



national treasury

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PRESS RELEASE

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**Local Government Revenue and Expenditure: Second Quarter Local Government
Section 71 Report
For the period: 1 July 2012 – 31 December 2012**

The National Treasury has today released local government's revenue, expenditure and spending on conditional grants for the second quarter of the 2012/13 financial year focusing on 274 of the 278 municipalities. During this reporting period four municipalities neglected to report. The period under review starts from 1 July 2012 to 31 December 2012 of the municipal financial year.

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.

In-year reporting is now well institutionalised with most municipalities consistently producing in-year financial reports compared to three years ago when less than 50 municipalities regularly produced quarterly financial reports.

The reporting facilitates transparency, better in-year management and oversight of budgets, making these reports management tools and early warning mechanisms for councils to improve municipal performance.

KEY TRENDS

Aggregate trends

1. On aggregate, municipalities spent 41.3 per cent or R116.3 billion of the total adopted budget of R281.6 billion. In respect of revenue, aggregated billing and other revenue amounted to 48.6 per cent or R136.3 billion of a total revenue budget of R280.8 billion.
2. The aggregated adopted capital budget for all municipalities in the 2012/13 financial year was R51.8 billion of which only R13.9 billion or 26.8 per cent was spent in the second quarter. However, past performance suggests that this number will improve toward the end of the municipal financial year, a trend that should not be a practice in a municipal context given the accrual nature of municipal accounts.
3. Metropolitan municipalities achieved 48.3 per cent or R79.5 billion of billed and other revenue of the total adopted revenue budget of R164.8 billion. Buffalo City has the highest

proportion at 56.4 per cent, followed by Ekurhuleni Metro at 53.1 per cent. The lowest was reported by City of Tshwane at 46.1 per cent.

4. A quarter-on-quarter comparison of the in-year figures shows that on average metros realised an increase in revenue of 14 per cent compared to the second 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.
5. Metropolitan municipalities spent 43.3 per cent or R71.2 billion of the total adopted expenditure budget of R164.5 billion for the 2012/13 financial year.
6. The aggregated adopted capital budget for metros in the 2012/13 financial year was R25.1 billion, 26.7 per cent of which (R6.7 billion) was spent by 31 December 2012.
 - a. By the end of the second quarter Nelson Mandela Bay had spent 43.1 per cent of its adopted capital budget and Mangaung 36.0 per cent.
 - b. Spending was low in Buffalo City and the City of Joburg where less than 20 per cent of the adopted capital budget was spent by the end of the second quarter.
7. In aggregate, metros spent the following on core services when measured against their adopted budgets:
 - a. Water R8.4 billion or 48.1 per cent;
 - b. Electricity R25.8 billion or 49.2 per cent;
 - c. Waste water management R1.8 billion or 44.5 per cent; and
 - d. Waste management R2.7 billion or 42.9 per cent.
8. The spending on core services for the secondary cities was as follows:
 - a. Water R1.7 billion or 48.7 per cent;
 - b. Electricity R5 billion or 41.5 per cent;
 - c. Waste water management R570 million or 46 per cent; and
 - d. Waste management R470 million or 43.9 per cent.
9. Aggregate municipal consumer debts were R83.7 billion as at 31 December 2012. National and provincial government debt accounts for 5.4 per cent or R4.5 billion of this amount. At R52.5 billion, (62.7 per cent) households account for the largest proportion of consumer debt.
10. As at 31 December 2012, outstanding debt due to Metropolitan municipalities increased by 6.3 per cent to R47.3 billion from the second quarter of the 2011/12 financial year. The City of Joburg's share was R16.5 billion or 34.9 per cent of all metros.
11. Outstanding consumer debt in secondary cities totalled R15.4 billion as at 31 December 2012. This represents an increase of 17.6 per cent from the R13.1 billion reported in the corresponding period in the 2011/12 financial year. Household debt accounts for R10.8 billion or 70.3 per cent of the total outstanding debt. Of the total debt, R12.1 billion or 78.8 per cent has been outstanding for more than 90 days.
12. The creditor's age analysis shows R14.7 billion is owed by municipalities as at 31 December 2012. Free State has the highest percentage of creditors outstanding for more than 90 days at 66.2 per cent of total outstanding municipal creditors, followed by North West (52.5 per cent) and Northern Cape (43 per cent).
13. Analysis of the collection rates indicates that while municipalities have budgeted for a 92.3 per cent collection rate, the year-to-date figures are indicative of an actual collection of billed revenue of 91.1 per cent. The fact that some municipalities bill yearly property rates in July distorts this analysis.

- a. The metros budgeted for a 93.6 per cent collection rate and achieved an actual collection of 96.3 per cent; 2.7 per cent higher than the target.
 - b. The secondary cities reported collection against billed revenue at 85.8 per cent which is significantly less than the budget target of 90.4 per cent.
14. Information on municipal borrowing detailing borrowing instruments by municipality is available on a quarterly base. As at 31 December 2012, the total end balance for borrowing instruments of all municipalities amounted to R47.2 billion.
 15. Monthly repairs and maintenance figures reported by municipalities are now included in the Section 71 publication. Two dimensions are reported: per asset class and operational expenses.

Conditional Grants

16. The Division of Revenue Act, 2012 (Act No.5 of 2012) allocated R35.5 billion as conditional transfers (both direct and indirect transfers) to local government. This amount excludes the unconditional transfer (Equitable Share) of R33.5 billion, RSC Levy replacement grant of R3.7 billion, support for councillor remuneration of R658 million and the sharing of the fuel levy of R9 billion. This brings the total amount allocated to local government to R82.4 billion.
17. The RSC Levy replacement grant, support for councillor remuneration and the sharing of the fuel levy are classified as unconditional grants and municipalities can appropriate the grants as own revenue and subsequently do not have to report on specific performance.
18. From the R35.5 billion allocated to municipalities for 2012/13 financial year, R30.1 billion (including the USDG) of conditional grants are directly transferred into the municipal primary bank account and R5.1 billion is allocations in-kind.
19. Of the R330 million Disaster Management Grant (MDG) only R14.2 million was allocated against a municipality in Limpopo.
20. An amount of R14.7 billion was transferred by the national departments administering the grants to municipalities which constitute 53 per cent of the total direct conditional grant allocations. According to expenditure reports provided by the national departments, only 31.4 per cent was spent against the total conditional allocations as at 31 December 2012.
21. The expenditure analysis as at 31 December 2012 indicates an average performance of 33.8 per cent or R7.7 billion of the R22.7 billion based on the performance as reported by municipalities.
22. The expenditure reported by municipalities of 31.4 per cent for the first quarter excludes performance by all metropolitan municipalities receiving the USDG which totals R7.4 billion and all schedule 7 grants.
23. Second quarter performance continues to indicate low performance with both the 2011/12 and 2012/13 financial years indicating expenditure less than 50 per cent. Over the years municipalities struggled to improve the grant performance because they are still confronted by technical delays, supply chain management challenges and other external factors that delay the implementation of projects, particularly infrastructure related projects.
24. A summary of key aggregated information is included in the tables in **Annexure A**.

Further details on this report can be accessed on the National Treasury's website: www.treasury.gov.za.

ENDS

NOTE TO EDITORS

25. 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 2012 Division of Revenue Act. The budgeted figures shown are based on the 2012/13 adopted budgets approved by municipal councils prior to the end of June 2012.
26. In terms of the process, Municipal Managers and Chief Financial Officers were required to sign and submit adopted budget figures to the National Treasury by 9 October 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.
27. Results for the second quarter of the financial year start to provide an indication of trends that are emanating in municipal expenditure when compared to the previous year. These results feed into the Section 72 mid-year performance assessments of the municipalities and strongly influences the adjustment budgets.
28. All information in this statement is based on the Section 71 monthly MFMA reports that Municipal Managers and Chief Financial Officers were required to sign and submit to the National Treasury by 30 January 2013. 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.
29. This second quarter publication covers 274 of the 278 municipalities; during this reporting period four municipalities neglected to report.

