



**MATJHABENG LOCAL MUNICIPALITY**  
**HALF YEARLY REPORT (DECEMBER 2017)**

The attached report is submitted in terms of Section 72 of the Municipal Finance Management Act (MFMA), Act 56 of 2003 for six months ended 31 December 2017

TABLE 1		Budget for the six months	Actual for the six months	%
Revenue		938 586 680	527 773 133	56%
Grants & Subsidies		281 496 000	404 221 000	144%
Total Income		1 240 194 680	931 994 133	75%
Expenditure		1 018 367 192	896 249 593	88%
Salaries		353 455 647	338 544 095	96%
Water		145 855 229	143 859 649	99%
Electricity		182 362 881	76 588 109	40%
Other/Stationery, Telephone		326 893 436	337 257 740	103%
Net Surplus/(Deficit) before Capital payments		221 827 488	35 744 540	
MIG Payments			67 819 544	
INEG Payments			882 659	
WSIG Payments			2 198 641	
Capital Assets procured - Equitable Share			2 598 120	
Fleet & Equipment			27 300	
Office Convention / Furniture			2 570 820	
Net Surplus/(Deficit) after Capital payments			(37 754 424)	

Table 1: The municipality had a deficit of R37 754 424 after Capital payment for the six months period ending 31 December 2017.

1. Only R896 249 593 was spent from the total budget of R1 018 367 192
2. There was an over-spending of MIG payments of R10 494 044 for the six months period to December 2017.

MT Tsie  
Compiled By

15/01/2018  
Date

Lindsey Williams  
Reviewed By

15/01/2018  
Date

Thabo Panyani  
Approved By

15/01/2018  
Date

TABLE 2		Actual for the six months
Total Billings		891 724 483
Less: Indigent Billing		20 770 194
Actual Collectable Billing	(2)	870 954 290
Actual Revenue Received	(3)	505 488 426
Consumer Revenue	(5)	456 031 337
Other		49 457 089
Grants & Subsidies	(4)	404 221 000
Pay rate for six months (Billing)	(1)	58%
Total Income Percentage		61%

#### Notes

1. Actual revenue collected from customers is 58% of actual billing less indigent billing. This is not in line with the approved Budget income rate of 80%
2. The 'Actual Collectable Billing' figure reflects the amount invoiced to consumers for services consumed during the six months, excluding the poorest of the poor.
3. The 'Consumer Revenue' relates to revenue actually received from consumers during the six months.
4. 'Grants & Subsidies' refers to intergovernmental transfers e.g. Equitable share, MIG, etc.
5. 'Other Revenue' relates to items such as Interest on Debtors, Rental, etc billed during the month.

Table 3 and Table 4 provides an analysis of the various revenue and expenditure figures.

**MATJHABENG MUNICIPALITY**

**SIX MONTHS (JULY - DECEMBER 2017) REVENUE AND EXPENDITURE RESULTS AGAINST BUDGET**

**TABLE 3**

**REVENUE RESULTS AGAINST BUDGET**

Description	Budget for the six months	Actual for the six months	received %	Notes
Intergovernmental Transfer	281 496 000	404 221 000	144%	1
Subsidy - Operational Grants	203 388 000	297 619 000	146%	
Capital Grants	78 108 000	106 602 000	136%	
Consumer Revenue & Assessments Rates	740 797 828	456 031 337	62%	2
Other Revenue	217 900 852	71 741 795	33%	3
	<b>1 240 194 680</b>	<b>931 994 133</b>	<b>75%</b>	

Table 5 A contains the actual revenue by source.

