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Quarterly financial statistics of selected municipalities

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1. This release provides an analysis of revisions. If you have any questions or comments, please send these to Malibongwe Mhemhe, malibongwem@statssa.gov.za.

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Contents

Key findings	1
Table A – Purchases and sales of water and electricity.....	1
Figure 1 – Purchases and sales of water and electricity, R million	1
Table 1 – Combined consolidated statement of financial performance of municipalities for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Expenditure	2
Table 2 – Combined consolidated statement of financial performance of municipalities for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Revenue	3
Table 3 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Expenditure	4
Table 4 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Revenue	5
Table 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Expenditure	6
Table 6 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Revenue	7
Table 7 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities: Expenditure – South Africa	8
Table 8 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities: Revenue – South Africa	9
Table 9 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities for rates and general services: Expenditure	10
Table 10 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities for rates and general services: Revenue	11
Table 11 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities for housing and trading services: Expenditure	12
Table 12 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities for housing and trading services: Revenue.....	13
Table 13 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities: Expenditure – South Africa	14
Table 14 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities: Revenue – South Africa	15
Table 15 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities for rates and general services: Expenditure	16
Table 16 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities for rates and general services: Revenue	17
Table 17 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities for housing and trading services: Expenditure	18
Table 18 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities for housing and trading services: Revenue.....	19
Annexure A – Purchases and sales of water.....	20

Annexure B – Purchases and sales of electricity	21
Annexure C – Top 130 municipalities in terms of total expenditure	22
Annexure D – Changes brought about by mSCOA classification	25
Analysis of revisions	27
Figure 2 – Purchases of water: preliminary and revised	27
Figure 3 – Sales of water: preliminary and revised	28
Table 19 – Purchases and sales of water: revision details	28
Figure 4 – Purchases of water: histogram of revisions.....	29
Figure 5 – Sales of water: histogram of revisions.....	30
Figure 6 – Purchases of electricity: preliminary and revised	30
Figure 7 – Sales of electricity: preliminary and revised	31
Table 20 – Purchases and sales of electricity: revision details	31
Figure 8 – Purchases of electricity: histogram of revisions	32
Figure 9 – Sales of electricity: histogram of revisions	33
Notes	34
Explanatory notes	35
Glossary of the selected terms	37
General information	40

Key findings

Table A – Purchases and sales of water and electricity

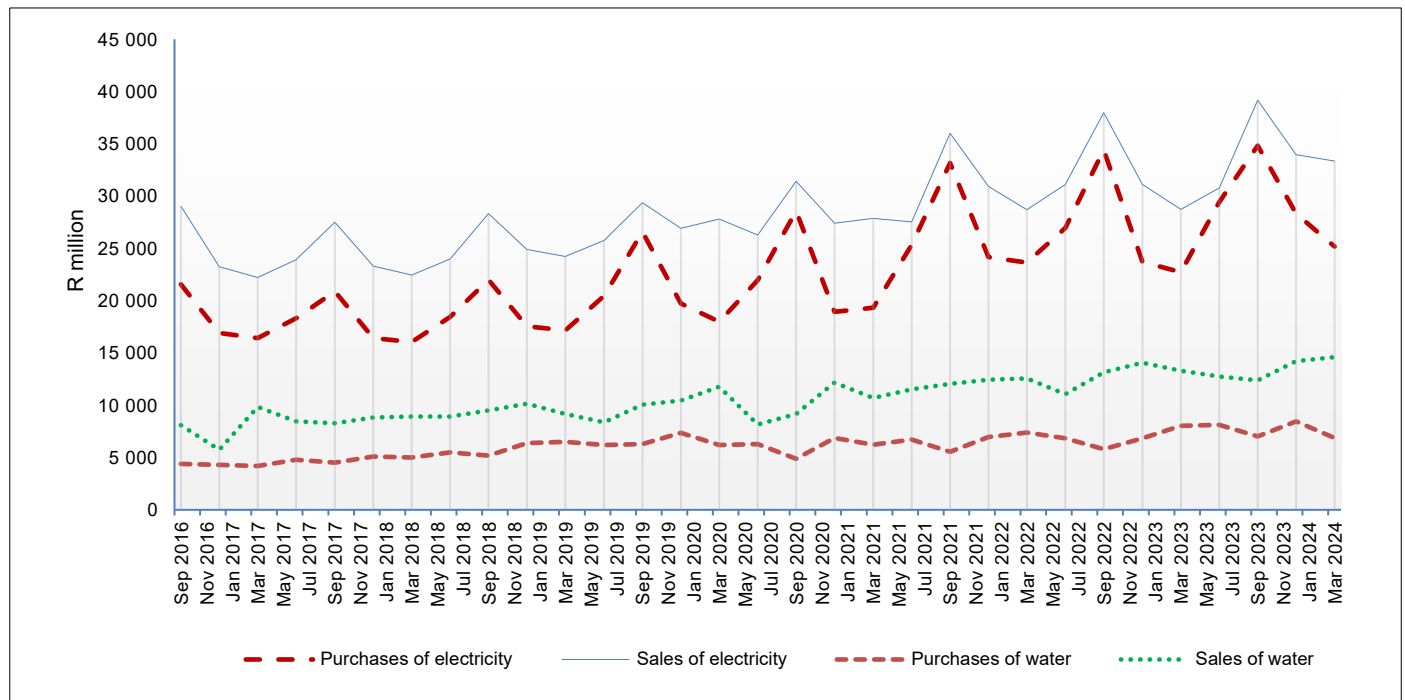
Item	Quarter ended				
	Mar-23**	Jun-23**	Sep-23*	Dec-23*	Mar-24
	Year-on-year % change				
Purchases of water	8,6	18,9	21,5	23,7	-14,3
Sales of water	5,7	15,3	-5,8	1,0	9,9
Purchases of electricity	-3,8	9,2	1,1	19,4	10,8
Sales of electricity	0,1	-1,1	3,2	9,1	16,1

* Some figures have been revised.

** Benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table A shows annual growth rates for the purchases and sales of water and electricity. Purchases of water decreased by 14,3% from the quarter ended March 2023 to the quarter ended March 2024 while sales of water increased by 9,9%. Purchases of electricity increased by 10,8% and sales of electricity increased by 16,1% over the same period.

Figure 1 – Purchases and sales of water and electricity, R million



Risenga Maluleke
Statistician-General

Table 1 – Combined consolidated statement of financial performance of municipalities for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Expenditure

Expenditure	March 2023**	June 2023**	September 2023*	December 2023*	March 2024	Quarter-on-quarter difference between Dec. 2023 and Mar. 2024	Year-on-year difference between Mar. 2023 and Mar. 2024
	R million						
Employee-related costs	29 277	30 925	30 467	33 961	31 502	-2 459	2 225
Remuneration of councillors	841	860	865	958	892	-66	51
Finance costs	3 640	5 815	2 171	2 901	1 647	-1 254	-1 993
Loss on disposal of assets	411	789	14	1 338	342	-996	-69
Debt impairment	15 167	15 887	7 720	4 900	6 633	1 733	-8 534
Contracted services:							
Consultants and professional services	1 294	2 217	1 132	1 907	1 588	-319	294
Contractors	4 265	6 851	4 275	6 622	5 661	-961	1 396
Outsourced services	4 582	6 096	3 519	5 219	5 053	-166	471
Operating leases:							
Buildings and infrastructure	122	64	260	1 010	630	-380	508
Computer, furniture and office equipment	35	48	54	70	61	-9	26
Transport assets, machinery and equipment	543	889	170	292	218	-74	-325
Other operating leases	223	405	66	119	99	-20	-124
Inventory consumed	2 126	2 716	1 807	2 554	2 741	187	615
Depreciation, amortisation and impairment	9 163	11 321	6 253	7 250	7 456	206	-1 707
Bulk purchases:							
Purchases of water	8 028	8 129	7 038	8 457	6 882	-1 575	-1 146
Purchases of electricity	22 736	29 440	34 828	28 319	25 189	-3 130	2 453
Other bulk purchases	14	43	5	3	4	1	-10
Transfers and subsidies paid to:							
Other local government institutions	241	403	284	433	224	-209	-17
Tertiary institutions of higher learning	0	0	18	10	13	3	13
Households or individuals	268	293	102	221	234	13	-34
Non-profit institutions	85	105	20	20	14	-6	-71
Other transfers and subsidies	797	745	350	411	390	-21	-407
Operational costs:							
Advertising, publicity and marketing	127	198	96	153	139	-14	12
Bank charges, facility and card fees	136	140	135	189	213	24	77
Communication	284	389	154	209	230	21	-54
Courier and delivery services	33	59	15	18	17	-1	-16
Entertainment costs	9	16	6	13	7	-6	-2
External audit fees	282	141	90	598	252	-346	-30
Hire charges	603	700	228	391	388	-3	-215
Insurance underwriting	229	288	632	654	252	-402	23
Printing, publications and books	65	146	41	74	65	-9	0
Professional bodies, membership and subscriptions	75	278	260	89	44	-45	-31
Transport costs	38	43	14	27	26	-1	-12
Travel and subsistence	140	191	136	188	139	-49	-1
Wet fuel	743	1 119	404	436	574	138	-169
Other operational costs	5 017	6 740	4 629	5 695	4 370	-1 325	-647
Other expenditure	544	2 125	5 643	7 067	7 274	207	6 730
Taxation	9	10	3	6	4	-2	-5
Surplus	27 084	14 425	56 379	37 613	39 813	2 200	12 729
Total expenditure	139 276	151 049	170 283	160 395	151 280	-9 115	12 004

* Some figures have been revised.

** Benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 2 – Combined consolidated statement of financial performance of municipalities for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Revenue

Revenue	March 2023**	June 2023**	September 2023*	December 2023*	March 2024	Quarter-on-quarter difference between Dec. 2023 and Mar. 2024	Year-on-year difference between Mar. 2023 and Mar. 2024
	R million						
Property rates from:							
Residential	8 212	9 602	12 693	9 811	11 019	1 208	2 807
Commercial or business	6 669	6 594	10 270	8 888	7 797	-1 091	1 128
State	736	702	1 202	749	615	-134	-121
Other (includes agricultural, municipal, etc.)	3 219	4 383	2 473	1 887	1 478	-409	-1 741
Property rates – penalties imposed and collection charges	278	348	163	170	164	-6	-114
Service charges:							
Sales of water	13 286	12 745	12 378	14 212	14 603	391	1 317
Sales of electricity	28 741	30 782	39 176	33 951	33 365	-586	4 624
Refuse removal charges	3 278	3 443	3 853	3 743	3 611	-132	333
Sewerage and sanitation charges	5 528	5 403	5 772	5 872	6 067	195	539
Other service charges (e.g. fresh produce market)	51	1 484	1	1	1	0	-50
Interest on:							
Investments	1 368	1 819	1 510	1 480	1 671	191	303
Receivables	3 285	3 867	3 782	4 203	4 190	-13	905
Dividends	5	6	0	0	0	0	-5
Fines, penalties and forfeits	1 228	2 732	880	1 048	1 352	304	124
Licences and permits	111	159	209	181	185	4	74
Agency services	523	941	643	862	1 357	495	834
Rental	802	736	645	669	855	186	53
Sales of goods and rendering of services	662	1 117	711	860	891	31	229
Gains on the disposal of assets	125	406	18	37	76	39	-49
Government transfers and subsidies received:							
Capital	6 947	16 225	5 357	9 109	7 356	-1 753	409
Operational	21 514	10 501	34 037	27 526	24 228	-3 298	2 714
Other transfers and subsidies (incl. contributions and donations)	519	624	279	244	177	-67	-342
Operational revenue	6 224	5 292	6 586	6 586	7 186	600	962
Deficit	25 965	31 138	27 645	28 306	23 036	-5 270	-2 929
Total revenue	139 276	151 049	170 283	160 395	151 280	-9 115	12 004

* Some figures have been revised.

** Benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 3 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Expenditure

Expenditure	March 2023**	June 2023**	September 2023*	December 2023*	March 2024	Quarter-on-quarter difference between Dec. 2023 and Mar. 2024	Year-on-year difference between Mar. 2023 and Mar. 2024
	R million						
Employee-related costs	18 575	19 851	19 569	21 849	20 237	-1 612	1 662
Remuneration of councillors	841	860	865	958	892	-66	51
Finance costs	2 712	4 041	1 673	1 904	982	-922	-1 730
Loss on disposal of assets	85	565	13	13	6	-7	-79
Debt impairment	3 820	7 211	2 257	1 873	2 742	869	-1 078
Contracted services:							
Consultants and professional services	874	1 354	858	1 196	1 083	-113	209
Contractors	1 181	2 250	1 616	2 217	2 163	-54	982
Outsourced services	1 871	2 441	1 575	2 193	2 055	-138	184
Operating leases:							
Buildings and infrastructure	91	53	134	319	249	-70	158
Computer, furniture and office equipment	34	45	32	47	39	-8	5
Transport assets, machinery and equipment	182	398	121	185	106	-79	-76
Other operating leases	139	218	43	77	57	-20	-82
Inventory consumed	687	1 054	408	765	838	73	151
Depreciation, amortisation and impairment	3 346	4 280	1 752	2 053	2 010	-43	-1 336
Transfers and subsidies paid to:							
Other local government institutions	241	164	276	428	217	-211	-24
Tertiary institutions of higher learning	0	0	5	2	3	1	3
Households	166	202	26	44	41	-3	-125
Non-profit institutions	78	102	17	16	11	-5	-67
Other transfers and subsidies paid	229	291	294	326	248	-78	19
Operational costs:							
Advertising, publicity and marketing	97	159	68	117	103	-14	6
Bank charges, facility and card fees	130	133	129	183	207	24	77
Communication	250	337	122	163	158	-5	-92
Courier and delivery services	32	58	15	18	17	-1	-15
Entertainment	9	15	6	13	7	-6	-2
External audit fees	266	129	71	522	181	-341	-85
Hire charges	301	265	65	79	87	8	-214
Insurance underwriting	170	192	547	557	193	-364	23
Printing, publications and books	60	119	34	65	55	-10	-5
Professional bodies, membership and subscriptions	71	270	258	86	42	-44	-29
Transport costs	29	33	9	15	12	-3	-17
Travel and subsistence	108	154	108	149	110	-39	2
Wet fuel	505	795	231	241	306	65	-199
Other operational costs	2 089	2 982	3 032	2 201	2 547	346	458
Other expenditure	311	1 253	1 802	2 483	2 741	258	2 430
Taxation	0	0	0	0	0	0	0
Surplus	19 444	9 452	39 062	27 371	24 732	-2 639	5 288
Total expenditure	59 024	61 726	77 093	70 728	65 477	-5 251	6 453

* Some figures have been revised.

** Benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 4 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Revenue

Revenue	March 2023**	June 2023**	September 2023*	December 2023*	March 2024	Quarter-on-quarter difference between Dec. 2023 and Mar. 2024	Year-on-year difference between Mar. 2023 and Mar. 2024
	R million						
Property rates from:							
Residential	8 212	9 602	12 693	9 811	11 019	1 208	2 807
Commercial or business	6 669	6 594	10 270	8 888	7 797	-1 091	1 128
State	736	702	1 202	749	615	-134	-121
Other (includes agricultural, municipal, etc.)	3 219	4 383	2 473	1 887	1 478	-409	-1 741
Property rates – penalties imposed and collection charges	278	348	163	170	164	-6	-114
Interest on:							
Investments	1 350	1 774	1 496	1 465	1 648	183	298
Receivables	1 402	1 589	1 598	1 830	1 885	55	483
Dividends	5	6	0	0	0	0	-5
Fines, penalties and forfeits	1 195	2 672	870	1 022	1 335	313	140
Licences and permits	50	100	59	38	50	12	0
Agency services	311	452	228	466	365	-101	54
Rental	384	438	345	358	371	13	-13
Sales of goods and rendering of services	450	902	436	512	484	-28	34
Gains on the disposal of assets	114	391	18	33	69	36	-45
Government transfers and subsidies received:							
Capital	2 118	7 669	1 795	2 573	1 999	-574	-119
Operational	14 301	4 590	25 449	21 317	17 434	-3 883	3 133
Other transfers and subsidies (incl. contributions and donations)	349	345	176	86	98	12	-251
Operational revenue	4 822	3 744	5 247	5 000	4 546	-454	-276
Deficit	13 059	15 425	12 575	14 523	14 120	-403	1 061
Total revenue	59 024	61 726	77 093	70 728	65 477	-5 251	6 453

* Some figures have been revised.

** Benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Expenditure

Expenditure	March 2023**	June 2023**	September 2023*	December 2023*	March 2024	Quarter-on-quarter difference between Dec. 2023 and Mar. 2024	Year-on-year difference between Mar. 2023 and Mar. 2024
	R million						
Employee-related costs	10 702	11 074	10 898	12 112	11 265	-847	563
Finance costs	928	1 774	498	997	665	-332	-263
Loss on disposal of assets	326	224	1	1 325	336	-989	10
Debt impairment	11 347	8 676	5 463	3 027	3 891	864	-7 456
Contracted services:							
Consultancy and professional fees	420	863	274	711	505	-206	85
Contractors	3 084	4 601	2 659	4 405	3 498	-907	414
Outsourced services	2 711	3 655	1 944	3 026	2 998	-28	287
Operating leases:							
Buildings and infrastructure	31	11	126	691	381	-310	350
Computer, furniture and office equipment	1	3	22	23	22	-1	21
Transport assets, machinery and equipment	361	491	49	107	112	5	-249
Other operating leases	84	187	23	42	42	0	-42
Inventory consumed	1 439	1 662	1 399	1 789	1 903	114	464
Depreciation, amortisation and impairment loss	5 817	7 041	4 501	5 197	5 446	249	-371
Bulk purchases:							
Purchases of water	8 028	8 129	7 038	8 457	6 882	-1 575	-1 146
Purchases of electricity	22 736	29 440	34 828	28 319	25 189	-3 130	2 453
Other bulk purchases	14	43	5	3	4	1	-10
Transfers and subsidies paid to:							
Other local government institutions	0	239	8	5	7	2	7
Tertiary institutions of higher learning	0	0	13	8	10	2	10
Households	102	91	76	177	193	16	91
Non-profit institutions	7	3	3	4	3	-1	-4
Other grants paid	568	454	56	85	142	57	-426
Operational costs:							
Advertising, promotions and marketing	30	39	28	36	36	0	6
Bank charges, facility and card fees	6	7	6	6	6	0	0
Communication	34	52	32	46	72	26	38
Courier and delivery services	1	1	0	0	0	0	-1
Entertainment	0	1	0	0	0	0	0
External audit fees	16	12	19	76	71	-5	55
Hire charges	302	435	163	312	301	-11	-1
Insurance underwriting	59	96	85	97	59	-38	0
Printing, publications and books	5	27	7	9	10	1	5
Professional bodies, membership and subscriptions	4	8	2	3	2	-1	-2
Transport costs	9	10	5	12	14	2	5
Travel and subsistence	32	37	28	39	29	-10	-3
Wet fuel	238	324	173	195	268	73	30
Other operational costs	2 928	3 758	1 597	3 494	1 823	-1 671	-1 105
Other expenditure	233	872	3 841	4 584	4 533	-51	4 300
Taxation	9	10	3	6	4	-2	-5
Surplus	7 640	4 973	17 317	10 242	15 081	4 839	7 441
Total expenditure	80 252	89 323	93 190	89 667	85 803	-3 864	5 551

* Some figures have been revised.

** Benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 6 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024: Revenue

Revenue	March 2023**	June 2023**	September 2023*	December 2023*	March 2024	Quarter-on-quarter difference between Dec. 2023 and Mar. 2024	Year-on-year difference between Mar. 2023 and Mar. 2024
R million							
Interest on:							
Investments	18	45	14	15	23	8	5
Receivables	1 883	2 278	2 184	2 373	2 305	-68	422
Dividends	0	0	0	0	0	0	0
Fines, penalties and forfeits	33	60	10	26	17	-9	-16
Licences and permits	61	59	150	143	135	-8	74
Agency services	212	489	415	396	992	596	780
Rental	418	298	300	311	484	173	66
Sales of goods and rendering of services	212	215	275	348	407	59	195
Gains on the disposal of assets	11	15	0	4	7	3	-4
Service charges:							
Sales of water	13 286	12 745	12 378	14 212	14 603	391	1 317
Sales of electricity	28 741	30 782	39 176	33 951	33 365	-586	4 624
Refuse removal charges	3 278	3 443	3 853	3 743	3 611	-132	333
Sewerage and sanitation charges	5 528	5 403	5 772	5 872	6 067	195	539
Other service charges (e.g. fresh produce market)	51	1 484	1	1	1	0	-50
Government transfers and subsidies received:							
Capital	4 829	8 556	3 562	6 536	5 357	-1 179	528
Operational	7 213	5 911	8 588	6 209	6 794	585	-419
Other transfers and subsidies (incl. contributions and donations)	170	279	103	158	79	-79	-91
Operational revenue	1 402	1 548	1 339	1 586	2 640	1 054	1 238
Deficit	12 906	15 713	15 070	13 783	8 916	-4 867	-3 990
Total revenue	80 252	89 323	93 190	89 667	85 803	-3 864	5 551

* Some figures have been revised.

** Benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 7 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities: Expenditure – South Africa

Expenditure	September 2021	December 2021	March 2022	June 2022	Total 2022 ¹
	R million				
Employee-related costs	26 870	32 222	28 140	29 177	116 409
Remuneration of councillors	791	775	759	874	3 199
Finance costs	2 212	2 579	3 405	3 635	11 831
Loss on disposal of assets	42	14	604	564	1 224
Debt impairment	8 527	9 080	12 713	14 162	44 482
Contracted services:					
Consultants and professional services	978	1 563	1 304	1 899	5 744
Contractors	2 736	4 463	4 273	5 466	16 938
Outsourced services	2 623	4 466	5 328	4 973	17 390
Operating leases:					
Buildings and infrastructure	175	120	138	137	570
Computer, furniture and office equipment	23	34	34	44	135
Transport assets, machinery and equipment	87	152	131	218	588
Other operating leases	486	618	727	1 192	3 023
Inventory consumed	1 319	1 878	2 028	2 242	7 467
Depreciation, amortisation and impairment	7 460	9 194	10 543	9 380	36 577
Bulk purchases:					
Purchases of water	5 563	6 969	7 390	6 836	26 758
Purchases of electricity	33 155	24 158	23 634	26 963	107 910
Other bulk purchases	15	15	15	64	109
Transfers and subsidies paid to:					
Other local government institutions	78	80	95	270	523
Tertiary institutions of higher learning	0	0	0	0	0
Households or individuals	130	172	162	265	729
Non-profit institutions	141	82	98	110	431
Other transfers and subsidies	419	420	529	1 082	2 450
Operational costs:					
Advertising, publicity and marketing	68	140	137	197	542
Bank charges, facility and card fees	137	117	130	184	568
Communication	203	259	348	340	1 150
Courier and delivery services	37	40	52	46	175
Entertainment costs	6	14	8	20	48
External audit fees	52	432	325	139	948
Hire charges	314	435	391	496	1 636
Insurance underwriting	596	421	285	146	1 448
Printing, publications and books	73	72	80	120	345
Professional bodies, membership and subscriptions	201	126	112	186	625
Transport costs	13	24	47	73	157
Travel and subsistence	68	75	91	164	398
Wet fuel	281	523	694	736	2 234
Other operational costs	3 921	4 682	8 543	6 041	23 187
Other expenditure	763	897	973	1 428	4 061
Taxation	7	7	8	29	51
Surplus	44 062	24 003	24 158	8 888	101 111
Total expenditure	144 632	131 321	138 432	128 786	543 171

¹ The previously published totals for the September 2021, December 2021, March 2022 and June 2022 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 8 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities: Revenue – South Africa

Revenue	September 2021	December 2021	March 2022	June 2022	Total 2022 ¹
	R million				
Property rates from:					
Residential	10 278	8 544	8 183	8 292	35 297
Commercial or business	7 677	6 249	5 760	6 167	25 853
State	1 009	769	559	651	2 988
Other (includes agricultural, municipal, etc.)	3 569	2 885	2 553	2 995	12 002
Property rates – penalties imposed and collection charges	31	50	183	205	469
Service charges:					
Sales of water	12 041	12 447	12 568	11 050	48 106
Sales of electricity	36 004	30 942	28 707	31 125	126 778
Refuse removal charges	3 277	3 253	3 295	2 727	12 552
Sewerage and sanitation charges	4 883	4 743	4 809	4 728	19 163
Other service charges (e.g. fresh produce market)	357	357	347	347	1 408
Interest on:					
Investments	443	535	1 079	955	3 012
Receivables	1 775	2 149	2 320	2 434	8 678
Dividends	5	6	6	6	23
Fines, penalties and forfeits	875	1 342	1 297	1 366	4 880
Licences and permits	115	137	124	118	494
Agency services	537	694	536	643	2 410
Rental	552	566	676	582	2 376
Sales of goods and rendering of services	429	459	473	891	2 252
Gains on the disposal of assets	106	151	204	584	1 045
Government transfers and subsidies received:					
Capital	4 485	9 857	7 353	10 709	32 404
Operational	24 262	18 466	22 327	11 054	76 109
Other transfers and subsidies (incl. contributions and donations)	655	719	719	234	2 327
Operational revenue	4 866	5 303	6 387	4 954	21 510
Deficit	26 401	20 698	27 967	25 969	101 035
Total revenue	144 632	131 321	138 432	128 786	543 171

¹ The previously published totals for the September 2021, December 2021, March 2022 and June 2022 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 9 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities for rates and general services: Expenditure

Expenditure	September 2021	December 2021	March 2022	June 2022	Total 2022 ¹
	R million				
Employee-related costs	17 197	20 591	17 916	18 691	74 395
Remuneration of councillors	791	775	759	874	3 199
Finance costs	1 683	1 677	2 814	2 521	8 695
Loss on disposal of assets	41	14	398	505	958
Debt impairment	3 506	4 183	6 693	7 715	22 097
Contracted services:					
Consultants and professional services	692	1 047	870	1 213	3 822
Contractors	667	1 286	1 302	1 981	5 236
Outsourced services	1 248	1 931	2 041	1 961	7 181
Operating leases:					
Buildings and infrastructure	136	95	122	120	473
Computer, furniture and office equipment	18	31	31	40	120
Transport assets, machinery and equipment	38	64	64	110	276
Other operating leases	196	221	214	554	1 185
Inventory consumed	569	865	975	1 074	3 483
Depreciation, amortisation and impairment	3 147	3 535	3 765	3 973	14 420
Transfers and subsidies paid to:					
Other local government institutions	33	35	51	225	344
Tertiary institutions of higher learning	0	0	0	0	0
Households	113	141	139	227	620
Non-profit institutions	128	82	98	98	406
Other transfers and subsidies paid	316	293	323	627	1 559
Operational costs:					
Advertising, publicity and marketing	58	117	108	165	448
Bank charges, facility and card fees	131	112	124	178	545
Communication	168	220	307	284	979
Courier and delivery services	37	39	52	46	174
Entertainment	6	14	8	14	42
External audit fees	47	388	299	133	867
Hire charges	192	234	232	192	850
Insurance underwriting	515	332	213	116	1 176
Printing, publications and books	67	60	68	103	298
Professional bodies, membership and subscriptions	196	121	109	181	607
Transport costs	11	22	45	71	149
Travel and subsistence	49	52	64	138	303
Wet fuel	215	342	493	514	1 564
Other operational costs	1 978	2 184	2 646	3 172	9 980
Other expenditure	551	601	672	1 014	2 838
Taxation	7	7	8	29	51
Surplus	28 052	14 942	15 338	3 978	62 310
Total expenditure	62 799	56 653	59 361	52 837	231 650

¹ The previously published totals for the September 2021, December 2021, March 2022 and June 2022 quarters have been benchmarked against the Financial Census of Municipalities (P9114), using information for the 130 municipalities only.

