

WEBINAR | 15 APRIL 2025 | 10:00 AM - 12:30 PM



FROM YOUR POCKET TO PUBLIC SERVICES

Tracking Municipal Budgets

SECTION 71 LOCAL GOVERNMENT REPORT

Mandla Gilimani: Director, *LGBA* | 15 April 2025

Data - Citizens - Finance - Partnership



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Department:
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MUNICIPAL FINANCE MANAGEMENT ACT (MFMA) SECTION 71 REPORT

Data - Citizens - Finance - Partnership

Objective of Presentation

- To inform the public on the monthly reporting of Municipalities on their performance of financial affairs to the National Treasury and, in turn, to parliament.
- To empower the public so they can interpret the section 71 for their respective municipalities
- To inform on monitoring and accountability of financial matters
- To inform the public that NT uses the monthly and quarterly section 71 reports as a mechanism and as a monitoring tool to track performance and intervene where necessary
- To determine what types of financial management information would be useful for civil society to interact with and to publicise
- To make aware the importance of public funds, resource allocation transparency and accountability

Why is S71 of MFMA Necessary?

- To publish credible information on the performance of municipal budgets and conditional grants
- To monitor municipal spending patterns
- To assist with providing information for oversight by various stakeholders
- As SA is a signatory to the Open-Government-Partnership (OGP), the aim is to make financial matters more visible to civil society



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OUTLINE OF THIS PRESENTATION

1. Where are we heading?
2. Early warning systems
3. Reporting framework and timelines
4. What to look for in s71 reports
 - Billed revenue trends and growth in debtors
 - Expenditure analysis and growth in creditors
 - Capital expenditure analysis
 - Cash position of Municipalities
 - List of external loans
 - Monthly repairs and Maintenance
 - Over and under spending
5. Annexures



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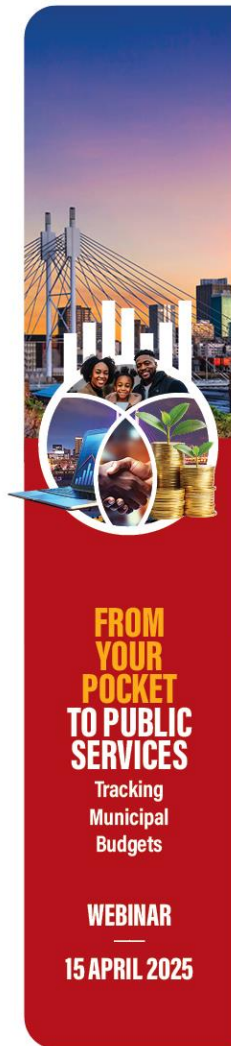
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1. WHERE ARE WE HEADING AN OVERVIEW OF LG

Significant progress has been achieved over the last 20 years, however, much more is required:

- Improve the quality of local government information to better inform national policy debates
- Ensure a credible budgeting process as a key ingredient to improve management by:
 - (a) *Facilitating alignment of budget to national priorities to improve service delivery outcomes*
 - (b) *Over time, correlate credible budget with audit outcomes*
- Prevent municipal financial difficulties before they occur through our early warning systems – to form basis of recovery plans
- Ensure comparability of information across municipalities to aid resource allocation decisions and to reduce the reporting burden to municipalities
- Strengthen the link between policy formulation, planning, budgeting, implementation, reporting and monitoring, i.e. accountability and service delivery



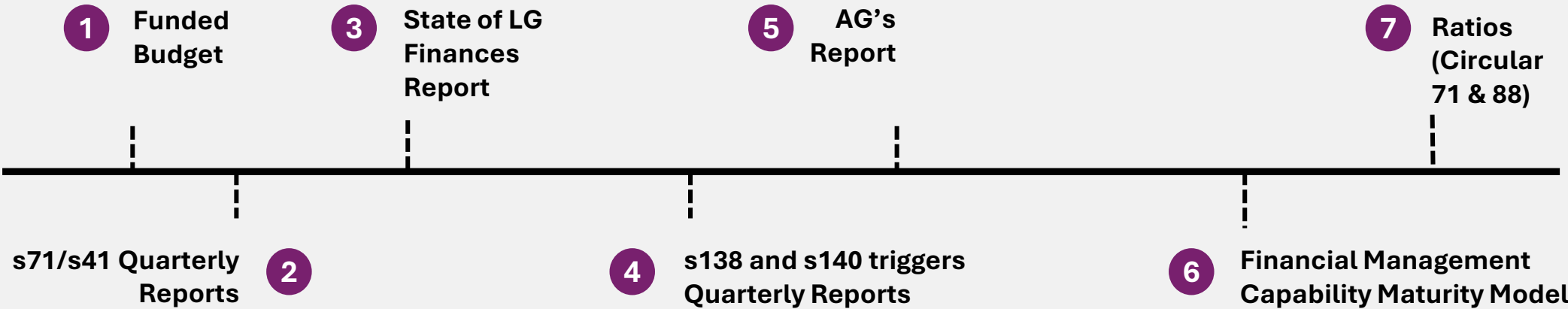
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2. EARLY WARNING SYSTEM MONITORING TOOLS

- Early Warning Systems exist to ensure monitoring of LG financials as depicted below
- These tools provide an opportunity to identify potential financial troubles **before** they escalate



EWS / Monitoring Tools

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3. REPORTING FRAMEWORK & TIMELINES

- Timely information on the state of municipal finances
- Areas of risk highlighted; “**Early Warning System**”
- Measures performance of municipalities aligned to National priorities
- Promotes the principles of accountability & transparency
- Proactive management of the budget in relation to actual performance
- Enables stakeholders to structure policy to the benefit of local government
- Assesses compliance to the legal framework; and
- Improves financial information pertaining to LG thereby strengthening the planning & budgeting capability



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3. REPORTING FRAMEWORK & TIMELINES – Cont. ANNUAL, QUARTERLY & MONTHLY REPORTING

- The reporting requirements for municipalities are specified in section 71 & 72 of the MFMA & the Municipal Budget and Reporting Regulations (MBRR)
- There are three concurrent streams for municipal reporting framework – prior year, current year and next MTREF cycle
- The MFMA guides on the timeframes which municipal budgets must be tabled and adopted. It also requires municipalities to adjust their budget half yearly to cater for revenue and expenditure adjustments.
- The MM should report monthly expenditure to the Mayor and quarterly to Council. This would allow the municipality to devise a strategy to deal with deviations should its revenue and expenditure plans not materialise
- Reasons for adjustments are narrated on a s72 form, which will also include the targets vs the mid-year performance
- At year-end an annual report is produced in which the annual performance of a municipality is determined including the opinion of the AG. The Annual Report is accessible to anyone interested which includes potential investors, citizens or residents.



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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS?

- s71 reports are critical for municipalities
- Flexibility to determine trends and analysis throughout the spheres of Government
- Formulation and contents of reports
- It is for citizens to interact with the report to better understand its information and to interpret the data
- Councilors must use this information to better debate on facts and figures

- 4a. Billed revenue trends and growth in debtors
- 4b. Operating expenditure analysis
- 4c. Capital expenditure analysis
- 4d. Growth in creditors
- 4e. Cash position of municipalities
- 4f. List of external loans
- 4g. Monthly repairs and maintenance expenditure
- 4h. Over and under spending



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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS? – Cont.