**Notes**

1. Intergovernmental Transfer consist of both Operational & Capital Grants
2. The consumer revenue and assessment rates have a variance of 38%, it appears as if the reason for this amount is the lack of payment from consumers.
3. The other revenue has a variance of 67% against the budget

TABLE 4

## EXPENDITURE RESULTS AGAINST BUDGET

Description	Budget for the six months	Actual for the six months	% Spend	Notes
Salaries	353 455 647	338 544 095	95,78%	1
Water	145 855 229	143 859 649	98,63%	2
Electricity	192 362 881	76 588 109	39,81%	3
Other/Stationary, Telephone	326 693 436	337 257 740	103,23%	4
<b>Total</b>	<b>1 018 367 192</b>	<b>896 249 593</b>	<b>88,01%</b>	
MIG Payments	57 325 500	67 819 544	118,31%	5

Notes

1. The actual amount paid for salaries is less than the budget amount with R14 911 552 for the six months out of the total budget.
2. Out of the total budget of water 98,63% was spent, this is due financial constraints.
3. Only 39,81% was paid on Electricity
4. The budget for other / stationary, telephone is less than the actual with -R 10 564 305
5. There was over-spending of 18% on MIG payments for the six month period ending 31 December 2017.

Table 5 B contains the Actual Expenditure by vote.

A

TABLE 5A -- [S71(1)(a), S71(2)(a), S71(3)] ACTUAL REVENUE PER REVENUE SOURCE [S71(1)(a)]					
	Budget for the six months	Actual for the six months	received %	Budget 2017/18	Projection of Revenue for rest of year
<b>Intergovernmental Transfers</b>					
Operational Grants - Equitable Share/FMG/EPWP/EEDG	281 496 000	404 221 000	144%	562 992 000	562 992 000
Capital Grants - MIG/WS/G/INEG	203 388 000	297 619 000	146%	406 776 000	406 776 000
	78 108 000	106 602 000	136%	156 216 000	156 216 000
<b>Consumer Revenue and Assessment rates</b>					
Assessment Rates	740 797 828	456 031 337	62%	1 481 595 656	912 062 675
Water	139 626 065	116 067 016	83%	279 252 170	232 134 032
Electricity	171 538 300	56 272 836	33%	343 076 599	112 545 673
Sewerage	313 770 061	239 860 796	76%	627 540 121	479 721 592
Refuse Removal	73 873 849	26 315 707	36%	147 747 698	52 631 415
	41 989 534	17 514 982	42%	83 979 068	35 029 963
<b>Other Revenue</b>					
Fines	217 900 852	71 741 795	33%	435 801 703	143 483 591
Market	10 035 842	1 991 208	20%	20 071 683	3 982 416
Rentals	12 500 000	6 033 293	48%	25 000 000	12 066 585
Other	15 000 000	4 122 103	27%	30 000 000	8 244 205
Interest - Debtors	114 209 632	38 219 983	33%	228 419 263	76 439 965
Interest - Investments	64 427 326	20 191 261	31%	128 854 652	40 382 523
	1 728 053	1 183 948	69%	3 456 105	2 367 896
<b>TOTAL</b>	<b>1 240 194 680</b>	<b>931 994 133</b>	<b>75%</b>	<b>2 480 389 359</b>	<b>1 618 538 265</b>

B

TABLE 5B [S71(1)(c), S71(2)(a), S71(3)] ACTUAL EXPENDITURE PER VOTE [S71(1)(c)]					
	Budgeted for the six months	Actual for the six months	% Spend	Budget 2017/18	Projected Expenditure for rest of year
<b>Council General</b>					
Office of the Executive Mayor	42 907 878	84 875 125	193%	85 815 756	169 750 249
Office of the Speaker	7 833 307	12 728 211	162%	15 666 613	25 456 422
Municipal Manager	1 244 485	10 895 497	876%	2 488 970	21 790 993
Corporate Services	40 923 541	65 770 236	161%	81 847 081	131 540 471
Financial Services	29 457 827	25 655 630	87%	58 915 653	51 311 259
Human Resources	156 235 613	59 013 304	38%	312 471 225	118 026 608
Community Services	7 963 047	6 540 193	82%	15 926 093	13 080 385
Protection Services	97 176 837	108 558 976	112%	194 353 673	217 117 952
Economic Development	81 343 863	97 672 147	120%	162 687 725	195 344 293
Engineering Services	9 561 817	10 071 140	105%	19 123 633	20 142 281
Housing Services	675 007 728	403 267 908	60%	1 350 015 456	806 535 816
	11 754 891	11 201 228	95%	23 509 781	22 402 456
<b>TOTAL</b>	<b>1 161 410 830</b>	<b>896 249 593</b>	<b>77%</b>	<b>2 322 821 659</b>	<b>1 792 499 166</b>

