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STATISTICAL RELEASE

P9110.1

Quarterly financial statistics of selected municipalities

December 2020

Embargoed until:
19 April 2021
11:00

Please note:

1. With effect from the September 2020 quarter, Statistics South Africa (Stats SA) reduced the scope of the Quarterly Financial Statistics of Municipalities (P9110) from 257 municipalities to the 130 largest municipalities. Consequently, the publication name and number were changed to Quarterly Financial Statistics of Selected Municipalities and P9110.1. Please refer to notes 2 and 3 on page 14 for an explanation. For further enquiries contact Malibongwe Mhemhe at (012) 310 6928 / 082 906 8964 or MalibongweM@statssa.gov.za.
2. For the purpose of comparability over time, the figures for previous quarters have been revised to be for the 130 largest municipalities only.

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FORTHCOMING ISSUE:
March 2021

EXPECTED RELEASE DATE:
June 2021

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Key findings

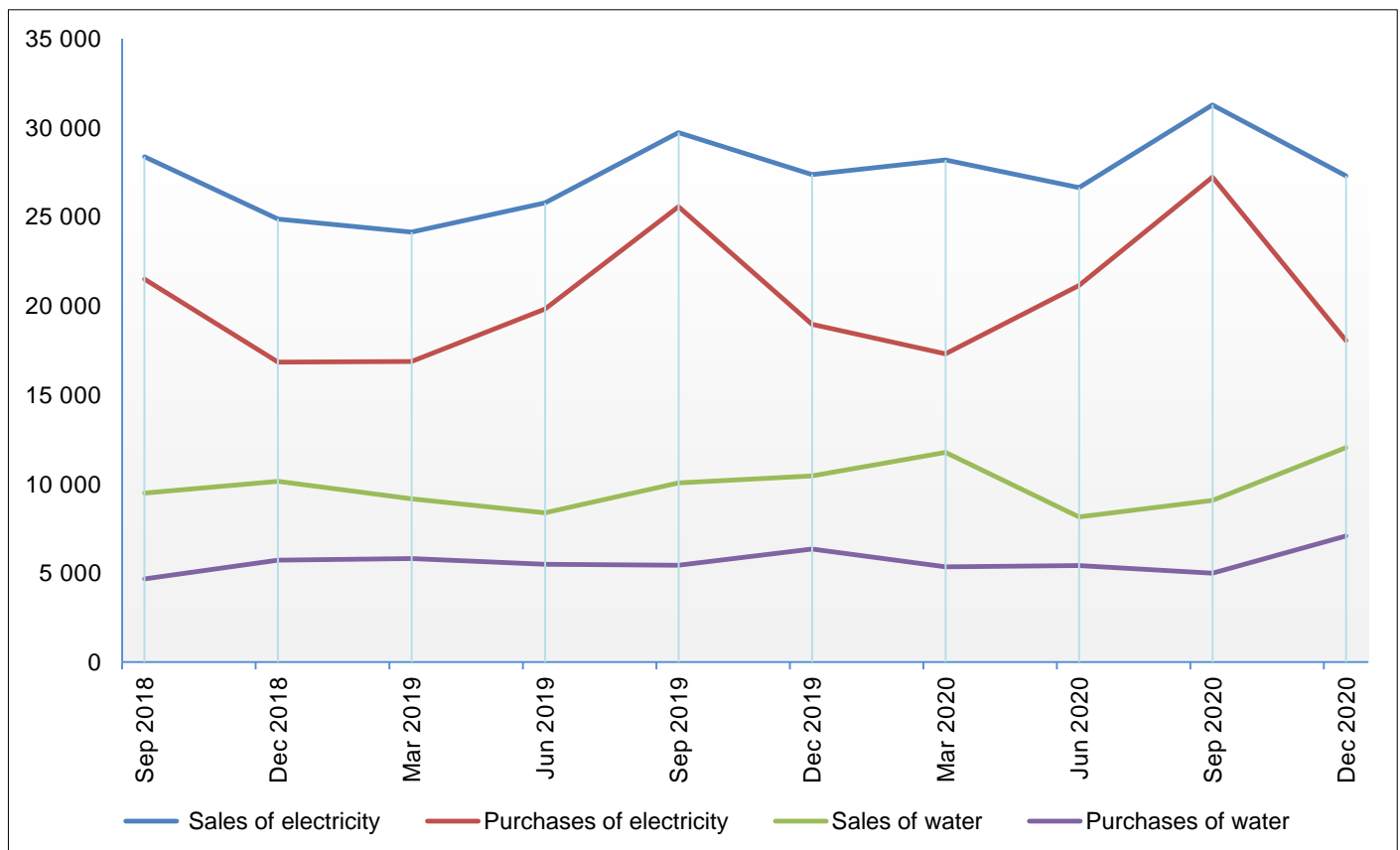
Table A – Purchases and sales of water and electricity

Item	Quarter ended					
	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
	Year-on-year % change					
Purchases of water	16,5	10,8	-7,9	-1,4	-8,2	11,5
Sales of water	6,0	2,9	28,4	-2,8	-9,8	15,3
Purchases of electricity	19,0	12,7	2,5	6,7	6,5	-4,9
Sales of electricity	4,8	10,1	16,8	3,3	5,2	-0,2

*Some figures have been revised.

