



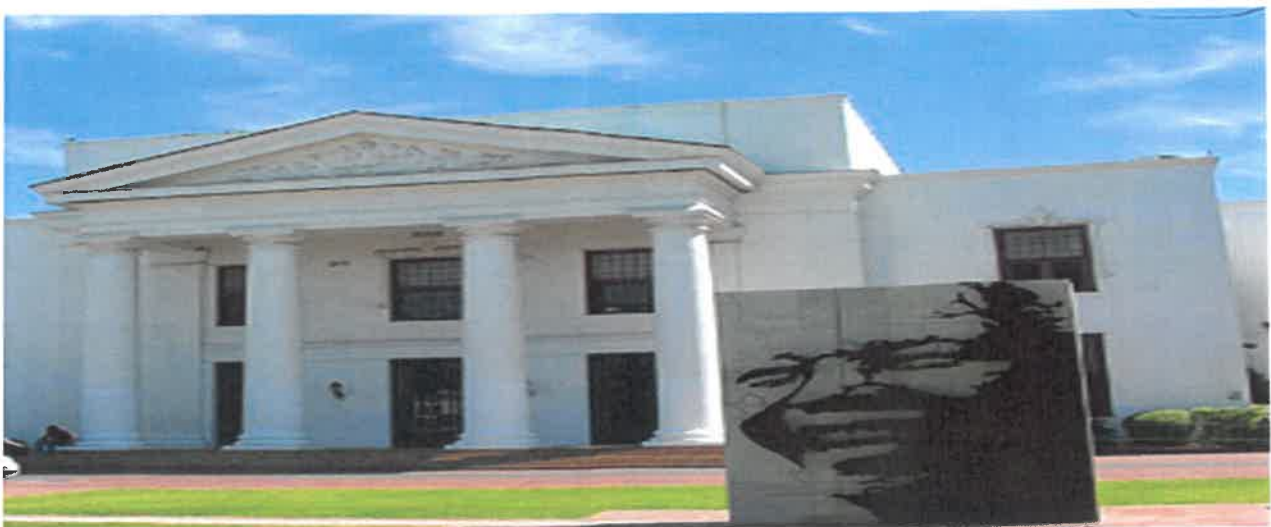
**STELLENBOSCH**

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

# **MID YEAR BUDGET AND PERFORMANCE ASSESSMENT**

## **DECEMBER 2023**



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## BUDGET & FINANCIAL PERFORMANCE OF STELLENBOSCH MUNICIPALITY AS AT 31 DECEMBER 2023

### 1. PURPOSE

The mid-year report is used as a management tool to assess the Municipality's performance and financial position against the approved budget by analyzing trends and patterns for the first six months of the 2023/2024 financial year, with a view of giving effect to the Mayor and Council's oversight role and to recommend the need for an adjustment budget as envisaged by the Municipal Finance Management Act.

### 2. LEGISLATIVE BACKGROUND

In terms of Section 72 (1) (a) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) the Accounting Officer must by the 25<sup>th</sup> of January of each year assess the performance of the Municipality during the first half of the financial year. A report on such assessment must then be submitted to the Mayor, Provincial Treasury and National Treasury in terms of Section 72 (1) (b) of the Act. Once the Mayor has considered the report in terms of Section 54 (1) (f) of the MFMA, she must table the report with recommendations to Council by 31 January of each year.

### 3. BUDGET PERFORMANCE ANALYSIS

#### 3.1 Overview of Operating Revenue and Expenditure performance for the period July to December 2023.

Description	Adjusted Budget	YearTD Budget	YearTD Actual	YTD Variance	Year-to-date Variance %
<b>Revenue</b>					
<b>Exchange Revenue</b>					
Service charges - Electricity	913 669 187,00	335 279 035,00	451 885 002,68	-116 605 967,68	-35%
Service charges - Water	185 621 843,00	84 149 626,00	77 293 407,08	6 856 218,92	8%
Service charges - Waste Water Management	108 646 667,00	54 593 730,00	58 589 475,32	-3 995 745,32	-7%
Service charges - Waste management	107 653 574,00	49 827 957,00	52 510 964,15	-2 683 007,15	-5%
Sale of Goods and Rendering of Services	22 189 670,00	9 767 950,00	10 535 340,24	-767 390,24	-8%
Agency services	3 357 697,00	1 474 432,00	1 572 460,42	-98 028,42	-7%
Interest earned from Receivables	15 412 628,00	6 845 397,00	10 329 096,50	-3 483 699,50	-51%
Interest earned from Current and Non Current Assets	41 192 661,00	20 596 332,00	28 744 223,76	-8 147 891,76	-40%
Rental from Fixed Assets	10 603 901,00	4 539 712,00	4 303 051,85	236 680,15	5%
Licence and permits	7 871 599,00	3 883 716,00	3 747 310,65	136 405,35	4%
Operational Revenue	19 345 609,00	2 960 577,00	27 004 094,18	-24 043 517,18	-812%
<b>Non-Exchange Revenue</b>					
Property rates	473 588 918,00	284 830 849,00	278 539 091,93	6 291 757,07	2%
Fines, penalties and forfeits	131 570 078,00	54 763 398,00	32 436 574,32	22 326 823,68	41%
Transfer and subsidies - Operational	240 684 265,00	101 213 467,00	141 319 521,14	-40 106 054,14	-40%
Interest	3 292 796,00	1 593 984,00	2 081 926,24	-487 942,24	-31%
Other Gains	-	-	2 874,81	-2 874,81	0%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2 284 701 093,00</b>	<b>1 016 320 162,00</b>	<b>1 180 894 415,27</b>	<b>164 574 253,27</b>	<b>-16%</b>

## MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

Description	Adjusted Budget	YearTD Budget	YearTD Actual	YTD Variance	Year-to-date Variance %
<b>Expenditure By Type</b>					
Employee related costs	618 621 984,00	311 618 243,00	141 272 863,64	170 345 379,36	55%
Remuneration of councillors	22 096 514,00	11 048 196,00	3 537 799,66	7 510 396,34	68%
Bulk purchases - electricity	636 392 814,00	252 243 078,00	281 960 123,97	-29 717 045,97	-12%
Inventory consumed	98 166 249,00	27 062 030,00	33 207 878,59	-6 145 848,59	-23%
Debt impairment	16 684 048,00	-	-	-	0%
Depreciation and amortisation	220 283 469,00	108 962 760,00	82 656 241,02	26 306 518,98	24%
Interest	59 686 487,00	29 844 241,00	25 147 351,47	4 696 889,53	16%
Contracted services	290 895 394,00	83 321 602,00	92 917 824,24	-9 596 222,24	-12%
Transfers and subsidies	19 798 529,00	9 684 856,00	10 935 894,60	-1 251 038,60	-13%
Irrecoverable debts written off	94 958 000,00	355 425,00	30 572,86	324 852,14	91%
Operational costs	182 037 145,00	60 792 873,00	65 956 478,51	-5 163 605,51	-8%
<b>Total Expenditure</b>	<b>2 259 622 633,00</b>	<b>894 933 304,00</b>	<b>737 623 028,56</b>	<b>-157 310 275,44</b>	<b>18%</b>

**Below follows a synopsis of significant revenue and expenditure variances:**

### Operating Revenue

#### Property Rates and Service Charges

Property rates and service charges refuse are billed monthly. However, some consumers applied to have their property rates and service charges billed annually.

#### Property Rates

Property rates are billed monthly, however, some consumers applied to have their property rates and service charges for sanitation and refuse to be billed annually. In the current financial year less, consumers applied to be billed annually compared to previous financial years. Although it has resulted in an underperformance of R6 291 757, the budgeted revenue for the financial year is still attainable.

#### Service charges - electricity revenue

The municipality has billed R116 605 968 more electricity charges than initially anticipated. The over performance is due to a relief from prolonged load shedding outages and an increase in demand. Considering the consumption over the past 6 months of the current financial year, the actual electricity revenue billed over the past 3 financial years as well as the tariff increase of 17.61%, the current budget of R913 669 167 is deemed attainable. It is recommended that the budget not be adjusted during the Mid-year adjustment process.

#### Service charges - water revenue

The municipality has billed R6 856 219 less water charges than initially anticipated. The underbilling in water revenue is a result of a decrease in consumption. Considering the monthly average billing (R12 882 235) as well as the tariff increase of 6.0%, the current budget of R176 782 707 is deemed unattainable. It is recommended that the budget be

reduced with approximately R13 755 346 during the Mid-year adjustment budget process.

### **Service charges - Waste Water Management**

The municipality has billed R3 995 745 more sanitation charges than initially anticipated. The largest over performances were noted for general sanitation charges (R2 189 931) and Industrial wastewater (R1 234 967). Considering the consumption over the past 6 months of the current financial year (average: R9 764 913), annual consumption over the past 3 financial years (R100 554 518) as well as the tariff increase of 6.5%, the current budget of R108 646 667 is deemed insufficient. It is recommended that the budget be increased with approximately R5 030 768 during the Mid-year adjustment budget process.

### **Service charges - Refuse revenue**

The municipality has billed R2 683 007 more refuse charges than initially anticipated. Considering the average billings over the past 6 months of the current financial year (R8 751 827), as well as the tariff increase of 9.10%, the current budget of R94 971 363 is deemed attainable. It is recommended that the budget not be adjusted during the mid-year adjustment process.

### **Interest Earned- External Investments**

An over performance was noted for interest earned on external investments to the amount of R8 147 892. The variance is mainly attributed to increases in the interest rates in the past few years and the municipality has also invested additional funds. Considering the monthly average over the past 6 months (R4 790 704) it is recommended that the budget be increased with R2 974 857 during the Mid-year adjustment process.

### **Interest earned – outstanding debtors**

An over performance was noted for the interest earned on outstanding debtors. This is due to the increases in the prime interest rate and the overall increase in debt. Considering the monthly average over the past 6 months (R1 721 516), the current budget of R15 412 628 is insufficient. It is recommended that the budget be increased with R1 911 089 during the Mid-year adjustment budget process.

### **Fines, penalties and forfeits**

An underperformance was noted to the amount of R22 326 824. The recognition of traffic fines in terms of iGRAP 1 will be done monthly, including the journal processed on the financial system. It should be noted that no journal was processed during November and December 2023 and will reflect in the next reporting period. The budget is deemed to be insufficient. It is recommended that the budget be increased by R23 966 884 during the mid-year adjustment process.

### **Licences and permits**

An under performance is noted for licences and permits to the amount of R136 405. The underperformance is due to less licences and permit renewals as well as accompanying applications being received than initially anticipated. Considering the actuals generated over the past 3 financial years (average: R7 675 689) and a monthly average over the past 6 months of the current financial year (R624 552), the current budget of R7 871 599 is deemed as attainable. No adjustment to the budget is recommended during the Mid-year adjustment budget process.

### **Rental of facilities and equipment**

An under performance is noted for the Rental of facilities and equipment to the amount of R236 660. Considering the average of the actuals generated over the past three (3) financial years amounting to R11 850 241 and the average monthly revenue (R717 175), the current budget of R10 603 901 is deemed insufficient due to the annual levies that must still be billed. It is recommended that the budget be increased by R2 974 857 during the mid-year adjustment process.

### **Transfers and subsidies**

The transfers and subsidies will be reduced with R13 032 000 during the Mid-year Adjustment budget process. An increase of R624 000 relates to operating grants and a decrease of R20 156 000 relates to capital grants.

The following changes will be incorporated:

- An increase in the budget due to additional as well as new grant allocations in respect of the following;
  - Western Cape Financial Management Capability Grant to the amount of R200 000.
  - Provincial Contribution towards the Acceleration of Housing delivery to the amount of R6 500 000.
  - Municipal Energy Resilience to the amount of R244 000.
- A decrease in the grant funding in respect of the following:
  - Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries) to the amount of R4 283 000.
  - Human Settlements Development Grant to the amount of R15 873 000.

### **Operational revenue**

An over performance is noted for other revenue to the amount of R24 043 517, this is due to an increase in Development Charges. Considering the actual revenue in the first half of the financial year which amounted to R27 004 094 with a monthly average of R4 500 682, it is recommended that the budget be increased by R28 198 774 during the Mid-year adjustment budget process.

The adjustment has been necessitated due to the following:

## MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

- Operational Revenue: Development Charges: An over performance of R25 300 306 has been noted. Considering the monthly average over the past 6 months of R4 216 717 it renders the current budget amounting to R13 169 208 as insufficient. It is recommended that the budget be increased by 22 648 062 during the Mid-year adjustment process.
- Operational Revenue: Merchandising, Jobbing and Contracts. The line-item budget will be increased based on the year-to-date actual amounts and historical trends. It is recommended that the budget be increased with R3 941 287 during the Mid-year adjustment process

### **Operational expenditure**

The expenditure to date reflects an under spending of R157 310 275 when comparing the financial performance of the first six months to the pro-rata budget.

It should be noted that the budget items reflected an under spending when compared to the year-to-date budget and are as follows:

- **Employee costs:** An underperformance of R170 345 379 is noted against the year-to-date budget projections. This is largely due to the salary integration not being completed on the financial system due to system related issues. The employee related cost budget will be reduced based on the year-to-date actual amounts and historical trends with R1 533 164 during the mid-year adjustment budget process.
- **Remuneration of Councilors:** An underperformance of R7 510 396 is noted against the year-to-date budget projections. This is largely due to the salary integration not being completed on the financial system due to system related issues. No adjustment to the budget is recommended during the Mid-year adjustment budget process.
- **Depreciation and asset impairment:** An underperformance of R26 306 519 is noted against the year-to-date budget projections. Considering the actual monthly average over the past 6 months of the current financial year (R13 776 040), the current budget of R220 283 469 is deemed as unattainable and based on the year-to-date actual amounts and historical trends, it is recommended that the budget be increased with approximately R17 785 187 during the mid-year adjustment budget process.
- **Finance charges:** An underperformance of R4 696 889 is noted against the year-to-date budget projections. This is largely due to the monthly budget projections that will be amended during the Mid-year adjustment budget process. Considering the actuals incurred over the past 3 financial years (average: R47 605 817) and a monthly average over the past 6 months of the current financial year (R4 191 225), the budget of R59 668 487 is deemed to be unattainable and it is recommended that it be reduced with approximately R9 246 246.
- **Bulk purchases:** An over performance of R29 717 046 is noted for bulk purchases. The over performance is a result of a reduction in loadshedding and an increase in demand due to the seasonal changes. Invoices for December amounting to R 45 149 029 have also not yet been paid and will reflect in the next reporting period. Considering the actual expenditure incurred in the first half of the financial year amounting to R281 960 124 with an average of R54 518 192, no adjustment to the budget is recommended during the Mid-year adjustment budget process.



