

Summarised Outcome: Municipal Budget and Benchmarking Engagement - 2011/12 Budget vs Original Budget 2010/11

| | MP301 Albert Luthuli (M) | MP302 Msukaligwa (L) | MP303 Mkhondo (L) | MP304 Pixley Ka Seme (MP) (M) | MP305 Lekwa (L) | MP306 Dipaleseng (L) | MP307 Govan Mbeki (H) | DC30 Gert Sibande (M) | MP311 Victor Khanye (M) | MP312 Emalahleni (Mp) (H) | MP313 Steve Tshwete (H) | MP314 Emakhazeni (L) | MP315 Thembisile Hani (L) | MP316 Dr J.S. Moroka (L) | DC31 Nkangala (H) | MP321 Thaba Chweu (L) | MP322 Mbombela (H) |
|--|--------------------------------|----------------------------|----------------------|-------------------------------------|--------------------|-------------------------|-----------------------------|-----------------------------|-------------------------------|---------------------------------|-------------------------------|----------------------------|---------------------------------|--------------------------------|----------------------|-----------------------------|-----------------------|
| R thousands | | | | | | | | | | | | | | | | | |
| Total Operating Revenue¹ | 222 471 | 344 676 | 223 502 | – | 378 441 | 71 563 | 1 031 084 | 300 226 | 218 830 | – | 851 781 | 161 639 | – | 299 876 | 325 207 | 276 668 | 1 320 401 |
| Total Operating Expenditure | 222 471 | 396 570 | 291 014 | – | 359 988 | 73 577 | 1 136 587 | 285 361 | 247 785 | – | 917 619 | 161 639 | – | 402 176 | 612 461 | 274 537 | 1 587 769 |
| Operating Performance Surplus / (Deficit) | – | -51 894 | -67 513 | – | 18 453 | -2 014 | -105 503 | 14 865 | -28 955 | – | -65 838 | – | – | -102 300 | -287 254 | 2 131 | -267 368 |
| Cash and Cash Equivalents at the Year End | -58 | 12 947 | – | 21 586 | 10 586 | -514 | 1 075 386 | 30 075 | 38 | – | 39 335 | – | – | 9 014 | 224 351 | – | – |
| Net Increase / (Decrease) in Cash held for the Year | -58 | 12 915 | – | 21 586 | 10 586 | -514 | 1 075 386 | -6 302 | 38 | – | 24 393 | – | – | – | -319 559 | – | – |
| Cash Backing / Surplus (Deficit) Reconciliation | – | – | -178 469 | -38 279 | 15 967 | -4 969 | – | 8 122 | 18 212 | -223 907 | 188 562 | -42 602 | – | 121 625 | 213 656 | – | 10 912 |
| Cash Coverage Ratio | – | 1 | – | – | 0 | -0 | 14 | 2 | – | – | 1 | – | – | 1 | 5 | – | – |
| STATEMENT OF OPERATING PERFORMANCE | | | | | | | | | | | | | | | | | |
| Revenue | | | | | | | | | | | | | | | | | |
| % Increase in Total Operating Revenue | 0.0% | 8.9% | 7.8% | (100.0%) | 12.4% | (15.8%) | 9.0% | 4.7% | 17.6% | (100.0%) | 19.7% | 25.8% | (100.0%) | 9.8% | 6.5% | 28.0% | 18.2% |
| % Increase in Property Rates Revenue | 0.0% | 9.5% | 0.0% | (100.0%) | 10.3% | 109.6% | 34.5% | 0.0% | 14.8% | (100.0%) | 19.5% | (2.8%) | 0.0% | 10.8% | 0.0% | 367.0% | 14.5% |
| % Increase in Electricity Revenue | 0.0% | 21.7% | 0.0% | (100.0%) | 61.8% | 52.1% | 22.1% | 0.0% | 36.3% | (100.0%) | 24.9% | 29.0% | 0.0% | (100.0%) | 0.0% | 3.8% | 18.0% |
| % Increase in Water Revenue | 0.0% | 8.2% | 0.0% | 0.0% | 8.5% | 19.2% | 12.8% | 0.0% | 124.1% | (100.0%) | 14.2% | 16.5% | (100.0%) | 56.7% | 0.0% | 40.0% | 0.0% |