Table 10 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities for rates and general services: Revenue

Revenue	September 2021	December 2021	March 2022	June 2022	Total 2022 ¹
	R million				
Property rates from:					
Residential	10 278	8 544	8 183	8 292	35 297
Commercial or business	7 677	6 249	5 760	6 167	25 853
State	1 009	769	559	651	2 988
Other (includes agricultural, municipal, etc.)	3 569	2 885	2 553	2 995	12 002
Property rates – penalties imposed and collection charges	31	50	183	205	469
Interest on:					
Investments	427	515	1 054	922	2 918
Receivables	926	1 015	1 114	1 091	4 146
Dividends	5	6	6	6	23
Fines, penalties and forfeits	826	1 256	1 180	1 274	4 536
Licences and permits	51	62	56	52	221
Agency services	267	357	297	284	1 205
Rental	284	289	332	329	1 234
Sales of goods and rendering of services	309	299	292	689	1 589
Gains on the disposal of assets	38	107	74	442	661
Government transfers and subsidies received:					
Capital	2 448	2 992	2 375	3 489	11 304
Operational	17 305	12 968	16 382	5 166	51 821
Other transfers and subsidies (incl. contributions and donations)	632	631	654	29	1 946
Operational revenue	4 265	4 512	5 255	3 837	17 869
Deficit	12 452	13 147	13 052	16 917	55 568
Total revenue	62 799	56 653	59 361	52 837	231 650

¹ The previously published totals for the September 2021, December 2021, March 2022 and June 2022 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 11 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities for housing and trading services: Expenditure

Expenditure	September 2021	December 2021	March 2022	June 2022	Total 2022 ¹
	R million				
Employee-related costs	9 673	11 631	10 224	10 486	42 014
Finance costs	529	902	591	1 114	3 136
Loss on disposal of assets	1	0	206	59	266
Debt impairment	5 021	4 897	6 020	6 447	22 385
Contracted services:					
Consultancy and professional fees	286	516	434	686	1 922
Contractors	2 069	3 177	2 971	3 485	11 702
Outsourced services	1 375	2 535	3 287	3 012	10 209
Operating leases:					
Buildings and infrastructure	39	25	16	17	97
Computer, furniture and office equipment	5	3	3	4	15
Transport assets, machinery and equipment	49	88	67	108	312
Other operating leases	290	397	513	638	1 838
Inventory consumed	750	1 013	1 053	1 168	3 984
Depreciation, amortisation and impairment loss	4 313	5 659	6 778	5 407	22 157
Bulk purchases:					
Purchases of water	5 563	6 969	7 390	6 836	26 758
Purchases of electricity	33 155	24 158	23 634	26 963	107 910
Other bulk purchases	15	15	15	64	109
Transfers and subsidies paid to:					
Other local government institutions	45	45	44	45	179
Tertiary institutions of higher learning	0	0	0	0	0
Households	17	31	23	38	109
Non-profit institutions	13	0	0	12	25
Other grants paid	103	127	206	455	891
Operational costs:					
Advertising, promotions and marketing	10	23	29	32	94
Bank charges, facility and card fees	6	5	6	6	23
Communication	35	39	41	56	171
Courier and delivery services	0	1	0	0	1
Entertainment	0	0	0	6	6
External audit fees	5	44	26	6	81
Hire charges	122	201	159	304	786
Insurance underwriting	81	89	72	30	272
Printing, publications and books	6	12	12	17	47
Professional bodies, membership and subscriptions	5	5	3	5	18
Transport costs	2	2	2	2	8
Travel and subsistence	19	23	27	26	95
Wet fuel	66	181	201	222	670
Other operational costs	1 943	2 498	5 897	2 869	13 207
Other expenditure	212	296	301	414	1 223
Taxation	0	0	0	0	0
Surplus	16 010	9 061	8 820	4 910	38 801
Total expenditure	81 833	74 668	79 071	75 949	311 521

¹ The previously published totals for the September 2021, December 2021, March 2022 and June 2022 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 12 – Benchmark table for the financial year ended 30 June 2022 (revised): Statement of financial performance of municipalities for housing and trading services: Revenue

Revenue	September 2021	December 2021	March 2022	June 2022	Total 2022 ¹
	R million				
Interest on:					
Investments	16	20	25	33	94
Receivables	849	1 134	1 206	1 343	4 532
Dividends	0	0	0	0	0
Fines, penalties and forfeits	49	86	117	92	344
Licences and permits	64	75	68	66	273
Agency services	270	337	239	359	1 205
Rental	268	277	344	253	1 142
Sales of goods and rendering of services	120	160	181	202	663
Gains on the disposal of assets	68	44	130	142	384
Service charges:					
Sales of water	12 041	12 447	12 568	11 050	48 106
Sales of electricity	36 004	30 942	28 707	31 125	126 778
Refuse removal charges	3 277	3 253	3 295	2 727	12 552
Sewerage and sanitation charges	4 883	4 743	4 809	4 728	19 163
Other service charges (e.g. fresh produce market)	357	357	347	347	1 408
Government transfers and subsidies received:					
Capital	2 037	6 865	4 978	7 220	21 100
Operational	6 957	5 498	5 945	5 888	24 288
Other transfers and subsidies (incl. contributions and donations)	23	88	65	205	381
Operational revenue	601	791	1 132	1 117	3 641
Deficit	13 949	7 551	14 915	9 052	45 467
Total revenue	81 833	74 668	79 071	75 949	311 521

¹ The previously published totals for the September 2021, December 2021, March 2022 and June 2022 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114) but for the 130 municipalities.

Table 13 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities: Expenditure – South Africa

Expenditure	September 2022	December 2022	March 2023	June 2023	Total 2023 ¹
	R million				
Employee-related costs	29 079	31 938	29 277	30 925	121 219
Remuneration of councillors	839	860	841	860	3 400
Finance costs	2 166	3 424	3 640	5 815	15 045
Loss on disposal of assets	193	572	411	789	1 965
Debt impairment	10 248	10 770	15 167	15 887	52 072
Contracted services:					
Consultants and professional services	1 118	1 527	1 294	2 217	6 156
Contractors	3 118	4 262	4 265	6 851	18 496
Outsourced services	3 337	4 939	4 582	6 096	18 954
Operating leases:					
Buildings and infrastructure	93	145	122	64	424
Computer, furniture and office equipment	32	40	35	48	155
Transport assets, machinery and equipment	458	569	543	889	2 459
Other operating leases	202	345	223	405	1 175
Inventory consumed	1 753	2 125	2 126	2 716	8 720
Depreciation, amortisation and impairment	7 742	9 643	9 163	11 321	37 869
Bulk purchases:					
Purchases of water	5 792	6 835	8 028	8 129	28 784
Purchases of electricity	34 436	23 712	22 736	29 440	110 324
Other bulk purchases	85	71	14	43	213
Transfers and subsidies paid to:					
Other local government institutions	127	217	241	403	988
Tertiary institutions of higher learning	0	0	0	0	0
Households or individuals	142	244	268	293	947
Non-profit institutions	118	127	85	105	435
Other transfers and subsidies	364	791	797	745	2 697
Operational costs:					
Advertising, publicity and marketing	101	126	127	198	552
Bank charges, facility and card fees	142	160	136	140	578
Communication	204	291	284	389	1 168
Courier and delivery services	20	26	33	59	138
Entertainment costs	3	7	9	16	35
External audit fees	95	547	282	141	1 065
Hire charges	396	491	603	700	2 190
Insurance underwriting	901	234	229	288	1 652
Printing, publications and books	49	63	65	146	323
Professional bodies, membership and subscriptions	189	79	75	278	621
Transport costs	17	35	38	43	133
Travel and subsistence	126	155	140	191	612
Wet fuel	439	736	743	1 119	3 037
Other operational costs	4 464	4 972	5 017	6 740	21 193
Other expenditure	370	403	544	2 125	3 442
Taxation	0	0	9	10	19
Surplus	49 589	31 757	27 084	14 425	122 855
Total expenditure	158 547	143 238	139 276	151 049	592 110

¹ The previously published totals for the September 2022, December 2022, March 2023 and June 2023 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 14 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities: Revenue – South Africa

Revenue	September 2022	December 2022	March 2023	June 2023	Total 2023 ¹
	R million				
Property rates from:					
Residential	10 667	8 578	8 212	9 602	37 059
Commercial or business	7 731	6 176	6 669	6 594	27 170
State	1 207	691	736	702	3 336
Other (includes agricultural, municipal, etc.)	3 565	3 242	3 219	4 383	14 409
Property rates – penalties imposed and collection charges	194	240	278	348	1 060
Service charges:					
Sales of water	13 138	14 068	13 286	12 745	53 237
Sales of electricity	37 964	31 115	28 741	30 782	128 602
Refuse removal charges	3 357	3 202	3 278	3 443	13 280
Sewerage and sanitation charges	5 131	5 465	5 528	5 403	21 527
Other service charges (e.g. fresh produce market)	135	135	51	1 484	1 805
Interest on:					
Investments	828	1 067	1 368	1 819	5 082
Receivables	2 914	3 135	3 285	3 867	13 201
Dividends	5	5	5	6	21
Fines, penalties and forfeits	856	1 109	1 228	2 732	5 925
Licences and permits	136	106	111	159	512
Agency services	487	478	523	941	2 429
Rental	554	600	802	736	2 692
Sales of goods and rendering of services	377	419	662	1 117	2 575
Gains on the disposal of assets	80	96	125	406	707
Government transfers and subsidies received:					
Capital	3 914	8 894	6 947	16 225	35 980
Operational	32 665	20 831	21 514	10 501	85 511
Other transfers and subsidies (incl. contributions and donations)	463	495	519	624	2 101
Operational revenue	4 107	7 203	6 224	5 292	22 826
Deficit	28 072	25 888	25 965	31 138	111 063
Total revenue	158 547	143 238	139 276	151 049	592 110

¹ The previously published totals for the September 2022, December 2022, March 2023 and June 2023 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 15 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities for rates and general services: Expenditure

Expenditure	September 2022	December 2022	March 2023	June 2023	Total 2023 ¹
	R million				
Employee-related costs	18 704	20 391	18 575	19 851	77 521
Remuneration of councillors	839	860	841	860	3 400
Finance costs	1 285	2 480	2 712	4 041	10 518
Loss on disposal of assets	50	65	85	565	765
Debt impairment	3 263	3 326	3 820	7 211	17 620
Contracted services:					
Consultants and professional services	739	912	874	1 354	3 879
Contractors	808	1 210	1 181	2 250	5 449
Outsourced services	1 488	2 084	1 871	2 441	7 884
Operating leases:					
Buildings and infrastructure	84	139	91	53	367
Computer, furniture and office equipment	27	34	34	45	140
Transport assets, machinery and equipment	105	186	182	398	871
Other operating leases	124	213	139	218	694
Inventory consumed	501	654	687	1 054	2 896
Depreciation, amortisation and impairment	2 822	3 400	3 346	4 280	13 848
Transfers and subsidies paid to:					
Other local government institutions	127	217	241	164	749
Tertiary institutions of higher learning	0	0	0	0	0
Households	104	162	166	202	634
Non-profit institutions	117	126	78	102	423
Other transfers and subsidies paid	205	203	229	291	928
Operational costs:					
Advertising, publicity and marketing	75	97	97	159	428
Bank charges, facility and card fees	135	153	130	133	551
Communication	176	259	250	337	1 022
Courier and delivery services	20	25	32	58	135
Entertainment	3	7	9	15	34
External audit fees	91	520	266	129	1 006
Hire charges	262	256	301	265	1 084
Insurance underwriting	812	167	170	192	1 341
Printing, publications and books	44	55	60	119	278
Professional bodies, membership and subscriptions	188	78	71	270	607
Transport costs	15	29	29	33	106
Travel and subsistence	108	126	108	154	496
Wet fuel	329	426	505	795	2 055
Other operational costs	1 740	1 903	2 089	2 982	8 714
Other expenditure	186	209	311	1 253	1 959
Taxation	0	0	0	0	0
Surplus	34 080	20 519	19 444	9 452	83 495
Total expenditure	69 656	61 491	59 024	61 726	251 897

¹ The previously published totals for the September 2022, December 2022, March 2023 and June 2023 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 16 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities for rates and general services: Revenue

Revenue	September 2022	December 2022	March 2023	June 2023	Total 2023 ¹
	R million				
Property rates from:					
Residential	10 667	8 578	8 212	9 602	37 059
Commercial or business	7 731	6 176	6 669	6 594	27 170
State	1 207	691	736	702	3 336
Other (includes agricultural, municipal etc.)	3 565	3 242	3 219	4 383	14 409
Property rates – penalties imposed and collection charges	194	240	278	348	1 060
Interest on:					
Investments	798	1 046	1 350	1 774	4 968
Receivables	1 345	1 328	1 402	1 589	5 664
Dividends	5	5	5	6	21
Fines, penalties and forfeits	837	1 079	1 195	2 672	5 783
Licences and permits	70	43	50	100	263
Agency services	244	247	311	452	1 254
Rental	302	312	384	438	1 436
Sales of goods and rendering of services	237	271	450	902	1 860
Gains on the disposal of assets	80	84	114	391	669
Government transfers and subsidies received:					
Capital	1 660	2 261	2 118	7 669	13 708
Operational	24 385	14 486	14 301	4 590	57 762
Other transfers and subsidies (incl. contributions and donations)	320	328	349	345	1 342
Operational revenue	3 190	6 277	4 822	3 744	18 033
Deficit	12 819	14 797	13 059	15 425	56 100
Total revenue	69 656	61 491	59 024	61 726	251 897

¹ The previously published totals for the September 2022, December 2022, March 2023 and June 2023 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 17 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities for housing and trading services: Expenditure

