

Reference No 92538/1
Nthabiseng Mokete (012 358 3625)
MAYORAL COMMITTEE: MARCH 2023

From: The City Manager
To: The Executive Mayor

GROUP FINANCIAL SERVICES
LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003
(ACT 56 OF 2003) IN-YEAR FINANCIAL REPORT (MONTHLY BUDGET
STATEMENT) FOR THE PERIOD ENDED 28 FEBRUARY 2023

1. PURPOSE

This report presents the progress on the financial performance of the City of Tshwane against the budget for the period ended 28 February 2023, in compliance with Section 71 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA).

2. STRATEGIC PRIORITIES

Provide stringent financial management and oversight

3. BACKGROUND

Section 71(1) of the MFMA stipulates as follows: "The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget".

For the reporting period ended 28 February 2023, the ten working days end on 14 March 2023.

4. DISCUSSION

The 2022/23 Medium-term Revenue and Expenditure Framework was approved by Council on 26 May 2022.

The attached in-year report (Annexure A) provides a high-level analysis as of 28 February 2023 in the prescribed format. Material variances will be referred to briefly in this report. Comprehensive explanations will be included in the monthly financial management report.

The following table summarises the financial performance as at 28 February 2023:

CONSOLIDATED SUMMARY STATEMENT OF FINANCIAL PERFORMANCE: 28 FEBRUARY 2023					
Description	Original Budget	YTD actual	YTD budget	YTD variance	YTD variance
	R'000	R'000	R'000	R'000	%
Total Revenue(Excluding Capital Transfers)	42,151,840	26,505,862	28,263,085	(1,757,222)	-6%
Total Expenditure	42,148,532	25,405,678	28,798,404	(3,392,726)	-12%
Surplus /Deficit	3,308	1,100,184	(535,320)		

The following table shows expenditure for the previous financial year, 2021/22:

CONSOLIDATED SUMMARY STATEMENT OF FINANCIAL PERFORMANCE: 28 FEBRUARY 2022					
Description	Original Budget	YTD actual	YTD budget	YTD variance	YTD variance
	R'000	R'000	R'000	R'000	%
Total Revenue(Excluding Capital Transfers)	39,160,287	35,483,865	25,891,865	9,592,000	37%
Total Expenditure	39,139,554	24,577,852	24,018,717	559,136	2%
Surplus /Deficit	20,733	10,906,013	1,873,149		

The actual operating revenue realised, excluding capital transfers and contributions, reflects an unfavourable variance of R1,8 billion against the year-to-date (YTD) budget, for the period ended 28 February 2023.

The operating expenditure is underspent by R3,4 billion, which is 12% less than the YTD budget.

Consolidated summary – Capital expenditure, 28 February 2023:

CONSOLIDATED SUMMARY STATEMENT OF CAPITAL EXPENDITURE: 28 FEBRUARY 2023							
Description	Original Budget 2022/23	YTD Budget	YTD Actual	Commitments	YTD Actual + Committed	YTD Variance	% Spent
	R'000	R'000	R'000	R'000	R'000	R'000	%
Expenditure	2,793,105	1,685,717	940,895	530,427	1,471,323	(744,821)	33.7%
TOTAL Capital Financing	2,793,105	1,685,717	940,895	530,427	1,471,323	(744,821)	33.7%

The total capital budget amounts to R2,8 billion. The expenditure for the period, including that of the municipal entities, amounts to R941 million, representing 33,7% of the total original capital budget.

The cash and short-term investments as at 28 February 2023 amounted to R854,8 million, including unspent conditional grants.

The low cost-coverage ratio of negative 0,2 months for the period signals that the City's cash resources will be insufficient to cover short-term obligations and fixed monthly operating expenditure if the City is unable to collect additional revenue in one month. According to the National Treasury norm, a financially healthy municipality would have at any given point in time sufficient cash and cash equivalents to settle liabilities and maintain fixed operational expenditure for a period of one to three months.

5. INTERDEPARTMENTAL AND CLUSTER IMPACT

The Mayoral Committee will be provided with a monthly financial management report that contains comprehensive detail on the variance against the budget per cluster.

6. COMMENTS FROM DEPARTMENTS

6.1 GROUP HEAD: GROUP LEGAL AND SECRETARIAT SERVICES

(Unaltered)

6.2 CHIEF FINANCIAL OFFICER

(Unaltered)

Cognisance is taken of the contents of the report.

The report presents the progress on the financial performance of the City of Tshwane against the budget for the period ended 28 February 2023, in compliance with Section 71 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA).

The low cost coverage ratio signal that the City's cash resources is insufficient to cover short-term obligations and fixed monthly operating expenditure in terms of the norm. It is therefore critical that the City continue to intensify its initiatives to improve revenue.

7. IMPLICATIONS

7.1 HUMAN RESOURCES

There are no human resources implications for the purposes of this report.

7.2 FINANCIAL IMPLICATIONS

This report outlines the financial performance against the approved budget of the City for the 2022/23 financial year for the period ended 28 February 2023. The report is tabled in compliance with Section 71 of the MFMA and has no additional financial implications for the City.

7.3 CONSTITUTIONAL AND LEGAL FACTORS

This report must be approved in compliance with the legislative requirements of Section 71 of the MFMA and National Treasury Regulation GG 32141 of 17 April 2009.

7.4 COMMUNICATION

In compliance with the legislative requirements of Section 71 of the MFMA, this document is provided to all stakeholders by placing it on the City of Tshwane public website.

7.5 PREVIOUS MAYORAL COMMITTEE RESOLUTIONS

There are no previous Mayoral Committee resolutions relevant to this report.

8. COMPLIANCE WITH THE MUNICIPAL STANDARD CHART OF ACCOUNTS

The primary objective of the Municipal Standard Chart of Accounts (mSCOA) regulation is to achieve uniformity across all local governments (municipalities and municipal entities).

The City does not have an mSCOA-compliant system for transacting. However, the City manually translates the current data to mSCOA segments and submits monthly data strings to the National Treasury to comply.

9. CONCLUSION

This report meets the MFMA requirement for the Executive Mayor to receive a Section 71 “monthly budget statement” within ten working days after the end of the month and in compliance with Section 71 of the MFMA.

The operating revenue realised, excluding capital transfers and contributions, reflects an unfavourable variance of R1,8 billion against the YTD budget for the period ended 28 February 2023.

The following revenue sources contributed to the variance:

- Property Rates (R181 million unfavourable): Revenue was less than projected. The Appeal Board has reduced property market values by 14,7%, which has resulted in a decrease in property rates revenue.
- Service Charges: Electricity (R1,3 billion unfavourable): Revenue was less than projected, mainly on Sale of Electricity and Reconnection Fees.

The underbilling of revenue was impacted by various factors, such as the following:

- Low meter reading rate (account estimations)
- Customer payment disputes
- Migration of some customers from conventional metering to prepaid metering
- Technical losses due to electricity transportation from one point to end users

Management of the Electricity Losses Programme continues to be implemented to ensure that the commercial losses are within the National Treasury Benchmark of 7% to 10%.

- Service Charges: Water (R81,3 million unfavourable): Revenue was less than projected, mainly on Cross-border Bulk Water due to the following.
 - The City stopped supplying water to Moretele Local Municipality in July 2022. This is because Magalies Water is now supplying the area after it commissioned the newly constructed pipeline to Moretele.
 - There is a great reduction in water supply to Thembisile Hani Local Municipality. This is due to continuous maintenance-related breakdowns experienced at the Bronkhorstspuit Water Treatment Plant.
- Service Charges: Refuse (R5 million unfavourable): Revenue was less than projected due to billing, delayed payments and the inconsistent deduction of landfill site fees from the invoices of contractors who use landfill sites for dumping.
- Rental of Facilities and Equipment (R51,5 million unfavourable): Revenue was less than the budget, mainly on Rental Stands, due to the following:

- The cancellation of rental accounts or leased properties that have been sold or donated, or the lessee has passed away (data clean-up). However, the rental accounts continued to be billed over a long period and the amounts were accounted for in the current period once the accounts were cancelled.
- Expired lease agreements, delays in the conclusion of new agreements and incorrect and inconsistent data across the portfolio.
- Delays in the allocation of billed revenue on the SAP system for the month of February 2023.

The process to enter into new lease agreements for expired leases has commenced and is currently undergoing various approval stages. A journal to correct and spread the billed revenue to the correct billing periods has been submitted for processing.

- Fines (R72 million unfavourable): Revenue was less than projected, mainly on AARTO.
 - The Road Traffic Infringement Agency cancelled the payment of enforcement orders from October to December 2022 because of non-payment of AARTO infringements by the public. The moratorium was lifted and enforcement orders were reimplemented on 1 January 2023.
 - Technical and administrative processes are still hampering the effective utilisation of newly acquired speed cameras.

The relevant department has committed to establishing a special multidisciplinary team to address all technological information as well as administrative process requirements.

- Licences and Permits (R6,1 million unfavourable): Revenue was less than expected, mainly on driving licences due to the inability to operate at two centres, namely Akasia and Rayton, a combined 50 hours of load-shedding on a weekly basis and non-compliance of customers with their online bookings. Most items in this group are customer-dependent.
- Transfers and Subsidies (R302,5 million unfavourable): Mainly on the Public Transport Network Grant, Neighbourhood Development Partnership Grant (Public Employment Programme), Human Settlements Development Grant, Equitable Share, Primary Healthcare Grant and Project Preparation Grant. Revenue will be recognised based on the performance of the grants. The equitable share projections have been aligned with the payment schedule during the budget adjustment.
- Other Revenue (R72,8 million unfavourable): Revenue was less than projected, mainly on Reminder Fees, Admin Handling Fees, Approval Fees, Capital Income Received, Claims Recovered, VAT Corrections, Development Charges: Rezoning, Township Development and Contribution Electricity.

- Repairs and maintenance
 - Repairs and maintenance expenditure is at R662,7 million against a YTD budget of R968,9 million. The percentage spent against the total original budget is 48%.
- Cash flow
 - The cash and short-term investments as at 28 February 2023 amounted to R854,8 million, including unspent conditional grants.

The low cost-coverage ratio of negative 0,2 months for the period signals that the City's cash resources will be insufficient to cover short-term obligations and fixed monthly operating expenditure if the City is unable to collect additional revenue in one month. According to the National Treasury norm, a financially healthy municipality would have at any given point in time sufficient cash and cash equivalents to settle liabilities and maintain fixed operational expenditure for a period of one to three months.

Departments are required to put measures in place to improve revenue and ensure that spending on the operational budget is in line with the City's policy on cost-containment measures.

Section 135 of the MFMA states the following:

- (1) The primary responsibility to avoid, identify and resolve financial problems in a municipality rests with the municipality itself.*
- (2) A municipality must meet its financial commitments.*
- (3) If a municipality encounters a serious financial problem or anticipates problems in meeting its financial commitments, it must immediately–*
 - (a) seek solutions for the problem;*
 - (b) notify the MEC for local government and the MEC for finance in the province; and*
 - (c) notify organised local government.*

Section 54(2) of the MFMA states the following:

- (2) If the municipality faces any serious financial problems, the mayor must–*
 - (a) promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include–*
 - (i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;*
 - (ii) the tabling of an adjustments budget; or*
 - (iii) steps in terms of Chapter 13; and*
 - (b) alert the council and MEC for local government in the province to those problems.*

In compliance with Section 54(2)(a), the following initiatives to improve the City's financial challenges are being implemented:

- A Council-approved financial recovery plan to address the City's financial and liquidity challenges
- Revenue recovery strategies to increase the collection rate

- Installing prepaid meters for indebted consumers and implementing debit orders or stop orders when negotiating payment arrangement plans
- Migrating large power users to the prepayment platform
- Intensifying outreach programmes
- Outsourcing debt collection
- Tshwane ya Tima campaign
- Cost-containment initiatives
- Distribution loss programmes

ANNEXURE

Annexure A: In-year report dated 28 February 2023 in terms of *Government Gazette* 32141 of 17 April 2009

RECOMMENDED

That it be recommended to the Mayoral Committee:

1. That the report be noted, in compliance with Section 71 of the MFMA, as well as the municipal budget and reporting regulations.
2. That the financial performance for the period ended 28 February 2023, as contained in Annexure A, be noted.
3. That this report be submitted to the National Treasury and Gauteng Provincial Treasury.

REPORT – FLOW COMPLIANCE CHECK
 FILE: F1/5/2
 INITIATOR: Nthabiseng Mokete (012 358 3625)

GROUP FINANCIAL SERVICES
MFMA IN-YEAR FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2023

REPORT CHECKED AND PASSED FOR SUBMISSION TO:

	Comments, if any, on the report
<p>Acting Divisional Head: Budget Office N Qomoyi</p> <p>I certify that Schedule SC6 and SC7(1), as consolidated in the monthly budget statement for February 2023, are correct.</p> <p>SIGNATURE:</p> <p>DATE:</p>	
<p>Divisional Head: Financial Reporting and Assets KE Mokgokong</p> <p>I certify that Schedule C6, C7 and SC13(d), as consolidated in the monthly budget statement for February 2023, are correct.</p> <p>SIGNATURE:</p> <p>DATE:</p>	
<p>Divisional Head: Treasury Office KC Thipe</p> <p>I certify that Schedule C7, SC4, SC5 and SC8, as consolidated in the monthly budget statement for February 2023, are correct.</p> <p>SIGNATURE:</p> <p>DATE:</p>	
<p>Divisional Head: Revenue Management R Shilenge</p> <p>I certify that Schedule SC3, as consolidated in the monthly budget statement for February 2023, is correct.</p> <p>SIGNATURE:</p> <p>DATE:</p>	
<p>Acting Chief Financial Officer N Mokete</p> <p>SIGNATURE:</p> <p>DATE:</p>	



IN-YEAR REPORT

BUDGET YEAR: 2022/23

REPORTING PERIOD: M08 FEBRUARY 2023

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PART 1: IN-YEAR REPORT

1.1 City Manager's report

The 2022/23 Medium-term Revenue and Expenditure Framework was approved by Council on 26 May 2022. This gives effect to the financial plan of the City of Tshwane, including its two municipal entities.

The City of Tshwane aims to act in accordance with the principles of good governance, transparency and stewardship of public resources.

1.2 Recommended

That it be recommended:

1. That the report be noted, in compliance with Section 71 of the MFMA, as well as the municipal budget and reporting regulations.
2. That the financial performance for the period ended 28 February 2023, as contained in Annexure A, be noted.
3. That this report be submitted to the National Treasury and Gauteng Provincial Treasury.

1.3 Executive summary

The financial results for the City of Tshwane for the period ended 28 February 2023 are summarised as follows:

Consolidated monthly budget statement – summary

The summary of the consolidated monthly budget statement as reflected in Table C4 provides the following information:

- Underrecovery on revenue of R1,8 million
- Underspending on expenditure of R3,4 billion

The total revenue excludes capital transfers and contributions. The reasons for variances for all votes are captured in Table SC1 of this report.

Table C5 highlights the summary of capital expenditure.

Table C7 highlights the cash and cash equivalents.

Table C4: Consolidated monthly budget statement – financial performance (revenue and expenditure)

TSH City Of Tshwane - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Revenue By Source							
Property rates	8,572,924	9,102,662	732,213	5,822,479	6,003,616	(181,137)	-3%
Service charges - electricity revenue	13,344,146	15,697,113	1,070,569	9,256,129	10,557,649	(1,301,520)	-12%
Service charges - water revenue	4,958,680	5,554,721	439,951	3,474,219	3,555,515	(81,297)	-2%
Service charges - sanitation revenue	1,448,161	1,502,943	120,721	1,069,871	1,014,797	55,074	5%
Service charges - refuse revenue	1,584,431	1,727,398	135,309	1,154,403	1,159,407	(5,005)	0%
Rental of facilities and equipment	144,144	185,329	19,088	72,018	123,552	(51,535)	-42%
Interest earned - external investments	158,892	52,870	8,435	64,744	35,246	29,497	84%
Interest earned - outstanding debtors	724,268	839,462	108,839	791,379	559,641	231,738	41%
Fines, penalties and forfeits	85,915	274,803	3,069	88,902	161,050	(72,148)	-45%
Licences and permits	41,245	54,534	3,496	25,820	31,893	(6,074)	-19%
Transfers and subsidies	5,387,168	4,496,044	170,024	2,997,561	3,300,024	(302,463)	-9%
Other revenue	1,221,267	2,663,961	74,750	1,687,862	1,760,692	(72,830)	-4%
Gains	27,446	-	478	478	-	478	
Total Revenue (excluding capital transfers and contributions)	37,698,687	42,151,840	2,886,940	26,505,862	28,263,085	(1,757,222)	-6%
Expenditure By Type							
Employee related costs	11,587,842	12,633,285	898,469	7,491,662	8,304,671	(813,009)	-10%
Remuneration of councillors	129,577	163,863	11,050	88,630	109,242	(20,612)	-19%
Debt impairment	2,603,238	2,306,620	189,738	1,537,460	1,537,747	(287)	0%
Depreciation & asset impairment	2,910,880	2,642,244	203,548	1,781,952	1,761,496	20,456	1%
Finance charges	3,270,841	1,508,150	42,489	716,539	754,479	(37,940)	-5%
Bulk purchases - electricity	11,376,780	12,121,755	713,885	7,625,105	8,631,916	(1,006,811)	-12%
Inventory consumed	3,755,739	4,332,944	271,963	2,436,745	3,063,745	(627,001)	-20%
Contracted services	4,124,872	4,334,204	338,206	2,424,430	3,179,367	(754,937)	-24%
Transfers and subsidies	8,051	38,058	163	1,646	22,959	(21,314)	-93%
Other expenditure	1,736,733	2,067,362	147,278	1,301,055	1,432,749	(131,694)	-9%
Losses	233,093	47	315	453	31	422	1343%
Total Expenditure	41,737,645	42,148,532	2,817,106	25,405,678	28,798,404	(3,392,726)	-12%
Surplus/(Deficit)	(4,038,958)	3,308	69,834	1,100,184	(535,320)	1,635,504	-306%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,887,617	2,074,545	79,235	726,325	1,288,722	(562,396)	-44%
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	9,206	-	-	-	-	-	
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	(2,142,136)	2,077,853	149,068	1,826,509	753,402		
Taxation	1,589	515	-	-	343	(343)	-100%
Surplus/(Deficit) after taxation	(2,143,724)	2,077,338	149,068	1,826,509	753,059		
Attributable to minorities			-	-	-		
Surplus/(Deficit) attributable to municipality	(2,143,724)	2,077,338	149,068	1,826,509	753,059		
Share of surplus/ (deficit) of associate							
Surplus/ (Deficit) for the year	(2,143,724)	2,077,338	149,068	1,826,509	753,059		

The actual revenue amounts to R23,6 billion and reflects an unfavourable variance of R1,8 billion against the YTD budget.