| % Increase in Property Rates & Service Charges | 0.0% | 13.7% | 446.2% | (100.0%) | 37.2% | 53.8% | 24.4% | 0.0% | 54.9% | (100.0%) | 23.6% | 20.8% | (100.0%) | 80.9% | 0.0% | 88.7% | 19.5% |
| Collection Rate Including Other Revenue | 0.0% | 83.6% | 0.0% | 0.0% | 77.6% | 44.8% | 92.2% | 99.5% | 78.1% | 0.0% | 98.9% | 0.0% | 0.0% | 247.5% | 21.7% | (21.8%) | 0.0% |
| Expenditure | | | | | | | | | | | | | | | | | |
| % Increase in Total Operating Expenditure | 0.0% | 12.2% | 27.9% | (100.0%) | 6.9% | (13.4%) | 20.2% | 21.8% | 31.4% | (100.0%) | 11.7% | 25.8% | (100.0%) | 47.3% | (3.9%) | 27.6% | 43.9% |
| % Increase in Employee Costs | 0.0% | 6.4% | (3.8%) | (100.0%) | 22.5% | 25.1% | 6.7% | 10.5% | 82.5% | (100.0%) | 17.5% | 16.6% | (100.0%) | 15.7% | 10.1% | 34.3% | 14.1% |
| % Increase in Electricity Bulk Purchases | 0.0% | 24.4% | 0.0% | 0.0% | 33.0% | 66.3% | (100.0%) | 0.0% | 18.9% | (100.0%) | 24.2% | 26.7% | 0.0% | 0.0% | 0.0% | 6.2% | 14.2% |
| % Increase in Water Bulk Purchases | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 13.0% | 0.0% | 16.7% | (100.0%) | (1.2%) | 0.0% | (100.0%) | 0.0% | 0.0% | 0.0% | 0.0% |
| Provision of Debt Impairment % of Total Billable Revenue | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 11.8% | 0.0% | 0.0% | 17.6% | 0.0% | 0.7% | 2.8% | 0.0% | 0.0% | 0.0% | 7.5% | 7.8% |
| Debt Impairment | – | – | – | – | – | 8 000 | – | – | 31 627 | – | 4 778 | 2 243 | – | – | 127 | 19 622 | 68 318 |
| MANAGEMENT | | | | | | | | | | | | | | | | | |
| Capital Expenditure and Funding | | | | | | | | | | | | | | | | | |
| Total Capital Budget | – | – | 71 703 | – | 44 066 | 32 517 | – | 37 000 | – | – | 208 480 | 13 131 | – | 214 900 | 36 007 | – | 640 400 |
| Internally Funded and Other | – | – | – | – | 5 351 | 1 955 | – | 37 000 | – | – | 67 853 | – | – | 111 749 | 36 007 | – | 267 414 |
| Grant Funding and Other | – | – | 71 703 | – | 38 715 | 29 562 | – | – | – | – | 48 827 | 13 131 | – | 103 151 | – | – | 252 233 |
| Internally Generated Funds % of Non Grant Funding | 0.0% | 0.0% | 0.0% | 0.0% | 100.0% | 66.2% | 0.0% | 100.0% | 0.0% | 0.0% | 42.5% | 0.0% | 0.0% | 100.0% | 100.0% | 0.0% | 68.9% |
| Borrowing % of Non Grant Funding | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 33.8% | 0.0% | 0.0% | 0.0% | 0.0% | 57.5% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 31.1% |
| Grant Funding % of Total Funding | 0.0% | 0.0% | 100.0% | 0.0% | 87.9% | 90.9% | 0.0% | 0.0% | 0.0% | 0.0% | 23.4% | 100.0% | 0.0% | 48.0% | 0.0% | 0.0% | 39.4% |
| Borrowing | | | | | | | | | | | | | | | | | |
| Total Borrowing Liability | – | – | 6 900 | – | 1 665 | – | – | 23 206 | 5 828 | 196 989 | 282 533 | 172 | – | – | 48 313 | – | 164 366 |
| Borrowing for the Financial Year | – | – | – | – | – | 1 000 | – | – | – | – | 91 800 | – | – | – | – | – | 120 754 |
| Cost of Borrowing for the Financial Year | – | – | 1 400 | – | – | – | 257 548 | -4 778 | 4 179 | – | 3 272 | 2 444 | – | – | 800 | 4 533 | 41 467 |
| Total Cost of Debt as a % of Total Borrowing Liability | 0.0% | 0.0% | 20.3% | 0.0% | 0.0% | 0.0% | 0.0% | (20.6%) | 71.7% | 0.0% | 1.2% | 1 420.9% | 0.0% | 0.0% | 1.7% | 0.0% | 25.2% |