SALARIES - JULY - DECEMBER 2017					
SALARIES	Budgeted for the year	Budgeted for year to date - 6 months	Actual for the six months	% Spend	Projected Expenditure for rest of year
Council General	55 230 646	27 615 323	18 518 052	67,06%	37 036 103
Office of the Executive Mayor	8 630 903	4 315 452	4 525 359	104,86%	9 050 718
Office of the Speaker	1 582 182	791 091	5 195 611	656,77%	10 391 221
Municipal Manager	52 987 141	26 493 571	17 649 490	66,62%	35 298 979
Corporate Service	45 828 861	22 914 431	21 468 349	93,69%	42 936 697
Financial Services	50 778 586	25 389 293	28 180 690	110,99%	56 361 380
Human Resources	14 256 253	7 128 127	6 462 327	90,66%	12 924 653
Community Services	217 631 389	108 815 695	79 798 019	73,33%	159 596 038
Protection Services	121 618 309	60 809 155	53 687 544	88,29%	107 375 087
Economic Development	13 187 503	6 593 752	6 273 351	95,14%	12 546 703
Engineering Services	109 373 451	54 686 726	88 104 594	161,11%	176 209 188
Housing Services	15 806 069	7 903 035	8 680 711	109,84%	17 361 422
<b>TOTAL</b>	<b>706 911 293</b>	<b>353 455 647</b>	<b>338 544 095</b>	<b>95,78%</b>	<b>677 088 190</b>

C

OVERTIME - JULY - DECEMBER 2017					
OVERTIME	Budgeted for the year	Budgeted for year to date - 6 months	Actual for the six months	Variance	Projected Expenditure for rest of year
Council General					-
Office of the Executive Mayor					-
Office of the Speaker	642 750	321 375	1 432 633	445,8%	2 865 265
Municipal Manager	314 286	157 143	172 589	109,8%	345 178
Corporate Service	455 321	227 661	395 499	173,7%	790 997
Financial Services	1 130 237	565 119	1 448 810	256,4%	2 897 619
Human Resources	8 038	4 019	37 912	943,3%	75 824
Community Services	15 486 812	7 743 406	10 836 952	140,0%	21 673 903
Protection Services	6 041 548	3 020 774	4 996 768	165,4%	9 993 536
Economic Development	17 093	8 547	40 742	476,7%	81 484
Engineering Services	16 855 522	8 427 761	15 657 172	185,8%	31 314 344
Housing Services	133 929	66 965	98 865	147,6%	197 730
<b>TOTAL</b>	<b>41 085 536</b>	<b>20 542 768</b>	<b>35 117 941</b>		<b>70 235 881</b>