The YTD variance on revenue is mainly due to the following items:

- Property Rates (R181 million unfavourable): Revenue was less than projected. The Appeal Board has reduced property market values by 14,7%, which has resulted in a decrease in property rates revenue.
- Service Charges: Electricity (R1,3 billion unfavourable): Revenue was less than projected, mainly on Sale of Electricity and Reconnection Fees.

The underbilling of revenue was impacted by various factors, such as the following:

- Low meter reading rate (account estimations)
- Customer payment disputes
- Migration of some customers from conventional metering to prepaid metering
- Technical losses due to electricity transportation from one point to end users

Management of the Electricity Losses Programme continues to be implemented to ensure that the commercial losses are within the National Treasury Benchmark of 7% to 10%.

- Service Charges: Water (R81,3 million unfavourable): Revenue was less than projected, mainly on Cross-border Bulk Water due to the following.
 - The City stopped supplying water to Moretele Local Municipality in July 2022. This is because Magalies Water is now supplying the area after it commissioned the newly constructed pipeline to Moretele.
 - There is a great reduction in water supply to Thembekele Hani Local Municipality. This is due to continuous maintenance-related breakdowns experienced at the Bronkhorstspuit Water Treatment Plant.
- Service Charges: Sanitation (R55 million favourable): Revenue was better than projected, mainly on Sanitation Fees and Cross-border Bulk Sewerage.
- Service Charges: Refuse (R5 million unfavourable): Revenue was less than projected due to billing, delayed payments and the inconsistent deduction of landfill site fees from the invoices of contractors who use landfill sites for dumping.
- Rental of Facilities and Equipment (R51,5 million unfavourable): Revenue was less than the budget, mainly on Rental Stands, due to the following:
 - The cancellation of rental accounts or leased properties that have been sold or donated, or the lessee has passed away (data clean-up). However, the rental accounts continued to be billed over a long period and the amounts were accounted for in the current period once the accounts were cancelled.
 - Expired lease agreements, delays in the conclusion of new agreements and incorrect and inconsistent data across the portfolio.
 - Delays in the allocation of billed revenue on the SAP system for the month of February 2023.

The process to enter into new lease agreements for expired leases has commenced and is currently undergoing various approval stages. A journal to correct and spread the billed revenue to the correct billing periods has been submitted for processing.

- Interest Earned on External Investments (R29,5 million favourable): Revenue was more than projected, mainly on Interest Earned on Investments.
- Interest Earned on Outstanding Debtors (R231,7 million favourable): Revenue was more than projected due to Interest on Arrears Debtors.
- Fines (R72 million unfavourable): Revenue was less than projected, mainly on AARTO.
 - The Road Traffic Infringement Agency cancelled the payment of enforcement orders from October to December 2022 because of non-payment of AARTO infringements by the public. The moratorium was lifted and enforcement orders were reimplemented on 1 January 2023.
 - Technical and administrative processes are still hampering the effective utilisation of newly acquired speed cameras.

The relevant department has committed to establishing a special multidisciplinary team to address all technological information as well as administrative process requirements.

- Licences and Permits (R6,1 million unfavourable): Revenue was less than expected, mainly on driving licences due to the inability to operate at two centres, namely Akasia and Rayton, a combined 50 hours of load-shedding on a weekly basis and non-compliance of customers with their online bookings. Most items in this group are customer-dependent.
- Transfers and Subsidies (R302,5 million unfavourable): Mainly on the Public Transport Network Grant, Neighbourhood Development Partnership Grant (Public Employment Programme), Human Settlements Development Grant, Equitable Share, Primary Healthcare Grant and Project Preparation Grant. Revenue will be recognised based on the performance of the grants. The equitable share projections have been aligned with the payment schedule during the budget adjustment.
- Other Revenue (R72,8 million unfavourable): Revenue was less than projected, mainly on Reminder Fees, Admin Handling Fees, Approval Fees, Capital Income Received, Claims Recovered, VAT Corrections, Development Charges: Rezoning, Township Development and Contribution Electricity.

The actual expenditure amounts to R25,4 billion and indicates an underspending variance of R3,4 billion or 12% against the YTD budget of R28,8 billion.

The variance on the expenditure against the YTD budget is mainly on the following items:

- Employee-related Costs (R813 million under budget): Mainly on salaries, unfixed allowances and provision for leave payments due to unfilled vacant positions and the outstanding annual salary notch increment.
- Remuneration of Councillors (R20,6 million under budget): Councillor remuneration increases are still to be determined.

- Depreciation and Asset Impairment (R20,5 million over budget): Due to the newly identified assets recently loaded in the 2021/22 financial year that did not form part of the budget for the 2022/23 financial year.
- Finance Costs (R37,9 million under budget): Mainly on Interest on Swaps and Rehabilitations Provision, the transactions are processed at year-end and the interest on swaps are payable half yearly.
- Bulk Purchases – Electricity (R1 billion under budget): Mainly on Bulk Electricity. The Eskom invoice for February 2023 will be paid on 13 March 2023. The projections have been corrected during the budget adjustment to align with spending.
- Inventory Consumed (R627 million under budget): The underspending is mainly on Petrol and Diesel, Rand Water, Consumables, Stationery, Magalies Water, Bulk Water Purchases: Own Plants, Substations, Electronic Equipment, Equipment and Chemicals. Orders have been placed and are awaiting delivery.
- Contracted Services (R754,9 million under budget): Mainly on Stream Cleaning and Ditching, Tshwane House Contract Cost, Collection Fees, Asset Register Administration, Project Linked Housing, Project Management Services, Research and Advisory, Researcher, Personnel and Labour, Consultant: Civil Engineering, Household Refuse Removal, Cleaning Services, Forensic Audit, Reticulation Electricity, Horticulture: Clearing, Buildings, Grounds, Equipment, Water Reticulation Network, Lights and Substations due to delays in the submission of invoices by suppliers and payment of invoices. Funds are committed and expenditure is expected to increase in the following months.
- Transfers and Subsidies (R21,3 million under budget): Mainly on Gratuities.
- Other Expenditure (R131,7 million under budget): Mainly on SAP Enterprise Support Fee, Building Rentals, Postage, Training Board Fees, Automated Fare Collection System, Compensation Commissioner (IOD), Uniform: General Expense, Rental of Tracking System, Fibre and UTP Repairs due to a delay in processing and paying invoices. Funds are committed.

The overall repairs and maintenance expenditure is R662,7 million against a YTD budget of R968,9 million. The percentage spent against the total original budget is 48%.

The reasons for the variances for all sources or groups are captured in Table SC1 of this report.

Summary of capital expenditure

The capital expenditure, shown in Table C5 of this report, has been prepared based on the format required to be lodged electronically with the National Treasury. It is categorised by municipal vote, capital expenditure by standard classification and the funding sources required to fund the capital budget.

The following table shows the total original budget of R2,8 billion. The actual expenditure for the period amounts to R941 million, representing 33,7% of the total budget. The expenditure, including commitments, is R1,5 billion.

Capital expenditure per funding source as at 28 February 2023:

Capital Expenditure for the CoT per Funding Source as at 28 February 2023						
Funding Source	Original Budget 2022/23	YTD Expenditure Projections 28 February 2023	YTD Actual Expenditure 28 February 2023	Variance (Actual vs Projections)	Actual as % of Expenditure Projection	Actual as % of Original Budget
	(R)	(R)	(R)	(R)	%	%
Public Transport Infrastructure and Systems Grant (PTIS)	269 700 000	104 217 190	55 722 428	(48 494 762)	53.5%	20.7%
Neighbourhood Development Partnership Grant (NDPG)	10 215 000	3 575 250	1 118 920	(2 456 330)	31.3%	11.0%
Urban Settlements Development Grant (USDG)	1 012 788 000	652 607 091	365 610 316	(286 996 775)	56.0%	36.1%
Energy Efficiency Demand Side Management (EEDSM)	8 280 000	1 334 000	4 690 875	3 356 875	351.6%	56.7%
Community Library Services (CLS)	14 562 000	4 368 600	9 313 405	4 944 805	213.2%	64.0%
Informal Settlements Upgrading Partnership Grant	564 000 750	392 619 583	201 787 496	(190 832 086)	51.4%	35.8%
Housing Company Tshwane - Social Housing Regulatory Authority (SHRA)	194 999 705	164 964 246	88 081 655	(76 882 591)	53.4%	45.2%
Total Grant Funding	2 074 545 455	1 323 685 960	726 325 094	(597 360 865)	54.9%	35.0%
Borrowings	487 719 010	209 565 946	139 733 956	(69 831 990)	66.7%	28.7%
Council Funding	180 840 687	124 304 022	71 708 165	(52 595 857)	57.7%	39.7%
Total Internally generated funds	180 840 687	124 304 022	71 708 165	(52 595 857)	57.7%	39.7%
Public Contributions & Donations	50 000 000	28 160 952	3 128 202	(25 032 749)	11.1%	6.3%
Total Contributions	50 000 000	28 160 952	3 128 202	(25 032 749)	11.1%	6.3%
Total	2 793 105 151	1 685 716 879	940 895 418	(744 821 461)	55.8%	33.7%

An amount of R941 million or 33,7% of the budget has been spent.

The reasons for variances per department (vote) are captured in Table SC1 of this report. Table SC12 provides an analysis of the actual capital expenditure compared to the budget targets on a monthly and YTD basis.

Charts C1 and C2 illustrate the trend in capital expenditure against the budget per month and the YTD actual expenditure against the YTD target.

Chart C1: 2022/23 Capital expenditure (monthly trend: actual versus target)

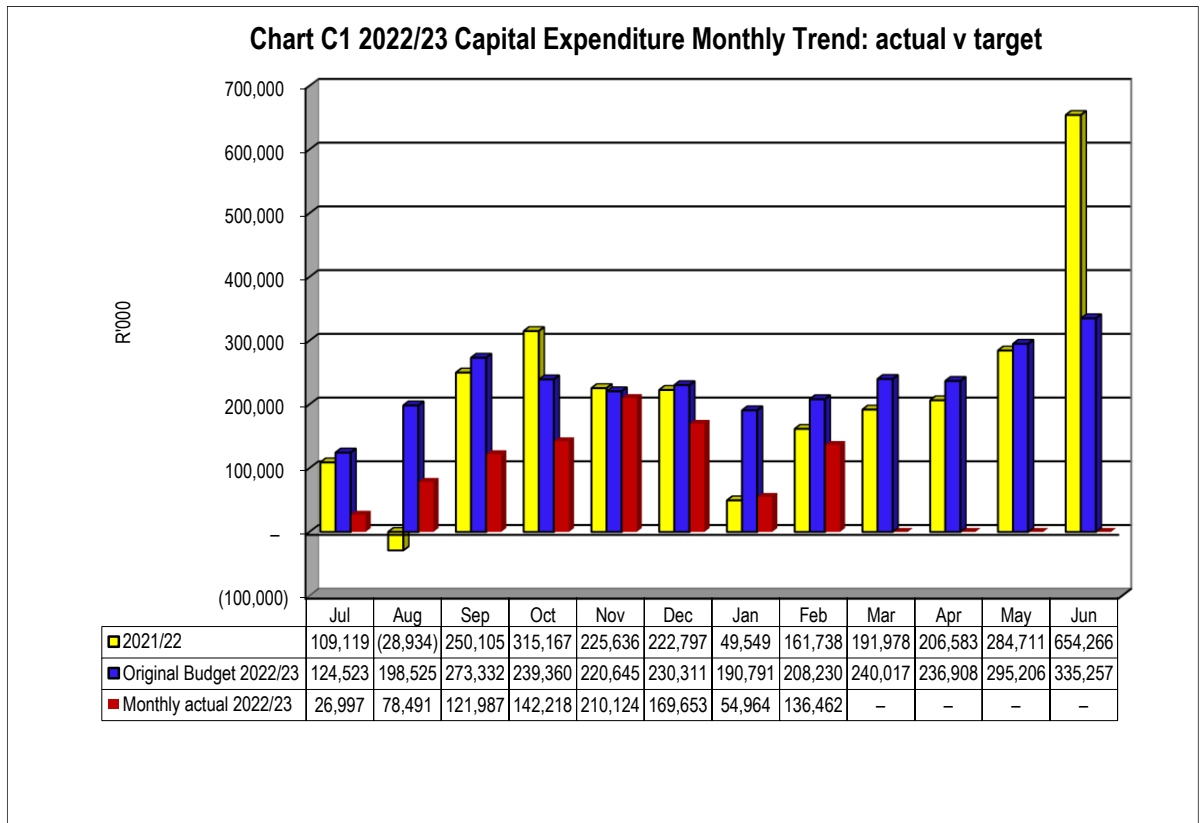
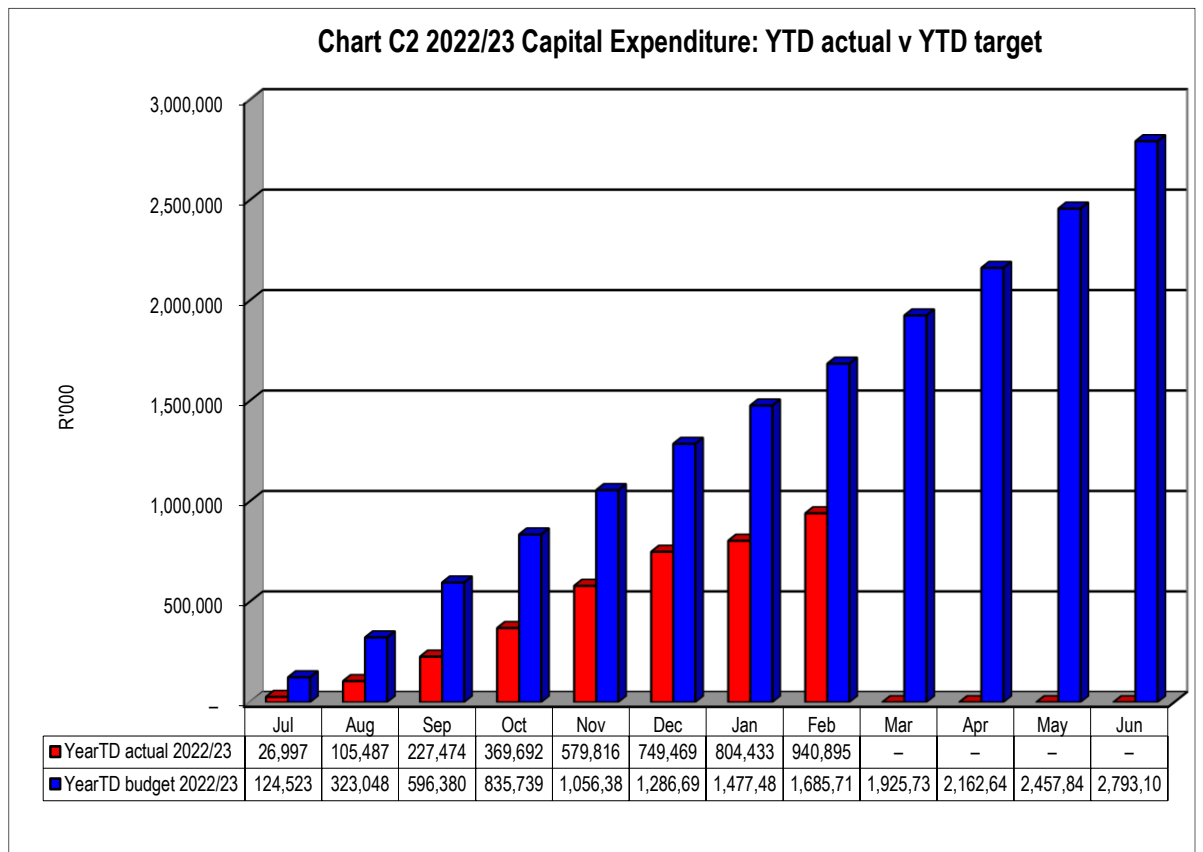


Chart C2: 2022/23 Capital expenditure (YTD actual versus YTD target)



Capital expenditure by asset class, on new assets and on the renewal and upgrading of existing assets are contained in Tables SC13a, SC13b and SC13e.

The expenditure on repairs and maintenance by asset class and the depreciation by asset class are detailed in Tables SC13c and SC13d.

Financial position

The financial position, as indicated in Table C1, shows that the community wealth or equity of the City of Tshwane as at 28 February 2023 amounts to R39,2 billion. Details related to the assets and liabilities of the City of Tshwane are provided in Table C6 in a format that is consistent with international standards and aligned with GRAP 1.

Cash flow

The cash flow of the City of Tshwane, as depicted in Tables C1 and C7, indicates the following:

- Cash and cash equivalents as at the end of 28 February 2023 amount to R752,5 million.
- The cash flow from operating activities reflects a positive R961 million.
- The cash flow from investing activities amounts to R696,9 million.
- The cash flow from financing activities amounts to R249,7 million.

Debtors' age analysis

The debtors' report, as reflected in Tables C1 and SC3, has been prepared based on the format required to be lodged electronically with the National Treasury. This format provides an extended age analysis, as well as an age analysis by debtor type.

It also compares this month's results with those of the same period of the previous financial year.

Chart C3 illustrates the aged consumer debtors and reflects a problem with collection pertaining to debtors in the over-one-year category.

An amount of R12,4 billion is outstanding in this category, compared to R10,1 billion in the 2021/22 financial year. The total debtors are at R19 billion.

