

Summarised Outcome: Municipal Budget and Benchmarking Engagement - 2016/17 Budget vs Original Budget 2015/16

	Location							
	Buffalo	Cape	City Of	City Of	Ekurhuleni	eThekwin	Mangaung	Nelson
	City (H) BUF	Town (H) CPT	Johannesburg (H) JHB	Tshwane (H) TSH	Metro (H) EKU	(H) ETH	(H) MAN	Mandela Bay (H) NMA
R thousands								
Total Operating Revenue	5 907 039	34 520 879	46 175 187	30 209 869	32 378 969	31 267 560	6 641 627	9 535 857
Total Operating Expenditure	5 905 961	34 796 423	45 305 416	28 281 950	32 378 197	30 646 274	6 598 468	9 503 483
Operating Performance Surplus / (Deficit)	1 078	(275 544)	869 771	1 927 919	773	621 285	43 158	32 375
Cash and Cash Equivalents at the Year End	2 490 747	1 772 658	3 690 045	3 129 652	9 312 930	5 438 838	780 214	1 525 929
Net Increase / (Decrease) in Cash held for the Year	108 561	425 297	(62 700)	1 116 856	1 611 554	(804 222)	302 604	167 173
Cash Backing / Surplus (Deficit) Reconciliation	2 213 553	1 636 423	1 455 119	1 045 166	7 448 482	2 655 230	51 475	239 454
Cash Coverage Ratio	6.9	.7	1.1	1.4	4.2	2.4	1.7	2.2
STATEMENT OF OPERATING PERFORMANCE								
Revenue								
% Increase in Total Operating Revenue	3.3%	8.8%	5.5%	14.9%	9.9%	5.9%	(1.5%)	7.3%
% Increase in Property Rates Revenue	24.4%	6.3%	8.9%	10.1%	8.2%	8.6%	10.6%	8.9%
% Increase in Electricity Revenue	9.4%	6.1%	2%	8.8%	2.3%	6.8%	2.3%	6.2%
% Increase in Water Revenue	8.0%	11.7%	13.0%	17.9%	23.9%	17.9%	(18.3%)	(4.3%)
% Increase in Property Rates & Service Charges	12.9%	7.5%	5.1%	11.0%	9.0%	5.7%	2%	4.8%
% Increase in Operating Grant Revenue	5.6%	6.2%	8.7%	15.5%	19.3%	16.0%	97.1%	4.4%
% Increase in Capital Grant Revenue	(2%)	(2.1%)	5%	(3.4%)	(5.0%)	3.5%	26.1%	(13.7%)
Collection Rate Including Other Revenue	91.8%	90.6%	90.7%	94.5%	92.5%	96.0%	82.7%	90.4%
Annual Debtors Collection Rate (Payment Level %)	88.2%	89.1%	90.2%	94.3%	90.5%	90.4%	83.8%	90.1%
Current Debtors Collection Rate	88.2%	89.1%	90.1%	93.3%	90.5%	90.4%	83.8%	90.1%
Outstanding Debtors to Revenue	15.7%	17.1%	31.6%	13.6%	15.3%	22.0%	25.7%	17.3%
O/S Service Debtors to Revenue	22.8%	22.6%	41.8%	16.9%	19.1%	27.9%	37.2%	24.4%
Expenditure								
% Increase in Total Operating Expenditure	3.3%	8.4%	6.1%	10.0%	10.4%	4.1%	6.3%	7.8%
% Increase in Employee Costs	10.3%	8.4%	9.2%	8.0%	9.5%	9.8%	4.0%	9.3%
% Overtime measured against Employee Related Costs	4.7%	4.0%	3.3%	2.8%	6.3%	5.6%	3.2%	4.7%
% Increase in Electricity Bulk Purchases	10.6%	6.6%	5.1%	10.1%	4.3%	6.4%	10.6%	8.8%
% Increase in Water Bulk Purchases	10.0%	13.4%	7.7%	23.7%	9.0%	8.1%	(3.7%)	15.2%
Remuneration % of Oper Exp (excl debt impair and deprec)	31.5%	35.1%	27.2%	29.2%	22.4%	31.2%	31.3%	31.1%
Contracted Services % of Oper Exp (excl debt impair and deprec)	5%	14.4%	9.1%	10.5%	3.7%	15.5%	16.5%	6.5%
