



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

## **PRESS RELEASE**

**5 June 2012**

**Local Government Revenue and Expenditure: Third Quarter Local Government  
Section 71 Report  
For the period: 1 July 2011 - 31 March 2012**

---

The National Treasury has today released local government's revenue and expenditure for the third quarter of the 2011/12 financial year, as well as spending on conditional grants for the same period. This report covers the first nine months (1 July 2011-31 March 2012) of the municipal financial year ending on 30 June 2012.

This report is part of the *In-year Management, Monitoring and Reporting System for Local Government (IYM)*, which enables provincial and national government to exercise oversight over municipalities, and identify possible problems in implementing municipal budgets and conditional grants.

### **HIGHLIGHTS:**

- Almost all municipalities now consistently produce in-year financial reports compared to three years ago when less than 50 municipalities regularly produced quarterly financial reports.
- This is a remarkable achievement given that the reporting facilitates transparency, better in-year management as well as the oversight of budgets, making these reports management tools and early warning mechanisms for councils to monitor and improve municipal performance.
- Information on municipal borrowing, detailing the instruments used by municipalities, is now available quarterly. As at 31 March 2012, total borrowing by municipalities amounted to R44.6 billion.
- Analysis of capital expenditure trends shows spending to be relatively low in the first six months of the financial year, but increasing significantly during the second half of the year. It is hoped that that spending will be more evenly spread across the financial year as municipalities get better at planning their capital expenditure.

## KEY TRENDS:

### *Aggregate trends*

1. On aggregate, municipalities had spent 63.8 per cent, or R163.9 billion, of the total adjusted budget of R256.8 billion as at 31 March 2012 (third quarter YTD results for the 2011/12 financial year). In respect of revenue, aggregate billing and other revenue amounted to 67.1 per cent, or R192.5 billion, of a total revenue budget of R286.7 billion.
2. On the revenue side, metropolitan municipalities had collected 68 per cent or R115.9 billion of billed and other revenue of the total adjusted revenue budget of R170.6 billion. Ekurhuleni had the highest proportion at 72.6 per cent, followed by Tshwane at 71.3 per cent, while Mangaung reported the lowest proportion at 56.9 per cent.
3. Quarter-on-quarter comparison of the in-year figures shows that the metros, on average, increased revenue by 17.4 per cent compared to the third quarter of the previous financial year. Most of this increase can be attributed to higher rates and tariffs, rather than efficiency improvements in revenue management.
4. The aggregate adjusted capital budget for all municipalities in the 2011/12 financial year was R46 billion, of which only R18.8 billion or 40.8 per cent had been spent by 31 March 2012. This reflects the challenges of planning for the implementation of capital projects.
5. The aggregate adjusted capital budget for metros in the 2011/12 financial year is R22.3 billion of which the metros had spent R9.6 billion or 43 per cent by 31 March 2012.
  - a. By the end of the third quarter Ekurhuleni had spent 49 per cent of its adjusted capital budget and Cape Town 44.6 per cent; and
  - b. Spending has been low in Buffalo City and Joburg where only 18.9 and 42.2 per cent respectively had been spent by the end of the third quarter.
6. Aggregate municipal consumer debts amounted to R76.6 billion as at 31 March 2012, of which national and provincial governments accounted for 4.6 per cent or R3.5 billion. Households account for the largest component of consumer debtors, accounting for 64.9 per cent or R 49.8 billion. It is accepted that a certain percentage of this debt is probably irrecoverable because municipalities have not been writing-off irrecoverable debts on a consistent basis. National Treasury is currently working on reporting processes to get better information in this regard.
7. As at 31 March 2012, outstanding debt due to metropolitan municipalities was R45 billion. This represents an increase of R7 billion or 18.4 per cent from the third quarter of the 2010/11 financial year, of which City of Joburg accounted for 31.8 per cent, or R14.3 billion.
8. Outstanding consumer debt in secondary cities totalled R13.6 billion as at 31 March 2012, up R1.3 billion from the R12.3 billion reported in the corresponding period in the 2010/11 financial year. Household debt accounted for R9.8 billion or 72 per cent of the total outstanding debt. Of the total household debt, R8.3 billion or 84.8 per cent has been outstanding for more than 90 days.
9. Municipalities owed R11.1 billion as at 31 March 2012, an overall increase of R1.4 billion compared to the R9.7 billion reported in the third quarter of 2010/11. Free State had the highest percentage of creditors outstanding for more than 90 days at 63 per cent of total outstanding municipal creditors, followed by Limpopo at 56.3 per cent and North West at 44.7 per cent.
10. Analysis of the collection rates, municipalities were only able to collect 94.5 per cent of billed revenue for the third quarter, compared with 94.6 per cent for the second quarter and 79.3 per cent for the first quarter. Both the first and second quarter figures have been

restated. Municipalities on average had budgeted for a 91.8 per cent collection rate, which was adjusted to 96.2 per cent during the adjustments budget process.

11. The underperformance of actual collections against billed revenue can be attributed to, amongst others, the affordability of municipal services. The ongoing economic slowdown and substantial increases in electricity tariffs are starting to impact on affordability and subsequently the ability of consumers to pay for services.

### **Conditional Grants**

12. The Division of Revenue Act, 2011 (Act No.6 of 2011) allocated R31.5 billion as conditional transfers (both direct and indirect transfers) to local government. This amount excluded the unconditional transfer (Equitable Share) of R34.1 billion and the sharing of the fuel levy of R8.6 billion which brings the total amount allocated to local government to R65.6 billion.
13. On 20 December 2011, the Minister of Finance approved an adjustment (Government Gazette No. 34880 of 2011), which increased the amount allocated to local government conditional grants by R57.8 million.
14. By the end of the third quarter the national departments administering conditional grants had transferred R22.6 billion or 91 per cent of the direct conditional grants to municipalities. According to expenditure reports from national departments, municipalities had spent only 46.3 per cent or R9.3 billion of the transferred amount.
15. Municipalities receiving direct conditional grants reported an average expenditure of 48.7 per cent or R9.8 billion of the R20.1 billion allocated directly to municipalities. However, this number might be understated because only 155 of 278 municipalities have complied with the expenditure verification process.
16. The above expenditure performance excludes performance against the Urban Settlement Development Grant (USDG), the Expanded Public Works (EPWP) incentive grant, unallocated programmes and all schedule 7 grants.
17. A summary of key aggregated information is included in the tables in **Annexure A**.
18. Reconciliation between the 2011/12 MTREF budget publication released on 30 November 2011 and the 3rd quarter publication is reflected in **Annexure B**.

Further details on this report can be accessed on the National Treasury's website: [www.treasury.gov.za](http://www.treasury.gov.za).

ENDS

## **NOTE TO EDITORS:**

- This information is published in terms of Sections 71 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and 30(3) of the 2011 Division of Revenue Act. The budgeted figures shown are based on the 2011/12 adjusted budgets approved by municipal councils after their six month review of their performance.
- In terms of the process, Municipal Managers and Chief Financial Officers were required to sign and submit data to the National Treasury by 7 May 2012. Any queries on the figures in the statement should therefore be referred to the relevant Municipal Manager or Chief Financial Officer. Queries on conditional grants may be referred to the national department responsible for administering the grant.
- This third quarter publication covers 272 municipalities.

### **Personnel related information:**

The latest information with regard to personnel related information is also now available at the following links:

#### [SA22 - Municipal Personnel Spending:](#)

- This shows municipal spending on employee costs by category of expenditure (basic salaries, overtime etc.) for the period 2007/08 to 2013/14. It was compiled by municipalities for their 2011/12 budgets. Note that there are gaps in the information where National Treasury was unable to obtain information from certain municipalities. However, given that the municipalities that have not reported are very small, the impact this has on the reliability of the aggregate figures is equally small.

#### [SA23 - Salaries and Benefits of Councillors and Senior Managers](#)

- This shows the salaries of councillors and senior managers of municipalities.

#### [SA24 - Staff Head Count information per Municipality by Province](#)

- This shows the number of personnel employed at different skills levels and in the different functions. Again there are gaps in the information, but these do not affect the reliability of the aggregate numbers to any great degree.

## STRUCTURE OF INFORMATION RELEASED:

Other information released on National Treasury's website ([www.treasury.gov.za](http://www.treasury.gov.za)) as part of this process includes the following:

- Municipal Budget Statements:
  - a. Cash Flow closing balances as at 31 March 2012,
  - b. High-level summary of revenue for 272 municipalities, and
  - c. High-level summary of expenditure for 272 municipalities.
- Summary of revenue and expenditure per function (electricity, water, etc):
  - a. High level summary of revenue per function, and
  - b. High level summary of expenditure per function.
- Consolidation of revenue and expenditure numbers for each municipality in one file.
- Detail per province per municipality.
- Summary of Conditional Grant (CG) Information for all municipalities and per grant.
- CG - Detail per province per Municipality.
- Summary of Conditional Grant (CG) information per programme.
- Section 71 summary information for the second quarter:
  - a. Summary of total monthly operating expenditure – 272 municipalities;
  - b. Summary of total monthly operating revenue – 272 municipalities;
  - c. Summary of total monthly capital expenditure – 272 municipalities;
  - d. Summary of total monthly capital revenue – 272 municipalities;
  - e. Summary – Metros;
  - f. Conditional Grant summary – Metros;
  - g. Summary – Top 19 municipalities;
  - h. Conditional Grant summary – Top 19 municipalities;
  - i. Summary – Provinces;
  - j. Conditional Grant summary – Provinces;
  - k. Analysis of Sources of Revenue – 277 municipalities; and
  - l. Listing of borrowing instruments – 172 municipalities.
- Non Compliance:
  - a. List municipalities not complying with Section 71 of the MFMA.

The section 71 information reported by municipalities to National Treasury is now being published on the National Treasury website in the format of Schedule C, which is the format for monthly and quarterly municipal financial statements as prescribed by the Municipal Budget and Reporting Regulations.

## SUMMARY TABLES:

## Aggregated revenue and expenditure for municipalities

Table 1: National aggregated revenue and expenditure as at 3rd quarter ended 31 March 2012

| R thousands           | Adjusted Budget    |                   |                    | Third Quarter 2011/12 |                  |                   |                          | Year to date: 31 March 2012 |                   |                    |                          | Third Quarter 2010/11 |                  |                   |                          | Q3 of 2010/11 to Q3 of 2011/12 |
|-----------------------|--------------------|-------------------|--------------------|-----------------------|------------------|-------------------|--------------------------|-----------------------------|-------------------|--------------------|--------------------------|-----------------------|------------------|-------------------|--------------------------|--------------------------------|
|                       | Operating          | Capital           | Total              | Operating             | Capital          | Total             | 3rd Q as % of adj budget | Operating                   | Capital           | Total              | Total as % of adj budget | Operating             | Capital          | Total             | Total as % of adj budget |                                |
| <b>Expenditure</b>    |                    |                   |                    |                       |                  |                   |                          |                             |                   |                    |                          |                       |                  |                   |                          |                                |
| Category A (Metro)    | 129 097 392        | 22 298 197        | 151 395 589        | 30 651 322            | 3 633 207        | 34 284 529        | 22.6%                    | 93 604 819                  | 9 583 397         | 103 188 216        | 68.2%                    | 26 854 628            | 2 938 194        | 29 792 821        | 64.8%                    | 15.1%                          |
| Category B (Local)    | 68 475 374         | 16 254 071        | 84 729 445         | 14 072 676            | 1 982 591        | 16 055 267        | 18.9%                    | 43 363 577                  | 6 517 495         | 49 881 072         | 58.9%                    | 13 350 843            | 2 156 361        | 15 507 204        | 59.5%                    | 3.5%                           |
| Category C (District) | 13 167 417         | 7 472 124         | 20 639 540         | 2 848 697             | 957 952          | 3 806 649         | 18.4%                    | 8 100 878                   | 2 694 276         | 10 795 154         | 52.3%                    | 2 568 642             | 716 943          | 3 285 585         | 56.9%                    | 15.9%                          |
| <b>Total</b>          | <b>210 740 182</b> | <b>46 024 392</b> | <b>256 764 574</b> | <b>47 572 694</b>     | <b>6 573 750</b> | <b>54 146 445</b> | <b>21.1%</b>             | <b>145 069 274</b>          | <b>18 795 168</b> | <b>163 864 442</b> | <b>63.8%</b>             | <b>42 774 113</b>     | <b>5 811 498</b> | <b>48 585 610</b> | <b>62.5%</b>             | <b>11.4%</b>                   |
| <b>Revenue</b>        |                    |                   |                    |                       |                  |                   |                          |                             |                   |                    |                          |                       |                  |                   |                          |                                |
| Category A (Metro)    | 148 279 573        | 22 298 197        | 170 577 770        | 35 004 175            | 3 633 207        | 38 637 382        | 22.7%                    | 106 398 506                 | 9 583 396         | 115 981 902        | 68.0%                    | 29 964 608            | 2 938 194        | 32 902 801        | 67.0%                    | 17.4%                          |
| Category B (Local)    | 75 223 706         | 15 573 181        | 90 796 887         | 15 918 166            | 1 844 729        | 17 762 894        | 19.6%                    | 54 008 972                  | 6 238 639         | 60 247 610         | 66.4%                    | 14 587 351            | 1 999 445        | 16 586 796        | 70.8%                    | 7.1%                           |
| Category C (District) | 18 224 493         | 7 265 945         | 25 490 437         | 4 434 201             | 958 110          | 5 392 312         | 21.2%                    | 13 649 401                  | 2 663 194         | 16 312 595         | 64.0%                    | 3 806 675             | 709 248          | 4 515 923         | 82.1%                    | 19.4%                          |
| <b>Total</b>          | <b>241 727 771</b> | <b>45 137 323</b> | <b>286 865 094</b> | <b>55 356 542</b>     | <b>6 436 047</b> | <b>61 792 588</b> | <b>21.5%</b>             | <b>174 056 879</b>          | <b>18 485 228</b> | <b>192 542 107</b> | <b>67.1%</b>             | <b>48 358 634</b>     | <b>5 646 887</b> | <b>54 005 521</b> | <b>69.4%</b>             | <b>14.4%</b>                   |