Chart C3: Aged consumer debtors analysis

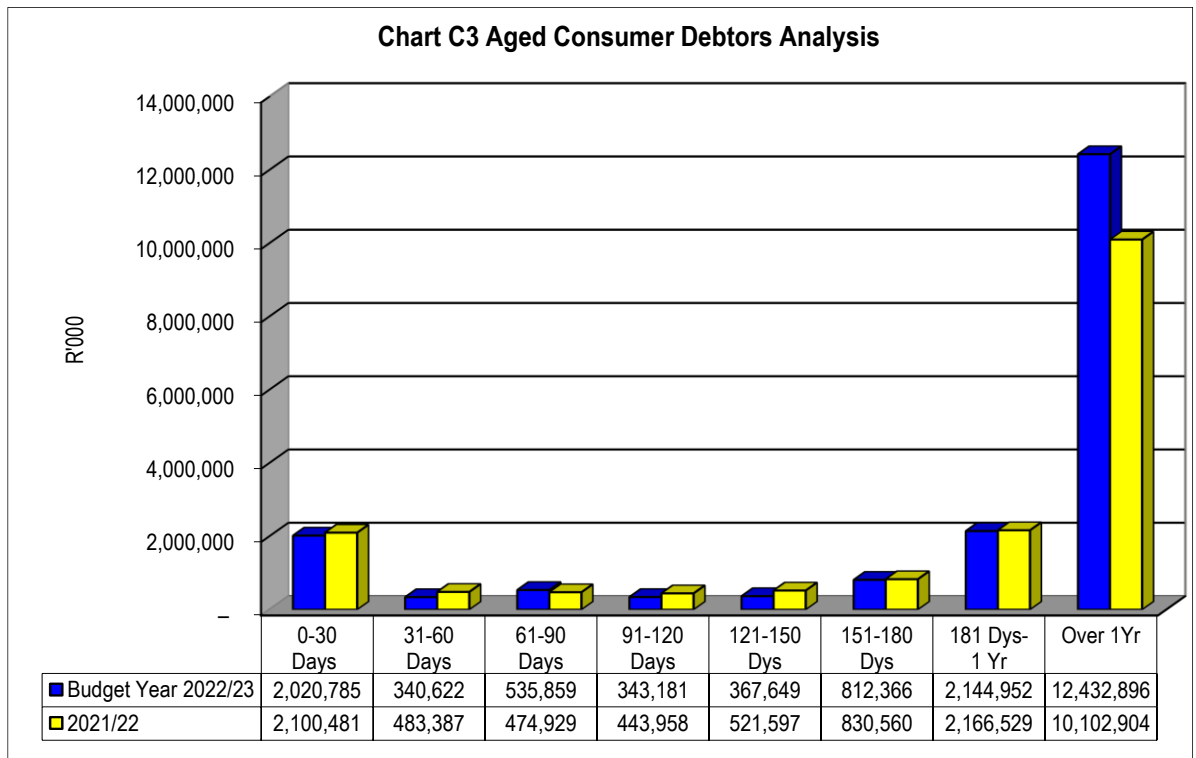
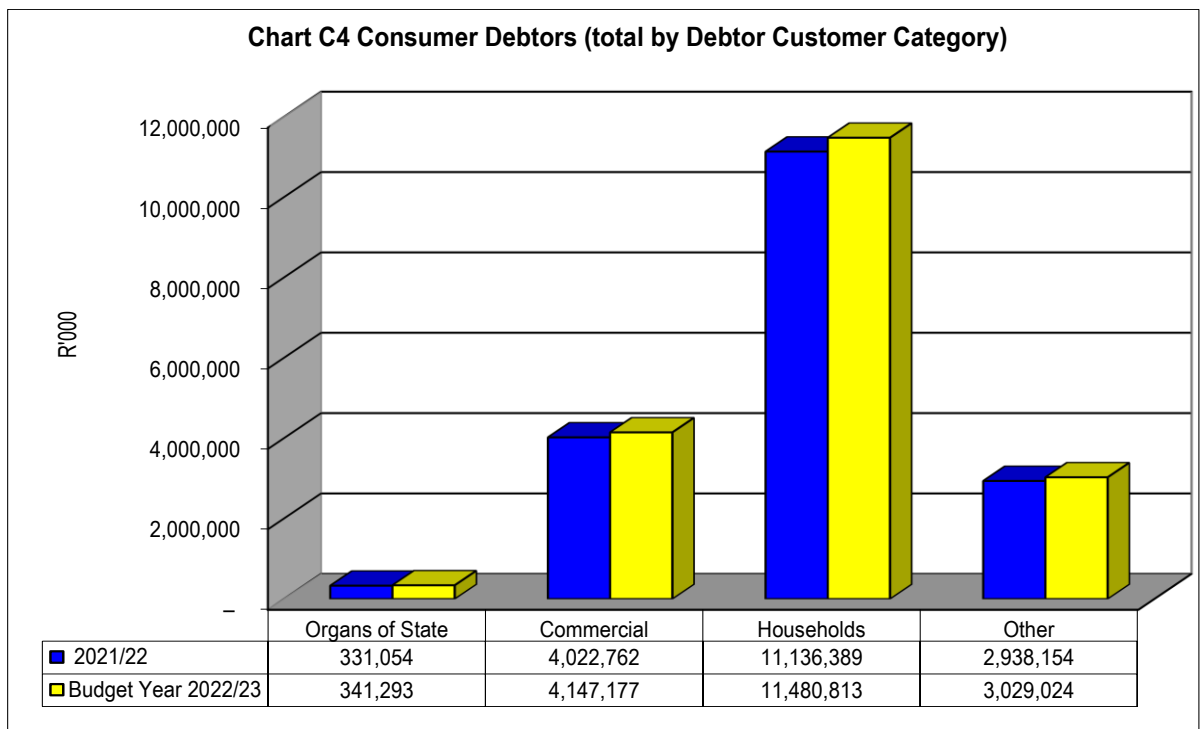


Chart C4 shows that the increase in the customer category is attributable to households, which reflects an increase of R344 million compared to the previous financial year.

Chart C4: Consumer debtors by customer category

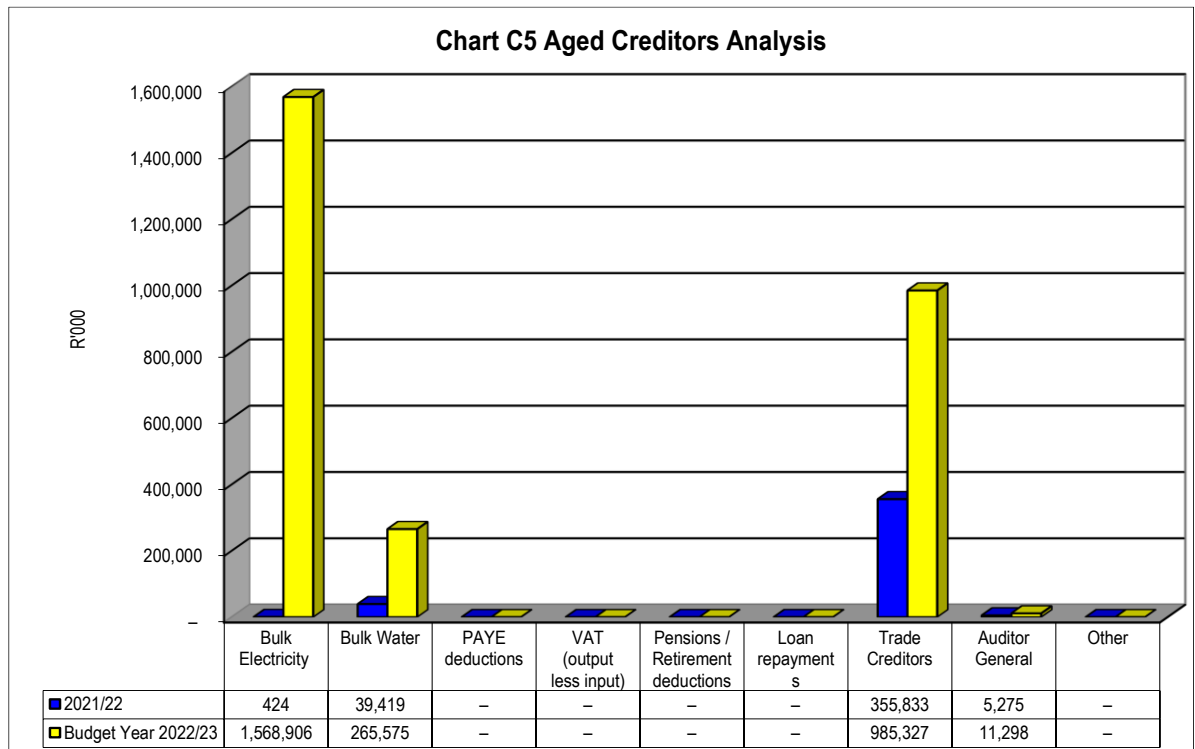


Creditors' age analysis

Tables C1 and SC4 provide an extended age analysis by creditor type.

The chart compares this month's results with that of the previous financial year in the same month, which shows the aged creditors per category.

Chart C5: Aged creditors' analysis



Investment portfolio analysis (Table SC5)

The investment portfolio analysis shown in Table SC5 reflects the institution where funds are invested, the period of investment, the type of investment and the accrued interest for the month. The market value at the end of the month amounts to R1,5 billion.

Allocation of grant receipts and expenditure (Tables SC6 and SC7)

The disclosure on transfers and grant receipts for operating and capital expenditure is reflected in Table SC6. The receipts from national, provincial and other grant providers are also indicated.

The total original budget is R6,6 billion and an amount of R4,6 billion was received for the period. A variance of R495 million is reflected, mainly due to outstanding transfers on the Urban Settlement Development Grant and Restructuring Capital Grant of the Social Housing Regulatory Authority (RCG-SHRA).

Table SC7(1) indicates the expenditure incurred against each allocation for the reporting period. The disclosure on the transfer and grant expenditure table reflects the actual expenditure incurred, amounting to R3,7 billion. A variance of R906 million is reflected.

Expenditure on councillor and staff benefits (Table SC8)

Disclosure of the benefits of councillors, board members and employees are captured in Table SC8. The table provides a comparison of actual and budgeted expenditure.

Parent municipality's financial performance (Table SC10)

This disclosure is required by the National Treasury. Municipalities that have municipal entities should provide the monthly statement of financial performance for the parent municipality only.

Summary of municipal entities (Table SC11)

The City of Tshwane has two municipal entities, as indicated in Table SC11:

- Housing Company Tshwane (HCT)
- Tshwane Economic Development Agency (TEDA)

This table summarises the revenue, operating expenditure and capital expenditure of these entities. The reasons for the variance are captured in Table SC1.

Performance indicators (Table SC2)

This table reflects various ratios, such as –

- borrowing management;
- liquidity;
- revenue management; and
- creditor management.

1.4 In-year budget statement tables

The financial results for the period ended 28 February 2023 are reflected in Tables C1 to C7, and these are followed by the supporting documents contained in Tables SC1 to SC13e.

(a) Table C1: Consolidated monthly budget statement – Summary

TSH City Of Tshwane - Table C1 Consolidated Monthly Budget Statement Summary - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Financial Performance							
Property rates	8,572,924	9,102,662	732,213	5,822,479	6,003,616	(181,137)	-3%
Service charges	21,335,419	24,482,176	1,766,549	14,954,621	16,287,369	(1,332,748)	-8%
Investment revenue	158,892	52,870	8,435	64,744	35,246	29,497	84%
Transfers and subsidies	5,387,168	4,496,044	170,024	2,997,561	3,300,024	(302,463)	-9%
Other own revenue	2,244,284	4,018,088	209,719	2,666,457	2,636,829	29,629	1%
Total Revenue (excluding capital transfers and contributions)	37,698,687	42,151,840	2,886,940	26,505,862	28,263,085	(1,757,222)	-6%
Employee costs	11,587,842	12,633,285	898,469	7,491,662	8,304,671	(813,009)	-10%
Remuneration of Councillors	129,577	163,863	11,050	88,630	109,242	(20,612)	-19%
Depreciation & asset impairment	2,910,880	2,642,244	203,548	1,781,952	1,781,496	20,456	1%
Finance charges	3,270,841	1,508,150	42,489	716,539	754,479	(37,940)	-5%
Inventory consumed and bulk purchases	15,132,519	16,454,699	985,849	10,061,849	11,695,661	(1,633,812)	-14%
Transfers and subsidies	8,051	38,058	163	1,646	22,959	(21,314)	-93%
Other expenditure	8,697,935	8,708,233	675,538	5,263,399	6,149,895	(886,496)	-14%
Total Expenditure	41,737,645	42,148,532	2,817,106	25,405,678	28,798,404	(3,392,726)	-12%
Surplus/(Deficit)	(4,038,958)	3,308	69,834	1,100,184	(535,320)	1,635,504	-306%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,887,617	2,074,545	79,235	726,325	1,288,722	(562,396)	-44%
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	9,206	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	(2,142,136)	2,077,853	149,068	1,826,509	753,402	1,073,108	142%
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	(2,142,136)	2,077,853	149,068	1,826,509	753,402	1,073,108	142%
Capital expenditure & funds sources							
Capital expenditure	2,642,715	2,793,105	136,462	940,895	1,685,717	(744,821)	-44%
Capital transfers recognised	1,896,755	2,074,545	111,438	638,243	1,158,722	(520,478)	-45%
Borrowing	705	487,719	20,224	139,734	209,566	(69,832)	
Internally generated funds	745,255	230,841	4,800	162,918	317,429	(154,511)	-49%
Total sources of capital funds	2,642,715	2,793,105	136,462	940,895	1,685,717	(744,821)	-44%
Financial position							
Total current assets	8,541,579	11,237,254		13,408,439			
Total non current assets	59,404,596	49,152,711		58,153,269			
Total current liabilities	15,205,569	15,445,107		16,195,031			
Total non current liabilities	16,154,887	13,134,703		16,160,664			
Community wealth/Equity	36,585,719	31,810,155		39,206,013			
Cash flows							
Net cash from (used) operating	2,851,834	4,514,622	(319,481)	960,927	3,848,309	2,887,382	75%
Net cash from (used) investing	(2,906,398)	(3,145,071)	(62,903)	(696,868)	(1,685,717)	(988,848)	59%
Net cash from (used) financing	(642,917)	(878,812)	-	(249,741)	(235,736)	14,005	-6%
Cash/cash equivalents at the month/year end	217,482	846,180	-	752,471	2,282,297	1,529,826	67%
Debtors & creditors analysis	0-30 Days	31-60 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr
Debtors Age Analysis							
Total By Income Source	2,020,785	340,622	343,181	367,649	812,366	2,144,952	12,432,896
Creditors Age Analysis							
Total Creditors	1,349,592	920,140	173,687	229,210	-	-	-

(b) Table C2: Consolidated monthly budget statement – Financial performance (standard classification)

TSH City Of Tshwane - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Revenue - Functional							
<i>Governance and administration</i>	13,973,328	14,966,238	785,357	10,056,714	10,215,118	(158,405)	-2%
Executive and council	15,722	66,094	6,253	21,780	30,135	(8,354)	-28%
Finance and administration	13,957,577	14,899,915	779,088	10,032,743	10,184,832	(152,088)	-1%
Internal audit	29	228	17	2,190	152	2,038	1338%
<i>Community and public safety</i>	931,712	1,331,471	71,625	475,499	878,393	(402,894)	-46%
Community and social services	60,582	43,780	1,579	24,269	29,187	(4,918)	-17%
Sport and recreation	20,731	53,101	4,077	18,848	46,068	(27,220)	-59%
Public safety	95,815	295,948	3,963	95,125	174,377	(79,251)	-45%
Housing	665,929	799,161	38,195	267,151	517,642	(250,492)	-48%
Health	88,655	139,481	23,811	70,107	111,120	(41,013)	-37%
<i>Economic and environmental services</i>	1,614,350	1,475,298	179,663	692,770	876,273	(183,503)	-21%
Planning and development	459,443	253,436	25,543	103,388	165,723	(62,335)	-38%
Road transport	1,159,220	1,213,769	153,389	585,471	705,155	(119,684)	-17%
Environmental protection	(4,313)	8,093	731	3,911	5,395	(1,484)	-28%
<i>Trading services</i>	22,791,141	26,248,379	1,908,599	15,825,277	17,467,967	(1,642,690)	-9%
Energy sources	13,915,838	16,503,622	1,133,908	9,610,266	11,049,790	(1,439,525)	-13%
Water management	5,352,039	6,153,273	505,318	3,827,726	3,985,578	(157,852)	-4%
Waste water management	1,895,908	1,857,974	130,176	1,228,178	1,269,951	(41,773)	-3%
Waste management	1,627,356	1,733,510	139,198	1,159,107	1,162,648	(3,540)	0%
<i>Other</i>	285,012	205,000	21,364	184,483	136,666	47,817	35%
Total Revenue - Functional	39,595,543	44,226,386	2,966,609	27,234,743	29,574,418	(2,339,674)	-8%
Expenditure - Functional							
<i>Governance and administration</i>	10,243,427	8,872,687	591,778	5,134,450	5,696,088	(561,638)	-10%
Executive and council	1,199,514	1,318,983	92,056	747,099	883,160	(136,061)	-15%
Finance and administration	8,957,815	7,429,488	494,264	4,339,202	4,730,118	(390,916)	-8%
Internal audit	86,098	124,215	5,458	48,150	82,810	(34,660)	-42%
<i>Community and public safety</i>	5,888,495	6,977,609	496,633	4,091,264	4,679,424	(588,160)	-13%
Community and social services	332,301	417,684	24,711	217,709	282,505	(64,796)	-23%
Sport and recreation	459,474	583,458	35,069	266,457	390,561	(124,104)	-32%
Public safety	3,437,046	4,060,562	274,298	2,449,822	2,710,701	(260,879)	-10%
Housing	913,477	886,111	89,244	559,060	590,907	(31,847)	-5%
Health	746,196	1,029,796	73,311	598,216	704,750	(106,534)	-15%
<i>Economic and environmental services</i>	3,970,098	3,561,913	338,339	2,385,566	2,381,693	3,873	0%
Planning and development	940,482	1,107,649	107,600	602,889	742,489	(139,601)	-19%
Road transport	2,767,200	2,238,995	215,536	1,658,466	1,485,812	172,654	12%
Environmental protection	262,416	215,269	15,202	124,212	153,392	(29,180)	-19%
<i>Trading services</i>	21,428,629	22,530,675	1,378,425	13,679,944	15,931,197	(2,251,254)	-14%
Energy sources	14,487,616	15,155,569	943,022	9,504,346	10,680,198	(1,175,852)	-11%
Water management	4,340,581	4,860,094	297,766	2,864,492	3,385,162	(520,671)	-15%
Waste water management	977,824	826,442	21,550	411,607	562,994	(151,386)	-27%
Waste management	1,622,608	1,688,570	116,087	899,499	1,302,843	(403,345)	-31%
<i>Other</i>	208,617	205,649	12,365	117,010	132,956	(15,946)	-12%
Total Expenditure - Functional	41,739,267	42,148,532	2,817,540	25,408,234	28,821,359	(3,413,125)	-12%
Surplus/ (Deficit) for the year	(2,143,724)	2,077,853	149,068	1,826,509	753,059	1,073,451	143%

Note: The variance in total revenue in Table C1 differs from that in Table C2, because the item "Capital transfers" is excluded in Table C1, whereas in Table C2 it has been included. The tables also exclude internal charges.