STRUCTURE OF INFORMATION RELEASED

30. Other information released on National Treasury's website (www.treasury.gov.za) as part of this process includes the following:
- Municipal Budget Statements:
 - a. Cash Flow closing balances as at 31 December 2012,
 - b. High-level summary of revenue for 274 municipalities, and
 - c. High-level summary of expenditure for 274 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 fourth quarter:
 - a. Summary of total monthly operating revenue – 274 municipalities;
 - b. Summary of total monthly operating expenditure – 274 municipalities;
 - c. Summary of total monthly capital revenue – 274 municipalities;
 - d. Summary of total monthly capital expenditure – 274 municipalities;
 - e. Aggregated information for Metros – Section 71;
 - f. Aggregated information for Metros – Conditional Grants;
 - g. Aggregated information for secondary cities – Section 71;
 - h. Aggregated information for secondary cities – Conditional Grants;
 - i. Aggregated information for Provinces – Section 71;
 - j. Aggregated information for Provinces – Conditional Grant;
 - k. Analysis of Sources of Revenue – 278 municipalities;
 - l. Listing of borrowing instruments – 193 municipalities.
 - m. Repairs and maintenance reported per asset class;and
 - n. Repairs and maintenance reported operational expenditure.
 - Non Compliance:
 - a. List municipalities not complying with Section 71 of the MFMA.
31. 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 for the 2nd quarter ended 31 December 2012

R thousands	Main appropriation			Second Quarter 2012/13				Year to date: 31 December 2012				Second Quarter 2011/12				Q2 of 2011/12 to Q2 of 2012/13
	Operating	Capital	Total	Operating	Capital	Total	2nd Q as % of Main app	Operating	Capital	Total	Total as % of main app	Operating	Capital	Total	Total as % of main app	
Expenditure																
Category A (Metro)	139 402 781	25 082 487	164 485 268	32 872 824	4 308 894	37 181 718	22.6%	64 533 323	6 702 659	71 235 982	43.3%	28 684 159	3 858 354	32 542 513	43.2%	14.3%
Category B (Local)	76 132 370	18 531 655	94 664 025	16 630 880	2 639 350	19 270 230	20.4%	32 152 487	4 480 293	36 632 779	38.7%	15 011 073	2 658 823	17 669 895	41.7%	9.1%
Category C (District)	14 320 027	8 176 594	22 496 621	3 117 187	1 454 437	4 571 624	20.3%	5 696 831	2 694 955	8 391 786	37.3%	2 944 840	1 092 389	4 037 229	36.0%	13.2%
Total	229 855 178	51 790 736	281 645 914	52 620 891	8 402 682	61 023 572	21.7%	102 382 640	13 877 906	116 260 546	41.3%	46 640 071	7 609 565	54 249 637	42.2%	12.5%
Revenue																
Category A (Metro)	139 729 202	25 082 487	164 811 689	34 932 736	4 308 894	39 241 630	23.8%	72 842 957	6 702 659	79 545 616	48.3%	30 568 305	3 858 353	34 426 658	47.4%	14.0%
Category B (Local)	75 103 419	18 531 655	93 635 074	17 141 766	2 640 612	19 782 378	21.1%	40 924 254	4 543 448	45 467 701	48.6%	15 662 322	2 446 313	18 108 635	50.3%	9.2%
Category C (District)	14 187 821	8 176 594	22 364 415	3 890 550	1 454 437	5 344 987	23.9%	8 511 932	2 810 442	11 322 374	50.6%	3 771 763	1 132 342	4 904 105	46.4%	9.0%
Total	229 020 442	51 790 736	280 811 178	55 965 052	8 403 943	64 368 995	22.9%	122 279 143	14 056 548	136 335 692	48.6%	50 002 389	7 437 008	57 439 397	48.3%	12.1%

Source: National Treasury Local Government Database

Aggregate revenue trends for metros

Table 2: Metros aggregated revenue for the 2nd quarter ended 31 December 2012

R thousands	Main appropriation			Second Quarter 2012/13				Year to date: 31 December 2012				Second Quarter 2011/12				Q2 of 2011/12 to Q2 of 2012/13
	Operating Revenue	Capital Revenue	Total	Operating Revenue	Capital Revenue	Total	2nd Q as % of Main app	Operating Revenue	Capital Revenue	Total	Total Rev as % of main app	Operating Revenue	Capital Revenue	Total	Total Rev as % of main app	
Buffalo City	3 966 637	749 097	4 715 735	804 865	110 912	915 777	19.4%	2 508 910	149 343	2 658 253	56.4%	705 611	49 447	755 059	51.5%	21.3%
Cape Town	23 901 656	5 926 610	29 828 266	5 934 310	1 232 610	7 166 919	24.0%	11 988 176	1 853 588	13 841 763	46.4%	5 052 435	863 962	5 916 396	43.6%	21.1%
Ekurhuleni Metro	22 368 169	2 650 708	25 018 877	6 216 775	400 103	6 616 878	26.4%	12 742 895	547 583	13 290 478	53.1%	5 050 272	377 235	5 427 507	50.9%	21.9%
eThekweni	23 662 218	5 308 715	28 970 933	6 355 644	834 910	7 190 554	24.8%	12 514 958	1 431 731	13 946 689	48.1%	5 450 509	964 162	6 414 671	47.2%	12.1%
City Of Johannesburg	33 414 387	4 261 567	37 675 954	7 705 124	512 824	8 217 948	21.8%	16 666 973	740 240	17 407 213	46.2%	7 398 474	654 509	8 052 983	48.9%	2.0%
Mangaung	4 374 349	753 667	5 128 016	989 407	154 866	1 144 272	22.3%	2 346 001	271 143	2 617 144	51.0%	938 716	141 693	1 080 410	45.5%	5.9%
Nelson Mandela Bay	7 246 752	1 079 076	8 325 828	1 807 097	318 936	2 126 033	25.5%	3 731 068	464 674	4 195 742	50.4%	1 676 318	255 809	1 932 127	45.8%	10.0%
City Of Tshwane	20 795 035	4 353 047	25 148 081	5 119 513	743 736	5 863 248	23.3%	10 343 977	1 244 357	11 588 334	46.1%	4 295 969	551 536	4 847 505	46.8%	21.0%
Total	139 729 202	25 082 487	164 811 689	34 932 736	4 308 894	39 241 630	23.8%	72 842 957	6 702 659	79 545 616	48.3%	30 568 305	3 858 353	34 426 658	47.4%	14.0%

Source: National Treasury Local Government Database

Aggregate expenditure trends for metros

Table 3: Metros aggregated expenditure for the 2nd quarter ended 31 December 2012

R thousands	Main appropriation			Second Quarter 2012/13				Year to date: 31 December 2012				Second Quarter 2011/12				Q2 of 2011/12 to Q2 of 2012/13
	Operating Expenditure	Capital Expenditure	Total	Operating Expenditure	Capital Expenditure	Total	2nd Q as % of Main app	Operating Expenditure	Capital Expenditure	Total	Total Exp as % of main app	Operating Expenditure	Capital Expenditure	Total	Total Exp as % of main app	
Buffalo City	3 992 222	749 097	4 741 319	891 790	110 912	1 002 702	21.1%	1 610 479	149 343	1 759 822	37.1%	718 514	49 447	767 961	37.3%	30.6%
Cape Town	24 362 425	5 926 610	30 289 035	5 763 864	1 232 610	6 996 474	23.1%	11 037 965	1 853 588	12 891 552	42.6%	5 060 565	863 962	5 924 526	40.6%	18.1%
Ekurhuleni Metro	22 365 360	2 650 708	25 016 067	4 389 350	400 103	4 789 453	19.1%	10 008 922	547 583	10 556 505	42.2%	4 566 957	377 235	4 944 192	44.3%	(3.1%)
eThekweni	23 751 278	5 308 715	29 059 993	5 973 291	834 910	6 808 201	23.4%	11 301 142	1 431 731	12 732 873	43.8%	4 893 057	964 162	5 857 219	42.6%	16.2%
City Of Johannesburg	32 354 829	4 261 567	36 616 396	7 649 119	512 824	8 161 943	22.3%	15 613 439	740 240	16 353 678	44.7%	6 879 851	654 510	7 534 361	47.7%	8.3%
Mangaung	4 176 315	753 667	4 929 982	811 992	154 866	966 858	19.6%	1 611 131	271 143	1 882 275	38.2%	793 068	141 693	934 762	37.7%	3.4%
Nelson Mandela Bay	7 316 096	1 079 076	8 395 172	1 577 099	318 936	1 896 034	22.6%	3 144 683	464 674	3 609 357	43.0%	1 433 979	255 809	1 689 788	40.6%	12.2%
City Of Tshwane	21 084 256	4 353 047	25 437 303	5 816 317	743 736	6 560 053	25.8%	10 205 563	1 244 357	11 449 920	45.0%	4 338 167	551 536	4 889 703	42.9%	34.2%
Total	139 402 781	25 082 487	164 485 268	32 872 824	4 308 894	37 181 718	22.6%	64 533 323	6 702 659	71 235 982	43.3%	28 684 159	3 858 354	32 542 513	43.2%	14.3%

