



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

## **PRESS RELEASE**

**02 December 2010**

### **Local Government Budgets 2010/11 Financial Year First Quarter Local Government Section 71 Report**

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#### **SUMMARY:**

1. National Treasury has today released the budget statement for local government for the first quarter of the 2010/11 financial year. The statement covers revenue and expenditure, and conditional grant spending for the period 1 July to 30 September 2010. It is available on the National Treasury's website: [www.treasury.gov.za](http://www.treasury.gov.za).
2. National Treasury publishes this information in terms of section 71 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), and in terms of section 30(3) of the 2010 Division of Revenue Act. The budgeted figures shown are based on the 2010/11 budgets approved by municipal councils during May and June 2010.
3. This information, referred to as the In-year Management, Monitoring and Reporting System for Local Government (IYM), will enable provincial and national government to exercise oversight over municipalities, and identify possible problems in implementing municipal budgets and conditional grants. The information will also be of interest to policy makers, researchers, sector specialists and academics with an interest in local government. It is also envisaged that regularly published budget implementation information will empower communities to hold their Municipal Councils accountable.
4. All information in this statement is based on the section 71 MFMA reports that Municipal Managers and Chief Financial Officers were required to sign and submit to the National Treasury by 12 November 2010. Any queries on the figures in the statement should therefore be referred to the relevant Municipal Manager or Chief Financial Officer. Queries on conditional grants may be referred to the national department responsible for administering the grant.
5. The number of municipalities that submitted reports fell to 276 in the first quarter of 2010/11 from 280 in the fourth quarter of 2009/10. This slight drop in coverage can be partly attributed to stricter compliance rules. Interestingly, the seven municipalities that did not report for the first quarter of 2010/11 do not include the three municipalities that did not report during the fourth quarter of 2009/10.

#### **HIGHLIGHTS:**

##### ***Aggregated trends***

6. As at 30 September 2010, municipalities had in aggregate spent R45.9 billion or 19.7 per cent or of the R232.6 billion total approved budget. The total revenue budget amounted to

R243.4 billion for 2010/11, of which aggregated billing accounted for R58.5 billion or 24.0 per cent.

7. Metropolitan municipalities had billed R31.5 billion or 22.4 per cent of their total revenue budget of R140.6 billion by the end of the first quarter. Ekurhuleni had billed the highest proportion of its revenue at 24.9 per cent, followed by Cape Town at 23.2 per cent.
8. The aggregated capital budget for all municipalities for 2010/11 is R41.2 billion of which R4.2 billion or 10.2 per cent had been spent by the end of the first quarter. The aggregated capital budget of metropolitan municipalities amounted to R19.6 billion of which R2.0 billion or 10.0 per cent had been spent by 30 September 2010. Most metros spent less than 15 per cent of their capital budget in the first quarter. The City of Johannesburg had the lowest capital spending rate at only 3.6 per cent, with expenditure at the City of Tshwane and Ekurhuleni Metro not far behind at 6.6 per cent and 7.6 per cent respectively.
9. Aggregated municipal consumer debts amounted to R62.3 billion as at 30 September 2010. Of this, government accounted for R3.4 billion or 5.5 per cent. Households accounted for the largest component at R37.7 billion or 60.6 per cent of the total.
10. Metropolitan municipalities were owed a total of R35.4 billion at 30 September 2010. This is an increase of R3.9 billion or 12.4 per cent from the same period last year. The biggest percentage growth from the previous year is in City of Johannesburg, where it increased by 23.5 per cent or R2.0 billion. Nelson Mandela Bay's debtors book increased by 16.5 per cent or R275 million, Ekurhuleni Metro by 15.1 per cent or R1.1 billion and Cape Town's by 11.8 per cent or R558 million.
11. Secondary cities were owed R12.8 billion at the end of the first quarter, an increase of R2.3 billion or 18.3 per cent from the corresponding period last year. Households accounted for R7.7 billion or 67.3 per cent of the total.
12. The creditor age analysis shows that municipalities owed R10.3 billion as at 30 September 2010. This is R1.3 billion less than the R11.6 billion municipalities owed at the end of the fourth quarter of 2009/10. North West has the highest percentage of creditors outstanding for more than 90 days at 45.9 per cent, followed by the Northern Cape at 44.3 per cent, Limpopo at 34.5 per cent and Mpumalanga at 31.2 per cent. Of concern are the figures reported for the period 0 to 30 days by Gauteng and KwaZulu-Natal of R4.7 billion and R1.6 billion respectively.

### **Conditional Grants**

13. The Division of Revenue Act, 2010 (Act No.1 of 2010) allocated R54.4 billion in transfers to local government. This consists of the unconditional transfer (Equitable Share) of R30.2 billion and conditional transfers of R24.2 billion. The latter amount consists of direct conditional grants to municipalities of R21.2 billion and allocations-in-kind of R3 billion.
14. During the first quarter national departments administering conditional grants transferred R5.9 billion or 28.3 per cent of the direct conditional grants to municipalities. According to expenditure reports from national departments, municipalities had spent only 21.4 per cent by the end of the first quarter. However, municipalities receiving direct conditional grants reported first quarter aggregate expenditure of R2.6 billion or just 12.4 per cent of the R21.2 billion allocated to municipalities.
15. The Neighborhood Development and Partnership Subsidy Grant, Public Transport Infrastructure and Systems Grant, Municipal Drought Relief Grant and the Electricity Demand Side Management reflect spending levels of less than 10 per cent.
16. The amounts reported by the national department responsible for managing the 2010 FIFA World Cup related grants show spending in excess of 100 per cent in the first quarter of 2010/11 financial year, yet the expenditures reported directly by the municipalities are significantly lower. The reasons for this may be two fold: (a) the municipalities are reporting

spending in excess of the conditional grant amounts to the responsible department to place pressure on National Treasury to fund the excess amounts they spent on hosting (note National Treasury has indicated very clearly that additional funding will not be provided), or (b) there are inconsistencies in the way the municipalities are reporting this information, which would need to be explored with them.

17. The expenditure of 13.2 per cent reported by municipalities for the first quarter period excludes the amounts that the metros may have spent in relation to the Municipal Infrastructure Grant (MIG Cities). In terms of Section 11(2)(b)(ii) of the Division of Revenue Act, 2010, metros are required to report on the implementation of their entire capital programme, and not specifically on the spending of the MIG cities grant. This is because the MIG cities grant is designed to supplement the capital budgets of the metros. Secondly, the EPWP incentive grant performance is also not reflected in the publication due to its “after the event” performance nature.
18. A summary of key aggregated information is included in the tables in **Annexure A**.

## **STRUCTURE OF INFORMATION RELEASED**

19. The information released on National Treasury’s website ([www.treasury.gov.za](http://www.treasury.gov.za)) as part of this process includes the following:
  - Municipal Budget Statements:
    - a. Cash Flow closing balances as at 30 September 2010;
    - b. High-level summary of revenue for 276 municipalities; and
    - c. High-level summary of expenditure for 276 municipalities.
  - Summary of revenue and expenditure per function (electricity, water, etc):
    - a. High level summary of revenue per function; and
    - b. High level summary of expenditure per function.
  - Consolidation of revenue and expenditure numbers for each municipality in one file.
  - Detail per province per municipality.
  - Summary of Conditional Grant (CG) Information for all municipalities and per grant.
  - CG - Detail per province per Municipality.
  - Section 71 summary information for the first quarter:
    - a. Summary of total monthly operating expenditure – 276 municipalities;
    - b. Summary of total monthly capital expenditure – 276 municipalities;
    - c. Summary – Metros;
    - d. Conditional Grant summary – Metros;
    - e. Summary – Top 21 municipalities;
    - f. Conditional Grant summary – Top 21 municipalities;
    - g. Summary – Provinces;
    - h. Conditional Grant summary – Provinces; and
    - i. Analysis of Sources of Revenue – 276 municipalities.
  - Non Compliance:
    - a. List of Non Compliance to Section 71 of the MFMA.