(c) Table C3: Consolidated monthly budget statement – Financial performance (revenue and expenditure by municipal vote)

TSH City Of Tshwane - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February							
Vote Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Revenue by Vote							
Vote 1 - Community & Social Development Services Department	(512)	70,904	4,699	32,311	52,597	(20,286)	-38.6%
Vote 2 - Economic Development & Spatial Planning Department	390,526	487,867	51,732	294,117	325,244	(31,128)	-9.6%
Vote 3 - Emergency Services Department	10,723	12,343	830	5,895	8,228	(2,333)	-28.4%
Vote 4 - Environment & Agriculture Management Department	1,632,752	1,753,864	141,471	1,168,671	1,176,218	(7,547)	-0.6%
Vote 5 - Group Financial Services Department	13,830,220	14,760,008	759,475	9,969,825	10,093,729	(123,904)	-1.2%
Vote 6 - Group Property Management Department	65,624	62,464	9,159	20,063	41,643	(21,580)	
Vote 7 - Health Department	86,658	137,583	23,811	70,105	109,855	(39,750)	-36.2%
Vote 8 - Human Settlement Department	665,953	799,211	38,180	267,105	517,676	(250,571)	-48.4%
Vote 9 - Tshwane Metro Police Department	87,018	284,933	3,133	89,235	167,033	(77,798)	-46.6%
Vote 10 - Regional Operations & Coordination Department	44,464	42,448	3,204	16,771	28,245	(11,474)	-40.6%
Vote 11 - Roads & Transport Department	1,252,558	1,240,847	156,133	614,642	720,472	(105,830)	-14.7%
Vote 12 - Shared Services Department	18	-	0	5	-	5	
Vote 13 - Electricity Department	13,912,507	16,498,648	1,133,427	9,608,041	11,046,528	(1,438,487)	-13.0%
Vote 14 - Water and Sanitation Department	7,236,461	8,008,384	635,207	5,049,757	5,253,120	(203,363)	-3.9%
Vote 15 - Other Departments	380,574	66,881	6,149	28,201	33,830	(5,629)	-16.6%
Total Revenue by Vote	39,595,543	44,226,386	2,966,609	27,234,743	29,574,418	(2,339,674)	-7.9%
Expenditure by Vote							
Vote 1 - Community & Social Development Services Department	467,645	533,689	53,350	335,767	356,124	(20,357)	-5.7%
Vote 2 - Economic Development & Spatial Planning Department	653,236	812,491	67,441	419,931	545,740	(125,809)	-23.1%
Vote 3 - Emergency Services Department	698,594	976,839	76,939	582,258	656,335	(74,077)	-11.3%
Vote 4 - Environment & Agriculture Management Department	2,003,521	2,046,834	139,626	1,090,459	1,553,173	(462,714)	-29.8%
Vote 5 - Group Financial Services Department	6,068,029	4,141,794	246,243	2,462,204	2,502,711	(40,507)	-1.6%
Vote 6 - Group Property Management Department	943,814	913,003	33,237	452,669	638,495	(185,826)	-29.1%
Vote 7 - Health Department	504,008	578,264	38,320	318,277	404,172	(85,895)	-21.3%
Vote 8 - Human Settlement Department	972,866	921,490	91,553	578,035	614,494	(36,459)	-5.9%
Vote 9 - Tshwane Metro Police Department	2,183,707	2,827,079	199,549	1,643,123	1,885,807	(242,685)	-12.9%
Vote 10 - Regional Operations & Coordination Department	3,751,862	3,058,662	277,465	2,288,962	2,054,214	234,748	11.4%
Vote 11 - Roads & Transport Department	1,995,107	2,025,006	149,485	1,027,711	1,339,997	(312,286)	-23.3%
Vote 12 - Shared Services Department	1,062,412	1,431,789	131,352	917,652	949,526	(31,873)	-3.4%
Vote 13 - Electricity Department	13,075,602	13,990,044	850,251	8,763,685	9,889,202	(1,125,517)	-11.4%
Vote 14 - Water and Sanitation Department	4,932,785	5,272,236	290,699	3,026,036	3,670,763	(644,727)	-17.6%
Vote 15 - Other Departments	2,426,078	2,619,313	172,031	1,501,466	1,760,608	(259,142)	-14.7%
Total Expenditure by Vote	41,739,267	42,148,532	2,817,540	25,408,234	28,821,359	(3,413,125)	-11.8%
Surplus/ (Deficit) for the year	(2,143,724)	2,077,853	149,068	1,826,509	753,059	1,073,451	142.5%

(d) Table C4: Consolidated monthly budget statement – Financial performance (revenue and expenditure)

TSH City Of Tshwane - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Revenue By Source							
Property rates	8,572,924	9,102,662	732,213	5,822,479	6,003,616	(181,137)	-3%
Service charges - electricity revenue	13,344,146	15,697,113	1,070,569	9,256,129	10,557,649	(1,301,520)	-12%
Service charges - water revenue	4,958,680	5,554,721	439,951	3,474,219	3,555,515	(81,297)	-2%
Service charges - sanitation revenue	1,448,161	1,502,943	120,721	1,069,871	1,014,797	55,074	5%
Service charges - refuse revenue	1,584,431	1,727,398	135,309	1,154,403	1,159,407	(5,005)	0%
Rental of facilities and equipment	144,144	185,329	19,088	72,018	123,552	(51,535)	-42%
Interest earned - external investments	158,892	52,870	8,435	64,744	35,246	29,497	84%
Interest earned - outstanding debtors	724,268	839,462	108,839	791,379	559,641	231,738	41%
Fines, penalties and forfeits	85,915	274,803	3,069	88,902	161,050	(72,148)	-45%
Licences and permits	41,245	54,534	3,496	25,820	31,893	(6,074)	-19%
Transfers and subsidies	5,387,168	4,496,044	170,024	2,997,561	3,300,024	(302,463)	-9%
Other revenue	1,221,267	2,663,961	74,750	1,687,862	1,760,692	(72,830)	-4%
Gains	27,446	-	478	478	-	478	
Total Revenue (excluding capital transfers and contributions)	37,698,687	42,151,840	2,886,940	26,505,862	28,263,085	(1,757,222)	-6%
Expenditure By Type							
Employee related costs	11,587,842	12,633,285	898,469	7,491,662	8,304,671	(813,009)	-10%
Remuneration of councillors	129,577	163,863	11,050	88,630	109,242	(20,612)	-19%
Debt impairment	2,603,238	2,306,620	189,738	1,537,460	1,537,747	(287)	0%
Depreciation & asset impairment	2,910,880	2,642,244	203,548	1,781,952	1,761,496	20,456	1%
Finance charges	3,270,841	1,508,150	42,489	716,539	754,479	(37,940)	-5%
Bulk purchases - electricity	11,376,780	12,121,755	713,885	7,625,105	8,631,916	(1,006,811)	-12%
Inventory consumed	3,755,739	4,332,944	271,963	2,436,745	3,063,745	(627,001)	-20%
Contracted services	4,124,872	4,334,204	338,206	2,424,430	3,179,367	(754,937)	-24%
Transfers and subsidies	8,051	38,058	163	1,646	22,959	(21,314)	-93%
Other expenditure	1,736,733	2,067,362	147,278	1,301,055	1,432,749	(131,694)	-9%
Losses	233,093	47	315	453	31	422	1343%
Total Expenditure	41,737,645	42,148,532	2,817,106	25,405,678	28,798,404	(3,392,726)	-12%
Surplus/(Deficit)	(4,038,958)	3,308	69,834	1,100,184	(535,320)	1,635,504	-306%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,887,617	2,074,545	79,235	726,325	1,288,722	(562,396)	-44%
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	9,206	-	-	-	-	-	
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	(2,142,136)	2,077,853	149,068	1,826,509	753,402		
Taxation	1,589	515	-	-	343	(343)	-100%
Surplus/(Deficit) after taxation	(2,143,724)	2,077,338	149,068	1,826,509	753,059		
Attributable to minorities			-	-	-		
Surplus/(Deficit) attributable to municipality	(2,143,724)	2,077,338	149,068	1,826,509	753,059		
Share of surplus/ (deficit) of associate							
Surplus/ (Deficit) for the year	(2,143,724)	2,077,338	149,068	1,826,509	753,059		

Note: Total revenue excludes capital transfers and contributions. These are indicated separately in this table as "Transfers recognised – capital."

(e) Table C5: Consolidated monthly budget statement – Capital expenditure by vote, standard classification and funding

TSH City Of Tshwane - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M08 February)							
Vote Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Multi-Year expenditure appropriation							
Vote 1 - Community & Social Development Services Department	69,822	71,562	5,299	37,981	51,369	(13,388)	-26%
Vote 2 - Economic Development & Spatial Planning Department	232	17,000	—	2,300	10,933	(8,633)	-79%
Vote 3 - Emergency Services Department	—	—	—	—	—	—	—
Vote 4 - Environment & Agriculture Management Department	9,681	6,000	3,559	4,468	3,500	968	28%
Vote 5 - Group Financial Services Department	10,342	35,000	—	11,340	14,800	(3,460)	-23%
Vote 6 - Group Property Management Department	30,707	—	—	—	—	—	—
Vote 7 - Health Department	23,095	49,500	—	4,510	30,700	(26,190)	-85%
Vote 8 - Human Settlement Department	699,628	644,916	25,384	186,827	442,898	(256,070)	-58%
Vote 9 - Tshwane Metro Police Department	4,777	10,000	2,812	2,812	350	2,462	703%
Vote 10 - Regional Operations & Coordination Department	200	—	200	200	3,325	(3,125)	—
Vote 11 - Roads & Transport Department	496,079	403,340	19,708	136,318	185,886	(49,568)	-27%
Vote 12 - Shared Services Department	167,318	241,000	4,407	104,032	108,100	(4,068)	-4%
Vote 13 - Electricity Department	399,252	596,739	33,322	190,125	318,228	(128,102)	-40%
Vote 14 - Water and Sanitation Department	585,366	551,000	39,611	229,164	411,341	(182,177)	-44%
Vote 15 - Other Departments	128,671	125,708	2,018	26,142	79,487	(53,345)	-67%
Total Capital Multi-year expenditure	2,625,172	2,751,764	136,320	936,219	1,660,916	(724,698)	-44%
Single Year expenditure appropriation							
Vote 1 - Community & Social Development Services Department	—	—	—	—	—	—	—
Vote 2 - Economic Development & Spatial Planning Department	—	452	142	271	452	(181)	-40%
Vote 3 - Emergency Services Department	—	—	—	—	—	—	—
Vote 4 - Environment & Agriculture Management Department	—	—	—	—	—	—	—
Vote 5 - Group Financial Services Department	—	—	—	—	—	—	—
Vote 6 - Group Property Management Department	—	25,000	—	—	16,250	(16,250)	-100%
Vote 7 - Health Department	—	—	—	—	—	—	—
Vote 8 - Human Settlement Department	17,015	952	—	1,166	952	214	23%
Vote 9 - Tshwane Metro Police Department	—	—	—	—	—	—	—
Vote 10 - Regional Operations & Coordination Department	—	2,937	—	2,806	2,937	(131)	-4%
Vote 11 - Roads & Transport Department	528	1,000	—	433	710	(277)	-39%
Vote 12 - Shared Services Department	—	10,000	—	—	3,500	(3,500)	—
Vote 13 - Electricity Department	—	—	—	—	—	—	—
Vote 14 - Water and Sanitation Department	—	1,000	—	—	—	—	—
Vote 15 - Other Departments	—	—	—	—	—	—	—
Total Capital single-year expenditure	17,543	41,341	142	4,677	24,801	(20,124)	-81%
Total Capital Expenditure	2,642,715	2,793,105	136,462	940,895	1,685,717	(744,821)	-44%
Capital Expenditure - Functional Classification							
Governance and administration	214,913	315,000	6,936	117,901	140,700	(22,799)	-16%
Executive and council	—	5,000	—	—	—	—	—
Finance and administration	214,913	310,000	6,936	117,901	140,700	(22,799)	-16%
Internal audit	—	—	—	—	—	—	—
Community and public safety	750,044	584,793	21,052	206,264	408,604	(202,340)	-50%
Community and social services	13,394	25,562	2,963	10,222	5,369	4,853	90%
Sport and recreation	33,681	57,000	2,336	28,668	47,000	(18,332)	-39%
Public safety	28,782	1,000	2,812	2,812	350	2,462	703%
Housing	641,657	441,731	12,941	160,053	318,185	(158,133)	-50%
Health	32,530	59,500	—	4,510	37,700	(33,190)	-88%
Economic and environmental services	616,498	561,684	21,902	163,068	273,675	(110,607)	-40%
Planning and development	99,261	120,493	1,544	25,023	76,595	(51,572)	-67%
Road transport	517,237	441,191	20,358	138,045	197,080	(59,034)	-30%
Environmental protection	—	—	—	—	—	—	—
Trading services	1,055,416	1,321,629	86,572	451,362	852,738	(401,376)	-47%
Energy sources	394,683	595,676	30,993	190,602	323,294	(132,691)	-41%
Water management	336,638	383,531	29,090	125,531	287,665	(162,134)	-56%
Waste water management	315,399	337,422	22,930	131,670	239,280	(107,610)	-45%
Waste management	8,695	5,000	3,559	3,559	2,500	1,059	42%
Other	5,844	10,000	—	2,300	10,000	(7,700)	—
Total Capital Expenditure - Functional Classification	2,642,715	2,793,105	136,462	940,895	1,685,717	(744,821)	-44%
Funded by:							
National Government	1,779,004	1,864,984	108,475	628,930	1,154,353	(525,423)	-46%
Provincial Government	12,408	14,562	2,963	9,313	4,369	4,945	—
District Municipality	—	—	—	—	—	—	—
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	105,344	195,000	—	—	—	—	—
Transfers recognised - capital	1,896,755	2,074,545	111,438	638,243	1,158,722	(520,478)	-45%
Borrowing	705	487,719	20,224	139,734	209,566	(69,832)	-33%
Internally generated funds	745,255	230,841	4,800	162,918	317,429	(154,511)	-49%
Total Capital Funding	2,642,715	2,793,105	136,462	940,895	1,685,717	(744,821)	-44%

(f) Table C6: Consolidated monthly budget statement – Financial position

TSH City Of Tshwane - Table C6 Consolidated Monthly Budget Statement - Financial Position - M08 February			
Description	2021/22	Budget Year 2022/23	
	Audited Outcome	Original Budget	YearTD actual
R thousands			
<u>ASSETS</u>			
Current assets			
Cash	217,482	253,409	752,471
Call investment deposits	870,166	1,002,663	102,356
Consumer debtors	5,189,707	7,303,694	3,350,366
Other debtors	930,588	1,694,535	7,737,550
Current portion of long-term receivables	319,764	114,755	298,432
Inventory	1,013,872	868,198	1,167,265
Total current assets	8,541,579	11,237,254	13,408,439
Non current assets			
Long-term receivables	20,021	35,462	168,188
Investments	320,114	1,028,280	165,424
Investment property	1,087,230	1,257,497	1,029,706
Investments in Associate	729,983		729,982
Property, plant and equipment	56,219,377	45,884,442	55,144,313
Biological	–		–
Intangible	1,027,871	947,030	915,657
Other non-current assets	–		–
Total non current assets	59,404,596	49,152,711	58,153,269
TOTAL ASSETS	67,946,175	60,389,965	71,561,708
<u>LIABILITIES</u>			
Current liabilities			
Bank overdraft	–	–	–
Borrowing	705,633	1,887,982	98,648
Consumer deposits	781,191	985,167	774,898
Trade and other payables	13,718,746	12,571,958	15,321,484
Provisions	–		–
Total current liabilities	15,205,569	15,445,107	16,195,031
Non current liabilities			
Borrowing	12,748,609	9,689,045	12,283,926
Provisions	3,406,279	3,445,658	3,876,738
Total non current liabilities	16,154,887	13,134,703	16,160,664
TOTAL LIABILITIES	31,360,456	28,579,809	32,355,695
NET ASSETS	36,585,719	31,810,155	39,206,013
<u>COMMUNITY WEALTH/EQUITY</u>			
Accumulated Surplus/(Deficit)	36,585,719	31,507,594	38,903,452
Reserves	0	302,562	302,562
TOTAL COMMUNITY WEALTH/EQUITY	36,585,719	31,810,155	39,206,013

(g) Table C7: Consolidated monthly budget statement – Cash flow

TSH City Of Tshwane - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
CASH FLOW FROM OPERATING ACTIVITIES							
Receipts							
Property rates	8,574,855	8,510,989	1,476,724	5,822,479	5,943,607	(121,128)	-2%
Service charges	21,408,219	23,158,745	4,392,825	17,479,684	16,315,287	1,164,397	7%
Other revenue	214,379	2,973,621	1,242,653	3,013,669	1,913,695	1,099,974	57%
Transfers and Subsidies - Operational	5,557,633	4,496,044	285,898	3,022,628	3,300,024	(277,396)	-8%
Transfers and Subsidies - Capital	1,800,617	2,074,545	268,179	1,402,910	1,288,722	114,188	9%
Interest	-	837,766	(87,087)	64,112	558,511	(494,399)	-89%
Dividends							
Payments							
Suppliers and employees	(31,410,536)	(35,990,882)	(5,986,006)	(29,053,130)	(24,694,503)	4,358,627	-18%
Finance charges	(3,267,450)	(1,508,150)	(475,266)	(716,428)	(754,075)	(37,646)	5%
Transfers and Grants	(25,882)	(38,058)	(24,613)	(74,997)	(22,959)	52,038	-227%
NET CASH FROM/(USED) OPERATING ACTIVITIES	2,851,834	4,514,622	1,093,307	960,927	3,848,309	2,887,382	75%
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts							
Proceeds on disposal of PPE	158,238	-	-	-	-	-	
Decrease (increase) in non-current receivables	(1,438)	(1,966)	153,007	153,007	-	153,007	
Decrease (increase) in non-current investments	(271,203)	(350,000)	-	-	-	-	
Payments							
Capital assets	(2,791,994)	(2,793,105)	(189,105)	(849,875)	(1,685,717)	(835,842)	50%
NET CASH FROM/(USED) INVESTING ACTIVITIES	(2,906,398)	(3,145,071)	(36,098)	(696,868)	(1,685,717)	(988,848)	59%
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
Short term loans	-	-	-	-	-	-	
Borrowing long term/refinancing	-	487,719	-	-	-	-	
Increase (decrease) in consumer deposits	-	19,317	-	-	-	-	
Payments							
Repayment of borrowing	(642,917)	(1,385,848)	(155,989)	(249,741)	(235,736)	14,005	-6%
NET CASH FROM/(USED) FINANCING ACTIVITIES	(642,917)	(878,812)	(155,989)	(249,741)	(235,736)	14,005	-6%
NET INCREASE/ (DECREASE) IN CASH HELD	26,622	490,738	901,220	14,317	1,926,856		
Cash/cash equivalents at beginning:	190,860	355,441	738,154	738,154	355,441		
Cash/cash equivalents at month/year end:	217,482	846,180	-	752,471	2,282,297		

Note: The cash and equivalents as at 28 February 2023 are at R752,5 million, which only include highly liquid investments.

