2020 (continued on 16 & 28 October and 4 December 2020)
- 24 November 2020 (Special) (continued on 4 December 2020)
- 28 January 2021 (Special)

- 09 February 2021 (Special)
- 26 February 2021
- 30 March 2021
- 31 March 2021 (rescheduled from 25 March 2021)
- 30 April 2021
- 7 and 14 June 2021 (rescheduled from 27 & 31 May 2021)

As at 30 June 2021, altogether, 350 items were tabled in Council during the 2020/21 financial year of which 112 were regarded as active resolutions. A total of 238 items were either noted or deferred and therefore were regarded as inactive resolutions.

3.32 FINANCIAL SERVICES

INTRODUCTION TO FINANCIAL SERVICES

The Municipality has an effective financial management system, which supports the implementation of the Municipality's IDP and Budget. The financial management system of the Municipality seeks to ensure a stable and sustainable financial environment, from which Council can deliver services to all residents. This is done mainly through the following specific strategic priorities:

- Providing effective and efficient supply chain management processes.
- Providing effective and efficient customer service centres.
- Ensuring that Council approves and implements a Cost Efficiencies Framework.
- Developing a long-term financial model and strategy to assist Council in developing a long-term and strategic planning framework.
- Implementing a priority rating system that allows Council strategic decision-making when funding is limited.
- Ensuring a legally compliant IDP-based budget that enhances financial sustainability.
- Ensuring sustainable and improved revenue generation and collection.
- Expanding the revenue base by identifying additional sources of revenue and ensuring sustainable growth in the revenue base.
- Providing efficient and effective cash management and asset risk management systems.

- Providing efficient and effective expenditure management and control processes.
- Ensuring a sound and legally compliant system of financial management, advice, control, accounting and reporting.

TABLE 3.135: Performance scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Municipal Financial Viability and Management	% billed revenue collection rate (revenue collected over billed revenue)	94%	83.4%	85%	85.5%	85%
KPA: Municipal Financial Viability and Management	Debt Coverage ratio	40.3 times	41.16 times	50 times	42.90 times	43 times
KPA: Municipal Financial Viability and Management	Outstanding service debtors to revenue Ratio	25.5%	27.58%	30%	17.08%	32%
KPA: Municipal Financial Viability and Management	Cost coverage ratio (excluding unspent conditional grants)	3 months	3.79 Months	3 months	5.13 months	3 months
KPA: Municipal Financial Viability and Management	% of the Municipality's Capital Budget actually spent	95%	56,12%	95%	81%	95%
KPA: Municipal Financial Viability and Management	Percentage of the Municipality's budget actually spent on implementing its Workplace Skills Plan	0.08%	0,04399%	0.06%	0,03719%	0.06%
KPA: Municipal Financial Viability and Management	% of Mandela Bay Development Agency's Capital Budget actually spent	New KPI	New KPI	95%	26%	95%
KPA: Municipal Financial Viability and Management	Average turnaround time for processing a rates clearance (from the date of receipt of the request to the date the rate clearance is processed)	N/A	N/A	N/A	N/A	10 days

TABLE 3.136: Employees: Financial Services

Job Level	2019/20	2020/21			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	22	22	20	2	9%
4 – 6	305	390	305	85	22%
7 – 9	114	148	113	35	24%
10 – 12	94	123	92	31	25%
13 – 15	31	36	32	4	11%
16 – 18	17	19	15	4	21%
19 – 20	4	4	4	0	0.00%
Total	587	742	581	161	22%

TABLE 3.137: Financial Performance 2020/21: Finance and Administration Services

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3,439,445	3,375,901	3,360,829	3,381,740	20,911
Expenditure:					
Employees	549,002	748,715	707,215	1,052,012	344,797
Repairs and Maintenance	2,539	7,746	4,775	1,757	(3,018)
Other	842,465	874,890	1,029,331	874,917	(154,414)
Total Operational Expenditure	1,394,006	1,631,351	1,741,321	1,928,686	(187,365)
Net Operational Expenditure	(2,045,440)	(1,744,549)	(1,619,508)	(1,453,054)	(166,454)

TABLE 3.137.1: Financial Performance 2020/21: Finance and Administration: Administrative and Corporate Support					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	81	5	2	168	166
Expenditure:					
Employees	37,712	46,001	42,810	38,987	(3,823)
Repairs and Maintenance	460	955	712	109	(603)
Other	26,563	31,390	25,166	15,175	(9,991)
Total Operational Expenditure	64,735	78,345	68,688	54,271	(14,417)
Net Operational Expenditure	64,655	78,341	68,686	54,103	(14,583)

Finance and Administration: Core Function: Administrative and Corporate Support

TABLE 3.138: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function:Administrative and Corporate Support	64,654,915	78,340,560	68,685,870	54,103,277	14,582,593
Expenditure By Type / Contracted services	2,832,752	3,926,570	2,728,570	2,781,028	-52,458
Consultants and Professional Services:					
Legal Cost:Legal Advice and Litigation	1,388,396	1,500,000	900,000	1,845,460	-945,460
Contractors:					
Catering Services	12,500	15,000		9,724	-9,724
Maintenance of Buildings and Facilities		33,000	20,000		20,000
Maintenance of Equipment	1,220,526	1,766,770	1,426,770	733,424	693,346
Plants, Flowers and Other Decorations			10,000	9,980	20
Outsourced Services:					
Business and Advisory:Project Management	154,001	511,800	271,800		271,800
Business and Advisory:Qualification Verification				19,267	-19,267
Printing Services	57,329	100,000	100,000	163,173	-63,173
Expenditure By Type / Employee related costs	37,711,904	46,000,620	42,809,510	38,987,403	3,822,107

TABLE 3.138: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Staff:Salaries, Wages and Allowances:					
Allowances:Housing Benefits and Incidental:Essential User	757,606	832,220	856,350	823,978	32,372
Allowances:Housing Benefits and Incidental:Housing Benefits	175,134	192,300	174,390	173,272	1,118
Allowances:Service Related Benefits:Acting and Post Related Allowances	221,878	80,000	118,490	266,698	-148,208
Allowances:Service Related Benefits:Bonus	1,992,239	2,197,500	2,246,460	2,181,496	64,964
Allowances:Service Related Benefits:Long Service Award	1,462,475	1,557,960	1,541,820	1,509,868	31,952
Allowances:Service Related Benefits:Overtime:Night Shift	486		1,300	4,205	-2,905
Allowances:Service Related Benefits:Overtime:Non Structured	335,671	546,810	532,810	496,115	36,695
Allowances:Service Related Benefits:Overtime:Structured	24,361			1,405	-1,405
Allowances:Service Related Benefits:Standby Allowance	3,696				0
Allowances:Travel or Motor Vehicle	470,555	567,150	513,120	489,358	23,762
Basic Salary and Wages	25,230,766	30,221,550	27,151,940	25,075,901	2,076,039
Municipal Staff:Social Contributions:					
Bargaining Council	8,304	8,760	8,800	8,603	197
Group Life Insurance	259,372	278,390	279,920	284,944	-5,024
Medical	2,129,717	2,259,490	2,196,970	2,181,223	15,747
Pension	4,505,625	4,891,770	4,807,460	4,724,336	83,124
Unemployment Insurance	134,018	146,720	125,680	134,619	-8,939
Senior Management:Designation:					
Salaries and Allowances:Basic Salary		1,920,000	2,000,000	553,452	1,446,548
Salaries and Allowances:Bonuses		300,000	254,000	77,483	176,517
Social Contributions:Unemployment Insurance				446	-446
Expenditure By Type / Finance charges	240,340	226,560	226,560	235,555	-8,995
Interest Paid:Borrowings:Annuity Loans	240,340	226,560	226,560	235,555	-8,995
Expenditure By Type / Other expenditure	17,761,805	20,996,840	15,804,050	11,721,829	4,082,221
Operating Leases:					
Expenditure:Operating Leases:Computer Equipment	9,711	25,000	25,000	685	24,315

TABLE 3.138: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure:Operating Leases:Furniture and Office Equipment	1,121,799	1,288,300	1,228,300	1,102,098	126,202
Operational Cost:					
Achievements and Awards	60,075				0
Advertising, Publicity and Marketing:Corporate and Municipal Activities	7,151				0
Advertising, Publicity and Marketing:Staff Recruitment	88,285	250,000	200,000	250,626	-50,626
Advertising, Publicity and Marketing:Tenders	156,072	210,000	210,000	100,105	109,895
Assets less than the Capitalisation Threshold	110,197	184,500	171,500	25,079	146,421
Communication:Cellular Contract (Subscription and Calls)	427,866	451,520	451,520	526,210	-74,690
Communication:Postage/Stamps/Frinking Machines	9,781	50,000	20,000	7,733	12,267
Communication:SMS Bulk Message Service	5,116	19,230	19,230	2,985	16,245
Communication:Telephone, Fax, Telegraph and Telex	5,320,401	7,500,000	7,497,000	5,121,977	2,375,023
Courier and Delivery Services	245,999	350,000	350,000	268,694	81,307
Drivers Licences and Permits			2,000	324	1,676
External Computer Service:Network Extensions		20,000	20,000		20,000
External Computer Service:Software Licences	6,812,648	6,651,750	1,527,960	791,471	736,489
Insurance Underwriting:Premiums	2,021,256	2,430,740	2,430,740	2,278,120	152,620
Licences:Motor Vehicle Licence and Registrations		5,000	5,000	1,510	3,490
Printing, Publications and Books	3,981	30,000	10,000	3,740	6,260
Registration Fees:Seminars, Conferences, Workshops and Events:National	16,415	40,000	40,000		40,000
Skills Development Fund Levy	1,136,045	1,240,070	1,240,070	1,166,150	73,920
Storage of Files (Archiving)		45,000		8,809	-8,809
Travel Agency and Visa's	11,957	13,130	13,130	1,579	11,551
Travel and Subsistence:Domestic:Accommodation	91,057	75,000	75,000	13,183	61,817
Travel and Subsistence:Domestic:Daily Allowance	22,831	43,350	43,350		43,350
Travel and Subsistence:Domestic:Food and Beverage (Served)	2,676	500	500		500
Travel and Subsistence:Domestic:Incidental Cost	1,203	300	300		300

TABLE 3.138: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport with Operator:Public Transport:Air Transport	14,559	43,450	43,450	17,523	25,927
Travel and Subsistence:Domestic:Transport with Operator:Public Transport:Road Transport	4,050				0
Travel and Subsistence:Domestic:Transport without Operator:Car Rental		15,000	15,000	1,432	13,568
Travel and Subsistence:Domestic:Transport without Operator:Own Transport	2,888	15,000	15,000		15,000
Travel and Subsistence:Non-employees	12,926		150,000	12,740	137,260
Uniform and Protective Clothing	27,712				0
Workmen's Compensation Fund	17,148			19,059	-19,059
Expenditure By Type / Other materials	889,715	1,503,570	1,428,070	374,096	1,053,974
Consumables:Standard Rated	846,696	1,391,730	1,316,230	352,772	963,458
Consumables:Zero Rated	35,627	109,640	109,640	21,323	88,317
Finished Goods	6,806				0
Materials and Supplies	586	2,200	2,200		2,200
Expenditure By Type / Transfers and subsidies	5,298,970	5,691,200	5,691,200	171,500	5,519,700
Non-Profit Institutions:Public Schools:Section 20 Schools			75,000		75,000
South Africa Blind Workers Organisation Johannesburg	45,000	45,000	45,000		45,000
Social Assistance:Old Age Grant	120,000	120,000	120,000		120,000
Non-profit institutions:Animal Welfare	100,000	100,000	100,000		100,000
-profit institutions:Old Age Homes	954,200	969,200	969,200	15,000	954,200
Non-profit institutions:Public Schools:Other Educational Institutions:School Support		1,565,500	1,565,500	49,500	1,516,000
Non-profit institutions:Public Schools:Section 20 Schools	75,000	75,000			0
Non -profit institutions:Public Schools:Section 21 Schools:Services Rendered	1,321,000				0
Non-profit institutions:Sporting Bodies - Rent	870,870	959,500	959,500		959,500
Non-profit institutions:Use – It	1,812,900	1,857,000	1,857,000	107,000	1,750,000
Revenue By Source / Other revenue	-80,571	-4,800	-2,090	-168,133	166,043
Operational Revenue:					

TABLE 3.138: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Discounts and Early Settlements	-1,809	-4,800	-2,090	-18,326	16,236
Insurance Refund	-70,643				0
Staff Recoveries	-2,403				0
Sales of Goods and Rendering of Services:					
Advertisements				-149,807	149,807
Sale of Goods:Assets < Capitalisation Threshold	-5,021				0
Scrap, Waste & Other Goods:Recycling of Waste	-696				0

TABLE 3.139: Financial Performance 2020/21: Finance and Administration: Finance

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Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	988,561	757,057	720,545	771,637	51,092
Expenditure:					
Employees	161,490	361,154	319,950	628,824	308,874
Repairs and Maintenance	2,010	6,180	3,365	1,343	(2,022)
Other	800,277	799,478	957,615	830,790	(126,825)
Total Operational Expenditure	963,777	1,166,811	1,280,930	1,460,957	180,027
Net Operational Expenditure	(24,784)	409,754	560,384	689,320	128,936

Finance and Administration: Core Function: Finance

TABLE 3.140: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function:Finance	-154,192,414	386,754,240	539,626,810	485,154,790	54,472,020
Expenditure By Type / Contracted services	36,535,418	111,252,410	125,210,300	47,524,554	77,685,746
Consultants and Professional Services:					
Business and Advisory:Business and Financial Management	267,564	1,583,610	1,270,910	43,478	1,227,432

TABLE 3.140: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory:Forensic Investigators	111,658	1,719,200	1,510,530	40,455	1,470,075
Legal Cost:Collection	13,366,395	30,592,100	31,492,100	15,440,915	16,051,185
Legal Cost:Issue of Summons		6,528,640	5,628,640		5,628,640
Legal Cost:Legal Advice and Litigation	1,554,842	3,069,470	2,579,470	2,042,537	536,933
Contractors:					
Catering Services	162	10,440	10,440		10,440
Maintenance of Buildings and Facilities	77,802	4,354,400	1,540,900	357,523	1,183,377
Maintenance of Equipment	2,136,108	2,259,220	2,246,820	1,121,351	1,125,469
Pest Control and Fumigation	24,350	28,400	30,000	8,513	21,487
Prepaid Electricity Vendors	4,425,746	7,693,390	7,638,390	4,282,843	3,355,547
Safeguard and Security	416,927	754,850	760,850	95,812	665,038
Tracing Agents and Debt Collectors		437,750	437,750		437,750
Outsourced Services:					
Business and Advisory:Project Management	4,104,172	23,380,620	41,311,380	9,397,598	31,913,782
Cleaning Services	608	32,290	50,290		50,290
Connection/Dis-connection:Electricity		876,600	876,600		876,600
Connection/Dis-connection:Water		7,419,190	7,419,190		7,419,190
Hygiene Services	-7,637	101,300	102,300	3,836	98,464
Meter Management	10,050,042	16,074,560	15,967,360	11,577,562	4,389,798
Printing Services		4,320,970	4,320,970	3,104,857	1,216,113
Refuse Removal	6,680	15,410	15,410	7,272	8,138
Expenditure By Type / Debt impairment	383,818,779	367,183,810	525,150,760	414,889,741	110,261,019
Expenditure:Bad Debts Written Off	63,943,829			101,026,471	-101,026,471
Gains and Losses:Impairment Loss:Other Receivables Non Specific Accounts	112,735,764				0
Gains and Losses:Impairment Loss:Other Property Rates	207,139,186	367,183,810	525,150,760	313,863,270	211,287,490
Expenditure By Type / Depreciation and asset impairment	333,909,018	255,742,220	255,742,220	321,666,779	-65,924,559

TABLE 3.140: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure:Depreciation and Amortisation:Depreciation:Furniture and Office Equipment	333,909,018	255,141,670	255,141,670	321,666,779	-66,525,109
Expenditure:Depreciation and Amortisation:Depreciation:Other Assets:Housing:Social Housing		600,550	600,550		600,550
Expenditure By Type / Employee related costs	161,489,984	361,153,690	319,949,720	628,824,253	-308,874,533
Municipal Staff:Post-retirement Benefit:					
Pension:Current Service Cost	-74,333,542	37,977,870	37,977,870	207,271,967	-169,294,097
Municipal Staff:Salaries, Wages and Allowances:					
Allowances:Housing Benefits and Incidental:Essential User	4,501,758	5,114,200	4,744,360	4,720,852	23,508
Allowances:Housing Benefits and Incidental:Housing Benefits	1,414,929	1,588,480	1,477,600	1,512,776	-35,176
Allowances:Non-pensionable		9,260	8,660		8,660
Allowances:Service Related Benefits:Acting and Post Related Allowances	681,696		213,400	530,295	-316,895
Allowances:Service Related Benefits:Bonus	12,128,876	13,247,550	14,161,950	13,153,054	1,008,896
Allowances:Service Related Benefits:Leave Pay	46,048,567	11,500,000	11,500,000	68,650,072	-57,150,072
Allowances:Service Related Benefits:Long Service Award	-33,604,527	8,882,380	9,188,140	112,633,651	-103,445,511
Allowances:Service Related Benefits:Overtime:Night Shift	13,244			137,623	-137,623
Allowances:Service Related Benefits:Overtime:Non Structured	7,253,765	9,122,780	8,972,780	4,194,085	4,778,695
Allowances:Service Related Benefits:Standby Allowance	59,798	102,770	102,770	133,435	-30,665
Allowances:Travel or Motor Vehicle	2,817,541	3,101,670	2,801,030	2,699,195	101,835
Basic Salary and Wages	149,420,149	220,851,210	180,317,910	159,059,979	21,257,931
Bonuses				120	-120
Municipal Staff:Social Contributions:					
Bargaining Council	50,001	52,430	52,980	52,369	611
Group Life Insurance	1,702,319	1,829,740	1,796,720	1,784,151	12,569
Medical	14,230,594	14,944,070	14,816,700	14,926,627	-109,927
Pension	27,032,223	29,333,150	28,556,550	33,993,904	-5,437,354
Unemployment Insurance	852,632	911,090	808,640	844,573	-35,933

TABLE 3.140: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Senior Management:Chief Financial Officer:					
Salaries and Allowances:Basic Salary	1,064,104	2,346,640	2,213,820	2,213,808	12
Salaries and Allowances:Bonuses	154,967	236,050	236,050	309,933	-73,883
Social Contributions:Unemployment Insurance	892	2,350	1,790	1,785	5
Expenditure By Type / Finance charges	1,227,360	1,072,890	1,072,890	1,072,890	0
Paid:Borrowings:Annuity Loans	1,227,360	1,072,890	1,072,890	1,072,890	0
Expenditure By Type / Loss on disposal of PPE				9,401,461	-9,401,461
Gains and Losses: Furniture and Office Equipment:Losses				9,401,461	-9,401,461
Expenditure By Type / Other expenditure	44,310,078	45,953,120	48,898,010	35,417,004	13,481,006
Operating Leases:					
Expenditure:Operating Leases:Computer Equipment	50,805	163,960	79,960	1,974	77,986
Expenditure:Operating Leases:Furniture and Office Equipment	738,200	1,334,150	1,320,150	606,551	713,599
Expenditure:Operating Leases:Other Assets	3,470,368	6,490,300	6,460,300	5,018,900	1,441,400
Operational Cost:					
Advertising, Publicity and Marketing:Corporate and Municipal Activities	3,132	614,490	410,990	40,000	370,990
Advertising, Publicity and Marketing:Customer/Client Information	371,671	361,570	361,570	334,293	27,277
Advertising, Publicity and Marketing:Gifts and Promotional Items		20,000	20,000		20,000
Advertising, Publicity and Marketing:Municipal Newsletters		205,380	205,380		205,380
Advertising, Publicity and Marketing:Signs	68,900	317,310	257,310		257,310
Advertising, Publicity and Marketing:Staff Recruitment	12,412	75,060	51,160	27,164	23,996
Advertising, Publicity and Marketing:Tenders	29,337	63,560	120,060	61,675	58,385
Assets less than the Capitalisation Threshold	1,426,301	1,934,490	2,067,160	381,153	1,686,007
Bank Charges, Facility and Card Fees:Bank Accounts	4,086,075	5,540,110	5,540,110	3,501,804	2,038,306
Bank Charges, Facility and Card Fees:Third Parties		2,530	2,530		2,530
Cash Discount	151,671	105,000	105,000	152,926	-47,926
Cleaning Services:Car Valet and Washing Services	862	3,850	3,850	582	3,268

TABLE 3.140: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Commission:Third Party Vendors	6,525,503	5,412,490	5,412,490	7,124,957	-1,712,467
Communication:Cellular Contract (Subscription and Calls)	826,567	1,050,340	1,055,340	954,756	100,584
Communication:Postage/Stamps/Frinking Machines	7,933,377	2,778,740	3,028,640	242,716	2,785,924
Communication:Rent Private Bag and Postal Box	472	1,000	1,100	516	584
Communication:SMS Bulk Message Service	2,023,475	1,339,740	1,339,740	1,233,826	105,914
Communication:Telephone Installation		8,700	8,630		8,630
Communication:Telephone, Fax, Telegraph and Telex	260,046	631,320	631,320	236,400	394,920
Contribution to Provisions:Decommissioning, Restoration and Similar Liabilities:Non-specific	3,192,998			762,359	-762,359
Deeds			290,000	2,823	287,177
Drivers Licences and Permits	412				0
External Computer Service:Data Lines	238,206	860,180	860,180	204,302	655,878
External Computer Service:Internet Charge	92,631	187,390	187,390	256,779	-69,389
External Computer Service:Network Extensions	21,132	21,420	24,920	20,336	4,584
External Computer Service:Remote Server Access	127,657		2,717,120	753,739	1,963,381
External Computer Service:Software Licences		76,780	76,780		76,780
External Computer Service:Specialised Computer Service	919,727	1,098,950	1,048,950	918,169	130,781
External Computer Service:System Adviser	4,098,594	4,507,060	4,507,060	4,250,242	256,818
External Computer Service:Wireless Network		388,520	382,520	32,680	349,840
Insurance Underwriting:Insurance Brokers Fees	294,501	651,500	618,000	273,118	344,882
Insurance Underwriting:Premiums	198,139	238,660	238,730	108,292	130,438
Municipal Services	529,377	1,019,320	1,019,320	416,126	603,194
Printing, Publications and Books	172,678	203,320	203,320	500	202,820
Professional Bodies, Membership and Subscription	3,040	6,300	6,300	12,717	-6,417
Registration Fees:Seminars, Conferences, Workshops and Events:National	40,099	146,580	144,580	12,476	132,104
Skills Development Fund Levy	2,616,897	2,754,980	2,754,980	2,699,770	55,210
Storage of Files (Archiving)	17,003	136,140	136,140	26,563	109,577

TABLE 3.140: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel Agency and Visa's	12,095	47,850	47,850		47,850
Travel and Subsistence:Domestic:Accommodation	40,128	78,530	78,030		78,030
Travel and Subsistence:Domestic:Daily Allowance	18,737	72,280	72,280		72,280
Travel and Subsistence:Domestic:Food and Beverage (Served)		10,180	10,180		10,180
Travel and Subsistence:Domestic:Incidental Cost	1,378	9,290	9,290		9,290
Travel and Subsistence:Domestic:Transport with Operator:Public Transport:Air Transport	74,943	239,540	228,540		228,540
Travel and Subsistence:Domestic:Transport with Operator:Public Transport:Road Transport	9,690	10,350	18,350		18,350
Travel and Subsistence:Domestic:Transport without Operator:Car Rental		114,400	114,400	114	114,286
Travel and Subsistence:Domestic:Transport without Operator:Own Transport		11,820	14,820		14,820
Uniform and Protective Clothing	85,642	376,740	374,240	17,267	356,973
Workmen's Compensation Fund	3,558,576	4,230,950	4,230,950	6,326,635	-2,095,685
Gains and Losses:Inventory:Decrease in net-realizable Value	-33,374			-1,598,196	1,598,196
Expenditure By Type / Other materials	2,486,433	24,453,230	4,905,730	2,159,694	2,746,036
Consumables:Standard Rated	2,018,393	23,663,050	4,065,550	1,923,367	2,142,183
Consumables:Zero Rated	446,149	685,360	685,360	213,708	471,652
Finished Goods	28,352	79,290	129,290	22,619	106,671
Land	-5,204				0
Materials and Supplies	-1,257	25,530	25,530		25,530
Revenue By Source / Fines, penalties and forfeits	-143,627,184	-43,289,900	-51,490,150	-55,664,775	4,174,625
Forfeits:Deposits	902,975			1,188,087	-1,188,087
Forfeits:Retentions	-120,362,337		-27,200,250	-2,683,979	-24,516,271
Forfeits:Unclaimed Money	-4,528,886			-11,051,187	11,051,187
Penalties:Disconnection Fees	-19,638,935	-43,289,900	-24,289,900	-43,117,696	18,827,796
Revenue By Source / Interest earned - external investments	-234,731,036	-159,248,380	-159,248,380	-150,039,376	-9,209,004

TABLE 3.140: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Interest:Current and Non-current Assets:Short Term Investments and Call Accounts	-234,731,036	-159,248,380	-159,248,380	-150,039,376	-9,209,004
Revenue By Source / Interest earned - outstanding debtors	-108,751,862	-96,226,840	-96,226,840	-132,419,617	36,192,777
Interest:Receivables:Service Charges	-108,751,862	-96,226,840	-96,226,840	-132,419,617	36,192,777
Revenue By Source / Other revenue	-25,334,833	-56,493,840	-54,262,580	-28,212,196	-26,050,384
Operational Revenue:					
Discounts and Early Settlements	-3,706,931	-5,467,960	-3,231,300	-5,495,392	2,264,092
Incidental Cash Surpluses	-16,410	-20,200	-20,200	-27,099	6,899
Insurance Refund				-181,697	181,697
Request for Information:Access to Information Act	-2,543,262			-6,768,972	6,768,972
Request for Information:Municipal Information and Statistics	141	-1,550	-1,550		-1,550
Staff Recoveries	-86,635	-70,080	-75,480	-25,838	-49,642
Sales of Goods and Rendering of Services:					
Application Fees for Land Usage	-261				0
Buyers Card	-60,807	-101,130	-101,130	-28,125	-73,005
Clearance Certificates	-226,377	-282,470	-282,470	-192,169	-90,301
Entrance Fees	-5,322,740	-10,352,250	-10,352,250		-10,352,250
Legal Fees	-13,363,758	-37,120,740	-37,120,740	-15,480,209	-21,640,531
Sale of Goods:Assets < Capitalisation Threshold				-10,150	10,150
Sale of Goods:Publications:Prints	-7,795	-10,960	-10,960	-1,945	-9,015
Sale of Goods:Sub-division and Consolidation Fees		-2,776,250	-2,776,250		-2,776,250
Scrap, Waste & Other Goods:Scrap		-290,250	-290,250	-600	-289,650
Revenue By Source / Property rates	89,074,381	125,852,980	145,158,500	101,385,368	44,773,132
Property Rates:Formal and Informal Settlements	89,074,381	125,852,980	145,158,500	101,385,368	44,773,132
Revenue By Source / Transfers and subsidies	-565,190,808	-527,651,150	-504,475,900	-505,686,185	1,210,285
South Africa Revenue Service (SARS)	-56,802			-14,515	14,515
National Governments:Expanded Public Works Programme Integrated Grant	-5,595				0

TABLE 3.140: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
National Governments:Local Government Financial Management Grant	-1,000,000	-1,000,000	-1,000,000	-1,000,000	0
:National Revenue Fund:Equitable Share	-141,526,820	-152,061,060	-170,170,810	-171,366,580	1,195,770
National Revenue Fund:Fuel Levy (RSC Replacement Grant)	-422,601,590	-374,590,090	-333,305,090	-333,305,090	0
Revenue By Source / Transfers and subsidies - capital	-100,580,763			-141,920,193	141,920,193
South Africa Revenue Service (SARS)	-83,361,939			-110,238,164	110,238,164
Public Corporations:Coega Development Corporation	-17,218,824			-31,682,029	31,682,029
Revenue By Source / Transfers and subsidies - capital	-28,827,379	-23,000,000	-20,757,470	-62,244,610	41,487,140
Urban Settlements Development Grant	-28,827,379	-23,000,000	-20,757,470	-62,244,610	41,487,140

TABLE 3.140.1: Financial Performance 2020/21: Finance and Administration: Marketing, Customer Relations, Publicity and Media Co-ordination

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	3,101	5,300	5,300	1,616	(3,684)
Expenditure:					
Employees	10,696	12,317	14,128	11,010	(3,118)
Repairs and Maintenance	-	3	3	-	(3)
Other	2,616	9,580	9,747	5,477	(4,270)
Total Operational Expenditure	13,312	21,900	23,878	16,486	(7,392)
Net Operational Expenditure	10,211	16,600	18,578	14,870	(3,708)

Finance and Administration: Core Function: Marketing, Customer Relations, Publicity and Media Co-ordination

TABLE 3.141: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function:Marketing, Customer Relations, Publicity and Media Co-ordination	10,210,746	16,600,290	18,577,800	14,870,202	3,707,598
Expenditure By Type / Contracted services	2,029,197	5,647,050	4,097,050	2,995,224	1,101,826
Contractors:					
Catering Services			50,000	2,900	47,100
Maintenance of Buildings and Facilities		5,450	5,450	7,145	-1,695
Maintenance of Equipment	3,205	54,980	54,980	8,945	46,035
Pest Control and Fumigation		5,680	5,680		5,680
Safeguard and Security	5,625	9,540	9,540		9,540
Outsourced Services:					
Business and Advisory:Communications	1,994,880	5,299,970	3,799,970	2,949,167	850,803
Business and Advisory:Project Management	22,225	158,620	58,620		58,620
Cleaning Services		5,620	5,620		5,620
Hygiene Services	780	40,420	40,420	2,235	38,185
Refuse Removal	2,482	66,770	66,770	24,832	41,938
Expenditure By Type / Employee related costs	10,695,850	12,317,230	14,127,590	11,009,846	3,117,744
Municipal Staff:Salaries, Wages and Allowances:					
Allowances:Housing Benefits and Incidental:Essential User	153,379	168,480	168,480	-4,192	172,672
Allowances:Housing Benefits and Incidental:Housing Benefits	50,792	59,750	46,680	43,380	3,300
Allowances:Service Related Benefits:Acting and Post Related Allowances	100,006	536,000	976,000	379,129	596,871
Allowances:Service Related Benefits:Bonus	524,102	623,450	568,350	482,549	85,801
Allowances:Service Related Benefits:Long Service Award	199,024	218,630	211,500	242,689	-31,189
Allowances:Service Related Benefits:Overtime:Non Structured	216,188	1,064,780	1,064,780	924,975	139,805
Allowances:Travel or Motor Vehicle	570,439	719,260	467,930	413,351	54,579
Basic Salary and Wages	7,091,087	6,836,600	8,973,120	6,892,543	2,080,577
Municipal Staff:Social Contributions:					
Bargaining Council	1,696	1,920	1,670	1,654	16

TABLE 3.141: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Group Life Insurance	61,306	71,420	64,120	59,147	4,973
Medical	517,916	595,940	530,190	505,190	25,000
Pension	1,174,691	1,374,270	1,026,350	1,031,897	-5,547
Unemployment Insurance	35,224	46,730	28,420	37,535	-9,115
Expenditure By Type / Other expenditure	573,055	3,837,360	5,554,510	2,426,712	3,127,798
Operating Leases:					
Expenditure:Operating Leases:Computer Equipment	59,967	180,340	180,340	48,722	131,618
Expenditure:Operating Leases:Furniture and Office Equipment	12,701	84,300	84,300	29,710	54,590
Expenditure:Operating Leases:Other Assets	139,905	2,702,190	3,202,190	1,330,134	1,872,056
Operational Cost:					
Advertising, Publicity and Marketing:Staff Recruitment				88,336	-88,336
Assets less than the Capitalisation Threshold	43,487	102,760	294,910	167,428	127,482
Cleaning Services:Laundry Services				9,625	-9,625
Communication:Cellular Contract (Subscription and Calls)	173,120	177,790	177,790	261,852	-84,062
Communication:Radio and TV Transmissions		24,060	24,060	9,850	14,210
Communication:Telephone, Fax, Telegraph and Telex	82,010	80,000	78,100	83,832	-5,732
External Computer Service:Network Extensions	1,792	11,350	11,350		11,350
Insurance Underwriting:Premiums	11	20	1,920	1,642	278
Municipal Services	19,636	270,740	1,295,740	395,582	900,158
Printing, Publications and Books		8,860	8,860		8,860
Skills Development Fund Levy		107,460	107,460		107,460
Travel Agency and Visa's	2,299	950	950		950
Travel and Subsistence:Domestic:Accommodation	10,428	30,550	30,550		30,550
Travel and Subsistence:Domestic:Daily Allowance	15,324	5,140	5,140		5,140
Travel and Subsistence:Domestic:Food and Beverage (Served)		1,500	1,500		1,500
Travel and Subsistence:Domestic:Transport with Operator:Public Transport:Air Transport	8,892	28,110	28,110		28,110

TABLE 3.141: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport without Operator:Car Rental	1,946	15,940	15,940		15,940
Travel and Subsistence:Domestic:Transport without Operator:Own Transport		5,300	5,300		5,300
Travel and Subsistence:Non-employees	1,539				0
Expenditure By Type / Other materials	14,047	98,620	98,620	54,605	44,015
Consumables:Standard Rated	13,254	64,090	64,090	52,785	11,305
Consumables:Zero Rated	793	34,530	34,530	1,820	32,710
Revenue By Source / Other revenue	-3,101,404	-5,299,970	-5,299,970	-1,616,185	-3,683,785
Operational Revenue:					
Staff Recoveries				-11,737	11,737
Sales of Goods and Rendering of Services:					
Advertisements	-3,101,404	-5,299,970	-5,299,970	-1,604,448	-3,695,522

TABLE 3.141.1: Financial Performance 2020/21: Finance and Administration: Valuation Service

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	2,447,702	2,613,539	2,634,982	2,608,319	(26,663)
Expenditure:					
Employees	25,295	28,577	29,686	26,919	(2,767)
Repairs and Maintenance	12	89	89	9	(80)
Other	7,013	25,351	27,655	17,760	(9,895)
Total Operational Expenditure	32,320	54,018	57,431	44,687	(12,744)
Net Operational Expenditure	(2,415,382)	(2,559,521)	(2,577,551)	(2,563,632)	(13,919)

Function 30: Finance and Administration: Core Function: Valuation Service

TABLE 3.142: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Valuation Service	-2,415,382,118	-2,559,521,170	-2,577,551,240	-2,563,631,945	-13,919,295
Expenditure By Type / Contracted services	2,301,646	16,918,070	16,818,870	10,312,284	6,506,586
Consultants and Professional Services:					
Business and Advisory: Commissions and Committees	84,251	1,178,160	1,078,960	262,013	816,948
Legal Cost: Legal Advice and Litigation	45,704	565,580	565,580	82,972	482,608
Contractors:					
Maintenance of Buildings and Facilities	11,137	63,400	63,400	2,879	60,521
Maintenance of Equipment	39,231	93,130	93,130	38,302	54,828
Pest Control and Fumigation		17,800	17,800		17,800
Safeguard and Security				1,507	-1,507
Outsourced Services:					
Business and Advisory: Valuer	2,121,323	15,000,000	15,000,000	9,924,613	5,075,387
Expenditure By Type / Employee related costs	25,294,778	28,576,830	29,686,090	26,918,644	2,767,446
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	502,755	538,250	525,540	518,129	7,411
Allowances: Housing Benefits and Incidental: Housing Benefits	202,261	215,100	220,910	221,720	-810
Allowances: Service Related Benefits: Acting and Post Related Allowances	8,934				0
Allowances: Service Related Benefits: Bonus	1,562,682	1,658,930	1,854,510	1,518,324	336,186
Allowances: Service Related Benefits: Long Service Award	1,168,805	1,218,070	1,280,700	1,319,436	-38,736
Allowances: Service Related Benefits: Overtime: Non Structured		123,800	123,800		123,800
Allowances: Travel or Motor Vehicle	749,615	949,690	924,100	867,023	57,077
Basic Salary and Wages	16,230,619	18,388,980	19,684,760	17,356,747	2,328,013
Municipal Staff: Social Contributions:					
Bargaining Council	4,828	5,400	5,030	4,990	40
Group Life Insurance	152,437	176,340	155,130	156,989	-1,859

TABLE 3.142: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Medical	1,415,465	1,566,470	1,417,400	1,445,752	-28,352
Pension	3,218,648	3,646,540	3,418,940	3,431,923	-12,983
Unemployment Insurance	77,731	89,260	75,270	77,612	-2,342
Expenditure By Type / Other expenditure	4,598,288	8,166,050	10,569,050	7,271,514	3,297,536
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	137,516	211,650	211,650	91,678	119,972
Expenditure: Operating Leases: Other Assets	1,248,289	2,160,140	2,160,140	1,148,360	1,011,780
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	101,862	42,330	112,530	95,830	16,701
Advertising, Publicity and Marketing: Staff Recruitment	74,749	82,200	82,200		82,200
Assets less than the Capitalisation Threshold	74,480	323,030	323,030		323,030
Cleaning Services: Car Valet and Washing Services	52	1,110	1,110		1,110
Communication: Cellular Contract (Subscription and Calls)	54,046	89,700	89,700	62,822	26,878
Communication: Postage/Stamps/Frinking Machines	15,990	1,438,280	1,438,280	1,177,452	260,828
Deeds	163,864	281,520	281,520	216,534	64,986
External Computer Service: Internet Charge	12,905	37,620	37,620	13,379	24,241
External Computer Service: Network Extensions		4,710	4,710		4,710
External Computer Service: Specialised Computer Service	653,456	888,250	888,250	738,658	149,592
Insurance Underwriting: Premiums	114	140	140	243	-103
Intercompany/Parent-subsidiary Transactions	1,882,499	2,036,440	4,369,240	3,560,732	808,508
Municipal Services	165,290	530,650	530,650	153,521	377,129
Printing, Publications and Books		8,280	8,280		8,280
Storage of Files (Archiving)	2,975	30,000	30,000	4,463	25,537
Travel and Subsistence:Non-employees	10,200			7,843	-7,843
Expenditure By Type / Other materials	124,835	356,560	356,560	184,419	172,141
Consumables: Standard Rated	124,479	284,500	284,500	183,634	100,866

TABLE 3.142: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Consumables: Zero Rated		63,080	63,080	30	63,050
Finished Goods	356	8,980	8,980	755	8,225
Revenue By Source / Other revenue	-1,215,885	-1,540,290	-1,540,290	-1,513,682	-26,608
Operational Revenue:					
Staff Recoveries	-5,654	-10,000	-10,000		-10,000
Sales of Goods and Rendering of Services:					
Clearance Certificates	-868,602	-1,126,820	-1,126,820	-1,343,137	216,317
Valuation Services	-341,630	-403,470	-403,470	-170,545	-232,925
Revenue By Source / Property rates	-2,446,485,781	-2,611,998,390	-2,633,441,520	-2,606,805,124	-26,636,396
Agricultural Property	-5,517,273	-5,830,810	-5,830,810	-5,780,882	-49,928
Business and Commercial Properties	-844,685,671	-907,542,650	-907,542,650	-896,547,505	-10,995,145
Formal and Informal Settlements		-77,535,700	-96,841,220	47,815,816	-144,657,036
Industrial Properties	-240,474,338	-253,515,990	-253,515,990	-256,369,554	2,853,564
Mining Properties	-158,202	-167,360	-167,360	-214,448	47,088
Public Benefit Organisations	-1,418,914	-1,999,150	-1,999,150	-1,671,854	-327,296
Public Service Infrastructure Properties	-476,096	-37,690	-37,690	-211,785	174,095
Residential Properties: Developed	-1,109,277,893	-1,118,104,200	-1,118,104,200	-1,232,889,320	114,785,120
Residential Properties: Vacant Land	-76,122,923	-79,015,570	-79,015,570	-81,703,787	2,688,217
Special Rating Area	-1,776,799	-2,036,440	-4,174,050	-4,065,704	-108,346
State-owned Properties	-166,577,672	-166,212,830	-166,212,830	-175,166,100	8,953,270

TABLE 3.142.1: Financial Performance 2020/21: Finance and Administration: Security Services					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	-	-	0	0
Expenditure:					
Employees	313,809	300,667	300,642	346,272	45,630
Repairs and Maintenance	57	519	606	296	(310)
Other	5,996	9,091	9,147	5,715	(3,432)
Total Operational Expenditure	319,861	310,277	310,395	352,284	41,889
Net Operational Expenditure	319,861	310,277	310,395	352,284	41,889

Finance and Administration: Core Function: Security Service

TABLE 3.143: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Security Services	319,861,078	310,276,880	310,395,270	352,283,638	-41,888,368
Expenditure By Type / Contracted services	506,682	1,514,060	1,651,060	1,476,768	174,292
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	112,385	296,260	296,260	402,469	-106,209
Contractors:					
Maintenance of Buildings and Facilities	48,250	92,520	162,520	153,557	8,963
Maintenance of Equipment	125,016	453,180	520,180	276,972	243,208
Pest Control and Fumigation		4,670	4,670		4,670
Outsourced Services:					
Business and Advisory: Project Management	221,031	667,430	667,430	643,771	23,659
Expenditure By Type / Employee related costs	313,809,074	300,666,730	300,642,080	346,272,185	-45,630,105
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	527,091	634,180	634,180	464,222	169,958
Allowances: Housing Benefits and Incidental: Housing Benefits	348,123	298,750	426,330	467,483	-41,153

TABLE 3.143: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Non-pensionable	2,215	2,730	2,730	2,086	644
Allowances: Service Related Benefits: Acting and Post Related Allowances	2,794,279	2,500,000	2,500,000	3,287,602	-787,602
Allowances: Service Related Benefits: Bonus	11,394,256	13,293,790	15,384,880	13,396,330	1,988,550
Allowances: Service Related Benefits: Long Service Award	3,577,058	2,793,420	2,946,770	2,572,685	374,085
Allowances: Service Related Benefits:Overtime:Night Shift	10,458,864	11,366,350	11,366,350	11,589,962	-223,612
Allowances: Service Related Benefits:Overtime:Non Structured	49,635,831	26,411,010	32,454,060	62,668,191	-30,214,131
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	5,772,847	7,565,810	7,565,810	9,044,104	-1,478,294
Allowances: Service Related Benefits:Overtime:Structured	18,458,899	3,312,970	4,612,970	18,922,436	-14,309,466
Allowances: Service Related Benefits: Standby Allowance	3,100,920	3,462,320	3,462,320	3,417,709	44,611
Allowances: Travel or Motor Vehicle	1,400,514	1,925,890	1,725,890	1,873,402	-147,512
Basic Salary and Wages	152,020,804	170,360,540	159,922,000	160,400,198	-478,198
Municipal Staff: Social Contributions:					
Bargaining Council	99,161	106,830	104,440	103,475	965
Group Life Insurance	2,831,145	3,098,950	3,138,900	3,122,357	16,543
Medical	22,601,146	23,068,090	23,952,590	24,653,870	-701,280
Pension	27,201,298	28,720,060	28,883,190	28,731,165	152,026
Unemployment Insurance	1,584,624	1,745,040	1,558,670	1,554,908	3,762
Expenditure By Type / Other expenditure	3,046,240	5,430,430	5,627,470	1,772,099	3,855,371
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	155,679	174,050	174,050	167,138	6,912
Operational Cost:					
Advertising, Publicity and Marketing: Tenders		2,000	2,000		2,000
Assets less than the Capitalisation Threshold	137,615	163,640	163,640	52,210	111,430
Communication: Cellular Contract (Subscription and Calls)	311,723	318,340	318,340	427,608	-109,268
Communication: Telephone, Fax, Telegraph and Telex	31,185	45,220	45,220	42,911	2,309
External Computer Service: Network Extensions		11,080	11,080		11,080

TABLE 3.143: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Firearm Handling Fees		6,560	6,560		6,560
Insurance Underwriting: Premiums	1,444	1,740	1,740		1,740
Licences: Motor Vehicle Licence and Registrations	6,726	20,730	20,730	15,228	5,502
Municipal Services			200,000	229,237	-29,237
Professional Bodies, Membership and Subscription	28,044	0	54,000	26,532	27,468
Registration Fees: Seminars, Conferences, Workshops and Events: National	5,000	6,620	6,620		6,620
Skills Development Fund Levy		2,928,030	3,071,070		3,071,070
Travel Agency and Visa's		560	560		560
Travel and Subsistence:Domestic:Accommodation		5,350	5,350		5,350
Travel and Subsistence:Domestic:Daily Allowance	10,821	1,110	1,110	23,812	-22,702
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		6,100	6,100		6,100
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		4,300	4,300		4,300
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		2,550	2,550		2,550
Uniform and Protective Clothing	2,263,192	1,732,450	1,532,450	610,217	922,233
Workmen's Compensation Fund	94,811			177,207	-177,207
Expenditure By Type / Other materials	2,499,336	2,665,660	2,474,660	2,762,847	-288,187
Consumables: Standard Rated	123,746	230,930	309,930	343,020	-33,090
Consumables: Zero Rated	2,323,631	1,680,870	1,680,870	2,313,352	-632,482
Finished Goods	51,959	753,860	483,860	106,474	377,386
Revenue By Source / Other revenue	-253			-261	261
Sales of Goods and Rendering of Services:					
Parking Fees	-253			-261	261

TABLE 3.143.1: Capital Expenditure 2020/21: Financial Services

R' 000

Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	836	14,100	5,600	1,130	-1148%	
Upgrade and Furnishing Customer Care Centres	116	2,000	350	271	-638%	Ongoing
Replacement of Handheld Devices - Meter Reading	172					Ongoing
Replacement of Vending POS Equipment		1,100	1,100	-		Ongoing
SCM Building Additions and Upgrades	81					Ongoing
System Enhancements - Various						Ongoing
Acquisition of Vehicles - Meter Reading						Ongoing
Security Upgrades - City Hall						Ongoing
Customer Care - Purchase of Servers						Ongoing
Customer Care: Upgrade of Filing Room for ATTP		-	200	140		Complete
Customer Care - Acquisition of Computer Equipment	287					Ongoing
Construction of new offices at Supply Chain Management		10,000	3,000	702	-1325%	Ongoing
B&T Office Renovations - ETB	179	1,000	800	17	-5819%	Ongoing
Purchase of payslip printing machine		-	150	-		

Capital

The main capital projects within the Budget and Treasury Directorate is the Upgrade and Furnishing of Customer Care Centres and the construction of new offices at the Supply Chain Management. Implementation of the capital projects was delayed due to SCM processes not completed on time for MIS to purchase computer related products. The construction of new Supply Chain Management Offices is in tender processes; therefore, no construction has taken place yet.

3.33 HUMAN RESOURCES MANAGEMENT SERVICES

The Municipality seeks to establish and maintain a working environment that encourages personal growth, development, enrichment and job satisfaction. To this end, the Municipality attends to the human resources requirements of the various municipal directorates.

TABLE 3.144: Employees: Human Resources Services					
Job Level	Year -1	Year 0 Details for HR Management staff only			
	HR Management Services staff only	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 – 3	2	4	2	2	50%
4 – 6	12	15	12	3	20%
7 – 9	2	2	2	0	0%
10 - 12	10	11	10	1	9%
13 - 15	2	2	2	0	0%
16 - 18	1	2	1	1	50%
19 - 20	0	0	0	0	0%
Total	29	36	29	7	19%

TABLE 3.145: Performance Scorecard

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA 2: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipal approved employment equity plan	14 (9 Section 56 Managers; 5 Strategic Skilled Level Managers) By March 2020	7 (7 of the 9 Section 56 Managers; 0 of 4 Strategic Skilled Level Managers)	2 Section 56 Managers (Executive Director: Corporate Services; Executive Director: Human Settlements) By March 2021	2 (ED:CS was appointed on 31 March 2021 and the ED:HS was appointed on 30 April 2021)	9 (1 City Manager; 1 Section 56 Managers Executive Director: Infrastructure and Engineering 7 Strategic Skilled Level Managers)

TABLE 3.146: Financial Performance 2020/21: Finance and Administration: Human Resources					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	7,507	7,300	12,348	9,533	(2,816)
Expenditure:					
Employees	80,395	92,464	91,134	80,865	(10,269)
Repairs and Maintenance	36	497	444	230	(214)
Other	16,322	21,432	27,291	16,177	(11,114)
Total Operational Expenditure	96,753	114,393	118,869	97,272	(21,597)
Net Operational Expenditure	89,246	107,094	106,520	87,739	(18,781)

TABLE 3.147: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Human Resources	85,869,259	103,124,880	102,534,150	84,374,013	18,160,137
Expenditure By Type / Contracted services	4,787,049	8,106,200	6,794,230	3,157,845	3,636,385
Consultants and Professional Services:					
Business and Advisory: Human Resources		450,000	350,000		350,000
Business and Advisory: Occupational Health and Safety		75,000	75,000		75,000
Business and Advisory: Project Management	136,823	171,200	171,200		171,200
Contractors:					
Fire Protection		4,280	4,280	598	3,682
Maintenance of Buildings and Facilities	29,742	370,540	317,540	227,118	90,422
Maintenance of Equipment	268,056	726,240	696,240	154,797	541,443
Medical Services	2,609,393	2,100,000	2,100,000	2,313,497	-213,497
Pest Control and Fumigation	2,625	3,210	5,210	3,500	1,710

TABLE 3.147: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Outsourced Services:					
Business and Advisory: Human Resources	109,181	100,000			0
Business and Advisory: Occupational Health and Safety	1,085,206	1,870,810	1,000,000		1,000,000
Business and Advisory: Project Management	503,617	2,199,310	2,039,150	379,573	1,659,577
Cleaning Services				12,162	-12,162
Hygiene Services	2,579	3,210	3,210	2,909	301
Medical Waste Removal	5,779	7,220	7,220		7,220
Refuse Removal	34,050	25,180	25,180	63,692	-38,512
Expenditure By Type / Employee related costs	77,982,761	89,826,190	88,374,760	78,303,324	10,071,436
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,452,964	1,737,540	1,719,030	1,467,091	251,939
Allowances: Housing Benefits and Incidental: Housing Benefits	482,029	549,720	517,160	501,902	15,258
Allowances: Service Related Benefits: Acting and Post Related Allowances	415,143		195,740	521,035	-325,295
Allowances: Service Related Benefits: Bonus	4,428,632	4,781,940	5,019,450	4,397,952	621,498
Allowances: Service Related Benefits: Long Service Award	3,332,071	3,659,050	3,612,760	3,366,084	246,676
Allowances: Service Related Benefits:Overtime:Night Shift	281	1,300	1,300	6,245	-4,945
Allowances: Service Related Benefits:Overtime:Non Structured	619,694	1,014,980	1,007,330	352,814	654,516
Allowances: Service Related Benefits:Overtime:Structured	18,457			2,138	-2,138
Allowances: Service Related Benefits: Scarcity Allowance	261,489	324,670	324,650	205,129	119,521
Allowances: Service Related Benefits: Standby Allowance	92,753	124,730	124,730	52,103	72,627
Allowances: Travel or Motor Vehicle	3,046,967	3,331,280	3,276,690	2,925,478	351,212
Basic Salary and Wages	49,985,715	58,870,520	58,112,760	50,762,595	7,350,165
Bonuses	29,314	38,650	38,650	19,374	19,276
Municipal Staff: Social Contributions:					
Bargaining Council	13,591	14,760	14,130	13,486	644
Group Life Insurance	459,589	513,200	485,430	460,277	25,153
Medical	3,760,150	4,161,710	3,865,900	3,675,079	190,821

TABLE 3.147: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Pension	9,315,487	10,421,680	9,827,440	9,300,015	527,425
Unemployment Insurance	268,434	280,460	231,610	274,527	-42,917
Expenditure By Type / Finance charges	1,414,010	1,236,050	1,236,050	857,973	378,077
Interest Paid:Borrowings:Annuity Loans	1,414,010	1,236,050	1,236,050	857,973	378,077
Expenditure By Type / Other expenditure	8,700,654	10,340,980	17,609,340	11,285,284	6,324,056
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	13,017	10,000	10,000	685	9,315
Expenditure: Operating Leases: Furniture and Office Equipment	394,208	834,550	834,550	301,533	533,017
Expenditure: Operating Leases: Other Assets	1,735,272	3,105,480	3,105,480	2,440,134	665,346
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	49,111	153,000	163,000	22,473	140,527
Assets less than the Capitalisation Threshold	111,613	447,130	435,130	89,845	345,285
Bursaries (Employees)	417,740	1,000,000	1,000,000	519,869	480,131
Communication: Cellular Contract (Subscription and Calls)	599,867	717,990	707,990	681,853	26,137
Communication: Postage/Stamps/Frinking Machines	6,994	10,000	10,000	6,648	3,352
Communication: Telephone, Fax, Telegraph and Telex	7,624	49,300	49,300	7,897	41,403
Courier and Delivery Services		5,000	5,000		5,000
External Computer Service: Data Lines	10,684	40,000	40,000	7,938	32,062
External Computer Service: Internet Charge	9,512	30,000	30,000	12,422	17,578
External Computer Service: Network Extensions		50,000	50,000	5,050	44,950
External Computer Service: Software Licences	16,500	25,000	75,000		75,000
Insurance Underwriting: Premiums	23,500	28,310	28,310	9,434	18,876
Insurance Underwriting: Risk Management Programs		31,920	31,920		31,920
Learnerships and Internships	4,166,020	2,000,000	9,260,360	6,010,191	3,250,169
Municipal Services	472,685	737,330	737,330	539,379	197,951
Printing, Publications and Books	4,731	45,000	45,000		45,000
Registration Fees: Seminars, Conferences, Workshops and Events: National	47,943	120,580	90,580		90,580

TABLE 3.147: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Skills Development Fund Levy	553,669	805,040	805,040	591,857	213,183
Storage of Files (Archiving)		50,000	50,000		50,000
Travel and Subsistence:Domestic:Accommodation		1,470	1,470		1,470
Travel and Subsistence:Domestic:Daily Allowance	20,363	5,000	5,000	25,827	-20,827
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		2,170	2,170		2,170
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		10,000	10,000		10,000
Uniform and Protective Clothing	33,197	26,710	26,710	3,696	23,014
Workmen's Compensation Fund	6,405			8,553	-8,553
Expenditure By Type / Other materials	491,534	915,200	868,200	302,777	565,423
Consumables: Standard Rated	450,027	776,340	739,340	283,859	455,481
Consumables: Zero Rated	3,567	71,370	71,370	781	70,589
Finished Goods	37,940	41,500	41,500	18,138	23,362
Materials and Supplies		25,990	15,990		15,990
Revenue By Source / Agency services	-3,545,019	-3,324,870	-3,057,040	-3,733,209	676,169
Department of Environmental Affairs: Alien Clearing Management Fees	-3,545,019	-3,324,870	-3,057,040	-3,733,209	676,169
Revenue By Source / Other revenue	-57,313	-75,420	-1,030	-2,025	995
Operational Revenue:					
Request for Information: Duplicate IRP 5 Certificate				-25	25
Staff Recoveries	-638	-2,150			0
Sales of Goods and Rendering of Services:					
Sale of Goods:Publications:Prints	-56,675	-73,270	-1,030	-2,000	970
Revenue By Source / Rental of facilities and equipment	-23,565	-30,000	-30,000	-23,589	-6,411
Investment Property: Ad-hoc rentals	-23,565	-30,000	-30,000	-23,589	-6,411
Revenue By Source / Transfers and subsidies	-3,880,852	-3,869,450	-9,260,360	-5,774,367	-3,485,993
Local Government, Water and Related Service SETA	-3,880,852	-3,869,450	-9,260,360	-5,774,367	-3,485,993

TABLE 147.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-core Function: Human Resources	3,376,843	3,968,640	3,986,300	3,365,036	621,264
Expenditure By Type / Contracted services	431,149	774,180	670,180	390,840	279,340
Contractors:					
Employee Wellness	336,937	593,490	489,490	275,973	213,517
Outsourced Services:					
Business and Advisory: Occupational Health and Safety	91,200	129,190	129,190	97,093	32,097
Business and Advisory: Project Management	3,012	51,500	51,500	17,774	33,726
Expenditure By Type / Employee related costs	2,412,665	2,637,810	2,759,470	2,561,574	197,896
Municipal Staff: Salaries, Wages and Allowances: Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits	32,652	35,850	35,850	29,884	5,966
Allowances: Service Related Benefits: Bonus	138,130	151,740	248,590	149,130	99,460
Allowances: Service Related Benefits: Long Service Award	108,927	109,860	134,670	134,664	6
Allowances: Travel or Motor Vehicle	210,731	232,480	232,480	193,618	38,862
Basic Salary and Wages	1,557,540	1,710,950	1,710,950	1,654,896	56,054
Municipal Staff: Social Contributions:					
Bargaining Council	336	360	360	356	4
Group Life Insurance	8,904	9,780	9,780	9,343	437
Medical	50,126	53,160	53,160	62,208	-9,048
Pension	299,964	327,750	327,750	322,120	5,630
Unemployment Insurance	5,354	5,880	5,880	5,354	526
Expenditure By Type / Other expenditure	528,428	528,080	528,080	392,305	135,775
Operational Cost:					
Communication: Cellular Contract (Subscription and Calls)	25,776	33,280	33,280	29,709	3,571
Printing, Publications and Books	502,653	494,800	494,800	362,596	132,204
Expenditure By Type / Other materials	4,600	28,570	28,570	20,318	8,252
Consumables: Standard Rated	4,600	13,440	13,440	12,171	1,269
Finished Goods		15,130	15,130	8,147	6,983

3.34 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Municipality's ICT services are classified into four categories: Application Development; Technical Support Services; Enterprise Programmes; and ICT Governance.

Job Level	Year -1		Year 0		
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
4 - 6	10	11	10	1	9%
7 - 9	5	6	5	1	16%
10 - 12	30	37	30	7	19%
13 - 15	6	8	6	2	25%
16 - 18	2	3	2	1	33%
19 - 20	0	1	0	1	100%
Total	53	66	53	13	20%

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	4	-	1	5	4
Expenditure:					
Employees	36,496	39,640	38,996	35,856	(3,140)
Repairs and Maintenance	141	2,490	1,553	39	(1,514)
Other	35,975	27,881	33,738	48,291	(14,553)
Total Operational Expenditure	72,613	70,011	74,287	84,186	9,899
Net Operational Expenditure	72,609	70,011	74,286	84,181	9,895

TABLE 3.149.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Information Technology	72,608,549	70,010,510	74,286,330	84,181,382	-9,895,052
Expenditure By Type / Contracted services	168,523	2,784,700	1,777,670	122,622	1,655,048
Contractors:					
Maintenance of Buildings and Facilities		63,600	63,600	1,250	62,350
Maintenance of Equipment	148,000	2,446,100	1,509,070	40,868	1,468,202
Transportation			30,000	17,230	12,771
Outsourced Services:					
Business and Advisory: Human Resources	20,523				0
Business and Advisory: Project Management		275,000	175,000	63,276	111,724
Expenditure By Type / Employee related costs	36,496,240	39,640,160	38,996,230	35,856,026	3,140,204
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Cellular and Telephone	3,013	3,460	1,580	1,572	8
Allowances: Housing Benefits and Incidental: Essential User	426,636	468,660	459,360	459,342	18
Allowances: Housing Benefits and Incidental: Housing Benefits	213,090	239,000	234,890	213,894	20,996
Allowances: Service Related Benefits: Acting and Post Related Allowances	175,496		93,700	200,279	-106,579
Allowances: Service Related Benefits: Bonus	2,092,279	2,287,600	2,394,840	2,134,621	260,219
Allowances: Service Related Benefits: Long Service Award	1,616,420	1,796,010	1,588,050	1,577,498	10,552
Allowances: Service Related Benefits:Overtime:Night Shift	54,241	69,180	69,180	60,446	8,734
Allowances: Service Related Benefits:Overtime:Non Structured	225,661	251,930	251,930	338,292	-86,362
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	88,604	97,340	97,340	96,795	545
Allowances: Service Related Benefits: Standby Allowance	663,018	655,320	655,320	816,972	-161,652
Allowances: Travel or Motor Vehicle	1,097,089	1,335,540	1,424,050	1,098,397	325,653
Basic Salary and Wages	23,302,360	25,286,870	25,013,040	22,246,216	2,766,824
Municipal Staff: Social Contributions:					
Bargaining Council	5,806	6,240	5,880	5,653	227
Group Life Insurance	191,325	210,350	201,530	193,608	7,922
Medical	1,716,377	1,820,890	1,762,330	1,808,786	-46,456

TABLE 3.149.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Pension	4,531,168	5,007,890	4,655,720	4,517,961	137,759
Unemployment Insurance	93,657	103,880	87,490	85,695	1,796
Expenditure By Type / Finance charges	192,410	164,840	164,840	164,840	0
Interest Paid:Borrowings:Annuity Loans	192,410	164,840	164,840	164,840	0
Expenditure By Type / Other expenditure	35,404,667	27,155,310	32,783,130	47,521,757	-14,738,627
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	19,189	166,000	36,000	8,542	27,458
Assets less than the Capitalisation Threshold	23,626	100,000	71,050	46,425	24,625
Operational Cost:					
Communication: Cellular Contract (Subscription and Calls)	237,806	336,700	336,700	280,087	56,613
Communication: Telephone, Fax, Telegraph and Telex	2,397			2,459	-2,459
External Computer Service: Data Lines	453,405	380,000	280,000	392,718	-112,718
External Computer Service: Information Services	2,591,858	2,525,000	5,231,870	10,937,135	-5,705,265
External Computer Service: Internet Charge	765,841	600,000	102,970	258,315	-155,345
External Computer Service: Network Extensions	775	42,400	42,400	5,820	36,580
External Computer Service: Software Licences	31,578,833	18,000,000	25,191,250	31,452,565	-6,261,315
External Computer Service: Wireless Network	-283,621	5,000,000	1,485,680	4,132,630	-2,646,950
Insurance Underwriting: Premiums	4,324	5,210	5,210	3,097	2,113
Travel and Subsistence:Domestic:Daily Allowance	5,313				0
Workmen's Compensation Fund	4,922			1,964	-1,964
Expenditure By Type / Other materials	350,858	265,500	565,500	520,796	44,704
Consumables: Standard Rated	350,858	257,500	557,500	520,796	36,704
Materials and Supplies		8,000	8,000		8,000
Revenue By Source / Other revenue	-4,150		-1,040	-4,660	3,620
Operational Revenue					
Request for Information: Municipal Information and Statistics	-4,150		-1,040	-1,037	-3
Staff Recoveries				-3,623	3,623

TABLE 3.150: Capital Expenditure 2012/2: 1ICT Services

Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	15,694	9,445	17,150	5,379	-261%	
Purchase of computer equipment (Design & Implementation)	98	500	500	240	-108%	Ongoing
Disaster Recovery Center - Information Security	12,046	6,500	3,000	-		Ongoing
EMS: Enhancements (Out of Scope Work)	-		-	-		Ongoing
EMS - Enhancement	-	2,000	50	-		Ongoing
Purchase of servers and other IT Related Infrastructure	1,979	3,000	3,000	1,411	-113%	Ongoing
Computer Enhancements - Corporate	-	-	-	-		Ongoing
Traffic: Motherwell - Thusong ICT Equipment	-	-	-	-		Ongoing
Computer and Office Equipment	572	1,000	1,000	298	-236%	Ongoing
Disaster Recovery- Backup power and Renewable energy	-	-	300	-		Ongoing
Purchase of Computer Equipment - Security Services	661	180	260	-		Ongoing
Purchase of Computer Equipment - Traffic	374	180	180	-		Ongoing
Computer Upgrade - I & E	-	-	-			Ongoing
Queue Management System - NMBM Customer Care		1,000				
Computer systems upgrade	(35)	-	1,000			Ongoing
PH - Software - Smartmun Cemetery Management	-		1,725	1,500	100%	Ongoing
Replacement of Old Laptops and Desktop PC's	-	80	80	34	-138%	Ongoing
Purchase of computer equipment for Finance	-	-	200	-		Ongoing
Customer care: IVR Query Management module	-	-	750	655	100%	Complete
Water: Purchase of Computer Equipment	-	-	200	-		
Purchase of Computer Equipment - Safety -ED's Office	-	100	100	-		
Purchase of Computer Equipment - Fire & Emergency	-	180	180	147	-23%	

TABLE 3.150: Capital Expenditure 2012/2: 1ICT Services

Capital Projects	2019/20 Actual Expenditure	2020/21				
		Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Purchase of Computer Equipment - Disaster Management	-	180	80	20	-809%	
Purchase of Computer Equipment - Metro Police	-	180	180	160	-12%	
IPTS -OMS APTMS Lite Phase 1		4,365	4,365	914	-378%	

3.35 LEGAL SERVICES AND RISK MANAGEMENT

The Nelson Mandela Bay Municipality has a functional Legal Services Sub-directorate which, *inter alia* provides an effective and professional legal service to Council, management and staff in the discharge of their responsibilities. The Municipality further has a Risk Management Sub-directorate, which performs *inter alia* risk management activities in accordance with relevant legislation, policies and guidelines.

TABLE 3.151: Employees: Legal Services

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number	Number	Number	Number	%
0 – 3	0	0	0	0	N/A
4 – 6	1	1	1	0	0%
7 – 9	3	3	3	0	0%
10 – 12	4	1	5	0	0%
13 - 15	3	1	4	0	0%
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	N/A
Total	12	7	14	0	0%

TABLE 3.152: Employees: Risk Management

Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number	Number	Number	Number	%
0 - 3	0	0	0	0	N/A
4 - 6	0	0	0	0	N/A
7 - 9	0	0	0	0	N/A
10 - 12	2	1	3	0	0%
13 - 15	0	0	0	0	N/A
16 - 18	1	1	1	0	0%
19 - 20	0	0	0	0	N/A
Total	3	2	4	0	0%

TABLE 3.153: Financial Performance 2020/21: Finance and Administration: Property; Legal; Risk Management and Procurement Services

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	8,159	8,379	8,952	9,803	851
Expenditure:					
Employees	136,510	147,334	154,839	142,673	(12,166)
Repairs and Maintenance	31,981	37,323	35,223	32,130	(3,093)
Other	266,604	169,540	170,297	176,307	6,010
Total Operational Expenditure	435,095	354,196	360,359	351,110	(9,249)
Net Operational Expenditure	426,936	345,817	351,407	341,307	(10,100)

Table 3.154: Financial Performance 2020/21: Finance and Administration: Asset Management

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0
Expenditure:					
Employees	3,404	3,580	3,522	3,451	(71)
Repairs and Maintenance	5	4	29	9	(20)
Other	1,091	1,714	1,639	1,386	(253)
Total Operational Expenditure	4,500	5,298	5,190	4,846	(344)
Net Operational Expenditure	4,500	5,298	5,190	4,846	(344)

TABLE 3.154.1.1: Function: Finance and Administration: Core	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Asset Management	4,500,147	5,298,480	5,190,330	4,845,955	344,375
Expenditure By Type / Contracted services	63,095	96,000	96,000	73,498	22,502
Contractors:					
Maintenance of Buildings and Facilities	4,672	22,500	22,500		22,500
Maintenance of Equipment		4,000	4,000		4,000
Outsourced Services:					
Business and Advisory: Project Management	47,325	55,000	55,000	50,331	4,669
Refuse Removal	11,098	14,500	14,500	23,167	-8,667
Expenditure By Type / Employee related costs	3,404,473	3,580,480	3,522,330	3,450,918	71,412
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	177,591	195,080	195,650	195,635	15
Allowances: Housing Benefits and Incidental: Housing Benefits	10,884	11,950	11,580	11,568	12
Allowances: Service Related Benefits: Acting and Post Related Allowances	228,839				0
Allowances: Service Related Benefits: Bonus	155,810	171,170	167,820	167,813	7
Allowances: Service Related Benefits: Long Service Award	104,895	102,880	120,070	124,125	-4,055
Allowances: Service Related Benefits:Overtime:Non Structured			25,000	8,595	16,405
Basic Salary and Wages	2,219,611	2,550,560	2,468,280	2,402,226	66,054
Municipal Staff: Social Contributions:					
Bargaining Council	447	480	480	525	-45
Group Life Insurance	17,237	18,930	18,520	18,486	34
Medical	139,213	146,860	144,010	147,424	-3,414
Pension	338,574	369,690	362,490	363,208	-718
Unemployment Insurance	11,372	12,880	8,430	11,313	-2,883
Expenditure By Type / Other expenditure	990,758	1,561,500	1,511,500	1,290,172	221,328
Operating Leases:					
Expenditure: Operating Leases: Other Assets	745,546	960,000	960,000	1,034,467	-74,467
Operational Cost:					

TABLE 3.154.1.1: Function: Finance and Administration: Core	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Advertising, Publicity and Marketing: Corporate and Municipal Activities	12,503	165,000	135,000		135,000
Assets less than the Capitalisation Threshold	41,205	65,000	45,000	20,851	24,149
Communication: Cellular Contract (Subscription and Calls)	34,165	55,000	55,000	42,164	12,836
External Computer Service: Network Extensions	1,661	1,500	1,500		1,500
External Computer Service: Software Licences	44,904	55,500	55,500		55,500
Municipal Services	110,774	259,500	259,500	192,690	66,810
Expenditure By Type / Other materials	41,822	60,500	60,500	31,367	29,133
Consumables: Standard Rated	19,296	38,500	38,500	21,949	16,551
Consumables: Zero Rated	22,526	22,000	22,000	9,418	12,582

TABLE 3.154.2: Financial Performance 2020/21: Finance and Administration: Fleet Management

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	37	593	815	335	(480)
Expenditure:					
Employees	60,789	69,292	70,402	63,683	(6,719)
Repairs and Maintenance	31,950	37,091	34,961	32,066	(2,895)
Other	16,324	18,810	19,860	20,881	1,021
Total Operational Expenditure	109,062	125,193	125,222	116,630	(8,592)
Net Operational Expenditure	109,026	124,600	124,407	116,295	(8,112)

TABLE 3.154.2.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Fleet Management	109,025,689	124,600,060	124,406,780	116,295,395	8,111,385
Expenditure By Type / Contracted services	32,001,978	37,263,460	35,618,660	34,707,825	910,835
:Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	10,387	10,000	530,000	794,513	-264,513
Contractors:					
Maintenance of Buildings and Facilities	184,885	400,000	400,000	160,093	239,907
Maintenance of Equipment	50,751	1,669,860	1,539,860	59,383	1,480,477
Transportation	31,759,177	35,067,600	33,067,600	31,906,180	1,161,420
Outsourced Services:					
Administrative and Support Staff				1,787,656	- 1,787,656
Business and Advisory: Project Management	-3,222	116,000	81,200	0	81,200
Expenditure By Type / Employee related costs	60,788,752	69,292,320	70,401,780	63,682,573	6,719,207
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	150,681	165,520	160,640	160,635	5
Allowances: Housing Benefits and Incidental: Housing Benefits	279,947	338,700	304,660	282,355	22,305
Allowances: Non-pensionable		880	880		880
Allowances: Service Related Benefits: Acting and Post Related Allowances	46,710		55,860	104,272	-48,412
Allowances: Service Related Benefits: Bonus	3,211,930	3,669,120	3,859,870	3,528,977	330,893
Allowances: Service Related Benefits: Long Service Award	3,287,559	3,792,120	3,690,430	3,456,735	233,695
Allowances: Service Related Benefits:Overtime:Night Shift	6,353	17,500	13,620	3,966	9,654
Allowances: Service Related Benefits:Overtime:Non Structured	2,901,254	3,060,880	3,416,500	3,511,207	-94,707
Allowances: Service Related Benefits: Scarcity Allowance	1,337,852	1,581,820	1,578,390	1,368,983	209,407
Allowances: Service Related Benefits: Standby Allowance	365,461	379,390	428,020	429,815	-1,795
Allowances: Travel or Motor Vehicle	901,068	1,244,680	1,240,920	933,648	307,272
Basic Salary and Wages	35,409,656	39,638,650	41,007,400	36,985,610	4,021,790
Bonuses	1,148,318	1,974,370	1,545,000	738,718	806,282

TABLE 3.154.2.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Staff: Social Contributions:					
Bargaining Council	13,421	14,530	14,710	13,791	919
Group Life Insurance	376,526	411,000	413,130	390,094	23,036
Medical	4,134,643	4,691,190	4,653,050	4,247,898	405,152
Pension	6,999,247	8,068,640	7,788,250	7,315,247	473,003
Unemployment Insurance	218,126	243,330	230,450	210,621	19,829
Expenditure By Type / Other expenditure	5,783,796	8,676,410	9,240,860	9,180,394	60,466
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	17,169	32,700	32,700	1,717	30,983
Expenditure: Operating Leases: Furniture and Office Equipment	42,708	53,000	53,000	59,791	-6,791
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	1,886	10,600	10,600		10,600
Advertising, Publicity and Marketing: Staff Recruitment	40,562	55,300	55,300	25,051	30,249
Advertising, Publicity and Marketing: Tenders	15,701	21,200	71,200	67,144	4,056
Assets less than the Capitalisation Threshold	63,234	75,980	75,980	83,433	-7,453
Cleaning Services: Laundry Services	22,586	57,200	57,200	36,656	20,544
Communication: Cellular Contract (Subscription and Calls)	151,425	167,900	167,900	177,272	-9,372
Communication: Telephone, Fax, Telegraph and Telex	65,991	127,200	127,200	61,573	65,627
Drivers Licences and Permits	3,812	10,200	10,700	2,594	8,106
External Computer Service: Data Lines	15,724	63,600	63,600	4,484	59,116
External Computer Service: Network Extensions		2,120	2,120		2,120
External Computer Service: Software Licences	975,916	1,173,000	1,173,000	759,033	413,967
Insurance Underwriting: Claims paid to Third Parties		30,000	30,000		30,000
Insurance Underwriting: Premiums	58,403	75,310	77,010	65,595	11,415
Licences: Motor Vehicle Licence and Registrations	4,061,401	6,595,910	6,595,910	7,577,640	-981,730
Printing, Publications and Books	2,382				0
Skills Development Fund Levy			513,950		513,950

TABLE 3.154.2.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Uniform and Protective Clothing	146,369	125,190	123,490	115,086	8,404
Workmen's Compensation Fund	98,528			143,324	-143,324
Expenditure By Type / Other materials	10,487,865	9,960,870	9,960,870	9,059,468	901,402
Consumables: Standard Rated	153,108	260,500	260,500	191,798	68,702
Consumables: Zero Rated	10,254,633	9,534,270	9,534,270	8,763,480	770,790
Finished Goods	3,017	29,000	29,000	19,794	9,206
Materials and Supplies	77,108	137,100	137,100	84,396	52,704
Revenue By Source / Gains on disposal of PPE		-510,000	-510,000		-510,000
Gains and Losses: Transport Assets: Gains		-510,000	-510,000		-510,000
Revenue By Source / Other revenue	-36,703	-83,000	-305,390	-334,864	29,474
Operational Revenue:					
Insurance Refund	-36,624	-83,000	-305,390	-328,508	23,118
Staff Recoveries	-79			-3,043	3,043
Sales of Goods and Rendering of Services:					
Sale of Goods: Assets < Capitalisation Threshold				-1,248	1,248
Scrap, Waste & Other Goods: Scrap				-2,065	2,065

TABLE 3.154.3: Financial Performance 2020/21: Finance and Administration: Legal services

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1	-	-	-	0
Expenditure:					
Employees	11,784	12,320	12,276	12,063	(213)
Repairs and Maintenance	-	5	5	-	0
Other	14,895	14,046	14,046	7,859	(6,187)
Total Operational Expenditure	26,679	26,371	26,326	19,922	(6,404)
Net Operational Expenditure	26,679	26,371	26,326	19,922	(6,404)

TABLE 3.154.3.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Legal Services	26,678,527	26,370,850	26,326,390	19,921,886	6,404,504
Expenditure By Type / Contracted services	14,488,724	13,356,730	13,356,730	7,238,022	6,118,708
Consultants and Professional Services:					
Business and Advisory: Commissions and Committees		550,000	550,000		550,000
Legal Cost: Legal Advice and Litigation	14,467,125	12,715,810	12,715,810	7,201,118	5,514,692
Contractors:					
Maintenance of Equipment	18,572	76,520	76,520	4,094	72,426
Outsourced Services:					
Refuse Removal	3,027	14,400	14,400	32,810	-18,410
Expenditure By Type / Employee related costs	11,784,401	12,320,080	12,275,620	12,063,080	212,540
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	732,078	746,860	776,820	776,806	14
Allowances: Housing Benefits and Incidental: Housing Benefits	72,560	83,650	63,610	58,747	4,863
Allowances: Service Related Benefits: Acting and Post Related Allowances	263,599		30,000	42,553	-12,553
Allowances: Service Related Benefits: Bonus	630,421	676,080	676,080	641,538	34,542
Allowances: Service Related Benefits: Long Service Award	288,581	90,760	182,430	197,486	-15,056
Allowances: Service Related Benefits:Overtime:Non Structured		17,000	17,000	13,761	3,239
Allowances: Service Related Benefits: Standby Allowance		23,700	3,700		3,700
Allowances: Travel or Motor Vehicle	381,862	443,760	502,130	381,334	120,796
Basic Salary and Wages	7,526,062	8,210,610	8,092,960	7,969,402	123,558
Municipal Staff: Social Contributions:					
Bargaining Council	1,678	1,800	1,700	1,683	17
Group Life Insurance	60,069	65,970	59,990	59,979	11
Medical	444,422	469,550	426,530	472,507	-45,977
Pension	1,354,564	1,460,940	1,416,160	1,418,803	-2,643
Unemployment Insurance	28,505	29,400	26,510	28,483	-1,973

TABLE 3.154.3.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other expenditure	346,885	640,260	640,260	586,611	53,649
Operating Leases					
Expenditure: Operating Leases: Computer Equipment	19,755	22,420	22,420	7,184	15,236
Expenditure: Operating Leases: Furniture and Office Equipment	38,437	70,000	70,000	34,166	35,834
Operational Cost:					
Assets less than the Capitalisation Threshold	55,770	80,000	80,000	44,615	35,385
Communication: Cellular Contract (Subscription and Calls)	149,303	87,000	87,000	169,426	-82,426
Municipal Services	32,347	248,000	248,000	323,560	-75,560
Printing, Publications and Books		100,000	100,000		100,000
Travel Agency and Visa's	1,043	3,570	3,570		3,570
Travel and Subsistence:Domestic:Accommodation	2,115	4,420	4,420		4,420
Travel and Subsistence:Domestic:Daily Allowance		4,660	4,660		4,660
Travel and Subsistence:Domestic:Food and Beverage (Served)	160	1,690	1,690		1,690
Travel and Subsistence:Domestic:Incidental Cost		1,000	1,000		1,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	3,977	8,600	8,600		8,600
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		8,900	8,900		8,900
Workmen's Compensation Fund	43,978			7,659	-7,659
Expenditure By Type / Other materials	59,287	53,780	53,780	34,173	19,607
Consumables: Standard Rated	58,617	52,200	52,200	33,377	18,823
Consumables: Zero Rated	670	1,580	1,580	796	784
Revenue By Source / Other revenue	-770				0
Operational Revenue					
Staff Recoveries	-770				0

TABLE 3.154.4: Financial Performance 2020/21: Finance and Administration: Supply Chain Management					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1,044	1,000	1,000	1,303	303
Expenditure:					
Employees	44,287	44,533	51,106	46,725	(4,381)
Repairs and Maintenance	26	223	229	55	(174)
Other	232,040	132,783	132,594	144,492	11,898
Total Operational Expenditure	276,354	177,540	183,929	191,271	7,342
Net Operational Expenditure	275,310	176,540	182,929	189,968	7,039

TABLE 3.154.4.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Supply Chain Management	275,309,647	176,540,170	182,928,860	189,967,631	-7,038,771
Expenditure By Type / Contracted services	337,916	2,565,350	2,226,420	306,386	1,920,034
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	130,772	647,230	647,230		647,230
Contractors:					
Catering Services		10,450	7,450		7,450
Maintenance of Buildings and Facilities	5,980	162,450	153,450	20,837	132,613
Maintenance of Equipment	139,677	229,890	275,390	219,269	56,121
Pest Control and Fumigation		33,950	11,000		11,000
Safeguard and Security	31,503	15,680		11,333	-11,333
Outsourced Services:					
Administrative and Support Staff				26,200	-26,200
Alien Vegetation Control		12,500			0
Business and Advisory: Occupational Health and Safety			12,000	26,171	-14,171

TABLE 3.154.4.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory: Project Management	18,988	1,438,060	1,104,760		1,104,760
Cleaning Services	10,216			2,576	-2,576
Hygiene Services	780	15,140	15,140		15,140
Expenditure By Type / Depreciation and asset impairment	230,435,990	128,426,210	128,426,210	141,588,841	-13,162,631
Expenditure: Depreciation and Amortisation: Depreciation: Furniture and Office Equipment	230,435,990	128,426,210	128,426,210	141,588,841	-13,162,631
Expenditure By Type / Employee related costs	44,287,115	44,533,350	51,105,750	46,724,705	4,381,045
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	825,659	918,490	918,340	918,284	56
Allowances: Housing Benefits and Incidental: Housing Benefits	235,820	250,950	227,010	241,907	-14,897
Allowances: Non-pensionable		570	570		570
Allowances: Service Related Benefits: Acting and Post Related Allowances	1,085,631		308,000	671,370	-363,370
Allowances: Service Related Benefits: Bonus	2,352,941	2,371,810	2,785,010	2,532,166	252,844
Allowances: Service Related Benefits: Long Service Award	1,509,379	1,542,710	1,718,110	1,611,744	106,366
Allowances: Service Related Benefits: Overtime: Non Structured	356,798	288,270	288,360	337,329	-48,969
Allowances: Service Related Benefits: Standby Allowance	132,715	189,350	189,350	136,234	53,116
Allowances: Travel or Motor Vehicle	294,701	406,280	395,570	312,672	82,898
Basic Salary and Wages	28,876,411	29,967,340	35,172,400	30,935,469	4,236,931
Municipal Staff: Social Contributions:					
Bargaining Council	10,550	11,400	11,150	10,860	290
Group Life Insurance	349,158	347,120	368,540	359,919	8,621
Medical	2,876,950	2,810,280	2,987,450	3,006,217	-18,767
Pension	5,191,848	5,227,930	5,559,920	5,459,953	99,967
Unemployment Insurance	188,556	200,850	175,970	190,580	-14,610
Expenditure By Type / Other expenditure	953,004	1,337,030	1,500,250	693,749	806,501
Operating Leases:					
Expenditure: Operating Leases: Furniture and Office Equipment	126,854	263,350	297,350	291,025	6,325

TABLE 3.154.4.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		286,000	391,650	21,893	369,757
Advertising, Publicity and Marketing: Tenders	143,261	128,300	113,300	33,188	80,112
Assets less than the Capitalisation Threshold	354,137	170,300	172,870	21,411	151,459
Communication: Cellular Contract (Subscription and Calls)	181,828	186,270	186,270	209,462	-23,192
Communication: Telephone Installation		3,000	3,000		3,000
Communication: Telephone, Fax, Telegraph and Telex	10,001	11,250	11,250	9,869	1,381
External Computer Service: Internet Charge	13,079	21,000	44,000	22,099	21,901
External Computer Service: Network Extensions	132	1,480	1,480	1,375	105
External Computer Service: Wireless Network		22,500	14,500		14,500
Insurance Underwriting: Premiums	4,755	5,720	5,720	3,814	1,906
Printing, Publications and Books	1,385	12,380	12,380	137	12,243
Professional Bodies, Membership and Subscription				2,740	-2,740
Registration Fees: Seminars, Conferences, Workshops and Events: National	6,370				0
Resettlement Cost			32,000		32,000
Storage of Files (Archiving)	15,691	32,840	32,840	11,218	21,622
Travel Agency and Visa's	5,840	3,460	7,460		7,460
Travel and Subsistence:Domestic:Accommodation	6,204	53,000	53,000		53,000
Travel and Subsistence:Domestic:Daily Allowance	20,929				0
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	12,561	40,720	40,720		40,720
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	170				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		10,460	10,460		10,460
Travel and Subsistence:Domestic:Transport without Operator: Own Transport	2,959				0
Uniform and Protective Clothing	22,442	85,000	70,000	60,819	9,181
Workmen's Compensation Fund	24,405			4,700	-4,700

TABLE 3.154.4.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other materials	339,877	678,230	670,230	1,957,218	-1,286,988
Consumables: Standard Rated	294,649	478,620	470,620	387,409	83,211
Consumables: Zero Rated	102,447	119,320	119,320	55,398	63,922
Finished Goods	63,740	52,290	52,290	46,289	6,001
Materials and Supplies	-120,959	28,000	28,000	1,468,122	-1,440,122
Revenue By Source / Other revenue	-1,044,255	-1,000,000	-1,000,000	-1,303,268	303,268
Operational Revenue:					
Staff Recoveries	-901				0
Sales of Goods and Rendering of Services:					
Sale of Goods:Publications:Tender Documents	-1,043,353	-1,000,000	-1,000,000	-1,303,268	303,268

TABLE 3.154.5: Financial Performance 2020/21: Finance and Administration: Property Services					
R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	7,077	6,786	7,136	8,165	1,029
Expenditure:					
Employees	12,666	13,708	13,657	13,040	(617)
Repairs and Maintenance	-	-	-	-	
Other	1,988	1,654	1,626	1,556	(70)
Total Operational Expenditure	14,654	15,363	15,284	14,597	(687)
Net Operational Expenditure	7,577	8,577	8,147	6,432	(1,715)

TABLE 3.154.5.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Property Services	7,576,861	8,576,740	8,147,450	6,432,236	1,715,214
Expenditure By Type / Contracted services	763,087	481,000	573,000	437,823	135,177
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	720,976	350,000	470,000	411,026	58,974
Contractors:					
Maintenance of Buildings and Facilities		18,000	18,000		18,000
Maintenance of Equipment	24,398	20,000	20,000	7,925	12,075
Transportation		8,000			0
Outsourced Services:					
Clearing and Grass Cutting Services		65,000	45,000		45,000
Refuse Removal	17,713	20,000	20,000	18,872	1,128
Expenditure By Type / Employee related costs	12,665,967	13,708,420	13,657,130	13,040,387	616,743
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	125,273	137,620	138,080	138,072	8
Allowances: Housing Benefits and Incidental: Housing Benefits	40,815	59,770	46,310	46,272	38
Allowances: Non-pensionable	360	400	360	360	0
Allowances: Service Related Benefits: Acting and Post Related Allowances	121,397	338,660		63,268	-63,268
Allowances: Service Related Benefits: Bonus	639,564	702,570	745,520	727,959	17,561
Allowances: Service Related Benefits: Long Service Award	570,843	629,480	569,900	563,670	6,230
Allowances: Service Related Benefits:Overtime:Non Structured				7,886	-7,886
Allowances: Service Related Benefits: Scarcity Allowance	66,828	73,410	73,380	73,380	0
Allowances: Travel or Motor Vehicle	1,253,191	1,459,290	1,110,230	1,144,217	-33,987
Basic Salary and Wages	7,458,588	7,801,260	8,433,430	7,759,990	673,440
Municipal Staff: Social Contributions:					
Bargaining Council	2,516	2,520	2,760	2,683	77
Group Life Insurance	95,953	96,040	99,630	100,404	-774

TABLE 3.154.5.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Medical	732,235	747,580	787,380	787,703	-323
Pension	1,517,348	1,615,600	1,608,940	1,584,071	24,869
Unemployment Insurance	41,054	44,220	41,210	40,452	758
Expenditure By Type / Other expenditure	1,173,101	1,038,470	918,470	1,092,554	-174,084
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	2,468	4,000	4,000		4,000
Expenditure: Operating Leases: Furniture and Office Equipment	112,237	100,000	100,000	53,334	46,666
Expenditure: Operating Leases: Other Assets	727,397	350,000	350,000	719,534	-369,534
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		30,000			0
Assets less than the Capitalisation Threshold	4,402	110,000	110,000	37,042	72,958
Communication: Cellular Contract (Subscription and Calls)	73,103	130,000	130,000	73,941	56,059
Communication: Telephone, Fax, Telegraph and Telex	59,295	150,000	150,000	53,927	96,073
Deeds	14,315	40,000	40,000	2,584	37,416
Insurance Underwriting: Premiums	2,047	2,470	2,470	2,569	-99
Licences: Motor Vehicle Licence and Registrations		8,000	8,000		8,000
Municipal Services	173,377	65,000		149,624	-149,624
Travel Agency and Visa's		1,500	1,500		1,500
Travel and Subsistence:Domestic:Accommodation		7,500	7,500		7,500
Travel and Subsistence:Domestic:Daily Allowance		4,000	4,000		4,000
Travel and Subsistence:Domestic:Food and Beverage (Served)		1,000	1,000		1,000
Travel and Subsistence:Domestic:Incidental Cost	4,459				0
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		20,000	5,000		5,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		15,000	5,000		5,000
Expenditure By Type / Other materials	51,592	135,000	135,000	26,039	108,961
Consumables: Standard Rated	20,023	65,000	65,000	7,260	57,740

TABLE 3.154.5.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Consumables: Zero Rated	31,569	70,000	70,000	18,146	51,854
Finished Goods				633	-633
Revenue By Source / Other revenue	-11,820	-15,900	-15,900	-11,820	-4,080
Operational Revenue:					
Sale of Property	-11,820	-15,900	-15,900	-11,820	-4,080
Revenue By Source / Rental of facilities and equipment	-7,065,066	-6,770,250	-7,120,250	-8,152,747	1,032,497
Ad-hoc rentals: Community Assets	-3,906,582	-4,270,250	-4,270,250	-5,208,268	938,018
Investment Property: Ad-hoc rentals	-2,920,847	-2,500,000	-2,500,000	-2,681,097	181,097
Ad-hoc rentals: Machinery and Equipment	-1,429				0
Sub-lease Payment: Roads Infrastructure	-236,207		-350,000	-263,382	-86,618

TABLE 3.154.6: Financial Performance 2020/21: Finance and Administration: Risk Management

R'000					
Details	2019/20	2020/21			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	-	-	-	-	0
Expenditure:					
Employees	3,579	3,899	3,876	3,712	(164)
Repairs and Maintenance	-	-	-	-	0
Other	266	531	531	132	(399)
Total Operational Expenditure	3,845	4,431	4,407	3,844	(563)
Net Operational Expenditure	3,845	4,431	4,407	3,844	(563)

TABLE 3.154.6.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Core Function: Risk Management	3,845,402	4,430,810	4,407,490	3,843,972	563,518
Expenditure By Type / Contracted services	51,506	96,940	96,940	25,043	71,897
Consultants and Professional Services:					
Business and Advisory: Commissions and Committees		27,430	27,430	24,952	2,478
Contractors:					
Maintenance of Buildings and Facilities		2,100	2,100		2,100
Maintenance of Equipment	51,506	67,410	67,410	91	67,319
Expenditure By Type / Employee related costs	3,578,915	3,899,360	3,876,040	3,711,600	164,440
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	150,681	165,520	160,640	160,635	5
Allowances: Housing Benefits and Incidental: Housing Benefits	7,256	11,950			0
Allowances: Service Related Benefits: Acting and Post Related Allowances	11,191		11,950	10,125	1,825
Allowances: Service Related Benefits: Bonus	210,956	208,830	246,360	206,207	40,153
Allowances: Travel or Motor Vehicle	162,333	185,070	168,280	166,605	1,675
Basic Salary and Wages	2,463,072	2,705,720	2,674,200	2,550,589	123,611
Municipal Staff: Social Contributions:					
Bargaining Council	447	480	480	475	5
Group Life Insurance	17,809	19,560	18,710	18,686	24
Medical	135,562	141,290	142,700	144,947	-2,247
Pension	410,633	451,100	445,430	445,407	23
Unemployment Insurance	8,975	9,840	7,290	7,925	-635
Expenditure By Type / Other expenditure	207,271	417,080	417,080	97,379	319,701
Operating Leases:					
Expenditure: Operating Leases: Computer Equipment	19,163	20,000	20,000		20,000
Expenditure: Operating Leases: Furniture and Office Equipment	46,979	64,700	64,700	42,708	21,992
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	19,465	65,820	65,820		65,820

TABLE 3.154.6.1: Function: Finance and Administration:	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Assets less than the Capitalisation Threshold	74,052	98,440	98,440	23,533	74,907
Communication: Cellular Contract (Subscription and Calls)	20,355	28,940	28,940	23,054	5,886
Courier and Delivery Services	55	1,000	1,000		1,000
External Computer Service: Network Extensions		3,680	3,680		3,680
Professional Bodies, Membership and Subscription	7,558	27,440	27,440	8,084	19,356
Registration Fees: Seminars, Conferences, Workshops and Events: National		50,000	50,000		50,000
Travel Agency and Visa's	304	1,790	1,790		1,790
Travel and Subsistence:Domestic:Accommodation	1,498	10,000	10,000		10,000
Travel and Subsistence:Domestic:Daily Allowance	2,233	4,870	4,870		4,870
Travel and Subsistence:Domestic:Food and Beverage (Served)	561	1,650	1,650		1,650
Travel and Subsistence:Domestic:Incidental Cost		1,000	1,000		1,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		17,500	17,500		17,500
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		10,000	10,000		10,000
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		5,000	5,000		5,000
Travel and Subsistence:Non-employees	12,065				0
Uniform and Protective Clothing	2,982	5,250	5,250		5,250
Expenditure By Type / Other materials	7,710	17,430	17,430	9,950	7,480
Consumables: Standard Rated	7,710	16,840	16,840	9,549	7,291
Finished Goods		590	590	401	189

TABLE 3.155: Capital Expenditure 2020/21: Property; Legal; Risk Management and Procurement Services

R' 000						
Capital Projects	2020/21					
	2019/20 Actual Expenditure	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	6,483	16,080	15,339	4,679	-244%	
Water Services : Office Accommodation	64	2,000	350	17		Ongoing
Sanitation Services : Office Accommodation	185	1,000	-	38	100%	Ongoing
Electricity Buildings Improvements	-	2,000	1,000	642	100%	Ongoing
Upgrading of Municipal Office and Ablution facilities	2,402	1,000	1,000	-		Ongoing
Upgrading of depots and offices	-	2,000	1,500	157	100%	Ongoing
Rehabilitation of Workshop Buildings	-	1,000	1,000	-		Ongoing
Disaster Recovery: Building Works	-	-	1,200	395	100%	Ongoing
Disaster Recovery: Installation Of Air Conditioners	-	-	2,000	-		Ongoing
Office Renovation	652	-	1,000	417	100%	Ongoing
Kwa-Ford Depot Upgrade to Roof and Security Guard House		150				
Cuyker Depot Dining Room		400				
Algoa House Installation of Smoke/ Fire Detection System		250				
Office Furniture - Corporate Admin	18	480	580	91	100%	Ongoing
Air Conditioning of Municipal Buildings	-	1,500	1,000	977	100%	Ongoing
Lillian Diedericks Building: Replacement of Garage Doors	-	200	400	181	100%	Ongoing
Office Renovations - 1st Floor, Fidelity Building	-	450	530	188	100%	Ongoing
Office Renovations: 6th Floor, Fidelity Building	-	1,700	959	-		Ongoing
Office Renovations-13th Floor, Fidelity Building	-	1,500	1,500	875	100%	Ongoing
Struanway Depot: Supply and Installation of Betaview Fencing	-	450	650	640	100%	Ongoing
Fidelity Building: Replacement of garage doors	-	-	70	62	100%	Ongoing
Ablution Facility - Peter Gibbs Nursery	262	-	-	-		

TABLE 3.155: Capital Expenditure 2020/21: Property; Legal; Risk Management and Procurement Services

R' 000						
Capital Projects	2020/21					
	2019/20 Actual Expenditure	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Rehabilitation of Workshop Buildings	309	-	-	-		
Lillian Diedericks Building - Upgrading and Rehabilitation	883	-	-	-		
Upgrade Of Municipal Depots	1,142	-	-	-		
Algoa House - Upgrade of Offices	429	-	-	-		
BURCHELL DEPOT:INSTALLATION OF MOTOR SLIDING GATE	100	-	-	-		
Wellness Centre - Kariega Depot	37	-	-	-		
Construction of office space - 31 Park Drive	-	-	600	-		Ongoing

TABEL 3.156: Performance scorecard – Other Indicators

KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR	Year -1 TARGET 2019/20	Year -1 ACTUAL 2019/20	Year 0 TARGET 2020/21	Year 0 ACTUAL 2020/21	Year 1 TARGET 2021/22
KPA: Basic Service Delivery	Percentage of official complaints responded to through the municipal complaint management system	N/A	N/A	N/A	N/A	75% (April 2022 – June 2022)
KPA: Municipal Financial Viability and Management	Percentage overall procurement spent through all new contracts awarded on procurement from local suppliers, contractors and consultants within Nelson Mandela Bay	N/A	N/A	N/A	N/A	65%
KPA: Good Governance and Public Participation	Number of repeat audit findings	76 by March 2020 (Reduced from the 87 2017/18 repeat audit findings issued by the Auditor General)	50 by March 2020 (Reduced from the 87 2017/18 repeat audit findings issued by the Auditor General)	36 (Reduced from the 50 2018/19 repeat audit findings issued by the Auditor General)	47 by June 2021 (reduced from 50 2018/19 repeat audit findings issued by the Auditor General)	40 by March 2022 (Reduced from the 47 2019/20 repeat audit findings issued by the Auditor General)
KPA: Good Governance and Public Participation	Number of active suspensions longer than three months	0	2	0	0	0
KPA: Good Governance and Public Participation	Quarterly salary bill of suspended officials	R8 million	R3,435,435	R6 million	R2,073,534.07 (12 months: 1 July 2020 - 30 June 2021)	R4 million
KPA: Good Governance and Public Participation	Staff vacancy rate	10%	20%	10%	29.55%	10%

**ORGANISATIONAL PERFORMANCE SCORECARD
FOR THE PERIOD ENDING 30 JUNE 2021**

INTERPRETATION OF TRAFFIC LIGHTS AND OVERALL ACHIEVEMENT	
Over Achieved	Achievement of target exceeded
Achieved	Target achieved as planned
Partially Achieved	75% progress towards achievement of the target
Not achieved	Below 75% progress towards achievement of target

**NELSON MANDELA BAY MUNICIPALITY
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IDP INDICATOR REF	NT REF / MSA REG REF	KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	2019/20 ANNUAL PERFORMANCE TARGET	BASELINE (ANNUAL PERFORMANCE OF 2019/20)	2020/21 ANNUAL PERFORMANCE TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2020 - 30 SEPTEMBER 2020)	1ST QUARTER ACTUAL (1 JULY 2020 - 30 SEPTEMBER 2020)	2ND QUARTER PLANNED TARGET (1 JULY 2020 - 31 DECEMBER 2020)	2ND QUARTER ACTUAL (1 JULY 2020 - 31 DECEMBER 2020)	3RD QUARTER PLANNED TARGET (1 JULY 2020 - 31 MARCH 2021)	3RD QUARTER ACTUAL (1 JULY 2020 - 31 MARCH 2021)	4TH QUARTER PLANNED TARGET (1 JULY 2020 - 30 JUNE 2021)	4th QUARTER ACTUAL (1 JULY 2020 - 30 JUNE 2021)	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	LEAD DIRECTORATE/ OFFICE
1	EE1.11	KPA 1: BASIC SERVICE DELIVERY	1	Number of dwellings provided with connections to the mains electricity supply by the municipality	152 (formal: state subsidised) 290 (formal: residential / other) 1145 (informal)	124 (formal: state subsidised) 216 (formal: residential) 850 (informal)	1873 Amended to 1733	467	513	937	745	1406 Amended to: 1251	1321	1873 Amended to 1733	1671	Partially achieved	WORK DONE: During the 2020/21 financial year, altogether 1671 formal, informal and formal residential dwellings were provided with connections to the mains electricity supply by the Municipality as follows: 39 Formal Dwellings (state subsidised) 7 x KwaZakhele (Ward 18) ; 1 x Motherwell (Ward 54); 23 x Walmer Airport Valley (Ward 4); 1 x Malabar (Ward 12), 1 x Bethelsdorp (Ward 31), 1 X Chatty (Ward 29), 1 X Walmer (Ward 4), 2 X Greenfield - KwaZakhele (Ward 18) 1 X Joe Slovo West (Ward 41) and 1 X Seyisi KwaZakhele (Ward 18). 1497 Informal Dwellings 107 X Joe Slovo West Ph4 (Ward 41); 68 X Red Location: 496 X Motherwell (Ward 54); 141 x Ekuphumleni & 32 Family; 326 x Chatty, Jacht Vlakke (Ward 29); 33 x Doornhoek (Ward 48), 21 X Sisulu Village (Ward 26), 246 X Rosedale Extension, Ph2 (Ward 53), and 59 X Malabar (Ward 12). 135 New Residential Formal Dwellings spreading across in various Wards. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicators is due to the following reasons: Formal Dwellings (state subsidised) (1) Non-delivery of state subsidised houses by the Municipality in conjunction with the Housing Development Agency; (2) Challenges in the implementation of the beneficiary management (e.g. an electricity connection cannot be provided to a dwelling without a legal beneficiary occupying same). It should be noted that the electrification of a formal dwelling is dependant on the receipt of an application from a legal beneficiary. All applications are speedily processed on receipt. Informal Dwellings The electrification of various sites in Rosedale Extension and Kwanobuhle Area 11, Phase 2 had to be put on hold due to illegal invasion. New Residential Formal Dwellings Installation of electricity to formal households is demand driven. It is difficult to estimate the number of beneficiaries that would approach the Municipality to apply for an electrical connection at a given time. The Municipality continues to speedily attend to all applications received for residential formal dwelling connections. CORRECTIVE ACTION / MITIGATION: With regards to the delivery of state subsidised houses, an amount of approximately R46 million has been allocated for the development of state subsidised housing units in Nelson Mandela Bay during the 2021/22 financial year. With regards to beneficiary management, the municipality is currently in the process of developing draft standard operating procedures to deal with beneficiary allocation. With regards to illegal invasions, the Municipality is in the process of exploring the appointment of a panel of attorneys to manage invasions and evictions. Furthermore, the Municipality continue to engage all relevant stakeholders in the provision of electrical connections to the communities.	Electricity and Energy
2	EE2.11	KPA 1: BASIC SERVICE DELIVERY	2	Free Basic Electricity provision levels as a percentage of total residential electricity provision (in terms of MWh)	7%	6%	7%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	7%	6.3%	Over-achieved	WORK DONE: During the 2020/21 financial year, altogether 44.63 MWh of free basic electricity (FBE) was provided to indigent households. The free basic electricity provision levels are calculated as follows: (1) Sum of MWh of electricity provided as FBE by the municipality to residential customers / (2) Total MWh of electricity provided to residential customers (July - June) = 100 i.e. 44.63 / 711.64 * 100 = 6.3% REASONS FOR OVERPERFORMANCE: The reason for overperformance reported against this Key Performance Indicator is attributed to the fact that there were fewer customers depending on the municipality for free basic electricity than anticipated at the start of the 2020/21 financial year. "Reasons for overperformance" in the Analysis is amended in line with CoAF 5002/2021 WORK DONE: During the 2020/21 financial year, altogether 44.63 MWh of free basic electricity (FBE) was provided to indigent households. The free basic electricity provision levels are calculated as follows: (1) Sum of MWh of electricity provided as FBE by the municipality to residential customers / (2) Total MWh of electricity provided to residential customers (July - June) * 100 i.e. 44.63 / 711.64 * 100 = 6.3% REASONS FOR OVERPERFORMANCE: The reason for overperformance reported against this Key Performance Indicator is attributed to the fact that there were fewer customers depending on the municipality for free basic electricity than anticipated at the start of the 2020/21 financial year. This indicator seeks to measure the reliance of municipal residents (indigent households) on free basic electricity (FBE), by measuring how much of electricity provided by the municipality in MWh is subsidised through FBE. High reliance by municipal residents on FBE indicates that the price of electricity is unaffordable for the economic activity levels of the municipality. Although the aim of FBE is to assist a poor household to meet basic needs, the lesser reported achievement implies that electricity is more affordable and that there is a lesser reliance of municipal residents on free basic electricity.	Electricity and Energy
3	EE3.11	KPA 1: BASIC SERVICE DELIVERY	3	Percentage of unplanned outages that are restored to supply within industry standard timeframes	98% within 24 hours (For the period 1 April 2020 - 30 June 2020) Amended to: The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to record and track power outages, no target could be set which would comply with the audit criteria specified by the Auditor General. NOTE: Key Performance Indicator / targets were amended in line with Council approved Adjustments Budget dated 27 February 2020 and Executive Mayoral Committee Resolution for Council to approve corresponding amendments to the 2019/20 SDBIP.	98% within 24 hours (For the period 1 April 2020 - 30 June 2020) Amended to: The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to record and track power outages, no target could be set which would comply with the audit criteria specified by the Auditor General. NOTE: Key Performance Indicator / targets were amended in line with Council approved Adjustments Budget dated 27 February 2020 and Executive Mayoral Committee Resolution for Council to approve corresponding amendments to the 2019/20 SDBIP.		The inclusion of the KPI in the SDBIP is regulated by National Treasury through MFMA Circular 88. The monitoring and reporting system currently being used by the Municipality does unfortunately not record and track power outages in the manner prescribed by National Treasury. The setting of a target for the KPI was therefore not possible during the 2020/21 financial year.										Electricity and Energy

2020/21 ADJUSTMENTS

Reasons for overperformance in the Analysis amended (in line with CoAF 5002/2021)

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4	EE3.21	KPA 1: BASIC SERVICE DELIVERY	4	Percentage of planned maintenance performed	100% <u>Amended to:</u> 95%	81.76%	95%	95%	83.50%	95%	82.81%	95%	88.33%	95%	95.66%	Over achieved	WORK DONE: During the period under review, altogether 95.66% of planned maintenance was performed by the Electricity Department. The rationale of the Key Performance Indicator is not to measure actual maintenance activities performed by the Municipality's Electricity Department, but rather to measure actual maintenance effort in hours (in other words, hours spent by electricity technicians on performing maintenance) compared to the budgeted maintenance effort in hours (in other words, hours budgeted for by the Electricity Department to perform the maintenance). Whilst only 95.66% budgeted maintenance hours were actually worked, all electricity maintenance activities were performed as per the planned maintenance plan, within fewer hours than anticipated. Planned maintenance activities performed by the Electricity Department during the financial year includes: inspections, oil pressure readings, switching and protection tests, etc. The performance was calculated as follows: (1) Actual number of maintenance hours for planned/preventative maintenance / (2) Budgeted number of maintenance hours for planned/preventative maintenance)*100 REASONS FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the fact that planned maintenance activities required lesser hours than anticipated during planning.	Electricity and Energy
7	EE4.12	KPA 1: BASIC SERVICE DELIVERY	5	Installed capacity of embedded generators on the municipal distribution network	3MW	4.1MW	3 Mega Watts	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	3 Mega Watts	3.79 Mega Watts	Over achieved	WORK DONE: During the period under review, altogether 3.79 mega watts embedded generator capacity was installed on the municipal distribution network. It can be noted that the indicator measures the total capacity of the Small Scale Embedded Generation (SSEG) installations on the municipal distribution network. SSEG refers to power generation under 1MW/1000kW, which is located on residential, commercial or industrial sites where electricity is consumed. REASON(S) FOR OVERPERFORMANCE: Installations are consumer driven and are subject to applications received from customers. The Municipality does not have control over the size of embedded generators on the municipal distribution network. It only manages installations.	Electricity and Energy
9	ENV1.12	KPA 1: BASIC SERVICE DELIVERY	6	Percentage of AQ monitoring stations providing adequate data over a reporting year	80%	20%	100% <u>Amended to</u> 20%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	100% <u>Amended to</u> 20%	20%	Achieved	WORK DONE: Currently there are five government owned air quality monitoring stations within Nelson Mandela Bay. During the period under review, the Municipality can report that 20% of the government owned air quality monitoring stations (one of the five, namely Walmer Monitoring Station) provides adequate data to the South African Air Quality Information System (SAAQIS) for which there were no significant data gaps. The rationale of the indicator is to measure the proportion of air quality monitoring stations which are sufficiently functional to provide an accurate indication of air quality over a full reporting year in the municipal area.	Public Health
15	ENV 3.11	KPA 1: BASIC SERVICE DELIVERY	7	Percentage of known informal settlements receiving integrated waste handling services	100%	74%	100%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	100%	54%	Not achieved	WORK DONE: As at 30 June 2021, 54% of known informal settlements received integrated waste handling services (litter picking and refuse removal on a weekly basis). This implies that 85 of the 156 known informal settlements received integrated waste handling services throughout the financial year. Performance was calculated as follows: (1) Number of informal settlements receiving integrated waste services / (2) Total number of recognised / known informal settlements * 100. REASONS FOR UNDERPERFORMANCE: It should be noted that the Municipality undertook an informal settlements identification process through which 156 informal settlements were only identified during June 2021. 71 of the known informal settlements did not received an integrated waste handling service due to the fact that they were located: (1) On private land; (2) Outside of the urban boundary; (3) On residential erven where there is no infrastructure to access the area; and (4) On open land which has been identified for human settlement development, but had been unlawfully invaded. CORRECTIVE ACTION / MITIGATION: During the 2021/22 financial year, the Municipality will plan and budget to provide integrated waste handling services to all informal settlements that are located within the urban boundary and not on private land. With regards to inaccessible informal settlements, the Municipality will during the 2021/22 financial year engage stakeholders and develop a plan on how to access informal settlements on inaccessible areas. With regards to invaded land, the Municipality is in the process of exploring the appointment of a panel of attorneys to manage invasions and evictions.	Public Health
16	ENV4.11	KPA 1: BASIC SERVICE DELIVERY	8	Percentage of biodiversity priority area within the metro	62%	62%	62%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	62%	62%	Achieved	WORK DONE: As at the end of the financial year, 62% of biodiversity priority area exist in Nelson Mandela Bay. Performance is calculated as follows: Total land area in hectares classified as "biodiversity priority areas" (121 458 hectares) divided by the total Municipal area (195 900 hectares) multiplied by 100 = 62%	Public Health
17	ENV4.21	KPA 1: BASIC SERVICE DELIVERY	9	Percentage of biodiversity priority areas protected	8.64%	8.64%	8.64%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	8.64%	8.64%	Achieved	WORK DONE: As at the end of the financial year, 8.64% of biodiversity priority areas were protected within Nelson Mandela Bay. Performance is calculated as follows: Area of "biodiversity priority areas" which is protected (10 500 hectares) divided by the total area of land in hectares which is identified as "biodiversity priority areas" (121 458 hectares) multiplied by 100 = 8.64%	Public Health
19	FE 1.11	KPA 1: BASIC SERVICE DELIVERY	10	Percentage compliance with the required attendance time for structural firefighting incidents	75%	63.76%	75%	75%	59.43%	75%	57.38%	75%	57.29%	75%	58.56%	Partially achieved	WORK DONE: During the period under review, the percentage compliance with the required attendance time for structural firefighting incidents was calculated as 58.56%. This entails that 674 of the total reported 1151 structural fire incidents which occurred within Nelson Mandela Bay, were responded to within the required regulated response time of 14 minutes. REASONS FOR UNDERPERFORMANCE: The reason for underperformance reported against this Key Performance Indicator is due to the following factors:- - The distance between the fire station and the fire incident; - Number of speed calming measures en route, e.g. speed humps; - Condition of roads, e.g. potholes; and - The availability of only one firefighting crew per station, noting critical vacancies within the fire department not being filled timeously as a result of Covid-19 restrictions. CORRECTIVE ACTION / MITIGATION: The Municipality's Road Resurfacing and Rehabilitation Capital Programmes are in place to address the condition of major and minor roads within Nelson Mandela Bay. Furthermore, the erection of traffic calming measures are carefully considered and evaluated before construction approval is granted. To address the availability of only 1 fire fighting crew per station and critical vacancies, a motivation was submitted to the Critical Vacancy Committee. Furthermore, an additional proposal was made to the Office of the City Manager to assist with the expedition of the filling of critical vacancies.	Safety and Security

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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)
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IDP INDICATOR REF	NT REF / MSA REG REF	KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	2019/20 ANNUAL PERFORMANCE TARGET	BASELINE (ANNUAL PERFORMANCE OF 2019/20)	2020/21 ANNUAL PERFORMANCE TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2020 - 30 SEPTEMBER 2020)	1ST QUARTER ACTUAL (1 JULY 2020 - 30 SEPTEMBER 2020)	2ND QUARTER PLANNED TARGET (1 JULY 2020 - 31 DECEMBER 2020)	2ND QUARTER ACTUAL (1 JULY 2020 - 31 DECEMBER 2020)	3RD QUARTER PLANNED TARGET (1 JULY 2020 - 31 MARCH 2021)	3RD QUARTER ACTUAL (1 JULY 2020 - 31 MARCH 2021)	4TH QUARTER PLANNED TARGET (1 JULY 2020 - 30 JUNE 2021)	4th QUARTER ACTUAL (1 JULY 2020 - 30 JUNE 2021)	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	LEAD DIRECTORATE/ OFFICE
19	FE 1.12	KPA 1: BASIC SERVICE DELIVERY	11	Number of full-time firefighters per 1000 population	0.2 : 1000	0.2 : 1000	0.2:1000	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	0.2:1000	0.18 : 1000	Partially achieved	WORK DONE: As at 30 June 2021, the Municipality employed 235 full time firefighters. The ratio of fulltime firefighters per 1 000 population was calculated at 0.18:1000. Performance was calculated as follows: 235 firefighters / 1 271 776 population (as extracted from the 2020/21 IDP) x 1000 = 0.18:1000. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to critical vacancies within the fire department which should not be filled by year end. CORRECTIVE ACTION / MITIGATION: To mitigate against this underperformance an additional proposal was made to the Office of the City Manager to assist with the expedition of the filling of critical vacancies.	Safety and Security
29	HS1.11	KPA 1: BASIC SERVICE DELIVERY	12	Number of subsidised housing units completed	0	0	0	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	0	0	N/A	WORK DONE: During the period under review, no new subsidised units were completed as no funding was allocated to the municipality by the National Department of Human Settlements, for the completion of same during the 2020/21 financial year. An amount of approximately R46 million has, however, been allocated for the development of state subsidised housing units in Nelson Mandela Bay during the 2021/22 financial year.	Human Settlements
29	HS1.12	KPA 1: BASIC SERVICE DELIVERY	13	Number of formal sites serviced	1577 (electricity) <u>Amended to:</u> 1577	0	1598	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	1598	1489	Partially achieved	WORK DONE: During the period under review, altogether 1489 formal sites were serviced with water, sanitation and electricity. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicators is due to the following reasons: Formal Dwellings (state subsidised) (1) Non-delivery of state subsidised houses by the Municipality in conjunction with the Housing Development Agency; (2) Challenges in the implementation of the beneficiary management (e.g. an electricity connection can not be provided to a site without a legal beneficiary occupying same). It should be noted that the electrification of a formal dwelling is dependant on the receipt of an application from a legal beneficiary. All applications are speedily processed on receipt. Informal Dwellings The electrification of various sites in Rosedale Extension and Kwanobuhle Area 11, Phase 2 had to be put on hold due to illegal invasion. New Residential Formal Dwellings Installation of electricity to formal households is demand driven. It is difficult to estimate the number of beneficiaries that would approach the Municipality to apply for an electrical connection at a given time. The Municipality continues to speedily attend to all applications received for residential formal dwelling connections. CORRECTIVE ACTION / MITIGATION: With regards to the delivery of state subsidised houses, an amount of approximately R46 million has been allocated for the development of state subsidised housing units in Nelson Mandela Bay during the 2021/22 financial year. With regards to beneficiary management, the municipality is currently in the process of developing draft standard operating procedures to deal with beneficiary allocation. With regards to illegal invasions, the Municipality is in the process of exploring the appointment of a panel of attorneys to manage invasions and evictions. Furthermore, the Municipality continue to engage all relevant stakeholders in the provision of electrical connections to communities.	City Manager
30	HS1.31	KPA 1: BASIC SERVICE DELIVERY	14	Number of informal settlements enumerated and classified (in terms of NUSP or equivalent classification)	0 (Count was completed in the 2017/18 financial year)	0 (Count was completed in the 2017/18 financial year)	0	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	0	0	N/A	WORK DONE: The Key Performance Indicator was introduced by National Treasury through MFMA Circular 88. There is currently no budget allocated to the implementation of this KPI. It should be noted that this KPI measures the number of informal settlements enumerated (enumeration includes the collection of household level data of informal settlement residents, as well as the levels and status of services in the settlement); as well as classified in terms of National Upgrading Support Programme or equivalent classification (classification involves comprehensive appraisal, enumeration and the marking of the informal settlement for either upgrading or relocation). Although no informal settlement within Nelson Mandela Bay was formally enumerated and classified during the 2020/21 financial year, the Municipality can report that as at 30 June 2021, 156 informal settlements have been identified.	Human Settlements
30	HS1.32	KPA 1: BASIC SERVICE DELIVERY	15	Percentage of informal settlements using a participatory approach to planning or implementing upgrading	100% (in line with new applications for planning or upgrading)	0% (no new applications for planning or upgrading received by the Municipality)	0%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	0%	0%	N/A	WORK DONE: The Key Performance Indicator was introduced by National Treasury through MFMA Circular 88. It should be noted that during the 2020/21 financial year, there were no new projects initiated, implemented nor participatory processes budgeted for, further to those multi-year projects already being implemented by the Municipality for which the required participatory approach to planning and implementation was used.	Human Settlements
38	TR1.12	KPA 1: BASIC SERVICE DELIVERY	16	Number of scheduled public transport access points added	10 (6: Ward 5 - CBD; Pier 14 and Law Court; Ward 7 - Cottrell Street; Ward 32 - Cleary Park; Ward 11 - Livingstone and 4: As per demand on PE CBD Cleary Park Route) <u>Amended to:</u> 1 (Ward 5 - CBD)	1 (Ward 5 - CBD)	5 (Ward 5 - Pier 14 and Law Court; Ward 7 - Cottrell Street; Ward 32 - Cleary Park; Ward 11 - Livingstone)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	5 (Ward 5 - Pier 14 and Law Court; Ward 7 - Cottrell Street; Ward 32 - Cleary Park; Ward 11 - Livingstone)	0	Not achieved	WORK DONE: As at 30 June 2021, the construction of the planned 5 scheduled public transport access points were not completed on time. Work is currently in progress in the following areas: cladding, pelmets, doors, totems and balustrades. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to: (1) Poor work performance by contractor as a result of financial strain; (2) Work stoppages by sub-contracted Emerging Micro Enterprises (EMEs) as a result of not being paid by the contractor; and (3) Delayed lead times in the manufacturing and receipt of materials as a result of Covid-19 restrictions. CORRECTIVE ACTION / MITIGATION: To mitigate against the contractor's poor performance, the Municipality penalised the contractor by deducting certain costs from the contract value. With regards to work stoppages, the contractor advised the municipality that the conflict with sub-contracting EMEs have been resolved and that no future delays are anticipated. Should the underperformance continue in the 2021/22 financial year, the Municipality will consider cancelling the remainder of the contract.	Infrastructure and Engineering

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39	TR3.11	KPA 1: BASIC SERVICE DELIVERY	17	Number of weekday scheduled municipal bus passenger trips	9360	1,296,590	7000 passenger trips per weekday Amended to: 640 000	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	7000 passenger trips per weekday Amended to: 640 000	572 033	Partially achieved	WORK DONE: As at 30 June 2021, 572 033 passengers were carried on weekday scheduled municipal bus passenger trips. It should be noted that the unit cost to the Municipality per person transported is R36.55 versus an income per passenger of R7.46. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to the following: (1) Strike action by bus and mini-bus (taxi) drivers which resulted in all public transport operations being disrupted; (2) Closure of the Cleary Park IPTS Depot by taxi owners, prohibiting any operations, as a result of various grievances with the Municipality; and (3) On 30 April 2021, Council approved the renewal of the service level agreement with Spectrum Alert. The agreement was, however, only signed on 13 May 2021. CORRECTIVE ACTION/MITIGATION: To mitigate against the underperformance reported, the Municipality penalised taxi owners by deducting strike costs from the amount due in respect of the NMBM / Spectrum Alert SLA. On 13 May 2021, the service level agreement with Spectrum Alert was extended for a further 9 years, which resulted in operating licences being renewed on 06 June 2021 and scheduled municipal bus passenger trip operations returning to normal. Furthermore, continuous meetings have been held between the Municipality and taxi owners; as well as with Spectrum Alert to avoid further strike action and to resolve grievances timeously.	Infrastructure and Engineering
40	TR4.21	KPA 1: BASIC SERVICE DELIVERY	18	Percentage of scheduled municipal bus services 'on time'	80% (Cleary Park / Town Route) Amended to: The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to track bus services, no target could be set which would comply with the audit criteria specified by the Auditor General. NOTE: Key Performance Indicator / targets were amended in line with Council approved Adjustments Budget dated 27 February 2020 and Executive Mayoral Committee Resolution for Council to approve corresponding amendments to the 2019/20 SDBIP.	80% (Cleary Park / Town Route) Amended to: The inclusion of this KPI in the SDBIP is regulated by National Treasury. Since the Municipality does not have an adequate system in place to track bus services, no target could be set which would comply with the audit criteria specified by the Auditor General. NOTE: Key Performance Indicator / targets were amended in line with Council approved Adjustments Budget dated 27 February 2020 and Executive Mayoral Committee Resolution for Council to approve corresponding amendments to the 2019/20 SDBIP.							50% Amended to: The inclusion of this KPI in the SDBIP is regulated by National Treasury through MFMA Circular 88. Since the Municipality's current Municipal Bus Operations Monitoring System is not configured to track bus services in real time, no target could be set which would comply with the audit criteria specified by the Auditor General in respect of monitoring and reporting against this Key Performance Indicator.				Infrastructure and Engineering	
41	TR6.21	KPA 1: BASIC SERVICE DELIVERY	19	Percentage of scheduled municipal buses that are low entry	100%	100%	100%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	100%	100%	Achieved	WORK DONE: As at 30 June 2021, 25 scheduled municipal buses (IPTs buses) were in use and are low entry to ensure universal accessibility.	Infrastructure and Engineering
42	TR6.11	KPA 1: BASIC SERVICE DELIVERY	20	Percentage of unsurfaced road graded	1.80%	0%	1.8% Amended to: 0.72%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	1.8% Amended to: 0.72%	0.97%	Over Achieved	WORK DONE: During the period under review, the Municipality graded 7.58km of unsurfaced roads. The total length of the unsurfaced road network is 778.38km. This equates to a percentage of 0.97% of unsurfaced roads graded. REASONS FOR OVERPERFORMANCE: On inspection, it was established that road layers were in better condition than expected. This resulted in savings being realised during project implementation and the additional grading of unsurfaced roads.	Infrastructure and Engineering
42	TR6.12	KPA 1: BASIC SERVICE DELIVERY	21	Percentage of surfaced municipal road lanes which has been resurfaced and resealed	0.37%	0.216%	1.30% Amended to: 0.6%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	1.30% Amended to: 0.6%	2.922%	Over Achieved	WORK DONE: At the end of the 2020/21 financial year, the Municipality resurfaced 528 844.9 m ² of a total municipal road network of 2846.9 km (18 099 496m ²). Performance is calculated as follows: km of road lanes resurfaced and resealed / total km of surfaced municipal road lanes x 100 (528 844.9 m ² / 18 099 496m ² x 100 = 2.922%) REASON(S) FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to an additional R118,000,000 USDG funding being received on 3 April and 5 May 2021 respectively, (after mid-year target adjustment).	Infrastructure and Engineering
plan	WS1.11	KPA 1: BASIC SERVICE DELIVERY	22	Number of new sewer connections meeting minimum standards	2000 In line with Housing Programme	1468 In line with Housing Programme	2000 Amended to: 850 (in line with the housing programme)	250	53 Amended to: 83 (in line with verified information)	750	372	1500 Amended to: 700 (in line with the housing programme)	816	2000 Amended to: 850 (in line with the housing programme)	1222 Amended to: 1221 (in line with CoAF 5003/2021)	Over Achieved	WORK DONE: During the 2020/21 financial year, the municipality provided 1222 state subsidised housing units with new sewer connections. REASONS FOR OVERPERFORMANCE: It should be noted that a sewer connection is only regarded as connected once billing for that connection is taking place. The overperformance reported against this Key Performance Indicator is as a result of improved business processes, timeously linking new sewer connections to billing before the end of the financial year. Actual performance amended from 1222 to 1221 in line with CoAF 5003/2021. "Work Done" in the Analysis is amended as follows: WORK DONE: During the 2020/21 financial year, the municipality provided 1221 state subsidised housing units with new sewer connections. REASONS FOR OVERPERFORMANCE: It should be noted that a sewer connection is only regarded as connected once billing for that connection is taking place. The overperformance reported against this Key Performance Indicator is as a result of improved business processes, timeously linking new sewer connections to billing before the end of the financial year.	Infrastructure and Engineering

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1222
Amended to:
1221
(in line with CoAF 5003/2021)

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44	WS3.11	KPA 1: BASIC SERVICE DELIVERY	23	Number of new water connections meeting minimum standards	2000 In line with Housing Programme	1468 In line with Housing Programme	2000 Amended to: 850 (in line with the housing programme)	250	53 Amended to: 83 (in line with verified information)	750	372	1500 Amended to: 700 (in line with the housing programme)	816	2000 Amended to: 850 (in line with the housing programme)	1222 Amended to: 1221 (in line with CoAF 5003/2021)	Over Achieved	WORK DONE: During the 2020/21 financial year, the municipality provided 1222 state subsidised housing units with new water connections. REASONS FOR OVERPERFORMANCE: It should be noted that a water connection is only regarded as connected once billing for that connection is taking place. The overperformance reported against this Key Performance Indicator is as a result of improved business processes, timeously linking new water connections to billing before the end of the financial year. Actual performance amended from 1222 to 1221 in line with CoAF 5003/2021. "Work Done" in the Analysis is amended as follows: WORK DONE: During the 2020/21 financial year, the municipality provided 1221 state subsidised housing units with new water connections. REASONS FOR OVERPERFORMANCE: It should be noted that a water connection is only regarded as connected once billing for that connection is taking place. The overperformance reported against this Key Performance Indicator is as a result of improved business processes, timeously linking new water connections to billing before the end of the financial year.	Infrastructure and Engineering
45	WS3.11	KPA 1: BASIC SERVICE DELIVERY	24	Percentage of complaints/callouts responded to within 24 hours (sanitation/wastewater)	100%	98.19%	100%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	100%	23.78% Amended to: 22.87% (in line with CoAFs 5001/2021 & 5007/2021)	Not achieved	WORK DONE: As at 30 June 2021, 23.78% of sanitation/wastewater complaints were responded to within the stipulated timelines. This entails that the Municipality received 25 054 sanitation / wastewater outage complaints and responded to 5958 within the required 24 hours. It should be noted that this Key Performance Indicator measures complaints/callouts with regards to sanitation / wastewater outages only and not all sanitation and wastewater complaints logged. Responded to means that an official is on site and has initiated a process of resolving the matter within 24 hours. This does not mean the complaint/callout was resolved, only that the matter was logged, appraised and responded to within 24 hours of notification. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to a decrease in staff capacity as a result of Covid-19, as well as employee rotation required during the various Covid-19 restriction periods. CORRECTIVE ACTION/MITIGATION: It is anticipated that performance will improve during the 2021/22 financial year, upon the upliftment of Covid-19 restrictions and return of full staff complement. Actual performance amended from 23.78% to 22.87% in line with CoAFs 5001/2021 & 5007/2021. "Work Done" in the Analysis is amended as follows: WORK DONE: As at 30 June 2021, 22.87% of sanitation/wastewater complaints were responded to within the stipulated timelines. This entails that the Municipality received 25 058 sanitation / wastewater outage complaints and responded to 5731 within the required 24 hours. It should be noted that this Key Performance Indicator measures complaints/callouts with regards to sanitation / wastewater outages only and not all sanitation and wastewater complaints logged. Responded to means that an official is on site and has initiated a process of resolving the matter within 24 hours. This does not mean the complaint/callout was resolved, only that the matter was logged, appraised and responded to within 24 hours of notification. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to a decrease in staff capacity as a result of Covid-19, as well as employee rotation required during the various Covid-19 restriction periods. CORRECTIVE ACTION/MITIGATION: It is anticipated that performance will improve during the 2021/22 financial year, upon the upliftment of Covid-19 restrictions and return of full staff complement.	Infrastructure and Engineering
46	WS3.21	KPA 1: BASIC SERVICE DELIVERY	25	Percentage of complaints/callouts responded to within 24 hours (water)	100%	94.44%	100%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	100%	23.56% Amended to: 12.39% (in line with CoAFs 5001/2021 & 5007/2021)	Not achieved	WORK DONE: At 30 June 2021, 23.56% of water complaints (water pipe bursts) were responded to within the stipulated timelines. This entails that the Municipality received 2419 water complaints and responded to 570 within the required 24 hours. It should be noted that this Key Performance Indicator measures complaints/callouts with regards to water outages only and not all water complaints logged. Responded to means that an official is on site and has initiated a process of resolving the matter within 24 hours. This does not mean the complaint/callout was resolved, only that the matter was logged, appraised and responded to within 24 hours of notification. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to a decrease in staff capacity as a result of Covid-19, as well as employee rotation required during the various Covid-19 restriction periods. CORRECTIVE ACTION/MITIGATION: It is anticipated that performance will improve during the 2021/22 financial year, upon the upliftment of Covid-19 restrictions and return of full staff complement. Actual performance amended from 23.56% to 12.39% in line with CoAFs 5001/2021 & 5007/2021. "Work Done" in the Analysis is amended as follows: WORK DONE: At 30 June 2021, 12.39% of water complaints (water pipe bursts) were responded to within the stipulated timelines. This entails that the Municipality received 2421 water complaints and responded to 300 within the required 24 hours. It should be noted that this Key Performance Indicator measures complaints/callouts with regards to water outages only and not all water complaints logged. Responded to means that an official is on site and has initiated a process of resolving the matter within 24 hours. This does not mean the complaint/callout was resolved, only that the matter was logged, appraised and responded to within 24 hours of notification. REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to a decrease in staff capacity as a result of Covid-19, as well as employee rotation required during the various Covid-19 restriction periods. CORRECTIVE ACTION/MITIGATION: It is anticipated that performance will improve during the 2021/22 financial year, upon the upliftment of Covid-19 restrictions and return of full staff complement.	Infrastructure and Engineering

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1222

Amended to:

1221

(in line with CoAF 5003/2021)

23.78%

Amended to:

22.87%

(in line with CoAFs 5001/2021 & 5007/2021)

23.56%

Amended to:

12.39%

(in line with CoAFs 5001/2021 & 5007/2021)

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52	WSS31	KPA 1: BASIC SERVICE DELIVERY	26	Percentage of total water connections metered	95%	96,96%	96%	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	96%	96.74% Amended to: 98.06% (in line with CoAF 5005/2021)	Over achieved	WORK DONE: At the end of the 2020/21 financial year, the water connections metered as a percentage of total connections was calculated at 96.74%. REASONS FOR OVERPERFORMANCE: The performance reported against this Key Performance Indicator is informed by reports generated from the Municipality's Billing System. The performance is attributed to the progress made with loading the required billing layers onto the Municipal Billing System to track new water connections (meters). This has resulted in the improved billing of water consumption. NOTE: Performance is calculated as follows: (1) Number of water connections metered / [(1)Number of connections-metered + (2)Number of connections-unmetered] * 100 230452 connections on billing system [229498 existing connections billed + 954 new connections billed] / 238216 total connections [230452 connections metered and billed + 7763 (7196 + 567) connections-metered-but-not-yet-billed] * 100 = 96.74% Actual performance amended from 96.74% to 98.06% in line with CoAF 5005/2021. Performance Analysis is amended as follows: WORK DONE: At the end of the 2020/21 financial year, the water connections metered as a percentage of total connections was calculated at 98.06%. REASONS FOR OVERPERFORMANCE: The performance reported against this Key Performance Indicator is informed by reports generated from the Municipality's Billing System. The performance is attributed to the progress made with loading the required billing layers onto the Municipal Billing System to track new water connections (meters). This has resulted in the improved billing of water consumption. NOTE: Performance is calculated as follows: (1) Number of water connections metered / [(1) Number of connections metered + (2) Number of connections unmetered] x 100 Data element (1) may be broken down as follows: (1.1) Metered historical connections (1.2) Billed and metered new connections (1.3) Unbilled and metered new connections (1.4) Unbilled and metered historical connections Data element (2) may be described as unmetered and unbilled connections. (1) 233586 [(1.1) 229498 + (1.2) 954 + (1.3) 567 + (1.4) 2567] / (1) 233586 + (2) 4629 * 100 = 98.06%	Infrastructure and Engineering
21	REG 10(e)	KPA 2: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	27	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipal approved employment equity plan	14 (9 Section 56 Managers; 5 Strategic Skilled Level Managers) By March 2020	7 (7 of the 9 Section 56 Managers; 0 of 4 Strategic Skilled Level Managers)	2 Section 56 Managers (Executive Director: Corporate Services; Executive Director: Human Settlements) By March 2021	Vacancies advertised	Vacancies advertised	Recruitment processes finalised	In Progress (Vacancies advertised)	2 Section 56 Managers (Executive Director: Corporate Services; Executive Director: Human Settlements) By March 2021	1 Section 56 Manager (Executive Director: Corporate Services) By March 2021	2 Section 56 Managers (Executive Director: Corporate Services; Executive Director: Human Settlements) By March 2021	2 (ED:CS was appointed on 31 March 2021 and the ED:HS was appointed on 30 April 2021)	Achieved (but not within planned timelines)	WORK DONE: During the period under review, council appointed the following section 56 managers: -Executive Director: Corporate Services on 31 March 2021, effective 1 April 2021 -Executive Director: Human Settlements on 30 April 2021, effective 4 May 2021 (one month after the targeted date). REASONS FOR UNDERPERFORMANCE: The reason for underperformance reported against this key performance indicator is due to delays experienced in the filling of the Executive Director; Human Settlements position (i.e. delays in the scheduling of the competency assessments, availability of panel members for the convening of the interview panel). CORRECTIVE ACTION / MITIGATION: It should be noted that whilst the target date for the appointment of the aforementioned senior manager was not met within the planned timeline, at the end of the financial year, both vacant senior manager positions were filled.	City Manager Corporate Services
28	GG 6.12 & REG 10(d)	KPA 3: LOCAL ECONOMIC DEVELOPMENT	28	Number of work opportunities created through EPWP, CWP and other related infrastructure programmes	6069 Amended to: 6519	6900 Amended to: 6523 (in line with verified information)	8137	1470	710	2505	875	4612	1975	8137	2905	Not achieved	WORK DONE: During the period under review, 2905 work opportunities were created through the Expanded Public Works Programme, as well as other related capital budget infrastructure programmes. REASON FOR UNDERPERFORMANCE: The reasons for underperformance reported against this Key Performance Indicator are directly linked to individual project (KPIs) delays reported in this Annual Performance Report. These project delays result in slow implementation of projects and thus decreased work opportunities being created. Project delays are captured, but not limited to the below: -Protest Action -Covid-19 related delays (e.g. service provider work stoppages) -Unavailability of materials and/ or delayed lead times in receiving materials -Supply Chain Management delays (e.g. delay in finalising objection processes) CORRECTIVE ACTION / MITIGATION: To monitor performance of key capital projects (through which work opportunities are created), a Capital Budget Expenditure Steering Committee, chaired by the Acting City Manager, has been established to meet bi-weekly. Furthermore, to address supply chain management delays and delays in the supply of materials, Directorates will be required to complete procurement plans in respect of projects above the value of R200 000. To ensure that individual project delays are identified and corrective action timeously implemented, quarterly performance reporting has been institutionalised.	City Manager
28	REG 10(d)	KPA 3: LOCAL ECONOMIC DEVELOPMENT	29	Number of jobs created through the municipality's local economic development initiatives	100 Amended to: 200	121	75	15	0	35	0	55	0	75	116	Over achieved	WORK DONE: During the period under review, 116 jobs were created through the municipality's local economic development initiatives. The purpose of this key performance indicator is to measure jobs created on projects undertaken in partnership with the private sector. REASONS FOR OVER PERFORMANCE: The reason for overperformance reported against this Key Performance Indicator is attributed to the municipality's investment incentive programme. As a result of the investment incentive programme, companies such as FORMEX and Distelle Wealth Insure was offered decreased service charges in exchange for creating jobs in Nelson Mandela Bay.	Economic Development, Tourism and Agriculture
31	HS2.21	KPA 3: LOCAL ECONOMIC DEVELOPMENT	30	Number of rateable residential properties in the subsidy housing market entering the municipal valuation roll	2256	0	0	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	0	0	NA	WORK DONE: During the 2020/21 financial year, no subsidised housing units were constructed; as well as entered into the municipal valuation roll due to lack of funding to construct subsidised houses. As per the MFMA Circular 88 requirements, only those subsidised housing units that have been constructed; as well as entered the valuation roll in the 2020/21 financial year, are to be reported on. It should be noted that an amount of approximately R46 million has been allocated for the development of state subsidised housing units in Nelson Mandela Bay during the 2021/22 financial year.	Human Settlements
31	HS2.22	KPA 3: LOCAL ECONOMIC DEVELOPMENT	31	Average number of days taken to process building plan applications	30 days (legislative timeframe)	10.84 Days	30 days (Legislative timeframe)	30 days (Legislative timeframe)	7.95 Days Amended to: 7.94 days (in line with verified information)	30 days (Legislative timeframe)	8.09 days	30 days (Legislative timeframe)	8.26 days Amended to: 8.13 (in line with verified information)	30 days (Legislative timeframe)	8.30 days	Over achieved	WORK DONE: The average turnaround time for the processing of building plan applications during the 2020/21 financial year is calculated at 8.30 days. The turnaround time is calculated from the date of registration of the building plan application to the date of resolution of the application. REASONS FOR OVERPERFORMANCE: The reason for performance being reported below the legislated timeframe is attributed to the dedication and consistent work effort made by the individuals responsible for the Building Plan System.	Human Settlements

2020/21 ADJUSTMENTS

96.74%
Amended to:
98.06%
(in line with CoAF 5005/2021)

**NELSON MANDELA BAY MUNICIPALITY
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IDF INDICATOR REF	NT REF / MSA REG REF	KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	2019/20 ANNUAL PERFORMANCE TARGET	BASELINE (ANNUAL PERFORMANCE OF 2019/20)	2020/21 ANNUAL PERFORMANCE TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2020 - 30 SEPTEMBER 2020)	1ST QUARTER ACTUAL (1 JULY 2020 - 30 SEPTEMBER 2020)	2ND QUARTER PLANNED TARGET (1 JULY 2020 - 31 DECEMBER 2020)	2ND QUARTER ACTUAL (1 JULY 2020 - 31 DECEMBER 2020)	3RD QUARTER PLANNED TARGET (1 JULY 2020 - 31 MARCH 2021)	3RD QUARTER ACTUAL (1 JULY 2020 - 31 MARCH 2021)	4TH QUARTER PLANNED TARGET (1 JULY 2020 - 30 JUNE 2021)	4th QUARTER ACTUAL (1 JULY 2020 - 30 JUNE 2021)	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	LEAD DIRECTORATE/ OFFICE
54	N/A	KPA 3: LOCAL ECONOMIC DEVELOPMENT	32	% achievement of the Mandela Bay Development Agency's 2020/21 Key Performance Indicators	80% overall performance achieved for 2019/20	28% overall performance achieved for 2019/20 (Performance monitoring meeting held with the Chief Executive Officer: MBDA / Board of Directors MBDA 2018/19 Annual Performance Report submitted to the Economic Development, Tourism and Agriculture Directorate MBDA 2019/20 First and Second Quarter Performance Report submitted to the Economic Development, Tourism and Agriculture Standing Committee MBDA 2019/20 Third Quarter Performance Report submitted to the Economic Development, Tourism and Agriculture Directorate)	80%	MBDA 2020/21 Business Plan with performance scorecard annexed in place Performance monitoring meeting held with the Chief Executive Officer: MBDA / Board of Directors MBDA 2019/21 (Amended to: 2019/20) Annual Performance Report submitted to the Economic Development, Tourism and Agriculture Standing Committee	In progress (Draft MBDA 2020/21 Business Plan with performance scorecard annexed in place MBDA 2019/20 Annual Performance Report submitted to the Economic Development, Tourism and Agriculture Directorate)	Performance monitoring meeting held with the Chief Executive Officer: MBDA / Board of Directors MBDA 2020/21 First Quarter Performance Report submitted to the Economic Development, Tourism and Agriculture Standing Committee	In Progress (MBDA 2020/21 Business Plan with performance scorecard annexed in place Performance monitoring meeting held with the Chief Executive Officer: MBDA / Board of Directors MBDA 2019/20 Annual and 2020/21 First Quarter Performance Report submitted to Economic Development, Tourism and Agriculture Directorate)	Performance monitoring meeting held with the Chief Executive Officer: MBDA / Board of Directors MBDA 2020/21 Second Quarter Performance Report submitted to the Economic Development, Tourism and Agriculture Standing Committee	In Progress (MBDA 2020/21 Business Plan with performance scorecard annexed in place Performance monitoring meeting held with the Chief Executive Officer: MBDA / Board of Directors MBDA 2019/20 Annual and 2020/21 First and Second Quarter Performance Report submitted to Economic Development, Tourism and Agriculture Directorate)	80%	33%	Not achieved	WORK DONE: As at 30 June 2021, the Mandela Bay Development Agency (MBDA) achieved 33% of the Key Performance Indicators reflected in the MBDA's Institutional Scorecard. REASONS FOR OVER/UNDERPERFORMANCE: The reason for underperformance reported by MBDA against its Institutional Scorecard is due to delays experienced as a result of the following: - SMME / EME protest action - Supply Chain Management - Covid-19 restrictions - Pending approvals from relevant stakeholders CORRECTIVE ACTION/MITIGATION: To mitigate against underperformance reported, MBDA has initiated and/or implemented the following measures:- - A Performance Management System has been institutionalised to identify underperformance and timely implement corrective action. - In terms of oversight and support provided by the Municipality, MBDA submits its quarterly performance reports to the Deputy Executive Mayor and the EDTA Standing Committee. - The implementation of projects will continue to be monitored through MBDA's Board of Directors and internal structures. - With regards to protest action, MBDA has undertaken meetings with SMME / EMEs to facilitate a way forward. - In terms of addressing supply chain management delays, MBDA has sourced legal opinions and/or advices on tender objections.	City Manager
20	REG 10(i)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	33	% of the Municipality's budget actually spent on implementing its Workplace Skills Plan	0.08%	0.04399%	0.06%	0.00%	0.0047%	0.00%	0.0075%	0.028%	0.011%	0.06%	0.03719%	Not achieved	WORK DONE: During the period under review, 0.03719% of the Municipality's operating budget was actually spent on implementing its Workplace Skills Plan. The 0.03719% amounts to R4 482 702 against the total Operating Adjustment Budget of R11 874 459 000. REASONS FOR UNDERPERFORMANCE: The main reason for the underperformance reported against this Key Performance Indicator is due to a limited number of training providers with resources to conduct training remotely during the Covid-19 lockdown period. Furthermore, the underperformance is due to: 1) Competing operational priorities. 2) Officials attending developmental programmes / seminars that are not funded through the training budget. 3) Officials attending skills development programmes that are free of charge to the Municipality. 4) Officials opting not to participate in further skills development programmes. CORRECTIVE ACTION / MITIGATION: The Municipality will continue to promote training to ensure that its Workplace Skills Plan is implemented.	City Manager
28	GG 6.11	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	34	Percentage of the municipality's operating budget spent on providing free basic services to indigent households	6%	4.41%	6%	1.5%	1.08%	3.0%	2.1261%	4.5%	3.18%	6%	4.2%	Not achieved	WORK DONE: During the period under review, an amount of R506 171 122 or 4.2% of the municipality's operating budget had been spent on providing free basic services to qualifying indigent households. REASONS FOR UNDERPERFORMANCE: The reasons for underperformance reported against this Key Performance Indicator is due to limited staff capacity to deal with indigent applications; as well as caution to send field workers on-site to perform verifications during the Covid-19 epidemic. CORRECTIVE ACTION/MITIGATION: To address the underperformance reported, staff capacity was supplemented by contractual field workers. Furthermore, to mitigate against the delayed on-site verification, alternative desktop verification methods were explored.	City Manager
28	REG 10(b)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	35	Percentage of households earning less than R3 720 per month with access to free basic services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	Achieved	WORK DONE: During the period under review, 100% of qualifying households earning less than two state pensions per month, had access to free basic services. The value of the free basic services amounted to R506 171 122. The services were provided to 62 871 qualifying households in terms of the Assistance to the Poor (ATTP) Programme. Assistance was provided to the following number of households: 59 161 (water); 60 011 (sanitation); 45 778 (electricity); 51 827 (refuse removal); and 48 235 (rebate on rates accounts). Further to the aforementioned qualifying households, a backlog of 5 272 applications exist in the system. The backlog is attributed to the detailed nature of the verification processes, which is continuously being addressed. NOTE: For a household to qualify for the ATTP Programme, various conditions including, but not limited to, a maximum household income of R3 780 (effective from 01 March 2021), have to be met.	Budget and Treasury
55	REG 10(g)(iii)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	36	Cost Coverage Ratio	3 months	3.79 Months	3 months	3 months	3.03 months	3 months	3.75 months	3 months	4.17 months	3 months	4.91 months	Over achieved	WORK DONE: As at 30 June 2021, the cost coverage ratio was calculated at 4.91 months. This implies that the Municipality can meet its financial obligations for 4.91 months with its current cash balance. REASONS FOR OVERPERFORMANCE: The overperformance reported against this Key Performance Indicator is attributed to the receipt of an additional R488m (R390m USDG funding on 24/03/2021 and R98m IPTS funding on 25/03/2021). This entails that the municipality has more financial resources available to cover its financial obligations. It should be noted that National Treasury rerouted funds that were initially allocated to other municipalities, to NMBM at the end of the third quarter, because NMBM was regarded as having a better capital expenditure record than other municipalities.	Budget and Treasury
55	REG 10(g)(ii)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	37	Outstanding service debtors to revenue Ratio	25.5%	27.58%	25.5%	20%	25.84%	20%	24.07%	25.5%	26.49%	25.5%	25.16%	Over achieved	WORK DONE: As at 30 June 2021, the outstanding service debtors to revenue was calculated at 25.16%. This entails that there was 25.16% of service debtors outstanding as a portion of the Municipality's revenue actually received for services rendered. It should be noted that the outstanding service debtors to revenue ratio is proportionally aligned to the billed revenue collection rate. During mid-term adjustment processes, the billed collection rate was reduced from 88% to 85%, which resulted in a proportional reduction of the outstanding service debtors to revenue ratio from 25.5% to 30%. REASONS FOR OVERPERFORMANCE: The reason for overperformance reported against this Key Performance Indicator is the Municipality's continued commitment to implement its credit control policy.	Budget and Treasury

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55	REG 10(g)(i)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	38	Debt Coverage ratio	40.3 times	41.16 times	50 times	50 times	85.65 times	50 times	73.89 times	50 times	35.63 times	50 times	41.46 times	Partially achieved	<p>WORK DONE As at 30 June 2021, the debt coverage ratio was calculated at 41.46 times, which means that the Municipality's borrowing debt and associated costs can be paid 41.46 times using its operating revenue.</p> <p>REASONS FOR UNDERPERFORMANCE: The reason for underperformance reported against this Key Performance Indicator is due to increased loan payments on existing as well as new loans. As a result, the Municipality's ability to cover its debt decreased.</p> <p>CORRECTIVE ACTION / MITIGATION: During the 2021/22 planning processes, the Municipality will reconsider its financial position loan payment commitments when setting a debt coverage target.</p>	Budget and Treasury
55	N/A	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	39	% billed revenue collection rate (revenue collected over billed revenue)	94%	83.40%	88%	88%	86.2%	88%	83.1%	88%	82.5%	88%	85.5%	Over achieved	<p>WORK DONE: As at 30 June 2021, the accumulated billed revenue collection rate was calculated at 85.5%.</p> <p>REASONS FOR OVERPERFORMANCE: The reason for overperformance reported against this Key Performance Indicator is the Municipality's continued commitment to implement its credit control policy.</p>	Budget and Treasury
56	REG 10(c)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	40	% of the Municipality's Capital Budget actually spent	95%	56.12%	95%	10%	4.176%	30%	16.29%	60%	39.73%	95%	81%	Partially achieved	<p>WORK DONE As at 30 June 2021, an amount of approximately R1.3 billion or 81% of the capital budget had been expended.</p> <p>REASONS FOR UNDERPERFORMANCE: The reasons for underperformance reported against this Key Performance Indicator are due to restrictions on workplace activities (both within the Municipality; as well as work completed by Service Providers), due to the implementation by National Government of the Lockdown Regulations in terms of the Disaster Management Act. This has resulted in the majority of projects being put on hold during the first and second quarter which had spill over effects on expenditure during the third and fourth quarter. Furthermore, National Treasury announced during July 2020, that it would be withholding the Equitable Share and other Conditional Grants due to various matters of non-compliance. This meant that expenditure on Conditional Grant funded projects was put on hold until funding was released to the Municipality in November 2020, thus adding to the low level of capital spending.</p> <p>CORRECTIVE ACTION / MITIGATION: To ensure that capital expenditure improves in the 2021/22 financial year, the Municipality will continue to implement its Capital Budget and Project Acceleration Programme.</p>	City Manager
56	REG 10(c)	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	41	% of Mandela Bay Development Agency's Capital Budget actually spent	New KPI	New KPI	95%	10%	8%	30%	18%	60%	12%	95%	26%	Not Achieved	<p>WORK DONE: During the period under review, Mandela Bay Development Agency's (MBDA) capital budget expenditure amounted to 26% against its adjusted capital budget of approximately R 99.87 million.</p> <p>REASON FOR UNDERPERFORMANCE: The reason for underperformance reported against capital budget expenditure is directly linked to individual capital project delays and/or challenges. These project delays are outlined below:</p> <p>(1) St Peters Property Rehabilitation project: The absence of a permanent Eastern Cape Provincial Heritage Resource Agency Board to approve the commencement of construction / rehabilitation.</p> <p>(2) Korsten / Schauderville precinct project: Tender objections resulted in construction phase not commencing.</p> <p>(3) New Brighton Cultural Precinct Development: Expenditure on the project was limited as a result of prolonged engagement on the joint project implementation with the Municipality.</p> <p>(4) Uitenhage Railway Shed / SC Precinct Development: Various delays e.g. Covid-19 restrictions, protest action, prohibition notice resulting in site closure have resulted in limited expenditure against its project.</p> <p>CORRECTIVE ACTION / MITIGATION: To mitigate against underperformance reported, MBDA has initiated and/ or implemented the following measures:-</p> <ul style="list-style-type: none"> - A Performance Management System has been institutionalised to identify underperformance and timeously implement corrective action. - In terms of oversight and support provided by the Municipality, MBDA submits its quarterly performance reports to the Deputy Executive Mayor and the EDTA Standing Committee. - The implementation of projects will continue to be monitored through MBDA's Board of Directors and internal structures. - With regards to protest action, MBDA has undertaken meetings with SMME / EMEs to facilitate a way forward. - In terms of addressing supply chain management delays, MBDA has sourced legal opinions and/ or advices on tender objections. 	City Manager
21	GG 1.21	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	42	Staff vacancy rate	10%	20%	10%	10%	18.60%	10%	24.76%	10%	23.32%	10%	29.55%	Not achieved	<p>WORK DONE: During the period under review, the staff vacancy rate amounted to 29.55%. This entails that 29.55% of budgeted posts had not yet been filled by 30 June 2021.</p> <p>REASONS FOR UNDERPERFORMANCE: The underperformance reported against this Key Performance Indicator is due to the filling of vacancies being put on hold as a result of a moratorium being placed on the filling of vacancies from March 2020 until October 2020. Furthermore, underperformance was exacerbated by a decrease in the staff complement as a result of Covid-19; as well as the uncertainty as to which positions remain funded and which positions are unfunded after budget cuts and adjustments during mid-term.</p> <p>CORRECTIVE ACTION / MITIGATION: To correct the underperformance reported, a Critical Vacancies Committee was established. The implementation of the Critical Vacancies Committee's recommendations has resulted in the processing of 248 recruitment notifications of which 162 have been advertised, 48 positions have been shortlisted, 31 have been interviewed and 9 vacancies have been filled.</p>	City Manager
22	GG 2.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	43	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	100%	0%	100%	100%	0%	100%	100%	100%	100%	100%	100%	Achieved	<p>WORK DONE: As at 30 June 2021, all 60 wards within Nelson Mandela Bay had a composition of 6 or more ward committee members, excluding the ward councillor.</p>	Corporate Services

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22	GG 2.12	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	44	Percentage of wards where at least one Councillor-convened community meeting was held	4 per ward	0 per ward per quarter (No Councillor-convened community meetings were held)	100%	100%	0%	100%	0%	100%	0%	100%	0%	Not achieved	WORK DONE: During the 2020/21 financial year, various community meetings were held within the 60 wards in Nelson Mandela Bay. Performance calculation is as follows: (1) Number of wards where at least one councillor-convened community meeting was held / (2) Number of wards in the municipality) * 100. REASONS FOR UNDERPERFORMANCE: It should be noted that although various community meetings were held, the actual convening of the community meetings did not comply with the requirements as outlined by National Treasury through MFMA Circular 88. In terms of the Circular, a councillor convened community meeting is a public meeting for which public notice is given and which is convened by the ward councillor in the ward councillor's ward. Should any of the aforementioned conditions not be met, Circular 88 prescribes that the community meeting not be counted in the numerator of the calculation. CORRECTIVE ACTION / MITIGATION: The Municipality will during the 2021/22 financial year, convene a meeting between Administration (Corporate Services, Councillor Support and Public Participation) and the Office of the Speaker to provide technical support in the implementation of and reporting against this Key Performance Indicator.	Corporate Services
24	GG3.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	45	Number of repeat audit findings	76 by March 2020 (Reduced from the 87 2017/18 repeat audit findings issued by the Auditor General)	50 by March 2020 (Reduced from the 87 2017/18 repeat audit findings issued by the Auditor General)	36 By December 2020 (Reduced from the 50 2018/19 repeat audit findings issued by the Auditor General) Amended to: 36 (Reduced from the 50 2018/19 repeat audit findings issued by the Auditor General)	N / A	Not applicable (No target set for the quarter)	36 By December 2020 (Reduced from the 50 2018/19 repeat audit findings issued by the Auditor General) Amended to: N/A	N / A	36 By December 2020 (Reduced from the 50 2018/19 repeat audit findings issued by the Auditor General) Amended to: Audit report issued by Auditor General	In progress Draft Audit Report meeting scheduled	36 By December 2020 (Reduced from the 50 2018/19 repeat audit findings issued by the Auditor General) Amended to: 36 By June 2021 (Reduced from the 50 2018/19 repeat audit findings issued by the Auditor General)	47 by June 2021 (reduced from 50 2018/19 repeat audit findings issued by the Auditor General)	Not achieved	WORK DONE: The number of repeat audit findings issued by the Auditor General in respect of the 2019/20 financial year, amounted to 47 compared to the 50 repeat audit findings issued in respect of the 2018/19 financial year. REASONS FOR UNDERPERFORMANCE: It should be noted that whilst the targeted reduction of findings from 50 to 36 was not met, the number of repeat findings had reduced from 50 (2018/19) to 47 (2019/20). The reasons for underperformance reported against this key performance indicator are due the bulk number of findings under the following areas: 1. Immoveable assets: 10 findings 2. Moveable assets: 1 finding 3. Procurement and contract management: 8 findings 4. Performance related matters: 6 findings 5. General IT controls: 13 findings 6. Long term and trade receivables: 3 findings 7. Consequence management, UIFW and internal controls environment: 3 findings 8. Revenue and OPEX: 3 findings CORRECTIVE ACTION / MITIGATION: To address the audit findings communicated by the Auditor General in respect of the 2019/20 financial year, the Municipality developed and is currently implementing an Audit Improvement Plan, as well as directorate AG finding Dashboards. The implementation of the institutional improvement plan is monitored by the Clean Audit Steering Committee (CASC); as well as the Audit Committee. Furthermore, oversight in this regard is provided by EXCO and MPAC. In addition, Internal Audit has re-aligned the 2020/21 Audit Plan to prioritise assistance to management in resolving AG findings.	City Manager
24	GG3.12	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	46	Percentage of councillors who have declared their financial interests	100% by March 2020	61.60%	100% by June 2021	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	N / A	Not applicable (No target set for the quarter)	100% by June 2021	21%	Not achieved	WORK DONE: During the period under review, the percentage of councillors that declared their financial interest amounted to 21% (25/120). In terms of the Municipal Systems Act (32 of 2000), Paragraph 7(1), Schedule 1, when elected or appointed, a councillor must within 60 days declare in writing to the municipal manager certain financial interests held by that councillors. Furthermore, Paragraph 7(2) states that any change in the nature or detail of the financial interests of a councillor must be declared in writing to the municipal manager annually. REASONS FOR UNDERPERFORMANCE: It should be noted that performance reported against the key performance indicator is due to mis-interpretation by councillors of Paragraph 7(2), with regards to the requirement to annually declare financial interests even if there were no changes to same. CORRECTIVE ACTION / MITIGATION: In an effort to address the underperformance reported, a letter dated 19 April 2021 was circulated to all Councillors clearly stating the requirement of declaring their financial interests annually. The Municipality will continue to engage the Office of the Speaker on the implementation of this Indicator.	City Manager
25	GG4.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	47	Number of agenda items deferred to the next council meeting	25	28	30	10	0	15	0	20	1 Amended to: 17 (in line with verified information)	30	22	Over achieved	WORK DONE: During the 2020/21 financial year, altogether 12 council meetings were convened where items were deferred in 22 instances. The rationale of the Key Performance Indicator is to measure the extent to which council agenda items are processed with resolutions or decisions, rather than deferring the agenda items or leaving it as unfinished business. REASONS FOR OVERPERFORMANCE: It must be noted that performance against this Indicator is beyond the control of Administration. Assurance can, however, be given that all administrative processes are complied with in the scheduling of Council meetings and that relevant officials continue to implement Council resolutions as soon as a resolution has been taken.	Corporate Services
26	GG 5.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	48	Number of active suspensions longer than three months	0	2	0	0	4	0	2	0	0	0	0	Achieved	WORK DONE: As at 30 June 2021, there were no active suspensions longer than three months. It should be noted that this key performance indicator measures the total number of active suspensions at the time of reporting that were initiated more than three months prior and had not yet been resolved at the time of reporting.	City Manager
26	GG 5.12	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	49	Quarterly salary bill of suspended officials	R-value of salaries less than R8 million Amended to: R8 million	R3,435,435.00	R6 million	R1.5 million	R771,017.35 (3 months: 1 July 2020 - 30 September 2020)	R1.5 million	R798,263.33 (3 months: 1 October 2020 - 30 December 2020)	R1.5 million	R169,232.83 (3 months: 1 January 2021 - 31 March 2021)	R6 million	R2,073,534.07 (12 months: 1 July 2020 - 30 June 2021)	Over achieved	WORK DONE: As at 30 June 2021, the accumulative salary bill of suspended officials amounted to R2,073,534.07. The salary bill of suspended officials for quarter four only (1 April 2021 - 30 June 2021), amounted to R335,020.56. It should be noted that National Treasury through MFMA Circular 88 prescribes that the indicator should be reported as a cumulative value over months within a quarter (not cumulative across quarters). Annually, all costs are aggregated across the entire financial year to report on the total accumulated cost across all quarters. REASONS FOR OVERPERFORMANCE: The reason for overperformance reported against this Key Performance Indicator is attributed to the fact that the act of suspension is not regarded lightly by the Municipality and is effected only as and when required.	City Manager

ADDITIONAL REPORTING

EASTERN CAPE COGTA INDICATORS FOR THE PERIOD ENDING 30 JUNE 2021

KPA 1: BASIC SERVICE DELIVERY**INFRASTRUCTURE AND ENGINEERING**

KPI NO	KEY PERFORMANCE INDICATOR	2020/21 ACTUAL PERFORMANCE AS AT 30 JUNE 2021
1	Percentage of households with access to potable water	99.89%
2	Percentage of indigent households with access to free basic potable water	91.4%
3	Percentage of clinics with access to potable water	100% (Where facilities are located within an established township)
4	Percentage of schools with access to potable water	100% (Where facilities are located within an established township)
5	Percentage of households in formal settlements using buckets	0%
6	% households provided with access to basic sanitation (excluding bucket system)	98.90%
7	Percentage of indigent households with access to free sanitation services	95.45%
8	Percentage of clinics with access to sanitation services	100% (Where facilities are located within an established township)
9	Percentage of schools with access to sanitation services	100% (Where facilities are located within an established township)
10	Percentage of households without access to gravel or graded roads	5.2% All formal houses (both state subsidised and private) have access to either gravel or graded roads

ELECTRICITY AND ENERGY

KPI NO	KEY PERFORMANCE INDICATOR	2020/21 ACTUAL PERFORMANCE AS AT 30 JUNE 2021
1	Percentage of indigent households with access to basic electricity	72.8%
2	Percentage of indigent households with access to free alternative energy sources	4.77%

HUMAN SETTLEMENTS

KPI NO	KEY PERFORMANCE INDICATOR	2020/21 ACTUAL PERFORMANCE AS AT 30 JUNE 2021
1	Percentage of households living in informal settlements	7.8%
2	Percentage of informal settlements that have been provided with basic services	64.28%
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	100% (All formal households have to conform to National Building Regulations and compliance in terms of the NHBRC)
4	Existence of an effective Indigent Policy	The Municipality has a Council-adopted Indigent Policy in place
5	Existence of an approved SDF	Yes (First SDF approved in 2009; Amendments approved in 2015 and 2019; Major Review targeted for 2022)
6	Existence of Land Use Management System (LUMS)	Land Use Management System by definition comprise of a set of spatial planning instruments such as SDF, Planning Policies and Guidelines, etc. to guide Land Use Management. These are in place. The Spatial Planning and Land Use Management By-law (as contemplated in the SPLUMA Act) has been completed and is under final review. The Draft Integrated Zoning Scheme is under review. Both documents are targeted for promulgation in 2022.

KPI NO	KEY PERFORMANCE INDICATOR	2020/21 ACTUAL PERFORMANCE AS AT 30 JUNE 2021
7	Percentage of USDG Budget appropriately spent	88%

PUBLIC HEALTH

KPI NO	KEY PERFORMANCE INDICATOR	2019/20 ACTUAL PERFORMANCE AS AT 30 JUNE 2021
1	Existence of Waste Management Plan	Yes

KPA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

KPI NO	KEY PERFORMANCE INDICATOR	2020/21 ACTUAL PERFORMANCE AS AT 30 JUNE 2021
1	Percentage of appointment in strategic positions (Municipal Manager and Section 56 managers)	The following two (2) strategic positions were filled in 2020/21 <ul style="list-style-type: none"> The Executive Director: Corporate Services Executive Director: Human Settlements <p>The following positions remained vacant. City Manager</p> <p>9/10 = 90 %</p>
2	Percentage of senior managers (Section 54) attending at least one skills/ training/ development course within the financial year	Three employees in this category attended training during the 2020/21 financial year.
3	Percentage of managers in technical services with a professional qualification	The NMBM does not have a database in place to reflect the percentage of managers in technical services with a professional qualification.
4	Level of effectiveness of NMBM Performance Management System in the Metro	The level of effectiveness of the NMBM Performance Management System in the Metro is relatively fair. Performance management is effectively cascaded to Section 56 officials, Senior Directors and Directors in certain directorates.
5	Percentage of staff that have undergone a skills audit (including competency profiles)	83% of staff have undergone a skills audit (including competency profiles).
6	Percentage of Councillors who have attended skills development training	0% (No Councillors attended training during 2020/21)
7	Percentage of staff complement with disability	0.91%
8	Percentage female employees	37.28%
9	Percentage employees that are aged 35 or younger	17.46%
10	Adoption and implementation of Human Resource Development Plan including Workplace Skills Plan (WSP)	The 2021/22 institutional WSP was successfully submitted and was approved by the LGSETA. It is now being implemented by directorates.

KPA 3: LOCAL ECONOMIC DEVELOPMENT

KPI NO	KEY PERFORMANCE INDICATOR	2020/21 ACTUAL PERFORMANCE AS AT 30 JUNE 2021
1	Existence of LED Unit	Yes
2	Existence of LED Strategy	Yes
3	Percentage of LED Budget spent on LED related activities.	61.89%
4	Number of LED Stakeholder Forum meetings held.	0
5	Number of job opportunities created through EPWP	2905

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KEY PERFORMANCE INDICATOR	2020/21 ACTUAL PERFORMANCE AS AT 30 JUNE 2021
Salary budget as a percentage of total operational budget (actual as at year end)	Actual Employee Related Costs R3,912,166,684 / Actual Total Expenditure R12,319,320,057 = 31.76%
Trade creditors as a percentage of total actual revenue	Trade Creditors = Note 6: Payables and Accruals plus Retentions = R1,828,534,694 + R104,100,155= R1,932,634,849 / Total Revenue (inclusive of conditional capital grants) R12,973,478,019 = 14.90%
Total municipal own revenue as a percentage of the total budget	Actual Own Revenue = R9,727,274,098 / Total Operating Revenue – R11,857,045,447= 82.04%
Rate of municipal consumer debt reduction	Actual Nett Service Debtors 2021 -R2,276,839,072 plus Property Rates 2021 – R352,547,303 = R2,629,386,375 Less Actual Nett Service Debtors 2020 -R1,958,773,349 plus Property Rates 2020 – R404,970,076 = R2,349,730,857 equals R279,655,510 / Actual Nett Service Debtors 2020 - R1,958,773,349 plus Property Rates 2020 – R404,970,076 = R2,349,730,857 = 11.90% increase The main reason for this low nett debt increase is due to a large increase in the Debt impairment of Gross consumers debt which increased by R1,547,974,592 from R3,630,611,919 to R5,178,586,511 or 42.64% increase, whilst gross consumer debt increased by R1,827,630,110 from R5,980,342,776 to R7,807,972,886 or 30.56% increase
Submission of AFS after the end of financial year	31 October 2020

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Indicator Name	Target set for the year R (000) 2020/21	Achievement level during the year R (000) 2020/21	Achievement percentage during the year
Percentage expenditure of Capital Budget		To Note the Adjustments Capital Budget as approved by Council was R1,371,763,356. The actual Expenditure was R1,312,701,375. It would therefore appear that the percentage spent is 95.69%. However, NMBM received outstanding 2019/20 capital grants during 2020/21 and when that is included the potential budget of capital is amended to R1,605,187,730. Then the true expenditure percentage becomes 81.78%	81.78%
% spent of salary budget	3,756,172	3,912,167	104.15%
Total creditors as a percentage of total actual revenue	All Trade and Payables incl unspent conditional grants Adjustments budget R2,613,507	Actual R2,411,662,229 plus unspent conditional grants R351,572,491 plus VAT creditor R160,098,640 = R2,923,333,360 / Total Revenue incl capital conditional grants R12,973,478,019	22.53%
Total municipal own revenue as a percentage of the total actual budget	Own revenue: 9,604,219 12,102,047 79.36%	Own revenue: 9,727,274 11,857,447	82.04%
Rate of municipal consumer debt reduction		2021 = 2,629,386 2020 = 2,349,731	11.90% increase in net debtors
Percentage of USDG-operating budget appropriately spent	196,909	116,990	59.41%
Percentage of USDG-Capital budget appropriately spent	618.697 plus 2020 received in 2021 R390,274 less spent in 2020 in respect of 390,274 – 82,932 = 926,039	830,833	89.72%

Indicator Name	Target set for the year R (000) 2020/21	Achievement level during the year R (000) 2020/21	Achievement percentage during the year
Percentage of MIG budget appropriately spent	N/A	N/A	N/A
Percentage of MSIG budget appropriately spent	N/A	N/A	N/A

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

KPI NO.	KEY PERFORMANCE INDICATOR	2020/21 ACTUAL PERFORMANCE AS AT 30 JUNE 2021
1	Number of Ward Committees established	60 Ward Committees
2	% of Ward Committees that are functional	100%
3	Existence of an effective system to monitor Community Development Workers	No
4	Existence of an effective Communication Strategy	A Draft Communications Strategy is in place
5	Number of mayoral imbizos conducted	0

**NATIONAL TREASURY CIRCULAR 88 INDICATORS
FOR THE PERIOD ENDING 30 JUNE 2020**

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2019/20 estimated)	Annual target for 2020/21	Annual Actual output	Annual Actual Expenditure Actual output
IDP C88 OUTCOME INDICATORS FOR ANNUAL REPORTING						
EE3.1	System Average Interruption Duration Index		0,00			
	EE3.1(1)	(1) Restoration time for customers per incident x logged			No Data	
	EE3.1(2)	(2) Number of customers affected by sustained supply interruption incident x			No Data	
	EE3.1(3)	(3) Total number of electricity customers			0,00	
EE3.2	Customer Average Interruption Duration Index		0,00			
	EE3.2(1)	(1) Restoration time for customers per incident x logged			No Data	
	EE3.2(2)	(2) Number of customers affected by sustained supply interruption incident x			No Data	
	EE3.2(3)	(3) Total number of electricity customers affected by any sustained supply interruption incident			No Data	
EE3.3	System Average Interruption Frequency Index		0,00		No Data	
	EE3.3(1)	(1) Number of electricity customers affected by the sustained incident x			No Data	
	EE3.3(2)	(2) Total number of electricity customers			No Data	
EE3.4	Customer Average Interruption Frequency Index		0,00			
	EE3.4(1)	(1) Total number of sustained supply interruption incidents that affected customers			No Data	
	EE3.4(2)	(2) Total number of distinct electricity customers interrupted			No Data	
EE4.4	Percentage total electricity losses		13,43%		29,88%	
	EE4.4(1)	(1) Electricity Purchases			657 019 385,00	
	EE4.4(2)	(2) Electricity Sales			460 729 776,00	

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2019/20 estimated)	Annual target for 2020/21	Annual Actual output	Annual Actual Expenditure Actual output
ENV1.2		Number of days where PM2.5 levels exceeded guideline levels	10,50		1,00	
	ENV1.2(1)	(1) Average daily concentrations of PM2.5			3.44047	
	ENV1.2(2)	(2) Standard for the concentration of PM2.5 over a 24 hour averaging period			40	
	ENV1.2(3)	(3) Count of the number of days where the 24-hour mean > guideline of 40 µg/m3			1,00	
ENV5.1		Recreational water quality	100,00%		100,00%	
	ENV5.1(1)	(1) Number of water samples classified as "sufficient"			75,00	
	ENV5.1(2)	(2) Total number of recreational coastal water quality samples taken annually			75,00	
HS1.3		Percentage of households in informal settlements targeted for upgrading	23,93%		0,00%	
	HS1.3(1)	(1) Number of households living in informal settlements targeted for upgrading			18293,00	
	HS1.3(2)	(2) Number of households living in informal settlements			76426,00	
HS3.5		Percentage utilisation rate of community halls	22,40%		No Data	
	HS3.5(1)	(1) Sum of hours booked across all community halls in the period of assessment			No Data	
	HS3.5(2)	(2) Sum of available hours for all community halls in the period of assessment.			No Data	
HS3.6		Average number of library visits per library	29222,00		1693,47	
	HS3.6(1)	(1) Total number of library visits			25402,00	
	HS3.6(2)	(2) Count of libraries			15,00	
WS3.1		Frequency of sewer blockages	776,00	600,00	687,21	
	WS3.1(1)	(1) Number of sewer blockages (wastewater)			25042,00	
	WS3.1(2)	(2) Total sewer length (wastewater) in KMs			3644,00	

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2019/20 estimated)	Annual target for 2020/21	Annual Actual output	Annual Actual Expenditure Actual output
WS3.2		Frequency of water mains failures	44,00	55,00	47,78	
	WS3.2(1)	(1) Number of mains pipes' failures (water)			2360,00	
	WS3.2(2)	(2) Total mains length (water) in KMs			4939,00	
WS3.3		Frequency of unplanned water service interruptions	14,00	10,00	30,20	
	WS3.3(1)	(1) Number of water service interruptions			6869,00	
	WS3.3(2)	(2) Total number of water service connections			227464,00	
WS4.1		Percentage of Drinking Water Compliance to SANS 241	100,00%	100,00%	98,19%	
	WS4.1(1)	(1) Number of water sample tests complying with SANS 241 requirements			34110,00	
	WS4.1(2)	(2) Total number of water samples tested			34738,00	
WS4.2		Wastewater quality compliance according to the water use licence	77,00		75,00%	
	WS4.2(1)	(1) Number of wastewater samples tested per determinant that meet compliance to specified water use license requirements			519,00	
	WS4.2(2)	(2) Total wastewater samples tested for all determinants over the municipal financial year			692,00	
WS5.1		Percentage of non-revenue water	36,20%	35,00%	44,10%	
	WS5.1(1)	(1) Number of Kilolitres Water Purchased or Purified			107522520,00	
	WS5.1(2)	(2) Number of kilolitres of water sold			47422391,00	
WS5.2		Total water losses	497,00		514,64	
	WS5.2(1)	(1) Total system input volume			107522520,00	
	WS5.2(2)	(2) Total authorised consumption			64428717,00	
	WS5.2(3)	(3) Service connections (water)			229413,00	
WS5.4		Percentage of water reused	0,23%		0,09%	

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2019/20 estimated)	Annual target for 2020/21	Annual Actual output	Annual Actual Expenditure Actual output
	WS5.4(1)	(1) Volume of water recycled and reused (VRR)			100859,00	
	WS5.4(2)	(2) Total freshwater withdrawal [TWW] (reflects as WS5.4(4) in the TID with WS5.4(2) and WS5.4(3) excluded from template]			107522520,00	
GG1.1	Percentage of municipal skills development levy recovered		17,42%		17,42%	
	GG1.1(1)	(1) R-value of municipal skills development levy recovered			R 4 243 403,81	
	GG1.1(2)	(2) R-value of the total qualifying value of the municipal skills development levy			R24 361 221,32	
GG1.2	Top management stability		46,00%		53,00%	
	GG1.2(1)	(1) Total sum of standard working days, in the reporting period, that each S56 and S57 post was occupied by a fully appointed official (not suspended or vacant) with a valid signed contract and performance agreement)			2118,00	
	GG1.2(2)	(2) Aggregate working days for all S56 and S57 Posts in the reporting period			4015,00	
GG2.1	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)		100,00%		200,00%	
	GG2.1(1)	(1) Functional ward committees			120,00	
	GG2.1(2)	(2) Total number of wards			60,00	
GG2.2	Attendance rate of municipal council meetings by all identified Traditional Leaders		0,00%		0,00%	
	GG2.2(1)	(1) Sum of the total number of Traditional Leaders in attendance at Council meetings			0,00	
	GG2.2(2)	(2) The total number of Traditional Leaders within the municipality			0,00	
	GG2.2(3)	(3) Total number of Council meetings			12,00	
GG4.1	Average percentage of councillors attending council meetings		24,80		98,40%	
	GG4.1(1)	(1) The sum total of councillor attendance of all council meetings			1417,00	

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2019/20 estimated)	Annual target for 2020/21	Annual Actual output	Annual Actual Expenditure Actual output
	GG4.1(2)	(2) The total number of council meetings			12,00	
	GG4.1(3)	(3) The total number of councillors in the municipality			120,00	
IDP C88 'SHARED' INDICATORS FOR ANNUAL REPORTING OF MUNICIPAL DATA ELEMENTS ONLY						
ENV2.1	Tonnes of municipal solid waste sent to landfill per capita		0,20		No Data	
	ENV2.1(1)	(1) Tonnes of municipal solid waste disposed of in sanitary/licensed landfills			285652,00	
	National responsibility	(2) Total population of the municipality				
ENV2.2	Tonnes of municipal solid waste diverted from landfill per capita		0,00		No Data	
	ENV2.2(1)	(1) Tonnes of municipal waste accepted at recycling or material recovery centres			1739,00	
	National responsibility	(2) Total population of the municipality				
HS2.2	Rateable residential properties as a percentage of total households in the municipality		235905,00%		No Data	
	HS2.2(1)	(1) Number of residential properties contained on the valuation roll			235905,00	
	National responsibility	(2) Total number of households in the municipality				
HS3.1	Square meters of municipally owned or maintained public outdoor recreation space per capita		32,00		No Data	
	HS3.1(1)	(1) Sum of area of all municipally owned or maintained public open space that is intended for recreational purposes and zoned accordingly.			527,29	
	National responsibility	(2) Total population of the municipality				
HS3.2	Number of community halls per 100 000 population		50,00		No Data	
	HS3.2(1)	(1) Count of community halls			32,00	

Performance indicator		Ref No.	Data element	Baseline (Annual Performance of 2019/20 estimated)	Annual target for 2020/21	Annual Actual output	Annual Actual Expenditure Actual output
	National responsibility		(2) Total population of the municipality				
HS3.3	Number of public libraries per 100 000 population			24,00		No Data	
		HS3.3(1)	(1) Count of libraries			24,00	
	National responsibility		(2) Total population of the municipality				
WS5.3	Total per capita consumption of water			0,00		No Data	
		WS5.3(1)	(1) System input volume			107522520,00	
		WS5.3(2)	(2) Exported raw water			0,00	
		WS5.3(3)	(3) Exported treated water			0,00	
	National responsibility		(4) Total population of the municipality				
FE1.1	Number of fire related deaths per 1000 population			65,00		No Data	
		FE1.1(1)	(1) Number of reported deaths attributed to fire or fire-related causes			71,00	
	National responsibility		(2) Total population of the municipality				

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2019/20 estimated)	Annual target for 2020/21	Annual Actual output	Annual Actual Expenditure Actual output
GG5.1		Number of alleged fraud and corruption cases reported per 100 000 population	131,00		No Data	
	GG5.1(1)	(1) Number of alleged fraud and corruption cases reported to the metro			131,00	
	National responsibility	(2) Population: Number of persons who reside within the municipal boundaries.				
GG5.2		Number of dismissals for fraud and corruption per 100 000 population			No Data	
	GG5.2(1)	(1) Number of dismissals for fraud and corruption at the metro			0,00	
	National responsibility	(2) Population: Number of persons who reside within the municipal boundaries.			1 251 575	

CHAPTER 4 - ORGANISATIONAL DEVELOPMENT

COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

INTRODUCTION

The impact of Human Resources Development (HRD) on service delivery is critical, because without appropriately skilled individuals, the needs of communities cannot be met. With this in mind, the Municipality has committed to a systematic process in which employees were trained to acquire competencies that make them more self-reliant and improve their effectiveness in the realisation of the Municipality's goals.

