



**Mid-Year Budget Statement
and Performance Assessment
Report for the Period
1 July 2023 to 31 December 2023**

Section 72

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1 Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CFO – Chief Financial Officer / Director: Finance

DORA – Division of Revenue Act. An annual piece of legislation indicating the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

Glossary (Continued)

MIG – Municipal Infrastructure Grant

MPRA – Municipal Property Rates Act (No 6 of 2004).

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

NT – National Treasury

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

RBIG – Regional Bulk Infrastructure Grant

R&M – Repairs and maintenance on property, plant and equipment.

SCM – Supply Chain Management.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

TMA – Total Municipal Account

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of the budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided, usually at department level.

WM – Witzenberg Municipality

Legal requirements

In terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

- (1) The accounting officer of a municipality must by 25 January of each year –
 - (a) assess the performance of the municipality during the first half of the financial year, taking into account –
 - (i) the monthly statements referred to in section 71 for the first half of the financial year;
 - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
 - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
 - (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
 - (b) submit a report on such assessment to –
 - (i) the mayor of the municipality
 - (ii) the National Treasury; and
 - (iii) the relevant Provincial Treasury.
- (2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.
- (3) The accounting officer must, as part of the review –
 - (a) make recommendations as to whether an adjustments budget is necessary; and
 - (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Thereafter, the mayor must, in terms of Section 54(1) of the act:

- (a) Consider the report;
- (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;
- (d) Issue any appropriate instructions to the accounting officer to ensure-
 - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and
 - (ii) That spending of funds and revenue collection proceed in accordance with the budget;
- (e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) Submit the report to the council by 31 January of each year.

The following regulations of the Local Government: Municipal Finance Management Act Municipal Budget and Reporting Regulations are relevant:

33. Format of a mid-year budget and performance assessment.—A mid-year budget and performance assessment of a municipality referred to in section 72 of the Act must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168 (1) of the Act.19
34. Publication of mid-year budget and performance assessments. —
 - (1) Within five working days of 25 January each year the municipal manager must make the mid-year budget and performance assessment public by placing it on the municipal website.
 - (2) The municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the mid-year budget and performance assessment, including—
 - (a) summaries in alternate languages predominant in the community; and
 - (b) information relevant to each ward in the municipality.
35. Submission of mid-year budget and performance assessments. —The municipal manager must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form—
 - (a) the mid-year budget and performance assessment by 25 January of each year; and
 - (b) any other information relating to the mid-year budget and performance assessment as may be required by the National Treasury.

PART 1 - IN-YEAR REPORT

Mayors Report

Speaker
Deputy Executive Mayor
Members of the Mayoral Committee
Aldermen
Councillors

It is my privilege to present to you Mid-Year Budget Statement and Performance Assessment Report for the six months 1 July 2023 to 31 December 2023.

The collection rate of 86% remains a concern. The credit control must be amended to improve debt collection in areas where Eskom distribute electricity.

The spending on capital projects remains a challenge. Only 34% was spent during the first six months of the financial year. Steps will be implemented to speed up service delivery.

Other expenditure patterns remain within budgeted amounts and no unauthorised or unforeseen or unavoidable expenditure was observed. It is can be noted that the cost related to Security Services continues to increase due to the increase of threats of vandalism to important municipal infrastructure within Load Shedding periods. Overtime and standby expenditure also remains a challenge. This expenditure is however a direct consequence of after-hours service delivery and it remains a challenge to manage when one weighs it up against the much needed services required by the Witzenberg community.

An adjustment budget will be compiled and submitted to Council for consideration due to operational requirements and amendments to allocations to Witzenberg Municipality as per the Provincial and National Adjustment Budgets.

The following table provides the details on the audit outcomes for the 2022/23 financial year with the proposed correctives steps:

Auditor-General Report on Financial Performance 2022/2023	
Status of the audit report:	Unqualified
Issue raised	Corrective step implemented
<u>Emphasis of matter:</u>	
<u>Material impairments</u>	
As disclosed in note 3 to the financial statements, the municipality provided for an impairment of R310,5 million (2021-22: R252,2 million) on receivables from exchange transactions amounting to R344,9 million (2020-21: R285, 7 million).	A report on the writing off of prescribed debt and the debt of indigent households has been prepared and will be submitted to council for consideration in 2024.
As disclosed in note 4 to the financial statements, the municipality provided for an impairment of R49,6 million (2021-22: R49,5 million) on receivables from non-exchange transactions.	
<u>Restatement of corresponding figures</u>	
As disclosed in note 36 to the financial statements, the corresponding figures for 30 June 2022 have been restated as a result of errors discovered during 2022-23 in the financial statements of the municipality for the year ended 30 June 2023.	None



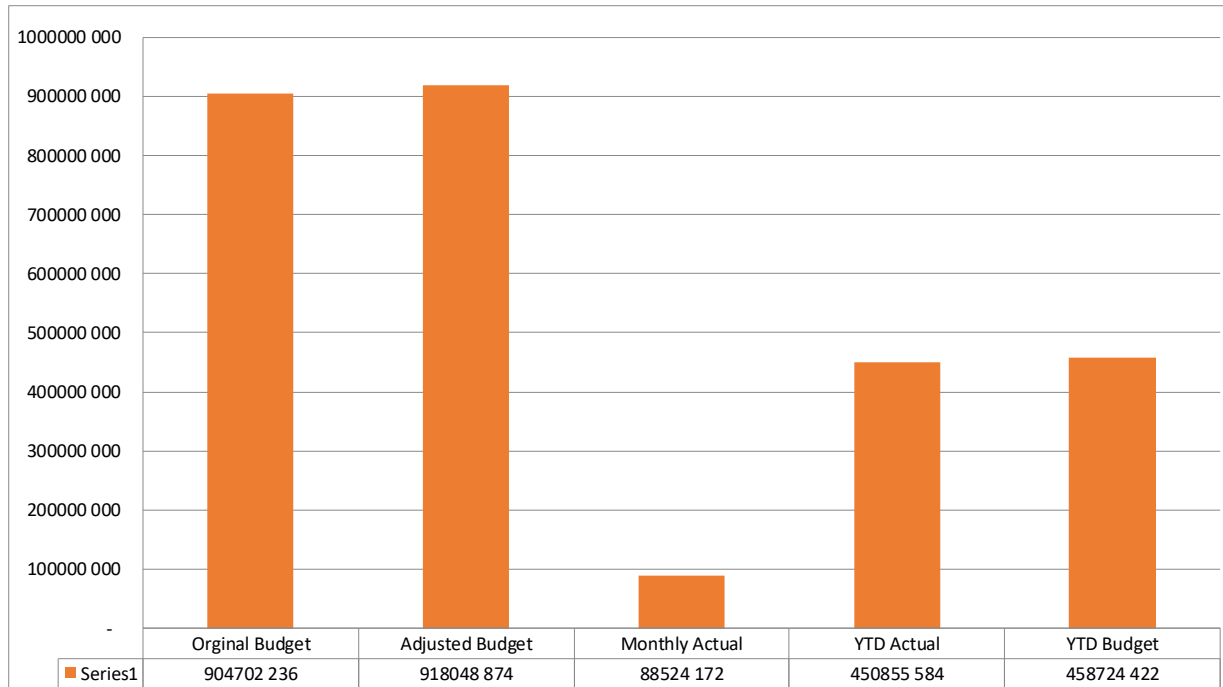
COUNCILLOR TREVOR ABRAHAMS
EXECUTIVE MAYOR

Resolution

It is recommended that council take cognisance of the mid-year budget and performance assessment for the period 1 July 2023 to 31 December 2023.