PART 2: SUPPORTING DOCUMENTATION

(a) Table SC1: Material variance explanations

TSH City Of Tshwane - Supporting Table SC1 Material variance explanations - M08 February			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands			
Revenue By Source			
Property rates	(181 137)	Revenue was less than projected. The Appeal Board has reduced property market values by 14,7%, which has resulted in a decrease in property rates revenue.	
Service charges - electricity revenue	(1 301 520)	Revenue was less than projected, mainly on Sale of Electricity and Reconnection Fees. Due to low meter reading rate, customer disputes, migration of customers from conventional metering to prepayment metering and technical losses.	
Service charges - water revenue	(81 297)	Revenue was less than projected, mainly on Cross-Border Bulk Water due to the following. - The City stopped supplying water to Moretele Local Municipality in July 2022. This is because Magalies Water is now supplying the area after it commissioned the newly constructed pipeline to Moretele. - There is a huge reduction in water supply to Thembisile Hani Local Municipality. This is due to continuous maintenance-related breakdowns experienced at the Bronkhorstspuit Water Treatment Plant.	
Service charges - sanitation revenue	55 074	Revenue was better than projected, mainly on Sanitation Fees and Cross-border Bulk Sewerage.	
Service charges - refuse revenue	(5 005)	Revenue was less than projected due to billing, delayed payments and the inconsistent deduction of landfill site fees from the invoices of contractors who use landfill sites for dumping.	
Rental of facilities and equipment	(51 535)	Revenue was less than the budget, mainly on Rental Stands. - The cancellation of rental accounts or leased properties that have been sold or donated, or the lessee has passed away (data clean-up). However, the rental accounts continued to be billed over a long period and the amounts were accounted for in the current period once the accounts were cancelled. - Expired lease agreements, delays in the conclusion of new agreements and incorrect and inconsistent data across the portfolio. - Delays in the allocation of billed revenue on the SAP system for the month of February 2023. The process to enter into new lease agreements for expired leases has commenced and is currently undergoing various approval stages. A journal to correct and spread the billed revenue to the correct billing periods has been submitted for processing.	
Interest earned - external investments	29 497	Revenue was more than projected, mainly on Interest Earned on Investments.	
Interest earned - outstanding debtors	231 738	Revenue was more than projected due to Interest on Arrears Debtors.	
Dividends received	-		
Fines, penalties and forfeits	(72 148)	Revenue was less than projected, mainly on AARTO. - The Road Traffic Infringement Agency cancelled the payment of enforcement orders from October to December 2022 because of non-payment of AARTO infringements by the public. The moratorium was lifted and implemented on 1 January 2023. - Technical and administrative processes are still hampering the effective utilization of newly acquired speed cameras. The Department has committed to establishing a special multi-disciplinary team to address all Technological Information as well as administrative process requirements.	
Licences and permits	(6 074)	Revenue was less than expected, mainly on driving licences due to the inability to operate at two centres, namely Akasia and Rayton, a combined 50 hours of load-shedding on a weekly basis and non-compliance of customers with their online bookings. Most items in this group are customer dependent.	
Agency services	-		
Transfers and subsidies	(302 463)	Mainly on the Public Transport Network Grant, Neighbourhood Development Partnership Grant (Public Employment Programme), Human Settlements Development Grant, Equitable Share, Primary Healthcare Grant and Project Preparation Grant. Revenue will be recognised based on the performance of the grants. The equitable share projections will be aligned with the payment schedule during the budget adjustment.	
Other revenue	(72 830)	Revenue was less than projected, mainly on Reminder Fees, Admin Handling Fees, Approval Fees, Capital Income Received, Claims recovered, VAT Corrections, Development Charges: Rezoning, Township Development and Contribution Electricity.	
Gains	478		
Expenditure By Type			
Employee related costs	(813 009)	Mainly on salaries, unfixed allowance and provision for leave payments. Due to unfilled vacant positions and outstanding annual salary notch increment.	
Remuneration of councillors	(20 612)	Councillor remuneration increases are still to be determined.	
Debt impairment	(287)		
Depreciation & asset impairment	20 456	Due to the newly identified assets recently loaded in the 2021/22 financial year that did not form part of the budget for the 2022/23 financial year.	
Finance charges	(37 940)	Mainly on interest on Swaps and Rehabilitations provision, the transactions are processed at year-end and the interest on swaps are payable half yearly.	
Bulk purchases	(1 006 811)	Mainly on Bulk Electricity, the Eskom invoice for February 2023 will be paid on 13 March 2023. The projections have been corrected during budget adjustment to align with spending.	
Inventory Consumed	(627 001)	The underspending is mainly on Petrol and Diesel, Rand Water, Consumables, Stationery, Magalies Water, Bulk Water Purchases: Own Plants, Substations, Electronic Equipment, Equipment and Chemicals. Orders have been placed awaiting for delivery.	
Contracted services	(754 937)	Mainly on Stream Cleaning and Ditching, Tshwane House Contract Cost, Collection Fees, Asset Register Administration, Project Linked Housing, Project Management Services, Research and Advisory, Researcher, Personnel and Labour, Consultant: Civil Engineering, Household Refuse Removal, Cleaning Services, Forensic Audit, Reticulation Electricity, Horticulture: Clearing, Buildings, Grounds, Equipment, Water Reticulation Network, Lights and Substations due to delays in the submission of invoices by suppliers and payment of invoices. Funds are committed and expenditure is expected to increase in the following months.	
Transfers and subsidies	(21 314)	Mainly on Gratuities.	
Other expenditure	(131 694)	Mainly on SAP Enterprise Support Fee, Building Rentals, Postage, Training Board Fees, Auto Fare Collection System, Compensation Commissioner (IOD), Uniform: General Expense, Rental of Tracking System, Fibre and UTP Repairs. Due to delay in processing and payment of invoices. Funds are committed.	
Losses	422		

Table SC1: Material variance explanations (continued)

TSH City Of Tshwane - Supporting Table SC1 Material variance explanations - M08 February			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands			
Capital Expenditure			
Vote 1 - Community & Social Development Services Department	(13,388)	Upgrade Refilwe Stadium - Delayed progress by contractor due to capacity issues and cash flow challenges.	Service provider put on terms. Submission of catch-up plans and revised construction schedules. Close monitoring of progress by consulting team.
Vote 2 - Economic Development & Spatial Planning Department	(8,814)	Supply and installation of public lights Tshwane Market - Appointment letter received by Electricity department. Waiting for finalisation of SLA with legal department.	Follow-up with Electricity department.
Vote 3 - Emergency Services Department	-	None.	None.
Vote 4 - Environment & Agriculture Management Department	968	Provision for Waste Containers - Orders been delivered, first payments have been affected, order been places for remaining funds.	None at this stage.
Vote 5 - Group Financial Services Department	(3,460)	Insurance Replacements (CTMM Contribution) -132 WBS numbers with a total value of R14,6 million have been created. The 132 WBS numbers created cover 164 claims. Approval letters typed and submitted to departments. Commitments to the value of R2,9 million reflect on 64 claims and Actuals to the value of R3,7 million reflect on 16 claims. Procurement is the responsibility of the Department where the loss occurred.	Approval letters submitted to the Departments
Vote 6 - Group Property Management Department	(16,250)	Acquisition of Midtown Building - The project was running behind schedule.	The building plans have been submitted to Building Control for approval. The construction tender specifications to appoint a construction company were submitted to Supply Chain Management (SCM), however, the project is paused and will resume in the upcoming 2023/24 financial year. SCM indicated that Bid Specification Committee (BSC) meetings have been placed on hold, until the revised SCM Policy, aligned to the new Preferential Procurement Policy Framework Act (PPPFA), which took effect on 16 January 2023, has been approved by Council. Therefore, the tender specifications could not be approved for advertisement and subsequently a construction company cannot be appointed. The Department returned the R25 million budget allocation during the 2022/23 adjustments budget process.
Vote 7 - Health Department	(26,190)	New Clinic Lusaka -The delays experienced is on the financial progress for the project by the contractor, due to cashflow challenges.	The Contractor has submitted recovery plan indicating how he will remedy his cashflow challenges to ensure financial progress improves on the project. The PSP and client Department are to continue monitoring the contractors financial progress to ensure they spend allocated funding for the project.
Vote 8 - Human Settlement Department	(255,856)	Booy sens X4 (30ML Reservoir) - Progress delayed by rain and wet days.	Programme of works to be adjusted in line with the delays encountered
Vote 9 - Tshwane Metro Police Department	2,462	None.	None.
Vote 10 - Regional Operations & Coordination Department	(3,256)	Electrical infrastructure testing and maintenance equipment - Awaiting delivery of equipment on last order for R104 400	None.
Vote 11 - Roads & Transport Department	(49,845)	Wonderboom Intermodal Facility (Building Works) - Delays in capturing invoices for the month of February. Work was done.	Expenditure will be captured in March
Vote 12 - Shared Services Department	(7,568)	SAOP 4 Hanna - Deliverables were incomplete and signing off was not practical. Deliverables were then received late January 2023.	The verification of the deliverables was concluded in February 2023.
Vote 13 - Electricity Department	(128,102)	Network Control Centre Reconfiguration- Service provider is appointed, the contract is a once-off delivery of equipment that has been ordered and expected delivery in quarter 4.	Continues follow-up to ensure that delivery is realised in quarter 4.
Vote 14 - Water and Sanitation Department	(182,177)	Klipgat WWTW: Upgrading of existing infrastructure to 40M/d -The milestone is not achieved, the completion stage of the project has not been reached. The revised completion date is revised to 15 May 2023. The overall physical progress is still at 85%, the contractor is proceeding to complete the buildings so that installation of equipment can commence.	Close monitoring of physical progress to ensure completion by the revised completion date (15 May 2023).
Vote 15 - Other Departments	(53,345)	Tshwane Automotive SEZ Phase 1 Bulk Infrastructure Roll out - Invoices are received as and when work is completed by the service providers onsite.	Ensure all invoices for the completed work are submitted by TASEZ for further processing by the City.
Financial Position			
Current assets	2,171,186	Due to increase in other debtors.	
Non current assets	9,000,558	Due to increase in property, plant and equipment.	
Current liabilities	749,924	Due to increase in trade and other payables.	
Non current liabilities	3,025,962	Mainly on borrowings.	
Cash Flow			
Cash flow from operating activities	2,887,382	Mainly on suppliers and employees.	
Cash flow from investing activities	(988,848)	Mainly on capital assets.	
Cash flow from financing activities	14,005		
Measureable performance			
Municipal Entities			
Revenue By Municipal Entity			
Housing Company Tshwane	(36,418)	Mainly on Rental and facilities. Variance was due to group property which has not yet been invoiced by HCT as conveyancers has recently been appointed to facilitate property transfer process.	The conveyancing process will be completed by the 31 March 2023 as the appointed conveyancer managed to receive the POA (Power of Attorney) from the Office of the City Manager. The Group Property 214 Units will be registered under HCT by end of March 2023. Effective by 1st July 2023 the contract management, billing and revenue functions will be executed by HCT.
Tshwane Economic Development Agency	(10,592)	Mainly on Transfers and Subsidies. The Grant is quarterly invoiced.	
Expenditure By Municipal Entity			
Housing Company Tshwane	(27,716)	Mainly on Employee related costs, Depreciation, Other Material and contracted services. Delay in filling vacant positions awaiting for the financial sustainability of new posts to be approved by the REMCO and Board. Procurement processes are currently underway to appoint service providers to conduct repairs and maintenance services. Variance on Depreciation is due Townlands building which has not yet brought into use.	
Tshwane Economic Development Agency	(1,386)		
Capital Expenditure By Municipal Entity			
Housing Company Tshwane	(93,633)	Chantelle detail design and bulk infrastructure upgrade - The entity does not have enough funding to honor commitments on the project as SHRA grant funding has not been received.	The budget from Timberlands has been diverted to Chantelle project during the adjustment budget process.
Tshwane Economic Development Agency	(181)	Furniture and Office Equipment - The commitment on computer items will ensure expenditure is within the budget.	To ensure that the procurement of assets are within the timelines.

(b) Table SC2: Monthly budget statement – Performance indicators

TSH City Of Tshwane - Supporting Table SC2 Monthly Budget Statement - performance indicators - M08 February				
Description of financial indicator	Basis of calculation	2021/22	Budget Year 2022/23	
		Audited Outcome	Original Budget	YearTD actual
<u>Borrowing Management</u>				
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	9.4%	6.9%	9.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	67.9%	0.0%
<u>Safety of Capital</u>				
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	74.3%	75.9%	70.7%
<u>Liquidity</u>				
Current Ratio	Current assets/current liabilities	0.6	0.7	0.8
Liquidity Ratio	Monetary Assets/Current Liabilities	0.07	0.1	0.05
<u>Revenue Management</u>				
Payment Level %	Last 12 Mths Receipts/ Last 12 Mths Billing	100.2%	94.3%	108.1%
<u>Creditors Management</u>				
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	100.0%	100.0%	81.0%
<u>Other Indicators</u>				
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	32.3%	29.0%	30.4%
Employee costs	Employee costs/Total Revenue - capital revenue	30.7%	30.0%	28.3%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	3.4%	3.3%	2.5%
Interest & Depreciation	I&D/Total Revenue - capital revenue	16.4%	9.8%	9.4%
<u>IDP regulation financial viability indicators</u>				
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	8.3	28.3	24.3
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	20.1%	27.0%	32.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.4	0.3	(0.2)

(c) Table SC3: Monthly budget statement – Aged debtors

TSH City Of Tshwane - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February												
Description	NT Code	Budget Year 2022/23										Actual Bad Debts Written Off against Debtors
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	1200	657,164	112,901	187,333	94,768	115,858	122,050	642,081	2,472,357	4,404,512	3,447,114	5,714
Trade and Other Receivables from Exchange Transactions - Electricity	1300	446,841	48,094	59,535	17,311	55,556	59,399	291,065	1,611,622	2,589,422	2,034,952	1,698
Receivables from Non-exchange Transactions - Property Rates	1400	702,790	87,036	92,294	49,281	42,854	65,821	361,071	2,397,679	3,798,827	2,916,707	1,249
Receivables from Exchange Transactions - Waste Water Management	1500	152,680	23,835	88,197	19,213	24,054	25,424	121,208	474,879	929,490	664,778	1,188
Receivables from Exchange Transactions - Waste Management	1600	165,162	27,228	31,653	20,494	23,962	25,952	123,374	850,690	1,268,513	1,044,472	1,694
Receivables from Exchange Transactions - Property Rental Debtors	1700	11,980	1,596	2,321	1,970	3,536	399,983	183	83,008	504,577	488,680	1,861
Interest on Arrear Debtor Accounts	1810	267,304	74,938	100,482	65,870	77,764	80,469	380,339	3,064,669	4,111,836	3,669,111	2,075
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(383,136)	(35,005)	(25,955)	74,274	24,064	33,268	225,631	1,477,992	1,391,132	1,835,229	187
Total By Income Source	2000	2,020,785	340,622	535,859	343,181	367,649	812,366	2,144,952	12,432,896	18,998,308	16,101,043	15,667
2021/22 - totals only		2,100,481	483,387	474,929	443,958	521,597	830,560	2,166,529	10,102,904	17,124,344	14,065,548	9,216
Debtors Age Analysis By Customer Group												
Organs of State	2200	61,907	(11,202)	(8,657)	(47,929)	(12,547)	182	32,620	326,919	341,293	299,244	-
Commercial	2300	336,983	42,557	176,740	74,534	107,368	101,097	492,570	2,815,327	4,147,177	3,590,897	-
Households	2400	1,345,362	258,814	395,254	221,999	274,779	288,540	1,432,149	7,263,917	11,480,813	9,481,384	13,473
Other	2500	276,533	50,452	(27,478)	94,577	(1,952)	422,547	187,613	2,026,733	3,029,024	2,729,518	2,193
Total By Customer Group	2600	2,020,785	340,622	535,859	343,181	367,649	812,366	2,144,952	12,432,896	18,998,308	16,101,043	15,667

Table SC3 indicates that the total debtors amount to R19 billion.

