

Kennis word hiermee gegee in terme van Artikel 29 van die Plaaslike Regering: Munisipale Strukture Wet, 1998 (Wet 117 van 1998) soos gewysig, dat 'n **spesiale raadsvergadering** van die Munisipaliteit Witzenberg gehou sal word op **Maandag, 21 Augustus 2017 om 10:00** in die **Raadsaal, Munisipale Kantore, Voortrekkerstraat 50, Ceres.**

Notice is hereby given in terms of Section 29(2) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) as amended, that a **special council meeting** of the Witzenberg Municipality will be held in the **Council Chambers, Municipal Offices, 50 Voortrekker Street, Ceres on Monday, 21 August 2017 at 10:00.**

Raadslede en Amptenare / Councillors and officials

Councillor TE Abrahams	Councillor K Adams	Councillor P Daniels
Councillor TT Godden	Councillor P Heradien	Councillor SJ Hugo
Councillor DM Jacobs	Councillor D Kinnear	Councillor BC Klaasen
Councillor GG Laban	Councillor C Lottering	Councillor M Mdala
Councillor TP Mgoboza	Councillor ZS Mzauziwa	Councillor N Phatsoane
Councillor JT Phungula	Alderman JW Schuurman	Councillor EM Sidego
Councillor RJ Simpson	Alderman HJ Smit	Councillor D Swart
Councillor HF Visagie	Councillor JJ Visagie	
Municipal Manager	Director: Finance	Director: Community Services
Director: Technical Services	Director: Corporate Services	Deputy Director: Finance
Head: Internal Audit	Manager: Projects and Performance	Manager: Administration
IDP Manager	Legal Advisor	Acting Principal Administrative Officer
Committee Clerk		



COUNCILLOR TT GODDEN
SPEAKER

17 Augustus 2017

A municipality that cares for its community, creating growth and opportunity!

'n Munisipaliteit wat omgee vir sy gemeenskap en groei en geleenthede skep!

UMasipala olukhathaleleyo uluntu lwakhe, odala ukukhula namathuba!

AGENDA

1. **OPENING AND WELCOME**
2. **CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY**
(3/1/2/1)
3. **STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED**
 - 3.1 **Matters raised by the Speaker**
(09/1/1)
 - 3.2 **Matters raised by the Executive Mayor**
(09/1/1)
4. **RESERVED POWERS**
 - 4.1 **Review IDP and Budget Process Plan for 2018 - 2019**
(02/02/1)

In terms of Section 28 of the Municipal Systems Act (Act 32 of 2000), Council must adopt an IDP and Budget Process Plan. The Municipal Finance Management Act (Act 56 of 2003) further stipulates that at least ten months before the start of the budget year, the Executive Mayor should table a time schedule outlining key deadlines in respect of the IDP/Budgetary process.

Section 29 of the Municipal Systems Act (Act 32 of 2000), specifies that such a Process Plan must include:

- Programs that set out timeframes for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation with:
 - Local communities, both in terms of needs and priorities as well as consultation during development;
 - Organs of state, traditional authorities, and other role-players in the drafting process; and
- Binding plans and planning requirements, i.e. policy and legislation.

National Treasury has provided further guidance by the issuing of MFMA Circular 10. That circular provides specific guidance with regard to six distinct steps in compilation of the IDP and the annual Budget. The table below highlights these steps, with a brief description of each step:

Steps		Process
1	Planning	Schedule dates, establish consultation forums, review previous processes
2	Strategizing	Review IDP, set service delivery objectives for next 3 years, consult on tariffs, indigents, credit control, free basic services etc., and consider local-, provincial- and national issues, the previous year's performance and current economic and demographic trends etc.
3	Preparing	Prepare Budget, revenue and expenditure projections; draft Budget policies; consult and consider local-, provincial and national priorities
4	Tabling	Table draft Budget, draft IDP and Budget-related policies before council; consult and consider local-, provincial and national inputs or responses
5	Approving	Council approves the IDP, the Budget and related policies
6	Finalising	Publish the IDP, Budget and approve the SDBIP and performance targets

In capturing the above steps, this IDP & Budget Process Plan seeks to address, *inter alia*, the:

- Identification of areas requiring additional attention in terms of legislative requirements, proper planning processes and sound financial management;
- Inclusion of the most current Census and own statistical data;
- Consideration and review of any other relevant and new information;
- Addressing comments received from the various role-players;
- Factor-in the shortcomings and weaknesses identified through self-assessment;
- Preparation and review of sector plans and its alignment with the IDP;
- Preparation and review of the Performance Management System (PMS);
- Updating of the 5-year Financial Plan; and
- Finalisation of the annual Budget and IDP in terms of the relevant legislation.

Pursuant to the above statutory requirements, a Process Plan for the 2018 - 2019 IDP and Budget cycle is attached as **annexure 4.1**.

RECOMMENDED

- (a) *That the IDP and Budget Process Plan for 2018 - 2019 be approved.*
- (b) *That in the event of any changes with regard to the dates of the Process Plan, the Municipal Manager be mandated to change same after consultation with the Executive Mayor.*

4.2 Quarterly Budget Statement (Section 52) Report: 1 April 2017 to 30 June 2017 (9/1/2/2)

The following memorandum, dated 31 July 2017, was received from the Director: Finance:

"Purpose

The purpose of this memorandum is to submit the Quarterly Budget Statement to Council for information.

Background

The Quarterly Budget Statement (Section 52) Report for the period 1 April 2017 to 30 June 2017 is attached as **annexure 4.2.**"

RECOMMENDED

that notice be taken of the contents of the Quarterly Budget Statement (Section 52) Report for the period 1 April 2017 to 30 June 2017 and the same be accepted.

**4.3 Finance: Adjustment budget: 2017/2018
(5/1/1/16)**

The following documents are attached:

- (a) Memorandum from the Director: Finance, dated 16 August 2017: **Annexure 4.3(a).**
- (b) Adjustment budget 2017/2018 to 2019/2020: **Annexure 4.3(b).**

RECOMMENDED

That the adjustment budget of Witzenberg Municipality for the financial year 2017/2018 as set out in the budget documents be approved:

- (i) *Table B1 - Budget summary.*
- (ii) *Table B2 Adjustments Budget Financial Performance (by standard classification).*
- (iii) *Table B3 – Budgeted Financial performance (Revenue and Expenditure) by Vote.*
- (iv) *Table B4 Adjustments Budget Financial Performance (revenue by source).*
- (v) *Table B5 – Budgeted Capital Expenditure by Vote, standard classification and funding.*

5. COUNCIL-IN-COMMITTEE



2018 – 2019 REVIEW IDP AND BUDGET PROCESS PLAN

Trim ref: 02/02/2/

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IDP & BUDGET PROCESS PLAN

SECTION ONE: INTRODUCTION & BACKGROUND

1.1. INTRODUCTION

The Integrated Development Plan (IDP), as the key tool for the Municipality to tackle its developmental role, represents a continuous cycle of development, planning, implementation and review. Implementation started after the adoption of the 1st - Generation IDP in 2006. Currently the municipality operates in the 2nd - Generation IDP. The IDP is the strategic plan with a cycle period of five years. During its five-year life cycle the IDP is reviewed and updated annually.

The Annual Budget, in turn, provides the Medium Term Revenue & Expenditure Framework (MTREF) which sets out the financial path for the ensuing three years.

These two documents, i.e. the IDP and the Budget – along with the Performance Management System (PMS) – provide a means to assess the progress and achievements with regard to the strategic objectives of the Municipality, thus informing its financial and institutional planning.

With the input of the Provincial authority, local municipalities are continuously in the process of reviewing, improving and updating its IDP, as well as ensuring alignment with the MTREF.

This IDP and Budget Process Plan seek to address, *inter alia*, the:

- Identification of areas requiring additional attention in terms of legislative requirements, proper planning processes and sound financial management;
- Inclusion of the most current Census and own statistical data;
- Consideration and review of any other relevant and new information;
- Addressing comments received from the various role-players;
- Shortcomings and weaknesses identified through self-assessment;
- Preparation and review of sector plans and its alignment with the IDP;
- Preparation and review of the Performance Management System (PMS);
- Updating of the 5-year Financial Plan; and
- Preparation and finalization of the annual Budget in terms of the relevant legislation.

1.2. LEGISLATIVE FRAMEWORK

1.2.1. PROCESS PLAN

In order to ensure minimum quality standards of the IDP and Budget process – and a proper coordination between and within spheres of government – the preparation of the IDP and Budget Process Plan has been regulated by both the Municipal Systems Act and the MFMA.

In terms of Section 28 of the MSA, Council must adopt an IDP and Budget Process Plan. And Section 29 of the MSA specifies that such a Process Plan must include:

- Programs that set out timeframes for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation with:
 - Local communities, both in terms of needs and priorities as well as consultation during development;
 - Organs of state, traditional authorities, and other role-players in the drafting process; and
- Binding plans and planning requirements, i.e. policy and legislation.

In terms of Section 21 of the MFMA, the Executive Mayor must co-ordinate the process for the adoption of the annual Budget and the review of the IDP and related policies so that he/she can ensure mutual consistency and credibility.

The second part of the afore-mentioned Section of the MFMA stipulates that a Process Plan with timeframes must be tabled to Council for consideration at least 10 months prior to implementation of the annual Budget.

National Treasury has provided further guidance by the issuing of MFMA Circular 10. That circular provides specific guidance with regard to six distinct steps in compilation of the IDP and Budget.

The table below highlights the six steps, with a succinct description of each step:

Steps		Process
1	Planning	Schedule key dates, establish consultation forums, review previous processes
2	Strategizing	Review the IDP, set service delivery objectives for next 3 years, consult on tariffs, indigents, credit control, free basic services etc., and consider local-, provincial- and national issues, the previous year's performance and current economic and demographic trends etc.
3	Preparing	Prepare the Budget, revenue and expenditure projections; draft Budget policies; consult and consider local-, provincial- and national priorities
4	Tabling	Table the draft IDP, the draft Budget and Budget-related policies before council; consult and consider local-, provincial- and national inputs or responses
5	Approving	Council approves the IDP, the Budget and related policies

6	Finalizing	Publish the IDP, Budget and approve the SDBIP and performance targets
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Local municipalities are required by the Municipal System Act (Act 32 of 2000) to consult and report back to communities on their planned activities as well as their performances so that communities can be afforded an opportunity to voice their opinions on the day-to-day functioning of the Municipality.

Development of an IDP Framework Plan

In terms of Section 27 of the MSA, the District Municipality must develop a Framework Plan which provides the linkage and binding relationships between the district and local municipalities in its jurisdiction area. In doing so, proper consultation, coordination and alignment of the IDP review process of the district municipality and various local municipalities can be maintained.

1.2.2. OTHER LEGISLATIVE IMPERATIVES

In an effort to comply with the current legislative framework, the host of binding legislation to be taken into consideration in the formulation of the IDP & Budget Process Plan is listed hereinunder:

- The Constitution of the Republic of South Africa, (Act 108 of 1996)
- Local Government: Municipal Demarcation Act, (Act 27 of 1998)
- Local Government: Municipal Structures Act, (Act 117 of 1998)
- Public Finance Management Act (Act 2 of 1999)
- Promotion of Access to Information Act (Act 2 of 2000).
- Local Government: Municipal Systems Act, (Act 32 of 2000)
- Local Government: Municipal Finance Management Act, (Act 56 of 2003)
- Local Government: Property Rates Act, (Act 6 of 2004)
- Inter-governmental Relations Framework Act, (Act 13 of 2005)
- Division of Revenue Act (Act 1 of 2007)
- Development Facilitation Act, (Act 67 of 1995)
- Communal Land Rights Act, (Act 11 of 2004)
- National Land Transport Transitional Act, 1999
- Housing Act, (Act 107 of 1997)
- Water Services Act, (Act 108 of 1997)
- National Water Act, (Act 36 of 1998)
- National Water Amendment Act, (Act 45 of 1999)
- Environmental Conservation Act, (Act 73 of 1989)
- National Environmental Management Act, (Act 107 of 1998)
- National Environmental Management: Air Quality Act, (Act 39 of 2004)
- National Environmental Management: Protected Areas Act, (Act 57 of 2003)

- National Environmental Management Biodiversity Act, (Act 10 of 2004)
- National Forest Act (1998)

Provincial Policies

- Western Cape Growth and Development Strategy
- Western Cape Spatial Development Framework

National Policies

- Reconstruction and Development Program (RDP), 1994
- Growth, Employment And Redistribution (GEAR); 1996
- Urban Development Framework, 1997
- Rural Development Framework, 1996
- Accelerated and Shared Growth Initiatives for South Africa (ASGISA)

Abbreviations :	
IDP	- Integrated Development Plan
MFMA	- Municipal Finance Management Act, no 56 of 2003
MSA	- Local Government Municipal Systems Act, no 32 of 2000
MTBPS	- National Treasury, Medium Term Budget and Policy Statement
NT	- National Treasury
PT	- Provincial Treasury
SDBIP	- Service Delivery Budget Implementation Plan

SECTION TWO: ORGANIZATIONAL ARRANGEMENTS

2.1 IDP / BUDGET STEERING COMMITTEE

As part of the IDP & Budget preparation process, the Mayor must establish an IDP & Budget Steering Committee. This committee must at least consist of the persons mentioned in Section 4 of the Budget and Reporting Regulations.

Section 4 of the Local Government: Budget and Reporting Regulations states the following:

Budget Steering Committee

4. (1) *The mayor of a municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in Section 53 of the Act.*
- (2) *The Steering Committee must consist of at least the following persons:*
- (a) the councillor responsible for financial matters;*
 - (b) the municipal manager;*
 - (c) the chief financial officer;*
 - (d) the senior managers responsible for at least the three largest votes in the municipality;*
 - (e) the manager responsible for Budgeting;*
 - (f) the manager responsible for planning; and*
 - (g) any technical experts on infrastructure.*

This IDP / Budget Steering Committee will act as a support structure to the Executive Mayor in providing a platform for him/her to provide political guidance and to monitor progress made in the IDP and Budget process. This Steering Committee must be reconstituted each year.

2.1.1. Composition

In order to comply with the legislative requirements, the Mayoral Committee has constituted the Witzenberg IDP/Budget Steering Committee structure as follows (inclusive political representation):

Vacant	
Vacant	
Vacant	
Vacant	
Vacant	
Vacant	
Vacant	
Vacant	

2.1.2. Terms of Reference for the IDP / Budget Steering Committee

The Terms of Reference for the IDP / Budget Steering Committee are as follows:

- To provide terms of reference for the various planning activities
- To commission research studies
- Considers and comments on:
 - ➡ Inputs from sub-committee/s, study teams and consultants
 - ➡ Inputs from provincial sector departments and support providers
- To process, summarize and document the outputs
- Makes content recommendations, and
- Prepares, facilitates and minutes all meetings

2.2 IDP REPRESENTATIVE FORUM

2.2.1 Composition of IDP Representative Forum

The IDP Representative Forum (RF) is constituted as part of the preparation phase of the IDP, and will continue its functions throughout the annual IDP Review process. The composition of the IDP Representative Forum is as follows:

- MAYCO members
- Councillors
- Ward Committees
- Community Development Workers
- Municipal Manager and Senior Managers
- Stakeholder representatives of organised groups

The ward structure for Witzenberg is shown in the table below:

Ward	Status	Towns or Areas
1	Functional	N'duli
2	Functional	Wolseley farms (toward Botha and Breë Valley)
3	Functional	Ceres West
4	Functional	PA Hamlet (including Kliprug, and a portion of Bella Vista)
5	Functional	Ceres East
6	Functional	Bella Vista (including some farms in Warm Bokkeveld)
7	Functional	Wolseley (including Montana, Pine Valley, and section of Chris Hani)
8	Functional	Koue Bokkeveld farms (up until Op-Die-Berg)
9	Functional	Op-Die-Berg (including farms from Op-Die-Berg toward Citrusdal)
10	Functional	Agter Witzenberg rural (including Phase 3 & Phase 4 in PA Hamlet)
11	Functional	Tulbagh (including Chris Hani, Witzenville and surrounding farms)
12	Functional	Warm Bokkeveld rural

2.2.2 Terms of Reference for the IDP Representative Forum

The terms of reference for the IDP Representative Forum are as follows:

- Represents the interest of the municipality's constituency in the IDP process;
- Provides an organisational mechanism for discussion, negotiation and decision-making between all the stakeholders in municipal government;
- Ensures communication between all the stakeholder representatives in municipal government;
- Monitors the performance of the planning and implementation process;
- Forms a structured link between the Municipality and representatives of the public;
- Participates in decision-making within the Representative Forums;
- Analyzes and discusses issues being developed;
- Ensures that priority issues of their constituents are considered;
- Ensures that annual business plans and SDBIP are developed, based on the IDP priorities and municipal Key Performance Indicators;
- Participates in the designing of IDP project proposals; and
- Discusses and comments on the final IDP product.

Witzenberg has not as yet formally constituted an IDP Representative Forum. Council has resolved that until such time as an IDP Representative Forum is created, the current Ward Committee structures should perform the role and function assigned to the Rep Forum. This Process Plan takes cognizance thereof, and all engagements indicated in this plan as devolving upon the IDP Representative Forum will be channeled to, and administered by, the Ward Committee structures.