Debt Impairment % of Billable Revenue	7.5%	7.8%	9.5%	3.8%	5.7%	2.7%	6.5%	6.4%
% Electricity Distribution Losses	0%	11.0%	19.0%	10.1%	8.4%	6.7%	12.6%	8.3%
% Water Distribution Losses	41.5%	73.7%	38.7%	22.8%	23.3%	37.0%	32.5%	147.7%
Employee costs/Total Revenue	25.9%	30.9%	22.7%	25.2%	20.1%	28.0%	26.8%	26.2%
INFRASTRUCTURE DEVELOPMENT & ASSET MANAGEMENT								
Capital Funding								
Total Capital Budget	1 558 134	6 774 256	9 543 581	4 465 209	5 130 961	6 725 067	1 806 094	1 416 400
Internally Funded and Other	640 283	1 608 520	4 160 011	1 095 000	1 463 256	2 035 219	331 639	585 733
Grant Funding and Other	848 269	2 177 040	2 756 793	2 370 209	1 876 755	3 689 848	894 606	830 667
Internally Generated Funds % of Non Grant Funding	90.2%	35.0%	61.3%	52.3%	45.0%	67.1%	36.4%	100.0%
Borrowing % of Non Grant Funding	9.8%	65.0%	38.7%	47.7%	55.0%	32.9%	63.6%	0%
Grant Funding % of Total Funding	54.4%	32.1%	28.9%	53.1%	36.6%	54.9%	49.5%	58.6%
Borrowing								
Total Borrowing Liability	518 175	8 114 854	16 829 812	12 077 516	5 760 444	9 447 067	1 086 620	1 231 623
Borrowing for the Financial Year	69 582	2 988 696	2 626 777	1 000 000	1 790 950	1 000 000	579 849	-
Cost of Borrowing for the Financial Year	108 930	1 390 648	2 906 110	1 760 065	1 043 890	2 534 850	240 703	251 939
Total Cost of Debt as a % of Total Borrowing Liability	21.0%	17.1%	17.3%	14.6%	18.1%	26.8%	22.2%	20.5%
Financing Cost % of Asset Base	8%	3.3%	4.4%	4.5%	2.2%	5.2%	1.5%	1.7%
Capital Charges % of Operating Expenditure	1.8%	4.0%	6.4%	6.2%	3.2%	8.3%	3.6%	2.7%
Borrowing % of Total Assets	3.9%	19.3%	25.6%	30.6%	12.1%	19.2%	6.9%	8.4%
Capital Charges to Own Revenue	2.4%	4.5%	7.4%	6.8%	3.6%	9.0%	4.4%	3.1%
Borrowed Funding of own Capital Expenditure	9.8%	63.0%	39.4%	50.4%	55.0%	32.9%	56.8%	0%
Gearing	3.4%	24.5%	36.8%	45.7%	11.9%	22.8%	7.4%	9.7%
Current Ratio	3.1	1.1	1.2	1.1	2.3	1.7	1.1	1.4
Liquidity Ratio	2.2	.4	.2	.5	1.5	.9	.3	.6
Finance charges and Depreciation/Total Revenue	13.6%	9.4%	12.8%	7.7%	7.6%	10.9%	11.9%	12.4%
Debt coverage	19.9	27.8	38.1	27.4	27.5	13.6	18.1	44.0
Capital Programme								
Capital Appropriations								
Trading Services								
Total Appropriation - Electricity Infrastructure	143 000	1 536 812	1 393 330	1 428 665	648 829	666 147	200 343	228 244
Total Appropriation - Water Infrastructure	87 500	883 225	441 982	100 500	318 500	785 626	275 689	176 551
Total Appropriation - Waste Water Management	371 992	800 774	294 654	474 450	175 300	617 900	437 097	306 750
Total Appropriation - Waste Management	78 454	237 491	108 676	21 000	129 750	126 271	19 227	17 500
Economic and Environmental								
Total Appropriation - Planning and Development	541 969	1 534 557	3 880 172	1 293 506	1 796 799	2 357 173	473 425	340 152
Total Appropriation - Road Transport	274 790	70 524	1 148 183	65 400	253 850	266 102	161 782	84 014