## SUMMARY TABLES:

## Aggregated revenue and expenditure for municipalities

Table 1: National aggregated revenue and expenditure as at 1st quarter ended 30 September 2010

R thousands	Main appropriation			First Quarter 2010/11				Year to date: 30 September 2010				First Quarter 2009/10				Q1 of 2009/10 to Q1 of 2010/11
	Operating	Capital	Total	Operating	Capital	Total	1st Q as % of Main app	Operating	Capital	Total	Total as % of main app	Operating	Capital	Total	Total as % of main app	
<b>Expenditure</b>																
Category A (Metro)	113 471 307	19 574 886	133 046 193	26 155 198	1 959 389	28 114 588	21.1%	26 155 198	1 959 389	28 114 588	21.1%	21 881 745	4 025 243	25 906 988	21.1%	8.5%
Category B (Local)	65 907 124	15 800 858	81 707 983	13 436 259	1 651 476	15 087 734	18.5%	13 436 259	1 651 476	15 087 734	18.5%	13 464 123	2 203 421	15 667 544	21.8%	(3.7%)
Category C (District)	12 062 795	5 814 445	17 877 240	2 131 447	610 083	2 741 531	15.3%	2 131 447	610 083	2 741 531	15.3%	1 885 490	777 187	2 662 676	19.7%	3.0%
<b>Total</b>	<b>191 441 226</b>	<b>41 190 190</b>	<b>232 631 416</b>	<b>41 722 904</b>	<b>4 220 949</b>	<b>45 943 853</b>	<b>19.7%</b>	<b>41 722 904</b>	<b>4 220 949</b>	<b>45 943 853</b>	<b>19.7%</b>	<b>37 231 358</b>	<b>7 005 851</b>	<b>44 237 209</b>	<b>21.3%</b>	<b>3.9%</b>
<b>Revenue</b>																
Category A (Metro)	121 036 229	19 574 886	140 611 116	29 517 449	1 959 389	31 476 838	22.4%	29 517 449	1 959 389	31 476 838	22.4%	25 858 130	4 025 243	29 883 373	23.0%	5.3%
Category B (Local)	69 436 619	14 308 196	83 744 815	20 522 200	1 360 127	21 882 327	26.1%	20 522 200	1 360 127	21 882 327	26.1%	17 644 260	2 068 582	19 712 842	26.5%	11.0%
Category C (District)	14 062 054	5 009 589	19 071 642	4 470 646	620 655	5 091 302	26.7%	4 470 646	620 655	5 091 302	26.7%	3 949 230	838 213	4 787 442	34.6%	6.3%
<b>Total</b>	<b>204 534 902</b>	<b>38 892 671</b>	<b>243 427 572</b>	<b>54 510 295</b>	<b>3 940 172</b>	<b>58 450 467</b>	<b>24.0%</b>	<b>54 510 295</b>	<b>3 940 172</b>	<b>58 450 467</b>	<b>24.0%</b>	<b>47 451 619</b>	<b>6 932 038</b>	<b>54 383 657</b>	<b>24.9%</b>	<b>7.5%</b>

Source: National Treasury Local Government database

## Aggregate revenue trends for Metros

Table 2: Metros aggregated revenue as at 1st quarter ended 30 September 2010

R thousands	Main appropriation			First Quarter 2010/11				Year to date: 30 September 2010				First Quarter 2009/10				Q1 of 2009/10 to Q1 of 2010/11
	Operating Revenue	Capital Revenue	Total	Operating Revenue	Capital Revenue	Total	1st Q as % of Main app	Operating Revenue	Capital Revenue	Total	Total Revenue as % of main app	Operating Revenue	Capital Revenue	Total	Total Revenue as % of main app	
Cape Town	28 642 669	3 607 364	32 250 033	7 095 664	377 096	7 472 760	23.2%	7 095 664	377 096	7 472 760	23.2%	5 723 317	863 087	6 586 404	20.7%	13.5%
Ekurhuleni Metro	19 653 812	2 160 091	21 813 903	5 276 029	164 021	5 440 049	24.9%	5 276 029	164 021	5 440 049	24.9%	4 158 110	126 558	4 284 668	23.4%	27.0%
eThekweni	22 627 601	5 370 572	27 998 173	5 349 889	768 717	6 118 606	21.9%	5 349 889	768 717	6 118 606	21.9%	4 675 562	1 370 253	6 045 815	23.3%	1.2%
City Of Johannesburg	27 124 060	3 058 761	30 182 821	6 403 811	110 732	6 514 543	21.6%	6 403 811	110 732	6 514 543	21.6%	6 271 656	1 079 659	7 351 315	27.0%	(11.4%)
Nelson Mandela Bay	6 610 801	2 183 123	8 793 924	1 446 978	328 701	1 775 679	20.2%	1 446 978	328 701	1 775 679	20.2%	1 520 799	311 889	1 832 688	24.1%	(3.1%)
City Of Tshwane	16 377 287	3 194 975	19 572 262	3 945 078	210 122	4 155 201	21.2%	3 945 078	210 122	4 155 201	21.2%	3 508 686	273 797	3 782 483	19.9%	9.9%
<b>Total</b>	<b>121 036 229</b>	<b>19 574 886</b>	<b>140 611 116</b>	<b>29 517 449</b>	<b>1 959 389</b>	<b>31 476 838</b>	<b>22.4%</b>	<b>29 517 449</b>	<b>1 959 389</b>	<b>31 476 838</b>	<b>22.4%</b>	<b>25 858 130</b>	<b>4 025 243</b>	<b>29 883 373</b>	<b>23.0%</b>	<b>5.3%</b>

Source: National Treasury Local Government database

## Aggregate expenditure trends for Metros

Table 3: Metros aggregated expenditure as at 1st quarter ended 30 September 2010

R thousands	Main appropriation			First Quarter 2010/11				Year to date: 30 September 2010				First Quarter 2009/10				Q1 of 2009/10 to Q1 of 2010/11
	Operating Expenditure	Capital Expenditure	Total	Operating Expenditure	Capital Expenditure	Total	1st Q as % of Main app	Operating Expenditure	Capital Expenditure	Total	Total Exp as % of main app	Operating Expenditure	Capital Expenditure	Total	Total Exp as % of main app	
Cape Town	26 976 064	3 607 364	30 583 429	5 891 317	377 096	6 268 412	20.5%	5 891 317	377 096	6 268 412	20.5%	4 923 453	863 087	5 786 540	19.5%	8.3%
Ekurhuleni Metro	20 206 393	2 160 091	22 366 484	4 726 965	164 021	4 890 986	21.9%	4 726 965	164 021	4 890 986	21.9%	3 394 080	126 558	3 520 638	19.2%	38.9%
eThekweni	20 521 588	5 370 572	25 892 160	4 486 292	768 717	5 255 009	20.3%	4 486 292	768 717	5 255 009	20.3%	3 921 536	1 370 253	5 291 789	22.5%	(0.7%)
City Of Johannesburg	25 295 241	3 058 761	28 354 003	6 378 686	110 732	6 489 418	22.9%	6 378 686	110 732	6 489 418	22.9%	5 535 853	1 079 659	6 615 512	25.5%	(1.9%)
Nelson Mandela Bay	5 640 300	2 183 123	7 823 422	1 180 296	328 701	1 508 997	19.3%	1 180 296	328 701	1 508 997	19.3%	907 143	311 889	1 219 032	16.2%	23.8%
City Of Tshwane	14 831 720	3 194 975	18 026 695	3 491 643	210 122	3 701 765	20.5%	3 491 643	210 122	3 701 765	20.5%	3 199 680	273 797	3 473 477	19.7%	6.6%
<b>Total</b>	<b>113 471 307</b>	<b>19 574 886</b>	<b>133 046 193</b>	<b>26 155 198</b>	<b>1 959 389</b>	<b>28 114 588</b>	<b>21.1%</b>	<b>26 155 198</b>	<b>1 959 389</b>	<b>28 114 588</b>	<b>21.1%</b>	<b>21 881 745</b>	<b>4 025 243</b>	<b>25 906 988</b>	<b>21.1%</b>	<b>8.5%</b>

Source: National Treasury Local Government database

## Aggregated revenue and expenditure for Secondary cities

Table 4: 21 Secondary cities aggregated budgets and expenditure as at 1st quarter ended 30 September 2010

R thousands	Main appropriation			First Quarter 2010/11				Year to date: 30 September 2010				First Quarter 2009/10				Q1 of 2009/10 to Q1 of 2010/11
	Operating Expenditure	Capital Expenditure	Total	Operating Expenditure	Capital Expenditure	Total	1st Q as % of Main app	Operating Expenditure	Capital Expenditure	Total	Total Exp as % of main app	Operating Expenditure	Capital Expenditure	Total	Total Exp as % of main app	
Buffalo City	4 028 283	480 112	4 508 395	564 570	38 980	603 550	13.4%	564 570	38 980	603 550	13.4%	524 818	31 059	555 877	14.6%	8.6%
City Of Matlosana	1 415 859	324 146	1 740 005	304 543	28 610	333 153	19.1%	304 543	28 610	333 153	19.1%	220 187	36 067	256 254	16.5%	30.0%
Drakenstein	1 109 348	286 877	1 396 225	239 366	20 542	259 908	18.6%	239 366	20 542	259 908	18.6%	207 935	30 877	238 811	19.4%	8.8%
Emalahleni (Mp)	1 226 797	-	1 226 797	267 129	12 857	279 986	22.8%	267 129	12 857	279 986	22.8%	224 468	19 896	244 364	23.5%	14.6%
Emfuleni	3 218 045	337 148	3 555 193	559 609	37 867	597 476	16.8%	559 609	37 867	597 476	16.8%	634 513	30 948	665 461	20.5%	(10.2%)
George	1 008 525	175 181	1 183 706	153 887	37 440	191 328	16.2%	153 887	37 440	191 328	16.2%	134 060	38 812	172 871	15.2%	10.7%
Govan Mbeki	945 875	130 230	1 076 105	235 579	24 927	260 505	24.2%	235 579	24 927	260 505	24.2%	143 607	10 934	154 542	16.9%	68.6%
Madibeng	811 557	172 031	983 588	158 111	1 221	159 331	16.2%	158 111	1 221	159 331	16.2%	175 940	11 376	187 316	18.2%	(14.9%)
Mangaung	2 988 324	373 256	3 361 580	673 927	64 571	738 498	22.0%	673 927	64 571	738 498	22.0%	509 630	129 298	638 928	18.5%	15.6%
Majhabeng	1 419 343	159 604	1 578 947	272 245	31 676	303 921	19.2%	272 245	31 676	303 921	19.2%	234 957	22 249	257 206	18.4%	18.2%
Mbombela	1 103 300	700 290	1 803 591	222 205	22 939	245 145	13.6%	222 205	22 939	245 145	13.6%	255 115	240 457	495 572	21.7%	(50.5%)
Mogale City	1 257 832	214 330	1 472 162	248 984	11 030	260 014	17.7%	248 984	11 030	260 014	17.7%	202 308	10 314	212 623	14.8%	22.3%
Msunduzi	2 388 296	295 937	2 684 234	504 051	3 578	507 628	18.9%	504 051	3 578	507 628	18.9%	611 339	55 878	667 217	25.6%	(23.9%)
Newcastle	1 005 337	229 804	1 235 141	195 185	12 011	207 196	16.8%	195 185	12 011	207 196	16.8%	245 601	16 997	262 598	24.9%	(21.1%)
Polokwane	1 224 515	839 490	2 064 005	271 642	34 253	305 895	14.8%	271 642	34 253	305 895	14.8%	231 784	249 269	481 053	18.6%	(36.4%)
Rustenburg	1 943 353	387 566	2 330 919	530 486	34 707	565 193	24.2%	530 486	34 707	565 193	24.2%	627 028	27 133	654 161	33.4%	(13.6%)
Sol Plaatje	1 018 430	304 673	1 323 103	349 661	9 257	358 918	27.1%	349 661	9 257	358 918	27.1%	253 261	21 441	274 702	28.2%	30.7%
Stellenbosch	688 699	215 564	904 263	117 068	13 292	130 360	14.4%	117 068	13 292	130 360	14.4%	143 355	6 273	149 628	16.2%	(12.9%)
Steve Tshwete	821 707	288 428	1 110 135	192 395	39 418	231 813	20.9%	192 395	39 418	231 813	20.9%	141 609	7 414	149 023	15.8%	55.6%
Tlokwe	669 779	97 255	767 034	146 137	4 024	150 162	19.6%	146 137	4 024	150 162	19.6%	144 313	24 888	169 202	24.6%	(11.3%)
uMhlatuze	1 614 489	234 827	1 849 316	391 807	6 670	398 477	21.5%	391 807	6 670	398 477	21.5%	375 688	53 897	429 585	21.5%	(7.2%)
<b>Total</b>	<b>31 907 693</b>	<b>6 246 750</b>	<b>38 154 443</b>	<b>6 598 586</b>	<b>489 871</b>	<b>7 088 458</b>	<b>18.6%</b>	<b>6 598 586</b>	<b>489 871</b>	<b>7 088 458</b>	<b>18.6%</b>	<b>6 241 516</b>	<b>1 075 476</b>	<b>7 316 993</b>	<b>20.2%</b>	<b>(3.1%)</b>

Source: National Treasury Local Government database

## Operating Expenditure per functions for Metros

Table 5: Metros aggregated budgets and expenditure per function as at 1st quarter ended 30 September 2010

