



treasury

Department of
Treasury
FREE STATE PROVINCE

**STATUS OF MUNICIPAL FINANCES
SECOND QUARTER
1 OCTOBER 2024 – 31 DECEMBER 2024**

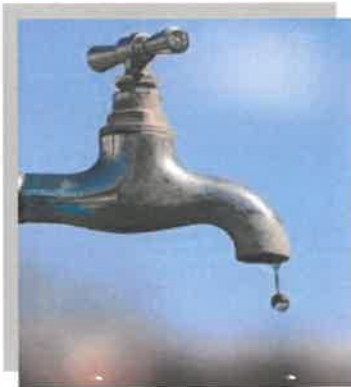


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1. EXECUTIVE SUMMARY

This report covers the performance against the 2024/25 adopted budgets for the Free State Municipalities for the municipal period ending on 31 December 2024 and includes spending against conditional grant allocations for the same period.

The report was prepared through utilising the datasets from the Municipal Standard Chart of Accounts (*mSCOA*) data strings. The *mSCOA* Regulations were promulgated on 22 April 2014 and prescribes the uniform recording and classification of municipal budget and financial information at a transaction level. All municipalities and municipal entities had to comply with the Regulations by 1 July 2017. The *mSCOA* Regulations require that municipalities upload their budget and financial information in a data string format to the Local Government portal across the six *mSCOA* regulated segments.

Additionally, this report is part of the *In-year Management, Monitoring and Reporting System for Local Government (IYM)*, which enables provincial and national government to exercise oversight over municipalities and identify possible problems in implementing municipal budgets and conditional grants.

The credibility of the information contained in the *mSCOA* data strings is still a concern, however, there are notable improvements as *mSCOA* continues to mature owing to the recent reforms. The core of the problem on the data is:

- The incorrect use of the *mSCOA* and municipal accounting practices by municipalities;
- Many municipalities are not budgeting, transacting and reporting directly in or from their core financial systems. Instead, they prepare their budgets and reports on excel spreadsheet and then import the excel spreadsheets into the system. Often this manipulation of data lead to unauthorised, irregular, fruitful and wasteful (UIFW) expenditure and fraud and corruption as the controls that are built into the core financial systems are not triggered and transactions go through that should not;
- Municipalities are not locking their adopted budgets or their financial systems at month-end to ensure prudent financial management. The Local Government Portal is locked 10 days after the end of each month. No late submissions are accepted; and
- Some municipalities are not consistently submitting all the required monthly data strings and make submissions with errors but not correcting them.

The reporting facilitates transparency, better in-year management as well as the oversight of budgets. This makes these reports management tools and early warning mechanisms for councils, provincial legislatures and officials to monitor and improve municipal performance.

The improvement of the credibility of the data strings is therefore a priority for National and provincial treasuries where continued technical support is provided to all municipalities.

2. KEY OBSERVATIONS IN THE REPORT

The report is discussed under the following headings:

Operational Revenue and Expenditure

- 2.1 Municipalities in the Free State Province have spent an amount of R11.969 billion or 45 per cent of the adopted expenditure budget of R26.399 billion for the 2024/25 financial year (unaudited). In respect of revenue, the total generated revenue (billed) amounts to R13.412 billion or 48.4 per cent against the adopted budget of R27.514 billion. R7.218 billion (53.8 per cent) is generated from exchange revenue (i.e service charges, interest, rental of facilities, etc.); whilst 45.5 per cent (R6.099 billion) was generated from non-exchange revenue (i.e., property taxes, fines and transfers & subsidies). *The revenue generated refers to the **ability** of the municipality to raise (generate) revenue and does not take the actual collection into consideration.*
- 2.2 The bulk of the total operating expenditure (30 per cent) employee related costs, followed by bulk purchases – electricity at 28 per cent.
- 2.3 Municipalities budgeted for employee related cost expenditure (including salaries and wages & council remuneration) at R8.245 billion, which constitutes 31.2 per cent of their total operational expenditure budget of R26.399 billion. As at 31 December 2024 spending on employee related cost and council remuneration amounted to R3.745 billion or 45.4 per cent against the budget for employee related cost and council remuneration of R8.245 billion.
- 2.4 The municipal staff related expenditure accounts for 98 per cent of the total employee related costs. Furthermore, 58 per cent (R2.088 billion) of the total employee related cost expenditure relates to *basic salaries and wages*, whilst *pension contributions* amounted to 10 percent (R361.6 million) to the total expenditure. *Overtime* contributed 8 per cent (R291.6 million) to the total expenditure, whilst expenditure on *acting and post related allowances* contributed R66.772 million (2%) to the total expenditure.
- 2.5 When billed revenue is measured against the adopted budgets, the performance across three core services, namely water-, wastewater- and waste management reflect surpluses for the quarter; whilst energy sources services reflected a deficit (shortfall). Operating deficits on the trading services is an indication that the tariffs might not be cost reflective, and it impacts negatively on the financial sustainability of municipality. *Importantly the surpluses / deficits do not take the actual collection rate into account.*
- Billed energy sources revenue totaled R3.497 billion against expenditure of R4.439 billion (**deficit of R941.9 million**);
 - Billed water revenue totaled R2.503 billion against expenditure of R2.262 billion (surplus of R241.2 million);
 - Billed waste water management revenue totaled R1.019 billion against expenditure of R556.1 million (surplus of R463.3 million); and
 - Billed waste management revenue totaled R796.4 million against expenditure R511.1 million (surplus of R285.4 million).

Capital Expenditure

- 2.6 The capital expenditure for the second quarter in the 2024/25 financial year amounted to R1.033 billion or 31.3 per cent against the total budget of R3.289 billion. This spending shows a significant increase from the first quarter which amounted to R359 million or 10.9 per cent against a total budget. The current spending is still below the straight line projection and the poor performance remains a concern.
- 2.7 Municipalities also have challenges in the implementation of the capital projects. These challenges include:
- The financial sustainability of municipalities in the Province is regressing and therefore projects to be funded with own funding do not realize.
 - Conditional Grants are not ring-fenced.
 - Conditional Grants are spend on operational expenditure for example payment of salaries, SARS, Eskom, etc.
 - Late appointment of contractors due to delays in the procurement processes.
 - The technical ability of municipalities to manage grants is not sufficient (e.g municipal staff appointed are not engineers with the technical skills to manage the implementation of a project).

Municipal Debtors

- 2.8 As at 31 December 2024 the aggregate municipal consumer debts amounted to R37.286 billion (*compared to R38.047 billion reported in the first quarter*). Organs of state accounts for 10.4 per cent or R3.871 billion (*R3.438 billion reported in the first quarter*) of the total outstanding debtors. The largest component of the outstanding debt relates to Households and represents 74.2 per cent or R27.672 billion (*R28.389 billion in the first quarter*).
- 2.9 It needs to be acknowledged that the whole outstanding debt amount of R37.286 billion is not realistically collectable, as these amounts are inclusive of debt older than 90 days (historic debt that has accumulated over an extended period), interest on arrears and other recoveries. R33.642 billion (90.2 per cent) of the total debt is outstanding for a period over 90 days.
- 2.10 If consumer's debts are limited to below 90 days, then the actual realistically collectable amount is estimated at R3.644 billion. This should however not be interpreted that by implication it is suggested that the balance must be written-off by municipalities. Relevant debt write-off policies must be followed, and all efforts taken to ensure debt is not collectable, before it can be written off.
- 2.11 Nine municipalities recorded debt exceeding one billion rand and makes out 90.5 per cent of the total debt, the five municipalities with the highest outstanding debtors are:

Mangaung	-	R11.783 billion
Matjhabeng	-	R 8.449 billion
Metsimaholo	-	R 3.697 billion
Maluti a Phofung	-	R 2.817 billion

Ngwathe - R 1.447 billion

It should be noted that Dihlabeng municipality did not report for December 2024 and the outstanding debt of approximately R1.7 billion is not included in this report.

2.12 The average year to date collection rate reported by municipalities for the province for the is only **54.6 per cent**, which is significantly below the norm of 95 per cent and is not sustainable. However, the actual average collection rate in the province might be lower due to incorrect reporting by municipalities.