SECTION THREE: ROLE-PLAYERS

3.1 ROLE-PLAYERS

The following role-players have been identified:

3.1.1. External Role-players

The external role-players identified are:

- Provincial Government Departments, specifically through the LGMTEC engagements and IGR structures;
- National government, specifically DPLG and National Treasury via guidelines issued;
- Representative Forums / Civil Society; and
- The Cape Winelands District Municipality.

3.1.2. Internal Role-players

The main internal role-players, apart from all officials in the Municipalities, are identified as:

- Council
- IDP / Budget Steering Committee; and
- Manager responsible for IDP.

3.1.3 ROLES AND RESPONSIBILITIES

The responsibility of the other spheres of government is to:

- Ensure vertical alignment of the IDP and Budget with Provincial and National sector plans.
- Monitor development and review of IDP and Budget process.
- Ensure responsiveness of the IDP and Budget.
- Contribute relevant information of Provincial Sector Departments, and to
- Contribute sector expertise and technical know-how.

The responsibility of the IDP Representative Forum is to:

- Ensure that community needs and priorities are communicated
- Ensure responsiveness of the IDP and Budget
- Ensure communication lines with represented organizations, and to
- Ensure information flow.

The responsibilities of Council are to:

- Decide on and adopt the IDP & Budget Process Plan; and to
- Decide on and adopt the IDP and Budget documents.

The responsibilities of the IDP / Budget Steering Committee are to:

- Identify additional role-players to serve on the IDP Representative Forum;
- Ensure that all relevant role-players are involved;
- Ensure that the review process is undertaken in accordance with agreed timeframes;
- Ensure that the process is focused on priority issues;
- Ensure that it is strategic and implementation-orientated; and to
- Ensure that sector requirements are adhered to.

The responsibilities of the IDP Manager, with regard to this process, are to:

- Ensure that the Process Plan is finalised and presented to the IDP / Budget Steering Committee;
- Adjust the IDP according to the proposals of the MEC;
- Ensure the continuous participation of role-players;
- Monitor and record the participation of role-players;
- Ensure that appropriate procedures are followed;
- Ensure documentation is prepared properly;
- Carry out the day-to-day management of the IDP process;
- Co-ordinate inputs received such as comments and enquiries;
- Ensure responses to comments and enquiries;
- Ensure alignment of the IDP with the District Municipality's framework;
- Co-ordinate the preparation of the Sector Plans and their inclusion into the IDP documentation;
- Co-ordinate the inclusion of the Performance Management System (PMS) into the IDP; and to
- Ensure the timeous submission of IDP documents to the relevant authorities.

SECTION FOUR: MECHANISMS AND PROCEDURES FOR PARTICIPATION

4.1 FUNCTIONS AND CONTEXT OF PUBLIC PARTICIPATION

The four major functions in the public participation process are:

- ◆ Needs orientation;
- ◆ Appropriateness of solutions;
- ◆ Community ownership; and
- ◆ Empowerment.

Similar to the preparation of the IDP, the public participation process in the annual drafting of the IDP review and Budget must be institutionalized. This is done in order to ensure that all residents and stakeholders have a fair and equal right to participate in matters of governance.

4.2 MECHANISMS FOR PARTICIPATION

The following mechanisms for participation will apply:

4.2.1 IDP Representative Forum (RF)

This forum represents all stakeholders and is as inclusive as possible. Efforts will be made to bring additional organizations into the RF and ensure their continued participation throughout the process.

Until such time though that Witzenberg has established an IDP Representative Forum, the Ward Committee structure will be utilized to fulfill the RF's role.

4.2.2 Media

A vigorous communication and information-sharing or dissemination campaign aimed at reaching out to all the communities will be undertaken in terms of the annual IDP and Budget process.

The following means of communication will be utilized:

- Municipal Website & Intranet;
- Notices at all Municipal Offices,
- Municipal Accounts;
- Loud-hailing the day before local Imbizo's (Meetings); and
- Advertisements in local news papers.

4.2.3 Information sheets

Information sheets will be prepared in English, Afrikaans and Xhosa, and will be distributed via the Ward Committee structure and/or Representative Forum. Information sheets will also be displayed on the Municipal Notice Boards, Municipal Website, in local media, and included in monthly municipal accounts.

4.2.4 Sector engagements

Dates, time and venues will be communicated in writing to each stakeholder at least seven days prior to the meetings. It is the responsibility of stakeholders to notify the Municipality of any changes in representatives, or contact details.

4.2.5 Local Imbizo's (Meetings)

All venues will be selected in a manner that ensures and enhances easy access for all community members to attend. Meetings should be either ward-based or per town / neighborhood, considering the size and distance.

Times chosen for the meetings should ensure maximum attendance by all the households. Venues will be prepared half an hour before starting time to allow community members to be properly seated before commencement of the session.

The communication medium will be the predominant language of the community, with arrangements for translation / interpretation, as the need may be.

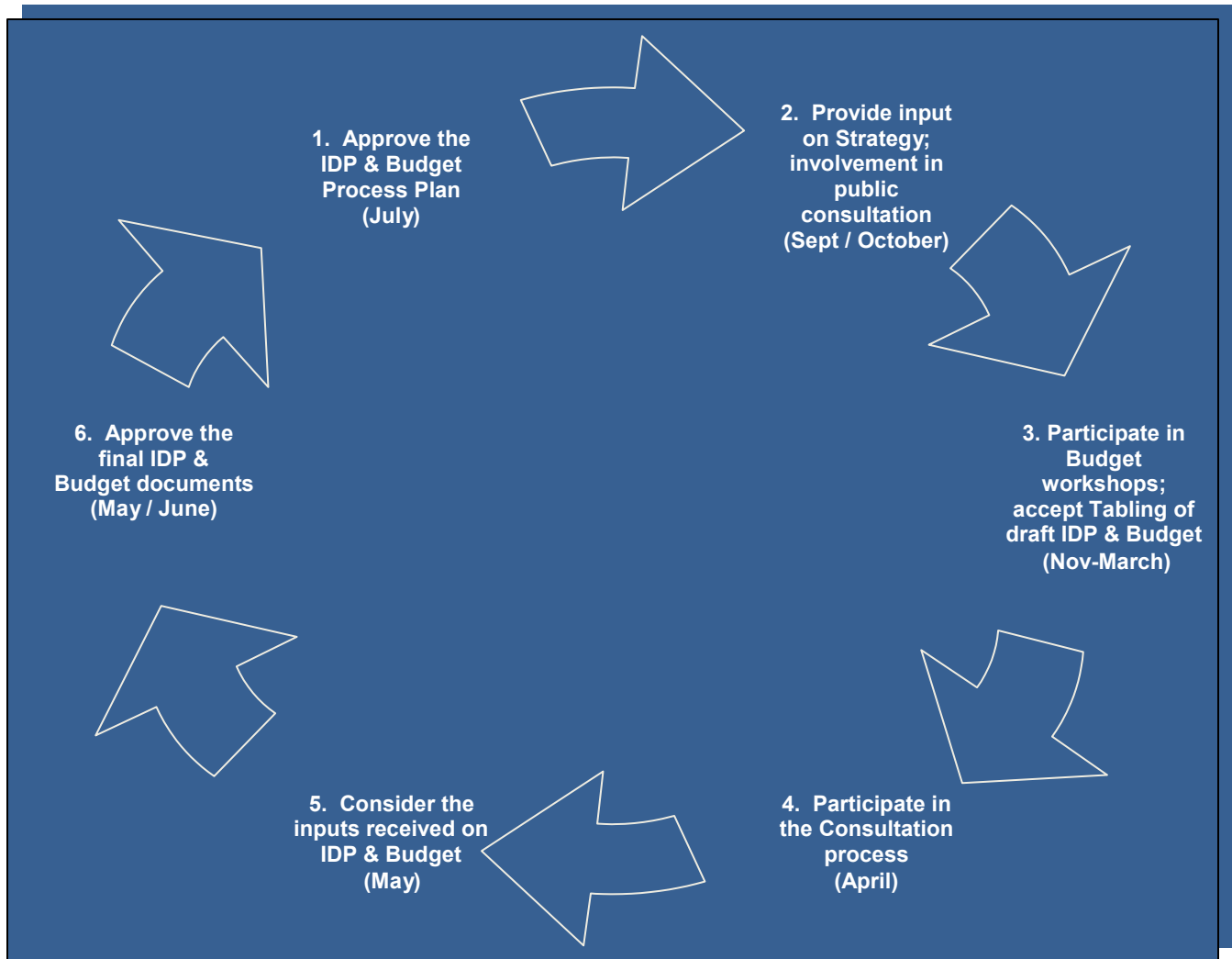
4.3 PROCEDURES / PROCESSES FOR PARTICIPATION

4.3.1 IDP Representative Forum

The IDP Representative Forum (when formally constituted and functional) will meet as indicated in the Process Plan.

4.3.2 Council Approval

The involvement of Council in the IDP and Budget compilation process is best illustrated in the process flow diagram below:



4.3.3 Newspapers

An outcome report will be submitted to the local newspaper on the completion of the adopted IDP and Budget documents, as well as an information spreadsheet on the key elements of the Final IDP and Budget.

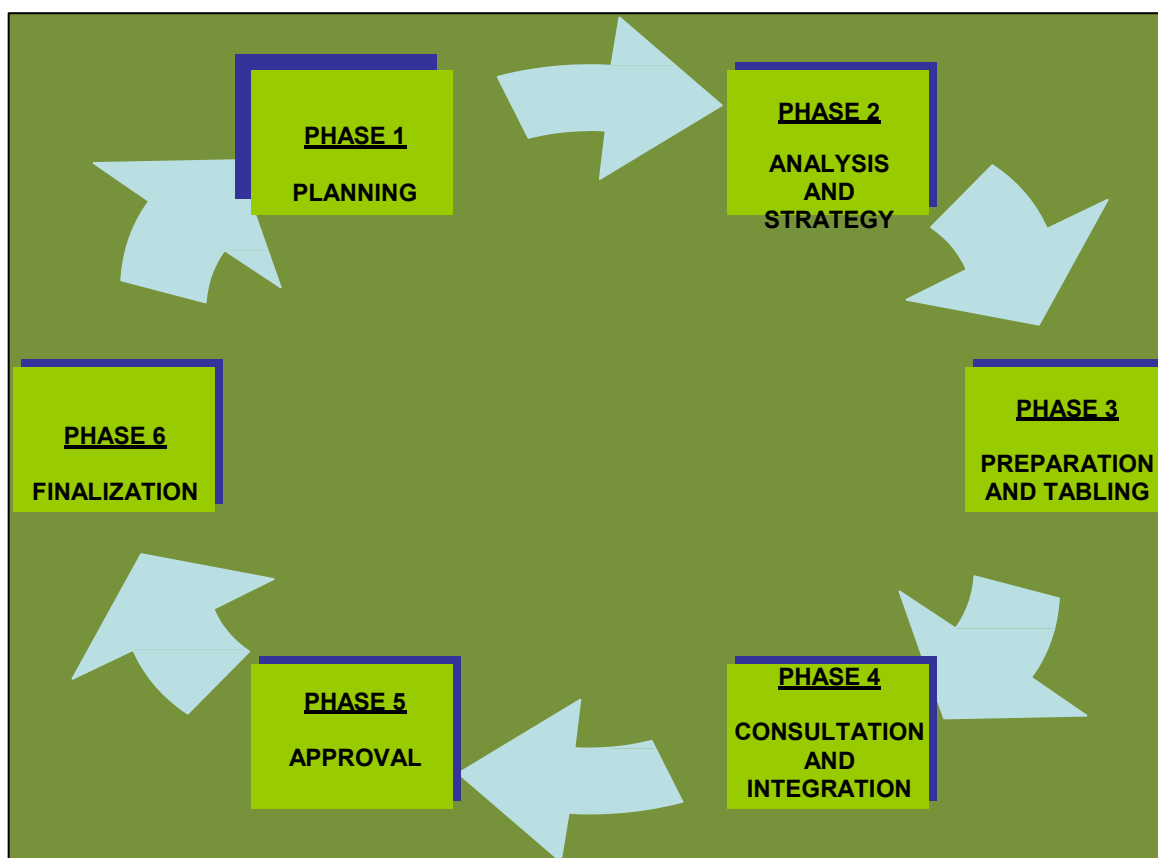
4.3.4 Information Sheets

At the completion of each phase an information sheet will be prepared in the three dominant languages, namely English, Afrikaans and Xhosa, providing an executive summary of the outcomes of the particular phase.

SECTION FIVE: ACTION PROGRAM

5.1 PHASES OF THE IDP AND BUDGET PROCESS

The IDP and Budget process speaks to Planning, Preparation, Implementation and Monitoring of the IDP, Budget, and the Performance Management System. The six distinct phases in the IDP and Budget process are indicated in the diagram below:



PHASE 1 - PLANNING

During this phase the Process Plan is divided into activities, and for each activity a timeframe is allocated as well as a linkage to the responsible person for each activity.

The Process Plan is compiled via a process of consultation with all the role-players.

PHASE 2 – ANALYSIS AND STRATEGY

Phase 2 comprises two stages, namely the Analysis and the Strategy formulation stages. For successful forward planning it is imperative to understand precisely what the current situation is as well as the historical trends. Therefore, both external and internal influences must be taken into account. And since all strategies and interventions are to be ward-based, all analyses, as far as possible, should speak to wards.

A proper analysis includes consultation with the whole spectrum of stakeholders, including the general public, as well as a thorough institutional assessment. It is important that all the stakeholders must have a common understanding of the gaps as well as the available resources – i.e. human, financial, property, plant and equipment.

Once the current resources and needs assessment has been completed, then only the formulation of a credible strategy to cover those gaps is possible.

PHASE 3 – PREPARATION AND TABLING

There are four distinct processes dealt with almost simultaneously in this phase, namely

- Preparation of draft Capital program (Next 3 years)
- Preparation of draft Operational Budget (Next 3 years)
- Preparation of draft Adjustment Budget, if necessary, and the
- Updating of the IDP.

And then the tabling of the following drafts is to be made, namely:

- Annual Report;
- Adjustment Budget;
- IDP; and
- Annual Budget.

PHASE 4 – CONSULTATION AND INTEGRATION

Consultation is done with three different types of stakeholders, namely: Government through LGMTEC's; structured civil society through IDP Representative Forum and/or Ward Committee structures, and with the community through Imbizo's/meetings in the different wards, neighborhoods or towns. All inputs, comments and objections received throughout this phase are considered, and recommendations are prepared. Thereafter the IDP and Budget is tabled to Council for consideration.

PHASE 5 – APPROVAL

Once the IDP and Budget documents are tabled, Council considers it for approval. Approval must take place before the start of the new financial year.

PHASE 6 – FINALIZATION

Once the IDP and Budget have been approved, the final documents are published. The Service Delivery and Budget Implementation Plan (SDBIP) is then developed. The performance agreements are also drafted, based on the approved documents.

