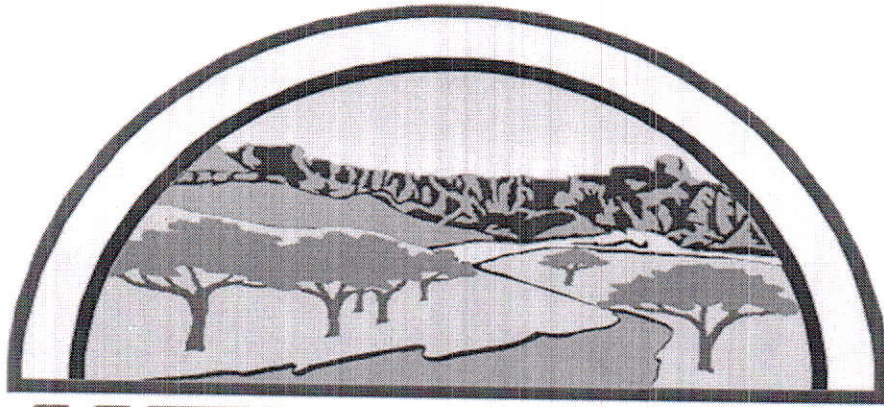


UTHUKELA
UMKHANDLU WESIFUNDA
DISTRIKSMUNISIPALITEIT
DISTRICT MUNICIPALITY

SECTION 71 REPORT

JULY 2020



UTHUKELA
UMKHANDLU WESIFUNDA
DISTRKSMUNISIPALITEIT
DISTRICT MUNICIPALITY

SECTION 71 REPORT

JULY 2020

Table of Contents

PART 1 – MONTHLY IN-YEAR MONITORING BUDGET

- 1.1 MAYOR'S REPORT
- 1.2 COUNCIL RESOLUTIONS
- 1.3 EXECUTIVE SUMMARY
- 1.4 IN- YEAR BUDGET TABLES

PART 2 – SUPPORTING DOCUMENTATION

- 2.1 DEBTORS AGE ANALYSIS
- 2.2 CREDITORS AGE ANALYSIS
- 2.3 COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS
- 2.4 INVESTMENTS AND BANK BALANCES
- 2.5 ALLOCATION OF GRANT RECIEPTS
- 2.6 ALLOCATION OF GRANT EXPENDITURE
- 2.7 MUNICIPAL MANAGERS QUALITY CERTIFICATE

Part 1 – Annual Budget

1.1 Mayor's Report

The Monthly section 71 report is a report that gives a clear view on the state or performance of the Municipality for that month as well as the year to date performance. Among the impacts that are challenging the Municipality, is the cash flow challenge currently being experienced by the municipality due to among other things declining collection, historic expenditure patterns, high water losses and high rate of indigents within the municipal boundaries.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the UThukela District Municipality. Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

1.2 Council Resolutions

1. The Council of UThukela District Municipality, acting in terms of section 71 of the Municipal Finance Management Act, (Act 56 of 2003) to note :
2. Monthly Budget statements and supporting documents for the months of July 2020.

1.3 Executive Summary

As per Municipal Finance Management Act the municipality needs to prepare section 71 report in a prescribed format as per national treasury regulations.

The District Municipality has to embark on implementing revenue collection strategies to optimize the collection of debt owed by consumers.

The municipality is also embarking on assuring that all grants are spent during the 2020/21 financial year.

