

MUNICIPALITIES MEETING CRITERIA FOR DETERMINING SERIOUS FINANCIAL PROBLEMS IN TERMS OF SECTION 138 & 140 OF THE MFMA																												
MFMA s138 Triggers Q4 2021/22										Q4			2021/22			JUN-22			MFMA s140 Triggers (SEVERE) based on Pro-Rata Adjusted Budget Q4 2021/22			MFMA s140 Triggers (SEVERE) Based on Full Year Adjusted Budget Q4 2021/22			State of LG Finance & Fin Management Report			
0%										0%			0%			0%			0%			2019/20						
LEGEND										s140 Trigger Index			s140 Trigger Index			s140 Trigger Index			s140 Trigger Index			Financial Distress						
No Triggers										Failure to make any other payment > 2% of operating expenditure (s140)(2)(c)			Failure to make any other payment > 2% of operating expenditure (s140)(2)(c)			Failure to make any other payment > 40% of operating expenditure (s140)(2)(c)			Failure to make any other payment > 40% of operating expenditure (s140)(2)(c)			Financial Distress						
1. 1 Trigger										s140 Trigger Index			s140 Trigger Index			s140 Trigger Index			s140 Trigger Index			Financial Distress						
2. 2 Triggers										s140 Trigger Index			s140 Trigger Index			s140 Trigger Index			s140 Trigger Index			Financial Distress						
3 & 4 Triggers										s140 Trigger Index			s140 Trigger Index			s140 Trigger Index			s140 Trigger Index			Financial Distress						
224 67.2%										82.1%			51.0%			23.7%			68.1%									
Code	Name	No of	CAP	CAT	176	77	116	38	211	ESKOM > 2% Opex	Water Boards > 2% Opex	Total creditors > 2% Opex	s140 Trigger Index	ESKOM > 2% Opex	Water Boards > 2% Opex	Total creditors > 2% Opex	s140 Trigger Index	ESKOM > 40% Opex	Water Boards > 40% Opex	Total creditors > 40% Opex	s140 Trigger Index	ESKOM > 40% Opex	Water Boards > 40% Opex	Total creditors > 40% Opex	s140 Trigger Index	Financial Distress	Financial Distress	
A	ETHU	2	H	A	TRUE	-	-	-	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	1	
B	KZN212	Umdoni	1	M	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN213	Umsombe	1	L	B4	-	-	-	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN214	uMuzwabantu	1	L	B3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN216	Ray Nkonyeni	1	H	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	DC21	Uuu	3	H	C2	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN221	uMshwathi	1	L	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN222	uMngeni	2	M	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN223	uMngeni	2	M	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN224	uMngeni	2	L	B3	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	TRUE	-	TRUE	TRUE	1	TRUE	-	TRUE	TRUE	1	TRUE	-	TRUE	1	TRUE
B	KZN225	Msunduzi	3	H	B1	TRUE	-	-	-	-	TRUE	TRUE	1	TRUE	TRUE	TRUE	1	TRUE	TRUE	1	TRUE	TRUE	1	TRUE	-	TRUE	1	TRUE
B	KZN226	Mkhambathini	1	M	B3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN227	Richmond	2	L	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	9522	uMgungundlovu	2	M	C2	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN228	Okhahlamba	1	L	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN237	Inkosi Langhalele	1	M	B3	TRUE	TRUE	TRUE	TRUE	-	-	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN238	Alfred Duma	1	H	B2	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC23	Uthukela	3	M	C2	TRUE	-	-	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN241	Endumeni	3	M	B3	TRUE	-	-	-	-	TRUE	TRUE	1	TRUE	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN242	Nquthu	3	L	B4	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN244	Malinga	1	L	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN245	Umtsoyi	3	M	B3	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
C	DC24	Umzinyathi	3	L	C2	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN252	Newcastle	3	H	B1	TRUE	-	-	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN253	Emadlangeni	3	L	B3	TRUE	-	-	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN254	Dannhauser	2	L	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC25	Amajuba	3	L	C2	TRUE	-	-	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN261	Komani	1	L	B3	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN262	uPhondo	2	L	B4	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN263	Abaqulusi	3	L	B3	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN265	Nongoma	3	L	B4	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN266	Umtsoyi	3	L	B4	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	TRUE	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