Table A shows annual growth rates in the purchases and sales of water and electricity. From the December 2019 quarter to the December 2020 quarter, purchases and sales of water increased by 11,5% and 15,3% respectively. Purchases and sales of electricity decreased by 4,9% and 0,2% respectively over the same period.

Figure A – Purchases and sales of water and electricity from the quarter ended September 2018 to the quarter ended December 2020 – South Africa



*Some figures have been revised.

Risenga Maluleke
Statistician-General

Table 1 – Consolidated statement of financial performance of municipalities for the quarters ended December 2019, March 2020, June 2020, September 2020 and December 2020: Expenditure – South Africa

Expenditure	December 2019*	March 2020*	June 2020*	September 2020*	December 2020	Quarter-on-quarter difference between Sep. 2020 and Dec. 2020	Year-on-year difference between Dec. 2019 and Dec. 2020
	R million						
Employee-related costs	26 209	27 393	27 315	27 858	29 553	1 695	3 344
Remuneration of board of directors/councillors	740	803	859	779	852	73	112
Interest paid	2 220	2 250	2 629	1 548	2 834	1 286	614
Loss on the disposal of property, plant and equipment	3	39	127	2	24	22	21
Bad debts	4 005	4 247	7 171	4 972	5 289	317	1 284
Contracted services	7 565	7 897	10 083	6 075	9 109	3 034	1 544
Collection costs	101	152	147	112	195	83	94
Depreciation and amortisation	5 694	5 877	6 568	4 626	5 465	839	-229
Impairment loss (PPE)	0	4	4	12	12	0	12
Repairs and maintenance	1 340	1 194	1 497	752	885	133	-455
Bulk purchases:							
Purchases of water	6 352	5 346	5 423	4 991	7 082	2 091	730
Purchases of electricity	18 969	17 303	21 151	27 237	18 049	-9 188	-920
Other bulk purchases	51	5	97	0	0	0	-51
Grants and subsidies paid to:							
Other local government institutions	19	18	32	56	73	17	54
Tertiary institutions of higher learning	1	1	1	0	2	2	1
Households or individuals	177	145	381	93	95	2	-82
Non-profit institutions serving households	101	2	3	13	8	-5	-93
Other	560	642	1 015	298	765	467	205
General expenditure:							
Accommodation, travelling and subsistence	182	150	120	71	105	34	-77
Advertising, promotions and marketing	136	102	121	60	146	86	10
Audit fees	405	210	134	32	155	123	-250
Bank charges	102	156	237	101	136	35	34
Cleaning services	115	128	96	35	20	-15	-95
Consultancy and professional fees	636	616	564	246	709	463	73
Entertainment costs	11	7	8	5	29	24	18
Fuel and oil	400	400	321	228	276	48	-124
Hiring of plant and equipment	579	819	713	472	762	290	183
Insurance costs	256	265	205	568	482	-86	226
Pharmaceutical	60	52	58	5	0	-5	-60
Postal and courier services	66	76	47	41	80	39	14
Printing and stationery	133	128	131	40	47	7	-86
Rebates for property rates	788	782	780	24	2	-22	-786
Rebates for service charges	233	223	221	116	0	-116	-233
Rental of land, buildings and other structures	231	1 449	407	441	311	-130	80
Rental of office equipment	123	149	341	85	114	29	-9
Security services	770	501	645	323	195	-128	-575
Subscriptions and membership fees	72	86	144	203	120	-83	48
Telecommunication services	206	220	242	150	212	62	6
Training and education	123	134	106	50	80	30	-43
Transport costs	89	131	76	50	119	69	30
Other expenditure	8 949	9 929	10 067	6 486	12 387	5 901	3 438
Surplus	25 670	34 620	21 645	44 751	37 259	-7 492	11 589
Total expenditure	114 442	124 651	121 932	134 007	134 038	31	19 596

* Some figures have been revised.

