



MOGALAKWENA MUNICIPALITY

**MID-YEAR BUDGET AND PERFORMANCE
ASSESSMENT REPORT [MFMA SECTION 72 REPORT]
FINANCIAL ASSESSMENT
2023/24**

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1. Introduction

In terms of Section 72(1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the Accounting Officer of a municipality must by 25 January of each year, assess the performance of the municipality during the first half of the financial year and submit a report on such assessment to the Mayor of the Municipality, National Treasury and the relevant Provincial Treasury. The Mayor must in turn, comply with the provision of Section 54, which includes submitting the report to Council by 31 January of each year.

2. Purpose of the report

To submit to the Mayor, the National Treasury and the provincial treasury an assessment report on the Municipality's performance covering the period 1 July 2023 to 31 December 2023.

3. Legislative Framework

3.1 The Municipal Finance Management Act

The Municipal Finance Management Act-Number 56 of 2003, Section 72: Mid-Year Budget and Performance Assessment

- (1) The accounting officer of a municipality must by 25 January of each year;
 - (a) Assess the performance of the municipality during the first half of the financial year, taking into account;
 - (i) the monthly statements referred to in section 71 for the first half of the financial year;
 - (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
 - (iii) the past year's annual report, and progress on resolving problems identified in the annual report, and
 - (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
 - (b) Submit a report on such assessment to;
 - (i) the mayor of the municipality;
 - (ii) the National Treasury; and
 - (iii) the relevant provincial treasury.
- (2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1) (b) of this section.
- (3) The accounting officer must, as part of the review;
 - (a) make recommendations as to whether an adjustments budget is necessary; and
 - (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

3.2. Thereafter, the mayor must, in terms of Section 54 (1) –

- (a) Consider the report
- (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that the revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the Council following approval of an adjustment budget;
- (d) Issue any appropriate instructions to the Accounting Officer to ensure-
 - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and
 - (ii) That spending of funds and revenue collection proceed in accordance with the budget;
- (e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and
- (f) Submit the report to the Council by 31 January of each year

4. PART 1: MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT

The mid-year report and the supporting tables of Mogalakwena local municipality has been prepared in terms of the Local Government: Municipal Finance Management Act Number 56 of 2003: Municipal Budget and Reporting Regulations and Government Gazette 32141, 17 April 2009.

4.1. Mayor's Report

4.2. Council resolution

The Resolution will be submitted to both Provincial and National Treasuries once the Council has resolved.

5. Executive Summary

Section 72 of the Municipal Finance Management Act requires the Municipal Manager as the Accounting Officer of the municipality to submit a report to the Mayor of the municipality, the relevant Provincial Treasury and the National Treasury by the 25 January each year, reviewing the financial performance of the municipality for the first six months of the financial year.

As part of the review, Section 72(3) of the Municipal Finance Management Act provides that: The Accounting officer must make recommendations as to whether the Service Delivery Budget Implementation Plans and both the Operating and Capital budgets of the municipality need to be adjusted. The primary purpose is to review the targets and indicators, to conduct an assessment of the progress made in spending the budget, project implementation for the first half of the financial year and to consider the adjustment to the 2023/2024 budget.

The report provides consolidated analysis of the municipality's financial performance, cash flow and financial position as at the end of 31 December 2023. The analysis has a direct influence on the outcome of the adjustment budget process.

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	91 416	96 349	96 349	8 073	48 511	48 175	336	1%	96 349
Service charges	486 213	655 355	655 355	36 725	185 392	327 677	(142 286)	-43%	655 355
Investment revenue	4 885	–	–	–	–	–	–	–	–
Transfers and subsidies - Operational	4 885	3 348	3 348	730	4 909	1 674	3 235	193%	3 348
Other own revenue	635 928	663 130	663 130	200 168	479 911	331 565	148 346	45%	–
Total Revenue (excluding capital transfers and contributions)	1 223 327	1 418 183	1 418 183	245 696	718 722	709 091	9 631	1%	1 418 183
Employee costs	332 210	411 319	411 319	28 107	177 054	205 661	(28 607)	–	411 319
Remuneration of Councillors	10 524	18 009	18 009	3 970	11 949	9 005	2 945	–	18 009
Depreciation and amortisation	141 791	100 410	100 410	–	–	50 206	(50 206)	–	100 410
Interest	2 936	2 561	2 561	503	1 502	1 280	222	–	2 561
Inventory consumed and bulk purchases	342 770	382 069	368 189	40 093	220 601	183 957	36 644	–	368 189
Transfers and subsidies	5 951	517	517	7	85	258	(173)	-67%	517
Other expenditure	477 245	468 360	482 286	55 662	339 912	241 274	98 638	41%	482 286
Total Expenditure	1 313 427	1 383 244	1 383 290	128 342	751 104	691 642	59 462	9%	1 383 290
Surplus/(Deficit)	(90 100)	34 938	34 892	117 354	(32 382)	17 449	(49 830)	-286%	34 892
Transfers and subsidies - capital (monetary)	270 591	311 599	311 599	111 095	305 748	–	–	#DIV/0!	311 599
Transfers and subsidies - capital (in-kind)	177	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	180 668	346 537	346 491	228 449	273 366	17 449	255 917	1467%	346 491
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	180 668	346 537	346 491	228 449	273 366	17 449	255 917	1467%	346 491
Capital expenditure & funds sources									
Capital expenditure	254 720	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Capital transfers recognised	240 208	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	14 512	–	–	–	–	–	–	–	–
Total sources of capital funds	254 720	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Financial position									
Total current assets	677 786	826 417	826 417	–	609 378	–	–	–	826 417
Total non current assets	4 455 378	5 639 661	5 639 661	–	4 695 010	–	–	–	5 639 661
Total current liabilities	595 634	339 934	339 934	–	492 306	–	–	–	339 934
Total non current liabilities	110 789	123 053	123 053	–	110 789	–	–	–	123 053
Community wealth/Equity	4 590 157	5 656 554	5 656 554	–	4 701 293	–	–	–	5 656 554

The total budgeted operating revenue is R1, 418 billion. The year to date actual as at 31 December 2023 amounted to R718 million which is slightly more than the year-to-date budget of R709 million by R9 million (1%).

The total operating expenditure was budgeted at R1, 383 billion and the budgeted year to date as at 31 December 2023 amounted to R691 million. The year to date actual amounted to R751 million which is more than the year-to-date budgeted expenditure by R59 million.

The total capital budget provided for the 2023/24 financial year amounts to R311 million and the year-to-date budget as at 31 December 2023 amounted to R155 million. The year to date actual amounted to R239 million which is more than year to date budget by R83 million.

Revenue Summary

- Property rates to the amount of R48.5m was recognized at the end of December 2023 against a budget amount of R48.1m. The revenue is in line with the budgeted amount.
- Service charges for the first half of the financial year amounted to R 185.3m compared to the year-to-date budget of R327.6m. Revenue is below the anticipated amount.
- Other revenue of R479.9m was also recognized against the budget of R331.5m resulting in a favourable variance of R148.3m on (16%). Included in other revenue is revenue from operating grants and investments revenue.
- Capital transfers recognized for the first six months of the financial year amounted to R239.6m. This results in a mid-year favourable variance of R83.3m (54%).

Expenditure Summary

- Employee costs to the amount of R177.0m has been recognized against a year-to-date budget of R205.6m. The result thereof was a negative variance of R28.6m.
- Remuneration for councillors for the first six month of R11.9m has been reported against the budget of R9.0m resulting in a positive variance of R2.9m.
- Depreciation and amortisation have not been recognised in the first half of the financial year. Therefore, a variance of 100% was recorded.
- Interest charged to the municipality amounted to R1.5m against year-to-date budget of R1.2m at the end of December 2023. Therefore, resulting in a positive variance of R222 thousand.
- Inventory consumed and bulk purchases to the amount of R220.6m has been recognised at the end of December 2023 against a budget of R183.9m.
- Transfers and subsidies paid amounted to R85 thousand compared to the year-to-date budget of R258 thousand. Resulting in a negative variance of R173 thousand (67%).
- Other operational costs to an amount of R339.9m were recognized during the first six months against the mid-year budget of R241.2m, which resulted in R98.6m variance.

Financial Position Summary

- The total current liabilities amounted to R492.3m, whilst total current assets amounted to R609.3m, representing a current ratio of 1.23: 1. The interpretation of the ratio suggests that the municipality will be able to meet its immediate or current financial commitments. However, there is still a need to raise more cash in order to be in a better financial position.

Cash Flow Summary

The municipality started the financial year 2023/2024 with a positive cash balance, and the year-to-date cash and cash equivalents balance as at 31 December 2023 amounts to R153.0m which comprises of:

Primary account	R27.3 million
Current Investment	R125.6 million

5.1. Statement of Financial Performance

5.1.1 Actual Revenue by Source

The total operating revenue for month of December amounted to R718.7m. Operating Transfers and subsidies to the total of R435.0m were received by the municipality as at the end of December 2023. The recognised grants amount to 60% of revenue reported. The municipality has recognised more revenue than the year-to-date budgeted amount by R709.0m.

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		334 775	400 511	400 511	24 044	149 293	200 255	(50 962)	-25%	400 511
Service charges - Water		111 468	204 844	204 844	8 809	5 312	102 422	(97 110)	-95%	204 844
Service charges - Waste Water Management		20 184	29 454	29 454	1 858	11 079	14 727	(3 648)	-25%	29 454
Service charges - Waste management		19 786	20 545	20 545	2 015	19 708	10 273	9 435	92%	20 545
Sale of Goods and Rendering of Services		3 038	4 084	4 084	80	872	2 042	(1 170)	-57%	4 084
Agency services		12 193	10 421	10 421	938	5 107	5 211	(103)	-2%	10 421
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		56 754	35 731	35 731	4 724	27 287	17 866	9 422	53%	35 731
Interest from Current and Non Current Assets		4 885	3 348	3 348	730	4 909	1 674			3 348
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land								-	-	
Rental from Fixed Assets		661	2 027	2 027	148	1 401	1 014	387	38%	2 027
Licence and permits		-	1 951	1 951	-	-	975	(975)	-100%	1 951
Operational Revenue		1 840	336	336	21	551	168	383	228%	336
Non-Exchange Revenue								-		
Property rates		91 416	96 349	96 349	8 073	48 511	48 175	336	1%	96 349
Surcharges and Taxes								-		
Fines, penalties and forfeits		2 226	4 005	4 005	280	699	2 002	(1 303)		4 005
Licence and permits		27	11	11	-	2	5	(3)		11
Transfers and subsidies - Operational		546 728	587 164	587 164	192 649	435 082	293 582	141 500		587 164
Interest		14 740	13 551	13 551	1 328	7 927	6 776	1 151		13 551
Fuel Levy								-		
Operational Revenue								-		
Gains on disposal of Assets		756	3 848	3 848	-	149	1 924	(1 776)		3 848
Other Gains		1 849	-	-	-	833	-	833		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		1 223 327	1 418 183	1 418 183	245 696	718 722	709 091	9 631	1%	1 418 183

Variances and explanation of variances for Revenue by Source – 10% and above

DESCRIPTION	VARIANCE		EXPLANATION OF VARIANCE	REMEDIAL ACTION
	(R' 000)	(%)		
Service charges - electricity revenue	(50 962)	-25%	The municipality has identified that there were a number of meters which were not properly billed due to either illegal by-passing or faulty meters.	Over 400 electricity meters have been installed to date in order to remedy the situation. In addition, the municipality has sourced a Services Provider to perform Meter audit,

DESCRIPTION	VARIANCE		EXPLANATION OF VARIANCE	REMEDIAL ACTION
	(R' 000)	(%)		
				reconnections and disconnections.
Service charges - water revenue	(97 110)	-96%	The negative variance is due to the reversal of interim water readings which were reversed during July and August 2023 for Mahwelereng. The interim readings were replaced with actual water readings.	The municipality has also replaced and installed +/- 1,600 water meters to date.
Service charges – Waste Water Management	(3 648)	-25%	Service charges waste water management was over budgeted for in the annual budget	Adjust the budget down during the adjustment budget process.
Service charges – Waste Management	9 435	92%	The municipality has started with distribution of bins to the consumers. The bins are then billed against the account of consumers who have received the bins.	Monitor the revenue and adjust it accordingly during the adjustment budget process.
Sale of goods and rendering of services	(1 170)	-57%	The sale of goods and rendering of services includes a budget of R1.6m for sale of tender documents. The documents are now uploaded on e-tender and that has reduced sale of tender documents.	The budgeted amount is not material. Therefore, an adjustment budget may not be necessary at this stage but Sale of goods must be appropriated correctly in the next financial year.
Interest earned from Receivables	9 422	53%	Due to the culture of non-payment by the consumers, interest is levied and it increases. The municipality encourages consumers to pay outstanding debt and have implemented an incentive scheme to	Incentive scheme was implemented from July to December 2023 to assist in debt collection.

DESCRIPTION	VARIANCE		EXPLANATION OF VARIANCE	REMEDIAL ACTION
	(R' 000)	(%)		
			reduce the interest charged.	
Rental from fixed assets	(387)	38%	Rental recognised is more than the budgeted amount. Some rentals are annual receipts. Which make it seem as if rental is under-budgeted.	No remedial action needed.
Licences and permits	(975)	-100%	No revenue has been recognized for license and permits. This line item will be addressed for accurate and proper allocations in the agency services,	This will be corrected during the adjustment budget process.
Operational Revenue	383	228%	Operational revenue is received more than anticipated.	Adjust the line item during adjustment budget process.
Fines, penalties and forfeits	(1 303)	-65%	This is as a result of less traffic fines issued during the period. Only R699 thousand was collected compared to R2.0m year-to-date budget.	The municipality must deploy traffic officers to more spots and ensure that more fines are issued through law enforcement.
Transfers and subsidies	(141 500)	48%	Misalignment between the municipality's expected grants receipts and the National treasury's payment plan. The payment plan was not available when the budget was finalised.	No remedial action needed as grants to be received in the second half of the financial year will make up the variance.
Gains on disposal of Assets	(1 776)	-92%	Revenue on the line item is less than anticipated as the municipality. The municipality has not realised enough revenue from sale of stands. Also, there has not been any auction of old assets	The variance amount is not material. Therefore, no adjustment budget is necessary. However, the line item needs to be monitored and correctly appropriated in the next financial year budget.

DESCRIPTION	VARIANCE		EXPLANATION OF VARIANCE	REMEDIAL ACTION
	(R' 000)	(%)		
			in the current financial year.	

5.1.2 Actual Expenditure per type

Operating expenditure for quarter ending December 2023 amounted to R751.1m. Major contributors to the amount spent are Employee related costs R177.0m, Bulk purchases – electricity R176.2m, contracted services R148.9m and Irrecoverable debt written off of R125.1m.

