

DELIVERY TRENDS/NON-FINANCIAL PERFORMANCE: HSDG AND USDG FOR THE PERIOD ENDED 31 DECEMBER 2022

TECHNICAL MINMEC
[D.2]

13 FEBRUARY 2023



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SOUTH AFRICAN
**ECONOMIC
RECONSTRUCTION
AND RECOVERY**
BUILDING A NEW ECONOMY



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1. Purpose

To present the Delivery Trends/Non-Financial Performance: HSDG and USDG for the Period ended 31 December 2022.



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HSDG Performance – 30 June 2022

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2. HSDG NON FINANCIAL PERFORMANCE



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Q3: OCTOBER – DECEMBER 2022 (3 MONTHS): PERFORMANCE AGAINST 3 MONTHS TARGET

Province	Business Plan Target: Serviced Sites in 2022/23 Q3 (OCT-DEC 2022)	Serviced Sites Delivered: 2022/23 Q3 (OCT-DEC 2022)	Percentage Achievement	Business Plan Target: Houses / Units in 2022/23 Q3 (OCT-DEC 2022)	Houses / Units Delivered: 2022/23 Q3 (OCT-DEC 2022)	Percentage Achievement
EC	1 457	867	60%	1 754	1 108	63%
FS	1 650	-	0%	467	21	4%
GP	2 057	2 746	133%	3 904	2 190	56%
KZN	182	1 684	925%	2 857	2 916	102%
LP	420	-	0%	1 621	1 428	88%
MP	1 279	766	60%	947	402	42%
NC	852	1 118	131%	15	24	160%
NW	-	1 200	N/A	966	859	89%
WC	192	192	100%	2 666	1 287	48%
Total	8 089	8 573	106%	15 197	10 235	67%

Q3: OCTOBER – DECEMBER 2022 (2022/23 FY)

WORK IN PROGRESS

(Partially complete outputs)	Q3 2022/23		Q3 2022/23		Q3 2022/23		Q3 2022/23		Q3 2022/23	
	FOUNDATION/ SLABS		WALL PLATE		ROOF		FINISHES		TOTAL	
	NO.	SPENT	NO.	SPENT	NO.	SPENT	NO.	SPENT	NO.	SPENT
		R'000		R'000		R'000		R'000		R'000
EC	1 234	R 44 408	790	R 23 201	927	R 21 460	1 503	R 41 903	4 454	R 130 972
FS	50	R 1 625	17	R 1 010	-	R -	101	R 574	168	R 3 209
GP	1 950	R 72 098	2 439	R 44 441	734	R 37 659	419	R -	5 542	R 154 198
KZN	3 203	R 92 604	3 323	R 110 282	2 594	R 50 766	-	R -	9 120	R 253 652
LP	1 956	R 80 937	1 874	R 63 503	-	R -	-	R -	3 830	R 144 440
MP	625	R 16 824	588	R 22 834	474	R 16 385	402	R 15 465	2 089	R 71 508
NC	192	R 2 541	119	R 7 530	371	R 16 175	-	R -	682	R 26 246
NW	1 884	R 42 298	1 722	R 42 729	-	R -	998	R 8 143	4 604	R 93 170
WC	3 118	R 77 950	2 930	R 175 800	5 667	R 538 365	-	R -	11 715	R 792 115
Total	14 212	R 431 285	13 802	R 491 330	10 767	R 680 810	3 423	R 66 085	42 204	R 1 669 510



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Note: Finishes include but not limited to the following: SCCCA
, Plumbing, Electricity, Ceiling, Aprons & Painting



Q3: OCTOBER – DECEMBER 2022 (2022/23 FY) TOP EXPENDITURE ON PAYMENT MILESTONES

PROJECT MILESTONES & EXPENDITURE	EC	FS	GP	KZN	LP	MP	NC	NW	WC	Grand Total
Unknown	R 35 963 900			R 85 704 099		R 75 640 876		R 422 291 290		R 619 600 165
Advance Payment	R 170 677 040		R -	R 1 134		R -			R 53 060 000	R 223 738 174
Social / CRU				R 67 845 579		R 7 590 109				R 75 435 688
Land Parcel Procurement			R 5 133 900	R 86 234		R 50 000 000		R 4 087 195		R 59 307 329
Temporary Shelters	R 24 022 198			R 14 128 006				R 399 534	R -	R 38 549 738
VIP	R 5 949 557		R -	R 11 330 450	R 18 718 867	R 29 935		R 2 232 022		R 38 260 832
Professional Services		R 34 238 990								R 34 238 990
NHBRC	R 4 686 504	R 191 668	R 8 760 821	R 13 827 402	R 2 117 661				R -	R 29 584 057
Water Tank	R 4 072 979			R 23 931 831				R 89 775		R 28 094 585
Social and Economic Amenities				R 755 461		R 24 516 855				R 25 272 316
Town Planning		R 1 135 603	R 560 000	R 8 701 624		R 455 601	R 3 823 857			R 14 676 686
Title Deed Restoration	R 742 460	R 99 750	R 10 345 502	R 60 712	R 90 675	R 75 730	R 2 972	R 772 179		R 12 189 980
Engineering Designs	R -	R 199 125	R 2 251 310	R 8 162 418	R 82 500					R 10 695 353
Correction Journal	R 3 575 757		R -	R 4 636 592				R -		R 8 212 349
Emergency				R -		R 4 617 049		R -	R 1 327 000	R 5 944 049
Progress Draw		R 5 670 281								R 5 670 281
Title Deeds Current	R 1 456 000	R 286 000	R 752 592	R 52 145	R 18 254	R 899 170	R 59 482	R 139 000	R 360 000	R 4 022 643
Hlano	R 2 551 781			R -						R 2 551 781
Removal Asbestos				R 237 514		R 708 933				R 946 448
Community Facilitation							R 344 750	R 463 265		R 808 015
Facilitation Grant				R 633 072					R -	R 633 072
Other		R 593 459								R 593 459
Establishment Grant	R -			R 399 250						R 399 250
Dispute Resolution		R 168 000								R 168 000
Grand Total	R 253 698 176	R 42 582 878	R 27 804 125	R 240 493 525	R 21 027 957	R 164 534 258	R 4 231 061	R 430 474 260	R 54 747 000	R 1 239 593 241



