

BEAUFORT WEST MUNICIPALITY



Monthly Budget Statement FOR THE MONTH ENDING SEPTEMBER 2023

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PART 1 – IN-YEAR REPORT

1. Mayor's Report

1.1 In-Year Report – Monthly Budget Statement

1.1.1 Implementation of the budget in accordance with the SDBIP

No comments for September 2023.

1.1.2 Financial problems or risks facing the municipality

The current financial position of the municipality remains under pressure. The Western Cape Provincial Government approved an intervention in Beaufort West Municipality in terms of section 139(5) of the Constitution. A mandatory Financial Recovery Plan (FRP) was approved and are now being implemented. Directors are urged to identify and promote effectiveness and efficiencies within their respective directorates and to keep their expenditure within the approved budget.

1.1.3 Other relevant information

The audit outcome figures contained in this report is the 2022/23 pre-audited figures submitted to the Auditor General for audit purposes as the end of August 2023. These figures are provisional and will be final once the 2022/23 audit has been concluded at the end of November.

2. Resolutions

IN-YEAR REPORT 2023/2024

This is the report will be presented to Council at their next meeting:

RECOMMENDATION:

- a) That Council notes the monthly budget statement and any supporting documentation for September 2023.

3. Executive Summary

3.1 Introduction

Section 71 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 in the prescribe format on the state of the Municipality's budget.

This report presents the current state of the budget implementation and reasons for variances and possible action to be taken.

3.2 Consolidated performance

3.2.1 Against annual budget

Total Revenue

The total revenue (excluding capital transfers and contributions) year-to-date accrued amounted to R 111,444 million at the end of September 2023. This was R 6,641 million or 6% above the year-to-date budget of R 104,803 million. The main reason for the over performance was due to the annual billing of property rates and sanitation as well as the first equitable share tranche of R 34,8 million that was received during the first quarter. Another revenue item that affected the performance of September is the fines, penalties and forfeits that were R 13,474 million or 81% below the year-to-date target R 16,634 million. This relate specifically to the traffic fines and the iGRAP 1 treatment thereof.

The transfers and subsidies - capital (monetary allocations) year-to-date amounted to R 1,693 million for September. This is R 2,071 million below the year-to-date target of R 3,764 million at the end of the quarter. Transfers and subsidies - capital are expected to increase as the year progress.

Refer to Table C4 for more detail on revenue by source.

Operating expenditure by type

The year to date total operational expenditure at the end of September 2023 amounted to R 92,121 million. This is R 10,931 million or 11% below year-to-date budget projections for September 2023. The bulk electricity accounts of September are due and payable in October

2023, hence the variance. The over expenditure on other expenditure is due to internal departmental consumption changes amounting to R 7,231 million at the end of September. Although year-to-date the expenditure is lower than expected at the end of September, expenditure is expected to increase as the year progress. The variance in debt impairment relate to traffic fines and the treatment of traffic fines in terms of iGRAP 1.

Refer to Table C4 for further details on expenditure by type.

Capital expenditure

The approved capital budget for the 2023/2024 financial year amounts to R 13,977 million. The capital expenditure for the month of September 2023 amounted to R 636,056.31. The year to date expenditure amounted to R 1,626,729.33 or 12% of the total budget at the end of the 1st quarter. The capital budget is mostly funded from national grant allocations, hence the expenditure is driven by the timing when the funding are received by the municipality. During September 2023 the municipality received its second MIG allocation. With supply chain process that are currently under way, expenditure is expected to increase as the year progress.

Refer to Table C5 and SC12 for more detail on capital expenditure.

Cash flows

The municipality started the month of September with a positive net cash position of R 10,338,639.09 and an investment balance of R 28,998,054.44 million. The net cash position at the end of September 2023 amounted to R 10,665,225.27 as per bank statement and the investment balance amounted to R 29,802,190.51.

Refer to Table C7 for more detail on cash flows.

3.3 Material variances from SDBIP

No comments for September 2023.

3.4 Remedial or corrective steps

- Revenue should be improved by fully implementing the adopted credit control and debt collection policies of the municipality as well as the revenue improvement initiatives outlined in the Financial Recovery Plan;

- Limit non-priority spending and implement stringent cost-containment measures;
- Reducing budget spent on cost of employment, specifically overtime and standby cost.

3.5 Municipal Debt Relief

Section 12 to this report provide progress / report on the municipal debt relief conditions in terms of MFMA Circular No. 124 for the month of September 2023.

4. In-year budget statement tables

4.1 Monthly budget statements

4.1.1 Table C1 s71 Monthly Budget Statement Summary

WC053 Beaufort West - Table C1 Monthly Budget Statement Summary - M03 September									
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	45,662	50,821	-	3,232	17,629	12,705	4,923	39%	50,821
Service charges	140,669	151,922	-	10,074	39,872	37,980	1,891	5%	151,922
Investment revenue	2,121	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	2,121	750	-	630	757	188	569	304%	750
Other own revenue	154,512	215,718	-	7,808	53,184	53,929	(745)	-1%	-
Total Revenue (excluding capital transfers and contributions)	345,087	419,211	-	21,744	111,441	104,803	6,638	6%	419,211
Employee costs	122,441	133,488	-	9,751	28,734	33,372	(4,639)		133,488
Remuneration of Councillors	6,266	6,806	-	536	1,584	1,702	(118)		6,806
Depreciation and amortisation	20,847	26,248	-	6,562	6,562	6,562	(0)		26,248
Interest	11,378	2,091	-	5	(42)	523	(565)		2,091
Inventory consumed and bulk purchases	91,730	118,933	-	11,548	23,288	29,733	(6,445)		118,933
Transfers and subsidies	588	-	-	-	-	-	-		-
Other expenditure	125,841	124,645	-	20,789	31,996	31,161	835	3%	124,645
Total Expenditure	379,090	412,211	-	49,191	92,121	103,053	(10,931)	-11%	412,211
Surplus/(Deficit)	(34,004)	7,000	-	(27,446)	19,319	1,750	17,570	1004%	7,000
Transfers and subsidies - capital (monetary allocations)	52,314	15,057	-	731	1,693	3,764	(2,071)	-55%	15,057
Transfers and subsidies - capital (in-kind)	2,965	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	21,276	22,056	-	(26,715)	21,012	5,514	15,498	281%	22,056
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	21,276	22,056	-	(26,715)	21,012	5,514	15,498	281%	22,056
Capital expenditure & funds sources									
Capital expenditure	50,741	13,977	-	636	1,627	3,494	(1,868)	-53%	13,977
Capital transfers recognised	48,829	13,093	-	636	1,472	3,273	(1,801)	-55%	13,093
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	1,912	884	-	-	155	221	(66)	-30%	884
Total sources of capital funds	50,741	13,977	-	636	1,627	3,494	(1,868)	-53%	13,977
Financial position									
Total current assets	127,394	151,161	-	-	25,441	-	-		151,161
Total non current assets	466,800	450,127	-	-	(4,908)	-	-		450,127
Total current liabilities	209,931	126,730	-	-	(708)	-	-		126,730
Total non current liabilities	50,605	108,509	-	-	-	-	-		108,509
Community wealth/Equity	333,658	387,591	-	-	21,241	-	-		387,591
Cash flows									
Net cash from (used) operating	44,161	167,760	-	9,683	50,334	41,940	(8,394)	-20%	167,760
Net cash from (used) investing	(45,118)	(13,977)	-	(638)	(2,476)	(3,271)	(796)	24%	(13,977)
Net cash from (used) financing	(759)	(877)	-	9	32	(219)	(252)	115%	(877)
Cash/cash equivalents at the month/year end	14,670	151,507	-	-	47,891	37,050	(10,841)	-29%	152,906
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dye	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	20,320	10,033	4,751	4,009	3,913	3,721	3,330	156,463	206,540
Creditors Age Analysis									
Total Creditors	994	12,167	173	2,531	1,020	1,633	15,971	86,398	120,947

4.1.2 Table C2 Monthly Budget Statement - Financial Performance (standard classification)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organizational structures used by the different institutions.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services. It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

WC053 Beaufort West - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September										
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>		122,344	104,405	–	22,139	38,714	25,101	12,612	48%	104,405
Executive and council		45,290	11,932	–	4,920	4,951	2,983	1,968	66%	11,932
Finance and administration		77,054	92,473	–	17,219	33,763	23,118	10,645	46%	92,473
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		15,130	80,775	–	3,390	7,200	20,194	(12,993)	-64%	80,775
Community and social services		8,314	8,223	–	752	2,028	2,056	(28)	-1%	8,223
Sport and recreation		2,209	4,039	–	1,234	1,673	1,010	664	66%	4,039
Public safety		4,443	67,582	–	1,404	3,499	18,895	(13,396)	-79%	67,582
Housing		165	932	–	–	–	233	(233)	-100%	932
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		5,868	4,399	–	99	322	1,100	(778)	-71%	4,399
Planning and development		2,171	1,466	–	99	303	366	(64)	-17%	1,466
Road transport		3,697	2,934	–	–	19	733	(714)	-97%	2,934
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		211,362	244,688	–	(3,152)	66,901	61,172	5,729	9%	244,688
Energy services		117,360	135,232	–	15,041	36,956	33,808	3,148	9%	135,232
Water management		45,899	42,427	–	(27,729)	11,144	10,607	537	5%	42,427
Waste water management		29,081	38,768	–	5,403	11,257	9,689	1,568	16%	38,768
Waste management		19,022	28,272	–	4,132	7,544	7,068	476	7%	28,272
<i>Other</i>	4	3,111	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	357,814	434,267	–	22,476	113,137	108,567	4,570	4%	434,267
Expenditure - Functional										
<i>Governance and administration</i>		115,943	94,319	–	14,762	30,165	23,580	6,585	28%	94,319
Executive and council		28,341	15,932	–	2,718	8,882	3,983	4,899	123%	15,932
Finance and administration		86,589	77,168	–	11,952	21,021	19,292	1,729	9%	77,168
Internal audit		1,012	1,219	–	92	262	305	(43)	-14%	1,219
<i>Community and public safety</i>		72,813	95,339	–	3,631	9,650	23,835	(14,184)	-60%	95,339
Community and social services		14,125	11,931	–	962	2,651	2,883	(332)	-11%	11,931
Sport and recreation		7,903	7,203	–	620	1,558	1,801	(243)	-13%	7,203
Public safety		49,054	73,683	–	1,957	5,136	18,421	(13,285)	-72%	73,683
Housing		1,731	2,522	–	92	305	630	(325)	-52%	2,522
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		23,427	30,834	–	3,388	6,023	7,709	(1,686)	-22%	30,834
Planning and development		7,698	11,333	–	739	1,546	2,833	(1,287)	-45%	11,333
Road transport		15,729	19,502	–	2,629	4,477	4,875	(399)	-8%	19,502
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		166,907	191,719	–	27,430	46,284	47,930	(1,646)	-3%	191,719
Energy services		97,996	126,224	–	13,050	26,429	31,556	(5,127)	-18%	126,224
Water management		28,138	30,614	–	5,806	8,230	7,654	576	8%	30,614
Waste water management		20,680	17,770	–	4,963	6,125	4,443	1,682	38%	17,770
Waste management		20,092	17,111	–	3,611	5,501	4,278	1,223	29%	17,111
<i>Other</i>		–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	379,090	412,211	–	49,191	92,122	103,053	(10,931)	-11%	412,211
Surplus/ (Deficit) for the year		(21,276)	22,056	–	(26,715)	21,015	5,514	15,501	281%	22,056