Source: National Treasury Local Government database

## Aggregate revenue trends for metros

Table 2: Metros aggregated revenue as at 3rd quarter ended 31 March 2012

| R thousands          | Adjusted Budget    |                   |                    | Third Quarter 2011/12 |                  |                   |                               | Year to date: 31 March 2012 |                  |                    |                              | Third Quarter 2010/11 |                  |                   |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|----------------------|--------------------|-------------------|--------------------|-----------------------|------------------|-------------------|-------------------------------|-----------------------------|------------------|--------------------|------------------------------|-----------------------|------------------|-------------------|------------------------------|--------------------------------|
|                      | Operating Revenue  | Capital Revenue   | Total              | Operating Revenue     | Capital Revenue  | Total             | 3rd Q as % of adjusted budget | Operating Revenue           | Capital Revenue  | Total              | Total Rev as % of adj budget | Operating Revenue     | Capital Revenue  | Total             | Total Rev as % of adj budget |                                |
| Buffalo City         | 4 018 908          | 725 646           | 4 744 554          | 688 392               | 50 369           | 738 761           | 15.6%                         | 2 877 061                   | 136 809          | 3 013 871          | 63.5%                        | 502 385               | 62 087           | 564 472           | 69.7%                        | 30.9%                          |
| Cape Town            | 32 394 861         | 4 643 726         | 37 038 586         | 8 006 958             | 850 133          | 8 857 091         | 23.9%                         | 23 133 932                  | 2 068 980        | 25 202 913         | 68.0%                        | 7 150 110             | 495 052          | 7 645 161         | 66.8%                        | 15.9%                          |
| Ekurhuleni Metro     | 21 160 159         | 2 252 104         | 23 412 263         | 4 816 892             | 540 331          | 5 357 223         | 22.9%                         | 15 903 743                  | 1 103 603        | 17 007 346         | 72.6%                        | 4 238 009             | 262 038          | 4 500 047         | 69.7%                        | 19.0%                          |
| eThekweni            | 26 333 214         | 5 302 103         | 31 635 317         | 6 114 378             | 687 044          | 6 801 422         | 21.5%                         | 18 696 209                  | 2 265 871        | 20 962 080         | 66.3%                        | 5 741 364             | 668 730          | 6 410 094         | 66.3%                        | 6.1%                           |
| City Of Johannesburg | 32 616 362         | 3 749 203         | 36 365 565         | 7 318 591             | 614 497          | 7 933 088         | 21.8%                         | 22 889 792                  | 1 583 784        | 24 473 576         | 67.3%                        | 6 344 353             | 723 018          | 7 067 371         | 65.1%                        | 12.2%                          |
| Mangaung             | 4 470 948          | 815 046           | 5 285 995          | 752 150               | 121 655          | 873 806           | 16.5%                         | 2 654 225                   | 355 514          | 3 009 739          | 56.9%                        | 728 010               | 96 602           | 824 612           | 58.3%                        | 6.0%                           |
| Nelson Mandela Bay   | 7 616 421          | 1 406 732         | 9 023 153          | 1 766 038             | 226 123          | 1 992 161         | 22.1%                         | 5 258 359                   | 608 298          | 5 866 657          | 65.0%                        | 1 666 330             | 210 644          | 1 876 973         | 72.4%                        | 6.1%                           |
| City Of Tshwane      | 19 668 700         | 3 403 637         | 23 072 337         | 5 540 776             | 543 055          | 6 083 830         | 26.4%                         | 14 985 184                  | 1 460 537        | 16 445 720         | 71.3%                        | 3 594 046             | 420 024          | 4 014 070         | 67.9%                        | 51.6%                          |
| <b>Total</b>         | <b>148 279 573</b> | <b>22 298 197</b> | <b>170 577 770</b> | <b>35 004 175</b>     | <b>3 633 207</b> | <b>38 637 382</b> | <b>22.7%</b>                  | <b>106 398 506</b>          | <b>9 583 396</b> | <b>115 981 902</b> | <b>68.0%</b>                 | <b>29 964 608</b>     | <b>2 938 194</b> | <b>32 902 801</b> | <b>67.0%</b>                 | <b>17.4%</b>                   |

Source: National Treasury Local Government database

## Aggregate expenditure trends for metros

Table 3: Metros aggregated expenditure as at 3rd quarter ended 31 March 2012

| R thousands          | Adjusted Budget       |                     |                    | Third Quarter 2011/12 |                     |                   |                          | Year to date: 31 March 2012 |                     |                    |                              | Third Quarter 2010/11 |                     |                   |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|----------------------|-----------------------|---------------------|--------------------|-----------------------|---------------------|-------------------|--------------------------|-----------------------------|---------------------|--------------------|------------------------------|-----------------------|---------------------|-------------------|------------------------------|--------------------------------|
|                      | Operating Expenditure | Capital Expenditure | Total              | Operating Expenditure | Capital Expenditure | Total             | 3rd Q as % of adj budget | Operating Expenditure       | Capital Expenditure | Total              | Total Exp as % of adj budget | Operating Expenditure | Capital Expenditure | Total             | Total Exp as % of adj budget |                                |
| Buffalo City         | 3 413 075             | 725 646             | 4 138 722          | 741 588               | 50 369              | 791 957           | 19.1%                    | 2 289 635                   | 136 809             | 2 426 444          | 58.6%                        | 696 754               | 62 087              | 758 840           | 58.9%                        | 4.4%                           |
| Cape Town            | 30 177 141            | 4 643 726           | 34 820 867         | 6 849 977             | 850 133             | 7 700 111         | 22.1%                    | 20 570 192                  | 2 068 980           | 22 639 172         | 65.0%                        | 6 063 184             | 495 052             | 6 558 236         | 63.9%                        | 17.4%                          |
| Ekurhuleni Metro     | 20 908 641            | 2 252 104           | 23 160 745         | 4 877 506             | 540 331             | 5 417 837         | 23.4%                    | 14 969 365                  | 1 103 603           | 16 072 968         | 69.4%                        | 4 336 845             | 262 038             | 4 598 883         | 66.6%                        | 17.8%                          |
| eThekweni            | 23 966 381            | 5 302 103           | 29 268 484         | 5 258 443             | 687 044             | 5 945 487         | 20.3%                    | 15 800 987                  | 2 265 871           | 18 066 858         | 61.7%                        | 4 316 901             | 668 730             | 4 985 631         | 62.9%                        | 19.3%                          |
| City Of Johannesburg | 29 358 254            | 3 749 203           | 33 107 457         | 6 641 245             | 614 497             | 7 255 742         | 21.9%                    | 21 080 769                  | 1 583 785           | 22 664 554         | 68.5%                        | 6 358 737             | 723 018             | 7 081 756         | 69.2%                        | 2.5%                           |
| Mangaung             | (3 750 588)           | 815 046             | (2 935 542)        | 748 844               | 121 655             | 870 499           | (29.7%)                  | 2 218 669                   | 355 514             | 2 574 183          | (87.7%)                      | 635 752               | 96 602              | 732 353           | 57.8%                        | 18.9%                          |
| Nelson Mandela Bay   | 6 621 119             | 1 406 732           | 8 027 851          | 1 526 246             | 226 123             | 1 752 369         | 21.8%                    | 4 402 254                   | 608 298             | 5 010 552          | 62.4%                        | 1 368 279             | 210 644             | 1 578 923         | 65.0%                        | 11.0%                          |
| City Of Tshwane      | 18 403 369            | 3 403 637           | 21 807 006         | 4 007 473             | 543 055             | 4 550 527         | 20.9%                    | 12 272 948                  | 1 460 537           | 13 733 485         | 63.0%                        | 3 078 175             | 420 024             | 3 498 199         | 62.3%                        | 30.1%                          |
| <b>Total</b>         | <b>129 097 392</b>    | <b>22 298 197</b>   | <b>151 395 589</b> | <b>30 651 322</b>     | <b>3 633 207</b>    | <b>34 284 529</b> | <b>22.6%</b>             | <b>93 604 819</b>           | <b>9 583 397</b>    | <b>103 188 216</b> | <b>68.2%</b>                 | <b>26 854 628</b>     | <b>2 938 194</b>    | <b>29 792 821</b> | <b>64.8%</b>                 | <b>15.1%</b>                   |

Source: National Treasury Local Government database

# Aggregated revenue and expenditure for secondary cities

Table 4: 19 Secondary cities aggregated budgets and expenditure as at 3rd quarter ended 31 March 2012

| R thousands       | Adjusted Budget       |                     |                   | Third Quarter 2011/12 |                     |                  |                          | Year to date: 31 March 2012 |                     |                   |                              | Third Quarter 2010/11 |                     |                  |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|-------------------|-----------------------|---------------------|-------------------|-----------------------|---------------------|------------------|--------------------------|-----------------------------|---------------------|-------------------|------------------------------|-----------------------|---------------------|------------------|------------------------------|--------------------------------|
|                   | Operating Expenditure | Capital Expenditure | Total             | Operating Expenditure | Capital Expenditure | Total            | 3rd Q as % of adj budget | Operating Expenditure       | Capital Expenditure | Total             | Total Exp as % of adj budget | Operating Expenditure | Capital Expenditure | Total            | Total Exp as % of adj budget |                                |
| City Of Matlosana | 1 707 795             | 133 605             | 1 841 400         | 364 447               | 11 243              | 375 690          | 20.4%                    | 1 012 268                   | 74 283              | 1 086 551         | 59.0%                        | 561 674               | 36 537              | 598 211          | 79.8%                        | (37.2%)                        |
| Drakenstein       | 1 199 886             | 320 261             | 1 520 147         | 249 610               | 48 031              | 297 641          | 19.6%                    | 851 613                     | 135 077             | 986 690           | 64.9%                        | 246 572               | 42 223              | 288 796          | 58.1%                        | 3.1%                           |
| Emalahleni (Mp)   | -                     | -                   | -                 | 255 707               | 7 066               | 262 774          | -                        | 813 087                     | 11 076              | 824 163           | -                            | 347 107               | 26 812              | 373 919          | 60.7%                        | (29.7%)                        |
| Emfuleni          | 3 822 930             | 364 370             | 4 187 300         | 654 838               | 39 437              | 694 275          | 16.6%                    | 2 114 287                   | 106 169             | 2 220 456         | 53.0%                        | 584 145               | 31 702              | 615 847          | 55.0%                        | 12.7%                          |
| George            | 1 162 590             | 133 325             | 1 295 915         | 209 064               | 14 666              | 223 730          | 17.3%                    | 716 822                     | 55 372              | 772 194           | 59.6%                        | 160 260               | 11 870              | 172 130          | 51.2%                        | 30.0%                          |
| Govan Mbeki       | 1 055 979             | 145 354             | 1 201 333         | 245 172               | 12 007              | 257 179          | 21.4%                    | 759 176                     | 50 824              | 810 000           | 67.4%                        | 195 186               | 16 315              | 211 501          | 61.7%                        | 21.6%                          |
| Madibeng          | 949 715               | 284 250             | 1 233 965         | 208 426               | 52 620              | 261 046          | 21.2%                    | 564 887                     | 140 285             | 705 172           | 57.1%                        | 170 988               | 6 710               | 177 699          | 56.9%                        | 46.9%                          |
| Matjhabeng        | 1 487 579             | 557 222             | 2 044 801         | 287 146               | 38 865              | 326 011          | 15.9%                    | 806 980                     | 142 637             | 949 617           | 46.4%                        | 235 508               | 29 918              | 265 425          | 52.5%                        | 22.8%                          |
| Mbombela          | 1 552 607             | 535 596             | 2 088 203         | 438 372               | 79 360              | 517 732          | 24.8%                    | 1 080 565                   | 167 339             | 1 247 905         | 59.8%                        | 266 990               | 114 402             | 381 392          | 45.2%                        | 35.7%                          |
| Mogale City       | 1 663 896             | 176 951             | 1 840 847         | 492 716               | 33 175              | 525 890          | 28.6%                    | 1 177 495                   | 91 532              | 1 269 027         | 68.9%                        | 263 227               | 28 906              | 292 133          | 59.5%                        | 80.0%                          |
| Msunduzi          | 3 339 106             | 351 441             | 3 690 547         | 678 693               | 29 083              | 707 776          | 19.2%                    | 1 916 989                   | 80 249              | 1 997 238         | 54.1%                        | 518 615               | 18 256              | 536 871          | 58.9%                        | 31.8%                          |
| Newcastle         | 1 489 844             | 312 846             | 1 802 690         | 319 189               | 24 966              | 344 155          | 19.1%                    | 969 887                     | 114 064             | 1 083 951         | 60.1%                        | 249 292               | 15 697              | 264 989          | 61.1%                        | 29.9%                          |
| Polokwane         | 1 475 280             | 389 198             | 1 864 478         | 303 060               | 41 824              | 344 884          | 18.5%                    | 993 059                     | 159 520             | 1 152 579         | 61.8%                        | 265 337               | 45 028              | 310 364          | 53.1%                        | 11.1%                          |
| Rustenburg        | 2 277 492             | 528 576             | 2 806 068         | 406 942               | 47 837              | 454 778          | 16.2%                    | 1 298 055                   | 133 958             | 1 432 013         | 51.0%                        | 541 537               | 37 431              | 578 968          | 71.2%                        | (21.5%)                        |
| Sol Plaatje       | 1 275 282             | 177 405             | 1 452 687         | 239 552               | 29 060              | 268 612          | 18.5%                    | 793 783                     | 79 383              | 873 165           | 60.1%                        | 183 717               | 26 999              | 210 716          | 63.2%                        | 27.5%                          |
| Stellenbosch      | 839 480               | 210 104             | 1 049 583         | 143 824               | 26 419              | 170 243          | 16.2%                    | 458 544                     | 67 028              | 525 572           | 50.1%                        | 165 107               | 21 958              | 187 065          | 50.8%                        | (9.0%)                         |
| Steve Tshwete     | 924 834               | 364 067             | 1 288 901         | 214 217               | 31 769              | 245 987          | 19.1%                    | 645 879                     | 115 955             | 761 834           | 59.1%                        | 183 304               | 44 936              | 228 240          | 59.9%                        | 7.8%                           |
| Tlokwe            | 788 796               | 118 956             | 907 752           | 177 332               | 14 487              | 191 819          | 21.1%                    | 540 171                     | 75 640              | 615 811           | 67.8%                        | 130 950               | 41 748              | 172 698          | 64.4%                        | 11.1%                          |
| uMhlatuze         | 1 920 720             | 166 771             | 2 087 490         | 489 123               | 28 692              | 517 815          | 24.8%                    | 1 440 184                   | 50 042              | 1 490 225         | 71.4%                        | 479 441               | 8 165               | 487 606          | 68.3%                        | 6.2%                           |
| <b>Total</b>      | <b>28 933 810</b>     | <b>5 270 297</b>    | <b>34 204 107</b> | <b>6 377 430</b>      | <b>610 609</b>      | <b>6 988 038</b> | <b>20.4%</b>             | <b>18 953 732</b>           | <b>1 850 432</b>    | <b>20 804 164</b> | <b>60.8%</b>                 | <b>5 748 957</b>      | <b>605 615</b>      | <b>6 354 571</b> | <b>59.4%</b>                 | <b>10.0%</b>                   |

