

Summarised Outcome: Municipal Budget and Benchmarking Engagement - 2018/19 Budget vs Original Budget 2017/18

	Location							
	Buffalo City (H) BUF	Cape Town (H) CPT	City of Ekurhuleni (H) EKU	City of Johannesburg JHB	City of Tshwane (H) TSH	eThekweni (H) ETH	Mangaung (H) MAN	Nelson Mandela Bay (H) NMA
R thousands								
Total Operating Revenue	6 517 222	39 735 877	35 317 657	53 046 409	32 530 207	35 175 463	6 304 424	10 363 386
Total Operating Expenditure	6 513 298	39 604 509	35 256 508	51 097 641	32 416 977	35 227 111	6 303 844	10 375 088
Operating Performance Surplus / (Deficit)	3 924	131 368	61 149	1 948 768	113 230	(51 649)	580	(11 702)
Cash and Cash Equivalents at the Year End	1 643 284	5 923 649	9 394 204	7 039 046	2 978 764	4 770 896	396 634	2 366 608
Net Increase / (Decrease) in Cash held for the Year	(60 571)	668 375	3 584 251	2 401 657	645 958	(1 385 567)	(40 843)	365 163
Cash Backing / Surplus (Deficit) Reconciliation	1 914 560	2 647 445	11 539 925	1 452 192	(429 442)	3 144 657	1 291 119	751 269
Cash Coverage Ratio	3.7	2.1	3.6	2.0	1.2	1.9	9	3.0
STATEMENT OF OPERATING PERFORMANCE								
Revenue								
% Increase in Total Operating Revenue	5.1%	3.8%	9.4%	8.6%	7.6%	5.4%	5%	10.7%
% Increase in Property Rates Revenue	16.1%	8.1%	10.4%	12.1%	7.2%	8.5%	2.2%	15.7%
% Increase in Electricity Revenue	9.2%	5.4%	5.4%	5.5%	6.9%	2.6%	6.0%	5.8%
% Increase in Water Revenue	17.5%	(9.1%)	8%	7.1%	7.0%	15.3%	(5.9%)	4.9%
% Increase in Property Rates & Service Charges	8.4%	2.0%	5.6%	7.6%	7.0%	6.6%	2.3%	9.4%
% Increase in Operating Grant Revenue	7.6%	5.4%	11.3%	15.6%	6.7%	85.8%	(3.3%)	17.5%
% Increase in Capital Grant Revenue	1.1%	(12.1%)	(1.9%)	(22.3%)	(9.9%)	(8.2%)	6.9%	(24.5%)
Collection Rate Including Other Revenue	91.7%	97.3%	95.7%	91.1%	92.9%	94.0%	83.8%	89.7%
Annual Debtors Collection Rate (Payment Level %)	88.6%	87.6%	86.1%	91.5%	91.9%	89.2%	80.8%	90.7%
Current Debtors Collection Rate	88.6%	87.6%	86.1%	91.3%	91.9%	89.0%	83.7%	90.6%
Outstanding Debtors to Revenue	27.9%	19.8%	11.6%	17.8%	22.9%	22.5%	56.1%	19.5%
O/S Service Debtors to Revenue	39.4%	26.9%	15.4%	23.0%	28.6%	28.1%	73.5%	25.5%
Expenditure								
% Increase in Total Operating Expenditure	5.1%	3.3%	7.6%	7.9%	8.1%	7.7%	2.5%	9.3%
% Increase in Employee Costs	12.2%	7.1%	16.6%	12.6%	9.4%	6.6%	14.1%	15.1%
% Overtime measured against Employee Related Costs	4%	4.0%	2.7%	2.5%	5.7%	7.0%	4.2%	4.2%
% Increase in Electricity Bulk Purchases	7.3%	3.0%	9.1%	8.1%	9.1%	5.7%	6.7%	5.8%
% Increase in Water Bulk Purchases	9.5%	157.3%	14.0%	14.4%	8.6%	6.9%	6.6%	8.3%
Remuneration % of Oper Exp (excl debt impair and deprec)	37.2%	38.6%	27.7%	30.1%	33.2%	32.9%	35.1%	36.3%
Contracted Services % of Oper Exp (excl debt impair and deprec)	16.3%	18.1%	13.0%	8.8%	11.5%	16.2%	14.7%	15.2%
