

UTHUKELA

UMKHANDLU WESIFUNDA
DISTRIKSMUNISIPALITEIT
DISTRICT MUNICIPALITY

SECTION 71 REPORT

OCTOBER 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 October 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) - M04 October

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 Source											
Property rates								-			
Service charges - electricity revenue								-			
Service charges - water revenue			260 645	260 645	23 288	84 113	86 882	(2 769)	-3%	260 645	
Service charges - sanitation revenue			31 019	31 019	1 391	5 734	10 340	(4 605)	-45%	31 019	
Service charges - refuse revenue			-	-			-	-		-	
Service charges - other							-	-			
Rental of facilities and equipment							-	-			
Interest earned - external investments			6 572	6 572	299	1 282	2 191	(909)	-41%	6 572	
Interest earned - outstanding debtors			50 456	50 456	4 424	17 543	16 819	724	4%	50 456	
Dividends received							-	-			
Fines, penalties and forfeits			50	50	12	12	17	(5)	-28%	50	
Licences and permits							-	-			
Agency services							-	-			
Transfers and subsidies			405 533	405 533	617	153 224	135 178	18 046	13%	405 533	
Other revenue			4 098	4 098	342	1 027	1 366	(339)	-25%	4 098	
Gains on disposal of PPE							-	-			
Total Revenue (excluding capital transfers and contributions)			-	758 374	758 374	30 373	262 934	252 791	10 143	4%	758 374
Expenditure By Type											
Employee related costs			271 837	271 837	23 659	87 847	90 612	(2 765)	-3%	271 837	
Remuneration of councillors			8 156	8 156	586	2 189	2 719	(530)	-19%	8 156	
Debt impairment			136 628	136 628		-	45 543	(45 543)	-100%	136 628	
Depreciation & asset impairment			86 634	86 634	21 539	21 539	28 878	(7 339)	-25%	86 634	
Finance charges			561	561	31	42	187	(145)	-77%	561	
Bulk purchases			6 586	6 586	-	-	2 195	(2 195)	-100%	6 586	
Other materials			16 023	16 023	2 166	2 672	5 341	(2 669)	-50%	16 023	
Contracted services			117 869	117 869	4 325	15 759	39 290	(23 530)	-60%	117 869	
Transfers and subsidies			1 000	1 000	-	323	333	(10)	-3%	1 000	
Other expenditure			74 815	74 815	17 710	26 827	24 938	1 889	8%	74 815	
Loss on disposal of PPE							-	-			
Total Expenditure			-	720 109	720 109	70 017	157 199	240 036	(82 837)	-35%	720 109
Surplus/(Deficit)											
(National / Provincial and District)			-	38 265	38 265	(39 644)	105 735	12 755	92 980	0	38 265
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)				407 804	407 804	3 435	88 173	135 935	(47 762)	(0)	407 804
Transfers and subsidies - capital (in-kind - all)								-			
Surplus/(Deficit) after capital transfers & contributions			-	446 069	446 069	(36 209)	193 908	148 690			446 069
Taxation								-			
Surplus/(Deficit) after taxation			-	446 069	446 069	(36 209)	193 908	148 690			446 069
Attributable to minorities											
Surplus/(Deficit) attributable to municipality			-	446 069	446 069	(36 209)	193 908	148 690			446 069
Share of surplus/ (deficit) of associate											
Surplus/ (Deficit) for the year			-	446 069	446 069	(36 209)	193 908	148 690			446 069

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Capital grant transfers recognised R88 million at the end of October 2018.
- Total operating expenditure is at R 157 million at the end of October 2018.
- The Service charged – Water R84 million has been billed at the end of October 2018.
- The Service charges – Sanitation R5.7million has been billed at the end of October 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) - M04									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcom	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD varianc %	Full Year Forecast
R thousands									
Single Year expenditure appropriation									
105 - MUNICIPAL MANAGER	-	-	-	-	-	-	-		-
200 - CORPORATE SERVICES	-	-	-	-	-	-	-		-
300 - BUDGET AND TREASURY	-	27	27	10	10	9	1	15%	27
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)	-	-	-	-	-	-	-		-
408 - WSA& HEALTH SERVICES	-	-	-	-	-	-	-		-
500 - WATER, SANITATION AND TECHNICAL SERVICES	-	407 804	407 804	3 435	88 173	135 935	(47 762)	-35%	407 804
Total Capital single-year expenditure	-	407 831	407 831	3 446	88 183	135 944	(47 761)	-35%	407 831
Total Capital Expenditure	-	407 831	407 831	3 446	88 183	135 944	(47 761)	-35%	407 831
Capital Expenditure - Functional Classification									
Governance and administration	-	27	27	10	10	9	1	15%	27
Executive and council									
Finance and administration		27	27	10	10	9	1	15%	27
Internal audit									
Trading services	-	407 804	407 804	3 435	88 173	135 935	(47 762)	-35%	407 804
Energy sources									
Water management		407 804	407 804	3 435	88 173	135 935	(47 762)	-35%	407 804
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Functional Classification	-	407 831	407 831	3 435	88 173	135 944	(47 771)	-35%	407 831
Funded by:									
National Government		407 804	407 804	3 435	88 173	135 935	(47 762)	-35%	407 804
Provincial Government									
District Municipality									
Other transfers and grants									
Transfers recognised - capital	-	407 804	407 804	3 435	88 173	135 935	(47 762)	-35%	407 804
Public contributions & donations									
Borrowing									
Internally generated funds		27	27	10	10	9	1	15%	27
Total Capital Funding	-	407 831	407 831	3 446	88 183	135 944	(47 761)	-35%	407 831