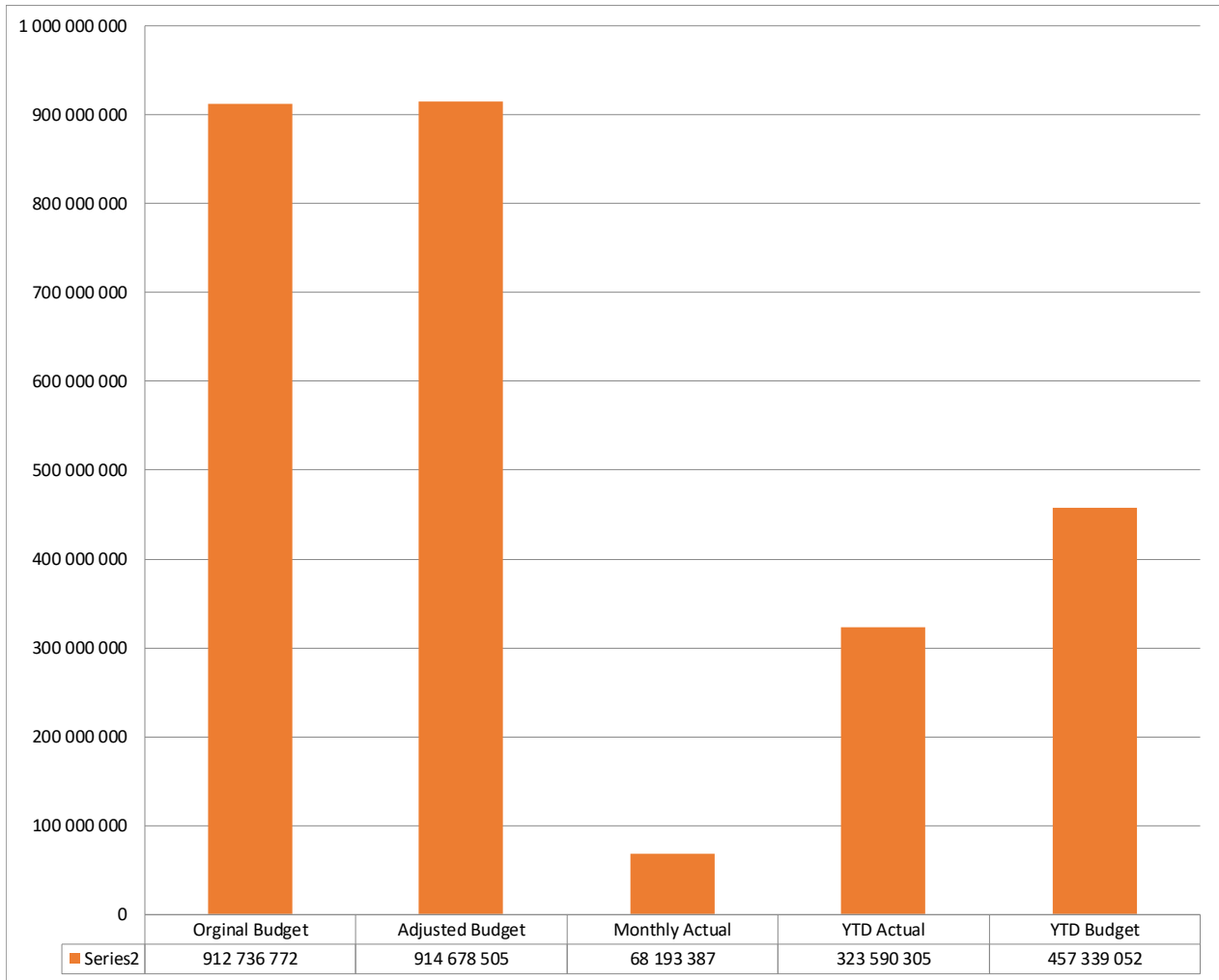
Executive Summary

TOTAL OPERATIONAL REVENUE R'000



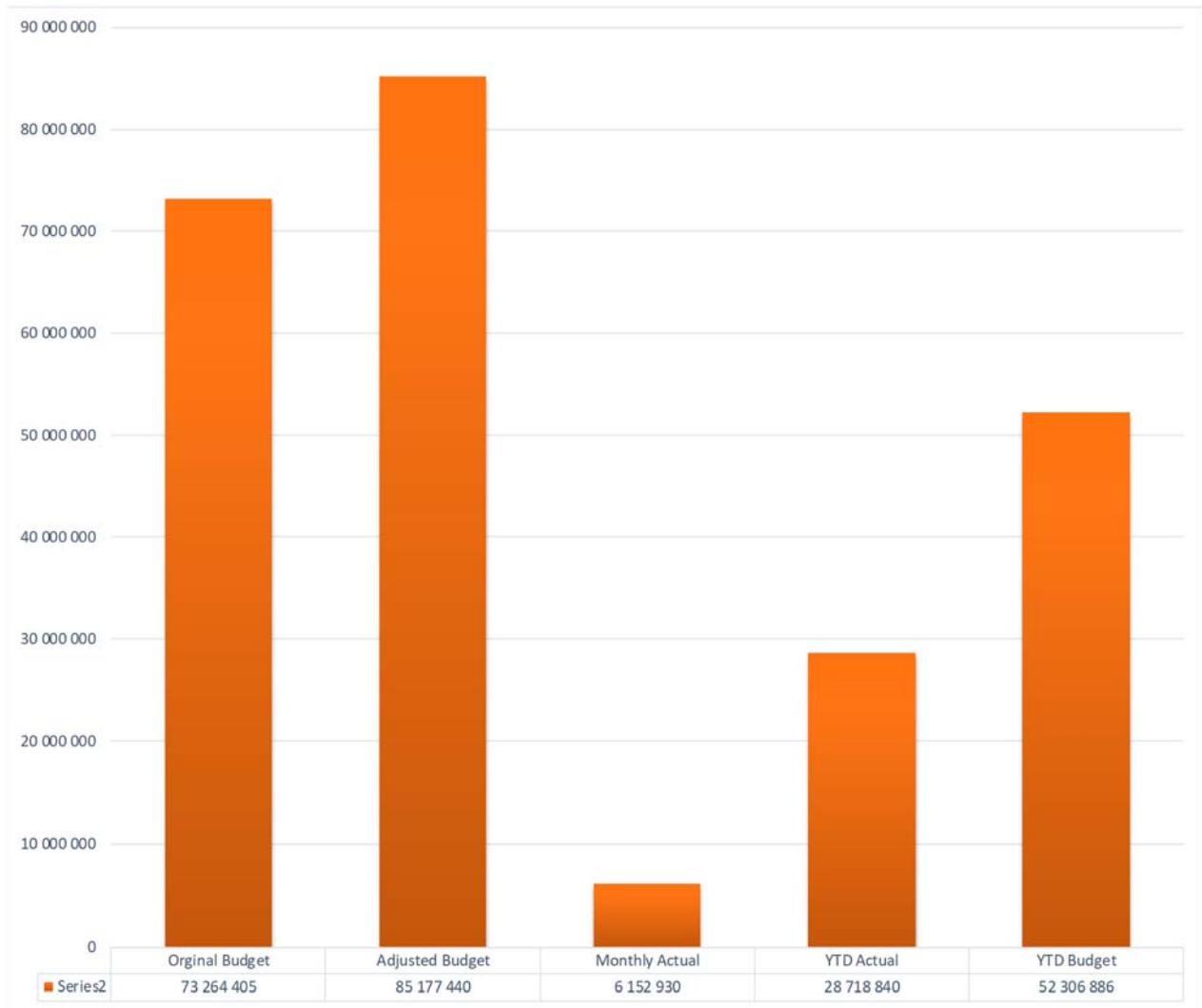
For the period 1 July 2023 to 31 December 2023, 49.11% of the budgeted operational revenue was raised.