5.2 TIME SCHEDULE: KEY DATES AND RESPONSIBILITIES IN THE PHASES OF THE PROCESS PLAN

The detailed activities in each phase are disclosed in the following matrix:

5.2.1 PHASE 1 - PLANNING	Start 01/07/2017	Finish 31/08/2017	Responsibility
Activities			
Compile the IDP & Budget draft Process Plan with time schedule	01/07/2017	14/07/2017	Manager: IDP
Senior Management to discuss the Draft Process Plan	17/07/2017	21/07/2017	Municipal Manager
MAYCO meeting to consider the Process Plan	24/07/2017	25/08/2017	Municipal Manager
Draft Process Plan to be tabled to Council	26/07/2017	31/07/2017	Executive Mayor
NATIONAL WOMEN'S DAY	09/08/2017		
Process Plan to be tabled to Council for adoption (At least 10 months before the Budget year)	21/08/2017	31/08/2017	Executive Mayor
Other activities during this phase			
Witzenberg Municipality Inter-Governmental Relations Forum	01/08/2017	30/08/2017	Dir. Community Development
Preparation of reports: ➡ 4 th Quarter SDBIP report ➡ June Section 71 Report / Grant Report			Man: Performance CFO CFO
Compilation of: ➡ Roll over Adjustment Budget (Capital only) ➡ Annual Financial Statements ➡ Draft Annual Report information			Manager: Budget Manager: Budget CFO

5.2.2 PHASE 2 – ANALYSIS AND STRATEGY	Start 01/09/2017	Finish 28/11/2017	Responsibility
Activities			
Stage 1(a): ANALYSIS	01/09/2017	02/10/2017	
Performance Analysis			
Assess the municipal performance (Strengths & Weaknesses)	01/09/2017	22/09/2017	Manager: Performance
Review the Performance Management System	01/09/2017	22/09/2017	Manager: Performance
Review the annual performance against SDBIP's	01/09/2017	22/09/2017	Manager: Performance
Financial Analysis	01/09/2017	22/09/2017	
Assess the municipal financial position and capacity (based on Financial Statements of previous Budget year)	01/09/2017	22/09/2017	CFO
Review Budget-related policies and set policy priorities for next 3 years	01/09/2017	22/09/2017	CFO
Determine the funding/revenue potentially available for next 3 years	01/09/2017	22/09/2017	Manager: Income
Determine the likely financial outlook and identify changes to fiscal strategies	01/09/2017	22/09/2017	Manager: Budget
Refine funding policies; review tariff structures	01/09/2017	22/09/2017	CFO
Situational Analysis	01/09/2017	22/09/2017	
Review current realities and examine changing conditions and information within each directorate: ➡ Spatial ➡ Legislative ➡ Institutional	01/09/2017	22/09/2017	SNR MANAGEMENT
Analyze the Strategic Calendar and Joint Planning Initiatives(JPI's) to determine interventions	01/09/2017	22/09/2017	Manager: IDP
Review Organogram to assess institutional capacity	01/09/2017	22/09/2017	Manager: HR
Closing of Analysis			
Management strategic workshop on analysis (All responsible persons to prepare 45 min presentations)	01/09/2017	22/09/2017	Manager: IDP
Strategic session with Mayco & Council on finalization of Analysis Phase	25/09/2017	02/10/2017	Snr Management

5.2.2 PHASE 2 – ANALYSIS AND STRATEGY	Start 01/09/2017	Finish 13/11/2017	Responsibility
Activities			
Stage 1(b): CONSULTATION	02/10/2017	31/10/2017	
Publish Public Consultation timetable	14/09/2017	29/09/2017	Manager: IDP
Mail invitations to Sector representatives / IDP Representative Forum (RF)	18/09/2017	29/09/2017	Manager: IDP
Media- & Awareness Campaign to encourage public and sector participation in the IDP/Budget process	14/09/2017	29/09/2017	Public Part. Officer Manager: IDP
HERITAGE DAY	24/09/2017		
Finalize consultation presentations (Presentation based on outcome of analysis & linked to ward-based planning priorities)	25/09/2017	29/09/2017	Snr Management
Community Imbizo's / Meetings:			
Prince Alfred's Hamlet	09/10/2017	09/10/2017	Exec. Mayor
N'duli	10/10/2017	10/10/2017	Exec. Mayor
Wolseley	11/10/2017	11/10/2017	Exec. Mayor
Bella Vista	12/10/2017	12/10/2017	Exec. Mayor
Ceres	16/10/2017	16/10/2017	Exec. Mayor
Op Die Berg	17/10/2017	17/10/2017	Exec. Mayor
Tulbagh	18/10/2017	18/10/2017	Exec. Mayor
Forum & sector meetings: Business & Agriculture	17/10/2017	17/10/2017	Exec. Mayor
Meetings with Ward Committees	18/10/2017	18/10/2017	Exec. Mayor
IGR engagement to obtain sector Budget commitments	18/10/2017	25/10/2017	Manager: Socio-E
INTER-GOVERNMENTAL ALIGNMENT: Presentation to District and Provincial Sector Departments		To be announced	Municipal Manager
Stage 2: STRATEGY	02/10/2017	31/10/2017	
Revise and update the Financial Plan	02/10/2017	31/10/2017	CFO
2-day Workshop: MAYCO & Management to incorporate the outcomes of the Analysis Phase and to determine any new developmental objectives	01/11/2017	13/11/2017	Municipal Manager
Workshop with Council to review the Vision, Mission, Strategic Objectives, and to refine the SDF	14/11/2017	23/11/2017	Municipal Manager
Other activities during this phase			
Preparation of reports: ➤ August Section 71 Report / Grant Report ➤ September Section 71 Report / Grant Report ➤ Witzenberg Municipality Inter-Governmental Relations Forum ➤ Strategic Integrated Municipal Engagement ➤ MinMay Tech	21/11/2017	30/11/2017	CFO CFO Dir. Community Development Provincial Gov. Provincial Gov.

5.2.3 PHASE 3 – PREPARATION AND TABLING	Start 22/11/2017	Finish 27/02/2018	Responsibility
Activities			
Stage 1: CAPITAL PROJECTS AND PROGRAMS	03/11/2017	28/11/2017	
Departments provide details of all newly identified projects.		23/11/2017	All Managers
Development of Ward/Area-based Project Plans	01/11/2017	11/11/2017	Manager: IDP; Manager: Budget
Dept Finance provide working papers for capital project prioritization	01/11/2017	14/11/2017	Manager: Budget
Management workshop to prioritize Capital Programs and Projects for next 3 years	24/11/2017	30/11/2017	Snr Management
Workshop with Council to finalize draft capital program	24/11/2017	30/11/2017	Municipal Manager
Stage 2(a): ADJUSTMENT BUDGET	01/12/2017	28/02/2018	
Dept Finance provide working papers for adjustment Budget	01/12/2017	11/12/2017	Manager: Budget
Departments provide responses to Adjustment Budget	11/12/2017	12/01/2018	All Managers
Dept Finance to consolidate all information received	15/01/2018	22/01/2018	Manager: Budget
Workshop with MAYCO to finalize draft Adjustment Budget	22/01/2018	26/01/2018	CFO
Tabling of Adjustment Budget	29/01/2018	31/01/2018	Exec. Mayor
Stage 2(b): OPERATIONAL BUDGET	01/12/2017	28/02/2018	
Dept Finance provide working papers for Operational Budget	01/12/2017	11/12/2017	Manager: Budget
Departments provide inputs on Operational Budget	11/12/2017	12/01/2018	All Managers
Dept Finance to consolidate all information received	15/01/2018	22/01/2018	Manager: Budget
1 st Workshop with MAYCO to finalize Operational Budget & Capital program	05/02/2018	12/02/2018	CFO
2 nd Workshop with MAYCO to finalize Operational Budget & Capital program, if needed	19/02/2018	26/02/2018	CFO

5.2.3 PHASE 3 – PREPARATION AND TABLING	Start 01/11/2017	Finish 31/03/2018	Responsibility
Activities			
Stage 3: UPDATING OF IDP	02/01/2018	28/02/2018	
Update of IDP with most recent information	02/01/2018	31/01/2018	Manager: IDP
IDP Office to provide draft IDP document for scrutiny by departments	31/01/2018	12/02/2018	Manager: IDP
Departments provide inputs on draft IDP	12/02/2018	23/02/2018	All Managers
IDP Office to consolidate all information received and to compile the draft IDP	26/02/2018	05/03/2018	Manager: IDP
Workshop with Mayco on draft IDP, Operational Budget & Capital program	06/03/2018	12/03/2018	Exec. Mayor
Workshop with Council on IDP, Operational Budget & Capital program	13/03/2018	20/03/2018	Exec. Mayor
Tabling of Draft IDP & Budget	26/03/2018	30/03/2018	Exec. Mayor
Other activities during this phase			
Review Auditor- General's report			CFO
Witzenberg Municipality Inter-Governmental Relations Forum	20/03/2018	30/03/2018	Dir. Community Development
Preparation/submission of reports: <ul style="list-style-type: none"> ➤ October Section 71 Report / Grant Report ➤ November Section 71 Report / Grant Report ➤ Compilation of draft Annual Report ➤ December Section 71 Report / Grant Report ➤ 2nd Quarter SDBIP Report ➤ Half year performance assessment ➤ MinMay Tech/ PCf Integrated Municipal Engagements / MGRO 			CFO CFO Mun. Manager CFO Man: Performance CFO Mun. Manager Mun. Manager CFO CFO Provincial Gov.

5.2.4 PHASE 4 – CONSULTATION & INTEGRATION	Start 01/04/2018	Finish 15/05/2018	Responsibility
Activities			
INTER-GOVERNMENTAL ENGAGEMENTS			
Submit and Publish the IDP, PMS, annual Budget and other required documents to relevant departments for comments and submissions	03/04/2018	13/04/2018	Manager: IDP
Council calls for inputs from sectors and community with closing date of 30 April 2018	10/04/2018	26/04/2018	Manager: IDP
LGMTEC engagement		To be announced	Municipal Manager
Update information obtained during LGMTEC's	01/04/2018	28/04/2018	Manager: IDP
District municipality engagement with B-municipalities		To be announced	Municipal Manager
PUBLIC CONSULTATION			
Publish Public Engagement timetable in the media, and distribute internally	23/03/2018	06/04/2018	Manager: IDP
Mail invitations to Sector representatives / IDP Representative Forum	26/03/2018	02/04/2018	Manager: IDP
Community Imbizo's / Meetings:			
Prince Alfred's Hamlet	10/04/2018	10/04/2018	Exec. Mayor
N'dul	11/04/2018	11/04/2018	Exec. Mayor
Wolseley	12/04/2018	12/04/2018	Exec. Mayor
Bella Vista	16/04/2018	66/04/2018	Exec. Mayor
Ceres	17/04/2018	17/04/2018	Exec. Mayor
Op Die Berg	18/04/2018	18/04/2018	Exec. Mayor
Tulbagh	19/04/2018	19/04/2018	Exec. Mayor
Forum & sector meetings: Business & Agriculture	17/04/2018	17/04/2018	Exec. Mayor
Meetings with Ward Committees	24/04/2018	24/04/2018	Exec. Mayor
IGR engagement to obtain sector Budget commitments	20/04/2018	27/04/2018	Manager: Socio-E

5.2.4 PHASE 4 – CONSULTATION & INTEGRATION	Start 01/04/2018	Finish 15/05/2018	Responsibility
Activities			
INTEGRATION			
Dept Finance to consolidate all information, comments and objections received on Budget	01/04/2018	30/04/2018	Manager: Budget
Screen and refine all Project Proposals	01/04/2018	30/04/2018	Manager: Projects
Refine the Spatial Development Framework	01/04/2018	30/04/2018	Snr Town Planner
Compile all Business Plans	01/04/2018	30/04/2018	All departments
Populate the SDBIP templates	01/04/2018	30/04/2018	All departments
Management considers submissions made by community, National and Provincial Treasury	01/05/2018	11/05/2018	Manager: Budget
Prepare a summary of the revised IDP	01/05/2018	11/05/2018	Manager: IDP
MAYCO meeting to consider the submissions and, if necessary, to revise the IDP and Budget	16/05/2018	18/05/2018	Municipal Manager
Other activities during this phase			
Witzenberg Municipality Inter-Governmental Relations Forum	22/03/2018	31/03/2018	Dir. Community Development
Preparation of reports: <ul style="list-style-type: none"> ➤ 3rd Quarter SDBIP Report ➤ March Section 71 Report / Grant Report ➤ Strategic Integrated Municipal Budgeting Engagements 			Man: Performance CFO Provincial Gov.

5.2.5 PHASE 5 – APPROVAL	Start 20/05/2018	Finish 31/05/2018	Responsibility
Activities			
Council workshop on draft Reviewed IDP and Annual Budget	18/05/2018	24/05/2018	Municipal Manager
Council meeting to approve Revised IDP, Performance Management measures and targets and the Annual Budget (At least 30 days before the new Budget year)	24/05/2018	31/05/2018	Municipal Manager

5.2.6 PHASE 6 – FINALIZATION	Start 01/06/2018	Finish 30/06/2018	Responsibility
Activities			
Management workshop to finalize the SDBIP's	01/06/2018	04/06/2018	Manager: Budget
Publish the IDP, annual Budget, all Budget-related documents and policies on the municipal website	01/06/2018	08/06/2018	Manager: IDP
Publish the 2018/2019 tariffs for public comment	01/06/2018	08/06/2018	Manager: Budget
Submit a copy of the IDP to the MEC, DPLG and Treasury (within 10 days of adoption)	01/06/2018	15/06/2018	Manager: IDP
Give notice to the public of the adoption of the IDP (within 14 days of the adoption of the plan)	01/06/2018	15/06/2018	Manager: IDP
Publish a summary of the IDP and Budget in newspaper	01/06/2018	15/06/2018	Manager: IDP
Submit to Executive Mayor a draft SDBIP for the Budget year (within 14 days of approval of the Budget)	01/06/2018	15/06/2018	Municipal Manager
Submit to the Mayor drafts of the annual performance agreements (within 14 days of approval of Budget)	01/06/2018	15/06/2018	Municipal Manager
Make public the performance agreements of the Municipal Manager and senior managers (no later than 14 days after approval of the plan)	01/06/2018	15/06/2018	Municipal Manager
Submit the approved Budget to the National Treasury and the Provincial Treasury	01/06/2018	15/06/2018	CFO
Preparation of reports: ➤ May Section 71 Report ➤ Grant Reports	01/06/2018 01/06/2018	15/06/2018 15/06/2018	CFO CFO
The Mayor takes steps to ensure that the SDBIP is approved (within 28 days of approval of Budget)	16/06/2018	30/06/2018	Exec. Mayor
Make public the projections, targets and indicators in the SDBIP (within 14 days of approval of SDBIP)	16/06/2018	30/06/2018	CFO
Publish the performance agreements and service delivery agreements on the municipal website	22/06/2018	30/06/2017	Municipal Manager
Submit copies of the performance agreements to Council and the MEC for Local Government	22/06/2018	30/06/2018	Municipal Manager

6. CONCLUSION

The IDP and Budget Process Plan ensure that the role-players within the process are well prepared. All activities outlined within this document have been prepared in close inter-relation with the Framework that governs both the District and all local municipalities.



**Quarterly Budget Statement
Report for the Period
1 April 2017 to 30 June 2017**

**Financial data is in respect of the period
1 July 2016 to 30 June 2017**

Glossary

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

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

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

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

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

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

CFO – Chief Financial Officer / Director: Finance

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

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

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

GDFI - Gross Domestic Fixed Investment

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

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

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

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

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

Glossary (Continued)

MIG – Municipal Infrastructure Grant

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

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

NT – National Treasury

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

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

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

RBIG – Regional Bulk Infrastructure Grant

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

SCM – Supply Chain Management.

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

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

TMA – Total Municipal Account

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

Virement – A transfer of budget.

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

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

WM – Witzenberg Municipality

Legal requirements

In terms of Section 52 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

52. General Responsibilities. — The mayor of a municipality—

- (a) must provide general political guidance over the fiscal and financial affairs of the municipality;
- (b) in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;
- (c) must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;
- (d) **must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and**
- (e) must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor.

In terms of section 11 (4) (a), the Accounting Officer must within 30 days after the end of each quarter table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1) (b) to (j) during that quarter. Section 11(1) read as follow:

“11. (1) Only the accounting officer or the chief financial officer of a municipality, or any other senior financial official of the municipality acting on the written authority of the accounting officer, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts, and may do so only—

- (a) to defray expenditure appropriated in terms of an approved budget;*
- (b) to defray expenditure authorised in terms of section 26(4);*
- (c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);*
- (d) in the case of a bank account opened in terms of section 12, to make payments from the account in accordance with subsection (4) of that section;*
- (e) to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state, including—*
 - (i) money collected by the municipality on behalf of that person or organ of state by agreement; or*
 - (ii) any insurance or other payments received by the municipality for that person or organ of state;*
- (f) to refund money incorrectly paid into a bank account;*
- (g) to refund guarantees, sureties and security deposits;*
- (h) for cash management and investment purposes in accordance with section 13;*
- (i) to defray increased expenditure in terms of section 31; or*
- (j) for such other purposes as may be prescribed.”*

In terms of Section 66 of the MFMA the Accounting Officer must prepare a report on all expenditure incurred with relation to staff benefits.

Section 66 reads as follow:

“66. The accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely—

- (a) salaries and wages;*
- (b) contributions for pensions and medical aid;*
- (c) travel, motor car, accommodation, subsistence and other allowances;*
- (d) housing benefits and allowances;*

- (e) overtime payments;
- (f) loans and advances; and
- (g) any other type of benefit or allowance related to staff."

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

Quarterly reports on implementation of budget

31. (1) The mayor's quarterly report on the implementation of the budget and the financial state of affairs of the municipality as required by section 52(d) of the Act must be-
- {a) in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act; and
 - (b) consistent with the monthly budget statements for September, December, March and June as applicable; and
 - (c) submitted to the National Treasury and the relevant provincial treasury within five days of tabling of the report in the council.

Publication of quarterly reports on implementation of budget

32. When publishing the quarterly reports on the implementation of the budget in terms of section 75(1)(k) of the Act, the municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the quarterly report on the implementation of the budget and the financial state of affairs of the municipality, including -
- (a) summaries of quarterly report in alternate languages predominant in the community; and
 - {b) information relevant to each ward in the municipality.

PART 1 - IN-YEAR REPORT

Mayors Report

Speaker
Deputy Executive Mayor
Members of the Mayoral Committee
Councillors
Representatives of Provincial Government
Municipal Manager
Directors and officials
Distinguished guests
Members of the media

It is my privilege to present to you the quarterly Budget Statement Report for the three months 1 April 2017 to 30 June 2017.

The process of value for money spending is always a challenge for capital projects. The amended capital budget amounts R62.7 million of which R61.0 million was expended, bringing about a 97% expenditure achievement.

Credit control for various reasons remains a challenge for the municipality.

It is with great pleasure to announce that the financial viability and cash flow status of the municipality over the past period has been steadily increasing. It has reached a point where the municipality has sufficient funds available to cover operating expenditure for three months.