The municipality has recognised an amount of R751.1m for the first six months of the financial year against a year-to-date budget of R691.6m. This resulted in a positive variance of R59.4m. It must be noted however that the municipality has not processed depreciation costs on a monthly basis. Therefore, the non-cash item is not included in the year-to-date expenditure.

The table below illustrates detailed analysis of the actual expenditure per type for the period ending 31 December 2023.

LIM367 Mogalakwena - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		332 210	411 319	411 319	28 107	177 054	205 661	(28 607)	-14%	411 319
Remuneration of councillors		10 524	18 009	18 009	3 970	11 949	9 005	2 945	33%	18 009
Bulk purchases - electricity		288 246	321 949	306 639	27 509	176 239	153 319	22 920		306 639
Inventory consumed		54 524	60 120	61 550	12 584	44 362	30 637	13 724		61 550
Debt impairment		1 446	190 574	190 574	–	–	95 287	(95 287)	-100%	190 574
Depreciation and amortisation		141 791	100 410	100 410	–	–	50 206	(50 206)	-100%	100 410
Interest		2 936	2 561	2 561	503	1 502	1 280	222	17%	2 561
Contracted services		189 404	153 364	150 949	41 875	148 954	75 952	73 003	96%	150 949
Transfers and subsidies		5 951	517	517	7	85	258	(173)	-67%	517
Irrecoverable debts written off		203 695	–	–	3 177	125 111	–	125 111		–
Operational costs		75 517	124 422	140 763	10 609	65 847	70 036	(4 189)	-6%	140 763
Losses on Disposal of Assets		2 361	–	–	–	–	–	–		–
Other Losses		4 820	–	–	–	–	–	–		–
Total Expenditure		1 313 427	1 383 244	1 383 290	128 342	751 104	691 642	59 462	9%	1 383 290

Variances and explanation of variances on Expenditure by type – 10% and above

DESCRIPTION	VARIANCE		EXPLANATION OF VARIANCE	REMEDIAL ACTION
	(R' 000)	(%)		
Employee related costs	(28 607)	-14%	The municipality has cut down on payments of overtime to not exceed 30% of the gross salary	Review the budgeted amount during the adjustment budget process and fund other

DESCRIPTION	VARIANCE		EXPLANATION OF VARIANCE	REMEDIAL ACTION
	(R' 000)	(%)		
				operations with savings realised.
Remuneration of councillors	2 945	33%	There is an improvement in Remuneration of councillors following implementation of the upper limits. Also, it has been picked up that some of the remuneration to councillors was charged against Employee related costs.	Correct the budget allocation during adjustment budget from savings in Employee related costs.
Bulk purchases - electricity	22 920	15%	The municipality entered into a payment arrangement with Eskom for an outstanding amount. The arrangement was an additional R7m to the current account.	The municipality has developed electricity loss reduction strategy which will assist Municipality to reduce electricity losses to loosen the cost burden.
Inventory consumed	13 724	45%	The line item includes consumable inventory and water consumed by the customers for the period under review. The municipality reversed interim (estimate) billing and processed actual readings. This resulted in the actual water consumed to be higher than budgeted for.	Ensure that there is regular meter reading so as to not go back to estimate billing. Put measures in place to ensure that the municipality reduces on water losses as well.
Debt impairment	(95 287)	-100%	Debt impairment not processed in the first half of the financial year.	Develop measures and procedures to process debt impairment on a monthly basis in the next financial year. The detailed mSCOA roadmap is aimed at finding ways to process

DESCRIPTION	VARIANCE		EXPLANATION OF VARIANCE	REMEDIAL ACTION
	(R' 000)	(%)		
				the items on a monthly basis.
Depreciation & asset impairment	(50 206)	-100%	Depreciation & asset impairment not processed in the first half of the financial year.	Review findings raised by the Auditor General during the last external audit and include measures in the audit action plan on processing depreciation quarterly and then subsequently on a monthly basis.
Interest	222	17%	Interest charged on outstanding Eskom and Lepelle Northern Water accounts.	Pay accounts within 30 days as per MFMA to avoid incurring fruitless and wasteful expenditure. The municipality strives to avoid such expenditure.
Contracted Services	73 003	96%	Municipality has experienced capacity issues in the finance department key positions not available pending disciplinary hearings. Consultants were appointed to perform external review of financial statements in order to improve on the quality of AFS submitted to the AG. This has increased spending in consultancy fees.	Appointed key positions in finance on order to reduce consultancy fees. CFO and Divisional head AFS are now permanently appointed. Review the budgeted amount during the adjustment budget and adjust accordingly. It be noted as well that finance consultant fees will be reduced in the second half of the financial year.
Transfers and subsidies	(173)	-67%	The municipality incurred less expenditure than anticipated.	Review the budgeted amount and make necessary adjustments.

5.2. In- year Budget Statement tables

5.2.1. Table C1 Budget Statement Summary for the Quarter ended 31 December 2023.

LIM367 Mogalakwena - Table C1 Monthly Budget Statement Summary - M06 December									
Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	91 416	96 349	96 349	8 073	48 511	48 175	336	1%	96 349
Service charges	486 213	655 355	655 355	36 725	185 392	327 677	(142 286)	-43%	655 355
Investment revenue	4 885	–	–	–	–	–	–	–	–
Transfers and subsidies - Operational	4 885	3 348	3 348	730	4 909	1 674	3 235	193%	3 348
Other own revenue	635 928	663 130	663 130	200 168	479 911	331 565	148 346	45%	–
Total Revenue (excluding capital transfers and contributions)	1 223 327	1 418 183	1 418 183	245 696	718 722	709 091	9 631	1%	1 418 183
Employee costs	332 210	411 319	411 319	28 107	177 054	205 661	(28 607)		411 319
Remuneration of Councillors	10 524	18 009	18 009	3 970	11 949	9 005	2 945		18 009
Depreciation and amortisation	141 791	100 410	100 410	–	–	50 206	(50 206)		100 410
Interest	2 936	2 561	2 561	503	1 502	1 280	222		2 561
Inventory consumed and bulk purchases	342 770	382 069	368 189	40 093	220 601	183 957	36 644		368 189
Transfers and subsidies	5 951	517	517	7	85	258	(173)	-67%	517
Other expenditure	477 245	468 360	482 286	55 662	339 912	241 274	98 638	41%	482 286
Total Expenditure	1 313 427	1 383 244	1 383 290	128 342	751 104	691 642	59 462	9%	1 383 290
Surplus/(Deficit)	(90 100)	34 938	34 892	117 354	(32 382)	17 449	(49 830)	-286%	34 892
Transfers and subsidies - capital (monetary)	270 591	311 599	311 599	111 095	305 748	–	###	#DIV/0!	311 599
Transfers and subsidies - capital (in-kind)	177	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	180 668	346 537	346 491	228 449	273 366	17 449	255 917	1467%	346 491
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	180 668	346 537	346 491	228 449	273 366	17 449	255 917	1467%	346 491
Capital expenditure & funds sources									
Capital expenditure	254 720	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Capital transfers recognised	240 208	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	14 512	–	–	–	–	–	–		–
Total sources of capital funds	254 720	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Financial position									
Total current assets	677 786	826 417	826 417		609 378				826 417
Total non current assets	4 455 378	5 639 661	5 639 661		4 695 010				5 639 661
Total current liabilities	595 634	339 934	339 934		492 306				339 934
Total non current liabilities	110 789	123 053	123 053		110 789				123 053
Community wealth/Equity	4 590 157	5 656 554	5 656 554		4 701 293				5 656 554
Cash flows									
Net cash from (used) operating	284 537	371 454	371 454	186 491	(35 011)	185 727	220 738	119%	371 454
Net cash from (used) investing	(235 238)	(291 613)	(291 613)	(58 956)	(223 869)	(145 807)	78 062	-54%	(291 613)
Net cash from (used) financing	–	–	–	207	750	–	(750)	#DIV/0!	–
Cash/cash equivalents at the month/year end	117 524	157 712	157 712	–	(217 785)	117 792	335 577	285%	120 185

5.2.2. Table C2 Financial Performance (Functional Classification) for Quarter ended 31 December 2023.

LIM367 Mogalakwena - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		661 427	704 890	704 890	203 246	499 736	352 445	147 291	42%	704 890
Executive and council		543 107	579 336	579 336	191 972	435 410	289 668	145 743	50%	579 336
Finance and administration		118 319	125 554	125 554	11 275	64 326	62 777	1 549	2%	125 554
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		673	652	652	55	351	326	25	8%	652
Community and social services		395	451	451	40	260	225	35	16%	451
Sport and recreation		1	7	7	-	-	4	(4)	-100%	7
Public safety		73	16	16	-	2	8	(6)	-72%	16
Housing		204	177	177	15	88	89	(0)	-1%	177
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		194 472	213 675	213 675	47 790	120 121	106 837	13 283	12%	213 675
Planning and development		9 016	11 209	11 209	610	3 864	5 605	(1 740)	-31%	11 209
Road transport		185 456	202 465	202 465	47 180	116 256	101 233	15 024	15%	202 465
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		637 523	810 565	810 565	105 700	404 262	405 283	(1 020)	0%	810 565
Energy sources		339 671	400 371	400 371	24 044	149 278	200 185	(50 907)	-25%	400 371
Water management		244 492	348 172	348 172	76 745	217 904	174 086	43 818	25%	348 172
Waste water management		25 636	34 472	34 472	2 314	13 829	17 236	(3 407)	-20%	34 472
Waste management		27 724	27 551	27 551	2 598	23 251	13 775	9 476	69%	27 551
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1 494 095	1 729 781	1 729 781	356 791	1 024 470	864 890	159 580	18%	1 729 781
Expenditure - Functional										
<i>Governance and administration</i>		477 532	468 965	469 221	48 894	303 419	234 605	68 814	29%	469 221
Executive and council		264 363	271 846	271 846	13 702	167 362	135 924	31 438	23%	271 846
Finance and administration		208 925	191 980	192 237	34 965	134 576	96 112	38 463	40%	192 237
Internal audit		4 243	5 138	5 138	227	1 481	2 569	(1 088)	-42%	5 138
<i>Community and public safety</i>		140 375	123 410	123 410	10 274	62 446	61 706	740	1%	123 410
Community and social services		37 856	34 574	34 574	2 093	12 014	17 288	(5 274)	-31%	34 574
Sport and recreation		32 770	30 038	30 038	1 991	11 085	15 019	(3 934)	-26%	30 038
Public safety		68 437	57 576	57 576	6 121	38 924	28 788	10 135	35%	57 576
Housing		1 312	1 222	1 222	69	424	611	(187)	-31%	1 222
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		115 942	135 931	135 931	6 289	39 055	67 966	(28 911)	-43%	135 931
Planning and development		33 113	44 986	44 986	2 497	16 135	22 493	(6 358)	-28%	44 986
Road transport		82 828	90 945	90 945	3 792	22 920	45 473	(22 552)	-50%	90 945
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		572 560	653 465	653 254	62 785	345 577	326 628	18 949	6%	653 254
Energy sources		356 790	397 512	383 822	32 724	205 882	191 911	13 971	7%	383 822
Water management		144 362	185 225	198 705	13 499	80 228	99 353	(19 125)	-19%	198 705
Waste water management		39 212	17 244	17 244	825	4 425	8 622	(4 197)	-49%	17 244
Waste management		32 195	53 484	53 484	15 737	55 042	26 742	28 300	106%	53 484
<i>Other</i>		7 018	1 474	1 474	100	606	737	(131)	-18%	1 474
Total Expenditure - Functional	3	1 313 427	1 383 244	1 383 290	128 342	751 104	691 642	59 462	9%	1 383 290
Surplus/ (Deficit) for the year		180 668	346 537	346 491	228 449	273 366	173 248	100 118	58%	346 491

5.2.3. Table C3 Financial Performance (Revenue and Expenditure by Municipal Vote) for Quarter ended 31 December 2023.

LIM367 Mogalakwena - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06										
Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Executive & Council		543 107	579 336	579 336	191 972	435 410	289 668	145 743	50.3%	579 336
Vote 02 - Corporate Support Services		5 077	5 931	5 931	153	1 585	2 966	(1 381)	-46.6%	5 931
Vote 03 - BudgetAnd Treasury		113 539	119 836	119 836	11 152	62 901	59 918	2 983	5.0%	119 836
Vote 04 - Planning And Development		198	232	232	13	123	116	7	6.0%	232
Vote 05 - Technical Services		450 616	579 964	579 964	125 896	346 485	289 982	56 503	19.5%	579 964
Vote 06 - Community Services		28 016	27 895	27 895	2 622	23 435	13 947	9 487	68.0%	27 895
Vote 07 - Traffic And Security		13 869	16 216	16 216	940	5 254	8 108	(2 854)	-35.2%	16 216
Vote 08 - Electrical Services		339 671	400 371	400 371	24 044	149 278	200 185	(50 907)	-25.4%	400 371
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 494 095	1 729 781	1 729 781	356 791	1 024 470	864 890	159 580	18.5%	1 729 781
Expenditure by Vote	1									
Vote 01 - Executive & Council		275 749	285 378	285 378	14 904	173 844	142 689	31 154	21.8%	285 378
Vote 02 - Corporate Support Services		97 372	71 616	71 872	9 381	38 973	35 929	3 044	8.5%	71 872
Vote 03 - BudgetAnd Treasury		119 428	113 851	113 851	25 166	93 070	56 926	36 144	63.5%	113 851
Vote 04 - Planning And Development		28 733	31 209	31 209	1 701	11 633	15 605	(3 971)	-25.4%	31 209
Vote 05 - Technical Services		253 744	286 091	299 571	16 964	100 891	149 786	(48 895)	-32.6%	299 571
Vote 06 - Community Services		85 474	107 274	107 274	19 027	74 047	53 638	20 409	38.1%	107 274
Vote 07 - Traffic And Security		96 135	90 315	90 315	8 474	52 763	45 158	7 605	16.8%	90 315
Vote 08 - Electrical Services		356 790	397 512	383 822	32 724	205 882	191 911	13 971	7.3%	383 822
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 313 427	1 383 244	1 383 290	128 342	751 104	691 642	59 462	8.6%	1 383 290
Surplus/ (Deficit) for the year	2	180 668	346 537	346 491	228 449	273 366	173 248	100 118	57.8%	346 491