Table 2 – Consolidated statement of financial performance of municipalities for the quarters ended December 2019, March 2020, June 2020, September 2020 and December 2020: Income – South Africa

Income	December 2019*	March 2020*	June 2020*	September 2020*	December 2020	Quarter-on-quarter difference between Sep. 2020 and Dec. 2020	Year-on-year difference between Dec. 2019 and Dec. 2020
	R million						
Property rates from:							
Residential	10 003	10 480	10 854	12 312	11 240	-1 072	1 237
Commercial or business	3 718	5 002	4 413	4 707	3 887	-820	169
State	922	947	1 007	1 458	1 121	-337	199
Other (includes agricultural, municipal, etc.)	775	1 001	877	4 179	1 250	-2 929	475
Property rates - penalties imposed and collection charges	26	227	88	73	114	41	88
Service charges							
Sales of water	10 449	11 767	8 150	9 078	12 050	2 972	1 601
Sales of electricity	27 375	28 193	26 642	31 287	27 308	-3 979	-67
Refuse removal charges	2 831	3 006	2 885	3 219	3 377	158	546
Sewerage and sanitation charges	4 103	4 542	3 937	4 362	3 728	-634	-375
Other service charges (e.g. fresh produce market)	0	0	0	93	55	-38	55
Interest earned from:							
External investments	952	1 026	1 359	648	1 071	423	119
Outstanding debtors	2 019	2 271	1 868	1 508	1 826	318	-193
Dividends received	27	42	23	0	0	0	-27
Fines	1 016	1 183	1 660	696	1 137	441	121
Licences and permits	185	157	159	217	295	78	110
Income for agency services	504	990	567	578	810	232	306
Rental of facilities and equipment	535	890	532	564	441	-123	-94
Bad debts recovered	6	6	7	1	7	6	1
Public contributions and donations (including PPE)	101	102	88	58	147	89	46
Gains on the disposal of property, plant and equipment	55	37	101	60	42	-18	-13
Grants and subsidies from:							
National government	19 838	23 413	11 154	27 381	32 314	4 933	12 476
Provincial government	500	478	473	183	569	386	69
Local government	1	1	1	0	0	0	-1
Other	72	81	20	5	83	78	11
Spent conditional grant	5 303	6 664	13 668	3 109	5 077	1 968	-226
Other income	4 413	3 871	9 439	4 030	6 964	2 934	2 551
Deficit	18 713	18 274	21 960	24 201	19 125	-5 076	412
Total income	114 442	124 651	121 932	134 007	134 038	31	19 596

* Some figures have been revised.

Table 3 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended December 2019, March 2020, June 2020, September 2020 and December 2020: Expenditure – South Africa

Expenditure	December 2019*	March 2020*	June 2020*	September 2020*	December 2020	Quarter-on-quarter difference between Sep. 2020 and Dec. 2020	Year-on-year difference between Dec. 2019 and Dec. 2020
	R million						
Employee-related costs	16 567	17 740	17 543	17 587	18 693	1 106	2 126
Remuneration of board of directors/councillors	740	803	859	779	852	73	112
Interest paid	1 499	1 631	1 727	1 154	1 598	444	99
Loss on the disposal of property, plant and equipment	3	2	18	1	21	20	18
Bad debts	1 451	1 786	3 662	1 648	3 117	1 469	1 666
Contracted services	3 022	3 219	3 750	2 100	3 866	1 766	844
Collection costs	100	149	144	89	167	78	67
Depreciation and amortisation	1 687	2 062	2 269	1 440	1 920	480	233
Impairment loss (PPE)	0	4	1	11	12	1	12
Repairs and maintenance	192	228	329	106	163	57	-29
Grants and subsidies paid to:							
Other local government institutions	19	18	32	20	18	-2	-1
Tertiary institutions of higher learning	1	1	1	0	2	2	1
Households or individuals	48	45	243	20	21	1	-27
Non-profit institutions serving households	101	2	3	12	6	-6	-95
Other	314	347	595	126	548	422	234
General expenditure:							
Accommodation, travelling and subsistence	148	118	82	51	65	14	-83
Advertising, promotions and marketing	109	87	104	43	99	56	-10
Audit fees	370	195	119	27	141	114	-229
Bank charges	98	150	233	98	132	34	34
Cleaning services	44	62	37	8	13	5	-31
Consultancy and professional fees	334	442	372	158	438	280	104
Entertainment costs	11	6	8	5	28	23	17
Fuel and oil	238	243	190	92	143	51	-95
Hiring of plant and equipment	134	292	214	99	199	100	65
Insurance costs	186	204	149	482	394	-88	208
Pharmaceutical	60	47	56	5	0	-5	-60
Postal and courier services	65	73	44	39	79	40	14
Printing and stationery	105	108	94	30	35	5	-70
Rebates for property rates	788	782	780	24	2	-22	-786
Rental of land, buildings and other structures	209	521	145	167	159	-8	-50
Rental of office equipment	68	86	181	45	57	12	-11
Security services	435	325	417	207	140	-67	-295
Subscriptions and membership fees	69	79	127	196	116	-80	47
Telecommunication services	161	181	199	120	180	60	19
Training and education	103	117	84	40	69	29	-34
Transport costs	57	122	68	24	92	68	35
Other expenditure	3 506	3 685	4 433	2 409	6 550	4 141	3 044
Surplus	17 740	20 477	9 772	31 812	25 790	-6 022	8 050
Total expenditure	50 782	56 439	49 084	61 274	65 925	4 651	15 143

* Some figures have been revised.