Debt Impairment % of Billable Revenue	7.5%	10.3%	5.5%	6.9%	5.8%	3.2%	7.4%	7.0%
% Electricity Distribution Losses	15.0%	11.4%	10.7%	28.4%	18.2%	8.0%	7.5%	9.8%
% Water Distribution Losses	0%	40.7%	21.8%	27.2%	23.7%	0%	39.9%	143.3%
Employee costs/Total Revenue	30.1%	32.8%	24.7%	25.1%	29.5%	29.8%	30.9%	31.6%
INFRASTRUCTURE DEVELOPMENT & ASSET MANAGEMENT								
Capital Funding								
Total Capital Budget	1 753 142	8 456 748	6 904 213	7 810 236	4 023 015	7 110 162	1 130 454	1 740 079
Internally Funded and Other	880 242	2 388 852	1 061 600	2 346 294	320 318	2 682 686	118 771	454 274
Grant Funding and Other	803 900	2 067 896	2 251 669	2 614 216	2 202 697	3 427 476	978 495	1 137 515
Internally Generated Funds % of Non Grant Funding	92.7%	37.4%	22.8%	45.2%	17.6%	72.8%	78.2%	75.4%
Borrowing % of Non Grant Funding	7.3%	62.6%	77.2%	54.8%	82.4%	27.2%	21.8%	24.6%
Grant Funding % of Total Funding	45.9%	24.5%	32.6%	33.5%	54.8%	48.2%	86.6%	65.4%
Borrowing								
Total Borrowing Liability	355 516	9 772 937	11 742 086	21 505 670	11 369 708	8 431 613	1 560 962	1 203 438
Borrowing for the Financial Year	69 000	4 000 000	3 590 944	2 849 726	1 500 000	1 000 000	33 188	148 290
Cost of Borrowing for the Financial Year	119 485	1 571 871	992 048	2 876 637	2 453 722	1 643 865	240 504	225 698
Total Cost of Debt as a % of Total Borrowing Liability	33.6%	16.1%	8.4%	13.4%	21.6%	19.5%	15.4%	18.8%
Financing Cost % of Asset Base	6%	3.1%	1.6%	4.0%	6.0%	3.0%	1.5%	1.3%
Capital Charges % of Operating Expenditure	1.8%	4.0%	2.8%	5.6%	7.6%	4.7%	3.8%	2.2%
Borrowing % of Total Assets	1.8%	19.1%	19.5%	29.7%	27.9%	15.1%	9.9%	7.2%
Capital Charges to Own Revenue	2.4%	4.8%	3.4%	6.4%	8.7%	5.6%	4.5%	2.6%
Borrowed Funding of own Capital Expenditure	7.3%	63.4%	72.6%	60.2%	90.2%	27.2%	0%	24.6%
Gearing	1.7%	22.9%	21.5%	41.6%	40.9%	17.2%	9.2%	7.9%
Current Ratio	2.6	1.3	1.5	1.1	1.0	1.4	1.8	1.7
Liquidity Ratio	1.2	6	1.1	5	3	6	2	9
Finance charges and Depreciation/Total Revenue	14.7%	9.9%	9.6%	12.0%	10.3%	9.7%	8.7%	9.3%
Debt coverage	20.8	23.1	33.7	38.0	23.5	18.6	23.7	45.0
Capital Programmes								
Trading Services								
Total Appropriation - Electricity Infrastructure	689 248	4 939 787	1 768 255	2 038 048	1 490 269	2 421 029	437 040	927 161
Total Appropriation - Water Infrastructure	129 450	1 071 737	736 700	1 041 191	983 154	802 601	96 647	236 673
Total Appropriation - Waste Management	198 451	2 366 730	481 870	540 384	327 901	804 368	143 287	290 515
Total Appropriation - Road Transport	283 394	1 135 113	384 185	360 256	167 215	714 586	157 809	386 973
Total Appropriation - Environmental Protection	77 952	366 207	165 500	96 217	12 000	99 474	39 296	13 000
Economic and Environmental	498 719	1 389 642	1 669 048	2 814 165	1 012 823	2 165 019	380 415	562 343