5.2.4. Table C4 Financial Performance (Revenue and Expenditure) for Quarter ended 31 December 2023.

LIM367 Mogalakwena - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		334 775	400 511	400 511	24 044	149 293	200 255	(50 962)	-25%	400 511
Service charges - Water		111 468	204 844	204 844	8 809	5 312	102 422	(97 110)	-95%	204 844
Service charges - Waste Water Management		20 184	29 454	29 454	1 858	11 079	14 727	(3 648)	-25%	29 454
Service charges - Waste management		19 786	20 545	20 545	2 015	19 708	10 273	9 435	92%	20 545
Sale of Goods and Rendering of Services		3 038	4 084	4 084	80	872	2 042	(1 170)	-57%	4 084
Agency services		12 193	10 421	10 421	938	5 107	5 211	(103)	-2%	10 421
Interest		–	–	–	–	–	–	–	–	–
Interest earned from Receivables		56 754	35 731	35 731	4 724	27 287	17 866	9 422	53%	35 731
Interest from Current and Non Current Assets		4 885	3 348	3 348	730	4 909	1 674	–	–	3 348
Dividends		–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		661	2 027	2 027	148	1 401	1 014	387	38%	2 027
Licence and permits		–	1 951	1 951	–	–	975	(975)	-100%	1 951
Operational Revenue		1 840	336	336	21	551	168	383	228%	336
Non-Exchange Revenue								–	–	
Property rates		91 416	96 349	96 349	8 073	48 511	48 175	336	1%	96 349
Surcharges and Taxes		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		2 226	4 005	4 005	280	699	2 002	(1 303)	–	4 005
Licence and permits		27	11	11	–	2	5	(3)	–	11
Transfers and subsidies - Operational		546 728	587 164	587 164	192 649	435 082	293 582	141 500	–	587 164
Interest		14 740	13 551	13 551	1 328	7 927	6 776	1 151	–	13 551
Fuel Levy		–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		756	3 848	3 848	–	149	1 924	(1 776)	–	3 848
Other Gains		1 849	–	–	–	833	–	833	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		1 223 327	1 418 183	1 418 183	245 696	718 722	709 091	9 631	1%	1 418 183
Expenditure By Type										
Employee related costs		332 210	411 319	411 319	28 107	177 054	205 661	(28 607)	-14%	411 319
Remuneration of councillors		10 524	18 009	18 009	3 970	11 949	9 005	2 945	33%	18 009
Bulk purchases - electricity		288 246	321 949	306 639	27 509	176 239	153 319	22 920	–	306 639
Inventory consumed		54 524	60 120	61 550	12 584	44 362	30 637	13 724	–	61 550
Debt impairment		1 446	190 574	190 574	–	–	95 287	(95 287)	-100%	190 574
Depreciation and amortisation		141 791	100 410	100 410	–	–	50 206	(50 206)	-100%	100 410
Interest		2 936	2 561	2 561	503	1 502	1 280	222	17%	2 561
Contracted services		189 404	153 364	150 949	41 875	148 954	75 952	73 003	96%	150 949
Transfers and subsidies		5 951	517	517	7	85	258	(173)	-67%	517
Irrecoverable debts written off		203 695	–	–	3 177	125 111	–	125 111	–	–
Operational costs		75 517	124 422	140 763	10 609	65 847	70 036	(4 189)	-6%	140 763
Losses on Disposal of Assets		2 361	–	–	–	–	–	–	–	–
Other Losses		4 820	–	–	–	–	–	–	–	–
Total Expenditure		1 313 427	1 383 244	1 383 290	128 342	751 104	691 642	59 462	9%	1 383 290
Surplus/(Deficit)		(90 100)	34 938	34 892	117 354	(32 382)	17 449	(49 830)	(0)	34 892
Transfers and subsidies - capital (monetary allocations)		270 591	311 599	311 599	111 095	305 748	–	305 748	#DIV/0!	311 599
Transfers and subsidies - capital (in-kind)		177	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		180 668	346 537	346 491	228 449	273 366	17 449			346 491
Income Tax										
Surplus/(Deficit) after income tax		180 668	346 537	346 491	228 449	273 366	17 449			346 491
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		180 668	346 537	346 491	228 449	273 366	17 449			346 491
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		180 668	346 537	346 491	228 449	273 366	17 449			346 491

5.2.5. Table C5 Capital Expenditure (Municipal Vote, Functional classification and funding) for Quarter ended 31 December 2023.

LIM367 Mogalakwena - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06										
Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 01 - Executive & Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Support Services		-	-	-	-	-	-	-		-
Vote 03 - Budget And Treasury		-	-	-	-	-	-	-		-
Vote 04 - Planning And Development		-	-	-	-	-	-	-		-
Vote 05 - Technical Services		-	-	-	-	-	-	-		-
Vote 06 - Community Services		-	-	-	-	-	-	-		-
Vote 07 - Traffic And Security		-	-	-	-	-	-	-		-
Vote 08 - Electrical Services		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		1 783	-	-	-	-	-	-		-
Vote 02 - Corporate Support Services		8 882	-	-	-	-	-	-		-
Vote 03 - Budget And Treasury		1 388	-	-	-	-	-	-		-
Vote 04 - Planning And Development		473	-	-	-	-	-	-		-
Vote 05 - Technical Services		206 447	253 946	305 859	58 477	239 153	153 072	86 081	56%	305 859
Vote 06 - Community Services		30 166	37 500	400	237	237	57	179	314%	400
Vote 07 - Traffic And Security		335	-	-	-	-	-	-		-
Vote 08 - Electrical Services		5 247	20 153	5 340	242	242	2 670	(2 428)	-91%	5 340
Total Capital single-year expenditure	4	254 720	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Total Capital Expenditure		254 720	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Capital Expenditure - Functional Classification										
Governance and administration		9 152	-	-	-	-	-	-		-
Executive and council		1 464	-	-	-	-	-	-		-
Finance and administration		7 594	-	-	-	-	-	-		-
Internal audit		95	-	-	-	-	-	-		-
Community and public safety		4 501	24 500	400	237	237	57	179	314%	400
Community and social services		3 536	16 500	-	-	-	0	(0)	-100%	-
Sport and recreation		866	8 000	400	237	237	57	179	314%	400
Public safety		77	-	-	-	-	-	-		-
Housing		23	-	-	-	-	-	-		-
Health										
Economic and environmental services		36 465	54 317	87 041	4 395	40 524	50 521	(9 997)	-20%	87 041
Planning and development		657	-	-	-	-	-	-		-
Road transport		35 808	54 317	87 041	4 395	40 524	50 521	(9 997)	-20%	87 041
Environmental protection										
Trading services		204 602	232 782	224 157	54 325	198 872	105 222	93 650	89%	224 157
Energy sources		5 247	20 153	5 340	242	242	2 670	(2 428)	-91%	5 340
Water management		150 119	150 829	176 384	50 468	185 402	81 335	104 067	128%	176 384
Waste water management		20 287	48 800	42 433	3 614	13 228	21 217	(7 989)	-38%	42 433
Waste management		28 948	13 000	-	-	-	0	(0)	-100%	-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	254 720	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Funded by:										
National Government		240 208	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Provincial Government								-		
District Municipality								-		
Transfers recognised - capital		240 208	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599
Borrowing	6							-		
Internally generated funds		14 512	-	-	-	-	-	-		-
Total Capital Funding		254 720	311 599	311 599	58 956	239 632	155 799	83 833	54%	311 599

5.2.6. Table C6 Financial Position for Quarter ended 31 December 2023.

LIM367 Mogalakwena - Table C6 Monthly Budget Statement - Financial Position - M06 December						
Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		40 344	83 261	83 261	82 796	83 261
Trade and other receivables from exchange transactions		131 118	266 182	266 182	50 215	266 182
Receivables from non-exchange transactions		40 683	96 377	96 377	23 323	96 377
Current portion of non-current receivables		–	–	–	–	–
Inventory		396 599	380 596	380 596	372 644	380 596
VAT		54 619	–	–	65 972	–
Other current assets		14 423	–	–	14 428	–
Total current assets		677 786	826 417	826 417	609 378	826 417
Non current assets						
Investments						
Investment property		193 792	137 121	137 121	193 792	137 121
Property, plant and equipment		4 238 341	4 537 112	4 537 112	4 477 973	4 537 112
Biological assets						
Living and non-living resources						
Heritage assets		5 868	5 868	5 868	5 868	5 868
Intangible assets		1 762	943 423	943 423	1 762	943 423
Trade and other receivables from exchange transactions		(2)	16 137	16 137	(2)	16 137
Non-current receivables from non-exchange transactions		15 617	–	–	15 617	–
Other non-current assets						
Total non current assets		4 455 378	5 639 661	5 639 661	4 695 010	5 639 661
TOTAL ASSETS		5 133 164	6 466 078	6 466 078	5 304 388	6 466 078
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		420	–	–	420	–
Consumer deposits		(16 779)	28 084	28 084	(15 873)	28 084
Trade and other payables from exchange transactions		428 273	210 463	210 463	292 386	210 463
Trade and other payables from non-exchange transactions		5 495	–	–	37 654	–
Provision		16 190	12 748	12 748	15 004	12 748
VAT		161 015	88 638	88 638	161 696	88 638
Other current liabilities		1 019	–	–	1 019	–
Total current liabilities		595 634	339 934	339 934	492 306	339 934
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		110 789	123 053	123 053	110 789	123 053
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		110 789	123 053	123 053	110 789	123 053
TOTAL LIABILITIES		706 422	462 987	462 987	603 095	462 987
NET ASSETS	2	4 426 741	6 003 091	6 003 091	4 701 293	6 003 091
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		6 247 741	5 656 554	5 656 554	6 358 877	5 656 554
Reserves and funds		(1 657 584)	–	–	(1 657 584)	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	4 590 157	5 656 554	5 656 554	4 701 293	5 656 554

5.2.7. Table C7 Cash Flow Statement for Quarter ended 31 December 2023.

LIM367 Mogalakwena - Table C7 Monthly Budget Statement - Cash Flow - M06 December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		58 269	62 627	62 627	5 370	34 094	31 313	2 781	9%	62 627
Service charges		312 343	435 265	435 265	28 530	178 374	217 633	(39 258)	-18%	435 265
Other revenue		483 582	30 220	30 220	16 264	141 679	15 110	126 569	838%	30 220
Transfers and Subsidies - Operational		215 473	585 613	585 613	191 238	432 838	292 807	140 031	48%	585 613
Transfers and Subsidies - Capital		284 022	311 999	311 999	83 684	340 150	155 999	184 151	118%	311 999
Interest		3 871	3 348	3 348	1 255	4 909	1 674	3 235	193%	3 348
Dividends								-		
Payments										
Suppliers and employees		(1 073 023)	(1 055 058)	(1 055 058)	(139 850)	(1 167 056)	(527 529)	639 527	-121%	(1 055 058)
Interest		-	(2 561)	(2 561)	-	-	(1 280)	(1 280)	100%	(2 561)
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		284 537	371 454	371 454	186 491	(35 011)	185 727	220 738	119%	371 454
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		3 867	3 848	3 848	-	149	1 924	(1 776)	-92%	3 848
Decrease (increase) in non-current receivables		15 615	16 137	16 137	-	15 615	8 069	7 546	94%	16 137
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(254 720)	(311 599)	(311 599)	(58 956)	(239 632)	(155 799)	83 833	-54%	(311 599)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(235 238)	(291 613)	(291 613)	(58 956)	(223 869)	(145 807)	78 062	-54%	(291 613)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits		-	-	-	207	750	-	750	#DIV/0!	-
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	207	750	-	(750)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		49 299	79 841	79 841	127 742	(258 129)	39 921			79 841
Cash/cash equivalents at beginning:		68 224	77 871	77 871	66 813	40 344	77 871			40 344
Cash/cash equivalents at month/year end:		117 524	157 712	157 712		(217 785)	117 792			120 185

6. PART 2: SUPPORTING DOCUMENTATIONS

6.1. Debtors Age Analysis

Debtors' age analysis indicates the extent to which the municipality's due revenue is not yet collected or received in cash. Supporting table SC3 illustrates the debtors ageing as at 31 December 2023. It indicates that the municipality is owed an amount of R 1,420 billion at the end of December 2023. R 1,285 billion is owed over 90 days. The municipality has appointed a debt collector in order to assist with recovering the debt.

LIM367 Mogalakwena - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December											
Description		Budget Year 2023/24									
	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	11 778	13 231	8 703	10 476	82 377	39 514	34 476	303 072	503 628	469 915
Trade and Other Receivables from Exchange Transactions - Electricity	1300	24 028	17 553	5 457	3 126	4 677	4 324	12 667	57 954	129 784	82 747
Receivables from Non-exchange Transactions - Property Rates	1400	7 446	5 801	3 360	2 791	2 626	2 568	14 206	158 821	197 619	181 012
Receivables from Exchange Transactions - Waste Water Management	1500	1 829	1 448	1 003	907	858	848	4 828	62 578	74 299	70 019
Receivables from Exchange Transactions - Waste Management	1600	2 152	1 833	1 455	1 396	1 347	1 349	5 819	81 086	96 437	90 998
Receivables from Exchange Transactions - Property Rental Debtors	1700	130	380	114	113	113	3	113	367	1 333	709
Interest on Arrear Debtor Accounts	1810	6 014	5 945	5 890	5 378	5 354	6 196	32 377	334 458	401 612	383 763
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-
Other	1900	220	3 359	6 428	276	417	270	1 148	3 964	16 082	6 075
Total By Income Source	2000	53 597	49 550	32 410	24 463	97 769	55 072	105 634	1 002 300	1 420 796	1 285 238
2022/23 - totals only		53 597	49 550	32 410	24 463	97 769	55 072	105 634	1 002 300	1 420 796	1 285 238
Debtors Age Analysis By Customer Group											
Organs of State	2200	3 231	4 470	3 070	2 336	5 513	3 626	9 713	116 795	148 755	137 984
Commercial	2300	19 326	11 980	3 171	2 093	3 033	2 579	9 351	62 451	113 983	79 507
Households	2400	30 772	32 164	25 653	19 784	88 947	48 654	85 534	819 001	1 150 509	1 061 920
Other	2500	268	936	516	249	276	213	1 037	4 053	7 549	5 828
Total By Customer Group	2600	53 597	49 550	32 410	24 463	97 769	55 072	105 634	1 002 300	1 420 796	1 285 238

Revenue collection

The following is the summarized percentage of collection rate for the previous three months:

Month	Collection rate
December	85%
November	79%
October	67%

The average collection rate for the second quarter is 77%.

Top 10 accounts

The municipality's top 10 accounts are illustrated in the table below:

No	Name	Amount
1	Terra Clay	10 085 885
2	NATIONAL GOVT OF THE REP OF SA	9 356 829
3	Dept of Public works	8 422 857
4	Lepelle water	8 186 335
5	RSA	8 101 335
6	Frostall trading	7 928 256
7	Mokopane south Primary school	6 230 631
8	Dept of education	4 197 565
9	Kgatelopele Primary School	3 674 620
10	RSA	3 581 603
	Total	69 765 916

The table indicates that the municipality's top 10 debtors at the end of December 2023 comprises mostly of businesses and government departments. Therefore, the municipality needs to put more effort in collecting from both sectors. Department of finance is in continuous talks with provincial departments in order to find a solution to reduce the state debts.