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APRIL – DECEMBER 2022 (9 MONTHS): AGAINST FULL ANNUAL TARGET

Province	Full Annual Business Plan Target: Serviced Sites in 2022/23	Serviced Sites Delivered: 2022/23 (APR-DEC'22)	Percentage Achievement	Full Annual Business Plan Target: Houses/ Units in 2022/23	Houses/ Units Delivered: 2022/23 (APR-DEC'22)	Percentage Achievement
EC	6 205	2 860	46%	7 879	3 262	41%
FS	6 130	2 037	33%	2 351	199	8%
GP	10 002	5 142	51%	9 484	3 754	40%
KZN	889	1 810	204%	11 783	7 069	60%
LP	1 484	379	26%	4 522	3 380	75%
MP	3 820	2 372	62%	3 437	1 179	34%
NC	852	1 143	134%	164	148	90%
NW	-	1 200	N/A	4 879	2 512	51%
WC	1 164	704	60%	8 463	3 612	43%
Total	30 546	17 647	58%	52 962	25 115	47%

APRIL – DECEMBER 2022 (9 MONTHS): WORK IN PROGRESS

(Partially complete outputs)	2022/23 (APR - DEC)		2022/23 (APR - DEC)		2022/23 (APR - DEC)		2022/23 (APR - DEC)		2022/23 (APR - DEC)	
	FOUNDATION/ SLABS		WALL PLATE		ROOF		FINISHES		TOTAL	
	NO.	SPENT	NO.	SPENT	NO.	SPENT	NO.	SPENT	NO.	SPENT
		R'000		R'000		R'000		R'000		R'000
EC	3 228	R 107 068	3 290	R 86 319	3 922	R 78 959	4 444	R 105 584	14 884	R 377 930
FS	138	R 13 621	78	R 3 025	-	R -	375	R 219 325	591	R 235 971
GP	5 689	R 219 765	5 042	R 146 960	1 355	R 138 364	1 395	R 16 224	13 481	R 521 313
KZN	7 168	R 199 003	7 172	R 233 092	5 444	R 112 199	-	R -	19 784	R 544 294
LP	3 070	R 125 011	2 668	R 88 019	-	R -	-	R -	5 738	R 213 030
MP	1 206	R 31 716	1 167	R 44 046	949	R 41 715	1 179	R 43 289	4 501	R 160 766
NC	617	R 8 166	536	R 33 918	1 442	R 62 869	-	R -	2 595	R 104 953
NW	3 357	R 74 145	3 040	R 82 502	450	R 3 965	1 674	R 15 016	8 521	R 175 628
WC	6 889	R 172 225	6 309	R 378 540	15 691	R 1 490 645	-	R -	28 889	R 2 041 410
Total	31 362	R 950 720	29 302	R 1 096 421	29 253	R 1 928 716	9 067	R 399 438	98 984	R 4 375 295



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Note: Finishes include but not limited to the following: SCCCA, Plumbing, Electricity, Ceiling, Aprons & Painting



APRIL – DECEMBER 2022 (9 MONTHS): TOP EXPENDITURE ON PAYMENT MILESTONES

PROJECT MILESTONES & EXPENDITURE	EC	FS	GP	KZN	LP	MP	NC	NW	WC	GRAND TOTAL
Unknown	R 63 976 291			R 235 143 849		R 183 705 152		R 635 698 981		R 1 118 524 274
Advance Payment	R 616 905 140		R 28 000 000	R 72 210		R 112 821			R 238 770 000	R 883 860 171
Land Parcel Procurement			R 204 193 712	R 5 078 286		R 50 000 000		R 9 258 279		R 268 530 277
Social / CRU				R 96 985 930		R 26 117 099				R 123 103 029
Temporary Shelters	R 49 092 554			R 31 551 517				R 399 534	R 3 365 031	R 84 408 636
VIP	R 10 062 325		R 1 462 708	R 28 274 118	R 34 490 586	R 119 740		R 7 143 322		R 81 552 800
NHBRC	R 11 000 588	R 8 340 817	R 9 761 041	R 33 804 826	R 12 753 950				R 777 424	R 76 438 645
Progress Draw		R 72 681 390								R 72 681 390
Correction Journal	R 20 456 838		R 16 887 873	R 4 733 886				R 21 153 192		R 63 231 790
Water Tank	R 12 638 321			R 48 239 612				R 498 325		R 61 376 258
Social and Economic Amenities				R 916 661		R 49 256 507				R 50 173 168
Title Deed Restoration	R 5 495 378	R 183 340	R 34 291 123	R 1 191 470	R 182 675	R 674 320	R 1 540 161	R 5 710 716		R 49 269 184
Town Planning		R 1 887 599	R 560 000	R 27 118 577		R 942 511	R 17 452 442			R 47 961 128
Professional Services		R 47 375 636								R 47 375 636
Engineering Designs	R 562 300	R 199 125	R 2 929 122	R 23 626 366	R 82 500					R 27 399 413
Emergency				R 340 457		R 16 554 950		R 493 500	R 5 713 401	R 23 102 308
Title Deeds Current	R 1 851 389	R 1 035 100	R 8 490 821	R 386 713	R 401 254	R 3 605 580	R 61 482	R 139 000	R 2 906 436	R 18 877 776
Facilitation Grant				R 7 219 849					R 65 956	R 7 285 804
Establishment Grant	R 900			R 4 370 286						R 4 371 186
Pre-Planning			R 79 371	R 198 763			R 3 127 732		R 253 469	R 3 659 336
Other		R 2 992 720								R 2 992 720
Hlano	R 2 551 781			R 8 554						R 2 560 335
Community Facilitation							R 1 914 500	R 463 265		R 2 377 765
Removal Asbestos				R 330 794		R 1 619 525				R 1 950 319
Material Supply		R 1 042 193								R 1 042 193
Dispute Resolution		R 470 400								R 470 400
Social Support Services							R 37 230			R 37 230
Grand Total	R 794 593 805	R 136 208 320	R 306 655 772	R 549 592 723	R 47 910 964	R 332 708 205	R 24 133 548	R 680 958 114	R 251 851 716	R 3 124 613 169



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3. HSDG: PROJECTS LEVEL MONITORING

Prov	Number of projects under implementation	Number of projects visited
EC	188	11
FS	59	5
GP	56	8
KZN	56	12
LP	218	4
MP	103	9
NC	160	4
NW	28	11
WC	43	4
TOTAL	938	68

Environmental challenges:

- Inclement weather conditions with **inaccessible roads and sites** in the EC & NW.