4.1.3 Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

The operating expenditure budget is approved by Council on the municipal vote level. The municipal votes reflect the organizational structure of the municipality which is made up of the following directorates: Municipal Manager; Corporate Services; Financial Services; Infrastructure Services and Community Services.

WC053 Beaufort West - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September										
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 - MUNICIPAL MANAGER		9,579	8,732	-	3,596	3,616	2,183	1,433	65.6%	8,732
Vote 2 - DIRECTORATE: INFRASTRUCTURE SERVICES		197,172	276,267	-	(7,185)	59,679	69,067	(9,388)	-13.6%	276,267
Vote 3 - DIRECTORATE: ELECTRO-TECHNICAL SERVICES		-	-	-	-	-	-	-		-
Vote 4 - DIRECTORATE: CORPORATE SERVICES		45,801	11,852	-	2,159	3,936	2,963	972	32.8%	11,852
Vote 5 - DIRECTORATE: FINANCIAL SERVICES		65,510	25,292	-	12,662	28,653	6,323	22,330	353.2%	25,292
Vote 6 - DIRECTORATE: COMMUNITY SERVICES		36,642	112,124	-	11,243	17,254	28,031	(10,777)	-38.4%	112,124
Vote 7 - COMMUNITY & SOCIAL SERVICES		3,111	-	-	-	-	-	-		-
Total Revenue by Vote	2	357,814	434,267	-	22,476	113,137	108,567	4,570	4.2%	434,267
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		24,040	7,615	-	2,075	6,925	1,904	5,022	263.8%	7,615
Vote 2 - DIRECTORATE: INFRASTRUCTURE SERVICES		175,666	215,960	-	28,152	48,460	53,990	(5,531)	-10.2%	215,960
Vote 3 - DIRECTORATE: ELECTRO-TECHNICAL SERVICES		-	-	-	-	-	-	-		-
Vote 4 - DIRECTORATE: CORPORATE SERVICES		34,655	39,457	-	2,838	9,518	9,864	(347)	-3.5%	39,457
Vote 5 - DIRECTORATE: FINANCIAL SERVICES		56,744	40,570	-	9,156	13,281	10,143	3,139	30.9%	40,570
Vote 6 - DIRECTORATE: COMMUNITY SERVICES		87,965	108,608	-	6,969	13,938	27,152	(13,214)	-48.7%	108,608
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	379,090	412,211	-	49,191	92,122	103,053	(10,931)	-10.6%	412,211
Surplus/ (Deficit) for the year	2	(21,276)	22,056	-	(26,715)	21,015	5,514	15,501	281.1%	22,056

4.1.4 Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)

WC053 Beaufort West - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September										
Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		91,899	99,386	-	6,385	26,678	24,847	1,831	7%	99,386
Service charges - Water		17,198	15,525	-	1,277	2,657	3,881	(1,225)	-32%	15,525
Service charges - Waste Water Management		20,863	23,478	-	1,543	6,804	5,870	935	16%	23,478
Service charges - Waste management		10,709	13,533	-	870	3,733	3,383	350	10%	13,533
Sale of Goods and Rendering of Services		810	795	-	28	124	199	(75)	-38%	795
Agency services		1,180	1,320	-	112	352	330	22	7%	1,320
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		7,852	10,639	-	814	2,318	2,660	(341)	-13%	10,639
Interest from Current and Non Current Assets		2,121	750	-	630	757	188	569	304%	750
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1,382	1,838	-	209	438	460	(21)	-5%	1,838
Licence and permits		296	298	-	17	60	75	(15)	-20%	298
Operational Revenue		1,146	1,182	-	77	677	295	381	129%	1,182
Non-Exchange Revenue										
Property rates		45,662	50,821	-	3,232	17,629	12,705	4,923	39%	50,821
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		44,668	66,536	-	1,300	3,160	16,634	(13,474)	-81%	66,536
Licence and permits		181	192	-	13	44	48	(4)	-8%	192
Transfers and subsidies - Operational		92,215	96,971	-	1,373	38,231	24,243	13,988	58%	96,971
Interest		2,587	3,284	-	280	800	821	(21)	-3%	3,284
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	32,663	-	3,586	6,983	8,166	(1,182)	-14%	32,663
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		4,315	-	-	-	-	-	-	-	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		345,087	419,211	-	21,744	111,444	104,803	6,641	6%	419,211
Expenditure By Type										
Employee related costs		122,441	133,488	-	9,751	28,734	33,372	(4,639)	-14%	133,488
Remuneration of councillors		6,266	6,806	-	536	1,584	1,702	(118)	-7%	6,806
Bulk purchases - electricity		75,858	97,370	-	10,478	20,961	24,342	(3,382)	-14%	97,370
Inventory consumed		15,872	21,564	-	1,069	2,328	5,391	(3,063)	-57%	21,564
Debt impairment		43,373	74,412	-	15,131	15,131	18,603	(3,472)	-19%	74,412
Depreciation and amortisation		20,847	26,248	-	6,562	6,562	6,562	(0)	0%	26,248
Interest		11,378	2,091	-	5	(42)	523	(565)	-108%	2,091
Contracted services		20,038	14,966	-	1,955	3,332	3,741	(409)	-11%	14,966
Transfers and subsidies		588	-	-	-	-	-	-	-	-
Irrecoverable debts written off		17,866	-	-	33	850	-	850	#DIV/0!	-
Operational costs		43,732	35,267	-	3,670	12,683	8,817	3,866	44%	35,267
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		171	-	-	-	-	-	-	-	-
Total Expenditure		379,090	412,211	-	49,191	92,121	103,053	(10,931)	-11%	412,211
Surplus/(Deficit)		(34,004)	7,000	-	(27,448)	19,323	1,750	17,573	0	7,000
Transfers and subsidies - capital (monetary allocations)		52,314	15,057	-	731	1,693	3,764	(2,071)	(0)	15,057
Transfers and subsidies - capital (in-kind)		2,965	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		21,278	22,056	-	(26,715)	21,015	5,514	-	-	22,056
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		21,278	22,056	-	(26,715)	21,015	5,514	-	-	22,056
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		21,278	22,056	-	(26,715)	21,015	5,514	-	-	22,056
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		21,278	22,056	-	(26,715)	21,015	5,514	-	-	22,056

4.1.5 Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

WC053 Beaufort West - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September										
Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - DIRECTORATE: INFRASTRUCTURE SERVICES		26,414	6,150	-	-	17	1,538	(1,521)	-99%	6,150
Vote 3 - DIRECTORATE: ELECTRO-TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - DIRECTORATE: CORPORATE SERVICES		1,406	-	-	-	-	-	-	-	-
Vote 5 - DIRECTORATE: FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - DIRECTORATE: COMMUNITY SERVICES		4,777	7,488	-	-	-	1,872	(1,872)	-100%	7,488
		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	32,596	13,638	-	-	17	3,409	(3,393)	-100%	13,638
Single Year expenditure appropriation	2									
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - DIRECTORATE: INFRASTRUCTURE SERVICES		17,957	-	-	-	-	-	-	-	-
Vote 3 - DIRECTORATE: ELECTRO-TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - DIRECTORATE: CORPORATE SERVICES		-	339	-	636	1,610	85	1,525	1799%	339
Vote 5 - DIRECTORATE: FINANCIAL SERVICES		39	-	-	-	-	-	-	-	-
Vote 6 - DIRECTORATE: COMMUNITY SERVICES		149	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	18,145	339	-	636	1,610	85	1,525	1799%	339
Total Capital Expenditure		50,741	13,977	-	636	1,627	3,494	(1,868)	-53%	13,977
Capital Expenditure - Functional Classification										
Governance and administration		1,445	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		1,445	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		2,573	3,653	-	636	1,610	913	697	76%	3,653
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		2,220	3,653	-	636	1,610	913	697	76%	3,653
Public safety		153	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		2,670	3,096	-	-	17	774	(757)	-98%	3,096
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		2,670	3,096	-	-	17	774	(757)	-98%	3,096
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		44,253	7,228	-	-	-	1,807	(1,807)	-100%	7,228
Energy sources		15,295	-	-	-	-	-	-	-	-
Water management		25,823	-	-	-	-	-	-	-	-
Waste water management		583	3,054	-	-	-	764	(764)	-100%	3,054
Waste management		2,552	4,174	-	-	-	1,043	(1,043)	-100%	4,174
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	50,741	13,977	-	636	1,627	3,494	(1,868)	-53%	13,977
Funded by:										
National Government		44,270	13,093	-	636	1,472	3,273	(1,801)	-55%	13,093
Provincial Government		1,632	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Deparim Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		2,927	-	-	-	-	-	-	-	-
Transfers recognised - capital		48,829	13,093	-	636	1,472	3,273	(1,801)	-55%	13,093
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		1,912	884	-	-	155	221	(66)	-30%	884
Total Capital Funding		50,741	13,977	-	636	1,627	3,494	(1,868)	-53%	13,977