2.13 Low collection rates can be attributed to the following factors:

- Credit control and debt collection policies not implemented;
- Increase in rates and tariffs year-on-year is not affordable;
- Illegal connections and tampering of water and electricity meters; and
- Non billing and system challenges.

Municipal Creditors

2.14 Municipalities owed their creditors R32.266 billion as at 31 December 2024 (*R32.181 billion reported at the end of September 2024*), the majority of which relates to bulk services debt (R29.611 billion). Free State Municipalities are experiencing cash flow challenges and therefore the payment plans with Eskom and Water Boards are not adhered to.

2.15 It is also concerning that Accounting Officers often default on the payment of PAYE and pension / retirement contributions. This leads to litigation against the municipalities. Kopanong and Mafube owes the highest over 30 days.

2.16 The year-on-year increase in outstanding creditors is an indication that municipalities are experiencing liquidity and cash flow challenges which is a direct result of their inability to collect revenue on services rendered.

Conditional Grants

2.17 In terms of the Division of Revenue Amendment Act a total of R2.810 billion was allocated to the Free State municipalities in terms of direct transfers (infrastructure, capacity and other grants).

2.18 The total conditional grant expenditure as at 31 December 2024, reported by Municipalities amounts to R781.8 million or 27.8 per cent against the total allocation.

Capacity Building and Other Conditional Grants Expenditure as at 31 December 2024

2.19 The highest performing conditional grant under this category is the Expanded Public Works Programme Grant at R9.712 million (28.9 %) followed by Energy Efficiency & Demand Management Grant at R1.794 million (8%).

Infrastructure Conditional Grants Expenditure as at 31 December 2024

2.20 Direct conditional grants allocated for Infrastructure amounts to R2.685 billion in the 2024/25 financial year. This amount excludes the indirect or in-kind allocations to transferring officers executing specific projects on behalf of municipalities in the municipal area.

2.21 From the R2.685 billion allocated, a total of R767.9 million or 28.6 per cent was reported spent by the municipalities.

Eskom Debt Relief Programme

2.22 Provincial Treasury monitors the adherence by the delegated municipalities (10 municipalities) to these conditions which include the following:

- Maintaining the Eskom current account
- Adoption of a funded MTREF budget
- Implementation of cost reflective tariffs
- Using of electricity / water services as collection tools (disconnection of services)
- Completeness of the revenue base (valuation roll reconciliations)
- Monitoring and reporting on compliance to Council

2.23 The table below provides a summary of compliance with the conditions in the Free State Province. Due to the non-submission of required information for November, which was expected in December when many officials may have been on holiday, a slight regression in compliance was noted for four municipalities: Maluti a Phofung, Nala, Dihlabeng, and Nketoana. Masilonyana's compliance score remains below 50 percent.

Municipalities	Debt Relief Programme Compliance Score								
	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sept 2024	Oct 2024	Nov 2024
FS181 Masilonyana	27%	17%	34%	27%	32%	39%	41%	41%	46%
FS183 Tswelopele	41%	27%	49%	51%	41%	68%	56%	56%	73%
FS184 Matjhabeng	78%	46%	59%	68%	63%	66%	68%	73%	73%
FS185 Nala	20%	27%	41%	41%	49%	54%	68%	73%	63%
FS192 Dihlabeng	34%	39%	71%	71%	76%	76%	78%	83%	76%
FS193 Nketoana	34%	37%	61%	68%	71%	76%	68%	71%	68%
FS194 Maluti a Phofung	56%	46%	71%	63%	68%	68%	66%	76%	73%
FS195 Phumeiela	41%	44%	51%	56%	63%	71%	73%	73%	73%
FS 201 Mochaka	39%	32%	61%	46%	49%	61%	61%	71%	78%
FS203 Ngwathe	34%	29%	59%	44%	49%	61%	67%	73%	76%

Source: Provincial Treasury, 2024

Red - Decrease from previous month

Green - Improvement from previous month

2.24 Furthermore, even with slight improvement in the scoring, Masilonyana have a low overall compliance score due to their failure to submit the oversight report in prescribed section 71 narrative report, including a plan to address the identified variances. Additionally, they have not submitted the monthly reports in the recommended format which should cover the collection rate per service per ward.

2.25 The table on the next page indicate the municipalities' compliance per condition:

MFMA Circular 124 - Debt Relief Programme Conditions	Masilonyana	Tswelopele	Matjhabeng	Nala	Dihlabeng	Nketoana	Maluti a Phofung	Phumelela	Moqhaka	Ngwathe
Condition 6.3: Maintaining the Eskom and Water Bulk Current Account	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Condition 6.4: A funded Medium-Term Revenue and Expenditure Framework (MTREF)	Green	Green	Orange	Orange	Orange	Orange	Orange	Orange	Orange	Orange
Condition 6.5 : Cost reflective tariffs	Green	Green	Orange	Orange	Orange	Orange	Orange	Orange	Orange	Orange
Condition 6.6: Electricity and Water as Collection Tools	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Condition 6.7: Maintain a Minimum Average Quarterly Collection of Property Rates and Service Charges 85%	Red	Red	Red	Red	Red	Red	Red	Red	Red	Red
Condition 6.8: Completeness of the Revenue Base	Green	Green	Orange	Orange	Orange	Orange	Orange	Orange	Orange	Orange
Condition 6.9: Monitor and Report on Compliance	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Condition 6.10: Free State Provincial Treasury Certification of Municipal Compliance	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Condition 6.11: Limitation on Municipality Borrowing Powers	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Condition 6.12: Proper management of resources	Red	Green	Orange	Red	Green	Red	Red	Green	Orange	Green
Condition 6.13 - Accounting Treatment	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
Condition 6.14: NERSA License	Red	Red	Red	Red	Red	Red	Red	Red	Red	Red

Legend:

Red: Non-Compliance

Orange: Partial Compliance

Green: Compliance

2.26 Despite notable efforts and improvements in the level of compliance, Provincial Treasury remains concerned of the following:

- Persistent non-payment of bulk accounts for water and electricity;
- Collection rates below 85 per cent;
- Failure to report revenue collection per ward and per services;
- Unrealistic budget funding plans;
- No alignment between general valuation rolls and municipal systems whilst municipalities have not developed a credible plan to address the identified misalignment;
- For the period of assessment, the municipalities failed to provide disconnection lists for areas where the municipality supply electricity and water restriction lists in areas where Eskom is the main supplier of electricity; and
- Non-reporting to governance structures for oversight to ensure that corrective actions are taken to improve compliance to legislative requirements.

2.27 Maintaining the monthly Eskom bulk current account remain a challenge for all the municipalities participating in the programme. Tswelopele and Dihlabeng municipalities are the only two municipalities that consistently make significant monthly payments to settle their current ESKOM charges. Matjhabeng and Moqhaka municipalities only make substantial payments in the month following the receipt of their equitable share. The remaining municipalities have not complied with this condition since their inclusion to the program.

2.28 Municipalities that defaults on the payment of the current Eskom account may be removed from the debt relief programme by National Treasury and will be liable for the full amount due including the accumulated debt prior 1 April 2023 and Eskom will implement full credit control including legal actions against those municipalities to recover outstanding debt. National Treasury issued warning letters to all the municipalities indicating that municipalities face the risk of termination / removal from the debt relief programme if the amounts in arrears are not paid as per indicated deadlines.

2.29 The following support is provided to municipalities participating in the debt relief programme:

- National Treasury has appointed technical advisors through the Municipal Finance Improve Programme (MFIP) to support municipalities.
- Training is provided to municipalities on the Valuation Roll Reconciliation and Cost Reflective Tariff settings.
- Guidance is provided to municipalities on the preparation of reports to oversight structures within the municipalities.
- Compliance to the debt relief programme conditions are also emphasised during the Audit Action Plan meetings with municipalities.
- Municipal visits were conducted to engage municipalities on debt relief compliance.

