

## REPORT TO PARLIAMENT

Over- and underspending of municipalities as at 30 June 2015

SEPTEMBER 2015

### PURPOSE:

1. To inform Parliament of municipalities' financial performance in relation to over- and underspending of budgets for the 2014/15 municipal financial year ended 30 June 2015;
2. To highlight the trends in spending with respect to operating and capital budgets for the 2014/15 municipal financial year; and
3. To highlight the trends in revenue with respect to over- and under collection for the 2014/15 municipal financial year.

### BACKGROUND:

4. Municipalities are responsible for delivering basic services with the funds they control that impact directly on the well-being of people, households and businesses. The local economy, and by extension the national economy, suffers when municipal services fail. Sound financial management practices are essential to the long-term sustainability of municipalities.
5. The National and respective provincial treasuries are, inter alia, responsible for the supervision over local government finance management to ensure that municipalities manage their own affairs, exercise their powers and perform their functions. The oversight and support responsibility of 261 municipalities have been delegated to the Provincial Treasuries, while National Treasury is responsible for 17 non-delegated municipalities, which include the eight metropolitan councils, eight secondary cities and one district council.
6. To perform this oversight role, budgets, financial (i.e. actual revenues and expenditure), compliance with the conditions of the Division of Revenue Act (DoRA), the financial position and cash flows of municipalities must be monitored continuously.
7. The introduction of the Municipal Finance Management Act (MFMA) in 2003 laid the foundation for the municipal financial management reforms. The key objectives of the local government reforms are:
  - Strengthening the local government budgeting and financial management practices across the entire local government accountability cycle;
  - Ensuring that municipal budgets and financial management processes are transparent, aligned to the accountability cycle and facilitate democratic governance accountable to local communities;
  - Ensuring municipal budgets generally support the provision of basic services to communities, facilitate social and economic development and promote a safe and healthy environment in a manner that is sustainable; and
  - Ensuring that budget and financial information is reliable and timely, and consistent across municipalities, and that municipalities, provinces and national

government use it in management, resources allocation and policy decision-making processes.

8. Prior to 2003, the system of local government finance was categorised by one-year line item budgeting practices that was not supported by strategic planning and did not align to budget priorities over the medium term. Regular and accurate reporting was absent, annual reports were not published and annual financial statements were not submitted for audit on time or at all.
9. The enactment of the MFMA enabled National Treasury to develop and implement local government budgeting and reporting systems. Budget and reporting formats were standardised in 2009 with the promulgation of the Municipal Budget and Reporting Regulations (MBRR) which resulted in significant improvements in budgeting and in-year financial reporting by municipalities. Two formal annual engagements have been institutionalised with the 17 non-delegated municipalities (these are the municipalities that National Treasury is directly responsible for the monitoring and oversight), namely the Municipal Budget and Benchmark Engagements and the Mid-year performance review. The objective of the first engagement is to independently assess the municipal budget from all dimensions to determine the credibility, relevance and sustainability. The objective of the second engagement is to assess the implementation of the budget at mid-year; importantly the outcome of both these engagements including recommendations is made available to the municipalities in the form of a formal report.
10. A funding compliance methodology was also developed to assess whether municipal budgets are funded in accordance with Section 18 of MFMA. The methodology provided an assessment tool that is applied across all municipalities.
11. While significant progress has been made to date with regard to the adoption of funded budgets by non-delegated municipalities since the introduction of the funding compliance methodology (only the City of Tshwane's budget was not funded in 2015/16), a number of adopted budgets of delegated municipalities were not funded over the 2015/16 MTREF. Consequently, it was resolved at the Budget Council meeting of 22 May 2015 that Provincial Treasuries should not condone unfunded municipal budgets for the 2015/16 MTREF and that those delegated municipalities with unfunded budgets were required to redo their budgets until it is funded. As a result only 82 municipal budgets for the 2015/16 MTREF were unfunded, compared to 103 in 2013/14 and 84 in 2014/15.
12. It must also be noted that the local government reporting system provides for an 'early warning system' for councils to improve municipal performance. The aim of an early warning system for local government is to provide government with timely information on the state of municipalities' finances that highlights possible areas of risk so that such risks can be investigated and mitigated before they give rise to serious problems. The routine publication of budget and in-year financial performance information for local government has also escalated the performance of local government into the public domain.

## **DISCUSSION:**

13. The National Treasury publish quarterly financial information in terms of sections 71 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and 30(3) of the Division of Revenue Act, 2014 (Act No. 10 of 2014). The financial results for the fourth quarter of the 2014/15 municipal financial year were published by the National Treasury on 26 August 2015 and informed the analysis of the over- and under

expenditure by municipalities discussed in this report. It must be noted that this financial information is preliminary in the sense that it has not been audited by the Auditor-General as the time of submission to the local government database.

14. The financial performance at 30 June 2015, as it related to the over- and under expenditure of budgets from a provincial perspective, is discussed below:

### **Expenditure Performance: Total Budget**

15. For the financial year ended 2014/15, total aggregate underspending amounted to R43.5 billion (table 1 below). Taking into account that the aggregate overspending for the same period was R1.9 billion, net underspending of the total municipal budget amounted to R41.6 billion. The 2012/13 and the 2013/14 outcome reflected the net underspending of R35.2 billion and R33.8 billion respectively. This indicates that the municipalities' ability to spend against their adjusted budgets has deteriorated by 14.0 per cent from 2013/14 and that the increases in their underfunded budgets during the adjustment process were based on over optimistic revenue projections.

**Table 1: Over and under spending of total budgets for the 4th quarter ended 30 June 2015 (Preliminary results)**

Rthousands	Original Budget	Adjusted Budget	Year to date: 30 June 2015	(Over)	Under	(Over) spending as % of adjusted budget	Under spending as % of adjusted budget
Eastern Cape	31 944 890	33 666 548	28 494 237	(674 921)	5 847 232	2.0%	17.4%
Free State	17 816 741	17 897 577	14 281 424	(75 980)	3 692 133	0.4%	20.6%
Gauteng	119 421 157	123 314 471	114 531 857	(163 437)	8 946 051	0.1%	7.3%
Kwazulu-Natal	59 559 851	61 117 796	56 444 715	(465 104)	5 138 184	0.8%	8.4%
Limpopo	17 720 376	18 679 327	13 344 966	(4 064)	5 338 425	0.0%	28.6%
Mpumalanga	16 592 424	16 460 527	13 207 564	(230 552)	3 483 515	1.4%	21.2%
North West	16 597 003	17 288 251	14 710 116	(281 888)	2 860 023	1.6%	16.5%
Northern Cape	7 068 202	7 134 324	5 733 171	(17 640)	1 418 793	0.2%	19.9%
Western Cape	50 127 770	51 772 856	45 014 579	(988)	6 759 265	0.0%	13.1%
<b>Total National</b>	<b>336 848 414</b>	<b>347 331 676</b>	<b>305 762 629</b>	<b>(1 914 574)</b>	<b>43 483 621</b>	<b>0.6%</b>	<b>12.5%</b>
			<b>Net</b>	<b>41 569 047</b>			

Source: National Treasury/Local Government database

16. Eight of the nine provinces reported an increase in their total budgets during the mid-year adjustments budget process. Mpumalanga is the only province that reduced its budget slightly by 0.8 per cent. The overall budgetary increase of all provinces is reported at 3.1 per cent. This is marginally high when compared to the 2.7 per cent increase recorded for the 2013/14 financial year.
17. In 2014/15, the largest increase in the total adjusted budget was reported for Limpopo and Eastern Cape provinces, amounting to an increase of 5.4 per cent respectively. For Limpopo province, the increase can be almost solely attributed to Greater Tzaneen which reported an increase of 100 per cent (The municipality did not upload their 2014/15 adopted budget figures on the local government database; hence the significant increase in budget during the adjustments process).
18. A comparison of 2013/14 and 2014/15 indicate that the total municipal spending performance shows a slight deterioration. The aggregate spending performance is marginally reduced by 1.3 per cent as compared to the performance in the 2013/14 financial year. From table 1 above it is clear that Gauteng and KwaZulu-Natal have performed better than other provinces in terms of underspending their budget. The Western Cape, North West, Eastern Cape, Gauteng, KwaZulu-Natal, Free State and the Northern Cape provinces reported increases in underspending. The total underspending has increased by 14.0 per cent. Limpopo and Eastern Cape have drastically decreased their overspending. However, the aggregate over spending for

all municipalities' during the financial year under review has decreased by 55.8 per cent.

19. Table 2 below shows the number of municipalities that have over- or under spent on their total adjustments budgets for 2014/15:

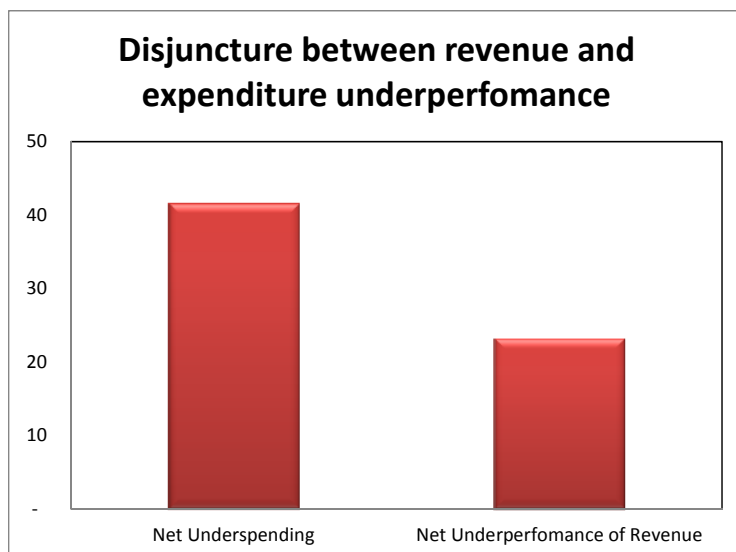
**Table 2: Over and underspending of total budgets as at 30 June 2015**

	(Over)			Target		Under			Insufficient information
	More than -15%	Between -15 and -10%	Between -5 and -10%	Between 0 and -5%	Between 0 and 5%	Between 5 and 10%	Between 15 and 10%	more than 15%	
<b>Summary</b>									
Eastern Cape	3	0	0	0	0	5	6	31	0
Free State	1	0	0	1	2	2	3	15	0
Gauteng	0	0	0	1	2	1	3	5	0
Kwazulu-Natal	2	2	0	3	4	6	13	31	0
Limpopo	0	0	0	2	1	1	2	24	0
Mpumalanga	1	0	0	1	0	0	3	16	0
North West	1	0	0	0	3	4	4	11	0
Northern Cape	0	0	1	0	1	3	5	22	0
Western Cape	0	0	0	1	4	3	5	17	0
<b>Total</b>	<b>8</b>	<b>2</b>	<b>1</b>	<b>9</b>	<b>17</b>	<b>25</b>	<b>44</b>	<b>172</b>	<b>0</b>

Source: National Treasury Local Government Database

- a. 26 municipalities' expenditure performance is within the 5 per cent range of the adjusted total budgets. This is an improvement when comparing to the 22 municipalities achieving the same target range in the 2013/14 financial year;
  - b. 11 municipalities overspent by more than 5 per cent and out of the 11 municipalities, 8 overspent by more than 15 per cent;
  - c. 241 municipalities underspent on their adjusted budgets by more than 5 per cent, of the 241 municipalities, 25 underspent between 5 and 10 per cent, 44 underspent by between 10 and 15 and 172 underspent by more than 15 per cent; and
  - d. Overall, the number of municipalities that have underspent by more than 5 per cent has increased from the 235 reported in 2013/14. The biggest movement in this regard is observed in the underspending of more than 15 per cent.
20. It is critical to note that municipalities that have underspent do not necessarily have 'cash in the bank' equivalent to the level of underspending reported. It is therefore incorrect to assume that underspending is indicative of an accumulation of 'cash in the bank' by municipalities. Often underspending is as the result of liquidity problems resulting from the tabling of non-credible, unsustainable and unfunded budgets. This is evident in the large number of municipalities that are failing to pay Eskom, the water boards and their trade creditors.
21. Although it is a major concern that municipalities underspend their 2014/15 budgets by R41.6 billion, it must also be emphasized that the 'cash in the bank' equivalent to the level of underspending reported was not there in the first place. It is therefore also a blessing in disguise. If municipalities have spent their budgets fully by year-end, without having cash to spend, we as a Country would have been in a serious predicament.
22. The net underperformance of revenue versus the underspending of expenditure is illustrated in figure 1 below.

Figure 1: Net underperformance of revenue and underspending



### Expenditure Performance: Operational Budget

23. The national aggregated figures shown in table 3 below indicate that municipalities overspent their 2014/15 adjusted operational budgets by 0.7 per cent or R2.0 billion and underspent by 11.0 per cent or R31.1 billion. Overall spending performance on operating budgets has decreased by 11.8 per cent compared to the 2013/14 outcomes.

Table 3: Over and underspending of operating budgets for the 4th quarter ended 30 June 2015

R thousands	Main Appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Exp as % of adjusted budget	(Over)	Under	(Over) spending as % of adj budget	Under spending as % of adj budget
Eastern Cape	25 708 955	26 652 532	22 290 618	83.6%	(187 081)	4 548 995	0.7%	17.1%
Free State	15 018 423	14 935 838	12 087 191	80.9%	(104 002)	2 952 650	0.7%	19.8%
Gauteng	98 569 612	102 407 259	96 665 776	94.3%	(435 707)	6 253 020	0.4%	6.1%
Kw azulu-Natal	47 400 433	48 096 051	44 843 804	93.2%	(542 836)	3 795 083	1.1%	7.9%
Limpopo	12 202 675	12 611 223	10 131 323	80.3%	(86 763)	2 566 663	0.7%	20.4%
Mpumalanga	13 903 085	13 479 715	11 104 045	82.4%	(274 569)	2 650 238	2.0%	19.7%
North West	13 482 587	14 011 197	12 186 895	87.0%	(331 032)	2 155 335	2.4%	15.4%
Northern Cape	5 740 986	5 861 040	4 822 511	82.3%	(8 083)	1 046 611	0.1%	17.9%
Western Cape	41 754 323	43 201 385	38 107 099	88.2%	(23 329)	5 117 624	0.1%	11.8%
<b>Total</b>	<b>273 781 079</b>	<b>281 256 241</b>	<b>252 239 262</b>	<b>89.7%</b>	<b>(1 993 402)</b>	<b>31 086 219</b>	<b>0.7%</b>	<b>11.1%</b>
				<b>Net</b>		<b>29 092 817</b>		

Source: National Treasury Local Government Database

24. On year-on-year aggregate, overspending on adjusted operational budgets improved by 56.0 per cent, while underspending slightly deteriorated by 27.5 per cent, when compared to the outcomes achieved in 2013/14. The reduction in overspending can almost solely be contributed by Eastern Cape which reported a decrease in overspending of R3.4 billion or 94.7 per cent as compared to their over spending in the 2013/14 financial year.
25. Operational expenditure indicates that total spending as a percentage of the adjusted budget has deteriorated by 2.5 per cent as compared to the performance of 2013/14.
26. Significant increases in underspending of the operating budget was reported in the Western Cape (152.2 per cent) and North West (54.9 per cent), while Northern Cape (9.8 per cent), Free State (8.4 per cent) and Limpopo (1.9 per cent) reported the

lowest increases in underspending. Mpumalanga is the only province which reported a reduction of 7.9 per cent in the underspending of their budget.

27. A significant risk going forward is that municipalities' operational expenditure plans exceed realistically collectable revenues, particularly given subdued economic growth anticipated over the short to medium term. This is likely to impact on employment, consumers' disposable income and consequently on municipalities' ability to raise the revenue to meet their budgeted obligations. Municipalities should guard against cash-flow problems when implementing their 2015/16 budgets by aligning their spending plans to the realistically anticipated revenues to be collected in the forthcoming 2015/16 adjustments budget process.
28. In terms of the number of municipalities that have over- or underspent on the adjusted operating budget, table 4 shows the following:

**Table 4: Over and underspending of the operating budgets as at 30 June 2015**

	(Over)			Target		Under			Insufficient information
	More than -15%	Between -15 and -10%	Between -5 and -10%	Between 0 and -5%	Between 0 and 5%	Between 5 and 10%	Between 15 and 10%	more than 15%	
<b>Summary</b>									
Eastern Cape	2	0	1	0	2	6	4	30	0
Free State	1	0	0	2	2	3	2	14	0
Gauteng	0	0	0	1	2	1	5	3	0
Kwazulu-Natal	5	0	1	4	5	8	11	27	0
Limpopo	1	1	1	1	1	3	2	20	0
Mpumalanga	0	0	0	0	2	1	2	15	0
North West	1	1	0	1	3	2	4	11	0
Northern Cape	0	0	1	0	2	4	3	22	0
Western Cape	0	0	0	2	3	4	8	13	0
<b>Total</b>	<b>10</b>	<b>2</b>	<b>4</b>	<b>11</b>	<b>22</b>	<b>32</b>	<b>41</b>	<b>155</b>	<b>0</b>

Source: National Treasury Local Government Database

- 33 municipalities are considered to be on-target, having over- or underspent within 5 per cent of the adjusted operating budget, which is an increase from the 30 municipalities in this category in 2013/14;
- 228 municipalities underspent on their adjusted operating budgets by more than 5 per cent, with 155 underspending by more than 15 per cent; and
- 10 municipalities overspent on their adjusted operating budgets by more than 15 per cent.

### **Expenditure Performance: Capital Budget**

29. Table 5 below shows that, as at 30 June 2015, municipalities had spent R53.2 billion or 81.0 per cent of the adjusted capital budget.
30. In aggregate, municipalities underspent their adjusted capital budget for 2014/15 by R13.7 billion or 20.9 per cent. This represents a slight improvement from the R14.8 billion reported for the 2013/14 financial year.
31. Overspending of adjusted capital budgets increased to R1.2 billion or 1.9 per cent. Compared to the R873.7 million in overspending on capital budgets reported in the 2013/14 financial year, this represents an increase of 41.1 per cent in overspending.

32. The risks clearly still lie in the municipalities' inability to spend against their capital budgets. Accordingly, the remainder of the analysis will focus on this aspect of spending performance.

**Table 5: Aggregated over and under spending of capital budgets for the 4th quarter ended 30 June 2015(Preliminary results)**

R thousands	Main Appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Exp as % of adjusted budget	(Over)	Under	(Over) spending as % of adj budget	Under spending as % of adj budget
Eastern Cape	6 235 936	7 014 016	6 203 618	88.4%	(719 998)	1 530 395	10.3%	21.8%
Free State	2 798 318	2 961 739	2 194 233	74.1%	(29 233)	796 738	1.0%	26.9%
Gauteng	20 322 740	20 548 774	17 583 473	85.6%	(13 167)	2 978 468	0.1%	14.5%
Kwazulu-Natal	12 159 418	13 021 744	11 600 911	89.1%	(321 531)	1 742 364	2.5%	13.4%
Limpopo	5 517 700	6 068 105	3 213 644	53.0%	(11 572)	2 866 033	0.2%	47.2%
Mpumalanga	2 689 339	2 980 812	2 103 519	70.6%	(44 255)	921 549	1.5%	30.9%
North West	3 114 416	3 277 054	2 523 221	77.0%	(43 266)	797 099	1.3%	24.3%
Northern Cape	1 327 217	1 273 284	910 660	71.5%	(27 577)	390 201	2.2%	30.6%
Western Cape	8 373 447	8 571 462	6 907 480	80.6%	(22 424)	1 686 406	0.3%	19.7%
<b>Total</b>	<b>62 538 530</b>	<b>65 716 990</b>	<b>53 240 759</b>	<b>81.0%</b>	<b>(1 233 022)</b>	<b>13 709 253</b>	<b>-1.9%</b>	<b>20.9%</b>
				<b>Nett</b>	<b>12 476 230</b>			

Source: National Treasury Local Government Database

33. An overspending for the 2014/15 financial year on capital projects is largely due to the reported overspending of the adjusted budget by Eastern Cape of R720 million and Kwazulu-Natal of R322 million. Gauteng and Limpopo reported no overspending against the adjusted budget in the 2013/14 financial year. However, for the period under review the overspending has slightly increased to R13 million and R12 million respectively. The worst province to report underspending for the financial year under review is Gauteng with an increase of 20.7 per cent when compared to the outcomes of 2013/14.
34. For the 2014/15 financial year the total capital budget spending has improved to 81.0 per cent as compared to the 77.4 per cent recorded in 2013/14. In total, an underspending of R12.5 billion has been recorded which is an improvement compared to R13.9 billion recorded in the 2013/14 financial year. The underspending for the 2014/15 financial year on capital budgets is largely due to Gauteng and Limpopo provinces both reporting an under spending averaging R2.9 billion respectively of the adjusted budgets.
35. Municipalities in all eight provinces, with exception of Gauteng, reported reductions in underspending when compared to the audit outcomes of 2013/14.
36. Table 6 below shows the number of municipalities that over- or underspent their adjusted capital budgets. Spending within 5 per cent of budget is usually regarded as on target. However, in light of uncertainties associated with planning, procurement and project implementation, spending within 10 per cent of the adjusted capital budget is regarded as acceptable.