Social challenges:

- Performance derailed by a number of **community unrests** and protests by local business forums in all provinces.
- Untraceable beneficiaries** and **late approval** of beneficiaries in all provinces; Beneficiaries **not occupying their completed units** posing a serious threat of **illegal occupation, vandalism and theft**.
- Court Interdict** in the Afrivillage project in GP affecting performance on site.

Capacity, inspections challenges:

- Insufficient land** for the construction of TRP 's in KZN.
- Poor** performing contractors was prevalent especially in EC, GP, KZN and NW.
- Inadequate bulk services** (water & sanitation) in KZN & NW
- Late payments** of contractors, invoices are not paid within the stipulated 30 days' period in EC, MP, GP, KZN and NW.
- Delayed **electricity connections** to individual units, resulting in **illegal connections** in all Provinces.
- Provinces performing **outside the approved business plans**.

HSDG: PROJECTS LEVEL MONITORING

Provincial specific challenges:

Eastern Cape:

- Construction delays as a result of **inclement (rainy) weather** conditions with inaccessible sites. This results in **variation order requests** for **double handling of material**. This has affected all the projects visited in Engcobo Local Municipality, Intsikayethu Local Municipality, Sakhisizwe Local Municipality.
- **Delays in the payment of the contractors**, resulting to cash flow challenges especially when the Department fails to adhere to the condition of 30 days payment of contractors. This has affected the progress in the Mavuya Project.
- **Delays in the delivery of material** due to insufficient local supplies and inaccessible roads.
- **Housing demand in the Chris Hani Regions is huge**, with potential beneficiary living in mud houses. As a result, there is insufficient budget allocation in relation to the expectations and demand on the ground.
- **Delays in electricity connections** perpetuates illegal connections posing risk to the beneficiaries and dependants.

Free State:

- For the Smithfield EPHP project, a couple of housing **units visited were not connected to the main sewer line**.
- The non-financial performance **on blocked or incomplete projects is very slow**. Previous contractors could not complete the allocated scope of work due to poor workmanship and cash flow constraints.
- **In some projects, there are no contractors appointed for the completion of the outstanding scope of work**. Although such projects are listed in the current approved business plan for 2022/2023 financial year.
- **Slow processing of payments by the Province's Finance Unit**.

HSDG: PROJECTS LEVEL MONITORING

Gauteng:

- The Hammanskraal Phase 1 project, **late payment of the contractors** leading to cash-flow challenges for the contractor.
- **Inadequate number of approved beneficiaries** as well as **untraceable beneficiaries** to complete the project scope in the Hammanskraal Phase 2 and Soshanguve Plot 67 projects.
- The Soshanguve IA and NN project is **behind delivery schedule due to capacity constraints**. This affects the project performance.
- Afrivillage project: the project site was closed due to a **court interdict** obtained by a neighbour, Valley Lodge, who is against construction of low cost houses adjacent to the business centre.
- Elijah Barayi and Western Mega projects, the projects were halted by the **Merafong Business Chamber forum demanding 30% stake of the total projects**.

KwaZulu/Natal:

- **Unavailability of suitable land** for construction of Temporary Residential Units.
- **Unavailability of bulk services** on identified sites (sewer, water and road access).
- Completed units handed over to the beneficiaries **without electricity connection**.
- **Disruption by Local business forums** hinders delivery of TRU's on readily available sites.
- Price increase on building material causing project delays.
- **Bad terrain and poor access roads** to major parts of the project has delayed the project.

Limpopo:

- **Community interference** demanding to be part of the project.
- The projects have **excessive hard rocks** in some of the villages especially in the Bosehla area as well as Mafefe area within Lepelle Nkumpi Municipality.

HSDG: PROJECTS LEVEL MONITORING

Mpumalanga:

- The Province continues to **perform on FLISP projects that are not listed in the approved business plan**;
- **Increased scope of work** for the Rospa project in Siyathuthuka Ext 8, Emakhazeni which is **not allocated for in the approved business plan**.
- The Rospa project in Siyathuthuka Ext 8 was previously done by Tauris Gardens who left site with **unfinished units** a few years ago. The units have been lying there incomplete which led to one beneficiary finishing off the unit themselves and even extending.
- **Projects that are not completed** on time are **facing material cost inflation which creates cash flow problems**;
- According to the HSS Payment per Site Report, the rectification of vandalized units should also be corrected on the payment milestone report to indicate **vandalism and not rectification**.
- The Rural Amaphikankani project has been moved from **EPHP and allocated under Rural Programme**. The Province therefore needs to ensure that this project is located under the correct programme.
- There is replacement of some beneficiaries underway. The submissions have been submitted for this de-registration process to take place. **The Province must fast-track the process replacing beneficiaries**.

Northern Cape:

- The Ga-Segonyana Bankhara Bodulong **project is not listed in the 2022/23 approved business plan**. The M&E Team could not verify what was paid against each beneficiary. The Province has been requested to provide information.
- The JTG District needs to ensure that all the **happy letters are signed in order to claim the top-up funds from DMV for the Military Veterans project in Kuruman**.
- **Lack of Inspection**, the Provincial inspectors mentioned that the Ga-Segonyana Local Municipality does not attend any inspections.
- **Delays in electricity connections** of individual houses (63 Units) by the contractor in the Ga-Segonyana Local Municipality.
- The Gamagara Kathu 1 611 project, a total amount of R 9 436 197 was paid to the Gamagara Local Municipality, but **no installed services could be verified on site**. Information has been requested from the Province.