Table 4 – Consolidated statement of financial performance of municipalities for rates and general services for the quarters ended December 2019, March 2020, June 2020, September 2020 and December 2020: Income – South Africa

Income	December 2019*	March 2020*	June 2020*	September 2020*	December 2020	Quarter-on-quarter difference between Sep. 2020 and Dec. 2020	Year-on-year difference between Dec. 2019 and Dec. 2020
	R million						
Taxes on property							
Property rates from:							
Residential	10 003	10 480	10 854	12 312	11 240	-1 072	1 237
Commercial or business	3 718	5 002	4 413	4 707	3 887	-820	169
State	922	947	1 007	1 458	1 121	-337	199
Other (includes agricultural, municipal, etc.)	775	1 001	877	4 179	1 250	-2 929	475
Property rates – penalties imposed and collection charges	26	227	88	73	114	41	88
Interest earned from:							
External investments	930	1 005	1 337	616	973	357	43
Outstanding debtors	1 197	1 078	966	763	1 177	414	-20
Dividends received	7	7	8	0	0	0	-7
Fines	970	1 137	1 495	670	1 095	425	125
Licences and permits	49	52	57	58	110	52	61
Income for agency services	191	257	153	191	278	87	87
Rental of facilities and equipment	247	511	230	276	221	-55	-26
Bad debts recovered	6	6	6	0	0	0	-6
Public contributions and donations (including property, plant and equipment)	20	5	4	5	21	16	1
Gains on the disposal of property, plant and equipment	53	36	24	60	34	-26	-19
Grants and subsidies from:							
National government	14 906	16 494	8 180	20 310	24 433	4 123	9 527
Provincial government	223	190	192	84	206	122	-17
Local government	1	1	1	0	0	0	-1
Other	6	12	5	2	0	-2	-6
Spent conditional grants	2 304	2 936	4 072	1 571	2 023	452	-281
Other income	2 879	2 501	2 249	2 564	5 374	2 810	2 495
Deficit	11 349	12 554	12 866	11 375	12 368	993	1 019
Total income	50 782	56 439	49 084	61 274	65 925	4 651	15 143

* Some figures have been revised.

Table 5 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended December 2019, March 2020, June 2020, September 2020 and December 2020: Expenditure – South Africa

Expenditure	December 2019*	March 2020*	June 2020*	September 2020*	December 2020	Quarter-on-quarter difference between Sep. 2020 and Dec. 2020	Year-on-year difference between Dec. 2019 and Dec. 2020
R million							
Employee-related costs	9 642	9 653	9 772	10 271	10 860	589	1 218
Interest paid	721	619	902	394	1 236	842	515
Loss on disposal of property, plant and equipment	0	37	109	1	3	2	3
Bad debts	2 554	2 461	3 509	3 324	2 172	-1 152	-382
Contracted services	4 543	4 678	6 333	3 975	5 243	1 268	700
Collection costs	1	3	3	23	28	5	27
Depreciation and amortisation	4 007	3 815	4 299	3 186	3 545	359	-462
Impairment loss (PPE)	0	0	3	1	0	-1	0
Repairs and maintenance	1 148	966	1 168	646	722	76	-426
Bulk purchases:							
Purchases of water	6 352	5 346	5 423	4 991	7 082	2 091	730
Purchases of electricity	18 969	17 303	21 151	27 237	18 049	-9 188	-920
Other bulk purchases	51	5	97	0	0	0	-51
Grants and subsidies paid to:	0	0	0	0	0	0	0
Other local government institutions	0	0	0	36	55	19	55
Tertiary institutions of higher learning	0	0	0	0	0	0	0
Households or individuals	129	100	138	73	74	1	-55
Non-profit institutions serving households	0	0	0	1	2	1	2
Other	246	295	420	172	217	45	-29
General expenditure:							
Accommodation, travelling and subsistence	34	32	38	20	40	20	6
Advertising, promotions and marketing	27	15	17	17	47	30	20
Audit fees	35	15	15	5	14	9	-21
Bank charges	4	6	4	3	4	1	0
Cleaning services	71	66	59	27	7	-20	-64
Consultancy and professional fees	302	174	192	88	271	183	-31
Entertainment costs	0	1	0	0	1	1	1
Fuel and oil	162	157	131	136	133	-3	-29
Hiring of plant and equipment	445	527	499	373	563	190	118
Insurance costs	70	61	56	86	88	2	18
Pharmaceutical	0	5	2	0	0	0	0
Postal and courier services	1	3	3	2	1	-1	0
Printing and stationery	28	20	37	10	12	2	-16
Rebates for service charges	233	223	221	116	0	-116	-233
Rental of land, buildings and other structures	22	928	262	274	152	-122	130
Rental of office equipment	55	63	160	40	57	17	2
Security services	335	176	228	116	55	-61	-280
Subscriptions and membership fees	3	7	17	7	4	-3	1
Telecommunication services	45	39	43	30	32	2	-13
Training and education	20	17	22	10	11	1	-9
Transport costs	32	9	8	26	27	1	-5
Other expenditure	5 443	6 244	5 634	4 077	5 837	1 760	394
Surplus	7 930	14 143	11 873	12 939	11 469	-1 470	3 539
Total expenditure	63 660	68 212	72 848	72 733	68 113	-4 620	4 453

