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BUDGET & TREASURY OFFICE

PROVINCE OF KWAZULU-NATAL
KZN 435

BUDGET UNIT 4th QUARTER REPORT 28 June 2019

PURPOSE OF THE REPORT

This report serves as a quarterly report. This is the Review of the quarterly projections for the period ending 28 June 2019 for Service Delivery and Budget implementation plan and compares actual performance to objectives, in conjunction with preparation of section 52(d) of the MFMA.

| No | Measurable Output | TARGET | Achieved / Not Achieved | Remedial Action if not Achieved |
|----|--|--|-------------------------|---------------------------------|
| 1 | Number of reports on compliance to MFMA (sec 75) (Website) | 1 Checklist signed | Achieved | |
| 2 | Turnaround time (in working days) for submission of Section 71 reports submitted to the provincial and national treasury | 10 working days after the month end | Achieved | |
| 3 | Number of Sec 71 reports submitted to the provincial and national Treasury | 3 Sec 71 Reports submitted to the provincial national Treasury | Achieved | |
| 4 | Date by which Sec 72 report are submitted to provincial and national treasury | 1 Sec 72 reports submitted to the Treasury | Achieved | |
| 5 | Date by which budget process plan is approved by council | 31 Aug 2018 | Achieved | |
| 6 | Turnaround time (in days) for submission and approval of the 2018/2019 SDBIP to the Mayor after approval of the budget. | 28 days after the budget approval | Achieved | |

| | | | | |
|----|---|---|----------|--|
| 7 | Date by which revised SDBIP is approved by council | 31 March 2019 | Achieved | |
| 8 | Number of report on implementation of mSCOA | 1 reports | Achieved | |
| 9 | Turnaround time (in hours) to resolve MUNSOFT related queries | 48 hours | Achieved | |
| 10 | Date by which the 2018-2019 budget is approved by council | 31 May 2019 | Achieved | |
| 11 | Turnaround time (in days) for submission of approved budget (COGTA, Provincial and National Treasury) approved by council | Within 10 working days after closing of month-end | Achieved | |
| 12 | Date by which the adjustment budget is adopted by council | 28 February 2019 | Achieved | |
| 13 | Date by which reviewed budget Policies adopted by council | 31 May 2019 | Achieved | |
| 14 | Number of grant business plan submitted | 1 Grant business plan submitted | Achieved | |
| 15 | Number of BTO staff trained on GRAP requirements | 25 BTO staff trained | Achieved | |
| 16 | Number of budget outreach meetings conducted | 1 Budget outreach meeting conducted | Achieved | |