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- Contracted Services: An over performance of R9 596 222 is noted against the year-to-date budget projections. Considering the actual expenditure incurred in the first half of the financial year amounting to R92 917 824 with an average of R15 486 304. it is recommended that the budget be increased by R5 662 126 during the Mid-year adjustment budget process.
- The overperformance is due to the following:
  - Contracted Services: Contractors: Maintenance of Unspecified Assets: The user department planned to spend R13 378 319 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R18 742 036. Orders to the amount of R17 526 056 have been loaded on the financial system.
  - Contracted Services: Contractors: Management of Informal Settlements: The user department had no planned expenditure on the adjusted budget. The year-to-date actual expenditure incurred amounted to R1 977 975. Orders to the amount of R1 218 089 have been loaded on the financial system.
  - Contracted Services: Contractors: Sewerage Service: The user department planned to spend R2 648 623 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R3 250 953. Orders to the amount of R3 500 582 have been loaded on the financial system.
  - Contracted Services: Outsourced Services: Refuse Removal: The user department planned to spend R17 332 920 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R18 893 938. Orders to the amount of R34 295 277 have been loaded on the financial system.
  - Contracted Services: Outsourced Services: Security Services: The user department planned to spend R15 158 714 of the adjusted budget. The year-to-date expenditure incurred amounted to R21 270 573. Orders to the amount of R5 375 388 have been loaded onto the financial system.
  - Contracted Services: Outsourced Services: Traffic Management: The user department planned to spend R3 044 698 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R4 080 674. Orders to the amount of R1 182 195 have been loaded onto the financial system.
- Transfers and subsidies: An over performance of R1 251 038 is noted against the year-to-date budget projections. The over performance is distorted as a result of the monthly projections which will be adjusted during the Mid-year adjustment budget process. The major contributor to the over performance is as follows;
  - Transfers and Subsidies: Operational: Monetary Allocations: Non-profit institutions: Tourism: The user department planned to spend R2 890 845

of the adjusted budget. The year-to-date actual expenditure incurred amounted to R6 359 855.

- Transfers and Subsidies: Operational: Monetary Allocations: Households: Social Security Payments: Social Assistance: Grant in Aid. The user department planned to spend R3 444 176 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R4 139 594. The user department indicated that Grant in aid donations for organisations serving vulnerable groups and communities and additional donations outstanding will be paid on a monthly basis
- Other expenditure: An over performance of R5 163 606 against a year-to-date budget of R60 792 873 has been noted. The underspending is largely due to the following;
  - Operational Cost: External Audit Fees: The user department planned to spend R5 101 536 of the adjusted budget. The year-to-date expenditure incurred amounted to R7 344 101. The user department indicated that the audit fees were higher than anticipated on the budget cash flow.

Various other line items were also identified where additional funds are requested due to operational pressure. This will be addressed in the Mid-Year Adjustments Budget and will result in an envisaged budget increase with an amount of approximately R6 853 475 for other expenditure.

**3.2 Overview of Capital Budget performance for the period July to December 2023**

	Approved Adjustment Budget	Planned	Actuals	Variance (Planned vs Actuals)	Variance (Planned vs Actuals)%
Municipal Manager	40 000	38 206	37 298	-908	-2,38%
Planning & Development Services	9 245 897	2 024 452	944 164	-1 080 288	-53,36%
Infrastructure Services	472 752 590	191 604 974	113 329 820	-78 275 154	-40,85%
Corporate Services	39 733 166	12 924 323	7 467 466	-5 456 857	-42,22%
Community and Protection Services	38 307 873	11 736 788	4 462 021	-7 274 767	-61,98%
Financial Services	1 918 848	1 261 988	4 131	-1 257 857	-99,67%
<b>Grand Total</b>	<b>561 998 374</b>	<b>219 590 731</b>	<b>126 244 901</b>	<b>-93 345 830</b>	<b>-42,51%</b>

Expenditure on the Capital Budget for the six months ended 31 December 2023 is R126 244 901 representing 22.46% capital spending performance measured against the total capital budget of R561 998 374 which is lower than the spending performance of 26.17% for the same period in December 2022.

Period	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Total Capital Budget	613 274 958	483 710 958	471 680 164	464 483 073	561 998 374
Actual Spending	202 978 608	147 011 293	115 911 658	121 567 496	124 862 914
<b>Spending Performance</b>	<b>33,10%</b>	<b>30,39%</b>	<b>24,57%</b>	<b>26,17%</b>	<b>22,22%</b>

This spending only represents actual payments, whilst orders for work still in progress amount to R182 692 256. What is of concern is that R252 297 224 worth of capital projects have not yet been provisionally committed. The capital budget will have to be adjusted to make the necessary amendments to various projects in order to accelerate progress on the priorities identified.

An underspending amounting to R93 345 830 on the Capital expenditure has been noted. The budget will be decreased with approximately R72 317 130 during the Mid-year adjustment budget process. The adjustment has been necessitated due to the following:

**3.2.1 Droë Dyke 100 TOD**

The project will be reduced with the full grant allocation to the amount of R1 400 000 during the mid-year adjustment process to be aligned with the latest funding allocation letter received from the Provincial Department of Human Settlements.

**3.2.2 La Motte Old Forest Station (±430 services & ±430 units)**

The project will be reduced with the full grant allocation to the amount of R1 500 000 during the mid-year adjustment process to be aligned with the latest funding allocation letter received from the Provincial Department of Human Settlements.

### **3.2.3 Bien don 66/11kV substation new**

The user department planned to spend R6 890 890 of the amended budget. The year-to-date expenditure incurred amounted to R459 432. Orders to the amount of R1 649 000 have been loaded onto the financial system. The user department indicated that delays pertaining to the approval of the evaluation report as well enablement issues such as land transfer and acquisition, resulted in a ripple effect on the timeframes that had been set for the project. The budget will be reduced with approximately R11 360 350 during the Mid-year adjustment budget process.

### **3.2.4 Franschhoek Mooiwater 236**

The user department planned to spend R1 000 000 of the amended budget. The year-to-date expenditure incurred amounted to R206 096. Orders to the amount of R506 294 have been loaded onto the financial system. The user department indicated that the construction tender was approved but implementation was however delayed as the funds had not yet been gazetted by the Provincial Department of Human Settlements. The budget will be reduced with approximately R4 000 000 during the Mid-year adjustment budget process.

### **3.2.5 Bulk Water Supply Pipeline & Reservoir - Jamestown**

The user department planned to spend R7 500 00 of the amended budget. The year-to-date expenditure incurred amounted to R1 184 473. Orders to the amount of R18 050 234 have been loaded onto the financial system. The user department indicated that the project had initially been delayed due to insufficient funding at the time, but construction eventually commenced in November 2023. This is a multi-year project and the funds that could not be utilized will be moved to the 2024/2025 financial year. The budget will be reduced with approximately R13 716 870 during the Mid-year adjustment budget process.

### **3.2.6 New Reservoir & Pipeline: Vlottenburg**

The user department planned to spend R33 348 676 of the amended budget. The year-to-date expenditure incurred amounted to R25 956 348. Orders to the amount of R6 832 273 have been loaded onto the financial system. The user department indicated that the funds cannot be fully spent in the current financial year due to delays in obtaining environmental authorisations. A portion of the funds that will not be utilized will be moved to the 2024/205 financial year and the remainder to the Digteby sewer pipeline project. The budget will be reduced with approximately R14 000 000 during the Mid-year adjustment budget process.

### **3.2.7 Waterpipe Replacement**

The user department planned to spend R250 000 of the amended budget. The year-to-date expenditure incurred amounted to R294 213. Orders to the amount of R333 335 have been loaded onto the financial system. The user department indicated that the project has been delayed due to the expiry of the pipe replacement tender and the implementation of the consultant tender roster first. This is a multi-year tender and funds will be moved to the 2024/2025 financial year for completion of the project. The budget

will be reduced with approximately R4 700 000 during the Mid-year adjustment budget process.

### **3.2.8 Upgrade of WWTW Wemmershoek**

The user department planned to spend R2 650 000 of the amended budget. The year-to-date expenditure incurred amounted to R2 820 201. Orders to the amount of R2 109 488 have been loaded onto the financial system. The user department indicated that the project has been delayed due to changes in the approach to the technology aspects of the tender. This is a multi-year tender and funds will be moved to the 2024/2025 financial year for completion of the project. The budget will be reduced with approximately R12 000 000 during the Mid-year adjustment budget process.

### **3.2.9 Upgrade of WWTW: Klapmuts**

The user department planned to spend R1 050 000 of the amended budget. No expenditure has been incurred to date. The user department indicated that the project has been delayed due to the cancellation of the original consultant appointment and the implementation of the new consultant roster tender. This is a multi-year tender and funds will be moved to the 2024/2025 financial year for completion of the project. The budget will be reduced with approximately R11 000 000 during the Mid-year adjustment budget process.

## **3.3 Financial performance analysis**

### **3.3.1 Liquidity Analysis- Acid Test Ratio**

The liquidity position of the municipality was 2.6:1 as at 31 December 2023 and has improved from 1.94:1 as at 31 December 2022. This indicates that funding could be made available immediately to cover short-term commitments. The municipality is operating within the ambit of the norm of 1.5:1.

### **3.3.2 Financial Performance – Net Operating Surplus Margin**

The municipality's net operating surplus margin has improved from 30.95% as at 31 December 2022 to 37.54% as at 31 December 2023. The positive ratio indicates that the municipality is able to generate a surplus which will assist to contribute towards its capital funding requirements and ensure sustainable service delivery.

### **3.3.3 Cost Coverage Ratio**

The municipality's cost coverage ratio has increased from 7 months at 31 December 2022 to 8 months at 31 December 2023. The ratio is above the norm of 1 to 3 months. This ratio indicates the municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.

### **3.3.4 Debtors collection rate**

The debtor's collection rate has decreased from 99% at 31 December 2022 to 91% at 31 December 2023. Cognisance should be taken that the percentage includes the collection of arrear debt. The municipality will continue to enforce strict credit control procedures to ensure an improvement is evident during the next 6 months of the current financial year. The 97% is below the National Treasury norm of 95%.

### **3.3.5 Liability Management**

#### **3.3.5.1 Cost required to service borrowings**

The municipality's cost required to service borrowings has increased marginally from 4.51% at 31 December 2022 to 7.06% at 31 December 2023. The ratio depicts the borrowing or payment obligation expressed as a percentage of total operating expenditure. The municipality is within the norm of 6% to 8%.

#### **3.3.5.2 Affordability of total borrowings**

The municipality's affordability of borrowings has decreased from 22.17% at 31 December 2022 to 19.98% as at 31 December 2023. The municipality is well below the norm of 45% and has the capacity to increase funding from borrowings.

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3.4 Outstanding Debtors

Below is an analysis of the outstanding consumer debtors as at 31 December 2023 compared to the position as at 31 December 2022:

**Debtors' Age Analysis as at 31 December 2023:**

WC024 Stellenbosch - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

R thousands	Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy			
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days					
	<b>Debtors Age Analysis By Income Source</b>																
	Trade and Other Receivables from Exchange Transactions - Water	1200	17 981	2 834	2 848	135 289	-	-	-	-	-	-	-	158 951	135 289	-	-
	Trade and Other Receivables from Exchange Transactions - Electricity	1300	46 103	2 832	4 613	57 869	-	-	-	-	-	-	-	111 416	57 869	-	-
	Receivables from Non-exchange Transactions - Property Rates	1400	20 606	1 034	880	40 006	-	-	-	-	-	-	-	62 525	40 006	-	-
	Receivables from Exchange Transactions - Waste Water Management	1500	8 244	697	660	35 860	-	-	-	-	-	-	-	45 461	35 860	-	-
	Receivables from Exchange Transactions - Waste Management	1600	5 717	994	966	46 961	-	-	-	-	-	-	-	54 637	46 961	-	-
	Receivables from Exchange Transactions - Property Rental Debtors	1700	520	211	223	13 851	-	-	-	-	-	-	-	14 805	13 851	-	-
	Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other	1900	339	52	31	14 110	-	-	-	-	-	-	-	14 533	14 110	-	-
	<b>Total By Income Source</b>	<b>2000</b>	<b>99 509</b>	<b>8 652</b>	<b>10 222</b>	<b>343 945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>462 328</b>	<b>343 945</b>	<b>-</b>	<b>-</b>
	<b>2022/23 - totals only</b>																
	<b>Debtors Age Analysis By Customer Group</b>																
	Organs of State	2200	3 876	137	107	2 280	-	-	-	-	-	-	-	6 400	2 280	-	-
	Commercial	2300	20 078	2 342	4 073	60 333	-	-	-	-	-	-	-	86 826	60 333	-	-
	Households	2400	57 189	5 619	5 564	253 128	-	-	-	-	-	-	-	321 499	253 128	-	-
	Other	2500	18 366	553	478	28 205	-	-	-	-	-	-	-	47 602	28 205	-	-
	<b>Total By Customer Group</b>	<b>2600</b>	<b>99 509</b>	<b>8 652</b>	<b>10 222</b>	<b>343 945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>462 328</b>	<b>343 945</b>	<b>-</b>	<b>-</b>

MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

**Debtors' Age Analysis as at 31 December 2022:**

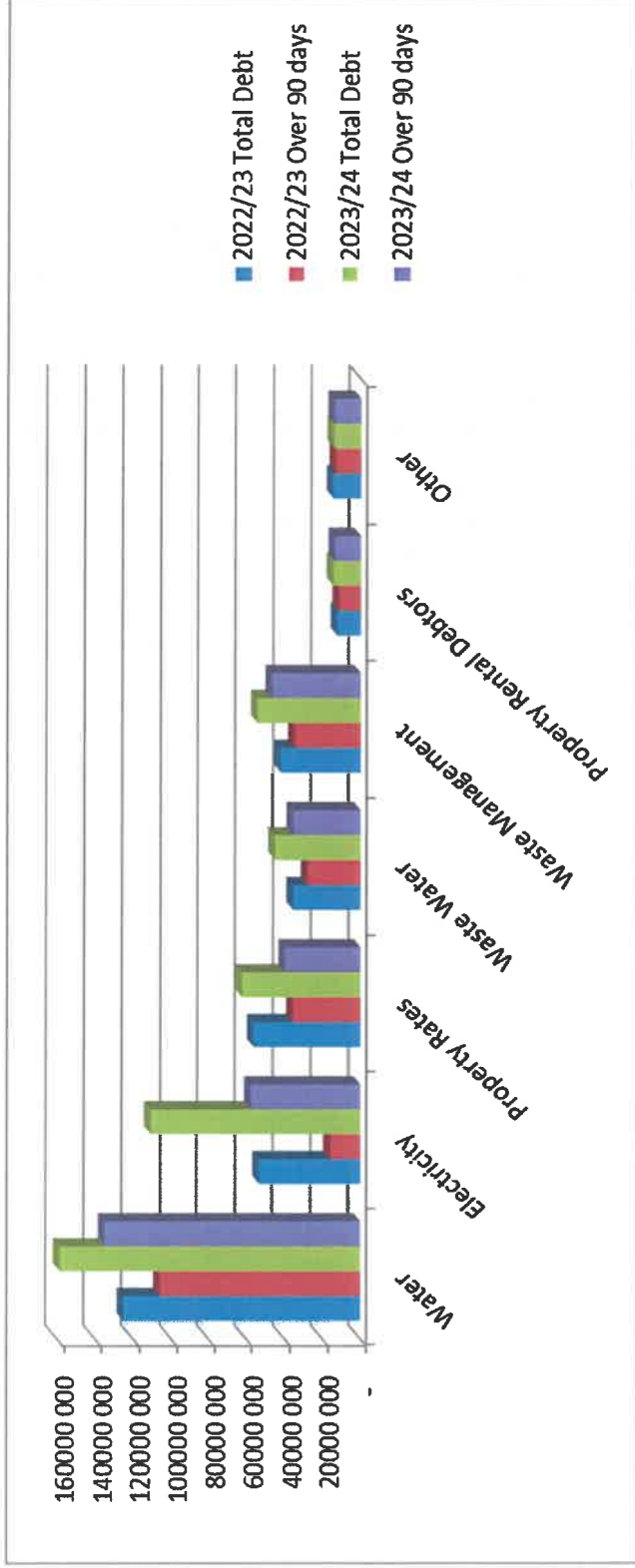
WC024 Stellenbosch - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2022/23										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy		
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-180 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total						
<b>R thousands</b>																
<b>Debtors Age Analysis By Income Source</b>																
Trade and Other Receivables from Exchange Transactions - Water	1200	14 410	2 425	2 029	106 453	-	-	-	-	-	-	-	125 316	106 453	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	36 269	511	510	16 203	-	-	-	-	-	-	-	53 493	16 203	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	19 492	1 042	921	35 962	-	-	-	-	-	-	-	56 417	35 962	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	6 274	803	655	28 177	-	-	-	-	-	-	-	35 910	28 177	-	-
Receivables from Exchange Transactions - Waste Management	1600	5 367	982	946	35 068	-	-	-	-	-	-	-	42 364	35 068	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	561	219	212	11 655	-	-	-	-	-	-	-	12 647	11 655	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	958	200	277	13 419	-	-	-	-	-	-	-	14 854	13 419	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>82 331</b>	<b>6 182</b>	<b>5 550</b>	<b>246 938</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>341 001</b>	<b>246 938</b>	<b>-</b>	<b>-</b>
<b>2021/22 - totals only</b>																
<b>Debtors Age Analysis By Customer Group</b>																
Organs of State	2200	2 958	151	110	764	-	-	-	-	-	-	-	3 982	764	-	-
Commercial	2300	14 564	285	155	19 726	-	-	-	-	-	-	-	34 730	19 726	-	-
Households	2400	48 418	5 312	4 781	196 177	-	-	-	-	-	-	-	254 689	196 177	-	-
Other	2500	16 391	434	503	30 271	-	-	-	-	-	-	-	47 600	30 271	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>82 331</b>	<b>6 182</b>	<b>5 550</b>	<b>246 938</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>341 001</b>	<b>246 938</b>	<b>-</b>	<b>-</b>

The abovementioned data set indicates that consumer debt increased by R121 327 099 from December 2022 to December 2023. The increase can be largely attributed to the water debt increase of R33 634 873 and electricity debt increase of R57 923 218. Debtors over 90 days have also increased with R97 007 292 over same period.



MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023



**Subsidies and Rebates:**

**Number of registered indigent families 31 December 2022: 17 869**

Formal Indigents: 5 789  
 Informal Indigents: 12 080

**Number of registered indigent families 31 December 2023: 18 447**

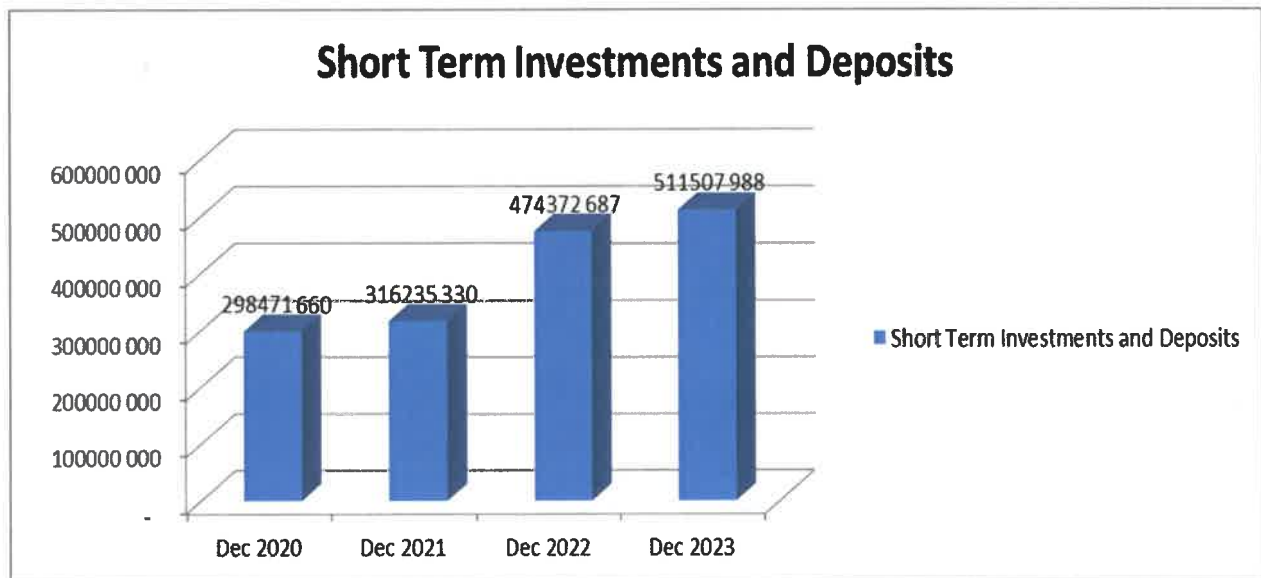
Formal Indigents: 6 256  
 Informal Indigents: 12 191

The informal indigent households have increased by 111 households due to an incline in the number of applications received, whilst the number of formal indigents decreased by 467. The municipality continuously ensures that there is increased community awareness regarding indigent applications and rebates available. An overall increase of 939 indigent households has been noted from December 2022 to December 2023.

**3.5 Investments**

The investment portfolio increased from R474 372 687 as at 31 December 2022 to R511 507 988 as at 31 December 2023.

Description	Dec-20	Dec-21	Dec-22	Dec-23	%Increase
Short Term Investments and Deposits	298 471 660	316 235 330	474 372 687	511 507 988	7,83%



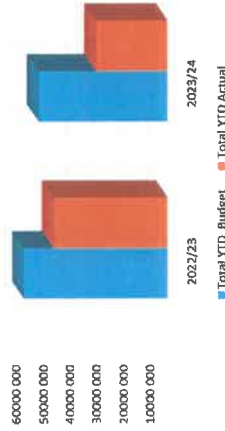
There is an incline in the investment’s portfolio. This variance is mainly attributed to increases in the interest rates. Furthermore, with the increased revenue, the municipality has also managed to increase its investment portfolio in comparison to the previous financial years.

MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

3.6 Cost Containment Reporting

Measures	COST CONTAINMENT REPORTING										
	31-Dec-23					31-Dec-22					
	Amended Budget	Total YTD Budget	Total YTD Actual	Saving/ (Over spending)	Amended Budget	Total YTD Budget	Total YTD Actual	Saving/ (Over spending)	Total YTD Budget	Total YTD Actual	Saving/ (Over spending)
Use of consultants	46 858 592	11 211 628	4 344 363	6 867 265	37 644 715	9 251 456	1 850 546				
Vehicles used for political office -beare	-	-	-	-	-	-	-	-	-	-	-
Accomodation, Travel and incidental co	14 758 081	6 719 158	2 944 268	3 774 890	12 783 370	5 213 130	37 158				
Sponsorships, events and catering	4 574 758	2 609 150	2 779 627	170 477	3 314 355	2 197 969	35 729				
Communication	15 799 204	5 213 060	4 456 072	756 988	17 121 276	4 939 326	2 314 735				
Other related expenditure items	45 453 089	22 430 817	12 352 011	10 078 806	55 539 005	21 097 436	6 775 242				
<b>Grand Total</b>	<b>127 443 724</b>	<b>48 183 813</b>	<b>26 876 341</b>	<b>21 307 472</b>	<b>126 402 721</b>	<b>42 699 317</b>	<b>11 013 410</b>				

Cost Containment Year-On-Year Comparison



Description	2022/23	2023/24
Total YTD Budget	53 712 727	48 183 813
Total YTD Actual	42 699 317	26 876 341

The municipality has implemented the Cost Containment policy as from 1 October 2019. The purpose of the policy is to regulate spending and to implement cost containment measures at Stellenbosch Local Municipality. As depicted above the municipality has achieved a saving of R21 307 472 when compared to the year-to-date budget projections at the end of December 2023. The year-on-year comparison however depicts a decrease of R15 822 976 when compared to December 2022. The largest decrease can be attributed to Other related expenditure items (R8 745 426 or 41%).

MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

Item for report	Description	31-Dec-22				31-Dec-22					
		Original Budget	Amended Budget	YTD		YTD		Saving/ (Overspending)	Total YTD Budget	Total YTD Actual	Saving/ (Overspending)
				Total YTD Budget	Total YTD Actual	Total YTD Budget	Total YTD Actual				
Use of consultants	Business and Advisory:Accounting and Auditing	817 800,00	1 077 800,00	175 923,00	279 471,00	103 848,00	154 625,00	110 625,00	44 000,00	44 000,00	
	Business and Advisory:Audit Committee	5 657 859,00	5 579 859,00	494 942,00	538 495,17	41 543,17	1 983 478,00	705 541,37	1 257 933,63	1 257 933,63	
	Business and Advisory:Business and Financial Mena										
	Business and Advisory:Commissions and Committee										
	Business and Advisory:Communications	8 262,00	8 262,00	44 020,00		44 020,00	19 800,00	44 020,00	24 220,00		
	Business and Advisory:Human Resources										
	Business and Advisory:Occupational Health and Safe										
	Business and Advisory:Organisational	110 160,00	110 160,00	33 150,00		33 150,00	208 000,00	6 068 015,00	6 068 412,28	581 397,28	
	Business and Advisory:Project Management	20 332 130,00	20 198 154,00	9 050 366,00	183 639,59	8 868 726,41	11 912 111,00	794 937,00	5 768,41	789 168,59	
	Business and Advisory:Research and Advisory	5 462 217,00	6 048 372,00	674 643,00	87 778,00	588 867,00	4 870 481,00				
	Business and Advisory:Qualification Verification										
	Business and Advisory:Quality Control										
	Business and Advisory:Valuer and Assessors	3 954 995,00	3 954 995,00	335 898,00	1 064 522,83	728 634,89	1 953 417,00	1 077 935,00	335 898,92	742 048,08	
	Business and Advisory:Forensic Investigators	568 781,00	568 781,00	20 000,00	158 193,48	178 193,48	604 687,00	20 000,00	20 000,00	27 500,00	
	Infrastructure and Planning:Architectural										
Engineering:Civil											
Infrastructure and Planning:Land and Quantity Surv											
Laboratory Services:Water	2 798 856,00	2 076 202,00	484 324,00	387 539,39	881 863,39	2 743 976,00	689 333,00	475 910,66	475 910,66		
Legal Cost:Legal Advice and Litigation	6 463 060,00	6 463 060,00	910 017,00	1 568 478,46	648 461,46	7 368 000,00	884 280,80	214 987,80	214 987,80		
Legal Cost:Issue of Summons	496 840,00	454 315,00	463,00	15 107,48	14 654,48	508 000,00	4 038,00		4 038,00		
N/A											
Vehicles used for political office -bearers	Allowance:Travel or Motor Vehicle	134 446,00	134 446,00	87 224,00		87 224,00	127 800,00	20 000,00	90 000,00	70 000,00	
	Allowance:Travel or Motor Vehicle	268 891,00	268 891,00	134 448,00	176,00	134 272,00	258 600,00	40 000,00	40 000,00	40 000,00	
	Allowance:Accommodation, Travel and Incidental										
	Allowance:Travel or Motor Vehicle										
	Allowance:Travel or Motor Vehicle										
	Allowance:Accommodation, Travel and Incidental										
	Allowance:Travel or Motor Vehicle										
	Allowance:Accommodation, Travel and Incidental										
	Allowance:Travel or Motor Vehicle										
	Allowance:Accommodation, Travel and Incidental										
	Allowances:Travel or Motor Vehicle	36 540,00	36 540,00	19 272,00	19 528,00	256,00	35 784,00	15 065,00	25 185,73	10 130,73	
	Allowances:Travel or Motor Vehicle	11 404 727,00	11 404 727,00	5 748 492,00	2 362 219,21	3 354 272,79	10 840 999,00	4 829 980,00	4 360 066,86	469 610,14	
	Allowances and Service Related Benefits:Travelling	190 800,00	190 800,00	95 400,00	30 000,00	65 400,00					
	Allowances and Service Related Benefits:Travelling	19 052,00	19 052,00	9 522,00		9 522,00					
	Allowances and Service Related Benefits:Travelling	190 800,00	190 800,00	95 400,00	30 000,00	65 400,00					
Allowances and Service Related Benefits:Travelling	171 475,00	171 475,00	85 734,00	27 982,80	57 741,20						
Allowances and Service Related Benefits:Travelling	191 190,00	191 190,00	95 592,00	71 712,32	23 879,68						
Operational Cost:Travel Agency and Visa's	81 600,00	81 600,00	22 817,00	6 395,00	16 422,00						
Travel and Subsistence:Domestic:Daily Allowance	632 281,00	642 283,00	69 737,00	120 009,66	50 301,66						
Travel and Subsistence:Domestic:Daily Allowance	389 047,00	317 047,00	115 070,00	87 767,21	31 740,00						
Travel and Subsistence:Domestic:Food and Beverage	317 728,00	317 728,00	55 484,00	89 315,40	33 833,40						
Travel and Subsistence:Domestic:Incidental Cost	29 340,00	34 340,00	480,00	3 677,44	3 197,44						
Travel and Subsistence:Domestic:Incidental Cost	48 039,00	59 039,00	59 039,00	904,85	904,85						
Travel and Subsistence:Domestic:Transport without O	48 339,00	48 339,00	623 784,00	64 880,32	900,00						
Travel and Subsistence:Domestic:Transport with Ope	805 784,00	623 784,00	701 480,00	859 626,83	158 139,83						
Contractors:Catering Services	1 169 709,00	2 269 709,00	105 985,00								
Contractors:Publicity and Marketing/Gifts and Pro											
Advertising, Publicity and Marketing/Gifts and Pro											
Contractors:Event Promoters	32 220,00	32 228,00	1 907 680,00	1 920 000,00	12 340,00						
Communication:Cellular Contract (Subscription and	2 040 000,00	2 272 820,00	1 006 351,00	841 455,12	164 895,88						
Communication:Cellular Contract (Subscription and	3 193 977,00	3 193 977,00	1 006 351,00	841 455,12	164 895,88						
Communication:Cellular Contract (Subscription and	102 000,00	102 000,00	2 632 820,00	1 833 346,27	219 067,27						
Communication:Radio and TV Transmissions	2 632 820,00	2 632 820,00	524 781,00	603 413,19	78 632,19						
Communication:Postage/Stamps/Printing/Postage	2 263 000,00	2 263 000,00	28 551,00	24 234,44	4 316,56						
Communication:SMS Bulk Message Service	250 000,00	250 000,00	2 576 825,00	530 614,28	137 190,90						
Communication:Telemetric Systems	2 576 825,00	2 576 825,00	4 778 992,00	1 273 110,10	18 200,00						
Allowances:Cellular and Telephone	4 778 992,00	4 778 992,00	1 410 301,00	18 200,00	18 200,00						
Entertainment:Senior Management	40 800,00	40 800,00	5 274,00		5 274,00						
Entertainment:Total for All Other Councillors	53 040,00	53 040,00	1 690,00		1 690,00						
Entertainment:Executive Mayor	254 592,00	254 592,00									
Entertainment:Deputy Executive Mayor											
Entertainment:Speaker											
Entertainment:Chief Whip											
Entertainment:Executive Committee											
Entertainment:Section 78 committee chairperson											
Overtime:Non Structured	38 108 984,00	38 108 984,00	19 087 521,00	10 577 104,26	8 510 416,74						
Overtime:Structured	4 414 279,00	4 414 279,00	2 207 130,00	1 098 131,85	1 110 998,15						
Overtime:Shir Additional Remuneration	2 583 399,00	2 583 399,00	1 130 892,00	658 884,41	472 007,59						
Overtime:Structured	129 268 901,00	127 443 724,00	48 183 813,00	26 876 341,19	20 527 814,09						
Grand Total											

#### **4. PAST YEAR'S ANNUAL REPORT AND PROGRESS ON RESOLVING PROBLEMS IDENTIFIED IN THE ANNUAL REPORT**

The audit process for the 2022/2023 financial year has been completed by the Auditor General of South Africa.

The municipality received a clean audit (financially unqualified with no other material findings) during the 2022/2023 financial year.

Areas for improvement as identified during the previous year's audit will be encapsulated in an Audit Action Plan which will address the areas of concern. This plan and the implementation thereof will be monitored by senior management as well as the Audit Committee. The GRAP disclosure checklist in addition to the findings raised in the previous audit will be used to mitigate the risk of recurring audit findings.

#### **5. RECOMMENDATIONS FROM THE ACCOUNTING OFFICER**

After having assessed the performance of the municipality for the first half of the year (ended 31 December 2023), the following is recommended:

- a) That the Executive Mayor tables this report to Council as the contents indicate the need to approve an adjustment budget.
- b) That the revised projections as contained in this report inform the adjustment budget.

#### **6. RECOMMENDATIONS FROM THE EXECUTIVE MAYOR**

- a) Council take note of the report and more specifically the assessment and forecasts contained in the report,
- b) Council take note that an Adjustments Budget will be compiled and tabled to Council as a result of the following:
  - Operational Budget detail to be adjusted to reflect realistically anticipated revenue and expenditure as envisaged by the detail contained in the report to accompany the adjustment budget.
  - Appropriate additional revenue that has become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for.
  - Authorize the utilization of projected savings in one vote towards spending in another vote due to the reprioritization of projects in line with revised completion dates; and
  - To correct any errors in the annual budget.

**QUALITY CERTIFICATE**

I, Geraldine Mettler, the Municipal Manager of Stellenbosch Municipality, hereby certify that the mid-year budget and performance assessment for the period 1 July 2023 to December 2023 has been prepared in accordance with Section 72 of the Municipal Finance Management Act and Regulations made under the Act and accordingly submit the required report on the state of Stellenbosch Municipality's performance.

Name: Geraldine Mettler

*Municipal Manager of Stellenbosch Municipality - WC024*

Signature:  \_\_\_\_\_

Date: 35 | 01 | 2024

# **MID YEAR BUDGET AND PERFORMANCE ASSESSMENT PART A**

MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

Monthly Budget Statements

Table C1: Monthly Budget Statement Summary

WC024 Stellenbosch - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	452 019	473 589	473 589	34 518	278 539	284 831	(6 292)	-2%	473 589
Service charges	1 138 698	1 315 591	1 315 591	102 165	640 279	523 850	116 429	22%	1 315 591
Investment revenue	42 250	41 193	41 193	4 712	28 744	20 596	8 148	40%	41 193
Transfers and subsidies - Operational	211 107	240 911	240 684	55 571	141 320	101 213	40 106	40%	240 684
Other own revenue	257 943	213 644	213 644	14 136	92 013	85 829	6 184	7%	213 644
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2 102 017</b>	<b>2 284 927</b>	<b>2 284 701</b>	<b>211 102</b>	<b>1 180 894</b>	<b>1 016 320</b>	<b>164 574</b>	<b>16%</b>	<b>2 284 701</b>
Employee costs	542 779	617 694	618 622	0	141 273	311 618	(170 345)	-55%	618 622
Remuneration of Councillors	22 765	22 097	22 097	-	3 538	11 048	(7 510)	-68%	22 097
Depreciation and amortisation	233 295	220 283	220 283	-	82 656	108 963	(26 307)	-24%	220 283
Interest	59 928	59 688	59 688	25 147	25 147	29 844	(4 697)	-16%	59 688
Inventory consumed and bulk purchases	608 174	736 842	734 559	43 259	315 168	279 305	35 863	13%	734 559
Transfers and subsidies	17 758	20 636	19 799	389	10 936	9 685	1 251	13%	19 799
Other expenditure	468 931	581 109	584 575	22 153	158 905	144 470	14 435	10%	584 575
<b>Total Expenditure</b>	<b>1 953 631</b>	<b>2 258 349</b>	<b>2 259 623</b>	<b>90 949</b>	<b>737 623</b>	<b>894 933</b>	<b>(157 310)</b>	<b>-18%</b>	<b>2 259 623</b>
<b>Surplus/(Deficit)</b>	<b>148 386</b>	<b>26 578</b>	<b>25 078</b>	<b>120 153</b>	<b>443 271</b>	<b>121 387</b>	<b>321 885</b>	<b>265%</b>	<b>25 078</b>
Transfers and subsidies - capital (monetary allocations)	100 312	103 856	113 042	5 618	36 620	5 944	30 676	516%	113 042
Transfers and subsidies - capital (in-kind)	23	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>248 721</b>	<b>130 434</b>	<b>138 121</b>	<b>125 771</b>	<b>479 891</b>	<b>127 331</b>	<b>352 560</b>	<b>277%</b>	<b>138 121</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>248 721</b>	<b>130 434</b>	<b>138 121</b>	<b>125 771</b>	<b>479 891</b>	<b>127 331</b>	<b>352 560</b>	<b>277%</b>	<b>138 121</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>321 989</b>	<b>504 800</b>	<b>561 998</b>	<b>42 301</b>	<b>126 245</b>	<b>219 591</b>	<b>(93 346)</b>	<b>-43%</b>	<b>561 998</b>
Capital transfers recognised	116 751	127 974	140 888	9 735	43 217	55 114	(11 896)	-22%	140 888
Borrowing	84 534	200 000	210 901	24 307	50 671	105 621	(54 950)	-52%	210 901
Internally generated funds	120 704	176 826	210 209	8 259	32 357	58 856	(26 499)	-45%	210 209
<b>Total sources of capital funds</b>	<b>321 989</b>	<b>504 800</b>	<b>561 998</b>	<b>42 301</b>	<b>126 245</b>	<b>219 591</b>	<b>(93 346)</b>	<b>-43%</b>	<b>561 998</b>
<b>Financial position</b>									
Total current assets	928 958	812 698	899 023		1 419 694				899 023
Total non current assets	6 076 270	6 443 332	6 411 862		6 118 322				6 411 862
Total current liabilities	489 517	448 318	482 155		526 853				482 155
Total non current liabilities	734 220	1 059 662	904 523		734 223				904 523
<b>Community wealth/Equity</b>	<b>5 794 809</b>	<b>5 748 050</b>	<b>5 924 206</b>		<b>6 151 923</b>				<b>5 924 206</b>
<b>Cash flows</b>									
Net cash from (used) operating	2 557 246	428 518	428 057	161 659	890 337	264 097	(626 240)	-237%	2 342 661
Net cash from (used) investing	(300 074)	(576 970)	(642 535)	(48 441)	(173 221)	252 586	425 807	169%	642 535
Net cash from (used) financing	-	200 000	200 000	-	-	-	-	-	200 000
<b>Cash/cash equivalents at the month/year end</b>	<b>2 700 573</b>	<b>484 189</b>	<b>567 725</b>	<b>-</b>	<b>1 595 370</b>	<b>1 098 887</b>	<b>(496 483)</b>	<b>-45%</b>	<b>4 063 449</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	99 509	8 652	10 222	343 945	-	-	-	-	462 328
<b>Creditors Age Analysis</b>									
Total Creditors	21 268	-	-	-	-	-	-	-	21 268



MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

**Table C2: Monthly Budget Statement – Financial Performance (standard classification)**

WC024 Stellenbosch - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

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
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>595 336</b>	<b>607 693</b>	<b>602 310</b>	<b>61 485</b>	<b>367 366</b>	<b>348 442</b>	<b>18 924</b>	<b>5%</b>	<b>602 310</b>
Executive and council	624	1 205	1 205	36	372	500	(127)	-26%	1 205	
Finance and administration	584 162	606 488	601 106	61 450	366 994	347 943	19 051	5%	601 106	
Internal audit	550	-	-	-	-	-	-	-	-	
<i><b>Community and public safety</b></i>		<b>197 351</b>	<b>179 869</b>	<b>184 398</b>	<b>1 326</b>	<b>48 898</b>	<b>74 490</b>	<b>(25 592)</b>	<b>-34%</b>	<b>184 398</b>
Community and social services	23 288	14 918	19 258	501	4 711	4 645	66	1%	19 258	
Sport and recreation	1 073	1 242	1 242	1	101	335	(233)	-70%	1 242	
Public safety	162 526	147 892	147 892	280	39 595	62 335	(22 739)	-36%	147 892	
Housing	10 464	15 817	16 006	543	4 490	7 175	(2 685)	-37%	16 006	
Health	-	-	-	-	-	-	-	-	-	
<i><b>Economic and environmental services</b></i>		<b>105 522</b>	<b>113 925</b>	<b>114 891</b>	<b>7 148</b>	<b>39 927</b>	<b>5 170</b>	<b>34 757</b>	<b>672%</b>	<b>114 891</b>
Planning and development	94 388	106 375	107 607	6 100	33 606	4 999	28 607	572%	107 607	
Road transport	10 012	6 826	6 559	1 045	6 211	93	6 118	6588%	6 559	
Environmental protection	1 121	725	725	4	110	78	32	41%	725	
<i><b>Trading services</b></i>		<b>1 314 143</b>	<b>1 487 296</b>	<b>1 496 144</b>	<b>146 761</b>	<b>761 323</b>	<b>594 162</b>	<b>167 161</b>	<b>28%</b>	<b>1 496 144</b>
Energy sources	858 023	979 174	1 017 968	85 657	495 381	378 981	116 401	31%	1 017 968	
Water management	174 310	196 564	209 137	18 825	85 950	93 112	(7 162)	-8%	209 137	
Waste water management	151 046	160 222	136 276	23 089	96 504	64 379	32 124	50%	136 276	
Waste management	130 764	151 336	132 763	19 190	83 488	57 690	25 798	45%	132 763	
<i><b>Other</b></i>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Revenue - Functional</b>	<b>2</b>	<b>2 202 352</b>	<b>2 388 783</b>	<b>2 397 744</b>	<b>216 720</b>	<b>1 217 514</b>	<b>1 022 264</b>	<b>195 250</b>	<b>19%</b>	<b>2 397 744</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>279 354</b>	<b>362 614</b>	<b>362 805</b>	<b>7 593</b>	<b>92 126</b>	<b>147 794</b>	<b>(55 668)</b>	<b>-38%</b>	<b>362 805</b>
Executive and council	39 253	42 363	42 613	461	7 434	19 359	(11 926)	-62%	42 613	
Finance and administration	226 666	314 447	314 388	7 111	82 997	125 961	(42 965)	-34%	314 388	
Internal audit	13 434	5 804	5 804	21	1 696	2 174	(778)	-31%	5 804	
<i><b>Community and public safety</b></i>		<b>482 675</b>	<b>433 048</b>	<b>432 221</b>	<b>6 589</b>	<b>113 107</b>	<b>155 916</b>	<b>(42 808)</b>	<b>-27%</b>	<b>432 221</b>
Community and social services	43 151	52 702	52 702	508	14 560	23 586	(9 026)	-38%	52 702	
Sport and recreation	55 283	81 085	80 205	354	15 276	34 588	(19 313)	-56%	80 205	
Public safety	345 733	268 165	268 218	3 784	72 769	84 801	(12 032)	-14%	268 218	
Housing	38 508	31 096	31 096	1 944	10 502	12 940	(2 438)	-19%	31 096	
Health	-	-	-	-	-	-	-	-	-	
<i><b>Economic and environmental services</b></i>		<b>156 428</b>	<b>220 371</b>	<b>220 548</b>	<b>3 401</b>	<b>47 427</b>	<b>99 580</b>	<b>(52 153)</b>	<b>-52%</b>	<b>220 548</b>
Planning and development	74 847	98 596	98 446	1 403	22 647	45 089	(22 442)	-50%	98 446	
Road transport	65 219	103 690	103 190	1 510	20 190	47 473	(27 283)	-57%	103 190	
Environmental protection	16 362	18 085	18 912	488	4 590	7 018	(2 429)	-35%	18 912	
<i><b>Trading services</b></i>		<b>1 035 174</b>	<b>1 242 315</b>	<b>1 244 048</b>	<b>73 366</b>	<b>484 962</b>	<b>491 643</b>	<b>(6 681)</b>	<b>-1%</b>	<b>1 244 048</b>
Energy sources	649 872	768 674	768 840	46 906	325 187	305 592	19 595	6%	768 840	
Water management	140 084	146 032	142 302	8 693	48 539	52 210	(3 671)	-7%	142 302	
Waste water management	171 976	176 993	182 558	15 911	68 442	83 441	(14 999)	-18%	182 558	
Waste management	73 241	150 616	150 349	1 855	42 794	50 399	(7 605)	-15%	150 349	
<i><b>Other</b></i>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>1 953 631</b>	<b>2 258 349</b>	<b>2 259 623</b>	<b>90 949</b>	<b>737 623</b>	<b>894 933</b>	<b>(157 310)</b>	<b>-18%</b>	<b>2 259 623</b>
<b>Surplus/ (Deficit) for the year</b>		<b>248 721</b>	<b>130 434</b>	<b>138 121</b>	<b>125 771</b>	<b>479 891</b>	<b>127 331</b>	<b>352 560</b>	<b>277%</b>	<b>138 121</b>