Priority was also given to the implementation of National Treasury Regulations No. 29976 on minimum competency levels, published on 15 July 2007. Furthermore, the Municipality has committed to the development of a competence-based skills development plan, hence the ongoing skills audit process.

In the face of ongoing challenges in attracting, developing and retaining critically scarce skills, Council has adopted a Mentorship Strategy. The Mentorship Strategy is geared at ensuring career development, growth and succession planning. This initiative will also assist the institution in eliminating over-reliance on a few capable and technically qualified employees. The spin-offs will include sustained service excellence, accelerated service delivery, highly motivated employees, increased knowledge sharing and management, and effective transfer of the critical and scarce skills and experience needed by the organisation.

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

TABLE 4.1: Employee totals, turnover and vacancies

Employees					
Description	Year -1 (2019-20)	Year 0 (2020/21)			
	Employees	Approved posts (details as at 30 June 2021)	Employees permanent (excluding contractual, interns, etc.)	Vacancies	Vacancies
	No.	No.	No.	No.	%
Budget and Treasury	581	641	570	71	12.5
Chief Operating Officer	71	92	88	8	9.1
Corporate Services	430	640	543	97	17.9
Electricity and Energy	539	789	507	282	55.6
Human Settlements	299	312	290	22	7.6
Infrastructure and Engineering	1286	1294	1204	90	7.8
City Manager	24	15	11	4	36.4
Office of the Executive Mayor	21	100	73	27	37
Public Health	981	1773	907	866	95.5
Safety and Security	1445	1697	1577	120	76.1
Special Projects and Programmes	14	41	40	1	2.5
SRAC counted with EDTA	482	532	465	67	14.4
Totals	6173	7926	6275	1655	26.4

Designations	Total Approved Posts	Vacancies (Total time that vacancies exist using full-time equivalents)	Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	1	100%
CFO	1	0	0%
Other S56 Managers (excluding finance posts)	9	3	33.33 %
Other S56 Managers (Finance posts)	0	0	0.00%
Metro Police Officers	124	15	12.10%
Fire-fighters	267	9	3.4%
Total	402	28	7%

Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
Year -2 (2018/19)	1498	268	17.9%
Year -1 (2019/20)	226	14	6.19%
Year 0 (2020/21)	31	160	50%

COMMENT ON VACANT SENIOR MANAGEMENT POSITIONS AND TURNOVER RATE

The Municipality has 10 senior management (Section 56) positions and all the positions, except the City Manager were filled as at 30 June 2021.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

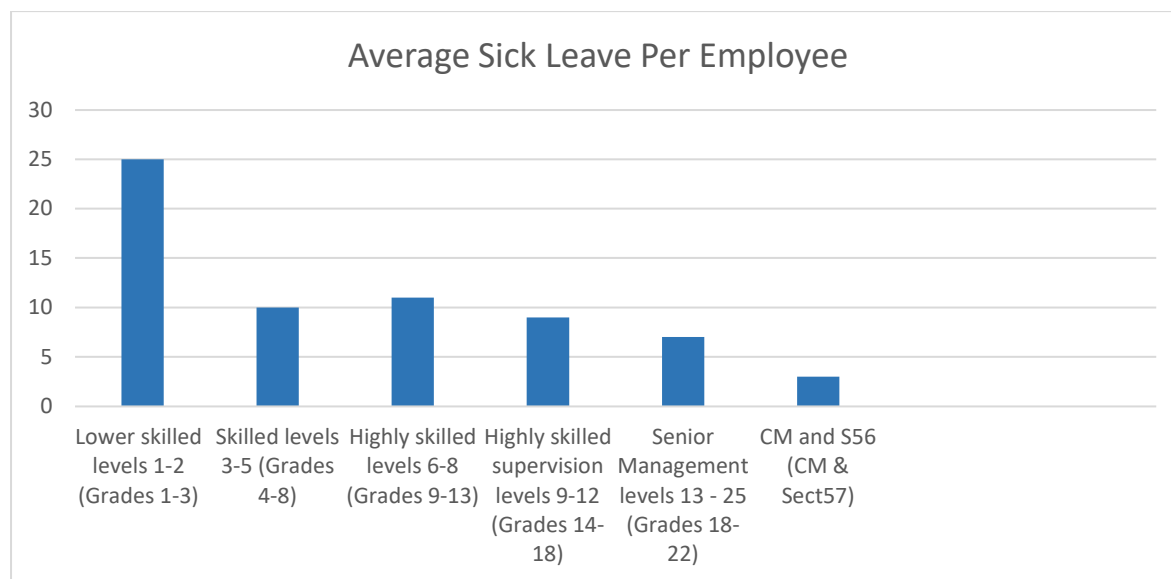
INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Nelson Mandela Bay Municipality continues to implement various affirmative action measures to ensure equitable representation in all occupational categories and levels in the workplace.

4.2 INJURIES, SICKNESS AND SUSPENSIONS

Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	1470	53	3.81%	26.25	
Temporary total disablement	N/A	N/A	N/A	N/A	N/A
Permanent disablement	N/A	N/A	N/A	N/A	N/A
Fatal	N/A	1	N/A	N/A	N/A
Total	1470	53	3.81%	26.25	

Salary band	Total sick leave days	Sick leave without medical certificate	Employees using sick leave	Total employees in post	Average sick leave per employee	Estimate Cost
	Days	%	No.	No.	Days	R
Lower skilled levels 1-2 (Grades 1-3)	13549	24.06	1221	5342	25	8 247 190.74
Skilled levels 3-5 (Grades 4-8)	20353.5	25.53	1506	2125	10	17 364 133.24
Highly skilled levels 6-8 (Grades 9-13)	14556	28.53	995	1319	11	16 768 877.28
Highly skilled supervision levels 9-12 (Grades 14-18)	12779.5	29.90	994	1445	9	22 407 521.28
Senior Management levels 13 - 25 (Grades 18-22)	2566	18.82	200	347	7	7 940 178.55
CM and S56 (CM & Sect57)	31	25.81	7	9	3	257 773.55
GRAND TOTAL	63835	26.44	4923	10587	42.5	72 985 674.64

FIGURE 4.1: Average number of days sick leave (excluding IOD)*COMMENT ON INJURY AND SICK LEAVE*

The Municipality has a Work Attendance Policy which defines its standards of work attendance and regulates the management thereof. There is a Wellness Centre, which is accessible to employees five days a week to deal with sicknesses, counselling services and referrals by management.

TABLE 4.4: Suspensions and disciplinary cases

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Driver	Diesel theft	13-May-21	Finalised. Employee demoted to Street Sweeper	01-Nov-20
Media Liaison Officer	Public attack on Accounting Officer on Facebook	09-Apr-20	Uplifted	09-Nov-20
Director: Special Projects	Fraudulent appointments	13-Jan-20	Uplifted	2-Feb-21
Manager: Administration	Removed files without authority	20-Jan-20	Uplifted	2-Feb-21

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Senior Superintendent	Sexual Harassment	28-Apr-21	Finalised. Ten days suspension without pay and employee to attend course on work conduct	27-May-21
Constable	Allegedly took a bribe	28-Apr-21	Hearing in progress	
Constable	Allegedly took a bribe	28-Apr-21	Hearing in progress	
Deputy Director: Supply Chain	Disobeying instruction from Acting City Manager	29-Jun-21	Investigation in progress	
Director: Human Settlements	Received money from a service provider and failed to disclose	7-Jun-21	Investigation in progress	

TABLE 4.4.1 Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
No cases of financial misconduct were dealt with during the reporting period.			

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT

During the 2020/21 financial year, 9 officials were either placed on suspension or were already on suspension from previous financial years. Five (5) matters involving suspension were finalised, while four (4) are still on-going. No cases of financial misconduct were dealt with during the reporting period.

4.3 PERFORMANCE REWARDS

TABLE 4.5: Performance rewards by gender							
Designations	Beneficiary profile						
	Gender	Period Reviewed	Expenditure on Rewards (Year 0)	Total Number of Employees in Group	Number of beneficiaries	Proportion of Beneficiaries within Group	Payment
			R000			%	Date
N / A							

COMMENT ON PERFORMANCE REWARDS

The 2020/21 Annual Performance Review will take place after the adoption of the 2020/21 Annual Report by Council.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

During the period under review, 0.03719% of the Municipality's operating budget was spent on implementing its Workplace Skills Plan. The 0.03719% amounts to R4,482,702 against the total Operating Adjustment Budget of R12,054,103,936. There was a limited number of training providers with resources to conduct training remotely during the Covid-19 lockdown period. Some officials attended developmental programmes / seminars that were not funded through the Municipality's training budget. The Municipality will continue to promote training to ensure that its Workplace Skills Plan is implemented.

4.4 SKILLS DEVELOPMENT AND TRAINING

TABLE 4.6: Skills matrix

Skills matrix														
Management Level	Gender	Employees in post as at 30 June 2020 (Year 0)	Number of skilled employees required and actual as at 30 June 2021 (Year 0)											
			Learnerships			Skills Programmes & other Short Courses			Other Forms of Training			Total		
			Actual: End of Year -1 (2018-19)	Year 0 Target (2019-20)	Actual: End of Year 0 (2019-20)	Actual: End of Year -1 (2018-19)	Year 0 Target (2019-20)	Actual: End of Year 0 (2019-20)	Actual: End of Year -1 (2018-19)	Year 0 Target (2019-20)	Actual: End of Year 0 (2019-20)	Actual: End of Year -1 (2019-20)	Year 0 Target (2020-2021)	Actual: End of Year 0 (2020-2021)
No.														
CM and S56	Female	2	0	0	0	0	0	0	0	0	0	0	0	0
	Male	8	0	0	0	0	0	3	0	0	0	0	0	3
Councillors, senior officials and managers	Female	108	0	0	0	0	0	28	0	0	0	0	0	28
	Male	186	0	0	0	0	0	40	0	0	0	0	0	40
Technicians and associated professionals*	Female	0	0	0	78	0	0	1	0	0	0	0	0	79
	Male	0	0	0	58	0	0	10	0	0	0	0	0	68
Professionals	Female	0	0	0	0	0	0	134	0	0	0	0	0	134
	Male	0	0	0	0	0	0	258	0	0	0	0	0	258
Sub total	Female	0	0	0	78	0	0	163	0	0	0	0	0	241
	Male	0	0	0	58	0	0	311	0	0	0	0	0	369
Total		304	0	0	136	0	01	474	0	0	0	0	0	610

TABLE 4.7: Financial competency development: Progress report - as at 30 June 2021						
Description	A. Total Number of Officials Employed by Municipality (Regulation 14(4)(a) and (c))	B. Total Number of Officials Employed by Municipal Entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency Assessments Completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total Number of Officials whose Performance Agreements Comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total Number of Officials that meet Prescribed Competency Levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting Officer</i>	1	1	2	0	2	0
<i>Chief Financial Officer</i>	1	1	1	1	1	0
<i>Senior Managers</i>	8	2	8	3	8	3
<i>Any other financial officials</i>	114	2	110	47	101	44
Supply Chain Management Officials						
<i>Heads of Supply Chain Management Units</i>	5	0	1	1	0	1
<i>Supply Chain Management Senior Managers</i>	1	0	1	1	0	1
TOTAL	130	6	123	53	112	49

TABLE 4.8: Skills development expenditure										
Original Budget and Actual Expenditure in skills development Year 0 (2020-2021)										
Management Level	Gender	Employee as at the Beginning of the Financial Year (1 July 2020)	Learnerships		Skills Programmes and Other Short Courses		Other forms of Training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
CM and S56	female	1	0	0	0	0	0	0	0	0
	Male	7	0	0	0	R49306.00	0	0	0	0
Legislators, senior officials and managers	female	104				R25968.00				R25968.00
	Male	184				R67092.04				R67092.04
Professionals	female					R23981.06				R23981.06
	Male					R72634.50				R72634.50
	female		R380 00,00	R114000,00		R26661,30				R140661,38

TABLE 4.8: Skills development expenditure

Original Budget and Actual Expenditure in skills development Year 0 (2020-2021)

Management Level	Gender	Employee as at the Beginning of the Financial Year (1 July 2020)	Learnerships		Skills Programmes and Other Short Courses		Other forms of Training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
Technicians and associate professionals	Male		R62000,00	R186000,00		R150719,52				R3360719,55
	female	758				R107 270,00				R107 270,00
Clerk	Male	194				R43636,79				R43636,79
	female					R111764,00				R111764,00
Service and sale workers	Male					R374172,00				R374172,00
	female					R1710,00				R1710,00
Skilled Agricultural Forestry, Fishery,	Male					R6 213,00				R6 213,00

TABLE 4.8: Skills development expenditure

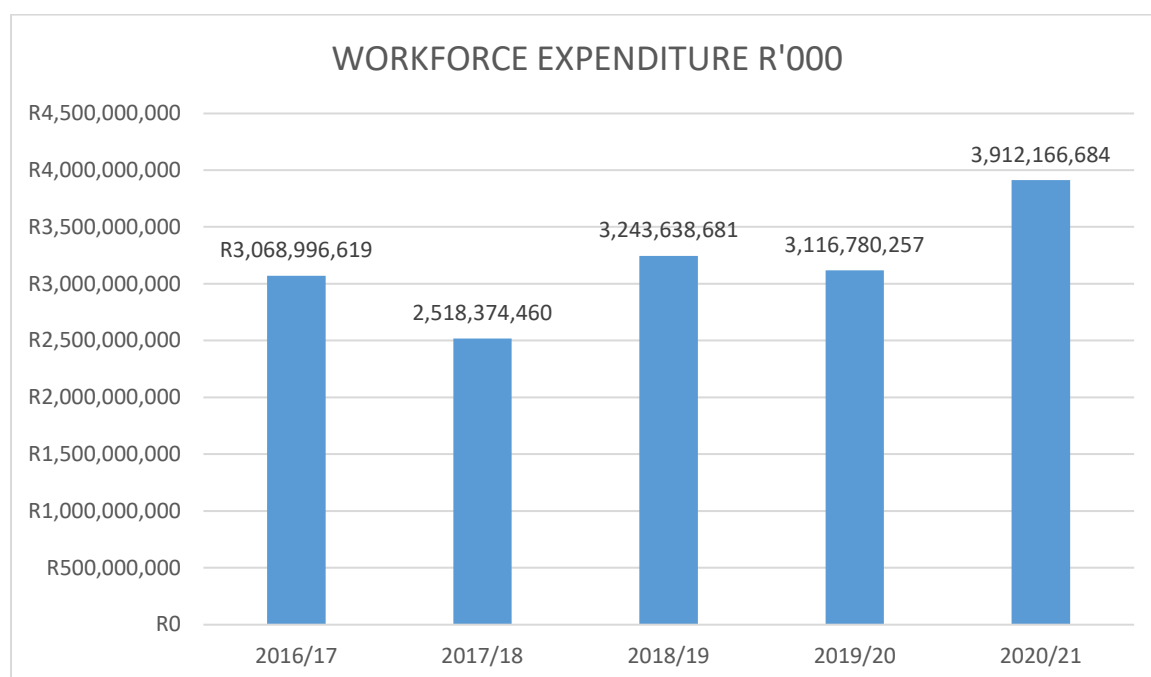
Original Budget and Actual Expenditure in skills development Year 0 (2020-2021)										
Management Level	Gender	Employee as at the Beginning of the Financial Year (1 July 2020)	Learnerships		Skills Programmes and Other Short Courses		Other forms of Training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
Craft and Related trades										
Plant and machine operators and assemblers	female					R1 710,00				R1 710,00
	Male					R6 213,00				R6 213,00
Elementary occupations	female	667				R3 420,00				R3 420,00
	Male	1677				R14 799,69				R14 799,69
Sub- total	female		R380 000	R114 000	R0	R300 774	R0	R0	R0	R414 774
	Male		R620 000	R186 000	R0	R778 574	R0	R0	R0	R915 268

TABLE 4.8: Skills development expenditure**Original Budget and Actual Expenditure in skills development Year 0 (2020-2021)**

Management Level	Gender	Employee as at the Beginning of the Financial Year (1 July 2020)	Learnerships		Skills Programmes and Other Short Courses		Other forms of Training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
TOTAL			R1 000 000,00	R300 000,00	R0,00	R1 079 348,26	R0,00	R0,00	R0,00	R1 330 042,26

COMPONENT D: MANAGING WORKFORCE EXPENDITURE

FIGURE 4.2: Workforce expenditure trends



4.5 EMPLOYEE EXPENDITURE

TABLE 4.9: Employees whose salary levels exceed the grade determined by job evaluation

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Account Assistant: Housing Delivery	3	CTHPEM12	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Admin Assistant: Land Invasion	1	CTHPEM12	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Admin Assistant: Property Management	4	CTHPEM11	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Admin Assistant Clerk	1	CTHPEM08	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Admin Clerk	1	CTHPEM08	TK5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Administrator	1	CTHPEM13	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Administrator: SDEA	2	CTHPEM15	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Analyst / Programmer	4	CTHPEM14	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Application Servers Administrator	1	CTHPEM14	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Artisan: Quality Control	1	CTHPEM12	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Artisan: Quality Control	2	CTHPEM14	TK9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Asset Controller	1	CTHPEM11	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Asset Director – CA	1	CTHPEM38	TK 16	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Assistant Director: Occupational Safety Management	1	CTHPEM15	TK 15	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Assistant Director: Community Development	1	CTHPEM16	TK 15	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Assistant Director: Contract Management & Legal Services	1	CTHPEM16	TK 15	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Assistant Director: B&T	2	CTHPEM16	TK 16	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Assistant Director: Disaster Management	1	CTHPEM16	TK 15	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Assistant Director: EDRS	1	CTHPEM16	TK 15	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Assistant Director: Environmental Health	1	CTHPEM16	TK 16	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Assistant Head: Disaster Management	1	CTHPEM16	TK 13	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Assistant Manager: Housing Delivery	1	CTHPEM16	TK 14	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Assistant Accountant B&T	1	CTHPEM10	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Assistant Superintendent Installations & Faults	1	CTHPEM11	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Candidate Security Officer	23	CTHPEM08	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Candidate / Traffic Officer	1	CTHWDC11	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Chief Security Officer	2	CTHPEM16	TK 13	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Claims Investigator	1	CTHPEM10	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerical Assistant	6	CTHPEM06	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Chief Clerk	2	CTHPEM10	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Chief Clerk	1	CTHPWDC	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerk	1	CTHWDC13	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerk	9	CTHPEM08	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Clerk	1	CTHPEM06	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerk / Administrative Assistant	1	CTHPEM07	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerk Grade 1 / Administrative Assistant CA-PP	1	CTHPEM08	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerk Grade 11	1	CTHPEM08	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerk Admin	7	CTHPEM08	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerk Admin	4	CTHPEM09	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerk Admin	4	CTHPEM07	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Clerk Admin	1	CTHPEM10	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Committee Officer	5	CTHPEM12	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Computer Operations Supervisor	2	CTHPEM11	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Computer Operator	1	CTHPEM08	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Controller	9	CTHPEM12	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Controller: Admin	1	CTHPEM14	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Controller: Housing Projects	3	CTHPEM14	YK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Controller: Informal Housing	1	CTHPEM12	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Coordinator: Municipal Court	1	CTHPEM13	TK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Councillor Support: Office of the Speaker	1	CTHPEM33	TK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Court Liaison Officer	1	CTHPEM11	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Database Administrator	1	CTHPEM11	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Deputy Director: Administrative Services	1	CTHPEM38	TK 16	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Deputy Director: Housing	1	CTHPEM38	TK 16	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Deputy Director: SDEA	1	CTHPEM17	TK 15	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Deputy Director: Support Services	1	CTHPEM38	TK 16	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Director: HR Provisioning & Support Services	1	CTHPEM38	TK 17	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Director: Audit Service - PP	1	CTHPEM38	TK 17	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Director: Sector Development	1	CTHPEM38	TK 16	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Director: Strategic Projects	1	CTHPEM38	TK 16	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
End User Support Technician	2	CTHPEM13	TK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Environmental CLO	1	CTHPEM13	TK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Executive Secretary	7	CTHPEM10	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Executive Secretary	1	CTHWDC10	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
General Assistant	3	CTHPEM06	TK 3	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
General Worker	13	CTHPEM05	TK 2	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
General Worker	2	CTHPEM04	TK 2	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
General Worker : Blockages	1	CTHPEM06	TK 2	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
GIS / Database Operator	1	CTHPEM10	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Handyman	1	CTHPEM06	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
IDP Zonal Systems Analyst	1	CTHPEM12	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
International & Intergovernmental Relations Manager	1	CTHPEM15	TK 14	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Labourer Wastewater treatment	3	CTHPEM03	TK 2	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Land Invasion Assistant	4	CTHPEM06	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Land Use Inspector	6	CTHPEM09	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Manager: Constituency	1	CTHPEM16	TK 14	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Manager: Printing	1	CTHPEM16	TK 14	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Media Liaison Officer	1	CTHPEM12	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Messenger / Driver	1	CTHPEM06	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Messenger / Driver	2	CTHPEM04	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Meter Reader	15	CTHPEM07	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Manager- Environmental Management	1	CTHPEM38	TK 16	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Network Controller	4	CTHPEM14	TK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Office Manager: Executive Mayor's Office	1	Z-ABN	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Operations Assistant	1	CTHPEM12	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Pipeline Inspector	7	CTHPEM09	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Principal Clerk	5	CTHPEM09	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Principal Clerk	10	CTHPEM10	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Principal Clerk	1	CTHPEM11	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Principal Clerk	1	CTHPEM12	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Principal Clerk	1	CTHPEM14	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Principal Clerk: Homeless List	1	CTHPEM09	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Principal Clerk: Housing	1	CTHPEM08	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Principal Clerk: Safety & Security	2	CTHPEM09	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Principal Technician	1	CTHPEM13	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Printing / Collating / Binding Assistant	1	CTHPEM13	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Professional Engineering Technologist	1	CTHPEM80	TK 14	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Project Assistant	1	CTHPEM12	TK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Project Coordinator	1	CTHPEM12	TK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Project Officer	1	CTHPEM12	TK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Prosecutor	2	CTHPEM13	TK 11	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Public Claims Liability Officer	1	CTHPEM08	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Rapid Response Task Team Coordinator	1	CTHPEM12	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Receptionist	3	CTHPEM04	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Receptionist / Clerk	2	CTHPEM08	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Receptionist / Clerk	1	CTHPEM09	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Receptionist / Telephonist	1	CTHPEM10	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Registered Professional Technologist	1	CTHPEM80	TK 15	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Researcher	1	CTHPEM10	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Safety Coordinator: Occupational Health	1	CTHPEM11	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Secretarial Assistant	2	CTHPEM07		Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Secretary	1	CTHPEM07	TK6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Secretary	18	CTHPEM09	TK6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Secretary	20	CTHPEM10	TK6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Security Officer	9	CTHPEM09	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Security Officer	9	CTHPEM09	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Security Service Administrator	9	CTHPEM09	TK 8	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Accountant: Compliance & Reporting	1	CTHPEM14	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerical Assistant	1	CTHPEM04	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk:	35	CTHPEM08	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk:	9	CTHPEM09	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk	4	CTHPEM09	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk	3	CTHPEM10	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Senior Clerk	2	CTHPEM11	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk	1	CTHPEM12	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk	1	CTHPEM13	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk	1	CTHPT25	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk	1	CTHPT30	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk	1	CTHWDC12	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk: Costing	2	CTHPEM09	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk: Data Capturing	1	CTHPEM10	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk: Homeless List	2	CTHPEM08	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Clerk: Projects	1	CTHPEM10	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Senior Clerk: Staff	1	CTHPEM08	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Security Officer	10	CTHPEM10	TK 8	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Superintendent: Operations	1	CTHPEM14	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Technician	6	CTHPEM11	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Town Planner	1	CTHPEM15	TK 15	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Traffic Officer	7	CTHPEM12	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Valuer	2	CTHPEM15	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Accountant:	1	CTHPEM16	TK 14	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Accountant: Budget & Financial Accounting	1	CTHPEM14	TK 13	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Accountant: Financial Statements	1	CTHPEM14	TK 13	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Senior Forensic Auditor	1	CTHPEM15	TK 14	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Senior Performance Practitioner	1	CTHPEM13	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Social Facilitator	1	CTHPEM13	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Special Workman / Hydrant Inspector	1	CTHPEM05	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Storekeeper	7	CTHPEM08	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Storekeeper	2	CTHPEM09	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Storeman	1	CTHPEM08	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Store Assistant	1	CTHPEM06	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Stores Attendant	1	CTHPEM06	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Superintendent: Operations	2	CTHPEM13	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Supervisor: Information Centre	1	CTHPEM12	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Supervisor: Typing	1	CTHPEM09	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Switchboard Operator	1	CTHPEM06	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Team Leader	2	CTHPEM11	TK 10	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Technologist	2	CTHPEM11	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Technologist	1	CTHPEM13	TK 12	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Telephonist	3	CTHPEM06	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Trade Worker	1	CTHPEM07	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Traffic Officer	61	CTHPEM10	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Training Officer	1	CTHPEM12	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

OCCUPATION	NUMBER OF EMPLOYEES	REMUNERATION LEVEL	JOB EVALUATION LEVEL (TASK GRADE)	REASON FOR DEVIATION
Typist Clerk	1	CTHPEM07	TK 6	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Webmaster	1	CTHPEM12	TK 9	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Wellness Coordinator	1	CTHPEM136	TK 7	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Word Processing Operator	1	CTHPEM07	TK 5	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Workshop Attendant	1	CTHPEM08	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement
Workshop Attendant	1	CTHPEM06	TK 4	Contractual to holder on grade of previous Conditions of Service/Municipality i.t.o. TASK Implementation Collective Agreement

Employees appointed to posts not approved

The approval of the "As Is" structure by Council in April 2016 incorporated all employees not on the Council approved structure in the past. At this stage, there are no employees in this category.

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE

SALGA approved the Final Outcomes Results for the Tourism Unit. The positions are not yet filled.

CHAPTER 5 - FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

A number of key cost drivers influence and determine inflation, which can subsequently influence the financial position of the Municipality. Bulk electricity price increases are determined by the National Energy Regulator of South Africa; bulk water price increases are determined by the Department of Water and Sanitation; and salary increases are influenced by negotiations through the South African Local Government Bargaining Council.

The Municipality has an Operational Efficiencies Work Plan in place to contain certain costs. Executive Directors are responsible for approving any expenditure incurred against items that are listed in the Operational Efficiencies Work Plan and provide financial reports to the Executive Management Committee and the respective Portfolio Committees on regular basis.

In providing an overview of the key successes and outcomes for the 2020/21 financial year, it is necessary to compare the 2020/21 Adjustments Budget, the actual financial results, the actual cash inflows and outflows, and the actual expenditure and revenue trends over the period 01 July 2020 to 30 June 2021.

The financial performance highlights, based on the audited results, are as follows:

Financial Performance:

TABLE 5.1: Consolidated Annual Financial Statements: Financial Performance

Description	2019/20	2020/21			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YTD variance
R thousands					
Revenue By Source					
Property rates	2,357,411	2,486,145	2,488,283	2,506,420	18,137
Service charges - electricity revenue	3,721,446	4,359,003	3,954,693	3,966,501	11,808
Service charges - water revenue	1,189,576	1,050,759	1,301,832	1,578,367	276,647
Service charges - sanitation revenue	654,164	722,107	698,045	709,117	11,072
Service charges - refuse revenue	247,927	264,511	264,511	259,810	(4,701)
Rental of facilities and equipment	22,785	22,627	28,739	27,042	(1,698)
Interest earned - external investments	234,799	161,511	161,511	150,039	(11,471)

Description	2019/20	2020/21			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YTD variance
Interest earned - outstanding debtors	254,866	265,534	334,541	320,478	(14,063)
Dividends received			-	-	-
Fines, penalties and forfeits	224,919	224,224	205,224	79,979	(125,245)
Licences and permits	15,137	22,748	12,104	15,042	2,938
Agency services	3,546	3,327	3,059	3,734	675
Transfers and subsidies	1,880,746	2,187,776	2,497,826	2,129,771	(368,054)
Other revenue	105,073	168,878	151,168	110,745	(40,423)
Gains		510	510	-	(510)
Total Revenue (excluding capital transfers and contributions)	10,912,396	11,939,659	12,102,045	11,857,045	(244,999)
Expenditure By Type					
Employee related costs	3,116,780	3,768,245	3,756,172	3,912,167	155,995
Remuneration of councillors	76,474	85,283	85,215	76,244	(8,971)
Debt impairment	1,303,375	1,084,879	1,284,675	1,772,262	487,586
Depreciation & asset impairment	1,072,017	740,575	740,575	1,005,386	264,810
Finance charges	124,825	141,084	128,874	127,631	(1,243)
Bulk purchases	3,515,565	3,844,678	3,775,867	3,819,893	44,027
Other materials	210,535	222,873	221,091	156,681	(64,410)
Contracted services	664,974	1,125,323	1,192,883	738,573	(454,309)
Transfers and subsidies	32,531	57,746	59,571	30,426	(29,145)
Other expenditure	579,804	621,178	809,182	680,050	(129,132)
Losses			-	8	8
Total Expenditure	10,696,879	11,691,864	12,054,104	12,319,320	265,216
Surplus/(Deficit)	215,517	247,794	47,941	(462,275)	(510,215)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	660,086	944,113	658,005	972,837	314,833
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	103,802	32,897	66,236	143,595	77,360
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	979,405	1,224,804	772,181	654,157	
Taxation					-
Surplus/(Deficit) after taxation	979,405	1,224,804	772,181	654,157	
Attributable to minorities					
Surplus/(Deficit) attributable to municipality	979,405	1,224,804	772,181	654,157	
Share of surplus/ (deficit) of associate					
Surplus/ (Deficit) for the year	979,405	1,224,804	772,181	654,157	

Financial Performance

During the 2020/21 financial year, actual operating revenue amounted to R11.857 billion, whilst actual operating expenditure amounted to R12.319 billion, resulting in an operating deficit of R510.215 million. The Adjustments Budget for operating revenue during the 2020/21 financial year amounted to R12.102 billion, whilst operating expenditure amounted to R12.054 billion, resulting in a budgeted surplus of R47.94 million. The combined operating revenue for property rates and service charges was higher than anticipated in the 2020/21 Adjustments Budget, due to the following factors:

Property Rates

During the 2020/21 financial year, property rates revenue raised amounted to R2.506 billion, compared to the Adjustments budgeted amount of R2.488 billion. Revenue raised was

reduced by an amount of approximately R101.655 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. Property rates revenue raised was approximately R18.137 million more than anticipated.

Table 5.2: Property Rates

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Property rates	- 2,357,411	- 2,486,145	- 2,488,283	- 2,506,420	18,137
Agricultural Property	- 5,517	- 5,831	- 5,831	- 5,781	50
Business and Commercial Properties	- 844,686	- 907,543	- 907,543	- 896,548	10,995
Formal and Informal Settlements	89,074	48,317	48,317	148,201	- 99,884
Industrial Properties	- 240,474	- 253,516	- 253,516	- 256,370	2,854
Mining Properties	- 158	- 167	- 167	- 214	47
Public Benefit Organisations	- 1,419	- 1,999	- 1,999	- 1,672	327
Public Service Infrastructure Properties	- 476	- 38	- 38	- 212	174
Residential Properties: Developed	- 1,109,278	- 1,118,104	- 1,118,104	- 1,232,889	114,785
Residential Properties: Vacant Land	- 76,123	- 79,016	- 79,016	- 81,704	2,688
Special Rating Area	- 1,777	- 2,036	- 4,174	- 4,066	108
State-owned Properties	- 166,578	- 166,213	- 166,213	- 175,166	8,953

Service charges – Electricity Revenue

Electricity revenue raised, amounted to R3.967 billion, compared to the Adjustments budgeted amount of R3.955 billion during the 2020/21 financial year. Revenue raised was reduced by an amount of approximately R37.78 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. The electricity revenue raised was approximately R11.81 million more than anticipated. The impact of the price elasticity of demand, the consistent annual increase in electricity losses and other factors affecting the electricity revenue stream require urgent attention to mitigate the variance between electricity revenue budgeted and electricity revenue raised. Unfortunately, year-on-year electricity losses increased from a high level of 15.47% in the 2018/19 financial year even further to 20.30% in the 2019/20 financial year. The electricity losses increased to 21.63% in the 2020/21 financial year.

TABLE 5.4: Service Charges: Electricity Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Service charges - electricity revenue	-3,721,446	- 4,359,003	- 3,954,673	- 3,966,501	11,828
Availability Charges	- 50,052	- 41,929	- 41,929	- 45,958	4,029
Connection/Reconnection:Change Circuit Breaker	- 154	- 178	- 178	- 1	177
Connection/Reconnection:Connections New:Non-government Housing	- 4,441	- 5,849	- 5,849	- 5,169	680

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Electricity Sales:Agricultural High	- 4				
Electricity Sales:Commercial Conventional (3-Phase)	- 348,552	- 253,515	- 17,561	- 120,659	103,098
Electricity Sales:Commercial Prepaid	- 69,877	- 89,376	- 89,376	- 53,529	- 35,848
Electricity Sales:Domestic High:Prepaid	-1,128,446	- 1,101,670	- 1,101,670	-1,172,801	71,131
Electricity Sales:Domestic Low:Domestic Indigent	- 45,547	- 55,043	- 63,554	- 37,777	- 25,778
Electricity Sales:Domestic Low:Prepaid	31,556	- 9,957	- 73,446	- 117,692	44,246
Electricity Sales:Industrial more than (11 000 Volts) (High Voltage)	- 1,814,312	- 2,383,914	- 1,628,375		-1,628,375
Electricity Sales:Industrial (400 Volts) (Low Voltage)	- 292,630	- 412,453	- 249,969	- 235,560	- 14,409
Electricity Sales:Industrial more than (11 000 Volts) (High Voltage)				- 802,751	802,751
Electricity Sales:Time of Use Tariffs	1,185	- 5,020	- 682,667	- 1,374,508	691,841
Joint Pole Usage	- 25	- 25	- 25	- 25	0
Meter Compliance Testing	- 129	- 52	- 52	- 61	9
Meter Reading Fees	- 17	- 22	- 22	- 11	11

Service Charges – Water Revenue

During the 2020/21 financial year, water revenue raised, amounted to R1,578 billion, compared to the Adjustments budgeted amount of R1.302 billion. Revenue raised was reduced by an amount of approximately R123.01 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. Due to the implementation of punitive water tariffs to assist in managing a severe drought environment and the use of the scarce water resource, an amount of R276.65 million in water revenue more than the budgeted target was raised. Unfortunately, the annual water losses remained at a high level of 40.0% in the 2020/21 financial year although it did decline from the 43% in the 2019/20 financial year. It is important to refer to the Note 35.10 of the 2020/21 Consolidated Annual Financial Statements which disclosed the Water Losses as follows:

The NMBM suffered water losses of 43,349 megalitres (40%) amounting to R217.1 million (2020: 46,741 megalitres (43%) amounting to R180,7 million) during the year. The value of the water losses has been based on cost for both years. Various water demand management interventions are being implemented to curb water losses.

The 40% of water losses are made up of apparent (commercial) losses (11%) and real (physical) losses (29%). Apparent losses include unauthorised consumption from theft or illegal use, plus all technical and administrative inaccuracies associated with customer metering.

TABLE 5.5: Service Charges: Water Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Service charges - water revenue	- 1,189,576	- 1,050,759	- 1,301,832	- 1,578,367	276,535
Agricultural and Rural Water Service	- 30,264	- 35,498	- 37,198	- 42,326	5,128
Availability Charges	- 155,988	- 166,273	- 170,078	- 166,233	- 3,845
Connection/Disconnection	- 5,039	- 6,813	- 5,531	- 5,811	280
Industrial Water	- 318,845	- 268,155	- 191,485	- 273,131	81,647
Sale: Conventional	136,578	199,015	219,615	178,493	41,122
Sale: Flat Rate	- 2,460	- 2,585	- 2,585	- 2,624	39
Urban Higher Level Service	- 813,558	- 770,451	- 1,114,569	- 1,266,246	151,677

Service Charges – Sanitation Revenue

During the 2020/21 financial year, sanitation revenue raised, amounted to R709.81 million, compared to the Adjustments budgeted amount of R698.05 million. The revenue raised, was reduced by an amount of approximately R155.84 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. Sanitation revenue raised, was approximately R11.07 million more than anticipated.

TABLE 5.6: Service Charges – Sanitation Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Service charges - sanitation revenue	- 654,164	- 722,107	- 698,045	- 709,117	11,072
Waste Water Management: Availability Charges	- 155,089	- 164,759	- 164,759	- 165,515	756
Waste Water Management: Connection/Reconnection	- 1,247	- 2,246	- 2,164	- 1,905	- 259
Waste Water Management: Higher Level Service	- 114,751	- 105,616	- 122,466	- 142,946	20,480
Waste Water Management: Industrial Effluent	- 35,166	- 34,220	- 36,234	- 35,747	487
Waste Water Management: Industrial Waste Water	- 59,170	- 80,165	- 48,165	- 54,147	5,982
Waste Water Management: Sanitation Charges	- 288,742	- 335,101	- 324,256	- 308,857	- 15,400

Service Charges – Refuse Revenue

Refuse revenue raised, amounted to R259.81 million, compared to the Adjustments budgeted amount of R264.51 million. Revenue raised was reduced by an amount of approximately R94.09 million, relating to free basic services provided to qualifying ATTP consumers, in accordance with the Municipality's ATTP Policy, which is funded from the Equitable Share. Refuse revenue raised, was approximately R4.70 million less than anticipated.

TABLE 5.7: Services Charges – Refuse Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Service charges - refuse revenue	- 247,927	- 264,311	- 264,311	- 259,810	- 4,501
Waste Management: Refuse Removal	- 234,998	- 247,345	- 249,945	- 245,793	- 4,152
Waste Management: Waste Bins	- 12,929	- 16,966	- 14,366	- 14,017	- 348

Property Rates and Services Revenue

The table below reflects the Municipality's revenue streams in respect of property rates and services revenue, excluding revenue foregone.

TABLE 5.8: Property rates and services revenue

Property Rates and Services	2020/21 Adjustments Budget R'000	Actuals 2020/21 as per AFS R'000	Variance R'000	%
Property Rates	2,488,283	2,506,420	18,137	0.73%
Electricity	3,954,693	3,966,501	11,808	0.29%
Water	1,301,832	1,578,367	276,535	21.24%
Sanitation	698,045	709,117	11,072	1.59%
Refuse	264,511	259,810	(4,701)	(1.78%)
Total	8,707,364	9,020,215	312,851	3.59%

Revenue foregone in respect of the Indigent Consumers amounted to R512.369 million, compared to the original budgeted provision of R643.371 million. Revenue foregone relates to the ATTP rebates for consumers qualifying as poor residents of the Nelson Mandela Bay municipal area. Revenue foregone has been financed through the Equitable Share allocation.

The table below provides a further overview of growth in respect of budget projections and actual revenue trends.

TABLE 5.9: Growth in respect of budget projections and actual revenue trends

Service Charges	2018/19 Actual	2018/19 Original Budget	2019/20 Actual	2019/20 Original Budget	2019/20 Adjustments Budget	% Actual Growth	% Budget Growth	% Adjustments Budget Growth
Sale of Electricity	3,687,352	3,964,692	3,721,446	4,379,448	3,983,323	0.92%	10.46%	0.47%
Sale of Water	850,694	749,547	1,189,576	815,772	1,177,942	39.84%	8.84%	57.15%
Sanitation	536,186	459,930	654,164	554,361	656,826	22.00%	20.53%	42.81%
Refuse Removal	192,754	294,667	247,927	246,024	245,151	28.62%	-16.51%	-16.80%
	2019/20 Actual	2019/20 Original Budget	2020/21 Actual	2020/21 Original Budget	2020/21 Adjustments Budget	% Actual Growth	% Budget Growth	% Adjustments

Service Charges	2018/19 Actual	2018/19 Original Budget	2019/20 Actual	2019/20 Original Budget	2019/20 Adjustments Budget	% Actual Growth	% Budget Growth	% Adjustments Budget Growth
Sale of Electricity	3,721,446	4,379,448	3,966,501	4,359,003	3,954,693	6.58%	-0.47%	-9.70%
Sale of Water	1,189,576	815,772	1,578,367	1,005,759	1,301,832	32.68%	23.29%	59.58%
Sanitation	654,164	554,361	709,117	722,107	698,045	8.40%	30.26%	25.92%
Refuse Removal	247,927	246,024	259,810	264,511	264,511	4.79%	7.51%	7.51%

The above table indicates that the Sale of Electricity is not growing at the same rate as the approved tariff increases on an annual basis and that the price elasticity of demand and theft of electricity appears to be much higher than anticipated. Whilst the Electricity Service should be achieving an at least 15% profit margin after both primary and secondary costs are taken into account, it has been running at a loss since the 2018/19 financial year. The calculations in the table below only considered the primary costs.

To determine the true surplus or loss, the secondary costs should also be taken into account. Secondary costs are made up of Human Resource, Budget and Treasury, Corporate Services, Information Technology, security charges, internal service charges, etc. which is charged to the trading and other services. Therefore, secondary costs could be substantial for any of the trading services and must be taken into consideration when the appropriate tariff are determined per trading service. It is considered as a benchmark that trading services should operate at a 15% profit margin after taking into account both primary and secondary costs. This then ensures that the small Property Rates base is supported and allows for generating operational funds to fund much needed trading services capital projects to either grow the revenue base or protect the revenue base by replacing old infrastructure that pose a threat to service delivery.

It should be noted that the Covid-19 pandemic may have material impact on financial outcomes as a result of reduced spending in some instances. However, it would appear that only Wastewater Management (Sanitation / Sewerage) would have had a true profit taking all costs into consideration. It would be important for all the trading services to recalculate the true cost of service delivery taking both primary and secondary costs into consideration. Water services creates an anomaly at the moment as punitive water tariffs are applicable whilst the extreme drought environment continuous in the NMBM water catchment areas.

The continuous increase over the last five to six years in water losses and electricity losses are in the process of being addressed. However, the improvement from the 2019/20 financial

year to the 2020/21 financial year is only marginal and remains at unacceptable high levels. The Water losses was reduced from approximately 43% to 40% and Electricity losses reduced from 20.3% to 20.08%. Electricity losses being reduced to an acceptable percentage or level will not be the only strategy required to cut costs in order to prevent electricity tariff increases. A proper tariff strategy should be developed, maintained and managed to ensure that proper services can be provided to residents. A plan of action to deal with the thousands of prepaid electricity meter consumers not purchasing any electricity, but using electricity and thereby contributing to the excessive electricity losses should be made a priority matter to be addressed.

To this end, the 2022/23 Original Budget should be re-assessed and tariffs adjusted in line with revenue and expenditure projections in order to provide a surplus and a realistic budget. An inappropriate budget will result in a cash flow crisis.

TABLE 5.10: Profit and Loss on Trading Services (Primary Costs only)

Description	2018/19 Restated Actual	2019/20 Restated Actual	2020/21 Actual
R thousands			
Operating Revenue			
Energy sources	3,739,684	3,842,856	3,960,363
Water management	1,103,842	1,401,672	1,971,249
Wastewater management	773,636	940,651	1,028,452
Waste management	343,033	415,629	448,105
Operating Expenditure			
Energy sources	3,782,329	4,101,438	4,481,412
Water management	1,019,707	1,180,842	1,669,024
Wastewater management	543,364	635,926	747,311
Waste management	350,580	400,674	459,524
Profit / (Deficit)			
Energy sources	(42,645)	(258,582)	(521,049)
Water management	84,135	220,830	301,225
Wastewater management	230,273	304,725	281,140
Waste management	(7,546)	14,955	(11,419)
% Profit / (Deficit)			
Energy sources	(1.14%)	(6.73%)	(13.16%)
Water management	7.62%	15.75%	15.28%
Wastewater management	29.76%	32.40%	27.34%
Waste management	(2.20%)	3.60%	(2.55%)

It is clear from the above table that the profitability of the Trading Services had deteriorated even further, requiring an urgent analysis of the tariff structures. The material increase in debt impairment in respect of Trading Consumer Debtors had a material impact on the 2020/21 profitability of the Trading Services.

Rental of Facilities and Equipment:

During the 2020/21 financial year, R27.04 million was raised from the rental of facilities and equipment, compared to the Adjustments budgeted amount of R28.36 million.

TABLE 5.11: Rental of facilities and equipment

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Rental of facilities and equipment	- 22,785	- 22,247	- 28,359	- 27,042	- 1,318
Market Related:					
Investment Property: Straight-lined Operating	- 3,017	-	- 7,925	- 9,449	1,524
Property Plant and Equipment: Ad-hoc rentals: Community Assets	- 7,761	- 8,292	- 8,225	- 7,977	248
Property Plant and Equipment: Straight-lined Operating: Other Assets	- 577	- 710	- 560	- 620	60
Non-market Related:					
Investment Property: Ad-hoc rentals	- 4,117	- 4,146	- 4,294	- 3,596	698
Property Plant and Equipment: Ad-hoc rentals: Community Assets	- 1,583	- 1,942	- 718	- 429	289
Property Plant and Equipment: Ad-hoc rentals: Machinery and Equipment	- 95	- 190	- 141	- 133	- 8
Property Plant and Equipment: Ad-hoc rentals: Other Assets	- 847	- 1,817	- 1,417	-	1,417
Property Plant and Equipment: Ad-hoc rentals: Solid Waste Infrastructure	- 4,403	- 4,810	- 4,690	- 4,545	144
Property Plant and Equipment: Straight-lined Operating: Community Assets	- 6	- 4	- 4	- 7	2
Property Plant and Equipment: Straight-lined Operating: Electrical Infrastructure	- 38	- 16	- 16	- 16	0
Property Plant and Equipment: Straight-lined Operating: Machinery and Equipment	- 103	- 20	- 20	- 1	19
Property Plant and Equipment: Straight-lined Operating: Other Assets	-	- 300	-	-	-
Property Plant and Equipment: Sub-lease Payment: Roads Infrastructure	- 236	-	- 350	- 263	87
Property Plant and Equipment: Sub-lease Payment: Water Supply Infrastructure	-	-	-	5	5

Fines

Fines Revenue

This revenue source as per the 2020/21 Consolidated Annual Financial Statements reflected an actual received of R79.98 million, compared to the 2020/21 Adjustments budget estimate of R205.22 million. However, this does not reflect the cash that was collected. Due to GRAP being applied in respect of traffic fines revenue, the Municipality must in its financial records disclose the value of fines issued. Therefore, when analysing the traffic fines revenue of R19.84 million, it must also be analysed against the impairment of fines, as disclosed under the Statement of Financial Performance line item Impairment – Other, in the amount of R15.382 million.

TABLE 5.12: Fines Revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Fines, penalties and forfeits	-224,919	-224,224	-205,224	-79,979	-125,244
Fines: Councillors	-11	-40	-40	-9	-32
Fines: Illegal Connections	-2,215	-8,118	-5,618	-3,977	-1,641
Fines: Law Enforcement	-28	-47	-47	-16	-31
Fines: Overdue Books Fine	-594	-1,031	-1,031	-1	-1,029
Fines: Pound Fees	-324	-197	-134	-469	335
Fines:Traffic:Court Fines		-	-	-5	5
Fines:Traffic:Municipal	-19,334	-12,368	-12,585	19,840	7,255
Fines:Traffic:Service Provider	-58,786	-159,133	-134,279		-134,279
Forfeits: Deposits	903	-	-	1,192	-1,192
Forfeits: Retentions	-120,362	-	-27,200	-2,684	-24,516
Forfeits: Unclaimed Money	-4,529	-	-	-11,051	11,051
Penalties: Disconnection Fees	-19,639	-43,290	-24,290	-43,118	18,828

Transfer Recognised – Operational

This revenue source as per the 2020/21 Consolidated Annual Financial Statements reflected an actual revenue recognised of R2.13 billion, compared to the 2020/21 Adjustments budget estimate of R2.35 billion.

It is important to note that the following transfers relating to previous financial years remained outstanding as at 30 June 2021.

- During the 2018/19 financial year, revenue from transfers amounted to R1.910 billion, compared to the Adjustments budgeted amount of R2.186 billion. All operating grants have

been received as anticipated except for the Equitable Share to be received from Provincial Government. This payment in the amount of R255,415,000 was outstanding as at 30 June 2020. A debtors accrual was raised as at 30 June 2020 in respect of the outstanding Equitable Share transfer. This amount remained outstanding for the 2020/21 financial year.

- During the 2020/21 financial year National Treasury offset the conditional grants that was not approved for roll-over from the 2019/20 financial year to the 2020/21 financial year. However, National Treasury had offset R10 million more than required and are therefore still required to transfer the R10 million Equitable Share in respect of the 2020/21 financial year.

TABLE 5.13: Transfers and Subsidies

Description (Inclusive of Fuel Levy used for capital expenditure) R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Transfers and subsidies	-1,880,746	-2,292,341	-2,351,781	-2,129,771	-222,010
Departmental Agencies and Accounts: National Departmental Agencies: Local Government, Water and Related Service SETA	-3,881	-9,260	-9,260	-5,774	-3,486
Departmental Agencies and Accounts: National Departmental Agencies: Marine Living Resources Fund	-742	-896	-896	-591	-306
Departmental Agencies and Accounts: National Departmental Agencies: South Africa Revenue Service (SARS)	-5,213	-107,079	-120,971	-6,417	-114,554
National Governments: Expanded Public Works Programme Integrated Grant	-8,950	-10,117	-10,117	-10,117	-
National Governments: Infrastructure Skills Development Grant	-9,443	-10,500	-10,500	-7,899	-2,601
National Governments: Integrated City Development Grant		-6,214	-3,614	-	-3,614
National Governments: Local Government Financial Management Grant	-1,000	-1,000	-1,199	-1,000	-199
National Governments: Public Transport Network Grant	-42,022	-169,634	-169,634	-61,677	-107,957
National Governments: Urban Settlement Development Grant	-75,955	-35,975	-27,926	-40,654	12,728
National Revenue Fund: Equitable Share	-1,021,661	-1,204,840	-1,260,840	-1,260,840	-
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-690,344	-706,955	-706,955	-706,955	-
Provincial Government: Eastern Cape: Capacity Building and Other: Specify (Add grant description)	-21,535	-29,870	-29,870	-27,848	-2,022

The Fuel Levy includes the portion that was used to fund capital expenditure. Due to GRAP principles this grant is recognised as an operating grant. From the 2021/22 financial year the Fuel Levy will not be regarded as a grant as it is in fact own revenue which is collected by the South African Revenue Service (SARS) on behalf of local government and redistributed by National Treasury back to municipalities. The portion not used for operating purposes are then transferred through internally generated funds to assist in funding the capital budget through own revenue sources.

Grant performance and explanation of variance is indicated below:

DORA Operating Grants

Expanded Public Works Programme (EPWP)

This grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery.

DORA Allocation:	R 10,117,000
Amount of Grant Received:	R 10,117,000
Expenditure to date:	R 10,117,000
Unspent as at 30 June 2021	R 0

As at 30 June 2021, 100% of the DORA allocation was spent.

Infrastructure Skills Development

This grant is to strengthen capacity of local government to effectively and efficiently deliver quality infrastructure by increasing the pool of skills.

DORA Allocation:	R9,806,000
Amount of Grant Received:	R9,806,000
Expenditure to date:	R7,913,306
Unspent as at 30 June 2021:	R1,892,694

As at 30 June 2021, 80.70% of the DORA allocation was spent.

Finance Management Grant

This grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R1,000,000
Amount of Grant Received:	R1,000,000
Expenditure to date:	R1,000,000
Unspent as at 30 June 2021:	R 0

As at 30 June 2021, 100% of the DORA allocation was spent.

Urban Settlements Development Grant – Portion allocated for operational expenditure

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Allocation:	R 40,653,857
Amount of Grant Received	R 40,653,857
Expenditure to date:	R 40,653,857
Unspent as at 30 June 2021:	R 0

As at 30 June 2021, 100% of the DORA allocation was spent.

Public Transport Networks Operations – Portion allocated for operational expenditure

This grant is to provide supplementary operational funding to municipalities.

DORA Allocation:	R 220,334,000
Amount of Grant Received	R 220,334,000
Transferred to the Public Transport Infrastructure Grant	R 65,484,507
Balance for Public Transport Networks Operations Grant	R 154,849,493
Expenditure to date:	R 61,676,911
Unspent as at 30 June 2021:	R 93,172,582

As at 30 June 2021, 39.83% of the DORA allocation was spent.

The unspent 2019/20 conditional grant was offset against the 2020/21 Equitable Share in the amount of R96,112,294.

An application was made for the roll-over of the unspent grant funding in respect of the 2020/21 financial year to the 2021/22 financial year.

Human Settlements Development Grant

This grant provides funding to create sustainable human settlements that enable improved quality in household life, as well as improved access and integrated settlements:

Unspent as at 30 June 2020	R 1,200,000
Interest Received:	R 47,571

Expenditure to date:	R	0
Unspent as at 30 June 2021:	R	1,247,571

As this grant is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year. As at financial year-end, a debtor was raised in the amount of R210,320,725 for outstanding claims to be paid by the Eastern Cape Provincial Treasury for top structures built by the Municipality, based on an Agency Agreement basis. As at 30 June 2020, the Municipality was bridge-funding this project by approximately R195.07 million, decreasing from R196.65 million in the 2018/19 financial year. This had an impact on the Municipality's cash flow, as well as its investment portfolio, resulting in less interest revenue earned and/or inability to fund critical projects that could enhance the revenue base of the institution.

Other Operating Grants

Provincial Department of Human Settlements: Accreditation Grant

This grant is used for capacity building towards Level 3 accreditation in preparing the NMBM for Human Settlements development.

Unspent as at 30 June 2020:	R	1,973,952
Expenditure to date:	R	0
Unspent as at 30 June 2021:	R	1,973,952

No funds were spent during 2020/21. As this is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year.

European Union Grant (3rd Tranche)

This grant contributes to the improvement of the quality of life of marginalised people in urban areas within the framework of the South Africa Government's Urban Renewal Programme.

Restated Unspent as at 30 June 2020:	R1,744,599
Expenditure to date:	R 0
Unspent as at 30 June 2021:	R1,744,599

The spending incurred against the unspent European Union Grant amounted to 0% as at 30 June 2021.

National Lotteries

This grant is used to fund arts and culture programmes.

Unspent as at 30 June 2020:	R 1,305,131
Expenditure to date:	R 0
Unspent as at 30 June 2021:	R 1,305,131

The spending incurred against the unspent National Lotteries grant amounted to 0% as at 30 June 2021.

Provincial Government Grants: Library Services

This grant is used to subsidise NMBM libraries.

Received :	R15,870,000
Expenditure to date:	R15,870,000
Unspent as at 30 June 2021:	R 0

As at 30 June 2021, the subsidy was fully spent.

Smart Grid Initiative

This grant is used to develop innovative, interactive and improved technological solutions to deal with revenue enhancement.

Unspent as at 30 June 2020:	R 711,836
Amount of Grant Received:	R 0
Expenditure to date:	R 0
Unspent as at 30 June 2021:	R 711 836

As at 30 June 2021, 0% of the allocation was spent. As this is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year.

LGSETA Discretionary Learnership Funding

This grant is used to facilitate access to skills development, education and training in the local government sector and community in general.

Unspent as at 30 June 2020:	R 9,260,412
Amount of Grant Received:	R 5,825,740
Expenditure to date:	R 7,167,735
Unspent as at 30 June 2020:	R 7,918,417

As at 30 June 2021, 47.51% of the allocation was spent. As this is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year.

Provincial Department Agency: Communication Grant

This grant is used for the roll-out of public Wi-Fi to all municipal libraries, customer care centres and traffic licencing centres.

Unspent as at 30 June 2020:	R 872,781
Amount of Grant Received:	R 0
Expenditure to date:	R 0
Unspent as at 30 June 2020:	R 872,781

As at 30 June 2021, 0% of the allocation was spent. As this is not a DORA grant, no application is required to roll-over the unspent funds to the 2021/22 financial year.

As at 30 June 2020, National Treasury had not transferred the following Grants to NMBM due to different non-compliance issues:

- Equitable Share: R255,415,000
- Public Transport Infrastructure Systems: R98,154,007
- Neighbourhood Development partnership Grant: R10,000,000
- Urban Settlements Development Grant: R390,274,000

During March 2021, National Treasury Transferred R390,274,00 Urban Settlements Development Grant and R83,370,000 Public Transport Infrastructure Systems funding as relating to the 2019/20 Grant roll-over to the 2020/21 financial year. The late transfers of conditional DORA grants contributed towards the unspent conditional grants as at 30 June 2021.

National Treasury offset the grants that was not approved for roll-over from the 2019/20 financial year to the 2020/21 financial year against the 2020/21 Equitable Share allocation as follows:

2020/21 Equitable Share not transferred to NMBM:	R298,275,000
Roll-over disallowed:	
Drought Recovery Grant	R188,078,967
Public Transport Infrastructure Grant	R 647,470
Public Transport Networks Operations Grant	R 96,112,294
Integrated City Development Grant	R 351,265
Neighbourhood Development Partnership Grant	R 13,085,004
Total	R298,275,000

Although the grants were not allowed to be rolled over to the 2020/21 financial year, National Treasury did not transfer R10 million of the R13,085,004 to the NMBM. Therefore, National Treasury owes the NMBM R10 million in respect of the 2020/21 Equitable Share allocation due to the aforementioned.

Interest Earned – External Investments:

Interest earned – External investments were R11.47 million less than anticipated in the 2020/21 Adjustments Budget. Interest earnings were influenced by the extent of the Municipality's investment portfolio throughout the financial year, mainly due to the National Treasury not transferring 2019/20 Equitable Share in the amount of R255,415,00 as well as delaying the transfer of the 2020/21 Equitable Share and all conditional grants during the first half of the 2020/21 financial year. The transfer of grants only commenced during December 2020 and impacted on the investment portfolio of the NMBM. The interest earned could, however, have been significantly higher, if it was not for the bridge-funding of housing projects, in the amount of approximately R195.07 million. Management should focus on reducing the bridge-funding to approximately R100 million over the short term, as it impacts significantly on the cash position of the Municipality. A lower annual cash collection rate than anticipated in the Adjustments Budget also negatively affects the cash flow and interest earned from investments of the Municipality. The average cash collection rate for billed revenue was 85.5% for the 2020/21 financial year, which is marginally higher than the Adjustments Budget rate of 85%. However, the collection rate was achieved as a result of cash collected in July 2021 in respect of the June 2021 billing accounts. Electricity revenue was lower than anticipated by approximately R201.78 million indicating a further negative cash flow. However, the non-

transfer of grants impacted and resulted in a low capital spending together with the impact of the Covid-19 pandemic on capital project management. Further to this, the interest rate of the Reserve Bank was also reduced in order to protect and stimulate economic activity and assist in dealing with the global impact of the Covid-19 pandemic.

TABLE 5.14: Interest earned - external investments

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Interest earned - external investments	- 234,799	- 161,511	- 159,511	- 150,039	- 11,471
Short Term Investments and Call Accounts	-234,799	- 161,511	- 159,511	- 150,039	- 11,471

Interest Raised – Outstanding Debtors:

Interest raised – Outstanding debtors amounted to R14.28 million less than the Adjustments budgeted amount of R335.25 million. Interest was also influenced by the extent of outstanding debtors as well as the reduction in the interest rate charged on outstanding debtors.

TABLE 5.15: Interest raised

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Interest earned - outstanding debtors	-254,866	-265,534	- 335,254	- 320,973	14,281
Interest:Receivables:Electricity	-44,816	- 22,602	- 60,909	81,844	- 142,753
Interest:Receivables:Housing Selling Schemes	- 7	-	-	-	-
Interest:Receivables:Service Charges	-108,752	- 96,227	- 96,227	- 132,420	36,193
Interest:Receivables:Waste Management	- 29,375	- 22,732	- 22,732	- 37,340	14,608
Interest:Receivables:Waste Water Management	- 48,383	- 36,520	- 36,520	- 64,297	27,777
Interest:Receivables:Water	- 23,532	- 87,453	- 118,153	- 168,265	50,112

The Consolidated Annual Financial Statements reflected growth in property rates and service debtors from the 2019/20 financial year to the 2020/21 financial year as follows:

TABLE 5.16: Outstanding debtors

Description	Gross Balances	Impairment Allowance	Carrying Amount
2020/21			
Property Rates	1,719,114,870	1,366,567,567	352,547,303
Electricity	2,024,354,487	749,785,638	1,274,568,849
Water	2,559,906,552	1,952,115,311	607,791,241
Sanitation	939,687,608	679,487,600	260,200,008

Description	Gross Balances	Impairment Allowance	Carrying Amount
Refuse	564,909,369	430,630,395	134,278,974
House Rentals	55,521,033	43,869,037	11,651,996
Total Debt	7,863,493,919	5,222,455,548	2,641,038,371
2019/20			
Property Rates	1,466,226,906	1,061,256,830	404,970,076
Electricity	1,610,443,981	670,641,113	939,802,868
Water	1,707,614,192	1,085,792,614	621,821,578
Sanitation	741,566,479	495,690,241	245,876,238
Refuse	454,491,218	317,231,121	137,260,097
House Rentals	48,046,192	34,033,624	14,012,568
Total Debt	6,028,388,968	3,664,645,543	2,363,743,425

The above table clearly indicates that property rates and all services debt increased significantly during the 2020/21 financial year. The extent of the growth in consumer debt was higher than originally anticipated and therefore, the interest earned on outstanding debtors followed the same trend although the interest rate decreased due to Covid-19 and the National Lockdown resulting in a weak South African economy. The interest raised on outstanding debtors may not necessarily result in a cash inflow for the Municipality.

Licenses and Permits:

Licenses and permits revenue was R2.94 million more than anticipated in the 2020/21 Adjustments Budget, mainly due to the following:

- Legislation does not specify where card conversions must take place. With such services also being provided by neighbouring municipalities, there is a risk of competition with these municipalities in providing driver's license services.

TABLE 5.17: Licenses and permits

Description	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
R'000					
Revenue By Source / Licences and permits	-15,137	-22,748	-12,104	-15,042	2,938
Boat	-187	-420	-372	-225	-148
Fauna and Flora	-353	-390	-341	-270	-71
Health Certificates	-63	-195	-29	-970	941
Road and Transport: Drivers Licence Application/Duplicate Drivers Licences	-1,749	-3,591	-1,394	-2,035	641
Road and Transport: Drivers Licence Certificate	-7,703	-10,948	-6,357	-6,793	436
Road and Transport: Learner Licence Application	-2,947	-4,508	-1,946	-2,874	927
Road and Transport: Learners Certificate	-690	-1,088	-529	-703	175
Road and Transport: Operators and Public Drivers Permits	-982	-1,417	-830	-821	-9
Threatened and Protected Species		-6	-6	-	-6
Trading	-460	-181	-296	-348	52
Dog	-1	-2	-2	-4	1

Agency Services:

Agency Services was R0.68 million more than anticipated in the 2020/21 Adjustments Budget, mainly due to the following:

TABLE 5.18: Agency Services

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Agency services	-3,546	-3,327	-3,059	-3,734	675
National: Department of Environmental Affairs: Alien Clearing Management Fees	-3,545	-3,325	-3,057	-3,733	676
National: Department of Environmental Affairs: Alien Clearing Operational	-1	-2	-2	-1	-1

Other revenue:

Other revenue was R40.42 million less than anticipated in the 2020/21 Adjustments Budget, mainly due to the following:

TABLE 5.19: Other revenue

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Revenue By Source / Other revenue	-105,073	-168,878	-151,168	-110,745	-40,423
Operational Revenue:					
Administrative Handling Fees	-96	-1,190	-1,190	-225	-965
Breakages and Losses Recovered	-6	-12	-12	-1	-12
Collection Charges	-22	-11	-11	-53	42
Commission: Transaction Handling Fees	-14,763	-20,981	-20,981	-13,663	-7,318
Discounts and Early Settlements	-3,709	-5,473	-3,233	-5,514	2,280
Incidental Cash Surpluses	-22	-21	-21	-30	8
Inspection Fees: Statutory Services	-3,379	-5,100	-4,400	-4,193	-207
Insurance Refund	-4,201	-1,033	-1,812	-1,722	-90
Recovery Infrastructure Maintenance	-3,069	-2,000	-2,000	-154	-1,846
Recovery Maintenance		-	-	-4,256	4,256
Registration Fees: Inflammable Material		-	-	-2	2
Registration Fees: Road and Transport	-94	-161	-161	-92	-69
Request for Information: Access to Information Act	-3,064	-116	-234	-6,907	6,673
Request for Information: Accident Reports	-272	-289	-289	-320	31
Request for Information: Duplicate IRP 5 Certificate		-	-	-0	0
Request for Information: Municipal Information and Statistics	-4	-72	-73	-1	-72
Request for Information: Plan Printing and Duplicates	-4	-100	-20	-0	-20
Sale of Property	-12	-266	-266	-3,612	3,346
Staff Recoveries	-1,093	-595	-599	-799	200
Sales of Goods and Rendering of Services:					
Academic Services: Formal Training	-519	-1,856	-1,856	-1,142	-714

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Advertisements	-4,718	-7,750	-6,720	-1,832	-4,888
Application Fees for Land Usage	-0	-	-	-	-
Building Plan Approval	-8,366	-13,000	-11,000	-10,600	-400
Buyers Card	-107	-115	-115	-95	-20
Camping Fees	-40	-44	-44	-	-44
Cemetery and Burial	-9,882	-12,501	-21,681	-18,267	-3,414
Cleaning and Removal	-173	-1,081	-289	-183	-107
Clearance Certificates	-1,095	-1,409	-1,409	-1,535	126
Computer Services	-46	-63	-63	-45	-18
Drainage Fees	-352	-255	-255	-11	-244
Encroachment Fees	-323	-400	-400	-357	-43
Entrance Fees	-6,315	-11,495	-11,495	-66	-11,429
Escort Fees	-1,133	-1,075	-270	-796	526
Fire Services	-1,141	-40	-40	62	-102
Laboratory Services	-834	-1,512	-580	-390	-190
Legal Fees	-13,364	-37,121	-37,121	-15,480	-21,641
Library Fees: Membership	-0	-	-	-	-
Meal and Refreshment	-47	-54	-14	-14	-0
Parking Fees	-14	-28	-28	-5	-22
Photocopies and Faxes	-170	-202	-202	-1	-202
Removal of Restrictions	-1,039	-1,705	-305	-476	171
Sale of Goods: Agricultural Products: Nursery Sale of Plants	-20	-26	-26	-8	-18
Sale of Goods: Assets < Capitalisation Threshold	-5	-	-	-14	14
Sale of Goods: Consumables		-5	-	- 0	0
Sale of Goods:Publications:Books		- 9	-9	-1	-8
Sale of Goods:Publications:Charts/Posters	- 5	-13	-13	- 5	-8
Sale of Goods:Publications:Prints	-130	-248	-106	-78	-28
Sale of Goods:Publications:Tender Documents	-1,043	-1,000	-1,000	-1,303	303
Sale of Goods:Sub-division and Consolidation Fees		-2,776	-2,776	-	-2,776
Scrap, Waste & Other Goods: By Products	-29	-50	-30	-	-30
Scrap, Waste & Other Goods: Recycling of Waste	-9,411	-14,666	-11,558	-11,312	-246
Scrap, Waste & Other Goods: Scrap	-154	-540	-540	-5	-535
Transport Fees	-10,444	-20,000	-5,500	-5,067	-433
Valuation Services	-342	-403	-403	-171	-233
Weighbridge Fees	-3	-15	-15	-3	-12

Operating expenditure was lower than anticipated in the 2020/21 Adjustments Budget, due to the following factors:

Employee Related Costs:

Actual expenditure was R3.912 billion, compared to the Adjustments budgeted amount of R3.756 billion, resulting in overspending of R155.99 million. The overspending is mainly due to the line items indicated in the table below. It is clear that overtime is not being maintained or controlled within the budget projections.

TABLE 5.20: Employee related costs

Description	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
R'000					
Expenditure By Type / Employee related costs	3,116,780	3,709,727	3,756,172	3,912,167	155,995
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	- 88,465	82,146	82,146	276,699	-194,553
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Cellular and Telephone	9	10	8	8	0
Allowances: Housing Benefits and Incidental: Essential User	25,767	29,751	28,532	26,461	2,071
Allowances: Housing Benefits and Incidental: Housing Benefits	13,096	14,606	14,039	13,741	299
Allowances: Non-pensionable	1,460	1,609	1,542	993	549
Allowances: Service Related Benefits: Acting and Post Related Allowances	19,260	8,281	20,576	23,841	-3,265
Allowances: Service Related Benefits: Bonus	148,704	166,112	176,486	159,438	17,048
Allowances: Service Related Benefits: Entertainment	1	2	1	1	0
Allowances: Service Related Benefits: Leave Pay	61,267	14,803	14,803	96,973	-82,170
Allowances: Service Related Benefits: Long Service Award	52,999	115,335	112,284	249,280	-136,996
Allowances: Service Related Benefits:Overtime:Night Shift	17,494	19,545	18,990	18,805	185
Allowances: Service Related Benefits:Overtime:Non Structured	228,519	175,877	201,021	263,342	-62,321
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	17,192	20,923	20,927	21,179	- 252
Allowances: Service Related Benefits:Overtime:Structured	40,494	25,082	26,654	40,950	-14,296
Allowances: Service Related Benefits: Scarcity Allowance	18,529	20,672	19,530	18,662	868
Allowances: Service Related Benefits: Standby Allowance	25,177	26,243	26,343	27,434	- 1,091
Allowances: Service Related Benefits: Uniform/Special/Protective Clothing	2	2	2	2	0
Allowances: Travel or Motor Vehicle	55,933	69,287	65,665	57,586	8,079
Basic Salary and Wages	1,883,417	2,257,109	2,290,015	1,986,935	303,080
Bonuses	34,665	40,909	36,621	36,443	178
Municipal Staff: Social Contributions					
Bargaining Council	720	778	760	742	18
Group Life Insurance	20,480	22,473	22,072	21,793	279
Medical	185,433	198,919	193,579	192,339	1,241
Pension	325,623	360,839	347,118	346,611	508
Unemployment Insurance	12,610	13,805	12,504	12,550	- 47
Senior Management:					
Chief Financial Officer: Salaries and Allowances: Basic Salary	1,064	2,347	2,214	2,214	0
Chief Financial Officer: Salaries and Allowances: Bonuses	155	236	236	310	- 74
Chief Financial Officer: Social Contributions: Unemployment Insurance	1	2	2	2	0
Designation: Salaries and Allowances: Basic Salary	9,271	19,438	19,129	15,720	3,409
Designation: Salaries and Allowances: Bonuses	884	2,497	2,236	2,185	51
Designation: Social Contributions: Unemployment Insurance	10	15	83	13	69
Municipal Manager (MM):Salaries and Allowances: Basic Salary	4,460			- 1,085	,085
Municipal Manager (MM):Salaries and Allowances: Bonuses	545				-
Municipal Manager (MM):Social Contributions: Unemployment Insurance	2		- 1	- 1	- 0

Interest Expense – External Borrowings:

The interest expense is in line with the Municipality's loan repayment obligations. Actual expenditure was R127.63 million, compared to the Adjustments budgeted amount of R128.87 million, resulting in underspending of R1.24 million.

TABLE 5.21: Interest Expense – External Borrowings:

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Finance charges	124,825	128,874	128,874	127,631	1,243
Interest Paid: Borrowings: Annuity Loans	124,916	128,874	128,874	124,849	4,024
Interest Paid: Overdue Accounts	- 91	-	-	2,781	- 2,781

Interest Expense – Debt Impairment:

Actual expenditure was R1.772 billion, compared to the Adjustments budgeted amount of R1.285 billion, resulting in overspending of R487.59 million.

TABLE 5.22: Debt Impairment: Receivables

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Debt impairment	1,303,375	1,084,810	1,284,675	1,772,262	-487,587
Expenditure: Bad Debts Written Off	64,461	-	-	100,913	-100,913
Gains and Losses: Impairment Loss					
Other Receivables from Non-exchange Revenue: on Specific Accounts	191,107	128,886	116,011	16,197	99,815
Other Receivables from Non-exchange Revenue: Property Rates	207,139	367,184	525,151	313,863	211,287
Trade and Other Receivables from Exchange Transactions: Electricity	112,472	344,244	303,817	67,947	235,870
Trade and Other Receivables from Exchange Transactions: Waste Management	79,002	31,752	39,714	125,270	-85,556
Trade and Other Receivables from Exchange Transactions: Waste Water Management	158,466	86,653	104,707	215,415	-110,709
Trade and Other Receivables from Exchange Transactions: Water	485,588	126,091	195,275	925,955	-730,680
Gains and Losses: Reversal of Impairment Loss:					
Trade and Other Receivables from Exchange Transactions: Electricity	5,140	-	-	6,702	-6,702

Debt Impairment consists of Debt Impairment – Receivables (R1.756 billion), Debt Impairment - Traffic Fines (R15.382 million), Debt Impairment – MBDA (R700,437) and Impairment of Property, Plant and Equipment (R17.981 million). The PPE relates to Vehicles, Furniture and Clinics.

Debt Impairment Receivables: Non-specific Accounts includes: Impairment of Traffic Fines. Based on historical trends of actual collection of traffic fines, an amount of R15,382,045 was calculated as the impairment value for traffic fines - fines that are very unlikely to be paid. Bad debts are written off upon Council's approval. The bad debts written off for the 2020/21 financial year amounted to R381.133 million which is lower than the R586.06 million written off in the 2019/20 financial year. Write-offs in respect of arrears amounts reflected on the accounts of poor households prior to these households qualifying for the ATTP subsidy are reflected in the table below:

TABLE 5.23: Write offs

Period	Capital	VAT	Total
2014/15	47,290,190.07	4,177,616.69	51,467,806.76
2015/16	36,433,157.18	3,285,414.60	39,718,571.78
2016/17	429,161,048.51	39,190,453.06	468,351,501.57
2017/18	32,273,234.02	3,128,872.28	35,402,106.30
2018/19	31,225,655.12	3,062,579.24	34,288,234.36
2019/20	81,835,695.13	7,781,381.46	89,617,076.59
2020/21	202,612,331.81	20,433,553.52	223,045,885.33

Write-offs in respect of arrears amount to over 90 days reflected on the accounts of poor households qualifying for the ATTP subsidy, are provided below:

TABLE 5.24: Write-offs

Period	Capital	VAT	Total
2014/15	97,644,607.19	10,674,551.72	108,349,158.91
2015/16	90,758,098.45	10,211,901.07	100,969,999.52
2016/17	130,374,723.69	15,080,772.58	145,455,496.27
2017/18	155,943,968.99	17,995,588.94	162,939,557.93
2018/19	121,007,026.18	14,735,686.08	135,742,712.26
2019/20	147,282,936.91	16,852,718.25	164,135,655.16
2020/21	179,795,495.74	20,716,680.97	200,812,176.71

TABLE 5.25: Debt relief programme: Write-offs

Period	Capital	VAT	Total
2014/15	114,387,293.15	9,507,544.42	123,894,837.57
2015/16	70,313,014.35	5,600,160.44	75,913,174.79
2016/17	41,913,506.80	3,609,129.06	45,522,635.86
2017/18	62,440.06	4,167.37	66,607.43
2018/19	0	0	0
2019/20	0	0	0
2020/21	0	0	0

The automatic write-off in respect of ATTP customers outstanding for 90 days and over presents a number of challenges to the Municipality. Procedures are continuously being put in place to address such challenges.

Bulk Purchases:

The actual bulk purchases of electricity were higher than the 2020/21 Adjustments Budget by R52.82 million. Electricity bulk purchases were overspent in the amount of R58.82 million or 1.45%. Electricity losses increased from 15.47% in the 2018/19 financial year to 20.30% in

the 2019/20 financial year. The electricity losses declined marginally during the 2020/21 financial year to 21.63%. Various electricity management interventions are being implemented to curb these losses. The electricity bulk purchases (purchase of power - Eskom vote) was also impacted by approximately R37.71 million, spent in respect of Green Energy resources. The Electricity losses are separated between technical (6% amounting to R 179.6 million) and non-technical losses (15.6% amounting to R471.99 million). Technical losses are inherent losses in a distribution system and these include copper losses, iron losses and heat losses due to current flow. Public lightning includes traffic signals, high-mast and streetlights. Non-technical losses can be attributed to theft that is illegal connections, meter tampering and non-billed revenue due to faulty meters.

TABLE 5.26: Bulk purchases

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Bulk purchases	3,515,565	3,844,678	3,775,867	3,819,893	-44,027
Expenditure: Bulk Purchases:Electricity:ESKOM	3,387,434	3,709,894	3,641,083	3,693,906	-52,824
Expenditure: Bulk Purchases: Water	128,131	134,784	134,784	125,987	8,797

Water bulk purchases was lower than anticipated. The drought related restrictions on water usage assisted in this regard. However, water losses decreased from 43% in the 2019/20 financial year to 40% in the 2020/21 financial year. The 40% of water losses are made up of apparent (commercial) losses (11%) and real (physical) losses (29%). Apparent losses include unauthorised consumption from theft or illegal use, including all technical and administrative inaccuracies associated with customer metering. Various water demand management interventions are being implemented to curb water losses.

Transfers and Grants:

Actual expenditure was R30.43 million, compared to the Adjustments budgeted amount of R59.57 million, resulting in underspending of R29.15 million.

TABLE 5.27: Transfers and Grants

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Transfers and subsidies	32,531	143,906	153,071	30,426	122,645
Allocations In-kind: Departmental Agencies and Accounts: Provincial Departmental Agencies: Northern Cape Economic Development Agency	35	35	35	-	35

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Monetary Allocations: Departmental Agencies and Accounts: National Departmental Agencies: South Africa Blind Workers Organisation Johannesburg	45	45	45	-	45
Monetary Allocations: Departmental Agencies and Accounts: National Departmental Agencies: South Africa Local Government Association (SALGA)	14,900	15,700	15,650	14,132	1,518
Monetary Allocations: Departmental Agencies and Accounts: Provincial Departmental Agencies: Subsidiary Entity	-35,026	93,500	102,500	-16,775	119,275
Monetary Allocations:Households:Other Transfers (Cash):Bursaries (Non-Employee)	378	1,100	1,100	1,072	28
Monetary Allocations:Households:Social Security Payments: Social Assistance: Old Age Grant	120	120	120	-	120
Monetary Allocations: Non-profit institutions: Animal Welfare	100	100	100	-	100
Monetary Allocations: Non-profit institutions: Old Age Homes	954	969	969	15	954
Monetary Allocations: Non-profit institutions: Public Schools: Other Educational Institutions: School Support		75	75	-	75
Monetary Allocations: Non-profit institutions: Public Schools: Section 20 Schools	75	75	75	-	75
Monetary Allocations: Non-profit institutions: Public Schools: Section 21 Schools: Services Rendered	1,321	1,491	1,491	50	1,441
Monetary Allocations: Non-profit institutions: Sporting Bodies - Rent	871	960	960	-	960
Monetary Allocations: Non-profit institutions: Use - It	48,758	29,737	29,952	31,932	-1,981

Contracted Services

Actual expenditure was R738.57 million, compared to the Adjustments budgeted amount of R1.193 billion, resulting in underspending of R454.31 million.

Table5.28: Contracted Services

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Contracted services	664,974	1,116,151	1,192,883	738,573	454,309
Consultants and Professional Services:					
Business and Advisory: Audit Committee	327	588	588	841	- 253
Business and Advisory: Business and Financial Management	268	1,584	1,271	43	1,227
Business and Advisory: Commissions and Committees	84	1,756	1,713	298	1,415
Business and Advisory: Forensic Investigators	1,089	3,219	3,011	147	2,864
Business and Advisory: Human Resources		450	350		350
Business and Advisory: Occupational Health and Safety	1,947	333	333	1,297	- 964
Business and Advisory: Project Management	12,491	57,895	40,015	10,732	29,283
Business and Advisory: Quality Control	1,347	-	123		123
Business and Advisory: Research and Advisory	3,811	12,027	12,127	2,919	9,208
Infrastructure and Planning: Architectural	20				-
Infrastructure and Planning:Engineering:Civil	1,443	6,095	11,304	1,903	9,401
Infrastructure and Planning:Engineering:Electrical	22,765	21,510	18,370	12,616	5,754
Infrastructure and Planning: Geodetic, Control and Surveys		3			-
Infrastructure and Planning: Town Planner		1,700	1,171		1,171
Laboratory Services: Roads	191	200	200	238	- 38
Laboratory Services: Water	53	109	109	31	78
Legal Cost: Collection	13,366	30,592	31,492	15,441	16,051
Legal Cost: Issue of Summons		6,529	5,629		5,629
Legal Cost: Legal Advice and Litigation	37,835	48,367	52,032	55,156	- 3,124
Contractors:					
Artists and Performers	1,217	1,979	2,029	1,872	157
Audio-visual Services	514	1,741	1,300	843	457

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Building	756	4,411	19,811	1,520	18,291
Catering Services	1,800	1,201	2,611	245	2,366
Chipping	2		10		10
Employee Wellness	337	593	489	276	214
Fire Protection	207	1,401	1,335	91	1,243
Gardening Services	4,786	5,776	8,026	8,328	- 302
Gas	863	1,225	683	315	368
Maintenance of Buildings and Facilities	58,240	83,989	99,982	69,369	30,613
Maintenance of Equipment	119,088	228,750	207,878	111,841	96,037
Maintenance of Unspecified Assets	17,317	26,463	51,814	40,329	11,485
Management of Informal Settlements	1,528	800	775	1,680	- 905
Medical Services	2,618	2,146	2,146	2,313	- 168
Pest Control and Fumigation	334	770	687	161	526
Plants, Flowers and Other Decorations	1,474	1,518	1,148	1,258	- 110
Prepaid Electricity Vendors	4,426	7,693	7,638	4,283	3,356
Preservation/Restoration/Dismantling/Cleaning Services	135	227	237	168	69
Safeguard and Security	946	2,089	1,960	296	1,663
Sewerage Services	39,813	62,050	57,377	47,918	9,458
Sports and Recreation	1,717	2,364	1,774	1,828	- 53
Stage and Sound Crew	34	430	430		430
Tracing Agents and Debt Collectors		438	438		438
Traffic and Street Lights	721	1,127	1,127	857	270
Transportation	33,668	38,466	36,414	32,853	3,561
Outsourced Services					
Administrative and Support Staff	4	3	3	1,814	- 1,811
Alien Vegetation Control	1,935	8,522	7,290	1,991	5,299
Animal Care	581	1,917	1,917	581	1,336
Burial Services	1,641	1,782	2,142	1,892	250
Business and Advisory: Accounting and Auditing	870	3,400	1,800		1,800
Business and Advisory: Communications	1,995	5,300	3,800	2,949	851
Business and Advisory: Human Resources	130	100			-
Business and Advisory: Occupational Health and Safety	1,176	2,000	1,141	123	1,018
Business and Advisory: Organisational	- 0				-
Business and Advisory: Project Management	129,113	176,972	253,106	129,953	123,153
Business and Advisory: Qualification Verification				39	- 39
Business and Advisory: Quality Control		2,000	1,829	1,242	586
Business and Advisory: Research and Advisory	344	1,070	1,370	23	1,347
Business and Advisory: Valuer	2,121	15,000	15,000	9,925	5,075
Catering Services	11	261	251	19	232
Cleaning Services	609	1,255	1,412	499	913
Clearing and Grass Cutting Services	16,238	33,720	31,518	14,069	17,448
Connection/Dis-connection: Electricity		877	877		877
Connection/Dis-connection: Water		7,419	7,419		7,419
Drivers Licence Cards	2,926	4,843	4,343	2,573	1,771
Electrical	21,989	33,924	37,074	34,087	2,987
Hygiene Services	34,572	49,000	42,574	45,666	- 3,092
Illegal Dumping	5,488	5,210	2,058	1,541	516
Litter Picking and Street Cleaning	5,699	7,000	7,000	5,365	1,635
Medical Waste Removal	101	220	220	160	60
Meter Management	10,050	16,075	17,467	12,959	4,508
Printing Services	57	4,421	4,421	3,268	1,153
Professional Staff	13	20	20		20
Refuse Removal	28,625	41,516	42,994	33,338	9,656
Security Services	2,541	3,689	11,070	2,620	8,450
Sewerage Services	83	2,800	2,104	8	2,096

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Traffic Fines Management	6,466	15,023	2,500	1,556	944
Transport Services	16	209	209	7	202

Other Expenditure

Actual expenditure was R680.05 million, compared to the Adjustments budgeted amount of R809.18 billion, resulting in underspending of R129.13 million.

TABLE 5.29: Other Expenditure

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other expenditure	579,812	606,458	809,182	680,050	129,132
Operating Leases:					
Computer Equipment	1,136	2,606	2,132	157	1,974
Furniture and Office Equipment	9,463	14,798	14,517	10,261	4,256
Machinery and Equipment	2,453				-
Other Assets	11,003	25,430	27,306	20,968	6,339
Transport Assets	8,346	24,566	24,566	10,995	13,571
Operational Cost:					
Achievements and Awards	60				-
Advertising, Publicity and Marketing: Auctions	3	5	5		5
Advertising, Publicity and Marketing: Bursaries (Non-employees)	8	45	45	25	20
Advertising, Publicity and Marketing: Corporate and Municipal Activities	16,808	10,595	9,433	4,306	5,127
Advertising, Publicity and Marketing: Customer/Client Information	372	482	482	384	97
Advertising, Publicity and Marketing: Gifts and Promotional Items	15	181	181	111	70
Advertising, Publicity and Marketing: Municipal Newsletters	17	241	224	8	216
Advertising, Publicity and Marketing: Signs	1,269	792	762		762
Advertising, Publicity and Marketing: Staff Recruitment	387	1,290	1,355	1,087	268
Advertising, Publicity and Marketing: Tenders	1,693	1,558	1,689	981	708
Assets less than the Capitalisation Threshold	19,292	19,644	144,069	87,688	56,381
Bank Charges, Facility and Card Fees: Bank Accounts	5,485	7,273	7,273	4,617	2,656
Bank Charges, Facility and Card Fees: Third Parties		3	3		3
Bursaries (Employees)	418	1,300	1,300	520	780
Cash Discount	152	105	105	153	-48
Cleaning Services: Car Valet and Washing Services	1	9	9	1	8
Cleaning Services: Laundry Services	42	215	204	53	151
Commission: Prepaid Electricity	15,428	16,950	16,065	12,423	3,642
Commission: Third Party Vendors	6,526	5,412	5,412	7,125	-1,712
Communication: Cellular Contract (Subscription and Calls)	14,650	17,876	18,516	16,821	1,695
Communication: Licences (Radio and Television)	424	399	577	413	164
Communication: Postage/Stamps/Frinking Machines	8,318	4,705	4,925	1,617	3,308
Communication: Radio and TV Transmissions		24	24	10	14
Communication: Rent Private Bag and Postal Box	0	1	1	1	1
Communication: MS Bulk Message Service	2,051	1,359	1,359	1,237	122
Communication: Telemetric Systems	7	150	150	7	143
Communication: Telephone Installation		105	95		95
Communication: Telephone, Fax, Telegraph and Telex	11,475	17,140	16,868	11,462	5,406
Contribution to Provisions: Decommissioning, Restoration and Similar	3,193			762	-762
Liabilities: Non-specific					

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Cost relating to the Sale of Houses	9			6	-6
Courier and Delivery Services	256	378	378	279	100
Deeds	178	351	641	222	419
Drivers Licences and Permits	41	156	161	25	136
Entertainment: Executive Mayor			30	38	-8
Entertainment: Senior Management	18	40	25		25
External Audit Fees	26,333	24,500	24,500	22,123	2,377
External Computer Service: Data Lines	1,239	2,181	2,101	1,241	860
External Computer Service: Information Services	2,852	3,311	6,006	11,123	-5,117
External Computer Service: Internet Charge	1,093	1,403	1,321	1,020	300
External Computer Service: Network Extensions	46	609	629	184	445
External Computer Service: Remote Server Access	128		2,717	754	1,963
External Computer Service: Software Licences	41,054	30,931	32,652	38,518	-5,866
External Computer Service: Specialised Computer Service	1,573	2,928	2,878	1,657	1,221
External Computer Service: System Adviser	4,280	6,250	5,755	4,467	1,287
External Computer Service: System Development	85,963	45,553	45,553	68,590	-23,037
External Computer Service: Wireless Network	-206	7,410	3,781	4,410	-629
Firearm Handling Fees		7	7		7
Hire Charges	122,889	102,037	121,347	126,699	-5,352
Insurance Underwriting: Claims paid to Third Parties	3,469	4,347	4,787	2,681	2,106
Insurance Underwriting: Insurance Brokers Fees	295	652	618	273	345
Insurance Underwriting: Premiums	11,627	15,260	15,981	11,974	4,007
Insurance Underwriting: Risk Management Programs		32	32		32
Intercompany/Parent-subsidary Transactions	1,882	2,036	4,369	3,561	809
Land Alienation Costs			4,500		4,500
Learnerships and Internships	4,398	2,000	9,260	6,269	2,991
Levies Paid - Water Resource Management Charges	9,304	11,539	11,539	9,547	1,992
Licences: Motor Vehicle Licence and Registrations	4,780	7,813	7,804	8,387	-583
Licences: Performing Arts		50	50		50
Management Fee	6,552	7,665	7,665	5,014	2,651
Municipal Services	37,260	50,082	75,941	87,925	-11,984
Office Decorations		24	14		14
Printing, Publications and Books	1,030	1,810	2,342	632	1,710
Professional Bodies, Membership and Subscription	368	405	491	414	77
Registration Fees: Professional and Regulatory Bodies	93	410	413	10	403
Registration Fees: Seminars, Conferences, Workshops and Events: National	2,193	4,568	4,206	725	3,481
Remuneration to Ward Committees	12,374	20,400	19,400	14,790	4,610
Resettlement Cost			32		32
Rewards Incentives	3,222	1,500	1,500	1,938	-438
Samples and Specimens	3	250	250	31	219
Signage	57	212	254	47	207
Skills Development Fund Levy	27,461	31,505	31,097	29,230	1,868
Storage of Files (Archiving)	288	857	812	366	446
Transport Provided as Part of Departmental Activities: Municipal Activities	3,610	3,611	3,511	3,578	-68
Travel Agency and Visa's	203	446	426	25	401
Travel and Subsistence:Domestic:Accommodation	839	1,275	1,209	82	1,126
Travel and Subsistence:Domestic:Daily Allowance	524	440	427	78	350
Travel and Subsistence:Domestic:Food and Beverage (Served)	20	142	138		138
Travel and Subsistence:Domestic:Incidental Cost	73	79	85	10	75
Travel and Subsistence:Domestic:Transport with Operator:Other Transport Provider		27	27		27
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	801	1,831	1,668	90	1,578

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	114	100	126	4	122
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	40	949	958	174	783
Travel and Subsistence:Domestic:Transport without Operator: Own Transport	59	314	320		320
Travel and Subsistence:Foreign:Accommodation	98	100	80		80
Travel and Subsistence:Foreign:Daily Allowance	69				-
Travel and Subsistence:Foreign:Incidental Cost	1				-
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	448	89	89		89
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Road Transport	20	17	17		17
Travel and Subsistence:Non-employees	76	9	179	35	144
Uniform and Protective Clothing	12,020	12,987	13,897	7,230	6,668
Wet Fuel	15	12,386	5,257	1,431	3,826
Workmen's Compensation Fund	5,924	4,936	4,938	9,547	-4,609

Other Materials

Actual expenditure was R156.68 million, compared to the Adjustments budgeted amount of R221.09 billion, resulting in underspending of R64.41 million.

TABLE 5.30: Other Materials

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Other materials	210,535	222,873	221,091	156,446	64,645
Expenditure: Inventory Consumed:Consumables:Standard Rated	100,281	103,256	107,152	65,905	41,247
Expenditure: Inventory Consumed:Consumables:Zero Rated	54,658	53,782	52,672	45,337	7,335
Expenditure: Inventory Consumed: Finished Goods	23,524	17,248	22,111	8,032	14,079
Expenditure: Inventory Consumed: Land	- 5				-
Expenditure: Inventory Consumed: Materials and Supplies	32,077	48,587	39,155	37,171	1,984

Depreciation and Amortisation

Actual expenditure was R987.41 million, compared to the Adjustments budgeted amount of R740.58 million, resulting in overspending of R246.83 million.

TABLE 5.31: Depreciation and Amortisation

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Depreciation and asset impairment	1,072,017	739,288	740,575	987,405	-246,830
Depreciation: Community Assets: Community Facilities: Capital Spares	20,682	27,728	27,728	21,437	6,291
Depreciation: Community Assets: Community Facilities: Markets	1,338	147	147	1,580	-1,433
Depreciation: Community Assets: Community Facilities: Public Open Space	91	-	-	-	-
Depreciation: Community Assets: Sport and Recreation Facilities: Outdoor Facilities		100,113	100,113	-	100,113
Depreciation: Computer Equipment	92,980	76,788	76,788	110,066	-33,278
Depreciation: Furniture and Office Equipment	790,742	492,147	492,147	850,614	-358,468
Depreciation: Other Assets:Housing:Social Housing	1,404	605	995	1,262	-267
Depreciation: Sanitation Infrastructure: Capital Spares		20	20	-	20
Depreciation: Sanitation Infrastructure: Pump Station	49	-	-	14	-14
Depreciation: Solid Waste Infrastructure: Waste Drop-off Points	412	176	176	502	-326
Depreciation: Storm water Infrastructure: Storm Water Conveyance	5,003	-	-	-	-
Depreciation: Water Supply Infrastructure: Dams and Weirs	7,637	46	46	-	46
Depreciation: Water Supply Infrastructure: Pump Stations	3,227	-	-	-	-
Depreciation: Water Supply Infrastructure: Reservoirs	148,387	41,518	41,518	1,929	39,588
Depreciation: Water Supply Infrastructure: Water Treatment Works	65	-	-	-	-

Loss on disposal of PPE

Actual loss on PPE was R8,395.

TABLE 5.32: Loss on Disposal of PPE

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Loss on disposal of PPE		-	-	8	- 8
Gains and Losses: Disposal of Fixed and Intangible Assets: Property, Plant and Equipment: Furniture and Office Equipment: Losses		-	-	15	- 15
Gains and Losses: Disposal of Fixed and Intangible Assets: Property, Plant and Equipment: Machinery and Equipment: Losses		-	-	- 7	7

Remuneration of Councillors

Actual expenditure was R76.24 million, compared to the Adjustments budgeted amount of R85.21 million, resulting in underspending of R8.97 million.

TABLE 5.33: Remuneration of Councillors

Description R'000	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure By Type / Remuneration of councillors	76,474	83,926	83,926	76,244	7,682
Chief Whip: Allowances and Service Related Benefits: Basic Salary		994	994	-	994
Executive Mayor: Allowances and Service Related Benefits: Basic Salary	14,702	14,559	14,559	14,755	-196
Section 79 committee chairperson: Allowances and Service Related Benefits: Basic Salary		778	778	-	778
Speaker: Allowances and Service Related Benefits: Basic Salary	56,443	61,800	61,800	56,485	5,316
Speaker: Allowances and Service Related Benefits: Cell phone Allowance	4,896	5,334	5,334	4,871	463
Speaker: Allowances and Service Related Benefits: Market Related Non-pensionable Allowance	433	462	462	134	328

Conclusion

The 2020/21 Consolidated Annual Financial Statements reflected a restated operating surplus in the amount of R57,502,520 compared to the Audited 2019/20 Consolidated Annual Financial Statements operating surplus in the amount of R84707,870. The following table reflects the restated amounts by category in the Statement of Financial Position:

TABLE 5.34: Restated amounts by category

Statement of Financial performance	2019/20 Audited AFS	2019/20 Restated AFS	Restated Variance
Revenue By Source			
Property rates	2,352,436,832	2,357,411,400	4,974,568
Service charges - electricity revenue	3,707,062,068	3,721,445,541	14,383,473
Service charges - water revenue	1,175,414,451	1,189,576,359	14,161,908
Service charges - sanitation revenue	648,852,703	654,164,013	5,311,310
Service charges - refuse revenue	246,979,791	247,927,121	947,330
Rental of facilities and equipment	22,974,466	22,785,134	-189,331
Interest earned - external investments	233,799,306	234,799,306	1,000,000
Interest earned - outstanding debtors	254,959,258	254,866,375	-92,883
Dividends received	0	0	0
Fines, penalties and forfeits	224,357,770	224,919,446	561,676
Licences and permits	15,131,856	15,136,856	5,000
Agency services	3,546,008	3,546,006	-2
Transfers and subsidies	1,910,464,045	1,880,745,852	-29,718,193
Other revenue	103,308,445	105,072,636	1,764,191
Gains on disposal of PPE	0	0	0
Total Revenue (excluding capital transfers and contributions)	10,899,286,999	10,912,396,046	13,109,047
Less: Fuel Levy funding capital projects	158,014,078	158,014,078	0

Statement of Financial performance	2019/20 Audited AFS	2019/20 Restated AFS	Restated Variance
Total Revenue funding Operating Projects	10,741,272,921	10,754,381,968	13,109,047
Expenditure By Type			
Employee related costs	3,114,785,197	3,116,780,257	1,995,060
Remuneration of councillors	76,474,313	76,474,313	1
Debt impairment - Receivables	1,112,267,565	1,112,267,565	0
Debt impairment - Traffic Fines	78,371,200	78,371,200	0
Debt impairment - MBDA	495,015	495,015	0
Depreciation	958,299,541	958,299,541	-1
Amortisation	113,717,663	113,717,663	0
Impairment	112,240,750	112,240,750	0
Finance charges	124,824,808	124,824,808	0
Bulk purchases	3,511,404,955	3,515,564,578	4,159,623
Other materials	206,152,347	210,534,926	4,382,579
Contracted services	646,861,680	664,973,504	-18,111,825
Transfers and subsidies	32,754,512	32,530,875	-223,637
Other expenditure	567,915,505	579,804,453	11,888,949
Loss on disposal of PPE	0	0	0
Total Expenditure	10,656,565,051	10,696,879,448	40,314,397
Surplus/(Deficit)	84,707,870	57,502,520	-27,205,350

In conclusion the Audited 2020/21 Consolidated Annual Financial Statements reflected in the statement of Financial Performance a surplus of R654,157,957. However, the surplus does not represent the true operating surplus as the Grant funding received and utilised for capital expenditure is included in the Transfers and Subsidies as reflected under Non-exchange revenue. The capital conditional grants that funded the capital expenditure was R1,041,194,439. Capital projects funded from the Fuel Levy also included under the Transfers and Subsidies amounted to R148,695,083. Therefore, the true audited operating deficit for the 2020/21 financial year amounts to R535,731,565. Considering that the 2020/21 Adjustments Budget projected a true operating deficit of R225.224 million, the financial results are worse than anticipated. Some of the main reasons for this are the Debt Impairment exceeding the Adjustments budget by at least R505.56 million and once again the Depreciation outcomes exceeding the Adjustments budget by approximately R246.83 million. Employee related costs such as The Long Service Awards, Post Retirement pension costs, Provision for Leave Pay and Overtime also contributed materially towards the deficit position as they exceeded the Adjustments budget by R136.996 million, R194.553 million, R84.170 million and R76.617 million respectively. The electricity bulk purchase costs also exceeded the adjustment budget by R52.824 million. The Covid-19 pandemic and the National lockdown

actioned by Government had a material impact on expenditure trends during the 2020/21 financial year. The price elasticity for the demand of electricity appears to be underestimated as the revenue raised was once again lower than anticipated in the 2020/21 Original Budget which was required to be adjusted in the 2020/21 Adjustments Budget. The escalating electricity and water losses are not contributing towards the financial viability of the Municipality. Further, it is clear that a trading service such as Electricity that should operate at a benchmarked 15% profit margin after considering both primary and secondary costs is now since the 2018/19 running at a loss and are now effectively being funded from the Property Rates Revenue, a situation that is not sustainable.

It is important that all the processes for determining the useful life of assets and asset condition assessments be finalised to determine an appropriate depreciation rate and amount. The actual depreciation is once again more than anticipated in the budget projections and should be analysed to either ensure that all outstanding processes are being concluded or that the budget projections be in line with actual depreciating costs as being disclosed in the annual financial statements. The actual depreciation of R987,405,037 is approximately R246,829,622 more than the budgeted R740,575,415.

The performance of Traffic fines revenue is poor due to a sharp decrease in fines issued due to a fines management contract not being in place and this resulted in almost no traffic fines revenue being collected.

Other materials (R64.41 million), other expenditure (R129.13 million) and contracted services (R454.31 million) contributed to reduce the deficit outcome for the 2020/21 financial year.

Taking into account the persistent annual increases in respect of the percentages of electricity and water losses, the escalating outstanding debtors and the reduced revenue streams against planned budgets, the Municipality should urgently implement strategies to address and mitigate the high risk it is exposed to, in order to prevent a deficit outcome for the 2021/22 financial year.

The 85.5% collection rate on property rates and service debtors is higher than the 85% provided for in the 2020/21 Adjustments Budget. However, this still represents a poor collection rate and this has resulted in an alarming escalation in the outstanding debtors. Outstanding Service Debtors is growing at a rate above 30% for the 2018/19, 2019/20 and 2020/21 financial years. This will put financial risk to the medium term financial sustainability of the metro.

As at 30 June 2021 the National Treasury had not yet transferred the full quantum of the 2019/20 Equitable Share. National Treasury also offset R10 million more from the 2020/21 Equitable Share than was appropriate. This together with the Covid-19 pandemic and the National lockdown assisted in the low spending patterns as observed in both the operating and capital expenditure environment. National Treasury had put conditions in place which must be met by the metro (to the satisfaction of the National Treasury) before the outstanding transfers can be released to the metro. On that understanding, debtors were raised in the 2019/20 financial year in anticipation of the outstanding Transfers being released by the National Treasury. National Treasury only transferred the outstanding 2019/20 Conditional Grants that were approved for rollover purposes from the 2019/20 financial year during March 2021 leaving only a small timeframe within which the metro had to spend the 2019/20 grants.

Financial Performance by Vote

Revenue as per Appendix K.1

Vote 1: Budget and Treasury

TABLE 5.35: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 1 - Budget & Treasury	-2,567,640,292	-2,205,691,580	-2,063,322,560	-2,017,407,926	-45,914,634
Expenditure By Type	812,191,769	1,103,011,890	1,226,306,860	1,258,721,279	-32,414,419
Contracted services	36,960,887	129,185,830	142,705,590	57,169,545	85,536,045
Debt impairment	378,762,920	367,183,810	525,150,760	406,337,208	118,813,552
Depreciation and asset impairment	113,692,996	92,888,320	92,888,320	46,973,879	45,914,441
Employee related costs	229,411,287	432,780,340	397,912,380	700,190,833	-302,278,453
Finance charges	1,227,360	1,072,890	1,072,890	1,072,890	0
Other expenditure	49,381,277	54,587,680	60,819,400	43,001,435	17,817,965
Other materials	2,755,041	25,313,020	5,757,520	3,975,489	1,782,031
Revenue By Source	-3,379,832,061	-3,308,703,470	-3,289,629,420	-3,276,129,205	-13,500,215
Fines, penalties and forfeits	-143,627,184	-43,289,900	-51,490,150	-55,664,775	4,174,625
Interest earned - external investments	-234,731,036	-159,248,380	-159,248,380	-150,039,376	-9,209,004

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Interest earned - outstanding debtors	-108,751,862	-96,226,840	-96,226,840	-132,419,617	36,192,777
Other revenue	-22,266,985	-48,681,880	-46,445,220	-30,992,158	-15,453,062
Property rates	-2,357,411,400	-2,486,145,410	-2,488,283,020	-2,513,531,938	25,248,918
Rental of facilities and equipment	-16,773			-14,536	14,536
Transfers and subsidies	-513,026,820	-475,111,060	-447,935,810	-449,131,580	1,195,770

TABLE 5.36: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 1 - Budget & Treasury	-2,648,590,332	-2,205,691,580	-2,063,322,560	-2,334,121,687	270,799,127
Contracted services	36,960,887	129,185,830	142,705,590	57,169,545	85,536,045
Consultants and Professional Services:					
Business and Advisory: Business and Financial Management	267,564	1,583,610	1,270,910	43,478	1,227,432
Business and Advisory: Commissions and Committees	84,251	1,178,160	1,078,960	262,013	816,948
Business and Advisory: Forensic Investigators	111,658	1,719,200	1,510,530	40,455	1,470,075
Legal Cost: Collection	13,366,395	30,592,100	31,492,100	15,440,915	16,051,185
Legal Cost: Issue of Summons		6,528,640	5,628,640		5,628,640
Legal Cost: Legal Advice and Litigation	1,731,319	4,282,280	3,792,280	2,125,509	1,666,771
Contractors:					
Catering Services	162	20,890	17,890		17,890
Maintenance of Buildings and Facilities	94,919	4,580,250	1,757,750	381,239	1,376,511
Maintenance of Equipment	500,763	1,182,240	1,215,340	405,243	810,097
Pest Control and Fumigation	24,350	80,150	58,800	8,513	50,287
Prepaid Electricity Vendors	4,425,746	7,693,390	7,638,390	4,282,843	3,355,547
Safeguard and Security	448,429	770,530	760,850	108,651	652,199
Tracing Agents and Debt Collectors		437,750	437,750		437,750
Outsourced Services:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Administrative and Support Staff				26,200	-26,200
Alien Vegetation Control		12,500			0
Business and Advisory: Occupational Health and Safety			12,000	26,171	-14,171
Business and Advisory: Project Management	3,723,320	24,668,680	42,266,140	9,397,598	32,868,542
Business and Advisory: Valuer	2,121,323	15,000,000	15,000,000	9,924,613	5,075,387
Cleaning Services	10,824	32,290	50,290	2,576	47,714
Connection/Dis-connection: Electricity		876,600	876,600		876,600
Connection/Dis-connection: Water		7,419,190	7,419,190		7,419,190
Hygiene Services	-6,857	116,440	117,440	3,836	113,604
Meter Management	10,050,042	16,074,560	15,967,360	11,577,562	4,389,798
Printing Services		4,320,970	4,320,970	3,104,857	1,216,113
Refuse Removal	6,680	15,410	15,410	7,272	8,138
Debt impairment	378,762,920	367,183,810	525,150,760	406,337,208	118,813,552
Bad Debts Written Off	63,943,829			101,026,471	-101,026,471
Gains and Losses: Impairment: Non Specific Accounts	112,735,764				0
Gains and Losses: Impairment: Property Rates	202,083,327	367,183,810	525,150,760	305,310,737	219,840,023
Depreciation and asset impairment	113,692,996	92,888,320	92,888,320	46,973,879	45,914,441
Furniture and Office Equipment	113,692,996	92,888,320	92,888,320	46,973,879	45,914,441
Employee related costs	229,411,287	432,780,340	397,912,380	700,190,833	-302,278,453
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	-74,333,542	37,977,870	37,977,870	207,171,967	-169,294,097
Municipal Staff: Salaries, Wages and Allowances:					
Housing Benefits and Incidental: Essential User	5,830,172	6,570,940	6,188,240	6,157,266	30,974
Housing Benefits and Incidental: Housing Benefits	1,853,010	2,054,530	1,925,520	1,976,403	-50,883
Allowances: Non-pensionable		9,830	9,230		9,230
Service Related Benefits: Acting and Post Related Allowances	1,755,964		521,400	1,201,665	-680,265
Service Related Benefits: Bonus	16,044,498	17,278,290	18,801,470	17,203,543	1,597,927

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Service Related Benefits: Leave Pay	46,048,567	11,500,000	11,500,000	68,650,072	-57,150,072
Service Related Benefits: Long Service Award	-30,926,343	11,643,160	12,186,950	115,564,832	-103,377,882
Service Related Benefits:Overtime:Night Shift	13,244			136,727	-136,727
Service Related Benefits:Overtime:Non Structured	7,576,136	9,497,500	9,347,590	4,514,354	4,833,236
Service Related Benefits: Standby Allowance	192,513	292,120	292,120	269,669	22,451
Travel or Motor Vehicle	3,778,537	4,355,480	4,018,540	3,778,204	240,336
Basic Salary and Wages	193,004,647	267,863,610	232,485,500	205,176,767	27,308,733
Bonuses				120	-120
Municipal Staff: Social Contributions:					
Bargaining Council	65,362	69,130	69,060	67,971	1,089
Group Life Insurance	2,203,913	2,353,200	2,320,390	2,301,058	19,332
Medical	18,523,009	19,320,820	19,221,550	19,378,596	-157,046
Pension	35,442,718	38,207,620	37,535,410	42,885,780	-5,350,370
Unemployment Insurance	1,118,919	1,201,200	1,059,880	1,112,765	-52,885
Senior Management: Chief Financial Officer:					
Salaries and Allowances: Basic Salary	1,064,104	2,346,640	2,213,820	2,213,808	12
Salaries and Allowances: Bonuses	154,967	236,050	236,050	309,933	-73,883
Social Contributions: Unemployment Insurance	892	2,350	1,790	1,785	5
Finance charges	1,227,360	1,072,890	1,072,890	1,072,890	0
Interest Paid:Borrowings:Annuity Loans	1,227,360	1,072,890	1,072,890	1,072,890	0
Other expenditure	49,381,277	54,587,680	60,819,400	42,984,781	17,834,619
Operating Leases:					
Computer Equipment	50,805	163,960	79,960	1,974	77,986
Furniture and Office Equipment	1,002,571	1,809,150	1,829,150	989,254	839,896
Other Assets	4,477,608	7,850,440	7,820,440	4,801,663	3,018,777
Operational Cost:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Advertising, Publicity and Marketing: Corporate and Municipal Activities	104,993	942,820	915,170	157,723	757,447
Advertising, Publicity and Marketing: Customer/Client Information	371,671	361,570	361,570	334,293	27,277
Advertising, Publicity and Marketing: Gifts and Promotional Items		20,000	20,000		20,000
Advertising, Publicity and Marketing: Municipal Newsletters		205,380	205,380		205,380
Advertising, Publicity and Marketing: Signs	68,900	317,310	257,310		257,310
Advertising, Publicity and Marketing: Staff Recruitment	87,161	157,260	133,360	27,164	106,196
Advertising, Publicity and Marketing: Tenders	172,598	191,860	233,360	94,863	138,497
Assets less than the Capitalisation Threshold	1,854,918	2,427,820	2,563,060	402,564	2,160,496
Bank Charges, Facility and Card Fees: Bank Accounts	4,086,075	5,540,110	5,540,110	3,501,804	2,038,306
Bank Charges, Facility and Card Fees: Third Parties		2,530	2,530		2,530
Cash Discount	151,671	105,000	105,000	152,926	-47,926
Cleaning Services: Car Valet and Washing Services	914	4,960	4,960	582	4,378
Commission: Third Party Vendors	6,525,503	5,412,490	5,412,490	7,124,957	-1,712,467
Communication: Cellular Contract (Subscription and Calls)	1,062,442	1,326,310	1,331,310	1,227,040	104,270
Communication: Postage/Stamps/Frinking Machines	7,949,367	4,217,020	4,466,920	1,420,168	3,046,752
Communication: Rent Private Bag and Postal Box	472	1,000	1,100	516	584
Communication: MS Bulk Message Service	2,023,475	1,339,740	1,339,740	1,233,826	105,914
Communication: Telephone Installation		11,700	11,630		11,630
Communication: Telephone, Fax, Telegraph and Telex	270,047	642,570	642,570	246,269	396,301
Contribution to Provisions: Decommissioning, Restoration and Similar Liabilities: Non-specific	3,192,998			762,359	-762,359
Deeds	163,864	281,520	571,520	219,357	352,163
Drivers Licences and Permits	412				0
External Computer Service: Data Lines	238,206	860,180	860,180	204,302	655,878
External Computer Service: Internet Charge	118,614	246,010	269,010	292,257	-23,247
External Computer Service: Network Extensions	21,264	27,610	31,110	21,711	9,399

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
External Computer Service: Remote Server Access	127,657		2,717,120	753,739	1,963,381
External Computer Service: Software Licences		76,780	76,780		76,780
External Computer Service: Specialised Computer Service	1,573,183	1,987,200	1,937,200	1,656,828	280,372
External Computer Service: System Adviser	4,098,594	4,507,060	4,507,060	4,250,242	256,818
External Computer Service: Wireless Network		411,020	397,020	32,680	364,340
Insurance Underwriting: Insurance Brokers Fees	294,501	651,500	618,000	273,118	344,882
Insurance Underwriting: Premiums	183,808	221,200	221,270	96,307	124,963
Intercompany/Parent-subsiary Transactions	1,882,499	2,036,440	4,369,240	3,560,732	808,508
Learnerships and Internships	60,079			16,094	-16,094
Municipal Services	694,667	1,549,970	2,270,580	1,585,693	684,887
Printing, Publications and Books	174,063	223,980	223,980	637	223,343
Professional Bodies, Membership and Subscription	3,040	6,300	6,300	15,457	-9,157
Registration Fees: Seminars, Conferences, Workshops and Events: National	46,469	146,580	144,580	12,476	132,104
Resettlement Cost			32,000		32,000
Skills Development Fund Levy	2,616,897	2,754,980	2,754,980	2,699,770	55,210
Storage of Files (Archiving)	35,669	198,980	198,980	42,244	156,736
Travel Agency and Visa's	17,935	51,310	55,310		55,310
Travel and Subsistence:Domestic:Accommodation	46,332	131,530	131,030		131,030
Travel and Subsistence:Domestic:Daily Allowance	39,666	30,080	30,080		30,080
Travel and Subsistence:Domestic:Food and Beverage (Served)		10,180	10,180		10,180
Travel and Subsistence:Domestic:Incidental Cost	1,378	9,290	9,290		9,290
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	87,504	280,260	269,260		269,260
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	9,860	10,350	18,350		18,350
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		124,860	124,860	114	124,746

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport without Operator: Own Transport	2,959	8,820	11,820		11,820
Travel and Subsistence:Non-employees	10,200			7,843	-7,843
Uniform and Protective Clothing	108,084	461,740	444,240	78,086	366,154
Workmen's Compensation Fund	3,303,059	4,230,950	4,230,950	6,300,003	-2,069,053
Gains and Losses:Inventory:Decrease in net-realisable Value	-33,374			-1,598,196	1,598,196
Other materials	2,755,041	25,313,020	5,757,520	3,975,489	1,782,031
Inventory Consumed:Consumables:Standard Rated	2,267,198	24,276,170	4,670,670	2,256,579	2,414,092
Inventory Consumed:Consumables:Zero Rated	548,596	867,760	867,760	269,136	598,624
Inventory Consumed: Finished Goods	66,667	120,560	170,560	56,560	114,000
Inventory Consumed: Land	-5,204				0
Inventory Consumed: Materials and Supplies	-122,217	48,530	48,530	1,393,215	-1,344,685
Fines, penalties and forfeits	-143,627,184	-43,289,900	-51,490,150	-55,664,775	4,174,625
Forfeits: Deposits	902,975			1,188,087	-1,188,087
Forfeits: Retentions	-120,362,337		-27,200,250	-2,683,979	-24,516,271
Forfeits: Unclaimed Money	-4,528,886			-11,051,187	11,051,187
Penalties: Disconnection Fees	-19,638,935	-43,289,900	-24,289,900	-43,117,696	18,827,796
Interest earned - external investments	-234,731,036	-159,248,380	-159,248,380	-150,039,376	-9,209,004
Short Term Investments and Call Accounts	-234,731,036	-159,248,380	-159,248,380	-150,039,376	-9,209,004
Interest earned - outstanding debtors	-108,751,862	-96,226,840	-96,226,840	-132,419,617	36,192,777
Interest:Receivables:Service Charges	-108,751,862	-96,226,840	-96,226,840	-132,419,617	36,192,777
Other revenue	-22,266,985	-48,681,880	-46,445,220	-30,992,158	-15,453,062
Operational Revenue:					
Discounts and Early Settlements	-3,706,931	-5,467,960	-3,231,300	-5,495,392	2,264,092
Incidental Cash Surpluses	-16,410	-20,200	-20,200	-27,099	6,899
Insurance Refund				-177,797	177,797
Request for Information: Access to Information Act	-2,542,124			-6,753,681	6,753,681

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Request for Information: Municipal Information and Statistics	141	-1,550	-1,550		-1,550
Staff Recoveries	-89,341	-80,080	-80,080	-8,640	-71,440
Sales of Goods and Rendering of Services:					
Buyers Card	-60,807	-101,130	-101,130	-28,125	-73,005
Clearance Certificates	-1,094,978	-1,409,290	-1,409,290	-1,535,306	126,016
Legal Fees	-13,363,758	-37,120,740	-37,120,740	-15,480,209	-21,640,531
Sale of Goods: Assets < Capitalisation Threshold				-10,150	10,150
Sale of Goods:Publications:Prints	-7,795	-10,960	-10,960	-1,945	-9,015
Sale of Goods:Publications:Tender Documents	-1,043,353	-1,000,000	-1,000,000	-1,303,268	303,268
Sale of Goods:Sub-division and Consolidation Fees		-2,776,250	-2,776,250		-2,776,250
Scrap, Waste & Other Goods: Scrap		-290,250	-290,250		-290,250
Valuation Services	-341,630	-403,470	-403,470	-170,545	-232,925
Property rates	-2,357,411,400	-2,486,145,410	-2,488,283,020	-2,513,531,938	25,248,918
Agricultural Property	-5,517,273	-5,830,810	-5,830,810	-5,780,882	-49,928
Business and Commercial Properties	-844,685,671	-907,542,650	-907,542,650	-896,547,505	-10,995,145
Formal and Informal Settlements	89,074,381	48,317,280	48,317,280	141,089,003	-92,771,723
Industrial Properties	-240,474,338	-253,515,990	-253,515,990	-256,369,554	2,853,564
Mining Properties	-158,202	-167,360	-167,360	-214,448	47,088
Public Benefit Organisations	-1,418,914	-1,999,150	-1,999,150	-1,671,854	-327,296
Public Service Infrastructure Properties	-476,096	-37,690	-37,690	-211,785	174,095
Residential Properties: Developed	-1,109,277,893	-1,118,104,200	-1,118,104,200	-1,232,889,320	114,785,120
Residential Properties: Vacant Land	-76,122,923	-79,015,570	-79,015,570	-81,703,787	2,688,217
Special Rating Area	-1,776,799	-2,036,440	-4,174,050	-4,065,704	-108,346
State-owned Properties	-166,577,672	-166,212,830	-166,212,830	-175,166,100	8,953,270
Rental of facilities and equipment	-16,773			-14,536	14,536
Ad-hoc rentals: Community Assets	-15,344			-14,536	14,536
Ad-hoc rentals: Machinery and Equipment	-1,429				0

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Transfers and subsidies	-513,026,820	-475,111,060	-447,935,810	-449,131,580	1,195,770
National Governments: Local Government Financial Management Grant	-1,000,000	-1,000,000	-1,000,000	-1,000,000	0
National Revenue Fund: Equitable Share	-141,526,820	-152,061,060	-170,170,810	-171,366,580	1,195,770
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-370,500,000	-322,050,000	-276,765,000	-276,765,000	0

Vote 2: Public Health

TABLE 5.37: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 2 - Public Health	288,479,081	259,283,030	267,693,430	321,707,232	-54,013,802
Expenditure By Type	718,384,583	718,862,530	732,928,490	792,775,245	-59,846,755
Contracted services	75,451,136	115,286,350	110,428,740	73,779,124	36,649,616
Debt impairment	79,001,812	31,752,080	39,646,650	125,270,428	-85,623,778
Depreciation and asset impairment	64,208,598	9,846,370	9,846,370	59,679,255	-49,832,885
Employee related costs	393,695,219	466,158,920	469,949,520	434,957,139	34,992,381
Finance charges	2,817,800	2,559,350	2,559,350	2,181,273	378,077
Loss on disposal of PPE				6,771	-6,771
Other expenditure	80,456,277	74,475,420	81,702,110	80,280,133	1,421,977
Other materials	22,753,742	18,784,040	18,795,750	16,621,122	2,174,628
Revenue By Source	-429,905,502	-459,579,500	-465,235,060	-471,068,013	5,832,953
Fines, penalties and forfeits	-175,693	-158,260	-48,260	-64,788	16,528
Interest earned - outstanding debtors	-29,375,397	-22,731,950	-22,731,950	-37,340,251	14,608,301
Licences and permits	-1,064,727	-1,188,550	-1,040,300	-1,816,193	775,893
Other revenue	-19,616,419	-28,286,890	-33,567,200	-29,785,262	-3,781,938
Rental of facilities and equipment	-4,490,892	-4,909,180	-4,749,180	-4,563,428	-185,752

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Service charges - refuse revenue	-247,927,121	-264,311,000	-264,311,000	-259,810,178	-4,500,822
Transfers and subsidies	-127,255,253	-137,993,670	-138,787,170	-137,687,913	-1,099,257

TABLE 5.38: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 2 - Public Health	259,651,702	236,283,030	243,435,960	252,621,458	-9,185,498
Contracted services	75,451,136	115,286,350	110,428,740	73,779,124	36,649,616
Consultants and Professional Services:					
Business and Advisory: Occupational Health and Safety		75,000	75,000		75,000
Business and Advisory: Project Management	3,018,034	3,200,000	3,170,000	1,752,607	1,417,393
Business and Advisory: Research and Advisory		100,000	100,000	21,930	78,070
Legal Cost: Legal Advice and Litigation	1,767,942	4,580,470	4,580,470	3,032,956	1,547,514
Contractors:					
Catering Services	35,620	44,500	59,500	1,800	57,700
Employee Wellness	336,937	593,490	489,490	275,973	213,517
Gardening Services	4,785,802	5,775,810	8,025,810	8,328,310	-302,500
Maintenance of Buildings and Facilities	3,144,648	6,532,270	6,267,270	3,440,891	2,826,379
Maintenance of Equipment	1,648,047	3,264,340	3,081,340	1,192,550	1,888,790
Medical Services	2,609,393	2,100,000	2,100,000	2,313,497	-213,497
Stage and Sound Crew	7,500	15,000	15,000		15,000
Transportation	2,400	39,620	39,620		39,620
Outsourced Services:					
Alien Vegetation Control	1,934,680	3,268,460	2,948,460	1,155,409	1,793,051
Animal Care	580,652	1,916,870	1,916,870	580,575	1,336,295
Burial Services	1,640,650	1,781,810	2,141,810	1,891,700	250,110
Business and Advisory: Accounting and Auditing	870,281	1,900,000	300,000		300,000

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory: Occupational Health and Safety	1,176,406	2,000,000	1,129,190	97,093	1,032,097
Business and Advisory: Project Management	615,805	3,289,440	3,352,440	725,989	2,626,451
Business and Advisory: Research and Advisory		255,000	255,000	17,860	237,140
Cleaning Services	88,589	186,500	186,500	40,454	146,046
Clearing and Grass Cutting Services	11,333,752	19,885,090	17,465,090	8,862,491	8,602,599
Electrical	0				0
Hygiene Services	265,935	1,245,510	1,185,510	175,337	1,010,173
Illegal Dumping	5,464,310	5,210,430	2,057,630	1,541,306	516,324
Litter Picking and Street Cleaning	5,692,826	7,000,000	7,000,000	5,364,563	1,635,437
Medical Waste Removal	5,779	7,220	7,220		7,220
Professional Staff	13,211	19,520	19,520		19,520
Refuse Removal	28,411,936	41,000,000	42,460,000	32,965,834	9,494,166
Debt impairment	79,001,812	31,752,080	39,646,650	125,270,428	-85,623,778
Gains and Losses: Waste Management	79,001,812	31,752,080	39,646,650	125,270,428	-85,623,778
Depreciation and asset impairment	64,208,598	9,846,370	9,846,370	59,679,255	-49,832,885
Community Assets: Community Facilities: Public Open Space	90,747				0
Furniture and Office Equipment	63,706,272	9,670,350	9,670,350	59,176,817	-49,506,467
Solid Waste Infrastructure: Waste Drop-off Points	411,578	176,020	176,020	502,438	-326,418
Employee related costs	393,695,219	466,158,920	469,949,520	434,957,139	34,992,381
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	1,650,000	4,069,950	4,069,950	4,692,878	-622,928
Municipal Staff: Salaries, Wages and Allowances:					
Housing Benefits and Incidental: Essential User	1,407,843	1,775,020	1,775,940	1,196,669	579,271
Housing Benefits and Incidental: Housing Benefits	1,761,315	1,982,590	2,020,540	1,780,176	240,364
Non-pensionable	720	2,300	2,300	720	1,580
Service Related Benefits: Acting and Post Related Allowances	1,336,733		1,693,960	1,572,980	120,980
Service Related Benefits: Bonus	19,927,657	21,766,810	23,083,490	21,157,402	1,926,088

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Service Related Benefits: Leave Pay	2,112,581	475,000	475,000	2,828,684	-2,353,684
Service Related Benefits: Long Service Award	15,299,752	16,357,380	16,789,780	21,076,379	-4,286,599
Service Related Benefits:Overtime:Night Shift	293,255	450,130	450,130	279,178	170,952
Service Related Benefits:Overtime:Non Structured	24,848,033	24,918,680	26,026,350	30,955,479	-4,929,129
Service Related Benefits:Overtime:Shift Additional Remuneration	47,279	62,120	62,120	36,082	26,038
Service Related Benefits:Overtime:Structured		381,300	381,300		381,300
Service Related Benefits: Scarcity Allowance	791,037	395,170	395,150	273,322	121,828
Service Related Benefits: Standby Allowance	2,064,866	1,899,500	2,003,380	2,337,644	-334,264
Service Related Benefits: Uniform/Special/Protective Clothing	186	210	210	186	24
Travel or Motor Vehicle	7,500,883	9,141,870	9,068,250	7,816,489	1,251,761
Basic Salary and Wages	226,653,872	281,772,100	279,941,950	243,676,052	36,265,898
Bonuses	16,451,260	19,230,890	19,107,980	17,931,813	1,176,167
Municipal Staff: Social Contributions:					
Bargaining Council	110,837	120,270	122,600	112,697	9,903
Group Life Insurance	2,398,820	2,613,580	2,724,420	2,607,188	117,232
Medical	24,454,860	26,662,520	26,897,400	25,058,177	1,839,223
Pension	42,790,327	47,483,420	48,178,700	45,306,666	2,872,034
Unemployment Insurance	1,793,103	2,008,110	2,016,830	1,750,987	265,843
Senior Management: Designation:					
Salaries and Allowances: Basic Salary		2,300,000	2,300,000	2,197,573	102,427
Salaries and Allowances: Bonuses		290,000	290,000	309,933	-19,933
Social Contributions: Unemployment Insurance			71,790	1,785	70,005
Finance charges	2,817,800	2,559,350	2,559,350	2,181,273	378,077
Interest Paid:Borrowings:Annuity Loans	2,817,800	2,559,350	2,559,350	2,181,273	378,077
Loss on disposal of PPE				6,771	-6,771
Gains and Losses: Furniture and Office Equipment: Losses				6,771	-6,771
Other expenditure	80,456,277	74,475,420	81,702,110	80,280,133	1,421,977

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Operating Leases:					
:Computer Equipment	27,980	64,250	64,250	10,381	53,869
:Furniture and Office Equipment	985,539	1,212,010	1,212,010	980,662	231,348
Operational Cost:					
Advertising, Publicity and Marketing: Auctions	2,870	5,000	5,000		5,000
Advertising, Publicity and Marketing: Corporate and Municipal Activities	33,893	17,760	27,760	14,465	13,295
Advertising, Publicity and Marketing: Signs	62,966	75,000	75,000		75,000
Advertising, Publicity and Marketing: Staff Recruitment	41,931	75,510	146,100	17,021	129,079
Advertising, Publicity and Marketing: Tenders	34,633	60,000	60,000	10,891	49,109
Assets less than the Capitalisation Threshold	372,375	645,670	595,540	108,035	487,505
Communication: Cellular Contract (Subscription and Calls)	1,185,878	1,912,190	1,662,190	1,403,730	258,460
Communication: Licences (Radio and Television)		10,000	10,000		10,000
Communication: Postage/Stamps/Frinking Machines	3,259	14,910	14,910	1,934	12,976
Communication: Telephone Installation		15,500	5,500		5,500
Communication: Telephone, Fax, Telegraph and Telex	182,974	261,180	301,180	136,934	164,247
Courier and Delivery Services	4,255	5,000	5,000		5,000
Drivers Licences and Permits	2,344	9,500	11,500	868	10,632
External Computer Service: Data Lines	4,693	45,000	65,000		65,000
:External Computer Service: Information Services		197,100	185,050		185,050
External Computer Service: Network Extensions	5,495	31,620	33,920	4,575	29,345
External Computer Service: Software Licences	76,000	569,000	569,000		569,000
External Computer Service: Wireless Network		32,370	32,370		32,370
Hire Charges	70,558,676	53,626,790	65,668,650	70,311,872	-4,643,222
Insurance Underwriting: Claims paid to Third Parties	244,294	550,000	450,000	44,271	405,729
Insurance Underwriting: Premiums	214,436	261,530	491,810	130,288	361,522
Insurance Underwriting: Risk Management Programs		31,920	31,920		31,920
Learnerships and Internships				90,448	-90,448

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Licences: Motor Vehicle Licence and Registrations	1,620	64,610	52,860	6,435	46,425
Municipal Services			2,191,560	1,567,397	624,163
Printing, Publications and Books	546,175	597,910	647,910	379,319	268,591
Professional Bodies, Membership and Subscription	17,687	43,000	52,700		52,700
Registration Fees: Seminars, Conferences, Workshops and Events: National	271,464	649,660	454,660	113,571	341,089
Samples and Specimens	3,305	250,000	250,000	31,413	218,587
Signage	39,562	55,010	30,010	4,300	25,710
Skills Development Fund Levy	3,282,131	4,585,140	4,585,140	3,534,886	1,050,254
Travel Agency and Visa's	12,180	15,280	12,780		12,780
Travel and Subsistence:Domestic:Accommodation	54,161	50,720	36,660		36,660
Travel and Subsistence:Domestic:Daily Allowance	9,462	23,610	27,110	2,630	24,480
Travel and Subsistence:Domestic:Food and Beverage (Served)	560	2,000	2,000		2,000
Travel and Subsistence:Domestic:Incidental Cost	1,157	3,270	3,270		3,270
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	65,701	129,020	87,320		87,320
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	12,781		5,000		5,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	1,605	36,000	36,000		36,000
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		20,000	23,000		23,000
Travel and Subsistence:Non-employees	1,478		20,000		20,000
Uniform and Protective Clothing	1,839,006	1,512,810	1,456,260	795,894	660,366
Wet Fuel		6,708,570	4,210		4,210
Workmen's Compensation Fund	251,750			577,914	-577,914
Other materials	22,753,742	18,784,040	18,795,750	16,621,122	2,174,628
Inventory Consumed:Consumables:Standard Rated	6,823,012	5,574,270	6,173,750	5,528,445	645,305
Consumed:Consumables:Zero Rated	15,265,358	12,232,470	11,514,270	10,292,655	1,221,615

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Inventory Consumed: Finished Goods	440,872	700,000	834,430	635,809	198,621
Inventory Consumed: Materials and Supplies	224,501	277,300	273,300	164,213	109,087
Fines, penalties and forfeits	-175,693	-158,260	-48,260	-64,788	16,528
Law Enforcement		-47,060	-47,060		-47,060
Fines: Pound Fees	-175,693	-111,200	-1,200	-64,788	63,588
Interest earned - outstanding debtors	-29,375,397	-22,731,950	-22,731,950	-37,340,251	14,608,301
Interest:Receivables:Waste Management	-29,375,397	-22,731,950	-22,731,950	-37,340,251	14,608,301
Licences and permits	-1,064,727	-1,188,550	-1,040,300	-1,816,193	775,893
Boat	-186,549	-413,370	-365,370	-224,560	-140,810
Fauna and Flora	-353,456	-390,000	-341,000	-270,389	-70,611
Health Certificates	-63,331	-195,330	-29,080	-969,580	940,500
Threatened and Protected Species		-6,250	-6,250		-6,250
Trading	-460,329	-181,450	-296,450	-348,124	51,674
Dog	-1,062	-2,150	-2,150	-3,539	1,389
Other revenue	-19,616,419	-28,286,890	-33,567,200	-29,785,262	-3,781,938
Operational Revenue:					
Insurance Refund	-99,006			-8,518	8,518
Registration Fees: Inflammable Material				-1,725	1,725
Request for Information: Access to Information Act	-9,805				0
Staff Recoveries	-22,658	-11,130	-11,130	-5,604	-5,526
Sales of Goods and Rendering of Services:					
Academic Services: Formal Training	-348	-2,150	-2,150		-2,150
Cemetery and Burial	-9,881,691	-12,501,250	-21,681,250	-18,267,473	-3,413,777
Cleaning and Removal	-173,156	-1,080,550	-289,360	-182,764	-106,596
Photocopies and Faxes	-5			-5	5
Sale of Goods: Agricultural Products: Nursery Sale of Plants	-19,765	-25,590	-25,590	-7,555	-18,035
Scrap, Waste & Other Goods: Recycling of Waste	-9,409,986	-14,666,220	-11,557,720	-11,311,617	-246,103

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Rental of facilities and equipment	-4,490,892	-4,909,180	-4,749,180	-4,563,428	-185,752
Ad-hoc rentals: Community Assets	-64,217	-69,620	-29,620	5,260	-34,880
Investment Property: Ad-hoc rentals	-23,565	-30,000	-30,000	-23,589	-6,411
Ad-hoc rentals: Solid Waste Infrastructure	-4,403,109	-4,809,560	-4,689,560	-4,545,099	-144,461
Service charges - refuse revenue	-247,927,121	-264,311,000	-264,311,000	-259,810,178	-4,500,822
Waste Management: Refuse Removal	-234,997,988	-247,345,160	-249,945,160	-245,792,750	-4,152,410
Waste Management: Waste Bins	-12,929,133	-16,965,840	-14,365,840	-14,017,428	-348,412
Transfers and subsidies	-127,255,253	-137,993,670	-138,787,170	-137,687,913	-1,099,257
National Departmental Agencies: Marine Living Resources Fund	-741,593	-896,340	-896,340	-590,582	-305,758
South Africa Revenue Service (SARS)			-103,500		-103,500
National Governments: Integrated City Development Grant			-690,000		-690,000
National Revenue Fund: Equitable Share	-124,513,660	-135,097,330	-135,097,330	-135,097,330	0
Revenue: on-exchange Revenue: Transfers and Subsidies: Operational: Monetary Allocations: National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-2,000,000	-2,000,000	-2,000,000	-2,000,000	0

Vote 3: Human Settlements

TABLE 5.39: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 3 - Human Settlements	179,902,820	96,171,480	239,654,240	260,836,402	-21,182,162
Expenditure By Type	202,684,280	264,803,880	389,009,430	287,700,548	101,308,882
Contracted services	12,258,943	45,673,550	43,703,310	11,982,035	31,721,275
Debt impairment	5,059,733			8,552,533	-8,552,533
Depreciation and asset impairment	1,404,243	650,500	1,040,450	1,262,359	-221,909
Employee related costs	170,195,663	201,383,310	201,041,860	179,445,994	21,595,866
Finance charges	428,209	440,320	440,320	440,320	0

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Other expenditure	9,752,657	15,160,780	141,244,570	85,128,909	56,115,661
Other materials	3,584,832	1,495,420	1,538,920	888,399	650,521
Revenue By Source	-22,781,460	-168,632,400	-149,355,190	-26,864,146	-122,491,044
Interest earned - outstanding debtors	-7,227				0
Other revenue	-11,684,348	-19,007,100	-14,497,100	-15,133,657	636,557
Rental of facilities and equipment	-8,659,377	-8,275,190	-8,615,340	-8,926,135	310,795
Transfers and subsidies	-2,430,508	-141,350,110	-126,242,750	-2,804,354	-123,438,396

TABLE 5.40: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 3 - Human Settlements	136,930,532	-253,983,950	45,204,530	119,652,069	-74,447,539
Contracted services	12,258,943	45,673,550	43,703,310	11,982,035	31,721,275
Consultants and Professional Services:					
Business and Advisory: Project Management			1,600,000		1,600,000
Infrastructure and Planning: Geodetic, Control and Surveys		3,170			0
Infrastructure and Planning: Town Planner		1,700,000	1,171,000		1,171,000
Legal Cost: Legal Advice and Litigation	6,352,890	10,372,970	10,492,970	6,239,807	4,253,163
Contractors:					
Building	-143,239	3,000,000	18,400,000	276,690	18,123,310
Catering Services	188	10,000	10,000		10,000
Maintenance of Buildings and Facilities	2,293,831	3,329,970	4,959,970	1,239,947	3,720,023
Maintenance of Equipment	308,135	788,820	873,280	167,434	705,846
Management of Informal Settlements	1,527,502	800,000	775,000	1,680,127	-905,127
Stage and Sound Crew		114,890	114,890		114,890
Transportation	44,750	458,690	80,690	85,455	-4,765
Outsourced Services:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory: Project Management	1,784,059	24,382,210	4,532,680	2,173,857	2,358,823
Business and Advisory: Qualification Verification				19,267	-19,267
Business and Advisory: Research and Advisory		114,890	114,890		114,890
Cleaning Services	9,000	9,500	9,500		9,500
Clearing and Grass Cutting Services	25,521	367,040	297,040	35,272	261,768
Hygiene Services	2,691	10,000	60,000	2,800	57,200
Refuse Removal	53,613	211,400	211,400	61,379	150,021
Debt impairment	5,059,733			8,552,533	-8,552,533
Expenditure: Bad Debts Written Off	3,874				0
Gains and Losses: Impairment Loss: Other Receivables from Non-exchange Revenue: Property Rates	5,055,859			8,552,533	-8,552,533
Depreciation and asset impairment	1,404,243	650,500	1,040,450	1,262,359	-221,909
Furniture and Office Equipment		45,370	45,370		45,370
Other Assets:Housing:Social Housing	1,404,243	605,130	995,080	1,262,359	-267,279
Employee related costs	170,195,663	201,383,310	201,041,860	179,445,994	21,595,866
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	3,811,479	4,278,240	4,206,030	4,047,092	158,938
Allowances: Housing Benefits and Incidental: Housing Benefits	927,115	1,035,860	1,014,680	1,038,982	-24,302
Allowances: Non-pensionable	1,440	1,600	1,440	1,440	0
Allowances: Service Related Benefits: Acting and Post Related Allowances	1,092,018	1,245,800	327,720	1,162,281	-834,561
Allowances: Service Related Benefits: Bonus	8,937,497	10,794,200	10,782,380	9,651,333	1,131,047
Allowances: Service Related Benefits: Long Service Award	5,817,866	6,369,290	6,045,130	6,119,736	-74,606
Allowances: Service Related Benefits:Overtime:Non Structured	734,493	739,550	822,410	522,384	300,026
Allowances: Service Related Benefits: Scarcity Allowance	2,205,162	2,406,580	2,380,250	2,365,799	14,451
Allowances: Travel or Motor Vehicle	10,585,199	12,289,610	12,289,610	10,527,953	1,761,657
Basic Salary and Wages	104,085,773	125,442,210	127,554,570	110,373,988	17,180,582
Municipal Staff: Social Contributions:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Bargaining Council	33,366	35,520	35,450	34,690	760
Group Life Insurance	1,188,059	1,279,560	1,253,810	1,244,535	9,275
Medical	10,017,799	10,669,790	10,220,300	10,319,645	-99,345
Pension	20,060,960	21,867,560	21,448,910	21,192,053	256,857
Unemployment Insurance	548,209	595,110	543,170	553,480	-10,310
Senior Management: Designation:					
Salaries and Allowances: Basic Salary	149,078	2,116,000	2,116,000	254,778	1,861,222
Salaries and Allowances: Bonuses		214,880		35,527	-35,527
Social Contributions: Unemployment Insurance	149	1,950		297	-297
Finance charges	428,209	440,320	440,320	440,320	0
Interest Paid:Borrowings:Annuity Loans	428,209	440,320	440,320	440,320	0
Other expenditure	9,752,657	15,160,780	141,244,570	85,128,909	56,115,661
Operating Leases:					
Computer Equipment	90,735	250,490	250,490	39,368	211,122
Furniture and Office Equipment	725,644	1,125,420	1,275,420	577,033	698,387
Other Assets	2,574,553	3,105,460	2,850,000	3,096,210	-246,210
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	736,086	1,851,770	1,371,770	280,751	1,091,019
Advertising, Publicity and Marketing: Staff Recruitment	18,429	30,000	20,000	66,442	-46,442
Advertising, Publicity and Marketing: Tenders	3,084		190,000	39,808	150,192
Assets less than the Capitalisation Threshold	816,949	1,325,540	123,191,660	76,296,249	46,895,411
Cleaning Services: Car Valet and Washing Services	270	2,450	2,450	530	1,920
Communication: Cellular Contract (Subscription and Calls)	1,549,667	1,840,480	1,880,480	1,753,140	127,340
Communication: Licences (Radio and Television)		2,280	1,280		1,280
Communication: Postage/Stamps/Frinking Machines	226,953	231,370	231,370	42,522	188,848
Communication: MS Bulk Message Service	22,000				0
Communication: Telephone Installation		52,810	24,810		24,810

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Telephone, Fax, Telegraph and Telex	71,120	180,800	180,800	66,031	114,769
Cost relating to the Sale of Houses	8,817			6,396	-6,396
Courier and Delivery Services	55	2,500	2,500	250	2,250
Deeds	14,315	69,310	69,310	2,584	66,726
Drivers Licences and Permits	648	7,160	7,160	190	6,970
External Computer Service: Data Lines		3,120	3,120		3,120
External Computer Service: Information Services	247,697	550,000	550,000		550,000
External Computer Service: Internet Charge	29,108	50,000	70,000	25,971	44,029
External Computer Service: Network Extensions	1,182	80,550	70,550	36,434	34,116
External Computer Service: Software Licences	58,447	100,000	100,000	5,940	94,060
External Computer Service: System Development		130,000	130,000		130,000
External Computer Service: Wireless Network	11,732	16,340	16,340	13,379	2,961
Insurance Underwriting: Premiums	372,863	758,760	758,760	214,155	544,605
Land Alienation Costs			4,500,000		4,500,000
Learnerships and Internships	45,444			96,564	-96,564
Licences: Motor Vehicle Licence and Registrations		14,250	14,250	1,930	12,320
Management Fee	29,945	26,810	26,810	14,378	12,432
Municipal Services	529,390	862,320	1,130,700	877,509	253,191
Printing, Publications and Books		170,000	70,000		70,000
Registration Fees: Seminars, Conferences, Workshops and Events: National		12,660	12,660		12,660
Skills Development Fund Levy	1,373,568	1,542,930	1,542,930	1,461,737	81,193
Storage of Files (Archiving)		50,000	50,000	25,458	24,542
Travel Agency and Visa's	8,573	30,000	30,000	145	29,855
Travel and Subsistence:Domestic:Accommodation	20,189	80,100	75,100		75,100
Travel and Subsistence:Domestic:Daily Allowance	34,363	33,400	30,900		30,900
Travel and Subsistence:Domestic:Food and Beverage (Served)	1,238	19,230	19,230		19,230

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Incidental Cost	4,459	5,880	5,880		5,880
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	38,533	203,600	178,600		178,600
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	1,552	9,190	9,190		9,190
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		97,070	87,070		87,070
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		2,000	2,000		2,000
Travel and Subsistence:Non-employees				6,404	-6,404
Uniform and Protective Clothing	29,961	214,730	198,980	73,337	125,643
Workmen's Compensation Fund	55,088	20,000	12,000	8,064	3,936
Other materials	3,584,832	1,495,420	1,538,920	888,399	650,521
Expenditure: Inventory Consumed:Consumables:Standard Rated	568,211	1,069,780	1,154,760	633,494	521,266
Expenditure: Inventory Consumed:Consumables:Zero Rated	247,648	350,000	300,000	202,340	97,660
Expenditure: Inventory Consumed: Finished Goods	2,768,973	75,640	84,160	52,564	31,596
Interest earned - outstanding debtors	-7,227				0
Interest:Receivables:Housing Selling Schemes	-7,227				0
Other revenue	-11,684,348	-19,007,100	-14,497,100	-15,133,657	636,557
Operational Revenue:					
Administrative Handling Fees	-2,800	-1,000,000	-1,000,000		-1,000,000
Insurance Refund	-313,555			-601	601
Request for Information: Municipal Information and Statistics		-70,000	-70,000		-70,000
Request for Information: Plan Printing and Duplicates	-4,108	-100,000	-20,000	-492	-19,508
Sale of Property	-11,820	-265,900	-265,900	-3,611,820	3,345,920
Staff Recoveries	-2,905	-3,200	-3,200	-2,190	-1,010
Sales of Goods and Rendering of Services:					
Advertisements	-1,616,786	-2,450,000	-1,420,000	-77,958	-1,342,042
Building Plan Approval	-8,365,853	-13,000,000	-11,000,000	-10,600,044	-399,956

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Encroachment Fees	-322,995	-400,000	-400,000	-357,095	-42,905
Photocopies and Faxes	-118				0
Removal of Restrictions	-1,038,560	-1,705,000	-305,000	-476,371	171,371
Sale of Goods: Assets < Capitalisation Threshold				-2,234	2,234
Sale of Goods:Publications:Charts/Posters	-4,847	-13,000	-13,000	-4,852	-8,148
Rental of facilities and equipment	-8,659,377	-8,275,190	-8,615,340	-8,926,135	310,795
Ad-hoc rentals: Community Assets	-4,655,372	-4,358,250	-4,348,250	-5,981,345	1,633,095
Investment Property: Ad-hoc rentals	-2,921,209	-2,500,000	-2,500,150	-2,681,408	181,258
Ad-hoc rentals: Other Assets	-846,588	-1,416,940	-1,416,940		-1,416,940
Sub-lease Payment: Roads Infrastructure	-236,207		-350,000	-263,382	-86,618
Transfers and subsidies	-2,430,508	-141,350,110	-126,242,750	-2,804,354	-123,438,396
National Departmental Agencies: South Africa Revenue Service (SARS)	-189,031	-116,174,800	-120,717,150	-630,497	-120,086,653
National Governments: Integrated City Development Grant		-1,600,000	-1,600,000		-1,600,000
National Governments: Urban Settlement Development Grant	-1,841,092	-23,575,310	-3,925,600	-2,173,857	-1,751,743
Capacity Building and Other: Specify (Add grant description)	-400,385				0

Vote 4: Economic Development, Tourism and Agriculture

TABLE 5.41: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 4- Economic Development, Tourism & Agriculture	18,080,398	51,094,880	52,319,900	33,612,592	18,707,308
Expenditure By Type	141,916,400	168,116,040	179,863,560	144,595,577	35,267,983
Contracted services	22,215,041	6,606,620	9,786,950	18,807,664	-9,020,714
Depreciation and asset impairment	1,337,774	147,460	147,460	1,580,088	-1,432,628
Employee related costs	73,269,447	37,313,600	41,485,950	82,854,585	-41,368,635
Other expenditure	79,290,890	25,672,740	25,022,580	57,669,644	-32,647,064

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Other materials	408,149	655,600	705,600	364,053	341,547
Transfers and subsidies	-34,604,901	97,720,020	102,715,020	-16,680,457	119,395,477
Revenue By Source	-123,836,002	-117,021,160	-127,543,660	-110,982,985	-16,560,675
Agency services	-987	-1,740	-1,740	-949	-791
Interest earned - external investments	-68,270	-262,430	-262,430		-262,430
Other revenue	-14,948,301	-21,137,910	-21,137,910	-13,827,542	-7,310,368
Property rates				7,112,181	-7,112,181
Rental of facilities and equipment	-1,818,444	-2,119,060	-2,119,060	-1,766,655	-352,405
Transfers and subsidies	-107,000,000	-93,500,020	-104,022,520	-102,500,020	-1,522,500

TABLE 5.42: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 4 - Economic Development, Tourism & Agriculture	-20,845,066	20,660,090	39,276,420	9,139,137	30,137,283
Contracted services	22,215,041	6,606,620	9,786,950	18,807,664	-9,020,714
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation	14,409	337,300	337,300	1,038,539	-701,239
Contractors:					
Catering Services		30,000	30,000		30,000
Maintenance of Buildings and Facilities	15,030,179	2,613,450	4,244,970	12,100,378	-7,855,408
Maintenance of Equipment	1,830,491	3,110,050	3,060,050	2,044,789	1,015,261
Pest Control and Fumigation		38,140	38,140	9,800	28,340
Safeguard and Security	68,277	89,670	89,670	28,341	61,329
Transportation	837,060	126,820	412,080		412,080
Outsourced Services:					
Business and Advisory: Project Management	4,434,625	137,200	1,411,110	3,476,075	-2,064,965
Cleaning Services				29,400	-29,400

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Clearing and Grass Cutting Services		63,630	163,630	32,500	131,130
Refuse Removal		60,360		47,843	-47,843
Security Services		0			0
Depreciation and asset impairment	1,337,774	147,460	147,460	1,580,088	-1,432,628
Community Assets: Community Facilities: Markets	1,337,774	147,460	147,460	1,580,088	-1,432,628
Employee related costs	73,269,447	37,313,600	41,485,950	82,854,585	-41,368,635
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	-1,975,022	1,455,260	1,455,260	7,377,655	-5,922,395
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,043,800	1,220,720	1,220,720	991,825	228,895
Allowances: Housing Benefits and Incidental: Housing Benefits	198,688	227,050	206,450	187,980	18,470
Allowances: Service Related Benefits: Acting and Post Related Allowances	445,086		750,000	416,995	333,005
Allowances: Service Related Benefits: Bonus	1,576,907	1,691,300	1,702,800	1,508,779	194,021
Allowances: Service Related Benefits: Leave Pay	57,333	940,050	940,050	59,973	880,077
Allowances: Service Related Benefits: Long Service Award	659,239	1,054,760	775,340	1,274,962	-499,622
Allowances: Service Related Benefits:Overtime:Night Shift	27,050	33,840	33,840	21,932	11,908
Allowances: Service Related Benefits:Overtime:Non Structured	802,378	695,020	715,020	668,259	46,761
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	44,594	55,700	55,700	51,624	4,076
Allowances: Service Related Benefits: Scarcity Allowance	67,726	74,390	71,970	71,958	12
Allowances: Service Related Benefits: Standby Allowance	95,507	81,950	81,950	103,669	-21,719
Allowances: Travel or Motor Vehicle	808,740	1,159,690	1,224,660	753,876	470,784
Basic Salary and Wages	62,172,232	20,356,320	24,905,790	61,909,114	-37,003,324
Bargaining Council	5,275	5,760	5,210	5,584	-374
Group Life Insurance	170,750	192,040	173,580	176,068	-2,488
Medical	1,445,128	1,602,690	1,341,640	1,385,989	-44,349
Pension	3,235,259	3,689,960	3,120,900	3,200,959	-80,059

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Unemployment Insurance	142,579	152,410	113,410	161,859	-48,449
Salaries and Allowances: Basic Salary	2,063,620	2,346,640	2,313,820	2,213,808	100,012
Salaries and Allowances: Bonuses	180,794	276,050	276,050	309,933	-33,883
Social Contributions: Unemployment Insurance	1,785	2,000	1,790	1,785	5
Other expenditure	79,290,890	25,672,740	25,022,580	57,669,644	-32,647,064
Operational leases:					
Computer Equipment	10,632	10,070	10,070	8,276	1,794
Furniture and Office Equipment	441,787	572,790	327,790	435,448	-107,658
Other Assets		2,137,710	2,137,710	2,695,283	-557,573
Operational Costs					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	2,905	68,400	68,400		68,400
Advertising, Publicity and Marketing: Staff Recruitment		25,000	125,000	207,832	-82,832
Advertising, Publicity and Marketing: Tenders	10,985	60,000	60,000	62,831	-2,831
Assets less than the Capitalisation Threshold	304,632	199,000	141,000	304,301	-163,301
Bank Charges, Facility and Card Fees: Bank Accounts	117,028	233,070	233,070	10,798	222,272
Communication: Cellular Contract (Subscription and Calls)	353,966	393,890	393,890	391,207	2,683
Communication: Licences (Radio and Television)		1,970	1,970		1,970
Communication: Telephone, Fax, Telegraph and Telex	27,984	66,910	66,910	30,997	35,913
External Computer Service: Data Lines	868			1,736	-1,736
External Computer Service: Internet Charge	19,723	15,000	15,000	7,352	7,648
External Computer Service: Network Extensions	3,818	3,500	3,500		3,500
External Computer Service: System Development	76,635,017	20,342,000	20,342,000	52,645,393	-32,303,393
Hire Charges	88,697	303,210	49,400	40,102	9,298
Insurance Underwriting: Premiums	420,921	300,820	511,920	458,278	53,642
Learnerships and Internships	60,592			-32,188	32,188
Licences: Motor Vehicle Licence and Registrations		24,410	24,410		24,410
Municipal Services			90,000	-67,261	157,261

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Printing, Publications and Books			2,000	1,357	643
Registration Fees: Seminars, Conferences, Workshops and Events: National	2,000	3,000	3,000		3,000
Signage		10,000	10,000		10,000
Skills Development Fund Levy	319,034	753,530	242,080	340,977	-98,897
Travel Agency and Visa's	15,505	30,350	30,350	5,340	25,010
Travel and Subsistence:Domestic:Accommodation	44,060	18,670	18,670	41,043	-22,373
Travel and Subsistence:Domestic:Daily Allowance	104,683	10,820	10,820	14,858	-4,038
Travel and Subsistence:Domestic:Food and Beverage (Served)	2,165	1,000	1,000		1,000
Travel and Subsistence:Domestic:Incidental Cost		700	700		700
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	45,942	33,160	33,160	8,639	24,521
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	13,335				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		12,760	12,760		12,760
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		1,000	1,000		1,000
Travel and Subsistence:Foreign:Accommodation	26,798				0
Travel and Subsistence:Foreign:Daily Allowance	26,833				0
Travel and Subsistence:Foreign:Incidental Cost	1,100				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	16,780				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Road Transport	2,960				0
Travel and Subsistence:Non-employees	-5,927			8,070	-8,070
Uniform and Protective Clothing	175,491	40,000	55,000	40,507	14,493
Wet Fuel				3,084	-3,084
Workmen's Compensation Fund	577			5,382	-5,382
Other materials	408,149	655,600	705,600	364,053	341,547

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Inventory Consumed:Consumables:Standard Rated	166,923	366,090	356,090	207,826	148,264
Inventory Consumed:Consumables:Zero Rated	127,375	250,650	250,650	82,282	168,368
inventory Consumed: Finished Goods	113,850	38,860	88,860	70,283	18,577
inventory Consumed: Materials and Supplies			10,000	3,661	6,339
Transfers and subsidies	-34,604,901	97,720,020	102,715,020	-16,680,457	119,395,477
Provincial Departmental Agencies: Subsidiary Entity	-35,025,533	93,500,020	102,500,020	-16,774,637	119,274,657
Non-profit institutions: Use - It	420,632	4,220,000	215,000	94,180	120,820
Agency services	-987	-1,740	-1,740	-949	-791
Department of Environmental Affairs: Alien Clearing Operational	-987	-1,740	-1,740	-949	-791
Interest earned - external investments	-68,270	-262,430	-262,430		-262,430
Interest: Short Term Investments and Call Accounts	-68,270	-262,430	-262,430		-262,430
Other revenue	-14,948,301	-21,137,910	-21,137,910	-13,827,542	-7,310,368
Collection Charges	-22,174	-10,720	-10,720	-53,130	42,410
Commission: Transaction Handling Fees	-14,762,807	-20,980,640	-20,980,640	-13,662,705	-7,317,935
Incidental Cash Surpluses	-4,551	-1,030	-1,030	-262	-768
Insurance Refund	-62,748	-67,240	-67,240	-33,665	-33,575
Staff Recoveries	-9,350	-650	-650	-6,301	5,651
Buyers Card	-30,870	-14,240	-14,240	-26,017	11,777
Computer Services	-46,452	-63,390	-63,390	-45,461	-17,929
Scrap, Waste & Other Goods: Scrap	-9,350				0
Property rates				7,112,181	-7,112,181
Revenue: on-exchange Revenue: Property Rates: Formal and Informal Settlements				7,112,181	-7,112,181
Rental of facilities and equipment	-1,818,444	-2,119,060	-2,119,060	-1,766,655	-352,405
Ad-hoc rentals: Community Assets	-1,818,444	-2,119,060	-2,119,060	-1,637,310	-481,750
Ad-hoc rentals: Machinery and Equipment				-124,528	124,528
Sub-lease Payment: Water Supply Infrastructure				-4,817	4,817

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Transfers and subsidies	-107,000,000	-93,500,020	-104,022,520	-102,500,020	-1,522,500
National Governments: Integrated City Development Grant			-1,323,910		-1,323,910
National Governments: Local Government Financial Management Grant			-198,590		-198,590
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-107,000,000	-93,500,020	-102,500,020	-102,500,020	0

Vote 5: Corporate Services

TABLE 5.43: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 5 - Corporate Services	378,012,548	405,811,220	392,620,940	356,867,824	35,753,116
Expenditure By Type	390,946,200	415,949,870	417,835,070	381,137,510	36,697,560
Contracted services	14,649,968	30,028,980	28,741,950	13,628,547	15,113,403
Depreciation and asset impairment	53,036,721	25,867,540	25,867,540	35,438,146	-9,570,606
Employee related costs	232,042,575	264,027,080	257,082,690	236,257,663	20,825,027
Finance charges	994,650	885,930	885,930	664,145	221,785
Other expenditure	80,982,852	84,009,590	94,104,860	91,910,130	2,194,730
Other materials	3,661,664	5,130,750	5,152,100	3,037,380	2,114,720
Transfers and subsidies	5,577,770	6,000,000	6,000,000	201,500	5,798,500
Revenue By Source	-12,933,652	-10,138,650	-25,214,130	-24,269,686	-944,444
Agency services	-3,545,019	-3,324,870	-3,057,040	-3,733,209	676,169
Other revenue	-744,874	-138,970	-58,660	-695,607	636,947
Rental of facilities and equipment	-4,762,908	-2,805,360	-8,838,070	-10,066,503	1,228,433
Transfers and subsidies	-3,880,852	-3,869,450	-13,260,360	-9,774,367	-3,485,993

TABLE 5.44: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 5 - Corporate Services	378,012,548	405,811,220	392,620,940	356,867,824	35,753,116
Contracted services	14,649,968	30,028,980	28,741,950	13,628,547	15,113,403
Consultants and Professional Services:					
Business and Advisory: Human Resources		450,000	350,000		350,000
Business and Advisory: Project Management	136,823	171,200	171,200		171,200
Legal Cost: Legal Advice and Litigation	1,388,396	1,500,000	900,000	1,845,460	-945,460
Contractors:					
Catering Services	15,675	138,500	73,500	151,202	-77,702
Fire Protection	198,601	1,389,280	1,303,280	78,285	1,224,995
Maintenance of Buildings and Facilities	5,777,177	11,773,720	13,987,720	7,544,702	6,443,018
Maintenance of Equipment	2,208,193	6,113,680	4,886,650	1,204,512	3,682,138
Pest Control and Fumigation	115,284	353,210	290,210	55,350	234,860
Plants, Flowers and Other Decorations	1,474,402	1,500,000	1,130,000	1,258,232	-128,232
Safeguard and Security		250,000	160,000		160,000
Stage and Sound Crew	26,589	300,000	300,000		300,000
Transportation	5,500		30,000	17,230	12,771
Outsourced Services:					
Business and Advisory: Human Resources	129,704	100,000			0
Business and Advisory: Organisational	-2				0
Business and Advisory: Project Management	1,796,218	3,874,700	3,044,700	270,896	2,773,804
Business and Advisory: Qualification Verification				19,267	-19,267
Catering Services	10,724	250,000	250,000	19,245	230,756
Cleaning Services	456,967	475,000	353,000	284,180	68,820
Clearing and Grass Cutting Services	600,881	585,000	825,000	441,415	383,585
Hygiene Services	194,565	458,210	280,210	166,935	113,275

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Printing Services	57,329	100,000	100,000	163,173	-63,173
Refuse Removal	45,148	39,680	99,680	101,370	-1,690
Transport Services	11,795	206,800	206,800	7,095	199,706
Depreciation and asset impairment	53,036,721	25,867,540	25,867,540	35,438,146	-9,570,606
Furniture and Office Equipment	53,036,721	25,867,540	25,867,540	35,438,146	-9,570,606
Employee related costs	232,042,575	264,027,080	257,082,690	236,257,663	20,825,027
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Cellular and Telephone	3,013	3,460	1,580	1,572	8
Allowances: Housing Benefits and Incidental: Essential User	2,567,579	2,900,800	2,897,230	2,807,973	89,257
Allowances: Housing Benefits and Incidental: Housing Benefits	1,011,684	1,119,090	1,091,810	1,024,160	67,650
Allowances: Service Related Benefits: Acting and Post Related Allowances	1,299,198	80,000	436,310	1,167,967	-731,657
Allowances: Service Related Benefits: Bonus	11,187,945	12,436,180	13,030,670	11,873,080	1,157,590
Allowances: Service Related Benefits: Long Service Award	7,950,832	8,656,170	8,337,450	8,243,448	94,002
Allowances: Service Related Benefits:Overtime:Night Shift	132,780	227,900	209,950	73,632	136,318
Allowances: Service Related Benefits:Overtime:Non Structured	5,056,234	4,939,650	4,984,680	3,854,328	1,130,352
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	88,604	97,340	97,340	96,795	545
Allowances: Service Related Benefits:Overtime:Structured	56,480			3,543	-3,543
Allowances: Service Related Benefits: Scarcity Allowance	222,126	244,020	236,050	236,008	42
Allowances: Service Related Benefits: Standby Allowance	759,467	780,050	782,280	872,449	-90,169
Allowances: Travel or Motor Vehicle	5,141,415	5,998,230	5,821,190	5,066,624	754,566
Basic Salary and Wages	156,431,724	180,399,610	175,187,980	159,012,714	16,175,266
Bonuses	29,314	38,650	38,650	19,374	19,276
Municipal Staff: Social Contributions:					
Bargaining Council	55,379	60,490	54,270	57,076	-2,806
Group Life Insurance	1,466,088	1,630,960	1,588,340	1,561,195	27,145

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Medical	12,888,324	13,610,820	13,294,200	13,294,477	-277
Pension	24,619,497	27,414,300	25,862,690	25,286,713	575,977
Unemployment Insurance	1,074,891	1,169,360	876,020	1,073,155	-197,135
Senior Management: Designation:					
Salaries and Allowances: Basic Salary		1,920,000	2,000,000	553,452	1,446,548
Salaries and Allowances: Bonuses		300,000	254,000	77,483	176,517
Social Contributions: Unemployment Insurance				446	-446
Finance charges	994,650	885,930	885,930	664,145	221,785
Interest Paid:Borrowings:Annuity Loans	994,650	885,930	885,930	664,145	221,785
Other expenditure	80,982,852	84,009,590	94,104,860	91,910,130	2,194,730
Operating Leases:					
Computer Equipment	655,814	1,129,000	1,129,000	13,271	1,115,729
Furniture and Office Equipment	2,678,118	3,512,500	3,282,500	2,776,484	506,016
Other Assets	2,856,875	4,165,480	4,315,480	3,872,315	443,165
Operational Cost:					
Achievements and Awards	60,075				0
Advertising, Publicity and Marketing: Corporate and Municipal Activities	951,786	2,965,000	2,438,000	8,541	2,429,459
Advertising, Publicity and Marketing: Staff Recruitment	88,285	250,000	200,000	250,626	-50,626
Advertising, Publicity and Marketing: Tenders	156,072	210,000	210,000	100,105	109,895
Assets less than the Capitalisation Threshold	706,548	1,543,090	1,409,690	271,585	1,138,105
Bursaries (Employees)	417,740	1,000,000	1,000,000	519,869	480,131
Cleaning Services: Laundry Services	10,534	70,000	70,000	1,199	68,801
Communication: Cellular Contract (Subscription and Calls)	1,783,071	2,319,240	3,274,240	2,100,471	1,173,769
Communication: Licences (Radio and Television)	287,335	170,000	349,000	286,854	62,146
Communication: Postage/Stamps/Frinking Machines	16,775	60,000	30,000	14,380	15,620
Communication: MS Bulk Message Service	5,116	19,230	19,230	2,985	16,245

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Telephone, Fax, Telegraph and Telex	6,721,263	9,054,020	8,989,020	6,521,705	2,467,315
Courier and Delivery Services	245,999	355,000	350,000	268,694	81,307
Drivers Licences and Permits			2,000	324	1,676
External Computer Service: Data Lines	464,089	420,000	320,000	400,656	-80,656
External Computer Service: Information Services	2,591,858	2,525,000	5,231,870	10,937,135	-5,705,265
External Computer Service: Internet Charge	775,353	630,000	132,970	270,737	-137,767
External Computer Service: Network Extensions	3,558	168,900	118,900	9,359	109,542
External Computer Service: Software Licences	38,452,885	24,732,250	26,849,710	32,244,037	-5,394,327
External Computer Service: Wireless Network	-283,621	5,000,000	1,485,680	4,132,630	-2,646,950
Hire Charges		120,000	120,000		120,000
Insurance Underwriting: Premiums	2,195,446	2,642,160	2,677,660	2,442,965	234,695
Learnerships and Internships	4,047,839	2,000,000	9,260,360	5,887,555	3,372,805
Licences: Motor Vehicle Licence and Registrations		5,000	5,000	1,510	3,490
Municipal Services	1,234,971	1,456,830	3,744,830	2,617,581	1,127,249
Printing, Publications and Books	8,712	70,000	50,000	5,722	44,278
Registration Fees: Seminars, Conferences, Workshops and Events: National	53,686	310,000	280,000		280,000
Remuneration to Ward Committees	11,531,000	14,400,000	13,400,000	13,656,000	-256,000
Skills Development Fund Levy	1,814,431	2,169,490	2,169,490	1,893,393	276,097
Storage of Files (Archiving)		95,000	50,000	8,809	41,191
Travel Agency and Visa's	21,710	25,000	23,130	14,069	9,061
Travel and Subsistence: Domestic: Accommodation	110,398	103,300	96,000	13,183	82,817
Travel and Subsistence: Domestic: Daily Allowance	51,111	68,350	68,350	25,827	42,523
Travel and Subsistence: Domestic: Food and Beverage (Served)	3,391	10,000	10,000		10,000
Travel and Subsistence: Domestic: Incidental Cost	3,703	300	300	9,917	-9,617
Travel and Subsistence: Domestic: Transport with Operator: Public Transport: Air Transport	29,500	87,500	62,500	17,523	44,977

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	30,310				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		50,000	87,000	171,236	-84,236
Travel and Subsistence:Domestic:Transport without Operator: Own Transport	2,888	15,000	15,000		15,000
Travel and Subsistence:Non-employees	12,926		150,000	12,740	137,260
Uniform and Protective Clothing	155,970	82,950	627,950	75,083	552,867
Wet Fuel				708	-708
Workmen's Compensation Fund	29,333			52,349	-52,349
Other materials	3,661,664	5,130,750	5,152,100	3,037,380	2,114,720
Inventory Consumed:Consumables:Standard Rated	3,122,666	4,379,070	4,440,420	2,743,239	1,697,181
Inventory Consumed:Consumables:Zero Rated	368,850	381,640	361,640	117,099	244,541
Inventory Consumed: Finished Goods	54,666	140,340	120,340	54,691	65,649
Inventory Consumed: Materials and Supplies	115,482	229,700	229,700	122,351	107,349
Transfers and subsidies	5,577,770	6,000,000	6,000,000	201,500	5,798,500
Non-Profit Institutions: Public Schools: Section 20 Schools			75,000		75,000
Provincial Departmental Agencies: Northern Cape Economic Development Agency	35,000	35,000	35,000		35,000
Blind Workers Organisation Johannesburg	45,000	45,000	45,000		45,000
Social Assistance: Old Age Grant	120,000	120,000	120,000		120,000
Animal Welfare	100,000	100,000	100,000		100,000
Non-profit institutions: Old Age Homes	954,200	969,200	969,200	15,000	954,200
Other Educational Institutions: School Support		1,565,500	1,565,500	49,500	1,516,000
Public Schools: Section 20 Schools	75,000	75,000			0
Public Schools: Section 21 Schools: Services Rendered	1,321,000				0
Non-profit institutions: Sporting Bodies - Rent	870,870	959,500	959,500		959,500
Non-profit institutions: Use - It	2,056,700	2,130,800	2,130,800	137,000	1,993,800
Agency services	-3,545,019	-3,324,870	-3,057,040	-3,733,209	676,169

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Alien Clearing Management Fees	-3,545,019	-3,324,870	-3,057,040	-3,733,209	676,169
Other revenue	-744,874	-138,970	-58,660	-695,607	636,947
Operational Revenue:					
Administrative Handling Fees				-44,939	44,939
Discounts and Early Settlements	-1,809	-4,800	-2,090	-18,326	16,236
Insurance Refund	-626,409		-40,060	-447,334	407,274
Request for Information: Access to Information Act				-14,084	14,084
Request for Information: Duplicate IRP 5 Certificate				-25	25
Request for Information: Municipal Information and Statistics	-4,150		-1,040	-1,037	-3
Staff Recoveries	-3,325	-2,150		-3,623	3,623
Sales of Goods and Rendering of Services:					
Advertisements				-149,807	149,807
Meal and Refreshment	-46,790	-53,750	-14,440	-14,432	-8
Sale of Goods: Assets < Capitalisation Threshold	-5,021				0
Sale of Goods: Consumables		-5,000			0
Sale of Goods: Publications: Prints	-56,675	-73,270	-1,030	-2,000	970
Scrap, Waste & Other Goods: Recycling of Waste	-696				0
Rental of facilities and equipment	-4,762,908	-2,805,360	-8,838,070	-10,066,503	1,228,433
Straight-lined Operating	-3,016,990		-7,924,850	-9,449,096	1,524,246
Ad-hoc rentals: Community Assets	-70,592	-113,040	-96,170	-69,960	-26,210
Straight-lined Operating: Other Assets		-50,000			0
Ad-hoc rentals	-130,623		-147,930	-140,217	-7,713
Ad-hoc rentals: Community Assets	-1,444,597	-1,747,570	-523,710	-392,124	-131,586
Ad-hoc rentals: Machinery and Equipment	-94,050	-190,450	-141,110	-8,415	-132,695
Ad-hoc rentals: Other Assets		-400,000			0
Straight-lined Operating: Community Assets	-6,055	-4,300	-4,300	-6,690	2,390
Straight-lined Operating: Other Assets		-300,000			0

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Transfers and subsidies	-3,880,852	-3,869,450	-13,260,360	-9,774,367	-3,485,993
Local Government, Water and Related Service SETA	-3,880,852	-3,869,450	-9,260,360	-5,774,367	-3,485,993
National Revenue Fund: Fuel Levy (RSC Replacement Grant)			-4,000,000	-4,000,000	0

Vote 6: Rate and General Engineers

TABLE 5.45: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 6 - Infrastructure & Engineering Unit - Rate and General	769,889,002	701,140,929	725,647,360	764,997,438	-39,350,078
Expenditure By Type	832,475,820	883,313,139	943,874,190	875,536,756	68,337,434
Contracted services	172,819,961	230,660,080	282,563,470	213,920,217	68,643,253
Depreciation and asset impairment	333,909,018	255,141,670	255,141,670	321,666,779	-66,525,109
Employee related costs	236,984,667	287,111,829	291,172,950	249,277,345	41,895,605
Finance charges	42,832,632	39,591,270	39,591,270	41,921,832	-2,330,562
Loss on disposal of PPE				-6,871	6,871
Other expenditure	26,592,026	48,314,880	53,447,360	31,480,699	21,966,661
Other materials	18,959,818	21,393,410	20,857,470	16,205,108	4,652,362
Transfers and subsidies	377,699	1,100,000	1,100,000	1,071,648	28,353
Revenue By Source	-62,586,818	-182,172,210	-218,226,830	-110,539,318	-107,687,512
Gains on disposal of PPE		-510,000	-510,000		-510,000
Other revenue	-15,196,912	-22,669,750	-7,483,330	-10,283,456	2,800,126
Rental of facilities and equipment	-103,273			-1,123	1,123
Transfers and subsidies	-47,286,633	-158,992,460	-210,233,500	-100,254,739	-109,978,761