	Budget	First Quarter 2010/11		Year to date: 30 September 2010		First Quarter 2009/10		Q1 of 2009/10 to Q1 of 2010/11
	Main appropriation	Actual Expenditure	1st Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
<b>R thousands</b>								
<b>Water</b>								
Cape Town	3 144 235	657 302	20.9%	657 302	20.9%	545 916	18.5%	20.4%
Ekurhuleni Metro	2 703 992	608 312	22.5%	608 312	22.5%	370 268	16.2%	64.3%
eThekwini	2 851 551	464 668	16.3%	464 668	16.3%	499 668	19.5%	(7.0%)
City Of Johannesburg	2 486 363	1 088 268	43.8%	1 088 268	43.8%	943 609	24.9%	15.3%
Nelson Mandela Bay	412 895	99 433	24.1%	99 433	24.1%	28 037	7.1%	254.7%
City Of Tshwane	1 435 379	296 990	20.7%	296 990	20.7%	302 668	19.7%	(1.9%)
<b>Total</b>	<b>13 034 416</b>	<b>3 214 973</b>	<b>24.7%</b>	<b>3 214 973</b>	<b>24.7%</b>	<b>2 690 166</b>	<b>19.9%</b>	<b>19.5%</b>
<b>Electricity</b>								
Cape Town	6 574 408	1 608 167	24.5%	1 608 167	24.5%	1 259 807	23.9%	27.7%
Ekurhuleni Metro	7 467 937	2 097 372	28.1%	2 097 372	28.1%	1 349 264	24.2%	55.4%
eThekwini	6 973 878	1 861 744	26.7%	1 861 744	26.7%	1 533 696	26.8%	21.4%
City Of Johannesburg	8 319 786	2 582 093	31.0%	2 582 093	31.0%	2 080 286	31.3%	24.1%
Nelson Mandela Bay	2 155 500	466 817	21.7%	466 817	21.7%	343 749	20.8%	35.8%
City Of Tshwane	5 406 037	1 691 216	31.3%	1 691 216	31.3%	1 236 217	29.9%	36.8%
<b>Total</b>	<b>36 897 545</b>	<b>10 307 409</b>	<b>27.9%</b>	<b>10 307 409</b>	<b>27.9%</b>	<b>7 803 021</b>	<b>26.9%</b>	<b>32.1%</b>
<b>Waste water management</b>								
Cape Town	1 507 278	320 775	21.3%	320 775	21.3%	284 365	21.8%	12.8%
Ekurhuleni Metro	50 553	8 994	17.8%	8 994	17.8%	745	1.2%	1106.6%
eThekwini	1 017 513	171 231	16.8%	171 231	16.8%	171 581	19.2%	(0.2%)
City Of Johannesburg	1 657 575	-	-	-	-	-	-	-
Nelson Mandela Bay	396 364	67 445	17.0%	67 445	17.0%	55 094	14.9%	22.4%
City Of Tshwane	519 930	65 419	12.6%	65 419	12.6%	118 745	16.5%	(44.9%)
<b>Total</b>	<b>5 149 213</b>	<b>633 865</b>	<b>12.3%</b>	<b>633 865</b>	<b>12.3%</b>	<b>630 531</b>	<b>18.8%</b>	<b>0.5%</b>
<b>Waste management</b>								
Cape Town	1 897 453	379 196	20.0%	379 196	20.0%	326 313	20.5%	16.2%
Ekurhuleni Metro	852 814	150 650	17.7%	150 650	17.7%	133 164	17.8%	13.1%
eThekwini	942 635	176 822	18.8%	176 822	18.8%	146 480	17.2%	20.7%
City Of Johannesburg	1 101 171	253 307	23.0%	253 307	23.0%	283 740	23.4%	(10.7%)
Nelson Mandela Bay	261 138	55 532	21.3%	55 532	21.3%	41 606	17.6%	33.5%
City Of Tshwane	622 083	68 570	11.0%	68 570	11.0%	-	-	-
<b>Total</b>	<b>5 677 294</b>	<b>1 084 076</b>	<b>19.1%</b>	<b>1 084 076</b>	<b>19.1%</b>	<b>931 303</b>	<b>20.1%</b>	<b>16.4%</b>

Source: National Treasury Local Government database

## Expenditure per functions for secondary cities

Table 6a: 21 Secondary cities aggregated budgets and expenditure per function as at 1st quarter ended 30 September 2010

	Budget	First Quarter 2010/11		Year to date: 30 September 2010		First Quarter 2009/10		Q1 of 2009/10 to Q1 of 2010/11
	Main appro- piation	Actual Expenditure	1st Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
<b>R thousands</b>								
<b>Water</b>								
Buffalo City	466 848	50 466	10.8%	50 466	10.8%	53 002	21.4%	(4.8%)
City Of Matlosana	151 282	36 396	24.1%	36 396	24.1%	21 407	30.7%	70.0%
Drakenstein	57 477	9 702	16.9%	9 702	16.9%	4 394	8.3%	120.8%
Emalaheni (Mp)	122 944	25 989	21.1%	25 989	21.1%	18 263	16.1%	42.3%
Emfuleni	321 332	68 202	21.2%	68 202	21.2%	81 941	18.7%	(16.8%)
George	118 884	13 822	11.6%	13 822	11.6%	12 601	13.9%	9.7%
Govan Mbeki	123 399	23 132	18.7%	23 132	18.7%	21 409	15.7%	8.0%
Madibeng	101 813	3 970	3.9%	3 970	3.9%	6 772	8.7%	(41.4%)
Mangaung	344 812	91 732	26.6%	91 732	26.6%	52 880	16.7%	73.5%
Matjhabeng	203 350	39 078	19.2%	39 078	19.2%	48 865	28.7%	(20.0%)
Mbombela	-	-	-	-	-	15 740	16.4%	(100.0%)
Mogale City	151 615	26 765	17.7%	26 765	17.7%	19 149	10.1%	39.8%
Msunduzi	278 620	63 486	22.8%	63 486	22.8%	59 780	22.7%	6.2%
Newcastle	194 929	47 163	24.2%	47 163	24.2%	41 482	20.2%	13.7%
Polokwane	183 614	37 193	20.3%	37 193	20.3%	33 487	18.6%	11.1%
Rustenburg	310 334	70 589	22.7%	70 589	22.7%	81 642	33.6%	(13.5%)
Sol Plaatje	102 858	(9 195)	(8.9%)	(9 195)	(8.9%)	23 907	25.3%	(138.5%)
Stellenbosch	61 172	3 955	6.5%	3 955	6.5%	6 273	13.3%	(36.9%)
Steve Tshwete	50 806	10 407	20.5%	10 407	20.5%	6 100	20.5%	70.6%
Tlokwe	39 634	6 545	16.5%	6 545	16.5%	5 427	15.7%	20.6%
uMhlathuze	242 870	61 018	25.1%	61 018	25.1%	37 500	23.4%	62.7%
<b>Total</b>	<b>3 628 594</b>	<b>680 414</b>	<b>18.8%</b>	<b>680 414</b>	<b>18.8%</b>	<b>652 019</b>	<b>20.0%</b>	<b>4.4%</b>

Source: National Treasury Local Government database

Table 6b: 21 Secondary cities aggregated budgets and expenditure per function as at 1st quarter ended 30 September 2010

	Budget	First Quarter 2010/11		Year to date: 30 September 2010		First Quarter 2009/10		Q1 of 2009/10 to Q1 of 2010/11
	Main appro- priation	Actual Expenditure	1st Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
<b>R thousands</b>								
<b>Electricity</b>								
Buffalo City	1 194 657	231 745	19.4%	231 745	19.4%	213 840	28.7%	8.4%
City Of Matlosana	350 326	121 379	34.6%	121 379	34.6%	67 199	22.3%	80.6%
Drakenstein	424 691	102 829	24.2%	102 829	24.2%	123 283	34.2%	(16.6%)
Emalahleni (Mp)	552 008	149 429	27.1%	149 429	27.1%	112 510	28.4%	32.8%
Emfuleni	965 208	247 060	25.6%	247 060	25.6%	310 944	39.6%	(20.5%)
George	294 366	57 025	19.4%	57 025	19.4%	47 293	19.5%	20.6%
Govan Mbeki	280 997	154 751	55.1%	154 751	55.1%	61 027	25.7%	153.6%
Madibeng	246 708	78 198	31.7%	78 198	31.7%	41 864	23.9%	86.8%
Mangaung	1 189 288	277 737	23.4%	277 737	23.4%	215 580	20.6%	28.8%
Matjhabeng	236 260	89 415	37.8%	89 415	37.8%	69 844	33.3%	28.0%
Mbombela	425 702	108 210	25.4%	108 210	25.4%	8 694	15.6%	1144.6%
Mogale City	391 409	82 391	21.0%	82 391	21.0%	72 716	22.8%	13.3%
Msunduzi	911 514	259 491	28.5%	259 491	28.5%	244 121	26.0%	6.3%
Newcastle	342 033	44 296	13.0%	44 296	13.0%	72 359	28.7%	(38.8%)
Polokwane	412 663	118 400	28.7%	118 400	28.7%	92 926	27.2%	27.4%
Rustenburg	901 483	288 556	32.0%	288 556	32.0%	390 025	57.6%	(26.0%)
Sol Plaatje	318 917	29 241	9.2%	29 241	9.2%	85 503	33.6%	(65.8%)
Stellenbosch	238 412	47 444	19.9%	47 444	19.9%	49 559	31.0%	(4.3%)
Steve Tshwete	295 176	68 973	23.4%	68 973	23.4%	59 980	30.4%	15.0%
Tlokwe	251 650	61 055	24.3%	61 055	24.3%	61 974	31.5%	(1.5%)
uMhlathuze	845 688	207 574	24.5%	207 574	24.5%	181 556	34.1%	14.3%
<b>Total</b>	<b>11 069 156</b>	<b>2 825 197</b>	<b>25.5%</b>	<b>2 825 197</b>	<b>25.5%</b>	<b>2 582 797</b>	<b>30.7%</b>	<b>9.4%</b>

