

Reference No. 74747/1

Nthabiseng Mokete (012 358 3625)

SECTION 79 STANDING COMMITTEE: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE:
JULY 2023

AUDIT AND PERFORMANCE COMMITTEE: JULY 2023

MAYORAL COMMITTEE: JULY 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 AND QUARTER 4 BUDGET STATEMENT) FOR THE PERIOD ENDING 30 JUNE 2023 (PRELIMINARY FIGURES)

1. PURPOSE

This report presents the progress on the financial performance of the City of Tshwane against the budget for the period ended 30 June 2023, in compliance with Section 71 and 52(d) 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 52(d) and 71 of the MFMA, as well as the Municipal Budget and Reporting Regulations, require that specific financial particulars on the implementation of the budget be reported in the format prescribed to meet legislative compliance.

Section 52(d) of the MFMA provides that “the mayor of a municipality- must, **within 30 days of the end of each quarter**, submit a report to **Council** on the implementation of the budget and the financial state of the municipality”.

Section 71(1) of the MFMA states that: “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”.

The ten working days for the reporting period ended 30 June 2023 ends on 14 July 2023.

It should be noted that this is a preliminary financial report for the end of June 2023 (Period 12) in compliance with the legislation. The financial year-end procedures which entail year-end accruals and year-end transactions, such as depreciation, provision for leave, etc, are to be finalised in Period 13.

4. DISCUSSION

On 26 May 2022, Council approved the Medium-term Revenue and Expenditure Framework for the 2022/23 financial year. The 2022/23 Medium-term Revenue and Expenditure Framework Adjustment Budget was approved on 26 April 2023.

The attached in-year report (Annexure A) provides a high-level analysis as of 30 June 2023 in the prescribed format. This report will briefly mention material deviations. The monthly financial management report will include detailed explanations.

The following table summarises the financial performance as at 30 June 2023:

CONSOLIDATED SUMMARY STATEMENT OF FINANCIAL PERFORMANCE: 30 JUNE 2023						
Description	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance
	R'000	R'000	R'000	R'000	R'000	%
Total Revenue(Excluding Capital Transfers)	42,151,840	42,294,940	39,761,866	42,294,940	(2,533,075)	-6%
Total Expenditure	42,148,532	42,271,887	39,687,810	42,271,887	(2,584,077)	-6%
Surplus /Deficit	3,308	23,054	74,056	23,054		

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

CONSOLIDATED SUMMARY STATEMENT OF FINANCIAL PERFORMANCE: 30 JUNE 2022						
Description	Original Budget	Adjusted Budget	YTD actual	YTD budget	YTD variance	YTD variance
	R'000	R'000	R'000	R'000	R'000	%
Total Revenue(Excluding Capital Transfers)	39,160,287	39,586,332	37,374,167	39,586,332	(2,212,164)	-6%
Total Expenditure	39,139,554	39,572,135	34,752,068	39,572,135	(4,820,068)	-12%
Surplus /Deficit	20,733	14,196	2,622,100	14,196		

The actual operating revenue realised, excluding capital transfers and contributions, reflects an unfavourable variance of R2,5 billion against the year-to-date (YTD) budget for the period ended 30 June 2023.

The operating expenditure is underspent by R2,6 billion, which is 6% less than the YTD budget.

Consolidated summary – Capital expenditure, 30 June 2023:

CONSOLIDATED SUMMARY STATEMENT OF CAPITAL EXPENDITURE: 30 JUNE 2023							
Description	Adjusted 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	2,816,190	2,063,551	2,177,400	218,857	2,396,257	113,849	77.3%
TOTAL Capital Financing	2,816,190	2,063,551	2,177,400	218,857	2,396,257	113,849	77.3%

The total capital expenditure for the period, including municipal entities, is R2,2 billion, or 77,3% of the total adjusted capital expenditure budget of R2,8 billion.

The cash and short-term investments as at 30 June 2023 amounted to R923,9 million, including unspent conditional grants.

The low cost-coverage ratio of negative 0,02 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 at any given point in time have sufficient cash and cash equivalents to settle liabilities and maintain fixed operational expenditure for a period of 1 to 3 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 30 June 2023, in compliance with Section 71 and 52(d) 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 30 June 2023. The report is tabled in compliance with Section 71 and 52(d) 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 in order to comply.

9. CONCLUSION

This report meets the MFMA requirement for the Executive Mayor to receive a Section 71 and 52(d) “monthly budget statement” within ten working days after the end of the month and in compliance with Section 71 and 52(d) of the MFMA.

The operating revenue realised, excluding capital transfers and contributions, reflects an unfavourable variance of R2,5 billion against the YTD budget for the period ended 30 June 2023.

The following revenue sources contributed to the variance:

- Property Rates (R55,9 million unfavourable): Revenue was less than projected.
- Service Charges: Electricity (R2,3 billion unfavourable): Revenue was lower than projected, mainly on Sale of Electricity and Electricity Smart Prepaid.
 - The undercollection is impacted by various factors, such as the low meter-reading rate (account estimations), migration of some customers from conventional metering to prepaid metering, customer payment disputes and faulty meters.
 - Technical losses due to transmission of electricity over the grid.
 - Customers are being moved from conventional sales (Sales of Electricity) due to the reintroduction of smart metering for commercial and industrial customers.
 - Decrease in electricity demand due to load-shedding as well as other market factors such as embedded energy.
- Service Charges: Water (R280,2 million unfavourable): The unfavourable budget is mainly on Water Fees and Water Prepaid as a result of the following:
 - Reduced water demand and use as a result of Rand Water restrictions.
 - Fewer consumers buy recharge coupons.
 - A tender or supplier is not in place to supply prepaid meters to replace meters. The department has finalised the specifications for prepaid water meters and the documentation is circulating for internal comments.
- Service Charges: Sanitation (R59,2 million unfavourable): Revenue was lower than projected, mainly on Cross-border Bulk Sewerage, due to the City of Tshwane no longer supplying water to neighbouring municipalities like Madibeng and Moretele as they are now supplied directly by Magalies Water, therefore, the City no longer receives that revenue.
- Rental of Facilities and Equipment (R24,3 million unfavourable): The underrecovery is mainly on Rental for Businesses due to the following:
 - Due to a delay in tenanting the Townlands Project and Group Property stock that Housing Company Tshwane has not yet invoiced. Some of the properties have been registered, and the process of registering the remaining properties

that require subdivision is currently underway. Housing Company Tshwane will take over the contract management, billing and revenue functions on 1 July 2023.

- Delays in the allocation of billed revenue on the SAP system and correction of misallocations to the general ledger account.
- Fines (R57 million unfavourable): Revenue was lower than projected, mainly on AARTO as R18 million is outstanding from the June 2023 infringement reconciliation and is yet to be captured.
- Transfers and Subsidies (R339,9 million unfavourable): Mainly on the Public Transport Network Grant, Human Settlements Development Grant and Project Preparation Grant. Revenue recognition is based on performance and the grants are underperforming.
- Repairs and maintenance
 - Repairs and maintenance expenditure is at R1,2 billion against a YTD budget of R1,3 billion. The percentage spent against the total adjusted budget is 93%.
- Cash flow
 - The cash and short-term investments as at 30 June 2023 amounted to R923,9 million, including unspent conditional grants.

The low cost-coverage ratio of negative 0,02 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 at any given point in time have sufficient cash and cash equivalents to settle liabilities and maintain fixed operational expenditure for a period of 1 to 3 months.

Departments are required to review their financial year-end performance and put measures in place to progressively improve revenue and ensure that spending on the operational budget remains 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:

- Implementing a Council-approved financial recovery plan to address the City's financial and liquidity challenges
- Introducing 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
- Conducting the Tshwane ya Tima campaign
- Implementing cost-containment initiatives
- Implementing distribution loss reduction programmes

ANNEXURE

Annexure A: In-year report dated 30 June 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 and 52(d) of the MFMA, as well as the Municipal Budget and Reporting Regulations.
2. That the financial performance for the period ended 30 June 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 30 JUNE 2023

REPORT CHECKED AND PASSED FOR SUBMISSION TO:

	Comments, if any, on the report
<p>Acting Divisional Head: Budget Office J Patrick</p> <p>I certify that Schedule SC6 and SC7(1), as consolidated in the monthly budget statement for June 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 June 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 June 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 June 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: M12 JUNE 2023

Table of contents

PART 1: IN-YEAR REPORT.....	11
1.1 City Manager's report.....	11
1.2 Recommended.....	11
1.3 Executive summary.....	11
1.4 In-year budget statement tables.....	22
(a) Table C1: Consolidated monthly budget statement – Summary	23
(b) Table C2: Consolidated monthly budget statement – Financial performance (standard classification)	24
(c) Table C3: Consolidated monthly budget statement – Financial performance (revenue and expenditure by municipal vote)	25
(d) Table C4: Consolidated monthly budget statement – Financial performance (revenue and expenditure)	26
(e) Table C5: Consolidated monthly budget statement – Capital expenditure by vote, standard classification and funding	27
(f) Table C6: Consolidated monthly budget statement – Financial position	28
(g) Table C7: Consolidated monthly budget statement – Cash flow	29
PART 2: SUPPORTING DOCUMENTATION	30
(a) Table SC1: Material variance explanations.....	30
(b) Table SC2: Monthly budget statement – Performance indicators	32
(c) Table SC3: Monthly budget statement – Aged debtors.....	33
(d) Table SC4: Monthly budget statement – Aged creditors	33
(e) Table SC5: Monthly budget statement – Investment portfolio.....	34
(f) Table SC6: Monthly budget statement – Transfers and grant receipts	35
(g) Table SC7(1): Monthly budget statement – Transfers and grant expenditures	36
(h) Table SC7 (2): Monthly budget statement – Expenditure against approved rollovers.	37
(i) Table SC8: Monthly budget statement – Councillor and staff benefits	38
(j) Table SC10: Monthly budget statement – Parent municipality's financial performance (revenue and expenditure)	39
(k) Table SC11: Monthly budget statement – Summary of municipal entities	40
(l) Table SC12: Consolidated monthly budget statement – Capital expenditure trend	40
(m) Table SC13a: Consolidated monthly budget statement – Capital expenditure on new assets by asset class.....	41
(n) Table SC13b: Consolidated monthly budget statement – Capital expenditure on the renewal of existing assets by asset class.....	42
(o) Table SC13c: Consolidated monthly budget statement – Repairs and maintenance by asset class	43
(q) Table SC13d: Consolidated monthly budget statement – Depreciation by asset class.....	44
(r) Table SC13e: Monthly budget statement – Capital expenditure on the upgrading of existing assets by asset class	45
(s) Municipal Manager's quality certification.....	46

PART 1: IN-YEAR REPORT

1.1 City Manager's report

On 26 May 2022, Council approved the Medium-term Revenue and Expenditure Framework for the 2022/23 financial year. The 2022/23 Medium-term Revenue and Expenditure Framework Adjustment Budget was approved on 26 April 2023. 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 and 52(d) of the MFMA, as well as the Municipal Budget and Reporting Regulations.
2. That the financial performance for the period ended 30 June 2023, as shown 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 30 June 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:

- Underperformance on revenue of R2,5 billion
- Underspending on expenditure of R2,6 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) - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands								
Revenue By Source								
Property rates	8,572,924	9,102,662	9,101,842	754,249	9,045,904	9,101,842	(55,939)	-1%
Service charges - electricity revenue	13,344,146	15,697,113	15,677,660	1,081,258	13,371,532	15,670,148	(2,298,616)	-15%
Service charges - water revenue	4,958,680	5,554,721	5,445,662	404,894	5,172,962	5,453,175	(280,213)	-5%
Service charges - sanitation revenue	1,448,161	1,502,943	1,612,221	118,778	1,553,054	1,612,221	(59,167)	-4%
Service charges - refuse revenue	1,584,431	1,727,398	1,775,382	160,916	1,787,831	1,775,382	12,448	1%
Rental of facilities and equipment	144,144	185,329	167,563	25,181	143,221	167,563	(24,342)	-15%
Interest earned - external investments	158,892	52,870	66,085	20,520	121,434	66,085	55,349	84%
Interest earned - outstanding debtors	724,268	839,462	890,808	120,380	1,255,122	890,808	364,314	41%
Fines, penalties and forfeits	85,915	274,803	228,836	23,423	171,863	228,836	(56,973)	-25%
Licences and permits	41,245	54,534	44,728	7,849	45,135	44,728	406	1%
Transfers and subsidies	5,387,168	4,496,044	4,619,121	75,621	4,279,235	4,619,121	(339,886)	-7%
Other revenue	1,221,267	2,663,961	2,665,030	148,869	2,807,988	2,665,030	142,958	5%
Gains	27,446	-	-	813	6,585	-	6,585	
Total Revenue (excluding capital transfers and contributions)	37,698,687	42,151,840	42,294,940	2,942,752	39,761,866	42,294,940	(2,533,075)	-6%
Expenditure By Type								
Employee related costs	11,587,842	12,633,285	12,637,962	1,013,864	11,527,340	12,637,962	(1,110,622)	-9%
Remuneration of councillors	129,577	163,863	153,863	10,951	131,913	153,863	(21,950)	-14%
Debt impairment	2,603,238	2,306,620	2,306,620	192,401	2,306,474	2,306,620	(146)	0%
Depreciation & asset impairment	2,910,880	2,642,244	2,626,796	215,585	2,653,283	2,626,796	26,488	1%
Finance charges	3,270,841	1,508,150	1,476,918	432,905	1,356,495	1,476,918	(120,423)	-8%
Bulk purchases - electricity	11,376,780	12,121,755	12,121,755	1,422,192	11,415,168	12,121,755	(706,587)	-6%
Inventory consumed	3,755,739	4,332,944	4,260,041	435,953	3,958,945	4,278,988	(320,042)	-7%
Contracted services	4,124,872	4,334,204	4,623,052	736,966	4,375,682	4,621,684	(246,002)	-5%
Transfers and subsidies	8,051	38,058	31,590	1,554	3,272	31,590	(28,318)	-90%
Other expenditure	1,736,733	2,067,362	2,033,050	199,373	1,813,592	2,015,471	(201,879)	-10%
Losses	233,093	47	240	(4,356)	145,645	240	145,405	60522%
Total Expenditure	41,737,645	42,148,532	42,271,887	4,657,388	39,687,810	42,271,887	(2,584,077)	-6%
Surplus/(Deficit)	(4,038,958)	3,308	23,054	(1,714,636)	74,056	23,054	51,002	221%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,887,617	2,074,545	2,127,131	521,277	1,624,625	2,127,131	(502,506)	-24%
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	2,150,184	(1,193,359)	1,698,681	2,150,184		
Taxation	1,589	515	515	-	-	515	(515)	-100%
Surplus/(Deficit) after taxation	(2,143,724)	2,077,338	2,149,669	(1,193,359)	1,698,681	2,149,669		
Attributable to minorities				-	-	-		
Surplus/(Deficit) attributable to municipality	(2,143,724)	2,077,338	2,149,669	(1,193,359)	1,698,681	2,149,669		
Share of surplus/ (deficit) of associate								
Surplus/ (Deficit) for the year	(2,143,724)	2,077,338	2,149,669	(1,193,359)	1,698,681	2,149,669		

The actual revenue amounts to R39,8 billion and reflects an unfavourable variance of R2,5 billion against the YTD budget.

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

- Property Rates (R55,9 million unfavourable): Revenue was less than projected.
- Service Charges: Electricity (R2,3 billion unfavourable): Revenue was lower than projected, mainly on Sale of Electricity and Electricity Smart Prepaid.
 - The undercollection is impacted by various factors, such as the low meter-reading rate (account estimations), migration of some customers from conventional metering to prepaid metering, customer payment disputes and faulty meters.

- Technical losses due to transmission of electricity over the grid.
- Customers are being moved from conventional sales (Sales of Electricity) due to the reintroduction of smart metering for commercial and industrial customers.
- Decrease in electricity demand due to load-shedding as well as other market factors such as embedded energy.
- Service Charges: Water (R280,2 million unfavourable): The unfavourable budget is mainly on Water Fees and Water Prepaid as a result of the following:
 - Reduced water demand and use as a result of Rand Water restrictions.
 - Fewer consumers buy recharge coupons.
 - A tender or supplier is not in place to supply prepaid meters to replace meters. The department has finalised the specifications for prepaid water meters and the documentation is circulating for internal comments.
- Service Charges: Sanitation (R59,2 million unfavourable): Revenue was lower than projected, mainly on Cross-border Bulk Sewerage, due to the City of Tshwane no longer supplying water to neighbouring municipalities like Madibeng and Moretele as they are now supplied directly by Magalies Water, therefore, the City no longer receives that revenue.
- Service Charges: Refuse (R12,4 million favourable): Revenue was better than projected, mainly on Solid Waste Removal Fees and Billing: Bulk Containers.
- Rental of Facilities and Equipment (R24,3 million unfavourable): The underrecovery is mainly on Rental for Businesses due to the following:
 - Due to a delay in tenanting the Townlands Project and Group Property stock that Housing Company Tshwane has not yet invoiced. Some of the properties have been registered, and the process of registering the remaining properties that require subdivision is currently underway. Housing Company Tshwane will take over the contract management, billing and revenue functions on 1 July 2023.
 - Delays in the allocation of billed revenue on the SAP system and correction of misallocations to the general ledger account.
- Interest Earned on External Investments (R55,3 million favourable): Revenue was more than projected, mainly on interest earned on investments.
- Interest Earned on Outstanding Debtors (R364,3 million favourable): Revenue was more than projected due to interest earned on arrears debtors.
- Fines (R57 million unfavourable): Revenue was lower than projected, mainly on AARTO as R18 million is outstanding from the June 2023 infringement reconciliation and is yet to be captured.

