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BUDGET & TREASURY OFFICE

PROVINCE OF KWAZULU-NATAL
KZN 435

BUDGET UNIT 1st QUARTER REPORT 14 October 2020

PURPOSE OF THE REPORT

This report serves as a quarterly report. This is the Review of the quarterly projections for the period ending 30 September 2020 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 | Report on MFMA compliance to sec 75 | Achieved | |
| 2 | Number of Sec 71 reports submitted to the provincial and national Treasury | 1. Quality Certificate signed by Accounting Officer (MM) 2. Proof of submission (e mail) | Achieved | |
| 3 | Turnaround time (in working days) for submission of Sec 71 report to provincial and national treasury | Proof of submission (e mail) | Achieved | |
| 4 | Number of Sec 72 reports submitted to the Treasury | 1. Quality Certificates signed by Accounting | Not for this Quarter | |

| | | | | |
|----|---|--|----------------------|--|
| 11 | Date by which the 2021-2022 budget is approved by council | 1. Council Resolution 2. approved budget | Achieved | |
| 12 | Turnaround time (in days) for submission of the approved budget (COGTA, Provincial and National Treasury) after approval by council | Proof of submission (email /Letter of acknowledgement) | Achieved | |
| 13 | Date by which the Adjustment Budget is adopted by council | 1. Council Resolution 2. Summary of the Adjustment Budget | Not for this Quarter | |
| 14 | Date by which Reviewed Budget Policies adopted by council | Council Resolution | Not for this Quarter | |
| 15 | Number of Grant business plans submitted | Proof of submission (email) | Not for this Quarter | |
| 16 | Number of Budget outreach meetings conducted | 1. Attendance register 2. Signed Minutes | Not for this Quarter | |
| 17 | Number of days by which adjustment budget is published | Newspaper notice | Not for this Quarter | |
| 18 | % of unauthorised Expenditure | Quarterly report on unauthorised expenditure signed by Budget Accountant and CFO/ Deputy CFO | Achieved | |

Budget versus Actuals for the first quarter 2019/2020

| DASHBOARD BUDGET REPORT 2020/2021 | | | | |
|---|----------------------------|-----------------------|---------------------|------------|
| Monday, September 14, 2020 | | | | |
| | Yearly Budget 2020/2021 | Quarter One Budget | Actual Quarter 1 | Variance % |
| REVENUE | | | | |
| Property rates | 9,236,767 | 6,335,261.00 | 6,158,279.00 | 97% |
| Service charges - refuse revenue | 2,753,127 | 688,284.00 | 755,539.00 | 110% |
| Rental of facilities and equipment | 578,962 | 144,741.00 | 133,883.00 | 92% |
| Interest earned - external investments | 11,054,951 | 2,763,738.00 | 2,495,758.00 | 90% |
| Interest earned - outstanding debtors | 505,100 | 126,252.00 | 45,034.00 | 36% |
| Fines | 652,500 | 163,125.00 | 101,085.00 | 62% |
| Licences and permits | 50,000 | 12,501.00 | 27,616.00 | 221% |
| Agency services | 1,200,000 | 300,000.00 | 450,428.00 | 150% |
| Proceeds on disposal of assets | | | | |
| Transfers Grants Receipts- operational | 209,938,000 | 89,339,750 | 95,402,000 | 107% |
| Local Government Equitable Share | 202,075,000 | 84,871,500.00 | 90,933,000.00 | 107% |
| Finance Management | 1,900,000 | 1,900,000.00 | 1,900,000.00 | 100% |
| EPWP Incentive | 3,009,000 | 752,250.00 | 753,000.00 | 100% |
| Community Library Services Grant | 911,000 | 911,000.00 | 911,000.00 | 100% |
| Provincialisation of Libraries | 905,000 | 905,000.00 | 905,000.00 | 100% |
| Human Settlement Title Deeds | 1,138,000 | - | - | |
| Disaster Relief - Covid-19 | | - | - | |
| Development Planning Title Deeds | | - | - | |
| Sport Facility Grants | | - | - | |
| Transfers Grants Receipts- Capital | 43,097,000 | 31,412,310 | 16,500,000 | 53% |
| Municipal Infrastructure Grant (MIG) | 43,097,000 | 29,912,310.00 | 15,000,000.00 | 50% |
| Integrated National Electrification Programme | | 1,500,000.00 | 1,500,000.00 | 100% |
| Municipal Plans Management System Grant | | - | - | |
| Sport Facility Grants | | - | - | |
| Other revenue | 1,659,350 | 362,106.00 | 303,884.00 | 84% |
| Total Revenue | 279,525,757 | 131,348,068 | 121,923,078 | 93% |
| EXPENDITURES | | | | |
| Employee related costs | 108,834,364 | 26,385,696.00 | 26,884,347.00 | 102% |
| Remuneration of councillors | 18,316,183 | 4,579,041.00 | 4,050,282.00 | 88% |
| Debt impairment | 2,618,000 | 349,999.00 | 78,517.00 | 22% |
| Depreciation & asset impairment | 56,692,976 | 14,173,245.00 | - | |
| Finance charges | | - | - | |
| Other Materials | 6,550,000 | 500,000.00 | 546,496.00 | 109% |
| Contracted services | 72,761,000 | 12,042,653.00 | 5,087,824.00 | 42% |
| Transfers and grants | 150,000 | - | - | |
| Other expenditure | 47,448,000 | 11,845,395.00 | 9,992,199.00 | 84% |
| Repairs and Maintenance | 19,760,000 | 5,609,000.00 | 3,023,495.00 | 54% |
| Total Expenditure | 333,130,523 | 75,485,029 | 49,663,160 | 66% |
| Transfers recognised - Operational | 209,938,000 | 1,396,701 | 2,721,899 | 195% |
| Local Government Equitable Share | 202,075,000 | - | - | |
| Finance Management | 1,900,000 | 347,073.00 | 721,293.00 | 208% |
| EPWP Incentive | 3,009,000 | 752,250.00 | 1,283,922.00 | 171% |
| Community Library Services Grant | 911,000 | 123,897.00 | 166,153.00 | 134% |
| Provincialisation of Libraries | 905,000 | 173,481.00 | 550,531.00 | 317% |
| Human Settlement Title Deeds | 1,138,000 | - | - | |
| Disaster Relief - Covid-19 | | - | - | |
| Development Planning Title Deeds | | - | - | |
| Sport Facility Grants | | - | - | |
| Transfers recognised - capital | 43,097,000 | 21,931,068 | 19,253,876 | 88% |
| Municipal Infrastructure Grant (MIG) | 43,097,000 | 21,931,068.00 | 13,695,629.71 | 62% |
| Integrated National Electrification Programme | | - | 5,558,246.00 | #DIV/0! |
| Sport Facility Grants | | - | - | |
| Internally Generated Fund | 52,495,000 | 16,780,000 | 10,271,710 | 61% |
| Total Expenditure | 428,722,523 | 114,196,097 | 79,188,746 | 69% |
| Surplus/(Deficit) | -149,196,766 | 17,151,974 | 42,734,332 | 249% |

Prepared by: M.W.Thusi

Reviewed by:

Date: 14 October 2020