Expenditure	September 2022	December 2022	March 2023	June 2023	Total 2023 ¹
	R million				
Employee-related costs	10 375	11 547	10 702	11 074	43 698
Finance costs	881	944	928	1 774	4 527
Loss on disposal of assets	143	507	326	224	1 200
Debt impairment	6 985	7 444	11 347	8 676	34 452
Contracted services:					
Consultancy and professional fees	379	615	420	863	2 277
Contractors	2 310	3 052	3 084	4 601	13 047
Outsourced services	1 849	2 855	2 711	3 655	11 070
Operating leases:					
Buildings and infrastructure	9	6	31	11	57
Computer, furniture and office equipment	5	6	1	3	15
Transport assets, machinery and equipment	353	383	361	491	1 588
Other operating leases	78	132	84	187	481
Inventory consumed	1 252	1 471	1 439	1 662	5 824
Depreciation, amortisation and impairment loss	4 920	6 243	5 817	7 041	24 021
Bulk purchases:					
Purchases of water	5 792	6 835	8 028	8 129	28 784
Purchases of electricity	34 436	23 712	22 736	29 440	110 324
Other bulk purchases	85	71	14	43	213
Transfers and subsidies paid to:					
Other local government institutions	0	0	0	239	239
Tertiary institutions of higher learning	0	0	0	0	0
Households	38	82	102	91	313
Non-profit institutions	1	1	7	3	12
Other grants paid	159	588	568	454	1 769
Operational costs:					
Advertising, promotions and marketing	26	29	30	39	124
Bank charges, facility and card fees	7	7	6	7	27
Communication	28	32	34	52	146
Courier and delivery services	0	1	1	1	3
Entertainment	0	0	0	1	1
External audit fees	4	27	16	12	59
Hire charges	134	235	302	435	1 106
Insurance underwriting	89	67	59	96	311
Printing, publications and books	5	8	5	27	45
Professional bodies, membership and subscriptions	1	1	4	8	14
Transport costs	2	6	9	10	27
Travel and subsistence	18	29	32	37	116
Wet fuel	110	310	238	324	982
Other operational costs	2 724	3 069	2 928	3 758	12 479
Other expenditure	184	194	233	872	1 483
Taxation	0	0	9	10	19
Surplus	15 509	11 238	7 640	4 973	39 360
Total expenditure	88 891	81 747	80 252	89 323	340 213

¹ The previously published totals for the September 2022, December 2022, March 2023 and June 2023 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Table 18 – Benchmark table for the financial year ended 30 June 2023 (preliminary): Statement of financial performance of municipalities for housing and trading services: Revenue

Revenue	September 2022	December 2022	March 2023	June 2023	Total 2023 ¹
	R million				
Interest on:					
Investments	30	21	18	45	114
Receivables	1 569	1 807	1 883	2 278	7 537
Dividends	0	0	0	0	0
Fines, penalties and forfeits	19	30	33	60	142
Licences and permits	66	63	61	59	249
Agency services	243	231	212	489	1 175
Rental	252	288	418	298	1 256
Sales of goods and rendering of services	140	148	212	215	715
Gains on the disposal of assets	0	12	11	15	38
Service charges:					
Sales of water	13 138	14 068	13 286	12 745	53 237
Sales of electricity	37 964	31 115	28 741	30 782	128 602
Refuse removal charges	3 357	3 202	3 278	3 443	13 280
Sewerage and sanitation charges	5 131	5 465	5 528	5 403	21 527
Other service charges (e.g. fresh produce market)	135	135	51	1 484	1 805
Government transfers and subsidies received:					
Capital	2 254	6 633	4 829	8 556	22 272
Operational	8 280	6 345	7 213	5 911	27 749
Other transfers and subsidies (incl. contributions and donations)	143	167	170	279	759
Operational revenue	917	926	1 402	1 548	4 793
Deficit	15 253	11 091	12 906	15 713	54 963
Total revenue	88 891	81 747	80 252	89 323	340 213

¹ The previously published totals for the September 2022, December 2022, March 2023 and June 2023 quarters have been benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Annexure A – Purchases and sales of water

Quarter ended	Purchases of water		Sales of water	
	Actual (unadjusted)		Actual (unadjusted)	
	R million	Year-on-year % change	R million	Year-on-year % change
Sep 2016	4 398		8 082	
Dec 2016	4 313		5 746	
Mar 2017	4 192		9 837	
Jun 2017	4 795		8 459	
Sep 2017	4 520	2,8	8 284	2,5
Dec 2017	5 100	18,2	8 828	53,6
Mar 2018	5 006	19,4	8 923	-9,3
Jun 2018	5 487	14,4	8 916	5,4
Sep 2018	5 179	14,6	9 493	14,6
Dec 2018	6 393	25,4	10 156	15,0
Mar 2019	6 498	29,8	9 167	2,7
Jun 2019	6 186	12,7	8 385	-6,0
Sep 2019	6 295	21,5	10 067	6,0
Dec 2019	7 354	15,0	10 449	2,9
Mar 2020	6 189	-4,8	11 767	28,4
Jun 2020	6 278	1,5	8 150	-2,8
Sep 2020	4 877	-22,5	9 159	-9,0
Dec 2020	6 872	-6,6	12 165	16,4
Mar 2021	6 232	0,7	10 686	-9,2
Jun 2021	6 702	6,8	11 538	41,6
Sep 2021**	5 563	14,1	12 041	31,5
Dec 2021**	6 969	1,4	12 447	2,3
Mar 2022**	7 390	18,6	12 568	17,6
Jun 2022**	6 836	2,0	11 050	-4,2
Sep 2022**	5 792	4,1	13 138	9,1
Dec 2022**	6 835	-1,9	14 068	13,0
Mar 2023**	8 028	8,6	13 286	5,7
Jun 2023**	8 129	18,9	12 745	15,3
Sep 2023*	7 038	21,5	12 378	-5,8
Dec 2023*	8 457	23,7	14 212	1,0
Mar 2024	6 882	-14,3	14 603	9,9

* Some figures have been revised.

** Benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Annexure B – Purchases and sales of electricity

Quarter ended	Purchases of electricity		Sales of electricity	
	Actual (unadjusted)		Actual (unadjusted)	
	R million	Year-on-year % change	R million	Year-on-year % change
Sep 2016	21 570		29 027	
Dec 2016	16 906		23 252	
Mar 2017	16 418		22 219	
Jun 2017	18 332		23 910	
Sep 2017	20 885	-3,2	27 508	-5,2
Dec 2017	16 436	-2,8	23 319	0,3
Mar 2018	16 050	-2,2	22 445	1,0
Jun 2018	18 454	0,7	23 985	0,3
Sep 2018	21 994	5,3	28 323	3,0
Dec 2018	17 570	6,9	24 903	6,8
Mar 2019	17 164	6,9	24 231	8,0
Jun 2019	20 450	10,8	25 751	7,4
Sep 2019	26 585	20,9	29 367	3,7
Dec 2019	19 715	12,2	26 935	8,2
Mar 2020	17 983	4,8	27 805	14,7
Jun 2020	21 979	7,5	26 268	2,0
Sep 2020	28 576	7,5	31 439	7,1
Dec 2020	18 935	-4,0	27 405	1,7
Mar 2021	19 323	7,5	27 877	0,3
Jun 2021	25 339	15,3	27 527	4,8
Sep 2021**	33 155	16,0	36 004	14,5
Dec 2021**	24 158	27,6	30 942	12,9
Mar 2022**	23 634	22,3	28 707	3,0
Jun 2022**	26 963	6,4	31 125	13,1
Sep 2022**	34 436	3,9	37 964	5,4
Dec 2022**	23 712	-1,8	31 115	0,6
Mar 2023**	22 736	-3,8	28 741	0,1
Jun 2023**	29 440	9,2	30 782	-1,1
Sep 2023*	34 828	1,1	39 176	3,2
Dec 2023*	28 319	19,4	33 951	9,1
Mar 2024	25 189	10,8	33 365	16,1

* Some figures have been revised.

** Benchmarked against the Financial Census of Municipalities survey (P9114), using information for the 130 municipalities only.

Annexure C – Top 130 municipalities in terms of total expenditure

Rank based on total expenditure	Municipality	Type	Category	Province
1	City of Johannesburg MM	Metro	A	Gauteng
2	City of Cape Town MM	Metro	A	Western Cape
3	eThekweni MM	Metro	A	KwaZulu-Natal
4	Ekurhuleni MM	Metro	A	Gauteng
5	City of Tshwane MM	Metro	A	Gauteng
6	Nelson Mandela Bay MM	Metro	A	Eastern Cape
7	Mangaung MM	Metro	A	Free State
8	Emfuleni LM	Local/secondary city	B	Gauteng
9	Buffalo City MM	Metro	A	Eastern Cape
10	Msunduzi LM	Local/secondary city	B	KwaZulu-Natal
11	Rustenburg LM	Local/secondary city	B	North West
12	Polokwane LM	Local/secondary city	B	Limpopo
13	City of Mbombela LM	Local/secondary city	B	Mpumalanga
14	Emalahleni (MP) LM	Local/secondary city	B	Mpumalanga
15	Matjhabeng LM	Local/secondary city	B	Free State
16	Mogale City LM	Local/secondary city	B	Gauteng
17	City of Matlosana LM	Local/secondary city	B	North West
18	City of uMhlathuze LM	Local/secondary city	B	KwaZulu-Natal
19	Newcastle LM	Local/secondary city	B	KwaZulu-Natal
20	Madibeng LM	Local/secondary city	B	North West
21	Drakenstein LM	Local/secondary city	B	Western Cape
22	Rand West LM	Local/non-secondary city	B	Gauteng
23	Govan Mbeki LM	Local/secondary city	B	Mpumalanga
24	Sol Plaatje LM	Local/secondary city	B	Northern Cape
25	George LM	Local/secondary city	B	Western Cape
26	JB Marks LM	Local/secondary city	B	North West
27	Merafong City LM	Local/non-secondary city	B	Gauteng
28	O.R. Tambo DM	District	C	Eastern Cape
29	Amathole DM	District	C	Eastern Cape
30	Steve Tshwete LM	Local/secondary city	B	Mpumalanga
31	Vhembe DM	District	C	Limpopo
32	Stellenbosch LM	Local/secondary city	B	Western Cape
33	KwaDukuza LM	Local/non-secondary city	B	KwaZulu-Natal
34	King Sabata Dalindyebo LM	Local/non-secondary city	B	Eastern Cape
35	Mopani DM	District	C	Limpopo
36	Greater Tzaneen LM	Local/non-secondary city	B	Limpopo
37	Chris Hani DM	District	C	Eastern Cape
38	Bushbuckridge LM	Local/non-secondary city	B	Mpumalanga
39	Midvaal LM	Local/non-secondary city	B	Gauteng
40	Ugu DM	District	C	KwaZulu-Natal
41	Mogalakwena LM	Local/non-secondary city	B	Limpopo
42	Ray Nkonyeni LM	Local/non-secondary city	B	KwaZulu-Natal
43	Metsimaholo LM	Local/non-secondary city	B	Free State
44	Saldanha Bay LM	Local/non-secondary city	B	Western Cape

Annexure C – Top 130 municipalities in terms of total expenditure (continued)

Rank based on total expenditure	Municipality	Type	Category	Province
45	Overstrand LM	Local/non-secondary city	B	Western Cape
46	Sekhukhune DM	District	C	Limpopo
47	Breede Valley LM	Local/non-secondary city	B	Western Cape
48	Lekwa LM	Local/non-secondary city	B	Mpumalanga
49	Makhado LM	Local/non-secondary city	B	Limpopo
50	Mossel Bay LM	Local/non-secondary city	B	Western Cape
51	Moses Kotane LM	Local/non-secondary city	B	North West
52	Mahikeng LM	Local/non-secondary city	B	North West
53	Fetakgomo/Greater Tubatse LM	Local/non-secondary city	B	Limpopo
54	Alfred Duma LM	Local/non-secondary city	B	KwaZulu-Natal
55	Moqhaka LM	Local/non-secondary city	B	Free State
56	Dihlabeng LM	Local/non-secondary city	B	Free State
57	Nkomazi LM	Local/non-secondary city	B	Mpumalanga
58	Msukaligwa LM	Local/non-secondary city	B	Mpumalanga
59	Ngwathe LM	Local/non-secondary city	B	Free State
60	King Cetshwayo DM	District	C	KwaZulu-Natal
61	UMgungundlovu DM	District	C	KwaZulu-Natal
62	Knysna LM	Local/non-secondary city	B	Western Cape
63	Lesedi LM	Local/non-secondary city	B	Gauteng
64	Mookgopong/Modimolle LM	Local/non-secondary city	B	Limpopo
65	Maluti-A-Phofung LM	Local/non-secondary city	B	Free State
66	Mkhondo LM	Local/non-secondary city	B	Mpumalanga
67	Kouga LM	Local/non-secondary city	B	Eastern Cape
68	Enoch Mgijima LM	Local/non-secondary city	B	Eastern Cape
69	Thembisile Hani LM	Local/non-secondary city	B	Mpumalanga
70	Capricorn DM	District	C	Limpopo
71	Dawid Kruiper LM	Local/non-secondary city	B	Northern Cape
72	Uthukela DM	District	C	KwaZulu-Natal
73	iLembe DM	District	C	KwaZulu-Natal
74	Ngaka Modiri Molema DM	District	C	North West
75	Zululand DM	District	C	KwaZulu-Natal
76	Langeberg LM	Local/non-secondary city	B	Western Cape
77	Thulamela LM	Local/non-secondary city	B	Limpopo
78	Oudtshoorn LM	Local/non-secondary city	B	Western Cape
79	Swartland LM	Local/non-secondary city	B	Western Cape
80	Bitou LM	Local/non-secondary city	B	Western Cape
81	Joe Gqabi DM	District	C	Eastern Cape
82	Setsoto LM	Local/non-secondary city	B	Free State
83	Umkhanyakude DM	District	C	KwaZulu-Natal
84	Thaba Chweu LM	Local/non-secondary city	B	Mpumalanga
85	Dr JS Moroka LM	Local/non-secondary city	B	Mpumalanga
86	Moretele LM	Local/non-secondary city	B	North West
87	Witzenberg LM	Local/non-secondary city	B	Western Cape
88	Greater Giyani LM	Local/non-secondary city	B	Limpopo
89	Ba-Phalaborwa LM	Local/non-secondary city	B	Limpopo
90	Lephalale LM	Local/non-secondary city	B	Limpopo