4a. Billed revenue and how does its trends/analysis look like

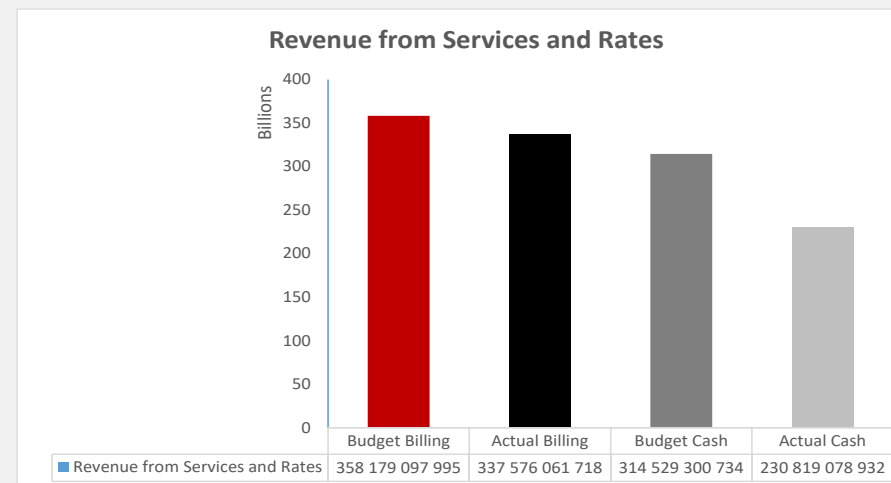
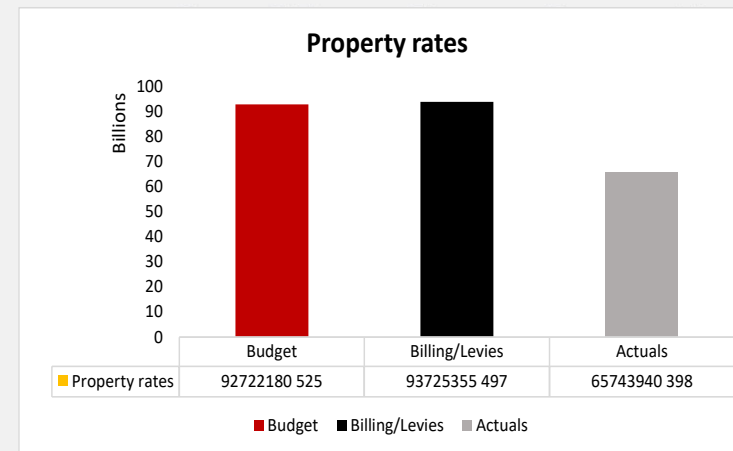
- For a municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. This can be derived from service charges, property rates and transfers
- The trend suggests that most municipalities bill mainly in the first quarter, as many municipalities facilitate annual billing

Why must citizens interact with the report?

- Citizen can observe the main source of revenue of their municipality
- To better understand its information and interpret the data

Why councilors must use this information

- Councillors can monitor trends to better convey to communities the municipal performance and encourage payment of services rendered
- To better debate on facts and figures at council meetings.



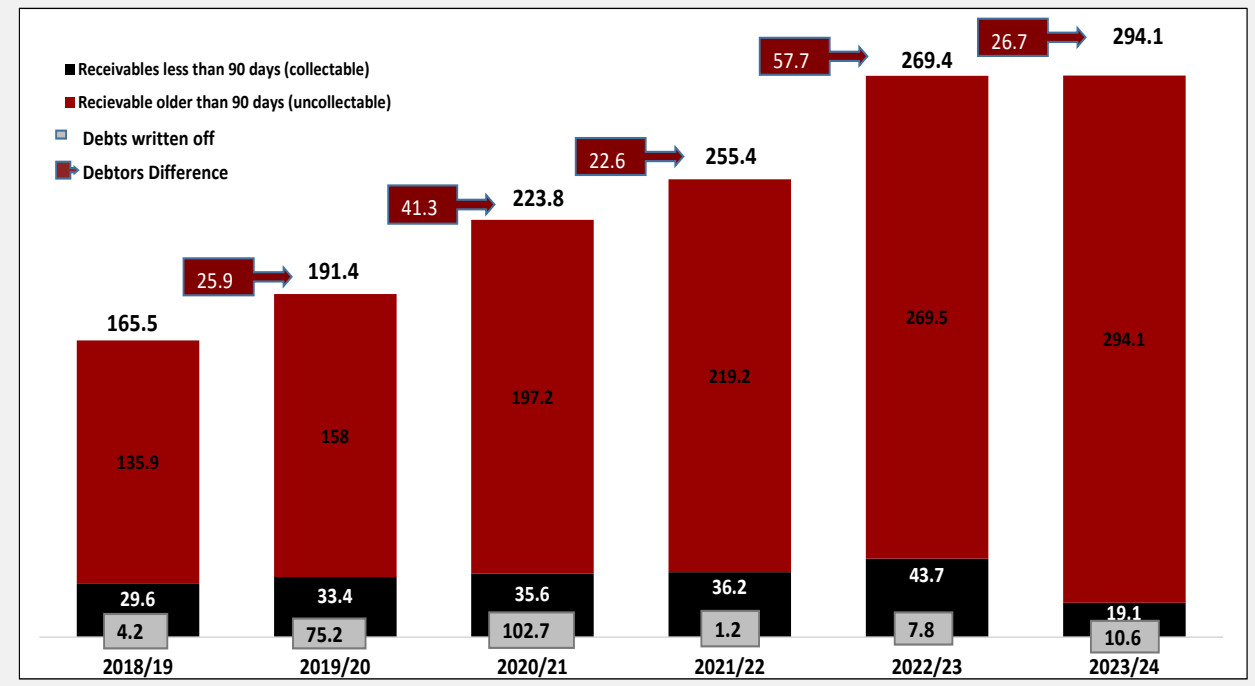
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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS? – Cont.

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Growth in Debt

- As a result of the increase in the culture of non-payment for services rendered by the municipality, there is visible growth in debtors (i.e., an increase in revenue owed to the municipality by mostly households, business, and organs of state)



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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS? – Cont.

4b. Operating expenditure and how does its trends/analysis look like

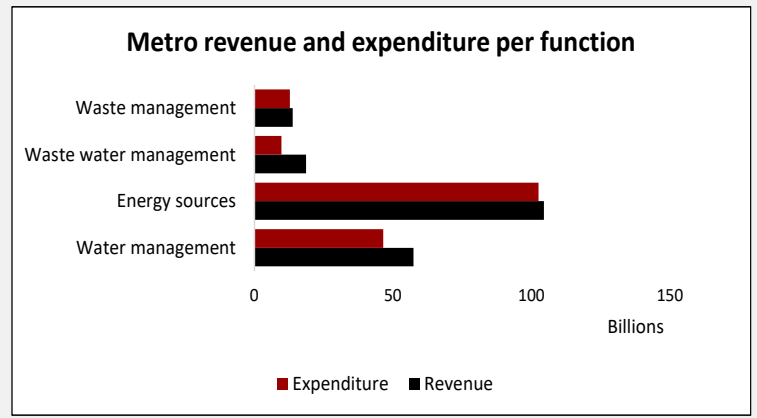
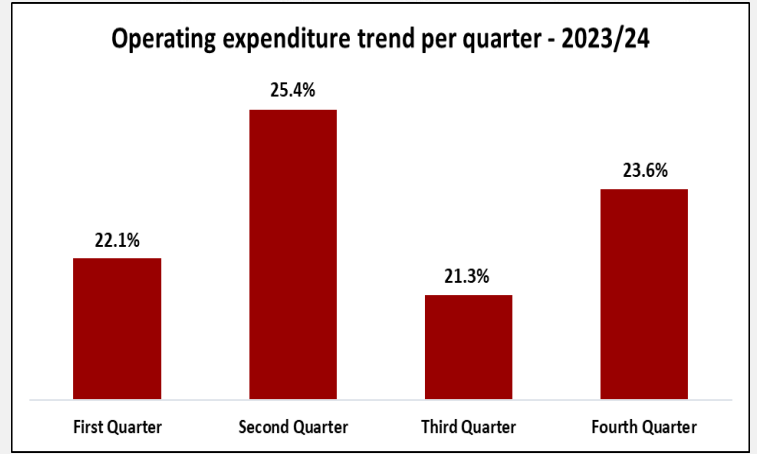
- These are day to day running costs of running a municipality which include employee related cost, bulk purchase to keep water and electricity on and costs spent on contractors.