TOTAL OPERATIONAL EXPENDITURE R'000



For the period 1 July 2023 to 31 December 2023, 35.38% of the budgeted operational expenditure was incurred.

CAPITAL EXPENDITURE R'000



For the period 1 July 2023 to 31 December 2023, 33.72% of the budgeted capital expenditure was incurred. Steps will be implemented to ensure faster spending of the capital budget.

In-year budget statement tables

The following table provides a summary of the financial performance and financial position of the municipality on 31 December 2023.

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	98 157	105 353	105 353	5 270	69 499	52 676	16 823	32%	105 353
Service charges	437 257	516 476	516 476	29 086	228 466	258 238	(29 772)	-12%	516 476
Investment revenue	14 390	12 444	16 127	1 029	11 166	8 064	3 103	38%	16 127
Transfers and subsidies - Operational	142 534	158 793	161 172	46 416	107 147	80 586	26 561	33%	161 172
Other own revenue	70 693	64 715	65 555	6 724	34 576	32 778	1 798	5%	65 555
Total Revenue (excluding capital transfers and contributions)	763 033	857 781	864 683	88 524	450 855	432 342	18 514	4%	864 683
Employee costs	217 107	257 116	257 648	17 201	118 128	128 824	(10 696)	-8%	257 648
Remuneration of Councillors	10 766	11 983	11 983	924	5 849	5 992	(143)	-2%	11 983
Depreciation and amortisation	33 070	54 369	54 369	2	3	27 184	(27 181)	-100%	54 369
Interest	9 895	9 535	9 535	-	-	4 768	(4 768)	-100%	9 535
Inventory consumed and bulk purchases	298 464	379 057	380 744	19 431	127 970	190 372	(62 402)	-33%	380 744
Transfers and subsidies	2 208	8 918	9 263	99	1 168	4 631	(3 463)	-75%	9 263
Other expenditure	156 476	191 760	191 137	30 537	70 472	95 568	(25 097)	-26%	191 137
Total Expenditure	727 987	912 737	914 679	68 193	323 590	457 339	(133 749)	-29%	914 679
Surplus/(Deficit)	35 045	(54 955)	(49 995)	20 331	127 265	(24 998)	152 262	-609%	(49 995)
Transfers and subsidies - capital (monetary allocations)	65 693	46 921	53 366	-	0	26 383	(26 382)	-100%	53 366
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	100 739	(8 035)	3 370	20 331	127 265	1 385	125 880	9086%	3 370
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	100 739	(8 035)	3 370	20 331	127 265	1 385	125 880	9086%	3 370
Capital expenditure & funds sources									
Capital expenditure	87 190	69 264	80 621	6 089	26 599	50 029	(23 430)	-47%	80 621
Capital transfers recognised	65 693	47 342	53 787	3 346	18 718	34 830	(16 111)	-46%	53 787
Borrowing	-	9 000	10 000	-	2 063	6 500	(4 437)	-68%	10 000
Internally generated funds	21 496	16 923	21 391	2 807	7 937	10 977	(3 040)	-28%	21 391
Total sources of capital funds	87 190	73 264	85 177	6 153	28 719	52 307	(23 588)	-45%	85 177
Financial position									
Total current assets	355 648	296 094	286 071		437 369				286 071
Total non current assets	1 051 592	1 185 439	1 197 352		1 079 419				1 197 352
Total current liabilities	162 285	154 205	144 690		141 627				144 690
Total non current liabilities	116 632	304 136	304 136		122 032				304 136
Community wealth/Equity	1 125 864	1 023 192	1 034 597		1 253 129				1 034 597
Cash flows									
Net cash from (used) operating	536 667	59 301	59 960	34 999	39 496	59 960	20 464	34%	724 686
Net cash from (used) investing	(51 537)	(84 254)	(95 065)	(6 941)	(33 425)	(95 065)	(61 640)	65%	79 933
Net cash from (used) financing	24 635	(2 740)	(2 740)	10	135	(2 740)	(2 875)	105%	-
Cash/cash equivalents at the month/year end	652 507	199 597	189 446	-	233 007	189 446	(43 562)	-23%	1 031 421
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	48 663	7 960	6 317	13 030	6 418	4 842	32 640	316 047	435 917
Creditors Age Analysis									
Total Creditors	4 813	2 935	3 469	3 289	13 071	1 244	-	9	28 831

The following table provides detail of revenue and expenditure according to the international standard classification.