Source: National Treasury Local Government database

## Operating expenditure per function for metros

Table 5: Metros aggregated budgets and expenditure per function as at 3rd quarter ended 31 March 2012

|                               | Adjusted Budget   | Third Quarter 2011/12 |                          | Year to date: 31 March 2012 |                               | Third Quarter 2010/11 |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|-------------------------------|-------------------|-----------------------|--------------------------|-----------------------------|-------------------------------|-----------------------|------------------------------|--------------------------------|
|                               |                   | Actual Expenditure    | 3rd Q as % of adj budget | Actual Expenditure          | Total Expe as % of adj budget | Actual Expenditure    | Total Exp as % of adj budget |                                |
| <b>R thousands</b>            |                   |                       |                          |                             |                               |                       |                              |                                |
| <b>Water</b>                  |                   |                       |                          |                             |                               |                       |                              |                                |
| Buffalo City                  | 292 220           | 90 598                | 31.0%                    | 239 894                     | 82.1%                         | 61 930                | 69.4%                        | 46.3%                          |
| Cape Town                     | 3 491 761         | 912 453               | 26.1%                    | 2 432 152                   | 69.7%                         | 790 843               | 70.3%                        | 15.4%                          |
| Ekurhuleni Metro              | 3 206 857         | 732 073               | 22.8%                    | 2 161 416                   | 67.4%                         | 614 953               | 70.0%                        | 19.0%                          |
| eThekwini                     | 3 217 656         | 856 765               | 26.6%                    | 2 162 558                   | 67.2%                         | 648 236               | 62.7%                        | 32.2%                          |
| City Of Johannesburg          | 2 777 177         | 1 208 772             | 43.5%                    | 3 661 934                   | 131.9%                        | 1 144 228             | 77.6%                        | 5.6%                           |
| Mangaung                      | (400 498)         | 92 729                | (23.2%)                  | 289 996                     | (72.4%)                       | 84 676                | 80.4%                        | 9.5%                           |
| Nelson Mandela Bay            | 491 633           | 110 569               | 22.5%                    | 316 738                     | 64.4%                         | 148 483               | 88.5%                        | (25.5%)                        |
| City Of Tshwane               | 2 222 865         | 557 896               | 25.1%                    | 1 513 219                   | 68.1%                         | 352 395               | 71.1%                        | 58.3%                          |
| <b>Total</b>                  | <b>15 299 672</b> | <b>4 561 854</b>      | <b>29.8%</b>             | <b>12 777 907</b>           | <b>83.5%</b>                  | <b>3 845 744</b>      | <b>71.5%</b>                 | <b>18.6%</b>                   |
| <b>Electricity</b>            |                   |                       |                          |                             |                               |                       |                              |                                |
| Buffalo City                  | 1 060 235         | 216 906               | 20.5%                    | 765 438                     | 72.2%                         | 197 150               | 68.3%                        | 10.0%                          |
| Cape Town                     | 7 643 424         | 1 593 078             | 20.8%                    | 5 182 805                   | 67.8%                         | 1 320 149             | 67.6%                        | 20.7%                          |
| Ekurhuleni Metro              | 8 967 663         | 1 937 790             | 21.6%                    | 6 527 907                   | 72.8%                         | 1 395 473             | 71.6%                        | 38.9%                          |
| eThekwini                     | 8 361 238         | 1 710 865             | 20.5%                    | 5 655 393                   | 67.6%                         | 1 381 056             | 67.4%                        | 23.9%                          |
| City Of Johannesburg          | 10 639 532        | 1 976 721             | 18.6%                    | 7 561 319                   | 71.1%                         | 1 908 902             | 72.9%                        | 3.6%                           |
| Mangaung                      | (1 438 444)       | 278 550               | (19.4%)                  | 876 612                     | (60.9%)                       | 229 397               | 61.4%                        | 21.4%                          |
| Nelson Mandela Bay            | 2 490 100         | 496 991               | 20.0%                    | 1 590 567                   | 63.9%                         | 424 861               | 55.2%                        | 17.0%                          |
| City Of Tshwane               | 6 983 476         | 1 553 866             | 22.3%                    | 4 913 842                   | 70.4%                         | 1 085 604             | 73.5%                        | 43.1%                          |
| <b>Total</b>                  | <b>44 707 224</b> | <b>9 764 767</b>      | <b>21.8%</b>             | <b>33 073 882</b>           | <b>74.0%</b>                  | <b>7 942 592</b>      | <b>69.4%</b>                 | <b>22.9%</b>                   |
| <b>Waste Water Management</b> |                   |                       |                          |                             |                               |                       |                              |                                |
| Buffalo City                  | 326 024           | 73 437                | 22.5%                    | 214 897                     | 65.9%                         | 65 625                | 60.8%                        | 11.9%                          |
| Cape Town                     | 1 808 095         | 444 211               | 24.6%                    | 1 282 194                   | 70.9%                         | 360 278               | 69.7%                        | 23.3%                          |
| Ekurhuleni Metro              | 419 402           | 100 883               | 24.1%                    | 302 839                     | 72.2%                         | 3 804                 | 169.3%                       | 2551.9%                        |
| eThekwini                     | 1 159 662         | 244 473               | 21.1%                    | 694 187                     | 59.9%                         | 197 352               | 60.8%                        | 23.9%                          |
| City Of Johannesburg          | 1 851 451         | -                     | -                        | -                           | -                             | -                     | -                            | -                              |
| Mangaung                      | (136 082)         | 30 802                | (22.6%)                  | 89 658                      | (65.9%)                       | 25 977                | 57.5%                        | 18.6%                          |
| Nelson Mandela Bay            | 433 987           | 84 602                | 19.5%                    | 246 298                     | 56.8%                         | 108 392               | 57.9%                        | (21.9%)                        |
| City Of Tshwane               | 455 019           | 104 786               | 23.0%                    | 276 793                     | 60.8%                         | 150 665               | 65.0%                        | (30.5%)                        |
| <b>Total</b>                  | <b>6 317 559</b>  | <b>1 083 193</b>      | <b>17.1%</b>             | <b>3 106 867</b>            | <b>49.2%</b>                  | <b>912 092</b>        | <b>65.8%</b>                 | <b>18.8%</b>                   |
| <b>Waste Management</b>       |                   |                       |                          |                             |                               |                       |                              |                                |
| Buffalo City                  | 197 996           | 38 244                | 19.3%                    | 99 387                      | 50.2%                         | 35 919                | 60.5%                        | 6.5%                           |
| Cape Town                     | 2 033 033         | 484 145               | 23.8%                    | 1 413 952                   | 69.5%                         | 448 484               | 67.0%                        | 8.0%                           |
| Ekurhuleni Metro              | 983 393           | 275 995               | 28.1%                    | 713 866                     | 72.6%                         | 177 352               | 60.2%                        | 55.6%                          |
| eThekwini                     | 998 365           | 257 020               | 25.7%                    | 652 354                     | 65.3%                         | 244 218               | 66.2%                        | 5.2%                           |
| City Of Johannesburg          | 1 230 791         | 392 206               | 31.9%                    | 975 724                     | 79.3%                         | 280 246               | 77.6%                        | 40.0%                          |
| Mangaung                      | (100 849)         | 22 166                | (22.0%)                  | 60 537                      | (60.0%)                       | 18 030                | 74.6%                        | 22.9%                          |
| Nelson Mandela Bay            | 311 457           | 72 824                | 23.4%                    | 186 391                     | 59.8%                         | 58 758                | 65.5%                        | 23.9%                          |
| City Of Tshwane               | 890 543           | 230 463               | 25.9%                    | 556 026                     | 62.4%                         | 170 394               | 48.4%                        | 35.3%                          |
| <b>Total</b>                  | <b>6 544 729</b>  | <b>1 773 062</b>      | <b>27.1%</b>             | <b>4 658 238</b>            | <b>71.2%</b>                  | <b>1 433 401</b>      | <b>65.5%</b>                 | <b>23.7%</b>                   |

Source: National Treasury Local Government database



## Operating expenditure per function for secondary cities

**Table 6a: 19 Secondary cities aggregated budgets and expenditure per function as at 3rd quarter ended 31 March 2012**

| R thousands       | Adjusted Budget  | Third Quarter 2011/12 |                          | Year to date: 31 March 2012 |                              | Third Quarter 2010/11 |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|-------------------|------------------|-----------------------|--------------------------|-----------------------------|------------------------------|-----------------------|------------------------------|--------------------------------|
|                   |                  | Actual Expenditure    | 3rd Q as % of adj budget | Actual Expenditure          | Total Exp as % of adj budget | Actual Expenditure    | Total Exp as % of adj budget |                                |
| <b>Water</b>      |                  |                       |                          |                             |                              |                       |                              |                                |
| City Of Matlosana | 193 917          | 34 099                | 17.6%                    | 118 480                     | 61.1%                        | 42 929                | 341.8%                       | (20.6%)                        |
| Drakenstein       | 59 030           | 8 440                 | 14.3%                    | 43 085                      | 73.0%                        | 14 855                | 67.7%                        | (43.2%)                        |
| Emalaheni (Mp)    | -                | 21 580                | -                        | 79 748                      | -                            | 38 589                | 73.4%                        | (44.1%)                        |
| Emfuleni          | 377 228          | 115 121               | 30.5%                    | 297 684                     | 78.9%                        | 96 042                | 83.2%                        | 19.9%                          |
| George            | 117 854          | 21 791                | 18.5%                    | 65 940                      | 56.0%                        | 7 201                 | 37.9%                        | 202.6%                         |
| Govan Mbeki       | 188 262          | 50 513                | 26.8%                    | 143 691                     | 76.3%                        | 35 568                | 59.7%                        | 42.0%                          |
| Madibeng          | -                | 3 311                 | -                        | 3 311                       | -                            | 13 618                | 35.1%                        | (75.7%)                        |
| Matjhabeng        | 207 741          | 38 641                | 18.6%                    | 106 645                     | 51.3%                        | 28 197                | 45.4%                        | 37.0%                          |
| Mbombela          | 123 219          | 31 880                | 25.9%                    | 72 851                      | 59.1%                        | 21 320                | 41.0%                        | 49.5%                          |
| Mogale City       | 228 379          | 65 148                | 28.5%                    | 160 884                     | 70.4%                        | 33 007                | 61.7%                        | 97.4%                          |
| Msunduzi          | 592 785          | 145 809               | 24.6%                    | 272 355                     | 45.9%                        | 33 580                | 51.7%                        | 334.2%                         |
| New castle        | 243 399          | 40 607                | 16.7%                    | 152 732                     | 62.7%                        | 39 248                | 74.8%                        | 3.5%                           |
| Polokwane         | 195 305          | 44 330                | 22.7%                    | 134 182                     | 68.7%                        | 44 269                | 63.3%                        | 0.1%                           |
| Rustenburg        | 326 560          | 74 452                | 22.8%                    | 224 449                     | 68.7%                        | 86 527                | 76.2%                        | (14.0%)                        |
| Sol Plaatje       | 117 099          | 26 517                | 22.6%                    | 66 656                      | 56.9%                        | 26 298                | 57.8%                        | 0.8%                           |
| Stellenbosch      | 56 967           | 10 953                | 19.2%                    | 26 814                      | 47.1%                        | 9 373                 | 37.5%                        | 16.9%                          |
| Steve Tshwete     | 58 157           | 15 887                | 27.3%                    | 40 014                      | 68.8%                        | 10 789                | 71.0%                        | 47.3%                          |
| Tlokwe            | 34 735           | 10 392                | 29.9%                    | 46 329                      | 133.4%                       | 5 987                 | 61.6%                        | 73.6%                          |
| uMhlathuze        | 325 286          | 76 652                | 23.6%                    | 237 487                     | 73.0%                        | 106 241               | 68.6%                        | (27.9%)                        |
| <b>Total</b>      | <b>3 445 922</b> | <b>836 123</b>        | <b>24.3%</b>             | <b>2 293 337</b>            | <b>66.6%</b>                 | <b>693 639</b>        | <b>65.4%</b>                 | <b>20.5%</b>                   |

Source: National Treasury Local Government database

**Table 6b: 19 Secondary cities aggregated budgets and expenditure per function as at 3rd quarter ended 31 March 2012**

| R thousands        | Adjusted Budget  | Third Quarter 2011/12 |                          | Year to date: 31 March 2012 |                              | Third Quarter 2010/11 |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|--------------------|------------------|-----------------------|--------------------------|-----------------------------|------------------------------|-----------------------|------------------------------|--------------------------------|
|                    |                  | Actual Expenditure    | 3rd Q as % of adj budget | Actual Expenditure          | Total Exp as % of adj budget | Actual Expenditure    | Total Exp as % of adj budget |                                |
| <b>Electricity</b> |                  |                       |                          |                             |                              |                       |                              |                                |
| City Of Matlosana  | 454 412          | 127 333               | 28.0%                    | 261 068                     | 57.5%                        | 69 255                | 74.7%                        | 83.9%                          |
| Drakenstein        | 508 179          | 71 098                | 14.0%                    | 359 720                     | 70.8%                        | 96 528                | 63.9%                        | (26.3%)                        |
| Emalaheni (Mp)     | -                | 129 594               | -                        | 417 605                     | -                            | 174 547               | 72.4%                        | (25.8%)                        |
| Emfuleni           | 1 069 491        | 232 759               | 21.8%                    | 940 013                     | 87.9%                        | 195 613               | 69.3%                        | 19.0%                          |
| George             | 349 751          | 65 657                | 18.8%                    | 221 178                     | 63.2%                        | 52 386                | 59.0%                        | 25.3%                          |
| Govan Mbeki        | 378 040          | 73 959                | 19.6%                    | 272 086                     | 72.0%                        | 62 442                | 81.1%                        | 18.4%                          |
| Madibeng           | -                | 35 741                | -                        | 35 741                      | -                            | 58 544                | 95.7%                        | (38.9%)                        |
| Matjhabeng         | 231 024          | 89 331                | 38.7%                    | 264 099                     | 114.3%                       | 67 360                | 98.1%                        | 32.6%                          |
| Mbombela           | 425 533          | 118 900               | 27.9%                    | 332 293                     | 78.1%                        | 74 359                | 62.9%                        | 59.9%                          |
| Mogale City        | 577 663          | 150 045               | 26.0%                    | 387 522                     | 67.1%                        | 85 815                | 60.2%                        | 74.8%                          |
| Msunduzi           | 1 181 370        | 228 659               | 19.4%                    | 789 418                     | 66.8%                        | 178 491               | 67.4%                        | 28.1%                          |
| New castle         | 428 790          | 94 338                | 22.0%                    | 283 840                     | 66.2%                        | 86 882                | 56.0%                        | 8.6%                           |
| Polokwane          | 480 304          | 95 210                | 19.8%                    | 347 744                     | 72.4%                        | 76 603                | 64.6%                        | 24.3%                          |
| Rustenburg         | 1 141 104        | 150 484               | 13.2%                    | 543 424                     | 47.6%                        | 253 473               | 80.8%                        | (40.6%)                        |
| Sol Plaatje        | 397 053          | 70 075                | 17.6%                    | 271 086                     | 68.3%                        | 41 747                | 69.3%                        | 67.9%                          |
| Stellenbosch       | 279 247          | 48 424                | 17.3%                    | 158 561                     | 56.8%                        | 39 072                | 58.7%                        | 23.9%                          |
| Steve Tshwete      | 314 315          | 65 000                | 20.7%                    | 216 307                     | 68.8%                        | 53 415                | 70.4%                        | 21.7%                          |
| Tlokwe             | 434 941          | 59 907                | 13.8%                    | 191 773                     | 44.1%                        | 24 293                | 64.0%                        | 146.6%                         |
| uMhlathuze         | 919 527          | 238 715               | 26.0%                    | 713 146                     | 77.6%                        | 180 037               | 76.7%                        | 32.6%                          |
| <b>Total</b>       | <b>9 570 743</b> | <b>2 145 230</b>      | <b>22.4%</b>             | <b>7 006 625</b>            | <b>73.2%</b>                 | <b>1 870 862</b>      | <b>70.7%</b>                 | <b>14.7%</b>                   |