(d) Table SC4: Monthly budget statement – Aged creditors

TSH City Of Tshwane - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February								
Description	NT Code	Budget Year 2022/23						Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	Total	
R thousands								
Creditors Age Analysis By Customer Type								
Bulk Electricity	0100	803,556	764,259	1,019	–	73	1,568,906	424
Bulk Water	0200	265,575	–	–	–	–	265,575	39,419
PAYE deductions	0300	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–
Loan repay ments	0600	–	–	–	–	–	–	–
Trade Creditors	0700	279,872	155,881	146,763	173,687	229,125	985,327	355,833
Auditor General	0800	589	–	10,697	–	12	11,298	5,275
Other	0900	–	–	–	–	–	–	–
Total By Customer Type	1000	1,349,592	920,140	158,479	173,687	229,210	2,831,107	400,951

(e) Table SC5: Monthly budget statement – Investment portfolio

TSH City Of Tshwane - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February								
Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Closing Balance
R thousands	Yrs/Months							
Municipality								
Call Investment deposits < 90 days								
Knysna Stocks	15y	Stock	31.12.2018	0		-	-	0
Sanlam	14y	Insurance policy	07.12.2015	-	3.0%	-	-	-
Sanlam	14y	Insurance policy	01.01.2016	-	3.0%	-	-	-
Capital Alliance	8y	Insurance policy	On selling date	1	2.0%	788	-	789
Capital Alliance	9y	Insurance policy	On selling date	6	3.0%	2,470	-	2,476
ABSA	On Call	Money Market	On call	249	7.3%	40,472	-	40,721
ABSA	On Call	Money Market	On call	87	7.3%	14,183	-	14,270
ABSA	On Call	Money Market	On call	65	7.3%	10,623	-	10,688
ABSA	On Call	Money Market	On call	1	7.3%	234	-	235
Investec Bank	On Call	Money Market	On call	220	7.3%	35,795	-	36,015
Investec Bank	On Call	Money Market	On call	70	7.3%	11,441	-	11,511
Investec Bank	On Call	Money Market	On call	10	7.3%	1,563	-	1,572
Standard Bank	On Call	Money Market	On call	856	7.8%	129,156	-	130,011
Standard Bank	On Call	Money Market	On call	27	7.8%	4,023	-	4,050
Investec Bank	On Call	Money Market	On call	232	6.8%	40,099	-	40,331
RMB	On Call	Money Market	31.10.2011	-	0.0%	-	-	-
STANLIB	On Call	Money Market	On call	-	0.4%	300	1	301
ABSA	On Call	Short Term	On call	-	6.7%	-	-	-
Nedbank	On Call	Short Term	On call	-	6.7%	-	-	-
Standard Bank	On Call	Short Term	On call	-	6.6%	348,839	-	348,839
First National Bank	On Call	Short Term	On call	-	0.0%	-	-	-
Nedbank	On Call	Short Term	On call	-	0.0%	-	-	-
ABSA	On Call	Short Term	On call	-	0.0%	346,408	-	346,408
Standard Bank	On Call	Sinking Fund	On call	-	0.0%	-	-	-
Nedbank	On Call	Short Term	On call	-	0.0%	390,353	50,792	441,145
ABSA	On Call	Short Term	On call	-	0.0%	-	-	-
Standard Bank	On Call	Short Term	On call	-	7.8%	93,238	-	93,238
Municipality sub-total				1,825	-	1,469,984	50,793	1,522,602
Entities								
3382964.36		Call account	As and when required	8	710.0%	3,383	8	3,398
Entities sub-total				8		3,383	8	3,398
TOTAL INVESTMENTS AND INTEREST				1,833		1,473,367	50,801	1,526,000

(f) Table SC6: Monthly budget statement – Transfers and grant receipts

TSH City Of Tshwane - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
RECEIPTS:							
Operating Transfers and Grants							
National Government:	5 326 414	4 306 186	179 073	3 109 565	3 113 998	(4 433)	-0,1%
Local Government Equitable Share	3 088 576	3 551 250		2 568 736	2 568 736	–	
Fuel Levy	1 564 720	–				–	
Local Government Finance Management Grant	2 100	2 200		2 200	2 200	–	
Urban Settlement Development Grant	31 547	31 323		31 323	31 323	–	
Expanded Public Works Programme Incentive (EPWP)	19 031	15 496		10 848	15 496	(4 648)	-30,0%
Public Transport Network Grant	423 380	483 981	179 073	300 073	300 073	–	
Programme and Project Preparation Support Grant	55 375	51 532		25 766	25 766	–	
Municipal Disaster Recovery Grant						–	
Energy Efficiency and Demand Side Management	500	720		720	720	–	
Neighbourhood Development Partnership Grant (PEP)	141 185	140 000		140 215	140 000	215	
Informal Settlements Upgrading Partnership Grant		29 684		29 684	29 684	–	
Provincial Government:	146 630	189 858	23 897	100 559	106 161	(5 601)	-5,3%
Primary Health Care	58 845	61 258	18 377	42 881	42 881	0	0,0%
HIV and Aids Grant	24 392	25 612		25 612	25 612	–	
Human Settlement Development Grant (HSDG)		34 800				–	
Libraries Plan	7 522	7 188		7 188	7 188	–	
Mamelodi Bus Operations Subsidy	55 871	61 000	5 520	24 878	30 480	(5 602)	-18,4%
Gautrans	–		–	–	–	–	
Research and Technology Development Services	–					–	
District Municipality:	–	–	–	–	–	–	
<i>[insert description]</i>						–	
Other grant providers:	2 000	–	–	–	–	–	
DBSA	–	–	–	–	–	–	
BroadBand Wifi						–	
HCT Social Housing SHRA						–	
LG SETA Discretionary grant (93 appies over 3 years)	2 000	–		–	–	–	
Total Operating Transfers and Grants	5 475 044	4 496 044	202 970	3 210 125	3 220 159	(10 034)	-0,3%
Capital Transfers and Grants							
National Government:	1 854 819	1 864 984	260 579	1 383 348	1 780 325	(396 977)	-22,3%
Urban Settlement Development Grant	1 020 010	1 012 788		616 026	1 012 788	(396 762)	-39,2%
Public Transport Network Grant	252 082	269 700	99 789	235 041	235 041	–	
Integrated National Electrification Programme		–				–	
Neighbourhood Development Partnership Grant	17 926	10 215		10 000	10 215	(215)	
Energy Efficiency and Demand Side Management	4 500	8 280	3 000	8 280	8 280	–	
Integrated City Development Grant		–				–	
Informal Settlements Upgrading Partnership Grant	560 301	564 001	157 790	514 001	514 001	–	
Provincial Government:	12 727	14 562	2 600	14 562	14 562	–	
Recapitalisation of Community Libraries Grant	12 727	14 562	2 600	14 562	14 562	–	
Gautrans						–	
Social Infrastructure Grant						–	
HCT - SHRA						–	
District Municipality:	–	–	–	–	–	–	
<i>[insert description]</i>						–	
Other grant providers:	97 294	195 000	–	–	88 082	(88 082)	-100,0%
LG SETA Discretionary grant (93 appies over 3 years)	1 089	–		–	–	–	0,0%
RCG-SHRA	96 205	195 000		–	88 082	(88 082)	
DBSA - Installation of Bulkwater (Water pilot study)	–	–	–	–	–	–	0,0%
Total Capital Transfers and Grants	1 964 840	2 074 545	263 179	1 397 910	1 882 968	(485 059)	-25,8%
TOTAL RECEIPTS OF TRANSFERS & GRANTS	7 439 885	6 570 590	466 149	4 608 034	5 103 127	(495 093)	-9,7%

The total original budget is R6,6 billion and an amount of R4,6 billion was received for the period. A variance of R495 million is reflected, mainly due to outstanding transfers on the Urban Settlement Development Grant and Restructuring Capital Grant of the Social Housing Regulatory Authority (RCG-SHRA).

(g) Table SC7(1): Monthly budget statement – Transfers and grant expenditures

TSH City Of Tshwane - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands							%
EXPENDITURE							
<u>Operating expenditure of Transfers and Grants</u>							
National Government:	5,217,785	4,306,186	77,086	2,907,268	3,163,000	(255,732)	-8.1%
Local Government Equitable Share	3,088,576	3,551,250		2,568,736	2,663,438	(94,702)	-3.6%
Fuel Levy	1,564,720	–				–	
Local Government Finance Management Grant	2,006	2,200	56	991	1,600	(609)	
Urban Settlement Development Grant	31,547	31,323		31,323	31,323	–	
Expanded Public Works Programme Incentive (EPWP)	19,031	15,496		10,848	10,331	517	5.0%
Public Transport Network Grant	414,712	483,981	44,456	227,334	308,352	(81,018)	
Programme and Project Preparation Support Grant	49,967	51,532	3,289	12,467	34,355	(21,888)	
Energy Efficiency and Demand Side Management	176	720		78	480	(402)	
Neighbourhood Development Partnership Grant (PEP)	47,050	140,000	25,392	42,181	93,333	(51,152)	-54.8%
Informal Settlements Upgrading Partnership Grant		29,684	3,894	13,310	19,790	(6,480)	-32.7%
Provincial Government:	169,370	189,858	29,447	101,125	154,023	(52,899)	-34.3%
Primary Health Care	58,845	61,258	18,377	42,881	61,258	(18,377)	-30.0%
HIV and Aids Grant	24,392	25,612	2,515	20,690	24,000	(3,310)	-13.8%
Human Settlement Development Grant (HSDG)	19,370	34,800		2,801	23,200	(20,399)	-87.9%
Libraries Plan	8,133	7,188	1,088	4,075	4,925	(850)	-17.3%
Mamelodi Bus Operations Subsidy	58,631	61,000	7,467	30,677	40,640	(9,963)	-24.5%
District Municipality:	–	–	–	–	–	–	–
<i>[insert description]</i>						–	
Other grant providers:	2,000	–	–	–	–	–	–
DBSA	–	–				–	
LG SETA Discretionary grant (93 applies over 3 years)	2,000	–		–	–	–	
Total operating expenditure of Transfers and Grants:	5,389,155	4,496,044	106,533	3,008,392	3,317,024	(308,631)	-9.3%
<u>Capital expenditure of Transfers and Grants</u>							
National Government:	1,779,004	1,864,984	108,475	628,930	1,154,353	(525,423)	-45.5%
Urban Settlement Development Grant	1,017,758	1,012,788	62,633	365,610	652,607	(286,997)	-44.0%
Public Transport Network Grant	208,428	269,700	18,457	55,722	104,217	(48,495)	-46.5%
Integrated National Electrification Programme		–				–	
Neighbourhood Development Partnership Grant	17,926	10,215	474	1,119	3,575	(2,456)	-68.7%
Finance Management Grant		–				–	
Energy Efficiency and Demand Side Management	4,490	8,280	381	4,691	1,334	3,357	251.6%
Integrated City Development Grant		–				–	
Informal Settlements Upgrading Partnership Grant	530,402	564,001	26,530	201,787	392,620	(190,832)	-48.6%
Provincial Government:	12,408	14,562	2,963	9,313	4,369	4,945	-54.0%
Recapitalisation of Community Libraries Grant	12,408	14,562	2,963	9,313	4,369	4,945	113.2%
Social Infrastructure Grant					–	–	
HCT - SHRA					–	–	
District Municipality:	–	–	–	–	–	–	–
<i>[insert description]</i>						–	
Other grant providers:	105,411	195,000	–	88,082	164,964	(76,883)	-46.6%
LG SETA Discretionary grant (93 applies over 3 years)	9,206	–				–	
RCG-SHRA	96,205	195,000		88,082	164,964	(76,883)	-46.6%
DBSA - Installation of Bulk water (Water pilot study)					–	–	
Total capital expenditure of Transfers and Grants	1,896,823	2,074,545	111,438	726,325	1,323,686	(597,361)	-45.1%
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	7,285,978	6,570,590	217,971	3,734,718	4,640,710	(905,992)	-19.5%

Table SC7(1) indicates the expenditure incurred against each allocation for the reporting period. The disclosure on the transfer and grant expenditure table reflects the actual expenditure incurred, amounting to R3,7 billion. A variance of R906 million is reflected.

(h) Table SC7 (2): Monthly budget statement – Expenditure against approved rollovers

TSH City Of Tshwane - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M08 February					
Description	Budget Year 2022/23				
	Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance
R thousands					%
<u>EXPENDITURE</u>					
<u>Operating expenditure of Approved Roll-overs</u>					
National Government:	-	-	-	-	
Local Government Equitable Share				-	
Fuel Levy				-	
Local Government Finance Management Grant				-	
Urban Settlement Development Grant				-	
Expanded Public Works Programme Incentive (EPWP)				-	
Public Transport Network Grant				-	
Provincial Government:	-	-	-	-	
Primary Health Care				-	
Human Settlement Development Grant (HSDG)	-	-	-	-	
Libraries Plan	-	-	-	-	
Mamelodi Bus Operations Subsidy				-	
District Municipality:	-	-	-	-	
				-	
Other grant providers:	-	-	-	-	
DBSA				-	
Total operating expenditure of Approved Roll-overs	-	-	-	-	
<u>Capital expenditure of Approved Roll-overs</u>					
National Government:	-	-	-	-	
Urban Settlement Development Grant				-	
Integrated City Development Grant				-	
Informal Settlements Upgrading Partnership Grant				-	
Informal Settlements Upgrading Partnership Grant				-	
Provincial Government:	-	-	-	-	
Recapitalisation of Community Libraries Grant	-	-	-	-	
				-	
District Municipality:	-	-	-	-	
				-	
Other grant providers:	-	-	-	-	
				-	
Total capital expenditure of Approved Roll-overs	-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	-	-	-	-	

Expenditure against the approved rollovers will reflect after the adjustment budget approval.

(i) Table SC8: Monthly budget statement – Councillor and staff benefits

TSH City Of Tshwane - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February							
Summary of Employee and Councillor remuneration	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	A	B					%
Councillors (Political Office Bearers plus Other)							
Basic Salaries and Wages	129,577	115,175	11,050	88,630	76,783	11,847	15%
Pension and UIF Contributions	—	4,564	—	—	3,043	(3,043)	-100%
Medical Aid Contributions	—	4,509	—	—	3,006	(3,006)	-100%
Motor Vehicle Allowance	—	33,059	—	—	22,040	(22,040)	-100%
Cellphone Allowance	—	6,555	—	—	4,370	(4,370)	-100%
Housing Allowances	—	—	—	—	—	—	—
Other benefits and allowances	—	—	—	—	—	—	—
Sub Total - Councillors	129,577	163,863	11,050	88,630	109,242	(20,612)	-19%
% increase		26.5%					
Senior Managers of the Municipality							
Basic Salaries and Wages	16,530	20,508	351	5,866	12,747	(6,881)	-54%
Pension and UIF Contributions	13	245	0	5	153	(148)	-97%
Medical Aid Contributions	—	62	—	—	39	(39)	-100%
Overtime	—	—	—	—	—	—	—
Performance Bonus	—	—	—	—	—	—	—
Motor Vehicle Allowance	—	—	—	—	—	—	—
Cellphone Allowance	153	240	3	47	151	(104)	-69%
Housing Allowances	—	—	—	—	—	—	—
Other benefits and allowances	446	2,726	4	219	1,715	(1,495)	-87%
Payments in lieu of leave	2,957	925	45	(484)	582	(1,066)	-183%
Long service awards	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality	20,100	24,706	402	5,653	15,386	(9,732)	-63%
% increase		22.9%					
Other Municipal Staff							
Basic Salaries and Wages	7,694,556	7,572,543	647,111	5,110,289	5,423,106	(312,817)	-6%
Pension and UIF Contributions	1,445,660	1,471,995	124,011	994,493	1,057,489	(62,997)	-6%
Medical Aid Contributions	675,158	640,190	58,324	457,002	480,260	(23,257)	-5%
Overtime	526,980	968,735	51,252	355,189	281,391	73,798	26%
Performance Bonus	539	574,404	1	327	19	309	1645%
Motor Vehicle Allowance	310,317	337,370	25,252	203,324	224,636	(21,312)	-9%
Cellphone Allowance	16,507	18,815	1,355	10,908	11,975	(1,067)	-9%
Housing Allowances	59,581	58,907	5,328	42,551	39,448	3,103	8%
Other benefits and allowances	558,964	251,056	73,346	586,480	476,021	110,459	23%
Payments in lieu of leave	192,469	342,382	(94,858)	(332,795)	228,136	(560,932)	-246%
Long service awards	2,455	3,160	155	1,355	2,106	(751)	-36%
Post-retirement benefit obligations	—	271,974	—	—	—	—	—
Sub Total - Other Municipal Staff	11,483,185	12,511,530	891,279	7,429,124	8,224,586	(795,463)	-10%
% increase		9.0%					
Total Parent Municipality	11,632,862	12,700,099	902,731	7,523,407	8,349,214	(825,807)	-10%
Unpaid salary, allowances & benefits in arrears:							
Board Members of Entities							
Basic Salaries and Wages	—	—	—	—	—	—	—
Pension and UIF Contributions	—	—	—	—	—	—	—
Medical Aid Contributions	—	—	—	—	—	—	—
Overtime	—	—	—	—	—	—	—
Performance Bonus	—	—	—	—	—	—	—
Motor Vehicle Allowance	—	—	—	—	—	—	—
Cellphone Allowance	—	—	—	—	—	—	—
Housing Allowances	—	—	—	—	—	—	—
Other benefits and allowances	—	—	—	—	—	—	—
Board Fees	5,164	6,386	345	2,699	4,257	(1,558)	-37%
Payments in lieu of leave	—	—	—	—	—	—	—
Long service awards	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—
Sub Total - Board Members of Entities	5,164	6,386	345	2,699	4,257	(1,558)	-37%
Senior Managers of Entities							
Basic Salaries and Wages	15,823	15,281	1,195	9,099	10,188	(1,089)	-11%
Pension and UIF Contributions	968	1,632	152	888	1,048	(161)	-15%
Medical Aid Contributions	127	334	17	109	223	(114)	-51%
Overtime	—	—	—	—	—	—	—
Performance Bonus	—	389	—	—	299	(299)	-100%
Motor Vehicle Allowance	717	838	63	812	708	104	15%
Cellphone Allowance	235	438	87	105	143	(38)	-26%
Housing Allowances	20	—	2	83	159	(76)	-48%
Other benefits and allowances	—	238	14	—	—	—	—
Payments in lieu of leave	—	1,479	—	219	986	(767)	-78%
Long service awards	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—
Sub Total - Senior Managers of Entities	17,890	20,630	1,530	11,316	13,754	(2,438)	-18%
% increase		15.3%					
Other Staff of Entities							
Basic Salaries and Wages	50,139	56,734	3,985	36,084	37,823	(1,739)	-5%
Pension and UIF Contributions	3,904	5,225	445	3,311	3,483	(172)	-5%
Medical Aid Contributions	1,889	2,423	180	1,349	1,615	(266)	-16%
Overtime	541	1,500	223	1,494	1,000	494	49%
Performance Bonus	—	1,815	—	—	1,210	(1,210)	—
Motor Vehicle Allowance	—	—	—	10	—	10	—
Cellphone Allowance	378	452	36	287	302	(14)	-5%
Housing Allowances	64	1,250	9	63	833	(771)	-92%
Other benefits and allowances	—	633	34	272	422	(150)	-36%
Payments in lieu of leave	—	—	—	—	—	—	—
Long service awards	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—
Sub Total - Other Staff of Entities	56,915	70,033	4,913	42,870	46,688	(3,818)	-8%
% increase		23.0%					
Total Municipal Entities	79,969	97,049	6,788	56,886	64,699	(7,814)	-12%
TOTAL SALARY, ALLOWANCES & BENEFITS	11,712,831	12,797,148	909,519	7,580,292	8,413,913	(833,621)	-10%
% increase		9.3%					
TOTAL MANAGERS AND STAFF	11,583,254	12,633,285	898,469	7,491,662	8,304,671	(813,009)	-10%