* Some figures have been revised.

Table 6 – Consolidated statement of financial performance of municipalities for housing and trading services for the quarters ended December 2019, March 2020, June 2020, September 2020 and December 2020: Income – South Africa

Income	December 2019*	March 2020*	June 2020*	September 2020*	December 2020	Quarter-on-quarter difference between Sep. 2020 and Dec. 2020	Year-on-year difference between Dec. 2019 and Dec. 2020
	R million						
Interest earned from:							
External investments	22	21	22	32	98	66	76
Outstanding debtors	822	1 193	902	745	649	-96	-173
Dividends received	20	35	15	0	0	0	-20
Fines	46	46	165	26	42	16	-4
Licences and permits	136	105	102	159	185	26	49
Income for agency services	313	733	414	387	532	145	219
Rental of facilities and equipment	288	379	302	288	220	-68	-68
Bad debts recovered	0	0	1	1	7	6	7
Public contributions and donations (including property, plant and equipment)	81	97	84	53	126	73	45
Gains on the disposal of property, plant and equipment	2	1	77	0	8	8	6
Service charges:							
Sales of water	10 449	11 767	8 150	9 078	12 050	2 972	1 601
Sales of electricity	27 375	28 193	26 642	31 287	27 308	-3 979	-67
Refuse removal charges	2 831	3 006	2 885	3 219	3 377	158	546
Sewerage and sanitation charges	4 103	4 542	3 937	4 362	3 728	-634	-375
Other service charges (e.g. fresh produce market)	0	0	0	93	55	-38	55
Grants and subsidies from:							
National government	4 932	6 919	2 974	7 071	7 881	810	2 949
Provincial government	277	288	281	99	363	264	86
Local government	0	0	0	0	0	0	0
Other	66	69	15	3	83	80	17
Spent conditional grants	2 999	3 728	9 596	1 538	3 054	1 516	55
Other income	1 534	1 370	7 190	1 466	1 590	124	56
Deficit	7 364	5 720	9 094	12 826	6 757	-6 069	-607
Total income	63 660	68 212	72 848	72 733	68 113	-4 620	4 453

* Some figures have been revised.

Annexure A – Purchases and sales of water

Quarter ended	Purchases		Sales	
	R million	Year-on-year % change	R million	Year-on-year % change
Jun 2016	3 928		7 430	
Sep 2016	4 202		8 082	
Dec 2016	3 088		5 746	
Mar 2017	5 000		9 837	
Jun 2017	4 544	15,7	8 459	13,8
Sep 2017	4 184	-0,4	8 284	2,5
Dec 2017	4 722	52,9	8 828	53,6
Mar 2018	4 625	-7,5	8 923	-9,3
Jun 2018	5 035	10,8	8 916	5,4
Sep 2018	4 667	11,5	9 493	14,6
Dec 2018	5 732	21,4	10 156	15,0
Mar 2019	5 806	25,5	9 167	2,7
Jun 2019	5 502	9,3	8 385	-6,0
Sep 2019	5 437	16,5	10 067	6,0
Dec 2019	6 352	10,8	10 449	2,9
Mar 2020	5 346	-7,9	11 767	28,4
Jun 2020	5 423	-1,4	8 150	-2,8
Sep 2020	4 991	-8,2	9 078	-9,8
Dec 2020	7 082	11,5	12 050	15,3

Annexure B – Purchases and sales of electricity

Quarter ended	Purchases		Sales	
	R million	Year-on-year % change	R million	Year-on-year % change
Jun 2016	16 985		22 437	
Sep 2016	19 681		28 397	
Dec 2016	11 179		16 797	
Mar 2017	19 781		28 334	
Jun 2017	16 915	-0,4	23 772	5,9
Sep 2017	20 156	2,4	27 880	-1,8
Dec 2017	15 687	40,3	23 566	40,3
Mar 2018	15 496	-21,7	22 738	-19,8
Jun 2018	17 637	4,3	24 178	1,7
Sep 2018	21 493	6,6	28 378	1,8
Dec 2018	16 835	7,3	24 875	5,6
Mar 2019	16 886	9,0	24 137	6,2
Jun 2019	19 827	12,4	25 785	6,6
Sep 2019	25 579	19,0	29 730	4,8
Dec 2019	18 969	12,7	27 375	10,1
Mar 2020	17 303	2,5	28 193	16,8
Jun 2020	21 151	6,7	26 642	3,3
Sep 2020	27 237	6,5	31 287	5,2
Dec 2020	18 049	-4,9	27 308	-0,2