Total Appropriation - Road Transport	267 179	1 448 117	2 683 059	1 225 106	1 530 649	2 091 071	311 643	221 789
Total Appropriation - Environmental Protection	-	15 916	48 930	3 000	12 300	-	-	34 350
Governance and Administration								
Community and Public Safety	276 498	936 453	2 165 339	746 104	1 121 277	1 667 591	116 922	285 200
Other	18 000	272 980	-	32 500	24 000	120 177	-	-

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R thousands								
% Capital Appropriations measured against Total Capital								
Trading Services	43.7%	51.1%	23.5%	45.3%	24.8%	32.7%	51.6%	51.5%
% of Capital Budget - Electricity Infrastructure	9.2%	22.7%	14.6%	32.0%	12.6%	9.9%	11.1%	16.1%
% of Capital Budget - Water Infrastructure	5.6%	13.0%	4.6%	2.3%	6.2%	11.7%	15.3%	12.5%
% of Capital Budget - Waste Water Management	23.9%	11.8%	3.1%	10.6%	3.4%	9.2%	24.2%	21.7%
% of Capital Budget - Waste Management	5.0%	3.5%	1.1%	.5%	2.5%	1.9%	1.1%	1.2%
Economic and Environmental	34.8%	22.7%	40.7%	29.0%	35.0%	35.1%	26.2%	24.0%
% of Capital Budget - Planning and Development	17.6%	1.0%	12.0%	1.5%	4.9%	4.0%	9.0%	5.9%
% of Capital Budget - Road Transport	17.1%	21.4%	28.1%	27.4%	29.8%	31.1%	17.3%	15.7%
% of Capital Budget - Environmental Protection	.0%	.2%	.5%	.1%	.2%	.0%	.0%	2.4%
Governance and Administration	2.6%	8.4%	13.2%	8.3%	17.9%	5.7%	15.7%	4.4%
Community and Public Safety	17.7%	13.8%	22.7%	16.7%	21.9%	24.8%	6.5%	20.1%
Other	1.2%	4.0%	0%	.7%	.5%	1.8%	.0%	.0%
Asset Management								
Total Value of PPE	13 447 560	41 975 484	65 805 524	39 494 466	47 646 570	49 090 941	15 841 564	14 663 256
Capital Asset Renewal	804 300	3 175 327	2 069 326	1 484 080	2 044 696	3 336 984	475 610	794 261
Operational Repairs & Maintenance	414 791	3 812 039	4 780 352	1 477 248	2 934 165	3 527 696	373 770	457 648
Asset Renewal % of Depreciation	107.5%	135.2%	58.0%	118.0%	113.3%	168.8%	76.5%	77.6%
R&M % of PPE	3.1%	9.1%	7.3%	3.7%	6.2%	7.2%	2.4%	3.1%
Asset Renewal and R&M as a % of PPE	9.1%	16.6%	10.4%	7.5%	10.4%	14.0%	5.4%	8.5%
Depreciation as % of Asset Base	5.6%	5.6%	5.4%	3.2%	3.8%	4.0%	3.9%	7.0%
Repairs & Maintenance/Total Revenue	7.0%	11.0%	10.4%	4.9%	9.1%	11.3%	5.6%	4.8%
AVERAGE HOUSEHOLD BILLS								
Percentage Increases								
Property rates	7.6%	(7.0%)	5.8%	10.0%	7.5%	6.9%	8.0%	9.5%
Electricity: Basic levy	.0%	.0%	6.5%	.0%	.0%	.0%	.0%	.0%
Electricity: Consumption	7.6%	6.6%	6.3%	7.8%	10.0%	7.6%	2.0%	7.6%
Water: Basic levy	.0%	.0%	.0%	.0%	.0%	.0%	10.0%	9.0%
Water: Consumption	8.0%	38.0%	10.5%	12.0%	9.0%	12.5%	8.4%	9.0%
Sanitation	7.8%	30.3%	13.9%	12.0%	9.1%	9.8%	8.2%	9.0%
Refuse removal	7.8%	7.9%	(20.1%)	10.0%	8.0%	7.9%	7.8%	.0%
Other	7.5%	.0%	.0%	.0%	.0%	.0%	.0%	9.0%
Monthly Bill (Rand/cent)								
Property rates	405.26	159.93	172.90	394.66	292.49	377.97	237.27	253.23