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		132 757	136 529	141 195	7 443	86 574	70 597	15 976	23%	141 195
Executive and council		33	31	287	3	14	144	(130)	-90%	287
Finance and administration		132 724	136 498	140 907	7 440	86 560	70 454	16 106	23%	140 907
Internal audit		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		162 177	180 091	180 290	49 025	120 867	90 145	30 722	34%	180 290
Community and social services		135 409	149 753	149 753	46 413	108 583	74 876	33 706	45%	149 753
Sport and recreation		13 311	6 956	6 956	654	3 211	3 478	(267)	-8%	6 956
Public safety		13 168	17 193	17 392	1 930	8 912	8 696	216	2%	17 392
Housing		289	6 189	6 189	28	161	3 094	(2 934)	-95%	6 189
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		38 850	45 791	47 627	288	804	23 514	(22 710)	-97%	47 627
Planning and development		3 791	3 097	3 442	288	803	1 671	(868)	-52%	3 442
Road transport		34 568	42 683	42 683	-	1	21 092	(21 091)	-100%	42 683
Environmental protection		491	10	1 502	-	-	751	(751)	-100%	1 502
<i>Trading services</i>		494 830	542 009	548 654	31 767	242 516	274 327	(31 812)	-12%	548 654
Energy sources		314 721	400 702	400 702	20 052	160 415	200 351	(39 936)	-20%	400 702
Water management		75 496	63 463	67 334	4 964	28 956	33 667	(4 711)	-14%	67 334
Waste water management		63 893	38 364	39 939	3 170	31 509	19 970	11 539	58%	39 939
Waste management		40 720	39 480	40 680	3 581	21 636	20 340	1 296	6%	40 680
<i>Other</i>	4	111	283	283	2	96	141	(46)	-32%	283
Total Revenue - Functional	2	828 726	904 702	918 049	88 524	450 856	458 724	(7 869)	-2%	918 049
Expenditure - Functional										
<i>Governance and administration</i>		116 623	161 851	161 700	10 314	60 489	80 850	(20 361)	-25%	161 700
Executive and council		28 044	29 907	29 932	2 168	13 291	14 966	(1 675)	-11%	29 932
Finance and administration		86 060	128 942	128 766	7 725	44 857	64 383	(19 526)	-30%	128 766
Internal audit		2 518	3 002	3 002	422	2 341	1 501	840	56%	3 002
<i>Community and public safety</i>		96 659	135 513	135 559	8 643	50 952	67 780	(16 828)	-25%	135 559
Community and social services		27 275	32 794	33 283	2 463	13 922	16 641	(2 719)	-16%	33 283
Sport and recreation		33 574	40 127	39 728	2 787	16 446	19 864	(3 418)	-17%	39 728
Public safety		30 991	50 926	50 905	3 014	18 243	25 452	(7 210)	-28%	50 905
Housing		4 820	11 667	11 644	379	2 341	5 822	(3 481)	-60%	11 644
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		41 089	44 187	46 614	2 619	16 714	23 307	(6 593)	-28%	46 614
Planning and development		12 190	14 566	14 664	1 092	6 576	7 332	(756)	-10%	14 664
Road transport		27 483	28 202	28 356	1 383	9 089	14 178	(5 089)	-36%	28 356
Environmental protection		1 416	1 419	3 593	145	1 049	1 796	(748)	-42%	3 593
<i>Trading services</i>		472 710	570 032	569 652	46 617	194 886	284 826	(89 940)	-32%	569 652
Energy sources		316 120	403 519	403 420	22 414	135 019	201 710	(66 691)	-33%	403 420
Water management		53 258	51 024	51 531	10 259	22 318	25 766	(3 447)	-13%	51 531
Waste water management		47 299	44 548	43 780	6 454	17 212	21 890	(4 678)	-21%	43 780
Waste management		56 034	70 941	70 921	7 490	20 337	35 460	(15 123)	-43%	70 921
<i>Other</i>		907	1 154	1 154	-	550	577	(27)	-5%	1 154
Total Expenditure - Functional	3	727 987	912 737	914 679	68 193	323 590	457 339	(133 749)	-29%	914 679
Surplus/ (Deficit) for the year		100 739	(8 035)	3 370	20 331	127 265	1 385	125 880	9086%	3 370

The table provides detail of revenue and expenditure according to municipal votes.

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Financial Services		131 023	133 121	137 280	7 241	85 243	68 640	16 603	24,2%	137 280
Vote 2 - Community Services		150 347	164 312	165 832	47 112	112 195	82 866	29 329	35,4%	165 832
Vote 3 - Corporate Services		13 547	17 166	17 614	1 933	8 956	8 807	149	1,7%	17 614
Vote 4 - Technical Services		532 342	588 653	595 555	32 197	244 160	297 527	(53 368)	-17,9%	595 555
Vote 5 - Municipal Manager		1 595	1 451	1 768	42	302	884	(582)	-65,9%	1 768
Total Revenue by Vote	2	828 853	904 702	918 049	88 524	450 856	458 724	(7 869)	-1,7%	918 049
Expenditure by Vote	1									
Vote 1 - Financial Services		33 269	62 909	62 506	6 011	17 805	31 253	(13 447)	-43,0%	62 506
Vote 2 - Community Services		79 604	101 160	103 428	6 631	39 733	51 714	(11 981)	-23,2%	103 428
Vote 3 - Corporate Services		77 213	121 674	121 894	4 150	41 444	60 947	(19 503)	-32,0%	121 894
Vote 4 - Technical Services		512 083	610 926	610 730	49 088	210 556	305 365	(94 810)	-31,0%	610 730
Vote 5 - Municipal Manager		13 289	16 067	16 120	1 407	8 537	8 060	477	5,9%	16 120
Total Expenditure by Vote	2	715 458	912 737	914 679	67 286	318 075	457 339	(139 264)	-30,5%	914 679
Surplus/ (Deficit) for the year	2	113 395	(8 035)	3 370	21 238	132 781	1 385	131 395	9484,5%	3 370

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The table provides detail of revenue according to source and expenditure according to type.

WC022 Witzenberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue		497 283	568 519	572 203	34 071	262 168	286 101	(23 933)	-8%	572 203
Service charges - Electricity		311 865	399 102	399 102	19 973	161 505	199 551	(38 047)	-19%	399 102
Service charges - Water		45 356	53 000	53 000	3 803	22 185	26 500	(4 315)	-16%	53 000
Service charges - Waste Water Management		48 851	33 059	33 059	2 479	27 508	16 530	10 979	66%	33 059
Service charges - Waste management		31 185	31 315	31 315	2 831	17 268	15 657	1 611	10%	31 315
Sale of Goods and Rendering of Services		5 460	5 272	5 272	695	2 301	2 636	(335)	-13%	5 272
Agency services		4 611	4 461	4 461	267	2 602	2 231	371	17%	4 461
Interest		-	10	10	-	-	5	(5)	-100%	10
Interest earned from Receivables		22 715	23 503	23 503	2 593	14 974	11 751	3 222	27%	23 503
Interest earned from Current and Non Current Assets		14 390	12 444	16 127	1 029	11 166	8 064	3 103	38%	16 127
Rent on Land		-	26	26	-	-	13	(13)	-100%	26
Rental from Fixed Assets		4 786	4 648	4 648	347	2 325	2 324	1	0%	4 648
Operational Revenue		8 063	1 679	1 679	55	335	839	(505)	-60%	1 679
Non-Exchange Revenue		265 750	289 262	292 480	54 453	188 687	146 240	42 447	29%	292 480
Property rates		98 157	105 353	105 353	5 270	69 499	52 676	16 823	32%	105 353
Surcharges and Taxes		9 980	7 290	8 129	433	1 887	4 065	(2 177)	-54%	8 129
Fines, penalties and forfeits		8 487	11 194	11 194	1 609	5 936	5 597	339	6%	11 194
Licence and permits		1 145	2 327	2 327	63	564	1 164	(599)	-52%	2 327
Transfer and subsidies - Operational		142 534	158 793	161 172	46 416	107 147	80 586	26 561	33%	161 172
Interest		2 822	3 566	3 566	396	2 015	1 783	232	13%	3 566
Operational Revenue		2 625	739	739	267	1 637	370	1 268	343%	739
Total Revenue (excluding capital transfers and contributions)		763 033	857 781	864 683	88 524	450 855	432 342	18 514	4%	864 683
Expenditure By Type										
Employee related costs		217 107	257 116	257 648	17 201	118 128	128 824	(10 696)	-8%	257 648
Remuneration of councillors		10 766	11 983	11 983	924	5 849	5 992	(143)	-2%	11 983
Bulk purchases - electricity		279 960	360 544	360 544	17 741	116 656	180 272	(63 616)	-35%	360 544
Inventory consumed		18 504	18 512	20 199	1 690	11 314	10 100	1 215	12%	20 199
Debt impairment		57 793	64 475	64 475	21 427	21 427	32 237	(10 811)	-34%	64 475
Depreciation and amortisation		33 070	54 369	54 369	2	3	27 184	(27 181)	-100%	54 369
Interest		9 895	9 535	9 535	-	-	4 768	(4 768)	-100%	9 535
Contracted services		50 689	64 652	63 457	5 197	24 758	31 729	(6 971)	-22%	63 457
Transfers and subsidies		2 208	8 918	9 263	99	1 168	4 631	(3 463)	-75%	9 263
Irrecoverable debts written off		2 200	-	-	4	63	-	63	-	-
Operational costs		44 956	56 396	56 967	3 908	24 224	28 484	(4 259)	-15%	56 967
Losses on Disposal of Assets		838	-	-	-	-	-	-	-	-
Other Losses		-	6 237	6 237	-	-	3 119	(3 119)	-100%	6 237
Total Expenditure		727 987	912 737	914 679	68 193	323 590	457 339	(133 749)	-29%	914 679
Surplus/(Deficit)		35 045	(54 955)	(49 995)	20 331	127 265	(24 998)	152 262	(0)	(49 995)
Transfers and subsidies - capital (monetary allocations)		65 693	46 921	53 366	-	0	26 383	(26 382)	(0)	53 366
Surplus/(Deficit) after capital transfers & contributions		100 739	(8 035)	3 370	20 331	127 265	1 385			3 370
Surplus/(Deficit) after income tax		100 739	(8 035)	3 370	20 331	127 265	1 385			3 370
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		100 739	(8 035)	3 370	20 331	127 265	1 385			3 370
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		100 739	(8 035)	3 370	20 331	127 265	1 385			3 370

