



UTHUKELA
UMKHANDLU WESIFUNDA
DISTRKSMUNISIPALITEIT
DISTRICT MUNICIPALITY

SECTION 71 REPORT
DECEMBER 2018

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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 December 2018.

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 2018/19 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) - M06 December

Description	Ref	Budget Year 2018/19								
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue	151 993	260 645	260 645	19 298	148 090	130 323	17 767	14%	260 645	
Service charges - refuse revenue	17 253	31 019	31 019	1 364	8 549	15 510	(6 961)	-45%	31 019	
Service charges - other										
Rental of facilities and equipment										
Interest earned - external investments										
Interest earned - outstanding debtors	4 192	6 572	6 572	606	2 176	3 286	(1 110)	-34%	6 572	
Dividends received	43 393	50 456	50 456	4 406	26 539	25 228	1 311	5%	50 456	
Fines, penalties and forfeits										
Licences and permits		50	50	-	12	25	(13)	-52%	50	
Agency services										
Transfers and subsidies										
Other revenue	368 613	405 533	405 533	86 731	240 255	202 767	37 489	18%	405 533	
Gains on disposal of PPE	12 710	4 098	4 098	98	1 361	2 049	(689)	-34%	4 098	
Total Revenue (excluding capital transfers and contributions)	598 154	758 374	758 374	112 502	426 982	379 187	47 795	13%	758 374	
Expenditure By Type										
Employee related costs	253 203	271 837	271 837	23 647	147 101	135 918	11 183	8%	271 837	
Remuneration of councillors	6 550	8 156	8 156	538	3 303	4 078	(775)	-19%	8 156	
Debt impairment	128 481	136 628	136 628	109 459	109 459	68 314	41 145	60%	136 628	
Depreciation & asset impairment	68 222	86 634	86 634	-	21 539	43 317	(21 778)	-50%	86 634	
Finance charges	2 789	561	561	-	108	281	(172)	-61%	561	
Bulk purchases	3 440	6 586	6 586	-	-	3 293	(3 293)	-100%	6 586	
Other materials	-	16 023	16 023	51	2 729	8 011	(5 282)	-66%	16 023	
Contracted services	88 701	117 869	117 869	3 393	21 266	58 935	(37 669)	-64%	117 869	
Transfers and subsidies		1 000	1 000	-	323	500	(177)	-35%	1 000	
Other expenditure	141 542	74 815	74 815	2 678	32 998	37 407	(4 410)	-12%	74 815	
Loss on disposal of PPE										
Total Expenditure	692 928	720 109	720 109	139 766	338 827	360 055	(21 227)	-6%	720 109	
Surplus/(Deficit)	(94 774)	38 265	38 265	(27 264)	88 154	19 133	69 022	0	38 265	
(Transfers and subsidies - capital (in-kind - all))										
(National / Provincial and District)	300 959	407 804	407 804	18 950	106 000	203 902	(97 902)	(0)	407 804	
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers and subsidies - capital (in-kind - all)										
Surplus/(Deficit) after capital transfers & contributions	206 185	446 069	446 069	(8 313)	194 155	223 035			446 069	
Taxation										
Surplus/(Deficit) after taxation	206 185	446 069	446 069	(8 313)	194 155	223 035			446 069	
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	206 185	446 069	446 069	(8 313)	194 155	223 035			446 069	
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year	206 185	446 069	446 069	(8 313)	194 155	223 035			446 069	

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Capital grant transfers recognised R106 million at the end of December 2018.
- Total operating expenditure is at R 338 million at the end of December 2018.
- The Service charged – Water R148 million has been billed at the end of December 2018.
- The Service charges – Sanitation R8 million has been billed at the end of December 2018.