1.4 In - Year Budget tables

TABLE 1: C4 – Monthly Budget Statements – Financial Performance

DC23 Uthukela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates							-		
Service charges - electricity revenue							-		
Service charges - water revenue		265 272	265 272	15 248	15 248	22 106	(6 858)	-31%	265 272
Service charges - sanitation revenue		17 979	17 979	1 682	1 682	1 498	184	12%	17 979
Service charges - refuse revenue							-		
Rental of facilities and equipment							-		
Interest earned - external investments		6 097	6 097	483	483	508	(25)	-5%	6 097
Interest earned - outstanding debtors		68 674	68 674	5 372	5 372	5 723	(350)	-6%	68 674
Dividends received							-		
Fines, penalties and forfeits							-		
Licences and permits							-		
Agency services							-		
Transfers and subsidies		481 218	481 218	209 823	209 823	40 102	169 722	423%	481 218
Other revenue		26 575	26 575	121	121	2 215	(2 093)	-95%	26 575
Gains							-		
Total Revenue (excluding capital transfers and contributions)	-	865 815	865 815	232 730	232 730	72 151	160 579	223%	865 815
Expenditure By Type									
Employee related costs		312 771	312 771	27 506	27 506	26 064	1 441	6%	312 771
Remuneration of councillors		6 372	6 372	568	568	531	37	7%	6 372
Debt impairment		175 709	175 709			14 642	(14 642)	-100%	175 709
Depreciation & asset impairment		61 048	61 048			5 087	(5 087)	-100%	61 048
Finance charges							-		
Bulk purchases		136 846	136 846			11 404	(11 404)	-100%	136 846
Other materials		14 562	14 562	2 394	2 394	1 213	1 180	97%	14 562
Contracted services		69 806	69 806	111	111	5 817	(5 706)	-98%	69 806
Transfers and subsidies							-		
Other expenditure		88 701	88 701	1 052	1 052	7 392	(6 340)	-86%	88 701
Losses							-		
Total Expenditure	-	865 815	865 815	31 630	31 630	72 151	(40 521)	-56%	865 815
Surplus/(Deficit)	-	-	-	201 100	201 100	-	201 100	#DIV/0!	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		307 046	307 046	570	570	25 587	(25 017)	(0)	307 046
Transfers and subsidies - capital (in-kind - all)							-		
Surplus/(Deficit) after capital transfers & contributions	-	307 046	307 046	201 670	201 670	25 587			307 046
Taxation							-		
Surplus/(Deficit) after taxation	-	307 046	307 046	201 670	201 670	25 587			307 046
Attributable to minorities									
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	-	307 046	307 046	201 670	201 670	25 587			307 046

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Capital grant transfers recognised R 570 thousand at the end of July 2020.
- Total operating expenditure is at R 31 million at the end of July 2020.
- The Service charged – Water R 15 million has been billed at the end of July 2020.
- The Service charges – Sanitation R1 million has been billed at the end of July 2020.

Table 2: C5 – Monthly Budget Statements – Capital Expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

Vote Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
105 - MUNICIPAL MANAGER	-	-	-	-	-	-	-		-
200 - CORPORATE SERVICES	-	-	-	-	-	-	-		-
300 - BUDGET AND TREASURY	-	-	-	-	-	-	-		-
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)	-	-	-	-	-	-	-		-
408 - WSA& HEALTH SERVICES	-	-	-	-	-	-	-		-
500 - WATER, SANITATION AND TECHNICAL SERVICES	-	307 046	307 046	570	570	25 587	(25 017)	-98%	307 046
Total Capital Multi-year expenditure	-	307 046	307 046	570	570	25 587	(25 017)	-98%	307 046
Total Capital Expenditure	-	307 046	307 046	570	570	25 587	(25 017)	-98%	307 046
Capital Expenditure - Functional Classification									
<i>Trading services</i>	-	307 046	307 046	570	570	25 587	(25 017)	-98%	307 046
Energy sources							-		
Water management		307 046	307 046	570	570	25 587	(25 017)	-98%	307 046
Waste water management							-		
Waste management							-		
<i>Other</i>							-		
Total Capital Expenditure - Functional Classification	-	307 046	307 046	570	570	25 587	(25 017)	-98%	307 046
Funded by:									
National Government		307 046	307 046	570	570	25 587	(25 017)	-98%	307 046
Provincial Government							-		
District Municipality							-		
Transfers recognised - capital	-	307 046	307 046	570	570	25 587	(25 017)	-98%	307 046
Borrowing							-		
Internally generated funds							-		
Total Capital Funding	-	307 046	307 046	570	570	25 587	(25 017)	-98%	307 046

➤ As depicted above capital expenditure amounting to R570 thousand recorded at the month of July 2020.

Table 3: SC13 Repairs and maintenance per asset class

DC23 Uthukela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M01 July

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	7 276	7 276	-	-	606	606	100.0%	7 276
Water Supply Infrastructure		-	7 276	7 276	-	-	606	606	100.0%	7 276
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations			1 901	1 901			158	158	100.0%	1 901
Water Treatment Works			5 114	5 114			426	426	100.0%	5 114
Bulk Mains										
Distribution			261	261			22	22	100.0%	261
Distribution Points										
Other assets		-	500	500	-	-	42	42	100.0%	500
Operational Buildings		-	500	500	-	-	42	42	100.0%	500
Municipal Offices			500	500			42	42	100.0%	500
Intangible Assets		-	3 000	3 000	-	-	250	250	100.0%	3 000
Servitudes										
Licences and Rights		-	3 000	3 000	-	-	250	250	100.0%	3 000
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications			3 000	3 000			250	250	100.0%	3 000
Load Settlement Software Applications										
Unspecified										
Total Repairs and Maintenance Expenditure	1	-	10 776	10 776	-	-	898	898	100.0%	10 776

➤ Plant and Equipment refers to the purification plants and equipment.