Source: National Treasury Local Government Database

Aggregated revenue and expenditure for secondary cities

Table 4: 19 Secondary cities aggregated budgets and expenditure for the 2nd quarter ended 31 December 2012

R thousands	Main appropriation			Second Quarter 2012/13				Year to date: 31 December 2012				Second Quarter 2011/12				Q2 of 2011/12 to Q2 of 2012/13
	Operating Expenditure	Capital Expenditure	Total	Operating Expenditure	Capital Expenditure	Total	2nd Q as % of Main app	Operating Expenditure	Capital Expenditure	Total	Total Exp as % of main app	Operating Expenditure	Capital Expenditure	Total	Total Exp as % of main app	
City Of Matlosana	1 790 937	152 246	1 943 184	401 851	32 346	434 197	22.3%	683 762	43 912	727 674	37.4%	384 574	21 750	406 324	34.8%	6.9%
Drakenstein	1 324 055	277 652	1 601 707	342 572	69 045	411 618	25.7%	566 024	81 685	647 709	40.4%	283 386	59 385	342 771	43.1%	20.1%
Emalahleni (Mp)	1 574 716	149 380	1 724 096	186 651	1 979	188 630	10.9%	416 474	8 720	425 194	24.7%	250 849	3 757	254 605	-	(25.9%)
Emfuleni	4 152 968	367 489	4 520 457	748 343	10 040	758 383	16.8%	1 399 661	15 366	1 415 027	31.3%	677 047	50 067	727 114	41.4%	4.3%
George	983 290	150 922	1 134 212	275 383	20 864	296 246	26.1%	458 942	34 566	493 509	43.5%	295 274	34 843	330 117	46.8%	(10.3%)
Govan Mbeki	1 384 340	261 809	1 646 149	219 901	17 961	237 862	14.4%	414 704	32 074	446 777	27.1%	247 567	20 629	268 196	43.1%	(11.3%)
Madibeng	1 166 180	210 500	1 376 680	181 486	47 359	228 846	16.6%	399 731	87 130	486 862	35.4%	178 616	68 502	247 118	36.0%	(7.4%)
Matjhabeng	1 420 427	246 638	1 667 065	322 054	35 415	357 469	21.4%	672 367	98 290	770 657	46.2%	235 774	26 535	262 309	40.4%	36.3%
Mbombela	1 703 255	541 568	2 244 823	460 483	77 237	537 720	24.0%	760 239	103 499	863 738	38.5%	377 133	57 385	434 518	32.5%	23.8%
Mogale City	1 887 291	382 974	2 270 265	473 016	34 569	507 586	22.4%	884 111	53 574	937 685	41.3%	362 909	32 585	395 494	46.4%	28.3%
Msunduzi	2 982 647	230 014	3 212 661	714 127	36 710	750 836	23.4%	1 511 838	46 486	1 558 323	48.5%	691 531	37 806	729 337	34.4%	2.9%
New castle	1 414 019	305 418	1 719 437	326 893	49 626	376 519	21.9%	657 700	73 289	730 990	42.5%	327 667	46 839	374 506	41.3%	0.5%
Polokwane	1 670 108	485 070	2 155 178	331 850	93 008	424 858	19.7%	694 747	177 946	872 693	40.5%	336 167	79 265	415 432	43.3%	2.3%
Rustenburg	2 587 146	888 773	3 475 919	618 515	136 404	754 919	21.7%	1 057 447	176 698	1 234 145	35.5%	419 014	61 528	480 543	35.7%	57.1%
Sol Plaatje	1 371 847	285 010	1 656 857	268 362	77 366	345 728	20.9%	654 327	97 005	751 332	45.3%	239 524	28 735	268 259	41.8%	28.9%
Stellenbosch	891 306	189 044	1 080 350	189 568	23 765	213 333	19.7%	351 261	38 601	389 862	36.1%	162 204	31 570	193 774	34.1%	10.1%
Steve Tshwete	1 038 540	195 689	1 234 229	247 897	59 386	307 283	24.9%	492 514	82 788	575 302	46.6%	197 882	50 767	248 649	45.8%	23.6%
Tlokwe	879 485	157 673	1 037 158	196 217	24 573	220 790	21.3%	425 773	37 675	463 448	44.7%	165 429	39 221	204 651	46.7%	7.9%
uMhlatuze	1 812 294	206 483	2 018 777	503 616	30 824	534 440	26.5%	1 067 359	46 763	1 114 121	55.2%	478 436	17 516	495 952	42.9%	7.8%
Total	32 034 851	5 684 353	37 719 204	7 008 784	878 480	7 887 264	20.9%	13 568 980	1 336 067	14 905 046	39.5%	6 310 983	768 685	7 079 669	41.4%	11.4%

Source: National Treasury Local Government Database

Operating expenditure per function for metros

Table 5: Metros aggregated expenditure per function for the 2nd quarter ended 31 December 2012

	Main appropriation	Second Quarter 2012/13		YTD: 31 December 2012		Second Quarter 2011/12		Q2 of 2011/12 to Q2 of 2012/13
		Actual Expenditure	2nd Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
R thousands								
Water								
Buffalo City	362 367	90 121	24.9%	157 737	43.5%	76 150	50.2%	18.3%
Cape Town	1 992 322	491 489	24.7%	910 461	45.7%	406 903	41.8%	20.8%
Ekurhuleni Metro	3 109 380	739 507	23.8%	1 381 334	44.4%	642 819	39.5%	15.0%
eThekwini	3 171 412	968 713	30.5%	1 576 300	49.7%	616 418	39.5%	57.2%
City Of Johannesburg	5 253 549	1 408 519	26.8%	2 773 012	52.8%	1 156 450	53.0%	21.8%
Mangaung	518 065	126 902	24.5%	235 870	45.5%	104 949	49.0%	20.9%
Nelson Mandela Bay	518 942	130 433	25.1%	223 571	43.1%	114 041	41.9%	14.4%
City Of Tshwane	2 440 802	568 284	23.3%	1 091 882	44.7%	548 391	45.0%	3.6%
Total	17 366 840	4 523 968	26.0%	8 350 168	48.1%	3 666 122	45.0%	23.4%
Electricity								
Buffalo City	1 288 117	262 540	20.4%	591 850	45.9%	197 026	51.4%	33.3%
Cape Town	7 746 821	1 693 418	21.9%	3 647 830	47.1%	1 511 056	45.5%	12.1%
Ekurhuleni Metro	9 986 835	1 457 389	14.6%	4 574 839	45.8%	1 696 389	50.4%	(14.1%)
eThekwini	8 690 776	1 861 400	21.4%	4 340 075	49.9%	1 566 477	46.7%	18.8%
City Of Johannesburg	12 020 206	2 343 138	19.5%	5 961 928	49.6%	2 119 628	52.4%	10.5%
Mangaung	1 656 949	318 212	19.2%	694 859	41.9%	351 756	41.6%	(9.5%)
Nelson Mandela Bay	2 782 901	552 013	19.8%	1 216 212	43.7%	513 701	43.9%	7.5%
City Of Tshwane	8 244 148	2 759 147	33.5%	4 743 008	57.5%	1 618 735	50.3%	70.5%
Total	52 416 752	11 247 255	21.5%	25 770 599	49.2%	9 574 768	48.8%	17.5%
Waste water management								
Buffalo City	410 074	107 546	26.2%	154 022	37.6%	75 230	42.0%	43.0%
Cape Town	1 055 231	270 171	25.6%	505 846	47.9%	231 067	50.8%	16.9%
Ekurhuleni Metro	457 506	111 350	24.3%	222 336	48.6%	101 473	48.1%	9.7%
eThekwini	960 992	236 063	24.6%	435 903	45.4%	206 346	42.8%	14.4%
City Of Johannesburg	-	-	-	-	-	-	-	-
Mangaung	116 246	26 515	22.8%	50 790	43.7%	35 192	47.9%	(24.7%)
Nelson Mandela Bay	456 585	100 751	22.1%	178 107	39.0%	99 020	37.3%	1.7%
City Of Tshwane	485 550	102 308	21.1%	206 013	42.4%	105 749	34.2%	(3.3%)
Total	3 942 184	954 705	24.2%	1 753 017	44.5%	854 077	43.6%	11.8%
Waste management								
Buffalo City	236 487	36 217	15.3%	59 989	25.4%	31 264	29.7%	15.8%
Cape Town	1 524 397	382 773	25.1%	688 546	45.2%	345 403	43.1%	10.8%
Ekurhuleni Metro	1 120 358	218 617	19.5%	382 650	34.2%	193 046	37.4%	13.2%
eThekwini	886 227	213 237	24.1%	398 331	44.9%	203 527	46.8%	4.8%
City Of Johannesburg	1 211 915	350 898	29.0%	669 641	55.3%	315 330	51.4%	11.3%
Mangaung	107 633	22 256	20.7%	44 701	41.5%	22 825	49.3%	(2.5%)
Nelson Mandela Bay	208 622	45 820	22.0%	84 675	40.6%	65 963	36.5%	(30.5%)
City Of Tshwane	972 841	213 220	21.9%	357 976	36.8%	189 659	37.8%	12.4%
Total	6 268 480	1 483 038	23.7%	2 686 509	42.9%	1 367 017	42.8%	8.5%