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) - M06 December

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Single Year expenditure appropriation									
105 - MUNICIPAL MANAGER	-	-	-	-	-	-	-	-	-
200 - CORPORATE SERVICES	-	-	-	-	-	-	-	-	-
300 - BUDGET AND TREASURY	-	27	27	-	10	11	(1)	-11%	27
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)	-	-	-	-	-	-	-	-	-
408 - WSA& HEALTH SERVICES	-	-	-	-	-	-	-	-	-
500 - WATER, SANITATION AND TECHNICAL SERVICES	-	407 804	407 804	18 950	106 000	169 918	(63 918)	-38%	407 804
Total Capital single-year expenditure	-	407 831	407 831	18 950	106 010	169 930	(63 919)	-38%	407 831
Total Capital Expenditure	-	407 831	407 831	18 950	106 010	169 930	(63 919)	-38%	407 831
Capital Expenditure - Functional Classification									
Governance and administration									
Executive and council	-	27	27	-	10	11	(1)	-11%	27
Finance and administration		27	27		10	11	(1)	-11%	27
Internal audit									
Community and public safety									
Community and social services	-	-	-	-	-	-	-	-	-
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development	-	-	-	-	-	-	-	-	-
Road transport									
Environmental protection									
Trading services									
Energy sources	-	407 804	407 804	-	87 050	169 918	(82 868)	-49%	407 804
Water management		407 804	407 804	-	87 050	169 918	(82 868)	-49%	407 804
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Functional Classification	-	407 831	407 831	-	87 060	169 930	(82 870)	-49%	407 831
Funded by:									
National Government	300 959	407 804	407 804	18 950	106 000	169 918	(63 918)	-38%	407 804
Provincial Government									
District Municipality									
Other transfers and grants									
Transfers recognised - capital	300 959	407 804	407 804	18 950	106 000	169 918	(63 918)	-38%	407 804
Public contributions & donations									
Borrowing									
Internally generated funds		27	27		10	11	(1)	-11%	27
Total Capital Funding	300 959	407 831	407 831	18 950	106 010	169 930	(63 919)	-38%	407 831

➤ As depicted above capital expenditure amounting to R106 million recorded at the month of December 2018.

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 - M06

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	18 903	28 579	28 579	830	4 568	14 290	9 722	68.0%	28 579
Water Supply Infrastructure	18 903	28 579	28 579	830	4 568	14 290	9 722	68.0%	28 579
Dams and Weirs									
Boreholes							-		
Reservoirs	6 560	10 530	10 530	830	2 729	5 265	2 536	48.2%	10 530
Pump Stations	11 560	15 795	15 795	-	1 553	7 898	6 345	80.3%	15 795
Water Treatment Works	-	1 000	1 000	-	-	500	500	100.0%	1 000
Bulk Mains	782	1 254	1 254	-	286	627	341	54.4%	1 254
Other assets	98	316	316	-	36	158	122	77.2%	316
Operational Buildings	98	316	316	-	36	158	122	77.2%	316
Municipal Offices	98	316	316		36	158	122	77.2%	316
Computer Equipment	-	250	250	-	-	125	125	100.0%	250
Computer Equipment	-	250	250			125	125	100.0%	250
Machinery and Equipment	729	627	627	-	-	314	314	100.0%	627
Machinery and Equipment	729	627	627			314	314	100.0%	627
Transport Assets	12 184	11 685	11 685	77	4 275	5 842	1 567	26.8%	11 685
Transport Assets	12 184	11 685	11 685	77	4 275	5 842	1 567	26.8%	11 685
Total Repairs and Maintenance Expenditure	31 913	41 457	41 457	907	8 879	20 728	11 849	57.2%	41 457