C	DC26	Zululand	3	M	C2	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN271	uMhlabuyalingana	1	M	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN272	Jozini	2	L	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN275	Mtubatuba	2	L	B3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN276	Hlabisa Big Five	1	L	B3	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC27	uMkhanyakude	3	M	C2	TRUE	-	-	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	NO REPORTING	NO REPORTING	NO REPORTING	NO REPORTING	NO REPORTING	NO REPORTING	NO REPORTING	NO REPORTING
B	KZN281	Mfolozi	2	M	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN282	uMhlathuze	3	H	B1	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN284	uMhlathuze	2	L	B4	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	
B	KZN285	Mthokozani	2	L	B3	TRUE	-	-	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	
B	KZN286	Nkandla	1	M	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC28	King Cetshwayo	3	H	C2	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-
B	KZN291	Mandeni	1	L	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN292	KwaDukuza	1	H	B2	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN293	Ndwedwe	1	L	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN294	Mashayela	3	M	B4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC29	iLembe	3	L	C2	TRUE	-	-	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	
B	KZN433	Greater Kokstad	1	L	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	KZN434	Ubuhlebezwe	2	L	B4	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	
B	KZN435	Umzimkhulu	1	M	B4	NO REPORTING	TRUE	TRUE	-	-	NO REPORTING	TRUE	1	-	-	NO REPORTING	TRUE	1	-	-	NO REPORTING	NO REPORTING	NO REPORTING	NO REPORTING	NO REPORTING	NO REPORTING	NO REPORTING	
B	KZN436	Dr Nkosazana Dlamini Zuma	1	M	B3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C	DC30	Harry Gwala	2	L	C2	TRUE	TRUE	TRUE	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	
LIMPOPO																												
B	LIM331	Greater Giyani	2	L	B4	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	LIM332	Greater Letaba	2	L	B4	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	LIM333	Greater Tzaneen	1	H	B4	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	LIM334	Ba-Phealaborwa	3	M	B3	TRUE	-	-	-	-	TRUE	TRUE	1	-	-	TRUE	TRUE	1	-	-	-							

MUNICIPALITIES MEETING CRITERIA FOR DETERMINING SERIOUS FINANCIAL PROBLEMS IN TERMS OF SECTION 138 & 140 OF THE MFMA																																																
MFMA s138 Triggers Q4 2021/22										Q4			2021/22			JUN-22			MFMA s140 Triggers (SEVERE) based on Full Year Adjusted Budget Q4 2021/22			MFMA s140 Triggers (SEVERE) Based on Full Year Adjusted Budget Q4 2021/22			State of LG Finance & Fin Management Report																							
0%										0%			0%			0%			0%			2019/20																										
Failure to make payments as & when due (s138(a)) (90 days >)										Operating Deficit > 5% of total direct revenue (s138(d))			Negative / Outstanding Audit (s138(e) & (f))			Negative Cash Position - Two consecutive years (s138(h))			s138 Trigger index (Meeting 1 or more Criteria)			Failure to make any other payment > 2% of operating expenditure (s140(2)(c)) Jun-22			s140 Trigger index (Meeting 1 or more Criteria)			Failure to make any other payment > 2% of operating expenditure (s140(2)(c)) Jun-22			s140 Trigger index (Meeting 1 or more Criteria)			Failure to make any other payment > 40% of operating expenditure (s140(2)(c)) Jun-22			Severe s140 Trigger index (Meeting 1 or more Criteria)			Failure to make any other payment > 40% of operating expenditure (s140(2)(c)) Jun-22		Severe s140 Trigger index (Meeting 1 or more Criteria)		Financial Distress		Financial Distress Trigger Index		
2020/21										2020/21 Actual			2020/21 YTD			82.1%			ESKOM			Water Boards			Total creditors			51.0%			ESKOM			Water Boards			Total creditors			23.7%			61		175		175	
No Triggers										1 Trigger			2 Triggers			3 & 4 Triggers			224			67.2%																										