4.1.6 Table C6 Monthly Budget Statement - Financial Position

WC053 Beaufort West - Table C6 Monthly Budget Statement - Financial Position - M03 September						
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		15,272	16,807	–	26,074	16,807
Trade and other receivables from exchange transactions		(5,943)	7,692	–	(1,239)	7,692
Receivables from non-exchange transactions		47,481	71,879	–	(438)	71,879
Current portion of non-current receivables		1,154	2,405	–	–	2,405
Inventory		4,491	3,424	–	(445)	3,424
VAT		55,434	40,626	–	1,465	40,626
Other current assets		9,505	8,328	–	23	8,328
Total current assets		127,394	151,161	–	25,441	151,161
Non current assets						
Investments		(451)	630	–	45	630
Investment property		6,177	5,963	–	(53)	5,963
Property, plant and equipment		454,056	437,177	–	(4,899)	437,177
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		3,340	5,225	–	–	5,225
Intangible assets		1,153	19	–	–	19
Trade and other receivables from exchange transactions		2,030	850	–	–	850
Non-current receivables from non-exchange transactions		495	262	–	–	262
Other non-current assets		–	–	–	–	–
Total non current assets		466,800	450,127	–	(4,908)	450,127
TOTAL ASSETS		594,194	601,288	–	20,533	601,288
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	–	–	–	–
Consumer deposits		3,935	3,842	–	34	3,842
Trade and other payables from exchange transactions		141,709	76,198	–	(12,259)	76,198
Trade and other payables from non-exchange transactions		4,973	–	–	7,628	–
Provision		12,977	13,822	–	–	13,822
VAT		44,876	31,475	–	3,889	31,475
Other current liabilities		1,461	1,394	–	–	1,394
Total current liabilities		209,931	126,730	–	(708)	126,730
Non current liabilities						
Financial liabilities		3,789	3,132	–	–	3,132
Provision		21,241	20,708	–	–	20,708
Long term portion of trade payables		–	58,254	–	–	58,254
Other non-current liabilities		25,575	26,415	–	–	26,415
Total non current liabilities		50,605	108,509	–	–	108,509
TOTAL LIABILITIES		260,536	235,239	–	(708)	235,239
NET ASSETS	2	333,658	366,050	–	21,241	366,050
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		329,553	361,945	–	21,241	361,945
Reserves and funds		4,104	4,104	–	–	4,104
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	333,658	366,050	–	21,241	366,050

4.1.7 Table C7 Monthly Budget Statement - Cash Flow

WC053 Beaufort West - Table C7 Monthly Budget Statement - Cash Flow - M03 September										
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		34,742	47,613	-	3,812	11,895	11,903	(209)	-2%	47,613
Service charges		118,257	176,258	-	12,345	37,166	44,065	(6,898)	-18%	176,258
Other revenue		19,451	20,520	-			5,130	(5,130)	-100%	20,520
Transfers and Subsidies - Operational		90,685	96,971	-	2,637	40,916	24,243	16,673	69%	96,971
Transfers and Subsidies - Capital		50,153	15,057	-	5,434	6,636	3,764	2,872	76%	15,057
Interest		12,561	750	-			188	(188)	-100%	750
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(275,100)	(322,018)	-	(14,539)	(45,998)	(80,504)	(34,506)	43%	(322,018)
Interest		(5,999)	(2,091)	-	(6)	(80)	(523)	(443)	85%	(2,091)
Transfers and Subsidies		(588)	-	-			-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		44,161	33,060	-	9,683	50,334	8,265	(42,069)	-508%	33,060
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		(45,118)	(13,977)	-	(638)	(2,476)	(3,494)	(1,019)	29%	(13,977)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(45,118)	(13,977)	-	(638)	(2,476)	(3,494)	(1,019)	29%	(13,977)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	9	32	-	32	#DIV/0!	-
Payments										
Repayment of borrowing		(759)	(877)	-	-	-	(219)	(219)	100%	(877)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(759)	(877)	-	9	32	(219)	(252)	115%	(877)
NET INCREASE/ (DECREASE) IN CASH HELD		(1,716)	18,206	-	9,055	47,891	4,552			18,206
Cash/cash equivalents at beginning:		16,386	1,399	-	-	-	1,399			1,399
Cash/cash equivalents at month/year end:		14,670	19,606	-	-	47,891	5,951			19,606

The table below indicate the bank statement and investment balances movement for September 2023.

Bank and Investment Balances Movement - September 2023							
	Opening Balance	Revenue	Expenditure	Investment Deposits	Investment Withdrawals	Interest Capitalised	Closing Balance
Nedbank Account	10,124,961.54	37,244,916.63	- 37,106,325.61	-	-	-	10,263,552.56
ABSA Account	213,677.55	3,133,798.73	- 2,945,803.57	-	-	-	401,672.71
Investment Balances	28,998,054.44	-	-	7,173,210.33	- 6,984,864.77	615,790.51	29,802,190.51
Balance	39,336,693.53	40,378,715.36	- 40,052,129.18	7,173,210.33	- 6,984,864.77	615,790.51	40,467,415.78

Table C7 includes the balance of the Cashbook and Current Investment Deposits.

PART 2 – SUPPORTING DOCUMENTATION

5. Debtors' analysis

5.1 Supporting Table SC3

Debtors' age analysis

WC053 Beaufort West - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September													
Description	NT Code	Budget Year 2023/24									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	4,084	1,295	1,592	920	1,061	984	658	20,907	31,531	24,560		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	6,507	714	250	278	219	242	295	3,133	11,637	4,166		
Receivables from Non exchange Transactions - Property Rates	1400	4,344	4,993	1,013	977	822	752	704	34,684	48,288	37,938		
Receivables from Exchange Transactions - Waste Water Management	1500	3,131	1,826	1,046	1,034	1,033	992	967	35,705	46,733	38,730		
Receivables from Exchange Transactions - Waste Management	1600	1,846	1,004	675	660	660	643	625	21,987	28,101	24,575		
Receivables from Exchange Transactions - Property Rental Debtors	1700	3	1	1	1	1	1	1	46	56	51		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	1,177	1,177	1,177		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	405	198	175	140	87	107	80	38,825	40,017	39,238		
Total By Income Source	2000	20,320	10,033	4,751	4,009	3,913	3,721	3,330	156,463	206,540	171,436		
2022/23 - totals only										201,210	160,383		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2,104	1,017	404	426	298	284	206	16,513	21,251	17,726		
Commercial	2300	3,872	4,121	412	367	376	337	325	17,103	26,913	18,508		
Households	2400	14,345	4,865	3,935	3,215	3,229	3,100	2,800	122,847	158,376	135,202		
Other	2500	-	-	-	-	-	-	-	-	-	-		
Total By Customer Group	2600	20,320	10,033	4,751	4,009	3,913	3,721	3,330	156,463	206,540	171,436		

6. Creditors analysis

6.1 Supporting Table SC4

Creditors' age analysis

WC053 Beaufort West - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September										
Description	NT Code	Budget Year 2023/24								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	94	11,197	-	0	-	-	-	62,783	74,075
Bulk Water	0200	-	52	-	21	551	1,070	3,989	4,675	10,358
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	776	162	39	2,385	335	476	3,624	14,430	22,228
Auditor General	0800	132	748	134	123	134	147	8,358	4,510	14,285
Other	0900	-	-	-	1	-	0	-	0	1
Total By Customer Type	1000	1,003	12,158	173	2,531	1,020	1,693	15,971	86,398	120,947

7. Investment portfolio analysis

7.1 Supporting Table SC5

WC053 Beaufort West - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September					
Investments by maturity Name of Institution & Investment ID	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands					
Municipality					
Standard Bank	21,839	436	(5,273)	-	17,002
ABSA Bank	5,131	138	(1,712)	7,173	10,731
Nedbank	832	17	-	-	849
Investec	1,196	25	-	-	1,221
					-
					-
Municipality sub-total	28,998	616	(6,985)	7,173	29,802
Entities					
					-
					-
Entities sub-total	-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	28,998	616	(6,985)	7,173	29,802

The total investment balance of the Municipality at the end of September 2023 amounted to R 29,802,145.51. The table below provides a summary of the movements that occurred during the first quarter of the financial year (July – September 2023).

Investment Balances July 2023 - September 2023		
M01 - July 2023	Investment Opening Balance - 1 July 2023	12,318,109.93
M01 - July 2023	Investment Top Up	22,027,750.00
M01 - July 2023	Investment Withdrawals	- 1,584,453.34
M01 - July 2023	Interest Capitalised	-
Balance - 31 July 2023		32,761,406.59
M02 - August 2023	Investment Top Up	2,185,000.00
M02 - August 2023	Investment Withdrawals	- 5,948,352.15
M02 - August 2023	Interest Capitalised	-
Balance - 31 August 2023		28,998,054.44
M03 - September 2023	Investment Top Up	7,173,210.33
M03 - September 2023	Investment Withdrawals	- 6,984,864.77
M03 - September 2023	Interest Capitalised	615,795.51
M03 - September 2023	Admin / Service Fees	- 50.00
Balance - 30 September 2023		29,802,145.51

A total of R 7,173,210.33 was invested during the month of September and related to the following:

- R 5,720,000 – second Municipal Infrastructure Grant (MIG) allocation received during September;
- R 1,360,994.45 - Cultural Affairs & Sport: Library Service - Replacement Funding for most vulnerable B3 Municipalities;
- R 92,215.82 - Expanded Public Works Programme Integrated Grant (EPWP).

The investment withdrawals for the month amounted to R 6,984,864.77 and related to the following:

- R 906,404.74 from MIG investment to pay a service providers on a MIG capital project of the 2023/24 capital budget and operational expenditure relating to the PMU;
- R 5 million from the R 20 million investment made in July. This is the second R 5 million withdrawal for the quarter, the balance of this investment at the end of September amounted to R 10 million;
- R 98,400 withdrawal from the Chemical Industries Education & Training Authority Grant to fund the payment of the learners stipends;
- R 489,532 from the Local Government Financial Management Grant (FMG) to finance operational expenditure funded by the grant.