Source: National Treasury Local Government database

Table 6c: 21 Secondary cities aggregated budgets and expenditure per function as at 1st quarter ended 30 September 2010

	Budget	First Quarter 2010/11		Year to date: 30 September 2010		First Quarter 2009/10		Q1 of 2009/10 to Q1 of 2010/11
	Main appropriation	Actual Expenditure	1st Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
R thousands								
<b>Waste water management</b>								
Buffalo City	465 844	40 025	8.6%	40 025	8.6%	36 767	14.8%	8.9%
City Of Matlosana	98 218	(23 970)	(24.4%)	(23 970)	(24.4%)	12 984	6.2%	(284.6%)
Drakenstein	50 931	11 149	21.9%	11 149	21.9%	3 966	8.3%	181.1%
Emalahleni (Mp)	40 059	6 883	17.2%	6 883	17.2%	9 483	28.3%	(27.4%)
Emfuleni	254 961	17 944	7.0%	17 944	7.0%	17 399	7.1%	3.1%
George	137 079	14 517	10.6%	14 517	10.6%	15 391	14.3%	(5.7%)
Govan Mbeki	55 250	8 303	15.0%	8 303	15.0%	7 871	14.2%	5.5%
Madibeng	15 695	8 741	55.7%	8 741	55.7%	1 991	13.7%	339.1%
Mangaung	117 094	24 108	20.6%	24 108	20.6%	16 443	15.9%	46.6%
Matjhabeng	59 876	5 676	9.5%	5 676	9.5%	542	-	947.1%
Mbombela	47 852	8 173	17.1%	8 173	17.1%	14 772	70.8%	(44.7%)
Mogale City	61 464	9 934	16.2%	9 934	16.2%	6 343	10.3%	56.6%
Msunduzi	17 515	1 486	8.5%	1 486	8.5%	1 406	6.7%	5.7%
Newcastle	53 367	7 279	13.6%	7 279	13.6%	10 351	21.1%	(29.7%)
Polokwane	45 730	4 709	10.3%	4 709	10.3%	4 309	17.3%	9.3%
Rustenburg	84 760	13 523	16.0%	13 523	16.0%	9 823	15.8%	37.7%
Sol Plaatje	34 802	2 064	5.9%	2 064	5.9%	7 462	23.4%	(72.3%)
Stellenbosch	56 574	5 196	9.2%	5 196	9.2%	6 550	15.5%	(20.7%)
Steve Tshwete	46 477	10 977	23.6%	10 977	23.6%	6 003	23.3%	82.9%
Tlokwe	23 700	5 363	22.6%	5 363	22.6%	5 873	22.9%	(8.7%)
uMhlathuze	70 957	22 858	32.2%	22 858	32.2%	17 885	21.3%	27.8%
<b>Total</b>	<b>1 838 205</b>	<b>204 940</b>	<b>11.1%</b>	<b>204 940</b>	<b>11.1%</b>	<b>213 612</b>	<b>14.1%</b>	<b>(4.1%)</b>

Source: National Treasury Local Government database

Table 6d: 21 Secondary cities aggregated budgets and expenditure per function as at 1st quarter ended 30 September 2010

	Budget	First Quarter 2010/11		Year to date: 30 September 2010		First Quarter 2009/10		Q1 of 2009/10 to Q1 of 2010/11
	Main appropriation	Actual Expenditure	1st Q as % of Main app	Actual Expenditure	Total Exp as % of main app	Actual Expenditure	Total Exp as % of main app	
<b>R thousands</b>								
<b>Waste management</b>								
Buffalo City	212 816	23 739	11.2%	23 739	11.2%	23 408	12.6%	1.4%
City Of Matlosana	40 446	8 959	22.2%	8 959	22.2%	7 766	8.6%	15.4%
Drakenstein	40 876	8 454	20.7%	8 454	20.7%	4 717	12.5%	79.2%
Emalahleni (Mp)	49 158	10 982	22.3%	10 982	22.3%	10 131	23.8%	8.4%
Emfuleni	183 716	20 786	11.3%	20 786	11.3%	18 488	10.4%	12.4%
George	37 471	6 502	17.4%	6 502	17.4%	5 904	15.1%	10.1%
Govan Mbeki	43 328	7 096	16.4%	7 096	16.4%	6 848	16.6%	3.6%
Madibeng	24 962	-	-	-	-	7 426	22.2%	(100.0%)
Mangaung	85 477	17 833	20.9%	17 833	20.9%	17 575	23.2%	1.5%
Matjhabeng	-	-	-	-	-	-	-	-
Mbombela	85 750	17 306	20.2%	17 306	20.2%	29 435	52.3%	(41.2%)
Mogale City	86 818	11 648	13.4%	11 648	13.4%	8 205	12.0%	42.0%
Msunduzi	212 925	31 082	14.6%	31 082	14.6%	38 472	19.6%	(19.2%)
Newcastle	82 138	15 619	19.0%	15 619	19.0%	11 979	16.2%	30.4%
Polokwane	60 013	10 676	17.8%	10 676	17.8%	6 580	12.8%	62.2%
Rustenburg	79 961	20 647	25.8%	20 647	25.8%	16 779	22.2%	23.0%
Sol Plaatje	33 756	5 229	15.5%	5 229	15.5%	6 458	20.6%	(19.0%)
Stellenbosch	34 101	4 809	14.1%	4 809	14.1%	4 535	17.4%	6.0%
Steve Tshwete	46 138	10 875	23.6%	10 875	23.6%	6 106	21.4%	78.1%
Tlokwe	48 719	7 927	16.3%	7 927	16.3%	5 855	18.2%	35.4%
uMhlatuze	59 222	13 997	23.6%	13 997	23.6%	11 006	27.2%	27.2%
<b>Total</b>	<b>1 547 792</b>	<b>254 164</b>	<b>16.4%</b>	<b>254 164</b>	<b>16.4%</b>	<b>247 672</b>	<b>17.6%</b>	<b>2.6%</b>