The municipality for the last seven years received Unqualified Audits from the Auditor General of South Africa of which four is consecutive "Clean Audits"

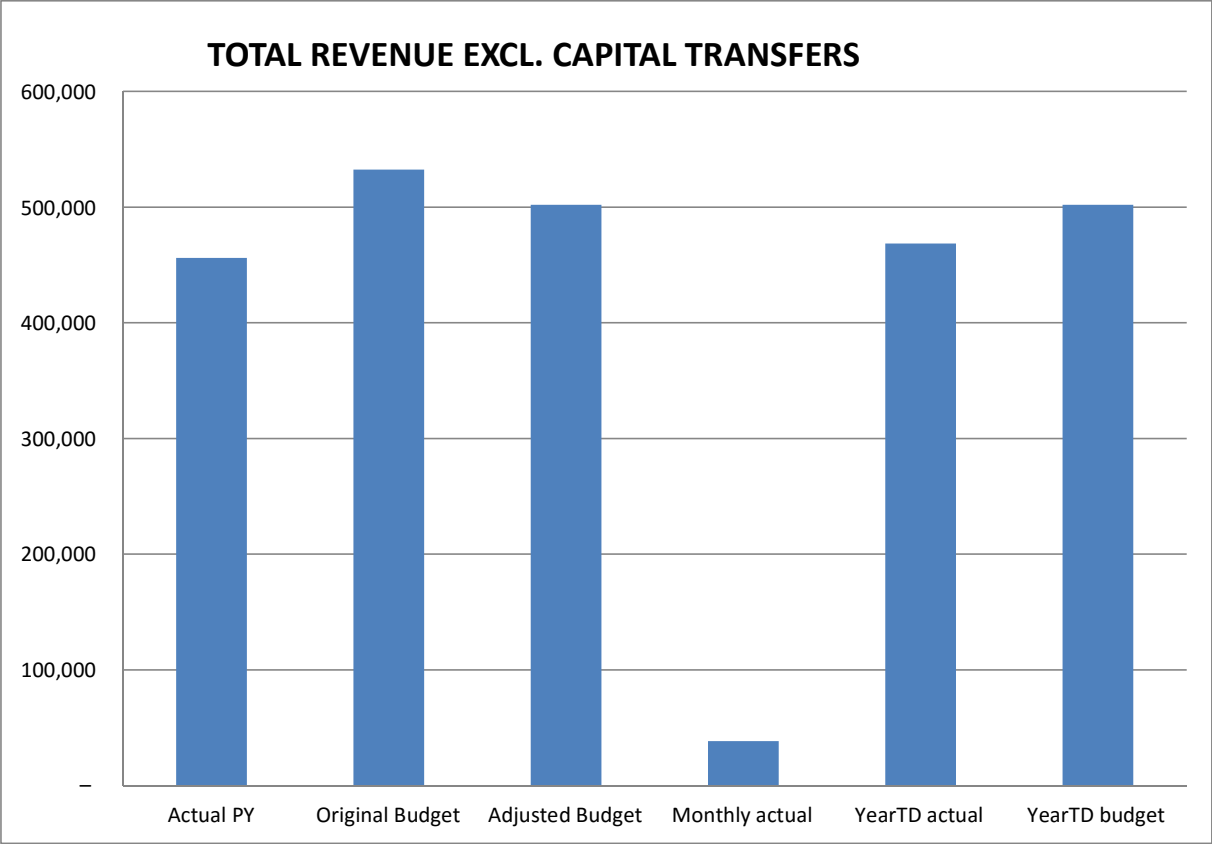


COUNCILLOR BC KLAASEN
EXECUTIVE MAYOR

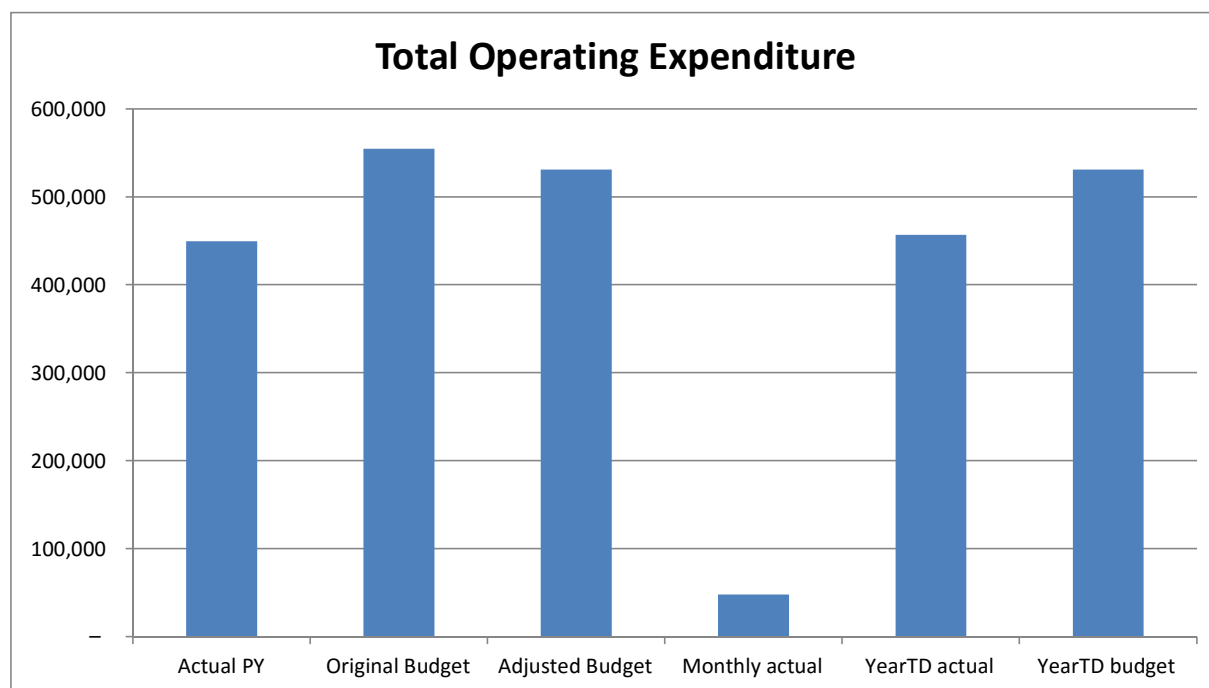
Recommendation

It is recommended that council take cognisance of the quarterly budget assessment for the period 1 July 2016 to 30 June 2017.

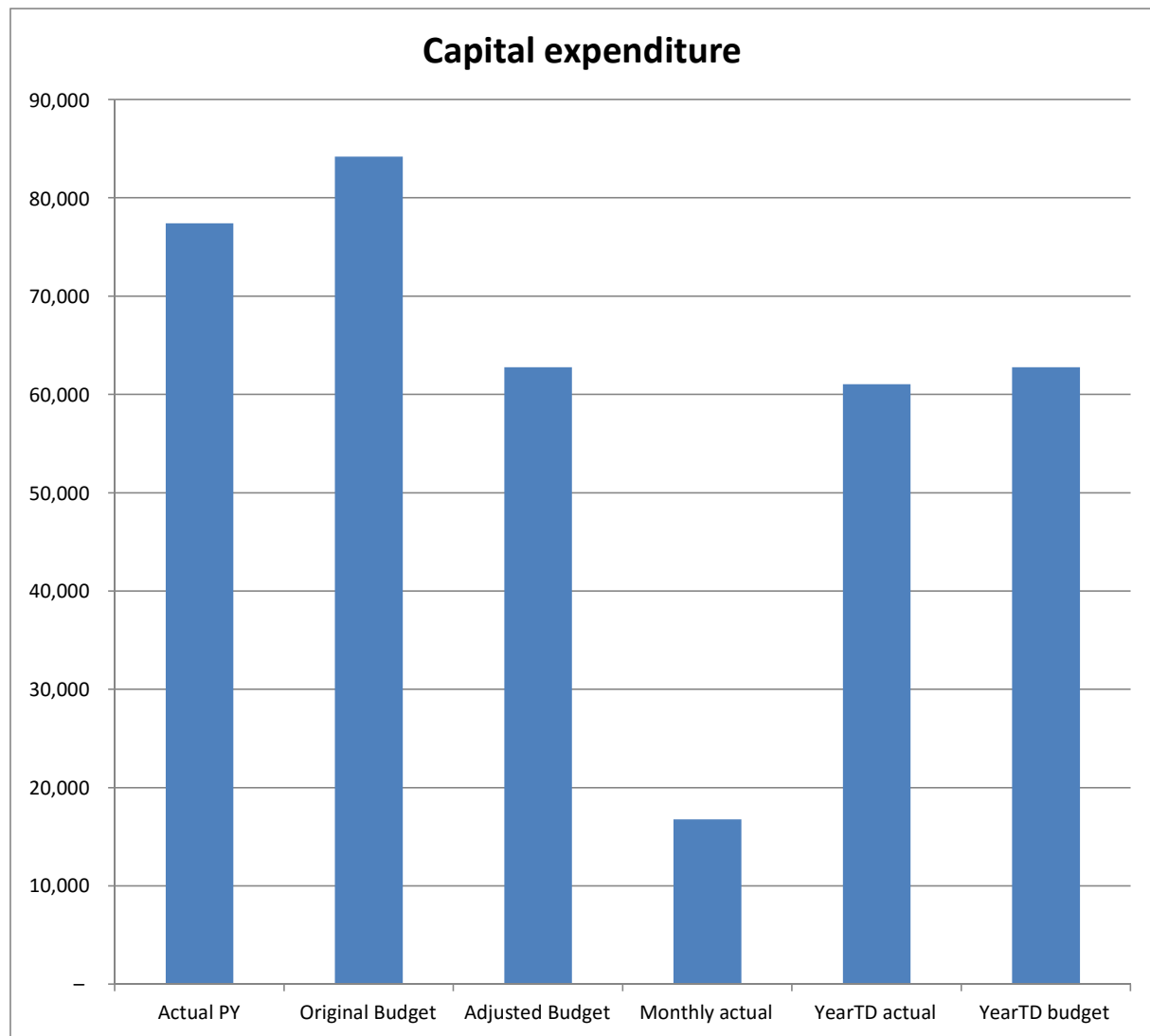
Executive Summary



For the period 1 July 2016 to 30 June 2017, 93.36% of the budgeted revenue excluding capital transfers was levied.



For the period 1 July 2016 to 30 June 2017, 86.02% of the budgeted operational expenditure was incurred. This figure may increase as some invoices are still outstanding.



For the period 1 July 2016 to 30 June 2017, 97.21% of the budgeted capital expenditure was incurred.

In-year budget statement tables

The following table provides a summary of the financial performance and financial position of the municipality as at 30 September 2016.

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - M12 June

Description	2015/16	Budget Year 2016/17							
	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	57,621	61,405	61,405	234	61,101	61,405	(304)	-0%	61,405
Service charges	278,961	295,516	295,516	26,146	283,111	295,516	(12,406)	-4%	295,516
Investment revenue	6,772	4,480	4,480	851	8,309	4,480	3,829	85%	9,954
Transfers recognised - operational	71,441	134,609	103,604	8,262	87,405	103,604	(16,199)	-16%	103,604
Other own revenue	41,476	36,505	37,042	2,981	28,798	37,042	(8,244)	-22%	37,042
Total Revenue (excluding capital)	456,271	532,516	502,047	38,475	468,725	502,047	(33,323)	-7%	507,522
Employee costs	120,879	143,665	140,937	10,097	132,591	140,937	(8,346)	-6%	140,937
Remuneration of Councillors	8,662	9,465	8,926	738	8,780	8,926	(146)	-2%	8,926
Depreciation & asset impairment	26,979	39,480	38,980	1,703	20,700	38,980	(18,280)	-47%	38,980
Finance charges	17,903	11,710	11,707	762	9,831	11,707	(1,876)	-16%	11,707
Materials and bulk purchases	160,425	179,221	179,221	15,247	158,377	179,221	(20,844)	-12%	179,221
Transfers and grants	969	881	947	75	941	947	(6)	-1%	947
Other expenditure	113,668	170,277	150,422	19,351	125,654	150,422	(24,768)	-16%	150,422
Total Expenditure	449,485	554,700	531,141	47,973	456,874	531,141	(74,266)	-14%	531,141
Surplus/(Deficit)	6,786	(22,184)	(29,093)	(9,498)	11,850	(29,093)	40,943	-141%	(23,619)
Transfers recognised - capital	51,539	51,580	38,867	4,063	33,950	38,867	(4,917)	-13%	38,867
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers	58,325	29,396	9,774	(5,435)	45,800	9,774	36,027	369%	15,248
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	58,325	29,396	9,774	(5,435)	45,800	9,774	36,027	369%	15,248
Capital expenditure & funds sources									
Capital expenditure	77,435	84,221	62,795	16,769	61,045	62,795	(1,750)	-3%	119,879
Capital transfers recognised	52,790	47,792	27,182	7,389	37,316	27,182	10,134	37%	61,207
Public contributions & donations	1,619	-	189	142	182	189	(7)	-4%	362
Borrowing	28,191	2,500	-	-	-	-	-	-	-
Internally generated funds	(5,165)	33,929	35,423	9,238	23,547	35,423	(11,877)	-34%	58,310
Total sources of capital funds	77,435	84,221	62,795	16,769	61,045	62,795	(1,750)	-3%	119,879
Financial position									
Total current assets	138,454	128,678	128,678		160,171				128,678
Total non current assets	824,177	868,750	868,750		828,111				868,750
Total current liabilities	46,982	46,691	46,691		67,776				46,691
Total non current liabilities	170,027	168,208	168,208		172,059				168,208
Community wealth/Equity	745,622	782,529	782,529		748,446				782,529
Cash flows									
Net cash from (used) operating	58,111	(18,790)	(18,790)	(15,301)	(5,396)	70,935	(76,332)	-108%	71,687
Net cash from (used) investing	-	-	-	10,000	23,000	-	23,000		-
Net cash from (used) financing	(7,368)	(8,782)	(8,782)	(62)	(8,150)	(4,808)	(3,341)	69%	(9,736)
Cash/cash equivalents at the month	50,743	(27,572)	(27,572)	-	9,454	66,127	(56,673)	-86%	61,951
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120	121-150	151-180	181 Dys-1	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	38,559	2,986	2,819	2,392	2,610	2,298	14,693	103,337	169,695
Creditors Age Analysis									
Total Creditors	5,480	1,817	-	-	-	-	366	-	7,662

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

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
Governance and administration	76,770	79,324	77,526	4,043	80,000	77,526	2,474	3%	65,604
Executive and council	5,103	949	3,149	-	354	3,149	(2,795)	-89%	151
Budget and treasury office	69,850	76,831	73,833	3,978	78,807	73,833	4,974	7%	65,408
Corporate services	1,816	1,544	544	66	839	544	295	54%	44
Community and public safety	90,585	148,801	119,779	9,201	106,235	119,779	(13,544)	-11%	102,635
Community and social services	66,167	70,005	71,661	205	57,776	71,661	(13,884)	-19%	66,680
Sport and recreation	14,945	8,502	8,592	1,870	19,876	8,592	11,283	131%	7,374
Public safety	8,636	13,609	13,877	522	3,972	13,877	(9,905)	-71%	3,971
Housing	837	56,685	25,648	6,603	24,611	25,648	(1,038)	-4%	24,611
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	15,732	5,993	9,283	601	8,159	9,283	(1,125)	-12%	8,159
Planning and development	958	1,504	1,504	32	1,146	1,504	(358)	-24%	1,146
Road transport	14,253	4,490	7,243	511	6,646	7,243	(597)	-8%	6,646
Environmental protection	520	-	536	59	367	536	(170)	-32%	367
Trading services	324,723	349,978	334,326	28,692	308,281	334,326	(26,046)	-8%	321,970
Electricity	202,461	221,046	221,046	23,626	216,936	221,046	(4,110)	-2%	216,935
Water	49,588	76,752	59,660	1,972	38,746	59,660	(20,914)	-35%	38,745
Waste water management	49,456	30,444	31,885	1,011	30,455	31,885	(1,430)	-4%	30,434
Waste management	23,219	21,736	21,736	2,083	22,144	21,736	408	2%	35,855
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	507,810	584,096	540,914	42,538	502,674	540,914	(38,240)	-7%	498,368
Expenditure - Standard									
Governance and administration	91,239	102,717	105,965	7,723	92,818	105,965	(13,147)	-12%	94,468
Executive and council	24,701	28,959	30,929	1,969	23,560	30,929	(7,369)	-24%	24,034
Budget and treasury office	36,902	43,443	44,460	3,449	35,155	44,460	(9,305)	-21%	36,971
Corporate services	29,636	30,315	30,576	2,305	34,103	30,576	3,527	12%	33,463
Community and public safety	61,612	132,666	102,477	12,591	86,568	102,477	(15,909)	-16%	97,725
Community and social services	18,163	21,300	22,651	1,802	21,177	22,651	(1,474)	-7%	21,040
Sport and recreation	20,462	23,799	23,114	1,723	20,765	23,114	(2,348)	-10%	21,297
Public safety	20,081	27,707	27,889	2,189	17,243	27,889	(10,646)	-38%	27,898
Housing	2,907	59,860	28,823	6,877	27,382	28,823	(1,442)	-5%	27,489
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	29,611	29,044	31,430	2,813	27,083	31,430	(4,347)	-14%	28,063
Planning and development	4,731	5,667	6,256	508	5,070	6,256	(1,186)	-19%	5,127
Road transport	23,828	22,075	22,815	2,003	20,324	22,815	(2,490)	-11%	21,245
Environmental protection	1,052	1,302	2,359	301	1,689	2,359	(670)	-28%	1,691
Trading services	266,234	289,545	290,534	24,805	249,570	290,534	(40,964)	-14%	265,938
Electricity	179,325	200,351	199,781	16,861	176,728	199,781	(23,053)	-12%	178,274
Water	21,522	25,030	26,001	2,387	19,305	26,001	(6,696)	-26%	21,494
Waste water management	26,908	28,050	28,511	3,456	27,889	28,511	(622)	-2%	30,494
Waste management	38,478	36,113	36,241	2,100	25,648	36,241	(10,593)	-29%	35,676
Other	714	728	734	1	733	734	(1)	0%	734
Total Expenditure - Standard	449,409	554,700	531,141	47,931	456,772	531,141	(74,368)	-14%	486,928
Surplus/ (Deficit) for the year	58,400	29,396	9,774	(5,393)	45,902	9,774	36,128	370%	11,440