Electricity: Basic levy	.00	.00	442.76	.00	.00	.00	.00	.00
Electricity: Consumption	599.27	822.55	540.90	756.50	415.84	696.38	369.04	667.36
Water: Basic levy	.00	.00	.00	.00	.00	.00	22.00	36.89
Water: Consumption	297.94	371.90	297.31	357.60	287.66	393.00	359.36	290.66
Sanitation	104.75	259.45	153.28	172.40	130.92	76.80	115.01	205.63
Refuse removal	184.31	112.19	111.00	83.72	149.59	65.81	92.00	30.45
Other	39.41	.00	.00	.00	.00	.00	.00	93.48
Total Monthly Bill (excluding VAT)	1 630.94	1 726.02	1 718.15	1 764.88	1 276.50	1 609.96	1 194.67	1 577.70
SOCIAL PACKAGE								
Total Number of Households	224 000	1 147 076	1 434 856	956 725	1 021 948	1 081 000	182 146	356 721
Highest level of free service provided								
Water (kilolitres per household per month)	6	6	6	12	9	9	10	8
Electricity (kwh per household per month)	50	60	150	100	100	65	50	75
Number of Households receiving Free Basic Services								
Water (6 kilolitres per household per month)	66 998	222 098	1 326 911	285 843	465 924	578 553	0	78 200
Sanitation (free minimum level service)	66 998	222 098	1 282 216	285 843	462 708	381 778	0	78 200
Electricity/Other energy (50kwh per household per month)	86 891	231 645	32 573	285 843	368 288	123 710	0	65 031
Refuse(removed at least once a week)	66 998	302 957	250 000	285 843	115 000	598 486	0	69 110
Cost of Free Basic Services provided	249 453	1 452 356	895 193	2 107 259	2 589 856	1 721 398	247 020	303 676
Water (6 kilolitres per household per month)	67 664	212 041	667 497	562 379	566 241	256 019	38 209	77 084
Sanitation (free minimum level service)	68 023	143 728	74 812	76 631	220 607	139 304	112 732	107 155
Electricity/Other energy (50kwh per household per month)	46 248	189 657	5 884	486 294	1 332 126	12 421	29 037	33 604
Refuse(removed at least once a week)	67 518	235 401	147 000	279 420	256 567	215 788	66 861	85 832
Average Cost per Household Per Annum	3 565.26	3 197.60	1 855.17	4 914.32	7 540.18	1 268.36	.00	4 114.71
Water (6 kilolitres per household per month)	1 009.94	954.72	503.05	1 967.44	1 215.31	442.52	.00	985.73
Sanitation (free minimum level service)	1 015.31	647.14	583.48	268.09	476.77	364.88	.00	1 370.27
Electricity/Other energy (50kwh per household per month)	532.25	818.74	180.64	1 701.26	3 617.08	100.40	.00	516.74
Refuse(removed at least once a week)	1 007.76	777.01	588.00	977.53	2 231.02	360.56	.00	1 241.97
Cost of Free Basic Services Provided to "Registered Indigent"	238 865	710 182	2 461 645	1 404 725	3 513 149	733 813	-	321 770
Revenue cost of free services provided (excl property rates and other)								
Local Government Equitable Share	678 197	2 012 945	3 182 318	1 864 838	2 381 367	2 319 380	629 731	798 043
MTRF Funded / Unfunded	Funded	Funded	Funded	Funded	Funded	Funded	Funded	Funded

Source: National Treasury Local Government database