Source: National Treasury Local Government database

**Table 6c: 19 Secondary cities aggregated budgets and expenditure per function as at 3rd quarter ended 31 March 2012**

| R thousands                   | Adjusted Budget  | Third Quarter 2011/12 |                          | Year to date: 31 March 2012 |                              | Third Quarter 2010/11 |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|-------------------------------|------------------|-----------------------|--------------------------|-----------------------------|------------------------------|-----------------------|------------------------------|--------------------------------|
|                               |                  | Actual Expenditure    | 3rd Q as % of adj budget | Actual Expenditure          | Total Exp as % of adj budget | Actual Expenditure    | Total Exp as % of adj budget |                                |
| <b>Waste Water Management</b> |                  |                       |                          |                             |                              |                       |                              |                                |
| City Of Matlosana             | 113 260          | 10 655                | 9.4%                     | 48 501                      | 42.8%                        | 31 789                | 37.6%                        | (66.5%)                        |
| Drakenstein                   | 49 600           | 15 570                | 31.4%                    | 40 964                      | 82.6%                        | 12 067                | 69.1%                        | 29.0%                          |
| Emalahleni (Mp)               | -                | 9 807                 | -                        | 29 318                      | -                            | 14 793                | 74.5%                        | (33.7%)                        |
| Emfuleni                      | 78 339           | 16 732                | 21.4%                    | 58 103                      | 74.2%                        | 21 757                | 25.9%                        | (23.1%)                        |
| George                        | 78 234           | 13 714                | 17.5%                    | 50 089                      | 64.0%                        | 15 396                | 38.4%                        | (10.9%)                        |
| Govan Mbeki                   | 71 799           | 10 589                | 14.7%                    | 31 892                      | 44.4%                        | 14 869                | 66.5%                        | (28.8%)                        |
| Madibeng                      | -                | 3 366                 | -                        | 3 366                       | -                            | 8 260                 | 85.9%                        | (59.2%)                        |
| Matjhabeng                    | -                | 8 669                 | -                        | 23 226                      | -                            | 12 817                | 52.0%                        | (32.4%)                        |
| Mbombela                      | 84 361           | 17 346                | 20.6%                    | 42 835                      | 50.8%                        | 10 269                | 38.6%                        | 68.9%                          |
| Mogale City                   | 79 484           | 33 957                | 42.7%                    | 58 668                      | 73.8%                        | 20 735                | 73.6%                        | 63.8%                          |
| Msunduzi                      | 221 106          | 2 175                 | 1.0%                     | 7 222                       | 3.3%                         | 1 344                 | 30.5%                        | 61.9%                          |
| Newcastle                     | 41 500           | 10 803                | 26.0%                    | 31 726                      | 76.4%                        | 21 077                | 73.7%                        | (48.7%)                        |
| Polokwane                     | 42 820           | 6 924                 | 16.2%                    | 21 256                      | 49.6%                        | 6 442                 | 35.8%                        | 7.5%                           |
| Rustenburg                    | 85 688           | 20 759                | 24.2%                    | 56 613                      | 66.1%                        | 29 098                | 79.3%                        | (28.7%)                        |
| Sol Plaatje                   | 42 359           | 10 807                | 25.5%                    | 28 046                      | 66.2%                        | 8 560                 | 67.1%                        | 26.2%                          |
| Stellenbosch                  | 51 499           | 8 715                 | 16.9%                    | 27 811                      | 54.0%                        | 9 065                 | 42.9%                        | (3.9%)                         |
| Steve Tshwete                 | 54 433           | 11 640                | 21.4%                    | 39 095                      | 71.8%                        | 12 273                | 70.7%                        | (5.2%)                         |
| Tlokwe                        | 23 159           | 8 710                 | 37.6%                    | 24 392                      | 105.3%                       | 17 178                | 53.1%                        | (49.3%)                        |
| uMhlatuze                     | 115 666          | 29 611                | 25.6%                    | 91 038                      | 78.7%                        | 37 005                | 75.0%                        | (20.0%)                        |
| <b>Total</b>                  | <b>1 233 306</b> | <b>250 550</b>        | <b>20.3%</b>             | <b>714 163</b>              | <b>57.9%</b>                 | <b>304 793</b>        | <b>51.7%</b>                 | <b>(17.8%)</b>                 |

Source: National Treasury Local Government database

**Table 6d: 19 Secondary cities aggregated budgets and expenditure per function as at 3rd quarter ended 31 March 2012**

| R thousands             | Adjusted Budget  | Third Quarter 2011/12 |                          | Year to date: 31 March 2012 |                              | Third Quarter 2010/11 |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|-------------------------|------------------|-----------------------|--------------------------|-----------------------------|------------------------------|-----------------------|------------------------------|--------------------------------|
|                         |                  | Actual Expenditure    | 3rd Q as % of adj budget | Actual Expenditure          | Total Exp as % of adj budget | Actual Expenditure    | Total Exp as % of adj budget |                                |
| <b>Waste Management</b> |                  |                       |                          |                             |                              |                       |                              |                                |
| City Of Matlosana       | 45 808           | 10 265                | 22.4%                    | 29 608                      | 64.6%                        | 10 707                | 69.4%                        | (4.1%)                         |
| Drakenstein             | 38 992           | 10 551                | 27.1%                    | 29 650                      | 76.0%                        | 9 114                 | 62.8%                        | 15.8%                          |
| Emalahleni (Mp)         | -                | 13 210                | -                        | 38 350                      | -                            | 17 439                | 77.1%                        | (24.3%)                        |
| Emfuleni                | 131 137          | 26 506                | 20.2%                    | 73 552                      | 56.1%                        | 20 523                | 36.3%                        | 29.1%                          |
| George                  | 46 532           | 9 509                 | 20.4%                    | 26 360                      | 56.6%                        | 6 354                 | 52.5%                        | 49.7%                          |
| Govan Mbeki             | 46 329           | 10 456                | 22.6%                    | 31 944                      | 69.0%                        | 10 806                | 50.4%                        | (3.2%)                         |
| Madibeng                | -                | -                     | -                        | -                           | -                            | -                     | -                            | -                              |
| Matjhabeng              | -                | -                     | -                        | -                           | -                            | -                     | -                            | -                              |
| Mbombela                | 117 655          | 33 030                | 28.1%                    | 74 912                      | 63.7%                        | 29 836                | 64.6%                        | 10.7%                          |
| Mogale City             | 95 575           | 26 018                | 27.2%                    | 67 172                      | 70.3%                        | 11 584                | 56.3%                        | 124.6%                         |
| Msunduzi                | 132 193          | 38 744                | 29.3%                    | 121 535                     | 91.9%                        | 37 657                | 52.1%                        | 2.9%                           |
| Newcastle               | 83 650           | 20 726                | 24.8%                    | 60 679                      | 72.5%                        | 10 205                | 48.6%                        | 103.1%                         |
| Polokwane               | 59 515           | 18 515                | 31.1%                    | 49 948                      | 83.9%                        | 14 611                | 52.6%                        | 26.7%                          |
| Rustenburg              | 72 508           | 18 702                | 25.8%                    | 52 589                      | 72.5%                        | 25 513                | 84.6%                        | (26.7%)                        |
| Sol Plaatje             | 38 744           | 8 635                 | 22.3%                    | 28 286                      | 73.0%                        | 4 233                 | 71.3%                        | 104.0%                         |
| Stellenbosch            | 28 192           | 5 903                 | 20.9%                    | 16 892                      | 59.9%                        | 6 413                 | 61.6%                        | (8.0%)                         |
| Steve Tshwete           | 53 149           | 13 039                | 24.5%                    | 39 933                      | 75.1%                        | 11 760                | 74.1%                        | 10.9%                          |
| Tlokwe                  | 26 017           | 8 355                 | 32.1%                    | 23 125                      | 88.9%                        | -                     | -                            | -                              |
| uMhlatuze               | 67 582           | 18 530                | 27.4%                    | 52 381                      | 77.5%                        | 16 497                | 77.2%                        | 12.3%                          |
| <b>Total</b>            | <b>1 083 578</b> | <b>290 693</b>        | <b>26.8%</b>             | <b>816 916</b>              | <b>75.4%</b>                 | <b>243 251</b>        | <b>58.8%</b>                 | <b>19.5%</b>                   |

Source: National Treasury Local Government database

## Aggregated municipal debtors age analysis

Table 7a: National Debtors Age Analysis as at 3rd quarter ended 31 March 2012

| R thousands                                  | 0 - 30 Days       |              | 31 - 60 Days     |             | 61 - 90 Days     |             | Over 90 Days      |              | Total             |               | Written Off      |             |
|--|-------------------|--------------|------------------|-------------|------------------|-------------|-------------------|--------------|-------------------|---------------|------------------|-------------|
|  | Amount            | %            | Amount           | %           | Amount           | %           | Amount            | %            | Amount            | %             | Amount           | %           |
| <b>Debtor Age Analysis By Income Source</b>  |                   |              |                  |             |                  |             |                   |              |                   |               |                  |             |
| Water  | 2 038 143         | 10.1%        | 798 463          | 3.9%        | 771 943          | 3.8%        | 16 668 089        | 82.2%        | 20 276 639        | 26.5%         | 272 342          | 1.3%        |
| Electricity                                  | 4 196 406         | 32.9%        | 1 026 256        | 8.1%        | 541 414          | 4.2%        | 6 984 152         | 54.8%        | 12 748 229        | 16.6%         | 17 898           | .1%         |
| Property Rates                               | 2 329 598         | 13.2%        | 642 961          | 3.7%        | 775 170          | 4.4%        | 13 856 899        | 78.7%        | 17 604 628        | 23.0%         | 28 431           | .2%         |
| Sanitation                                   | 817 136           | 11.1%        | 282 935          | 3.8%        | 280 093          | 3.8%        | 5 988 735         | 81.3%        | 7 368 899         | 9.6%          | 7 715            | .1%         |
| Refuse Removal                               | 416 956           | 7.4%         | 196 804          | 3.5%        | 233 122          | 4.1%        | 4 784 241         | 85.0%        | 5 631 123         | 7.4%          | 18 748           | .3%         |
| Other  | 280 096           | 2.2%         | 384 093          | 3.0%        | 346 109          | 2.7%        | 11 969 962        | 92.2%        | 12 980 260        | 16.9%         | 593 877          | 4.6%        |
| <b>Total By Income Source</b>                | <b>10 078 336</b> | <b>13.2%</b> | <b>3 331 511</b> | <b>4.3%</b> | <b>2 947 852</b> | <b>3.8%</b> | <b>60 252 079</b> | <b>78.6%</b> | <b>76 609 778</b> | <b>100.0%</b> | <b>939 010</b>   | <b>1.2%</b> |
| <b>Debtor Age Analysis By Customer Group</b> |                   |              |                  |             |                  |             |                   |              |                   |               |                  |             |
| Government                                   | 434 572           | 12.3%        | 199 499          | 5.7%        | 280 764          | 8.0%        | 2 605 406         | 74.0%        | 3 520 240         | 4.6%          | 63 593           | 1.8%        |
| Business                                     | 4 110 931         | 27.1%        | 931 432          | 6.1%        | 632 882          | 4.2%        | 9 504 939         | 62.6%        | 15 180 183        | 19.8%         | 94 959           | .6%         |
| Households                                   | 4 969 143         | 10.0%        | 1 905 962        | 3.8%        | 1 720 790        | 3.5%        | 41 158 086        | 82.7%        | 49 753 981        | 64.9%         | 451 268          | .9%         |
| Other  | 563 667           | 6.9%         | 294 578          | 3.6%        | 313 398          | 3.8%        | 6 983 070         | 85.6%        | 8 154 712         | 10.6%         | 497 442          | 6.1%        |
| <b>Total By Customer Group</b>               | <b>10 078 312</b> | <b>13.2%</b> | <b>3 331 471</b> | <b>4.3%</b> | <b>2 947 834</b> | <b>3.8%</b> | <b>60 251 500</b> | <b>78.6%</b> | <b>76 609 117</b> | <b>100.0%</b> | <b>1 107 263</b> | <b>1.4%</b> |