Interest earned on investments are capitalized on a quarterly basis by the municipality. The total interest earned on investments for the first quarter (July – September 2023) amounted to R 615,795.51.

Included in the balance of R 28,998 million is the unspent conditional grants amounting to R 12,601 million that are cash backed on investment.

8. Allocation and grant receipts and expenditure

8.1 Supporting Table SC6 – Grant receipts

WC053 Beaufort West - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September										
Description	R/£	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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		81,254	87,923	-	286	37,700	21,981	15,719	71.5%	87,923
Equitable share		77,285	83,574	-	-	34,823	20,894	13,930	66.7%	83,574
Municipal Infrastructure Grant (MIG)		788	792	-	286	349	198	151	76.3%	792
Local Government Financial Management Grant (FMG)		2,085	2,185	-	-	2,185	546	1,639	300.0%	2,185
Expanded Public Works Programme Integrated Grant (EPWP)		1,136	1,372	-	-	343	343	-	-	1,372
Other transfers and grants [insert description]										
Provincial Government:		10,546	8,211	-	2,351	2,351	2,053	298	14.5%	8,211
Human Settlements Development Grant (Beneficiaries)		-	932	-	-	-	233	(233)	-100.0%	932
Cultural Affairs & Sport Library Service - Replacement Funding for most vulnerable B3 Municipalities		6,679	7,053	-	2,351	2,351	1,763	588	33.3%	7,053
Department of Local Government - Community Development Workers (CDW) Operational Support Grant		223	226	-	-	-	57	(57)	-100.0%	226
Provincial Treasury - Western Cape Financial Management Capacity Building Grant		100	-	-	-	-	-	-	-	-
Provincial Treasury - Western Cape Municipal Recovery Services Grant	4	1,993	-	-	-	-	-	-	-	-
Human Settlements - Municipal Accreditation and Capacity Building Grant		256	-	-	-	-	-	-	-	-
Department of Local Government - Western Cape Municipal Interventions Grant		180	-	-	-	-	-	-	-	-
Department of Local Government - Emergency Municipal Load Shedding Relief Grant		1,115	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Other grant providers:		-	836	-	-	864	209	655	313.5%	836
Chemical Industries Education & Training Authority		-	836	-	-	864	209	655	313.5%	836
Total Operating Transfers and Grants	5	91,800	96,971	-	2,637	40,916	24,243	16,673	68.8%	96,971
Capital Transfers and Grants										
National Government:		48,224	15,057	-	5,434	6,636	3,764	2,872	78.3%	15,057
Municipal Infrastructure Grant		8,785	15,057	-	5,434	6,636	3,764	2,872	76.3%	15,057
Integrated National Electrification Programme Grant (INEP)		11,000	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant (WSIG)		28,439	-	-	-	-	-	-	-	-
Other capital transfers [insert description]										
Provincial Government:		300	-	-	-	-	-	-	-	-
Department of Local Government - Western Cape Municipal Interventions Grant		300	-	-	-	-	-	-	-	-
District Municipality:		200	-	-	-	-	-	-	-	-
Central Karoo District Municipality		200	-	-	-	-	-	-	-	-
Other grant providers:		314	-	-	-	-	-	-	-	-
Chemical Industries Education & Training Authority		314	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	48,038	15,057	-	5,434	6,636	3,764	2,872	76.3%	15,057
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	140,838	112,027	-	8,071	47,551	28,007	19,545	69.8%	112,027

8.2 Supporting Table SC7 (1) – Grant expenditure

WC053 Beaufort West - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		80,884	87,923	-	579	35,875	21,981	13,894	63.2%	87,923
Equitable share		77,265	83,574	-	-	34,823	20,894	13,930	66.7%	83,574
Municipal Infrastructure Grant (MIG)		744	792	-	63	181	198	(17)	-8.8%	792
Local Government Financial Management Grant (FMG)		2,085	2,185	-	385	490	546	(57)	-10.4%	2,185
Expanded Public Works Programme Integrated Grant (EPWP)		790	1,372	-	131	382	343	39	11.3%	1,372
Other transfers and grants [insert description]										
Provincial Government:		10,323	8,211	-	695	1,704	2,053	(348)	-17.0%	8,211
Human Settlements Development Grant (Beneficiaries)		-	932	-	-	-	233	(233)	-100.0%	932
Cultural Affairs & Sport Library Service - Replacement Funding for most vulnerable B3 Municipalities		6,584	7,053	-	643	1,633	1,763	(130)	-7.4%	7,053
Department of Local Government : Community Development Workers (CDW) Operational Support Grant		366	226	-	52	71	57	15	26.2%	226
Provincial Treasury : Western Cape Financial Management Capacity Building Grant		-	-	-	-	-	-	-	-	-
Department of Local Government : Local Government Public Employment Support Grant		1,036	-	-	-	-	-	-	-	-
Provincial Treasury : Western Cape Municipal Recovery Services Grant		1,993	-	-	-	-	-	-	-	-
Human Settlements : Municipal Accreditation and Capacity Building Grant		165	-	-	-	-	-	-	-	-
Department of Local Government : Western Cape Municipal Interventions Grant		180	-	-	-	-	-	-	-	-
Department of Local Government: Emergency Municipal Load Shedding Relief Grant		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
District Municipality:		415	-	-	-	-	-	-	-	-
Central Karoo District Municipality		415	-	-	-	-	-	-	-	-
Other grant providers:		175	836	-	98	652	209	443	211.7%	836
Chemical Industries Education & Training Authority		175	836	-	98	652	209	443	211.7%	836
Total operating expenditure of Transfers and Grants:		91,797	96,971	-	1,373	38,231	24,243	13,988	57.7%	96,971
Capital expenditure of Transfers and Grants										
National Government:		50,889	15,057	-	731	1,693	3,764	(2,071)	-55.0%	15,057
Municipal Infrastructure Grant		5,859	15,057	-	731	1,693	3,764	(2,071)	-55.0%	15,057
Integrated National Electrification Programme Grant (INEP)		16,602	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant (WSIG)		28,438	-	-	-	-	-	-	-	-
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		1,415	-	-	-	-	-	-	-	-
Department of Local Government : Western Cape Municipal Interventions Grant		300	-	-	-	-	-	-	-	-
Department of Local Government: Emergency Municipal Load Shedding Relief Grant		1,115	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Central Karoo District Municipality		-	-	-	-	-	-	-	-	-
Other grant providers:		418	-	-	-	-	-	-	-	-
Services SETA		418	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		52,732	15,057	-	731	1,693	3,764	(2,071)	-55.0%	15,057
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		144,529	112,027	-	2,104	39,924	28,007	11,917	42.5%	112,027

The table below provide a summary of the movements on the conditional grants for the 1st quarter (July – September 2023):

Summary of Unspent Conditional Grants - July 2023 till September 2023	
Conditional Grants - Opening Balance 1 July 2023	4,973,179.55
Grants Received During July 2023	36,952,450.00
Less : Grant Expenditure During July 2023	- 35,885,921.92
Conditional Grants - Opening Balance 31 July 2023	6,039,707.63
Grants Received During August 2023	2,528,000.00
Less : Grant Expenditure During August 2023	- 1,933,557.04
Conditional Grants - Closing Balance 31 August 2023	6,634,150.59
Grants Received During September 2023	8,071,000.00
Less : Grant Expenditure During September 2023	- 2,104,050.31
Conditional Grants - Closing Balance 30 September 2023	12,601,100.28

The unspent conditional grant balance at the end of September 2023 amounted to R 12,601,100.28. It should be noted that the opening balance is provisional.

All unspent conditional grants were cash backed and on investment as at the end of September 2023.

9. Expenditure on councillor and board members allowances and employee benefits

9.1 Supporting Table SC8

WC053 Beaufort West - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September										
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										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5,359	5,876	-	455	1,352	1,469	(117)	-8%	5,876
Pension and UIF Contributions		192	174	-	13	40	44	(3)	-8%	174
Medical Aid Contributions		3	-	-	-	5	-	5	#DIV/0!	-
Motor Vehicle Allowance		136	148	-	11	34	37	(3)	-8%	148
Cellphone Allowance		529	559	-	51	140	140	0	0%	559
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		47	49	-	5	12	12	(0)	0%	49
Sub Total - Councillors		6,266	6,806	-	536	1,584	1,702	(118)	-7%	6,806
Senior Managers of the Municipality										
Basic Salaries and Wages	3	3,159	4,438	-	208	478	1,110	(631)	-57%	4,438
Pension and UIF Contributions		297	205	-	34	67	51	16	30%	205
Medical Aid Contributions		11	-	-	6	17	-	17	#DIV/0!	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		3	107	-	-	-	27	(27)	-100%	107
Motor Vehicle Allowance		86	60	-	(4)	45	15	30	200%	60
Cellphone Allowance		77	72	-	7	14	18	(5)	-25%	72
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		0	0	-	0	0	0	0	3%	0
Payments in lieu of leave		416	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		258	329	-	30	44	82	-	-	329
Acting and post related allowance		697	-	-	(38)	51	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5,005	5,211	-	242	716	1,303	(587)	-45%	5,211
Other Municipal Staff										
Basic Salaries and Wages		83,200	92,657	-	6,780	20,347	23,184	(2,817)	-12%	92,657
Pension and UIF Contributions		13,752	15,971	-	1,149	3,481	3,993	(512)	-13%	15,971
Medical Aid Contributions		2,007	2,045	-	174	505	511	(6)	-1%	2,045
Overtime		3,654	2,587	-	273	830	647	183	28%	2,587
Performance Bonus		6,096	6,552	-	37	113	1,638	(1,525)	-93%	6,552
Motor Vehicle Allowance		81	224	-	39	81	56	25	44%	224
Cellphone Allowance		157	167	-	10	37	42	(5)	-12%	167
Housing Allowances		423	403	-	33	100	101	(1)	-1%	403
Other benefits and allowances		4,918	5,233	-	406	1,337	1,308	29	2%	5,233
Payments in lieu of leave		139	-	-	163	240	-	240	#DIV/0!	-
Long service awards		482	962	-	131	131	240	(109)	-45%	962
Post-retirement benefit obligations	2	1,048	1,476	-	121	362	369	(7)	-2%	1,476
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		1,479	-	-	192	454	-	454	#DIV/0!	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		117,435	128,277	-	9,509	28,017	32,069	(4,052)	-13%	128,277
TOTAL SALARY, ALLOWANCES & BENEFITS		128,707	140,294	-	10,287	30,317	35,074	(4,758)	-14%	140,294
TOTAL MANAGERS AND STAFF		122,441	133,488	-	9,751	28,734	33,372	(4,639)	-14%	133,488

The total overtime and standby budget for the 2023/24 financial year amounts to R 4,587,194 and total expenditure on these two items at the end of September 2023 amounted to R 1,375,358.06 or 30% of the total budget.