TABLE 5.56: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 6 - Infrastructure & Engineering Unit - Rate and General	627,570,457	421,451,029	593,782,330	418,945,577	174,836,753
Contracted services	172,819,961	230,660,080	282,563,470	213,920,217	68,643,253
Consultants and Professional Services:					
Business and Advisory: Project Management	8,282,099	52,223,720	33,073,720	8,454,651	24,619,069
Business and Advisory: Quality Control	1,347,414	0	123,000		123,000
Infrastructure and Planning:Engineering:Civil	1,338,160	5,987,010	11,300,100	1,717,037	9,583,063
Laboratory Services: Roads	190,582	200,000	200,000	238,315	-38,315
Legal Cost: Legal Advice and Litigation	5,222,075	7,272,300	7,592,300	6,539,741	1,052,559
Contractors:					
Catering Services	14,660	106,860	45,000		45,000
Gas	358,041	522,000	522,000	275,196	246,804
Maintenance of Buildings and Facilities	18,098,252	24,474,550	35,103,960	32,986,763	2,117,197
Maintenance of Equipment	19,456,782	34,487,770	31,327,770	22,333,358	8,994,412
Maintenance of Unspecified Assets	12,459,089	17,460,360	43,160,360	36,636,357	6,524,004
Medical Services	9,029	45,810	45,810		45,810
Safeguard and Security				39,850	-39,850
Traffic and Street Lights	493,189	627,000	627,000	685,266	-58,266
Transportation	31,759,177	35,237,600	33,237,600	31,906,180	1,331,420
Outsourced Services:					
Administrative and Support Staff				1,787,656	-1,787,656
Business and Advisory: Project Management	73,678,914	49,343,290	75,591,610	67,505,706	8,085,904
Business and Advisory: Quality Control		2,000,000	1,828,520	1,242,457	586,063
Business and Advisory: Research and Advisory		100,000	100,000		100,000
Clearing and Grass Cutting Services		95,290			0
Hygiene Services		252,000	272,000	2,141	269,859

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Illegal Dumping	21,000	0			0
Medical Waste Removal	95,357	212,720	212,720	159,969	52,751
Meter Management			1,500,000	1,381,380	118,620
Refuse Removal	-3,859	11,800		28,193	-28,193
Security Services		0	6,700,000		6,700,000
Depreciation and asset impairment	333,909,018	255,141,670	255,141,670	321,666,779	-66,525,109
Furniture and Office Equipment	333,909,018	255,141,670	255,141,670	321,666,779	-66,525,109
Employee related costs	236,984,667	287,111,829	291,172,950	249,277,345	41,895,605
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,308,137	1,841,390	1,659,740	1,370,777	288,963
Allowances: Housing Benefits and Incidental: Housing Benefits	825,383	1,008,490	876,600	840,207	36,393
Allowances: Non-pensionable	6,390	12,130	10,550	4,314	6,236
Allowances: Service Related Benefits: Acting and Post Related Allowances	1,930,988	610,000	2,274,990	2,837,437	-562,447
Allowances: Service Related Benefits: Bonus	11,544,078	13,766,890	13,881,460	12,262,495	1,618,965
Allowances: Service Related Benefits: Long Service Award	8,356,371	9,660,220	9,114,510	8,040,622	1,073,888
Allowances: Service Related Benefits:Overtime:Night Shift	8,465	24,000	20,120	3,966	16,154
Allowances: Service Related Benefits:Overtime:Non Structured	5,349,645	6,194,980	6,416,190	7,781,651	-1,365,461
Allowances: Service Related Benefits: Scarcity Allowance	3,638,864	4,448,860	4,346,240	3,678,942	667,299
Allowances: Service Related Benefits: Standby Allowance	1,043,593	1,039,830	1,162,830	1,154,275	8,555
Allowances: Travel or Motor Vehicle	3,926,478	6,021,380	5,882,020	4,135,606	1,746,414
Basic Salary and Wages	150,632,574	186,836,009	192,138,480	156,925,653	35,212,827
Bonuses	4,220,245	4,274,370	4,545,000	4,926,453	-381,453
Municipal Staff: Social Contributions:					
Bargaining Council	56,253	62,580	60,690	56,775	3,915
Group Life Insurance	1,517,961	1,687,060	1,665,230	1,605,085	60,145
Medical	14,110,087	16,022,560	15,379,470	14,373,769	1,005,701

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Pension	25,209,671	29,576,250	27,829,200	25,792,530	2,036,670
Unemployment Insurance	1,041,736	1,301,190	1,261,200	961,262	299,938
Senior Management: Designation:					
Salaries and Allowances: Basic Salary	2,075,170	2,346,640	2,346,640	2,213,808	132,832
Salaries and Allowances: Bonuses	180,794	300,000	300,000	309,933	-9,933
Social Contributions: Unemployment Insurance	1,785	2,000	1,790	1,785	5
(blank)		75,000			0
Finance charges	42,832,632	39,591,270	39,591,270	41,921,832	-2,330,562
Interest Paid:Borrowings:Annuity Loans	42,819,000	39,591,270	39,591,270	39,031,547	559,723
Interest Paid: Overdue Accounts	13,632			2,890,285	-2,890,285
Loss on disposal of PPE				-6,871	6,871
Gains and Losses: Machinery and Equipment: Losses				-6,871	6,871
Other expenditure	26,592,026	48,314,880	53,447,360	31,480,699	21,966,661
Operating Leases:					
Computer Equipment	59,759	140,250	97,700	1,717	95,983
Furniture and Office Equipment	309,211	517,070	505,040	313,176	191,864
Other Assets	305,358	1,060,000	2,571,660	1,068,402	1,503,258
Transport Assets	8,345,700	24,565,630	24,565,630	10,994,970	13,570,660
Operational Cost:					
Advertising, Publicity and Marketing: Bursaries (Non-employees)	8,102	45,000	45,000	25,481	19,519
Advertising, Publicity and Marketing: Corporate and Municipal Activities	10,914	69,860	21,100	8,340	12,760
Advertising, Publicity and Marketing: Staff Recruitment	66,968	383,300	315,300	98,789	216,511
Advertising, Publicity and Marketing: Tenders	382,188	330,000	201,500	194,079	7,421
Assets less than the Capitalisation Threshold	338,401	439,540	661,540	165,531	496,009
Cleaning Services: Laundry Services	22,586	57,200	57,200	36,656	20,544
Communication: Cellular Contract (Subscription and Calls)	1,080,627	1,243,300	1,258,300	1,249,953	8,347
Communication: Licences (Radio and Television)		2,520	2,520		2,520

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Postage/Stamps/Frinking Machines	4,542	8,000	8,000	4,799	3,201
Communication: Telephone Installation		22,480			0
Communication: Telephone, Fax, Telegraph and Telex	100,553	225,480	225,480	96,328	129,152
Drivers Licences and Permits	7,543	23,200	23,700	4,907	18,793
External Computer Service: Data Lines	26,113	88,600	88,600	13,398	75,202
External Computer Service: Information Services	12,164	38,800	38,800	13,125	25,675
External Computer Service: Internet Charge	55,352	250,000	621,200	342,260	278,940
External Computer Service: Network Extensions	954	29,120	29,120	5,620	23,500
External Computer Service: Software Licences	1,070,678	1,620,200	1,223,000	810,266	412,734
External Computer Service: Wireless Network	11,997	1,310,000	1,110,000	37,445	1,072,555
Hire Charges	2,568,673	520,000	2,020,000	1,648,449	371,551
Insurance Underwriting: Claims paid to Third Parties	2,717,721	2,390,000	2,890,000	1,858,795	1,031,205
Insurance Underwriting: Premiums	1,156,896	2,252,600	2,039,300	822,008	1,217,292
Licences: Motor Vehicle Licence and Registrations	4,070,417	6,675,310	6,675,310	7,590,833	-915,523
Municipal Services	-69,291	239,530	1,505,000	459,711	1,045,289
Printing, Publications and Books	3,801	4,000	4,000		4,000
Professional Bodies, Membership and Subscription	46,463	72,500	72,500	31,516	40,984
Registration Fees: Professional and Regulatory Bodies	67,538	215,000	218,000	7,875	210,125
Registration Fees: Seminars, Conferences, Workshops and Events: National	240,793	323,610	239,000	1,022	237,978
Skills Development Fund Levy	2,536,419	2,073,720	3,305,950	2,668,888	637,062
Travel Agency and Visa's	12,950	27,280	16,000	794	15,206
Travel and Subsistence:Domestic:Accommodation	43,566	75,690	57,260	1,868	55,392
Travel and Subsistence:Domestic:Daily Allowance	17,417	14,570	14,570		14,570
Travel and Subsistence:Domestic:Food and Beverage (Served)	517	9,620	5,000		5,000
Travel and Subsistence:Domestic:Incidental Cost	247	7,750	7,200		7,200
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	51,114	137,060	89,000	5,037	83,963

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	3,464	11,110	10,800		10,800
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		32,520	26,320		26,320
Travel and Subsistence:Non-employees	12,538	9,380	9,380		9,380
Uniform and Protective Clothing	729,980	754,080	572,380	719,497	-147,117
Wet Fuel				2,480	-2,480
Workmen's Compensation Fund	161,096			176,682	-176,682
Other materials	18,959,818	21,393,410	20,857,470	16,205,108	4,652,362
Inventory Consumed:Consumables:Standard Rated	1,786,544	2,585,460	2,840,930	1,858,744	982,186
Inventory Consumed:Consumables:Zero Rated	12,834,436	13,069,670	12,878,930	11,619,971	1,258,959
Inventory Consumed: Finished Goods	4,260,531	5,546,180	4,945,510	2,632,465	2,313,045
Inventory Consumed: Materials and Supplies	78,307	192,100	192,100	93,928	98,172
Transfers and subsidies	377,699	1,100,000	1,100,000	1,071,648	28,353
Households: Other Transfers (Cash):Bursaries (Non-Employee)	377,699	1,100,000	1,100,000	1,071,648	28,353
Gains on disposal of PPE		-510,000	-510,000		-510,000
Gains and Losses: Transport Assets: Gains		-510,000	-510,000		-510,000
Other revenue	-15,196,912	-22,669,750	-7,483,330	-10,283,456	2,800,126
Operational Revenue:					
Administrative Handling Fees	-78,974	-190,000	-190,000	-179,667	-10,333
Insurance Refund	-978,458	-966,210	-1,212,030	-403,878	-808,152
Recovery Infrastructure Maintenance	-2,859,678				0
Recovery Maintenance				-4,231,307	4,231,307
Staff Recoveries	-1,354	-1,200	-1,200	-6,696	5,496
Sales of Goods and Rendering of Services:					
Application Fees for Land Usage	-261				0
Laboratory Services	-833,931	-1,512,340	-580,000	-390,145	-189,855
Sale of Goods: Assets < Capitalisation Threshold				-1,248	1,248

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Sale of Goods:Publications:Books			-100	-565	465
Scrap, Waste & Other Goods: Scrap				-2,665	2,665
Transport Fees	-10,444,258	-20,000,000	-5,500,000	-5,067,285	-432,715
Rental of facilities and equipment	-103,273			-1,123	1,123
Straight-lined Operating: Machinery and Equipment	-103,273			-1,123	1,123
Transfers and subsidies	-47,286,633	-158,992,460	-210,233,500	-100,254,739	-109,978,761
National Governments: Public Transport Network Grant	-42,021,706	-144,992,460	-169,633,500	-61,676,911	-107,956,589
National Revenue Fund: Fuel Levy (RSC Replacement Grant)			-26,600,000	-26,600,000	0
Capacity Building and Other: Specify (Add grant description)	-5,264,926	-14,000,000	-14,000,000	-11,977,827	-2,022,173

Vote 7: Water Services

TABLE 5.47: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 7 -Metro Water Service	-202,776,165	-460,497,010	-697,035,720	-284,986,369	-412,049,351
Expenditure By Type	1,199,003,567	881,865,690	943,278,240	1,685,331,610	-742,053,370
Bulk purchases	128,130,995	134,784,000	134,784,000	125,987,239	8,796,761
Contracted services	85,162,015	169,422,320	155,197,140	78,840,356	76,356,784
Debt impairment	485,587,842	126,091,130	195,274,740	925,954,832	-730,680,092
Depreciation and asset impairment	165,581,391	41,563,390	41,563,390	155,182,618	-113,619,228
Employee related costs	183,033,687	207,100,830	220,425,200	228,522,655	-8,097,455
Finance charges	17,630,301	30,118,700	24,071,840	23,186,982	884,858
Other expenditure	97,680,734	115,057,360	121,341,970	109,595,578	11,746,392
Other materials	36,196,600	57,727,960	50,619,960	38,061,350	12,558,610
Revenue By Source	-1,401,779,732	-1,342,362,700	-1,640,313,960	-1,970,317,979	330,004,019
Interest earned - outstanding debtors	-23,532,311	-87,452,840	-118,153,060	-168,265,336	50,112,276

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Other revenue	-557,048		-31,270	-24,814	-6,456
Rental of facilities and equipment	-638,084	-725,340	-625,340	-687,765	62,425
Service charges - water revenue	-1,189,576,359	-1,050,759,400	-1,301,831,630	-1,578,366,944	276,535,314
Transfers and subsidies	-187,475,930	-203,425,120	-219,672,660	-222,973,120	3,300,460

TABLE 5.48: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 7 - Metro Water Service	-406,074,913	-618,547,010	-987,185,720	-484,872,102	-502,313,618
Bulk purchases	128,130,995	134,784,000	134,784,000	125,987,239	8,796,761
Bulk Purchases: Water	128,130,995	134,784,000	134,784,000	125,987,239	8,796,761
Contracted services	85,162,015	169,422,320	155,197,140	78,840,356	76,356,784
Consultants and Professional Services:					
Business and Advisory: Research and Advisory	223,480	200,000	200,000	136,860	63,140
Infrastructure and Planning:Engineering:Civil	104,943	108,290	4,290	186,061	-181,771
Legal Cost: Legal Advice and Litigation	4,101,352	2,112,020	2,112,020	514,894	1,597,126
Contractors:					
Gas	3,120	12,570	12,570	1,128	11,442
Maintenance of Buildings and Facilities	232,041	4,281,710	3,846,710	61,288	3,785,422
Maintenance of Equipment	70,218,776	134,393,010	121,283,090	61,628,813	59,654,277
Maintenance of Unspecified Assets	200,751	2,233,490	2,183,490		2,183,490
Pest Control and Fumigation	5,870	84,560	84,560	1,980	82,580
Safeguard and Security	39,885		24,000	35,596	-11,596
Sewerage Services	18,725	280,000	180,000		180,000
Outsourced Services:					
Alien Vegetation Control		5,121,190	4,221,190	825,567	3,395,623
Business and Advisory: Project Management	8,899,664	14,954,990	15,834,730	13,700,584	2,134,146

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory: Research and Advisory		50,000	50,000		50,000
Clearing and Grass Cutting Services	1,113,409	5,536,850	5,076,850	1,747,585	3,329,265
Hygiene Services		17,000	17,000		17,000
Refuse Removal		0	30,000		30,000
Sewerage Services		36,640	36,640		36,640
Debt impairment	485,587,842	126,091,130	195,274,740	925,954,832	-730,680,092
Gains and Losses: Water	485,587,842	126,091,130	195,274,740	925,954,832	-730,680,092
Depreciation and asset impairment	165,581,391	41,563,390	41,563,390	155,182,618	-113,619,228
Furniture and Office Equipment	1,262,573			153,253,380	-153,253,380
Storm water Infrastructure: Storm Water Conveyance	5,002,729				0
Water Supply Infrastructure: Dams and Weirs	7,636,742	45,710			0
Water Supply Infrastructure: Pump Stations	3,227,358				0
Water Supply Infrastructure: Reservoirs	148,386,848	41,517,680	41,563,390	1,929,239	39,634,151
Water Supply Infrastructure: Water Treatment Works	65,140				0
Employee related costs	183,033,687	207,100,830	220,425,200	228,522,655	8,097,455
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	3,489,880	10,325,900	10,325,900	16,793,753	-6,467,853
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Cellular and Telephone	4,716	5,190	4,730	4,716	14
Allowances: Housing Benefits and Incidental: Essential User	907,092	996,440	988,710	988,685	25
Allowances: Housing Benefits and Incidental: Housing Benefits	594,892	676,070	626,840	638,889	-12,049
Allowances: Non-pensionable	1,440	6,420	1,080	960	120
Allowances: Service Related Benefits: Acting and Post Related Allowances	668,026	45,000	1,417,750	837,522	580,228
Allowances: Service Related Benefits: Bonus	7,756,021	8,475,700	9,031,980	8,061,037	970,943
Allowances: Service Related Benefits: Leave Pay	2,662,882	587,700	587,700	6,820,458	-6,232,758
Allowances: Service Related Benefits: Long Service Award	3,369,645	6,711,910	6,270,680	13,769,141	-7,498,461

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits:Overtime:Night Shift	961,653	944,580	1,118,830	1,152,377	-33,547
Allowances: Service Related Benefits:Overtime:Non Structured	34,553,915	24,471,820	27,727,870	40,160,909	-12,433,039
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	406,306	504,190	504,190	435,419	68,771
Allowances: Service Related Benefits:Overtime:Structured	675,515		514,130	713,361	-199,231
Allowances: Service Related Benefits: Scarcity Allowance	2,203,645	2,502,210	2,298,220	2,287,592	10,628
Allowances: Service Related Benefits: Standby Allowance	3,283,910	2,797,880	2,713,720	3,475,663	-761,943
Allowances: Travel or Motor Vehicle	1,608,684	2,284,570	2,147,010	1,623,977	523,033
Basic Salary and Wages	91,252,309	114,134,050	124,868,090	101,423,896	23,444,194
Municipal Staff: Social Contributions:					
Bargaining Council	37,505	40,930	38,470	37,759	711
Group Life Insurance	1,017,339	1,137,310	1,074,880	1,067,074	7,806
Medical	10,176,333	11,071,120	10,199,540	10,354,291	-154,751
Pension	16,743,562	18,685,690	17,354,400	17,179,254	175,146
Unemployment Insurance	658,419	696,150	610,480	695,923	-85,443
Finance charges	17,630,301	30,118,700	24,071,840	23,186,982	884,858
Interest Paid:Borrowings:Annuity Loans	17,630,301	30,118,700	24,071,840	23,186,982	884,858
Other expenditure	97,680,734	115,057,360	121,341,970	109,595,578	11,746,392
Operating Leases:					
Furniture and Office Equipment	142,472	223,630	223,630	130,631	92,999
Other Assets		2,070	2,070		2,070
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		10,950	10,950		10,950
Advertising, Publicity and Marketing: Staff Recruitment	7,644	30,000	30,000		30,000
Advertising, Publicity and Marketing: Tenders	32,249	70,070	98,570	83,564	15,006
Assets less than the Capitalisation Threshold	349,613	131,830	568,830	440,518	128,312

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Cellular Contract (Subscription and Calls)	444,380	802,940	725,440	531,094	194,346
Communication: Telemetric Systems	7,095	120,000	120,000	7,278	112,722
Communication: Telephone, Fax, Telegraph and Telex	603,119	835,210	835,210	690,157	145,053
Drivers Licences and Permits	804	10,510	10,510	1,168	9,342
External Computer Service: Network Extensions		12,500	12,500	4,275	8,225
External Computer Service: Software Licences		64,210	64,210	6,200	58,010
Hire Charges	47,633,052	44,971,980	47,663,980	51,922,920	-4,258,940
Insurance Underwriting: Claims paid to Third Parties	304,508	500,000	500,000	387,951	112,049
Insurance Underwriting: Premiums	1,213,785	1,358,250	1,810,250	1,544,910	265,340
Levies Paid - Water Resource Management Charges	9,304,135	11,539,220	11,539,220	9,547,030	1,992,190
Licences: Motor Vehicle Licence and Registrations	4,776	37,840	37,840	17,071	20,769
Municipal Services	34,771,377	44,969,340	48,388,940	40,316,813	8,072,127
Printing, Publications and Books	25,259	35,000	35,000	25,559	9,441
Professional Bodies, Membership and Subscription	77,278	72,000	72,000	64,537	7,463
Registration Fees: Seminars, Conferences, Workshops and Events: National	9,374	116,000	116,000		116,000
Skills Development Fund Levy	1,551,967	1,671,030	1,759,040	1,701,217	57,823
Travel Agency and Visa's	2,420	4,330	4,330		4,330
Travel and Subsistence:Domestic:Accommodation	10,495	22,820	22,820		22,820
Travel and Subsistence:Domestic:Daily Allowance	2,466	6,160	6,160		6,160
Travel and Subsistence:Domestic:Incidental Cost		770	770		770
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	8,607	40,320	40,320		40,320
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	2,337				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		18,970	18,970		18,970
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		12,500	12,500		12,500

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Uniform and Protective Clothing	589,206	1,040,040	1,085,040	842,608	242,432
Wet Fuel		5,647,000	4,847,000	1,150,925	3,696,075
Workmen's Compensation Fund	582,318	679,870	679,870	179,152	500,718
Other materials	36,196,600	57,727,960	50,619,960	38,061,350	12,558,610
Inventory Consumed:Consumables:Standard Rated	30,422,633	46,142,200	46,199,200	35,030,673	11,168,527
Inventory Consumed:Consumables:Zero Rated	4,820,789	2,785,330	3,010,330	2,494,878	515,452
Inventory Consumed: Finished Goods	144,770	681,470	691,470	153,858	537,612
Inventory Consumed: Materials and Supplies	808,408	8,118,960	718,960	381,941	337,019
Interest earned - outstanding debtors	-23,532,311	-87,452,840	-118,153,060	-168,265,336	50,112,276
Interest:Receivables:Water	-23,532,311	-87,452,840	-118,153,060	-168,265,336	50,112,276
Other revenue	-557,048		-31,270	-24,814	-6,456
Operational Revenue:					
Insurance Refund	-49,706		-30,000	-23,545	-6,455
Request for Information: Access to Information Act	-368,346				0
Staff Recoveries	-996		-1,270	-1,270	0
Sales of Goods and Rendering of Services:					
Scrap, Waste & Other Goods: Scrap	-138,000				0
Rental of facilities and equipment	-638,084	-725,340	-625,340	-687,765	62,425
Straight-lined Operating: Other Assets	-577,312	-660,000	-560,000	-619,701	59,701
Investment Property: Ad-hoc rentals	-60,771	-65,340	-65,340	-68,064	2,724
Service charges - water revenue	-1,189,576,359	-1,050,759,400	-1,301,831,630	-1,578,366,944	276,535,314
Agricultural and Rural Water Service	-30,263,801	-35,497,680	-37,197,680	-42,326,172	5,128,492
Availability Charges	-155,988,103	-166,272,590	-170,078,090	-166,232,902	-3,845,188
Connection/Disconnection	-5,039,392	-6,812,510	-5,531,240	-5,810,966	279,726
Industrial Water	-318,844,882	-268,155,360	-191,484,710	-273,131,248	81,646,538
Sale: Conventional	136,577,584	171,966,520	219,614,520	178,004,881	41,609,639
Sale: Flat Rate	-2,460,223	-2,585,120	-2,585,120	-2,624,392	39,272

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Urban Higher Level Service	-813,557,542	-743,402,660	-1,114,569,310	-1,266,246,127	151,676,817
Transfers and subsidies	-187,475,930	-203,425,120	-219,672,660	-222,973,120	3,300,460
National Revenue Fund: Equitable Share	-187,475,930	-203,425,120	-219,672,660	-222,973,120	3,300,460

Vote 8: Sanitation Services

TABLE 5.49: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 8 - Sanitation – Metro	-324,758,903	-388,245,630	-375,667,680	-280,639,663	95,028,017
Expenditure By Type	615,896,415	566,817,420	576,533,080	747,830,498	-171,297,418
Contracted services	91,266,234	157,762,970	143,793,560	126,356,141	17,437,419
Debt impairment	158,465,918	86,652,840	104,706,720	215,415,420	-110,708,700
Depreciation and asset impairment	127,437,023	31,937,570	31,937,570	136,043,486	-104,105,916
Employee related costs	194,770,077	238,922,330	240,660,530	224,021,211	16,639,319
Finance charges	17,789,976	19,943,840	19,194,580	18,049,285	1,145,295
Other expenditure	6,005,171	9,980,330	16,871,060	10,413,958	6,457,102
Other materials	20,162,017	21,617,540	19,369,060	17,530,997	1,838,063
Revenue By Source	-940,655,318	-955,063,050	-952,200,760	-1,028,470,161	76,269,401
Interest earned - outstanding debtors	-48,383,107	-36,520,140	-36,520,140	-64,297,153	27,777,013
Other revenue	-3,859,574	-5,485,000	-4,890,400	-4,314,243	-576,157
Service charges - sanitation revenue	-654,164,013	-722,107,000	-698,044,820	-709,116,505	11,071,685
Transfers and subsidies	-234,248,625	-190,950,910	-212,745,400	-250,742,260	37,996,860

TABLE 5.50: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 8 - Sanitation – Metro	-458,401,854	-543,115,180	-464,937,230	-358,446,623	-106,490,607
Contracted services	91,266,234	157,762,970	143,793,560	126,356,141	17,437,419
Consultants and Professional Services:					
Business and Advisory: Project Management		300,000	100,000		100,000
Business and Advisory: Research and Advisory	1,907,632	4,500,000	4,500,000	13,897	4,486,103
Legal Cost: Legal Advice and Litigation	519,657	1,440,620	1,440,620	17,300,116	-15,859,496
Contractors:					
Chipping	1,733		10,000		10,000
Gas	26,295	100,000	100,000		100,000
Maintenance of Buildings and Facilities	1,298,459	3,113,150	3,834,790	1,058,612	2,776,178
Maintenance of Equipment	16,649,626	32,881,340	31,655,360	18,529,224	13,126,136
Maintenance of Unspecified Assets	67,978	1,960,270	1,922,760	19,027	1,903,733
Pest Control and Fumigation	3,123	34,680	36,680	11,630	25,050
Sewerage Services	39,794,587	61,770,300	57,196,540	47,918,049	9,278,491
Transportation	5,996	85,000	85,000	41,569	43,431
Outsourced Services:					
Alien Vegetation Control		120,210	120,210	9,800	110,410
Business and Advisory: Project Management	10,994	1,365,490	1,270,000	316,278	953,722
Cleaning Services			236,090	29,999	206,091
Clearing and Grass Cutting Services	178,618	2,234,540	2,634,540	931,932	1,702,608
Hygiene Services	30,718,199	45,091,440	36,581,440	40,168,509	-3,587,069
Sewerage Services	83,336	2,763,340	2,066,940	7,500	2,059,440
Transport Services		2,590	2,590		2,590
Debt impairment	158,465,918	86,652,840	104,706,720	215,415,420	-110,708,700
Gains and Losses: Waste Water Management	158,465,918	86,652,840	104,706,720	215,415,420	-110,708,700

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Depreciation and asset impairment	127,437,023	31,937,570	31,937,570	136,043,486	-104,105,916
Furniture and Office Equipment	127,437,023	31,917,210	31,917,210	136,043,486	-104,126,276
Sanitation Infrastructure: Capital Spares		20,360	20,360		20,360
Employee related costs	194,770,077	238,922,330	240,660,530	224,021,211	16,639,319
Municipal Staff: Post-retirement Benefit:					
Pension: Current Service Cost	-6,365,544	9,095,580	9,095,580	7,166,746	1,928,834
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	480,455	527,780	529,370	529,343	27
Allowances: Housing Benefits and Incidental: Housing Benefits	693,391	761,680	761,600	781,236	-19,636
Allowances: Non-pensionable	4,710	11,270	4,920	4,920	0
Allowances: Service Related Benefits: Acting and Post Related Allowances	1,226,509		1,688,200	1,847,275	-159,075
Allowances: Service Related Benefits: Bonus	8,847,691	9,860,410	10,178,180	9,559,041	619,139
Allowances: Service Related Benefits: Leave Pay	3,863,051	500,000	500,000	5,111,933	-4,611,933
Allowances: Service Related Benefits: Long Service Award	2,651,508	6,098,040	5,322,010	15,241,539	-9,919,529
Allowances: Service Related Benefits:Overtime:Night Shift	828,366	1,183,950	1,068,320	741,995	326,325
Allowances: Service Related Benefits:Overtime:Non Structured	25,030,446	21,912,630	26,488,260	28,295,623	-1,807,363
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	579,623	709,670	711,670	810,993	-99,323
Allowances: Service Related Benefits:Overtime:Structured	1,213,161	2,943,900	1,282,700	1,339,010	-56,310
Allowances: Service Related Benefits: Scarcity Allowance	1,981,116	2,185,480	1,974,440	1,892,427	82,013
Allowances: Service Related Benefits: Standby Allowance	5,592,453	5,534,750	5,515,750	5,824,650	-308,900
Allowances: Travel or Motor Vehicle	2,126,767	3,498,900	3,392,580	2,086,359	1,306,221
Basic Salary and Wages	106,410,256	131,942,680	132,108,220	101,524,090	30,584,130
Bonuses	5,714,526	4,914,400	4,914,400	6,261,373	-1,346,973
Municipal Staff: Social Contributions:					
Bargaining Council	49,666	53,640	51,420	50,217	1,203
Group Life Insurance	1,362,544	1,509,370	1,469,640	1,463,533	6,107

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Medical	12,081,695	13,134,080	12,442,670	12,488,742	-46,072
Pension	19,540,637	21,663,740	20,324,320	20,185,005	139,315
Unemployment Insurance	857,051	880,380	836,280	815,159	21,121
Finance charges	17,789,976	19,943,840	19,194,580	18,049,285	1,145,295
Interest Paid:Borrowings:Annuity Loans	17,789,976	19,943,840	19,194,580	18,049,285	1,145,295
Other expenditure	6,005,171	9,980,330	16,871,060	10,413,958	6,457,102
Operating Leases:					
Furniture and Office Equipment	187,440	515,850	477,850	160,440	317,410
Operational Cost:					
Advertising, Publicity and Marketing: Staff Recruitment		5,000	5,000		5,000
Advertising, Publicity and Marketing: Tenders	22,045	114,890	109,890	34,084	75,806
Assets less than the Capitalisation Threshold	182,466	187,310	810,120	203,048	607,072
Cleaning Services: Laundry Services	2,340	63,800	52,780	1,260	51,520
Communication: Cellular Contract (Subscription and Calls)	720,978	1,277,270	1,277,270	852,603	424,667
Communication: Telemetric Systems		30,220	30,220		30,220
Communication: Telephone, Fax, Telegraph and Telex	7,127	120,690	68,690	7,183	61,507
Drivers Licences and Permits	4,364	26,570	26,570	4,222	22,348
External Computer Service: Data Lines		660	660		660
External Computer Service: Information Services				172,518	-172,518
External Computer Service: Network Extensions		39,870	33,880		33,880
External Computer Service: Software Licences		105,850	105,850		105,850
External Computer Service: Specialised Computer Service		940,530	940,530		940,530
Hire Charges	1,488,195	1,969,790	2,640,810	2,232,669	408,141
Insurance Underwriting: Claims paid to Third Parties	43,509	30,000	30,000	137,000	-107,000
Insurance Underwriting: Premiums	115,847	219,940	220,640	64,178	156,462
Learnerships and Internships	4,545				0
Licences: Motor Vehicle Licence and Registrations	10,749	81,370	81,370	48,095	33,275

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Services			5,530,990	3,704,351	1,826,639
Printing, Publications and Books		9,940	9,940		9,940
Professional Bodies, Membership and Subscription	43,002	58,530	58,530	32,412	26,118
Registration Fees: Seminars, Conferences, Workshops and Events: National	12,162	21,090	21,090		21,090
Signage		31,760	58,980		58,980
Skills Development Fund Levy	1,375,724	1,857,800	1,857,800	1,440,365	417,435
Travel Agency and Visa's	1,090	3,640	3,640		3,640
Travel and Subsistence:Domestic:Accommodation	8,610	18,360	18,360		18,360
Travel and Subsistence:Domestic:Daily Allowance		8,020	8,020		8,020
Travel and Subsistence:Domestic:Food and Beverage (Served)		610	610		610
Travel and Subsistence:Domestic:Incidental Cost		1,850	1,850		1,850
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	2,284	24,030	24,030		24,030
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		10,580	10,580		10,580
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		2,540	2,540		2,540
Uniform and Protective Clothing	1,660,108	2,166,820	2,036,820	1,046,325	990,495
Wet Fuel		30,000	310,000	238,693	71,307
Workmen's Compensation Fund	112,587	5,150	5,150	34,512	-29,362
Other materials	20,162,017	21,617,540	19,369,060	17,530,997	1,838,063
Inventory Consumed:Consumables:Standard Rated	13,883,203	11,399,740	10,006,140	12,612,330	-2,606,190
inventory Consumed:Consumables:Zero Rated	5,249,136	6,271,530	6,051,530	3,757,837	2,293,693
Inventory Consumed: Finished Goods	735,806	2,952,060	2,422,560	909,726	1,512,834
Inventory Consumed: Materials and Supplies	293,872	994,210	888,830	251,104	637,726
Interest earned - outstanding debtors	-48,383,107	-36,520,140	-36,520,140	-64,297,153	27,777,013
Interest:Receivables:Waste Water Management	-48,383,107	-36,520,140	-36,520,140	-64,297,153	27,777,013
Other revenue	-3,859,574	-5,485,000	-4,890,400	-4,314,243	-576,157

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Operational Revenue:					
Inspection Fees: Statutory Services	-3,379,468	-5,100,000	-4,400,000	-4,192,804	-207,196
Request for Information: Access to Information Act	-91,848	-80,000	-200,000	-93,220	-106,780
Staff Recoveries	-8,150		-5,400	-17,198	11,798
Sales of Goods and Rendering of Services:					
Drainage Fees	-351,607	-255,000	-255,000	-11,021	-243,979
Scrap, Waste & Other Goods: By Products	-28,500	-50,000	-30,000		-30,000
Service charges - sanitation revenue	-654,164,013	-722,107,000	-698,044,820	-709,116,505	11,071,685
Availability Charges	-155,088,763	-164,758,520	-164,758,520	-165,514,904	756,384
Connection/Reconnection	-1,247,126	-2,246,320	-2,164,290	-1,905,169	-259,121
Higher Level Service	-114,750,509	-105,616,440	-122,466,440	-142,946,101	20,479,661
Industrial Effluent	-35,165,504	-34,219,610	-36,234,210	-35,747,219	-486,991
Industrial Waste Water	-59,169,789	-80,164,880	-48,164,880	-54,146,534	5,981,654
Sanitation Charges	-288,742,322	-335,101,230	-324,256,480	-308,856,546	-15,399,934
Transfers and subsidies	-234,248,625	-190,950,910	-212,745,400	-250,742,260	37,996,860
South Africa Revenue Service (SARS)	-4,307,183			-5,772,000	5,772,000
National Governments: Urban Settlement Development Grant	-32,941,442	-35,000,000	-24,000,000	-38,480,000	14,480,000
National Revenue Fund: Equitable Share	-197,000,000	-155,950,910	-188,745,400	-206,490,260	17,744,860

Vote 9: Electricity and Energy

TABLE 5.51: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 9 - Electricity & Energy	255,039,761	282,468,840	525,279,410	519,782,736	-5,496,674
Expenditure By Type	4,097,952,393	4,740,001,260	4,622,819,590	4,480,159,944	142,659,646
Bulk purchases	3,387,433,582	3,709,894,210	3,641,082,620	3,693,906,128	-52,823,508
Contracted services	55,842,470	75,033,380	73,864,480	57,127,678	16,736,802

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Debt impairment	118,127,697	344,243,680	303,816,600	74,648,723	229,167,877
Depreciation and asset impairment	113,662,347	104,515,810	104,515,810	131,502,119	-26,986,309
Employee related costs	322,662,067	381,409,080	383,651,370	420,287,590	-36,636,220
Finance charges	33,877,199	39,522,510	34,108,120	33,783,625	324,495
Other expenditure	29,719,847	39,176,820	38,756,820	28,923,384	9,833,436
Other materials	36,627,184	46,205,770	43,023,770	39,980,697	3,043,073
Revenue By Source	-3,842,912,632	-4,457,532,420	-4,097,540,180	-3,960,377,208	-137,162,972
Fines, penalties and forfeits	-2,214,838	-8,118,000	-5,618,000	-3,973,962	-1,644,038
Interest earned - outstanding debtors	-44,816,472	-22,602,320	-60,909,050	81,844,371	-142,753,421
Other revenue	-2,279,516	-2,250,000	-2,250,000	-263,027	-1,986,973
Rental of facilities and equipment	-38,395	-15,770	-35,770	-15,763	-20,007
Service charges - electricity revenue	-3,721,445,541	-4,359,003,000	-3,954,672,900	-3,966,501,060	11,828,160
Transfers and subsidies	-72,117,870	-65,543,330	-74,054,460	-71,467,767	-2,586,693

TABLE 5.52: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 9 - Electricity & Energy	255,039,761	282,468,840	525,279,410	519,782,736	-5,496,674
Bulk purchases	3,387,433,582	3,709,894,210	3,641,082,620	3,693,906,128	-52,823,508
Expenditure: Bulk Purchases:Electricity:ESKOM	3,387,433,582	3,709,894,210	3,641,082,620	3,693,906,128	-52,823,508
Contracted services	55,842,470	75,033,380	73,864,480	57,127,678	16,736,802
Consultants and Professional Services:					
Business and Advisory: Research and Advisory	1,595,039	1,822,430	1,822,430	2,615,482	-793,052
Infrastructure and Planning:Engineering:Electrical	22,764,811	21,510,000	18,370,000	12,615,935	5,754,065
Legal Cost: Legal Advice and Litigation	557,608	1,000,000	725,000	894,632	-169,632
Contractors:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Building	899,307	1,410,620	1,410,620	1,243,354	167,266
Catering Services	945	20,000	20,000		20,000
Maintenance of Buildings and Facilities	1,434,252	3,811,650	3,784,050	1,824,473	1,959,577
Maintenance of Equipment	1,508,385	3,381,090	2,651,090	475,593	2,175,497
Maintenance of Unspecified Assets	1,367,765	364,500	364,500	170,228	194,272
Safeguard and Security	53,239	100,000	41,700	17,405	24,295
Traffic and Street Lights	227,731	500,000	500,000	171,471	328,529
Transportation	235,074	1,628,980	1,628,980	186,453	1,442,527
Outsourced Services:					
Business and Advisory: Project Management	1,116,960	1,898,000	1,898,000	1,103,522	794,478
Business and Advisory: Research and Advisory	343,552	550,000	550,000	4,718	545,282
Clearing and Grass Cutting Services	1,280,624	2,264,270	2,176,270	964,917	1,211,353
Electrical	21,988,763	33,923,650	37,073,650	34,086,606	2,987,044
Hygiene Services	17,102	87,190	87,190	54,557	32,633
Security Services	446,833	761,000	761,000	698,332	62,668
Transport Services	4,477				0
Debt impairment	118,127,697	344,243,680	303,816,600	74,650,723	229,165,877
Bad Debts Written Off	515,900				0
Gains and Losses: Impairment Loss: Electricity	112,472,133	344,243,680	303,816,600	67,946,917	235,869,683
Gains and Losses: Reversal of Impairment Loss: Electricity	5,139,664			6,701,807	-6,701,807
Depreciation and asset impairment	113,662,347	104,515,810	104,515,810	131,502,119	-26,986,309
Community Assets: Community Facilities: Capital Spares	20,681,903				0
Computer Equipment	92,980,445	76,787,990	76,787,990	110,065,585	-33,277,595
Electrical Infrastructure:HV Substations		27,727,820	27,727,820	21,436,534	6,291,286
Employee related costs	322,662,067	381,409,080	383,651,370	420,287,590	-36,636,220
Municipal Staff: Post-retirement Benefit:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Expenditure: Employee Related Cost: Municipal Staff: Post-retirement Benefit:Pension:Current Service Cost	-10,930,802	19,221,320	19,221,320	33,395,750	-14,174,430
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,850,799	2,213,390	2,076,960	1,908,871	168,089
Allowances: Housing Benefits and Incidental: Housing Benefits	1,345,050	1,502,900	1,432,800	1,392,275	40,525
Allowances: Service Related Benefits: Acting and Post Related Allowances	4,253,153	2,650,000	5,742,950	4,723,461	1,019,489
Allowances: Service Related Benefits: Bonus	14,186,368	15,471,770	16,590,270	14,980,754	1,609,516
Allowances: Service Related Benefits: Leave Pay	6,522,154	800,000	800,000	13,501,512	-12,701,512
Allowances: Service Related Benefits: Long Service Award	6,227,678	13,081,720	12,378,280	24,780,810	-12,402,530
Allowances: Service Related Benefits:Overtime:Night Shift	691,510	603,090	610,670	744,176	-133,506
Allowances: Service Related Benefits:Overtime:Non Structured	41,162,705	30,972,770	35,546,070	49,892,257	-14,346,187
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	434,668	430,000	430,000	426,340	3,660
Allowances: Service Related Benefits:Overtime:Structured	557,654	610,000	566,970	488,105	78,865
Allowances: Service Related Benefits: Scarcity Allowance	7,173,000	8,126,980	7,580,400	7,629,690	-49,290
Allowances: Service Related Benefits: Standby Allowance	5,630,318	6,257,800	6,257,800	6,242,404	15,396
Allowances: Travel or Motor Vehicle	11,494,462	13,051,390	11,782,850	11,795,336	-12,486
Basic Salary and Wages	172,530,062	195,765,380	200,479,570	186,628,724	13,850,846
Bonuses	8,246,800	12,446,460	8,008,360	7,301,422	706,938
Municipal Staff: Social Contributions:					
Bargaining Council	59,436	64,090	61,560	60,112	1,448
Group Life Insurance	1,687,021	1,866,100	1,782,710	1,761,504	21,206
Medical	16,688,082	18,184,640	17,133,060	17,088,989	44,071
Pension	30,598,787	34,719,240	32,047,040	32,338,023	-290,983
Unemployment Insurance	1,045,921	1,153,360	1,016,430	1,075,552	-59,122
Senior Management: Designation:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Salaries and Allowances: Basic Salary	1,053,660	1,980,280	1,868,210	1,868,192	18
Salaries and Allowances: Bonuses	152,569	235,300	235,300	261,547	-26,247
Social Contributions: Unemployment Insurance	1,010	1,100	1,790	1,785	5
Finance charges	33,877,199	39,522,510	34,108,120	33,783,625	324,495
Interest Paid:Borrowings:Annuity Loans	33,981,591	39,522,510	34,108,120	33,892,752	215,368
Interest Paid: Overdue Accounts	-104,391			-109,127	109,127
Other expenditure	29,719,847	39,176,820	38,756,820	28,923,384	9,833,436
Operating Leases:					
Furniture and Office Equipment	819,968	1,641,180	1,730,180	1,124,586	605,594
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	127,955	255,580	255,580	207,726	47,854
Advertising, Publicity and Marketing: Customer/Client Information		120,000	120,000	50,102	69,898
Advertising, Publicity and Marketing: Gifts and Promotional Items		161,200	161,200	110,968	50,232
Assets less than the Capitalisation Threshold	1,781,226	3,366,300	3,242,300	1,846,256	1,396,044
Bursaries (Employees)		300,000	300,000		300,000
Cleaning Services: Laundry Services	3,748	8,000	8,000		8,000
Commission: Prepaid Electricity	15,428,130	16,950,000	16,065,000	12,423,448	3,641,552
Communication: Cellular Contract (Subscription and Calls)	2,098,347	2,715,710	2,715,710	2,411,704	304,006
Communication: Licences (Radio and Television)		11,910	11,910	48,114	-36,204
Communication: Postage/Stamps/Frinking Machines		1,000	1,000		1,000
Communication: Telephone, Fax, Telegraph and Telex	1,077,254	1,459,190	1,459,190	1,151,549	307,641
Drivers Licences and Permits	8,080	4,690	4,690	2,130	2,560
External Computer Service: Data Lines	448,653	639,210	639,210	563,639	75,571
External Computer Service: Internet Charge	2,320	5,000	5,000	1,814	3,186
External Computer Service: Software Licences	914,968	1,344,900	1,344,900	137,581	1,207,319

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
External Computer Service: System Adviser	181,174	1,500,000	1,000,000	215,635	784,365
Insurance Underwriting: Claims paid to Third Parties	117,460	876,720	876,720	215,745	660,975
Insurance Underwriting: Premiums	1,446,445	2,270,620	2,270,620	1,589,394	681,226
Learnerships and Internships				17,516	-17,516
Licences: Motor Vehicle Licence and Registrations	517,399	464,390	464,390	458,384	6,006
Municipal Services			1,000,000	1,242,167	-242,167
Professional Bodies, Membership and Subscription	74,600	40,000	40,000	67,110	-27,110
Registration Fees: Seminars, Conferences, Workshops and Events: National	88,530	50,000	50,000	33,043	16,957
Skills Development Fund Levy	2,852,717	3,189,750	3,189,750	3,109,477	80,273
Travel Agency and Visa's	38,531	70,000	70,000	1,456	68,544
Travel and Subsistence:Domestic:Accommodation	170,695	250,000	250,000	12,806	237,194
Travel and Subsistence:Domestic:Daily Allowance	1,170	49,380	49,380		49,380
Travel and Subsistence:Domestic:Food and Beverage (Served)	1,615	35,000	35,000		35,000
Travel and Subsistence:Domestic:Incidental Cost	4,194	15,100	15,100		15,100
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	173,588	315,000	315,000	20,328	294,672
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	8,653	5,000	5,000		5,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	2,560	132,250	132,250	1,687	130,563
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		65,000	65,000		65,000
Uniform and Protective Clothing	709,285	864,740	864,740	464,813	399,927
Workmen's Compensation Fund	620,582			1,394,206	-1,394,206
Other materials	36,627,184	46,205,770	43,023,770	39,980,697	3,043,073
Inventory Consumed:Consumables:Standard Rated	942,387	1,606,150	1,427,150	932,923	494,227
Inventory Consumed:Consumables:Zero Rated	5,296,558	5,663,940	5,663,940	5,152,104	511,836

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Inventory Consumed: Finished Goods	1,058,744	2,373,480	1,087,480	736,987	350,493
Inventory Consumed: Materials and Supplies	29,329,496	36,562,200	34,845,200	33,158,683	1,686,517
Fines, penalties and forfeits	-2,214,838	-8,118,000	-5,618,000	-3,973,962	-1,644,038
Fines: Illegal Connections	-2,214,838	-8,118,000	-5,618,000	-3,977,459	-1,640,541
Forfeits: Deposits				3,497	-3,497
Interest earned - outstanding debtors	-44,816,472	-22,602,320	-60,909,050	81,844,371	-142,753,421
Interest:Receivables:Electricity	-44,816,472	-22,602,320	-60,909,050	81,844,371	-142,753,421
Other revenue	-2,279,516	-2,250,000	-2,250,000	-263,027	-1,986,973
Operational Revenue:					
Administrative Handling Fees	-14,449				0
Insurance Refund	-2,028,451			-22,674	22,674
Recovery Infrastructure Maintenance	-208,932				0
Recovery Maintenance		-2,000,000	-2,000,000	-178,960	-1,821,040
Staff Recoveries	-5,238			-1,399	1,399
Sales of Goods and Rendering of Services:					
Academic Services: Formal Training				-16,522	16,522
Buyers Card	-15,645			-40,970	40,970
Sale of Goods: Consumables				-1	1
Scrap, Waste & Other Goods: Scrap	-6,800	-250,000	-250,000	-2,500	-247,500
Rental of facilities and equipment	-38,395	-15,770	-35,770	-15,763	-20,007
Straight-lined Operating: Electrical Infrastructure	-38,395	-15,770	-15,770	-15,763	-7
Straight-lined Operating: Machinery and Equipment			-20,000		-20,000
Service charges - electricity revenue	-3,721,445,541	-4,359,003,000	-3,954,672,900	-3,752,912,581	-201,760,319
Availability Charges	-50,052,447	-41,929,300	-41,929,300	-45,958,423	4,029,123
Connection/Reconnection: Change Circuit Breaker	-154,010	-177,860	-177,860	-706	-177,154
Connection/Reconnection: Connections New: Non-government Housing	-4,441,097	-5,848,590	-5,848,590	-5,168,599	-679,991

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Electricity Sales: Agricultural High	-4,271				0
Electricity Sales: Commercial Conventional (3-Phase)	-348,551,740	-253,515,350	-17,561,080	-103,285,225	85,724,145
Electricity Sales: Commercial Prepaid	-69,876,637	-89,376,390	-89,376,390	-53,528,701	-35,847,689
Electricity Sales: Domestic High: Prepaid	-1,128,446,128	-1,101,669,660	-1,101,669,660	-1,171,569,804	69,900,144
Electricity Sales: Domestic Low: Domestic Indigent	-45,547,194	-55,043,330	-63,554,460	-37,776,533	-25,777,927
Electricity Sales: Domestic Low: Prepaid	31,555,957	-9,956,670	-73,445,540	-112,045,285	38,599,745
Electricity Sales: Industrial more than (11 000 Volts) (High Voltage)	-1,814,312,118	-2,383,914,450	-1,628,375,380		-1,628,375,380
Electricity Sales: Industrial (400 Volts) (Low Voltage)	-292,629,833	-412,452,920	-249,968,800	-188,367,924	-61,600,876
Electricity Sales: Industrial more than (11 000 Volts) (High Voltage)				-748,371,937	748,371,937
Electricity Sales: Time of Use Tariffs	1,184,521	-5,020,000	-682,667,360	-1,286,742,315	604,074,955
Joint Pole Usage	-24,864	-24,750	-24,750	-24,864	114
Meter Compliance Testing	-128,959	-51,980	-51,980	-61,123	9,143
Meter Reading Fees	-16,722	-21,750	-21,750	-11,142	-10,608
Transfers and subsidies	-72,117,870	-65,543,330	-74,054,460	-71,467,767	-2,586,693
Departmental Agencies: South Africa Revenue Service (SARS)	-56,802			-14,515	14,515
National Governments: Infrastructure Skills Development Grant	-9,443,198	-10,500,000	-10,500,000	-7,898,791	-2,601,209
National Revenue Fund: Equitable Share	-62,617,870	-55,043,330	-63,554,460	-63,554,460	0

Vote 10: Executive and Council

TABLE5.53: Vote 10: Executive and Council consists of the components as following:

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Office of the Executive Mayor	129,612,112	149,545,730	150,280,670	130,277,654	20,003,016
Expenditure By Type	130,310,878	149,965,730	150,700,670	131,009,196	19,691,474
Contracted services	435,702	1,394,450	1,379,450	463,187	916,263
Employee related costs	25,927,445	31,778,550	32,463,990	29,352,136	3,111,854
Other expenditure	8,346,274	12,730,880	12,845,380	6,573,754	6,271,626
Other materials	494,431	435,640	435,640	247,670	187,970
Remuneration of councillors	76,474,314	83,926,210	83,926,210	76,244,045	7,682,165
Transfers and subsidies	18,632,713	19,700,000	19,650,000	18,128,405	1,521,595
Revenue By Source	-698,767	-420,000	-420,000	-731,543	311,543
Fines, penalties and forfeits	-10,500	-40,000	-40,000	-8,500	-31,500
Other revenue	-688,267	-380,000	-380,000	-723,043	343,043

TABLE 5.54: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
1206	129,612,112	149,545,730	150,280,670	130,277,654	20,003,016
Office of the Executive Mayor	129,612,112	149,545,730	150,280,670	130,277,654	20,003,016
Contracted services	435,702	1,394,450	1,379,450	463,187	916,263
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation		68,700	68,700		68,700
Contractors:					
Catering Services	234,455	557,770	557,770	30,923	526,847
Maintenance of Buildings and Facilities	11,994	115,000	115,000	22,217	92,783
Maintenance of Equipment	139,532	283,980	283,980	377,124	-93,144

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Plants, Flowers and Other Decorations		2,000	2,000		2,000
Safeguard and Security				2,702	-2,702
Transportation		15,000			0
Outsourced Services:					
Business and Advisory: Project Management	49,720	352,000	352,000	30,221	321,779
Employee related costs	25,927,445	31,778,550	32,463,990	29,352,136	3,111,854
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Cellular and Telephone	1,572	1,730	1,580	1,572	8
Allowances: Housing Benefits and Incidental: Essential User	245,273	269,440	258,080	258,072	8
Allowances: Housing Benefits and Incidental: Housing Benefits	85,258	95,600	81,040	93,508	-12,468
Allowances: Service Related Benefits: Acting and Post Related Allowances				1,835	-1,835
Allowances: Service Related Benefits: Bonus	708,135	754,160	862,830	808,861	53,969
Allowances: Service Related Benefits: Entertainment	1,400	1,540	1,410	1,400	10
Allowances: Service Related Benefits: Long Service Award	681,539	697,680	729,520	770,441	-40,921
Allowances: Service Related Benefits: Overtime: Non Structured	420,580	775,550	815,550	358,220	457,330
Allowances: Service Related Benefits: Standby Allowance	101,060	160,960	160,960	106,903	54,057
Allowances: Travel or Motor Vehicle	242,407	236,110	219,210	224,449	-5,239
Basic Salary and Wages	20,998,531	26,477,890	26,664,640	24,035,071	2,629,569
Municipal Staff: Social Contributions:					
Bargaining Council	2,610	2,400	2,920	2,854	66
Group Life Insurance	96,685	91,510	106,870	106,806	64
Medical	794,868	745,340	880,700	866,317	14,383
Pension	1,427,289	1,338,090	1,580,350	1,587,675	-7,325
Unemployment Insurance	120,239	130,550	98,330	128,151	-29,821
Other expenditure	8,346,274	12,730,880	12,845,380	6,573,754	6,271,626
Operating Leases:					
Furniture and Office Equipment	106,770	437,940	437,940	467,997	-30,057

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Other Assets		65,490	65,490		65,490
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities		150,000	50,000		50,000
Assets less than the Capitalisation Threshold	191,568	275,000	314,500	67,600	246,900
Cleaning Services: Car Valet and Washing Services		900	900		900
Communication: Cellular Contract (Subscription and Calls)	1,411,022	441,920	421,920	1,488,253	-1,066,333
Communication: Telephone Installation		3,000	3,000		3,000
Communication: Telephone, Fax, Telegraph and Telex	2,397	35,570	30,570	4,861	25,709
Entertainment: Executive Mayor			30,000	37,690	-7,690
External Computer Service: Network Extensions		500	500	1,375	-875
Hire Charges	97,635	20,000	170,000	164,471	5,529
Insurance Underwriting: Premiums	116,948	135,800	135,800	106,388	29,412
Licences: Motor Vehicle Licence and Registrations	546	2,450	2,450	-545	2,995
Municipal Services			50,000	113,771	-63,771
Printing, Publications and Books	1,611	36,000	36,000	2,990	33,010
Registration Fees: Seminars, Conferences, Workshops and Events: National	1,328,977	2,705,000	2,655,000	564,800	2,090,200
Remuneration to Ward Committees	842,790	6,000,000	6,000,000	1,133,542	4,866,458
Rewards Incentives	3,221,656	1,500,000	1,500,000	1,938,101	-438,101
Skills Development Fund Levy	398,025	541,620	541,620	441,963	99,657
Travel Agency and Visa's	18,870	21,870	21,870	2,360	19,510
Travel and Subsistence:Domestic:Accommodation	50,166	41,320	41,320	12,044	29,276
Travel and Subsistence:Domestic:Daily Allowance	127,221	35,150	35,150		35,150
Travel and Subsistence:Domestic:Food and Beverage (Served)		2,000	2,000		2,000
Travel and Subsistence:Domestic:Incidental Cost	10,148	10,500	17,500	245	17,255
Travel and Subsistence:Domestic:Transport with Operator:Other Transport Provider		26,560	26,560		26,560
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	99,650	122,500	122,500	14,329	108,171

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	7,510		13,000	3,420	9,580
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	16,679	90,700	90,700		90,700
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		18,340	18,340		18,340
Travel and Subsistence:Foreign:Accommodation	16,517				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	279,570				0
Uniform and Protective Clothing		10,750	10,750	8,101	2,649
Other materials	494,431	435,640	435,640	247,670	187,970
Inventory Consumed:Consumables:Standard Rated	117,830	164,410	164,410	84,854	79,556
Inventory Consumed:Consumables:Zero Rated	376,601	261,230	261,230	162,817	98,413
Inventory Consumed: Finished Goods		10,000	10,000		10,000
Remuneration of councillors	76,474,314	83,926,210	83,926,210	76,244,045	7,682,165
Chief Whip: Allowances and Service Related Benefits: Basic Salary		993,540	993,540		993,540
Deputy Executive Mayor: Allowances and Service Related Benefits: Basic Salary		1,098,160	1,098,160	478,759	619,401
Executive Committee: Allowances and Service Related Benefits: Basic Salary		13,075,940	13,075,940	13,242,799	-166,859
Executive Mayor: Allowances and Service Related Benefits: Basic Salary	14,702,212	1,483,250	1,483,250	1,511,984	-28,734
Section 79 committee chairperson: Allowances and Service Related Benefits: Basic Salary		777,740	777,740		777,740
Speaker: Allowances and Service Related Benefits: Basic Salary	56,443,421	1,197,910	1,197,910	1,131,001	66,909
Speaker: Allowances and Service Related Benefits: Cell phone Allowance	4,895,781	5,333,580	5,333,580	4,870,700	462,880
Speaker: Allowances and Service Related Benefits: Market Related Non- pensionable Allowance	432,900	462,000	462,000	134,059	327,941
Total for All Other Councillors: Allowances Basic Salary		59,504,090	59,504,090	54,874,741	4,629,349
Transfers and subsidies	18,632,713	19,700,000	19,650,000	18,128,405	1,521,595
National Departmental Agencies: South Africa Local Government Association (SALGA)	14,900,000	15,700,000	15,650,000	14,131,905	1,518,095

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-profit institutions: Use - It	3,732,713	4,000,000	4,000,000	3,996,500	3,500
Fines, penalties and forfeits	-10,500	-40,000	-40,000	-8,500	-31,500
Fines: Councillors	-10,500	-40,000	-40,000	-8,500	-31,500
Other revenue	-688,267	-380,000	-380,000	-723,043	343,043
Operational Revenue:					
Staff Recoveries	-688,267	-380,000	-380,000	-723,043	343,043

TABLE 5.55: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Manager	53,836,606	60,800,830	68,141,770	8,922,459	59,219,311
Expenditure By Type	95,669,465	60,802,830	124,143,770	64,949,754	59,194,016
Contracted services	5,544,377	4,973,810	30,835,550	12,371,616	18,463,934
Employee related costs	24,502,374	27,347,860	30,606,060	24,756,614	5,849,446
Other expenditure	39,088,050	28,355,040	31,686,040	27,667,988	4,018,052
Other materials	26,534,664	126,120	31,016,120	153,536	30,862,584
Revenue By Source	-41,832,859	-2,000	-56,002,000	-56,027,295	25,295
Other revenue	-217	-2,000	-2,000	-27,295	25,295
Transfers and subsidies	-41,832,642		-56,000,000	-56,000,000	0

TABLE 5.56: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Manager	53,836,606	60,800,830	68,141,770	8,922,459	59,219,311
Contracted services	5,544,377	4,973,810	30,835,550	12,371,616	18,463,934
Consultants and Professional Services:					
Business and Advisory: Audit Committee	327,350	588,240	588,240	841,044	-252,804

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Business and Advisory: Forensic Investigators	977,602	1,500,000	1,500,000	106,340	1,393,660
Legal Cost: Legal Advice and Litigation	228,048	610,260	5,000,000	5,991,958	-991,958
Contractors:					
Catering Services	1,455,451	72,170	1,572,170	54,760	1,517,410
Maintenance of Equipment	75,878	213,450	293,450	216,002	77,448
Safeguard and Security	1,975				0
Transportation				9,300	-9,300
Outsourced Services:					
Business and Advisory: Accounting and Auditing		1,500,000	1,500,000		1,500,000
Business and Advisory: Project Management	0	372,690	17,264,690	65,569	17,199,121
Cleaning Services	28,074	90,000	90,000	6,000	84,000
Hygiene Services	2,447,603	2,000	3,002,000	5,024,362	-2,022,362
Refuse Removal	2,397	25,000	25,000	56,281	-31,281
Employee related costs	24,502,374	27,347,860	30,606,060	24,756,614	5,849,446
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	642,458	773,460	528,870	531,622	-2,752
Allowances: Housing Benefits and Incidental: Housing Benefits	89,793	95,600	91,650	83,868	7,782
Allowances: Service Related Benefits: Acting and Post Related Allowances	24,670		225,330	644,457	-419,127
Allowances: Service Related Benefits: Bonus	1,035,154	1,120,100	1,278,490	1,022,884	255,606
Allowances: Service Related Benefits: Long Service Award	880,430	994,180	896,550	912,187	-15,637
Allowances: Service Related Benefits: Overtime: Non Structured	279,305		281,790	173,723	108,067
Allowances: Travel or Motor Vehicle	230	1,000	70	1,570	-1,500
Basic Salary and Wages	15,674,481	20,974,800	24,159,490	19,355,245	4,804,245
Municipal Staff: Social Contributions:					
Bargaining Council	3,206	3,000	2,860	3,017	-157
Group Life Insurance	79,173	87,770	80,690	80,974	-284
Medical	753,416	805,020	782,980	792,487	-9,507

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Pension	2,164,349	2,419,340	2,230,700	2,175,467	55,233
Unemployment Insurance	63,225	73,590	47,190	64,357	-17,167
Senior Management: Municipal Manager (MM):					
Salaries and Allowances: Basic Salary	2,446,257			-1,084,650	1,084,650
Salaries and Allowances: Bonuses	364,442				0
Social Contributions: Unemployment Insurance	1,785		-600	-595	-5
Other expenditure	39,088,050	28,355,040	31,686,040	27,667,988	4,018,052
Operating Leases:					
Furniture and Office Equipment	146,496	345,750	345,750	290,413	55,337
Machinery and Equipment	2,452,670				0
Other Assets	190,178	1,500,000	1,500,000	2,180,586	-680,586
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	111,649		40,000	32,787	7,213
Advertising, Publicity and Marketing: Signs	360,245				0
Advertising, Publicity and Marketing: Staff Recruitment		41,400	168,400	188,970	-20,570
Assets less than the Capitalisation Threshold	6,540,740	231,800	268,300	135,203	133,097
Cleaning Services: Car Valet and Washing Services		400	400		400
Communication: Cellular Contract (Subscription and Calls)	244,403	429,030	392,530	197,469	195,061
Communication: Licences (Radio and Television)		500	500		500
Communication: Postage/Stamps/Frinking Machines		750	750		750
Communication: Telephone, Fax, Telegraph and Telex	14,321	11,410	11,410	802	10,608
External Audit Fees	26,332,974	24,500,000	24,500,000	22,122,640	2,377,360
External Computer Service: Internet Charge	13,079	47,640	47,640	13,560	34,080
External Computer Service: Network Extensions		10,960	10,960		10,960
External Computer Service: Software Licences		32,400	32,400		32,400
Hire Charges		14,560	3,014,560	378,923	2,635,637
Insurance Underwriting: Premiums	10,931	11,580	11,580	3,973	7,607

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Licences: Motor Vehicle Licence and Registrations		1,000	1,000		1,000
Municipal Services	23,347	350,400	364,400	560,901	-196,501
Professional Bodies, Membership and Subscription	36,182	80,000	80,000	145,940	-65,940
Registration Fees: Seminars, Conferences, Workshops and Events: National	85,068	110,000	110,000		110,000
Skills Development Fund Levy	1,051,878	500,000		1,066,157	-1,066,157
Travel Agency and Visa's	6,857	22,150	22,150		22,150
Travel and Subsistence:Domestic:Accommodation	23,626	40,000	40,000		40,000
Travel and Subsistence:Domestic:Daily Allowance	1,280	1,500	1,500		1,500
Travel and Subsistence:Domestic:Food and Beverage (Served)		2,510	2,510		2,510
Travel and Subsistence:Domestic:Incidental Cost		1,000	1,000		1,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	32,891	40,000	40,000		40,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	2,460	4,800	4,800		4,800
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		23,500	23,500		23,500
Travel and Subsistence:Foreign:Accommodation	14,393				0
Uniform and Protective Clothing	1,392,382		650,000	343,301	306,699
Workmen's Compensation Fund				6,362	-6,362
Other materials	26,534,664	126,120	31,016,120	153,536	30,862,584
Inventory Consumed:Consumables:Standard Rated	15,235,686	87,620	23,977,620	126,622	23,850,999
Inventory Consumed:Consumables:Zero Rated	5,588	25,780	25,780	17,766	8,014
Inventory Consumed: Finished Goods	11,293,390	12,720	7,012,720	9,148	7,003,572
Other revenue	-217	-2,000	-2,000	-27,295	25,295
Operational Revenue:					
Insurance Refund				-27,295	27,295
Staff Recoveries	-217	-2,000	-2,000		-2,000
Transfers and subsidies	-41,832,642		-56,000,000	-56,000,000	0

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
National Departmental Agencies: South Africa Revenue Service (SARS)	-659,978				0
National Governments: Urban Settlement Development Grant	-41,172,664				0
National Revenue Fund: Equitable Share			-56,000,000	-56,000,000	0

TABLE 5.57: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Chief of Staff	1,291,600	2,018,720	2,006,330	1,334,165	672,165
Expenditure By Type	1,291,600	2,018,720	2,006,330	1,334,165	672,165
Contracted services		30,000	30,000		30,000
Employee related costs	1,226,217	1,906,120	1,902,800	1,292,780	610,020
Other expenditure	65,384	74,100	65,030	41,385	23,645
Other materials		8,500	8,500		8,500

TABLE 5.58: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Chief of Staff	1,291,600	2,018,720	2,006,330	1,334,165	672,165
Contracted services		30,000	30,000		30,000
Consultants and Professional Services:					
Business and Advisory: Project Management		30,000	30,000		30,000
Employee related costs	1,226,217	1,906,120	1,902,800	1,292,780	610,020
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Housing Benefits		11,950	1,950		1,950
Allowances: Service Related Benefits: Bonus		32,920	920		920
Allowances: Service Related Benefits: Long Service Award		18,820	820		820
Basic Salary and Wages	1,224,432	1,721,320	1,891,320	1,291,428	599,892

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Municipal Staff: Social Contributions:					
Bargaining Council		120	120		120
Group Life Insurance		4,890	4,890		4,890
Medical		30,070	70		70
Pension		82,110	2,110		2,110
Unemployment Insurance	1,785	3,920	600	1,352	-752
Other expenditure	65,384	74,100	65,030	41,385	23,645
Operational Cost:					
Communication: Cellular Contract (Subscription and Calls)	53,120	50,000	50,000	23,739	26,261
Insurance Underwriting: Premiums	20		30		30
Skills Development Fund Levy	12,244	15,000	15,000	17,646	-2,646
Travel Agency and Visa's		2,000			0
Travel and Subsistence:Domestic:Accommodation		2,000			0
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		3,100			0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		2,000			0
Other materials		8,500	8,500		8,500
Inventory Consumed:Consumables:Standard Rated		8,500	8,500		8,500

TABLE 5.59: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Chief Operating Officer	76,261,418	95,142,290	105,122,580	81,334,994	23,787,586
Expenditure By Type	88,329,688	115,174,170	120,540,550	93,068,179	27,472,371
Contracted services	21,240,678	32,764,870	30,454,980	14,631,684	15,823,296
Employee related costs	62,766,539	71,325,780	77,859,910	71,104,523	6,755,387
Other expenditure	4,077,446	10,440,150	11,550,290	7,042,725	4,507,565
Other materials	245,024	643,370	675,370	289,247	386,123

Revenue By Source	-12,068,270	-20,031,880	-15,417,970	-11,733,185	-3,684,785
Other revenue	-3,118,270	-5,300,970	-5,300,970	-1,616,185	-3,684,785
Transfers and subsidies	-8,950,000	-14,730,910	-10,117,000	-10,117,000	0

TABLE 5.60: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Chief Operating Officer	74,651,105	86,028,370	105,122,580	80,674,492	24,448,088
Contracted services	21,240,678	32,764,870	30,454,980	14,631,684	15,823,296
Consultants and Professional Services:					
Business and Advisory: Commissions and Committees		577,430	577,430	24,952	552,478
Business and Advisory: Project Management	1,053,652	2,000,000	1,900,000	524,884	1,375,116
Business and Advisory: Research and Advisory		4,876,000	4,376,000		4,376,000
Legal Cost: Legal Advice and Litigation	14,467,125	12,715,810	12,715,810	7,201,118	5,514,692
Contractors:					
Catering Services	23,902	81,780	115,780	2,900	112,880
Maintenance of Buildings and Facilities	4,303	12,550	12,550	11,387	1,163
Maintenance of Equipment	215,839	641,780	641,780	117,962	523,818
Maintenance of Unspecified Assets	3,133,616	4,115,440	4,115,440	3,493,535	621,906
Pest Control and Fumigation		5,680	5,680		5,680
Safeguard and Security	5,625	9,540	9,540		9,540
Transportation		4,140	4,140		4,140
Outsourced Services:					
Business and Advisory: Communications	1,994,880	5,299,970	3,799,970	2,949,167	850,803
Business and Advisory: Project Management	323,517	2,294,720	2,050,830	233,676	1,817,154
Cleaning Services		5,620	5,620		5,620
Hygiene Services	780	40,420	40,420	2,235	38,185
Illegal Dumping	2,880				0
Litter Picking and Street Cleaning	6,500				0

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Refuse Removal	8,058	83,990	83,990	69,870	14,120
Employee related costs	62,766,539	71,325,780	77,859,910	71,104,523	6,755,387
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,992,262	2,120,730	2,138,210	1,981,511	156,699
Allowances: Housing Benefits and Incidental: Housing Benefits	241,262	274,850	226,070	217,807	8,263
Allowances: Service Related Benefits: Acting and Post Related Allowances	477,315	536,000	1,122,950	728,860	394,091
Allowances: Service Related Benefits: Bonus	2,721,245	2,977,680	3,063,970	2,811,991	251,980
Allowances: Service Related Benefits: Long Service Award	803,851	736,510	913,600	1,119,164	-205,564
Allowances: Service Related Benefits:Overtime:Non Structured	386,227	1,618,280	1,608,280	1,515,504	92,776
Allowances: Service Related Benefits: Scarcity Allowance	114,634	123,280	123,280	125,884	-2,604
Allowances: Service Related Benefits: Standby Allowance		23,700	3,700		3,700
Allowances: Travel or Motor Vehicle	1,696,770	2,004,420	1,775,140	1,624,957	150,183
Basic Salary and Wages	43,534,193	49,191,390	55,698,180	49,288,134	6,410,046
Municipal Staff: Social Contributions:					
Bargaining Council	8,183	8,520	10,390	11,108	-718
Group Life Insurance	282,958	313,100	299,340	292,459	6,881
Medical	2,238,839	2,418,010	2,318,700	2,336,283	-17,583
Pension	5,903,104	6,488,130	6,123,500	6,105,929	17,571
Unemployment Insurance	240,748	208,580	264,600	291,614	-27,014
Senior Management: Designation:					
Salaries and Allowances: Basic Salary		1,980,290	1,868,210	2,341,600	-473,390
Salaries and Allowances: Bonuses	108,978	300,000	300,000	309,933	-9,933
Social Contributions: Unemployment Insurance	1,785	2,310	1,790	1,785	5
Salaries and Allowances: Basic Salary	2,014,187				0
Other expenditure	4,077,446	10,440,150	11,550,290	7,042,725	4,507,565
Operating Leases:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Computer Equipment	169,802	305,120	254,120	73,310	180,810
Furniture and Office Equipment	381,839	608,510	608,510	357,215	251,295
Other Assets	553,033	3,939,440	4,439,440	3,250,779	1,188,661
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	32,788	85,820	201,820	135,773	66,047
Advertising, Publicity and Marketing: Staff Recruitment		80,000		116,772	-116,772
Advertising, Publicity and Marketing: Tenders	2,359	15,900	10,900		10,900
Assets less than the Capitalisation Threshold	538,138	752,850	1,325,000	467,267	857,733
Cleaning Services: Laundry Services				9,625	-9,625
Communication: Cellular Contract (Subscription and Calls)	655,883	635,000	635,000	796,312	-161,312
Communication: Postage/Stamps/Frinking Machines	97				0
Communication: Radio and TV Transmissions		24,060	24,060	9,850	14,210
Communication: Telephone, Fax, Telegraph and Telex	100,561	184,290	182,390	104,472	77,918
Courier and Delivery Services	4,912	9,250	14,250	8,766	5,484
Entertainment: Senior Management	18,457	39,840	24,840		24,840
External Computer Service: Internet Charge	31,645	61,500	61,500	22,571	38,929
External Computer Service: Network Extensions	1,792	60,650	60,650	5,441	55,209
External Computer Service: System Adviser		242,500	247,500	1,550	245,950
Hire Charges	446,193	453,750			0
Insurance Underwriting: Premiums	89,311	107,240	109,140	75,532	33,608
Learnerships and Internships	179,520			193,426	-193,426
Municipal Services	75,248	653,850	1,898,850	1,179,499	719,351
Printing, Publications and Books	2,036	125,980	125,980		125,980
Professional Bodies, Membership and Subscription	7,558	27,440	27,440	8,084	19,356
Registration Fees: Professional and Regulatory Bodies	22,826	50,000	50,000	1,036	48,964
Registration Fees: Seminars, Conferences, Workshops and Events: National		50,000	50,000		50,000

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Signage				1,520	-1,520
Skills Development Fund Levy	163,406	487,430	451,280	192,086	259,194
Travel Agency and Visa's	24,303	54,600	54,600	73	54,527
Travel and Subsistence:Domestic:Accommodation	73,744	125,730	120,730		120,730
Travel and Subsistence:Domestic:Daily Allowance	81,485	64,980	50,870	1,147	49,723
Travel and Subsistence:Domestic:Food and Beverage (Served)	1,647	18,900	18,900		18,900
Travel and Subsistence:Domestic:Incidental Cost	45,358	13,130	13,130		13,130
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	79,336	181,170	179,170		179,170
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	11,884				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	2,916	152,590	142,590		142,590
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		26,600	26,600		26,600
Travel and Subsistence:Foreign:Accommodation	16,517	50,000	30,000		30,000
Travel and Subsistence:Foreign:Daily Allowance	32,048				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	40,285	89,100	89,100		89,100
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Road Transport		16,680	16,680		16,680
Travel and Subsistence:Non-employees	31,216				0
Uniform and Protective Clothing	112,894	646,250	5,250		5,250
Workmen's Compensation Fund	46,408			30,617	-30,617
Other materials	245,024	643,370	675,370	289,247	386,123
Inventory Consumed:Consumables:Standard Rated	208,400	416,390	448,390	283,916	164,474
Inventory Consumed:Consumables:Zero Rated	34,881	208,480	208,480	2,886	205,594
Inventory Consumed: Finished Goods	1,743	18,500	18,500	2,444	16,056
Other revenue	-3,118,270	-5,300,970	-5,300,970	-1,616,185	-3,684,785

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Operational Revenue:					
Staff Recoveries	-16,866	-1,000	-1,000	-11,737	10,737
Sales of Goods and Rendering of Services:					
Advertisements	-3,101,404	-5,299,970	-5,299,970	-1,604,448	-3,695,522
Transfers and subsidies	-8,950,000	-14,730,910	-10,117,000	-10,117,000	0
National Governments: Expanded Public Works Programme Integrated Grant	-8,950,000	-10,117,000	-10,117,000	-10,117,000	0
National Governments: Integrated City Development Grant		-4,613,910			0

TABLE 5.57.1

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Strategic Programmes	0	15,727,520	11,743,600	0	11,743,600
Expenditure By Type	0	15,727,520	11,743,600	0	11,743,600
Contracted services		8,000,000	8,000,000		8,000,000
Employee related costs		5,211,700	1,227,780		1,227,780
Other expenditure		2,510,570	2,510,570		2,510,570
Other materials		5,250	5,250		5,250

TABLE 5.61: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Strategic Programmes		15,727,520	11,743,600		11,743,600
Contracted services		8,000,000	8,000,000		8,000,000
Outsourced Services:					
Business and Advisory: Project Management		8,000,000	8,000,000		8,000,000
Employee related costs		5,211,700	1,227,780		1,227,780
Municipal Staff: Salaries, Wages and Allowances:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Basic Salary and Wages		5,211,700	1,221,620		1,221,620
Municipal Staff: Social Contributions:					
Bargaining Council			30		30
Unemployment Insurance			6,130		6,130
Other expenditure		2,510,570	2,510,570		2,510,570
Operating Leases:					
Furniture and Office Equipment		47,480	47,480		47,480
Other Assets		1,545,060	1,545,060		1,545,060
Operational Cost:					
Assets less than the Capitalisation Threshold		375,850	375,850		375,850
Communication: Telephone, Fax, Telegraph and Telex		248,460	248,460		248,460
External Computer Service: Data Lines		32,750	32,750		32,750
Travel Agency and Visa's		15,830	15,830		15,830
Travel and Subsistence:Domestic:Accommodation		81,880	81,880		81,880
Travel and Subsistence:Domestic:Daily Allowance		42,200	42,200		42,200
Travel and Subsistence:Domestic:Food and Beverage (Served)		1,000	1,000		1,000
Travel and Subsistence:Domestic:Incidental Cost		1,300	1,300		1,300
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		85,500	85,500		85,500
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport		1,000	1,000		1,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		32,260	32,260		32,260
Other materials		5,250	5,250		5,250
Inventory Consumed:Consumables:Standard Rated		5,250	5,250		5,250

Vote 11: Safety and Security

TABLE 5.62: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 11- Safety & Security	352,306,945	191,561,040	180,847,130	240,413,615	-59,566,485
Expenditure By Type	915,532,774	1,030,810,300	1,012,060,710	924,260,207	87,800,503
Contracted services	16,680,664	37,520,230	24,970,730	20,336,320	4,634,410
Debt impairment	78,371,200	128,886,460	116,011,330	15,382,044	100,629,286
Employee related costs	764,066,830	820,919,620	825,373,080	820,785,514	4,587,566
Finance charges	1,144,901	1,590,680	1,590,680	1,587,404	3,276
Loss on disposal of PPE				-77,494	77,494
Other expenditure	21,005,647	25,740,260	27,881,940	51,024,391	-23,142,451
Other materials	34,263,532	16,153,050	16,232,950	15,222,028	1,010,922
Revenue By Source	-563,225,828	-839,249,260	-831,213,580	-683,846,592	-147,366,988
Fines, penalties and forfeits	-78,297,085	-171,586,870	-146,996,620	-20,266,002	-126,730,618
Licences and permits	-14,072,129	-21,552,300	-11,056,800	-13,226,295	2,169,495
Other revenue	-3,568,284	-3,672,200	-2,796,180	-2,426,955	-369,225
Rental of facilities and equipment	-19,200	-214,750	-214,750	-19,200	-195,550
Transfers and subsidies	-467,269,130	-642,223,140	-670,149,230	-647,908,140	-22,241,090

TABLE 5.63: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Safety & Security	352,306,945	191,561,040	180,847,130	260,190,128	-79,342,998
Contracted services	16,680,664	37,520,230	24,970,730	20,336,320	4,634,410
Consultants and Professional Services:					
Business and Advisory: Commissions and Committees			57,000	11,322	45,678
Infrastructure and Planning: Architectural	20,000				0

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Legal Cost: Legal Advice and Litigation	695,243	1,544,800	1,544,800	953,243	591,557
Contractors:					
Catering Services	14,400	63,100	53,100		53,100
Fire Protection	8,635	11,500	31,500	13,001	18,499
Maintenance of Buildings and Facilities	2,570,576	3,087,330	3,747,330	2,787,619	959,711
Maintenance of Equipment	1,647,978	3,268,270	3,210,270	1,675,069	1,535,201
Pest Control and Fumigation	9,669	36,180	36,180	8,067	28,113
Safeguard and Security	148,107	172,540	172,540	60,282	112,258
Transportation	49,043	121,970	151,970	119,466	32,504
Outsourced Services:					
Business and Advisory: Project Management	2,071,155	9,075,750	8,808,750	10,391,881	-1,583,131
Cleaning Services	12,404	19,380	19,380	58,095	-38,715
Clearing and Grass Cutting Services	20,738	173,620	214,620	107,506	107,114
Drivers Licence Cards	2,925,923	4,843,210	4,343,210	2,572,580	1,770,630
Hygiene Services	20,295	80,080	80,080	21,913	58,167
Traffic Fines Management	6,466,499	15,022,500	2,500,000	1,556,274	943,726
Debt impairment	78,371,200	128,886,460	116,011,330	15,382,044	100,629,286
Gains and Losses: Impairment Loss: Non Specific Accounts	78,371,200	128,886,460	116,011,330	15,382,044	100,629,286
Employee related costs	764,066,830	820,919,620	825,373,080	820,785,514	4,587,566
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	2,348,030	2,551,860	2,541,690	2,287,185	254,505
Allowances: Housing Benefits and Incidental: Housing Benefits	2,547,720	2,694,230	2,691,790	2,693,532	-1,742
Allowances: Non-pensionable	1,445,506	1,565,110	1,512,720	980,995	531,725
Allowances: Service Related Benefits: Acting and Post Related Allowances	3,645,272	2,500,000	3,694,000	5,772,798	-2,078,798
Allowances: Service Related Benefits: Bonus	33,943,960	38,219,830	41,932,490	37,365,442	4,567,048
Allowances: Service Related Benefits: Long Service Award	23,741,806	24,729,950	24,517,530	24,166,178	351,352

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits:Overtime:Night Shift	14,512,595	15,995,380	15,402,990	15,636,325	-233,335
Allowances: Service Related Benefits:Overtime:Non Structured	75,018,183	44,787,580	55,191,770	90,561,812	-35,370,042
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	15,558,285	19,028,720	19,022,720	19,286,165	-263,445
Allowances: Service Related Benefits:Overtime:Structured	37,314,825	20,925,620	23,688,230	37,778,500	-14,090,270
Allowances: Service Related Benefits: Scarcity Allowance	98,243	128,210	87,600	64,635	22,965
Allowances: Service Related Benefits: Standby Allowance	6,208,394	7,319,200	7,292,090	6,857,047	435,043
Allowances: Service Related Benefits: Uniform/Special/Protective Clothing	1,833	2,020	1,850	1,833	17
Allowances: Travel or Motor Vehicle	5,008,800	6,429,020	5,472,060	5,662,506	-190,446
Basic Salary and Wages	406,404,060	486,911,600	479,612,100	428,451,466	51,160,634
Bonuses	2,500		2,500	2,500	0
Municipal Staff: Social Contributions:					
Bargaining Council	182,882	197,560	192,170	189,853	2,317
Group Life Insurance	5,740,082	6,313,380	6,168,550	6,121,514	47,036
Medical	49,136,233	51,825,770	51,004,810	51,891,621	-886,811
Pension	76,110,880	83,159,760	80,044,470	79,916,348	128,122
Unemployment Insurance	2,971,287	3,250,310	2,914,650	2,971,804	-57,154
Senior Management: Designation:					
Salaries and Allowances: Basic Salary	1,862,868	2,101,850	2,101,850	1,862,868	238,982
Salaries and Allowances: Bonuses	260,802	280,660	280,660	260,802	19,858
Social Contributions: Unemployment Insurance	1,785	2,000	1,790	1,785	5
Finance charges	1,144,901	1,590,680	1,590,680	1,587,404	3,276
Paid:Borrowings:Annuity Loans	1,144,901	1,590,680	1,590,680	1,587,404	3,276
Loss on disposal of PPE				-77,494	77,494
Gains and Losses: Furniture and Office Equipment: Losses				-77,494	77,494
Other expenditure	21,005,647	25,740,260	27,881,940	51,024,391	-23,142,451
Operating Leases:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Computer Equipment	3,544	378,120	78,120	898	77,222
Furniture and Office Equipment	419,066	713,740	838,740	500,812	337,928
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	168,077	308,940	203,040	1,978	201,062
Advertising, Publicity and Marketing: Gifts and Promotional Items	15,200				0
Advertising, Publicity and Marketing: Staff Recruitment	54,954	112,040	112,040	28,448	83,592
Advertising, Publicity and Marketing: Tenders	28,868	102,000	112,000	30,284	81,716
Assets less than the Capitalisation Threshold	259,712	1,036,230	1,349,280	352,604	996,676
Cleaning Services: Laundry Services	2,950	15,640	15,640	3,966	11,674
Communication: Cellular Contract (Subscription and Calls)	1,210,413	1,486,740	1,486,740	1,484,702	2,038
Communication: Postage/Stamps/Frinking Machines	115,815	170,890	170,890	129,380	41,510
Communication: Telephone, Fax, Telegraph and Telex	1,566,709	2,090,760	2,090,760	1,823,306	267,454
Courier and Delivery Services	527	6,650	6,650	802	5,848
Drivers Licences and Permits	14,180	68,740	68,740	10,429	58,311
External Computer Service: Internet Charge	47,611	98,180	98,180	43,972	54,208
External Computer Service: Network Extensions	3,092	69,590	69,590	23,224	46,366
External Computer Service: Software Licences	458,978	595,840	595,840	489,574	106,266
External Computer Service: Wireless Network	54,073	477,570	477,570		477,570
Firearm Handling Fees		6,560	6,560		6,560
Insurance Underwriting: Claims paid to Third Parties	41,634	0	10,000	17,077	-7,077
Insurance Underwriting: Premiums	720,900	867,910	867,910	683,639	184,271
Licences: Motor Vehicle Licence and Registrations	169,691	429,150	429,150	259,785	169,365
Municipal Services			1,370,000	30,911,030	-29,541,030
Office Decorations		24,100	14,100		14,100
Printing, Publications and Books	214,803	369,900	369,900	170,949	198,951
Professional Bodies, Membership and Subscription	37,544	0	76,000	38,532	37,468

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Registration Fees: Professional and Regulatory Bodies	2,891	145,070	145,070	1,403	143,667
Registration Fees: Seminars, Conferences, Workshops and Events: National	17,200	41,330	41,330		41,330
Signage	3,500	106,000	66,000	41,554	24,447
Skills Development Fund Levy	6,511,027	7,132,960	7,166,490	7,031,835	134,655
Storage of Files (Archiving)	246,121	512,610	512,610	289,265	223,345
Transport Provided as Part of Departmental Activities: Municipal Activities	3,610,407	3,610,500	3,510,500	3,578,230	-67,730
Travel Agency and Visa's	11,553	22,640	22,640	603	22,037
Travel and Subsistence:Domestic:Accommodation	87,136	112,260	112,260	1,420	110,840
Travel and Subsistence:Domestic:Daily Allowance	23,356	21,220	21,220	33,114	-11,894
Travel and Subsistence:Domestic:Food and Beverage (Served)	6,859	19,370	19,370		19,370
Travel and Subsistence:Domestic:Incidental Cost	482	1,700	1,700		1,700
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	35,922	96,900	96,900	24,613	72,287
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	3,080				0
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	842	76,870	76,870	1,383	75,487
Travel and Subsistence:Domestic:Transport without Operator: Own Transport		41,860	41,860		41,860
Travel and Subsistence:Non-employees	10,184				0
Uniform and Protective Clothing	4,192,188	4,369,680	5,119,680	2,325,819	2,793,861
Workmen's Compensation Fund	634,556	0	10,000	689,762	-679,762
Other materials	34,263,532	16,153,050	16,232,950	15,222,028	1,010,922
Inventory Consumed:Consumables:Standard Rated	23,292,759	2,646,110	2,793,110	2,162,700	630,410
Inventory Consumed:Consumables:Zero Rated	8,698,601	9,646,450	9,646,450	10,658,428	-1,011,978
Inventory Consumed: Finished Goods	1,956,175	3,424,230	3,382,130	2,050,552	1,331,578
Inventory Consumed: Materials and Supplies	315,998	436,260	411,260	350,348	60,912

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Fines, penalties and forfeits	-78,297,085	-171,586,870	-146,996,620	-20,266,002	-126,730,618
Fines: Law Enforcement	-27,765			-16,215	16,215
Fines: Pound Fees	-148,652	-86,000	-133,280	-404,423	271,143
Fines:Traffic:Court Fines				-5,200	5,200
Fines:Traffic:Municipal	-19,334,318	-12,368,370	-12,584,810	-19,840,165	7,255,355
Fines:Traffic:Service Provider	-58,786,350	-159,132,500	-134,278,530		-134,278,530
Licences and permits	-14,072,129	-21,552,300	-11,056,800	-13,226,295	2,169,495
Drivers Licence Application/Duplicate Drivers Licences	-1,749,431	-3,591,070	-1,394,080	-2,034,924	640,844
Drivers Licence Certificate	-7,703,203	-10,947,590	-6,357,370	-6,792,957	435,587
Learner Licence Application	-2,947,488	-4,507,780	-1,946,440	-2,873,555	927,115
Learners Certificate	-690,303	-1,088,430	-528,550	-703,383	174,833
Operators and Public Drivers Permits	-981,704	-1,417,430	-830,360	-821,476	-8,884
Other revenue	-3,568,284	-3,672,200	-2,796,180	-2,426,955	-369,225
Operational Revenue:					
Incidental Cash Surpluses	-1,229			-2,322	2,322
Insurance Refund	-39,887			-18,346	18,346
Registration Fees: Road and Transport	-94,055	-161,250	-161,250	-91,875	-69,375
Request for Information: Access to Information Act	-52,347	-36,360	-33,980	-46,095	12,115
Request for Information: Accident Reports	-271,628	-289,110	-289,110	-320,169	31,059
Staff Recoveries	-234,381	-10,750	-10,750	-6,431	-4,319
Sales of Goods and Rendering of Services:					
Academic Services: Formal Training	-518,543	-1,853,560	-1,853,560	-1,125,168	-728,392
Escort Fees	-1,133,456	-1,075,000	-270,380	-796,102	525,722
Fire Services	-1,140,840	-40,130	-40,130	61,577	-101,707
Parking Fees	-13,698	-27,550	-27,550	-5,257	-22,293
Sale of Goods:Publications:Prints	-65,131	-163,440	-94,420	-74,172	-20,248
Weighbridge Fees	-3,089	-15,050	-15,050	-2,596	-12,454

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Rental of facilities and equipment	-19,200	-214,750	-214,750	-19,200	-195,550
Investment Property: Ad-hoc rentals	-19,200	-214,750	-214,750	-19,200	-195,550
Transfers and subsidies	-467,269,130	-642,223,140	-670,149,230	-647,908,140	-22,241,090
National Revenue Fund: Equitable Share	-308,526,720	-405,358,250	-427,599,340	-405,358,250	-22,241,090
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-158,742,410	-236,864,890	-242,549,890	-242,549,890	0

Vote 12: Nelson Mandela Bay Stadium

TABLE 5.64: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 12 - Mandela Bay Stadium	21,250,834	99,197,940	99,197,940	-821,901	100,019,841
Expenditure By Type	64,722,474	149,606,540	149,606,540	39,234,450	110,372,090
Contracted services	31,328,893	31,199,650	31,199,650	21,102,449	10,097,201
Depreciation and asset impairment		100,113,050	100,113,050		100,113,050
Other expenditure	31,254,824	17,833,340	17,833,340	18,017,432	-184,092
Other materials	388,757	460,500	460,500	114,569	345,931
Transfers and subsidies	1,750,000				0
Revenue By Source	-43,471,640	-50,408,600	-50,408,600	-40,056,350	-10,352,250
Other revenue	-5,322,740	-10,352,250	-10,352,250		-10,352,250
Transfers and subsidies	-38,148,900	-40,056,350	-40,056,350	-40,056,350	0

TABLE 5.65: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 12 - Mandela Bay Stadium	21,250,834	99,197,940	99,197,940	-821,901	100,019,841
Contracted services	31,328,893	31,199,650	31,199,650	21,102,449	10,097,201
Consultants and Professional Services:					
Business and Advisory: Occupational Health and Safety	1,946,608	257,730	257,730	1,296,518	-1,038,788
Legal Cost: Legal Advice and Litigation	212,800	153,670	153,670	20,325	133,345
Contractors:					
Catering Services	4,500	55,840	55,840	3,000	52,840
Maintenance of Buildings and Facilities	3,187,713	6,297,020	6,297,020	1,242,796	5,054,224
Maintenance of Equipment	2,050,469	1,598,350	1,598,350	1,033,002	565,348
Pest Control and Fumigation	176,180	137,150	137,150	66,000	71,150
Outsourced Services:					
Business and Advisory: Project Management	21,556,013	19,290,480	19,290,480	15,518,996	3,771,484
Cleaning Services		413,560	413,560		413,560
Refuse Removal	100,608	68,090	68,090		68,090
Security Services	2,094,002	2,927,760	2,927,760	1,921,812	1,005,948
Depreciation and asset impairment		100,113,050	100,113,050		100,113,050
Community Assets: Sport and Recreation Facilities: Outdoor Facilities		100,113,050	100,113,050		100,113,050
Other expenditure	31,254,824	17,833,340	17,833,340	18,017,432	-184,092
Operational Cost:					
Advertising, Publicity and Marketing: Corporate and Municipal Activities	14,318,116	3,500,000	3,500,000	3,283,750	216,250
Advertising, Publicity and Marketing: Signs	776,498	400,000	400,000		400,000
Advertising, Publicity and Marketing: Staff Recruitment	21,134	100,000	100,000		100,000
Advertising, Publicity and Marketing: Tenders	811,360	300,000	300,000	284,380	15,620
Assets less than the Capitalisation Threshold	4,634,261	780,000	780,000	5,596,171	-4,816,171
Bank Charges, Facility and Card Fees: Bank Accounts	1,281,789	1,500,000	1,500,000	1,104,434	395,566

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Communication: Licences (Radio and Television)	136,265	200,000	200,000	77,978	122,022
Communication: Telephone, Fax, Telegraph and Telex	290,157	500,000	500,000	148,379	351,621
External Computer Service: Software Licences	22,048	50,000	50,000	24,587	25,413
Insurance Underwriting: Premiums	2,233,684	2,473,920	2,473,920	2,487,725	-13,805
Licences: Performing Arts		50,000	50,000		50,000
Management Fee	6,521,739	7,638,420	7,638,420	5,000,000	2,638,420
Professional Bodies, Membership and Subscription	21,261			10,027	-10,027
Travel and Subsistence:Domestic:Accommodation	32,867	60,000	60,000		60,000
Travel and Subsistence:Domestic:Daily Allowance	1,740	1,000	1,000		1,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	330	50,000	50,000		50,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental	15,861	30,000	30,000		30,000
Travel and Subsistence:Domestic:Transport without Operator: Own Transport	52,807	100,000	100,000		100,000
Travel and Subsistence:Foreign:Accommodation		50,000	50,000		50,000
Uniform and Protective Clothing	82,908	50,000	50,000		50,000
Other materials	388,757	460,500	460,500	114,569	345,931
Inventory Consumed:Consumables:Standard Rated	355,854	365,500	365,500	101,419	264,081
Inventory Consumed:Consumables:Zero Rated	32,868	65,000	65,000	13,150	51,850
Inventory Consumed: Finished Goods	35	30,000	30,000		30,000
Transfers and subsidies	1,750,000				0
Non-profit institutions: Use - It	1,750,000				0
Other revenue	-5,322,740	-10,352,250	-10,352,250		-10,352,250
Sales of Goods and Rendering of Services:					
Entrance Fees	-5,322,740	-10,352,250	-10,352,250		-10,352,250
Transfers and subsidies	-38,148,900	-40,056,350	-40,056,350	-40,056,350	0
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-38,148,900	-40,056,350	-40,056,350	-40,056,350	0

Vote 13: Strategic Programmes Directorate

TABLE 5.66: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 13 - Special Projects and Programmes	-3,710,952	-2,306,210	1,744,600	-2,287,847	4,032,447
Expenditure By Type	10,241,738	10,177,530	14,228,340	10,195,892	4,032,448
Contracted services	-190	78,510	78,510		78,510
Employee related costs	10,069,296	9,525,610	11,822,820	10,020,948	1,801,872
Other expenditure	172,626	507,410	2,261,010	174,945	2,086,065
Other materials	7	66,000	66,000		66,000
Revenue By Source	-13,952,690	-12,483,740	-12,483,740	-12,483,739	-1
Transfers and subsidies	-13,952,690	-12,483,740	-12,483,740	-12,483,739	-1

TABLE 5.67: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Special Projects and Programmes	-3,710,952	-2,306,210	0	-2,287,847	2,287,847
Contracted services	-190	78,510	78,510		78,510
Consultants and Professional Services:					
Legal Cost: Legal Advice and Litigation		20,000	20,000		20,000
Contractors:					
Maintenance of Equipment		58,500	58,500		58,500
Transportation	-190				0
Outsourced Services:					
Business and Advisory: Project Management		10	10		10
Employee related costs	10,069,296	9,525,610	11,822,820	10,020,948	1,801,872
Municipal Staff: Salaries, Wages and Allowances:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Housing Benefits and Incidental: Housing Benefits		20,220	15,770		15,770
Allowances: Service Related Benefits: Acting and Post Related Allowances	81,783		65,540	261,381	-195,841
Allowances: Service Related Benefits: Bonus	341,345	478,650	564,610	460,195	104,416
Allowances: Service Related Benefits: Long Service Award				24,528	-24,528
Allowances: Service Related Benefits:Overtime:Non Structured	119,170	85,060	85,000	14,705	70,295
Allowances: Travel or Motor Vehicle	151,765	157,100	169,560	108,910	60,650
Basic Salary and Wages	8,955,837	8,660,160	10,467,470	8,712,234	1,755,236
Municipal Staff: Social Contributions:					
Bargaining Council	1,994	2,160	2,640	2,020	620
Group Life Insurance	70,681	77,650	72,800	72,688	112
Medical	133,448		138,810	131,922	6,888
Pension	170,141		185,650	188,103	-2,453
Unemployment Insurance	43,130	44,610	54,970	44,263	10,707
Other expenditure	172,626	507,410	2,261,010	174,945	2,086,065
Operating Leases:					
Furniture and Office Equipment		40,000	40,000		40,000
Operational Cost:					
Assets less than the Capitalisation Threshold	4,675	40,000	40,000	2,421	37,579
Communication: Cellular Contract (Subscription and Calls)	137,158	251,800	260,800	144,055	116,745
Communication: Telephone, Fax, Telegraph and Telex	22,572	50,000	50,000	23,329	26,671
External Computer Service: Software Licences		6,800	6,800		6,800
Insurance Underwriting: Premiums	4,098	5,010	5,010	5,140	-130
Municipal Services			1,744,600		1,744,600
Skills Development Fund Levy		70,120	70,120		70,120
Travel Agency and Visa's	444				0
Travel and Subsistence:Domestic:Accommodation	1,000	11,500	11,500		11,500
Travel and Subsistence:Domestic:Daily Allowance	2,439				0

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Travel and Subsistence:Domestic:Food and Beverage (Served)	239	3,000	3,000		3,000
Travel and Subsistence:Domestic:Incidental Cost		1,000	1,000		1,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport		14,000	14,000		14,000
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		14,180	14,180		14,180
Other materials	7	66,000	66,000		66,000
Inventory Consumed:Consumables:Standard Rated	7	66,000	66,000		66,000
Transfers and subsidies	-13,952,690	-12,483,740	-12,483,740	-12,483,739	-1
National Revenue Fund: Fuel Levy (RSC Replacement Grant)	-13,952,690	-12,483,740	-12,483,740	-12,483,739	-1

Vote 14: Sport, Recreation, Arts and Culture

TABLE 5.68: Revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 14 - Recreational & Cultural Services	359,413,778	401,483,990	405,603,350	383,777,913	21,825,437
Expenditure By Type	379,336,594	423,216,190	428,798,490	401,261,178	27,537,312
Contracted services	23,116,726	40,529,560	41,776,480	18,056,868	23,719,612
Debt impairment	-2,593			18,680,990	-18,680,990
Depreciation and asset impairment	97,747,092	76,616,260	76,616,260	98,076,305	-21,460,045
Employee related costs	192,156,869	225,504,250	228,175,040	199,055,811	29,119,229
Finance charges	6,081,780	5,358,750	5,358,750	4,742,831	615,919
Loss on disposal of PPE				85,989	-85,989
Other expenditure	15,939,662	41,830,290	46,895,690	31,103,373	15,792,317
Other materials	3,499,464	6,651,030	6,370,220	3,754,196	2,616,024
Transfers and subsidies	40,797,593	26,726,050	23,606,050	27,704,815	-4,098,765
Revenue By Source	-19,922,816	-21,732,200	-23,195,140	-17,483,265	-5,711,875
Fines, penalties and forfeits	-594,145	-1,030,550	-1,030,550	-1,182	-1,029,368

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Licences and permits		-6,910	-6,910		-6,910
Other revenue	-1,220,882	-1,512,880	-1,975,820	-631,679	-1,344,141
Rental of facilities and equipment	-2,237,789	-3,161,860	-3,161,860	-980,405	-2,181,455
Transfers and subsidies	-15,870,000	-16,020,000	-17,020,000	-15,870,000	-1,150,000

TABLE 5.69: Detailed revenue and expenditure

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Vote 14 - Recreational & Cultural Services	357,520,640	389,483,990	394,675,860	382,874,562	11,801,298
Contracted services	23,116,726	40,529,560	41,776,480	18,056,868	23,719,612
Consultants and Professional Services:					
Business and Advisory: Research and Advisory	84,800	528,830	1,128,830	130,988	997,842
Laboratory Services: Water	53,130	109,180	109,180	31,320	77,860
Legal Cost: Legal Advice and Litigation	576,576	355,970	555,970	1,457,647	-901,677
Contractors:					
Artists and Performers	1,216,636	1,979,390	2,029,390	1,872,410	156,980
Audio-visual Services	513,769	1,741,000	1,300,120	843,241	456,879
Gas	475,284	590,000	48,480	38,840	9,641
Maintenance of Buildings and Facilities	5,061,732	9,966,570	12,023,310	4,667,127	7,356,183
Maintenance of Equipment	629,120	3,082,890	1,757,210	440,221	1,316,989
Maintenance of Unspecified Assets	88,055	329,070	67,030	9,372	57,658
Plants, Flowers and Other Decorations		16,300	16,300		16,300
Preservation/Restoration/Dismantling/Cleaning Services	134,769	227,350	237,350	168,415	68,935
Safeguard and Security	180,683	696,580	701,580	3,640	697,940
Sports and Recreation	1,717,498	2,364,020	1,774,020	1,827,500	-53,480
Transportation	728,951	748,420	743,420	486,890	256,530
Outsourced Services:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Administrative and Support Staff	3,800	3,000	3,000		3,000
Business and Advisory: Project Management	9,052,525	13,642,120	14,735,700	5,042,558	9,693,142
Business and Advisory: Research and Advisory		0	300,000		300,000
Catering Services		11,240	1,240		1,240
Cleaning Services	2,864	23,080	48,080	47,957	123
Clearing and Grass Cutting Services	1,684,881	2,514,620	2,664,620	945,754	1,718,866
Hygiene Services	911,654	1,599,930	850,610	42,988	807,623
Security Services		0	681,040		681,040
Debt impairment	-2,593			18,680,990	-18,680,990
Bad Debts Written Off	-2,593			17,866,384	-17,866,384
Gains and Losses: Impairment Loss: Other Receivables from Non-exchange Revenue: on Specific Accounts				814,606	-814,606
Depreciation and asset impairment	97,747,092	76,616,260	76,616,260	98,076,305	-21,460,045
Furniture and Office Equipment	97,697,817	76,616,260	76,616,260	98,061,903	-21,445,643
Sanitation Infrastructure: Pump Station	49,275			14,402	-14,402
Employee related costs	192,156,869	225,504,250	228,175,040	199,055,811	29,119,229
Municipal Staff: Salaries, Wages and Allowances:					
Allowances: Housing Benefits and Incidental: Essential User	1,331,141	1,710,590	1,522,270	1,404,024	118,246
Allowances: Housing Benefits and Incidental: Housing Benefits	921,909	1,045,340	974,260	991,703	-17,443
Allowances: Service Related Benefits: Acting and Post Related Allowances	1,023,684	613,800	615,190	664,456	-49,266
Allowances: Service Related Benefits: Bonus	9,945,957	10,986,760	11,700,040	10,711,452	988,588
Allowances: Service Related Benefits: Long Service Award	7,484,666	8,525,000	8,005,440	8,175,904	-170,464
Allowances: Service Related Benefits:Overtime:Night Shift	25,385	82,240	75,570	13,877	61,693
Allowances: Service Related Benefits:Overtime:Non Structured	7,181,736	4,267,940	4,963,790	4,072,455	891,335
Allowances: Service Related Benefits:Overtime:Shift Additional Remuneration	32,473	35,120	43,210	35,155	8,055
Allowances: Service Related Benefits:Overtime:Structured	676,766	220,860	220,860	627,600	-406,740

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Allowances: Service Related Benefits: Scarcity Allowance	33,209	36,520	36,510	36,055	455
Allowances: Service Related Benefits: Standby Allowance	204,992	55,570	76,400	189,649	-113,249
Allowances: Travel or Motor Vehicle	1,862,051	2,658,380	2,402,610	2,379,236	23,374
Basic Salary and Wages	123,451,690	153,448,340	157,326,650	129,150,869	28,175,781
Bonuses		3,880	3,880		3,880
Municipal Staff: Social Contributions:					
Bargaining Council	48,344	51,980	50,130	50,421	-291
Group Life Insurance	1,197,574	1,315,600	1,285,410	1,331,082	-45,672
Medical	11,990,572	12,816,190	12,323,560	12,577,419	-253,859
Pension	21,605,952	24,044,190	23,250,020	23,270,263	-20,243
Unemployment Insurance	889,234	936,060	783,630	848,665	-65,035
Senior Management: Designation:					
Salaries and Allowances: Basic Salary	2,066,956	2,346,640	2,213,820	2,213,808	12
Salaries and Allowances: Bonuses		300,000	300,000	309,933	-9,933
Social Contributions: Unemployment Insurance	1,785	3,250	1,790	1,785	5
Salaries and Allowances: Bonuses	180,794				0
Finance charges	6,081,780	5,358,750	5,358,750	4,742,831	615,919
Interest Paid:Borrowings:Annuity Loans	6,081,780	5,358,750	5,358,750	4,742,831	615,919
Loss on disposal of PPE				85,989	-85,989
Gains and Losses: Furniture and Office Equipment: Losses				85,989	-85,989
Other expenditure	15,939,662	41,830,290	46,895,690	31,103,373	15,792,317
Operating Leases:					
Computer Equipment	66,907	165,000	168,000	8,265	159,735
Furniture and Office Equipment	1,116,568	1,475,270	1,335,270	1,157,060	178,210
Other Assets	44,978	59,020	59,020	2,484	56,536
Operational Cost:					

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Advertising, Publicity and Marketing: Corporate and Municipal Activities	208,431	368,140	329,140	173,770	155,370
Advertising, Publicity and Marketing: Municipal Newsletters	16,666	35,740	18,740	8,000	10,740
Advertising, Publicity and Marketing: Signs		0	30,000		30,000
Advertising, Publicity and Marketing: Staff Recruitment				85,060	-85,060
Advertising, Publicity and Marketing: Tenders	36,158	103,000	103,000	46,187	56,813
Assets less than the Capitalisation Threshold	416,119	5,886,300	6,432,510	1,029,009	5,403,501
Cleaning Services: Car Valet and Washing Services	310	700	700	160	540
Communication: Cellular Contract (Subscription and Calls)	658,258	749,990	749,990	765,224	-15,234
Communication: Postage/Stamps/Frinking Machines	1,219	1,130	1,130	4,052	-2,922
Communication: Telephone Installation			50,000		50,000
Communication: Telephone, Fax, Telegraph and Telex	416,427	1,173,530	985,530	409,534	575,996
Drivers Licences and Permits	2,332	5,820	5,820	868	4,952
External Computer Service: Data Lines	56,145	91,090	91,090	57,080	34,010
External Computer Service: Network Extensions	4,816	73,530	153,530	72,183	81,347
External Computer Service: Software Licences		1,633,250	1,633,250	4,799,376	-3,166,126
External Computer Service: System Development	9,328,128	25,081,040	25,081,040	15,944,260	9,136,780
External Computer Service: Wireless Network		162,460	262,460	194,040	68,420
Hire Charges	7,500	36,580			0
Insurance Underwriting: Claims paid to Third Parties			30,000	20,057	9,943
Insurance Underwriting: Premiums	1,131,123	1,372,340	1,374,940	1,249,006	125,934
Licences: Motor Vehicle Licence and Registrations	4,361	13,560	15,560	3,572	11,988
Municipal Services			4,660,200	2,855,507	1,804,693
Printing, Publications and Books	53,545	166,900	766,900	45,365	721,535
Professional Bodies, Membership and Subscription	3,075	5,330	5,330		5,330
Registration Fees: Seminars, Conferences, Workshops and Events: National	37,535	28,740	28,740		28,740
Signage	13,935	9,060	89,060	112	88,948

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Skills Development Fund Levy	1,601,276	2,159,910	1,445,800	1,629,469	-183,669
Storage of Files (Archiving)	5,825				0
Travel Agency and Visa's	10,101	50,170	43,470		43,470
Travel and Subsistence:Domestic:Accommodation	62,205	49,080	35,000		35,000
Travel and Subsistence:Domestic:Daily Allowance	26,474	29,880	29,880		29,880
Travel and Subsistence:Domestic:Food and Beverage (Served)	1,825	8,000	8,000		8,000
Travel and Subsistence:Domestic:Incidental Cost	2,261	5,000	5,000		5,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Air Transport	50,030	38,190	31,000		31,000
Travel and Subsistence:Domestic:Transport with Operator: Public Transport: Road Transport	6,218	8,430	8,430	136	8,294
Travel and Subsistence:Domestic:Transport without Operator: Car Rental		12,000	12,000		12,000
Travel and Subsistence:Foreign:Accommodation	23,973				0
Travel and Subsistence:Foreign:Daily Allowance	9,690				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Air Transport	110,989				0
Travel and Subsistence:Foreign:Transport with Operator: Public Transport: Road Transport	16,707				0
Travel and Subsistence:Non-employees	2,887	0			0
Uniform and Protective Clothing	242,879	772,110	720,250	416,180	304,070
Wet Fuel	15,041		95,910	35,489	60,421
Workmen's Compensation Fund	126,743			91,867	-91,867
Other materials	3,499,464	6,651,030	6,370,220	3,754,196	2,616,024
Inventory Consumed:Consumables:Standard Rated	1,087,735	2,097,500	2,054,480	1,341,712	712,768
Inventory Consumed:Consumables:Zero Rated	750,680	1,701,660	1,565,670	493,707	1,071,963
Inventory Consumed: Finished Goods	628,180	1,124,450	1,212,650	666,907	545,743
Inventory Consumed: Materials and Supplies	1,032,869	1,727,420	1,537,420	1,251,870	285,550
Transfers and subsidies	40,797,593	26,726,050	23,606,050	27,704,815	-4,098,765

Row Labels	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance
Non-profit institutions: Use - It	40,797,593	26,726,050	23,606,050	27,704,815	-4,098,765
Fines, penalties and forfeits	-594,145	-1,030,550	-1,030,550	-1,182	-1,029,368
Fines: Overdue Books Fine	-594,145	-1,030,550	-1,030,550	-1,182	-1,029,368
Licences and permits		-6,910	-6,910		-6,910
Boat		-6,910	-6,910		-6,910
Other revenue	-1,220,882	-1,512,880	-1,975,820	-631,679	-1,344,141
Operational Revenue:					
Breakages and Losses Recovered	-5,866	-12,280	-12,280	-661	-11,619
Insurance Refund	-2,300		-462,940	-558,772	95,832
Staff Recoveries	-9,839	-102,570	-102,570	-5,184	-97,386
Sales of Goods and Rendering of Services:					
Camping Fees	-40,207	-44,180	-44,180		-44,180
Entrance Fees	-992,653	-1,142,780	-1,142,780	-66,267	-1,076,513
Library Fees: Membership	-128				0
Photocopies and Faxes	-169,889	-202,330	-202,330	-795	-201,535
Sale of Goods:Publications:Books		-8,740	-8,740		-8,740
Rental of facilities and equipment	-2,237,789	-3,161,860	-3,161,860	-980,405	-2,181,455
Ad-hoc rentals: Community Assets	-1,137,274	-1,631,740	-1,631,740	-279,403	-1,352,337
Investment Property: Ad-hoc rentals	-961,821	-1,336,010	-1,336,010	-663,874	-672,136
Ad-hoc rentals: Community Assets	-138,694	-194,110	-194,110	-37,127	-156,983
Transfers and subsidies	-15,870,000	-16,020,000	-17,020,000	-15,870,000	-1,150,000
National Departmental Agencies: South Africa Revenue Service (SARS)		-150,000	-150,000		-150,000
National Governments: Integrated City Development Grant			-1,000,000		-1,000,000
Capacity Building and Other: Specify (Add grant description)	-15,870,000	-15,870,000	-15,870,000	-15,870,000	0

5.2 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The Municipality has an Asset Management Sub-directorate which is responsible for the coordination of asset management functions. The Municipality further has both Asset Management Policy and Asset Disposal Policy that outlines the process of acquisition, management, control, safeguarding and disposal of all municipal assets.

TABLE 5.70: Treatment of the three largest assets

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2020/21				
Asset 1				
Name	Water Treatment Works - Coegakop - Civil			
Description	Water Treatment Works - Coegakop - Civil			
Asset Type	Water Treatment Works			
Key Staff Involved	Edzard Verseput			
Staff Responsibilities	Project Engineer for the NMBM as the beneficiary of this project			
Asset Value	2017/18	2018/19	2019/20	2020/21
	4,742,696	16,246,471	23,088,838	64,394,289
Capital Implications	Construction cost and professional service provider fees			
Future Purpose of Asset	Construction of the Coegakop Water Treatment Works that will treat 12Ml/day of borehole water abstracted from the Coegakop Wellfield. This will diversify the current, predominantly surface water supply, with an alternative water supply that is not dependant on local droughts.			
Describe Key Issues	Appeals during award stage delaying contract start. Non-approval of MDRG Rollover funding			
Policies in Place to Manage Asset	NMBM representatives attend site meetings to ensure work is in accordance with our standards			
Asset 2				
Name	Driftsands - Sewer Pipe Network			

Description	Driftsands - Sewer Pipe Network			
Asset Type	Civil Works - Sewer Pipe			
Key Staff Involved	M Geyer			
Staff Responsibilities	Project Engineer for the NMBM as the beneficiary of this project			
Asset Value	2017/18	2018/19	2019/20	2020/21
	88,491,560	92,523,499	114,712,108	139,981,659
Capital Implications	Construction cost and professional service provider fees			
Future Purpose of Asset	Augment of capacity of existing sewer pipeline to unlock future development and create spare capacity within the pipeline.			
Describe Key Issues	Work stoppages by EME's Problematic ground conditions causing construction delays			
Policies in Place to Manage Asset	NMBM representatives attend site meetings to ensure work is in accordance with our standards			
Asset 3				
Name	Water Treatment Works - Coegakop - Electrical			
Description	Water Treatment Works - Coegakop - Electrical			
Asset Type	Water Treatment Works			
Key Staff Involved	Edzard Verseput			
Staff Responsibilities	Project Engineer for the NMBM as the beneficiary of this project			
Asset Value	2017/18	2018/19	2019/20	2020/21
	-	856,161	4,750,326	29,172,881
Capital Implications	Construction cost and professional service provider fees			
Future Purpose of Asset	Construction of the Coegakop Water Treatment Works that will treat 12Ml/day of borehole water abstracted from the Coegakop Wellfield. This will diversify the current, predominantly surface water supply, with an alternative water supply that is not dependant on local droughts.			
Describe Key Issues	Appeals during award stage delaying contract start. Non-approval of MDRG Rollover funding			
Policies in Place to Manage Asset	NMBM representatives attend site meetings to ensure work is in accordance with our standards			

Repairs and maintenance of municipal assets

The repair and maintenance of assets are undertaken on an ongoing basis. Major maintenance backlogs on infrastructure assets exist requiring a significant repairs and maintenance budget over the short to medium term. The 2020/21 repairs and maintenance budget was underspent by approximately 30.78%. As part of the mSCOA implementation, repairs and maintenance are required to be budgeted at project level and referenced against the assets that have been maintained.

Repairs and maintenance expenditure decreased from 4.25% (in 2019/20) to 3.72% (in 2020/21) in relation to the total operating expenditure. Below is an analysis of actual repairs and maintenance expenditure by asset class, compared to the 2020/21 Adjustments Budget.

Repairs and Maintenance

Repairs and maintenance exist at the mSCOA Project level. It consists of Other Expenditure, Contracted Services, Other Materials and Employee Related Costs expensed on repair and maintenance projects. Only 69.21% of the repairs and maintenance projects budget was spent as at 30 June 2021. Repairs and maintenance is underspent by R147,785 million. The analysis below indicates where projects was underspent / overspent. It is important to note how much was underspent in terms of infrastructure where huge backlog of maintenance exists. It is important to note that currently the manpower component of NMBM particularly in the Infrastructure related directorates Employee related costs are not allocated to the Repairs and Maintenance component. Considering the extent of overtime worked by Infrastructure directorates on maintenance projects it is clear that Repairs and Maintenance are understated. An analysis is required to determine the quantum of employee related costs relating to the performance of repairs and maintenance projects.

TABLE 5.71: Repairs and maintenance by directorate

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Vote 1 - Budget & Treasury						
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment	3480	213910	219410	13997.13	205412.9	6.38%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	3480	213910	219410	13997.13	205412.9	6.38%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment	119200.72	268300	264400	9974.01	254426	3.77%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	119200.72	268300	264400	9974.01	254426	3.77%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings	94919.27	4580250	1757750	381239.33	1376511	21.69%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	94919.27	4580250	1757750	381239.33	1376511	21.69%
Non-infrastructure:Corrective Maintenance:Emergency:Transport Assets	16601.14	30000	41500	27713.11	13786.89	66.78%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	16601.14	30000	41500	27713.11	13786.89	66.78%
Vote 2 -Public Health						
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities: Nature Reserves: Buildings		8370	8370		8370	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		8370	8370		8370	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities: Nature Reserves: Mechanical Equipment	40294.02	66250	61250	13354.46	47895.54	21.80%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	40294.02	66250	61250	13354.46	47895.54	21.80%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Parks:Buildings	1800124.37	2667470	2512470	1922318.46	590151.5	76.51%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	1800124.37	2644130	2489130	1922318.46	566811.5	77.23%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		23340	23340		23340	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities: Public Ablution Facilities: Buildings	210488.49	379470	379470	276561	102909	72.88%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	210488.49	379470	379470	276561	102909	72.88%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities: Public Open Space: Buildings	5006.2	251710	251710	2043.51	249666.5	0.81%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	5006.2	228500	228500	2043.51	226456.5	0.89%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		23210	23210		23210	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities: Public Open Space: Civil Structures	107010.65	216490	216490	38689.4	177800.6	17.87%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	107010.65	216490	216490	38689.4	177800.6	17.87%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities: Public Open Space: Land	36465.12	845690	845690	38537.12	807152.9	4.56%
Expenditure:Contracted Services: Outsourced Services: Clearing and Grass Cutting Services	36465.12	845690	845690	38537.12	807152.9	4.56%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment		145090	145090	5300	139790	3.65%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		145090	145090	5300	139790	3.65%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment	24501.41	419250	414250	25112.76	389137.2	6.06%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	24060.01	60850	60850	25112.76	35737.24	41.27%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	441.4	358400	353400		353400	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Heritage Assets: Conservation Areas	17074	603100	553100	31000	522100	5.60%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	17074	603100	553100	31000	522100	5.60%
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment	1172902.93	1759100	1636100	785595.44	850504.6	48.02%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	1172902.93	1759100	1636100	785595.44	850504.6	48.02%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Depots:Buildings	824849.62	1765320	1785320	776263.58	1009056	43.48%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	777655.15	1534580	1554580	757703.58	796876.4	48.74%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	47194.47	230740	230740	18560	212180	8.04%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Depots:Civil Structures	24716.5	58940	58940	33078	25862	56.12%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	24716.5	58940	58940	33078	25862	56.12%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Depots:Metalwork's	16522.78	86270	36270	6609.77	29660.23	18.22%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	16522.78	86270	36270	6609.77	29660.23	18.22%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings	164719.78	765560	685560	338075.86	347484.1	49.31%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	164719.78	765560	685560	338075.86	347484.1	49.31%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Mechanical Equipment		15020	15020		15020	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		15020	15020		15020	0.00%
Non-infrastructure:Corrective Maintenance:Planned:Transport Assets		5980	5980		5980	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		5980	5980		5980	0.00%
Non-infrastructure: Preventative Maintenance: Interval Based: Intangible Assets: Licences and Rights: Unspecified		18300	18300		18300	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		18300	18300		18300	0.00%
Non-infrastructure: Preventative Maintenance: Interval Based: Transport Assets		8450	8450		8450	0.00%
Expenditure: Operational Cost: Assets less than the Capitalisation Threshold		8450	8450		8450	0.00%
					0	
Vote 3 - Human Settlements					0	
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment		121920	121920	1285	120635	1.05%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		121920	121920	1285	120635	1.05%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment		148410	118410	8683.5	109726.5	7.33%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		148410	118410	8683.5	109726.5	7.33%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment		97300	97300		97300	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		97300	97300		97300	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets:Housing:Social Housing: Buildings	1622648.14	2210550	3810550	824746.34	2985804	21.64%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	1622648.14	2210550	3810550	824746.34	2985804	21.64%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings	38585	494420	614420	366936.08	247483.9	59.72%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	38585	494420	614420	366936.08	247483.9	59.72%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Land		25000	25000		25000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		25000	25000		25000	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Transport Assets	47.83	22580	7580		7580	0.00%
Expenditure: Inventory Consumed:Consumables:Standard Rated	47.83	22580	7580		7580	0.00%
Non-infrastructure: Preventative Maintenance: Interval Based: Other Assets:Housing:Social Housing: Buildings	187490			55776.7	-55776.7	
Expenditure:Contracted Services:Contractors:Management of Informal Settlements	187490			55776.7	-55776.7	
Non-infrastructure: Preventative Maintenance: Interval Based: Transport Assets		10500			0	
Expenditure: Operational Cost: Assets less than the Capitalisation Threshold		10500			0	
Vote 4 - Economic Development, Tourism & Agriculture						

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Infrastructure: Corrective Maintenance:Emergency:Roads Infrastructure:Roads:Land				170141.76	-170142	
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities				170141.76	-170142	
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Markets:Buildings	1372647.2	1880430	3830430	808038.07	3022392	21.10%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	1372647.2	1880430	3830430	808038.07	3022392	21.10%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Markets:Electrical Equipment		34540	14540		14540	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		34540	14540		14540	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment	953683.6	2072530	2072530	1121767.46	950762.5	54.13%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	953683.6	2072530	2072530	1121767.46	950762.5	54.13%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment	10900	35840	35840		35840	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	10900	35840	35840		35840	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment	842449.51	1600750	1202270	877324.82	324945.2	72.97%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	2443.08	698480	400000	52463.88	347536.1	13.12%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	840006.43	902270	802270	824860.94	-22590.9	102.82%
Vote 5 - Corporate Services						
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Halls:Buildings		700000	640000	58071	581929	9.07%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		700000	640000	58071	581929	9.07%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Halls:Electrical Equipment	16337.32	100000	60000		60000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	16337.32	100000	60000		60000	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment	552345	976670	861670	149622.39	712047.6	17.36%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	552345	976670	836670	141026.95	695643.1	16.86%
Expenditure: Employee Related Cost: Municipal Staff: Salaries, Wages and Allowances:Allowances:Service Related Benefits:Overtime:Non Structured			25000	8595.44	16404.56	34.38%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment	12230.45	518080	323080		323080	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	12230.45	518080	323080		323080	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment	118646.64	220000	155000	76003.46	78996.54	49.03%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	118646.64	220000	155000	76003.46	78996.54	49.03%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Depots:Civil Structures	7600	100000	60000	19750	40250	32.92%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	7600	100000	60000	19750	40250	32.92%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings	2715331.68	7757840	9297810	2932293.39	6365517	31.54%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	2709603.98	5757840	8094840	2932293.39	5162547	36.22%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	5727.7	2000000	1202970		1202970	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Electrical Equipment		5000	5000		5000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		5000	5000		5000	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Mechanical Equipment	398130.48	1250000	1250000	1086327.59	163672.4	86.91%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	398130.48	1250000	1250000	1086327.59	163672.4	86.91%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Training Centres: Buildings		13380	30380	119017.78	-88637.8	391.76%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		13380	30380	119017.78	-88637.8	391.76%
Non-infrastructure:Corrective Maintenance:Planned:Transport Assets		80000	25000		25000	0.00%
Expenditure: Inventory Consumed:Consumables:Standard Rated		80000	25000		25000	0.00%
Non-infrastructure: Preventative Maintenance: Condition Based: Community Assets: Community Facilities:Halls:Buildings	111825.13	200000	430000	23840	406160	5.54%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	75560.88	150000	150000	23840	126160	15.89%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	36264.25	50000	280000		280000	0.00%
Non-infrastructure: Preventative Maintenance: Condition Based: Other Assets: Operational Buildings: Municipal Offices: Buildings		550000	464000		464000	0.00%
Expenditure:Contracted Services:Contractors:Fire Protection		550000	464000		464000	0.00%
Non-infrastructure: Preventative Maintenance: Interval Based: Community Assets: Community Facilities:Halls:Buildings	1509092.59	1650000	1820000	2181080.44	-361080	119.84%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	1509092.59	1650000	1820000	2181080.44	-361080	119.84%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure: Preventative Maintenance: Interval Based: Community Assets: Community Facilities:Halls:Electrical Equipment	5878.3	150000	100000	18054.69	81945.31	18.05%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	5878.3	150000	100000	18054.69	81945.31	18.05%
Non-infrastructure: Preventative Maintenance: Interval Based: Community Assets: Community Facilities:Libraries:Buildings	262036	500000	440000	293746.57	146253.4	66.76%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	262036	500000	440000	293746.57	146253.4	66.76%
Non-infrastructure: Preventative Maintenance: Interval Based: Other Assets: Operational Buildings:Depots:Buildings	792937.38	1175000	1115000	812520.43	302479.6	72.87%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	792937.38	1175000	1115000	812520.43	302479.6	72.87%
Non-infrastructure: Preventative Maintenance: Interval Based: Other Assets: Operational Buildings:Depots:Electrical Equipment		200000	200000		200000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		200000	200000		200000	0.00%
Vote 6 - Infrastructure & Engineering Unit - Rate and General						
Infrastructure: Corrective Maintenance:Emergency:Roads Infrastructure: Road Furniture: Road Furniture	795127.43	1500000	800000	582866.22	217133.8	72.86%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	795127.43	1500000	800000	582866.22	217133.8	72.86%
Infrastructure: Corrective Maintenance:Emergency:Roads Infrastructure: Road Furniture: Traffic Signs	3063898.92	3364200	3364200	2697530.16	666669.8	80.18%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	3063898.92	3364200	3364200	2697530.16	666669.8	80.18%
Infrastructure: Corrective Maintenance:Emergency:Roads Infrastructure: Road Structures: Civil Structures	12987801.99	11550000	49759440	47145127.27	2614313	94.75%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	12987801.99	11550000	23159440	23069464.39	89975.61	99.61%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets			26600000	24075662.88	2524337	90.51%
Infrastructure: Corrective Maintenance:Emergency:Roads Infrastructure: Road Structures: Road Bridges	82469.45	1000000	200000		200000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	82469.45	1000000	200000		200000	0.00%
Infrastructure: Corrective Maintenance:Emergency:Roads Infrastructure:Roads:Pavements	6199443.89	15550000	10850000	10089061.49	760938.5	92.99%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		1000000	200000		200000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	6199443.89	14550000	10650000	10089061.49	560938.5	94.73%
Infrastructure: Corrective Maintenance:Emergency:Storm water Infrastructure:Attenuation:Civil Structures		200000	200000		200000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		200000	200000		200000	0.00%
Infrastructure: Corrective Maintenance:Emergency:Storm water Infrastructure: Drainage Collection: Drainage		16000	16000		16000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		16000	16000		16000	0.00%
Infrastructure: Corrective Maintenance:Emergency:Storm water Infrastructure: Storm water Conveyance: Civil Structures	5338712.42	7131000	7131000	5145094.11	1985906	72.15%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	5338712.42	7100000	7100000	5145094.11	1954906	72.47%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		31000	31000		31000	0.00%
Infrastructure: Corrective Maintenance:Emergency:Storm water Infrastructure: Storm water Conveyance: Pipe Work	5332419.56	9950000	9950000	9508560.17	441439.8	95.56%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	4826861.12	9950000	9950000	9508560.17	441439.8	95.56%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	505558.44				0	
Infrastructure: Preventative Maintenance: Condition Based: Rail Infrastructure: Rail Furniture		54000	54000		54000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		54000	54000		54000	0.00%
Infrastructure: Preventative Maintenance: Interval Based: Rail Infrastructure: Rail Lines: Rail Lines and Ballast	47356	3133000	2133000	279599.71	1853400	13.11%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	47356	1699000	1099000	279599.71	819400.3	25.44%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		1434000	1034000		1034000	0.00%
Infrastructure: Preventative Maintenance: Interval Based: Roads Infrastructure:Roads:Pavements	591235.67	110000	50000	17200	32800	34.40%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		50000	50000		50000	0.00%
Expenditure: Employee Related Cost: Municipal Staff: Salaries, Wages and Allowances: Basic Salary and Wages				17200	-17200	
Expenditure: Operational Cost: Insurance Underwriting: Claims paid to Third Parties	591235.67	60000			0	
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment	3356.75	20830	20830	4449.56	16380.44	21.36%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		10030	10030		10030	0.00%
Expenditure: Operational Cost: External Computer Service: Information Services	3356.75	10800	10800	4449.56	6350.44	41.20%
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment	3056053.88	5406000	5276000	2755827.97	2520172	52.23%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	3056053.88	5406000	5276000	2755827.97	2520172	52.23%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Depots:Buildings		40000	220000	20000	200000	9.09%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		40000	220000	20000	200000	9.09%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Laboratories:Buildings	7834.36	200000	200000	159386.1	40613.9	79.69%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	7834.36	200000	200000	159386.1	40613.9	79.69%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings		5000	539970	69260	470710	12.83%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		5000	539970	69260	470710	12.83%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Workshops:Buildings	184884.9	400000	400000	160092.75	239907.3	40.02%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	184884.9	400000	400000	160092.75	239907.3	40.02%
Non-infrastructure:Corrective Maintenance:Emergency:Transport Assets			400000		400000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment			200000		200000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets			200000		200000	0.00%
Non-infrastructure:Corrective Maintenance:Planned:Transport Assets	31759176.84	35237600	33237600	31906180.44	1331420	95.99%
Expenditure:Contracted Services:Contractors:Transportation	31759176.84	35237600	33237600	31906180.44	1331420	95.99%
Non-infrastructure: Preventative Maintenance: Interval Based: Intangible Assets: Licences and Rights: Computer Software and Applications		663910	663910		663910	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		168550	168550		168550	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		495360	495360		495360	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Vote 7 - Metro Water Service						
Infrastructure: Corrective Maintenance:Emergency:Roads Infrastructure:Roads:Land	126000	276800	276800		276800	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	126000	276800	276800		276800	0.00%
Infrastructure: Corrective Maintenance:Emergency:Sanitation Infrastructure: Waste Water Treatment: Pipe Work		0	451100		451100	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		0	451100		451100	0.00%
Infrastructure: Corrective Maintenance:Emergency:Water Supply Infrastructure: Bulk Mains: Pipe Work	5497176.52	10048440	10048440	6147449.46	3900991	61.18%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	5497176.52	10048440	10048440	6147449.46	3900991	61.18%
Infrastructure: Corrective Maintenance:Emergency:Water Supply Infrastructure: Dams and Weirs: Civil Structure		75960	75960		75960	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		75960	75960		75960	0.00%
Infrastructure: Corrective Maintenance:Emergency:Water Supply Infrastructure: Dams and Weirs: Electrical Equipment	729862.5	101390	881390		881390	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	729862.5	101390	881390		881390	0.00%
Infrastructure: Corrective Maintenance:Emergency:Water Supply Infrastructure: Dams and Weirs: Mechanical Equipment		35000	35000		35000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		35000	35000		35000	0.00%
Infrastructure: Corrective Maintenance:Emergency:Water Supply Infrastructure:Distribution:Municipal Service Connections	453805.2	3911690	11690	12890.78	-1200.78	110.27%
Expenditure: Inventory Consumed: Materials and Supplies	453805.2	3911690	11690	12890.78	-1200.78	110.27%
Infrastructure: Corrective Maintenance:Emergency:Water Supply Infrastructure: Pump Station: Electrical Equipment		4500	4500		4500	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		4500	4500		4500	0.00%
Infrastructure: Corrective Maintenance:Emergency:Water Supply Infrastructure: Water Treatment: Mechanical Equipment	604593.55	1648320	1398320	511241.98	887078	36.56%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	604593.55	1648320	1398320	511241.98	887078	36.56%
Infrastructure: Corrective Maintenance:Planned:Roads Infrastructure:Roads:Land		29430	29430		29430	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		29430	29430		29430	0.00%
Infrastructure: Corrective Maintenance:Planned:Sanitation Infrastructure: Waste Water Treatment: Buildings		526740	526740		526740	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		526740	526740		526740	0.00%
Infrastructure: Corrective Maintenance:Planned:Storm water Infrastructure: Storm water Conveyance: Drainage		50000	50000		50000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		50000	50000		50000	0.00%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Dams and Weirs: Civil Structure	4569.18	215220	215220	9471.55	205748.5	4.40%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		9720	9720		9720	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	4569.18	205500	205500	9471.55	196028.5	4.61%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Dams and Weirs: Electrical Equipment		10000	10000		10000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		10000	10000		10000	0.00%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Dams and Weirs: Mechanical Equipment		57460	57460		57460	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		57460	57460		57460	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure:Distribution:Municipal Service Connections	26571808.93	24950000	28220000	10438685.05	17781315	36.99%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	26532581.02	21400000	28170000	10423727.37	17746273	37.00%
Expenditure: Inventory Consumed: Materials and Supplies	39227.91	3550000	50000	14957.68	35042.32	29.92%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Pump Station: Buildings		242480	242480		242480	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		242480	242480		242480	0.00%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Pump Station: Electrical Equipment	1144901.58	2479990	3099990	1015402.15	2084588	32.76%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	1144901.58	2479990	3099990	1015402.15	2084588	32.76%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Pump Station: Mechanical Equipment	19173903.38	13950390	41460370	24126168.68	17334201	58.19%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	19173903.38	13950390	41460370	24126168.68	17334201	58.19%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure:Reservoirs:Civil Structure		250000	250000	10483.84	239516.2	4.19%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		250000	250000	10483.84	239516.2	4.19%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure:Reservoirs:External Facilities		454150	204150	1350	202800	0.66%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		454150	204150	1350	202800	0.66%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure:Reservoirs:Service Connections on Site	7655.5	100000	100000		100000	0.00%
Expenditure: Inventory Consumed: Materials and Supplies	7655.5	100000	100000		100000	0.00%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Water Treatment: Buildings	200387.88	982370	932370	13305.96	919064	1.43%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	200387.88	982370	932370	13305.96	919064	1.43%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Water Treatment: Electrical Equipment	475475.79	2791550	2791550	1685109.84	1106440	60.36%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	475475.79	2791550	2791550	1685109.84	1106440	60.36%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Water Treatment: Land		66000	66000		66000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		66000	66000		66000	0.00%
Infrastructure: Corrective Maintenance:Planned:Water Supply Infrastructure: Water Treatment: Mechanical Equipment	2086080.87	5274680	5274680	1834289.34	3440391	34.78%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	2086080.87	5274680	5274680	1834289.34	3440391	34.78%
Infrastructure: Preventative Maintenance: Condition Based: Water Supply Infrastructure:Distribution:Pipe Work		24030	24030		24030	0.00%
Expenditure: Inventory Consumed: Finished Goods		24030	24030		24030	0.00%
Infrastructure: Preventative Maintenance: Condition Based: Water Supply Infrastructure: Water Treatment: Buildings		253200	153200		153200	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		253200	153200		153200	0.00%
Infrastructure: Preventative Maintenance: Interval Based: Sanitation Infrastructure:Reticulation:Civil Structures	-817589.98				0	
Expenditure: Interest, Dividends and Rent on Land: Interest Paid:Borrowings:Annuity Loans	-817589.98				0	
Infrastructure: Preventative Maintenance: Interval Based: Sanitation Infrastructure: Waste Water Treatment: Mechanical Equipment		382020	382020		382020	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		382020	382020		382020	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment	14811.28	768580	768580	17159.59	751420.4	2.23%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	14811.28	768580	768580	17159.59	751420.4	2.23%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment	10755	182700	154200		154200	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	10755	151700	123200		123200	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		31000	31000		31000	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment	13872743.89	73498400	24473400	15628873.16	8844527	63.86%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	13810193.89	73048400	24073400	15628873.16	8444527	64.92%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	62550	450000	400000		400000	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings		385500	385500		385500	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		385500	385500		385500	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: External Facilities		21400	21400		21400	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		7870	7870		7870	0.00%
Expenditure: Inventory Consumed: Materials and Supplies		13530	13530		13530	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Land		5000	5000		5000	0.00%
Expenditure:Contracted Services: Outsourced Services: Clearing and Grass Cutting Services		5000	5000		5000	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Pavements		12530	12530		12530	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		12530	12530		12530	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure:Corrective Maintenance:Planned:Computer Equipment		20000	20000		20000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		20000	20000		20000	0.00%
Non-infrastructure:Corrective Maintenance:Planned:Furniture and Office Equipment		3000	3000		3000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		3000	3000		3000	0.00%
Non-infrastructure:Corrective Maintenance:Planned:Machinery and Equipment	25020.97	107170	107170	31596.83	75573.17	29.48%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	24170.97	107170	107170	31596.83	75573.17	29.48%
Expenditure: Inventory Consumed: Materials and Supplies	850				0	
Non-infrastructure:Corrective Maintenance:Planned:Other Assets:Housing:Staff Housing: Buildings	9450	810650	810650	9625	801025	1.19%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	9450	810650	810650	9625	801025	1.19%
Non-infrastructure:Corrective Maintenance:Planned:Other Assets: Operational Buildings:Depots:Buildings	5133.2	103370	103370	28485	74885	27.56%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	5133.2	103370	103370	28485	74885	27.56%
Non-infrastructure:Corrective Maintenance:Planned:Other Assets: Operational Buildings: Municipal Offices: Buildings		160000	136000	2173	133827	1.60%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		160000	136000	2173	133827	1.60%
Non-infrastructure:Corrective Maintenance:Planned:Other Assets: Operational Buildings: Municipal Offices: External Facilities	894.52	270830	270830	6348.85	264481.2	2.34%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	894.52	207830	207830	6348.85	201481.2	3.05%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		30000	30000		30000	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure: Inventory Consumed: Materials and Supplies		33000	33000		33000	0.00%
Non-infrastructure:Corrective Maintenance:Planned:Other Assets: Operational Buildings: Municipal Offices: Land		175480	175480		175480	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		61680	61680		61680	0.00%
Expenditure:Contracted Services: Outsourced Services: Clearing and Grass Cutting Services		113800	113800		113800	0.00%
Non-infrastructure:Corrective Maintenance:Planned:Transport Assets		33980	48980		48980	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		33980	48980		48980	0.00%
Non-infrastructure: Preventative Maintenance: Condition Based: Machinery and Equipment	1700.76	30280	30280	1443.15	28836.85	4.77%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	1700.76	30280	30280	1443.15	28836.85	4.77%
Non-infrastructure: Preventative Maintenance: Condition Based: Other Assets: Operational Buildings: Municipal Offices: External Facilities		70830	70830		70830	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		70830	70830		70830	0.00%
Non-infrastructure: Preventative Maintenance: Interval Based: Furniture and Office Equipment	1731	99780	99780	43822	55958	43.92%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	1731	99780	99780	43822	55958	43.92%
Non-infrastructure: Preventative Maintenance: Interval Based: Other Assets: Operational Buildings:Depots:Land		10000	10000	7000	3000	70.00%
Expenditure:Contracted Services: Outsourced Services: Clearing and Grass Cutting Services		10000	10000	7000	3000	70.00%
Vote 8 - Sanitation – Metro						

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Infrastructure: Corrective Maintenance:Emergency:Roads Infrastructure:Roads:Land		138970	101460		101460	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		138970	101460		101460	0.00%
Infrastructure: Corrective Maintenance:Emergency:Sanitation Infrastructure: Pump Station: Civil Structure		33180	33180		33180	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		33180	33180		33180	0.00%
Infrastructure: Corrective Maintenance:Emergency:Sanitation Infrastructure: Pump Station: Mechanical Equipment	67978.49	1061400	1061400	9515	1051885	0.90%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	67978.49	1061400	1061400	9515	1051885	0.90%
Infrastructure: Corrective Maintenance:Emergency:Sanitation Infrastructure: Waste Water Treatment: Civil Structure		442740	442740		442740	0.00%
Expenditure:Contracted Services: Outsourced Services: Sewerage Services		442740	442740		442740	0.00%
Infrastructure: Corrective Maintenance:Emergency:Sanitation Infrastructure: Waste Water Treatment: Pipe Work	39814118.96	61416720	56230860	47942200.32	8288660	85.26%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	22196.21	651100		27662	-27662	
Expenditure:Contracted Services:Contractors:Sewerage Services	39791922.75	60765620	56230860	47914538.32	8316322	85.21%
Infrastructure: Corrective Maintenance:Planned:Sanitation Infrastructure: Pump Station: Civil Structure	12229914.08	6724160	7219160	10592199.41	-3373039	146.72%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	632745.85	1002660	1497660	692310.5	805349.5	46.23%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	28840.9	414130	414130	8433.8	405696.2	2.04%
Expenditure: Inventory Consumed:Consumables:Standard Rated	11568327.33	5307370	5307370	9891455.11	-4584085	186.37%
Infrastructure: Corrective Maintenance:Planned:Sanitation Infrastructure: Pump Station: Electrical Equipment	15690.5	26550	26550		26550	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	15690.5	26550	26550		26550	0.00%
Infrastructure: Corrective Maintenance:Planned:Sanitation Infrastructure: Pump Station: Mechanical Equipment		176300	176300		176300	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		176300	176300		176300	0.00%
Infrastructure: Corrective Maintenance:Planned:Sanitation Infrastructure: Pump Station: Pipe Work	36589.65	99690	99690		99690	0.00%
Expenditure: Inventory Consumed:Consumables:Standard Rated	36589.65	99690	99690		99690	0.00%
Infrastructure: Corrective Maintenance:Planned:Sanitation Infrastructure: Waste Water Treatment: Pavements		39580	39580	7615	31965	19.24%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		39580	39580	7615	31965	19.24%
Infrastructure: Preventative Maintenance: Condition Based: Sanitation Infrastructure: Waste Water Treatment: Buildings		267080	267080	7147.32	259932.7	2.68%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		267080	267080	7147.32	259932.7	2.68%
Infrastructure: Preventative Maintenance: Interval Based: Roads Infrastructure:Roads:Pavements		16930	16930		16930	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		16930	16930		16930	0.00%
Infrastructure: Preventative Maintenance: Interval Based: Sanitation Infrastructure: Pump Station: Civil Structure	2711	457080	457080		457080	0.00%
Expenditure:Contracted Services:Contractors:Sewerage Services	2711	457080	457080		457080	0.00%
Infrastructure: Preventative Maintenance: Interval Based: Sanitation Infrastructure: Waste Water Treatment: Buildings	165514.51	572400	792400	106148.21	686251.8	13.40%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	165514.51	560900	780900	106148.21	674751.8	13.59%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		11500	11500		11500	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Infrastructure: Preventative Maintenance: Interval Based: Sanitation Infrastructure: Waste Water Treatment: Earthworks		77470	77470		77470	0.00%
Expenditure:Contracted Services:Contractors:Sewerage Services		77470	77470		77470	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment		211370	169440	850	168590	0.50%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		211370	169440	850	168590	0.50%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment	6996	1665710	1665710	8100	1657610	0.49%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		133240	133240	8100	125140	6.08%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	6996	591940	591940		591940	0.00%
Expenditure: Operational Cost: External Computer Service: Specialised Computer Service		940530	940530		940530	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment	16506708.23	29927280	29802230	18450072.57	11352157	61.91%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	16506708.23	29735690	29610640	18450072.57	11160567	62.31%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		191590	191590		191590	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Depots:Buildings	181558.97	468160	468160	234290.52	233869.5	50.04%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	181558.97	468160	468160	234290.52	233869.5	50.04%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings	262222.76	336190	336190		336190	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	262222.76	336190	336190		336190	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Transport Assets		35020	35020		35020	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		35020	35020		35020	0.00%
Non-infrastructure:Corrective Maintenance:Planned:Other Assets: Operational Buildings: Municipal Offices: Buildings	56417.06	132080	122720	3000	119720	2.44%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	56417.06	132080	122720	3000	119720	2.44%
Non-infrastructure:Corrective Maintenance:Planned:Other Assets: Operational Buildings: Municipal Offices: External Facilities		104220	120220		120220	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		104220	120220		120220	0.00%
Non-infrastructure:Corrective Maintenance:Planned:Transport Assets	5996	413560	413560	51081.05	362479	12.35%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets		328560	328560	9511.92	319048.1	2.90%
Expenditure:Contracted Services:Contractors:Transportation	5996	85000	85000	41569.13	43430.87	48.90%
Non-infrastructure: Preventative Maintenance: Condition Based: Other Assets: Operational Buildings: Municipal Offices: External Facilities		35860	35860		35860	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		35860	35860		35860	0.00%
Non-infrastructure: Preventative Maintenance: Interval Based: Computer Equipment		517930	196030		196030	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		517930	196030		196030	0.00%
Non-infrastructure: Preventative Maintenance: Interval Based: Transport Assets		10000	10000		10000	0.00%
Expenditure: Operational Cost: Assets less than the Capitalisation Threshold		10000	10000		10000	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Vote 9 - Electricity & Energy						
Infrastructure: Corrective Maintenance:Emergency:Electrical Infrastructure:MV Networks:MV Conductors		22382010	21752010	18783979	2968031	86.36%
Expenditure:Contracted Services:Contractors:Building		1110620	1110620	955626.97	154993	86.04%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		1065300	935300	290043.26	645256.7	31.01%
Expenditure:Contracted Services: Outsourced Services: Electrical		7505690	7505690	6199072.3	1306618	82.59%
Expenditure: Inventory Consumed: Materials and Supplies		12700400	12200400	11339236.47	861163.5	92.94%
Infrastructure: Corrective Maintenance:Emergency:Electrical Infrastructure:MV Substations:MV Substation Equipment		5483700	5288700	5254773.78	33926.22	99.36%
Expenditure:Contracted Services: Outsourced Services: Electrical		1313640	1313640	1041883.71	271756.3	79.31%
Expenditure: Inventory Consumed: Materials and Supplies		4170060	3975060	4212890.07	-237830	105.98%
Infrastructure: Corrective Maintenance:Emergency:Electrical Infrastructure: Power Plants: Control and Instrumentation	3666.7	2030000	1530000	612789.81	917210.2	40.05%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	3666.7	30000	30000		30000	0.00%
Expenditure:Contracted Services: Outsourced Services: Electrical		200000	200000	8664.38	191335.6	4.33%
Expenditure:Contracted Services: Outsourced Services: Security Services		300000	300000	388490.7	-88490.7	129.50%
Expenditure: Operational Cost: External Computer Service: System Adviser		1500000	1000000	215634.73	784365.3	21.56%
Infrastructure: Corrective Maintenance:Planned:Electrical Infrastructure:LV Networks: Public Lighting		7651850	7651850	8596520.8	-944671	112.35%
Expenditure: Inventory Consumed: Materials and Supplies		7651850	7651850	8596520.8	-944671	112.35%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Infrastructure: Corrective Maintenance:Planned:Electrical Infrastructure:MV Networks:MV Conductors		8385820	8385820	9450710.93	-1064891	112.70%
Expenditure:Contracted Services: Outsourced Services: Electrical		2825820	2825820	2746457.01	79362.99	97.19%
Expenditure: Inventory Consumed: Materials and Supplies		5560000	5560000	6704253.92	-1144254	120.58%
Infrastructure: Corrective Maintenance:Planned:Electrical Infrastructure: Power Plants: Control and Instrumentation		30100	30100		30100	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		30100	30100		30100	0.00%
Infrastructure: Corrective Maintenance:Planned:Information and Communication Infrastructure: Core Layers: Communication Equipment		370000	370000	198535.48	171464.5	53.66%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		250000	250000	152080.48	97919.52	60.83%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		120000	120000	46455	73545	38.71%
Infrastructure: Preventative Maintenance: Condition Based: Electrical Infrastructure: Power Plants: Control and Instrumentation		1500000	1000000		1000000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		1500000	1000000		1000000	0.00%
Infrastructure: Preventative Maintenance: Interval Based: Electrical Infrastructure:HV Substations: Service Connections on Site	2592.43		32300	16022.41	16277.59	49.60%
Expenditure: Employee Related Cost: Municipal Staff: Salaries, Wages and Allowances:Allowances:Service Related Benefits: Acting and Post Related Allowances	2592.43		32300	16022.41	16277.59	49.60%
Infrastructure: Preventative Maintenance: Interval Based: Electrical Infrastructure:LV Networks: Electricity Meters		15000	15000		15000	0.00%
Expenditure: Inventory Consumed: Materials and Supplies		15000	15000		15000	0.00%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment	39429196.47	2200000	2200000	3713054.15	-1513054	168.78%
Expenditure:Contracted Services:Contractors:Building	820202.39				0	
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	645727.31				0	
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	1348763.19	200000	200000	90243.5	109756.5	45.12%
Expenditure:Contracted Services: Outsourced Services: Electrical	9381312.47	2000000	2000000	3622810.65	-1622811	181.14%
Expenditure: Inventory Consumed: Materials and Supplies	27052017				0	
Expenditure: Operational Cost: External Computer Service: System Adviser	181174.11				0	
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Depots:Buildings	952287.61	3247940	3187940	966949.17	2220991	30.33%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	250957.42	620480	620480	188974.31	431505.7	30.46%
Expenditure:Contracted Services: Outsourced Services: Security Services		450500	450500	298422.68	152077.3	66.24%
Expenditure: Inventory Consumed: Materials and Supplies	701330.19	2176960	2116960	479552.18	1637408	22.65%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings:Depots:External Facilities	55251.64	800080	682480	131135.24	551344.8	19.21%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	55251.64	775080	657480	131095.24	526384.8	19.94%
Expenditure: Inventory Consumed: Materials and Supplies		25000	25000	40	24960	0.16%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings	3731.64	397470	397470	299190.41	98279.59	75.27%
Expenditure:Contracted Services:Contractors:Building		300000	300000	287726.72	12273.28	95.91%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	3731.64	97470	97470	11463.69	86006.31	11.76%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Electrical Equipment	435478.57				0	
Expenditure:Contracted Services: Outsourced Services: Security Services	435478.57				0	
Non-infrastructure:Corrective Maintenance:Emergency:Transport Assets		17770	17770	2390.6	15379.4	13.45%
Expenditure: Inventory Consumed: Materials and Supplies		17770	17770	2390.6	15379.4	13.45%
Non-infrastructure:Corrective Maintenance:Planned:Computer Equipment	4141.8	830780	580780	14400	566380	2.48%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		830780	580780	14400	566380	2.48%
Expenditure: Employee Related Cost: Municipal Staff: Salaries, Wages and Allowances:Allowances:Service Related Benefits:Overtime:Night Shift	4141.8				0	
Non-infrastructure:Corrective Maintenance:Planned:Machinery and Equipment		1851120	1264120	681268.87	582851.1	53.89%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		271120	271120	288722.08	-17602.1	106.49%
Expenditure:Contracted Services: Outsourced Services: Electrical		300000	275000	60803.6	214196.4	22.11%
Expenditure: Inventory Consumed: Materials and Supplies		1280000	718000	331743.19	386256.8	46.20%
Non-infrastructure:Corrective Maintenance:Planned:Other Assets: Operational Buildings: Municipal Offices: Buildings	502447.66	772850	1022850	960804.74	62045.26	93.93%
Expenditure:Contracted Services:Contractors:Building	79105				0	
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	423342.66	750000	1000000	960804.74	39195.26	96.08%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure: Inventory Consumed: Materials and Supplies		22850	22850		22850	0.00%
Non-infrastructure:Corrective Maintenance:Planned:Transport Assets	791201.28	2801810	2801810	919082.54	1882727	32.80%
Expenditure:Contracted Services:Contractors:Transportation	235073.67	1628980	1628980	186453.37	1442527	11.45%
Expenditure: Inventory Consumed:Consumables:Standard Rated	45989.39	120000	120000	75736.6	44263.4	63.11%
Expenditure: Inventory Consumed: Finished Goods	144297.92	208980	208980	123495.45	85484.55	59.09%
Expenditure: Inventory Consumed: Materials and Supplies	365840.3	843850	843850	533397.12	310452.9	63.21%
Non-infrastructure: Preventative Maintenance: Interval Based: Other Assets: Operational Buildings: Municipal Offices: Buildings		318320	288320	90011.47	198308.5	31.22%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		253320	223320	90011.47	133308.5	40.31%
Expenditure: Inventory Consumed: Materials and Supplies		65000	65000		65000	0.00%
Non-infrastructure: Preventative Maintenance: Interval Based: Other Assets: Operational Buildings: Municipal Offices: External Facilities	21000	210000	210000	104354.37	105645.6	49.69%
Expenditure: Inventory Consumed: Materials and Supplies	21000	210000	210000	104354.37	105645.6	49.69%
Non-infrastructure: Preventative Maintenance: Interval Based: Other Assets: Operational Buildings:Yards:Civil Structures	55135.73				0	
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	55135.73				0	

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Vote 10 – Executive and Council						
Office of the Executive Mayor						
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment		35000	35000		35000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		35000	35000		35000	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment		28980	28980		28980	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		28980	28980		28980	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings	11993.98	115000	115000	22217.35	92782.65	19.32%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	11993.98	115000	115000	22217.35	92782.65	19.32%
Non-infrastructure:Corrective Maintenance:Emergency:Transport Assets		10000	10000		10000	0.00%
Expenditure: Inventory Consumed: Finished Goods		10000	10000		10000	0.00%
Municipal Manager						
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment	12471.12	113450	113450	2174.6	111275.4	1.92%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	12471.12	113450	113450	2174.6	111275.4	1.92%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment		10000	10000		10000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		10000	10000		10000	0.00%
Chief Operating Officer						

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment		52320	52320		52320	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		52320	52320		52320	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment	1250	63520	63520		63520	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	1250	63520	63520		63520	0.00%
Non-infrastructure: Preventative Maintenance: Interval Based: Intangible Assets: Licences and Rights: Computer Software and Applications	3133615.61	4115440	4115440	3493534.5	621905.5	84.89%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	3133615.61	4115440	4115440	3493534.5	621905.5	84.89%
Vote 11 - Safety & Security						
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Parks:Buildings	996803.38	585020	585020	372289.8	212730.2	63.64%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	996803.38	585020	585020	372289.8	212730.2	63.64%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Police:Buildings		110860	110860		110860	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		110860	110860		110860	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment	195696.66	363810	363810	199332.09	164477.9	54.79%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	195696.66	363810	363810	199332.09	164477.9	54.79%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment	19131.8	117620	117620	9460.15	108159.9	8.04%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	19131.8	117620	117620	9460.15	108159.9	8.04%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment	277333.34	889010	906010	206013.43	699996.6	22.74%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	277333.34	844710	861710	206013.43	655696.6	23.91%
Expenditure: Inventory Consumed: Finished Goods		44300	44300		44300	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings	1551722.76	2251620	2921620	2401816.98	519803	82.21%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	1551722.76	2251620	2921620	2401816.98	519803	82.21%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Mechanical Equipment		53430	53430		53430	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		15910	15910		15910	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		37520	37520		37520	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Transport Assets	2219714.29	2125010	2125010	1984447.89	140562.1	93.39%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	973118.14	1011880	1011880	1033206.15	-21326.2	102.11%
Expenditure:Contracted Services:Contractors:Transportation		4320	4320		4320	0.00%
Expenditure: Inventory Consumed: Finished Goods	1246596.15	1108810	1108810	951241.74	157568.3	85.79%
Vote 12 - Mandela Bay Stadium						
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities: Public Open Space: External Facilities	480376.71	520000	520000	139872.1	380127.9	26.90%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	480376.71	520000	520000	139872.1	380127.9	26.90%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Sport and Recreation Facilities: Indoor Facilities: Buildings	51556.42	100000	100000	93489.22	6510.78	93.49%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	51556.42	100000	100000	93489.22	6510.78	93.49%
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment	1814253.69	1400000	1400000	973679.09	426320.9	69.55%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	1814253.69	1400000	1400000	973679.09	426320.9	69.55%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment	207559.53	100000	100000	59323.09	40676.91	59.32%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	207559.53	100000	100000	59323.09	40676.91	59.32%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings	1319412.11	3450630	3450630	252679.6	3197950	7.32%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	1319412.11	3450630	3450630	252679.6	3197950	7.32%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Electrical Equipment	102558.75	140000	140000	27781.25	112218.8	19.84%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	102558.75	140000	140000	27781.25	112218.8	19.84%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Mechanical Equipment	169060.82	200000	200000	140265.35	59734.65	70.13%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	169060.82	200000	200000	140265.35	59734.65	70.13%
Non-infrastructure: Preventative Maintenance: Interval Based: Community Assets: Community Facilities:Halls:Electrical Equipment	238327.16	240000	240000	81093.16	158906.8	33.79%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	238327.16	240000	240000	81093.16	158906.8	33.79%
Non-infrastructure: Preventative Maintenance: Interval Based: Community Assets: Sport and Recreation Facilities: Outdoor Facilities: Buildings		50000	50000		50000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		50000	50000		50000	0.00%
Vote 14 - Recreational & Cultural Services						
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Galleries:Buildings		23830	23830	18920	4910	79.40%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		23830	23830	18920	4910	79.40%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Libraries:Buildings	580231.3	1006340	406340	167747.6	238592.4	41.28%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	580231.3	1006340	406340	167747.6	238592.4	41.28%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities:Museums:Buildings	48364.94	253680	223680	44519.25	179160.8	19.90%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	48364.94	253680	223680	44519.25	179160.8	19.90%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Community Facilities: Public Open Space: External Facilities	484265	657470	1307470	839706.93	467763.1	64.22%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	484265	657470	1307470	839706.93	467763.1	64.22%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Sport and Recreation Facilities: Indoor Facilities: Buildings	3267736.06	6870740	7144060	3210495.75	3933564	44.94%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	3164863.85	6532640	7068000	3171951.63	3896048	44.88%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	14817.71	44030	44030	29172.12	14857.88	66.26%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	88054.5	294070	32030	9372	22658	29.26%
Non-infrastructure:Corrective Maintenance:Emergency:Community Assets: Sport and Recreation Facilities: Outdoor Facilities: Buildings	421969.3	744630	744630	235092.73	509537.3	31.57%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	421969.3	744630	744630	235092.73	509537.3	31.57%
Non-infrastructure:Corrective Maintenance:Emergency:Computer Equipment			15000		15000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment			15000		15000	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Furniture and Office Equipment		0	40000		40000	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment		0	40000		40000	0.00%
Non-infrastructure:Corrective Maintenance:Emergency:Machinery and Equipment	159088.66	896660	937850	148791.99	789058	15.87%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		28130			0	
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	159088.66	868530	937850	148791.99	789058	15.87%
Non-infrastructure:Corrective Maintenance:Emergency:Other Assets: Operational Buildings: Municipal Offices: Buildings				2472.5	-2472.5	
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities				2472.5	-2472.5	
Non-infrastructure:Corrective Maintenance:Emergency:Transport Assets		2190	2190		2190	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities		2190	2190		2190	0.00%
Non-infrastructure: Preventative Maintenance: Condition Based: Heritage Assets: Monuments	102416.4	357660	357660	120150	237510	33.59%

Operational: Maintenance	2019/20 Restated Actuals	2020/21 Original Budget	2020/21 Adjustments Budget	2020/21 Actuals	Variance	% Spent
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	102416.4	357660	357660	120150	237510	33.59%
Non-infrastructure: Preventative Maintenance: Interval Based: Community Assets: Community Facilities:Libraries:Buildings	35300	1342860	242860		242860	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	35300	1342860	242860		242860	0.00%

TABLE 5.72: Repairs and maintenance by asset class

Repairs and maintenance expenditure by Asset Class/Sub-class	2019/20	Budget Year 2020/21				
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Variance	% Spent
R thousands						
Infrastructure	143,268	242,089	294,878	223,019	71,859	75.63%
Roads Infrastructure	23,263	33,476	65,448	60,701	4,746	92.75%
Roads	6,334	16,062	11,325	10,276	1,065	90.59%
Road Structures	13,070	12,550	49,959	47,145	2,814	94.37%
Road Furniture	3,859	4,864	4,164	3,280	867	79.19%
Storm water Infrastructure	10,671	17,347	17,347	14,654	2,693	84.47%
Drainage Collection		16	16	-	16	0.00%
Storm water Conveyance	10,671	17,131	17,131	14,654	2,477	85.54%
Attenuation		200	200	-	200	0.00%
Electrical Infrastructure	4	47,478	45,686	42,715	2,971	93.50%
Power Plants	4	3,560	2,560	613	1,947	23.94%
HV Substations	-		32	16	16	49.60%
MV Substations	-	5,484	5,289	5,255	34	99.36%
MV Networks	-	30,768	30,138	28,235	1,903	93.69%
LV Networks	-	7,667	7,667	8,597	- 930	112.13%
Water Supply Infrastructure	56,950	67,927	95,557	45,806	49,751	47.94%
Dams and Weirs	734	495	1,275	9	1,266	0.74%
Boreholes			-		-	
Reservoirs	8	804	554	12	542	2.14%
Pump Stations	20,319	16,677	44,807	25,142	19,666	56.11%
Water Treatment Works	3,367	11,016	10,616	4,044	6,572	38.09%
Bulk Mains	5,497	10,048	10,048	6,147	3,901	61.18%
Distribution	27,026	28,886	28,256	10,452	17,804	36.99%
Sanitation Infrastructure	52,333	72,303	68,283	58,665	9,619	85.91%

Repairs and maintenance expenditure by Asset Class/Sub-class	2019/20	Budget Year 2020/21				
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Variance	% Spent
Pump Station	12,353	8,578	9,073	10,602	- 1,528	116.84%
Waste Water Treatment Works	39,980	63,725	59,210	48,063	11,147	81.17%
Rail Infrastructure	47	3,187	2,187	280	1,907	12.78%
Rail Lines	47	3,133	2,133	280	1,853	13.11%
Rail Furniture		54	54	-	54	0.00%
Information and Communication Infrastructure	-	370	370	199	171	53.66%
Core Layers		370	370	199	171	53.66%
Community Assets	12,082	22,155	23,309	10,878	18,432	37.11%
Community Facilities	8,341	14,390	15,270	7,338	7,932	48.06%
Halls	1,881	3,040	3,290	2,362	928	71.80%
Museums	48	254	224	45	179	19.90%
Galleries		24	24	19	5	79.40%
Libraries	878	2,849	1,089	461	628	42.37%
Police		111	111	-	111	0.00%
Purls	2,797	3,252	3,097	2,295	803	74.08%
Public Open Space	1,113	2,491	3,141	1,059	2,083	33.71%
Nature Reserves	40	75	70	13	56	19.18%
Public Ablution Facilities	210	379	379	277	103	72.88%
Markets	1,373	1,915	3,845	808	3,037	21.02%
Sport and Recreation Facilities	3,741	7,764	8,039	3,539	10,500	25.21%
Indoor Facilities	3,319	6,970	7,244	3,304	9,940	24.95%
Outdoor Facilities	422	795	795	235	560	29.59%
Heritage assets	119	961	911	151	760	16.60%
Monuments	102	358	358	120	238	33.59%

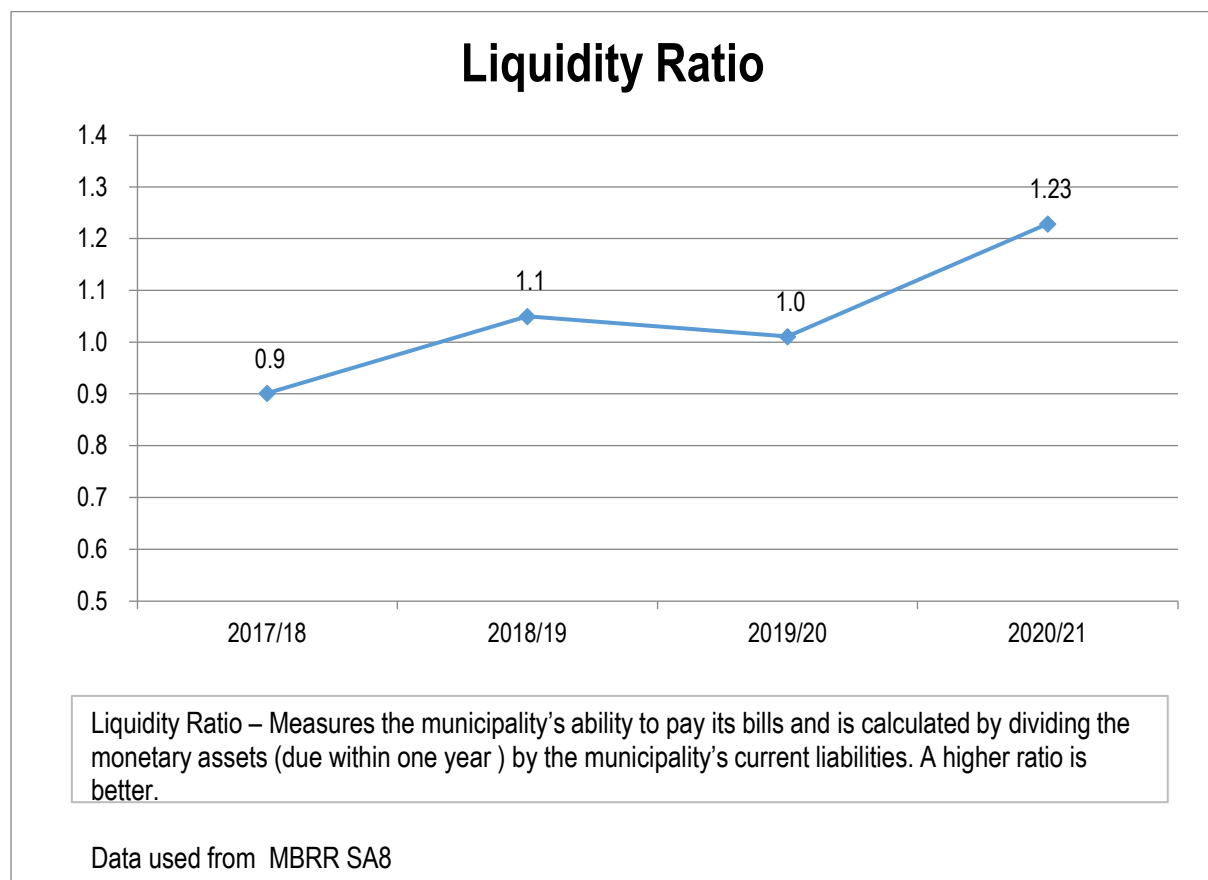
Repairs and maintenance expenditure by Asset Class/Sub-class	2019/20	Budget Year 2020/21				
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Variance	% Spent
Conservation Areas	17	603	553	31	522	5.60%
Other assets	12,579	36,757	38,325	13,852	24,473	36.14%
Operational Buildings	10,947	33,736	33,704	12,962	20,742	38.46%
Municipal Offices	7,838	25,067	25,146	9,487	15,659	37.73%
Workshops	185	400	400	160	240	40.02%
Laboratories	8	200	200	159	41	79.69%
Training Centres		13	30	119	- 89	391.76%
Depots	2,861	8,055	7,927	3,036	4,891	38.30%
Housing	1,632	3,021	4,621	890	3,731	19.26%
Staff Housing	9	811	811	10	801	1.19%
Social Housing	1,623	2,211	3,811	881	2,930	23.11%
Intangible Assets	3,134	4,798	4,798	3,494	1,304	72.82%
Licences and Rights	3,134	4,798	4,798	3,494	1,304	72.82%
Computer Software and Applications	3,134	4,779	4,779	3,494	1,286	73.10%
Unspecified		18	18	-	18	0.00%
Computer Equipment	3,550	7,864	7,156	2,504	4,652	34.99%
Furniture and Office Equipment	414	3,661	3,439	164	3,274	4.78%
Machinery and Equipment	75,462	118,484	68,088	43,356	25,932	62.57%
Transport Assets	34,793	40,844	39,190	34,891	4,300	89.03%
Total Repairs and Maintenance Expenditure	285,401	477,613	480,094	332,309	155,083	68.17%

5.3 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Liquidity ratio:

The liquidity ratio assesses the Municipality's ability to meet its short-term commitments from monetary assets. The liquidity ratio represents the monetary assets, divided by current liabilities. The ratio remained at a level of approximately 0.7:1 from the 2012/13 to the 2016/17 financial years. The ratio significantly increased to 0.90:1 for the 2017/18 financial year. The ratio has further increased to 1.05:1 for the 2018/19 financial year and then decreased to 1.008:1 for the 2019/20 financial year. The ratio increased to 1.23:1 for the 2020/21 financial year. The NMBM must, however, ensure that the ratio is maintained above the 1:1 level to be considered financially sustainable. The Cash and Cash equivalents increased by R1.011 billion during the 2020/21 financial year. Current liabilities increased by R249.22 million, from R3.225 billion in 2019/20 to R3.475 billion in 2020/21. The increase in current liabilities is mainly due to an increase Trade and Other Payables from R1.901 billion as at 30 June 2020 to R2.412 billion as at 30 June 2021.

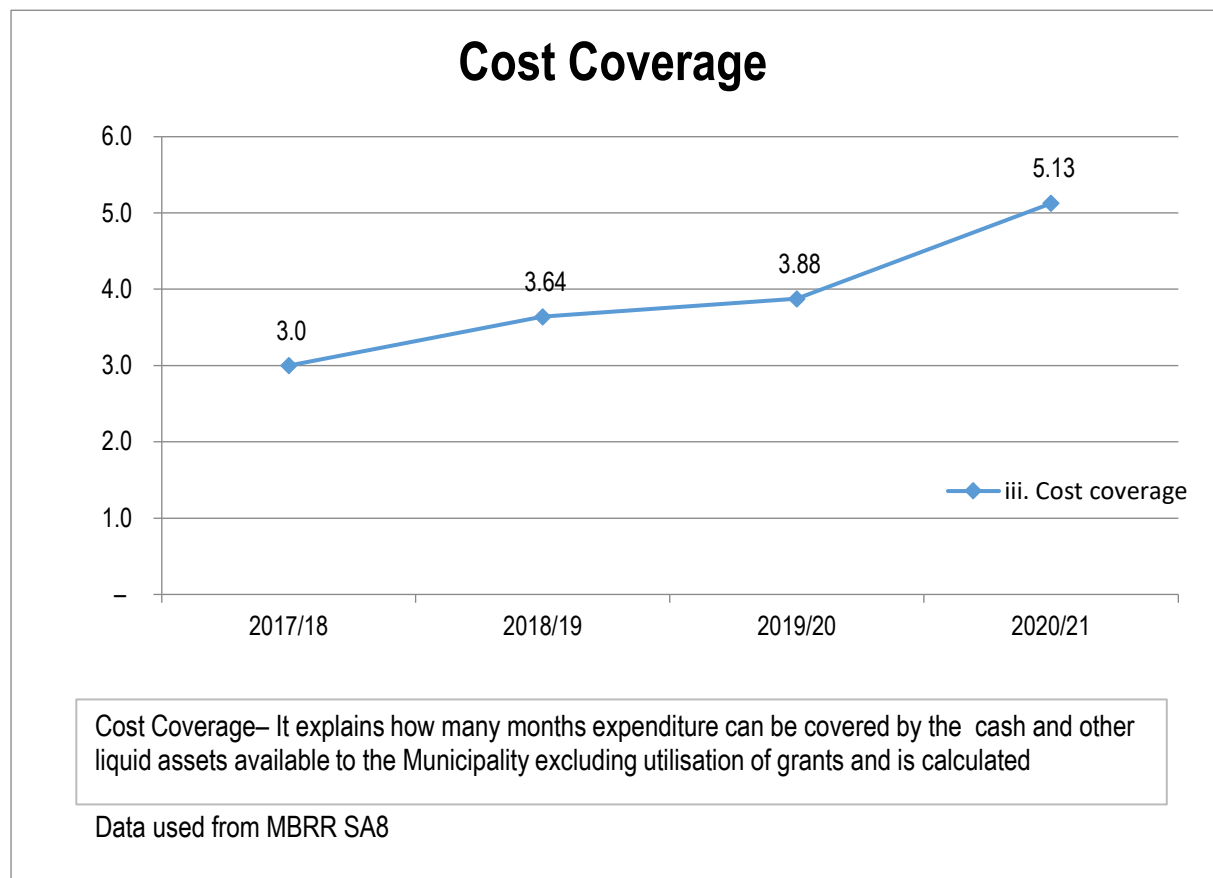
FIGURE 5.1: Liquidity ratio



Cost Coverage

The ratio indicates the extent to which the available cash and investments are adequate to cover monthly payments. The cost coverage ratio closely follows the trends observed in the liquidity ratio. The 2020/21 ratio of 5.13 months is higher than the 2019/20 ratio of 3.88 months. The ratio is influenced by cash and cash equivalents that increased by R1.01 billion from R3.260 billion in 2019/20 to R4.271 billion in the 2020/21 financial year. It should be noted that only 81.78% of the Capital Adjustments Budget was spent. The delayed transfer of Gazetted Dora conditional grants and Equitable Share funding, together with the national lockdown due to the Covid-19 pandemic impacted materially on capital spending in the 2020/21 financial year. The National Treasury promotes a ratio of at least three months to be assessed as adequately sustainable. The ratio must be treated with caution as the outflow of cash during the period July 2021 to August 2021 will be substantial to deal with the 2020/21 outstanding invoices in respect of payables and accruals, as reflected in the 2020/21 Consolidated Annual Financial Statements.

FIGURE 5.2: Cost coverage



Total Outstanding Service Debtors:

This ratio focuses on the amount owed by outstanding service debtors as a percentage of the annual operating services revenue. The ratio increased from 12.6% in 2011/12 to 24.55% in 2016/17. The ratio further increased during the 2017/18 financial year to 25.68%, due to a debtors' collection rate of only 93.1% for the 2017/18 financial year as well as the material increase in water service debtors as a result of the punitive water drought tariffs. This upward trend continued and in the 2020/21 financial year the ratio now standing at an alarming 35.1%. Approximately R381.133 million was written off as bad debt. This growing trend must be viewed with caution.

The increase in consumer service debtors of R329.718 million, or 16.83%, compared to the previous financial year, is cause for concern. A debtors' collection rate of 85.5% was achieved in the 2020/21 financial year, against a target of 85%.