**Table 6: Over and underspending of the capital budgets as at 30 June 2015**

	(Over)		Acceptable Between -5 and -10%	Target		Acceptable Between 5 and 10%	Under		Insufficient information
	More than -15%	Between -15 and -10%		Between 0 and -5%	Between 0 and 5%		Between 15 and 10%	more than 15%	
<b>Summary</b>									
Eastern Cape	2	1	2	0	0	5	3	30	2
Free State	0	0	1	0	1	1	1	18	2
Gauteng	1	0	0	1	0	3	1	6	0
Kwazulu-Natal	4	1	3	4	3	3	5	38	0
Limpopo	1	0	0	1	0	0	0	28	0
Mpumalanga	2	0	1	1	1	0	0	16	0
North West	0	2	0	0	2	2	4	13	0
Northern Cape	4	0	2	0	1	2	3	20	0
Western Cape	1	0	0	2	1	3	7	16	0
<b>Total</b>	<b>15</b>	<b>4</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>19</b>	<b>24</b>	<b>185</b>	<b>4</b>

Source: National Treasury Local Government Database

37. Although there has been a slight improvement in the spending pattern against the capital budget, persistent underperformance is extremely concerning. Contributing factors include, among others:

- *Unrealistic budgets* - There is a trend for councils to prepare over optimistic capital budgets so as to get community support during the public participation (consultation) processes. As a result the budget is unfunded and cannot be implemented without impacting negatively on the liquidity and cash of the municipality.
- *Weak multi-year budgeting* – Municipalities tend to budget for a one year perspective; regardless of the fact that the budgeting framework for local government provides for certainty that allocations in the national budget are appropriated for the next financial and indicative for the two outer years. In addition, National Treasury guidelines in MFMA circulars provides for multi-year capital budgeting;
- *Limited planning and project management* – the trend to start planning the implementation of the capital budget at the beginning of the financial year leads to a slow start to spending. This problem is further exacerbated by the fact that many municipalities do not have project management and technical skills to facilitate implementation. In addition, badly managed procurement processes are leading to further delays to capital spending; and
- *Supply Chain Management inefficiencies* – Bottlenecks in the SCM process contribute significantly to the performance limitations. Municipalities are not effectively and efficiently managing their SCM processes and in many cases interference by senior managers and mostly politicians further exacerbates the problem.

38. In terms of the number of municipalities that have over- or underspent on capital budgets, the following observations were made:

- 18 municipalities are considered to be on target, having over- or underspent within 5 per cent of their adjusted capital budgets which is an improvement when compared to 14 municipalities recorded in 2013/14 financial year;
- 28 municipalities over- or underspent their capital budget by between 5 and 10 per cent, which is considered an acceptable level of performance while;
- 24 municipalities underspent their adjusted capital budgets between 10 per cent and 15 per cent while 4 municipalities overspent between the same level;



- d. 15 municipalities overspent their adjusted capital budgets by more than 15 per cent, while 185 underspent their adjusted capital budgets by more than 15 per cent; and
- e. There is no sufficient information provided on 4 municipalities to determine the level of over- and underspending.

### **Expenditure Performance: Conditional Grants**

39. Table 7 below shows that total spending on conditional grants is reported as 89.6 per cent of the adjusted budget which is a reduction as compared to 90.2 per cent recorded in 2013/14. The underspending on conditional grants transferred to municipalities for 2014/15 amounts to 14.1 per cent or R3.6 billion. This indicates an increase in underspending as compared to R3.3 billion underspending reported in 2013/14.
40. The underspending of the conditional grants continues to be a serious concern and requires immediate attention by all municipalities. Underspending of conditional grants indicates that local government is consistently unable to spend allocations during the year.
41. On aggregate municipalities' over spent conditional grants by R928 million or 3.6 per cent.

**Table 7: Over and under spending of conditional grants as at June 2015**

	Main allocation	Revised allocation	Transfers	Total Exp as % of main allocation	Year to date: 30 June 2015	Total Exp as % of revised allocation	Total Exp as % of transfers	(Over)	Under	(Over) spending as % of adjusted budget	Under spending as % of adjusted budget
<b>R thousands</b>											
<b>Summary per Province</b>											
Eastern Cape	5 518 187	4 098 050	4 098 050	71.5%	3 944 804	96.3%	96.3%	(154 361)	307 607	(3.8%)	7.5%
Free State	1 498 839	1 486 718	1 098 475	70.0%	1 049 284	70.6%	95.5%	(32 881)	82 073	(3.0%)	7.5%
Gauteng	4 005 410	3 941 702	3 500 941	89.1%	3 570 434	90.6%	102.0%	(239 806)	170 313	(6.8%)	4.9%
Kwazulu-Natal	6 922 573	7 122 804	5 387 808	68.9%	4 766 376	66.9%	88.5%	(219 153)	840 585	(4.1%)	15.6%
Limpopo	5 546 045	5 271 079	3 520 176	51.8%	2 875 151	54.5%	81.7%	(128 037)	773 062	(3.6%)	22.0%
Mpumalanga	2 869 815	2 834 619	2 286 604	70.5%	2 024 264	71.4%	88.5%	(29 836)	292 176	(1.3%)	12.8%
North West	3 017 861	3 168 776	2 501 981	67.6%	2 040 564	64.4%	81.6%	(47 751)	509 168	(1.9%)	20.4%
Northern Cape	969 054	1 038 751	715 734	71.5%	692 812	66.7%	96.8%	(36 289)	59 211	(5.1%)	8.3%
Western Cape	2 643 525	2 669 933	2 397 011	71.1%	1 879 538	70.4%	78.4%	(39 798)	557 271	(1.7%)	23.2%
<b>Total</b>	<b>32 991 309</b>	<b>31 632 432</b>	<b>25 506 780</b>	<b>69.2%</b>	<b>22 843 227</b>	<b>72.2%</b>	<b>89.6%</b>	<b>(927 913)</b>	<b>3 591 465</b>	<b>(3.6%)</b>	<b>14.1%</b>
							<b>Nett</b>	<b>2 663 553</b>			

Source: National Treasury Local Government Database

42. In terms of the number of municipalities that have over- or underspent on the revised conditional grant allocation in 2014/15, and as shown in table 8 below, the following observations were made:
  - a. 80 municipalities are considered to be on target; having over- or underspent within the 5 per cent range;
  - b. 138 municipalities underspent on their conditional grant allocations, with 85 municipalities underspending by more than 15 per cent; and
  - c. 55 municipalities overspent on their conditional grant allocations, with 30 municipalities over spending by more than 15 per cent.

**Table 8: Over and underspending of the conditional grants as at 30 June 2015**

Number	(Over)			Target		Under			Insufficient information
	More than -15%	Between -15 and -10%	Between -5 and -10%	Between 0 and -5%	Between 0 and 5%	Between 5 and 10%	Between 15 and 10%	more than 15%	
Eastern Cape	3	0	4	11	1	3	4	16	3
Free State	2	1	1	6	4	3	1	6	0
Gauteng	2	2	0	2	1	2	1	2	0
Kwazulu-Natal	8	2	4	8	12	7	6	13	1
Limpopo	2	1	1	2	4	3	1	16	0
Mpumalanga	1	1	2	1	4	5	3	4	0
North West	4	1	0	1	3	2	1	11	0
Northern Cape	5	2	2	3	3	6	2	8	1
Western Cape	3	1	0	5	9	2	1	9	0
<b>Total</b>	<b>30</b>	<b>11</b>	<b>14</b>	<b>39</b>	<b>41</b>	<b>33</b>	<b>20</b>	<b>85</b>	<b>5</b>

Source: National Treasury Local Government database

43. Table 9 below shows the over or underspending on the revised conditional grant allocation in 2014/15 for each conditional grant.

**Table 9: Over and under expenditure of the conditional grants as at 30 June 2015**

	Original allocation	Adjusted allocation	Payment transfers	Actual Expenditure by Municipalities	Exp as % of Transfers by Municipalities	(Over)	Under	(Over) spending as % of adjusted budget	Under spending as % of adjusted budget
<b>R thousands</b>									
<b>Per Grant</b>									
<b>Infrastructure Transfers</b>	<b>22 944 817</b>	<b>22 008 626</b>	<b>21 991 681</b>	<b>19 886 469</b>	<b>90.4%</b>	<b>(52 787)</b>	<b>2 157 999</b>	<b>0.2%</b>	<b>9.8%</b>
Municipal infrastructure grant	14 683 835	14 764 049	14 745 475	13 616 652	92.3%	-	1 128 823	-	7.6%
Public transport infrastructure grant	4 968 029	4 678 032	4 678 032	4 017 204	85.9%	-	660 828	-	14.1%
Public transport network grant	902 817	-	-	-	-	-	-	-	-
Integrated national electrification programme (municipal) grant	1 104 658	1 104 658	1 107 775	1 160 562	104.8%	(52 787)	-	4.8%	-
Neighbourhood development partnership grant (capital grant)	591 179	591 179	590 390	428 591	72.6%	-	161 799	-	27.4%
2010 FIFA World Cup stadiums development grant	-	-	-	-	-	-	-	-	-
Rural roads assets management systems grant	75 223	75 223	75 223	69 887	92.9%	-	5 336	-	7.1%
Municipal drought relief grant	-	-	-	-	-	-	-	-	-
Municipal water infrastructure grant	534 150	535 608	535 608	509 769	95.2%	-	25 839	-	4.8%
Rural households infrastructure grant	47 624	65 624	65 624	50 001	76.2%	-	15 623	-	23.8%
Municipal disaster recovery grant	37 302	194 253	193 554	33 803	17.5%	-	159 751	-	82.2%
<b>Capacity Building and Other Current Transfers</b>	<b>3 200 437</b>	<b>3 515 099</b>	<b>3 515 099</b>	<b>2 956 758</b>	<b>84.1%</b>	<b>(53 573)</b>	<b>611 914</b>	<b>1.5%</b>	<b>17.4%</b>
2010 FIFA World Cup host city operating grant	-	-	-	-	-	-	-	-	-
Restructuring grant	-	-	-	-	-	-	-	-	-
Local government financial management grant	449 138	449 138	449 138	421 564	93.9%	-	27 574	-	6.1%
Municipal systems improvement grant	252 152	252 152	252 152	241 866	95.9%	-	10 286	-	4.1%
Expanded public works programme integrated grant for municipalities	594 575	594 575	594 575	634 471	106.7%	(39 896)	-	6.7%	-
Infrastructure skills development grant	104 425	104 425	104 425	102 946	98.6%	-	1 479	-	1.4%
Energy efficiency and demand side management grant	136 905	136 905	136 905	107 080	78.2%	-	29 825	-	21.8%
Water services operating subsidy grant	449 558	449 558	449 558	324 423	72.2%	-	125 135	-	27.8%
Municipal disaster grant	10 867	35 532	35 532	49 209	138.5%	(13 677)	-	38.5%	-
2013 Africa cup of nations host city operating grant	-	-	-	-	-	-	-	-	-
2014 African nations championship host city operating grant	-	-	-	-	-	-	-	-	-
Public transport network operations grant	902 817	1 192 814	1 192 814	997 674	83.6%	-	195 140	-	16.4%
Municipal human settlements capacity grant	300 000	300 000	300 000	77 525	25.8%	-	222 475	-	74.2%
Municipal demarcation transition grant	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>26 145 254</b>	<b>25 523 725</b>	<b>25 506 780</b>	<b>22 843 227</b>	<b>89.6%</b>	<b>(106 360)</b>	<b>2 769 913</b>	<b>0.4%</b>	<b>10.9%</b>
<b>Per Province</b>									
Eastern Cape	5 518 187	5 738 778	4 098 050	3 944 804	96.3%	(154 361)	307 607	3.8%	7.5%
Free State	1 498 839	1 486 718	1 098 475	1 049 284	95.5%	(32 881)	82 073	3.0%	7.5%
Gauteng	4 005 410	3 941 702	3 500 941	3 570 434	102.0%	(239 806)	170 313	6.8%	4.9%
Kwazulu-Natal	6 922 573	7 122 804	5 387 808	4 766 376	88.5%	(219 153)	840 585	4.1%	15.6%
Limpopo	5 546 045	5 271 079	3 520 176	2 875 151	81.7%	(128 037)	773 062	3.6%	22.0%
Mpumalanga	2 869 815	2 834 619	2 286 604	2 024 264	88.5%	(29 836)	292 176	1.3%	12.8%
North West	3 017 861	3 168 776	2 501 981	2 040 564	81.6%	(47 751)	509 168	1.9%	20.4%
Northern Cape	969 054	1 038 751	715 734	692 812	96.8%	(36 289)	59 211	5.1%	8.3%
Western Cape	2 643 525	2 669 933	2 397 011	1 879 538	78.4%	(39 798)	557 271	1.7%	23.2%
<b>Total</b>	<b>32 991 309</b>	<b>33 273 160</b>	<b>25 506 780</b>	<b>22 843 227</b>	<b>89.6%</b>	<b>(927 913)</b>	<b>3 591 465</b>	<b>3.6%</b>	<b>14.1%</b>
					<b>Nett</b>	<b>2 663 553</b>			

Source: National Treasury Local Government database

44. Previously, reporting focussed on municipalities underspending on conditional grants as relatively more important in terms of compromising national governments efforts to support service delivery and reducing infrastructure backlogs.

45. Overspending also poses its own risks and for the 2014/15 financial year; overspending is reported on the Municipal Disaster Grant amounting to R13.7 million or 38.5 per cent, the Expanded Public Works Programme Grant at R39.9 million or 6.7 per cent, and the Integrated National Electrification Programme at R52.8 million or 4.8 per cent of the revised allocation. Overspending on the revised conditional grants allocations has increased to R106.4 million compared to the R92.2 million reported in the 2013/14 financial year.
46. Overspending of conditional grant allocations raises serious questions about municipalities' systems to report accurately. Any overspending of conditional grants is for the municipalities own account; national government does not allocate additional funds to compensate for shortfalls.
47. However, it has been observed that overspending on conditional grants is usually indicative of municipalities incorrectly reporting rollovers as part of the current year allocations. It must be emphasised that rollovers pertain to funds allocated in a previous financial year for which permission was granted by the National Treasury for the unspent portion to be spent in the current financial year, if committed to identifiable projects. It is not part of the budget for the current financial year as it was already included in the budget for the previous financial year and expenditure should therefore not be reported against the current year's budget. Although National Treasury has instituted rollover reporting, many municipalities do not comply and continue to report in the same manner applicable to ordinary spending against the current year's budget.
48. According to the fourth quarter cumulative performance (1 July 2014 to 30 June 2015), an amount of R25.5 billion was transferred by the national departments administering direct conditional grants to municipalities, which constitutes 99.9 per cent of the total 2014/15 direct conditional grant allocations.
49. Municipalities receiving direct conditional grants reported the total expenditure of R22.8 billion or 89.6 per cent of the total direct transfers to the municipalities. For the financial year 2013/14 the spending was reported as R22.7 billion or 90.2 per cent, of the R25.2 billion allocated directly to municipalities.
50. For the financial year under review, municipalities has reported a net underspending of R2.8 billion which has slightly increased as compared to the net underspending of R2.5 billion reported in 2013/14 financial year.

### **Summary of findings:**

51. Table 10 below summarise the over- and underspending by all municipalities as at 30 June 2015:

**Table 10: Summarised over and under spending by municipalities as at 30 June 2015(Preliminary results)**

	Adjusted Budget	Year to date: 30 June 2015	Total Exp as % of adj budget	(Over)	Under	Net
<b>R thousands</b>						
Operating Expenditure	281 614 687	252 521 870	89.67	(1 993 402)	31 086 219	29 092 817
Capital Expenditure	65 716 990	53 240 759	81.02	(1 233 022)	13 709 253	12 476 230
<b>Total Expenditure</b>	<b>347 331 676</b>	<b>305 762 629</b>	<b>88.03</b>	<b>(1 914 574)</b>	<b>43 483 621</b>	<b>41 569 047</b>
Of which						
<i>Conditional Grant Spending</i>	25 506 780	22 843 227	89.56	(927 913)	3 591 465	2 663 553

Source: National Treasury Local Government Database

### **Operating Budgets**

- Aggregated total municipality's net underspending of R29.1 billion representing 10.3 per cent of total adjusted budget;
- Aggregate overspending of the adjusted operating budget – R2.0 billion or 0.8 per cent; and
- Aggregate underspending of the adjusted operating budget – R31.1 billion or 11.0 per cent. The area of underspending on operating budget should be interpreted with care on the basis of the implementation of cost containment and under performance in revenue collection though there are operating expenditures that directly or indirectly influences service delivery.

### **Capital Budgets**

- Aggregated total municipality's net underspending of R12.5 billion representing 19.0 per cent of total adjusted budget;
- Aggregate overspending on the adjusted capital budget – R1.2 billion or 1.9 per cent; and
- Aggregate underspending on the adjusted capital budget – R13.7 billion or 20.9 per cent.

### **Conditional Grants**

- Aggregated total municipality's net underspending of R2.7 billion representing 10.5 per cent of total revised allocations;
- Aggregate overspending on conditional grant allocations – R928 million or 3.6 per cent; and
- Aggregate underspending on conditional grant allocations – R3.6 billion or 14.1 per cent.

52. The aggregate performance against the revenue budget by all municipalities as at 30 June 2015 is as follows:

- Aggregated total municipality's net underperformance (including capital transfers), against the adjusted revenue budget – R23.2 billion or 6.8 per cent;
- Aggregate over collection of the adjusted operating budget (excluding capital transfers) – R2.9 billion or 1.1 per cent; and
- Aggregate under collection of the adjusted operating budget (excluding capital transfers) – R13.6 billion or 4.9 per cent.

53. The aggregated under collection of revenue against municipal budgets can primarily be attributed to:

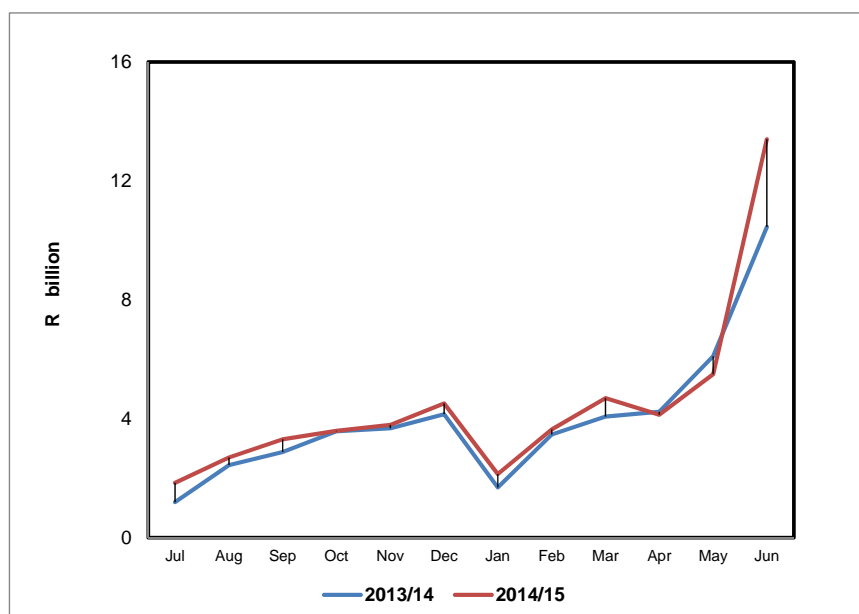
- *Over optimistic and unrealistic revenue appropriations* – Municipalities appropriate revenue on the operating statement of financial performance to provide for excessive operating expenditure. In many cases this revenue appropriation is unrealistic and over stated and subsequently with the implementation of the budget, municipalities are forced to downscale on expenditures; this position is clearly articulated by the R23.2 billion underperformance against the total adjusted revenue budget including the transfers and other revenue;

- *Weak management of the revenue value chain* – Municipalities have an own revenue generating responsibility which is directly related to fiscal capacity versus fiscal effort. The first aspect deals with the actual capacity of a municipality to bill consumers for services rendered. The second aspect is related to the actual effort exercised by municipalities in collecting the revenue billed. Not only are municipalities over stating the revenue on the statement of financial performance (as explained in the above bullet), but where they do indeed billed for services rendered they do not necessarily collect the revenue. This is directly related to inefficiencies in the revenue value chain and directly contributes to municipalities experiencing cash and liquidity challenges;
- *Unfunded budgets* – Owing directly to the fact that municipalities overstate the budgeted revenue and under collect against billed revenue, their adopted budgets are unfunded from the onset. Consequently, implementation does not occur as planned as there is no sufficient funding to support the expenditure appropriations; and
- *Actual collection against billed revenue* - Contributing factors underpinning the underperformance of actual collections against billed revenue can be attributed to, among others, the affordability of municipal services. The economic slowdown and substantial increases associated with municipal cost drivers such as fuel, bulk purchases (water and electricity), material etc. which are continuing to impact on affordability and subsequently the ability of consumers to pay for services. In addition, weak credit control and debt collection processes are also contributing factors (management of the overall revenue value chain). ***It needs to be noted that any underperformance of actual collections against billed revenue holds a significant risk for the cash and liquidity position of municipalities as the planned expenditure is based on a higher level of collection.*** The overall performance is far below the budget targets as at 30 June 2014.