Budget versus Actuals for the fourth quarter 2018/2019

| DASHBOARD BUDGET REPORT 2018/2019 | | | | | |
|--|----------------------------|----------------------|------------------------|---------------------|-------------|
| 28 June 2019 | | | | | |
| | Yearly Budget 2018/2019 | Adjustment Budget | Quarter Four Budget | Actual Quarter 4 | Variance % |
| REVENUE | | | | | |
| Property rates | 10 224 657 | 7 721 926 | 701 985.00 | 1 169 946.00 | 167% |
| Service charges - refuse revenue | 2 915 327 | 2 853 612 | 615 102.00 | 760 859.00 | 124% |
| Rental of facilities and equipment | 1 259 607 | 544 000 | 186 306.00 | 204 239.00 | 110% |
| Interest earned - external investments | 10 196 458 | 14 943 875 | 3 762 921.00 | 3 316 721.00 | 88% |
| Interest earned - outstanding debtors | 648 200 | 348 000 | 150 996.00 | 68 238.00 | 45% |
| Fines | 295 000 | 408 000 | 86 137.50 | 66 370.00 | 77% |
| Licences and permits | 1 127 000 | 50 000 | 24 999.00 | 25 438.00 | 102% |
| Agency services | | 1 200 000 | 380 741.49 | 332 700.00 | 87% |
| Transfers Grants Receipts- operational | 174 931 000 | 174 938 000 | - | - | |
| Local Government Equitable Share | 169 032 000 | 169 032 000 | - | - | |
| Finance Management | 1 900 000 | 1 900 000 | - | - | |
| EPWP Incentive | 2 324 000 | 2 324 000 | - | - | |
| Community Library Services Grant | 779 000 | 779 000 | - | - | |
| Provincialisation of Libraries | 838 000 | 838 000 | - | - | |
| Transfers and Subsidies - Farmer Support Household | - | - | - | - | |
| Donation: Private enterprise | - | 15 000 | - | - | |
| Sport Facility Grants | 58 000 | 50 000 | - | - | |
| Transfers Grants Receipts- Capital | 65 386 000 | 65 886 000 | - | - | |
| Municipal Infrastructure Grant (MIG) | 42 536 000 | 42 536 000 | - | - | |
| Integrated National Electrification Programme | 15 000 000 | 15 000 000 | - | - | |
| Finance Management | | | - | - | |
| Municipal Plans Management System Grant | | 500 000 | - | - | |
| Sport Facility Grants | 7 850 000 | 7 850 000 | 2 617 000.00 | 2 616 500.00 | 100% |
| Other revenue | 1 983 700 | 2 472 248 | 203 661.00 | 385 024.00 | 189% |
| Total Revenue | 268 966 949 | 270 165 661 | 5 732 108 | 5 996 835 | 105% |
| EXPENDITURES | | | | | |
| Employee related costs | 90 961 335 | 95 966 221 | 25 063 592.01 | 17 095 417.00 | 68% |
| Remuneration of councillors | 15 364 828 | 14 907 626 | 3 676 263.99 | 9 820 933.00 | 267% |
| Debt impairment | 3 800 000 | 3 800 000 | - | - | |
| Depreciation & asset impairment | 50 637 825 | 52 321 469 | 13 837 419.06 | 12 330 537.00 | 89% |
| Finance charges | | | - | - | |
| Other Materials | 5 490 000 | 4 700 000 | | | |
| Contracted services | 33 022 825 | 33 476 601 | 10 364 886.84 | 6 860 956.00 | 66% |
| Transfers and grants | 12 110 000 | 7 110 000 | 592 500.00 | 97 500.00 | 16% |
| Other expenditure | 40 149 775 | 48 501 021 | 14 075 809.29 | 10 341 076.00 | 73% |
| Repairs and Maintenance | 17 615 000 | 15 112 657 | 4 950 075.00 | 2 637 718.00 | 53% |
| Total Expenditure | 269 151 588 | 275 895 594 | 72 560 546.19 | 59 184 137 | 82% |
| Transfers recognised - Operational | 174 931 000 | 174 938 000 | 471 250.00 | 424 922.00 | 90% |
| Local Government Equitable Share | 169 032 000 | 169 032 000 | - | - | |
| Finance Management | 1 900 000 | 1 900 000 | 421 250.00 | 374 922.00 | 89% |
| EPWP Incentive | 2 324 000 | 2 324 000 | - | - | |
| Community Library Services Grant | 779 000 | 779 000 | - | - | |
| Provincialisation of Libraries | 838 000 | 838 000 | - | - | |
| Donation: Private enterprise | | 15 000 | | | |
| Sport Facility Grants | 58 000 | 50 000 | 50 000.00 | 50 000.00 | 100% |
| Transfers recognised - capital | 65 386 000 | 65 886 000 | 17 704 074 | 6 641 513 | 38% |
| Municipal Infrastructure Grant (MIG) | 42 536 000 | 42 536 000 | 17 704 074.00 | 6 641 513.00 | 38% |
| Integrated National Electrification Programme | 15 000 000 | 15 000 000 | - | - | |
| Small Town Rehabilitation | | | | | |
| Municipal Plans Management System Grant | | 500 000 | | | |
| Sport Facility Grants | 7 850 000 | 7 850 000 | - | - | |
| Internally Generated Fund | 41 364 007 | 44 653 109 | 20 669 457.00 | 2 237 772.00 | 11% |
| Total Expenditure | 375 901 595 | 386 434 704 | 110 934 077 | 68 063 422 | 61% |
| Surplus/(Deficit) | -106 934 646 | -116 269 043 | -105 201 970 | -62 066 587 | 59% |

Prepared by: M.W.Thusi

Date: 15 June 2019

Reviewed by: