

DC13 Chris Hani - Supporting Table SC1 Material variance explanations - Mid-Year Assessment

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	<b>Revenue By Source</b>			
	Service charges - water revenue	-86%	The Municipality is still behind with billing, Lukhanji and Inkwanca are at November, Sakhisizwe, Engcobo and Intsika Yethu are done up to October, Tsolwana up to September, Emalahleni up to July and Inxuba Yethemba is not yet closed for July.	The District Municipality is working hard at ensuring that all billing is up to date
	Service charges - sanitation revenue	-88%	The Municipality is still behind with billing, Lukhanji and Inkwanca are at November, Sakhisizwe, Engcobo and Intsika Yethu are done up to October, Tsolwana up to September, Emalahleni up to July and Inxuba Yethemba is not yet closed for July.	The District Municipality is working hard at ensuring that all billing is up to date
	Other Revenue	13175%		N/A
2	<b>Expenditure By Type</b>			
	Employee related costs	-20%	There are still unfilled budgeted posts	N/A
	Depreciation & asset impairment	-100%	No monthly depreciation calculation performed	Asset module to be activated as soon as possible, so that monthly AR reconciliations be done
	Contracted services	-28%	Mostly utilised from the third quarter onwards due to year end activities.	N/A
	Transfers and grants	-85%	The municipality has taken over the service	N/A
	Other expenditure	-40%	General expenditure is mainly affected by the current slow spending on operating conditional grants projects.	N/A
3	<b>Capital Expenditure</b>			
	Total Capital Multi-year expenditure	11%	Spending is picking up in the second quarter	N/A
	Total Capital single-year expenditure	11%	There is slow spending on Asset Financing reserve	N/A
4	<b>Financial Position</b>			
5	<b>Cash Flow</b>			
6	<b>Measureable performance</b>			
7	<b>Municipal Entities</b>			