Why must citizens interact with the report?

- Citizens must interact with the expenditure to keep their municipalities in check that they do not spend money on non-priority spending. For example, by paying exorbitant fees through consultants whereas there are well capable people permanently employed that can do the work done by consultants
- To better understand its information and to interpret the data

Why councilors must use this information

- Council are often guilty of putting expenditure pressures while the municipality is not making enough revenue for those expenditure pressures. They therefore have to be the ones that promotes cost containments especially when the municipality is struggling to collect revenue
- To better debate on facts and figures



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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS? – Cont.

4c. What is Capital expenditure and how does analysis look like

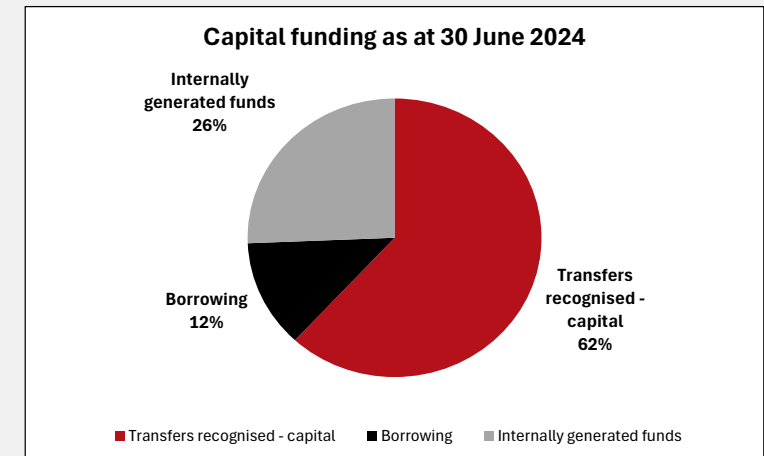
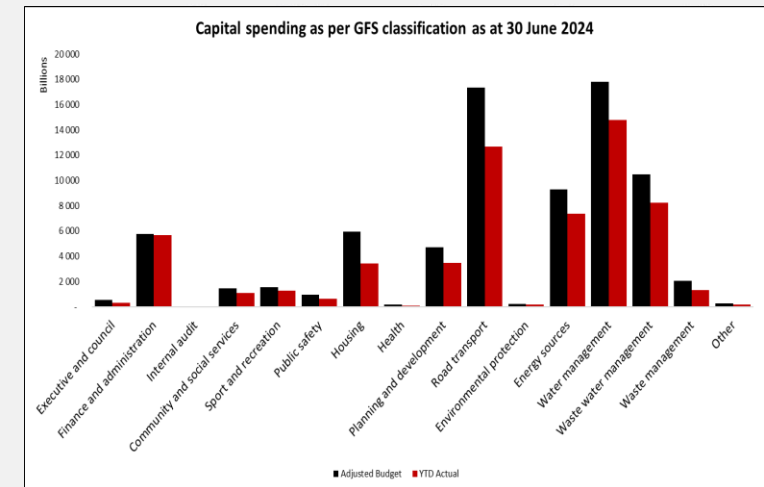
- Capital expenditure is spending on infrastructure such as water treatment works, roads and electricity substations.
- Most municipalities depend on grant from National Government to fund their capital budgets

Why must citizens interact with the report?

- The Citizens need to be aware of the infrastructure projects taking place in their space and need to know the source of funding for those projects
- to better understand its information and to interpret the data

Why councilors must use this information

- Council should use section 71 to track capital expenditure, and have mitigation measures when there are delays
- To better debate on facts and figures



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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS? – Cont.

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4d. Growth in creditors and how does its trends/analysis look like

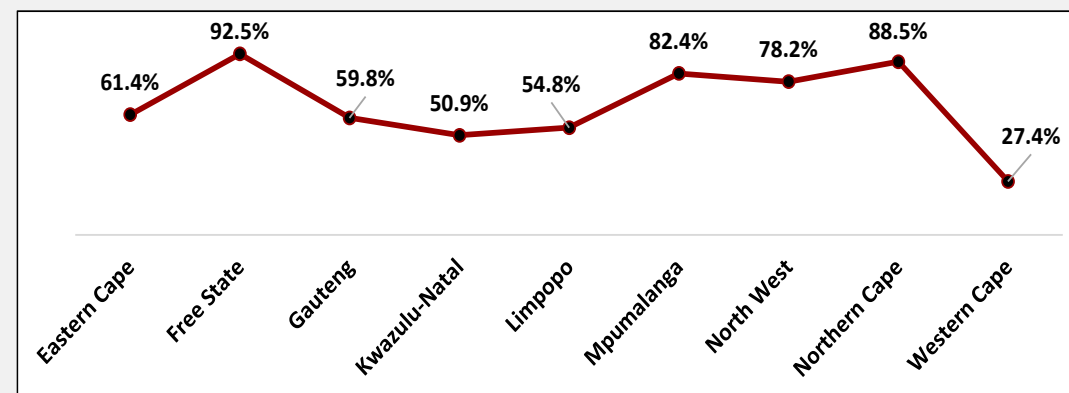
- Creditors refer to the amount is owed by the municipality to suppliers for the services rendered to a municipality

Why must citizens interact with the report?

- As citizens are responsible for paying for services, they must also keep the municipality in check that they pay creditors like Eskom and the Water Boards and third parties like SARS, AG and Pension Fund as there is a growing trend for a municipality struggles to balance funding choices they tend to ignore to pay for bulk services and would rather opt to pay for things like water tankers
- to better understand its information and to interpret the data

Why councilors must use this information

- For non-interruption of services Council should make sure that their municipality pays bulk suppliers current accounts
- To better debate on facts and figures



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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS? – Cont.

4e. Cash position of municipalities

What is a cash position?

- It is the bank balance of the municipality which includes cash and investments. It shows the ability of a municipality to pay liabilities and other current obligations

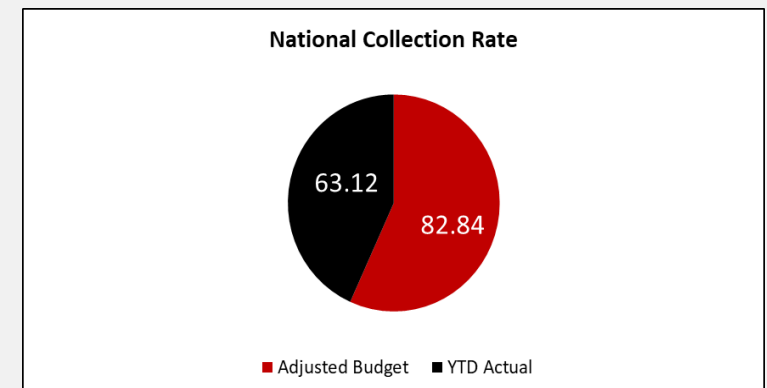
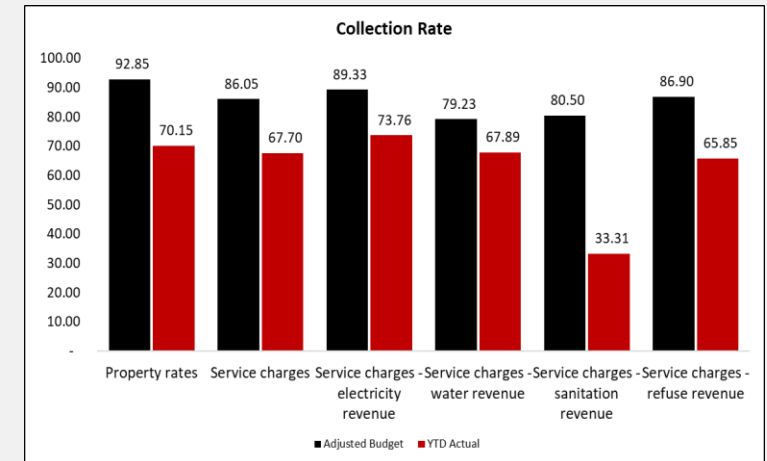
Why must citizens interact with the report?