- Transfers and Subsidies (R339,9 million unfavourable): Mainly on the Public Transport Network Grant, Human Settlements Development Grant and Project Preparation Grant. Revenue recognition is based on performance and the grants are underperforming.
- Other Revenue (R143 million favourable): Revenue was better than projected, mainly on Market Fees, Admission Fees, Transport Fees, Bad Debts Recovered, Township Development Contribution: Electricity, Development Charges: Rezoning and Refund: Motor Vehicles. Most items in this group are demand driven.

The actual expenditure amounts to R39,7 billion and indicates an underspending variance of R2,6 billion or 6% against the YTD budget of R42,3 billion.

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

- Employee-related Costs (R1,1 billion under budget): Mainly on salaries and provision for leave payments. The deviation on leave provision is due to the reversal of the previous month's leave accrual against the expense account, which results in negative postings on the system.
- Remuneration of Councillors (R22 million under budget): Councillor remuneration increases are still to be determined.
- Depreciation (R26,5 million over budget): Due to additional assets added to the fixed asset register.
- Finance Costs (R120,4 million under budget): Mainly on interest payable, the City was unable to raise the partial funding for long-term projects in the past three financial years.
- Bulk Purchases – Electricity (R707 million under budget): The final invoice for June 2023 has been accrued.
- Inventory Consumed (R320 million under budget): The underspending is mainly on Rand Water and Magalies Water due to decreased demand.
- Contracted Services (R246 million under budget): Mainly on the following line items:
 - Project-linked Housing (R61,4 million under budget): Construction work was suspended in August 2022 when the expenditure reached the contract value, and the City of Tshwane embarked on the Section 116 process to amend the contract as a result of quantum rate increase. Approval for amendment of the contract was only granted by Council on 25 May 2023. Delays in the approval of the subsidy agreement and project enrolment also contributed to the underspending.
 - Project Management Services (R214 million under budget): The underspending is due to delays in the roll-out of A Re Yeng service activities on station management and bus operations.

- Research and Advisory (R27,5 million under budget): Underspending was mainly on Research and Advisory due to the following:
 - All work done in 2022/23 was invoiced and processed. Several projects under this programme are still in the procurement phase. The procurement is being delayed because a new supply chain management policy must be approved.
- Household Refuse Removal (R55,4 million under budget): There are outstanding invoices for work completed in June 2023 that must be captured. An amount of R32 million has been committed to the system.
- Transfers and Subsidies (R28,3 million under budget): Mainly on Gratuities as the underspending is determined by the number of employees who retire monthly and are eligible for gratuities.
- Other Expenditure (R202 million under budget): Mainly on the following line items:
 - Building Rentals: The deviation is due to buildings exited during the current financial year. R70 million under budget is a saving.
 - Training Board Fees: Underspending due to a statutory payment based on 1% of the salary bill; the saving has been created due to unfilled vacancies.
 - Compensation Commissioner (injuries on duty): The medical accounts are paid on a continuous basis, as accounts are received once injuries on duty are accepted by the Compensation Commissioner.
 - There are still invoices for June 2023 that need to be processed on the following items.
 - Automated Fare Collection System
 - Office Equipment Lease
 - Building Rentals
 - Postage
 - Uniforms

The overall repairs and maintenance expenditure is R1,2 billion against a YTD budget of R1,3 billion. The percentage spent against the total adjusted budget is 93%.

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

Cost containment

Cost Containment Measures	2021/22 Current Budget	2022/23 Current Budget	(Decrease) / Increase	YTD Budget - June 2023	Actuals - June 2023	Variance	Possible (Savings) / No-Saving
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Consultants	215,014	248,143	33,129	248,143	197,004	(51,139)	–
Travel and Subsistence : National/ International	50	180	130	180	40	(140)	(140)
Domestic Accomodation	50	120	70	120	13	(107)	(107)
Sponsorships and Events	4,446	2,975	(1,471)	2,975	1,122	(1,853)	(1,853)
Catering	1,100	970	(130)	970	555	(416)	(416)
Communications	20	20	–	20	–	(20)	–
Overtime	335,349	379,174	43,825	379,174	480,807	101,633	–
Internet	35,085	36,489	1,403	36,489	33,329	(3,160)	–
Ward Committee:Stipent	15	2,000	1,985	2,000	27	(1,973)	–
Uniform	72,378	69,576	(2,801)	69,576	57,634	(11,943)	–
Advertising and Marketing	7,477	7,231	(246)	7,231	3,314	(3,917)	–
Stationery	17,505	17,180	(325)	17,180	12,819	(4,361)	(4,361)
Total	688,489	764,059	75,571	764,059	786,663	22,604	(6,878)

A cost-cutting savings of R6,9 million has been identified for Quarter 4.

Summary of capital expenditure

The capital expenditure, as shown in Table C5 of this report, has been prepared in accordance with the format required for electronic submission to the National Treasury. It is classified according to municipal vote, capital expenditure according to standard classification, and funding sources required to fund the capital budget.

The following table shows the total adjusted budget of R2,8 billion. The actual expenditure for the period is R2,2 billion, or 77,3%, of the total adjusted budget. The total spending, including commitments, is R2,4 billion.

Capital expenditure per funding source as at 30 June 2023:

Capital Expenditure for the CoT per Funding Source as at 30 June 2023				
Funding Source	Adjusted Budget 2022/23	YTD Actual Expenditure 30 June 2023	Variance (Actual vs Adjusted Budget)	Actual as % of Adjusted Budget
	(R)	(R)	(R)	%
Public Transport Infrastructure and Systems Grant (PTIS)	190 445 995	161 539 174	(28 906 821)	84.8%
Neighbourhood Development Partnership Grant (NDPG)	13 780 000	13 425 742	(354 258)	97.4%
Urban Settlements Development Grant (USDG)	1 012 788 000	851 626 216	(161 161 784)	84.1%
Energy Efficiency Demand Side Management (EEDSM)	8 280 000	8 277 414	(2 586)	100.0%
Community Library Services (CLS)	13 142 976	12 936 590	(206 386)	98.4%
Informal Settlements Upgrading Partnership Grant	564 000 750	454 366 158	(109 634 591)	80.6%
Housing Company Tshwane - Social Housing Regulatory Authority (SHRA)	324 693 032	124 534 565	(200 158 466)	38.4%
Total Grant Funding	2 127 130 752	1 626 705 860	(500 424 892)	76.5%
Council Funding	639 059 294	510 781 788	(128 277 507)	79.9%
Total Internally generated funds	639 059 294	510 781 788	(128 277 507)	79.9%
Public Contributions & Donations	50 000 000	39 912 042	(10 087 958)	79.8%
Total Contributions	50 000 000	39 912 042	(10 087 958)	79.8%
Total	2 816 190 047	2 177 399 690	(638 790 357)	77.3%

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

Charts C1 and C2 show the monthly trend in capital expenditure versus the budget, as well as the YTD actual expenditure versus the YTD target.

Chart C1: 2022/23 Capital expenditure (Monthly trend: Actual versus target)

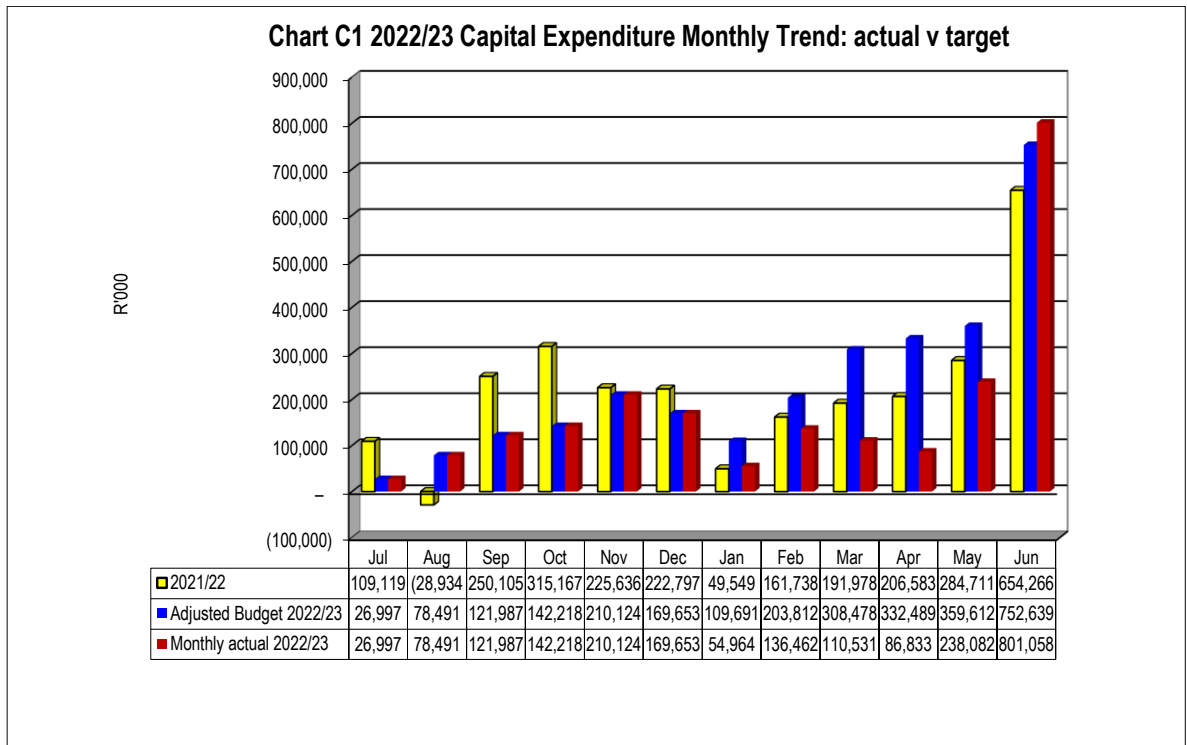
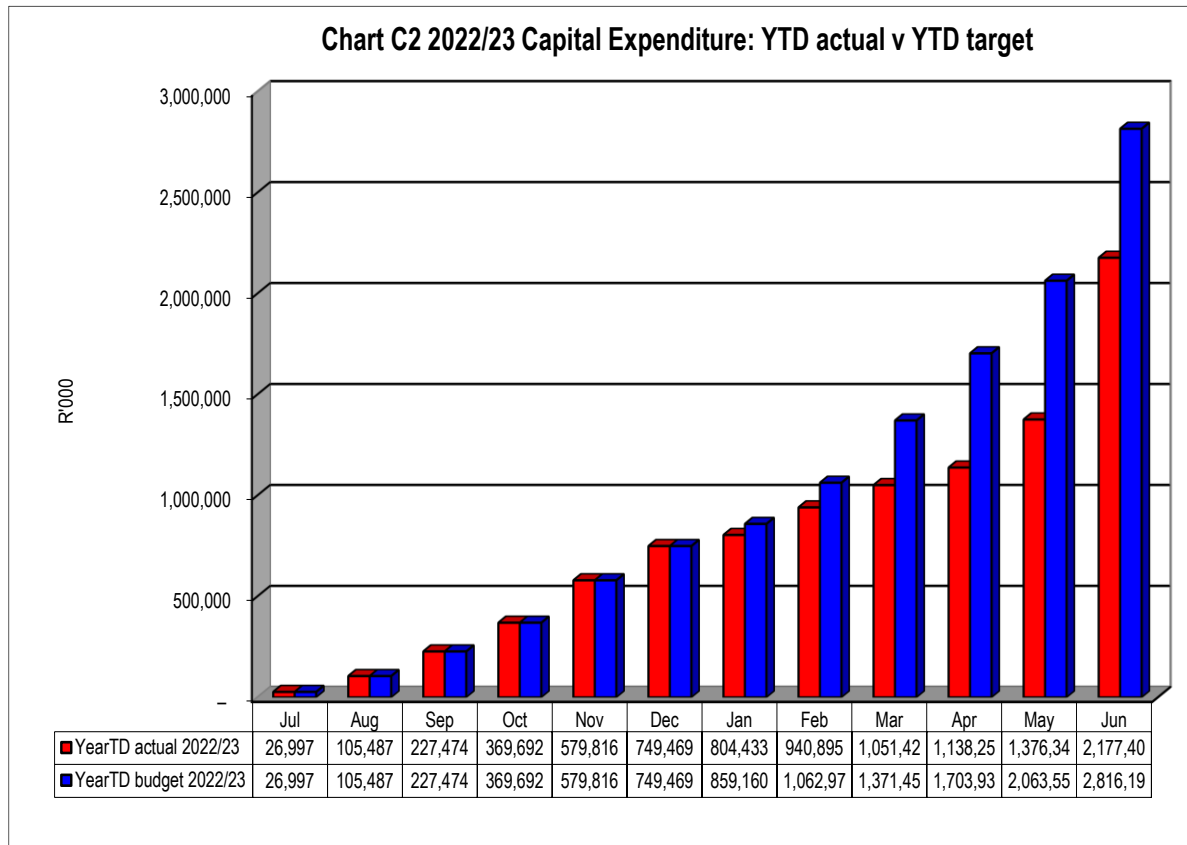


Chart C2: 2022/23 Capital expenditure (YTD actual versus YTD target)



Tables SC13a, SC13b and SC13e show capital expenditure by asset class on new assets and on renewal and upgrading of existing assets.

Tables SC13c and SC13d detail the expenditure on repairs and maintenance by asset class, as well as the depreciation by asset class.

Financial position

Table C1 shows that the City of Tshwane's community wealth or equity as of 30 June 2023 is R39,6 billion. Table C6 contains information on the City of Tshwane's assets and liabilities in a format that is consistent with international standards and aligned with GRAP 1.

Cash flow

Tables C1 and C7 show the cash flow of the City of Tshwane, which shows the following:

- Cash and cash equivalents total R660,7 million as of 30 June 2023.
- The cash flow from operating activities is R3,5 billion positive.
- The cash flow generated by investing activities is R1,8 billion.
- The cash flow generated by financing activities is R1,4 billion.

Debtors' age analysis

The debtors' report, as shown in Tables C1 and SC3, was prepared in accordance with the format required for electronic filing with the National Treasury. This format includes both an extended age analysis and an age analysis by debtor type.

It also compares the results of this month to the same period in the previous financial year.

Chart C3 depicts the aged consumer debtors and reflects a collection problem pertaining to debtors older than one year.

An amount of R13,6 billion is outstanding in this category, compared to R10,6 billion in the 2021/22 financial year. The total debtors are at R20,3 billion.