Source: National Treasury Local Government Database

Operating expenditure per function for secondary cities

Table 6a: 19 Secondary cities aggregated expenditure per function for the 2nd quarter ended 31 December 2012

R thousands	Main appropriation	First Quarter 2012/13		Second Quarter 2012/13		Year to date: 31 December 2012		Second Quarter 2011/12		Q2 of 2011/12 to Q2 of 2012/13
		Actual Expenditure	1st Q as % of Main app	Actual Expenditure	2nd Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
Water										
City Of Matlosana	207 452	33 592	16.2%	23 639	11.4%	57 231	27.6%	65 489	135.7%	(63.9%)
Drakenstein	64 452	3 771	5.9%	15 558	24.1%	19 329	30.0%	15 172	58.4%	2.5%
Emalahleni (Mp)	140 208	10 328	7.4%	28 554	20.4%	38 882	27.7%	29 155	-	(2.1%)
Emfuleni	428 012	84 589	19.8%	127 444	29.8%	212 033	49.5%	113 875	41.5%	11.9%
George	90 136	10 616	11.8%	27 082	30.0%	37 698	41.8%	27 278	47.9%	(0.7%)
Gov an Mbeki	179 035	38 833	21.7%	47 674	26.6%	86 507	48.3%	50 566	65.7%	(5.7%)
Madibeng	169 422	14 744	8.7%	23 533	13.9%	38 277	22.6%	-	-	-
Matjhabeng	286 550	68 694	24.0%	77 044	26.9%	145 738	50.9%	30 024	34.3%	156.6%
Mbombela	106 173	20 081	18.9%	25 967	24.5%	46 047	43.4%	39 455	49.7%	(34.2%)
Mogale City	234 210	56 425	24.1%	56 283	24.0%	112 709	48.1%	53 882	53.1%	4.5%
Msunduzi	476 569	125 131	26.3%	131 851	27.7%	256 982	53.9%	83 918	21.3%	57.1%
New castle	-	-	-	-	-	-	-	52 689	66.3%	(100.0%)
Polokwane	196 987	45 334	23.0%	52 446	26.6%	97 780	49.6%	46 500	46.0%	12.8%
Rustenburg	358 686	77 462	21.6%	87 016	24.3%	164 477	45.9%	74 939	45.0%	16.1%
Sol Plaatje	129 158	37 051	28.7%	31 503	24.4%	68 555	53.1%	23 409	35.0%	34.6%
Stellenbosch	60 302	6 637	11.0%	12 022	19.9%	18 659	30.9%	9 677	27.1%	24.2%
Steve Tshwete	63 082	13 266	21.0%	14 687	23.3%	27 953	44.3%	13 776	43.5%	6.6%
Tlokwe	76 190	14 726	19.3%	10 161	13.3%	24 888	32.7%	28 360	88.8%	(64.2%)
uMhlatuze	269 355	183 512	68.1%	83 555	31.0%	267 067	99.2%	78 366	49.4%	6.6%
Total	3 535 981	844 793	23.9%	876 019	24.8%	1 720 812	48.7%	836 529	46.2%	4.7%

Source: National Treasury Local Government Database

Table 6b: 19 Secondary cities aggregated expenditure per function for the 2nd quarter ended 31 December 2012

R thousands	Main appropriation	First Quarter 2012/13		Second Quarter 2012/13		Year to date: 31 December 2012		Second Quarter 2011/12		Q2 of 2011/12 to Q2 of 2012/13
		Actual Expenditure	1st Q as % of Main app	Actual Expenditure	2nd Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
Electricity										
City Of Matlosana	509 655	41 373	8.1%	157 703	30.9%	199 076	39.1%	73 191	29.8%	115.5%
Drakenstein	582 492	125 565	21.6%	126 958	21.8%	252 523	43.4%	116 730	56.5%	8.8%
Emalahleni (Mp)	753 481	76 051	10.1%	69 415	9.2%	145 466	19.3%	107 836	-	(35.6%)
Emfuleni	1 644 565	357 986	21.8%	293 502	17.8%	651 488	39.6%	262 652	51.4%	11.7%
George	367 896	83 754	22.8%	85 252	23.2%	169 006	45.9%	81 509	46.4%	4.6%
Gov an Mbeki	444 882	63 842	14.4%	54 443	12.2%	118 285	26.6%	81 692	61.1%	(33.4%)
Madibeng	335 272	119 249	35.6%	60 717	18.1%	179 966	53.7%	-	-	-
Matjhabeng	461 307	134 082	29.1%	80 733	17.5%	214 815	46.6%	56 715	74.5%	42.3%
Mbombela	463 915	59 684	12.9%	173 551	37.4%	233 235	50.3%	96 648	47.4%	79.6%
Mogale City	585 475	136 482	23.3%	158 292	27.0%	294 774	50.3%	119 139	46.5%	32.9%
Msunduzi	1 228 346	380 193	31.0%	259 536	21.1%	639 729	52.1%	288 605	47.5%	(10.1%)
New castle	524 998	-	-	-	-	-	-	89 163	44.1%	(100.0%)
Polokwane	535 406	166 236	31.0%	108 650	20.3%	274 886	51.3%	101 958	52.6%	6.6%
Rustenburg	1 289 685	166 363	12.9%	308 963	24.0%	475 325	36.9%	157 247	34.3%	96.5%
Sol Plaatje	449 210	156 540	34.8%	84 074	18.7%	240 614	53.6%	68 920	51.0%	22.0%
Stellenbosch	311 653	69 229	22.2%	62 530	20.1%	131 759	42.3%	49 875	40.3%	25.4%
Steve Tshwete	369 128	93 298	25.3%	81 426	22.1%	174 724	47.3%	52 092	48.0%	56.3%
Tlokwe	350 746	114 090	32.5%	68 455	19.5%	182 545	52.0%	32 624	42.6%	109.8%
uMhlatuze	930 240	216 685	23.3%	242 456	26.1%	459 141	49.4%	237 834	46.0%	1.9%
Total	12 138 352	2 560 700	21.1%	2 476 657	20.4%	5 037 357	41.5%	2 074 428	49.9%	19.4%

Source: National Treasury Local Government Database

Table 6c: 19 Secondary cities aggregated expenditure per function for the 2nd quarter ended 31 December 2012