## CAPITAL EXPENDITURE TRENDS – THE ‘JUNE SPIKE’:

54. Figure 2 illustrates the year-on-year comparison of monthly capital expenditure for local government between 2013/14 and 2014/15.

Figure 2: Municipal monthly capital expenditure



55. The following trends emerge:
- a. The year-on-year comparison between the 2013/14 and 2014/15 financial years reveals that, although much the same spending pattern is exhibited by local government, the month-on-month capital expenditure for 2014/15 is higher except for the month of April and May where the expenditure incurred for the financial year 2013/14 is higher than the expenditure for 2014/15 financial year. When the month-on-month capital expenditure in 2013/14 is compared to that of the 2012/13, the expenditure for January and June 2013 were less than those reported for the 2012/13 financial year;
  - b. Generally, spending gets off to a very slow start in the first quarter of the financial year (especially July and August). This indicates that municipalities have delayed project design, planning and procurement preparation necessary to start with the immediate implementation of the capital budget at the beginning of the new financial year. It may also reflect that council did not approve a multi-year capital budgets as required in terms of section 16(3) of the MFMA; and
  - c. This slow start to spending sets municipalities up for having to play “catch up” during the remainder of the financial year. The need to make up for lost time is exacerbated by the dip in capital spending that occurs in the third quarter due to the traditional construction holiday during the December/January holiday season.
56. Although there is no set standard for the rate at which municipalities should spend their capital budgets, it is expected that project implementation should commence immediately from the start of the municipal financial year. Forward and advance planning on project management in municipalities is of serious concern. There are recognised breaks in South Africa’s construction activity, mainly due to the extended holiday seasons at Easter and Christmas – coinciding with the 2nd and 3rd quarters of the municipal financial year. Progress on capital projects will slow during these periods. It is therefore critical that municipalities plan and budget accordingly and spend timeously to compensate for these unavoidable productivity losses.
57. Although the possibility exists that a municipality may need to make large payments at financial year-end due to the completion of big projects, it is unlikely that this adequately explains the June spike in spending observed in 58 per cent of municipalities for 2014/15. Therefore, National Treasury regards this spike in capital spending as an indicator of a lack of adequate capital expenditure planning by municipalities, as well as possible liquidity and cash flow challenges at the municipality which poses a risk to the effectual use of the capital budget.
58. In order to provide a quantitative benchmark against which to measure deviations in the final month of the financial year, this analysis uses the average of actual expenditure of the first 11 months of the financial year compared to the spending in June.
59. All of the 8 metropolitan municipalities reported a ‘June spike’ in capital expenditure of above 100 per cent when compared to their monthly average in the preceding 11 months. Most notable is the City Of Johannesburg having reported a spike of (393 per cent), Cape Town (270 per cent) and Ekurhuleni (267 per cent) as measured against the average capital expenditure for the preceding 11 months (**See Annexure B**).
60. Looking at all municipalities, 160 municipalities reported an increase in capital expenditure in excess of 50 per cent in June (as compared to average capital expenditure in the preceding three quarters). Municipalities that had particularly high spikes in June are John Taolo Gaetsewe (829 per cent), Cape Agulhas (793 per cent),

Emnabithi/Ladysmith (674 per cent), Ephraim Mogale (639 per cent), and Bergrivier (483 per cent)(See Annexure B).

## TRENDS IN REVENUE WITH RESPECT TO OVER- AND UNDER COLLECTION:

### Over- and Under Collection of Revenue

61. The 2014/15 outcome reflects the aggregate collection of 93.2 per cent while the 2013/14 outcome reflected the aggregate collection of 93.7 per cent against the adjusted budget. This indicates that municipalities' ability to collect against their approved adjusted budgets has deteriorated slightly by 0.5 per cent.
62. For the financial year ended 2014/15, the total aggregated under collection amounted to R26.0 billion (see Table 11 below). Taking into account that the aggregate over collection for the same period was R2.8 billion, net under collection of the total municipal budget amounted to R23.2 billion which excludes capital revenue such as donations.

**Table 11: Over and undercollection of total budgets for the 4th quarter ended 30 June 2015**

	Main Appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Revenue as % of adjusted budget	(Over)	Under	(Over) Collection as % of adj budget	(Under) Collection as % of adj budget
<b>R thousands</b>								
Eastern Cape	31 340 445	32 398 636	29 392 744	90.7%	(762 389)	3 768 281	2.4%	11.6%
Free State	17 502 378	17 142 937	15 178 573	88.5%	(235 816)	2 200 181	1.4%	12.8%
Gauteng	122 096 688	124 726 113	118 410 386	94.9%	-	6 315 728	-	5.1%
Kwazulu-Natal	59 161 829	60 276 922	58 474 614	97.0%	(623 884)	2 426 192	1.0%	4.0%
Limpopo	17 859 835	18 572 574	14 501 090	78.1%	(78 793)	4 150 277	0.4%	22.3%
Mpumalanga	15 015 312	15 300 168	14 319 467	93.6%	(449 453)	1 430 154	2.9%	9.3%
North West	16 046 702	16 404 351	14 675 637	89.5%	(479 674)	2 208 387	2.9%	13.5%
Northern Cape	7 076 470	6 916 309	6 337 209	91.6%	(139 789)	718 889	2.0%	10.4%
Western Cape	49 574 481	51 075 459	48 336 285	94.6%	(45 611)	2 784 785	0.1%	5.5%
<b>Total</b>	<b>335 674 138</b>	<b>342 813 470</b>	<b>319 626 005</b>	<b>93.2%</b>	<b>(2 815 409)</b>	<b>26 002 874</b>	<b>0.8%</b>	<b>7.6%</b>
				<b>Nett</b>		<b>23 187 465</b>		

Source: National Treasury Local Government Database

63. In aggregate all the provinces with the exception of Free State and Northern Cape increased their budget during the 2015 adjustments budget process. In the 2014/15 financial year, an overall budgetary increase of 2.1 per cent was affected by all municipalities.
64. Table 12 below shows the following in relation to the number of municipalities that have over- or under collected on their total adjustments budgets for 2014/15:

**Table 12: Over and undercollection of total budgets as at 30 June 2015**

	(Over)			Target		Under			Insufficient information
	More than -15%	Between -15 and -10%	Between -5 and -10%	Between 0 and -5%	Between 0 and 5%	Between 5 and 10%	Between 15 and 10%	more than 15%	
<b>Summary</b>									
Eastern Cape	3	0	2	1	3	7	3	26	0
Free State	1	0	1	2	2	4	4	10	0
Gauteng	0	0	0	0	4	4	2	2	0
Kwazulu-Natal	2	1	2	5	11	11	7	22	0
Limpopo	1	2	0	0	2	5	8	12	0
Mpumalanga	2	0	1	2	5	7	0	4	0
North West	2	0	1	3	0	5	6	6	0
Northern Cape	1	1	2	1	6	2	7	12	0
Western Cape	1	0	1	1	8	6	8	5	0
<b>Total</b>	<b>13</b>	<b>4</b>	<b>10</b>	<b>15</b>	<b>41</b>	<b>51</b>	<b>45</b>	<b>99</b>	<b>0</b>

Source: National Treasury Local Government Database

- a. 56 municipalities achieved on-target performances with collection of revenue within 5 per cent of their adjusted total budgets;
- b. 27 municipalities over collected by more than 5 per cent and 13 municipalities in this group over collected by more than 15 per cent;
- c. 195 municipalities under collected on their adjusted total budgets by more than 5 per cent; and
- d. Of the 195 that under collected, 51 were between 5 and 10 per cent, 45 between 10 and 15 per cent and 99 were more than 15 per cent.

### **Revenue Performance: Operational Budget**

65. The national aggregated figures indicate that municipalities over collected on their 2014/15 adjusted operational budgets by 1.1 per cent or R2.9 billion and under collected by 4.9 per cent or R13.6 billion. As shown in table 13, the high under collection of revenue is noted in Limpopo having an under collection rate of 11.7 per cent of the adjusted budget followed by North West with an under collection of 10.9 per cent of the adjusted budget. Free State also reported a high under collection of revenue at 10.3 per cent of the adjusted budget. With regard to individual municipal performance, Lephalale and Greater Letaba Municipalities in the Limpopo Province reported an under collection of revenue at 84.0 and 79.8 per cent respectively.
66. The provinces that had the highest percentage of an over collection in revenue were Mpumalanga and Northern Cape, both which reported an over collection of 5.0 per cent, while the municipalities with the highest over collection in revenue were Sakhisizwe Municipality in the Eastern Cape and Dr Ruth Segomotsi Mompati Municipality in North West.



**Table 13: Over and undercollection of operating budgets for the 4th quarter ended 30 June 2015**

	Main Appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Revenue as % of adjusted budget	(Over)	Under	(Over) Collection as % of adj budget	Under spending as % of adj budget
<b>R thousands</b>								
Eastern Cape	25 104 509	25 384 620	23 189 112	91.4%	(280 249)	2 475 758	1.1%	9.8%
Free State	14 704 060	14 181 198	12 995 796	91.6%	(279 973)	1 465 375	2.0%	10.3%
Gauteng	101 773 948	104 177 339	100 826 912	96.8%	(8 713)	3 359 139	0.0%	3.2%
Kw azulu-Natal	47 002 411	47 255 178	46 874 362	99.2%	(724 004)	1 104 820	1.5%	2.3%
Limpopo	12 342 134	12 504 469	11 287 446	90.3%	(250 507)	1 467 530	2.0%	11.7%
Mpumalanga	12 325 973	12 319 356	12 215 948	99.2%	(620 576)	723 984	5.0%	5.9%
North West	12 932 286	13 127 297	12 152 434	92.6%	(457 804)	1 432 666	3.5%	10.9%
Northern Cape	5 749 253	5 643 025	5 424 796	96.1%	(283 407)	501 637	5.0%	8.9%
Western Cape	41 201 034	42 503 997	41 428 805	97.5%	(43 744)	1 118 936	0.1%	2.6%
<b>Total</b>	<b>273 135 608</b>	<b>277 096 480</b>	<b>266 395 611</b>	<b>96.1%</b>	<b>(2 948 976)</b>	<b>13 649 845</b>	<b>1.1%</b>	<b>4.9%</b>
				<b>Nett</b>	<b>10 700 869</b>			

Source: National Treasury Local Government Database

67. The net under collection of operating revenue for 2014/15 financial year is R10.7 billion which is a high deterioration as compared to the R5.6 billion that was recorded in 2013/14. The high level of under collection of revenue is as a result of the unrealistic budget estimates on the statement of financial performance.
68. In terms of the number of municipalities that have over- or under collected on the adjusted operating budget, table 14 below shows the following:

**Table 14: Over and undercollection of the operating budgets as at 30 June 2015**

	(Over)			Target		Under			Insufficient information
	More than -15%	Between -15 and -10%	Between -5 and -10%	Between 0 and -5%	Between 0 and 5%	Between 5 and 10%	Between 15 and 10%	more than 15%	
Eastern Cape	1	1	3	2	5	9	6	18	0
Free State	0	1	2	4	2	5	1	9	0
Gauteng	0	0	0	1	5	3	1	2	0
Kw azulu-Natal	3	3	3	11	15	8	7	11	0
Limpopo	3	1	1	3	6	6	3	7	0
Mpumalanga	1	1	2	3	6	2	3	2	1
North West	2	0	1	3	1	7	3	6	0
Northern Cape	2	1	4	3	3	3	5	11	0
Western Cape	0	0	2	3	7	10	6	2	0
<b>Total</b>	<b>12</b>	<b>8</b>	<b>18</b>	<b>33</b>	<b>50</b>	<b>53</b>	<b>35</b>	<b>68</b>	<b>1</b>

Source: National Treasury Local Government Database

- 83 municipalities achieved on-target performances with collection of revenue within 5 per cent of their adjusted total budgets which is a deterioration has compared to the 95 municipalities achieved in 2013/14;
- 156 municipalities under collected on their adjusted operating budgets by more than 5 per cent, with 68 under collected by more than 15 per cent; and
- 38 municipalities over collected on their adjusted operating budgets by more than 5 per cent, with 12 municipalities having over collected by more than 15 per cent.

### **Under Collection of Revenue versus the Debtors' Book**

69. Aggregate municipal consumer debts are reported at R106.5 billion as at 30 June 2015, as shown in table 15 below. The amount for outstanding government debtors represents 4.5 per cent or R4.8 billion of the total outstanding debtors, while

households represents the largest portion at 64.0 per cent or R68.2 billion of which a concerning 84 per cent has been outstanding for more than 90 days.

**Table 15: Debtor Age Analysis as at 30 June 2015**

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Actual Bad Debts Written Off to Debtors		Impairment -Bad Debts ito Council Policy	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	2 963 211	9.5%	1 178 607	3.8%	1 036 914	3.3%	25 861 034	83.3%	31 039 767	29.1%	353 573	1.1%	2 812 673	9.1%
Trade and Other Receivables from Exchange Transactions - Electricity	4 849 435	29.6%	1 024 980	6.3%	731 961	4.5%	9 784 543	59.7%	16 390 918	15.4%	124 442	.8%	1 126 051	6.9%
Receivables from Non-exchange Transactions - Property Rates	3 074 988	13.4%	761 385	3.3%	612 432	2.7%	18 452 538	80.6%	22 901 343	21.5%	235 590	1.0%	2 441 077	10.7%
Receivables from Exchange Transactions - Waste Water Management	1 208 868	10.5%	421 839	3.7%	337 768	2.9%	9 573 496	82.9%	11 541 970	10.8%	93 131	.8%	800 050	6.9%
Receivables from Exchange Transactions - Waste Management	628 809	8.3%	252 387	3.3%	242 047	3.2%	6 485 616	85.2%	7 608 859	7.1%	118 978	1.6%	485 848	6.4%
Receivables from Exchange Transactions - Property Rental Debtors	29 909	2.8%	18 425	1.7%	71 876	6.6%	964 496	88.9%	1 084 705	1.0%	6 514	.6%	155 877	14.4%
Interest on Arrear Debtor Accounts Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	184 935	2.0%	275 037	3.0%	259 313	2.8%	8 400 580	92.1%	9 119 865	8.6%	193 577	2.1%	833 864	9.1%
Other	294 223	4.3%	198 585	2.9%	127 367	1.9%	6 244 181	91.0%	6 864 356	6.4%	228 841	3.3%	376 082	5.5%
<b>Total By Income Source</b>	<b>13 234 377</b>	<b>12.4%</b>	<b>4 131 244</b>	<b>3.9%</b>	<b>3 419 678</b>	<b>3.2%</b>	<b>85 766 484</b>	<b>80.5%</b>	<b>106 551 784</b>	<b>100.0%</b>	<b>1 354 902</b>	<b>1.3%</b>	<b>9 031 522</b>	<b>8.5%</b>
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	684 716	14.3%	160 579	3.4%	185 068	3.9%	3 751 203	78.5%	4 781 566	4.5%	27 214	.6%	349 738	7.3%
Commercial	5 455 125	23.5%	1 245 799	5.4%	944 924	4.1%	15 575 267	67.1%	23 221 114	21.8%	139 682	.6%	1 800 160	7.8%
Households	6 195 440	9.1%	2 397 349	3.5%	1 952 262	2.9%	57 640 111	84.5%	68 185 162	64.0%	1 076 493	1.6%	6 493 758	9.5%
Other	899 097	8.7%	327 517	3.2%	337 425	3.3%	8 799 903	84.9%	10 363 942	9.7%	111 513	1.1%	387 865	3.7%
<b>Total By Customer Group</b>	<b>13 234 377</b>	<b>12.4%</b>	<b>4 131 244</b>	<b>3.9%</b>	<b>3 419 678</b>	<b>3.2%</b>	<b>85 766 484</b>	<b>80.5%</b>	<b>106 551 784</b>	<b>100.0%</b>	<b>1 354 902</b>	<b>1.3%</b>	<b>9 031 522</b>	<b>8.5%</b>

Source: National Treasury Local Government Database

70. It needs to be acknowledged that not all the outstanding debt of R106.5 billion is realistically collectable, as these amounts are inclusive of debt older than 90 days (historic debt that has accumulated over an extended period), interest on arrears and other recoveries.
71. Any underperformance of actual collections against billed revenue holds a significant risk for the cash and liquidity position of municipalities as the planned expenditure is based on a higher level of collection. The actual collection of outstanding debt is poor when compared to the projected revenue from billings for the 2014/15 financial year and will have to be carefully monitored in the following (2015/16) municipal financial year.
72. Contributing factors underpinning the underperformance of actual collections against billed revenue can be attributed to, among others, the affordability of municipal services. The economic slowdown and substantial increases associated with municipal cost drivers such as fuel, bulk purchases (water and electricity), material, etc. are continuing to impact on affordability and subsequently the ability of consumers to pay for services. In addition, inaccurate billing and weak credit control and debt collection processes are also contributing factors (management of the overall revenue value chain).
73. Although continuously emphasized, policy responses will still have to include municipalities rationalizing expenditure from lesser priority areas to core services; the implementation of essential cash flow forecasting and monitoring management tools; management of the indigent processes and better targeting of free basic services to the poor; and refinement of the management of the revenue value chain, including credit control and debt collection. Based on current trends, metros are generally better performers in relation to revenue collection and there are valuable lessons to be learnt by other municipalities as it relates to the management of the overall revenue value chain.

## RESPONSES TO MUNICIPAL FAILURES:

74. In order to address some of the challenges identified, National Treasury has implemented the following reforms:

- a. *mSCOA* - In addition to the Municipal Budget and Reporting Regulations, National Treasury is in the process of the implementation of national standard for the uniform recording and classification of municipal budget and financial information at a transactional level for municipalities and municipal entities. The main objective of *mSCOA* is to enable the alignment of budget information with information captured in the course of the implementation of the budget.

*The following benefits are noted:*

- improved data quality and credibility; greater level of standardisation; alignment of the 'local government accountability cycle' by the regulation of not only the budget and in-year reporting formats but also the annual report and annual financial statement formats;
  - improved transparency, accountability and governance through uniform recording of transactions at posting level detail;
  - enables deeper data analysis and sector comparisons to improve financial performance and the standardisation of the account classification to facilitate mobility in financial skills within and across local government and to enhance the ability of local government to attract and retain skilled personnel; and
  - cross comparative analyses and similar data extraction from all spheres of government.
- b. *City Support Programme* - The CSP was designed to respond to demands from metropolitan municipalities for an integrated programme of assistance in addressing strategic challenges they face in transforming their built environment. Although this is a programme that is co-ordinated nationally, cities are seen as the drivers of economic growth. The institutional arrangement for the cities' participation and engagement has been the City Budget Forum. At a national level the interdepartmental technical committee that has been overseeing the development of the Integrated Urban Development Framework (which DCoG is leading on) is also the forum for national departments' co-ordination on the CSP. The implementation support covers the sectors of: (i) *urban governance, planning and financing*; (ii) *human settlements*; (iii) *public transport*; and (iv) *environmental sustainability*.
- c. *Infrastructure Delivery Management System (IDMS)* – In addition to the City Support Programme (CSP) National Treasury is currently customising the national and provincial Infrastructure Delivery Management System for use in the eight metropolitan municipalities. The IDMS will focus on improved service delivery as a key point of departure so that it is able to offer a balanced approach to enhancing the level and effectiveness of spending, rather than just increased spending in metros.
- d. National Treasury has altered municipalities' incentives to spend conditional grants by implementing the provisions in the Division of Revenue Act that require unspent conditional grant funds to be returned to the National Revenue Fund. Progress has been made with implementation of a framework for performance incentives in provincial infrastructure grants. The approach will encourage and reward adoption of good infrastructure planning and asset management

practices; to ultimately achieve better value for money and strengthen oversight of national sector departments.

- e. The establishment of the Office of the Chief Procurement Office will address deficiencies in Local Government procurement processes and should go a long way toward facilitating a more rapid delivery.
- f. Development of capacity support programmes:
  - The Municipal Finance Improvement Programme (MFIP) was introduced to build capacity in Provincial Treasuries and municipalities through focused technical assistance addressing both institutional and technical aspects of the MFMA reforms; and
  - A methodology for a province specific strategy to assist provincial treasuries and municipalities to deal with municipal financial performance failures was developed.

## **CONCLUSION:**

75. The analysis of over- and underspending performance against the 2014/15 budget shows that municipalities (aggregate net results) are under collecting their revenue and underspending their budgets.
76. Traditionally, the underspending of municipal budgets are of concern as it means that services delivery targets have not been met. However, when underspending occurs within the context of limited cash resources and poor revenue collection, it will pose a significant financial risk if expenditure plans are not adjusted accordingly. Municipalities should guard against cash-flow problems when implementing their budgets by aligning their spending plans to the realistically anticipated revenues to be collected. Municipalities that fail to do so are most likely to use their conditional grant funding to cover shortfalls.
77. Liquidity problems often result from the adoption of non-credible, unsustainable and unfunded budgets. Municipalities that have difficulty compiling credible budgets or that are unable to manage their expenditures according to their budgets are at financial risk. Municipalities are required to adopt budgets that have sufficient available cash and investments to finance commitments, short term provisions and reserves. Ineffective and deficient budgeting practices are clearly still challenges that need to be addressed.
78. Although it is a major concern that municipalities underspend their 2014/15 budgets by R41.6 billion, it must also be emphasized that the 'cash in the bank' equivalent to the level of underspending reported was not there in the first place. It is therefore also a blessing in disguise. If municipalities have spent their budgets fully by year-end, without having cash to spend, we as a Country would have been in a serious predicament. Often underspending is as the result of liquidity problems resulting from the tabling of non-credible, unsustainable and unfunded budgets.