(j) Table SC10: Monthly budget statement – Parent municipality’s financial performance (revenue and expenditure)

TSH City Of Tshwane - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands							%
Revenue By Source							
Property rates	8,574,855	9,102,662	732,213	5,822,479	6,003,616	(181,137)	-3%
Service charges - electricity revenue	13,345,122	15,697,113	1,070,569	9,256,129	10,557,649	(1,301,520)	-12%
Service charges - water revenue	4,958,680	5,554,721	439,951	3,474,219	3,555,515	(81,297)	-2%
Service charges - sanitation revenue	1,448,161	1,502,943	120,721	1,069,871	1,014,797	55,074	5%
Service charges - refuse revenue	1,584,431	1,727,398	135,309	1,154,403	1,159,407	(5,005)	0%
Rental of facilities and equipment	134,996	114,052	17,838	64,105	76,034	(11,929)	-16%
Interest earned - external investments	158,238	51,616	8,332	64,112	34,410	29,702	86%
Interest earned - outstanding debtors	724,104	839,210	108,827	791,289	559,473	231,815	41%
Dividends received	-	-	-	-	-	-	-
Fines, penalties and forfeits	85,915	274,803	3,069	88,902	161,050	(72,148)	-45%
Licences and permits	41,245	54,534	3,496	25,820	31,893	(6,074)	-19%
Agency services	-	-	-	-	-	-	-
Transfers and subsidies	5,387,168	4,496,044	170,024	2,997,561	3,300,024	(302,463)	-9%
Other revenue	1,220,552	2,663,285	74,682	1,687,113	1,760,241	(73,129)	-4%
Gains	27,446	-	478	478	-	478	-
Total Revenue (excluding capital transfers and contributions)	37,690,913	42,078,382	2,885,508	26,496,480	28,214,113	(1,717,633)	-6%
Expenditure By Type							
Employee related costs	11,513,865	12,536,236	892,026	7,437,476	8,244,229	(806,753)	-10%
Remuneration of councillors	129,577	163,863	11,050	88,630	109,242	(20,612)	-19%
Debt impairment	2,601,809	2,305,357	189,738	1,536,905	1,536,905	0	0%
Depreciation & asset impairment	2,909,024	2,623,015	203,459	1,780,510	1,748,677	31,833	2%
Finance charges	3,267,450	1,507,813	42,477	716,428	754,255	(37,827)	-5%
Bulk purchases - electricity	11,376,780	12,121,755	713,885	7,625,105	8,631,916	(1,006,811)	-13%
Inventory consumed	3,755,440	4,326,552	271,962	2,436,709	3,059,484	(622,775)	-20%
Contracted services	4,114,721	4,307,123	335,965	2,410,421	3,161,314	(750,893)	-24%
Transfers and subsidies	102,761	135,860	24,613	74,997	96,311	(21,314)	-22%
Other expenditure	1,716,867	2,048,016	145,588	1,286,668	1,415,594	(128,927)	-9%
Losses	232,873	-	315	453	-	453	-
Total Expenditure	41,721,166	42,075,589	2,831,079	25,394,302	28,757,926	(3,363,624)	-12%
Surplus/(Deficit)	(4,030,253)	2,793	54,429	1,102,178	(543,813)	1,645,991	-303%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,791,411	1,879,546	79,235	638,243	1,158,722	(520,478)	-45%
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	9,206	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(2,229,636)	1,882,339	133,663	1,740,421	614,909	1,125,513	183%
Taxation	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(2,229,636)	1,882,339	133,663	1,740,421	614,909	1,125,513	183%

(k) Table SC11: Monthly budget statement – Summary of municipal entities

TSH City Of Tshwane - Supporting Table SC11 Monthly Budget Statement - summary of municipal entities - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
<u>Revenue By Municipal Entity</u>							
Housing Company Tshwane	44,806	107,707	1,339	35,386	71,804	(36,418)	-51%
Tshwane Economic Development Agency	60,618	63,553	94	31,777	42,369	(10,592)	-25%
Total Operating Revenue	105,424	171,260	1,432	67,163	114,173	(47,010)	-41%
<u>Expenditure By Municipal Entity</u>							
Housing Company Tshwane	59,865	107,707	5,972	44,088	71,804	(27,716)	-39%
Tshwane Economic Development Agency	54,826	63,038	4,506	40,639	42,026	(1,386)	-3%
Total Operating Expenditure	114,691	170,745	10,478	84,727	113,830	(29,103)	-26%
Surplus/ (Deficit) for the yr/period	(8,540)	515	(9,046)	(17,564)	343	(17,907)	-5215%
<u>Capital Expenditure By Municipal Entity</u>							
Housing Company Tshwane	248,368	233,970	–	90,749	184,382	(93,633)	-163%
Tshwane Economic Development Agency	237	452	142	271	452	(181)	-40%
Total Capital Expenditure	248,605	234,421	142	91,020	184,834	(93,813)	-51%

(l) Table SC12: Consolidated monthly budget statement – Capital expenditure trend

TSH City Of Tshwane - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M08 February								
Month	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
<u>Monthly expenditure performance trend</u>								
July	109,119	124,523	26,997	26,997	124,523	97,526	78.3%	1%
August	(28,934)	198,525	78,491	105,487	323,048	217,561	67.3%	4%
September	250,105	273,332	121,987	227,474	596,380	368,906	61.9%	8%
October	315,167	239,360	142,218	369,692	835,739	466,047	55.8%	13%
November	225,636	220,645	210,124	579,816	1,056,384	476,568	45.1%	21%
December	222,797	230,311	169,653	749,469	1,286,696	537,226	41.8%	27%
January	49,549	190,791	54,964	804,433	1,477,487	673,054	45.6%	29%
February	161,738	208,230	136,462	940,895	1,685,717	744,821	44.2%	34%
March	191,978	240,017	–		1,925,734	–		
April	206,583	236,908	–		2,162,642	–		
May	284,711	295,206	–		2,457,848	–		
June	654,266	335,257	–		2,793,105	–		
Total Capital expenditure	2,642,715	2,793,105	940,895					

(m) Table SC13a: Consolidated monthly budget statement – Capital expenditure on new assets by asset class

TSH City Of Tshwane - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands							%
Capital expenditure on new assets by Asset Class/Sub-class							
Infrastructure	1,149,704	1,307,593	73,191	467,663	815,352	347,689	42.6%
Roads Infrastructure	398,889	437,643	15,939	159,019	256,226	97,207	37.9%
Roads	332,189	339,428	12,137	132,289	209,238	76,949	36.8%
Road Structures	59,618	79,715	3,803	26,730	45,888	19,158	41.8%
Road Furniture	7,082	18,500	—	—	1,100	1,100	100.0%
Storm water Infrastructure	80,632	8,700	—	6,774	2,750	(4,024)	
Storm water Conveyance	80,632	8,700	—	6,774	2,750	(4,024)	
Electrical Infrastructure	242,286	303,279	12,429	118,035	185,806	67,771	36.5%
Power Plants	—	4,000	—	—	3,604	3,604	100.0%
HV Substations	14,470	61,000	—	6,954	24,850	17,896	72.0%
HV Transmission Conductors	—	10,000	—	—	5,500	5,500	100.0%
MV Substations	35,849	33,000	2,573	8,674	19,880	11,206	56.4%
MV Networks	98,287	100,200	5,672	51,172	61,000	9,828	16.1%
LV Networks	93,680	95,079	4,183	51,235	70,973	19,738	27.8%
Water Supply Infrastructure	233,223	311,724	27,378	85,862	215,101	129,239	60.1%
Reservoirs	50,028	68,497	4,094	6,686	47,018	40,332	85.8%
Pump Stations	—	1,500	—	—	—	—	
Water Treatment Works	—	1,000	—	—	—	—	
Bulk Mains	16,770	33,000	1,054	1,154	23,146	21,992	95.0%
Distribution	76,690	117,727	4,557	16,112	81,937	65,825	80.3%
Distribution Points	89,735	90,000	17,672	61,911	63,000	1,089	1.7%
Sanitation Infrastructure	184,020	229,546	13,886	94,413	149,469	55,056	36.8%
Pump Station	—	18,000	7,815	13,202	15,919	2,717	17.1%
Reticulation	178,662	192,351	6,070	81,211	129,180	47,969	37.1%
Waste Water Treatment Works	—	4,000	—	—	2,040	2,040	100.0%
Outfall Sewers	5,358	15,195	—	—	2,330	2,330	100.0%
Solid Waste Infrastructure	8,695	5,000	3,559	3,559	2,500	(1,059)	-42.4%
Capital Spares	8,695	5,000	3,559	3,559	2,500	(1,059)	-42.4%
Information and Communication Infrastructure	1,960	11,700	—	—	3,500	3,500	100.0%
Data Centres	—	10,000	—	—	3,500	3,500	100.0%
Distribution Layers	1,960	1,700	—	—	—	—	
Community Assets	30,179	77,262	5,775	16,296	38,449	22,153	57.6%
Community Facilities	30,179	77,262	5,775	16,296	38,449	22,153	57.6%
Clinics/Care Centres	14,596	49,000	—	4,170	30,380	26,210	86.3%
Fire/Ambulance Stations	3,176	—	—	—	—	—	
Libraries	12,408	14,562	2,963	9,313	4,369	(4,945)	-113.2%
Police	—	10,000	2,812	2,812	—	(2,812)	#DIV/0!
Markets	—	3,700	—	—	3,700	3,700	100.0%
Investment properties	30,435	25,000	—	—	16,250	16,250	100.0%
Revenue Generating	—	—	—	—	—	—	
Improved Property	—	—	—	—	—	—	
Unimproved Property	—	—	—	—	—	—	
Non-revenue Generating	30,435	25,000	—	—	16,250	16,250	100.0%
Improved Property	30,435	25,000	—	—	16,250	16,250	100.0%
Unimproved Property	—	—	—	—	—	—	
Other assets	271,172	235,018	—	90,138	185,430	95,292	51.4%
Operational Buildings	5,848	—	—	—	—	—	
Municipal Offices	5,848	—	—	—	—	—	
Housing	265,324	235,018	—	90,138	185,430	95,292	51.4%
Social Housing	265,324	235,018	—	90,138	185,430	95,292	51.4%
Intangible Assets	8,951	—	—	—	—	—	—
Licences and Rights	8,951	—	—	—	—	—	
Computer Software and Applications	8,951	—	—	—	—	—	
Computer Equipment	9,758	20,200	—	5,000	12,700	7,700	60.6%
Computer Equipment	9,758	20,200	—	5,000	12,700	7,700	60.6%
Furniture and Office Equipment	880	1,604	142	1,437	1,404	(34)	-2.4%
Furniture and Office Equipment	880	1,604	142	1,437	1,404	(34)	-2.4%
Machinery and Equipment	45,379	23,317	381	7,837	5,491	(2,346)	-42.7%
Machinery and Equipment	45,379	23,317	381	7,837	5,491	(2,346)	-42.7%
Transport Assets	9,729	—	—	—	—	—	—
Transport Assets	9,729	—	—	—	—	—	
Land	—	5,000	—	—	—	—	—
Land	—	5,000	—	—	—	—	
Total Capital Expenditure on new assets	1,556,187	1,694,993	79,489	588,371	1,075,076	486,704	45.3%

(n) Table SC13b: Consolidated monthly budget statement – Capital expenditure on the renewal of existing assets by asset class

TSH City Of Tshwane - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Capital expenditure on renewal of existing assets by Asset Class/Sub-class							
Infrastructure	488,768	339,894	25,616	117,752	210,802	93,050	44.1%
Roads Infrastructure	255,850	44,592	1,793	9,960	21,006	11,046	52.6%
Roads	254,345	44,592	1,793	7,300	21,006	13,706	65.2%
Road Structures	1,504	-	-	2,660	-	(2,660)	#DIV/0!
Electrical Infrastructure	44,262	144,202	16,045	43,904	65,906	22,002	33.4%
HV Substations	-	75,000	3,558	7,415	18,900	11,485	60.8%
MV Networks	2,519	7,500	356	1,934	4,325	2,391	55.3%
LV Networks	41,743	59,202	11,931	34,355	40,181	5,826	14.5%
Capital Spares	-	2,500	200	200	2,500	2,300	92.0%
Water Supply Infrastructure	169,519	134,100	6,296	53,479	109,190	55,711	51.0%
Reservoirs	2,861	4,000	-	134	4,000	3,866	96.7%
Water Treatment Works	67,997	36,100	-	19,522	35,750	16,228	45.4%
Bulk Mains	-	13,000	-	8,998	9,760	762	7.8%
Distribution	98,662	77,000	6,296	24,824	58,280	33,456	57.4%
Sanitation Infrastructure	15,902	17,000	1,482	10,410	14,700	4,290	29.2%
Reticulation	12,927	13,000	1,482	8,592	11,700	3,108	26.6%
Waste Water Treatment Works	2,975	4,000	-	1,818	3,000	1,182	39.4%
Information and Communication Infrastructure	3,235	-	-	-	-	-	
Data Centres	3,235	-	-	-	-	-	
Capital Spares	-	7,000	-	-	-	-	
		7,000					
Community Assets	1,957	-	-	-	933	933	100.0%
Community Facilities	1,957	-	-	-	933	933	100.0%
Cemeteries/Crematoria	611	-	-	-	-	-	
Nature Reserves	-	7,000	-	-	-	-	
Other assets	14,835	15,300	1,161	2,192	8,748	6,557	74.9%
Operational Buildings	14,835	15,300	1,161	2,192	8,748	6,557	74.9%
Training Centres	6,997	1,000	-	-	250	250	100.0%
Depots	7,838	14,300	1,161	2,192	8,498	6,307	74.2%
Intangible Assets	125,034	15,000	-	-	8,500	8,500	100.0%
Servitudes	-	-	-	-	-	-	
Licences and Rights	125,034	15,000	-	-	8,500	8,500	100.0%
Computer Software and Applications	125,034	15,000	-	-	8,500	8,500	100.0%
Computer Equipment	20,375	8,000	2,529	2,529	4,800	2,271	47.3%
Computer Equipment	20,375	8,000	2,529	2,529	4,800	2,271	47.3%
Machinery and Equipment	2,300	15,000	-	1,699	9,300	7,601	81.7%
Machinery and Equipment	2,300	15,000	-	1,699	9,300	7,601	81.7%
Transport Assets	(15)	100,000	153	63,704	-	(63,704)	
Transport Assets	(15)	100,000	153	63,704	-	(63,704)	
Total Capital Expenditure on renewal of existing assets	653,254	500,194	29,459	187,876	243,084	55,208	22.7%

(o) Table SC13c: Consolidated monthly budget statement – Repairs and maintenance by asset class