Source: National Treasury Local Government Database

## Debtors' age analysis for the metros

Table 7b: Metros Debtors Age Analysis as at 3rd quarter ended 31 March 2012

| R thousands   | 0 - 30 Days      |              | 31 - 60 Days     |             | 61 - 90 Days     |             | Over 90 Days      |              | Total             |              |
|---|------------------|--------------|------------------|-------------|------------------|-------------|-------------------|--------------|-------------------|--------------|
|   | Amount           | %            | Amount           | %           | Amount           | %           | Amount            | %            | Amount            | %            |
| <b>3rd Quarter Ended 31 March 2012</b>                  |                  |              |                  |             |                  |             |                   |              |                   |              |
| Nelson Mandela Bay                                      | 550 710          | 29.9%        | 93 523           | 5.1%        | 28 789           | 1.6%        | 1 166 885         | 63.4%        | 1 839 908         | 4.1%         |
| Buffalo City  | 166 495          | 19.6%        | 52 763           | 6.2%        | 32 718           | 3.9%        | 597 716           | 70.3%        | 849 692           | 1.9%         |
| Mangaung  | 212 588          | 11.8%        | 203 717          | 11.3%       | 90 700           | 5.0%        | 1 296 135         | 71.9%        | 1 803 140         | 4.0%         |
| Ekurhuleni Metro  | 1 029 556        | 10.5%        | 349 842          | 3.6%        | 268 246          | 2.7%        | 8 196 712         | 83.3%        | 9 844 356         | 21.9%        |
| City Of Johannesburg                                    | 2 066 350        | 14.4%        | 609 991          | 4.3%        | 429 073          | 3.0%        | 11 213 804        | 78.3%        | 14 319 219        | 31.8%        |
| City Of Tshwane   | 1 101 296        | 22.4%        | 129 422          | 2.6%        | 100 583          | 2.0%        | 3 587 271         | 72.9%        | 4 918 573         | 10.9%        |
| eThekwini   | 709 163          | 13.7%        | 260 690          | 5.1%        | 155 875          | 3.0%        | 4 034 718         | 78.2%        | 5 160 446         | 11.5%        |
| Cape Town   | 1 360 012        | 21.7%        | 228 492          | 3.6%        | 202 008          | 3.2%        | 4 480 063         | 71.4%        | 6 270 574         | 13.9%        |
| <b>Total</b>  | <b>7 196 171</b> | <b>16.0%</b> | <b>1 928 440</b> | <b>4.3%</b> | <b>1 307 991</b> | <b>2.9%</b> | <b>34 573 305</b> | <b>76.8%</b> | <b>45 005 908</b> | <b>12.5%</b> |
| <b>3rd Quarter Ended 31 March 2011</b>                  |                  |              |                  |             |                  |             |                   |              |                   |              |
| Nelson Mandela Bay                                      | 438 228          | 26.9%        | 104 637          | 6.4%        | 62 537           | 3.8%        | 1 023 498         | 62.8%        | 1 628 900         | 4.3%         |
| Buffalo City  | 140 186          | 19.0%        | 44 400           | 6.0%        | 26 872           | 3.6%        | 525 577           | 71.3%        | 737 034           | 1.9%         |
| Mangaung  | 200 396          | 14.2%        | 68 834           | 4.9%        | 64 476           | 4.6%        | 1 082 364         | 76.4%        | 1 416 071         | 3.7%         |
| Ekurhuleni Metro  | 924 671          | 10.6%        | 361 981          | 4.1%        | 253 043          | 2.9%        | 7 198 775         | 82.4%        | 8 738 470         | 23.0%        |
| City Of Johannesburg                                    | 2 518 083        | 22.2%        | 42 197           | 0.4%        | 402 374          | 3.5%        | 8 389 857         | 73.9%        | 11 352 512        | 29.9%        |
| City Of Tshwane   | 765 658          | 20.8%        | 83 431           | 2.3%        | 73 232           | 2.0%        | 2 759 450         | 74.9%        | 3 681 772         | 9.7%         |
| eThekwini   | 1 007 972        | 21.1%        | 226 875          | 4.7%        | 165 754          | 3.5%        | 3 379 017         | 70.7%        | 4 779 618         | 12.6%        |
| Cape Town   | 1 213 453        | 21.3%        | 308 941          | 5.4%        | 175 527          | 3.1%        | 3 992 089         | 70.2%        | 5 690 010         | 15.0%        |
| <b>Total</b>  | <b>7 208 648</b> | <b>19.0%</b> | <b>1 241 296</b> | <b>3.3%</b> | <b>1 223 815</b> | <b>3.2%</b> | <b>28 350 627</b> | <b>74.6%</b> | <b>38 024 387</b> | <b>12.5%</b> |
| <b>Movement between 31 March 2011 and 31 March 2012</b> |                  |              |                  |             |                  |             |                   |              |                   |              |
| Nelson Mandela Bay                                      | 112 483          |              | (11 114)         |             | (33 748)         |             | 143 387           |              | 211 008           |              |
| Buffalo City  | 26 310           |              | 8 363            |             | 5 846            |             | 72 140            |              | 112 659           |              |
| Mangaung  | 12 192           |              | 134 883          |             | 26 223           |             | 213 771           |              | 387 070           |              |
| Ekurhuleni Metro  | 104 884          |              | (12 139)         |             | 15 203           |             | 997 937           |              | 1 105 886         |              |
| City Of Johannesburg                                    | (451 734)        |              | 567 794          |             | 26 699           |             | 2 823 947         |              | 2 966 706         |              |
| City Of Tshwane   | 335 638          |              | 45 991           |             | 27 351           |             | 827 821           |              | 1 236 801         |              |
| eThekwini   | (298 808)        |              | 33 815           |             | (9 879)          |             | 655 702           |              | 380 829           |              |
| Cape Town   | 146 559          |              | (80 449)         |             | 26 480           |             | 487 973           |              | 580 564           |              |
| <b>Total</b>  | <b>(12 477)</b>  |              | <b>687 144</b>   |             | <b>84 176</b>    |             | <b>6 222 678</b>  |              | <b>6 981 522</b>  |              |
| <b>Growth rate Q3 of 2010/11 to Q3 of 2011/12</b>       |                  |              |                  |             |                  |             |                   |              |                   |              |
| Nelson Mandela Bay                                      | 25.7%            |              | (10.6%)          |             | (54.0%)          |             | 14.0%             |              | 13.0%             |              |
| Buffalo City  | 18.8%            |              | 18.8%            |             | 21.8%            |             | 13.7%             |              | 15.3%             |              |
| Mangaung  | 6.1%             |              | 196.0%           |             | 40.7%            |             | 19.8%             |              | 27.3%             |              |
| Ekurhuleni Metro  | 11.3%            |              | (3.4%)           |             | 6.0%             |             | 13.9%             |              | 12.7%             |              |
| City Of Johannesburg                                    | (17.9%)          |              | 1345.6%          |             | 6.6%             |             | 33.7%             |              | 26.1%             |              |
| City Of Tshwane   | 43.8%            |              | 55.1%            |             | 37.3%            |             | 30.0%             |              | 33.6%             |              |
| eThekwini   | (29.6%)          |              | 14.9%            |             | (6.0%)           |             | 19.4%             |              | 8.0%              |              |
| Cape Town   | 12.1%            |              | (26.0%)          |             | 15.1%            |             | 12.2%             |              | 10.2%             |              |
| <b>Total</b>  | <b>(0.2%)</b>    |              | <b>55.4%</b>     |             | <b>6.9%</b>      |             | <b>21.9%</b>      |              | <b>18.4%</b>      |              |

Source: National Treasury Local Government Database

**Table 7c: Metro Debtors Age Analysis as at 3rd quarter ended 31 March 2012**

| Debtor Age Analysis By Customer Group | 0 - 30 Days      |              | 31 - 60 Days     |             | 61 - 90 Days     |             | Over 90 Days      |              | Total             |               | Written Off    |             |
|---------------------------------------|------------------|--------------|------------------|-------------|------------------|-------------|-------------------|--------------|-------------------|---------------|----------------|-------------|
|                                       | Amount           | %            | Amount           | %           | Amount           | %           | Amount            | %            | Amount            | %             | Amount         | %           |
| Government                            | 255 430          | 17.5%        | 91 593           | 6.3%        | 34 049           | 2.3%        | 1 078 674         | 73.9%        | 1 459 746         | 3.2%          | 187            | -           |
| Business                              | 3 116 244        | 27.9%        | 617 996          | 5.5%        | 381 500          | 3.4%        | 7 071 519         | 63.2%        | 11 187 259        | 24.9%         | 134            | -           |
| Households                            | 3 666 595        | 12.4%        | 1 120 266        | 3.8%        | 803 619          | 2.7%        | 23 934 965        | 81.1%        | 29 525 445        | 65.6%         | 845            | -           |
| Other                                 | 157 902          | 5.6%         | 98 586           | 3.5%        | 88 823           | 3.1%        | 2 488 147         | 87.8%        | 2 833 458         | 6.3%          | 498 509        | 17.6%       |
| <b>Total By Customer Group</b>        | <b>7 196 171</b> | <b>16.0%</b> | <b>1 928 440</b> | <b>4.3%</b> | <b>1 307 991</b> | <b>2.9%</b> | <b>34 573 305</b> | <b>76.8%</b> | <b>45 005 908</b> | <b>100.0%</b> | <b>499 674</b> | <b>1.1%</b> |

Source: National Treasury Local Government Database

## Debtors' age analysis for secondary cities

**Table 8a: 19 Secondary cities Debtors Age Analysis as at 3rd quarter ended 31 March 2012**

| R thousands       | 0 - 30 Days      |              | 31 - 60 Days   |             | 61 - 90 Days   |             | Over 90 Days      |              | Total             |             |
|-------------------|------------------|--------------|----------------|-------------|----------------|-------------|-------------------|--------------|-------------------|-------------|
|                   | Amount           | %            | Amount         | %           | Amount         | %           | Amount            | %            | Amount            | %           |
| City Of Matlosana | 75 365           | 9.3%         | 37 423         | 4.6%        | 22 057         | 2.7%        | 671 323           | 83.3%        | 806 168           | 6.0%        |
| Drakenstein       | 75 914           | 30.6%        | 11 910         | 4.8%        | 8 899          | 3.6%        | 151 687           | 61.1%        | 248 410           | 1.8%        |
| Emalahleni (Mp)   | 75 622           | 10.5%        | 36 379         | 5.0%        | 21 949         | 3.0%        | 587 303           | 81.4%        | 721 253           | 5.3%        |
| Emfuleni          | 158 916          | 6.1%         | 88 964         | 3.4%        | 76 742         | 2.9%        | 2 289 455         | 87.6%        | 2 614 077         | 19.3%       |
| George            | 37 835           | 35.9%        | 3 199          | 3.0%        | 2 577          | 2.4%        | 61 882            | 58.7%        | 105 493           | 0.8%        |
| Govan Mbeki       | 49 089           | 8.0%         | 20 159         | 3.3%        | 11 255         | 1.8%        | 529 334           | 86.8%        | 609 836           | 4.5%        |
| Madibeng          | 56 216           | 8.2%         | 33 142         | 4.8%        | 23 700         | 3.5%        | 571 255           | 83.5%        | 684 313           | 5.1%        |
| Matjhabeng        | 93 504           | 6.7%         | 64 857         | 4.7%        | 41 428         | 3.0%        | 1 194 242         | 85.7%        | 1 394 031         | 10.3%       |
| Mbombela          | 74 916           | 16.5%        | 311            | 0.1%        | 39 102         | 8.6%        | 340 679           | 74.9%        | 455 008           | 3.4%        |
| Mogale City       | 194 733          | 23.5%        | 14 135         | 1.7%        | 9 668          | 1.2%        | 611 644           | 73.7%        | 830 180           | 6.1%        |
| Msunduzi          | 240 668          | 23.9%        | 53 808         | 5.3%        | 29 105         | 2.9%        | 685 507           | 67.9%        | 1 009 089         | 7.4%        |
| Newcastle         | 28 665           | 3.7%         | 33 002         | 4.2%        | 22 239         | 2.8%        | 701 289           | 89.3%        | 785 194           | 5.8%        |
| Polokwane         | 67 193           | 17.1%        | 33 735         | 8.6%        | 25 937         | 6.6%        | 265 231           | 67.6%        | 392 095           | 2.9%        |
| Rustenburg        | -                | -            | 127 236        | 7.5%        | 63 195         | 3.7%        | 1 512 890         | 88.8%        | 1 703 321         | 12.6%       |
| Sol Plaatje       | 72 609           | 11.7%        | 32 092         | 5.2%        | 24 768         | 4.0%        | 493 130           | 79.2%        | 622 600           | 4.6%        |
| Stellenbosch      | 34 990           | 26.0%        | 5 168          | 3.8%        | 3 292          | 2.4%        | 91 198            | 67.7%        | 134 648           | 1.0%        |
| Steve Tshwete     | 23 294           | 44.6%        | 3 399          | 6.5%        | 1 696          | 3.2%        | 23 807            | 45.6%        | 52 196            | 0.4%        |
| Tlokwe            | 60 716           | 37.3%        | 10 134         | 6.2%        | 4 014          | 2.5%        | 88 015            | 54.0%        | 162 880           | 1.2%        |
| uMhlatuze         | 150 668          | 69.6%        | 12 314         | 5.7%        | 5 038          | 2.3%        | 48 393            | 22.4%        | 216 412           | 1.6%        |
| <b>Total</b>      | <b>1 570 913</b> | <b>11.6%</b> | <b>621 367</b> | <b>4.6%</b> | <b>436 661</b> | <b>3.2%</b> | <b>10 918 265</b> | <b>80.6%</b> | <b>13 547 206</b> | <b>5.3%</b> |

Source: National Treasury Local Government Database

**Table 8b: 19 Secondary cities Debtors Age Analysis as at 3rd quarter ended 31 March 2012**

| R thousands                                  | 0 - 30 Days      |              | 31 - 60 Days   |             | 61 - 90 Days   |             | Over 90 Days      |              | Total             |               | Written Off |
|--|------------------|--------------|----------------|-------------|----------------|-------------|-------------------|--------------|-------------------|---------------|-------------|
|  | Amount           | %            | Amount         | %           | Amount         | %           | Amount            | %            | Amount            | %             | %           |
| <b>Debtor Age Analysis By Customer Group</b> |                  |              |                |             |                |             |                   |              |                   |               |             |
| Government                                   | 47 986           | 9.3%         | 22 599         | 4.4%        | 20 136         | 3.9%        | 423 861           | 82.4%        | 514 581           | 3.8%          | -           |
| Business                                     | 630 985          | 32.1%        | 160 819        | 8.2%        | 99 200         | 5.1%        | 1 071 642         | 54.6%        | 1 962 647         | 14.5%         | -           |
| Households                                   | 806 125          | 8.3%         | 394 790        | 4.0%        | 277 948        | 2.8%        | 8 275 648         | 84.8%        | 9 754 512         | 72.0%         | -           |
| Other  | 85 816           | 6.5%         | 43 159         | 3.3%        | 39 377         | 3.0%        | 1 147 114         | 87.2%        | 1 315 466         | 9.7%          | -           |
| <b>Total</b>                                 | <b>1 570 913</b> | <b>11.6%</b> | <b>621 367</b> | <b>4.6%</b> | <b>436 661</b> | <b>3.2%</b> | <b>10 918 265</b> | <b>80.6%</b> | <b>13 547 206</b> | <b>100.0%</b> | <b>-</b>    |

Source: National Treasury Local Government Database

## Collection rates

**Table 9a: National collection rates as at 31 March 2012**

|                                       | 2010/11         | Budget year 2011/12 |                 |                |               |               |              |
|---------------------------------------|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|
|                                       | Audited Outcome | Original Budget     | Adjusted Budget | Q1 Sept Actual | Q2 Dec Actual | Q3 Mar Actual | YTD Actual   |
| <b>Collection Rate</b>                | <b>104.59</b>   | <b>91.78</b>        | <b>96.22</b>    | <b>79.27</b>   | <b>94.62</b>  | <b>94.50</b>  | <b>88.91</b> |
| Property rates                        | 105.24          | 75.35               | 88.50           | 71.21          | 85.62         | 94.52         | 82.41        |
| Service charges                       | 105.01          | 97.97               | 99.47           | 82.70          | 98.53         | 95.42         | 91.85        |
| Service charges - electricity revenue | 106.62          | 78.21               | 95.84           | 80.18          | 98.42         | 91.59         | 89.55        |
| Service charges - water revenue       | 86.47           | 81.01               | 101.79          | 80.35          | 87.06         | 78.39         | 81.99        |
| Service charges - sanitation revenue  | 67.70           | 69.45               | 57.20           | 49.83          | 69.81         | 67.70         | 61.45        |
| Service charges - refuse revenue      | 125.88          | 70.85               | 132.45          | 110.03         | 117.21        | 81.00         | 100.06       |
| Service charges - other               | 264.81          | 3 600.42            | (5 345.34)      | 2 484.53       | (796.80)      | (191.28)      | (368.58)     |
| Interest earned - outstanding debtors | 77.96           | 43.06               | 66.47           | 63.56          | 58.20         | 58.87         | 60.10        |

Source: National Treasury Local Government Database

**Table 9b: Metros collection rates as at 31 March 2012**

|                                       | 2010/11         | Budget year 2011/12 |                 |                |               |               |              |
|---------------------------------------|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|
|                                       | Audited Outcome | Original Budget     | Adjusted Budget | Q1 Sept Actual | Q2 Dec Actual | Q3 Mar Actual | YTD Actual   |
| <b>Collection Rate</b>                | <b>101.82</b>   | <b>93.62</b>        | <b>93.69</b>    | <b>82.80</b>   | <b>96.97</b>  | <b>94.67</b>  | <b>91.15</b> |
| Property rates                        | 97.79           | 70.18               | 89.72           | 83.57          | 80.20         | 93.40         | 85.38        |
| Service charges                       | 103.66          | 102.23              | 95.70           | 82.79          | 103.67        | 95.67         | 93.55        |
| Service charges - electricity revenue | 109.73          | 79.05               | 93.61           | 80.89          | 104.93        | 92.65         | 92.07        |
| Service charges - water revenue       | 84.13           | 81.25               | 106.23          | 80.80          | 90.34         | 77.43         | 82.96        |
| Service charges - sanitation revenue  | 58.77           | 66.25               | 42.77           | 49.65          | 68.94         | 63.49         | 60.19        |
| Service charges - refuse revenue      | 146.66          | 63.43               | 157.43          | 160.08         | 144.67        | 86.02         | 119.77       |
| Service charges - other               | 252.71          | (10 356.21)         | (930.21)        | 216.53         | (128.96)      | (103.91)      | (159.83)     |
| Interest earned - outstanding debtors | 79.08           | 32.48               | 48.34           | 62.79          | 61.77         | 59.55         | 61.29        |