## Annexure A: Over- and underspending of total adjusted budgets 2014/15

### AGGREGATED BUDGETS OF TOTAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
EASTERN CAPE											
A	Buffalo City	BUF	5 688 913	6 059 174	5 435 240	95.5%	89.7%	-	623 934	-	10.3%
A	Nelson Mandela Bay	NMA	9 698 618	10 248 017	9 166 721	94.5%	89.4%	-	1 081 296	-	10.6%
B	Camdeboo	EC101	266 307	290 511	249 725	93.8%	86.0%	-	40 786	-	14.0%
B	Blue Crane Route	EC102	238 881	260 136	236 381	99.0%	90.9%	-	23 755	-	9.1%
B	Ikwezi	EC103	52 475	67 096	61 412	117.0%	91.5%	-	5 684	-	8.5%
B	Makana	EC104	445 689	445 689	342 887	76.9%	76.9%	-	102 802	-	23.1%
B	Ndlambe	EC105	266 196	266 196	376 003	141.3%	141.3%	(109 807)	-	(41.3%)	-
B	Sundays River Valley	EC106	172 467	169 804	120 031	69.6%	70.7%	-	49 772	-	29.3%
B	Baviaans	EC107	112 380	117 073	90 155	80.2%	77.0%	-	26 919	-	23.0%
B	Kouga	EC108	732 767	744 841	547 051	74.7%	73.4%	-	197 790	-	26.6%
B	Kou-Kamma	EC109	112 798	146 893	115 098	102.0%	78.4%	-	31 795	-	21.6%
C	Sarah Baartman	DC10	167 439	165 194	113 851	68.0%	68.9%	-	51 342	-	31.1%
B	Mbhashe	EC121	214 593	214 593	198 296	92.4%	92.4%	-	16 297	-	7.6%
B	Mnquma	EC122	336 165	376 843	238 658	71.0%	63.3%	-	138 185	-	36.7%
B	Great Kei	EC123	110 666	139 837	70 766	63.9%	50.6%	-	69 071	-	49.4%
B	Amahlathi	EC124	258 086	281 563	248 234	96.2%	88.2%	-	33 329	-	11.8%
B	Ngqushwa	EC126	106 160	135 165	96 950	91.3%	71.7%	-	38 215	-	28.3%
B	Nkonkobe	EC127	292 591	301 757	213 024	72.8%	70.6%	-	88 733	-	29.4%
B	Nxuba	EC128	92 381	93 964	55 096	59.6%	58.6%	-	38 869	-	41.4%
C	Amathole	DC12	1 870 727	1 889 893	1 779 756	95.1%	94.2%	-	110 137	-	5.8%
B	Inxuba Yethemba	EC131	248 129	248 129	157 558	63.5%	63.5%	-	90 570	-	36.5%
B	Tsolwana	EC132	117 308	117 308	61 158	52.1%	52.1%	-	56 149	-	47.9%
B	Inkwanca	EC133	80 325	80 325	28 303	35.2%	35.2%	-	52 022	-	64.8%
B	Lukhanji	EC134	523 573	535 796	392 210	74.9%	73.2%	-	143 586	-	26.8%
B	Inisika Yelhu	EC135	184 663	184 663	142 268	77.0%	77.0%	-	42 395	-	23.0%
B	Emalahleni (Ec)	EC136	237 678	244 040	208 075	87.5%	85.3%	-	35 964	-	14.7%
B	Engcobo	EC137	242 203	242 203	168 191	69.4%	69.4%	-	74 012	-	30.6%
B	Sakhisizwe	EC138	23 380	23 380	83 652	357.8%	357.8%	(60 272)	-	(257.8%)	-
C	Chris Hani	DC13	1 798 710	1 798 710	1 050 776	58.4%	58.4%	-	747 934	-	41.6%
B	Elundini	EC141	232 964	248 650	191 183	82.1%	76.9%	-	57 467	-	23.1%
B	Senqu	EC142	245 786	252 605	212 906	86.6%	84.3%	-	39 698	-	15.7%
B	Maletswai	EC143	140 434	149 483	122 798	87.4%	82.1%	-	26 685	-	17.9%
B	Gariep	EC144	133 148	133 148	66 665	50.1%	50.1%	-	66 482	-	49.9%
C	Joe Gqabi	DC14	599 245	699 858	463 998	77.4%	66.3%	-	235 860	-	33.7%
B	Ngquza Hills	EC153	222 895	299 154	269 874	121.1%	90.2%	-	29 280	-	9.8%
B	Port St Johns	EC154	218 820	218 820	88 815	40.6%	40.6%	-	130 006	-	59.4%
B	Nyandeni	EC155	391 069	395 109	227 149	58.1%	57.5%	-	167 960	-	42.5%
B	Mhlonlo	EC156	202 528	202 528	173 663	85.7%	85.7%	-	28 865	-	14.3%
B	King Sabata Dalindyebo	EC157	1 085 948	1 239 882	1 051 027	96.8%	84.8%	-	188 855	-	15.2%
C	O .R. Tambo	DC15	1 841 841	1 841 841	1 428 969	77.6%	77.6%	-	412 872	-	22.4%
B	Mataliele	EC441	405 458	390 816	311 074	76.7%	79.6%	-	79 742	-	20.4%
B	Umzimvubu	EC442	266 243	332 759	234 516	88.1%	70.5%	-	98 243	-	29.5%
B	Mbizana	EC443	579 954	626 409	426 275	73.5%	68.1%	-	200 134	-	31.9%
B	Ntabankulu	EC444	210 496	270 898	197 157	93.7%	72.8%	-	73 741	-	27.2%
C	Alfred Nzo	DC44	475 797	475 797	980 639	206.1%	206.1%	(504 842)	-	(106.1%)	-

**AGGREGATED BUDGETS OF TOTAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
<b>FREE STATE</b>											
A	Mangaung	MAN	7 393 510	7 209 072	6 534 250	88.4%	90.6%	-	674 822	-	9.4%
B	Letsemeng	FS161	163 734	156 788	100 526	61.4%	64.1%	-	56 262	-	35.9%
B	Kopanong	FS162	328 702	318 979	185 184	56.3%	58.1%	-	133 795	-	41.9%
B	Mohokare	FS163	230 833	223 297	131 362	56.9%	58.8%	-	91 935	-	41.2%
B	Naledi (Fs)	FS164	89 329	115 479	60 385	67.6%	52.3%	-	55 095	-	47.7%
C	Xhariep	DC16	68 279	61 384	52 495	76.9%	85.5%	-	8 889	-	14.5%
B	Masilonyana	FS181	263 070	331 663	186 083	70.7%	56.1%	-	145 580	-	43.9%
B	Tokoloko	FS182	101 737	101 736	82 067	80.7%	80.7%	-	19 669	-	19.3%
B	Tswelopele	FS183	138 324	149 300	156 550	113.2%	104.9%	(7 250)	-	(4.9%)	-
B	Majhabeng	FS184	2 110 318	2 132 317	1 428 707	67.0%	67.0%	-	703 610	-	33.0%
B	Nala	FS185	499 801	510 648	345 811	69.2%	67.7%	-	164 837	-	32.3%
C	Lejweleputswa	DC18	113 076	114 908	110 937	98.1%	96.5%	-	3 971	-	3.5%
B	Setsole	FS191	448 976	446 313	344 932	76.8%	77.3%	-	101 381	-	22.7%
B	Dihlabeng	FS192	682 600	682 600	511 737	75.0%	75.0%	-	170 862	-	25.0%
B	Nkeloana	FS193	341 857	379 073	447 803	131.0%	118.1%	(68 729)	-	(18.1%)	-
B	Maluti-a-Phofung	FS194	1 704 138	1 766 549	1 139 255	66.9%	64.5%	-	627 294	-	35.5%
B	Phumelela	FS195	106 913	159 917	138 014	129.1%	86.3%	-	21 902	-	13.7%
B	Mantsope	FS196	287 272	287 272	179 351	62.4%	62.4%	-	107 921	-	37.6%
C	Thabo Mofutsanyana	DC19	95 026	128 577	128 312	135.0%	99.8%	-	265	-	0.2%
B	Moqhaka	FS201	573 456	573 456	516 595	90.1%	90.1%	-	56 861	-	9.9%
B	Ngwalhe	FS203	654 152	655 133	453 195	69.3%	69.2%	-	201 938	-	30.8%
B	Metsimaholo	FS204	1 005 367	957 375	775 300	77.1%	81.0%	-	182 075	-	19.0%
B	Mafube	FS205	205 748	246 204	104 435	50.8%	42.4%	-	141 770	-	57.6%
C	Fezile Dabi	DC20	210 522	189 536	168 138	79.9%	88.7%	-	21 398	-	11.3%
<b>GAUTENG</b>											
A	Ekurhuleni Metro	EKU	29 985 183	30 302 135	26 194 324	87.4%	86.4%	-	4 107 811	-	13.6%
A	City Of Johannesburg	JHB	48 187 076	50 476 241	48 059 337	99.7%	95.2%	-	2 416 903	-	4.8%
A	City Of Tshwane	TSH	28 007 943	28 978 498	29 141 936	104.0%	100.6%	(163 437)	-	(0.6%)	-
B	Emfuleni	GT421	4 974 546	5 179 765	4 313 632	86.7%	83.3%	-	866 133	-	16.7%
B	Midvaal	GT422	910 545	940 722	806 030	88.5%	85.7%	-	134 692	-	14.3%
B	Lesedi	GT423	591 863	591 863	579 895	98.0%	98.0%	-	11 968	-	2.0%
C	Sedibeng	DC42	366 043	396 560	359 698	98.3%	90.7%	-	36 862	-	9.3%
B	Mogale City	GT481	2 854 404	2 909 217	2 550 205	89.3%	87.7%	-	359 012	-	12.3%
B	Randfontein	GT482	1 060 289	1 044 940	874 376	82.5%	83.7%	-	170 564	-	16.3%
B	Westonaria	GT483	654 105	648 183	403 350	61.7%	62.2%	-	244 833	-	37.8%
B	Merapong City	GT484	1 541 173	1 558 359	1 053 332	68.3%	67.6%	-	505 028	-	32.4%
C	West Rand	DC48	287 987	287 987	195 743	68.0%	68.0%	-	92 244	-	32.0%

**AGGREGATED BUDGETS OF TOTAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
<b>KWAZULU-NATAL</b>											
A	eThekweni	ETH	32 564 307	32 555 670	31 136 011	95.6%	95.6%	-	1 419 659	-	4.4%
B	Vulamehlo	KZN211	90 079	104 794	58 437	64.9%	55.8%	-	46 357	-	44.2%
B	Umdoni	KZN212	203 803	204 928	145 239	71.3%	70.9%	-	59 689	-	29.1%
B	Umzumbe	KZN213	189 783	215 530	174 231	91.8%	80.8%	-	41 298	-	19.2%
B	uMuziwabantu	KZN214	148 524	164 563	136 771	92.1%	83.1%	-	27 793	-	16.9%
B	Eziqoleni	KZN215	61 298	68 323	51 366	83.8%	75.2%	-	16 957	-	24.8%
B	Hibiscus Coast	KZN216	806 061	851 833	625 527	77.6%	73.4%	-	226 306	-	26.6%
C	Ugu	DC21	1 063 353	1 170 688	988 191	92.9%	84.4%	-	182 497	-	15.6%
B	uMshwathi	KZN221	137 979	152 849	142 020	102.9%	92.9%	-	10 829	-	7.1%
B	uMngeni	KZN222	282 300	353 924	306 194	108.5%	86.5%	-	47 730	-	13.5%
B	Mpofana	KZN223	136 515	130 595	95 358	69.9%	73.0%	-	35 237	-	27.0%
B	Impendle	KZN224	56 223	60 115	63 034	112.1%	104.9%	(2 919)	-	(4.9%)	-
B	Msunduzi	KZN225	4 097 768	4 427 105	4 551 067	111.1%	102.8%	(123 963)	-	(2.8%)	-
B	Mkhambathini	KZN226	71 664	101 275	70 507	98.4%	69.6%	-	30 767	-	30.4%
B	Richmond	KZN227	87 756	108 700	92 632	105.6%	85.2%	-	16 067	-	14.8%
C	uMgungundlovu	DC22	809 826	775 940	991 824	122.5%	127.8%	(215 884)	-	(27.8%)	-
B	Emnambithi/Lady smith	KZN232	745 461	779 865	638 903	85.7%	81.9%	-	140 962	-	18.1%
B	Indaka	KZN233	98 963	111 322	72 658	73.4%	65.3%	-	38 664	-	34.7%
B	Umtshezi	KZN234	370 688	408 152	354 337	95.6%	86.8%	-	53 815	-	13.2%
B	Okhahlamba	KZN235	163 525	207 870	150 654	92.1%	72.5%	-	57 215	-	27.5%
B	Imbabazane	KZN236	114 892	135 064	135 357	117.8%	100.2%	(293)	-	(0.2%)	-
C	Uthukela	DC23	744 063	824 618	741 082	99.6%	89.9%	-	83 536	-	10.1%
B	Endumeni	KZN241	264 178	265 739	216 739	82.0%	81.6%	-	49 000	-	18.4%
B	Nquthu	KZN242	125 686	221 317	141 431	112.5%	63.9%	-	79 886	-	36.1%
B	Msinga	KZN244	172 193	216 376	106 570	61.9%	49.3%	-	109 806	-	50.7%
B	Umvoti	KZN245	279 269	250 937	220 788	79.1%	88.0%	-	30 150	-	12.0%
C	Umzinyathi	DC24	593 069	828 846	592 226	99.9%	71.5%	-	236 620	-	28.5%
B	New castle	KZN252	2 302 698	2 134 579	1 849 528	80.3%	86.6%	-	285 051	-	13.4%
B	eMadlangeni	KZN253	84 278	80 713	51 735	61.4%	64.1%	-	28 978	-	35.9%
B	Dannhauser	KZN254	120 203	94 106	81 766	68.0%	86.9%	-	12 340	-	13.1%
C	Amajuba	DC25	194 863	217 790	182 555	93.7%	83.8%	-	35 235	-	16.2%
B	eDumbe	KZN261	116 639	129 017	102 559	87.9%	79.5%	-	26 458	-	20.5%
B	uPhongolo	KZN262	199 588	204 355	188 340	94.4%	92.2%	-	16 015	-	7.8%
B	Abaqulusi	KZN263	504 748	519 301	477 529	94.6%	92.0%	-	41 771	-	8.0%
B	Nongoma	KZN265	182 387	167 452	142 606	78.2%	85.2%	-	24 846	-	14.8%
B	Ulundi	KZN266	383 791	356 822	293 193	76.4%	82.2%	-	63 629	-	17.8%
C	Zululand	DC26	869 178	854 989	728 419	83.8%	85.2%	-	126 570	-	14.8%
B	Umlhlabuyalingana	KZN271	158 436	177 482	155 327	98.0%	87.5%	-	22 155	-	12.5%
B	Jozini	KZN272	206 416	197 840	146 697	71.1%	74.1%	-	51 143	-	25.9%
B	The Big 5 False Bay	KZN273	63 191	72 231	59 783	94.6%	82.8%	-	12 448	-	17.2%
B	Hlabisa	KZN274	70 058	70 064	53 235	76.0%	76.0%	-	16 830	-	24.0%
B	Mtubatuba	KZN275	153 537	148 640	164 185	106.9%	110.5%	(15 546)	-	(10.5%)	-
C	Umkhanyakude	DC27	527 236	497 101	444 326	84.3%	89.4%	-	52 775	-	10.6%
B	Mfolozi	KZN281	135 190	194 652	273 624	202.4%	140.6%	(78 972)	-	(40.6%)	-
B	uMhlathuze	KZN282	2 783 109	2 826 247	2 739 170	98.4%	96.9%	-	87 077	-	3.1%
B	Ntambanana	KZN283	62 817	68 915	50 689	80.7%	73.6%	-	18 226	-	26.4%
B	uMlalazi	KZN284	296 505	357 571	312 968	105.6%	87.5%	-	44 603	-	12.5%
B	Mthonjaneni	KZN285	103 363	123 907	115 918	112.1%	93.6%	-	7 989	-	6.4%
B	Nkandla	KZN286	131 578	134 366	132 060	100.4%	98.3%	-	2 307	-	1.7%
C	uThungulu	DC28	954 992	1 033 171	792 769	83.0%	76.7%	-	240 401	-	23.3%
B	Mandeni	KZN291	242 895	249 476	277 004	114.0%	111.0%	(27 528)	-	(11.0%)	-
B	KwaDukuza	KZN292	1 578 824	1 583 971	1 250 001	79.2%	78.9%	-	333 970	-	21.1%
B	Ndwedwe	KZN293	152 417	203 485	141 991	93.2%	69.8%	-	61 494	-	30.2%
B	Maphumulo	KZN294	121 588	136 933	107 985	88.8%	78.9%	-	28 948	-	21.1%
C	iLembe	DC29	856 252	970 453	871 289	101.8%	89.8%	-	99 165	-	10.2%
B	Ingwe	KZN431	151 865	148 692	111 103	73.2%	74.7%	-	37 589	-	25.3%
B	Kwa Sani	KZN432	50 868	55 080	53 843	105.8%	97.8%	-	1 236	-	2.2%
B	Greater Kokstad	KZN433	336 329	332 695	304 239	90.5%	91.4%	-	28 457	-	8.6%
B	Ubuhlebezwe	KZN434	154 672	178 657	97 833	63.3%	54.8%	-	80 824	-	45.2%
B	Umzimkhulu	KZN435	229 693	259 481	235 444	102.5%	90.7%	-	24 038	-	9.3%
C	Harry Gwala	DC43	600 418	640 623	455 850	75.9%	71.2%	-	184 774	-	28.8%