D

TOP TWENTY (20) DEBTORS DECEMBER 2017

		R	COMMENTS:
1.	ANGLOGOLD ASHANTI LTD	16 884 311.84	Busy with payment arrangement with mine
2.	PUBLIC WORKS (HEALTH)HO	12 464 084.19	Payment received statements was send on follow up for balance
3.	PHINDANA PROPERTIES (69	9 005 913.43	Handed over to Municipal debt collectors (Trifecta)
4.	SEDIBENG WATERRAAD	9 038 817.08	Matters currently handled with Municipal debt collectors (Trifecta ) reference attached
5.	SEDIBENG WATER	8 647 351.34	Matters currently handled with Municipal debt collectors (Trifecta ) reference attached
6.	TOSA TECHNICAL COLLEGE	8 063 343.70	Client is disputing rates matter given over to Municipal debt collectors (Trifecta)
7.	REAHOLA HOUSING ASSOCIA	6 298 655.12	No collection. Campton of matter are human settlement to give progress report
8.	PRESIDENT STEYN GOLD MI	5 851 596.18	Mine is having dispute with sewerage point busy sorting out
9.	SENTRAL WES KOOPERASIE	5 536 390.20	Client is paying current accounts having dispute on rates and taxes. current settlement proposal legal department to review
10.	PRESIDENT STEYN MYN 1	3 577 257.69	Receiving payments on monthly basis till account is paid in full
11.	PUBLIC WORKS (HEALTH)	3 515 597.39	Payment received. statements was send on follow up for balance
12.	FLAMINGO LAKE DEVELOPMENT	3 337 322.27	Mathabetsi property. write off proposal handed over to EXCO
13.	ANGLOGOLD ASHANTI	3 034 702.30	On schedule 23 (A) that is with legal for possible write off debt as was taken back by council
14.	EDEN CHRISTELIKE BEDIEN	3 006 016.80	NGO client is requesting write off management declined. Client to arrange meeting with CEO and executive Mayor
15.	ST ANDREWS SCHOOL WELKO	2 800 705.94	client is disputing to pay due to been christian school. Management declined due to school is private funding
16.	PUBLIC WORKS DEPT	2 894 585.14	Payment received statements was send on follow up for balance
17.	ERF 2515 WELKOM (PTY)	2 787 871.28	On disconnection list for 14 Jan 2018 if not cut law enforcement will be assisting
18.	REPUBLIEK VAN SUID-AFRI	2 758 774.00	Statement was send to government for payment
19.	PUBLIC WORKS (HEALTH)HO	2 741 916.20	Payment received statements was send on follow up for balance
20.	ERFDEEL MYN	2 629 947.80	Mine is having dispute with sewerage point busy sorting out
	TOTAL	118 192 102	

F

## TOP TWENTY (20) CREDITORS DECEMBER 2017

		R	COMMENTS
1.	Sedibeng Water	R 1 988 362 042.06	Sedibeng Water
2.	Eskom	R 1 743 276 726.13	Eskom
3.	Compensation Commissioner	R 15 939 464.05	Compensation Commissioner
4.	Jager Technologies	R 11 604 892.43	Meter Reading
5.	Auditor General	R 6 221 402.81	Auditor General
6.	Sedtrade	R 5 226 140.35	Streets Resealing
7.	Aqua Transport	R 3 842 429.52	Refuse Removal Trucks
8.	Sebenza Engineering Services	R 3 839 930.00	Refuse Removal Trucks
9.	Practicon Trading Enterprise	R 3 509 875.36	Protective Clothing
10.	Khabokedi Waste Management	R 3 420 874.24	Landfill Site Rehabilitation
11.	Man in One Security	R 3 298 746.07	Security Services
12.	Business Connexion	R 2 910 993.61	Solar
13.	Royal Haskoning DHV	R 2 661 619.24	Upgrading Klippan Pumpstation
14.	Eskom FBE	R 2 538 499.59	Free Basic Electricity
15.	Scheme Security	R 2 060 219.19	Security Services
16.	Manna Holdings	R 1 890 128.50	Valuation Roll
17.	WW Civils and Construction	R 1 461 725.94	Disconnection and Reconnection -Water
18.	Fezi Auditors and Consultants	R 1 456 864.96	AFS
19.	Tswana Hydraulics	R 1 326 904.33	Repairs and Maintenance-Fleet
20.	Syntell Networks	R 1 021 825.34	Prepaid Electricity Vending
	<b>TOTAL</b>	<b>3 805 871 304</b>	



G ACTUAL CAPITAL EXPENDITURE PER VOTE

TABLE 6 – [S71(1)(d)]	
	Capex for six months
Council General	2 570 820
Office of the Executive Mayor	-
Mayoral Committee	-
Office of the Speaker	-
Municipal Manager	-
Corporate Services	-
Financial Services	-
Human Resources	-
Community Services	14 208 653
Protection Services	-
Economic Development	4 810 765
Engineering Services	52 138 528
Mechanical Workshop	27 300
	73 796 066