Source: National Treasury Local Government database

## Aggregated Municipal Debtors Age Analysis

Table 7a: Debtors Age Analysis as at 1st quarter ended 30 September 2010

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Written Off	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Debtor Age Analysis By Income Source</b>												
Water	2 252 379	12.8%	783 026	4.5%	612 983	3.5%	13 936 876	79.3%	17 585 264	27.4%	73 967	.4%
Electricity	5 282 479	49.7%	831 072	7.8%	364 694	3.4%	4 155 328	39.1%	10 633 573	16.6%	5 851	.1%
Property Rates	3 158 467	19.3%	770 568	4.7%	901 568	5.5%	11 540 301	70.5%	16 370 905	25.6%	107 308	.7%
Sanitation	535 384	12.9%	194 090	4.7%	137 486	3.3%	3 291 474	79.2%	4 158 434	6.5%	26 199	.6%
Refuse Removal	425 815	10.2%	166 785	4.0%	149 563	3.6%	3 426 661	82.2%	4 168 825	6.5%	30 713	.7%
Other	193 454	1.7%	342 721	3.1%	323 470	2.9%	10 291 640	92.3%	11 151 286	17.4%	27 563	.2%
<b>Total By Income Source</b>	<b>11 847 979</b>	<b>18.5%</b>	<b>3 088 264</b>	<b>4.8%</b>	<b>2 489 764</b>	<b>3.9%</b>	<b>46 642 280</b>	<b>72.8%</b>	<b>64 068 287</b>	<b>100.0%</b>	<b>271 601</b>	<b>.4%</b>
<b>Debtor Age Analysis By Customer Group</b>												
Government	474 676	14.0%	412 381	12.1%	386 251	11.4%	2 125 889	62.5%	3 399 198	5.5%	56 788	1.7%
Business	5 254 275	37.9%	695 590	5.0%	359 322	2.6%	7 546 551	54.5%	13 855 738	22.2%	19 250	.1%
Households	5 429 529	14.4%	1 592 560	4.2%	1 229 163	3.3%	29 473 850	78.1%	37 725 103	60.6%	296 205	.8%
Other	535 972	7.3%	302 322	4.1%	466 686	6.4%	6 003 753	82.1%	7 308 734	11.7%	11 694	.2%
<b>Total By Customer Group</b>	<b>11 694 453</b>	<b>18.8%</b>	<b>3 002 853</b>	<b>4.8%</b>	<b>2 441 423</b>	<b>3.9%</b>	<b>45 150 044</b>	<b>72.5%</b>	<b>62 288 773</b>	<b>100.0%</b>	<b>383 937</b>	<b>.6%</b>

Source: National Treasury Local Government Database

In the above table, it is evident that the total outstanding debt does not reconcile with the information submitted per customer group. These reporting discrepancies are noted but will be resolved with the municipalities in future reports.

## Debtors' Age Analysis for the Metros

Table 7b: Metros Debtors Age Analysis as at 1st quarter ended 30 September 2010

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>1st quarter ended 30 September 2010</b>										
Nelson Mandela Bay	966 552	49.7%	133 669	6.9%	27 171	1.4%	818 172	42.1%	1 945 564	5.5%
Ekurhuleni Metro	1 252 075	14.5%	493 446	5.7%	273 642	3.2%	6 641 882	76.7%	8 661 045	24.4%
City Of Johannesburg	2 841 270	26.9%	385 445	3.6%	226 391	2.1%	7 116 192	67.3%	10 569 298	29.8%
City Of Tshwane	933 873	25.2%	97 987	2.6%	74 467	2.0%	2 599 969	70.2%	3 706 295	10.5%
eThekwini	1 154 736	22.0%	271 834	5.2%	337 641	6.4%	3 485 536	66.4%	5 249 747	14.8%
Cape Town	1 024 374	19.3%	285 301	5.4%	162 425	3.1%	3 827 945	72.2%	5 300 046	15.0%
<b>Total</b>	<b>8 172 880</b>	<b>23.1%</b>	<b>1 667 681</b>	<b>4.7%</b>	<b>1 101 737</b>	<b>3.1%</b>	<b>24 489 696</b>	<b>69.1%</b>	<b>35 431 995</b>	<b>16.7%</b>
<b>1st quarter ended 30 September 2009</b>										
Nelson Mandela Bay	789 906	47.3%	106 683	6.4%	27 300	1.6%	746 087	44.7%	1 669 977	5.3%
Ekurhuleni Metro	1 076 185	14.3%	400 539	5.3%	241 947	3.2%	5 809 116	77.2%	7 527 788	23.9%
City Of Johannesburg	972 221	11.4%	967 835	11.3%	389 071	4.5%	6 228 266	72.8%	8 557 394	27.1%
City Of Tshwane	950 290	25.6%	101 992	2.8%	112 252	3.0%	2 543 466	68.6%	3 708 001	11.8%
eThekwini	1 006 285	18.9%	222 869	4.2%	126 540	2.4%	3 964 158	74.5%	5 319 853	16.9%
Cape Town	982 263	20.7%	229 123	4.8%	178 365	3.8%	3 351 689	70.7%	4 741 439	15.0%
<b>Total</b>	<b>5 777 150</b>	<b>18.3%</b>	<b>2 029 042</b>	<b>6.4%</b>	<b>1 075 477</b>	<b>3.4%</b>	<b>22 642 783</b>	<b>71.8%</b>	<b>31 524 451</b>	<b>16.7%</b>
<b>Movement between 30 September 2009 and 30 September 2010</b>										
Nelson Mandela Bay	176 646		26 986		(129)		72 085		275 587	
Ekurhuleni Metro	175 890		92 907		31 694		832 766		1 133 258	
City Of Johannesburg	1 869 049		(582 391)		(162 680)		887 926		2 011 904	
City Of Tshwane	(16 418)		(4 006)		(37 786)		56 503		(1 706)	
eThekwini	148 451		48 965		211 101		(478 622)		(70 106)	
Cape Town	42 112		56 178		(15 940)		476 257		558 607	
<b>Total</b>	<b>2 395 730</b>		<b>(361 361)</b>		<b>26 260</b>		<b>1 846 913</b>		<b>3 907 543</b>	
<b>Growth rate Q1 of 2009/10 to Q1 of 2010/11</b>										
Nelson Mandela Bay	22.4%		25.3%		(0.5%)		9.7%		16.5%	
Ekurhuleni Metro	16.3%		23.2%		13.1%		14.3%		15.1%	
City Of Johannesburg	192.2%		(60.2%)		(41.8%)		14.3%		23.5%	
City Of Tshwane	(1.7%)		(3.9%)		(33.7%)		2.2%		(0.0%)	
eThekwini	14.8%		22.0%		166.8%		(12.1%)		(1.3%)	
Cape Town	4.3%		24.5%		(8.9%)		14.2%		11.8%	
<b>Total</b>	<b>41.5%</b>		<b>-17.8%</b>		<b>2.4%</b>		<b>8.2%</b>		<b>12.4%</b>	

Source: National Treasury Local Government Database

Table 7c: Metros Debtors Age Analysis by Customer Group as at 1st quarter ended 30 September 2010

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Written Off	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Debtor Age Analysis By Customer Group</b>												
Government	118 144	9.0%	277 649	21.1%	185 340	14.1%	736 193	55.9%	1 317 327	3.7%	1 055	.1%
Business	4 184 175	40.6%	449 034	4.4%	192 076	1.9%	5 468 856	53.1%	10 294 140	29.1%	1 884	-
Households	3 820 555	17.2%	885 952	4.0%	673 798	3.0%	16 842 983	75.8%	22 223 287	62.7%	2 612	-
Other	50 007	3.1%	55 046	3.4%	50 523	3.2%	1 441 665	90.3%	1 597 240	4.5%	(7 992)	(.5%)
<b>Total By Customer Group</b>	<b>8 172 880</b>	<b>23.1%</b>	<b>1 667 681</b>	<b>4.7%</b>	<b>1 101 737</b>	<b>3.1%</b>	<b>24 489 696</b>	<b>69.1%</b>	<b>35 431 995</b>	<b>100.0%</b>	<b>(2 441)</b>	<b>-</b>