The table provides detail of capital expenditure according to municipal votes.

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 2 - Community Services		-	857	857	-	-	428	(428)	-100%	857
Vote 4 - Technical Services		53 369	31 613	40 692	1 124	12 504	32 203	(19 699)	-61%	40 692
Total Capital Multi-year expenditure	4,7	53 369	32 470	41 549	1 124	12 504	32 631	(20 127)	-62%	41 549
Single Year expenditure appropriation	2									
Vote 1 - Financial Services		179	180	161	11	102	81	22	27%	161
Vote 2 - Community Services		7 397	1 758	4 022	115	1 951	1 999	(49)	-2%	4 022
Vote 3 - Corporate Services		691	850	1 216	5	189	608	(419)	-69%	1 216
Vote 4 - Technical Services		25 554	34 007	33 673	4 835	11 852	14 710	(2 857)	-19%	33 673
Total Capital single-year expenditure	4	33 821	36 795	39 072	4 965	14 094	17 398	(3 303)	-19%	39 072
Total Capital Expenditure	3	87 190	69 264	80 621	6 089	26 599	50 029	(23 430)	-47%	80 621

The table provides detail of capital expenditure according to the international standards.

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Total Capital single-year expenditure	4	33 821	36 795	39 072	4 965	14 094	17 398	(3 303)	-19%	39 072
Total Capital Expenditure	3	87 190	69 264	80 621	6 089	26 599	50 029	(23 430)	-47%	80 621
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		409	2 180	3 535	1 472	1 630	1 767	(138)	-8%	3 535
Executive and council		409	-	67	-	58	33	25	75%	67
Finance and administration		-	2 180	3 468	1 472	1 571	1 734	(163)	-9%	3 468
<i>Community and public safety</i>		7 086	5 064	7 137	88	2 017	3 607	(1 590)	-44%	7 137
Community and social services		160	2 000	2 000	-	-	1 000	(1 000)	-100%	2 000
Sport and recreation		6 870	858	2 958	88	1 891	1 267	624	49%	2 958
Public safety		57	1 707	1 679	-	126	840	(714)	-85%	1 679
Housing		-	500	500	-	-	500	(500)	-100%	500
<i>Economic and environmental services</i>		45 050	26 023	26 023	700	10 385	22 937	(12 552)	-55%	26 023
Planning and development		-	400	400	26	39	150	(111)	-74%	400
Road transport		45 050	25 623	25 623	674	10 346	22 787	(12 441)	-55%	25 623
<i>Trading services</i>		32 444	39 997	48 483	3 892	14 687	23 996	(9 309)	-39%	48 483
Energy sources		4 827	6 491	7 248	230	2 285	1 928	357	19%	7 248
Water management		14 903	19 358	17 678	1 100	4 541	8 789	(4 248)	-48%	17 678
Waste water management		12 517	100	4 508	-	600	2 254	(1 654)	-73%	4 508
Waste management		197	14 048	19 048	2 563	7 261	11 024	(3 763)	-34%	19 048
Total Capital Expenditure - Functional Classification	3	84 990	73 264	85 177	6 153	28 719	52 307	(23 588)	-45%	85 177

The table provides detail of the municipality's financial position as at period end.

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		226 802	199 597	191 276	233 008	191 276
Trade and other receivables from exchange transactions		77 124	44 957	44 957	114 901	44 957
Receivables from non-exchange transactions		17 508	45 608	45 608	18 109	45 608
Inventory		11 534	4 484	2 781	14 617	2 781
VAT		20 971	996	996	50 539	996
Other current assets		1 709	453	453	6 195	453
Total current assets		355 648	296 094	286 071	437 369	286 071
Non current assets						
Investment property		42 093	41 358	41 358	42 089	41 358
Property, plant and equipment		1 006 910	1 141 746	1 153 383	1 034 741	1 153 383
Heritage assets		550	550	550	550	550
Intangible assets		2 039	1 785	2 061	2 039	2 061
Total non current assets		1 051 592	1 185 439	1 197 352	1 079 419	1 197 352
TOTAL ASSETS		1 407 240	1 481 533	1 483 423	1 516 788	1 483 423
LIABILITIES						
Current liabilities						
Financial liabilities		36	2 050	2 050	36	2 050
Consumer deposits		12 158	11 549	11 549	12 491	11 549
Trade and other payables from exchange transactions		103 355	93 087	93 235	25 513	93 235
Trade and other payables from non-exchange transactions		7 049	6 092	(3 572)	34 568	(3 572)
Provision		30 618	37 979	37 979	23 094	37 979
VAT		9 070	3 449	3 449	45 925	3 449
Total current liabilities		162 285	154 205	144 690	141 627	144 690
Non current liabilities						
Financial liabilities		492	9 475	9 475	490	9 475
Provision		58 839	194 575	194 575	58 838	194 575
Other non-current liabilities		57 301	100 085	100 085	62 704	100 085
Total non current liabilities		116 632	304 136	304 136	122 032	304 136
TOTAL LIABILITIES		278 917	458 341	448 826	263 659	448 826
NET ASSETS	2	1 128 323	1 023 192	1 034 597	1 253 129	1 034 597
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 113 324	1 010 653	1 022 058	1 240 589	1 022 058
Reserves and funds		12 540	12 540	12 540	12 540	12 540
TOTAL COMMUNITY WEALTH/EQUITY	2	1 125 864	1 023 192	1 034 597	1 253 129	1 034 597

The cash flows for the year to date are as follows:

WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		2 754	91 170	91 170	4 671	59 667	91 170	(31 503)	-35%	91 170
Service charges		766 796	552 108	552 108	23 061	199 896	552 108	(352 212)	-64%	453 490
Other revenue		16 318	19 515	19 515	651	10 973	19 515	(8 542)	-44%	16 342
Transfers and Subsidies - Operational		99 341	156 768	156 768	55 193	134 006	156 768	(22 762)	-15%	156 768
Transfers and Subsidies - Capital		100 181	55 289	55 289	-	1 204	55 289	(54 085)	-98%	55 289
Interest		7 939	16 020	19 704	-	-	19 704	(19 704)	-100%	33 583
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(456 662)	(831 570)	(834 593)	(48 476)	(365 123)	(834 593)	(469 470)	56%	(81 955)
Interest		-	-	-	-	-	-	-		-
Transfers and Subsidies		-	-	-	(100)	(1 126)	-	1 126	0%	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		536 667	59 301	59 960	34 999	39 496	59 960	20 464	34%	724 686
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(51 537)	(84 254)	(95 065)	(6 941)	(33 425)	(95 065)	(61 640)	65%	79 933
NET CASH FROM/(USED) INVESTING ACTIVITIES		(51 537)	(84 254)	(95 065)	(6 941)	(33 425)	(95 065)	(61 640)	65%	79 933
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		24 635	-	-	10	135	-	135	0%	-
Payments										
Repayment of borrowing		-	(2 740)	(2 740)	-	-	(2 740)	(2 740)	100%	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		24 635	(2 740)	(2 740)	10	135	(2 740)	(2 875)	105%	-
NET INCREASE/ (DECREASE) IN CASH HELD		509 765	(27 693)	(37 845)	28 068	6 206	(37 845)			804 620
Cash/cash equivalents at beginning:		142 742	227 290	227 290		226 802	227 290			226 802
Cash/cash equivalents at month/year end:		652 507	199 597	189 446		233 007	189 446			1 031 421

PART 2- SUPPORTING DOCUMENTATION

Debtors' analysis

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	11 110	2 267	1 863	1 711	2 115	1 352	10 663	92 180	123 261	108 021	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	19 404	819	544	497	523	301	1 544	6 749	30 381	9 614	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	5 964	1 312	669	7 419	508	403	3 528	24 763	44 566	36 621	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	8 194	1 392	1 304	1 285	1 235	1 117	6 327	49 381	70 235	59 346	-	-
Receivables from Exchange Transactions - Waste Management	1600	9 524	1 909	1 676	1 605	1 666	1 329	7 556	53 399	78 663	65 555	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	144	14	14	14	13	13	78	1 490	1 778	1 607	-	-
Interest on Arrear Debtor Accounts	1810	1 529	202	217	468	329	303	2 815	86 262	92 125	90 177	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(7 206)	45	31	31	30	24	130	1 822	(5 093)	2 037	-	-
Total By Income Source	2000	48 663	7 960	6 317	13 030	6 418	4 842	32 640	316 047	435 917	372 978	-	-
2022/23 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 339	436	216	312	181	120	564	6 124	9 291	7 300	-	-
Commercial	2300	14 844	693	525	3 880	626	395	2 455	20 383	43 802	27 740	-	-
Households	2400	32 046	6 628	5 395	8 146	5 428	4 170	28 530	281 097	371 440	327 371	-	-
Other	2500	434	202	181	691	184	157	1 092	8 443	11 384	10 567	-	-
Total By Customer Group	2600	48 663	7 960	6 317	13 030	6 418	4 842	32 640	316 047	435 917	372 978	-	-

Investment portfolio analysis

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
Municipality														
ABSA		-	Call Investment	Yes	Yes	Yes	No	No	12/02/2024	-	-		15 000	15 000
ABSA		-	Call Investment	Yes	Yes	Yes	No	No	12/02/2024	30 000	-		-	30 000
Nedbank Ltd		-	Call Investment	Yes	Yes	Yes	No	No	12/02/2024	30 000	-		-	30 000
Nedbank Ltd		-	Call Investment	Yes	Yes	Yes	No	No	12/02/2024	-	-		15 000	15 000
Standard Bank		-	Call Investment	Yes	Yes	Yes	No	No	12/02/2024	30 000	-		-	30 000
Standard Bank		-	Call Investment	Yes	Yes	Yes	No	No	12/02/2024	-	-		15 000	15 000
First Rand Bank		-	Call Investment	Yes	Yes	Yes	No	No	12/02/2024	-	-		15 000	15 000
-		-								-	-		-	-
-		-								-	-		-	-
-		-								-	-		-	-
Municipality sub-total										90 000	-		60 000	150 000
Entities														
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-	-	-	-
Entities sub-total										-	-		-	-
TOTAL INVESTMENTS AND INTEREST	2									90 000	-		60 000	150 000

Allocation and grant receipts and expenditure

WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		125 498	140 718	140 718	1 547	105 754	103 516	2 238	2,2%	140 718
Operational Revenue:General Revenue:Equitable Share		121 668	135 729	135 729	-	101 797	101 797	-		135 729
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		2 237	3 439	3 439	1 547	2 407	1 719	688	40,0%	3 439
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	-	1 550	-	1 550		1 550
Water Services Infrastructure Grant		43	-	-	-	-	-	-		-
Provincial Government:		14 066	15 900	15 900	3	7 579	7 950	(371)	-4,7%	15 900
Specify (Add grant description)		700	-	-	-	-	-	-		-
Library Grant		10 517	9 773	9 773	3	7 052	4 886	2 166	44,3%	9 773
Cdw		131	132	132	-	132	66	66	100,0%	132
Municipal Accreditation and Capacity Building		2 018	245	245	-	245	122	123	100,0%	245
Specify (Add grant description)		200	-	-	-	-	-	-		-
Specify (Add grant description)		500	-	-	-	-	-	-		-
Financial Management Support		-	150	150	-	150	75	75	100,0%	150
Housing		-	5 600	5 600	-	-	2 800	(2 800)	-100,0%	5 600
District Municipality:		-	150	150	-	150	75	75	100,0%	150
Tourism		-	150	150	-	150	75	75	100,0%	150
Other grant providers:		3 050	-	-	-	935	-	935		-
Foreign Government and International Organisations		1 350	-	-	-	203	-	203		-
Private Enterprises		1 700	-	-	-	732	-	732		-
Total Operating Transfers and Grants	5	142 613	156 768	156 768	1 550	114 418	111 541	2 876	2,6%	156 768
Capital Transfers and Grants										
National Government:		56 031	29 951	29 951	8 400	20 488	14 975	5 513	36,8%	29 951
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	3 900	3 900	-	900	1 950	(1 050)	-53,8%	3 900
Municipal Infrastructure Grant [Schedule 5B]		25 091	26 051	26 051	8 400	19 588	13 025	6 563	50,4%	26 051
Regional Bulk Infrastructure Grant (Schedule 5B)		19 239	-	-	-	-	-	-		-
Water Services Infrastructure Grant [Schedule 5B]		11 701	-	-	-	-	-	-		-
Provincial Government:		27 101	24 738	24 738	-	7 975	12 157	(4 182)	-34,4%	24 738
Regional Socio Economic Program Grant		500	200	200	-	-	100	(100)	-100,0%	200
Sport and Recreation & Fire Service Grant		1 029	1 408	1 408	-	985	492	493	100,0%	1 408
Specify (Add grant description)		475	-	-	-	-	-	-		-
Specify (Add grant description)		400	-	-	-	-	-	-		-
Main Roads		24 696	23 130	23 130	-	6 990	11 565	(4 575)	-39,6%	23 130
District Municipality:		1 560	600	600	-	-	-	-		600
Specify (Add grant description)		1 500	600	600	-	-	-	-		600
Specify (Add grant description)		60	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	84 692	55 289	55 289	8 400	28 463	27 133	1 330	4,9%	55 289
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	227 305	212 057	212 057	9 950	142 881	138 674	4 207	3,0%	212 057