**AGGREGATED BUDGETS OF TOTAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget
<b>LIMPOPO</b>										
B	Greater Giyani	LIM331	336 357	356 737	253 447	75.4%	-	103 290	-	29.0%
B	Greater Letaba	LIM332	330 126	413 184	258 617	78.3%	-	154 567	-	37.4%
B	Greater Tzaneen	LIM333	1 021 943	1 095 686	819 989	80.2%	-	275 698	-	25.2%
B	Ba-Phalaborwa	LIM334	499 997	501 456	315 045	63.0%	-	186 411	-	37.2%
B	Maruleng	LIM335	182 296	182 296	110 514	60.6%	-	71 781	-	39.4%
C	Mopani	DC33	1 569 242	1 477 113	495 492	31.6%	-	981 621	-	66.5%
B	Musina	LIM341	225 114	253 626	256 871	114.1%	(3 245)	-	(1.3%)	-
B	Mutale	LIM342	104 951	105 206	93 752	89.3%	-	11 454	-	10.9%
B	Thulamela	LIM343	883 650	899 830	720 898	81.6%	-	178 932	-	19.9%
B	Makhado	LIM344	897 210	956 521	769 465	85.8%	-	187 056	-	19.6%
C	Vhembe	DC34	1 505 047	1 442 806	1 149 276	76.4%	-	293 529	-	20.3%
B	Blouberg	LIM351	206 366	223 152	172 317	83.5%	-	50 835	-	22.8%
B	Aganang	LIM352	164 116	182 431	99 424	60.6%	-	83 007	-	45.5%
B	Molemole	LIM353	160 106	167 040	141 549	88.4%	-	25 491	-	15.3%
B	Polokwane	LIM354	2 664 460	2 900 604	2 700 070	101.3%	-	200 534	-	6.9%
B	Lepelle-Nkumpi	LIM355	348 994	354 553	183 905	52.7%	-	170 648	-	48.1%
C	Capricorn	DC35	949 213	1 177 093	899 527	94.8%	-	277 566	-	23.6%
B	Thabazimbi	LIM361	410 646	366 315	224 463	54.7%	-	141 852	-	38.7%
B	Lephalale	LIM362	461 869	461 869	42 091	9.1%	-	419 778	-	90.9%
B	Mookgopong	LIM364	150 913	159 584	152 440	101.0%	-	7 144	-	4.5%
B	Modimolle	LIM365	337 550	359 151	282 646	83.7%	-	76 505	-	21.3%
B	Bela Bela	LIM366	328 064	397 633	236 317	72.0%	-	161 316	-	40.6%
B	Mogalakwena	LIM367	1 081 413	1 081 413	766 859	70.9%	-	314 554	-	29.1%
C	Waterberg	DC36	125 216	143 534	111 986	89.4%	-	31 548	-	22.0%
B	Ephraim Mogale	LIM471	250 371	234 819	208 048	83.1%	-	26 771	-	11.4%
B	Elias Mokoaledi	LIM472	368 787	389 170	326 364	88.5%	-	62 806	-	16.1%
B	Makhuduthamaga	LIM473	347 537	374 487	268 567	77.3%	-	105 920	-	28.3%
B	Fetakgomo	LIM474	111 921	116 268	117 086	104.6%	(819)	-	(0.7%)	-
B	Greater Tubatse	LIM475	-	402 967	325 535	-	-	77 432	-	19.2%
C	Sekhukhune	DC47	1 696 900	1 502 783	842 405	49.6%	-	660 378	-	43.9%
<b>MPUMALANGA</b>										
B	Albert Luthuli	MP301	482 665	534 445	319 592	66.2%	-	214 852	-	40.2%
B	Mskaligwa	MP302	649 629	749 929	433 111	66.7%	-	316 818	-	42.2%
B	Mkhondo	MP303	507 896	503 525	366 266	72.1%	-	137 259	-	27.3%
B	Pixley Ka Seme (MP)	MP304	363 781	293 151	196 791	54.1%	-	96 360	-	32.9%
B	Lekwa	MP305	717 834	717 834	418 694	58.3%	-	299 140	-	41.7%
B	Dipaleseng	MP306	273 206	308 697	188 918	69.1%	-	119 779	-	38.8%
B	Gov an Mbeki	MP307	1 975 002	1 681 108	1 474 760	74.7%	-	206 349	-	12.3%
C	Gert Sibande	DC30	409 106	331 476	262 659	64.2%	-	68 817	-	20.8%
B	Victor Khanye	MP311	51 103	51 103	276 252	540.6%	(225 149)	-	(440.6%)	-
B	Emalaheni (Mp)	MP312	2 081 461	2 055 354	1 645 039	79.0%	-	410 316	-	20.0%
B	Slev e Tshwete	MP313	1 540 285	1 553 564	1 309 211	85.0%	-	244 353	-	15.7%
B	Emakhazeni	MP314	250 591	246 887	153 591	61.3%	-	93 296	-	37.8%
B	Thembisile Hani	MP315	653 024	471 858	328 287	50.3%	-	143 571	-	30.4%
B	Dr J.S. Moroka	MP316	647 148	647 082	483 843	74.8%	-	163 239	-	25.2%
C	Nkangala	DC31	522 243	465 413	300 225	57.5%	-	165 189	-	35.5%
B	Thaba Chweu	MP321	473 795	501 946	507 350	107.1%	(5 404)	-	(1.1%)	-
B	Mbombela	MP322	2 440 971	2 671 753	2 372 617	97.2%	-	299 136	-	11.2%
B	Umjindi	MP323	313 328	323 928	244 516	78.0%	-	79 411	-	24.5%
B	Nkomazi	MP324	812 389	807 414	717 994	88.4%	-	89 420	-	11.1%
B	Bushbuckridge	MP325	1 150 580	1 315 534	1 020 294	88.7%	-	295 240	-	22.4%
C	Ehlanzeni	DC32	276 388	228 525	187 555	67.9%	-	40 971	-	17.9%



**AGGREGATED BUDGETS OF TOTAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
<b>NORTH WEST</b>											
B	Moretele	NW371	400 866	449 443	403 127	100.6%	89.7%	-	46 316	-	10.3%
B	Madibeng	NW372	1 659 610	1 659 301	1 547 406	93.2%	93.3%	-	111 896	-	6.7%
B	Rustenburg	NW373	4 646 364	4 646 364	3 608 413	77.7%	77.7%	-	1 037 950	-	22.3%
B	Kgellengrivier	NW374	148 415	148 415	138 889	93.6%	93.6%	-	9 526	-	6.4%
B	Moses Kotane	NW375	765 093	798 430	680 064	88.9%	85.2%	-	118 366	-	14.8%
C	Bojanala Platinum	DC37	315 158	272 818	272 149	86.4%	99.8%	-	59 343	-	0.2%
B	Rafloou	NW381	162 475	166 115	138 301	85.1%	83.3%	-	27 814	-	16.7%
B	Tswaing	NW382	179 096	179 096	124 391	69.5%	69.5%	-	54 704	-	30.5%
B	Mafikeng	NW383	583 568	615 809	381 023	65.3%	61.9%	-	234 786	-	38.1%
B	Ditsobotla	NW384	385 300	376 349	317 006	82.3%	82.3%	-	59 343	-	15.8%
B	Ramotshere Moiloa	NW385	277 737	298 594	253 272	91.2%	84.8%	-	45 322	-	15.2%
C	Ngaka Modiri Molema	DC38	783 492	870 894	838 266	107.0%	96.3%	-	32 628	-	3.7%
B	Naledi (Nw)	NW392	422 836	451 659	405 765	96.0%	89.8%	-	45 894	-	10.2%
B	Mamusa	NW393	168 066	171 962	157 643	93.8%	91.7%	-	14 319	-	8.3%
B	Greater Taung	NW394	218 401	218 402	212 915	97.5%	97.5%	-	5 487	-	2.5%
B	Lekwa-Teemane	NW396	269 081	301 248	173 694	64.6%	57.7%	-	127 554	-	42.3%
B	Kagisano-Molopo	NW397	154 982	154 982	73 946	47.7%	47.7%	-	81 036	-	52.3%
C	Dr Ruth Segomotsi Mompati	DC39	454 679	461 660	743 548	163.5%	161.1%	(281 888)	-	(61.1%)	-
B	Ventersdorp	NW401	166 403	166 403	134 295	80.7%	80.7%	-	32 107	-	19.3%
B	Tlokwe	NW402	1 502 378	1 448 344	1 340 412	89.2%	92.5%	-	107 932	-	7.5%
B	City Of Matielosa	NW403	2 234 741	2 739 191	2 267 687	101.5%	82.8%	-	471 503	-	17.2%
B	Maquassi Hills	NW404	361 626	334 739	288 290	79.7%	86.1%	-	46 449	-	13.9%
C	Dr Kenneth Kaunda	DC40	336 636	358 035	209 614	62.3%	58.5%	-	148 421	-	41.5%
<b>NORTHERN CAPE</b>											
B	Joe Morolong	NC451	242 369	252 910	270 550	111.6%	107.0%	(17 640)	-	(7.0%)	-
B	Ga-Segonyana	NC452	422 706	419 743	377 767	89.4%	90.0%	-	41 976	-	10.0%
B	Gamagara	NC453	719 647	546 458	351 480	48.8%	64.3%	-	194 979	-	35.7%
C	John Taolo Gaetsewe	DC45	100 140	106 065	94 059	93.9%	88.7%	-	12 006	-	11.3%
B	Richtersveld	NC061	94 784	81 192	48 386	51.0%	59.6%	-	32 806	-	40.4%
B	Nama Khoi	NC062	226 774	274 639	213 582	94.2%	77.8%	-	61 057	-	22.2%
B	Kamiesberg	NC064	46 373	46 311	43 393	93.6%	93.7%	-	2 918	-	6.3%
B	Hantam	NC065	99 060	105 886	85 021	85.8%	80.3%	-	20 865	-	19.7%
B	Karoo Hoogland	NC066	63 577	63 577	54 491	85.7%	85.7%	-	9 086	-	14.3%
B	Khai-Ma	NC067	68 973	71 974	56 462	81.9%	78.4%	-	15 512	-	21.6%
C	Namakwa	DC6	100 804	106 925	62 155	61.7%	58.1%	-	44 770	-	41.9%
B	Ubuntu	NC071	98 753	98 753	54 246	54.9%	54.9%	-	44 507	-	45.1%
B	Umsobomvu	NC072	166 579	177 394	146 716	88.1%	82.7%	-	30 678	-	17.3%
B	Emthanjeni	NC073	242 256	225 903	179 874	74.2%	79.6%	-	46 029	-	20.4%
B	Kareeberg	NC074	73 627	73 627	53 081	72.1%	72.1%	-	20 546	-	27.9%
B	Renosterberg	NC075	48 076	48 076	41 788	86.9%	86.9%	-	6 288	-	13.1%
B	Thembelihle	NC076	76 225	77 878	59 726	78.4%	76.7%	-	18 153	-	23.3%
B	Siyathemba	NC077	102 006	102 006	65 586	64.3%	64.3%	-	36 420	-	35.7%
B	Siyancuma	NC078	180 525	181 926	152 792	84.6%	84.0%	-	29 134	-	16.0%
C	Pixley Ka Seme (Nc)	DC7	45 663	46 350	44 491	97.4%	96.0%	-	1 859	-	4.0%
B	Mier	NC081	33 812	45 694	34 859	103.1%	76.3%	-	10 835	-	23.7%
B	!Kai! Garib	NC082	214 623	219 880	184 873	86.1%	84.1%	-	35 007	-	15.9%
B	//Khara Hais	NC083	659 843	668 903	611 786	92.7%	91.5%	-	57 117	-	8.5%
B	!Kheis	NC084	75 718	75 595	43 587	57.6%	57.7%	-	32 008	-	42.3%
B	Tsantsabane	NC085	229 872	242 833	159 545	69.4%	65.7%	-	83 287	-	34.3%
B	Kgalelopele	NC086	82 386	82 386	60 074	72.9%	72.9%	-	22 312	-	27.1%
C	Z F Mgcawu	DC8	59 656	57 538	54 380	91.2%	94.5%	-	3 157	-	5.5%
B	Sol Plaatje	NC091	1 763 766	1 947 333	1 658 399	94.0%	85.2%	-	288 934	-	14.8%
B	Dikgallong	NC092	133 956	141 503	85 839	64.1%	60.7%	-	55 664	-	39.3%
B	Magareng	NC093	13 / 5 / 5	12 / 349	81 264	59.1%	63.8%	-	46 085	-	36.2%
B	Phokwane	NC094	320 107	278 145	199 419	62.3%	71.7%	-	78 727	-	28.3%
C	Frances Baard	DC9	137 971	139 570	103 501	75.0%	74.2%	-	36 069	-	25.8%

**AGGREGATED BUDGETS OF TOTAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
<b>WESTERN CAPE</b>											
A	Cape Town	CPT	34 649 526	35 240 911	30 896 549	89.2%	87.7%	-	4 344 362	-	12.3%
B	Matzikama	WC011	254 437	274 962	227 080	89.2%	82.6%	-	47 882	-	17.4%
B	Cederberg	WC012	237 585	282 447	229 016	96.4%	81.1%	-	53 432	-	18.9%
B	Bergrivier	WC013	281 205	268 912	251 864	89.6%	93.7%	-	17 048	-	6.3%
B	Saldanha Bay	WC014	1 040 763	1 055 856	872 810	83.9%	82.7%	-	183 046	-	17.3%
B	Swartland	WC015	577 306	653 932	536 212	92.9%	82.0%	-	117 720	-	18.0%
C	West Coast	DC1	332 666	329 020	306 947	92.3%	93.3%	-	22 073	-	6.7%
B	Witzenberg	WC022	459 488	480 989	409 822	89.2%	85.2%	-	71 167	-	14.8%
B	Drakenstein	WC023	1 844 335	2 092 872	1 702 101	92.3%	81.3%	-	390 772	-	18.7%
B	Stellenbosch	WC024	1 415 400	1 410 870	1 114 369	78.7%	79.0%	-	296 501	-	21.0%
B	Breede Valley	WC025	835 810	889 180	788 424	94.3%	88.7%	-	100 756	-	11.3%
B	Langeberg	WC026	547 212	570 259	528 060	96.5%	92.6%	-	42 199	-	7.4%
C	Cape Winelands DM	DC2	379 220	357 979	304 148	80.2%	85.0%	-	53 831	-	15.0%
B	Theewaterskloof	WC031	439 138	495 871	414 401	94.4%	83.6%	-	81 471	-	16.4%
B	Overstrand	WC032	967 309	1 056 107	1 011 469	104.6%	95.8%	-	44 638	-	4.2%
B	Cape Agulhas	WC033	241 181	302 656	289 860	120.2%	95.8%	-	12 796	-	4.2%
B	Swellendam	WC034	214 441	256 162	191 539	89.3%	74.8%	-	64 623	-	25.2%
C	Overberg	DC3	117 733	129 561	128 919	109.5%	99.5%	-	641	-	0.5%
B	Kannaland	WC041	139 633	139 633	108 118	77.4%	77.4%	-	31 515	-	22.6%
B	Hessequa	WC042	381 105	416 963	308 410	80.9%	74.0%	-	108 553	-	26.0%
B	Mossel Bay	WC043	905 511	948 988	779 246	86.1%	82.1%	-	169 742	-	17.9%
B	George	WC044	1 468 239	1 514 158	1 327 678	90.4%	87.7%	-	186 480	-	12.3%
B	Oudtshoorn	WC045	523 531	523 531	524 519	100.2%	100.2%	(988)	-	(0.2%)	-
B	Bitou	WC047	485 194	566 845	469 701	96.8%	82.9%	-	97 143	-	17.1%
B	Knyasa	WC048	610 921	702 486	613 948	100.5%	81.4%	-	88 538	-	12.6%
C	Eden	DC4	314 613	218 690	178 121	56.6%	81.4%	-	40 568	-	18.6%
B	Laingsburg	WC051	62 931	95 020	68 622	109.0%	72.2%	-	26 398	-	27.8%
B	Prince Albert	WC052	69 373	106 316	105 788	152.5%	99.5%	-	528	-	0.5%
B	Beaufort West	WC053	274 930	308 380	259 275	94.3%	84.1%	-	49 105	-	15.9%
C	Central Karoo	DC5	57 031	83 302	67 565	118.5%	81.1%	-	15 737	-	18.9%
<b>Total National</b>			<b>336 848 414</b>	<b>347 331 676</b>	<b>305 762 629</b>	<b>90.8%</b>	<b>88.0%</b>	<b>(1 914 574)</b>	<b>43 483 621</b>	<b>(0.6%)</b>	<b>12.5%</b>

Source: National Treasury Local Government database

## Annexure B: June spike

### Table 1: Metropolitan Municipalities

	R thousands	Code	Original Budget	Adjusted Budget	YTD Actual	%	Month 12 June Actual	Monthly Capex	June Spike
A	City Of Johannesburg	EKU	10 875 150	10 827 949	9 748 282	90.0%	4 002 853	812 357	393%
A	Cape Town	CPT	6 211 315	6 128 220	4 969 521	81.1%	1 532 083	414 127	270%
A	Ekurhuleni Metro	EKU	3 790 366	3 810 950	2 721 077	71.4%	831 977	226 756	267%
A	City Of Tshwane	TSH	4 167 987	4 388 781	4 116 511	93.8%	1 146 193	343 043	234%
A	Mangaung	MAN	1 469 463	1 557 971	1 257 030	80.7%	308 247	104 753	194%
A	Buffalo City	BUF	942 007	1 168 745	873 801	74.8%	171 493	72 817	136%
A	eThekweni	ETH	5 711 022	5 613 077	5 755 427	102.5%	1 085 649	479 619	126%
A	Nelson Mandela Bay	NMA	1 392 230	1 560 118	1 305 357	83.7%	241 057	108 780	122%

### Table 2: Top Ten Municipalities

	R thousands	Code	Original Budget	Adjusted Budget	YTD Actual	%	Month 12 June Actual	Monthly Capex	June Spike
C	John Taolo Gaetsewe	DC45	0	6 585	4 853	73.7%	3 756	404	829%
B	Cape Agulhas	WC033	14 701	56 967	54 073	94.9%	40 225	4 506	793%
B	Emnambithi/Lady smith	KZN232	111 799	157 923	186 444	118.1%	120 300	15 537	674%
B	Ephraim Mogale	LIM471	83 807	68 255	54 641	80.1%	33 629	4 553	639%
B	Bergrivier	WC013	49 649	32 044	29 391	91.7%	14 285	2 449	483%
C	Namakwa	DC6	1 154	2 407	1 258	52.3%	604	105	476%
B	Lesedi	GT423	47 654	47 654	57 734	121.2%	27 461	4 811	471%
C	Lejweleputswa	DC18	711	950	930	97.9%	425	77	449%
B	Mogale City	GT481	483 996	461 909	363 152	78.6%	154 458	30 263	410%
C	Sarah Baartman	DC10	13 731	2 405	985	41.0%	400	82	387%

**Table 3: Detail capital expenditure**

**AGGREGATED BUDGETS OF CAPITAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
<b>EASTERN CAPE</b>											
A	Buffalo City	BUF	942 007	1 168 745	873 801	92.8%	74.8%	-	294 944	-	25.2%
A	Nelson Mandela Bay	NMA	1 392 230	1 560 118	1 305 357	93.8%	83.7%	-	254 761	-	16.3%
B	Camdeboo	EC101	43 273	50 177	32 913	76.1%	65.6%	-	17 264	-	34.4%
B	Blue Crane Route	EC102	39 411	44 686	33 025	83.8%	73.9%	-	11 661	-	26.1%
B	Ikwezi	EC103	8 213	19 254	10 405	126.7%	54.0%	-	8 849	-	46.0%
B	Makana	EC104	63 679	63 679	23 213	36.5%	36.5%	-	40 466	-	63.5%
B	Ndlambe	EC105	31 192	31 192	33 564	107.6%	107.6%	(2 372)	-	(7.6%)	-
B	Sundays River Valley	EC106	26 975	27 631	19 947	73.9%	72.2%	-	7 684	-	27.8%
B	Baviaans	EC107	40 686	41 850	33 913	83.4%	81.0%	-	7 937	-	19.0%
B	Kouga	EC108	36 231	47 197	43 343	119.6%	91.8%	-	3 853	-	8.2%
B	Kou-Kamma	EC109	19 885	20 844	22 467	113.0%	107.8%	(1 623)	-	(7.8%)	-
C	Sarah Baartman	DC10	13 731	2 405	985	7.2%	41.0%	-	1 420	-	59.0%
B	Mbhashe	EC121	-	-	40 477	-	-	(40 477)	-	-	-
B	Mnquma	EC122	84 082	110 058	41 041	48.8%	37.3%	-	69 016	-	62.7%
B	Great Kei	EC123	12 215	33 262	10 036	82.2%	30.2%	-	23 226	-	69.8%
B	Amahlathi	EC124	43 995	65 718	38 854	88.3%	59.1%	-	26 864	-	40.9%
B	Ngqushwa	EC126	-	33 584	21 355	-	63.6%	-	12 230	-	36.4%
B	Nkonkobe	EC127	84 043	116 364	42 066	50.1%	36.2%	-	74 298	-	63.8%
B	Nxuba	EC128	9 144	9 417	5 253	57.4%	55.8%	-	4 164	-	44.2%
C	Amathole	DC12	513 040	536 144	471 312	91.9%	87.9%	-	64 832	-	12.1%
B	Inxuba Yethemba	EC131	15 950	15 950	13 677	85.8%	85.8%	-	2 273	-	14.2%
B	Tsolwana	EC132	13 950	13 950	8 220	58.9%	58.9%	-	5 730	-	41.1%
B	Inkwanca	EC133	12 616	12 616	9	0.1%	0.1%	-	12 607	-	99.9%
B	Lukhanji	EC134	67 361	54 865	46 027	68.3%	83.9%	-	8 837	-	16.1%
B	Inkisa Yelhu	EC135	6 389	6 389	18 803	294.3%	294.3%	(12 414)	-	(194.3%)	-
B	Emalahleni (Ec)	EC136	38 223	41 071	35 225	92.2%	85.8%	-	5 846	-	14.2%
B	Engcobo	EC137	68 423	68 423	54 174	79.2%	79.2%	-	14 249	-	20.8%
B	Sakhisizwe	EC138	23 274	23 274	7 065	30.4%	30.4%	-	16 209	-	69.6%
C	Chris Hani	DC13	609 167	609 167	512 568	84.1%	84.1%	-	96 600	-	15.9%
B	Elundini	EC141	38 534	51 384	47 841	124.2%	93.1%	-	3 543	-	6.9%
B	Senqu	EC142	56 206	63 550	49 771	88.6%	78.3%	-	13 779	-	21.7%
B	Maletswai	EC143	10 704	17 321	9 047	84.5%	52.2%	-	8 274	-	47.8%
B	Gariep	EC144	11 027	11 027	10 106	91.6%	91.6%	-	921	-	8.4%
C	Joe Gqabi	DC14	120 336	190 255	87 041	72.3%	45.7%	-	103 214	-	54.3%
B	Ngqiza Hills	EC153	119 976	119 969	99 954	83.3%	83.3%	-	20 016	-	16.7%
B	Port St Johns	EC154	33 298	33 298	9 562	28.7%	28.7%	-	23 736	-	71.3%
B	Nyandeni	EC155	86 102	72 102	52 271	60.7%	72.5%	-	19 831	-	27.5%
B	Mhlontlo	EC156	54 410	54 410	51 169	94.0%	94.0%	-	3 241	-	6.0%
B	King Sabata Dalindyebo	EC157	149 668	259 249	172 047	115.0%	66.4%	-	87 202	-	33.6%
C	O .R. Tambo	DC15	835 455	835 455	767 699	91.9%	91.9%	-	67 756	-	8.1%
B	Matala	EC441	147 577	126 566	99 447	67.4%	78.6%	-	27 118	-	21.4%
B	Umzimvubu	EC442	80 423	102 560	115 781	144.0%	112.9%	(13 220)	-	(12.9%)	-
B	Mbizana	EC443	171 421	187 342	121 399	70.8%	64.8%	-	65 943	-	35.2%
B	Nlabankulu	EC444	61 410	61 498	104 889	170.8%	170.6%	(43 391)	-	(70.6%)	-
C	Alfred Nzo	DC44	-	-	606 500	-	-	(606 500)	-	-	-