TABLE 5.73: Consumer service debtors

Year	Gross Balances R	Impairment Allowance R	Carrying Amount R
2020/21	6,088,858,016	(3,812,018,944)	2,276,839,072
2019/20	4,514,115,870	(2,569,355,089)	1,944,760,781
Increase	1,574,742,146	1,242,663.855	332,078,291

Overdue consumer service debts increased as follows from the 2019/20 financial year to the 2020/21 financial year.

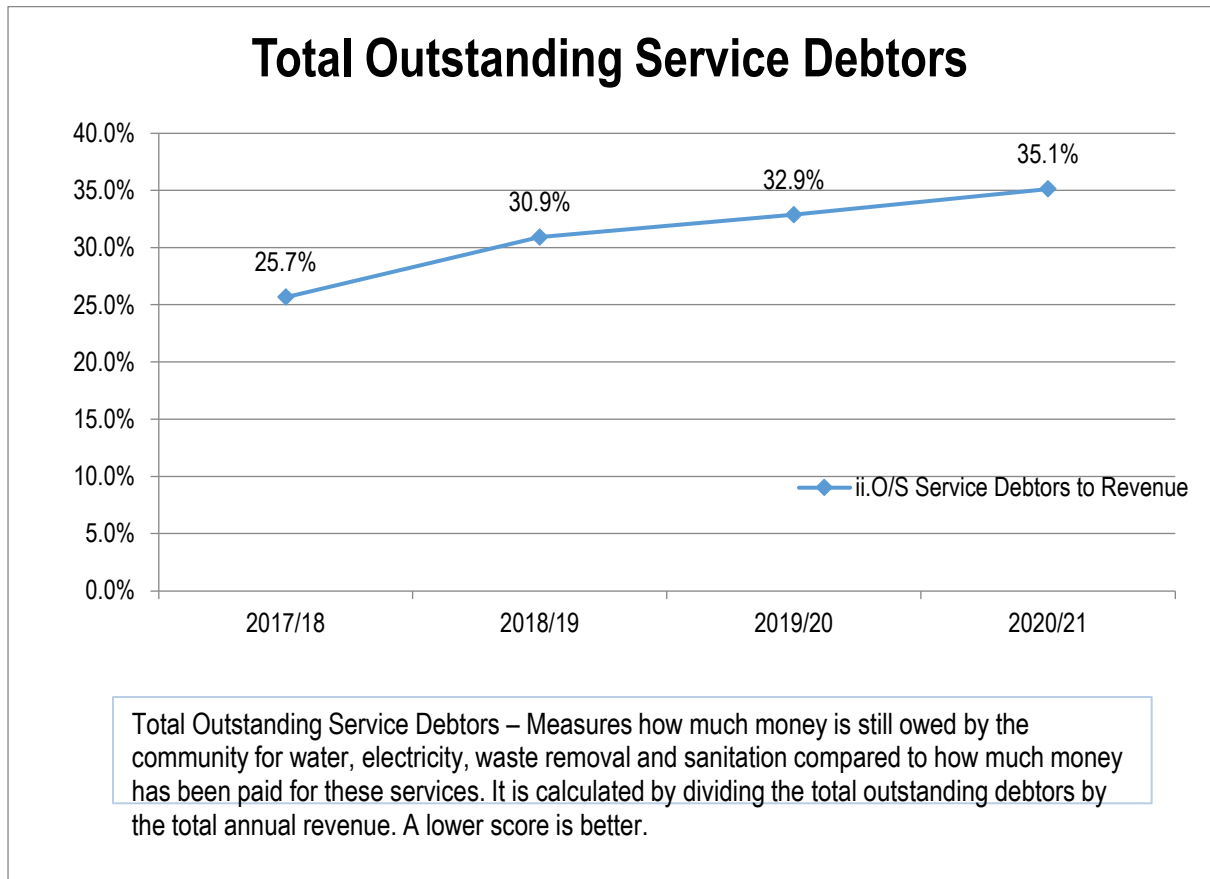
TABLE 5.74: Overdue consumer service debts

Description	Gross Balances	Impairment Allowance	Carrying Amount
2020/21			
Electricity	2,024,354,487	749,785,638	1,274,568,849
Water	2,559,906,552	1,952,115,311	607,791,241
Sanitation	939,687,608	679,487,600	260,200,008
Refuse	564,909,369	430,630,395	134,278,974
Total Debt	6,088,858,016	3,812,018,944	2,276,839,072
2019/20			
Electricity	1,610,443,981	670,641,113	939,802,868
Water	1,707,614,192	1,085,792,614	621,821,578
Sanitation	741,566,479	495,690,241	245,876,238

Description	Gross Balances	Impairment Allowance	Carrying Amount
Refuse	454,491,218	317,231,121	137,260,097
Total Debt	4,514,115,870	2,569,355,089	1,944,760,781
Growth			
Electricity	413,910,506 25.70%	79,144,525 11.80%	334,765,981 35.62%
Water	852,292,360 51.98%	866,322,697 79.79%	14,030,337 2.26%
Sanitation	198,121,129 26.72%	183,797,359 37.08%	14,323,770 5.83%
Refuse	110,418,151 24.29%	113,399,274 35.75%	(2,981,123) (2.17%)
Growth	1,574,742,146	1,242,663,855	332,078,291
% Growth	34.88%	48.36%	17.08%

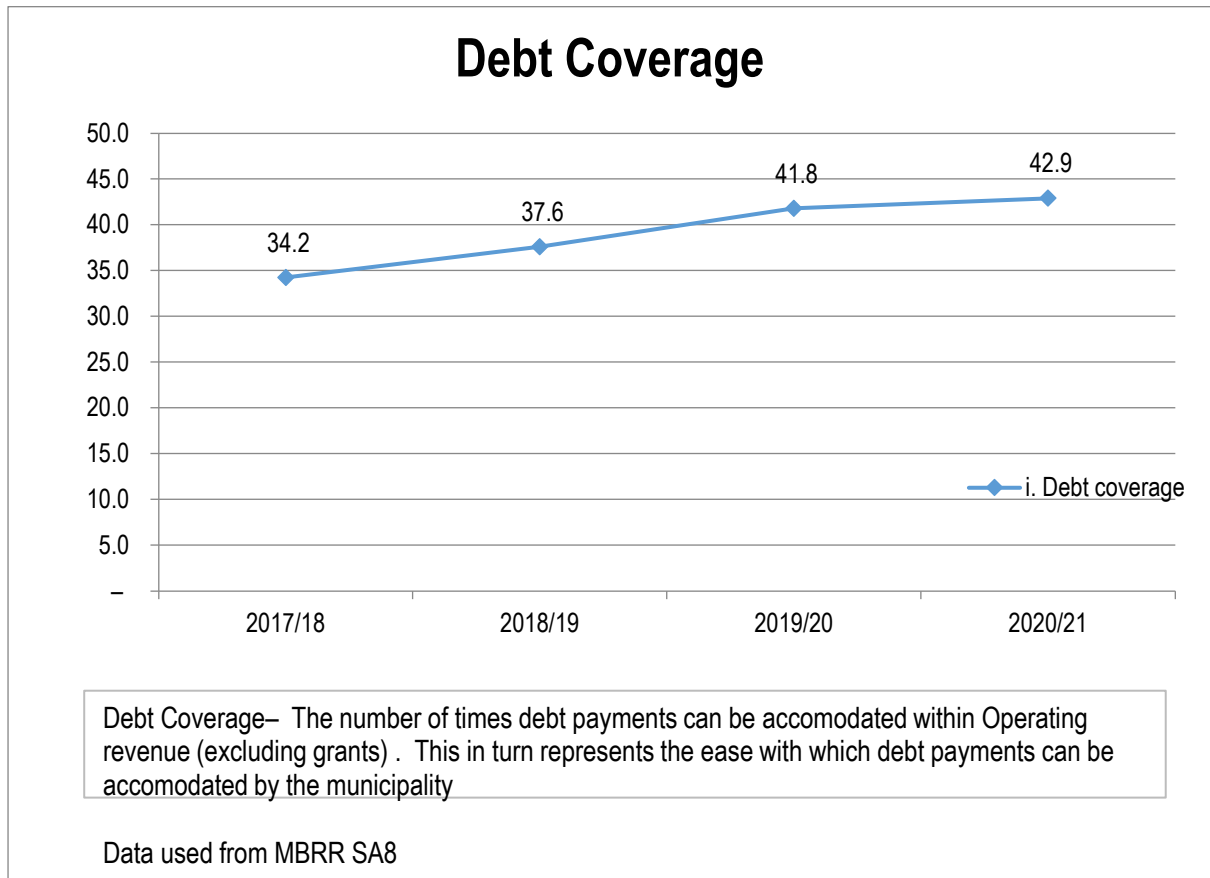
The above table illustrates the growth in Gross Service Debtors, Provision for impairment of Service Debtors and Net Service Debtors from the 2019/20 financial year to the 2020/21 financial year. The municipal debtors book contains a large portion of very old debt that needs consideration for write-off purposes.

The growth in outstanding service debtors is escalating and requires urgent mitigation to eliminate the evident risk it poses to the Municipality. Debt collection must be prioritised to improve the financial sustainability of the Municipality. The current level of outstanding service debtors is cause for concern. Credit control and other related strategies should be implemented to improve the collection rate of the Municipality.

FIGURE 5.3: Total outstanding service debtors

Debt Coverage

This ratio indicates the number of times the operating revenue covers the debt servicing costs. The ratio improved positively from 41.76 times in 2019/20 to 42.9 times in 2020/21. The financial position of the Municipality indicates that external borrowing in the amount of R750.6 million can be taken up over the next 3 years as indicated in the 2020/21 MTREF to improve the funding mix of capital expenditure. An amount of R214,414,700 was taken up in respect of the External borrowing of R745.6 million available. The remaining external borrowing balance will be taken up over the next two years.

FIGURE 5.4: Debt coverage

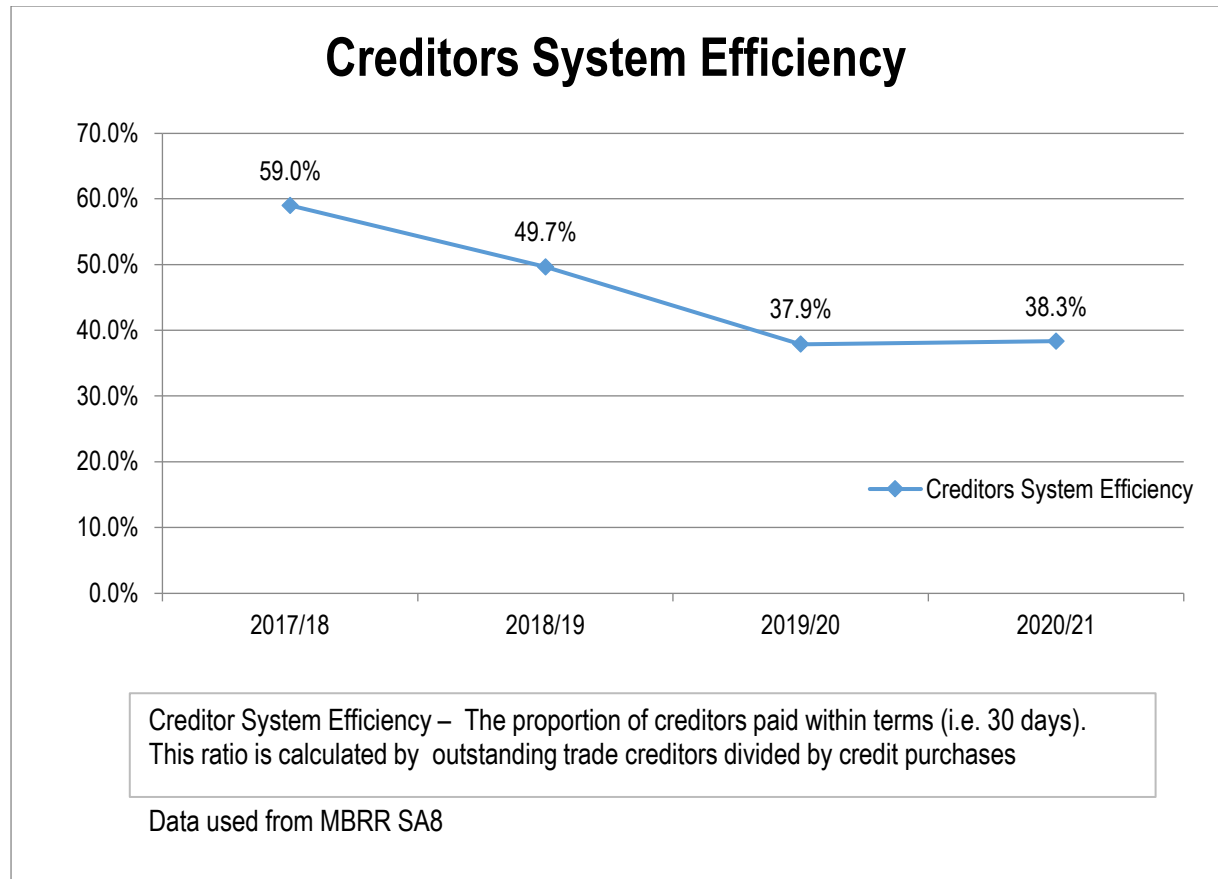
Creditors System Efficiency

This ratio measures the proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases. A ratio of 38.32% indicates that the NMBM is not performing at the required level and is therefore not legislatively compliant. Management reports are prepared on a monthly basis, indicating the total days taken by each directorate to process payments from the date of receipt of the invoice. Most directorates are not meeting the legislative timeframes of processing payments within 30 days from the date of receipt of the invoice. This ratio does not intrinsically reflect the efficiency of the Creditors Section, but measures the efficiency of the payment process from the date of receipt of the invoice by each directorate until the processing of the payment through the creditors payment system. The scorecards of Executive Directors should include the legislative timeframes for processing payments. The ratio of 38.32% achieved in the 2020/21

financial year represents a marginal improvement from the 37.88% achieved in the 2019/20 financial year.

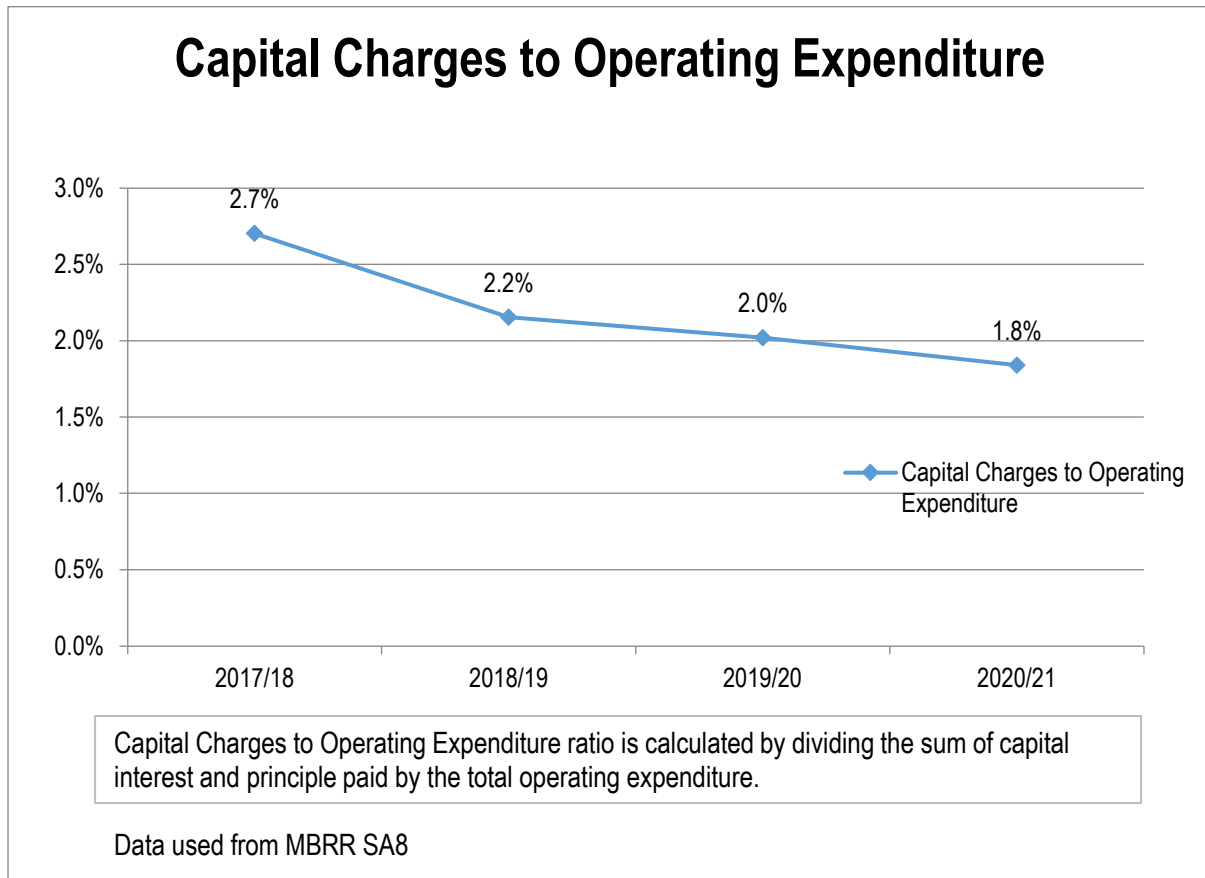
The National lockdown due to the COVID-19 pandemic impacted materially on this outcome due to staff being available only on a rotational basis to enforce social distancing in the work environment.

FIGURE 5.5: Creditors system efficiency



Capital Charges to Operating Expenditure

This ratio indicates the proportion of capital charges (interest and principal paid on borrowing) to actual operating expenditure to date. The ratio also provides assurance that the proportion of capital charges to total annual operating expenditure is financially prudent. The ratio has decreased from 4.15% in 2010/11 to 1.84% in 2020/21, and will remain constant as the remaining balance of the R745.6 million external borrowing are taken up during the 2021/22 and 2021/22 financial years.

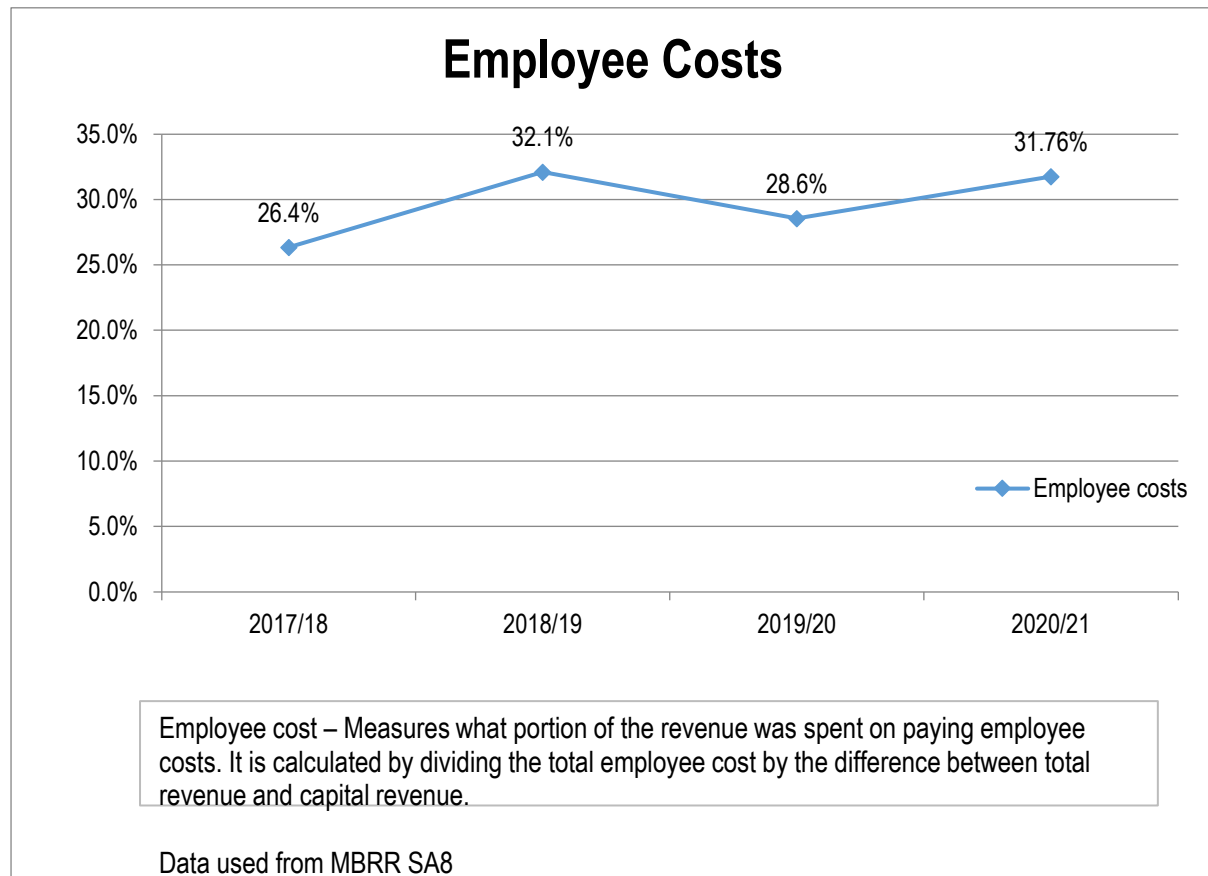
FIGURE 5.6: Capital charges to operating expenditure

Employee costs

This ratio assesses the extent to which the Municipality's Operating Revenue is consumed by costs associated with the employment of human resources. Employee costs as a percentage of operating revenue increased from 26.35% in the 2017/18 financial year to 32.11% in the 2018/19 financial year. The ratio has however, been increasing annually since the 2013/14 financial year, in which the ratio was 23.38%. The ratio for the 2020/21 financial year is 31.76%. National Treasury has stated that there is no benchmark for employee costs for municipalities, as they operate under different circumstances. Considering the current financial position of the NMBM, the target for this ratio should be revisited. Financial pressures such as TASK implementation, the filling of vacancies and the finalisation of the new organisational structure will be significant factors to manage over the 2021/22 MTREF. Employee related costs increased by R795.39 million from R3.117 billion (in 2019/20) to R3.912 billion (in 2020/21). The ratio still indicates cash flow pressures over the short to medium-term and will negatively impact on the financial sustainability of the Municipality if employee related costs are not

properly managed and kept under control. The inconsistent determination of the Post retirement benefit requirement through actuarial analysis is challenging in a very volatile and weak global and South African economic environment as the parameters at any time is uncertain and results in material adjustments to the future requirements of such long term benefits.

FIGURE 5.7: Employee costs

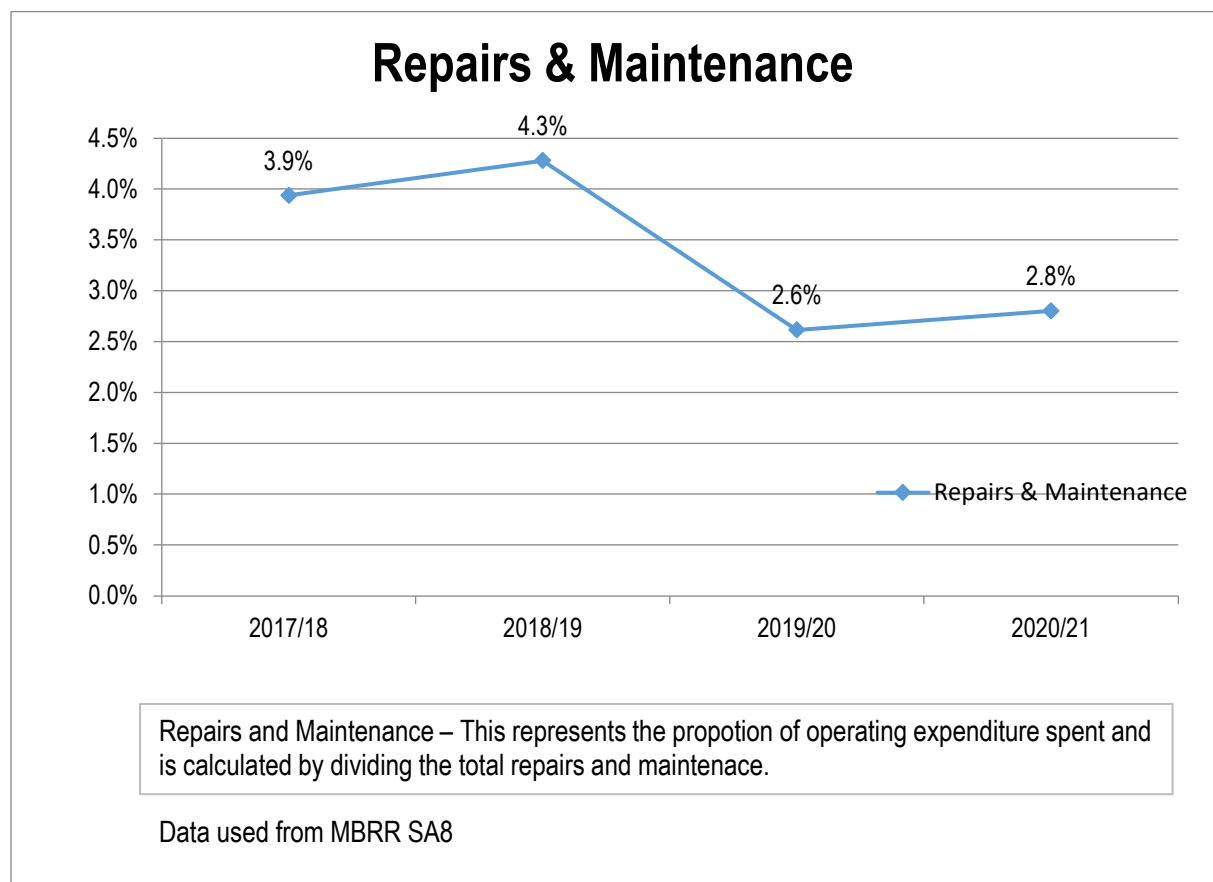


Repairs and Maintenance

This represents the proportion of operating expenditure spent on repairs and maintenance projects. The ratio is calculated by dividing the total repairs and maintenance by the annual operating revenue. The ratio is at a low 2.80%. It is critical that the Municipality either increases its spending on infrastructural repairs and maintenance or increases its capital spending on the renewal of current assets in order to deal with the ever-growing backlog in maintaining old infrastructure. Considering the backlog in maintaining infrastructure, it is evident that this ratio should at least be at a 6% level. At this stage, the Municipality's cash position is unable to support a level in excess of 6%. Alternative strategies and/or funding

mechanisms must be developed to address the eradication of infrastructure maintenance backlogs. The main risk associated with a low repairs and maintenance ratio is that the expected useful lives of assets will decrease, resulting in the earlier replacement of assets, for which inadequate financial capacity exists within the NMBM's current revenue base. The NMBM is not allocating Employee related costs to the Repairs and Maintenance projects. Considering the amount of money spent on overtime by infrastructure directorates this cost and employee permanently employed on Maintenance Teams should contribute materially to the cost of performing the Repairs and Maintenance functionality within the NMBM.

FIGURE 5.8: Repairs and maintenance



COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.4 CAPITAL EXPENDITURE

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The 2020/21 Capital Budget was funded as follows:

TABLE 5.75: Capital expenditure

Funding Source	% of Original Budget	% of Adjustments Budget	% of Actual Expenditure
Grant Funding	59.40%	52.88%	70.29%
Internal Funding	27.56%	31.49%	16.82%
Borrowing	13.04%	15.63%	12.89%
Total	100.00%	100.00%	100.00%

The Municipality performed as follows on the DORA Capital Grants:

Urban Settlements Development Grant

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Allocation:	R 774,952,143
Amount of Grant Received	R 815,606,000
2019/20 DORA roll-over received	R 390,274,000
Expenditure Incurred 2019/20	R 82,932,099
Expenditure to date:	R 947,823,182
Unspent as at 30 June 2021:	R 175,124,719

As at 30 June 2021, 84.40% of the DORA allocation inclusive of roll-over was spent. An application for the roll-over of funds to the 2021/22 financial year was submitted to National Treasury. Roll-over was not approved by National Treasury.

Public Transport Infrastructure Grant

This grant is to provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.

Unspent 2019/20 DORA Allocation	R 84,019,013
DORA Allocation:	R 45,682,000
Amount of Grant Received	R 45,682,000
Transferred from Public Transport Networks Operations Grant	R 65,484,507
Balance for Public Transport Infrastructure Grant	R 195,185,520
Offset against 2020/21 Equitable Share	R 647,470
Expenditure to date:	R 152,570,260
Unspent as at 30 June 2021:	R 41,967,790

As at 30 June 2021, 78.17% of the DORA allocations was spent.

National Treasury paid an amount of R83,370,000 in respect of roll-over approved for the 2019/20 financial year in the 2020/21 financial year and is included in the opening unspent 2019/20 DORA Allocation that contained a debtor for R83,370,000.

An application was made for the roll-over of the unspent grant funding in respect of the 2020/21 financial year to the 2021/22 financial year.

Integrated City Development Grant

This grant is to provide a financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form.

DORA Allocation:	R 10,356,000
Amount of Grant Received:	R 10,356,000
Expenditure to date:	R 5,063,854
Unspent as at 30 June 2021:	R 5,292,146

As at 30 June 2020, 48.91% of the DORA allocation was spent. The application for the roll-over of funds to the 2020/21 financial year in the amount of R351,265 was rejected by National Treasury.

Neighbourhood Development Partnership

This grant is to support and facilitate the planning and implementation of neighbourhood development programmes and projects that provide catalytic infrastructure to leverage third party public and private sector development towards improving the quality of life of residents in targeted underserved neighbourhoods.

DORA Allocation:	R 15,000,000
Amount of Grant Received:	R 15,000,000
Expenditure to date:	R 12,842,378
Unspent as at 30 June 2021:	R 2,157,622

As at 30 June 2021, 85.62% of the DORA allocation was spent.

As at 30 June 2020 National Treasury had not transferred the final allocation of this gazetted conditional grant due to non-compliance matters. The application for the roll-over of funds to the 2020/21 financial year was rejected by National Treasury. However, National Treasury had not transferred R10 million of the disallowed rollover, but had offset the R10 million incorrectly under the impression that they had transfer the funds to NMBM. After further investigation National Treasury was in agreement that the funds were not transferred to the NMBM and therefore National Treasury accepted that they still owe the NMBM R10 million in respect of the 2020/21 Equitable Share allocation.

Municipal Disaster Recovery Grant (Drought Relief)

An amount of R97 million was received for Drought Relief in 2017/18.

DORA 2017/18 Allocation:	R 97,000,000
DORA Received 2017/18:	R 97,000,000
DORA Allocation Spent 2017/18:	R 7,782,215
Unspent as at 30 June 2018:	R 89,217,785
DORA 2018/19 Allocation:	R 233,400,000
DORA Received 2018/19:	R 233,400,000
DORA Roll-over to 2018/19 Rejected:	R 18,494,873
DORA Allocation Spent 2018/19:	R 96,427,516
Unspent as at 30 June 2019:	R 207,695,396

DORA Roll-over to 2019/20 Rejected:	R 6,833,954
Expenditure to date:	R 12,782,475
Unspent as at 30 June 2020:	R 188,078,967

Application was made to National Treasury for the roll-over of the remaining unspent funds in the amount of R188,078,967 to the 2020/21 financial year. Despite many attempts to obtain a rollover National Treasury did not approve the roll-over and was therefore offset against the 2020/21 Equitable Share allocation.

Other Capital Grants

CDC Walmer Intervention Funding Grant

This grant is used to speed up service delivery intervention in the Walmer Gqebera Township.

Received 2015/16:	R 9,068,420
Expenditure to date:	R 0
Unspent as at 30 June 2021:	R 9,068,420

As at 30 June 2021, 0% of the allocation was spent. Revenue is recognised against the unspent grant only once the conditions in respect of the grant are met.

As at 30 June 2020 National Treasury had not transferred the following grants to the Municipality:

- Equitable Share: R255,415,000
- Public Transport Infrastructure Systems: R98,154,007
- Neighbourhood Development partnership Grant: R10,000,000; and
- Urban Settlements Development Grant: R390,274,000

During March 2021 National Treasury transferred the Urban Settlements Development Grant and Public Transport Infrastructure Systems Grant in the amounts of R390,274,000 and R83,370,000 respectively. The 2019/20 Equitable Share had been raised as a debtor as it has not yet been transferred to NMBM by National Treasury.

The following unspent capital conditional DoRA grants are awaiting approval from National Treasury to rollover from the 2020/21 financial year to the 2021/22 financial year:

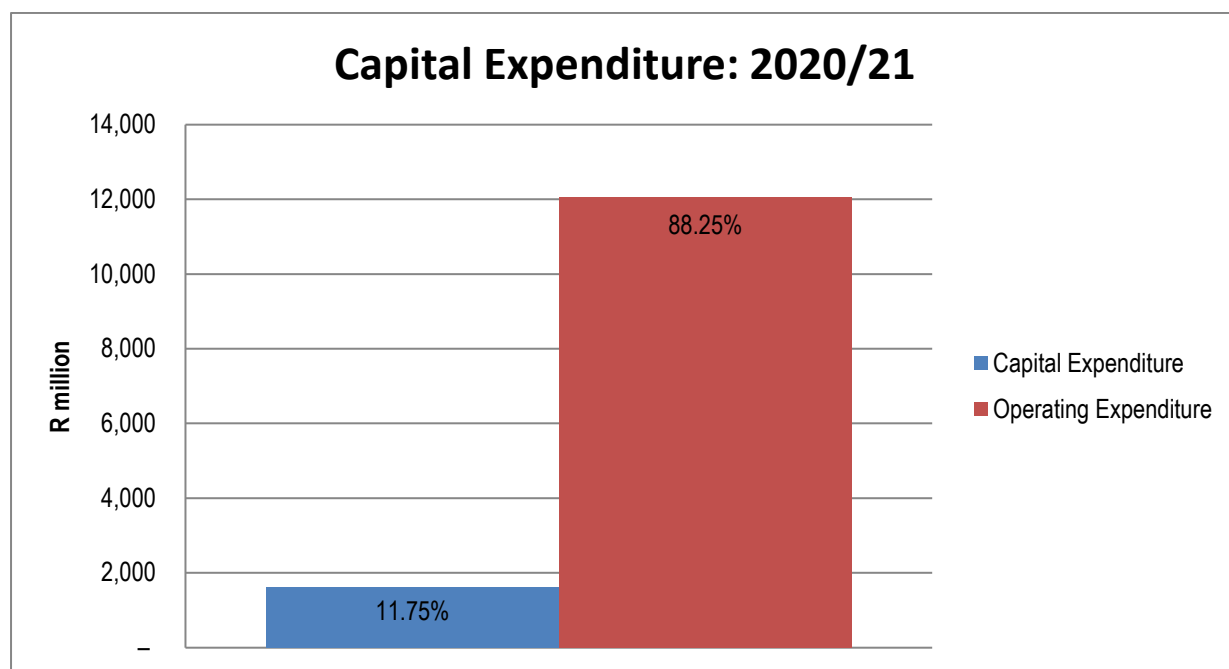
TABLE 5.76: Roll-overs not approved

Grant	Amount
Urban Settlements Development Grant	R175,124,719
Neighbourhood Development Partnership Grant	R2,157,622
Public Transport Infrastructure Grant	R41,967,790
Integrated City Development Grant	R5,292,146
Total	R224,542,277

TABLE 5.77: Financial overview of operating and capital expenditure

R million	Original Budget	Adjustment Budget	Audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Capital Expenditure	1,645	1,605	1,313	20.2%	18.2%
	1,645	1,605	1,313	20.2%	18.2%
Operating Expenditure	11,692	12,054	12,319	-5.4%	-2.2%
	11,692	12,054	12,319	-5.4%	-2.2%
Total expenditure	13,337	13,659	13,632	-2.2%	0.2%
Water and sanitation	538	548	484	10.0%	11.7%
Electricity	153	229	170	-10.7%	25.9%
Housing	-	-	-		
Roads, Pavements, Bridges and storm water	549	547	480	12.5%	12.3%
Other	405	281	179	55.8%	36.3%
	1,645	1,605	1,313	20.2%	18.2%
External Loans	214	214	169	21.1%	21.1%
Internal contributions	453	378	227	49.9%	40.0%
Grants and subsidies	977	1,013	917	6.2%	9.5%
Other	-	-	-		
	1,645	1,605	1,313	20.2%	18.2%
External Loans	214	214	214	0.0%	0.0%
Grants and subsidies	3,174	3,202	3,385	-6.7%	-5.7%
Investments Redeemed	162	162	151	6.5%	6.5%
Statutory Receipts (including VAT)	7,817	7,401	7,554	3.4%	-2.1%
Other Receipts	262	287	161	38.7%	44.1%
	11,628	11,266	11,465	1.4%	-1.8%
Salaries, wages and allowances	3,768	3,756	3,696	1.9%	1.6%
Cash and creditor payments	5,890	5,989	5,245	10.9%	12.4%
Capital payments	1,642	1,139	1,293	21.2%	-13.5%
Investments made	-	-	-		
External loans repaid	148	148	99	33.0%	33.0%
Statutory Payments (including VAT)	-	-	-		
Other payments	199	207	120	39.5%	41.7%
	11,647	11,238	10,454	10.2%	7.0%
	Original Budget	Adjustment Budget	Audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Property rates	2,486	2,488	2,506	-0.8%	-0.7%

R million	Original Budget	Adjustment Budget	Audited Full Year Total	Original Budget variance	Adjusted Budget Variance
Service charges	6,396	6,219	6,514	-1.8%	-4.7%
Other own revenue	3,057	3,395	2,837	7.2%	16.4%
	11,940	12,102	11,857	0.7%	2.0%
Employee related costs	3,768	3,756	3,912	-3.8%	-4.2%
Provision for working capital	-	-	-		
Repairs and maintenance	478	480	332	30.4%	30.8%
Bulk purchases	3,845	3,776	3,820	0.6%	-1.2%
Other expenditure	3,601	4,042	4,255	-18.2%	-5.3%
	11,692	12,054	12,319	-5.4%	-2.2%
Service charges: Electricity	4,359	3,955	3,967	9.0%	-0.3%
Grants & subsidies: Electricity	66	74	71	-9.0%	3.5%
Other revenue: Electricity	33	69	(78)	335.3%	212.8%
	4,458	4,098	3,960	11.2%	3.3%
Employee related costs: Electricity	381	384	423	-11.0%	-10.3%
Provision for working capital: Electricity	-	-	-		
Repairs and maintenance: Electricity	61	59	51	17.1%	13.5%
Bulk purchases: Electricity	3,710	3,641	3,694	0.4%	-1.5%
Other expenditure: Electricity	587	539	286	51.4%	47.1%
	4,740	4,623	4,481	5.5%	3.1%
Service charges: Water	1,051	1,302	1,496	-42.3%	-14.9%
Grants & subsidies: Water	203	220	223	-9.6%	-1.5%
Other revenue: Water	88	119	253	-186.6%	-112.7%
	1,342	1,640	1,971	-46.8%	-20.2%
Employee related costs: Water	207	220	212	-2.3%	3.8%
Provision for working capital: Water	-	-	-		
Repairs and maintenance: Water	146	124	62	57.7%	50.4%
Bulk purchases: Water	135	135	126	6.5%	6.5%
Other expenditure: Water	394	464	1,269	-221.9%	-173.6%
	882	943	1,669	-89.3%	-76.9%

FIGURE 5.9: Capital and Operating Expenditure

5.5 SOURCES OF FINANCE

Transfers and Subsidies – This category is mainly driven by capital DORA Grants. In terms of GRAP, revenue is only recognised once the conditions of the grant have been met

As at 30 June 2020 National Treasury has not transferred the following Grants to NMBM: -

- Equitable Share: R255,415,000
- Public Transport Infrastructure Systems: R98,154,007
- Neighbourhood Development partnership Grant: R10,000,000; and
- Urban Settlements Development Grant: R390,274,000

The following operating and capital unspent conditional DoRA grants roll-overs were not approved to be rolled over from the 2019/20 financial year to the 2020/21 financial year:

TABLE 5.78: Roll-overs not approved

Grant	Amount
Neighbourhood Development Partnership Grant	R13,085,004
Public Transport Network Grant	R96,761,307
Municipal Disaster Recovery Grant	R188,078,966
Integrated City Development Grant	R351,265
Total	R298,276,542

The National Treasury initially rejected the application for a roll-over to the 2020/21 financial year. Due to the non-transfer of the final tranche of the Urban Development Grant more funds were spent than was transferred by National Treasury in the amount of R82,932,099 during the 2019/20 financial year. During March 2021 National Treasury transferred the Urban Settlements Development Grant and Public Transport Infrastructure Systems Grant in the amounts of R390,274,000 and R83,370,000 respectively.

The VAT claimed in respect of Conditional Grant funded expenditure (payments) is regarded as a transfer from SARS. All unspent DoRA grants must be paid back to National Treasury.

Internally Generated Funding – This category is mainly funded through the Fuel Levy, Equitable Share and Capital Replacement Reserve funding.

TABLE 5.79: Capital expenditure - Funding sources

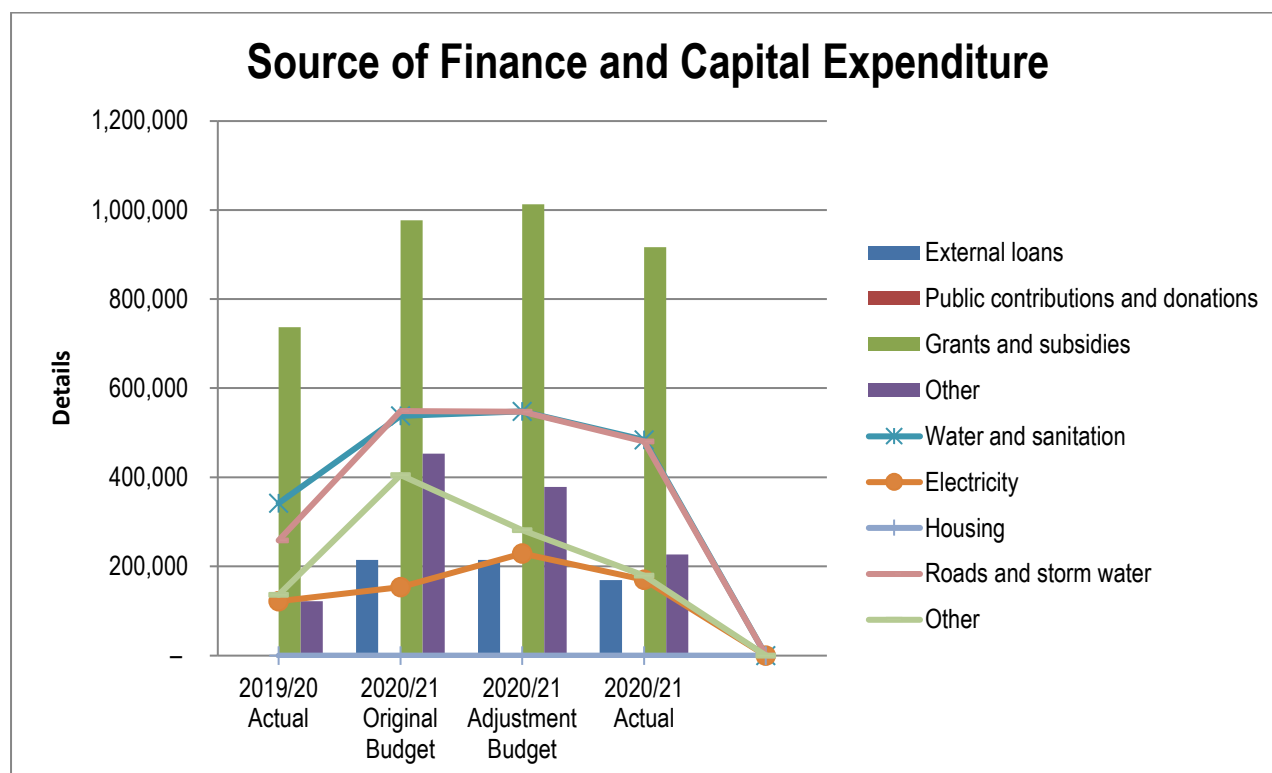
Capital Expenditure - Funding Sources: 2019/20 to 2020/21							
R' 000							
Details	2019/20	2020/21					
	2019/20 Actual	2020/21 Original Budget	2020/21 Adjustment Budget	2020/21 Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)	
Source of finance							
	External loans	–	214,415	214,415	169,089	0.00%	-21.14%
	Public contributions and donations	–	–	–	–		
	Grants and subsidies	736,878	977,010	1,012,550	916,719	3.64%	-6.17%
	Other	121,647	453,328	378,223	226,893	-16.57%	-49.95%
Total		858,525	1,644,753	1,605,188	1,312,701	-2.41%	-20.19%
Percentage of finance							
	External loans	0.0%	13.0%	13.4%	12.9%	0.0%	104.7%
	Public contributions and donations	0.0%	0.0%	0.0%	0.0%		
	Grants and subsidies	85.8%	59.4%	63.1%	69.8%	-151.2%	30.6%
	Other	14.2%	27.6%	23.6%	17.3%	688.7%	247.4%

Capital Expenditure - Funding Sources: 2019/20 to 2020/21

R' 000

Details		2019/20	2020/21				
		2019/20 Actual	2020/21 Original Budget	2020/21 Adjustment Budget	2020/21 Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Capital expenditure							
	Water and sanitation	341,523	537,775	547,863	483,759	1.88%	-10.04%
	Electricity	122,081	153,190	228,942	69,646	49.45%	10.74%
	Housing	-	-	-	-		
	Roads and storm water	258,407	548,597	547,366	480,282	-0.22%	-12.45%
	Other	136,513	405,191	281,016	179,014	-30.65%	-55.82%
Total		858524781	1644752666	1605187730	1312701372	-2.41%	-20.19%
Percentage of expenditure							
	Water and sanitation	39.8%	32.7%	34.1%	36.9%	-78.0%	49.8%
	Electricity	14.2%	9.3%	14.3%	12.9%	-2055.7%	-53.2%
	Housing	0.0%	0.0%	0.0%	0.0%		
	Roads and storm water	30.1%	33.4%	34.1%	36.6%	9.3%	61.7%
	Other	15.9%	24.6%	17.5%	13.6%	1274.0%	276.5%

FIGURE 5.10: Source of Finance and Capital Expenditure



5.6 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

TABLE 5.80: Capital expenditure of five largest projects*

Capital Expenditure of 5 largest projects*						R' 000
Name of Project	Current: 2020/21			Variance: 2020/21		
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)	
Resurfacing tar roads	23,000,000	25,000,000	134,405,850	-484%	-9%	
Construction of Coegakop Water Treatment Works (NON-MDRG)	52,000,000	107,600,000	96,685,677	-86%	-107%	
IPTS - Surfacing of IPTS Routes	3,000,000	19,042,410	77,629,847	-2488%	-535%	
1412: Rehabilitation of Loerie Water Treatment Works	28,000,000	32,000,000	35,460,546	-27%	-14%	
IPTS -Construction of Sidewalks along IPTS trunk and feeders	10,000,000	15,000,000	33,514,389	-235%	-50%	
* Projects with the highest capital expenditure in Year 0						
Name of Project - A	Resurfacing tar roads					
Objective of Project	Resurface and increase the lifespan of deteriorating roads in the NMBM					
Delays	Late approval of budget, EMEs demands,					
Future Challenges	Budget and time constraints Council approval for future USDG funds					
Anticipated citizen benefits	Improved Roads and reduction of potholes tied to legal claims					
Name of Project - B	Construction of Coegakop Water Treatment Works (NON-MDRG)					
Objective of Project	Construction of the Coegakop Water Treatment Works that will treat 12MI/day of borehole water abstracted from the Coegakop Wellfield. This will diversify the					

Capital Expenditure of 5 largest projects*						R' 000
Name of Project	Current: 2020/21			Variance: 2020/21		
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)	
	current, predominantly surface water supply, with an alternative water supply that is not dependant on local droughts.					
Delays	Appeals during award stage delaying contract start.					
Future Challenges	No further challenges are foreseen at this stage					
Anticipated citizen benefits	Water supply security					
Name of Project - C	IPTS - Surfacing of IPTS Routes					
Objective of Project	Resurface and Rehabilitate IPTS Trunk and Feeder Route to improve Public Transport in the NMBM					
Delays	Late approval of Rollover Budget, Procurement of Service Providers and Socio Economic Challenges (i.e. EME Work Stoppages)					
Future Challenges	Budget constraints, socio economic and stringent Covid regulations					
Anticipated citizen benefits	Improved Public Transport and stimulate economic activities					
Name of Project - D	1412: Rehabilitation of Loerie Water Treatment Works					
Objective of Project	Upgrading of exiting pump & motor sets reached the end of their design and usable asset lifespan. The replacement includes the installation of 3 new pump & motor sets, variable speed drives, new Medium and low voltage reticulation systems and transformers, new variable speed drive building and general building renovations to the Loerie Water Treatment works.					
Delays	EME delays at the start of the project, COVID-19 delays					
Future Challenges	No further challenges are foreseen at this stage					
Anticipated citizen benefits	Water supply security					
Name of Project - E	IPTS -Construction of Sidewalks along IPTS trunk and feeders					
Objective of Project	The sidewalks were upgraded and constructed to be universally accessible to all City Residents					
Delays	Late approval of Rollover Budget, Procurement of Service Providers and Socio Economic Challenges (i.e. EME Work Stoppages)					
Future Challenges	Budget constraints, socio economic and stringent Covid regulations					
Anticipated citizen benefits	Universally accessible for all residents					

5.7 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The table below reflects the maintenance backlogs in terms of services such as water, sanitation and provision of roads and stormwater services.

TABLE 5.81: Maintenance backlogs**Table 5.81.1 Water Backlog Maintenance**

Water Backlog	Total Sum of Repair Cost	Total Sum of Estimated Replacement Value	Repairs as % of Replacement Value
Dams	R2,408,320	R768,141,482	0.31%
Reservoirs	R21,519,671	R1,206,530,799	1.78%
Water Treatment Works	R57,295,705	R656,586,425	8.73%
Bulk Water Supply Lines	R12,949,500	R5,066,790,845	0.26%
Pump Stations	R23,372,730	R127,379,002	18.35%
Internal Reticulation	R530,370,326	R1,391,328,057	38.12%
Grand Total	R647,916,252	R9,216,756,610	

Table 5.81.2 Sewer Replacement Cost and Maintenance/ Rehabilitation Plan

Sewer Backlog	< 2 yrs	< 5 yrs	ASAP	Monitor only	Record only	Routine	Total Sum of Repair Cost	Total Sum of Estimated Replacement Value
Pump Stations	R15,527,520	R1,111,000	R12,179,100	R81,000	R0	R826,700	R29,725,320	R120,724,600
Sewer Reticulation	R160,180,756	R167,349,637	R60,938,492	R211,084	R0	R422,168	R389,102,138	R2,110,840,274
Waste Water Treatment	R34,021,564	R5,046,233	R102,497,695	R687,320	R12,000	R487,290	R142,752,104	R1,979,608,789
Grand Total	R209,729,84	R173,506,87	R175,615,287	R979,404	R12,000	R1,736,158	R561,579,562	R4,211,173,663

Table 5.81.3: Roads and Stormwater Maintenance Backlog

		Total Operational Maintenance and Rehabilitation Backlogs	Annual Requirement to Eliminate Backlog	Budget 2018/19	Budget 2019/2020	Budget 2020/2021
	Roads & Stormwater					
1	Maintenance / Rehabilitation of Subsidised Roads	660 000 000	50 000 000	12 000 000	6 000 000	6 000 000
2	Maintenance / Rehabilitation of -Non subsidised Roads	1 890 000 000	100 000 000	43 015 216	43 410 957	45 000 000
3	Maintenance / Rehabilitation of Stormwater Facilities	830 000 000	65 000 000	21 678 920	25 789 410	26 500 000
4	Road Signs & Markings	116 000 000	15 000 000	3 500 000	3 710 000	3 932 600
5	Maintenance / Rehabilitation of Bridges	540 000 000	45 000 000	896 000	4 000 000	3 000 000
6	Resurfacing of Roads	2 000 000 000	150 000 000	27 000 000	28 000 000	24 000 000
				95 274 271	117 787 500	194 937 780

The Urban Settlements Development Grant (USDG) is a key contributor to the Capital Budget of Nelson Mandela Bay Municipality. In this regard, the Nelson Mandela Bay Municipality has used the Grant to prioritise infrastructure for:

- (a) Internal services
- (b) Bulk sanitation
- (c) Bucket eradication through the provision of chemical toilets
- (d) Bulk water
- (e) Upgrading of roads
- (f) Upgrading of public open spaces
- (g) Public lighting

to support integrated and sustainable development of residential areas incorporating the full basket of services. It should be noted that NMBM is in the midst of a crippling drought and the USDG has assisted to ensure water sustainability.

TABLE 5.82: Urban Settlements Development Grant (USDG) expenditure on service backlogs

Municipal Infrastructure Grant (MIG)* Expenditure 2020/21 on Service backlogs						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust- ments Budget	
Infrastructure - Road transport	108,475,360.00	35,482,524.00	191,657,976.64	43.40%	81.49%	
<i>Roads, Pavements & Bridges</i>	108,475,360.00	35,482,524.00	182,800,137.64	40.66%	80.59%	
<i>Storm water</i>	-	-	8,857,839.00	100.00%	100.00%	
Infrastructure - Electricity	45,717,840.00	41,260,285.00	69,671,623.39	34.38%	40.78%	
<i>Generation</i>	-	-	-	0.00%	0.00%	
<i>Transmission & Reticulation</i>	25,717,840.00	29,260,285.00	58,662,116.39	56.16%	50.12%	
<i>Street Lighting</i>	20,000,000.00	12,000,000.00	11,009,507.00	-81.66%	-9.00%	
Infrastructure - Water	158,050,000.00	290,150,000.00	252,083,407.56	37.30%	-15.10%	
<i>Dams & Reservoirs</i>	14,000,000.00	11,500,000.00	25,099,761.41	44.22%	54.18%	
<i>Water purification</i>	89,250,000.00	133,800,000.00	149,250,605.51	40.20%	10.35%	
<i>Reticulation</i>	54,800,000.00	144,850,000.00	77,733,040.64	29.50%	-86.34%	
Infrastructure - Sanitation	154,869,548.00	89,269,548.00	79,890,446.86	-93.85%	-11.74%	
<i>Reticulation</i>	53,369,548.00	28,399,548.00	16,820,651.04	-217.29%	-68.84%	
<i>Sewerage purification</i>	101,500,000.00	60,870,000.00	63,069,795.82	-60.93%	3.49%	
Infrastructure - Other	-	-	-	0.00%	0.00%	
<i>Waste Management</i>	-	-	-	0.00%	0.00%	
<i>Transportation</i>	-	-	-	0.00%	0.00%	
<i>Gas</i>	-	-	-	0.00%	0.00%	
<i>Other Specify:</i>	295,155,430.00	253,060,263.00	341,728,336.07	13.63%	25.95%	

Municipal Infrastructure Grant (MIG)* Expenditure 2020/21 on Service backlogs						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjust- ments Budget	
<i>Sports Grounds and Stadiums</i>	11,000,000.00					
Housing	226,155,430.00	51,149,709.00	64,848,137.82	-248.75%	21.12%	
<i>Cemeteries, Funeral Parlours and Crematoriums</i>	8,000,000.00	7,219,990.00	43,701,674.85	81.69%	83.48%	
<i>Community Parks (including Nurseries)</i>	15,000,000.00	23,464,964.00	15,042,935.22	0.29%	-55.99%	
Operating - USDG	-	-	-	0.00%	0.00%	
<i>2019/20 USDG Debtor Settlement</i>	-	-	101,145,535.01	100.00%	100.00%	
<i>Human Settlements (Operating)</i>		147,225,600.00	78,510,053.17	100.00%	-87.52%	
<i>Sanitation (Operating)</i>	35,000,000.00	24,000,000.00	38,480,000.00	9.04%	37.63%	
Total	762,268,178.00	709,222,620.00	935,031,790.52	18.48%	24.15%	

COMMENT ON BACKLOGS:

While the Nelson Mandela Bay Municipality gradually increases budgetary spending to address backlogs in the maintenance of critical infrastructure, the extent of the backlogs requires additional funding from external sources to supplement the Municipality's budget. However, the Municipality is determined to address backlogs and ensure that residents of Nelson Mandela Bay receive quality services.

TABLE 5.83: Grant performance

Conditional Grants: excluding USDG						
R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant	35,000	15,000	12,842	-173%	-17%	Application for rollover to 2021/22 financial year
Infrastructure Skills Development Grant	9,806	9,806	7,913	-24%	-24%	Application for rollover to 2021/22 financial year
Integrated City Development Grant	10,481	10,481	5,064	-107%	-107%	Application for rollover to 2021/22 financial year
Public Transport Infrastructure and Systems Grant	266,016	266,016	214,247	-24%	-24%	Received R83,370,000 as rollover from 2019/20 to have R349,386,000 available for spending. Spent R214,247,171 resulting in an unspent balance of R135,140,372. Application for rollover to 2021/22 was made.
Finance Management Grant	1,000	1,000	1,000	0%	0%	Fully Spent
EPWP Incentive Grant	10,117	10,117	10,117	0%	0%	Fully Spent
<i>Energy Efficiency and Demand Side Management Grant</i>	6,300	6,300	6,300	0%	0%	Fully Spent
Total	332,420	312,420	251,184	-32%	-24%	

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENT

5.8 CASH FLOW

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENT

The major cash flow challenge experienced by the Municipality during the 2010/11 and 2011/12 financial years necessitated the implementation of a daily cash flow management system. Cash flow is determined from historic trends and assumptions in respect of the overflow of expenditure from one year to another are determined. Therefore, payments to be accrued to, for example, the 2019/20 budget, but that are paid during the 2020/21 year, are taken into account in determining the cash flow for the 2020/21 financial year. At the same time an estimation is made of which portion of the 2020/21 budget will be paid in the 2021/22 financial year for services rendered and goods received in the 2020/21 financial year. This differs from the National Treasury approach: to only take into account the budget year for determining cash flow. The NMBM methodology is more secure, especially in the case of capital expenditure where the budget may materially differ from one year to another).

The Municipality determines the actual cash flow for each expenditure and revenue category. Non-cash line items and categories are eliminated, where appropriate. In addition, the Municipality does not include the value budgeted for interest on outstanding debtors, as this revenue source normally exists of long outstanding debts that are regarded as doubtful with a limited possibility of being converted into cash.

Cash flow in respect of the statement of financial position, such as provisions (Post-retirement benefits) and creditors (Provision for leave pay) are also taken into consideration when determining cash flow.

The Municipality plans its investment around its cash needs, taking into consideration when revenue is due in respect of all revenue categories. The same applies to capital expenditure and operational categories. The cost coverage is managed and calculated on a monthly basis to determine whether risk indicators are present. All cash available are invested in accordance with the Cash and Investments Policy of Council.

TABLE 5.84: Cashflow outcomes

Cash Flow Outcomes				
R'000				
Description	2019/20	2020/21		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	6,860,076	8,073,625	7,622,809	7,714,181
Government - operating	1,778,001	2,080,628	2,394,027	2,494,222
Government - capital	639,179	1,092,945	807,557	891,117
Interest	235,749	161,511	161,511	151,035
Dividends				
Payments				
Suppliers and employees	(8,372,608)	(9,658,381)	(9,745,105)	(8,941,738)
Finance charges	(126,480)	(123,515)	(128,874)	(120,494)
Transfers and Grants	(32,755)	(60,975)	(77,650)	–
NET CASH FROM/(USED) OPERATING ACTIVITIES	981,163	1,565,838	1,034,275	2,188,323
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE				
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables		(14,522)	60,852	
Decrease (increase) in non-current investments				
Payments				
Capital assets	(841,041)	(1,641,530)	(1,138,770)	(1,292,757)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(841,041)	(1,656,051)	(1,077,918)	(1,292,757)

Cash Flow Outcomes				
R'000				
Description	2019/20	2020/21		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing		214,415	214,415	214,415
Increase (decrease) in consumer deposits		5,065	5,065	
Payments				
Repayment of borrowing	(89,659)	(148,049)	(148,049)	(99,143)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(89,659)	71,430	71,430	115,272
NET INCREASE/ (DECREASE) IN CASH HELD	50,464	(18,783)	27,787	1,010,838
Cash/cash equivalents at the year begin:	3,209,612	2,613,610	3,264,209	3,260,077
Cash/cash equivalents at the year end:	3,260,077	2,594,827	3,291,997	4,270,915

COMMENT ON CASH FLOW OUTCOMES

Cash and cash equivalents at year-end increased from a relatively low level of R427.66 million in 2010/11 to R1.61 billion in the 2015/16 financial year. The cash flow, however, decreased from the 2013/14 financial year by R162.56 million from R1.61 billion to R1.45 billion in the 2014/15 financial year. The cash flow, however, recovered back to R1.61 billion as at 30 June 2016. The total Cash and Cash Equivalents improved from R1,626,208,404 as at 30 June 2017 to R2,609,521,012 as at 30 June 2018, and then further improved to R3,209,612,488 and R3,261,797,394 as at 30 June 2019 and 30 June 2020 respectively. The total Cash and Cash Equivalents further improved by R1,010,837,657 to R4,270,914,537 as at 30 June 2021.

The implementation of the Operations Efficiency Policy should further enhance growth in the cash flow position. National Treasury views a three-month cost coverage ratio as critical from a financial sustainability perspective. The Audited Consolidated Annual Financial Statements reflect a cost coverage ratio of 4.32 months. However, the investment portfolio as at 30 June

2021, has been impacted by the non-transfer by National Treasury of the 2019/20. Equitable Share. The non-transfer of the Equitable Share and the delayed commencement of transferring the 2020/21 Equitable Share and Conditional DORA grants as well as only transferring the 2019/20 USDG and IPTS grants that were approved for rollover from the 2019/20 financial year during March 2021 impacted on the interest earned on investments. Due to the National lockdown due to the COVID-19 pandemic the spending on capital projects was lower than anticipated resulting at higher cash balances at year-end. The delay from National Treasury in transferring the conditional DORA grants resulted in the delayed commencement of capital projects. Therefore, the cash balance as at 30 June 2021 is committed to payments made during July 2021 and August 2021 in respect of expenditure incurred as at 30 June 2021 but not yet paid.

However, a poor collection rate of 85.5% impacted negatively on the cash flow and pose a material risk to the financial sustainability of NMBM.

Due to the drop in the interest rate during the National lockdown period less interest was earned than anticipated. In addition, finance costs increased slightly, due to R214,414 700 million of the R745,602,100 million external borrowing that commenced as from the 2020/21 financial year. The delayed transfer of the Equitable Share and other conditional DORA Grants only commencing in December 2020 assisted in the lower interest on investments being earned during the 2020/21 financial year.

Components of Cash Flow Outcomes:

Cash flow from Operating Activities

Revenue from services did not increase at the same rate as the tariff increases over the last six financial years, due to reduced consumption levels and increased water and electricity unit losses, despite the implementation of a number of loss mitigating and reduction measures. The actual debtors' collection rate was only 85.5%, compared to the budgeted collection rate of 85.5%. It is clear that outstanding debt collection requires attention and that politicians have a co-responsibility to communicate the importance of paying for services to their respective Wards. The debtors' collection rate was calculated on revenue raised, and not revenue budgeted. Analysis is required for future budgetary periods to ensure that raised revenue is closer to the budgeted revenue. The following table indicates the actual raised / billed revenue

as per the audited outcomes for the 2020/21 financial year as compared to the 2020/21 Original Budget.

TABLE 5.85: Actual raised / Billed revenue

Property Rates and Services	2020/21 Adjustments Budget R'000	Actuals 2020/21 as per AFS R'000	Variance R'000	%
Property Rates	2,488,283	2,506,420	18,137	0.73%
Electricity	3,954,693	3,966,501	11,808	0.30%
Water	1,301,832	1,578,944	277,112	21.29%
Sanitation	698,045	709,117	11,072	1.59%
Refuse	264,511	259,810	(4,701)	(1.78%)
Total	8,707,364	9,020,792	313,428	3.60%

The above indicates a material increase of approximately R313.43 million in respect of raised electricity services revenue as measured against the budgeted revenue for the 2020/21 financial year.

Lower than anticipated spending on capital projects also contributed towards a cash balance higher than anticipated. The risk is that a large portion of the cash balance as at 30 June 2020, could already be committed to projects for which the cash outflows have been delayed from one year to another.

Finance charges were lower in the 2020/21 financial year due to only R214,414,700 of the R745,602,100 external borrowing that was approved to be taken up in six tranches over the first 3 years of the loan lifespan of 10 years repayable in 20 half yearly instalments.

The 2019/20 Equitable Share remains outstanding and were raised as an outstanding Debtor in the 2020/21 Consolidated Annual Financial Statements.

Cash flows from Investing Activities:

These consist mainly of the acquisition and creation of assets. Capital payments were R292.49 million less than anticipated, mainly due to only spending approximately 81.78% of the 2020/21 Adjustments Budget, as approved by Council. However, despite the impact of the National lockdown due to the COVID-19 pandemic National Treasury had also delayed transferring the DORA grants during the 2020/21 financial Year.

Cash-flow from investing activities consisted of the following:

TABLE 5.86: Cash-flow from investing activities

Description	2020/21	Restated 2019/20
Purchase of PPE	(1,288,974,631)	(839,396,173)
Proceeds on Disposal of PPE	2,801	0
Purchase of Intangible Assets	(3,784,844)	(1,644,346)
Purchase of Investment Property	0	0
Purchase of Heritage Assets	0	0
Total	(1,292,756,674)	(841,040,519)

Cash flows from Financing Activities:

These consist of the repayment of external borrowing, which continues to decrease despite R214,414,700 external borrowing taken up during the 2020/21 financial year.

Cash and cash equivalents increased by R1.01 billion from R3,260 billion in 2019/20 to R4.271 billion in 2020/21.

TABLE 5.87: Financial summary

Description	2020/21							2019/20
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Final Budget	Actual Outcome	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Restated Audited Outcome
R thousands								
Financial Performance								
Property rates	2,486,145	(2,138)	2,488,283	2,488,283	2,506,420	100.73%	100.82%	2,357,411
Service charges	6,661,914	108,293	6,553,621	6,553,621	6,834,273	104.28%	102.59%	5,838,979
Investment revenue	161,511	-	161,511	161,511	150,039	92.90%	92.90%	234,799
Transfers recognised - operational	2,187,776	(310,050)	2,497,826	2,497,826	2,129,771	85.27%	97.35%	1,880,746
Other own revenue	442,312	41,508	400,804	400,804	236,542	59.02%	53.48%	600,460
Total Revenue (excluding capital transfers and contributions)	11,939,659	(162,386)	12,102,045	12,102,045	11,857,045	97.98%	99.31%	10,912,396
Employee costs	3,768,245	12,073	3,756,172	3,756,172	3,912,167	104.15%	103.82%	3,116,780
Remuneration of councillors	85,283	68	85,215	85,215	76,244	89.47%	89.40%	76,474
Debt impairment	1,084,879	(199,797)	1,284,675	1,284,675	1,790,242	139.35%	165.02%	1,303,375
Depreciation & asset impairment	740,575	-	740,575	740,575	987,405	133.33%	133.33%	1,072,017
Finance charges	141,084	12,211	128,874	128,874	127,631	99.04%	90.46%	124,825
Materials and bulk purchases	4,067,551	70,594	3,996,957	3,996,957	3,976,574	99.49%	97.76%	3,726,100
Transfers and grants	57,746	(1,825)	59,571	59,571	30,426	51.07%	52.69%	32,531
Other expenditure	1,746,502	(255,563)	2,002,065	2,002,065	1,418,632	70.86%	81.23%	1,244,778
Total Expenditure	11,691,864	(362,240)	12,054,104	12,054,104	12,319,320	102.20%	105.37%	10,696,879
Surplus/(Deficit)	247,795	199,854	47,941	47,941	(462,275)	-96.26%	-186.56%	215,517
Transfers recognised - capital	944,113	286,108	658,005	658,005	972,837	147.85%	103.04%	660,086
Contributions recognised - capital & contributed assets	32,897	(33,339)	66,236	66,236	143,595	216.79%	436.50%	103,802
Surplus/(Deficit) after capital transfers & contributions	1,224,804	452,623	452,623	772,181	654,158	84.72%	53.41%	979,405

Share of surplus/ (deficit) of associate			-	-				
Surplus/(Deficit) for the year	1,224,804	452,623	452,623	772,181	654,158	84.72%	53.41%	979,405
Capital expenditure & funds sources								
Capital expenditure								
Transfers recognised - capital	977,010	251,672	725,338	725,338	916,719	90.54%	93.83%	736,878
Public contributions & donations			-	-				-
Borrowing	214,415	-	214,415	214,415	169,089	78.86%	78.86%	(0)
Internally generated funds	453,328	21,317	432,011	432,011	226,893	59.99%	50.05%	121,647
Total sources of capital funds	1,644,753	272,989	1,371,763	1,371,763	1,312,701	81.78%	79.81%	858,525
Cash flows								
Net cash from (used) operating	1,565,838	531,563	1,034,275	1,034,275	2,188,323	211.58%	139.75%	981,163
Net cash from (used) investing	(1,656,051)	(578,133)	(1,077,918)	(1,077,918)	(1,292,757)	119.93%	78.06%	(841,041)
Net cash from (used) financing	71,430	-	71,430	71,430	115,272	161.38%	161.38%	(89,659)
Cash/cash equivalents at the year end	2,594,827	(697,170)	3,291,997	3,291,997	4,270,915	129.74%	164.59%	3,260,077

TABLE 5.88: Financial performance of operational services

Financial Performance of Operational Services						
R '000						
Description	2019/20	2020/21		20120/21 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Operating Cost						
Water	(220,830)	(479,957)	(719,903)	(301,225)	-59.34%	-138.99%
Waste Water (Sanitation)	(318,571)	(380,274)	(372,676)	(281,140)	-35.26%	-32.56%
Electricity	258,582	286,250	528,083	521,049	45.06%	-1.35%
Waste Management	(14,955)	(56,929)	(40,666)	11,419	598.55%	456.13%
Housing	115,812	27,635	44,301	121,094	77.18%	63.42%
Component A: sub-total	(179,962)	(603,277)	(560,860)	71,197	947.33%	887.76%
Waste Water (Stormwater Drainage)	13,846	22,619	20,952	17,421	-29.83%	-20.27%
Roads	167,047	193,083	198,955	177,129	-9.01%	-12.32%
Transport	65,686	10,638	25,264	50,813	79.06%	50.28%
Component B: sub-total	246,580	226,339	245,170	245,362	7.75%	0.08%
Planning	144,828	174,019	194,188	155,304	-12.05%	-25.04%
Local Economic Development	11,781	52,022	60,993	17,162	-203.13%	-255.41%
Component B: sub-total	156,610	226,041	255,182	172,466	-31.06%	-47.96%
Community & Social Services	227,292	280,839	409,420	287,151	2.20%	-42.58%
Environmental Protection	30,896	42,555	43,227	31,276	-36.06%	-38.21%
Health	77,437	93,428	96,790	92,563	-0.93%	-4.57%
Security and Safety	(14,443)	(151,626)	(175,492)	(161,707)	6.23%	-8.53%
Sport and Recreation	419,867	530,277	527,716	392,848	-34.98%	-34.33%
Corporate Policy Offices and Other	(1,179,793)	(892,372)	(889,093)	(668,882)	-33.41%	-32.92%
Component D: sub-total	(438,744)	(96,899)	12,568	(26,751)	-262.23%	146.98%
Total Expenditure	(215,517)	(247,795)	(47,941)	462,275	153.60%	110.37%

5.9 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

Borrowing:

The Municipality approved a loan for R745,602,100 which are to be taken up through six tranches over the first three years of the loan (from 1 August 2020 to 1 February 2023). that is repayable over a 10-year period in 20 half yearly instalments at a fixed interest rate of 9.22%. The Municipality had taken up R214,414,700 external loan funding of R750 million for capital projects during the 2020/21 financial year.

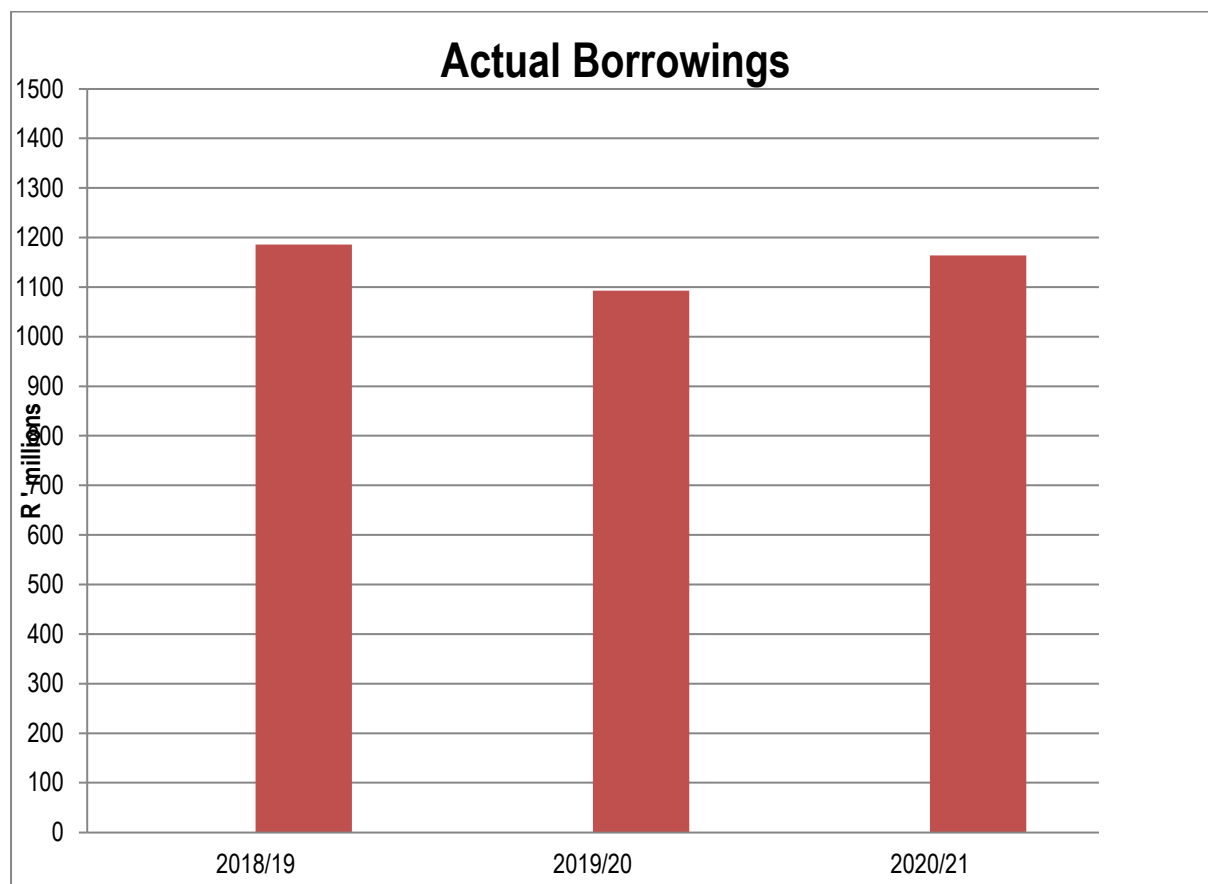
Investments:

Investments are normally made on a short-term basis (3 months or less, depending on cash flow level), and in terms of the NMBM Cash Management and Investment Policy. The available cash is invested at various financial institutions and consists of bank deposits only. Once the short and medium term has been secured from a cash flow perspective, longer term investments will be evaluated for implementation, without increasing the cash flow risk for the Municipality. The Municipality has therefore, identified an amount of R500 million to be invested for a period of 1 year in order to earn a higher rate of return on investments. This strategy was implemented in the 2018/19 financial year assisting in increasing the revenue from interest earned on investments. However, due to the COVID19 pandemic and the weak South African Economy the interest rates decreased during the National lockdown period which in turn materially impacted in the interest earned on investments. The delayed transfer of the Equitable Share and other conditional DORA grants also impacted on the Investment Portfolio as own revenue resources had to bridge-finance committed capital and operating projects that are funded through DORA grants.

TABLE 5.89: Actual borrowings

Actual Borrowings: 2018/19 to 2020/21			
	R' 000		
Instrument	2018/19	2019/20	2020/21
Municipality			
Long-Term Loans (annuity/reducing balance)	1,186	1,093	1,164

Actual Borrowings: 2018/19 to 2020/21			
	R' 000		
Instrument	2018/19	2019/20	2020/21
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	1,186	1,093	1,164
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	0	0	0

FIGURE 5.11: Actual Borrowings**TABLE 5.90: Municipal and entity investments**

Municipal and Entity Investments			
	R' 000		
Investment* type	2018/19	2019/20	2020/21
	Actual	Actual	Actual
Municipality			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	3,199,015,002	3,216,242,600	4,205,426,962
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other	3,198,229	2,411,766	2,511,199
Municipality sub-total	3,202,213,231	3,218,654,366	4,207,938,161

Municipal and Entity Investments			
			R' 000
Investment* type	2018/19	2019/20	2020/21
	Actual	Actual	Actual
Municipal Entities			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	10,597,486	43,834,279	43,834,279
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
Entities sub-total	10,597,486	43,834,279	65,487,575
Consolidated total:	3,212,810,717	3,262,488,645	4,273,425,736

COMMENT ON BORROWING AND INVESTMENTS

The NMBM Investments Portfolio consists mainly of bank deposits at various financial institutions. Since the 2009/10 financial year, no new borrowing has been taken up. The NMBM is considering taking up loan funding to finance revenue generating / cost reducing capital projects during the 2020/21 financial year. The Municipality does not have any short borrowing and / or bank overdraft. No borrowing has been made by the Municipality to other municipalities, municipal entities, other organisations or governmental institutions.

The NMBM Investments Portfolio has increased by R1.01 billion (30.99%), from R3.264 billion in 2019/20 to R4.273 billion in 2020/21. The following factors either contributed negatively or positively towards the level of this category:

- Electricity sales not being realised as projected in the 2020/21 Adjustments Budget.
- The debtors' collection rate was 85.5%, compared to the 85% as provided for in the Adjustments Budget.
- Increase in Property Rates and Services debtors.
- An unsustainable level of bridge-funding of housing projects in the amount of R195.07 million, as at 30 June 2021.
- Capital spending at 81.78% of the Adjustments Budget.
- The transfer of DoRA conditional and Equitable Share delayed by National Treasury only commencing during December 2020.

- 2019/20 USDG and IPTS only transferred during March 2021.
- Operating spending on cash flow categories were only at 92.99% of Adjustments Budget.

The accrued balance for unspent conditional grants is R351,572,080, as indicated in Note 7.1 of the 2020/21 Pre-Audited Consolidated Annual Financial Statements. Most of the increase of cash and cash equivalents are committed to expenditure already incurred, but not yet paid as at 30 June 2020. The aforementioned factors influenced the interest earned on investments by the Municipality.

5.10 PUBLIC PRIVATE PARTNERSHIPS

The Nelson Mandela Bay Municipality had no public private partnerships during the review period.

COMPONENT D: OTHER FINANCIAL MATTERS

5.11 SUPPLY CHAIN MANAGEMENT

CHECKLIST: STATE OF READINESS IN RESPECT OF SUPPLY CHAIN MANAGEMENT (SCM) WITHIN MUNICIPALITIES

Name of Municipality: NELSON MANDELA BAY MUNICIPALITY

TABLE 5.91: Supply Chain Management checklist

BASIC EVALUATION	YES/NO	ACTUAL PERFORMANCE	REMARKS
1. Is your municipality's SCM Unit (SCMU) established within the office of the CFO? If yes, provide copy of the approved populated structure	Yes		
2. Indicate the number of staff employed within the SCMU?	95		
3. Have job descriptions been drawn up for each post within the SCMU?	Yes	Demand Management	1. JD's are all drawn up.
	No	Contracts Management	2. Only JD's have been drawn up.
	No	Acquisition	3. Not all posts have job descriptions. We are in the process of drafting job descriptions with assistance from HR.
	No	Compliance Management	4. Not all posts have job descriptions. We are in the process of drafting job descriptions with assistance from HR.
4. Has a detailed implementation plan for SCM been developed? If yes, is progress measured against it?	Yes		SCM has been fully implemented. NMBM is in the process of implementing a quality management system
4.1. Is a report on the implementation of the SCM Policy provided to the mayor (or the board of directors for an entity) within 10 days of the end of each quarter (reg 6(3))?	Yes	SCM office submits a quarterly SCM implementation report to the Chief Financial Officer	

BASIC EVALUATION	YES/NO	ACTUAL PERFORMANCE	REMARKS
<p>5. Has the municipality provided for all the elements of the SCM function (Demand to Assessment of SCM performance)?</p> <ul style="list-style-type: none"> • Are needs assessment done before each acquisition? • Does the municipality have a procurement plan? If yes, provide copy of the plan. • Does the municipality obtain budgetary authorization before order is placed? • Are the preferential policy objectives identified that could be met through each contract? • Are the threshold values contained in the SCM Policy aligned with the values stipulated in regulation 12? • Is the performance of vendors monitored? If yes, how? 	<p>No</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>SCM Demand Management Section only does a needs analysis for new Needs</p> <p>For the 2020/2021 financial year.</p> <p>System is designed in such a way that order cannot be generated where there are no funds available</p> <p>According to the revised PPPFA implemented on 01 April 2017, all contracts above R30 000 – R50 million are evaluated on 80/20 and above R50 million are evaluated on 90/10.</p> <p>Informal tenders are tenders with a tender value below R200 000.</p> <p>All tenders above R200 000 are regarded as formal tenders.</p>	<p>The SOPS are drafted and need to be advised to All directorates so that they know the requirement. Was not signed off by SCM Director</p> <p>2020/2021 Procurement Plan is in place.</p> <p>Accountants approve and comment on the availability of funds before the bid specification is presented to the Bid Specification Committee.</p> <p>Through performance management conducted by project managers. SCM developed a</p>

BASIC EVALUATION	YES/NO	ACTUAL PERFORMANCE	REMARKS
<ul style="list-style-type: none"> Does the municipality analyze whether proper processes are followed and desired objectives are reached? 	Yes	<p>Section 32 reports are required in the event that an NMBM official contravenes with the SCM policy</p> <p>The Risk and Performance Management Section conducts checks/Tests on the implementation of processes to ensure that all performance is in line with all the frameworks/policies/circulars governing the scm environment.</p>	<p>performance management report template for guidance.</p> <p>Project managers submit performance reports to Contracts Management Division on a monthly basis.</p>
<p>6. Confirm whether the structures are in place (e.g. Specifications Committee, Bid Evaluation Committee, Adjudication Committee with written delegation) to operate outside the TRC?</p> <ul style="list-style-type: none"> Does the department's specification/bid evaluation/bid adjudication committees comprise of cross-functional teams? How are the members identified? Have they been appointed in writing? 	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>The Accounting Officer / Delegated official has duly appointed all the members of the relevant Bid committees.</p> <p>Members of technical committees are identified by Directorates themselves. All other Bid Committee members are identified and appointed by the City Manager.</p>	
<p>7. Has the Accounting Officer (AO) Procedures been compiled in Accordance of the SCM Regulatory Documents (Policy Strategy, Framework, Practice Notes and the Guide for AO's for SCM)? If yes, provide copy of Procedure Manual</p>	Yes	<p>NMBM developed process flows (Flow Charts)</p> <p>Standard Operating Procedures (SOPs) were developed to provide guidance on the implementation of the SCM Policy</p>	Quality Management System requirement
<p>8. Are bid documents compiled in accordance with the relevant Treasury's Practice Notes and Directives?</p>	Yes		
<p>9. Are evaluation and adjudication criteria included in the bid documents?</p>	Yes		

BASIC EVALUATION	YES/NO	ACTUAL PERFORMANCE	REMARKS
10. Are measures in place to ensure that all SCM practitioners are acquainted with SCM Code of Conduct issued by the National Treasury?	Yes	Employees sign the acknowledgement of SCM Code of Conduct	
11. Have responsibilities (including values) been delegated to SCM Practitioners/ committees in writing?	Yes		In accordance with SCM Policy and Regulations
12. Is there a mechanism in place to verify bidder's claims for preferences/ compliance to SARS/ requirements/ capabilities, etc. prior to the award of the contract?	Yes	CSD reports are generated before a tender is awarded to the preferred bidder.	
13. Is the procurement of goods and services decentralized? If yes, indicate to what level.	Yes	Directorates are responsible for identifying and developing a specification of their needs. SCM facilitates the procurement process and ensures compliance with SCM regulations and requirements	
14. How are decisions on bid awards documented?		Secretariat compiles minutes of each meeting. Tenders above R10 million – City Manager's resolutions are generated.	
15. Are all invitations for bids above R30 000 advertised for at least 7 days on the website and official notice board? (reg 18(a)) 15.1 In addition, are all invitations for competitive bids publicly advertised in newspapers commonly circulating locally? (reg 22(1))	Yes Yes	Tenders are advertised on the Newspaper, NMBM website, National Treasury E-tender Portal and CIDB (Construction wo	
16. Is the "list of accredited prospective providers" required by regulation 14 updated at least quarterly?	Yes	List is updated daily. CSD is linked to SARS and other databases.	Service providers update their details on CSD; NMBM verifies updated details

BASIC EVALUATION	YES/NO	ACTUAL PERFORMANCE	REMARKS
17. How regularly is your database for BEE, SMME and HDI suppliers updated?		Database is linked to the master database and is updated daily.	
18. Is there a database established for the redundant/ obsolete store items?	Yes	Redundant/obsolete items are kept in store	
19. Are debriefing sessions held with unsuccessful suppliers?	No	Letters of Non-appointment are sent out to unsuccessful suppliers	
20. Are you aware that SITA can assist with the procurement of IT related goods and services (regulation 31)	Yes	All ICT items needs to be signed off by the by IT Steering Committee, before they are presented to the BSC.	
21. Are IT contracts arranged through SITA?	Yes	Through SCM bid processes.	
22. What is the 2020/21 budget for the training of SCM practitioners?		R452 730	
23. How are training needs for SCM practitioners determined?		Work Skills Plan is completed annually.	MFMA competence requirements are prioritised.
23.1 Has the municipality or entity used an outsourced training provider for SCM?	Yes	Skills Development office has entered into contracts with different service providers.	
24. How many officials have been trained? <ul style="list-style-type: none"> • Senior Management? • Committee members Operational Staff? 		5 32 79	<ul style="list-style-type: none"> • Due to COVID 19 it was not practical to do training for Senior management for 2020/21. The planned training had to be cancelled • In housetraining was organised for Bid Committee members – National Treasury conducted the training • Due to COVID 19 it was not practical to do training for Operational Staff for 2020/21. The planned training had to be cancelled
25. Which training service providers are conducting or will be conducting SCM training at your department?		SCM Contract number SCM /18-67/ Provides details of all service providers that will be conducting training.	

BASIC EVALUATION	YES/NO	ACTUAL PERFORMANCE	REMARKS
28. 26. Does the SCM Policy provide for an effective system of risk management for the identification, consideration and avoidance of potential risks in the SCM system? (reg 41(1))	Yes	Risk Register is compiled.	
29.			
30. 26.1 Is there a Fraud prevention plan for SCM in place?	Yes	Whistleblower Policy in place for the whole institution.	
31. If yes, provide a copy		Code of conduct for SCM practitioners and other role-players is signed and acknowledged.	

5.12 GRAP

Entities are required to apply the Standards of GRAP where the Minister has determined the effective date. The Minister has determined the effective date for the Standards of GRAP outlined below (paragraph .09 of Directive 5) relating to the 2020/21 financial year:

TABLE 5.92: GRAP

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investments in Associates
GRAP 8	Interests in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events After the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 18	Segment Reporting
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 21	Impairment of Non-cash-generating Assets
GRAP 23	Revenue from Non-exchange Transactions (Taxes and Transfers)
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating Assets
GRAP 27	Agriculture
GRAP 31	Intangible Assets
GRAP 100	Discontinued Operations
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GRAP 105	Transfers of Functions Between Entities Under Common Control
GRAP 106	Transfers of Functions Between Entities Not Under Common Control
GRAP 107	Mergers

The above standards are currently applied by the Municipality where applicable. No issues were raised in the prior year with regard to non-compliance in terms of GRAP standards other than the findings which were raised in the audit report.

All accounting policies included in the Annual Financial Statements are aligned with the GRAP Framework above and therefore no issues were raised in the prior year with regard to non-compliance with these accounting policies, other than the findings which were raised in the audit report.

CHAPTER 6 - AUDITOR-GENERAL AUDIT FINDINGS

INTRODUCTION

The Nelson Mandela Bay Municipality produces an Annual Report and Financial Statements on an annual basis, which are then submitted to the Auditor-General for auditing purposes. Once the Auditor-General's Audit Report is received by the institution, an Action Plan is developed to address the audit findings raised by the Auditor-General.

COMPONENT A: AUDITOR-GENERAL'S OPINION OF FINANCIAL STATEMENTS (YEAR -1)

6.1 AUDITOR-GENERAL'S REPORT: YEAR -1 (2019/20)

TABLE 6.1: Auditor-General's report

Auditor-General Report on Financial Performance Year -1	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
<p>Property, Plant and Equipment (PPE)</p> <p>"I was unable to obtain sufficient appropriate evidence that the municipality had appropriately accounted for and disclosed property, plant and equipment due to the status of the accounting records. Certain infrastructure assets and other assets could not be supported by complete and accurate underlying records and completed assets could not be substantiated by supporting audit evidence. I could not confirm infrastructure assets, other assets and completed assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to property, plant and equipment stated at R17,3 billion (2019: R17,4 billion) in the consolidated and separate financial statements.</p> <p>The municipality also did not adequately assess whether there were any indications that the expectations on the useful lives of property, plant and equipment had changed in accordance with GRAP 17, Property, plant and equipment. Furthermore, completed assets were misclassified as work in progress, which was also contrary to this standard. I was unable to</p>	<p>Land belonging to the NMBM not reflected on Fixed Asset Register (Completeness of Land)</p> <p>During the 2018/19 financial year, the Auditor-General raised a material finding in relation to the completeness of municipal land. The risk and finding raised by the Auditor-General originated from the NMBM's own processes which begun in 2017 whereby the NMBM acquired an extract of all deeds data reflecting ownership held by the NMBM. In 2017 the total number of title deeds in the name of the NMBM was approximately 17,000 records. The following remedial action will be implemented to address the finding:</p> <ol style="list-style-type: none"> 1. The capital asset accounting team will trace all existing land components on the Fixed Asset Register to the deeds data. The Fixed Asset Register will be updated with the relevant erf number / location information to ensure alignment between the Fixed Asset Register and other sources of information. This process is ongoing.

Auditor-General Report on Financial Performance Year -1	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
determine the impact on property, plant and equipment and depreciation stated at R958,3 million and R957,2 million (2019: R881,7 million and R882,4 million) in the consolidated and separate financial statements, respectively, as it was impracticable to do so. There was also an impact on the surplus for the period and on the accumulated surplus.”	<p>2. The NMBM Capital Assets Section will engage with the NMBM Human Settlements Directorate to identify all land reflected in the deeds data which has been identified as housing stock. This list of information will be used to confirm the exclusion of certain land parcels from the Fixed Asset Register and will be compared to the existing Fixed Asset Register to ensure that no land component is excluded.</p> <p>3. All other title deeds which have not been matched to either the existing Fixed Asset Register or the housing stock assets will be subjected to a desktop review. The desktop review will include matching the land parcel to the valuation according to the valuation roll, comparing the title deed to the GIS layer to determine whether the land has an existing structure or whether it should be classified as vacant land.</p> <ul style="list-style-type: none"> ○ All vacant land identified as municipal owned but not reflected on the Fixed Asset Register will be included in the Fixed Asset Register ○ In relation to any land with an existing structure, the Municipality will map the existing structure to an existing asset on the Fixed Asset Register. For all assets which can be mapped to an existing asset on the Fixed Asset Register, the land component will be created on the Fixed Asset Register and a take on adjustment will be processed to reflect the land component's values. For all assets where the asset does not exist the land and structural components will be created and a take on adjustment will be processed to bring it in the Fixed Asset Register at a nominal value for the asset. ○ The review will seek to match land components back to existing sub-systems or datasets such as EDAMS, Lease Data, etc. <p>During the 2019/20 financial audit B&T Capital Accounting further enhanced the procedure in place in order to address the method of take-on in relation to the materiality of the audit finding.</p>

Auditor-General Report on Financial Performance Year -1	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
	<p>This work resulted in the NMBM addressing the materiality of the error in the current year. The outstanding work is still being actively worked on by B&T and this will address any further qualitative issues. Included in this work is a process to address some of the documentation issues including the inclusion of information such as location on the Fixed Asset Register as raised by the AGSA.</p> <p>Infrastructure Assets could not be verified</p> <p>The Auditor-General was unable to test the existence of specific infrastructure assets due to constraints within the detail of the NMBM's sub systems. The finding related to Street lights, water meters, electricity meters and bins and containers.</p> <p>The NMBM has grouped the above mentioned asset types on the Fixed Asset Register. The expenditure totals and information on the Fixed Asset Register currently does not match any of the sub-systems as maintained by the directorate who are the custodians of the assets. The following remedial actions will be implemented to address this finding:</p> <ol style="list-style-type: none"> 1) Directorate who is the custodian of the asset and B&T will engage to fully investigate what sub register/asset information the directorate maintains and controls. 2) B&T will work with the directorate to assist them to better include financial detail within their systems which will allow for reconciliation into the Fixed Asset Register. 3) B&T will review information available and assess the work provided to confirm accuracy for next financial audit. <p>Useful lives not assessed, and impairment of assets not adequately assessed:</p>

Auditor-General Report on Financial Performance Year -1	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
	<p>Like prior financial years, the AGSA has raised an audit finding that the NMBM did not review an asset's remaining useful life on an annual basis in accordance with the GRAP standards. They also highlighted that there were indications of asset impairment which were not adequately considered by the NMBM.</p> <p>The following remedial actions will be implemented to address this finding:</p> <ol style="list-style-type: none"> 1) B&T will engage with all directorates who are the custodians of the assets to fully explain the requirements of the GRAP standards and the need to regularly review the remaining useful lives of all assets and report impairment of assets on a regular basis. 2) This communication will include explanations detailing what would constitute a sufficient portfolio of evidence to the conclusion made by each directorate. 3) All amendments to useful lives received and impairment of assets from the directorates will be updated within the FAR, which will then assist with an accurate recalculation of depreciation. <p>W-I-P not adequately disclosed</p> <p>The following remedial actions will be implemented to address this finding:</p> <p>Phase 1: A manual process has been implemented to maintain an excel based WIP progress register. The information is being taken from all WIP movements as processed within the General Ledger System and within the Fixed Asset Register. The manual process will allow the NMBM to disclose the WIP correctly in the June 2021 financial statements.</p> <p>This phase includes a full review of all expenditure to determine whether the expenditure falls part of the construction process or whether the expenditure is a simple straight acquisition.</p> <p>Phase 2: The Capital asset team is working with the Municipal Information Systems Sub-</p>

Auditor-General Report on Financial Performance Year -1	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
	<p>directorate to have the system generate the relevant WIP reports and disclose information from the system without needing to maintain a separate manual spreadsheet. It is projected that the system changes will be in place by 30 June 2022.</p>
<p>Investment property</p> <p>"I was unable to obtain sufficient appropriate evidence for investment property as the underlying records maintained by the municipality were not complete to determine ownership of these properties. I was unable to confirm investment property through alternative means. Consequently, I was unable to determine whether any adjustments were necessary to investment property stated at R165,1 million (2019: R216,8 million) in the consolidated and separate financial statements.</p>	<p>Did not maintain adequate records to determine ownership of properties:</p> <p>The NMBM is going to follow the following approach to address the finding raised by the AGSA for the year ended 30 June 2021.</p> <ol style="list-style-type: none"> 1) Obtain a complete lease revenue report of all lease rentals raised by the NMBM for the year ended 30 June 2021. 2) Compare the Lease rental against the Fixed asset register to identify which asset is generating the rental income 3) Review the lease agreements in order to confirm whether the lease rental gives rise to an investment property. 4) After review adjust the classification of assets between Land and Buildings and Investment Property in order to finalise the completeness of investment property.

Auditor-General Report on Financial Performance Year -1	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
<p>Exchange revenue – service charges</p> <p>“During 2019, I was unable to obtain sufficient appropriate audit evidence that revenue from service charges had been properly accounted for as the municipality did not have adequate internal controls to maintain records for service charges. I was unable to confirm the revenue from service charges by alternative means. In addition, the municipality did not bill and record certain revenue owing to it for services rendered, as required by GRAP 9, Revenue from exchange transactions during 2019. Consequently, I was unable to determine whether any adjustment was necessary to the corresponding figure stated at R5,3 billion in the consolidated and separate financial statements. My audit opinion on the consolidated and separate financial statements for the prior year was modified accordingly. My opinion on the current year consolidated and separate financial statements was also modified because of the possible effect of this matter on the comparability of the exchange revenue - service charges for the current period.”</p>	<p>Unbilled water and sanitation services</p> <p>The Municipality is investigating the 1 257 properties without water related service charges identified by the Auditor-General.</p> <p>In addition, a task team has been established between the Budget and Treasury and Infrastructure and Engineering Directorates to address challenges identified and report on progress in addressing these challenges on a monthly basis.</p> <p>Up to and including 31 March 2021, 820 meters have been installed. 227 meters were found to be bulk meters. In addition to the 1 257 meters, a further 534 meters were found to be unbilled, therefore in total there are still 744 meters still being investigated</p>
<p>Unauthorised expenditure</p> <p>“During 2019, I was unable to obtain sufficient appropriate audit evidence for unauthorised expenditure and to confirm the unauthorised expenditure by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to unauthorised expenditure stated at R253 million in note 44.1 to the consolidated and separate financial statements. My audit opinion on the consolidated and separate financial statements for the prior year was modified accordingly. My opinion on the current year consolidated and separate financial statements were also modified because of the possible effect of this matter on the comparability of the unauthorised expenditure for the current period.”</p>	<p>The unauthorized expenditure item relating to the 2018/19 financial year, was submitted to Council for approval and have thus been approved on 31 March 2021.</p> <p>This finding is now resolved as the effect of any possible corrections relating to the 2018/19 financial and prior, will not influence the calculation of unauthorized expenditure.</p>

Auditor-General Report on Financial Performance Year -1	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
<p>Audit Report Status:</p> <p>The material findings in respect of the usefulness and reliability of the selected key performance area are as follows:</p> <p>KPA 1 – Basic Service Delivery</p> <p>Various indicators</p> <p>The targets for the indicators listed below per the approved service delivery and budget implementation plan was changed without the necessary approval and were therefore not consistent with the initially approved targets.</p> <ul style="list-style-type: none"> • KPI 3 – Number of boreholes drilled • KPI 4 - Percentage completion of Loerie Water Treatment Works Upgrade • KPI 5 - Percentage completion of Seaview Pump Station Upgrade • KPI 10 - Percentage of industries with trade effluent inspected for compliance • KPI 50 - Km of sewer pipelines augmented 	<p><u>KPI 3; 4; 5; 10; 50</u></p> <p>On 24 March 2020, the item on the 2019/20 Adjusted SDBIP for submission to the Mayoral Committee and Council was submitted to Secretariat. During the period March 2020 to July 2020, Council could not sit as a result of the Covid-19 Lockdown restrictions. At the Mayoral Committee meeting of 20 August, the Adjusted SDBIP was noted and recommended for submission to Council for approval. Furthermore, at the Council meeting of 02 October 2020, the Adjusted SDBIP was deferred and referred to the Budget and Treasury Standing Committee for further intervention. Due to the Budget and Treasury Committee not sitting, this Item was never finalised.</p> <p>In mitigation, for the 2020/21 financial year, targets were set to meet the standard required by the Auditor General.</p>

Auditor-General Report on Financial Performance Year -1

Various indicators

The indicators and targets listed below did not agree to the planned indicators and targets as per the approved budget implementation plan, as these indicators were not reported on in the annual performance report.

KPI 6 - Km of water pipelines augmented

KPI 7 - Percentage completion of Coegakop Water Treatment Works construction

KPI 12 - Percentage completion of the Cape Recife Waste Water Treatment Upgrade

Various indicators

I was unable to obtain sufficient appropriate audit evidence that systems and processes had been established to enable consistent measurement and reliable reporting of performance against predetermined indicator definitions. This was due to insufficient measurement definitions and processes. As a result, I was also unable to obtain sufficient appropriate audit evidence for the achievements reported in the annual performance report. I was unable to confirm these achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements for the indicators listed below.

KPI 8 - Percentage of complaints/callouts Responded to within 24 hours (sanitation/wastewater)

KPI 9 - Percentage of complaints/callouts Responded to within 24 hours (Water)

KPI 6; 7; 12

On 24 March 2020, the item on the 2019/20 Adjusted SDBIP for submission to the Mayoral Committee and Council was submitted to Secretariat. During the period March 2020 to July 2020, Council could not sit as a result of the Covid-19 Lockdown restrictions. At the Mayoral Committee meeting of 20 August, the Adjusted SDBIP was noted and recommended for submission to Council for approval. Furthermore, at the Council meeting of 02 October 2020, the Adjusted SDBIP was deferred and referred to the Budget and Treasury Standing Committee for further intervention. Due to the Budget and Treasury Committee not sitting, this Item was never finalised.

It should be noted that the focus of the 2020/21 SDBIP was on the implementation of the Circular 88 Indicators as prescribed by National Treasury. Other municipal projects are implemented at the level of the performance agreements.

KPI 8; 9

The KPI has been included in the 2019/20 SDBIP, since it was introduced by National Treasury through Circular 88. It should be noted that the current business process as recorded in the KPI's Technical Indicator Description, can be supported with source documentation. The Municipality will be making adjustments to the Water & Sanitation Information Management System (EDAMS) to meet the requirements of AG. This is in order to provide the required evidence to support the KPI. Cognisance will also be taken of the latest amendments that are being made to the same KPIs for the future. Once done Internal Audit will be requested to carry out an audit to verify the changes.

Auditor-General Report on Financial Performance Year -1	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
<p>KPI 50 - Km of sewer pipelines augmented</p> <p>I was unable to obtain sufficient appropriate audit evidence for the achievement of 0.6km reported against the target of 0.6km in the annual performance report due to the lack of accurate and complete records. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievement.</p> <p>Various Indicators</p> <p>KPI 2 - Number of water connections meeting minimum standards</p> <p>KPI 49 - Number of new sewerage connections meeting minimum standard</p>	<p><u>KPI 50</u></p> <p>The municipality will in the 2020/21 financial year ensure that the reported performance is substantiated with appropriate / verifiable evidence that meets the Auditor General's requirements.</p> <p><u>KPI 2 & 49</u></p> <p>The municipality will in the 2020/21 financial year ensure that the reported performance is substantiated with appropriate / verifiable evidence that meets the Auditor General's requirements.</p>

COMPONENT B: AUDITOR-GENERAL OPINION: YEAR 0

6.2 AUDITOR-GENERAL'S REPORT: YEAR 0 (2020/21)

The following are the high-level action plans that are to be implemented in order to deal with the issues raised by the Auditor-General South Africa (AGSA) in the 2020/21 Audit Report. The details of the high-level actions listed herein are found in the Audit Action Plan (2020/21).

TABLE 6.2: Auditor-General's report

Auditor-General Report on Financial Performance Year 0	
Status of audit report:	Qualified audit opinion.
Non-Compliance Issues	Remedial Action
<p>Property, Plant and Equipment (PPE)</p> <p>The municipality did not adequately assess at each reporting date whether there were any indications that the expectations on the useful lives of property, plant and equipment had changed in accordance with GRAP 17, <i>Property, plant and equipment</i>. I was unable to determine the impact on property, plant and equipment stated at R17,7 billion (2020: R17,3 billion) in note 9 to the financial statements as well as depreciation stated at R937,8 million and R936,9 million (2020: R957,2 million and R858,3 million) in note 31.1 to the consolidated and separate financial statements, as it was impracticable to do so. There was also an impact on the surplus for the period and on the accumulated surplus which was impracticable to determine.</p> <p>Included in property, plant and equipment are infrastructure assets of R12,9 billion disclosed in note 9 to the consolidated and separate financial statements. I was unable to obtain sufficient appropriate evidence that the municipality had appropriately accounted for and disclosed these assets due to the status of the accounting records. Certain infrastructure assets could not be supported by complete and accurate underlying records. I could not confirm infrastructure assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to infrastructure assets.</p> <p>As a result of the misstatements on depreciation, I was unable to obtain sufficient appropriate audit evidence that the municipality correctly calculated unauthorised expenditure in the current year. I was unable to confirm the unauthorised expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the unauthorised expenditure stated at R849,5 million in note 44.1 to the consolidated and separate financial statements.</p>	<p>Infrastructure Assets could not be verified</p> <p>The Auditor-General was unable to test the existence of specific infrastructure assets due to constraints within the detail of the NMBM's sub systems. The finding related to Street lights, water meters, electricity meters and bins and containers.</p> <p>The NMBM has grouped the above-mentioned asset types on the Fixed Asset Register. The expenditure totals and information on the Fixed Asset Register currently does not match any of the sub-systems as maintained by the directorate who are the custodians of the assets. The following remedial actions will be implemented to address this finding:</p> <ol style="list-style-type: none"> 1) Directorate who is the custodian of the asset and B&T will engage to fully investigate what sub register/asset information the directorate maintains and controls. 2) B&T will work with the directorate to assist them to better include financial detail within their systems which will allow for reconciliation into the Fixed Asset Register. 3) B&T will review information available and assess the work provided to confirm accuracy for next financial audit. <p>Useful lives not assessed, and the effect on depreciation and unauthorised expenditure:</p> <p>Like prior financial years, the AGSA has raised an audit finding that the NMBM did not review an asset's remaining useful life on an annual basis in accordance with the GRAP standards. They also highlighted that there were indications of asset impairment which were not adequately considered by the NMBM.</p> <p>The following remedial actions will be implemented to address this finding:</p>

	<ol style="list-style-type: none"> 1) B&T will engage with all directorates who are the custodians of the assets to fully explain the requirements of the GRAP standards and the need to regularly review the remaining useful lives of all assets and report impairment of assets on a regular basis. 2) This communication will include explanations detailing what would constitute a sufficient portfolio of evidence to the conclusion made by each directorate. 3) All amendments to useful lives received and impairment of assets from the directorates will be updated within the FAR, which will then assist with an accurate recalculation of depreciation.
<p>Trade Receivables - Exchange Transactions</p> <p>The municipality did not have adequate systems for recording and accounting for indigent debtors. Some indigent subsidies were provided to consumers that did not qualify for the indigent subsidies and supporting evidence could not be provided for the indigent subsidies of some consumers. I was unable to determine the full extent of the misstatements to trade receivables from exchange transactions stated at R2,3 billion in note 15 to the consolidated and separate financial statements as well as the related service charges in note 21.1 to the consolidated and separate financial statements, as it was impractical to do so. There was also an impact on the surplus for the period and on the accumulated surplus which was impracticable to determine.</p>	<p>Recording and Accounting for Indigent Debtors</p> <p>Assistance to the Poor section have placed corrective measures to systematically refresh current indigent register where customers exceeded three (3) year validity period. The process was started on the 1st of January 2021 where an average of three thousand (3000) customers are informed monthly by means of a posted letter informing them to re-apply within 60 days and if they do not comply the subsidy is cancelled automatically.</p> <p>The reason for the approach was to manage the number of re-applications at customer care centres across Nelson Mandela Bay metro. To date this process has cancelled 11,998 customers that failed to re-apply and this is still ongoing and will prevent indigent recipients from exceeding 3-year validation period.</p> <p>All applications are verified against various database websites before being processed to ensure eligibility for assistance.</p> <p>N.M.B.M Assistance to the Poor section is currently in the process of tendering for tracing access to gain relevant information to provide instant verification and to decrease turnaround time for authorisation.</p> <p>A new records room is being constructed to extract applications effortless and timeously.</p>

	<p>Expected completion date for this project is December 2022.</p> <p>Furthermore 6 Extended Public Works candidates will be employed as of the 1st of April 2022 to upkeep ATTP filing daily, making extraction of applications quick.</p> <p>These are all the corrective measures put in place to eradicate future audit findings.</p>
<p>Audit Report Status:</p> <p>The material findings in respect of the usefulness and reliability of the selected key performance area are as follows:</p> <p>KPA 1 – Basic Service Delivery</p> <p>Various indicators</p> <p>Adequate systems and processes were not established to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. As a result, I was unable to obtain sufficient appropriate audit evidence for the achievements reported in the annual performance report. I was unable to confirm these achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements for the indicators listed below.</p> <p>KPI 24: Percentage of complaints/callouts responded to within 24 hours (sanitation/wastewater)</p> <ul style="list-style-type: none"> - Planned target - 100% - Reported achievement - 23.78% <p>KPI 25: Percentage of complaints/ callouts responded to within 24 hours (water)</p> <ul style="list-style-type: none"> - Planned target - 100% - Reported achievement - 23.56% 	<p>The inclusion of the indicators in the SDBIP is regulated by National Treasury through MFMA Circular 88.</p> <p>The Municipality does not currently have adequate system to enable consistent measurement and reliable reporting of performance against the indicator. On 15 February 2022, the Municipality approached National Treasury to seek condonation from including these Indicators in its 2021/22 and 2022/23 SDBIPs. National Treasury subsequently identified 18 March 2022 to meet with NMBM to discuss the matter and way forward.</p>

6.2.1 AUDITOR-GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 0 (2020/21)

The Auditor-General's Report for the Nelson Mandela Bay Municipality for the 2020/2021 financial year is herein attached as "Volume III" of this Annual Report.

6.2.2 COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR (2020/21):

In accordance with the *Public Audit Act, No. 25 of 2004*, Council has to consider the audit report within one month after its first sitting after the audit report has been submitted by the Auditor-General. Section 131(1) of the Municipal Finance Management Act (Act 56 of 2003) states inter-alia as follows; "(1) A municipality **must** address any issues raised by the Auditor-General in an Audit Report".

Detailed below are the responses, with reference being made to the relevant paragraph numbering in the audit report:

REPORT ON THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Basis for qualified opinion

Property, Plant and Equipment (PPE)

Infrastructure Assets could not be verified

The Auditor-General was unable to test the existence of specific infrastructure assets due to constraints within the detail of the NMBM's sub systems. The finding related to Street lights, water meters, electricity meters and bins and containers.

The NMBM has grouped the above-mentioned asset types on the Fixed Asset Register. The expenditure totals and information on the Fixed Asset Register currently does not match any of the sub-systems as maintained by the directorate who are the custodians of the assets. The following remedial actions will be implemented to address this finding:

- 1) Directorate who is the custodian of the asset and B&T will engage to fully investigate what sub register/asset information the directorate maintains and controls.
- 2) B&T will work with the directorate to assist them to better include financial detail within their systems which will allow for reconciliation into the Fixed Asset Register.
- 3) B&T will review information available and assess the work provided to confirm accuracy for next financial audit.

Useful lives not assessed and the effect on depreciation and unauthorised expenditure:

Similar to prior financial years, the AGSA has raised an audit finding that the NMBM did not review an asset's remaining useful life on an annual basis in accordance with the GRAP standards. They also highlighted that there were indications of asset impairment which were not adequately considered by the NMBM.

The following remedial actions will be implemented to address this finding:

- 1) B&T will engage with all directorates who are the custodians of the assets to fully explain the requirements of the GRAP standards and the need to regularly review the remaining useful lives of all assets and report impairment of assets on a regular basis.
- 2) This communication will include explanations detailing what would constitute a sufficient portfolio of evidence to the conclusion made by each directorate.
- 3) All amendments to useful lives received and impairment of assets from the directorates will be updated within the FAR, which will then assist with an accurate recalculation of depreciation.

Trade Receivables - Exchange transactions

Recording and accounting for indigent debtors:

Assistance to the Poor section have placed corrective measures to systematically refresh current indigent register where customers exceeded three (3) year validity period. The process was started on the 1st of January 2021 where an average of three thousand (3000) customers are informed monthly by means of a posted letter informing them to re-apply within 60 days and if they do not comply the subsidy is cancelled automatically.

The reason for the approach was to manage the number of re-applications at customer care centres across Nelson Mandela Bay metro. To date this process has cancelled 11,998 customers that failed to re-apply and this is still ongoing and will prevent indigent recipients from exceeding 3-year validation period.

All applications are verified against the following database websites before being processed to ensure eligibility for assistance.

- <https://bizportal.gov.za/bizprofile.aspx>
- <http://www.dpsa.gov.za/psearch/>
- <https://onlineverification.psira.co.za/onlineverification/individual>
- <https://www.hssonline.gov.za/hssonline/DesktopDefault.aspx>
- <https://www.sanc.co.za/eRegister.aspx>

N.M.B.M Assistance to the Poor section is currently in the process of tendering for tracing access to gain relevant information to provide instant verification and to decrease turnaround time for authorisation.

A new records room is being constructed to extract applications effortlessly and timeously. Expected completion date for this project is December 2022.

Furthermore 6 Extended Public Works candidates will be employed as of the 1st of April 2022 to upkeep ATTP filing daily, making extraction of applications quick.

These are all the corrective measures put in place to eradicate future audit findings.

Emphasis of matters

Restatement of corresponding figures

11. It is the intention of management to institute internal controls that can assist in preventing, detecting and correcting errors as and when they occur.

Material losses and impairments

12. The comments are noted.
13. The comments are noted.
14. The comments are noted.

Underspending on conditional grants

15. Improved monitoring will be implemented in relation to the spending of conditional grants.

Unaudited disclosure note

17. The comments are noted

Responsibilities of accounting officer for the consolidated and separate financial statements

18 – 19 The comments are noted

Auditor-general's responsibilities for the audit of the consolidated and separate financial statements

20 – 21 The comments are noted.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

22 – 27 The comments are noted.

Other matters

28. N/A

Achievement of planned targets

29. The comments are noted.

REPORT ON AUDIT OF COMPLIANCE WITH LEGISLATION

30 – 31. The comments are noted.

Annual Financial Statements

32. The comments are noted.

Strategic planning and performance management

33. The comments are noted.

Asset management

34. The comments are noted. Refer paragraphs on Property, plant and equipment above for remedial actions to be implemented.

Expenditure management and Consequence management

35 – 36 and 37-38

A UIF&W (Unauthorised, Irregular, Fruitless and Wasteful) reduction plan was adopted by Council on 22 November 2021.

The appointment of members of the MPAC Sub-committee must be attended to.

A Disciplinary Board has been established to investigate all financial misconduct cases.

Procurement and contract management

39 – 41. The comments are noted, and the matters raised will be addressed going forward. The Supply Chain Management Unit is being capacitated to be able to fully address the issues going forward.

Other Information

42 - 45. The comments are noted.

Internal control deficiencies

46 – 49. The comments are noted.

Material Irregularities

50-70. The comments are noted.

OTHER REPORTS

71 – 72. The comments are noted.

ANNEXURE - AUDITOR- GENERAL'S RESPONSIBILITY FOR THE AUDIT

1. The comments are noted.

Consolidated and separate financial statements

2. The comments are noted.

Communication with those charged with governance

3 – 4. The comments are noted.

APPENDICES

APPENDIX A- COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE

Councillor's, Committees Allocated and Council Attendance (1 July 2020 – 28 January 2021)					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
T C S Buyeye	FT	Interim Executive Mayor (Occupied the position wef 5 December 2019 to 28 January 2021)	AIC	100	
B N Mafaya	FT	Speaker (Occupied the position until 30 March 2021)	ANC	100	
R N Captain	FT	Chief Whip (Acted in the position until end November 2020)	ANC	100	
MAYORAL COMMITTEE					
(Four (4) meetings for the period 1 July 2020 to 28 January 2021)					
T C S Buyeye	FT	Interim Executive Mayor	AIC	100	
M Feni	FT	Member of Mayoral Committee	ANC	100	
R Daaminds	FT	Member of Mayoral Committee	ANC	100	
A W Lungisa	FT	Member of Mayoral Committee (Ceased to be a member of the Mayoral Committee on 4 August 2020.)	ANC	0	0
L Mfana	FT	Member of Mayoral Committee	ANC	100	
A C G Mfunda	FT	Member of Mayoral Committee	ANC	25	67 (Apol)
M J Mtsila	FT	Member of Mayoral Committee	UFEC	100	
Y M Pali	FT	Member of Mayoral Committee	ANC	75	0
N Q Pink	FT	Member of Mayoral Committee	ANC	100	
M V Daniels	FT	Member of Mayoral Committee	PA	75	0
M E Bobani	FT	Member of Mayoral Committee	UDM	100	

Councilor's, Committees Allocated and Council Attendance (1 July 2020 – 28 January 2021)					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
		(Appointed as a member of the Mayoral Committee on 4 August 2021)			
I F Ranyele	FT	Member of Mayoral Committee	ANC	100	
BUDGET AND TREASURY COMMITTEE					
(Two (2) meetings for the period 1 July 2020 to 28 January 2021)					
M J Mtsila (Chairperson)	FT	Budget and Treasury Committee Member	UFEC	100	
L A Booysen	PT	Budget and Treasury Committee Member	DA	100	
R N Captain	PT	Budget and Treasury Committee Member	ANC	100	
Z Dlula	PT	Budget and Treasury Committee Member	ANC	50	0
M J Figg	PT	Budget and Treasury Committee Member	DA	100	
D A Hayselden	PT	Budget and Treasury Committee Member	DA	50	0
T Jacobs	PT	Budget and Treasury Committee Member	ANC	100	
A G Jordan	PT	Budget and Treasury Committee Member	DA	100	
L Kruger	PT	Budget and Treasury Committee Member	DA	100	
L Mrara	PT	Budget and Treasury Committee Member	EFF	100	
N A Mthi	PT	Budget and Treasury Committee Member	ANC	100	
L Nombola	PT	Budget and Treasury Committee Member	ANC	100	
R B Riordan	PT	Budget and Treasury Committee Member	ANC	100	
F A van de Linde	PT	Budget and Treasury Committee Member	DA	100	
T L Weise	PT	Budget and Treasury Committee Member	DA	100	

Councilor's, Committees Allocated and Council Attendance (1 July 2020 – 28 January 2021)					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE COMMITTEE (No meetings for the period 1 July 2020 to 28 January 2021)					
Daniels, M (Chairperson)	FT	Economic Development, Tourism and Agriculture Committee Member	PA	Due to the COVID-19 Pandemic no Economic Development, Tourism and Agriculture Committee meetings were held during the period stated above.	
J P J Botha	PT	Economic Development, Tourism and Agriculture Committee Member	DA		
D Buti	PT	Economic Development, Tourism and Agriculture Committee Member)	ANC		
M Dano	PT	Economic Development, Tourism and Agriculture Committee Member	ANC		
R Gouws	PT	Economic Development, Tourism and Agriculture Committee Member	DA		
J Lawack	PT	Economic Development, Tourism and Agriculture Committee Member	DA		
P A Mfama	PT	Economic Development, Tourism and Agriculture Committee Member	ANC		
G G Miggles	PT	Economic Development, Tourism and Agriculture Committee Member	DA		
L D Mnyimba	PT	Economic Development, Tourism and Agriculture Committee Member	ANC		
M K Mogatosi	PT	Economic Development, Tourism and Agriculture Committee Member	DA		
S Ntshiza	PT	Economic Development, Tourism and Agriculture Committee Member	EFF		
L Sokudela	PT	Economic Development, Tourism and Agriculture Committee Member	DA		
T F Tshangela	PT	Economic Development, Tourism and Agriculture Committee Member	UDM		
P B Vani	PT	Economic Development, Tourism and Agriculture Committee Member	ANC		
L Vimbani	PT	Economic Development, Tourism and Agriculture Committee Member	DA		
PUBLIC HEALTH (No meetings for the period 1 July 2020 to 28 January 2021)					
Y M Pali (Chairperson)	FT	Public Health Committee Member	ANC	Due to the COVID-19 Pandemic no Public Health Committee meetings were held during the period stated above.	
K Boqwana	PT	Public Health Committee Member	ANC		
L M Dano	PT	Public Health Committee Member	ANC		
G Faldtman	PT	Public Health Committee Member	DA		
F van N Greyling	PT	Public Health Committee Member	DA		
L P Grootboom	PT	Public Health Committee Member	ACDP		

Councilor's, Committees Allocated and Council Attendance (1 July 2020 – 28 January 2021)					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
A D Isaacs	PT	Public Health Committee Member	DA		
G D Maqula	PT	Public Health Committee Member	ANC		
T S Mhlongo	PT	Public Health Committee Member	EFF		
M M Nkosi	PT	Public Health Committee Member	DA		
S Sauls	PT	Public Health Committee Member	DA		
N E Sikweyiya	PT	Public Health Committee Member	ANC		
HUMAN SETTLEMENTS COMMITTEE (No meetings for the period 1 July 2020 to 28 January 2021)					
A C G Mfunda (Chairperson)	FT	Human Settlements Committee Member	ANC	Due to the COVID-19 Pandemic no Human Settlements Committee meetings were held during the period stated above.	
M S Breakfast	PT	Human Settlements Committee Member	DA		
S D Davids	PT	Human Settlements Committee Member	DA		
Z Dlula	PT	Human Settlements Committee Member	ANC		
A B Gibbon	PT	Human Settlements Committee Member	DA		
M S Jodwana	PT	Human Settlements Committee Member	ANC		
B P Mbuqu	PT	Human Settlements Committee Member	ANC		
L Mnyimba	PT	Human Settlements Committee Member	ANC		
D J S Monks	PT	Human Settlements Committee Member	DA		
N P Sonti	PT	Human Settlements Committee Member	ANC		
S Soyos	PT	Human Settlements Committee Member	DA		
L Vimbani	PT	Human Settlements Committee Member	DA		
HUMAN RESOURCES AND CORPORATE ADMINISTRATION COMMITTEE (No meetings for the period 1 July 2020 to 28 January 2021)					
M Feni (Chairperson)	FT	Human Resources and Corporate Administration Committee Member	ANC	Due to the COVID-19 Pandemic no Human Resources and Corporate Administration Committee meetings were held during the period stated above.	
N Booi	PT	Human Resources and Corporate Administration Committee Member	ANC		
K K Boqwana	PT	Human Resources and Corporate Administration Committee Member	ANC		

Councilor's, Committees Allocated and Council Attendance (1 July 2020 – 28 January 2021)					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
O H Kepe	PT	Human Resources and Corporate Administration Committee Member	DA		
A T Lovemore	PT	Human Resources and Corporate Administration Committee Member	DA		
R Meyer	PT	Human Resources and Corporate Administration Committee Member	DA		
N J Mhlobiso	PT	Human Resources and Corporate Administration Committee Member	ANC		
L Mrara	PT	Human Resources and Corporate Administration Committee Member	EFF		
C Mtati	PT	Human Resources and Corporate Administration Committee Member	ANC		
M J Scott	PT	Human Resources and Corporate Administration Committee Member	DA		
L Sokudela	PT	Human Resources and Corporate Administration Committee Member	DA		
P W Terblanche	PT	Human Resources and Corporate Administration Committee Member	DA		
INFRASTRUCTURE, ENGINEERING AND ENERGY COMMITTEE (No meetings for the period 1 July 2020 to 28 January 2021)					
A W Lungisa (Chairperson)	FT	Infrastructure, Engineering and Energy Committee Member (Removed from position on 4 August 2020)	ANC	Due to the COVID-19 Pandemic no Infrastructure, Engineering and Energy Committee meetings were held during the period stated above.	
M E Bobani (Chairperson)	FT	Infrastructure, Engineering and Energy Committee Member (Appointed in the position on 4 August 2020)	UDM		
N P Antoni	PT	Infrastructure, Engineering and Energy Committee Member	ANC		
T Faltain	PT	Infrastructure, Engineering and Energy Committee Member	DA		
L P Grootboom	PT	Infrastructure, Engineering and Energy Committee Member	ACDP		
P Hermaans	PT	Infrastructure, Engineering and Energy Committee Member	DA		
E Jinikwe	PT	Infrastructure, Engineering and Energy Committee Member	DA		
M Mbelekane	PT	Infrastructure, Engineering and Energy Committee Member	ANC		
L V Mlungwana	PT	Infrastructure, Engineering and Energy Committee Member	DA		
D J S Monks	PT	Infrastructure, Engineering and Energy Committee Member	DA		
N A Mthi	PT	Infrastructure, Engineering and Energy Committee Member	ANC		

Councilor's, Committees Allocated and Council Attendance (1 July 2020 – 28 January 2021)					
Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
				%	%
M Ngabase	PT	Infrastructure, Engineering and Energy Committee Member	ANC		
L P Qukubana	PT	Infrastructure, Engineering and Energy Committee Member	ANC		
A van der Westhuyzen	PT	Infrastructure, Engineering and Energy Committee Member	DA		
Z Vena	PT	Infrastructure, Engineering and Energy Committee Member	EFF		
M M Zinto	PT	Infrastructure, Engineering and Energy Committee Member	DA		
SPORT, RECREATION, ARTS AND CULTURAL SERVICES COMMITTEE (No meetings for the period 1 July 2020 to 28 January 2021)					
L Mfana (Chairperson)	FT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC	Due to the COVID-19 Pandemic no Sport, Recreation, Arts and Cultural Services Committee meetings were held during the period stated above.	
L A Booysen	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA		
M J de Andrade	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA		
R Gouws	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA		
T Jacobs	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC		
M Makhunga	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC		
R Meyer	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA		
T E Ndwalaza	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA		
S M Ntshiza	PT	Sport, Recreation, Arts and Cultural Services Committee Member	EFF		
S S J Plaatjies	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC		
S Rafani	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA		
X Sabani	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC		
S Sijadu	PT	Sport, Recreation, Arts and Cultural Services Committee Member	COPE		
M Tshaka	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC		
T F Tshangela	PT	Sport, Recreation, Arts and Cultural Services Committee Member	UDM		

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
SAFETY AND SECURITY SERVICES COMMITTEE (No meetings for the period 1 July 2020 to 28 January 2021)					
Q Pink (Chairperson)	FT	Safety and Security Services Committee Member	ANC	Due to the COVID-19 Pandemic no Safety and Security Services Committee meetings were held during the period stated above.	
T P Adams	PT	Safety and Security Services Committee Member	DA		
J A Arends	PT	Safety and Security Services Committee Member	DA		
J S Best	PT	Safety and Security Services Committee Member	DA		
J Grobbelaar	PT	Safety and Security Services Committee Member	DA		
E J Harker	PT	Safety and Security Services Committee Member	DA		
E Jinikwe	PT	Safety and Security Services Committee Member	DA		
S L Ncana	PT	Safety and Security Services Committee Member	EFF		
S D Nzanzeka	PT	Safety and Security Services Committee Member	ANC		
G Rautenbach	PT	Safety and Security Services Committee Member	DA		
T F Tshangela	PT	Safety and Security Services Committee Member	UDM		
X C Tyali	PT	Safety and Security Services Committee Member	ANC		
A Tyokwana	PT	Safety and Security Services Committee Member	ANC		
S S Tyukana	PT	Safety and Security Services Committee Member	ANC		
N N Zuma	PT	Safety and Security Services Committee Member	ANC		
MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (Eight (8) meetings for the period 1 July 2020 to 28 January 2021)					
P F Tshanga (Chairperson)	FT	Municipal Public Accounts Committee Member	EFF	100	
N P Antoni	PT	Municipal Public Accounts Committee Member	ANC	88	0
R N Captain	PT	Municipal Public Accounts Committee Member	ANC	100	
C Garai	PT	Municipal Public Accounts Committee Member	DA	100	
M Gidane	PT	Municipal Public Accounts Committee Member	ANC	88	0
L P Grootboom	PT	Municipal Public Accounts Committee Member	ACDP	100	

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
M E Mbelekane	PT	Municipal Public Accounts Committee Member	ANC	100	
M K Mogatosi	PT	Municipal Public Accounts Committee Member	DA	100	
H Muller	PT	Municipal Public Accounts Committee Member	DA	100	
S L Ncana	PT	Municipal Public Accounts Committee Member	EFF	88	100 (Apol)
L Nombola	PT	Municipal Public Accounts Committee Member	ANC	75	0
S Soyas	PT	Municipal Public Accounts Committee Member	DA	75	50 (Apol)
M G Steyn	PT	Municipal Public Accounts Committee Member	DA	88	
T F Tshangela	PT	Municipal Public Accounts Committee Member	UDM	25	0
ROADS AND TRANSPORT COMMITTEE (No meetings for the period 1 July 2020 to 28 January 2021)					
R D Daaminds (Chairperson)	FT	Roads and Transport Committee Member	ANC	Due to the COVID-19 Pandemic no Roads and Transport Committee meetings were held during the period stated above	
S D Davids	PT	Roads and Transport Committee Member	DA		
T Faltain	PT	Roads and Transport Committee Member	DA		
S Fillis	PT	Roads and Transport Committee Member	DA		
M A Gidane	PT	Roads and Transport Committee Member	ANC		
Z Kalani	PT	Roads and Transport Committee Member	DA		
R Kayser	PT	Roads and Transport Committee Member	DA		
M Makunga	PT	Roads and Transport Committee Member	ANC		
M E Mbelekane	PT	Roads and Transport Committee Member	ANC		
M Mgcokoca	P T	Roads and Transport Committee Member	ANC		
T Mhlongo	PT	Roads and Transport Committee Member	EFF		
N C Mtati	PT	Roads and Transport Committee Member	ANC		
S Rafani	PT	Roads and Transport Committee Member	DA		
S Rwexwana	PT	Roads and Transport Committee Member	DA		
H C van Staaden	PT	Roads and Transport Committee Member	DA		

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
RULES AND ETHICS COMMITTEE (No meetings for the period 1 July 2020 to 28 January 2021)					
L Mrara (Chairperson)	PT	Rules and Ethics Committee Member	EFF	Due to the COVID-19 Pandemic no Rules and Ethics Committee meetings were held during the period stated above.	
A G Jordan	PT	Rules and Ethics Committee Member	DA		
A M Maqolo	FT	Rules and Ethics Committee Member	ANC		
B P Mbuqu	PT	Rules and Ethics Committee Member	ANC		
M K Mogatosi	PT	Rules and Ethics Committee Member	DA		
G Rautenbach	PT	Rules and Ethics Committee Member	DA		
M G Steyn	PT	Rules and Ethics Committee Member	DA		
A Tyokwana	PT	Rules and Ethics Committee Member	ANC		
X C Tyali	PT	Rules and Ethics Committee Member	ANC		
LOCAL LABOUR FORUM (Three (3) meetings for the period 1 July 2020 to 10 June 2021)					
Ms Amanda Olivier – IMATU (Chairperson)		Local Labour Forum Member		67	100
M Feni	FT	Local Labour Forum Member	ANC	67	100
T C S Buyeye	FT	Local Labour Forum Member	AIC	0	100 (Apol and LOA)
N P Antoni	PT	Local Labour Forum Member	ANC	100	
K K Boqwana	PT	Local Labour Forum Member	ANC	100	
D Buti	PT	Local Labour Forum Member	ANC	0	100 (Apol and LOA)
N J Mhlobiso	PT	Local Labour Forum Member	ANC	100	
L Mrara	PT	Local Labour Forum Member	EFF	67	
<p><i>The following formulas were used to calculate percentage of meeting attendance:</i></p> <p><i>(i) Number of meetings attended by Councilor divided by the number of Committee meetings held the during period of deployment x 100 = percentage attendance</i></p> <p><i>(ii) Leave of absence and apologies received for non-attendance of Committee meetings were calculated using the same formula.</i></p> <p><i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i></p>					

APPENDIX A2 – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE
Councillor's, Committees Allocated and Council Attendance (28 January 2021 – 30 June 2021)

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
B M Bhanga	FT	Executive Mayor (Occupied the position wef 28 January 2021)	DA	88	0
T C S Buyeye	FT	Deputy Executive Mayor (Occupied the position wef 28 January 2021. Resigned from position in early June 2021)	AIC	86	0
L Namette	FT	Deputy Executive Mayor (Occupied the position wef 7 June 2021)	UDM	100	
B N Mafaya	FT	Speaker (Occupied the position until 30 March 2021)	ANC	100	
J Lawack	FT	Speaker (Occupied the position wef 30 March 2021)	DA	100	
M Steyn	FT	Chief Whip (Occupied the position wef 30 March 2021)	DA	100	
MAYORAL COMMITTEE (Six (6) meetings for the period 28 January 2021 to 30 June 2021)					
B M Bhanga	FT	Executive Mayor	DA	83	100 (Apol)
T C S Buyeye	FT	Member of Mayoral Committee	AIC	100	
M J Figg	FT	Member of Mayoral Committee	DA	100	
A T Lovemore	FT	Member of Mayoral Committee	DA	100	
S Sijadu	FT	Member of Mayoral Committee	COPE	100	
L Namette	FT	Member of Mayoral Committee	UDM	100	
M M Zinto	FT	Member of Mayoral Committee	DA	100	
L P Grootboom	FT	Member of Mayoral Committee	ACDP	100	
R Kayser	FT	Member of Mayoral Committee	DA	100	
J S Best	FT	Member of Mayoral Committee	DA	100	
H van Staaden	FT	Member of Mayoral Committee	DA	100	

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
M J Mtsila	FT	Member of Mayoral Committee (Ceased to be a member of the Mayoral Committee on 5 May 2021)	UFEC	75	100 (Apol)
BUDGET AND TREASURY COMMITTEE (Five (5) meetings for the period 28 January 2021 to 30 June 2021)					
M J Figg (Chairperson)	FT	Budget and Treasury Committee Member	DA	100	
L A Booyesen	PT	Budget and Treasury Committee Member	DA	100	
Z Dlula	PT	Budget and Treasury Committee Member	ANC	100	
D A Hayselden	PT	Budget and Treasury Committee Member	DA	100	
A G Jordan	PT	Budget and Treasury Committee Member	DA	100	
L Kruger	PT	Budget and Treasury Committee Member	DA	100	
L Mrara	PT	Budget and Treasury Committee Member	EFF	80	0
N A Mthi	PT	Budget and Treasury Committee Member	ANC	100	
L Nombola	PT	Budget and Treasury Committee Member	ANC	100	
R B Riordan	PT	Budget and Treasury Committee Member	ANC	100	
F A van de Linde	PT	Budget and Treasury Committee Member	DA	100	
T L Weise	PT	Budget and Treasury Committee Member	DA	100	
O H Kepe	PT	Budget and Treasury Committee Member (Deployed to this Committee between end February 2021/beginning March 2021)	DA	100	
L Suka	PT	Budget and Treasury Committee Member (Deployed to this Committee between end February 2021/beginning March 2021)	ANC	75	100 (LOA)
N N Zuma	PT	Budget and Treasury Committee Member (Deployed to this Committee between end February 2021/beginning March 2021)	ANC	75	0

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE COMMITTEE (One (1) meeting for the period 28 January 2021 to 30 June 2021)					
S Siyadu (Chairperson)	FT	Economic Development, Tourism and Agriculture Committee Member	COPE	100	
N P Antoni	PT	Economic Development, Tourism and Agriculture Committee Member	ANC	100	
D Buti	PT	Economic Development, Tourism and Agriculture Committee Member	ANC	100	
M V Daniels	PT	Economic Development, Tourism and Agriculture Committee Member	PA	0	0
M Dano	PT	Economic Development, Tourism and Agriculture Committee Member	ANC	100	
R Gouws	PT	Economic Development, Tourism and Agriculture Committee Member	DA	100	
T Jacobs	PT	Economic Development, Tourism and Agriculture Committee Member	ANC	0	0
G G Miggles	PT	Economic Development, Tourism and Agriculture Committee Member	DA	100	
M K Mogatosi	PT	Economic Development, Tourism and Agriculture Committee Member	DA	100	
L X Nombexeza	PT	Economic Development, Tourism and Agriculture Committee Member	ANC	100	
S Ntshiza	PT	Economic Development, Tourism and Agriculture Committee Member	EFF	100	
G A Sampson	PT	Economic Development, Tourism and Agriculture Committee Member	DA	100	
L Sokudela	PT	Economic Development, Tourism and Agriculture Committee Member	DA	100	
L Suka	PT	Economic Development, Tourism and Agriculture Committee Member	ANC	0	0
L Vimbani	PT	Economic Development, Tourism and Agriculture Committee Member	DA	100	
PUBLIC HEALTH (Two (2) meetings for the period 28 January 2021 to 30 June 2021)					
L P Grootboom (Chairperson)	FT	Public Health Committee Member	ACDP	100	
K Boqwana	PT	Public Health Committee Member	ANC	100	
L M Dano	PT	Public Health Committee Member	ANC	100	
G Faldtman	PT	Public Health Committee Member	DA	100	
F van N Greyling	PT	Public Health Committee Member	DA	100	
A D Isaacs	PT	Public Health Committee Member	DA	100	
G D Maqula	PT	Public Health Committee Member	ANC	100	

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
T S Mhlongo	PT	Public Health Committee Member	EFF	50	0
M M Nkosi	PT	Public Health Committee Member	DA	100	
Pali, YM	PT	Public Health Committee Member	ANC	100	
S Sauls	PT	Public Health Committee Member	DA	100	
N E Sikweyiya	PT	Public Health Committee Member	ANC	50	100 (LOA)
X N Nyati	PT	Public Health Committee Member (Redeployed to another Committee between April 2021 and June 2021)	DA	100	
A M Maqolo	PT	Public Health Committee Member (Redeployed to this Committee on 14 June 2021)	ANC	0	0
HUMAN SETTLEMENTS COMMITTEE (One (1) meeting for the period 28 January 2021 to 30 June 2021)					
M M Zinto (Chairperson)	FT	Human Settlements Committee Member	DA	100	
M M Booi	PT	Human Settlements Committee Member	ANC	100	
M S Breakfast	PT	Human Settlements Committee Member	DA	100	
R Daaminds	PT	Human Settlements Committee Member	ANC	0	0
A B Gibbon	PT	Human Settlements Committee Member	DA	0	0
B Jacobs	PT	Human Settlements Committee Member	DA	100	
M S Jodwana	PT	Human Settlements Committee Member	ANC	100	
A Madaka	PT	Human Settlements Committee Member	EFF	100	
A C G Mfunda	PT	Human Settlements Committee Member	ANC	0	0
L Mnyimba	PT	Human Settlements Committee Member	ANC	100	
D J S Monks	PT	Human Settlements Committee Member	DA	100	
X N Nyati	PT	Human Settlements Committee Member	DA	100	
S Soyey	PT	Human Settlements Committee Member	DA	100	

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
HUMAN RESOURCES AND CORPORATE ADMINISTRATION COMMITTEE (One (1) meeting for the period 28 January 2021 – 30 June 2021)					
A T Lovemore (Chairperson)	FT	Human Resources and Corporate Administration Committee Member	DA	100	
M Feni	PT	Human Resources and Corporate Administration Committee Member	ANC	50	0
O H Kepe	PT	Human Resources and Corporate Administration Committee Member	DA	100	
M E Mbelekane	PT	Human Resources and Corporate Administration Committee Member	ANC	0	0
R Meyer	PT	Human Resources and Corporate Administration Committee Member	DA	100	
N J Mhlobiso	PT	Human Resources and Corporate Administration Committee Member	ANC	100	
L Mrara	PT	Human Resources and Corporate Administration Committee Member	EFF	50	0
C Mtati	PT	Human Resources and Corporate Administration Committee Member	ANC	50	0
Y M Pali	PT	Human Resources and Corporate Administration Committee Member	ANC	100	
M J Scott	PT	Human Resources and Corporate Administration Committee Member	DA	100	
L Sokudela	PT	Human Resources and Corporate Administration Committee Member	DA	100	
P W Terblanche	PT	Human Resources and Corporate Administration Committee Member	DA	100	
A Tyokwana	PT	Human Resources and Corporate Administration Committee Member	ANC	50	100 (Apol)
D B van der Ventel	PT	Human Resources and Corporate Administration Committee Member	DA	100	
INFRASTRUCTURE, ENGINEERING AND ENERGY COMMITTEE (One (1) meeting for the period 28 January 2021 to 30 June 2021)					
M M Zinto (Chairperson)	FT	Infrastructure, Engineering and Energy Committee Member	DA	100	
N P Antoni	PT	Infrastructure, Engineering and Energy Committee Member	ANC	100	
T Faltain	PT	Infrastructure, Engineering and Energy Committee Member	DA	100	
P Hermaans	PT	Infrastructure, Engineering and Energy Committee Member	DA	100	
E Jinikwe	PT	Infrastructure, Engineering and Energy Committee Member	DA	100	
D J S Monks	PT	Infrastructure, Engineering and Energy Committee Member	DA	100	
G B Mani	PT	Infrastructure, Engineering and Energy Committee Member	ANC	100	

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
M Ngabase	PT	Infrastructure, Engineering and Energy Committee Member	ANC	100	
S D Nzanzeka	PT	Infrastructure, Engineering and Energy Committee Member	ANC	100	
L P Qukubana	PT	Infrastructure, Engineering and Energy Committee Member	ANC	100	
I F Ranyeke	PT	Infrastructure, Engineering and Energy Committee Member	ANC	100	
X Sabani	PT	Infrastructure, Engineering and Energy Committee Member	ANC	100	
G A Sampson	PT	Infrastructure, Engineering and Energy Committee Member	DA	100	
E F Swanepoel	PT	Infrastructure, Engineering and Energy Committee Member	DA	100	
A van der Westhuyzen	PT	Infrastructure, Engineering and Energy Committee Member	DA	100	
SPORT, RECREATION, ARTS AND CULTURAL SERVICES COMMITTEE (One (1) meeting for the period 28 January 2021 to 30 June 2021)					
H C van Staaden (Chairperson)	FT	Sport, Recreation, Arts and Cultural Services Committee Member	DA	100	
L A Booyesen	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA	100	
M J de Andrade	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA	100	
B Jacobs	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA	100	
M L Makhunga	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC	0	0
R Meyer	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA	100	
L Mfana	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC	100	
T E Ndwalaza	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA	100	
S M Ntshiza	PT	Sport, Recreation, Arts and Cultural Services Committee Member	EFF	100	
N Nyati	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA	0	0
S S J Plaatjies	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC	100	
S Rafani	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA	100	
M Tshaka	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC	100	
P B Vani	PT	Sport, Recreation, Arts and Cultural Services Committee Member	ANC	100	
I L van Wyk	PT	Sport, Recreation, Arts and Cultural Services Committee Member	DA	100	

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
SAFETY AND SECURITY SERVICES COMMITTEE (One (1) meeting for the period 28 January 2021 to 30 June 2021)					
J S Best (Chairperson)	FT	Safety and Security Services Committee Member	DA	100	
T P Adams	PT	Safety and Security Services Committee Member	DA	100	
J A Arends	PT	Safety and Security Services Committee Member	DA	100	
J Grobbelaar	PT	Safety and Security Services Committee Member	DA	100	
E J Harker	PT	Safety and Security Services Committee Member	DA	100	
E Jinikwe	PT	Safety and Security Services Committee Member	DA	100	
B P Mbuqu	PT	Safety and Security Services Committee Member	ANC	100	
M Mgcokoca	PT	Safety and Security Services Committee Member	ANC	100	
S L Ncana	PT	Safety and Security Services Committee Member	EFF	0	0
T E Ndwalaza	PT	Safety and Security Services Committee Member	DA	100	
N Q Pink	PT	Safety and Security Services Committee Member	ANC	100	
I F Ranyeke	PT	Safety and Security Services Committee Member	ANC	100	
G Rautenbach	PT	Safety and Security Services Committee Member	DA	100	
X C Tyali	PT	Safety and Security Services Committee Member	ANC	100	
S S Tyukana	PT	Safety and Security Services Committee Member	ANC	100	
ROADS AND TRANSPORT COMMITTEE (One (1) meeting for the period 28 January 2021 to 30 June 2021)					
R Kayser (Chairperson)	FT	Roads and Transport Committee Member	DA	100	
R Daaminds	PT	Roads and Transport Committee Member	ANC	100	
S D Davids	PT	Roads and Transport Committee Member	DA	0	0
V Dyele	PT	Roads and Transport Committee Member	ANC	0	0
T Faltain	PT	Roads and Transport Committee Member	DA	100	
S Fillis	PT	Roads and Transport Committee Member	DA	0	0

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
M A Gidane	PT	Roads and Transport Committee Member	ANC	100	
Z Kalani	PT	Roads and Transport Committee Member	DA	100	
G B Mani	PT	Roads and Transport Committee Member	ANC	100	
P A Mfama	PT	Roads and Transport Committee Member	ANC	100	
A C G Mfunda	P T	Roads and Transport Committee Member	ANC	100	
T Mhlongo	PT	Roads and Transport Committee Member	EFF	0	100 (LOA)
S Rafani	PT	Roads and Transport Committee Member	DA	100	
S Rwexwana	PT	Roads and Transport Committee Member	DA	100	
D B van der Ventel	PT	Roads and Transport Committee Member	DA	100	
MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (Seven (7) meetings for the period 28 January 2021 to 30 June 2021)					
P F Tshanga (Chairperson)	FT	Municipal Public Accounts Committee Member	EFF	100	
N P Antoni	PT	Municipal Public Accounts Committee Member (Redeployed to another Committee early June 2021)	ANC	100	
C Garai	PT	Municipal Public Accounts Committee Member	DA	100	
M Gidane	PT	Municipal Public Accounts Committee Member	ANC	86	0
L P Grootboom	PT	Municipal Public Accounts Committee Member (Served on Committee until appoint as MMC for Public Health)	ACDP	100	
M E Mbelekane	PT	Municipal Public Accounts Committee Member (Served on Committee until early May 2021)	ANC	100	
M K Mogatosi	PT	Municipal Public Accounts Committee Member (Served on Committee until early May 2021)	DA	100	
H Muller	PT	Municipal Public Accounts Committee Member	DA	100	
S L Ncana	PT	Municipal Public Accounts Committee Member	EFF	100	
L Nombola	PT	Municipal Public Accounts Committee Member	ANC	100	
S Soyes	PT	Municipal Public Accounts Committee Member	DA	100	
M G Steyn	PT	Municipal Public Accounts Committee Member (Served on Committee until 30 March 2021)	DA	100	
T F Tshangela	PT	Municipal Public Accounts Committee Member	UDM	14	28 (Apol)

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
W Jikeka	PT	Municipal Public Accounts Committee Member (Deployed to the Committee early May 2021)	ANC	100	
X N Nyati	PT	Municipal Public Accounts Committee Member (Deployed to the Committee early May 2021)	DA	100	
R B Riordan	PT	Municipal Public Accounts Committee Member (Deployed to the Committee early May 2021)	ANC	100	
A van der Westhuyzen	PT	Municipal Public Accounts Committee Member (Deployed to the Committee mid June 2021)	DA	0	0
I L van Wyk	PT	Municipal Public Accounts Committee Member (Deployed to the Committee early May 2021)	DA	100	
M Feni	PT	Municipal Public Accounts Committee Member (Deployed to the Committee early May 2021)	ANC	0	33 (Apol)
RULES AND ETHICS COMMITTEE (No meetings for the period 28 January 2021 to 30 June 2021)					
L Mrara (Chairperson)	PT	Rules and Ethics Committee Member	EFF		
A G Jordan	PT	Rules and Ethics Committee Member	DA		
L Mfana	PT	Rules and Ethics Committee Member	ANC		
L Kruger	PT	Rules and Ethics Committee Member	DA		
M K Mogatosi	PT	Rules and Ethics Committee Member	DA		
H Muller	PT	Rules and Ethics Committee Member	DA		
M-J Scott	PT	Rules and Ethics Committee Member	DA		
A Tyokwana	PT	Rules and Ethics Committee Member	ANC		
X C Tyali	PT	Rules and Ethics Committee Member	ANC		
LOCAL LABOUR FORUM (One (1) meeting for the period 10 June 2021 to 30 June 2021)					
K K Boqwana (Chairperson)	PT	Local Labour Forum Member	ANC	100	
A T Lovemore	FT	Local Labour Forum Member	DA	100	
T C S Buyeye	FT	Local Labour Forum Member	AIC	0	100 (Apol)
M Feni	PT	Local Labour Forum Member	ANC	100	
O H Kepe	PT	Local Labour Forum Member	DA	100	
A Madaka	PT	Local Labour Forum Member	EFF	100	

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
R Meyer	PT	Local Labour Forum Member	DA	100	
P W Terblanche	PT	Local Labour Forum Member	DA	100	

NOTE: The deployment of Councillors to serve as members of the various Standing and Section 79 Committees was approved by the Council on 14 June 2021 and for that reason some Councillors may not have been aware of their redeployment to another Standing Committee prior to that date.

The following formulas were used to calculate percentage of meeting attendance:

(i) Number of meetings attended by Councillor divided by the number of Committee meetings held the during period of deployment x 100 = percentage attendance

(ii) Leave of absence and apologies received for non-attendance of Committee meetings were calculated using the same formula.

APPENDIX B- COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Public Health	Addresses all matters relating to Environmental Health Services in terms of legislation and by-laws. The Fresh produce market and its concerns are included in this committee..
Sport, Recreation, Arts and Cultural Services	Considers all matters concerning the natural environment, parks & recreation centres, libraries, sport, arts and culture within the institution.
Infrastructure and Engineering	Addresses all matters concerning electricity and energy in the institution.
Electricity and Energy	Addresses all matters concerning civil engineering, infrastructure (i.e.) roads, stormwater, sewerage, water services, etc.
Roads and Transport	To consider matters relating to the IPTS and to oversee the construction and upgrading of roads infrastructure and stormwater drainage.
Safety & Security	Addresses all matters concerning Security Services, Disaster Management, Traffic Control as well as Fire services. All committee recommendations are submitted to the Executive Mayor.
Human Resources & Corporate Administration	Deals with all HR related matters as well as Administrative matters on an institutional level. (i.e.) Administrative matters - traveling of officials, cellphones, land lines, catering, etc.
Budget & Treasury	Financial planning both short and long term. This committee also monitors the functional performance of the institutional budget for NMBM.
Economic Development Tourism & Agriculture	Deals with all areas of operation that has bearing on economic development, tourism and / or agriculture in the NMBM geographical area.
Human Settlements	Attends to all Land related matters. (e.g.) purchase, hire, sale and lease of Council property for the intended purpose.
Municipal Public Accounts	Exercises an oversight role in terms of the activities of Council, examine the Financial Statements, Annual Reports and Auditor General reports.
Bid Specification Committee	Develop specifications for each procurement process that NMBM engages upon.
Bid Evaluation Committee	Evaluate bids received according to a set criteria developed for the said committee.
Bid Adjudication Committee	Considers the Bid Evaluation Committee report and recommendations after which it makes a final award or a recommendation to the accounting officer if the delegation for a particular item is outside the scope of the committee.
Audit Committee	An independent advisory body that advises Council and the executive on matters related to Internal Control and Risks.

APPENDIX C – THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Office of the Chief Operating Officer (Acting Chief Operating Officer: Dr W Obeng)	Ms Dawn McCarthy: Senior Director: Strategic Planning and Coordination Dr Williams Obeng: Deputy Director: Monitoring and Evaluation Mrs Amanda Dowd-Krause / Mrs Sheona Claasen: Acting Director: Policy, Strategy and Research Ms Somikazi Nofilita-Doni: EPWP Metro-wide Coordinator Mr Luthando Ngqakayi Director: Legal Services Ms Pumza Nwachukwu: Chief Risk Officer Mr Lulamile Moolman: Manager: International and Intergovernmental Relation Mr Nkosana Dunjana: Deputy Director: IDP
Budget and Treasury (Chief Financial Officer : S Thys)	Budget & Financial Accounting: Snr Dir: Mr Ngcelwana Expenditure Management & Financial Control. Mr B De Scande; Revenue Management & Customer Care. Snr Dir Mr M Nogqala; Supply Chain Management. Snr Dir Ms. T. Vithi (Acting) Treasury and Financial Support: Snr Director – Adriaan Ferreira
Electricity and Energy (Executive Director: Mr L Magelela)	Distribution. Mr J, Smith Snr Director (Acting) Technical Services. Mr B Lamour Snr Director Projects. Mr T Tsapane Snr Director (Acting) Retail & Commercial Management. Mr M Bukula Director
Economic Development, Tourism & Agriculture (Executive Director : Mr A Qaba)	Fresh Produce Market & Urban Agriculture. Mr X. Saba Director Sector Developments. Mr W. Makwabe Director Strategic Projects. Ms A Buchner; Director Trade & Investment. Mr M Jonas Director Tourism. Ms Babalwa Nogqala (Acting) Director Tourism Marketing : Ms Siphokazi Ngombane (Acting)
Human Settlements (Executive Director : Mr T Mfeya)	Development & Support. Mr C Brummer; Director Housing Delivery. Mr S. Mahashe (Acting) Director Land Planning & Management. Ms Nyasha Chaburuka (Acting) Snr Director Social Development, Education & Administration. Mr S Nogampula (Director) Land Planning : Mr Mthulusi Masimanga Director
Infrastructure and Engineering (Acting Executive Director: Mr J. Tsatsire)	Design & Implementation. Mr K. Mconi Snr Director Roads, Stormwater and Transportation. Mr Y Gaffore Snr Director Support Services. Dir Mr Z, Qengwa (Acting) Director Water and Sanitation. Mr B Martin (Snr Director) IPTS : Director Transport Sector Mr Cavell Chiloane (Acting)
Public Health (Executive Director: Mr S Mvunyelwa)	Environmental Health. Dr P. Nodwele Dep Dir Environmental Management. Vacant Occupational Health, Safety & Wellnes Mr M Adams (Acting Director) Parks & Cemeteries. Ms B Mzilikazi (Acting) Dep Director Waste Management. Ms A. Dyakala Director Admin Controller: Ms Ursula Smith HIV AIDS ;Ms D. Mokonyane Assistant Manager
Safety and Security (Executive Director : Mr K. Meyer)	Disaster Management. Mr S Brown Fire & Emergency Services. Mr A De Ridder; Security Services. Mr S Sibiya Traffic & Licencing Services. Mr Warren Prins Metro Police Department: Ms Y Faro

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Sports, Arts and Culture (Executive Director: Ms NL Nqwazi)	Beaches, Resorts & Support Svcs. Ms K Ngesi; Director Nelson Mandela Metropolitan Art Museum. Ms B. Gwintsa Red Location Museum. Ms B. Gwintsa Sport & Recreation. Ms C Williams; Director Libraries, Arts & Culture. Ms V Gwintsa Director
Corporate Services (Executive Director: Ms N, Xhego)	Director: Human Resources Management Services - Mr C Jamda Director: Labour Relations – Mr M Mangcotywa Director: Corporate Human Resources - Mr L Douglas (Acting) Director Municipal Information System – Ms P. Sume Deputy Director Skills & Development - Ms N.Nkomana Director Asset Management (Ms T Nompandana) Director Corporate Admin Support Services - Mr S Javu Director Facilities Management – Ms Siviwe Sisulu Manager: Contituency Services - Mr D Mbebe Manager Officer of the Speaker - Mr J. Sigonyela (Acting) Manager Director: Communication – Ms P Tobin (Acting) Deputy Director: Payroll Ms C. Ntusikazi Director Strategic Co-ordination & Programme Management: Adv Zeelie

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity/Agency (Yes / No)
Constitution Schedule 4, Part B functions:		
Air pollution	Yes	
Building regulations	Yes	
Child care facilities	N/A	
Electricity and gas reticulation	Yes	
Firefighting services	Yes	
Local tourism	Yes	As well as through Agency: Nelson Mandela Bay Tourism
Municipal airports	N/A	
Municipal planning	Yes	
Municipal health services	Yes	
Municipal public transport	Yes	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	N/A	
Stormwater management systems in built-up areas	Yes	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	
Beaches and amusement facilities	Yes	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	Yes	
Control of undertakings that sell liquor to the public	Yes	
Facilities for the accommodation, care and burial of animals	Yes (Kariega) in conjunction with SPCA	
Fencing and fences	Yes	
Licensing of dogs	N/A	
Licensing and control of undertakings that sell food to the public	Yes	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	Yes	
Municipal abattoirs	N/A	
Municipal parks and recreation	Yes	
Municipal roads	Yes	
Noise pollution	Yes	

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity/Agency (Yes / No)
Pounds	The Municipality has one dog pound in Kariega	Function resides with SPCA
Public places	Yes	
Refuse removal, refuse dumps and solid waste disposal	Yes	
Street trading	Yes	
Street lighting	Yes	
Traffic and parking	Yes	
Inner-City renewal	No	Yes Entity: Mandela Bay Development Agency

APPENDIX E - WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 1	Cllr Tracy Weise Graham Bell Charmberlain Letisha Young Robert Moore Stephen Herman JH Van Thiel Berghuys Denton Van Vuuren Lauren Try Wylde Robert Herold Pullen Gail Elizabeth 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 2	Cllr Renaldo Gouws Schumann Strelza Willis Keegan Michaela van der Merwe Hanks Clifford Thompson Jennifer Sutton Rose - Marie Foster Christopher Le Roux Amanda Yantolo Baphiwe 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 3	Cllr Dave Hayselden Gxonono Nombulelo Krige Maureen Van der Merwe Karl Dakin Ross Gaga Phakamisa Mbethe Thozama Whitfield John Bell Bulelwa Matisi Nolubabalo 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 4	Cllr Ayanda Tyokwana Cetywayo Litha Ncanywa Ncumisa Cekisani Moki Bonisile Mafunda Nolulamo Gebuza Andile Kariega Same Xolani Silumnko Vuyisani Nhose Bulelwa Mbambo Julia Nonimba Thenjiwe	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 5	Cllr Sandile Rwexwana Lonwabo Qana Magdalene Bangaree Fundiswa Ndiaye Neville R Scott Johannes Hanekom Roderick Carradice Thembakazi Mto Daantjie Japhta Renier van Vuuren Danisile Mgobo	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 6	Cllr Morne Steyn Roger Joseph Zolani Sylvester Felkers Walter Arendt Yvette Borgelt Desire Verwey Joshua Minnie Ebenezer Kitching Phumla Vanqa Steph Schenk 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 7	Cllr John Best Ellis Deborah Billet Rondwin Killeen Paul Peterson Denise Glover Mandy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020	No quarterly public ward meetings convened by Ward Councillor due to national lockdown

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
	Manser Peter Richenburg Anthony Perring Allen Desmond Bhikitsha -Peter Thandiwe 1 X Vacancy		(No meetings held due to national lockdown regulations – Covid-19)	(No meetings held due to national lockdown regulations – Covid-19)	regulations: Covid-19.
Ward 8	Cllr Gustav Rautenbach Groenewald Arina Wolf Bernard Friedrich Burness Yolandi McGrath Karen Scheepers Glenn Weyers Maartje Ntsumpa Siyanda 3 X Vacancies	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 9	Cllr Heinrich Muller Rathbone Aubrey Combrink Arthur Mase Luvuyo Combrink Elize Douglas Henry Patrick Seti Luxolo Maxamba Sinazo Sauls Graeme Batyi Donald 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 10	Cllr (Vacant) Jacobs Carol Oliver Ethel Natasha Leander Belinda Abader Yunus Barman Charles Burke Clive Geswint Avril Peters Desiree 2 X Vacancies	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 11	Cllr Abraham Isaacs Vanessa Grootboom Catherine Harris Collin Potgieter Dudley Louw Elsudi Camealio Jerome Hefke Henry Classen David Baxter Edward Camealio Matilda Kombela	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 12	Cllr Sharlene Davids Avinash Ranchod Pearl Daniels Kishore CM Parshotam Tarentaal Hanna Charmaine Roos Kiewiets Gharoeneesa Clark John Lusu Daniel T Pullen Janette 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 13	Cllr Pieter Hermaans Juane Camfer Williams Charmaine Salters Shandre Caesar Golfrey Abdul Nadia Mentoor David Esau Davids Lawack Quinton Booyesen Celestine 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 14	Cllr Dolly Buti Masoka Zukile Piko Lawrence Salamntu Nceba Jonas Bukelwa Mlindi Heshu Wongeka Yose Ntombomzi Liziwe Singata Kondile Lipuwa Nontileka Mandisa Mnyanda Thabisa	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 15	Cllr Ntombekahya Mtati Mkalali Barbara Kwenxe Phumeza Mkweta Mcedisi Mbengashe Nokuzola Neer Noluthando Dyani Mzukisi Baleni Moyisi Selekane Masabatha Mnyumana Thembisa Mambara Mlandeli	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 16	Cllr Xola Sabani Vukemini Phindiwe Kondlo Noxolo Jakuja Mpumelelo Mfanta Mzwanele Bukayi Simphiwe Ngemntu Xolelwa Nduna Xola Kolisi Lungile 2 X Vacancies	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 17	Cllr Ludwe Mnyandu Lili Yanga Qupe Mongezi Phakama Bobani Dunjana Siphon Booi Ncediswa Nyeke Xolelwa Sonjica Nonceba Grootboom Kolekile Mselane Nomonde Menziwa Nonzame	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 18	Cllr Lungiswa Mnyimba Mlawu Xola Kondlo Ncumisa Maqakaza Luvuyo Sigwanda Nondumiso Singata Zimkhitha Qamba Khulile Oyiya Vusumzi Baart Nomathemba Sambu Nomzamo Makubalo Ntombekhaya	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 19	Cllr Gamalihleli Maqula Vanga Phumeza Ndanda Thandiwe Grootboom Miriam Mnyanda Nompucuko Veli Nontsikelelo Nxokwana Mangaliso Mdabe Mbuyiseli Jozana Momalady Mfihlo Zukiswa Mzantsi Themba	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 20	Cllr Ngabase Morris Kenene Nonjongo George Ntombizanele September Phindiwe Mbedu Siyasanga Mdyesha Bulelwa Xaso Wellington Matabeni Lydia Ncentezo Nombulelo Ngciphe Bonile Ayanda Caga	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 21	Cllr Sizwe Maxwell Jodwana Makiva Nosipho Hani Zibula Winston Sityebi Zukiswa Buluta Phumza Mtukwini Thandile Hem Zimasa Twani Mandisa Gwedashe Nonkoliseko Sandlana Xolani Dyani Feziwe	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 22	Cllr Nqabakazi Zuma Ntamo Vusumzi Phungulwa Nomfusi Sonjica Luxolo Tontsi Florence Makuleni Nokuzola Mabandlela bandlakazi Tafane Punzile Nkosana Nompumelelo Booi Kholeka 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 23	Cllr Sandile Nzanzeka Wasa Lukhanyo Sihawula Posiwe Mayekiso Nosithembiso Duba Nombeko Moji Thembisa Ngqawana Nomtha Ngqondela Bahle Blani Melikaya Magxaki Nomakula 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 24	Cllr Kolekile Boqwana Tyatyaza Mkuseli Nxomana Mlodolozu Mantambo Thobile Sam Nangamso Swayi Khaya Pakana Lindelwa Yantolo Xoliswa Tili Nompumelelo Gola Ayanda Solani Mthetheleli	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 25	Cllr Thembekile Jacobs Koboka Nombulelo Mle Nozuko Tengela Mxolisi Dladla Nomvulazana Bukula Nontuthuzelo Armoed Janefin Mashiqqa Siphokazi Netu Nomhle Mali Veronica Ngele Nombulelo	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 26	Cllr Patrick Vani Mavayi Lonwabo Faltein Siyabulela Matebese Ntombomzi Balfour Nomfusi Balfour Lulama Bacela Nomvuyiso Gcilitshane Ntombizanele Hlazo Mzuvukile Vumazonke Nomzamo 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 27	Cllr Zoliswa Dlula Ngqondela Yoliswa Namba Nomawethu Mlungwana Nomachina Dayile Nelson Philile Vinqi Xolile Mike Melane Mbulelo Potwana Sandise Mantile Nokuzola Dyantyisi Sivuyile Klaas Thembisile	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 28	Cllr Xola Tyali Moses Nonceba Mkonto Bonginkosi Mbuqe Mandisa Ngwetsheni Nolita Totwana Nobesutu Mape Sindiswa Evelyn Mabodla Lloyd Noxolo George Nolton Donkrag Nomalungelo	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 29	Cllr Vukile Dyele Gwavu Ada Gungulu Ncedisile Majenge Nothemba Thandisizwe Makhaphela Voorman Thandiwe Naka Nokweyisa Mgqobele Zandile Mjadu Melisizwe Jonas Luyanda Bukwela Mtukazi	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 30	Cllr Mbulelo Gidane Bukani Vakele Jolisa Mbulelo Mbawo Sonwabo Mbili Nobuntu Mbotyi Tembile Nikelo Gusha Siganga Mkuseli Mnqamisa Sizakhele Ciko Gubasi Mbande Simphiwo	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 31	Cllr Luyolo Nombola Dickson Nompumelelo Alexander Edward Danyela Siyanda Wokisi Mavis Yawa Andiswa Bashman Pheliswa Wentzel Nelisa Vellem Alastar 2 X Vavancies	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 32	Cllr Sandra Fillis Cooper Wendel Harry Daniels January Emmanuel Koopman Anita Bantom Charmaine Murray Ronald Neville Brown Christopher Jagers Leon Corner Plaatjies Joyce	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 33	Cllr Nomazwi Sonti Ngjyo Zoliswa December Thandiwe Hanise Luvuyo Mbelekana Asanda Todolo Zukiswa Kwati Madoda Ladlokova Nomawethu Monti Nonkosazana Sidina Mzwandile Mkalipi Ntombizanele	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 34	Cllr Johnny Arends Titus Francois Jackson John Wentzel Clyde Lethese Nolufefe Morne Du Plessis Laport Clifton Minto Rachael Meyer Lola Abrahams Josephine 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 35	Cllr Helga Van Staaden Britz Jacobs Moodley Noeleen Le Roux Kelvin Quinne Henry Miller Kevin Rensburg David Raenora Windvogel Blauw Sumone Fourie Shelton Norris James	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 36	Cllr Nomonde Mhlobiso Nokuthula Zita Zukiswa Zote Fundile Faltein Charlie Booi Khanyisa Mani Zolani Bongo Tobeka Dingaana Nozibele Ramncwana 2 X Vacancies	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 37	Cllr Georgina Faldtman Koopman Charmaine Theron Joyce Ludwick Elize Van Rayner Stoffel Walker Henry Messiah Douglas Finnis Coreen Jafta John Jona Stuurman Nicholas Shaw Jamiel	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 38	Cllr Eddie Harker Xolani Toto Tyutyu Funelwa Bacela Vuyelwa Martin Nosipho Nomawethu Dingane Konza Thobani Lyons David Mgquba Vuyiswa Apolisi Nompumelelo Solani Lungile	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 39	Cllr Margaret de Andrade Botha Adele Potgieter Leonard Niemand Dewald Jansen Van Rensburg Lunn Delia Desiree Telfer Lorraine Chambers Tyron Piennar Cynthia Lerotholi 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 40	Cllr Jason Grobbelaar Dayizana Nosizwe Plaatjie Nonkie Nosisa Xokozima Lindile Nxangashe Nonkuleko Qushani Thozamile Mdanyana Buyiswa Bana Lerato Manto Ntombikayise Kilani Nobambo Matroos Thabisa	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 41	Cllr Simphiwe Tyukana Luyanda Lawu Mpofu Melikhaya Soxujwa Ncedile Jamleni Wongiswa Solwandle Zolile Claasen Yolanda Msitshana Thembeke Gili Fundile Xola Ntombothando Magobiyane Nobuntu	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 42	Cllr Phakama Mfana Mabombo Vuyiswa Festile Sindiswa Festile Noziphiwo Gana Thembekile Sonjica Sibusiso Goniwe Thuliswa Tuys Lindiswa Scritch Siyabulela Deboo Phumla Webb Nonkoliseko	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 43	Cllr Simphiwe Ntshiza Mdayi Nosipho Qabo Mbulelo Leeu Mamakgoa Mnyanda Xolisa Gomomo Mandisa Stuurman Bukelwa Ntsendwana Neliswa Williams Lunga Pamba Bukiwe 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 44	Cllr Nomsa Boo Ndamse Luzuko Koli Bishop Danster Nomphele Xola Jafta Mpuntshe Mziwohlanga Pokolo Patekile Johnson Lindelwa Mathezwa Cikizwa Vusani Siphiso 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 45	Cllr Siphiso Plaatjies Johnson Nomfundo Mni Asanda Ciki Mtutuzeli Aubrey April Aletta Vuyiswa Zondani Luyanda Ndoni Thembinkosi Noda Nomazotsho Lose Nomaxabiso Williams Xolani Majola Lulama	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 46	Cllr Lindelwa Qukubana Mgushelo Asanda Faltein Thobeka Gunguluza Ntombekhaya Ncana Mzimasi Hoyi Mongameli Maseti Vumile Citeko Ntombizanele Grootboom Mlamli Vena Sicelo 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 47	Cllr Nontutuzelo Sikweyiya Mtubeli Mabele Nockpaal Phamela Peter Pamela Pityana Sphiwo Dlwengu Linda Dladla Ntombomzi Boyana Bongani Ncana Khuthala Ncetezo Luxolo 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 48	Cllr Tyrone Adams Mavakala Lindelwa Britz Freddy Ruiters Susan Nzenza Deon Nzenza Elvis Mhlakuva Gani Kalani Zolile Hempe Nompumelelo Steyn Leonard Wielen Patrick Bonci Lusindiso	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 49	Cllr Franay van de Linde Harris Jurie Dow Toetie Steenkamp Gert Martin Gennifer Glorita Swaartbooi Toring Billy Zealand Sarah Byneveldt Felicity Rossouw Linda 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 50	Cllr Lunga Nombexeza Filita Lunga Smith Siyasanga Makhedama Luvuyolwethu November Mahlubandile Goliath Nomvuyo Rala Pumla Belani Zamile Nomakhaya Dabula 2 X Vacancies	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 51	Cllr Petrus Terblanche Botha Petros Brunsdon Francois Julius Jacques Seconds Antonio Woest Sonia Terblanche Ann-Marie Ingram Avon Smith Melissa Gouws Margaret 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 52	Cllr Francois Greyling Thandiwe Gcakasi Tambo Mlamli Gosani Simbulele Harmse Ewald Mostert Annelize Senekal Theodorus Louw Gabriel Christoffel Swaart Dikie Christian Fourier Charles 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 53	Cllr Nomazulu Mthi Mpako Nomasomi Chitwa Mzuhleli Bukashe Lonwabo Jibiliza Wanele Busakwe Wesley Jodwana Thantaswa Namntu Veleni Kondile Harriet Ntintishe Welekazi Komazi Nomthandazo	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 54	Cllr Morgan Tshaka Jack Bonisile Dondashe Zolani Landu Nosipho Citwa Gcobani Skosana Xoliswa Majenge Phumzile Gaxela Zolani Tutu Bongwiwe Minyayo Lunga Panda Mzoxolo	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 55	Cllr Nyathi Ntombizodwa Matyana Vuyelwa Zondani Mkhosi Jiki Noluthando Magida Nandipha Matomela Ntombentsundu Kana Misiwe Ntlanjeni Thembisa Makinana Xolelwa Nqinileyo Monica 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 56	Cllr Mambulu Mgcokoca Sizani Ntombekhaya Sambu Lusanda Qandana Zwelinzima Tokota Chuma Futshane Khanyiswa Mzamo Noma- Efese Mkayo Boyce Jakavula Zoliswa Badi Jane Mnqayi Qaqamba	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 57	Cllr Becinga Mbugu Maswana Thembinkosi Mankeli Nozuko Jantjies Noluthando Gusha Kholiswa Dambuza Phindiwe Nyamakazi Mzimasi Masala Nosiphiwo Witbooi Moosa Gaxela Mzukisi Ndlela Ntombifikile	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 58	Cllr Mendiswa Makunga Nobebe Ntabayozuko Mashicila Noriki Yawa Fundiswa Koba Nozipho Ndabambi Nomakhwezi Maliza Nonkosi Mbengashe Ntombizanele Jobela Welcome Sontsonga Nolwazi 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committees Established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted	Number of quarterly public ward meetings held during year
Ward 59	Cllr Leonard Dano Nompunga Sonwabiso Monde Tsoko Rula Nomfazwe Witbooi Mlungisi Rune Fezeka Mbolekwa Sipiwo Yokwe Nomachina Jakavula Binita Kate Kwanele Vazi Fezeka	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.
Ward 60	Cllr Mvuzo Mbelekane Matikinca Vuyokazi Mfazwe Nombuso Stofile Doris Mafuduka Malibongwe Stofile Nandipha Sam Rogers Mcetywa Ayanda Mgedezi Rachel Ndaleni Nomzamo 1 X Vacancy	Yes	9 meetings: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	9 monthly reports: (October 2020 - June 2021) July 2020 - September 2020 (No meetings held due to national lockdown regulations – Covid-19)	No quarterly public ward meetings convened by Ward Councillor due to national lockdown regulations: Covid-19.

APPENDIX F- WARD INFORMATION

Ward Title: Ward Name (Number)				
Capital Projects: Seven Largest in 2020/21 (Full List at Appendix O)				
No.	Project Name and detail	Start Date	End Date	Total Value
1	Resurfacing tar roads	Resurfacing of Tar Roads is an ongoing project which is implemented annually within different parts of NMBM	No end date as this is an annual requirement based on the condition of all roads within NMBM	There is no total value as the project is implemented annually with the budget that is made available.
2	Construction of Coegakop Water Treatment Works (NON-MDRG)	20-Mar-20	18-Aug-22	R299 million (Vat Inclusive)
3	IPTS - Surfacing of IPTS Routes	The project is directly linked to the development and implementation of the IPTS network	No end date as this is an annual requirement based on the condition of IPTS Routes	Project is implemented in line with the IPTS plan as well limited to available grant funding per financial year
4	Rehabilitation of Loerie Water Treatment Works	20-Jun-2018	13-Aug-2021	R114,111,553.17 (Vat Inclusive)
5	Construction of Sidewalks along IPTS trunk and feeders	The project is directly linked to the development and implementation of the IPTS network	The project is directly linked to the development and implementation of the IPTS network	Project is implemented in line with the IPTS plan
6	Undeclared Informal Electrification	This is an ongoing annual capital project, linked to the development & electrification of informal settlements	This is an ongoing annual capital project, linked to the development & electrification of informal settlements	There is no specific value attached to this project as it is linked to the informal settlements development plan
7	Tarring of Gravel Roads	Tarring of gravel Roads is an ongoing project which is implemented annually.	Tarring of gravel Roads is an ongoing project which is implemented annually. Currently a major backlog exists for tarring of gravel roads.	There is no total value as the project is implemented annually with the budget that is made available.