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	Secondary City / Top 19	B	Gauteng
9	Buffalo City MM	Metro	A	Eastern Cape
10	The Msunduzi LM	Secondary City / Top 19	B	KwaZulu-Natal
11	Rustenburg LM	Secondary City / Top 19	B	North West
12	Polokwane LM	Secondary City / Top 19	B	Limpopo
13	City of Mbombela LM	Secondary City / Top 19	B	Mpumalanga
14	Emalahleni (MP) LM	Secondary City / Top 19	B	Mpumalanga
15	Matjhabeng LM	Secondary City / Top 19	B	Free State
16	Mogale City LM	Secondary City / Top 19	B	Gauteng
17	City of Matlosana LM	Secondary City / Top 19	B	North West
18	City of uMhlathuze LM	Secondary City / Top 19	B	KwaZulu-Natal
19	Newcastle LM	Secondary City / Top 19	B	KwaZulu-Natal
20	Madibeng LM	Secondary City / Top 19	B	North West
21	Drakenstein LM	Secondary City / Top 19	B	Western Cape
22	Rand West LM	Non-metro	B	Gauteng
23	Govan Mbeki LM	Secondary City / Top 19	B	Mpumalanga
24	Sol Plaatje LM	Secondary City / Top 19	B	Northern Cape
25	George LM	Secondary City / Top 19	B	Western Cape
26	JB Marks LM	Secondary City / Top 19	B	North West
27	Merafong City LM	Non-metro	B	Gauteng
28	O.R. Tambo DM	District	C	Eastern Cape
29	Amathole DM	District	C	Eastern Cape
30	Steve Tshwete LM	Secondary City / Top 19	B	Mpumalanga
31	Vhembe DM	District	C	Limpopo
32	Stellenbosch LM	Secondary City / Top 19	B	Western Cape
33	KwaDukuza LM	Non-metro	B	KwaZulu-Natal
34	King Sabata Dalindyebo LM	Non-metro	B	Eastern Cape
35	Mopani DM	District	C	Limpopo
36	Greater Tzaneen LM	Non-metro	B	Limpopo
37	Chris Hani DM	District	C	Eastern Cape
38	Bushbuckridge LM	Non-metro	B	Mpumalanga
39	Midvaal LM	Non-metro	B	Gauteng
40	Ugu DM	District	C	KwaZulu-Natal
41	Mogalakwena LM	Non-metro	B	Limpopo
42	Ray Nkonyeni LM	Non-metro	B	KwaZulu-Natal
43	Metsimaholo LM	Non-metro	B	Free State
44	Saldanha Bay LM	Non-metro	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	Non-metro	B	Western Cape
46	Sekhukhune DM	District	C	Limpopo
47	Breede Valley LM	Non-metro	B	Western Cape
48	Lekwa LM	Non-metro	B	Mpumalanga
49	Makhado LM	Non-metro	B	Limpopo
50	Mossel Bay LM	Non-metro	B	Western Cape
51	Moses Kotane LM	Non-metro	B	North West
52	Mahikeng LM	Non-metro	B	North West
53	Fetakgomo/Greater Tubatse LM	Non-metro	B	Limpopo
54	Alfred Duma LM	Non-metro	B	KwaZulu-Natal
55	Moqhaka LM	Non-metro	B	Free State
56	Dihlabeng LM	Non-metro	B	Free State
57	Nkomazi LM	Non-metro	B	Mpumalanga
58	Msukaligwa LM	Non-metro	B	Mpumalanga
59	Ngwathe LM	Non-metro	B	Free State
60	King Cetshwayo DM	District	C	KwaZulu-Natal
61	UMgungundlovu DM	District	C	KwaZulu-Natal
62	Knysna LM	Non-metro	B	Western Cape
63	Lesedi LM	Non-metro	B	Gauteng
64	Mookgopong/Modimolle LM	Non-metro	B	Limpopo
65	Maluti-A-Phofung LM	Non-metro	B	Free State
66	Mkhondo LM	Non-metro	B	Mpumalanga
67	Kouga LM	Non-metro	B	Eastern Cape
68	Enoch Mgijima LM	Non-metro	B	Eastern Cape
69	Thembisile Hani LM	Non-metro	B	Mpumalanga
70	Capricorn DM	District	C	Limpopo
71	Dawid Kruiper LM	Non-metro	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	Non-metro	B	Western Cape
77	Thulamela LM	Non-metro	B	Limpopo
78	Oudtshoorn LM	Non-metro	B	Western Cape
79	Swartland LM	Non-metro	B	Western Cape
80	Bitou LM	Non-metro	B	Western Cape
81	Joe Gqabi DM	District	C	Eastern Cape
82	Setsoto LM	Non-metro	B	Free State
83	Umkhanyakude DM	District	C	KwaZulu-Natal
84	Thaba Chweu LM	Non-metro	B	Mpumalanga
85	Dr JS Moroka LM	Non-metro	B	Mpumalanga
86	Moretele LM	Non-metro	B	North West
87	Witzenberg LM	Non-metro	B	Western Cape
88	Greater Giyani LM	Non-metro	B	Limpopo
89	Ba-Phalaborwa LM	Non-metro	B	Limpopo
90	Lephalale LM	Non-metro	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	Non-metro	B	KwaZulu-Natal
93	Inkosi Langalibalele LM	Non-metro	B	KwaZulu-Natal
94	Elias Motsoaledi LM	Non-metro	B	Limpopo
95	Harry Gwala DM	District	C	KwaZulu-Natal
96	Makana LM	Non-metro	B	Eastern Cape
97	Alfred Nzo DM	District	C	Eastern Cape
98	Victor Khanye LM	Non-metro	B	Mpumalanga
99	Ditsobotla LM	Non-metro	B	North West
100	Theewaterskloof LM	Non-metro	B	Western Cape
101	Makhuduthamaga LM	Non-metro	B	Limpopo
102	Chief Albert Luthuli LM	Non-metro	B	Mpumalanga
103	Bela-Bela LM	Non-metro	B	Limpopo
104	Lepelle-Nkumpi LM	Non-metro	B	Limpopo
105	Sedibeng DM	District	C	Gauteng
106	uMngeni LM	Non-metro	B	KwaZulu-Natal
107	Umzinyathi DM	District	C	KwaZulu-Natal
108	Gert Sibande DM	District	C	Mpumalanga
109	Umzimvubu LM	Non-metro	B	Eastern Cape
110	Maquassi Hills LM	Non-metro	B	North West
111	Ga-Segonyana LM	Non-metro	B	Northern Cape
112	uMlalazi LM	Non-metro	B	KwaZulu-Natal
113	Dr Beyers Naude LM	Non-metro	B	Eastern Cape
114	Nala LM	Non-metro	B	Free State
115	Gamagara LM	Non-metro	B	Northern Cape
116	Nketoana LM	Non-metro	B	Free State
117	Hessequa LM	Non-metro	B	Western Cape
118	Nkangala DM	District	C	Mpumalanga
119	Mantsopa LM	Non-metro	B	Free State
120	West Rand DM	District	C	Gauteng
121	Raymond Mhlaba LM	Non-metro	B	Eastern Cape
122	Garden Route DM	District	C	Western Cape
123	Ulundi LM	Non-metro	B	KwaZulu-Natal
124	Naledi LM	Non-metro	B	North West
125	Cape Winelands DM	District	C	Western Cape
126	Musina LM	Non-metro	B	Limpopo
127	Kopanong LM	Non-metro	B	Free State
128	Matatiele LM	Non-metro	B	Eastern Cape
129	West Coast DM	District	C	Western Cape
130	Dr. Pixley Ka Isaka Seme LM	Non-metro	B	Mpumalanga