**AGGREGATED BUDGETS OF CAPITAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
<b>FREE STATE</b>											
A	Mangaung	MAN	1 469 463	1 557 971	1 257 030	85.5%	80.7%	-	300 941	-	19.3%
B	Letsemeng	FS161	43 035	32 455	17 537	40.8%	54.0%	-	14 917	-	46.0%
B	Kopanong	FS162	32 730	31 730	26 003	79.4%	82.0%	-	5 727	-	18.0%
B	Mohokare	FS163	72 436	62 424	41 598	57.4%	66.6%	-	20 826	-	33.4%
B	Naledi (Fs)	FS164	-	-	-	-	-	-	-	-	-
C	Xhariep	DC16	1 745	1 192	454	26.0%	38.1%	-	739	-	61.9%
B	Masilonyana	FS181	83 077	92 803	36 484	43.9%	39.3%	-	56 319	-	60.7%
B	Tokologo	FS182	29 155	29 155	16 144	55.4%	55.4%	-	13 011	-	44.6%
B	Tswelopele	FS183	24 803	24 668	26 114	105.3%	105.9%	(1 446)	-	(5.9%)	-
B	Matjhabeng	FS184	156 246	188 245	171 849	110.0%	91.3%	-	16 396	-	8.7%
B	Nala	FS185	43 086	62 816	43 327	100.6%	69.0%	-	19 489	-	31.0%
C	Lejweleputswa	DC18	711	950	930	130.8%	97.9%	-	20	-	2.1%
B	Setsolo	FS191	61 377	64 040	35 294	57.5%	55.1%	-	28 746	-	44.9%
B	Dihlabeng	FS192	79 604	79 604	55 865	70.2%	70.2%	-	23 739	-	29.8%
B	Nkeloana	FS193	61 022	56 022	28 542	46.8%	50.9%	-	27 480	-	49.1%
B	Maluti-a-Phofung	FS194	308 309	358 303	235 119	76.3%	65.6%	-	123 184	-	34.4%
B	Phumelela	FS195	-	48 246	29 344	-	60.8%	-	18 902	-	39.2%
B	Mantsopa	FS196	74 435	74 435	17 378	23.3%	23.3%	-	57 057	-	76.7%
C	Thabo Mofutsanyana	DC19	7 055	6 359	4 105	58.2%	64.6%	-	2 254	-	35.4%
B	Moqhaka	FS201	-	-	27 787	-	-	(27 787)	-	-	-
B	Ngwathe	FS203	66 692	67 672	60 014	90.0%	88.7%	-	7 658	-	11.3%
B	Metsimaholo	FS204	136 861	78 265	45 135	33.0%	57.7%	-	33 130	-	42.3%
B	Mafulbe	FS205	43 017	38 299	17 786	41.3%	46.4%	-	20 513	-	53.6%
C	Fezile Dabi	DC20	3 460	6 085	395	11.4%	6.5%	-	5 690	-	93.5%
<b>GAUTENG</b>											
A	Ekurhuleni Metro	EKU	3 790 366	3 810 950	2 721 077	71.8%	71.4%	-	1 089 872	-	28.6%
A	City Of Johannesburg	JHB	10 875 150	10 827 949	9 748 282	89.6%	90.0%	-	1 079 667	-	10.0%
A	City Of Tshwane	TSH	4 167 987	4 388 781	4 116 511	98.8%	93.8%	-	272 270	-	6.2%
B	Emfuleni	GT421	408 425	518 120	206 235	50.5%	39.8%	-	311 885	-	60.2%
B	Midvaal	GT422	82 392	73 884	66 331	80.5%	89.8%	-	7 553	-	10.2%
B	Lesedi	GT423	47 654	47 654	57 734	121.2%	121.2%	(10 080)	-	(21.2%)	-
C	Sedibeng	DC42	17 238	16 808	15 382	89.2%	91.5%	-	1 426	-	8.5%
B	Mogale City	GT481	483 996	461 909	363 152	75.0%	78.6%	-	98 757	-	21.4%
B	Randfontein	GT482	65 560	90 164	52 222	79.7%	57.9%	-	37 942	-	42.1%
B	Westonaria	GT483	84 209	84 209	87 296	103.7%	103.7%	(3 087)	-	(3.7%)	-
B	Merafong City	GT484	294 679	223 260	149 228	50.6%	66.8%	-	74 032	-	33.2%
C	West Rand	DC48	5 086	5 086	23	0.4%	0.4%	-	5 063	-	99.6%

**AGGREGATED BUDGETS OF CAPITAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

		Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
R thousands	Code										
<b>KWAZULU-NATAL</b>											
A	eThekweni	ETH	5 711 022	5 613 077	5 755 427	100.8%	102.5%	(142 350)	-	(2.5%)	-
B	Vulamehlo	KZN211	17 733	23 489	10 824	61.0%	46.1%	-	12 665	-	53.9%
B	Umdoni	KZN212	33 493	37 765	27 185	81.2%	72.0%	-	10 581	-	28.0%
B	Umzumbe	KZN213	55 527	92 713	72 664	130.9%	78.4%	-	20 049	-	21.6%
B	uMuziwabantu	KZN214	31 033	40 874	21 917	70.6%	53.6%	-	18 958	-	46.4%
B	Eziqoleni	KZN215	16 538	20 387	20 515	124.0%	100.6%	(128)	-	(0.6%)	-
B	Hibiscus Coast	KZN216	101 031	146 804	97 719	96.7%	66.6%	-	49 085	-	33.4%
C	Ugu	DC21	336 966	421 545	335 058	99.4%	79.5%	-	86 486	-	20.5%
B	uMshwathi	KZN221	32 700	39 490	37 336	114.2%	94.5%	-	2 154	-	5.5%
B	uMngeni	KZN222	23 015	67 992	55 885	242.8%	82.2%	-	12 107	-	17.8%
B	Mpofana	KZN223	17 641	22 591	25 095	142.3%	111.1%	(2 504)	-	(11.1%)	-
B	Impendle	KZN224	15 256	19 915	16 739	109.7%	84.1%	-	3 176	-	15.9%
B	Msunduzi	KZN225	597 754	704 976	529 099	88.5%	75.1%	-	175 877	-	24.9%
B	Mkhambathini	KZN226	20 720	36 122	18 165	87.7%	50.3%	-	17 957	-	49.7%
B	Richmond	KZN227	21 499	34 091	27 123	126.2%	79.6%	-	6 968	-	20.4%
C	uMgungundlovu	DC22	246 108	209 159	319 361	129.8%	152.7%	(110 202)	-	(52.7%)	-
B	Emnambithi/Lady smith	KZN232	111 799	157 923	186 444	166.8%	118.1%	(28 521)	-	(18.1%)	-
B	Indaka	KZN233	44 404	53 562	27 832	63.2%	52.0%	-	25 730	-	48.0%
B	Umtshezi	KZN234	35 499	59 989	63 404	178.6%	105.7%	(3 414)	-	(5.7%)	-
B	Okhahlamba	KZN235	48 412	82 066	58 529	120.9%	71.3%	-	23 537	-	28.7%
B	Imbabazane	KZN236	28 975	29 394	31 727	109.5%	107.9%	(2 332)	-	(7.9%)	-
C	Uthukela	DC23	277 475	367 025	379 895	136.9%	103.5%	(12 870)	-	(3.5%)	-
B	Endumeni	KZN241	36 163	36 095	24 978	69.1%	69.2%	-	11 117	-	30.8%
B	Nquthu	KZN242	14 840	82 375	44 286	298.4%	53.8%	-	38 088	-	46.2%
B	Msinga	KZN244	45 663	45 663	41 300	90.4%	90.4%	-	4 363	-	9.6%
B	Umvoti	KZN245	52 916	65 288	49 582	93.7%	75.9%	-	15 706	-	24.1%
C	Umkhanyathi	DC24	181 509	418 871	284 281	156.6%	67.9%	-	134 591	-	32.1%
B	New castle	KZN252	444 229	428 348	363 108	81.7%	84.8%	-	65 240	-	15.2%
B	eMadlangeni	KZN253	14 725	22 444	11 030	74.9%	49.1%	-	11 414	-	50.9%
B	Dannhauser	KZN254	49 232	23 744	28 543	58.0%	120.2%	(4 799)	-	(20.2%)	-
C	Amajuba	DC25	56 404	73 633	43 899	77.8%	59.6%	-	29 734	-	40.4%
B	eDumbe	KZN261	26 028	34 698	29 531	113.5%	85.1%	-	5 168	-	14.9%
B	uPhongolo	KZN262	56 336	52 508	52 314	92.9%	99.6%	-	194	-	0.4%
B	Abaqulusi	KZN263	54 414	54 164	54 522	100.2%	100.7%	(358)	-	(0.7%)	-
B	Nongoma	KZN265	57 938	49 543	37 528	64.8%	75.7%	-	12 015	-	24.3%
B	Ulundi	KZN266	34 610	24 500	21 053	60.8%	85.9%	-	3 447	-	14.1%
C	Zululand	DC26	355 008	357 488	230 144	64.8%	64.4%	-	127 344	-	35.6%
B	Umlhlabuyalingana	KZN271	53 703	57 329	49 891	92.9%	87.0%	-	7 438	-	13.0%
B	Jozini	KZN272	71 451	60 973	40 428	56.6%	66.3%	-	20 545	-	33.7%
B	The Big 5 False Bay	KZN273	11 556	12 962	12 563	108.7%	96.9%	-	399	-	3.1%
B	Hlabisa	KZN274	14 540	15 225	8 503	58.5%	55.8%	-	6 722	-	44.2%
B	Mtubatuba	KZN275	45 807	37 009	32 069	70.0%	86.7%	-	4 940	-	13.3%
C	Umkhanyakude	DC27	206 285	178 782	128 246	62.2%	71.7%	-	50 536	-	28.3%
B	Mfolozi	KZN281	60 652	59 652	63 223	104.2%	106.0%	(3 571)	-	(6.0%)	-
B	uMhlathuze	KZN282	419 862	498 307	419 647	99.9%	84.2%	-	78 660	-	15.8%
B	Ntambanana	KZN283	16 975	18 938	11 456	67.5%	60.5%	-	7 482	-	39.5%
B	uMlalazi	KZN284	62 448	75 883	57 879	92.7%	76.3%	-	18 004	-	23.7%
B	Mthonjaneni	KZN285	31 103	31 128	41 610	133.8%	133.7%	(10 482)	-	(33.7%)	-
B	Nkandla	KZN286	26 737	31 482	26 675	99.8%	84.7%	-	4 807	-	15.3%
C	uThungulu	DC28	368 696	353 511	204 621	55.5%	57.9%	-	148 890	-	42.1%
B	Mandeni	KZN291	90 497	75 168	73 595	81.3%	97.9%	-	1 573	-	2.1%
B	KwaDukuza	KZN292	439 277	408 250	210 917	48.0%	51.7%	-	197 333	-	48.3%
B	Ndwedwe	KZN293	59 505	108 031	59 862	100.6%	55.4%	-	48 169	-	44.6%
B	Maphumulo	KZN294	39 640	46 830	25 085	63.3%	53.6%	-	21 745	-	46.4%
C	iLembe	DC29	310 764	334 886	307 323	98.9%	91.8%	-	27 563	-	8.2%
B	Ingwe	KZN431	68 296	64 979	26 260	38.5%	40.4%	-	38 719	-	59.6%
B	Kwa Sani	KZN432	10 863	11 442	8 378	77.1%	73.2%	-	3 064	-	26.8%
B	Greater Kokstad	KZN433	64 632	60 057	53 572	82.9%	89.2%	-	6 485	-	10.8%
B	Ubuhlebezwe	KZN434	40 020	58 860	26 236	65.6%	44.6%	-	32 624	-	55.4%
B	Umkhuhlu	KZN435	82 596	107 406	85 591	103.6%	79.7%	-	21 815	-	20.3%
C	Harry Gwala	DC43	259 260	264 342	193 240	74.5%	73.1%	-	71 102	-	26.9%

**AGGREGATED BUDGETS OF CAPITAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget
<b>LIMPOPO</b>										
B	Greater Giyani	LIM331	100 918	117 923	96 829	95.9%	-	21 094	-	17.9%
B	Greater Letaba	LIM332	165 975	254 094	113 025	68.1%	-	141 070	-	55.5%
B	Greater Tzaneen	LIM333	170 929	232 763	126 112	73.8%	-	106 651	-	45.8%
B	Ba-Phalaborwa	LIM334	61 179	54 279	40 764	66.6%	-	13 515	-	24.9%
B	Maruleng	LIM335	49 589	49 589	41 192	83.1%	-	8 397	-	16.9%
C	Mopani	DC33	674 966	674 966	63 643	9.4%	-	611 323	-	90.6%
B	Musina	LIM341	29 450	29 450	8 855	30.1%	-	20 595	-	69.9%
B	Mutale	LIM342	33 567	34 586	18 923	56.4%	-	15 663	-	45.3%
B	Thulamela	LIM343	333 863	317 916	231 456	69.3%	-	86 460	-	27.2%
B	Makhado	LIM344	150 941	191 855	143 358	95.0%	-	48 497	-	25.3%
C	Vhembe	DC34	704 498	733 978	509 851	72.4%	-	224 128	-	30.5%
B	Blouberg	LIM351	46 897	60 870	38 766	82.7%	-	22 104	-	36.3%
B	Aganang	LIM352	52 706	73 618	24 503	46.5%	-	49 115	-	66.7%
B	Molemole	LIM353	42 785	42 894	33 530	78.4%	-	9 364	-	21.8%
B	Polokwane	LIM354	518 749	787 677	609 048	117.4%	-	178 629	-	22.7%
B	Lepelle-Nkumpi	LIM355	111 977	107 754	46 693	41.7%	-	61 062	-	56.7%
C	Capricorn	DC35	264 179	454 697	285 920	108.2%	-	168 777	-	37.1%
B	Thabazimbi	LIM361	180 374	90 187	7 407	4.1%	-	82 780	-	91.8%
B	Lephalale	LIM362	66 963	66 963	8 285	12.4%	-	58 678	-	87.6%
B	Mookgopong	LIM364	14 985	13 138	24 548	163.8%	(11 409)	-	(86.8%)	-
B	Modimolle	LIM365	41 307	51 893	42 451	102.8%	-	9 443	-	18.2%
B	Bela Bela	LIM366	31 083	41 303	11 874	38.2%	-	29 429	-	71.3%
B	Mogalakwena	LIM367	369 845	369 845	189 619	51.3%	-	180 226	-	48.7%
C	Waterberg	DC36	-	9 167	2 462	-	-	6 705	-	73.1%
B	Ephraim Mogale	LIM471	83 807	68 255	54 641	65.2%	-	13 614	-	19.9%
B	Elias Mokoaledi	LIM472	77 290	84 383	69 221	89.6%	-	15 162	-	18.0%
B	Makhuduthamaga	LIM473	156 678	166 730	118 191	75.4%	-	48 539	-	29.1%
B	Fetakgomo	LIM474	24 448	24 448	24 611	100.7%	(163)	-	(0.7%)	-
B	Greater Tubatse	LIM475	-	184 450	48 960	-	-	135 490	-	73.5%
C	Sekhukhune	DC47	957 752	678 432	178 905	18.7%	-	499 527	-	73.6%
<b>MPUMALANGA</b>										
B	Albert Luthuli	MP301	102 737	151 494	125 060	121.7%	-	26 433	-	17.4%
B	Msukaligwa	MP302	139 780	139 780	35 600	25.5%	-	104 180	-	74.5%
B	Mkhondo	MP303	92 260	99 572	100 995	109.5%	(1 423)	-	(1.4%)	-
B	Pixley Ka Seme (MP)	MP304	28 720	31 576	24 399	85.0%	-	7 177	-	22.7%
B	Lekwa	MP305	34 784	34 784	49 115	141.2%	(14 330)	-	(41.2%)	-
B	Dipaleseng	MP306	79 095	101 395	40 181	50.8%	-	61 214	-	60.4%
B	Gov an Mbeki	MP307	141 993	141 993	117 956	83.1%	-	24 037	-	16.9%
C	Gert Sibande	DC30	12 000	7 350	5 067	42.2%	-	2 283	-	31.1%
B	Victor Khanye	MP311	51 103	51 103	1 683	3.3%	-	49 420	-	96.7%
B	Emalaheni (Mp)	MP312	159 916	159 916	126 895	79.4%	-	33 021	-	20.6%
B	Slev e Tshwete	MP313	187 899	264 234	167 811	89.3%	-	96 423	-	36.5%
B	Emakhazeni	MP314	17 267	17 072	16 408	95.0%	-	663	-	3.9%
B	Thembisile Hani	MP315	110 820	111 341	69 871	63.0%	-	41 469	-	37.2%
B	Dr J.S. Moroka	MP316	124 605	124 605	135 998	109.1%	(11 393)	-	(9.1%)	-
C	Nkangala	DC31	33 853	33 346	24 433	72.2%	-	8 913	-	26.7%
B	Thaba Chweu	MP321	46 004	46 004	63 113	137.2%	(17 109)	-	(37.2%)	-
B	Mbombela	MP322	522 517	698 262	441 246	84.4%	-	257 016	-	36.8%
B	Umjindi	MP323	58 641	69 241	53 433	91.1%	-	15 808	-	22.8%
B	Nkomazi	MP324	230 907	230 907	183 258	79.4%	-	47 648	-	20.6%
B	Bushbuckridge	MP325	440 655	443 886	301 661	68.5%	-	142 225	-	32.0%
C	Ehlanzeni	DC32	73 782	22 952	19 336	26.2%	-	3 616	-	15.8%