HSDG: PROJECTS LEVEL MONITORING

North West:

- **Slow moving and poor performing contactors** which affects the progress on the ground, such as Maquassi Hills Wolmaranstad Ext 19 project.
- In some instances, slow performance is as a result of **outstanding variation** order approvals in projects such as the Matlosana Alabama Ext 5 project.
- All projects visited experienced **delays in connecting electricity which** resulted to illegal connections that pose a great danger to the beneficiaries and their dependents.
- **Insufficient beneficiaries** to complete the project scope was also observed as one of the challenges facing Tshing Ext 9 due to Toevlug flood line that is encroaching the project. This was also observed in Maquassi Hills Leeudoringstad Ext 6,7,8,9 project.
- **Water and sewer bulk services are not fully available** in the Maquassi Hills Wolmaransstad Ext 17 project, beneficiaries are assisted with municipal water tanks on a weekly to address water shortages.
- The Matlosana Alabama Ext 5 project experienced **double allocation and dispute on approved stand numbers**, this has a negative effect on the impact progress of the project. As a result, a number of approved beneficiaries have not signed happy letters as yet.

Western Cape:

- **Theft of building material** on site.
- **land invasion** by the community members.
- **labour rates disputes.**
- **Informal farmers occupying the sites** reserved for services.
- **Shortage of funds** to finalise the project.

4. USDG NON FINANCIAL PERFORMANCE



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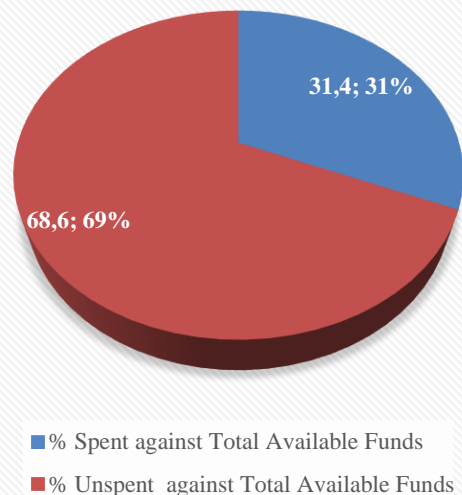
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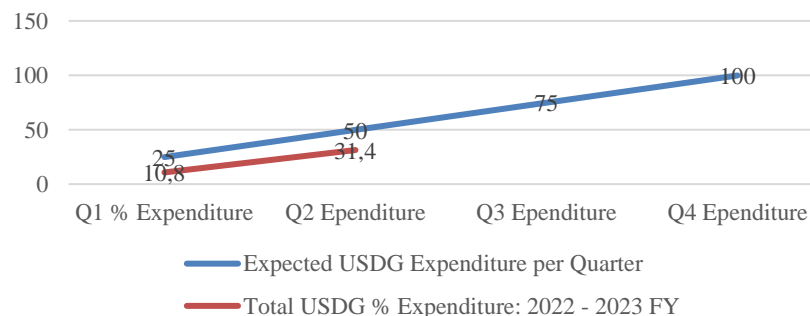
FINANCIAL PERFORMANCE ANALYSIS

**Total USDG Budget and Expenditure:
Q2 2022 - 2023 FY**

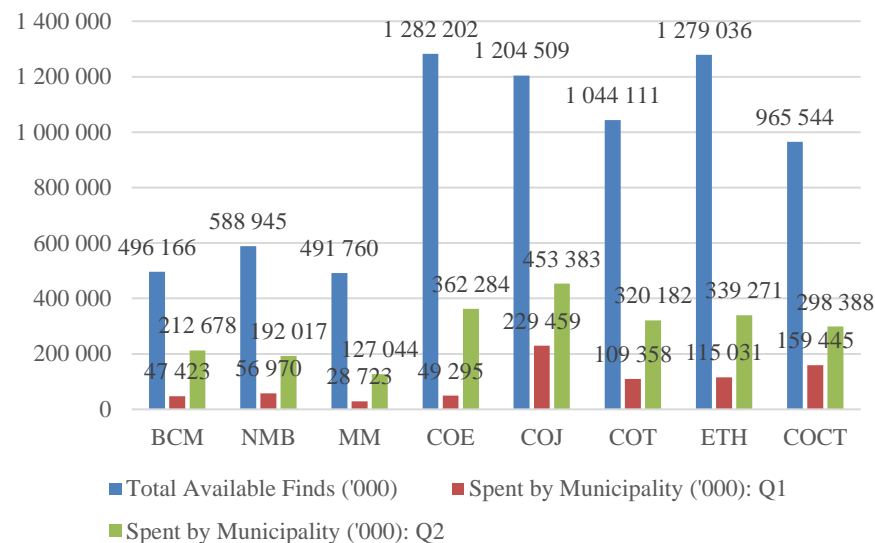


Metros received R7, 352, 273, 000 for the 2022/23 financial year. At the end of the 2nd quarter the Metros, as a collective, spent R2, 305, 247. This brings the total expenditure to 31.4% against the voted funds

USDG % Expenditure Trend Analysis



USDG Expenditure by Each Municipality (Q-Q2)



City of Ekurhuleni (COE) and EThekweni (ETH) received the largest proportion of the USDG in the financial year. The lowest allocation is that of Mangaung (MAN). As a collective, the metros managed to spend an average of 31.4%. This expenditure is remains significantly low for the two quarter.

The total expenditure moved from 10% in the 1st quarter to 31% at the end of the 2nd quarter

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FINANCIAL PERFORMANCE ANALYSIS

Description	% of Total Allocated Budget	% Spent
Land acquisition and Property acquisition	1.7	1.9
Housing and Human Settlements	25.5	27.7
Catalytic Project - Ntshongweni Road for eThekweni	0.1	104.0
Roads and Stormwater	14.2	27.1
Transport	1.0	35.1
Water and Sanitation	33.7	39.0
Electricity	12.6	33.1
Socio Economic Amenities	4.7	23.1
Waste Management/ Refuse	1.6	-
Solid Waste	2.0	27.9
EPMO(3% OPSCAP)	1.6	47.5
Chief Operating Officer for City of Ekurhuleni	0.5	-
VAT - City of Cape Town	0.9	--
Total	100	31.4

The greater proportions of the budget is sitting with the sectors of Water and Sanitation, human settlements, transport and roads and stormwater. The drivers of expenditure is sitting with Water and Sanitation (39%); Housing and Human Settlements (27%); as well as Transport (35%) in that order.