- Public should interact with cash balances of their municipalities so that they can assess whether their municipality has enough cash to meet monthly fixed operations without collecting additional revenue in that month
- To better understand its information and to interpret the data

Why councillors must use this information

- Councillors should be empowered to interpret s71 reports and cash position of a municipality so that they are able to exercise their oversight responsibility. For example, should the municipality not be collecting enough revenue, Council can propose measures that can be taken to improve revenue collection, which might include making sure that they eradicate the culture of non-payment in their communities by advocating why communities should pay for services rendered by the municipality

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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS? – Cont.

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4f. List of external loans

- As part of the funding sources for infrastructure, municipalities are allowed to borrow up to 45% of their operating budget to invest in infrastructure projects, subject to a healthy cashflow position to repay the borrowing

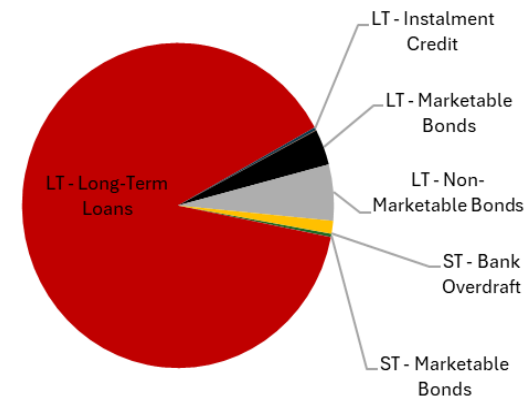
Why must citizens interact with the report?

- Public needs to know the financial position of their municipality, whether the municipality can borrow to fund infrastructure pressures
- To better understand its information and to interpret the data

Why councilors must use this information

- Council needs to be aware of the cash position of the municipality so that they can take a decision whether the municipality can borrow or not for the purpose of infrastructure generating assets
- To better debate on facts and figures

External Borrowing by Type as at 30 June 2024



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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS? – Cont.

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4f. List of external loans – Cont.

Types of external loans

- The list of external loans are stated and where ST refer to Short Term and LT to Long Term
- **Why citizens must interact with the report**
- Public needs to be aware that it is wrong for their municipality to borrow for operations. Municipalities should ideally borrow for revenue generating assets. Therefore, the type of borrowing undertaken by a municipality will indicate the borrowing approach and period.
- **Why councilors must use this information.**
- Council should be empowered to know which type of loan is good for the municipality that they can approve, subject to the ability of the municipality to repay such.
- To better debate on facts and figures

Type

ST - Bank Overdraft
 ST - Other Short-Term Loans
 ST - Marketable Bonds
 ST - Non-Marketable Bonds
 ST - Other Securities
 LT - Long-Term Loans
 LT - Instalment Credit
 LT - Financial Leases
 LT - Marketable Bonds
 LT - Non-Marketable Bonds
 LT - Other Securities

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4g. Monthly Repairs and Maintenance expenditure

Monthly repairs and maintenance expenditure

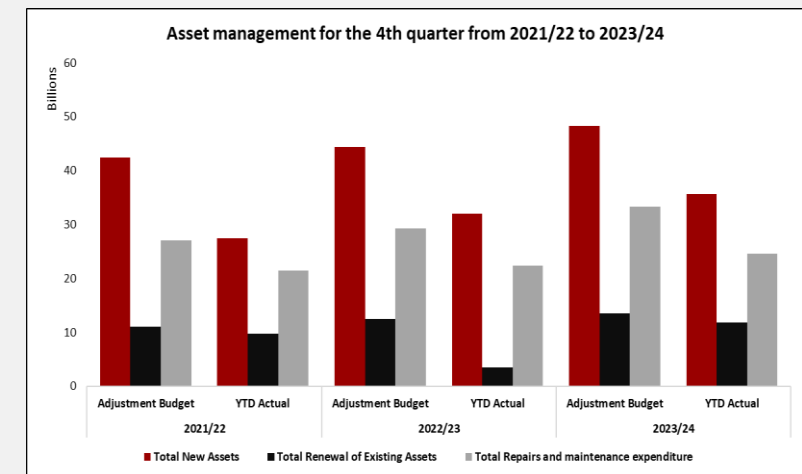
- In a municipal context asset management comprises of two distinct expenditure classifications, namely: operational repairs and maintenance, including preventative maintenance; and asset renewal as part of the capital infrastructure budget.
- Across all provinces; limited priority is given to this strategic spending area by municipalities. This directly contributes to significant inefficiencies within the system through, among others: increasing water and electricity losses; deficient reticulation infrastructure; service delivery disruptions; revenue losses etc.
- The municipalities are continuing to invest more on new assets instead of prioritising repairs and maintenance and renewal of existing assets.

Why citizens must interact with the report

- To keep municipal assets in good condition, citizens should ensure their municipality sets enough budget aside to look after the assets.

Why councilors must use this information.

- Council should ensure that before budget is approved, it has enough budget for maintenance of municipal assets



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4. WHAT TO LOOK FOR IN QUARTERLY S71 PUBLICATIONS? – Cont.

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4h. Over and under spending report

What is over and under spending and its analysis

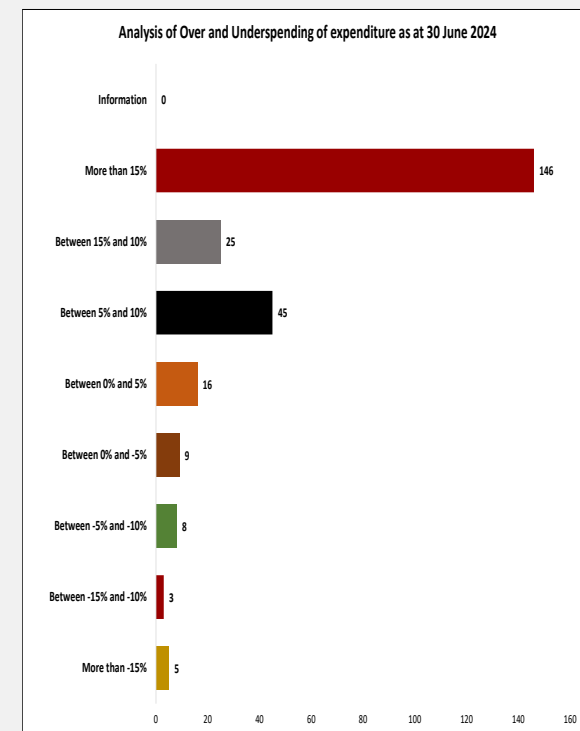
- Overspending is spending above the budget that was approved by Council

Why citizens must interact with the report

- Municipalities should spend not deviate for more than their operating budget as this indicates bad plan. This in a nutshell will indicate how a municipality performed in their budget in a certain quarter
- To better understand its information and to interpret the data

Why councilors must use this information.