Table 4: C2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

Description	Ref	2019/20	Budget Year 2020/21							
		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>		-	500 773	500 773	210 381	210 381	41 731	168 650	404%	500 773
Executive and council		-	72 630	72 630	-	-	6 053	(6 053)	-100%	72 630
Finance and administration		-	428 143	428 143	210 381	210 381	35 679	174 703	490%	428 143
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	1 500	1 500	-	-	125	(125)	-100%	1 500
Planning and development		-	1 500	1 500	-	-	125	(125)	-100%	1 500
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	670 588	670 588	22 919	22 919	55 882	(32 963)	-59%	670 588
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	670 588	670 588	22 919	22 919	55 882	(32 963)	-59%	670 588
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	1 172 861	1 172 861	233 301	233 301	97 738	135 562	139%	1 172 861
Expenditure - Functional										
<i>Governance and administration</i>		-	410 302	410 302	304	304	34 192	(33 887)	-99%	410 302
Executive and council		-	65 113	65 113	8	8	5 426	(5 418)	-100%	65 113
Finance and administration		-	345 188	345 188	296	296	28 766	(28 469)	-99%	345 188
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	27 682	27 682	323	323	2 307	(1 984)	-86%	27 682
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	27 682	27 682	323	323	2 307	(1 984)	-86%	27 682
<i>Economic and environmental services</i>		-	33 713	33 713	46	46	2 809	(2 763)	-98%	33 713
Planning and development		-	33 713	33 713	46	46	2 809	(2 763)	-98%	33 713
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	394 119	394 119	2 883	2 883	32 843	(29 960)	-91%	394 119
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	394 119	394 119	2 883	2 883	32 843	(29 960)	-91%	394 119
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	865 815	865 815	3 557	3 557	72 151	(68 594)	-95%	865 815
Surplus/ (Deficit) for the year		-	307 046	307 046	229 744	229 744	25 587	204 157	798%	307 046

Table 5: C3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

DC23 Uthukela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
105 - MUNICIPAL MANAGER	1	-	72 630	72 630	-	-	6 053	(6 053)	-100.0%	72 630
200 - CORPORATE SERVICES		-	500	500	20	20	42	(22)	-53.1%	500
300 - BUDGET AND TREASURY		-	427 643	427 643	210 362	210 362	35 637	174 725	490.3%	427 643
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	1 500	1 500	-	-	125	(125)	-100.0%	1 500
408 - WSA& HEALTH SERVICES		-	-	-	-	-	-	-	-	-
500 - WATER, SANITATION AND TECHNICAL SERVICES		-	670 588	670 588	22 919	22 919	55 882	(32 963)	-59.0%	670 588
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	1 172 861	1 172 861	233 301	233 301	97 738	135 562	138.7%	1 172 861
Expenditure by Vote										
105 - MUNICIPAL MANAGER	1	-	65 113	65 113	8	8	5 426	(5 418)	-99.9%	65 113
200 - CORPORATE SERVICES		-	56 345	56 345	201	201	4 695	(4 494)	-95.7%	56 345
300 - BUDGET AND TREASURY		-	288 844	288 844	95	95	24 070	(23 975)	-99.6%	288 844
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	33 713	33 713	46	46	2 809	(2 763)	-98.4%	33 713
408 - WSA& HEALTH SERVICES		-	27 682	27 682	323	323	2 307	(1 984)	-86.0%	27 682
500 - WATER, SANITATION AND TECHNICAL SERVICES		-	394 119	394 119	2 883	2 883	32 843	(29 960)	-91.2%	394 119
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	865 815	865 815	3 557	3 557	72 151	(68 594)	-95.1%	865 815
Surplus/ (Deficit) for the year	2	-	307 046	307 046	229 744	229 744	25 587	204 157	797.9%	307 046

Part 2 – Supporting Documentation

2.1.1 Table 6: SC3 Debtors Age Analysis

- The Municipality has a total amount of R 217 thousand of outstanding debt.