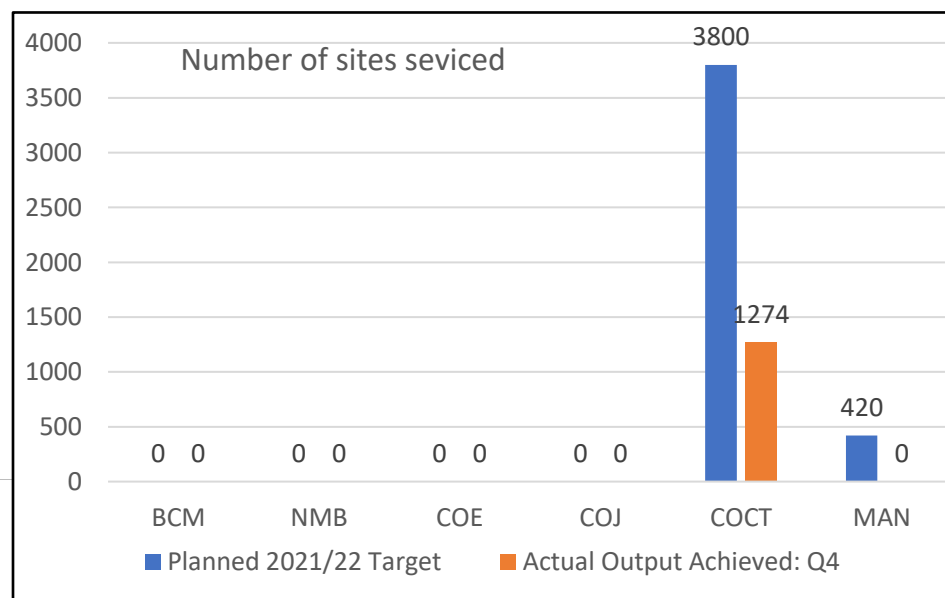
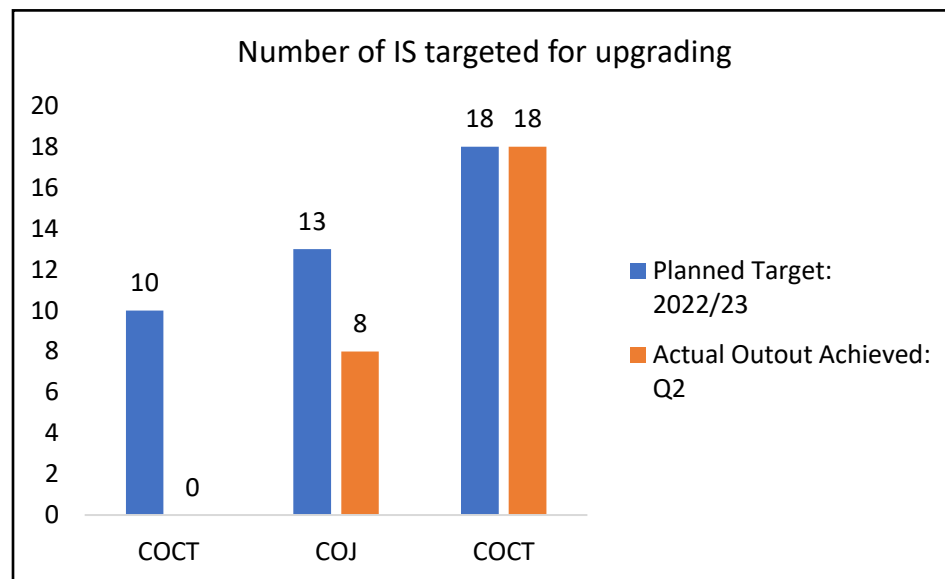
SPATIAL DEVELOPMENT AND THE BUILT ENVIRONMENT

The Metros have set 41 informal settlements targeted for upgrading (BCM; COCT).

Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Number of informal settlements targeted for upgrading	21	26

Through the provision of basic services 1 173 sites have reported to be serviced (CCT).

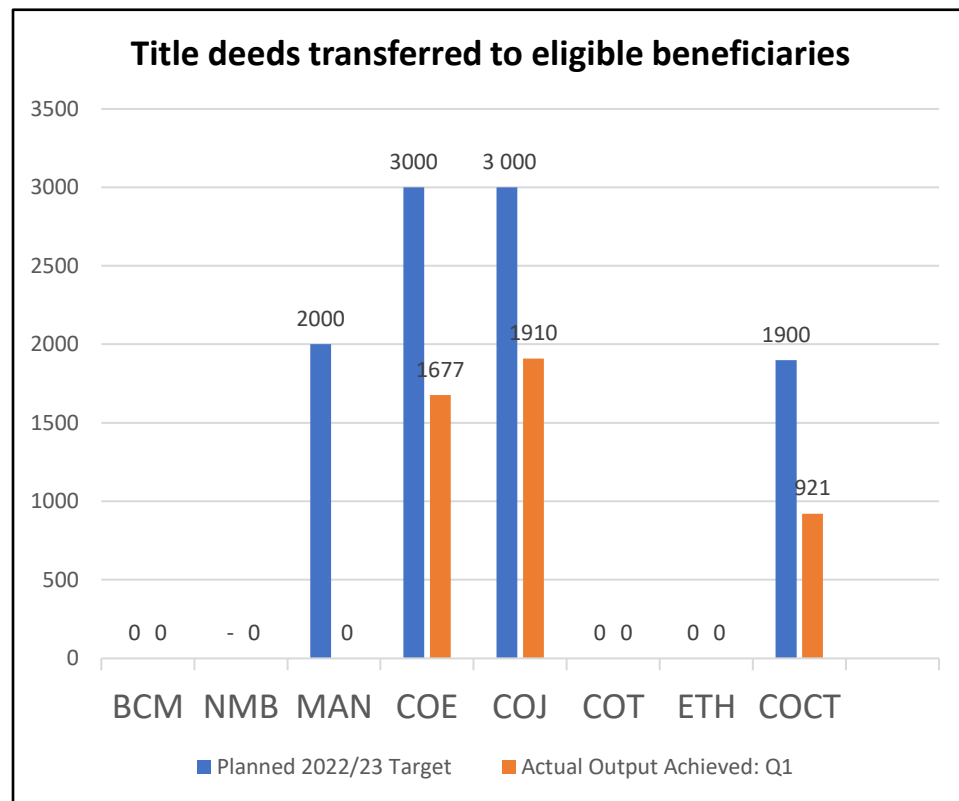
Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
No. of sites serviced	4, 220	1, 274