6.2. Creditors Age Analysis

Supporting table below shows the Creditors Age analysis as at 31 December 2023. Creditors have to be paid within 30 days as stipulated by the Municipal Finance Management Act, except for cases where there are disputes between the municipality and its creditors. The municipality is owing an amount of R93.5m to its creditors as at the end of December 2023. The municipality had entered into an arrangement with Eskom for an outstanding amount. During the quarter under review, the municipality managed to settle the outstanding amount. Eskom account was up to date at the end of the quarter.

LIM367 Mogalakwena - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December											
Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	24 414	32 138	-	-	-	-	-	-	56 553	56 553
Bulk Water	0200	2 773	3 174	-	-	-	-	-	-	5 947	5 947
PAYE deductions	0300									-	-
VAT (output less input)	0400									-	-
Pensions / Retirement deductions	0500									-	-
Loan repayments	0600									-	-
Trade Creditors	0700	5 363	16 245	1 087	2 828	-	-	-	-	25 524	25 524
Auditor General	0800	833	4 666	-	-	-	-	-	-	5 499	5 499
Other	0900									-	-
Total By Customer Type	1000	33 384	56 223	1 087	2 828	-	-	-	-	93 523	93 523

6.3. Investment Portfolio analysis

LIM367 Mogalakwena - Municipal Investments - Q02

Primary Bank : Standard Bank

Account Type : Cheque

Opening Balance - 01 September 2023	17 749 359
Closing balance - 31 December 2023	27 381 017

INVESTMENTS : SECOND QUARTER 2023

Name of Institution/Bank	Investment Type	Opening Balance	Deposit/ Invested during the Month	Withdrawal during the Month	Penalties	Interest Accrued	Interest Earned	Closing Balance
ABSA	Short-Term	-	-	-	-	-	-	-
FNB	Short-Term	-	-	-	-	-	-	-
NEDBANK	Sort-Term	-	-	-	-	-	-	-
STANDARD BANK	Short-Term	-	-	-	-	-	-	-
STANDARD BANK	Call Accounts 002 & 052	42 796 320	178 375 000	96 000 000	-	-	500 873	125 672 194
								-
TOTAL		42 796 320	178 375 000	96 000 000	-	-	500 873	125 672 194

Total in the Bank

153 053 210

The municipality had a total balance of R153.3m in the bank at the end of December 2023. The amount includes short-term investments or call accounts of R125.6m. The balance is cash backing the unspent conditional grants.

6.4. Allocation and grant receipts and expenditure

The municipality has applied for a Roll over for funds not fully spent on Water Services Infrastructure Grant. An amount of R5.3m was applied for and the National treasury approved the application.

The municipality therefore needs to process adjustments on capital budget during the adjustments budget process in order to cater for the approved roll over.

Supporting Table SC6 Budget statement – Transfers and Grant receipts – Quarter Ended 31 December 2023.

LIM367 Mogalakwena - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		546 673	587 164	587 164	192 649	435 082	293 582	141 500	48.2%	587 164
Equitable Share		535 476	574 110	574 110	191 238	430 451	287 055	143 396	50.0%	574 110
Expanded Public Works Programme Integrated Grant		1 161	1 151	1 151	–	80	575	(495)	-86.0%	1 151
Local Government Financial Management Grant		2 100	2 100	2 100	846	1 266	1 050	216	20.5%	2 100
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		7 936	9 803	9 803	565	3 285	4 902	(1 617)	-33.0%	9 803
Other transfers and grants [insert description]										
Provincial Government:		–	–	–	–	–	–	–	–	–
Other transfers and grants [insert description]										
District Municipality:		56	–	–	–	–	–	–	–	–
Specify (Add grant description)		56	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]										
Total Operating Transfers and Grants	5	546 728	587 164	587 164	192 649	435 082	293 582	141 500	48.2%	587 164
Capital Transfers and Grants										
National Government:		270 591	311 599	311 599	111 095	305 748	155 799	149 948	96.2%	311 599
Integrated National Electrification Programme Grant		4 999	–	–	–	–	–	–	–	–
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		171 660	186 266	186 266	46 240	111 005	93 133	17 872	19.2%	186 266
Regional Bulk Infrastructure Grant		51 631	50 000	50 000	61 548	167 771	25 000	142 771	571.1%	50 000
Water Services Infrastructure Grant		42 301	75 333	75 333	3 306	26 972	37 667	(10 694)	-28.4%	75 333
Provincial Government:		–	–	–	–	–	–	–	–	–
[insert description]										
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		177	–	–	–	–	–	–	–	–
[insert description]										
Environmental Commissioner		–	–	–	–	–	–	–	–	–
Housing Development Agency		–	–	–	–	–	–	–	–	–
Mining Companies		–	–	–	–	–	–	–	–	–
Private Enterprises		–	–	–	–	–	–	–	–	–
Unspecified		177	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	270 768	311 599	311 599	111 095	305 748	155 799	149 948	96.2%	311 599
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	817 496	898 763	898 763	303 744	740 830	449 381	291 449	64.9%	898 763

Supporting Table SC7 (1) Budget statement – Transfers and Grant Expenditure – Quarter Ended 31 December 2023.

LIM367 Mogalakwena - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		281 027	362 790	362 785	39 644	186 881	181 395	5 486	3.0%	362 785
Equitable Share		264 293	349 735	349 730	38 167	182 210	174 868	7 343	4.2%	349 730
Expanded Public Works Programme Integrated Grant		1 161	1 151	1 151	176	256	576	(319)	-55.4%	1 151
Integrated National Electrification Programme Grant		5 674	-	-	-	-	-	-	-	-
Local Government Financial Management Grant		2 100	2 100	2 100	736	1 129	1 050	79	7.5%	2 100
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		7 798	9 803	9 803	565	3 285	4 902	(1 617)	-33.0%	9 803
Provincial Government:		-	-	-	-	-	-	-	-	-
								-		
District Municipality:		-	-	-	-	-	-	-	-	-
								-		
Other grant providers:		37 839	15 194	15 194	6 758	28 568	7 597	20 971	276.0%	15 194
South Africa Revenue Service (SARS)		37 839	15 194	15 194	6 758	28 568	7 597	20 971	276.0%	15 194
Total operating expenditure of Transfers and Grants:		318 865	377 984	377 979	46 401	215 449	188 992	26 456	14.0%	377 979
Capital expenditure of Transfers and Grants										
National Government:		240 208	311 599	311 599	58 956	239 632	155 799	83 833	53.8%	311 599
Integrated National Electrification Programme Grant		4 405	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		155 267	186 266	186 266	12 336	88 135	93 133	(4 998)	-5.4%	186 266
Regional Bulk Infrastructure Grant		42 086	50 000	50 000	45 583	129 572	25 000	104 572	418.3%	50 000
Water Services Infrastructure Grant		38 450	75 333	75 333	1 037	21 925	37 667	(15 742)	-41.8%	75 333
Provincial Government:		-	-	-	-	-	-	-	-	-
								-		
District Municipality:		-	-	-	-	-	-	-	-	-
								-		
Other grant providers:		-	-	-	-	-	-	-	-	-
Housing Development Agency		-	-	-	-	-	-	-	-	-
Mining Companies		-	-	-	-	-	-	-	-	-
Private Enterprises		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		240 208	311 599	311 599	58 956	239 632	155 799	83 833	53.8%	311 599
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		559 074	689 582	689 577	105 357	455 081	344 792	110 289	32.0%	689 577

The municipality has an overall spending of R455.0m at the end of December 2023. The year-to-date budget amounted to R344.7m. This has a positive variance of R110.2m. The over-performance is mainly as a result of Regional Bulk Infrastructure Grant. The municipality is performing well on the grant and therefore receives additional funding during the financial year. The municipality must continue to expedite spending on conditional grants in order to provide services to the community and to avoid having to pay the allocated grants back to National Treasury due to poor performance.

6.5. Expenditure on Councillors and Employee benefits

Table (SC8) provides the detail for councillors and employee benefits. For the first six months ended 31 December 2023, the total salaries, allowances and benefits paid amounts to R187.9m.

LIM367 Mogalakwena - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		6 200	10 362	10 362	2 382	6 991	5 181	1 810	35%	10 362
Pension and UIF Contributions		955	2 355	2 355	279	978	1 178	(199)	-17%	2 355
Medical Aid Contributions		—	—	—	—	1	—	1	#DIV/0!	—
Motor Vehicle Allowance		2 712	4 053	4 053	862	2 663	2 026	637	31%	4 053
Cellphone Allowance		657	1 239	1 239	446	1 316	620	696	112%	1 239
Housing Allowances		—	—	—	—	—	—	—		—
Other benefits and allowances		—	—	—	—	—	—	—		—
Sub Total - Councillors		10 524	18 009	18 009	3 970	11 949	9 005	2 945	33%	18 009
% increase	4		71.1%	71.1%						71.1%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		2 681	5 889	5 889	361	1 475	2 945	(1 469)	-50%	5 889
Pension and UIF Contributions		1 973	1 552	1 552	69	594	776	(182)	-23%	1 552
Medical Aid Contributions		613	469	469	10	91	234	(143)	-61%	469
Overtime		—	—	—	—	—	—	—		—
Performance Bonus		558	505	505	—	79	253	(174)	-69%	505
Motor Vehicle Allowance		649	720	720	48	238	360	(122)	-34%	720
Cellphone Allowance		252	654	654	31	156	327	(171)	-52%	654
Housing Allowances		11	9	9	—	—	4	(4)	-100%	9
Other benefits and allowances		0	1	1	0	0	1	(0)	-56%	1
Payments in lieu of leave		60	190	190	—	—	95	(95)	-100%	190
Long service awards		—	—	—	—	—	—	—		—
Post-retirement benefit obligations	2	—	—	—	—	—	—	—		—
Entertainment		—	—	—	—	—	—	—		—
Scarcity		—	—	—	—	—	—	—		—
Acting and post related allowance		23	—	—	—	—	—	—		—
In kind benefits		—	—	—	—	—	—	—		—
Sub Total - Senior Managers of Municipality		6 820	9 989	9 989	519	2 634	4 995	(2 361)	-47%	9 989
% increase	4		46.5%	46.5%						46.5%
Other Municipal Staff										
Basic Salaries and Wages		203 977	234 887	234 887	15 816	103 694	117 444	(13 750)	-12%	234 887
Pension and UIF Contributions		42 306	48 807	48 807	3 651	22 360	24 404	(2 044)	-8%	48 807
Medical Aid Contributions		10 863	12 514	12 514	999	5 888	6 257	(369)	-6%	12 514
Overtime		21 209	12 600	12 600	1 840	8 913	6 300	2 612	41%	12 600
Performance Bonus		14 439	20 310	20 310	1 854	9 115	10 155	(1 041)	-10%	20 310
Motor Vehicle Allowance		29 775	36 006	36 006	1 797	13 534	18 003	(4 469)	-25%	36 006
Cellphone Allowance		4 599	6 299	6 299	430	2 484	3 150	(666)	-21%	6 299
Housing Allowances		389	486	486	32	188	243	(55)	-23%	486
Other benefits and allowances		3 083	3 617	3 617	294	1 869	1 809	60	3%	3 617
Payments in lieu of leave		7 917	23 480	23 480	465	4 252	11 740	(7 488)	-64%	23 480
Long service awards		(1 692)	—	—	—	—	—	—		—
Post-retirement benefit obligations	2	(14 379)	2 323	2 323	181	1 102	1 162	(60)	-5%	2 323
Entertainment		—	—	—	—	—	—	—		—
Scarcity		—	—	—	—	—	—	—		—
Acting and post related allowance		164	—	—	—	—	—	—		—
In kind benefits		—	—	—	—	—	—	—		—
Sub Total - Other Municipal Staff		322 649	401 330	401 330	27 359	173 398	200 667	(27 269)	-14%	401 330
% increase	4		24.4%	24.4%						24.4%
Total Parent Municipality		339 994	429 328	429 328	31 847	187 981	214 666	(26 685)	-12%	429 328
			26.3%	26.3%						26.3%
% increase	4									
Total Municipal Entities		—	—	—	—	—	—	—		—
TOTAL SALARY, ALLOWANCES & BENEFITS		339 994	429 328	429 328	31 847	187 981	214 666	(26 685)	-12%	429 328
% increase	4		26.3%	26.3%						26.3%
TOTAL MANAGERS AND STAFF		329 470	411 319	411 319	27 878	176 032	205 661	(29 630)	-14%	411 319

6.6. Capital Budget performance analysis

Supporting Table SC12 provides information on the spending actual capital spending trend of the municipality. The table indicates that as at the end of December 2023, the municipality had only spent 19% of the total capital budget. It is clear that the municipality needs to improve its spending on capital projects, more especial those funded by conditional grants. National treasury approved roll over of conditional grants from 2022/2023 financial year.