H AMOUNT OF ANY ALLOCATIONS RECEIVED

RECEIVED			Funds Received for six months	Funds Spent for six months
TABLE 7 – [S71(1)(e), S71(1)(f)]				
MIG/LDM/Sundry			77 602 000	67 819 544
Equitable Share			295 224 000	295 224 000
MSIG			-	-
FMG			2 145 000	1 659 978
EPWP			250 000	233 805
EEDG			-	-
WSIG			24 000 000	2 198 641
INEG			5 000 000	882 659
			404 221 000	368 018 627

**PAYMENT RATIO PER WARD - JULY - DECEMBER 2017**

Councillor	Ward	Registered Indigents	Billings	Income	% Payment to Billing
M Sebotsa	1	1 098	14 994 976	7 505 128	50%
S E Tshabangu	2	310	5 669 515	308 761	5%
M P Kopela	3	425	47 078 090	37 390 515	79%
S J Liphoko	4	331	12 658 018	769 864	6%
P M I Molelekoa	5	430	17 646 894	5 567 846	32%
B H Mahlumba	6	388	7 347 421	331 741	5%
N E Monjovo	7	563	8 902 730	464 952	5%
M D Masieryane	8	491	28 663 591	18 888 750	66%
H S Badenhorst	9	192	69 655 735	60 550 288	87%
S Ramalefane	10	902	16 162 174	2 583 902	16%
V R Morris	11	303	12 998 012	2 206 745	17%
Z S Moshoeu	12	415	11 427 798	1 048 252	9%
T J Thelingoane	13	286	6 475 266	599 965	9%
M Chaka	14	902	11 573 348	307 519	3%
B Ntuli	15	527	14 426 581	1 269 485	9%
TS Meli	16	873	13 998 930	227 284	2%
T D Khalipha	17	331	8 704 351	136 062	2%
N Moloja	18	432	9 618 206	752 156	8%
P Ramatisa	19	767	11 511 896	926 089	8%
B Nkonka	20	670	12 552 306	1 045 971	8%
S Pholo	21	552	15 063 074	518 535	3%
I Poo	22	769	9 176 739	564 486	6%
K R Tlake	23	209	1 788 877	19 668	1%
M A Mphikeleli	24	-	2 009 884	23 970	1%
T D Nthako	25	207	37 283 645	20 387 615	55%
S J Tsatsa	26	827	8 169 452	1 405 152	17%
M S Van Rooyen	27	180	44 248 208	32 844 563	74%
T Mosia	28	613	9 782 704	2 797 553	29%
D M Mafa	29	588	8 333 712	453 230	5%
M Molefi	30	348	12 389 611	853 554	7%
H A Mokhomoto	31	148	6 782 148	931 747	14%
H T C Van Schalkwyk	32	370	228 890 546	188 123 090	82%
C Malherbe	33	209	31 968 472	25 064 245	78%
A Daly	34	307	46 811 522	36 046 523	77%
N R Manzana	35	305	29 243 221	20 234 525	69%
M J Khothule	36	709	43 699 241	30 320 580	69%