CAPITAL AND OPERATING PROJECTS BUDGET BY WARD

WARD 1 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: The Camp, The Gums, Hillside, Stone Kraal, Lake Farm, Oshry, Walmer Heights, Sappershoek, Sardinia Bay, Biermans Bult, Schoenmakerskop (Madiba Bay), Lovemore Park, Apron Strings, Salisbury Park, Miramar, Providentia, Pari Park, Pine Village, Southmead, Lovemore Heights, Heatherbank, Theescombe, Farms Port Elizabeth, Summerstrand, Mount Pleasant, Arlington Race-track, Schoenmakerskop

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	100,000		
20060020	Provision of Sidewalks	-	500,000		
20190147	SRAC: Construction of Ablution block at Sardinia Bay Beach	1,000,000	1,000,000	2,500,000	1,000,000
20190148	PH - Beach Development - Summerstrand	600,000	-	600,000	600,000
20200088	RENEWAL OF WATER PIPELINE - AIRPORT	-	1,000,000		
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20200094	RENEWAL OF WATER PIPELINE - WILLIAM MOFFAT	-	1,000,000	-	
20200203	HV Line Refurbishment (66 & 132KV)	-	500,000		
20200205	MV and LV Refurbishment	-	600,000		
20200289	Development of waste disposal facilities - Arlington	2,500,000	2,000,000	2,500,000	2,500,000
20200295	Coastal Sand Dune Stabilisation - Hobie beach to 1st Beacon	-	-	300,000	
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
20210114	Fencing of coastal infrastructure and amenities - Ward 1	-	400,000		
	Total Capital	4,100,000	7,700,000	5,900,000	4,100,000
	Projects on operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	4,200,000	7,800,000	6,000,000	4,200,000

WARD 2 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Summerstrand, Craig Bain, Forest Hill, Brookes Hill, Victoria Park, Stuart Township, Humerail, Lea Place, Central, South End, Forest Hill/Military Base, Humewood, Central, Summerstrand Ext. 10

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20190154	SRAC: Happy Valley Upgrade Infrastructure	500,000	500,000	500,000	1,000,000
20190156	PH - Upgrade and Development of Forest Hill Cemetery	-	-	250,000	250,000
20190298	PH - Occupational Health and Wellness Center - Walmer	200,000	200,000	200,000	200,000

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20170045	Distribution Substation Building Refurbishment Program	-	100,000		
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20182551	HV Transmission Line	-	1,666,666		
20200222	Upgrade and development of Hobie beach yacht club	500,000	500,000	500,000	1,000,000
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
19930283	Public Lighting	-	100,000		
	Total Capital	1,200,000	3,666,666	1,450,000	2,450,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	1,300,000	3,766,666	1,550,000	2,550,000

WARD 3 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Walmer, Athlone Park, Greenshields Park, King Edward Park, Walmer Heights, Walmer Downs, Robert Searle Park, Scotstown, St Georges Park, Hallack Road, Essexvale, Jutland, Mill Park, St Georges

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20190198	PH - Ablution Facility - Peter Gibbs Nursery	1,000,000	675,000	1,000,000	1,000,000
20060020	Provision of Sidewalks	-	500,000		
20200228	Upgrade of walmer change rooms	1,500,000	1,500,000	-	-
20200243	Fencing of Nelson Mandela art museum	500,000	500,000	-	-
20200088	RENEWAL OF WATER PIPELINE - AIRPORT	-	-		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200094	RENEWAL OF WATER PIPELINE - WILLIAM MOFFAT	-	1,000,000	-	
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
19930283	Public Lighting	-	300,000		
20200105	Low voltage reticulation improvement	-	200,000		
20182551	HV Transmission Line	-	1,666,666		
20200126	REINFORCEMENT OF ELECTRICITY NETWORK- WALMER LORRAINE	-	1,350,000		
20150028	Refurbishment of Power Transformers	-	900,000		
20200051	Resurfacing tar roads (Villiers & Chase Road)	-	1,070,000		
20210110	Construction of office space - 31 Park drive	-	600,000		
20210119	Fencing of settlers park	-	500,000		
	Total Capital	3,000,000	11,361,666	1,000,000	1,000,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	3,100,000	11,461,666	1,100,000	1,100,000

WARD 4 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Walmer, Beutler Way Complex, Walmer Industrial, Southdene, Airport, Area G South, "Area X, O and J", Gqebera (Walmer Township), Area C And E, Area G, Area N, Area N-East, Area P, Area Q (Phases 1 and 2), Forest Hill/Military Base

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20120047	Walmer Development - Roadworks (Human Settlements)	10,000,000	-	15,784,800	15,035,000
20050286	Tarring of Gravel Roads	-	909,698		
20170108	Walmer Development - Stormwater (Human Settlements)	3,500,000	-	11,838,600	9,021,000
20170109	Walmer Development - Water Reticulation (Human Settlements)	6,000,000	2,500,000	7,234,700	3,007,000
20170110	Walmer Development - Sewer Reticulation (Human Settlements)	12,200,000	7,500,000	9,865,500	7,818,200
20190098	Walmer Development - Parks (Human Settlements)	-	-	1,315,400	
20190273	Fencing of Gqebera cemetary	2,000,000	1,805,000	1,315,400	
20200205	MV and LV Refurbishment	-	400,000		
20200088	RENEWAL OF WATER PIPELINE - AIRPORT	-	-		
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20200188	Electrification of State Subsidised Houses	308,000	308,000		
20200261	Upgrading of Walmer Gqebera Community Hall	850,000	-	300,000	-
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
20200126	REINFORCEMENT OF ELECTRICITY NETWORK-WALMER LORRAINE	-	1,350,000		
19930283	Public Lighting	-	200,000		
	Total Capital	34,858,000	15,572,698	47,654,400	34,881,200
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	34,958,000	15,672,698	47,754,400	34,981,200

WARD 5 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: North End, Sydenham, Prince Alfred's Park, Parsons Hill, Millard Grange, Glendinningvale, Mount Croix, Richmond Hill

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	100,000		
20060113	SRAC:Upgrade and Restoration of Libraries - Main Library	1,800,000	1,800,000		
20170045	Distribution Substation Building Refurbishment Program	-	100,000		
20182551	HV Transmission Line	-	1,666,666		
20200049	Resurfacing of subsidised roads (M4 Freeway)	-	1,500,000		
20200086	Rehabilitation of bridge structure	-	1,000,000	-	-
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20200123	REINFORCEMENT OF ELECTRICITY NETWORK-MOUNT ROAD	1,500,000	800,000	2,250,000	3,375,000
20200199	Playground equipment - Ward 5 (Perkins park)	-	-		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
	Total Capital	3,300,000	7,566,666	2,250,000	3,375,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000		100,000	100,000
	Total Capital & Operating	3,400,000	7,566,666	2,350,000	3,475,000

WARD 6 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Fairview, Walmer Downs, Glen Hurd, Greenacres, Willowdene, Broadwood, Charlo, Overbaakens, Springfield, Bog Farm, Mangold Park, Fernglen, Newton Park

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	250,000		
20060020	Provision of Sidewalks	-	500,000		
20100122	HV Network Reinforcement - New Substations	-	207,148		
20200051	Resurfacing tar roads (Collen Avenue and Paris Avenue)	-	1,302,101		
20200075	REHABILITATION OF WILLIAM MOFFETT EXPRESSWAY	2,000,000	2,200,000	2,000,000	2,000,000
20200077	ROAD UPGRADE TO INCREASE CAPACITY	-	6,000,000		
20200078	INTERSECTION IMPROVEMENT	-	1,000,000		
20200086	Rehabilitation of bridge structure	-	750,000	-	-
20200094	RENEWAL OF WATER PIPELINE - WILLIAM MOFFAT	-	1,000,000	-	-
20200126	REINFORCEMENT OF ELECTRICITY NETWORK- WALTER LORRAINE	-	1,000,000		
20200129	HV NETWORK REINFORCEMENT OVERHEAD CABLING	-	275,000	-	-
20210091	HV and MV Switchgear replacement	-	-		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
	Total Capital	2,000,000	14,584,249	2,000,000	2,000,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	2,100,000	14,684,249	2,100,000	2,100,000

WARD 7 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Mill Park, Korsten, Korsten Dry Lake, Neave Industrial Township, Schauderville, Adcockvale Extension, Mount Road, Newton Park, Kensington, Macleanville, Holland Park, Steytler Township, Adcockvale, Perridgevale, Greenacres, Parsons Hill, Scotstown, Westview, Linkside

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200119	REINFORCEMENT OF ELECTRICITY NETWORK- NEWTON PARK	500,000	500,000	1,000,000	2,500,000
20060020	Provision of Sidewalks	-	500,000		
20100122	HV Network Reinforcement - New Substations	-	207,148		
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20150028	Refurbishment of Power Transformers	-	400,000		
20200094	RENEWAL OF WATER PIPELINE - WILLIAM MOFFAT	-	1,000,000	-	
20200129	HV NETWORK REINFORCEMENT OVERHEAD CABLING	-	275,000	-	-
20182551	HV Transmission Line	-	1,666,666		
20210091	HV and MVSwitgear replacement	-	-		
20210115	Fencing of Libraries : Newton park Library	-	500,000		
20200123	REINFORCEMENT OF ELECTRICITY NETWORK- MOUNT ROAD	1,500,000	1,500,000	2,250,000	3,375,000
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
19930283	Public Lighting	-	100,000		
	Total Capital	2,000,000	7,248,814	3,250,000	5,875,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	2,100,000	7,348,814	3,350,000	5,975,000

WARD 8 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Lorraine, Kabega, Treehaven, Willowglen, Glenroy Park, Vikingvale, Ben Kamma, Beverley Grove, Pine Grove, Kamma Creek, Brymore, Hancorn, Kragga Kamma Park, Weybridge Park, Woodlands, Goldwater, Lorraine Manor, Kamma Park

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200090	RENEWAL OF WATER PIPELINE - KABEGA	-	2,000,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
20200069	PUBLIC TRANSPORT FACILITIES	-	200,000		
19930283	Public Lighting	-	200,000		
	Total Capital	-	2,500,000	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	2,600,000	100,000	100,000

WARD 9 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Sunridge Park, Vergelegen, Linton Grange, Westering, Taybank, Moregrove, Westering, Framesby, Fernglen

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200128	REINFORCEMENT OF ELECTRICITY NETWORK- WESTERN	2,000,000	2,000,000	2,000,000	1,500,000
20100122	HV Network Reinforcement - New Substations	-	207,142		
20200129	HV NETWORK REINFORCEMENT OVERHEAD CABLING	-	275,000	-	-
20182551	HV Transmission Line	-	1,666,666		
20200174	Development of public open spaces - Rina park	1,400,000	563,500		
20210103	Development of public open spaces - Diggery park	-	700,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200205	MV and LV Refurbishment	-	200,000		
20210091	HV and MV Switchgear replacement	-	4,000,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
19930283	Public Lighting	-	200,000		
	Total Capital	3,400,000	9,912,308	2,000,000	1,500,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	3,500,000	10,012,308	2,100,000	1,600,000

WARD 10 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Gelvan Park, Glenhaven, Jarman, Springdale Extension 5, Parkside Extension 10, Bridgehaven Extension 11, Helenvale Extension 6, New Brighton, Schauderville, Korsten, Helenvale Extension 6

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20200061	Ground water improvements metro wide	-	300,000		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20200083	REHABILITATION OF VERGES AND SIDEWORKS- NORTHERN AREAS	-	300,000		
20170045	Distribution Substation Building Refurbishment Program	-	100,000		
20200113	REINFORCEMENT OF ELECTRICITY NETWORK- NORTH	-	1,100,000		
20060020	Provision of Sidewalks	-	500,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
19930283	Public Lighting	-	200,000		
	Total Capital	-	3,307,142	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital and Operating	100,000	3,407,142	100,000	100,000

WARD 11 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: New Brighton, Cradock Place, Korsten, Young Park, Kendle St (Industrial), Lindsay Road Industrial Township, Sidwell, Neave Industrial Township, Ferguson Township, Schauderville, Ibhayi, Algoa Park

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20030017	Paapenkuils Canal Rehabilitation	500,000	200,000	500,000	500,000
20190432	SRAC: Gelvandale Sportsfield Astro turf	11,000,000	9,927,484		
20150028	Refurbishment of Power Transformers	-	3,300,000		
20200050	Rehabilitate concrete roads ; - Nothern Areas	-	350,000		
20182551	HV Transmission Line	-	1,666,670		
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20200117	REINFORCEMENT OF ELECTRICITY NETWORK- KORSTEN (KFW)	1,500,000	1,500,000	2,000,000	3,000,000
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
19930283	Public Lighting	-	200,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Total Capital	13,000,000	17,744,154	2,500,000	3,500,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital and Operating	13,100,000	17,844,154	2,600,000	3,600,000

WARD 12 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Parsons Vlei, Vergelegen, Hunters Retreat, Tulbagh, Glenhaven, Jarman, Bridgemeade, Francis Evatt Park, Wonderview, Morningside, Cotswold, Westering, Kabega Park, Malabar, Bethelsdorp

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20120059	Malabar Ext 6 Phase 2 - Roadworks (Human Settlements)	1,000,000	-		
20170067	Malabar Ext 6 Phase 2 - Stormwater (Human Settlements)	500,000	-		
20170068	Malabar Ext 6 Phase 2 - Water Reticulation (Human Settlements)	500,000	-		
20170071	Malabar Ext 6 Phase 2 - Sewer Reticulation (Human Settlements)	500,000	-		
20190099	Malabar Ext 6 Phase 2 - Parks (Human Settlements)	1,500,000	-		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20200129	HV NETWORK REINFORCEMENT OVERHEAD CABLING	-	275,000	-	-
20210091	HV and MV Switchgear replacement	-	-		
20200090	RENEWAL OF WATER PIPELINE - KABEGA	-	2,000,000		
20200188	Electrification of State Subsidised Houses	2,764,000	2,764,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	75,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	500,000		
	Total Capital	6,764,000	5,821,142	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	6,864,000	5,921,142	100,000	100,000

WARD 13 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Helenvale Extension 6, Barcelona Helenvale, Bethelsdorp, Helenvale 5 Stage 2 and 3, Allan Heights Extension 12

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210058	RENEWAL OF WATER PIPELINE - HELENVALE	-	5,000,000		
20200061	Ground water improvements metro wide	-	500,000		
20200083	REHABILITATION OF VERGES AND SIDEWORKS- NORTHERN EREAS	-	300,000		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20170045	Distribution Substation Building Refurbishment Program	-	100,000		
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20200205	MV and LV Refurbishment	-	700,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	75,000		
19930283	Public Lighting	-	200,000		
	Total Capital	-	7,582,142	-	-

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	7,682,142	100,000	100,000

WARD 14 - Ward is completely within the Urban Edge. The suburb within this Ward are the following: New Brighton

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	200,000		
20050286	Tarring of Gravel Roads	-	937,941		
20100104	SRAC:Mendi Arts & Cultural Centre	500,000	500,000		
20170149	Upgrading Nangoza Jebe Hall	1,200,000	-	-	-
20200031	SRAC: Furniture & Equipment for Mendi Arts & Cultural Centre	1,000,000	1,000,000		
20200043	SRAC: CCTV Equipment - Mendi Arts & Cultural Centre	500,000	500,000		
20200051	Resurfacing tar roads (Aggrey Road,Msimka street)	-	1,000,000		
20200292	Upgrade and Development of Brighton Beach Infrastructure	700,000	300,000		
20210060	RENEWAL OF WATER PIPELINE - IBHAYI	-	625,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20210104	Upgrade and Development of Masangwana Park	-	1,160,000		
	Total Capital	3,900,000	6,272,941	-	-
	Projects on Operating Budget				

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	4,000,000	6,372,941	100,000	100,000

WARD 15 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: New Brighton, Boast Crescent, Mhlaba Silvertown, Red Location, Ibhayi, Masangwanaville Phase 2, Malakana Silvertown, Ibhayi, Silvertown New Brighton, Masangwanaville (Phase 3)

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200166	Development of public open spaces - Raxa park	1,500,000	1,353,740	-	-
20050286	Tarring of Gravel Roads	-	685,752		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20210061	RENEWAL OF WATER PIPELINE - DEAL PARTY	-	500,000		
20200089	RENEWAL OF WATER PIPELINES - CHURCHILL	-	500,000		
20210091	HV and MVSwitgear replacement	-	-		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20200051	Resurfacing tar roads (Sheya kulati Road)	-	1,000,000		
20200049	Resurfacing of subsidised roads (Old grahamstown Road)	-	1,000,000		
19930283	Public Lighting	-	200,000		
20200188	Electrification of State Subsidised Houses	903,000	903,000	-	-
	Total Capital	2,403,000	6,399,634	-	-
	Projects on Operating Budget				

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital and Operating	2,503,000	6,499,634	100,000	100,000

WARD 16 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Ibhayi, New Brighton

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20170126	John Tallant Link Road	4,666,666	5,666,667	3,333,333	3,333,333
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20200093	RENEWAL OF WATER PIPELINE - SWARTKOPS	-	5,000,000	5,000,000	
20210061	RENEWAL OF WATER PIPELINE - DEAL PARTY	-	500,000		
20170045	Distribution Substation Building Refurbishment Program	-	100,000		
20200077	ROAD UPGRADE TO INCREASE CAPACITY	-	2,000,000		
20200049	Resurfacing of subsidised roads (Old Grahamstown(sub) Road)	-	1,000,000		
20210091	HV and MVSwitthgear replacement	-	-		
19930283	Public Lighting	-	200,000		
	Total Capital	4,666,666	14,723,809	8,333,333	3,333,333

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	4,766,666	14,823,809	8,433,333	3,433,333

WARD 17 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: New Brighton, Silvertown Pendla, Qaqawuli (Phase 1), Qaqawuli (Phase 2)

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20182617	SRAC:Construction of Multi-Purpose Centre - Ward 17	5,700,000	4,400,000	4,000,000	5,000,000
20050286	Tarring of Gravel Roads	-	665,459		
20060020	Provision of Sidewalks(-	500,000		
20190297	Stormwater Improvements - Stokwe Street, ward 17	500,000	500,000	2,000,000	1,000,000
20190300	Stormwater Improvements - Simnka Street, ward 17	500,000	-	2,000,000	1,000,000
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20210060	RENEWAL OF WATER PIPELINE - IBHAYI	-	625,000		
20200051	Resurfacing tar roads (Tshangisa Street)	-	1,000,000		
19930283	Public Lighting	-	200,000		
	Total Capital	6,700,000	7,940,459	8,000,000	7,000,000

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital and Operating	6,800,000	8,040,459	8,100,000	7,100,000

WARD 18 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaZakhele, Railway Reserve W4, Madikana Informal Community, Kalipa Informal Community, Mandela Village, Ibhayi, Kwanoxolo New Brighton

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210060	RENEWAL OF WATER PIPELINE - IBHAYI	-	625,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20050286	Tarring of Gravel Roads	-	791,536		
19930283	Public Lighting	-	250,000		
20210147	Mandela Village 71 Sites - Water Reticualtion (Human Settlements)	-	2,000,000		
20210148	Mandela Village 71 Sites - Sewer Reticualtion (Human Settlements)	-	2,000,000		
	Total Capital	-	5,716,536	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital and Operating	100,000	5,816,536	100,000	100,000

WARD 19 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaZakhele, Informal Community, Endulwini Nkatha Informal Community, Ekuphumleni Informal Community

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	200,000		
20030475	New Brighton/Kwazakhele: Bulk Stormwater	3,000,000	2,500,000	3,000,000	3,000,000
20120031	Kwazakhele: Ekuphumleni Roadworks (Human Settlements)	14,000,000	-		
20130040	Nkatha/Seyisi - Roadworks (Human Settlements)	3,000,000	-		
20170084	Nkatha/Seyisi - Stormwater (Human Settlements)	1,500,000	-		
20170086	Nkatha/Seyisi - Water Reticulation (Human Settlements)	2,000,000	-		
20170088	Nkatha/Seyisi - Sewer Reticulation (Human Settlements)	3,000,000	-		
20170126	John Tallant Link Road	4,666,666	5,666,667	3,333,333	3,333,333
20170191	Kwazakhele: Ekuphumleni - Water Reticulation (Human Settlements)	3,000,000	229		
20170192	Kwazakhele: Ekuphumleni - Sewer Reticulation (Human Settlements)	7,000,000	-		
20182298	Kwazakhele: Ekuphumleni - Stormwater (Human Settlements)	4,000,000	-		
20200051	Resurfacing tar roads (Maqubela Street And makwela street)	-	681,648		
20200060	Rehabilitation of storm water ponds	-	2,000,000		
20200077	ROAD UPGRADE TO INCREASE CAPACITY	-	2,000,000		
20200171	Development of public open spaces - Befile park	1,700,000	1,534,250		
20200188	Electrification of State Subsidised Houses	3,344,440	3,344,440		
20200235	Upgrade and rehabilitate of Kwazakhele pool	-	-		
20210060	RENEWAL OF WATER PIPELINE - IBHAYI	-	625,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	50,211,106	18,602,234	6,333,333	6,333,333
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	50,311,106	18,702,234	6,433,333	6,433,333

WARD 20 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Ibhayi Informal Community (Includes KwaZakhele and Ndokwenza areas)

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20210060	RENEWAL OF WATER PIPELINE - IBHAYI	-	625,000		
19930283	Public Lighting	-	200,000		
20200051	Resurfacing tar roads (Jakavula Street)	-	952,223		
20170140	Matthew Goniwe- Councillors office	-	550,750		
	Total Capital	-	2,377,973	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	2,477,973	100,000	100,000

WARD 21 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaZakhele, Tambo Village, Madlingozi Informal Community

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20170126	John Tallant Link Road	4,666,668	5,666,666	3,333,334	3,333,334
20190320	SRAC: Construction of Multi-Purpose Centre - Ward 21	5,000,000	5,000,000	4,500,000	4,500,000
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20200077	ROAD UPGRADE TO INCREASE CAPACITY	-	2,000,000		
20210060	RENEWAL OF WATER PIPELINE - IBHAYI	-	625,000		
19930283	Public Lighting	-	200,000		
20210113	Fencing of Lillian Ngoyi center	-	1,000,000		-
	Total Capital	9,666,668	14,541,666	7,833,334	7,833,334
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	9,766,668	14,641,666	7,933,334	7,933,334

WARD 22 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaZakhele, Railway Reserve W2, Zingisa Village, Thlaba Village

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20190169	EDTA - NJOLI SQUARE REDEVELOPMENT	30,434,783	13,043,479	34,782,609	26,086,957
20060020	Provision of Sidewalks	-	400,000		
20210060	RENEWAL OF WATER PIPELINE - IBHAYI	-	625,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20200054	Rehabilitation of Roads (Moyakhe and Nkuli Street)	-	900,000		
20200172	Development of public open spaces - Nkabalaza park	1,600,000	1,444,000		
19930283	Public Lighting	-	200,000		
	Total Capital	32,034,783	16,662,479	34,782,609	26,086,957
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	32,134,783	16,762,479	34,882,609	26,186,957

WARD 23 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: N.U. 2, N.U. 3, Ramaphosa Village N.U.2

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20060020	Provision of Sidewalks	-	500,000		
20050286	Tarring of Gravel Roads	-	832,563		
19930283	Public Lighting	-	200,000		
20200054	Rehabilitation of Roads (Khozi Street)	-	650,000		
	Total Capital	-	2,232,563	-	-
	Projects on Operating Budget				

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	2,332,563	100,000	100,000

WARD 24 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaZakhele, Soweto-On-Sea Informal Settlement, Mhlaba Village Area Y - Zwide, Sisulu Village, Eluxolweni (Vuku), Sharpeville, Masakana Village, Eselileni Informal Community, Cebo Village, Mayibuye Village (Phase 1), Silvertown Village Swartkops

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210060	RENEWAL OF WATER PIPELINE - IBHAYI	-	625,000		
20060020	Provision of Sidewalks	-	500,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20200063	Stormwater improvement	-	1,000,000		
20050286	Tarring of Gravel Roads	-	716,477		
20200051	Resurfacing tar roads (Ngwendu Street)	-	1,000,000		
19930283	Public Lighting	-	200,000		
	Total Capital	-	4,091,477	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	4,191,477	100,000	100,000

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
WARD 25 - Ward is completely within the Urban Edge. The suburb within this Ward are the following: Zwide, KwaZakhele, Barcelona Zwide, Struandale Industrial, New Brighton, Kwaford Industrial					
Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20060020	Provision of Sidewalks	-	500,000		
20170045	Distribution Substation Building Refurbishment Program	-	100,000		
20150028	Refurbishment of Power Transformers	-	500,000		
20200113	REINFORCEMENT OF ELECTRICITY NETWORK-NORTH	-	900,000		
20200136	Fencing of Pieter Rademeyer Hall	-	850,000		
20200054	Rehabilitation of Roads (Javu Street)	-	800,000		
19930283	Public Lighting	-	200,000		
	Total Capital	-	3,900,000	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	4,000,000	100,000	100,000

WARD 26 - The suburbs within this Ward are the following: Zwide, Silvertown Sisonke Zwide, Railway Reserve W1

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20060237	Zwide Bulk Stormwater	8,000,000	1,400,000	6,000,000	6,000,000
20190158	SRAC: Upgrade and restoration of libraries - Zwide	500,000	500,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20050286	Tarring of Gravel Roads	-	697,881		
20200051	Resurfacing tar roads (Kruisman Street)	-	1,000,000		
19930283	Public Lighting	-	200,000		
	Total Capital	8,500,000	3,847,881	6,000,000	6,000,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital and Operating	8,600,000	3,947,881	6,100,000	6,100,000

WARD 27 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Soweto-On-Sea Informal Settlement, Silvertown Limba (Zwide)

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20050286	Tarring of Gravel Roads	-	726,375		
20060020	Provision of Sidewalks	-	500,000		
20200051	Resurfacing tar roads (Bafana Street)	-	1,000,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	200,000		
	Total Capital	-	2,476,375	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	2,576,375	100,000	100,000

WARD 28 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Veeplaas, Kuwait Zwide

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
19930283	Public Lighting	-	200,000		
20200054	Rehabilitation of Roads (Sakuba and Gqomose)	-	800,000		
20050286	Tarring of Gravel Roads	-	842,287		
	Total Capital	-	1,892,287	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	1,992,287	100,000	100,000

WARD 29 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Bloemendal, Bethelsdorp, Normanville Ext. 22, Timothy Valley, Block 23 South Frans Valley, Jacksonville, Kuscus Heights Ext. 26, Aspen Heights Ext. 26, Palmridge Ext. 23, Loonatville Ext. 23, Heath Park, Jegelsville Village, Extension 20, Extension 24, Kemp Park Ext. 30

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20170128	Stanford Road Extension	10,000,000	1,500,000	10,000,000	15,000,000
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20050286	Tarring of Gravel Roads	-	687,278		
20060020	Provision of Sidewalks	-	500,000		
20182556	Acquisition of Properties - Standford Road	1,500,000	1,500,000	1,000,000	
20200188	Electrification of State Subsidised Houses	4,454,000	4,454,000		
20210057	RENEWAL OF WATER PIPELINE - BLOEMENDAL	-	12,000,000		
20200101	RENEWAL OF WATER PIPELINE - BETHELSDORP	-	1,250,000		-
20210105	Upgrade & development of Public open spaces- MPC park-chatty	-	1,170,000		
20210116	Fencing of Libraries : Chatty Library	-	1,000,000		
20190160	SRAC: Upgrade and restoration of libraries - Chatty	500,000	500,000		
20190112	SRAC: Jagtvlakte Sports Field	-	1,000,000		
20200054	Rehabilitation of Roads (Auburn street)	-	800,000		
20200051	Resurfacing tar roads (William Slammert & Baaitjies Road)	-	1,000,000		
19930283	Public Lighting	-	200,000		
	Total Capital	16,454,000	27,611,278	11,000,000	15,000,000
	Projects on Operating Budget				

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	16,554,000	27,711,278	11,100,000	15,100,000

WARD 30 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaMagxaki, Soweto On Sea Informal Settlement, Veeplaas, Bethelsdorp, Ibhayi, Ibhayi Cemetery

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200099	RENEWAL OF WATER PIPELINE - MOTHERWELL	-	3,333,333		-
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20050286	Tarring of Gravel Roads	-	1,058,834		
20060020	Provision of Sidewalks	-	500,000		
20200100	RENEWAL OF WATER PIPELINE - PERSERVERANCE	-	5,000,000		-
20200051	Resurfacing tar roads (Ralo Street)	-	1,000,000		
19930283	Public Lighting	-	200,000		
	Total Capital	-	11,142,167	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	11,242,167	100,000	100,000

WARD 31 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Algoa Park, Windvogel, Erf 1542 Bethelsdorp, Balfour Heights (Smartie Town), Missionvale, Missionvale Garden Lots Phase 1, Missionvale Garden Lots Phase 2, Hillside Ext 9, Bethelsdorp

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20110092	Missionvale Garden Lots - Roadworks (Human Settlements)	15,000,000	8,000,000	6,905,850	
19930283	Public Lighting	-	200,000	-	-
20050286	Tarring of Gravel Roads	-	642,915		
20190003	Missionvale - Stormwater (Human Settlements)	4,500,000	3,000,000	2,959,650	
20190004	Missionvale - Water Reticulation (Human Settlements)	500,000	-	986,550	
20190005	Missionvale - Sewer Reticulation (Human Settlements)	1,000,000	-	657,700	
20190102	Missionvale - Parks (Human Settlements)	1,200,000	-	1,644,250	
20200054	Rehabilitation of Roads (Ganges street,indus road,Negro road& akavango)	-	800,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	22,200,000	12,692,915	13,154,000	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	22,300,000	12,792,915	13,254,000	100,000

WARD 32 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Bethelsdorp, Salsoneville - Ext 16, Cleary Park - Ext 10, Hillside Ext 9, Missionvale, Erf 1542 Bethelsdorp, Salt Lake - Ext 8, Grootkloof Tip

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	200,000	-	-

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20190054	IPTS - The Development of Cleary Park Depot and Terminal	-	348,400	15,000,000	
20200050	Rehabilitate concrete roads :- Nothern Areas	-	300,000		
20210096	IPTS - Improvement of Entrance at Cleary Park Taxi Rank	-	3,000,000		
20060020	Provision of Sidewalks	-	600,000		
20200054	Rehabilitation of Roads (Norman middleton street)	-	545,808		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	-	5,044,208	15,000,000	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	5,144,208	15,100,000	100,000

WARD 33 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Govan Mbeki, Rocky Ridge - Ext 27, Kleinskool Area K, Bethelsdorp, KwaDwesi

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200263	Ward 33 Councillor's office: Installation of fencing fencing	850,000	850,000	500,000	
19930283	Public Lighting	-	200,000	-	-
20050286	Tarring of Gravel Roads	-	1,212,744		
20210059	RENEWAL OF WATER PIPELINE - GOVAN MBEKI, IBHAYI	-	2,500,000		
20200058	Reconstruction of open canals Metro wide	-	1,000,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200054	Rehabilitation of Roads (Mbeki and Siba street intesection)	-	566,896		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	850,000	6,379,640	500,000	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	950,000	6,479,640	600,000	100,000

WARD 34 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Bethelsdorp, Rocky Ridge - Ext 27, Solomon Estates - Ext 28, Nickalisville, Fernwood Park - Ext 29, Arcadia North, Chatty Arcadia Ext 12, Extension 13

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20182618	SRAC:Construction of Multi-Purpose Centre - Ward 34	6,300,000	2,400,000	4,000,000	5,000,000
19930283	Public Lighting	-	200,000	-	-
20200050	Rehabilitate concrete roads ; - Nothern Areas	-	350,000		
20200082	CONSTRUCTION OF FOOTBRIDGES	-	250,000		
20060020	Provision of Sidewalks	-	500,000		
20200271	Prov of Kerbside Shelters along IPTS Trunk Routes & Feeders	-	200,000		
20190268	Erection of Ward 34 Councillors Office	1,200,000	-	500,000	200,000
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	7,500,000	3,950,000	4,500,000	5,200,000

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	7,600,000	4,050,000	4,600,000	5,300,000

WARD 35 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Sancto Vars Vlei - Ext 14, Extensions 18 and 19, West End - Ext 11, Chatty Arcadia Ext 12, Bethelsdorp, Marock Road Informal Community

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210111	Fencing of Finnis street sportsfield	-	600,000		
19930283	Public Lighting	-	200,000	-	-
20200082	CONSTRUCTION OF FOOTBRIDGES	-	250,000		
20060020	Provision of Sidewalks	-	600,000		
20200051	Resurfacing tar roads (Marrock & Heatchote Road)	-	942,952		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	-	2,642,952	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	2,742,952	100,000	100,000

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
WARD 36 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaDwesi, KwaDwesi Informal, KwaDwesi Extension					
Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200098	RENEWAL OF WATER PIPELINE - DESPATCH	-	5,000,000		-
20200101	RENEWAL OF WATER PIPELINE - BETHELSDORP	-	1,250,000		-
20210059	RENEWAL OF WATER PIPELINE - GOVAN MBEKI, IBHAYI	-	2,500,000		
19930283	Public Lighting	-	200,000	-	-
20050286	Tarring of Gravel Roads	-	1,281,065		
20170022	Undeclared Informal Electrification	-	1,805,000		
20182456	EDTA : Informal Trading Infrastructure	-	5,000,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	-	17,086,065	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	17,186,065	100,000	100,000

WARD 37 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Kwanoxolo - Ext 37, Moeggesukkel, Bethelsdorp, Extension 36, Extension 35, Kleinskool Area K, Extension 34, Floral Park - Ext 33, Chatty Ext 31, Rocky Ridge - Ext 27

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20130054	Bethelsdorp Ext 32, 34 & 36 - Roadworks (Human Settlements)	500,000	-	4,686,113	4,224,835
19930283	Public Lighting	-	200,000	-	-
20050286	Tarring of Gravel Roads	-	1,334,343		
20130057	Kleinskool Kliprand - Roadworks Human Settlements (Services)	-	-	657,700	4,886,375
20170090	Bethelsdorp Ext 32, 34, & 36 - Stormwater(Human Settlements)	500,000	-	3,617,350	3,307,700
20170092	Bethelsdorp Ext 32, 34, & 36 - Water Reticulation (Human Settlements)	500,000	-	3,041,863	2,781,475
20170094	Bethelsdorp Ext 32, 34, & 36 - Sewer (Human Settlements)	500,000	-	4,110,625	3,758,750
20170095	Kleinskool Kliprand - Stormwater (Human Settlements)	-	-	657,700	3,307,700
20170098	Kleinskool Kliprand - Water Reticulation (Human Settlements)	-	-	657,700	2,781,475
20170100	Kleinskool Kliprand - Sewer Reticulation (Human Settlements)	-	-	657,700	3,758,750
20190100	Bethelsdorp Ext 32, 34 & 36 - Parks (Human Settlements)	-	-		1,804,200
20170045	Distribution Substation Building Refurbishment Program	-	200,000		
20200082	CONSTRUCTION OF FOOTBRIDGES	-	250,000		
20200101	RENEWAL OF WATER PIPELINE - BETHELSDORP	-	1,250,000		-
20200051	Resurfacing tar roads (Barberry Street)	-	1,000,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	2,000,000	4,284,343	18,086,751	30,611,260
	Projects on Operating Budget				

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	2,100,000	4,384,343	18,186,751	30,711,260

WARD 38 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Timothy Valley, Block 23 South Frans Valley, Block 23 North Kwanoxolo, Willowdene - Ext 21

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20190162	PH - Upgrade and Development of Bloemendal Cemetery	500,000	500,000	500,000	500,000
19930283	Public Lighting	-	200,000	-	-
20200101	RENEWAL OF WATER PIPELINE - BETHELSDORP	-	1,250,000	-	-
20200167	Development of public open spaces - Denmark park	1,900,000	1,714,740		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	2,400,000	3,714,740	500,000	500,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	2,500,000	3,814,740	600,000	600,000

WARD 39 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Hunters Retreat, Kabega Park, Sherwood, Utopia, Kuene Park, Harmony, Van Der Stel, Rowallan Park

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200169	Development of public open spaces - Ridgewood park	1,200,000	1,083,000		
19930283	Public Lighting	-	200,000	-	-
20060020	Provision of Sidewalks	-	500,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	1,200,000	1,833,000	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	1,300,000	1,933,000	100,000	100,000

WARD 40 - This wards urban areas are largely coastal and rural villages that have their own urban edges, but large parts of this ward is farming areas. The suburbs within this Ward are the following: Farmland, Woodridge, Witteklip Housing Development, Van Stadens River Mouth, Rocklands Housing Development, Hopewell, The Valleys, Poplar Grove, Masakane (Kuyga), Parkholme, Swinburne, Windomayne, The Flats, Verdun, Chinchilla Farm, Sea View Game Park, Hillside, Stone Kraal, Goedemoedsfontein East, Sea View West, Sea View Pump Station, Tembani, Fairview Racecourse, St Albans Prison, St Albans Housing Development, Blue Horizon Bay, Fitchholme, Rendalton, Beachview, Westlands, Crockart Hope, Murray Park, Denholme, Kini Bay, Seaview, Greenbushes, Theescombe, Hunters Retreat, KwaNobuhle, Clarendon Marine

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20060241	Blue Horizan Bay Bulk Stormwater	1,000,000	500,000	1,000,000	1,000,000
19930283	Public Lighting	-	200,000	-	-
20060020	Provision of Sidewalks	-	500,000		
20200205	MV and LV Refurbishment	-	1,600,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20050286	Tarring of Gravel Roads	-	1,266,427		
20120043	Seaview Housing - Roadworks (Human Settlements)	500,000	-	2,630,800	4,209,800
20170097	Seaview Housing - Stormwater (Human Settlements)	500,000	-	986,550	2,104,900
20030084	Peri-Urban: Rehabilitation of gravel roads	-	1,500,000	2,000,000	2,000,000
20170099	Seaview Housing - Water (Human Settlements)	500,000	-	2,417,048	3,412,945
20200203	HV Line Refurbishment (66 & 132KV)	-	1,000,000		
20170022	Undeclared Informal Electrification	-	3,055,000		
20170101	Seaview Housing - Sewer Bulks (Human Settlements)	500,000	-	4,834,095	5,623,090
20200282	Land Acquisition: Bloemendal	25,000,000	-		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	28,000,000	9,671,427	13,868,493	18,350,735
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	28,100,000	9,771,427	13,968,493	18,450,735

WARD 41 - This built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Bethelsdorp, Bloemendal, Chatty 3 And 4, Chatty Phase 3, Chatty Phase 4, Chatty Extension 4, Chatty Extension 5, Booyens Park, Chatty Extension 1, Chatty Extension 3, Chatty Phase 1, Ncebu Faku Village, Chatty Extension 2, Despatch, Farms Kariega, Joe Slovo, Joe Slovo West, KwaDwesi Informal, Westville North Area C, Daleview Extension Area A

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20110091	Khayamnandi Extension - Roadworks (Human Settlements)	1,000,000	-	657,700	6,615,400
19930283	Public Lighting	-	600,000	-	-
20120033	Jagvlagte (Chatty 11-14) Roadworks (Human Settlements)	250,000	38,030	11,180,900	10,223,800
20140010	Construction of Bloemendal Arterial	8,000,000	1,000,000	10,000,000	13,000,000
20162191	Construction of Joe Slovo Bridge – Ward 41	500,000	500,000	500,000	1,000,000
20170069	Khayamnandi Extension - Water (Human Settlements)	1,000,000	-	657,700	3,608,400
20170070	Khayamnandi Extension - Stormwater (Human Settlements)	1,000,000	-	657,700	5,412,600
20170072	Khayamnandi Extension - Sewer (Human Settlements)	1,000,000	-	657,700	4,811,200
20170091	Jagvlagte (Chatty 11-14) - Stormwater (Human Settlements)	250,000	11,450	5,261,600	4,811,200
20170093	Jagvlagte (Chatty 11-14) - Water Reticulation (Human Settle	500,000	5,000,000	3,946,200	4,209,800
20170096	Jagvlagte (Chatty 11-14) - Sewer Reticulation (Human Settle	500,000	2,000,000	4,603,900	3,608,400
20190095	Khayamnandi Extension - Parks (Human Settlements)	1,500,000	-	1,315,400	2,405,600
20190097	Jagvlagte (Chatty 11-14) - Parks (Human Settlements)	1,500,000	-	1,167,418	60,140
20190294	Aluta Continua Access Road - Joe Slovo - 41	500,000	-	5,000,000	5,000,000
20050286	Tarring of Gravel Roads	-	906,055		
20200098	RENEWAL OF WATER PIPELINE - DESPATCH	-	5,000,000		-
20200188	Electrification of State Subsidised Houses	1,382,000	1,382,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
	Total Capital	18,882,000	16,487,535	45,606,218	64,766,540
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	18,982,000	16,587,535	45,706,218	64,866,540

WARD 42 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaNobuhle Area 6, KwaNobuhle Area 7, KwaNobuhle Area 8, KwaNobuhle Area 8 Phase 2

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20182619	SRAC:Construction of Multi-Purpose Centre - Ward 42	5,000,000	5,000,000	4,000,000	5,000,000
19930283	Public Lighting	-	100,000	-	-
20050286	Tarring of Gravel Roads	-	687,278		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20060020	Provision of Sidewalks	-	600,000		
	Total Capital	5,000,000	6,594,420	4,000,000	5,000,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	5,100,000	6,694,420	4,100,000	5,100,000

WARD 43 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaNobuhle Area 4, KwaNobuhle, Sikhotina, KwaNobuhle Area 6, KwaNobuhle Area 7, KwaNobuhle Area 7 (Phase 1)

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	100,000	-	-
20200059	Reconstruction of stormwater system -utenhage	-	200,000		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20200051	Resurfacing tar roads (Pityana & Dlala??? Street)	-	1,000,000		
20060020	Provision of Sidewalks	-	500,000		
	Total Capital	-	2,007,142	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	2,107,142	100,000	100,000

WARD 44 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: UDDI (Jagvlakte), KwaNobuhle Area 8, Area 3, KwaNobuhle Area 7 Phase 2, KwaNobuhle Area 7, KwaNobuhle Area 7 Phase 1, KwaNobuhle Area 4, Solomon Mhlangu, KwaNobuhle Area 8A, KwaNobuhle, KwaNobuhle Area 1, Area 4

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200168	Development of public open spaces - Mvetshane park	2,000,000	1,805,000		
20200225	RE-Construction of Kwanobuhle Library	200,000	200,000	-	-
19930283	Public Lighting	-	100,000	-	-
20200059	Reconstruction of stormwater system -utenhage	-	200,000		
20060020	Provision of Sidewalks	-	600,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200082	CONSTRUCTION OF FOOTBRIDGES	-	250,000		
20050286	Tarring of Gravel Roads	-	723,657		
20200086	Rehabilitation of bridge structure	-	300,000	-	-
20200051	Resurfacing tar roads (Pityana & Zinto Street)	-	1,000,000		
20200241	Construction of new changerooms - Kwanobuhle sports precinct	-	-	2,000,000	-
			-		
	Total Capital	2,200,000	5,178,657	2,000,000	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	2,300,000	5,278,657	2,100,000	100,000

WARD 45 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Farms Kariega, Area 3, KwaNobuhle Area 11, KwaNobuhle Area 10, KwaNobuhle Area 9 Phase 2, KwaNobuhle Area 9 Gunguluza, KwaNobuhle Area 5, Kamesh Cell 3 (Phase 3), Lapland, Kamesh 2, Tiryville, Kamesh Cell 3 (Phase 2), KwaNobuhle (Garden Lots), Kariega

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20120030	Kwanobuhle Area 11 - Roadworks (Human Settlements)	12,000,000	7,000,000	7,892,400	9,021,000
20170079	Kwanobuhle Area 11 - Stormwater (Human Settlements)	3,600,000	1,000,000	2,367,720	3,909,100
20170081	Kwanobuhle Area 11 - Water Reticulation (Human Settlements)	500,000	-	1,578,480	
20170083	Kwanobuhle Area 11 - Sewer Reticulation (Human Settlements)	500,000	-	2,367,720	
20190096	Kwanobuhle Area 11 - Parks (Human Settlements)	1,500,000	-	1,315,400	

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	500,000	-	-
20200059	Reconstruction of stormwater system -utenhage	-	200,000		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20060020	Provision of Sidewalks	-	600,000		
20050286	Tarring of Gravel Roads	-	687,278		
20210092	Public Lighting-Refurbishment/Retro fit	-	50,000		
20200051	Resurfacing tar roads (Bantom Street)	-	1,000,000		
20200188	Electrification of State Subsidised Houses	3,455,000	3,455,000		
	Total Capital	21,555,000	14,699,420	15,521,720	12,930,100
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	21,655,000	14,799,420	15,621,720	13,030,100

WARD 46 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: KwaNobuhle Area 01, KwaNobuhle Area 02, John Gomo, Area 3A, Chris Hani/Ramaphosa Area 5A, Chris Hani/Ramaphosa Phase 2, Eric Dodd, Alexander Park Industrial, De Mist, Dr Brawn, Despatch (Commonage), Kariega Commonage, Despatch (VW Test Track)

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200120	REINFORCEMENT OF ELECTRICITY NETWORK-KARIEGA	1,000,000	1,000,000	1,000,000	750,000
19930283	Public Lighting	-	200,000	-	-
20190052	IPTS - Construction of a Holding Public Depot - Kariega	-	2,000,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20150028	Refurbishment of Power Transformers	-	900,000		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20200059	Reconstruction of stormwater system -utenhage	-	200,000		
20050286	Tarring of Gravel Roads	-	687,278		
20060020	Provision of Sidewalks	-	600,000		
	Total Capital	1,000,000	5,794,420	1,000,000	750,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	1,100,000	5,894,420	1,100,000	850,000

WARD 47 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Farms Kariega, KwaNobuhle Area 2, Area 3, Joe Modise Peace Village Phase 1, Joe Modise Peace Village Phase 2 Area 3, Joe Modise Peace Village Phase 2 Area 1, KwaNobuhle Area 01, Jolobe Area 02 Informal Area, Peace Village, Joe Modise Peace Village Phase 2 Area 2, Chris Hani/Ramaphosa Phase 2

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20190168	PH - Upgrade and Development of Matanzima Cemetery	500,000	500,000	500,000	500,000
19930283	Public Lighting	-	200,000	-	-
20200059	Reconstruction of stormwater system -utenhage	-	200,000		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20050286	Tarring of Gravel Roads	-	509,823		
20060020	Provision of Sidewalks	-	500,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Total Capital	500,000	2,116,965	500,000	500,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	3,300,000	2,216,965	600,000	600,000

WARD 48 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Central, Cape Road Industrial, Kariega Commonage, Riverside Industrial, Afghanistan Informal Community, Blikkiesdorp, Gerald Smith, Curry, Kariega Sport Fields, Mc Naughton, College Hill, Joe Slovo Kariega, Middle Street, Kariega, Kariega Railway, Jubilee Cemetery, Jubilee Park

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20182333	John Street - Sewer Reticulation (Human Settlements)	2,500,000	3,100,000		
20182336	John Street Water Bulks (Human Settlements)	100,000	3,000,000		
20190170	PH - Upgrade and Development of Gerald Smith Cemetery	-	-	250,000	250,000
20190195	PH - Upgrading of Kariega Depot into Welness Centre	200,000	200,000	200,000	200,000
20190283	PH - Upgrade of Animal Pound	700,000	700,000	700,000	800,000
20200173	Development of public open spaces - Baatjies park	1,700,000	1,534,250		
20200188	Electrification of State Subsidised Houses	552,800	552,800		
20200277	Kariega infill sites /In Situ- Roadworks	475,000	-	986,550	300,700
20200278	Kariega Infill Sites / In Situ - Stormwater Reticulation	250,000	-	739,912	240,560
20200279	Kariega Infill Sites / In Situ - Water Reticulation	250,000	-	657,700	582,603
20200280	Kariega Infill Sites/ In Situ- Sewer Reticulation	388,858	-	822,125	511,190

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	200,000	-	-
20200059	Reconstruction of stormwater system -utenhage	-	200,000		
20050286	Tarring of Gravel Roads	-	621,095		
20100122	HV Network Reinforcement - New Substations	-	207,142		
20170045	Distribution Substation Building Refurbishment Program	-	200,000		
20200058	Reconstruction of open canals Metro wide	-	1,500,000		
20200049	Resurfacing of subsidised roads (Caledon Street)	-	550,000		
20200142	Fencing of Allanridge Hall	-	1,300,000		
	Total Capital	7,116,658	13,865,287	4,356,287	2,885,053
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	7,216,658	13,965,287	4,456,287	2,985,053

WARD 49 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Rosedale, Kariega, Mountain View, Thomas Gamble, Allanridge West, Infill Area, Farms Kariega

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	100,000	-	-
20200205	MV and LV Refurbishment	-	200,000		
20200059	Reconstruction of stormwater system -utenhage	-	200,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Total Capital	-	500,000	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	600,000	100,000	100,000

WARD 50 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Mandelaville, Rosedale, Kariega, Mc Naughton, Kabah Langa Phase 4, Kabah Langa Phase 5, Middle Street, Kabah Lange Greenfields, Limekaya Informal Community, Kabah 17th Ave (Mija), Kabah Langa (Phase 3), Kabah Langa (Phase 2), Kariega Commonage, Mandela 1 (Pola Park)

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20000160	SRAC: Upgrading of high street Swimming Pool infrastructure	1,000,000	1,500,000	1,200,000	
19930283	Public Lighting	-	100,000	-	-
20050286	Tarring of Gravel Roads	-	665,459		
20200059	Reconstruction of stormwater system -utenhage	-	200,000		
20060020	Provision of Sidewalks	-	500,000		
20080081	Greenbushes: Stormwater Improvements	500,000	300,000	500,000	500,000
20200233	Rehabilitation of boundary wall - Kariega sportsfields	200,000	200,000	1,000,000	
20200237	Replacement of cork floor - Kariega indoor centre	500,000	500,000	1,000,000	
20200277	Kariega infill sites /In Situ- Roadworks	475,000	-	986,550	300,700
20200278	Kariega Infill Sites / In Situ - Stormwater Reticulation	250,000	-	739,912	240,560
20200279	Kariega Infill Sites / In Situ - Water Reticulation	250,000	-	657,700	582,607

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200280	Kariega Infill Sites/ In Situ- Sewer Reticulation	388,857	-	822,125	511,190
20200054	Rehabilitation of Roads (Acacia and kamehs street)	-	1,516,879		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
	Total Capital	3,563,857	5,582,338	6,906,287	2,135,057
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital and Operating	3,663,857	5,682,338	7,006,287	2,235,057

WARD 51 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Kariega Commonage, Janssendal, Leyvale, Vanes Estate, Central, College Hill, Penford, Mosel, Valleisig, Scheepershoogte, Van Riebeeck Hoogte, Strelizia Park, Fairbridge Heights, Kariega Golf Course, Strelizia Park Extension, Winterhoek Park Extension, Winterhoek Park, Farms Kariega

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20010221	SRAC: Springs Resort - Upgrade Infrastructure	1,300,000	1,300,000	1,000,000	1,500,000
19930283	Public Lighting	-	100,000	-	-
20190269	Upgrade of Ward 51 Councillors Office	800,000	800,000	350,000	200,000
20190302	PH - Upgrade nursery greenhouses	-	-		500,000
20200120	REINFORCEMENT OF ELECTRICITY NETWORK-KARIEGA	1,000,000	1,000,000	1,000,000	750,000
20200125	REINFORCEMENT OF ELECTRICITY NETWORK-DESPATCH	500,000	-	-	-
20200277	Kariega infill sites /In Situ- Roadworks	475,000	-	986,550	300,700
20200278	Kariega Infill Sites / In Situ - Stormwater Reticulation	250,000	-	739,913	240,560

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200279	Kariega Infill Sites / In Situ - Water Reticulation	250,000	-	657,700	582,607
20200280	Kariega Infill Sites/ In Situ- Sewer Reticulation	388,857	-	822,125	511,190
20200205	MV and LV Refurbishment	-	300,000		
20200059	Reconstruction of stormwater system -utenhage	-	200,000		
20200051	Resurfacing tar roads (Alwyn Street, Caledon Street, Intersection: Cyler & Caledon, Intersection: Church & Caledon)	-	4,432,318		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
	Total Capital	4,963,857	8,232,318	5,556,288	4,585,057
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital and Operating	5,063,857	8,332,318	5,656,288	4,685,057

WARD 52 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Manor Heights, Reservoir Hills, Khayamandi Area 1 And B, Daleview, Daleview Ext Area A, Sentraal, Heuwelkruin, Bothasrus, Campher Park, Despatch

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200221	Fencing of Despatch Cemetery	6,000,000	5,414,990		
20200099	RENEWAL OF WATER PIPELINE - MOTHERWELL	-	3,333,333		-
20200100	RENEWAL OF WATER PIPELINE - PERSERVERANCE	-	5,000,000		-
19930283	Public Lighting	-	100,000	-	-

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200196	Development of Waste Disposal Facilities (Koedoeskloof)	-	5,800,000		
20200059	Reconstruction of stormwater system -utenhage	-	200,000		
20050286	Tarring of Gravel Roads	-	1,025,130		
20200125	REINFORCEMENT OF ELECTRICITY NETWORK- DESPATCH	-	500,000	1,000,000	1,500,000
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
	Total Capital	6,000,000	21,473,453	1,000,000	1,500,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	6,100,000	21,573,453	1,100,000	1,600,000

WARD 53 - The built-up area falls largely within the Urban Edge. Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Azalea Park, Windsor Park, Retief, Heuwelskruin, Sentraal, Farms Kariega, Rosedale, Rosedale Ext. 1, Rosedale Ext. 2, Kabah Langa (Phase 1), Kabah Langa (Phase 2), Riverside Park, Connonville, Colchester, Despatch, Kariega, Farmland, Coega

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20080080	Cannonville/Colchester: Stormwater improvements	8,000,000	3,000,000	4,000,000	1,000,000
19930283	Public Lighting	-	100,000	-	-
20060020	Provision of Sidewalks	-	500,000		
20050286	Tarring of Gravel Roads	-	588,295		
20090038	Stormwater Improvements Ikamvelihle	1,000,000	600,000	1,000,000	2,000,000
20200099	RENEWAL OF WATER PIPELINE - MOTHERWELL	-	3,333,334		-

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20100060	S&S: Motherwell Fire Station - Rehab and Refurbishment	-	600,000		
20170022	Undeclared Informal Electrification	-	5,655,000		
20190171	PH - Upgrade and Development of Motherwell Cemetery	500,000	500,000	500,000	500,000
20200277	Kariega infill sites /In Situ- Roadworks	475,000	-	986,550	300,700
20200278	Kariega Infill Sites / In Situ - Stormwater Reticulation	250,000	-	739,913	240,560
20200279	Kariega Infill Sites / In Situ - Water Reticulation	250,000	-	657,700	582,608
20200280	Kariega Infill Sites/ In Situ- Sewer Reticulation	388,858	-	822,125	511,190
20190267	Colchester Community Hall: Fencing	-	1,200,000	500,000	200,000
	Total Capital	10,863,858	16,076,629	9,206,288	5,335,058
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	10,963,858	16,176,629	9,306,288	5,435,058

WARD 54 - Ward is completely within the Urban Edge. The suburbs within this Ward are the 2following: N.U. 12, Tjoksville 400, N.U. 30, N.U. 29, N.U. 10, N.U. 11

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20190173	Motherwell NU 30- Parks (Human Settlements)	-	-	6,577,000	
19930283	Public Lighting	-	500,000	-	-
20120055	Motherwell NU30 - Roadworks (Human Settlements)	10,000,000			

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20170115	Motherwell NU30 - Stormwater (Human Settlements)	2,100,000			
20060020	Provision of Sidewalks	-	500,000		
20200058	Reconstruction of open canals Metro wide	-	-		
20050286	Tarring of Gravel Roads	-	587,278		
20200188	Electrification of State Subsidised Houses	2,073,000	2,073,000		
20200265	Motherwell NU 31 : Stormwater Bulk Infrastructure	500,000	400,000		
20200069	PUBLIC TRANSPORT FACILITIES	-	400,000		
20210106	Upgrade & development of Public open spaces - Gwangwa park	-	1,170,000		
	Total Capital	14,673,000	5,630,278	6,577,000	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	14,773,000	5,730,278	6,677,000	100,000

WARD 55 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Greater Tjokville (Steve Tshwete Village), N.U. 1, N.U. 11, N.U. 10

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200170	Development of public open spaces - Krebe park	2,000,000	1,805,000		
19930283	Public Lighting	-	100,000	-	-
20050286	Tarring of Gravel Roads	-	587,278		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20200058	Reconstruction of open canals Metro wide	-	-		
20170022	Undeclared Informal Electrification	-	2,520,000		
20200054	Rehabilitation of Roads(Ngedle,nkembe street intesection)	-	389,973		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
	Total Capital	2,000,000	5,502,251	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	2,100,000	5,602,251	100,000	100,000

WARD 56 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: N.U. 1, N.U. 2, N.U. 10, Ramaphosa Village N.U.1, Ikamvelihle (North of Addo and Coega), Motherwell, N.U. 29

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	100,000	-	-
20060020	Provision of Sidewalks	-	500,000		
20050286	Tarring of Gravel Roads	-	734,665		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
	Total Capital	-	1,434,665	-	-
	Projects on Operating Budget				

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	1,534,665	100,000	100,000

WARD 57 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: N.U. 9, Greater Tjoksville (Steve Tshwete Village), N.U. 7, N.U. 8

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20190157	SRAC: Upgrade and restoration of libraries - Motherwell	500,000	500,000		
19930283	Public Lighting	-	100,000	-	-
20170022	Undeclared Informal Electrification	-	1,650,000		
20060020	Provision of Sidewalks	-	500,000		
20050286	Tarring of Gravel Roads	-	679,375		
20200054	Rehabilitation of Roads (Ngquse street)	-	467,687		
20200051	Resurfacing tar roads (Tyityaba Road)	-	1,000,000		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
	Total Capital	500,000	4,997,062	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	600,000	5,097,062	100,000	100,000

WARD 58 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: Umlambo N.U. 4, N.U. 4B, N.U. 5, N.U. 6, N.U. 8, N.U. 9

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20210112	Fencing of Raymond Mhlaba Sports centre	-	1,000,000		
19930283	Public Lighting	-	100,000	-	-
20050286	Tarring of Gravel Roads	-	691,304		
20060020	Provision of Sidewalks	-	500,000		
20200054	Rehabilitation of Roads(Tyindirha street)	-	385,413		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		
	Total Capital	-	2,776,717	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	2,876,717	100,000	100,000

WARD 59 - Ward is completely within the Urban Edge. The suburbs within this Ward are the following: N.U. 5, N.U. 6, N.U. 7

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
19930283	Public Lighting	-	100,000	-	-
20050286	Tarring of Gravel Roads	-	529,700		
20200054	Rehabilitation of Roads (Umtati road)	-	444,300		
20210092	Public Lighting-Refurbishment/Retro fit	-	100,000		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Total Capital	-	1,174,000	-	-
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	100,000	1,274,000	100,000	100,000

WARD 60 - The built-up area falls largely within the Urban Edge. The suburbs within this Ward are the following: Redhouse, Markman Industrial, Joorst Park, St Georges Strand, Phase 3 Ext 5, Phase 3 Ext 3, Phase 3 Ext 1, Phase 3 Ext 4, Phase 3 Ext 2, Phase 2 Stage 1 and 2, Coega Construction Village, Phase 1, Blue Water Bay, Bluewater Beach, Brickfields, Redhouse Village, Perseverance Industrial, Deal Party, Coega, Blue Water Bay Beach, Motherwell, Bethelsdorp, Amsterdamhoek, Wells Estate, Ibhayi, New Brighton, Swartkops

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
20162188	Wells Estate - Access Road	5,000,000	5,000,000	3,000,000	3,500,000
20190267	Colchester Community Hall: Fencing	1,300,000			
20190151	SRAC: Wells Estate - Upgrade Infrastructure	1,000,000	1,000,000	1,200,000	500,000
20200073	Upgrade Main Road through Swartkops	2,000,000	1,000,000	2,000,000	2,000,000
20170022	Undeclared Informal Electrification	-	3,315,000		
20200115	REINFORCEMENT OF ELECTRICITY NETWORK-WELLS	1,500,000	1,500,000	2,000,000	1,000,000
20200293	Upgrade & Development of Bluewater Bay Beach Infrastructure	300,000	300,000		
19930283	Public Lighting	-	400,000	-	-
20060020	Provision of Sidewalks	-	500,000		
20050286	Tarring of Gravel Roads	-	817,683		
20210092	Public Lighting-Refurbishment/Retro fit	-	42,445		

Project ID	Project Description	2020/21 Approved Capital Budget	2020/21 Approved Capital Adjustments Budget	2021/2022 Financial Year	2022/2023 Financial Year
	Total Capital	11,100,000	13,875,128	8,200,000	7,000,000
	Projects on Operating Budget				
	Ward Councillor's Discretionary Fund	100,000	100,000	100,000	100,000
	Total Capital & Operating	11,200,000	13,975,128	8,300,000	7,100,000

**APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE
(YEAR 0 – 2020/21)**

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
09/10/2020	The Audit Committee conclusion on the recommendation of this report will be formally be given to the Acting City Manager at Monday's (12 October 2021) meeting.	Yes
12/10/2020	That the Committee will expect the financials assuming the extension of members' contracts by the 23rd and the review of those financials by the current Audit Committee on 27 October.	Yes
21/01/2021	That the matrix of matters arising from previous Audit Committee meetings be deferred until the next Audit Committee meeting.	Yes
21/01/2021	That the Acting Executive Director: Corporate Services would submit a report with the outcome from Council meeting re Organisational Functional Structure.	It is anticipated that this will be resolved on during the 1st quarter of the 2021/22 financial year.
21/01/2021	That the Acting Director: IARA would give feedback of the meeting that was scheduled with IIA re external quality review	The existing QAIP is being updated for changes in IA processes and working papers
21/01/2021	That the Acting City Manager through Acting Executive Director: Corporate Services would deal with the staff challenges and positions that needed to filled in Internal Audit Unit by end of March 2021.	Yes
21/01/2021	That the Acting Director: IARA would submit the revised Internal Audit Plan and unassured risks to the Audit Committee members by the end of Friday, 29 January 2021.	This was overtaken by events. A revised item is to be tabled to the Audit Committee in respect of the year ended 30 June 2021.
21/01/2021	That a sub-committee be established by MPAC to determine the progress that had been made in resolving reported high risks finding.	Awaiting a response from MPAC on whether another sub-committee will be established.
21/01/2021	That the Acting City Manager in-conjunction with Internal Audit perform an assessment to assess whether indeed spending [on TASK and JAMM exercises] did not add any value in terms of the whole process and report back to the next Audit Committee meeting.	This review is underway.
21/01/2021	That Audit Updates / Matters be a standing item in the Executive Management Committee agenda starting from 1 February 2021.	Yes
21/01/2021	That Audit Committee members will be invited to the last meeting of the AGSA where the Audit and Management Report is discussed prior to being issued as final.	Overtaken by events. The new Audit Committee appointments were only finalised by Council on 31 March 2021.

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
21/01/2021	That a breakdown of overtime per directorate be submitted to the next meeting.	The Directorate is reviewing the recommendation in preparation for its implementation.
21/01/2021	That a meeting between the Acting Chief Operating Officer, the Chief Financial Officer: MBDA and the Chief Executive Officer: MBDA take place to ensure that all relevant information is in place to allow the transfer of funds to MBDA.	Feedback to be provided by EDTA to A/COO on the MBDA quarterly tranche payments being delayed and the reasons for delay in funding being approved for transfer to MBDA.
21/01/2021	That the Acting City Manager submit a report on the status of the outstanding accounts by organs of state as at 31 December 2020 and plans moving forward in the next Audit Committee meeting.	Yes
21/01/2021	That the Executive Director: Electricity and Energy submit a report to the next Audit Committee meeting detailing the following: <ul style="list-style-type: none"> (a) The total spend by the municipality to Eskom, what over a given period of the financial period was charged out and what is the estimated cost in terms of the non-technical losses; (b) An indication as to what the illegal connections are costing the municipality; and (c) The write off in terms of bad debts on unpaid accounts. 	Yes
21/01/2021	That Internal Audit perform an analysis on the contingent liabilities listing to identify which directorates have the most cases and to assess root causes giving rise to such cases.	Yes
26/04/2021	That the Executive Director: Corporate Services submit a detailed report on the ICT related spending planned to address the risk of outdated ICT infrastructure and increased requirements of automation of business processes within the municipality.	Yes
06/05/2021	That the Minutes of Proceedings of Audit Committee meeting held on 21 January 2021, as circulated, be hereby confirmed, subject for formal approval by the former Chairperson, Mr Greg Billson.	Yes
06/05/2021	That Budget and Treasury submit a report detailing consequence management (disciplinary action in cases of alleged misconduct and recovery of financial losses) that was taken against officials who were involved in terms of extreme significant findings in the next Audit Committee meeting.	Yes
06/05/2021	(a) That feedback on the Committee's concerns be submitted by the Chief Financial Officer, Executive Director: Electricity and Energy and Executive Director: Corporate Services at the next Audit Committee meeting including: <ul style="list-style-type: none"> • Status of receipt of and spending on National Treasury grants • Increase in outstanding debtors • Payment of creditors within 30 days • Electricity losses • Overtime policy and management of related expenditure. 	Yes

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
06/05/2021	That the Acting Executive Director: Infrastructure and Engineering would submit a report on Day Zero mitigation plan of action in response to the drought in the next Audit Committee meeting. The format should take that of the Audit Implementation Plan, clearly detailing the responsible officials and due dates for actions required.	Yes
06/05/2021	That the Executive Director : Sport Recreation, Arts and Culture facilitate an urgent meeting internally with the Acting City Manager , the office of the Executive Mayor and other role players to find a direction and a way forward for MBDA and also to inform Council in terms of a way forward regarding this matter. She would also circulate the feedback of that meeting to MBDA and the Audit Committee members within 14 days.	The matter is being addressed in the office of the Acting City Manager.
06/05/2021	That the status of the Audit Findings Report include the following: (i) Colour coding for status of implementation of actions (ii) Specific target dates with a breakdown of monthly action steps where target dates extends beyond a month (iii) Specific responsible officials for processes / accountability purposes (iv) Colour coded for high and low risks	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That the Acting Chief Operating Officer submit a detailed report on the resolutions of the Tender Objections Committee meetings in the next Audit Committee meeting.	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That funding model of the MBDA be changed to grant funding, as well as other funding to be paid in advance.	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That it be investigated why the funding model in the SLA and Council resolutions relating to the MBDA are not being implemented and that a report be submitted to the Audit Committee.	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That the MBDA engage with the NMBM on being involved with the Anti-Vandalism Task Team going forward to ensure protection of assets.	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That the MBDA engage with the NMBM on who's responsible for the continued maintenance of capital projects upon completion as well as the funding thereof.	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That the Chief Financial Officer submit a detailed report on the major items regarding the dispute(s) and how long had they been in arrears for and a way forward to resolve to resolve the issues in the next Audit Committee meeting.	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That going forward the Chief Financial Officer submit a high level report showing outstanding debts from Councillors and NMBM staff to the Audit Committee.	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That the Executive Director: Human Settlements submit a report back regarding the status of the Housing Revolving Fund in the next Audit Committee meeting.	Yes

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
06/05/2021	That the Director: Legal Services submit a report analysis on nature of the claims, numbers of claims and related amounts being claimed, and the Directorates that were responsible in contingent liabilities, in the next Audit Committee meeting. In addition the change in the extent of claims from the previously reported quarter should be highlighted.	Yes
06/05/2021	That the Executive Director: Corporate Services submit her response to the concerns of the members to the next Audit Committee meeting. The report should cover: <ul style="list-style-type: none"> • The parameters for suspension • How long staff members can be suspended on full pay • Reasons for the investigation process taking too long and the related financial implications of such delays. 	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That the Director: Legal Services submit a report on implementation of litigation strategy in the next Audit Committee meeting.	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That the same dashboard templates for IA and AG follow up findings be applied to MBDA to promote consistency and allow for ease of reporting.	The dashboard updating is underway.
06/05/2021	That Internal Audit review the overtime policy and provide input to Management and the Audit Committee regarding audit findings pertaining to overtime, root causes and the effectiveness of preventative and detective controls contained in the policy.	The review over the new proposed policy has been added to the IA Plan.
06/05/2021	That the Chief Risk Officer: Engage with the newly appointed Executive Director: Human Settlements regarding the risk highlighted in respect of building plan approvals.	The Directorate is reviewing the recommendation in preparation for its implementation.
06/05/2021	That the Chief Risk Officer: Provide condensed reports with a high-level presentation on PowerPoint to the Audit Committee going forward.	The Directorate is reviewing the recommendation in preparation for its implementation.
22/06/2021	That the Audit Committee members make updates to the IA Charter in the shared folder for further consideration.	Minutes not available to Directorates prior to 30 June 2021.
22/06/2021	Audit and Management Report for 2019/2020: That discussions relating to the abovementioned report would be discussed separately by the members.	Yes
22/06/2021	Corporate Services: Progress report to the Audit Committee: That the discussion regarding the Corporate Services report be continued Thursday, 24 June 2021 at the members meeting.	Yes
24/06/2021	That an update on the outcome of the shareholders meeting and the status of the MBDA's management of the Stadium be provided to the next meeting.	Minutes not available to Directorates prior to 30 June 2021.

Municipal Audit Committee Recommendations

Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
22/06/2021	That the Acting Director: Internal Audit and Risk Assurance submit a detailed report on the Status of the Clean Audit Committee and Dashboard in the next Audit Committee meeting.	Yes
24/06/2021	That the Matrix items be split per individual Directorate, so that each Directorate would present back on their own matrix items in the individual sessions.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That IA is required to review the responses received from Directorates in respect of matrix items to addresses whether the submissions do in fact address the requirements of the matrix items.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the matrix be adapted to show findings that are implemented, in progress and not implemented.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the tender objections register should be obtained and that IA should do a data analytical exercise to classify the objections received, per tender and nature of objection.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the Audit Action Plan remaining items would be consolidated with the Matrix of Matters arising into one document going forward.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That late / non-submissions will be reported to the Acting City Manager and that it would further be reported that where insufficient information is provided the Audit Committee would not be able to provide adequate oversight.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That Acting Director: IA include the evaluation of SCM as a sub-section in the Audit Committee evaluation over the Finance Function.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the evaluation forms be attached as an annexure to the Audit Committee Charter.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the assistance that IA provides to the Auditor General also be mentioned in the Charter.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That in future, the status of Occupational Health, Safety and Environmental risks also be reported to the Committee.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	<p>That all directorates who did not submit presentations before the meeting, be requested to do so with seven days. The following directorates are required to submit presentations which cover all the required areas as previously requested by the Audit Committee:</p> <ul style="list-style-type: none"> • Chief Operating Officer • Infrastructure and Engineering • Economic Development, Tourism and Agriculture • Safety and Security • Public Health • Human Settlements. 	Minutes not available to Directorates prior to 30 June 2021.

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
24/06/2021	That the Auditor-General, South Africa (AGSA) - Senior Manager would submit a detailed report that highlights what was expected of AG and what they accomplished and not accomplished and prove that the Audit Committee had not exercised its oversight role, in the next Audit Committee meeting.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the Director: Legal Services provide additional details to the Audit Committee regarding the legal opinion on how tender objections vs the appeals process had to operate.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the Chief Financial Officer provide a further breakdown of outstanding debtors showing the ageing of debts older than 90 days and a breakdown of how long these debts have been outstanding.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the Chief Financial Officer provide the detailed schedule of all irregular expenditure incurred and taken through the MPAC sub-committee processes compared to items not yet resolved.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the Executive Director: Corporate Services provide feedback at the next meeting on Acting Positions.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That in future, the status of Occupational Health, Safety and Environmental risks also be reported to the Committee.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That overtime be included as one of the Directorate's KPI going forward.	Minutes not available to Directorates prior to 30 June 2021.
24/06/2021	That the Director: Safety and Security submit a holistic, analysis of infrastructure and cost of vandalism report of the NMBM, linked to the response approach in the next Audit Committee meeting.	Minutes not available to Directorates prior to 30 June 2021.

APPENDIX H – LONG-TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

The Nelson Mandela Bay Municipality had no long-term contracts in place nor initiated any Public Private Partnerships during the review period.

APPENDIX I – MUNICIPAL ENTITY / SERVICE PROVIDER PERFORMANCE SCHEDULE

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE INDICATOR	BASELINE AS AT 30 JUNE 2020	4TH QUARTER TARGET (1 JULY 2020 - 30 JUNE 2021)	ACTUAL PERFORMANCE AS AT 30 JUNE 2021
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Completing the Donkin Reserve Phase 4 Refurbishments	12% Phase 4	Construction work commenced on site: Gym equipment installed 5 a side soccer field built Play equipment installed Donkin Facility fencing completed Modularised Toilet installed Art work Upgraded	BEC Concluded Draft supporting tender documents prepared
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Completing the Helenvale Pedestrian Route	90% Security Lighting Phase	Practical Completion Achieved	Site Handover completed Construction work commenced on site
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Percentage of the Schauderville Moore Dyke Sport Precinct Upgrades and Renovation completed	45% Stage 1	100% (Planning, Preparation and Implementation stage) by March 2021 35 % (construction stage)	50% Planning, Preparation and Implementation stage 0% (construction stage)

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE INDICATOR	BASELINE AS AT 30 JUNE 2020	4TH QUARTER TARGET (1 JULY 2020 - 30 JUNE 2021)	ACTUAL PERFORMANCE AS AT 30 JUNE 2021
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Completing of the beautification of the New Brighton Cultural Precinct Project	67% Phase 1	<p>Practical completion achieved (Phase 1)</p> <p>Conditional assessment undertaken (Phase 2) Request to acquire site submitted to NMBM (Phase 2)</p> <p>Youth Centre Concept Design completed and approved by MBDA (Phase 2).</p> <p>Site renovation and upgrade to Youth Centre commenced (Phase 2)</p>	<p>In progress</p> <p>Reinforced Concrete work completed in ward 14, 15, 16 and 17 (Phase 1)</p> <p>225 / 352 Benches installed (Phase 1)</p> <p>128 Trees Planted (Phase 1)</p> <p>Youth Centre sites for Wards 14 Identified (Phase 1)</p> <p>Conditional assessment undertaken (Phase 2)</p> <p>Youth Centre Concept Design completed (Phase 2).</p>
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Percentage completion of the Kariega Railway Sheds / Science Centre Precinct development	66.75%	100% (Phase 1) 100% (Phase 2)	45% Phase 1 18% Phase 2

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE INDICATOR	BASELINE AS AT 30 JUNE 2020	4TH QUARTER TARGET (1 JULY 2020 - 30 JUNE 2021)	ACTUAL PERFORMANCE AS AT 30 JUNE 2021
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Completing the St Peters Development Project	100% Stabilisation Phase	Filling and levelling works on site completed Timber decking construction completed Installation of water and sewer reticulation commenced. Tree felling commenced	In progress Heritage application submitted to Eastern Cape Provincial Heritage Committee Tender advertised, BEC commenced, Draft BEC report concluded Site visit for tree felling completed Approval from ED:PH requested for tree felling
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Completing the Safe Parks and Sportfields Variation project	90%	Final Completion Achieved by March 2021	Final Completion Achieved by 1 October 2020.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Upgrading of the Bayworld Museum	New Key performance Indicator	Cafeteria for the Pilot Virtual Reality Project rehabilitated Pilot Virtual Reality Project Commenced	Cafeteria for the Pilot Virtual Reality Project rehabilitated Pilot Virtual Reality Project Commenced

KEY PERFORMANCE AREA (KPA)	KEY PERFORMANCE INDICATOR	BASELINE AS AT 30 JUNE 2020	4TH QUARTER TARGET (1 JULY 2020 - 30 JUNE 2021)	ACTUAL PERFORMANCE AS AT 30 JUNE 2021
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Constructing the Baakens Zip Line	New Key performance Indicator	Close-out report submitted for the Heritage application	Close-out report submitted to MBDA for the heritage application
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Completing the Additional Works for Helevale projects	New Key performance Indicator	Variations presented to BAC Work on site commenced	In progress No Variations presented to BAC Works on site commenced for some aspects
KPA 3: LOCAL ECONOMIC DEVELOPMENT	Upgrading of the Baakens Parkway	New Key performance Indicator	Stakeholder consultation completed Finalisation of detailed designs completed	Stakeholder Consultations completed by March 2021 Finalisation of detailed designs completed
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Percentage of Mandela Bay Development Agency's Capital Budget Actually Spent	12	95%	26%

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS**COUNCILLORS 2020 - 2021**

(This report excludes information declared under Category A of the Declaration by a Councillor of his/her personal financial details, as such information is regarded private and confidential and not for publication)

(A number of Councillors listed hereunder may no longer serve as members of the NMBM Council)

SURNAME AND INITIALS	DESCRIPTION OF FINANCIAL INTERESTS
Adams, T P	None
Antoni, N P (Ms)	None
Arends, J A	None
Best, J S	None
Bobani, M E	None
Booi, N M (Ms)	None
Boqwana, K K	None
Buti, D (Ms)	None
Buyeye, T C S	None
Daaminds, R (Ms)	None
Daniels, M V	None
Dano, L M	Gifts – (i) Phehla Konke (ii) C S Michelle (iii) Isizwe Communications (iv) Environserve Waste Management Pty Ltd (v) Metro Hardware (vi) Caltex NU6
Davids, S D (Ms)	None
De Andrade, M J (Ms)	None
Dlula, Z (Ms)	None
Dyele, V	Interest in property – (i) 8 Fortuin Street, Greenfields, Booysens Park
Faldtman, G (Ms)	Shares and securities in companies: (i) Secure and Safety First Directorship: (i) Kunako Trading
Faltain, T	None
Feni, M	Interest in property – (i) 16 Garden Place, Lorraine
Figg, M J	Directorship - (i) Dr Malcolm Figg and Associates Quality and Compliance
Fillis, S (Ms)	None
Garai, C	None
Gibbon, A B	Shares and securities in companies – Adbee Ltd <ul style="list-style-type: none"> • Adcock Ingram • Aveng Group • AECI • Anglo American • Aspen Pharmacare • BHP Billiton

SURNAME AND INITIALS	DESCRIPTION OF FINANCIAL INTERESTS
	<ul style="list-style-type: none"> • British American Tobacco • Capital and Counties Properties • Coreshares Prop • Distribution and Warehousing • DB X-Trackers • Discovery Limited • Exxaro Resources Ltd • Famous Brands • Firstrand • Grindrod • Group Five • Howden Africa Ltd • Mondi • Massmart • Murray and Roberts • Nedbank • Old Mutual • Pick n Pay Stores • SAB Miller • Standard Bank • Sasfin Holdings • Shoprite • Sanlam • Sasol • Spar Group • Satrix Financial • Satrix Industrial • Satrix 40 • Spur Corporation • South32 Ltd • Tiger Brands • Truworths • Woolworths <p>Other financial interests in any business undertaking –</p> <p>(i) Milkwood Farm</p> <p>Interest in property –</p> <p>(i) Summerplace, Schoenmakerskop</p>
Gidane, M A	<p>Directorship –</p> <p>(i) Eastern Province Rugby Union</p> <p>Interest in property –</p> <p>(i) 70 Ngundwana Street, KwaMagxaki</p> <p>(ii) 24 Scalan Street, Kariega</p> <p>Subsidies, grants and sponsorship by any organization –</p> <p>(i) Eastern Province Rugby received a grant from the Municipality (no benefit to Councillor)</p>
Gouws, R	<p>Interest in Property –</p> <p>(i) 1108 Lelane Flats, Humewood</p>
Greyling, F V N	<p>Membership of close corporation –</p> <p>(i) Van Alles en Nog Wat Pty/Ltd</p>

SURNAME AND INITIALS	DESCRIPTION OF FINANCIAL INTERESTS
Grobbeelaar, J	Shares and securities in companies – (i) Nitrous Security (ii) NMB Guarding (iii) JK Coastal Technologies Membership of close corporation – (i) Nitrous Security cc Directorship – (i) NMB Guarding (ii) J K Coastal Technologies Interest in property – (i) 12 Aulaurna, Westering
Grootboom, L P	None
Harker, E J	None
Hayselden, D A	None
Hermaans, P	None
Isaacs, A D	None
Jacobs, B (Ms)	None
Jacobs, T	None
Jikeka, W	None
Jinikwe, E	None
Jodwana, M S	None
Jordan, A G	None
Kalani, Z (Ms)	None
Kayser, R C	Interest in property – (i) 232 Rensburg Street, Arcadia (ii) 16 Harlequin Street, Ext 33
Koenaitse, M M	None
Kruger, L	Interest in property – (i) Eden Park, Lorraine
Lawack, J	Other financial interest in any business undertaking: (i) Local Authority Retirement Fund (Trustee)
Lovemore, A T (Ms)	Directorship – (i) Lovemore Communication
Lungisa, A	Shares and securities in companies – (i) Cattles only
Mafaya, B N (Ms)	None
Makunga, M L (Ms)	None
Mani, G B	None
Maqula, G D	Shares and securities in companies - (i) Libiprox (Pty) Ltd Directorship - (i) Libiprox (Pty) Ltd
Mbuqu, B P	None
Meyer, R (Ms)	Gifts – (i) PEC – Gift bag of branded items

SURNAME AND INITIALS	DESCRIPTION OF FINANCIAL INTERESTS
Mfama, P A	None
Mfana, L (Ms)	None
Mgcokoca, M	Interest in property – (i) 46 Nyathi Street, Motherwell
Mhlobiso, N J (Ms)	Interest in property – (i) 36 Maselane Street, New Brighton
Mhlongo, T S (Ms)	None
Miggels, G G	None
Mlungwana, L V	None
Mnyandu, L B	None
Mnyimba, L D (Ms)	Interest in property – (i) 75 Vuku Road, Kwazakhele
Mogatosi, M K	Shares and securities in companies - (i) Mogatosi and sons Other financial interests in any business undertaking – (i) The Dusk Holdings Interest in property – (i) Portion of smallholding in Moruleng Subsidies, grants and sponsorship by any organisation – (i) The Dusk Holdings
Monks, D J S	Shares and securities in companies – (i) Griffan Empire (ii) Griffan Rental Directorship – (i) Griffan Empire (ii) Griffan Rental (iii) Ethereal Plane Interest in property – (i) Shanda Lodge, 142 Military Street
Mrara, L	None
Mtati, N C (Ms)	Interest in property – (i) 63995 Bushy Vena Street, New Brighton
Mthi, N A (Ms)	None
Mtsila, M J	Interest in property – (i) 6 Caguba Street, Wells Estate
Müller, H	None
Namette, L	None
Ncana, S L (Ms)	None
Ndwalaza, T E	None
Ngabase, M M	None
Nombola, L	None
Ntshiza, S M	None
Nyati, N (Ms)	None
Nyati, X N	None
Nzanzeka, S D	None
Pali, Y M (Ms)	Shares and securities in companies –

SURNAME AND INITIALS	DESCRIPTION OF FINANCIAL INTERESTS
	(i) Bitcon (ii) Crowd1
Pink, N Q (Ms)	None
Plaatjies, S S J	None
Qukubana, L P (Ms)	None
Rafani, S	None
Ranyele, I F (Ms)	None
Rautenbach, G	Interest in property – 69 Gustav Preller Crescent Overbaakens, Gqeberha (Co-owner)
Sabani, X	None
Sampson, G A	None
Sauls, S L (Ms)	None
Sijadu, S (Ms)	None
Sikweyiya, N E (Ms)	None
Sokudela, L	None
Sonti, N P (Ms)	None
Soyes, S	None
Suka, L	None
Terblanche, P W	None
Tshaka, M	Interest in property – (i) 34814, NU 29 – No street name at time of completion
Tshanga, P F (Ms)	None
Tshangela, T F (Ms)	Interest in property – (i) 10 Klaas Street, KwaMagxaki, Gqeberha
Tyali, X C	None
Tyokwana, A	None
Tyukana, S S	Interest in property – (i) Yes
Van de Linde, F A (Ms)	None
Van der Westhuyzen, A	None
Van Staaden, H C (Ms)	Shares and securities in companies – (i) Media 24 (In process of selling it – transaction to be concluded soon) Partnerships - (i) MHL Development Projects Interest in property – (i) Erven – 7441, 7442, 7445 - 7449, 7469, 7473, 7476 – 7482, 7536
Van Wyk, I L (Ms)	Other financial interests in any business undertaking – (i) ROCALE Logistics (PTY) Ltd (ii) MNR Mechanical Repairs (PTY) Ltd
Vani, P B	None
Vimbani, S L	Directorship – (i) Enabling Dreams Foundation (Dormant)

SURNAME AND INITIALS	DESCRIPTION OF FINANCIAL INTERESTS
Weise, T L (Ms)	Directorship – (i) Solid Pave and Repairs
Zinto, M M	Interest in property – (i) 66 Steve Biko, Motherwell (ii) 144 Bluewater Drive, Bluewater Bay
Zuma, N N (Ms)	None

DISCLOSURES OF FINANCIAL INTERESTS BY SECTION 56			
POSITION	SURNAME	FIRST NAME	DESCRIPTION OF FINANCIAL INTEREST
City Manager	VACANT	N/A	N/A
Chief Operating Officer	George	Mandla	None
Chief Financial Officer	Thys	Selwyn	None
Executive Director: Human Settlements	Mfeya	Thabiso	None
Executive Director: Sports Recreation Arts Culture	Nqwazi	Noxolo	None
Executive Director: Economic Development	Qaba	Anele	None
Executive Director: Infrastructure & Engineering	Shaidi	Walter	None
Executive Director: Corporate Services	Xhego	Nosipho	None
Executive Director: Safety & Security	Meyer	Keith	None
Executive Director: Electricity & Energy	Luvuyo	Magalela	None
Executive Director: Public Health	Mvunyelwa	Sizwe	None

APPENDIX K (I) – REVENUE COLLECTION PERFORMANCE BY VOTE

Revenue Collection Performance by Vote						
	R' 000					
Vote Description	2019/20	2020/21			2020/21 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust Budget
Vote 1 - Budget and Treasury	3,460,782	3,308,703	3,289,629	3,439,328	3.80%	4.35%
Vote 2 - Public Health	458,733	482,580	489,493	533,313	9.51%	8.22%
Vote 3-Human Settlements	65,754	392,948	343,805	168,048	-133.83%	-104.59%
Vote 4 - Economic Development, Tourism & Agriculture	162,761	151,952	178,423	129,209	-17.60%	-38.09%
Vote 5 - Corporate Services	12,934	8,269	25,214	24,270	65.93%	-3.89%
Vote 6 - Infrastructure and Engineering - Rate & General	204,905	461,862	350,092	456,591	-1.15%	23.32%
Vote 7 - Metro Water Service	1605,078	1,500,413	1,930,464	2,222,401	32.49%	13.14%
Vote 8 - Sanitation - Metro	1,074,298	1,109,933	1,041,470	1,108,361	0.14%	6.04%
Vote 9 - Electricity & Energy	3,932,362	4,540,332	4,175,882	4,068,031	-11.61%	-2.65%
Vote 10 - Executive & Council	56,210	24,954	71,840	69,153	63.91%	-3.89%
Vote 11 - Safety and Security	563,226	839,249	831,214	683,847	-22.72%	-21.55%
Vote 12 - Mandela Bay Stadium	43,472	50,409	50,409	40,056	-25.84%	-25.84%
Vote 13 - Special Projects and Programmes	13,953	12,484	14,228	12,484	0.00%	-13.97%
Vote 14 - Recreational & Cultural Services	21,816	32,582	34,123	18,387	-77.21%	-85.58%
Total Revenue by Vote	11,676,284	12,916,669	12,826,285	12,973,478	0.44%	1.13%

APPENDIX K (II) –REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
R '000						
Description	2019/20	2020/21			2020/21	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	2,357,411	2,486,145	2,488,283	2,506,420	0.82%	0.73%
Service Charges - electricity revenue	3,721,446	4,359,003	3,954,693	3,966,501	-9.00%	0.30%
Service Charges - water revenue	1,189,576	1,050,759	1,301,832	1,578,367	50.21%	21.24%
Service Charges - sanitation revenue	654,164	722,107	698,045	709,117	-1.80%	1.59%
Service Charges - refuse revenue	247,927	264,511	264,511	259,810	-1.78%	-1.78%
Rentals of facilities and equipment	22,785	22,627	28,739	27,042	19.51%	-5.91%
Interest earned - external investments	234,799	161,511	161,511	150,039	-7.10%	-7.10%
Interest earned - outstanding debtors	254,919	265,534	334,541	320,478	20.69%	-4.20%
Fines	224,919	224,224	205,224	79,979	-64.33%	-61.03%
Licences and permits	15,137	22,748	12,104	15,042	-33.87%	24.28%
Agency services	3,546	3,327	3,059	3,734	12.25%	22.08%
Transfers recognised - operational	1,880,746	2,187,776	2,497,826	2,129,771	-2.65%	-14.73%
Other revenue	105,073	168,878	151,168	110,745	-34.42%	-26.74%
Gains on disposal of PPE	-	510	510	-		
Total Revenue (excluding capital transfers and contributions)	10,912,449	11,939,659	12,102,045	11,857,045	-0.69%	-2.02%

APPENDIX L - CONDITIONAL GRANTS: EXCLUDING USDG

Conditional Grants: excluding USDG						
R' 000						
Details	Budget	Adj Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant	35,000	15,000	12,842	-173%	-17%	Application for rollover to 2021/22 financial year
Infrastructure Skills Development Grant	9,806	9,806	7,913	-24%	-24%	Application for rollover to 2021/22 financial year
Integrated City Development Grant	10,481	10,481	5,064	-107%	-107%	Application for rollover to 2021/22 financial year
Public Transport Infrastructure and Systems Grant	266,016	266,016	214,247	-24%	-24%	Received R83,370,000 as rollover from 2019/20 to have R349,386,000 available for spending. Spent R214,247,171 resulting in an unspent balance of R135,140,372. Application for rollover to 2021/22 was made.
Finance Management Grant	1,000	1,000	1,000	0%	0%	Fully Spent
EPWP Incentive Grant	10,117	10,117	10,117	0%	0%	Fully Spent
<i>Energy Efficiency and Demand Side Management Grant</i>	6,300	6,300	6,300	0%	0%	Fully Spent
Total	332,420	312,420	251,184	-32%	-24%	

APPENDIX M (I) - CAPITAL EXPENDITURE- NEW ASSETS PROGRAMME

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
Capital expenditure on new assets by Asset Class/Sub-class						
-						
Infrastructure	522,733	482,997	453,968	636,952	439,854	495,554
Roads Infrastructure	254,689	120,968	172,338	174,272	131,918	185,595
Roads	246,739	103,051	136,375	153,022	125,968	177,645
Road Structures	3,300	11,470	31,441	16,800	1,300	1,300
Road Furniture	4,650	6,447	4,521	4,450	4,650	6,650
Capital Spares	-	-	-	-	-	-
Storm water Infrastructure	23,450	4,411	(110)	14,182	11,874	16,335
Drainage Collection	-	-	-	-	-	-
Storm water Conveyance	23,450	4,411	(110)	14,182	11,874	16,335
Attenuation	-	-	-	-	-	-
Electrical Infrastructure	36,618	66,618	94,773	136,215	101,117	40,599
Power Plants	-	-	-	-	-	-
HV Substations	2,900	2,900	15,999	3,200	3,200	-
HV Switching Station	-	-	-	-	-	-
HV Transmission Conductors	-	-	1,791	20,000	20,000	-
MV Substations	-	-	-	6,830	-	-
MV Switching Stations	-	-	-	-	-	-
MV Networks	33,718	42,000	50,100	84,437	61,372	11,760
LV Networks	-	21,718	26,883	21,749	16,545	28,839
Capital Spares	-	-	-	-	-	-
Water Supply Infrastructure	163,220	269,050	180,962	243,817	121,858	132,540

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
<i>Dams and Weirs</i>	-	-	-	-	-	-
<i>Boreholes</i>	14,000	70,300	13,919	1,000	1,000	30,000
<i>Reservoirs</i>	2,500	-	-	-	-	-
<i>Pump Stations</i>	3,000	1,000	3,958	500	25,000	27,000
<i>Water Treatment Works</i>	67,620	120,600	110,654	163,000	25,000	5,000
<i>Bulk Mains</i>	2,000	-	-	-	-	1,500
<i>Distribution</i>	74,100	77,150	52,431	79,317	70,858	69,040
<i>Distribution Points</i>	-	-	-	-	-	-
<i>PRV Stations</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>	38,255	18,950	6,006	29,139	70,087	114,485
<i>Pump Station</i>	-	-	-	500	5,000	5,000
<i>Reticulation</i>	36,255	15,800	4,872	24,310	52,087	93,485
<i>Waste Water Treatment Works</i>	2,000	2,650	1,134	1,329	12,000	15,000
<i>Outfall Sewers</i>	-	-	-	-	-	-
<i>Toilet Facilities</i>	-	500	-	3,000	1,000	1,000
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>	-	-	-	36,826	-	-
<i>Landfill Sites</i>	-	-	-	-	-	-
<i>Waste Transfer Stations</i>	-	-	-	-	-	-
<i>Waste Processing Facilities</i>	-	-	-	-	-	-
<i>Waste Drop-off Points</i>	-	-	-	36,826	-	-
<i>Waste Separation Facilities</i>	-	-	-	-	-	-
<i>Electricity Generation Facilities</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
<i>Rail Lines</i>			-			
<i>Rail Structures</i>			-			
<i>Rail Furniture</i>			-			
<i>Drainage Collection</i>			-			
<i>Storm water Conveyance</i>			-			
<i>Attenuation</i>			-			
<i>MV Substations</i>			-			
<i>LV Networks</i>			-			
<i>Capital Spares</i>			-			
<i>Coastal Infrastructure</i>	-	-	-	-	-	-
<i>Sand Pumps</i>			-			
<i>Piers</i>			-			
<i>Revetments</i>			-			
<i>Promenades</i>			-			
<i>Capital Spares</i>			-			
Information and Communication Infrastructure	6,500	3,000	-	2,500	3,000	6,000
<i>Data Centres</i>	6,500	3,000	-	2,500	3,000	6,000
<i>Core Layers</i>	-	-	-	-	-	-
<i>Distribution Layers</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
Community Assets	67,832	53,947	14,589	26,890	28,500	33,300
Community Facilities	55,332	37,937	14,589	26,890	28,500	33,300
<i>Halls</i>	8,550	6,300	-	1,525	-	-
<i>Centres</i>	23,582	12,300	265	12,000	24,500	29,800
<i>Crèches</i>	-	-	-	-	-	-

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
<i>Clinics/Care Centres</i>	-	-	-	1,500	1,500	500
<i>Fire/Ambulance Stations</i>	-	-	-	-	-	-
<i>Testing Stations</i>	-	-	-	-	-	-
<i>Museums</i>	-	-	-	-	-	-
<i>Galleries</i>	-	-	-	-	-	-
<i>Theatres</i>	-	-	-	-	-	-
<i>Libraries</i>	-	-	-	-	-	-
<i>Cemeteries/Crematoria</i>	-	-	-	-	-	-
<i>Police</i>	-	-	-	-	-	-
<i>Purls</i>	-	-	-	-	-	-
<i>Public Open Space</i>	22,200	12,837	13,459	3,000	1,000	1,000
<i>Nature Reserves</i>	-	-	-	-	-	-
<i>Public Ablution Facilities</i>	1,000	1,000	865	-	-	-
<i>Markets</i>	-	-	-	-	-	-
<i>Stalls</i>	-	5,000	-	6,865	-	-
<i>Abattoirs</i>	-	-	-	-	-	-
<i>Airports</i>	-	-	-	-	-	-
<i>Taxi Ranks/Bus Terminals</i>	-	500	-	2,000	1,500	2,000
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>	12,500	16,009	-	-	-	-
<i>Indoor Facilities</i>	-	6,082	-	-	-	-
<i>Outdoor Facilities</i>	12,500	9,927	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Heritage assets</i>	-	-	-	25	-	-
<i>Monuments</i>	-	-	-	25	-	-

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Historic Buildings	-	-	-	-	-	-
Works of Art			-	-	-	-
Conservation Areas			-	-	-	-
Other Heritage			-	-	-	-
Investment properties	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-
<i>Improved Property</i>			-			
<i>Unimproved Property</i>	-	-		-	-	-
Non-revenue Generating	-	-	-	-	-	-
<i>Improved Property</i>			-			
<i>Unimproved Property</i>	-					
Other assets	31,596	6,543	2,101	10,087	30,458	38,174
Operational Buildings	31,596	6,543	2,101	10,087	30,458	38,174
<i>Municipal Offices</i>	12,100	4,195	2,284	7,937	27,458	8,174
<i>Pay/Enquiry Points</i>	-	-	-	-	-	-
<i>Building Plan Offices</i>	-	-	-	-	-	-
<i>Workshops</i>	-	-	-	-	-	-
<i>Yards</i>	-	-	-	-	-	-
<i>Stores</i>	-	-	-	-	-	-
<i>Laboratories</i>	-	-	-	-	-	-
<i>Training Centres</i>	-	-	-	-	-	-
<i>Manufacturing Plant</i>	-	-	-	-	-	-
<i>Depots</i>	19,496	2,348	(184)	2,150	3,000	30,000
<i>Capital Spares</i>	-	-	-	-	-	-

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Housing	-	-	-	-	-	-
<i>Staff Housing</i>			-			
<i>Social Housing</i>			-			
<i>Capital Spares</i>	-					
				-	-	-
<u>Biological or Cultivated Assets</u>						
Biological or Cultivated Assets						
<u>Intangible Assets</u>	25,318	11,867	3,068	16,769	11,500	8,100
Servitudes						
Licences and Rights	25,318	11,867	3,068	16,769	11,500	8,100
<i>Water Rights</i>	-	-	-	-	-	-
<i>Effluent Licenses</i>	-	200	-	200	-	-
<i>Solid Waste Licenses</i>	-	-	-	-	-	-
<i>Computer Software and Applications</i>	25,318	11,667	3,068	16,569	11,500	8,100
<i>Load Settlement Software Applications</i>	-	-	-	-	-	-
<i>Unspecified</i>	-	-	-	0	0	0
<u>Computer Equipment</u>	6,580	6,410	2,310	7,200	10,900	8,945
Computer Equipment	6,580	6,410	2,310	7,200	10,900	8,945
<u>Furniture and Office Equipment</u>	4,930	3,230	1,121	2,690	3,600	3,500
Furniture and Office Equipment	4,930	3,230	1,121	2,690	3,600	3,500
<u>Machinery and Equipment</u>	42,143	36,815	24,026	60,518	43,873	36,500
Machinery and Equipment	42,143	36,815	24,026	60,518	43,873	36,500

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Transport Assets	42,839	37,287	21,259	47,468	103,796	108,800
Transport Assets	42,839	37,287	21,259	47,468	103,796	108,800
Land	76,500	1,500	17,706	68,349	69,240	35,000
Land	76,500	1,500	17,706	68,349	69,240	35,000
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-			
Total Capital Expenditure on new assets to be adjusted	820,471	640,596	540,150	876,947	741,721	767,873

APPENDIX M (II)- RENEWAL PROGRAMME

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>						
<u>Infrastructure</u>	284,980	277,230	396,591	267,046	244,085	143,630
Roads Infrastructure	53,500	50,700	156,327	62,700	49,700	50,200
Roads	46,000	47,700	154,854	57,700	44,700	45,200
Road Structures	7,500	3,000	1,473	5,000	5,000	5,000
Road Furniture		-	-	-	-	-
Capital Spares		-	-	-	-	-
Storm water Infrastructure	10,500	7,700	4,567	8,000	10,000	10,000
Drainage Collection	-	-	-	-	-	-
Storm water Conveyance	10,500	7,700	4,567	8,000	10,000	10,000
Attenuation	-	-	-	-	-	-
Electrical Infrastructure	52,100	51,900	57,272	59,796	41,885	38,430
Power Plants	-	-	-	-	-	-
HV Substations	-	6,800	3,038	4,000	4,000	4,000
HV Switching Station	-	-	-	-	-	-
HV Transmission Conductors	19,000	7,500	8,476	11,296	14,131	4,680
MV Substations	1,000	1,000	2,755	1,000	1,000	1,000
MV Switching Stations	-	-	-	-	-	-
MV Networks	32,100	36,600	43,003	43,500	22,754	28,750
LV Networks	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-
Water Supply Infrastructure	155,380	140,550	156,966	102,000	108,000	10,000
Dams and Weirs	1,500	1,500	3,559	500	1,000	1,000

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<i>Boreholes</i>	-	-	-	-	-	-
<i>Reservoirs</i>	-	-	11,687	-	-	-
<i>Pump Stations</i>	6,000	4,400	4,801	4,000	5,000	7,000
<i>Water Treatment Works</i>	56,380	32,650	36,003	2,500	2,000	2,000
<i>Bulk Mains</i>	-	-	-	-	-	-
<i>Distribution</i>	91,500	102,000	100,916	95,000	100,000	-
<i>Distribution Points</i>	-	-	-	-	-	-
<i>PRV Stations</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>	13,500	26,380	21,458	34,550	34,500	35,000
<i>Pump Station</i>	1,000	500	-	7,000	10,000	10,000
<i>Reticulation</i>	12,500	7,180	1,445	15,000	24,000	24,500
<i>Waste Water Treatment Works</i>	-	18,700	20,014	12,550	500	500
<i>Outfall Sewers</i>	-	-	-	-	-	-
<i>Toilet Facilities</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>	-	-	-	-	-	-
<i>Landfill Sites</i>	-	-	-	-	-	-
<i>Waste Transfer Stations</i>	-	-	-	-	-	-
<i>Waste Processing Facilities</i>	-	-	-	-	-	-
<i>Waste Drop-off Points</i>	-	-	-	-	-	-
<i>Waste Separation Facilities</i>	-	-	-	-	-	-
<i>Electricity Generation Facilities</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Rail Infrastructure</i>	-	-	-	-	-	-

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<i>Rail Lines</i>	-	-	-			
<i>Rail Structures</i>	-	-	-			
<i>Rail Furniture</i>		-	-			
<i>Drainage Collection</i>		-	-			
<i>Storm water Conveyance</i>		-				
<i>Attenuation</i>		-				
<i>MV Substations</i>		-				
<i>LV Networks</i>		-				
<i>Capital Spares</i>		-				
<i>Coastal Infrastructure</i>	-	-	-	-	-	-
<i>Sand Pumps</i>			-			
<i>Piers</i>			-			
<i>Revetments</i>			-			
<i>Promenades</i>			-			
<i>Capital Spares</i>			-			
Information and Communication Infrastructure	-	-	-	-	-	-
<i>Data Centres</i>	-	-	-			
<i>Core Layers</i>	-	-	-			
<i>Distribution Layers</i>	-	-	-			
<i>Capital Spares</i>	-	-	-			
<u>Community Assets</u>	900	2,500	1,068	9,295	18,500	5,300
Community Facilities	700	1,800	116	7,295	14,500	3,300
<i>Halls</i>	-	-	-	-	-	-
<i>Centres</i>	500	-	-	-	-	-

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<i>Crèches</i>	-	-	-	-	-	-
<i>Clinics/Care Centres</i>	-	-	-	-	-	-
<i>Fire/Ambulance Stations</i>	-	1,600	116	1,000	5,000	800
<i>Testing Stations</i>	-	-	-	-	-	-
<i>Museums</i>	-	-	-	-	-	-
<i>Galleries</i>	-	-	-	-	-	-
<i>Theatres</i>	-	-	-	-	-	-
<i>Libraries</i>	200	200	-	4,200	9,500	2,500
<i>Cemeteries/Crematoria</i>	-	-	-	1,315	-	-
<i>Police</i>	-	-	-	-	-	-
<i>Purls</i>	-	-	-	-	-	-
<i>Public Open Space</i>	-	-	-	-	-	-
<i>Nature Reserves</i>	-	-	-	-	-	-
<i>Public Ablution Facilities</i>	-	-	-	280	-	-
<i>Markets</i>	-	-	-	500	-	-
<i>Stalls</i>	-	-	-	-	-	-
<i>Abattoirs</i>	-	-	-	-	-	-
<i>Airports</i>	-	-	-	-	-	-
<i>Taxi Ranks/Bus Terminals</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>	200	700	952	2,000	4,000	2,000
<i>Indoor Facilities</i>	-	500	388	1,000	1,000	-
<i>Outdoor Facilities</i>	200	200	564	1,000	3,000	2,000
<i>Capital Spares</i>	-	-	-	-	-	-

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<u>Heritage assets</u>	-	-	-	-	-	-
Monuments		-				
Historic Buildings		-	-			
Works of Art		-				
Conservation Areas		-				
Other Heritage	-	-	-			
<u>Investment properties</u>	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-
<i>Improved Property</i>			-			
<i>Unimproved Property</i>	-	-				
Non-revenue Generating	-	-	-	-	-	-
<i>Improved Property</i>			-			
<i>Unimproved Property</i>	-					
<u>Other assets</u>	2,200	1,400	398	4,960	2,500	3,000
Operational Buildings	2,200	1,400	398	4,960	2,500	3,000
<i>Municipal Offices</i>	1,200	400	398	3,960	1,500	2,000
<i>Pay/Enquiry Points</i>	-	-	-	-	-	-
<i>Building Plan Offices</i>	-	-	-	-	-	-
<i>Workshops</i>	1,000	1,000	-	1,000	1,000	1,000
<i>Yards</i>	-	-	-	-	-	-
<i>Stores</i>	-	-		-	-	-
<i>Laboratories</i>	-	-		-	-	-
<i>Training Centres</i>	-	-		-	-	-

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<i>Manufacturing Plant</i>	-	-		-	-	-
<i>Depots</i>	-	-		-	-	-
<i>Capital Spares</i>	-	-		-	-	-
<i>Housing</i>	-	-	-	-	-	-
<i>Staff Housing</i>	-	-	-			
<i>Social Housing</i>	-	-	-			
<i>Capital Spares</i>	-	-	-			
<u>Biological or Cultivated Assets</u>				-	-	-
Biological or Cultivated Assets						
<u>Intangible Assets</u>	-	-	-	-	-	-
Servitudes						
Licences and Rights	-	-	-	-	-	-
<i>Water Rights</i>						
<i>Effluent Licenses</i>						
<i>Solid Waste Licenses</i>						
<i>Computer Software and Applications</i>						
<i>Load Settlement Software Applications</i>			-			
<i>Unspecified</i>						
<u>Computer Equipment</u>	-	-	-	-	-	-
Computer Equipment	-	-	-			
<u>Furniture and Office Equipment</u>	-	-	-	-	-	-

Description	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
Furniture and Office Equipment	-	-	-			
<u>Machinery and Equipment</u>	-	-	-	-	2,000	-
Machinery and Equipment	-	-	-	-	2,000	-
<u>Transport Assets</u>	-	-	-	-	-	-
Transport Assets	-	-	-			
<u>Land</u>	-	-	-	-	-	-
Land	-	-	-			
<u>Zoo's, Marine and Non-biological Animals</u>	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-			
Total Capital Expenditure on renewal of existing assets to be adjusted	288,080	281,130	398,056	281,302	267,085	151,930

APPENDIX M (III)- UPGRADE PROGRAMME

Description	Current Year 2019/20			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<u>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</u>						
-						
Infrastructure	441,576	292,040	279,509	294,236	298,194	213,290
Roads Infrastructure	174,935	93,686	121,566	107,908	59,087	64,435
<i>Roads</i>	174,935	93,686	121,566	107,908	59,087	64,435
<i>Road Structures</i>	-	-	-	-	-	-
<i>Road Furniture</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
Storm water Infrastructure	31,000	15,600	16,695	44,000	58,500	34,500
<i>Drainage Collection</i>	-	-	-	-	-	-
Storm water Conveyance	31,000	15,600	16,695	44,000	58,500	34,500
<i>Attenuation</i>	-	-	-	-	-	-
Electrical Infrastructure	64,472	29,214	17,601	33,249	16,567	19,355
<i>Power Plants</i>	-	-	-	-	-	-
<i>HV Substations</i>	-	-	-	4,174	850	-
<i>HV Switching Station</i>	-	-	-	-	-	-
<i>HV Transmission Conductors</i>	10,000	10,000	-	5,000	-	-
<i>MV Substations</i>	-	-	-	10,330	5,156	18,707
<i>MV Switching Stations</i>	-	-	-	-	-	-
<i>MV Networks</i>	48,000	13,542	14,786	6,443	9,161	648
<i>LV Networks</i>	6,472	5,672	2,815	7,302	1,400	-
<i>Capital Spares</i>	-	-	-	-	-	-
Water Supply Infrastructure	63,550	68,250	54,035	25,710	39,540	58,000

Description	Current Year 2019/20			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<i>Dams and Weirs</i>	-	-	-	-	-	-
<i>Boreholes</i>	-	-	-	-	-	-
<i>Reservoirs</i>	12,000	10,000	9,854	1,000	4,000	-
<i>Pump Stations</i>	1,500	33,500	14,597	17,960	26,040	-
<i>Water Treatment Works</i>	25,250	1,750	14,397	4,750	7,500	56,000
<i>Bulk Mains</i>	500	-	-	-	-	-
<i>Distribution</i>	24,300	23,000	15,186	2,000	2,000	2,000
<i>Distribution Points</i>	-	-	-	-	-	-
<i>PRV Stations</i>	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>	103,870	76,240	64,333	82,120	121,500	34,000
<i>Pump Station</i>	-	-	-	-	-	-
<i>Reticulation</i>	50,370	37,220	34,214	36,500	108,500	29,500
<i>Waste Water Treatment Works</i>	53,500	39,020	30,119	43,400	12,000	3,500
<i>Outfall Sewers</i>	-	-	-	-	-	-
<i>Toilet Facilities</i>	-	-	-	2,220	1,000	1,000
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>	2,500	7,800	5,272	-	-	-
<i>Landfill Sites</i>	-	7,800	5,272			
<i>Waste Transfer Stations</i>	-	-	-			
<i>Waste Processing Facilities</i>	-	-	-			
<i>Waste Drop-off Points</i>	2,500	-	-			
<i>Waste Separation Facilities</i>	-	-	-			
<i>Electricity Generation Facilities</i>	-	-	-			
<i>Capital Spares</i>	-	-	-			

Description	Current Year 2019/20			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
Rail Infrastructure	-	-	-	-	-	-
<i>Rail Lines</i>						
<i>Rail Structures</i>						
<i>Rail Furniture</i>						
<i>Drainage Collection</i>						
<i>Storm water Conveyance</i>						
<i>Attenuation</i>						
<i>MV Substations</i>						
<i>LV Networks</i>						
<i>Capital Spares</i>						
Coastal Infrastructure	-	-	-	-	-	-
<i>Sand Pumps</i>			-	-	-	-
<i>Piers</i>			-	-	-	-
<i>Revetments</i>			-	-	-	-
<i>Promenades</i>			-	-	-	-
<i>Capital Spares</i>			-	-	-	-
Information and Communication Infrastructure	1,250	1,250	8	1,250	3,000	3,000
<i>Data Centres</i>	-	-	-	-	-	-
<i>Core Layers</i>	-	-	-	-	-	-
<i>Distribution Layers</i>	1,250	1,250	8	1,250	3,000	3,000
<i>Capital Spares</i>		-	-	-	-	-
				-	-	-
Community Assets	43,070	35,120	67,992	37,800	63,400	33,350
Community Facilities	27,370	25,120	57,274	27,000	59,800	31,750
<i>Halls</i>	5,470	4,050	3,854	3,600	-	-

Description	Current Year 2019/20			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
Centres	2,700	1,050	624	700	700	700
Crèches	-	-	-	-	-	-
Clinics/Care Centres	400	400	56	400	-	-
Fire/Ambulance Stations	-	-	-	-	-	1,000
Testing Stations	-	-	-	-	-	-
Museums	500	500	497	-	8,000	8,000
Galleries	-	-	-	-	-	-
Theatres	-	-	-	-	-	-
Libraries	3,300	4,800	1,943	3,000	15,000	-
Cemeteries/Crematoria	9,500	8,720	37,581	2,500	7,500	2,750
Police	-	-	-	-	-	-
Purls	500	500	713	500	1,800	1,300
Public Open Space	1,000	4,600	12,006	14,800	16,800	16,000
Nature Reserves	-	500	-	-	-	-
Public Ablution Facilities	1,000	-	-	-	2,000	2,000
Markets	-	-	-	1,500	-	-
Stalls	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-
Airports	-	-	-	-	8,000	-
Taxi Ranks/Bus Terminals	3,000	-	-	-	-	-
Capital Spares	-	-	-	-	-	-
Sport and Recreation Facilities	15,700	10,000	10,718	10,800	3,600	1,600
Indoor Facilities	-	2,000	1,826	1,000	-	-
Outdoor Facilities	15,700	8,000	8,892	9,800	3,600	1,600
Capital Spares	-	-	-	-	-	-

Description	Current Year 2019/20			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<u>Heritage assets</u>	-	-	-	-	-	-
Monuments						
Historic Buildings						
Works of Art						
Conservation Areas						
Other Heritage						
<u>Investment properties</u>	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-
<i>Improved Property</i>			-			
<i>Unimproved Property</i>	-	-				
Non-revenue Generating	-	-	-	-	-	-
<i>Improved Property</i>			-			
<i>Unimproved Property</i>	-					
<u>Other assets</u>	15,650	16,965	5,360	20,621	4,700	7,800
Operational Buildings	15,650	16,965	5,360	20,621	4,700	7,800
<i>Municipal Offices</i>	11,050	13,540	4,343	16,121	2,200	4,800
<i>Pay/Enquiry Points</i>	-	200	-	-	-	-
<i>Building Plan Offices</i>	-	-	-	-	-	-
<i>Workshops</i>	-	-	-	-	-	-
<i>Yards</i>	-	-	-	-	-	-
<i>Stores</i>	-	-	-	-	-	-
<i>Laboratories</i>	-	-	-	-	-	-

Description	Current Year 2019/20			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<i>Training Centres</i>	1,000	400	174	-	-	-
<i>Manufacturing Plant</i>	-	-	-	-	-	-
<i>Depots</i>	3,600	2,825	843	4,500	2,500	3,000
<i>Capital Spares</i>	-	-	-	-	-	-
<i>Housing</i>	-	-	-	-	-	-
<i>Staff Housing</i>						
<i>Social Housing</i>						
<i>Capital Spares</i>						
<u>Biological or Cultivated Assets</u>				-	-	-
Biological or Cultivated Assets						
<u>Intangible Assets</u>	2,000	1,050	-	-	-	-
Servitudes						
Licences and Rights	2,000	1,050	-	-	-	-
<i>Water Rights</i>	-	-	-			
<i>Effluent Licenses</i>	-	-	-			
<i>Solid Waste Licenses</i>	-	-	-			
<i>Computer Software and Applications</i>	2,000	1,050	-			
<i>Load Settlement Software Applications</i>	-	-	-			
<i>Unspecified</i>	-	-	-			
<u>Computer Equipment</u>	1,000	1,000	252	1,000	1,000	1,500
Computer Equipment	1,000	1,000	252	1,000	1,000	1,500

Description	Current Year 2019/20			2021/22 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Actual Spending	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands						
<u>Furniture and Office Equipment</u>	-	-	140	-	-	-
Furniture and Office Equipment			140	-		
<u>Machinery and Equipment</u>	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-		
<u>Transport Assets</u>	-	-	-	-	-	-
Transport Assets	-	-	-	-		
<u>Libraries</u>	-	-	-	-	-	-
Libraries	-	-	-	-		
<u>Zoo's, Marine and Non-biological Animals</u>	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-			
Total Capital Expenditure on upgrading of existing assets <i>to be adjusted</i>	503,296	346,175	353,253	353,657	367,294	255,940

APPENDIX-N – CAPITAL PROGRAMME BY PROJECT: 2020/21

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
WATER						
Fencing of Voortreker Reservoir	1,000	-				
Fencing of Gelvandale Reservoir	500	1,000,000				
Fencing of Struandale Reservoir	500	1,000,000				
Water Services: Rehabilitation of Reservoirs	7,999	-	-	11,687,142	100%	100%
Water Services: Loerie Treatment Works: Rehabilitation	-	1,500,000	650,000	542,397	-20%	-177%
Water Services: Installation of Zone Water meters	,996	5,000,000	500,000	499,958	0%	-900%
Water Services: Purchase of Water Meters - Metro	9,597	-				
Supply & Installation of water Meters BEP	2,314	-				
Water Services: Upgrade and Rehabilitation of Water Pipelines	16,216	-				
Water Services: Older Dams Pipelines Augmentation	-	3,000,000	3,000,000	2,634,466	-14%	-14%
Water Services: Linton: Additional treatment facility	969	1,500,000	1,500,000	2,345,102	36%	36%
Water Services: Nooitgedagt/Coega Low Level System	11,932	10,000,000	13,000,000	13,968,173	7%	28%
Water Services: Seaview Water Pump Station: Upgrades	33,272	1,500,000	13,500,000	14,597,254	8%	90%
Water Services: Upgrading of Churchill Water Treatment Works	-	6,500,000				
Water Services: Rudimentary Service: Water	618	-				
Installation of Standpipes and Associated Water Meters-Rudimentary Services	6,923	5,000,000	5,000,000	4,172,105	-20%	-20%
Water Services: Telemetry Equipment	-	3,000,000	500,000	245,065	-104%	-1124%
Groundwater Drought Interventions - Coegakop Boreholes	9,596					

Capital Programme by Project: 2020/21**R' 000**

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water Services: Bulk Water Metering and Control	996	5,000,000	500,000	2,485,668	80%	-101%
Water Services: Rehabilitation of Pipe Bridges	-	1,500,000				
Water Services: Advanced Meter Infrastructure	2,745	5,000,000	650,000	1,548,242	58%	-223%
1412:Groundwater:Drought Intervention:Drilling of Boreholes	12,881	14,000,000	70,300,000	13,919,137	-405%	-1%
1412:Loerie Water Treatment Works:Rehab	67,326	28,000,000	32,000,000	35,460,546	10%	21%
Construction of Coegakop Water Treatment Works (MDRG)	11,115					
Construction of Coegakop Water Treatment Works (NON-MDRG)	4,671	52,000,000	107,600,000	96,685,677	-11%	46%
Upgrading of Groendal Treatment Works	-	1,500,000				
Jagtvlakte: Bulk Water Supply Pipeline	-	1,000,000	1,000,000	974,474	-3%	-3%
Water Services: Upgrading of Springs Water Treatment Works	-	250,000	250,000	248,711	-1%	-1%
NOOITGEDAGT:NEW PUMP SETS - M/WELL + STANFD RD PUMP STATION	-	3,000,000	1,000,000	970,797	-3%	-209%
Water Services: Rehabilitation of Water Pump Stations	-	6,000,000	4,400,000	4,801,108	8%	-25%
Water Services: Rehabilitation of Dams	-	1,500,000	1,500,000	3,558,608	58%	58%
WATER: UPGRADE OF RESERVOIR: KWANOBUHLE	-	5,000,000	5,000,000	4,985,086	0%	0%
Renewal of Water Pipeline - Bloemendal	-		12,000,000	10,434,324	-15%	100%
Purchase & installation of Impofu Water Barge Equipment	-		-	2,987,369	100%	100%
Colchester Development Augmentation - New Water Pipeline	-		7,500,000	7,463,074	0%	100%
WATER: UPGRADE OF RESERVOIR: Mc NAUGHTON	-	5,000,000	5,000,000	4,868,925	-3%	-3%
Bulk Water Supply: Florida Heights	-	-	5,000,000	-		

Capital Programme by Project: 2020/21

R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Renewal of Water Pipelines	-	20,000,000	20,000,000	25,832,477	23%	23%
Upgrade of Kwanobuhle Water Pump Station	-	-	20,000,000	-		
Construction of Amanzi Reservoir and Pipeline	-	1,000,000				
Construction of a 1,0 MI reclaimed effluent reservoir: Kariega	-	1,500,000				
Water: Purchase of Furniture & Office Equipment.	-	-	50,000	-		
WATER: PRESSURE REDUCING INFRASTRUCTURE	-	20,000,000	20,000,000	12,551,658	-59%	-59%
Renewal of Water Pipeline - Ibhayi	-	-	5,000,000	4,999,991	0%	100%
Renewal of Water Pipeline - Kabega	-	10,000,000	4,000,000	2,406,581	-66%	-316%
RENEWAL OF WATER PIPELINE - VAN DER STEL	-	10,000,000				
RENEWAL OF WATER PIPELINE - DRIFTSANDS	-	10,000,000				
Renewal of Water Pipeline - Deal Party	-		1,000,000	998,615	0%	100%
RENEWAL OF WATER PIPELINE - DESPATCH	-		10,000,000	9,999,803	0%	100%
Renewal of Water Pipeline - Helenvale	-		5,000,000	4,099,137	-22%	100%
Renewal of Water Pipeline - Airport	-	20,000,000	1,000,000	989,552	-1%	-1921%
Renewal of Water Pipeline - Govan Mbeki, Ibhayi	-		5,000,000	4,998,750	0%	100%
RENEWAL OF WATER PIPELINE - PERSERVERANCE	-		10,000,000	10,808,691	7%	100%
Renewal of Water Pipeline - William Moffat	-		4,000,000	1,371,945	-192%	100%
Renewal of Water Pipeline - Swartkops	-		5,000,000	4,343,709	-15%	100%
Renewal of Water Pipeline - Churchill	-	20,000,000	5,000,000	4,640,903	-8%	-331%
RENEWAL OF WATER PIPELINE - BETHELSDORP	-	-	5,000,000	4,994,029	0%	100%
Water Services: Seaview Bulk Water	-	1,300,000				
Water Services: St Albans Bulk Water	-	500,000				

Capital Programme by Project: 2020/21

R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Water: Purchase and Installation of Water Meters	-	40,000,000	40,000,000	25,951,758	-54%	-54%
RENEWAL OF WATER PIPELINE - MOTHERWELL	-	-	10,000,000	9,997,526	0%	100%
SANITATION						
Sanitation Services: Improvements to Sewerage System	1,186		320,000	169,797	-88%	100%
Sanitation Services: Chatty Valley collector Sewer Stage 1	852					
Sanitation Services: Purchase Telemetry Equip-Pump Stations	-	500,000	500,000	235,613	-112%	-112%
Sanitation Services: Markman - Replace 600mm Sewer	2,836	1,000,000	1,000,000	-		
Sanitation Services: Upgrade Despatch Reclamation Works	855	13,000,000	4,000,000	3,192,480	-25%	-307%
Sanitation Services: Rehabilitation of Sewer Pipes	-	1,000,000				
Sanitation Services: Cape Receife WWTW : Upgrade	12,494	27,000,000	6,820,000	7,669,613	11%	-252%
Sanitation Services: Motherwell North Bulk Sewerage	-	1,000,000				
Sanitation Services: Motherwell/Coega WWTW and outfall sewer	-	1,000,000				
Sanitation: Driftsands Collector Sewer Augmentation - Phase1	963					
Sanitation Services: Rehabilitation of Pump Stations	883	1,000,000	500,000			
Sanitation Services: Rehab of Kwazakhele Collector Sewer	-	1,000,000	500,000			
Sanitation Services: Kwanobuhle WWTW : Upgrading	16,848	1,000,000	6,950,000	10,099,674	31%	90%
Sanitation: Kelvin Jones WWTW:Upgrade	4,913	10,000,000	4,000,000	3,839,957	-4%	-160%

Capital Programme by Project: 2020/21
R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Sanitation Services: Fishwater Flats WWTW Upgrade	14,080	2,000,000	2,000,000	2,818,420	29%	29%
UPGRADE OF MELBROOKS BULK SEWER	-	1,000,000				
Brickfields: Upgrade	746	500,000	500,000	457,104	-9%	-9%
Sanitation Services:Swartkops Low Level Collector Sewer Upgd	-	2,500,000	2,500,000			
Bulk Sewer JoeSlovo Mandelville Allenridge Phase 2 Sub 1	3,027	1,000,000		196,176	100%	-410%
1411:Fishwater Flats WWTW: Medium Voltage Network Phase 2	1,542					
1411:Fishwater Flats WWTW:Sludge Stabilisation	17,400		2,000,000	1,643,507	-22%	100%
1411:Driftsands WWTW: Upgrade Existing Composting Plant	2,006	1,000,000				
1411:Driftsands Collector Sewer Augmentation Phase 2	24,380	42,234,548	31,334,548	29,448,474	-6%	-43%
1411:Augment Collector Sewer Walmer Heights & Mount Pleasant	23,318	2,135,000	3,065,000	4,399,695	30%	51%
1411:Fishwater Flats WWTW Grit & Sludge Treatment Facility	3,500	2,000,000	300,000			
Purchase of Vehicles for Sanitation Services:2019-20	194	5,500,000	428,000			
Construction of Access Road - Sanitation	-	2,000,000				
TEI: Sampling Stations	827	500,000	2,300,000			
Paapenkuils Main Sewers Augmentation	-	500,000				
Sewer Protection works for collector sewers	-	500,000				
Rocklands PHB Housing project WWTW	863	-				
BEP: Supply and install communal ablutions	-	4,500,000	500,000			
Sanitation: Upgrade of Rocklands WWTW	-	-	250,000	397,983	37%	100%
Sanitation: Improvements to Sewerage System	-	10,000,000	5,680,000	1,444,776	-293%	-592%

Capital Programme by Project: 2020/21

R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
FISH WATER FLATS WWTW: SECURITY MEASURES AT FACILITY	-	1,120,000	520,000	369,860	-41%	-203%
Fish Water Flats WWTW - Renewal of Mechanical Equipment	-	24,380,000	16,200,000	18,392,496	12%	-33%
Fish Water Flats WWTW - New Screening and Washing System	-	2,500,000	1,830,000	763,973	-140%	-227%
Upgrading of Mechanical Equipment at Driftsands WWTW	-	12,500,000	12,500,000	11,803,619	-6%	-6%
Renewal of Mechanical Equipment at Drifstands WWTW	-	2,500,000	2,500,000	1,621,111	-54%	-54%
Sanitation: Purchase of Small Plant & Equipment	-			870,044	100%	100%
Sanitation: Coastal Water Discharge Permit & WULA -FWF WWTW	-		200,000	-		
Sanitation: Purchase of Small Plant & Equipment	-		72,000	71,673	0%	100%
CONSTRUCTION OF FLORIDA HEIGHTS BULK SEWER	-	2,000,000	700,000	-		
ELECTRICITY						
Distribution Kiosk Replacement	1,203					
Distribution Substation Building Refurbishment Program	270	1,000	1,000	2,755	64%	64%
ELECTRICITY BUILDING IMPROVEMENTS	614					
Electrification -Bulk Infrastructure	6,664					
Electrification of State Subsidised Houses	17,096	19,718	19,718	18,951	-4%	-4%
Fairview Refurbishment	957					
Gas Turbine Refurbishment	-		2,800			
HV Line Refurbishment (66 & 132kV)	754	8,000	1,500	1,084	-38%	-638%
HV Network Reinforcement - New Substations	4,868	2,900	2,900	15,999	82%	82%

Capital Programme by Project: 2020/21**R' 000**

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
HV Network Reinforcement - Overhead Cabling	0	1,100	1,100	1,140	3%	3%
HV Transmission Line	-	10,000	10,000	1,791	-458%	-458%
Informal Housing Electrification	-					
Installation of 500KWp PV system at Newton Park Swimming pool	-	6,082	6,082			
Low Voltage Reticulation Improvement	648	1,000	200	182	-10%	-449%
Munek Office furniture and equipment	-		1,000	527	-90%	100%
Mayoral project for electrification of Ramaphosa (ward 56,57	113					
Meters and Current Transformers	2,813					
Miscellaneous Mains and Substations	10,286	10,000	10,000	11,510	13%	13%
MV and HV Switchgear replacement	25		4,000	3,038	-32%	100%
New/Replacement of plant and motor vehicles	174	3,000	3,000	1,133	-165%	-165%
Non Electrification Areas - Service Connections	913	2,000	2,000	1,642	-22%	-22%
North Depot Improvements	381					
Overhead Lines Refurbishment	3,921	5,000				
Peri-Urban Network	25					
Private Township Development	2,930	10,000	10,000	3,970	-152%	-152%
Procurement of metering products	-	2,000	2,000	1,851	-8%	-8%
Public Lighting	27,655	20,000	12,000	11,010	-9%	-82%
Public Lighting - Refurbishment/Retro fit	-	-	3,542	3,276	-8%	100%
Radio and Test Equipment	86	500	500	268	-86%	-86%
Refurbishment of Power Transformers	-	11,000	6,000	7,392	19%	-49%
Reinforcement of electricity network - Coega	4,097	10,000	10,000	15,260	34%	34%
Reinforcement of electricity network - Despatch	131	500	500	1,430	65%	65%
Reinforcement of electricity network - Korsten	464	1,500	1,500			

Capital Programme by Project: 2020/21**R' 000**

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Reinforcement of electricity network - Malabar/ Helenvale	802					
Reinforcement of electricity network - Swartkops	1,919					
Reinforcement of electricity network - Kariega	1,718	2,000	2,000	2,267	12%	12%
Reinforcement of electricity network - Walmer Lorraine	2,604	3,000	3,700	-		
Reinforcement of Electricity Network- South				5,533	100%	100%
Reinforcement of electricity network - Western	2,002	2,000	2,000	2,498	20%	20%
Reinforcement of electricity network - Bethelsdorp 11 kV	80					
Reinforcement of Electricity Network - Hunters Retreat	718					
Reinforcement of Electricity Network - Ibhayi	1,241	2,000				
Reinforcement of Electricity Network - Newton Park	999	500	500			
MV and LV Line Refurbishment	-		5,500	5,035	-9%	100%
Reinforcement of electricity network - Summerstrand	686					
Reinforcement of electricity network - Wells Estate	1,485	1,500	1,500	711	-111%	-111%
Reinforcement of Electricity Network- Mount Road	542	3,000	2,300	4,239	46%	29%
REINFORCEMENT OF ELECTRICITY NETWORK-NORTH	-		2,000	652	-207%	100%
Relay Replacement	142		4,000	4,238	6%	100%
Relocation of Existing Electrical Service Connections	-					
Replace Switchgear in Mini susbs - KwaNobuhle	496					
SANEDI - SMART GRID INITIATIVE	-					
Smart Pre-Payment Meters	-	10,943	10,943	10,650	-3%	-3%
Substation Fibre Optic Backbone	1,870	1,250	1,250	8	-14635%	-14635%

Capital Programme by Project: 2020/21**R' 000**

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Supervisory Control System - Equipment Upgrading	319	1,000	1,000	252	-297%	-297%
Test Van Equipment	-					
Undeclared Informal Electrification	20,816	18,000	18,000	33,478	46%	46%
E&E - EEDSM Energy Efficient Public Lighting	-			6,080	100%	100%
Upgrade of Commercial Meters - Remote Metering	-	5,472	5,472	2,633	-108%	-108%
Waste Management Services						
Replacement of Refuse Compactors	-	3,500				
Urban Refuse Transfer station - Gillespie	2,563					
Development of Waste Disposal Facilities	6,033					
Purchase of Waste Containers	-	2,200	400	180,000.00	-122%	-1122%
Development of Waste Disposal Facilities - Koedoeskloof	-	-	5,800	3,771,224.97	-54%	100%
Development of Waste Disposal Facilities - Arlington	-	2,500	2,000	1,500,340.92	-33%	-67%
HOUSING SERVICES						
Khayamnandi Extension - Roadworks (Human Settlements)	(187)	1,000				
Missionvale Garden Lots - Roadworks (Human Settlements)	3,755	15,000	8,000	17,194	53%	13%
Kwanobuhle Area 11 - Roadworks (Human Settlements)	15,503	12,000	7,000	13,698	49%	12%
Kwazakhele: Ekhumphumleni Roadworks (Human Settlements)	2,082	14,000				
Jagvlagte (Chatty 11-14) Roadworks (Human Settlements)	122	250	38	38	0%	-557%

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Seaview Housing - Roadworks (Human Settlements)	-	500				
Walmer Development - Roadworks (Human Settlements)	6,228	10,000				
Motherwell NU30 - Roadworks (Human Settlements)	(354)	10,000				
Malabar Ext 6 Phase 2 - Roadworks (Human Settlements)	-	1,000				
Nkatha/Seyisi - Roadworks (Human Settlements)	-	3,000				
Bethelsdorp Ext 32, 34 & 36 - Roadworks (Human Settlements)	-	500				
ERF 818/868, Roadworks (Human Settlements)	1,499					
Malabar Ext 6 Phase 2 - Stormwater (Human Settlements)	-	500				
Malabar Ext 6 Phase 2 - Water (Human Settlements)	-	500				
Khayamnandi Extention - Water (Human Settlements)	-	1,000				
Khayamnandi Extention - Stormwater (Human Settlements)	-	1,000				
Malabar Ext 6 Phase 2 - Sewer (Human Settlements)	-	500				
Khayamnandi Extention - Sewer (Human Settlements)	-	1,000				
Kwanobuhle Area 11 - Stormwater (Human Settlements)	3,196	3,600	1,000			
Kwanobuhle Area 11 - Water (Human Settlements)	2,376	500				
Kwanobuhle Area 11 - Sewer (Human Settlements)	2,998	500				
Nkatha/Seyisi - Stormwater (Human Settlements)	-	1,500				

Capital Programme by Project: 2020/21

R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Nkatha/Seyisi - Water Bulks (Human Settlements)	-	2,000				
Nkatha/Seyisi - Sewer Bulks (Human Settlements)		3,000				
Bethelsdorp Ext 32, 34, & 36 - Stormwater(Human Settlements)	-	500				
Jagvlagte (Chatty 11-14) Stormwater (Human Settlements)	37	250	11	11	0%	-2083%
Bethelsdorp Ext 32, 34, & 36 - Water Bulk(Human Settlements)	-	500				
Jagvlagte (Chatty 11-14) Water (Human Settlements)	37	500	5,000	6,571	24%	92%
Bethelsdorp Ext 32, 34, & 36 - Sewer (Human Settlements)	-	500				
Jagvlagte (Chatty 11-14) Sewer (Human Settlements)	49	500	2,000	15	-13045%	-3186%
Seaview Housing - Stormwater (Human Settlements)	-	500				
Seaview Housing - Water (Human Settlements)	-	500				
Seaview Housing - Sewer Bulks (Human Settlements)	-	500				
Walmer Development - Stormwater (Human Settlements)	(107)	3,500		(121)	100%	2988%
Walmer Development - Water (Human Settlements)	-	6,000	2,500	2,599	4%	-131%
Walmer Development - Sewer (Human Settlements)	-	12,200	7,500	4,857	-54%	-151%
Motherwell NU30 - Stormwater (Human Settlements)	87	2,100				
Kwazakhele: Ekuphumleni Stormwater (Human Settlements)	-	4,000				
ERf 818/868, water bulks	570					
Missionvale Stormwater (Human Settlements)	810	4,500				

Capital Programme by Project: 2020/21

R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Missionvale - Water (Human Settlements)	142	500				
Missionvale - Sewer (Human Settlements)	170	1,000				
Khayamnandi Extension - Parks (Human Settlements)	-	1,500				
Kwanobuhle Area 11 - Parks (Human Settlements)	396	1,500				
Jagvlagte (Chatty 11-14) - Parks (Human Settlements)	-	1,500				
Malabar Ext 6 Phase 2 - Parks (Human Settlements)	-	1,500				
Bethelsdorp Ext 32, 34 & 36 - Parks	299					
Missionvale Parks	299	1,200				
Mk Silvertown 2 Qaqawuli - Parks	456					
Connections and Water Meters	456	5,000	5,000	(444)	1225%	1225%
Ekuphumleni - Kwazakhele - Parks	254					
Motherwell NU 30- Parks (Human Settlements)	299					
John Street - Water Bulks (Human Settlements)	-	100	2,500	2,158	-16%	95%
John Street - Sewer (Human Settlements)	-	2,500	3,600			
Land Acquisition - Lorraine	414					
Ekuphumleni - Kwazakhele - Water Bulks (Human Settlements)	108	3,000				
Ekuphumleni - Kwazakhele - Sewer Bulks (Human Settlements)	54	7,000				
Polar Park - Roadworks (Human Settlement)	72					
Polar Park - Stormwater (Human Settlement)	126					
Land Acquisition: Lorraine(Erf 114,115,120,122,123,124) (HS)	-			17,706	100%	100%
Land Acquisition: Parsonsvei	-	50,000				

Capital Programme by Project: 2020/21**R' 000**

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Land Acquisition: Bloemendal	-	25,000				
Kariega Infill Sites / In Situ - Roadworks	-	1,900				
Kariega Infill Sites / In Situ - Stormwater Reticulation	-	1,000				
Kariega Infill Sites / In Situ - Water Reticulation	-	1,000				
Kariega Infill Sites / In Situ - Sewer Reticulation	-	1,555				
Mandela Village 71 Sites - Water Reticualtion (Human Settlements)	-		2,000			
Mandela Village 71 Sites - Sewer Reticualtion (Human Settlements)	-		2,000			
ROAD SERVICES						
Acquisition of Properties - Standford Road	-	1,500	1,500			
Aluta Continua Access Road - Joe Slovo 41	-	500				
Construction of Bantom Road	-			3,914	100%	100%
Construction of Bloemendal Arterial	-	8,000	1,000	-		
Construction of footbridges	-	1,000	1,000	972	-3%	-3%
Construction of Jack road - Missionvale	4,805					
Construction of Joe Slovo Bridge – Ward 41	-	500	500			
Facilities for the Disabled	-	300	300	30	-901%	-901%
Intersection Improvements	127					
John Tallant Link Road	11,008	14,000	17,000	16,086	-6%	13%
Minor intersection improvement	-	2,000	1,800	1,452	-24%	-38%
New Laboratory Equipment - Scientific Services	131	2,500	2,500	2,417	-3%	-3%
New Traffic Signals for Road intersections	481	2,000	3,097	1,682	-84%	-19%
Peri-Urban Rehabilitation of gravel roads	-	2,000	1,500	1,499	0%	-33%

Capital Programme by Project: 2020/21

R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Provision of Rudimentary Services - Stormwater Bulks	-	2,000	1,700	2,727	38%	27%
Provision of Sidewalks	8,374	10,000	16,000	15,144	-6%	34%
Public Transport Facilities	-	2,000	800	238	-237%	-742%
Purchase of Erven 11616 and 11617 in Despatch	377					
Rehabilitate Concrete Roads - Northern Areas	-	1,000	1,000	762	-31%	-31%
Rehabilitation of Bridge Structures	1,611	7,500	3,000	1,473	-104%	-409%
Rehabilitation of roads	6,198	10,000	10,000	10,132	1%	1%
Rehabilitation of Verges and Sidewalks - Northern Areas	-	2,000	2,000	1,119	-79%	-79%
Rehabilitation of William Moffett Expressway	-	2,000	2,200	2,196	0%	9%
Replacement of Laboratory Equipment-Scientific Services	23	3,000	3,000	3,902	23%	23%
Replacement of Vehicle Tracking System	-	7,700	7,700	-		
Replacement Vehicles Fleet	-	10,000	10,000	2,299	-335%	-335%
Replacement Vehicles Fleet - Automotive Transport Pool	5,682	-	-	-		
Resurfacing of Subsidised Roads	1,638	6,000	6,000	4,739	-27%	-27%
Resurfacing Tar roads	-	23,000	25,000	134,406	81%	83%
Resurfacing Tar roads (non-subsidy)	6,747	-	-			
Road Upgrades to increase Capacity	4,948	12,000	12,000	14,986	20%	20%
Roads - New / Replacement Vehicles (Fleet)	-	2,000	11,500	5,942	-94%	66%
Small plant & equipment	-	2,000	5,000	2,808	-78%	29%
Stanford Road Extension	-	10,000	1,500			
Tarring of Gravel Roads	80,378	122,475	35,483	32,805	-8%	-273%
TM24 Guidance Signs	-	350	250	-		
Traffic Calming Measures - 2019	1,207	-	-	-		

Capital Programme by Project: 2020/21**R' 000**

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Traffic Calming Measures - 2020	-	3,000	3,000	3,983	25%	25%
Traffic Control Equipment	1,993	2,000	3,000	2,839	-6%	30%
Upgrade Main Road through Swartkops	-	2,000	1,000	999	0%	-100%
Wells Estate - Access Road	-	5,000	5,000	9,321	46%	46%
TRANSPORT SERVICES						
IPTS - Work Package: Public Transport Facilities	13,401	20,000	32,000	9,526	-236%	-110%
IPTS - Construction of a Holding Public Depot - Kariega	1,178	13,748	2,000	(184)	1189%	7588%
IPTS - Construction of Cleary Park Operational Area Depot Phase 3 & Terminal	-	348	348	-		
IPTS - Interim Ticket System	-	550	550	-		
IPTS - Rehabilitation/Surfacing of IPTS Routes including road	13,623	3,000	19,042	77,630	75%	96%
IPTS - Standford Rd / N2 Bridge Widening and Construc Pedest	21,519	1,500	1,500	731	-105%	-105%
IPTS - Upgrading of Njoli /Daku Road Intersect East Phase2	2,250	-	-	-		
IPTS - Upgrading of Njoli Street to a dual Carriageway-North	942	-	-	-		
IPTS - Upgradingof Njoli/Daku Road Intersect - West - Phase2	200	-	-	-		
IPTS - Work Package: Road Works	235	-	-	-		
IPTS -Automated fare collection system	-	19,404	2,853	-		
IPTS -Construction of bus embayment in IPTS Routes	2,878	-	10,000	30,439	67%	100%
IPTS -OMS APTMS Lite	1,185	-	-	-		
IPTS- Procument of transport modeling soft ware	-	1,000				

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
IPTS -Upgrading of Njoli Street to a dual Carriageway South	3,355	-	-			
IPTS-Automated Bus station Door system	-	2,000	500	-		
IPTS-Construction of Bantom Road(Phase 3)	-	10,000	-	-		
IPTS-Construction of Rosedale/Kwalanga Depot-Kariega contract Area	-	5,000	-			
IPTS-Construction of sidewalks along all IPTS Trunk and Routes in all contract areas	-	10,000	15,000	33,514	55%	70%
IPTS-Mobile App	430	-				
IPTS-Provision of Kerbside shelter along IPTS Trunk Routes and Feedrs	-	2,000	200	-		
IPTS-Supply,installation and upgrading of traffic loops and signals:IPTS Routes in all contract	-	300	100	-		
IPTS-The development of clearypark depot and Terminal	-	-				
IPTS-Upgrading and rehabilitation of passenger terminals:Mabandla & Jabavu street,Ponana Tini&Tize and Ponana Tini&Mengo	-	3,000	-			
IPTS-Upgrading of Acacia Road and 24 Avenue including Ancillary Work	-	20,000	-			
IPTS-Upgrading of Bantom Road-Phase 1	-	17,000	-			
IPTS-Upgrading of Bantom Road-Phase 2	-	13,000	-			
IPTS-Upgrading of Ngwedu Road including Ancillary work	-	7,000	-			
IPTS-Upgrading of Tuna Drive and steenbok street including ancillary work	-	18,000	-			
IPTS-Installation CCTV equipment and Fibre for IPTS roll-out	-	-	500	-		
IPTS - Development of Public Transport Application	-	-	1,423	-		

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
IPTS - Improvement of Entrance at Cleary Park Taxi Rank	-	-	3,000	-		
IPTS - Widening of section in William Slammert Drive (Between Lawrence Erasmus and Finnis Street)	-	-	3,000	-		
STORMWATER SERVICES						
Blue Horizan Bay Bulk Stormwater	-	1,000	500	357	-40%	-180%
Cannonville/Colchester: Stormwater improvements	8,431	8,000	3,000	7,100	58%	-13%
Chatty: Stormwater Improvement	2,293	-	-	(16)	100%	100%
Flood Risk Improvements (All other rivers)	-	500	400	-		
Greenbushes: Stormwater Improvements	-	500	300	-		
Groundwater Problem Elimination Northern Areas	-	2,000	1,700	1,115	-52%	-79%
Motherwell canal wetlands	92	1,000	300	-		
Motherwell NU29 & 30 : Roads & S/w Bulk Infrastructure	-	-	-	-		
Motherwell NU31 : Stormwater Bulk Infrastructure	-	500	400	-		
New Brighton/Kwazakhele: Bulk Stormwater	1,317	3,000	2,500	1,857	-35%	-62%
paapenkuis canal rehabilitation	-	500	200	-		
Provision of Rudimentary Services - Roads and Stormwater	1,199	-	-	-		
Reconstruction of open canals-metrowide	3,004	4,000	3,000	2,543	-18%	-57%
Reconstruction of stormwater system - Kariega	1,675	3,000	2,000	1,640	-22%	-83%
Rehabilitation of Stormwater Ponds	241	3,000	2,500	385	-550%	-680%
Stormwater Improvements	-	3,000	2,700	2,033	-33%	-48%
Stormwater Improvements - Simnka Street (Ward 17)	-	500	-	-		

Capital Programme by Project: 2020/21
R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Stormwater Improvements - Stokwe Street (Ward 17)	-	500	500	-		
Stormwater Improvements Ikamvelihle	-	1,000	600	1,388	57%	28%
Zwide Bulk Stormwater	5,463	8,000	1,400	133	-949%	-5894%
ECONOMIC DEVELOPMENT SERVICES						
Informal Infrastructure Trading facilities - Njoli	-	-	5,000	-		
Njoli Square Redevelopment	10,361	30,435	13,043	11,167	-17%	-173%
Libraries; Archives; Museums; Galleries; Community Facilities; Other						
Security Upgrading: City Hall	-	2,000	1,000	359	-178%	-457%
Fencing of Colchester Community Hall	-	1,300	1,200	1,084	-11%	-20%
Mathew Goniwe - Councillors office	297		551	485	-13%	100%
Upgrade of Ward 51 Councillor Office	167	800	800	617	-30%	-30%
Fencing of Pieter Rademeyer Hall	-	1,100	850	793	-7%	-39%
Fencing of Allanridge Hall	-	1,450	1,300	1,299	0%	-12%
Walmer/ Gqebera Upgrading of Hall	-	850		-		
Ward 33 Councillor's office: Installation of fencing	-	850	850	623	-36%	-36%
Upgrading of City Hall	-	-	1,000	319	-214%	100%
Construction of a Guard House at Motherwell Thusong Centre	-	900	300	216	-39%	-317%
Erection of Ward 34 Councillor Office	-	1,200	-	-		
Upgrade of Community Halls	215	-	-	-		
Office Accommodation - Ward Councillors	667	-	225	240	6%	100%
Ward Councillor Furniture	-	250	-	-		

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Nangoza Jebe Hall	-	1,200	-	-		
Purchase of Tables and Chairs for Community Halls	-	1,000	-	-		
Woolboard Conference Centre Rehabilitation	-	120	-	-		
Upgrade and Restoration of Libraries	2,934	1,800	1,800	-		
Upgrade and restoration of libraries - Motherwell	-	-	-	-		
Upgrade and restoration of libraries - Zwile	739	500	500	-		
Upgrade and restoration of libraries - Chatty	-	-	-	-		
SRAC: Motherwell library roof replacement	-	500	500	-		
SRAC: Chatty library roof replacement	-	500	500	-		
Fencing of Libraries : Newton Park Library	-	-	500	1,079	54%	
Fencing of Libraries :Chatty Library	-	-	1,000	864	-16%	100%
Re-Construction of Kwanobuhle Library	-	200	200			
Construction of Multi-Purpose Centre - Ward 21	969	5,000	5,000	-		
Ward 38 - George Botha Multipurpose Centre	1,309	-	-	-		
Construction of Multi-Purpose Centre - Ward 17	-	5,700	4,400	-		
Construction of Multi-Purpose Centre - Ward 34	(866)	6,300	2,400	-		
Construction of Multi-Purpose Centre - Ward 42	1,384	5,000	5,000	-		
SRAC: Furniture & Equipment for Mendi Arts & Cultural Centre	-	1,000	1,000	-		
SRAC: CCTV Equipment - Mendi Arts & Cultural Centre	-	500	500	-		
Replacement of cork floor - Kariega indoor centre	-	500	500	388	-29%	-29%
Fencing of Nelson Mandela Art Museum	-	500	500	497	-1%	-1%
SRAC:Mendi Arts & Cultural Centre	-	500	500	265	-89%	-89%
Cemeteries and Crematoriums						

Capital Programme by Project: 2020/21**R' 000**

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Upgrade and Development of Forest Hill Cemetery	224	-	-	434	100%	100%
Upgrade and Development of Bloemendal Cemetery	1,341	500	500	4,975	90%	90%
Upgrade and Development of Matanzima Cemetery	931	500	500	500	0%	0%
Upgrade and Development of Gerald Smith Cemetery	249	-	-	435	100%	100%
Upgrade and Development of Motherwell Cemetery	1,085	500	500	8,614	94%	94%
Fencing of Paapenkuil Cemetery	6,512	-	-	-		
Fencing of Gqebera Cemetery	-	2,000	1,805	2,152	16%	7%
Fencing of Bucwa Cemetery	-	-	-	4,902	100%	100%
Fencing of Despatch Cemetery	-	6,000	5,415	4,785	-13%	-25%
Fencing of South-End Cemetery	-	-	-	-		
Fencing of Goven Mbeki Cemetery	-	-	-	2,793	100%	100%
Upgrade and development of Kabah Cemetery	-	-	-	6,922	100%	100%
Fencing of Russel Road Cemetery	-	-	-	-		
Water Drainage & Roads at Motherwell Cemetery	1,995	-	-	7,991	100%	100%
POLLUTION CONTROL						
Air Pollution Monitoring Equipment	164	300	00	-		
Health Inspection and Etc						
Occupational Health and Wellness Center - Walmer	-	200	200	-		
Specialised Medical Equipment	-	100	100	74	-35%	-35%
Upgrading of Kariega Depot into Wellness Centre	-	200	200	56	-260%	-260%

Capital Programme by Project: 2020/21

R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
SPORT & RECREATION						
PH - Upgrade & Development of POS -Kougaberg, Fletcher,Meuse	1,287	-	-	-		
PH - Upgrade & Development of POS- Mqolomba & Jacob Matomela	1,942	-	-	-		
Upgrading of Ablution Facility - Peter Gibbs Nursery	-	1,000	675	656	-3%	-53%
Procurement of Specialised Vehicles - Public Health	-	5,000	4,500	2,379	-89%	-110%
PH -Upgrade and Development of public open spaces - Avenue A	1,003	-	-	-		
Development of public open spaces - Raxa park	-	1,500	1,354	1,346	-1%	-11%
Development of public open spaces - Denmark park	-	1,900	1,715	2,062	17%	8%
Development of public open spaces - Mvetshane park	-	2,000	1,805	1,720	-5%	-16%
Development of public open spaces - Ridgewood park	-	1,200	1,083	1,270	15%	6%
Development of public open spaces - Krebe park	-	2,000	1,805	1,636	-10%	-22%
Development of public open spaces - Befile park	-	1,700	1,534	1,462	-5%	-16%
Development of public open spaces - Nkabalaza park	-	1,600	1,444	1,636	12%	2%
Development of public open spaces - Baatjies park	-	1,700	1,534	1,582	3%	-7%
Development of public open spaces - Rina park	-	1,400	564	745	24%	-88%
Upgrade and development of Public open spaces - Diggery Park	-	-	700	755	7%	100%
Upgrade & Development of Public Open Spaces - Masagwana Park	-	-	1,160	1,432	19%	100%

Capital Programme by Project: 2020/21
R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Upgrade & Development of Public Open Spaces - MPC Park	-	-	1,170	1,542	24%	100%
Upgrade & Development of Public Open Spaces - Gwangwa Park	-	-	1,170	1,354	14%	100%
PH - Fencing of Settlers Park	-	-	500	-		
SRAC: Upgrading of High Street Swimming Pool infrastructure	1,790	1,000	1,500	435	-245%	-130%
SRAC: Springs Resort - Upgrade Infrastructure	-	1,300	1,300	1,112	-17%	-17%
SRAC: Jagtvlakte Sports Field	1,893	-	1,000	903	-11%	100%
SRAC: Construction of Ablution block at Sardinia Bay Beach	-	1,000	1,000	865	-16%	-16%
Wells Estate Beach- Upgrade of Infrastructure	-	1,000	1,000	802	-25%	-25%
Happy Valley - Upgrade of Infrastructure	-	500	500	57	-773%	-773%
SRAC: Upgrade of Rosedale Pool Infrastructure	730	-	-	(222)	100%	100%
SRAC: Gelvandale Sportsfield Astro turf	-	11,000	9,927	-		
Upgrade and development of Hobie Beach Yatch Club	-	500	500	-		
Purchase of Aquatic emergency response vehicles	-	1,500	1,500	1,111	-35%	-35%
Upgrade of Walmer change rooms	-	1,500	1,500	4,554	67%	67%
Rehabilitation of Main Pavillion - Kariega sportsfields	-	200	200	174	-15%	-15%
Upgrade and Development of Brighton Beach Infrastructure	-	700	300	-		
Upgrade & Development of Bluewater Bay Beach Infrastructure	-	300	300	-		
Purchase of vehicles: Water Tanker (Sport facilities)	-	1,500	1,500	1,199	-25%	-25%
Fencing of Finnis street sportsfield	-	-	600	1,291	54%	100%
Fencing of Raymond Mhlaba Sports centre	-	-	1,000	536	-86%	100%

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Fencing of Lillian Ngoyi Sports centre	-	-	-	1,289	22%	100%
Fencing of coastal infrastructure and amenities - Ward 1	-	-	400	-		
Fencing of ST Georges pool	-	-	-	390	100%	100%
Upgrade and Development of Public Open Spaces - Sindindi	1,193	-	-	-		
Upgrade and Development of Public open space - Gaika2	1,409	-	-	-		
Upgrade and Development of Public open space - Mjojeli	1,793	-	-	-		
Upgrade and Development of Public open space - Chatty Road	830	-	-	-		
Upgrade and Development of Public open space - Koopman	303	-	-	-		
Upgrade and Development of Public open space - Madzihane	1,803	-	-	-		
Upgrade and Development of Public open space - Majombozi	1,702	-	-	-		
Upgrade and Development of Public Open Spaces - Mavavana	633	-	-	-		
Upgrade and Development of Public Open Spaces - Tshauka	1,252	-	-	-		
Upgrade and Development of Public Open Spaces - Sicongwana	1,494	-	-	-		
Upgrade and Development of Public Open Spaces - Mtshekisane	1,500	-	-	-		
Upgrade and Development of Public Open Spaces - Dwarhana	1,130	-	-	-		
Upgrade and Development of Public Open Spaces - Modise	1,244	-	-	-		
Playground Equipment - Ward 31	292	-	-	-		

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Playground Equipment - Ward 34	292	-	-	-		
Playground Equipment - Ward 36	292	-	-	-		
Playground Equipment - Ward 55	292	-	-	-		
PH - Upgrade & Development of POS - Qwarha, ward 56	362	-	-	-		
PH - Upgrade & Development of POS - Nkadimeng, ward 36	1,288	-	-	-		
PH - Upgrade & Development of POS - Nobili, ward 7	299	-	-	-		
PH - Upgrade & Development of POS - Aubrey/Bell, ward 10	456	-	-	-		
PH - Upgrade & Development of POS - Ndlovu, ward 45	216	-	-	-		
Upgrade and Development of Sports Facilities	97	-	-	-		
Mendi Arts & Cultural Centre	120	-	-	-		
Beach Development - Summerstrand	152	600	-	-		
Upgrade and Rehabilitate Kwazaknele Pool	554	-	-	-		
Beach Development - Bird Rock	733	800	-	-		
Upgrade Major Parks - Willow Dam	2,125	-	-	-		
NMBM Multi-Purpose Stadium - Upgrades	-	9,000	-	-		
METRO POLICE						
Purchase of Vehicles for Metro Police	1,661	300	2,000	341	-486%	12%
Furniture for Metro Police	591	1,200	600	502	-19%	-139%
Law Enforcement Equipment for Metro Police	1,058	2,000	900	756	-19%	-165%
	-					
FIRE SERVICES						

Capital Programme by Project: 2020/21
R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
S&S: Motherwell Fire Station - Rehab and Refurbishment	243	-	600	116	-416%	100%
S&S: Office Accommodation Security - Sidwell Fire Station	7	-	-	-		
Purchase of Plant and Equipment - Fire	1,227	500	-	-		
Construction of Security Wall - Fire Training Centre Markman	-	1,000	400	174	-130%	-474%
Rehabilitation of South End Fire Station Drill Tower&Shutter	-	1,000	1,000	398	-151%	-151%
Purchase of Off-Road Vehicles for Fire & Emergency Services	-	3,000	-	-		
Fire: Purchase of Fire Appliance/ Engine	-	4,000	-	-		
Disaster Management, Animal Licencing and Control, Control of Public Nuisance						
Vehicles for Safety and Security (Security only)	3,298	800	2,240	2,215	-1%	64%
S&S: CCTV Equipment & Infrastructure - Disaster Management	5,711	-	-	-		
Traffic Training College - Equipment for Training Centre	221	-	-	-		
Traffic : Motherwell Thusong Centre - Vehicles	2,272	-	-	-		
Purchase of Firearm Traffic Training Equipment for TTC	123	-	-	-		
Upgrade of Kariega Dog Pound	110	700	700	353	-98%	-98%
Security: Airconditioner for Mobile Surveillance Vehicle	-	80	-	-		
Security: Installation of Camera System - Mobile Surveillance	-	1,440	-	-		
TRAFFIC: REPLACEMENT OF FLEET BO604	-	419	419	-		
CCTV Mobile Vehicle Enhancements	-	100	200	158	-27%	37%

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
EXECUTIVE & COUNCIL						
Intergrated City Development Programme	-	9,114	-	-		
FINANCIAL SERVICES						
Upgrade and Furnishing Customer Care Centres	116	2,000	350	271	-29%	-638%
Replacement of Handheld Devices - Meter Reading	172	-	-	-		
Replacement of Vending POS Equipment	-	1,100	1,100	-		
SCM Building Additions and Upgrades	81	-	-	-		
Customer Care: Upgrade of Filing Room for ATP	-	-	200	140	-43%	100%
Customer Care - Acquisition of Computer Equipment	287	-	-	-		
Construction of new offices at Supply Chain Management	-	10,000	3,000	702	-327%	-1325%
B&T Office Renovations - ETB	179	1,000	800	17	-4635%	-5819%
Purchase of payslip printing machine	-	-	150	-		
ICT SERVICES						
Purchase of computer equipment (Design & Implementation)	98	500	500	240	-108%	-108%
Disaster Recovery Center - Information Security	12,046	6,500	3,000	-		
EMS - Enhancement	-	2,000	50	-		
Purchase of servers and other IT Related Infrastructure	1,979	3,000	3,000	1,411	-113%	-113%
Computer and Office Equipment	572	1,000	1,000	298	-236%	-236%

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Disaster Recovery- Backup power and Renewable energy	-	-	300	-		
Purchase of Computer Equipment - Security Services	661	180	260	-		
Purchase of Computer Equipment - Traffic	374	180	180			
Queue Management System - NMBM Customer Care	-	1,000		-		
Computer systems upgrade	(35)	-	1,000	-		
PH - Software - Smartmun Cemetery Management	-	-	1,725	1,500	-15%	100%
Replacement of Old Laptops and Desktop PC's	-	80	80	34	-138%	-138%
Purchase of computer equipment for Finance	-	-	200	-		
Customer care: IVR Query Management module	-	-	750	655	-15%	100%
Water: Purchase of Computer Equipment	-	-	200	-		
Purchase of Computer Equipment - Safety -ED's Office	-	100	100	-		
Purchase of Computer Equipment - Fire & Emergency	-	180	180	147	-23%	-23%
Purchase of Computer Equipment - Disaster Management	-	180	80	20	-304%	-809%
Purchase of Computer Equipment - Metro Police	-	180	180	160	-12%	-12%
IPTS -OMS APTMS Lite Phase 1	-	4,365	4,365	914	-378%	-378%
Property; Legal; Risk Management and Procurement Services						
Water Services : Office Accommodation	64	2,000	350	17	-2008%	-11946%
Sanitation Services : Office Accomodation	185	1,000	-	38	100%	-2498%
Electricity Buildings Improvements	-	2,000	1,000	642	-56%	-211%

Capital Programme by Project: 2020/21
R' 000

Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Upgrading of Municipal Office and Ablution facilities	2,402	1,000	1,000	-		
Upgrading of depots and offices	-	2,000	1,500	157	-855%	-1174%
Rehabilitation of Workshop Buildings	-	1,000	1,000	-		
Disaster Recovery: Building Works	-	-	1,200	395	-204%	100%
Disaster Recovery: Installation Of Air Conditioners	-	-	2,000	-		
Office Renovation	652	-	1,000	417	-140%	100%
Kwa-Ford Depot Upgrade to Roof and Security Guard House	-	150	-	-		
Cuyker Depot Dining Room	-	400	-	-		
Algoa House Installation of Smoke/ Fire Detection System	-	250	-	-		
Office Furniture - Corporate Admin	18	480	580	91	-538%	-428%
Air Conditioning of Municipal Buildings	-	1,500	1,000	977	-2%	-54%
Lillian Diedericks Building: Replacement of Garage Doors	-	200	400	181	-121%	-10%
Office Renovations - 1st Floor, Fidelity Building	-	450	530	188	-182%	-139%
Office Renovations: 6th Floor, Fidelity Building	-	1,700	959	-		
Office Renovations-13th Floor, Fidelity Building	-	1,500	1,500	875	-72%	-72%
Struanway Depot: Supply and Installation of Betaview Fencing	-	450	650	640	-2%	30%
Fidelity Building: Replacement of garage doors	-	-	70	62	-13%	100%
Ablution Facility - Peter Gibbs Nursary	262	-	-	-		
Rehabilitation of Workshop Buildings	309	-	-	-		
Lillian Diedericks Building - Upgrading and Rehabilitation	883	-	-	-		
Upgrade Of Municipal Depots	1,142	-	-	-		

Capital Programme by Project: 2020/21						
R' 000						
Capital Project	2020/21 Actual	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %
Algoa House - Upgrade of Offices	429	-	-	-		
BURCHELL DEPOT:INSTALLATION OF MOTOR SLIDING GATE	100	-	-	-		
Wellness Centre - Kariega Depot	37	-	-	-		
Construction of office space - 31 Park Drive	-	-	600	-		

APPENDIX O- CAPITAL PROGRAMME BY PROJECT BY WARD: 2020/21

Capital Programme by Project by Ward: 2020/21			
R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Budget & Treasury			
Replacement of Old Laptops and Desktop PC's	Support Services - Furniture,Fitting and Equipment	Yes	20200262
Construction of new offices at Supply Chain Management	Support Services - Rehabilitation & Upgrade of municipal building	No	20182605
Upgrade and Furnishing Customer Care Centres	Support Services - Rehabilitation & Upgrade of municipal building	Yes	20050219
Customer care: IVR Query Management module	Support Services - Systems enhancements	Yes	20200326
Customer Care: Upgrade of Filing Room for ATTP	Support Services - Rehabilitation & Upgrade of municipal building	Yes	20200325
Purchase of computer equipment for Finance	Support Services - Furniture,Fitting and Equipment	Yes	20200324
Replacement of Old Laptops and Desktop PC's	Support Services - Furniture,Fitting and Equipment	Yes	20200262
Replacement of Vending POS Equipment	Support Services - Furniture,Fitting and Equipment	Yes	20120080
B&T Office Renovations - ETB	Support Services - Rehabilitation & Upgrade of municipal building	Yes	20182612
Corporate Services			
EMS - Enhancement	Support Services - Systems Enhancements	Yes	20182560
Security Upgrading: City Hall	Support Services - Furniture, Fittings and Equipment	Yes	20190322
Disaster Recovery: Backup power and Renewable energy	Support Services - Furniture, Fittings and Equipment	Yes	20200025
Disaster Recovery:Building Works	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200022
Disaster Recovery Center - Information Security	Support Services - Systems Enhancements	Yes	20170145
Upgrading of City Hall	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200327
Disaster Recovery: Installation Of Air Conditioners	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200023
Office Renovation	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20050222

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Mathew Goniwe - Councillors office	Ward 20	Yes	20170140
Fencing of Allanridge Hall	Ward 48, Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200142
Purchase of servers and other IT Related Infrastructure	Support Services - Furniture, Fittings and Equipment	Yes	20182437
Fidelity Building: Replacement of garage doors	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20210100
Air Conditioning of Municipal Buildings	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20190264
Fencing of Pieter Rademeyer Hall	Ward 25, Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200136
Struanway Depot: Supply and Installation of Betaview Fencing	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200254
Upgrade of Ward 51 Councillor Office	Ward 51	Yes	20190269
Office Accommodation - Ward Councillors	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20030221
Ward 33 Councillor's office: Installation of fencing	Ward 33	Yes	20200263
Office Renovations: 6th Floor, Fidelity Building	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200248
Colchester Community Hall: Fencing	Ward 53, 60	Yes	20190267
Lillian Diedericks Building: Replacement of Garage Doors	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200024
Office Furniture - Corporate Admin	Support Services - Furniture, Fittings and Equipment	Yes	20182438
Construction of a Guard House at Motherwell Thusong Centre	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20182553
Office Renovations - 1st Floor, Fidelity Building	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200247
Office Renovations-13th Floor, Fidelity Building	Support Services - Rehabilitation & Upgrade of Municipal Buildings	Yes	20200250
EDTA			
EDTA: Njoli Square Redevelopment	Ward 22	Yes	20190169

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
EDTA : Informal Trading Infrastructure	Ward 36	Yes	20182456
Electricity			
Relay Replacement	Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20210094
HV NETWORK REINFORCEMENT OVERHEAD CABLING	Ward 6,7,9,12 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20200129
Substation Fibre Optic Backbone	Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20070209
Public Contribution - Private Township Development	Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20200209
Miscellaneous Mains and Substations	Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	19930255
Non Electrification Areas - Service Connections	Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	19930233
Reinforcement of Electricity Network - Coega IDZ	Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	No	20200207
Undeclared Informal Electrification	Ward 4,36,40,53,54,55,57,60 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20170022
E&E - Public Lighting	Ward 1 to 60	Yes	19930283
Public Lighting - Refurbishment/Retro fit	Ward 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25,26,27,28,29,30,31,32,33,34,35,36,37,38,39,40,41,45,50,51,52,55,56,57,58,59,60	Yes	20210092
E&E-Electrification of State Subsidised Houses	Ward 4,12,15,19,29,41,45,48,54 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20200188
Refurbishment of Power Transformers	Ward 3,11,25,46 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20150028
HV Network Reinforcement - New Substations	Ward 6,7,9,10,12,13,,15,16,42,43,45,46,47,48 and Support Services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20100122

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Non Electrification Areas - Service Connections	Support Services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	19930233
HV Network Reinforcement - New Substations	Ward 6,7,9,10,12,13,15,16,42,43,45,46,47,48 Support Services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20100122
Refurbishment of Power Transformers	Ward 3,7,11,25,46 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20150028
Undeclared Informal Electrification	Ward 4,36,40,53,54,55,57,60 and Support Services- Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20170022
Distribution Substation Building Refurbishment Programme	Ward 2,5,10,13,16,25,37,48 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20170045
Radio and Test Equipment	Support services-Furniture, Fittings and Equipment	Yes	20200104
Low Voltage Reticulation Improvement	Ward3	Yes	20200105
Electricity Buildings Improvements	Support services-Rehabilitation & Upgrade of Municipal Buildings	Yes	20200106
Reinforcement of Electricity Network- North	Ward 10,25	Yes	20200113
Reinforcement of Electricity Network- Wells Estate	Ward60	Yes	20200115
Reinforcement of Electricity Network- Kariega	Ward 46,51 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20200120
Reinforcement of Electricity Network- Mount Road	Ward 5,7 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement and General Improvements	Yes	20200123
Reinforcement of Electricity Network- Despatch	Ward 10,52	Yes	20200125
Reinforcement of Electricity Network- South	Ward 3,4,6,and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20200126
Reinforcement of Electricity Network- Western	Ward 9 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20200128
HV NETWORK REINFORCEMENT OVERHEAD CABLING	Ward 6,7,9,12,Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20200129
New/Replacement of Plant and Motor Vehicles	Support services-Vehicles Acquisition and Replacement for Provision of Service Delivery	Yes	20200131
Procurement of Metering Products	Support services-Furniture, Fittings and Equipment	Yes	20200137

Capital Programme by Project by Ward: 2020/21			
R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Supervisory Control - Equipment Upgrade	Support services-Furniture, Fittings and Equipment	Yes	20200201
HV Line Refurbishment (66 & 132KV)	Ward1,40	Yes	20200203
MV and LV Line Refurbishment	Ward 1,4,9,13,40,49,51,and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20200205
MUNELEK OFFICE FURNITURE AND EQUIPMENT	Support services-Furniture, Fittings and Equipment	Yes	20210089
MV And HV Switchgear replacement	Ward9	Yes	20210091
Relay Replacement	Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20210094
Gas Turbine Refurbishment	Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20210095
Undeclared Informal Electrification	Ward 4,36,40,53,54,55,57,60 and Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20170022
Upgrade of Commercial Meters - Remote Metering	Support services-Furniture, Fittings and Equipment	Yes	20182549
Smart Pre-Payment Meters	Support services-Furniture, Fittings and Equipment	Yes	20182550
HV Transmission Line	Ward 2,3,5,7,9,11	No	20182551
E&E - EEDSM Energy Efficient Public Lighting	Support services-Electricity Network Expansion, Rehabilitation and Re-inforcement	Yes	20210372
Human Settlements			
Walmer Development - Sewer Reticulation	Ward 04	No	20170110
Missionvale - Roadworks	Ward 31	Yes	20110092
Kwanobuhle Area 11 - Roadworks	Ward 41, 45	Yes	20120030
Jagvlagte (Chatty 11-14) - Roadworks	Ward 41	Yes	20120033
Kwanobuhle Area 11 - Stormwater	Ward 45	Yes	20170079
John Street- Water Reticulation	Ward 48	Yes	20182336
Jagvlagte (Chatty 11-14) - Water Reticulation	Ward 41	Yes	20170093

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Kwazakhele: Ekuphumleni - Water Reticulation	Ward 19	Yes	20170191
Land Acquisition: Lorraine(Erf 114,115,120,122,123,124) (HS)	Ward 08, Support Services- Land Acquisition	Yes	20200029
Jagvlagte (Chatty 11-14) - Stormwater	Ward 41	Yes	20170091
Mandela Village 71 Sites - Water Reticualtion	Ward 18	Yes	20210147
Walmer Development - Water Reticulation	Ward 04	No	20170109
Jagvlagte (Chatty 11-14) - Sewer Reticulation	Ward 41	Yes	20170096
Walmer Development - Stormwater	Ward 04	No	20170108
Connections and Water Meters	Support Services - Water Network Expansion and Rehabilitation.	Yes	20190104
Public Health			
Purchase of Computer and Office Equipment	Support Services - Furniture,Fitting and Equipment	Yes	20190311
Upgrading of Municipal Office and Ablution facilities	Support Services - Rehabilitation & Upgrade of municipal building	Yes	20190308
Upgrade & Development of Public Open Spaces - Gwangwa Park	Ward 54	Yes	20210106
Upgrade & Development of Public Open Spaces - MPC Park	Ward 29	Yes	20210105
Upgrade & Development of Public Open Spaces - Masagwana Park	Ward 14	Yes	20210104
Upgrade and Development of Forest Hill Cemetery	Ward 2	Yes	20190156
Upgrade and Development of Bloemendal Cemetery	Ward 38	Yes	20190162
Upgrade and Development of Gerald Smith Cemetery	Ward 48	Yes	20190170
PH - Upgrade and Development of Motherwell Cemetery	Ward 53	Yes	20190171
Fencing of Gqebera Cemetery	Ward 4	Yes	20190273

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Fencing of Bucwa Cemetery	Ward 45	Yes	20190275
PH - Water drainage and roads at cemeteries - Motherwell	Ward 53	Yes	20190279
Fencing of Goven Mbeki Cemetery	Ward 33	Yes	20190319
Development of public open spaces - Raxa park	Ward 15	Yes	20200166
Development of public open spaces - Denmark park	Ward38	Yes	20200167
Development of public open spaces - Mvetshane park	Ward 44	Yes	20200168
Development of public open spaces - Ridgewood park	Ward 39	Yes	20200169
Development of public open spaces - Krebe park	Ward 55	Yes	20200170
Development of public open spaces - Befile park	Ward 19	Yes	20200171
Development of public open spaces - Nkabalaza park	Ward 22	Yes	20200172
Development of public open spaces - Baatjies park	Ward 48	Yes	20200173
Development of public open spaces - Rina park	Ward 9	Yes	20200174
Fencing of Despatch Cemetery	Ward 52	Yes	20200221
Upgrade and development of Public open spaces - Diggery Park	Ward 9	Yes	20210103
Upgrade & Development of Public Open Spaces - Masagwana Park	Ward 54	Yes	20210104
Upgrade & Development of Public Open Spaces - MPC Park	Ward 29	Yes	20210105
Upgrade & Development of Public Open Spaces - Gwangwa Park	Ward 14	Yes	20210106
Upgrade and development of Kabah Cemetery	Ward 50	Yes	20210300
PH - Fencing of Settlers Park	Ward 3	Yes	20210119

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
PH - Software - Smartmun Cemetery Management	Support Services - Systems enhancements	Yes	20200019
Specialised Medical Equipment	Support Services - Furniture,Fitting and Equipment	Yes	20200027
Upgrading of Ablution Facility - Peter Gibbs Nursery	Ward 3	Yes	20190198
PH - Upgrade and Development of Motherwell Cemetery	Ward 53	Yes	20190171
PH: Purchase of Waste Containers	Support Services - Public health service projects	Yes	20190313
Air Pollution Monitoring Equipment	Support Services - Furniture,Fitting and Equipment	Yes	20170131
Procurement of Specialised Vehicles - Public Health	Support Services - Vehicle acquisitions and replacements for provision of service delivery	Yes	20190307
Upgrade and Development of Bloemendal Cemetery	Ward 38	Yes	20190162
Occupational Health and Wellness Center - Walmer	Ward 2	Yes	20190298
Development of waste disposal facilities (Koedoeskloop)	Ward 52	No	20200196
Upgrade of Kariega Dog Pound	Ward 48	Yes	20190283
Development of waste disposal facilities - Arlington	Ward 1	Yes	20200289
Upgrade and Development of Matanzima Cemetery	Ward 47	Yes	20190168
Upgrading of Kariega Depot into Wellness Centre	Ward 48	Yes	20190195
Roads & Stormwater			
Road upgrade to increase Capacity	Ward6,16,19,21,and Support services-General Improvements	Yes	20200077
Resurfacing tar roads	Ward1 to 60 and Support services-General Improvements	Yes	20200051
Resurfacing of subsidised roads	Ward1,3,6,7,10,14,17,22,23,24,25,27,29,30,32,34,35,39,40,42,43,45,46,47,50,53,54,56,57,58,60	Yes	20060020

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Roads-New /Replacement Vehicle fleet	Ward5,15,16,48,Support services-General Improvements	Yes	20200049
Rehabilitation of Roads	Ward16,19,21,Support services-General Improvements	Yes	20170126
Rehabilitation of William Moffet Expressway	Ward21,22,23,25,28,29,31,33,41,48,50,55,57,58,59,Support services-General Improvements	Yes	20200054
Construction of footbriges	Ward6	Yes	20200075
New Laboratory equipment - Scientific Services	Ward 23,34,35,37,44,Support services-General Improvements	Yes	20200082
Provision of Sidewalks	Support services-Furniture, Fittings and Equipment,General Improvements	Yes	20190289
Small Plant & Equipment	Ward1,3,6,7,10,14,17,22,23,24,25,27,29,30,32,34,35,39,40,42,43,45,46,47,50,53,54,56,57,58,60	Yes	20060020
Intersection Improvements	Support services-Furniture, Fittings and Equipment	Yes	20190106
TRAFFIC CALMING MEASURES-2020	Ward 6 and Support services-General Improvements	Yes	20200078
Chatty: Stormwater Improvement	Support services-General Improvements	Yes	20200067
Facilities for the Disabled	Support services-General Improvements	Yes	20200062
IPTS - Improvement of Entrance at Cleary Park Taxi Rank	Support services-General Improvements	Yes	20200076
IPTS - The Development of Cleary Park Depot and Terminal	Ward32 and Support services--General Improvements	Yes	20210096
IPTS -Construction of Sidewalks along IPTS trunk and feeders	Ward32	Yes	20190054
IPTS - Construction of a Holding Public Depot - Kariega	Support services-General Improvements	Yes	20200272
IPTS - Automated Fare Collection (AFC) System	Ward46	Yes	20190052
IPTS - Standford Rd / N2 Bridge Widening and Construc Pedest	Support services-Systems Enhancements	Yes	20190175
IPTS - Work Package: Public Transport Facilities	Support services-General Improvements	Yes	20190053
IPTS - Construction of bus Embayments in IPTS Routes	Support services-General Improvements	No	20060229

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
IPTS -OMS APTMS Lite Phase 1	Support services-General Improvements	Yes	20200038
IPTS - Surfacing of IPTS Routes	Support services-Systems Enhancements	Yes	20190069
New Traffic signals for roads intersections	Ward35 and Support services-General Improvements	Yes	20190226
Wells Estate - Access Road	Support services-General Improvements	Yes	20200065
Resurfacing tar roads	Ward 60	No	20162188
Construction of Bantom Road	Ward1to 60 and Support services-General improvements	Yes	20200051
Rehabilitation of Roads	Ward45	Yes	20190295
Tarring of Gravel Roads	Ward21,22,23,25,28,29,31,32,33,41,48,50,55,57,58,59,and Support services-General Improvements	Yes	20200054
Provision of Sidewalks	Ward4, 14, 15, 17, 18, 23, 24, 26, 27, 28, 29, 30, 31, 33, 36, 37, 38, 40, 41, 42, 44, 45, 46, 47, 48, 50, 52, 53, 54, 55, 56, 57, 58, 59, 60, Support services-General Improvements	Yes	20050286
New Brighton/Kwazakhele: Bulk Stormwater	Ward19	No	20030475
Cannonville/Colchester: Stormwater improvements	Ward53	Yes	20080080
Provision of Sidewalks	Ward1,3,6,7,10,14,17,22,23,24,25,27,29,30,32,34,35,39,40,42,43,44,45,46,47,50,53,54,56,57,58,60	Yes	20060020
Road upgrade to increase Capacity	Ward 6,16,19,21,and Support services -General improvements	Yes	20200077
Public Transport facilities	Ward 8,54,General improvemets	Yes	20200069
TM24 Guidance Signs	Support services -Furniture, Fittings and Equipment	Yes	20200068
Purchase of computer equipment(Design and implimentation)	Support services-Furniture, Fittings and Equipment	Yes	20200085
Cannonville/Colchester: Stormwater improvements	Ward53	Yes	20080080
Blue Horizan Bay Bulk Stormwater	Ward40	Yes	20060241
Construction of Joe Slovo Bridge – Ward 41	Ward41	Yes	20162191
Stormwater Improvements - Stokwe Street, ward 17	Ward17	Yes	20190297

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
New Brighton/Kwazakhele: Bulk Stormwater	Ward19	No	20030475
Rehabilitate concrete roads- Northern Areas	Ward11,32,34	Yes	20200050
Upgrade Main Road through Swartkops	Ward60	Yes	20200073
Rehabilitation of Workshop Buildings	Rehabilitation & Upgrade of Municipal Buildings	Yes	20200057
Rehabilitation of Roads	Ward 21,22,23,25,28,29,31,32,41,48,50,55,57,58,59 and support Support services-General improvements	Yes	20200054
New Traffic signals for roads intersections	Support services- general improvements	Yes	20200065
Upgrading of depots and offices	Support services- Rehabilitation & Upgrade of Municipal Buildings	Yes	20200053
Zwide Bulk Stormwater	Ward 26	Yes	20060237
Construction of footbriges	Ward 23,34,35,37,44-Support services-General Improvements	Yes	20200082
Peri-Urban: Rehabilitation of gravel roads	Ward 40 and Support services-General Improvements	Yes	20030084
Stormwater Improvements: Ikamvelihle	Ward 53	Yes	20090038
Rehabilitation of Verges and sidewalks	Ward 10,13 and Support services -General Improvements	Yes	20200083
Rehabilitation of William Moffet Expressway	Ward 6	Yes	20200075
Intersection Improvements	Ward 6,and Support services-General Improvements	Yes	20200078
Ground water improvements metro wide	Ward 10,13 and Support services -General Improvements	Yes	20200061
Stormwater Improvements	Ward 24 and Support services-General Improvements	Yes	20200063
Reconstruction of stormwater system - Kariega	Ward 42,44,45,46,47,48,49,50,51,52	Yes	20200059
Rehabilitation of Stormwater Ponds	Ward 19 and Support services-General Improvements	Yes	20200060
Rehabilitation of Bridge Structures	Ward5,6,44 and Support services-General Improvements	Yes	20200086
Tarring of Gravel Roads	Ward4,14,15,17,18,23,24,26,27,28,29,30,31,33,36,37,38,40,41,42,44,45,46,47,48,50,53,54,55,56,57,58,59,60,and support services-General Improvements	Yes	20050286
New Laboratory equipment - Scientific Services	Support services-Furniture Fittings and Equipment ,General Improvements	Yes	20190289
Small Plant & Equipment	Support services-Furniture, Fittings and Equipment	Yes	20190106
Reconstruction of open canals Metro wide	Ward33,48,55 and Support services-General Improvements	Yes	20200058

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Provision of Rudimentary Services - Roads and Stormwater	Support services-General Improvements	Yes	20043187
Traffic Control Equipment	Support services-Furniture, Fittings and Equipment	Yes	20200070
Replacement of Laboratory equipment - Scientific Services	Support services-Furniture, Fittings and Equipment	Yes	20190290
TRAFFIC CALMING MEASURES-2020	Support services-General Improvements	Yes	20200067
Wells Estate - Access Road	Ward 60	No	20162188
Resurfacing tar roads	Ward 1 to ward 60 and Support services-General Improvements	Yes	20200051
Roads-New /Replacement Vehicle fleet	Support services-Vehicles Acquisition and Replacement for Provision of Service Delivery	Yes	20200056
Replacement of vehicle tracking system	Support services-Systems Enhancements,Vehicles Acquisition and Replacement for Provision of Service Delivery	Yes	20200273
Replacement vehicle fleet-Automotive Transport	Support services-Vehicles Acquisition and Replacement for Provision of Service Delivery	Yes	20200055
John Tallant Link Road	Ward16,19,21 and Support services-General Improvements	Yes	20170126
Safety & Security			
Purchase of Computer Equipment - Security Services	Support Service - Furniture, Fittings and Equipment	Yes	20190125
S&S: Motherwell Fire Station - Rehab and Refurbishment	Ward 53	Yes	20100060
CCTV Mobile Vehicle Enhancements	Support Service - Furniture, Fittings and Equipment	Yes	20090056
Purchase of Computer Equipment - Fire & Emergency	Support Service - Furniture, Fittings and Equipment	Yes	20190123
Purchase of Computer Equipment - Disaster Management	Support Service - Furniture, Fittings and Equipment	Yes	20190124
Construction of Security Wall - Fire Training Centre Markman	Support Service - Rehabilitation & Upgrade of Municipal Buildings	Yes	20162193
Vehicles for Safety and Security (Security Only)	Support Service - Vehicles Acquisition and Replacement for Provision of Service Delivery	Yes	20140015

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
PURCHASE OF COMPUTER EQUIPMENT - SAFETY -ED'S OFFICE	Support Service - Furniture, Fittings and Equipment	Yes	20190121
Rehabilitation of South End Fire Station Drill Tower&Shutter	Support Service - Rehabilitation & Upgrade of Municipal Buildings	Yes	20182520
S&S: Purchase of Vehicles for Metro Police	Support Service - Vehicles Acquisition and Replacement for Provision of Service Delivery	Yes	20170142
Law Enforcement Equipment for Metro Police	Support Service - Furniture, Fittings and Equipment	Yes	20170146
TRAFFIC: REPLACEMENT OF FLEET BO604	Support Service - Vehicles Acquisition and Replacement for Provision of Service Delivery	Yes	20200111
Purchase of Computer Equipment - Metro Police	Support Service - Furniture, Fittings and Equipment	Yes	20190126
Safety and Security - Furniture for Metro Police	Support Service - Furniture, Fittings and Equipment	Yes	20170144
TRAFFIC: REPLACEMENT OF FLEET BO604	Support Service - Vehicles Acquisition and Replacement for Provision of Service Delivery	Yes	20200111
Sanitation			
Sanitation Services: Improvements to Sewerage System	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	19940098
Sanitation Services: Markman - Replace 600mm Sewer	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20030034
Sanitation Services: Upgrading of Kwanobuhle WWTW	Support Service - Sanitation Network Expansion and Rehabilitation	No	20070144
Sanitation Services: Upgrade of Brickfields WWTW	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20070153
Bulk Sewers: Joe Slovo, Mandelaville & Allenridge West UIT	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20110066
1411:Fishwater Flats WWTW:Sludge Stabilisation	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20182409
1411:Driftsands Collector Sewer Augmentation Phase 2	Support Service - Sanitation Network Expansion and Rehabilitation	No	20182411
1411:Augment Collector Sewer Walmer Heights & Mount Pleasant	Ward 1,4, Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20182418

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
BEP: Supply and install communal ablutions	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20182423
Sanitation: Upgrade of Cape Recife WWTW	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20190245
Sanitation: Upgrading of Despatch Reclamation Works	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20190247
Sanitation: Upgrading of Kelvin Jones WWTW	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20190248
Sanitation: Upgrade of Rocklands WWTW	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20190249
Sanitation: Improvements to Sewerage System	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20190252
Sanitation: Rehabilitation of Pump Stations	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20190257
Sanitation:Purchase of Telemetry Equipment for Pump Station	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20190259
FISH WATER FLATS WWTW: SECURITY MEASURES AT FACILITY	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20200154
Fishwater Flats WWTW - Upgrade of Old Screen House	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20200155
Fish Water Flats WWTW - Renewal of Mechanical Equipment	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20200156
Fish Water Flats WWTW - New Screening and Washing System	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20200157
Upgrading of Mechanical Equipment at Driftsands WWTW	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20200158
Renewal of Mechanical Equipment at Drifstands WWTW	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20200159
Sanitation: Purchase of Small Plant & Equipment	Support Service - Furniture, Fittings and Equipment	Yes	20200319
Sanitation Services : Office Accomodation	Support Service - Rehabilitation & Upgrade of Municipal Buildings	Yes	20190251
Sanitation: Coastal Water Discharge Permit & WULA -FWF WWTW	Support Service - Sanitation Network Expansion and Rehabilitation	Yes	20200317
Sanitation: Purchase of Small Plant & Equipment	Support Service - Furniture, Fittings and Equipment	Yes	20200319
1411:Driftsands Collector Sewer Augmentation Phase 2	Support Service - Sanitation Network Expansion and Rehabilitation	No	20182411

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
SRAC			
Construction of Multi-Purpose Centre: Ward 17 (New Brighton)	Ward 17	Yes	20182617
Construction of Multi-Purpose Centre: Ward 42 (Kwanobuhle)	Ward 42	Yes	20182619
Construction of Multi-Purpose Centre: Ward 21 (Kwazakhele)	Ward 21	Yes	20190320
Upgrade of Walmer change rooms	Ward 03	No	20200228
Construction of office space - 31 Park Drive	Ward 03	Yes	20210110
Fencing of Finnis street sportsfield	Ward 35	Yes	20210111
Fencing of Raymond Mhlaba Sports centre	Ward 21, 58	Yes	20210112
Fencing of Lillian Ngoyi Sports centre	Ward 21	Yes	20210113
Fencing of coastal infrastructure and amenities - Ward 1	Ward 01	Yes	20210114
Fencing of Libraries : Newton Park Library	Ward 06, 07	Yes	20210115
Fencing of Libraries :Chatty Library	Ward 29	Yes	20210116
Fencing of ST Georges pool	Ward 05	Yes	20210297
SRAC: Jagtvlakte Sports Field	Ward 29	Yes	20190112
SRAC: Gelvendale Sportsfield Astro turf	Ward 11	Yes	20190432
SRAC: Upgrading of High Street Swimming Pool infrastructure	Ward 50	Yes	20000160
SRAC: Springs Resort - Upgrade Infrastructure	Ward 51	Yes	20010221
Upgrade and Restoration of Libraries - Main Library	Ward 05	Yes	20060113
SRAC:Mendi Arts & Cultural Centre	Ward 14	Yes	20100104
Rehabilitation of Red Location Precinct Buildings	Ward 15	Yes	20162174

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Construction of Multi-Purpose Centre: Ward 17 (New Brighton)	Ward 17	Yes	20182617
Construction of Multi-Purpose Centre - Ward 34(Bethelsdorp)	Ward 34	Yes	20182618
Construction of Multi-Purpose Centre: Ward 42 (Kwanobuhle)	Ward 42	Yes	20182619
SRAC: Construction of Ablution block at Sardinia Bay Beach	Ward 01	Yes	20190147
Wells Estate Beach- Upgrade of Infrastructure	Ward 60	Yes	20190151
Happy Valley - Upgrade of Infrastructure	Ward 02	Yes	20190154
SRAC: Motherwell library roof replacement	Ward 57	Yes	20190157
SRAC: Upgrade and restoration of libraries - Zwide	Ward 26	Yes	20190158
SRAC: Chatty library roof replacement	Ward 29	Yes	20190160
SRAC: Upgrade of Rosedale Pool Infrastructure	Ward 49	Yes	20190161
Construction of Multi-Purpose Centre: Ward 21 (Kwazakhele)	Ward 21	Yes	20190320
SRAC: Gelvendale Sportsfield Astro turf	Ward 11	Yes	20190432
SRAC: Furniture & Equipment for Mendi Arts & Cultural Centre	Ward 14	Yes	20200031
SRAC: CCTV Equipment - Mendi Arts & Cultural Centre	Ward 14	Yes	20200043
Upgrade and development of Hobie Beach Yatch Club	Ward 02	Yes	20200222
Purchase of Aquatic emergency response vehicles	Support Services - Vehicles Acquisition and Replacement for Provision of Services Delivery	Yes	20200224
Re-Construction of Kwanobuhle Library	Ward 44	Yes	20200225
Upgrade of Walmer change rooms	Ward 03	No	20200228
Rehabilitation of Main Pavillion - Kariega sportsfields	Ward 50	Yes	20200233

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Replacement of cork floor - Kariega indoor centre	Ward 50	Yes	20200237
Fencing of Nelson Mandela Art Museum	Ward 03	Yes	20200243
Upgrade and Development of Brighton Beach Infrastructure	Ward 14	Yes	20200292
Upgrade & Development of Bluewater Bay Beach Infrastructure	Ward 60	Yes	20200293
Purchase of vehicles: Water Tanker (Sport facilities)	Support Services - Vehicles Acquisition and Replacement for Provision of Services Delivery	Yes	20200294
Fencing of Finnis street sportsfield	Ward 35	Yes	20210111
Fencing of Lillian Ngoyi Sports centre	Ward 21	Yes	20210113
Fencing of Libraries : Newton Park Library	Ward 06, 07	Yes	20210115
Water			
Water Services: Rehabilitation of Reservoirs	Support Service - Water Network Expansion and Rehabilitation	Yes	20190291
Water Services: Upgrading of Springs Water Treatment Works	Support Service - Water Network Expansion and Rehabilitation	Yes	20060082
NOOITGEDAGT:NEW PUMP SETS - MOTHERWELL + STANDFORD ROAD PUMP STATION	Support Service - Water Network Expansion and Rehabilitation	No	20200153
Water Services: Loerie Treatment Works: Rehabilitation	Support Service - Water Network Expansion and Rehabilitation	Yes	20000037
Water Services: Rehabilitation of Water Pump Stations	Support Service - Water Network Expansion and Rehabilitation	Yes	20190235
Water Services: Advanced Meter Infrastructure	Support Service - Water Network Expansion and Rehabilitation	Yes	20162356
Water Services: Purchase of Telemetry Equipment	Support Service - Furniture, Fittings and Equipment	Yes	20190241
Water Services: Nooitgedagt Low Level Scheme - Phase 3	Support Service - Water Network Expansion and Rehabilitation	No	20190159

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
WATER: UPGRADE OF RESERVOIR: KWANOBUHLE	Support Service - Water Network Expansion and Rehabilitation	Yes	20200146
Construction of Coegakop Water Treatment Works (NON-MDRG)	Support Service - Water Network Expansion and Rehabilitation	No	20190236
Renewal of Water Pipeline - Bloemendal	Ward 29	No	20210057
Water Services: Bulk Water Metering + Control	Support Service - Water Network Expansion and Rehabilitation	Yes	20190237
Water Services: Jagtvlakte: Bulk Water Supply Pipeline	Support Service - Water Network Expansion and Rehabilitation	Yes	20190243
Purchase & installation of Impofu Water Barge Equipment	Support Service - Water Network Expansion and Rehabilitation	Yes	20210393
Colchester Development Augmentation - New Water Pipeline	Support Service - Water Network Expansion and Rehabilitation	Yes	20210077
1412: Rehabilitation of Loerie Water Treatment Works	Support Service - Water Network Expansion and Rehabilitation	No	20182415
Water Services: Rehabilitation of Dams	Support Service - Water Network Expansion and Rehabilitation	Yes	20080094
Water Services: Linton: Additional treatment facility	Support Service - Water Network Expansion and Rehabilitation	Yes	20042889
Water: Installation of Standpipes and Associated Water Meter	Support Service - Water Network Expansion and Rehabilitation	No	20200008
Groundwater :Drought :Drilling & Equipping of Boreholes	Support Service - Water Network Expansion and Rehabilitation	No	20182414
Water Services: Installation of Zone Water Meters	Support Service - Water Network Expansion and Rehabilitation	Yes	20190239
Water Services: Older Dams Pipelines Augmentation	Support Service - Water Network Expansion and Rehabilitation	Yes	20042883
WATER: UPGRADE OF RESERVOIR: Mc NAUGHTON	Support Service - Water Network Expansion and Rehabilitation	Yes	20200145
Renewal of Water Pipelines	Support Service - Water Network Expansion and Rehabilitation	Yes	20200151
Water Services: Upgrading of Seaview Water Pump Station	Ward 40, Support Service - Water Network Expansion and Rehabilitation	Yes	20050106
Water Services : Office Accommodation	Support Service - Water Network Expansion and Rehabilitation	Yes	20190240

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
Water Services: Rehabilitation of Water Pump Stations	Support Service - Water Network Expansion and Rehabilitation	Yes	20190235
Upgrade of Kwanobuhle Water Pump Station	Support Service - Water Network Expansion and Rehabilitation, Sanitation Network Expansion and Rehabilitation	Yes	20210078
Construction of Coegakop Water Treatment Works (NON-MDRG)	Support Service - Water Network Expansion and Rehabilitation	No	20190236
Water: Purchase of Furniture & Office Equipment.	Support Service - Furniture, Fittings and Equipment	Yes	20200321
Water: Purchase of Computer Equipment	Support Service - Furniture, Fittings and Equipment	Yes	20200318
Groundwater :Drought :Drilling & Equipping of Boreholes	Support Service - Water Network Expansion and Rehabilitation	No	20182414
Water Services: Upgrading of Seaview Water Pump Station	Support Service - Water Network Expansion and Rehabilitation	Yes	20050106
WATER: PRESSURE REDUCING INFRASTRUCTURE	Support Service - Water Network Expansion and Rehabilitation	Yes	20200148
Renewal of Water Pipeline - Ibhayi	Ward 14,17,18,19,20,21,22,24	Yes	20210060
Renewal of Water Pipeline - Kabega	Ward 8,12, Support Service - Water Network Expansion and Rehabilitation	Yes	20200090
Renewal of Water Pipeline - Deal Party	Ward 15,16	Yes	20210061
RENEWAL OF WATER PIPELINE - DESPATCH	Ward 36,41, Support Service - Water Network Expansion and Rehabilitation	Yes	20200098
Renewal of Water Pipeline - Helenvale	Ward 13	Yes	20210058
Renewal of Water Pipeline - Airport	Ward 1	Yes	20200088
Renewal of Water Pipeline - Govan Mbeki, Ibhayi	Ward 33,36	Yes	20210059
RENEWAL OF WATER PIPELINE - PERSERVERANCE	Ward 30,52, Support Service - Water Network Expansion and Rehabilitation	Yes	20200100
Renewal of Water Pipeline - William Moffat	Ward 1,3,6,7	Yes	20200094
Renewal of Water Pipeline - Swartkops	Ward 16	Yes	20200093
Renewal of Water Pipeline - Churchill	Ward 1,2,3,4,5,7,10,11,13,15	Yes	20200089

Capital Programme by Project by Ward: 2020/21

R' 000			
Capital Project	Ward(s) affected	Works completed (Yes/No)	Project ID
RENEWAL OF WATER PIPELINE - BETHELSDORP	Ward 29,36,37,38	Yes	20200101
Water: Purchase and Installation of Water Meters	Support Service - Water Network Expansion and Rehabilitation	Yes	20200143
RENEWAL OF WATER PIPELINE - MOTHERWELL	Ward 30,52,53	Yes	20200099
Renewal of Water Pipelines	Support Service - Water Network Expansion and Rehabilitation	Yes	20200151

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

The Municipality has no backlogs for schools or clinics. Connections are provided as and when required.

**APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY
WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR
SERVICE PROVISION**

Clinics and schools falls under the responsibility of the Eastern Cape Provincial Government. The Municipality has no backlogs for schools or clinics. Connections are provided as and when required.

The Municipality is responsible for the provision of services such as housing, sports fields and licensing and testing centres. Information with regard to the latter is reflected in Chapter 3 of this Annual Report.

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the Municipality: 2020/21	
All Organisation or Person in receipt of Loans /Grants provided by the municipality	Value 2020/21 R' 000
Arts and Culture	
EC Philharmonic Society	110 000
Feather Market Organ Society	50 000
Friends of Nelson Mandela Bay Art Museum	50 000
Royal School of Church Music	35 000
Educational Institutions	
African Scholars' Fund	28 500
Anchor of Hope Community Development	14 600
Angel's Day Care	15 000
Beautiful Minds Educare Centre	15 000
Bright Angel's Day Care	20 000
Bright Sun Day Care Centre	20 000
Chuma Day Care Centre	14 000
Dorothy Tomlinson Pre-school	20 000
EP Child Youth Care Centre Ray Mhlaba Training Centre	100 000
Eluvuyweni Pre-School	15 000
Ezibeleni Educare Centre	13 000
Future Kids Learn and Play	14 500
Goodhope Pre-school	14 500
Ilitha Day Centre	10 000
Ivy Gcina Pre-School	20 000
Kamvelihle Pre-School	20 000
Khazimla Pre-school	13 000
Koester Day Care Centre	20 000
Lihlombe Educare Centre	20 000
Linge's Tots Development	20 000
Livuse Preschool Nursery	14 000
Lukhanyiselo Day Care Centre	15 000
Lukhayiso Pre-school	13 000
Luvbirds Day Care Centre	10 000
Masifunde Siphulisa Umfundi NPC t/a Masifunde Learner Development	75 000
Masikhonzane Pre-school	20 000
Masilakhe Day Care Centre	15 000
Njongozabantu Educare Centre	10 000
Nobandla Educare Centre	20 000
Nobuntu Educare Centre (Despatch)	20 000
Noluthando Pre - School	20 000
Sinomonde Educare Centre	20 000
Siyahluma Pre-school	12 000
Sizwe Sethu Educare Centre	20 000
Ukukhanya Pre-School	20 000
Umcosa Play and Learn Centre	15 000
Vusisizwe Crèche and Pre-School	20 000
Zamukukhanya Pre-Primary School	15 000
Local Economic Development	
The Hope Factory	70 000

Declaration of Loans and Grants made by the Municipality: 2020/21

All Organisation or Person in receipt of Loans /Grants provided by the municipality	Value 2020/21 R' 000
Other	
National Sea Rescue Institute (NSRI)	400 000
The Wildlife and Environment Society of SA (WESSA)	93 250
Zwartkops Conservancy	250 000
Sports	
Eastern Province Badminton	20 000
EP Hockey Federation	150 000
Nelson Mandela Bay Netball	300 000
Shinkyokushinkai Karate Organisation	20 000
United Through Sports (formerly known as Umzingisi Foundation)	100 000
Welfare	
ACVV Despatch	10 000
ACVV Despatch Huis Najaar	20 000
ACVV Despatch Service Centre for the Aged	8 720
ACVV Khayaletu Youth Centre	22 000
ACVV PE Central: Kamvalethu Drop in Centre	16 200
ACVV PE West - Huis Genot	20 000
Al-Fidaa Foundation	350 000
Algoa Bay Council for the Aged	25 000
Animal Anti-Cruelty League	40 000
Animal Welfare Society	300 000
CHOC Childhood Cancer Foundation - PE	70 000
Christelike Maatskaplike Raad van die Ring van Kariega (CMR PE)	47 500
Christelike Maatskaplike Raad van die Ring van Kariega (CMR Kariega)	30 000
EP Child and Youth Care Centre	150 000
Giving Gifts of Love Newborns	50 000
Harvest Community Project Multi – Purpose Centre	10 000
Nazareth House	75 000
New Life Crisis Pregnancy Centre	30 000
Nkosinathi Foundation of the Blind and Partially Sighted People	55 000
Oosterland Youth Centre	100 000
Peddie Development Centre	20 000
SANTA PE	200 000
Sinethemba Children's Care Centre	100 000
Siyaphambili Disable Community Project	15 000
SOS Children's Village	100 000
St Francis Hospice Association	200 000
St John Port Elizabeth	35 000
Thand'Usana Babies Safe Home	40 000
The Executive Council of the AFM: Umephi Daleview Foster Care Home	108 600
The Nightingale Trust	24 000
Kariega Mental Health Society	14 500
Uviwe Child and Youth Services	76 000
Yokhuselo Haven	46 000

APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government	
Outcome/Output	Progress to date
Output: Improving access to basic services	<p>Access to Basic Services:</p> <p>During the 2020/21 financial year, the Municipality recorded the following service delivery statistics:</p> <ul style="list-style-type: none"> • 0 state subsidised housing units completed (Housing Development Agency (HDA) is the implementing agent for housing delivery within the Nelson Mandela Bay) • 1489 formal sites serviced • 1671 dwellings provided with connections to the mains electricity supply by the municipality • 54% of known informal settlements receiving integrated waste handling services <p>Access to Free Basic Services:</p> <p>The Municipality has an Assistance to the Poor (ATTP) Scheme in place. In terms thereof, the Municipality provided free basic services (water, electricity, sanitation, refuse) to approximately 62 871 qualifying indigent households in Nelson Mandela Bay.</p>
Output: Implementation of the Community Work Programme	National CoGTA allocated 2 500 CWP participants to the Municipality in 2017, who are still active in various wards of Nelson Mandela Bay Municipality.
Output: Deepen democracy through a refined Ward Committee model	Altogether 60 Ward Committees are in place.
Output: Administrative and financial capability	<p>CREDIT RATING:</p> <p>As at 30 June 2021, the Nelson Mandela Bay Municipality had a credit rating of Ba2/Aaa.za as published by Moody's Investor Services.</p>

VOLUME II
ANNUAL FINANCIAL STATEMENTS

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY

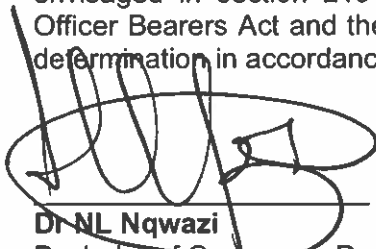
AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended

30 June 2021

I am responsible for the preparation of these financial statements, which are set out on pages 1 to 105, in terms of section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors, as disclosed in note 25 of these annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Cooperative Governance and Traditional Affairs' determination in accordance with the Act.



Dr NL Nqwazi
Bachelor of Commerce Degree
B. Ed (Hons) Degree
Masters: Development Studies
Doctorate: Business Administration

28 February 2022

Acting City Manager

**NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2021**

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NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2021

General Information

Legal form of entity	It is a Metropolitan Municipality established in terms of section 155 of the Constitution of the Republic of South Africa (Act 108 of 1996)
Nature of business and principal activities	Local Government
	The principal activities are:
	- To provide democratic and accountable government to the local communities;
	- To ensure sustainable service delivery to communities;
	- To promote social and economic development;
	- To promote a safe and healthy environment; and
	- To encourage the involvement of communities and community organisations in the matters of local government.
	The Municipality's operations are governed by the Municipal Finance Management Act (Act 56 of 2003), the Municipal Structures Act (Act 117 of 1998), the Municipal Systems Act (Act 32 of 2000) and various other acts and regulations.
Executive Mayor	Cllr B M Bhanga
Deputy Executive Mayor	Cllr L Namette
Speaker	Cllr J Lawack
Chief Whip	Cllr M G Steyn
Members of the Mayoral Committee	Cllr T C S Buyeye (Infrastructure and Engineering) Cllr L Namette (Electricity and Energy) Cllr R Kayser (Roads and Transport) Cllr A Lovemore (Corporate Services and Human Resources) Cllr J Best (Safety and Security) Cllr S Sijadu (Economic Development, Tourism and Agriculture) Cllr H C Van Staaden (Sports, Recreation Arts and Culture) Cllr L P Grootboom (Public Health) Cllr M M Zinto (Human Settlements) Cllr M J Figg (Budget and Treasury)
Accounting Officer (City Manager)	NB Xhego (Acting)
Chief Financial Officer (Acting CFO)	S Thys

Chief Operating Officer (COO)	M George
Chief of Staff	W Senekal
Metro Police Chief	Y Faro
Executive Directors	N Xhego (Corporate Services) A Qaba (Economic Development, Tourism and Agriculture) N Nqwazi (Sports, Recreation, Arts and Culture) S Mvunelwa (Public Health) T Mfeya (Human Settlements) L Magalela (Electricity and Energy) J Tsatsire (Infrastructure and Engineering) K Meyer (Safety and Security)
Members of the Audit Committee	Mr YE Amod (Chairperson) Mr D De Lange Ms M Wait Ms R Shaw Mr S Nyenyiso
Registered Office	1 st Floor City Hall Govan Mbeki Avenue Port Elizabeth 6001
Business Address	1 st Floor City Hall Govan Mbeki Avenue Port Elizabeth 6001
Postal Address	P O Box 116 Port Elizabeth 6000
Bankers	ABSA
Auditors	Auditor-General (SA)
Physical Address of Auditors	69 Frere Road Vincent East London 5247
Postal Address of Auditors	P O Box 13252 East London 5217

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

ECONOMIC ENTITY

MUNICIPALITY

	Note	Actual 2021 R	Restated 2020 R	Actual 2021 R	Restated 2020 R
NET ASSETS AND LIABILITIES					
Net Assets					
Total Accumulated Funds		18,854,716,926	18,201,821,999	18,831,041,677	18,178,471,073
Non-current Liabilities					
		3,646,279,277	3,268,058,142	3,645,373,327	3,267,973,435
Long-term Liabilities	2	991,072,467	1,016,456,460	990,166,517	1,016,371,753
Non-current Provisions - Employee Benefits	3.1	2,153,655,673	1,819,824,249	2,153,655,673	1,819,824,249
Non-current Provisions - Other	3.2	501,551,137	431,777,433	501,551,137	431,777,433
Current Liabilities					
		3,475,127,593	3,225,907,150	3,485,546,940	3,219,346,551
Current Provisions - Employee Benefits	4.1	185,496,240	181,660,593	183,423,927	180,222,605
Current Provisions - Other	4.2	15,277,529	14,515,171	15,277,529	14,515,171
Consumer Deposits	5	154,651,750	156,387,079	154,651,750	156,387,079
Trade and Other Payables	6	2,411,662,229	1,900,825,412	2,430,651,468	1,900,778,974
Transfers and Subsidies	7	351,572,080	721,091,553	345,074,501	716,015,380
VAT	8	160,098,640	152,284,433	160,098,640	152,284,433
Current Portion of Long-term Liabilities	2	196,369,125	99,142,909	196,369,125	99,142,909
Total Net Assets and Liabilities		25,976,123,796	24,695,787,291	25,961,961,944	24,665,791,059
ASSETS					
Non-current Assets					
		18,312,277,272	17,879,312,001	18,291,034,983	17,858,385,240
Property, Plant and Equipment (PPE)	9	17,722,538,776	17,298,257,555	17,702,549,572	17,277,893,345
Heritage Assets	10	219,181,926	211,314,988	218,931,426	211,064,488
Intangible Assets	11	105,657,724	151,508,087	104,655,139	151,196,036
Investment Property	12	152,118,601	165,087,542	152,118,601	165,087,542
Long-term Receivables - Exchange Transactions	13	72,212,925	33,754,038	72,212,925	33,754,038
Long-term Receivables - Non-exchange Transactions	13	40,567,320	19,389,791	40,567,320	19,389,791
Current Assets					
		7,663,846,524	6,816,475,290	7,670,926,961	6,807,405,819
Inventory	14	153,982,613	138,802,140	153,803,848	138,653,542
Trade Receivables - Exchange Transactions	15	2,288,491,068	1,958,773,349	2,288,491,068	1,958,773,349
Trade Receivables - Non-exchange Transactions	15	352,547,303	404,970,076	352,547,303	404,970,076
Other Receivables - Non-exchange Transactions	16	411,682,596	885,326,596	411,680,496	885,324,496
Other Receivables - Exchange Transactions	16	181,652,882	164,239,634	256,466,085	201,029,990
VAT	8	2,064,326	1,874,849	0	0
Call Deposits and Investments	17	3,810,037,140	2,309,903,834	3,810,037,140	2,309,903,834
Call Deposits and Investments - Other	18	2,511,199	2,411,766	2,511,199	2,411,766
Bank Balances and Cash	19	460,877,397	950,173,046	395,389,822	906,338,766
Total Assets		25,976,123,796	24,695,787,291	25,961,961,944	24,665,791,059

**NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2021**

Restated 2020 R		Actual 2021 R	Approved Original Budget 2021 R	Adjustments 2021 R	Approved Final Budget 2021 R	Variance between Final Budget and Actual R	%	No.
REVENUE								
Exchange revenue								
5,813,113,034	Service Charges	21.1	6,513,794,688	6,396,380,400	(177,300,050)	6,219,080,350	(294,714,338)	-5%
234,799,306	Interest earned - External Investments		150,039,376	161,510,810	0	161,510,810	11,471,434	7%
146,020,272	Interest raised - Outstanding Debtors		188,058,369	169,307,250	69,006,950	238,314,200	50,255,831	21%
15,135,794	Licences and Permits		15,038,949	22,747,760	(10,643,750)	12,104,010	(2,934,939)	-24%
22,785,134	Rental of Facilities and Equipment	23.1	27,041,513	22,626,510	6,112,860	28,739,370	1,697,857	6%
3,546,006	Income for Agency Services		3,734,158	3,326,610	(267,830)	3,058,780	(675,378)	-22%
105,072,638	Other Revenue	23.2	110,744,922	168,877,800	(17,709,490)	151,168,310	40,423,388	27%
0	Gain on disposal of Property Plant and Equipment		0	510,000	0	510,000	510,000	0%
Non-exchange revenue								
2,357,411,400	Property Rates	20	2,506,419,757	2,486,145,410	2,137,610	2,488,283,020	(18,136,737)	-1%
108,846,103	Interest raised - Outstanding Debtors		132,419,617	96,226,840	0	96,226,840	(36,192,777)	-38%
224,919,446	Fines, Penalties and Forfeits	21.2	79,979,211	224,223,580	(19,000,000)	205,223,580	125,244,369	61%
2,644,633,898	Transfers and Subsidies	22	3,246,203,920	3,164,785,662	57,280,385	3,222,066,047	(24,137,873)	-1%
1,062	Licences and Permits		3,539	0	0	0	(3,539)	0%
11,676,284,093	Total Revenue		12,973,478,019	12,916,668,632	(90,383,315)	12,826,285,317	(147,192,702)	
EXPENDITURE								
3,116,780,257	Employee Related Costs	24	3,912,166,684	3,768,244,852	(12,073,071)	3,756,171,781	(155,994,903)	-4%
76,474,313	Remuneration of Councillors	25	76,244,044	85,282,586	(67,950)	85,214,636	8,970,592	11%
1,112,267,565	Debt Impairment - Receivables	26	1,756,179,086	955,992,063	199,796,800	1,155,788,863	(600,390,223)	-52%
78,371,200	Debt Impairment - Other	26	15,382,045	128,886,460	0	128,886,460	113,504,415	88%
495,015	Debt Impairment - MBDA	26	700,437	0	0	0	(700,437)	0%
124,824,808	Finance Charges	27	127,630,586	141,084,240	(12,210,510)	128,873,730	1,243,144	1%
3,515,564,578	Bulk Purchases	28	3,819,893,366	3,844,678,210	(68,811,590)	3,775,866,620	(44,026,746)	-1%
32,530,875	Transfers and Subsidies	29	30,425,911	57,746,050	1,825,000	59,571,050	29,145,139	49%
664,973,504	Contracted Services	30.1	738,573,433	1,125,323,429	67,559,380	1,192,882,809	454,309,376	38%
579,804,453	Other Expenditure	30.2	680,049,861	621,178,088	188,003,784	809,181,872	129,132,011	16%
210,534,926	Other Materials	30.3	156,680,566	222,872,970	(1,782,270)	221,090,700	64,410,134	29%
958,299,541	Depreciation	31.1	937,769,830	740,575,415	0	740,575,415	(264,818,628)	-36%
113,717,663	Amortisation	31.2	49,635,207	0	0	0	0	14
0	Loss on Disposal of Property Plant and Equipment	35.8	8,395	0	0	0	0	14
112,240,750	Impairment	35.7	17,980,611	0	0	0	0	14
10,696,879,448	Total Expenditure		12,319,320,062	11,691,864,363	362,239,573	12,054,103,936	(265,216,126)	
979,404,645	Surplus for the year		654,157,957	1,224,804,269	(452,622,888)	772,181,381	118,023,424	

Refer to Note 53 of the Financial Statements for explanation of variances

(Please note: SURPLUS for the year R654 157 957 less Transfers and Subsidies - Capital R1 041 194 439 (Refer note 22.12, 22.26, 22.27) = True DEFICIT for the year in the amount of (R387 036 482))

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2021

Restated 2020 R		Actual 2021 R	Approved Original Budget 2021 R	Adjustments 2021 R	Approved Final Budget 2021 R	Variance between Final Budget and Actual R	%	No.
REVENUE								
Exchange revenue								
5,814,846,160	Service Charges	21.1	6,514,925,243	6,396,180,400	(177,300,050)	6,218,880,350	(296,044,893)	-5%
232,783,566	Interest earned - External Investments		148,638,889	159,510,810	0	159,510,810	10,871,921	7%
146,020,272	Interest raised - Outstanding Debtors		188,058,369	169,307,250	69,006,950	238,314,200	50,255,831	21%
15,135,794	Licences and Permits		15,038,949	22,747,760	(10,643,750)	12,104,010	(2,934,939)	-24%
22,785,134	Rental of Facilities and Equipment	23.1	27,041,513	22,226,510	6,112,860	28,339,370	1,297,857	5%
3,546,006	Income for Agency Services		3,734,158	3,326,610	(267,830)	3,058,780	(675,378)	-22%
102,589,139	Other Revenue	23.2	109,609,170	168,877,800	(17,709,490)	151,168,310	41,559,140	27%
0	Gain on disposal of Property Plant and Equipment		0	510,000	0	510,000	510,000	0%
Non-exchange revenue								
2,357,411,400	Property Rates	20	2,506,419,757	2,486,145,410	2,137,610	2,488,283,020	(18,136,737)	-1%
108,846,103	Interest raised - Outstanding Debtors		132,419,617	96,226,840	0	96,226,840	(36,192,777)	-38%
224,919,446	Fines, Penalties and Forfeits	21.2	79,979,211	224,223,580	(19,000,000)	205,223,580	125,244,369	61%
2,617,623,429	Transfers and Subsidies	22	3,240,820,323	3,162,889,046	25,038,654	3,187,927,700	(52,892,623)	-2%
1,062	Licences and Permits		3,539	0	0	(3,539)	0%	
11,646,507,511	Total Revenue		12,966,688,738	12,912,172,016	(122,625,046)	12,789,546,970	(177,141,768)	
EXPENDITURE								
3,080,014,714	Employee Related Costs	24	3,874,265,724	3,727,291,210	(14,422,280)	3,712,868,930	(161,396,794)	-4%
76,474,313	Remuneration of Councillors	25	76,244,044	83,926,210	0	83,926,210	7,682,166	9%
1,112,267,565	Debt Impairment - Receivables	26	1,756,179,086	955,923,540	199,796,800	1,155,720,340	(600,458,746)	-52%
78,371,200	Debt Impairment - Other	26	15,382,045	128,886,460	0	128,886,460	113,504,415	88%
124,824,808	Finance Charges	27	127,630,586	141,084,240	(12,210,510)	128,873,730	1,243,144	1%
3,515,564,578	Bulk Purchases	28	3,819,893,366	3,844,678,210	(68,811,590)	3,775,866,620	(44,026,746)	-1%
118,519,563	Transfers and Subsidies	29	114,281,521	151,246,070	1,825,000	153,071,070	38,789,549	25%
651,318,415	Contracted Services	30.1	727,503,699	1,116,151,160	62,959,380	1,179,110,540	451,606,841	38%
518,107,571	Other Expenditure	30.2	640,288,686	606,423,470	180,416,550	786,840,020	146,551,334	19%
210,534,926	Other Materials	30.3	156,680,566	222,872,970	(1,782,270)	221,090,700	64,410,134	29%
957,211,505	Depreciation	31.1	936,915,780	739,686,060	0	739,686,060	(264,819,721)	-36%
113,692,955	Amortisation	31.2	49,609,390	0	0	0	0	0%
112,240,750	Impairment	35.7	17,980,611	0	0	0	0	0%
0	Loss on Disposal of Property Plant and Equipment	35.8	0	0	0	0	0	0%
10,669,142,863	Total Expenditure		12,312,855,104	11,718,169,600	347,771,080	12,065,940,680	(246,914,424)	
977,364,648	Surplus for the year		653,833,634	1,194,002,416	(470,396,126)	723,606,290	69,772,656	

Refer to Note 53 of the Financial Statements for explanation of variances

(Please note: SURPLUS for the year R653 833 634 less Transfers and Subsidies - Capital R1 041 194 439 (Refer note 22.12, 22.26, 22.27) = True DEFICIT for the year in the amount of (R387 360 805))

NELSON MANDELA BAY MUNICIPALITY	
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED	
30 JUNE 2021	
	Accumulated Surplus
	R
Balance at 01 July 2019 as previously reported	17,228,518,282
Restatements (Refer note 40.2)	13,888,912
Restated Balance at 01 July 2019	17,242,407,194
Surplus for the year as previously reported	979,599,525
Decrease in Surplus (Refer note 40.1.1)	(194,879)
Restated Surplus for the year	979,404,646
Transfer to Trade and Other Payables	(16,238,263)
Transfer to Revenue from Self Insurance Reserve	(3,751,578)
Restated Balance at 30 June 2020	18,201,821,999
Balance at 01 July 2020	18,201,821,999
Surplus for the year	654,157,957
Transfer to Revenue from Self Insurance Reserve	(1,263,030)
Balance at 30 June 2021	18,854,716,926

NELSON MANDELA BAY MUNICIPALITY	
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2021	
	Accumulated Surplus
	R
Balance at 01 July 2019 as previously reported	17,207,207,354
Restatements (Refer note 40.2)	13,888,912
Restated Balance at 01 July 2019	17,221,096,266
Surplus for the year as previously reported	977,559,527
Decrease in Surplus (Refer note 40.1.1)	(194,879)
Restated Surplus for the year	977,364,648
Transfer to Trade and Other Payables	(16,238,263)
Transfer to Revenue from Self Insurance Reserve	(3,751,578)
Restated Balance at 30 June 2020	18,178,471,073
Balance at 01 July 2020	18,178,471,073
Surplus for the year	653,833,634
Transfer to Revenue from Self Insurance Reserve	(1,263,030)
Balance at 30 June 2021	18,831,041,677

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
THE CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	ECONOMIC ENTITY		MUNICIPALITY	
		Actual	Restated	Actual	Restated
		2021	2020	2021	2020
		R	R	R	R
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from ratepayers, government and other		11,250,554,865	9,513,005,551	11,200,289,180	9,408,512,934
- Sale of goods and services, fines and taxes levied and Other Revenue		7,714,180,284	6,862,964,145	7,705,616,720	6,839,694,845
- Transfers and Subsidies		3,385,339,798	2,414,292,596	3,345,048,889	2,334,434,900
- Interest received		151,034,783	235,748,810	149,623,571	234,383,189
Cash paid to suppliers and employees		(9,062,232,325)	(8,531,842,139)	(9,034,823,725)	(8,463,661,768)
- Employee Costs		(3,575,205,431)	(3,343,068,121)	(3,526,885,067)	(3,296,710,906)
- Suppliers		(5,366,533,050)	(5,062,293,971)	(5,387,444,814)	(5,040,470,815)
- Finance Cost	27	(120,493,844)	(126,480,047)	(120,493,844)	(126,480,047)
CASH GENERATED FROM OPERATIONS	32	2,188,322,540	981,163,412	2,165,465,455	944,851,166
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of PPE		(1,288,974,631)	(839,396,173)	(1,288,484,391)	(836,585,766)
Proceeds on Disposal of PPE		2,801	0	0	0
Purchase of Intangible assets		(3,784,844)	(1,644,346)	(3,068,493)	(1,379,301)
NET CASH FLOW FROM INVESTING ACTIVITIES		(1,292,756,674)	(841,040,519)	(1,291,552,884)	(837,965,067)
CASH FLOWS FROM FINANCING ACTIVITIES					
Movement in Long-term loans (External)	33	(99,142,909)	(89,658,501)	(99,142,909)	(89,658,501)
Increase in Borrowings		214,414,700	0	214,414,700	0
NET CASH FLOW FROM FINANCING ACTIVITIES		115,271,791	(89,658,501)	115,271,791	(89,658,501)
NET CHANGE IN CASH AND CASH EQUIVALENTS		1,010,837,657	50,464,392	989,184,362	17,227,598
Cash and cash equivalents at the beginning of the year		3,260,076,880	3,209,612,488	3,216,242,600	3,199,015,002
Cash and cash equivalents at the end of the year	34	4,270,914,537	3,260,076,880	4,205,426,962	3,216,242,600

1. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These Consolidated Financial Statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act (Act No 56 of 2003). In addition, these Consolidated Financial Statements include mandatory disclosures in accordance with the Municipal Finance Management Act (Act No 56 of 2003) and related regulations.

The Consolidated Financial Statements are prepared on the accrual basis of accounting and the transactions, assets and liabilities included in the financial statements are measured at historical cost unless specified otherwise.

With respect to accounting standards for material transactions, events or conditions not covered by Directive 5, the Economic Entity has developed accounting policies in accordance with paragraphs 8, 10 and 11 of GRAP 3, as read with Directive 5.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's Consolidated Financial Statements, unless explicitly stated.

New standards now effective:

Standard number	Standard name	Effective date from (if applicable)
GRAP 18	Segment Reporting	01 April 2020
GRAP 34	Separate Financial Statements	01 April 2020
GRAP 35	Consolidated Financial Statements	01 April 2020
GRAP 36	Investments in Associates and Joint Ventures	01 April 2020
GRAP 37	Joint Arrangements	01 April 2020
GRAP 38	Disclosure of Interests in Other Entities	01 April 2020
GRAP 110	Living and Non-living Resources	01 April 2020
IGRAP 20	Accounting for adjustments to revenue to pay levies	01 April 2020

GRAP 18 – Segment Reporting

The objective of this standard is to establish principles for reporting financial information by segments. It is expected that adoption of this standard will result in additional disclosures.

GRAP 35 – Consolidated Financial Statements

The objective of this Standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. It is expected that adoption of this standard will be immaterial.

GRAP 110 prescribes the recognition, measurement, presentation, and disclosure requirements for living resources as well as disclosure requirements for non-living resources.

The impact of implementing GRAP 34, GRAP 110 and IGRAP 20 has been immaterial.

The impact of implementing GRAP 36, 37 and 38 has no impact or immaterial.

1.1 CONSOLIDATED FINANCIAL STATEMENTS

The Economic Entity's financial statements incorporate the financial statements of the parent entity, Nelson Mandela Bay Municipality and all its municipal entities, presented as a single entity and consolidated at the same reporting date as the parent entity.

The controlled entities have the same reporting date and reporting period as the controlling entity.

All inter-entity transactions and balances, unrealised gains and losses within the Economic Entity are eliminated upon consolidation. Where appropriate, the accounting policies of controlled entities conform to the policies adopted by the Economic Entity.

1.2 MUNICIPAL ENTITIES

Municipal entities are all controlled entities over which the Economic Entity has ownership control or effective control to govern the financial and operating policies of such controlled entities to benefit from its activities.

2. PRESENTATION AND FUNCTIONAL CURRENCY

These Consolidated Financial Statements are presented in South African Rand.

The functional currency of the Economic Entity is South African Rand. Financial values are rounded to the nearest one Rand.

3. GOING CONCERN ASSUMPTION

These Consolidated Financial Statements have been prepared on a going concern basis.

4. COMPARATIVE INFORMATION

4.1 Current year comparatives (Budget):

In accordance with GRAP 1 and 24, the Budget information has been presented on the face of the Statement of Financial Performance in these Consolidated Financial Statements.

4.2 Prior year comparatives:

When the presentation or classification of items in the Consolidated Financial Statements are amended, prior period comparative amounts are reclassified and restated. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year and the standards require retrospective adjustment, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The nature and reasons for the reclassifications and restatements are disclosed in Note 40 to the Consolidated Financial Statements.

5. SIGNIFICANT JUDGEMENTS

The use of judgement, estimates and assumptions is inherent to the process of preparing consolidated financial statements. These judgements affect the amounts presented in the consolidated financial

statements. Uncertainties about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the relevant asset or liability in future periods.

Management has made the following significant judgements:

Heritage Assets

Where an asset is acquired by the Economic Entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an asset is acquired in exchange for a similar asset, the acquired asset is initially measured at the carrying value of the asset given up.

Where an asset is acquired in exchange for a dissimilar asset, the acquired item is initially measured at the fair value (the cost). If the acquired item's fair value is not determinable, the allocated deemed cost is the carrying amount of the asset given up.

Revenue from Exchange transactions

Revenue from the sale of electricity prepaid meter cards is recognised at point of sale.

Allowance for Credit losses

On Consumer Debtors, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the estimated future cash flows based on the historical payment trend.

Other key judgements

Provisions and contingent liabilities

Management judgement is required when disclosing and measuring provisions and contingent liabilities. Provisions have been discounted where the effect of discounting is material. Refer to accounting policy Note 11.

Operating lease commitments – the Economic Entity as lessor

The Economic Entity has entered into commercial property leases on its investment property portfolio. The Economic Entity has determined that it retains all the significant risks and rewards of ownership of these properties and therefore has continued to recognise the investment properties.

Management's Going Concern Assessment:

Management considered the following matters relating to the Going Concern:

On 29 June 2020, the Council adopted the 2020/21 to 2022/23 Budget. This three-year Medium-Term Revenue and Expenditure Framework (MTREF) supports the on-going delivery of municipal services to residents reflecting that the Budget was funded over the three-year period.

Management has thus prepared the Consolidated Financial Statements on the Going Concern basis.

6. SIGNIFICANT ESTIMATES AND ASSUMPTIONS

In the process of preparing the Economic Entity's Consolidated Financial Statements, management has made the following key estimates and assumptions:

Presentation of a comparison of budget and actual amounts

The Economic Entity presents a comparison of the budget amounts for which it is held publicly accountable and actual amounts as additional budget columns in the financial statements currently

presented in accordance with Standards of GRAP24. The comparison of budget and actual amounts present separately for each level of legislative oversight.

Provision for Rehabilitation of Refuse Landfill Sites

The Economic Entity has an obligation to rehabilitate its landfill sites in terms of its license stipulations. Provision is made for this obligation based on the net present value of cost to rehabilitate the landfill sites in the future. The cost factors, as determined, have been applied and projected at an inflation rate of 4.9% (2020: 2.2%) and discounted to the present value:

- a) For Arlington and Koedoeskloof landfill sites, at the average short-term borrowing cost of 10.92% (2020: 11.14%).
- b) The determined cost to rehabilitate IBhayi landfill site represents the present value.

Provision for Rehabilitation of Swartkops River

The provision is in relation to the Economic Entity's obligation to address the environmental pollution of the Swartkops River. The provision is based on the estimated costs to carry out the rehabilitation work of the wetland beside the Swartkops River, which was present valued at a rate of 10.92% (2020: 11.14%). The discount rate of 10.92% represents the Economic Entity's average borrowing costs rate and is applied as a discount rate.

Pension and other post-employment benefits

The cost of defined benefit pension plans (ex gratia pensions), other post-employment medical benefits, and the present value of the pension obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. For key assumptions, refer to Note 47 of the Consolidated Financial Statements.

Provision for gratuity pensions

Employees that were employed prior to the introduction of the Port Elizabeth Municipal Pension Benefit Fund and who subsequently joined the fund are eligible to be paid a standard gratuity, provided they have at least 10 years of service when they retire.

Employees that were employed prior to the introduction of the Port Elizabeth Municipal Pension Benefit Fund and who chose not to join the fund are eligible to be paid an Enhanced Gratuity for the years of service that they were not a member of the fund.

If an Employee eligible for a Gratuity Pension dies in service, half of the Gratuity Pension (including the monetary enhancement) as calculated at date of death, is paid.

Property, plant and equipment including Investment Properties and Intangible Assets

The useful life of assets are based on management's estimation. Management consider the impact of technology, availability of capital funding, service requirements and required return on assets in order to determine the optimum useful life expectation, where appropriate.

The Economic Entity maintains and acquires assets to provide a social service to the community, with no intention of disposing of the assets for any economic gain and thus residual values are determined to be nil for all assets.

Water inventory

The estimation of the water stock in the reservoirs are based on the measurement of water via electronic level sensors, which determines the depth of water in the reservoirs, which is then converted into volumes based on the total capacity of the reservoir. Refer to accounting policy Note 17.

Amounts due to Funders of Construction Contracts

This represents the total value of unspent conditional grant funding that have been received by the Entity and which is reflected as payable to the funders of construction contracts and other capital projects.

7. HOUSING DEVELOPMENT FUND

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the Economic Entity were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes both complete and in progress as at 1 April 1998, were transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

The Housing Development Fund is included as one of the reserves within Accumulated Surplus.

The housing function has now been handed over to the Housing Development Agency.

8. ACCUMULATED FUNDS

The Economic Entity maintains various internal reserves in terms of specific requirements, which include:

- Capital Replacement Reserve (CRR): Internal reserve administered within the Accumulated Surplus for future capital commitments and capital asset replacements.
- Donations and Public Contributions Reserve: Internal reserve administered within the Accumulated Surplus. It is the cumulative balance of assets purchased with public contributions received.
- Self-Insurance Reserve: Internal reserve administered within the Accumulated Surplus. This is an internal insurance fund, managed by the Municipality for certain asset claims.
- Government Grant Reserve: Internal reserve administered within the Accumulated Surplus. It is the cumulative balance of assets purchased with Government Grants received.
- Compensation for Occupational Injuries and Diseases (COID) Reserve

The Economic Entity has been exempted from making contributions to the Compensation Commissioner for Occupational Injuries and Diseases in terms of Section 84 of the COID Act, but is required to maintain a reserve of R10 million. This reserve is subject to annual review by the Commissioner.

The certificate of exemption issued by the Commissioner and as prescribed by the Compensation for Occupational Injuries and Diseases Act (No. 130 of 1993), requires that the Economic Entity deposit

cash and/or securities relating to COID with the Commissioner. The combined market values shall not be less than the capitalised value of the continuing liability of the Economic Entity as at 31 December of each year.

The continuing liability is that of pensions, with the capitalised value being determined based on an actuarial determination as prescribed by the Commissioner. A COID reserve has been established to be equal to or greater than the value of the continuing liability. The Commissioner determines the market value of the securities annually and the Economic Entity is required to meet any shortfall in the aggregate value of the securities as at 31 December.

Monthly pensions are funded by allocating funds out of the COID portion of Accumulated Surplus to general Accumulated Surplus (refer to note 2).

9. EMPLOYEE BENEFITS

Recognition and measurement

Short term employee benefits

Remuneration to employees is recognised as an expense in the Statement of Financial Performance as services are rendered, except for non-accumulating benefits, which are recognised when the specific event occurs.

The costs of all short-term employee benefits, such as leave pay, are recognised in the period the employee renders the related service.

Short-term employee benefits are measured on an undiscounted basis.

Short term compensated absences

The expected cost of compensated absences is recognised as follows:

Accumulating compensated absence:

When employees render services that increase their entitlement to future compensated absences; and

Non-accumulating absences:

When absences occur.

Leave pay accrual

The liability for accumulating compensated absences is based on the total amount of leave days accumulated by employees at reporting date and on the total remuneration package of the employees.

Bonus incentive and performance related payments

The Economic Entity recognises the expected cost of performance bonus when, and only when, it has a present legal or constructive obligation to make such payments, as a result of past events and a reliable estimate of the obligation can be made.

A provision in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees is raised once the timing and amount of such provision can be reliably determined. The provision is based on the performance of each S57 employee against the performance scorecard set and agreed upon for each financial year. If on assessment of the respective S57 employees it is decided that a bonus will be paid out, the S57 employee is entitled to receive this bonus irrespective of whether they are still in the service of the Economic Entity, or not.

Post-employment benefits

Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans. The cost of providing benefits under the defined benefit plans is determined separately for each plan, using the projected unit credit method. Actuarial valuations are conducted on an annual basis for each plan. In the event that an independent actuarial valuation is not performed, Management will assess whether the assumptions used in the previous valuation remain applicable. If so, the valuation will be based on the previous independent valuation. If not, an adjustment is made to take into account any changes in assumptions.

Recognition and measurement

The actuarial gains or losses are recognised in the Statement of Financial Performance in the year incurred.

The past service costs are recognised as an expense immediately.

The defined benefit asset or liability comprises the present value of the defined benefit obligation (further detail is available in Note 47), less the fair value of plan assets out of which the obligations are to be settled. Plan assets are assets that are held by long-term employee benefit funds or qualifying insurance policies. Plan assets are not available to the creditors of the Economic Entity nor can they be paid directly to the Economic Entity.

Fair value is based on market price information and in the case of quoted securities; it is the published bid price. It should be noted that there are currently no plan assets.

Medical Aid: Continued Members

The Economic Entity provides post-retirement benefits by subsidising the medical aid contributions of certain retired staff. According to the rules of the Medical Aid Funds with which the Economic Entity is associated, a member, on retirement, is entitled to remain a continued member of such medical aid fund. Should the member opt to remain on the fund, the member is liable for the portion, as determined by Council from time to time, of the medical aid membership fee and the Economic Entity for the remaining portion.

These contributions are charged to the Statement of Financial Performance when employees have rendered the service entitling them to the contribution.

The liability in respect of current pensioners is regarded as fully accrued and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the fair value of the obligation.

The actuarial gains or losses are recognised in the Statement of Financial Performance in the year incurred. Actuarial valuations are conducted on an annual basis for each plan. In the event that an independent actuarial valuation is not performed, Management will assess whether the assumptions used in the previous valuation remain applicable. If so, the valuation will be based on the previous independent valuation. If not, an adjustment is made to take into account any changes in assumptions.

Gratuity Provision

A provision in respect of the liability relating to gratuities payable to employees that were not previously members of a pension fund, is maintained. The gratuity is payable by Council to wage earners who joined the Economic Entity before 1988. The Council decided to make gratuity payments to these employees upon retirement. The amount payable is based on the individual employee wage rate and the number of years in service until the employee joined a pension fund. The provision is determined with reference to minimum wage rate applicable immediately prior to joining the pension fund multiplied

by number of years' service and adjusted annually based on the average interest earned on investments.

Long service awards

Employees who have completed 25 years unbroken service are entitled to receive a once-off cash award not exceeding R2 500. The cash award is included in the employee's salary in the month of the service anniversary.

Defined contribution plans:

The Economic Entity has used GRAP 25 as guidance for treatment of multi-employer plans as sufficient information was not available to use defined-benefit accounting. The Economic Entity has therefore accounted for the Cape Joint Pension Fund and the SALA Pension Fund as defined contribution plans. It is impracticable to disclose as a defined benefit plan because the funds do not determine a separate actuarial valuation per Economic Entity but do it as a whole for all the Municipalities together.

Retirement benefits

The Economic Entity provides retirement benefits for its employees and councillors.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions, if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable.

10. PROVISIONS AND CONTINGENCIES

Provisions are recognised when the Economic Entity has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date (for example in the case of obligations for the rehabilitation of land). The impact of the periodic unwinding of the discount is recognised in the Statement of Financial Performance as a finance cost. The discount rate is a pre-tax rate that reflect the current market assessments of the time value of money. No re-imbursements are expected from another party in the current financial year.

If the effect of the time value of money is material, provisions are discounted using a rate that reflects the risk of the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that there will be an outflow of resources embodying economic benefits or service potential to settle the obligation, the provision is reversed.

Future events that may affect the amount required to settle an obligation are reflected in the provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

With respect to litigation and claims against the Economic Entity, the Economic Entity's Legal Counsel assesses the list of claims against the Economic Entity on an annual basis. The Economic Entity

recognises a provision for all claims/cases for which the outflow of economic resources is probable and the amount can be reliably estimated.

The Economic Entity does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

11. FINANCIAL INSTRUMENTS

Initial Recognition

The Municipality recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, the Economic Entity becomes a party to the contractual provisions of the instrument.

The Economic Entity recognises financial assets using trade date accounting.

Distinguishing liabilities and residual interests

A financial instrument or its component parts is classified on initial recognition as a financial liability, a financial asset or residual interest in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and a residual interest.

Compound financial instruments

The Economic Entity evaluates the terms of a financial instrument to determine whether it contains both a liability and residual interest component. Such components are classified separately as financial liabilities or residual interests.

Initial Measurement of financial assets and financial liabilities

When a financial asset or financial liability is recognised initially, the Economic Entity measures it at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The transaction price usually equals the fair value at initial recognition, except in certain circumstances, for example where interest free credit is granted or where credit is granted at a below market rate of interest.

Concessionary loans

The Economic Entity first assesses whether the substance of a concessionary loan meets the definition of a financial instrument. On initial recognition, the Economic Entity analyses a concessionary loan into its component parts and accounts for each component separately. The Economic Entity accounts for that part of a concessionary loan that is:

- a) A social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- b) Non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

The part of the concessionary loan that is a social benefit or non-exchange revenue is determined as the difference between the fair value of the loan and the loan proceeds, either paid or received.

After initial recognition, an entity measures concessionary loans in accordance with the subsequent measurement criteria set out for all financial instruments. Concessionary Loans were not granted or received during the current financial year. There were no defaults relating to any loans payable for the current financial year

Subsequent Measurement of financial assets and financial liabilities

Subsequent to initial recognition, financial assets and financial liabilities are measured at fair value, amortised cost or cost.

All financial assets and financial liabilities are measured after initial recognition using the following categories:

- a) Financial instruments at fair value
 - Instruments held for trading.
 - Non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition.
 - Financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.
- b) Financial instruments at amortised cost
 - Non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that the Economic Entity designates at fair value at initial recognition or are held for trading.
- c) Financial instruments at cost
 - Investments in residual interests that do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

The Economic Entity assesses which instruments should be subsequently measured at fair value, amortised cost or cost, based on the definitions of financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost as set out above.

All financial assets measured at amortised cost, or cost, are subject to an impairment review. Embedded derivatives were not applicable for the current financial year.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired or through the amortisation process.

Impairment of financial assets

All financial assets measured at amortised cost, or cost, are subject to an impairment review. The Economic Entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

The Economic Entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If an entity determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective

interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal may not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition of financial assets:

The Economic Entity derecognises financial assets using trade date accounting.

The Economic Entity derecognises a financial asset only when:

- a) The contractual right to the cash flow from the financial asset expire, are settled or waived;
- b) The Economic Entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- c) Despite having retained significant risks and rewards, the entity has transferred control of the asset to another party.

Derecognition of financial liabilities:

The Economic Entity derecognises a financial liability from its statement of financial position when it is extinguished, that is, when the obligation specified in the contract is discharged, cancelled, expires or waived.

Presentation:

Interest, losses and gains

Interest, losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit

Offsetting a financial asset and a financial liability

The Economic Entity does not offset financial assets and financial liabilities in the Statement of Financial Position unless a legal right to set-off exists and the parties intend to settle on a net basis or to realise the asset and settle the liability simultaneously.

Policies relating to specific financial instruments

Investments at amortised cost

Investments, which include fixed deposits and short-term deposits invested in registered commercial banks, are categorised as financial instruments at amortised cost and are subsequently measured at amortised cost, using effective interest method.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Financial Performance.

Investments at fair value

Investments, which represent investments in equity for which fair value can be measured reliably, are subsequently measured at fair value. The fair value is based on market values at valuation date.

Gains and losses in the fair value of such investments are recognised in the Statement of Financial Performance.

Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost.

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprises of cash on hand and deposits held on call with banks.

Trade and other receivables including Statutory Receivables and Long-term receivables

Trade and other receivables are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition and subsequently stated at amortised cost, less provision for impairment. Amounts that are receivable within 12 months from the reporting date are classified as current and those receivable after 12 months from reporting date are classified as non-current. Interest is charged on overdue accounts.

Bad debts are written off in the year in which they are identified as irrecoverable, subject to the approval of the Council.

Trade and other payables

Trade payables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition and are subsequently measured at amortised cost using the effective interest method.

12. PROPERTY, PLANT AND EQUIPMENT

Initial recognition

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, other than investment property, or for administrative purposes and are expected to be used during more than one year.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Economic Entity and the cost or fair value of the item can be measured reliably.

There are no circumstances, which we are aware of, where NMBM is not the legal owner / custodian but controls the land and vice versa.

Measurement at recognition

Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. Where an asset is acquired by the Economic Entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner

intended by the Economic Entity. The cost also includes the initial estimate of the costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an item of property, plant and equipment is acquired in exchange for a similar asset, the acquired asset is initially measured at the carrying value of the asset given up.

Where an item of property, plant and equipment is acquired in exchange for a dissimilar asset, the acquired item is initially measured at the fair value (the cost). If the acquired item's fair value is not determinable, the allocated deemed cost is the carrying amount of the asset given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the Economic Entity expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with a specific item of property, plant and equipment, they are accounted for as property, plant and equipment.

Subsequent measurement

Subsequent to initial recognition, items of property, plant and equipment (other than land) are measured at cost less accumulated depreciation and impairment losses.

Subsequent to initial recognition, land is measured at cost and is not depreciated because it has an indefinite useful life.

Where the Economic Entity replaces parts of an asset, it derecognises the part of the asset replaced and capitalises the new component.

Subsequent expenditure including major spare parts and servicing equipment qualify as property, plant and equipment if the recognition criteria are met.

Depreciation

Depreciation is calculated on the depreciable amount, using the net book value over the remaining useful life of the component assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately.

The component assets' residual values, useful lives and depreciation methods are reviewed at each financial year-end and if expectations differ from previous estimates, the changes are accounted for as a change in estimate in accordance with the standard of GRAP on accounting policies, changes in accounting estimates and errors.

The depreciation charge for each reporting period is recognised in surplus or deficit, unless it is included in the carrying amount of another asset.

The annual depreciation rates for the current and previous year are based on the following average asset useful lives:

Land & Buildings	Useful Life Range in Years
Buildings / Leasehold Assets	5 - 50
Land	Indefinite Life
Infrastructure Assets	Useful Life Range in Years

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Fencing, Roads, Sidewalks & Stormwater Networks	5 – 100
Beach Developments	30 – 50
Electricity Reticulation & Supply	10 – 80
Sewerage Mains & Purification Works	15 – 80
Waste Disposal Facilities	20 – 100
Water Supply & Reticulation	10 – 50
Dams & Treatment Works	25 – 100
Other Assets	Useful Life Range in Years
Bins & Containers	5 – 15
Air Monitoring, Emergency & Medical Equipment	5 – 20
Vehicles & Plant	4 – 30
Office Furniture & Fittings	3 – 20
Landfill Sites	50
Security Systems	5 – 15
Tip Sites	30
Computer Hardware	3 – 8

Community Assets	Useful Life Range in Years
Libraries	15 – 50
Fire Stations	15 – 50
Library Books	5 – 20
Cemeteries	15 – 50
Clinics	15 – 50
Community Centres	15 – 50
Public Conveniences	15 – 50
Swimming Pools	15 – 50
Recreational Facilities	15 – 50
Selling & Letting Schemes	15 – 50

Impairment:

Recognition and measurement of an impairment loss for an item of property, plant and equipment

An entity shall assess at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset.

The carrying amount of an asset is reduced to its recoverable amount if, and only if, its recoverable amount is less than its carrying amount.

The impairment loss is recognised immediately in surplus and deficit.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance. Residual values are assumed to be zero, unless otherwise stated.

13. HERITAGE ASSETS

Initial recognition and measurement

Heritage assets are assets that have cultural, historical, environmental, natural, scientific or technological significance that are held indefinitely for the benefit of present and future generations.

Heritage assets are recognised when it is probable that future economic benefits or service potential associated with the item will flow to the Economic Entity and the cost or fair value of the item can be measured reliably.

When an asset, does not meet the initial recognition criteria of a heritage asset, the Economic Entity discloses the relevant and useful information about such assets in the notes to the financial statements.

Heritage assets are initially recognised at cost on acquisition date.

The cost is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Economic Entity.

Where an asset is acquired by the Economic Entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an asset is acquired in exchange for a similar asset, the acquired asset is initially measured at the carrying value of the asset given up.

Where an asset is acquired in exchange for a dissimilar asset, the acquired item is initially measured at the fair value (the cost). If the acquired item's fair value is not determinable, the allocated deemed cost is the carrying amount of the asset given up.

Subsequent measurement

Subsequent to initial recognition, the Economic Entity uses the cost model to measure its heritage assets.

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

The entire heritage assets disclosed are being used as a heritage asset. No initial costs incurred to assess the heritage asset. No compensation is due for Heritage Assets impaired, lost or given up.

The table below reflects the class of heritage assets and the estimated useful life range in years:

Heritage Sites	Useful Life Range in Years
Memorials & Statues	Indefinite Life
Heritage Sites	Indefinite Life
Museums	Indefinite Life
Art Works	Indefinite Life
Collections of rare books and manuscripts	Indefinite Life

Impairment

The Economic Entity does not depreciate its heritage assets, but at each financial year end, it assesses whether there is an indication that the assets may be impaired. If such an indication exists, the Economic Entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

Derecognition

Heritage assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of a heritage asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

14. INTANGIBLE ASSETS

Initial recognition and measurement

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include computer software, licences and development costs. The Economic Entity recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the Economic Entity and the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired by the Economic Entity for no or nominal consideration (i.e. a non-exchange transaction), its initial cost at the date of acquisition is measured at its fair value as the date of acquisition.

Intangible assets acquired through non-exchange transactions:

Internally generated intangible assets:

Research phase

The Economic Entity does not recognise any intangible asset arising from a research phase of an internal project. Expenditure on research phase of an internal project is recognised as an expense when incurred.

Development phase

An intangible asset arising from development phase is recognised if, and only if the Economic Entity can demonstrate all of the following:

- a) The technical feasibility of completing the intangible asset so it will be available for use or resale;
- b) Its intention to complete the intangible asset and use it or sell it;
- c) Its ability to use or sell the intangible asset;
- d) How the intangible asset will generate probable future economic benefits or service potential;
- e) The availability of technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- f) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

No research and development expenditure was recognised as an expense during the period.

Exchanges of assets

The cost of an intangible asset acquired in exchange for another is measured at fair value unless the fair value of neither the asset received nor the asset given up is reliably measurable. If the acquired asset is not measured at fair value, its cost is measured at the carrying amount of the asset given up.

Subsequent measurement

Intangible assets are subsequently carried at cost less accumulated amortisation and impairment losses.

The cost of an intangible asset is amortised over its useful life where that useful life is finite. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Financial Performance in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually, and whenever there is an indication that the intangible asset may be impaired, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The probability of expected future economic benefits or serviced potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset are assessed at each reporting date.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Amortisation and impairment

Amortisation is charged to write off the net book value of intangible assets over their remaining useful lives. Amortisation of an asset begins when it is available for use.

The annual amortisation rates are based on the following estimated average asset useful lives:

Intangible	Useful Life Range in Years
Computer Software	3 – 5
Website Development	3 – 5

The amortisation period, the amortisation method and residual value for intangible assets with finite useful lives are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

Derecognition

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

15. INVESTMENT PROPERTY

Initial recognition and measurement

Investment property includes property (land or a building or part of a building or both land or buildings held by owner or by a lessee under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services or the sale of an asset in the ordinary course of operations.

Investment property is initially recognised as an asset when, and only when, it is probable that future economic benefits and or service potential will flow to the Economic Entity and the cost or fair value can be measured reliably.

At initial recognition, the Economic Entity measures investment property at cost including transaction costs once it meets the definition of investment property.

Where an investment property was acquired through a non-exchange transaction (i.e. where the Economic Entity acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition. The costs of day-to-day servicing of investment properties are recognised in the Statement of Financial Performance as incurred.

The cost of self-constructed investment property is the cost at date of completion.

Transfers are made to or from investment property only when there is a change in use. If owner occupied property becomes an investment property, the Economic Entity accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use. If investment property becomes owner-occupied property, the Economic Entity accounts for such property in accordance with the policy stated under investment property up to the date of change in use.

There are no circumstances, which we are aware of, where NMBM is not the legal owner / custodian but controls the land and vice versa.

Subsequent measurement

Investment property is measured using the cost model. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation

Depreciation begins when the asset is available for use. Depreciation is calculated on the depreciable amount, using the net book value over the remaining useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The annual depreciation rates are based on the following estimated average asset lives:

Investment Property	Useful Life Range in Years
Land	Indefinite Life
Buildings	15 - 50

The investment property's residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, at each financial year-end.

Land is not depreciated.

Fair Value

The assumptions for determining the fair value of the investment property is set out in Note 12 of the Consolidated Financial Statements.

Derecognition

Investment property is derecognised when it is disposed of or when no future economic benefits or service potential are to be derived from the use of the asset. All gains or losses from the disposal of investment property are determined as the difference between the sales proceeds and the carrying value of the asset and are recognised in the Statement of Financial Performance.

16. INVENTORIES

Initial recognition and measurement

Inventories comprise assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus

taxes (other than VAT), transport costs and any other direct costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the Economic Entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

Inventories, consisting of consumable stores, raw materials, water and finished goods (FG), are measured at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. The basis of determining cost is first-in, first-out (FIFO) method for all inventory categories except water. Water is measured on the weighted average method.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

An impairment provision for the write down of inventory is maintained in lieu of obsolete inventory. The level of the impairment provision for obsolete inventory is the value equivalent to the value of inventory assessed as obsolete at financial year-end.

Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

The Economic Entity purchases its water. The cost of water purchased and not yet sold as reflected in the statement of financial position comprises the purchase price and other direct costs attributable to the acquisition. The estimation of the water stock in the reservoirs is based on the measurement of water via electronic level sensors, which determine the depth of water in the reservoirs, which is then converted into volumes based on the total capacity of the reservoir. There are no items not ordinarily inter-changeable / segregated for specific projects.

17. IMPAIRMENT OF NON-CASH-GENERATING ASSETS

Recognition

The Economic Entity assesses at each reporting date whether there is an indication that an asset may be impaired. Where any such indication exists, the Economic Entity estimates the recoverable service amount of the asset. Where the carrying amount of an asset exceeds its recoverable amount (or recoverable service amount in the case of non-cash-generating assets), the asset is considered impaired and is written down to its recoverable amount (or recoverable service amount). An asset's recoverable amount (or recoverable service amount) is the higher of the fair value less costs to sell, and the value-in-use of the asset.

The Economic Entity classifies the asset/identifiable group of assets as cash-generating if the key purpose of such asset/group of assets is to derive a commercial return from continuing use, and are independent of the cash inflows from other assets or groups of assets. The Economic Entity will classify all other assets that do not meet the definition of cash-generating assets/group of assets as non-cash generating assets.

Measurement

An asset's recoverable amount (or recoverable service amount) is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use. This recoverable amount (or recoverable service amount) is determined for individual assets, unless those individual assets are part of a larger cash-generating unit, in which case the recoverable amount (or recoverable service amount) is determined for the whole cash-generating unit.

An asset is part of a cash-generating unit where that asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

In determining the recoverable amount (or recoverable service amount) of an asset the entity evaluates the assets to determine whether the assets are cash generating assets or non-cash generating assets.

For cash generating assets, the value in use is determined as a function of the discounted future cash flows from the asset.

Where the asset is a non-cash generating asset, the value in use is determined through one of the following approaches:

- Depreciated replacement cost approach: The current replacement cost of the asset is used as the basis for this value. This current replacement cost is depreciated for a period equal to the period that the asset has been in use so that the final depreciated replacement cost is representative of the age of the asset.
- Restoration cost approach: The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment.
- Service units approach: The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state.

The decision as to which approach to use is dependent on the nature of the identified impairment.

In assessing value-in-use for cash-generating assets, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, other fair value indicators are used.

Impairment losses of continuing operations are recognised in the Statement of Financial Performance in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Economic Entity makes an estimate of the assets or cash-generating unit's recoverable amount.

Reversal of impairment losses

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

The reversal of an impairment loss for an asset is recognised immediately in the Statement of Financial Performance.

18. REVENUE

18.1 Revenue from Exchange Transactions

Revenue from exchange transactions refers to revenue that accrues to the Economic Entity directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable, excluding indirect taxes, rebates and discounts.

Recognition

The recognition criteria is usually applied separately to each transaction

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits or service potential associated with the transaction will flow to the Economic Entity;
- (c) the stage of completion of the transaction at the reporting date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- (a) the Economic Entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- (b) the Economic Entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits or service potential associated with the transaction will flow to the Economic Entity; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue arising out of situations where the entity acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the entity as compensation for executing the agreed services.

Specific exchange-revenue sources

Service charges relating to electricity, water and sewerage are based on consumption. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced.

Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read and the related revenue adjustment is recognised in the same period.

Electricity meters in industrial areas are read at the end of each month and billed the following month. Premises with high-tension electricity supplies are read and billed monthly.

Revenue arising from the consumption of electricity and water in the month of June is fully accounted for whether invoiced or not.

Revenue from the sale of electricity prepaid meter cards is recognised at point of sale.

Revenue arising from the application of the approved tariffs, fees and charges is generally recognised when the relevant service is rendered.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff. Tariffs are determined per category of property usage and are levied monthly based on the costs of providing the refuse removal service.

Rental income arising from the use of investment properties, facilities and equipment is accounted for on a straight-line basis over the lease term on on-going leases.

Revenue from the issue of permits and licenses is recognised at point and time of issue.

Interest income is recognised in surplus or deficit on a time proportionate basis, using the effective interest method (i.e. based on the effective interest rate of the individual investments).

Interest earned on the following investments is not recognised in the Statement of Financial Performance:

- Interest earned on trust funds is allocated to the fund concerned; and
- Interest earned on unutilised conditional grants is allocated to the creditor (i.e. recognised as an obligation), if grant conditions indicate that interest is payable to the funder.

Measurement

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable.

The Economic Entity has an obligation in terms of legislation to collect all revenue and as such, the Economic Entity does not consider the collective collectability of the revenue on initial recognition on a portfolio basis. The Economic Entity assesses collectability subsequent to initial measurement and should the receivable be impaired, the impairment loss is recognised as an expense.

18.2 Revenue from Non-Exchange Transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an Economic Entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Recognition of revenue

Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Recognition of assets

An inflow of resources from a non-exchange transaction that meets the definition of an asset is recognised as an asset when it is probable that the future economic benefits or service potential associated with the asset will flow to the Economic Entity and the fair value of the asset can be measured reliably.

The asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow. A present obligation arising from a non-exchange transaction that meets the definition of a liability will be recognised as a liability when it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made.

Specific non-exchange-revenue sources

Revenue from property rates is recognised when the legal entitlement to this revenue arises. Council applies a flat rating system. The same rate factor is applied for land and buildings. In terms of this system, assessment rates are levied on the value of land and buildings in respect of properties. Rebates are granted according to the use of the property concerned. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Fines are recognised when it is probable that future economic benefits will flow to the Economic Entity, the costs can be reliably measured and all restrictions have been complied with. Fines constitute both spot fines and summonses. Revenue from spot fines is recognised when payment is received and the revenue from the issuing of summonses is recognised when collected. Due to the various legal processes that can apply to summonses and the inadequate information received from the courts, it is not possible to measure this revenue in the invoicing period, therefore an accrual is raised at the end of the financial year based on the average collection of fines throughout the year.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualify for recognition and first becomes available for use by the Economic Entity. Where public contributions have been received but the Economic Entity has not met the related conditions that would entitle it to the revenue, a liability is recognised.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualify for recognition and first becomes available for use by the Economic Entity.

Fuel levy is recognised in revenue when the income is received.

Grants, transfers or donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset and there is no corresponding liability in respect of related conditions. Where the grant, transfer or donation has been received but the Economic Entity has not met the related conditions that would entitle it to the revenue, a liability is recognised.

Measurement of revenue from non-exchange transactions

Revenue from a non-exchange transaction shall be measured at the amount of the increase in net assets, recognised by the entity.

Fines

Assets arising from fines are measured at the best estimate of the inflow of resources to the Economic Entity.

Bequests

Bequests are measured at the fair value of the resources received or receivable.

Gifts and donations

On initial recognition, gifts and donations are measured at their fair value as at the date of acquisition, which may be ascertained by reference to an active market, or by appraisal. An appraisal of the value of an asset is normally undertaken by a member of the valuation profession that holds a recognised and relevant professional qualification.

An asset that is recognised as a result of a non-exchange transaction is recognised at its fair value at the date of the transfer. Consequently, revenue arising from a non-exchange transaction is measured at the fair value of the asset received, less the amount of any liabilities that are also recognised due to conditions that must still be satisfied.

Where there are conditions attached to a grant, transfer or donation that gave rise to a liability at initial recognition, that liability is transferred to revenue as and when the conditions attached to the grant are met. Therefore the best estimate of the amount required to settle the present obligation at the reporting date will be recognised as a liability.

Grants without any conditions attached are recognised as revenue in full when the asset is recognised, at an amount equalling the fair value of the asset received.

Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor.

The Economic Entity has an obligation in terms of legislation to collect all revenue and as such, the Economic Entity does not consider the collective collectability of the revenue on initial recognition on a portfolio basis. The Economic Entity assesses collectability subsequent to initial measurement and should the receivable be impaired, the impairment loss is recognised as an expense.

Expenditure from Non-exchange Transactions

The accounting policy for expenditure arising from non-exchange transactions is similar to policy for non-exchange revenue.

Expenditure from non-exchange transactions is recognised when the resources have been transferred to the beneficiaries. A corresponding asset is raised to the extent that conditions attached to the expenditure have not been met. The asset is transferred to the Statement of Financial Performance once the conditions are met.

19. BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. The Economic Entity ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete.

It is considered inappropriate to capitalise borrowing costs where the link between the funds borrowed and the capital asset acquired cannot be adequately established.

Borrowing costs incurred are recognised as an expense in the Statement of Financial Performance using the effective interest method.

20. LEASES

Leases in the financial statements of lessees

Operating leases

Recognition

Assets subject to operating leases, i.e. those leases where substantially all of the risks and rewards of ownership are not transferred to the lessee through the lease, are not recognised in the Statement of Financial Position. Lease payments under an operating lease are recognised as an expense in the statement of financial performance, on a straight line basis over the lease term. To the extent that the straight-lined lease payments differ from the actual lease payments the difference is recognised in the Statement of Financial Position as either lease payments in advance (operating lease asset) or lease payments payable (operating lease liability) as the case may be.

Measurement

The resulting asset and / or liability is measured as the undiscounted difference between the straight-line lease payments and the contractual lease payments.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, namely whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Derecognition

The operating lease liability is derecognised when the Economic Entity's obligation to settle the liability is extinguished. The operating lease asset is derecognised when the Economic Entity no longer anticipates economic benefits to flow from the asset.

Leases – Economic Entity as lessor

Operating leases

The Economic Entity presents assets subject to operating leases in its Statement of Financial Position according to the nature of the asset.

Lease revenue from operating leases is recognised as revenue on a straight-line basis over the lease term. Initial direct costs incurred by the Economic Entity in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expenses over the lease term on the same basis as the lease revenue.

The depreciation policy for depreciable leased assets is consistent with the Economic Entity's normal depreciation policy for similar assets, and depreciation is calculated in accordance with the Standards of GRAP on Property, Plant and Equipment and Intangible Assets.

Recognition

For those leases classified as operating leases the asset subject to the lease is not derecognised and no lease receivable is recognised at the inception of the lease. Lease payments received under an operating lease are recognised as income, in the Statement of Financial Performance, on a straight-line basis over the lease period.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, namely, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Measurement

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. The difference between the straight-lined lease payments and the contractual lease payments are recognised as either an operating lease asset or operating lease liability. An operating lease liability is raised to the extent that lease payments are received in advance (i.e. the straight-line lease payments are more than the contractual lease payments). The operating lease asset and / or operating lease liability are measured as the undiscounted difference between the straight-line lease receipts and the contractual lease receipts.

Derecognition

Operating lease liabilities are derecognised when the Economic Entity's obligation to provide economic benefits or service potential under the lease agreement expires. Operating lease assets are derecognised when the Economic Entity's right to the underlying cash flows expire or the Economic Entity no longer expects economic benefits to flow from the operating lease asset.

21. REPORTING FOREIGN CURRENCY TRANSACTIONS IN THE FUNCTIONAL CURRENCY

Initial recognition

A foreign currency transaction shall be recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Reporting at subsequent reporting dates

At each reporting date:

- (a) foreign currency monetary items shall be translated using the closing rate;
- (b) non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction; and
- (c) non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined.

Recognition of exchange differences

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in surplus or deficit in the period in which they arise.

22. VALUE ADDED TAX (VAT)

The Economic Entity accounts for Value Added Tax on the payments basis. Revenue, expenses and assets are recognised net of the amount of VAT. The net amount of VAT refundable from or payable to, the taxation authority is disclosed on the face of the statement of financial position.

The Municipality has a tax exemption and therefore not liable for income tax.

23. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, Economic Entity or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure incurred for the financial period is accounted for as a normal expense in the Statement of Financial Performance but form part of disclosure of unauthorised, irregular and fruitless and wasteful expenditure in the notes to the financial statements.

24. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Economic Entity's Supply Chain Management Policy. Irregular expenditure incurred for the financial period is accounted for as a normal expense in the Statement of Financial Performance but form part of disclosure of unauthorised, irregular and fruitless and wasteful expenditure in the notes to the financial statements.

25. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure incurred for the financial period is accounted for as a normal expense in the Statement of Financial Performance but form part of disclosure of unauthorised, irregular and fruitless and wasteful expenditure in the notes to the financial statements.

26. RECOVERY OF UNAUTHORISED, IRREGULAR, FRUITLESS & WASTEFUL EXPENDITURE

The recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, and is recognised when the recovery thereof from the responsible officials is probable. The recovery of unauthorised, irregular, fruitless and wasteful expenditure is treated as other income.

27. TRANSFER OF FUNCTIONS BETWEEN ENTITIES NOT UNDER COMMON CONTROL

Common Control

For a transaction or event to occur between entities under common control, the transaction or event needs to be undertaken between entities within the same sphere of government or between entities that are part of the same economic entity. Entities that are ultimately controlled by the same entity before and after the transfer of functions are within the same economic entity.

The Economic Entity uses the acquisition method in accounting for transactions relating to transfer of functions, between entities not under common control.

Applying the acquisition method requires:

- a) Identifying the acquirer.
- b) Determining the acquisition date.
- c) Recognising and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree.
- d) Recognising the difference between (c) and the consideration transferred to the seller.

The acquisition date is the date on which the acquirer obtains control of the acquiree.

Economic Entity as the acquirer:

At acquisition date, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree shall be recognised if:

- a) The assets taken on and the liabilities assumed meets the definitions of an asset and liability as set out in the Framework for the Preparation and Presentation of Financial Statements.
- b) These assets and liabilities relate to the binding agreement between the parties to the transaction and may not relate to separate transactions.

Assets and liabilities not previously recognised by the acquiree will be recognised if these assets and liabilities now meet the recognition criteria (for example internal generated intangible assets not previously recognised).

The acquirer measures the identifiable assets acquired and the liabilities assumed at their acquisition-date fair values.

28. EVENTS AFTER THE REPORTING DATE

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the Consolidated Financial Statements are authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- Those that is indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

Adjusting events after reporting date

The Economic Entity adjusts the amounts recognised in the Consolidated Financial Statements to reflect adjusting events after the reporting date

Non-adjusting events after the reporting date

The Economic Entity does not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting date. The Economic Entity discloses the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the Consolidated Financial Statements.

29. RELATED PARTIES

The Economic Entity has processes and controls in place to aid in the identification of related parties. A related party is a person or an entity with the ability to control or jointly control the other party or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. Related party relationships where control exists are disclosed regardless of whether any transactions took place between the parties during the reporting period.

Where transactions occurred between the Economic Entity and one or more related parties, and those transactions were not within:

- Normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the Economic Entity to have adopted if dealing with that individual entity or person in the same circumstances; and
- Terms and conditions within the normal operating parameters established by the Economic Entity's legal mandate,

Further details about those transactions are disclosed in the notes to the financial statements.

30. PRESENTATION OF BUDGET INFORMATION IN THE FINANCIAL STATEMENTS

Presentation of a comparison of budget and actual amounts

The Economic Entity presents a comparison of the budget amounts for which it is held publicly accountable and actual amounts as additional budget columns in the financial statements currently presented in accordance with Standards of GRAP24. The comparison of budget and actual amounts present separately for each level of legislative oversight:

- (a) the approved and final budget amounts;
- (b) the actual amounts on a comparable basis; and
- (c) by way of note disclosure, an explanation of material differences between the budget for which the entity is held publicly accountable and actual amounts.

Presentation and disclosure

The Economic Entity presents a comparison of budget and actual amounts as additional budget columns in the primary financial statements because the financial statements and the budget are prepared on a comparable basis.

Changes from approved to final budget

The Economic Entity presents an explanation of whether changes between the approved and final budget are a consequence of reallocations within the budget or of other factors:

- (b) in a report issued before, at the same time as, or in conjunction with the financial statements, and shall include a cross reference to the report in the notes to the financial statements.

Comparable basis

All comparisons of budget and actual amounts are presented on a comparable basis to the budget.

The Economic Entity is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by the Economic Entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by functional classification linked to performance outcome objectives.

The financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts. Comparative information is not required.

31. COMMITMENTS

Items are classified as commitments when the Economic Entity has committed itself to future transactions that will normally result in an outflow of cash.

Disclosure is done to the extent that it has not already been recognised elsewhere in the financial statements.

Capital commitments are treated as follows:

- The aggregate amount of capital expenditure contracted for at the reporting date, to the extent that the amount has not been recorded in the financial statements; and
- If a commitment is for a period longer than a year.

Commitments are disclosed in the following circumstances:

- Unrecorded capital expenditure approved and contracted for before/at reporting date;
- Unrecorded capital expenditure approved but not yet contracted for at reporting date; and
- Unrecorded capital expenditure approved after reporting date.

32. GRANTS-IN-AID

The Economic Entity transfers money to individuals, organisations and other sectors of government from time to time. When making these transfers, the Economic Entity does not:

- Receive any goods or services directly in return as would be expected in a purchase or sale transaction;
- Expect to be repaid in future; or
- Expect a financial return, as would be expected from an investment.

These transfers are recognised in the statement of financial performance as expenses in the period in which the events giving rise to the transfer occurred.

33. IMPAIRMENT

Impairment of cash generating units:

In assessing whether there is any indication that an asset may be impaired, an entity shall consider, as a minimum, the following indications:

External sources of information

- (a) During the period, an asset's market value has declined significantly more than would be expected as a result of the passage of time or normal use.
- (b) Significant changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated.
- (c) Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially.

Internal sources of information

- (d) Evidence is available of obsolescence or physical damage of an asset.
- (e) Significant changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite.
- (f) A decision to halt the construction of the asset before it is complete or in a usable condition.
- (g) Evidence is available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

Impairment of non-cash generating units:

In assessing whether there is any indication that an asset may be impaired, an entity shall consider, as a minimum, the following indications:

External sources of information

- (a) Cessation, or near cessation, of the demand or need for services provided by the asset.
- (b) Significant long-term changes with an adverse effect on the entity have taken place during the period or will take place in the near future, in the technological, legal or government policy environment in which the entity operates.

Internal sources of information

- (c) Evidence is available of physical damage of an asset.
- (d) Significant long-term changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, or plans to dispose of an asset before the previously expected date.
- (e) A decision to halt the construction of the asset before it is complete or in a usable condition.
- (f) Evidence is available from internal reporting that indicates that the service performance of an asset is, or will be, significantly worse than expected.

34. CONSTRUCTION CONTRACTS

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of the contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probable to be recovered. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date exceed capital grants received, the surplus is shown as amounts due from funders for contract work. For contracts where capital grants received exceed contract costs incurred to date, the surplus is shown as the amounts due to funders for contract work. Amounts received before the related work is performed are included in the statement of financial position, as a liability, as unspent project funding received. Amounts billed for work performed but not yet paid by the funder are included in the statement of financial position under trade and other receivables.

Unutilised project funding is reflected on the Statement of Financial Position as a Current Liability - Unspent Project Funding. The cash received is invested until it is utilised.

35. PRINCIPLE AGENT TRANSACTIONS

MBDA was appointed by its parent municipality NMBM to act as its agent in the management of the NMB Stadium operations. As part of its custodial responsibilities the agency is responsible for the total operations in terms of event, financial and risk management, and to ensure that this facility becomes more sustainable over the longer term.

NMBM, however incorporates all revenue and expenditure of the NMB Stadium in the books of NMBM.

36. SERVICE CONCESSION ARRANGEMENTS

No service concession arrangements have been entered into.

37. SEGMENT REPORTING

Basis for segmentation

Nelson Mandela Bay Municipality is a complex metropolitan municipality with a wide variety of goods and services managed by various Directorates. Operations are structured to achieve optimum service delivery and the municipality produces various reports in which its activities are presented in a variety of ways.

Segments were identified based on the MFMA S71 monthly budget statements that are reviewed by the executive management and council to make strategic decisions and in monitoring segment performance. The disclosure of information about segments in these reports are organised around the type of service delivered, in a standardised format, and is considered appropriate for external reporting purposes to achieve the objectives of GRAP 18.

Segments are aggregated for reporting purposes when management considered that the economic characteristics and nature of services are sufficiently similar to warrant aggregation. The components of each aggregated segment is explained under the description of operations of the segments. Reportable segments are identified based on activities of the municipality that generates economic benefits or service potential including internal services that contribute to achieving the municipality's objectives without necessarily generating net cash inflows.

Accounting policy and measurement basis

The accounting policies of the reportable segments are the same as the municipality's accounting policies.

Inter-segment pricing is determined on an arm's length basis, similar to transactions with third parties. Inter-segment revenues are eliminated upon consolidation and reflected in the "elimination of intersegment transactions" column of the segment report.

Geographic information

All the municipality's operations are located in the Republic of South Africa in the Nelson Mandela Bay area. Information to report on different geographical areas is not available and the cost to develop it would be excessive.

38. GRAP STATUTORY RECEIVABLES

No specific transactions outside of the standards of GRAP have been concluded.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

RESERVES GOVERNED BY AN ACT:	Economic Entity		Municipality	
	2021 R	Restated 2020 R	2021 R	Restated 2020 R
1 COID RESERVE				
Balance at the beginning of the year	46,521,089	41,321,868	46,521,089	41,321,868
Premiums received - transfer from accumulated surplus	8,060,658	7,740,637	8,060,658	7,740,637
Expenditure funded during the year - transfer to accumulated surplus	(3,406,612)	(2,541,416)	(3,406,612)	(2,541,416)
Balance at the end of the year	51,175,135	46,521,089	51,175,135	46,521,089

The amount for this note has been included in the Total Accumulated Funds. Also refer note 18.

The COID Reserve is required in terms of Section 84 of the Compensation for Occupational Injuries and Diseases Act (No. 130 of 1993) as the Nelson Mandela Bay Municipality (NMBM) has been exempted from making contributions to the Compensation Commissioner for Occupational Injuries and Diseases.

2 LONG-TERM LIABILITIES

Financial Liabilities:

Development Bank of Southern Africa (DBSA)	302,084,213	322,119,963	302,084,213	322,119,963
Rand Merchant Bank	345,531,984	364,499,298	345,531,984	364,499,298
Nedbank 1	343,084,805	407,122,299	343,084,805	407,122,299
Nedbank 2	173,197,434	0	173,197,434	0
Total External Loans	1,163,898,436	1,093,741,560	1,163,898,436	1,093,741,560
Long-term Liabilities - MBDA	905,950	84,707	0	0
Brookes Bequest	22,637,206	21,773,102	22,637,206	21,773,102
Total Long-term Liabilities	1,187,441,592	1,115,599,369	1,186,535,642	1,115,514,662
Less : Current portion transferred to current liabilities	196,369,125	99,142,909	196,369,125	99,142,909
Development Bank of Southern Africa (DBSA)	21,799,983	19,471,649	21,799,983	19,471,649
Rand Merchant Bank	20,997,175	18,809,035	20,997,175	18,809,035
Nedbank 1	68,515,464	60,862,225	68,515,464	60,862,225
Nedbank 2	85,056,503	0	85,056,503	0
	991,072,467	1,016,456,460	990,166,517	1,016,371,753

The Financial liabilities are measured at amortised cost taking into account relevant interest rates. Also refer note 38.

In line with Chapter 6 of the MFMA, no loans are secured.

DBSA

A further loan of R420 000 000 was taken up during the 2008/09 financial year and is repayable over 20 years in 38 half yearly instalments of R27 651 367, by 30 September 2029, at a fixed interest rate of 11.62% per annum with a final payment of R27 651 367. The loan was used for various capital projects. A capital amount of R19 471 649 and interest of R35 831 084 was repaid during the financial year. (2020: Capital repaid R17 292 126 and Interest paid R38 010 607)

NEDBANK 1

The loan of R745 000 000 was taken up during the 2009/10 financial year and is repayable over 15 years in 30 half yearly instalments of R52 372 749, by 31 January 2025, at a fixed interest rate of 11.7% per annum. The loan was used for various capital projects. A capital amount of R60 862 226 and interest of R43 905 772 was repaid during the financial year. (2020: Capital repaid R54 540 977 and Interest paid R50 227 020)

NEDBANK 2

A further loan of R750 602 100 was approved during the 2020/21 financial year of which R214 414 700 was taken up and is repayable over 10 years in 20 half yearly instalments of R51 548 178, by 31 July 2030 at a fixed rate of 9.22% per annum. The loan is used for various capital projects. A capital amount of R47 540 209 and interest of R4 007 969 was repaid during the financial year.

RAND MERCHANT BANK

The loan of R470 000 000 was taken up during the 2010/11 financial year and is repayable over 20 years in 40 half yearly instalments of R27 779 027, by 31 May 2031, at a fixed interest rate of 10.24% per annum. The loan was used for various capital projects. A capital amount of R18 809 035 and interest of R36 749 019 was repaid during the financial year. (2020: Capital repaid R17 315 635 and Interest paid R38 242 419)

BROOKES BEQUEST

Brookes bequest represents a long-term creditor. The capital of the fund, may not be used until 100 years after the death of the last annuitant. The funds can only be utilised by the NMBM when the two remaining Trustees approve the donation of funds to the NMBM. The interest may be utilised for capital projects related to the development of Humewood. The fund bears interest at an average of 6.64% per annum.

LONG-TERM LIABILITIES - ENTITY INCLUDES:

CONSTRUCTION CONTRACT RETENTION AND DEFERRED INCOME

Construction contract retention creditors relate to retentions held in projects in line with accepted construction accounting principles. Such retentions are payable 3 to 12 months after official sign off of the project, and are non-interest bearing.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3.1 NON CURRENT PROVISIONS - EMPLOYEE BENEFITS	Economic Entity		Municipality	
	2021 R	Restated 2020 R	2021 R	Restated 2020 R
Gratuity Benefit	5,550,597	8,028,000	5,550,597	8,028,000
Post Retirement Benefits	1,411,114,076	1,216,905,401	1,411,114,076	1,216,905,401
Long Service Awards and Long Service Bonus	736,991,000	594,890,848	736,991,000	594,890,848
Total Employee Benefit Obligation	2,153,655,673	1,819,824,249	2,153,655,673	1,819,824,249

Refer to Note 47 for the full reconciliation and disclosures.

Gratuity Benefit

This obligation is in respect of the long-term liability relating to gratuities payable to employees that were not previously members of a pension fund.

Balance at beginning of year	8,028,000	9,516,000	8,028,000	9,516,000
Movement in Obligation	(2,477,403)	(1,488,000)	(2,477,403)	(1,488,000)
Balance at end of year	5,550,597	8,028,000	5,550,597	8,028,000

Post Retirement Benefits

The past service liability in respect of post retirement benefits relates to ill-health retirements and medical aid contributions, and ex-gratia pensions which have been actuarially assessed.

Balance at beginning of year	1,216,905,401	1,377,456,000	1,216,905,401	1,377,456,000
Movement in Obligation	194,208,675	(160,550,599)	194,208,675	(160,550,599)
Balance at end of year	1,411,114,076	1,216,905,401	1,411,114,076	1,216,905,401

Long Service Awards and Long Service Bonus

This obligation is in respect of the long service award and long service bonus which the Municipality offers to its current employees and which become payable at certain pre-determined intervals.

Balance at beginning of year	594,890,848	655,019,000	594,890,848	655,019,000
Contributions to Obligation	142,100,152	(60,128,152)	142,100,152	(60,128,152)
Balance at end of year	736,991,000	594,890,848	736,991,000	594,890,848

Refer Restatement Notes no. 40.3.9

3.2 NON-CURRENT PROVISIONS - OTHER

Rehabilitation of Landfill sites	406,886,060	358,133,740	406,886,060	358,133,740
Rehabilitation of Swartkops River	94,665,077	73,643,693	94,665,077	73,643,693
Total Non-current Provisions	501,551,137	431,777,433	501,551,137	431,777,433

Rehabilitation of landfill sites

In terms of the licensing conditions of the landfill refuse sites, Council will incur rehabilitation costs of R149,304,039 for the Arlington Landfill site, R115,502,422 for the Koedoeskloof Landfill site and R142,079,598 for the Ibhayi Landfill site determined at net present value to restore the sites at the end of their useful lives estimated to be in 2027 (Arlington) and 2029 (Koedoeskloof). Squatters are currently occupying the Ibhayi Landfill site that is already closed. Provision has been made for the rehabilitation of the landfill sites based on the net present value of cost. For Arlington and Koedoeskloof landfill sites, the cost factors as determined have been applied and projected at an inflation rate of 4.9%. The projected amounts are discounted to the present value at the average borrowing rate of 10.92%. The determined cost to rehabilitate Ibhayi landfill site represents the present value.

A change in useful lives and reduced CPI index, have caused the change in the value of the provision.

Balance at beginning of year	358,133,740	407,057,209	358,133,740	407,057,209
Contributions to Provision	48,752,320	(48,923,469)	48,752,320	(48,923,469)
Balance at end of year	406,886,060	358,133,740	406,886,060	358,133,740

Rehabilitation of Swartkops River

Balance at beginning of year	73,643,693	71,681,592	73,643,693	71,681,592
Contributions to Provision - unwinding of discount factor	21,021,384	1,962,101	21,021,384	1,962,101
Balance at end of year	94,665,077	73,643,693	94,665,077	73,643,693

The provision is in relation to the Municipality's obligation to address the environmental pollution of the Swartkops River.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
4 EMPLOYEE BENEFITS AND PROVISIONS				
4.1 CURRENT PROVISIONS - EMPLOYEE BENEFITS				
Gratuity Obligation	4,639,392	4,618,000	4,639,392	4,618,000
Post Retirement Benefits	74,338,869	69,961,544	74,338,869	69,961,544
Performance Bonus Liability	9,926,601	6,833,030	7,906,666	5,411,709
Long service awards and long service bonuses	96,539,000	100,231,352	96,539,000	100,231,352
Provision for Workmen's Compensation	52,378	16,667	0	0
Total Current Employee Benefit Obligation	185,496,240	181,660,593	183,423,927	180,222,605
Refer to Note 47 for the full reconciliation and disclosures.				
Gratuity Obligation				
This obligation is in respect of the short-term liability relating to gratuities payable to employees that were not previously members of a pension fund.				
Balance at beginning of year	4,618,000	4,833,000	4,618,000	4,833,000
Movement in Obligation	8,500,599	1,868,812	8,500,599	1,868,812
Expenditure incurred	(8,479,207)	(2,083,812)	(8,479,207)	(2,083,812)
Balance at end of year	4,639,392	4,618,000	4,639,392	4,618,000
Post Retirement Benefits				
The obligation is in respect of the short-term liabilities attributable to ill-health retirements, medical aid contributions and ex-gratia pensions.				
Balance at beginning of year	69,961,544	73,478,000	69,961,544	73,478,000
Contributions to Obligation	82,490,073	72,085,569	82,490,073	72,085,569
Expenditure incurred	(78,112,748)	(75,602,025)	(78,112,748)	(75,602,025)
Balance at end of year	74,338,869	69,961,544	74,338,869	69,961,544
Performance bonus liability				
This obligation is in respect of the short-term liability relating to performance bonuses payable to Section 57 employees, based on a maximum of 14% of their all-inclusive remuneration package paid as per regulation 32(2) of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006.				
Balance at beginning of year	6,833,030	4,940,292	5,411,709	3,827,569
Movement in Obligation	4,514,892	3,005,461	2,494,957	1,584,140
Expenditure incurred	(1,421,321)	(1,112,723)	0	0
Balance at end of year	9,926,601	6,833,030	7,906,666	5,411,709
Long service awards and long service bonuses				
The obligation is in respect of long service awards and long service bonuses				
Balance at beginning of year	100,231,352	93,825,001	100,231,352	93,825,001
Movement in Obligation	(3,692,352)	6,406,351	(3,692,352)	6,406,351
Balance at end of year	96,539,000	100,231,352	96,539,000	100,231,352
Provision for Workmen's Compensation				
Balance at beginning of year	16,667	39,354	0	0
Contributions to Obligation	52,378	157,000	0	0
Expenditure incurred	(16,667)	(179,687)	0	0
Balance at end of year	52,378	16,667	0	0
Refer Restatement Notes no. 40.3.8				
4.2 CURRENT PROVISIONS - OTHER				
Provision for Litigation and Claims	15,277,529	14,515,171	15,277,529	14,515,171
Total Current Provisions	15,277,529	14,515,171	15,277,529	14,515,171
Provision for Litigation and Claims				
The provision is in respect of probable claims against the NMBM, pending the outcome of court decisions - See note 45(b).				
Balance at the beginning of the year	14,515,171	82,002	14,515,171	82,002
Contribution to the provision	762,358	14,515,171	762,358	14,515,171
Provision utilised/reversed	0	(82,002)	0	(82,002)
Balance at end of year	15,277,529	14,515,171	15,277,529	14,515,171
5 CONSUMER DEPOSITS				
Electricity and Water	152,721,461	154,791,438	152,721,461	154,791,438
Interest	1,930,289	1,595,641	1,930,289	1,595,641
	154,651,750	156,387,079	154,651,750	156,387,079
Guarantees held in lieu of Electricity and Water Deposits	17,193,797	17,193,797	17,193,797	17,193,797
Consumer deposits bear interest and are only refunded once the consumers' accounts are closed.				

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
6 TRADE AND OTHER PAYABLES				
Payables and Accruals	1,828,534,694	1,402,963,607	1,851,782,055	1,406,788,704
Payments Received in Advance	91,934,710	85,642,706	91,934,710	85,642,706
Staff leave	387,092,670	315,115,899	382,834,548	311,244,364
Retentions	104,100,155	97,103,200	104,100,155	97,103,200
Total Creditors	2,411,662,229	1,900,825,412	2,430,651,468	1,900,778,974
Transfers and Subsidies (See details below)	351,572,080	721,091,553	345,074,501	716,015,380

Refer Restatement Notes no. 40.3.1

Financial liabilities:

Trade creditors are non-interest bearing and are normally settled on 30-day terms, except for retention amounts of R104 100 155, which could be settled within the next 12 months.

No creditors are secured

7 TRANSFERS AND SUBSIDIES

Conditional Grants from other spheres of Government

Conditional Grants in terms of the Division of Revenue Act (DORA):

Public Transport Infrastructure Grant (See Note 22.7.1 and Note 16)	41,967,790	84,019,013	41,967,790	84,019,013
Public Transport Networks Operations Grant (See Note 22.7.2)	93,172,582	96,112,294	93,172,582	96,112,294
Neighbourhood Partnership Development Grant (See Note 22.15 and Note 16)	2,157,622	13,085,004	2,157,622	13,085,004
Urban Settlement Grant (See Note 22.16 and Note 16)	175,124,719	307,341,901	175,124,719	307,341,901
Infrastructure Skills Development Grant (See Note 22.17)	1,892,693	0	1,892,693	-
Integrated City Development Grant (ICDG) (See Note 22.20)	5,292,146	351,265	5,292,146	351,265
Drought Relief Grant (See Note 22.21)	0	188,078,966	-	188,078,966
Total Transfers and Subsidies	351,572,080	721,091,553	345,074,501	716,015,380

Other Grants:

PHB Subsidies (See Note 22.1)	1,247,590	1,200,000	1,247,590	1,200,000
Smart Grid initiative Grant (See Note 22.4)	711,836	711,836	711,836	711,836
Provincial Department of Human Settlements: Accreditation Grant (See Note 22.5)	1,973,952	1,973,952	1,973,952	1,973,952
EU Sector Policy Support Project (See Note 22.9)	1,744,599	1,744,599	1,744,599	1,744,599
Other Grants (See Note 22.11)	7,121,802	5,965,979	624,223	889,806
National Lotteries Grant (See Note 22.13)	1,305,131	1,305,131	1,305,131	1,305,131
CDC Walmer Intervention Funding Grant (See Note 22.14)	9,068,420	9,068,420	9,068,420	9,068,420
LGSETA Discretionary Learnership Funding (See Note 22.23)	7,918,417	9,260,412	7,918,417	9,260,412
Provincial Department Agency: Communication Grant (See Note 22.24)	872,781	872,781	872,781	872,781

The unspent portion of transfers and subsidies represent cash as included in note 18 below.

Refer Restatement Note no. 40.3.6

8 VAT

VAT Receivable / (Net VAT payable)	(160,098,640)	(152,284,433)	(160,098,640)	(152,284,433)
VAT Receivable / (Net VAT payable) - MBDA	2,064,326	1,874,849	0	0

VAT is payable on the payments basis. Only once payment is received from debtors is VAT paid over to SARS.

Refer Restatement Note no. 40.3.3

9 PROPERTY, PLANT AND EQUIPMENT

ECONOMIC ENTITY	R		
	Cost	Accumulated Depreciation/ Impairment	Carrying Value
As at 30 June 2021			
Land	1,168,906,363	0	1,168,906,363
Buildings	1,030,060,127	400,039,225	630,020,902
Infrastructure Assets	20,371,590,124	7,502,611,804	12,868,978,320
Community Assets	3,701,929,664	1,254,770,288	2,447,159,376
Other Assets	1,678,304,890	1,070,831,075	607,473,815
	27,950,791,168	10,228,252,392	17,722,538,776

No assets were pledged as security and there were no restrictions.

A detailed register of Property, plant and equipment is maintained and is available for inspection.

Refer to Note 48 for reconciliation.

As at 30 June 2020

ECONOMIC ENTITY	R		
	Cost	Accumulated Depreciation/ Impairment	Carrying Value
As at 30 June 2020			
Land	1,130,178,550	0	1,130,178,550
Buildings	1,024,656,238	357,732,709	666,923,529
Infrastructure Assets	19,198,400,712	6,790,824,498	12,407,576,214
Community Assets	3,653,628,671	1,141,210,586	2,512,418,085
Other Assets	1,584,999,155	1,003,837,978	581,161,177
	26,591,863,326	9,293,605,771	17,298,257,555

Refer Restatement Note no. 40.3.7

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

9 PROPERTY, PLANT AND EQUIPMENT (Continued)

MUNICIPALITY		R	R	R
As at 30 June 2021		Cost	Accumulated Depreciation/ Impairment	Carrying Value
Land		1,155,959,212	0	1,155,959,212
Buildings		1,025,490,451	399,733,118	625,757,333
Infrastructure Assets		20,371,590,124	7,502,611,804	12,868,978,320
Community Assets		3,701,929,664	1,254,770,288	2,447,159,376
Other Assets		1,671,949,272	1,067,253,941	604,695,331
		27,926,918,723	10,224,369,151	17,702,549,572

No assets were pledged as security and there were no restrictions.

A detailed register of Property, plant and equipment is maintained and is available for inspection.

Refer to Note 48 for reconciliation.

As at 30 June 2020

MUNICIPALITY		R	R	R
As at 30 June 2020		Cost	Accumulated Depreciation/ Impairment	Carrying Value
Land		1,117,231,399	0	1,117,231,399
Buildings		1,020,219,976	357,636,870	662,583,106
Infrastructure Assets		19,198,400,712	6,790,824,498	12,407,576,214
Community Assets		3,653,628,671	1,141,210,586	2,512,418,085
Other Assets		1,578,984,368	1,000,899,827	578,084,541
		26,568,465,126	9,290,571,781	17,277,893,345

Refer Restatement Note no. 40.3.7

10 HERITAGE ASSETS

ECONOMIC ENTITY		R	R	R
As at 30 June 2021		Cost	Accumulated Impairment	Carrying Value
Heritage Assets		235,002,583	15,820,657	219,181,926
		235,002,583	15,820,657	219,181,926

Refer to Note 49 for reconciliation.

As at 30 June 2020

ECONOMIC ENTITY		R	R	R
As at 30 June 2020		Cost	Accumulated Impairment	Carrying Value
Heritage Assets		227,135,645	15,820,657	211,314,988
		227,135,645	15,820,657	211,314,988

MUNICIPALITY		R	R	R
As at 30 June 2021		Cost	Accumulated Impairment	Carrying Value
Heritage Assets		234,752,083	15,820,657	218,931,426
		234,752,083	15,820,657	218,931,426

No assets were pledged as security and there were no restrictions.

Refer to Note 49 for reconciliation.

As at 30 June 2020

MUNICIPALITY		R	R	R
As at 30 June 2020		Cost	Accumulated Impairment	Carrying Value
Heritage Assets		226,885,145	15,820,657	211,064,488
		226,885,145	15,820,657	211,064,488

No assets were pledged as security and there were no restrictions.

No retiring from active use / disposal took place during the current year

11 INTANGIBLE ASSETS

ECONOMIC ENTITY		R	R	R
As at 30 June 2021		Cost	Accumulated Amortisation/ Impairment	Carrying Value
Computer Software		463,769,425	358,111,701	105,657,724
		463,769,425	358,111,701	105,657,724

No assets were pledged as security and there were no restrictions.

Refer to Note 50 for reconciliation.

As at 30 June 2020

ECONOMIC ENTITY		R	R	R
As at 30 June 2020		Cost	Accumulated Amortisation/ Impairment	Carrying Value
Computer Software		459,984,581	308,476,494	151,508,087
		459,984,581	308,476,494	151,508,087

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

11 INTANGIBLE ASSETS (Continued)

MUNICIPALITY

As at 30 June 2021

	Cost	Accumulated Amortisation/ Impairment	Carrying Value
Computer Software	462,371,011	357,715,872	104,655,139
	462,371,011	357,715,872	104,655,139

No assets were pledged as security and there were no restrictions.

Refer to Note 50 for reconciliation.

As at 30 June 2020

	Cost	Accumulated Amortisation/ Impairment	Carrying Value
Computer Software	459,302,518	308,106,482	151,196,036
	459,302,518	308,106,482	151,196,036

12 INVESTMENT PROPERTY

ECONOMIC ENTITY

As at 30 June 2021

	Cost	Accumulated Depreciation/ Impairment	Carrying Value
Land & Buildings	226,767,881	74,649,280	152,118,601
	226,767,881	74,649,280	152,118,601

No assets were pledged as security and there were no restrictions.

Refer to Note 51 for reconciliation.

As at 30 June 2020

	Cost	Accumulated Depreciation/ Impairment	Carrying Value
Land & Buildings	236,618,412	71,530,870	165,087,542
	236,618,412	71,530,870	165,087,542

MUNICIPALITY

As at 30 June 2021

	Cost	Accumulated Depreciation/ Impairment	Carrying Value
Land & Buildings	226,767,881	74,649,280	152,118,601
	226,767,881	74,649,280	152,118,601

No assets were pledged as security and there were no restrictions.

Refer to Note 51 for reconciliation.

As at 30 June 2020

	Cost	Accumulated Depreciation/ Impairment	Carrying Value
Land & Buildings	236,618,412	71,530,870	165,087,542
	236,618,412	71,530,870	165,087,542

Description of Investment Property:

Nelson Mandela Bay Logistics Park
Mc Arthur Bath
Willows Resort
Beachview Resort
Van Stadens Resort
St Georges Park Resort and Wells estate
Motherwell Depot
Africa Timbers in Korsten
Mercado centre
Incinerator and Gas works
Something Good
Korsten Depot
Port Elizabeth RD Steeledale Reinforcing
PE Central Shop
North End Workshop
Moselville Old Post Office
Market Value of Investment Property

ECONOMIC ENTITY AND
MUNICIPALITY

	2021 R	Restated 2020 R
102,300,000		
12,290,000		
246,430,000		
6,250,000		
5,250,000		
117,500,000		
15,010,000		
1,990,000		
22,830,000		
26,730,000		
4,200,000		
1,600,000		
980,000		
490,000		
66,000		
1,250,000		
565,166,000		
565,166,000		

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

12 INVESTMENT PROPERTY (Continued)

Additional Disclosure:

The NMBM applies the Cost Model.

The Market Value was determined by valuers of the Rates and Valuations Directorate within NMBM who are experts in this field. The property values are consistent with the prior years and no updated valuations has been performed in the current year. The valuations was based on the 2016 Valuations roll, which is valid for 5 years - refer note 20:

The depreciated replacement cost method of valuation was applied in determining the valuation of the property. This method of valuation is usually applied to properties that do not often change hands in the open market. The depreciated replacement cost method of valuation is calculated by determining the replacement cost of the improvements, as at the date of the valuation, less a depreciation factor, which comprises physical deterioration, functional obsolescence and location deterioration. The value of land is determined by means of comparable sales of similar properties in the area. The two values are added together to arrive at the valuation of the property.

Properties subject to Operating Leases:

Rental revenue included in surplus for following Investment Properties:

Beachview resort
Van Stadens Resort
Something Good

**ECONOMIC ENTITY AND
MUNICIPALITY**

2021	Restated 2020
R	R
240,000	240,000
240,000	240,000
739,175	701,304

Rental revenue is included with Rental of Facilities and Equipment

13 LONG-TERM RECEIVABLES

	Economic Entity	
	2021	Restated 2020
	R	R
Other Debtors	50,315	50,315
Consumer Debtors	112,729,930	53,093,514
Rates and General	40,517,005	19,339,476
Other Services	5,181,849	3,548,887
Electricity	16,739,745	6,219,995
Water	27,457,347	13,402,231
Refuse	8,666,672	4,153,198
Sewerage	14,167,312	6,429,727

Municipality

2021	Restated 2020
R	R

50,315	50,315
112,729,930	53,093,514
40,517,005	19,339,476
5,181,849	3,548,887
16,739,745	6,219,995
27,457,347	13,402,231
8,666,672	4,153,198
14,167,312	6,429,727

Long-term Receivables

112,780,245	53,143,829
72,212,925	33,754,038
40,567,320	19,389,791
112,780,245	53,143,829

112,780,245	53,143,829
72,212,925	33,754,038
40,567,320	19,389,791
112,780,245	53,143,829

Long-term Receivables - Exchange Transactions

Long-term Receivables - Non-exchange Transactions

No collateral is held for receivables.

In the event of defaults on arrangements, the consumers may enter into a fresh arrangement upon making certain down payments.

No assets have been pledged as security for any liabilities

LONG-TERM RECEIVABLES - CONSUMER DEBTORS

Financial Assets - Receivables:

The consumer debtors are billed a gazetted interest rate between 7.25% and 7% per annum on overdue accounts.

Trade Receivables - Exchange Transactions

The current portion is disclosed in note 15 - Trade Receivables - Exchange Transactions.

14 INVENTORY

	154,725,206	141,142,929
Materials and Supplies	144,136,137	130,582,916
Work in Progress - Other	49,711	86,869
Finished Goods - Water Stock (refer to note 28 for cost of inventory purchased)	3,926,175	4,052,088
Finished Goods - Other	6,434,418	6,272,458
Consumables	178,765	148,598
Less: Provision for Obsolete Stock	(742,593)	(2,340,789)
	153,982,613	138,802,140

	154,546,441	140,994,331
Materials and Supplies	144,136,137	130,582,916
Work in Progress - Other	49,711	86,869
Finished Goods - Water Stock (refer to note 28 for cost of inventory purchased)	3,926,175	4,052,088
Finished Goods - Other	6,434,418	6,272,458
Consumables	0	0
Less: Provision for Obsolete Stock	(742,593)	(2,340,789)
	153,803,848	138,653,542

No inventory was pledged as security

Refer Restatement Note no. 40.3.10

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

15 TRADE RECEIVABLES - EXCHANGE TRANSACTIONS

ECONOMIC ENTITY AND MUNICIPALITY

As at 30 June 2021

	R	R	R
	Gross Balances	Impairment Allowance	Carrying Amount
Service Debtors	6,088,858,016	(3,812,018,944)	2,276,839,072
Electricity	2,024,354,487	(749,785,638)	1,274,568,849
Water	2,559,906,552	(1,952,115,311)	607,791,241
Refuse	564,909,369	(430,630,395)	134,278,974
Sanitation	939,687,608	(679,487,600)	260,200,008
House Rentals	55,521,033	(43,869,037)	11,651,996
Total	6,144,379,049	(3,855,887,981)	2,288,491,068

No consumer debtors were pledged as security.

In the event of defaults services are disconnected until such time that the outstanding debt has been paid or an arrangement entered into.

As at 30 June 2020

	Gross Balances	Impairment Allowance	Carrying Amount
Service Debtors	4,514,115,870	(2,569,355,089)	1,944,760,781
Electricity	1,610,443,981	(670,641,113)	939,802,868
Water	1,707,614,192	(1,085,792,614)	621,821,578
Refuse	454,491,218	(317,231,121)	137,260,097
Sanitation	741,566,479	(495,690,241)	245,876,238
House Rentals	48,046,192	(34,033,624)	14,012,568
Total	4,562,162,062	(2,603,388,713)	1,958,773,349

Refer Restatement Note no. 40.3.4.1

Electricity: Ageing

	2021 R	Restated 2020 R
Current (0-30 days)	1,134,872,707	694,298,856
31 - 60 Days	37,302,224	126,538,618
61 - 90 Days	25,134,654	21,120,286
Over 90 Days	827,044,902	768,486,221
Total	2,024,354,487	1,610,443,981

Water: Ageing

	2021 R	Restated 2020 R
Current (0-30 days)	192,008,241	199,334,704
31 - 60 Days	190,976,910	104,623,213
61 - 90 Days	145,682,747	123,903,513
Over 90 Days	2,031,238,654	1,279,752,762
Total	2,559,906,552	1,707,614,192

Refuse: Ageing

	2021 R	Restated 2020 R
Current (0-30 days)	58,411,838	31,208,729
31 - 60 Days	22,310,041	24,295,883
61 - 90 Days	15,250,221	16,650,785
Over 90 Days	468,937,269	382,335,821
Total	564,909,369	454,491,218

Sanitation: Ageing

	2021 R	Restated 2020 R
Current (0-30 days)	128,719,204	63,532,573
31 - 60 Days	47,208,360	43,915,133
61 - 90 Days	33,330,052	39,557,324
Over 90 Days	730,429,992	594,561,449
Total	939,687,608	741,566,479

Housing Rentals: Ageing

	2021 R	Restated 2020 R
Current (0-30 days)	3,044,313	1,748,069
31 - 60 Days	1,285,093	2,669,331
61 - 90 Days	1,150,045	1,241,088
Over 90 Days	50,041,582	42,387,704
Total	55,521,033	48,046,192

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

15 TRADE RECEIVABLES - EXCHANGE TRANSACTIONS (Continued)

Summary of Debtors by Customer Classification

	R	R	R
	<u>Residential Consumers</u>	<u>Industrial / Commercial</u>	<u>National and Provincial Government</u>
30 June 2021			
Current (0-30 days)	483,297,934	991,342,080	42,416,289
31 - 60 Days	218,837,754	63,680,990	16,563,884
61 - 90 Days	174,229,262	41,260,952	5,057,505
Over 90 Days	2,474,505,769	1,515,481,444	117,705,186
Gross Consumer Debtors by Customer classification	3,350,870,719	2,611,765,466	181,742,864
Gross Consumer Debtors			6,144,379,049
Less: Impairment allowance			(3,855,887,981)
Net Consumer Debtors for the period ended 30 June 2021			2,288,491,068

Summary of Debtors by Customer Classification

	R	R	R
	<u>Residential Consumers</u>	<u>Industrial / Commercial</u>	<u>National and Provincial Government</u>
30 June 2020			
Current (0-30 days)	336,935,425	617,375,599	35,811,907
31 - 60 Days	86,871,298	174,678,533	40,492,347
61 - 90 Days	123,025,974	47,423,399	32,023,623
Over 90 Days	1,600,295,115	1,313,307,818	153,921,024
Gross Consumer Debtors by Customer classification	2,147,127,812	2,152,785,349	262,248,901
Gross Consumer Debtors			4,562,162,062
Less: Impairment allowance			(2,603,388,713)
Net Consumer Debtors for the year ended 30 June 2020			1,958,773,349

Reconciliation of the Impairment Allowance

	2021 R	Restated 2020 R
Balance at beginning of year	2,603,388,713	2,157,414,918
Contributions to Impairment allowance	1,535,540,039	970,752,161
Bad debts written off against the Impairment allowance	(283,040,771)	(524,778,366)
Balance at end of year	3,855,887,981	2,603,388,713

Financial Assets have been classified as loans and receivables.

The consumer debtors are billed a gazetted interest rate between 7.25% and 7% per annum on overdue accounts.

Consumer Debtors not past due nor impaired therefore no impairment allowance raised:

Neither past due nor impaired	2,288,491,068	1,958,773,349
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Consumer Debtors for which an impairment allowance was raised

Provision (based on the collection of outstanding debts and debtors handed over to attorneys)	3,855,887,981	2,603,388,713
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NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
15 TRADE RECEIVABLES - NON-EXCHANGE TRANSACTIONS				
Property Rates	1,719,114,870	1,466,226,906	1,719,114,870	1,466,226,906
Provision for Bad Debts - Property Rates	(1,366,567,567)	(1,061,256,830)	(1,366,567,567)	(1,061,256,830)
	352,547,303	404,970,076	352,547,303	404,970,076
Refer Restatement Note no. 40.3.4.2				
Property rates: Ageing				
Current (0-30 days)	97,884,501	22,301,739	97,884,501	22,301,739
31 - 60 Days	51,772,326	92,128,849	51,772,326	92,128,849
61 - 90 Days	28,323,137	39,827,679	28,323,137	39,827,679
Over 90 Days	1,541,134,906	1,311,968,639	1,541,134,906	1,311,968,639
Total	1,719,114,870	1,466,226,906	1,719,114,870	1,466,226,906
Reconciliation of the Impairment Allowance				
Balance at beginning of year	1,061,256,830	859,173,503	1,061,256,830	859,173,503
Contributions to Impairment allowance	403,403,038	263,360,692	403,403,038	263,360,692
	1,464,659,868	1,122,534,195	1,464,659,868	1,122,534,195
Bad debts written off against the Impairment allowance	(98,092,301)	(61,277,365)	(98,092,301)	(61,277,365)
Balance at end of year	1,366,567,567	1,061,256,830	1,366,567,567	1,061,256,830
16 OTHER RECEIVABLES - NON-EXCHANGE TRANSACTIONS				
Accrued Income: Transfers and Subsidies - Housing	210,320,725	210,320,725	210,320,725	210,320,725
Accrued Income: Transfers and Subsidies - USDG	0	390,274,000	0	390,274,000
Accrued Income: Transfers and Subsidies - NPDG	10,000,000	10,000,000	10,000,000	10,000,000
Accrued Income: Transfers and Subsidies - IPTS	0	83,370,000	0	83,370,000
Accrued Income: Transfers and Subsidies - E-Share	255,415,000	255,415,000	255,415,000	255,415,000
Accrued Income: Transfers and Subsidies - Public Health	17,112,961	17,112,961	17,112,961	17,112,961
	492,848,686	966,492,686	492,848,686	966,492,686
Provision for Bad Debts - Housing	(81,168,190)	(81,168,190)	(81,168,190)	(81,168,190)
	411,680,496	885,324,496	411,680,496	885,324,496
Other Receivables: MBDA	2,100	2,100	0	0
	411,682,596	885,326,596	411,680,496	885,324,496
Refer Restatement Note no. 40.3.2.2				
OTHER RECEIVABLES - EXCHANGE TRANSACTIONS				
Accrued Income: Transfers and Subsidies - MBDA	82,569,645	63,305,107	82,569,645	63,305,107
Accrued Income: Market	31,282,132	29,826,074	31,282,132	29,826,074
Accrued Income: Interest Receivable	47,269,451	42,206,397	47,269,451	42,206,397
Accrued Income: Stadium	34,013,554	34,013,554	34,013,554	34,013,554
Accrued Income: Traffic Fines	19,776,513	19,776,514	19,776,513	19,776,514
Accrued Income: Other	51,581,802	24,229,589	51,581,802	24,229,589
Prepayments and Advances	16,333,276	14,131,905	16,333,276	14,131,905
Operating Leases - Straight Lining	3,465,786	3,366,924	3,465,786	3,366,924
	286,292,159	230,856,064	286,292,159	230,856,064
Provision for Bad Debts - Market	(29,826,074)	(29,826,074)	(29,826,074)	(29,826,074)
	256,466,085	201,029,990	256,466,085	201,029,990
Other Receivables: MBDA	84,660,005	67,673,829	0	0
Less: Intercompany transactions	(159,473,208)	(104,464,185)	0	0
	181,652,882	164,239,634	256,466,085	201,029,990
Refer Restatement Note no. 40.3.2.1				
Amounts due from Government and external debtors are normally settled within 30 days and bear no interest. Included in Accrued Income: Other above are debit balances in creditors in the amount of R2 931 954; which are still under investigation to determine whether they should have been there or not and are being cleared and updated where necessary.				
17 CALL DEPOSITS AND INVESTMENTS				
DEPOSITS and INVESTMENTS				
ABSA Investment Account - interest receivable on monthly basis at the average annual interest rate of 2021: 3.87%, 3.25% and 2.5% (2020: 2.75%, 3.5% and 5.95%) during the current audit period.	911,310,000	523,310,000	911,310,000	523,310,000
First National Bank Investment Account - interest receivable on monthly basis at the average annual interest rate of 2021: 3.92% (2020: 5.80%) during the current audit period.	908,000,000	520,000,000	908,000,000	520,000,000
Investec Bank Investment Account - interest receivable on monthly basis at the average annual interest rate of 2021: 3.25% (2020: 3.50 %) during the current audit period.	153,354,883	148,434,177	153,354,883	148,434,177
Nedbank Investment Account - interest receivable on monthly basis at the average annual interest rate of 2021: 3.94% and 3.10% (2020: 3.35% and 6.07%) during the current audit period.	918,500,000	560,500,000	918,500,000	560,500,000
Standard Bank Investment Account - interest receivable on monthly basis at the average annual interest rate of 2021: 4.42% (2020: 6.37%) during the current audit period.	918,612,600	557,400,000	918,612,600	557,400,000
Standard Bank Stanlib Investment Account - interest receivable on monthly basis at the average annual interest rate of 2021: 3.908% (2020: 5.06%) during the current audit period.	259,657	259,657	259,657	259,657
	3,810,037,140	2,309,903,834	3,810,037,140	2,309,903,834

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Economic Entity		Municipality	
	2021 R	Restated 2020 R	2021 R	Restated 2020 R
17 CALL DEPOSITS AND INVESTMENTS (CONTINUED)				
DEPOSITS and INVESTMENTS				
The Investments are committed as follows:	3,810,037,140	2,309,903,834	3,810,037,140	2,309,903,834
Transfers and Subsidies	335,074,501	217,587,373	335,074,501	217,587,373
Current Portion of Long-term Liabilities	196,369,125	99,142,909	196,369,125	99,142,909
COVID Reserve	51,175,135	46,521,089	51,175,135	46,521,089
Self Insurance Reserve	115,122,651	85,600,224	115,122,651	85,600,224
Capital Replacement Reserve	113,684,823	227,353,908	113,684,823	227,353,908
	811,426,235	676,205,503	811,426,235	676,205,503
The balance is available for Trade and Other Payables	2,998,610,905	1,633,698,331	2,998,610,905	1,633,698,331
Also refer Notes 2, 6 and 7				
18 CALL DEPOSITS AND INVESTMENTS - OTHER				
Sanlam Shares - Financial Instruments	2,511,199	2,411,766	2,511,199	2,411,766
No Investments were pledged as security				
The Municipality's Investment Policy and Investment Regulations, require local authorities to invest funds, which are not immediately required, with prescribed institutions and the period should be such that it will not be necessary to borrow funds against the investment at a penalty rate of interest to meet commitments.				
The NMBM is the holder of 40 919 shares in Sanlam Ltd received or allotted for no cost, of which the market value is R2 511 199 (2020: R2 411 766) determined on the open market share price as at 30 June 2021. The shares were awarded to the NMBM as the beneficiary of an insurance endowment policy, which matured during October 1998.				
All deposits are invested in call accounts with all of the above banks as per the above-mentioned interest rate options. Short-term investment deposits form part of cash and cash equivalents for purposes of the cash flow statement.				
Short-term Investment Deposits amounting to R196 369 125 (2020: R99 142 909) are ring-fenced and attributable to repaying long-term loans.				
19 BANK BALANCES AND CASH				
The NMBM operates various current accounts with ABSA. The details are as follows:				
BANK: ABSA				
ACCOUNT NUMBER: 4079534961				
BRANCH: Greenacres				
BRANCH CODE: 632005				
Cash Book balance at beginning of the year	906,338,766	189,601,008	906,338,766	189,601,008
Cash Book balance at end of the year	395,389,822	906,338,766	395,389,822	906,338,766
Bank Balance at beginning of the year	978,420,814	205,002,964	978,420,814	205,002,964
Bank Balance at end of the year	421,927,973	978,420,814	421,927,973	978,420,814
Which are disclosed in the Statement of Financial Position as follows:				
Bank balances and cash	395,389,822	906,338,766	395,389,822	906,338,766
Refer Restatement Note no. 40.3.5				
Mandela Bay Development Agency				
<u>Current Accounts (Primary Account)</u>				
NedBank, Govan Mbeki Avenue, Port Elizabeth				
Account Number -				
Cashbook balance at beginning of year	6,224,235	4,565,038		
Cashbook balance at end of the year	35,324,488	6,224,235		
Bank statement balance at beginning of the year	6,224,235	6,224,234		
Bank statement balance at end of the year	35,324,488	6,224,235		
Call Account Deposits				
NedBank, Govan Mbeki Avenue, Port Elizabeth				
Account Number -				
Cashbook balance at beginning of year	37,610,045	6,032,448		
Cashbook balance at end of the year	30,163,087	37,610,045		
Bank statement balance at beginning of the year	37,610,045	6,032,448		
Bank statement balance at end of the year	30,163,087	37,610,045		
Which are disclosed in the Statement of Financial Position as follows:				
Cash and cash equivalents	65,487,575	43,834,280		
Current Account (Primary Account)	35,324,488	6,224,235		
Call Account Deposits	30,163,087	37,610,045		
Consolidated Cash Book balance at end of the year	460,877,397	950,173,046		

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
Banking facilities with ABSA:				
- Financial guarantees	4,034,000	4,034,000	4,034,000	4,034,000
- Automated Clearing Bureau Credits limit	1,600,000,000	1,600,000,000	1,600,000,000	1,600,000,000
- Daily limit	350,000,000	350,000,000	350,000,000	350,000,000
- Automated Clearing Bureau Debits limit	150,000,000	150,000,000	150,000,000	150,000,000
Banking Securities with ABSA:				
- Financial guarantees	3,272,000	3,272,000	3,272,000	3,272,000
- Outward guarantees	3,590,990	3,590,990	3,590,990	3,590,990

No fee was paid for the financial guarantees.

20 PROPERTY RATES

<u>Actual</u>				
Residential	1,118,971,323	1,053,462,350	1,118,971,323	1,053,462,350
Commercial	1,125,709,060	1,053,750,487	1,125,709,060	1,053,750,487
State	175,069,403	166,577,672	175,069,403	166,577,672
Other	86,669,971	83,620,891	86,669,971	83,620,891
	2,506,419,757	2,357,411,400	2,506,419,757	2,357,411,400

Refer Restatement Note no. 40.1.6

As per the Municipal Property Rates Act, the latest date of valuation was 1 July 2016, with the implementation date being 1 July 2017 and is valid until 30 June 2021, which have now been extended to 30 June 2022.

*Other includes Agricultural, Public Service Infrastructure and Vacant Properties. These amounts are reflected excluding VAT.

<u>Valuations</u>	R'000	R'000	R'000	R'000
Residential	97,902,483	97,471,716	97,902,483	97,471,716
Commercial	46,365,552	46,079,096	46,365,552	46,079,096
State	6,580,638	6,639,603	6,580,638	6,639,603
Other	8,439,622	8,454,555	8,439,622	8,454,555
	159,288,295	158,644,970	159,288,295	158,644,970

21.1 SERVICE CHARGES

Sale of Electricity	3,966,501,060	3,721,445,541	3,967,631,615	3,723,178,667
Sale of Water	1,578,366,944	1,189,576,359	1,578,366,944	1,189,576,359
Service delivery - sale of inventory	5,544,868,004	4,911,021,900	5,545,998,559	4,912,755,026
Refuse Removal	259,810,178	247,927,121	259,810,178	247,927,121
Sewerage and Sanitation charges	709,116,506	654,164,013	709,116,506	654,164,013
Service delivery - sale of services	968,926,684	902,091,134	968,926,684	902,091,134
	6,513,794,688	5,813,113,034	6,514,925,243	5,814,846,160

Refer Restatement Note no. 40.1.2

21.2 FINES, PENALTIES AND FORFEITS

Fines (Library and Traffic)	79,979,211	224,919,446	79,979,211	224,919,446
Included in Fines above are Traffic fines shown as follows:				
Fines issued for the year	19,883,757	78,371,200	19,883,757	78,371,200
Impaired, based on collection rate	(15,382,045)	(78,371,200)	(15,382,045)	(78,371,200)
Net fines collected	4,501,712	0	4,501,712	0

Refer Restatement Note no. 40.1.5

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

22 TRANSFERS AND SUBSIDIES	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
PHB Subsidies (See Note 22.1)	0	400,385	0	400,385
Equitable Share Allocation (See Note 22.2)	1,260,840,000	1,021,661,000	1,260,840,000	1,021,661,000
Finance Management Grant (See Note 22.3)	935,351	930,338	935,351	930,338
Provincial Government Grants: Library Services (See Note 22.6)	15,870,000	15,870,000	15,870,000	15,870,000
Public Transport Networks Operations Grant (See Note 22.7.2)	61,676,911	42,021,706	61,676,911	42,021,706
Other Grants (See Note 22.11)	5,974,181	27,752,062	590,584	741,593
Government Grant Revenue (See Note 22.12)	891,117,491	633,075,405	891,117,491	633,075,405
Urban Settlements Development Grant (See Note 22.16)	116,990,053	75,955,198	116,990,053	75,955,198
Infrastructure Skills Development Grant (See Note 22.17)	7,898,791	9,443,198	7,898,791	9,443,198
EPWP Incentive Grant (See Note 22.18)	10,117,000	8,944,405	10,117,000	8,944,405
Department of Roads and Public Works Grant (See Note 22.22)	11,977,827	5,264,926	11,977,827	5,264,926
LGSETA Discretionary Learnership Funding (See Note 22.23)	5,774,367	3,880,852	5,774,367	3,880,852
Fuel levy Allocation (See Note 22.25)	706,955,000	690,344,000	706,955,000	690,344,000
Other Transfers (See Note 22.26)	118,394,918	91,871,599	118,394,918	91,871,599
Public Contributions (See Note 22.27)	31,682,030	17,218,824	31,682,030	17,218,824
	3,246,203,920	2,644,633,898	3,240,820,323	2,617,623,429

Refer Restatement Note no. 40.1.10

Total Grant Receipts	3,351,856,170	2,364,359,191	3,345,048,889	2,334,434,900
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22.1 PHB Subsidies

This Grant is received from Provincial Government and is used for the construction of low cost housing.

Balance at beginning of year	1,200,000	1,200,000	1,200,000	1,200,000
Current year receipts	0	400,385	0	400,385
Interest received	47,591	82,405	47,591	82,405
Debtor raised	0	210,320,726	0	210,320,726
Reversal of prior year accrual	0	(210,320,726)	0	(210,320,726)
Interest paid over to Provincial Treasury	0	(82,405)	0	(82,405)
Conditions met - Transferred to revenue	0	(400,385)	0	(400,385)
Conditions still to be met - transferred to liabilities	1,247,591	1,200,000	1,247,591	1,200,000

22.2 Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.

Balance unspent at beginning of year	0	0	0	0
Current year receipts	962,565,000	766,246,000	962,565,000	766,246,000
Rollover not approved - various grants	298,275,000	0	298,275,000	0
Debtor raised - Refer Note 16	255,415,000	255,415,000	255,415,000	255,415,000
Debtor previously raised - reversed	(255,415,000)	0	(255,415,000)	0
Transferred to revenue	(1,260,840,000)	(1,021,661,000)	(1,260,840,000)	(1,021,661,000)
Conditions met	0	0	0	0

22.3 Finance Management Grant

This grant is used in the financial reform project under the guidance of National Treasury.

Balance unspent at beginning of year	0	0	0	0
Current year receipts	1,000,000	1,000,000	1,000,000	1,000,000
Conditions met - Transferred to Other Income - VAT portion	(64,649)	(69,662)	(64,649)	(69,662)
Conditions met - Transferred to revenue	(935,351)	(930,338)	(935,351)	(930,338)
Conditions met	0	0	0	0

22.4 Smart Grid Initiative

This Grant is used to develop innovative, interactive and improved technological solutions to deal with revenue enhancement.

Balance unspent at beginning of year	711,836	711,836	711,836	711,836
Current year receipts	0	0	0	0
Conditions met - Transferred to revenue - capital	0	0	0	0
Debtor (reversed) / raised	0	0	0	0
Conditions still to be met - transferred to liabilities	711,836	711,836	711,836	711,836

22.5 Provincial Department of Human Settlements: Accreditation Grant

This Grant is used for capacity building of level 3 accreditation in the preparation of NMBM in the Human Settlements matters.

Balance unspent at beginning of year	1,973,952	1,973,952	1,973,952	1,973,952
Current year receipts	0	0	0	0
Conditions met - Transferred to revenue	0	0	0	0
Conditions still to be met - transferred to liabilities	1,973,952	1,973,952	1,973,952	1,973,952

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

22 TRANSFERS AND SUBSIDIES (Continued)	Economic Entity		Municipality	
	2020 R	Restated 2020 R	2020 R	Restated 2020 R
22.6 Provincial Government Grants: Library Services				
This grant is received from the Provincial Government and used to subsidise Libraries.				
Balance at beginning of year	0	0	0	0
Current year receipts	15,870,000	15,870,000	15,870,000	15,870,000
Conditions met - Transferred to revenue	(15,870,000)	(15,870,000)	(15,870,000)	(15,870,000)
Conditions met	0	0	0	0
22.7.1 Public Transport Infrastructure Grant				
This Grant is to provide for accelerated planning, construction and improvement of public and non-motorised transport infrastructure.				
Balance unspent at beginning of year	84,019,013	16,424,050	84,019,013	16,424,050
Transfer from Public Transport Networks Operations Grant	65,484,507	0	65,484,507	0
Current year receipts	149,503,520	16,424,050	149,503,520	16,424,050
Current year receipts	129,052,000	61,846,000	129,052,000	61,846,000
Conditions met - Transferred to revenue - capital	(152,570,260)	(61,196,987)	(152,570,260)	(61,196,987)
Debtor accrual raised - Refer Note 16	(83,370,000)	83,370,000	(83,370,000)	83,370,000
Transfer to E-Share	(647,470)	(16,424,050)	(647,470)	(16,424,050)
Conditions still to be met - transferred to liabilities	41,967,790	84,019,013	41,967,790	84,019,013
22.7.2 Public Transport Networks Operations Grant				
This grant is to provide supplementary operational funding to Municipalities in order to operationalise the IPTS project within NMBM.				
Balance unspent at beginning of year	96,112,294	0	96,112,294	0
Current year receipts	220,334,000	138,134,000	220,334,000	138,134,000
Transfer to Public Transport Infrastructure Grant	(65,484,507)	0	(65,484,507)	0
Transfer to E-Share - Owing to NT	(96,112,294)	0	(96,112,294)	0
Conditions met - Transferred to revenue	(61,676,911)	(42,021,706)	(61,676,911)	(42,021,706)
Conditions still to be met - transferred to liabilities	93,172,582	96,112,294	93,172,582	96,112,294
22.8 Integrated National Electrification Programme Grant				
This Grant is used to fund electricity connections and upon application also the upgrade of the Electricity infrastructure in order to install these electricity connections.				
Balance unspent at beginning of year	0	0	0	0
Transfer to E-Share	0	0	0	0
Current year receipts	0	0	0	0
Conditions met - Transferred to revenue - capital	0	0	0	0
Conditions met - Transferred to Other Income - VAT portion	0	0	0	0
Conditions met	0	0	0	0
22.9 EU Sector Policy Support Project				
This Grant is received from the European Union to fund various authorised developmental projects within certain designated targeted areas of the NMBM (i.e Motherwell).				
Balance unspent at beginning of year	1,744,599	1,744,599	1,744,599	1,744,599
Current year receipts	0	0	0	0
Conditions still to be met - transferred to liabilities	1,744,599	1,744,599	1,744,599	1,744,599
22.10 Health Subsidies				
This grant is received from the Provincial Government and used in the Health function.				
Balance unspent at beginning of year	0	0	0	0
Debtor raised	0	0	0	0
Conditions met - Transferred to revenue	0	0	0	0
Conditions met	0	0	0	0

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

22 TRANSFERS AND SUBSIDIES (Continued)	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
22.11 Other Grants				
These are grants received by the NMBM for various purposes.				
Balance unspent at beginning of year	5,965,979	3,468,750	889,807	1,306,400
Current year receipts	7,132,281	30,249,291	325,000	325,000
Conditions met - Transferred to Other Income	-2,277	0	0	0
Conditions met - Transferred to revenue	(5,974,181)	(27,752,062)	(590,584)	(741,593)
Conditions still to be met - transferred to liabilities	7,121,802	5,965,979	624,223	889,807
22.12 Government Grant Revenue				
Relates to the Funding of Capital Projects financed by Government Grants which are disclosed under Government Grants and Subsidies.				
	891,117,491	633,075,405	891,117,491	633,075,405
22.13 National Lotteries Grant				
This grant is used to fund Art and Culture programmes				
Balance unspent at beginning of year	1,305,131	1,305,131	1,305,131	1,305,131
Current year receipts	0	0	0	0
Conditions met - Transferred to revenue	0	0	0	0
Conditions still to be met - transferred to liabilities	1,305,131	1,305,131	1,305,131	1,305,131
22.14 CDC Walmer Intervention Funding Grant				
This grant is used to speed up service delivery intervention in Walmer Gqebera township.				
Balance unspent at beginning of year	9,068,420	9,068,420	9,068,420	9,068,420
Current year receipts	0	0	0	0
Debtor raised	0	0	0	0
Conditions met - Transferred to revenue - Capital	0	0	0	0
Conditions still to be met - transferred to liabilities	9,068,420	9,068,420	9,068,420	9,068,420
22.15 Neighbourhood Partnership Development Grant				
This grant is used for the urban renewal of certain targeted / designated townships.				
Balance unspent at beginning of year	13,085,004	0	13,085,004	0
Transfer to E-share	(13,085,004)	0	(13,085,004)	0
Current year receipts	15,000,000	15,000,000	15,000,000	15,000,000
Conditions met - Transferred to revenue - capital	(11,167,285)	(10,360,866)	(11,167,285)	(10,360,866)
Debtor accrual raised - Refer Note 16	10,000,000	10,000,000	10,000,000	10,000,000
Debtor accrual reversed	(10,000,000)	0	(10,000,000)	0
Conditions met - Transferred to Other Income - VAT	(1,675,093)	(1,554,130)	(1,675,093)	(1,554,130)
Conditions still to be met - transferred to liabilities	2,157,622	13,085,004	2,157,622	13,085,004
22.16 Urban Settlements Development Grant				
This grant is used to improve urban land production to the benefit of poor households as well as improving spatial integration and densities.				
Balance unspent at beginning of year	307,341,901	45,466,978	307,341,901	45,466,978
Transfer to E-Share - Owing to NT	0	(12,081,712)	0	(12,081,712)
Current year receipts	1,205,880,000	585,411,000	1,205,880,000	585,411,000
Conditions met - Transferred to revenue - capital	(716,896,202)	(539,666,935)	(716,896,202)	(539,666,935)
Conditions met - Transferred to Other Income - VAT portion	(113,936,927)	(86,106,232)	(113,936,927)	(86,106,232)
Debtor accrual raised/ (reversed) - Refer Note 16	(390,274,000)	390,274,000	(390,274,000)	390,274,000
Conditions met - Transferred to revenue	(116,990,053)	(75,955,198)	(116,990,053)	(75,955,198)
Conditions still to be met - transferred to liabilities	175,124,719	307,341,901	175,124,719	307,341,901
22.17 Infrastructure Skills Development Grant				
This grant is used for skills development in certain targeted service delivery directorates.				
Balance unspent at beginning of year	0	0	0	0
Transfer to E-Share - Owing to NT	0	0	0	0
Current year receipts	9,806,000	9,500,000	9,806,000	9,500,000
Conditions met - Transferred to revenue	(7,898,791)	(9,443,198)	(7,898,791)	(9,443,198)
Conditions met - Transferred to Other Income - VAT portion	(14,515)	(56,802)	(14,515)	(56,802)
Conditions still to be met - transferred to liabilities	1,892,694	0	1,892,694	0
22.18 EPWP Incentive Grant				
This grant is used to implement expanded public works programme.				
Balance unspent at beginning of year	0	1,091,282	0	1,091,282
Transfer to E-Share - Owing to NT	0	(1,091,282)	0	(1,091,282)
Current year receipts	10,117,000	8,950,000	10,117,000	8,950,000
Conditions met - Transferred to revenue	(10,117,000)	(8,944,405)	(10,117,000)	(8,944,405)
Conditions met - Transferred to Other Income - VAT portion	0	(5,595)	0	(5,595)
Conditions met	0	0	0	0

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Economic Entity		Municipality	
	2021 R	Restated 2020 R	2021 R	Restated 2020 R
22 TRANSFERS AND SUBSIDIES (Continued)				
22.19 Department of Public Service and Administration Grant				
This grant is used for the improvement of front -line public service delivery in South Africa.				
Balance unspent at beginning of year	0	0	0	0
Current year receipts	0	0	0	0
Conditions met - Transferred to revenue	0	0	0	0
Conditions met	0	0	0	0
22.20 Intergrated City Development Grant				
This grant is used for the development of more inclusive, liveable, productive and sustainable urban built environments in the metropolitan municipalities.				
Balance unspent at beginning of year	351,265	0	351,265	0
Transfer to E-Share - Owing to NT	(351,265)	0	(351,265)	0
Current year receipts	10,356,000	12,697,000	10,356,000	12,697,000
Conditions met - Transferred to revenue - capital	(4,403,351)	(10,735,422)	(4,403,351)	(10,735,422)
Conditions met - Transferred to Other Income - VAT portion	(660,503)	(1,610,313)	(660,503)	(1,610,313)
Conditions still to be met - transferred to liabilities	5,292,146	351,265	5,292,146	351,265
22.21 Drought Relief Grant				
The grant is used fro responding to the immediate communities needs with the aim to alleviate the immediate consequences of drought within the municipality.				
Balance unspent at beginning of year	188,078,967	207,695,396	188,078,967	207,695,396
Transfer to E-Share	(188,078,967)	(6,833,954)	(188,078,967)	(6,833,954)
Current year receipts	0	0	0	0
Conditions met - Transferred to revenue - capital	0	(11,115,196)	0	(11,115,196)
Conditions met - Transferred to revenue - VAT	0	(1,667,279)	0	(1,667,279)
Conditions met	0	188,078,967	0	188,078,967
22.22 Department of Roads and Public Works Grant				
This grant is used to fund the maintenance of Provincial roads in the Metropolitan area				
Balance unspent at beginning of year	0	0	0	0
Current year receipts	13,981,119	6,145,485	13,981,119	6,145,485
Conditions met - Transferred to revenue	(11,977,828)	(5,264,926)	(11,977,828)	(5,264,926)
Conditions met - Transferred to Other Income	(179,667)	(78,974)	(179,667)	(78,974)
Conditions met - Transferred to revenue - VAT	(1,823,624)	(801,585)	(1,823,624)	(801,585)
Conditions met	0	0	0	0
22.23 LGSETA Discretionary Learnership Funding				
This grant is used to facilitate access to skills development, education and training in the local government sector and community in general.				
Balance unspent at beginning of year	9,260,412	6,400,690	9,260,412	6,400,690
Current year receipts	5,825,740	5,347,206	5,825,740	5,347,206
Accrual raised / (reversed)	(1,393,368)	1,393,368	(1,393,368)	1,393,368
Conditions met - Transferred to revenue	(5,774,367)	(3,880,852)	(5,774,367)	(3,880,852)
Conditions still to be met - transferred to liabilities	7,918,417	9,260,412	7,918,417	9,260,412
22.24 Provincial Department Agency: Communication Grant				
This grant is used for the roll out pf public Wi-Fi to all Muniiciapl Libraries, Customer Care centres and Traffic Licensing centres.				
Balance unspent at beginning of year	872,781	872,781	872,781	872,781
Current year receipts	0	0	0	0
Conditions met - Transferred to revenue	0	0	0	0
Conditions still to be met - transferred to liabilities	872,781	872,781	872,781	872,781
22.25 Fuel Levy				
Balance unspent at beginning of year	0	0	0	0
Current year receipts	706,955,000	690,344,000	706,955,000	690,344,000
Transferred to revenue	(706,955,000)	(690,344,000)	(706,955,000)	(690,344,000)
Conditions met	0	0	0	0
22.26 Other Transfers				
Balance unspent at beginning of year				
Relates to the Funding of VAT on Capital and Operating Projects	118,394,918	91,871,599	118,394,918	91,871,599
22.27 Public Contributions				
Balance unspent at beginning of year				
Relates to the Funding of Capital Projects from Donations	31,682,030	17,218,824	31,682,030	17,218,824
22.28 Energy Efficiency and Demand Side Management Grant				
This grant is used to provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.				
Balance unspent at beginning of year	0	0	0	0
Current year receipts	6,300,000	0	6,300,000	0
Conditions met - Transferred to Other Income - VAT portion	(219,607)	0	(219,607)	0
Conditions met - Transferred to revenue - capital	(6,080,393)	0	(6,080,393)	0
Conditions met	0	0	0	0

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
23.1 RENTAL OF FACILITIES AND EQUIPMENT	R	R	R	R
Hire of Halls	533,637	2,296,231	533,637	2,296,231
Hire of Containers	4,545,099	4,403,109	4,545,099	4,403,109
Hire of Buildings	9,711,243	3,276,110	9,711,243	3,276,110
Resorts rentals	503,589	503,565	503,589	503,565
Rentals of Sporting Facilities	337,589	803,908	337,589	803,908
Rentals: Other	5,742,294	7,159,954	5,742,294	7,159,954
Accommodation rentals	5,668,062	4,342,257	5,668,062	4,342,257
	27,041,513	22,785,134	27,041,513	22,785,134
Refer Restatement Note no. 40.1.3				
23.2 OTHER REVENUE	R	R	R	R
Operational Revenue: Administrative Handling Fees	224,607	96,223	224,607	96,223
Operational Revenue: Inspection Fees	4,192,804	3,379,468	4,192,804	3,379,468
Operational Revenue: Commission	13,662,705	14,762,807	13,662,705	14,762,807
Sales of Goods and Rendering of Services: Building Plan Approval	10,600,044	8,365,853	10,600,044	8,365,853
Sales of Goods and Rendering of Services: Academic Services	1,141,689	518,891	1,141,689	518,891
Sales of Goods and Rendering of Services: Advertisements	1,832,212	4,718,190	1,832,212	4,718,190
Sales of Goods and Rendering of Services: Cemetery and Burial	18,267,473	9,881,691	18,267,473	9,881,691
Sales of Goods and Rendering of Services: Entrance Fees	66,267	6,315,394	66,267	6,315,394
Sales of Goods and Rendering of Services: Transport Fees	5,067,285	10,444,258	5,067,285	10,444,258
Sales of Goods and Rendering of Services: Scrap, Waste & Other Goods: Recycling of Waste	11,311,617	9,410,682	11,311,617	9,410,682
Sales of Goods and Rendering of Services: Legal Fees	15,480,209	13,363,758	15,480,209	13,363,758
Sales of Goods and Rendering of Services: Other	5,434,586	8,244,348	5,434,586	8,244,348
Operational Revenue: Other	22,327,672	13,087,576	22,327,672	13,087,576
	109,609,170	102,589,139	109,609,170	102,589,139
Other Revenue - MBDA	1,135,752	2,483,499	0	0
	110,744,922	105,072,638	109,609,170	102,589,139
Refer Restatement Note no. 40.1.4				
24 EMPLOYEE RELATED COSTS				
Employee related costs - Municipal Staff - Salaries and Wages	2,130,449,083	1,995,355,588	2,130,449,083	1,995,355,588
Employee related costs - Senior Management - Salaries and Wages	16,849,046	14,795,901	16,849,046	14,795,901
Employee related costs - Municipal Staff - Social Contributions	850,733,506	456,401,219	850,733,506	456,401,219
Employee related costs - Senior Management - Social Contributions	14,426	12,759	14,426	12,759
Employee related costs - Municipal Staff - Allowances	229,985,618	207,405,434	229,985,618	207,405,434
Housing benefits	13,740,727	13,096,470	13,740,727	13,096,470
Overtime payouts	344,275,436	303,699,722	344,275,436	303,699,722
Performance bonus: Municipal Staff	36,443,055	34,664,644	36,443,055	34,664,644
Performance bonus: Senior Management	2,494,957	1,584,140	2,494,957	1,584,140
Long-service Awards/ Bonuses	249,279,870	52,998,837	249,279,870	52,998,837
	3,874,265,724	3,080,014,714	3,874,265,724	3,080,014,714
Employee related costs - MBDA - Salaries and Wages	27,745,728	27,590,746	0	0
Employee related costs - MBDA - Directors Remuneration	1,355,076	1,312,000	0	0
Employee related costs - MBDA - Social Contributions	6,721,876	6,336,672	0	0
Employee related costs - MBDA - Allowances	48,000	48,000	0	0
Performance bonus - MBDA	2,019,935	1,421,321	0	0
Long-service Awards/ Bonuses - MBDA	10,345	56,804	0	0
	37,900,960	36,765,543	0	0
	3,912,166,684	3,116,780,257	3,874,265,724	3,080,014,714
Refer Restatement Note no. 40.2.1				
Remuneration of the City Manager (Previous)				
Annual Remuneration and correction made	(1,084,650)	2,603,160	(1,084,650)	2,603,160
Settlement	2,603,160	0	2,603,160	0
Total	1,518,510	2,603,160	1,518,510	2,603,160
Remuneration of the Chief Financial Officer				
Annual Remuneration	2,213,808	1,064,104	2,213,808	1,064,104
Travel, Subsistence, UIF, Medical, Pension Funds, Other	0	0	0	0
Total	2,213,808	1,064,104	2,213,808	1,064,104
Remuneration of the Chief Operating Officer - Current				
Annual Remuneration	2,161,600	704,713	2,161,600	704,713
Travel, Subsistence, UIF, Medical, Pension Funds, Other	475,669	60,000	475,669	60,000
Total	2,637,269	764,713	2,637,269	764,713
Remuneration of the Chief Operating Officer - Previous				
Annual Remuneration	0	1,137,248	0	1,137,248
Travel, Subsistence, UIF, Medical, Pension Funds, Other	0	60,840	0	60,840
Total	0	1,198,088	0	1,198,088
Remuneration of the Chief of Staff - current - latest				
Annual Remuneration	305,294	0	305,294	0
Travel, Subsistence, UIF, Medical, Pension Funds, Other	0	0	0	0
Total	305,294	0	305,294	0
Remuneration of the Chief of Staff - Current				
Annual Remuneration	769,306	0	769,306	0
Travel, Subsistence, UIF, Medical, Pension Funds, Other	130,500	0	130,500	0
Total	899,806	0	899,806	0

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24 EMPLOYEE RELATED COSTS (Continued)	Economic Entity		Municipality	
	2021 R	Restated 2020 R	2021 R	Restated 2020 R
Remuneration of the Chief of Staff - Previous				
Annual Remuneration	216,828	1,224,432	216,828	1,224,432
Travel, Subsistence, UIF, Medical, Pension Funds, Other	0	0	0	0
Total	216,828	1,224,432	216,828	1,224,432
Remuneration of the Chief of Police				
Annual Remuneration	1,905,360	1,603,704	1,905,360	1,603,704
Travel, Subsistence, UIF, Medical, Pension Funds, Other	370,008	144,000	370,008	144,000
Total	2,275,368	1,747,704	2,275,368	1,747,704
Remuneration of Individual Executive Directors				
Corporate Services				
Annual Remuneration	553,452	0	553,452	0
Travel, Subsistence, UIF, Medical, Pension Funds, Other	0	0	0	0
Total	553,452	0	553,452	0
Economic Development, Tourism and Agriculture				
Annual Remuneration	2,021,808	1,849,791	2,021,808	1,849,791
Travel, Subsistence, UIF, Medical, Pension Funds, Other	228,367	184,780	228,367	184,780
Total	2,250,175	2,034,571	2,250,175	2,034,571
Infrastructure and Engineering				
Annual Remuneration	2,213,808	2,036,543	2,213,808	2,036,543
Travel, Subsistence, UIF, Medical, Pension Funds, Other	0	0	0	0
Total	2,213,808	2,036,543	2,213,808	2,036,543
Electricity and Energy				
Annual Remuneration	1,868,192	1,053,660	1,868,192	1,053,660
Travel, Subsistence, UIF, Medical, Pension Funds, Other	0	0	0	0
Total	1,868,192	1,053,660	1,868,192	1,053,660
Safety and Security				
Annual Remuneration	1,862,868	1,862,868	1,862,868	1,862,868
Travel, Subsistence, UIF, Medical, Pension Funds, Other	0	0	0	0
Total	1,862,868	1,862,868	1,862,868	1,862,868
Human Settlements				
Annual Remuneration	254,778	0	254,778	0
Travel, Subsistence, UIF, Medical, Pension Funds, Other	0	0	0	0
Total	254,778	0	254,778	0
Sports, Recreation, Arts and Culture				
Annual Remuneration	2,033,808	1,874,282	2,033,808	1,874,282
Travel, Subsistence, UIF, Medical, Pension Funds, Other	180,000	176,400	180,000	176,400
Total	2,213,808	2,050,682	2,213,808	2,050,682
Public Health				
Annual Remuneration	2,197,573	0	2,197,573	0
Travel, Subsistence, UIF, Medical, Pension Funds, Other	2,630	0	2,630	0
Total	2,200,203	0	2,200,203	0
Remuneration of the Chief Executive Officer - MBDA				
Annual Remuneration	2,225,507	2,225,507	0	0
Performance Bonuses	198,676	0	0	0
Unpaid amount - pending approval	88,300	0	0	0
Car allowance	0	0	0	0
Total	2,512,483	2,225,507	0	0
Remuneration of the Chief Financial Officer 1 - MBDA				
Annual Remuneration	1,620,333	1,702,199	0	0
Performance Bonuses	50,634	0	0	0
Car allowance	0	0	0	0
Total	1,670,967	1,702,199	0	0
Remuneration of the Operations Executive - MBDA				
Annual Remuneration	1,765,084	1,710,275	0	0
Performance Bonuses	84,794	51,199	0	0
Car allowance /Acting allowance	0	0	0	0
Total	1,849,878	1,761,474	0	0
Remuneration of the Stadium Manager - MBDA				
Annual Remuneration	1,296,295	1,247,129	0	0
Car allowance	24,000	24,000	0	0
Acting Allowance / Performance Bonus	0	62,042	0	0
Total	1,320,295	1,333,171	0	0
Remuneration of the Company Secretary - MBDA				
Annual Remuneration	1,111,938	1,069,726	0	0
Performance Bonuses	94,979	0	0	0
Total	1,206,917	1,069,726	0	0

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	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
25 REMUNERATION OF COUNCILLORS				
Mayor's Remuneration	1,511,984	1,410,641	1,511,984	1,410,641
Deputy Mayor's Remuneration	478,759	547,323	478,759	547,323
Speaker's Remuneration	1,131,001	1,134,108	1,131,001	1,134,108
Mayoral Committee members	13,242,799	13,291,571	13,242,799	13,291,571
Other Councillors' Remuneration	54,874,741	54,761,989	54,874,741	54,761,989
Telephone Allowances	4,870,700	4,895,781	4,870,700	4,895,781
3G Allowance	134,060	432,900	134,060	432,900
	76,244,044	76,474,313	76,244,044	76,474,313
In-kind Benefits				
The Executive Mayor, Deputy Executive Mayor, Speaker, Mayoral Committee Members and Chief Whip are full-time. Each is provided with an office and secretarial support at the cost of the Council.				
The Executive Mayor has the use of a Council owned vehicle for official duties driven by a chauffeur employed by the Council.				
In accordance with the Councillors' remuneration package; the structure is an all-inclusive package, with the exception of a Telephone Allowance and a 3G Allowance. The package is within the upper limits of the framework as envisaged in section 219 of the Constitution.				
26 DEBT IMPAIRMENT - RECEIVABLES				
Bad debts consists of the following:				
Bad debts expense	398,656,913	590,830,290	398,656,913	590,830,290
ATTP and Miscellaneous fees and charges - Funding	381,133,072	586,055,731	381,133,072	586,055,731
Miscellaneous - Non-funding	17,523,841	4,774,559	17,523,841	4,774,559
Other - Non-funding	0	0	0	0
Net Contribution to doubtful debts	1,357,522,173	521,437,275	1,357,522,173	521,437,275
Contribution to doubtful debts (inclusive of VAT) - Service Charges	1,535,540,038	970,752,161	1,535,540,038	970,752,161
Contribution to doubtful debts - Property Rates	403,403,038	263,360,692	403,403,038	263,360,692
Less: VAT portion	200,287,831	126,619,847	200,287,831	126,619,847
Contribution to doubtful debts (excluding VAT)	1,738,655,245	1,107,493,006	1,738,655,245	1,107,493,006
Less: Bad debts written off against the provision	381,133,072	586,055,731	381,133,072	586,055,731
	1,357,522,173	521,437,275	1,357,522,173	521,437,275
	1,756,179,086	1,112,267,565	1,756,179,086	1,112,267,565
DEBT IMPAIRMENT - OTHER				
Impairment - Traffic Fines	15,382,045	78,371,200	15,382,045	78,371,200
	15,382,045	78,371,200	15,382,045	78,371,200
Impairment - MBDA	700,437	495,015	0	0
	700,437	495,015	0	0
The Impairment of Traffic Fines was based on the collection rate of fines. Refer Note 21.2 for more details.				
27 FINANCE CHARGES				
Interest on External Loans	122,919,139	123,309,079	122,919,139	123,309,079
Interest on Other	4,711,447	1,515,729	4,711,447	1,515,729
Finance Charges	127,630,586	124,824,808	127,630,586	124,824,808
Interest and Penalties	0	0	0	0
Total Finance Charges	127,630,586	124,824,808	127,630,586	124,824,808
Finance cost accrued / Prior year accrual reversals	7,136,742	(1,655,239)	7,136,742	(1,655,239)
Finance charges paid	120,493,844	126,480,047	120,493,844	126,480,047
28 BULK PURCHASES				
Electricity	3,693,906,128	3,387,433,582	3,693,906,128	3,387,433,582
Water (Refer to Note 14)	125,987,238	128,130,996	125,987,238	128,130,996
	3,819,893,366	3,515,564,578	3,819,893,366	3,515,564,578
Refer Restatement Note no. 40.2.5				
29 TRANSFERS AND SUBSIDIES				
Grants in aid	1,273,148	5,995,469	1,273,148	5,995,469
Grants to Other Organisations	29,152,763	26,535,406	113,008,373	112,524,094
	30,425,911	32,530,875	114,281,521	118,519,563
Refer Restatement Note no. 40.2.6				

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	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
30 SIGNIFICANT ITEMS IN THE STATEMENT OF FINANCIAL PERFORMANCE				
30.1 CONTRACTED SERVICES				
Is made up as follows:				
Consultants and Professional Services:Business and Advisory	16,277,420	21,364,005	16,277,420	21,364,005
Consultants and Professional Services:Infrastructure and Planning	14,519,033	24,227,914	14,519,033	24,227,914
Consultants and Professional Services:Laboratory Services	269,635	243,712	269,635	243,712
Consultants and Professional Services:Legal Cost	70,596,861	51,201,835	70,596,861	51,201,835
Contractors:Building	1,520,044	756,068	1,520,044	756,068
Contractors:Other	22,839,533	21,185,136	22,839,533	21,185,136
Contractors:Maintenance of Buildings and Facilities	58,299,705	44,584,986	58,299,705	44,584,986
Contractors:Maintenance of Equipment	111,840,897	119,088,016	111,840,897	119,088,016
Contractors:Maintenance of Unspecified Assets	40,328,518	17,317,253	40,328,518	17,317,253
Contractors:Sewerage Services	47,918,049	39,813,312	47,918,049	39,813,312
Contractors:Management of Informal Settlements	1,680,127	1,527,502	1,680,127	1,527,502
Contractors:Safeguard and Security	296,467	946,219	296,467	946,219
Contractors:Transportation	32,852,544	33,667,761	32,852,544	33,667,761
Outsourced Services:Other	24,532,153	12,080,974	24,532,153	12,080,974
Outsourced Services:Alien Vegetation Control	1,990,776	1,934,680	1,990,776	1,934,680
Outsourced Services:Animal Care	580,575	580,652	580,575	580,652
Outsourced Services:Business and Advisory:Project Management	129,953,405	129,113,491	129,953,405	129,113,491
Outsourced Services:Clearing and Grass Cutting Services	14,069,373	16,238,424	14,069,373	16,238,424
Outsourced Services:Electrical	34,086,606	21,988,763	34,086,606	21,988,763
Outsourced Services:Hygiene Services	45,665,613	34,571,968	45,665,613	34,571,968
Outsourced Services:Illegal Dumping	1,541,306	5,488,190	1,541,306	5,488,190
Outsourced Services:Litter Picking and Street Cleaning	5,364,563	5,699,326	5,364,563	5,699,326
Outsourced Services:Meter Management	12,958,942	10,050,042	12,958,942	10,050,042
Outsourced Services:Refuse Removal	33,338,040	28,624,581	33,338,040	28,624,581
Outsourced Services:Security Services	2,620,145	2,540,834	2,620,145	2,540,834
Outsourced Services:Traffic Fines Management	1,556,274	6,466,499	1,556,274	6,466,499
Outsourced Services:Transport Services	7,095	16,272	7,095	16,272
Contractors: MBDA	11,069,734	13,655,089	0	0
	738,573,433	664,973,504	727,503,699	651,318,415
Refer Restatement Note no. 40.2.2				
30.2 OTHER EXPENDITURE				
Is made up as follows:				
Operating Leases: Various Assets	42,381,365	32,400,416	42,381,365	32,400,416
Operational Cost:Advertising, Publicity and Marketing	6,902,647	20,569,817	6,902,647	20,569,817
Operational Cost:Other	158,971,722	96,868,249	158,971,722	96,868,249
Operational Cost: Municipal Services	87,924,669	37,259,708	87,924,669	37,259,708
Operational Cost:External Computer Service	92,202,485	76,324,321	92,202,485	76,324,321
Operational Cost:Hire Charges	126,699,406	122,888,619	126,699,406	122,888,619
Operational Cost:Insurance Underwriting	14,927,897	15,391,088	14,927,897	15,391,088
Operational Cost:Intercompany/Parent-subsidiary Transactions	3,560,732	1,882,499	3,560,732	1,882,499
Operational Cost:Licences	8,387,070	4,779,558	8,387,070	4,779,558
Operational Cost:Commission:Prepaid Electricity and Third Party Vendors	19,548,405	21,953,632	19,548,405	21,953,632
Operational Cost:Communication	31,567,169	36,923,981	31,567,169	36,923,981
Operational Cost:Registration Fees	735,226	2,286,513	735,226	2,286,513
Operational Cost:Skills Development Fund Levy	29,229,866	27,460,744	29,229,866	27,460,744
Operational Cost:Travel and Subsistence	473,604	3,173,988	473,604	3,173,988
Operational Cost:Uniform and Protective Clothing	7,229,550	12,020,341	7,229,550	12,020,341
Operational Cost:Workmen's Compensation Fund	9,546,873	5,924,097	9,546,873	5,924,097
Operational Cost: MBDA	39,761,175	61,696,882	0	0
	680,049,861	579,804,453	640,288,686	518,107,571
Refer Restatement Note no. 40.2.3				
30.3 OTHER MATERIALS				
Is made up as follows:				
Consumables: Standard	65,905,476	100,281,047	65,905,476	100,281,047
Consumables: Zero-rated	45,337,058	54,657,965	45,337,058	54,657,965
Finished Goods	8,031,996	23,519,198	8,031,996	23,519,198
Materials and Supplies	37,406,036	32,076,716	37,406,036	32,076,716
	156,680,566	210,534,926	156,680,566	210,534,926
Refer Restatement Note no. 40.2.4				
31 DEPRECIATION AND AMORTISATION				
31.1 Depreciation - Property, Plant and Equipment and Investment Property	937,769,830	958,299,541	936,915,780	957,211,505
31.2 Amortisation	49,635,207	113,717,663	49,609,390	113,692,955

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	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
32 CASH GENERATED FROM OPERATIONS				
Surplus for the year	654,157,957	979,404,645	653,833,634	977,364,648
Adjustment for:				
Interest revenue accrued	984,682	1,599,623	984,682	1,599,623
Impairment of receivables - movement	1,557,810,005	648,057,122	1,557,810,005	648,057,122
Write down to net realisable value - movement	(1,598,196)	(33,374)	(1,598,196)	(33,374)
Depreciation	937,769,829	958,299,541	936,915,780	957,211,505
Amortisation	49,635,207	113,717,663	49,609,390	113,692,955
Finance cost accrued	7,136,742	(1,655,239)	7,136,742	-1,655,239
Contribution to provisions / employee benefit obligation - non-current	333,831,424	(222,166,751)	333,831,424	-222,166,751
Contribution to provisions / employee benefit obligation - current	91,576,545	98,775,753	90,555,636	96,378,041
Unrealised gain to Sanlam shares	(99,433)	786,463	-99,433	786,463
Impairment of PPE / Heritage Assets	17,980,611	112,240,749	17,980,611	112,240,749
Impairment of Fines	15,382,045	78,371,200	15,382,045	78,371,200
Fines Income accrued	(15,382,044)	(60,318,944)	(15,382,044)	(60,318,944)
PPE Take-on	(16,154,509)	(55,813,208)	(16,154,509)	(55,813,208)
Loss on disposal of property, plant and equipment	8,395	0	0	0
Write-off of lease asset and deferred income	0	158,155	0	0
Operating Surplus before working capital changes	3,633,039,260	2,651,423,398	3,630,805,767	2,645,714,790
(Increase) / Decrease in Inventory	(13,582,274)	(16,965,349)	(13,552,110)	(16,978,783)
Increase in Trade Receivables	(1,833,973,524)	(1,105,809,588)	(1,833,973,524)	(1,105,809,588)
Increase in Other Receivables	417,915,727	(687,561,879)	434,901,903	(683,562,066)
Decrease / (Increase) in VAT	7,624,730	92,164,334	7,814,207	86,669,707
(Decrease) / Increase in Trade and Other Payables	476,137,382	(358,997,663)	458,373,790	(364,317,193)
Increase/(Decrease) in Transfers and Subsidies	(350,875,062)	444,529,724	(370,940,879)	420,753,864
(Decrease) / Increase in Consumer Deposits	(1,735,328)	3,013,478	(1,735,328)	3,013,478
Movement to provisions / employee benefit obligation - current	(86,591,955)	(77,685,837)	(86,591,955)	(77,685,837)
(Increase) / Decrease in Long-term Receivables	(59,636,416)	37,052,794	(59,636,416)	37,052,794
	2,188,322,540	981,163,412	2,165,465,455	944,851,166
33 MOVEMENT IN LONG-TERM LOANS (EXTERNAL)				
Loans raised	0	0	0	0
Loans repaid	(99,142,909)	(89,658,501)	(99,142,909)	(89,658,501)
	(99,142,909)	(89,658,501)	(99,142,909)	(89,658,501)
34 CASH AND CASH EQUIVALENTS				
Short-term Investment Deposits	3,810,037,140	2,309,903,834	3,810,037,140	2,309,903,834
Bank balances and cash	460,877,397	950,173,046	395,389,822	906,338,766
Total Cash and Cash Equivalents	4,270,914,537	3,260,076,880	4,205,426,962	3,216,242,600
35 DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT				
35.1 Contributions to organised local government				
Opening balance	0	0	0	0
Council subscriptions	14,131,905	14,900,000	14,131,905	14,900,000
Amount paid - current year	(14,131,905)	(14,900,000)	(14,131,905)	(14,900,000)
Balance unpaid (included in creditors)	0	0	0	0
35.2 Audit Fees				
Opening balance	0	375,224	0	375,224
Current year audit fee	26,145,694	27,324,554	25,273,504	26,179,896
Amount paid - current year	(26,145,694)	(27,324,554)	(25,273,504)	(26,179,896)
Amount paid - previous year	0	(375,224)	0	(375,224)
Balance unpaid (included in creditors)	0	0	0	0
35.3 VAT				
The Net effect of the VAT inputs and VAT output are shown in note 8. All VAT returns have been submitted by the due date throughout the year.				
35.4 PAYE and UIF				
Opening balance	45,549,254	40,376,476	44,825,124	40,376,476
Current year payroll deductions	592,343,856	546,659,623	581,901,771	536,777,173
Amount paid - current year	(541,721,574)	(501,110,369)	(531,279,489)	(491,952,049)
Amount paid - previous year	(45,549,254)	(40,376,476)	(44,825,124)	(40,376,476)
Balance unpaid (included in creditors)	50,622,282	45,549,254	50,622,282	44,825,124
35.5 PENSION AND MEDICAL DEDUCTIONS				
Opening balance	0	90,114	0	0
Current year payroll deductions and Council Contributions	863,141,273	826,375,526	854,511,393	818,565,738
Amount paid - current year	(862,702,015)	(826,375,526)	(854,511,393)	(818,565,738)
Amount paid - previous year	0	(90,114)	0	0
Balance unpaid (included in creditors)	439,258	0	0	0
35.6 SKILLS DEVELOPMENT LEVY				
Opening balance	0	2,125,119	0	2,125,119
Current year payroll deductions	24,380,213	22,563,267	24,380,213	22,563,267
Amount paid - current year	(21,850,506)	(22,563,267)	(21,850,506)	(22,563,267)
Amount paid - previous year	0	(2,125,119)	0	(2,125,119)
Balance unpaid (included in creditors)	2,529,707	0	2,529,707	0

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 NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

35 DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT	Economic Entity		Municipality	
	2021 R	Restated 2020 R	2021 R	Restated 2020 R
OTHER ADDITIONAL DISCLOSURES:				
35.7 IMPAIRMENT				
Impairment	<u>17,980,611</u>	<u>112,240,750</u>	<u>17,980,611</u>	<u>112,240,750</u>
The Impairment relates to vehicles, facilities and clinics.				
No reversals for Impairment were applicable during the current financial year				
35.8 LOSS ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT				
Loss on disposal of property, plant and equipment	<u>8,395</u>	<u>0</u>	<u>0</u>	<u>0</u>

It must be noted that there were no Gains on Disposal of Property, Plant and Equipment.