LEGEND	Number of Municipalities Meeting One or More Triggers Based on Adopted Budget	No of	CAP	CAT	176	77	116	38	211	77	74	106	131	77	74	106	131	42	14	52	61	42	14	52	61	42	14	52	61	175	175																	
CA	NW405	J B Marks	3	H	B1	TRUE	TRUE	TRUE	-	1	-	TRUE	-	1	-	TRUE	-	1	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	-	1															
C	DC45	Dr Kenneth Kaunda	-	M	C1	NO REPORTING	-	-	-	NO ELECT FUNCTIO	-	NO REPORTING	-	NO ELECT FUNCTIO	-	NO REPORTING	-	ELECT FUNCTION	-	NO REPORTING	-	NO ELECT FUNCTIO	-	NO REPORTING	-	NO ELECT FUNCTIO	-	NO REPORTING	-	-	-	-	-															
WESTERN CAPE																																																
A	CPT	Cape Town	1	H	A	TRUE	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC011	Matzikama	3	M	B3	TRUE	TRUE	TRUE	-	1	TRUE	TRUE	TRUE	1	TRUE	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	-	1															
B	WC012	Cederberg	3	L	B3	TRUE	TRUE	-	-	1	TRUE	-	1	TRUE	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	TRUE	-	1																
B	WC013	Bergervier	1	M	B3	TRUE	-	TRUE	-	1	-	NO REPORTING	-	-	-	NO REPORTING	-	-	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	-	-	-	-																
B	WC014	Saldanha Bay	-	H	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC015	Swartland	-	M	B3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	DC1	West Coast	1	M	C1	TRUE	-	-	-	1	-	NO REPORTING	-	-	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	-	-	-	-	-																
B	WC022	Witzenberg	1	L	B3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC023	Drakenstein	1	H	B1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	-	1																
B	WC024	Stellenbosch	1	H	B1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	-	1																
B	WC025	Breede Valley	-	H	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC026	Langeberg	-	M	B3	NO REPORTING	-	-	-	-	-	NO REPORTING	-	-	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	-	-	-	-	-	-															
B	DC2	Cape Winelands DM	-	M	C1	-	-	-	-	NO ELECT FUNCTIO	-	NO REPORTING	-	NO ELECT FUNCTIO	-	NO REPORTING	-	ELECT FUNCTION	-	NO REPORTING	-	NO ELECT FUNCTIO	-	NO REPORTING	-	NO ELECT FUNCTIO	-	NO REPORTING	-	-	-	-	-															
B	WC031	Theewaterskloof	-	M	B3	NO REPORTING	-	-	-	-	NO REPORTING	-	NO REPORTING	-	NO REPORTING	-	NO REPORTING	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	-	-	-	-	-	-															
B	WC032	Overstrand	-	H	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC033	Cape Aquinas	1	L	B3	NO REPORTING	-	TRUE	-	1	-	NO REPORTING	-	-	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	-	-	-	-	-																
B	WC034	Swellendam	-	L	B3	NO REPORTING	-	-	-	-	NO REPORTING	-	NO REPORTING	-	NO REPORTING	-	NO REPORTING	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	-	-	-	-	-	-															
C	DC3	Overberg	1	M	C1	-	-	-	-	NO ELECT FUNCTIO	-	NO REPORTING	-	NO ELECT FUNCTIO	-	NO REPORTING	-	ELECT FUNCTION	-	NO REPORTING	-	NO ELECT FUNCTIO	-	NO REPORTING	-	NO ELECT FUNCTIO	-	NO REPORTING	-	TRUE	-	1																
B	WC041	Kammanland	3	M	B3	TRUE	TRUE	TRUE	-	1	TRUE	-	1	TRUE	-	-	TRUE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC042	Hessequa	1	M	B3	TRUE	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC043	Mossel Bay	-	H	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC044	George	-	H	B1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC045	Oudtshoorn	1	M	B2	TRUE	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC047	Bitou	2	M	B3	TRUE	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	-	1																
B	WC048	Krystina	1	M	B2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	TRUE	-	1																
C	DC4	Garden Route	-	M	C1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC051	Lansburg	2	M	B3	NO REPORTING	-	TRUE	-	1	-	NO REPORTING	-	-	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	NO REPORTING	-	-	-	-	TRUE	-	1																
B	WC052	Prince Albert	-	M	B3	NO REPORTING	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-																
B	WC053	Beaufort West	3	M	B3	TRUE	-	TRUE	-	1	TRUE	TRUE	TRUE	1	TRUE	TRUE	TRUE	1	-	-	-	-	-	-	-	-	-	-	-	TRUE	-	1																
C	DC5	Central Karoo	2	M	C1	TRUE	TRUE	-	-	1	NO ELECT FUNCTIO	-	TRUE	1	NO ELECT FUNCTIO	-	TRUE	1	ELECT FUNCTION	-	-	NO ELECT FUNCTIO	-	-	NO ELECT FUNCTIO	-	-	-	-	-	-	-	-															

Source: N7 LG Database
 Sect 41 Reports received from Eskom, Water Boards & DWS