Chart C3: Aged consumer debtors' analysis

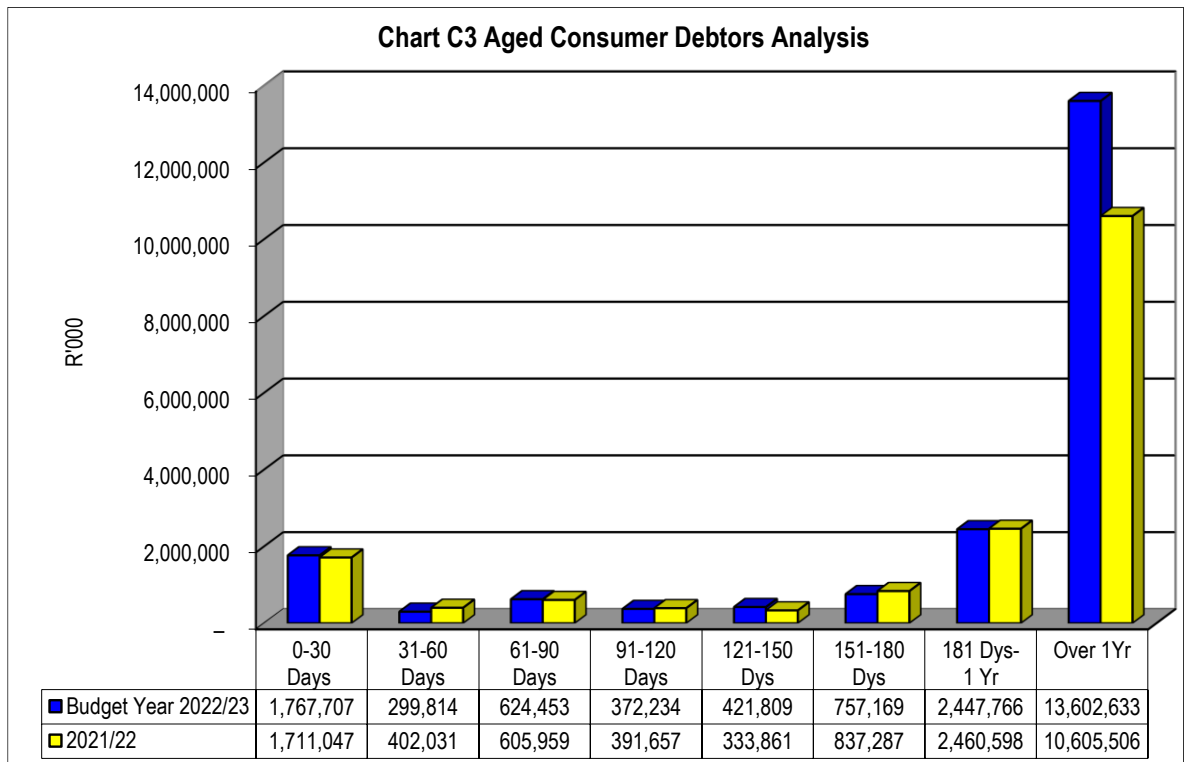
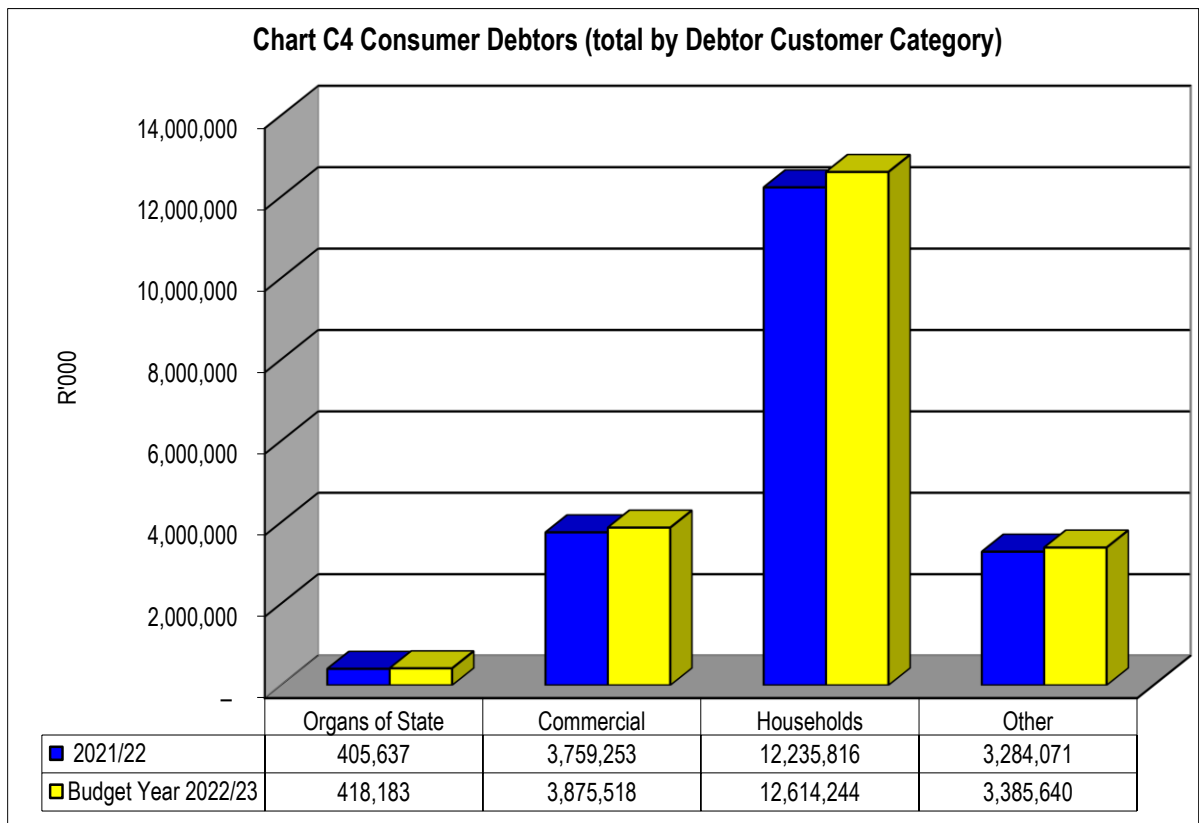


Chart C4 shows that the increase in the customer category is attributable to households, which reflects an increase of R378 million compared to the previous financial year.

Chart C4: Consumer debtors by customer category

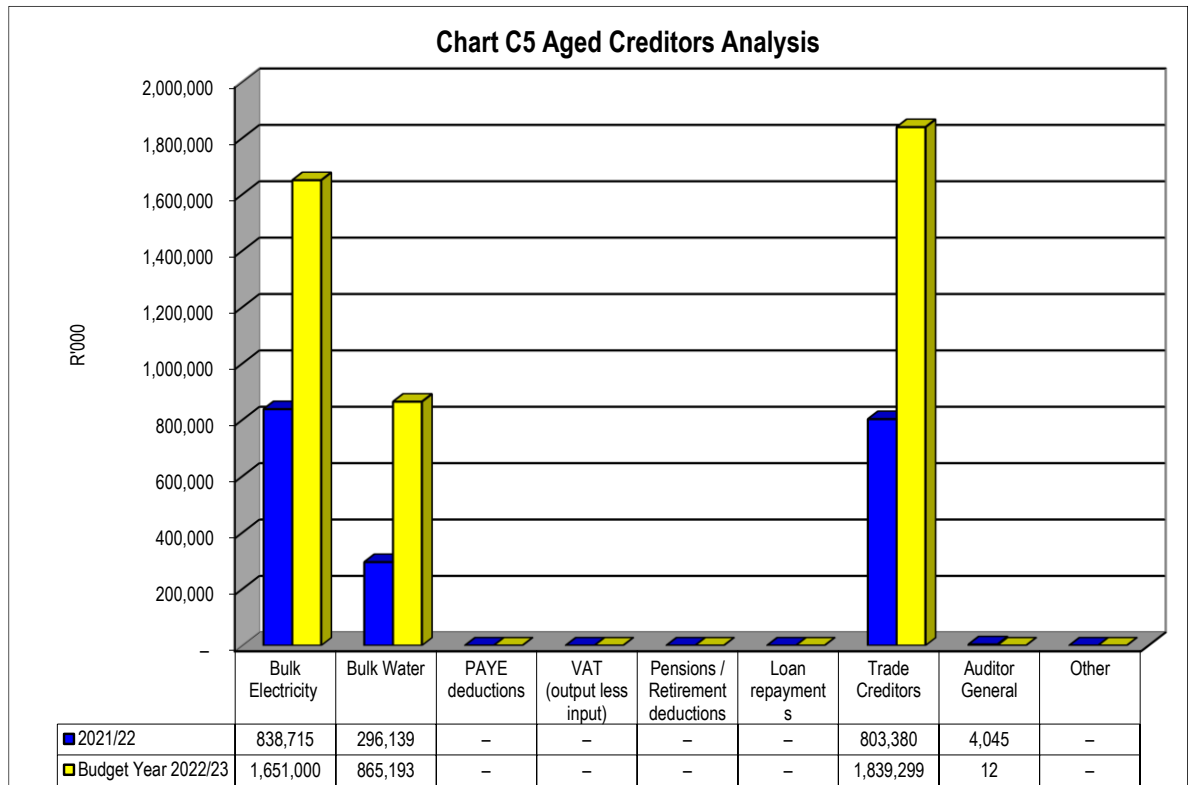


Creditors' age analysis

Tables C1 and SC4 provide a more detailed age breakdown by creditor type.

The chart compares this month's results to the same month the previous financial year, and it shows the aged creditors by category.

Chart C5: Aged creditors' analysis



Investment portfolio analysis (Table SC5)

Table SC5 displays an investment portfolio analysis that includes the institution where funds are invested, the period of investment, the type of investment and the accrued interest for the month. At the end of the month, the market value was R854 million.

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

Table SC6 contains information on transfers and grant receipts for operating and capital expenditure. Receipts from national, provincial and other grant providers are also shown.

The total adjusted budget is R6,7 billion, with R6,4 billion received during the period. A variance of R288,7 million is reflected, mainly due to outstanding transfers on the Restructuring Capital Grant (RCG) from the Social Housing Regulatory Authority.

Table SC7(1) shows the expenditure incurred for each allocation during the reporting period. The actual expenditure incurred was R5,9 billion, and a variance of R783,6 million is reflected.

Expenditure on councillor and staff benefits (Table SC8)

Table SC8 contains information on the benefits received by councillors, board members and employees. The table compares actual expenditure to budgeted expenditure.

Parent municipality's financial performance (Table SC10)

Municipalities with municipal entities are required by the National Treasury to provide a monthly financial performance statement for the parent municipality separately.

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

Tables C1 to C7 show the financial results for the period ended 30 June 2023, and these are followed by the supporting documents in Tables SC1 to SC13e.

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

TSH City Of Tshwane - Table C1 Consolidated Monthly Budget Statement Summary - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands								
Financial Performance								
Property rates	8,572,924	9,102,662	9,101,842	754,249	9,045,904	9,101,842	(55,939)	-1%
Service charges	21,335,419	24,482,176	24,510,926	1,765,846	21,885,379	24,510,926	(2,625,547)	-11%
Investment revenue	158,892	52,870	66,085	20,520	121,434	66,085	55,349	84%
Transfers and subsidies	5,387,168	4,496,044	4,619,121	75,621	4,279,235	4,619,121	(339,886)	-7%
Other own revenue	2,244,284	4,018,088	3,996,965	326,516	4,429,915	3,996,965	432,949	11%
Total Revenue (excluding capital transfers and contributions)	37,698,687	42,151,840	42,294,940	2,942,752	39,761,866	42,294,940	(2,533,075)	-6%
Employee costs	11,587,842	12,633,285	12,637,962	1,013,864	11,527,340	12,637,962	(1,110,622)	-9%
Remuneration of Councillors	129,577	163,863	153,863	10,951	131,913	153,863	(21,950)	-14%
Depreciation & asset impairment	2,910,880	2,642,244	2,626,796	215,585	2,653,283	2,626,796	26,488	1%
Finance charges	3,270,841	1,508,150	1,476,918	432,905	1,356,495	1,476,918	(120,423)	-8%
Inventory consumed and bulk purchases	15,132,519	16,454,699	16,381,796	1,858,145	15,374,113	16,400,743	(1,026,629)	-6%
Transfers and subsidies	8,051	38,058	31,590	1,554	3,272	31,590	(28,318)	-90%
Other expenditure	8,697,935	8,708,233	8,962,962	1,124,384	8,641,393	8,944,015	(302,622)	-3%
Total Expenditure	41,737,645	42,148,532	42,271,887	4,657,388	39,687,810	42,271,887	(2,584,077)	-6%
Surplus/(Deficit)	(4,038,958)	3,308	23,054	(1,714,636)	74,056	23,054	51,002	221%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,887,617	2,074,545	2,127,131	521,277	1,624,625	2,127,131	(502,506)	-24%
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	2,150,184	(1,193,359)	1,698,681	2,150,184	(451,503)	-21%
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	(2,142,136)	2,077,853	2,150,184	(1,193,359)	1,698,681	2,150,184	(451,503)	-21%
Capital expenditure & funds sources								
Capital expenditure	2,642,715	2,793,105	2,816,190	801,058	2,177,400	2,816,190	(638,790)	-23%
Capital transfers recognised	1,896,755	2,074,545	2,127,131	519,992	1,503,171	1,806,088	(302,916)	-17%
Borrowing	705	487,719	-	3,524	1,313	-	1,313	
Internally generated funds	745,255	230,841	689,059	277,543	672,916	1,010,102	(337,186)	-33%
Total sources of capital funds	2,642,715	2,793,105	2,816,190	801,058	2,177,400	2,816,190	(638,790)	-23%
Financial position								
Total current assets	8,541,579	11,237,254	9,055,390		16,604,094			
Total non current assets	59,404,596	49,152,711	53,701,943		57,813,831			
Total current liabilities	15,205,569	15,445,107	14,798,653		20,544,179			
Total non current liabilities	16,154,887	13,134,703	12,828,397		14,309,500			
Community wealth/Equity	36,585,719	31,810,155	35,130,283		39,564,245			
Cash flows								
Net cash from (used) operating	2,851,834	4,514,622	4,864,039	158,369	3,507,701	4,864,039	1,356,339	28%
Net cash from (used) investing	(2,906,398)	(3,145,071)	(3,190,379)	(297,180)	(1,770,976)	(3,190,379)	(1,419,403)	44%
Net cash from (used) financing	(642,917)	(878,812)	(1,322,432)	645,238	(1,363,483)	(1,322,432)	41,051	-3%
Cash/cash equivalents at the month/year end	217,482	846,180	611,479	-	660,654	611,479	(49,175)	-8%
Debtors & creditors analysis								
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr
Debtors Age Analysis								
Total By Income Source	1,767,707	299,814	624,453	372,234	421,809	757,169	2,447,766	13,602,633
Creditors Age Analysis								
Total Creditors	982,025	2,866,517	168,271	53,514	285,177	-	-	-

(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) - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	15,069,274	873,506	15,311,777	15,069,274	242,502	2%
Executive and council	15,722	66,094	73,675	18,917	50,276	73,675	(23,399)	-32%
Finance and administration	13,957,577	14,899,915	14,993,371	854,579	15,259,265	14,993,371	265,894	2%
Internal audit	29	228	2,228	10	2,235	2,228	7	0%
<i>Community and public safety</i>	931,712	1,331,471	1,376,988	125,634	812,413	1,376,988	(564,575)	-41%
Community and social services	60,582	43,780	50,685	4,954	39,195	50,685	(11,490)	-23%
Sport and recreation	20,731	53,101	51,194	14,645	53,471	51,194	2,277	4%
Public safety	95,815	295,948	247,658	23,772	187,053	247,658	(60,605)	-24%
Housing	665,929	799,161	907,480	80,342	432,358	907,480	(475,123)	-52%
Health	88,655	139,481	119,970	1,921	100,336	119,970	(19,634)	-16%
<i>Economic and environmental services</i>	1,614,350	1,475,298	1,492,854	206,239	1,298,076	1,492,854	(194,778)	-13%
Planning and development	459,443	253,436	256,877	51,353	280,513	256,877	23,636	9%
Road transport	1,159,220	1,213,769	1,227,763	147,658	997,720	1,227,763	(230,044)	-19%
Environmental protection	(4,313)	8,093	8,214	7,228	19,844	8,214	11,630	142%
<i>Trading services</i>	22,791,141	26,248,379	26,236,234	2,235,529	23,690,335	26,236,234	(2,545,899)	-10%
Energy sources	13,915,838	16,503,622	16,475,922	1,385,351	14,251,025	16,475,922	(2,224,897)	-14%
Water management	5,352,039	6,153,273	6,058,987	512,774	5,824,204	6,058,987	(234,782)	-4%
Waste water management	1,895,908	1,857,974	1,919,758	176,231	1,821,326	1,919,758	(98,432)	-5%
Waste management	1,627,356	1,733,510	1,781,567	161,172	1,793,780	1,781,567	12,213	1%
<i>Other</i>	285,012	205,000	246,721	23,121	273,938	246,721	27,217	11%
Total Revenue - Functional	39,595,543	44,226,386	44,422,071	3,464,029	41,386,539	44,422,071	(3,035,532)	-7%
Expenditure - Functional								
<i>Governance and administration</i>	10,243,427	8,872,687	8,596,580	891,783	7,992,077	8,581,609	(589,533)	-7%
Executive and council	1,199,514	1,318,983	1,235,492	115,605	1,141,249	1,223,157	(81,907)	-7%
Finance and administration	8,957,815	7,429,488	7,237,896	767,754	6,776,386	7,235,261	(458,875)	-6%
Internal audit	86,098	124,215	123,192	8,425	74,441	123,192	(48,751)	-40%
<i>Community and public safety</i>	5,888,495	6,977,609	6,925,345	689,817	6,469,520	6,918,321	(448,800)	-6%
Community and social services	332,301	417,684	468,727	41,934	349,485	466,700	(117,215)	-25%
Sport and recreation	459,474	583,458	501,536	46,462	423,732	496,348	(72,616)	-15%
Public safety	3,437,046	4,060,562	4,080,946	410,228	3,946,641	4,081,258	(134,618)	-3%
Housing	913,477	886,111	867,392	94,851	817,330	867,392	(50,062)	-6%
Health	746,196	1,029,796	1,006,744	96,342	932,332	1,006,622	(74,289)	-7%
<i>Economic and environmental services</i>	3,970,098	3,561,913	4,161,149	366,830	3,772,098	4,159,899	(387,801)	-9%
Planning and development	940,482	1,107,649	1,055,663	99,236	977,530	1,055,699	(78,169)	-7%
Road transport	2,767,200	2,238,995	2,859,451	245,224	2,600,174	2,857,985	(257,811)	-9%
Environmental protection	262,416	215,269	246,035	22,370	194,394	246,215	(51,821)	-21%
<i>Trading services</i>	21,428,629	22,530,675	22,381,902	2,685,077	21,268,187	22,404,907	(1,136,720)	-5%
Energy sources	14,487,616	15,155,569	15,098,058	1,914,054	14,574,940	15,111,748	(536,808)	-4%
Water management	4,340,581	4,860,094	4,831,544	456,493	4,564,418	4,832,458	(268,040)	-6%
Waste water management	977,824	826,442	782,352	84,850	666,729	790,753	(124,024)	-16%
Waste management	1,622,608	1,688,570	1,669,948	229,681	1,462,100	1,669,948	(207,848)	-12%
<i>Other</i>	208,617	205,649	206,912	23,881	185,977	207,152	(21,174)	-10%
Total Expenditure - Functional	41,739,267	42,148,532	42,271,887	4,657,388	39,687,858	42,271,887	(2,584,029)	-6%
Surplus/ (Deficit) for the year	(2,143,724)	2,077,853	2,150,184	(1,193,359)	1,698,681	2,150,184	(451,503)	-21%