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

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
Municipal governance and administration	76,770	79,324	77,526	4,043	80,000	77,526	2,474	3%	65,604
Executive and council	5,103	949	3,149	—	354	3,149	(2,795)	(0)	151
Mayor and Council	160	50	50	—	202	50	152	0	151
Municipal Manager	4,944	899	3,099	—	152	3,099	(2,947)	(0)	—
Budget and treasury office	69,850	76,831	73,833	3,978	78,807	73,833	4,974	0	65,408
Corporate services	1,816	1,544	544	66	839	544	295	0	44
Human Resources	1,094	544	544	—	44	544	(500)	(0)	44
Information Technology	—	—	—	—	—	—	—	—	—
Property Services	722	1,000	—	66	795	—	795	#DIV/0!	—
Community and public safety	90,585	148,801	119,779	9,201	106,235	119,779	(13,544)	(0)	102,635
Community and social services	66,167	70,005	71,661	205	57,776	71,661	(13,884)	(0)	66,680
Libraries and Archives	7,931	8,028	9,395	13	606	9,395	(8,789)	(0)	9,410
Community halls and Facilities	525	373	662	17	305	662	(357)	(0)	405
Cemeteries & Crematoriums	214	184	184	23	246	184	62	0	246
Other Social	57,497	61,420	61,420	152	56,620	61,420	(4,800)	(0)	56,619
Sport and recreation	14,945	8,502	8,592	1,870	19,876	8,592	11,283	0	7,374
Public safety	8,636	13,609	13,877	522	3,972	13,877	(9,905)	(0)	3,971
Fire	—	1	1	—	—	1	(1)	(0)	—
Street Lighting	88	800	1,069	196	980	1,069	(89)	(0)	980
Other	8,548	12,807	12,807	326	2,993	12,807	(9,815)	(0)	2,991
Housing	837	56,685	25,648	6,603	24,611	25,648	(1,038)	(0)	24,611
Economic and environmental services	15,732	5,993	9,283	601	8,159	9,283	(1,125)	(0)	8,159
Planning and development	958	1,504	1,504	32	1,146	1,504	(358)	(0)	1,146
Economic	—	—	—	—	—	—	—	—	—
Development/Planning	—	—	—	—	—	—	—	—	—
Town Planning/Building enforcement	883	1,410	1,410	32	1,072	1,410	(339)	(0)	1,072
Licensing & Regulation	76	93	93	—	74	93	(19)	(0)	74
Road transport	14,253	4,490	7,243	511	6,646	7,243	(597)	(0)	6,646
Roads	9,904	130	2,884	3	2,217	2,884	(668)	(0)	2,217
Vehicle Licensing and Testing	4,349	4,359	4,359	507	4,430	4,359	71	0	4,430
Environmental protection	520	—	536	59	367	536	(170)	(0)	367
Other	520	—	536	59	367	536	(170)	(0)	367
Trading services	324,723	349,978	334,326	28,692	308,281	334,326	(26,046)	(0)	321,970
Electricity	202,461	221,046	221,046	23,626	216,936	221,046	(4,110)	(0)	216,935
Electricity Distribution	202,461	221,046	221,046	23,626	216,936	221,046	(4,110)	(0)	216,935
Water	49,588	76,752	59,660	1,972	38,746	59,660	(20,914)	(0)	38,745
Water Distribution	49,588	76,752	59,660	1,972	38,746	59,660	(20,914)	(0)	38,745
Water Storage	—	—	—	—	—	—	—	—	—
Waste water management	49,456	30,444	31,885	1,011	30,455	31,885	(1,430)	(0)	30,434
Sewerage	39,925	30,344	30,008	1,011	28,580	30,008	(1,428)	(0)	28,580
Storm Water Management	9,511	100	1,876	—	1,855	1,876	(22)	(0)	1,855
Public Toilets	20	—	—	—	20	—	20	#DIV/0!	—
Waste management	23,219	21,736	21,736	2,083	22,144	21,736	408	0	35,855
Solid Waste	23,219	21,736	21,736	2,083	22,144	21,736	408	0	35,855
Other	—	—	—	—	—	—	—	—	—
Tourism	—	—	—	—	—	—	—	—	—
Total Revenue - Standard	507,810	584,096	540,914	42,538	502,674	540,914	(38,240)	(0)	498,368

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Expenditure - Standard									
Municipal governance and administration	91,239	102,717	105,965	7,723	92,818	105,965	(13,147)	(0)	94,468
Executive and council	24,701	28,959	30,929	1,969	23,560	30,929	(7,369)	(0)	24,034
Mayor and Council	13,522	14,807	14,441	1,165	13,988	14,441	(453)	(0)	14,274
Municipal Manager	11,179	14,152	16,488	803	9,571	16,488	(6,917)	(0)	9,759
Budget and treasury office	36,902	43,443	44,460	3,449	35,155	44,460	(9,305)	(0)	36,971
Corporate services	29,636	30,315	30,576	2,305	34,103	30,576	3,527	0	33,463
Human Resources	18,205	17,181	17,011	1,019	19,775	17,011	2,765	0	19,889
Information Technology	1,854	2,015	2,135	119	1,494	2,135	(642)	(0)	2,179
Property Services	1,354	556	541	178	2,871	541	2,330	0	1,524
Other Admin	8,223	10,563	10,889	988	9,963	10,889	(926)	(0)	9,872
Community and public safety	61,612	132,666	102,477	12,591	86,568	102,477	(15,909)	(0)	97,725
Community and social services	18,163	21,300	22,651	1,802	21,177	22,651	(1,474)	(0)	21,040
Libraries and Archives	7,053	7,786	8,615	787	8,234	8,615	(381)	(0)	8,066
Community halls and Facilities	4,264	5,420	5,849	460	5,529	5,849	(320)	(0)	5,500
Cemeteries & Crematoriums	2,217	2,837	2,848	223	2,420	2,848	(429)	(0)	2,445
Other Social	4,629	5,257	5,338	332	4,994	5,338	(344)	(0)	5,030
Sport and recreation	20,462	23,799	23,114	1,723	20,765	23,114	(2,348)	-10%	21,297
Public safety	20,081	27,707	27,889	2,189	17,243	27,889	(10,646)	-38%	27,898
Fire	4,578	6,672	6,540	1,260	6,826	6,540	286	4%	7,059
Street Lighting	1,825	2,214	2,133	178	1,940	2,133	(193)	-9%	2,254
Other	13,677	18,822	19,217	751	8,477	19,217	(10,740)	-56%	18,585
Housing	2,907	59,860	28,823	6,877	27,382	28,823	(1,442)	-5%	27,489
Economic and environmental services	29,611	29,044	31,430	2,813	27,083	31,430	(4,347)	-14%	28,063
Planning and development	4,731	5,667	6,256	508	5,070	6,256	(1,186)	-19%	5,127
Economic									
Development/Planning	1,850	1,591	2,178	238	1,782	2,178	(396)	-18%	1,774
Town Planning/Building									
enforcement	2,815	4,014	4,020	266	3,218	4,020	(802)	-20%	3,282
Licensing & Regulation	66	61	58	4	70	58	12	21%	70
Road transport	23,828	22,075	22,815	2,003	20,324	22,815	(2,490)	-11%	21,245
Roads	20,846	18,629	19,497	1,695	17,256	19,497	(2,241)	-11%	18,136
Vehicle Licensing and Testing	2,982	3,446	3,318	308	3,068	3,318	(250)	-8%	3,109
Environmental protection	1,052	1,302	2,359	301	1,689	2,359	(670)	-28%	1,691
Other	1,052	1,302	2,359	301	1,689	2,359	(670)	-28%	1,691
Trading services	266,234	289,545	290,534	24,805	249,570	290,534	(40,964)	-14%	265,938
Electricity	179,325	200,351	199,781	16,861	176,728	199,781	(23,053)	-12%	178,274
Electricity Distribution	179,228	200,201	199,630	16,845	176,565	199,630	(23,065)	-12%	178,112
Electricity Generation	96	150	150	16	163	150	12	8%	163
Water	21,522	25,030	26,001	2,387	19,305	26,001	(6,696)	-26%	21,494
Water Distribution	17,585	21,665	22,598	2,285	16,432	22,598	(6,166)	-27%	18,441
Water Storage	3,938	3,365	3,403	102	2,873	3,403	(530)	-16%	3,053
Waste water management	26,908	28,050	28,511	3,456	27,889	28,511	(622)	-2%	30,494
Sewerage	21,641	20,006	20,504	2,934	21,811	20,504	1,307	6%	23,405
Storm Water Management	3,989	6,415	6,399	385	4,616	6,399	(1,782)	-28%	5,626
Public Toilets	1,278	1,628	1,608	137	1,462	1,608	(147)	-9%	1,462
Waste management	38,478	36,113	36,241	2,100	25,648	36,241	(10,593)	-29%	35,676
Solid Waste	38,478	36,113	36,241	2,100	25,648	36,241	(10,593)	-29%	35,676
Other	714	728	734	1	733	734	(1)	0%	734
Tourism	714	728	734	1	733	734	(1)	0%	734
Total Expenditure - Standard	449,409	554,700	531,141	47,931	456,772	531,141	(74,368)	-14%	486,928
Surplus/ (Deficit) for the year	58,400	29,396	9,774	(5,393)	45,902	9,774	36,128	370%	11,440

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

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Budget & Treasury Office	69,850	76,831	73,833	3,978	78,807	73,833	4,974	6.7%	65,408
Vote 2 - Civil Services	132,166	129,063	116,165	5,069	93,561	116,165	(22,604)	-19.5%	93,265
Vote 3 - Community & Social Services	66,763	70,098	72,290	264	58,217	72,290	(14,073)	-19.5%	67,121
Vote 4 - Corporate Services	1,816	1,544	544	66	839	544	295	54.3%	44
Vote 5 - Electricity	202,549	221,846	222,115	23,822	217,916	222,115	(4,199)	-1.9%	217,915
Vote 6 - Executive & Council	5,103	949	3,149	–	354	3,149	(2,795)	-88.8%	151
Vote 7 - Housing	837	56,685	25,648	6,603	24,611	25,648	(1,038)	-4.0%	24,611
Vote 8 - Planning	883	1,410	1,410	32	1,072	1,410	(339)	-24.0%	1,072
Vote 9 - Public Safety	12,898	17,168	17,168	833	7,422	17,168	(9,745)	-56.8%	7,421
Vote 10 - Sport & Recreation	14,945	8,502	8,592	1,870	19,876	8,592	11,283	131.3%	7,374
Total Revenue by Vote	507,810	584,096	540,914	42,538	502,674	540,914	(38,240)	-7.1%	484,382
Expenditure by Vote									
Vote 1 - Budget & Treasury Office	30,779	36,916	37,752	2,921	28,638	37,752	(9,114)	-24.1%	29,862
Vote 2 - Civil Services	107,755	107,823	110,251	9,639	90,099	110,251	(20,152)	-18.3%	105,799
Vote 3 - Community & Social Services	21,595	24,724	27,604	2,377	25,219	27,604	(2,385)	-8.6%	25,116
Vote 4 - Corporate Services	28,769	28,789	29,321	2,166	33,040	29,321	3,719	12.7%	32,344
Vote 5 - Electricity	182,233	204,239	203,337	17,144	179,927	203,337	(23,410)	-11.5%	181,823
Vote 6 - Executive & Council	30,825	35,485	37,636	2,497	30,077	37,636	(7,559)	-20.1%	31,143
Vote 7 - Housing	2,907	59,860	28,823	6,877	27,382	28,823	(1,442)	-5.0%	27,489
Vote 8 - Planning	2,847	4,126	4,228	268	3,254	4,228	(974)	-23.0%	3,301
Vote 9 - Public Safety	21,238	28,939	29,074	2,319	18,371	29,074	(10,703)	-36.8%	28,752
Vote 10 - Sport & Recreation	20,462	23,799	23,114	1,723	20,765	23,114	(2,348)	-10.2%	21,297
Total Expenditure by Vote	449,409	554,700	531,141	47,931	456,772	531,141	(74,368)	-14.0%	486,928
Surplus/ (Deficit) for the year	58,400	29,396	9,774	(5,393)	45,902	9,774	36,128	369.6%	(2,546)

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

WC022 Witzenberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	56,186	60,005	60,005	193	59,649	60,005	(356)	-1%	60,005
Property rates - penalties & collection charges	1,435	1,400	1,400	41	1,452	1,400	52	4%	1,400
Service charges - electricity revenue	198,426	215,414	215,414	20,708	211,562	215,414	(3,853)	-2%	215,414
Service charges - water revenue	38,592	39,203	39,203	2,874	33,441	39,203	(5,762)	-15%	39,203
Service charges - sanitation revenue	20,990	19,968	19,968	669	18,008	19,968	(1,960)	-10%	19,968
Service charges - refuse revenue	20,834	20,419	20,419	1,891	20,042	20,419	(377)	-2%	20,419
Service charges - other	118	511	511	3	57	511	(455)	-89%	511
Rental of facilities and equipment	8,169	9,339	9,339	470	8,179	9,339	(1,159)	-12%	9,339
Interest earned - external investments	6,772	4,480	4,480	851	8,309	4,480	3,829	85%	4,480
Interest earned - outstanding debtors	9,828	5,474	5,474	335	7,816	5,474	2,342	43%	5,474
Dividends received	-	-	-	-	-	-	-	-	-
Fines	8,559	12,820	12,820	326	3,005	12,820	(9,815)	-77%	12,820
Licences and permits	179	168	168	8	144	168	(24)	-14%	168
Agency services	4,237	4,274	4,274	498	4,341	4,274	67	2%	4,274
Transfers recognised - operational	71,441	134,609	103,604	8,262	87,405	103,604	(16,199)	-16%	103,604
Other revenue	10,505	4,428	4,965	1,343	5,313	4,965	348	7%	4,965
Gains on disposal of PPE	-	2	2	-	-	2	(2)	-100%	2
Total Revenue (excluding capital transfers and contributions)	456,271	532,516	502,047	38,475	468,725	502,047	(33,323)	-7%	502,047
Expenditure By Type									
Employee related costs	120,879	143,665	140,937	10,097	132,591	140,937	(8,346)	-6%	140,937
Remuneration of councillors	8,662	9,465	8,926	738	8,780	8,926	(146)	-2%	8,926
Debt impairment	34,542	25,640	25,140	1,375	16,497	25,140	(8,642)	-34%	25,140
Depreciation & asset impairment	26,979	39,480	38,980	1,703	20,700	38,980	(18,280)	-47%	38,980
Finance charges	17,903	11,710	11,707	762	9,831	11,707	(1,876)	-16%	11,707
Bulk purchases	160,425	179,221	179,221	15,247	158,377	179,221	(20,844)	-12%	179,221
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	15,877	71,370	44,788	8,667	41,564	44,788	(3,224)	-7%	44,788
Transfers and grants	969	881	947	75	941	947	(6)	-1%	947
Other expenditure	63,249	73,268	80,494	9,309	67,592	80,494	(12,902)	-16%	80,494
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	449,485	554,700	531,141	47,973	456,874	531,141	(74,266)	-14%	531,141
Surplus/(Deficit)	6,786	(22,184)	(29,093)	(9,498)	11,850	(29,093)	40,943	(0)	(29,093)
Transfers recognised - capital	51,539	51,580	38,867	4,063	33,950	38,867	(4,917)	(0)	38,867
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	58,325	29,396	9,774	(5,435)	45,800	9,774			9,774
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	58,325	29,396	9,774	(5,435)	45,800	9,774			9,774
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to	58,325	29,396	9,774	(5,435)	45,800	9,774			9,774
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	58,325	29,396	9,774	(5,435)	45,800	9,774			9,774