35.9 WATER LOSSES

The NMBM suffered water losses of 43.349 megalitres (40%) amounting to R217.1 million (2020: 46.741 megalitres (43%) amounting to R180.7 million) during the year. The value of the water losses have been based on cost for both years. Various water demand management interventions are being implemented to curb water losses.

The 40% of water losses are made up of apparent (commercial) losses 11% and real (physical) losses 29%.

Apparent losses include unauthorised consumption from theft or illegal use, plus all technical and administrative inaccuracies associated with customer metering.

35.10 ELECTRICITY LOSSES

The NMBM suffered electricity losses of 21.63% amounting to total accumulative losses of R 651.64 million (2020: 20.30% amounting to R 558.63 million). Various electricity management interventions are being implemented to curb these losses are being implemented.

The Electricity losses as defined above are separated between technical (6% amounting to R 179.6 million) and non-technical losses (15.6% amounting to R 471.99 million). Technical losses are inherent losses in a distribution system and these include copper losses, Iron losses and heat losses due to current flow. Public lighting includes traffic signals, Highmast and Streetlights. Non-Technical Losses can be attributed to theft that is illegal connections, meter tampering and non billed revenue due to faulty meters.

It must be further noted that the prescribed norms for electricity losses is +/- 10%.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

36 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

36.1 Councillors' arrear consumer accounts

Councillors had arrear accounts outstanding for more than 90 days as at:

	R	R
	<u>Arrangements</u>	<u>Outstanding more than 90 days</u>
30 June 2021		
Councillor BM Bhanga	25,457	-
Councillor NM Booi	-	28,045
Councillor MS Breakfast	0	43,012
Councillor Z Dlula	-	23,395
Councillor G Faldtman	1,920	7,725
Councillor AG Jordan	9,868	-
Councillor Z Kalani	-	23,068
Councillor RC Kayser	-	111,196
Councillor ML Makunga	-	40,318
Councillor L Mfana	-	1,623
Councillor SL Ncana	-	10,818
Councillor TE Ndwalaza	-	25,098
Councillor LX Nombexeza	-	4,453
Councillor SD Nzanzeka	7,412	-
Councillor S Rafani	-	131
Councillor X Sabani	-	368
Councillor L Sokudela	-	22,679
Councillor L Suka	3,453	809
Councillor PF Tshanga	673	-
Councillor IL Van Wyk	18,621	-
	67,404	342,738

Councillors had arrear accounts outstanding for more than 90 days as at:

	R	R
	<u>Arrangements</u>	<u>Outstanding more than 90 days</u>
30 June 2020		
Councillor TP Adams		1,105
Councillor ME Bobani		14,956
Councillor NM Booi		16,772
Councillor KK Boqwana	996	-
Councillor ML Boti		730
Councillor MS Breakfast		33,488
Councillor TCS Buyeye		10,759
Councillor MV Daniels		8,465
Councillor Z Dlula		17,904
Councillor V Dyele	8,368	-
Councillor G Faldtman	9,579	-
Councillor P Hermaans		894
Councillor AD Isaacs		1,690
Councillor B Jacobs		1,520
Councillor Z Kalani		18,871
Councillor RC Kayser		159,978
Councillor OH Kepe		398
Councillor L Kruger		503
Councillor AW Lungisa		1
Councillor ML Makunga	-	29,142
Councillor GD Maqula		2,102
Councillor L Mfana		1,623
Councillor GG Miggels		2,217
Councillor M Mngcokoca	628	-
Councillor L Mrara		385
Councillor NC Mtati		313
Councillor MJ Mtsila		285
Councillor SL Ncana		2,812
Councillor MM Nkosi		1,592
Councillor LX Nombexeza		4,390
Councillor SD Nzanzeka	11,488	-
Councillor RB Riordan		2,885
Councillor X Sabani		368
Councillor S Sijadu		68
Councillor L Sokudela	-	22,680
Councillor L Suka	5,452	-
Councillor A Tyokwana		1,821
Councillor PB Vani		1,460
	36,511	362,177

Councillors' consumer accounts outstanding for more than 30 days at a particular month-end are deducted from the Councillors' remuneration for the following month.

36.2 List of Entities and related transactions

	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
1 Solely-controlled entities				
The following entity is solely controlled by the NMBM and have received the following grants:				
Mandela Bay Development Agency (excluding VAT)	<u>102,500,020</u>	<u>107,000,000</u>	<u>102,500,020</u>	<u>107,000,000</u>

Although a related party relationship does exist, the transactions were made in the ordinary course of business and as such the transactions do not constitute related party transactions as per the definition per IPSAS 20 on related parties. However these amounts have been included as the additional disclosure is required by the MFMA.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

36 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT (Continued)	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
	R	R	R	R
36.2 List of Entities and related transactions (Continued)				
2 Section 57 Employees (See note 24)				
3 Other Organisations The Organisations have received the following grants / payments:				
2. Nelson Mandela Bay Tourism		0	0	35,221
Grants / payments to Other Organisations		<u>0</u>	<u>0</u>	<u>35,221</u>
		<u>35,221</u>		<u>35,221</u>

Although a related party relationship does exist, the transactions were made in the ordinary course of business and as such the transactions do not constitute related party transactions as per the definition per IPSAS 20 on related parties. However these amounts have been included as the additional disclosure is required by the MFMA.

36.3 Suppliers in which close family members of employees, councillors/ directors or Mayor has an interest

Family of employees who have an interest in a government supplier.

**ECONOMIC ENTITY AND
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74,990,900 100,440,452

Although a related party relationship does exist as awards were made to suppliers in which close family members of employees have an interest, these transactions were in the ordinary course of business at market related rates. However this disclosure has been included as required by SCM regulation 45.

4,791,991 4,644,356

Although a related party relationship does exist, contracts were awarded to certain councillors and officials in which they have an interest. These transactions were made in the ordinary course of business at market related rates. However this disclosure has been included as required by SCM regulation 44.

10,234,354 36,537,136

36.4 Supply Chain Management Policy

The Municipal Manager has the power to authorise deviations from the normal Procurement Process. The deviations for the 2020/21 financial year are detailed as follows in terms of section 36 (1) (a) of the Supply Chain Management Policy:

1. Nelson Mandela Bay Metropolitan Municipality		2021		Restated 2020	
Deviations: Supply Chain Management Policy		No	Payments made R	No	Payments made R
In terms of section 36 (1)(a):					
(i)	In an emergency;				
	NMBM	10	67,325,309	9	11,767,484
	MBDA	0	0	3	624,427
(ii)	If such goods or services are produced or available from a single provider only;				
	NMBM	1	44,367,160	3	20,072,083
	MBDA	2	114,387	5	262,790
(iii)	For the acquisition of special works of art, artistic services or historical objects where specifications are difficult to compile;				
	NMBM	0	0	0	0
	MBDA	0	0	0	0
(iv)	Acquisition of animals for zoos and/or nature and game reserves;				
	NMBM	0	0	0	0
	MBDA	0	0	0	0
(v)	In any other exceptional cases where all possible options have been explored, and it is still impractical or impossible to follow the official procurement processes				
	NMBM	7	53,943,298		0
	MBDA	24	4,546,420	22	7,993,183
In terms of section 36 (1)(b):					
Ratify any minor breaches of the procurement processes.					
	NMBM	0	0	0	0
	MBDA	0	0	0	0

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
 NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021
 Economic Entity

	Economic Entity		Municipality	
	2021 R	Restated 2020 R	2021 R	Restated 2020 R
37 CAPITAL COMMITMENTS				
Approved and contracted for	159,412,534	585,022,458	159,412,534	585,022,458
Infrastructure	133,179,864	570,977,010	133,179,864	570,977,010
Community	25,425,772	12,836,437	25,425,772	12,836,437
Other	806,898	1,209,011	806,898	1,209,011
Approved and contracted for - MBDA	44,394,177	52,725,326	0	0
Approved and not yet contracted for - MBDA	5,196,934	0	0	0
Total	209,003,645	637,747,784	159,412,534	585,022,458
This expenditure will be financed from:				
Fuel Levy	29,189,610	31,869,382	29,189,610	31,869,382
Urban Settlements Development Grant (USDG)	113,305,735	500,018,546	113,305,735	500,018,546
Integrated Public Transport Grant	13,118,027	47,643,838	13,118,027	47,643,838
Capital Replacement Reserve	3,694,493	5,490,692	3,694,493	5,490,692
Neighbourhood Development Partnership Grant	104,669	0	104,669	0
MBDA	49,591,111	52,725,326	0	0
Total	209,003,645	637,747,784	159,412,534	585,022,458
38 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION				
Long-term liabilities (See Note 3)	1,163,898,436	1,093,741,560	1,163,898,436	1,093,741,560
Used to Finance property, plant and equipment - at cost	1,163,898,436	1,093,741,560	1,163,898,436	1,093,741,560
Sub-total	0	0	0	0
Cash set aside for the repayment of long-term liabilities (See Note 2) - This is only the capital portion of the loan.	196,369,125	99,142,909	196,369,125	99,142,909
39 FINANCIAL RISK MANAGEMENT				

There have been no significant changes in the risks below from the prior year to current. The risks have remained the same.

Interest rate risk

The NMBM is not exposed to interest rate risk on its financial liabilities. All of the NMBM's interest-bearing external loan liabilities, as detailed in Note 2 are fixed interest loans. No interest rate swap agreements have been entered into. The NMBM invests its surplus funds in fixed interest rate deposits with banks for fixed terms not exceeding one year.

Liquidity risk

The liquidity risk is the risk that the NMBM is not able to settle its obligations. The NMBM manages liquidity risk by effectively managing its working capital, capital expenditure, external borrowings and cash flows. The NMBM has secured standby credit facilities in the form of an overdraft facility with its banker in order to cater for any unexpected temporary shortfall in operating funds. The maximum exposure to liquidity risk is the trade creditors and long term borrowings. Consumer deposits have a low exposure to liquidity risk.

The following table details the NMBM's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the NMBM can be required to pay. The table includes both estimated interest and principal cash flows. A sensitivity analysis was not considered to be necessary.

Trade payables				
1-3 months	2,659,134,154	2,524,813,765	2,671,625,814	2,519,691,154
> 3 months	104,100,155	97,103,200	104,100,155	97,103,200
	2,763,234,309	2,621,916,965	2,775,725,969	2,616,794,354
Long term borrowings				
< 12 months	196,369,125	99,142,909	196,369,125	99,142,909
> 12 months	991,072,467	1,016,456,460	990,166,517	1,016,371,753

Credit risk

The NMBM manages credit risk in its borrowing and investing activities by dealing with only A-rated financial institutions, and by spreading its exposure over a range of such institutions in accordance with its approved Cash Management and Investments Policy. Credit risk relating to consumer debtors is managed in accordance with NMBM's credit control and debt collection policy. The NMBM's credit exposure is spread over a large number and wide variety of consumers and is not concentrated in any particular sector or geographical area. Adequate provision has been made for anticipated bad and doubtful debts. Additional information relating to the analysis of consumer debtors is given in Note 15 to the financial statements. The maximum exposure to credit risk is the consumer debtors, which may reduce as a result of non-payment by debtors.

Refer to note 52 for table.

Fair value interest risk

The NMBM is exposed to fair value interest rate risk on its external loan liabilities, which are all fixed interest rates. The fair value of financial assets and liabilities are disclosed and compared with their carrying values. See note 52 for fair values of all financial liabilities. SANLAM shares is the only financial instrument and has a very low risk exposure and have been disclosed at the Market value of the share as at 30 June.

Currency risk

There were no currency risk exposure in the current and prior year.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

40 RESTATED PRIOR YEAR COMPARATIVES	ECONOMIC ENTITY Restated 2020 R	MUNICIPALITY Restated 2020 R
Prior Period Adjustments:		
Net effect of changes - see details below	(194,879)	(194,879)
Net effect on surplus	(194,879)	(194,879)
Statement of Financial Performance		
40.1.1 Surplus for the year		
Balance as per audited financial statements (as previously reported)	979,599,524	977,559,527
Net effect on surplus	(194,879)	(194,879)
Service Charges (Refer 40.1.2)	34,804,021	34,804,021
Rental of Facilities and Equipment (Refer 40.1.3)	(189,331)	(189,331)
Other Revenue (Refer 40.1.4)	1,764,192	1,764,192
Fines, Penalties and Forfeits (Refer 40.1.5)	561,676	561,676
Property Rates (Refer 40.1.6)	4,974,568	4,974,568
Interest earned - External Investments (Refer 40.1.7)	1,000,000	1,000,000
Interest raised - Outstanding Debtors (Refer 40.1.8)	(92,883)	(92,883)
Licences and Permits (Refer 40.1.9)	5,000	5,000
Transfers and Subsidies (Refer 40.1.10)	(2,707,724)	(2,707,724)
Employee Related Costs (Refer 40.2.1)	(1,995,059)	(1,995,059)
Contracted Services (Refer 40.2.2)	(18,111,825)	(18,111,825)
Other Expenditure (Refer 40.2.3)	(11,888,949)	(11,888,949)
Other Materials (Refer 40.2.4)	(4,382,579)	(4,382,579)
Bulk Purchases (Refer 40.2.5)	(4,159,623)	(4,159,623)
Transfers and Subsidies (Refer 40.2.6)	223,637	223,637
Restated surplus for 2019/20	979,404,645	977,364,648
40.1.2 Service Charges		
Income as per Audited financial statements (as previously reported)	5,778,309,013	5,780,042,139
Transfer from Other Receivables	5,264,771	5,264,771
Transfer from Trade Receivables - Exchange Transactions	29,539,250	29,539,250
	5,813,113,034	5,814,846,160
Service charges in the amount of R5 264 771, which have not been previously accrued for.		
Correction of an Accounting Treatment in the amount of R29 539 250 in terms of a finding raised by the AG in respect of Internal Service Charges		
40.1.3 Rental of Facilities and Equipment		
Income as per Audited financial statements (as previously reported)	22,974,466	22,974,465
Transfer from Other Receivables	(189,331)	(189,331)
	22,785,135	22,785,134
Rentals in the amount of R189 331 which have been previously incorrectly accrued for.		
40.1.4 Other Revenue		
Income as per Audited financial statements (as previously reported)	103,308,445	100,824,947
Transfer from Other Receivables	1,764,192	1,764,192
	105,072,637	102,589,139
Other Revenue in the amount of R1 764 192, which have not been previously accrued for or have been corrected.		
40.1.5 Fines, Penalties and Forfeits		
Income as per Audited financial statements (as previously reported)	224,357,770	224,357,770
Transfer from Other Receivables	561,676	561,676
	224,919,446	224,919,446
Revenue in the amount of R561 676, which have not been previously accrued for.		
40.1.6 Property Rates		
Income as per Audited financial statements (as previously reported)	2,352,436,832	2,352,436,832
Transfer from Trade Receivables - Non-Exchange Transactions	4,974,568	4,974,568
	2,357,411,400	2,357,411,400
Rates adjustment in the amount of R4 974 568, which have not been previously accrued for.		
40.1.7 Interest earned - External Investments		
Income as per Audited financial statements (as previously reported)	233,799,306	231,783,566
Transfer from Other Receivables	1,000,000	1,000,000
	234,799,306	232,783,566
Interest accrual in the amount of R1 000 000 not taken into account previously.		
40.1.8 Interest raised - Outstanding Debtors		
Income as per Audited financial statements (as previously reported)	146,113,155	146,113,155
Transfer from Other Receivables	(92,883)	(92,883)
	146,020,272	146,020,272
Interest accrual in the amount of R92 883 not taken into account previously.		
40.1.9 Licences and Permits		
Income as per Audited financial statements (as previously reported)	15,130,794	15,130,794
Transfer from Other Receivables	5,000	5,000
	15,135,794	15,135,794
Licences in the amount of R5 000 not taken into account previously.		
40.1.10 Transfers and Subsidies		
Income as per Audited financial statements (as previously reported)	2,647,341,622	2,620,331,153
Transfer to Cash and Bank	(2,707,724)	(2,707,724)
	2,644,633,898	2,617,623,429
Revenue in the amount of R2 707 724, incorrectly receipted to Transfers and Subsidies.		

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
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40 RESTATED PRIOR YEAR COMPARATIVES (Continued)	Restated 2020 R	Restated 2020 R
40.2.1 Employee Related Costs		
Expense as per Audited financial statements (as previously reported)	3,114,785,197	3,078,019,655
Transfer from Current Provisions - Employee Benefits	2,833,000	2,833,000
Transfer from Non-Current Provisions - Employee Benefits	(833,000)	(833,000)
Transfer to Other Receivables	(4,941)	(4,941)
	<u>3,116,780,256</u>	<u>3,080,014,714</u>
Expenses in the amount of R4 941, which have not been previously accrued for.		
Correction of Actuarial Valuation done in the amount of R2 000 000 (net effect).		
40.2.2 Contracted Services		
Expense as per Audited financial statements (as previously reported)	646,861,680	633,206,590
Transfer to Trade and Other Payables	18,111,825	18,111,825
	<u>664,973,505</u>	<u>651,318,415</u>
Expenses in the amount of R18 111 825 which have not been previously accrued for.		
40.2.3 Other Expenditure		
Expense as per Audited financial statements (as previously reported)	567,915,505	506,218,622
Transfer to Trade and Other Payables	11,888,949	11,888,949
	<u>579,804,454</u>	<u>518,107,571</u>
Expenses in the amount of R11 888 949 which have not been previously accrued for or have been corrected.		
40.2.4 Other Materials		
Expense as per Audited financial statements (as previously reported)	206,152,347	206,152,347
Transfer to Trade and Other Payables	4,382,579	4,382,579
	<u>210,534,926</u>	<u>210,534,926</u>
Expenses in the amount of R4 382 579 which have not been previously accrued for or have been corrected.		
40.2.5 Bulk Purchases		
Expense as per Audited financial statements (as previously reported)	3,511,404,955	3,511,404,955
Transfer from Inventory	4,159,623	4,159,623
	<u>3,515,564,578</u>	<u>3,515,564,578</u>
Correction of Valuation of Closing Inventory in the amount of R4 159 623.		
40.2.6 Transfers and Subsidies (Expense)		
Expense as per Audited financial statements (as previously reported)	32,754,512	118,743,200
Transfer to Other Receivables	(223,637)	(223,637)
	<u>32,530,875</u>	<u>118,519,563</u>
Correction of MBDA grant in the amount of R223 637.		
Statement of Financial Position		
40.3 Total Accumulated Funds		
Closing Balance as per audited financial statements (as previously reported)	18,188,127,966	18,164,777,040
Decrease in Surplus (Refer to Note 40.1.1)	(194,879)	(194,879)
Restatements prior 2020	13,888,912	13,888,912
Transfer to VAT	(137,782)	(137,782)
Transfer to Other Receivables	1,722,963	1,722,963
Transfer to Trade and Other Payables	(6,249,710)	(6,249,710)
Transfer to Inventory	(11,202,083)	(11,202,083)
Transfer from Trade Receivables - Non-exchange transactions	9,269,093	9,269,093
Transfer from Trade Receivables - Exchange transactions	20,486,431	20,486,431
Restated Closing Balance	18,201,821,999	18,178,471,073
40.3.1 Trade and Other Payables		
Balance as per Audited financial statements (as previously reported)	1,896,392,334	1,855,186,819
Transfer from Contracted Services	18,111,825	18,111,825
Transfer from Other Expenditure	11,888,949	11,888,949
Transfer from Other Materials	4,382,579	4,382,579
Transfer to Accumulated Surplus	6,249,710	6,249,710
Transfer to Property, plant and equipment	183,963	183,963
Transfer to VAT	4,775,153	4,775,153
Transfer to Other Receivables	(24)	(24)
Transfer to Other Receivables - MBDA	(41,159,077)	-
	<u>1,900,825,412</u>	<u>1,900,778,974</u>
Expenses in the amount of R45 592 155 (net movement). Relates to various expenses not previously accrued for or corrections made.		
Inter-company transactions in the amount of R41 159 077, now correctly eliminated.		
40.3.2.1 Other Receivables - Exchange Transactions		
Balance as per Audited financial statements (as previously reported)	194,823,047	190,454,325
Transfer from Service Charges	5,264,771	5,264,771
Transfer to VAT	310,723	310,723
Transfer from Interest earned - External Investments	1,000,000	1,000,000
Transfer to Interest raised - Outstanding Debtors	(92,883)	(92,883)
Transfer from Licences and Permits	5,000	5,000
Transfer to Accumulated Surplus	1,722,963	1,722,963
Transfer to Employee Related Costs	4,941	4,941
Transfer to Fines, Penalties and Forfeits	561,676	561,676
Transfer to Trade and Other Payables	(24)	(24)
Transfer to Other Revenue	1,764,192	1,764,192
Transfer from Transfers and Subsidies	223,637	223,637
Transfer to Rental of Facilities and Equipment	(189,331)	(189,331)
Transfer to Trade and Other Payables - MBDA	(41,159,078)	0
	<u>164,239,634</u>	<u>201,029,990</u>
Income in the amount of R10 575 665, relates to various income (net movement), not previously accrued for or corrections made.		
Inter-company transactions in the amount of R41 159 077, now correctly eliminated.		

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NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

40 RESTATED PRIOR YEAR COMPARATIVES (Continued)	Restated 2020 R	Restated 2020 R
40.3.2.2 Other Receivables - Non-Exchange Transactions		
Balance as per Audited financial statements (as previously reported)	900,110,603	900,108,503
Transfer from Transfers and Subsidies	<u>(14,784,007)</u>	<u>(14,784,007)</u>
	885,326,596	885,324,496
Reversal of a portion of the grants previously accrued in the amount of R14 784 007 - disallowed by NT.		
40.3.3 VAT		
Balance as per Audited financial statements (as previously reported)	157,017,240	157,017,240
Transfer from Accumulated Surplus	137,782	137,782
Transfer from Cash and Bank	(406,159)	(406,159)
Transfer to Trade and Other Payables	(4,775,153)	(4,775,153)
Transfer from Other Receivables	<u>310,723</u>	<u>310,723</u>
	152,284,433	152,284,433
Vat in the amount of R4 732 807 (net movement), relates to various income and expenses not previously accrued for and corrections made.		
40.3.4.1 Trade Receivables - Exchange Transactions		
Balance as per Audited financial statements (as previously reported)	1,908,747,668	1,908,747,668
Transfer to Accumulated Surplus	20,486,431	20,486,431
Transfer from Service Charges	<u>29,539,250</u>	<u>29,539,250</u>
	1,958,773,349	1,958,773,349
Correction of an Accounting Treatment in the amount of R50 025 681 in terms of a finding raised by the AG in respect of Internal Service Charges.		
40.3.4.2 Trade Receivables - Non-exchange Transactions		
Balance as per Audited financial statements (as previously reported)	390,726,415	390,726,415
Transfer to Accumulated Surplus	9,269,093	9,269,093
Transfer from Property Rates	<u>4,974,568</u>	<u>4,974,568</u>
	404,970,076	404,970,076
Correction of an Accounting Treatment in the amount of R9 269 093, in terms of a finding raised by the AG in respect of Internal Rates.		
Rates adjustment in the amount of R4 974 568, which have not been previously accrued for.		
40.3.5 Bank Balances and Cash		
Balance as per Audited financial statements (as previously reported)	951,893,560	908,059,281
Transfer to VAT	(406,159)	(406,159)
Transfer to Transfers and Subsidies - Trade and Other Payables	1,393,368	1,393,368
Transfer to Transfers and Subsidies - Revenue	<u>(2,707,724)</u>	<u>(2,707,724)</u>
	950,173,045	906,338,766
A receipt in the amount of R3 113 883 incorrectly taken into account previously. This also affects the cash flow statement.		
A receipt in the amount of R1 393 368 not previously taken into account. Received in 2021 financial year. This also affects the cash flow statement.		
40.3.6 Transfers and Subsidies - Trade and Other Payables		
Balance as per Audited financial statements (as previously reported)	734,482,192	729,406,019
Transfer to Bank Balances and Cash	1,393,368	1,393,368
MBDA: Transfer to various	<u>(14,784,007)</u>	<u>(14,784,007)</u>
	721,091,553	716,015,380
Reversal of a portion of the grants previously accrued in the amount of R14 784 007 - disallowed by NT.		
A receipt in the amount of R1 393 368 not previously taken into account. Received in 2021 financial year. This also affects the cash flow statement.		
40.3.7 Property, plant and equipment		
Balance as per Audited financial statements (as previously reported)	17,298,073,592	17,277,709,382
Transfer from Trade and Other Payables	<u>183,963</u>	<u>183,963</u>
	17,298,257,555	17,277,893,345
Assets in the amount of R183 963, which was not previously accrued for.		
40.3.8 Current Provisions - Employee Benefits		
Balance as per Audited financial statements (as previously reported)	178,827,593	177,389,605
Transfer to Employee Costs	<u>2,833,000</u>	<u>2,833,000</u>
	181,660,593	180,222,605
Correction of an Actuarial Valuation in the amount of R2 833 000 - adjustment not previously done		
40.3.9 Non-Current Provisions - Employee Benefits		
Balance as per Audited financial statements (as previously reported)	1,820,657,249	1,820,657,249
Transfer to Employee Costs	<u>(833,000)</u>	<u>(833,000)</u>
	1,819,824,249	1,819,824,249
Correction of an Actuarial Valuation in the amount of R833 000 - adjustment not previously done		
40.3.10 Inventory		
Balance as per Audited financial statements (as previously reported)	154,163,846	154,015,248
Transfer to Bulk Purchases	(4,159,623)	(4,159,623)
Transfer to Accumulated Surplus	<u>(11,202,083)</u>	<u>(11,202,083)</u>
	138,802,140	138,653,542
Correction of Valuation of Closing Inventory in the amount of R15 361 706.		

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
 NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

40 RESTATED PRIOR YEAR COMPARATIVES (Continued)	Restated 2020 R	Restated 2020 R
40.3.11 Work in Progress / Assets under Construction (As disclosed within Note 55)		
Balance as per Audited financial statements (as previously reported - Note 55.2)		
Land and Buildings	4,198,395	4,198,395
Infrastructure Assets	1,065,183,710	1,065,183,710
Community Assets	32,667,304	32,667,304
Other Assets	5,318,829	5,318,829
Intangible Assets	1,379,301	1,379,301
Opening Balance as reported per 30 June 2021 - Refer Note 55		
Land and Buildings	18,208,048	18,208,048
Infrastructure Assets	409,900,444	409,900,444
Transfer to Acquisitions:		
Land and Buildings	-14,009,653	-14,009,653
Infrastructure Assets	655,283,266	655,283,266
Community Assets	32,667,304	32,667,304
Other Assets	5,318,829	5,318,829
Intangible Assets	1,379,301	1,379,301
	<u>680,639,047</u>	<u>680,639,047</u>

All work in progress / assets under construction amounts are included within the total cost disclosed in the Financial Statements. The reason for the amendment was due to a review of all projects previously reported as work in progress resulting in a change in the classification on the status to complete projects.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

41 CHANGE IN ACCOUNTING ESTIMATE
PROPERTY, PLANT AND EQUIPMENT
2020 Financial year

A conditional assessment is done annually on property, plant and equipment, which indicates whether the useful lives of the assets have increased or decreased and as a result of this condition assessment some assets' useful lives have either increased or decreased and therefore the depreciation charge has now changed, which is included in the total depreciation/ amortisation.

In assessing whether there is any indication that the expected useful life of an asset has changed, the following indications have been considered - whether:

- (a) The composition of the asset changed during the reporting period, i.e. the significant components of the asset changed
- (b) The use of the asset has changed, because of the following:
- (i) The municipality has changed the manner in which the asset is used
 - (ii) The municipality has changed the utilisation rate of the asset
 - (iii) The municipality has made a decision to dispose of the asset in a future reporting period(s) such that this decision changes the expected period over which the asset will be used
 - (iv) Technological, environmental, commercial or other changes that occurred during the reporting period that have, or will, change the use of the asset
 - (v) Legal or similar limits placed on the use of the asset have changed
 - (vi) The asset was idle or retired from use during the reporting period
- (c) The asset is approaching the end of its previously expected useful life
- (d) Planned repairs and maintenance on, or refurbishments of, the asset and/or its significant components either being undertaken or delayed
- (e) Environmental factors, e.g. increased rainfall or humidity, adverse changes in temperatures or increased exposure to pollution
- (f) There is evidence that the condition of the asset improved or declined based on assessments undertaken during the reporting period
- (g) The asset is assessed as being impaired in accordance with GRAP 21 and GRAP 26.

It is considered impracticable to determine the effect of the estimation in future periods.

42 CONSTRUCTION CONTRACTS

ECONOMIC ENTITY AND MUNICIPALITY

	2021	Restated 2020
Amount of revenue recognised - Operating	0	400,385
Amount of revenue recognised - Capital	0	42,972,288

Method used to determine the Revenue

Revenue is determined on a claims basis where the Municipality submit claims to the ECDoHS for expenditure incurred.

Method used to determine the stage of completion of contracts in progress:

Subsidies are approved per site for a set amount, which is determined by ECDoHS. Projects are implemented per stage and the contractors are also paid per stage.

Aggregate amount of Costs incurred and recognised surpluses (less recognised deficits) to date for houses not yet transferred

1,162,226,890 1,197,364,589

Amount of advances received

1,247,591 1,200,000

Amount of retentions

Refer Note 7 - Included with Trade and Other Payables

Gross amounts due from customers for contract work

210,320,725 210,320,725

Gross amounts due to customers for contract work

Refer Note 7 - Included with Trade and Other Payables

	Economic Entity		Municipality	
	2021	Restated 2020	2021	Restated 2020
Municipality as Lessee	R	R	R	R

The Municipality normally enters into a lease agreement over 3 years for most of the Operating leases.

Some leases have escalations ranging between 7 and 10% and an option to renew.

Some leases have restrictions, such as not to sub-let or not to sub-let without consent. There are no sub-leases in place that we are aware of.

The Municipality has no sale and leaseback transactions.

Future minimum lease payments under non-cancellable operating leases:

	2021	Restated 2020	2021	Restated 2020
Buildings	9,372,911	6,815,653	9,372,911	6,815,653
Payable within one year	6,623,934	3,638,819	6,623,934	3,638,819
Payable within two to five years	2,748,977	3,176,834	2,748,977	3,176,834
Payable above five years	0	0	0	0
Photocopier, fax machines and other equipment	2,742,345	9,656,099	2,579,729	9,435,103
Payable within one year	2,627,326	6,941,478	2,494,997	6,855,374
Payable within two to five years	114,019	2,714,621	84,732	2,579,729
Payable above five years	1,000	0	0	0
	12,115,256	16,471,752	11,952,640	16,250,756

Municipality as Lessor

At reporting date, the Municipality has contracted with tenants for the following minimum lease payments over a period of 1 to 99 years:

No contingent rentals are charged.

	2021	Restated 2020	2021	Restated 2020
Land	11,120,441	11,600,453	11,120,441	11,600,453
Receivable within one year	480,012	480,012	480,012	480,012
Receivable within two to five years	1,920,048	1,920,048	1,920,048	1,920,048
Receivable after 5 years	8,720,381	9,200,393	8,720,381	9,200,393
Buildings	41,400,011	42,865,621	41,288,971	42,810,565
Receivable within one year	8,086,467	5,952,693	7,975,427	5,897,637
Receivable within two to five years	9,534,452	12,607,929	9,534,452	12,607,929
Receivable after 5 years	23,779,092	24,304,999	23,779,092	24,304,999
	52,520,452	54,466,074	52,409,412	54,411,018

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

		Economic Entity and Municipality	
		2021	Restated 2020
		R	R
44	UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED		
	Incident / Disciplinary steps / Criminal Proceedings		
44.1	Unauthorised Expenditure		
	Opening Balance	257,062,641	253,021,364
	Incurred - Current year - Relating to current year	847,087,284	30,061,131
	Approved by Council - refer below	(254,690,752)	(26,019,854)
	Recoveries - Current year	0	0
		849,459,173	257,062,641
44.1.1	Actual expenditure in excess of approved budget votes		
	The total actual expenditure, including non-cash flow items amounted to R13 632 021 437 , compared to the approved adjustments budget of R13 659 291 666 . The actual expenditure was thus R27 270 229 below the approved adjustments budget and does not constitute unauthorised expenditure.	840,563,796	30,061,131
	The total actual expenditure per budget vote exceeded the approved adjustments budget for certain Directorates by R640 563 796 which relates to non-cash items.		
44.1.2	Over-expenditure relating to contract security resulted in unauthorised expenditure.	6,523,488	0
	Total	847,087,284	30,061,131
	Approved by Council in accordance with Regulation 23(6)(b) of the Municipal Budget and Reporting Regulations No. 32141	(254,690,752)	(26,019,854)
44.2	Irregular Expenditure		
	Opening Balance - previously stated	17,731,225,088	16,425,750,979
	Restatement	0	(2,380,821)
	Restated Opening Balance	17,731,225,088	16,423,370,158
	Incurred - Current year - Relating to current year (awards)	68,636,702	17,922,966
	Incurred - Current year - Relating to prior year (awards / other)	1,325,835,002	1,297,094,802
	Approved by Council - Other	0	(7,162,838)
		19,125,696,792	17,731,225,088
1	Breach of the Supply Chain Management policy		
	A breach occurred as certain contracts were awarded to persons in the service of the state where he/she may have a significant influence over the financial or operating policies of the entity.	194,866,856	223,649,685
2	Breach of the Supply Chain Management policy		
	A breach occurred as certain contracts were awarded to persons in the service of the state (certain officials and family of officials) where he/she may have a significant influence over the financial or operating policies of the entity.	75,562,909	59,615,623
3	SCM Deviations		
	Some of the deviations relating to the tender process appear to be made where improper planning was conducted and expenditure were incurred before the deviation was approved and therefore considered to be irregular.		
	- Relating to current year	5,009,388	9,868,431
	- Relating to prior year	638,068,829	315,041,537
4	Breach of the Supply Chain Management policy		
	Payments made which was in contravention of the scm policy which was not previously disclosed.	1,675,006	17,071,995

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

		Economic Entity and Municipality	
		2021	Restated 2020
		R	R
44	UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED (Continued)		
44.2	Irregular Expenditure (Continued)		
5	Irregular Expenditure review by Internal Audit		
	This section of the Irregular Expenditure represents the "historic" irregular expenditure incurred as reported by Internal Audit Unit in terms of the two reports that were issued in 2014/15 and 2015/16 relating to a number of financial years dating back from around 2003. The irregularity in these instances continued to 2016/17 financial year as some of the tender / SCM Files were still in use (or work proceeding). This figure - "Incurred - Current year - Relating to Prior year tenders", therefore does not relate to any irregularity that may have occurred during the year under review. Important to note is the fact that there are reports that have been taken to Council structures in order to deal with these matters and the first reports was submitted to MPAC Sub committee on 31 August 2017 and it will be ongoing.		
	Non-compliance with regards to the Formal Bid and Deviation process		
	Incurred - Current year - Relating to current year Tenders	57,285,814	7,973,554
	Incurred - Current year - Relating to prior year Tenders	417,336,408	681,715,962
6	MBDA - Irregular Expenditure	4,666,494	80,981
	Total	1,394,471,704	1,315,017,768
	Total amount approved by Council in respect of ALL cases / Condoned by MBDA Board	0	(7,162,838)
7	Information not available (Limitation of Scope)		
	Opening Balance - previously stated	3,338,900,013	3,057,877,747
	Restatement	0	0
	Restate Opening Balance	3,338,900,013	3,057,877,747
	Incurred - Current year - Relating to prior year Tenders	146,681,684	281,022,266
	Approved by Council - Other	0	0
		3,485,581,697	3,338,900,013
	Total amount approved by Council in respect of ALL cases	0	0
	This section of the note has not been included in the Irregular expense calculation, because it is impracticable in terms of GRAP 1 to determine whether the tender files are indeed Irregular or Regular as described below:		
	Section 44.2.7 of this disclosure note represents expenditure incurred on SCM / Tender files that were declared by Internal Audit Unit in around 2014/15 and 2015/16 to be a LIMITATION OF SCOPE as the AG could not be provided with the said files. The expenditure referred to dates back to around 2003 financial year. As the expenditure on the affected SCM / Tender Files continued to the 2016/17 financial year the actuals have been extended to include the reported financial year. Detailed reports dealing with these files were submitted to Council structures starting from the MPAC Sub Committee dated 31 August 2017, whereafter the note will be amended only after Council approves the recommendation/s on how to deal with these matters. This effectively means that this expenditure is historic or relates to historic financial years.		
44.3	Fruitless and Wasteful Expenditure		
	Opening Balance	667,488,239	577,636,288
	Restatement - Incurred	0	0
	Restated Opening Balance	667,488,239	577,636,288
	Incurred - Current year - Relating to current year	999,816	90,981,582
	Incurred - Current year - Relating to prior year	0	0
	Approved by Council - Other reversed	0	(1,129,631)
		668,488,055	667,488,239
1	Suspended Officials		
	Various officials have been on suspension for more than 3 months. In terms of the South African Local Government Bargaining Council; disciplinary procedure and collective agreement, the period of suspension shall not exceed a period of 3 months. Matter to be referred to Labour Relations.	999,816	834,399
2	Additional expenditure incurred by the Directorate when a tender was in place which resulted in Fruitless and Wasteful expenditure.	0	0
3	Fruitless and Wasteful expenditure incurred by certain Directorates	0	90,066,595
4	MBDA - Fruitless and Wasteful Expenditure	0	80,588
	TOTAL	999,816	90,981,582
	Total amount approved by Council for in respect of ALL cases / Condoned by MBDA Board	0	(1,129,631)

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

		Economic Entity and Municipality 2021 R	Restated 2020 R
45(a) CONTINGENT LIABILITIES			
	These are ongoing matters and the Municipality is unable to determine the exact timing and amount of the outcome of these matters.		
	Should any liability arise as a result of these claims, the Municipality will attempt to recover any amounts paid over with respect to these claims (if applicable and able to do so).		
	Possible Contingent liabilities:		
1	Various claims arising from alleged negligence by the Municipality due to damages sustained by the Plaintiffs.	350,113,403	147,329,993
2	Various claims due to municipal administrative matters that are under dispute or investigation.	23,935,888	23,943,801
3	Various claims by current or terminated employees due to alleged unfair labour practices.	10,232,171	9,302,791
4	Various claims due to supply chain related issues or creditor payment related matters.	259,204,758	219,759,666
		643,486,220	400,336,251
	Contingent Liability - MBDA	0	0
	Total Consolidated Amount	643,486,220	400,336,251
45(b) PROVISION FOR LITIGATION AND CLAIMS			
	Detail of Provision raised in Note 5.2		
1	Various claims arising from alleged negligence by the Municipality due to damages sustained by the Plaintiffs.	15,277,529	14,515,171
2	Various claims due to municipal administrative matters that are under dispute or investigation.	0	0
3	Various claims by current or terminated employees due to alleged unfair labour practices.	0	0
4	Various claims due to supply chain related issues or creditor payment related matters.	0	0
	TOTAL PROVISION REFER NOTE 5.2	15,277,529	14,515,171
45(c) CONTINGENT ASSETS			
	These are ongoing matters and the Municipality is unable to determine the exact timing and amount of the outcome of these matters.		
	Possible Contingent assets		
1	Various claims due to supply chain related issues or creditor payment related matters.	177,933,302	172,983,302
		177,933,302	172,983,302
46 EVENTS AFTER REPORTING DATE			
46.1 Nelson Mandela Bay Municipality WITHHOLDING OF GRANT FUNDING BY NATIONAL TREASURY			
	On 29 June and 15 July 2020, National Treasury addressed correspondence to the Municipality indicating that grant funding would be withheld in view of certain non-compliance matters. The Municipality had further engagements with National Treasury on 21 October 2020, regarding the withholding of grants in the amount of R1.6 billion, in relation to the 2019/20 and 2020/21 financial years. Emanating from this meeting, National Treasury addressed correspondence to the Municipality on 23 October 2020, indicating that the Municipality must adopt an Action Plan, to implement the NT conditions for the release of the outstanding grants as communicated in the NT letter of 24 February 2020. The letter of 23 October 2020, also indicated that the Interim Executive Mayor, is required to provide a comprehensive response to the Deputy Finance Minister's correspondence of 15 July 2020. The Action Plan, was adopted by Council on 28 October 2020.		
	In relation to the aforementioned, National Treasury must still transfer the 2019/20 Equitable Share Allocation, in the amount R255,4 million. National Treasury has indicated that the amount will be transferred to the Municipality.		
46.2 Unspent Conditional Grants for 2020/21 financial year not approved			
	On 10 November 2021, National Treasury confirmed in a letter to the Municipality, that the following unspent grants as at 30 June 2021, will have to be repaid to the National Revenue Fund:		
	Urban Settlements Development Grant	175,124,719	
	Infrastructure Skills Development Grant	1,892,694	
	Integrated City Development Grant	5,292,146	
	Public Transport Network Grant	135,140,372	
	Neighbourhood Development Partnership Grant	2,157,622	
		319,607,553	
46.3 Mandela Bay Development Agency			
	The entity issued awards of tenders amounting to R42 657 370 during the period after the reporting date, the procurement process for these awards had started during the current financial year, of this amount R37 166 379 relates to post balance sheet capital commitments. Additionally the entity was involved in litigation for the award of a tender (appointment value R37.1m), however the claim is not expected to result in an outflow, consequently no contingent liability is expected to arise and the impact is R0.		

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits

RETIREMENT BENEFIT INFORMATION

The Nelson Mandela Bay Municipality makes provision for post-retirement benefits to employees who belong to different pension schemes. These funds are governed by the Pension Funds Act, and include both defined benefit and defined contribution schemes. Contribution of R341.338 million (2020: R326.013 million) to the defined benefit and defined contribution structures are expensed as incurred during the financial year ended 30 June 2021.

DEFINED CONTRIBUTION SCHEMES

CONSOLIDATED RETIREMENT FUND

The contribution rate paid by the members (9%) and the NMBM (18%) is sufficient to fund the benefits accruing from the fund in future. The actuary certified the fund as being in a sound financial position as at 30 June 2019. The funding level of the Share Account is 100.3%, the Preservation fund is 100% and the Pensions Account reflected a funding level of 124.9% as at 30 June 2019.

SALA CONTRIBUTION FUND

The SALA Contribution Fund operates as a defined contribution scheme. The contribution rate paid by the members (7.92%) and their councils (19.18%) is sufficient to fund the benefits accruing from the Fund in the future. The fund is 100% funded.

SOUTH AFRICAN MUNICIPAL WORKERS UNION (SAMWU) NATIONAL PROVIDENT FUND

The SAMWU National Provident Fund is a defined contribution scheme. The last actuarial valuation of the Fund was performed at 30 June 2008, and certified it as being in a financially sound position with the funding level remaining at 100% since the previous valuation date, 30 June 2005. The 30 June 2011 report is not available yet and is expected to be available towards the end of 2014. The contribution rate paid by the members (7.5%) and their councils (18%) is sufficient to fund the benefits accruing from the Fund in the future.

DEFINED BENEFIT SCHEMES

CAPE JOINT PENSION FUND

The defined benefit scheme is a multi-employer plan, and the contribution rate payable is 27% (9% by the members and 18% by their councils). The fund was certified by the actuary as being in a sound financial condition as at 30 June 2019 and is funded at 100.3%.

SALA PENSION FUND

The defined benefit scheme is a multi-employer plan, and the contribution rate payable is **26.67% (7.92% by the members and 19.18% by their councils)**. This defined benefit plan, is financially sound, and was 100% funded as at 30 June 2013.

The Nelson Mandela Bay Municipality has used GRAP 25 as guidance for treatment of multi-employer plans as sufficient information was not available to use defined-benefit accounting. The Municipality has therefore accounted for the Cape Joint Pension Fund and the SALA Pension Fund as defined contribution plans. It is impracticable to disclose as a defined benefit plan because the funds do not determine a separate actuarial valuation per Municipality but do it as a whole for all the Municipalities together.

EX GRATIA PENSIONS

General Description

The Ex-gratia pension benefits scheme operates as pensions that are being paid from the Council's revenue, that is, they are not funded or paid from one of the Employer's formalised pension arrangements.

Employees who were under the age of 55 when appointed and who have at least ten years' service at retirement, will receive an annual ex-gratia pension calculated as:

Annual salary * 1/47 * Years of non-pensionable service

An employee's widow will get 50% of the accrued (full service) pension on the employees death. This is subject to a maximum of the Government Old Age Pension and will cease at age 60.

Pensions increase in line with those granted by the Cape Joint Pension Fund and increases at 50% of CPI inflation.

Detailed Results

An actuarial valuation of the Municipality's unfunded liability in respect of revenue pension benefits to eligible employees and retirees of the Nelson Mandela Bay Municipality, was performed as at 30 June 2021. The unfunded liability in respect of past service has been valued at R48.579 million (2020: R53 528 million), of which R45.126 million relates to the non-current portion.

Past and Future Changes in the Accrued Liability

The table below shows the development of the accrued liability over the current period, and projects the Municipality's Unfunded Accrued Liability and periodic costs over the two-year period following the Valuation Date.

Past year and future projected liability

	Year ending 30/06/2018	Year ending 30/06/2019	Year ending 30/06/2020	Year ending 30/06/2021
Opening Accrued Liability	46,787,000	58,336,000	56,871,490	53,527,945
Current service cost	0	0	0	0
Interest cost	3,820,000	5,294,000	4,938,563	5,207,887
Benefits paid	-3,767,000	-3,662,000	-3,709,740	-3,350,914
Total Annual Expense	53,000	1,632,000	1,228,823	1,856,973
Actuarial Loss / (Gain)	11,496,000	-3,097,000	-4,572,368	3,019,410
Actuarial (Gain)/Loss on Experience				-9,825,577
Closing Accrued Liability	58,336,000	56,871,000	53,527,945	48,578,751

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

Statement of Financial Position Figures

Unfunded Accrued Liability

Balance Sheet	Year ending 30/06/2019	Year ending 30/06/2020	Year ending 30/06/2021
Fair Value of Plan Assets	0	0	0
Accrued Liability	56,871,490	53,527,945	48,578,751
Unfunded Accrued Liability	56,871,490	53,527,945	48,578,751
Unrecognised Transitional Liability	0	0	0
Unrecognised Actuarial Gains/(Losses)	0	0	0
Unrecognised Past Service Cost	0	0	0
Miscellaneous Item	0	0	0
Closing Balance	56,871,490	53,527,945	48,578,751

Reconciling and Projecting the Unfunded Accrued Liability

Unfunded Accrued Liability	Year ending 30/06/2019	Year ending 30/06/2020	Year ending 30/06/2021
Opening Balance	58,336,490	56,871,490	53,527,945
Current Service Cost	0	0	0
Interest Cost	5,295,000	4,938,563	5,207,887
Expected Return on Plan Assets	0	0	0
Actuarial (Gain) /Loss	-3,098,000	-4,572,368	-6,806,167
Past Service Cost	0	0	0
Effect of Curtailment / Settlement	0	0	0
Expected Employer Benefit Payments	-3,662,000	-3,709,740	-3,350,914
Employer Prefunding Contributions	0	0	0
Closing Balance	56,871,490	53,527,945	48,578,751
Projected Accrued Liability	59,969,490	58,100,313	55,384,918

Amounts to be recognised in profit or loss for the year (period)

Category	Year ending 30/06/2019	Year ending 30/06/2020	Year ending 30/06/2021
Current Service Cost (In-Service members only)	0	0	0
Interest Cost	5,295,000	4,938,563	5,207,887
Actuarial (Gain)/Loss	-3,097,000	-4,572,368	-6,806,167
Total employee benefits expense	2,198,000	366,195	-1,598,280

KEY ASSUMPTIONS

Summary of economic assumptions that were used in the valuation:

Assumption	Current Valuation 30 June 2020	Current Valuation 30 June 2021
Discount rate	10.04%	9.84%
Inflation Risk Premium		
Inflation Assumption	5.32%	6.12%
Salary Increase Rate	6.32%	7.12%
Pension Increase Rate	2.66%	3.06%
Net Effective Discount Rate (Pre-Retirement)	7.18%	6.58%

Discount Rate Assumption:

The discount rate has been set by taking the average yield from the Zero-Coupon SA Government bond curve, with a duration of 9 years, as was done for the previous valuation. The recommended discount rate as at 30 June 2021 is 9.84% per annum. The source is the Johannesburg Stock Exchange through IRESS data service.

The discount rate was set at 10.04% p.a. for the previous valuation.

Future Inflation Assumption:

The general inflation assumption is used to estimate the base rate for determining the rate at which the future salaries and hence ex-gratia benefits, will increase.

The market's pricing of inflation was estimated by comparing the yields on nominal bonds to the yields on real bonds on the yield curve of bonds, with a duration of 9 years as was done for the previous valuation. The resulting inflation assumption is therefore 6.12% per annum as at 30 June 2021. The source is the Johannesburg Stock Exchange through IRESS data service.

The future inflation assumption was set at 5.32% for the previous valuation.

Future Salary Inflation Assumption:

The general inflation assumption is used to establish the base rate for determining the rate at which the future salaries and hence ex-gratia benefits will increase.

It has been assumed that salary inflation will exceed general inflation by 1.0% per annum. Therefore, a salary inflation assumption of 7.12% per annum has been used as at 30 June 2021.

The future salary inflation assumption was set at 6.32% per annum for the previous valuation.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

Pension Increase Assumption:

Pension increases are in line with those granted by the LA Retirement Fund (previously known as the Cape Joint Pension Fund). Based on recent experience, pension increases are assumed to be set at 50% of the expected inflation assumption. This is consistent with what was done for the previous valuation.

The expected pension increase rate is, therefore, 3.06% per annum as at 30 June 2021.

The expected pension increase rate was set at 2.66% per annum for the previous valuation.

Post Retirement net discount rate:

Net discount rate is the gap between the discount rate and the expected increase in salary inflation.

The net discount rate for ex-gratia pension benefits as at 30 June 2021 is assumed to be 6.58% per annum (derived from the discount rate of 9.84% and the expected increase rate of 3.06%).

The net discount rate was set at 7.18% per annum for the previous valuation.

Demographic Valuation Assumptions:

Actuarial valuation assumptions are required to be made about demographic variables (such as, employee turnover and mortality) that will influence the cost of the benefit, discounting that benefit using the Projected Unit Credit Method.

The demographic assumptions used in the previous valuation have been retained and these assumptions are as follows:

Pre-retirement Mortality:

It has been assumed that the pre-retirement mortality will be in line with the SA85-90 table, which is a table reflecting mortality experience in South Africa. This assumption was used for the valuation of in-service members.

This assumption is consistent with that of the previous valuation.

Post-retirement Mortality:

The post-retirement mortality assumption is based on the PA (90) ultimate table. This assumption was used for the mortality of continuation members (retired employees).

This assumption is consistent with that of the previous valuation.

Assumed Retirement Age:

The normal retirement age is 65 for all male employees and is 60 for all female employees.

The retirement age of 63 for all male employees and retirement age of 58 for all female employees has been assumed, which allows for some early retirement and is consistent with assumptions used for valuing other Municipality liabilities.

This assumption is consistent with that of the previous valuation.

Family Profile:

It is assumed that 90% of in-service members will be married at retirement.

It has been further assumed that the female spouse will be 3 years younger than the male spouse. For continuation members the actual spouses' dates of birth were used, where provided.

The data provided in respect of the retired members indicated the marital status of the members. This actual adult dependant status was therefore used.

Withdrawal Rates:

The table below reflects the rates of withdrawal used to value the liabilities for both males and females:

Withdrawal rates

Age	Withdrawal Rate	Withdrawal Rate
	Males	Females
20	16%	24%
25	12%	18%
30	10%	15%
35	8%	10%
40	6%	6%
45	4%	4%
50	2%	2%
55	1%	1%

Developments since the previous valuation:

There has been no changes to the ex-gratia pension policy since the previous valuation, therefore, it is assumed the level of benefits will remain unchanged with the exception of allowing for inflationary adjustments.

Plan Assets:

Management has indicated that there are no long-term assets set aside off-balance sheet in respect of the Municipality's post-employment ex-gratia pensions.

Sensitivity Analysis

The results of the valuation are dependent on the underlying assumptions made and the actual cost of the ex gratia benefit will, however, depend on the actual experience.

The tables below illustrate the likely impact certain changes to the underlying assumptions would have on the results:

Liability: the aggregate of the current service cost and interest cost components of the net periodic costs; and

Cost/(Saving): the accumulated obligation for the ex-gratia benefit obligation.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

Sensitivities as at 30 June 2021

Discount Rate	2021 Assumption	1% Decrease	1% Increase
		9.84%	8.84%
	R	R	R
Total Liability	48,578,751	53,424,595	44,450,159
Cost / (Saving)		4,845,844	-4,128,592
% Change		9.98%	-8.50%

Salary Inflation	2021 Assumption	1% Decrease	1% Increase
		R	R
Total Liability	48,578,751	45,791,578	51,643,564
Cost / (Saving)		-2,787,173	3,064,813
% Change		-5.74%	6.31%

Pension Increase Rate	2021 Assumption	Rated down 1 year	Rated Up 1 year
		R	R
Total Liability	48,578,751	44,799,409	52,857,526
Cost / (Saving)		-3,779,342	4,276,775
% Change		-7.78%	8.81%

Retirement Age	2021 Assumption	Earlier by 1 year	Later by 1 year
		R	R
Total Liability	48,578,751	49,709,952	47,501,550
Cost		1,131,201	-1,077,201
% Change		2.33%	-2.22%

For the purposes of disclosure, all other assumptions are to be held constant.

POST-EMPLOYMENT HEALTH CARE BENEFITS

Benefit Structure

Medical Aid Scheme Arrangements:

The Municipality offers employees and continuation members (pensioners) the opportunity of belonging to one of several medical aid schemes, most of which offer a range of options pertaining to levels of cover. Upon retirement, an employee may continue membership of the medical aid scheme. Upon a member's death-in-service or death-in-retirement, the surviving dependants may continue membership of the medical aid scheme.

Contribution Rate Structure:

Members contribute according to the tables of contribution rates, which differentiate between them on the type and number of dependants. Some options also differentiate on the basis of income.

Subsidy Arrangements:

The Municipality has agreed to subsidise the medical aid contributions of retired members as follows:

In accordance with Resolution 8 of the SALGBC (SALGA), all existing and new pensioners (employees currently in service) and their dependants will receive a subsidy ranging between 60% and 70% subject to the maximum (CAP) amount of R4,773.00 (per month, per member) for the current financial year. The subsidy for LA Health members is 70%, while members of other schemes only qualify for a 60% subsidy. The maximum (CAP) amount was R4,492.00 in the previous financial year.

The maximum subsidy is expected to increase at 50% of inflation.

Eligible employees should have at least five years of service to qualify for a benefit at retirement.

Valuation Method

The value of the Municipality's accrued liabilities has been determined by using the Projected Unit Credit Method and a set of actuarial assumptions.

Post Employment Medical Aid Liabilities:

The liability in respect of active employees is determined by discounting the projected future benefit payments in respect of these members using assumptions regarding the possible future experience. The liability has been proportioned between past service and future service.

The liability in respect of current pensioners is fully accounted for.

The current service cost is the cost of providing the benefits over the year following the valuation date.

All actuarial gains and losses are recognised immediately and we have not allowed for any disclosure under the corridor method.

Detailed Results

The total liability in respect of post-retirement health care benefits amounts to R1,437 billion as at 30 June 2021 (2020: R1,233 billion). Provision for R1,437 billion has been made (non-current R1,366 billion, current R70,885 million). It is expected that approximately 4.93% of the amount provided will be expensed per annum. This is dependent on the accuracy of the assumptions below.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

Past and Future Changes in the Accrued Liability

The table below depicts the development of the accrued liability over the current period, and projects the Municipality's Unfunded Accrued Liability and periodic costs over the next 3 periods following the Valuation Date.

Past year and future projected liability

	Year ending 30/06/2021	Year ending 30/06/2022	Year ending 30/06/2023	Year ending 30/06/2024
	R	R	R	R
Opening Accrued Liability	1,233,339,357	1,436,874,194	1,587,805,576	1,757,324,357
Interest Cost	173,397,303	176,352,075	195,031,299	216,037,469
Service Cost	38,949,725	45,464,776	49,604,381	54,120,900
Estimated Payments	-66,351,451	-70,885,469	-75,116,899	-79,294,340
Total Annual Expense	145,995,577	150,931,382	169,518,781	190,864,029
Actuarial (Gain)/Loss on financial basis	112,999,203			
Actuarial (Gain)/Loss on experience	-55,459,943			
Closing Accrued Liability	1,436,874,194	1,587,805,576	1,757,324,357	1,948,188,386

Amounts to be recognised in profit or loss for the year (period)

	Year ending 30/06/2021	Year ending 30/06/2022	Year ending 30/06/2023	Year ending 30/06/2024
Category	R	R	R	R
Interest Cost	173,397,303	176,352,075	195,031,299	216,037,469
Service Cost (In-Service members only)	38,949,725	45,464,776	49,604,381	54,120,900
Actuarial (Gain)/Loss [2017: Gain on Financial Basis]	112,999,203			
Actuarial (Gain)/Loss [2017: Loss on Experience]	-55,459,943			
Total employee benefits expense	269,886,288	221,816,851	244,635,680	270,158,369

KEY VALUATION ASSUMPTIONS AND DEVELOPMENTS

Summary of economic assumptions that were used in the valuation:

Assumption	Valuation 30 June 2020	Valuation 30 June 2021
Discount rate	14.21%	12.38%
Future Inflation	8.96%	7.61%
Medical Inflation	10.46%	9.11%
Subsidy Inflation	4.48%	3.80%
Post Retirement Interest Rate (Medical Inflation)	3.40%	3.00%

Discount Rate:

The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date, on Government Bonds. The average nominal yield curve for SA Government bonds with duration between 15 and 20 years have been used as at 30 June 2021. The resultant discount rate was 12.38% for 30 June 2021.

The source of the data is the Johannesburg Stock Exchange through IRESS data service.

Future Inflation Assumptions:

The general inflation assumption is used to estimate the base rate for determining the rate at which the future salaries will increase. The difference between the above nominal and real bonds with duration of between 15 and 20 years has been used. The implied inflation assumption is therefore 7.61% per annum for 30 June 2021.

The source of the data is the Johannesburg Stock Exchange through IRESS data service.

Future medical Inflation Assumption:

The general inflation assumption is used to estimate the base rate for determining the rate at which the future medical subsidies will increase.

It is assumed that medical cost will outstrip general inflation by about 1.5% per annum, as South Africa has experienced high medical cost inflation in recent years.

The medical cost inflation was therefore set at 9.11% per annum for 30 June 2021.

Net Discount Rate:

The net discount rate is the gap between the values used for the discount rate and the expected increase in salaries. The net discount rate is 3.00% per annum for 30 June 2021, (derived from the discount rate of 12.38% and the expected medical inflation rate of 9.11%).

Demographic Valuation Assumptions:

Pre-Retirement Mortality:

It has been assumed that the pre-retirement mortality will be in line with the SA 85-90 light table, rated down by 3 years for female members, which is a table reflecting mortality experience in South Africa.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

Post-Retirement Mortality-

The PA90 ultimate mortality table was used in the valuation for the mortality of Continuation Members.

Withdrawal Rates:

Age	Withdrawal Rate Males	Withdrawal Rate Females
20	16%	24%
30	10%	15%
40	6%	6%
50	2%	2%
55+	0%	0%

Assumed Retirement Age:

The normal retirement age is 65 years. Consistent with the previous years' assumptions, it has been assumed that male employees will retire at age 63 and female employees at age 58, which implicitly allows for the expected rates of early retirement.

Family Profile:

It is assumed that 90% of In-Service Members on a medical arrangement will be married at retirement. Males are assumed to be five years older than their female spouses. Where the data provided in respect of the Continuation Members, indicated that the spouse was married we have used the actual spouses date of birth. Where this was not known, we have assumed that the male spouse was 5 years older than the female spouse. Members have been assumed to have no dependent children after retirement.

Continuation of Membership:

It has been assumed that 100% of In-Service Members will remain on the Municipality's health care arrangement should they stay until retirement. No provision has been made for employees currently not on Municipality-sponsored scheme to join prior to retirement. This is consistent with previous years' assumptions.

It was assumed that employees retiring will remain on the current plan and option at retirement and it was assumed they will remain in the same income category after retirement.

Changes since the previous valuation:

There were no changes to the rules governing payment and eligibility for the medical subsidy since the previous valuation. As far as the assumptions are concerned, the discount rate and general inflation, which are dependent on the market at the time of valuation, are different from the previous valuation.

Plan Assets:

Management has indicated that there are no long-term assets set aside off-balance sheet in respect of the Municipality's post-employment health care liability.

Sensitivity Analysis

The results are based on a number of assumptions. The extent to which the actual liability faced by the Municipality in the future differs from these results will depend on the extent to which actual expenditure differs from the assumptions made.

GRAP 25 requires disclosure of the effect of an increase of one percentage point and the effect of a decrease of one percentage point in the assumed medical cost trend rates on:

- the aggregate of the current service cost and interest cost components of the net periodic post-employment medical costs; and
- the accumulated post employment benefit obligation for medical costs.

For the purposes of disclosure, all other assumptions are to be held constant.

The following changes were made:

- A 1% increase/decrease in the net discount rate; and
- A 1 year increase/reduction in the normal retirement age.

30 June 2021 Sensitivities

Medical Inflation	Current Assumption	1% Decrease	1% Increase
	9.11%	8.11%	10.11%
Liability (R'000)	1,436,874,194	1,364,726,624	1,513,762,557
Cost/(Saving) (R'000)		-72,147,570	76,888,363
Discount Rate	Current Assumption	1% Decrease	1% Increase
	12.38%	11.38%	13.38%
Liability (R'000)	1,436,874,194	1,606,523,634	1,295,348,525
Cost / (Saving) (R'000)		169,649,440	-141,525,669
Normal Retirement Age	Current Assumption	All Members	All Members
	Males 63, Females 58	63	65
Liability (R'000)	1,436,874,194	1,304,065,527	1,159,290,307
Cost / (Saving) (R'000)		-132,808,667	-277,583,887

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

LONG SERVICE AWARD AND LONG SERVICE BONUS

Description of the Long Service Award Arrangement

Long Service Bonuses:

Long service benefits are awarded in the form of leave days and a percentage of annual salary. The awarded leave days have been converted into a percentage of the employee's annual salary, for valuation purposes. The conversion is based on a 250 working day year.

The LSB benefits have improved significantly from 01 July 2017. The Municipality now offers employees LSB as outlined below.

Long Service Awards:

In addition to the above, employees are eligible to receive a Long Service Award to the value of R2,500 upon completion of 25 years in service.

The table below describes the benefits accruing to those employed under the SALGBC LSB Agreement. The policy applicable to the subgroups appointed prior to 01 July 2017 will change to the policy outlined in tables 2 to 4, once they reach twelve years of service.

Table 1: Long Service Bonus for levels of past service:

Completed Service (in years)	Long Service Bonuses (% of Annual Salary)	Description
5	4%	(5/250+2%) * annual salary
10	7%	(10/250+3%) * annual salary
15	10%	(15/250+4%) * annual salary
20	11%	(15/250+5%) * annual salary
25, 30, 35, 40 and 45	12%	(15/250+6%) * annual salary

Tables 2 to 4 describe the policy that the Municipality is phasing-in over a four-year period, for the balance of the employees. This includes all employees from the former Municipalities of Port Elizabeth, Uitenhage, Despatch and Western District Council. However, the Uitenhage employees are already on the highest level, since this was their LSB policy prior to their transfer. The purpose of the amendment of the SALGBC LSB policy is to harmonise the conditions of employment, as it relates to the LSB, across all of the Metro employees.

The bonuses are paid on a monthly basis and also apply to an employee's 13th cheque.

Table 2: Long Service Bonus for levels of past service (phase-in, year two: 01 July 2017 to 30 June 2018)

Completed Service (in years)	Uitenhage	Port Elizabeth	Despatch	Western District Council		SA Local Government Bargaining Council
				Pre 01 July 1987	Post 01 July 1987	
5						4.0%
10						7.0%
12 to 17	5.0%	4.0%	4.0%	4.0%	4.0%	4.0%
18 to 23	10.0%	8.5%	8.5%	8.5%	8.5%	8.5%
24 and above	15.0%	13.0%	13.0%	13.0%	13.0%	13.0%

Table 3: Long Service Bonus for levels of past service (phase-in, year three: 01 July 2018 to 30 June 2019)

Completed Service (in years)	Uitenhage	Port Elizabeth	Despatch	Western District Council		SA Local Government Bargaining Council
				Pre 01 July 1987	Post 01 July 1987	
5						4.0%
10						7.0%
12 to 17	5.0%	4.5%	4.5%	4.5%	4.5%	4.5%
18 to 23	10.0%	9.0%	9.0%	9.0%	9.0%	9.0%
24 and above	15.0%	14.0%	14.0%	14.0%	14.0%	14.0%

Table 4: Long Service Bonus for levels of past service (phase-in, year four: 01 July 2019 to 30 June 2020)

Completed Service (in years)	Uitenhage	Port Elizabeth	Despatch	Western District Council		SA Local Government Bargaining Council
				Pre 01 July 1987	Post 01 July 1987	
5						4.0%
10						7.0%
12 to 17	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
18 to 23	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
24 and above	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%

As from 01 July 2020, all employees will receive benefits as per Uitenhage in the table above.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

Reconciliation of opening and closing accrued liability values

Past year and future projected liability

Obligation	Year ending 30/06/2020	Year ending 30/06/2021	Year ending 30/06/2022	Year ending 30/06/2023	Year ending 30/06/2024
Opening Accrued Liability	748,844,905	695,122,200	833,530,000	857,878,000	882,558,000
Current service cost	53,525,765	49,351,000	54,444,000	57,776,000	61,311,000
Interest cost	57,876,534	53,365,000	66,442,000	68,369,000	70,821,000
Expected benefit vestings	-106,429,450	-109,373,000	-96,538,000	-101,465,000	-94,139,000
Total Annual Expense	4,972,849	-6,657,000	24,348,000	24,680,000	37,993,000
Actuarial (Gain)/Loss on basis	-57,578,554	71,172,000			
Actuarial (Gain)/Loss on experience	-1,117,000	73,892,800			
Accrued Liability	695,122,200	833,530,000	857,878,000	882,558,000	920,551,000

Net Liability to reflect in the Balance Sheet

Net Liability in Balance Sheet	Year ending 30/06/2020	Year ending 30/06/2021
Opening Balance	748,844,905	695,122,200
Current service cost	53,525,765	49,351,000
Interest cost	57,876,534	53,365,000
Actuarial (Gain)/Loss on basis	-57,578,554	71,172,000
Actuarial (Gain)/Loss on experience	-1,117,000	73,892,800
Net Periodic Cost Recognised in P&L	52,706,745	247,780,800
Expected benefit vestings	-106,429,450	-109,373,000
Closing Balance	695,122,200	833,530,000
Current Portion of Liability	109,373,000	96,538,000
Non-Current Portion of Liability	585,749,200	736,992,000

Key Assumptions

Key Financial Assumptions

The assumptions used are based on statistics and market data as at 30 June 2020 and 2021. These valuation assumptions are consistent with the requirements of GRAP 25.

Assumption	Valuation 30 June 2020	Valuation 30 June 2021
Discount rate	8.02%	8.17%
Future inflation	3.48%	5.12%
Salary inflation	4.48%	6.12%
Salary Inflation Premium	1.00%	1.00%
Net Discount Rate	3.38%	1.94%

Detailed Assumptions

Discount Rate Assumption:

The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on Government bonds. The cash flow weighted duration of the liabilities is approximately 6.0 years. Therefore, the nominal yield curve for SA Government bonds with duration of 6.0 years, has been used, as at 30 June 2021. The resultant discount rate was 8.17%.

The source of the data is the Johannesburg Stock Exchange through IRESS data service.

Future Inflation Assumption:

The general inflation assumption is used to estimate the base rate for determining the rate at which the future benefits will increase. We have estimated the market's pricing of inflation by comparing the yields on index-linked Government bonds and long-term Government bonds (at duration of 6.0 years). The implied inflation assumption is, therefore, 5.12% per annum.

The source of the data is the Johannesburg Stock Exchange through IRESS data service.

Future Salary Inflation Assumption:

The general inflation assumption is used to estimate the base rate for determining the rate at which the future salaries will increase. It is assumed that salary inflation will exceed general inflation by 1.0% per annum. Therefore, we have used a salary inflation assumption of 6.12% per annum for 2021.

Assumed promotional salary increase rates are as follows:

Age Band	Additional promotional scale
20 - 24	5%
25 - 29	4%
30 - 34	3%
35 - 39	2%
40 - 44	1%
45-49	0%

Net Discount Rate:

The net discount rate is the gap between the discount rate and the expected increase in the salary inflation assumptions. The net discount rate is 1.94% per annum, derived from the discount rate of 8.17% and the expected salary inflation rate of 6.12%.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

Demographic Valuation Assumptions

Pre-Retirement Mortality:

It has been assumed that the pre-retirement mortality will be in line with the SA85-90 light table, adjusted down by 3 years for females lives, which is a table reflecting mortality experience in South Africa.

Withdrawal Rates:

Withdrawal rates have been provided for, as follows:

Age	Females	Males
20	24%	16%
30	15%	10%
40	6%	6%
50	2%	2%
55+	0%	0%

Assumed Retirement Age:

The normal retirement age is 65. It has been assumed that male employees will retire at age 63 and female employees will retire at age 58 on average, which implicitly makes an allowance for expected rates of early and ill-health retirement.

Developments since the previous valuation:

There were no changes to the rules governing payment and eligibility for the long service awards since the previous valuation. As far as assumptions are concerned, only the discount rate and inflation rate, which are dependent on the market, at the time of the valuation differed from the previous valuation. All other assumptions are broadly consistent with those used in the previous valuation, unless otherwise stated.

Plan Assets:

Management has indicated that there are currently no long-term assets set aside off-balance sheet in respect of the LSA liability.

Sensitivity Analysis

The results of the valuation are dependent on the underlying assumptions made. The assumptions represent the best estimate of future experience. The actual cost of the long service awards will however be dependent on the actual experience.

The table below illustrates the likely impact certain changes to the underlying assumptions would have on the results:

Liability: the aggregate of the current service cost and interest cost components of net periodic costs; and

Cost/(Saving): the accumulated obligation for long service awards.

Sensitivities:

Discount Rate	Current Assumption 8.17%	1% decrease 7.17%	1% Increase 9.17%
Liability	833,530,000	886,714,000	785,762,000
Cost / (Saving)		53,184,000	-47,768,000
% Change		6.38%	-5.73%

Salary Inflation	Current Assumption R	1% decrease R	1% Increase R
Liability	833,530,000	784,548,000	887,139,000
Cost / (Saving)		-48,982,000	53,609,000
% Change		-5.88%	6.43%

Average Retirement Age	Current Assumption Retire at average age	Retire at average age -1	Retire at average age +1
Liability	833,530,000	753,625,000	914,002,000
Cost / (Saving)		-79,905,000	80,472,000
% Change		-9.59%	9.65%

GRATUITY BENEFITS

Benefit Structure

Employees who commenced employment prior to 01 September 1988 are eligible for Standard or Enhanced Gratuity Pensions, as follows:

Employees that were employed prior to the introduction of the PEM Pension Benefit Fund and who subsequently joined the Fund are eligible to be paid a Standard Gratuity, provided they have at least 10 years of service when they retire:

Employees that were employed prior to the introduction of the PEM Pension Benefit Fund and who chose not to join the Fund are eligible to be paid an Enhanced Gratuity for their years of service that they were not members of the Fund.

When an employee eligible for a Gratuity Pension dies in-service, half of the Gratuity Pension (including the monetary enhancement) as calculated at date of death, is paid.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

Financial Valuation Assumptions

A summary of the economic assumptions that were used is given below:

Assumption	30 June 2020	30 June 2021
Discount Rate	10.57%	7.56%
Future Inflation	5.77%	4.72%
Salary Inflation	6.77%	5.72%
Salary Inflation Premium	1.00%	1.00%
Net Gap Enhanced Gratuities	3.56%	1.74%
Net Gap Standard Gratuities	0%	0%

Discount Rate Assumption:

The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date, on Government bonds GRAP 25 places emphasis on matching the discount rate to the duration of the liabilities.

Therefore, the discount rate has been set by taking the average yields from the zero-coupon Government Bond curve with a duration of 5 years. The recommended discount rate as at 30 June 2021 is 7.56%.

The source of the data is the Johannesburg Stock Exchange through IRESS data service.

Future Inflation Assumption:

The general inflation assumption is used to estimate the base rate for determining the rate at which the future benefits will increase. We have estimated the market's pricing of inflation by comparing the yields on nominal bonds to the yields on real bonds on the yield curve for bonds with a duration of 5 years.

The implied inflation assumption is, therefore, 4.72% per annum as at 30 June 2021 for future inflation.

The source of the data is the Johannesburg Stock Exchange through IRESS data service.

Future Salary Inflation Assumption:

We have assumed that the salaries (total cost to company) will increase in line with 1.00% in excess of general inflation, ie, 5.72% per annum as at 30 June 2021.

Net Discount Rate:

The net discount rate is the gap between the discount rate and the expected increase in the salary inflation assumptions. The net discount rate (ignoring merit increases) is 1.74% per annum as at 30 June 2021, (derived from the discount rate of 7.56% and the expected salary inflation rate of 5.72%).

The net gap used for the Standard Gratuity Pension is 0% since the benefit is assumed to increase by the discount rate. The Monetary Enhancement portion is assumed to remain constant until date of payment.

Demographic Valuation Assumptions

Pre-retirement mortality:

It has been assumed that the pre-retirement mortality will be in line with the SA85-90 light table, rated down by 3 years for female members, which is a table reflecting mortality experience in South Africa.

Withdrawal Rates

Age	Females	Males
20	24%	16%
30	15%	10%
40	6%	6%
50	2%	2%
55+	0%	0%

Assumed Retirement Age:

The normal retirement age is 65 years. We have assumed that male employees will retire at age 63, which implicitly allows for the expected rates of early retirement. The previous valuation assumed a retirement age of 58 years for females. As all females are now over 58, we have assumed that they will retire in the year following the valuation.

Other Assumptions:

It was assumed the the Municipality's Gratuity Pension arrangement will remain as is. It was also assumed that the level of benefits receivable will remain unchanged with the exception of allowing for inflationary adjustments.

Developments since the Previous Valuation:

The Top Monthly Notch of wage scale 24 was amended to Top Monthly Notch of PEM Grade 03 and as at 01 March 1990 amounted to R855.43.

An earlier resolution stated that membership of the PEM Pension Benefit Fund was compulsory from 01 September 1988, when in fact the conditions of service were amended for the compulsory membership of the Fund to be effective from 01 March 1990.

Not all staff who were eligible for joining the Pension Fund, joined on 01 March 1990.

Further Enhancement to Gratuity:

The Executive Mayoral Committee resolved that a further enhancement to Gratuity is applicable to all employees who qualify for Gratuity, if the total of both the standard gratuity amount and the Monetary enhancement, plus interest added is less than R90 000. The difference is paid to bring the total gratuity to a minimum of R90 000 for all qualifying employees.

There were no other changes to the rules governing the payment and eligibility for the Non-Funded Gratuity Benefits, since the previous valuation.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

47 Information on Post Retirement Benefits (Continued)

Valuation Results

The Actuarial Liability was as follows at 30 June 2020 and 2021:

	30 June 2020	30 June 2021
	R	R
Standard Gratuity Pension Liability	8,428,372	6,071,999
Enhanced Gratuity Pension Liability	3,710,353	3,572,385
Monetary Enhancement	507,260	545,605
Total Accrued Liability	12,645,985	10,189,989
Balance Sheet Provision	12,645,985	10,189,989

Actuarial Gains and Losses

Disclosure of additional information relating to the costs and benefits that were paid or accrued in respect of employees during 2020 and 2021 financial years, were as follows:

Obligation	30 June 2020	30 June 2021
	R'000	R
Obligation at beginning of the year	14,349	12,645,986
Interest Cost	1,228	1,234,131
Service Cost	225	266,284
Gratuity Payments	-1,355	-2,267,297
Actuarial (Gain) / Loss on basis	-286	368,088
Actuarial (Gain) / Loss on experience	-1,515	-2,057,203
Obligation at end of the year	12,646	10,189,989

Projections

The projections of the expected change in the obligation over the period 01 July 2021 to 30 June 2024, is as follows:

Benefit Projection	Year Ending	Year Ending	Year Ending
	30 June 2022	30 June 2023	30 June 2024
	R	R	R
Obligation at beginning of the year	10,189,989	6,328,496	5,365,925
Interest Cost	604,839	427,024	359,160
Service Cost	173,060	182,958	193,422
Expected Benefit Payments	-4,639,392	-1,572,553	-1,450,139
Obligation at end of the year	6,328,496	5,365,925	4,468,368

Sensitivity Analysis

The tables below illustrate the likely impact certain changes to the underlying assumptions would have on the results:

Liability: the aggregate of the current service cost and interest cost components of net periodic costs; and

Cost/(Saving): the accumulated obligation for the non-funded gratuity benefits.

30 June 2021 Sensitivities

	2021 Assumption	1% decrease	1% increase
	7.56%	6.56%	8.56%
Discount Rate			
Liability	10,189,989	10,384,556	10,010,788
Cost / (Saving)		194,567	-179,201
% Change		1.91%	-1.76%

	2021 Assumption	1% decrease	1% increase
	R	R	R
Salary Inflation			
Liability	10,189,989	10,043,807	10,347,133
Cost / (Saving)		-146,182	157,144
% Change		-1.43%	1.54%

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

48 PROPERTY, PLANT AND EQUIPMENT RECONCILIATION

ECONOMIC ENTITY					
Reconciliation of Carrying Value	Land & Buildings	Infrastructure	Community	Other	Total
Restated Carry Value 1 July 2020					
Cost	2,154,834,788	19,198,400,712	3,653,628,671	1,584,999,155	26,591,863,326
Transfers/Adjustments - Costs					
Restatement - Cost	-	221,977	9,850,531	(183,966)	9,888,542
Disposal/Impairment					
Transfers/Adjustments - Depreciation			(1,874,823)		(1,874,823)
Accumulated Depreciation	(357,732,709)	(6,790,824,498)	(1,141,210,586)	(1,003,837,978)	(9,293,605,771)
	1,797,102,079	12,407,798,191	2,520,393,793	580,977,211	17,306,271,274
Movement during the year ended 30 June 2021					
Acquisitions/ Take-on	46,043,459	1,176,186,436	51,300,315	93,505,696	1,367,035,906
Transfers / Adjustments - Cost	-	-	-	-	-
Useful lives Adjustment - Depreciation	-	-	-	-	-
Depreciation	(42,306,516)	(711,787,306)	(111,684,879)	(66,997,896)	(932,776,597)
	3,736,943	464,399,130	(60,384,564)	26,507,800	434,259,309
Carry Value of Disposals/Impairments during the year ended 30 June 2021					
Cost	(1,911,757)	(3,219,001)	(12,849,853)	(15,995)	(17,996,606)
Depreciation	-	-	-	4,799	4,799
	(1,911,757)	(3,219,001)	(12,849,853)	(11,196)	(17,991,807)
Carrying Values at 30 June 2021	1,798,927,265	12,868,978,320	2,447,159,376	607,473,815	17,722,538,776
Summary - Carrying Values at 30 June 2021					
Summary - Cost	2,198,966,490	20,371,590,124	3,701,929,664	1,678,304,890	27,950,791,168
Summary - Accumulated Depreciation	(400,039,225)	(7,502,611,804)	(1,254,770,288)	(1,070,831,075)	(10,228,252,392)
	1,798,927,265	12,868,978,320	2,447,159,376	607,473,815	17,722,538,776

Reconciliation of Carrying Value	Land & Buildings	Infrastructure	Community	Other	Total
Restated Carry Value 1 July 2019					
Cost	2,108,955,755	18,421,475,230	3,599,030,494	1,586,291,572	25,715,753,051
Transfers/Adjustments - Costs					
Restatement - Cost	-	1,699	1,510,296	198,283	1,710,278
Disposal/Impairment					
Transfers/Adjustments - Depreciation					
Accumulated Depreciation	(311,023,038)	(6,088,527,092)	(1,030,690,898)	(903,802,045)	(8,334,043,073)
	1,797,932,717	12,332,949,837	2,569,849,892	682,687,810	17,383,420,256
Movement during the year ended 30 June 2020					
Acquisitions/ Take-on	10,080,132	759,879,702	53,087,881	47,432,769	870,480,484
Transfers / Adjustments - Cost	36,979,653	17,044,081	-	(48,923,469)	5,100,265
Useful lives Adjustment - Depreciation	(6,561,572)	(1,707,712)	-	-	(8,269,284)
Depreciation	(41,170,477)	(700,589,694)	(110,519,688)	(100,036,153)	(952,316,012)
	(672,264)	74,626,377	(57,431,807)	(101,526,853)	(85,004,547)
Carry Value of Disposals/Impairments during the year ended 30 June 2020					
Cost	(1,180,752)	-	-	-	(1,180,752)
Depreciation	1,022,378	-	-	220	1,022,598
	(158,374)	-	-	220	(158,154)
Carrying Values at 30 June 2020	1,797,102,079	12,407,576,214	2,512,418,085	581,161,177	17,298,257,555
Summary - Carrying Values at 30 June 2020					
Summary - Cost	2,154,834,788	19,198,400,712	3,653,628,671	1,584,999,155	26,591,863,326
Summary - Accumulated Depreciation	(357,732,709)	(6,790,824,498)	(1,141,210,586)	(1,003,837,978)	(9,293,605,771)
	1,797,102,079	12,407,576,214	2,512,418,085	581,161,177	17,298,257,555

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

48 PROPERTY, PLANT AND EQUIPMENT RECONCILIATION (Continued)

MUNICIPALITY					
Reconciliation of Carrying Value	Land & Buildings	Infrastructure	Community	Other	Total
Restated Carry Value 1 July 2020					
Cost	2,137,451,375	19,198,400,712	3,653,628,671	1,578,984,368	26,568,465,126
Transfers/Adjustments - Costs					-
Restatement - Cost		221,977	9,850,531	(183,966)	9,888,542
Disposal/Impairment					-
Transfers/Adjustments - Depreciation			(1,874,823)		(1,874,823)
Accumulated Depreciation	(357,636,870)	(6,790,824,498)	(1,141,210,586)	(1,000,899,827)	(9,290,571,781)
	1,779,814,505	12,407,798,191	2,520,393,793	577,900,575	17,285,907,064
Movement during the year ended 30 June 2021					
Acquisitions/ Take-on	45,910,045	1,176,186,436	51,300,315	93,148,870	1,366,545,666
Transfers / Adjustments - Cost					-
Useful lives Adjustment - Depreciation					-
Depreciation	(42,096,248)	(711,787,306)	(111,684,879)	(66,354,114)	(931,922,547)
	3,813,797	464,399,130	(60,384,564)	26,794,756	434,623,119
Carry Value of Disposals/Impairments during the year ended 30 June 2021					
Cost	(1,911,757)	(3,219,001)	(12,849,853)	-	(17,980,611)
Depreciation	-	-	-	-	-
	(1,911,757)	(3,219,001)	(12,849,853)	-	(17,980,611)
Carrying Values at 30 June 2021	1,781,716,545	12,868,978,320	2,447,159,376	604,695,331	17,702,549,572
Summary - Carrying Values at 30 June 2021					
Summary - Cost	2,181,449,663	20,371,590,124	3,701,929,664	1,671,949,272	27,926,918,723
Summary - Accumulated Depreciation	(399,733,118)	(7,502,611,804)	(1,254,770,288)	(1,067,253,941)	(10,224,369,151)
	1,781,716,545	12,868,978,320	2,447,159,376	604,695,331	17,702,549,572

Reconciliation of Carrying Value	Land & Buildings	Infrastructure	Community	Other	Total
Restated Carry Value 1 July 2019					
Cost	2,091,509,659	18,421,475,230	3,599,030,494	1,581,969,124	25,693,984,507
Transfers/Adjustments - Costs					-
Restatement - Cost		1,699	1,510,296	198,283	1,710,278
Disposal/Impairment					-
Transfers/Adjustments - Depreciation					-
Accumulated Depreciation	(310,232,736)	(6,088,527,092)	(1,030,690,898)	(901,623,795)	(8,331,074,521)
	1,781,276,923	12,332,949,837	2,569,849,892	680,543,612	17,364,620,264
Movement during the year ended 30 June 2020					
Acquisitions/ Take-on	8,962,063	759,879,702	53,087,881	45,740,430	867,670,076
Transfers / Adjustments - Cost	36,979,653	17,044,081	-	(48,923,469)	5,100,265
Useful lives Adjustment - Depreciation	(6,561,572)	(1,707,712)	-	-	(8,269,284)
Depreciation	(40,842,562)	(700,589,694)	(110,519,688)	(99,276,032)	(951,227,976)
	(1,462,418)	74,626,377	(57,431,807)	(102,459,071)	(86,726,919)
Carry Value of Disposals/Impairments during the year ended 30 June 2020					
Cost	-	-	-	-	-
Depreciation	-	-	-	-	-
	-	-	-	-	-
Carrying Values at 30 June 2020	1,779,814,505	12,407,576,214	2,512,418,085	578,084,541	17,277,893,345
Summary - Carrying Values at 30 June 2020					
Summary - Cost	2,137,451,375	19,198,400,712	3,653,628,671	1,578,984,368	26,568,465,126
Summary - Accumulated Depreciation	(357,636,870)	(6,790,824,498)	(1,141,210,586)	(1,000,899,827)	(9,290,571,781)
	1,779,814,505	12,407,576,214	2,512,418,085	578,084,541	17,277,893,345

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

49 HERITAGE ASSETS RECONCILIATION

ECONOMIC ENTITY	
Reconciliation of Carrying Value	Heritage Assets
Restated Carry Value 1 July 2020	
Cost	227,135,645
Transfers/Adjustments	-
Restatement - Cost	-
Disposal	-
Accumulated Impairment	(15,820,657)
	211,314,988
Movement during the year ended 30 June 2021	
Acquisition	-
Transfers / Adjustment	7,866,938
Impairment	-
	7,866,938
Impairment value during the year ended 30 June 2021	
Cost	-
Amortisation	-
	-
Carrying Values at 30 June 2021	219,181,926
Summary - Carrying Values at 30 June 2021	
Summary - Cost	235,002,583
Summary - Accumulated Impairment	(15,820,657)
	219,181,926

Reconciliation of Carrying Value	Heritage Assets
Restated Carry Value 1 July 2019	
Cost	233,228,949
Transfers/Adjustments	-
Restatement - Cost	-
Disposal	-
Accumulated Depreciation	(15,820,657)
	217,408,292
Movement during the year ended 30 June 2020	
Acquisition	1,063,855
Transfers / Adjustment	(7,157,159)
Impairment	-
	(6,093,304)
Impairment value during the year ended 30 June 2020	
Cost	-
Amortisation	-
	-
Carrying Values at 30 June 2020	211,314,988
Summary - Carrying Values at 30 June 2020	
Summary - Cost	227,135,645
Summary - Accumulated Impairment	(15,820,657)
	211,314,988

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

49 HERITAGE ASSETS RECONCILIATION (Continued)

MUNICIPALITY	
Reconciliation of Carrying Value	Heritage Assets
Restated Carry Value 1 July 2020	
Cost	226,885,145
Transfers/Adjustments	-
Restatement - Cost	-
Disposal	-
Accumulated Impairment	(15,820,657)
	211,064,488
Movement during the year ended 30 June 2021	
Acquisition	-
Transfers / Adjustment	7,866,938
Impairment	-
	7,866,938
Impairment value during the year ended 30 June 2021	
Cost	-
Amortisation	-
	-
Carrying Values at 30 June 2021	218,931,426
Summary - Carrying Values at 30 June 2021	
Summary - Cost	234,752,083
Summary - Accumulated Impairment	(15,820,657)
	218,931,426

Reconciliation of Carrying Value	Heritage Assets
Restated Carry Value 1 July 2019	
Cost	232,978,449
Transfers/Adjustments	-
Restatement - Cost	-
Disposal	-
Accumulated Depreciation	(15,820,657)
	217,157,792
Movement during the year ended 30 June 2020	
Acquisition	1,063,855
Transfers / Adjustment	(7,157,159)
Impairment	-
	(6,093,304)
Impairment value during the year ended 30 June 2020	
Cost	-
Amortisation	-
	-
Carrying Values at 30 June 2020	211,064,488
Summary - Carrying Values at 30 June 2020	
Summary - Cost	226,885,145
Summary - Accumulated Impairment	(15,820,657)
	211,064,488

No transfers were made between Heritage Assets and Other Assets

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

50 INTANGIBLE ASSETS RECONCILIATION

ECONOMIC ENTITY	
Reconciliation of Carrying Value	Intangible Assets
Restated Carry Value 1 July 2020	
Cost	459,984,581
Transfers/Adjustments	-
Restatement - Amortisation	-
Impairment	-
Accumulated Amortisation	(308,476,494)
	151,508,087
Movement during the year ended 30 June 2021	
Acquisition	3,784,844
Transfers/Adjustments	-
Useful lives adjustment - Amortisation	-
Amortisation	(49,635,207)
	(45,850,363)
Impairment/ Disposal value during the year ended 30 June 2021	
Cost	0
Amortisation	0
	-
Carrying Values at 30 June 2021	105,657,724
Summary - Carrying Values at 30 June 2021	
Summary - Cost	463,769,425
Summary - Accumulated Amortisation	(358,111,701)
	105,657,724

ECONOMIC ENTITY	
Reconciliation of Carrying Value	Intangible Assets
Restated Carry Value 1 July 2019	
Cost	618,273,951
Transfers/Adjustments	-
Restatement - Amortisation	-
Impairment	-
Accumulated Amortisation	(249,608,957)
	368,664,994
Movement during the year ended 30 June 2020	
Acquisition	1,644,346
Transfers/Adjustments	-
Transfers/Adjustments	-
Amortisation	(113,717,663)
	(112,073,317)
Impairment/ Disposal value during the year ended 30 June 2020	
Cost	159,933,716
Amortisation	-54,850,126
	105,083,590
Carrying Values at 30 June 2020	151,508,087
Summary - Carrying Values at 30 June 2020	
Summary - Cost	459,984,581
Summary - Accumulated Amortisation	(308,476,494)
	151,508,087

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

50 INTANGIBLE ASSETS RECONCILIATION (Continued)

MUNICIPALITY	
Reconciliation of Carrying Value	Intangible Assets
Restated Carry Value 1 July 2020	
Cost	459,302,518
Transfers/Adjustments	-
Restatement - Amortisation	-
Impairment	-
Accumulated Amortisation	(308,106,482)
	151,196,036
Movement during the year ended 30 June 2021	
Acquisition	3,068,493
Transfers/Adjustments	-
Useful lives adjustment - Amortisation	-
Amortisation	(49,609,390)
	(46,540,897)
Impairment/ Disposal value during the year ended 30 June 2021	
Cost	0
Amortisation	0
	-
Carrying Values at 30 June 2021	104,655,139
Summary - Carrying Values at 30 June 2021	
Summary - Cost	462,371,011
Summary - Accumulated Amortisation	(357,715,872)
	104,655,139

Reconciliation of Carrying Value	Intangible Assets
Restated Carry Value 1 July 2019	
Cost	617,856,933
Transfers/Adjustments	-
Restatement - Amortisation	-
Impairment	-
Accumulated Amortisation	(249,263,653)
	368,593,280
Movement during the year ended 30 June 2020	
Acquisition	1,379,301
Transfers/Adjustments	-
Transfers/Adjustments	-
Amortisation	(113,692,955)
	(112,313,654)
Impairment/ Disposal value during the year ended 30 June 2020	
Cost	159,933,716
Amortisation	-54,850,126
	105,083,590
Carrying Values at 30 June 2020	151,196,036
Summary - Carrying Values at 30 June 2020	
Summary - Cost	459,302,518
Summary - Accumulated Amortisation	(308,106,482)
	151,196,036

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

51 INVESTMENT PROPERTY RECONCILIATION

ECONOMIC ENTITY AND MUNICIPALITY	
Reconciliation of Carrying Value	Investment Property
Restated Carry Value 1 July 2020	
Cost	236,618,412
Restatement - Cost	(9,850,531)
Transfers/Adjustments	-
Disposal	-
Restatement - Depreciation	1,874,823
Accumulated Depreciation	(71,530,870)
	157,111,834
Movement during the year ended 30 June 2021	
Acquisition / Take-on	-
Transfers/Adjustments	-
Transfers/Adjustments	-
Depreciation	(4,993,233)
	(4,993,233)
Carry Value of Disposals for the year ended 30 June 2021	
Cost	-
Depreciation	-
	-
Carrying Values at 30 June 2021	152,118,601
Summary - Carrying Values at 30 June 2021	
Summary - Cost	226,767,881
Summary - Accumulated Depreciation	(74,649,280)
	152,118,601

Reconciliation of Carrying Value	Investment Property
Restated Carry Value 1 July 2019	
Cost	290,642,147
Restatement - Cost	-
Transfers/Adjustments	-
Disposal	-
Restatement - Depreciation	-
Accumulated Depreciation	(73,816,625)
	216,825,522
Movement during the year ended 30 June 2020	
Acquisition	-
Transfers/Adjustments	(54,023,735)
Transfers/Adjustments	8,269,284
Depreciation	(5,983,529)
	(51,737,980)
Carry Value of Disposals for the year ended 30 June 2020	
Cost	-
Depreciation	-
	-
Carrying Values at 30 June 2020	165,087,542
Summary - Carrying Values at 30 June 2020	
Summary - Cost	236,618,412
Summary - Accumulated Depreciation	(71,530,870)
	165,087,542

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

53 EXPLANATION FOR OPERATING VARIANCES: ECONOMIC ENTITY AND MUNICIPALITY

APPROVED ORIGINAL BUDGET VS APPROVED FINAL BUDGET:

In terms of GRAP 24.27 the changes between the approved original budget and approved final budget are as a consequence of reallocations within the approved original budget and the inclusion of the roll-over of unspent conditional grants as at 30 June 2020 as approved by National Treasury.

The Original Budget was approved on 29 June 2020 for the 2020/21 financial year (01 July 2020 to 30 June 2021), and the Final Budget was approved on 26 February 2021.

NMBM uses the accrual basis of accounting for its Budget.

The reconciliation of the Original approved Budget and Final Adjustment Budget and Actual amounts are shown on the face of the Statement of Financial Performance, with the reasons in variances explained below.

ACTUAL VERSUS APPROVED FINAL ADJUSTMENT BUDGET (REVENUE AND EXPENDITURE)

Explanations of Significant Variances and those greater than 10% versus Budget - The 10% threshold was considered to be the best indicator to meet performance.

1 Interest raised - Outstanding Debtors - Exchange Revenue

An increase in outstanding consumer debt or payments not being made on time, resulted in additional interest being raised when comparing the original budget to the actual revenue received. The original budget was thus adjusted to take into account the increase in interest raised.

Combined - Exchange and Non-Exchange Interest earned - Outstanding Debtors comparing the budget vs actual, it is only 4%.

1 Interest raised - Outstanding Debtors - Non-Exchange Revenue

An increase in outstanding consumer debt or payments not being made on time, resulted in additional interest being raised when comparing the original budget to the actual revenue received. The original budget should have been adjusted to take into account the increase in interest raised, but was not done.

Combined - Exchange and Non-Exchange Interest earned - Outstanding Debtors comparing the budget vs actual, it is only 4%.

2 Licences and Permits

Due to the ad hoc nature of this income source, accurate income projections are not possible.

3 Income for Agency Services

Due to the ad hoc nature of this income source, accurate income projections are not possible.

4 Other Revenue

Due to the ad hoc nature of this income source, accurate income projections are not possible. There was also a major decrease in Revenue from the Stadium as a result of the COVID-19 lockdown period.

5 Fines, Penalties and Forfeits

The reduction is due to Traffic Fines. No camera fines were issued during the current year as there were no service provider in place to perform the function.

6 Transfers and Subsidies

Refer note 22 for details - More grant funding resulted in increased capital expenditure compared to the huge underspending in the previous financial year. Also increase in E-Share allocated.

7 Employee Related Costs

The decrease is due to an Actuarial Valuation performed by actuaries on Post Retirement Benefits. Also refer to note 4 in the AFS, where the total value of the reduction is disclosed.

8 Impairment - Receivables

Due to the increase in water tariffs as a result of water restrictions, it caused the debt to increase resulting in non-payment of outstanding debt by consumers.

9 Impairment - Other

Less Traffic Fines was impaired than initially anticipated due to less Traffic Fines being issued in the current year.

10 Transfers and Subsidies

The decrease relates to the grant transactions in relation to MBDA, NMBM's entity.

11 Contracted Services

Significant underspending on certain expenditure items due to COVID-19, when comparing the actual to the budget, but the actuals comparing year over year in certain instances have increased.

12 Other Expenditure

Significant underspending on certain expenditure items due to COVID-19, when comparing the actual to the budget, but the actuals comparing year over year in certain instances have increased.

13 Other Materials

Significant underspending on certain expenditure items due to COVID-19, when comparing the actual to the budget, but the actuals comparing year over year in certain instances have increased.

14 Depreciation, Amortisation, Impairment

Refer to note 55.1 for further details.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY													
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021													
54	EXPLANATION FOR CAPITAL VARIANCES:												
APPROVED ORIGINAL BUDGET VS APPROVED FINAL BUDGET:													
In terms of GRAP 24.27 the changes between the approved original budget and approved final budget are as a consequence of reallocations within the approved original budget and the inclusion of the roll-over of unspent conditional grants as at 30 June 2020 as approved by National Treasury.													
The Original Budget was approved on 29 June 2020 for the 2020/21 financial year (01 July 2020 to 30 June 2021), and the Final Budget was approved on 26 February 2021.													
NMBM uses the accrual basis of accounting for its Budget.													
See below reconciliation between the Budget and the Actual expenditure:													
	ACTUAL EXPENDITURE VERSUS 2020/21 BUDGET	2020/21 Capital Adjustments Budget	Budget Amendment - Additional USDG Funding	Budget Amendment - Movement between Directorates	Budget Amendment - Additional IPTS Funding	Budget Amendment - Additional Public Contribution Funding	Transfers to Operating	2020/21 Total Capital Budget	Actual Expenditure as at 30 June 2021	% Capital Spend as at 30 June 2021	Variance	% Variance with Adjustment s Budget	Explanation of Variances greater than 10 %
	Infrastructure & Engineering - Roads & Storm water	317,712,421	100,000,000	31,500,000	98,154,007			547,366,428	452,373,720	83%	94,992,708	17	The IPTS Bus station project has gone to mediation and waiting for the outcome, therefore the budget remained unspent as at 30 June 2021. The tender for the Vehicles tracking system is still undergoing SCM processes and the Purchase of vehicles have been delayed due to a global shortage of microchips
	Human Settlements	51,149,709	21,529,000					72,678,709	64,282,647	88%	8,396,062	12	The Capital Budget for the Connections of water meters was not fully utilised as this activity was mostly done under the water services department's budget.
	Economic Development, Tourism & Agriculture	18,043,479						18,043,479	11,167,285	62%	6,876,194	38	The underperformance is due to informal trading project which is undergoing the SCM process
	Sport, Recreational and Cultural Service	50,427,484						50,427,484	17,588,393	35%	32,839,091	65	Delays on Capital Budget spending is due to tender objections for the Multi-purpose center projects as well as the Gelvandale Astro turf. SCM processes were not completed on time for Fencing of Red location precinct, therefore the budget remained unspent as at 30 June 2021.
	Safety & Security	9,339,000						9,339,000	4,987,755	53%	4,351,245	47	Purchase of vehicles is delayed due to global shortage of microchips Due to SCM processes not concluding by 30 June 2021, MIS was unable to purchase many computer related equipment
	Budget & Treasury	6,480,000						6,480,000	1,817,901	28%	4,662,099	72	SCM processes not completed on time for MIS to purchase computer related products The construction of new Supply Chain offices is in tender processes, therefore no construction has taken place yet.
	Public Health	44,857,470	38,767,402					83,624,872	73,813,369	88%	9,811,503	12	Purchase of vehicles is delayed due to global shortage of microchips Due to SCM processes not concluding by 30 June 2021, MIS was unable to purchase many computer related equipment SCM processes are still ongoing for the acquisition of the air monitoring equipment
	Corporate Services	24,465,000						24,465,000	11,271,792	46%	13,193,208	54	SCM processes were not completed on time for various Capital Projects linked to Corporate Facilities Management as well as MIS.
	Sanitation Service	109,969,548					-2,730,000	107,239,548	99,944,530	93%	7,295,018	7	
	Water Service	461,950,000	21,923,870	-31,500,000			-11,750,000	440,623,870	371,085,135	84%	69,538,735	16	The installation of water restrictors on pressure reducing infrastructure project was halted by Council Contracts for Coegaqop water treatment works and the upgrade of Kwanobuhle water pump station were awarded late in the financial year, thereby limiting the ability of the Directorate to spend their Capital Budget.
	Electricity & Energy	173,506,724	30,434,783			25,000,000		228,941,507	183,126,559	80%	45,814,948	20	Expenditure and cash flow projections for Public Contribution projects was not properly aligned to the actual cash received during the financial year. HV Transmission line contract was awarded late in the financial year. Purchase of vehicles is delayed due to global shortage of microchips
		1,267,900,835	212,655,055	0	98,154,007	25,000,000	(14,480,000)	1,589,229,897	1,291,459,086	81%	297,770,811	19	
CONTROLLED ENTITIES													
	Mandela Bay Development Agency	15,957,833						15,957,833	21,242,289	133%	(5,284,456)	-25	Purchase of property, plant and equipment
	ECONOMIC ENTITY	1,283,858,668	212,655,055	0	98,154,007	25,000,000	-14,480,000	1,605,187,730	1,312,701,375	82%	292,486,355		
Some property, plant and equipment have taken a longer period to complete than expected, due to delays but none was significantly longer.													

NOTE 55.1
ECONOMIC ENTITY'S: ANALYSIS OF PROPERTY, PLANT & EQUIPMENT AS AT 30 JUNE 2021

	COST									ACCUMULATED DEPRECIATION									Carrying Value
	Opening Balance	Re-statement	Re-stated Opening Balance	Transfers / Adjustments/	Take-On	Acquisitions	Disposals	Impairment	Closing Balance	Opening Balance	Re-statement	Re-stated Opening Balance	Transfers / Adjustments/	Depreciation/Amortisation	Disposals	Impairment	Closing Balance		
Land & Buildings																			
Assets Under Construction	-	18,208,048	18,208,048	-	-	701,893	-	-	18,909,940	-	-	-	-	-	-	-	-	18,909,940	
Buildings	1,020,219,975	-18,208,048	1,002,011,928	-	-	6,480,340	-	-1,911,757	1,006,580,511	357,636,870	-	357,636,870	-	42,096,248	-	-	399,733,118	606,847,392	
Land	1,117,231,402	-	1,117,231,402	-	21,021,384	17,706,428	-	-	1,155,959,214	-	-	-	-	-	-	-	-	1,155,959,214	
	2,137,451,377	-	2,137,451,377	-	21,021,384	24,888,661	-	-1,911,757	2,181,449,665	357,636,870	-	357,636,870	-	42,096,248	-	-	399,733,118	1,781,716,546	
Infrastructure Assets																			
Assets Under Construction	-	409,900,444	409,900,444	-243,979,658	-	414,375,176	-	-	580,295,962	-	-	-	-	-	-	-	-	580,295,962	
Roads, Sidewalks & Stormwater Network	7,727,292,664	-118,641,831	7,608,650,833	119,245,152	5,263,652	406,322,507	-	-	8,139,482,144	2,850,027,377	2,850,027,377	-	294,803,712	-	-	3,144,831,089	4,994,651,055		
Beach Developments	91,202,747	-	91,202,747	-	-	272,879	-	-3,219,001	88,256,625	21,403,208	21,403,208	-	2,352,364	-	-	23,755,572	64,501,053		
Electricity Reticulation & Supply	3,505,815,443	-	3,505,815,443	-	-	144,953,972	-	-	3,650,769,415	1,257,954,268	1,257,954,268	-	104,984,839	-	-	1,362,939,107	2,287,830,309		
Fencing	180,952,012	-	180,952,012	-	-	34,467,487	-	-	215,419,499	63,004,890	63,004,890	-	17,353,058	-	-	80,357,948	135,061,551		
Sewerage Mains & Purification Works	3,221,604,856	-77,846,877	3,143,757,980	10,765,644	-	57,809,099	-	-	3,212,332,723	1,272,700,351	1,272,700,351	-	136,043,486	-	-	1,408,743,837	1,803,588,886		
Waste Disposal Facilities	49,193,404	-	49,193,404	-	-	1,500,341	-	-	50,693,745	4,454,252	4,454,252	-	1,067,228	-	-	5,521,480	45,172,265		
Water Supply & Reticulation	2,866,688,750	-118,609,626	2,748,079,124	113,968,862	-	103,246,158	-	-	2,965,294,144	990,725,235	990,725,235	-	105,172,791	-	-	1,095,898,026	1,869,396,118		
Dams & Treatment Works	1,549,045,888	-94,580,133	1,454,465,755	-	-	7,975,166	-	-	1,462,440,921	325,946,700	325,946,700	-	50,009,827	-	-	375,956,527	1,086,484,394		
Wi-Fi Infrastructure	6,604,949	-	6,604,949	-	-	-	-	-	6,604,949	4,608,216	4,608,216	-	-	-	-	4,608,216	4,996,734		
	19,198,400,713	221,977	19,198,400,713	-0	5,263,652	1,170,922,784	-	-3,219,001	20,371,590,125	6,790,824,495	-	6,790,824,495	-	711,787,306	-	-	7,502,611,801	12,868,976,324	
Community Assets																			
Assets Under Construction	-	-	-	-	-	4,175,075	-	-	4,175,075	-	-	-	-	-	-	-	-	4,175,075	
Libraries	44,680,149	-	44,680,149	-	-	291,190	-	-398,906	44,572,432	15,527,602	15,527,602	-	1,276,503	-	-	16,804,104	27,768,328		
Library Books	98,321,306	-	98,321,306	-	-	-	-	-	98,321,306	36,698,025	36,698,025	-	2,934,442	-	-	39,632,467	58,688,328		
Fire Stations	75,407,795	-	75,407,795	-	-	541,086	-	-	75,948,882	28,619,375	28,619,375	-	3,302,596	-	-	31,921,972	44,026,910		
Cemeteries	105,739,209	-	105,739,209	-	-	29,872,092	-	-	135,611,301	26,591,327	26,591,327	-	5,275,672	-	-	31,866,999	103,744,303		
Clinics	5,744,470	-	5,744,470	-	-	-	-	-8,995	5,735,475	2,130,093	2,130,093	-	146,312	-	-	2,276,405	3,459,070		
Community Centres	268,885,331	-	268,885,331	-	-	265,134	-	-	269,150,464	93,374,676	93,374,676	-	8,025,652	-	-	101,400,328	167,750,136		
Public Conveniences	13,619,382	-	13,619,382	-	-	-	-	-	13,619,382	3,835,272	3,835,272	-	502,438	-	-	4,337,710	9,281,672		
Swimming Pools	93,769,556	-	93,769,556	-	199,001	212,654	-	-252,522	93,928,689	31,000,689	31,000,689	-	2,757,765	-	-	33,758,454	60,170,235		
Recreational Facilities	2,882,762,564	9,850,531	2,892,613,095	-	1,567,478	14,176,604	-	-12,189,430	2,896,167,747	860,866,692	1,874,823	862,741,515	-	86,201,140	-	-	948,942,655	1,947,225,092	
Selling & Letting Schemes	64,698,907	-	64,698,907	-	-	64,698,907	-	-	64,698,907	42,566,837	42,566,837	-	1,262,359	-	-	43,829,196	20,869,712		
	3,653,628,670	9,850,531	3,663,479,201	-	1,766,479	49,533,836	-	-12,849,853	3,701,929,663	1,141,210,588	1,874,823	1,143,085,411	-	111,684,879	-	-	1,254,770,290	2,447,159,373	
Other Assets																			
Assets Under Construction	-	-	-	-	-	4,768,449	-	-	4,768,449	-	-	-	-	-	-	-	-	4,768,449	
Bins & Containers	30,019,089	-	30,019,089	-	1,257,441	71,673	-	-	31,348,203	13,067,429	13,067,429	-	6,712,122	-	-	19,779,551	11,568,653		
Vehicles & Plant	654,997,130	-	654,997,130	-	-	23,901,041	-	-	678,898,171	458,593,708	458,593,708	-	20,633,002	-	-	479,226,711	199,671,460		
Office Furniture & Fittings	239,060,707	-	239,060,707	-	-	14,397,947	-	-	253,458,654	202,869,136	202,869,136	-	510,574	-	-	203,379,711	50,078,943		
Air Monitoring Facilities	24,511	-	24,511	-	-	-	-	-	24,511	12,815	12,815	-	-	-	-	12,815	11,695		
Security Systems	10,395,538	-	10,395,538	-	-	-	-	-	10,395,538	10,395,538	10,395,538	-	-	-	-	10,395,538	-		
Tip Sites	448,795,614	-	448,795,614	-	48,752,320	-	-	-	497,547,934	189,820,737	189,820,737	-	38,498,415	-	-	228,319,153	269,228,781		
Computer Hardware	195,507,813	-	195,507,813	-	-	-	-	-	195,507,813	126,140,463	126,140,463	-	-	-	-	126,140,463	69,367,351		
	1,578,800,402	-	1,578,800,402	-	50,009,761	43,139,109	-	-	1,671,949,272	1,000,899,826	-	1,000,899,826	-	66,354,114	-	-	1,067,253,940	604,695,332	
MBDA:																			
Land and Buildings	17,383,411	-	17,383,411	-	-	133,414	-	-	17,516,825	95,839	95,839	-	210,268	1	-	306,106	17,210,719		
Other Assets	6,014,788	-	6,014,788	-	-	356,826	15,995	-	6,355,619	2,938,151	2,938,151	-	643,782	4,799	-	3,577,134	2,778,485		
	26,591,679,360	10,072,508	26,601,529,891	-0	78,061,276	1,288,974,631	15,995	-17,980,611	27,950,791,169	9,293,605,770	1,874,823	9,295,480,593	-	932,776,597	4,800	-	10,228,252,390	17,722,538,780	

NOTE 55.1 (CONTINUED)
ECONOMIC ENTITY'S: ANALYSIS OF INTANGIBLE ASSETS AS AT 30 JUNE 2021

	COST									ACCUMULATED AMORTISATION									Carrying Value
	Opening Balance	Re-statement	Re-stated Opening Balance	Transfers / Adjustments/	Take-On	Acquisitions	Disposals	Impairment	Closing Balance	Opening Balance	Re-statement	Re-stated Opening Balance	Transfer	Additions	Disposals	Impairment	Closing Balance		
Intangible																			
MBDA	682,063	-	682,063	-	-	716,351	-	-	1,398,414	370,012	-	370,012	-	25,817	-	-	395,829	1,002,585	
Assets Under Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Computer Software - Internally Generated	219,956,400	-	219,956,400	-	-	-	-	-	219,956,400	131,198,955	-	131,198,955	-	28,865,906	-	-	160,064,861	59,891,539	
Computer Software - Other	239,346,119	-	239,346,119	-	-	3,068,493	-	-	242,414,612	176,907,528	-	176,907,528	-	20,743,484	-	-	197,651,012	44,763,601	
	459,984,582	-	459,984,582	-	-	3,784,844	-	-	463,769,426	308,476,495	-	308,476,495	-	49,635,207	-	-	358,111,702	105,657,724	
	ECONOMIC ENTITY'S: ANALYSIS OF INVESTMENT PROPERTY AS AT 30 JUNE 2021																		
	COST									ACCUMULATED DEPRECIATION									Carrying Value
	Opening Balance	Re-statement	Re-stated Opening Balance	Transfers / Adjustments/	Take-On	Acquisitions	Disposals	Impairment	Closing Balance	Opening Balance	Re-statement	Re-stated Opening Balance	Transfer	Additions	Disposals	Impairment	Closing Balance		
Investment Property																			
Assets Under Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Land & Buildings	236,618,413	-9,850,531	226,767,882	-	-	-	-	-	226,767,882	71,530,871	-1,874,823	69,656,048	-	4,993,233	-	-	74,649,281	152,118,601	
	ECONOMIC ENTITY'S: ANALYSIS OF HERITAGE ASSETS AS AT 30 JUNE 2021																		
	COST									ACCUMULATED DEPRECIATION									Carrying Value
	Opening Balance	Re-statement	Re-stated Opening Balance	Transfers / Adjustments/	Take-On	Acquisitions	Disposals	Impairment	Closing Balance	Opening Balance	Re-statement	Re-stated Opening Balance	Transfer	Additions	Disposals	Impairment	Closing Balance		
Heritage Assets																			
MBDA	250,500	-	250,500	-	-	-	-	-	250,500	-	-	-	-	-	-	-	-	250,500	
Assets Under Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Heritage Buildings	138,749,661	-	138,749,661	-	7,866,938	-	-	-	146,616,598	-	-	-	-	-	-	-	-	146,616,598	
Memorials & Statues	48,070,066	-	48,070,066	-	-	-	-	-	48,070,066	-	-	-	-	-	-	-	-	48,070,066	
Land	6,655,793	-	6,655,793	-	-	-	-	-	6,655,793	-	-	-	-	-	-	-	-	6,655,793	
Art Works	17,588,979	-	17,588,979	-	-	-	-	-	17,588,979	-	-	-	-	-	-	-	-	17,588,979	
	211,314,988	-	211,314,988	-	7,866,938	-	-	-	219,181,926	-	-	-	-	-	-	-	-	219,181,926	
Grand Totals Assets	27,499,597,343	221,977	27,499,597,343	-0	85,928,214	1,292,759,475	15,995	-17,980,611	28,860,510,403	9,673,613,136	-	9,673,613,136	-	987,405,037	4,800	-	10,661,013,372	18,199,497,031	

The amount of impairment losses recognized, and the amount of impairment losses reversed, during the period is in accordance with GRAP 26. There were no transfers from PPE to Inventory.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

56 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

ECONOMIC ENTITY	Actual	Approved	Adjustments	Approved	Variance between		
	2021 R	Original Budget 2021 R	2021 R	Final Budget 2021 R	Final Budget and Actual 2021 R	%	No.
NET ASSETS AND LIABILITIES							
Net Assets							
Total Accumulated Funds	18,854,716,926	18,307,296,392	(41,484,026)	18,265,812,366	(588,904,560)	-3%	1
Non-current Liabilities	3,646,279,277	4,019,525,958	(540,765,330)	3,478,760,628			
Long-term Liabilities	991,072,467	1,001,082,478	0	1,001,082,478	10,010,011	1%	
Non-current Provisions - Employee Benefits	2,153,655,673	2,491,074,000	-488,351,026	2,002,722,974	(150,932,699)	-8%	
Non-current Provisions - Other	501,551,137	527,369,480	(52,414,304)	474,955,176	(26,595,961)	-6%	
Current Liabilities	3,475,127,593	3,274,519,447	-141,061,794	3,133,457,653			
Current Provisions - Employee Benefits	185,496,240	341,374,646	-141,061,794	200,312,852	(460,917)	0%	
Current Provisions - Other	15,277,529	0	0	0	0		
Consumer Deposits	154,651,750	163,346,566	0	163,346,566	8,694,816	5%	
Trade and Other Payables	2,411,662,229	2,529,231,226	0	2,529,231,226	117,568,997	5%	2
Transfers and Subsidies	351,572,080	54,276,020	0	54,276,020	(297,296,060)	-548%	2
VAT	160,098,640	30,000,000	0	30,000,000	(130,098,640)	-434%	2
Current Portion of Long-term Liabilities	196,369,125	156,290,989	0	156,290,989	(40,078,136)	-26%	3
Total Net Assets and Liabilities	25,976,123,796	25,601,341,797	(723,311,150)	24,878,030,647			
ASSETS							
Non-current Assets	18,312,277,272	20,145,654,878	-1,620,096,227	18,525,558,651			
Property, Plant and Equipment (PPE)	17,722,538,776	19,511,032,171	-1,326,054,319	18,184,977,852	243,257,150	1%	4
Heritage Assets	219,181,926	0	0	0	0		4
Intangible Assets	105,657,724	305,090,360	-181,268,043	123,822,317	18,164,593	15%	5
Investment Property	152,118,601	211,284,574	-51,921,427	159,363,147	7,244,546	5%	
Long-term Receivables - Exchange Transactions	72,212,925	118,247,773	-60,852,438	57,395,335	(55,384,910)	-96%	6
Long-term Receivables - Non-exchange Transactions	40,567,320	0	0	0	0		6
Current Assets	7,663,846,524	5,455,686,919	896,785,077	6,352,471,996			
Inventory	153,982,613	146,638,562	16,775,115	163,413,677	9,431,064	6%	
Trade Receivables - Exchange Transactions	2,288,491,068	2,285,499,590	182,839,967	2,468,339,557	(172,698,814)	-7%	
Trade Receivables - Non-exchange Transactions	352,547,303	0	0	0	0		
Other Receivables - Non-exchange Transactions	411,682,596	0	0	0	0		7
Other Receivables - Exchange Transactions	181,652,882	428,722,146	0	428,722,146	(164,613,332)	-38%	7
VAT	2,064,326	0	0	0	(2,064,326)		
Call Deposits and Investments	3,810,037,140	2,394,626,621	697,169,995	3,091,796,616	(720,751,723)	-23%	8
Call Deposits and Investments - Other	2,511,199	0	0	0	0		8
Bank Balances and Cash	460,877,397	200,200,000	0	200,200,000	(260,677,397)	-130%	9
Total Assets	25,976,123,796	25,601,341,797	(723,311,150)	24,878,030,647			

Refer to Note 57 of the Financial Statements for explanation of variances

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

56 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUES)					Variance	%	No.
	ECONOMIC ENTITY	Actual 2021 R	Approved Original Budget 2021 R	Adjustments 2021 R	Approved Final Budget 2021 R		
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash receipts from ratepayers, government and other	11,250,554,865	11,408,708,850	-422,804,844	10,985,904,006			
- Sale of goods and services, fines and taxes levied	7,714,180,284	8,073,625,084	-450,816,292	7,622,808,792	(91,371,492)	-1%	1
- Grants	3,385,339,798	3,173,572,956	28,011,448	3,201,584,404	(183,755,394)	-6%	2
- Interest received	151,034,783	161,510,810	0	161,510,810	10,476,027	6%	
Cash paid to suppliers and employees	(9,062,232,325)	(9,842,870,736)	(108,758,210)	(9,951,628,946)			
- Employee Costs	(3,575,205,431)	(3,764,320,188)	11,217,990	(3,753,102,198)	(177,896,767)	5%	3
- Suppliers	(5,366,533,050)	(5,955,035,360)	(114,617,658)	(6,069,653,018)	(703,119,968)	12%	4
- Finance Cost	(120,493,844)	(123,515,188)	(5,358,542)	(128,873,730)	(8,379,886)	7%	
CASH GENERATED FROM OPERATIONS	2,188,322,540	1,565,838,114	-531,563,054	1,034,275,060			
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of PPE	(1,288,974,631)	(1,641,529,815)	502,759,338	(1,138,770,477)	153,988,998	-14%	5
Proceeds on Disposal of PPE	2,801	0	0	0			
Purchase of Intangible assets	(3,784,844)	0	0	0			
Increase in Other Non-Current Receivables	0	(14,521,657)	75,374,095	60,852,438	60,852,438		
NET CASH FLOW FROM INVESTING ACTIVITIES	(1,292,756,674)	(1,656,051,472)	578,133,433	(1,077,918,039)			
CASH FLOWS FROM FINANCING ACTIVITIES							
Increase in Consumer Deposits	0	5,065,010	0	5,065,010	5,065,010		
Repayment of Non-current Liabilities (external loan funding)	(99,142,909)	(148,049,275)	0	(148,049,275)	(48,906,366)	33%	6
Increase in Borrowings	214,414,700	214,414,700	0	214,414,700	0		
NET CASH FLOW FROM FINANCING ACTIVITIES	115,271,791	71,430,435	0	71,430,435			
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,010,837,657	-18,782,923	46,570,379	27,787,456			
Cash and cash equivalents at the beginning of the year	3,260,076,880	2,613,609,544	650,599,616	3,264,209,160	4,132,280	0%	
Cash and cash equivalents at the end of the year	4,270,914,537	2,516,993,038	96,616,506	2,613,609,544			

Refer to Note 57 of the Financial Statements for explanation of variances

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

56 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUES)

MUNICIPALITY	Actual 2021 R	Approved Original Budget 2021 R	Adjustments 2021 R	Approved Final Budget 2021 R	Variance between Final Budget and Actual 2021 R	%	No.
NET ASSETS AND LIABILITIES							
Net Assets							
Total Accumulated Funds	18,831,041,677	18,177,066,005	(89,198,876)	18,087,867,129	(743,174,548)	-4%	1
Non-current Liabilities	3,645,373,327	4,019,525,958	(540,765,330)	3,478,760,628			
Long-term Liabilities	990,166,517	1,001,082,478	0	1,001,082,478	10,915,961	1%	
Non-current Provisions - Employee Benefits	2,153,655,673	2,491,074,000	-488,351,026	2,002,722,974	(150,932,699)	-8%	
Non-current Provisions - Other	501,551,137	527,369,480	(52,414,304)	474,955,176	(26,595,961)	-6%	
Current Liabilities	3,485,546,940	3,255,319,447	-136,861,794	3,118,457,653			
Current Provisions - Employee Benefits	183,423,927	337,174,646	-136,861,794	200,312,852	1,611,396	1%	
Current Provisions - Other	15,277,529	0	0	0			
Consumer Deposits	154,651,750	163,346,566	0	163,346,566	8,694,816	5%	
Trade and Other Payables	2,430,651,468	2,568,507,246	0	2,568,507,246	(337,317,363)	-13%	2
Transfers and Subsidies	345,074,501	0	0	0			2
VAT	160,098,640	30,000,000	0	30,000,000			2
Current Portion of Long-term Liabilities	196,369,125	156,290,989	0	156,290,989	(40,078,136)	-26%	3
Total Net Assets and Liabilities	25,961,961,944	25,451,911,410	(766,826,000)	24,685,085,410			
ASSETS							
Non-current Assets	18,291,034,983	20,013,752,711	-1,613,143,923	18,400,608,788			
Property, Plant and Equipment (PPE)	17,702,549,572	19,393,578,850	-1,330,087,690	18,063,491,160	142,010,162	1%	4
Heritage Assets	218,931,426	0	0	0	0	0%	4
Intangible Assets	104,655,139	296,541,514	-176,182,419	120,359,095	15,703,956	13%	5
Investment Property	152,118,601	205,384,574	-46,021,376	159,363,198	7,244,597	5%	
Long-term Receivables - Exchange Transactions	72,212,925	118,247,773	-60,852,438	57,395,335	(55,384,910)	-96%	6
Long-term Receivables - Non-exchange Transactions	40,567,320	0	0	0			6
Current Assets	7,670,926,961	5,438,158,699	846,317,923	6,284,476,622			
Inventory	153,803,848	146,638,562	16,775,115	163,413,677	9,609,829	6%	
Trade Receivables - Exchange Transactions	2,288,491,068	2,285,499,590	182,839,967	2,468,339,557	(172,698,814)	-7%	
Trade Receivables - Non-exchange Transactions	352,547,303	0	0	0			
Other Receivables - Non-exchange Transactions	411,680,496	0	0	0			7
Other Receivables - Exchange Transactions	256,466,085	426,122,146	0	426,122,146	(242,024,435)	-57%	7
Call Deposits and Investments	3,810,037,140	2,379,898,401	646,702,841	3,026,601,242	(785,947,097)	-26%	8
Call Deposits and Investments - Other	2,511,199	0	0	0			8
Bank Balances and Cash	395,389,822	200,000,000	0	200,000,000	(195,389,822)	-98%	9
Total Assets	25,961,961,944	25,451,911,410	(766,826,000)	24,685,085,410			

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

MUNICIPALITY	Actual	Approved	Adjustments	Approved	Variance	%	No.
	2021	Original Budget	2021	Final Budget	between Final Budget and Actual		
	R	R	R	R	R		
56 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (CONTINUES)							
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash receipts from ratepayers, government and other	11,200,289,180	11,404,212,234	-454,643,974	10,949,568,260			
- Sale of goods and services, fines and taxes levied	7,705,616,720	8,073,025,084	-450,816,292	7,622,208,792	(83,407,928)	-1%	1
- Grants	3,345,048,889	3,171,676,340	-3,827,682	3,167,848,658	(177,200,231)	-6%	2
- Interest received	149,623,571	159,510,810	0	159,510,810	9,887,239	6%	
Cash paid to suppliers and employees	(9,034,823,725)	(9,870,133,851)	(137,186,334)	(10,007,320,185)			
- Employee Costs	(3,526,885,067)	(3,807,292,756)	13,567,198	(3,793,725,558)	(266,840,491)	7%	3
- Suppliers	(5,387,444,814)	(5,939,325,907)	(145,394,990)	(6,084,720,897)	(697,276,083)	11%	4
- Finance Cost	(120,493,844)	(123,515,188)	(5,358,542)	(128,873,730)	(8,379,886)	7%	
CASH GENERATED FROM OPERATIONS	2,165,465,455	1,534,078,383	-591,830,308	942,248,075			
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of PPE	(1,288,484,391)	(1,608,624,019)	540,319,433	(1,068,304,586)	223,248,298	-21%	5
Purchase of Intangible assets	(3,068,493)	0	0	0	0	0%	
Increase in Other Non-Current Receivables	0	(14,521,657)	75,374,095	60,852,438	60,852,438	0%	
NET CASH FLOW FROM INVESTING ACTIVITIES	(1,291,552,884)	(1,623,145,676)	615,693,528	(1,007,452,148)			
CASH FLOWS FROM FINANCING ACTIVITIES							
Increase in Consumer Deposits	0	5,065,010	0	5,065,010	5,065,010	0%	
Repayment of Non-current Liabilities (external loan funding)	(99,142,909)	(148,049,275)	0	(148,049,275)	(48,906,366)	33%	6
Increase in Borrowings	214,414,700	214,414,700	0	214,414,700	0	0%	
NET CASH FLOW FROM FINANCING ACTIVITIES	115,271,791	71,430,435	0	71,430,435			
NET CHANGE IN CASH AND CASH EQUIVALENTS	989,184,362	-17,636,858	23,863,220	6,226,362			
Cash and cash equivalents at the beginning of the year	3,216,242,600	2,597,535,259	622,839,622	3,220,374,881	4,132,281	0%	
Cash and cash equivalents at the end of the year	4,205,426,962	2,498,199,660	99,335,599	2,597,535,259			

Refer to Note 57 of the Financial Statements for explanation of variances

57 EXPLANATION FOR VARIANCES:

APPROVED ORIGINAL BUDGET VS APPROVED FINAL BUDGET:

In terms of GRAP 24.27 the changes between the approved original budget and approved final budget are as a consequence of reallocations within the approved original budget and the inclusion of the roll-over of unspent conditional grants as at 30 June 2020 as approved by National Treasury.

The Original Budget was approved on 29 June 2020 for the 2020/21 financial year (01 July 2020 to 30 June 2021), and the Final Budget was approved on 26 February 2021.

NMBM uses the accrual basis of accounting for its Budget.

The reconciliation of the Original approved Budget and Final Adjustment Budget and Actual amounts are shown on the face of the Statement of Financial Position and Statement of Cash Flows, with the reasons in variances explained below.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

57 EXPLANATION FOR VARIANCES CONTINUED:

APPROVED ORIGINAL BUDGET VS APPROVED FINAL BUDGET:

57.1 ACTUAL VERSUS APPROVED FINAL ADJUSTMENT BUDGET (STATEMENT OF FINANCIAL POSITION)

Explanations of Significant Variances and those greater than 10% versus Budget - The 10% threshold was considered to be the best indicator to meet performance.

1 **Total Accumulated Funds**

The accumulated funds variance is affected by all the other variances and their explanations are given below.

2 **Trade and Other Payables / Transfers and Subsidies / VAT**

The above three categories are budgeted together and the variance is based on all three together. The main variance is due to receiving grants that were withheld in the previous financial year, only being paid out in the current financial year.

3 **Current Portion of Longterm liabilities**

The increase in the current portion is due to the increase in new borrowings taken up. The new loan has a shorter repayment term compared to the existing loans, therefore the current portion for the new loan is higher than the existing loans.

4 **Property, Plant and Equipment (PPE) and Heritage Assets**

Refer to Note 54, which gives a breakdown and reasons for the under-expenditure.

5 **Intangible Assets**

Refer to Note 54, which gives a breakdown and reasons for the under-expenditure.

6 **Long-term Receivables - Exchange and Non-Exchange**

Both the above categories have been budgeted together and the variance is based on both. The variance is as a result of consumers who have now entered into new arrangements for longer than 12 months.

7 **Other Receivables - Exchange Transactions and Non-Exchange Transactions**

The increase in Other Receivables is due to accruals being raised for outstanding grants not yet received from NT in the amount of R265 million - refer note 16 for a breakdown of the grants.

8 **Call deposits and Investments**

The increase is due to more money invested.

9 **Bank Balances and Cash**

More money kept in bank account than anticipated as per budget.

57.2 ACTUAL VERSUS APPROVED FINAL ADJUSTMENT BUDGET (STATEMENT OF CASH FLOWS)

Explanations of Significant Variances and those greater than 10% versus Budget - The 10% threshold was considered to be the best indicator to meet performance.

1 **Sale of goods and services, fines and taxes levied**

Refer to Notes 21.1 in the AFS. Reduction is mainly related to the Sale of Electricity, comparing year over year.

2 **Grants**

The increase in grant receipts are due to grant monies withheld during the prior year, received in the current year.

3 **Employee Costs**

Less than anticipated.

4 **Cash paid to Suppliers**

Due to underspending of the Operating and Capital Budgets.

5 **Purchase of Intangibles Assets, Investment Property, Heritage Assets**

When comparing the actual capital expenditure incurred to the final approved budget it results in an overspending of R223 million. Reference is thus made to Note 54, where after the final budget was approved, further budget amendments (virements) was done, for the possible increase in capital expenditure. These amendments were done in the amount of R321 million (Refer columns D-H on Note 54). Therefore reference is also made to the explanations in Note 54.

6 **Movement in Long-term loans (External)**

The budget was based on the inclusion of the new loan.

NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

57 SEGMENTAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

	Water Management	Waste Water Management	Waste Management	Energy Sources	Municipal Governance And Administration	Community And Public Safety	Economic And Environmental Services	Inter Segment Offsetting	Municipality TOTAL	MBDA	Inter-company Offsetting	Economic Entity TOTAL
STATEMENT OF FINANCIAL POSITION												
ASSETS												
Non-current Assets	1,628,603,201	1,535,470,114	-2,017,147	2,713,289,015	-79,225,406	7,605,752,760	4,889,162,451		18,291,034,988	21,242,289		18,312,277,277
Current Assets	614,740,847	260,200,008	564,909,429	1,435,289,458	4,827,149,236	255,040,966	-286,402,980		7,670,926,964	152,392,772	-159,473,208	7,663,846,528
Total Assets	2,243,344,048	1,795,670,122	562,892,282	4,148,578,474	4,747,923,830	7,860,793,726	4,602,759,471	0	25,961,961,953	173,635,061	-159,473,208	25,976,123,806
LIABILITIES												
Non-current Liabilities	-183,940,015	-199,798,031	-57,933,033	-1,019,471,071	-1,610,184,555	0	-574,046,623		-3,645,373,328	-905,950		-3,646,279,278
Current Liabilities	-355,493,553	-116,077,004	-45,158,817	-948,814,652	-1,093,616,917	-242,943,839	-683,442,163		-3,485,546,944	-149,053,861	159,473,208	-3,475,127,597
Total Liabilities	-539,433,568	-315,875,034	-103,091,850	-1,968,285,723	-2,703,801,472	-242,943,839	-1,257,488,786	0	-7,130,920,272	-149,959,811	159,473,208	-7,121,406,875
ADDITIONS TO PPE AND OTHER ASSETS	371,085,135	99,944,530	73,813,369	183,126,559	13,089,693	86,858,795	463,541,005		1,291,459,086	21,242,289	0	1,312,701,375
STATEMENT OF FINANCIAL PERFORMANCE												
REVENUE												
Exchange Revenue	-1,747,344,860	-777,727,901	-301,704,046	-3,886,066,034	-195,371,672	-41,344,326	-57,487,452		-7,007,046,291	-25,923,134	24,517,450	-7,008,451,975
Service Charges	-1,578,366,944.12	-709,116,505.11	-259,810,178.14	-3,967,631,615.12					-6,514,925,242		1,130,555	-6,513,794,687
Interest earned - External Investments					-148,638,889				-148,638,889	-1,400,487		-150,039,376
Interest raised - Outstanding Debtors	-168,265,336.39	-64,297,152.64	-37,340,250.77	81,844,370.65					-188,058,369			-188,058,369
Licences and Permits						-13,226,295	-1,812,654		-15,038,949			-15,038,949
Rental of Facilities and Equipment	-687,765		-4,545,099	-15,763	-10,081,039	-9,925,740	-1,786,107		-27,041,513			-27,041,513
Income for Agency Services					-3,733,209	0	-949		-3,734,158			-3,734,158
Other Revenue	-24,814	-4,314,243	-8,518	-263,027	-32,918,535	-18,192,290	-53,887,742		-109,609,170	-1,135,752		-110,744,922
Transfers and Subsidies - MBDA									-23,386,895	23,386,895		0
Non-exchange Revenue	-475,056,528	-330,632,707	-135,097,330	-183,095,381	-3,334,842,711	-868,993,713	-631,924,075		-5,959,642,444	-104,710,618	99,327,021	-5,965,026,041
Property Rates					-2,513,531,938		7,112,181		-2,506,419,757			-2,506,419,757
Interest raised - Outstanding Debtors					-132,419,617				-132,419,617			-132,419,617
Fines, Penalties and Forfeits				-3,973,962	-55,673,275	-20,267,184	-64,788		-79,979,210			-79,979,210
Transfers and Subsidies	-475,056,528	-330,632,707	-135,097,330	-179,121,419	-633,217,880	-848,726,529	-638,967,929		-3,240,820,322	-104,710,618	99,327,021	-3,246,203,919
Licences and Permits							-3,539		-3,539			-3,539
Inter-segment Revenue	-88,485,583	-74,933,175	-63,932,502	-154,227,860	-649,587,846	-25,519,405	-112,452,443	1,169,138,814	0	0	0	0
Total Revenue	-2,310,886,971	-1,183,293,783	-500,733,879	-4,223,389,276	-4,179,802,228	-935,857,444	-801,863,970	1,169,138,814	-12,966,688,735	-130,633,752	123,844,471	-12,973,478,016
EXPENDITURE												
Employee Related Costs	1,685,331,610	747,830,497	186,645,878	4,480,159,944	1,930,438,155	1,651,747,452	1,630,701,568		12,312,855,104	130,309,428	-123,844,471	12,319,320,061
Employee Related Costs	228,522,655	224,021,211	47,241,602	420,287,590	1,062,937,894	1,199,287,319	691,967,455		3,874,265,724	37,900,960		3,912,166,684
Remuneration of Councillors					76,244,044	0	0		76,244,044			76,244,044
Debt Impairment - Receivables	925,954,832	215,415,420	125,270,428	74,648,723	406,337,208	8,552,476	0		1,756,179,086			1,756,179,086
Debt Impairment - Other					0	15,382,044	0		15,382,044	700,437		16,082,481
Finance Charges	23,186,982	18,049,285	66,170	33,783,625	1,737,035	6,770,555	44,036,934		127,630,586			127,630,586
Bulk Purchases	125,987,239			3,693,906,128	0	0	0		3,819,893,366			3,819,893,366
Transfers and Subsidies					18,329,905	27,704,815	68,246,800		114,281,521		-83,855,610	30,425,911
Contracted Services	78,840,356	126,356,141	2,461,442	57,127,678	98,264,580	71,477,672	292,975,829		727,503,699	11,069,734		738,573,433
Other Expenditure	109,595,578	10,413,958	3,266,361	28,923,384	176,237,417	185,274,104	126,577,884		640,288,686	79,750,036	-39,988,861	680,049,861
Other Materials	38,061,350	17,530,997	8,339,874	39,980,697	7,938,046	19,979,192	24,850,409		156,680,566			156,680,566
Depreciation	155,182,618	136,043,486		131,502,119	32,802,636	99,338,664	382,046,257		936,915,780	854,049		937,769,829
Amortisation					49,609,390				49,609,390	25,817		49,635,207
Impairment						17,980,611			17,980,611			17,980,611
Loss on Disposal of Property, Plant and Equipment									8,395	8,395		8,395
Inter-segment Expenses	144,759,021	218,280,588	125,685,483	140,288,826	210,291,180	233,943,955	95,889,761	-1,169,138,814	0	0	0	0
Total Expenditure	1,830,090,631	966,111,085	312,331,360	4,620,448,770	2,140,729,336	1,885,691,407	1,726,591,329	-1,169,138,814	12,312,855,104	130,309,428	-123,844,471	12,319,320,061
NET SURPLUS FROM OPERATIONS	-480,796,339	-217,182,698	-188,402,518	397,059,495	-2,039,072,893	949,833,963	924,727,358	0	-653,833,632	-324,324	0	-654,157,956

**NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
NOTES TO THE ECONOMIC ENTITY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

58 SEGMENTAL REPORT (continued)

Description of Segments And Principal Activities

The following summary describes the principal activities and operations of each reportable segment.

REPORTABLE SEGMENTS	PRINCIPAL ACTIVITIES AND OPERATIONS
Water Management	Provide residents, business and industry with clean, safe and reliable drinking water. This entails many diverse activities from the management of water catchments areas and water storage distribution.
Wastewater Management	The treatment of wastewater and its safe disposal back into the environment.
Waste Management	Collection and disposal of waste in a safe manner as required by legislation. Ensure the general cleanliness in the city's streets, public spaces, beaches and rivers.
Energy Sources	Distribute electricity to residential, commercial and industrial customers in Nelson Mandela Bay. Construct and maintain the equipment that transforms the power supply for the consumers needs.
Municipal Governance and Administration	This segment is responsible for all aspects of governance and the centralised financial administration of the municipality. Various transactions are managed and administered centrally.
Community and Public Safety	This segment consists of a combination of various departments with aligned objectives: <ul style="list-style-type: none"> •Community and Social Services aims to provide community facilities, spaces and services, as well as developmental programmes in support of building communities and individuals capabilities towards improved social well-being. •Sport and Recreation provide world-class facilities and programmes such as community centres, district and regional parks, resorts, sports grounds/fields and cemeteries. •Public Safety is responsible for crime prevention, by-law and traffic enforcement. •Housing manages the Nelson Mandela Bay's public housing assets.
Economic and Environmental Services	This segment consists of a combination of various departments with aligned objectives: <ul style="list-style-type: none"> •Urban Planning and Development provide spatial and integrated planning, and land use management in accordance with by-laws. •Road Transport develop, maintain and manages the roads and stormwater infrastructure of Nelson Mandela Bay. •Environmental Protection coordinate and facilitate the implementation of Nelson Mandela Bay's Environmental Strategy to manage and protect the environment and ensure Nelson Mandela Bay's long-term environmental sustainability.
MBDA and Intercompany-offsetting	MBDA (Mandela Bay Development Agency) is the only entity of the Municipality, and includes all transactions relating to the entity, therefore it is 100% consolidated. The intercompany-offsetting relates to all the transactions between the Municipality and MBDA.
Centrally incurred assets, liabilities, revenue and expenditure	Cash and investments, have not been allocated to individual segments as these are managed centrally by the treasury department. Similarly, external interest related to cash, investments are not allocated to individual segments. All these items are allocated to the Municipal governance and administration segment.

Appendix A
ECONOMIC ENTITY

DISCLOSURES OF CONDITIONAL GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003 FOR THE YEAR ENDED 30 JUNE 2021

Name of Grants	Name of Organ of State	Quarterly Receipts				Total Funds Received	Quarterly Expenditure					Reasons for Delay	Did Municipality comply with grant conditions
		July-Sept	Oct-Dec	Jan- Mar	April-June		July-Sept	Oct-Dec	Jan- Mar	April-June	Total Spent		
Financial Management Grant	NT		1,000,000	-	-	1,000,000	107,782	114,380	107,677	670,161	1,000,000	N / A	Yes
Urban Settlement Development Grant	DPLG		566,717,000	639,163,000		1,205,880,000	46,435,317	107,600,811	165,976,225	627,810,829	947,823,183	N / A	Yes
Transport or PTIS	NT		129,052,000	86,964,000	133,370,000	349,386,000	7,000,170	14,129,909	36,348,002	156,769,090	214,247,171	N / A	Yes
Neighbourhood Development Partnership Grant	NT			15,000,000		15,000,000				12,842,378.30	12,842,378	N / A	Yes
Expanded Public Works Programme Intergrated Grant	NT			10,117,000		10,117,000	1,520,996	3,044,024	2,585,716	2,966,264	10,117,000	N / A	Yes
Infrastructure Skill Development Grant	NT		5,250,000	4,556,000		9,806,000	1,943,513	1,999,022	1,978,933	1,991,839	7,913,307	N / A	Yes
Intergrated City Development Grant	NT		5,241,000	5,115,000		10,356,000			903,351	4,160,503	5,063,854	N / A	Yes
Energy Efficiency and Demand Side Management	NT		2,000,000	4,300,000		6,300,000				6,300,000	6,300,000	N / A	Yes

**Appendix B - Unaudited
ECONOMIC ENTITY
TOTAL ACCUMULATED FUNDS FOR THE YEAR ENDED 30 JUNE 2021**

TOTAL ACCUMULATED FUNDS	2021	2020
	R	R
Made up as follows:		
Capital Replacement Reserve	113,684,823	227,353,908
Government Grant Reserve	11,335,669,782	10,446,421,817
Donations and Public Contributions Reserves	492,138,572	461,183,174
Self-Insurance Reserve	115,122,651	85,600,224
COVID Reserve	51,175,135	46,521,089
Accumulated Surplus	6,746,925,963	6,934,741,787
	<u>18,854,716,926</u>	<u>18,201,821,999</u>

VOLUME III

**AUDIT REPORT BY AUDITOR-GENERAL
OF NELSON MANDELA BAY MUNICIPALITY**

Report of the auditor-general to the Eastern Cape Provincial Legislature and council on Nelson Mandela Bay Metropolitan Municipality and its municipal entity

Report on the audit of the consolidated and separate financial statements

Qualified opinion

1. I have audited the consolidated and separate financial statements of the Nelson Mandela Bay Metropolitan Municipality and its municipal entity (group) set out on pages .1 to 103^(Volume I) which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets and statement of cash flows for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of my report, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the group as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 4 of 2020 (Dora).

Basis for qualified opinion

Property, plant and equipment

3. The municipality did not adequately assess at each reporting date whether there were any indications that the expectations on the useful lives of property, plant and equipment had changed in accordance with GRAP 17, *Property, plant and equipment*. I was unable to determine the impact on property, plant and equipment stated at R17,7 billion (2020: R17,3 billion) in note 9 to the financial statements as well as depreciation stated at R937,8 million and R936,9 million (2020: R957,2 million and R858,3 million) in note 31.1 to the consolidated and separate financial statements, as it was impracticable to do so. There was also an impact on the surplus for the period and on the accumulated surplus which was impracticable to determine.
4. Included in property, plant and equipment are infrastructure assets of R12,9 billion disclosed in note 9 to the consolidated and separate financial statements. I was unable to obtain sufficient appropriate evidence that the municipality had appropriately accounted for and disclosed these assets due to the status of the accounting records. Certain infrastructure assets could not be supported by complete and accurate underlying records. I could not confirm infrastructure assets by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to infrastructure assets.

5. As a result of the misstatements on depreciation, I was unable to obtain sufficient appropriate audit evidence that the municipality correctly calculated unauthorised expenditure in the current year. I was unable to confirm the unauthorised expenditure by alternative means. Consequently, I was unable to determine whether any adjustments were necessary to the unauthorised expenditure stated at R849,5 million in note 44.1 to the consolidated and separate financial statements.

Trade receivables - exchange transactions

6. The municipality did not have adequate systems for recording and accounting for indigent debtors. Some indigent subsidies were provided to consumers that did not qualify for the indigent subsidies and supporting evidence could not be provided for the indigent subsidies of some consumers. I was unable to determine the full extent of the misstatements to trade receivables from exchange transactions stated at R2,3 billion in note 15 to the consolidated and separate financial statements as well as the related service charges in note 21.1 to the consolidated and separate financial statements, as it was impractical to do so. There was also an impact on the surplus for the period and on the accumulated surplus which was impracticable to determine.

Context for the opinion

7. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the consolidated and separate financial statements section of my report.
8. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
9. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of matters

10. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

11. As disclosed in note 40 to the consolidated and separate financial statements, the corresponding figures for 30 June 2020 have been restated as a result of errors identified in the consolidated and separate financial statements of the municipality at, and for the year ended, 30 June 2021.

Material losses and impairment

12. As disclosed in notes 15 and 16 to the consolidated and separate financial statements, material impairment allowances of R3,9 billion (2020: R2,6 billion) and R1,4 billion (2020: R1,1 billion) were made against trade receivables – exchange and non-exchange transactions respectively. The net movement in these impairment allowances together with the bad debt write-offs resulted in an impairment expense of R1,8 billion (2020: R1,1 billion).
13. As disclosed in note 35.9 to the consolidated and separate financial statements, material water losses of R217,1 million (2020: R180,7 million) were incurred, which represented 40% (2020: 43%) of the total water cost. The non-technical losses of 11% were as a result of unauthorised consumption due to theft or illegal use and all technical and administrative inaccuracies associated with customer metering.
14. As disclosed in note 35.10 to the consolidated and separate financial statements, material electricity losses of R651,6 million (2020: R558,6 million) were incurred, which represented 21,63% (2020: 20,3%) of the total electricity purchased. The non-technical losses of 15,6% were as a result of faulty meters, theft through illegal connections and meter tampering.

Underspending on conditional grants

15. As disclosed in note 22.16 to the consolidated and separate financial statements, the urban settlement development grant had an unspent portion amounting to R175,1 million. The grant is used to improve urban land production for the benefit of poor households as well as improving spatial integration and densities.

Other matter

16. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure note

17. In terms of section 125(2)(e) of the MFMA, the municipality and its municipal entity are required to disclose particulars of non-compliance with the MFMA in the consolidated and separate financial statements. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the consolidated and separate financial statements

18. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

19. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the consolidated and separate financial statements

20. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

21. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

22. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected key performance areas presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

23. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

24. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected key performance area presented in the municipality's annual performance report for the year ended 30 June 2021:

Key performance area (KPA)	Pages in the annual performance report
KPA 1 - Basic service delivery	459 - 464

25. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

26. The material findings on the usefulness and reliability of the performance information of the selected key performance area are as follows:

KPA 1 - Basic service delivery

Various indicators

27. Adequate systems and processes were not established to enable consistent measurement and reliable reporting of performance against the predetermined indicator definitions. As a result, I was unable to obtain sufficient appropriate audit evidence for the achievements reported in the annual performance report. I was unable to confirm these achievements by alternative means. Consequently, I was unable to determine whether any adjustments were required to the reported achievements for the indicators listed below.

Indicator number	Indicator description	Planned target	Reported achievement
KPI 24	Percentage of complaints/callouts responded to within 24 hours (sanitation/wastewater)	100%	23.78%
KPI 25	Percentage of complaints/ callouts responded to within 24 hours (water)	100%	23.56%

Other matter

28. I draw attention to the matter below.

Achievement of planned targets

29. Refer to the annual performance report on pages ⁴⁵⁹ to ⁴⁶⁷ for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraph 27 of this report.

Report on the audit of compliance with legislation

Introduction and scope

30. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
31. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

32. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of revenue and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements and supporting records that could not be provided resulted in the financial statements receiving a qualified audit opinion.

Strategic planning and performance management

33. The performance management system and related controls were inadequate as they did not describe how the performance measurement processes should be managed, as required by municipal planning and performance management regulation 7(1).

Asset management

34. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Expenditure management

35. Reasonable steps were not taken to prevent irregular expenditure amounting to R1,4 billion as disclosed in note 44.2 to the annual financial statements of the municipality, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with supply chain management (SCM) legislation.
36. Reasonable steps were not taken to prevent unauthorised expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the unauthorised expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed unauthorised expenditure was caused by overspending of the total amount appropriated for certain votes in the approved budget.

Consequence management

37. Irregular expenditure incurred by the municipality was not investigated to determine whether any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.

38. Fruitless and wasteful expenditure incurred by the municipality was not investigated to determine whether any person was liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Procurement and contract management

39. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1). Similar non-compliance was also reported in the prior year.
40. Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA. Similar limitation was also reported in the prior year.
41. Persons in service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of the code of conduct for councillors issued in terms of the Municipal Systems Act 32 of 2000 (MSA) and the code of conduct for staff members issued in terms of the MSA.

Other information

42. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated and separate financial statements, the auditor's report and the selected key performance area presented in the annual performance report that have been specifically reported in this auditor's report.
43. My opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
44. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected key performance area presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
45. I have nothing to report in this regard.

Internal control deficiencies

46. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the performance report and the findings on compliance with legislation included in this report.
47. There was instability at the leadership and management level of the municipality. In addition, leadership did not stabilise the internal control environment through their oversight role to enable effective reporting on the municipality's financial and performance results, and to ensure compliance with legislative requirements.
48. Management did not consistently implement daily, weekly and monthly financial and performance management disciplines. In addition, key risks relating to financial and performance reporting as well as supply chain management were not actively managed during the year under review.
49. Management's review and monitoring processes for compliance were not effective to ensure compliance with legislative requirements.

Material irregularities

50. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of the material irregularities reported in the previous year's auditor's report.

Status of previously reported material irregularities

Payment for services not received: Stormwater drain cleaning: Supplier 1

51. The municipality paid R10,1 million on 19 December 2018 for the provision of stormwater drain cleaning services which were not rendered to the municipality. This resulted in non-compliance with section 65(2)(a) of the MFMA which requires that the municipality have and maintain an effective system of expenditure control relating to the approval, authorisation, and payment of funds. The non-compliance with legislation is likely to result in a material financial loss if the municipality does not recover the money paid to the service provider.
52. The accounting officer was notified of the material irregularity on 13 December 2019 and invited to make a written submission on the actions taken or to be taken to address the matter.

53. An investigation into the matter by the provincial Hawks unit commenced in January 2020 and the municipality is co-operating with the investigation. The municipality has appointed a forensic investigator to assist in quantifying the value of the financial loss incurred and to compile further evidence for the submission to the Hawks unit. On conclusion of the investigation, the municipality intends to pursue the recovery of losses incurred and consequence management against the identified responsible official(s). I will follow up on the investigation and the implementation of the planned actions during my next audit.

Payment for services not received: Stormwater drain cleaning: Supplier 2

54. The municipality paid R10,1 million on 19 December 2018 for the provision of stormwater drain cleaning services which were not rendered to the municipality. This resulted in non-compliance with section 65(2)(a) of the MFMA which requires that the municipality have and maintain an effective system of expenditure control relating to the approval, authorisation, and payment of funds. The non-compliance with legislation is likely to result in a material financial loss if the municipality does not recover the money paid to the service provider.

55. The accounting officer was notified of the material irregularity on 13 December 2019 and invited to make a written submission on the actions taken or to be taken to address the matter.

56. An investigation into the matter by the provincial Hawks unit commenced in January 2020 and the municipality is co-operating with the investigation. The municipality has appointed a forensic investigator to assist in quantifying the value of the financial loss incurred and to compile further evidence for the submission to the Hawks unit. On conclusion of the investigation, the municipality intends to pursue the recovery of losses incurred and consequence management against the identified responsible official(s). I will follow up on the investigation and the implementation of the planned actions during my next audit.

Interest not charged on debtors

57. The municipality did not charge interest on arrears. Debtors who had entered into long-term arrangement agreements with the municipality were not charged interest in the 2018-19 financial year. This resulted in non-compliance with section 64(2)(g) of the MFMA which requires that the municipality charge interest on arrears, except where the council had granted exemptions. The municipality is likely to suffer a material financial loss if interest is not charged on the outstanding accounts and the debt is not recovered.

58. The accounting officer was notified of the material irregularity on 9 December 2019 and invited to make a written submission on the actions taken or to be taken to address the matter.

59. The following actions have been taken to resolve the material irregularity:

- A preliminary investigation completed in February 2020 by the billing coordination division in consultation with the debtor management division, determined that the accounting system was not charging interest on the capital portion that is subject to the arrangement. The outcome of the investigation also indicated that the material irregularity is a result of a system deficiency.

- The accounting system was programmed in February 2020 to raise interest every month. The raising of interest on arrangement debt is now an inherent part of the municipality's accounting system. The municipality has been raising interest on all its interest-bearing long-term arrangements with effect from February 2020.
- The accounting officer prepared and tabled a detailed item to the budget and treasury standing committee in June 2021 and to council for consideration and approval. The accounting officer proposed that interest on arrangements should not be raised retrospectively for the period where the interest on arrangements had not been raised.

60. The material irregularity is resolved.

Revenue for water and sanitation services not calculated on a monthly basis

61. The municipality did not charge for service charges for the year ended 30 June 2019. It was found that 1237 properties were not billed for the sale of water, sanitation and sewerage services provided by the municipality. This resulted in non-compliance with section 64(2)(b) of the MFMA which requires revenue due to the municipality to be calculated on a monthly basis. The municipality is likely to suffer a material financial loss if service charges are not being billed.
62. The accounting officer was notified of the material irregularity on 13 December 2019 and invited to make a written submission on the actions taken or to be taken to address the matter.
63. The following action has been taken to resolve the material irregularity:
- The service level agreement (SLA) between Budget and Treasury, Infrastructure and Engineering and Human Settlements Directorates was signed on 7 July 2021. The SLA outlines the value chain process between Human Settlements, Infrastructure and Engineering Directorate and Budget and Treasury Directorate in respect of the installation of new water meters, as well as linking them to the billing system.
64. The accounting officer further plans to ensure that the following actions are implemented to resolve the material irregularity:
- Monthly reporting to identify properties without water related services on the billing system.
 - The monthly report will be sent to the Infrastructure and Engineering Directorate for investigation.
 - Monthly meeting to be held between Revenue Management Customer Care Sub-directorate, Infrastructure, and Engineering Directorate.
65. The implementation of the above planned actions will be further followed up during the next audit.

Revenue for water and sanitation services not calculated on a monthly basis

66. The municipality did not charge for service charges for the year ended 30 June 2020. It was found that 7255 properties were not billed for the sale of water, sanitation and sewerage services provided by the municipality. This resulted in non-compliance with section 64(2)(b) of the MFMA which requires revenue due to the municipality to be calculated on a monthly basis. The municipality is likely to suffer a material financial loss if service services are not being billed.
67. The accounting officer was notified of the material irregularity on 1 September 2021 and invited to make a written submission on the actions taken or to be taken to address the matter.
68. The following actions have been taken to resolve the material irregularity:
- The SLA between Budget and Treasury, Infrastructure and Engineering and Human Settlements Directorates was signed on 7 July 2021. The SLA outlines the value chain process between Human Settlements, Infrastructure and Engineering Directorate and Budget and Treasury Directorate in respect of the installation of new water meters, as well as linking them to the billing system.
69. The accounting officer further plans to ensure that the following actions are implemented to resolve the material irregularity:
- Monthly reporting to identify properties without water-related services on the billing system.
 - The monthly report will be sent to the Infrastructure and Engineering Directorate for investigation.
 - Infrastructure and Engineering Directorate is in the process of reviewing their internal business processes relating to the transfer of meter installation information to the billing system.
 - Internal Audit and Risk Assurance to include as part of their audit readiness assessment for 2021-22, the review of the internal controls that have been implemented through the SLA and subsequent standard operating procedures between Budget and Treasury, Infrastructure and Engineering and the Human Settlements Directorates.
 - Infrastructure and Engineering Directorate is in the process of procuring additional resources to enable the physical verification of water meters on properties and to enable an improved turnaround time.
70. The implementation of the above planned actions will be further followed up during the next audit.

Other reports

71. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's consolidated and separate financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the consolidated and separate financial statements or my findings on the reported performance information or compliance with legislation.
72. In the current year, the Special Investigations Unit conducted an investigation into the construction of toilets meant for informal settlements, in response to the covid-19 pandemic and the provision of facemasks. Not all SCM processes had been followed in the appointment of the service providers. Disciplinary proceedings against the implicated officials are in progress based on the preliminary findings of the investigation.

Auditor - General

East London

28 February 2022



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

Annexure – Auditor-general’s responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated and separate financial statements and the procedures performed on reported performance information for selected key performance areas and on the municipality’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the consolidated and separate financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the consolidated and separate financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Nelson Mandela Bay Metropolitan Municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the consolidated and separate financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the consolidated and separate financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a municipality to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and determine whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation
 - obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

VOLUME IV
AUDIT COMMITTEE REPORT

ANNUAL REPORT OF THE AUDIT COMMITTEE TO THE COUNCIL OF THE NELSON MANDELA BAY MUNICIPALITY (2020/2021)

OBJECTIVE

The purpose of this report is to present the Audit Committee's progress to date in carrying out its oversight responsibilities, including oversight for the statutory audit process including the Audit Committee's review meetings to 30 June 2021.

TERMS OF REFERENCE

The mandate of the Audit Committee is legislated in terms of section 166 of the Municipal Finance Management Act, 2003 (MFMA) which requires the Audit Committee to advise the Accounting Officer and Council on matters relating to: Internal financial control and internal audits; risk management; adequacy, reliability and accuracy of financial reporting and information; Accounting policies; performance management and evaluation; effective governance; Compliance with the MFMA, the Annual Division of Revenue Act (DORA) and any other applicable legislation and / or policies and any other issues referred to it by the municipality.

The Audit Committee is also required to fulfil the functions of a Performance Management Committee constituted in terms of sections 38 and 41 of the Municipal Systems act No 32 of 2000 and Regulation 14(2) of the Local Government: Municipal Planning and Performance Management Regulations, 2001: Review and advise in terms of the provisions of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006.

The MFMA also requires the Audit Committee to review the Annual Financial Statements, respond to Council on matters raised by the Auditor General South Africa (AGSA) and carry out investigations into the financial affairs of the Municipality.

The Audit Committee assists Council in fulfilling its oversight responsibilities in helping to ensure high quality financial and performance management reporting as well as effective internal control.

COMPOSITION OF THE AUDIT COMMITTEE AND ATTENDANCE

The Audit Committee comprises five independent members. The Acting / City Manager, the Executive Mayor and the Auditor General South Africa (AGSA) have standing invitations to all Committee meetings. An independent member chairs the Committee. Both the Internal and External Auditors have unrestricted access to the Audit Committee. The Audit Committee have held meetings as set out below from July 2020 to June 2021.

Names of members	Appointed – (Contract End Date)
Younus Amod (Chairperson)	October 2020
Daniel de Lange	April 2021
Michelle Wait	April 2021
Sizwe Nyenyiso	April 2021
Ronel Shaw	April 2021
Greg Billson (Previous Chairperson)	April 2014 – (31 March 2021)
Jose Neves	April 2014 – (31 March 2021)
Tracy Cumming	September 2014 – (31 March 2021)
Glen Zamisa	October 2017(resigned November 2019)

Meetings were held as follows:

27 July 2020	Internal Audit and Audit Committee Meeting
9 October 2020	Annual Financial Statement review. Performance Management Report review.
12 October 2020	Annual Financial Statement review. Performance Management Report review.
30 October 2020	Second Review of Updated Annual Financial Statements
21 January 2021	Quarterly Audit Committee meeting
19 April 2021	New Audit Committee Induction
26 April 2021	Special Audit Committee Meeting – Draft IDP and Budget for 2021/2022
6 May 2021	Quarterly Audit Committee meeting
22 June 2021	Quarterly Audit Committee meeting
24 June 2021	Continuation – Quarterly Meeting of 22 June 2021

Additional meeting dates with Management:

15 July 2020	Meeting between Audit Committee Chairperson and the Acting City Manager to discuss priority issues and concerns
24 July 2020	Meeting between Director Internal Audit and Audit Committee – Hand Over meeting
30 November 2020	Meeting between Audit Committee Chairperson and the Acting City Manager to discuss priority issues and concerns
7 December 2020	Meeting between Audit Committee Chairperson, Mr. Y Amod and the Director Internal Audit and Risk Assurance
18 January 2021	Meeting between Audit Committee Chairperson and Acting City Manager – Forensic Report Review
11 February 2021	Meeting with Executive Mayor and Acting City Manager to discuss Audit Committee priority issues and concerns
23 April 2021	Meeting between New Audit Committee and City Manager – Introduction meeting

Additional meeting dates with MPAC and the Chairperson of the Audit Committee:

14 July 2020	Meeting between Audit Committee Chairperson and MPAC to discuss priority issues and concerns
21 July 2020	Meeting between Audit Committee Chairperson and MPAC to discuss priority issues and concerns
30 July 2020	Audit Committee Chairperson attending MPAC meeting
06 August 2020	Audit Committee Chairperson attending MPAC meeting
18 August 2020	Audit Committee Chairperson attending MPAC meeting
08 September 2020	Meeting between Audit Committee Chairperson, MPAC and Acting City Manager to discuss issues regarding MBDA.
14 October 2020	Meeting between Audit Committee Chairperson, MPAC and Acting City Manager to discuss issues regarding MBDA.
5 November 2020	Audit Committee Chairperson attending MPAC meeting

1. Internal financial control and internal audits

The Internal Audit unit completed and issued final reports in respect of 19% of its original audit plan for the 2020/21 financial year and 31% of its amended audit Plan.

The low performance in executing the Internal Audit Plan results in the Nelson Mandela Bay Municipality not being provided with the assurance required that the Municipality operates in an environment of acceptable risk. It is probable that the Auditor General will determine areas of serious unidentified risk that were not identified by the Internal Audit Directorate. A further contributing factor re: underperformance is the lack of a cascaded performance management system to lower levels of staff.

The under-performance in respect of executing the audit plan is also resultant of the under capacity in staffing within the Internal Audit sub-directorate. This concern has been raised on numerous occasions over the past few years, with the Acting City Manager, and even the Executive Mayor, without much progress, due to budget constraints.

The Internal Audit sub-directorate reports to the Audit Committee on a quarterly basis in respect of the progress achieved in executing the audit plan. Amendments to the audit plan are approved by the Audit Committee.

Internal Audit review:

- The Audit Committee reviewed the adequacy, reliability and accuracy of financial reporting and information.
- The Audit Committee reviewed and agreed to the Accounting Policies in place when reviewing the Annual Financial Statements (AFS) at the Special Audit Committee meeting to review the AFS prior to submission to the AGSA.
- Internal financial controls were considered in reviewing the findings of internal audits.

- Management draw conclusions on the adequacy and effectiveness of the system of internal controls through the review of Internal Audit assurance reports.
- The Audit Committee notes a continued lack of attention by management in effectively addressing reported weaknesses in control, deficiencies in systems and recommendations for improvement. A low response rate to addressing reported weaknesses is evident together with a high failure rate to adequately and effectively address noted control weaknesses by Internal Audit and the Auditor General. This is a repeat finding noted with concern by the Audit Committee where the general lack of addressing Internal Audit and Auditor General findings result in continued serious control weaknesses and new findings by the Auditor General.
- The Risk Committee have worked with management to ensure relevant policies and procedures are in place and these are adequate, effective and regularly updated. Quarterly risk assessments were performed by the Risk Management Unit.
- In reviewing whether management encourages ethical and lawful behaviour, financial discipline and accountability for the use of public resources, consideration should be given to greater accountability and consequence management being implemented in cases of mismanagement of resources.
- The Audit Committee notes with serious concern the continued incidences of, and accumulation of Unauthorised, Irregular, Fruitless and Wasteful Expenditure over a number of financial years which has not been dealt with adequately.
- The Audit Committee notes with concern the significant water and electricity losses for the current and past financial years, which have not been addressed adequately.
- The Audit Committee notes that little / no consequence management is evident in respect of senior managements' non-performance in dealing with high-risk Internal Audit and Auditor General findings. There appears to be no mechanism available to the Accounting Officer to deal with continued long-term non-performance by management in addressing the reported findings.
- The Audit Committee have escalated their concerns to the Chairperson of Municipal Public Accounts Committee (MPAC) and the Acting City Manager (ACM). A detailed register of key Audit Committee concerns has been prepared as a working document to monitor progress in identified areas of concern.
- Internal Audit have prepared, in consultation with the Audit Committee and for their approval:
 - A three-year rolling strategic internal audit plan
 - An annual internal audit plan
 - The plan addresses the high-risk areas identified in consultation with the Risk Committee. Capacity constraints within Internal Audit impacted

negatively on the execution of the Audit Plan, resulting in Internal Audit being unable to provide the Nelson Mandela Bay Municipality with the required levels of assurance.

- Internal Audit monitors the risk and opportunity profile regularly and proposes revisions to the audit plan accordingly, with the approval of the Audit Committee. The amendments to the Audit Plan have limited the assurance required to be provided.
- Internal Audit plans indicate the scope of each audit in the annual internal audit plan.
- The Audit Committee have noted that the normal Internal Audit internal self-assessment which happens on an annual basis, did not occur during the 2020/2021 financial year as most Client directorates were functioning on a rotational basis. An external independent quality review is expected to be performed in the 2021/2022 financial year.
- The Audit Committee reviewed the Internal Audit Charter and the Audit Committee Charter, with amendments having been made thereto and approved in October 2021.
- The Audit Committee have reviewed the organizational structure, competence and qualifications of the IA sub-directorate. The Internal Audit sub-directorate is under-capacitated. Key personnel have retired and resigned which has further incapacitated the Internal Audit Directorate. Existing Assistant Auditor contracts and three auditor contracts terminate on 10 March 2021 and 31 March 2021 respectively. This further reduction in capacity within the Internal Audit sub-directorate will have a negative impact on the Municipality and the control environment being reported on by Internal Audit.
- In the evaluation of the adequacy of performance of the Internal Audit sub-directorate, including the degree of co-operation with External Auditors, the Audit Committee consider the performance of Internal Audit to be below the required performance levels. Executing below 30% of the original audit plan highlights a high level of under-performance. Urgent attention is required to address capacity within Internal Audit which will ensure that the sub-directorate is able to provide an acceptable level of assurance within the Nelson Mandela Bay Municipality.
- The assurance reports issued together with recommended remedial action is considered adequate. Effective action by management in addressing high risk findings remains inadequate. The repeat findings, year on year, are the result of management not effectively addressing noted high risk findings.
- Assurance reports are often concerning, indicating 'extreme' findings. Executive Directorship and management should actively work on addressing those agreed upon findings, together with implementing the recommended and agreed-to remedial actions. A close proactive working relationship between Executive

Management and Internal Audit is essential. In the absence of such a working relationship, repeat findings are likely to remain the norm.

- The Audit Committee have noted that no restrictions or limitations are placed on the Internal Audit sub-directorate in the execution of their mandate.
- Internal Audit, the Director: Internal Audit and Risk Assurance and other specialists in the third line of assurance are independent from management that designed and implemented the controls
- A review of the quarterly performance reports submitted by Internal Audit takes place and includes:
 - Supply Chain Management, Irregular Expenditure, Financial Management, Compliance with Policies and Regulations, Corporate Governance, Major Capital Projects, Water Losses, Compliance with the Division of Revenue Act (DORA), HR effectiveness, Assistance to the Poor programme (ATTP), Leave Accrual, Financial Statement close process, Income from Electricity, and the critically important area of mSCOA implementation.
- Internal Audit conducted five specific reviews of the AG action plan for 2020/2021 (Audit Implementation Plan) which showed that most directorates achieved limited progress in addressing Auditor General high-risk findings. The Municipality remains exposed to the risk of future qualifications or new emphasis of matters. There is limited evidence of action taken to address *high risk repeat* audit findings. No consequence management is evident in the lack of addressing these high-risk findings by management.
- Only high-risk findings are reported on through the Audit Implementation Plan. With the lack of progress noted in addressing Internal Audit and Auditor General high-risk findings, it must be assumed that similarly, limited progress is being achieved in addressing medium / lower risks identified. This is a repeat observation by the Audit Committee.
- The lack of progress in addressing audit findings results in the municipality:
 - Conducting operations in a weak control environment,
 - Being exposed to increased high risks of inaccurate information and errors,
 - Management being unable to detect incidents of possible fraud.
- Both Internal Audit and the Audit Committee reviewed the Annual Financial Statements and the Annual Performance Report prior to submission thereof to the Auditor General.
- The Committee further received copies of all Communications of Audit Findings throughout the regularity audit. The final Auditor General Audit Report and Management Report were also presented to the Audit Committee.

2. Auditor General – External audit

- The Audit Committee met with the Auditor General to review whether the Auditor General felt there were any restrictions placed on the external audit. The Auditor General noted that there were no restrictions.
- The audit strategy for the 2020/2021 audit was presented to the Audit Committee for review by the external auditors.
- No significant disagreements between External Auditors and management were noted.
- No material unsolved accounting and auditing problems were noted.
- The Audit Committee does not have any additional significant audit matters to disclose that arose from the audit, other than those that have been highlighted by the Auditor General.
- The Audit Committee met with Internal and External Auditors during the year without management being present to create an opportunity for views and concerns to be raised that may not be appropriate in an open forum.
- The Audit Committee considers the performance of External Auditors to be adequate.

3. Combined assurance

The Audit Committee notes with concern that no steps have been taken to implement a combined assurance model.