➤ 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) - M06 December

R thousands	Description	Ref	Budget Year 2018/19								Full Year Forecast
			2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
Revenue - Functional											
	<i>Governance and administration</i>	1	373 624	406 468	406 468	86 873	239 376	203 234	36 142	18%	406 468
	Executive and council		57 781	62 083	62 083	-	-	31 042	(31 042)	-100%	62 083
	Finance and administration		315 843	344 385	344 385	86 873	239 376	172 193	67 183	39%	344 385
	Internal audit		-	-	-	-	-	-	-	-	-
	<i>Community and public safety</i>		-	50	50	-	-	25	(13)	-52%	50
	Community and social services		-	-	-	-	-	-	-	-	-
	Sport and recreation		-	-	-	-	-	-	-	-	-
	Public safety		-	-	-	-	-	-	-	-	-
	Housing		-	-	-	-	-	-	-	-	-
	Health		-	-	-	-	-	-	-	-	-
	<i>Economic and environmental services</i>		-	50	50	-	-	12	25	(13)	-52%
	Planning and development		-	300	300	-	-	511	150	361	240%
	Road transport		-	300	300	-	-	511	150	361	240%
	Environmental protection		-	-	-	-	-	-	-	-	-
	<i>Trading services</i>		525 489	759 360	759 360	44 580	293 083	379 680	(86 596)	-23%	759 360
	Energy sources		-	-	-	-	-	-	-	-	-
	Water management		500 082	728 340	728 340	43 216	284 534	364 170	(79 636)	-22%	728 340
	Waste water management		25 407	31 019	31 019	1 364	8 549	15 510	(6 961)	-45%	31 019
	Waste management		-	-	-	-	-	-	-	-	-
	<i>Other</i>	4	-	-	-	-	-	-	-	-	-
	Total Revenue - Functional	2	899 113	1 166 178	1 166 178	131 452	532 982	583 089	(50 107)	-9%	1 166 178
Expenditure - Functional											
	<i>Governance and administration</i>		201 828	388 824	388 824	118 578	194 936	194 412	524	0%	388 824
	Executive and council		50 026	63 551	63 551	3 037	21 950	31 775	(9 825)	-31%	63 551
	Finance and administration		151 802	325 273	325 273	115 541	172 986	162 636	10 350	6%	325 273
	Internal audit		-	-	-	-	-	-	-	-	-
	<i>Community and public safety</i>		19 239	24 993	24 993	1 518	10 366	12 497	(2 130)	-17%	24 993
	Community and social services		-	-	-	-	-	-	-	-	-
	Sport and recreation		-	-	-	-	-	-	-	-	-
	Public safety		-	-	-	-	-	-	-	-	-
	Housing		-	-	-	-	-	-	-	-	-
	Health		-	-	-	-	-	-	-	-	-
	<i>Economic and environmental services</i>		19 239	24 993	24 993	1 518	10 366	12 497	(2 130)	-17%	24 993
	Planning and development		19 364	22 932	22 932	1 519	11 092	11 466	(374)	-3%	22 932
	Road transport		19 364	22 932	22 932	1 519	11 092	11 466	(374)	-3%	22 932
	Environmental protection		-	-	-	-	-	-	-	-	-
	<i>Trading services</i>		452 497	283 360	283 360	18 150	122 432	141 680	(19 248)	-14%	283 360
	Energy sources		-	-	-	-	-	-	-	-	-
	Water management		451 809	282 244	282 244	18 150	122 432	141 122	(18 690)	-13%	282 244
	Waste water management		688	1 116	1 116	-	-	558	(558)	-100%	1 116
	Waste management		-	-	-	-	-	-	-	-	-
	<i>Other</i>		-	-	-	-	-	-	-	-	-
	Total Expenditure - Functional	3	692 928	720 109	720 109	139 766	338 827	360 055	(21 227)	-6%	720 109
	Surplus/ (Deficit) for the year		206 185	446 069	446 069	(8 313)	194 155	223 035	(28 880)	-13%	446 069

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) - M06 December

Vote Description	Ref	2017/18	Budget Year 2018/19							
		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	57 781	62 083	62 083	-	-	31 042	(31 042)	-100.0%	62 083
200 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
300 - BUDGET AND TREASURY		315 843	344 385	344 385	86 873	239 376	172 193	67 183	39.0%	344 385
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	300	300	-	511	150	361	240.4%	300
408 - WSA& HEALTH SERVICES		-	50	50	-	12	25	(13)	-52.0%	50
500 - WATER, SANITATION AND TECHNICAL SERVICES		525 489	759 360	759 360	44 580	293 083	379 680	(86 596)	-22.8%	759 360
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	899 113	1 166 178	1 166 178	131 452	532 982	583 089	(50 107)	-8.6%	1 166 178
Expenditure by Vote										
105 - MUNICIPAL MANAGER	1	50 026	63 551	63 551	3 037	21 950	31 775	(9 825)	-30.9%	63 551
200 - CORPORATE SERVICES		46 965	48 051	48 051	2 910	20 333	24 026	(3 692)	-15.4%	48 051
300 - BUDGET AND TREASURY		104 837	277 222	277 222	112 631	152 653	138 611	14 042	10.1%	277 222
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		19 364	22 932	22 932	1 519	11 092	11 466	(374)	-3.3%	22 932
408 - WSA& HEALTH SERVICES		19 239	24 993	24 993	1 518	10 366	12 497	(2 130)	-17.0%	24 993
500 - WATER, SANITATION AND TECHNICAL SERVICES		452 497	283 360	283 360	18 150	122 432	141 680	(19 248)	-13.6%	283 360
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	692 928	720 109	720 109	139 766	338 827	360 055	(21 227)	-5.9%	720 109
Surplus/ (Deficit) for the year	2	206 185	446 069	446 069	(8 313)	194 155	223 035	(28 880)	-12.9%	446 069

Part 2 – Supporting Documentation

2.1.1 Table 6: SC3 Debtors Age Analysis

- The Municipality has a total amount of R 935 million of outstanding debt.