Source: National Treasury Local Government Database

## Aggregated municipal creditors age analysis

**Table 10: Creditor Age Analysis for 3rd quarter as at 31 March 2012**

| R thousands   | 0 - 30 Days      |              | 30 - 60 Days   |             | 60 - 90 Days   |             | Over 90 Days     |              | Total             |               |
|---------------|------------------|--------------|----------------|-------------|----------------|-------------|------------------|--------------|-------------------|---------------|
|               | Amount           | %            | Amount         | %           | Amount         | %           | Amount           | %            | Amount            | %             |
| Eastern Cape  | 490 200          | 74.3%        | 39 281         | 6.0%        | 15 882         | 2.4%        | 114 034          | 17.3%        | 659 397           | 5.9%          |
| Free State    | 239 044          | 22.7%        | 66 052         | 6.3%        | 84 056         | 8.0%        | 661 836          | 63.0%        | 1 050 988         | 9.4%          |
| Gauteng       | 5 416 804        | 98.4%        | 29 461         | 0.5%        | 15 848         | 0.3%        | 42 814           | 0.8%         | 5 504 926         | 49.4%         |
| KwaZulu-Natal | 1 803 561        | 96.3%        | 34 759         | 1.9%        | 9 736          | 0.5%        | 24 209           | 1.3%         | 1 872 265         | 16.8%         |
| Limpopo       | 238 691          | 40.9%        | 14 354         | 2.5%        | 2 207          | 0.4%        | 328 189          | 56.3%        | 583 440           | 5.2%          |
| Mpumalanga    | 123 438          | 77.3%        | 2 969          | 1.9%        | 3 769          | 2.4%        | 29 424           | 18.4%        | 159 600           | 1.4%          |
| Northern Cape | 87 766           | 67.9%        | 7 725          | 6.0%        | 6 733          | 5.2%        | 27 118           | 21.0%        | 129 342           | 1.2%          |
| North West    | 288 870          | 39.6%        | 71 984         | 9.9%        | 42 789         | 5.9%        | 326 151          | 44.7%        | 729 795           | 6.5%          |
| Western Cape  | 386 090          | 85.3%        | 21 632         | 4.8%        | 1 388          | 0.3%        | 43 561           | 9.6%         | 452 671           | 4.1%          |
| <b>Total</b>  | <b>9 074 466</b> | <b>81.4%</b> | <b>288 216</b> | <b>2.6%</b> | <b>182 408</b> | <b>1.6%</b> | <b>1 597 335</b> | <b>14.3%</b> | <b>11 142 425</b> | <b>100.0%</b> |

Source: National Treasury Local Government Database

## Conditional grants transfers, payments and expenditure as at 31 March 2012

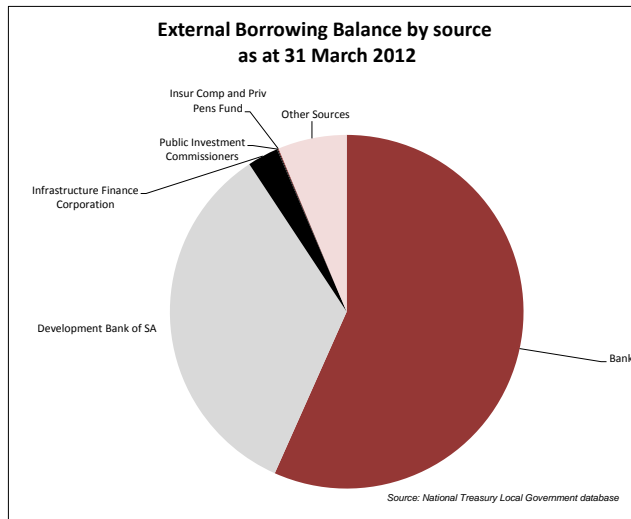
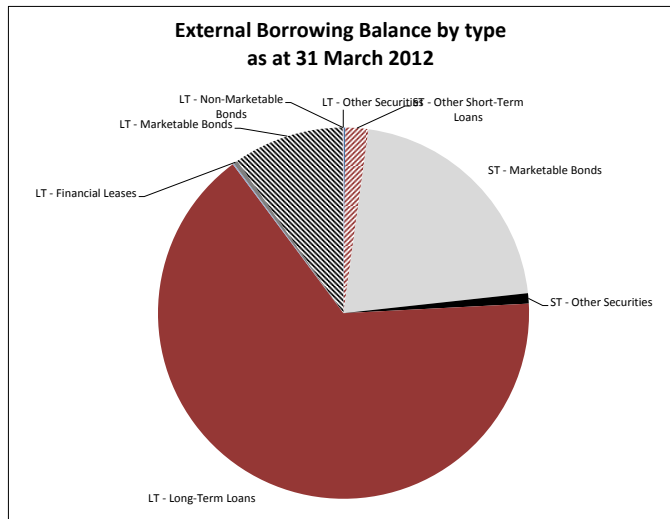
3rd Quarter Ended 31 March 2012

### CONDITIONAL GRANTS TRANSFERRED FROM NATIONAL DEPARTMENTS AND ACTUAL PAYMENTS MADE BY MUNICIPALITIES: PRELIMINARY RESULTS

AGGREGATED FIGURES FOR ALL MUNICIPALITIES

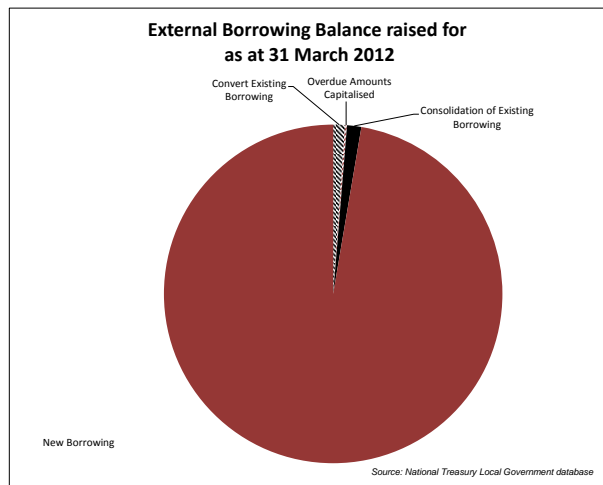
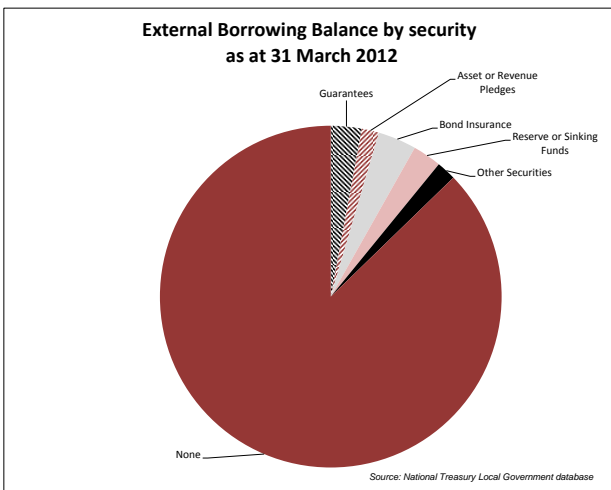
|   | Division of revenue Act No. 6 of 2011 | Adjustment (Mid year) | Other Adjustments | Total Available 2011/12 | Year to date              |   | First Quarter   |   | Second Quarter   |  | Third Quarter   |   | YTD Expenditure                        |                                      | % Changes from 2nd to 3rd Q            |                                      | % Changes for the 3rd Q                    |  | Approved Roll Over      |                                   |   |
|---|---------------------------------------|-----------------------|-------------------|-------------------------|---------------------------|---|---|---|--|--|---|---|--|--------------------------------------|--|--------------------------------------|--|--|-------------------------|-----------------------------------|---|
|   |                                       |                       |                   |                         | Approved payment schedule | Transferred to municipalities for direct grants | Actual expenditure National Department by 30 September 2011 | Actual expenditure by municipalities by 30 September 2011 | Actual expenditure National Department by 31 December 2011 | Actual expenditure by municipalities by 31 December 2011 | Actual expenditure National Department by 31 March 2012 | Actual expenditure by municipalities by 31 March 2012 | Actual expenditure National Department | Actual expenditure by municipalities | Actual expenditure National Department | Actual expenditure by municipalities | Exp as % of Allocation National Department | Exp as % of Allocation by municipalities | Total Available 2011/12 | YTD expenditure by municipalities |   |
| <b>R thousands</b>  |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| <b>National Treasury (Vote 10)</b>  |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| Local Government Financial Management Grant                                 | 384 641                               | 39 000                | -                 | 423 641                 | 423 641                   | 423 641   | 95 705  | 97 454  | 90 337   | 95 122   | 76 707  | 84 059  | 262 749                                | 276 635                              | (15.1%)                                | (11.6%)                              | 62.0%                                      | 65.3%                                    | 10 931                  | 1 908                             |   |
| Neighbourhood Development Partnership (Schedule 6)                          | 750 000                               | -                     | -                 | 750 000                 | 750 000                   | 738 393   | 99 599  | 113 374   | 68 140   | 151 412  | 190 328   | 128 269   | 388 067                                | 383 055                              | 179.3%                                 | (15.3%)                              | 47.7%                                      | 52.4%                                    | 156 293                 | 23 559                            |   |
| Neighbourhood Development Partnership (Schedule 7)                          | 100 000                               | -                     | -                 | 100 000                 | 100 000                   | 50 111  | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| <b>Sub-Total Vote</b>   | <b>1 234 641</b>                      | <b>39 000</b>         | <b>-</b>          | <b>1 273 641</b>        | <b>1 273 641</b>          | <b>1 212 145</b>                                | <b>195 304</b>  | <b>210 827</b>  | <b>158 477</b>   | <b>246 535</b>   | <b>267 035</b>  | <b>212 328</b>  | <b>620 816</b>                         | <b>669 690</b>                       | <b>68.5%</b>                           | <b>(13.9%)</b>                       | <b>52.9%</b>                               | <b>57.1%</b>                             | <b>167 224</b>          | <b>25 467</b>                     |   |
| <b>Cooperative Governance (Vote 3)</b>                                      |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| Municipal Systems Improvement Grant   | 219 420                               | 790                   | -                 | 220 210                 | 220 210                   | 220 210   | 16 194  | 39 676  | 22 646   | 56 146   | 16 118  | 44 011  | 54 958                                 | 139 833                              | (28.8%)                                | (21.6%)                              | 25.0%                                      | 63.5%                                    | 4 834                   | 1 050                             |   |
| Disaster Relief Funds   | 32 236                                | -                     | -                 | 32 236                  | 32 236                    | 32 236  | -   | -   | -  | -  | -   | 8 496   | -                                      | 8 496                                | -                                      | -                                    | -  | 26.4%                                    | -                       | -                                 | - |
| Internally Displaced People Management Grant                                | -                                     | -                     | -                 | -                       | -                         | -   | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| <b>Sub-Total Vote</b>   | <b>251 656</b>                        | <b>790</b>            | <b>-</b>          | <b>252 446</b>          | <b>252 446</b>            | <b>252 446</b>                                  | <b>16 194</b>   | <b>39 676</b>   | <b>22 646</b>  | <b>56 146</b>  | <b>16 118</b>   | <b>52 507</b>   | <b>54 958</b>                          | <b>148 329</b>                       | <b>(28.8%)</b>                         | <b>(6.5%)</b>                        | <b>21.8%</b>                               | <b>58.8%</b>                             | <b>4 834</b>            | <b>1 050</b>                      |   |
| <b>Transport (Vote 37)</b>  |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| Public Transport Infrastructure and Systems Grant                           | 4 803 347                             | -                     | -                 | 4 803 347               | 4 803 347                 | 4 611 647                                       | 226 060   | 186 075   | 553 133  | 573 030  | 439 701   | 571 546   | 1 218 894                              | 1 330 651                            | (20.5%)                                | (0.3%)                               | 25.4%                                      | 27.7%                                    | 1 062 878               | 46 556                            |   |
| Rural Transport Grant   | 35 440                                | -                     | -                 | 35 440                  | 35 440                    | 35 440  | -   | 1 589   | 135  | 302  | 2 963   | 3 234   | 3 098                                  | 5 125                                | 2094.8%                                | 971.5%                               | 8.7%                                       | 14.5%                                    | -                       | -                                 |   |
| <b>Sub-Total Vote</b>   | <b>4 838 787</b>                      | <b>-</b>              | <b>-</b>          | <b>4 838 787</b>        | <b>4 838 787</b>          | <b>4 647 087</b>                                | <b>226 060</b>  | <b>187 664</b>  | <b>553 268</b>   | <b>573 332</b>   | <b>442 664</b>  | <b>574 780</b>  | <b>1 221 992</b>                       | <b>1 335 776</b>                     | <b>(20.0%)</b>                         | <b>0.3%</b>                          | <b>25.3%</b>                               | <b>27.6%</b>                             | <b>1 062 878</b>        | <b>46 556</b>                     |   |
| <b>Public Works (Vote 7)</b>  |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| Expanded Public Works Programme Incentive Grant (Municipally)               | 679 583                               | -                     | -                 | 679 583                 | 679 583                   | -   | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| <b>Sub-Total Vote</b>   | <b>679 583</b>                        | <b>-</b>              | <b>-</b>          | <b>679 583</b>          | <b>679 583</b>            | <b>-</b>  | <b>-</b>  | <b>-</b>  | <b>-</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>                               | <b>-</b>                             | <b>-</b>                               | <b>-</b>                             | <b>-</b>                                   | <b>-</b>                                 | <b>-</b>                | <b>-</b>                          |   |
| <b>Energy (Vote 29)</b>   |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| Integrated National Electrification Programme (Municipal) Grant             | 1 096 612                             | -                     | -                 | 1 096 612               | 1 096 612                 | 1 096 612                                       | 197 105   | 137 716   | 153 626  | 250 712  | 96 446  | 278 893   | 447 177                                | 667 322                              | (37.2%)                                | 11.2%                                | 40.8%                                      | 60.9%                                    | 67 613                  | 6 470                             |   |
| National Electrification Programme (Allocation in-kind) Grant               | 1 737 811                             | -                     | -                 | 1 737 811               | 1 737 811                 | 1 165 476                                       | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| Backlogs in the Electrification of Clinics and Schools (Allocation in-kind) | -                                     | -                     | -                 | -                       | -                         | -   | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| Electricity Demand Side Management (Municipal) Grant                        | 280 000                               | -                     | -                 | 280 000                 | 280 000                   | 280 000   | -   | 19 403  | 16 322   | 41 256   | 115 985   | 52 284  | 132 307                                | 112 944                              | 610.6%                                 | 26.7%                                | 47.3%                                      | 40.3%                                    | 39 269                  | 10 906                            |   |
| Electricity Demand Side Management (Eskom) Grant                            | 118 800                               | -                     | -                 | 118 800                 | 118 800                   | 118 800   | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| <b>Sub-Total Vote</b>   | <b>3 233 223</b>                      | <b>-</b>              | <b>-</b>          | <b>3 233 223</b>        | <b>3 233 222</b>          | <b>2 660 888</b>                                | <b>197 105</b>  | <b>157 119</b>  | <b>169 948</b>   | <b>291 969</b>   | <b>212 431</b>  | <b>331 177</b>  | <b>579 484</b>                         | <b>780 265</b>                       | <b>25.0%</b>                           | <b>13.4%</b>                         | <b>42.1%</b>                               | <b>56.7%</b>                             | <b>106 882</b>          | <b>17 376</b>                     |   |
| <b>Water Affairs (Vote 38)</b>  |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| Backlogs in Water and Sanitation at Clinics and Schools Grant               | -                                     | -                     | -                 | -                       | -                         | -   | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| Implementation of Water Services Projects                                   | -                                     | -                     | -                 | -                       | -                         | -   | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| Regional Bulk Infrastructure Grant  | 1 704 140                             | (18 038)              | -                 | 1 686 102               | 1 686 102                 | 1 259 990                                       | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| Water Services Operating and Transfer Subsidy Grant (Schedule 6)            | 560 794                               | (18 449)              | -                 | 542 345                 | 542 345                   | 542 345   | 194 545   | 189 952   | 215 401  | 260 598  | 104 874   | 181 508   | 514 620                                | 632 058                              | (51.3%)                                | (30.3%)                              | 94.9%                                      | 116.5%                                   | 14 691                  | 5 196                             |   |
| Water Services Operating and Transfer Subsidy Grant (Schedule 7)            | 99 935                                | 28 507                | -                 | 128 442                 | 128 442                   | 97 982  | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| Municipal Drought Relief Grant  | 450 000                               | -                     | -                 | 450 000                 | 450 000                   | 450 000   | 125 096   | 59 909  | 60 595   | 83 668   | 56 767  | 69 610  | 242 458                                | 213 186                              | (6.3%)                                 | (16.8%)                              | 53.9%                                      | 47.4%                                    | 6 730                   | 1 840                             |   |
| <b>Sub-Total Vote</b>   | <b>2 814 869</b>                      | <b>(7 980)</b>        | <b>-</b>          | <b>2 806 889</b>        | <b>2 806 889</b>          | <b>2 350 317</b>                                | <b>319 641</b>  | <b>249 661</b>  | <b>275 996</b>   | <b>344 265</b>   | <b>161 641</b>  | <b>251 118</b>  | <b>757 278</b>                         | <b>845 244</b>                       | <b>(41.4%)</b>                         | <b>(27.1%)</b>                       | <b>76.3%</b>                               | <b>85.2%</b>                             | <b>21 421</b>           | <b>7 037</b>                      |   |
| <b>Sport and Recreation South Africa (Vote 19)</b>                          |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| 2010 World Cup Host City Operating Grant                                    | -                                     | -                     | -                 | -                       | -                         | -   | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| 2010 FIFA World Cup Stadiums Development Grant                              | -                                     | -                     | -                 | -                       | -                         | -   | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| <b>Sub-Total Vote</b>   | <b>-</b>                              | <b>-</b>              | <b>-</b>          | <b>-</b>                | <b>-</b>                  | <b>-</b>  | <b>-</b>  | <b>-</b>  | <b>-</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>                               | <b>-</b>                             | <b>-</b>                               | <b>-</b>                             | <b>-</b>                                   | <b>-</b>                                 | <b>-</b>                | <b>-</b>                          |   |
| <b>Human Settlements (Vote 31)</b>  |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| Rural Households Infrastructure Grant                                       | 231 500                               | 26 008                | -                 | 257 508                 | 257 505                   | 77 754  | -   | -   | -  | -  | -   | -   | -                                      | -                                    | -                                      | -                                    | -  | -  | -                       | -                                 |   |
| <b>Sub-Total Vote</b>   | <b>231 500</b>                        | <b>26 008</b>         | <b>-</b>          | <b>257 508</b>          | <b>257 505</b>            | <b>77 754</b>                                   | <b>-</b>  | <b>-</b>  | <b>-</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>                               | <b>-</b>                             | <b>-</b>                               | <b>-</b>                             | <b>-</b>                                   | <b>-</b>                                 | <b>-</b>                | <b>-</b>                          |   |
| <b>Sub-Total</b>  | <b>13 284 259</b>                     | <b>57 818</b>         | <b>-</b>          | <b>13 342 077</b>       | <b>13 342 073</b>         | <b>11 200 637</b>                               | <b>954 304</b>  | <b>845 147</b>  | <b>1 180 335</b>   | <b>1 512 246</b>   | <b>1 099 889</b>  | <b>1 421 910</b>                                      | <b>3 234 528</b>                       | <b>3 779 304</b>                     | <b>(6.8%)</b>                          | <b>(6.0%)</b>                        | <b>37.5%</b>                               | <b>43.8%</b>                             | <b>1 363 239</b>        | <b>97 486</b>                     |   |
| <b>Cooperative Governance (Vote 3)</b>                                      |                                       |                       |                   |                         |                           |   |   |   |  |  |   |   |  |                                      |  |                                      |  |  |                         |                                   |   |
| Municipal Infrastructure Grant  | 11 443 505                            | -                     | -                 | 11 443 505              | 11 443 505                | 11 443 489                                      | 1 849 815   | 1 810 359   | 1 985 218  | 2 224 891  | 2 230 809   | 1 960 924   | 6 065 842                              | 5 996 173                            | 12.4%                                  | (11.9%)                              | 53.0%                                      | 52.4%                                    | 1 067 143               | 93 975                            |   |
| <b>Sub-Total Vote</b>   | <b>11 443 505</b>                     | <b>-</b>              | <b>-</b>          | <b>11 443 505</b>       | <b>11 443 505</b>         | <b>11 443 489</b>                               | <b>1 849 815</b>  | <b>1 810 359</b>  | <b>1 985 218</b>   | <b>2 224 891</b>   | <b>2 230 809</b>  | <b>1 960 924</b>                                      | <b>6 065 842</b>                       | <b>5 996 173</b>                     | <b>12.4%</b>                           | <b>(11.9%)</b>                       | <b>53.0%</b>                               | <b>52.4%</b>                             | <b>1 067 143</b>        | <b>93 975</b>                     |   |
| <b>Sub-Total</b>  | <b>11 443 505</b>                     | <b>-</b>              | <b>-</b>          | <b>11 443 505</b>       | <b>11 443 505</b>         | <b>11 443 489</b>                               | <b>1 849 815</b>  | <b>1 810 359</b>  | <b>1 985 218</b>   | <b>2 224 891</b>   | <b>2 230 809</b>  | <b>1 960 924</b>                                      | <b>6 065 842</b>                       | <b>5 996 173</b>                     | <b>12.4%</b>                           | <b>(11.9%)</b>                       | <b>53.0%</b>                               | <b>52.4%</b>                             | <b>1 067 143</b>        | <b>93 975</b>                     |   |
| <b>Total</b>  | <b>24 727 784</b>                     | <b>57 818</b>         | <b>-</b>          | <b>24 785 582</b>       | <b>24 785 578</b>         | <b>22 644 126</b>                               | <b>2 804 118</b>  | <b>2 655 506</b>  | <b>3 165 553</b>   | <b>3 737 137</b>   | <b>3 330 698</b>  | <b>3 382 834</b>                                      | <b>9 300 370</b>                       | <b>9 775 477</b>                     | <b>5.2%</b>                            | <b>(9.5%)</b>                        | <b>46.3%</b>                               | <b>48.7%</b>                             | <b>2 430 382</b>        | <b>191 461</b>                    |   |