- Council should keep the administration in check to ensure that budgets implementation deviations are within the norms
- To better debate on facts and figures



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Thank You



For additional information on national and provincial budgets, please visit our new budget data portal:

<https://vulekamali.gov.za>

municipalmoney

For information on local government finances, please visit:

<https://municipalmoney.gov.za>

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DETAILED ANNEXURE



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LOCAL GOVERNMENT REVENUE

AS AT 30 JUNE 2024

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National aggregated revenue as at 30 June 2024

	Adjusted Budget			Fourth Quarter 2023/24				Year to date: 30 June 2024				Fourth Quarter 2022/23				
	Operating	Capital	Total	Operating	Capital	Total	4th Q as % of adjusted budget	Operating	Capital	Total	Total as % of adjusted budget	Operating	Capital	Total	Total as % of adjusted budget	Q4 of 2022/23 to Q4 of 2023/24
R thousands																
Revenue																
Category A (Metro)	320 401 695	34 675 438	355 077 133	66 498 184	12 462 541	78 960 725	22.2%	322 292 458	27 230 931	349 523 389	98.4%	62 635 150	9 730 091	72 365 241	94.0%	9.1%
Category B (Local)	186 600 707	33 626 006	220 226 713	30 477 770	7 399 977	37 877 747	17.2%	163 725 115	24 303 460	188 028 575	85.4%	29 033 194	8 397 116	37 430 310	92.2%	1.2%
Category C (District)	31 531 060	10 077 407	41 608 466	2 777 262	2 313 984	5 091 247	12.2%	28 804 334	8 398 733	37 203 067	89.4%	2 564 682	2 974 451	5 539 133	85.9%	(8.1%)
Total	538 533 462	78 378 851	616 912 312	99 753 216	22 176 502	121 929 719	19.8%	514 821 908	59 933 123	574 755 031	93.2%	94 233 027	21 101 657	115 334 684	92.9%	5.7%
Summary per Province																
Eastern Cape	48 025 345	10 386 301	58 411 646	7 404 117	2 174 033	9 578 151	16.4%	44 489 768	7 782 259	52 272 027	89.5%	6 231 878	2 548 619	8 780 497	93.4%	9.1%
Free State	25 034 045	3 343 179	28 377 224	4 249 241	718 044	4 967 286	17.5%	21 844 601	1 881 241	23 725 842	83.6%	4 025 180	654 691	4 679 871	85.1%	6.1%
Gauteng	192 437 023	13 574 663	206 011 687	36 223 771	5 101 438	41 325 208	20.1%	192 893 939	11 524 880	204 418 819	99.2%	38 923 688	4 567 173	43 490 861	91.1%	(5.0%)
Kwazulu-Natal	94 632 692	16 781 214	111 413 906	18 083 424	4 685 445	22 768 870	20.4%	92 253 952	12 545 535	104 799 487	94.1%	15 472 211	4 568 873	20 041 084	93.7%	13.6%
Limpopo	26 771 517	7 748 830	34 520 347	3 178 263	1 801 452	4 979 715	14.4%	23 520 443	6 098 652	29 619 095	85.8%	2 886 940	1 812 756	4 699 696	125.6%	6.0%
Mpumalanga	27 921 759	4 396 115	32 317 874	4 092 878	841 877	4 934 755	15.3%	23 741 532	3 281 737	27 023 269	83.6%	3 620 084	1 230 078	4 850 162	82.3%	1.7%
North West	25 706 461	3 217 833	28 924 293	3 831 748	843 065	4 674 813	16.2%	21 174 021	2 449 980	23 624 001	81.7%	4 549 955	1 041 579	5 591 534	79.3%	(16.4%)
Northern Cape	9 941 066	1 601 019	11 542 085	1 171 898	387 839	1 559 737	13.5%	7 966 381	1 165 341	9 131 721	79.1%	1 706 035	321 030	2 027 065	78.3%	(23.1%)
Western Cape	88 063 552	17 329 697	105 393 250	21 517 877	5 623 308	27 141 185	25.8%	86 937 271	13 203 498	100 140 768	95.0%	16 817 057	4 356 857	21 173 915	95.6%	28.2%
Total National	538 533 462	78 378 851	616 912 312	99 753 216	22 176 502	121 929 719	19.8%	514 821 908	59 933 123	574 755 031	93.2%	94 233 027	21 101 657	115 334 684	92.9%	5.7%

Source: National Treasury Local Government Database

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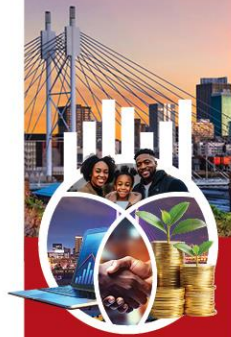
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DEBTORS

AS AT 30 JUNE 2024



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Debtors Age Analysis as at 30 June 2024

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Actual Bad Debts Written Off to Debtors		Impairment - Bad Debts to Council Policy	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	6 570 256	6.0%	2 807 267	2.6%	3 353 281	3.1%	96 028 284	88.3%	108 759 088	32.0%	6 797 267	6.2%	101 111 504	93.0%
Trade and Other Receivables from Exchange Transactions - Electricity	8 553 898	21.1%	1 894 373	4.7%	1 447 260	3.6%	28 614 668	70.6%	40 510 199	11.9%	286 622	0.7%	13 358 409	33.0%
Receivables from Non-exchange Transactions - Property Rates	6 704 214	10.1%	1 523 400	2.3%	2 168 184	3.3%	55 896 011	84.3%	66 291 808	19.5%	363 632	0.5%	43 386 776	65.4%
Receivables from Exchange Transactions - Waste Water Management	2 050 419	6.2%	882 135	2.7%	1 079 766	3.3%	28 965 885	87.8%	32 978 206	9.7%	1 722 498	5.2%	18 894 278	57.3%
Receivables from Exchange Transactions - Waste Management	1 435 765	5.1%	617 127	2.2%	765 044	2.7%	25 449 154	90.0%	28 267 090	8.3%	878 156	3.1%	12 168 989	43.1%
Receivables from Exchange Transactions - Property Rental Debtors	177 063	4.6%	57 202	1.5%	64 986	1.7%	3 533 242	92.2%	3 832 493	1.1%	852	0.0%	1 293 422	33.7%
Interest on Arrear Debtor Accounts	1 879 349	4.0%	1 072 711	2.3%	1 509 280	3.2%	42 251 680	90.4%	46 713 021	13.7%	386 184	0.8%	13 841 517	29.6%
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	1 302	4.5%	935	3.2%	272	0.9%	26 655	91.4%	29 164	0.0%	-	-	324 787	1113.7%
Other	(705 487)	(5.6%)	59 218	0.5%	(150 016)	(1.2%)	13 330 853	106.4%	12 534 567	3.7%	172 390	1.4%	4 656 537	37.1%
Total	26 666 779	7.8%	8 914 367	2.6%	10 238 058	3.0%	294 096 431	86.5%	339 915 635	100.0%	10 607 602	3.1%	209 036 220	61.5%
Debtors Age Analysis By Customer Group														
Organs of State	2 034 120	10.9%	702 105	3.8%	688 841	3.7%	15 212 326	81.6%	18 637 392	5.5%	(12 255)	(0.1%)	1 895 870	10.2%
Commercial	10 123 161	14.9%	1 999 757	2.9%	2 352 028	3.5%	53 325 347	78.7%	67 800 293	19.9%	231 889	0.3%	21 197 993	31.3%
Households	13 950 889	5.6%	6 120 366	2.5%	7 180 980	2.9%	220 158 028	89.0%	247 410 263	72.8%	10 387 542	4.2%	185 810 370	75.1%
Other	558 609	9.2%	92 139	1.5%	16 209	0.3%	5 400 729	89.0%	6 067 687	1.8%	427	0.0%	131 987	2.2%
Total	26 666 779	7.8%	8 914 367	2.6%	10 238 058	3.0%	294 096 431	86.5%	339 915 635	100.0%	10 607 602	3.1%	209 036 220	61.5%
Per Province														
Eastern Cape	1 599 285	7.7%	632 980	3.0%	570 253	2.7%	17 993 288	86.5%	20 795 806	6.1%	3 336 369	16.0%	129 375 329	622.1%
Free State	2 179 846	5.8%	797 094	2.1%	2 338 166	6.2%	32 594 560	86.0%	37 909 666	11.2%	307 456	0.8%	1 665 592	4.4%
Gauteng	9 951 992	7.8%	3 530 395	2.8%	3 489 971	2.7%	110 101 405	86.6%	127 073 762	37.4%	5 073 387	4.0%	22 151 207	17.4%
Kwazulu-Natal	5 312 563	9.8%	1 594 399	2.9%	1 604 718	3.0%	45 767 361	84.3%	54 279 041	16.0%	54 663	0.1%	59 873 437	110.3%
Limpopo	991 486	5.6%	424 054	2.4%	360 091	2.0%	15 849 280	89.9%	17 624 911	5.2%	(2 995)	(0.0%)	(5 183 411)	(29.4%)
Mpumalanga	1 045 149	4.0%	469 017	1.8%	504 669	1.9%	23 914 731	92.2%	25 933 566	7.6%	(316 235)	(1.2%)	-	-
North West	1 027 413	3.5%	632 336	2.1%	548 195	1.9%	27 358 911	92.5%	29 566 854	8.7%	2 162 835	7.3%	-	-
Northern Cape	539 305	4.8%	269 585	2.4%	402 024	3.6%	10 093 971	89.3%	11 304 885	3.3%	(15 071)	(0.1%)	1 154 065	10.2%
Western Cape	4 019 741	26.1%	564 508	3.7%	419 971	2.7%	10 422 923	67.6%	15 427 142	4.5%	7 193	0.0%	-	-
Total	26 666 779	7.8%	8 914 367	2.6%	10 238 058	3.0%	294 096 431	86.5%	339 915 635	100.0%	10 607 602	3.1%	209 036 220	61.5%