Notes

Forthcoming issue	Issue	Expected release date
	March 2021	June 2021
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 those institutions determined to be municipalities in terms of the Local Government Municipal Structures Act 1988 (Act no. 117 of 1998). The results of the survey are used to compile estimates of national accounts in order to determine 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	December 2019 quarter: 94% (of 130) March 2020 quarter: 81% (of 130) June 2020 quarter: 82% (of 130) September 2020 quarter: 98% (of 130) December 2020 quarter: 99% (of 130)	
Imputation	Imputation was performed for one municipality that furnished unusable figures.	
Cautionary note	The <i>Quarterly financial statistics of selected municipalities</i> (QFSSM) survey provides quarterly updates based on preliminary figures from municipalities. For a more complete report please refer to the annual <i>Financial census of municipalities</i> (statistical release P9114), in which most results are based on audited figures.	

Reporting of negative figures by municipalities

Some municipalities pass adjusting journal entries to correct previously recorded figures. In some cases this results in municipalities reporting negative income or expenditure figures.

Implementation of Municipal Standard Chart of Accounts (MSCOA)

The implementation of MSCOA resulted in some municipalities experiencing difficulties with their newly upgraded or acquired systems. Amongst others the following are the most common issues:

- i. Municipalities not being able to integrate their reporting systems (such as payrolls and municipal entities) into the newly upgraded MSCOA-compliant system.
- ii. Municipalities struggling and being behind with the capturing of figures into the new systems – this is mainly a problem for municipalities which had to move to a new system altogether.