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	Budget Year 2018/19									Total	Total over 90
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	20 698	28 137	63 757	19 858	18 483	17 496	81 050	685 652		935 131	822 539
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										-	-
Total By Income Source	20 698	28 137	63 798	19 876	18 483	17 496	81 050	685 652		935 190	822 557
2017/18 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2 478	2 023	6 198	616	1 157	1 313	6 043	12 425		32 253	21 553
Commercial	(2 133)	7 703	19 564	3 167	1 022	1 145	6 571	25 366		62 405	37 272
Households	20 353	18 411	37 995	16 074	16 305	15 037	68 436	647 861		840 472	763 714
Other			41	18						60	18
Total By Customer Group	20 698	28 137	63 798	19 876	18 483	17 496	81 050	685 652		935 190	822 557

- The collection rate for 31 December 2018

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 31 DECEMBER 2018				
MONTH	BILLING	MONTHS	RECIPTS	RECOVERY RATE
June 2018	27 665 055.03	July 2018	7 368 004.69	27%
July 2018	28 747 599.55	August 2018	10 205 364.11	35%
August 2018	20 935 908.76	September 2018	10 652 597.97	51%
September 2018	23 556 281.37	October 2018	17 966 279.90	76%
October 2018	24 678 929.20	November 2018	9 642 803.08	39%
November 2018	38 059 371.57	December 2018	8 366 386.49	22%
December 2018	20 661 189.24			0.00%
	156 639 279.69		64 201 436.24	41%
TOTALS				
BILLING - JULY 2018- DECEMBER 2018	156 639 279.69			
RECIPTS - JULY 2018- DECEMBER 2018	64 201 436.24			
DIFFERENCE	92 437 843.45		41%	

2.2 Table: 8 SC4 Aged Creditors

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Description	Budget Year 2018/19					
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	Total
R thousands						
Creditors Age Analysis By Customer Type						
Bulk Electricity						-
Bulk Water						-
PAYE deductions						-
VAT (output less input)						-
Pensions / Retirement deductions						-
Loan repayments						-
Trade Creditors	3 109	10 183	12 047	8 872	20 772	54 983
Auditor General						-
Other						-
Total By Customer Type	3 109	10 183	12 047	8 872	20 772	54 983

- 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 - M06

Investments by maturity Name of institution & investment ID	Market value at end of the month	
R thousands		
Municipality		
FNB		31 104
NEDBANK		-
INVESTEC		56 940
ABSA		20 382
TOTAL INVESTMENTS AND		108 425

Bank Balances

The following reflects bank balances at 31 December 2018

DESCRIPTION	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
FNB MAIN ACCOUNT 62252306280	8 902 089.70	4 817 803.95	7 634 668.42	31 483 823.00
FNB WATER ACCOUNT 62253072385	0.00	0.00	0	0
	8 902 089.70	4 817 803.95	7 634 668.42	31 483 823.00
Total cash held	31 483 823.00			