➤ As depicted above capital expenditure amounting to R88 million recorded at the month of October 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 - M04 October

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	-	28 579	28 579	1 081	2 803	9 526	6 724	70.6%	28 579
Water Supply Infrastructure	-	28 579	28 579	1 081	2 803	9 526	6 724	70.6%	28 579
Dams and Weirs							-		
Boreholes							-		
Reservoirs		10 530	10 530	715	1 069	3 510	2 441	69.5%	10 530
Pump Stations		15 795	15 795	366	1 448	5 265	3 817	72.5%	15 795
Water Treatment Works		1 000	1 000			333	333	100.0%	1 000
Bulk Mains		1 254	1 254	-	286	418	132	31.6%	1 254
Sanitation Infrastructure	-	-	-	-	-	-	-		-
Computer Equipment	-	250	250	-	-	83	83	100.0%	250
Computer Equipment		250	250			83	83	100.0%	250
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment							-		
Machinery and Equipment	-	627	627	-	-	209	209	100.0%	627
Machinery and Equipment		627	627			209	209	100.0%	627
Transport Assets	-	11 685	11 685	851	3 478	3 895	417	10.7%	11 685
Transport Assets		11 685	11 685	851	3 478	3 895	417	10.7%	11 685
Land	-	-	-	-	-	-	-		-
Land							-		
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals							-		
Total Repairs and Maintenance Expenditure	-	41 457	41 457	1 932	6 317	13 819	7 502	54.3%	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) - M04 October

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	1									
Revenue - Functional										
<i>Governance and administration</i>		-	406 468	406 468	463	152 670	135 489	17 181	13%	406 468
Executive and council		-	62 083	62 083	-	-	20 694	(20 694)	-100%	62 083
Finance and administration		-	344 385	344 385	463	152 670	114 795	37 875	33%	344 385
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	50	50	12	12	17	(5)	-28%	50
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	50	50	12	12	17	(5)	-28%	50
<i>Economic and environmental services</i>		-	300	300	293	293	100	193	193%	300
Planning and development		-	300	300	293	293	100	193	193%	300
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	759 360	759 360	33 040	198 131	253 120	(54 989)	-22%	759 360
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	728 340	728 340	31 649	192 396	242 780	(50 384)	-21%	728 340
Waste water management		-	31 019	31 019	1 391	5 734	10 340	(4 605)	-45%	31 019
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	1 166 178	1 166 178	33 808	351 107	388 726	(37 619)	-10%	1 166 178
Expenditure - Functional										
<i>Governance and administration</i>		-	388 824	388 824	31 929	59 174	129 608	(70 434)	-54%	388 824
Executive and council		-	63 551	63 551	3 107	13 806	21 184	(7 378)	-35%	63 551
Finance and administration		-	325 273	325 273	28 823	45 368	108 424	(63 056)	-58%	325 273
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	24 993	24 993	1 727	6 264	8 331	(2 067)	-25%	24 993
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	24 993	24 993	1 727	6 264	8 331	(2 067)	-25%	24 993
<i>Economic and environmental services</i>		-	22 932	22 932	2 265	6 994	7 644	(650)	-8%	22 932
Planning and development		-	22 932	22 932	2 265	6 994	7 644	(650)	-8%	22 932
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	283 360	283 360	34 096	84 766	94 453	(9 687)	-10%	283 360
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	282 244	282 244	34 096	84 766	94 081	(9 315)	-10%	282 244
Waste water management		-	1 116	1 116	-	-	372	(372)	-100%	1 116
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	720 109	720 109	70 017	157 199	240 036	(82 837)	-35%	720 109
Surplus/ (Deficit) for the year		-	446 069	446 069	(36 209)	193 908	148 690	45 218	30%	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) - M04 October