| Financing Cost % of Asset Base | 0.0% | 0.0% | 1.7% | 0.0% | 0.0% | 0.0% | 0.0% | (1.3%) | 0.7% | 0.0% | 0.1% | 2.8% | 0.0% | 0.0% | 0.7% | 0.0% | 0.7% |
| Capital Charges to Operating | 0.0% | 0.0% | 0.5% | 0.0% | 0.0% | 0.0% | 22.7% | (1.7%) | 1.7% | 0.0% | 0.4% | 1.5% | 0.0% | 0.0% | 0.1% | 1.7% | 2.6% |
| Borrowing to Asset Ratio | 0.0% | 0.0% | 8.2% | 0.0% | 5.7% | 0.0% | 0.0% | 6.4% | 1.0% | 8.2% | 4.4% | 0.2% | 0.0% | 0.0% | 41.7% | 0.0% | 2.6% |
| Asset Management | | | | | | | | | | | | | | | | | |
| Total Value of PPE | – | – | 84 287 | – | 29 200 | 131 440 | – | 361 967 | 611 412 | 2 414 740 | 6 455 094 | 88 171 | – | 259 161 | 115 860 | – | 6 271 313 |
| Asset Renewal | – | – | – | – | – | – | – | – | – | – | 37 427 | – | – | – | – | – | – |
| Asset Renewal % of Depreciation | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 23.9% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| R&M % of PPE | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.7% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Asset Renewal and R&M as a % of PPE | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 1.3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Depreciation as % of Asset Base | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 1.1% | 0.0% | 3.3% | 0.0% | 0.0% | 2.4% | 0.0% | 0.0% | 0.0% | 5.0% | 0.0% | 5.6% |
| Repairs & Maintenance | – | – | – | – | – | – | – | – | – | – | 47 246 | – | – | – | – | – | – |
| SOCIAL PACKAGE | | | | | | | | | | | | | | | | | |
| Total Number of Households | 58 | – | – | – | – | – | – | – | 15 | – | 37 | – | – | – | – | – | 206 |
| Number of Households receiving Free Basic Services | | | | | | | | | | | | | | | | | |
| Water (6 kilolitres per household per month) | – | – | – | 12 | – | 7 | – | – | 15 | – | 32 | 12 | – | – | – | – | 9 |
| Sanitation (free minimum level service) | – | – | – | – | – | 3 | – | – | 3 | – | 16 | 12 | – | – | – | – | 9 |
| Electricity/Other energy (50kwh per household per month) | – | – | – | 5 | – | 1 | – | – | 15 | – | 10 | 12 | – | – | – | – | 9 |
| Refuse(removed at least once a week) | – | – | – | – | – | 6 | – | – | 15 | – | 16 | 12 | – | – | – | – | 2 |
| Highest level of free service provided | | | | | | | | | | | | | | | | | |
| Water (kilolitres per household per month) | 6 | – | 6 | – | – | – | – | – | 6 | – | 10 | – | – | – | – | – | 6 000 |
| Electricity (kwh per household per month) | 50 | – | 50 | – | – | – | – | – | 50 | – | 50 | 30 | – | – | – | – | 50 |
| Cost of Free Basic Services provided | 6 699 | – | – | 6 744 | – | – | – | – | 27 827 | – | 19 988 | – | 79 000 | – | – | – | 43 992 |
| Revenue Cost of free services provided | – | – | 21 990 | 6 744 | – | – | – | – | 31 421 | – | 38 403 | 13 208 | 250 | – | – | – | 125 996 |
| Local Government Equitable Share | 141 281 | 93 142 | 88 732 | 74 975 | 69 959 | 39 319 | 171 429 | 246 282 | 45 078 | 163 854 | 77 312 | 31 562 | 196 665 | 205 518 | 291 974 | 66 696 | 282 081 |
| MTREF Funded ✓ / Unfunded ✗ | ✓ | ✓ | x | x | ✓ | x | ✓ | ✓ | ✓ | x | ✓ | x | x | ✓ | ✓ | ✓ | ✓ |