LIM367 Mogalakwena - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December									
Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	4 556	25 967	25 967	–	–	25 967	25 967	100.0%	0%
August	7 282	25 967	25 967	14 831	14 831	51 933	37 102	71.4%	5%
September	3 008	25 967	25 967	49 544	49 544	77 900	28 356	36.4%	16%
October	5 054	25 967	25 967	56 033	56 033	103 866	47 833	46.1%	18%
November	12 779	25 967	25 967	60 268	60 268	129 833	69 565	53.6%	19%
December	39 241	25 967	25 967	58 956	58 956	155 799	96 843	62.2%	19%
January	10 524	25 967	25 967	–	–	181 766	181 766	100.0%	0%
February	17 943	25 967	25 967	–	–	207 732	207 732	100.0%	0%
March	54 136	25 967	25 967	–	–	233 699	233 699	100.0%	0%
April	4 385	25 967	25 967	–	–	259 666	259 666	100.0%	–
May	25 742	25 967	25 967	–	–	285 632	285 632	100.0%	–
June	70 070	25 966	25 966	–	–	311 599	311 599	100.0%	–
Total Capital expenditure	254 720	311 599	311 599	239 632					

7. EQUITABLE SHARE VERIFICATION CHECKLIST

MFMA Circular no. 122 Municipal Budget Circular for the 2023/24 MTREF has set out the equitable share release criteria for 2023/24. National Treasury has developed a guiding checklist in order to assist the municipalities with managing the process. The municipality has followed the guideline throughout the course of the first quarter in order to comply with the set criteria. The tables below depict progress made by the municipality in terms of the criteria:

General Requirements

Criteria	Verification Requirement	Yes/No
2023/24 Adopted Budget	Council resolution, adopted mSCOA budget data strings (ORGB), PDF version of adopted MTREF budget uploaded to GoMuni Upload portal immediately after approval.	
<ul style="list-style-type: none"> Is the municipality's completed tariff tool (National Treasury format) included as part of its budget submission (MFMA Budget Circular No. 98 (refer item 4.2). 	The completed National Treasury EXCEL tariff tool uploaded to GoMuni with the adopted budget by start of budget year i.e. 1 July 2023.	Yes
<ul style="list-style-type: none"> Are allocations made for bulk suppliers current account payments? 	Allocations reflected in mSCOA budget data strings (ORGB) and budget schedules/ document.	Yes
<i>If unfunded budget position–</i>		

Criteria	Verification Requirement	Yes/No
<ul style="list-style-type: none">Is a Budget Funding Plan (BFP) adopted with the budget?	Copy of the adopted Budget Funding Plan uploaded to GoMuni with the adopted budget by start of budget year i.e. 1 July 2023 .	Yes
	PDF version of BFP/progress report uploaded to GoMuni Upload portal by start of budget year i.e. 1 July 2023 .	Yes
	Is the BFP credible and show how the municipality intends moving progressively out of this position into a funded state?	Yes
	In the case of the latest progress report being submitted, is it aligned to the rescue phase of the new approach to Municipal Financial Recovery Service (MFRS)?	Yes
<ul style="list-style-type: none">Council resolution reflecting commitment to address unfunded position.	PDF copy of resolution uploaded to GoMuni Upload portal by start of budget year i.e. 1 July 2023.	Yes
mSCOA		
Submission of Data Strings	Successful submission of all financial and non-financial mSCOA data strings to the GoMuni Upload portal	Yes
	Timeous submission of all financial and non-financial mSCOA data strings to the GoMuni Upload portal	Yes
	Data strings submitted are credible as per the analysis done by NT/PTs	Partial
	Data strings are generated directly from the main municipal financial system	Yes
	The regulated MBRR Schedules are generated directly from the core municipal financial system	Yes
	Successful submission of all financial and non-financial mSCOA data strings to the GoMuni Upload portal	Yes
<ul style="list-style-type: none">Submission of documents	Municipal documents required in terms of legislation and MFMA Circulars have been submitted timeously and in the required format to the GoMuni Upload portal.	Yes
<ul style="list-style-type: none">Financial System Changes	Municipality has followed the processes in Circulars No. 93, 98, 123 and mSCOA Circulars No 5 and 6 to change their financial system.	N/A
UIF & W		
<ul style="list-style-type: none">UIF&W Register	Documents need to be uploaded to NTs eMonitoring Webpage	Yes eMonitoring not functional yet but submitted on email
<ul style="list-style-type: none">MPAC recommendation on UIF&W		
<ul style="list-style-type: none">Council Resolution on UIF&W		
<ul style="list-style-type: none">UIF&W Reduction Strategy		
Disciplinary Board		
<ul style="list-style-type: none">Does the municipality have a functional disciplinary board?	Proof of establishment (or efforts to establish DC Board) uploaded to NTs eMonitoring Webpage NTs eMonitoring Website.	Yes Emailed

Criteria	Verification Requirement	Yes/No
Competency Regulations		
Has the minimum municipal competency regulations reporting requirements been adhered to?	In line with the Competency Regulations, consolidated reporting information must be uploaded to GoMuni by 30 January 2023 and 30 July 2023.	Yes
Audit Process		
• Opinion Received	Did the municipality receive an adverse or disclaimed audit opinion or had outstanding audits for two consecutive financial years?	No
• Adverse or disclaimed audit opinion	Council resolution signed by each member of the Council was uploaded to NT's eMonitoring Webpage within 1 month after conclusion of the audit process reflecting council's commitment to address the opinion.	N/A
• Is a council approved audit action plan in place?	Audit action plan, together with council resolution, to be uploaded to NT's eMonitoring Webpage within 60 days from audit report issuance	Yes. NT Web based action plan is in place
Interventions (where applicable)		
• In the event of a discretionary or mandatory intervention in terms of section 139 of the Constitution, is a Financial Recovery Plan (FRP) in place?	The FRP and monthly progress reports submitted in terms of sections 145 and 146 of the MFMA must be uploaded to GoMuni Upload portal for each month since the inception of the FRP.	Voluntary FRP uploaded on the Portal

Quarterly Requirements

Criteria	Verification Requirement	Quarter 3 (Jan – March)	Quarter 4 (April – June)	Quarter 1 (July – Sept)	Quarter 2 (Oct – Dec)
Bulk Supplier Payments					
• Were current account payments to bulk suppliers (Eskom and Water Boards) timeously made?	PT/NT to verify status according to MFMA S41 Report. No action required from municipality if account in good standing.			Yes	Yes
• <u>If current account in arrears, are payment agreements in place?</u>	Copy of payment agreement or evidence of discussions are uploaded to on GoMuni Upload portal.			Yes	Eskom arrangement paid up end of December
Staff benefit Deductions					
• Were a) SARS, b) pension and c) other staff benefits timeously paid over to the relevant funds/institutions?	Proof of payment for each category, for each month of the quarter uploaded to on GoMuni Upload portal.			Yes	Yes
Reconciliation of Valuation Roll					

Criteria	Verification Requirement	Quarter 3 (Jan – March)	Quarter 4 (April – June)	Quarter 1 (July – Sept)	Quarter 2 (Oct – Dec)
<ul style="list-style-type: none"> Has the valuation role been reconciled to the financial system? 	In line with MFMA Circulars No. 93, 98 and 107, proof of the verification for each quarter should be uploaded on GoMuni Upload portal.			Yes	Yes

8. Conclusion

In light of the first six months ended 31 December 2023 financial assessment above and forecasting on the annual budget as approved by council in May 2023. It is recommended that an adjustments budget for 2023/2024 financial year be processed in order to cater for the shift of funds between votes. The adjustments budget will be submitted to council by the end of February 2023.

9. PART 3: Service Delivery Performance Assessment

STRATEGIC OBJECTIVE

To promote good governance and report on the financial sustainability of the Municipality

INSTITUTIONAL PERFORMANCE OVERVIEW

The Organisational Performance Monitoring and Evaluation system at Mogalakwena Municipality is specifically designed to determine whether the strategic plans as outlined in the Municipality's Integrated Development Plan is implemented effectively.

The full analysis of the municipality's performance against Service Delivery Budget Implementation Plan for the 1st half of the financial year ended 31 December 2023 is contained in this report.

The following is the summary of the specific performance highlights for the period under review:

- The municipality planned a total number of 60 Key Performance indicator for the mid-year performance report.
- Out of 60 key performance target set, 42 targets were achieved as set and 18 performance targets were not achieved.

Mogalakwena Municipality	Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development	Spatial Rationale
KPI Achieved	10	13	2	11	3	3
KPI Not Achieved	6	3	0	7	2	0
Total	16	16	2	18	5	3

COMPARISON OF THE ACTUAL PERFORMANCE 2022/2023 AND ACTUAL PERFORMANCE OF 2023/2024 FINANCIAL YEAR

The graph below illustrates the performance of the first half of 2023/2024 financial year Mogalakwena municipality against the 2022/2023 performance results

Key Performance area	2022/2023			2023/2024		
	Target achieved	Target not achieved	% Achieved	Target achieved	Target not achieved	% Achieved
Spatial rationale	3	0	100%	2	0	100%
Basic service delivery and infrastructure development	7	5	58%	10	6	63%
Local Economic Development	3	0	100%	2	0	100%
Municipal Financial Viability and Sound Management	16	6	73%	11	6	69%

Key Performance area	2022/2023			2023/2024		
	Target achieved	Target not achieved	% Achieved	Target achieved	Target not achieved	% Achieved
Municipal Transformation and organisational development	5	1	83%	4	1	60%
Good governance and public participation	12	6	55%	13	3	81%
Total	46	18	71%	42	18	70%

The comparison shows a decline of 1% as compared to the 2022/2023 annual performance report. The decrease may be caused by a number of key performance indicators that were not measured in the first half of the financial years.

ADJUSTMENT SDBIP

Regulation 23 of the municipal Budget and Reporting regulation provides, inter alia, for the following: *"An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and performance assessment has been tabled to council, but not after the 28 of February of each year"*.

A revised Top Layer SDBIP will be submitted with the Adjustment budget to council on or before 28 February 2024 with the necessary motivation where key performance indicators requires an adjustment/amendment.

SUMMARY AND CHALLENGES

Annexure A is the unaudited Top Layer SDBIP for the first half of the financial year ending 31 December 2023, which measures the Mogalakwena Municipality's overall performance per KPA's. The report includes the performance comments and corrective measures indicated for targets not achieved.

ANNEXURES

Annexure A: measures performance targets as set in the Services Delivery and Budget Implementation Plan

Annexure B: measures progress on Capital Projects also as indicated in the Service Delivery and Budget Implementation Plan.

8. ANNEXURES														
8.1 ANNEXURE A														
8.1.1 SPATIAL RATIONALE														
Strategic objectives	Programme	Key performance indicator	Baseline 2022/2023	Annual target 2023/2024	Quarterly Performance		Mid-year Performance results	Actual expenditure	Method of calculations	Reason for variance	Corrective measure	POE	Target achieved/ Not achieved/Not measured	Lead department
					Quarterly target	Quarterly Performance								
The optimum utilisation of land	Land Use	1.SDF reviewed and approved by Council by 30 September 2023	Draft SDF approved	Council approved SDF	Q1: Final approval of the SDF	Q1: Final SDF aproved by council	Final SDF aproved by council	-	Not appicable	Not applicable	Not applicable	Copies of council resolution and final SDF	Target achieved	Planning & Development
					Q2: Not planned for this quarter	Q2: Not planned for this quarter								
The optimum utilisation of land	Land Use	2.LUS Reviewed and approved by Council by 30 September 2023	Draft LUMS approved by council	Council approved LUS	Q1: Final approval of the LUS	Q1: Final LUS aproved by council	Final LUS aproved by council	-	Not appicable	Not applicable	Not applicable	Copies of council resolution and final LUS	Target achieved	Planning & Development
					Q2: Not planned for this quarter	Q2: Not planned for this quarter								
The optimum utilisation of land	Land Use	3. Percentage of land use contraventions referred to Legal Services after 30 days of non-response by	New	100%	Q1: 100%	Q1: 100%	100%	-	35/35	Not applicable	Not applicable	Contravention notices	Target achieved	Planning & Development
					Q2: 100%	Q2: 100%								

8.1.2 KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Strategic objectives	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Mid-year Performance results	Actual expenditure	Method of calculations	Reason for variance	Corrective measure	POE	Target achieved/ Not achieved/Not measured	Lead department
					Quarterly Target	Actual Performance								
Foster, regulate, maintain and promote a sustainable environment	Waste management	4.Number of formal households with access to waste collection by June 2024	16661	16250	Q1: 16250 Q2: 16250	Q1: 16675 Q2: 17049	17049	-	Not applicable	Not applicable	Not applicable	GSS06	Target achieved	Community services
Foster, regulate, maintain and promote a sustainable environment	Waste management	5.Number of waste awareness/clean-up campaigns held by June 2024	New	4	Q1: 1 Q2: 1	Q1: 1 Q2: 1	2	-	Not applicable	Not applicable	Not applicable	Cleanup attendance register	Target achieved	Community services
Foster, regulate, maintain and promote a sustainable environment	Waste management	6.Number of illegal dumping areas cleared by June 2024	New	1	Q1: Not applicable Q2: Not applicable	Q1: Not applicable Q2: Not applicable	Not applicable	-	Not applicable	Not applicable	Not applicable	Not applicable	Target not achieved	Community services
Foster, regulate, maintain and promote a sustainable environment	Parks and Recreation	7.Number of sport and recreational facilities maintained by 2024	New	5	Q1: 1 Q2: 1	Q1: 0 Q2: 0	0	-	Not applicable	Not applicable	Not applicable	POE not submitted	Target not achieved	Community services
Foster, regulate, maintain and promote a sustainable environment	Parks and Recreation	8.Number of cemeteries maintained by 2024	New	2	Q1: Not applicable Q2: 1	Q1: Not applicable Q2: 0	0	-	Not applicable	Not applicable	Not applicable	POE not submitted	Target not achieved	Community services
Improve the quality of lives through social development and the provision of effective community services	Road safety and traffic control	9.Number of speed checks conducted by June 2023	83	100	Q1: 25 Q2: 25	Q1: 35 Q2: 29	64	-	Not applicable	Not applicable	Not applicable	Speed control list	Target achieved	Traffic and emergency services
Improve the quality of lives through social development and the provision of effective community services	Road safety and traffic control	10. Number of roadblocks held by June 2024	New	4	Q1: 1 Q2: 1	Q1: 5 Q2: 1	6	-	Not applicable	Not applicable	Not applicable	Roadblock attendance register	Target achieved	Traffic and emergency services
To improve the quantity and quality of municipal infrastructure and services	Water	11.Number of formal households with access to basic level of water and sanitation by 30 June 2024	13212	Q1: Water: 13212 Sanitation 13212	Q1: Water 13212 Sanitation 13212 Q2: Water 13212 Sanitation 13212	Q1: Water 13415 Sanitation 17614 Q2: Water 25498 Sanitation 18167	Water 25498 Sanitation 18167	-	Not applicable	Not applicable	Not applicable	BSS06	Target achieved	Technical services
To improve the quantity and quality of municipal infrastructure and services	Water	12.Percentage of water loss	47%	25%	Q1: 25% Q2: 25%	Q1: 80,7% Q2: 50%	65.00%	-	Not applicable	Previous average billing written off	Installation of new meters	Water losses calculations and invoices	Target not achieved	Technical services
To improve the quantity and quality of municipal infrastructure and services	Water & Sanitation	13.Number of test conducted reports on Water Quality by 30 June 2024	12	12	Q1: 3 Q2: 3	Q1: 3 Q2: 0	3	0	Not applicable	Not applicable	Not applicable	Lab-test results	Target not achieved	Technical services
To improve the quantity and quality of municipal infrastructure and services	Water & Sanitation	14.Number of test conducted reports on Water Quality by 30 June 2024	12	12	Q1: 3 Q2: 3	Q1: 0 Q2: 0	0	0	Not applicable	Contract with lap expired	Appointment of Lab	None	Target not achieved	Technical services
To improve the quantity and quality of municipal infrastructure and services	Roads and storm water	15.Length of km roads tarred/paved	2,9km	6.3km roads tarred/paved	Q1: Road base and bed at 30% Q2: Road base and bed at 50%	Q1: Road base and bed at 40% Q2: Road base and bed at 58.5%	58.50%	R39 983 519	Not applicable	Not applicable	Not applicable	Project progress reports.	Target achieved	Technical services
To improve the quantity and quality of municipal infrastructure and services	Roads and storm water	16.Length of km of roads bladed	714,6km	300km	Q1: 75km Q2: 75km	Q1: 88km Q2: 77,58km	165,58km	-	Not applicable	Not applicable	Not applicable	Job cards	Target achieved	Technical services
To improve the quantity and quality of municipal infrastructure and services	Roads and storm water	17.Area of road square meters patched	12300,56m²	4000m²	Q1: 1000m² Q2: 1000m²	Q1: 1906m² Q2: 235,52m²	2170m²	-	Not applicable	Not applicable	Not applicable	Job cards	Target achieved	Technical services
To improve the quantity and quality of municipal infrastructure and services	Roads and storm water	18. Number of cubic of storm water drainage maintained	0m³	1500m³	Q1: 375m³ Q2: 375M3	Q1: 264m³ Q2: 647,74m3	911,74m3	-	Not applicable	Not applicable	Not applicable	Job cards	Target achieved	Technical services
To improve the quantity and quality of municipal infrastructure and services	Energy efficiency	19.Number of electricity meter audit conducted	1591	500	Q1: 125 Q2: 125	Q1: 188 Q2: 803	991	-	Not applicable	Not applicable	Not applicable	Meter audit forms	Target achieved	Electrical services
To improve the quantity and quality of municipal infrastructure and services	Electricity Loss control	20.Percentage of electricity loss	24%	20%	Q1: 20% Q2: 20%	Q1: 29,81% Q2: 26,45%	26.45%	-	11042455/ 41746250	1. Insufficient budget to implement the losses reduction strategy. 2. The 50% discount offered by te	Additional budget to be provided during the budget adjustmnet for the implementation of the losses reduction strategy. Intensify	Electricity loss calculation	Target not achieved	Electrical services