Source: National Treasury Local Government Database



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LOCAL GOVERNMENT EXPENDITURE AS AT 30 JUNE 2024

Data - Citizens - Finance - Partnership

National aggregated expenditure as at 30 June 2024

	Adjusted Budget			Fourth Quarter 2023/24				Year to date: 30 June 2024				Fourth Quarter 2022/23				
	Operating	Capital	Total	Operating	Capital	Total	4th Q as % of adjusted budget	Operating	Capital	Total	Total as % of adjusted budget	Operating	Capital	Total	Total as % of adjusted budget	Q4 of 2022/23 to Q4 of 2023/24
R thousands																
Expenditure																
Category A (Metro)	319 038 575	34 677 984	353 716 560	76 730 624	12 377 564	89 108 188	25.2%	312 989 028	27 185 122	340 174 150	96.2%	76 248 687	9 728 654	85 977 342	92.3%	3.6%
Category B (Local)	192 562 815	33 841 063	226 403 877	44 329 055	7 924 648	52 253 704	23.1%	161 976 811	25 092 323	187 069 134	82.6%	41 461 555	8 804 583	50 266 138	81.2%	4.0%
Category C (District)	31 124 424	10 115 942	41 240 366	7 138 622	2 331 036	9 469 659	23.0%	26 504 710	8 459 262	34 963 972	84.8%	6 762 750	2 979 353	9 742 103	80.2%	(2.8%)
Total	542 725 814	78 634 989	621 360 803	128 198 301	22 633 249	150 831 550	24.3%	501 470 549	60 736 707	562 207 256	90.5%	124 472 992	21 512 590	145 985 582	87.4%	3.3%
Summary per Province																
Eastern Cape	49 147 724	10 440 182	59 587 906	10 548 482	2 197 641	12 746 123	21.4%	43 542 237	7 938 497	51 480 734	86.4%	12 753 962	2 555 464	15 309 426	86.4%	(16.7%)
Free State	26 528 652	3 333 857	29 862 509	6 216 030	720 700	6 936 730	23.2%	21 902 667	1 892 745	23 795 412	79.7%	5 408 255	662 332	6 070 587	75.5%	14.3%
Gauteng	190 604 454	13 580 663	204 185 117	45 009 464	5 038 257	50 047 721	24.5%	192 945 932	11 451 158	204 397 090	100.1%	46 929 791	4 611 086	51 540 877	92.9%	(2.9%)
Kwazulu-Natal	95 176 412	16 800 594	111 977 006	21 643 842	5 103 756	26 747 597	23.9%	85 746 291	13 070 407	98 816 698	88.2%	19 552 400	4 839 855	24 392 256	86.8%	9.7%
Limpopo	26 318 867	7 779 365	34 098 232	6 645 850	1 809 572	8 455 422	24.8%	23 528 121	6 173 348	29 701 469	87.1%	5 657 151	1 828 831	7 485 981	79.5%	13.0%
Mpumalanga	29 718 373	4 407 142	34 125 514	6 436 376	856 609	7 292 985	21.4%	25 014 741	3 312 789	28 327 530	83.0%	7 207 895	1 245 717	8 453 612	87.1%	(13.7%)
North West	25 721 837	3 231 568	28 953 405	5 923 744	841 782	6 765 526	23.4%	20 359 753	2 459 518	22 819 271	78.8%	5 632 742	1 047 852	6 680 594	76.9%	1.3%
Northern Cape	10 449 907	1 631 785	12 081 692	2 137 723	388 338	2 526 060	20.9%	7 941 914	1 170 309	9 112 223	75.4%	1 952 647	321 306	2 273 953	71.4%	11.1%
Western Cape	89 059 589	17 429 834	106 489 422	23 636 790	5 676 595	29 313 385	27.5%	80 488 893	13 267 936	93 756 829	88.0%	19 378 148	4 400 147	23 778 295	88.9%	23.3%
Total National	542 725 814	78 634 989	621 360 803	128 198 301	22 633 249	150 831 550	24.3%	501 470 549	60 736 707	562 207 256	90.5%	124 472 992	21 512 590	145 985 582	87.4%	3.3%

Source: National Treasury Local Government Database



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SALARIES AND WAGES AS AT 30 JUNE 2024