Total Appropriation - Planning and Development	202 957	39 904	189 250	431 069	9 000	318 289	53 271	53 722
Total Appropriation - Road Transport	291 335	1 331 443	1 428 498	2 343 656	1 000 573	1 838 413	327 144	506 621
Total Appropriation - Environmental Protection	4 427	18 294	51 300	39 440	3 250	8 317	-	2 000
Governance and Administration	292 651	986 516	1 498 254	1 081 825	377 761	628 057	64 945	93 774
Community and Public Safety	193 125	1 082 792	1 968 656	1 876 198	1 030 613	1 787 157	244 355	156 801
Other	79 400	58 011	-	-	111 548	108 900	3 700	-
% Capital Appropriations measured against Total Capital								
Trading Services	39.3%	58.4%	25.6%	26.1%	37.0%	34.1%	38.7%	53.3%
% of Capital Budget - Electricity Infrastructure	7.4%	12.7%	10.7%	13.3%	24.4%	11.3%	8.5%	13.6%
% of Capital Budget - Water Infrastructure	11.3%	28.0%	7.0%	6.9%	8.2%	11.3%	12.7%	16.7%
% of Capital Budget - Waste Water Management	16.2%	13.4%	5.6%	4.6%	4.2%	10.1%	14.0%	22.2%
% of Capital Budget - Waste Management	4.4%	4.3%	2.4%	1.2%	3%	1.4%	3.5%	7%
Economic and Environmental	28.4%	16.4%	24.2%	36.0%	25.2%	30.4%	33.7%	32.3%
% of Capital Budget - Planning and Development	11.6%	5%	2.7%	5.5%	2%	4.5%	4.7%	3.1%
% of Capital Budget - Road Transport	16.6%	15.7%	20.7%	30.0%	24.9%	25.9%	28.9%	29.1%
% of Capital Budget - Environmental Protection	3%	2%	0.7%	5%	1%	1%	0%	1%
Governance and Administration	16.7%	11.7%	21.7%	13.9%	9.4%	8.8%	5.7%	5.4%
Community and Public Safety	11.0%	12.8%	28.5%	24.0%	25.6%	25.1%	21.6%	9.0%
Other	4.5%	7%	0%	0%	2.8%	1.5%	3%	0%
Asset Management								
Total Value of PPE	19 381 893	51 039 918	60 192 678	72 485 704	40 755 539	55 706 113	15 718 972	16 828 351
Capital Asset Renewal	691 708	3 711 517	3 840 973	3 712 372	811 718	3 376 270	573 678	997 937
Operational Repairs & Maintenance	493 616	4 012 578	2 416 166	4 322 916	1 643 210	4 576 285	711 778	463 178
Asset Renewal % of Depreciation	77.2%	129.9%	161.0%	91.4%	41.5%	132.2%	141.3%	122.0%
R&M % of PPE	2.5%	7.9%	4.0%	6.0%	4.0%	8.2%	4.5%	2.8%
Asset Renewal and R&M as a % of PPE	6.1%	15.1%	10.4%	11.1%	6.0%	14.3%	8.2%	8.7%
Depreciation as % of Asset Base	4.6%	5.6%	4.0%	5.6%	4.8%	4.6%	2.6%	4.9%
Repairs & Maintenance/Total Revenue	7.6%	10.1%	6.8%	8.1%	5.1%	13.0%	11.3%	4.5%

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R thousands									
AVERAGE HOUSEHOLD BILLS									
Percentage Increases									
Property rates	8.5%	6.5%	6.9%	(50.0%)	3.2%	6.9%	0%	5.0%	
Electricity: Basic levy	0%	0%	0%	9.1%	0%	0%	0%	0%	
Electricity: Consumption	1.8%	8.1%	6.8%	8.9%	6.8%	6.8%	0%	5.8%	
Water: Basic levy	0%	0%	0%	0%	0%	0%	0%	8.5%	
Water: Consumption	8.1%	1 242.0%	12.9%	12.6%	10.5%	15.0%	0%	8.5%	
Sanitation	8.7%	249.1%	9.0%	13.2%	10.5%	9.9%	0%	8.5%	
Refuse removal	8.7%	5.7%	7.5%	5.9%	6.0%	9.9%	0%	7.5%	
Other	8.0%	0%	0%	0%	0%	0%	0%	8.5%	
Monthly Bill (Rand/cent)									