Expenditure on councillor allowances and employee benefits

WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councillor remuneration	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		8 319	9 277	9 277	729	4 578	4 638	(60)	-1%	9 277
Pension and UIF Contributions		1 384	1 524	1 524	101	666	762	(96)	-13%	1 524
Medical Aid Contributions		87	87	87	9	54	44	10	23%	87
Motor Vehicle Allowance		-	0	0	-	-	-	-		0
Cellphone Allowance		975	1 095	1 095	84	551	548	3	1%	1 095
Other benefits and allowances		-	0	0	-	-	-	-		0
Sub Total - Councillors		10 766	11 983	11 983	924	5 849	5 992	(143)	-2%	11 983
% increase	4		11,3%	11,3%						11,3%
Senior Managers of the Municipality										
Basic Salaries and Wages		4 125	4 652	4 652	316	1 918	2 326	(408)	-18%	4 652
Pension and UIF Contributions		345	378	378	29	175	189	(14)	-7%	378
Medical Aid Contributions		60	9	9	-	-	4	(4)	-100%	9
Performance Bonus		789	850	850	65	389	425	(36)	-9%	850
Motor Vehicle Allowance		991	1 008	1 008	74	445	504	(59)	-12%	1 008
Cellphone Allowance		365	369	369	23	139	184	(46)	-25%	369
Housing Allowances		281	320	320	27	160	160	(0)	0%	320
Other benefits and allowances		53	60	60	4	26	30	(4)	-14%	60
Sub Total - Senior Managers of Municipality		7 009	7 645	7 645	538	3 251	3 822	(571)	-15%	7 645
% increase	4		9,1%	9,1%						9,1%
Other Municipal Staff										
Basic Salaries and Wages		128 082	144 937	145 481	11 787	69 853	72 740	(2 887)	-4%	145 481
Pension and UIF Contributions		21 491	23 543	23 549	1 939	11 592	11 774	(183)	-2%	23 549
Medical Aid Contributions		8 879	9 946	9 946	788	4 771	4 973	(202)	-4%	9 946
Overtime		24 002	27 018	27 001	2 005	12 108	13 500	(1 392)	-10%	27 001
Performance Bonus		9 750	11 347	11 347	899	5 337	5 674	(337)	-6%	11 347
Motor Vehicle Allowance		6 366	7 331	7 331	567	3 328	3 666	(337)	-9%	7 331
Cellphone Allowance		608	786	786	66	385	393	(8)	-2%	786
Housing Allowances		1 172	1 350	1 350	98	589	675	(86)	-13%	1 350
Other benefits and allowances		6 279	7 135	7 135	554	3 370	3 567	(197)	-6%	7 135
Payments in lieu of leave		1 893	3 501	3 501	(2 991)	(2 168)	1 750	(3 918)	-224%	3 501
Long service awards		963	1 095	1 095	76	456	548	(91)	-17%	1 095
Post-retirement benefit obligations		613	11 483	11 483	876	5 255	5 741	(487)	-8%	11 483
Sub Total - Other Municipal Staff		210 099	249 471	250 004	16 663	114 877	125 002	(10 125)	-8%	250 004
% increase	4		18,7%	19,0%						19,0%
Total Parent Municipality		227 874	269 099	269 631	18 125	123 977	134 816	(10 839)	-8%	269 631
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Sub Total - Executive members Board	2	-	-	-	-	-	-	-	-	-
% increase	4									
Senior Managers of Entities										
Sub Total - Senior Managers of Entities	4	-	-	-	-	-	-	-	-	-
% increase	4									
Other Staff of Entities										
Sub Total - Other Staff of Entities	4	-	-	-	-	-	-	-	-	-
% increase	4									
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		227 874	269 099	269 631	18 125	123 977	134 816	(10 839)	-8%	269 631
% increase	4		18,1%	18,3%						18,3%
TOTAL MANAGERS AND STAFF		217 107	257 116	257 648	17 201	118 128	128 824	(10 696)	-8%	257 648

17 Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the mid-year budget and performance assessment have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature:



A handwritten signature in black ink, appearing to be 'D NASSON', is written over a solid horizontal line.

Date

17 January 2024



SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN	REPORT ON STRATEGIC / TOP LAYER RESULTS	
	2023/24	QUARTER 2 / MID-YEAR

The Municipal Finance Management Act No. 56 of 2003 (MFMA) and National Treasury MFMA Circular No. 13 requires that municipalities must prepare a service delivery budget implementation plan (SDBIP) indicating how the budget and the strategic objectives of Council will be implemented. The SDBIP is prepared in terms of Section 53(1)(c)(ii) of the Municipal Finance Management (MFMA), National Treasury MFMA Circular No. 13 and the Budgeting and Reporting Regulation.

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OVERVIEW OF RESULTS

Key Performance Areas: % of Targets Achieved

Area	% of Targets Achieved
OVERALL	69%
SOCIO-ECONOMIC SUPPORT SERVICES	89%
COMMUNITY SERVICES	-
GOOD GOVERNANCE	56%
ESSENTIAL SERVICES	75%

Month	Target	Actual
SEP	93%	75%
DEC	93%	86%
MAR	93%	-
JUN	93%	-

Percentage expenditure on Capital Budget

Category	23/24 Exp	Sept Target	Dec Target	Mar Target	23/24 Target
Corporate	~15%	~10%	~40%	~60%	~90%
Community	~28%	~10%	~40%	~60%	~90%
Technical	~35%	~10%	~40%	~60%	~90%
Financial	~65%	~10%	~40%	~60%	~90%
TOTAL	~35%	~10%	~40%	~60%	~90%

Water & Electricity Losses

Month	Water Losses Actual	Water Losses Target	Electricity Losses Actual	Electricity Losses Target
Sept Actual	16%	18%	6%	10%
Dec Actual	14%	18%	4%	10%
Mar Actual	-	18%	-	10%
Jun Actual	-	18%	-	10%