Stats SA is working with the affected few municipalities and other stakeholders to address the issues described above. Preliminary data for the latest quarter should be treated with particular care (see explanatory note 7 below: Revised figures).

Explanatory notes

Introduction	1	<p>The purpose of the quarterly financial statistics survey of municipalities is to provide stakeholders with information for allowing analysis and assessment of the state of local government finances.</p> <p>This publication contains estimates for the quarters ended December 2019, March 2020, June 2020, September 2020 and December 2020. The survey is designed to obtain financial information of local government institutions relating to:</p> <ul style="list-style-type: none"> the consolidated statement of financial performance of municipalities; the consolidated statement of financial performance of municipalities – rates and general services; and the consolidated statement of financial performance of municipalities – housing and trading services.
Survey methodology and design	2	<p>With effect from the September 2020 quarter, Stats SA has conducted a quarterly survey which focuses on the largest 130 municipalities, which are metropolitan municipalities, secondary cities, other large local municipalities and district municipalities (see Annexure C on page 10 for full list of these municipalities). The ranking of municipalities from largest to smallest was done in terms of total expenditure of each municipality from the 2017/2018 annual financial statements. This quarterly survey represents approximately 85 percent of the total value when the full scope of municipalities is surveyed. Data for the 130 municipalities are available with effect from September 2007. A similar survey called Financial Census of Municipalities (P9114) inclusive of the other municipalities is conducted annually.</p>
Scope of the survey	3	<p>This survey covers quarterly financial information of 130 selected municipalities as indicated above (note 2). This new scope was part of the population of 257 municipalities collected, processed, analysed and published as Quarterly Financial Statistics of Municipalities (P9110), hence the availability of comparable information for it.</p>
Classification and accounting standards	4	<p>For the purposes of classification of local government institutions according to activities Statistics South Africa (Stats SA) used the <i>Standard Industrial Classification of All Economic Activities</i> (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).</p> <p>The Municipal Standard Chart of Accounts (MSCOA) was initially rolled out (piloted–tested) in 2016 in some municipalities. MSCOA has since been implemented in all municipalities from the beginning of the 2017 municipal financial year. This is a multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.</p>
Survey methodology and design	5	<p>The statistical unit for the collection of information is the municipality.</p>
Imputation	6	<p>The historical method is used to impute for non-response. According to this method previous information is used to arrive at current figures after being appraised for its suitability.</p>
Revised figures	7	<p>Estimates for the current quarter are preliminary. Figures will be revised if respondents report revisions or corrections to their figures and also if the data were received late by Stats SA (after the cut-off date for submitting their questionnaires).</p>
Rounding off figures	8	<p>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.</p>

Related publications**9**

Users may wish to refer to the following Stats SA publications:

- P9110 *Quarterly financial statistics of municipalities (discontinued);*
- P9101 *Capital expenditure of the public sector;*
- P9114 *Financial census of municipalities;*
- P9119.4 *Financial statistics of consolidated general government;*
- P0441 *Gross domestic product; and*
- P0277 *Quarterly employment statistics.*

Symbols and abbreviations used**10**

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

Glossary of the selected terms

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 in time. This statement covers all the revenue and expenditure of an entity over a specific period in time.
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).
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). • Also refer to the Quarterly employment statistics (QES – P9027) which measures employment and gross earnings of all employees on a given municipal payroll.
General expenditure	The following are included in general expenditure: accommodation, travelling and subsistence; advertising; audit fees; bank charges; cleaning services; consultancy fees; fuel and oil; hiring of plant and equipment; insurance costs; membership fees; pharmaceutical expenses; postage and stamps; printing and stationery; security fees; rental of land, buildings and other structures; rental of office equipment; telecommunication services; training and education; and transport costs.
Housing services	Housing includes all activities associated with the municipal provision of housing.
Local municipality	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).

Metropolitan municipality	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).
Municipality	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).
Other expenditure	<p>The following are included in other expenditure:</p> <ul style="list-style-type: none">• departmental charges/fees;• books and magazines;• consumables;• licences and trade licences;• workshops;• refreshments; and• sundries.
Rates and general services	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.).
Repairs and maintenance	Repairs and maintenance include all expenditure on repairs and maintenance of the various assets of the municipality. Where considered necessary the cost of repairs in respect of the various types of assets, e.g. buildings, plant, may be subdivided. Where repairs and maintenance have been charged to a 'provision for repairs account' the actual expenditure incurred during the current year has been reflected under this subdivision and the amount chargeable to the 'provision for repairs' is reflected as a deduction from the actual cost. Any balance of expenditure still remaining is treated as a charge against the current year.
Trading services	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.

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