8.1.3 KPA 3: LOCAL ECONOMIC DEVELOPMENT														
Strategic objectives	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Mid-year Performance results	Actual expenditure	Method of calculations	Reason for variance	Corrective measure	POE	Target achieved/ Not achieved/Not measured	Lead department
					Quarterly Target	Actual Performance								
To create inclusive and well-coordinated investment opportunities for the growth of the economy	Job creation	21.Number of Jobs created through LED initiatives including capital projects by June 2024.	690	100	Q1: Not planned for this quarter	Q1: Not planned for this quarter	Not applicable	-	Not applicable	Not applicable	Not applicable	Not applicable	Target not measured	Planning and development services
					Q2: Not planned for this quarter	Q2: Not planned for this quarter								
To create inclusive and well-coordinated investment opportunities for the growth of the economy	Business information session	22. Number of business information sessions conducted by June 2024.	4	4	Q1: 1	Q1: 1	2	-	Not applicable	Not applicable	Not applicable	Copies of invitation and attendance register	Target achieved	Planning and development services
					Q2: 1	Q2: 1								
To create inclusive and well-coordinated investment opportunities for the growth of the economy	Flea market	23.Number of flea markets held by June 2024.	2	2	Q1: Not planned for this quarter	Q1: Not planned for this quarter	1	-	Not applicable	Not applicable	Not applicable		Target achieved	Planning and development services
					Q2: 1	Q2: 1								

8.1.4 KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT														
Strategic objectives	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Mid-year Performance results	Actual expenditure	Method of calculations	Reason for variance	Corrective measure	POE	Target achieved/ Not achieved/Not measured	Lead department
					Quarterly Target	Actual Performance								
Sound and efficient financial management	Budget and Reporting	24.Development and submission of compliant Annual Financial Statements to the Auditor General by 31 August 2022	AFS developed and submitted to AG by 31 August 2022	Development and submission of Annual Financial Statements to the Auditor General by 31 August 2023	Q1: Development and submission of Annual Financial Statements to the Auditor General by 31 August 2022	Q1: AFS developed and submitted to the Auditor General on the 31 August 2023	AFS developed and submitted to the Auditor General on the 31 August 2023	R 9 674 081.00	Not applicable	Not applicable	Not applicable	AFS and Acknowledgement letter	Target achieved	Budget & Treasury
Sound and efficient financial management	Budget and Reporting	25.Number of Action Plan for 2022/2023 AG Audit Queries developed and submitted to	1	1	Q1: Not planned for this quarter	Q1: Not planned for this quarter	Not applicable	-	Not applicable	Not applicable	Not applicable	Not applicable	Target not measured	Budget & Treasury
Sound and efficient financial management	Budget and Reporting	26.Percentage of AG queries resolved as per the Action Plan by 30 June 2024	100.00%	100%	Q2: Not planned for this quarter	Q2: Not planned for this quarter	Not applicable	-	Not applicable	Not applicable	Not applicable	Not applicable	Target not measured	Budget & Treasury
					Q1: Not planned for this quarter	Q1: Not planned for this quarter								
Sound and efficient financial management	Budget and Reporting	27.Development and approval of the credible mSCOA compliant Annual Budget approved by Council by 31 May	Final and approved budget by May 2022	Final and approved annual budget by May 2024	Q2: Not planned for this quarter	Q2: Not planned for this quarter	Not applicable	-	Not applicable	Not applicable	Not applicable	Not applicable	Target not measured	Finance Department
					Q1: Not planned for this quarter	Q1: Not planned for this quarter								
Sound and efficient financial management	Budget and Reporting	28.Number of MFMA Section 71 Reports submitted to the Mayor, Provincial and National Treasury by no later than 10 days after the end of each month.	12	12	Q1: 3	Q1: 3	3	-	Not applicable	Not applicable	Not applicable	Copies of emails for provincial and National treasuries.	Target achieved	Finance Department
					Q2: 3	Q2: 3								
Sound and efficient financial management	Budget and Reporting	29.cost coverage of 3 months by 30 June 2024	0,59months	3months	Q1: 2months	Q1: 0,65 Months	0,6months	-	54013722/ 91025546	Low revenue collection	Need to improve collection and reduce spending	Monthly report and Bank statements	Target not achieved	Finance
					Q2: 2months	Q2: 0,6months								
Sound and efficient financial management	Budget and Reporting	30.Percentage capital budget spent on budgeted capital projects identified for 2022/2024 financial year	51%	100%	Q1: 20%	Q1: 20,7%	78.36%	244 166 136	244 166 136/ 311 598 547	Not applicable	Not applicable	C Schedule – Capital Expenditure Report	Target achieved	Finance department
					Q2: 50%	Q2: 78,36%								
Sound and efficient financial management	Budget and Reporting	31.Percentage spent on the MIG grants approved projects by 30 June 2024	59%	100%	Q1: 20%	Q1: 12,3%	52.50%	95 954 071	95 954 071/182 955 000	Not applicable	Not applicable	C Schedule – Capital Expenditure Report	Target achieved	Finance department
					Q2: 50%	Q2:52.5%								
Sound and efficient financial management	Budget and Reporting	32.Percentage of budget spent on the WSiG grants approved projects by 30 June 2024	49,71%	100%	Q1: 20%	Q1: 7,2%	29%	21 924 805	21 924 805/75 332 999	Delays in approval of application for funding by CoGHSTA and DWS	Implementation of projects after approval by CoGHSTA and DWS	C Schedule – Capital Expenditure Report	Target not achieved	Finance department
					Q2: 50%	Q2: 29,1								
Sound and efficient financial management	Budget and Reporting	33.Percentage of budget spent on the RBiG grants approved projects by 30 June 2024	40%	100%	Q1: 20%	Q1: 72,3%	259%	36 148 546	129 572 474 / 50 000 000	Not applicable	Not applicable	C Schedule – Capital Expenditure Report	Target achieved	Finance department
					Q2: 50%	Q2: 259%								
Sound and efficient financial management	Asset Management	34.Number of asset verification reports complied - movables (sampling) by 30 June 2024	1	4	Q1: 1	Q1: 1	2	-	Not applicable	Not applicable	Not applicable	Assets register	Target achieved	Finance Department
					Q2: 1	Q2: 1								
Sound and efficient financial management	Free basic services	35.Percentage of Registered Indigents with access to Free Basic Services by 30 June 2024	100%	100%	Q1: 100%	Q1: 100%	100%	16109115.00	2416/2416	Not applicable	Not applicable	2023/2024 Indigent Register (BP954)	Target achieved	Finance department
					Q2: 100%	Q2: 100%								
Sound and efficient financial management	Revenue Management	36.Percentage of Service Debtors Revenue by 30 June 2024	87%	100%	Q1: 100%	Q1: 56%	66%	-	261189603/393	Taling of meter reading, metrs not working and bypassed not corrected information of meters	To start the process for installation of pre-paid watre and electrical metters and doing a meter audit and taking readings on all meters.	Billing Report BP136 GS 560	Target not achieved	Finance Department
					Q2: 100%	Q2: 66%								

Strategic objectives	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Mid-year Performance results	Actual expenditure	Method of calculations	Reason for variance	Corrective measure	POE	Target achieved/ Not achieved/Not measured	Lead department
					Quarterly Target	Actual Performance								
Sound and efficient financial management	Revenue Management	37. Percentage of debtors collection rate by 30 June 2024	64%	100%	Q1: 100%	Q1: 75%	75%	-	103864831/137678035	Credit control actions (warning and cutoffs) not consistently followed. Mahwelereng and Rebone only have water and cannot be	Warnings and cut offs be implemented	Monthly Report BS 902	Target not achieved	Finance department
					Q2: 100%	Q2: 75%								
Sound and efficient financial management	Revenue enhancement	38. Number of times that agreed portion of revenue from drivers licence cards were paid over prodiba by 15th of	11	12	Q1: 3	Q1: 3	6	-	Not applicable	Not applicable	Not applicable	Proof of payment	Target achieved	Traffic and emergency services
					Q2: 3	Q2: 3								
Sound and efficient financial management	Supply Chain Management	39. Number of reports on the implementation of SCM Policy compiled and tabled to Council by 30 June 2024	0	4	Q1: 1	Q1: 1	2	-	Not applicable	SCM report developed and submitted to council secretariate.	SCM will be tabled in the next council meeting	SCM report	Target achieved	Finance department
					Q2: 1	Q2: 1								
Sound and efficient financial management	Supply Chain Management	40. Number of deviation reports compiled and tabled to Council by 30 June 2024	0	4	Q1: 1	Q1: 1	2	-	Not applicable	SCM report developed and submitted to council secretariate.	SCM will be tabled in the next council meeting	SCM report	Target achieved	Finance department
					Q2: 1	Q2: 1								
Sound and efficient financial management	Supply Chain Management	41. Percentage of tenders and bids awarded within 90 days after closure of	100%	100%	Q1: 100%	Q1: 100%	100%	-	12-Dec	Not applicable	Not applicable	Tender award register	Target achieved	Finance department
					Q2: 100%	Q2: 100%								
Sound and efficient financial management	Expenditure Management	42. Percentage of creditors paid within 30days (as per MFMA S65) of receipt of invoices and all necessary supporting documentation	58%	100%	Q1: 100%	Q1: 87%	79%	-	1166/1468	Payments were not paid in time due to cash flow problem as results of low collection of revenue	Improvement of revenue collection through implementation of debt collection and credit control policy	HR994	Target not achieved	Finance department
					Q2: 100%	Q2: 79,4%								
Sound and efficient financial management	Revenue enhancement	43. Percentage of debt over 90 days collected	59%	100%	Q1: 100%	Q1: 20,9%	20%	-	60,99/99,3	Credit control actions (warning and cutoffs) not consistently followed. Mahwelereng and Rebone only have	Warnings and cut offs be implemented	BP 349	Target not achieved	Finance department
					Q2: 100%	Q2: 20,33								
Sound and efficient financial management	Revenue enhancement	44. Percentage of revenue (as per quarterly projections)	64%	100%	Q1: 100%	Q1: 75%	75%	-	103864831/137678035	Credit control actions (warning and cutoffs) not consistently followed. Mahwelereng and Rebone only have water and cannot be	Warnings and cut offs be implemented	Monthly Report BS 902	Target not achieved	Finance department
					Q2: 100%	Q2: 75%								

8.1.5 KPA 5: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT														
Strategic objectives	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Mid-year Performance results	Actual expenditure	Method of calculations	Reason for variance	Corrective measure	POE	Target achieved/Not achieved/Not measured	Lead department
					Quarterly Target	Actual Performance								
To develop and implement integrated management and governance systems	Legal Services	45. Number of Litigation Reports compiled and submitted to Council by 30 June 2024	0	4	Q1: 1	Q1: 1	3	-	Not applicable	Not applicable	Not applicable	Copies of council resolution and Litigation reports	Target achieved	Corporate Service
					Q2: 1	Q2: 2								
To develop and implement integrated management and governance systems	Legal Services	46. Deployment and approval of litigation reduction strategy	New	Approved litigation reduction strategy	Q1: Not planned for this quarter	Q1: Not planned for this quarter	Draft litigation strategy not in place	-	Not applicable	Lack of capacity in legal services unit	The Draft litigation strategy will be developed in the third quarter	None	Target not achieved	Corporate Service
					Q2: Draft litigation strategy in place	Q2: Draft litigation strategy not in place								
To ensure that all stakeholders within the institution are adequately capacitated and retained	Local Labour Forum	47. Number of LLF meetings held by 30 June 2024	3	4	Q1: 1	Q1: 3	3	-	Not applicable	Not applicable	Not applicable	Copies of LLF notice, LLF agenda, Attendance register, LLF minutes	Target achieved	Corporate Service
					Q2: 1	0								
To ensure that all stakeholders within the institution are adequately capacitated and retained	Organisational development	48. Organograms Reviewed and approved by 30 June 2024	Org structure not reviewed	Reviewed and approved Organisational structure	Q1: Not planned for this quarter	Q1: Not planned for this quarter	Not applicable	-	Not applicable	Not applicable	Not applicable	Not applicable	Target not measured	Corporate Service
					Q2: Not planned for this quarter	Q2: Not planned for this quarter								
To ensure that all stakeholders within the institution are adequately capacitated and retained	Human resources	49. Number of HR related policies developed. Shift policy; placement policy and organisation review	0	3	Q1: Not planned for this quarter	Q1: Not planned for this quarter	6 draft policies developed	-	Not applicable	Not applicable	Not applicable	Copies of council resolution and Policies	Target Achieved	Corporate Service
					Q2: 3 draft policies developed	Q2: 6 draft policies developed								
To ensure that all stakeholders within the institution are adequately capacitated and retained	Human Resources & Development	50. Number of WSP developed and submitted to LGSETA by 30 April 2024	1	1	Q1: Not planned for this quarter	Q1: Not planned for this quarter	Not applicable	Not planned for this quarter	Not applicable	Not planned for this quarter	Not planned for this quarter	Not planned for this quarter	Target not measured	Corporate Service
					Q2: Not planned for this quarter	Q2: Not planned for this quarter								
To ensure that all stakeholders within the institution are adequately capacitated and retained	Staff retention	51. Percentage of budgeted vacant positions on the organogram filled within three months after advertisement	0%	100%	Q1: 20%	Q1: 0%	0%	-	0/10	Delays in vetting of applicants. Shortage of HR personnel	Two general workers temporarily assist in capturing of applications to speedup recruitment	Appointment letters	Target not achieved	Corporate Service
					Q2: 50%	Q2: 0%								