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) - M12 June								
Vote Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	71,218	16,726	69,781	71,218	(1,437)	-2.0%
Vote 2 - Economic Development & Spatial Planning Department	390,526	487,867	529,681	73,953	565,824	529,681	36,143	6.8%
Vote 3 - Emergency Services Department	10,723	12,343	10,561	29	9,125	10,561	(1,436)	-13.6%
Vote 4 - Environment & Agriculture Management Department	1,632,752	1,753,864	1,801,999	171,389	1,825,935	1,801,999	23,936	1.3%
Vote 5 - Group Financial Services Department	13,830,220	14,760,008	14,846,949	833,733	15,114,295	14,846,949	267,346	1.8%
Vote 6 - Group Property Management Department	65,624	62,464	57,872	16,198	67,312	57,872	9,440	
Vote 7 - Health Department	86,658	137,583	119,284	1,873	100,101	119,284	(19,183)	-16.1%
Vote 8 - Human Settlement Department	665,953	799,211	907,587	80,381	432,317	907,587	(475,270)	-52.4%
Vote 9 - Tshwane Metro Police Department	87,018	284,933	237,298	23,743	177,925	237,298	(59,373)	-25.0%
Vote 10 - Regional Operations & Coordination Department	44,464	42,448	42,332	5,212	31,500	42,332	(10,831)	-25.6%
Vote 11 - Roads & Transport Department	1,252,558	1,240,847	1,263,561	152,747	1,037,037	1,263,561	(226,524)	-17.9%
Vote 12 - Shared Services Department	18	-	5	(5)	12	5	7	
Vote 13 - Electricity Department	13,912,507	16,498,648	16,470,348	1,382,054	14,243,473	16,470,348	(2,226,875)	-13.5%
Vote 14 - Water and Sanitation Department	7,236,461	8,008,384	7,970,883	689,006	7,639,384	7,970,883	(331,499)	-4.2%
Vote 15 - Other Departments	380,574	66,881	92,492	16,990	72,517	92,492	(19,975)	-21.6%
Total Revenue by Vote	39,595,543	44,226,386	44,422,071	3,464,029	41,386,539	44,422,071	(3,035,532)	-6.8%
Expenditure by Vote								
Vote 1 - Community & Social Development Services Department	467,645	533,689	469,279	48,271	496,395	469,279	27,116	5.8%
Vote 2 - Economic Development & Spatial Planning Department	653,236	812,491	799,524	83,651	717,313	799,524	(82,211)	-10.3%
Vote 3 - Emergency Services Department	698,594	976,839	972,490	80,580	884,431	972,490	(88,059)	-9.1%
Vote 4 - Environment & Agriculture Management Department	2,003,521	2,046,834	2,037,233	260,764	1,757,618	2,037,233	(279,615)	-13.7%
Vote 5 - Group Financial Services Department	6,068,029	4,141,794	3,996,904	442,570	3,894,502	3,996,904	(102,401)	-2.6%
Vote 6 - Group Property Management Department	943,814	913,003	889,930	61,395	747,952	889,930	(141,978)	-16.0%
Vote 7 - Health Department	504,008	578,264	573,470	54,961	501,912	573,470	(71,558)	-12.5%
Vote 8 - Human Settlement Department	972,866	921,490	899,694	97,421	845,513	899,694	(54,181)	-6.0%
Vote 9 - Tshwane Metro Police Department	2,183,707	2,827,079	2,806,249	241,082	2,557,536	2,806,249	(248,712)	-8.9%
Vote 10 - Regional Operations & Coordination Department	3,751,862	3,058,662	3,729,379	416,074	3,671,241	3,729,379	(58,138)	-1.6%
Vote 11 - Roads & Transport Department	1,995,107	2,025,006	1,975,249	152,135	1,646,016	1,975,249	(329,232)	-16.7%
Vote 12 - Shared Services Department	1,062,412	1,431,789	1,374,927	179,645	1,300,085	1,374,927	(74,842)	-5.4%
Vote 13 - Electricity Department	13,075,602	13,990,044	13,909,918	1,765,257	13,354,038	13,909,918	(555,880)	-4.0%
Vote 14 - Water and Sanitation Department	4,932,785	5,272,236	5,208,783	482,237	4,808,747	5,208,783	(400,036)	-7.7%
Vote 15 - Other Departments	2,426,078	2,619,313	2,628,859	291,344	2,504,558	2,628,859	(124,301)	-4.7%
Total Expenditure by Vote	41,739,267	42,148,532	42,271,887	4,657,388	39,687,858	42,271,887	(2,584,029)	-6.1%
Surplus/ (Deficit) for the year	(2,143,724)	2,077,853	2,150,184	(1,193,359)	1,698,681	2,150,184	(451,503)	-21.0%

(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) - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands								
Revenue By Source								
Property rates	8,572,924	9,102,662	9,101,842	754,249	9,045,904	9,101,842	(55,939)	-1%
Service charges - electricity revenue	13,344,146	15,697,113	15,677,660	1,081,258	13,371,532	15,670,148	(2,298,616)	-15%
Service charges - water revenue	4,958,680	5,554,721	5,445,662	404,894	5,172,962	5,453,175	(280,213)	-5%
Service charges - sanitation revenue	1,448,161	1,502,943	1,612,221	118,778	1,553,054	1,612,221	(59,167)	-4%
Service charges - refuse revenue	1,584,431	1,727,398	1,775,382	160,916	1,787,831	1,775,382	12,448	1%
Rental of facilities and equipment	144,144	185,329	167,563	25,181	143,221	167,563	(24,342)	-15%
Interest earned - external investments	158,892	52,870	66,085	20,520	121,434	66,085	55,349	84%
Interest earned - outstanding debtors	724,268	839,462	890,808	120,380	1,255,122	890,808	364,314	41%
Fines, penalties and forfeits	85,915	274,803	228,836	23,423	171,863	228,836	(56,973)	-25%
Licences and permits	41,245	54,534	44,728	7,849	45,135	44,728	406	1%
Transfers and subsidies	5,387,168	4,496,044	4,619,121	75,621	4,279,235	4,619,121	(339,886)	-7%
Other revenue	1,221,267	2,663,961	2,665,030	148,869	2,807,988	2,665,030	142,958	5%
Gains	27,446	-	-	813	6,585	-	6,585	
Total Revenue (excluding capital transfers and contributions)	37,698,687	42,151,840	42,294,940	2,942,752	39,761,866	42,294,940	(2,533,075)	-6%
Expenditure By Type								
Employee related costs	11,587,842	12,633,285	12,637,962	1,013,864	11,527,340	12,637,962	(1,110,622)	-9%
Remuneration of councillors	129,577	163,863	153,863	10,951	131,913	153,863	(21,950)	-14%
Debt impairment	2,603,238	2,306,620	2,306,620	192,401	2,306,474	2,306,620	(146)	0%
Depreciation & asset impairment	2,910,880	2,642,244	2,626,796	215,585	2,653,283	2,626,796	26,488	1%
Finance charges	3,270,841	1,508,150	1,476,918	432,905	1,356,495	1,476,918	(120,423)	-8%
Bulk purchases - electricity	11,376,780	12,121,755	12,121,755	1,422,192	11,415,168	12,121,755	(706,587)	-6%
Inventory consumed	3,755,739	4,332,944	4,260,041	435,953	3,958,945	4,278,988	(320,042)	-7%
Contracted services	4,124,872	4,334,204	4,623,052	736,966	4,375,682	4,621,684	(246,002)	-5%
Transfers and subsidies	8,051	38,058	31,590	1,554	3,272	31,590	(28,318)	-90%
Other expenditure	1,736,733	2,067,362	2,033,050	199,373	1,813,592	2,015,471	(201,879)	-10%
Losses	233,093	47	240	(4,356)	145,645	240	145,405	60522%
Total Expenditure	41,737,645	42,148,532	42,271,887	4,657,388	39,687,810	42,271,887	(2,584,077)	-6%
Surplus/(Deficit)								
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,887,617	2,074,545	2,127,131	521,277	1,624,625	2,127,131	(502,506)	-24%
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	2,150,184	(1,193,359)	1,698,681	2,150,184		
Taxation	1,589	515	515	-	-	515	(515)	-100%
Surplus/(Deficit) after taxation	(2,143,724)	2,077,338	2,149,669	(1,193,359)	1,698,681	2,149,669		
Attributable to minorities				-	-	-		
Surplus/(Deficit) attributable to municipality	(2,143,724)	2,077,338	2,149,669	(1,193,359)	1,698,681	2,149,669		
Share of surplus/ (deficit) of associate								
Surplus/ (Deficit) for the year	(2,143,724)	2,077,338	2,149,669	(1,193,359)	1,698,681	2,149,669		

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 - M12 June)								
Vote Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	62,643	13,057	64,582	67,143	(2,561)	-4%
Vote 2 - Economic Development & Spatial Planning Department	232	17,000	17,250	4,187	15,485	17,250	(1,765)	-10%
Vote 3 - Emergency Services Department	-	-	-	-	-	-	-	-
Vote 4 - Environment & Agriculture Management Department	9,681	6,000	5,799	(24)	4,884	6,000	(1,116)	-19%
Vote 5 - Group Financial Services Department	10,342	35,000	39,726	6,910	27,785	39,726	(11,941)	-30%
Vote 6 - Group Property Management Department	30,707	-	-	-	-	-	-	-
Vote 7 - Health Department	23,095	49,500	30,500	1,626	9,806	30,500	(20,694)	-68%
Vote 8 - Human Settlement Department	699,628	644,916	724,745	71,671	318,631	667,728	(349,098)	-52%
Vote 9 - Tshwane Metro Police Department	4,777	10,000	10,000	5,666	9,648	10,100	(452)	-4%
Vote 10 - Regional Operations & Coordination Department	200	-	-	9,609	10,012	10,850	(838)	-
Vote 11 - Roads & Transport Department	496,079	403,340	376,365	116,060	324,036	376,365	(52,330)	-14%
Vote 12 - Shared Services Department	167,318	241,000	249,961	110,673	244,128	249,961	(5,833)	-2%
Vote 13 - Electricity Department	399,252	596,739	596,739	272,886	600,864	638,205	(37,341)	-6%
Vote 14 - Water and Sanitation Department	585,366	551,000	543,200	117,148	440,880	543,200	(102,320)	-19%
Vote 15 - Other Departments	128,671	125,708	129,573	57,139	87,068	129,473	(42,405)	-33%
Total Capital Multi-year expenditure	2,625,172	2,751,764	2,786,501	786,607	2,157,807	2,786,501	(628,694)	-23%
Single Year expenditure appropriation								
Vote 1 - Community & Social Development Services Department	-	-	-	-	-	-	-	-
Vote 2 - Economic Development & Spatial Planning Department	-	452	452	177	448	452	(4)	-1%
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	-	-	-	-	-	-
Vote 7 - Health Department	-	-	-	-	-	-	-	-
Vote 8 - Human Settlement Department	17,015	952	1,500	-	1,281	1,500	(219)	-15%
Vote 9 - Tshwane Metro Police Department	-	-	-	-	-	-	-	-
Vote 10 - Regional Operations & Coordination Department	-	2,937	7,937	4,961	7,871	7,937	(66)	-1%
Vote 11 - Roads & Transport Department	528	1,000	1,000	31	710	1,000	(290)	-29%
Vote 12 - Shared Services Department	-	10,000	10,000	8,425	8,425	10,000	(1,575)	-
Vote 13 - Electricity Department	-	-	-	-	-	-	-	-
Vote 14 - Water and Sanitation Department	-	1,000	8,800	857	857	8,800	(7,943)	-90%
Vote 15 - Other Departments	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	17,543	41,341	29,689	14,452	19,592	29,689	(10,096)	-34%
Total Capital Expenditure	2,642,715	2,793,105	2,816,190	801,058	2,177,400	2,816,190	(638,790)	-23%
Capital Expenditure - Functional Classification								
Governance and administration	214,913	315,000	299,887	66,977	157,602	175,887	(18,285)	-10%
Executive and council	-	5,000	-	-	-	-	-	-
Finance and administration	214,913	310,000	299,887	66,977	157,602	175,887	(18,285)	-10%
Internal audit	-	-	-	-	-	-	-	-
Community and public safety	750,044	584,793	712,127	74,456	333,104	691,043	(357,939)	-52%
Community and social services	13,394	25,562	14,143	1,962	12,937	13,143	(206)	-2%
Sport and recreation	33,681	57,000	49,500	10,444	31,784	32,000	(216)	-1%
Public safety	28,782	1,000	10,100	-	-	100	(100)	-100%
Housing	641,657	441,731	597,884	52,065	270,219	605,300	(335,081)	-55%
Health	32,530	59,500	40,500	9,985	18,164	40,500	(22,336)	-55%
Economic and environmental services	616,498	561,684	521,474	332,272	704,290	838,124	(133,834)	-16%
Planning and development	99,261	120,493	120,493	-	7,000	7,000	(0)	0%
Road transport	517,237	441,191	400,981	332,272	697,290	831,124	(133,834)	-16%
Environmental protection	-	-	-	-	-	-	-	-
Trading services	1,055,416	1,321,629	1,272,452	327,354	982,404	1,111,136	(128,732)	-12%
Energy sources	394,683	595,676	596,876	207,579	518,748	533,316	(14,568)	-3%
Water management	336,638	383,531	367,407	65,896	252,255	308,581	(56,326)	-18%
Waste water management	315,399	337,422	303,370	53,878	207,401	264,239	(56,838)	-22%
Waste management	8,695	5,000	4,799	-	4,000	5,000	(1,000)	-20%
Other	5,844	10,000	10,250	-	-	-	-	-
Total Capital Expenditure - Functional Classification	2,642,715	2,793,105	2,816,190	801,058	2,177,400	2,816,190	(638,790)	-23%
Funded by:								
National Government	1,779,004	1,864,984	1,789,295	518,030	1,490,235	1,792,945	(302,710)	-17%
Provincial Government	12,408	14,562	13,143	1,962	12,937	13,143	(206)	-
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	324,693	-	-	-	-	-
Transfers recognised - capital	1,896,755	2,074,545	2,127,131	519,992	1,503,171	1,806,088	(302,916)	-17%
Borrowing	705	487,719	-	3,524	1,313	-	1,313	-
Internally generated funds	745,255	230,841	689,059	277,543	672,916	1,010,102	(337,186)	-33%
Total Capital Funding	2,642,715	2,793,105	2,816,190	801,058	2,177,400	2,816,190	(638,790)	-23%

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

TSH City Of Tshwane - Table C6 Consolidated Monthly Budget Statement - Financial Position - M12 June				
Description	2021/22	Budget Year 2022/23		
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
R thousands				
<u>ASSETS</u>				
Current assets				
Cash	217,482	253,409	286,275	660,654
Call investment deposits	870,166	1,002,663	309,559	263,252
Consumer debtors	5,189,707	7,303,694	6,239,733	6,285,231
Other debtors	930,588	1,694,535	973,674	8,168,610
Current portion of long-term receivables	319,764	114,755	106,050	190,379
Inventory	1,013,872	868,198	1,140,099	1,035,968
Total current assets	8,541,579	11,237,254	9,055,390	16,604,094
Non current assets				
Long-term receivables	20,021	35,462	44,210	169,561
Investments	320,114	1,028,280	527,838	255,990
Investment property	1,087,230	1,257,497	1,140,612	1,028,392
Investments in Associate	729,983		–	176,101
Property, plant and equipment	56,219,377	45,884,442	50,942,703	55,190,632
Biological	–		–	–
Intangible	1,027,871	947,030	1,046,580	993,154
Other non-current assets	–		–	1
Total non current assets	59,404,596	49,152,711	53,701,943	57,813,831
TOTAL ASSETS	67,946,175	60,389,965	62,757,333	74,417,924
<u>LIABILITIES</u>				
Current liabilities				
Bank overdraft	–	–	–	–
Borrowing	705,633	1,887,982	1,718,304	98,648
Consumer deposits	781,191	985,167	797,872	763,975
Trade and other payables	13,718,746	12,571,958	12,282,477	19,681,555
Provisions	–		–	–
Total current liabilities	15,205,569	15,445,107	14,798,653	20,544,179
Non current liabilities				
Borrowing	12,748,609	9,689,045	9,489,638	10,611,277
Provisions	3,406,279	3,445,658	3,338,759	3,698,222
Total non current liabilities	16,154,887	13,134,703	12,828,397	14,309,500
TOTAL LIABILITIES	31,360,456	28,579,809	27,627,050	34,853,679
NET ASSETS	36,585,719	31,810,155	35,130,283	39,564,245
<u>COMMUNITY WEALTH/EQUITY</u>				
Accumulated Surplus/(Deficit)	36,585,719	31,507,594	34,827,722	39,261,683
Reserves	0	302,562	302,562	302,562
TOTAL COMMUNITY WEALTH/EQUITY	36,585,719	31,810,155	35,130,283	39,564,245