3. MUNICIPALITIES MEETING CRITERIA FOR DETERMINING SERIOUS FINANCIAL PROBLEMS IN TERMS OF SECTION 138 & 140 OF THE MFMA

3.1 In terms of section 138 of the MFMA, the following factors may indicate a serious financial problem:

- The municipality has failed to make payments as and when due;
- The municipality has defaulted on financial obligations for financial reasons;
- The actual current expenditure of the municipality has exceeded the sum of its actual current revenue plus available surpluses for at least two consecutive financial years (cash flow position);
- The municipality had an operating deficit in excess of five per cent of revenue in the most recent financial year for which financial information is available;
- The municipality is more than 60 days late in submitting its annual financial statements to the Auditor-General in accordance with section 126;
- The Auditor-General has withheld an opinion or issued a disclaimer due to inadequacies in the financial statements or records of the municipality, or has issued an opinion which identifies a serious financial problem in the municipality;
- Any of the above conditions exists in a municipal entity under the municipality's sole control;
- Any other material condition exists which indicates that the municipality, or a municipal entity under the municipality's sole control, is likely to be unable for financial reasons to meet its obligations.

3.2 In addition to the above section 140 of the MFMA indicates factors which may indicate that a municipality is in serious material breach of its obligations to meet its financial commitments, including the municipality has failed to make any other payment as and when due, which individually or in the aggregate is more than the amount as may be prescribed or, if not is prescribed, more than two per cent of the municipality's budgeted operating expenditure.

3.3 The table below indicate the criteria identified per municipality which may indicate financial distress. (Table 12: Municipalities meeting criteria for determining serious financial problems in terms of section 138 & 140 of the MFMA provide more detail).

3.4 19 Municipalities in the FS have three or more triggers (criteria), indicating these municipalities are in distress and need urgent intervention to improve the financial position and sustainability going forward.

Municipalities	Nr of Triggers identified	S138 Triggers	S140 Triggers (Creditors >2% of Opex Budget)	S140 Triggers - Severe (Creditors >40% of Opex Budget)	State of LG Finance & Fin Management Report 2022 (Financial Distress)
Mangaung	3	✓	✓		✓
Letsemeng	4	✓	✓	✓	✓
Kopanong	4	✓	✓	✓	✓
Mohokare	4	✓	✓	✓	✓
Xhariep	3	✓	✓		✓
Masilonyana	4	✓	✓	✓	✓
Tokologo	4	✓	✓	✓	✓
Tswelopele	4	✓	✓	✓	✓
Matjhabeng	4	✓	✓	✓	✓
Nala	4	✓	✓	✓	✓
Lejweleputswa	0				
Setsoto	1	✓			
Dihlabeng	4	✓	✓	✓	✓
Nketoana	4	✓	✓	✓	✓
Maluti-a-Phofung	4	✓	✓	✓	✓
Phumelela	4	✓	✓	✓	✓
Mantsopa	4	✓	✓	✓	✓
Thabo Mofutsanyana	2	✓			✓
Moghaka	4	✓	✓	✓	✓
Ngwathe	4	✓	✓	✓	✓
Metsimaholo	3	✓	✓		✓
Mafube	4	✓	✓	✓	✓
Fezile Dabi	1	✓			

Notes:
S138 Triggers = Failure to make payments as & when due (s138(a)) (90 days > R1m) / Operating Deficit > 5% of total direct revenue (s138(d)) / Negative or Outstanding Audit Opinions
S140 Triggers = Eskom / Water Boards or Total Creditors >2% of Opex Budget
S140 Triggers (Severe) = Eskom / Water Boards or Total Creditors >40% of Opex Budget

4. LIST OF SUMMARY TABLES ATTACHED

The following summary tables are attached to this report:

- 1. Consolidated statement of financial performance
- 2. Consolidated statement of financial position
- 3. Operating revenue & expenditure per function – Energy Sources
- 4. Operating revenue & expenditure per function – Water Management
- 5. Operating revenue & expenditure per function – Waste Water Management
- 6. Operating revenue & expenditure per function – Waste Management
- 7. Aggregated municipal debtors age analysis
- 8. Aggregated municipal debtors age analysis – per municipality
- 9. Aggregated municipal creditors age analysis
- 10. Aggregated municipal creditors age analysis – per municipality
- 11. Conditional grants
- 12. Municipalities meeting criteria for determining serious financial problems in terms of section 138 & 140 of the MFMA

5. RECOMMENDATIONS

It is recommended that the MEC for Finance, Tourism and Economic Development table this report in the FS Legislature as required by Section 71(7) of the MFMA, 2003 within 45 days after the end of each quarter. This report must also be served at the Provincial Public Accounts Committee (PROPAC) to enable municipalities to account for management of public finances that impact on sustaining basic service delivery.

Submitted by:



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Date: 2025/02/13

Supported by:



Mr. ME Mohlahlo
HEAD: FREE STATE PROVINCIAL TREASURY

Date: 17/02/2025

Approved / Not approved:



Mr. MK Makume
MEC FOR FINANCE, TOURISM AND ECONOMIC DEVELOPMENT

Date: 18/02/2025

SUMMARY TABLES

Table 1: Consolidated statement of financial performance

Description	Budget year 2024/25										
	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands											
Revenue											
Exchange Revenue											
Service charges - Electricity	7 960 168	8 061 161	1 835 554	1 418 635			3 354 189	3 996 415	(642 226)	(16.07)	8 061 161
Service charges - Water	3 648 781	3 646 781	818 376	807 847			1 626 223	1 828 209	(201 986)	(11.05)	3 646 781
Service charges - Waste Water Management	1 484 344	1 484 344	315 917	350 296			666 215	742 172	(75 957)	(10.23)	1 484 344
Service charges - Waste Management	908 241	908 241	211 324	195 193			406 517	454 120	(47 603)	(10.48)	908 241
Sale of Goods and Rendering of Services	167 740	167 158	22 434	22 436			44 870	82 230	(37 360)	(45.43)	167 158
Agency services	5	5	0	1			1	2	(1)	(55.72)	5
Interest			57	58			115		115		
Interest earned from Receivables	1 788 421	1 870 466	526 918	525 388			1 052 305	914 358	137 947	15.09	1 870 466
Interest earned from Current and Non Current Assets	148 101	148 101	50 644	23 146			73 789	74 049	(260)	(0.35)	148 101
Dividends	6 696	6 696	482	2 145			2 606	3 380	(774)	(22.89)	6 696
Rent on Land	11 979	11 979	901	554			1 455	5 990	(4 535)	(75.71)	11 979
Rental from Fixed Assets	114 014	114 962	25 012	25 809			50 820	57 247	(6 427)	(11.23)	114 962
Licence and permits	662	662	161	903			1 064	331	733	221.30	662
Operational Revenue	665 997	669 997	13 741	19 418			33 159	333 974	(300 816)	(90.07)	669 997
Non-Exchange Revenue											
Property rates	3 400 336	3 400 336	691 551	980 400			1 671 951	1 700 168	(28 217)	(1.66)	3 400 336
Surcharges and Taxes	7 142	7 142	1 086	2 411			3 498	3 571	(73)	(2.06)	7 142
Fines, penalties and forfeits	89 754	87 159	4 549	10 102			14 652	43 699	(29 048)	(66.47)	87 159
Licences or permits	4 165	2 502	448	547			965	1 251	(286)	(20.49)	2 502
Transfer and subsidies - Operational	6 227 216	6 227 216	2 372 269	1 501 746			3 874 014	3 288 693	575 321	17.44	6 227 216
Interest	296 090	328 807	120 110	115 651			235 760	156 724	79 036	50.43	328 807
Fuel Levy	443 643	443 643	147 881	147 881			295 762	221 822	73 941	33.33	443 643
Operational Revenue	30 123	30 123	1 619	514			2 132	15 062	(12 929)	(85.84)	30 123
Gains on disposal of Assets	74 956	74 956	69	38			108	37 478	(37 371)	(99.71)	74 956
Other Gains	33 389	33 389	86	5			91	16 695	(16 604)	(99.46)	33 389
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)	27 513 963	27 725 826	7 261 168	6 151 123	-	-	13 412 291	13 987 642	(575 351)	(4.11)	27 725 826
Expenditure											
Employee related costs	7 855 351	7 879 934	1 840 280	1 751 095			3 591 376	3 934 072	(342 696)	(8.71)	7 879 934
Remuneration of councillors	389 340	389 459	76 510	77 303			153 813	194 703	(40 890)	(21.00)	389 459
Bulk purchases - electricity	6 284 660	6 284 660	1 574 671	1 784 493			3 359 163	3 139 078	220 086	7.01	6 284 660
Inventory consumed	1 595 481	1 599 014	489 679	424 473			814 153	800 651	113 502	14.18	1 599 014
Debt impairment	3 672 773	3 711 793	673 176	608 488			1 281 664	1 846 142	(564 478)	(30.58)	3 711 793
Depreciation and amortisation	1 519 333	1 556 983	243 861	371 718			815 579	769 080	(153 502)	(18.96)	1 556 983
Interest	570 003	591 862	87 310	66 199			153 509	290 466	(136 957)	(47.15)	591 862
Contracted services	1 723 113	1 756 767	249 260	411 277			660 537	867 689	(207 152)	(23.87)	1 756 767
Transfers and subsidies	247 376	284 168	49 701	23 304			73 005	140 584	(67 579)	(48.07)	284 168
Irrecoverable debts written off	298 042	299 542	530 719	(41 155)			489 564	149 396	340 168	227.70	299 542
Operational costs	1 805 348	1 818 120	286 342	390 582			676 924	907 507	(230 583)	(25.41)	1 818 120
Losses on disposal of Assets	60	60						30	(30)	(100.00)	60
Other Losses	438 358	438 358	6	2			8	219 179	(219 171)	(100.00)	438 358
Total Expenditure	26 399 237	26 608 721	8 101 516	5 887 779	-	-	11 969 295	13 258 577	(1 289 282)	(9.72)	26 608 721
Surplus/(Deficit)	1 114 726	1 117 105	1 159 652	283 345	-	-	1 442 996	729 065	713 931	97.92	1 117 105