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	Budget Year 2020/21									
	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	(180)	20 885	19 261	18 839	16 789	15 940	15 740	88 741	196 016	156 050
Trade and Other Receivables from Exchange Transactions - Electricity									-	-
Receivables from Non-exchange Transactions - Property Rates									-	-
Receivables from Exchange Transactions - Waste Water Management									-	-
Receivables from Exchange Transactions - Waste Management									-	-
Receivables from Exchange Transactions - Property Rental Debtors									-	-
Interest on Arrear Debtor Accounts									-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-
Other	5	19 918	1	-	90	(1)	25	1 140	21 178	1 253
Total By Income Source	(175)	40 803	19 263	18 839	16 879	15 939	15 765	89 880	217 194	157 303
2019/20 - totals only									-	-
Debtors Age Analysis By Customer Group										
Organs of State	(1)	3 119	2 342	1 168	1 230	1 116	1 263	20 623	30 859	25 399
Commercial	(58)	1 116	1 877	1 783	1 198	1 292	1 032	54 672	62 912	59 977
Households	(122)	16 651	15 043	15 888	14 361	13 532	13 446	13 446	102 245	70 674
Other	5	19 918	1	-	90	(1)	25	1 140	21 178	1 253
Total By Customer Group	(175)	40 803	19 263	18 839	16 879	15 939	15 765	89 880	217 194	157 303

Collection rate for 31 JULY 2020

PAYMENTS VS BILLING AS AT 31 JULY 2020				
MONTH	BILLING	MONTHS	RECIPTS	RECOVERY RATE
June 2020	3 294 211.40	July 2020	1 865 289.30	56.62%
July 2020	16 930 415.01			0.00%
	3 294 211.40		1 865 289.30	57%
TOTALS				
BILLING - JUNE 2020 - JULY 2020	3 294 211.40			
RECIPTS - JUNE 2020- JULY 2020	1 865 289.30			
DIFFERENCE		1 428 922.10		57%

2.2 Table 8: SC4 Aged Creditors

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description	NT Code	Budget Year 2020/21								Total
		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	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100									-
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	3 278	265	-	19	35 849				39 411
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	3 278	265	-	19	35 849	-	-	-	39 411

TOP 10 CREDITORS ANALYSIS AS AT 30 JULY 2020

SUPPLIER NAME	AMOUNT
UMNGENI WATER	21023146.23
DEPARTMENT OF WATER AND SANITATION	5564251.34
WISE TRAINING	1743285
SIKOLETHU HOLDINGS	231000
SIPHITHEMBA TRADERS	176800
AUTOZONE	143552.2
EMNAMBITHI ENGINEERING	135473.11
WETSPEC	77668.96
UBUNZIMA TRADING	66188.71
BARGAIN UNIFORMS	36512.5

- The list of top ten outstanding creditors.

2.4.1 Table 10: Investments and Bank Balances

DC23 Uthukela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

Investments by maturity Name of institution & investment ID	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands					
Municipality					
FNB	12 075	233	(20 000)	120 000	112 307
NEDBANK	20 512	-	(20 512)	30 000	30 000
INVESTEC	21 147	64	(21 154)	30 000	30 057
ABSA	132	72	-	30 000	30 204
STANDARD BANK	-	52	-	30 000	30 052
					-
					-
Municipality sub-total	53 866		(61 665)	240 000	232 620
TOTAL INVESTMENTS AND INTEREST	53 866		(61 665)	240 000	232 620

Bank Balances

The following reflects bank balances at 31 July 2020

DESCRIPTION	APRIL 2020	MAY 2020	JUNE 2020	AUG 2020
FNB MAIN ACCO	6 271 402.70	15 035 451.12	1 406 596.18	10 093 464.13
FNB WATER ACC	0	0	0	0
	6 271 402.70	15 035 451.12	1 406 596.18	10 093 464.13
Total cash held	10 093 464.13			