# Borrowing instruments



| Type                        | Balance (R'000)   |
|-----------------------------|-------------------|
| ST - Bank Overdraft         | 69 511            |
| ST - Other Short-Term Loans | 897 758           |
| ST - Marketable Bonds       | 9 420 050         |
| ST - Non-Marketable Bonds   | 200               |
| ST - Other Securities       | 400 913           |
| LT - Long-Term Loans        | 29 288 042        |
| LT - Instalment Credit      | 46 853            |
| LT - Financial Leases       | 163 623           |
| LT - Marketable Bonds       | 4 300 000         |
| LT - Non-Marketable Bonds   | 6 805             |
| LT - Other Securities       | 23 791            |
| <b>TOTAL</b>                | <b>44 617 546</b> |

| Source                             | Balance (R'000)   |
|------------------------------------|-------------------|
| General Public                     | 3 410             |
| Banks                              | 25 280 669        |
| Development Bank of SA             | 15 189 716        |
| Infrastructure Finance Corporation | 1 262 401         |
| Public Investment Commissioners    | 41 133            |
| Insur Comp and Priv Pens Fund      | 35 635            |
| Municipal Pension Funds            | 325               |
| Other Public Pension Funds         |                   |
| Unit Trusts                        |                   |
| Internal Funds                     |                   |
| Other Sources                      | 2 804 258         |
| <b>TOTAL</b>                       | <b>44 617 547</b> |



| Security                 | Balance (R'000)   |
|--------------------------|-------------------|
| Guarantees               | 1 303 795         |
| Asset or Revenue Pledges | 730 823           |
| Bond Insurance           | 1 615 000         |
| Reserve or Sinking Funds | 1 212 927         |
| Other Securities         | 821 239           |
| None                     | 38 933 763        |
| <b>TOTAL</b>             | <b>44 617 547</b> |

| Raised For                          | Balance (R'000)   |
|-------------------------------------|-------------------|
| Convert Existing Borrowing          | 504 993           |
| Overdue Amounts Capitalised         | 78 606            |
| Consolidation of Existing Borrowing | 607 426           |
| New Borrowing                       | 43 426 521        |
| Bridging Finance                    |                   |
| <b>TOTAL</b>                        | <b>44 617 546</b> |

## Reconciliation of published 2011/12 MTREF budget information and section 71 in-year reporting

- When measured against various enhancements and transitional arrangements in terms of the Municipal Budget and Reporting Regulations, the reported results for the third quarter show better alignment against the 2011/12 MTREF budget figures.
- However, the third quarter figures may be overstated because 31 municipalities are still including in their Section 71 in-year reports internal transfers as part of their operational revenue. In addition, internal transfers and debt tends to overstate the actual revenue generated to fund the capital budget. The above tables therefore reconcile the published adjusted budget figures and the 3rd quarter section 71 in-year reporting publication.

Table 13: National aggregated revenue and expenditure as at 3rd quarter ended 31 March 2012

| R thousands  | Adjusted Budget    |                   |                    | Third Quarter 2011/12 |                  |                   |                          | Year to date: 31 March 2012 |                   |                    |                          | Third Quarter 2010/11 |                  |                   |                          | Q3 of 2010/11 to Q3 of 2011/12 |  |
|--|--------------------|-------------------|--------------------|-----------------------|------------------|-------------------|--------------------------|-----------------------------|-------------------|--------------------|--------------------------|-----------------------|------------------|-------------------|--------------------------|--------------------------------|--|
|  | Operating          | Capital           | Total              | Operating             | Capital          | Total             | 3rd Q as % of adj budget | Operating                   | Capital           | Total              | Total as % of adj budget | Operating             | Capital          | Total             | Total as % of adj budget |                                |  |
| <b>Expenditure</b>                                       |                    |                   |                    |                       |                  |                   |                          |                             |                   |                    |                          |                       |                  |                   |                          |                                |  |
| Category A (Metro)                                       | 129 097 392        | 22 298 197        | 151 395 589        | 30 651 322            | 3 633 207        | 34 284 529        | 22.6%                    | 93 604 819                  | 9 583 397         | 103 188 216        | 65.0%                    | 26 854 628            | 2 938 194        | 29 792 821        | 21.4%                    | 15.1%                          |  |
| Category B (Local)                                       | 68 475 374         | 16 254 071        | 84 729 445         | 14 072 676            | 1 982 591        | 16 055 267        | 18.9%                    | 43 363 577                  | 6 517 495         | 49 881 072         | 61.1%                    | 13 350 843            | 2 156 361        | 15 507 204        | 18.5%                    | 3.5%                           |  |
| Category C (District)                                    | 13 167 417         | 7 472 124         | 20 639 540         | 2 848 697             | 957 952          | 3 806 649         | 18.4%                    | 8 100 878                   | 2 694 276         | 10 795 154         | 53.4%                    | 2 568 642             | 716 943          | 3 285 585         | 17.0%                    | 15.9%                          |  |
| <b>Total incl indirect expenditure</b>                   | <b>210 740 182</b> | <b>46 024 392</b> | <b>256 764 574</b> | <b>47 572 694</b>     | <b>6 573 750</b> | <b>54 146 445</b> | <b>21.1%</b>             | <b>145 069 274</b>          | <b>18 795 168</b> | <b>163 864 442</b> | <b>62.9%</b>             | <b>42 774 113</b>     | <b>5 811 498</b> | <b>48 585 610</b> | <b>20.1%</b>             | <b>11.4%</b>                   |  |
| <b>Less:</b>   |                    |                   |                    |                       |                  |                   |                          |                             |                   |                    |                          |                       |                  |                   |                          |                                |  |
| Indirect operating expenditure                           | 13 254 398         | -                 | 13 254 398         | 2 624 616             | -                | 2 624 616         |                          | 7 650 844                   | -                 | 7 650 844          |                          | 2 408 863             | -                | 2 408 863         |                          |                                |  |
| Taxation   | 392 916            | -                 | 392 916            | 5 196                 | -                | 5 196             |                          | 17 440                      | -                 | 17 440             |                          | 2 967                 | -                | 2 967             |                          |                                |  |
| <b>Total expenditure</b>                                 | <b>197 092 868</b> | <b>46 024 392</b> | <b>243 117 261</b> | <b>44 942 882</b>     | <b>6 573 750</b> | <b>51 516 633</b> | <b>21.2%</b>             | <b>137 400 991</b>          | <b>18 795 168</b> | <b>156 196 159</b> | <b>62.7%</b>             | <b>40 362 283</b>     | <b>5 811 498</b> | <b>46 173 780</b> | <b>19.7%</b>             |                                |  |
| <b>Revenue'</b>  |                    |                   |                    |                       |                  |                   |                          |                             |                   |                    |                          |                       |                  |                   |                          |                                |  |
| Category A (Metro)                                       | 148 279 573        | 22 298 197        | 170 577 770        | 35 004 175            | 3 633 207        | 38 637 382        | 22.7%                    | 106 398 506                 | 9 583 396         | 115 981 902        | 68.1%                    | 29 964 608            | 2 938 194        | 32 902 801        | 22.9%                    | 17.4%                          |  |
| Category B (Local)                                       | 75 223 706         | 15 573 181        | 90 796 887         | 15 918 166            | 1 844 729        | 17 762 894        | 19.6%                    | 54 008 972                  | 6 238 639         | 60 247 610         | 70.0%                    | 14 587 351            | 1 999 445        | 16 586 796        | 26.9%                    | 7.1%                           |  |
| Category C (District)                                    | 18 224 493         | 7 265 945         | 25 490 437         | 4 434 201             | 958 110          | 5 392 312         | 21.2%                    | 13 649 401                  | 2 663 194         | 16 312 595         | 66.5%                    | 3 806 675             | 709 248          | 4 515 923         | 29.2%                    | 19.4%                          |  |
| <b>Total incl indirect revenue and capital transfers</b> | <b>241 727 771</b> | <b>45 137 323</b> | <b>286 865 094</b> | <b>55 356 542</b>     | <b>6 436 047</b> | <b>61 792 588</b> | <b>21.5%</b>             | <b>174 056 879</b>          | <b>18 485 228</b> | <b>192 542 107</b> | <b>68.5%</b>             | <b>48 358 634</b>     | <b>5 646 887</b> | <b>54 005 521</b> | <b>24.7%</b>             | <b>14.4%</b>                   |  |
| <b>Less:</b>   |                    |                   |                    |                       |                  |                   |                          |                             |                   |                    |                          |                       |                  |                   |                          |                                |  |
| Capital transfers  | 22 835 714         | -                 | 22 835 714         | 4 082 725             | -                | 4 082 725         |                          | 10 896 336                  | -                 | 10 896 336         |                          | 2 779 719             | -                | 2 779 719         |                          |                                |  |
| Indirect operating revenue                               | 13 512 460         | -                 | 13 512 460         | 2 561 260             | -                | 2 561 260         |                          | 7 451 850                   | -                 | 7 451 850          |                          | 2 675 281             | -                | 2 675 281         |                          |                                |  |
| External loans / borrowing                               | -                  | 6 782 329         | 6 782 329          | -                     | 1 184 592        | 1 184 592         |                          | -                           | 3 413 593         | 3 413 593          |                          | -                     | 1 346 489        | 1 346 489         |                          |                                |  |
| Internally generated funds                               | -                  | 6 994 758         | 6 994 758          | -                     | 1 246 605        | 1 246 605         |                          | -                           | 2 761 754         | 2 761 754          |                          | -                     | 1 475 444        | 1 475 444         |                          |                                |  |
| <b>Total revenue</b>                                     | <b>205 379 597</b> | <b>31 360 237</b> | <b>236 739 834</b> | <b>48 712 556</b>     | <b>4 004 850</b> | <b>52 717 406</b> | <b>22.3%</b>             | <b>155 708 693</b>          | <b>12 309 881</b> | <b>168 018 574</b> | <b>72.2%</b>             | <b>42 903 635</b>     | <b>2 824 954</b> | <b>45 728 588</b> | <b>18.5%</b>             |                                |  |