Source: National Treasury Local Government database

Table 2: Consolidated statement of financial position

Description	Budget year 2024/25										
	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands											
ASSETS											
Current assets											
Cash and cash equivalents	10 635 515	7 947 805	1 805 366	(302 459)			1 412 907	5 351 113	(3 938 205)	(73.60)	7 947 805
Trade and other receivables from exchange transactions	10 781 825	10 801 294	5 836 943	2 150 793			7 987 736	5 453 391	2 534 345	46.47	10 801 294
Receivables from non-exchange transactions	2 008 286	2 008 286	931 052	1 087 381			2 018 433	1 047 384	971 049	92.71	2 008 286
Current portion of non-current receivables	1 553	1 553	832 785	209			832 994	874	832 119	95 156.34	1 553
Inventory	1 179 736	1 179 736	840 433	846 158			1 686 591	758 281	928 310	122.42	1 179 736
VAT	4 970 598	4 906 647	9 223 378	1 835 255			11 058 633	2 616 629	8 442 004	322.63	4 906 647
Other current assets	73 859	73 859	451 292	19 127			470 419	44 281	426 138	962.35	73 859
Total current assets	29 651 372	26 919 180	19 921 248	5 646 465	-	-	25 467 713	15 271 953	10 195 760	66.76	26 919 180
Non current assets											
Investments	9 295	9 295	10 956	244			11 200	8 863	2 337	26.37	9 295
Investment property	7 301 278	7 301 276	4 674 749	916 479			5 591 228	3 561 831	2 029 397	56.98	7 301 276
Property, plant and equipment	46 738 163	46 749 805	34 219 484	6 061 087			40 280 571	25 472 688	14 807 903	58.13	46 749 805
Biological assets	4 982	4 982	989	94			1 063	2 988	(1 905)	(63.75)	4 982
Living and non-living resources	3 234	3 234						1 617	(1 617)	(100.00)	3 234
Intangible assets	283 955	283 955	146 990	3 060			150 049	142 106	7 944	5.59	283 955
Trade and other receivables from exchange transactions	224 485	224 485	224 053				224 053	224 289	(216)	(0.10)	224 485
Non-current receivables from non-exchange transactions	275 633	275 633	9 499	(161)			9 338	138 044	(128 706)	(93.24)	275 633
Other non-current assets	58 627	58 627	2 285 046	30 000			2 315 046	30 094	2 284 952	7 592.70	58 627
Total non current assets	55 239 626	55 251 269	41 926 359	7 010 938	-	-	48 937 296	29 760 429	19 176 867	64.44	55 251 269
TOTAL ASSETS	84 890 998	82 170 449	61 847 607	12 557 403	-	-	74 405 010	45 032 382	29 372 627	65.23	82 170 449
LIABILITIES											
Current liabilities											
Bank overdraft	156 153	156 153	342				342	78 248	(77 906)	(99.56)	156 153
Financial liabilities	123 842	123 842	(270 240)	(98 782)			(369 022)	71 212	(440 234)	(618.20)	123 842
Consumer deposits	315 946	315 584	720 521	45 973			766 495	163 152	603 343	369.80	315 584
Trade and other payables from exchange transactions	28 131 841	28 617 100	27 339 752	10 862 322			38 202 074	14 346 421	23 855 653	166.28	28 617 100
Trade and other payables from non-exchange transactions	639 326	625 642	1 113 654	(211 658)			901 996	408 082	493 934	121.04	625 642
Provision	1 209 695	1 209 695	2 442 723	269 412			2 712 135	585 332	2 126 804	363.35	1 209 695
VAT	2 712 197	2 712 197	7 498 589	1 108 735			8 607 324	1 478 067	7 129 257	482.34	2 712 197
Other current liabilities			803 609				803 609		803 609		
Total current liabilities	33 289 001	33 760 213	39 648 950	11 976 003	-	-	51 624 953	17 130 483	34 494 460	201.36	33 760 213
Non current liabilities											
Financial liabilities	399 908	399 908	1 146 053	(447)			1 145 606	273 450	872 156	318.94	399 908
Provision	1 388 468	1 388 468	872 221	(27 186)			845 034	888 169	(43 135)	(4.86)	1 388 468
Long term portion of trade payables	599 456	599 456						314 728	(314 728)	(100.00)	599 456
Other non-current liabilities	878 328	878 328	1 678 115	9 512			1 887 627	485 399	1 202 228	247.68	878 328
Total non current liabilities	3 268 160	3 268 160	3 698 389	(18 122)	-	-	3 678 267	1 961 747	1 716 520	87.50	3 268 160
TOTAL LIABILITIES	36 555 161	37 028 373	43 345 339	11 957 881	-	-	55 303 220	19 092 240	36 210 980	189.66	37 028 373
NET ASSETS	48 335 837	45 144 077	18 502 268	599 522	-	-	19 101 789	25 940 143	(6 838 353)	(26.36)	45 144 077
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	38 929 238	35 492 220	11 484 693	334 448			11 799 131	19 670 142	(8 171 012)	(0)	35 492 220
Reserves and funds	6 341 209	6 554 143	6 515 561	(212 934)			6 302 626	3 977 744	2 324 882	0	6 554 143
Other			0				0		0		
TOTAL COMMUNITY WEALTH/EQUITY	45 270 447	42 046 364	17 980 243	121 514	-	-	18 101 757	23 947 887	(5 846 130)	(0)	42 046 364

Source: National Treasury Local Government database

Table 3: Operating revenue and expenditure per function – Energy Sources

Description	Budget year 2024/25										
	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands											
Revenue											
Exchange Revenue											
Service charges - Electricity	7 844 428	7 945 424	1 929 689	1 412 915			3 342 604	3 938 546	(595 942)	(15.13)	7 945 424
Service charges - Water											
Service charges - Waste Water Management											
Service charges - Waste Management											
Sale of Goods and Rendering of Services	16 731	16 731	2 121	282			2 403	8 269	(5 866)	(70.94)	16 731
Agency services											
Interest											
Interest earned from Receivables	185 547	201 105	46 679	50 779			97 458	96 663	795	0.82	201 105
Interest earned from Current and Non Current Assets	5 688	5 688	1 185	1 098			2 284	2 844	(560)	(19.69)	5 688
Dividends											
Rent on Land											
Rental from Fixed Assets	144	144	34	21			55	72	(17)	(23.51)	144
Licence and permits											
Operational Revenue	4 609	4 609	(79)	368			288	2 304	(2 016)	(87.48)	4 609
Non-Exchange Revenue											
Property rates											
Surcharges and Taxes	1 545	1 545	11	49			60	773	(713)	(92.28)	1 545
Fines, penalties and forfeits	7 502	7 502	1 568	1 644			3 212	3 751	(539)	(14.37)	7 502
Licences or permits											
Transfer and subsidies - Operational	229 657	229 657	36 045	6 743			42 788	143 759	(100 971)	(70.24)	229 657
Interest			3 012	2 191			5 203		5 203		
Fuel Levy											
Operational Revenue	20 092	20 092	673	206			879	10 046	(9 167)	(91.25)	20 092
Gains on disposal of Assets	9 900	9 900						4 950	(4 950)	(100.00)	9 900
Other Gains	1 385	1 385	86				86	692	(607)	(87.64)	1 385
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)	8 327 228	8 443 781	2 021 024	1 476 295	-	-	3 497 319	4 212 670	(715 351)	(16.98)	8 443 781
Expenditure											
Employee related costs	747 631	748 006	196 373	196 207			392 580	373 869	18 711	5.00	748 006
Remuneration of councillors											
Bulk purchases - electricity	6 284 660	6 284 660	1 574 671	1 784 493			3 359 163	3 139 078	220 086	7.01	6 284 660
Inventory consumed	146 332	147 332	27 563	44 469			72 033	73 677	(1 644)	(2.23)	147 332
Debt impairment	770 308	778 258	113 221	106 205			219 426	387 142	(167 716)	(43.32)	778 258
Depreciation and amortisation	237 721	237 721	(1 990)	133 280			131 290	118 861	12 430	10.46	237 721
Interest	54 457	79 316	29 078	15 173			44 251	33 443	10 808	32.32	79 316
Contracted services	299 419	290 919	41 858	71 846			113 704	146 064	(32 361)	(22.15)	290 919
Transfers and subsidies											
Irrecoverable debts written off	19 493	19 493	3 925	7 552			11 477	9 747	1 730	17.75	19 493
Operational costs	335 696	336 053	46 025	49 313			95 337	167 936	(72 599)	(43.23)	336 053
Losses on disposal of Assets											
Other Losses			6				6		6		
Total Expenditure	8 895 718	8 921 759	2 030 729	2 408 538	-	-	4 439 266	4 449 816	(10 549)	(0.24)	8 921 759
Surplus/(Deficit)	(568 490)	(477 978)	(9 705)	(932 243)	-	-	(941 948)	(237 146)	(704 802)	297.20	(477 978)
Transfers and subsidies - capital (monetary allocations)	117 988	117 988	3 840	15 581			19 422	58 994	(39 572)	(67.08)	117 988
Transfers and subsidies - capital (in-kind)											
Surplus/(Deficit) after capital transfers and contributions	(450 502)	(359 990)	(5 865)	(916 661)	-	-	(922 526)	(178 152)	(744 374)	417.83	(359 990)
Income Tax											
Surplus/(Deficit) after income tax	(450 502)	(359 990)	(5 865)	(916 661)	-	-	(922 526)	(178 152)	(744 374)	417.83	(359 990)
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality	(450 502)	(359 990)	(5 865)	(916 661)	-	-	(922 526)	(178 152)	(744 374)	417.83	(359 990)
Share of Surplus/Deficit attributable to Associate											
Intercompany/Parent subsidiary transactions											
Surplus/(Deficit) for the year	(450 502)	(359 990)	(5 865)	(916 661)	-	-	(922 526)	(178 152)	(744 374)	417.83	(359 990)

Source: National Treasury Local Government database

Table 4: Operating revenue and expenditure per function – Water Management

Description	Budget year 2024/25										
	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands											
Revenue											
Exchange Revenue											
Service charges - Electricity											
Service charges - Water	3 621 711	3 621 711	815 894	807 827			1 623 721	1 815 674	(191 953)	(10.57)	3 621 711
Service charges - Waste Water Management											
Service charges - Waste Management											
Sale of Goods and Rendering of Services	67	67	5	4			9	34	(25)	(73.84)	67
Agency services											
Interest											
Interest earned from Receivables	795 982	833 010	251 754	248 490			500 243	407 248	92 995	22.84	833 010
Interest earned from Current and Non Current Assets											
Dividends											
Rent on Land											
Rental from Fixed Assets	308	308						154	(154)	(100.00)	308
Licence and permits											
Operational Revenue	64	64	8	12			20	32	(12)	(36.17)	64
Non-Exchange Revenue											
Property rates											
Surcharges and Taxes	1 527	1 527	461	1 168			1 627	763	864	113.13	1 527
Fines, penalties and forfeits											
Licences or permits											
Transfer and subsidies - Operational	783 792	783 792	240 940	130 861			371 800	417 532	(45 732)	(10.95)	783 792
Interest			2 040	2 235			4 275		4 275		
Fuel Levy											
Operational Revenue	7 243	7 243	829	190			1 019	3 622	(2 603)	(71.86)	7 243
Gains on disposal of Assets											
Other Gains	32 000	32 000						16 000	(16 000)	(100.00)	32 000
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)	5 242 693	5 279 722	1 311 930	1 190 784	-	-	2 502 714	2 861 058	(188 344)	(5.95)	5 279 722
Expenditure											
Employee related costs	502 063	502 063	119 887	123 310			242 997	251 044	(8 047)	(3.21)	502 063
Remuneration of councillors											
Bulk purchases - electricity											
Inventory consumed	1 106 299	1 106 299	421 231	329 794			751 024	554 496	196 529	35.44	1 106 299
Debt impairment	1 838 864	1 847 614	392 732	368 998			761 729	921 620	(159 890)	(17.35)	1 847 614
Depreciation and amortisation	213 407	232 907	43 842	45 029			88 871	111 579	(22 707)	(20.35)	232 907
Interest	1 000	1 000						500	(500)	(100.00)	1 000
Contracted services	147 457	149 457	17 707	24 686			42 393	74 912	(32 519)	(43.41)	149 457
Transfers and subsidies	6 971	6 971	3 223	3 308			6 531	3 485	3 045	87.38	6 971
Irrecoverable debts written off	149 700	151 200	363 702	(27 711)			335 991	75 225	260 766	348.65	151 200
Operational costs	102 283	102 283	13 798	18 222			32 017	50 998	(18 979)	(37.22)	102 283
Losses on disposal of Assets	60	60						30	(30)	(100.00)	60
Other Losses	438 354	438 354						219 177	(219 177)	(100.00)	438 354
Total Expenditure	4 506 458	4 538 208	1 375 918	885 636	-	-	2 261 555	2 263 065	(1 510)	(0.07)	4 538 208
Surplus/(Deficit)	736 236	741 514	(63 989)	305 148	-	-	241 160	397 993	(156 834)	(39.41)	741 514
Transfers and subsidies - capital (monetary allocations)	640 711	642 634	148 860	159 026			307 885	317 501	(9 618)	(3.03)	642 634
Transfers and subsidies - capital (in-kind)											
Surplus/(Deficit) after capital transfers and contributions	1 376 946	1 384 148	84 871	464 174	-	-	549 045	715 495	(166 450)	(23.26)	1 384 148
Income Tax											
Surplus/(Deficit) after income tax	1 376 946	1 384 148	84 871	464 174	-	-	549 045	715 495	(166 450)	(23.26)	1 384 148
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality	1 376 946	1 384 148	84 871	464 174	-	-	549 045	715 495	(166 450)	(23.26)	1 384 148
Share of Surplus/Deficit attributable to Associate											
Intercompany/Parent subsidiary transactions			17	17			34		34		
Surplus/(Deficit) for the year	1 376 946	1 384 148	84 888	464 191	-	-	549 079	715 495	(166 415)	(23.26)	1 384 148

Source: National Treasury Local Government database

Table 5: Operating revenue and expenditure per function – Waste Water Management

Description	Budget year 2024/25										
	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands											
Revenue											
Exchange Revenue											
Service charges - Electricity			(0)	(0)			(0)		(0)		
Service charges - Water			(1)	(5)			(6)		(6)		
Service charges - Waste Water Management	1 447 194	1 447 194	310 954	345 007			656 561	723 597	(67 036)	(9.26)	1 447 194
Service charges - Waste Management			(808)	(635)			(1 244)		(1 244)		
Sale of Goods and Rendering of Services	658	658	26	26			52	320	(277)	(84.26)	658
Agency services											
Interest											
Interest earned from Receivables	258 968	272 962	92 097	90 100			162 197	132 987	49 209	37.00	272 962
Interest earned from Current and Non Current Assets											
Dividends											
Rent on Land											
Rental from Fixed Assets			91	91			182		182		
Licence and permits											
Operational Revenue	44	44	0	0			1	22	(22)	(97.61)	44
Non-Exchange Revenue											
Property rates	(2 259)	(2 259)	535	531			1 066	(1 129)	2 195	(194.37)	(2 259)
Surcharges and Taxes	579	579	452	1 246			1 700	289	1 411	487.57	579
Fines, penalties and forfeits											
Licences or permits											
Transfer and subsidies - Operational	360 337	360 337	115 433	60 330			175 762	200 296	(24 534)	(12.25)	360 337
Interest	8 178	8 178	2 943	20			2 984	4 089	(1 125)	(27.52)	8 178
Fuel Levy											
Operational Revenue	1 928	1 928	117	117			234	964	(730)	(75.68)	1 928
Gains on disposal of Assets											
Other Gains											
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)	2 075 627	2 089 642	522 038	497 429	-	-	1 019 468	1 061 445	(41 977)	(3.95)	2 089 642
Expenditure											
Employee related costs	428 645	428 645	106 475	101 271			207 746	214 323	(6 577)	(3.07)	428 645
Remuneration of councillors											
Bulk purchases - electricity											
Inventory consumed	81 212	81 212	8 815	13 009			19 824	40 977	(21 154)	(51.62)	81 212
Debt impairment	347 575	356 725	56 782	44 493			101 274	176 075	(74 801)	(42.48)	356 725
Depreciation and amortisation	191 307	191 307	46 100	44 754			90 854	95 653	(4 800)	(5.02)	191 307
Interest	23 855	23 855	4 653	11 761			16 414	11 928	4 486	37.81	23 855
Contracted services	159 250	167 250	11 382	22 260			33 642	81 625	(47 983)	(58.78)	167 250
Transfers and subsidies											
Irrecoverable debts written off	36 693	36 693	54 575	(13 164)			41 411	18 346	23 064	125.72	36 693
Operational costs	92 505	92 505	17 006	27 948			44 954	46 253	(1 299)	(2.81)	92 505
Losses on disposal of Assets											
Other Losses											
Total Expenditure	1 361 643	1 378 193	303 789	252 330	-	-	556 119	685 182	(129 062)	(18.84)	1 378 193
Surplus/(Deficit)	714 584	711 449	218 249	245 099	-	-	463 349	376 263	87 085	23.14	711 449
Transfers and subsidies - capital (monetary allocations)	142 925	134 803	34 182	71 398			105 578	60 432	36 146	52.06	134 803
Transfers and subsidies - capital (In-kind)											
Surplus/(Deficit) after capital transfers and contributions	857 509	846 251	252 431	316 495	-	-	568 926	445 695	123 231	27.65	846 251
Income Tax											
Surplus/(Deficit) after Income tax	857 509	846 251	252 431	316 495	-	-	568 926	445 695	123 231	27.65	846 251
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality	857 509	846 251	252 431	316 495	-	-	568 926	445 695	123 231	27.65	846 251
Share of Surplus/Deficit attributable to Associate											
Intercompany/Parent subsidiary transactions											
Surplus/(Deficit) for the year	857 509	846 251	252 431	316 495	-	-	568 926	445 695	123 231	27.65	846 251

Source: National Treasury Local Government database

Table 6: Operating revenue and expenditure per function – Waste Management

Description	Budget year 2024/25										
	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands											
Revenue											
Exchange Revenue											
Service charges - Electricity											
Service charges - Water											
Service charges - Waste Water Management	19 711	19 711	4 657	4 679			9 336	9 856	(520)	(5.28)	19 711
Service charges - Waste Management	859 800	859 800	203 109	187 173			390 282	429 900	(39 618)	(9.22)	859 800
Sale of Goods and Rendering of Services	361	361						191	(191)	(100.00)	361
Agency services											
Interest											
Interest earned from Receivables	204 014	218 118	59 027	57 340			116 366	105 170	11 197	10.65	218 118
Interest earned from Current and Non Current Assets											
Dividends											
Rent on Land											
Rental from Fixed Assets											
Licence and permits											
Operational Revenue	(0)	(0)						(0)	0	(100.00)	(0)
Non-Exchange Revenue											
Property rates											
Surcharges and Taxes											
Fines, penalties and forfeits											
Licences or permits											
Transfer and subsidies - Operational	473 378	473 378	170 479	109 995			280 474	250 611	29 862	11.92	473 378
Interest											
Fuel Levy											
Operational Revenue	860	860						430	(430)	(100.00)	860
Gains on disposal of Assets											
Other Gains											
Discontinued Operations											
Total Revenue (excluding capital transfers and contributions)	1 558 145	1 572 249	437 271	359 187	-	-	796 457	796 157	300	0.04	1 572 249
Expenditure											
Employee related costs	594 968	593 840	164 455	151 898			316 353	297 355	18 998	6.39	593 840
Remuneration of councillors											
Bulk purchases - electricity											
Inventory consumed	23 615	24 215	2 396	1 129			3 525	11 970	(8 445)	(70.55)	24 215
Debt impairment	305 821	313 991	51 134	36 010			87 144	154 663	(67 809)	(43.70)	313 991
Depreciation and amortisation	29 570	37 220	8 656	9 534			18 190	16 697	1 493	8.94	37 220
Interest	4 764	4 764						2 382	(2 382)	(100.00)	4 764
Contracted services	51 810	54 810	4 645	17 756			22 401	26 636	(4 235)	(15.90)	54 810
Transfers and subsidies		6 000	62				62	1 500	(1 438)	(95.85)	6 000
Irrecoverable debts written off	36 058	36 058	56 623	(24 387)			32 236	18 029	14 207	78.80	36 058
Operational costs	105 422	105 769	11 492	19 896			31 188	52 233	(21 045)	(40.29)	105 769
Losses on disposal of Assets											
Other Losses											
Total Expenditure	1 152 027	1 176 668	299 484	211 636	-	-	511 100	581 756	(70 656)	(12.15)	1 176 668
Surplus/(Deficit)	406 118	395 581	137 807	147 551	-	-	285 357	214 401	70 956	33.10	395 581
Transfers and subsidies - capital (monetary allocations)	83 777	83 777		9 467			9 467	41 888	(32 421)	(77.40)	83 777
Transfers and subsidies - capital (in-kind)	1 237	1 237						618	(618)	(100.00)	1 237
Surplus/(Deficit) after capital transfers and contributions	491 132	480 595	137 807	157 018	-	-	294 825	258 908	37 917	14.76	480 595
Income Tax											
Surplus/(Deficit) after Income tax	491 132	480 595	137 807	157 018	-	-	294 825	258 908	37 917	14.76	480 595
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality	491 132	480 595	137 807	157 018	-	-	294 825	258 908	37 917	14.76	480 595
Share of Surplus/Deficit attributable to Associate											
Intercompany/Parent subsidiary transactions											
Surplus/(Deficit) for the year	491 132	480 595	137 807	157 018	-	-	294 825	258 908	37 917	14.76	480 595

Source: National Treasury Local Government database

Table 7: Aggregated municipal debtors age analysis

Debtors Age Analysis By Income Source	0-30 Days		31-60 Days		61-90 Days		Over 90 Days		Total	
	R'000	%	R'000	%	R'000	%	R'000	%	R'000	%
Trade and Other Receivables from Exchange Transactions - Water	555 980	4.5%	321 165	2.6%	291 432	2.3%	11 288 336	90.6%	12 436 913	33.4%
Trade and Other Receivables from Exchange Transactions - Electricity	245 434	8.7%	102 893	3.6%	96 742	3.4%	2 376 130	84.2%	2 821 199	7.6%
Receivables from Non-exchange Transactions - Property Rates	333 939	6.5%	297 527	5.7%	124 473	2.4%	4 419 907	85.4%	5 175 846	13.9%
Receivables from Exchange Transactions - Waste Water Management	167 352	3.7%	113 289	2.5%	80 990	1.8%	4 156 725	92.0%	4 518 356	12.1%
Receivables from Exchange Transactions - Waste Management	91 336	2.9%	55 162	1.8%	53 327	1.7%	2 934 298	93.6%	3 134 123	8.4%
Receivables from Exchange Transactions - Property Rental Debtors	1 866	1.1%	1 771	1.0%	1 787	1.0%	172 189	96.9%	177 614	0.5%
Interest on Arrear Debtor Accounts	300 646	3.6%	198 824	2.4%	195 706	2.3%	7 763 940	91.8%	8 459 115	22.7%
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Other	2 433	0.4%	3 725	0.7%	6 502	1.2%	550 629	97.8%	563 288	1.5%
Total By Income Source	1 698 985	4.6%	1 094 356	2.9%	850 959	2.3%	33 642 155	90.2%	37 286 454	100.0%

Debtors Age Analysis By Customer Group	0-30 Days		31-60 Days		61-90 Days		Over 90 Days		Total	
	R'000	%	R'000	%	R'000	%	R'000	%	R'000	%
Organs of State	227 819	5.9%	310 434	8.0%	128 504	3.3%	3 204 866	82.8%	3 871 622	10.4%
Commercial	460 914	8.4%	150 670	2.7%	139 970	2.5%	4 739 918	86.3%	5 491 472	14.7%
Households	1 009 329	3.6%	630 754	2.3%	580 164	2.1%	25 452 197	92.0%	27 672 444	74.2%
Other	922	0.4%	2 498	1.0%	2 320	0.9%	245 174	97.7%	250 915	0.7%
Total By Customer Group	1 698 985	4.6%	1 094 356	2.9%	850 959	2.3%	33 642 155	90.2%	37 286 454	100.0%

Source: NT Local Government Database

Table 8: Aggregate Debtors age analysis per municipality

Debtors Age Analysis	0-30 Days		31-60 Days		61-90 Days		Over 90 Days		Total	
	R'000	%	R'000	%	R'000	%	R'000	%	R'000	%
Mangaung Metro	863 100	7.3%	565 062	4.8%	351 126	3.0%	10 003 957	84.9%	11 783 245	31.6%
Letsemeng	1 470	0.3%	8 720	1.7%	6 864	1.3%	501 110	96.7%	518 165	1.4%
Kopanong*	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Mohokare*	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Xhariep District	62	0.5%	61	0.5%	-	0.0%	12 405	99.0%	12 528	0.0%
DC 16 Total	1 532	0.3%	8 781	1.7%	6 864	1.3%	513 515	96.8%	530 693	1.4%
Masilonyana	-	0.0%	-	0.0%	-	0.0%	(31)	100.0%	(31)	0.0%
Tokologo	19 677	3.4%	9 373	1.6%	9 255	1.6%	535 814	93.3%	574 119	1.5%
Tswelopele	10 103	5.0%	5 027	2.5%	5 895	2.9%	179 483	89.5%	200 508	0.5%
Matjhabeng	248 474	2.9%	191 553	2.3%	187 444	2.2%	7 822 122	92.6%	8 449 592	22.7%
Nala	25 509	3.1%	20 804	2.5%	19 621	2.4%	762 601	92.0%	828 535	2.2%
Lejweleputswa District	(0)	0.0%	-	0.0%	-	0.0%	31 035	100.0%	31 034	0.1%
DC 18 Total	303 763	3.0%	226 757	2.2%	222 215	2.2%	9 331 023	92.5%	10 083 758	27.0%
Setsotso	28 317	3.9%	24 725	3.4%	21 920	3.0%	656 409	89.8%	731 372	2.0%
Dihlabeng*	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Nkeibana	32 129	2.3%	29 175	2.1%	27 208	1.9%	1 317 125	93.7%	1 405 636	3.8%
Maluti a Phofung	37 193	1.3%	37 182	1.3%	36 699	1.3%	2 735 691	96.1%	2 813 765	7.6%
Phumelela	348	0.1%	9 950	1.6%	10 177	1.6%	616 685	96.8%	637 160	1.7%
Mantsopa	20 639	1.7%	18 792	1.6%	18 777	1.6%	1 152 407	95.2%	1 210 614	3.2%
Thabo Mofutsanyana District	-	0.0%	-	0.0%	-	0.0%	8 139	100.0%	8 139	0.0%
DC 19 Total	118 626	1.7%	119 823	1.8%	114 782	1.7%	6 456 455	94.8%	6 809 686	18.3%
Moqhaka	110 931	6.7%	41 767	2.5%	40 349	2.4%	1 472 948	88.4%	1 665 994	4.5%
Ngwatho	52 344	3.6%	40 453	2.8%	32 399	2.2%	1 321 582	91.3%	1 446 778	3.9%
Mezimaholo	220 214	6.0%	71 124	1.9%	62 441	1.7%	3 342 944	90.4%	3 696 722	9.9%
Mafube	28 475	2.2%	20 589	1.6%	20 782	1.6%	1 199 731	94.5%	1 269 577	3.4%
Fezile Dabi	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
DC 20 Total	411 963	5.1%	173 932	2.2%	155 972	1.9%	7 337 205	90.8%	8 079 071	21.7%
Total Debt	1 698 985	4.6%	1 094 356	2.9%	850 959	2.3%	33 642 155	90.2%	37 286 454	100.0%

Source: NT Local Government Database

*Datastring for M06 not submitted

Table 9: Aggregate Creditors age analysis

Creditors by type	0-30 Days		31-60 Days		61-90 Days		Over 90 Days		Total	
	R'000	%	R'000	%	R'000	%	R'000	%	R'000	%
Bulk Electricity	450 129	2.3%	322 255	1.6%	268 033	1.4%	18 792 475	94.8%	19 832 892	61.5%
Bulk Water	897 775	9.2%	132 314	1.4%	156 285	1.6%	8 591 586	87.9%	9 777 960	30.3%
PAYE deductions	54 263	81.5%	4 479	6.7%	1 675	2.5%	6 201	9.3%	66 618	0.2%
VAT (output less input)	–	0.0%	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Pensions / Retirement deductions	75 678	23.8%	17	0.0%	17	0.0%	241 821	76.2%	317 534	1.0%
Loan repayments	996	23.2%	591	13.8%	1 704	39.7%	1 006	23.4%	4 298	0.0%
Trade Creditors	70 581	3.4%	61 209	2.9%	47 486	2.3%	1 897 216	91.4%	2 076 493	6.4%
Auditor General	4 455	5.5%	23 745	29.4%	9 604	11.9%	43 062	53.3%	80 866	0.3%
Other	(11 511)	-12.2%	2 263	2.4%	3 386	3.6%	100 542	106.2%	94 680	0.3%
Medical Aid Deductions	14 620	100.0%	–	–	–	–	–	–	14 620	–
Total Debt	1 556 987	4.8%	546 873	1.7%	488 190	1.5%	29 673 911	92.0%	32 265 960	100.0%