	Main appropriation	First Quarter 2012/13		Second Quarter 2012/13		Year to date: 31 December 2012		Second Quarter 2011/12		Q2 of 2011/12 to Q2 of 2012/13
		Actual Expenditure	1st Q as % of Main app	Actual Expenditure	2nd Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
R thousands										
Sanitation										
City Of Matlosana	112 389	18 933	16.8%	17 609	15.7%	36 542	32.5%	19 301	31.2%	(8.8%)
Drakenstein	57 217	7 047	12.3%	18 352	32.1%	25 399	44.4%	13 200	45.4%	39.0%
Emalahleni (Mp)	78 472	54 261	69.1%	18 699	23.8%	72 960	93.0%	10 389	-	80.0%
Emfuleni	105 702	13 271	12.6%	23 020	21.8%	36 291	34.3%	22 834	33.8%	0.8%
George	59 975	11 164	18.6%	20 719	34.5%	31 883	53.2%	20 135	57.5%	2.9%
Gov an Mbeki	65 140	8 564	13.1%	9 657	14.8%	18 221	28.0%	10 837	33.7%	(10.9%)
Madibeng	26 089	2 695	10.3%	3 445	13.2%	6 140	23.5%	-	-	-
Matjhabeng	64 182	7 638	11.9%	10 787	16.8%	18 425	28.7%	7 558	-	42.7%
Mbombela	73 246	10 523	14.4%	26 161	35.7%	36 684	50.1%	14 486	28.4%	80.6%
Mogale City	97 185	20 340	20.9%	22 315	23.0%	42 655	43.9%	15 589	43.4%	43.1%
Msunduzi	80 015	23 096	28.9%	24 577	30.7%	47 673	59.6%	2 959	2.3%	730.6%
New castle	-	-	-	-	-	-	-	11 090	88.8%	(100.0%)
Polokwane	35 746	8 442	23.6%	8 268	23.1%	16 709	46.7%	7 631	33.5%	8.3%
Rustenburg	91 243	13 442	14.7%	19 451	21.3%	32 893	36.0%	15 979	41.7%	21.7%
Sol Plaatje	49 562	9 805	19.8%	13 983	28.2%	23 788	48.0%	9 767	38.0%	43.2%
Stellenbosch	58 240	6 783	11.6%	11 658	20.0%	18 441	31.7%	11 495	34.9%	1.4%
Steve Tshwete	61 480	14 153	23.0%	15 760	25.6%	29 912	48.7%	14 037	47.4%	12.3%
Tlokw e	27 753	7 462	26.9%	6 747	24.3%	14 209	51.2%	8 803	59.0%	(23.4%)
uMhlatuze	97 121	29 661	30.5%	31 883	32.8%	61 544	63.4%	30 949	51.7%	3.0%
Total	1 240 758	267 277	21.5%	303 094	24.4%	570 371	46.0%	247 039	36.9%	22.7%

Source: National Treasury Local Government Database

Table 6d: 19 Secondary cities aggregated expenditure per function for the 2nd quarter ended 31 December 2012

	Main appropriation	First Quarter 2012/13		Second Quarter 2012/13		Year to date: 31 December 2012		Second Quarter 2011/12		Q2 of 2011/12 to Q2 of 2012/13
		Actual Expenditure	1st Q as % of Main app	Actual Expenditure	2nd Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
R thousands										
Refuse removal										
City Of Matlosana	43 751	10 497	24.0%	11 972	27.4%	22 469	51.4%	9 935	40.9%	20.5%
Drakenstein	42 654	6 508	15.3%	11 196	26.2%	17 704	41.5%	9 862	44.4%	13.5%
Emalahleni (Mp)	58 249	10 783	18.5%	8 569	14.7%	19 352	33.2%	13 415	-	(36.1%)
Emfuleni	142 328	12 044	8.5%	19 826	13.9%	31 869	22.4%	25 907	45.8%	(23.5%)
George	43 657	7 466	17.1%	10 710	24.5%	18 176	41.6%	9 890	47.0%	8.3%
Gov an Mbeki	55 621	10 520	18.9%	9 895	17.8%	20 415	36.7%	11 285	42.4%	(12.3%)
Madibeng	36 095	8 293	23.0%	12 865	35.6%	21 158	58.6%	-	-	-
Matjhabeng	-	-	-	-	-	-	-	-	-	-
Mbombela	104 705	21 121	20.2%	30 479	29.1%	51 600	49.3%	21 629	40.4%	40.9%
Mogale City	92 105	21 953	23.8%	24 989	27.1%	46 943	51.0%	23 384	60.8%	6.9%
Msunduzi	73 035	17 595	24.1%	20 421	28.0%	38 016	52.1%	50 658	62.6%	(59.7%)
New castle	-	-	-	-	-	-	-	20 888	70.3%	(100.0%)
Polokwane	54 269	12 456	23.0%	14 359	26.5%	26 815	49.4%	18 972	52.8%	(24.3%)
Rustenburg	79 116	15 850	20.0%	21 239	26.8%	37 089	46.9%	17 393	45.9%	22.1%
Sol Plaatje	38 467	8 354	21.7%	9 661	25.1%	18 015	46.8%	10 160	53.9%	(4.9%)
Stellenbosch	29 976	6 363	21.2%	7 767	25.9%	14 130	47.1%	5 910	41.3%	31.4%
Steve Tshwete	63 900	14 367	22.5%	16 925	26.5%	31 291	49.0%	14 494	50.9%	16.8%
Tlokw e	40 983	9 169	22.4%	8 864	21.6%	18 033	44.0%	7 419	44.8%	19.5%
uMhlatuze	71 409	17 590	24.6%	19 275	27.0%	36 866	51.6%	17 409	52.2%	10.7%
Total	1 070 319	210 929	19.7%	259 012	24.2%	469 941	43.9%	288 608	53.3%	(10.3%)

Source: National Treasury Local Government Database

Aggregated municipal debtors age analysis

Table 7a: National debtors age analysis for the 2nd quarter ended 31 December 2012

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Bad debt written off	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Debtor Age Analysis By Income Source												
Water	2 517 648	11.2%	965 138	4.3%	992 354	4.4%	18 056 613	80.1%	22 531 753	26.9%	202 893	.9%
Electricity	5 098 055	33.7%	1 181 405	7.8%	889 474	5.9%	7 978 715	52.7%	15 147 648	18.1%	95 021	.6%
Property Rates	3 100 142	15.4%	817 970	4.1%	903 803	4.5%	15 314 350	76.1%	20 136 265	24.1%	142 816	.7%
Sanitation	902 849	11.2%	328 637	4.1%	357 289	4.4%	6 503 582	80.4%	8 092 357	9.7%	89 889	1.1%
Refuse Removal	552 136	9.0%	215 883	3.5%	287 742	4.7%	5 091 391	82.8%	6 147 151	7.3%	92 058	1.5%
Other	214 117	1.8%	323 764	2.8%	260 102	2.2%	10 862 247	93.2%	11 660 231	13.9%	175 973	1.5%
Total By Income Source	12 384 946	14.8%	3 832 798	4.6%	3 690 763	4.4%	63 806 898	76.2%	83 715 405	100.0%	798 650	1.0%
Debtor Age Analysis By Customer Group												
Government	601 513	13.3%	220 858	4.9%	242 483	5.4%	3 441 708	76.4%	4 506 562	5.4%	30 134	.7%
Business	5 283 219	29.1%	1 164 436	6.4%	894 406	4.9%	10 795 426	59.5%	18 137 488	21.7%	92 187	.5%
Households	6 014 442	11.5%	2 101 480	4.0%	2 187 115	4.2%	42 159 408	80.4%	52 462 444	62.7%	605 864	1.2%
Other	485 772	5.6%	346 024	4.0%	366 759	4.3%	7 410 356	86.1%	8 608 911	10.3%	70 465	.8%
Total By Customer Group	12 384 946	14.8%	3 832 798	4.6%	3 690 763	4.4%	63 806 898	76.2%	83 715 405	100.0%	798 650	1.0%