Table C2: Monthly Budget Statement – Financial Performance, reflects the operating revenue and operating expenditure in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. The main functions are Governance and Administration; Community and Public safety; Economic and Environmental services; and Trading Services.

MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

**Table C3: Monthly Budget Statement – Financial Performance (revenue & expenditure by municipal vote)**

WC024 Stellenbosch - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year

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
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	1	550	-	-	-	-	-	-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		20 629	26 357	26 547	1 011	9 223	11 779	(2 556)	-21,7%	26 547
Vote 3 - INFRASTRUCTURE SERVICES		1 406 076	1 589 956	1 599 770	153 437	796 408	594 651	201 757	33,9%	1 599 770
Vote 4 - COMMUNITY AND PROTECTION SERVICES		190 311	164 777	169 116	786	44 518	67 392	(22 875)	-33,9%	169 116
Vote 5 - CORPORATE SERVICES		11 557	10 179	10 219	606	3 970	3 866	103	2,7%	10 219
Vote 6 - FINANCIAL SERVICES		573 229	597 514	592 091	60 879	363 396	344 576	18 820	5,5%	592 091
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]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>2 202 352</b>	<b>2 388 783</b>	<b>2 397 744</b>	<b>216 720</b>	<b>1 217 514</b>	<b>1 022 264</b>	<b>195 250</b>	<b>19,1%</b>	<b>2 397 744</b>
<b>Expenditure by Vote</b>										
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	1	25 844	17 841	17 841	54	5 043	7 516	(2 473)	-32,9%	17 841
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		78 814	93 403	93 403	3 146	28 778	42 315	(13 538)	-32,0%	93 403
Vote 3 - INFRASTRUCTURE SERVICES		1 160 770	1 366 656	1 367 889	74 889	515 869	547 967	(32 098)	-5,9%	1 367 889
Vote 4 - COMMUNITY AND PROTECTION SERVICES		429 596	422 903	422 903	5 123	95 826	154 804	(58 978)	-38,1%	422 903
Vote 5 - CORPORATE SERVICES		165 702	234 757	234 397	2 317	51 693	86 125	(34 433)	-40,0%	234 397
Vote 6 - FINANCIAL SERVICES		92 906	122 789	122 789	5 243	40 133	56 106	(15 973)	-28,5%	122 789
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]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>1 953 631</b>	<b>2 258 349</b>	<b>2 259 223</b>	<b>90 772</b>	<b>737 341</b>	<b>894 833</b>	<b>(157 492)</b>	<b>-17,6%</b>	<b>2 259 223</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>248 721</b>	<b>130 434</b>	<b>138 521</b>	<b>125 948</b>	<b>480 173</b>	<b>127 431</b>	<b>352 742</b>	<b>276,8%</b>	<b>138 521</b>

Table C3: Monthly Budget Statement – Financial Performance, reflects the operating revenue and operating expenditure by municipal vote. The municipal directorates are Municipal Manager; Planning Development; Human Settlements; Engineering Services; Community and Protection Services; Corporate Services; and Financial Services. The operating expenditure budget is approved by Council on the municipal vote level.

MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

**Table C4: Monthly Budget Statement – Financial Performance (revenue & expenditure)**

WC024 Stellenbosch - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>		1 287 586	1 435 565	1 435 565	120 643	726 514	573 918	152 596	27%	1 435 565
Service charges - Electricity		779 984	913 669	913 669	68 183	451 885	335 279	116 606	35%	913 669
Service charges - Water		162 138	185 622	185 622	17 453	77 293	84 150	(6 856)	-8%	185 622
Service charges - Waste Water Management		106 739	108 647	108 647	9 240	58 589	54 594	3 996	7%	108 647
Service charges - Waste management		89 837	107 654	107 654	7 289	52 511	49 828	2 683	5%	107 654
Sale of Goods and Rendering of Services		21 698	22 190	22 190	1 073	10 535	9 768	767	8%	22 190
Agency services		3 438	3 358	3 358	38	1 572	1 474	98	7%	3 358
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		16 467	15 413	15 413	1 780	10 329	6 845	3 484	51%	15 413
Interest earned from Current and Non Current Assets		42 250	41 193	41 193	4 712	28 744	20 596	8 148	40%	41 193
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		12 373	10 604	10 604	644	4 303	4 540	(237)	-5%	10 604
Licence and permits		8 408	7 872	7 872	266	3 747	3 884	(136)	-4%	7 872
Operational Revenue		44 254	19 346	19 346	9 966	27 004	2 961	24 044	812%	19 346
<b>Non-Exchange Revenue</b>		814 431	849 362	849 136	90 459	454 380	442 402	11 978	3%	849 136
Property rates		452 019	473 589	473 589	34 518	278 539	284 831	(6 292)	-2%	473 589
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		146 658	131 570	131 570	27	32 437	54 763	(22 327)	-41%	131 570
Licence and permits		-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		211 107	240 911	240 684	55 571	141 320	101 213	40 106	40%	240 684
Interest		3 418	3 293	3 293	343	2 062	1 594	468	31%	3 293
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		1 084	-	-	-	-	-	-	-	-
Other Gains		145	-	-	-	3	-	3	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>2 102 017</b>	<b>2 284 927</b>	<b>2 284 701</b>	<b>211 102</b>	<b>1 180 894</b>	<b>1 016 320</b>	<b>164 574</b>	<b>16%</b>	<b>2 284 701</b>
<b>Expenditure By Type</b>										
Employee related costs		542 779	617 694	618 622	0	141 273	311 618	(170 345)	-55%	618 622
Remuneration of councillors		22 765	22 097	22 097	-	3 538	11 048	(7 510)	-68%	22 097
Bulk purchases - electricity		521 012	636 393	636 393	41 956	281 960	252 243	29 717	12%	636 393
Inventory consumed		87 162	100 449	98 166	1 304	33 208	27 062	6 146	23%	98 166
Debt impairment		75 205	16 684	16 684	-	-	-	-	-	16 684
Depreciation and amortisation		233 295	220 283	220 283	-	82 656	108 963	(26 307)	-24%	220 283
Interest		59 928	59 688	59 688	25 147	25 147	29 844	(4 697)	-16%	59 688
Contracted services		228 438	288 868	290 895	14 630	92 918	83 322	9 596	12%	290 895
Transfers and subsidies		17 758	20 636	19 799	389	10 936	9 685	1 251	13%	19 799
Irrecoverable debts written off		91 946	94 958	94 958	3	31	355	(325)	-91%	94 958
Operational costs		71 085	180 599	182 037	7 520	65 956	60 793	5 164	8%	182 037
Losses on Disposal of Assets		1 723	-	-	-	-	-	-	-	-
Other Losses		534	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 953 631</b>	<b>2 258 349</b>	<b>2 259 623</b>	<b>90 949</b>	<b>737 623</b>	<b>894 933</b>	<b>(157 310)</b>	<b>-18%</b>	<b>2 259 623</b>
<b>Surplus/(Deficit)</b>		<b>148 386</b>	<b>26 578</b>	<b>25 078</b>	<b>120 153</b>	<b>443 271</b>	<b>121 387</b>	<b>321 885</b>	<b>0</b>	<b>25 078</b>
Transfers and subsidies - capital (monetary allocations)		100 312	103 856	113 042	5 618	36 620	5 944	30 676	0	113 042
Transfers and subsidies - capital (in-kind)		23	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>248 721</b>	<b>130 434</b>	<b>138 121</b>	<b>125 771</b>	<b>479 891</b>	<b>127 331</b>			<b>138 121</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>248 721</b>	<b>130 434</b>	<b>138 121</b>	<b>125 771</b>	<b>479 891</b>	<b>127 331</b>			<b>138 121</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>248 721</b>	<b>130 434</b>	<b>138 121</b>	<b>125 771</b>	<b>479 891</b>	<b>127 331</b>			<b>138 121</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>248 721</b>	<b>130 434</b>	<b>138 121</b>	<b>125 771</b>	<b>479 891</b>	<b>127 331</b>			<b>138 121</b>

MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

**Table C5: Monthly Budget Statement – Capital Expenditure**

Table C5: Monthly Budget Statement – Capital Expenditure consists of three sections: Appropriations by vote; Standard classification and funding portion.

WC024 Stellenbosch - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		39	40	40	6	37	38	(1)	-2%	40
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		11 214	7 824	8 013	5	907	1 914	(1 007)	-53%	8 013
Vote 3 - INFRASTRUCTURE SERVICES		263 370	432 123	468 453	41 112	113 501	189 550	(76 049)	-40%	468 453
Vote 4 - COMMUNITY AND PROTECTION SERVICES		13 868	20 492	28 400	625	3 916	8 717	(4 801)	-55%	28 400
Vote 5 - CORPORATE SERVICES		30 209	30 201	35 101	44	6 497	10 855	(4 358)	-40%	35 101
Vote 6 - FINANCIAL SERVICES		571	250	1 419	-	4	1 262	(1 258)	-100%	1 419
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]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	319 271	490 930	541 426	41 792	124 863	212 337	(87 474)	-41%	541 426
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		524	1 220	1 233	16	37	110	(73)	-66%	1 233
Vote 3 - INFRASTRUCTURE SERVICES		-	4 300	4 300	259	(171)	2 055	(2 226)	-108%	4 300
Vote 4 - COMMUNITY AND PROTECTION SERVICES		1 625	4 150	9 907	235	546	3 020	(2 474)	-82%	9 907
Vote 5 - CORPORATE SERVICES		569	3 700	4 633	-	970	2 069	(1 099)	-53%	4 633
Vote 6 - FINANCIAL SERVICES		-	500	500	-	-	-	-	-	500
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]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	2 718	13 870	20 573	509	1 382	7 254	(5 872)	-81%	20 573
<b>Total Capital Expenditure</b>	3	321 989	504 800	561 998	42 301	126 245	219 591	(93 346)	-43%	561 998
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		31 388	34 691	41 692	50	7 509	14 225	(6 716)	-47%	41 692
Executive and council		39	40	40	6	37	38	(1)	-2%	40
Finance and administration		31 348	34 651	41 652	44	7 472	14 186	(6 715)	-47%	41 652
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		15 395	28 606	42 123	654	4 534	11 425	(6 891)	-60%	42 123
Community and social services		2 323	7 285	13 446	15	2 193	389	1 805	464%	13 446
Sport and recreation		4 620	6 461	10 070	627	1 414	6 510	(5 096)	-78%	10 070
Public safety		1 638	6 966	10 523	-	290	3 032	(2 742)	-90%	10 523
Housing		6 815	7 894	8 083	12	637	1 494	(658)	-57%	8 083
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		78 737	95 480	109 632	7 858	18 162	29 101	(10 939)	-38%	109 632
Planning and development		13 953	19 800	23 045	1 554	5 249	7 890	(2 641)	-33%	23 045
Road transport		58 013	73 080	83 649	6 092	12 356	20 292	(7 936)	-39%	83 649
Environmental protection		6 772	2 600	2 938	211	558	919	(361)	-39%	2 938
<b>Trading services</b>		196 469	346 023	368 551	33 740	96 040	164 840	(68 800)	-42%	368 551
Energy sources		73 934	113 188	119 582	12 100	35 554	51 217	(15 663)	-31%	119 582
Water management		73 907	117 150	122 873	9 000	28 731	53 409	(24 677)	-46%	122 873
Waste water management		40 101	53 140	56 230	1 881	5 795	7 520	(1 725)	-23%	56 230
Waste management		8 527	62 545	69 865	10 779	25 959	52 694	(26 735)	-51%	69 865
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	321 989	504 800	561 998	42 301	126 245	219 591	(93 346)	-43%	561 998
<b>Funded by:</b>										
National Government		91 031	79 190	76 440	7 155	34 836	40 998	(6 162)	-15%	76 440
Provincial Government		8 543	24 666	36 603	1 537	4 816	6 829	(2 013)	-29%	36 603
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		17 178	24 118	27 846	1 043	3 565	7 286	(3 721)	-51%	27 846
Transfers recognised - capital		116 751	127 974	140 888	9 735	43 217	55 114	(11 896)	-22%	140 888
Borrowing	6	84 534	200 000	210 901	24 307	50 671	105 621	(54 950)	-52%	210 901
Internally generated funds		120 704	176 826	210 209	8 259	32 357	58 856	(26 496)	-45%	210 209
<b>Total Capital Funding</b>	7	321 989	504 800	561 998	42 301	126 245	219 591	(93 346)	-43%	561 998

References

MID-YEAR BUDGET PERFORMANCE ASSESSMENT FOR DECEMBER 2023

**Table C6: Monthly Budget Statement – Financial Position**

Table C6: Monthly Budget Statement – Financial Position consists of three sections: Assets; Liabilities and Community wealth/equity.