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

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M12 June

Vote Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Multi-Year expenditure appropriation</u>									
Vote 1 - Budget & Treasury Office	–	200	–	–	–	–	–		–
Vote 2 - Civil Services	–	28,905	5,326	750	750	5,326	(4,576)	-86%	5,326
Vote 3 - Community & Social Services	–	–	–	–	–	–	–		–
Vote 4 - Corporate Services	–	–	–	–	–	–	–		–
Vote 5 - Electricity	–	800	909	(71)	(71)	909	(980)	-108%	909
Vote 6 - Executive & Council	–	–	–	–	–	–	–		–
Vote 7 - Housing	–	–	–	–	–	–	–		–
Vote 8 - Planning	–	–	–	–	–	–	–		–
Vote 9 - Public Safety	–	–	–	–	–	–	–		–
Vote 10 - Sport & Recreation	–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	–	29,905	6,235	679	679	6,235	(5,556)	-89%	6,235
<u>Single Year expenditure appropriation</u>									
Vote 1 - Budget & Treasury Office	367	130	566	339	548	566	(18)	-3%	1,114
Vote 2 - Civil Services	64,567	39,814	42,384	10,136	45,957	42,384	3,572	8%	84,862
Vote 3 - Community & Social Services	2,543	1,200	1,369	77	1,328	1,369	(41)	-3%	2,940
Vote 4 - Corporate Services	1,676	1,076	289	96	289	289	(1)	0%	558
Vote 5 - Electricity	5,715	7,695	6,371	3,251	7,007	6,371	636	10%	13,379
Vote 6 - Executive & Council	–	–	–	–	–	–	–		–
Vote 7 - Housing	–	–	–	–	–	–	–		–
Vote 8 - Planning	–	–	–	–	–	–	–		–
Vote 9 - Public Safety	1,906	3,100	2,855	293	2,780	2,855	(75)	-3%	5,635
Vote 10 - Sport & Recreation	663	1,300	2,725	1,898	2,457	2,725	(268)	-10%	5,156
Total Capital single-year expenditure	77,435	54,315	56,560	16,090	60,366	56,560	3,805	7%	113,645
Total Capital Expenditure	77,435	84,221	62,795	16,769	61,045	62,795	(1,750)	-3%	119,879

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M12 June

Vote Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital Expenditure - Standard Classification									
Governance and administration	2,042	1,406	856	435	837	856	(19)	-2%	1,672
Executive and council	–	–	–	–	–	–	–		–
Budget and treasury office	367	330	566	339	548	566	(18)	-3%	1,114
Corporate services	1,676	1,076	289	96	289	289	(1)	0%	558
Community and public safety	4,827	6,900	8,222	2,566	7,682	8,222	(540)	-7%	16,121
Community and social services	2,170	1,200	1,369	77	1,328	1,369	(41)	-3%	2,940
Sport and recreation	663	1,300	2,725	1,898	2,457	2,725	(268)	-10%	5,156
Public safety	1,994	4,400	4,128	590	3,897	4,128	(231)	-6%	8,025
Housing	–	–	–	–	–	–	–		–
Health	–	–	–	–	–	–	–		–
Economic and environmental services	31,389	4,055	10,765	1,797	10,750	10,765	(16)	0%	21,502
Planning and development	–	–	–	–	–	–	–		–
Road transport	31,017	4,055	10,765	1,797	10,750	10,765	(16)	0%	21,502
Environmental protection	372	–	–	–	–	–	–		–
Trading services	39,177	71,860	42,951	11,972	41,776	42,951	(1,175)	-3%	80,584
Electricity	5,607	7,160	5,987	2,880	5,802	5,987	(186)	-3%	11,873
Water	13,449	37,505	19,153	4,670	18,356	19,153	(797)	-4%	33,366
Waste water management	18,125	24,394	14,811	1,478	14,676	14,811	(134)	-1%	29,514
Waste management	1,996	2,800	3,001	2,943	2,943	3,001	(58)	-2%	5,831
Other	–	–	–	–	–	–	–		–
Total Capital Expenditure - Standard Classification	77,435	84,221	62,795	16,769	61,045	62,795	(1,750)	-3%	119,879
Funded by:									
National Government	23,446	42,169	16,690	6,033	26,078	16,690	9,388	56%	40,523
Provincial Government	28,191	5,623	10,004	1,215	11,057	10,004	1,053	11%	20,021
District Municipality	–	–	300	–	–	300	(300)	-100%	300
Other transfers and grants	1,153	–	189	142	182	189	(7)	-4%	362
Transfers recognised - capital	52,790	47,792	27,182	7,389	37,316	27,182	10,134	37%	61,207
Public contributions & donations	1,619	–	189	142	182	189	(7)	-4%	362
Borrowing	28,191	2,500	–	–	–	–	–		–
Internally generated funds	(5,165)	33,929	35,423	9,238	23,547	35,423	(11,877)	-34%	58,310
Total Capital Funding	77,435	84,221	62,795	16,769	61,045	62,795	(1,750)	-3%	119,879

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

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	2015/16	Budget Year 2016/17			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	63,113	52,699	52,699	76,333	52,699
Call investment deposits	–	–	–	–	–
Consumer debtors	62,536	62,536	62,536	74,853	62,536
Other debtors	5,481	5,753	5,753	–	5,753
Current portion of long-term receivables	–	–	–	–	–
Inventory	7,324	7,690	7,690	8,985	7,690
Total current assets	138,454	128,678	128,678	160,171	128,678
Non current assets					
Long-term receivables	5,621	5,621	5,621	–	5,621
Investments	105	105	105	105	105
Investment property	49,145	48,052	48,052	48,202	48,052
Investments in Associate	–	–	–	–	–
Property, plant and equipment	769,306	814,972	814,972	776,750	814,972
Agricultural	–	–	–	–	–
Biological assets	–	–	–	–	–
Intangible assets	–	–	–	2,492	–
Other non-current assets	–	–	–	562	–
Total non current assets	824,177	868,750	868,750	828,111	868,750
TOTAL ASSETS	962,631	997,428	997,428	988,282	997,428
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	–	–	–	–	–
Consumer deposits	–	–	–	5,395	–
Trade and other payables	33,990	33,699	33,699	48,065	33,699
Provisions	12,992	12,992	12,992	14,316	12,992
Total current liabilities	46,982	46,691	46,691	67,776	46,691
Non current liabilities					
Borrowing	24,494	15,398	15,398	11,443	15,398
Provisions	145,533	152,809	152,809	160,617	152,809
Total non current liabilities	170,027	168,208	168,208	172,059	168,208
TOTAL LIABILITIES	217,009	214,899	214,899	239,836	214,899
NET ASSETS	745,622	782,529	782,529	748,446	782,529
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	733,387	762,783	762,783	738,340	762,783
Reserves	12,235	19,746	19,746	10,106	19,746
TOTAL COMMUNITY WEALTH/EQUITY	745,622	782,529	782,529	748,446	782,529

The cash flows for the year to date are indicated in the following table:

WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	53,848	45,449	45,449	3,685	49,505	42,382	7,123	17%	57,009
Government - operating	298,755	299,018	299,018	30,159	317,152	138,730	178,422	129%	284,273
Government - capital	42,948	40,199	40,199	7,953	56,594	11,129	45,465	409%	21,009
Interest	70,946	85,384	85,384	–	70,845	74,695	(3,850)	-5%	134,809
Dividends	65,603	69,844	69,844	–	51,237	24,071	27,167	113%	51,580
Payments									
Suppliers and employees	–	–	–	–	–	–	–		–
Finance charges	–	–	–	–	–	–	–		–
Transfers and Grants	(473,989)	(558,684)	(558,684)	(57,097)	(550,730)	(220,071)	330,659	-150%	(476,993)
NET CASH FROM/(USED) OPERATING ACTIVITIES	58,111	(18,790)	(18,790)	(15,301)	(5,396)	70,935	(76,332)	-108%	71,687
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	–	–	–	–	–	–	–		–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–		–
Payments									
Capital assets	–	–	–	10,000	23,000	–	(23,000)		–
NET CASH FROM/(USED) INVESTING ACTIVITIES	–	–	–	10,000	23,000	–	(23,000)		–
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits	784	427	427	47	501	–	501		–
Payments									
Repayment of borrowing	(8,152)	(9,208)	(9,208)	(109)	(8,651)	(4,808)	3,843	-80%	(9,736)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(7,368)	(8,782)	(8,782)	(62)	(8,150)	(4,808)	3,341	-69%	(9,736)
NET INCREASE/ (DECREASE) IN CASH HELD	50,743	(27,572)	(27,572)	(5,363)	9,454	66,127			61,951
Cash/cash equivalents at beginning:	–	–	–		–	–			–
Cash/cash equivalents at month/year end:	50,743	(27,572)	(27,572)		9,454	66,127			61,951

The debtors age analysis per Income source and customer group is as follows:

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description	NT Code	Budget Year 2016/17									
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands											
Debtors Age Analysis By Income Source											
Water	1200	10,256	1,046	1,113	817	1,124	941	4,979	31,873	52,149	39,734
Electricity	1300	14,844	460	355	242	189	80	401	1,937	18,507	2,849
Property Rates	1400	3,621	203	172	160	145	138	2,339	11,360	18,138	14,143
Waste Water Management	1500	5,500	583	550	561	523	517	2,731	13,523	24,488	17,855
Waste Management	1600	6,027	572	489	471	461	450	2,715	17,230	28,414	21,327
Property Rental Debtors	1700	177	21	20	19	19	19	107	777	1,158	940
Interest on Arrear Accounts	1810	1,918	75	93	98	129	131	1,261	25,679	29,384	27,298
Recoverable expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	(3,783)	26	28	24	21	22	161	957	(2,544)	1,185
Total By Income Source	2000	38,559	2,986	2,819	2,392	2,610	2,298	14,693	103,337	169,695	125,330
2015/16 - totals only										–	–
Debtors Age Analysis By Customer Group											
Organs of State	2200	1,160	280	256	163	84	56	468	2,069	4,535	2,839
Commercial	2300	11,674	273	176	174	154	79	1,027	6,786	20,344	8,220
Households	2400	24,444	2,241	2,202	1,878	2,184	1,979	11,775	88,666	135,367	106,480
Other	2500	1,281	192	185	177	188	184	1,424	5,817	9,449	7,791
Total By Customer Group	2600	38,559	2,986	2,819	2,392	2,610	2,298	14,693	103,337	169,695	125,330

The movement in investments is detailed below.

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June

Investments by maturity Name of institution & investment ID R thousands	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of month	Change in market value	Market value at end of the month
	Yrs/Months							
<u>Municipality</u>								
Standard Bank	–	Fixed	–	–		–	–	–
ABSA	–	Fixed	–	–		–	–	–
Nedbank	–	Fixed	–	–		–	–	–
Investec	–	Fixed	–	–		–	–	–
	–	–	–	–		–	–	–
	–	–	–	–		–	–	–
Municipality sub-total				–		–	–	–
<u>Entities</u>								
Entities sub-total				–		–	–	–
TOTAL INVESTMENTS AND INTEREST				–		–	–	–

Operating and Capital transfers received are indicated in the following table:

WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Budget Year 2016/17							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>RECEIPTS:</u>								
<u>Operating Transfers and Grants</u>								
National Government:	63,502	62,445	386	57,296	62,445	(5,149)	-8.2%	62,445
Local Government Equitable Share	59,734	59,734	—	54,756	59,734	(4,978)	-8.3%	59,734
MIG	—	—	—	152	—	152		—
MSIG	957	—	—	—	—	—		—
FMG	1,475	1,375	386	1,012	1,375	(363)	-26.4%	1,375
EPWP	1,336	1,336	—	1,376	1,336	40	3.0%	1,336
	—	—	—	—	—	—		—
Provincial Government:	64,245	34,258	6,576	24,395	34,258	(9,862)	-28.8%	34,258
Library MRF	5,498	5,498	—	—	5,498	(5,498)	-100.0%	5,498
Library Conditional Grant	2,477	3,306	—	—	3,306	(3,306)	-100.0%	3,306
Housing	56,000	24,964	6,574	24,265	24,964	(699)	-2.8%	24,964
CDW	150	150	2	66	150	(84)	-55.7%	150
Total Operating Transfers and Grants	128,267	98,296	7,379	83,387	98,296	(14,909)	-15.2%	98,296
<u>Capital Transfers and Grants</u>								
National Government:	197,385	146,107	12,890	125,546	146,107	(20,561)	-14.1%	146,107
	—	—	—	—	—	—		—
	—	—	—	—	—	—		—
Total Operating Transfers and Grants	128,067	97,659	7,170	82,599	97,659	(15,060)	-15.4%	97,659
	—	—	—	—	—	—		—
Capital Transfers and Grants	—	—	—	—	—	—		—
National Government:	51,580	26,724	3,887	23,932	26,724	(2,792)	-10.4%	26,724
Provincial Government:	28,841	10,004	(641)	10,018	11,654	(1,636)	-14.0%	10,004
RBIG	27,841	—	(817)	—	—	—		—
DWAF	—	—	—	—	—	—		—
Total Capital Transfers and Grants	226,226	165,577	12,422	145,044	168,877	(23,833)	-14.1%	165,577
TOTAL RECEIPTS OF TRANSFERS & GRANTS	354,493	263,873	19,801	228,431	267,173	(38,742)	-14.5%	263,873

Operating and Capital expenditure financed from grants are indicated in the following table:

WC022 Witzenberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

Description	Budget Year 2016/17							
	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:	63,502	62,445	386	57,296	62,445	(5,149)	-8.2%	62,445
Local Government Equitable Share	59,734	59,734	–	54,756	59,734	(4,978)	-8.3%	59,734
MIG	–	–	–	152	–	152		–
MSIG	957	–	–	–	–	–		–
FMG	1,475	1,375	386	1,012	1,375	(363)	-26.4%	1,375
EPWP	1,336	1,336	–	1,376	1,336	40	3.0%	1,336
Provincial Government:	64,365	34,478	6,576	24,515	34,478	(9,962)	-28.9%	34,478
Library MRF	5,498	5,498	–	–	5,498	(5,498)	-100.0%	5,498
Library Conditional Grant	2,477	3,306	–	–	3,306	(3,306)	-100.0%	3,306
Housing	56,000	24,964	6,574	24,265	24,964	(699)	-2.8%	24,964
CDW	150	150	2	66	150	(84)	-55.7%	150
Tariffs	120	340	–	64	340	(276)	-81.1%	340
Department of Local Government	–	–	–	–	–	–		–
Thusong Centre	–	100	–	–	100	(100)	-100.0%	100
Maintenance of Transport Infrastructure	120	120	–	120	120	–		120
Mandela Memorial	–	–	–	–	–	–		–
Compliance Assist	–	–	–	–	–	–		–
District Municipality:	–	–	–	–	–	–		–
None	–	–	–	–	–	–		–
Other grant providers:	200	736	209	788	736	51	6.9%	736
Belgium	200	736	209	788	736	51	6.9%	736
Total operating expenditure of Transfers and Grants	128,067	97,659	7,170	82,599	97,659	(15,060)	-15.4%	97,659
Capital expenditure of Transfers and Grants								
National Government:	51,580	26,724	3,887	23,932	26,724	(2,792)	-10.4%	26,724
MIG	17,739	21,624	1,541	18,629	21,624	(2,995)	-13.8%	21,624
MSIG	–	–	–	–	–	–		–
FMG	–	100	291	385	100	285	285.5%	100
EPWP	–	–	–	–	–	–		–
INEP	5,000	5,000	2,872	4,917	5,000	(83)	-1.7%	5,000
Rural Development	1,000	–	–	–	–	–		–
Provincial Government:	–	10,004	176	10,018	11,654	(1,636)	-14%	10,004
Library Conditional Grant	–	537	3	537	537	(1)	-0.1%	537
MRF	–	–	–	–	–	–		–
Housing	–	7,712	173	7,695	7,712	(17)	-0.2%	7,712
Municipal Infrastructure Support Grant	–	1,754	–	147	1,754	(1,607)	-91.6%	1,754
Other grant providers:	–	189	–	–	189	(189)	-100.0%	189
Other grant providers:	–	189	–	–	189	(189)	-100.0%	189
Public Contribution	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants	51,580	36,917	4,063	33,950	38,567	(4,617)	-12.0%	36,917
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	179,647	134,576	11,233	116,549	136,226	(19,677)	-14.4%	134,576

Expenditure on councillor allowances and employee benefits:

WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

Summary of Employee and Councillor remuneration	Budget Year 2016/17							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	B	C					%	D
R thousands								
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	8,445	7,906	803	7,890	7,906	(16)	0%	7,890
Pension and UIF Contributions	-	-	-	-	-	-	-	-
Medical Aid Contributions	1,020	1,020	91	890	1,020	(130)	-13%	890
Motor Vehicle Allowance	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-
Sub Total - Councillors	9,465	8,926	894	8,780	8,926	(146)	-2%	8,780
% increase								
Senior Managers of the Municipality								
Basic Salaries and Wages	4,062	4,062	345	4,112	4,062	49	1%	4,112
Pension and UIF Contributions	670	670	58	687	670	17	3%	687
Medical Aid Contributions	124	124	11	125	124	1	1%	125
Overtime	-	-	-	-	-	-	-	-
Performance Bonus	767	767	-	-	767	(767)	-100%	-
Motor Vehicle Allowance	900	900	76	910	900	10	1%	910
Cellphone Allowance	-	-	-	-	-	-	-	-
Housing Allowances	66	66	-	-	66	(66)	-100%	-
Other benefits and allowances	145	145	6	80	145	(65)	-45%	80
Payments in lieu of leave	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-
Sub Total - Senior Managers	6,734	6,734	496	5,914	6,734	(820)	-12%	5,914
% increase								
Other Municipal Staff								
Basic Salaries and Wages	81,532	79,233	6,221	74,559	79,233	(4,674)	-6%	74,559
Pension and UIF Contributions	14,540	14,350	1,021	13,171	14,350	(1,179)	-8%	13,171
Medical Aid Contributions	6,916	6,916	496	5,765	6,916	(1,152)	-17%	5,765
Overtime	10,152	10,178	832	12,072	10,178	1,894	19%	12,072
Performance Bonus	6,813	6,813	585	7,185	6,813	372	5%	7,185
Motor Vehicle Allowance	4,251	4,251	322	4,001	4,251	(250)	-6%	4,001
Cellphone Allowance	-	-	-	-	-	-	-	-
Housing Allowances	5,269	4,951	112	1,367	4,951	(3,584)	-72%	1,367
Other benefits and allowances	3,454	3,449	216	2,762	3,449	(687)	-20%	2,762
Payments in lieu of leave	750	750	199	1,126	750	376	50%	1,126
Long service awards	367	367	37	447	367	80	22%	447
Post-retirement benefit obligations	2,887	2,887	336	4,031	2,887	1,144	40%	4,031
Sub Total - Other Municipal Staff	136,931	134,145	10,377	126,485	134,145	(7,660)	-6%	126,485
% increase								
Total Parent Municipality	153,130	149,805	11,766	141,179	149,805	(8,627)	-6%	141,179
	30.6%	27.7%						20.4%
Unpaid salary, allowances & benefits in arrears:								
Total Municipal Entities	-	-	-	-	-	-		-
TOTAL SALARY, ALLOWANCES & % increase	153,130	149,805	11,766	141,179	149,805	(8,627)	-6%	141,179
TOTAL MANAGERS AND STAFF	143,665	140,879	10,872	132,399	140,879	(8,480)	-6%	132,399

The monthly cash flows for the year to date are indicated in the following table:

WC022 Witzenberg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M12 June

Description	Ref	Budget Year 2016/17											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome
Cash Receipts By Source													
Property rates		3,828	472	14,212	5,245	3,319	3,307	3,501	3,054	3,114	1,727	1,641	1,653
Property rates - penalties & collection charges		19	—	—	—	—	—	—	—	—	106	129	122
Service charges - electricity revenue		15,813	3,664	15,298	13,830	14,485	10,975	13,499	16,877	18,622	19,760	20,535	14,602
Service charges - water revenue		2,852	217	1,923	2,348	2,321	1,999	2,885	2,721	3,331	2,995	3,390	1,922
Service charges - sanitation revenue		1,596	181	2,026	1,845	1,753	1,542	1,858	364	1,989	1,309	1,301	1,563
Service charges - refuse		1,715	178	1,863	1,766	1,813	1,615	1,890	1,637	1,991	1,405	1,369	1,369
Service charges - other		(477)	33,498	5,524	3,500	2,992	637	3,369	2,979	4,067	43	43	43
Rental of facilities and equipment		438	758	304	1,417	848	574	614	812	700	697	690	577
Interest earned - external investments		285	673	678	644	584	291	1,621	609	463	324	400	548
Interest earned - outstanding debtors		695	—	—	—	—	—	—	—	—	450	436	462
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—
Fines		101	109	191	249	318	167	213	185	157	68	68	68
Licences and permits		55	18	12	4	6	4	5	4	4	14	17	12
Agency services		258	398	365	282	437	242	229	181	321	335	290	329
Transfer receipts - operating		24,889	334	4,181	—	3,259	19,502	973	2,334	14,934	914	1,184	12,880
Other revenue		954	4,944	2,383	2,930	2,831	1,502	4,799	2,989	1,684	350	299	388
Cash Receipts by Source		53,023	45,443	48,961	34,060	34,966	42,357	35,454	34,747	51,378	30,497	31,792	36,537
Other Cash Flows by Source													
Transfer receipts - capital		—	6,968	189	6,851	—	11,869	—	(2,300)	(23,060)	4,788	3,668	60,871
Contributions & Contributed assets		—	—	—	—	—	—	—	—	—	—	—	—
Proceeds on disposal of PPE		—	—	—	—	—	—	—	—	—	—	—	—
Short term loans		—	—	—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing		—	—	—	—	—	—	—	—	—	—	—	—
Increase in consumer deposits		78	48	53	43	52	26	28	(56)	(43)	—	—	198
Receipt of non-current debtors		—	—	—	—	—	—	—	—	—	—	—	—
Receipt of non-current receivables		—	—	—	—	—	—	—	—	—	—	—	—
Change in non-current investments		—	—	—	—	—	—	—	—	—	—	—	—
Total Cash Receipts by Source		53,101	52,459	49,203	40,954	35,018	54,252	35,482	32,390	28,274	35,286	35,459	97,607
Cash Payments by Type													
Employee related costs		9,717	9,922	9,950	9,983	10,308	10,113	10,303	10,121	9,889	10,334	9,915	10,426
Remuneration of councillors		774	670	713	715	721	715	718	775	778	1,046	771	739
Interest paid		—	—	620	—	—	84	—	—	514	515	515	3,699
Bulk purchases - Electricity		—	19,426	18,529	11,218	10,640	11,018	10,724	13,253	15,642	16,462	13,861	32,371
Bulk purchases - Water & Sewer		—	—	—	—	—	—	—	—	—	—	—	—
Other materials		—	—	—	—	—	—	—	—	—	—	—	—
Contracted services		1,094	410	1,706	1,016	2,679	960	1,123	738	1,632	847	938	2,384
Grants and subsidies paid - other municipalities		10	189	90	186	38	119	—	—	—	—	—	(632)
Grants and subsidies paid - other		—	—	—	—	—	—	175	—	119	73	73	705
General expenses		8,954	6,012	5,267	6,021	6,315	6,463	4,780	6,676	9,303	10,425	11,276	17,427
Cash Payments by Type		20,548	36,631	36,876	29,139	30,701	29,473	27,823	31,563	37,878	39,702	37,350	67,121
Other Cash Flows/Payments by Type													
Capital assets		12,297	6,429	3,599	2,293	2,583	5,778	2,214	2,996	8,489	9,348	8,272	19,383
Repayment of borrowing		—	—	4,171	—	—	109	—	—	4,262	—	528	139
Other Cash Flows/Payments		21,681	(300)	5,687	89,274	(4,385)	(17,494)	(47,237)	78,727	(64,560)	(18,751)	(14,902)	24,741
Total Cash Payments by Type		54,526	42,759	50,332	120,705	28,900	17,866	(17,200)	113,285	(13,931)	30,299	31,247	111,384
NET INCREASE/(DECREASE) IN CASH HELD		(1,425)	9,700	(1,129)	(79,751)	6,118	36,386	52,682	(80,895)	42,206	4,986	4,213	(13,777)
Cash/cash equivalents at the month/year beginning:		97,040	95,614	105,314	104,185	24,434	30,553	66,938	119,621	38,726	80,932	85,918	90,131
Cash/cash equivalents at the month/year end:		95,614	105,314	104,185	24,434	30,553	66,938	119,621	38,726	80,932	85,918	90,131	76,354

Expenditure on Staff & Councillor Benefits - December 2016

(Report in terms of Section 66 of the MFMA)

MFMA Section	Item Description	Original Budget 2016/2017	Amended Budget 2016/2017	Year to Date Total	% Spent to date
Staff Benefits					
66(a)	Salaries and Wages	93,274,153	90,975,663	85,937,573	94.46%
66(b)	Contributions to pension funds a	21,391,315	21,201,345	19,099,363	90.09%
66(c)	Travel, accomodation and subsi	5,838,706	5,838,706	4,920,719	84.28%
66(d)	Housing benefits and allowance	5,334,334	5,016,334	1,366,522	27.24%
66(e)	Overtime	7,338,291	7,348,291	8,642,117	117.61%
66(f)	Loans and advances	0	0	0	0.00%
66(g)	Other type of benefit or allowanc	10,488,080	10,556,700	12,624,550	119.59%
	Sub - Total (Staff Benefits)	R 143,664,879	R 140,937,039	R 132,590,843	94.08%
Councillor Benefits					
MAY	Mayor	828,861	783,861	780,041	99.51%
DM	Deputy Mayor	611,755	579,255	578,536	99.88%
SP	Speaker	612,012	579,512	578,776	99.87%
MCM	Mayoral Committee members	2,241,908	2,101,908	2,101,805	100.00%
CLLR	Other Councillors	4,150,361	3,861,361	3,850,408	99.72%
MED	Medical aid contributions	44,740	44,740	54,137	121.00%
PEN	Pension fund contributions	975,395	975,395	835,872	85.70%
WARD	Ward Committee Allowance	720,000	348,000	347,000	99.71%
	Sub - Total (Councillors' Bene	10,185,032	R 9,274,032.00	R 9,126,575.09	98.41%
Total Councillor and Staff Benefits					
		R 153,849,911	R 150,211,071	R 141,717,418	94.35%

Withdrawals from Municipal Bank Accounts
Quarter ending December 2016
Report in terms of section 11(4)(a) of the MFMA, Act no 56 of 2003

MFMA Section	Item Description	Income transactions April 2017	Income transactions May 2017	Income transactions June 2017	Expenditure transactions April 2017	Expenditure transactions May 2017	Expenditure transactions June 2017
11(1) (b)	Expenditure authorised in terms of section 26(4) (Expenditure before annual budget is approved)						
11(1) (c)	Unforeseeable and unavoidable expenditure authorised in terms of section 29(1) (Mayor may approve emergency or other exceptional circumstances expenditure for which no budget provision was made)						
11(1) (d)	Section 12 withdrawals (Relief, charitable, trust or other funds withdrawals)						
11(1) (e) (i)	Money collected on behalf of organ of state:						
	- VAT	3,808,585	3,624,835	3,974,231	3,693,593	4,473,210	4,642,645
	- Agency fees, for example motor registration, drivers licence, etc.	2,068,941	2,952,617	2,317,820	1,464,957	1,727,043	1,644,963
	Insurance received by the Municipality on behalf of organ of state						
11(1) (e) (ii)	Refund of money incorrectly paid into bank account	200	11,408	1,370	-	500	4,067
11(1) (f)	Refund of guarantees, sureties & security deposits	118,702	238,296	171,851	153,013	172,350	125,122
11(1) (g)		5,996,428	6,827,155	6,465,271	5,311,563	6,373,103	6,416,796
11(1) (h)							
		Transactions April 2017	Transactions May 2017	Trasaction for June 2017			
	Cash management and investment purposes:						
	- Realised	23,000,000	24,000,000	10,000,000			
	- Made						
	- Nett movement	23,000,000	24,000,000	10,000,000			

Performance Report

SDBIP 2016/2017: Top Layer SDBIP Report

Ref	KPI	Annual Target	Year-To-Date As At June 2017				
			Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL1	% Expenditure on Maintenance Budget by Technical Directorate	98%	98%	99%	G2		
TL2	% Expenditure on Capital Budget by Technical Directorate	95%	95%	98%	B		
TL3	Percentage compliance with drinking water quality standards.	97%	97%	100%	G2	[D46] Manager: Water: Target achieved (June 2017)	[D46] Manager: Water: None (June 2017)
TL4	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	1%	1%	0%	B	[D139] Manager: Income: No outstanding Connections (June 2017)	
TL5	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	1%	1%	0%	B	[D140] Manager: Income: No outstanding Connections (June 2017)	
TL6	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	1%	1%	0.05%	B	[D141] Manager: Income: Target Achieved (June 2017)	
TL7	Number of outstanding valid applications for refuse collection services expressed as a % of total number of billings for the service.	1%	1%	0%	B	[D142] Manager: Income: Target Achieved (June 2017)	
TL8	Decrease unaccounted water losses.	20%	20%	21%	O	[D45] Manager: Water: Target not achieved. Info used, based on May 2017 STATS. Figures for ODB is questionable as the Sold Values is about 50% the bulk meter readings. (June 2017)	[D45] Manager: Water: Request Finance to do monthly readings of all meters. (June 2017)
TL9	Decrease unaccounted electricity losses.	9%	9%	11.28%	R	[D49] Head: Electrotechnical Services: Not required (May 2017) [D49] Head: Electrotechnical Services: Sales figures for the year were corrected by Finance (Mitch) (June 2017)	[D49] Head: Electrotechnical Services: Not applicable (May 2017) [D49] Head: Electrotechnical Services: To be discussed between Finance and Technical (June 2017)
TL10	Kilometres of roads upgraded & rehabilitated	2	2	12.96	B	[D42] Manager: Roads & Storm water: Target achieved (June 2017)	[D42] Manager: Roads & Storm water: None.... (June 2017)
TL11	Number of subsidised serviced sites developed.	0	0	0	N/A		
TL12	Provide basic services - number of informal areas with sufficient communal water services points (taps).	3	3	3	G	[D47] Manager: Water: Achieved (June 2017)	[D47] Manager: Water: Formalize area (June 2017)
TL13	Provide basic services - number of informal areas with sufficient communal sanitation services points (toilets).	3	3	3	G	[D43] Manager: Sanitation: Target achieved (June 2017)	[D43] Manager: Sanitation: Formalize area (June 2017)
TL14	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area-cleaning service.	3	3	3	G	[D44] Manager: Solid Waste & Cleansing: achieved (June 2017)	

Ref	KPI	Annual Target	Year-To-Date As At June 2017				
			Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL15	Number of subsidised electricity connections installed.	200	200	100	R	[D48] Head: Electrotechnical Services: Not required (May 2017) [D48] Head: Electrotechnical Services: Exceeds above target (June 2017)	[D48] Head: Electrotechnical Services: Not applicable (May 2017) [D48] Head: Electrotechnical Services: None required (June 2017)
TL16	Percentage budget spent on implementation of Workplace Skills Plan.	95%	95%	98.43%	G2	[D116] Manager: Human Resources: Target Achieved (June 2017)	
TL17	Percentage of people from employment equity target groups employed in the three highest levels of management in	75%	75%	72%	O	[D115] Manager: Human Resources: Target not achieved (June 2017)	[D115] Manager: Human Resources: It is not always possible to attract EE candidates. (June 2017)
TL18	Financial viability expressed as Debt-Coverage ratio	16	16	35.40	B	[D137] Manager: Financial Administration: Target Achieved (June 2017)	
TL19	Financial viability expressed as Cost-Coverage ratio	1.60	1.60	2.57	B	[D136] Manager: Financial Administration: Target achieved (June 2017)	
TL20	Financial viability expressed outstanding service debtors	44%	44%	60%	R	[D138] Manager: Financial Administration: Target not Achieved (June 2017)	[D138] Manager: Financial Administration: Increase debt recovery efforts & strict implementation of applicable policies. Ensure implementation of water demand management devices as soon as possible. (June 2017)
TL21	Opinion of the Auditor-General on annual financial statements of the previous year.	1	1	1	G		
TL22	Increased revenue collection	95%	95%	96%	G2	[D125] Manager: Income: Target Achieved (June 2017)	[D125] Manager: Income: Annual Target Achieved (June 2017)
TL23	Percentage of budget spent on maintenance.	98%	98%	98%	G	[D143] Manager: Financial Administration: Target achieved (June 2017)	
TL24	Percentage spend of capital budget.	95%	95%	97%	G2	[D144] Manager: Financial Administration: Target Achieved (June 2017)	
TL25	Number of IDP community meetings held.	14	14	14	G	[D8] Manager: IDP: As per adopted Process Plan (May 2017)	
TL26	Number of meetings with inter-governmental partners.	12	12	12	G	[D85] Director: Community Services: No Target (April 2017) [D85] Director: Community Services: Target achieved. IGR Meetings were held with Sassa/Home Affairs, ISC and Substance Abuse Roleplayers. (June 2017)	[D85] Director: Community Services: No Target (April 2017)

Ref	KPI	Annual Target	Year-To-Date As At June 2017				
			Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL27	Customer satisfaction survey (Score 1-5) - community facilities.	2.50	2.50	2.22	O	[D91] Manager: Amenities & Environment: many projects completed only late June 2017; vandalism of community facilities stays a huge challenge scoring and community perception of effort to maintain facilities may thus be influenced in this regard (June 2017)	[D91] Manager: Amenities & Environment: proceed with maintenance and upgrading of facilities as per budget. community to take ownership of facilities (June 2017)
TL28	% Expenditure on Maintenance Budget by Community Directorate	98%	98%	98.88%	G2	[D93] Director: Community Services: Data wrongly capture. (April 2017)	[D93] Director: Community Services: POE available. (April 2017)
TL29	% Expenditure on Capital Budget by Community Directorate	95%	95%	95%	G		
TL30	Number of account holders subsidised through the municipality's indigent Policy	2750	2750	2521	B	[D82] Manager: Social Development: Target beneficiaries reached (June 2017)	[D82] Manager: Social Development: Not applicable (June 2017)
TL31	The number of jobs created through municipality's local economic development initiatives including capital projects.	390	390	398	G2	[D81] Manager: LED: Over achieved (June 2017)	[D81] Manager: LED: Not applicable (June 2017)
TL32	Number of social development programmes implemented	20	20	22	G2	[D83] Manager: Social Development: Achieved (June 2017) [D84] Manager: Social Development: Achieved (June 2017) [D86] Manager: Social Development: Achieved (June 2017) [D87] Manager: Social Development: Achieved (June 2017) [D88] Manager: Social Development: Achieved (June 2017) [D89] Manager: Social Development: Achieved (June 2017) [D90] Manager: Social Development: Achieved for previous submission (June 2017)	[D83] Manager: Social Development: Not applicable (June 2017) [D84] Manager: Social Development: Not applicable (June 2017) [D86] Manager: Social Development: Not applicable (June 2017) [D87] Manager: Social Development: Provided corrected March report (June 2017) [D88] Manager: Social Development: Provided corrected March 2017 report (June 2017) [D89] Manager: Social Development: Not applicable (June 2017) [D90] Manager: Social Development: Provided corrected reports for March 2017 (June 2017)