Source: National Treasury Local Government Database

Debtors' age analysis for the metros

Table 7b: Metros debtors age analysis for the 2nd quarter ended 31 December 2012

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
December 2012										
Buffalo City	170 071	16.9%	65 734	6.5%	44 944	4.5%	725 717	72.1%	1 006 466	2.1%
Cape Town	1 398 392	22.0%	186 968	2.9%	91 912	1.4%	4 689 411	73.7%	6 366 683	13.5%
Ekurhuleni Metro	1 159 798	13.9%	516 651	6.2%	320 739	3.8%	6 374 264	76.1%	8 371 451	17.7%
eThekwini	684 609	12.3%	352 009	6.3%	158 841	2.8%	4 388 171	78.6%	5 583 630	11.8%
City Of Johannesburg	2 642 551	16.0%	736 867	4.5%	814 388	4.9%	12 323 021	74.6%	16 516 826	34.9%
Mangaung	315 838	15.0%	161 740	7.7%	110 272	5.3%	1 511 653	72.0%	2 099 503	4.4%
Nelson Mandela Bay	783 199	34.7%	134 882	6.0%	73 376	3.3%	1 264 001	56.0%	2 255 458	4.8%
City Of Tshwane	1 326 136	26.1%	117 184	2.3%	179 168	3.5%	3 464 374	68.1%	5 086 861	10.8%
Total	8 480 593	17.9%	2 272 035	4.8%	1 793 639	3.8%	34 740 612	73.5%	47 286 879	12.5%
December 2011										
Buffalo City	155 845	17.8%	59 819	6.8%	38 783	4.4%	619 792	70.9%	874 240	2.0%
Cape Town	1 165 676	19.8%	191 542	3.3%	140 407	2.4%	4 393 539	74.6%	5 891 164	13.2%
Ekurhuleni Metro	1 123 358	11.5%	468 913	4.8%	290 693	3.0%	7 915 263	80.8%	9 798 226	22.0%
eThekwini	1 049 185	18.5%	396 791	7.0%	189 897	3.4%	4 023 419	71.1%	5 659 292	12.7%
City Of Johannesburg	2 631 168	19.0%	162 655	1.2%	89 878	0.6%	10 985 984	79.2%	13 869 684	31.2%
Mangaung	104 792	6.6%	166 708	10.5%	154 229	9.7%	1 156 649	73.1%	1 582 378	3.6%
Nelson Mandela Bay	747 001	37.0%	94 994	4.7%	24 833	1.2%	1 154 641	57.1%	2 021 469	4.5%
City Of Tshwane	1 123 106	23.5%	133 841	2.8%	109 379	2.3%	3 412 981	71.4%	4 779 307	10.7%
Total	8 100 132	18.2%	1 675 262	3.8%	1 038 098	2.3%	33 662 268	75.7%	44 475 760	12.5%
Movement between 31 December 2011 and 31 December 2012										
Buffalo City	14 226		5 915		6 161		105 925		132 227	
Cape Town	232 715		(4 574)		(48 494)		295 872		475 519	
Ekurhuleni Metro	36 440		47 738		30 046		(1 540 999)		(1 426 775)	
eThekwini	(364 576)		(44 782)		(31 055)		364 752		(75 662)	
City Of Johannesburg	11 383		574 212		724 510		1 337 038		2 647 142	
Mangaung	211 046		(4 968)		(43 958)		355 005		517 125	
Nelson Mandela Bay	36 198		39 888		48 543		109 360		233 989	
City Of Tshwane	203 029		(16 657)		69 789		51 393		307 555	
Total	380 461		596 773		755 541		1 078 344		2 811 120	
Growth rate Q2 of 2011/12 to Q2 of 2012/13										
Buffalo City	9.1%		9.9%		15.9%		17.1%		15.1%	
Cape Town	20.0%		(2.4%)		(34.5%)		6.7%		8.1%	
Ekurhuleni Metro	3.2%		10.2%		10.3%		(19.5%)		(14.6%)	
eThekwini	(34.7%)		(11.3%)		(16.4%)		9.1%		(1.3%)	
City Of Johannesburg	0.4%		353.0%		806.1%		12.2%		19.1%	
Mangaung	201.4%		(3.0%)		(28.5%)		30.7%		32.7%	
Nelson Mandela Bay	4.8%		42.0%		195.5%		9.5%		11.6%	
City Of Tshwane	18.1%		(12.4%)		63.8%		1.5%		6.4%	
Total	4.7%		35.6%		72.8%		3.2%		6.3%	

Source: National Treasury Local Government Database

Table 7c: Metro debtors age analysis by customer group for the 2nd quarter ended 31 December 2012

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Bad debt written off	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Debtor Age Analysis By Customer Group												
Government	220 716	18.2%	64 575	5.3%	(32 950)	(2.7%)	962 705	79.2%	1 215 046	2.6%	336	-
Business	3 957 463	29.4%	808 149	6.0%	620 898	4.6%	8 063 266	60.0%	13 449 777	28.4%	258	-
Households	4 284 820	14.4%	1 267 716	4.3%	1 137 322	3.8%	23 011 870	77.5%	29 701 728	62.8%	1 591	-
Other	17 593	.6%	131 595	4.5%	68 369	2.3%	2 702 771	92.6%	2 920 328	6.2%	33 674	1.2%
Total By Customer Group	8 480 593	17.9%	2 272 035	4.8%	1 793 639	3.8%	34 740 612	73.5%	47 286 879	100.0%	35 860	.1%

Source: National Treasury Local Government Database

Debtors' age analysis for secondary cities

Table 8a: 19 Secondary cities debtors age analysis for the 2nd quarter ended 31 December 2012

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
City Of Matlosana	87 805	9.2%	44 850	4.7%	26 675	2.8%	792 329	83.3%	951 659	6.2%
Drakenstein	77 430	26.5%	16 435	5.6%	10 168	3.5%	187 620	64.3%	291 653	1.9%
Emalahleni (Mp)	100 058	11.6%	41 321	4.8%	34 474	4.0%	689 544	79.7%	865 397	5.6%
Emfuleni	197 114	6.6%	156 250	5.2%	90 482	3.0%	2 548 613	85.2%	2 992 458	19.5%
George	48 607	37.1%	5 522	4.2%	4 414	3.4%	72 388	55.3%	130 931	0.9%
Gov an Mbeki	25 864	4.0%	15 088	2.3%	15 222	2.4%	587 245	91.3%	643 419	4.2%
Madibeng	73 225	8.5%	53 552	6.2%	38 067	4.4%	700 729	81.0%	865 573	5.6%
Matjhabeng	102 201	6.0%	65 029	3.8%	50 728	3.0%	1 472 658	87.1%	1 690 617	11.0%
Mbombela	66 348	14.6%	1 236	0.3%	21 036	4.6%	367 153	80.6%	455 773	3.0%
Mogale City	255 133	28.6%	15 392	1.7%	14 354	1.6%	606 892	68.1%	891 771	5.8%
Msunduzi	301 624	23.8%	58 010	4.6%	34 553	2.7%	875 511	69.0%	1 269 697	8.3%
New castle	55 962	6.3%	32 262	3.7%	26 926	3.0%	768 013	87.0%	883 164	5.7%
Polokwane	69 552	14.7%	35 601	7.5%	25 596	5.4%	341 077	72.3%	471 826	3.1%
Rustenburg	186 443	11.3%	98 737	6.0%	57 700	3.5%	1 300 097	79.1%	1 642 978	10.7%
Sol Plaatje	69 757	10.3%	62 247	9.2%	28 753	4.3%	513 561	76.2%	674 318	4.4%
Stellenbosch	29 942	22.0%	6 880	5.1%	3 189	2.3%	95 927	70.6%	135 938	0.9%
Steve Tshwete	31 205	48.1%	5 193	8.0%	3 088	4.8%	25 355	39.1%	64 840	0.4%
Tlokwe	53 906	31.7%	5 662	3.3%	6 436	3.8%	103 972	61.2%	169 976	1.1%
uMhlatuze	176 100	64.0%	30 809	11.2%	5 705	2.1%	62 483	22.7%	275 096	1.8%
Total	2 008 276	13.1%	750 078	4.9%	497 564	3.2%	12 111 165	78.8%	15 367 084	5.3%

Source: National Treasury Local Government Database

Table 8b: 19 Secondary cities debtors age analysis by customer group for the 2nd quarter ended 31 December 2012

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Bad debt written off	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Customer Group												
Government	64 203	9.4%	66 353	9.7%	24 956	3.6%	528 957	77.3%	684 469	4.5%	-	-
Business	867 827	38.6%	195 849	8.7%	88 322	3.9%	1 095 196	48.7%	2 247 194	14.6%	-	-
Households	927 423	8.6%	425 948	3.9%	333 826	3.1%	9 122 755	84.4%	10 809 952	70.3%	-	-
Other	148 824	9.2%	61 929	3.8%	50 460	3.1%	1 364 256	83.9%	1 625 469	10.6%	-	-
Total	2 008 276	13.1%	750 078	4.9%	497 564	3.2%	12 111 165	78.8%	15 367 084	100.0%	-	-

Source: National Treasury Local Government Database

Collection rates

Table 9: National collection rates as at 31 December 2012

Description	2011/12	Budget year 2012/13			
		Audited	Original	Q1 Sept	Q2 Dec
R thousands	Outcome	Budget	Actual	Actual	Actual
Collection Rate	84.84	92.34	84.69	98.93	91.11
Property rates	141.56	86.34	72.14	97.36	82.91
Service charges	66.42	94.67	90.94	100.25	95.24
Service charges - electricity revenue	67.03	94.31	90.68	97.77	93.88
Service charges - water revenue	60.46	89.08	86.09	95.95	91.16
Service charges - sanitation revenue	61.67	87.36	71.69	93.17	80.20
Service charges - refuse revenue	68.05	96.87	71.98	85.68	78.21
Service charges - other	142.71	(216.94)	(138.55)	(246.02)	(180.01)
Interest earned - outstanding debtors	59.16	71.49	38.20	66.91	49.71

Source: National Treasury Local Government Database

Aggregated municipal creditors age analysis

Table 10: Creditor Age Analysis for the 2nd quarter as at 31 December 2012

R thousands	0 - 30 Days		30 - 60 Days		60 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Eastern Cape	604 739	74.0%	45 389	5.6%	43 478	5.3%	123 354	15.1%	816 960	5.5%
Free State	328 692	20.6%	85 275	5.3%	126 284	7.9%	1 057 161	66.2%	1 597 411	10.8%
Gauteng	5 830 398	98.3%	30 037	0.5%	20 162	0.3%	52 086	0.9%	5 932 683	40.3%
KwaZulu-Natal	1 710 150	64.5%	79 508	3.0%	119 740	4.5%	743 858	28.0%	2 653 256	18.0%
Limpopo	469 651	67.9%	13 893	2.0%	22 532	3.3%	186 108	26.9%	692 183	4.7%
Mpumalanga	533 884	37.9%	61 162	4.3%	203 448	14.4%	610 137	43.3%	1 408 630	9.6%
Northern Cape	90 460	47.7%	9 578	5.0%	8 039	4.2%	81 695	43.0%	189 771	1.3%
North West	277 924	31.3%	63 274	7.1%	80 534	9.1%	465 257	52.5%	886 989	6.0%
Western Cape	482 281	85.9%	18 833	3.4%	31 817	5.7%	28 342	5.0%	561 273	3.8%
Total	10 328 178	70.1%	406 949	2.8%	656 033	4.5%	3 347 997	22.7%	14 739 156	100.0%

Source: National Treasury Local Government Database

Conditional grants transfers, payments and expenditure as at 31 December 2012

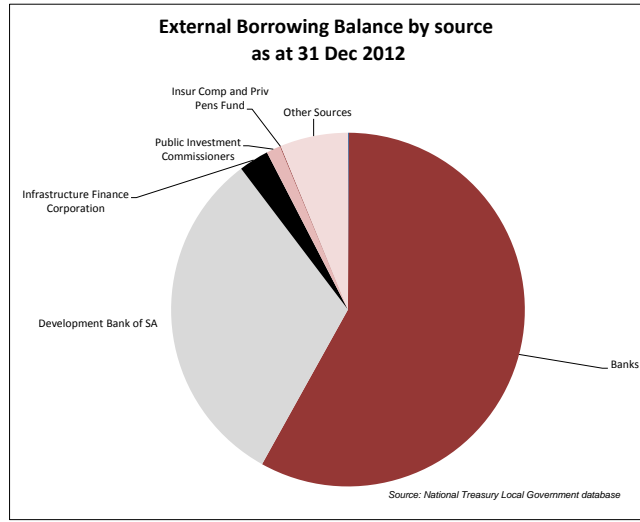
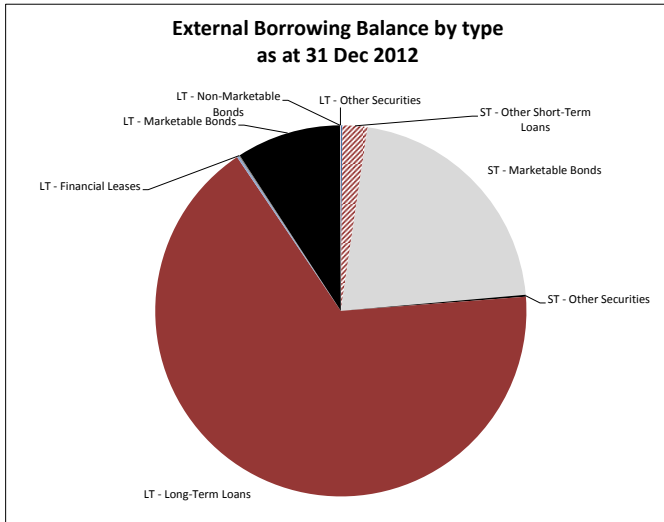
2nd QUARTER ENDED 31 DECEMBER 2012