Table 12: SC6 Grant Receipts

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December									
Description	2017/18	Budget Year 2018/19							
	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:	367 087	405 233	405 233	86 114	240 062	202 617	69 265	34.2%	405 233
Local Government Equitable Share	304 535	335 399	335 399	86 114	236 964	167 700	69 265	41.3%	335 399
RSC Levy Replacement	57 033	56 441	56 441	-	-	28 221			56 441
Finance Management	1 795	1 545	1 545		1 545	773			1 545
EPWP Incentive	3 724	6 206	6 206		1 553	3 103			6 206
Special Support For Councillors		5 642	5 642			2 821			5 642
Provincial Government:	1 154	300	4 300	4 000	4 300	2 150	1 650	76.7%	4 300
Shared Services	1 154	300	300		300	150	150	100.0%	300
Nodal Plan Grant			1 000	1 000	1 000	500			1 000
Raset Program			3 000	3 000	3 000	1 500	1 500	100.0%	3 000
Total Operating Transfers and Grants	368 241	405 533	409 533	90 114	244 362	204 767	70 915	34.6%	409 533
Capital Transfers and Grants									
National Government:	300 959	407 804	407 804	77 000	191 742	203 902	54 984	27.0%	407 804
Municipal Infrastructure Grant (MIG)	187 304	180 033	180 033	77 000	145 000	90 017	54 984	61.1%	180 033
Regional Bulk Infrastructure	28 672	142 283	142 283			71 142			142 283
Rural Road Asset management	2 483	2 488	2 488		1 742	1 244			2 488
Water Services Infrastructure Grant	82 500	83 000	83 000	-	45 000	41 500			83 000
Total Capital Transfers and Grants	300 959	407 804	407 804	77 000	191 742	203 902	54 984	27.0%	407 804
TOTAL RECEIPTS OF TRANSFERS & GRANTS	669 201	813 337	817 337	167 114	436 104	408 669	125 898	30.8%	817 337

Table 13: SC7 Grant Expenditure

DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	2017/18	Budget							
	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:	367 087	405 233	405 233	86 731	239 955	202 617	37 339	18.4%	405 233
Local Government Equitable Share	304 535	335 399	335 399	86 114	236 964	167 700	69 265	41.3%	335 399
RSC Levy Replacement	57 033	56 441	56 441	-	-	28 221	(28 221)	-100.0%	56 441
Finance Management	1 795	1 545	1 545	152	973	773	201	26.0%	1 545
EPWP Incentive	3 724	6 206	6 206	465	2 018	3 103	(1 085)	-35.0%	6 206
Special Support For Councillors		5 642	5 642			2 821	(2 821)	-100.0%	5 642
Provincial Government:	1 154	300	4 300	-	300	2 150	(1 850)	-86.0%	4 300
Shared Services	1 154	300	300	-	300	150	150	100.0%	300
Nodal Plan Grant			1 000	-	-	500	(500)	-100.0%	1 000
Raset Program			3 000			1 500	(1 500)	-100.0%	3 000
[insert description]									
Total operating expenditure of Transfers and Grants:	368 241	405 533	409 533	86 731	240 255	204 767	35 489	17.3%	409 533
Capital expenditure of Transfers and Grants									
National Government:	300 959	407 804	407 804	18 950	106 000	203 902	(97 902)	-48.0%	407 804
Municipal Infrastructure Grant (MIG)	187 304	180 033	180 033	15 574	83 177	90 017	(6 840)	-7.6%	180 033
Regional Bulk Infrastructure	28 672	142 283	142 283	-	2 663	71 142	(68 479)	-96.3%	142 283
Rural Road Asset management	2 483	2 488	2 488	-	-	1 244	(1 244)	-100.0%	2 488
Water Services Infrastructure Grant	82 500	83 000	83 000	3 376	20 161	41 500	(21 339)	-51.4%	83 000
0									
Total capital expenditure of Transfers and Grants	300 959	407 804	407 804	18 950	106 000	203 902	(97 902)	-48.0%	407 804
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	669 201	813 337	817 337	105 682	346 255	408 669	(62 413)	-15.3%	817 337

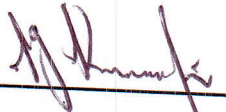
- R106 million was spent in capital grants
- R240 million has been spent in operating grants

Prepared by:



Accountant: Budget

Reviewed by:



Senior Manager Finance

Approved by:



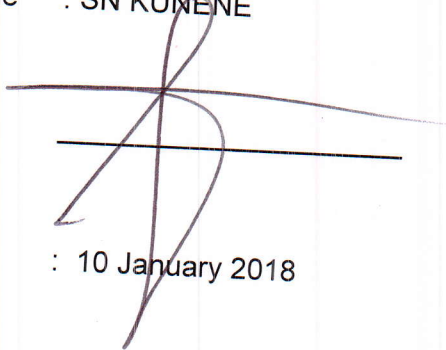
Chief Financial Officer

2.7. Municipal Manager's quality certificate

I **Sifiso Nicholas Kunene**, Municipal Manager of UThukela District Municipality, hereby certify that the Section 71 and supporting documentation for and December 2018 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name : SN KUNENE

Signature

A handwritten signature in dark ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Date : 10 January 2018