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	1									
105 - MUNICIPAL MANAGER		-	62 083	62 083	-	-	20 694	(20 694)	-100.0%	62 083
200 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
300 - BUDGET AND TREASURY		-	344 385	344 385	463	152 670	114 795	37 875	33.0%	344 385
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	300	300	293	293	100	193	193.4%	300
408 - WSA& HEALTH SERVICES		-	50	50	12	12	17	(5)	-28.0%	50
500 - WATER, SANITATION AND TECHNICAL SERVICES		-	759 360	759 360	33 040	198 131	253 120	(54 989)	-21.7%	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	-	1 166 178	1 166 178	33 808	351 107	388 726	(37 619)	-9.7%	1 166 178
Expenditure by Vote	1									
105 - MUNICIPAL MANAGER		-	63 551	63 551	3 107	13 806	21 184	(7 378)	-34.8%	63 551
200 - CORPORATE SERVICES		-	48 051	48 051	3 899	10 799	16 017	(5 219)	-32.6%	48 051
300 - BUDGET AND TREASURY		-	277 222	277 222	24 924	34 570	92 407	(57 837)	-62.6%	277 222
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	22 932	22 932	2 265	6 994	7 644	(650)	-8.5%	22 932
408 - WSA& HEALTH SERVICES		-	24 993	24 993	1 727	6 264	8 331	(2 067)	-24.8%	24 993
500 - WATER, SANITATION AND TECHNICAL SERVICES		-	283 360	283 360	34 096	84 766	94 453	(9 687)	-10.3%	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	-	720 109	720 109	70 017	157 199	240 036	(82 837)	-34.5%	720 109
Surplus/ (Deficit) for the year	2	-	446 069	446 069	(36 209)	193 908	148 690	45 218	30.4%	446 069

Part 2 – Supporting Documentation

2.1.1 Table 6: SC3 Debtors Age Analysis

- The Municipality has a total amount of R 907 million of outstanding debt.

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October									
Description	Budget Year 2018/19							Total	Total over 90 days
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys			
R thousands									
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	-	73 692	20 924	20 366	18 994	773 702	907 678	813 062	
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	33	42	-	6	-	-	81	6	
Total By Income Source	33	73 734	20 924	20 372	18 994	773 702	907 759	813 068	
Debtors Age Analysis By Customer Group									
Organs of State	-	7 731	2 049	2 423	2 488	22 624	37 315	27 535	
Commercial	-	20 841	3 526	1 111	1 202	32 550	59 230	34 863	
Households	-	45 119	15 350	16 832	15 304	718 528	811 134	750 664	
Other	33	42	-	6	-	-	81	6	
Total By Customer Group	33	73 734	20 924	20 372	18 994	773 702	907 759	813 068	

- The collection rate for 31 October 2018

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 31 OCTOBER 2018				
MONTH	BILLING	MONTHS	RECIEPTS	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			0.00%
	97 918 718.88		46 192 246.67	47%
TOTALS				
BILLING - JULY 2018- OCTOBER 2018		97 918 718.88		
RECIEPTS - JULY 2018- OCTOBER 2018		46 192 246.67		
DIFFERENCE		51 726 472.21		47%

2.2 Table 7: Investments and Bank Balances

Investments by maturity		Market value at end of the month	
Name of institution & investment ID			
R thousands			
Municipality			
FNB			25 744
NEDBANK			-
INVESTEC			5 652
ABSA			273
TOTAL INVESTMENTS AND INTEREST			31 669

Bank Balances

The following reflects bank balances at 31 October 2018

DESCRIPTION	JULY	AUGUST	SEPTEMBER	OCTOBER
FNB MAIN ACCOUNT 62252306280	5 194 268.40	5 795 619.61	8 902 089.70	4 817 803.95
FNB WATER ACCOUNT 62253072385	0.00	0.00	0.00	0
	5 194 268.40	5 795 619.61	8 902 089.70	4 817 803.95
Total cash held	4 817 803.95			