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

TSH City Of Tshwane - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	8,828,787	14,732	9,045,904	8,828,787	217,117	2%
Service charges	21,408,219	23,158,745	23,775,597	1,072,551	22,968,702	23,775,597	(806,895)	-3%
Other revenue	214,379	2,973,621	3,152,220	542,770	5,499,372	3,152,220	2,347,152	74%
Transfers and Subsidies - Operational	5,557,633	4,496,044	4,619,121	-	4,263,977	4,619,121	(355,145)	-8%
Transfers and Subsidies - Capital	1,800,617	2,074,545	2,127,131	-	1,884,331	2,127,131	(242,800)	-11%
Interest	-	837,766	837,766	432,895	298,058	837,766	(539,708)	-64%
Dividends			-					
Payments								
Suppliers and employees	(31,410,536)	(35,990,882)	(36,968,075)	(1,676,790)	(38,995,583)	(36,968,075)	2,027,509	-5%
Finance charges	(3,267,450)	(1,508,150)	(1,476,918)	(226,233)	(1,356,336)	(1,476,918)	(120,582)	8%
Transfers and Grants	(25,882)	(38,058)	(31,590)	(1,554)	(100,724)	(31,590)	69,134	-219%
NET CASH FROM/(USED) OPERATING ACTIVITIES	2,851,834	4,514,622	4,864,039	158,369	3,507,701	4,864,039	1,356,339	28%
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	158,238	-	-	-	-	-	-	
Decrease (increase) in non-current receivables	(1,438)	(1,966)	(24,189)	-	-	(24,189)	24,189	
Decrease (increase) in non-current investments	(271,203)	(350,000)	(350,000)	132,150	-	(350,000)	350,000	
Payments								
Capital assets	(2,791,994)	(2,793,105)	(2,816,190)	(429,330)	(1,770,976)	(2,816,190)	(1,045,214)	37%
NET CASH FROM/(USED) INVESTING ACTIVITIES	(2,906,398)	(3,145,071)	(3,190,379)	(297,180)	(1,770,976)	(3,190,379)	(1,419,403)	44%
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	-	-	-	-	-	-	-	
Borrowing long term/refinancing	-	487,719	-	-	-	-	-	
Increase (decrease) in consumer deposits	-	19,317	15,645	-	-	15,645	(15,645)	-100%
Payments								
Repayment of borrowing	(642,917)	(1,385,848)	(1,338,076)	645,238	(1,363,483)	(1,338,076)	25,406	-2%
NET CASH FROM/(USED) FINANCING ACTIVITIES	(642,917)	(878,812)	(1,322,432)	645,238	(1,363,483)	(1,322,432)	41,051	-3%
NET INCREASE/ (DECREASE) IN CASH HELD	26,622	490,738	351,229	506,427	373,242	(3,654,130)		
Cash/cash equivalents at beginning:	190,860	355,441	260,250		287,412	260,250		
Cash/cash equivalents at month/year end:	217,482	846,180	611,479		660,654	611,479		

Note: The cash and equivalents as at 30 June 2023 are at R660,7 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 - M12 June			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands			
Revenue By Source			
Property rates	(55,939)	Revenue was less than projected.	
Service charges - electricity revenue	(2,298,616)	Revenue was lower than projected, mainly on Sale of Electricity and Electricity Smart Prepaid. -The under collection is impacted by various factors, such as the low meter-reading rate (account estimations), migration of some customers from conventional metering to prepaid metering, customer payment dispute and faulty meters. -Technical losses due to transportation of electricity from one point to end users. -Customers are being moved from conventional sales (Sales of Electricity) due to reintroduction of smart metering on Commercial and Industrial Customers.	
Service charges - water revenue	(280,213)	The under budget is mainly on Water Fees and Water Prepaid as a result of the following. -Reduced water demand and usage as a result of Rand Water restrictions. -Few consumers are buying recharging coupons. -Due to lack of tender/supplier in place in supplying prepaid meters to replace meters. The department has finalised the specification for prepaid water and the documentations are circulating for internal comments.	
Service charges - sanitation revenue	(59,167)	Revenue was lower than projected, mainly on Cross-border Bulk Sewerage, due to the following factors: The supply of water to neighbouring municipalities such as Madibeng, Moretele, and others was supplied by Tshwane, but they are now supplied directly by Magalies water, the city no longer receives that revenue.	
Service charges - refuse revenue	12,448	Revenue was better than projected, mainly on Solid Waste Removal Fees and Billing: Bulk Containers.	
Rental of facilities and equipment	(24,342)	The under recovery is mainly on Rental for Businesses due to the following: -Due to a delay in tenanting the Townlands project and Group Property stock that Housing Company Tshwane (HCT) has not yet invoiced. Some of the properties have been registered, and the process of registering the remaining properties that require subdivision is currently underway. HCT will take over the contract management, billing, and revenue functions on 1 July 2023. -Delays in the allocation of billed revenue on the SAP system and correction of misallocation to the General Ledger.	
Interest earned - external investments	55,349	Revenue was more than projected, mainly on interest earned on investments.	
Interest earned - outstanding debtors	364,314	Revenue was more than projected due to interest earned on arrears debtors.	
Dividends received	-		
Fines, penalties and forfeits	(56,973)	Revenue was lower than projected, mainly on AARTO. The R18 million outstanding from the June Infringement Reconciliation has yet to be captured.	
Licences and permits	406		
Agency services	-		
Transfers and subsidies	(339,886)	Mainly on the Public Transport Network Grant, Human Settlements Development Grant, and Project Preparation Grant. Revenue recognition is based on performance, the grants are currently underperforming.	
Other revenue	142,958	Revenue was better than projected, mainly on Market Fees, Admission Fees, Transport Fees, Bad Debts Recovered, Township Development Contribution: Electricity and Development Charges: Rezoning and Refund: Motor Vehicles. Most items in this group are demand driven.	
Gains	6,585		
Expenditure By Type			
Employee related costs	(1,110,622)	Mainly on salaries and provision for leave payments. The deviation on leave provision is due to the reversal of the previous month's leave accrual against the expense account, which results in negative postings on the system.	
Remuneration of councillors	(21,950)	Councillor remuneration increases are still to be determined.	
Debt impairment	(146)		
Depreciation & asset impairment	26,488	Due to additional assets added to the fixed assets register.	
Finance charges	(120,423)	Mainly on interest payable, the City was unable to raise the partial funding for long term projects in the past three financial years.	
Bulk purchases	(706,587)	The final invoice for June has been accrued and will be paid in July, resulting in a savings.	
Inventory Consumed	(320,042)	The underspending is mainly on Rand Water and Magalies Water, due to decrease demand.	
Contracted services	(246,002)	Mainly on the following line items: -Project-Linked Housing (R61,4 million under budget): Construction work was suspended in August 2022 when the expenditure reached the contract value, and CoT embarked on the Section 116 process to amend the contract as a result of quantum rate increase. Approval for amendment of the contract was only granted by Council on 25 May 2023. Delays in approval of subsidy agreement and project enrolment also contributed to the underspending. -Project Management Services (R214 million under budget): The underspending is due to delays in the rollout of A Re Yeng service activities on station management and bus operations. -Research and Advisory (R27,5 million under budget): Underspending was mainly on Research and Advisory due to the following. ---All work done in 2022/23FY was invoiced and processed. Several projects under this programme are still in the procurement phase. The procurement is being delayed because a new SCM policy must be approved. ---The unpredicted extreme delays by MayCo to table and approve the Memorandum of Agreement (MoA) with the multiparty for implementation of innovation projects due to leadership/MayCo changes since beginning of Q3, also further prolonged process of receiving minutes approved by MayCo, which resulted in the PR and P.O not being completed within the set end of the 2022/23 FY timelines; thus the R300K budgeted for the Innovation project was not committed in the 2022/23FY. ---The Service Level Agreements (SLAs) for the TUT initiatives: Women in Innovation and Leadership Dialogue (WILD) and Tshwane Varsity Hackathon was with the Group Legal Services and Secretariat Services Department for vetting since 23 May 2023 as they only served at ExCo on 22 May 2023. -Household Refuse Removal (R55,4 million under budget): There are outstanding invoices for work completed in June 2023 that must be captured. An amount of R32 million has been committed to the system.	
Transfers and subsidies	(28,318)	Mainly on Gratuities. The underspending is determined by the number of employees who retire monthly and are eligible for gratuities.	
Other expenditure	(201,879)	Mainly on the following line items: -Building Rentals - the deviation is due to buildings exited during the current financial year. -Training Board Fees - underspending due to a statutory payment based on 1% of the salary bill, the saving has been created due to unfilled vacancies. -Compensation Commissioner (IOD) - the medical accounts are paid on a continuous basis, as accounts are received once IOD has been accepted by the Compensation Commissioner. -There are still invoices for June 2023 that need to be processed on the following items. --Automated Fare Collection System --Office Equipment Lease --Building Rentals --Postage --Uniform	
Losses	145,405		

Table SC1: Material variance explanations (continued)

TSH City Of Tshwane - Supporting Table SC1 Material variance explanations - M12 June		
Description	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands		
Capital Expenditure		
Vote 1 - Community & Social Development Services Department	Upgrading of Caledonian Stadium (Inner City Park) - Project halted due to capacity issues and cash flow challenges. Termination of contract in process.	
Vote 2 - Economic Development & Spatial Planning Department	Supply and installation of public lights Tshwane Market - Received appointment letter very late there was no time to create requisition.	
Vote 3 - Emergency Services Department	None.	
Vote 4 - Environment & Agriculture Management Department	Provision of waste containers - The supplier contract expired. The replacement tender process was not concluded in time, to allow for further expenditure on the project.	
Vote 5 - Group Financial Services Department	Insurance Replacements (CTMM Contribution) - Commitments on claims not finalized to be cancelled.	
Vote 6 - Group Property Management Department	None.	
Vote 7 - Health Department	New Clinic Lusaka - The contractor's performance is not satisfactory due to cash flow challenges. Professional Service and Client monitor and enforce the contract.	
Vote 8 - Human Settlement Department	Acquisition of land - Delays on negotiations with landowners and changes brought by not agreeing on the selling price which led to 2 new reports, the corrective report and expropriation report.	
Vote 9 - Tshwane Metro Police Department	Cable Theft Technology - All financial transactions were delayed and subsequently halted.	
Vote 10 - Regional Operations & Coordination Department	Electrical infrastructure testing and maintenance equipment - Completed	
Vote 11 - Roads & Transport Department	Wonderboom Intermodal Facility (Building Works) - Expenditure has been affected by lack of performance by the contractor.	
Vote 12 - Shared Services Department	Upgrade of IT Networks - Items procured were delivered and payment processed.	
Vote 13 - Electricity Department	Wapadrand 132/11kV Substation - The project experienced delays on manufacturing of the switchgear due to malfunctioning relays and delays on payment of invoices.	
Vote 14 - Water and Sanitation Department	Ekangala Block A - F sewer reticulation and toilets - 3787m of sewer pipes was installed. 510 toilet structures have been completed but cannot be commissioned due to connection point not being completed and 1546 toilet structures have been built.	
Vote 15 - Other Departments	Tshwane Automotive SEZ Phase 1 Bulk Infrastructure Roll out - Invoices are received as and when work is completed by the service providers onsite. Most of the snags have not yet been completed and signed off by the City's engineers, thus the received invoices were not processed.	
Financial Position		
Current assets	Due to increase in other debtors.	
Non current assets	Due to increase in property, plant and equipment.	
Current liabilities	Due to increase in trade and other payables.	
Non current liabilities	Mainly on borrowings.	
Cash Flow		
Cash flow from operating activities	Mainly on other revenue, suppliers and employees.	
Cash flow from investing activities	Mainly on capital assets.	
Cash flow from financing activities		
Measurable performance		
Municipal Entities		
Revenue By Municipal Entity		
Housing Company Tshwane	Variance was due to delay in tenancing T ownlands project and group property stock which has not yet been invoiced by HCT. Registration on some of the properties has been concluded and the process is currently underway to register the remaining properties which needs subdivision Effective by 1st July 2023. The contract management, billing and revenue functions will be executed by HCT.	
Tshwane Economic Development Agency		
Expenditure By Municipal Entity		
Housing Company Tshwane	Mainly on Employee related costs. Delay in filling vacant positions awaiting for the financial sustainability of new posts to be approved by the REMCO and Board.	
Tshwane Economic Development Agency	Variance is due to vacancies not yet filled.	
Capital Expenditure By Municipal Entity		
Housing Company Tshwane	Chantelle detail design and bulk infrastructure upgrade - The virement has been approved by the Accounting Officer to divert unspent grant from COT allocation of Timberlands to Chantel Project.	
Tshwane Economic Development Agency	Furniture and Office Equipment - The spending is within the budget.	

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

TSH City Of Tshwane - Supporting Table SC2 Monthly Budget Statement - performance indicators - M12 June					
Description of financial indicator	Basis of calculation	2021/22	Budget Year 2022/23		
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual
<u>Borrowing Management</u>					
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	9.4%	6.9%	9.7%	10.1%
<u>Safety of Capital</u>					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	74.3%	75.9%	66.9%	76.8%
<u>Liquidity</u>					
Current Ratio	Current assets/current liabilities	0.6	0.7	0.6	0.8
Liquidity Ratio	Monetary Assets/Current Liabilities	0.07	0.08	0.04	0.04
<u>Revenue Management</u>					
Payment Level %	Last 12 Mths Receipts/ Last 12 Mths Billing	100.2%	94.3%	94.4%	99.5%
<u>Creditors Management</u>					
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	100.0%	100.0%	100.0%	13.0%
<u>Other Indicators</u>					
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	21.7%	18.0%	18.0%	21.5%
Employee costs	Employee costs/Total Revenue - capital revenue	30.7%	30.0%	29.9%	29.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	3.4%	3.3%	3.2%	3.1%
Interest & Depreciation	I&D/Total Revenue - capital revenue	16.4%	9.8%	9.7%	10.1%
<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	45.3	13.0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	20.1%	27.0%	19.5%	20.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.4	0.3	(0.1)	(0.02)

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

TSH City Of Tshwane - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June													
Description		NT Code	Budget Year 2022/23										
			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	Actual Bad Debts Written Off against Debtors
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water		1200	658,096	99,488	172,637	120,448	151,291	102,423	723,583	2,881,347	4,909,313	3,979,092	4,007
Trade and Other Receivables from Exchange Transactions - Electricity		1300	449,180	54,310	59,725	34,538	35,525	38,366	243,868	1,724,817	2,640,328	2,077,114	1,637
Receivables from Non-exchange Transactions - Property Rates		1400	711,598	80,507	77,016	76,714	78,636	69,045	372,387	2,534,853	4,000,756	3,131,635	1,094
Receivables from Exchange Transactions - Waste Water Management		1500	146,589	16,299	32,978	23,595	27,319	21,022	136,503	550,604	954,908	759,042	1,257
Receivables from Exchange Transactions - Waste Management		1600	164,007	19,171	35,500	25,165	24,232	23,413	134,673	909,575	1,335,737	1,117,058	1,907
Receivables from Exchange Transactions - Property Rental Debtors		1700	11,037	1,238	2,557	2,775	4,312	395,617	153	115,504	533,193	518,361	2,424
Interest on Arrear Debtor Accounts		1810	349,590	71,615	132,213	91,929	87,770	73,471	447,270	3,260,633	4,514,491	3,961,073	2,179
Recoverable unauthorised, irregular, fruitless and wasteful expenditure		1820	-	-	-	-	-	-	-	-	-	-	-
Other		1900	(722,389)	(42,815)	111,828	(2,929)	12,723	33,813	389,330	1,625,299	1,404,860	2,058,236	369
Total By Income Source		2000	1,767,707	299,814	624,453	372,234	421,809	757,169	2,447,766	13,602,633	20,293,585	17,601,610	14,873
2021/22 - totals only			1,711,047	402,031	605,959	391,657	333,861	837,287	2,460,598	10,605,506	17,347,946	14,628,909	51,040
Debtors Age Analysis By Customer Group													
Organs of State		2200	57,886	24,371	8,282	6,445	(13,058)	1,978	41,516	290,761	418,183	327,643	-
Commercial		2300	575	36,424	126,053	75,894	91,891	77,081	501,827	2,965,774	3,875,518	3,712,466	12,447
Households		2400	1,465,848	206,632	403,472	278,813	318,645	244,742	1,611,682	8,084,410	12,614,244	10,538,292	24,458
Other		2500	243,398	32,387	86,646	11,081	24,330	433,369	292,741	2,261,687	3,385,640	3,023,209	(22,032)
Total By Customer Group		2600	1,767,707	299,814	624,453	372,234	421,809	757,169	2,447,766	13,602,633	20,293,585	17,601,610	14,873

Table SC3 indicates that the total debtors amount to R20,3 billion.