**WC024 Stellenbosch - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment**

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		580 301	428 557	512 093	901 865	512 093
Trade and other receivables from exchange transactions		248 213	219 378	258 423	290 194	258 423
Receivables from non-exchange transactions		46 437	113 233	76 034	91 436	76 034
Current portion of non-current receivables		–	–	–	–	–
Inventory		36 031	28 822	34 744	46 138	34 744
VAT		12 014	17 358	11 767	87 595	11 767
Other current assets		5 961	5 349	5 961	2 465	5 961
<b>Total current assets</b>		<b>928 958</b>	<b>812 698</b>	<b>899 023</b>	<b>1 419 694</b>	<b>899 023</b>
<b>Non current assets</b>						
Investments		–	–	–	–	–
Investment property		425 076	418 091	427 036	427 175	427 036
Property, plant and equipment		5 634 040	6 004 827	5 968 716	5 673 987	5 968 716
Biological assets		5 143	5 643	5 493	5 181	5 493
Living and non-living resources		–	–	–	–	–
Heritage assets		1 313	3 537	1 313	1 313	1 313
Intangible assets		6 099	4 514	4 705	6 068	4 705
Trade and other receivables from exchange transactions		4 582	6 649	4 582	4 582	4 582
Non-current receivables from non-exchange transactions		17	72	17	17	17
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>6 076 270</b>	<b>6 443 332</b>	<b>6 411 862</b>	<b>6 118 322</b>	<b>6 411 862</b>
<b>TOTAL ASSETS</b>		<b>7 005 228</b>	<b>7 256 030</b>	<b>7 310 885</b>	<b>7 538 015</b>	<b>7 310 885</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		55 047	63 043	62 457	28 153	62 457
Consumer deposits		23 689	22 755	23 689	24 214	23 689
Trade and other payables from exchange transactions		323 552	278 475	309 774	240 947	309 774
Trade and other payables from non-exchange transactions		28 945	6 113	21 579	61 610	21 579
Provision		58 284	74 461	61 116	54 203	61 116
VAT		–	3 472	3 542	117 726	3 542
Other current liabilities		–	–	–	–	–
<b>Total current liabilities</b>		<b>489 517</b>	<b>448 318</b>	<b>482 155</b>	<b>526 853</b>	<b>482 155</b>
<b>Non current liabilities</b>						
Financial liabilities		447 598	655 062	584 555	447 601	584 555
Provision		120 238	204 748	133 789	120 238	133 789
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		166 384	199 852	186 179	166 384	186 179
<b>Total non current liabilities</b>		<b>734 220</b>	<b>1 059 662</b>	<b>904 523</b>	<b>734 223</b>	<b>904 523</b>
<b>TOTAL LIABILITIES</b>		<b>1 223 736</b>	<b>1 507 980</b>	<b>1 386 679</b>	<b>1 261 076</b>	<b>1 386 679</b>
<b>NET ASSETS</b>	2	<b>5 781 491</b>	<b>5 748 050</b>	<b>5 924 206</b>	<b>6 276 940</b>	<b>5 924 206</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		5 622 922	5 561 338	5 604 704	5 980 036	5 604 704
Reserves and funds		171 887	186 712	319 502	171 887	319 502
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>5 794 809</b>	<b>5 748 050</b>	<b>5 924 206</b>	<b>6 151 923</b>	<b>5 924 206</b>

**Table C7: Monthly Budget Statement – Cash Flow**

Table C7: Monthly Budget Statement – Cash Flow consists of four sections: cash flow from operating activities; cash flows from investing activities; cash flows from financing activities and net increase/ (decrease) in cash held.

**WC024 Stellenbosch - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment**

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
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		1 249 264	481 350	481 350	158 919	798 847	274 971	523 876	191%	481 350
Service charges		920 983	1 479 263	1 489 909	71 509	569 638	593 314	(23 675)	-4%	1 489 909
Other revenue		43 508	146 227	158 943	4 677	35 696	53 505	(17 810)	-33%	158 943
Transfers and Subsidies - Operational		1 235	240 911	240 644	0	2	114 141	(114 138)	-100%	240 644
Transfers and Subsidies - Capital		52	103 856	101 106	-	-	50 553	(50 553)	-100%	101 106
Interest		5 423	41 193	41 193	583	4 744	20 596	(15 852)	-77%	41 193
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		341 567	(2 000 844)	(2 021 650)	(74 029)	(518 591)	(811 264)	(292 673)	36%	(107 046)
Interest		-	(42 802)	(42 802)	-	-	(21 401)	(21 401)	100%	(42 802)
Transfers and Subsidies		(4 786)	(20 636)	(20 636)	-	-	(10 318)	(10 318)	100%	(20 636)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>2 557 246</b>	<b>428 518</b>	<b>428 057</b>	<b>161 659</b>	<b>890 337</b>	<b>264 097</b>	<b>(626 240)</b>	<b>-237%</b>	<b>2 342 661</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		(2 122)	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		(297 952)	(576 970)	(642 535)	(48 441)	(173 221)	252 586	425 807	169%	642 535
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(300 074)</b>	<b>(576 970)</b>	<b>(642 535)</b>	<b>(48 441)</b>	<b>(173 221)</b>	<b>252 586</b>	<b>425 807</b>	<b>169%</b>	<b>642 535</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	200 000	200 000	-	-	-	-	-	200 000
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>200 000</b>	<b>200 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200 000</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>2 257 173</b>	<b>51 548</b>	<b>(14 478)</b>	<b>113 219</b>	<b>717 116</b>	<b>516 683</b>			<b>3 185 196</b>
Cash/cash equivalents at beginning:		443 400	432 641	582 203		878 253	582 203			878 253
Cash/cash equivalents at month/year end:		2 700 573	484 189	567 725		1 595 370	1 098 887			4 063 449



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## Appendix 1 - Section 2

# Mid-year Performance Assessment Report 2023/24

**01 July – 31 December 2023**

*This report is compiled in terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003 (MFMA), and is unaudited.*

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Plain Street  
STELLENBOSCH  
7600

Phone: 021 808 8111 • Email: mm@stellenbosch.gov.za



## 1. INTRODUCTION

In terms of Section 72(1)(a) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), the accounting officer must, by 25 January of each year, assess the performance of the municipality during the first half of the financial year. A report on such an assessment must, in terms of Section 72(1)(b) of the MFMA, be submitted to the Mayor, Provincial and National Treasury.

Once the Mayor has considered the report, it must be submitted to the Council by 31 January in terms of Section 54 of the MFMA.

The Mid-year Performance Assessment Report and supporting tables for Stellenbosch Municipality are prepared per MFMA Circular 13 and the Municipal Budget and Reporting Regulations.

## 2. FINANCIAL PERFORMANCE

A report assessing the municipality's financial performance for the period 01 July – 31 December 2023 will be submitted to the Council together with this item.

## 3. SERVICE DELIVERY PERFORMANCE ANALYSIS

### 3.1 CREATING A CULTURE OF PERFORMANCE

#### 3.1.1 Performance Framework

Performance management is prescribed by Chapter 6 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), and the Local Government: Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7(1) of the aforementioned regulation states that *"A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the responsibilities of the different role players."* This framework, *inter alia*, reflects the linkage between the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP) and individual as well as service provider performance.

#### 3.1.2 Implementation of Performance Management

The 5<sup>th</sup> Generation IDP 2022 – 2027 was approved by Council on 25 May 2023. Performance is evaluated using a municipal scorecard (the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP)) at the organisational level and through the Departmental SDBIP at the departmental level.

The SDBIP is a plan that converts the IDP and Budget into measurable criteria on how, where, and when the strategies, objectives, and normal business processes of the municipality are implemented. It also allocates responsibilities to directorates to deliver services in terms of the IDP and Budget.

The Executive Mayor prepared and approved the TL SDBIP on 20 June 2023.

#### 3.1.3 Monitoring Performance

The SDBIP is loaded on an electronic web-based system (after approval). The web-based system sends automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against the Key Performance Indicator (KPI) and targets for the previous month's performance. The actual results against the monthly targets set are discussed at the

executive management level to determine early warning indicators as well as to discuss corrective measures if needed. The Quarter 1 Performance Assessment Report 2022/23 (01 July – 30 September 2022) was submitted to the Executive Mayoral Committee and Council for review in October 2022 and thereafter to the Internal Audit Section for auditing. The Quarter 2 (01 October – 31 December 2022) Performance Assessment Report will follow a similar process and will be submitted to the Council meeting in January 2024.

**Table 3:1: Explanation of colour codes**

Colour	Category	Explanation
	KPI Not Yet Measured	KPIs with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of more than 150% achieved

## 3.2 OVERALL SERVICE DELIVERY PERFORMANCE

### 3.2.1 Performance against the National Key Performance Indicators

The following tables indicate the municipality's performance in terms of the National Key Performance Indicators (NKPIs) required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These key performance indicators are linked to the National Key Performance Areas (NKPAs).

#### a) Municipal Transformation and Institutional Development

**Table 3:2: Municipal Transformation and Institutional Development**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan <i>*The Stellenbosch Municipality use a % to measure this indicator.</i>	50%*	N/A	<b>N/A</b>
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	0.20%	N/A	<b>N/A</b>

## b) Basic Service Delivery

**Table 3:3: Basic Service Delivery**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
The percentage of households earning less than R 6 500 per month with access to free basic services <i>(In the case of Stellenbosch Municipality- the percentage of registered Indigent households is being reported)</i>	100%	100%	<b>100%</b> (6 256 / 6 256 x 100 = 100%)
Percentage of formal households with access to basic level of water	100%	100%	<b>100%</b> (6 256 / 6 256 x 100 = 100%)
Percentage of formal households with access to basic level of sanitation	100%	100%	<b>100%</b> (6 256 / 6 256 x 100 = 100%)
Percentage of formal households with access to basic level of electricity	100%	100%	<b>100%</b> (6 256 / 6 256 x 100 = 100%)
Percentage of formal households with access to basic level solid waste removal	100%	100%	<b>100%</b> (6 256 / 6 256 x 100 = 100%)

## c) Local Economic Development

**Table 3:4: Local Economic Development**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
The number of jobs created through municipality's local economic development initiatives including capital projects	1 100	660	<b>857</b>

## d) Municipal Financial Viability and Management

**Table 3:5: Municipal Financial Viability and Management**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
Debt coverage (Total operating revenue-operating grants received)/ debt service payments due within the year)	15%	N/A	<b>N/A</b>
Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	27%	N/A	<b>N/A</b>
Cost coverage (Available cash+ investments)/ Monthly fixed operating expenditure	2	N/A	<b>N/A</b>

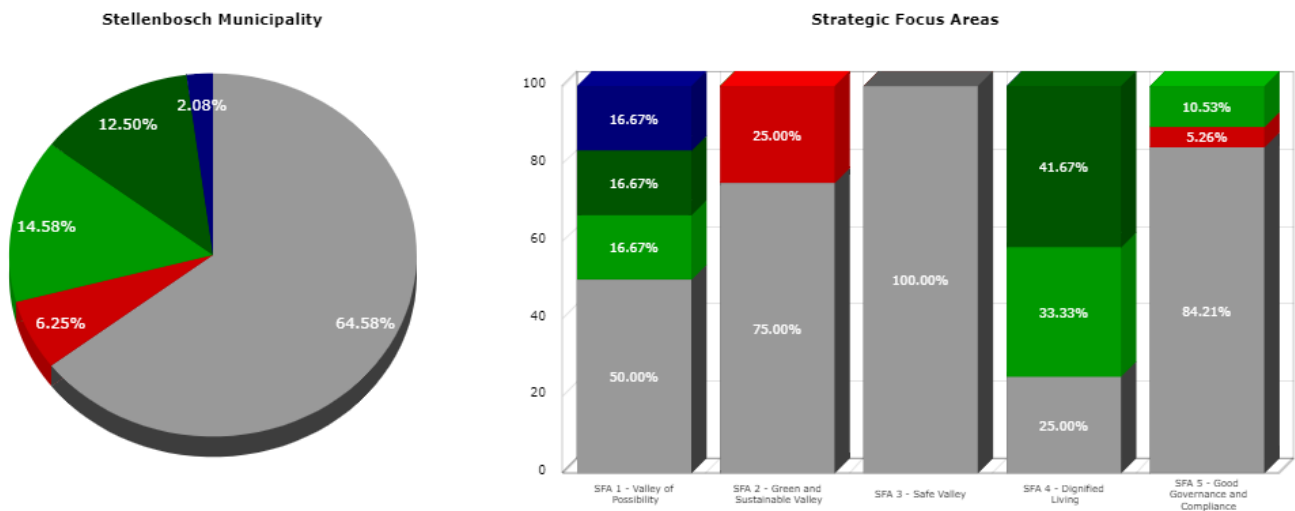
## e) Good Governance and Public Participation

**Table 3:6: Good Governance and Public Participation**

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	90%	30%	<b>22.46%</b> R126 244 901 / R561 998 865 x 100 = 22.46%

### 3.2.2 Summary Performance against the Municipal Strategic Focus Areas

The graph below illustrates the performance of Stellenbosch Municipality against the municipality's Strategic Focus Areas (SFAs) for the period 01 July – 31 December 2023, as derived from the municipality's Integrated Development Plan (IDP). The graph indicates the KPIs measured during the first two quarters of the 2023/24 financial year. As at 31 December 2023, 31 out of the 48 were not yet evaluated. This means that for the first six months of the 2023/24 financial year, only 17 KPIs were measured. Of the 17 KPIs, **14 were achieved** and **three were not achieved**. This translates to an achievement rate of **82.35%** of the planned targets as at 31 December 2023. As noted in the report below, the necessary corrective measures will be implemented to attain the planned targets by 30 June 2024.