SPATIAL DEVELOPMENT AND THE BUILT ENVIRONMENT

Under security of tenure interventions the Metros have transferred 4, 508 title deeds to eligible beneficiaries (MAN; COE; COJ; COCT)

Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Number of Title Deeds transferred to eligible beneficiaries	9, 900	4, 508



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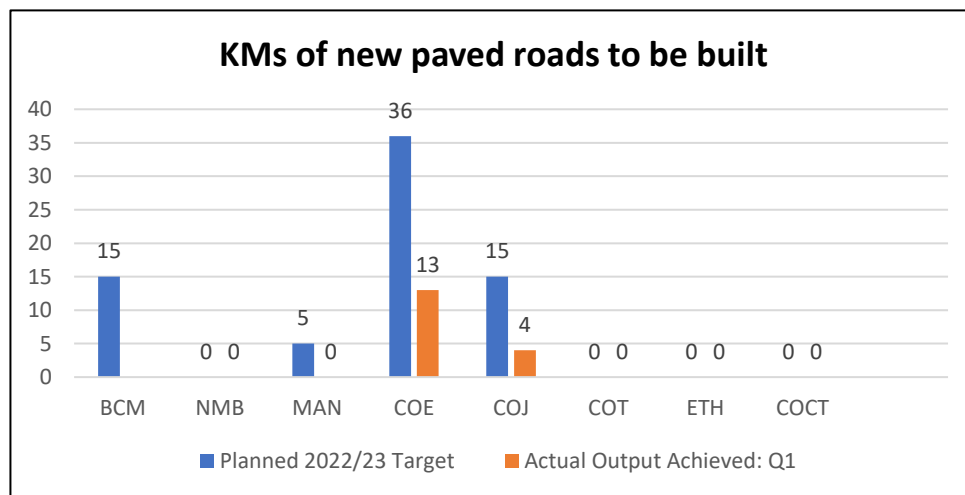
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ROADS AND STORMWATER

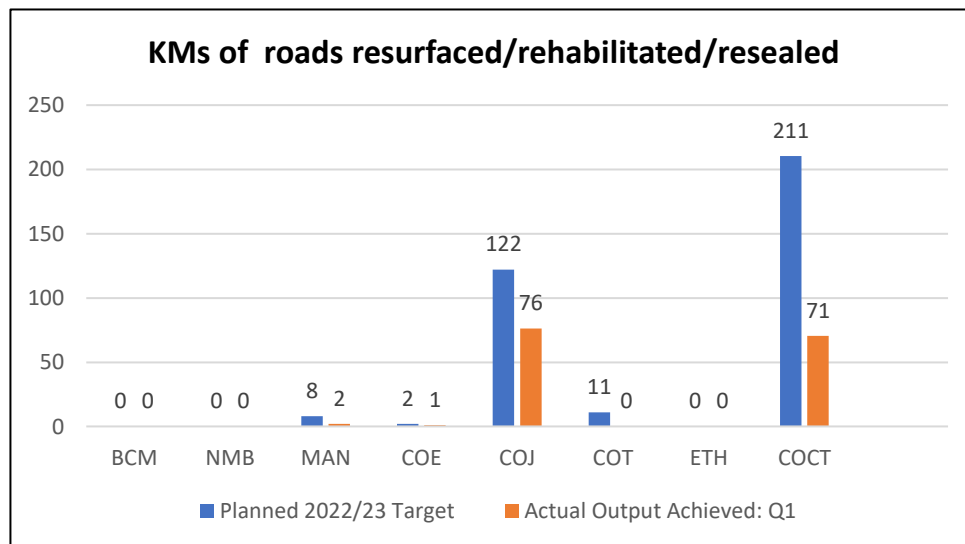
The Metros have paved 17 kilometers of paved roads (COE; COJ)

Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Paving of (New) Roads: (kms)	71	17



The Metros have resurfaced/rehabilitated/resealed 150 kilometers of roads (MAN; COJ, COT; CCT).

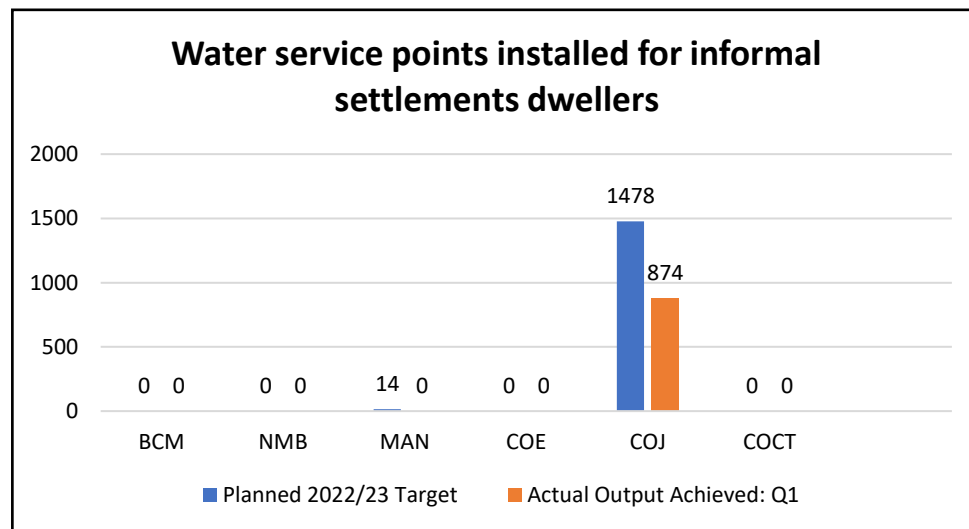
Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Resealig/rehabilitation/resurfacing of Roads: (kms)	352	150