Salary and Wages expenditure as at 30 June 2024

	Budget		Fourth Quarter 2023/24		Year to date: 30 June 2024		Fourth Quarter 2022/23		
	Main appropriation	Adjusted Budget	Actual Expenditure	4th Q as % of adjusted budget	Actual Expenditure	Total as % of adjusted budget	Actual Expenditure	Total as % of adjusted budget	Q4 of 2022/23 to Q4 of 2023/24
R thousands									
Category A (Metro)	86 262 073	85 699 355	19 099 619	22.3%	80 820 775	94.3%	18 994 197	92.2%	0.6%
Category B (Local)	55 969 571	55 607 157	12 809 193	23.0%	50 860 320	91.5%	12 126 771	91.8%	5.6%
Category C (District)	12 259 550	12 116 463	2 894 946	23.9%	11 590 327	95.7%	2 616 100	93.1%	10.7%
Total	154 491 194	153 422 975	34 803 758	22.7%	143 271 422	93.4%	33 737 068	92.1%	3.2%
Per Province									
Eastern Cape	15 937 614	15 649 030	3 582 274	22.9%	14 327 667	91.6%	3 434 429	92.2%	4.3%
Free State	7 947 089	7 858 351	1 806 188	23.0%	7 202 979	91.7%	1 826 638	94.5%	(1.1%)
Gauteng	48 645 294	48 581 146	10 862 240	22.4%	46 293 032	95.3%	11 115 990	92.7%	(2.3%)
Kwazulu-Natal	26 830 268	26 337 899	6 027 799	22.9%	24 590 192	93.4%	5 507 394	92.3%	9.4%
Limpopo	8 550 876	8 378 880	1 991 852	23.8%	7 784 001	92.9%	1 816 447	91.0%	9.7%
Mpumalanga	8 403 874	8 509 459	1 951 563	22.9%	7 969 224	93.7%	1 924 186	92.4%	1.4%
North West	6 771 573	6 797 298	1 554 057	22.9%	6 163 111	90.7%	1 526 761	88.3%	1.8%
Northern Cape	3 854 264	3 813 405	805 152	21.1%	3 204 616	84.0%	668 304	82.5%	20.5%
Western Cape	27 550 343	27 497 509	6 222 633	22.6%	25 736 600	93.6%	5 916 919	92.8%	5.2%
Total	154 491 194	153 422 975	34 803 758	22.7%	143 271 422	93.4%	33 737 068	92.1%	3.2%

Source: National Treasury Local Government Database

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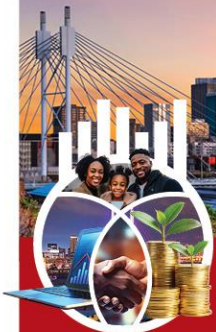
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CAPITAL SPENDING

AS AT 30 JUNE 2024



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	Adjusted Budget	Year to date: 30 June 2024	Total Capital Expenditure as a percentage of adjustments budget
	Capital	Capital	
R thousands			
Expenditure			
Category A (Metro)	34 677 984	27 185 122	78.4%
Category B (Local)	33 841 063	25 092 323	74.1%
Category C (District)	10 115 942	8 459 262	83.6%
Total	78 634 989	60 736 707	77.2%
Summary per Province			
Eastern Cape	10 440 182	7 938 497	76.0%
Free State	3 333 857	1 892 745	56.8%
Gauteng	13 580 663	11 451 158	84.3%
Kwazulu-Natal	16 800 594	13 070 407	77.8%
Limpopo	7 779 365	6 173 348	79.4%
Mpumalanga	4 407 142	3 312 789	75.2%
North West	3 231 568	2 459 518	76.1%
Northern Cape	1 631 785	1 170 309	71.7%
Western Cape	17 429 834	13 267 936	76.1%
Total National	78 634 989	60 736 707	77.2%

Source: National Treasury Local Government Database



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OUTSTANDING CREDITORS

AS AT 30 JUNE 2024



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Creditors Age Analysis as at 30 June 2024

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Bulk Electricity	9 415 078	14.8%	2 461 022	3.9%	2 287 254	3.6%	49 557 539	77.8%	63 720 894	54.7%
Bulk Water	3 043 531	16.8%	338 143	1.9%	588 291	3.3%	14 109 789	78.0%	18 079 753	15.5%
PAYE deductions	344 906	87.6%	16 031	4.1%	15 407	3.9%	17 479	4.4%	393 823	0.3%
VAT (output less input)	71 130	100.4%	3 518	5.0%	189	0.3%	(3 995)	(5.6%)	70 843	0.1%
Pensions / Retirement deductions	311 855	47.6%	15 759	2.4%	16 793	2.6%	310 795	47.4%	655 203	0.6%
Loan repayments	4 863	2.9%	596	0.4%	1 704	1.0%	162 759	95.8%	169 922	0.1%
Trade Creditors	6 533 081	23.1%	1 469 259	5.2%	777 549	2.7%	19 477 762	68.9%	28 275 310	24.3%
Auditor General	14 036	6.4%	7 903	3.6%	10 149	4.6%	187 551	85.4%	219 638	0.2%
Other	839 443	17.0%	148 085	3.0%	103 854	2.1%	3 846 605	77.9%	4 937 986	4.2%
Per Province										
Eastern Cape	2 382 483	29.9%	577 844	7.2%	116 614	1.5%	4 896 052	61.4%	7 972 993	6.8%
Free State	1 331 709	4.5%	357 775	1.2%	558 410	1.9%	27 555 265	92.5%	29 803 159	25.6%
Gauteng	6 707 426	25.3%	2 193 177	8.3%	1 746 170	6.6%	15 849 717	59.8%	26 496 490	22.7%
Kwazulu-Natal	3 160 860	45.7%	127 960	1.9%	103 523	1.5%	3 516 886	50.9%	6 909 230	5.9%
Limpopo	1 297 188	37.1%	134 056	3.8%	148 405	4.2%	1 917 523	54.8%	3 497 171	3.0%
Mpumalanga	3 340 560	12.9%	586 269	2.3%	606 064	2.3%	21 285 242	82.4%	25 818 135	22.2%
North West	1 462 445	15.0%	248 706	2.5%	418 800	4.3%	7 646 810	78.2%	9 776 761	8.4%
Northern Cape	380 704	7.0%	152 703	2.8%	90 800	1.7%	4 787 025	88.5%	5 411 232	4.6%
Western Cape	514 549	61.4%	81 827	9.8%	12 405	1.5%	229 422	27.4%	838 203	0.7%
Total	20 577 924	17.7%	4 460 316	3.8%	3 801 190	3.3%	87 683 942	75.3%	116 523 372	100.0%

Source: National Treasury Local Government Database



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INFRASTRUCTURE GRANTS EXPENDITURE AS AT 30 JUNE 2024

Data - Citizens - Finance - Partnership

Local Government Infrastructure Grants

	Total Available 2023/24	Transferred to municipalities for direct grants	YTD Expenditure		% Changes for the 4th Q	
			Actual expenditure National Department	Actual expenditure by municipalities	Exp as % of Allocation National Department	Exp as % of Allocation by municipalities
R thousands						
Municipal Infrastructure Grant	16 341 585	16 341 585	15 666 222	12 366 472	95.9%	75.7%
Public Transport Network Grant	6 194 045	6 194 045	4 607 217	3 944 524	74.4%	63.7%
Integrated National Electrification Programme	2 032 046	2 032 046	1 717 023	1 578 253	84.5%	77.7%
Neighbourhood Development Partnership Grant	1 346 012	1 346 012	1 111 456	1 022 345	82.6%	76.0%
Rural Road Assets Management Systems Grant	115 461	115 461	92 340	64 240	80.0%	55.6%
Municipal Disaster Recovery Grant	1 505 387	1 334 523	45 907	1 698 447	3.0%	112.8%
Regional Bulk Infrastructure Grant	3 258 828	3 258 828	2 955 518	2 010 002	90.7%	61.7%
Water Services Infrastructure Grant	3 619 661	3 619 661	3 301 936	2 327 564	91.2%	64.3%
Integrated Urban Development Grant	1 172 448	1 172 448	1 145 070	1 085 721	97.7%	92.6%
Informal Settlements Partnership Grant	4 059 180	4 059 180	3 713 299	2 903 571	91.5%	71.7%
Total	39 644 653	39 473 789	34 355 988	29 001 139	86.7%	73.2%