	Budget	Jul-23	Aug-23	Sep-23	Total YTD Spent	YTD % of Budget Spent
Overtime	2,587,194	269,777.45	216,895.94	249,434.63	736,108.02	28%
Standby Allowances	2,000,000	200,605.55	214,273.42	224,371.07	639,250.04	32%
Total	4,587,194	470,383.00	431,169.36	473,805.70	1,375,358.06	30%

The cost of employment needs to be closely monitored during the 2023/24 financial year specifically expenditure items like overtime and standby cost to ensure that these costs remain within the budget allocated.

10. Capital programme performance

10.1 Supporting Table SC12

WC053 Beaufort West - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September									
Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	–	1,165	–	382	382	1,165	783	67.2%	3%
August	979	1,165	–	609	991	2,329	1,339	57.5%	7%
September	529	1,165	–	636	1,627	3,494	1,868	53.4%	12%
October	801	1,165	–	–	–	4,659	–	–	–
November	2,991	1,165	–	–	–	5,824	–	–	–
December	2,473	1,165	–	–	–	6,988	–	–	–
January	406	1,165	–	–	–	8,153	–	–	–
February	28	1,165	–	–	–	9,318	–	–	–
March	12,525	1,165	–	–	–	10,483	–	–	–
April	7,553	1,165	–	–	–	11,647	–	–	–
May	9,488	1,165	–	–	–	12,812	–	–	–
June	12,968	1,165	–	–	–	13,977	–	–	–
Total Capital expenditure	50,741	13,977	–	1,627					

Council approved a capital budget amounting to R 13,976,999 for the 2023/24 financial year. The 2023/24 capital budget is mainly funded by the Municipal Infrastructure Grant. The capital expenditure programme is dependent on the timing of the MIG transfers from national government. The total year-to-date capital expenditure at the end of September 2023 amounted to R 1,626,729.33 (excluding VAT) or 12% of the approved capital budget.

Chart C1 2023/24 Capital Expenditure Monthly Trend: actual v target

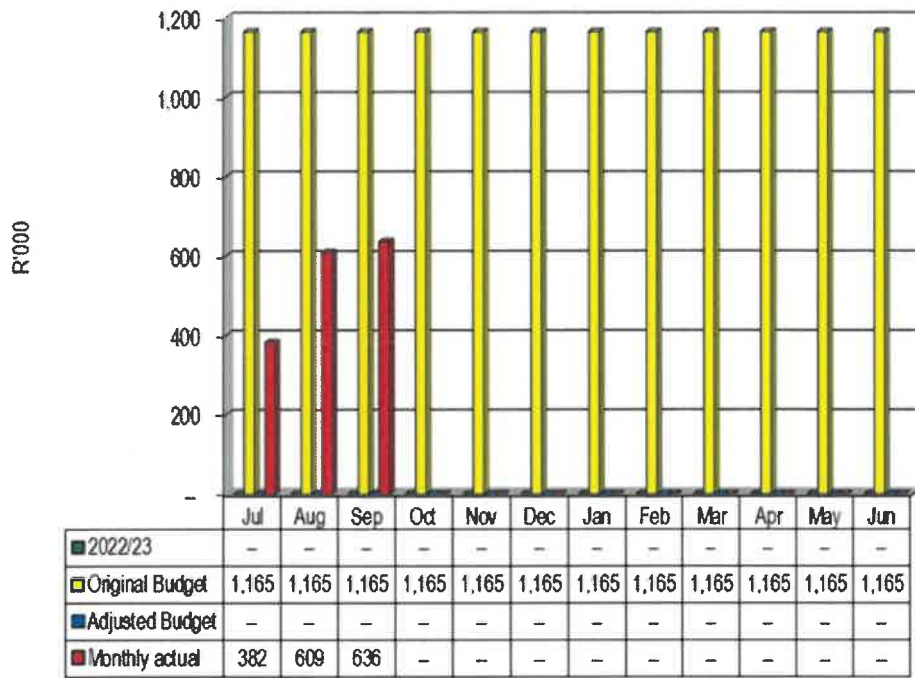
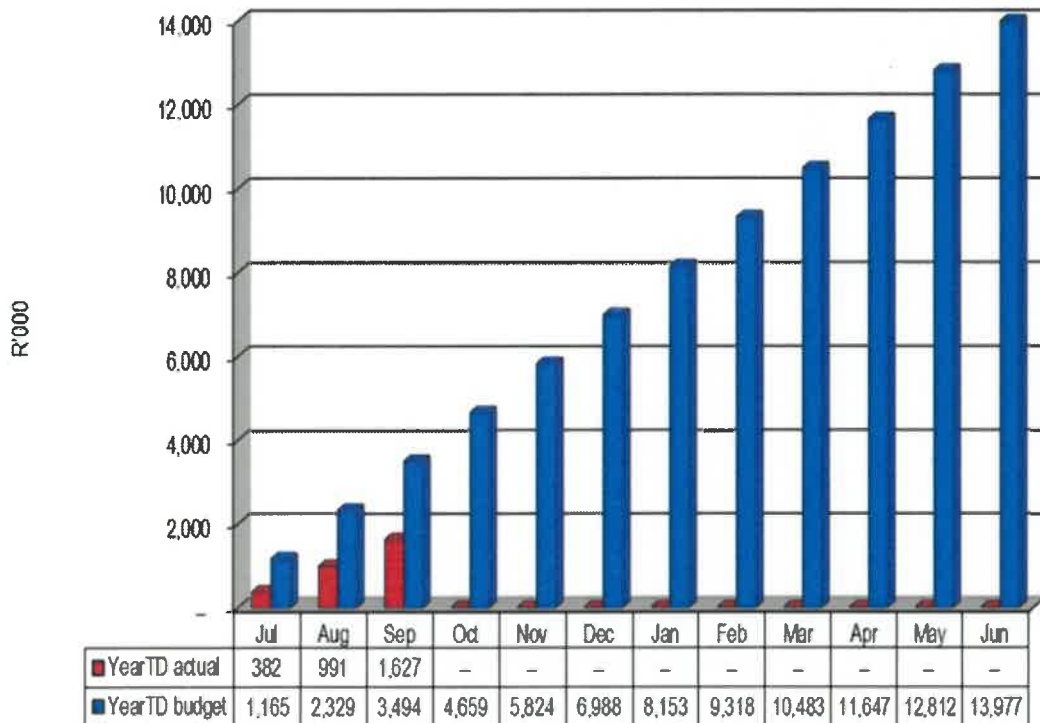


Chart C2 2023/24 Capital Expenditure: YTD actual v YTD target



10.2 Supporting Table SC13

10.2.1 Supporting Table SC13a

WC053 Beaufort West - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September										
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									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		25,905	5,091	-	-	-	1,273	1,273	100.0%	5,091
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		583	917	-	-	-	229	229	100.0%	917
Drainage Collection		555	-	-	-	-	-	-	-	-
Storm water Conveyance		29	917	-	-	-	229	229	100.0%	917
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		593	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		593	-	-	-	-	-	-	-	-
Water Supply Infrastructure		24,729	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		24,729	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	4,174	-	-	-	1,043	1,043	100.0%	4,174
Landfill Sites		-	4,174	-	-	-	1,043	1,043	100.0%	4,174
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

WC053 Beaufort West - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September											
R thousands	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
	Community Assets	1	-	-	-	-	-	-	-	-	
	Community Facilities		-	-	-	-	-	-	-	-	
	Halls		-	-	-	-	-	-	-	-	
	Centres		-	-	-	-	-	-	-	-	
	Crèches		-	-	-	-	-	-	-	-	
	Clinics/Care Centres		-	-	-	-	-	-	-	-	
	Fire/Ambulance Stations		-	-	-	-	-	-	-	-	
	Testing Stations		-	-	-	-	-	-	-	-	
	Museums		-	-	-	-	-	-	-	-	
	Galleries		-	-	-	-	-	-	-	-	
	Theatres		-	-	-	-	-	-	-	-	
	Libraries		-	-	-	-	-	-	-	-	
	Cemeteries/Crematoria		-	-	-	-	-	-	-	-	
	Police		-	-	-	-	-	-	-	-	
	Parks		-	-	-	-	-	-	-	-	
	Public Open Space		-	-	-	-	-	-	-	-	
	Nature Reserves		-	-	-	-	-	-	-	-	
	Public Abandon Facilities		-	-	-	-	-	-	-	-	
	Markets		-	-	-	-	-	-	-	-	
	Stalls		-	-	-	-	-	-	-	-	
	Abattoirs		-	-	-	-	-	-	-	-	
	Airports		-	-	-	-	-	-	-	-	
	Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	
	Capital Spares		-	-	-	-	-	-	-	-	
	Sport and Recreation Facilities		-	-	-	-	-	-	-	-	
	Indoor Facilities		-	-	-	-	-	-	-	-	
	Outdoor Facilities		-	-	-	-	-	-	-	-	
	Capital Spares		-	-	-	-	-	-	-	-	
	Heritage assets		-	-	-	-	-	-	-	-	
	Monuments		-	-	-	-	-	-	-	-	
	Historic Buildings		-	-	-	-	-	-	-	-	
	Works of Art		-	-	-	-	-	-	-	-	
	Conservation Areas		-	-	-	-	-	-	-	-	
	Other Heritage		-	-	-	-	-	-	-	-	
	Investment properties		-	-	-	-	-	-	-	-	
	Revenue Generating		-	-	-	-	-	-	-	-	
	Improved Property		-	-	-	-	-	-	-	-	
	Unimproved Property		-	-	-	-	-	-	-	-	
	Non-revenue Generating		-	-	-	-	-	-	-	-	
	Improved Property		-	-	-	-	-	-	-	-	
	Unimproved Property		-	-	-	-	-	-	-	-	
	Other assets		-	-	-	-	-	-	-	-	
	Operational Buildings		-	-	-	-	-	-	-	-	
	Municipal Offices		-	-	-	-	-	-	-	-	
	Pay/Enquiry Points		-	-	-	-	-	-	-	-	
	Building Plan Offices		-	-	-	-	-	-	-	-	
	Workshops		-	-	-	-	-	-	-	-	
	Yards		-	-	-	-	-	-	-	-	
	Stores		-	-	-	-	-	-	-	-	
	Laboratories		-	-	-	-	-	-	-	-	
	Training Centres		-	-	-	-	-	-	-	-	
	Manufacturing Plant		-	-	-	-	-	-	-	-	
	Depots		-	-	-	-	-	-	-	-	
	Capital Spares		-	-	-	-	-	-	-	-	
	Housing		-	-	-	-	-	-	-	-	
	Staff Housing		-	-	-	-	-	-	-	-	
	Social Housing		-	-	-	-	-	-	-	-	
	Capital Spares		-	-	-	-	-	-	-	-	
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	
	Biological or Cultivated Assets		-	-	-	-	-	-	-	-	
	Intangible Assets		-	-	-	-	-	-	-	-	
	Services		-	-	-	-	-	-	-	-	
	Licences and Rights		-	-	-	-	-	-	-	-	
	Water Rights		-	-	-	-	-	-	-	-	
	Effluent Licences		-	-	-	-	-	-	-	-	
	Solid Waste Licences		-	-	-	-	-	-	-	-	
	Computer Software and Applications		-	-	-	-	-	-	-	-	
	Local Settlement Software Applications		-	-	-	-	-	-	-	-	
	Unspecified		-	-	-	-	-	-	-	-	
	Computer Equipment		1,403	-	-	-	-	-	-	-	
	Computer Equipment		1,403	-	-	-	-	-	-	-	
	Furniture and Office Equipment		39	-	-	-	-	-	-	-	
	Furniture and Office Equipment		39	-	-	-	-	-	-	-	
	Machinery and Equipment		153	-	-	-	-	-	-	-	
	Machinery and Equipment		153	-	-	-	-	-	-	-	
	Transport Assets		-	-	-	-	-	-	-	-	
	Transport Assets		-	-	-	-	-	-	-	-	
	Land		-	-	-	-	-	-	-	-	
	Land		-	-	-	-	-	-	-	-	
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	
	Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	
	Living resources		-	-	-	-	-	-	-	-	
	Mature		-	-	-	-	-	-	-	-	
	Polking and Protection		-	-	-	-	-	-	-	-	
	Zoological plants and animals		-	-	-	-	-	-	-	-	
	Immature		-	-	-	-	-	-	-	-	
	Polking and Protection		-	-	-	-	-	-	-	-	
	Zoological plants and animals		-	-	-	-	-	-	-	-	
	Total Capital Expenditure on new assets	1	27,500	5,091	-	-	-	1,273	1,273	100.0%	5,091

10.2.2 Supporting Table SC13b

WC053 Beaufort West - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03 September										
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									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		2,931	5,233	-	-	17	1,308	1,292	98.7%	5,233
Roads Infrastructure		2,670	3,096	-	-	17	774	757	97.8%	3,096
Roads		2,670	3,096	-	-	17	774	757	97.8%	3,096
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		261	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		261	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	2,137	-	-	-	534	534	100.0%	2,137
Pump Station		-	2,137	-	-	-	534	534	100.0%	2,137
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

WC053 Beaufort West - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03 September										
Description	Ref	2022/23	Budget Year 2023/24				YTD variance	YTD variance %	Full Year Forecast	
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual				YearTD budget
R thousands	1									
Community Assets			3,314				828	828	100.0%	3,314
Community Facilities										
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities			3,314				828	828	100.0%	3,314
Indoor Facilities										
Outdoor Facilities			3,314				828	828	100.0%	3,314
Capital Spares										
Heritage assets										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets										
Operational Buildings										
Municipal Offices										
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing										
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets										
Biological or Cultivated Assets										
Intangible Assets										
Servitudes										
Licences and Rights										
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Local Settlement Software Applications										
Unspecified										
Computer Equipment		7								
Computer Equipment		7								
Furniture and Office Equipment										
Furniture and Office Equipment										
Machinery and Equipment										
Machinery and Equipment										
Transport Assets										
Transport Assets										
Land										
Land										
Zoo's, Marine and Non-biological Animals										
Zoo's, Marine and Non-biological Animals										
Living resources										
Mature										
<i> Polling and Protection</i>										
<i> Zoological plants and animals</i>										
Immature										
<i> Polling and Protection</i>										
<i> Zoological plants and animals</i>										
Total Capital Expenditure on renewal of existing assets	1	2,939	8,547			17	2,137	2,120	99.2%	8,547

10.2.3 Supporting Table SC13e

WC053 Beaufort West - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M03 September										
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									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		18,082	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		14,436	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		14,436	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		1,094	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		1,094	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		2,552	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		2,552	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

WC053 Beaufort West - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M03 September										
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									
Community Assets		2,220	339	-	636	1,610	85	(1,525)	-1788.8%	339
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		2,220	339	-	636	1,610	85	(1,525)	-1788.8%	339
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		2,220	339	-	636	1,610	85	(1,525)	-1788.8%	339
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Land Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Maats		-	-	-	-	-	-	-	-	-
Polking and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Polking and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	20,303	339	-	636	1,610	85	(1,525)	-1788.9%	339

11. Material variances to the SDBIP

11.1 Over view

SDBIP reports are compiled on a quarterly basis at this time.

12. Progress on Municipal Debt Relief

See attached Annexure A on progress / report of the municipal debt relief conditions.

Annexure A
Progress on Municipal Debt Relief

Annexure A2 - Monthly



National Treasury
Municipal Debt Relief
MFMA Circular No. 124
Municipal Finance Management Act No. 56 of 2003

Municipality Self-Assessment

Certificate of Compliance: Municipal Debt Relief Conditions for Application

Period:
 National Financial Year:
 Demarcation Code of Municipality being assessed:

District:
 Demarcation Description:

I, name and surname of HOD, hereby certify that the provincial treasury monitored the compliance against the conditions of Municipal Debt Relief as set-out in MFMA Circular No. 124 and that the Provincial Treasury is satisfied and certifies that the said municipality fully complies with the conditions as set-out in the table below:

Municipal Debt Relief Conditions (Monthly reporting)

Condition	Description	Yes/No	Notes/Comments
6.3	Maintaining the Eskom and bulk water current account –		
6.2.2	Current account for the purpose of the average means the account for a single month's consumption.		
6.12.2	- Has the municipality paid its bulk water current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - refer condition 6.12.2</i>	<input type="text" value="Yes"/>	
6.12.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/ or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://uploadportal.treasury.gov.za ?	<input type="text" value="Yes"/>	All bulk accounts have been paid timely, and the uploading will occur within 24 hours after the payment of the last bulk account, as agreed upon with PT. This delay is because Gomuni can only process one upload at a time.
6.12.2	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/ or Water Trading Entity?	<input type="text" value="Yes"/>	
6.3.1	- Has the municipality paid its Eskom bulk current account within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)? <i>Note - current account in terms of municipal debt relief approval means the total Eskom charges for the billing period plus VAT plus any component that may be due in terms of a payment arrangement of "New arrears" (March 2023 and / or subsequent current account(s) up to the date of NT approval of the application.</i>	<input type="text" value="Yes"/>	Attached is a summary of the eskom bulk accounts for the month of September 2023.
6.3.2	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://uploadportal.treasury.gov.za ?	<input type="text" value="Yes"/>	All bulk accounts have been paid timely, and the uploading will occur within 24 hours after the payment of the last bulk account, as agreed upon with PT. This delay is because Gomuni can only process one upload at a time.
6.3.4	- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?	<input type="text" value="Yes"/>	
6.4	Compliance with a funded MTREF – (choose from drop down list the MTREF assessed)	<input type="text" value="Select"/>	

Notes/Comments

6.4.1	7	- Is the municipality's MTREF funded and aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx	Yes	Municipality is under FRP intervention and FRP parameters that are in line with NT funding guidelines were used during the compilation of the 2023/24 budget. A8 is unfunded but the budget is funded over the outer-years.
6.4.1	8	- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes	Municipality is under FRP intervention and FRP parameters that are in line with NT funding guidelines were used during the compilation of the 2023/24 budget.
6.4.1	9	- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget- and Reporting Regulations?	Yes	Budget assumptions were based on the set FRP targets, required by PT and the collection rate achieved is at 88%.
6.4.1	10	<i>Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the factors collected from should align to 40 per cent of the 2023/24 MTREF revenue (grossed plus project costs). If the municipality merely used the debt impairment to "balance" the budget and there is no real alignment between the provision for such with the actual collection of revenue, the financial treasury must respond to this from an "No".</i>	Yes	Depreciation are accounted for on a quarterly basis. Part of data strings.
6.4.2	11	- If the municipality's MTREF is not funded, has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer Item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	There is an FRP	
6.4.2	12	<i>Note - If the municipality has an FRP, a separate budget funding plan is not necessary. However, the PT / AF must address whether the existing FRP incorporates / will give effect to funded MTREFs. If not, the FRP requires strengthening.</i>	Yes	
6.4.2	13	- If the municipality's MTREF is not funded and it has an FRP per the legislative framework, does the existing FRP incorporate a credible Budget Funding Plan (will the FRP give effect to a funded MTREF over the period of the FRP) - aligning with the principles of a budget funding plan as envisaged in item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)? <i>Note - only if the municipality does not have an FRP may "N/A" be selected from the dropdown list.</i>	No	The A7 cash flow budgeting had an opening balance issue, which negatively impacted the credibility of the cash flow budget on A7. SA30 is currently budgeted as a straight-line, and this will be corrected with A7 during the adjustment budget. The vendor is assisting the municipality in addressing the issue.
6.5	14	- Does the municipality's annual and monthly cashflow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 - Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations align with and gives effect to the municipality's Budget Funding Plan strategy (or the FRP strategy) and related seasonal trends (for example higher winter Eskom tariffs, lower January collection rates, etc.?)	Yes	The tariff tool was completed for both TABB and ORG and uploaded on Gomuni.
6.5.1	15	- Cost reflective tariffs – (excluding metros) has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	Yes	The municipality meets the requirements pertaining to the allocation of partial payments. It has been opening consolidated accounts for some time now. The only accounts not consolidated include historic accounts and those with practical issues, as previously communicated (such as government accounts with a refusal to accept the practice). The municipality is in full compliance with Section 102 of the MSA.
6.5.2	16	- Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that: - the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity? - the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	Yes	The municipality run a block file on a monthly basis, see attached the block file for the month of September 2023.