WATER SERVICES

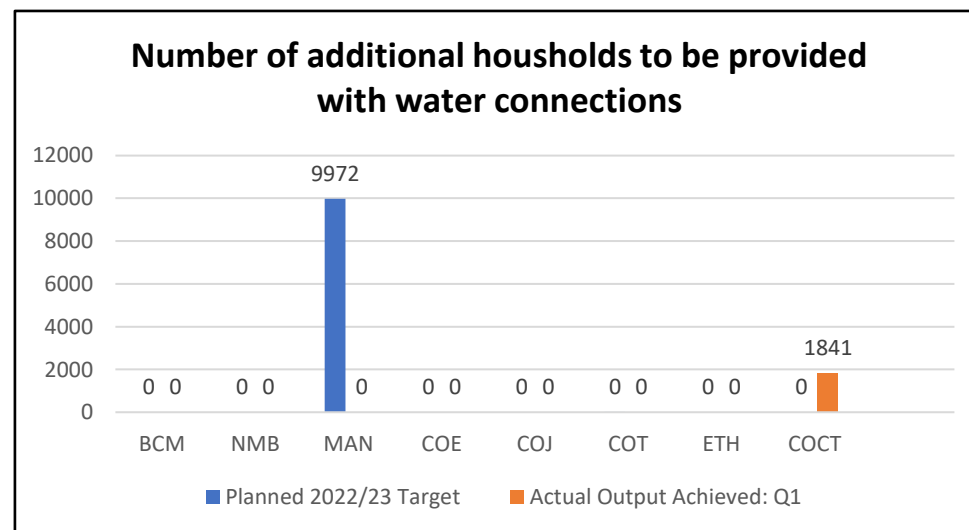
The Metros have 874 water connections meeting minimum standards (COJ).

Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Water Connections meeting minimum standards	1, 492	874



The Metros have provided 1, 841 water service points were installed to informal settlements dwellers (CCT).

Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Water Service Points installed for informal settlements dwellers	9, 972	1, 841

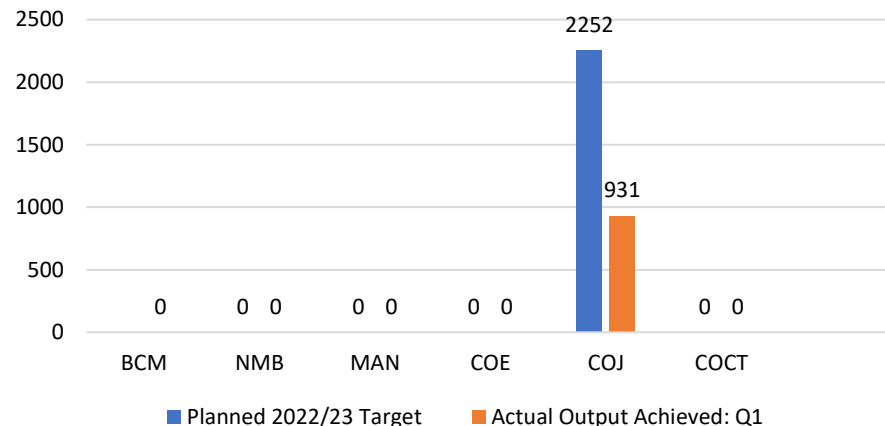


SANITATION SERVICES

The Metros have installed 931 additional sanitation service points for informal settlements dwellers (COJ).

Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Sanitation Service Points installed for informal settlements dwellers	2,252	931

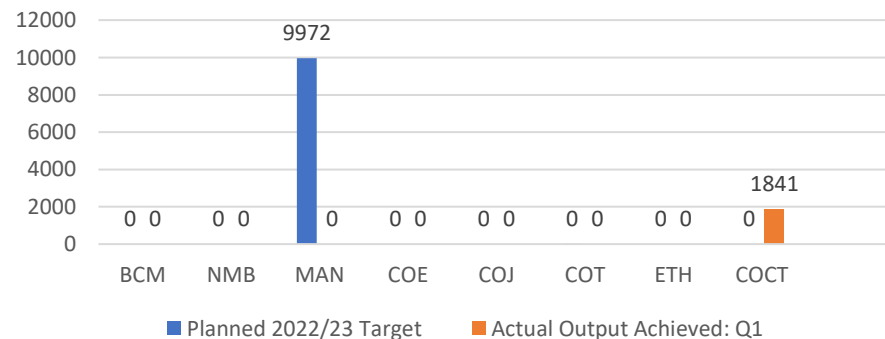
Sanitation service points installed for informal settlements dwellers



The Metros have made 1, 841 sewer connections (COCT).

Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Sanitation Connections to Individual HH	9, 972	1, 841

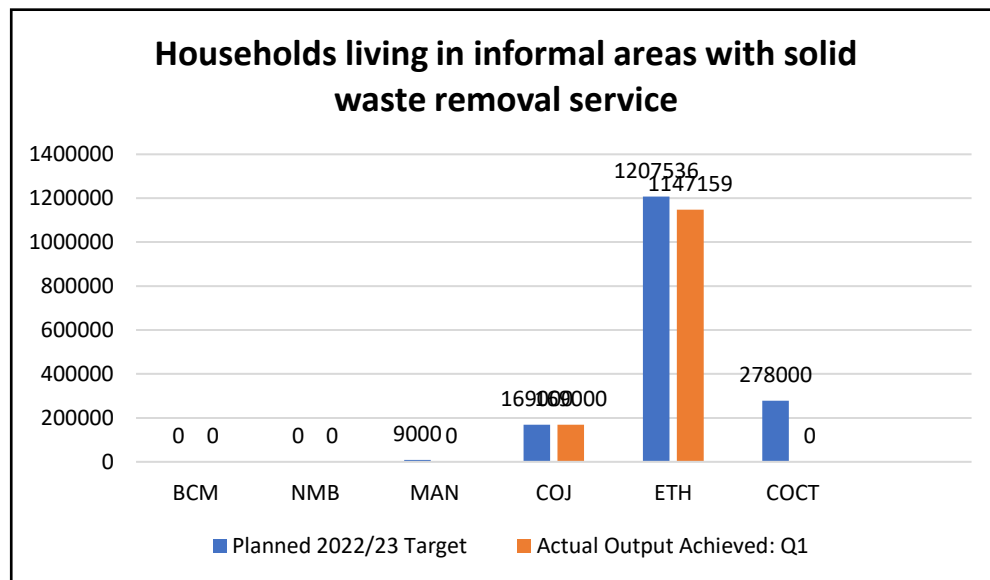
Number of additional households to be provided with Sewer connections