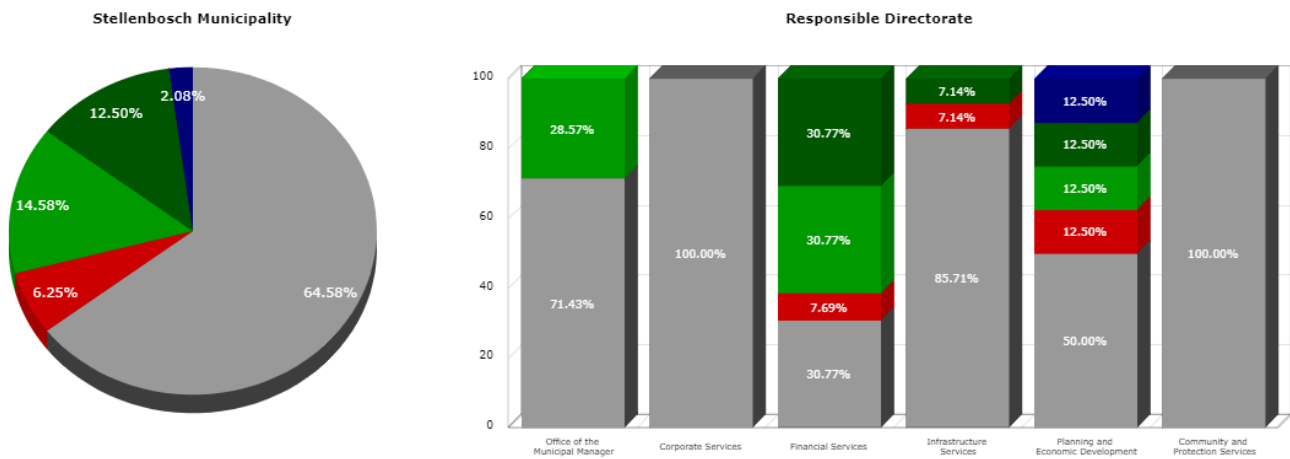
Stellenbosch Municipality		Municipal Strategic Focus Areas (SFAs)				
		SFA 1 - Valley of Possibility	SFA 2 - Green and Sustainable Valley	SFA 3 - Safe Valley	SFA 4 - Dignified Living	SFA 5 - Good Governance and Compliance
KPI Not Yet Measured	31 (64.58%)	3 (50%)	6 (75%)	3 (100%)	3 (25%)	16 (84.21%)
KPI Not Met	3 (6.25%)	-	2 (25%)	-	-	1 (5.26%)
KPI Almost Met	-	-	-	-	-	-
KPI Met	7 (14.58%)	1 (16.67%)	-	-	4 (33.33%)	2 (10.53%)
KPI Well Met	6 (12.50%)	1 (16.67%)	-	-	5 (41.67%)	-
KPI Extremely Well Met	1 (2.08%)	1 (16.67%)	-	-	-	-
<b>Total:</b>	<b>48</b>	<b>6</b>	<b>8</b>	<b>3</b>	<b>12</b>	<b>19</b>
	<b>100%</b>	<b>12.50%</b>	<b>16.67%</b>	<b>6.25%</b>	<b>25%</b>	<b>39.58%</b>

Table 3:7: Summary Performance against the Municipal Strategic Focus Areas- 01 July – 31 December 2023

### 3.2.3 Summary Performance per Municipal Directorate

The implementation of each TL SDBIP 2023/24 KPI is entrusted to a specific directorate for management purposes. As depicted in the graph below, the performance of the various directorates concerning the KPIs they oversee is illustrated.

The graph only indicates the KPIs measured during the first six months of the 2023/24 financial year. As at 31 December 2023, a total of 17 KPIs of the 48 were measured. Of the 17 KPIs, **14 were achieved** and **three were not achieved**. This translates to an achievement rate of **82.35%** of the planned targets as at 31 December 2023. As noted in the report below, the necessary corrective measures will be implemented to attain the planned targets by 30 June 2024. As noted in the report below, the necessary corrective measures will be implemented to attain the planned targets by 30 June 2024.



Stellenbosch Municipality		Municipal Directorates					
		Office of the Municipal Manager	Corporate Services	Financial Services	Infrastructure Services	Planning and Economic Development	Community and Protection Services
KPI Not Yet Measured	31 (64.58%)	5 (71.43%)	3 (100%)	4 (30.77%)	12 (85.71%)	4 (50%)	3 (100%)
KPI Not Met	3 (6.25%)	-	-	1 (7.69%)	1 (7.14%)	1 (12.50%)	-
KPI Almost Met	-	-	-	-	-	-	-
KPI Met	7 (14.58%)	2 (28.57%)	-	4 (30.77%)	-	1 (12.50%)	-
KPI Well Met	6 (12.50%)	-	-	4 (30.77%)	1 (7.14%)	1 (12.50%)	-
KPI Extremely Well Met	1 (2.08%)	-	-	-	-	1 (12.50%)	-
<b>Total:</b>	<b>48</b>	<b>7</b>	<b>3</b>	<b>13</b>	<b>14</b>	<b>8</b>	<b>3</b>
	100%	14.58%	6.25%	27.08%	29.17%	16.67%	6.25%

Table 3:8: Overall Performance per Municipal Directorate- 01 July – 31 December 2023

#### 4. ADJUSTMENT BUDGET

Regulation 23 of the Local Government: Municipal Budget and Reporting Regulations provide, *inter alia*, 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 in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances, only one adjustment budget may be tabled in Council during a financial year."*

A revised Top Layer SDBIP will be submitted with the Adjustments Budget to the Council in January 2024 with the necessary motivation where key performance indicators require adjustment / amendment(s) because of the Adjustments Budget.

#### 5. OUTSTANDING MATTERS ON THE PAST YEAR'S ANNUAL REPORT (2022/23)

As prescribed in Section 72(1)(a)(iii) of the MFMA, the accounting officer must assess the performance of the municipality in the first six months, considering the past year's annual report and progress on resolving the problems identified in the annual report. Please refer to **Annexure B** for details regarding progress made with the implementation of corrective measures to address the KPIs that have not been met in the TL SDBIP 2022/23.

#### 6. SUMMARY AND CHALLENGES

**Annexure A** is the unaudited Top Layer SDBIP report for the period 01 July – 31 December 2023 of the 2023/24 financial year, which measures the Stellenbosch Municipality's overall performance per SFA. The report, furthermore, includes the performance comments and corrective measures indicated for targets not achieved.

  
GERALDINE METTLER  
MUNICIPAL MANAGER

DATE: 25/01/2024

## **7. ANNEXURES**

**Annexure A — Top Layer SDBIP 2023/24 per Municipal SFA and assessment of targets achieved (Mid-year Assessment)**

**Annexure B — Progress made with the implementation of corrective measures of KPIs not met in the Top Layer SDBIP for 2022/23**

## 7.1 ANNEXURE A — TOP LAYER SDBIP 2023/24 PER MUNICIPAL SFA AND ASSESSMENT OF TARGETS ACHIEVED (MID-YEAR ASSESSMENT)

### a) SFA 1 - Valley of Possibility

SFA 1 - Valley of Possibility																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL52	KPI061	Submission of the revised Economic Development Strategy to the MayCo	Number of revised Economic Development Strategies submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL53	KPI003	The number of jobs created through the municipality's local economic development initiatives including capital projects (NKPI Proxy - MSA, Reg. S10(d))	Number of job opportunities created through the municipality's local economic development initiatives including capital projects by 30 June	1 100	1 100	330	656	B	660	857	G2	660	857	G2		
TL54	KPI004	Submission of Land-use applications to the Municipal Planning Tribunal (MPT) within 120 days from the conclusion of the administrative processing of the application	Percentage of Land-use applications submitted to the MPT within 120 days from the conclusion of the administrative processing of the application	75%	75%	75%	75%	G	75%	75%	G	75%	75%	G	3 / 4 x 100 = 75%	



SFA 1 - Valley of Possibility

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL55	KPI005	Provide training opportunities to entrepreneurs and Small, Medium and Micro Enterprises (SMMEs)	Number of quarterly training opportunities provided to entrepreneurs and SMMEs	4	4	1	2	B	1	1	G	2	3	B		
TL56	KPI006	Submission of the revised Spatial Development Framework (SDF) to the Council	Number of revised SDFs submitted to the Council by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL57	KPI007	Submission of the revised Housing Pipeline (document) to the MayCo	Number of revised Housing Pipelines (document) submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

Summary of Results: SFA 1 - Valley of Possibility

	KPI Not Yet Measured	3
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	1
	KPI Well Met	1
	KPI Extremely Well Met	1
	<b>Total KPIs</b>	<b>6</b>

## b) SFA 2 - Green and Sustainable Valley

SFA 2 - Green and Sustainable Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL60	KPI020	Conduct an external audit of the Stellenbosch Municipal Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipal Waste Disposal Facilities conducted by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL61	KPI021	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	2	2	0	0	N/A	0	0	N/A	0	0	N/A		
TL62	KPI014	Process building plan applications of <500sqm within 30 days after the date of receipt	Percentage of building plan applications of <500sqm processed within 30 days after the date of receipt	60%	60%	60%	44.13%	R	60%	42.50%	R	60%	43.22%	R	The implementation of the Building Plan Application Management System (BPAMs) Phase 1 upgrades scheduled for October 2023 could only be implemented as of January 2024. As a result, the upgrades did not have the desired impact on performance for the first six months of the 2023/24 financial year. It is envisaged that the implementation of the Phase 1 upgrades, as of	To achieve the performance objective, additional capacity expansion within the BDM section is required. A revised organisational design structure for the Building Development Management Section has been compiled and will be submitted to the Municipal Manager for consideration in January 2024.  The BPAMs Phase 2A upgrades had to be

SFA 2 - Green and Sustainable Valley

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure	
						Target	Actual	R	Target	Actual	R	Target	Actual	R			
																January 2024, will result in a 5% increase in performance outputs by the end of Quarter 3.	delayed and will be concluded and implemented at the end of March 2024. This will result in a further minimum 5% increase in performance outputs in quarter 3. BPAMS Phase 2B upgrades will then be engaged and concluded on 30 June 2024.
TL63	KP022	Wastewater quality measured to the Department of Water and Sanitation's License Conditions for physical and micro parameters	Percentage of wastewater quality compliance as per the analysis certificate, measured quarterly	70%	70%	70%	46.33%	R	70%	43.33%	R	70%	44.83%	R	A service provider was tasked with facilitating enhanced operational efficiency, repairing equipment, and implementing preventive maintenance measures. Conversations with DWS on the discharge limits for both Stellenbosch and Wemmershoek WWTWs have concluded that the current technology employed at these wastewater treatment plants is incapable of meeting the required special limits. The objective	Upgrades to the Wemmershoek WWTW: Phase 2 construction tender advertised (closing date is 29 January 2024, with a 70-week construction period) Upgrades to the Klapmuts WWTW are to be started in the 2024/25 financial year (a consultant is to be appointed in January 2024).	

SFA 2 - Green and Sustainable Valley

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
															is to revise restrictions to enhance overall limitations that guarantee effluent releases meet the same criteria as regular river water.	
TL65	KPI016	Reduce organic waste	Percentage of organic waste reduced by 30 June	20%	20%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL94	KPI011	Construction of a new landfill cell at Stellenbosch Landfill Facility	Number of new landfill cells constructed at the Stellenbosch Landfill Facility by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL95	KPI019	Submission of a Service Level Charter to the Municipal Manager	Number of Service Level Charters submitted to the Municipal Manager by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL96	KPI010	Upgrade the telemetry monitoring system	Number of telemetry monitoring systems upgraded by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

**Summary of Results: SFA 2 - Green and Sustainable Valley**

KPI Not Yet Measured	6
KPI Not Met	2
KPI Almost Met	0
KPI Met	0
KPI Well Met	0
KPI Extremely Well Met	0
<b>Total KPIs</b>	<b>8</b>

### c) SFA 3 - Safe Valley

SFA 3 - Safe Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL66	KPI024	Submission of the revised Disaster Management Plan to the Municipal Manager	Number of revised Disaster Management Plans submitted to the Municipal Manager by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL67	KPI025	Submission of the revised Safety and Security Strategy to the Municipal Manager	Number of revised Safety and Security Strategies submitted to the Municipal Manager by 30 April	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL68	KPI026	Submission of the revised Traffic Management Plan to the Municipal Manager	Number of revised Traffic Management Plans submitted to the Municipal Manager by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

#### Summary of Results: SFA 3 - Safe Valley

KPI Not Yet Measured	3
KPI Not Met	0
KPI Almost Met	0
KPI Met	0
KPI Well Met	0
KPI Extremely Well Met	0
<b>Total KPIs</b>	<b>3</b>

## d) SFA 4 - Dignified Living

SFA 4 - Dignified Living																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL70	KPI028	Provision of waterborne toilet facilities in informal settlements as identified by the Department: Integrated Human Settlements	Number of waterborne toilet facilities provided in Informal settlements as identified by the Department: Integrated Human Settlements by 30 June	20	20	0	0	N/A	0	0	N/A	0	0	N/A		
TL71	KPI032	Registered indigent formal households with access to free basic water (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic water, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL72	KPI029	Limit unaccounted electricity to less than 9% annually {(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold (incl. Free basic electricity)) / Number of Electricity Units Purchased and/or Generated} x 100}	Percentage of average electricity losses, measured by 30 June	<9%	<9%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL73	KPI030	Water quality measured quarterly into the SANS 241	Percentage of water quality level as per the analysis	90%	90%	90%	90%	G	90%	95.80%	G2	90%	92.90%	G2		