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

TSH City Of Tshwane - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June								
Description	NT Code	Budget Year 2022/23						Prior year
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	Total	totals for chart (same period)
R thousands								
Creditors Age Analysis By Customer Type								
Bulk Electricity	0100	–	1,651,000	–	–	–	1,651,000	838,715
Bulk Water	0200	–	865,193	–	–	–	865,193	296,139
PAYE deductions	0300	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–
Trade Creditors	0700	982,025	350,323	168,271	53,514	285,165	1,839,299	803,380
Auditor General	0800	–	–	–	–	12	12	4,045
Other	0900	–	–	–	–	–	–	–
Total By Customer Type	1000	982,025	2,866,517	168,271	53,514	285,177	4,355,504	1,942,279

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

TSH City Of Tshwane - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June								
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%	-	-	-
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%	348,837	(266,000)	82,837
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%	275,638	(218,000)	57,638
Standard Bank	On Call	Sinking Fund	On call	-	0.0%	-	-	-
Nedbank	On Call	Short Term	On call	-	0.0%	179,507	50,000	229,507
ABSA	On Call	Short Term	On call	-	0.0%	93,655	-	93,655
Standard Bank	On Call	Short Term	On call	1,024	7.8%	93,238	-	94,262
Municipality sub-total				2,849	-	1,281,721	(434,000)	850,570
Entities								
3441621.8		Call account	Call account	12	810.0%	3,442	12	3,465
Entities sub-total				12		3,442	12	3,465
TOTAL INVESTMENTS AND INTEREST				2,861		1,285,162	(433,988)	854,035

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

TSH City Of Tshwane - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	4,394,655	–	4,385,655	4,394,655	(9,000)	-0.2%
Local Government Equitable Share	3,088,576	3,551,250	3,551,250		3,551,250	3,551,250	–	
Fuel Levy	1,564,720	–					–	
Local Government Finance Management Grant	2,100	2,200	2,200		2,200	2,200	–	
Urban Settlement Development Grant	31,547	31,323	31,323		31,323	31,323	–	
Expanded Public Works Programme Incentive (EPWP)	19,031	15,496	15,496		15,496	15,496	–	
Public Transport Network Grant	423,380	483,981	563,235		563,235	563,235	–	
Programme and Project Preparation Support Grant	55,375	51,532	60,532		51,532	60,532	(9,000)	-14.9%
Municipal Disaster Recovery Grant							–	
Energy Efficiency and Demand Side Management	500	720	720		720	720	–	
Neighbourhood Development Partnership Grant (PEP)	141,185	140,000	140,215		140,215	140,215	–	
Informal Settlements Upgrading Partnership Grant		29,684	29,684		29,684	29,684	–	
Provincial Government:	146,630	189,858	181,110	–	157,280	181,110	(23,830)	-13.2%
Primary Health Care	58,845	61,258	61,258		61,258	61,258	–	
HIV and Aids Grant	24,392	25,612	25,612		25,612	25,612	–	
Human Settlement Development Grant (HSDG)		34,800	22,574		22,574	22,574	–	
Libraries Plan	7,522	7,188	10,666		10,666	10,666	–	
Mamelodi Bus Operations Subsidy	55,871	61,000	61,000		37,170	61,000	(23,830)	-39.1%
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 applies over 3 years)	2,000	–	–		–	–	–	
Total Operating Transfers and Grants	5,475,044	4,496,044	4,575,765	–	4,542,935	4,575,765	(32,830)	-0.7%
Capital Transfers and Grants								
National Government:	1,854,819	1,864,984	1,789,295	–	1,785,515	1,789,295	(3,780)	-0.2%
Urban Settlement Development Grant	1,020,010	1,012,788	1,012,788		1,012,788	1,012,788	–	
Public Transport Network Grant	252,082	269,700	190,446		190,446	190,446	–	
Integrated National Electrification Programme		–					–	
Neighbourhood Development Partnership Grant	17,926	10,215	13,780		10,000	13,780	(3,780)	-27.4%
Energy Efficiency and Demand Side Management	4,500	8,280	8,280		8,280	8,280	–	
Integrated City Development Grant		–					–	
Informal Settlements Upgrading Partnership Grant	560,301	564,001	564,001		564,001	564,001	–	
Provincial Government:	12,727	14,562	11,084	–	11,084	11,084	–	
Recapitalisation of Community Libraries Grant	12,727	14,562	11,084		11,084	11,084	–	
Gautrans							–	
Social Infrastructure Grant							–	
HCT - SHRA							–	
District Municipality:	–	–	–	–	–	–	–	
<i>[insert description]</i>							–	
Other grant providers:	97,294	195,000	324,693	–	72,618	324,693	(252,076)	-77.6%
LG SETA Discretionary grant (93 applies over 3 years)	1,089	–	–		–	–	–	0.0%
RCG-SHRA	96,205	195,000	324,693	–	72,618	324,693	(252,076)	
DBSA - Installation of Bulkwater (Water pilot study)	–	–	–	–	–	–	–	0.0%
Total Capital Transfers and Grants	1,964,840	2,074,545	2,125,071	–	1,869,216	2,125,071	(255,856)	-12.0%
TOTAL RECEIPTS OF TRANSFERS & GRANTS	7,439,885	6,570,590	6,700,837	–	6,412,151	6,700,837	(288,686)	-4.3%

The total adjusted budget is R6,7 billion, with R6,4 billion received during the period. A variance of R288,7 million is reflected, mainly due to outstanding transfers on the Restructuring Capital Grant from the Social Housing Regulatory Authority.

(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 - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands								%
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	5,217,785	4,306,186	4,394,655	58,414	4,148,191	4,394,655	(246,464)	-5.6%
Local Government Equitable Share	3,088,576	3,551,250	3,551,250		3,551,250	3,551,250	–	
Fuel Levy	1,564,720	–	–				–	
Local Government Finance Management Grant	2,006	2,200	2,200	73	1,777	2,200	(423)	
Urban Settlement Development Grant	31,547	31,323	31,323		31,323	31,323	–	
Expanded Public Works Programme Incentive (EPWP)	19,031	15,496	15,496		15,496	15,496	–	
Public Transport Network Grant	414,712	483,981	563,235	16,126	348,000	563,235	(215,235)	
Programme and Project Preparation Support Grant	49,967	51,532	60,532	16,955	37,323	60,532	(23,209)	
Energy Efficiency and Demand Side Management	176	720	720		78	720	(642)	
Neighbourhood Development Partnership Grant (PEP)	47,050	140,000	140,215	22,862	135,826	140,215	(4,389)	-3.1%
Informal Settlements Upgrading Partnership Grant		29,684	29,684	2,398	27,119	29,684	(2,565)	-8.6%
Provincial Government:	169,370	189,858	181,110	9,426	144,398	181,110	(36,712)	-20.3%
Primary Health Care	58,845	61,258	61,258		61,258	61,258	–	
HIV and Aids Grant	24,392	25,612	25,612		25,612	25,612	(0)	0.0%
Human Settlement Development Grant (HSDG)	19,370	34,800	22,574	1,763	4,564	22,574	(18,010)	-79.8%
Libraries Plan	8,133	7,188	10,666	3,531	9,230	10,666	(1,436)	-13.5%
Mamelodi Bus Operations Subsidy	58,631	61,000	61,000	4,133	43,734	61,000	(17,266)	-28.3%
District Municipality:	–	–	–	–	–	–	–	–
[insert description]							–	
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	4,575,765	67,840	4,292,589	4,575,765	(283,176)	-6.2%
Capital expenditure of Transfers and Grants								
National Government:	1,779,004	1,864,984	1,789,295	517,030	1,489,235	1,789,295	(300,060)	-16.8%
Urban Settlement Development Grant	1,017,758	1,012,788	1,012,788	297,753	851,626	1,012,788	(161,162)	-15.9%
Public Transport Network Grant	208,428	269,700	190,446	49,566	161,539	190,446	(28,907)	-15.2%
Integrated National Electrification Programme		–	–				–	
Neighbourhood Development Partnership Grant	17,926	10,215	13,780	8,519	13,426	13,780	(354)	-2.6%
Finance Management Grant		–	–				–	
Energy Efficiency and Demand Side Management	4,490	8,280	8,280	2,785	8,277	8,280	(3)	0.0%
Integrated City Development Grant		–	–				–	
Informal Settlements Upgrading Partnership Grant	530,402	564,001	564,001	158,408	454,366	564,001	(109,635)	-19.4%
Provincial Government:	12,408	14,562	11,084	1,962	10,877	11,084	(206)	-54.0%
Recapitalisation of Community Libraries Grant	12,408	14,562	11,084	1,962	10,877	11,084	(206)	-1.9%
Social Infrastructure Grant							–	
HCT - SHRA							–	
District Municipality:	–	–	–	–	–	–	–	–
[insert description]							–	
Other grant providers:	105,411	195,000	324,693	20,379	124,535	324,693	(200,158)	-61.6%
LG SETA Discretionary grant (93 applies over 3 years)	9,206	–	–				–	
RCG-SHRA	96,205	195,000	324,693	20,379	124,535	324,693	(200,158)	-61.6%
Total capital expenditure of Transfers and Grants	1,896,823	2,074,545	2,125,071	539,371	1,624,647	2,125,071	(500,425)	-23.5%
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	7,285,978	6,570,590	6,700,837	607,211	5,917,235	6,700,837	(783,601)	-11.7%

Table SC7(1) shows the expenditure incurred for each allocation during the reporting period. The actual expenditure incurred was R5,9 billion, and a variance of R783,6 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 - M12 June					
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:	43,356	-	-	43,356	100.0%
Primary Health Care				-	
Libraries Plan				-	
TRT Bus Operations Subsidy				-	
Human Settlement Development Grant	43,356			43,356	100.0%
District Municipality:	-	-	-	-	
				-	
Other grant providers:	-	-	-	-	
DBSA				-	
Total operating expenditure of Approved Roll-overs	43,356	-	-	43,356	100.0%
<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:	2,059	-	2,059	-	
Recapitalisation of Community Libraries Grant	2,059	-	2,059	-	
				-	
District Municipality:	-	-	-	-	
				-	
Other grant providers:	-	-	-	-	
				-	
Total capital expenditure of Approved Roll-overs	2,059	-	2,059	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	45,416	-	2,059	43,356	95.5%

A total of R2 million was spent on the recapitalisation of the community libraries grant.

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

TSH City Of Tshwane - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June								
Summary of Employee and Councillor remuneration	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands								%
A	B	C						
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	129,577	115,175	108,210	10,951	131,913	108,210	23,703	22%
Pension and UIF Contributions	—	4,564	4,278	—	—	4,278	(4,278)	-100%
Medical Aid Contributions	—	4,509	4,235	—	—	4,235	(4,235)	-100%
Motor Vehicle Allowance	—	33,059	30,988	—	—	30,988	(30,988)	-100%
Cellphone Allowance	—	6,555	6,153	—	—	6,153	(6,153)	-100%
Housing Allowances	—	—	—	—	—	—	—	—
Other benefits and allowances	—	—	—	—	—	—	—	—
Sub Total - Councillors	129,577	163,863	153,863	10,951	131,913	153,863	(21,950)	-14%
% Increase		26.5%	18.7%					
Senior Managers of the Municipality								
Basic Salaries and Wages	16,530	20,508	20,418	271	6,679	20,418	(13,739)	-67%
Pension and UIF Contributions	13	245	245	0	5	245	(240)	-98%
Medical Aid Contributions	—	62	62	—	—	62	(62)	-100%
Overtime	—	—	—	—	—	—	—	—
Performance Bonus	—	—	—	—	—	—	—	—
Motor Vehicle Allowance	—	—	—	—	—	—	—	—
Cellphone Allowance	153	240	240	2	53	240	(187)	-78%
Housing Allowances	—	—	—	—	—	—	—	—
Other benefits and allowances	446	2,726	2,764	3	227	2,764	(2,537)	-92%
Payments in lieu of leave	2,957	925	925	26	(406)	925	(1,331)	-144%
Long service awards	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality	20,100	24,706	24,654	302	6,559	24,654	(18,095)	-73%
% Increase		22.9%	22.7%					
Other Municipal Staff								
Basic Salaries and Wages	7,699,144	7,572,543	7,505,567	623,154	7,616,539	7,505,567	110,972	1%
Pension and UIF Contributions	1,445,660	1,471,995	1,485,272	123,457	1,490,523	1,485,272	5,251	0%
Medical Aid Contributions	675,158	640,190	642,299	58,470	690,788	642,299	48,489	8%
Overtime	526,980	968,735	965,612	54,051	578,077	965,612	(387,534)	-40%
Performance Bonus	539	574,404	579,141	126	598	579,141	(578,544)	-100%
Motor Vehicle Allowance	310,317	337,370	341,699	24,949	303,885	341,699	(37,814)	-11%
Cellphone Allowance	16,507	18,815	19,184	1,376	16,575	19,184	(2,609)	-14%
Housing Allowances	59,581	58,907	61,099	5,367	63,905	61,099	2,805	5%
Other benefits and allowances	558,964	251,056	262,433	73,444	882,282	262,433	619,849	236%
Payments in lieu of leave	192,469	342,382	353,343	39,932	(209,454)	353,343	(562,797)	-159%
Long service awards	2,455	3,160	3,126	141	1,941	3,126	(1,185)	-38%
Post-retirement benefit obligations	—	271,974	301,359	—	—	301,359	(301,359)	-100%
Sub Total - Other Municipal Staff	11,487,773	12,511,530	12,520,136	1,004,468	11,435,660	12,520,136	(1,084,476)	-9%
% Increase		8.9%	9.0%					
Total Parent Municipality	11,637,450	12,700,099	12,698,653	1,015,721	11,574,131	12,698,653	(1,124,522)	-9%
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	5,118	736	4,466	5,118	(651)	-13%
Payments in lieu of leave	—	—	—	—	—	—	—	—
Long service awards	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—	—
Sub Total - Board Members of Entities	5,164	6,386	5,118	736	4,466	5,118	(651)	-13%
Senior Managers of Entities								
Basic Salaries and Wages	15,823	15,281	14,391	3,206	15,609	14,419	1,189	8%
Pension and UIF Contributions	968	1,632	1,420	149	1,412	1,332	80	6%
Medical Aid Contributions	127	334	272	17	178	272	(95)	-35%
Overtime	—	—	—	—	—	—	—	—
Performance Bonus	—	389	270	—	—	554	(554)	-100%
Motor Vehicle Allowance	717	838	751	63	1,282	990	292	29%
Cellphone Allowance	235	438	428	96	197	204	(7)	-3%
Housing Allowances	20	—	—	2	135	—	135	—
Other benefits and allowances	—	238	238	14	—	1,479	(1,479)	-100%
Payments in lieu of leave	—	1,479	1,479	—	219	—	219	—
Long service awards	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Entities	17,890	20,630	19,251	3,547	19,031	19,251	(220)	-1%
% Increase		15.3%	7.6%					
Other Staff of Entities								
Basic Salaries and Wages	50,139	56,734	56,669	3,927	51,336	56,669	(5,333)	-9%
Pension and UIF Contributions	3,904	5,225	4,996	415	4,845	4,996	(151)	-3%
Medical Aid Contributions	1,889	2,423	2,361	181	2,071	2,361	(290)	-12%
Overtime	541	1,500	1,997	196	2,437	1,997	440	22%
Performance Bonus	—	1,815	1,423	—	—	1,423	(1,423)	—
Motor Vehicle Allowance	—	—	—	—	10	—	10	—
Cellphone Allowance	378	452	458	50	451	458	(6)	-1%
Housing Allowances	64	1,250	266	9	99	266	(167)	-63%
Other benefits and allowances	—	633	633	34	374	633	(260)	-41%
Payments in lieu of leave	—	—	—	—	—	—	—	—
Long service awards	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—	—
Sub Total - Other Staff of Entities	56,915	70,033	68,804	4,812	61,624	68,804	(7,180)	-10%
% Increase		23.0%	20.9%					
Total Municipal Entities	79,969	97,049	93,172	9,095	85,121	93,172	(8,051)	-9%
TOTAL SALARY, ALLOWANCES & BENEFITS	11,717,419	12,797,148	12,791,825	1,024,816	11,659,252	12,791,825	(1,132,573)	-9%
% Increase		9.2%	9.2%					
TOTAL MANAGERS AND STAFF	11,587,842	12,633,285	12,632,844	1,013,864	11,527,340	12,632,844	(1,110,622)	-9%