**AGGREGATED BUDGETS OF CAPITAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
<b>NORTH WEST</b>											
B	Moretele	NW371	118 666	164 069	182 276	153.6%	111.1%	(18 207)	-	(11.1%)	-
B	Madibeng	NW372	265 678	275 875	263 266	99.1%	95.4%	-	12 609	-	4.6%
B	Ruslenburg	NW373	1 085 040	1 085 040	703 286	64.8%	64.8%	-	381 754	-	35.2%
B	Kgellengrivier	NW374	27 215	27 215	23 207	85.3%	85.3%	-	4 008	-	14.7%
B	Moses Kotane	NW375	183 548	201 007	158 198	86.2%	78.7%	-	42 809	-	21.3%
C	Bojanala Platinum	DC37	36 250	815	699	1.9%	85.8%	-	116	-	14.2%
B	Rallou	NW381	51 518	50 684	44 457	86.3%	87.7%	-	6 226	-	12.3%
B	Tswaing	NW382	25 850	25 850	21 789	84.3%	84.3%	-	4 061	-	15.7%
B	Matikeng	NW383	67 939	67 939	36 493	53.7%	53.7%	-	31 446	-	46.3%
B	Ditsobotla	NW384	40 061	40 361	20 272	50.6%	50.2%	-	20 089	-	49.8%
B	Ramolshere Molloa	NW385	59 021	60 890	56 930	96.5%	93.5%	-	3 960	-	6.5%
C	Ngaka Modiri Molema	DC38	328 257	288 864	187 592	57.1%	64.9%	-	101 272	-	35.1%
B	Naledi (Nw)	NW392	44 748	66 422	61 286	137.0%	92.3%	-	5 137	-	7.7%
B	Mamusa	NW393	22 170	23 814	23 655	106.7%	99.3%	-	159	-	0.7%
B	Greater Taung	NW394	66 446	66 446	55 400	83.4%	83.4%	-	11 046	-	16.6%
B	Lekwa-Teemane	NW396	26 754	31 659	18 308	68.4%	57.8%	-	13 352	-	42.2%
B	Kagisano-Molopo	NW397	49 900	49 900	37 876	75.9%	75.9%	-	12 024	-	24.1%
C	Dr Ruth Segomotsi Mompati	DC39	204 145	229 447	254 506	124.7%	110.9%	(25 059)	-	(10.9%)	-
B	Venterdorp	NW401	28 809	28 809	22 259	77.3%	77.3%	-	6 550	-	22.7%
B	Tlokwe	NW402	200 569	286 484	224 172	111.8%	78.2%	-	62 312	-	21.8%
B	City Of Matielosa	NW403	114 856	157 106	92 299	80.4%	58.7%	-	64 807	-	41.3%
B	Maquassi Hills	NW404	54 850	35 790	31 686	57.8%	88.5%	-	4 105	-	11.5%
C	Dr Kenneth Kaunda	DC40	12 127	12 567	3 309	27.3%	26.3%	-	9 258	-	73.7%
<b>NORTHERN CAPE</b>											
B	Joe Morolong	NC451	133 095	138 845	148 402	111.5%	106.9%	(9 557)	-	(6.9%)	-
B	Ga-Segonyana	NC452	128 705	128 368	104 735	81.4%	81.6%	-	23 633	-	18.4%
B	Gamagara	NC453	352 352	175 191	59 280	16.8%	33.8%	-	115 911	-	66.2%
C	John Taolo Gaetsewe	DC45	0	6 585	4 853	485252700.0%	73.7%	-	1 732	-	26.3%
B	Richtersveld	NC061	19 618	20 127	8 102	41.3%	40.3%	-	12 025	-	59.7%
B	Nama Khoi	NC062	16 979	31 479	7 616	44.9%	24.2%	-	23 863	-	75.8%
B	Kamiesberg	NC064	9 129	9 129	10 947	119.9%	119.9%	(1 818)	-	(19.9%)	-
B	Hantam	NC065	19 368	25 186	18 946	97.8%	75.2%	-	6 240	-	24.8%
B	Karoo Hoogland	NC066	10 490	10 490	10 422	99.4%	99.4%	-	68	-	0.6%
B	Khai-Ma	NC067	19 987	19 572	17 590	88.0%	89.9%	-	1 982	-	10.1%
C	Namakwa	DC6	1 154	2 407	1 258	109.0%	52.3%	-	1 149	-	47.7%
B	Ubuntu	NC071	11 155	11 155	3 657	32.8%	32.8%	-	7 498	-	67.2%
B	Umsobomvu	NC072	40 550	46 841	28 502	70.3%	60.8%	-	18 339	-	39.2%
B	Emthanjeni	NC073	40 589	23 899	14 509	35.7%	60.7%	-	9 390	-	39.3%
B	Kareeberg	NC074	19 848	19 848	4 289	21.6%	21.6%	-	15 559	-	78.4%
B	Renoslerberg	NC075	7 741	7 741	11 867	153.3%	153.3%	(4 126)	-	(53.3%)	-
B	Thembehlhe	NC076	21 088	12 737	20 973	99.5%	164.7%	(8 236)	-	(64.7%)	-
B	Siyathemba	NC077	13 920	13 920	-	-	-	-	13 920	-	100.0%
B	Siyancuma	NC078	31 533	31 783	33 644	106.7%	105.9%	(1 861)	-	(5.9%)	-
C	Pixley Ka Seme (Nc)	DC7	364	875	359	98.5%	41.0%	-	516	-	59.0%
B	Mier	NC081	9 492	15 812	14 053	148.0%	88.9%	-	1 759	-	11.1%
B	IKaif Garib	NC082	26 593	26 211	23 622	88.8%	90.1%	-	2 589	-	9.9%
B	//Khara Hais	NC083	43 679	69 732	48 401	110.8%	69.4%	-	21 331	-	30.6%
B	IKheis	NC084	19 560	19 938	11 843	60.5%	59.4%	-	8 095	-	40.6%
B	Tsantsabane	NC085	36 444	35 183	14 370	39.4%	40.8%	-	20 813	-	59.2%
B	Kgalelopele	NC086	8 275	8 275	10 253	123.9%	123.9%	(1 978)	-	(23.9%)	-
C	Z F Mgcawu	DC8	2 245	1 204	510	22.7%	42.4%	-	693	-	57.6%
B	Sol Plaatje	NC091	131 183	250 226	188 992	144.1%	75.5%	-	61 234	-	24.5%
B	Dikgallong	NC092	23 500	23 500	10 889	46.3%	46.3%	-	12 611	-	53.7%
B	Magareng	NC093	22 287	21 487	19 308	86.6%	89.9%	-	2 179	-	10.1%
B	Phokwane	NC094	100 953	62 206	56 967	56.4%	91.6%	-	5 239	-	8.4%
C	Frances Baard	DC9	5 340	3 332	1 500	28.1%	45.0%	-	1 833	-	55.0%



**AGGREGATED BUDGETS OF CAPITAL EXPENDITURE FOR THE 4th Quarter Ended 30 June 2015 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2015	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over) as % of adjusted budget	Under as % of adjusted budget	
<b>WESTERN CAPE</b>											
A	Cape Town	CPT	6 211 315	6 128 220	4 969 521	80.0%	81.1%	-	1 158 699	-	18.9%
B	Matzikama	WC011	27 680	40 649	36 220	130.9%	89.1%	-	4 429	-	10.9%
B	Cederberg	WC012	50 184	52 086	29 552	58.9%	56.7%	-	22 535	-	43.3%
B	Bergrivier	WC013	49 649	32 044	29 391	59.2%	91.7%	-	2 653	-	8.3%
B	Saldanha Bay	WC014	211 182	236 337	175 317	83.0%	74.2%	-	61 020	-	25.8%
B	Swartland	WC015	81 074	107 496	89 657	110.6%	83.4%	-	17 839	-	16.6%
C	West Coast	DC1	47 993	16 164	16 325	34.0%	101.0%	(161)	-	(1.0%)	-
B	Witzenberg	WC022	62 922	67 232	63 957	101.6%	95.1%	-	3 275	-	4.9%
B	Drakenstein	WC023	284 821	348 689	322 502	113.2%	92.5%	-	26 187	-	7.5%
B	Stellenbosch	WC024	294 188	251 031	171 528	58.3%	68.3%	-	79 503	-	31.7%
B	Breede Valley	WC025	82 006	97 646	73 556	89.7%	75.3%	-	24 091	-	24.7%
B	Langeberg	WC026	54 440	58 818	52 333	96.1%	89.0%	-	6 485	-	11.0%
C	Cape Winelands DM	DC2	12 467	6 496	4 955	39.7%	76.3%	-	1 540	-	23.7%
B	Theewaterskloof	WC031	67 547	85 177	63 871	94.6%	75.0%	-	21 306	-	25.0%
B	Oversstrand	WC032	97 721	122 785	108 306	110.8%	88.2%	-	14 479	-	11.8%
B	Cape Agulhas	WC033	14 701	56 967	54 073	367.8%	94.9%	-	2 893	-	5.1%
B	Swellendam	WC034	18 762	34 973	18 732	99.8%	53.6%	-	16 241	-	46.4%
C	Overberg	DC3	767	1 639	1 652	215.3%	100.8%	(12)	-	(0.8%)	-
B	Kannaland	WC041	25 477	25 477	16 077	63.1%	63.1%	-	9 400	-	36.9%
B	Hessequa	WC042	70 861	78 237	19 757	27.9%	25.3%	-	58 480	-	74.7%
B	Mossel Bay	WC043	123 710	153 197	113 669	91.9%	74.2%	-	39 528	-	25.8%
B	George	WC044	252 243	235 167	200 346	79.4%	85.2%	-	34 821	-	14.8%
B	Oudtshoorn	WC045	48 786	48 786	26 840	55.0%	55.0%	-	21 947	-	45.0%
B	Bitou	WC047	45 706	62 645	55 461	121.3%	88.5%	-	7 183	-	11.5%
B	Knysna	WC048	70 174	89 134	70 905	101.0%	79.5%	-	18 229	-	20.5%
C	Eden	DC4	8 300	9 414	8 165	98.4%	86.7%	-	1 249	-	13.3%
B	Laingsburg	WC051	11 979	45 271	18 479	154.3%	40.8%	-	26 792	-	59.2%
B	Prince Albert	WC052	17 008	35 287	57 537	338.3%	163.1%	(22 250)	-	(63.1%)	-
B	Beaufort West	WC053	29 286	43 899	38 508	131.5%	87.7%	-	5 392	-	12.3%
C	Central Karoo	DC5	500	500	290	57.9%	57.9%	-	210	-	42.1%
<b>Total National</b>			<b>62 538 530</b>	<b>65 716 990</b>	<b>53 240 759</b>	<b>85.1%</b>	<b>81.0%</b>	<b>(1 233 022)</b>	<b>13 709 253</b>	<b>(1.9%)</b>	<b>20.9%</b>

Source: National Treasury Local Government database

## Annexure C: Over- and undercollection of adjusted operational budgets 2014/15

### AGGREGATED BUDGETS OF OPERATING REVENUE FOR THE 4th QUARTER ENDED 30 JUNE 2014 (Preliminary results)

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2014	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over)/Under as % of adjusted budget	
<b>EASTERN CAPE</b>										
A	Buffalo City	BUF	4 445 168	4 416 652	4 398 673	99.0%	99.6%	-	17 979	0.4%
A	Nelson Mandela Bay	NMA	7 399 879	7 726 136	7 285 736	98.5%	94.3%	-	440 401	5.7%
B	Camdeboo	EC101	208 335	208 618	200 427	96.2%	96.1%	-	8 191	3.9%
B	Blue Crane Route	EC102	158 883	159 988	163 170	102.7%	102.0%	(3 182)	-	(2.0%)
B	Ikwezi	EC103	40 696	42 916	31 784	78.1%	74.1%	-	11 132	25.9%
B	Makana	EC104	389 369	310 593	273 496	70.2%	88.1%	-	37 097	11.9%
B	Ndlambe	EC105	360 082	360 082	301 528	83.7%	83.7%	-	58 554	16.3%
B	Sundays River Valley	EC106	-	-	259 626	-	-	(259 626)	-	-
B	Baviaans	EC107	52 498	52 498	48 718	92.8%	92.8%	-	3 780	7.2%
B	Kouga	EC108	624 292	627 220	541 061	86.7%	86.3%	-	86 159	13.7%
B	Kou-Kamma	EC109	-	127 334	109 016	-	85.6%	-	18 319	14.4%
C	Cacadu	DC10	150 907	183 959	111 243	73.7%	60.5%	-	72 716	39.5%
B	Mbhashe	EC121	18 105	18 105	99 945	552.0%	552.0%	(81 840)	-	(452.0%)
B	Mnquma	EC122	198 637	205 756	676 205	340.4%	328.6%	(470 449)	-	(228.6%)
B	Great Kei	EC123	95 230	108 926	72 841	76.5%	66.9%	-	36 085	33.1%
B	Amahlathi	EC124	-	165 585	157 800	-	95.3%	-	7 785	4.7%
B	Ngqushwa	EC126	107 702	107 702	124 554	115.6%	115.6%	(16 852)	-	(15.6%)
B	Nkonkobe	EC127	183 480	183 480	189 311	103.2%	103.2%	(5 831)	-	(3.2%)
B	Nxuba	EC128	60 605	58 685	52 461	86.6%	89.4%	-	6 224	10.6%
C	Amathole	DC12	1 290 629	1 291 819	1 375 164	106.5%	106.5%	(83 345)	-	(6.5%)
B	Inxuba Yethemba	EC131	220 810	220 810	2 217 676	1004.3%	1004.3%	(1 996 866)	-	(904.3%)
B	Tsolwana	EC132	54 550	54 550	57 848	106.0%	106.0%	(3 298)	-	(6.0%)
B	Inkwanca	EC133	44 940	59 120	42 358	94.3%	71.6%	-	16 762	28.4%
B	Lukhanji	EC134	525 673	542 243	523 593	99.6%	96.6%	-	18 650	3.4%
B	Intsika Yethu	EC135	141 446	151 854	266 208	188.2%	175.3%	(114 354)	-	(75.3%)
B	Emalahleni (Ec)	EC136	168 326	155 645	158 043	93.9%	101.5%	(2 398)	-	(1.5%)
B	Engcobo	EC137	-	130 191	127 162	-	97.7%	-	3 030	2.3%
B	Sakhisizwe	EC138	94 172	94 172	106 724	113.3%	113.3%	(12 551)	-	(13.3%)
C	Chris Hani	DC13	792 350	808 850	526 526	66.5%	65.1%	-	282 324	34.9%
B	Elundini	EC141	163 251	196 766	146 660	89.8%	74.5%	-	50 106	25.5%
B	Senqu	EC142	144 760	147 043	150 558	104.0%	102.4%	(3 514)	-	(2.4%)
B	Maletswai	EC143	121 248	121 486	106 475	87.8%	87.6%	-	15 012	12.4%
B	Gariep	EC144	97 816	79 432	68 147	69.7%	85.8%	-	11 284	14.2%
C	Joe Gqabi	DC14	275 802	371 279	311 794	113.1%	84.0%	-	59 485	16.0%
B	Ngquza Hills	EC153	132 324	116 447	155 273	117.3%	133.3%	(38 826)	-	(33.3%)
B	Port St Johns	EC154	91 077	91 077	90 648	99.5%	99.5%	-	429	0.5%
B	Nyandeni	EC155	173 096	180 697	163 064	94.2%	90.2%	-	17 632	9.8%
B	Mhlonlto	EC156	158 563	207 603	126 273	79.6%	60.8%	-	81 330	39.2%
B	King Sabata Dalindyebo	EC157	725 772	16 903	592 008	81.6%	3502.4%	(575 105)	-	(3402.4%)
C	O .R. Tambo	DC15	840 467	984 300	872 021	103.8%	88.6%	-	112 279	11.4%
B	Mataiele	EC441	361 490	303 688	216 159	59.8%	71.2%	-	87 529	28.8%
B	Umzimvubu	EC442	154 297	254 231	196 263	127.2%	77.2%	-	57 968	22.8%
B	Mbizana	EC443	184 662	233 065	212 342	115.0%	91.1%	-	20 723	8.9%
B	Ntabankulu	EC444	-	-	61 985	-	-	(61 985)	-	-
C	Alfred Nzo	DC44	658 785	513 472	345 148	52.4%	67.2%	-	168 325	32.8%

**AGGREGATED BUDGETS OF OPERATING REVENUE FOR THE 4th QUARTER ENDED 30 JUNE 2014 (Preliminary results)**

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2014	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over)/Under as % of adjusted budget	
<b>FREE STATE</b>										
A	Mangaung	MAN	5 507 375	5 798 734	5 417 505	98.4%	93.4%	-	381 229	6.6%
B	Lesemeng	FS161	108 610	108 610	68 140	62.7%	62.7%	-	40 470	37.3%
B	Kopanong	FS162	208 106	208 106	174 654	83.9%	83.9%	-	33 452	16.1%
B	Mohokare	FS163	119 957	114 156	101 022	84.2%	88.5%	-	13 134	11.5%
B	Naledi (Fs)	FS164	86 677	86 677	73 369	84.6%	84.6%	-	13 308	15.4%
C	Xhariep	DC16	60 555	59 913	53 536	88.4%	89.4%	-	6 377	10.6%
B	Masilonyana	FS181	188 901	180 304	211 921	112.2%	117.5%	(31 617)	-	(17.5%)
B	Tokologo	FS182	71 140	71 140	67 338	94.7%	94.7%	-	3 802	5.3%
B	Tswelopele	FS183	107 291	107 291	104 206	97.1%	97.1%	-	3 085	2.9%
B	Matjhabeng	FS184	1 687 706	1 687 706	1 818 334	107.7%	107.7%	(130 628)	-	(7.7%)
B	Nala	FS185	362 214	330 157	296 540	81.9%	89.8%	-	33 617	10.2%
C	Lejweleputswa	DC18	106 308	106 308	117 042	110.1%	110.1%	(10 734)	-	(10.1%)
B	Setso	FS191	371 942	371 942	347 625	93.5%	93.5%	-	24 316	6.5%
B	Dhlabeng	FS192	555 343	555 343	503 404	90.6%	90.6%	-	51 939	9.4%
B	Nketoana	FS193	199 639	199 639	216 408	108.4%	108.4%	(16 769)	-	(8.4%)
B	Maluti-a-Phofung	FS194	1 589 893	1 127 538	1 009 662	63.5%	89.5%	-	117 876	10.5%
B	Phumelela	FS195	108 205	108 205	99 640	92.1%	92.1%	-	8 564	7.9%
B	Mantsopa	FS196	218 750	218 750	203 544	93.0%	93.0%	-	15 206	7.0%
C	Thabo Mofutsanyana	DC19	86 856	88 594	85 735	98.7%	96.8%	-	2 859	3.2%
B	Moghaka	FS201	592 462	592 462	486 109	82.0%	82.0%	-	106 353	18.0%
B	Ngwathe	FS203	457 993	457 993	539 004	117.7%	117.7%	(81 011)	-	(17.7%)
B	Metsimaholo	FS204	739 243	697 901	655 332	88.6%	93.9%	-	42 569	6.1%
B	Mafube	FS205	154 331	154 331	99 286	64.3%	64.3%	-	55 044	35.7%
C	Fezile Dabi	DC20	148 080	151 371	151 216	102.1%	99.9%	-	154	0.1%
<b>GAUTENG</b>										
A	Ekurhuleni Metro	EKU	24 767 643	25 009 478	24 360 670	98.4%	97.4%	-	648 808	2.6%
A	City Of Johannesburg	JHB	36 770 044	36 583 781	35 268 285	95.9%	96.4%	-	1 315 496	3.6%
A	City Of Tshwane	TSH	22 171 995	21 993 129	21 658 663	97.7%	98.5%	-	334 466	1.5%
B	Emfuleni	GT421	4 341 394	4 341 394	4 207 193	96.9%	96.9%	-	134 200	3.1%
B	Midvaal	GT422	659 674	644 326	638 401	96.8%	99.1%	-	5 925	0.9%
B	Lesedi	GT423	507 321	513 028	463 221	91.3%	90.3%	-	49 807	9.7%
C	Sedibeng	DC42	350 567	368 161	306 977	87.6%	83.4%	-	61 184	16.6%
B	Mogale City	GT481	1 858 064	1 845 095	1 815 879	97.7%	98.4%	-	29 216	1.6%
B	Randfontein	GT482	851 105	880 393	777 088	91.3%	88.3%	-	103 305	11.7%
B	Westonaria	GT483	458 389	418 430	458 746	100.1%	109.6%	(40 316)	-	(9.6%)
B	Merafong City	GT484	1 245 937	1 462 447	996 395	80.0%	68.1%	-	466 052	31.9%
C	West Rand	DC48	258 989	276 407	243 140	93.9%	88.0%	-	33 267	12.0%

AGGREGATED BUDGETS OF OPERATING REVENUE FOR THE 4th QUARTER ENDED 30 JUNE 2014 (Preliminary results)