SFA 4 - Dignified Living

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
								physical and micro parameters	certificate, measured quarterly							
TL74	KPI031	Limit unaccounted water to less than 25%	Percentage of average unaccounted water, measured by 30 June	<25%	<25%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL75	KPI033	Registered indigent formal households with access to free basic electricity provided by the municipality (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic electricity provided by the municipality, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL76	KPI034	Registered indigent formal households with access to free basic refuse removal (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic refuse removal, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL77	KPI035	Registered indigent formal households with access to free basic sanitation (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic sanitation, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL78	KPI036	Formal households with access to	Number of formal households with	27 000	27 000	27 000	27 036	G2	27 000	27 191	G2	27 000	27 191	G2		



SFA 4 - Dignified Living

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		water (NKPI Proxy - MSA, Reg. S10(a))	access to water, measured quarterly													
TL79	KPI037	Formal households with access to electricity (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to electricity, measured quarterly	27 000	27 000	27 000	27 036	G2	27 000	27 191	G2	27 000	27 191	G2		
TL80	KPI038	Formal households with access to refuse removal (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to refuse removal, measured quarterly	27 000	27 000	27 000	27 036	G2	27 000	27 191	G2	27 000	27 191	G2		
TL81	KPI039	Formal households with access to sanitation (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to sanitation, measured quarterly	27 000	27 000	27 000	27 036	G2	27 000	27 191	G2	27 000	27 191	G2		

Summary of Results: SFA 4 - Dignified Living

	KPI Not Yet Measured	3
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	4
	KPI Well Met	5
	KPI Extremely Well Met	0
	<b>Total KPIs</b>	<b>12</b>

## e) SFA 5 - Good Governance and Compliance

SFA 5 - Good Governance and Compliance																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL47	KPI059	Submission of the revised Communication Policy to the MayCo	Number of revised Communication Policies submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL48	KPI044	Employment equity appointments made within the financial year in the three highest levels of management	Percentage of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	50%	50%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL49	KPI049	Submission of the Auditor General of South Africa (AGSA) Audit Action Plan (AAP) to the APAC	Number of AGSA Audit Action Plans submitted to the APAC by 31 July	1	1	1	1	G	0	0	N/A	1	1	G		
TL50	KPI053	Submission of the draft Integrated Development Plan (IDP) to the Council	Number of draft IDPs submitted to the Council by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL51	KPI062	Submission of the revised Integrated Zoning Scheme to the MayCo	Number of revised Integrated Zoning Schemes submitted to the MayCo by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL58	KPI055	Submission of the revised Wastewater Master Plan to the Municipal Manager	Number of revised Wastewater Master Plans submitted to the Municipal	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

SFA 5 - Good Governance and Compliance

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
			Manager by 30 June													
TL59	KPI060	Submission of the updated Comprehensive Integrated Transport Plan (CITP) to the Municipal Manager	Number of updated CITPs submitted to the Municipal Manager by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL82	KPI042	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MSA, Reg. S10(g)(iii))	Cost coverage as at 30 June annually [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation)	2	2	0	0	N/A	0	0	N/A	0	0	N/A		
TL83	KPI043	Achieve an average payment percentage of 96% by 30 June (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	96%	96%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL84	KPI040	Actual expenditure of the approved Capital Budget for	Percentage of the approved Capital Budget for the	90%	90%	10%	4.97%	R	30%	22.46%	R	30%	22.46%	R	R126 244 901 / R561 998 865 x 100 = 22.46%	An extensive evaluation of performance was

SFA 5 - Good Governance and Compliance

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		the municipality by 30 June (NKPI - MSA, Reg. S10(c))	municipality actually spent by 30 June													carried out during the mid-year adjustments budget process. As a result, projects will be rescheduled in subsequent financial years where tenders have not yet been finalised.
TL85	KPI045	The percentage of the payroll budget spent on implementing the Municipal Workplace Skills Plan (NKPI Proxy-MSA, Reg. S10(f))	Percentage of the municipality's payroll budget actually spent on implementing its Workplace Skills Plan ((Total Actual Training Expenditure / Total Annual payroll Budget) x 100), measured by 30 June	0.20%	0.20%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL86	KPI046	Financial viability measured in terms of the municipality's ability to meet its service debt obligations (NKPI Proxy - MSA, Reg. S10(g)(i))	Debt coverage ratio ((Total operating revenue - operating grants received) / (Debt service payments due within the year)) measured by 30 June	15%	15%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL87	KPI047	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MSA, Reg. S10(g)(ii))	Service debtors to revenue ratio - (Total outstanding service debtors / revenue received for services)	27%	27%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		

SFA 5 - Good Governance and Compliance

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
			measured by 30 June													
TL88	KPI054	Submission of the IDP / Budget / SDF time schedule (process plan) to the Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to the Council by 31 August	1	1	1	1	G	0	0	N/A	1	1	G		
TL89	KPI051	Submission of the revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan to the ICT Steering Committee	Number of revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL90	KPI052	Submission of the revised Strategic ICT Plan to the ICT Steering Committee	Number of revised Strategic ICT Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL91	KPI048	Submission of the revised Risk-Based Audit Plan (RBAP) to the Audit and Performance Audit Committee (APAC)	Number of revised RBAPs submitted to the APAC by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL92	KPI050	Submission of the revised Strategic Risk Register (SRR) to the Risk Management Committee	Number of revised SRRs submitted to the Risk Management Committee by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

SFA 5 - Good Governance and Compliance

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL93	KPI056	Submission of the revised Electrical Master Plan to the Council	Number of revised Electrical Master Plans submitted to the Council by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

**Summary of Results: Planning and Economic Development**

KPI Not Yet Measured	16
KPI Not Met	1
KPI Almost Met	0
KPI Met	2
KPI Well Met	0
KPI Extremely Well Met	0
<b>Total KPIs</b>	<b>19</b>

## 7.2 ANNEXURE B — PROGRESS MADE WITH THE IMPLEMENTATION OF CORRECTIVE MEASURES OF KPIS NOT MET IN THE TOP LAYER SDBIP FOR 2022/23

### a) SFA 2 - Green and Sustainable Valley

SFA 2 - GREEN AND SUSTAINABLE VALLEY												
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
TL16	KPI014	Process building plan applications of <500sqm within 30 days after the date of receipt	Percentage of building plan applications of <500sqm processed within 30 days after the date of receipt	62.35%	75%	70%	70%	42.91%	R	<p>587 / 1 368 x 100 = 42.91%</p> <p>A Building Plan Process Investigation was completed and submitted to the Municipal Manager in March 2023. A BDM Action Plan to address the outcomes of the independent building plan process investigation was completed and submitted in June 2023 for implementation as of 01 July 2023. A new BDM Policy, operational guidelines, and procedures were developed. A new draft BDM Bylaw has been developed and is to be submitted to the Council for approval before the public can participate.</p>	<p>BDM staff capacity constraints have been addressed with the appointment of an additional plans examiner, who will assume duty on 01 August 2023. A further request for additional BDM capacity will be submitted to the Municipal Manager and CFO. Micro-organogram changes to the BDM organogram are in process and will be submitted to the MM for consideration. Staff capacity constraints within internal commenting directorates (specifically Infrastructure Services) need to be addressed. Funding has been secured from the WCG for the upgrade of the Building Plan Application Management System (BPAMS), which is</p>	<p>The implementation of the Building Plan Application Management System (BPAMS) Phase 1 upgrades scheduled for October 2023 could only be implemented as of January 2024. As a result, the upgrades did not have the desired impact on the performance of the first six months of the 2023/24 financial year. It is envisaged that the implementation of the Phase 1 upgrades, as of January 2024, will result in a 5% increase in performance outputs by the end of Quarter 3.</p> <p>To achieve the performance objective, additional capacity expansion within the BDM section is required. A revised organisational design structure for the Building Development</p>

SFA 2 - GREEN AND SUSTAINABLE VALLEY

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
TL17	KP022	Wastewater quality measured to the Department of Water and Sanitation's License Conditions for physical and micro parameters	Percentage of wastewater quality compliance as per the analysis certificate, measured quarterly	51.75%	70%	70%	70%	46.04%	R	Stage 6 load-shedding had an impact on the Stellenbosch Waste Water Treatment Plant, necessitating ongoing maintenance and the replacement of some equipment. The effluent discharge limits have been discussed with the Department of Water and Sanitation for relaxation of their limits.	A number of upgrades and repairs have been instituted at the various plants, such as the renewal of pumps and inlet screens, the ordering of a standby generator for the dewatering facility, etc. In addition, an experienced service provider has been hired to assist with the operation and maintenance of the plants while the vacant positions are filled.	A new employee, working at the Wastewater Treatment Works (WWTWs), has taken up the role of Superintendent: Maintenance. Furthermore, the specialised service provider for the operations and maintenance of the WWTWs has been assisting with the necessary plant equipment repair and / or maintenance, which



SFA 2 - GREEN AND SUSTAINABLE VALLEY

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
												<p>is producing favourable outcomes.</p> <p>Ongoing employee training is also taking place at the plants.</p>

b) SFA 4 – Dignified Living

SFA 4 - DIGNIFIED LIVING												
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
TL23	KPI027	Installation of new standpipes	Number of new standpipes installed by 30 June	0	50	50	50	26	R	The Informal Settlements Department will use the Informal Settlements Upgrade Partnership Grant to secure funding for standpipes. Some instances require a budget and / or adequate land rights (which cannot be installed on private or non-municipal land).	A new SOP is being developed so that the Informal Settlements Department can apply for funding promptly. Target areas will be identified upfront, and budget applications will be made in advance to avoid delays. Facilitation of land rights will also be effected at an earlier stage in the project pipeline.	The municipality has released a written role clarification, stating that the Informal Settlements Department oversees funding applications, relocation, facilitation, and securing development rights for projects in informal settlements. The joint SOP is still pending. At this point, it is not possible to assess whether rights facilitation is applicable because the Informal Settlements Department has not yet determined the target sites. During the 2023/ 24 financial year, the Department: Water Services and the Project Management Unit will install the standpipes using municipal funds.
TL28	KPI031	Limit unaccounted water to less than 25%	Percentage of average unaccounted water, measured by 30 June	18.70%	<25%	<25%	<25%	27.42%	R	2 968 319kl / 10 827 196kl x 100 = 27.42% Illegal water connections have an impact on unaccounted water, which increases system input volume. Reduction in physical losses (lowering unaccounted volume) is done through pipe	Law enforcement is investigating instances of reported illegal water connections.  An increased budget for leak detection and pipe replacement has been motivated for in 2023/24 financial year.	Illegal water connections are dealt with on a case-by-case basis, as are leak repairs and the applicable tariff applications. The municipality has approved the pipe replacement tender for advertisement in January 2024.

SFA 4 - DIGNIFIED LIVING

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
										replacement and leak detection and correction.		

c) SFA 5 – Good Governance and Compliance

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE												
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
TL2	KPI044	Employment equity appointments made within the financial year in the three highest levels of management	Percentage of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	33.30%	50%	50%	50%	37.50%	○	<p><math>3 / 8 \times 100 = 37.50\%</math></p> <p>At each shortlisting panel meeting, the statistics and underrepresented target groups are indicated to the panel. In some instances, there are no qualifying candidates from the underrepresented groups. It also happens in some instances that candidates on the shortlist from underrepresented groups do not perform well enough in the interview to be appointed.</p>	Critical vacancies had to be filled thereby appointing qualifying candidates. Measures are in place on the criteria to be followed when shortlisting is done on candidates within the EE target groups.	Critical vacancies had to be filled, thereby appointing qualifying candidates. Measures are in place for the criteria to be followed when shortlisting candidates within the EE target groups. It should also be noted that in terms of the national standard, the levels referred to for this indicator are the MM, MSA Section 56 managers, and managers reporting to the Section 56 managers, and the appointments are subject to vacancies and the availability of qualifying candidates.
TL12	KPI055	Submission of the revised Wastewater Master Plan to the Municipal Manager	Number of revised Wastewater Master Plans submitted to the Municipal Manager by 30 June	New KPI	1	1	1	0	R	Capacity constraints affected the achievement of this indicator. The Manager: Water and Wastewater Planning post has been vacant for the duration of the 2022/23 financial year. Despite this, the Wastewater Master Plan has been commissioned but could not be	A consultant has been successfully appointed and is finalising the Wastewater Master Plan. The plan will be completed and submitted to the Municipal Manager by 30 September 2023.	The draft Water and Wastewater Master Plan is being finalised at present. The Manager: Water and Wastewater Planning post has not been filled yet due to the prioritisation of maintenance and operations staff first, as per the wastewater indicator above. The

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
										finalised on or before 30 June 2023.		post will be advertised in January 2024.
TL37	KPI043	Achieve an average payment percentage of 96% by 30 June (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	96%	96%	96%	96%	95.06%	○	R 326 768 954.23 + R 1 619 451 674.53 - R 416 752 461.54 - (-R 9 986 950.17) / R 1 619 451 674.53 = 95.06%  The increase in the interest rate had an impact on consumers' available earnings to pay their debtors' accounts.	The municipality will install water management devices during the financial year of 2023/2024. In addition, no payment arrangements will be permitted on current accounts. The municipality will also employ attorneys to collect debts from account holders who are in arrears.	The Directorate: Infrastructure Services has received the initial shipment of water management devices intended for installation. There are still two additional batches that need to be supplied for installation.  Furthermore, the municipality has enforced more rigorous control measures concerning transfers and arrangements involving municipal accounts.
TL38	KPI040	Actual expenditure on the approved Capital Budget for the municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of the approved Capital Budget for the municipality actually spent by 30 June	84.29%	90%	90%	90%	84.79%	○	(R 321 098 081.33 / R 378 709 141) x 100 = 84.79%	Supply chain management indicators were developed and allocated to each Snr Manager in the Departmental SDBIP 2022/23. These indicators are also aligned to the Demand Management Plan.	The Demand Management Plan undergoes rigorous monitoring and deliberation during the directors' forum meeting. Capital projects that do not have any tenders currently in place have been rescheduled for implementation in the outer financial years through the Mid-year Adjustment Budget process. This budget will

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
												be presented to the Council in January 2024.