(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) - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands								%
Revenue By Source								
Property rates	8,574,855	9,102,662	9,101,842	754,249	9,045,904	9,101,842	(55,939)	-1%
Service charges - electricity revenue	13,345,122	15,697,113	15,677,660	1,081,258	13,371,532	15,670,148	(2,298,616)	-15%
Service charges - water revenue	4,958,680	5,554,721	5,445,662	404,894	5,172,962	5,453,175	(280,213)	-5%
Service charges - sanitation revenue	1,448,161	1,502,943	1,612,221	118,778	1,553,054	1,612,221	(59,167)	-4%
Service charges - refuse revenue	1,584,431	1,727,398	1,775,382	160,916	1,787,831	1,775,382	12,448	1%
Rental of facilities and equipment	134,996	114,052	114,052	23,800	130,089	114,052	16,038	14%
Interest earned - external investments	158,238	51,616	65,260	20,392	120,368	65,260	55,107	84%
Interest earned - outstanding debtors	724,104	839,210	890,585	120,385	1,254,983	890,585	364,398	41%
Dividends received	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	85,915	274,803	178,836	23,423	171,863	228,836	(56,973)	-25%
Licences and permits	41,245	54,534	44,728	7,849	45,135	44,728	406	1%
Agency services	-	-	-	-	-	-	-	-
Transfers and subsidies	5,387,168	4,496,044	4,619,121	75,621	4,279,235	4,619,121	(339,886)	-7%
Other revenue	1,220,552	2,663,285	2,663,285	148,491	2,806,466	2,663,285	143,181	5%
Gains	27,446	-	-	813	6,585	-	6,585	-
Total Revenue (excluding capital transfers and contributions)	37,690,913	42,078,382	42,188,635	2,940,870	39,746,005	42,238,635	(2,492,630)	-6%
Expenditure By Type								
Employee related costs	11,513,865	12,536,236	12,544,790	1,005,505	11,446,685	12,544,770	(1,098,085)	-9%
Remuneration of councillors	129,577	163,863	153,863	10,951	131,913	153,863	(21,950)	-14%
Debt impairment	2,601,809	2,305,357	2,305,357	192,113	2,305,357	2,305,357	(0)	0%
Depreciation & asset impairment	2,909,024	2,623,015	2,623,015	215,150	2,650,887	2,623,015	27,872	1%
Finance charges	3,267,450	1,507,813	1,476,762	432,895	1,356,336	1,476,762	(120,425)	-8%
Bulk purchases - electricity	11,376,780	12,121,755	12,121,755	1,422,192	11,415,168	12,121,755	(706,587)	-7%
Inventory consumed	3,755,440	4,326,552	4,258,095	434,299	3,957,237	4,277,042	(319,805)	-5%
Contracted services	4,114,721	4,307,123	4,554,381	734,027	4,353,688	4,603,013	(249,326)	-5%
Transfers and subsidies	102,761	135,860	129,042	1,554	100,724	129,042	(28,318)	-22%
Other expenditure	1,716,867	2,048,016	2,014,293	197,029	1,791,435	1,996,734	(205,299)	-10%
Losses	232,873	-	193	(4,356)	145,612	193	145,419	-
Total Expenditure	41,721,166	42,075,589	42,181,545	4,641,359	39,655,041	42,231,545	(2,576,504)	-6%
Surplus/(Deficit)	(4,030,253)	2,793	7,090	(1,700,489)	90,964	7,090	83,874	1183%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,791,411	1,879,546	1,802,438	515,407	1,500,090	1,802,438	(302,347)	-17%
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	1,809,527	(1,185,082)	1,591,054	1,809,527	(218,473)	-12%
Taxation	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(2,229,636)	1,882,339	1,809,527	(1,185,082)	1,591,054	1,809,527	(218,473)	-12%

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

TSH City Of Tshwane - Supporting Table SC11 Monthly Budget Statement - summary of municipal entities - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	90,553	1,495	50,192	90,553	(40,361)	-45%
Tshwane Economic Development Agency	60,618	63,553	63,203	196	63,120	63,203	(84)	0%
Total Operating Revenue	105,424	171,260	153,757	1,691	113,312	153,757	(40,445)	-26%
<u>Expenditure By Municipal Entity</u>								
Housing Company Tshwane	59,865	107,707	75,105	8,542	67,511	75,105	(7,593)	-10%
Tshwane Economic Development Agency	54,826	63,038	62,688	7,487	62,709	62,688	20	0%
Total Operating Expenditure	114,691	170,745	137,793	16,029	130,220	137,793	(7,573)	-5%
Surplus/ (Deficit) for the yr/period	(8,540)	515	15,964	(14,338)	(16,908)	15,964	(32,872)	-206%
<u>Capital Expenditure By Municipal Entity</u>								
Housing Company Tshwane	248,368	233,970	364,211	5,870	127,128	364,211	(237,083)	-161%
Tshwane Economic Development Agency	237	452	452	177	448	452	(4)	-1%
Total Capital Expenditure	248,605	234,421	364,663	6,047	127,576	364,663	(237,087)	-65%

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

TSH City Of Tshwane - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M12 June									
Month	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Adjusted Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July	109,119	124,523	26,997	26,997	26,997	26,997	(0)	0.0%	1.0%
August	(28,934)	198,525	78,491	78,491	105,487	105,487	0	0.0%	3.8%
September	250,105	273,332	121,987	121,987	227,474	227,474	–		8.1%
October	315,167	239,360	142,218	142,218	369,692	369,692	–		13.2%
November	225,636	220,645	210,124	210,124	579,816	579,816	(0)	0.0%	20.8%
December	222,797	230,311	169,653	169,653	749,469	749,469	(0)	0.0%	26.8%
January	49,549	190,791	109,691	54,964	804,433	859,160	54,727	6.4%	28.8%
February	161,738	208,230	203,812	136,462	940,895	1,062,972	122,076	11.5%	33.7%
March	191,978	240,017	308,478	110,531	1,051,426	1,371,450	320,024	23.3%	37.3%
April	206,583	236,908	332,489	86,833	1,138,259	1,703,939	565,679	33.2%	40.4%
May	284,711	295,206	359,612	238,082	1,376,341	2,063,551	687,209	33.3%	48.9%
June	654,266	335,257	752,639	801,058	2,177,400	2,816,190	638,790	22.7%	77.3%
Total Capital expenditure	2,642,715	2,793,105	2,816,190	2,177,400					

(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 - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	1,263,213	361,363	973,942	1,245,585	271,642	21.8%
Roads Infrastructure	398,889	437,643	500,408	170,396	366,508	500,408	133,901	26.8%
Roads	332,189	339,428	431,397	160,027	321,955	431,397	109,443	25.4%
Road Structures	59,618	79,715	65,211	9,985	43,763	65,211	21,448	32.9%
Road Furniture	7,082	18,500	3,800	384	790	3,800	3,010	79.2%
Storm water Infrastructure	80,632	8,700	7,026	–	6,774	7,026	252	
Storm water Conveyance	80,632	8,700	7,026	–	6,774	7,026	252	
Electrical Infrastructure	242,286	303,279	366,295	124,941	314,786	348,666	33,880	9.7%
Power Plants	–	4,000	200	–	–	200	200	100.0%
HV Substations	14,470	61,000	44,000	–	12,848	36,000	23,152	64.3%
HV Transmission Conductors	–	10,000	2,000	–	–	–	–	
MV Substations	35,849	33,000	36,500	13,863	34,895	33,500	(1,395)	-4.2%
MV Networks	98,287	100,200	154,416	79,566	163,350	171,066	7,716	4.5%
LV Networks	93,680	95,079	129,179	31,513	103,694	107,900	4,206	3.9%
Water Supply Infrastructure	233,223	311,724	194,352	27,757	142,782	191,992	49,210	25.6%
Reservoirs	50,028	68,497	33,481	14,198	23,715	33,481	9,765	29.2%
Pump Stations	–	1,500	1,500	–	–	–	–	
Water Treatment Works	–	1,000	8,800	857	857	8,800	7,943	90.3%
Bulk Mains	16,770	33,000	7,861	–	293	2,000	1,707	85.3%
Distribution	76,690	117,727	52,711	10,159	32,123	57,711	25,589	44.3%
Distribution Points	89,735	90,000	90,000	2,543	85,793	90,000	4,207	4.7%
Sanitation Infrastructure	184,020	229,546	178,432	29,843	130,667	180,793	50,125	27.7%
Pump Station	–	18,000	31,150	14,000	27,202	32,650	5,448	16.7%
Reticulation	178,662	192,351	146,032	15,843	103,465	146,893	43,427	29.6%
Waste Water Treatment Works	–	4,000	250	–	–	250	250	100.0%
Outfall Sewers	5,358	15,195	1,000	–	–	1,000	1,000	100.0%
Solid Waste Infrastructure	8,695	5,000	5,000	–	4,000	5,000	1,000	20.0%
Capital Spares	8,695	5,000	5,000	–	4,000	5,000	1,000	20.0%
Information and Communication Infrastructure	1,960	11,700	11,700	8,425	8,425	11,700	3,275	28.0%
Data Centres	–	10,000	10,000	8,425	8,425	10,000	1,575	15.7%
Distribution Layers	1,960	1,700	1,700	–	–	1,700	1,700	100.0%
Community Assets	30,179	77,262	56,843	11,499	34,285	56,843	22,558	39.7%
Community Facilities	30,179	77,262	56,843	11,499	34,285	56,843	22,558	39.7%
Clinics/Care Centres	14,596	49,000	30,000	1,481	9,310	30,000	20,690	69.0%
Fire/Ambulance Stations	3,176	–	–	–	–	–	–	
Libraries	12,408	14,562	13,143	1,962	12,937	13,143	206	1.6%
Police	–	10,000	10,000	5,666	9,648	10,000	352	3.5%
Markets	–	3,700	3,700	2,390	2,390	3,700	1,310	35.4%
Investment properties	30,435	25,000	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	
Improved Property	–	–	–	–	–	–	–	
Unimproved Property	–	–	–	–	–	–	–	
Non-revenue Generating	30,435	25,000	–	–	–	–	–	
Improved Property	30,435	25,000	–	–	–	–	–	
Unimproved Property	–	–	–	–	–	–	–	
Other assets	271,172	235,018	364,011	5,870	126,608	364,011	237,403	65.2%
Operational Buildings	5,848	–	–	–	–	–	–	
Municipal Offices	5,848	–	–	–	–	–	–	
Housing	265,324	235,018	364,011	5,870	126,608	364,011	237,403	65.2%
Social Housing	265,324	235,018	364,011	5,870	126,608	364,011	237,403	65.2%
Intangible Assets	8,951	–	–	–	–	–	–	–
Licences and Rights	8,951	–	–	–	–	–	–	
Computer Software and Applications	8,951	–	–	–	–	–	–	
Computer Equipment	9,758	20,200	21,100	14,091	19,091	22,100	3,009	13.6%
Computer Equipment	9,758	20,200	21,100	14,091	19,091	22,100	3,009	13.6%
Furniture and Office Equipment	880	1,604	1,952	177	1,729	1,952	223	11.4%
Furniture and Office Equipment	880	1,604	1,952	177	1,729	1,952	223	11.4%
Machinery and Equipment	45,379	23,317	27,717	9,844	26,480	27,717	1,238	4.5%
Machinery and Equipment	45,379	23,317	27,717	9,844	26,480	27,717	1,238	4.5%
Transport Assets	9,729	–	–	–	–	–	–	–
Transport Assets	9,729	–	–	–	–	–	–	
Land	–	5,000	20,061	–	–	20,061	20,061	100.0%
Land	–	5,000	20,061	–	–	20,061	20,061	100.0%
Total Capital Expenditure on new assets	1,556,187	1,694,993	1,754,898	402,845	1,182,135	1,738,269	556,134	32.0%

(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 - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	365,118	144,705	332,740	360,468	27,728	7.7%
Roads Infrastructure	255,850	44,592	17,338	681	10,174	17,338	7,164	41.3%
Roads	254,345	44,592	17,338	681	10,174	17,338	7,164	41.3%
Road Structures	1,504	-	-	-	-	-	-	-
Electrical Infrastructure	44,262	144,202	143,702	74,497	137,745	139,052	1,306	0.9%
HV Substations	-	75,000	44,000	31,451	39,990	40,000	10	0.0%
MV Networks	2,519	7,500	7,500	3,993	6,981	7,850	869	11.1%
LV Networks	41,743	59,202	88,202	31,870	83,188	83,202	13	0.0%
Capital Spares	-	2,500	4,000	7,184	7,586	8,000	414	5.2%
Water Supply Infrastructure	169,519	134,100	172,278	56,732	155,353	172,278	16,925	9.8%
Reservoirs	2,861	4,000	4,000	149	1,489	4,000	2,511	62.8%
Water Treatment Works	67,997	36,100	65,500	17,504	62,902	65,500	2,598	4.0%
Bulk Mains	-	13,000	15,700	6,592	15,591	15,700	109	0.7%
Distribution	98,662	77,000	77,078	22,491	65,375	77,078	11,703	15.2%
Sanitation Infrastructure	15,902	17,000	31,800	12,795	29,467	31,800	2,333	7.3%
Reticulation	12,927	13,000	27,800	12,795	26,742	27,800	1,058	3.8%
Waste Water Treatment Works	2,975	4,000	4,000	-	2,725	4,000	1,275	31.9%
Information and Communication Infrastructure	3,235	-	-	-	-	-	-	-
Data Centres	3,235	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-
Community Assets	1,957	7,000	7,000	-	7,000	7,000	0	0.0%
Community Facilities	1,957	7,000	7,000	-	7,000	7,000	0	0.0%
Cemeteries/Crematoria	611	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-
Other assets	14,835	15,300	11,057	5,606	10,351	11,057	706	6.4%
Operational Buildings	14,835	15,300	11,057	5,606	10,351	11,057	706	6.4%
Training Centres	6,997	1,000	2,200	-	-	2,200	2,200	100.0%
Depots	7,838	14,300	8,857	5,606	10,351	8,857	(1,494)	-16.9%
Intangible Assets	125,034	15,000	15,000	12,718	12,718	15,000	2,282	15.2%
Servitudes	-	-	-	-	-	-	-	-
Licences and Rights	125,034	15,000	15,000	12,718	12,718	15,000	2,282	15.2%
Computer Software and Applications	125,034	15,000	15,000	12,718	12,718	15,000	2,282	15.2%
Computer Equipment	20,375	8,000	8,000	12,479	15,424	16,000	576	3.6%
Computer Equipment	20,375	8,000	8,000	12,479	15,424	16,000	576	3.6%
Machinery and Equipment	2,300	15,000	15,000	2,782	6,133	15,000	8,867	59.1%
Machinery and Equipment	2,300	15,000	15,000	2,782	6,133	15,000	8,867	59.1%
Transport Assets	(15)	100,000	106,000	42,248	105,952	106,000	48	
Transport Assets	(15)	100,000	106,000	42,248	105,952	106,000	48	
Total Capital Expenditure on renewal of existing assets	653,254	500,194	527,175	220,536	490,317	530,525	40,208	7.6%

(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 - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	792,308	180,071	762,774	821,332	58,558	7.1%
Roads Infrastructure	119,635	108,778	101,502	17,785	85,053	98,759	13,705	13.9%
Roads	84,258	82,917	73,229	14,599	70,707	76,378	5,671	7.4%
Road Structures	4,569	47	34	17	40	42	1	
Road Furniture	30,808	25,815	28,239	3,169	14,306	22,339	8,033	36.0%
Storm water Infrastructure	17,918	18,398	15,458	9,260	16,963	18,352	1,389	7.6%
Drainage Collection	9,445	9,532	8,070	4,891	8,946	9,625	679	7.1%
Storm water Conveyance	8,473	8,866	7,388	4,369	8,018	8,728	710	8.1%
Electrical Infrastructure	421,563	348,779	349,159	74,537	357,305	374,297	16,992	4.5%
Power Plants	24,022	25,379	16,859	4,602	14,016	15,810	1,794	11.3%
HV Substations	5,843	12,140	12,140	2,816	11,663	12,140	477	
HV Switching Station	4,075	4,637	4,637	637	4,464	4,637	173	3.7%
HV Transmission Conductors	313	452	452	—	447	452	4	
MV Substations	80,342	52,924	69,443	8,203	59,827	60,865	1,038	1.7%
MV Switching Stations	13,513	11,942	10,801	1,057	10,350	10,673	323	3.0%
MV Networks	117,783	126,436	135,852	40,717	162,232	171,348	9,116	5.3%
LV Networks	175,672	114,868	98,974	16,505	94,306	98,373	4,067	4.1%
Water Supply Infrastructure	137,869	184,053	176,053	40,545	155,431	172,473	17,042	9.9%
Reservoirs	10,477	11,511	11,511	5,026	10,561	11,511	950	8.3%
Water Treatment Works	13,175	14,161	14,161	6,669	14,143	15,005	862	5.7%
Bulk Mains	8,869	9,740	9,740	5,878	12,670	13,215	545	4.1%
Distribution	105,348	148,641	140,641	22,972	118,056	132,741	14,685	11.1%
Sanitation Infrastructure	112,470	137,113	139,114	36,611	141,023	147,198	6,175	4.2%
Pump Station	6,378	12,819	12,819	10,622	17,698	19,216	1,518	7.9%
Reticulation	28,965	36,768	32,023	6,251	30,771	32,598	1,827	5.6%
Waste Water Treatment Works	70,348	78,007	86,007	17,161	83,647	86,007	2,360	2.7%
Outfall Sewers	6,780	9,520	8,266	2,577	8,908	9,377	469	5.0%
Solid Waste Infrastructure	4,018	9,354	9,354	1,153	6,393	8,586	2,193	25.5%
Landfill Sites	4,018	7,534	7,534	1,153	6,393	6,766	373	5.5%
Waste Transfer Stations	—	596	596	—	—	596	596	100.0%
Waste Drop-off Points	—	1,202	1,202	—	—	1,202	1,202	100.0%
Waste Separation Facilities	—	22	22	—	—	22	22	100.0%
Rail Infrastructure	765	2,000	1,651	181	605	1,651	1,046	63.4%
Rail Lines	765	2,000	1,651	181	605	1,651	1,046	63.4%
Information and Communication Infrastructure	1,446	17	17	—	—	17	17	100.0%
Distribution Layers	1,446	17	17	—	—	17	17	100.0%
Community Assets	99,334	129,999	129,967	40,887	118,737	129,452	10,715	8.3%
Community Facilities	86,804	99,199	100,199	26,341	91,924	100,892	8,968	8.9%
Halls	—	232	232	—	20	232	212	91.3%
Centres	22	469	419	253	280	419	139	33.2%
Clinics/Care Centres	8,812	9,941	11,241	5,526	12,088	12,241	153	1.2%
Fire/Ambulance Stations	2,971	4,178	4,171	1,450	4,482	4,615	123	2.7%
Museums	12	92	92	2	78	92	14	15.6%
Galleries	24	87	87	—	53	87	34	39.0%
Libraries	5,022	4,196	5,752	1,938	4,151	5,340	1,190	22.3%
Cemeteries/Crematoria	9,135	7,293	7,557	2,436	6,646	7,402	757	10.2%
Police	2,987	3,008	3,008	671	2,907	3,008	102	3.4%
Purts	30,412	41,241	38,676	7,842	35,571	38,694	3,123	8.1%
Public Open Space	19,138	17,780	17,678	3,255	16,519	17,982	1,463	8.1%
Nature Reserves	3,678	5,638	5,658	1,156	3,673	5,150	1,478	28.7%
Markets	4,589	5,044	5,627	1,811	5,446	5,627	181	3.2%
Sport and Recreation Facilities	12,530	30,799	29,768	14,546	26,813	28,560	1,747	6.1%
Indoor Facilities	1,227	191	191	—	—	1	1	100.0%
Outdoor Facilities	11,303	30,608	29,577	14,546	26,813	28,559	1,746	6.1%
Heritage assets	46	120	120	—	15	120	105	87.3%
Historic Buildings	46	120	120	—	15	120	105	87.3%
Investment properties	20,196	17,395	18,924	6,292	18,936	25,994	7,057	27.1%
Revenue Generating	15,852	17,395	18,924	5,262	17,359	23,793	6,435	27.0%
Improved Property	744	—	44	11	844	913	69	7.5%
Unimproved Property	15,107	17,395	18,880	5,250	16,514	22,880	6,366	27.8%
Non-revenue Generating	4,344	—	—	1,030	1,578	2,200	623	28.3%
Improved Property	—	—	—	—	—	—	—	
Unimproved Property	4,344	—	—	1,030	1,578	2,200	623	28.3%
Other assets	74,943	109,481	94,485	16,693	75,484	86,385	10,901	12.6%
Operational Buildings	73,030	100,395	89,919	14,923	73,673	83,718	10,045	12.0%
Municipal Offices	52,604	73,646	66,270	7,978	50,572	59,126	8,554	14.5%
Pay/Enquiry Points	5	373	373	86	340	373	34	9.0%
Yards	611	254	254	2,010	2,080	2,604	523	20.1%
Training Centres	25	1	11	1	43	11	(31)	-271.7%
Manufacturing Plant	297	5,326	5,326	1,140	5,222	5,336	115	2.1%
Depots	19,489	20,795	17,684	3,708	15,417	16,268	851	5.2%
Housing	1,912	9,086	4,566	1,770	1,811	2,667	856	32.1%
Social Housing	1,912	9,086	4,566	1,770	1,811	2,667	856	32.1%
Intangible Assets	65,991	55,607	55,607	143	54,254	55,607	1,354	2.4%
Servitudes	—	—	—	—	—	—	—	
Licences and Rights	65,991	55,607	55,607	143	54,254	55,607	1,354	2.4%
Computer Software and Applications	65,991	55,607	55,607	143	54,254	55,607	1,354	
Computer Equipment	43,224	43,804	42,304	19,990	40,106	41,417	1,311	3.2%
Computer Equipment	43,224	43,804	42,304	19,990	40,106	41,417	1,311	
Furniture and Office Equipment	137	449	415	—	39	415	376	90.5%
Furniture and Office Equipment	137	449	415	—	39	415	376	
Machinery and Equipment	41,772	82,534	66,855	13,240	48,692	60,156	11,464	19.1%
Machinery and Equipment	41,772	82,534	66,855	13,240	48,692	60,156	11,464	
Transport Assets	106,433	137,985	137,541	18,111	130,066	140,339	10,273	7.3%
Transport Assets	106,433	137,985	137,541	18,111	130,066	140,339	10,273	
Total Repairs and Maintenance Expenditure	1,267,760	1,385,865	1,338,527	295,427	1,249,103	1,361,216	112,113	8.2%