Source: National Treasury Local Government Database

¹Total revenue excludes internal charges

Summarised Outcome: Municipal Budget and Benchmarking Engagement - 2011/12 Budget vs Original Budget 2010/11

| | MP323 Umjindi (M) | MP324 Nkomazi (M) | MP325 Bushbuckridge (L) | DC32 Ehlanzeni (H) |
|--|----------------------|----------------------|-------------------------------|-----------------------|
| R thousands | | | | |
| Total Operating Revenue¹ | – | 376 114 | 918 | 176 572 |
| Total Operating Expenditure | – | 377 258 | 646 | 160 072 |
| Operating Performance Surplus / (Deficit) | – | -1 145 | 272 | 16 500 |
| Cash and Cash Equivalents at the Year End | – | 142 218 | 624 492 | – |
| Net Increase / (Decrease) in Cash held for the Year | – | 132 218 | 624 492 | – |
| Cash Backing / Surplus (Deficit) Reconciliation | – | 20 631 | -352 739 | 1 740 |
| Cash Coverage Ratio | – | 5 | 19 185 | – |
| STATEMENT OF OPERATING PERFORMANCE | | | | |
| Revenue | | | | |
| % Increase in Total Operating Revenue | (100.0%) | 10.5% | (99.8%) | (8.4%) |
| % Increase in Property Rates Revenue | (100.0%) | 3.2% | (99.7%) | (100.0%) |
| % Increase in Electricity Revenue | (100.0%) | 21.1% | 0.0% | 0.0% |
| % Increase in Water Revenue | (100.0%) | 11.8% | 0.0% | 0.0% |
| % Increase in Property Rates & Service Charges | (100.0%) | 22.0% | (99.8%) | (100.0%) |
| Collection Rate Including Other Revenue | 0.0% | 74.0% | 101 911.2% | 0.0% |
| Expenditure | | | | |
| % Increase in Total Operating Expenditure | (100.0%) | 10.6% | (99.9%) | 30.6% |
| % Increase in Employee Costs | (100.0%) | 15.4% | (99.9%) | 1.2% |
| % Increase in Electricity Bulk Purchases | (100.0%) | 20.3% | 0.0% | 0.0% |
| % Increase in Water Bulk Purchases | 0.0% | 6.2% | (99.9%) | 0.0% |
| Provision of Debt Impairment % of Total Billable Revenue | 0.0% | 1.1% | 19.5% | 0.0% |
| Debt Impairment | – | 1 200 | 56 | – |
| MANAGEMENT | | | | |
| Capital Expenditure and Funding | | | | |
| Total Capital Budget | – | – | 681 | 16 500 |
| Internally Funded and Other | – | – | – | 16 500 |
| Grant Funding and Other | – | – | 681 | – |
| Internally Generated Funds % of Non Grant Funding | 0.0% | 0.0% | 0.0% | 100.0% |
| Borrowing % of Non Grant Funding | 0.0% | 0.0% | 0.0% | 0.0% |
| Grant Funding % of Total Funding | 0.0% | 0.0% | 100.0% | 0.0% |
| Borrowing | | | | |
| Total Borrowing Liability | – | 1 911 | – | 202 992 |
| Borrowing for the Financial Year | – | – | – | – |
| Cost of Borrowing for the Financial Year | – | 199 | – | 32 161 |
| Total Cost of Debt as a % of Total Borrowing Liability | 0.0% | 10.4% | 0.0% | 15.8% |
| Financing Cost % of Asset Base | 0.0% | 0.0% | 0.0% | 10.9% |
| Capital Charges to Operating | 0.0% | 0.1% | 0.0% | 20.1% |
| Borrowing to Asset Ratio | 0.0% | 0.2% | 0.0% | 68.8% |
| Asset Management | | | | |
| Total Value of PPE | – | 1 014 434 | – | 294 978 |
| Asset Renewal | – | – | – | – |
| Asset Renewal % of Depreciation | 0.0% | 0.0% | 0.0% | 0.0% |
| R&M % of PPE | 0.0% | 0.0% | 0.0% | 0.0% |
| Asset Renewal and R&M as a % of PPE | 0.0% | 0.0% | 0.0% | 0.0% |
| Depreciation as % of Asset Base | 0.0% | 0.7% | 0.0% | 0.0% |
| Repairs & Maintenance | – | – | – | – |
| SOCIAL PACKAGE | | | | |
| Total Number of Households | – | 338 | – | – |
| Number of Households receiving Free Basic Services | | | | |
| Water (6 kilolitres per household per month) | 6 | – | – | – |
| Sanitation (free minimum level service) | 2 | – | – | – |
| Electricity/Other energy (50kwh per household per month) | 8 | – | – | – |
| Refuse(removed at least once a week) | 2 | – | – | – |
| Highest level of free service provided | | | | |
| Water (kilolitres per household per month) | 6 | – | – | – |
| Electricity (kwh per household per month) | 50 | – | – | – |
| Cost of Free Basic Services provided | 6 897 | – | – | – |
| Revenue Cost of free services provided | 10 122 | – | – | – |
| Local Government Equitable Share | 43 164 | 234 566 | 398 491 | 170 414 |
| MTREF Funded ✓ / Unfunded ✘ | x | ✓ | x | ✓ |

Source: National Treasury Local Government Database

¹Total revenue excludes internal charges