17	6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/ property owner unless the defaulter already registered as an indigent consumer with the municipality? Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.	No	The municipality has not started restricting water supply to defaulting consumers as mandated by debt relief conditions. Although municipal policies and by-laws allow for this, implementation is hindered by technical capacity limitations. A communication campaign is necessary to address and manage potential risks.
18	6.6.4	- If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively? Note – the municipality’s monthly MFMA s.71 statement must include as part of the narratives the indigent information in the required NT format.	Yes	Restricted to the free electricity and water limits of 50 Kilowatt electricity and 6 Kilolitres of water.
19	6.6	Supporting evidence - The National Treasury and/ or provincial treasury’s related budget assessment confirms the municipality’s relevant MTREF’s related budget policies and by-laws demonstrate compliance with paragraph 6.6		
19	6.7	Maintain a minimum average quarterly collection of property rates and services charges –		
19	6.7.1	- Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and MSCOA data strings uploaded via the GoMuni Upload Portal?	Yes	The municipality did meet this condition. See supporting documentation.
20	6.7.2	Note - although the norm and standard for collection (MFMA Circular No. 71) is a 10 per cent threshold, municipalities under the debt relief impact will be exempted for the first two years from adhering to the norm. - If the response in 6.7.1 is "No", and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of the National Treasury that –		
20	6.7.2.1	* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool and that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the required quarterly average collection set-out in paragraph 6.7.1;	6.7.1 = Yes	
21	6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	6.7.1 = Yes	
22	6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	6.7.1 = Yes	
23	6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	Yes	The municipality is installing meters with the assistance of PT and debt are only written-off in terms of the Council approved Bad Debt Write-Off policy that is aligned with legislation.
24	6.7.4	- Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	Yes	The municipality is installing meters with the support of PT, and the terms of reference specify that only smart meters will be allowed. Policy will be revisited to ensure alignment but not relevant while meter installation is subject to the PT SLA and therefore compliance for the period under review.
25	6.7.5	- Has the municipality’s 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	Yes	The capital budget is compliant in all aspects, but it is within the municipality’s discretion to either capitalize meters or not. However, capitalizing meters is impractical and not only complicates meter management but can be costly. The provisions in the operational budget, on the other hand, align with the “yes” option within the acceptable accounting framework.
26	6.8	Municipality’s completeness of the revenue base –	No	
26	6.8.1	- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality’s billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer?		
27	6.8.1	- If the response in 6.8.1 is "No", has the municipality demonstrated the steps taken to correct the variances identified? Note - monthly progress against the action plan to address variances to be included as part of the municipality’s debt relief compliance reporting in the MFMA s.71 statement	Yes	Municipality submitted the strategy on the 7th September 2023.

28	6.8.2	<p>6.8.2 - For the latest ending Quarter - Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://gvluploadportal.treasury.gov.za/</p> <p>Monitor and report on implementation -</p>	Yes	Supporting reconciliation submitted with this report.
29	6.9	<p>6.9 - MFMA section 71 reporting - Has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?</p>	Y66	The municipality has established a revenue committee, which is set to be consolidated and formalized along with a budget steering committee. Budget implementation is being monitored through various FRP-related activities and reporting. Reporting on implementation to the Council occurs in the form of Section 52 reporting and FRP-related reporting, which comprehensively covers budget implementation.
30	6.9.1	<p>6.9.1 - if progress is slow in terms of paragraph 6.9.1, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the mSCOA data string?</p> <p>Note - condition 6.9.2 has a typing error and must refer to 6.9.1</p>	6.9.1 = Yes	Cash flow has improved, with an increased collection rate on a year-on-year basis. Capital budget spending has also significantly improved, and current creditor accounts are being paid. Furthermore, there has been a substantial increase in indigent registrations, meeting the qualification criteria. Challenges yes, improved yes and to be continuous.
31	6.9.2	<p>6.9.2 - Municipalities with financial recovery plans (FRP) - if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?</p>	Yes	
32	6.9.3	<p>6.9.3 - if the municipality has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress report to the Provincial Executive, has the municipality also submitted the FRP progress report to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously via the GoMuni Upload Portal https://gvluploadportal.treasury.gov.za/</p> <p>Note - a municipality with a FRP may only benefit from the Municipal Debt Relief Support Programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.</p>	Yes	
33	6.10	<p>6.10 - Provincial Treasury Note - Provincial Treasury certification of municipal compliance - In terms of sections 5 and 74 of the MFMA, with effect from 01 April 2023, a delegated municipality may not benefit from Municipal Debt Relief, unless</p>	Yes	
34	6.10.1	<p>6.10.1 - has the relevant Provincial Treasury (delegated) / National Treasury (non-delegated) monthly monitored the municipality's compliance in terms of these conditions?</p>	Yes	
35	6.10.2	<p>6.10.2 - has the Head of the relevant Provincial Treasury (delegated) monthly certified the municipality's compliance to these conditions, to the National Treasury's satisfaction as envisaged in the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.5 of MFMA Circular no. 124) and timeously uploaded the compliance certificate via the GoMuni Upload Portal https://gvluploadportal.treasury.gov.za/</p> <p>Note - in the case of a non-delegated municipality the National Treasury to issue the compliance certificate.</p>	No	
36	6.10.3	<p>6.10.3 - has the Provincial Treasury failed to rectify any provincial treasury non-compliance with any of the conditions for provincial treasuries (refer paragraph 4.1.1 to 4.1.6 of MFMA Circular no. 124) within one month of the non-compliance occurring?</p> <p>Note - if the PT failed to address its failure then non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.</p>	No	
37	6.11	<p>6.11 Limitation on municipal borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?</p> <p>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme. MF confirms that MFMA Circular No. 124 condition 6.11 limitation on municipal borrowing powers will only be enforced in relation to new long term loans (entered into after the effective date of debt relief approval) as envisaged in MFMA section 65. Short term borrowing, including making use of an overdraft for in-year budgeting purposes are not considered within the ambit of this condition.</p>	Yes	It was agreed that the municipality will comply with this condition, unless there is a case of non-compliance, such as non-payment of the Eskom account. NT and PT were in agreement on this, and there is no need for the restructuring of the bank account until such a time.
	6.12	<p>6.12 For the duration of the Municipal Debt Relief (to ensure proper management of resources):</p>	Yes	
	6.12.1	<p>6.12.1 - has the municipality apportioned and ring-fenced in a sub-account to its primary bank account - (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?</p>	Yes	

38	6.12.2	- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.12.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?	It was agreed that the municipality will comply with this condition, unless there is a case of non-compliance, such as non-payment of the Eskom account. NT and PT were in agreement on this, and there is no need for the restructuring of the bank account until such a time. All current account mentioned are up to date and fully paid.
39		Note: Only if relevant in the specific circumstances, will a request be made to the Minister of Finance upon the municipality's request to exempt the municipality from MFMA s.41(1).	Yes
40	6.13	Supporting evidence : Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue. Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury; Office of the Accountant General issued for Municipal Debt Relief to date?	Yes
41	6.14	NERSA License - has the municipality during the month failed to comply with any condition of the Municipal Debt Relief?	Yes
		Note: By applying for Municipal Debt Relief in section 3 of MFMA Order no. 139, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to resolve the municipality's income in terms of section 17 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006). Any such application must be preceded by the relevant processes for appointing an external mechanism as envisaged in Chapter 8 of the Municipal Systems Act, 2000, including the necessary service delivery agreement aligning with the Municipal Systems Act, 2000 and Electricity Regulation Act, 2006. In terms of the constitution of government's wider support to Eskom, Eskom will enter again have to enforce its credit control and debt collection policies also in relation to the municipality's groups that are the subject of municipal debt relief, etc.	The formula needs to be corrected so that it gives a positive response for No and a negative for Yes. See formula error and therefor the selected answer.

PT: HOD/ NT / MM Name: Derick Welgemoed

Signature of HOD/ NT / MM: 

Date: 13/10/2023

**Note - if the official is signing on behalf of the Head of the Provincial Treasury (HOD) / Municipal Manager, the written procurement of the HOD / MM must be attached as an Annexure to this Certificate of Compliance.



Circular 124 (paragraphs 3.7.)