Source: National Treasury Local Government Database

## Debtors' Age Analysis for secondary cities

Table 8a: 21 Secondary cities Debtors Age Analysis as at 1st quarter ended 30 September 2010

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Buffalo City	146 880	20.1%	52 436	7.2%	26 736	3.7%	504 247	69.0%	730 298	5.7%
City Of Matlosana	71 428	7.4%	26 268	2.7%	32 436	3.4%	834 736	86.5%	964 868	7.5%
Drakenstein	75 464	28.2%	9 872	3.7%	7 413	2.8%	174 450	65.3%	267 199	2.1%
Emalahleni (Mp)	76 615	13.7%	31 861	5.7%	19 115	3.4%	432 705	77.2%	560 297	4.4%
Emfuleni	178 405	9.0%	71 156	3.6%	68 142	3.4%	1 661 222	83.9%	1 978 925	15.4%
George	54 714	47.9%	4 112	3.6%	2 669	2.3%	52 670	46.1%	114 165	0.9%
Govan Mbeki	29 270	6.5%	16 363	3.6%	21 305	4.7%	384 895	85.2%	451 832	3.5%
Madibeng	47 005	9.3%	28 258	5.6%	20 626	4.1%	411 800	81.1%	507 688	4.0%
Mangaung	211 045	16.8%	69 936	5.6%	45 470	3.6%	927 173	74.0%	1 253 624	9.8%
Matjhabeng	87 380	9.6%	50 743	5.6%	38 504	4.2%	730 701	80.5%	907 329	7.1%
Mbombela	59 249	16.4%	2 453	0.7%	22 344	6.2%	276 982	76.7%	361 028	2.8%
Mogale City	180 118	23.7%	14 854	2.0%	12 909	1.7%	550 532	72.6%	758 413	5.9%
Msunduzi	292 544	39.1%	33 593	4.5%	21 860	2.9%	400 394	53.5%	748 391	5.8%
Newcastle	64 672	11.2%	20 989	3.6%	12 569	2.2%	479 897	83.0%	578 127	4.5%
Polokwane	69 150	27.1%	13 446	5.3%	9 386	3.7%	163 507	64.0%	255 488	2.0%
Rustenburg	119 160	8.9%	58 610	4.4%	35 011	2.6%	1 130 790	84.2%	1 343 571	10.5%
Sol Plaatje	95 280	16.6%	27 119	4.7%	58 320	10.1%	394 145	68.6%	574 864	4.5%
Stellenbosch	29 559	18.4%	5 918	3.7%	44 699	27.8%	80 815	50.2%	160 992	1.3%
Steve Tshwete	5 793	19.5%	2 660	9.0%	1 296	4.4%	19 950	67.2%	29 699	0.2%
Tlokwe	52 511	30.2%	6 057	3.5%	4 307	2.5%	110 854	63.8%	173 729	1.4%
uMhlathuze	70 993	59.1%	8 590	7.2%	10 242	8.5%	30 264	25.2%	120 089	0.9%
<b>Total</b>	<b>2 017 234</b>	<b>15.7%</b>	<b>555 295</b>	<b>4.3%</b>	<b>515 360</b>	<b>4.0%</b>	<b>9 752 729</b>	<b>76.0%</b>	<b>12 840 618</b>	<b>4.8%</b>

Source: National Treasury Local Government Database

Table 8b: 21 Secondary cities Debtors Age Analysis by Customer Group as at 1st quarter ended 30 September 2010

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total		Written Off	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Debtor Age Analysis By Income Source</b>												
Water	365 158	11.4%	145 452	4.5%	109 106	3.4%	2 590 905	80.7%	3 210 621	25.0%	-	-
Electricity	913 984	48.7%	138 163	7.4%	77 885	4.1%	748 375	39.8%	1 878 407	14.6%	-	-
Property Rates	370 644	14.1%	100 789	3.8%	178 179	6.8%	1 979 136	75.3%	2 628 749	20.5%	-	-
Sanitation	127 787	10.5%	53 649	4.4%	41 597	3.4%	993 781	81.7%	1 216 814	9.5%	-	-
Refuse Removal	82 107	9.0%	35 825	3.9%	30 650	3.4%	763 039	83.7%	911 622	7.1%	-	-
Other	157 554	5.3%	81 418	2.7%	77 942	2.6%	2 677 492	89.4%	2 994 406	23.3%	-	-
<b>Total By Income Source</b>	<b>2 017 234</b>	<b>15.7%</b>	<b>555 295</b>	<b>4.3%</b>	<b>515 360</b>	<b>4.0%</b>	<b>9 752 729</b>	<b>76.0%</b>	<b>12 840 618</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
<b>Debtor Age Analysis By Customer Group</b>												
Government	157 120	25.4%	33 628	5.4%	73 111	11.8%	354 394	57.3%	618 253	5.4%	-	-
Business	747 423	35.1%	115 266	5.4%	87 627	4.1%	1 179 625	55.4%	2 129 942	18.5%	-	-
Households	882 207	11.4%	315 852	4.1%	282 827	3.7%	6 254 839	80.9%	7 735 725	67.3%	-	-
Other	111 324	11.0%	31 939	3.2%	36 784	3.6%	833 081	82.2%	1 013 128	8.8%	-	-
<b>Total By Customer Group</b>	<b>1 898 074</b>	<b>16.5%</b>	<b>496 685</b>	<b>4.3%</b>	<b>480 349</b>	<b>4.2%</b>	<b>8 621 939</b>	<b>75.0%</b>	<b>11 497 047</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>

Source: National Treasury Local Government Database

## Aggregated Municipal Creditors Age Analysis

Table 9: Creditor Age Analysis as at 30 September 2010

R thousands	0 - 30 Days		30 - 60 Days		60 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Eastern Cape	790 572	83.8%	15 449	1.6%	5 788	.6%	131 870	14.0%	943 679	13.1%
Free State	330 950	34.1%	230 891	23.8%	155 606	16.1%	251 997	26.0%	969 444	5.5%
Gauteng	4 669 079	97.5%	33 857	.7%	6 641	.1%	81 248	1.7%	4 790 826	37.9%
KwaZulu-Natal	1 590 286	97.4%	11 540	.7%	5 428	.3%	24 903	1.5%	1 632 157	29.9%
Limpopo	143 937	51.3%	26 017	9.3%	13 888	4.9%	96 729	34.5%	280 571	2.2%
Mpumalanga	441 675	56.0%	78 524	10.0%	22 590	2.9%	245 761	31.2%	788 549	2.0%
Northern Cape	86 841	50.2%	6 831	3.9%	2 717	1.6%	76 562	44.3%	172 950	.9%
North West	205 223	41.0%	27 599	5.5%	37 960	7.6%	229 361	45.9%	500 143	2.2%
Western Cape	253 686	94.6%	11 142	4.2%	2 511	.9%	704	.3%	268 042	6.2%
<b>Total</b>	<b>8 512 249</b>	<b>82.3%</b>	<b>441 850</b>	<b>4.3%</b>	<b>253 128</b>	<b>2.4%</b>	<b>1 139 133</b>	<b>11.0%</b>	<b>10 346 360</b>	<b>100.0%</b>