8.1.6 KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Strategic objectives	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Mid-year Performance results	Actual expenditure	Method of calculations	Reason for variance	Corrective measure	POE	Target achieved/ Not achieved/Not measured	Lead department
					Quarterly Target	Actual Performance								
Develop and implement efficient management and governance systems	Integrated Development Plan	52. Number of IDP/PMS/Budget Process Plan approved by Council 30 August 2023	1	1	Q1: 1 Q2: Not planned for this quarter	Q1: 1 Q2: Not planned for this quarter	1	-	Not applicable	Not applicable	Not applicable	2024/2025 Council approved Process Plan with Council Resolution	Target achieved	Planning & Development
Develop and implement efficient management and governance systems	Integrated Development Plan	53. Development and adoption of the 2024/2025 IDP by Council by 30 May 2024	Final approved IDP by May 2023	Development and adoption of the 2024/2025 IDP	Q1: Not planned for this quarter Q2: Not planned for this quarter	Q1: Not planned for this quarter Q2: Not planned for this quarter	Not applicable	-	Not applicable	Not applicable	Not applicable	Not applicable	Target not measured	Planning & Development
Develop and implement efficient management and governance systems	Integrated Development Plan	54. Number of IDP Representative Forums held by 30 June 2024	4	4	Q1: 1 Q2: 1	Q1: 1 Q2: 1	2	-	Not applicable	Not applicable	Not applicable	Attendance registers and agendas	Target achieved	Planning & Development
To develop and implement integrated management and governance systems	Performance Management System	55. Number of MFMA Section 52 reports compiled and submitted to Council by 30 June 2024	4	4	Q1: 1 Q2: 1	Q1: 1 Q2: 1	2	-	Not applicable	Not applicable	Not applicable	Fourth and First quarter PMS report	Target achieved	Office of the MM
To develop and implement integrated management and governance systems	Performance Management System	56. Number of SDBIPs approved by the Mayor 28 days after the approval of the budget	1	1	Q1: Not planned for this quarter Q2: Not planned for this quarter	Q1: Not planned for this quarter Q2: Not planned for this quarter	Not applicable	-	Not applicable	Not applicable	Not applicable	Not applicable	Target not measured	Office of the Municipal Manager
To develop and implement integrated management and governance systems	Performance Management System	57. Percentage of Section 54A/56 Performance Agreements signed year to date	0%	100%	Q1: 100% Q2: 100%	Q1: 100% Q2: 100%	100%	-	7/7	Not applicable	Not applicable	Copies of signed PA	Target achieved	Office of the Municipal Manager
To develop and implement integrated management and governance systems	Municipal communication	58. Number of newsletters issued to communities on quarterly basis by 30 June 2024	1	4	Q1: 1 Q2: 1	Q1: 1 Q2: 1	2	-	Not applicable	Not applicable	Not applicable	Copies of newsletters	Target achieved	Office of the Municipal Manager
To develop and implement integrated management and governance systems	Ward Committees	59. Number of Ward Committees reports submitted to Speaker by	0	32	Q1: 32 Q2: 32	Q1: 41 Q2: 32	73	-	Not applicable	Not applicable	Not applicable	Ward committee reports	Target achieved	Office of the speaker
To develop and implement integrated management and governance systems	Audit	60. Obtain Unqualified Audit Opinion by 30 June 2024	Qualified opinion	Unqualified audit opinion	Q1: Not planned for this quarter Q2: Unqualified audit opinion	Q1: Not planned for this quarter Q2: Qualified opinion	Qualified opinion	-	Not applicable	Municipality qualified on PPE. Non-compliance with SCM regulations Understatement of revenue due billings	Full verification of water assets and electricity network assets. Review of the SCM tenders by Internal Audit. Investigation of the UIFW expenditure incurred by MPAC.	Audit report	Target not achieved	Office of the Municipal Manager
To develop and implement integrated management and governance systems	Auditing	61. Percentage of queries raised by internal audit resolved	32%	100%	Q1: 20% Q2: 50%	Q1: 63% Q2: 66%	66%	-	23/35	Not applicable	Not applicable	Follow-up report	Target achieved	Office of the Municipal Manager
To develop and implement integrated management and governance systems	Audit	62. Number of Audit Committee meetings held by 30 June 2024	7	4	Q1: 1 Q2: 1	Q1: 2 Q2: 1	3	-	Not applicable	Not applicable	Not applicable	Signed Attendance Registers and	Target achieved	Office of the Municipal Manager
To develop and implement integrated management and governance systems	Audit	63. Number of Performance Audit Committee meetings held by 30 June 2024	8	4	Q1: 1 Q2: 1	Q1: 2 Q2: 1	3	-	Not applicable	Not applicable	Not applicable	Signed Attendance Registers and Minutes	Target achieved	Office of the Municipal Manager
To develop and implement integrated management and governance systems	Audit	64. Number of Audit Committee Reports tabled to Council by 30 June 2024	6	4	Q1: 1 Q2: 1	Q1: 1 Q2: 1	2	-	Not applicable	Not applicable	Not applicable	Audit Committee Reports	Target achieved	Office of the Municipal Manager

Strategic objectives	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Mid-year Performance results	Actual expenditure	Method of calculations	Reason for variance	Corrective measure	POE	Target achieved/ Not achieved/Not measured	Lead department
					Quarterly Target	Actual Performance								
To develop and implement integrated management and governance systems	Risk Management	65. Number of Risk Management committee meetings held by 30 June 2024	5	4	Q1: 1	Q1: 1	2	59 689	Not applicable	Not applicable	Not applicable	Invite, attendance register and minutes of the meeting	Target achieved	Office of the Municipal Manager
					Q2: 1	Q2: 1								
To develop and implement integrated management and governance systems	Risk Management	66. Percentage of risks identified and resolved	18%	100%	Q1: 25%	Q1: 46%	50%	-	28/56	Not applicable	Not applicable	Risk management report	Target achieved	Office of the Municipal Manager
					Q2: 50%	Q2: 50%								
To develop and implement integrated management and governance systems	Public participation	67. Number of public participation meeting held (Iimbizo)	0	4	Q1: 1	Q1: 2	2	-	Not applicable	Not applicable	Not applicable	Attendance registers and agendas	Target achieved	Office of the Municipal Manager
					Q2: 1	Q2: 0								
To develop and implement integrated management and governance systems	MPAC	68. Number of MPAC meeting held	3	4	Q1: 1	Q1: 0	1	-	Not applicable	No support staff for MPAC in the first quarter	MPAC staff appointed	Appointment letters	Target not achieved	Office of the Municipal Manager
					Q2: 1	Q2: 1								
To develop and implement integrated management and governance systems	MPAC	69. Number of MPAC reports tabled to council and approved by 30 June	1	4	Q1: 1	Q1: 0	0	-	Not applicable	MPAC report completed and awaiting the next ordinary council meeting	Table MPAC reports in the next ordinary meeting	Appointment letters	Target not achieved	Office of the Municipal Manager
					Q2: 1	Q2: 0								

6.2 ANNEXURE B: CAPITAL PROJECTS												
No	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Actual expenditure	Reason for variance	Corrective measure	POE	Target achieved/not achieved	Lead department
					Quarterly Target	Actual Performance						
1	Pruizen Farm Groundwater	Drilling and equipping of 1 borehole, installation of package plant and construction of 10km pipeline	New	100% Equipping of boreholes, installation of package plant and construction of 10km pipeline	Q1: Geo-Hydrological Survey, Way-leave WULA and Designs Q2: Procurement of Constructor and Site Establishment	Q1: Geo-Hydrological Survey, Way-leave WULA and Designs completed Q2: No Procurement of Constructor and Site Establishment	R0		Physical engagements and presentation of crossing designs to SANRAL awaiting	Copies of Geo-Hydrological survey, way leave WULA and designs	Target achieved	Technical services
2	Mogalakwena Household Sanitation – Tenerife, Daggakraal, Rietfontein, Makekeng, and Ga-Chokoe	Construction of 905 household sanitation	New	100% Construction of 500 household sanitation	Q1: Recommendation letter from DWS and Application for Funding with CoGHSTA. Q2: Designs and Procurement of contractor.	Q1: Recommendation letter from DWS and Application for Funding with CoGHSTA Q2: Contractor appointed and site handed over. 23% construction progress	R3 798 142	Not applicable	Not applicable	Appointment letter and progress report	Target achieved	Technical services
3	Sefakaala Cluster – Reticulation (Sekgagapeng, Mitchell, Moshate, Maroteng, Masehlaneng, Phola Park, Mountain View, Masehlaneng 1 & 2)	Construction of reticulation Pipe lines, Installation of Water Treatment Plant	New project	30% Construction of reticulation Pipe lines, Installation of Water Treatment Plant	Q1: Approval of Technical Report by DWS for Funding Q2: Submission MIG 1 Application at Cogsta for Funding and procurement of contractor.	Q1: Technical Report not yet approved by DWS for Funding Q2: No Submission MIG 1 Application at Cogsta for Funding and procurement of contractor.	R0	TR rejected with recommendation that the project does not comply with MIG guidelines	Revised TR and submitted to dws for reconsideration	TR and copy rejection letter	Target not achieved	Technical services
4	Piet Se Kop Cluster Reticulation (Morula View, Masodi, Madiba, Mzombane)	Construction of reticulation Pipe lines, Installation of Water Treatment Plant	New project	30% Construction of reticulation Pipe lines, Installation of Water Treatment Plant	Q1: Approval of Technical Report by DWS for Funding. Q2: Submission MIG 1 Application at Cogsta for Funding and procurement of contractor.	Q1: Technical Report not yet approved by DWS for Funding Q2: No Submission MIG 1 Application at Cogsta for Funding and procurement of contractor.	R0	TR rejected with recommendation that the project does not comply with MIG guidelines	Revised TR and submitted to dws for reconsideration	TR and copy rejection letter	Target not approved	Technical services
5	Municipal Building Alternative Water Supply (Tayob, Van Rensburg, Mahwelereng, Mokopane Landfill, Municipal Main Building, Mapela Thusong Centre, Rebone SDA, Babirwa MPCC,Bakenburg Youth Centre, Diphichi Satellite, Nkidikitlana Satellite, Mapela Satellite, Masehlaneng 1 & 2)	Drilling and equipping of 4 borehole, installation of package plant	Designs completed	100% Drilling and equipping of 4 borehole, installation of package plant	Q1: Approval of Technical Report by DWS for Funding. Q2: Submission MIG 1 Application at Cogsta for Funding and procurement of contractor.	Q1: Technical Report not yet approved by DWS for Funding Q2: No Submission MIG 1 Application at Cogsta for Funding and procurement of contractor.	R0	TR rejected with recommendation that the project does not comply with MIG guidelines	Technical report submitted to DWS	TR and copy rejection letter	Target not approved	Technical services
6	Mahwelereng Roads & Stormwater Phase 2A	Construction of 5.4km road	New project	100% Construction of 5.4km road	Q1: Appointment of service provider and site Establishment Q2: Construction of the road layer works.50%	Q1: Service provider appointed; site established;Constructuion at Q2: Construction of the road layer works.58%	R17 799 576	Not applicable	Not applicable	Appointment letter; pictures of site establishment; progress report	Target achieved	Technical services
7	Mahwelereng Roads & Stormwater Phase 2B	Construction of 3.5 km road	New project	100% Construction of 3,5km road	Q1: Appointment of service provider and site Establishment Q2: Construction of the road layer works.50%	Q1: Service provider appointed; site established;Constructuion at Q2: Construction of the road layer works.59%	R15 630 500	Not applicable	Not applicable	Appointment letter; pictures of site establishment; progress report	Target achieved	Technical services
8	Completion of Geyser street (1000 metres) and stormwater channel and two low level bridges from Akasia to Mogalakwena river (2500 metres)	Construction of 1km road at Geyser street and construction of 2.5km stormwater channel and two level bridge from Akasia to Mogalakwena River	New project	100% Construction of 1km and 2.5km stormwater channel.	Q1: Appointment of service provider and site Establishment Q2: 30% Construction of the road layer works.	Q1: Service provider not appointed and site not establishment Q2: 0% Construction of the road layer works.	R0	Submitted MIG1 application.	Reviewed technical report and MIG 1 submitted to CoGHSTA for funding.	Proof of MIG1 submission	Target not achieved	Technical services

No	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Actual expenditure	Reason for variance	Corrective measure	POE	Target achieved/not achieved	Lead department
					Quarterly Target	Actual Performance						
9	Completion of Marulaneng roads & stormwater	Construction of 3.5km with 1 low level bridge.	New project	80% Construction of 3.5 Km	Q1: Submission MIG 1 Application at Cogsta for Funding and procurement of contractor.	Q1: Submission MIG 1 Application at CoGHSTA for funding done. Contactor appointed. Project completed.	R6 553 445	Not applicable	Not applicable	Appointment letter; completion certificate. Progress report	Target achieved	Technical services
					Q2: 30% Construction of the road layer works.	Q2: 34% Construction of the road layer works.						
10	Completion of Mabusela - Mosage Roads and Stormwater Reprioritized 2023/24 (Roll Over)	Construction of 2.43km road	New project	50% Construction of 2.43km road	Q1: Procurement of contractor	Q1: Contractor not procured	R0	additional fund rejected by CoGHSTA with recommendation to redesign the	RAL application for intersection, revised design report	None	Target not achieved	Technical services
					Q2: 15% Construction of 2.43km	Q2: 0% Construction of 2.43km						
11	Upgrading of Swimming Pools (Mokopane Town)	Upgrading of Swimming Pools	New project	100% Upgrading of Swimming Pools	Q1: Submission MIG 1 Application at CoGHSTA for Funding and procurement of contractor	Q1: MIG 1 application not yet submitted to CoGHSTA	R0	Application not approved with recommendation that the swimming must benefit historical disadvantaged individuals as per	Technical report revised and supported by LEDET	Technical report	Target not achieved	Technical services
					Q2: 30% Upgrading of Swimming Pool and chlorine room, shelter.	Q2: 0% Upgrading of Swimming Pool and chlorine room, shelter.						
12	Upgrading & Extension of Mokopane Landfill	Construction of office block with associated infrastructure phase 1.	New project	50% Construction of office block with associated infrastructure phase 1.	Q1: Recommendation letter from LEDAT and Application for Funding with CoGHSTA.	Q1: Recommendation letter from LEDAT and Application for Funding with CoGHSTA submitted	R0	Terms of reference were referred back for revision	Technical report revised and supported by LEDET	None	Target achieved	Electrical services
					Q2: Procurement of contractor for phase 1 and Licencing of landfill, Bio-Diversity studies, Environmental Studies, Heritage Stages.	Q2: No Procurement of contractor for phase 1 and Licencing of landfill, Bio-Diversity studies, Environmental Studies, Heritage Stages.						
13	Mokopane Regional Cemetery	Construction of Mokopane Regional Cemetery	New project	100% construction of Mokopane Regional cemetery	Q1: Submission MIG 1 Application at CoGHSTA for Funding and Environmental	Q1: MIG 1 application not yet submitted to CoGHSTA	R0	The identified land is not suitable for cemetery	Awaiting Town Planning to identify site suitable for cemetery	None	Target not achieved	Technical services
					Q2: Designs completed	Q2: Designs not completed						
14	Upgrading of Ext 17, Mokopane and Rebene Cemeteries	Upgrading of Ext 17, Mokopane and Rebene Cemeteries	New	100% Upgrading of Ext 17, Mokopane and Rebene Cemeteries	Q1: Submission MIG 1 Application at CoGHSTA for Funding and Environmental	Q1: MIG 1 application not yet submitted to CoGHSTA	R0	The identified land is not suitable for cemetery	Awaiting Town Planning to identify site suitable for cemetery	None	Target not achieved	Technical services
					Q2: Designs completed	Q2: Designs not completed						
15	Malepetleke High Mast Lights Reprioritized 2023/24 (Roll Over)	Installation of 6high mast lights in Malepetleke	Designs completed and tender documents completed.	100% installation of 6 high mast lights	Q1: Advertising and Request for additional funding with CoGHSTA due to price escalation.	Q1: Request for additional funding not yet approved	R128 259	Awaiting approval of additional fund by CoGHSTA	Implementation of project after approval of additional funding	Appointment letters	Target achieved	Technical services
					Q2: Appointment of contractor, excavation and construction of concrete base plate for high mass lights	Q2: Contractor appointed and site handed over						
16	Mesopotamia High Mast Lights Reprioritized 2023/24 (Roll Over)	Installation of 2 high mast lights in Mesopotamia	Designs completed and tender documents completed.	100% installation of 2 high mast lights	Q1: Advertising and Request for additional funding with CoGHSTA due to price escalation.	Q1: Request for additional funding not yet approved	R114 013	Awaiting approval of additional fund by CoGHSTA	Implementation of project after approval of additional funding	Appointment letters	Target achieved	Technical services
					Q2: Appointment of contractor, excavation and construction of concrete base plate for high mass lights	Q2: Contractor appointed and site handed over						