Annexure C – Top 130 municipalities in terms of total expenditure (concluded)

Rank based on total expenditure	Municipality	Type	Category	Province
91	Dr Ruth Segomotsi Mompati DM	District	C	North West
92	Abaqulusi LM	Local/non-secondary city	B	KwaZulu-Natal
93	Inkosi Langalibalele LM	Local/non-secondary city	B	KwaZulu-Natal
94	Elias Motsoaledi LM	Local/non-secondary city	B	Limpopo
95	Harry Gwala DM	District	C	KwaZulu-Natal
96	Makana LM	Local/non-secondary city	B	Eastern Cape
97	Alfred Nzo DM	District	C	Eastern Cape
98	Victor Khanye LM	Local/non-secondary city	B	Mpumalanga
99	Ditsobotla LM	Local/non-secondary city	B	North West
100	Theewaterskloof LM	Local/non-secondary city	B	Western Cape
101	Makhuduthamaga LM	Local/non-secondary city	B	Limpopo
102	Chief Albert Luthuli LM	Local/non-secondary city	B	Mpumalanga
103	Bela-Bela LM	Local/non-secondary city	B	Limpopo
104	Lepelle-Nkumpi LM	Local/non-secondary city	B	Limpopo
105	Sedibeng DM	District	C	Gauteng
106	uMngeni LM	Local/non-secondary city	B	KwaZulu-Natal
107	Umzinyathi DM	District	C	KwaZulu-Natal
108	Gert Sibande DM	District	C	Mpumalanga
109	Umzimvubu LM	Local/non-secondary city	B	Eastern Cape
110	Maquassi Hills LM	Local/non-secondary city	B	North West
111	Ga-Segonyana LM	Local/non-secondary city	B	Northern Cape
112	uMlalazi LM	Local/non-secondary city	B	KwaZulu-Natal
113	Dr Beyers Naude LM	Local/non-secondary city	B	Eastern Cape
114	Nala LM	Local/non-secondary city	B	Free State
115	Gamagara LM	Local/non-secondary city	B	Northern Cape
116	Nketoana LM	Local/non-secondary city	B	Free State
117	Hessequa LM	Local/non-secondary city	B	Western Cape
118	Nkangala DM	District	C	Mpumalanga
119	Mantsopa LM	Local/non-secondary city	B	Free State
120	West Rand DM	District	C	Gauteng
121	Raymond Mhlaba LM	Local/non-secondary city	B	Eastern Cape
122	Garden Route DM	District	C	Western Cape
123	Ulundi LM	Local/non-secondary city	B	KwaZulu-Natal
124	Naledi LM	Local/non-secondary city	B	North West
125	Cape Winelands DM	District	C	Western Cape
126	Musina LM	Local/non-secondary city	B	Limpopo
127	Kopanong LM	Local/non-secondary city	B	Free State
128	Matatiele LM	Local/non-secondary city	B	Eastern Cape
129	West Coast DM	District	C	Western Cape
130	Dr. Pixley Ka Isaka Seme LM	Local/non-secondary city	B	Mpumalanga

Annexure D – Changes brought about by mSCOA classification

Expenditure	
Pre-mSCOA classification	mSCOA classification
Employee-related costs	No change
Remuneration of board of directors/councillors	Remuneration of councillors
Interest paid	Finance costs
Loss on the disposal of property, plant and equipment	Loss on disposal of assets
Bad debts	Debt impairment
Contracted services	Contracted services: Consultants and professional services Contractors (new variable) Outsourced services (new variable)
Collection costs	Falls away – it went to other operational costs
Depreciation and amortisation	Depreciation, amortisation and impairment
Impairment loss (PPE)	Combined with depreciation and amortisation
Repairs and maintenance	Falls away – it went to other contracted services
Bulk purchases:	No change
Purchases of water	No change
Purchases of electricity	No change
Other bulk purchases	No change
	Operating leases:
	Buildings and infrastructure (new variable)
	Computer, furniture and office equipment (new variable)
	Transport assets, machinery and equipment (new variable)
	Other operating leases (new variable)
	Inventory consumed (new variable)
Grants and subsidies paid to:	Transfers and subsidies paid to:
Other local government institutions	No change
Tertiary institutions of higher learning	No change
Households or individuals	No change
Non-profit institutions serving households	No change
Other	Other transfers and subsidies
General expenditure:	Operational costs:
Accommodation, travelling and subsistence	Travel and subsistence
Advertising, promotions and marketing	Advertising, publicity and marketing
Audit fees	External audit fees
Bank charges	Bank charges, facility and card fees
Cleaning services	Falls away – it went to other contracted services / other operational costs
Consultancy and professional fees	Falls under contracted services
Entertainment costs	No change
Fuel and oil	Wet fuel
Hiring of plant and equipment	Hire charges
Insurance costs	Insurance underwriting
Pharmaceutical	Falls away – it went to other operational costs
Postal and courier services	Courier and delivery services
Printing and stationery	Printing, publications and books
Rebates for property rates	Falls away – it went to other expenditure
Rebates for service charges	Falls away – it went to other expenditure
Rental of land, buildings and other structures	Catered for under operating leases
Rental of office equipment	Catered for under operating leases
Security services	Falls away – it went to other contracted services
Subscriptions and membership fees	Professional bodies, membership and subscriptions
Telecommunication services	Communication
Training and education	Falls away – it went to other operational costs
Transport costs	No change
	Other operational costs
Other expenditure	No change
Taxation	No change
Surplus	No change
Total expenditure	No change

Annexure D – Changes brought about by mSCOA classification (concluded)

Revenue	
Pre-mSCOA classification	mSCOA classification
Property rates from:	No change
Residential	No change
Commercial or business	No change
State	No change
Other (includes agricultural, municipal, etc.)	No change
Property rates - penalties imposed and collection charges	No change
Service charges:	No change
Sales of water	No change
Sales of electricity	No change
Refuse removal charges	No change
Sewerage and sanitation charges	No change
Other service charges (e.g. fresh produce market)	No change
Interest earned from:	Interest on:
External investments	Investments
Outstanding debtors	Receivables
Dividends received	Dividends
Fines	Fines, penalties and forfeits
Licences and permits	No change
Income for agency services	Agency services
Rental of facilities and equipment	Rental
Bad debts recovered	Falls away – now under operational revenue
	Sales of goods and rendering of services (new variable)
Public contributions and donations (including PPE)	Moves to transfers and subsidies received
Gains on the disposal of property, plant and equipment	Gains on the disposal of assets
Grants and subsidies from:	Government transfers and subsidies received:
National government	Catered for under operational transfers
Provincial government	Catered for under operational transfers
Local government	Catered for under operational transfers
Spent conditional grant	Catered for under capital transfers
	Capital (new variable)
	Operational (new variable)
Other	Other transfers and subsidies (incl. contributions and donations)
Other income	Operational revenue
Deficit	No change
Total income	Total revenue

Analysis of revisions

Introduction

Preliminary estimates for the *Quarterly financial statistics of selected municipalities* survey are published within a quarter after the reference quarter, e.g. preliminary estimates for the March quarter are published towards the end of June. The preliminary values are revised the following quarter, using additional information received from respondents.

Analysis

Revisions may be analysed in terms of several dimensions, e.g. differences between preliminary and revised values (measured as rand values or as percentages); differences between preliminary and revised growth rates (quarter-on-quarter or year-on-year); and totals and/or components.

The analysis performed below is confined to the following:

- Four variables namely, purchases of water, sales of water, purchases of electricity and sales of electricity, current prices, unadjusted.
- The basis for the analysis is the difference between the revised figures and the preliminary figures, measured as a percentage of preliminary figures, where preliminary figures refers to the first published estimates for these four variables for the quarter in question.
- Time period: September 2016 to December 2023.

Figures 2 and 3 show the preliminary and revised purchases and sales of water (line chart, left vertical axis) and the difference between them (bar chart, right vertical axis, where difference = revised - preliminary, measured as a percentage). Table 19 provides key results relating to these revisions.