Source: National Treasury Local Government database

Table 10: Creditors age analysis per municipality

Creditors Age Analysis	0-30 Days		31-60 Days		61-90 Days		Over 90 Days		Total	
	R'000	%	R'000	%	R'000	%	R'000	%	R'000	%
Mangaung Metro	310 361	99.6%	–	0.0%	–	0.0%	1 132	0.4%	311 493	1.0%
Letsemeng	4 211	1.5%	5 325	1.8%	1 898	0.7%	277 411	96.0%	288 844	94.6%
Kopanong*	–	0.0%	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Mohokare*	–	0.0%	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Xhariep District	(951)	-5.7%	1 075	6.5%	1 325	8.0%	15 200	91.3%	16 648	5.4%
DC 16 Total	3 259	1.1%	6 400	2.1%	3 223	1.1%	292 610	95.8%	305 492	0.9%
Masilonyana	(17 128)	-10.7%	(3 263)	-2.0%	(3 173)	-2.0%	184 037	114.7%	160 472	1.0%
Tokologo	4 256	2.7%	8 500	5.4%	8 445	5.4%	136 346	86.5%	157 546	1.0%
Tswelopele	12 185	6.4%	1 715	0.9%	4 751	2.5%	170 366	90.1%	189 017	1.1%
Matjhabeng	1 002 423	6.9%	209 677	1.4%	225 014	1.5%	13 187 306	90.2%	14 624 419	88.6%
Nala	3 433	0.3%	46 007	3.4%	10 075	0.7%	1 311 817	95.7%	1 371 332	8.3%
Lejweleputswa District	14	100.0%	–	0.0%	–	0.0%	–	0.0%	14	0.0%
DC 18 Total	1 005 183	6.1%	262 636	1.6%	245 111	1.5%	14 989 871	90.8%	16 502 800	51.1%
Setsotho	14 440	79.5%	3 028	16.7%	4	0.0%	684	3.8%	18 156	0.2%
Dihlabeng*	–	0.0%	–	0.0%	–	0.0%	–	0.0%	–	0.0%
Nketoana	28 102	3.2%	27 648	3.1%	1 133	0.1%	830 071	93.6%	886 954	9.3%
Maluti a Phofung	65 066	0.8%	89 811	1.2%	88 818	1.2%	7 427 543	96.8%	7 671 237	80.6%
Phumelela	332	0.1%	7 790	1.7%	8 110	1.8%	443 262	96.5%	459 494	4.8%
Mantsopa	831	0.2%	13 406	2.8%	9 140	1.9%	462 939	95.2%	486 316	5.1%
Thabo Mofutsanyana District	43	3.4%	8	0.7%	–	0.0%	1 215	96.0%	1 267	0.0%
DC 19 Total	108 813	1.1%	141 692	1.5%	107 203	1.1%	9 165 715	96.2%	9 523 423	29.5%
Moqhaka	50 688	3.1%	50 622	3.1%	58 724	3.6%	1 468 610	90.2%	1 628 644	5.0%
Ngwathe	62 510	2.4%	63 295	2.4%	45 483	1.7%	2 461 551	93.5%	2 632 839	8.2%
Metsimaholo	4 056	3.6%	12 653	11.3%	2 645	2.4%	92 602	82.7%	111 957	0.3%
Mafube	12 116	1.0%	9 575	0.8%	25 802	2.1%	1 201 818	96.2%	1 249 312	3.9%
Fezile Dabi	–	0.0%	–	0.0%	–	0.0%	–	0.0%	–	0.0%
DC 20 Total	129 370	2.3%	136 145	2.4%	132 654	2.4%	5 224 582	92.9%	5 622 751	17.4%
Total Debt	1 556 987	4.8%	546 873	1.7%	488 190	1.5%	29 673 911	92.0%	32 265 960	100.0%

Source: NT Local Government Database

* Information for M06 not submitted

Table 11: Conditional grants status as at 31 December 2024

2nd Quarter Ended 31 December 2024

CONDITIONAL GRANTS TRANSFERRED FROM NATIONAL DEPARTMENTS AND ACTUAL PAYMENTS MADE BY MUNICIPALITIES: PRELIMINARY RESULTS

R thousands	Division of revenue Act No. 24 of 2024	Adjustment (Mid year)	Other Adjustments	Total Available 2024/25	Approved payment schedule	Year-to date Transferred to municipalities for direct grants	First Quarter 2024		Second Quarter 2024		YTD Expenditure Actual expenditure by National Department	% Changes from 1st to 2nd Q Actual expenditure by municipalities		% Changes for the 2nd Q Exp as % of Allocation by municipalities	
							Actual expenditure by National Department 30 September 2024	Actual expenditure by municipalities by 30 September 2024	Actual expenditure by National Department 31 December 2024	Actual expenditure by municipalities by 31 December 2024		National Department	National Department	National Department	National Department
	2 278 301	-	-	2 278 301	1 390 332	485 865	147 576	191 762	446 352	147 576	639 113	(100,0%)	132,8%	6,5%	28,0%
Infrastructure	2 154 417	-	-	2 154 417	1 276 448	411 586	134 683	185 732	438 578	134 683	624 310	(100,0%)	136,1%	6,3%	29,0%
Municipal Infrastructure Grant	877 969	-	-	877 969	-	-	-	78 897	195 565	-	274 462	-	147,9%	-	31,3%
Public Transport Infrastructure Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Transport Network Grant	266 896	-	-	266 896	266 896	90 673	11 375	15 001	21 705	11 375	36 706	(100,0%)	44,7%	4,3%	13,8%
Integrated National Electrification Programme (Municipal Grant)	104 521	-	-	104 521	104 521	24 263	8 715	6 560	27 012	8 715	33 572	(100,0%)	311,8%	8,3%	32,1%
Neighbourhood Development Partnership Grant (Capital Grant)	42 042	-	-	42 042	42 042	17 554	5 041	1 754	6 840	5 041	8 504	(100,0%)	289,9%	12,0%	20,4%
2010 FFA World Cup Stadiums Development Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rural Road Assets Management Systems Grant	10 126	-	-	10 126	10 126	7 089	1 741	1 120	903	1 741	2 023	(100,0%)	(19,3%)	17,2%	20,0%
Municipal Drought Relief Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Water Infrastructure Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rural Household Infrastructure Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Disaster Recovery Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Integrated City Development Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant (Schedule 5B)	220 112	-	-	220 112	220 112	73 161	55 777	31 901	74 743	55 777	106 844	(100,0%)	134,3%	25,3%	48,5%
Water Services Infrastructure Grant (Schedule 5B)	330 959	-	-	330 959	330 959	112 596	48 498	32 114	63 267	48 498	95 402	(100,0%)	97,1%	14,7%	28,8%
Municipal Emergency Housing Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Integrated Urban Development Grant	302 002	-	-	302 002	302 002	85 500	3 536	16 385	46 501	3 536	66 887	(100,0%)	163,8%	1,2%	22,1%
Metro Informal Settlements Partnership Grant	123 884	-	-	123 884	113 884	74 999	12 893	6 030	7 773	12 893	13 803	(100,0%)	28,9%	10,4%	11,1%
2010 FFA World Cup Host City Operating Grant	10 000	-	-	10 000	-	-	-	-	-	-	-	-	-	-	-
Programme and Project Preparation Support Grant	57 800	-	-	57 800	57 800	57 800	8 897	963	1 315	8 897	2 298	(100,0%)	33,8%	15,4%	4,0%
Local Government Financial Management Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant	33 584	-	-	33 584	33 584	8 199	3 996	4 350	5 362	3 996	9 712	(100,0%)	23,2%	11,9%	28,9%
Expanded Public Works Programme Integrated Grant (Municipality)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water Services Operating Subsidy Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management	22 500	-	-	22 500	22 500	8 200	-	697	1 097	-	1 794	-	-	-	8,0%
Municipal Disaster Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013 Africa Cup of Nations Host City Operating Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Transport Network Operations Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Human Settlements Capacity Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Human Settlements Capacity Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Demarcation Transition Grant (Schedule 5B)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indirect Transfers	767 710	-	-	767 710	767 710	25 077	13 985	-	-	13 985	13 985	(100,0%)	-	1,8%	-
Infrastructure	755 368	-	-	755 368	755 368	25 077	13 985	-	-	13 985	13 985	(100,0%)	-	1,9%	-
Regional Bulk Infrastructure Grant	649 208	-	-	649 208	649 208	69 660	13 985	-	-	13 985	13 985	(100,0%)	-	20,1%	-
Neighbourhood Development Partnership Grant (Technical Assistance)	69 660	-	-	69 660	69 660	25 077	-	-	-	-	-	-	-	-	-
Backlogs in Water and Sanitation at Clinics and Schools	4 500	-	-	4 500	4 500	-	-	-	-	-	-	-	-	-	-
Backlogs in the Electrification of Clinics and Schools	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rural Household Infrastructure Grant (Indirect)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bucket Education Programme Grant	32 000	-	-	32 000	32 000	-	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant (Schedule 6B)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant (Schedule 6B)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capacity and Others	12 342	-	-	12 342	12 342	-	-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management (Eskom)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water Services Operating Subsidy Grant (Indirect)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant (Schedule 6B)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Municipal Demarcation Transition Grant (Schedule 5B)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 046 911	-	-	3 046 911	2 158 042	510 742	161 561	191 762	446 352	161 561	639 113	(100,0%)	132,8%	5,3%	20,9%
Grants excluded from the publication	530 611	-	-	530 611	-	-	-	44 716	88 993	44 716	143 659	-	121,0%	-	27,1%
Urban Settlement Development Grant	530 611	-	-	530 611	-	-	-	44 716	88 993	44 716	143 659	-	121,0%	-	27,1%
Finance Management Grant Technical Programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total as per DoRA	3 576 622	-	-	3 576 622	2 158 042	510 742	161 561	236 518	545 255	161 561	781 773	-	-	-	-