No	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Actual expenditure	Reason for variance	Corrective measure	POE	Target achieved/not achieved	Lead department
					Quarterly Target	Actual Performance						
17	Mosoge High Mast Lights Reprioritized 2023/24 (Roll Over)	Installation of 2 high mast lights in Mosoge	Designs completed and tender documents completed.	100% installation of 2 high mast lights	Q1: Advertising and Request for additional funding with CoGHSTA due to price escalation. Q2: Appointment of contractor, excavation and construction of concrete base plate for high mass lights	Q1: Request for additional funding not yet approved Q2: Contractor not appointed, no excavation and construction of concrete base plate for high mass lights	R0	Additional funds not approved by CoGHSTA	Project reprioritised for the next financial year	Copy of request for additional funding	Target not achieved	Technical services
18	High Mast Light in Sekgagapeng	Installation of 3 high mast lights in Sekgagapeng	Designs completed and tender documents completed.	100% installation of 3 high mast lights	Q1: Appointment of Consultant and Design Stage. Submission MIG 1 Application at CoGHSTA for Funding Q2: Appointment of contractor, excavation and construction of concrete base plate for high mass lights	Q1: Consultant not appointed and Design Stage. MIG 1 Application not submitted to CoGHSTA for Funding Q2: Contractor not appointed, no excavation and construction of concrete base plate for high mass lights	R0	Project not yet registered and reprioritised for the next financial year	Project reprioritised for the next financial year	None	Target not achieved	Technical services
19	High Mast Light in Tshamahanzi/Magongwa	Installation of 3 high mast lights in Tshamahanzi/Magongwa	Designs completed and tender documents completed.	100% installation of 3 high mast lights	Q1: Appointment of Consultant and Design Stage. Submission MIG 1 Application at CoGHSTA for Funding Q2: Appointment of contractor, excavation and construction of concrete base plate for high mass lights	Q1: Consultant not appointed and Design Stage. MIG 1 Application not submitted to CoGHSTA for Funding Q2: Contractor not appointed, no excavation and construction of concrete base plate for high mass lights	R0	Project not yet registered and reprioritised for the next financial year	Project reprioritised for the next financial year	None	Target not achieved	Technical services
20	High Mast Light in Masodi/Mzombane	Installation of 2 high mast lights in Masodi/Mzombane	Designs completed and tender documents completed.	100% installation of 2 high mast lights	Q1: Appointment of Consultant and Design Stage. Submission MIG 1 Application at CoGHSTA for Funding Q2: Appointment of contractor, excavation and construction of concrete base plate for high mass lights	Q1: Consultant not appointed and Design Stage. MIG 1 Application not submitted to CoGHSTA for Funding Q2: Contractor not appointed, no excavation and construction of concrete base plate for high mass lights	R0	Project not yet registered and reprioritised for the next financial year	Project reprioritised for the next financial year	None	Target not achieved	Technical services
21	High Mast Light in Magope/Mamaala/Parakisi	Installation of 3 high mast lights in Magope/Mamaala/Parakisi	Designs completed and tender documents completed.	100% installation of 3 high mast lights	Q1: Appointment of Consultant and Design Stage. Submission MIG 1 Application at CoGHSTA for Funding Q2: Appointment of contractor, excavation and construction of concrete base plate for high mass lights	Q1: Consultant not appointed and Design Stage. MIG 1 Application not submitted to CoGHSTA for Funding Q2: Contractor not appointed, no excavation and construction of concrete base plate for high mass lights	R0	Project not yet registered and reprioritised for the next financial year	Project reprioritised for the next financial year	None	Target not achieved	
22	High Mast Light in Kwakwalata	Installation of 1 high mast lights in Kwakwalata	Designs completed and tender documents completed.	100% installation of 1 high mast lights	Q1: Appointment of Consultant and Design Stage. Submission MIG 1 Application at CoGHSTA for Funding Q2: Appointment of contractor, excavation and construction of concrete base plate for high mass lights	Q1: Consultant not appointed and Design Stage. MIG 1 Application not submitted to CoGHSTA for Funding Q2: Contractor not appointed, no excavation and construction of concrete base plate for high mass lights	R0	Project not yet registered and reprioritised for the next financial year	Project reprioritised for the next financial year	None	Target not achieved	

No	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Actual expenditure	Reason for variance	Corrective measure	POE	Target achieved/not achieved	Lead department
					Quarterly Target	Actual Performance						
23	Contract 06-2017/18 Construction of 15km of 300ml rising main steel pipeline, 3,1km of reticulation pipelines and 3,5ml/day concrete reservoir for Jakkalskuil Cluster Phase 2 of Mogalakwena Water Master Plan.	Construction of 15km of 300ml rising main steel pipeline, 3,1km of reticulation pipelines and 3,5ml/day concrete reservoir for Jakkalskuil Cluster Phase 2 of Mogalakwena Water Master Plan.	Contractor terminated; new consultant appointed	Construction of 15km of 300ml rising main steel pipeline, 3,1km of reticulation pipelines and 3,5ml/day concrete reservoir for Jakkalskuil Cluster Phase 2 of Mogalakwena Water Master Plan.	Q1: Procurement of new contractor And Site Establishment. Q2: 30% Construction of 3,5ml/day concrete reservoir	Q1: Contractor appointed. Progress at 8% Q2: 30% Construction of 3,5ml/day concrete reservoir	R20 403 297.89	Not applicable	Not applicable	Appointment letter. Progress report	Target achieved	
24	Contract 22-2020/21 Construction of 5,8ml/day Kroomkloof Water Treatment Works and high lift Pump station commissioning of phase 1	Construction of 5,8ml/day Kroomkloof Water Treatment Works and high lift Pump station commissioning of phase 1	Construction at 25%	100% Construction of 5,8ml/day Kroomkloof Water Treatment Works and high lift Pump station commissioning of phase 1	Q1: 50% Construction of 5,8ml/day Kroomkloof Water Treatment Works and high lift Pump station commissioning of phase 1 Q2: 70% Construction of 5,8ml/day Kroomkloof Water Treatment Works and high lift Pump station commissioning of phase 1	Q1: 60% Construction of 5,8ml/day Kroomkloof Water Treatment Works and high lift Pump station commissioning of phase 1 Q2: 83% Construction of 5,8ml/day Kroomkloof Water Treatment Works and high lift Pump station commissioning of phase 1	R45 558 528.00	Not applicable	Not applicable	Progress report	Target achieved	
25	Industrial well field Sefakaola WTW, Industrial well field Pipeline to Sefakaola	Construction of Industrial well field (Sefakaola) WTW, Industrial well field Pipeline to Sefakaola	Construction at 50%	100% Construction of Industrial well field (Sefakaola) WTW, Industrial well field Pipeline to Sefakaola	Q1: 70% Construction of Industrial well field (Sefakaola) WTW, Industrial well field Pipeline to Sefakaola Q2: 80% Construction of Industrial well field (Sefakaola) WTW, Industrial well field Pipeline to Sefakaola	Q1: 92% Construction of Industrial well field (Sefakaola) WTW, Industrial well field Pipeline to Sefakaola Q2: 95% Construction of Industrial well field (Sefakaola) WTW, Industrial well field Pipeline to Sefakaola	R14 928 560.02	Not applicable	Not applicable	Progress report	Target achieved	
26	Commissioning of phase 1 (Mokopane Town, Mokopane EXT 4,7,19 &20)	Refurbishment of high-level concrete reservoirs and electrification of booster pump station at Doornkraai	Construction at 25%	100% Refurbishment of high-level concrete reservoirs and electrification of booster pump station at Doornkraai	Q1: 50% Q2: 75%	Q1: 53% Q2: 76% Construction progress	R15 776 156.63	Not applicable	Not applicable	Progress report	Target achieved	
27	Refurbishment of 58 reservoirs (Basterpad, Bokwidi, Dikgokgopeng, Galakwenastroom, Harmansdal, Jakkalskuil, Kabeane Kaditshwene Kroomkloof, Lesodi, Leyden, Lusaka-Ngoru, Mabuladihlare, Makekeng, Malapile, Mamatlakala Marulaneng, Matebeleng, Nellie, Paulos, Rantlakane, Skilpadskraal,	Refurbishment of 46 Concrete and steel reservoirs at 26 Villages	Site Establishment 10%	100% Refurbishment of 46 Concrete and steel reservoirs at 26 Villages	Q1: 25% Q2: 50% Refurbishment of 46 Concrete and steel reservoirs at 26 Villages	Q1: 41% Q2: 80% Refurbishment of 46 Concrete and steel reservoirs at 26 Villages	R32 902 931.92	Not applicable	Not applicable	Progress report	Target achieved	PMU
28	Mogalakwena source development, storage, and water reticulation: Mogalakwena Water abstraction Silvania Mine - MOG 26 Reprioritized 2023/24 (Roll Over)	Construction of pumping main to existing High-level concrete reservoirs	Design stage	Construction of pumping main to existing High-level concrete reservoirs.	Q1: Submission of WULA application for approval by DWS Q2: 20% Construction of pumping main to existing High-level concrete reservoirs.	Q1: WULA application submitted for approval by DWS Q2: 0% Construction of pumping main to existing High-level concrete reservoirs.	R0.00	Submitted application for WULA and awaiting approval	Awaiting approval from DWS	copy WULA application	Target not achieved	PMU

No	Programme	Key performance indicator	Baseline 2022/2023	Annual target	Quarterly Performance		Actual expenditure	Reason for variance	Corrective measure	POE	Target achieved/not achieved	Lead department
					Quarterly Target	Actual Performance						
29	Source Development: Kgotsoro Millenium Park - MOG 29 Reprioritized 2023/24 (Roll Over)	Source development, equipping and electrification of 3x boreholes and construction of pumping mains to connect to the existing network	Planning	100% Source development, equipping and electrification of 3x boreholes and construction of pumping mains to	Q1: Submission of TR to DWS	Q1: TR submitted to DWS	R0.00	TR referred back for revision	Revised Trwill be submitted to CoGHSTA	Technical report and proof of submission	Target achieved	
					Q2: TR approval processes by DWS	Q2: TR not approved						
30	Mogalakwena source development, storage, and water reticulation: Ditlotswane, Masipa A and B, Marulaneng, Makekeng, Skilpadskraal, Masodi and Weenen, Hlogo ya nku, Makobe, Nestands, Thabaleshoba, Rebone, Bavaria,	Source development, equipping and electrification of 8 x boreholes and construction of pumping mains to connect to the existing network	New project	100% Source development, equipping and electrification of 8 x boreholes and construction of pumping mains to connect to the existing network	Q1: Appointment of the service provider	Q1: Service provider not appointed	R0.00	Project not yet registered and reprioritised for the next financial year	Project reprioritised for the next financial year	None	Target not-achieved	Technical services
					Q2: 30% Source development, equipping and electrification of 8 x boreholes and construction of pumping mains to connect to the existing network	Q2: 0% Source development, equipping and electrification of 8 x boreholes and construction of pumping mains to connect to the existing network						
31	Refurbishment & Upgrade of Sewer Pipelines in Mokopane Town & Peri-Urban (Extension 17, 19 & 20) - MOG 32	Refurbishment and upgrade of Sewer pipelines in Mokopane town and Peri-Urban	Construction at 20%	Refurbishment and upgrade of Sewer pipelines in Mokopane town and Peri-Urban	Q1: 30% Refurbishment and upgrade of Sewer pipelines in Mokopane town and Peri-Urban	Q1: 50% Refurbishment and upgrade of Sewer pipelines in Mokopane town and Peri-Urban	R8 824 432.01	Not applicable	Not applicable	Progress report	Target achieved	Technical services
					Q2: 50% Refurbishment and upgrade of Sewer pipelines in Mokopane town and Peri-Urban	Q2: 65% Refurbishment and upgrade of Sewer pipelines in Mokopane town and Peri-Urban						
32	Mogalakwena Rehabilitation of Existing Water and Sanitation Infrastructure (replacement of AC pipes in Mokopane and	Rehabilitation of Existing Water and Sanitation Infrastructure	New project	100% Rehabilitation of Existing Water and Sanitation Infrastructure	Q1: Submission of TR to DWS	Q1: TR submitted and approved by DWS	R8 087 442.53	Not applicable	Not applicable	Approved TR	Target achieved	Technical services
					Q2: TR approval processes by DWS	Q2: Contractor appointed and site handed over						

9. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I, **MM Maluleka** municipal manager of Mogalakwena Local Municipality (LIM367), hereby certify that the quarterly budget statement report and supporting documentation for the quarter ended 31 December 2023 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.



MM MALULEKA

MUNICIPAL MANAGER