WC053 Beaufort West Municipality

Quarterly average collection rate (MFMA Circular 124 paragraphs 3.7.1 - 3.7.3)

Total average collection for July 2023 - September 2023_Q1

- The total average quarterly collection of all revenue excluding Equitable Share, sundries and conditional grants
- The total average quarterly collection of Municipal property rates
- The total average quarterly collection of Electricity
- The total average quarterly collection of Water
- The total average quarterly collection of Wastewater
- The total average quarterly collection of Solid Waste
- The total average quarterly collection of Property Rentals
- The total average quarterly collection of Other Services
- The total average quarterly collection of Payments in Advance
- The total average quarterly collection of VAT
- The total average quarterly collection of Interest

MFMA Circular 124 - paragraphs 3.7.4 and 3.7.5

Previous Month actual Collection %	Current Month Actual Collection %	Rand value of Current Month Billing NOT COLLECTED per ward (R)	Quarter 1 actual Collection %
133%	122%	-3,315,324	80%
170%	172%	-1,922,035	73%
119%	107%	-372,341	93%
-6645%	52%	985,500	68%
103%	89%	83,821	64%
117%	97%	36,395	67%
55%	22%	146,897	33%
141%	2471%	-108,813	211%
107%	321%	-3,252,548	159%
136%	92%	102,671	80%
19%	13%	995,129	14%

COLLECTION RATE - per ward - rates and per service - July 2023 - September 2023_Q3

Wards / Services	Uunicipal supplied/ EskoU supplied/ Partially EskoU and Uunicipal supplied/	Total Uove/ent (R)	Total Settles/ents (R)	Collection %
Ward 1				
Property Rates Tax		67,163	(219,688)	327%
Electricity	Partially Eskom	477,887	(522,151)	109%
Water		108,476	(34,496)	32%
Refuse		112,328	(32,983)	29%
Waste Water		123,778	(80,537)	65%
Property Rentals		36,116	(17,235)	48%
Other Services		375	(10,616)	283.2%
Advance Payments		202,593	(615,093)	304%
VAT		128,336	(105,492)	82%
Interest		158,617	(14,075)	9%
Ward 2				
Property Rates Tax		1,113,568	(1,847,294)	166%
Electricity		1,804,691	(2,261,232)	125%
Water	Municipal Supply	316,109	(322,491)	102%
Refuse		212,112	(253,046)	119%
Waste Water		375,480	(492,555)	131%
Property Rentals		10,719	(8,274)	77%
Other Services		2,365	(8,807)	372%
Advance Payments		295,049	(1,484,347)	503%
VAT		408,160	(502,207)	123%
Interest		133,788	(38,929)	29%
Ward 3				
Property Rates Tax		228,202	(220,212)	89%
Electricity		266,190	(264,229)	99%
Water	Municipal Supply	198,725	(138,111)	69%
Refuse		75,582	(56,119)	74%
Waste Water		150,112	(117,130)	78%
Property Rentals		112,984	(2,931)	3%
Other Services		3,207	(6,504)	203%
Advance Payments		134,554	(322,759)	240%
VAT		103,558	(87,893)	85%
Interest		100,565	(9,431)	9%

ServiceDesc	Priority	Cash	Allocations
Property Rates	1	d	
Property Rates_Additional Billing	1	d	
MW Water AvailabilityW010	2	e	
Prior year Water Basic charge	2	e	
Water	2	e	
Water AvailabilityW003	2	e	
Water Basic	2	e	
Water Metered	2	e	
Sanitation Residential Y(P002)	3	f	
Sanitation Basic	3	f	
MW Refuse ResidentialYR013	4	g	
Nelsp Refuse ResidentialYR023	4	g	
Refuse Business MonthlyV009	4	g	
Refuse Business YearV005	4	g	
Refuse Business YearV007	4	g	
Refuse Business YR015	4	g	
Refuse Business YR017	4	g	
Refuse Business YRVM15	4	g	
Refuse Business YRVM17	4	g	
Refuse Residential YearV001	4	g	
MB Electricity AvailabilityEM16	5	h	
Prior year Elec Basic charge	5	h	
Electricity Basic	5	h	
Electricity Metered	5	h	
Electricity Pre-Paid	5	h	
Electricity	5	h	
Sanitation	3	f	

Condition - Allocation after sundries, rent etc.


- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?

Accounting System Parameters
Policy extract:

6.6 B Receipt of the total outstanding monies will be allocated to the credit of the account in full. If a debtor pays only part of any amount due, the Chief Financial Officer shall allocate such payment as follows:

- a) firstly, to any unpaid interest raised on the account;
- b) secondly, to any other sundry debtors (miscellaneous);
- c) thirdly, to housing rents and instalments;
- d) fourthly, to any unpaid property rates collection charges;
- e) fifthly, to any unpaid water charges;
- f) sixthly, to any unpaid wastewater (sewerage) charges;
- g) seventhly, to unpaid refuse; and
- h) lastly, to any unpaid electricity charges.

Condition 6.8

		Valuation Roll Reconciliation Action Plan September 2023		Reporting Date 13 October 2023		
BEAUFORT WEST DEBT RELIEF APPLICATION: OBJECTIVE The high-level property rates reconciliation submitted as part of the application indicates differences - the municipality must submit the approved action plan to address these variances to the National Treasury within 30 days of the letter of approval. The monthly MFMA s.71 statement to track the municipality's progress against this planned corrective action.						
STATUS UPDATE The difference identified between the valuation roll and EMS during the application was at R7081,990 and was reduced to R4.6 million (below)						
WC053_Q4_2022/23_High Level Reconciliation						
Property Categories	# of Properties			Market Values		
	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	10637	11174	-537	1 221 273 010.00	1 321 951 500.00	-100 678 490.00
Industrial	55	46	9	35 013 000.00	28 993 000.00	6 020 000.00
Business and Commercial	339	321	18	362 009 000.00	346 831 500.00	15 177 500.00
Agricultural	1222	1217	5	2 889 021 500.00	2 874 998 500.00	14 023 000.00
Mining	0	0	0	-	-	-
State Owned for Public Purpose	68	97	-29	164 944 000.00	182 702 000.00	-17 758 000.00
PSI	196	170	26	751 000.00	2 306 000.00	-1 555 000.00
PBD	7	0	7	24 511 000.00	-	24 511 000.00
Multi Use	0	0	0	-	-	-
Vacant	819	626	193	29 787 000.00	43 397 000.00	-13 610 000.00
POW	82	0	82	55 943 000.00	-	55 943 000.00
Municipal	1114	858	256	165 451 000.00	137 430 000.00	28 021 000.00
Other	46	50	-4	101 780 000.00	116 480 000.00	-14 700 000.00
	14585	14559	26	5 050 483 510.00	5 055 089 500.00	-4 605 990.00
ACTION / IMPLEMENTATION (To be reported upon as part of the monthly Section 71 of the MFMA reporting requirement)				Target Date	Achieved	
• Appoint a municipal valuer to address category differences as in terms of (Cogta Circular 10) MPRA section 78 & 74 (DDP)				07-Sep-23	Yes	
• Appoint Vendor to address system data to address billing completeness & accuracy and alignment deeds office (EMS Enzako)				07-Sep-23	Yes	
• Reconcile all SG coding and identify / explain difference in number of properties				30-Sep-23	Yes	
• Reconcile difference in value of properties and correct				30-Sep-23	Yes	
• Reconcile difference in categories of properties				30-Sep-23	Yes	
• All correction that can be made will be made with a SV to follow				30-Sep-23	Yes	
• Quarterly reporting to NT as i.t.o Circular 93 & debt relief requirements				31-Oct-23	Not Due	
• Identify whether properties are accurately billed in accordance with the land use and the rating categor _ assistance Valuer				31-Oct-23	Not Due	
• SV & Corrections and complete alignment between valuation roll & the accounting system				15-Nov-23	Not Due	
• Monthly maintenance and reconciliation between the valuation roll and EMS				30-Nov-23	Not Due	
• Monthly reconciliation Dec 2023				15-Jan-24	Not Due	
• Quarterly reporting to NT as i.t.o Circular 93 & debt relief requirements				31-Jan-24	Not Due	
• Monthly reconciliation Jan 2024				14-Feb-24	Not Due	
• Monthly reconciliation Feb 2024				14-Mar-24	Not Due	
• Monthly reconciliation Mar 2024				15-Apr-24	Not Due	
• Quarterly reporting to NT as i.t.o Circular 93 & debt relief requirements				30-Apr-24	Not Due	
• Monthly reconciliation Apr 2024				15-May-24	Not Due	
• Monthly reconciliation May 2024				14-Jun-24	Not Due	
• Monthly reconciliation Jun 2024				12-Jul-24	Not Due	
• Quarterly reporting to NT as i.t.o Circular 93 & debt relief requirements				31-Jul-24	Not Due	
Comments						
The municipality completed the high-level review and identified the errors, differences and missing properties A detailed billing reconciliation will be submitted as required in terms of the quarterly reporting requirement. The difference identified was reduced to R2.2 million but still with various categories corrections still needed.						

Property Rates Reconciliation

Province	WC					
District	Beaufort West					
Type	LM					
Municipal Name	Beaufort West					
GV Period	01/07/2016 - 30/06/2021					
Financial Year	2021/2022					
Reconciliation Period	Quarter 1					
Reconciliation Overview						
High Level Reconciliation						
Propety Categories	# of Properties			Market Values		
	GV	MFS	Variance	GV Market Values	MFS Market Values	Variance
Residential	11370	11373	-3	1244 296 000.00	126199 000.00	7 023 000.00
Industrial	55	54	1	35 013 000.00	31713 000.00	3 300 000.00
Business and Commercial	330	328	11	302 009 000.00	352 873 000.00	9 136 000.00
Agricultural	1221	1219	2	2 876 021 500.00	2 876 741 500.00	720 000.00
Mining	0	0	0	-	-	-
State Owned for Public Purpose	68	70	-2	164 944 000.00	173 489 000.00	8 545 000.00
PSI	181	180	1	736 000.00	735 000.00	1 000.00
PBO	7	15	-8	24 511 000.00	16 033 000.00	8 478 000.00
Multi Use	0	0	0	-	-	-
Vacant	46	50	-4	4 622 000.00	14 135 000.00	9 513 000.00
POW	99	100	-1	58 063 000.00	58 933 000.00	870 000.00
Municipal	114	114	0	165 45 000.00	164 056 000.00	1396 000.00
Other	47	46	1	114 780 000.00	107 580 000.00	7 200 000.00
	<u>14547</u>	<u>14549</u>	<u>-2</u>	<u>6 050 446 500.00</u>	<u>6 048 207 500.00</u>	<u>2 239 000.00</u>