Property rates	481.92	178.85	350.18	91.81	357.67	430.70	262.19	472.28	
Electricity: Basic levy	.00	182.89	.00	485.39	.00	.00	.00	.00	
Electricity: Consumption	621.59	914.45	454.04	592.90	820.32	757.97	453.68	732.34	
Water: Basic levy	.00	.00	.00	.00	.00	.00	27.60	45.02	
Water: Consumption	352.67	6 315.59	357.38	418.89	435.58	519.74	429.93	347.15	
Sanitation	125.01	1 219.76	155.56	194.67	210.04	92.76	131.71	242.99	
Refuse removal	219.97	126.32	172.87	125.00	95.40	79.49	109.30	109.65	
Other	46.48	.00	.00	.00	.00	.00	.00	45.02	
Total Monthly Bill (excluding VAT)	1 847.64	8 937.86	1 490.03	1 908.66	1 919.01	1 880.66	1 414.41	1 994.45	
SOCIAL PACKAGE									
Total Number of Households	253 477	1 355 959	1 024 548	1 476 466	1 136 877	1 121 000	166 866	394 521	
Highest level of free service provided									
Water (kilolitres per household per month)	6	11	9	6	12	6	0	8	
Electricity (kwh per household per month)	50	60	100	150	100	0	0	75	
Number of Households receiving Free Basic Services									
Water (6 kilolitres per household per month)	51 415	267 325	336 026	58 676	525 947	168 999	123 201 000	100 674	
Sanitation (free minimum level service)	51 415	267 325	332 697	58 676	317 146	192 345	0	101 650	
Electricity/Other energy (50kwh per household per month)	70 680	194 597	387 449	55 563	375 617	13 450	0	73 500	
Refuse(removed at least once a week)	51 415	324 018	135 000	82 000	525 947	320 240	0	94 669	
Cost of Free Basic Services provided									
Water (6 kilolitres per household per month)	158 220	368 203	484 506	35 262	525 902	306 973	65 061	121 036	
Sanitation (free minimum level service)	70 143	233 221	321 366	16 283	150 043	147 256	97 242	206 547	
Electricity/Other energy (50kwh per household per month)	59 146	160 638	1 595 189	2 534 885	512 589	14 487	11 392	40 292	
Refuse(removed at least once a week)	129 077	291 928	291 072	49 200	363 069	72 393	60 000	111 513	
Average Cost per Household Per Annum	7 788.89	3 976.24	8 681.06	47 100.28	3 527.99	3 885.16	53	4 960.31	
Water (6 kilolitres per household per month)	3 077.32	1 377.36	1 441.87	600.96	999.91	1 816.42	53	1 202.26	
Sanitation (free minimum level service)	1 364.25	872.42	965.94	277.51	473.10	765.58	.00	2 031.94	
Electricity/Other energy (50kwh per household per month)	836.82	825.49	4 117.16	45 621.82	1 364.66	1 077.10	.00	548.19	
Refuse(removed at least once a week)	2 510.50	900.96	2 156.09	600.00	690.31	226.06	.00	1 177.92	
Cost of Free Basic Services Provided to "Registered Indigent"	400 466	1 062 948	2 917 062	2 763 656	1 855 536	656 588	65 061	499 375	
Revenue cost of free services provided (excl property rates and other)	-	482 128	920 944	-	2 376 911	1 364 752	-	60 491	
Local Government Equitable Share	778 048	2 574 650	3 145 138	4 229 919	2 398 120	2 893 016	683 500	939 530	