Source: National Treasury Local Government database

- Total expenditure in Table 13 above includes internal transfers and taxation amounting to R13.6 billion. This is a duplication, which means that total I adjusted expenditure should be R243.1 billion.
- Total revenue also reflects a duplication of R50.1 billion, being the total for capital transfers, indirect operating revenue, borrowing and internally generated capital funds.
- The inclusion of capital transfers in total operating revenue is also duplication as this funding source is accounted for in the capital revenue source and internal operating revenue is considered the counter entry for the internal operating expenditure.
- Borrowing and internally generated capital funding is not considered revenue, but rather a funding source of the capital programme.
- The total adjusted revenue for the 2011/12 financial year is therefore R236.7 billion.
- Table 14 and 15 provide for the same reconciliation of the aggregated revenue and expenditure adjusted budgets for metros.



**Table 14: Metros aggregated revenue as at 3rd quarter ended 31 March 2012**

|  | Adjusted Budget    |                   |                    | Third Quarter 2011/12 |                  |                   |                          | Year to date: 31 March 2012 |                  |                    |                              | Third Quarter 2010/11 |                  |                   |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|--|--------------------|-------------------|--------------------|-----------------------|------------------|-------------------|--------------------------|-----------------------------|------------------|--------------------|------------------------------|-----------------------|------------------|-------------------|------------------------------|--------------------------------|
|  | Operating Revenue  | Capital Revenue   | Total              | Operating Revenue     | Capital Revenue  | Total             | 3rd Q as % of adj budget | Operating Revenue           | Capital Revenue  | Total              | Total Rev as % of adj budget | Operating Revenue     | Capital Revenue  | Total             | Total Rev as % of adj budget |                                |
| <b>R thousands</b>                                       |                    |                   |                    |                       |                  |                   |                          |                             |                  |                    |                              |                       |                  |                   |                              |                                |
| Buffalo City   | 4 018 908          | 725 646           | 4 744 554          | 688 392               | 50 369           | 738 761           | 15.6%                    | 2 877 061                   | 136 809          | 3 013 871          | 59.4%                        | 502 385               | 62 087           | 564 472           | 15.1%                        | 30.9%                          |
| Cape Town  | 32 394 861         | 4 643 726         | 37 038 586         | 8 006 958             | 850 133          | 8 857 091         | 23.9%                    | 23 133 932                  | 2 068 980        | 25 202 913         | 65.7%                        | 7 150 110             | 495 052          | 7 645 161         | 23.3%                        | 15.9%                          |
| Ekurhuleni Metro   | 21 160 159         | 2 252 104         | 23 412 263         | 4 816 892             | 540 331          | 5 357 223         | 22.9%                    | 15 903 743                  | 1 103 603        | 17 007 346         | 72.3%                        | 4 238 009             | 262 038          | 4 500 047         | 20.4%                        | 19.0%                          |
| eThekweni  | 26 333 214         | 5 302 103         | 31 635 317         | 6 114 378             | 687 044          | 6 801 422         | 21.5%                    | 18 696 209                  | 2 265 871        | 20 962 080         | 68.1%                        | 5 741 364             | 668 730          | 6 410 094         | 22.9%                        | 6.1%                           |
| City Of Johannesburg                                     | 32 616 362         | 3 749 203         | 36 365 565         | 7 318 591             | 614 497          | 7 933 088         | 21.8%                    | 22 889 792                  | 1 583 784        | 24 473 576         | 68.4%                        | 6 344 353             | 723 018          | 7 067 371         | 21.9%                        | 12.2%                          |
| Mangaung   | 4 470 948          | 815 046           | 5 285 995          | 752 150               | 121 655          | 873 806           | 16.5%                    | 2 654 225                   | 355 514          | 3 009 739          | 57.2%                        | 728 010               | 96 602           | 824 612           | 18.1%                        | 6.0%                           |
| Nelson Mandela Bay                                       | 7 616 421          | 1 406 732         | 9 023 153          | 1 766 038             | 226 123          | 1 992 161         | 22.1%                    | 5 258 359                   | 608 298          | 5 866 657          | 65.0%                        | 1 666 330             | 210 644          | 1 876 973         | 24.0%                        | 6.1%                           |
| City Of Tshwane  | 19 668 700         | 3 403 637         | 23 072 337         | 5 540 776             | 543 055          | 6 083 830         | 26.4%                    | 14 985 184                  | 1 460 537        | 16 445 720         | 72.8%                        | 3 594 046             | 420 024          | 4 014 070         | 21.8%                        | 51.6%                          |
| <b>Total incl indirect revenue and capital transfers</b> | <b>148 279 573</b> | <b>22 298 197</b> | <b>170 577 770</b> | <b>35 004 175</b>     | <b>3 633 207</b> | <b>38 637 382</b> | <b>22.7%</b>             | <b>106 398 506</b>          | <b>9 583 396</b> | <b>115 981 902</b> | <b>68.1%</b>                 | <b>29 964 608</b>     | <b>2 938 194</b> | <b>32 902 801</b> | <b>22.0%</b>                 | <b>17.4%</b>                   |
| <b>Less:</b>   |                    |                   |                    |                       |                  |                   |                          |                             |                  |                    |                              |                       |                  |                   |                              |                                |
| Capital transfers  | 12 352 049         | -                 | 12 352 049         | 1 602 598             | -                | 1 602 598         |                          | 4 423 361                   | -                | 4 423 361          |                              | 1 020 396             | -                | 1 020 396         |                              |                                |
| Indirect operating revenue                               | 10 581 966         | -                 | 10 581 966         | 2 483 150             | -                | 2 483 150         |                          | 7 240 710                   | -                | 7 240 710          |                              | 2 564 142             | -                | 2 564 142         |                              |                                |
| External loans / borrowing                               | -                  | 4 702 949         | 4 702 949          | -                     | 1 014 956        | 1 014 956         |                          | -                           | 2 887 302        | 2 887 302          |                              | -                     | 1 139 992        | 1 139 992         |                              |                                |
| Internally generated funds                               | -                  | 3 690 352         | 3 690 352          | -                     | 884 504          | 884 504           |                          | -                           | 1 527 471        | 1 527 471          |                              | -                     | 999 455          | 999 455           |                              |                                |
| <b>Total revenue</b>                                     | <b>125 345 558</b> | <b>13 904 896</b> | <b>139 250 454</b> | <b>30 918 427</b>     | <b>1 733 747</b> | <b>32 652 174</b> | <b>23.4%</b>             | <b>94 734 434</b>           | <b>5 168 622</b> | <b>99 903 057</b>  | <b>72.5%</b>                 | <b>26 380 070</b>     | <b>798 747</b>   | <b>27 178 817</b> | <b>18.2%</b>                 |                                |

Source: National Treasury Local Government database

**Table 15: Metros aggregated expenditure as at 3rd quarter ended 31 March 2012**

|  | Adjusted Budget       |                     |                    | Third Quarter 2011/12 |                     |                   |                          | Year to date: 31 March 2012 |                     |                    |                              | Third Quarter 2010/11 |                     |                   |                              | Q3 of 2010/11 to Q3 of 2011/12 |
|--|-----------------------|---------------------|--------------------|-----------------------|---------------------|-------------------|--------------------------|-----------------------------|---------------------|--------------------|------------------------------|-----------------------|---------------------|-------------------|------------------------------|--------------------------------|
|  | Operating Expenditure | Capital Expenditure | Total              | Operating Expenditure | Capital Expenditure | Total             | 3rd Q as % of adj budget | Operating Expenditure       | Capital Expenditure | Total              | Total Exp as % of adj budget | Operating Expenditure | Capital Expenditure | Total             | Total Exp as % of adj budget |                                |
| <b>R thousands</b>                     |                       |                     |                    |                       |                     |                   |                          |                             |                     |                    |                              |                       |                     |                   |                              |                                |
| Buffalo City                           | 3 413 075             | 725 646             | 4 138 722          | 741 588               | 50 369              | 791 957           | 19.1%                    | 2 289 635                   | 136 809             | 2 426 444          | 58.6%                        | 696 754               | 62 087              | 758 840           | 18.9%                        | 14.2%                          |
| Cape Town                              | 30 177 141            | 4 643 726           | 34 820 867         | 6 849 977             | 850 133             | 7 700 111         | 22.1%                    | 20 570 192                  | 2 068 980           | 22 639 172         | 65.0%                        | 6 063 184             | 495 052             | 6 558 236         | 21.2%                        | 7.8%                           |
| Ekurhuleni Metro                       | 20 908 641            | 2 252 104           | 23 160 745         | 4 877 506             | 540 331             | 5 417 837         | 23.4%                    | 14 969 365                  | 1 103 603           | 16 072 968         | 69.4%                        | 4 336 845             | 262 038             | 4 598 883         | 20.4%                        | 21.5%                          |
| eThekweni                              | 23 966 381            | 5 302 103           | 29 268 484         | 5 258 443             | 687 044             | 5 945 487         | 20.3%                    | 15 800 987                  | 2 265 871           | 18 066 858         | 61.7%                        | 4 316 901             | 668 730             | 4 985 631         | 19.2%                        | 18.0%                          |
| City Of Johannesburg                   | 29 358 254            | 3 749 203           | 33 107 457         | 6 641 245             | 614 497             | 7 255 742         | 21.9%                    | 21 080 769                  | 1 583 785           | 22 664 554         | 68.5%                        | 6 358 737             | 723 018             | 7 081 756         | 23.7%                        | 11.2%                          |
| Mangaung                               | (3 750 588)           | 815 046             | (2 935 542)        | 748 844               | 121 655             | 870 499           | (29.7%)                  | 2 218 669                   | 355 514             | 2 574 183          | (87.7%)                      | 635 752               | 96 602              | 732 353           | 18.9%                        | 5.0%                           |
| Nelson Mandela Bay                     | 6 621 119             | 1 406 732           | 8 027 851          | 1 526 246             | 226 123             | 1 752 369         | 21.8%                    | 4 402 254                   | 608 298             | 5 010 552          | 62.4%                        | 1 368 279             | 210 644             | 1 578 923         | 20.6%                        | (0.7%)                         |
| City Of Tshwane                        | 18 403 369            | 3 403 637           | 21 807 006         | 4 007 473             | 543 055             | 4 550 527         | 20.9%                    | 12 272 948                  | 1 460 537           | 13 733 485         | 63.0%                        | 3 078 175             | 420 024             | 3 498 199         | 19.9%                        | 22.7%                          |
| <b>Total incl indirect expenditure</b> | <b>129 097 392</b>    | <b>22 298 197</b>   | <b>151 395 589</b> | <b>30 651 322</b>     | <b>3 633 207</b>    | <b>34 284 529</b> | <b>22.6%</b>             | <b>93 604 819</b>           | <b>9 583 397</b>    | <b>103 188 216</b> | <b>68.2%</b>                 | <b>26 854 628</b>     | <b>2 938 194</b>    | <b>29 792 821</b> | <b>20.9%</b>                 | <b>13.8%</b>                   |
| <b>Less:</b>                           |                       |                     |                    |                       |                     |                   |                          |                             |                     |                    |                              |                       |                     |                   |                              |                                |
| Indirect operating expenditure         | 10 292 620            | -                   | 10 292 620         | 2 574 411             | -                   | 2 574 411         |                          | 7 494 385                   | -                   | 7 494 385          |                              | 656 469               | -                   | 656 469           |                              |                                |
| Taxation                               | 281 963               | -                   | 281 963            | 5 196                 | -                   | 5 196             |                          | 15 275                      | -                   | 15 275             |                              | 3 235                 | -                   | 3 235             |                              |                                |
| <b>Total expenditure</b>               | <b>118 522 808</b>    | <b>22 298 197</b>   | <b>140 821 006</b> | <b>28 071 715</b>     | <b>3 633 207</b>    | <b>31 704 922</b> | <b>22.5%</b>             | <b>86 095 159</b>           | <b>9 583 397</b>    | <b>95 678 556</b>  | <b>67.9%</b>                 | <b>26 194 923</b>     | <b>2 938 194</b>    | <b>29 133 117</b> | <b>20.5%</b>                 |                                |

Source: National Treasury Local Government database