Ref	KPI	Annual Target	Year-To-Date As At June 2017						Departmental SDBIP Comments	Departmental Corrective Measures
			Target	Actual	R					
TL32	Number of social development programmes implemented	20	20	22	G2				[D83] Manager: Social Development: Achieved <i>(June 2017)</i> [D84] Manager: Social Development: Achieved <i>(June 2017)</i> [D86] Manager: Social Development: Achieved <i>(June 2017)</i> [D87] Manager: Social Development: Achieved <i>(June 2017)</i> [D88] Manager: Social Development: Achieved <i>(June 2017)</i> [D89] Manager: Social Development: Achieved <i>(June 2017)</i> [D90] Manager: Social Development: Achieved for previous submission <i>(June 2017)</i>	[D83] Manager: Social Development: Not applicable <i>(June 2017)</i> [D84] Manager: Social Development: Not applicable <i>(June 2017)</i> [D86] Manager: Social Development: Not applicable <i>(June 2017)</i> [D87] Manager: Social Development: Provided corrected March report <i>(June 2017)</i> [D88] Manager: Social Development: Provided corrected March 2017 report <i>(June 2017)</i> [D89] Manager: Social Development: Not applicable <i>(June 2017)</i> [D90] Manager: Social Development: Provided corrected reports for March 2017 <i>(June 2017)</i>
TL33	Number of housing opportunities provided per year.	200	200	200	G				[D79] Manager: Human Settlements: 100 houses handed over and 100 practical completed Happy letters for handovers available in Housing Managers Office and letter from Contractor signed off by Building Inspectorate to certify completing on file in Managers Office. <i>(June 2017)</i>	[D79] Manager: Human Settlements: None required <i>(June 2017)</i>
TL34	Number of Rental Stock transferred	60	60	64	G2				[D80] Manager: Human Settlements: Transfers delayed due to various circumstances as indicated in attached letter from attorney <i>(June 2017)</i>	[D80] Manager: Human Settlements: Attorney needs to expedite the process <i>(June 2017)</i>
TL35	Revisit Municipal Land Audit and draw up an implementation plan. Phase implementation from 14/15 onwards.	1	1	1	G				[D14] Manager: Property: Please see attached document. <i>(June 2017)</i>	
TL36	Compile & Implementation of LED Strategy	1	1	1	G				[D58] Manager: LED: Achieved <i>(June 2017)</i>	[D58] Manager: LED: Not applicable <i>(June 2017)</i>

The performance report is subject to verification and audit.

Municipal Manager's quality certification

Quality Certificate

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

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature:

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

Date

27 July 2017

WITZENBERG

MUNISIPALITEIT

UMASIPALA

MUNICIPALITY

- MEMORANDUM -

AAN / TO: Municipal Manager

VAN / FROM: Director: Finance

DATUM / DATE: 16 August 2017

VERW. / REF.: 05/01/1/16

2017/2018 ADJUSTMENT BUDGET FOR CONSIDERATION

1. PURPOSE

The purpose of this report is to:

- Document the 2017/2018 adjustment budget for consideration to the Municipal Manager and Executive Mayor.
- Provide the background information regarding the consideration and approval of the budget.

2. LEGAL FRAMEWORK

Chapter 4 of the MFMA provides the legal framework for municipal budgets. Section 28 deals with adjustment budgets and is quoted below:

“28. Municipal adjustments budgets.

(1) A municipality may revise an approved annual budget through an adjustments budget.

(2) An adjustments budget—

- (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
- (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- (c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- (d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
- (e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;



- (f) may correct any errors in the annual budget; and
- (g) may provide for any other expenditure within a prescribed framework.
- (3) An adjustments budget must be in a prescribed form.
- (4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2) (b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.
- (5) When an adjustments budget is tabled, it must be accompanied by—
 - (a) an explanation how the adjustments budget affects the annual budget;
 - (b) a motivation of any material changes to the annual budget;
 - (c) an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years; and
 - (d) any other supporting documentation that may be prescribed.
- (6) Municipal tax and tariffs may not be increased during a financial year.
- (7) Sections 22 (b), 23 (3) and 24 (3) apply in respect of an adjustments budget, and in such application a reference in those sections to an annual budget must be read as a reference to an adjustments budget.”

Section 23 of the Local Government: Municipal Finance Management Act: Municipal Budget and Reporting Regulations, regulates municipal adjustment budgets and is quoted below:

“Timeframes for tabling of adjustments budgets

23. (1) An adjustment budget referred to in Section 28(2)(b),(d) and (f) of the act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.
- (2) Only one adjustment budget referred to in sub regulation (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in section 28(2)(b) of the Act are allocations to a municipality in a national or provincial adjustments budget, in which case sub regulation (3) applies.
- (3) If a national or provincial adjustments budgets allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.
- (4) An adjustments budgets referred to in section 28(2)(c) of the Act must be tabled in the municipal council at the first available opportunity after the unforeseeable and unavoidable expenditure contemplated in that section was incurred and within the time period set in section 29(3) of the Act.
- (5) An adjustment budget referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, **and must be approved by the municipal council by 25 August** of the financial year following the financial year to which the roll-overs relate.
- (6) An adjustment budget contemplated in section 28(2)(g) of the Act may only authorise unauthorised expenditure as anticipated by section 32(2)(a)(i) of the Act, and must be –
- a) dealt with as part of the adjustment budget contemplated in sub regulation (1); and

- b) a special adjustment budget tabled in the municipal council when the mayor tables the annual report in terms of section 127(2) of the Act, which may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the Act.”

2 Progress to date:

The Budget for 2017/2018 was approved by Council on 30 May 2017.

3. DISCUSSION

Council's approval for the roll-over of the following items is requested, in terms of section 28 (2) (e).

Item number	Description	Amount	Reason
522000091	Test Centre	R 17 750	The tenders for the Test Centre for driver's license purposes was re-advertise as no responsive tenders were received.
522200031 521100151	Op-Die-Berg Hall	R 7 939	Completion of project
12184308	Grant Belgium - Federal Gov.	R 529 918	The planned budget for the execution of the Essen program has been increased by Essen
12303801	Grant Thusong Centre	R 95 519	Repairs to building
14144563	Skoonvlei Upgrading of Road and Storm water Phase 2 & 3 Consulting fees; Geo-tech and Survey	R 1 300 000	Grant received from DRDLR during 2017/18 financial year on which we must provide the professional fees expenditure.
541900311	Drought Relief - Boreholes at Tulbagh	R 462 350	Funding only received during last quarter of 2016 17. Project started but not completed yet. This is emergency drought funding.
11024464	Insurance Claims Expenses	R 141 804	Funds received in respect of insurance claims: <ul style="list-style-type: none"> • Hope Centrum • Generator
521900151	Morisdale Park Equipment	R 90 000	Grant received from district municipality.
541900321	Bore Holes Morisdale Park	R 210 000	Grant received from district municipality.
12043801	Repairs and Maintenance: Library	R 424 353	Prolonged investigations with regards to structural repairs

Council's approval for inclusion of the following allocations and relevant expenditure are requested, in terms of section 28 (2) (b).

Description	Original Budget	Adjusted Budget	Reason
Ceres Vredebes New Bulk Sanitation	R 976 028	R 3 037 206	New allocation received
Ceres: Vredebes New Bulk Water	R 1 655 551	R 3 980 337	New allocation received
20170609045418 20170609045442	R 14,631,579	R 19,631,579	Recognition of Grant

4. RECOMMENDATION

- a) That the adjustment budget of Witzenberg Municipality for the financial year 2017/2018 as set out in the budget documents be approved:
- i. Table B1 - Budget summary;
 - ii. Table B2 Adjustments Budget Financial Performance (by standard classification);
 - iii. Table B3 – Budgeted Financial performance (Revenue and Expenditure) by Vote;
 - iv. Table B4 Adjustments Budget Financial Performance (revenue by source); and
 - v. Table B5 – Budgeted Capital Expenditure by Vote, standard classification and funding.

Yours faithfully

H J KRITZINGER
DIRECTOR: FINANCE



Medium Term Revenue and Expenditure Framework

Adjustments Budget
2017/18 to 2019/20

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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
Allocations – Money received from Provincial or National Government or other municipalities.
AFS – Annual Financial Statements.
Budget – The financial plan of the Municipality.
Budget Related Policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.
Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's Statement of Financial Performance.
Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.
CFO – Chief Financial Officer
DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.
IDP – Integrated Development Plan. The main strategic planning document of the Municipality
KPI's – Key Performance Indicators. Measures of service output and/or outcome.
MFMA – The Municipal Finance Management Act – No. 53 of 2003. The principle piece of legislation relating to municipal financial management.
MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous three years and current years' financial position.
NT – National Treasury
Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.
Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.
Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
R&M – Repairs and maintenance on property, plant and equipment.

SCM – Supply Chain Management.
SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
Unauthorised expenditure – Generally, expenditure without, or in excess of, an approved budget.
Virement – A transfer of budget.
Virement Policy – The policy that sets out the rules for budget transfers.
<p>Vote – One of the main segments into which a budget is divided. In Witzenberg Municipality the following votes and responsible senior manager was approved:</p> <ul style="list-style-type: none"> • Budget & Treasury Office – Director: Financial services • Civil Services - Director: Technical services • Community & Social Services – Director: Community services • Corporate Services – Director: Corporate services • Electro Technical Services - Director: Technical services • Executive & Council – Municipal Manager • Housing– Director: Community services • Planning - Director: Technical services • Public Safety– Director: Community services • Sport & Recreation– Director: Community services

PART 1 – ADJUSTMENTS BUDGET

Section 1 – Mayor’s Report

Introduction

The adjustment budget seeks to rectify issues identified in the mid-year assessment of the financial results as well as the inclusion of additional allocations. It is drafted in terms of section 28 of the MFMA and seeks to adhere to the stipulations of specifically section 28(2) of the MFMA.

1.1 Reasons for the adjustments budget

The reason for the tabling of an adjustment budget is fully disclosed in the executive summary of this report. A brief summary of the reasons in terms of Section 28 of the MFMA are discussed below:

1.1.1 *New allocations of cash backed accumulated funds;*

No requests for new allocations of cash backed accumulated funds.

1.1.2 *Multi-year funds shifting in relation to the capital programme;*

Please refer to supporting table SB19 for details of material adjustments to the capital budget.

1.1.3 *Unforeseen and unavoidable expenditure;*

No unforeseen and unavoidable expenditure as in terms of section 29 of the MFMA was included.

1.1.4 *Allocations and grant adjustments;*

This whilst the following grants were adjusted upwards:

- Department of Housing: R 5 000 000

1.1.5 *Transfer of funds between expenditure items.*

No transfer of funds between expenditure items

1.2 Any other information considered relevant by the mayor

None

Section 2 – Resolutions

ADJUSTMENTS MTREF 2017/2018

The resolutions tabled at Council for consideration with approval of the adjustments budget will be:

RECOMMENDATION:

- a) That the adjustment budget of Witzenberg Municipality for the financial year 2017/2018 as set out in the budget documents for be approved:
 - i. Table B1 - Budget summary;
 - ii. Table B2 Adjustments Budget Financial Performance (by standard classification);
 - iii. Table B3 – Budgeted Financial performance (Revenue and Expenditure) by Vote;
 - iv. Table B4 Adjustments Budget Financial Performance (revenue by source); and
 - v. Table B5 – Budgeted Capital Expenditure by Vote, standard classification and funding.
- (b) That the monthly and quarterly financial targets of the service delivery and budget implementation plan be adjusted to correspond with the approved adjustments budget figures.

Section 3 – Executive Summary

3.1 Introduction

Adjustments to both the operating and capital budget are required to make provision for adjustments in expected expenditure and to roll over certain capital projects to the following financial year.

Operational budget

The operational budget has been adjusted to include the recognition of additional capital grants in respect of projects.

The expenditure operating budget has been adjusted with R 2,491,594.

The income operating budget including capital grants has been adjusted upwards with R 5 million.

Capital budget

The capital budget has been adjusted upwards with R 5,174,003.

3.2 Provision of basic services

The provision of basic services will be improved by the approval of the adjustment budget.

3.3 Effect of the adjustments budget

3.3.1 *Service delivery and budget implementation plan*

Except for the adjustment of the monthly revenue and expenditure targets the effect to the SDBIP's are zero. No non-financial performance targets have been adjusted.

3.3.2 *Service delivery agreements*

Tenders already approved in the previous financial year will be able to be completed by the approval of the adjustments budget.

3.3.3 *Medium term revenue and expenditure framework*

Except for the depreciation charges of the additional capital expenditure the effect to the outer years is minimal.

3.3.4 *Long term financial sustainability*

The approval of the adjustment budget will have no effect on the long term financial sustainability of the municipality.

3.4 Adjustment highlights

The adjustments budget seeks to comply with section 28 of the MFMA. Therefore all adjustments are discussed according to the sub-sections of Section 28(2) of the MFMA.

3.4.1 **Correction of expenditure.**

None

3.4.2 Appropriation of additional revenues

Transfers recognised – capital

Description	Original Budget	Adjusted Budget	Reason
Ceres Vredebes New Bulk Sanitation	R 976 028	R 3 037 206	New allocation received
Ceres: Vredebes New Bulk Water	R 1 655 551	R 3 980 337	New allocation received
20170609045418 20170609045442	R 14,631,579	R 19,631,579	Recognition of Grant

3.4.3 Authorisation of unforeseen and unavoidable expenditure

None

3.4.4 Utilisation of project savings between votes

None

3.4.5 Correction of errors in annual budget

None

3.4.6 Roll-over of unspent funds

The following funds unspent is roll over from the 2016/2017 to 2017/2018 financial year

Item number	Description	Amount	Reason
522000091	Test Centre	R 17 750	The tenders for the Test Centre for driver's license purposes was re-advertise as no responsive tenders were received.
522200031 521100151	Op-Die-Berg Hall	R 7 939	Completion of project
12184308	Grant Belgium - Federal Gov.	R 529 918	The planned budget for the execution of the Essen program has been increased by Essen
12303801	Grant Thusong Centre	R 95 519	Repairs to building
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541900321	Bore Holes Morisdale Park	R 210 000	Grant received from district municipality.
12043801	Repairs and Maintenance: Library	R 424 353	Prolonged investigations with regards to structural repairs

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Adjustments to budget assumptions

Revenue

There are no changes to the budget assumptions for operating revenue.

Expenditure

There are no changes to the budget assumptions for operating expenditure.

Section 6 – Adjustments to budget funding

6.1 Summary of the impact of the adjustments budget

6.1.1 *Funding of operating and capital expenditure*

The increase in grant funding is R 5 000 000.

6.1.2 *Financial plans*

No amendments.

6.1.2 *Reserves*

The only reserve that is cash backed at this stage is the capital replacement reserve.

6.1.3 *Financial sustainability of the municipality*

The financial sustainability of the municipality is under pressure due to unfunded provisions and employee benefits.

These provisions include the following:

- Landfill site rehabilitation;
- Post-retirement health care benefits;
- Staff long service awards;
- Ex gratia pensions; and
- Staff leave.

6.2 Expenditure funded in accordance with MFMA section 18

No additional new loans included in the budget.

6.3 Adjustments to collection levels estimated

None

6.4 Adjustments to the monetary investments

No major adjustments.

6.5 Adjustments to contributions and donations in cash or in-kind

None

6.6 Adjustments related to proceeds from the sale of assets

None

6.7 Adjustments related to proceeds from the lease of assets, where the period of the lease is three years or more;

None

6.8 Adjustments related to the planned use of previous years' cash backed accumulated surplus

None

6.9 Adjustments related to new proposed loans to be raised in the budget year

None

Section 7 – Adjustments to expenditure on allocations and grant programmes

Disclosure on expenditure on allocations and grant programmes is included in supporting table SB7.

Section 8 – Adjustments to allocations or grants made by the municipality

None

The revenue foregone over the MTREF is included in Table B10.

Section 9 – Adjustments to councillors and board members allowances and employee benefits

None.

Section 10 – Adjustments to service delivery and budget implementation plan

10.1 Quarterly service delivery targets and performance indicators in the SDBIP

No adjustments were made to any non-financial indicators.

10.2 Key financial indicators

No adjustments were made to the key financial indicators.

10.3 Monthly targets for revenue, expenditure and cash flow

No major adjustments

Section 11 Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the budget and supporting documentations are consistent with the Integrated Development Plan of the municipality.

Print name **Mr D NASSON**

Municipal Manager of Witzenberg Municipality

Signature _____

Date 17 August 2017