Table 8: SC6 Grant Receipts


DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October									
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:	-	405 233	405 233	-	153 948	135 078	39 050	28.9%	405 233
Local Government Equitable Share		335 399	335 399	-	150 850	111 800	39 050	34.9%	335 399
RSC Levy Replacement		56 441	56 441			18 814			56 441
Finance Management		1 545	1 545	-	1 545	515			1 545
EPWP Incentive		6 206	6 206	-	1 553	2 069			6 206
Special Support For Councillors		5 642	5 642			1 881			5 642
Provincial Government:	-	300	300	-	300	100	200	200.0%	300
Shared Services		300	300		300	100	200	200.0%	300
Total Operating Transfers and Grants	-	405 533	405 533	-	154 248	135 178	39 250	29.0%	405 533
Capital Transfers and Grants									
National Government:	-	407 804	407 804	-	89 742	135 935	7 989	5.9%	407 804
Municipal Infrastructure Grant (MIG)		180 033	180 033	-	68 000	60 011	7 989	13.3%	180 033
Regional Bulk Infrastructure		142 283	142 283			47 428			142 283
Rural Road Asset management		2 488	2 488	-	1 742	829			2 488
Water Services Infrastructure Grant		83 000	83 000	-	20 000	27 667			83 000
Total Capital Transfers and Grants	-	407 804	407 804	-	89 742	135 935	7 989	5.9%	407 804
TOTAL RECEIPTS OF TRANSFERS & GRANTS	-	813 337	813 337	-	243 990	271 112	47 239	17.4%	813 337

Table 9: SC7 Grant Expenditure


DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

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
R thousands								%	
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	-	405 233	405 233	617	153 224	135 078	17 243	12.8%	405 233
Local Government Equitable Share		335 399	335 399	-	150 850	111 800	39 050	34.9%	335 399
RSC Levy Replacement		56 441	56 441			18 814	(18 814)	-100.0%	56 441
Finance Management		1 545	1 545	152	821	515	69	13.4%	1 545
EPWP Incentive		6 206	6 206	465	1 553	2 069	(1 182)	-57.1%	6 206
Special Support For Councillors		5 642	5 642			1 881	(1 881)	-100.0%	5 642
0						-	-		
Other transfers and grants [insert description]							-		
Provincial Government:	-	300	300	293	293	100	193	193.4%	300
Shared Services		300	300	293	293	100	193	193.4%	300
Total operating expenditure of Transfers and Grants	-	405 533	405 533	911	152 614	135 178	17 437	12.9%	405 533
Capital expenditure of Transfers and Grants									
National Government:	-	407 804	407 804	3 435	88 173	135 935	(47 762)	-35.1%	407 804
Municipal Infrastructure Grant (MIG)		180 033	180 033	-	68 000	60 011	7 989	13.3%	180 033
Regional Bulk Infrastructure		142 283	142 283	-	2 176	47 428	(45 252)	-95.4%	142 283
Rural Road Asset management		2 488	2 488	-	-	829	(829)	-100.0%	2 488
Water Services Infrastructure Grant		83 000	83 000	3 435	17 997	27 667	(9 670)	-35.0%	83 000
Total capital expenditure of Transfers and Grants	-	407 804	407 804	3 435	88 173	135 935	(47 762)	-35.1%	407 804
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	813 337	813 337	4 346	241 689	271 112	(30 326)	-11.2%	813 337

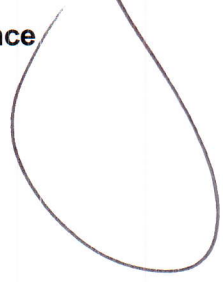
- R88 million was spent in capital grants
- R152 million has been spent in operating grants

Prepared by: 

Accountant: Budget

Reviewed by: 

Senior Manager Finance



Approved by: 

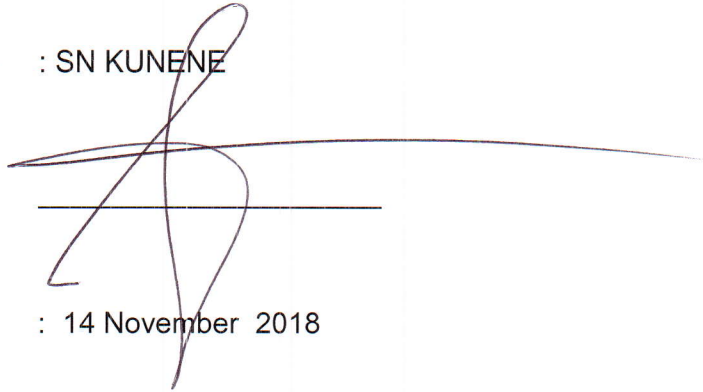
Chief Financial Officer

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 October 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 black ink, consisting of a large, stylized 'S' followed by 'N' and 'KUNENE'. The signature is written over a horizontal line.

Date : 14 November 2018