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2014	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over)/Under as % of adjusted budget	
<b>KWAZULU-NATAL</b>										
A	eThekweni	ETH	25 197 750	25 108 255	24 862 887	98.7%	99.0%	-	245 368	1.0%
B	Vulamehlo	KZN211	45 528	69 965	45 452	99.8%	65.0%	-	24 513	35.0%
B	Umdoni	KZN212	134 732	133 180	120 559	89.5%	90.5%	-	12 621	9.5%
B	Umzumbe	KZN213	108 973	105 696	94 506	86.7%	89.4%	-	11 191	10.6%
B	uMuziwabantu	KZN214	101 225	110 677	89 058	88.0%	80.5%	-	21 620	19.5%
B	Ezinqoleni	KZN215	35 872	38 297	37 964	105.8%	99.1%	-	333	0.9%
B	Hibiscus Coast	KZN216	593 004	593 004	537 293	90.6%	90.6%	-	55 711	9.4%
C	Ugu	DC21	679 763	703 277	958 648	141.0%	136.3%	(255 371)	-	(36.3%)
B	uMshwathi	KZN221	122 973	102 755	104 700	85.1%	101.9%	(1 945)	-	(1.9%)
B	uMngeni	KZN222	269 870	270 695	244 066	90.4%	90.2%	-	26 628	9.8%
B	Mpofana	KZN223	83 618	90 468	84 138	100.6%	93.0%	-	6 330	7.0%
B	Impendle	KZN224	62 912	51 376	32 205	51.2%	62.7%	-	19 171	37.3%
B	Msunduzi	KZN225	3 291 484	3 285 503	3 350 500	101.8%	102.0%	(64 996)	-	(2.0%)
B	Mkhambathini	KZN226	46 476	47 842	95 868	206.3%	200.4%	(48 026)	-	(100.4%)
B	Richmond	KZN227	52 339	91 751	68 672	131.2%	74.8%	-	23 079	25.2%
C	uMgungundlovu	DC22	515 626	524 481	508 512	98.6%	97.0%	-	15 969	3.0%
B	Emnambithi/Lady smith	KZN232	545 487	550 408	495 431	90.8%	90.0%	-	54 977	10.0%
B	Indaka	KZN233	70 742	72 698	73 523	103.9%	101.1%	(825)	-	(1.1%)
B	Umtshezi	KZN234	283 513	287 854	300 932	106.1%	104.5%	(13 078)	-	(4.5%)
B	Okhahlamba	KZN235	102 825	117 117	95 939	93.3%	81.9%	-	21 178	18.1%
B	Imbabazane	KZN236	86 422	93 770	81 872	94.7%	87.3%	-	11 898	12.7%
C	Uthukela	DC23	443 807	462 176	443 178	99.9%	95.9%	-	18 997	4.1%
B	Endumeni	KZN241	216 983	209 220	205 828	94.9%	98.4%	-	3 392	1.6%
B	Nquthu	KZN242	124 501	126 452	114 978	92.4%	90.9%	-	11 474	9.1%
B	Msinga	KZN244	101 526	101 526	86 561	85.3%	85.3%	-	14 965	14.7%
B	Umvoti	KZN245	157 853	162 996	180 097	114.1%	110.5%	(17 101)	-	(10.5%)
C	Umzinyathi	DC24	251 361	258 385	291 162	115.8%	112.7%	(32 777)	-	(12.7%)
B	Newcastle	KZN252	1 414 350	1 403 108	1 360 203	96.2%	96.9%	-	42 905	3.1%
B	eMadlangeni	KZN253	50 017	56 408	59 531	119.0%	105.5%	(3 123)	-	(5.5%)
B	Dannhauser	KZN254	73 731	89 806	77 942	105.7%	86.8%	-	11 864	13.2%
C	Amajuba	DC25	126 526	125 591	124 863	98.7%	99.4%	-	728	0.6%
B	eDumbe	KZN261	79 728	91 651	114 230	143.3%	124.6%	(22 580)	-	(24.6%)
B	uPhongolo	KZN262	125 970	132 061	150 450	119.4%	113.9%	(18 388)	-	(13.9%)
B	Abaqulusi	KZN263	371 415	376 787	392 914	105.8%	104.3%	(16 127)	-	(4.3%)
B	Nongoma	KZN265	99 959	116 074	120 346	120.4%	103.7%	(4 272)	-	(3.7%)
B	Ulundi	KZN266	187 975	217 543	169 218	90.0%	77.8%	-	48 324	22.2%
C	Zululand	DC26	480 824	495 938	386 454	80.4%	77.9%	-	109 484	22.1%
B	Umhlabuyalingana	KZN271	91 625	96 389	100 130	109.3%	103.9%	(3 741)	-	(3.9%)
B	Jozini	KZN272	124 083	126 195	117 417	94.6%	93.0%	-	8 778	7.0%
B	The Big 5 False Bay	KZN273	42 777	37 926	33 047	77.3%	87.1%	-	4 879	12.9%
B	Hlabisa	KZN274	52 607	58 783	45 653	86.8%	77.7%	-	13 130	22.3%
B	Mtubatuba	KZN275	117 786	105 238	125 758	106.8%	119.5%	(20 520)	-	(19.5%)
C	Umkhanyakude	DC27	310 268	317 359	294 711	95.0%	92.9%	-	22 648	7.1%
B	Mfolozi	KZN281	67 490	68 870	73 929	109.5%	107.3%	(5 059)	-	(7.3%)
B	uMhlathuze	KZN282	1 997 756	2 178 852	2 208 021	110.5%	101.3%	(29 169)	-	(1.3%)
B	Ntambanana	KZN283	50 669	79 241	56 771	112.0%	71.6%	-	22 469	28.4%
B	uMlalazi	KZN284	204 008	214 720	207 193	101.6%	96.5%	-	7 527	3.5%
B	Mthonjaneni	KZN285	66 848	58 761	60 625	90.7%	103.2%	(1 864)	-	(3.2%)
B	Nkandla	KZN286	101 871	94 175	81 744	80.2%	86.8%	-	12 431	13.2%
C	uThungulu	DC28	524 156	678 785	540 185	103.1%	79.6%	-	138 600	20.4%
B	Mandeni	KZN291	128 716	130 386	144 414	112.2%	110.8%	(14 028)	-	(10.8%)
B	KwaDukuza	KZN292	1 053 725	1 047 762	1 032 388	98.0%	98.5%	-	15 373	1.5%
B	Ndwedwe	KZN293	80 356	72 341	87 164	108.5%	120.5%	(14 823)	-	(20.5%)
B	Maphumulo	KZN294	75 081	77 915	63 333	84.4%	81.3%	-	14 582	18.7%
C	iLembe	DC29	471 881	462 157	456 164	96.7%	98.7%	-	5 993	1.3%
B	Ingwe	KZN431	106 480	65 633	68 527	64.4%	104.4%	(2 895)	-	(4.4%)
B	Kwa Sani	KZN432	35 542	42 251	51 069	143.7%	120.9%	(8 819)	-	(20.9%)
B	Greater Kokstad	KZN433	320 395	244 254	249 478	77.9%	102.1%	(5 224)	-	(2.1%)
B	Ubuhlebezwe	KZN434	87 237	86 575	81 610	93.6%	94.3%	-	4 964	5.7%
B	Umzimkhulu	KZN435	130 194	132 381	135 232	103.9%	102.2%	(2 851)	-	(2.2%)
C	Harry Gwala	DC43	265 811	295 577	280 519	105.5%	94.9%	-	15 058	5.1%

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R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2014	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over)/Under as % of adjusted budget	
<b>LIMPOPO</b>										
B	Greater Giyani	LIM331	199 335	215 971	209 758	105.2%	97.1%	-	6 213	2.9%
B	Greater Letaba	LIM332	269 411	275 054	119 180	44.2%	43.3%	-	155 874	56.7%
B	Greater Tzaneen	LIM333	770 744	809 492	775 401	100.6%	95.8%	-	34 091	4.2%
B	Ba-Phalaborwa	LIM334	334 790	342 497	302 415	90.3%	88.3%	-	40 082	11.7%
B	Maruleng	LIM335	102 400	92 356	76 294	74.5%	82.6%	-	16 062	17.4%
C	Mopani	DC33	708 605	195 122	634 393	89.5%	325.1%	(439 271)	-	(225.1%)
B	Musina	LIM341	185 718	185 718	197 578	106.4%	106.4%	(11 860)	-	(6.4%)
B	Mutale	LIM342	71 755	66 346	55 433	77.3%	83.6%	-	10 913	16.4%
B	Thulamela	LIM343	521 370	521 370	405 414	77.8%	77.8%	-	115 956	22.2%
B	Makhado	LIM344	590 849	595 526	535 754	90.7%	90.0%	-	59 772	10.0%
C	Vhembe	DC34	681 437	269 367	973 086	142.8%	361.2%	(703 719)	-	(261.2%)
B	Blouberg	LIM351	136 884	141 378	139 862	102.2%	98.9%	-	1 516	1.1%
B	Aganang	LIM352	85 025	97 988	104 577	123.0%	106.7%	(6 590)	-	(6.7%)
B	Molemole	LIM353	119 284	154 801	104 419	87.5%	67.5%	-	50 383	32.5%
B	Polokwane	LIM354	1 969 533	2 068 954	1 804 208	91.6%	87.2%	-	264 746	12.8%
B	Lepelle-Nkumpi	LIM355	238 568	261 340	214 825	90.0%	82.2%	-	46 516	17.8%
C	Capricorn	DC35	535 201	577 895	478 350	89.4%	82.8%	-	99 545	17.2%
B	Thabazimbi	LIM361	237 436	243 031	211 795	89.2%	87.1%	-	31 236	12.9%
B	Lephalale	LIM362	389 947	389 947	24 193	6.2%	6.2%	-	365 754	93.8%
B	Mookgopong	LIM364	118 571	117 371	87 378	73.7%	74.4%	-	29 993	25.6%
B	Modimolle	LIM365	215 809	225 779	233 515	108.2%	103.4%	(7 736)	-	(3.4%)
B	Bela Bela	LIM366	235 078	278 971	110 584	47.0%	39.6%	-	168 387	60.4%
B	Mogalakwena	LIM367	638 184	641 113	635 206	99.5%	99.1%	-	5 906	0.9%
C	Waterberg	DC36	106 310	109 840	111 419	104.8%	101.4%	(1 579)	-	(1.4%)
B	Ephraim Mogale	LIM471	175 799	175 799	170 891	97.2%	97.2%	-	4 908	2.8%
B	Elias Mokoaledi	LIM472	263 603	250 330	258 192	97.9%	103.1%	(7 862)	-	(3.1%)
B	Makhuduthamaga	LIM473	213 771	216 379	220 937	103.4%	102.1%	(4 558)	-	(2.1%)
B	Fetakgomo	LIM474	72 176	75 814	77 951	108.0%	102.8%	(2 137)	-	(2.8%)
B	Greater Tubatse	LIM475	-	-	338 567	-	-	(338 567)	-	-
C	Sekhukhune	DC47	522 264	515 292	459 105	87.9%	89.1%	-	56 187	10.9%
<b>MPUMALANGA</b>										
B	Albert Luthuli	MP301	273 721	274 964	279 228	102.0%	101.6%	(4 264)	-	(1.6%)
B	Msakaligwa	MP302	454 553	411 469	415 600	91.4%	101.0%	(4 132)	-	(1.0%)
B	Mkhondo	MP303	299 542	306 521	269 756	90.1%	88.0%	-	36 765	12.0%
B	Pixley Ka Seme (MP)	MP304	197 838	216 152	225 564	114.0%	104.4%	(9 413)	-	(4.4%)
B	Lekwa	MP305	449 343	436 066	313 939	69.9%	72.0%	-	122 127	28.0%
B	Dipaleseng	MP306	144 145	141 577	144 663	100.4%	102.2%	(3 087)	-	(2.2%)
B	Govan Mbeki	MP307	1 367 316	1 367 316	1 269 722	92.9%	92.9%	-	97 594	7.1%
C	Gert Sibande	DC30	403 486	364 330	290 314	72.0%	79.7%	-	74 016	20.3%
B	Victor Khanye	MP311	292 029	288 194	306 181	104.8%	106.2%	(17 988)	-	(6.2%)
B	Emalahleni (Mp)	MP312	1 698 548	1 695 394	1 658 759	97.7%	97.8%	-	36 636	2.2%
B	Steve Tshwete	MP313	1 141 136	1 160 440	1 121 711	98.3%	96.7%	-	38 729	3.3%
B	Emakhazeni	MP314	157 128	176 078	170 162	108.3%	96.6%	-	5 916	3.4%
B	Thembisile Hani	MP315	341 642	334 832	437 800	128.1%	130.8%	(102 968)	-	(30.8%)
B	Dr J.S. Moroka	MP316	371 055	335 840	301 508	81.3%	89.8%	-	34 332	10.2%
C	Nkangala	DC31	333 623	335 642	331 385	99.3%	98.7%	-	4 257	1.3%
B	Thaba Chweu	MP321	294 560	325 268	286 025	97.1%	87.9%	-	39 243	12.1%
B	Mbombela	MP322	1 611 452	1 649 752	1 552 283	96.3%	94.1%	-	97 469	5.9%
B	Umjindi	MP323	214 333	209 669	189 837	88.6%	90.5%	-	19 832	9.5%
B	Nkomazi	MP324	483 916	483 916	470 416	97.2%	97.2%	-	13 500	2.8%
B	Bushbuckridge	MP325	681 085	681 085	561 536	82.4%	82.4%	-	119 549	17.6%
C	Ehlanzeni	DC32	194 001	197 022	192 980	99.5%	97.9%	-	4 042	2.1%

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<b>NORTH WEST</b>										
B	Moretele	NW371	235 655	246 272	302 836	128.5%	123.0%	(56 564)	-	(23.0%)
B	Madibeng	NW372	1 219 454	1 219 454	1 034 367	84.8%	84.8%	-	185 087	15.2%
B	Rustenburg	NW373	2 795 593	3 160 202	2 774 345	99.2%	87.8%	-	385 857	12.2%
B	Kgellengrivier	NW374	117 681	117 785	96 479	82.0%	81.9%	-	21 306	18.1%
B	Moses Kotane	NW375	403 356	406 422	388 943	96.4%	95.7%	-	17 478	4.3%
C	Bojanala Platinum	DC37	251 899	251 920	264 301	104.9%	104.9%	(12 381)	-	(4.9%)
B	Ratlou	NW381	84 508	102 516	127 597	151.0%	124.5%	(25 081)	-	(24.5%)
B	Tswaing	NW382	142 986	143 743	105 035	73.5%	73.1%	-	38 708	26.9%
B	Mafikeng	NW383	499 871	478 731	420 743	84.2%	87.9%	-	57 988	12.1%
B	Ditsobotla	NW384	335 623	329 456	347 571	103.6%	105.5%	(18 115)	-	(5.5%)
B	Ramotshere Moiloa	NW385	255 343	202 885	134 377	52.6%	66.2%	-	68 508	33.8%
C	Ngaka Modiri Molema	DC38	455 663	498 690	333 192	73.1%	66.8%	-	165 497	33.2%
B	Naledi (Nw)	NW392	257 967	267 420	234 604	90.9%	87.7%	-	32 816	12.3%
B	Mamusa	NW393	134 416	138 154	102 690	76.4%	74.3%	-	35 464	25.7%
B	Greater Taung	NW394	142 601	142 601	89 195	62.5%	62.5%	-	53 405	37.5%
B	Lekwa-Teemane	NW396	179 672	180 992	156 857	87.3%	86.7%	-	24 134	13.3%
B	Molopo-Kagisano Dr Ruth Segomotsi	NW397	151 855	151 855	48 686	32.1%	32.1%	-	103 169	67.9%
C	Mompoti	DC39	309 664	309 664	253 238	81.8%	81.8%	-	56 426	18.2%
B	Ventersdorp	NW401	119 058	137 375	132 458	111.3%	96.4%	-	4 916	3.6%
B	Tlokwe	NW402	960 954	1 007 268	965 196	100.4%	95.8%	-	42 072	4.2%
B	City Of Matlosana	NW403	1 796 036	1 514 349	1 730 484	96.4%	114.3%	(216 135)	-	(14.3%)
B	Maquassi Hills	NW404	457 080	457 080	263 212	57.6%	57.6%	-	193 869	42.4%
C	Dr Kenneth Kaunda	DC40	172 212	169 312	167 496	97.3%	98.9%	-	1 816	1.1%
<b>NORTHERN CAPE</b>										
B	Joe Morolong	NC451	121 334	127 663	108 363	89.3%	84.9%	-	19 300	15.1%
B	Ga-Segonyana	NC452	254 984	299 754	235 393	92.3%	78.5%	-	64 361	21.5%
B	Gamagara	NC453	271 451	285 417	294 068	108.3%	103.0%	(8 651)	-	(3.0%)
C	John Taolo Gaetsewe	DC45	79 602	79 602	78 761	98.9%	98.9%	-	841	1.1%
B	Richtersveld	NC061	49 553	48 606	26 263	53.0%	54.0%	-	22 343	46.0%
B	Nama Khoi	NC062	212 815	212 815	175 772	82.6%	82.6%	-	37 043	17.4%
B	Kamiesberg	NC064	32 161	31 862	30 140	93.7%	94.6%	-	1 722	5.4%
B	Hantam	NC065	67 954	68 393	70 376	103.6%	102.9%	(1 983)	-	(2.9%)
B	Karoo Hoogland	NC066	39 695	40 135	37 155	93.6%	92.6%	-	2 979	7.4%
B	Khai-Ma	NC067	49 680	50 422	39 096	78.7%	77.5%	-	11 325	22.5%
C	Namakwa	DC6	78 532	74 625	53 242	67.8%	71.3%	-	21 384	28.7%
B	Ubuntu	NC071	74 842	74 842	62 091	83.0%	83.0%	-	12 751	17.0%
B	Umsobomvu	NC072	88 380	100 806	98 205	111.1%	97.4%	-	2 602	2.6%
B	Emthanjeni	NC073	186 372	181 290	166 979	89.6%	92.1%	-	14 311	7.9%
B	Kareeberg	NC074	43 186	43 186	35 158	81.4%	81.4%	-	8 027	18.6%
B	Renosterberg	NC075	36 417	36 417	25 374	69.7%	69.7%	-	11 043	30.3%
B	Thembehle	NC076	44 878	45 932	49 841	111.1%	108.5%	(3 908)	-	(8.5%)
B	Siyathemba	NC077	68 662	62 573	74 533	108.6%	119.1%	(11 960)	-	(19.1%)
B	Siyancuma	NC078	116 055	116 055	125 336	108.0%	108.0%	(9 281)	-	(8.0%)
C	Pixley Ka Seme (Nc)	DC7	38 073	44 328	48 551	127.5%	109.5%	(4 224)	-	(9.5%)
B	Mier	NC081	20 365	22 065	23 965	117.7%	108.6%	(1 900)	-	(8.6%)
B	!Kai! Garib	NC082	172 373	172 373	169 416	98.3%	98.3%	-	2 957	1.7%
B	!Khara Hais	NC083	465 434	461 635	472 034	101.4%	102.3%	(10 400)	-	(2.3%)
B	!Kheis	NC084	31 404	33 437	37 196	118.4%	111.2%	(3 759)	-	(11.2%)
B	Tsantsabane	NC085	139 691	139 691	105 683	75.7%	75.7%	-	34 008	24.3%
B	Kgalelopele	NC086	66 676	66 676	64 512	96.8%	96.8%	-	2 164	3.2%
C	Z F Mgcawu	DC8	57 833	58 356	55 212	95.5%	94.6%	-	3 144	5.4%
B	Sol Plaatje	NC091	1 510 719	1 544 849	1 511 266	100.0%	97.8%	-	33 583	2.2%
B	Dikgatlong	NC092	107 601	107 601	88 434	82.2%	82.2%	-	19 167	17.8%
B	Magareng	NC093	78 512	78 512	76 768	97.8%	97.8%	-	1 744	2.2%
B	Phokwane	NC094	192 026	192 026	167 799	87.4%	87.4%	-	24 227	12.6%
C	Frances Baard	DC9	99 479	99 840	101 132	101.7%	101.3%	(1 292)	-	(1.3%)

AGGREGATED BUDGETS OF OPERATING REVENUE FOR THE 4th QUARTER ENDED 30 JUNE 2014 (Preliminary results)

R thousands	Code	Main appropriation	Adjusted Budget	Year to date: 30 June 2014	Total Expenditure as % of main appropriation	Total Expenditure as % of adjusted budget	(Over)	Under	(Over)/Under as % of adjusted budget	
<b>WESTERN CAPE</b>										
A	Cape Town	CPT	25 943 339	25 774 438	25 193 881	97.1%	97.7%	-	580 557	2.3%
B	Matzikama	WC011	196 443	198 493	189 139	96.3%	95.3%	-	9 354	4.7%
B	Cederberg	WC012	166 237	175 397	167 929	101.0%	95.7%	-	7 468	4.3%
B	Bergrivier	WC013	203 161	205 528	208 602	102.7%	101.5%	(3 074)	-	(1.5%)
B	Saldanha Bay	WC014	690 089	677 532	654 341	94.8%	96.6%	-	23 190	3.4%
B	Swartland	WC015	415 207	429 715	399 125	96.1%	92.9%	-	30 590	7.1%
C	West Coast	DC1	270 426	269 908	265 092	98.0%	98.2%	-	4 817	1.8%
B	Witzenberg	WC022	397 307	400 250	374 759	94.3%	93.6%	-	25 491	6.4%
B	Drakenstein	WC023	1 389 932	1 405 404	1 444 903	104.0%	102.8%	(39 499)	-	(2.8%)
B	Stellenbosch	WC024	1 002 529	1 033 726	1 022 857	102.0%	98.9%	-	10 869	1.1%
B	Breede Valley	WC025	674 631	690 750	656 270	97.3%	95.0%	-	34 480	5.0%
B	Langeberg	WC026	456 666	455 593	413 791	90.6%	90.8%	-	41 802	9.2%
C	Cape Winelands DM	DC2	325 453	346 353	334 574	102.8%	96.6%	-	11 779	3.4%
B	Theewaterskloof	WC031	321 989	355 124	339 332	105.4%	95.6%	-	15 793	4.4%
B	Overstrand	WC032	746 724	744 735	741 488	99.3%	99.6%	-	3 247	0.4%
B	Cape Agulhas	WC033	227 882	231 808	210 357	92.3%	90.7%	-	21 451	9.3%
B	Swellendam	WC034	170 751	183 265	164 442	96.3%	89.7%	-	18 824	10.3%
C	Overberg	DC3	108 165	123 727	119 358	110.3%	96.5%	-	4 369	3.5%
B	Kannaland	WC041	98 901	112 080	81 158	82.1%	72.4%	-	30 922	27.6%
B	Hessequa	WC042	273 009	280 257	275 241	100.8%	98.2%	-	5 016	1.8%
B	Mossel Bay	WC043	713 166	736 664	705 165	98.9%	95.7%	-	31 498	4.3%
B	George	WC044	1 125 437	1 187 831	1 097 395	97.5%	92.4%	-	90 436	7.6%
B	Oudtshoorn	WC045	422 014	422 014	391 145	92.7%	92.7%	-	30 870	7.3%
B	Bitou	WC047	403 548	423 614	411 274	101.9%	97.1%	-	12 339	2.9%
B	Knysna	WC048	528 123	521 593	517 455	98.0%	99.2%	-	4 138	0.8%
C	Eden	DC4	176 403	274 692	184 059	104.3%	67.0%	-	90 633	33.0%
B	Laingsburg	WC051	36 198	39 697	34 513	95.3%	86.9%	-	5 183	13.1%
B	Prince Albert	WC052	47 764	45 879	37 071	77.6%	80.8%	-	8 807	19.2%
B	Beaufort West	WC053	197 604	209 686	208 818	105.7%	99.6%	-	867	0.4%
C	Central Karoo	DC5	53 340	57 896	57 431	107.7%	99.2%	-	466	0.8%
<b>Total National</b>			<b>249 706 529</b>	<b>250 109 478</b>	<b>244 507 746</b>	<b>97.9%</b>	<b>97.8%</b>	<b>(6 742 639)</b>	<b>12 344 370</b>	<b>2.2%</b>

Source: National Treasury Local Government database