TSH City Of Tshwane - Supporting Table SC13c Consolidated Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Repairs and maintenance expenditure by Asset Class/Sub-class							
Infrastructure	815,684	808,490	71,296	402,214	569,598	167,383	29.4%
Roads Infrastructure	119,635	108,778	6,461	48,196	72,376	24,180	33.4%
Roads	84,258	82,917	4,714	41,848	52,160	10,311	19.8%
Road Structures	4,569	47	10	10	31	21	
Road Furniture	30,808	25,815	1,738	6,338	20,185	13,847	68.6%
Storm water Infrastructure	17,918	18,398	254	2,444	12,167	9,723	79.9%
Drainage Collection	9,445	9,532	153	1,070	6,355	5,285	83.2%
Storm water Conveyance	8,473	8,866	101	1,374	5,812	4,438	76.4%
Electrical Infrastructure	421,563	348,779	35,674	195,566	253,309	57,742	22.8%
Power Plants	24,022	25,379	6,206	11,017	16,100	5,083	31.6%
HV Substations	5,843	12,140	1,707	6,386	8,751	2,365	
HV Switching Station	4,075	4,637	529	2,944	3,695	751	20.3%
HV Transmission Conductors	313	452	66	358	355	(3)	
MV Substations	80,342	52,924	9,540	37,440	61,866	24,427	39.5%
MV Switching Stations	13,513	11,942	1,076	7,812	7,787	(25)	-0.3%
MV Networks	117,783	126,436	9,870	72,103	80,378	8,274	10.3%
LV Networks	175,672	114,868	6,679	57,506	74,377	16,870	22.7%
Water Supply Infrastructure	137,869	184,053	13,359	72,204	120,702	48,498	40.2%
Reservoirs	10,477	11,511	260	4,397	7,674	3,277	42.7%
Water Treatment Works	13,175	14,161	846	4,482	9,440	4,959	52.5%
Bulk Mains	8,869	9,740	187	3,830	6,493	2,663	41.0%
Distribution	105,348	148,641	12,065	59,495	97,094	37,600	38.7%
Sanitation Infrastructure	112,470	137,113	14,878	79,826	101,645	21,819	21.5%
Pump Station	6,378	12,619	1,255	4,134	8,546	4,412	51.6%
Reticulation	28,965	36,768	3,898	21,695	25,935	4,240	16.3%
Waste Water Treatment Works	70,348	78,007	8,222	49,510	59,318	9,808	16.5%
Outfall Sewers	6,780	9,520	1,503	4,488	7,847	3,359	42.8%
Solid Waste Infrastructure	4,018	9,354	669	3,978	8,314	4,336	52.2%
Landfill Sites	4,018	7,534	669	3,978	6,697	2,718	40.6%
Waste Transfer Stations	—	596	—	—	530	530	100.0%
Waste Drop-off Points	—	1,202	—	—	1,068	1,068	100.0%
Waste Separation Facilities	—	22	—	—	20	20	100.0%
Rail Infrastructure	765	2,000	—	—	1,073	1,073	100.0%
Rail Lines	765	2,000	—	—	1,073	1,073	100.0%
Information and Communication Infrastructure	1,446	17	—	—	11	11	100.0%
Distribution Layers	1,446	17	—	—	11	11	100.0%
Community Assets	99,334	129,999	10,224	44,544	98,465	53,921	54.8%
Community Facilities	86,804	99,199	7,139	36,770	77,932	41,161	52.8%
Halls	—	232	—	20	155	135	87.0%
Centres	22	469	5	24	313	289	92.3%
Clinics/Care Centres	8,812	9,941	16	830	9,941	9,111	91.7%
Fire/Ambulance Stations	2,971	4,178	132	2,397	4,178	1,781	42.6%
Museums	12	92	—	45	61	16	26.4%
Galleries	24	87	1	44	58	14	23.4%
Libraries	5,022	4,196	1,009	1,431	3,004	1,573	52.4%
Cemeteries/Crematoria	9,135	7,293	597	1,776	5,189	3,413	65.8%
Police	2,987	3,008	78	1,021	1,053	32	3.0%
Parks	30,412	41,241	3,816	15,513	30,289	14,776	48.8%
Public Open Space	19,138	17,780	1,213	9,846	15,747	5,901	37.5%
Nature Reserves	3,678	5,638	262	1,543	5,011	3,469	69.2%
Markets	4,589	5,044	11	2,281	2,932	652	22.2%
Sport and Recreation Facilities	12,530	30,799	3,086	7,774	20,533	12,760	62.1%
Indoor Facilities	1,227	191	—	—	127	127	100.0%
Outdoor Facilities	11,303	30,608	3,086	7,774	20,406	12,633	61.9%
Heritage assets	46	120	6	10	80	71	88.1%
Historic Buildings	46	120	6	10	80	71	88.1%
Investment properties	20,196	17,395	522	7,015	20,193	13,178	65.3%
Revenue Generating	15,852	17,395	6,475	12,149	5,674	46.7%	
Improved Property	744	—	32	143	1,072	929	86.7%
Unimproved Property	15,107	17,395	189	6,332	11,077	4,745	42.8%
Non-revenue Generating	4,344	—	321	540	8,044	7,504	93.3%
Improved Property	—	—	—	—	—	—	
Unimproved Property	4,344	—	321	540	8,044	7,504	93.3%
Other assets	74,943	109,481	8,430	42,033	63,212	21,179	33.5%
Operational Buildings	73,030	100,395	8,427	42,012	61,919	19,907	32.1%
Municipal Offices	52,604	73,646	6,660	32,142	44,923	12,781	28.5%
Pay/Enquiry Points	5	373	—	40	249	209	84.0%
Yards	611	254	—	6	225	219	97.2%
Training Centres	25	1	1	13	1	(12)	-1808.1%
Manufacturing Plant	297	5,326	7	2,093	3,551	1,458	41.1%
Depots	19,489	20,795	1,758	7,719	12,970	5,252	40.5%
Housing	1,912	9,086	3	21	1,293	1,272	98.4%
Social Housing	1,912	9,086	3	21	1,293	1,272	98.4%
Intangible Assets	65,991	55,607	4,351	46,609	37,072	(9,538)	-25.7%
Servitudes	—	—	—	—	—	—	
Licences and Rights	65,991	55,607	4,351	46,609	37,072	(9,538)	-25.7%
Computer Software and Applications	65,991	55,607	4,351	46,609	37,072	(9,538)	-25.7%
Computer Equipment	43,224	43,804	3,096	13,648	29,561	15,913	53.8%
Computer Equipment	43,224	43,804	3,096	13,648	29,561	15,913	53.8%
Furniture and Office Equipment	137	449	—	26	425	398	93.8%
Furniture and Office Equipment	137	449	—	26	425	398	93.8%
Machinery and Equipment	41,772	82,534	3,462	21,403	55,782	34,379	61.6%
Machinery and Equipment	41,772	82,534	3,462	21,403	55,782	34,379	61.6%
Transport Assets	106,433	137,985	11,619	85,218	94,542	9,325	9.9%
Transport Assets	106,433	137,985	11,619	85,218	94,542	9,325	9.9%
Total Repairs and Maintenance Expenditure	1,267,760	1,385,865	113,025	662,721	968,930	306,209	31.6%

(q) Table SC13d: Consolidated monthly budget statement – Depreciation by asset class

TSH City Of Tshwane - Supporting Table SC13d Consolidated Monthly Budget Statement - depreciation by asset class - M08 February							
Description	2021/22	Original Budget	Monthly actual	Budget Year 2022/23			
	Audited Outcome			YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Depreciation by Asset Class/Sub-class							
Infrastructure	1,933,039	1,382,090	148,726	1,295,847	921,393	(374,454)	-40.6%
Roads Infrastructure	889,872	461,897	68,160	600,032	307,931	(292,101)	-94.9%
Roads	783,898	369,572	58,880	519,234	246,382	(272,852)	-110.7%
Road Structures	19,184	8,974	1,354	11,750	5,983	(5,769)	-96.4%
Road Furniture	86,790	83,351	7,926	69,048	55,567	(13,481)	-24.3%
Storm water Infrastructure	287,766	97,423	22,238	192,753	64,949	(127,804)	-196.8%
Drainage Collection	284,549	94,533	21,974	190,469	63,022	(127,447)	-202.2%
Storm water Conveyance	3,196	2,890	262	2,271	1,927	(344)	-17.9%
Attenuation	20	2	2	14	—	(14)	—
Electrical Infrastructure	371,418	324,271	27,274	235,765	216,181	(19,584)	-9.1%
Power Plants	44,090	5,548	3,383	29,357	3,698	(25,659)	-693.8%
HV Substations	83,879	84,258	4,748	42,476	56,172	13,695	24.4%
HV Switching Station	68	5	5	—	—	—	—
HV Transmission Conductors	11,030	27,421	846	7,343	18,281	10,938	59.8%
MV Substations	26,606	15,963	2,085	18,164	10,642	(7,522)	-70.7%
MV Switching Stations	(0)	3,329	—	—	2,220	2,220	100.0%
MV Networks	79,128	49,286	6,295	53,702	32,857	(20,845)	-63.4%
LV Networks	126,616	138,466	9,913	84,678	92,311	7,633	8.3%
Water Supply Infrastructure	204,057	186,818	15,972	136,215	124,546	(11,669)	-9.4%
Dams and Weirs	4,772	528	366	3,177	352	(2,825)	-803.3%
Boreholes	297	66	22	197	44	(152)	-345.2%
Reservoirs	21,968	21,893	1,684	14,613	14,595	(18)	-0.1%
Pump Stations	4,491	8,810	344	2,989	5,873	2,885	49.1%
Water Treatment Works	41,384	24,925	3,174	27,548	16,617	(10,932)	-65.8%
Bulk Mains	31,287	28,127	2,396	20,810	18,751	(2,059)	-11.0%
Distribution	97,718	101,574	7,805	65,309	67,716	2,407	3.6%
Distribution Points	1,290	104	99	859	69	(789)	-1136.8%
PRV Stations	852	792	81	714	528	(186)	-35.1%
Sanitation Infrastructure	123,611	150,390	9,511	82,467	100,260	17,793	17.7%
Pump Station	2,532	1,471	194	1,684	981	(704)	-71.7%
Reticulation	42,168	97,081	3,235	28,074	36,647	8,573	56.6%
Waste Water Treatment Works	62,386	40,007	4,800	41,575	26,671	(14,904)	-55.9%
Outfall Sewers	16,724	11,810	1,263	11,134	7,873	(3,261)	-41.4%
Toilet Facilities	—	—	—	—	14	14	100.0%
Capital Spares	—	—	—	—	—	—	—
Solid Waste Infrastructure	3,396	47,886	259	2,250	31,924	29,674	93.0%
Landfill Sites	2,267	47,483	173	1,499	31,655	30,157	95.3%
Waste Transfer Stations	246	—	15	163	—	—	—
Waste Processing Facilities	147	—	11	98	—	(98)	—
Waste Drop-off Points	729	403	56	485	268	(217)	-80.8%
Electricity Generation Facilities	7	—	1	5	—	(5)	—
Rail Infrastructure	3,759	1	285	2,474	0	(2,473)	-561390.1%
Rail Lines	3,716	—	285	2,474	—	(2,474)	—
Rail Structures	—	1	—	—	0	0	100.0%
Information and Communication Infrastructure	48,960	113,404	5,028	43,891	75,603	31,712	41.9%
Data Centres	601	1,035	22	193	21	(172)	-29.7%
Core Layers	30,007	112,338	3,441	30,027	74,892	44,865	59.9%
Distribution Layers	18,352	—	1,529	13,364	—	(13,364)	—
Community Assets	339,731	381,750	21,716	202,880	254,500	51,621	20.3%
Community Facilities	204,542	286,443	14,741	132,419	190,962	58,543	30.7%
Halls	5,349	8,335	390	3,517	1,223	(2,294)	-187.5%
Centres	10,482	148,311	736	7,120	98,874	91,754	92.8%
Crèches	1,782	450	106	1,012	300	(712)	-237.1%
Clinics/Care Centres	17,861	11,933	1,369	11,891	7,955	(3,936)	-49.5%
Fire/Ambulance Stations	12,052	4,222	458	4,953	2,815	(2,138)	-75.9%
Testing Stations	2,486	235	166	1,558	157	(1,431)	-91.8%
Museums	579	303	49	391	202	(189)	-93.4%
Theatres	149	—	11	99	—	(99)	—
Libraries	30,744	20,789	2,472	20,335	13,898	(6,776)	-48.9%
Crematoriums/Crematoria	9,808	8,543	750	6,581	5,695	(886)	-15.6%
Police	7,305	501	536	4,896	334	(4,562)	-1365.7%
Purts	25,392	—	1,680	16,328	—	(16,328)	—
Public Open Space	4,177	28,125	316	2,771	18,750	15,979	85.2%
Nature Reserves	7,815	5,521	602	5,131	3,680	(1,511)	-41.1%
Public Ablution Facilities	488	101	37	321	67	(254)	-376.4%
Markets	23,200	13,019	1,626	15,267	8,679	(6,588)	-75.9%
Stalls	3,853	2,424	296	2,565	1,616	(949)	-58.7%
Abattoirs	—	—	—	—	—	—	—
Airports	23,488	23,885	1,792	15,562	15,924	342	2.1%
Taxi Ranks/Bus Terminals	17,531	16,247	1,346	11,711	10,831	(880)	-8.1%
Capital Spares	—	—	—	—	—	—	—
Sport and Recreation Facilities	135,190	95,337	6,975	70,461	63,538	(6,923)	-10.9%
Indoor Facilities	1,824	1,022	140	1,214	681	(533)	-78.3%
Outdoor Facilities	133,366	94,285	6,836	69,246	62,857	(6,389)	-10.2%
Capital Spares	—	—	—	—	—	—	—
Heritage assets	—	—	—	—	—	—	—
Monuments	—	—	—	—	—	—	—
Historic Buildings	—	—	—	—	—	—	—
Investment properties	3,930	6,855	302	2,617	4,570	1,953	42.7%
Revenue Generating	67	—	5	45	—	(45)	—
Improved Property	67	—	5	45	—	(45)	—
Unimproved Property	—	—	—	—	—	—	—
Non-revenue Generating	3,863	6,855	296	2,572	4,570	1,998	43.7%
Improved Property	3,863	6,855	296	2,572	4,570	1,998	43.7%
Unimproved Property	0	—	0	0	—	(0)	—
Other assets	172,222	179,324	12,945	114,512	130,858	16,346	12.5%
Operational Buildings	102,455	123,008	7,802	69,015	82,328	13,313	16.2%
Municipal Offices	56,765	83,229	4,272	37,714	55,809	18,095	32.4%
Pay/Enquiry Points	130	237	10	86	158	71	45.3%
Workshops	3,973	423	303	2,634	282	(2,352)	-833.2%
Yards	1,296	—	99	863	—	(863)	—
Stores	812	1,077	62	540	718	178	24.7%
Laboratories	—	—	—	—	—	—	—
Training Centres	1,694	16	130	1,128	77	(1,051)	-1362.9%
Manufacturing Plant	10,022	—	883	7,760	—	(7,760)	—
Depots	27,764	37,927	2,042	18,290	25,284	6,995	27.7%
Capital Spares	—	—	—	—	—	—	—
Housing	69,747	56,317	5,143	45,497	48,530	3,033	6.3%
Staff Housing	11,146	10,445	836	7,378	6,964	(415)	-6.0%
Social Housing	58,618	45,871	4,307	38,118	41,566	3,448	8.3%
Capital Spares	—	—	—	—	—	—	—
Biological or Cultivated Assets	11	69	1	8	46	38	83.2%
Biological or Cultivated Assets	11	69	1	8	46	38	83.2%
Intangible Assets	43,226	68,618	3,597	31,220	45,746	14,526	31.8%
Servitudes	—	—	—	—	—	—	—
Licences and Rights	43,226	68,618	3,597	31,220	45,746	14,526	31.8%
Computer Software and Applications	43,226	68,618	3,597	31,220	45,746	14,526	31.8%
Lease Settlement Software Applications	—	—	—	—	—	—	—
Unspecified	—	—	—	—	—	—	—
Computer Equipment	30,961	191,271	2,520	22,020	116,522	94,502	81.1%
Computer Equipment	30,961	191,271	2,520	22,020	116,522	94,502	81.1%
Furniture and Office Equipment	12,592	157,996	993	8,673	105,011	96,338	91.7%
Furniture and Office Equipment	12,592	157,996	993	8,673	105,011	96,338	91.7%
Machinery and Equipment	44,501	148,805	3,622	29,143	99,203	70,060	70.6%
Machinery and Equipment	44,501	148,805	3,622	29,143	99,203	70,060	70.6%
Transport Assets	106,015	125,466	9,127	75,033	83,646	8,613	10.3%
Transport Assets	106,015	125,466	9,127	75,033	83,646	8,613	10.3%
Land	—	—	—	—	—	—	—
Land	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—
Total Depreciation	2,686,227	2,642,244	203,548	1,781,952	1,761,496	(20,456)	-1.2%

(r) Table SC13e: Monthly budget statement – Capital expenditure on the upgrading of existing assets by asset class

TSH City Of Tshwane - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M08 February							
Description	2021/22	Budget Year 2022/23					
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands							
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class							
Infrastructure	377,695	433,619	24,318	117,661	252,447	134,786	53.4%
Roads Infrastructure	99,735	112,740	10,239	34,481	40,387	5,907	14.6%
Roads	99,735	110,740	10,239	34,481	40,387	5,907	14.6%
Capital Spares	–	2,000	–	–	–	–	
Electrical Infrastructure	103,646	136,978	2,138	21,166	69,310	48,144	69.5%
HV Substations	49,705	69,000	–	2,838	24,500	21,662	88.4%
LV Networks	53,940	67,978	2,138	18,328	42,810	24,482	57.2%
Capital Spares	–	–	–	–	2,000	2,000	100.0%
Sanitation Infrastructure	149,772	142,900	7,687	39,839	113,150	73,311	64.8%
Waste Water Treatment Works	149,772	142,800	7,687	39,839	113,050	73,211	64.8%
Outfall Sewers	–	100	–	–	100	100	100.0%
Information and Communication Infrastructure	14,508	41,000	4,254	22,175	29,600	7,425	25.1%
Data Centres	14,508	30,000	–	17,922	23,000	5,078	22.1%
Core Layers	–	11,000	4,254	4,254	6,600	2,346	35.5%
Community Assets	54,403	81,300	3,196	32,493	52,650	20,157	38.3%
Community Facilities	20,722	24,300	861	3,826	5,650	1,824	
Markets	(4)	4,300	–	2,300	4,300	2,000	
Taxi Ranks/Bus Terminals	20,727	20,000	861	1,526	1,350	(176)	-13.0%
Capital Spares	–	–	–	–	–	–	
Sport and Recreation Facilities	33,681	57,000	2,336	28,668	47,000	18,332	39.0%
Indoor Facilities	–	–	–	–	–	–	
Outdoor Facilities	33,681	57,000	2,336	28,668	47,000	18,332	39.0%
Capital Spares	–	–	–	–	–	–	
Other assets	801	7,000	–	433	1,460	1,027	70.3%
Operational Buildings	801	1,000	–	433	710	277	
Municipal Offices	273	–	–	–	–	–	
Depots	528	1,000	–	433	710	277	39.0%
Housing	–	6,000	–	–	750	750	100.0%
Social Housing	–	6,000	–	–	750	750	100.0%
Intangible Assets	–	75,000	–	13,152	60,000	46,848	78.1%
Licences and Rights	–	75,000	–	13,152	60,000	46,848	78.1%
Computer Software and Applications	–	75,000	–	13,152	60,000	46,848	78.1%
Furniture and Office Equipment	375	1,000	–	908	1,000	92	9.2%
Furniture and Office Equipment	375	1,000	–	908	1,000	92	9.2%
Total Capital Expenditure on upgrading of existing assets	433,274	597,919	27,514	164,648	367,557	202,909	55.2%

(s) Municipal Manager's quality certification

QUALITY CERTIFICATE

I, Johann Mettler, the City Manager of the City of Tshwane, hereby certify that the monthly budget statement for **February 2023** has been prepared in accordance with the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) and regulations made under this act.

J Mettler
CITY MANAGER
CITY OF TSHWANE

Signature: _____

Date: _____