Figure 2 – Purchases of water: preliminary and revised

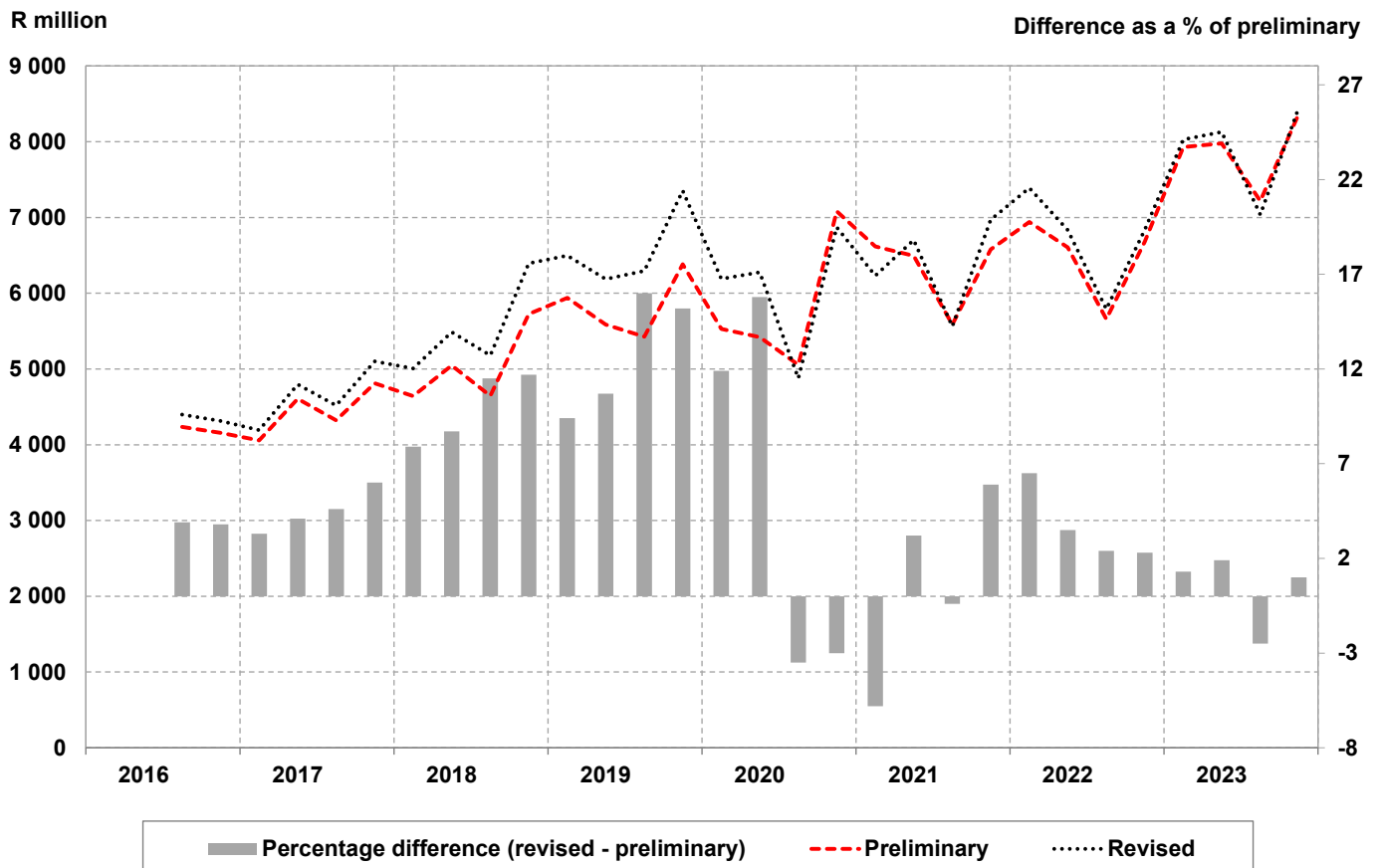


Figure 3 – Sales of water: preliminary and revised

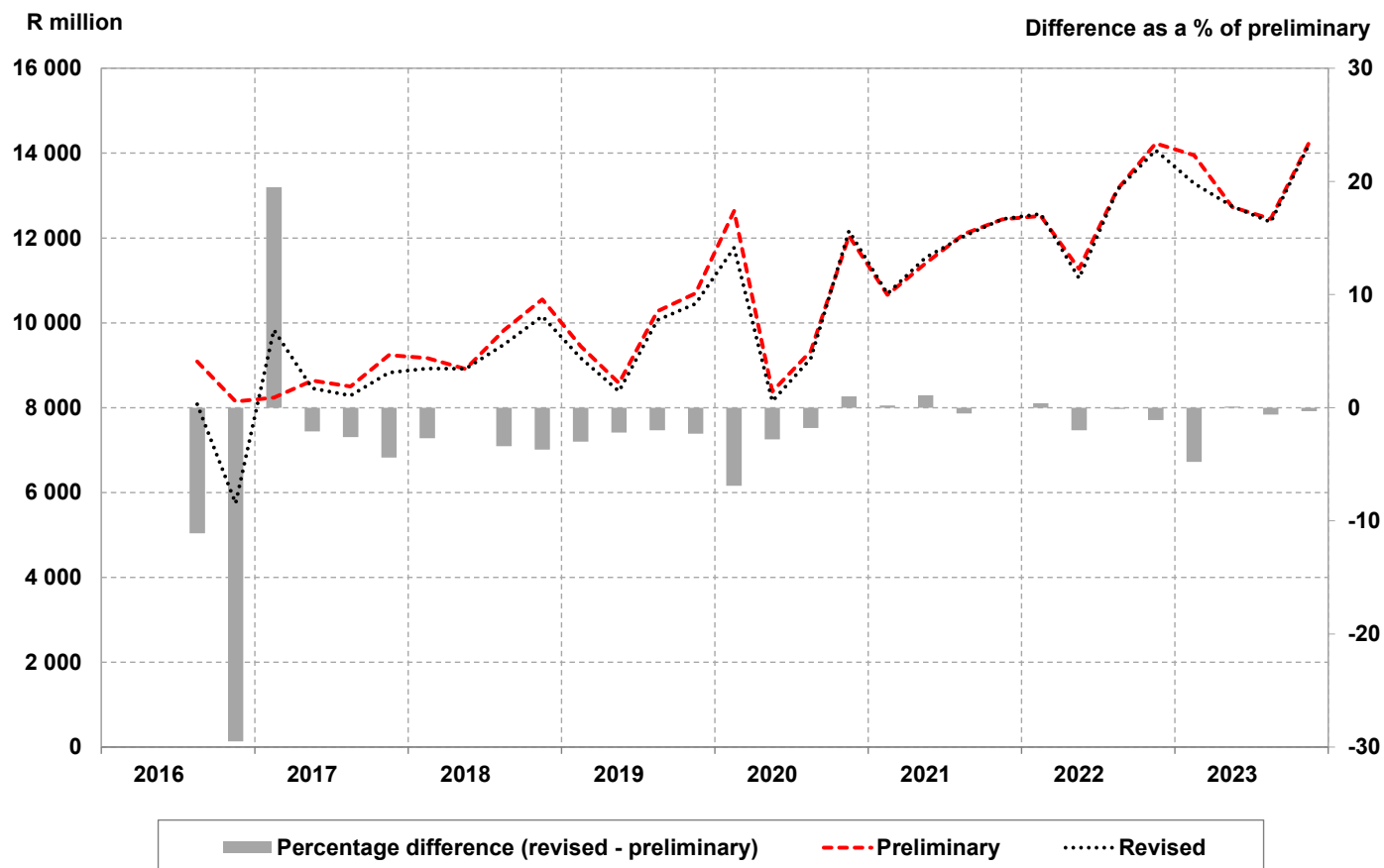


Table 19 – Purchases and sales of water: revision details

Description	Item	Value / outcome	Comment
Mean revision	Purchases of water	5,24%	This is the average of the revisions
	Sales of water	-2,25%	
Mean absolute revision	Purchases of water	6,26%	Average of the revisions, but based on the absolute value of each revision (positives and negatives do not cancel each other)
	Sales of water	3,74%	
Largest upward revision	Purchases of water	16,0%	Preliminary September 2019 quarter was revised from R5 425 million up to R6 295 million, representing a 16,0% revision
	Sales of water	19,5%	Preliminary March 2017 quarter was revised from R8 235 million up to R9 837 million, representing a 19,5% revision
Largest downward revision	Purchases of water	-5,8%	Preliminary March 2021 quarter was revised from R6 617 million down to R6 232 million, representing a -5,8% revision
	Sales of water	-29,5%	Preliminary December 2016 quarter was revised from R8 148 million down to R5 746 million, representing a -29,5% revision
Range for all revisions	Purchases of water	-5,8% to 16,0%	
	Sales of water	-29,5% to 19,5%	

Description	Item	Value / outcome	Comment
Range within which 90,0% of the revisions lie	Purchases of water	-4,5% to 15,9%	This may be regarded as the normal range for revisions, with revisions outside this range being outliers
Range within which 90,0% of the revisions lie	Sales of water	-19,38% to 9,38%	
Number of upward revisions	Purchases of water	25 or 83,3% of the total observations	
	Sales of water	8 or 26,7% of the total observations	
Number of downward revisions	Purchases of water	5 or 16,7% of the total observations	
	Sales of water	22 or 73,3% of the total observations	
Standard deviation of the revisions	Purchases of water	5,74%	Standard deviation is a measure of dispersion about the mean – see the rows below
	Sales of water	6,94%	
Percentage of revisions that lie within one standard deviation of the mean	Purchases of water	66,7%	This is the percentage of revisions that lie between -0,50% and 11,99%; the higher the percentage, the lower is the dispersion about the mean – see Figure 4
	Sales of water	90,0%	This is the percentage of revisions that lie between -9,20% and 4,69%; the higher the percentage, the lower is the dispersion about the mean – see Figure 5

Figure 4 shows the revisions for purchases of water in terms of a histogram. There were 2 revisions between -1,0% and 1,0% (-1,0% < revision ≤ 1,0%).

Figure 4 – Purchases of water: histogram of revisions

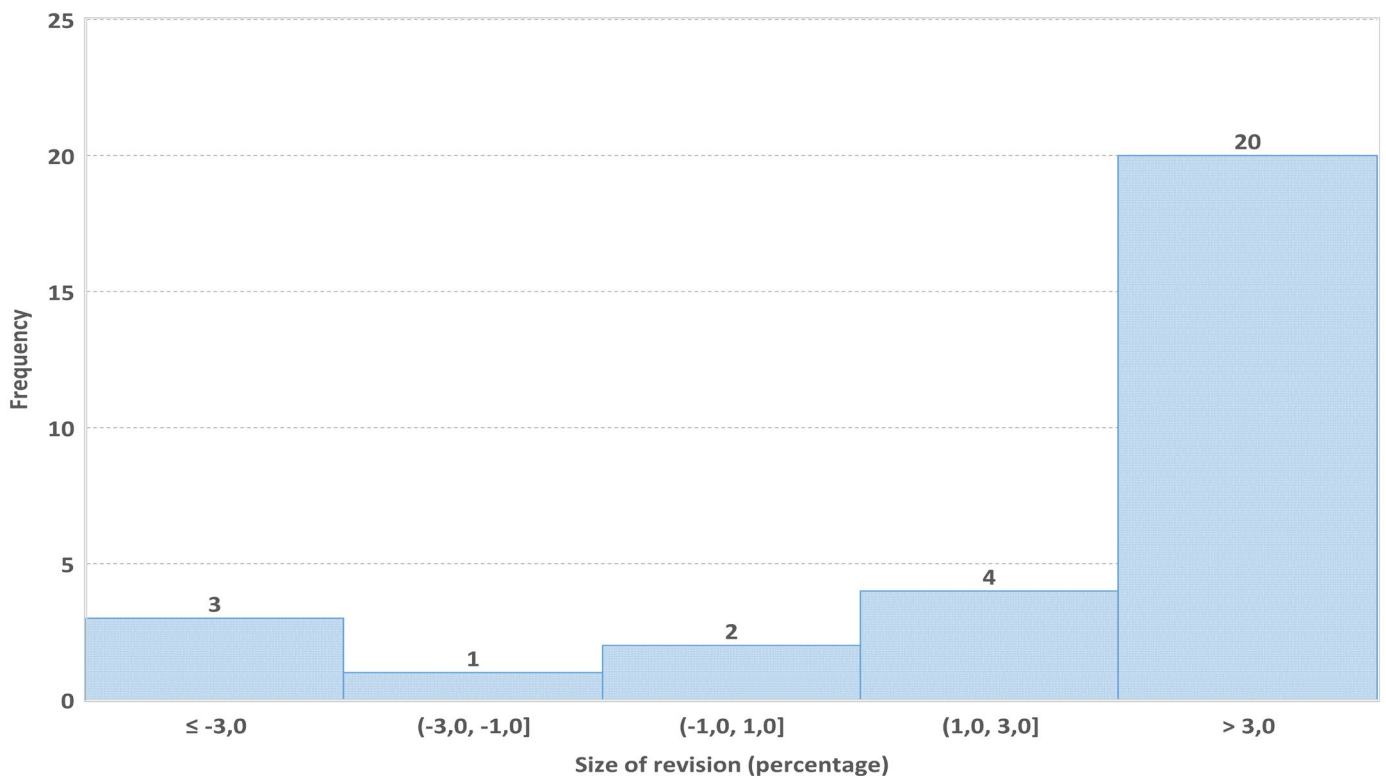
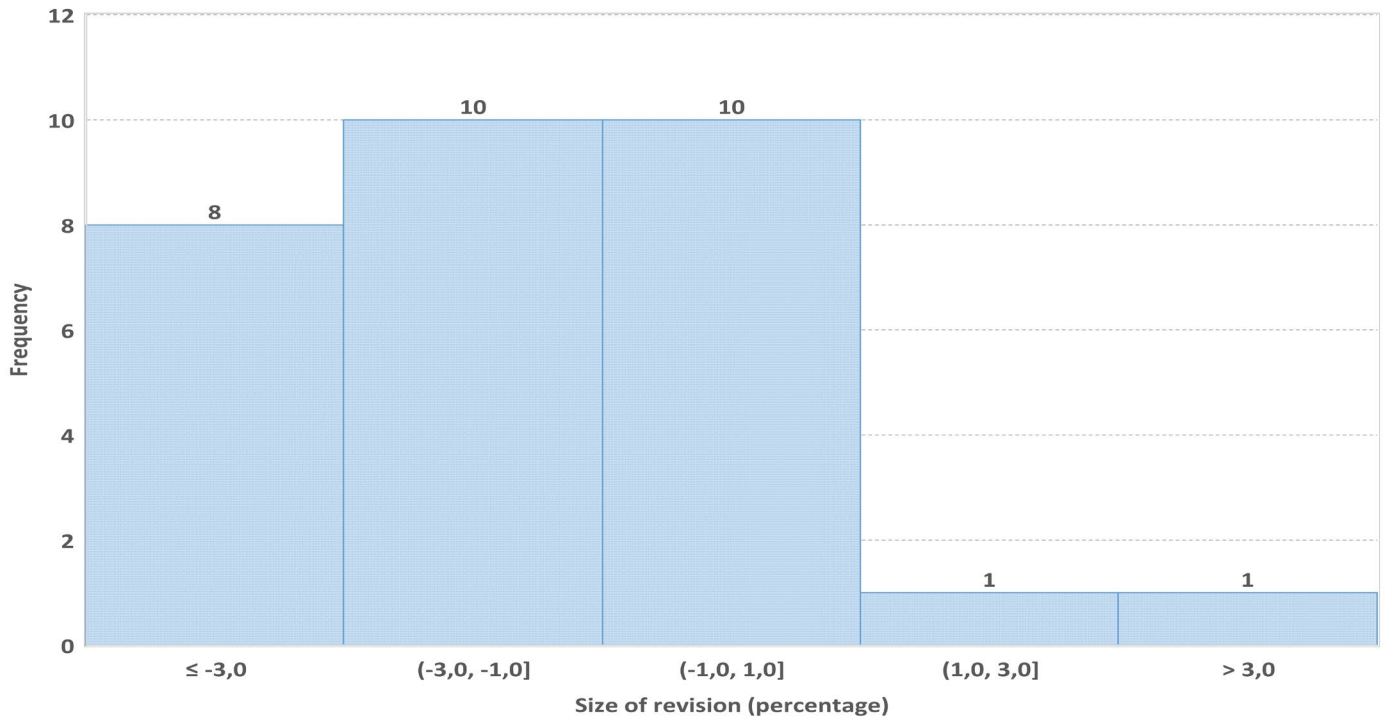


Figure 5 shows the revisions for sales of water in terms of a histogram. There were 10 revisions between -3,0% and -1,0% (-3,0% < revision ≤ -1,0%) and 10 revisions between -1,0% and 1,0% (-1,0% < revision ≤ 1,0%).

Figure 5 – Sales of water: histogram of revisions



Figures 6 and 7 show the preliminary and revised purchases and sales of electricity (line chart, left vertical axis) and the difference between them (bar chart, right vertical axis, where difference = revised - preliminary, measured as a percentage). Table 20 provides key results relating to revisions.