(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 - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands								
Depreciation by Asset Class/Sub-class								
Infrastructure	1,933,039	1,382,090	969,122	157,925	1,934,576	969,122	(965,453)	-99.6%
Roads Infrastructure	889,872	461,897	335,664	71,436	892,197	335,664	(556,533)	-165.8%
Roads	783,898	369,572	265,864	61,252	770,597	265,864	(504,733)	-189.8%
Road Structures	19,184	8,974	5,977	1,441	17,659	5,977	(11,682)	-195.4%
Road Furniture	86,790	83,351	63,822	8,744	103,941	63,822	(40,119)	-62.9%
Storm water Infrastructure	287,766	97,423	59,763	23,623	290,031	59,763	(230,268)	-385.3%
Drainage Collection	284,549	94,533	57,833	23,359	286,611	57,833	(228,778)	-395.6%
Storm water Conveyance	3,196	2,890	1,931	280	3,411	1,931	(1,480)	-76.7%
Attenuation	20	—	—	—	9	—	(9)	—
Electrical Infrastructure	371,418	324,271	236,150	31,053	351,936	236,150	(115,785)	-49.0%
Power Plants	44,090	5,548	5,238	3,609	43,903	5,238	(38,665)	-738.2%
HV Substations	83,879	84,258	66,951	10,055	64,992	66,951	1,959	2.9%
HV Switching Station	68	—	—	—	246	—	(165)	—
HV Transmission Conductors	11,030	27,421	16,276	903	10,984	16,276	5,292	32.5%
MV Substations	26,606	15,963	15,204	877	26,039	15,204	(10,835)	-71.3%
MV Switching Stations	(0)	3,329	752	—	—	752	752	100.0%
MV Networks	79,128	49,286	58,965	7,003	80,652	58,965	(21,686)	-36.8%
LV Networks	126,616	138,466	72,764	8,512	125,211	72,764	(52,447)	-72.1%
Water Supply Infrastructure	204,057	186,818	146,448	13,261	200,926	146,448	(54,479)	-37.2%
Dams and Weirs	4,772	528	382	392	4,772	382	(4,390)	-1149.6%
Boreholes	297	—	—	—	—	—	—	—
Reservoirs	21,968	21,893	21,729	1,804	21,950	21,729	(221)	-1.0%
Pump Stations	4,491	8,810	5,818	369	4,489	5,818	1,329	22.8%
Water Treatment Works	41,384	24,925	17,914	3,401	41,379	17,914	(23,465)	-131.0%
Bulk Mains	31,287	26,127	21,690	2,568	31,251	21,690	(9,581)	-44.1%
Distribution	97,718	101,574	78,168	4,511	94,438	78,168	(16,270)	-20.8%
Distribution Points	1,290	104	75	106	1,290	75	(1,214)	-1609.5%
PRV Stations	852	792	623	87	1,067	623	(444)	-71.3%
Sanitation Infrastructure	123,811	150,390	107,640	12,682	126,373	107,640	(18,733)	-17.4%
Pump Station	2,532	1,471	1,170	208	2,530	1,170	(1,360)	-16.2%
Reticulation	42,168	97,081	72,154	3,466	42,169	72,154	29,885	41.6%
Waste Water Treatment Works	62,386	40,007	24,901	7,634	64,951	24,901	(40,049)	-160.8%
Outfall Sewers	16,724	11,810	9,403	1,375	16,724	9,403	(7,321)	-77.9%
Toilet Facilities	—	22	12	—	—	12	12	100.0%
Capital Spares	—	—	—	—	—	—	—	—
Solid Waste Infrastructure	3,396	47,886	2,521	276	3,363	2,521	(841)	-33.4%
Landfill Sites	2,267	47,483	2,119	184	2,242	2,119	(123)	-5.8%
Waste Transfer Stations	246	—	—	—	—	—	—	—
Waste Processing Facilities	147	—	—	20	147	—	(147)	—
Waste Drop-off Points	729	403	402	59	721	402	(318)	-79.1%
Electricity Generation Facilities	7	—	—	—	—	—	—	—
Rail Infrastructure	3,759	—	0	201	3,647	0	(3,646)	-1010751.3%
Rail Lines	3,716	—	—	283	3,647	—	(3,647)	—
Rail Structures	—	1	0	—	—	0	0	100.0%
Information and Communication Infrastructure	48,960	113,404	80,935	5,392	66,103	80,935	14,832	18.3%
Data Centres	601	—	—	—	—	—	—	—
Core Layers	30,007	112,338	79,869	3,727	45,457	79,869	34,413	43.1%
Distribution Layers	18,352	—	—	1,604	19,900	—	(19,900)	—
Community Assets	339,731	381,750	269,576	22,062	292,909	269,576	(23,333)	-8.7%
Community Facilities	204,542	286,443	226,539	14,164	191,291	226,539	35,248	15.6%
Halls	5,349	1,835	833	384	4,816	833	(3,983)	-478.0%
Centres	10,482	148,311	57,982	653	9,265	57,982	48,717	84.0%
Crèches	1,782	450	74	104	1,443	74	(1,369)	-1850.9%
Clinics/Care Centres	17,861	11,933	7,575	1,464	17,844	7,575	(10,269)	-135.6%
Fire/Ambulance Stations	12,052	4,222	4,199	789	9,378	4,199	(5,179)	-123.4%
Testing Stations	2,486	235	207	175	2,304	207	(2,098)	-1015.8%
Museums	579	303	345	35	430	345	(85)	-24.5%
Theatres	149	—	—	12	149	—	(149)	—
Libraries	30,744	20,789	66,288	1,588	30,081	66,288	36,207	54.6%
Cemeteries/Crematoria	9,808	8,543	9,191	936	9,326	9,191	(135)	-1.4%
Police	7,305	501	130	562	7,184	130	(7,054)	-5426.6%
Parks	25,392	—	4,940	1,712	22,986	4,940	(18,046)	—
Public Open Space	4,177	28,125	13,283	327	4,013	13,283	9,270	69.8%
Nature Reserves	7,815	5,521	11,284	627	7,124	11,284	3,772	31.7%
Public Abolition Facilities	488	101	88	38	470	88	(382)	-435.2%
Markets	23,200	13,019	3,072	1,506	21,858	3,072	(18,787)	-611.6%
Stalls	3,853	2,424	2,255	243	3,539	2,255	(1,283)	-56.9%
Abattoirs	—	—	—	—	—	—	—	—
Airports	23,488	23,885	23,518	1,909	23,263	23,518	254	1.1%
Taxi Ranks/Bus Terminals	17,531	16,247	21,141	1,257	15,364	21,141	5,777	27.3%
Capital Spares	—	—	—	—	—	—	—	—
Sport and Recreation Facilities	135,190	95,307	43,037	7,898	101,618	43,037	(58,582)	-136.1%
Indoor Facilities	1,824	—	—	—	—	—	—	—
Outdoor Facilities	133,366	94,285	42,937	7,751	99,805	42,937	(56,868)	-132.4%
Capital Spares	—	—	—	—	—	—	—	—
Heritage assets	—	—	—	—	—	—	—	—
Monuments	—	—	—	—	—	—	—	—
Historic Buildings	—	—	—	—	—	—	—	—
Investment properties	3,930	6,855	6,443	323	3,930	6,443	2,513	39.0%
Revenue Generating	67	—	—	6	67	—	(67)	—
Improved Property	67	—	—	6	67	—	(67)	—
Unimproved Property	—	—	—	—	—	—	—	—
Non-revenue Generating	3,863	6,855	6,443	317	3,863	6,443	2,580	40.0%
Improved Property	3,863	6,855	6,443	317	3,863	6,443	2,580	40.0%
Unimproved Property	0	—	—	0	0	—	(0)	—
Other assets	172,220	179,324	139,602	13,975	170,403	139,602	(30,801)	-22.1%
Operational Buildings	102,455	123,008	95,558	8,475	102,584	95,558	(7,027)	-7.4%
Municipal Offices	56,765	83,229	46,801	4,718	56,087	46,801	(9,286)	-19.8%
Pay/Enquiry Points	130	237	209	1	9	209	199	95.6%
Workshops	3,973	423	902	324	3,953	902	(3,051)	-338.4%
Yards	1,296	—	—	107	1,296	—	(1,296)	—
Stores	812	1,077	615	67	811	615	(197)	-32.0%
Laboratories	—	—	—	—	—	—	—	—
Training Centres	1,694	116	113	139	1,694	113	(1,581)	-1394.5%
Manufacturing Plant	10,022	—	—	934	11,571	—	(11,571)	—
Depots	27,764	37,927	46,919	2,186	27,163	46,919	19,755	42.1%
Capital Spares	—	—	—	—	—	—	—	—
Housing	69,764	58,317	44,044	5,500	67,819	44,044	(23,775)	-54.0%
Staff Housing	11,146	10,445	12,051	890	10,957	12,051	1,083	9.0%
Social Housing	58,618	45,871	31,993	4,610	56,851	31,993	(24,858)	-77.7%
Capital Spares	—	—	—	—	—	—	—	—
Biological or Cultivated Assets	11	69	69	0	11	69	58	84.1%
Biological or Cultivated Assets	11	69	69	0	11	69	58	84.1%
Intangible Assets	43,226	68,618	26,692	4,068	47,114	26,692	(20,422)	-76.5%
Services	43,226	68,618	26,692	4,068	47,114	26,692	(20,422)	-76.5%
Licences and Rights	43,226	68,618	26,692	4,068	47,114	26,692	(20,422)	-76.5%
Computer Software and Applications	—	—	—	—	—	—	—	—
Load Settlement Software Applications	—	—	—	—	—	—	—	—
Unspecified	—	—	—	—	—	—	—	—
Computer Equipment	30,961	191,271	207,105	2,770	33,076	207,105	174,029	84.0%
Computer Equipment	30,961	191,271	207,105	2,770	33,076	207,105	174,029	84.0%
Furniture and Office Equipment	12,592	157,996	255,515	1,178	13,125	255,515	242,390	94.9%
Furniture and Office Equipment	12,592	157,996	255,515	1,178	13,125	255,515	242,390	94.9%
Machinery and Equipment	44,501	148,805	668,338	4,010	45,464	668,338	622,874	93.2%
Machinery and Equipment	44,501	148,805	668,338	4,010	45,464	668,338	622,874	93.2%
Transport Assets	106,015	125,466	84,334	9,274	112,675	84,334	(28,341)	-33.6%
Transport Assets	106,015	125,466	84,334	9,274	112,675	84,334	(28,341)	-33.6%
Land	—	—	—	—	—	—	—	—
Land	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—	—
Total Depreciation	2,686,227	2,642,244	2,626,796	215,585	2,653,283	2,626,796	(26,488)	-1.0%

(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 - M12 June								
Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted 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	389,102	122,547	367,244	402,381	35,137	8.7%
Roads Infrastructure	99,735	112,740	118,163	20,631	107,389	118,163	10,774	9.1%
Roads	99,735	110,740	116,163	19,079	105,837	116,163	10,325	8.9%
Capital Spares	-	2,000	2,000	1,552	1,552	2,000	448	22.4%
Electrical Infrastructure	103,646	136,978	122,978	67,793	134,643	137,257	2,614	1.9%
HV Substations	49,705	69,000	55,000	16,780	52,641	55,000	2,359	4.3%
LV Networks	53,940	67,978	67,978	51,013	82,003	82,257	254	0.3%
Capital Spares	-	-	-	-	-	-	-	-
Sanitation Infrastructure	149,772	142,900	104,000	23,519	84,469	104,000	19,531	18.8%
Waste Water Treatment Works	149,772	142,800	103,900	23,519	84,469	103,900	19,431	18.7%
Outfall Sewers	-	100	100	-	-	100	100	100.0%
Information and Communication Infrastructure	14,508	41,000	43,961	10,604	40,743	42,961	2,218	5.2%
Data Centres	14,508	30,000	30,000	9,888	29,887	32,000	2,113	6.6%
Core Layers	-	11,000	13,961	716	10,856	10,961	105	1.0%
Community Assets	54,403	81,300	66,765	14,776	61,150	66,765	5,615	8.4%
Community Facilities	20,722	24,300	12,765	3,680	9,505	12,765	3,260	25.5%
Markets	(4)	4,300	4,300	-	4,298	4,300	2	-
Taxi Ranks/Bus Terminals	20,727	20,000	8,465	3,680	5,206	8,465	3,259	38.5%
Capital Spares	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	33,681	57,000	54,000	11,095	51,645	54,000	2,355	4.4%
Indoor Facilities	-	-	-	-	-	-	-	-
Outdoor Facilities	33,681	57,000	54,000	11,095	51,645	54,000	2,355	4.4%
Capital Spares	-	-	-	-	-	-	-	-
Other assets	801	7,000	2,000	31	710	2,000	1,290	64.5%
Operational Buildings	801	1,000	1,000	31	710	1,000	290	-
Municipal Offices	273	-	-	-	-	-	-	-
Depots	528	1,000	1,000	31	710	1,000	290	29.0%
Housing	-	6,000	1,000	-	-	1,000	1,000	100.0%
Social Housing	-	6,000	1,000	-	-	1,000	1,000	100.0%
Intangible Assets	-	75,000	75,000	40,104	74,715	75,000	285	0.4%
Licences and Rights	-	75,000	75,000	40,104	74,715	75,000	285	0.4%
Computer Software and Applications	-	75,000	75,000	40,104	74,715	75,000	285	0.4%
Furniture and Office Equipment	375	1,000	1,000	(24)	884	1,000	116	11.6%
Furniture and Office Equipment	375	1,000	1,000	(24)	884	1,000	116	11.6%
Total Capital Expenditure on upgrading of existing assets	433,274	597,919	534,117	177,678	504,947	547,396	42,449	7.8%

(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 **June 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: _____