Source: National Treasury Local Government Database

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CAPACITY GRANTS EXPENDITURE

AS AT 30 JUNE 2024

Data - Citizens - Finance - Partnership

Local Government Capacity Grants

	Total Available 2023/24	Transferred to municipalities for direct grants	YTD Expenditure		% Changes for the 4th Q		% of 4th Q - 2022/23
			Actual expenditure National Department	Actual expenditure by municipalities	Exp as % of Allocation National Department	Exp as % of Allocation by municipalities	Exp as % of Allocation by National Department
R thousands							
Programme and Project Preparation Support Grant	318 654	318 654	208 014	217 058	65.3%	68.1%	65.1%
Local Government Financial Management Grant	568 571	568 571	443 097	350 370	77.9%	61.6%	75.0%
Expanded Public Works Programme Integrated Grant	748 975	748 975	601 956	639 463	80.4%	85.4%	94.8%
Infrastructure Skills Development Grant	151 352	151 352	140 219	121 711	92.6%	80.4%	93.2%
Energy Efficiency and Demand Side Management	219 092	219 092	182 234	119 604	83.2%	54.6%	74.0%
Municipal Disaster Response Grant	873 172	873 172	336 704	384 149	38.6%	44.0%	65.6%
Total	2 879 816	2 879 816	1 912 224	1 832 355	66.4%	63.6%	78.7%

Source: National Treasury Local Government Database

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CONDITIONAL GRANTS EXPENDITURE AS AT 30 JUNE 2024

2023/24 Consolidated Local Government Transfers, 30 June 2024

	Total Available 2023/24	YTD Expenditure		% Changes for the 4th Q	
		Actual expenditure National Department	Actual expenditure by municipalities	Exp as % of Allocation National Department	Exp as % of Allocation by municipalities
R thousands					
Direct Transfers	42 524 469	36 268 212	30 833 494	85.3%	72.5%
Infrastructure	39 644 653	34 355 988	29 001 139	86.7%	73.2%
Municipal Infrastructure Grant	16 341 585	15 666 222	12 366 472	95.9%	75.7%
Public Transport Network Grant	6 194 045	4 607 217	3 944 524	74.4%	63.7%
Integrated National Electrification Programme (Municipal) Grant	2 032 046	1 717 023	1 578 253	84.5%	77.7%
Neighbourhood Development Partnership Grant (Capital Grant)	1 346 012	1 111 456	1 022 345	82.6%	76.0%
Rural Road Assets Management Systems Grant	115 461	92 340	64 240	80.0%	55.6%
Municipal Disaster Recovery Grant	1 505 387	45 907	1 698 447	3.0%	112.8%
Regional Bulk Infrastructure Grant (Schedule 5B)	3 258 828	2 955 518	2 010 002	90.7%	61.7%
Water Services Infrastructure Grant (Schedule 5B)	3 619 661	3 301 936	2 327 564	91.2%	64.3%
Integrated Urban Development Grant	1 172 448	1 145 070	1 085 721	97.7%	92.6%
Metro Informal Settlements Partnership Grant	4 059 180	3 713 299	2 903 571	91.5%	71.5%
Capacity and Others	2 879 816	1 912 224	1 832 355	66.4%	63.6%
Programme and Project Preparation Support Grant	318 654	208 014	217 058	65.3%	68.1%
Local Government Financial Management Grant	568 571	443 097	350 370	77.9%	61.6%
Expanded Public Works Programme Integrated Grant (Municipality)	748 975	601 956	639 463	80.4%	85.4%
Infrastructure Skills Development Grant	151 352	140 219	121 711	92.6%	80.4%
Energy Efficiency and Demand Side Management	219 092	182 234	119 604	83.2%	54.6%
Municipal Disaster Grant	873 172	336 704	384 149	38.6%	44.0%
Indirect Transfers	8 365 892	-	-	-	-
Infrastructure	8 219 376	-	-	-	-
Regional Bulk Infrastructure Grant	3 298 421	-	-	-	-
Integrated National Electrification Programme (Eskom) Grant	3 587 384	-	-	-	-
Neighbourhood Development Partnership Grant (Technical Assistance)	189 333	-	-	-	-
Water Services Infrastructure Grant (Schedule 6B)	1 114 238	-	-	-	-
Municipal Infrastructure Grant (Schedule 6B)	30 000	-	-	-	-
Capacity and Others	146 516	-	-	-	-
Municipal Systems Improvement Grant (Schedule 6B)	146 516	-	-	-	-
Total	50 890 361	36 268 212	30 833 494	71.3%	60.6%
Grants excluded from the publication	8 149 316	-	5 746 362	-	70.5%
Urban Settlement Development Grant	8 149 316	-	5 746 362	-	70.5%
Total as per DoRA	59 039 677	36 268 212	36 579 857		

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or




https://lg.treasury.gov.za/ibi_apps/welcome



<https://municipalmoney.gov.za>

For additional information on national and provincial budgets, visit: <https://vulekamali.gov.za>

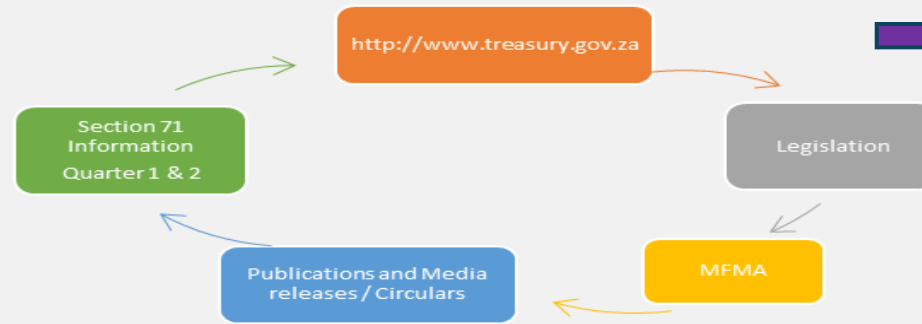


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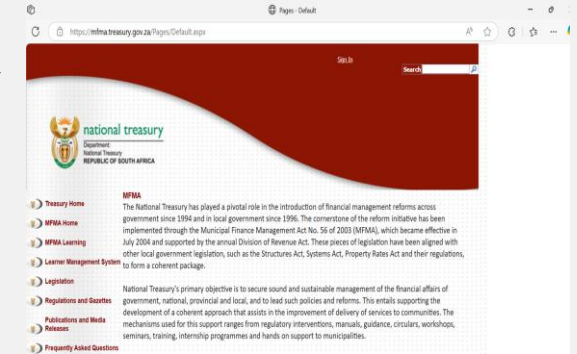
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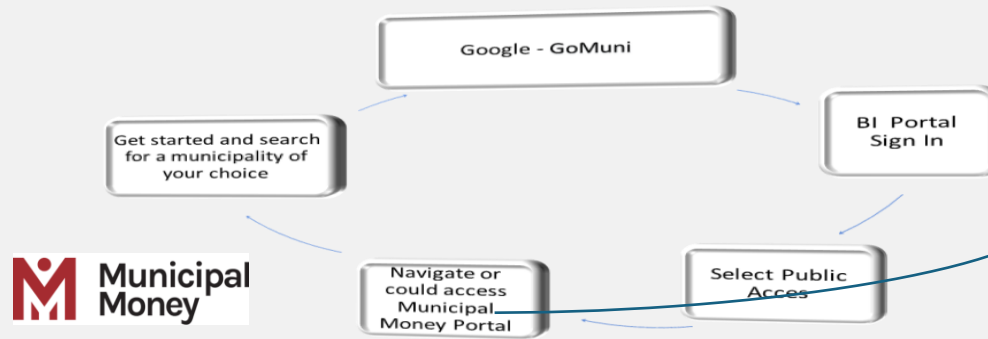
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