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KEY PERFORMANCE AREA:		Essential Services				
STRATEGIC OBJECTIVE:		Sustainable provision & maintenance of basic infrastructure				
Ref	Key Performance Indicator	Annual Target	2nd Quarter Target	2nd Quarter Results	Reason if target not achieved	Corrective measures
TecDir1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the Technical Department	98%	40%	36%	The maximum amount of the bid of the streets reseal project, was reached earlier than expected (due to higher than expected cpa), therefore the reseal work could not be completed as planned.	The bid of the streets reseal project to be awarded.
TecDir3	% Expenditure on Capital Budget by Technical Directorate	95%	40%	34%	Council did not decide on the positions of the drop-offs, therefore no expenditure, hooklift truck not delivered as promised by supplier, inep electrification project in Vredebes not removed from budget,	Council to decide on the positions of the drop-offs, hooklift truck to be delivered during February, inep electrification project in Vredebes to be removed from budget.
WS1.11(Cir88)	Number of new sewer connections meeting minimum standards	10	4	53	Reason for over achievement - 42 new chemical toilets placed at informal settlements adding to 11 new conventional connections.	Target to be adjusted
WS2.11(Cir88)	Number of new water connections meeting minimum standards	10	4	18	Reason for over achievement - 4 new water stand pipes placed at informal settlements adding to 14 new conventional connections.	Target to be adjusted
TecWat21	Percentage compliance with drinking water quality standards.	98%	98%	100%		
EE1.11(Cir88)	Number of dwellings provided with connections to mains electricity supply by the municipality	10	4	221	Reason for over-achievement - implementation of Revenue Enhancement Strategy has resulted in a significant increase in applications mainly because of stricter control over illegal connections.	Target to be adjusted
FinInc28	Number of formal residential properties for which refuse is removed once per week and which are billed for refuse removal as at	13465	13465	11873	The target was determined on all refuse customers. The indicator however measures only residential customers.	Target to be adjusted to only residential customers.
TecWat20	Percentage unaccounted water losses	18%	18%	14%		
TecEI37	Percentage unaccounted electricity losses.	10%	11%	4%	Stats provided is up to November 2023. December consumption will only be available end of January 2024. This value will then be revised accordingly. It is to be noted also that Bon Chretien had a VT Fail between September and October. Ceres substation had a CT replacement as well. All these events affect which also affects the meter readings.	Eskom will be submitting an adjusted bill for December with the January invoice.
TecRo7	Kilometres of roads upgraded & rehabilitated	No target	0	0		

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KEY PERFORMANCE AREA:		Essential Services				
STRATEGIC OBJECTIVE:		Provide for the needs of informal settlements through improved services				
Ref	Key Performance Indicator	Annual Target	2nd Quarter Target	2nd Quarter Results	Reason if target not achieved	Corrective measures
TecDir2	Number of subsidised serviced sites developed.	No target	0	N/A		
TecWat22	Percentage of households in demarcated informal areas with access to a water point (tap)	95%	95%	100%		
TecSan13	Percentage of households in demarcated informal areas with access to a communal toilet facility.	95%	95%	100%		
TecRef31	Percentage of households in demarcated informal areas with access to a periodic solid waste removal or a skip for household waste.	95%	95%	100%		

KEY PERFORMANCE AREA:		Governance				
STRATEGIC OBJECTIVE:		Support Institutional Transformation & Development				
Ref	Key Performance Indicator	Annual Target	2nd Quarter Target	2nd Quarter Results	Reason if target not achieved	Corrective measures
CorpHR13	Percentage budget spent on implementation of Workplace Skills Plan.	96%	35%	48%		
CorpHR12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	4 Reports	2	2		

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KEY PERFORMANCE AREA:		Governance				
STRATEGIC OBJECTIVE:		Ensure Financial Viability				
Ref	Key Performance Indicator	Annual Target	2nd Quarter Target	2nd Quarter Results	Reason if target not achieved	Corrective measures
FinFAdm10	Financial viability expressed as Debt-Coverage ratio	350	350	NA	The municipality do not have any loans currently and therefor a ratio can not be determined.	New loan will be taken up in the latter part of the year.
FinFAdm9	Financial viability expressed as Cost-Coverage ratio	2,8	2,8	4		
FinFAdm11	Financial viability expressed outstanding service debtors	60%	60%	92%	Lower collection rate observed	Improve Credit Control & Debt Collection Measures. Implement Water Management Devices in Eskom Areas. Implement a policy to ensure all Indigents are on Prepaid. Implement automated auxiliary payments.
FinInc15	Percentage revenue collection	93%	93%	86%	Debt Collection remains a challenge. The non payment of service in for eg eskom areas are attributing to the low collectin rate.	Stringent implimentation of credit control, debt collection policy, including implimentation of auxilerie payments for defaulters
MM1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the whole of the municipality.	98%	40%	36%	Refer to TecDir1 and ComDir1 for detailed explanations per directorate.	
MM2	Percentage spend of capital budget for the whole of the municipality.	95%	40%	34%	A number of roll-over projects included in the budget was not approved and will be removed with the adjustment budget process. This will have significant impact on expenditure percentage. Refer to TecDir1 and ComDir1 for detailed explanations per directorate.	Remove unapproved roll-over projects with adjustment budget.

KEY PERFORMANCE AREA:		Governance				
STRATEGIC OBJECTIVE:		To maintain and strengthen relations with international- & inter-governmental partners as well as the local community through the creation of participative structures.				
Ref	Key Performance Indicator	Annual Target	2nd Quarter Target	2nd Quarter Results	Reason if target not achieved	Corrective measures
MMIDP9	Number of IDP community engagements held.	14	7	7		
ComSoc49	Number of meetings with inter-governmental partners.	12	6	7		

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KEY PERFORMANCE AREA:		Communal Services				
STRATEGIC OBJECTIVE:		Provide & maintain facilities that make citizens feel at home.				
Ref	Key Performance Indicator	Annual Target	2nd Quarter Target	2nd Quarter Results	Reason if target not achieved	Corrective measures
ComAm34	Analysis report on customer satisfaction questionnaires on community facilities.	1 Report	0	0		
ComDir1	Percentage expenditure on the preventative- & corrective planned maintenance budget of the Community Department.	98%	40%	30%	The under expenditure to achieve 40% target amounts to R 61 000. Reason mainly due to delay in appointment process.	Finalisation of service providers appointments.
ComDir2	Percentage expenditure on Capital Budget by Community Directorate	95%	40%	28%	Fencing of Trichardtstr flats (R0,5m) - contractor appointed, surplus funds to be transferred with adjustment budget. Nduli Library (R2m) - draft plans completed, additional funding to be sourced. Consider budget decrease on adjustment budget. Rescue equipment (R0,86m) - to be procured through national (RT) tender which is being finalised.	Accelerate expenditure and decrease budget of Nduli Library with adjustment budget.

KEY PERFORMANCE AREA:		Socio-Economic Support Services				
STRATEGIC OBJECTIVE:		Support the poor & vulnerable through programmes & policy				
Ref	Key Performance Indicator	Annual Target	2nd Quarter Target	2nd Quarter Results	Reason if target not achieved	Corrective measures
ComSoc41	Number of account holders subsidised through the municipality's Indigent Policy	4500	4500	3153		
LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services	5%	2%	3%	The quarterly target was calculated using only the expected budget for a 6 months period and should have been the annual budget. The annual target is achieved.	Quarterly targets to be adjusted.
LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP and other related employment programmes)	400	200	375		
ComSoc 42	Number of engagements with target groups with the implementation of social development programmes.	20	10	13		
ComHS14	Number of housing opportunities provided per year.	No Target	0	0		
ComHS15	Number of Rental Stock transferred	30	10	0	New service provider appointed in December 2023 after previous procurement process was unsuccessful.	New contracts will be signed with approved beneficiaries and send to newly appointed service provider. Target to be adjusted.

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KEY PERFORMANCE AREA:		Socio-Economic Support Services				
STRATEGIC OBJECTIVE:		Create an enabling environment to attract investment & support local economy.				
Ref	Key Performance Indicator	Annual Target	2nd Quarter Target	2nd Quarter Results	Reason if target not achieved	Corrective measures
ComLed19	Bi-annual report on investment incentives implemented.	2 Reports	1	1		
ComLed20	Quarterly report on the Small Business Entrepreneurs Development Programme.	4 Reports	2	2		
ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	4 Reports	2	2		
LED3.11	Average time taken to finalise business license applications	5 days	3	2		