**DECEMBER 2017 - Payments per ward less than 50%**

Councillor	Ward	Registered Indigents	Billings	Income	% Payment to less than 50%
P M I Molelekoa	5	430	2 982 184	982 537	33%
T Mosia	28	613	1 555 878	492 912	32%
H A Mokhomoto	31	148	1 088 378	285 524	26%
S J Tsatsa	26	827	1 334 303	347 587	26%
S Ramalefane	10	902	2 301 998	489 163	21%
V R Morris	11	303	2 002 758	331 635	17%
T J Thelingoane	13	286	1 071 127	172 043	16%
P Ramatisa	19	767	1 832 698	287 760	16%
B Ntuli	15	527	2 347 333	367 683	16%
B Nkonka	20	670	2 064 878	307 395	15%
S J Liphoko	4	331	2 061 074	263 298	13%
I Poo	22	769	1 540 617	183 018	12%
N Moloja	18	432	1 580 816	181 701	11%
B H Mahlumba	6	388	992 033	112 010	11%
Z S Moshoeu	12	415	1 803 420	164 851	9%
S E Tshabangu	2	310	959 354	85 180	9%
N E Monjovo	7	563	1 567 328	136 263	9%
S Pholo	21	552	2 467 277	185 705	8%
M Molefi	30	348	2 020 295	112 482	6%
D M Mafa	29	588	1 285 927	44 065	3%
M Chaka	14	902	1 790 924	26 312	1%
M A Mphikeleli	24	0	339 998	4 210	1%
TS Meli	16	873	2 073 711	23 606	1%
T D Khalipha	17	331	1 437 921	15 158	1%
K R Tlake	23	209	289 147	520	0%
BN Ntuli	15	355	2 487 556	40 039	2%
MS Chaka	14	1024	2 104 985	29 378	1%
TS Meli	16	635	2 415 686	25 133	1%

Table 6

**ACTUAL BILLING BY SOURCE(CONSUMER SERVICES) AGAINST ACTUAL RECEIPTS FOR THE SIX MONTHS PERIOD  
AS AT 31 DECEMBER 2017**

SOURCE	July-17 proj.	Actual	% Collected	Aug-17 proj.	Actual	% Collected	Sept-17 proj.	Actual	% Collected
Assessment rates	31 174 960	13 959 898	44.78%	23 648 960	16 494 152	69.75%	27 696 008	19 613 073	70.82%
Water	48 766 691	7 436 963	15.90%	28 734 435	10 323 890	35.93%	29 245 595	8 806 257	30.11%
Electricity	55 803 773	28 949 375	51.88%	57 887 791	44 962 645	77.67%	59 516 576	44 541 271	74.84%
Sanitation	15 759 881	5 702 794	36.19%	15 023 464	4 167 539	27.74%	15 006 748	4 093 067	27.27%
Refuse removal	8 744 639	2 529 266	28.92%	9 420 079	3 140 385	33.34%	9 493 840	2 955 016	31.13%
<b>TOTAL REVENUE</b>	<b>158 249 944</b>	<b>58 578 296</b>	<b>37.02%</b>	<b>134 714 721</b>	<b>79 088 611</b>	<b>58.71%</b>	<b>140 958 767</b>	<b>80 008 584</b>	<b>56.76%</b>

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SOURCE	Oct - 17 proj.	Actual	% Collected	Nov-17 proj.	Actual	% Collected	Dec-17 proj.	Actual	% Collected
Assessment rates	24 028 351	26 894 585	111.10%	23 901 055	17 064 869	71.40%	23 720 954	22 240 639	93.76%
Water	31 746 632	10 048 877	31.65%	29 487 946	10 620 542	36.02%	27 108 471	9 036 308	33.33%
Electricity	47 729 758	47 029 756	98.53%	41 597 698	40 897 130	98.32%	41 468 220	33 480 619	80.74%
Sanitation	13 241 834	3 752 303	28.34%	15 023 508	4 560 109	30.35%	15 030 920	4 039 895	26.88%
Refuse removal	9 496 436	3 047 124	32.09%	9 408 364	3 266 301	34.72%	9 457 873	2 576 890	27.25%
<b>TOTAL REVENUE</b>	<b>125 243 011</b>	<b>90 572 645</b>	<b>71.74%</b>	<b>119 418 591</b>	<b>76 408 751</b>	<b>63.98%</b>	<b>116 786 438</b>	<b>71 374 359</b>	<b>61.12%</b>

The above tables represents the total collectable revenue from consumers.  
It excludes Government Grants so as get the correct percentage collected from consumers

Total income percentage - YTD

	Total Income	Pay Rate
Jul-17	51%	42%
Aug-17	61%	62%
Sep-17	57%	55%
Oct-17	70%	69%
Nov-17	63%	62%
Dec-17	62%	61%
Average	51%	59%