Figure 6 – Purchases of electricity: preliminary and revised

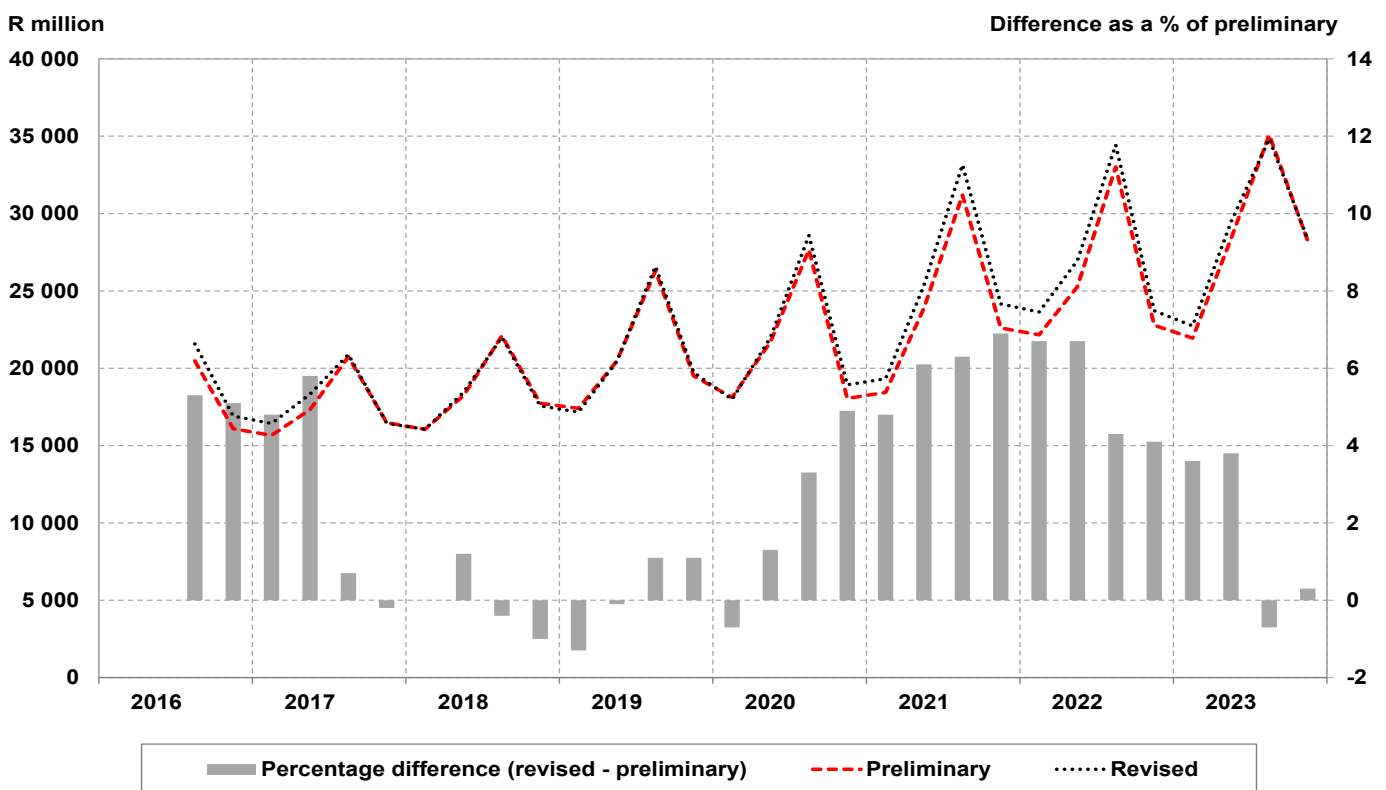


Figure 7 – Sales of electricity: preliminary and revised

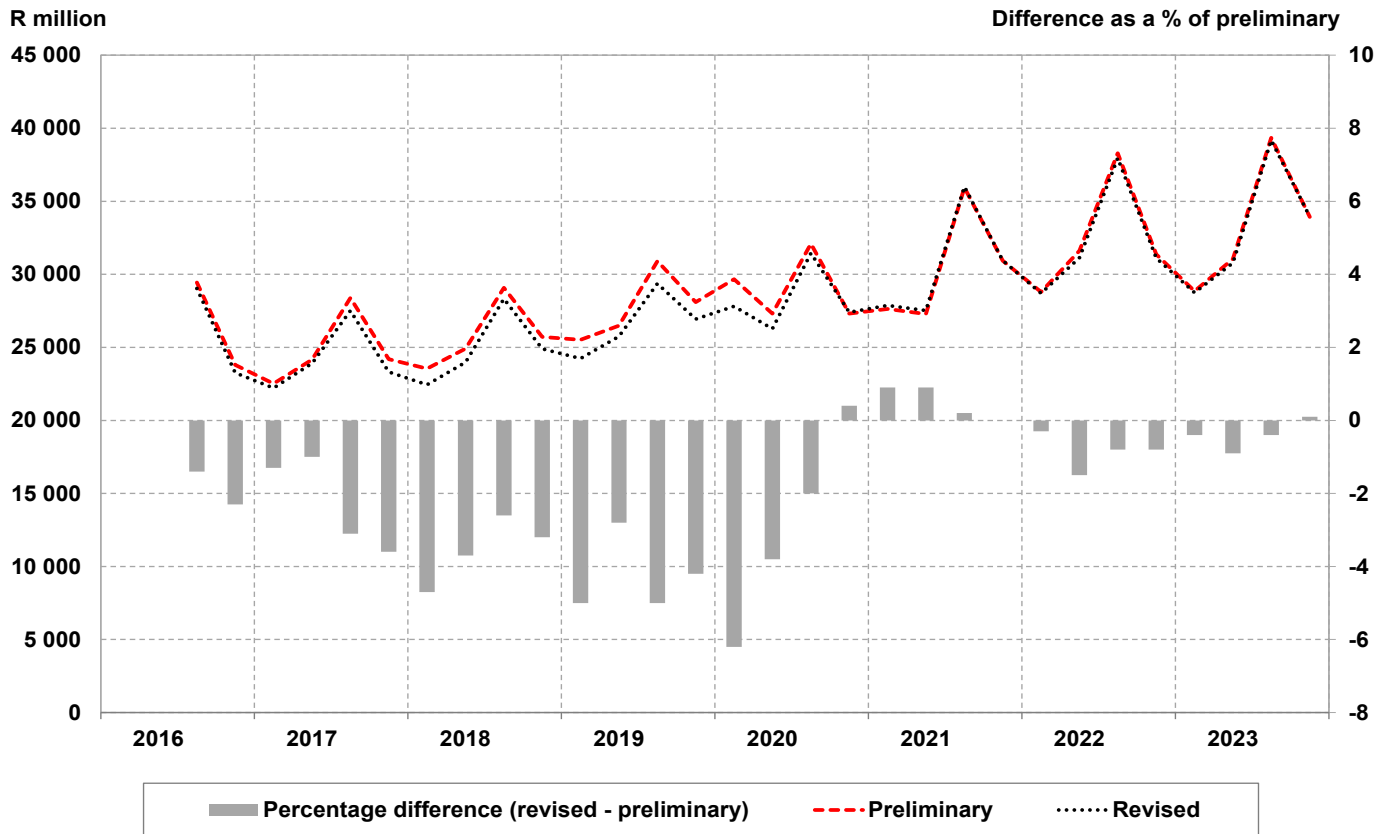


Table 20 – Purchases and sales of electricity: revision details

Description	Item	Value / outcome	Comment
Mean revision	Purchases of electricity	2,79%	This is the average of the revisions
	Sales of electricity	-1,95%	
Mean absolute revision	Purchases of electricity	3,09%	Average of the revisions, but based on the absolute value of each revision (positives and negatives do not cancel each other)
	Sales of electricity	2,12%	
Largest upward revision	Purchases of electricity	6,9%	Preliminary December 2021 quarter was revised from R22 600 million up to R24 158 million, representing a 6,9% revision
	Sales of electricity	0,9%	Preliminary March 2021 quarter was revised from R27 622 million up to R27 877 million, representing a 0,9% revision
Largest downward revision	Purchases of electricity	-1,3%	Preliminary March 2019 quarter was revised from R17 397 million down to R17 164 million, representing a -1,3% revision
	Sales of electricity	-6,2%	Preliminary March 2020 quarter was revised from R29 657 million down to R27 805 million, representing a -6,2% revision

Description	Item	Value / outcome	Comment
Range for all revisions	Purchases of electricity	-1,3% to 6,9%	
	Sales of electricity	-6,2% to 0,9%	
Range within which 90,0% of the revisions lie	Purchases of electricity	-1,1% to 6,8%	This may be regarded as the normal range for revisions, with revisions outside this range being outliers
Range within which 90,0% of the revisions lie	Sales of electricity	-5,5% to 0,9%	
Number of upward revisions	Purchases of electricity	23 or 76,7% of the total observations	
	Sales of electricity	6 or 20,0% of the total observations	
Number of downward revisions	Purchases of electricity	7 or 23,3% of the total observations	
	Sales of electricity	24 or 80,0% of the total observations	
Standard deviation of the revisions	Purchases of electricity	2,76%	Standard deviation is a measure of dispersion about the mean – see the rows below
	Sales of electricity	1,95%	
Percentage of revisions that lie within one standard deviation of the mean	Purchases of electricity	53,3%	This is the percentage of revisions that lie between 0,03% and 5,56%; the higher the percentage, the lower is the dispersion about the mean – see Figure 8
	Sales of electricity	63,3%	This is the percentage of revisions that lie between -3,90% and -0,001%; the higher the percentage, the lower is the dispersion about the mean – see Figure 9

Figure 8 shows the revisions for purchases of electricity in terms of a histogram. There were 3 revisions between 0,8% and 1,2% ($0,8\% < \text{revision} \leq 1,2\%$).

Figure 8 – Purchases of electricity: histogram of revisions

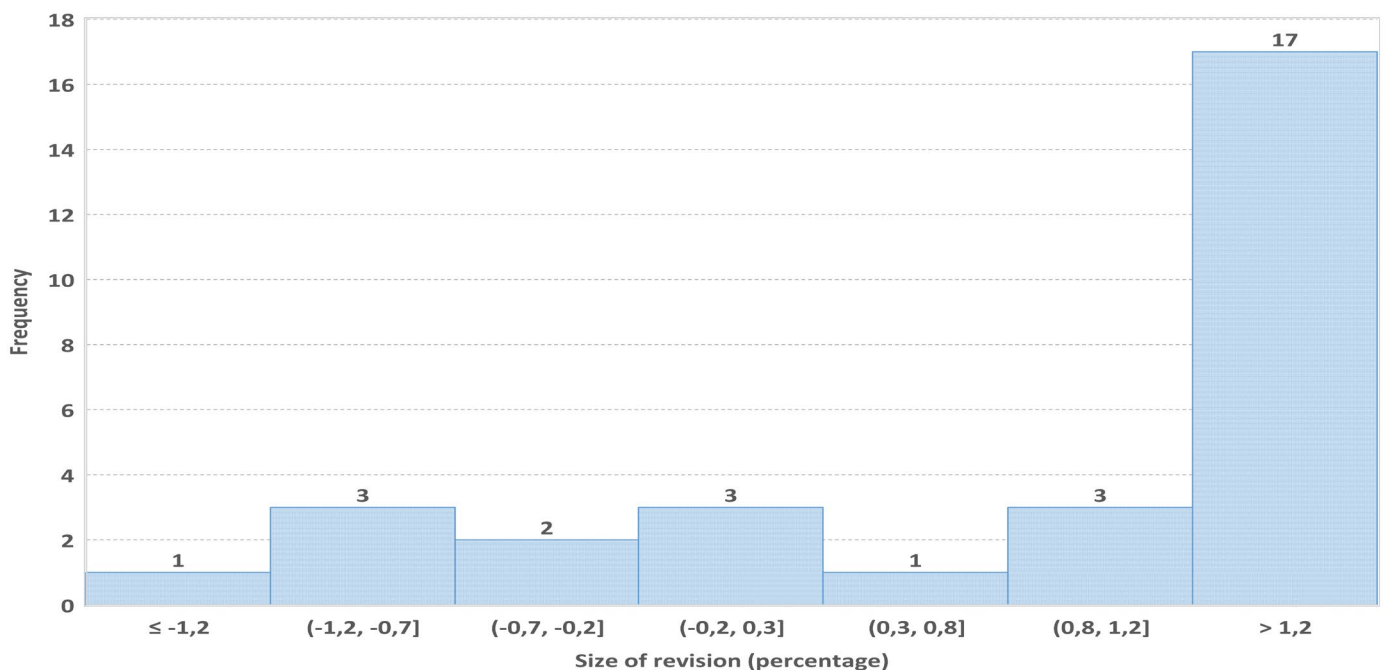
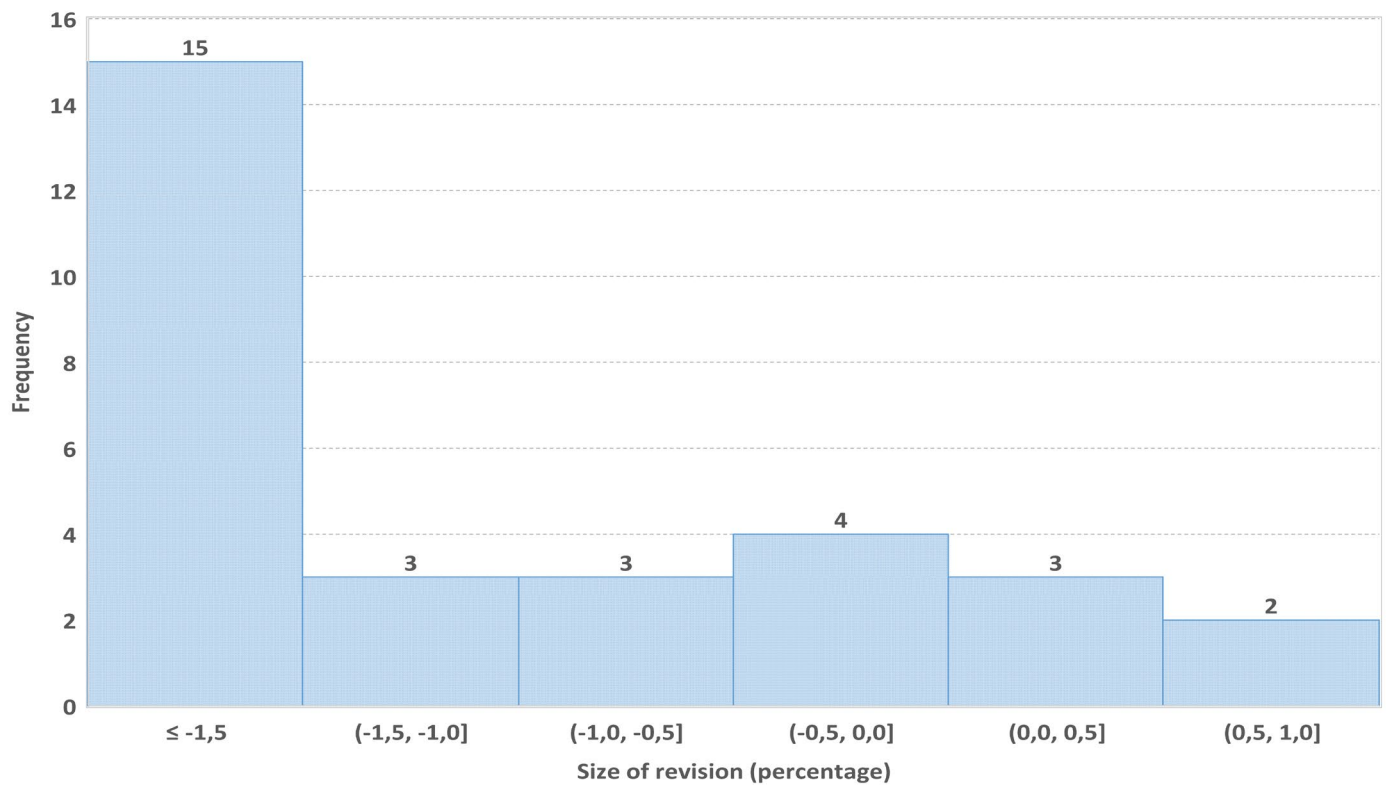


Figure 9 shows the revisions for sales of electricity in terms of a histogram. There were 4 revisions between -0,5% and 0,0% ($-0,5\% < \text{revision} \leq 0,0\%$).