Table 12: SC6 Grant Receipts

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July


Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								%	
RECEIPTS:									
Operating Transfers and Grants									
National Government:	-	479 718	479 718	209 781	209 781	39 977	176 246	440.9%	479 718
RSC Levy Replacement		393 550	393 550	209 781	209 781	32 796	176 985	539.7%	393 550
Finance Management		66 762	66 762	-	-	5 564			66 762
EPWP Incentive		1 800	1 800	-	-	150			1 800
MIG Top Slice		3 730	3 730	-	-	311			3 730
Councillors Special Support		5 000	5 000	-	-	417			5 000
Rural Road asset Management		5 868	5 868			489	(489)	-100.0%	5 868
MIG VIP TOILETS		2 508	2 508			209	(209)	-100.0%	2 508
WSIG VIP TOILETS						-	-		
Lg Seta						-	-		
		500	500			42	(42)	-100.0%	500
Other transfers and grants [insert description]							-		
Provincial Government:	-	1 500	1 500	-	-	125	(125)	-100.0%	1 500
Spatial Framework Development		1 500	1 500			125	(125)	-100.0%	1 500
Shared Services									
Massification							-		
Nodal Grant							-		
Raset programs grant							-		
Growth and Development summit							-		
Total Operating Transfers and Grants	-	481 218	481 218	209 781	209 781	40 102	176 121	439.2%	481 218
Capital Transfers and Grants									
National Government:	-	307 046	307 046	97 756	97 756	25 587	45 196	176.6%	307 046
Municipal Infrastructure Grant (MIG)		177 647	177 647	60 000	60 000	14 804	45 196	305.3%	177 647
Water Services Infrastructure Grant		90 000	90 000	-	-	7 500			90 000
Regional Bulk Infrastructure		39 399	39 399	36 000	36 000	3 283			39 399
Rural Road Asset Management				1 756	1 756				
TOTAL RECEIPTS OF TRANSFERS & GRANTS	-	788 264	788 264	307 537	307 537	65 689	221 317	336.9%	788 264

Table 13: SC7 Grant Expenditure

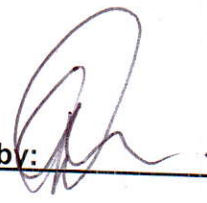
DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

Description	2019/20	Budget Year 2020/21							
	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:	-	479 218	479 218	209 781	209 781	39 935	169 846	425.3%	479 218
RSC Levy Replacement		393 550	393 550	209 781	209 781	32 796	176 985	539.7%	393 550
Finance Management		66 762	66 762			5 564	(5 564)	-100.0%	66 762
EPWP Incentive		1 800	1 800			150	(150)	-100.0%	1 800
MIG Top Slice		3 730	3 730			311	(311)	-100.0%	3 730
Councillors Special Support		5 000	5 000			417	(417)	-100.0%	5 000
Rural Road asset Management		5 868	5 868			489	(489)	-100.0%	5 868
Other transfers and grants [insert description]		2 508	2 508			209	(209)	-100.0%	2 508
Provincial Government:	-	1 500	1 500	-	-	125	(125)	-100.0%	1 500
Spatial Framework Development		1 500	1 500			125	(125)	-100.0%	1 500
Massification							-		
Nodal Grant							-		
Raset programs grant							-		
Growth and Development summit							-		
Total operating expenditure of Transfers and Grants:	-	480 718	480 718	209 781	209 781	40 060	169 721	423.7%	480 718
Capital expenditure of Transfers and Grants									
National Government:	-	307 046	307 046	570	570	375	(375)	-100.0%	307 046
Municipal Infrastructure Grant (MIG)		177 647	177 647	297	297	125	(125)	-100.0%	177 647
Water Services Infrastructure Grant		90 000	90 000	274	274	125	(125)	-100.0%	90 000
Regional Bulk Infrastructure		39 399	39 399			125	(125)	-100.0%	39 399
Rural Road Asset Management							-		
Total capital expenditure of Transfers and Grants	-	307 046	307 046	570	570	375	(375)	-100.0%	307 046
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	787 764	787 764	210 351	210 351	40 435	169 346	418.8%	787 764

- R 570 thousand was spent in capital grants
- R209 thousand has been spent in operating grants

Prepared by: 
Budget Officer

Reviewed by: 
Accountant Budget

Approved by: 
Chief Financial Officer

2.7. Municipal Manager's quality certificate

I **Bheki Hamilton Khoza**, Municipal Manager of UThukela District Municipality, hereby certify that the Section 71 and supporting documentation for and July 2020 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name : BH Khoza

Signature

A handwritten signature in black ink, appearing to be 'B. Khoza', is written over a solid horizontal line.

Date : 13 August 2020