Source: National Treasury Local Government Database

# Conditional grants transfers, payments and expenditure as at 30 September 2010

## CONDITIONAL GRANTS TRANSFERRED FROM NATIONAL DEPARTMENTS AND ACTUAL PAYMENTS MADE BY MUNICIPALITIES: PRELIMINARY RESULTS

1ST QUARTER ENDED 30 SEPTEMBER 2010

### SUMMARY PER PROVINCE

National departments and their conditional grants	Division of Revenue Act, No. 1 of 2010	Adjustment (Mid year)	Other adjustments	Total available 2010/11	Year to date		First Quarter		Year to date expenditure		% changes for the First Quarter	
					Approved payment schedule	Transferred to municipalities for direct grants and/or expenditure by the national departments for indirect grants	Actual expenditure as reported by national department as at 30 September 2010 <sup>3</sup>	Actual expenditure by municipalities as at 30 September 2010 <sup>3</sup>	Actual expenditure to date as reported by national department	Actual expenditure to date by municipalities	Exp as % of Allocation as reported by national department	Exp as % of Allocation as reported by municipalities
<b>R Thousand</b>												
<b>National Treasury (Vote 8)</b>	<b>1 519 589</b>			<b>1 519 589</b>	<b>1 519 587</b>	<b>614 592</b>	<b>184 343</b>	<b>148 835</b>	<b>184 343</b>	<b>148 835</b>	<b>12.1%</b>	<b>9.8%</b>
Local Government Restructuring Grant				364 589	364 589	364 789	61 043	91 231	61 043	91 231	16.7%	25.0%
Local Government Financial Management Grant	364 589			1 030 000	1 029 998	227 275	123 300	57 604	123 300	57 604	12.0%	5.6%
Neighbourhood Development Partnership (Schedule 6)	125 000			212 000	212 000	22 528					-	-
Neighbourhood Development Partnership (Schedule 7)	212 000			212 000	212 000	210 450	8 320	36 113	8 320	36 113	3.9%	17.0%
<b>Provincial and Local Government (Vote 5)</b>	<b>212 000</b>			<b>212 000</b>	<b>212 000</b>	<b>210 450</b>	<b>8 320</b>	<b>36 113</b>	<b>8 320</b>	<b>36 113</b>	<b>3.9%</b>	<b>17.0%</b>
Municipal Systems Improvement Grant	212 000											
Disaster Relief Funds												
Internally Displaced People Management Grant												
<b>Transport (Vote 33)</b>	<b>3 709 862</b>			<b>3 709 862</b>				<b>287 345</b>		<b>287 345</b>		<b>7.7%</b>
Public Transport Infrastructure and Systems Grant	3 699 462							284 082		284 082		7.7%
Rural Transport Grant	10 400							3 263		3 263		31.4%
<b>Public Works</b>	<b>732 676</b>			<b>732 676</b>								
Expanded Public Works Programme Incentive Grant (Municipality)	732 676											
<b>Minerals and Energy (Vote 30)</b>	<b>3 106 784</b>			<b>3 106 784</b>	<b>2 771 886</b>	<b>758 418</b>	<b>110 274</b>	<b>149 915</b>	<b>110 274</b>	<b>149 915</b>	<b>3.5%</b>	<b>4.8%</b>
Integratred National Electrification Programme (Municipal) Grant	1 020 104			1 020 104	1 020 105	247 824	110 274	130 094	110 274	130 094	10.8%	12.8%
National Electrification Programme (Allocation in-kind) Grant	1 751 780			1 751 780	1 751 781	510 594						
Backlogs in the Electrification of Clinics and Schools (Allocation in-kind)												
Electricity Demand Side Management (municipal) Grant	226 000			226 000				19 821		19 821		
Electricity Demand Side Management (Eskom) Grant	108 900			108 900								
<b>Water Affairs and Forestry (Vote 34)</b>	<b>1 869 039</b>			<b>1 869 039</b>	<b>1 869 039</b>	<b>649 264</b>	<b>374 508</b>	<b>166 698</b>	<b>374 508</b>	<b>166 698</b>	<b>20.0%</b>	<b>8.9%</b>
Backlogs in Water and Sanitation at Clinics and Schools Grant												
Implementation of Water Services Projects												
Regional Bulk Infrastructure Grant	833 000			833 000	833 000	275 230						
Water Services Operating and Transfer Subsidy Grant (Schedule 6)	661 704			661 704	661 704	264 756	275 113	157 151	275 113	157 151	41.6%	23.7%
Water Services Operating and Transfer Subsidy Grant (Schedule 7)	145 978			145 978	145 978	85 947						
Municipal Drought Relief Grant	228 357			228 357	228 357	23 331	99 395	9 547	99 395	9 547	43.5%	4.2%
<b>Sport and Recreation South Africa (Vote 19)</b>	<b>512 566</b>			<b>512 566</b>	<b>512 566</b>	<b>495 984</b>	<b>1 144 101</b>	<b>198 013</b>	<b>1 144 101</b>	<b>198 013</b>	<b>223.2%</b>	<b>38.6%</b>
2010 FIFA World Cup Host City Operating Grant	210 280			210 280	210 280	193 698	683 463	173 386	683 463	173 386	325.0%	82.5%
2010 FIFA World Cup Stadiums Development Grant	302 286			302 286	302 286	302 286	460 638	24 627	460 638	24 627	152.4%	8.1%
<b>Sub-Total</b>	<b>11 662 516</b>			<b>11 662 516</b>	<b>6 885 078</b>	<b>2 728 708</b>	<b>1 821 546</b>	<b>986 918</b>	<b>1 821 546</b>	<b>986 918</b>	<b>15.6%</b>	<b>8.5%</b>
<b>Provincial and Local Government (Vote 5)</b>	<b>12 528 884</b>			<b>12 528 884</b>	<b>9 924 805</b>	<b>4 164 893</b>	<b>2 720 222</b>	<b>1 649 197</b>	<b>2 720 222</b>	<b>1 649 197</b>	<b>21.7%</b>	<b>13.2%</b>
Municipal Infrastructure Grant	12 528 884			12 528 884	9 924 805	4 164 893	2 720 222	1 649 197	2 720 222	1 649 197	21.7%	13.2%
<b>Sub-Total</b>	<b>12 528 884</b>			<b>12 528 884</b>	<b>9 924 805</b>	<b>4 164 893</b>	<b>2 720 222</b>	<b>1 649 197</b>	<b>2 720 222</b>	<b>1 649 197</b>	<b>21.7%</b>	<b>13.2%</b>
Regional Bulk Infrastructure Grant	60 000			60 000	60 000	6 821						
<b>Total allocations in terms of the Division of Revenue Act (Part A)</b>	<b>24 251 400</b>			<b>24 251 400</b>	<b>16 869 883</b>	<b>6 900 422</b>	<b>4 541 768</b>	<b>2 636 115</b>	<b>4 541 768</b>	<b>2 636 115</b>	<b>18.7%</b>	<b>10.9%</b>

1. Unallocated funds e.g DBSA, ESKOM, and Neighbourhood Development Grant.
2. Spending of these grants is done at National department level and therefore no reporting is required from municipalities.
3. Sources: DoRA Monthly reports by the national transferring officer and Municipal sign-offs and electronic verification.
4. All the figures are unaudited.
5. In future provincial Treasuries will be required to provide the National Treasury with a payment schedule in the same format as the provincial payment schedule that correspond with the amount in Budget Statement 1 and 2.
6. Schedule 4 grants specify allocations to municipalities that supplement funding of programmes or functions funded from municipal budgets.
7. Schedule 8 grants specify incentives to municipalities to meet targets with regards to priority government programmes.