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

AGGREGATED INFORMATION FOR ALL MUNICIPALITIES

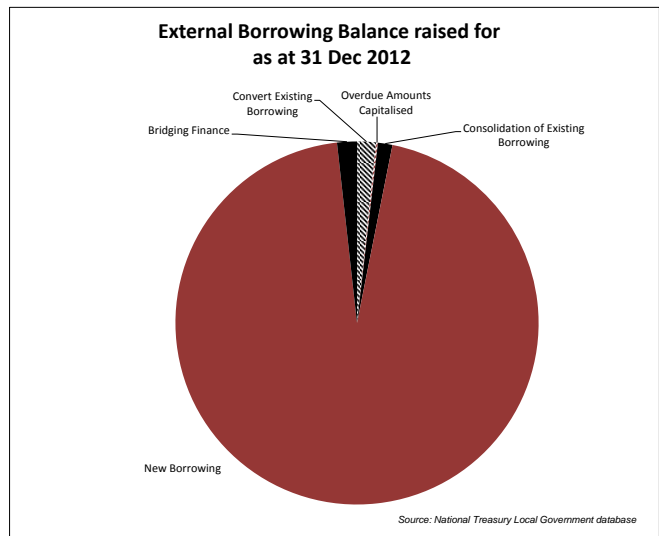
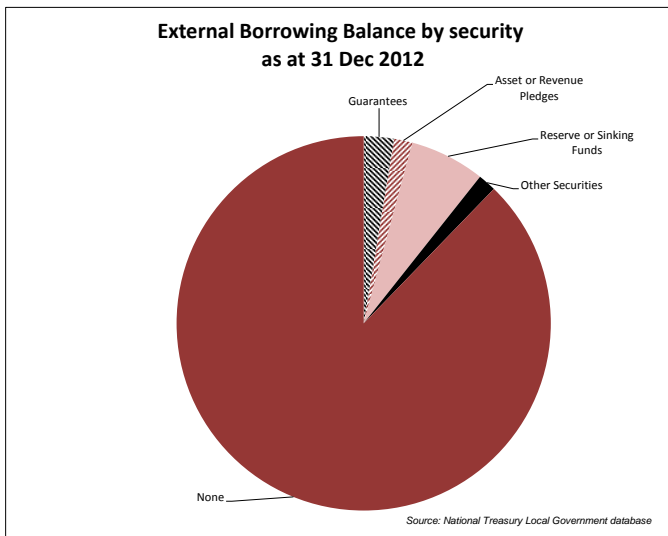
	Division of revenue Act No. 5 of 2012	Adjustment (Mid year)	Other Adjustments	Total Available 2012/13	Year to date		First Quarter		Second Quarter		YTD Expenditure		% Changes from 1st to 2nd Q		% Changes for the 2nd Q		Approved Roll Over		
					Approved payment schedule	Transferred to municipalities for direct grants	Actual expenditure National Department by 30 September 2012	Actual expenditure by municipalities by 30 September 2012	Actual expenditure National Department by 31 December 2012	Actual expenditure by municipalities by 31 December 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 2012/13	YTD expenditure by municipalities	
R thousands																			
National Treasury (Vote 10)																			
Local Government Financial Management Grant	402 753	-	-	402 753	402 753	402 753	99 332	88 063	93 216	89 386	192 548	177 449	(6.2%)	1.5%	47.8%	44.1%	-	-	
Infrastructure Skills Development Grant	75 460	-	-	75 460	75 460	28 530	11 449	11 253	7 859	19 308	12 698	(31.4%)	(87.2%)	25.6%	16.8%	-	-		
Neighbourhood Development Partnership (Schedule 6)	578 132	-	-	578 132	327 231	326 961	70 874	76 401	77 927	141 876	148 801	218 277	10.0%	85.7%	25.7%	37.8%	-	-	
Neighbourhood Development Partnership (Schedule 7)	80 000	-	-	80 000	49 316	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-Total Vote	1 136 345	-	-	1 136 345	808 330	758 244	181 655	175 716	179 002	232 708	360 657	408 424	(1.5%)	32.4%	34.1%	38.7%	-	-	
Cooperative Governance (Vote 3)																			
Municipal Systems Improvement Grant	230 096	-	-	230 096	230 096	230 096	10 651	44 736	17 005	56 178	27 656	100 913	59.7%	25.6%	12.0%	43.9%	-	-	
Disaster Relief Funds	14 200	-	-	14 200	14 200	14 200	-	-	-	-	-	-	-	-	-	-	-	-	
Internally Displaced People Management Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-Total Vote	244 296	-	-	244 296	244 296	244 296	10 651	44 736	17 005	56 178	27 656	100 913	59.7%	25.6%	11.3%	41.3%	-	-	
Transport (Vote 37)																			
Public Transport Infrastructure and Systems Grant	4 988 103	-	-	4 988 103	1 821 484	1 811 484	358 714	376 164	927 176	846 175	1 285 890	1 222 340	158.5%	124.9%	25.8%	24.5%	-	-	
Rural Transport Grant	37 295	-	-	37 295	37 295	37 295	10 902	4 997	10 561	13 042	21 463	18 039	(3.1%)	161.0%	57.5%	48.4%	-	-	
Sub-Total Vote	5 025 398	-	-	5 025 398	1 858 779	1 848 779	369 616	381 161	937 737	859 217	1 307 353	1 240 378	153.7%	125.4%	26.0%	24.7%	-	-	
Public Works (Vote 6)																			
Expanded Public Works Programme Integrated Grant (Municipality)	599 240	-	-	599 240	419 447	443 632	29 782	114 925	100 219	156 734	130 001	271 659	236.5%	36.4%	21.7%	45.3%	-	-	
Sub-Total Vote	599 240	-	-	599 240	419 447	443 632	29 782	114 925	100 219	156 734	130 001	271 659	236.5%	36.4%	21.7%	45.3%	-	-	
Energy (Vote 29)																			
Integrated National Electrification Programme (Municipal) Grant	1 151 443	-	-	1 151 443	1 052 830	959 036	127 655	219 342	140 589	249 560	268 244	468 902	10.1%	13.8%	23.3%	40.7%	-	-	
National Electrification Programme (Allocation in-kind) Grant	1 879 368	-	-	1 879 368	1 568 187	-	-	-	-	-	-	-	-	-	-	-	-	-	
Backlogs in the Electrification of Clinics and Schools (Allocation in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Electricity Demand Side Management (Municipal) Grant	200 000	-	-	200 000	147 000	118 000	-	11 828	-	13 906	-	25 734	-	17.6%	-	12.9%	-	-	
Electricity Demand Side Management (Eskom) Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-Total Vote	3 230 811	-	-	3 230 811	2 768 017	1 077 036	127 655	231 170	140 589	263 466	268 244	494 636	10.1%	14.0%	19.8%	36.6%	-	-	
Water Affairs (Vote 38)																			
Backlogs in Water and Sanitation at Clinics and Schools Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Implementation of Water Services Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Regional Bulk Infrastructure Grant	2 516 641	-	-	2 516 641	2 015 063	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water Services Operating and Transfer Subsidy Grant (Schedule 6)	562 434	-	-	562 434	391 935	323 705	83 513	182 011	110 262	152 654	193 775	334 665	32.0%	(16.1%)	34.5%	59.5%	-	-	
Water Services Operating and Transfer Subsidy Grant (Schedule 7)	132 598	-	-	132 598	99 432	-	-	-	-	-	-	-	-	-	-	-	-	-	
Municipal Drought Relief Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-Total Vote	3 211 673	-	-	3 211 673	2 506 430	323 705	83 513	182 011	110 262	152 654	193 775	334 665	32.0%	(16.1%)	34.5%	59.5%	-	-	
Sport and Recreation South Africa (Vote 19)																			
2010 World Cup Host City Operating Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2010 FIFA World Cup Stadiums Development Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-Total Vote	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Human Settlements (Vote 31)																			
Rural Households Infrastructure Grant	479 500	-	-	479 500	348 000	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-Total Vote	479 500	-	-	479 500	348 000	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-Total	13 927 263	-	-	13 927 263	8 953 299	4 695 692	802 872	1 129 719	1 484 814	1 720 957	2 287 686	2 850 676	84.9%	52.3%	25.9%	32.3%	-	-	
Cooperative Governance (Vote 3)																			
Municipal Infrastructure Grant	13 881 633	-	-	13 881 633	9 995 949	10 047 227	2 321 958	2 135 261	2 519 951	2 700 609	4 841 909	4 835 870	8.5%	26.5%	34.9%	34.8%	-	-	
Sub-Total Vote	13 881 633	-	-	13 881 633	9 995 949	10 047 227	2 321 958	2 135 261	2 519 951	2 700 609	4 841 909	4 835 870	8.5%	26.5%	34.9%	34.8%	-	-	
Sub-Total	13 881 633	-	-	13 881 633	9 995 949	10 047 227	2 321 958	2 135 261	2 519 951	2 700 609	4 841 909	4 835 870	8.5%	26.5%	34.9%	34.8%	-	-	
Total	27 808 896	-	-	27 808 896	18 949 248	14 742 919	3 124 830	3 264 981	4 004 765	4 421 565	7 129 595	7 686 546	28.2%	35.4%	31.4%	33.8%	-	-	

Borrowing instruments



Type	Balance (R'000)
ST - Bank Overdraft	63 822
ST - Other Short-Term Loans	1 027 487
ST - Marketable Bonds	10 065 540
ST - Non-Marketable Bonds	
ST - Other Securities	78 580
LT - Long-Term Loans	31 542 247
LT - Instalment Credit	81 971
LT - Financial Leases	45 572
LT - Marketable Bonds	4 300 000
LT - Non-Marketable Bonds	6 805
LT - Other Securities	28 880
TOTAL	47 240 904

Source	Balance (R'000)
General Public	43 891
Banks	27 389 981
Development Bank of SA	14 929 691
Infrastructure Finance Corporation	1 298 554
Public Investment Commissioners	609 714
Insur Comp and Priv Pens Fund	35 095
Municipal Pension Funds	96
Other Public Pension Funds	
Unit Trusts	
Internal Funds	690
Other Sources	2 933 192
TOTAL	47 240 904



Security	Balance (R'000)
Guarantees	1 233 793
Asset or Revenue Pledges	749 815
Bond Insurance	
Reserve or Sinking Funds	3 061 336
Other Securities	739 983
None	41 455 977
TOTAL	47 240 904

Raised For	Balance (R'000)
Convert Existing Borrowing	780 683
Overdue Amounts Capitalised	76 761
Consolidation of Existing Borrowing	602 441
New Borrowing	44 304 572
Bridging Finance	822 095
Other	654 352
TOTAL	47 240 904