Figure 9 – Sales of electricity: histogram of revisions



Notes

Forthcoming issue	Issue	Expected release date
	June 2024	September 2024
Purpose of survey	The <i>Quarterly financial statistics of selected municipalities</i> (QFSSM) (statistical release P9110.1) is a quarterly survey that obtains financial information from institutions that are determined to be municipalities in terms of the Local Government: Municipal Structures Act 1998 (Act No. 117 of 1998). The results of the survey are used to compile estimates of national accounts in order to calculate the gross domestic product (GDP) and its components; by the fiscal and monetary authorities for policy formulation; and for the analysis of local government finances.	
Response rates	March 2023 quarter: 99% (of 130) June 2023 quarter: 99% (of 130) September 2023 quarter: 99% (of 130) December 2023 quarter: 99% (of 130) March 2024 quarter: 97% (of 130)	
Benchmarking	Data for the QFSSM for the years ended 30 June 2022 and 30 June 2023 are aligned to the annual financial census of municipalities for the respective years (which is verified by using the annual financial statements from municipalities). This is however done for the 130 municipalities only and not for the full 257 municipalities. Refer to <i>Financial census of municipalities</i> (P9114).	
Imputation	Imputations were performed for four municipalities (Merafong City municipality and Kopanong local municipality did not respond and the figures for City of Tshwane metropolitan municipality and Nketoana local municipality were not usable).	
Cautionary note	The QFSSM survey provides quarterly financial updates based on preliminary figures from municipalities. Please refer to the annual <i>Financial census of municipalities</i> (statistical release P9114), where most results are based on audited figures, for a more in-depth report.	

Implementation of Municipal Standard Chart of Accounts (mSCOA)

The implementation of mSCOA caused a few municipalities to experience challenges with their newly upgraded or acquired systems. The following were some of the most common issues:

- i. Municipalities were not able to integrate their reporting systems (such as payroll and municipal systems) into the newly upgraded mSCOA-compliant system.
- ii. Municipalities experienced difficulty in capturing figures into the new systems – this was primarily a problem for municipalities that were moving from one system to another.

Stats SA is working with the affected municipalities and other stakeholders to resolve the issues reported above. The data for the quarter ended March 2024 are preliminary (see explanatory note 6 on page 35: Revised figures).

Explanatory notes

- Introduction** 1 The purpose of the quarterly financial statistics survey of selected municipalities is to provide stakeholders with information for allowing analysis and assessment of the state of local government finances.
- This publication contains estimates for the quarters ended March 2023, June 2023, September 2023, December 2023 and March 2024. It also includes the benchmarked data for the September 2021 to June 2022 quarters. The survey is designed to obtain financial information of local government institutions relating to the consolidated statement of financial performance of municipalities for:
- rates and general services; and
 - housing and trading services.
- Survey methodology and design** 2 With effect from the quarter ended September 2020, Stats SA has conducted a quarterly survey which focuses on the largest 130 municipalities, which include metropolitan municipalities, secondary cities, other large local municipalities and district municipalities (see Annexure C on page 22 for a full list of these municipalities). The ranking of municipalities was based on their total expenditures as of the 2017/2018 annual financial statements from the largest to the smallest. This quarterly survey represents approximately 85 percent of the total value when the full scope of municipalities is surveyed. Data for 130 municipalities were available since September 2016. Prior to this, there were re-demarcation issues which resulted in the scope reduction. So not all 130 can be extracted from the 278, 283, and 284, etc. municipalities that were there before 2016. A similar survey called *Financial Census of Municipalities* (P9114) inclusive of the other municipalities is conducted annually.
- The statistical unit for the collection of information is the municipality.
- Scope of the survey** 3 According to note 2, the survey covers quarterly financial information for 130 selected municipalities. Consequently, there is comparable information available for this new scope because it is included in a collection of 257 municipalities that collects, processes, analyses and publishes *Quarterly financial statistics of municipalities* (P9110).
- Classification and accounting standards** 4 For the purposes of classification of local government institutions according to activities, Statistics South Africa (Stats SA) used the *Standard Industrial Classification of All Economic Activities* (SIC), Fifth Edition, Report No.09-90-02 of January 1993. Activities of local government institutions also adhere to the accounting standards and requirements in terms of the Generally Recognised Accounting Practice (GRAP).
- The Municipal Standard Chart of Accounts (mSCOA) was initially rolled out (piloted-tested) in some municipalities in 2016. Since then, it has been implemented in all municipalities beginning in 2017. As part of the general ledger, which forms part of the books of account containing a standard list of all available accounts, this framework provides the method and format for recording and classifying financial transaction information. See Annexure D for changes made as a result of the alignment to mSCOA.
- Imputation** 5 A historical method is used to impute for non-response. Historical imputation is when a previous value of a non-respondent is used for the imputation of a current value. This value may be brought forward unchanged (un-weighted historical imputation), or have some kind of movement applied to it (weighted historical imputation). QFSSM (P9110.1) uses the unweighted imputation method currently.
- Revised figures** 6 Revised figures are mainly due to late submission of data to Stats SA, or respondents reporting revisions or corrections to their figures. The reasons for routine revisions are outlined in the following schedule. Any unscheduled revisions will be promptly indicated in relevant tables to maintain transparency and accuracy.

Statistical release	Reason for revision	Period subject to revision
Mar-24	Additional information from respondents	Sep-23 - Dec-23
	Benchmarked against the Financial Census of Municipalities survey (P9114)	Sep-22 - Jun-23
Jun-24	Additional information from respondents	Sep-23 - Mar-24
Sep-24	Additional information from respondents	Jun-24
Dec-24	Additional information from respondents	Sep-24

Rounding-off of figures	7	The figures in the tables have been rounded off to the nearest digit shown and as a result there may be slight discrepancies between the sums of the constituent items and the totals shown.
Related publications	8	<p>Users may wish to refer to the following Stats SA publications:</p> <ul style="list-style-type: none"> • P9110 <i>Quarterly financial statistics of municipalities (discontinued);</i> • P9101 <i>Capital expenditure of the public sector;</i> • P9114 <i>Financial census of municipalities;</i> • P9119.4 <i>Financial statistics of consolidated general government;</i> • P0441 <i>Gross domestic product; and</i> • P0277 <i>Quarterly employment statistics.</i>
Symbols and abbreviations used	9	<p>GRAP Generally Recognised Accounting Practice mSCOA Municipal Standard Chart of Accounts QES Quarterly employment statistics SIC Standard Industrial Classification of All Economic Activities Stats SA Statistics South Africa 0 Nil or not applicable * Revised figures</p>

Glossary of the selected terms

Agency services	The guideline underlying agency services is that the municipality performs a service on behalf of another entity. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of any commission received or receivable for the collection or handling of the gross flows.
Consolidated statement of financial performance	The aggregate or consolidated statement of financial performance (previously referred to as income statement) reports the institution's financial performance during a specific period of time. This statement covers all the revenue and expenditure of an entity over a specific period of time.
Consultants and professional services	Consulting services refer to specialist services and skills provided that are required for the achievement of a specific objective, with the aim of providing expert and professional advice on a time and material basis. It is unnecessary to maintain these skills in-house, since they are required on a once-off or temporary basis. Therefore, a consultant is a professional person appointed by the municipality to provide technical and specialist advice or to assist with the design and implementation of specific projects or programmes.
Contracted services	This group of accounts consists of outsourced services, consultants and professional services, and contractors. See above and below for descriptions of these.
Contractors	Contractors are required to provide services that are not the core business of the municipality. It is normally not cost effective to maintain these skills within the department. Contractors include costs associated with the use of contracted individuals or businesses on projects or tasks. This does not include amounts payable to contractors in respect of provision of services such as cleaning and security even if a staff element can be identified. Note also that it is common practice that the said contractor provides all the materials required for the project – the tenders are for the whole project, materials included.
Current expenditure	Current expenditure refers to transactions that decrease the net worth of the institution, including interest paid, compensation of employees, grants and subsidies paid and depreciation, but excluding the acquisition of fixed capital. It consists of the total expenditure of rates and general services (excluding the surplus) and the total expenditure of housing and trading services (excluding the surplus).
Debt impairment	Impaired debt is debt of any kind that is unlikely to be paid in full. This results in a loss of value of the amounts that an entity has pending to claim from its customers for the goods or services delivered.
Depreciation, amortisation and impairment	<p>Depreciation is the systematic allocation of the cost of an asset from the statement of financial position to depreciation expense on the statement of financial performance over the useful life of the asset.</p> <p>Amortisation is the systematic allocation of the discount, premium or issue cost of a financial instrument over the life of the instrument, or an intangible asset over a certain period.</p> <p>Impairment is a permanent reduction in the value of an asset. It may occur as a result of an unusual or one-time event, such as a change in legal or economic conditions, a change in consumer demand, or damage that impacts an asset.</p>
District municipality	District municipality refers to a municipality that has a municipal executive and legislative authority in an area that includes more than one municipality and which is described in section 155(1) of the Constitution as a category C municipality. Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).

Employee-related costs	<p>Employee-related costs include payment to full-time and part-time employees irrespective of whether the remuneration is paid out of revenue capital or any other account.</p> <p>Employee-related costs also include:</p> <ul style="list-style-type: none"> • basic compensation; • allowances; • contributions to other benefit funds of employees such as medical aid, pension fund contributions, group life, etc. (excluding unemployment insurance and workmen’s compensation, etc. which may be looked upon as a form of insurance and would appear under general expenditure), and other benefits such as housing subsidies; and • uniform and clothing allowances (clothing, boots, overalls etc. supplied to uniformed employees). <p>Also refer to the <i>Quarterly employment statistics</i> (QES) – statistical release P0277, which measures employment and gross earnings of all employees on a given municipal payroll.</p>
Fines, penalties and forfeits	<p>This item consists of all compulsory receipts imposed by a court or quasi-judicial body considered to be non-exchange revenue, e.g. traffic fines, fines for illegal connections, disconnection fees, motor vehicle licences, tender withdrawals, retentions, unclaimed money or deposits etc.</p>
Housing services	<p>Housing includes all activities associated with the municipal provision of housing.</p>
Licences or permits	<p>This item provides accounts for the granting of licences or permits associated with a regulatory function administered by the municipality.</p>
Local municipality	<p>Local municipality refers to municipalities that share municipal executive and legislative authority in its area with a district municipality within whose area it falls that is described in section 155(1) of the Constitution as a category B municipality. Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).</p>
Metropolitan municipality	<p>Metropolitan municipality refers to an institution that has municipal executive and legislative authority in an area that includes more than one municipality and which is described in section 155(1) of the Constitution as a category A municipality. Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).</p>
Municipality	<p>Municipality is a generic term describing the ‘unit’ of government in the local spheres responsible for local government in a geographically demarcated area and includes district, local and metropolitan municipalities. A municipality is an institution consisting of a municipal council (elected political representatives) and the municipal administration (appointed officials). Refer to the Local Government: Municipal Structures Act, 1998 (Act No.117 of 1998).</p>
Operating leases	<p>These are leases other than a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.</p>
Operational costs including other operational costs not covered separately	<p>This group of accounts provides for all expenditure items not specifically provided for in any other category and replaces the customary “miscellaneous, general, sundry, other, etc.” classification. An operating expense is a day-to-day expense such as sales and administration, or research and development, accounting expenses, licence fees, advertising, office expenses, utilities such as telephone, insurance, property management, travel and vehicle expenses.</p>
Operational revenue	<p>This group of accounts provides for “all other types of revenue” not specifically provided for in the revenue accounts, e.g. administrative handling fees, bad debts recovered, breakages recovered, collection charges, commission, incidental cash surpluses, insurance refunds, skills development levy refunds, agricultural activities, etc.</p>

Other expenditure	<p>The following are included in other expenditure:</p> <ul style="list-style-type: none">• departmental charges/fees;• books and magazines;• licences and trade licences;• workshops;• refreshments; and• sundries.
Outsourced services	<p>Refers to activities performed by the municipality through external providers rather than the municipality's own staff. Reasons for such arrangements include temporary incapacity and cost savings (e.g. cleaning, security and recruitment).</p>
Rates and general services	<p>Rates and general services refer to municipal services that are not economically self-supporting and are financed by imposing assessment and other rates, the receipt of subsidies, and other contributions. This includes ambulance services, fire control (or fire-fighting), health services (clinics, old-age homes), roads and storm water drainage, parks and recreation (libraries, cultural activities, museums, sport administration, community halls, swimming pools, sports grounds, nature reserves, etc.), sewerage and cleansing, traffic (licensing offices) and other services (city engineers, administration, personnel, legal services, city treasurer, etc.).</p>
Sale of goods and rendering of services	<p>This category consists of sales and services rendered provided that the municipality produced or partially produced the good or service. Goods include goods produced by the municipality for the purpose of sale, such as publications, and goods purchased for resale, such as merchandise or land and other property held for resale. The rendering of services typically involves the performance by the municipality of an agreed task over an agreed period of time. Examples of services rendered by entities for which revenue is typically received in exchange may include the provision of housing, management of water facilities, management of toll roads, and management of transfer payments.</p>
Service charges	<p>This group of accounts provides for the typical services rendered by the municipality as "exchange transactions", for example electricity, water, waste water management and waste management.</p>
Trading services	<p>Trading services are services for which the tariffs are determined in such a way that the provision of the service should yield a trading profit (market-related goods and services). These include waste management (refuse removal, solid waste disposal [landfill sites], street cleaning, recycling, etc.), waste water management (sewerage, storm water management and public toilets), water (water distribution, water storage, etc.), electricity (electricity distribution, electricity generation, street lighting, etc.), etc.</p>
Transfers and subsidies paid	<p>Transfers and subsidies include all unrequited payments made by the municipality to other institutions, businesses and individuals; it does not constitute final expenditure by the municipality. A payment is unrequited provided that the municipality does not receive anything directly in return for the transfer to the other party.</p> <p>Subsidies are unrequited payments that municipalities make to public corporations and private enterprises. These payments usually have a direct policy outcome, either by subsidising the price of goods and services or by influencing the level of production.</p>
Transfers and subsidies received	<p>This category includes all unrequited, voluntary receipts from other parties. Thus, an entry should be made under this item when the municipality does not provide anything of similar value directly in return for the transfer from the other party and the transfer is voluntary. Subsidies are unrequited payments that municipalities obtain from public and private enterprises. These payments usually have a direct policy outcome, either by subsidising the price of goods and services or by influencing the level of production.</p>

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