4. Forensic investigations

- Feedback by management and evidence on the resolutions of numerous forensic investigations dating back to 2013 remain outstanding.
- Substantial costs have been incurred through forensic investigations undertaken with no evidence of action in respect of forensic findings.
- Five forensic reports has been issued by Internal Audit during the financial year under review. However, not all these reports were submitted to the Audit Committee for review.
- The forensic unit reporting structure was changed to the head of forensics reporting to the Office of the City Manager. This was rectified with the retirement of the Director Internal Audit. The Audit Committee notes with concern that this reporting structure may have compromised the independence of the forensic unit during the period where the head of forensics was reporting to the Office of the City Manager.

5. Risk Management, Control and Corporate Governance

- The Audit Committee, through the review of assurance reports, oversees:
 - Financial reporting risks
 - Internal financial controls
 - Fraud risks as it relates to financial reporting
 - IT risks as they relate to financial reporting.
- The Audit Committee together with the Risk Management Committee considers that the internal audit work carried out will assist in improving the effectiveness of risk management, control and governance processes.
- The Audit Committee continues to review those recommendations made by the Risk Management Committee.
- The Risk Management Committee continues to contribute effectively to identifying high risk areas. The Risk Management Unit remains under capacitated where additional resources would contribute to identifying additional risks providing for an improved control environment. The Audit Committee notes the appointment of an independent Risk Committee Chairperson with effect from 1 April 2021.
- The impasse between the Nelson Mandela Bay Municipality and the service provider developing mSCOA has resulted in the absence of an integrated system. The total cost, of approximately R90 million has been considered fruitless and wasteful expenditure by the AGSA.
- The service provider for the mSCOA system has been unable to produce a working module to date. No evidence of any consequence management in this matter has been noted.
- The Audit Committee express their disappointment that their previous concerns noted re: mSCOA implementation has come to fruition. This item remains a material matter in respect of on-going non-compliance.
- The Audit Committee also notes that the appointment of SITA as the project manager to ensure the implementation of Phase 1 of the revised mSCOA implementation project, has to date, proved unsuccessful. The municipality's legacy system remains non-compliant to mSCOA regulations.
- The Office of the Accounting Officer remains occupied by an acting executive. The continuous appointment of an acting executive may lead to the municipality facing negative consequences in respect of conditional grants unless the approval for an extension is obtained from the MEC or a permanent appointment is made in this position. It also negatively impacts the control environment, and accountability and consequence management; and creates instability within the senior management of the municipality.

6. Financial Reporting

- The Audit Committee have reviewed the expertise, resources and experience of the municipalities finance function which are considered to be adequate.
- The Audit Committee do consider that the financial disclosures made by management are objective, complete, timely and show council's financial position, results of operations, plans and long-term commitments.
- Through the Annual Financial Statement review process, the Audit Committee have considered the quality, value and effectiveness of financial information produced together with the Accounting Policies with recommendations for amendments and changes being affected.

7. Performance management and evaluation

- The Audit Committee is responsible to report to Council, the political office bearers, the Accounting Officer and management on matters relating to performance management:
 - The Audit Committee reviewed the Performance Management Report for the 2020/2021 year. The Performance Management Report was considered accurate by the Audit Committee.
- The Audit Committee reviewed the relevance of noted indicators together with their measurability in relation to services performed.
- Where the performance reviews are not scheduled and conducted during the first quarter of a new year, little / no value is secured through relevant noted non-performance and the appropriate remedial actions being taken.
- The Chairman of the Audit Committee was invited to the Performance Reviews of the Section 57 managers, but these meetings were postponed.

8. IT Governance

The Nelson Mandela Bay Municipality employed an IT specialist with effect from 1 April 2020. He is currently being utilised for all types of Audits and Forensic investigations as is the only Chief Audit currently in the Internal Audit and Risk Assurance department.

9. Legal and Policy compliance

- Excessive costs continue to be noted in outsourcing legal services. Management should remain vigilant in monitoring external legal costs, where these are unavoidable, where internal legal services are not permitted to represent the NMBM.

- A review of legal services should be conducted to determine whether limitations in capacity or competencies exist.

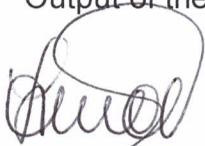
10. Effective governance

- The considerable number of changes in personnel in the office of the Accounting Officer and Executive Directors acting, is having a detrimental impact on the effective administrative management of the Municipality.
- The Audit Committee have met with numerous of the appointed Acting Accounting Officers, where no hand-over from old to new incumbent takes place, insofar as the Audit Committee's scheduled meetings and notes of concerns raised. The Audit Committee thus has found itself in a position of having had to repeat their noted concerns on numerous occasions with little or no action being taken or evident on the part of the Office of the Accounting Officer.
- The Audit Committee's effectiveness is compromised where required senior management representation are unable to attend scheduled Audit Committee meetings.
- The numerous delays and breakdowns in council meetings has severely impacted on the operational effectiveness of the Nelson Mandela Bay Municipality.
- The Audit Committee is required to consider matters relating to the discharge by management and the Council of their duties relating to risk management and safeguarding of assets, financial and operational controls, the operation of adequate systems and the reliability and credibility of financial reporting. As noted, identified high risk findings and forensic investigative findings should be dealt with expediently to ensure optimal performance within an effective control environment.
- No evidence of medium to long term succession planning for all key positions is noted.
- The Audit Committee notes numerous challenges in Contracts management. Further the MBDA's Audit Committee contracts expired leaving the entity without an audit committee overseeing the entity as is required. The MBDA subsequently took the decision in August 2021 to utilise and appoint the Audit Committee of the Nelson Mandela Bay Municipality for the required regulatory reviews. The MBDA's Board of Directors' contracts expired without a new board being appointed (The directors were issued with letters of termination on 6 July 2020), with the current Board of the MBDA functioning on a Month to Month basis.
- An approved organogram of the Municipality remains outstanding. Substantial, material costs, have been incurred in both the TASK and JAMM processes undertaken to date, with no final agreed to organograms having been put in place. These material costs would be considered fruitless and wasteful.

Conclusion

The Audit Committee note the following areas of concern:

- Addressing high risk findings by the Auditor General and Internal Audit.
- Internal Audit capacity constraints.
- Finalising the long outstanding Municipal organogram.
- Dealing with suspended officials within the required timeframes.
- Evaluate mSCOA compliance and review the way forward with the current implementation plan
- Performance evaluations to be carried out as soon after year end as possible.
- Output of the forensic unit.



Younus Amod

Chairperson: Audit Committee

14 January 2022

VOLUME V

**REPORT ON MUNICIPAL ENTITY:
MANDELA BAY DEVELOPMENT AGENCY
(MBDA)**

**MANDELA BAY DEVELOPMENT AGENCY
ANNUAL REPORT
2020/2021**



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Acronyms and Abbreviations

AFS	Annual Financial Statements
CBD	Central Business District
CCI	Cultural and Creative Industries
CEO	Chief Executive Officer
CPF	Community Policing Forum
CSI	Corporate Social Investment
DSD	Department of Social Development
dti	Department of Trade & Industry
EDTA	Economic Development, Tourism and Agriculture
EIA	Environmental Impact Assessment
FY	Financial Year
HURP	Helenvale Urban Renewal Programme
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
KfW	German Development Bank
MBDA	Mandela Bay Development Agency
NMB	Nelson Mandela Bay
NMBM	Nelson Mandela Bay Municipality
NMB Stadium	Nelson Mandela Bay Stadium
NMU	Nelson Mandela University
SAPS	South African Police Service
SDA	Service Delivery Agreement
SSIF	Strategic Spatial Implementation Framework
SMMEs	Small, Medium, and Micro-sized Enterprises
SPUU	Safety and Peace through Urban Upgrading
SPV	Special Purpose Vehicle
SRA	Special Ratings Area
SSIF	Strategic Spatial Implementation Framework

Section 01: Introduction and Organisational Overview

1.1 Foreword by the Executive Mayor of Nelson Mandela Bay

On behalf of the Nelson Mandela Bay Municipality, I extend my heartiest congratulations to the Mandela Bay Development Agency on the progress made in achieving its strategic mandate over the year under review. The achievements recorded in this Annual Report are especially laudable, given the fact that the review period was partially dominated by the COVID-19 pandemic, which had far reached consequences for our city, both societally and economically. Considered against this backdrop, the MBDA's achievements in the review period are testimony to the resolve and tenacity of all its role players and associates.

The approximately 17 years (since 2003) that the MBDA has served as the developmental arm of the Nelson Mandela Bay Municipality have seen great strides made in the urban regeneration of the City, some township areas, as well as the creation of economic opportunities for and the economic upliftment of local communities.

I salute the MBDA for this.

My Mayoral Committee, administration and I are eager to work with you in 2022 to help secure the further achievement of your vital strategic goals.

A handwritten signature in black ink, appearing to read 'E. Johnson', with a long horizontal flourish extending to the right.

**Cllr Eugene Johnson
Executive Mayor**

1.2 Chairperson's Report

It is my privilege to table this Annual Report as an account of our activities for the period 01 July 2020 to 30 June 2021. Firstly, I want to thank the shareholder, the Nelson Mandela Bay Municipal Council for entrusting us with a collective responsibility of providing strategic oversight over the MBDA. I also thank all Board colleagues, past and present, for their commitment and service to the city. I would like to single out Mr Goduka, he served four months of the period we are reporting on, as Chairperson of the Board, the handover was seamless and effective, thank you Sir. To the Chief Executive Officer, the Management team, and all employees across all our operations, I thank you for your cooperation and commitment to the work of the Agency during the period in review. We have made it through an incredibly challenging period, and we can hold our heads high, knowing that we are emerging stronger and more resilient, together.

As a new Interim Board appointed in November 2020, the key objective was to establish a sense of stability to see through a persistent pandemic, compounded by a deteriorating economic climate. Collectively, as Board members, we took the view that we would stay the course with the already approved business plan to see the year through. Working collaboratively with Management, we were able to create room for agility and flexibility within this plan when it became necessary to do so, we reprioritised certain initiatives as the environment dictated.

It is now a well-established fact that the year in review is the first complete financial period under Covid19 lockdown regulations. Also, during this period, South Africa experienced what is considered as the severest wave of the pandemic. Rather than fold our arms, the Board and Management had to develop and adopt new policies and procedures to enable the organisation to navigate and function under limiting lockdown regulations.

During this period, we were able to hold twenty-two (22) Committee, and eleven (11) Board meetings, where thirty-five (35) strategic items for approval were tabled and considered. Of the items approved, eleven (11) were new or policy amendments designed to mitigate conditions presented by the pandemic, while five (5) related to budgetary amendments. It is worth noting that all these Board engagements were conducted virtually with more than 90% of members in attendance.

The Board is encouraged by the continued tradition of obtaining unqualified audit outcomes from the Auditor General of South Africa. We are pleased with this outcome, a significant improvement from 2019/2020 period. This outcome would have been difficult to achieve without the support of the shareholder and fellow board members for their oversight role. I also thank management and all employees of the MBDA for maintaining ambitious standards of accountability and credibility as demonstrated by the audit outcomes.

The onset of the Covid19 pandemic has also highlighted areas that need attention, more forward-thinking, long-term planning and refocusing for the MBDA to be successful and effective in fulfilling its mandate into the future.

Long term planning

Stability and predictability are a fundamental driver for long term investments into impactful social and capital programmes. Issues such as the tenure of directors, budget commitments and a consistent Shareholder voice will go far in enabling the Board and Management to have a clearer view of the future, and work alongside the NMBM to resolve blockages and overcome constraints. One of the major challenges we have faced during this period relates to the short-term mandate to operate the Nelson Mandela Bay Stadium. The uncertainty of tenure as a managing agent is a deterrent to beneficial sponsorship agreements, and long-term lease negotiations. The negative impact also extends to employees who at times have no idea if they will be around from month to month. The Board and Management consistently raises this risk with the Shareholder, as it impedes the attainment of key performance targets as far as revenue and maintenance programs are concerned.

Shareholder relations

As the Board, we recognise the value and importance of maintaining cooperative, collaborative, and professional relations between the MBDA and the NMBM. This obligation is not only placed on us collectively by various legislation such as the Municipal Systems Act, Municipal Structures Act, Municipal Finance Management Act, and Companies Act, but it is also placed on us by the spirit of positive Inter-governmental Relations. Afterall, we exist to fulfil a mandate given by the citizens via their electoral choices, and public participation avenues. As an Interim Board, we are driven by the desire to see the MBDA succeed, and by implication, our city succeeding.

In conclusion, the Covid19 pandemic has dealt nations and our city a serious blow in terms of economic activity. Our city's economy as we know, is highly dependent on an industrial base which is dominated manufacturing, agriculture, and tourism. The pandemic induced hard lockdowns and subsequent restriction levels have left the economy fragile; and unemployment is at its highest in Nelson Mandela Bay. The current severe water shortages have also compounded the challenges we face as a city. The labour-intensive tourism sector is on its knees and to overcome all these challenges, the city requires fresh thinking, innovative approaches, and agility. The MBDA is suitably placed to work alongside the Municipality in tackling these challenges and turning around this City's fortunes. We stand ready to put shoulder to the wheel.

Finally, I want to thank my friends and immediate family for the unwavering support during exceedingly challenging times, your payers and thoughts carried me through, thank you.



Mandlakazi Skefile
MBDA Board Chairperson

1.3 Chief Executive's Report

The reflection on the period 01 July 2020 to 30 June 2021 is somewhat of a bittersweet moment. Sweet in that even though we faced several challenges, we lived to tell the tale. Bitter, in that along the way, many amongst us have lost colleagues, associates, family members, as well as development opportunities due to an unprecedented pandemic.

Covid19 has highlighted the glaring inequalities faced by various sectors of society, and more especially women. Crime statistics indicate that the reporting of Gender Based Violence has increased significantly during this period. As an organisation that is people centric, these societal issues are important to us. At the MBDA, women make up the majority, therefore any challenges they face in society have a direct impact on wellbeing and performance.

The work from home and shop online trend has also placed a huge spotlight on the commercial property market in city centres, they are after all, big contributors to rates in the inner cities of Gqeberha and Kariega. Such challenges call for a reimagining of how inner-city spaces can be transformed to finally achieve inclusive spatial planning.

With that in mind, we have a once in a life-time chance to rethink our workplaces and the way we work. The traditional notions of work and how to get the most out of employees simply no longer makes sense. As the MBDA, we will not waste this unique opportunity. We are intentional about re-inventing the future of "work"- whether employees are working from home, remotely or a hybrid arrangement.

Further into this annual report, we dedicate significant space reporting on major capital, area management, arts and psychosocial programmes undertaken during the period under review. These programmes span the Bay, including, the Inner City, Korsten-Schauderville, New Brighton, Kariega (Uitenhage), Lower Baakens, Happy Valley and Helenvale.

Audit Outcomes

We are encouraged by the progress we are making with year-on-year improvements in our audit outcomes. For the 2020/2021 period, the AG finds that there are no material findings on the Audit of Performance information, compared to one in 2019/2020. Findings on Compliance continue to reduce year-on-year, but more encouraging is that the AG had no findings on the critical area of Supply Chain Management, and Expenditure Management. This result is a significant vote of confidence in the robustness of the systems we have put in place. The integrity of the Agency's books is also confirmed by the AG, finding that there are no material misstatements on the Annual Financial Statements emanating of the MBDA.

We believe that our adherence with the audit action plan we initiated at the conclusion of the 2019/2020 period has borne fruit. Throughout the 2020/2021 period, we put greater emphasis on improving the auditability of the Annual Financial Statements within the quality control processes. In addition, the move to improve adherence with best practices in preparing performance information is also a contributing factor to the improved audit outcomes.

As we get closer to the ultimate goal, which is a clean audit report, we have prioritized three areas of focus. The first, is to ensure that an audit action plan is put in place to deal with all issues identified in the AG report. The second, is the automation of the Annual Financial Statements preparation. The third, giving priority to Consequence Management for items identified by the AG.

In conclusion

As we are currently in year three of a five-year strategy, we acknowledge that recent environmental events have overtaken some elements of the plan, and circumstances call for a review, and that process is already underway. Out of that consultative process, we believe a reenergized, refocused post-pandemic programme will emerge. Although we embrace and accept the attainment of yet another unqualified audit outcome, we know that much still needs to be done to improve performance on KPI's and greater collaboration with partner departments locally, provincially, and nationally. I would like to thank all our stakeholders and partners who support, collaborate and partner with us on the work we do. I also thank my team, management, and all employees of the MBDA, without whose contribution, this humble achievement would have been impossible.



Ashraf Adam
Chief Executive Officer

**At the time of submitting this annual report for publication, certain issues were raised with the Auditor General of South Africa, and depending on the outcome of that process, certain aspects of this report may be updated.*

1.4 Mission, Vision, and Strategic Objectives

Vision

- To develop an iconic world-class ocean city showcasing its diversity of people, culture, heritage, and environment.

Mission

- To become a knowledge-based developmental agency that seeks to achieve social, spatial, and economic transformation in Nelson Mandela Bay.

Strategic Objectives

- To pioneer and implement people-centred catalytic programmes.
- To create spaces and places that inspire and transform Nelson Mandela Bay; and
- Develop and promote a creative culture in Nelson Mandela Bay.

Section 02: Corporate Governance

2.1 Mandate

The MBDA was conceptualised by the Nelson Mandela Bay Municipality (NMBM) and the Industrial Development Corporation (IDC) and is a wholly owned entity of the NMBM. The Agency was created in 2003 following an acknowledgement by the city's leadership of the urgent need to reverse a trend towards urban decay in the inner city and to drive urban regeneration in the Nelson Mandela Bay CBD and other designated areas.

The scope of the Agency's has widened over the years and now encompasses urban renewal in township areas, the beachfront, the Nelson Mandela Bay (NMB) Stadium precinct and Uitenhage. In 2013, Council resolved to incorporate the Helenvale Urban Renewal Programme (HURP) into the MBDA to execute and implement the German Development Bank, KfW funded Safety and Peace through Urban Upgrading programme (SPUU).

As a municipal entity, the MBDA is governed primarily by the Municipal Systems Act 32 of 2000, the Municipal Finance Management Act 56 of 2000 and the Companies Act No 71 of 2008. It operates under a specific, approved mandate document, which outlines a focused approach to be followed in respect of services provided, catalytic infrastructure projects and liaison with other parastatals and government departments to create a conducive investment environment in its mandate areas. The NMBM also has a Service Delivery Agreement with the MBDA that is reviewed every three years, the SLA formalises and governs the relationship between the two entities.

2.2. Ownership and Control

The MBDA, represented by its board of directors, receives its mandate from the NMBM, acting through the Executive Mayor, the City Manager and Council. The Agency is contractually accountable to the NMBM, to which it delivers compliance reporting in respect of its key performance indicator targets being achieved. The MBDA relies on the NMBM for service delivery direction in terms of its contractual obligations contained in the Service Delivery Agreement (SDA).

As controlling shareholder, the NMBM provides corporate governance-related support, such as sustainability and compliance reporting and review. The MBDA Board is responsible for providing strategic direction and guidance to Management, as well as ensuring oversight on corporate governance and performance matters. The MBDA management is responsible for operational aspects in line with the strategic planning and mandate documents of the Agency, as well as the Integrated Development Plan of its parent municipality.

2.3 Board of Directors

The Board provides strategic oversight to ensure that the MBDA reaches its objectives and delivers on its mandate.

Board members as at 30 June 2021

1. Mandlakazi Ruth Skefile (Chairperson), appointed to the Board: 9 November 2020
2. Sithole Mbanga, appointed to the Board: 9 November 2020
3. Mputumi Phil Goduka, appointed to the Board: 9 November 2020
4. Masalamani Odayar, appointed to the Board: 9 November 2020
5. Glenda Perumal, appointed to the Board: 9 November 2020
6. Khwezi Gideon Ntshanyana, appointed to the Board: 9 November 2020
7. Mxolisi Moolman, appointed to the Board: 9 November 2020
8. Pinky Kondlo, appointed to the Board: 9 November 2020
9. Vuyani Dyantyi, appointed to the Board: 9 November 2020
10. Rajesh Dana, appointed to the Board: 9 November 2020 (Resigned: 17 June 2021)

Company Secretary

Mbulelo Matiwane

The Board of directors bring together a range of skills that benefit the Agency - including legal, finance, construction, local government, and facilities management. The Board retains full and effective oversight over the organisation and monitors the operations of all MBDA's programmes assisted and guided by the Company Secretary and Board Legal Advisor.

Company Secretary

The Company Secretarial division acts as a link between Management, the Board of Directors and the MBDA's stakeholders. The unit is responsible for ensuring the flow of information (governance knowledge and advice) and sound corporate governance practice - ensuring corporate integrity takes precedence over short-term gain and personal benefit.

In addition to the various statutory functions, the Company Secretary provides appropriate guidance, advice, orientation, induction, and training to the Board Directors on their roles, duties and responsibilities and ensures compliance with laws in the interests of good governance.

All Directors have access to the advice and services of the Company Secretary and external legal advice as and when required.

This unit encompasses of a Company Secretary (Mr Mbulelo Matiwane) and an Administrator (Ms Zahra Serfontein).

Key responsibilities of the Company Secretary office include:

- Ensuring the Board is kept abreast of all laws, regulations, and corporate governance developments relevant to the organisation, and ensuring that statutory deadlines are complied with.
- Preparing and reviewing the shareholder compact, delegations of authority and terms of reference of the Board; and
- Administration of Board operations, such as maintaining statutory records, registers, minute books and related documents.

2.4 Board Committees

The MBDA consists of three Board Committees who execute their duties as specified in the terms of reference.

Corporate Service Committee

- Sithole Mbanga: Chairperson
- Vuyani Dyantyi
- Mxolisi Moolman

Capital Programmes Planning and Implementation Committee

- Mputumi Phil Goduka : Chairperson
- Glenda Perumal
- Vuyani Dyantyi
- Rajesh Dana (Resigned: 17 June 2021)

Risk, Compliance and Finance Committee

- Nomnikelo Pinky Kondlo: Chairperson
- Khwezi Ntshanyana
- Masalamani Odayar

The MBDA currently do not have its own Audit Committee and uses the services of the NMBM Audit Committee and Internal Audit

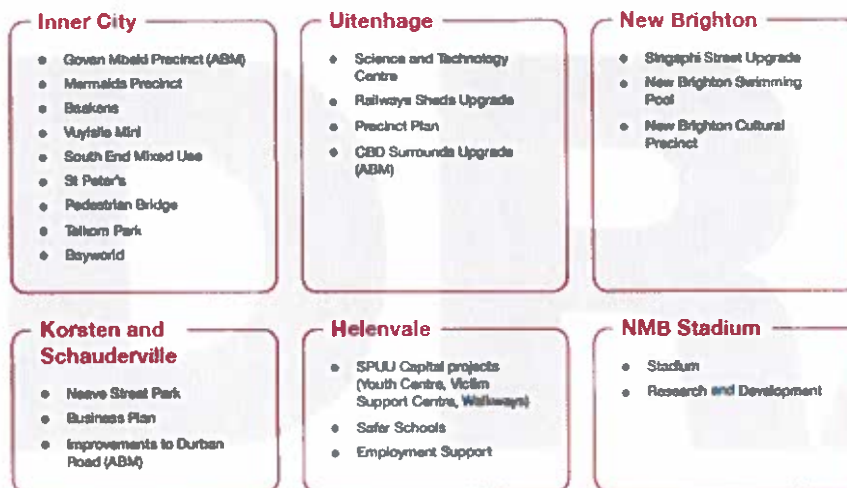
2.5 Executive Management

The operations of the Mandela Bay Development Agency are a delegated function of the Chief Executive Officer and Management team. One of the primary responsibilities of Management is to coordinate the formulation of the Agency's Strategic Plan as well the annual Business Plan, for approval by the Board. Collectively, the CEO and the Management team are responsible for the attainment of annual targets, and effective management of the organisation.

- Ashraf Adam: Chief Executive Officer
- Koliswa Mgijima: Chief Financial Officer
- Debbie Hendricks: Operations Executive
- Mpho Mokonyama: Nelson Mandela Bay Stadium Manager

Section 03: Service Delivery Performance

Active precincts & programmes



3.1 Summary of Performance

The period under review covers 01 July 2020 to 30 June 2021. The period under review was truncated by various lockdown levels and regulations which all has some impact on the operation of the MBDA. The operations of the MBDA cover six precincts across Nelson Mandela Bay. The service delivery report below is an elaboration of the final Institutional Scorecard detailing performance of the organisation over the period.

Below is a synopsis of the MBDA's performance over the review period and reflected in greater detail in the 2020/21 Fourth Quarter Institutional Scorecard Performance Report. The final Key Performance Indicator result for the period is 33%.

MBDA's 2020/21 FOURTH QUARTER PERFORMANCE (INSTITUTIONAL SCORECARD)							
KEY PERFORMANCE AREA	NO OF KPIS OVER- ACHIEVED	NO OF KPIS ACHIEVED	NO OF KPIS PARTIALLY ACHIEVED	NO OF KPIS NOT ACHIEVED	NO OF KPIS NOT APPLICABLE IN THIS QUARTER	TOTAL NUMBER OF KPIS	% PERFORMANCE (KPIS OVER- ACHIEVED AND ACHIEVED)
KPA 1: Basic Service Delivery	N/A						
KPA 2: Municipal Institutional Development and Transformation	N/A						
KPA 3: Local Economic Development	2	2	5	2	0	11	36%
KPA 4: Municipal Financial Viability and Management	0	0	0	1	0	1	0%
KPA 5: Good Governance and Public Participation	N/A						
OVERALL PERFORMANCE	2	2	5	3	0	12	33%

3.1.1 Donkin Reserve Phase 4 Refurbishments

Location

The Donkin Park Development is part of the Inner-City programme, located in Central Gqeberha – overlooking the Govan Mbeki city centre and Port Elizabeth Harbour.

Vision

The project is focussed on developing a world-class city and will include a 5-a-side soccer field, gym and play area. It also focusses on the rich culture and heritage of the city, by including upgrades on the artwork.

Mission

The project addresses social and spatial transformation.

Strategic Objectives

In developing the Donkin Park area to a people-centred space, the popular Donkin Reserve will continue to inspire and transform Nelson Mandela Bay. The artwork upgrades promote a creative culture in the city.

Annual Target

The 2020/21 target was to commence with construction work on site, including the fencing of the facility.

Significant milestones

- Site drawings were prepared.
- Tender was advertised.
- Bid Evaluation Committee (BEC) processes were concluded.
- Draft supporting tender documents were prepared.

Outcomes

During the period under review, an objection was lodged in the third quarter and addressed through the internal Risk and Compliance Department. The objection processes were concluded on 14 May 2021 due to (a) an invalid objection being communicated to the bidder and (b) a lack of resultant response from the bidder within the stipulated timeframe. Due to the objection process, there was an unforeseen delay in the implementation of construction work on this project.

3.1.2 Completing the Helenvale Pedestrian Route

Location

The Safe Pedestrian Route forms a part of the Safety and Peace through Urban Upgrading (SPPU) programme, which is jointly funded by KfW Bank of Germany. The project is in Helenvale, Gqeberha.

Vision

The project is focussed on providing security lighting in Helenvale, to develop a safer environment for the residents of Helenvale. This initiative aligns with the MBDA's vision for improving communities and their environment.

Mission

The project addresses social and spatial transformation.

Strategic Objectives

The Safe Pedestrian Route is a people-centred project, and forms part of the MBDA's strategic objective of creating spaces and places that transform the city. Helenvale is known for its high crime rate and a well-lit, safe pedestrian route will ensure a safer environment for the community.

Annual Target

The 2020/21 target was to achieve practical completion.

Significant milestones

- Bid Evaluation Committee (BEC) processes were concluded.
- Bid Adjudication Committee (BAC) processes were concluded.
- Contractor was appointed.
- Construction work commenced on site.

Outcomes

During the period under review, the site handover was completed on 3 May 2021 and construction work commenced thereafter. Despite this significant progress, the project was not completed in the targeted period, due to SMME delays.

3.1.3 The Schauderville Moore Dyke Sport Precinct

Location

The project is part of the greater Korsten/ Schauderville programme, to encourage urban renewal and development in this important socio-economic hub of Gqeberha.

Vision

The project is focussed on developing a world-class city - Nelson Mandela Bay - by improving all communities and their environment.

Mission

The project addresses social, spatial, and economic transformation in Nelson Mandela Bay.

Strategic Objectives

The Schauderville Moore Dyke Sport Precinct is a people-centred project that, once completed, has the power to inspire and transform this part of Nelson Mandela Bay. The communities of these suburbs and beyond will be uplifted through the power of sport by regularly gathering in the planned precinct.

Annual Target

The 2020/21 target was to complete the planning, preparation, and implementation stage of the project by March 2021 and to have 35% of construction completed by year-end.

Significant milestones

- 50% of the planning, preparation and implementation was completed.

Outcomes

During the period under review, an objection was received by one of the unsuccessful bidders. On 21 April 2021 during a meeting with the unsuccessful bidder no resolution could be reached. On 28 June 2021 the outcome of a legal opinion was received by the MBDA, which stated that the two parties had reached a deadlock and the dispute could not be resolved. Upon receipt of the Certificate of Deadlock, a decision was made by the MBDA to appoint the next successful bidder.

3.1.4 New Brighton Cultural Precinct Project

Location

The project forms a part of the New Brighton Programme, the greater New Brighton Cultural Precinct Development. New Brighton is a vibrant residential area known for the many famous artists and performers the suburb has birthed.

Vision

The New Brighton Cultural Precinct Project aligns with the MBDA's vision to showcase the diversity of the people, culture, and heritage of Nelson Mandela Bay, the cultural and political important of a hub such as New Brighton.

Mission

The project addresses social and spatial transformation in Nelson Mandela Bay.

Strategic Objectives

The project is people-focussed as it plans to inspire and transform this historical part of Nelson Mandela Bay. Once completed, the New Brighton Cultural Precinct Project will also promote and develop a creative culture in Nelson Mandela Bay.

Annual Target

The 2020/21 target was to complete Phase 1 and undertake assessment of Phase 2 of the project. In addition, a request to acquire the site had to be submitted to the Nelson Mandela Bay Municipality, and the commencement of the Youth Centre renovations was planned.

Significant milestones

- Stakeholder engagements were concluded.
- Subcontractors' medicals and inductions were undertaken.
- Excavations and reinforced concrete work in Ward 14, 15, 16 and 17 commenced.
- Reinforced concrete work was completed in Ward 14, 15, 16 and 17.
- 225 benches were installed, and 128 trees planted.
- The Youth Centre site was identified, and stakeholder discussions were held.
- Conditional assessment was undertaken.
- The Youth Centre Concept Design was completed and approved by the MBDA.

Outcomes

Practical completion of this project was not reached due to the increased scope of the project. Further delays were caused by Exempted Micro Enterprises (EMEs)' interference on the project. Multiple meetings were held to resolve matters raised by the EMEs. In addition, national load-shedding affected the project negatively and the bench manufacturer experienced supplier delays. Alternative suppliers are being explored, while meetings with EMEs are continuing to find a way forward. The MBDA will continue co-planning with EDTA to renovate the Youth Centre.

3.1.5 Uitenhage Rail Sheds & NMB Science Centre Precinct

Location

This project is part of the Uitenhage (Kariega) programme. Kariega is a town in Nelson Mandela Bay, situated 38km from Gqeberha (Port Elizabeth).

Vision

The project aligns with the MBDA's vision of developing a world-class Nelson Mandela Bay, which includes the outlying areas of the Metro. The Uitenhage (Kariega) programme showcases the town's diversity of people, while focussing on the environment.

Mission

The project addresses social, spatial, and economic transformation in Nelson Mandela Bay.

Strategic Objectives

The project forms part of a greater people-centred catalytic programme for Kariega. The Uitenhage Railway Sheds/ Science and Technology Centre Precinct is being developed into a space and place that will inspire the youth and transform this part of Nelson Mandela Bay.

Annual Target

The 2020/21 target was to complete Phase 1 and Phase 2 of the Uitenhage Rail Sheds Upgrade.

Significant milestones

- 45% of Phase 1 was achieved.
- 18% of Phase 2 was achieved.

Outcomes

Construction of the Uitenhage Rail Sheds was delayed by about two months (April and May 2021), due to a Construction Works permit that was outstanding. A deviation was submitted to the Bid Adjudication Committee (BAC) for the appointment of a Construction Health and Safety Agent (Pr CHSA) to ensure that work on site resumed from 31 May 2021.

3.1.6 St Peters Development Project

Location

The project forms a part of the Inner-City Programme, with a specific focus on the St Peters property rehabilitation. This area of South End is historically significant as it was one of the areas affected by the forced removals which took place during the apartheid years.

Vision

The project is focussed on developing an iconic world-class city, showcasing its diversity of people, culture, and heritage. The St Peters ruins is a reminder of the multiracial old South End which existed before the forced removals.

Mission

The project addresses critical social and spatial transformation in Nelson Mandela Bay.

Strategic Objectives

The project is part of a people-centred catalytic programme and serves as a space and place that – although dealing with the painful history of apartheid – inspires hope for a transformed Nelson Mandela Bay.

Annual Target

The 2020/21 target was to have the filling and levelling works as well as the timber decking construction work on site completed. Another target was to commence with the installation of water and sewer reticulation.

Significant milestones

- Phase 1 construction work was completed.
- Heritage application was submitted to the Eastern Cape Provincial Heritage Resource Authority (ECPHRA).
- The tender was advertised, BEC commenced, and the draft BEC report was concluded.
- Tree felling commenced.

Outcomes

The construction process of this project is dependent on approval by the ECPHRA, since the property is a heritage site. It should be noted that during the period under review the Provincial Department of Sport, Recreation and Culture (SRAC) had not appointed a permanent committee to oversee and resolve applications for work on provincial heritage sites. In the absence of the committee, the MBDA was given authority to implement only bulk services. Due to the committee not having a meeting to approve the MBDA application to work on the heritage site, work was unable to commence as planned. However, off-site work will continue up until the provincial committee has been elected to approve work on site.

3.1.7 Helenvale Safe Parks and sport field project (SPUU)

Location

The Safe Parks and Sport fields project is part of the Safety and Peace through Urban Upgrading (SPPU) programme jointly funded by KfW Bank of Germany, a project located in Helenvale, Gqeberha.

Vision

The project aligns with the MBDA's vision of developing a world-class city for the diverse residents who live in all parts of the city – including areas affected by poor socio-economic conditions. The Safe Parks and Sport fields initiative focusses on supporting and improving communities and their environment.

Mission

The project addresses social

The 2020/21 target was to complete the project by March 2021.
and spatial transformation.

Strategic Objectives

The Safe Parks and Sport fields project is a people-centred initiative focussed on creating spaces and places that inspire and transform Nelson Mandela Bay. Helenvale is being transformed from an area with little or no places for youth and residents to play sport and engage in positive recreational activities, to spaces where the sound of laughter and play can be heard.

Annual Target

Significant milestones

- Practical completion was achieved in first quarter.
- Final completion was achieved by 1 October 2020.

Outcomes

The project was completed ahead of schedule because all contingency challenges were considered when setting the targets during the planning process for the project. Contractors were able to avoid obstacles, such as major gang violence and SMME protests which were initially anticipated, due to the lockdown period.

3.1.8 Bayworld and Happy Valley

Location

The project is a part of the Inner-City Programme, specifically the rehabilitation and redevelopment of Bayworld, a well-known tourist attraction situated in Beach Road at the Gqeberha beachfront.

Vision

The project aligns with the MBDA's vision of developing a world-class ocean city. Bayworld not only showcases its diversity of people, culture, heritage through the Bayworld Museum but also the natural maritime environment with the Bayworld Oceanarium. The MBDA is transforming Bayworld into a world-class tourist site, for the 21st century.

Mission

The project addresses social, spatial, and economic transformation in Nelson Mandela Bay.

Strategic Objectives

In alignment with the MBDA strategic objective of creating spaces and places that inspire and transform Nelson Mandela Bay, the digitisation of Bayworld Museum propels the tourist destination into the future - offering world-class, interactive digital experiences for visitors.

Annual Target

The 2020/21 target was to rehabilitate the cafeteria for the Pilot Virtual Reality Project and the commencement of the Pilot Virtual Reality Project.

Significant milestones

- An agreement between Bayworld and the MBDA was concluded.
- The MBDA and Bayworld respective project teams were established.
- Digital Strategy Specialist was appointed.
- Digitisation Strategy was completed.
- Cafeteria for the Pilot Virtual Reality Project was rehabilitated.
- Pilot Virtual Reality Project commenced.

Outcomes

During the period under review, the cafeteria for the virtual reality project was successfully rehabilitated with the following: plasterwork, painting and waterproofing; electrical work; plumbing; carpentry and aluminium works. Furthermore, a pilot of the Virtual Reality Project commenced. A quotation for the technology required for the next phase was received.

3.1.9 Baakens Zip Line

Location

The project forms a part of the Inner-City Programme, specifically the Baakens River Valley which geographically ends at the Port Elizabeth Harbour.

Vision

The project aligns with the MBDA's vision of developing a world-class ocean city, with attractions that showcase the incredible diversity of Nelson Mandela Bay's natural environment. The Baakens Valley is home to five of South Africa's seven biomes or climate-vegetation zones.

Mission

The project addresses spatial and economic transformation in Nelson Mandela Bay.

Strategic Objectives

The project is catalytic because of the economic injection this tourist attraction could have for to Valley, to create a place that inspires and transforms Nelson Mandela Bay.

Annual Target

The 2020/21 target was to have a close-out report submitted for a Heritage application.

Significant milestones

- The Heritage Impact Assessment (HIA) application was submitted and presented to the Eastern Cape Provincial Heritage Resource Authority (ECPHRA).
- A Close-out report was submitted to the MBDA.

Outcomes

During the period under review, all targets were achieved, and the Close-out report was submitted on 10 May 2021.

3.1.10 Additional Works for Helenvale projects (SPUU)

Location

The various projects form part of the Safety and Peace through Urban Upgrading (SPPU) programme jointly funded by KfW Bank of Germany, and the projects are in Helenvale, Gqeberha.

Vision

The projects are focussed on developing this part of the city and providing services like playgrounds, landscaping, and water in support of the local community, who forms a part of the city's diverse people.

Mission

The projects address social and spatial transformation.

Strategic Objectives

The projects are people centred as it supports various services and develops the local community to transform this part of Nelson Mandela Bay.

Annual Target

The 2020/21 target was to have variations presented to the Bid Adjudication Committee (BAC).

Significant milestones

- 3 Request for Quotations (RFQs) were advertised (in line with verified information).
- Works on site commenced for some of the projects.

Outcomes

Quotations were received for various projects, including wire fencing, landscaping, and the establishment of a borehole for the community. Construction started on various projects including the wire fencing and refurbishment at Hillcrest Primary School. A site was established for a borehole and the Extension 12 playground's concept designs were provided. It is anticipated that work against these various projects will continue to be implemented.

3.1.11 Baakens Parkway

Location

The project forms a part of the Inner-City Programme, specifically the Baakens River Valley which geographically ends at the Port Elizabeth Harbour.

Vision

The Baakens pedestrian bridge is a proud feature of the Valley, providing a much-needed safe transit facility for residents, workforce, and tourists. The Baakens bridge will in future link the Baakens parkway development to the city centre.

Mission

The project addresses social, spatial, and economic transformation in Nelson Mandela Bay.

Strategic Objectives

The project is people-centred as it provides safe transit for locals and tourists, and it is catalytic as the space – as can already be seen with the unique Baakens pedestrian bridge – will continue to become a place that inspires and transforms the Inner-City of Nelson Mandela Bay.

Annual Target

The 2020/21 target was to have stakeholder consultation completed, as well as to finalise detailed designs.

Significant milestones

- Construction tender document was completed.
- Item was submitted to the Bid Selection Committee (BSC).
- Stakeholder consultations were completed ahead of schedule, by March 2021.
- Finalisation of detailed designs was completed.
- Works on site commenced for some aspects.

Outcomes

During the period under review, all stakeholder consultations that were required, were concluded. Furthermore, the preliminary detailed designs had been completed and approved. All meetings were scheduled virtually which allowed the MBDA to expedite our targeted stakeholder consultations.

3.2 Nelson Mandela Bay Stadium

This report represents the first opportunity to report back on the organization's newly defined strategic objectives, which were formulated in response to our current local and global context.

The Nelson Mandela Bay Stadium is firmly embedded in the landscape and fabric of the city (Nelson Mandela Bay Municipality) as a multi-purpose stadium for sporting, entertainment, and special events. The Mandela Bay Development Agency is currently at the helm of the R2 billion asset as the operator (under the guidance of the municipality).

In the period under review (2020/2021), we were confronted with the outbreak and spread of the coronavirus, the long-term impact of which on the economy remains quite uncertain at this moment in time. As an employer and service provider, we reacted quickly to try to safeguard the health of our staff and clients, while ensuring that services and some events continue to be provided within the stipulated COVID19 regulations. Several (majority) of staff are working from home and we are providing our stakeholders with advice through a wide range of phone and digital channels.

As an asset of the Government, and in an effort of taking proactive steps alongside the Department of Health to brace for the impact of the Covid-19 pandemic, the Nelson Mandela Bay Stadium was identified as one of the infrastructures perfectly suited to respond to the current pandemic and was therefore converted to one of the isolation centres.

As such, all normal stadium operations/activities were ceased for an interim (from April 2020). This strategically positioned the facility as a multipurpose venue with community interests. The facility was decanted and reorganized to ensure coronavirus patients were separated. Two levels of the stadium were set aside for the isolation sites, with each level having the capacity to hold 200 beds. In the early operational stages of the quarantine/isolation facility, the number of occupants fluctuated daily with the peak occupation number being 150 at one time.

The stadium however has resumed normal operations (effective since last October 2020) and has hosted several "spectator free" events including the EP Elephants debut in the Preparation Series. The impact of the coronavirus crisis on the other profit and loss lines in the current quarter was less pronounced as the facility was able to stage soccer and rugby fixtures. Ultimately, the goal remains the same: to ensure that stadium stakeholders remain at the center of everything that is done, something which the employees are committed to in their day-to-day work.

Events

Prior to Covid-19 - the facility staged a minimum of 100 events with an estimated 600 000 – 800 000 spectators voting with their feet. During the pandemic the stadium has continued to stage events but at a smaller scale and have successfully delivered 40 events in the last year but with very minimum numbers due to the regulations observed. This has also afforded the facility the opportunity of exploring the digital sphere which led to successfully hosting the first of its kind e-gaming.

Events staged during the period under review include:

- E-gaming Tournament
- Webinars focusing on the business of Sports
- Cosafa Cup
- Rugby Championship Test matches
- Comedy and Music shows
- PSL Fixtures

Foremost Goal

A foremost goal of stadium development is in digital transformation which remains a need to address in many stadia in South Africa. The NMBS team is currently in the process of examining how the sports world is changing to accommodate a new generation of digital and mobile fans, including the in-person and online sports experiences.

Covid-19 and digital innovation

The Covid-19 pandemic has led to an inevitable surge in the use of digital technologies due to the social distancing norms and nationwide lockdowns. People and organizations all over the world have had to adjust to new ways of work and life. As part of the stadium and spectator experience enhancement, the NMBS has implemented several ways in which to make the customer journey easier while achieving higher returns – and this is by the way of a *touchless stadium*. This was done through the existing stadium app, which provides fans with a wealth of information and accessibility. From providing a seamless digital ticket purchasing experience to personalizing the hospitality ordering journey and marketing special offers, the recently launched app provides an intuitive and easy-to-use dashboard to manage and communicate directly with fans. This is one of the methods of ensuring that fans are kept safe during their visits to our facility

Other technological systems that have been implemented to efficiently manage the facility (which form part of reshaping the stadium experience in the digital age) include advanced connectivity, smart lighting, smart security (anti-intrusion systems), enhanced experiences (triple play tv) and smart sustainability solutions (energy efficiency).

Structural upgrades

The facility has aged in the last few years and an infrastructural review has revealed that an excess of R70 million would be required to complete the upgrade. Stadium innovation and infrastructure are crucial drivers for economic growth and sustainable development. It is, therefore, crucial to upgrade the sporting infrastructure with a much longer-term view. Whilst several projects are currently underway, other infrastructural upgrades required include:

- Stadium Flood lights replacement
- Stadium Sound & PA System replacement
- Pitch Maintenance system
- Roof Rehabilitation
- Structural Rehabilitation
- Field and Mix Zone flooring replacement
- Network/ Fiber upgrade
- Auditorium
- Building of a E-gaming center
- Building of the three five a Side multi-purpose facilities
- Building of a Hockey Astro-turf facility
- Sport Museum

Focusing on the fans

Inc. magazine once articulated that “there's a conventional school of thought that tells businesses to go after new potential customers. Track them down, inundate them with reasons to buy your product and push media spend against this objective. However, there's another approach that involves a different methodology altogether: focusing on what you've got, including your employees. If you focus on making your fans your superfans then your brand will flourish in a way that feels organic and is genuinely sustainable.” And as a facility, the stadium team has had to execute this approach to achieve enviable success.

To better understand the stadium's perceived fan, the facility has mirrored the Bayern Munich strategy where our office has a staff member solely dedicated to fan service – from enquiries to hosting fan events and running competitions.

The stadium team has also introduced stakeholder events where concepts were presented and executed by the stakeholder (be it a fan or an employee), and one such example is the Mountain Bike Challenge. This was a multi-level stadium race that took participants on various levels (five) of the Nelson Mandela Bay Stadium and around the North End Lake in Port Elizabeth. It was spectator friendly and family oriented.

Finally

The key to attracting more fans and to encourage them to increase their spending is to re-imagine the modern stadium as a technology and business platform that has significant implication for the sports and entertainment industry. The facility has therefore sort ways of achieving this. Not only is the facility being converted to a smart stadium, but it is also finding ways of preserving the rich history of sports. The NMBS team recently finalized and launched the sports museum which will play a vital role in highlighting the history of sports- espousing the legacy of many forgotten sporting heroes.

3.3 Nelson Mandela Bay Science and Technology Centre

The R30-million Nelson Mandela Bay Science and Technology Centre (NMBSTC) was launched in March 2013 with a mission to be a dynamic institution that provides access to Science, Technology, Engineering, Mathematics, and Innovation (STEMI) for all citizens through focused programmes. Located in the heart of Uitenhage's central business district, the centre is a ground-breaker and the first standalone science centre not affiliated to an institution of higher learning. A project of the MBDA, an entity of the Nelson Mandela Bay Municipality, the centre has programmes designed to build enthusiasm and affinity for STEMI through fun and interactive engagements between scientists and young people.

- Accredited as a level-2 science centre which recognizes the Centre as an emerging science center. This means that the NMBSTC is officially a member of the South African Network of Science Centres (SANSC).
- Implemented a catch-up program in partnership with the DoE to assist schools during the national shutdown.
- Launched the first-ever newsletter to keep our stakeholders up to date on the Science Centre programmes and emerging developments.
- Received \$ 22,174.90 funding from the United States Consulate for the launch of virtual reality stations.
- Successfully launched 2 exhibit stations: the Virtual reality stations, and the Eskom Display station.
- Successfully launched the Science centre website, to serve as a knowledge platform and as a digital platform for implementation of online programme.
- Successfully hosted a webinar in partnership with the South African Astronomical Observation and Scifest Africa. Eight countries participated in the panel with over 810 people joined.
- Provided hand sanitisers to 26 schools around the Nelson Mandela Bay Metro
- Awarded the First SA grant to implement the I-SET robotics program. Five schools were selected as focus schools for the programme
- Successfully hosted a workshop for 42 unemployed young people on Artificial Intelligence in partnership with Algorithm. The aim was to give young people the skills needed for the 4IR era and to prepare them for the future world of work.
- Trained 16 educators during the launch of the BOATS coding kits, supported by the Nelson Mandela University.
- Successfully hosted the 2nd annual career summit in partnership with the VW technical learning academy and the National Union of Mineworkers.
- Successfully launched the Virtual Reality Programme in Partnership with the US Consulate and NASA. So far 133 learners were reached through this programme.

No	Project/Programme	Learners	Educators/ Adults	Schools
	2020			
1	Curriculum Aligned Practicals	102	2	2
2	Inhouse Programme: Walk-ins	87	331	-
3	Webinar: Best Practices for Science Communication using Digital Platforms	-	810	-
4	Waste Management Research	-	104	-
5	Holiday Edutainment: Online	1044		-
a	Sanitiser Programme	1440	-	24
	Subtotal	2673	1247	26
	2021			
1	First Grant SA Lego League	30	5	5
2	Second Annual Learner Career Summit: Inhouse & Online	2535	15	13
3	Virtual Reality Programme	133	1	1
4	Easter Programme: Online	157		-
5	Autumn Open Day/Eskom Expo Camp	14	-	3
6	Curriculum Aligned Practicals	277	2	2
7	Second Annual Village Science & Technology Career Development Festival: Online	62	-	1
8	Artificial Intelligence Training Workshop	-	42	-
9	BOATS Coding Kit Launch	1	16	7
10	Holiday Edutainment: Online	1327		-
11	Inhouse Programme: Walk-ins	41	340	-
a	Sanitiser Programme	40	-	2
	Subtotal	4617	421	34
	Total	7290	1668	60

3.4 Corporate Services

The Corporate Services unit is home to Human Resources Management, Information Technology, Risk Management, as well as Marketing and Communications. The position of Corporate Services Executive has been vacant throughout this reporting period, with the Chief Executive Officer acting in that role.

3.4.1. Human Resources

The MBDA aims to be the employer of choice in its field. This is supported by the agency's overall objective, as set out in its Employment Policy, to ensure that its employment practices and remuneration policies motivate and retain talented employees and create an attractive work environment.

The Human Resources (HR) office provides a service to management and employees that embraces the organisation's vision and mission. The department suggests to management how to strategically manage people as business resources. This includes recruiting and hiring employees with specific skills sets to meet the organisation's goals. The HR Department is committed to delivering an "excellence" service-orientated culture that seeks to promote employee wellness which is performance-driven. The unit upholds the tenets of confidentiality, accountability, and trust.

The MBDA entered into a Recognition and Procedural Agreement in the 2018/19 financial period with the South African Municipal Workers Union which seeks to regulate the relationship between the MBDA and the Union. In so doing, the Agreement seeks to strive for an effective cooperative relationship through consultation and negotiation on all matters of mutual concern. This Agreement does not contain any bargaining rights. For the financial year in question, there were no formal disputes declared by the Union for the financial period review. There was no planned expansion or retrenchment.

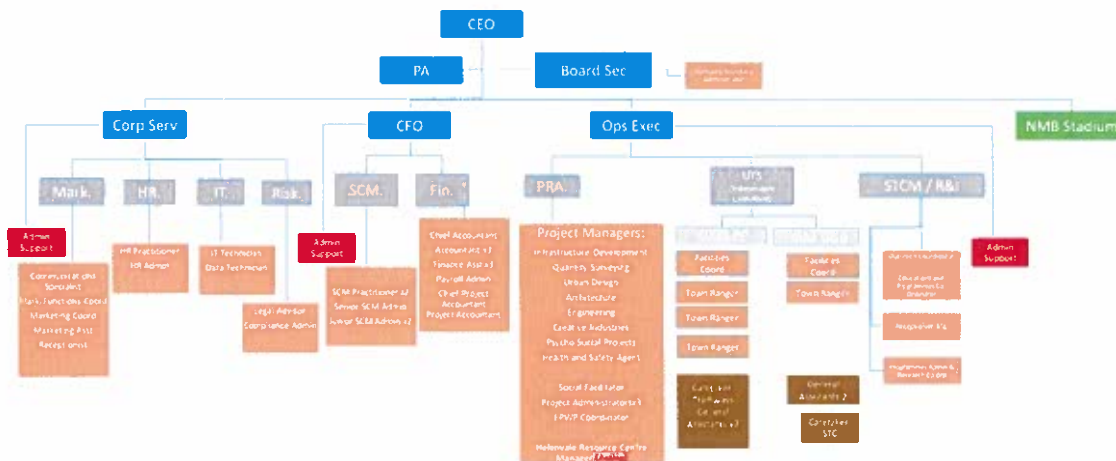
The HR division consists of an HR Manager, Practitioner and Administrator which services a staff complement of 60 members at the Tramways and NMB Science Centre.

Staff Establishment

Description	2021/21			
	Approved No. of posts	No. of employees	No. of vacancies	% of vacancies
Executive Management	5	4	1 (unfunded)	25%
Middle Management	21	17	4 (unfunded)	19%
Skilled Technical Staff	32	25	7 (unfunded)	21,8%
Semi-skilled	14	9	3 (unfunded)	21.4%
Unskilled	5	5	0	0%
Learners and temps	0		0	0%
Total	75	60	15	20%

Organisational structure

Approved structure – effective 1st July 2020



3.4.2 Risk Management

Risk identification and assessment is an ongoing process, and the Risk and Compliance Department ensures that there are effective risk systems in place. The core function of the Risk and Compliance Department is to assist the MBDA in identifying and assessing both strategic as well as operational risks, including the financing, risk returns and profiles, and reporting these to the governing bodies of the Audit Committee, Board of Directors and Parent Municipality.

The roles and responsibilities of the department include:

- Facilitating Institutional Reporting to the Board of Directors, as well as the Parent Municipality.
- Identifying new and innovative ways of reporting.
- Administering the commercial insurances of the MBDA; and
- Providing compliance-related guidance to the various internal stakeholders (departments).

Effective risk management is fundamental to the MBDA’s business activities. The department evaluates various processes within the organisation to identify efficiencies to drive performance. By reinforcing a culture of risk awareness, the department encourages that when considering performance, risk must be thoroughly evaluated as failing to manage risk associated with objectives will result in the non-achievement of objectives.

The MBDA conducts an annual strategic risk assessment workshop to ensure that there is a link between risk management and the business planning processes.

3.4.3 Marketing and Communications

The Marketing & Communications department fulfils a supportive and proactive role is assisting the Agency towards fulfilling its mandate. As a support service, the department receives briefs from various arms of the MBDA and executes them accordingly. Proactively, the department plans, conceptualises, initiates, and implements marketing and communication programs.

Notable marketing activities

Some of the notable marketing programmes and events undertaken during this period include:

- Enhancement of the MBDA's digital platforms (Social Media Platforms & Website)
- Conclusion of a Customer Satisfaction Survey
- Conducted an MBDA Brand Audit
- With support of SCM, embarked on a process to appoint a panel of service providers on time
- Continued use of the public participation platform – www.mbdaengage.co.za
- Secondment to various tasks at the NMBM i.e., IDP, Water Crisis, Transnet relocation
- Project Management of the Transnet relocation process through the Executive Mayor's Office
- Greater participation in sector forums and stakeholder bodies i.e., SA Cities Network
- Planned, Promoted and Hosted successful Webinars (social media, Radio, Web etc.)
- Established a Content Hub (studio) facility at the Tramways
- Successfully recruited a new tenant, Dream Finders Academy
- Successfully, and in partnership with the NMB Stadium team & NMBM, hosted the first ever NMB Sport Summit as a hybrid event

Communications and media coverage

During the period July 2020 to June 2021, the MBDA received 388 media clippings, a 30% drop from 519 of 2019/2020. This drop is attributable to the scaling down of operations during the periods under stricter lockdown levels.

The drop in media coverage has been largely countered by a significant rise in social media and webinar activities. During this period, the MBDA's following has grown to record numbers:

- YouTube, established after January 2021 – 90+ subscribers
- Instagram, established after January 2021 – 1400 followers
- Twitter, established pre onset of Covid-19 – 1300 followers
- LinkedIn, established in 2017 – 2600+ connections
- Facebook, established in 2012, 11000 followers

In conclusion, 2020-2021 and the advent of Covid-19 has yielded unprecedented shifts and innovation in how entities and government engage with society. For a long time, communications depended on human contact, but that all changed in March 2020. The MBDA didn't start on the back foot, we merely accelerated plans that were at an early stage.

We implemented digital tools that also helped and supported our parent municipality (MBDAengage.co.za). Through integration, we established a benchmark in bringing together digital and traditional platforms. For example, we hosted Webinars on ZOOM, livestreamed them via YouTube & Facebook, and then we connected Radio stations to carry the same Live on air during prime time. The result was an exponential growth in reach and audience.

3.4.5. Information Technology

The Information Technology (IT) Department is in its third year of existence at the MBDA ever since the role was insourced. Since establishment, the unit has been instrumental in the development of the Nelson Mandela Bay Science and Technology Centre website, including a virtual tour of facility.

The IT department also facilitated and coordinated the development of the MBDA E- tendering system. The system was accelerated partly in response to the pandemic, allowing the MBDA process Tenders efficiently during a pandemic.

The department is also currently busy with MSCOA, as per National Treasury requirement, in conjunction with our parent municipality. To that end, several modules have already been installed. The push (FTP) facility from MBDA to NMBM is currently being worked on to ensure NT requirements before the system becomes operational.

3.5 Supply Chain Management Report

The MBDA reports on the B-BBEE and SMME share of both actual expenditure and contractual commitments for all active contracts. The tables below show the B-BBEE and SMME share of expenditure. During this period, the MBDA also launched the e-Tendering system which has already gained over 300 company registrations. The portal makes the management of tenders, efficient and paperless, also to avoid unnecessary contact.

ANNUAL B-BBEE SUMMARY MBDA 2020-2021

B BBEE LEVEL	Total	Amount	Percentage of B-BBEE Spend	Percentage of Total Value Spend
B BBEE LEVEL 1	30	R8 891 319	58%	67%
B BBEE LEVEL 2	7	R2 826 663	13%	21%
B BBEE LEVEL 3	1	R581 673	2%	4%
B BBEE LEVEL 4	6	R787 356	12%	6%
B BBEE LEVEL 5	0	R0	0%	0%
B BBEE LEVEL 6	0	R0	0%	0%
B BBEE LEVEL 7	0	R0	0%	0%
B BBEE LEVEL 8	0	R0	0%	0%
Non-Compliant B-BBEE Contributor	6	R213 469	12%	2%
Organ of State	2	R21 827	4%	0%
TOTAL	52	R13 322 307	100%	100%

ANNUAL B-BBEE SUMMARY NMBS 2020-2021

B-BBEE Level	Total	Amount	Percentage of B-BBEE Spend	Percentage of Total Value Spend
B-BBEE Level 1	67	R10 925 114	41%	29%
B-BBEE Level 2	33	R17 780 714	20%	47%
B-BBEE Level 3	14	R1 890 560	8%	5%
B-BBEE Level 4	32	R1 402 235	19%	4%
B-BBEE Level 5	2	R40 780	1%	0%
B-BBEE Level 6	5	R73 481	3%	0%
B-BBEE Level 7	1	R6 260	1%	0%
B-BBEE Level 8	1	R18 458	1%	0%
Non-Compliant B-BBEE Contributor	8	R5 770 799	5%	15%
Organ of State	2	R27 032	1%	0%
TOTAL	165	R37 935 431	100%	100%

3.6 Institutional Performance Report (Key Performance Indicators) – Attached as Annexure A

Section 04: Audit Outcomes and Annual Financial Statements

4.1 Report of the Auditor General

4.2 Annual Financial Statements

4.3 Audit Action Plan 2021-2022

Over Achieved	Achievement of target exceeded
Achieved	Target achieved as planned
Partially achieved	75% progress towards achievement of the target
Not achieved	Below 75% progress towards achievement of target

MANDELA BAY DEVELOPMENT AGENCY 2020/21 ANNUAL INSTITUTIONAL PERFORMANCE SCORECARD														
KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2019/2020 ESTIMATED)	2020/21 ANNUAL TARGET	PERFORMANCE INFORMATION FOR THE FIRST QUARTER		PERFORMANCE INFORMATION FOR THE SECOND QUARTER		PERFORMANCE INFORMATION FOR THE THIRD QUARTER		PERFORMANCE INFORMATION FOR THE FOURTH QUARTER			
					1ST QUARTER PLANNED TARGET (1 JULY 2020 - 30 SEPTEMBER 2020)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2020 - 30 SEPTEMBER 2020)	2ND QUARTER PLANNED TARGET (1 JULY 2020 - 31 DECEMBER 2020)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2020 - 31 DECEMBER 2020)	3RD QUARTER PLANNED TARGET (1 JULY 2021 - 31 MARCH 2021)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2021 - 31 MARCH 2021)	4TH QUARTER PLANNED TARGET (1 JULY 2021 - 30 JUNE 2021)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2021 - 30 JUNE 2021)	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS: - REASONS FOR OVERPERFORMANCE - REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE - BUDGETARY COMMENTS
KPA 1: BASIC SERVICE DELIVERY	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
KPA 2: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
KPA 3: LOCAL ECONOMIC DEVELOPMENT	1	Completing the Donkin Reserve Phase 4 Refurbishments	12% Phase 4	Refurbishment completed Amend to: Construction work commenced on site: Gym equipment installed 5 a side soccer field built Play equipment installed Donkin Facility fencing completed Modularised Toilet installed Art work Upgraded	Site Drawings Approved	Site Drawings prepared Amended to: In progress Site Drawings prepared	BEC Processes Concluded	In progress BSC Concluded and Tender Advertised	Construction work commenced Amended to: BEC Concluded	BEC commenced Amended to: BEC processes commenced (in line with verified information)	Refurbishment completed Amend to: Construction work commenced on site: Gym equipment installed 5 a side soccer field built Play equipment installed Donkin Facility fencing completed Modularised Toilet installed Art work Upgraded	BEC Concluded Draft supporting tender documents prepared	Partially Achieved	WORK DONE: The bid evaluation process of the tender was concluded. REASON FOR UNDERPERFORMANCE: The reason for underperformance reported against this Key Performance Indicator is due to the process being delayed by an objection received from a bidder. CORRECTIVE ACTION: The objection lodged during the third quarter was addressed through the internal Risk and Compliance department on 14 May 2021. It is anticipated that the project will be completed during the 2021/22 financial year.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	2	Completing the Helenvale Pedestrian Route	90% Security Lighting Phase	Practical Completion Achieved	BEC Processes Concluded	BEC Processes concluded Item prepared for submission to BAC	BAC Processes Concluded Site Handed over to Contractor	In progress BAC processes concluded and Contractor appointed	Construction work commenced	In progress BAC processes concluded and Contractor appointed	Practical Completion Achieved	Site Handover completed Construction work commenced on site.	Partially Achieved	WORK DONE: The site handover was completed on 3 May 2021 and construction work commenced thereafter. REASON FOR UNDERPERFORMANCE: The reason for underperformance reported against this Key Performance Indicator is due to SMME Delays experienced during previous quarters. CORRECTIVE ACTION: The SMME issues have since been resolved and the project is envisaged to be completed in the 2021/22 financial year.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	3	Percentage of the Schauderville Moore Dyke Sport Precinct Upgrades and Renovation completed	45% Stage 1	100% (Planning, Preparation and Implementation stage) by March 2021 30 % (construction stage) Amend to: 100% (Planning, Preparation and Implementation stage) by March 2021 35 % (construction stage)	30% (Planning, Preparation and Implementation stage)	30% (Planning, Preparation and Implementation stage) completed	55% (Planning, Preparation and Implementation stage)	50% Planning, Preparation and Implementation stage)	100% (Planning, Preparation and Implementation stage) by March 2021	50% Planning, Preparation and Implementation stage)	100% (Planning, Preparation and Implementation stage) by March 2021 30 % (construction stage) Amend to: 100% (Planning, Preparation and Implementation stage) by March 2021 35 % (construction stage)	50% Planning, Preparation and Implementation stage) 0% (construction stage)	Not Achieved	WORK DONE: 50% of planning, preparation and implementation stage was completed. REASONS FOR UNDERPERFORMANCE: The reason for underperformance reported against this Key Performance Indicator is due to the fact that one of the unsuccessful bidders submitted an objection which delayed the processes of implementing the project. CORRECTIVE ACTION / MITIGATION: The matter was referred to a legal service provider for further instruction. Upon receipt of the certificate of deadlock, a decision was made by MBDA to appoint the next successful bidder. This process has not been finalised as yet.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	4	Completing of the beautification of the New Brighton Cultural Precinct Project	67% Phase 1	Practical completion achieved Amend to: Practical completion achieved (Phase 1) Conditional assessment undertaken (Phase 2)	Stakeholder engagements concluded	Stakeholder engagements concluded	Subcontractor Medicals and Induction undertaken Excavation in wards 14, 15, 16 and 17 commenced Reinforced Concrete work commenced in ward 14, 15, 16 and 17	Subcontractor Medicals and Induction undertaken Excavation in wards 14, 15, 16 and 17 commenced Reinforced Concrete work commenced in ward 14, 15, 16 and 17	Reinforced Concrete work completed in ward 14, 15, 16 and 17 352 benches installed Reinforced Concrete work completed in ward 14, 15, 16 and 17 352 benches installed (Phase 1) Youth Centre site identified (Phase 2)	In progress Reinforced Concrete work completed in ward 14, 15, 16 and 17 96 benches installed 96 benches manufactured off site. 128 trees planted Youth Centre sites for Wards 14/16 Identified Amended to: In progress	Practical completion achieved Amend to: Practical completion achieved (Phase 1) Conditional assessment undertaken (Phase 2) Request to acquire site submitted to NMBM (Phase 2) Youth Centre Concept Design completed and approved by MBDA (Phase 2).	In progress Reinforced Concrete work completed in ward 14, 15, 16 and 17 (Phase 1) 225 / 352 Benches installed (Phase 1) 128 Trees Planted (Phase 1) Youth Centre sites for Wards 14 Identified (Phase 1)	Partially Achieved	WORK DONE: During the period under review, the following work was undertaken for Phase 1: 1. 225 benches were installed 2. 128 trees were planted, and 3. Reinforced concrete work completed in ward 14, 15, 16 and 17 4. Youth Centre site for Ward 14 identified and stakeholder discussions held with NMBM (Phase 1) The following work was undertaken for Phase 2: Conditional assessment undertaken (Phase 2) Youth Centre Concept Design completed and approved by MBDA (Phase 2). REASON FOR UNDERPERFORMANCE: Phase 1: Practical completion not reached due to scope increased on the project. Further delays caused by EME interference on the project. Multiple meetings held to resolve matters raised by EME's. National load shedding affected the project negatively. Bench manufacturer has been struggling with acquiring plastic because most of plastic suppliers (raw material) in Gqeberha have closed down. CORRECTIVE ACTION / MITIGATION: Phase 1: Alternative plastic supplies from other cities is being explored. Furthermore, meetings with EME's are continuing to discuss a way forward to resolve their concerns. Phase 2: MBDA will continue to work together with the Municipality to renovate the Youth Centre.

KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2019/2020 ESTIMATED)	2020/21 ANNUAL TARGET	PERFORMANCE INFORMATION FOR THE FIRST QUARTER		PERFORMANCE INFORMATION FOR THE SECOND QUARTER		PERFORMANCE INFORMATION FOR THE THIRD QUARTER		PERFORMANCE INFORMATION FOR THE FOURTH QUARTER			
					1ST QUARTER PLANNED TARGET (1 JULY 2020 - 30 SEPTEMBER 2020)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2020 - 30 SEPTEMBER 2020)	2ND QUARTER PLANNED TARGET (1 JULY 2020 - 31 DECEMBER 2020)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2020 - 31 DECEMBER 2020)	3RD QUARTER PLANNED TARGET (1 JULY 2021 - 31 MARCH 2021)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2021 - 31 MARCH 2021)	4TH QUARTER PLANNED TARGET (1 JULY 2021 - 30 JUNE 2021)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2021 - 30 JUNE 2021)	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS: - REASONS FOR OVERPERFORMANCE - REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE - BUDGETARY COMMENTS
KPA 3: LOCAL ECONOMIC DEVELOPMENT (Continued)		Completing of the beautification of the New Brighton Cultural Precinct Project (Continued)		Request to acquire site submitted to NMBM (Phase 2) Youth Centre Concept Design completed and approved by MBDA (Phase 2). Site renovation and upgrade to Youth Centre commenced (Phase 2)						Reinforced Concrete work completed in ward 14, 15, 16 and 17 (Phase 1) 96 benches installed and 128 trees planted (Phase 1) 96 benches manufactured off site (Phase 1) Youth Centre sites for Wards 14 Identified (Phase 1) (in line with verified information)	Site renovation and upgrade to Youth Centre commenced (Phase 2)	Conditional assessment undertaken (Phase 2) Youth Centre Concept Design completed (Phase 2).		
KPA 3: LOCAL ECONOMIC DEVELOPMENT	5	Percentage completion of the Uitenhage Railway Sheds / Science Centre Precinct development	66.75%	100% <u>Amend to:</u> 100% (Phase 1) 100% (Phase 2)	15%	7%	51%	19%	96% <u>Amended to:</u> 44% Phase 1 15% Phase 2	42% Phase 1 13% Phase 2	100% <u>Amend to:</u> 100% (Phase 1) 100% (Phase 2)	45% Phase 1 18% Phase 2	Not Achieved	WORK DONE: During the period under review, Phase One (1) Progress amounted to 45% and Phase Two (2) 18% for construction progress reported on the Uitenhage Railway Sheds Project. REASONS FOR UNDERPERFORMANCE: On April 8th, 2021, the Department of Labour (DoEL) conducted a site inspection at the Uitenhage Sheds. The outcome of the inspection resulted in a Prohibition Notice issued to the Mandela Bay Development Agency in terms of Section 30 of the Occupational Health and Safety Act, Act 85 of 1993. The Prohibition Notice was issued as according to the Act any contract exceeding a total of 3600 man hours is required to apply for a Construction Works Permit, which had not initially been done. As a result, the site was closed on 8 April 2021. On 16 April 2021, a Construction Health and Safety Agent was appointed to acquire a Construction Permit. On 18 May 2021 the Prohibition Notice was revoked by the relevant health inspector. The construction permit was received on 19 May 2021, however, work on site only recommenced on 31 May 2021. CORRECTIVE ACTION / MITIGATION: A deviation was submitted to the Bid Adjudication Committee for the appointment of a Construction Health and Safety Agent (Pr CHSA) to ensure that work on site could resume.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	6	Completing the St Peters Development Project	100% Stabilisation phase	Filling and levelling works on site completed Timber decking construction completed Containers positioned on site <u>Amend to:</u> Filling and levelling works on site completed Timber decking construction completed Installation of water and sewer reticulation commenced.	Phase 1 Construction work completed	Phase 1 Construction work completed	BEC Processes Concluded (Phase 2) Item Tabled at BAC (Phase 2)	In progress Phase 1 Construction work completed	Contractor appointed Containers conversion off site commenced Filling and levelling works on site commenced <u>Amended to:</u> Heritage application submitted to Eastern Cape Provincial Heritage Committee Site visit for tree felling completed Approval from ED:PH requested for tree felling	In progress Heritage application submitted to Eastern Cape Provincial Heritage Committee Tender advertised, BEC commenced, Draft BEC report concluded Site visit for tree felling completed Approval from ED:PH requested for tree felling	Filling and levelling works on site completed Timber decking construction completed Containers positioned on site <u>Amend to:</u> Filling and levelling works on site completed Timber decking construction completed Installation of water and sewer reticulation commenced. Tree felling commenced	In progress Heritage application submitted to Eastern Cape Provincial Heritage Committee Tender advertised, BEC commenced, Draft BEC report concluded Site visit for tree felling completed Approval from ED:PH requested for tree felling	Partially Achieved	WORK DONE: The construction process was dependent on the approval by the ECPHRA (Eastern Cape Provincial Heritage Resource Authority) as the site was a heritage site. It should be noted that the Provincial Department of SRAC has not appointed a permanent committee to oversee / resolve on any applications for work on provincial heritage sites. The current committee are volunteers who may offer their opinion subject to approval by an elected committee, however, from February 2021 the committee had to postpone meetings due to various operational reasons. The MBDA requested a physical site meeting with the aforementioned volunteers, and as such invited a delegation from East London who visited the site on 21 May 2021. In the absence of the committee the MBDA was given authority to implement bulk services only and was request to develop a masterplan of the site to support the application to the committee. During the period under review, the masterplan was completed and was to be submitted at a meeting on 30 June 2021, however, the meeting was postponed. An appointment letter was issued to the contractor to commence with off site work on containers that would be positioned on site upon the committees approval. REASON FOR UNDERPERFORMANCE: Due to the committee not having a meeting to approve the MBDA application to work on a heritage site, work was unable to commence on site as planned. CORRECTIVE ACTION: Off site work will continue up until the provincial committee has been elected to approve work on site.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	7	Completing the Safe Parks and Sportfields Variation project	90%	Final Completion Achieved by March 2021	Practical Completion Achieved	Practical Completion Achieved	Addressing of snag list entries commenced	Final Completion Achieved by 1 October 2020.	Final Completion achieved by March 2021	Final Completion Achieved by 1 October 2020.	Final Completion Achieved by March 2021	Final Completion Achieved by 1 October 2020.	Over-Achieved	WORK DONE: Final completion was achieved on the Sportsfields project on 1 October 2020. REASON FOR OVERPERFORMANCE: During the planning processes for the implementation of the KPI, all contingency challenges were taken into account when setting the targets. However, as a result of the impending lockdown, a number of the challenges did not come to fruition. Contractors were able to avoid obstacles such as major gang violence and SMME protests which were initially anticipated. The issues not presenting themselves allowed the project to continue unobstructed.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	8	Upgrading of the Bayworld Museum	New Key performance Indicator	Pilot 1 virtual project utilizing digitization of the collection. <u>Amend to:</u> Cafeteria for the Pilot Virtual Reality Project rehabilitated Pilot Virtual Reality Project Commenced	Agreement between Bayworld and MBDA Concluded MBDA Project Team Established	Agreement between Bayworld and MBDA Concluded MBDA Project Team Established	Bayworld Project Team Established Digital Strategy Specialist appointed Preparation of Digitisation Strategy commenced Capacity building workshops facilitated	In progress Bayworld Project Team Established Digital Strategy Specialist appointed. Preparation of Digitisation Strategy commenced Capacity building workshop planned but not facilitated	Digitisation strategy completed	In progress Final draft Digitisation strategy completed	Pilot 1 virtual project utilizing digitization of the collection. <u>Amend to:</u> Cafeteria for the Pilot Virtual Reality Project rehabilitated Pilot Virtual Reality Project Commenced	Cafeteria for the Pilot Virtual Reality Project rehabilitated Pilot Virtual Reality Project Commenced	Achieved	

KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2019/2020 ESTIMATED)	2020/21 ANNUAL TARGET	PERFORMANCE INFORMATION FOR THE FIRST QUARTER		PERFORMANCE INFORMATION FOR THE SECOND QUARTER		PERFORMANCE INFORMATION FOR THE THIRD QUARTER		PERFORMANCE INFORMATION FOR THE FOURTH QUARTER			
					1ST QUARTER PLANNED TARGET (1 JULY 2020 - 30 SEPTEMBER 2020)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2020 - 30 SEPTEMBER 2020)	2ND QUARTER PLANNED TARGET (1 JULY 2020 - 31 DECEMBER 2020)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2020 - 31 DECEMBER 2020)	3RD QUARTER PLANNED TARGET (1 JULY 2021 - 31 MARCH 2021)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2021 - 31 MARCH 2021)	4TH QUARTER PLANNED TARGET (1 JULY 2021 - 30 JUNE 2021)	ACTUAL QUARTERLY PERFORMANCE (1 JULY 2021 - 30 JUNE 2021)	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS: - REASONS FOR OVERPERFORMANCE - REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE - BUDGETARY COMMENTS
KPA 3: LOCAL ECONOMIC DEVELOPMENT	9	Constructing the Baakens Zip Line	N/A	Close-out report submitted for the Heritage application	N/A	N/A	N/A	N/A	Heritage Impact Assessment (HIA) Application presented Provincial Heritage Resources Authority (EC PHRA)	HIA application submitted and presented to the Provincial Heritage Resources Authority (ECPHRA)	Close-out report submitted for the Heritage application	Close-out report submitted to MBDA for the heritage application	Achieved	
KPA 3: LOCAL ECONOMIC DEVELOPMENT	10	Completing the Additional Works for Helenvale projects	N/A	Variations presented to BAC Work on site commenced	N/A	N/A	N/A	N/A	RFQ's advertised and RFP's Drafted	In progress 2 RFQ's advertised Amended to: In progress 3 RFQ's advertised (in line with verified information)	Variations presented to BAC Work on site commenced	In progress No Variations presented to BAC Works on site commenced for some aspects	Partially Achieved	<p>WORK DONE: During the period under review, requests for quotations for Helenvale works were circulated or advertised as follows: Ironmongery: 29 March 2021 Wire fencing: 29 March 2021 Landscaping: 17 March 2021 Extension 12 playground: 21 April 2021 Signage for Helenvale sportsfield: Service provider engaged, however, no quotation requested during 2020/21</p> <p>For requests that were made telephonically, quotations were received from service providers as follows: Irrigation: 8 April 2021 Borehole: 5 May 2021 Hillicrest Primary school: 31 May 2021 Virgo stormwater: 23 June 2021</p> <p>In terms of the additional quarterly target, implementation on the below mentioned Helenvale works have been undertaken: Ironmongery: Construction undertaken, payment invoice received Wire fencing: Construction undertaken, payment invoice received Landscaping: site visit undertaken Irrigation: Construction undertaken, payment invoice received Borehole: site establishment payment invoice received Hillicrest Primary school: Refurbishment commenced Extension 12 playground: Preliminary concept designs provided by the consultant. Virgo stormwater: Quotation received from service provider</p> <p>REASON FOR UNDERPERFORMANCE: The reasons for underperformance, with regards to work on site not commencing on all projects, may be attributed to the following: Bullet proofing: Its should be noted that no request for quotation nor request for proposal could be facilitated for bullet proofing. It was noted that bullet proofing was an OPEX related matter and could not be catered for in the current capital budget allocation. As such, no further work could be undertaken for bullet proofing in the current financial year, as budget for same could not be reallocated to OPEX during the third quarter. In terms of common practice, reallocation of funds from CAPEX to OPEX is to be undertaken during the mid-term adjustments budget process, and approved by the NMBM Council.</p> <p>Signage for Helenvale: It should be noted that no formal quotation could be requested from consultants as the consultant requested that in order for a quotation to be provided, an updated image for the signage was first to be provided by MBDA. The initial signage was not deemed appropriate and as such, had to be reworked before submitting to the consultant and requesting a quotation on same.</p> <p>Landscaping: The service provider requested a site visit on the 17 June 2021 where after the service provider declined the appointment.</p> <p>Extension 12: The Consultant was appointed during the last quarter of the year. The brief was also provided by the MBDA to the consultant in the same quarter and delivery milestones for the concept design agreed. The consultant, however, failed to meet their obligations in full, despite numerous reminders. This resulted in a delay in the project which ultimately resulted in a tender not being drafted for BSC.</p> <p>Borehole: Due to high demand in borehole installation in the Nelson Mandela Bay, there is a six-to-eight week waiting period from time of confirmation of appointment.</p> <p>Virgo Stormwater: It may be noted that a quotation for the Virgo stormwater project was only provided on 23 June 2021. Due to late receipt of same, construction work could not commence on site before the end of the financial year.</p> <p>CORRECTIVE ACTION: It is anticipated that work against this project will continue to be implemented. With regards to the signage for the Helenvale sportsfield, a quotation will be received during the 2021/22 financial year. With regards to installation of the borehole, it is anticipated that same is to commence in the new financial year following payment due in June 2021. Following the appointment of a contractor for the modularised containers, it is anticipated that work on site to commence accordingly.</p>
KPA 3: LOCAL ECONOMIC DEVELOPMENT	11	Upgrading of the Baakens Parkway	N/A	Stakeholder consultation completed Finalisation of detailed designs completed	N/A	N/A	N/A	N/A	Construction tender document completed Item submitted to BSC)	Construction tender document completed Item submitted to BSC) Amended to: Construction tender document completed Stakeholder consultations completed (in line with verified information)	Stakeholder consultation completed Finalisation of detailed designs completed	Stakeholder Consultations completed by March 2021 Finalisation of detailed designs completed	Overachieved	<p>WORK DONE: During the period under review, all required stakeholder consultations were concluded. Furthermore, the preliminary detailed designs had been completed and approved.</p> <p>REASON FOR OVERPERFORMANCE: The reason for overperformance reported against this Key performance indicator may be attributed to the fact that after completing the tender documentation, there was sufficient time for MBDA to engage with the stakeholders. All meetings were scheduled virtually which allowed MBDA to expedite our targeted Stakeholder consultations.</p>

REPORT OF THE AUDITOR-GENERAL

MANDELA BAY DEVELOPMENT AGENCY

Audit Report

For the year ended 30 June 2021



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Report of the auditor-general to Eastern Cape Provincial Legislature and council on the Mandela Bay Development Agency

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Mandela Bay Development Agency set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2021, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Mandela Bay Development Agency as at 30 June 2021, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Act of South Africa, 2003 (Act no. 56 of 2003 (MFMA)).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the municipal entity in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Irregular expenditure

7. As disclosed in note 28 to the financial statements, the municipal entity incurred irregular expenditure of R4.5 million as a result of non-compliance with section 87 (6) of the MFMA identified in the current year.

Other matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

9. In terms of section 125(2)(e) of the MFMA, the municipal entity is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

10. The board of directors, which constitutes the accounting officer, is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of MFMA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting officer is responsible for assessing the municipal entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipal entity or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

12. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected objectives

presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipal entity's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the municipal entity enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected objectives presented in the municipal entity's annual performance report for the year ended 30 June 2021:

Key performance areas – objective	Pages in the annual performance report
Local economic development	x – x

17. I performed procedures to determine whether the reported performance information was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. I did not identify any material findings on the usefulness and reliability of the reported performance information for this objective:
- Local economic development

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages ... to ... for information on the achievement of planned targets for the year. This information should be considered in the context of the conclusion expressed on the usefulness and reliability of the reported performance information in paragraphs 17 to 19 of this report.

Report on the audit of compliance with legislation

Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipal entity's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.
22. The material findings on compliance with specific matters in key legislation are as follows:

Consequence management

23. Irregular expenditure incurred by the municipal entity was not investigated to determine whether any person was liable for the expenditure, as required by municipal budget and reporting regulation 75(1).
24. Fruitless and wasteful expenditure incurred by the municipal entity was not investigated to determine whether any person was liable for the expenditure, as required by municipal budget and reporting regulation 75(1).

Other information

25. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report, which includes the directors' report, the audit committee's report and the company secretary's certificate, as required by the Companies Act 71 of 2008 (Companies Act). The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported in this auditor's report.
26. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
27. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
28. I have nothing to report in this regard.

Internal control deficiencies

29. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the opinion and the findings on compliance with legislation included in this report.

30. Progress made in investigating cases of irregular, fruitless and wasteful expenditure has been slow and some of the amounts incurred in prior years were not investigated.
31. Management's review and monitoring processes over compliance were not effective to ensure compliance with legislative requirements.

Auditor - General

East London

28 February 2022



**AUDITOR - GENERAL
SOUTH AFRICA**

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected objectives and on the municipal entity's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipal entity's internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors, which constitutes the accounting officer
 - conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Mandela Bay Development Agency to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipal entity to cease operating as a going concern
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

1. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
2. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

ANNUAL FINANCIAL STATEMENTS



Mandela Bay Development Agency NPC

(Registration number 2003/017900/08)

Annual Financial Statements for the year ended 30 June 2021

Mandela Bay Development Agency NPC

(Registration number 2003/017900/08)

Annual Financial Statements for the year ended 30 June 2021

General Information

COUNTRY OF INCORPORATION AND DOMICILE	South Africa
NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES	Urban renewal and rejuvenation of economic activity within the central business districts, townships and any other emerging nodes as designated by the Nelson Mandela Bay Municipality.
DIRECTORS	Mandlakazi Ruth Skefile (Chairperson) Rajesh Dana Sithole Mabi Mbanga Masalamani Odayar Nomnikelo Kondlo Glenda Perumal Mputumi William Goduka Vuyani Galen Dyantyi Mxolisi Moolman Khwezi Gideon Ntshanyana
ACCOUNTING OFFICER	Ashraf Adam (Chief Executive Officer)
CHIEF FINANCE OFFICER (CFO)	Koliswa Mgijima
REGISTERED OFFICE	1st Floor, Tramways Building Corner Lower Valley Road & South Union Street Port Elizabeth 6000
BUSINESS ADDRESS	1st Floor, Tramways Building Corner Lower Valley Road & South Union Street Port Elizabeth 6000
POSTAL ADDRESS	P.O. Box 74 Port Elizabeth 6000
FINANCIAL YEAR END	30 June
FINANCIAL STATEMENTS ARE PRESENTED AS AT	30 June 2021
COMPARATIVE PERIOD PRESENTED AS AT	30 June 2020
CONTROLLING ENTITY	Nelson Mandela Bay Municipality (NMBM)
BANKERS	Nedbank Ltd (South Africa)
AUDITORS	The Auditor-General of South Africa
COMPANY SECRETARY	Mbulelo Matiwane
COMPANY REGISTRATION NUMBER	2003/017900/08

Mandela Bay Development Agency NPC

(Registration number 2003/017900/08)

Annual Financial Statements for the year ended 30 June 2021

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The reports and statements set out below comprise the annual financial statements presented to the shareholder:

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Directors' Responsibilities and Approval

The Directors have a pleasure of submitting their report for the entity, which forms part of the annual financial statements of the Non Profit Company for the period ended 30 June 2021.

Establishment

The Mandela Bay Development Agency (MBDA) was formed in 2004 with its initial objective, i.e. the urban regeneration of the Central Business District (CBD). It commenced with its work through the development of an Inner-city Local Spatial Development Framework Plan (LSDF) in 2006. During this period, the company evolved from an inner city Mandate Area focus, extending to other emerging and developing nodes and precincts which now includes township areas.

The MBDA has over the past 12 months undergone a challenging transition period that has seen the strategic direction of the organization being reviewed with a view to becoming a forward looking agency dealing with the complexities that are associated with development work. This is particularly difficult during this time of COVID-19 and its related lockdowns.

The MBDA was mandated by the Nelson Mandela Bay Metropolitan Municipality (NMBM) as a trans-disciplinary implementing agent for programmes, projects and events which have a number of defined objectives which include inter alia:

- Enabling social, spatial and economic transformation;
- Implementing existing and identify new projects, programmes and events within its mandated areas referred to as "designated localities, nodes and precincts (of different scales)" which are to be aligned to the various plans of the NMBM which include the following:
 - To leverage existing or acquired resources such as assets, property and provide for skills development to ensure the successful implementation.
 - To deliver catalytic programmes, special defined projects and events

Over the past seventeen years, the MBDA has implemented a number of urban renewal projects, precinct upgrades, security and cleansing programmes as well as other strategic assignments that are collectively changing the face of Nelson Mandela Bay and reinvigorating the economic life in key developing nodes and precincts which has resulted in an expansion of its mandate and strategic objectives in line with the Integrated Development Plan (IDP) of its parent municipality NMBM. The NMBM mandated the MBDA to take over the operations and management of its Science Centre in Uitenhage with effect from 01 July 2017. The 3-year mandate for the MBDA managing the NMB Stadium operations terminated on 31 December 2019. The Council reviewed the mandate for a month to month basis that continued during the period under review.

General review

The MBDA mandate includes the rejuvenation of neglected township areas, from the initial focus on the inner city and its surrounds only and this initiative has now gained much momentum as the challenges of inequalities in townships and other previously disadvantaged areas are addressed by the NMBM. To date the MBDA has played a key role particularly in addressing the urban decay and degeneration in the inner cities of Port Elizabeth and Uitenhage and the municipal infrastructure and environmental upgrading projects that it has been implementing in the townships have been widely welcomed and positively received by various key stakeholders. The mandate received from the NMBM to manage the NMB Stadium is expected to be for a limited duration until the NMBM decides how to deal with this key asset in the future.

Legislation framework

The entity complied with all the relevant sections of:

- (a) Companies Act 71 of 2008
- (b) Companies Amendment Act 3 of 2011
- (c) Local Government: Municipal Finance Management Act 56 of 2003
- (d) Local Government: Municipal Systems Act 32 of 2000

Financial results

The financial results are set out in the attached annual financial statements and are aligned closely with the classification used by the NMBM.

Directors' Responsibilities and Approval

Key activities

The table below depicts the 2020/21 capital programmes which were implemented by the MBDA. The performance of capital projects yielded an overall spending of 29%.

Programmes	Projects
BAAKENS RIVER VALLEY PROGRAMME	South End Mixed Use Precinct, Refurbishment of St Peters Church,
HAPPY VALLEY/ BAYWORLD / TELKOM PARK PROGRAMME	Bayworld Rehabilitation / Redevelopment
UITENHAGE / DESPATCH PROGRAMME	Refurbishments of Uitenhage Railway Sheds
GOVAN MBEKI AVENUE /CBD PORT ELIZABETH PROGRAMME	Development of an Infrastructure plan for the Govan Mbeki Avenue (Refurbishments)
NEW BRIGHTON/RED LOCATION PRECINCT PROGRAMME	New Brighton Swimming Pool, New Brighton Cultural Precinct Development
KORSTEN/SCHAUDERVILLE	Moore Dyke Stadium Redevelopment
HELENVALE SPUU PROGRAMME	Pedestrian Walkway, Security lighting, Safer school, Safe parks and sportsfield, Victim support Centre, Youth Centres

St Peters Church

•The church is a historical part of South End. The Church itself is a heritage site , left in a state of ruin. Phase 1 includes the upgrading of surrounding church. The Filling and levelling works on site, Timber decking construction, and Installation of water and sewer reticulation was planned. However this could not be done due to issues with heritage approvals

South End Mixed Use

• The South End mixed use project aims to transform the south bank of the Baakens into a new, post apartheid neighbourhood which will acknowledge the injustice which was done by the forced removals in the early 1970's while providing an opportunity for mixed use development. Construction tender was awarded in the current year, including the completion of stakeholder engagement and detailed designs.

Baakens Parkway

• Baakens pathway comprises of a walkway from the Baakens pedestrian bridge along Lower valley road and ceases at the open space along Ellis Street. This project includes land scaping and improving the vicinity to unlock tourism potential. The construction tender document was completed and various stakeholder engagements were concluded in the current year.

Bayworld Redevelopment

• The Smart Industrial Academy will be a state-of-the-art, interactive facility that will offer the following to industrial companies within Nelson Mandela Bay Metropolitan Municipality and South Africa. The Strategic Plan for a Virtual Bayworld has been completed. The rehabilitation of the old cafeteria as a digital hub, known as the Killer Whale Café, has commenced in the current year.

Uitenhage Railway Sheds

• The purpose of the project is to redevelop the existing Uitenhage Railway Sheds and contribute to spatial and social transformation of a potential commercial, leisure and tourism precinct. The aim is to upgrade the existing Railway Sheds that are a part of the Science Centre Building. Construction currently underway. Once completed it will have similarities to the Tramways building which is a multi-purpose facility. The existing structure of the Railway shed will be preserved with structural stabilisation being done on the inside of the facility.

Moore Dyke Sportsfield Upgrade

•Project includes upgrade of existing fields and facilities at the Moore Dyke Fields precinct, planning and construction of additional fields, vehicle access and parking. The facility will be multi code facility with the construction of a new clubhouse, refurbishing of the old facility including the caretakers cottage, reconfigure the sport codes attain optimal use of the facility. Delays were experienced in the appointment of the construction tender due to a procurement objection.

Cultural Programmes Conducted

• Creative and cultural content development has been affected as an experience that physically connects people. In this year we needed to be creative and explore the digital new way of working. This meant cultural work continues but in the digital space.

Psycho-Social Programmes

• Youth services in Helenvale is back in operation from the HRC. New Brighton food gardens are in implementation phase. Uitenhage stakeholders has requested for covid-19 awareness again as the second wave is problematic in the area. Psycho social programs as an interventions is a challenge as the stakeholders are primarily focused on capital projects as a priority. Teenage pregnancy and mother programs are being finalised in Schauderville Korsten.

Directors' Responsibilities and Approval

New Brighton Development

• Project scope includes planting of trees, public benches and plaques. All work to be done by EME's. A consultant was appointed to compile a business plan. This Programme compiles a list of project through social engagements with the community to develop a business plan where clear objectives can be attained and translated into projects. The initiative of this programme is Beautify the area and unlock the creative sector in the area.

New Brighton Swimming Pool

• Phase 1 & 2 of the project completed, currently the facility is closed due to lockdown. The facility will be handed over to NMBM SRAC Project is completed but the facility is closed due to water restrictions. The intended purpose of the pool was learn to swim initiatives and teach children from area water safety.

SPUU: Safer Schools

• The SPUU programme is fund in collaboration by the KfW Bank and the metro. The project consisted of rehabilitation and upgrading of the existing school sporting facilities to promote activities that will address the objective of the Programme. 4 schools sports facilities in Helenvale were revamped, the works comprising of Netball, cricket pitches, cricket practice nets, rugby/soccer field upgrades and building of 5 a-side soccer field.

SPUU: Safer Sportfield

• Practical Completion was achieved on the Project with only the additional works that required completion. The upgraded facility initially had 1 field but with the upgrade the existing field was refurbished, a new club house built, an additional soccer with 2 fenced 5 aside soccer pitches and a caretakers cottage constructed .

SPUU: Safer Electrification

• This project is linked with the Pedestrian route that will be completed in the 20/21 Financial year. The project comprised of installation of vandal proof lighting to all existing and new lights that traverse the play route. The purpose of these lights is light up dark alleyways where children walk to school where crime is prevalent.

SPUU: Safer Electrification

• This project is linked with the Pedestrian route that will be completed in the 20/21 Financial year. The project comprised of installation of vandal proof lighting to all existing and new lights that traverse the play route. The purpose of these lights is light up dark alleyways where children walk to school where crime is prevalent.

SPUU: Victim Support Centre

• Service Provider Appointed.
• Project is under progress.
• Prefab units completed off-site, exact position to be finalised between MBDA, SAPS and DPW. The facility will serve as an access point for domestic violence victims, where they can be accommodated and taken of.

SPUU: Youth Facilities

• Refurbishing and delivery of containers to completed.
• Joining and sealing of containers on site completed.
• Landscaping and service connections outstanding. The project comprises of modularised container facilities. This will be designed and activate in a manner where youth can congregate is a safe space with alternative to violence programmes being implemented.

Govan Mbeki Avenue: Donkin Reserve Phase 4

• Negotiations with existing consultant was appointed to implement the works. Initial project was terminated and a new SLA had to be put in place for the consultant. The project once completed will consist of an outdoor gym, kiddies play area and an international size 5 a-side field.

Directors' Responsibilities and Approval

Directors

Non-executive directors of the company as at 30 June 2021 were:

Mandlakazi Ruth Skefile (Chairperson)
Rajesh Dana
Sithole Mabi Mbanga
Masalamani Odayar
Nomnikelo Kondlo
Glenda Perumal
Mputumi William Goduka
Vuyani Galen Dyantyi
Mxolisi Moolman
Khwezi Gideon Ntshanyana

Senior Management

During the period under review none of the two senior managers completed the minimum finance competency level requirements for senior officials within the MBDA. This requirement is in terms of a National Treasury Regulation (Government Gazette 29967). In line with exemption notice 91 subsequently issued in February 2017, affected employees were granted a further 18 months within which to meet these requirements, with newly appointed affected employees granted 18 months within which to meet these requirements from date of their appointment.

Preparer of annual financial statements:

Zimbali Khwela (Finance Manager)

The company secretary is Mbulelo Matiwane whose business and postal addresses are:

Postal Address:

Mandela Bay Development Agency
P.O. Box 74
Port Elizabeth
6000

Business Address:

1st Floor
Tramways Building
Corner Lower Valley Road and South Union Street
Central
Port Elizabeth
6001

The Annual Financial Statements set out on pages 5 to 48 were tabled for Board of Directors approval on 30 August 2021.

Mandela Bay Development Agency NPC

(Registration number 2003/017900/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Financial Position

Figures in Rand	Notes	2021	2020
Assets			
Current Assets			
		152 392 772	113 533 656
Cash and cash equivalents	1	65 487 576	43 834 280
Receivables from exchange transactions	2	84 660 005	67 673 829
Receivables from non-exchange transactions	3	2 100	2 100
Inventory	4	178 765	148 598
VAT Receivable	12	2 064 326	1 874 849
Non-Current Assets			
		21 242 289	20 926 761
Intangible Assets	5	1 002 585	312 051
Property, Plant & Equipment	6	19 989 204	20 364 211
Heritage Assets	7	250 500	250 500
Total Assets		173 635 061	134 460 417
Liabilities			
Current Liabilities			
		149 053 861	111 024 784
Payables from exchange transactions	8	54 066 531	37 136 552
Payables from non-exchange transactions	9	209 798	197 428
Provisions	10	6 330 435	5 309 524
Unspent grants	11	88 447 097	68 381 280
Non-current Liabilities			
		905 950	84 707
Payables from exchange transactions	8	905 950	84 707
Total Liabilities		149 959 811	111 109 491
Net Assets			
		23 675 250	23 350 926
Accumulated surplus		23 675 250	23 350 926
Total Net Assets		23 675 250	23 350 926

Mandela Bay Development Agency NPC

(Registration number 2003/017900/08)

Annual Financial Statements for the year ended 30 June 2021

Statement of Financial Performance

Figures in Rand	Notes	2021	2020
Revenue			
Revenue from exchange transactions		23 388 373	15 387 204
Transfers and subsidies		23 386 895	14 441 641
Other Revenue		1 478	945 563
Revenue from non-exchange transactions		104 710 618	147 197 581
Transfers and subsidies		104 710 618	147 197 581
Other Revenue		-	-
Total Revenue	13	128 098 991	162 584 785
Other income	14	2 534 762	3 553 676
Finance Income		1 400 487	2 015 740
Sundry Income		1 134 274	1 537 936
Total Income		130 633 753	166 138 461
Expenditure			
Employee Related costs	15	-36 545 884	-35 453 543
Remuneration of Directors	16	-1 355 076	-1 312 000
Depreciation and Amortisation	6/5	-879 866	-1 112 744
Debt Impairment	2	-700 437	-495 015
Contracted Services	17	-11 069 734	-13 655 089
Capital projects costs	18	-26 416 829	-34 769 534
Other Operating costs	19	-53 333 207	-77 300 539
Total Expenditure		-130 301 033	-164 098 465
Operating Surplus		332 720	2 039 997
Profit/(Loss) on sale of assets	6	-8 395	-
Surplus before taxation		324 324	2 039 997
Taxation (exempt)		-	-
Surplus for the year		324 324	2 039 997

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Statement of Changes in Net Assets

Figures in Rand	Notes	Contribution from Shareholder	Accumulated surplus	Total Net Assets
Balance at 01 July 2019		-	21 310 929	21 310 929
Surplus for the year - as previously reported		-	2 039 997	2 039 997
Balance at 01 July 2020		-	23 350 926	23 350 926
Surplus for the year		-	324 324	324 324
Balance at 30 June 2021		-	23 675 250	23 675 250

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Cash Flow Statement

Figures in Rand	Notes	2021	2020
Cash flows from operating activities			
Receipts		174 110 157	240 854 497
Transfers and Subsidies		163 004 825	214 486 449
Interest received		1 411 212	1 365 621
Other Revenue		9 694 119	25 002 428
Payments		-151 253 072	-204 542 250
Suppliers		-102 932 708	-158 185 036
Employees costs		-48 320 364	-46 357 215
Net cash from/(used) operating activities	20	22 857 085	36 312 247
Cash flows from investing activities			
Purchase of Property, plant and equipment	6	-490 240	-2 810 407
Proceeds from sale of property, plant and equipment	6	2 801	-
Purchase of intangible assets	5	-716 351	-265 045
Net cash flows from investing activities		-1 203 789	-3 075 453
Cash flows from financing activities			
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		21 653 296	33 236 794
Cash and cash equivalents at the beginning of the year		43 834 280	10 597 486
Cash/cash equivalents at the year end	1	65 487 576	43 834 280

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Statement of Comparison of Budget and Actual Amounts - MBDA

Budget on Accrual Basis							
Figures in Rand	Approved Budget	Adjustments (Inch Virements)	Final Budget	Actual amounts on a comparable basis	Difference between final budget and actual (R)	Actual vs Budget (%)	Reference
Financial Performance							
Service charges	200 000	-	200 000	1 134 274	-934 274	567%	Note 33 - A
Investment revenue	2 000 000	-	2 000 000	1 400 487	599 513	70%	Note 33 - B
Transfers and subsidies	95 396 636	85 735 328	181 131 964	89 239 207	91 892 757	49%	Note 33 - C
Other own revenue	400 000	-	400 000	1 478	398 522	0%	Note 33 - D
Total Revenue (excluding capital transfers and contributions)	97 996 636	85 735 328	183 731 964	91 775 447	91 956 617	50%	
Employee Related costs	40 953 642	2 349 209	43 302 850	36 545 884	6 756 966	84%	Note 33 - E
Remuneration of Board Members	1 356 376	-67 950	1 288 426	1 355 076	-66 650	105%	Note 33 - F
Depreciation and debt impairment	957 895	-	957 895	1 580 303	-622 408	165%	Note 33 - C
Other expenditure	23 326 867	12 187 234	35 514 121	25 544 635	10 569 486	71%	Note 33 - C
Total Expenditure	67 194 800	14 468 492	81 663 293	65 025 898	16 637 395	80%	
Surplus before taxation	30 801 835	71 266 836	102 068 671	26 749 548	75 319 123	26%	
Taxation (exempt)	-	-	-	-	-	0%	
Actual Surplus/ (Deficit) for the year on Comparable Basis	30 801 835	71 266 836	102 068 671	26 749 548	75 319 123	26%	
Capital expenditure & funds sources							
Capital expenditure							
Transfers and subsidies	31 009 180	37 617 580	68 626 760	22 746 149	45 880 611	33%	Note 33 - C
Borrowing	-	-	-	-	-	0%	
Internally generated funds	1 896 616	33 339 131	35 235 747	3 670 680	31 565 067	10%	Note 33 - G
Total sources of capital funds	32 905 796	70 956 711	103 862 507	30 087 509	73 774 998	29%	
Financial position							
Total current assets	13 471 082	19 921 872	33 392 954	152 382 772	-118 999 809	456%	Note 33 - H
Total non current assets	12 100 278	3 857 555	15 957 833	21 242 289	-5 284 456	133%	Note 33 - I
Total current liabilities	19 200 000	3 857 555	23 057 555	149 053 861	-125 996 306	646%	Note 33 - J
Total non current liabilities	-	-	-	905 950	-905 950	905950%	
Community wealth/Equity	6 371 370	19 921 872	26 293 242	23 675 250	2 617 991	90%	
Cash flows							
Net cash from (used) operating	31 759 731	58 370 639	90 130 370	22 857 085	67 273 285	25%	Note 33 - K
Net cash from (used) investing	-32 905 796	-70 465 891	-103 371 686	-1 203 789	-102 167 897	1%	Note 33 - L
Net cash from (used) financing	-	-	-	-	-	0%	
Net increase/(decrease) in cash and cash equivalents	-1 146 065	-12 095 252	-13 241 316	21 653 296	-34 894 612	-164%	
Cash and cash equivalents at the beginning of the year	12 017 157	10 871 092	10 871 092	43 834 280	-32 963 188	403%	
Cash/cash equivalents at the year end	10 871 092	-1 224 160	-2 370 225	65 487 576	-67 857 800	-2763%	

Statement of Comparison of Budget and Actual Amounts - NMB Stadium

Budget on Accrual Basis							
Figures in Rand	Approved Budget	Adjustments (Inch Virements)	Final Budget	Actual amounts on a comparable basis	Difference between final budget and actual	Actual vs Budget (%)	Reference
Financial Performance							
Service charges	-	-	-	-	-	0%	
Investment revenue	-	-	-	-	-	0%	
Transfers and subsidies	40 056 350	-	40 056 350	38 858 306	1 198 044	97%	
Other own revenue	10 352 250	-	10 352 250	583 974	9 768 276	6%	Note 33 - M
Total Revenue (excluding capital transfers and contributions)	50 408 600	-	50 408 600	39 442 280	10 966 320	78%	
Employee Related costs	14 034 990	-	14 034 990	14 459 593	-424 603	103%	Note 33 - N
Remuneration of Board Members	-	-	-	-	-	0%	
Depreciation and debt impairment	-	-	-	-	-	0%	
Other expenditure	36 373 610	-	36 373 610	23 772 350	12 601 260	65%	Note 33 - O
Total Expenditure	50 408 600	-	50 408 600	38 231 943	12 176 657	76%	
Surplus before taxation	-	-	-	1 210 337	-1 210 337	0%	
Taxation (exempt)	-	-	-	-	-	0%	
Actual Surplus/ (Deficit) for the year on Comparable Basis	-	-	-	1 210 337	-1 210 337	0%	
Capital expenditure & funds sources							
Capital expenditure							
Transfers and subsidies	-	-	-	-	-	0%	
Public contributions & donations	-	-	-	-	-	0%	
Borrowing	-	-	-	-	-	0%	
Internally generated funds	-	-	-	-	-	0%	
Total sources of capital funds	-	-	-	-	-	0%	

A threshold of 5% has been applied in the explanation of variances

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Annual Financial Statements for the year ended 30 June 2021

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003). In addition, these Annual Financial Statements include mandatory disclosures in accordance with the Municipal Finance Management Act (Act No 56 of 2003) and related regulations.

With respect to accounting standards for material transactions, events or conditions not covered by Directive 5, the MBDA has developed accounting policies in accordance with paragraphs 8, 10 and 11 of GRAP 3, as read with Directive 5.

Assets, liabilities, revenues and expenses were not offset, except where off setting is either required or permitted by a Standard of GRAP.

All figures have been rounded to the nearest Rand.

The accounting policies applied are consistent with those used to present the previous year's Annual Financial Statements, unless explicitly stated.

1.1 Reporting Entity

Mandela Bay Development Agency is a municipal entity (registered non-profit company) with the Nelson Mandela Bay Municipality (NMBM) as its parent municipality. The entity's registered address is The City Hall, Port Elizabeth. The entity is situated in the Nelson Mandela Bay Municipality of the Eastern Cape Province. The entity has been established by the NMBM with the assistance of the Industrial Development Corporation (IDC) to project manage urban regeneration of the inner metro precinct and emerging development nodes in Nelson Mandela Bay with a view to promoting economic and tourism development.

1.2 Basis for Presentation

1.2.1 Statement of Compliance

The annual financial statements have been prepared in accordance with the Generally Recognised Accounting Practices (GRAP) Financial Reporting Framework as set by the Accounting Standards Board (ASB) and prescribed by the Minister of Finance in Directive 5.

1.2.2 Basis of measurement

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

1.2.3 Use of Estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

a. Provisions

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that there will be an outflow of resources embodying economic benefits or service potential to settle obligation, the provision is reversed.

Workmen's compensation provision is calculated as a percentage of total earnings for the year.

The entity does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

b. Trade receivables and/or loans and receivables

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cashflows from a financial asset.

Accounting Policies

1. Presentation of Annual Financial Statements

1.2.3 Use of Estimates and judgements (continued)

c. Impairment testing

The recoverable amounts of individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets and intangible assets.

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cashflows are largely independent of cashflows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cashflows for each group of assets. Expected future cashflows used to determine the value in use of tangible assets are inherently uncertain and could materially change overtime. They are significantly affected by a number of factors, together with economic factors.

d. Useful lives of property, plant and equipment and intangible assets

The entity's management determines the estimated useful lives and related depreciation charges for the property, plant and equipment and intangible assets. This estimate is based on an industry norm. Management will adjust the depreciation charge where useful lives are less than previously estimated useful lives.

e. Effective interest rate

The entity used the prime interest rate to discount future cashflows.

f. Allowance for impairment

On receivables an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cashflows discounted at the effective interest rate, computed at initial recognition.

1.3 Presentation Currency

These annual financial statements are presented in South African Rand.

The functional currency of the MBDA is South African Rand. Financial values are rounded to the nearest one Rand.

1.4 Going Concern Assumption

These annual financial statements have been prepared on a going concern basis. In June 2021 the Council adopted the 2021/22 to 2023/24 Budget. This three-year Medium Term Revenue and Expenditure Framework (MTREF) to support the on-going delivery of municipal services to residents reflected that the Budget was funded over the three-year period.

1.5 Principal Agent Transactions

During the previous period there was a transfer of the management of the Nelson Mandela Bay Multi-Purpose Stadium operations to the agency by the NMBM, where a principal / agent relationship exists between the parties. It was established that MBDA will function as principal on NMB Stadium related expenditure and act as agent on the income earned as a result of NMB Stadium activities. An exception is liquor income as the licence is in the name of MBDA.

1.6 Unauthorised Expenditure

Unauthorised expenditure is expenditure that has not been budgeted for, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, Municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure incurred for the financial period is accounted for as a normal expense in the Statement of Financial Performance but form part of disclosure of unauthorised, irregular and fruitless and wasteful expenditure in the notes to the Financial Statements.

1.7 Irregular Expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000) and the Public Office Bearers Act (Act No.20 of 1998) or is in contravention of the entity's Supply Chain Management Policy.

Irregular expenditure incurred for the financial period is accounted for as a normal expense in the Statement of Financial Performance but form part of disclosure on unauthorised, irregular and fruitless and wasteful expenditure in the notes to the Financial Statements.

1.8 Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure incurred for the financial period is accounted for as a normal expense in the Statement of Financial Performance but form part of disclosure of unauthorised, irregular and fruitless and wasteful expenditure in the note to the financial statements.

Accounting Policies

1. Presentation of Annual Financial Statements

1.9 Recovery of Unauthorised, Irregular, Fruitless & Wasteful Expenditure

The recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures and is recognised when the recovery thereof from the responsible officials is probable. The recovery of unauthorised, irregular, fruitless and wasteful expenditure is treated as other income.

1.10 Related Parties

The entity has processes and controls in place to aid in the identification of related parties. A related party is a person or an entity with the ability to control or jointly control the other party or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. Related party relationships where control exists are disclosed regardless of whether any transaction took place between the parties during the reporting period.

Where transactions occurred between the entity and one or more related parties, and these transactions were not within:

- Normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances; and
- Terms and conditions within the normal operating parameters established by the entity's legal mandate.

Further details about those transactions are disclosed in the notes to the financial statements.

1.11 Presentation of Budget Information in the Financial Statements

Presentation of a comparison of budget and actual amounts

The entity presents a comparison of the budget amounts for which it is held publicly accountable and actual amounts as additional budget columns in the financial statements currently presented in accordance with Standards of GRAP24. The comparison of budget and actual amounts present separately for each level of legislative oversight:

- (a) the approved and final budget amounts;
- (b) the actual amounts on a comparable basis; and
- (c) by way of note disclosure, an explanation of material differences between the budget for which the entity is held publicly accountable and actual amounts.

Presentation and disclosure

The entity presents a comparison of budget and actual amounts as additional budget columns in the primary financial statements because the financial statements and the budget are prepared on a comparable basis.

Changes from approved to final budget

The entity presents an explanation of whether changes between the approved and final budget are a consequence of reallocations within the budget or of other factors:

- (b) in a report issued before, at the same time as, or in conjunction with the financial statements, and shall include a cross reference to the report in the notes to the financial statements.

Comparable basis

All comparisons of budget and actual amounts are presented on a comparable basis to the budget.

The entity is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by the entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by functional classification linked to performance outcome objectives.

The financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Comparative information is not required.

1.12 Commitments

Items are classified as commitments when the entity has committed itself to future transactions that will normally result in an outflow of cash.

Disclosure is done to the extent that it has not already been recognised elsewhere in the Financial Statements.

Capital commitments are treated as follows:

- The aggregate amount of capital expenditure contracted for at the reporting date, to the extent that the amount has not been recorded in the financial statements; and
- If a commitment is for a period longer than a year.

Commitments are disclosed only to the extent that they relate to items other than the routine business of the entity.

Commitments are disclosed in the following circumstances:

- Unrecorded capital expenditure approved and contracted for before/at reporting date;
- Unrecorded capital expenditure approved but not yet contracted for at reporting date; and
- Unrecorded capital expenditure approved after reporting date.

Material contracts/awards entered into after the reporting date, but prior to the approval of the AFS are disclosed under subsequent events.

Commitment are disclosed when they become non-cancellable or only cancellable at significant cost.

In terms of the MBDA SCM Policy the entity is obliged to adhere to a compulsory 14 day non-objection period for intended appointments.

Thus commitments are considered non-cancellable only when the 14 day non-objection period has lapsed or when the objections received have been resolved (which ever is later).

Accounting Policies

1. Presentation of Annual Financial Statements

1.13 Property, Plant and Equipment

Initial recognition

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, other than investment property, or for administrative purposes and are expected to be used during more than one year.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the entity and the cost or fair value of the item can be measured reliably.

Measurement at recognition

Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. Where an asset is acquired by the entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the entity. The cost also includes the initial estimate of the costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an item of property, plant and equipment is acquired in exchange for a similar asset, the acquired asset is initially measured at the carrying value of the asset given up.

Where an item of property, plant and equipment is acquired in exchange for a dissimilar asset, the acquired item is initially measured at the fair value (the cost). If the acquired item's fair value is not determinable, the allocated deemed cost is the carrying amount of the asset given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the entity expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with a specific item of property, plant and equipment, they are accounted for as property, plant and equipment.

Subsequent measurement

Subsequent to initial recognition, items of property, plant and equipment (other than land) are measured at cost less accumulated depreciation and impairment losses.

Subsequent to initial recognition, land is measured at cost and is not depreciated because it has an indefinite useful life.

Where the entity replaces parts of an asset, it derecognises the part of the asset replaced and capitalises the new component. Subsequent expenditure including major spare parts and servicing equipment qualify as property, plant and equipment if the recognition criteria are met.

Depreciation

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful life of the component assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately.

The component assets' residual values, useful lives and depreciation methods are reviewed at each financial year-end and if expectations differ from previous estimates, the changes are accounted for as a change in estimate in accordance with the standard of GRAP on accounting policies, changes in accounting estimates and errors.

The depreciation charge for each reporting period is recognised in surplus or deficit, unless it is included in the carrying amount of another asset.

The annual depreciation rates for the current and previous year are based on the following average asset useful lives:

Assets	Useful Life Range in Years
- Computer Equipment	3 - 16
- Office Equipment	5 - 10
- Furniture and Fittings	10-17
- Motor Vehicles	4 -15
- Containers	15-17
- Leasehold Asset	5
- Land	Indefinite Life
- Buildings	15 - 50

Accounting Policies

1. Presentation of Annual Financial Statements

1.13 Property, Plant and Equipment (continued)

Impairment:

Recognition and measurement of an impairment loss for an item of property, plant and equipment

An entity shall assess at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset.

The carrying amount of an asset is reduced to its recoverable amount if, and only if, its recoverable amount is less than its carrying amount.

The impairment loss is recognised immediately in surplus and deficit.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance. Residual values are assumed to be zero, unless otherwise stated.

1.14 Heritage Assets

Initial recognition and measurement

Heritage assets are assets that have cultural, historical, environmental, natural, scientific or technological significance that are held indefinitely for the benefit of present and future generations.

Heritage assets are recognised when it is probable that future economic benefits or service potential associated with the item will flow to the entity and the cost or fair value of the item can be measured reliably.

When an asset, does not meet the initial recognition criteria of a heritage asset, the entity discloses the relevant and useful information about such assets in the notes to the financial statements.

Heritage assets are initially recognised at cost on acquisition date.

The cost is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the entity.

Where an asset is acquired by the entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an asset is acquired in exchange for a similar asset, the acquired asset is initially measured at the carrying value of the asset given up.

Where an asset is acquired in exchange for a dissimilar asset, the acquired item is initially measured at the fair value (the cost). If the acquired item's fair value is not determinable, the allocated deemed cost is the carrying amount of the asset given up.

Subsequent measurement

Subsequent to initial recognition, the entity uses the cost model to measure its heritage assets.

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

The table below reflects the class of heritage assets and the estimated useful life range in years:

Heritage Sites	Useful Life Range in Years
Memorials & Statues	Indefinite Life
Heritage Sites	Indefinite Life
Museums	Indefinite Life
Art Works	Indefinite Life
Collections of rare books and manuscripts	Indefinite Life

Impairment

The entity does not depreciate its heritage assets, but at each financial year end, it assesses whether there is an indication that the assets may be impaired. If such an indication exists, the entity estimates the recoverable amount or the recoverable service amount of the heritage asset.

Derecognition

Heritage assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of a heritage asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Accounting Policies

1. Presentation of Annual Financial Statements

1.15 Intangible Assets

Initial recognition and measurement

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include computer software, licences and development costs.

The entity recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity and the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired by the entity for no or nominal consideration (i.e. a non-exchange transaction), its initial cost at the date of acquisition is measured at its fair value as the date of acquisition.

Intangible assets acquired through non-exchange transactions:

Internally generated intangible assets:

Research phase

The entity does not recognise any intangible asset arising from a research phase of an internal project. Expenditure on research phase of an internal project is recognised as an expense when incurred.

Development phase

An intangible asset arising from development phase is recognised if, and only if the entity can demonstrate all of the following:

- a) The technical feasibility of completing the intangible asset so it will be available for use or resale;
- b) Its intention to complete the intangible asset and use it or sell it;
- c) Its ability to use or sell the intangible asset;
- d) How the intangible asset will generate probable future economic benefits or service potential;
- e) The availability of technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- f) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Exchanges of assets

The cost of an intangible asset acquired in exchange for another is measured at fair value unless the fair value of neither the asset received nor the asset given up is reliably measurable. If the acquired asset is not measured at fair value, its cost is measured at the carrying amount of the asset given up.

Subsequent measurement

Intangible assets are subsequently carried at cost less accumulated amortisation and impairment losses.

The cost of an intangible asset is amortised over its useful life where that useful life is finite. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Financial Performance in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Amortisation and impairment

Amortisation is charged to write off the cost of intangible assets over their estimated useful lives using the straight-line method. Amortisation of an asset begins when it is available for use.

The annual amortisation rates are based on the following estimated average asset useful lives:

Assets	Useful life in Years
- Computer Software	3 – 5

The amortisation period, the amortisation method and residual value for intangible assets with finite useful lives are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

Derecognition

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Accounting Policies

1. Presentation of Annual Financial Statements

1.16 Construction Contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of the contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probable to be recovered. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date exceed capital grants received, the deficit is shown as amounts due from funders for contract work. For contracts where capital grants received exceed contract costs incurred to date, the surplus is shown as the amounts due to funders for contract work. Amounts received before the related work is performed are included in the statement of financial position, as a liability, as unspent conditional grants. Amounts billed for work performed but not yet paid by the funder are included in the statement of financial position under trade and other receivables.

1.17 Financial Instruments

Initial Recognition

The entity recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, the entity becomes a party to the contractual provisions of the instrument.

The entity recognises financial assets using trade date accounting.

Distinguishing liabilities and residual interests

A financial instrument or its component parts is classified on initial recognition as a financial liability, a financial asset or residual interest in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and a residual interest.

Compound financial instruments

The entity evaluates the terms of a financial instrument to determine whether it contains both a liability and residual interest component. Such components are classified separately as financial liabilities or residual interests.

Initial Measurement of financial assets and financial liabilities

When a financial asset or financial liability is recognised initially, the entity measures it at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

The transaction price usually equals the fair value at initial recognition, except in certain circumstances, for example where interest free credit is granted or where credit is granted at a below market rate of interest.

Concessionary loans

The entity first assesses whether the substance of a concessionary loan meets the definition of a financial instrument. On initial recognition, the entity analyses a concessionary loan into its component parts and accounts for each component separately. The entity accounts for that part of a concessionary loan that is:

- a) A social benefit in accordance with the Framework for the Preparation and Presentation of Financial Statements, where it is the issuer of the loan; or
- b) Non-exchange revenue, in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers), where it is the recipient of the loan.

The part of the concessionary loan that is a social benefit or non-exchange revenue is determined as the difference between the fair value of the loan and the loan proceeds, either paid or received.

After initial recognition, an entity measures concessionary loans in accordance with the subsequent measurement criteria set out for all financial instruments.

Accounting Policies

1. Presentation of Annual Financial Statements

Subsequent Measurement of financial assets and financial liabilities

Subsequent to initial recognition, financial assets and financial liabilities are measured at fair value, amortised cost or cost.

All financial assets and financial liabilities are measured after initial recognition using the following categories:

- a) Financial instruments at fair value
 - Instruments held for trading.
 - Non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition.
 - Financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.
- b) Financial instruments at amortised cost
 - Non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that the entity designates at fair value at initial recognition or are held for trading.
- c) Financial instruments at cost
 - Investments in residual interests that do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

The entity assesses which instruments should be subsequently measured at fair value, amortised cost or cost, based on the definitions of financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost as set out above.

All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Gains and losses

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

For financial assets and financial liabilities measured at amortised cost or cost, a gain or loss is recognised in surplus or deficit when the financial asset or financial liability is derecognised or impaired or through the amortisation process.

Impairment of financial assets

All financial assets measured at amortised cost, or cost, are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

The entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If an entity determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting an allowance account. The reversal may not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Accounting Policies

1. Presentation of Annual Financial Statements

1.17 Financial Instruments (continued)

Derecognition of financial assets:

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- a) The contractual right to the cash flow from the financial asset expire, are settled or waived;
- b) The entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- c) Despite having retained significant risks and rewards, the entity has transferred control of the asset to another party.

Derecognition of financial liabilities:

The entity derecognises a financial liability from its statement of financial position when it is extinguished, that is, when the obligation specified in the contract is discharged, cancelled, expires or waived.

Presentation:

Interest, losses and gains

Interest, losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Offsetting a financial asset and a financial liability

The entity does not offset financial assets and financial liabilities in the Statement of Financial Position unless a legal right to set-off exists and the parties intend to settle on a net basis or to realise the asset and settle the liability simultaneously.

Policies relating to specific financial instruments

1.17.1 Investments and other financial assets

Financial assets within the scope of GRAP 104 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The entity had no financial assets at fair value through profit or loss, held to maturity investments or available-for-sale financial assets.

1.17.2 Trade and other Receivables

Trade and other receivables are classified as loans and receivables and are measured at initial recognition at fair value plus direct transaction costs, and are subsequently measured at amortised cost using the effective interest rate method, less any impairment loss to reflect irrecoverable amounts. Amortised cost refers to the initial carrying amount, plus interest, less repayments and impairments.

Appropriate allowances for estimated irrecoverable amounts are recognised in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables through the use of an allowance account, and the amount of the loss is recognised in the statement of financial performance within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in profit or loss.

1.17.3 Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost.

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprises of cash on hand and deposits held on call with banks.

1.17.4 Trade and other payables

Trade payables are initially measured at fair value plus transaction costs that are directly attributable to the acquisition and are subsequently measured at amortised cost using the effective interest method.

Accounting Policies

1. Presentation of Annual Financial Statements

1.18 Inventories

Inventories comprise assets held for sale, consumption or distribution during the ordinary course of stadium business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes (other than VAT), transport costs and any other direct costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process. Where inventory is acquired by the entity for no or nominal consideration (i.e. a non-exchange transaction), the cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

Inventories, consisting of consumable stores, raw materials and finished goods (FG), are measured at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. The basis of determining cost is first-in, first-out (FIFO) method for all inventory categories. Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values.

An impairment provision for the write down of inventory is maintained in lieu of obsolete inventory. The level of the impairment provision for obsolete inventory is the value equivalent to the value of inventory assessed as obsolete at financial year-end. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

1.19 Impairment of Financial Assets

The entity assesses at each statement of financial position date whether a financial asset or group of financial assets is impaired.

1.20 Derecognition of financial assets and liabilities

1.20.1 Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

The rights to receive cash flows from the asset have expired; or the entity retains the right to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement; and either

- (a) the entity has transferred substantially all the risks and rewards of the asset, or
- (b) has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of the asset.

Accounting Policies

1. Presentation of Annual Financial Statements

1.20 Derecognition of financial assets and liabilities (continued)

1.20.2 Financial Liabilities

Financial liabilities within the scope of GRAP 104 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The entity determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value and in the case of loans and borrowings, directly attributable transaction costs.

The entity's financial liabilities include trade and other payables as well as construction contract retention creditors.

1.20.3 Construction Contract Retention Creditors

The entity received grant funding from its parent municipality to undertake certain infrastructure development projects. It accounts for costs incurred on construction of these infrastructure development projects using the percentage of completion method which is certified by the consulting engineer.

Retentions payable within 12 months after financial year end is treated as current and any retentions payable over 12 months after financial year end is treated as non-current

1.20.4 Loans and Borrowings

After initial recognition, trade and other payables and construction contract retention creditors are subsequently measured at amortised cost using the effective interest rate method.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well through the amortisation schedule.

1.21 Cash and Cash Equivalents

Cash includes cash on hand and with banks. Cash equivalents are short-term, liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. Cash in the statement of financial position comprises of cash at bank and on hand and short-term deposits with an original maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Cash and cash equivalents are measured at fair value.

1.22 Provisions and Contingencies

A provision is recognised when the entity has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date (for example in the case of obligations for the rehabilitation of land). The impact of the periodic unwinding of the discount is recognised in the Statement of Financial Performance as a finance cost.

If the effect of the time value of money is material, provisions are discounted using a rate that reflects the risk of the liability. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that there will be an outflow of resources embodying economic benefits or service potential to settle the obligation, the provision is reversed.

Future events that may affect the amount required to settle an obligation are reflected in the provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

With respect to litigation and claims against the entity, the entity's Legal Counsel assesses the list of claims against the entity on an annual basis. The entity recognises a provision for all claims/cases for which the outflow of economic resources is probable and the amount can be reliably estimated.

After their initial recognition contingent liabilities recognised are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised but disclosed in the annual financial statements.

Accounting Policies

1. Presentation of Annual Financial Statements

1.23 Revenue

1.23.1 Revenue from Exchange Transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, excluding indirect taxes, rebates and discounts.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion.

When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed. When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

Interest

Interest income is recognised in surplus or deficit on a time proportionate basis, using the effective interest method (i.e. based on the effective interest rate of the individual investments).

1.23.2 Revenue from non-exchange transactions

Non-exchange transactions are defined as transactions where the entity receives value from another entity without directly giving approximately equal value in exchange.

Recognition of revenue

Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Recognition of assets

An inflow of resources from a non-exchange transaction that meets the definition of an asset is recognised as an asset when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably. The asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow. A present obligation arising from a non-exchange transaction that meets the definition of a liability will be recognised as a liability when it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate of the amount can be made.

Grants, transfers or donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset and there is no corresponding liability in respect of related conditions. Where the grant, transfer or donation has been received but the entity has not met the related conditions that would entitle it to the revenue, a liability is recognised.

Accounting Policies

1. Presentation of Annual Financial Statements

1.23 Revenue (continued)

Measurement of revenue from non-exchange transactions

Revenue from a non-exchange transaction shall be measured at the amount of the increase in net assets, recognised by the entity.

Expenditure from Non-exchange Transactions

The accounting policy for expenditure arising from non-exchange transactions is similar to policy for non-exchange revenue. Expenditure from non-exchange transactions is recognised when the resources have been transferred to the beneficiaries. A corresponding asset is raised to the extent that conditions attached to the expenditure have not been met. The asset is transferred to the Statement of Financial Performance once the conditions are met.

1.24 Value Added Tax

Revenue, expenses and assets are recognised net of the amount of Value Added Tax except:

- where the Value Added Tax incurred on a purchase of assets or services is not recoverable from taxation authority, in which case VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of Value Added Tax included.

The entity accounts for Value Added Tax on the invoice basis.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of trade and other receivables or trade and other payables in the statement of financial position.

1.25 Principal Agent Transactions

The MBDA was appointed by its parent municipality NMBM to act as its agent in the management of the NMB Stadium operations. As part of its custodial responsibilities the agency is responsible for the total operations in terms of event, financial and risk management, and to ensure that this facility becomes more sustainable over the longer term.

The agency has contracted additional staff with the relevant experience to manage this operations with oversight and control of the agency's senior management.

1.26 Unspent Conditional Grants

Unutilised project funding is reflected on the Statement of Financial Position as a Current Liability - Unspent Conditional Grants. The cash received is invested until it is utilised.

1.27 Comparative Information

Current year comparatives:

In accordance with GRAP 1 and 24, the Budget information has been presented separately of the Statement of Financial Performance in these Annual Financial Statements.

Prior year comparatives:

When the presentation or classification of items in the Annual Financial Statements are amended, prior period comparative amounts are reclassified and restated. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

Where there has been a change in accounting policy in the current year and the standards require retrospective adjustment, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The nature and reasons for the reclassifications and restatements are disclosed in the notes to the Annual Financial Statements as applicable.

1.28 Taxation

The entity has received a tax exemption certificate from South African Revenue Services.

Accounting Policies

1. Presentation of Annual Financial Statements

1.29 Operating Leases

As Lessee

Recognition

Assets subject to operating leases, i.e. those leases where substantially all of the risks and rewards of ownership are not transferred to the lessee through the lease, are not recognised in the Statement of Financial Position. Lease payments under an operating lease are recognised as an expense in the statement of financial performance, on a straight line basis over the lease term. To the extent that the straight-lined lease payments differ from the actual lease payments the difference is recognised in the Statement of Financial Position as either lease payments in advance (operating lease asset) or lease payments payable (operating lease liability) as the case may be.

Measurement

The resulting asset and / or liability is measured as the undiscounted difference between the straight-line lease payments and the contractual lease payments.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, namely whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Derecognition

The operating lease liability is derecognised when the entity's obligation to settle the liability is extinguished. The operating lease asset is derecognised when the entity no longer anticipates economic benefits to flow from the asset.

As Lessor

The entity presents assets subject to operating leases in its Statement of Financial Position according to the nature of the asset.

Lease revenue from operating leases is recognised as revenue on a straight-line basis over the lease term. Initial direct costs incurred by the entity in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expenses over the lease term on the same basis as the lease revenue.

The depreciation policy for depreciable leased assets is consistent with the entity's normal depreciation policy for similar assets, and depreciation is calculated in accordance with the Standards of GRAP on Property, Plant and Equipment and Intangible Assets.

Recognition

For those leases classified as operating leases the asset subject to the lease is not derecognised and no lease receivable is recognised at the inception of the lease. Lease payments received under an operating lease are recognised as income, in the Statement of Financial Performance, on a straight-line basis over the lease period.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, namely, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Measurement

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. The difference between the straight-lined lease payments and the contractual lease payments are recognised as either an operating lease asset or operating lease liability. An operating lease liability is raised to the extent that lease payments are received in advance (i.e. the straight-line lease payments are more than the contractual lease payments). The operating lease asset and / or operating lease liability are measured as the undiscounted difference between the straight-line lease receipts and the contractual lease receipts.

Derecognition

Operating lease liabilities are derecognised when the entity's obligation to provide economic benefits or service potential under the lease agreement expires. Operating lease assets are derecognised when the entity's right to the underlying cash flows expire or the entity no longer expects economic benefits to flow from the operating lease asset.

Accounting Policies

1. Presentation of Annual Financial Statements

1.30 Employee benefits

Recognition and measurement

Short term employee benefits

Remuneration to employees is recognised as an expense in the Statement of Financial Performance as services are rendered, except for non-accumulating benefits, which are recognised when the specific event occurs.

The costs of all short-term employee benefits, such as leave pay, are recognised in the period the employee renders the related service.

Short-term employee benefits are measured on an undiscounted basis.

Short term compensated absences

The expected cost of compensated absences is recognised as follows:

Accumulating compensated absence:

When employees render services that increase their entitlement to future compensated absences;

and

Non-accumulating absences:

When absences occur.

Leave pay accrual/provision

The liability for accumulating compensated absences is based on the total amount of leave days accumulated by employees at reporting date and on the total remuneration package of the employees.

Bonus incentive and performance related payments

The entity recognises the expected cost of performance bonus when, and only when, it has a present legal or constructive obligation to make such payments, as a result of past events and a reliable estimate of the obligation can be made.

A provision in respect of the liability relating to the anticipated costs of performance bonuses payable to management is raised once the timing and amount of such provision can be reliably determined. The provision is based on the performance of each member of management against the performance scorecard set and agreed upon for each financial year. If on assessment of the respective member of management it is decided that a bonus will be paid out, the manager is entitled to receive this bonus irrespective of whether they are still in the service of the entity, or not.

The policy of the company is to provide retirement benefits for all its employees. The company has a defined contribution plan. Current contributions to the retirement benefit plan operated for employees are charged against the income in the period to which they relate.

Long service awards

Employees receive the monetary award in recognition for continuous service at the completion of certain milestone periods of service. In addition employees also receive a once off gift certificate whose value is dependant of the number of years of service. The award is included in the employee's salary in the month of the service anniversary.

1.31 Impairment of Non-Cash-Generating Assets

Recognition

The entity assesses at each reporting date whether there is an indication that an asset may be impaired. Where any such indication exists, the entity estimates the recoverable service amount of the asset. Where the carrying amount of an asset exceeds its recoverable amount (or recoverable service amount in the case of non-cash-generating assets), the asset is considered impaired and is written down to its recoverable amount (or recoverable service amount). An asset's recoverable amount (or recoverable service amount) is the higher of the fair value less costs to sell, and the value-in-use of the asset.

The entity classifies the asset/identifiable group of assets as cash-generating if the key purpose of such asset/group of assets is to derive a commercial return from continuing use, and are independent of the cash inflows from other assets or groups of assets. The entity will classify all other assets that do not meet the definition of cash-generating assets/group of assets as non-cash generating assets.

Accounting Policies

1. Presentation of Annual Financial Statements

1.31 Impairment of Non-Cash-Generating Assets (continued)

Measurement

An asset's recoverable amount (or recoverable service amount) is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value-in-use. This recoverable amount (or recoverable service amount) is determined for individual assets, unless those individual assets are part of a larger cash-generating unit, in which case the recoverable amount (or recoverable service amount) is determined for the whole cash-generating unit.

An asset is part of a cash-generating unit where that asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

In determining the recoverable amount (or recoverable service amount) of an asset the entity evaluates the assets to determine whether the assets are cash generating assets or non-cash generating assets.

For cash generating assets, the value in use is determined as a function of the discounted future cash flows from the asset.

Where the asset is a non-cash generating asset, the value in use is determined through one of the following approaches:

- Depreciated replacement cost approach: The current replacement cost of the asset is used as the basis for this value. This current replacement cost is depreciated for a period equal to the period that the asset has been in use so that the final depreciated replacement cost is representative of the age of the asset.
- Restoration cost approach: The present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment.
- Service units approach: The present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform to the reduced number of service units expected from the asset in its impaired state.

The decision as to which approach to use is dependent on the nature of the identified impairment.

In assessing value-in-use for cash-generating assets, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, other fair value indicators are used.

Impairment losses of continuing operations are recognised in the Statement of Financial Performance in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the entity makes an estimate of the assets or cash-generating unit's recoverable amount.

Reversal of impairment losses

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

The reversal of an impairment loss for an asset is recognised immediately in the Statement of Financial Performance.

1.32 Reporting Foreign Currency Transactions in the Functional Currency

Initial recognition

A foreign currency transaction shall be recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Reporting at subsequent reporting dates

At each reporting date:

- (a) foreign currency monetary items shall be translated using the closing rate;
- (b) non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction; and
- (c) non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was determined.

Recognition of exchange differences

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in surplus or deficit in the period in which they arise,

Accounting Policies

1. Presentation of Annual Financial Statements

1.33 Events after the Reporting Date

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the Annual Financial Statements are authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- Those that is indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

Adjusting events after reporting date

The entity adjusts the amounts recognised in the Annual Financial Statements to reflect adjusting events after the reporting date

Non-adjusting events after the reporting date

The entity does not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting date. The entity discloses the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the Annual Financial Statements.

1.34 Impairment

Impairment of cash generating units:

In assessing whether there is any indication that an asset may be impaired, an entity shall consider, as a minimum, the following indications:

External sources of information

- (a) During the period, an asset's market value has declined significantly more than would be expected as a result of the passage of time or normal use.
- (b) Significant changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated.
- (c) Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially.

Internal sources of information

- (a) Evidence is available of obsolescence or physical damage of an asset.
- (b) Significant changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite.
- (c) A decision to halt the construction of the asset before it is complete or in a usable condition.
- (d) Evidence is available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

1.34 Impairment (continued)

Impairment of non-cash generating units:

In assessing whether there is any indication that an asset may be impaired, an entity shall consider, as a minimum, the following indications:

External sources of information

- (a) Cessation, or near cessation, of the demand or need for services provided by the asset.
- (b) Significant long-term changes with an adverse effect on the entity have taken place during the period or will take place in the near future, in the technological, legal or government policy environment in which the entity operates.

Internal sources of information

- (a) Evidence is available of physical damage of an asset.
- (b) Significant long-term changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, or plans to dispose of an asset before the previously expected date.
- (c) A decision to halt the construction of the asset before it is complete or in a usable condition.
- (d) Evidence is available from internal reporting that indicates that the service performance of an asset is, or will be, significantly worse than expected.

Accounting Policies

1. Presentation of Annual Financial Statements

1.35 Statements in issue but not yet adopted

The following revised and newly approved Standards of GRAP have been approved and issued by the Accounting Standards Board but only become effective in the future or have not been given an effective date by the Minister of Finance. The MBDA has not early-adopted any new Standards or revised Standards of GRAP but has in some cases referred to them for guidance in developing appropriate accounting policies in accordance with the requirements of Directive 5: Determining the GRAP Reporting Framework.

Standard of GRAP	Effective Date
GRAP 18 Standard of GRAP on Segment Reporting	01 April 2020
GRAP 34 Standard of GRAP on Separate Financial Statements	01 April 2020
GRAP 35 Standard of GRAP on Consolidated Financial Statements	01 April 2020
GRAP 36 Standard of GRAP on Investments in Associates and Joint Ventures	01 April 2020
GRAP 37 Standard of GRAP on Joint Arrangements	01 April 2020
GRAP 38 Standard of GRAP on Disclosure of Interest in other Entities	01 April 2020
GRAP 25 Standard of GRAP on Employee Benefits	01 April 2020
GRAP 104 Standard of GRAP on Financial Instruments	01 April 2020

GRAP 18 – Segment Reporting

The objective of this standard is to establish principles for reporting financial information by segments. It is expected that adoption of this standard will result in additional disclosures.

GRAP 34 - Separate Financial Statements

The objective of this Standard is to prescribe the accounting and disclosure requirements for investments in controlled entities, joint ventures and associates when an entity prepares separate financial statements. It is expected that adoption of this standard will not be significant.

GRAP 35 – Consolidated Financial Statements

The objective of this Standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. It is expected that adoption of this standard will not be significant.

GRAP 36 - Investments in Associates and Joint Ventures

The objective of this Standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity has an investment in one or more other entities. It is expected that adoption of this standard will not be significant.

GRAP 37 - Joint Arrangements

The objective of this Standard is to establish principles for the presentation and preparation of consolidated financial statements when an entity has an investment in one or more other entities. It is expected that adoption of this standard will not be significant.

GRAP 38 - Disclosure of Interests in Other Entities

The objective of this Standard is to require an entity to disclose information that enables users of its financial statements to evaluate:

- (a) the nature of, and risks associated with, its interests in controlled entities, unconsolidated controlled entities, joint arrangements and associates, and structured entities that are not consolidated; and
- (b) the effects of those interests on its financial position, financial performance and cash flows.

GRAP 25 Standard of GRAP on Employee Benefits

The objective of this Standard is to prescribe the accounting and disclosure for employee benefits. This Standard requires an entity to recognise:

- (a) a liability when an employee has provided service in exchange for employee benefits to be paid in the future; and
- (b) an expense when the entity consumes the economic benefits or service potential arising from service provided by an employee in exchange for employee benefits.

GRAP 104 Standard of GRAP on Financial Instruments

The objective of this Standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments.

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Accounting Policies

1. Presentation of Annual Financial Statements

INTERPRETATIONS

The following interpretations have been approved and issued by the Accounting Standards Board.. These interpretations are expected to have an insignificant impact on the financial statements since they generally reflect the interpretation and principles already established under GRAP.

Standard number	Standard name	Effective date (if applicable)
IGRAP 20	Accounting for Adjustments to Revenue	01 April 2020

IGRAP 20 - Accounting for Adjustments to Revenue

The Interpretation clarifies the accounting for adjustments to:

- (a) exchange and non-exchange revenue charged in terms of legislation or similar means; and
- (b) interest and penalties that arise from revenue already recognised as a result of the completion of a review, appeal or objection process.

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1. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	2 793	57 332
Bank Balances	2 913 351	5 194 288
Short-term Deposits	30 163 087	37 610 045
Main Bank Account	<u>32 408 344</u>	<u>972 614</u>
	<u>65 487 576</u>	<u>43 834 280</u>
Current assets	65 487 576	43 834 280
Current liabilities	<u>-</u>	<u>-</u>
	<u>65 487 576</u>	<u>43 834 280</u>

Cash on hand consists of petty cash.

The entity had the following bank accounts

Account number /description	Cashbook			Bank Account		
	30 June 2021	30 June 2020	30 June 2019	30 June 2021	30 June 2020	30 June 2019
Account Number - 1084853833 (Nedbank, PE) - Primary Account	32 408 344	972 614	970 290	32 408 344	972 614	970 290
Account Number - 1084866064 (Nedbank, PE) - Current Account	692 708	37 892	1 447	692 708	37 892	1 447
Account Number - 1084866110 (Nedbank, PE) - Current Account	-	-	-	-	-	-
Account Number - 1106700856 (Nedbank, PE) - Current Account	1 862 574	4 954 557	2 926 671	1 862 574	4 954 557	2 926 671
Account Number - 037881142189 (Nedbank, PE) - Call Account	12 403	12 033	5 449 890	12 403	12 033	5 449 890
Account Number - 1140185322 (Nedbank, PE) - Current Account	358 069	201 839	621 457	358 069	201 839	621 457
Account Number - 037881116285 (Nedbank, PE) - Call Account	30 150 684	37 598 012	582 558	30 150 684	37 598 012	582 558
	<u>65 484 782</u>	<u>43 776 947</u>	<u>10 552 313</u>	<u>65 484 782</u>	<u>43 776 947</u>	<u>10 552 313</u>

Which are disclosed in the Statement of Financial Position as follows:-

Cash and Cash Equivalents	65 487 576	43 834 280		
Current Accounts and cash on hand	<table border="1" style="display: inline-table;"><tr><td style="text-align: right;">35 324 488</td></tr></table>	35 324 488	<table border="1" style="display: inline-table;"><tr><td style="text-align: right;">6 224 235</td></tr></table>	6 224 235
35 324 488				
6 224 235				
Call Account Balances	<table border="1" style="display: inline-table;"><tr><td style="text-align: right;">30 163 087</td></tr></table>	30 163 087	<table border="1" style="display: inline-table;"><tr><td style="text-align: right;">37 610 045</td></tr></table>	37 610 045
30 163 087				
37 610 045				

All amounts of Cash and Cash Equivalents are available for use by the entity.

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	2021	2020
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2. Receivables from exchange transactions

Trade Debtors - MBDA	35 094 151	38 529 599
Trade Debtors - NMB Stadium	51 434 221	30 256 176
Provision for Bad debts	-1 868 367	-1 167 930
Sub Lease Rental	-	55 984
Nelson Mandela Bay Stadium Loan Account	-21 535 958	-5 941 494
	63 124 048	61 732 335
Transfer to Creditors	21 535 958	5 941 494
Total	84 660 005	67 673 829

Trade debtors: Ageing - MBDA

Current (0 - 30 days)	33 943 087	68 463
31 - 60 days	75 175	3 904
61 - 90 days	40 992	37 290 200
Over 90 days	1 034 897	1 167 033
Total	35 094 151	38 529 599

Credit quality of receivables from exchange transactions

The credit quality of receivables from exchange transactions that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

The Stadium loan account relates to monies owed to the MBDA and serves to consolidate the records of the Stadium to the MBDA books. Based on the agreement with the NMBM the MBDA advances funds to the Stadium for their expenditure, hence this relates to a receivable to the MBDA in the normal course of business. However in certain instances the credit transactions within the loan account might exceed the debit transactions as is the case in the current year. This is due to funds collected by the MBDA on behalf of the Stadium in terms of the agreement with NMBM, that are yet to be paid over.

3. Receivables from non-exchange transactions

	Note		
Deposits		2 100	2 100
Total		2 100	2 100

4. Inventory

Food and Beverage	82 751	146 398
Diesel	10 434	2 200
Memorabilia	85 580	-
	178 765	148 598
Less: Provision for Obsolete Stock	-	-
Total	178 765	148 598

4.1 Inventory items on hand at year end (in quantities)

Food and Beverage (units)	46 674	58 694
Diesel (litres)	637	137
Memorabilia (units)	100	

None of the inventory has been pledged as security.

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5. Intangible Assets

	2021			2020		
	Cost	Accumulated Amortisation	Carrying Value	Cost	Accumulated Amortisation	Carrying Value
Computer Software	1 398 414	-395 829	1 002 585	682 063	-370 011	312 051

Reconciliation of intangible assets - 2021

	Cost				Accumulated Amortisation			
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Amortisation	Closing Balance	Carrying Value
Computer Software	682 063	716 351	-	1 398 414	-370 012	-25 817	-395 829	1 002 585

Reconciliation of intangible assets - 2020

	Cost				Accumulated Amortisation			
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Amortisation	Closing Balance	Carrying Value
Computer Software	417 018	265 045	-	682 063	-345 304	-24 708	-370 012	312 051

Pledged as security

None of the intangible assets have been pledged as security.

There were no internally generated intangible assets.

There are no capital commitments against intangible assets.

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6. Property, Plant & Equipment

	2021			2020		
	Cost	Accumulated Depreciation	Carrying Value	Cost	Accumulated Depreciation	Carrying Value
Computer Equipment	2 136 149	-1 272 272	863 877	1 814 776	-994 820	819 956
Office Equipment	1 545 068	-873 123	671 945	1 545 068	-792 567	752 501
Furniture & Fittings	762 553	-345 283	417 270	743 094	-269 322	473 772
Motor Vehicles	1 800 629	-1 028 333	772 296	1 800 629	-843 783	956 846
Containers	111 220	-58 122	53 098	111 220	-37 657	73 563
Land*	12 947 149	-	12 947 149	12 947 149	-	12 947 149
Building	4 569 676	-306 107	4 263 569	4 436 262	-95 839	4 340 424
Leasehold Improvements	0	-	0	0	-	0
	23 872 444	-3 883 239	19 989 204	23 398 199	-3 033 988	20 364 211

Reconciliation of property, plant and equipment - 2021

	Cost				Accumulated Depreciation				
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Depreciation	Disposal	Closing Balance	Carrying Value
Computer Equipment	1 814 776	337 367	-15 995	2 136 149	-994 820	-282 250	4 799	-1 272 271	863 877
Office Equipment	1 545 068	-	-	1 545 068	-792 568	-80 555	0	-873 123	671 945
Furniture & Fittings	743 094	19 459	-	762 553	-269 322	-75 961	0	-345 283	417 270
Motor Vehicles	1 800 629	-	-	1 800 629	-843 783	-184 550	0	-1 028 333	772 296
Containers	111 220	-	-	111 220	-37 658	-20 465	0	-58 122	53 098
Land*	12 947 149	-	-	12 947 149	-	-	-	-	12 947 149
Building	4 436 262	133 414	-	4 569 676	-95 839	-210 268	1	-306 107	4 263 569
Leasehold Improvements	0	-	-0	0	-	-	-	-	0
	23 398 199	490 240	-15 995	23 872 444	-3 033 990	-854 050	4 801	-3 883 239	19 989 204

Reconciliation of property, plant and equipment - 2020

	Cost				Accumulated Depreciation				
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Depreciation	Disposal	Closing Balance	Carrying Value
Computer Equipment	1 351 335	463 441	-	1 814 776	-771 435	-223 385	-	-994 820	819 956
Office Equipment	1 350 764	194 304	-	1 545 068	-590 412	-202 375	219	-792 568	752 500
Furniture & Fittings	662 262	80 832	-	743 094	-213 276	-56 046	0	-269 322	473 772
Motor Vehicles	846 867	953 762	-	1 800 629	-572 206	-271 577	0	-843 783	956 846
Containers	111 220	-	-	111 220	-30 922	-6 737	1	-37 658	73 562
Land*	12 947 149	-	-	12 947 149	-	-	-	-0	12 947 148
Building	3 318 194	1 118 069	-	4 436 262	-3 847	-91 992	0	-95 839	4 340 423
Leasehold Improvements	1 180 753	-	-1 180 752	0	-786 455	-235 923	1 022 378	-	0
	21 768 544	2 810 407	-1 180 752	23 398 198	-2 968 552	-1 088 036	1 022 599	-3 033 989	20 364 211

Pledged as security

None of the property, plant and equipment has been pledged as security.

There are no capital commitments against property, plant and equipment.

* - Located within the land is the ruins of the historic St Peters Church, these are valued at a carrying amount of zero

The depreciation charge has been affected by a change in estimate, the impact of which is further explained in Note 34

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7. Heritage Assets

	2021			2020		
	Cost	Accumulated Amortisation	Carrying Value	Cost	Accumulated Amortisation	Carrying Value
Heritage Assets	250 500	-	250 500	250 500	-	250 500
	250 500	-	250 500	250 500	-	250 500

Reconciliation of heritage assets - 2021

	Cost				Accumulated Depreciation			
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Amortisation	Closing Balance	Carrying Value
Heritage Assets	250 500	-	-	250 500	-	-	-	250 500
	250 500	-	-	250 500	-	-	-	250 500

Reconciliation of heritage assets - 2020

	Cost				Accumulated Depreciation			
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Amortisation	Closing Balance	Carrying Value
Heritage Assets	250 500	-	-	250 500	-	-	-	250 500
	250 500	-	-	250 500	-	-	-	250 500

Pledged as security

None of the heritage assets have been pledged as security.
There are no capital commitments against heritage assets.
Heritage assets relate to historical paintings held by the entity
There was no indication of impairment of heritage assets

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8. Payables from exchange transactions

Trade Creditors - MBDA	9 942 575	8 539 848
Trade Creditors - NMBM Stadium	4 553 511	4 961 407
Employee costs - 13th Cheque accrual	356 456	400 927
Accrued expenses	2 781 666	2 782 195
Contractor Retentions	1 759 918	1 136 964
NMBM Revenue due for surrender	14 042 397	13 458 423
	33 436 522	31 279 765
Transfer from Debtors	21 535 958	5 941 494
Total	54 972 480	37 221 259
Current liabilities	54 066 531	37 136 552
Non-current liabilities	905 950	84 707
	54 972 480	37 221 259

Total

Accrued expenses relates to expenditure that has been incurred, but for which no invoices have been received as yet.

Trade payables relate to suppliers payable for work done in the normal course of business. The MBDA continues to strive to pay its trade payables within 30 days. Based on the nature of the implementation of capital projects, the bulk of the expenditure is incurred during the last quarter of the financial year with recognition of these trade payables at year end. This results in a higher than normal trade payables balance at year end and is not necessarily a consistent balance throughout the year.

9. Payables from non-exchange transactions

Deposits	209 798	197 428
	209 798	197 428
Current liabilities	209 798	197 428
Non-current liabilities	-	-
Total	209 798	197 428

Deposits relates to amounts paid over to the MBDA for Venue Hire.

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10. Provisions

Reconciliation of provision - 2021

	Opening Balance	Additions	Utilised during the year	Total
Workmen's Compensation	16 667	52 378	-16 667	52 378
Performance Bonuses	1 421 321	2 019 935	-1 421 321	2 019 935
Leave Pay	3 871 535	3 280 703	-2 894 116	4 258 122
Total	5 309 524	5 353 016	-4 332 104	6 330 435

Reconciliation of provision - 2020

	Opening Balance	Additions	Utilised during the year	Total
Workmen's Compensation	39 354	157 000	-179 687	16 667
Performance Bonuses	1 112 723	1 421 321	-1 112 723	1 421 321
Leave Pay	1 759 733	3 859 213	-1 747 411	3 871 535
Total	2 911 811	5 437 534	-3 039 821	5 309 524

Performance Bonuses - These are payable contingent upon the achievement of KPIs per the performance contract for the management.

Leave Pay - Accrued leave pay relates leave days owed to staff members at the reporting date calculated based on the daily pay rate. This is payable should employees terminate their employment.

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11. Unspent grants

2021	Opening Balance	Grants for the year	Recognised as Revenue the year	Total
Eastern Cape Development Corporation (ECDC)	32 054	-	-	32 054
HURP/SPUU (KfW Funded)	2 691 480	6 773 670	-5 383 597	4 081 552
SAASTA	393 591	33 611	-2 277	424 925
Industrial Development Corporation	1 959 049	-	-	1 959 049
Nelson Mandela Bay Municipality (NMBM)	63 305 107	102 500 020	-83 855 609	81 949 518
Total	68 381 280	109 307 301	-89 241 484	88 447 097

2020	Opening Balance	Grants for the year	Recognised as Revenue the year	Total
Eastern Cape Development Corporation (ECDC)	32 054	-	-	32 054
HURP/SPUU (KfW Funded)	328 306	29 350 348	-26 987 174	2 691 480
SAASTA	-157 058	573 943	-23 295	393 591
Industrial Development Corporation	1 959 049	-	-	1 959 049
Nelson Mandela Bay Municipality (NMBM)	42 286 012	107 007 784	-85 988 689	63 305 108
Total	44 448 363	136 932 075	-112 999 158	68 381 280

12. VAT Receivable

VAT Receivable	2 064 326	1 874 849
	2 064 326	1 874 849

VAT Receivable/Payable relates to the amount outstanding by/to SARS for Value Added Tax.

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13. Revenue

Transfers & subsidies - NMBM Operating Grants	60 468 715	71 547 047
Transfers & subsidies - NMBM Capital Grants	23 386 895	14 441 641
Transfers & subsidies - NMBM Stadium Operating Grant	38 858 306	48 640 065
Transfers & subsidies - SAASTA Grants	-	23 295
Transfers & subsidies - KfW Capital grant	3 670 680	23 374 001
Transfers & subsidies - KfW Operational	1 712 918	3 613 173
Other Revenue - Stadium Liquor Income	1 478	945 563
Total	128 098 991	162 584 785

The amount included in revenue arising from exchanges of goods or services are as follows:

Transfers & subsidies - NMBM Capital Grants	23 386 895	14 441 641
Other Revenue - Stadium Liquor Income	1 478	945 563
Total	23 388 373	15 387 204

Transfers & subsidies

This relates to funding received mainly from the parent municipality for the implementation of Capital Projects. The NMBM receives capital assets from funds received by the MBDA for the implementation of projects, hence these are classified as exchange transactions.

Other Revenue

This relates to income generated from the sale of liquor at the stadium. The MBDA is the liquor licence holder for liquor trade at the stadium

The amount included in revenue arising from non-exchange transactions are as follows:

Transfers & subsidies - NMBM Operating Grants	60 468 715	71 547 047
Transfers & subsidies - NMBM Stadium Operating Grant	38 858 306	48 640 065
Transfers & subsidies - SAASTA	-	23 295
Transfers & subsidies - KfW Capital grant	3 670 680	23 374 001
Transfers & subsidies - KfW Operational	1 712 918	3 613 173
	104 710 618	147 197 581

Transfers & subsidies - NMBM

This relates to funding received mainly from the parent municipality for the operational costs of the MBDA. These are classified as non-exchange transactions.

Transfers & subsidies - KfW

This relates to funding received for the SPUU program funded by the German KfW bank in Helenvale. This relates to infrastructure and social projects that have been implemented in the community. These are classified as non-exchange transactions.

14. Other Income

Finance Income

Interest Received	1 400 487	2 015 740
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Sundry Income

Lease Rental Income	-	352 736
Tender fee income	36 090	53 421
Kiosk Rentals	52 811	49 890
Helenvale Resource Centre Income	16 217	24 063
Public Toilet Fees	19 548	56 066
Tramways Event Space Rental	186 512	732 391
Science Centre Entrance Fees	20 309	68 432
Other	802 788	200 937
	1 134 274	1 537 936

Total	2 534 762	3 553 676
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Figures in Rand	2021	2020
15. Employee Related costs		
Salaries and Wages	27 185 691	25 497 178
Social Contributions	6 721 876	6 336 672
Car allowances	48 000	48 000
Long Service Bonus	10 345	56 804
Performance bonus	2 019 935	1 421 321
Leave Pay	39 407	1 488 305
Annual Bonus	520 630	605 263
Total	36 545 884	35 453 543

Included in the employee costs are the following key management positions:

2021	Annual Remuneration including social contributions	Car allowance	Performance Bonus	Unpaid amounts pending approval	Total
Chief Executive Officer - Mr Ashraf Adam	2 225 507	-	198 676	88 300	2 512 483
Chief Financial Officer - Ms Koliswa Mgijima	1 620 333	-	50 634	-	1 670 967
Operations Executive - Ms Debbie Hendricks	1 765 084	-	84 794	-	1 849 878
Stadium Manager - Mr Mpho Mokonyama	1 296 295	24 000	-	-	1 320 295
Company Secretary - Mr Mbulelo Matiwane	1 111 938	-	94 979	-	1 206 917
Total	8 019 157	24 000	429 083	88 300	8 560 540

The unpaid amount relates to the accrual of the increment for the CEO which is pending NMBM approval

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2021

2020

**15. Employee Related costs (continued)
2020**

	Annual Remuneration including social contributions	Car allowance	Performance Bonus	Acting Allowance	Total
Chief Executive Officer - Mr Ashraf Adam	2 225 507	-	-	-	2 225 507
Chief Financial Officer - Ms Koliswa Mgijima	1 702 199	-	-	-	1 702 199
Operations Executive - Ms Debbie Hendricks	1 710 275	-	51 199	-	1 761 474
Stadium Manager - Mr Mpho Mokonyama	1 247 129	24 000	62 042	-	1 333 171
Company Secretary - Mr Mbulelo Matiwane	1 069 726	-	-	-	1 069 726
Total	7 954 836	24 000	113 241	-	8 092 077

16. Remuneration of Directors

2021

2020

Mandlakazi Ruth Skefile (Chairperson)	289 575	142 000
Mputumi William Goduka	150 500	366 000
Kasaven Govender * (resigned 01 July 2020)	-	-
Adrian John Faulkner Gardiner (resigned 30 Sept 2019)	-	15 000
Renganayagee Kisten (resigned 30 Sept 2019)	-	28 500
Nomnikelo Kondlo	163 000	114 000
Moabelo Michael Koenait (resigned 02 March 2020)	-	49 500
Glenda Perumal	121 500	84 000
Vuyani Galen Dyantyi	125 500	91 500
Mxolisi Moolman	122 500	65 000
Khwezi Gideon Ntshanyana	125 500	80 500
Bongani Gxilishe * (released 06 July 2020)	-	-
Rajesh Dana * (resigned 17 June 2021)	-	-
Sithole Mabi Mbanga	131 500	121 500
Masalamani Odayar	125 500	154 500
Total	1 355 076	1 312 000

* The mentioned Directors opted not to claim for Directors Fees since the period of membership commenced.

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Figures in Rand	2021	2020
17. Contracted Services		
IT Support & Computer Costs	787 812	1 404 196
Equipment Lease & Rentals	96 326	92 214
Security costs	3 585 481	3 591 023
Office Decor & Fittings	-	28 074
Cleansing Costs	4 590 631	5 044 743
Facilities Maintenance Costs	2 009 483	3 494 839
Total	11 069 734	13 655 089
18. Capital projects costs		
MBDA Projects	26 416 829	34 769 534
Total	26 416 829	34 769 534
18.1 Capital Programme		
Baakens River Valley Programme	825 749	5 349 525
CBD Port Elizabeth Programme	141 080	-
Helenvale SPUJ FDFP Programme	6 708 760	23 574 993
Korsten / Schauderville Programme	96 710	1 643 767
New Brighton / Red Location Precinct Programme	3 446 441	3 137 393
Nelson Mandela Bay Stadium Precinct Programme	7 486 155	-
Uitenhage Programme	6 835 396	1 063 855
Happy Valley Programme/Special Projects Activations	876 539	-
Total	26 416 829	34 769 534

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19. Other Operating costs		
Advertising and Media Placement	244 676	155 215
Arts, Culture & Heritage activation	2 001 378	1 501 740
Athenaeum Club Operating Costs	7 360	17 135
Audit fees	872 190	1 144 658
Bank Charges	19 690	23 110
Bayworld Redevelopment	-	2 144 717
Covid-19 Relief Intervention Fund	355 386	4 383 223
Corporate Social Investment	304	314 320
Directors Expenses	2 383	99 782
Education & Training	596 312	443 333
Electricity, Water & Rates	1 130 555	1 733 126
Entertainment	12 934	133 295
Helenvale Resource Centre Operating Costs	786 543	1 305 481
Insurance	221 727	205 942
Innovation / 4th Industrial Revolution projects	22 800	528 790
Iconic Landmarks Project	-	559 000
Legal Fees	521 396	454 300
Marketing & Communications	2 441 727	1 691 353
Motor Vehicle Expenses	66 533	153 719
NMBM Counter Funding for KfW SPUU Programme	394 487	1 096 998
NMBM Stadium Expenditure	38 858 306	48 640 065
NMBM Stadium Liquor Expenditure	3 878	862 226
Office Cleaning & Safety	69 362	143 239
Postage & Courier	8 471	52 707
Printing & Stationery	89 462	156 140
Professional & Consultant Fees	216 370	685 586
Psycho Social Projects	349 937	261 055
Recruitment Costs	9 800	14 403
Refreshments	16 910	53 236
Rental	-	6 096
Repairs & Maintenance	48 499	554 697
SMME Development Programme	4 900	-
Special Projects & Township Operating Costs	300 000	755 799
Seminars, think tanks and conferences	-	20 723
SPUU Helenvale Projects Expenses	1 890 894	3 797 647
Staff Welfare	81 912	172 633
Strategic Spatial and Feasibility Studies	1 384 677	2 145 808
Subscriptions & Membership fees	17 324	26 740
Sundry Expenses	145 944	76 206
Telephone & Fax	122 488	183 051
Travel & Accommodation	15 691	603 245
Total	53 333 207	77 300 539
19.1 NMBM Stadium Expenditure by nature		
Employee Related costs	14 459 593	15 149 234
Contracted Services	10 682 103	17 685 612
Capital Expenditure	-	2 374 117
COVID 19 related expenditure	1 210 337	1 707 786
Other Operating costs	13 090 247	17 042 678
	39 442 280	53 959 426
Less: NMBM Revenue funded expenditure	-583 974	-5 319 361
Total	38 858 306	48 640 065
19.2 Covid-19 Relief Intervention Fund		
Transfers and subsidies	-	3 750 000
Goods and services	355 386	633 223
Total	355 386	4 383 223

The Covid intervention fund was established in terms of the national state of disaster regulations. Under this fund the MBDA provided support for covid prevention measures, medical equipment, social relief to vulnerable groups, Stadium field hospital establishment and economic support for local arts. This was done through a combination of transfers to partner non-profit organisations, in-kind support, and direct procurement

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20. Net cash flows from operating activities		
Surplus/ (deficit)	324 324	2 039 997
Adjustments for:		
Loss on disposal of property, plant and equipment	8 395	-
Write-off of lease asset and deferred income	-	158 155
Depreciation	879 866	1 112 744
Changes in working capital:		
Increase/(Decrease) in provisions	1 020 909	2 397 713
Increase/(Decrease) in Payables from exchange transactions	17 751 222	5 308 323
Increase/(Decrease) in Unspent Conditional Grants	20 065 817	23 775 860
Increase/(Decrease) in Payables from non-exchange transactions	12 370	11 207
Decrease /(Increase) in Receivables from exchange transactions	-16 986 176	-4 156 871
Decrease /(Increase) in Receivables from non-exchange transactions	-	157 058
Increase/(Decrease) in VAT	-189 477	5 494 627
Decrease /(Increase) in Inventory	-30 167	13 433
Total	<u>22 857 085</u>	<u>36 312 247</u>
21. Auditor's Fees		
External audit fees	19	872 190
Total		<u>1 144 658</u>

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22. Commitments**Approved and contracted for:**

Capital expenditure	44 394 177	52 725 326
	44 394 177	52 725 326

Approved and not yet contracted for:

Capital expenditure	5 196 934	-
	5 196 934	-

Total commitments

	49 591 111	52 725 326
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Operating leases - as lessee (expense)

- within one year	132 329	86 104
- within two to five years	29 287	134 892
- above five years	1 000	-
	162 615	220 995

Operating leases - as lessor (income)

- within one year	111 040	55 056
- within two to five years	-	-
- above five years	-	-
	111 040	55 056

Lease income relates to sub-letting of the Tramways building

Lease expense relates to lease of public toilets, office equipment, and the rental of office accommodation from the Metro

Commitment relates to capital projects implemented by the MBDA.

Please refer to Note 26 for additional disclosures.

23. Contingent Liabilities

Contingent liabilities	-	-
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Please refer to note 26 for additional disclosure.

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24. Risk Management

Financial risk management

The MBDA's activities expose it to a variety of financial risks: credit risk and liquidity risk and market risk (e.g. currency risk, fair value interest rate risk, cash flow interest rate risk and price risk).

Liquidity risk

The MBDA's risk to liquidity is a result of the funds available to cover future commitments. The MBDA manages liquidity risk through an ongoing review of future commitments.

The table below analyses the MBDA's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 2years	Between 2 and 5years	Over 5 years
At 30 June 2021				
Payables from exchange transactions	54 066 531	905 950	-	-
Payables from non-exchange transactions	209 798	-	-	-
At 30 June 2020				
Payables from exchange transactions	37 136 552	84 707	-	-
Payables from non-exchange transactions	197 428	-	-	-

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and receivables. The MBDA only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Receivables comprise mainly of Grant Receivables from the parent municipality. Management evaluated credit risk relating to receivables on an ongoing basis. If receivables are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the receivable, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by management.

Financial assets exposed to credit risk at year end were as follows:

Financial instrument	30 June 2021	30 June 2020
Cash and cash equivalents	65 487 576	43 834 280
Receivables from exchange transactions	84 660 005	67 673 829

(All figures have been rounded to the nearest thousand Rand).

Market risk

Interest rate risk

As the MBDA has no significant interest-bearing assets, the MBDA's income and operating cash flows are substantially independent of changes in market interest rates.

Foreign exchange risk

The MBDA does not hedge foreign exchange fluctuations and has limited exposure to foreign exchange risk.

25. Going Concern

The Annual Financial Statements have been prepared on basis of the accounting policies applicable to a going concern. The basis presumes that funds will be available to finance the future operations of the MBDA and that the realization of assets, settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of the business. In June 2021 the Council adopted the 2021/22 to 2023/24 Budget. This three-year Medium Term Revenue and Expenditure Framework (MTREF) to support the on-going delivery of municipal services to residents reflected that the Budget was funded over the three-year period.

26. Events after the reporting date

The entity issued awards of tenders amounting to R42,657,370 during the period after the reporting date, the procurement process for these awards had started during the current financial year, of this an amount R37,166,379 relates to post balance sheet capital commitments. Additionally the entity was involved in litigation for the award of a tender (appointment value of R37,1m), however the claim is not expected to result in an outflow, consequently no contingent liability is expected to arise and the impact is R0.

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27. Fruitless and wasteful Expenditure

Opening Balance	106 331	25 743
Incurring during the year	-	80 588
Condoned by the Board	-	-
Closing Balance	106 331	106 331

Analysis of Current Year's fruitless and wasteful expenditure balance

Incident	Disciplinary steps taken/criminal proceedings	Amount
Advert for expired bid	Under investigation	6 996
Payment of fraudulent invoice	Investigation by Internal Audit finalised.	16 743
Late payment of PAYE	Under investigation	73 592
SHEQ services for subsequently cancelled project	Investigation by Internal Audit finalised.	9 000
Total		106 331

28. Irregular Expenditure

Opening Balance	463 463	382 482
Incurring during the year - Relating to the current year	283 271	80 981
Incurring during the year - Relating to the prior year	4 383 223	-
Condoned by the Board	-	-
Closing Balance - Restated	5 129 957	463 463

Analysis of the current year of irregular expenditure balance

Incident	Disciplinary steps taken/criminal proceedings	Amount
Failure to follow a procurement process	Under investigation	52 539
Non-tax compliant supplier and no deviation obtained	Under investigation	10 350
Payments made after expiry of contract	Investigation by Internal Audit finalised.	97 964
Appointment of supplier who is in service of the state	Investigation by Internal Audit finalised.	199 500
Appointment of suppliers who did not make declarations	Under investigation	32 745
Procurement without an SCM Process	Investigation by Internal Audit finalised.	66 955
Award to suppliers based on unfair functionality criteria (locality)	Under investigation	169 904
Irregular Expenditure * (Budget not properly authorised)	Under investigation	4 500 000
Total		5 129 957

* - The irregular expenditure adjustment relates to expenditure of the MBDA incurred during the National State of Disaster. The MBDA in response to the Presidential call for municipal entities to dedicate resources to support the Covid Relief efforts allocated an amount of R4,5m to support various initiatives that undertook Covid relief activities. During the current year's audit a finding was raised on the approval of the budget not being in compliance with a section 87 (6) of the MFMA. A question remains on the interpretation of that section and management will seek clarity on the legislation outside of the audit process. Management reiterates that the funds were transferred to the intended beneficiaries and that no other finding has been raised on the spending of the funds.

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29. Related Parties

Relationships

Controlling entity Nelson Mandela Bay Metropolitan Municipality
Other members of the group None

Members of key management

Chief Executive Officer	Mr Ashraf Adam
Chief Financial Officer	Ms Koliswa Mgijima
Operations Executive	Ms Debbie Hendricks
Stadium Manager	Mr Mpho Mokonyama
Company Secretary	Mr Mbulelo Matiwane

Directors

Mandlakazi Ruth Skefile (Chairperson) *	Non-Executive Director
Mputumi William Goduka*	Non-Executive Director
Kasaven Govender (resigned 01 July 2020)	Non-Executive Director
Bongani Gxilishe (released 06 July 2020)	Non-Executive Director
Rajesh Dana (resigned 17 June 2021)	Non-Executive Director
Sithole Mabi Mbanga	Non-Executive Director
Masalamani Odayar	Non-Executive Director
Nomnikelo Kondlo	Non-Executive Director
Glenda Perumal	Non-Executive Director
Vuyani Galen Dyantyi	Non-Executive Director
Mxolisi Moolman	Non-Executive Director
Khwezi Gideon Ntshanyana	Non-Executive Director

* - The Board of Directors was released on the 06th of July 2020 by the controlling entity. The entity remained without an active Board until the appointment of an interim Board. This new interim board was appointed on the 09th of November 2020. Mr Goduka served as the Chairperson of the Board from the start of the financial year until 06 July 2020 and Mrs Skefile was appointed as the new Chairperson on the 09th November 2020 until the end of the financial year.

Related party balances	Note	2021	2020
Receivables from related parties			
Nelson Mandela Bay Metropolitan Municipality	2	84 911 115	66 894 620
Payables to related parties			
Nelson Mandela Bay Metropolitan Municipality	8	15 095 372	14 108 593
Unspent grants from related parties			
Nelson Mandela Bay Metropolitan Municipality	11	81 949 518	63 305 107
Income from related parties			
Nelson Mandela Bay Metropolitan Municipality	13	122 713 916	134 628 753
Payments made to related parties			
Nelson Mandela Bay Metropolitan Municipality		939 575	2 322 422

None of the related party balances have been impaired for doubtful debts

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30. Additional Disclosures in terms of the MFMA			
Audit Fees			
Current year fee	19	872 190	1 144 658
Amount paid - current year		<u>-872 190</u>	<u>-1 144 658</u>
Total		<u>-0</u>	<u>-</u>
PAYE, SDL and UIF			
Current year fee		10 442 085	9 882 450
Amount paid - current year		<u>-11 166 216</u>	<u>-9 158 320</u>
Total		<u>-724 130</u>	<u>724 130</u>
A penalty and interest was levied for a late payment for 1 month			
Pension Deductions			
Current year fee		5 409 225	5 261 606
Amount paid - current year		<u>-4 969 967</u>	<u>-5 261 606</u>
Total		<u>439 258</u>	<u>-</u>
Medical Aid			
Current year fee		3 220 655	2 548 182
Amount paid - current year		<u>-3 362 426</u>	<u>-2 799 504</u>
Total		<u>-141 771</u>	<u>-251 322</u>
VAT			
VAT receivable		189 470	997 054
VAT payable		<u>-</u>	<u>-</u>
Total		<u>189 470</u>	<u>1 942 671</u>

All VAT returns were submitted by the due date throughout the year.

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31. Deviations from Supply Chain Management Processes

Categories of deviation as per Regulation 36 of the MFMA	2021		2020	
	No of instances	Amount	No of instances	Amount
Regulation 36 (1)(a)(i) : In the case of an emergency	-	-	3	624 427
Regulation 36 (1)(a)(ii) : Goods or services are produced or available from a single provider	2	114 387	5	262 790
Regulation 36 (1)(a)(iii) : Acquisition of special works of art or historical objects where specifications are difficult to compile	-	-	-	-
Regulation 36 (1)(a)(v) : Exceptional case where it is impractical or impossible to follow the official procurement	24	4 546 420	22	7 993 183
Regulation 36 (1)(b) : Ratification any minor breaches of the procurement processes	-	-	-	-
Total	26	4 660 808	30	8 880 399

32. Awards made to a person whose close family members are in the service of the State

A municipal entity must disclose particulars of any award of more than R2000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including:

- the name of that bidder
- the capacity in which that person is in the service of the state
- the amount of the award

Name of bidder	Capacity in which that person is in the service of the state	Amount of the award
N/A	N/A	N/A

33. Budget Differences

Material differences between budget and actual amounts - MBDA

A - The MBDA assisted with special events for which it billed the NMBM

B - Cashflow issues were experienced during the year which negatively affected investment planning, as well as decrease in interest rates

C - This was low due to spending on the CAPEX budget being lower than anticipated, mainly as a result of intermittent lockdowns

D - This was due to lockdowns resulting in low foot traffic within revenue generating spaces

E - This was due to lower than anticipated increments being implemented and payroll costs related relief from the national government.

F - This was due to increased provision for doubtful debtors above 90 days outstanding

G - This relates to KfW funded projects. The budget rolled over related to the remaining balance on the programme, however this was much higher the projects that were practically implementable during the year.

H - Receivable amounts that were anticipated to be received by year end from the NMBM have not been received by year end.

I - The purchases under PPE caused better than anticipated asset base

J - Larger unspent grants due to low capex expenditure and other savings

K - Lower collection of the NMBM grant and lower expenditure overall accounts the variance

L - The entity had low CAPEX spend

Material differences between budget and actual amounts - MBDA (Nelson Mandela Bay Stadium)

M - This is due to the restrictions place on the attendance of sporting events due to lockdown regulations

N - This is due to accrual of termination benefits for employees who's contract were termination in June 2021

O - This is due to the restrictions place on the attendance of sporting events due to lockdown regulations

34. Change in estimate

The useful lives of certain asset classes were adjusted during 2020/2021 to more accurately reflect the period of economic benefits or service potential derived from these assets. This was mainly due to the revision of the residual values to align to the current economic climate and to account for assets that have are still being used beyond their initial estimated useful lives. Refer to note 5. The effect of changing the remaining useful life of assets for the MBDA during 2020/2021 has decreased the depreciation charge for the current year by R 33,265 and future periods. It is impracticable to estimate the effect of these changes on future periods at this stage.

AUDIT ACTION PLAN

Section	Findings	Resolved	Ongoing	Not Resolved	Not Due
AFS	6	-	6	-	-
Compliance with Laws	2	-	2	-	-
	8	0	8	0	-