SOLID WASTE MANAGEMENT

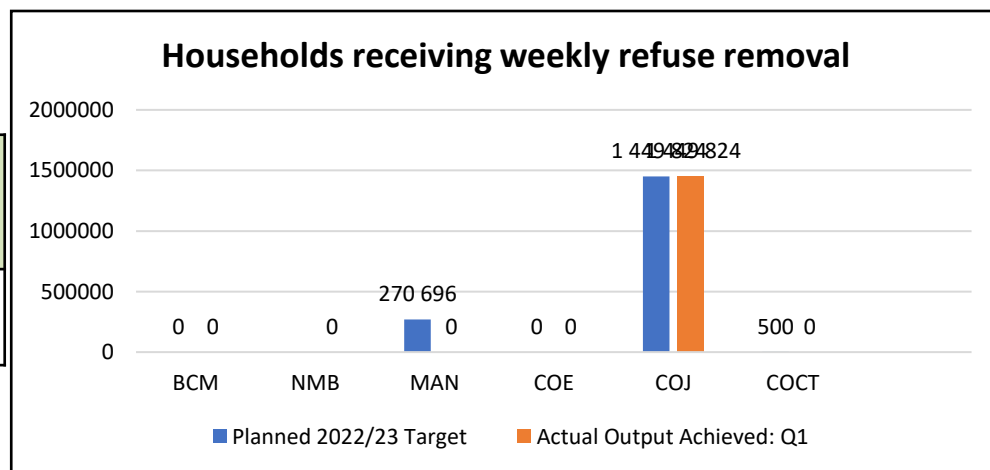
The Metros have reported that 1, 316, 159 households in informal areas receive solid waste removal services (COJ; ETH; CCT).

Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Number of HH in informal areas receiving solid waste removal	1, 663, 536	1, 316, 159



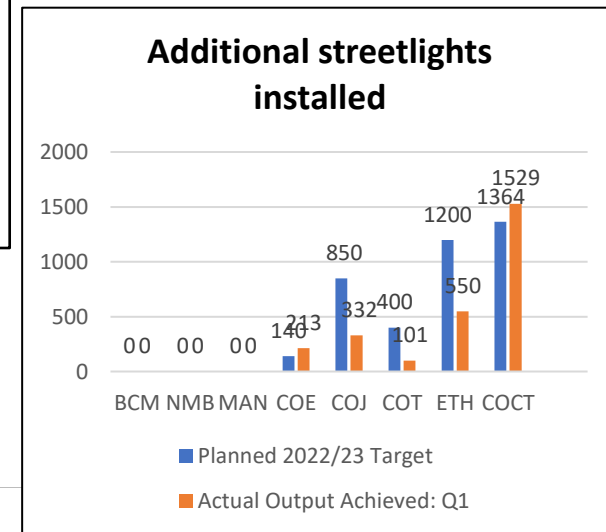
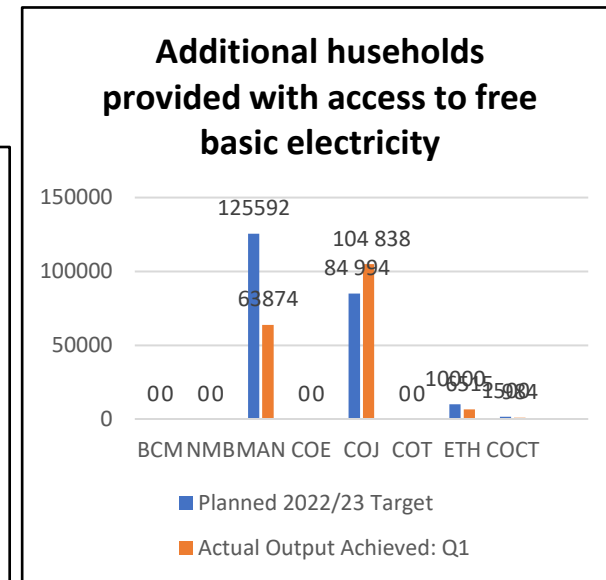
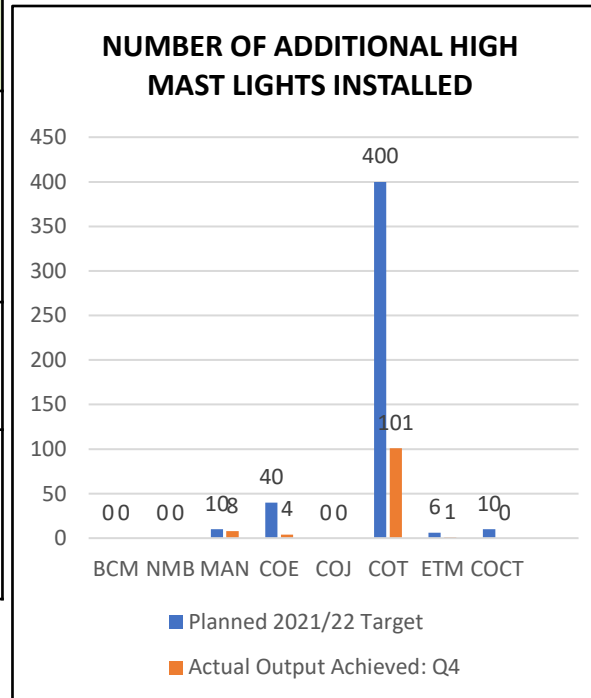
Households receive weekly refuse removal in the Metros are 1, 449, 824 (COJ).

Performance Indicator	Annual Targets: 2022/23	Outputs Achieved: Q2
Number of Households receiving weekly refuse removal	1, 721, 020	1, 449, 824



ENERGY AND ELECTRIFICATION

Performance Indicator	Annual Targets : 2022/23	Outputs Achieved: Q2
Additional huseholds provided with access to free basic electricity	222, 086	176, 211
Additional streetlights installed	3, 954	2, 725
Number of additional high mast lights installed	450	114

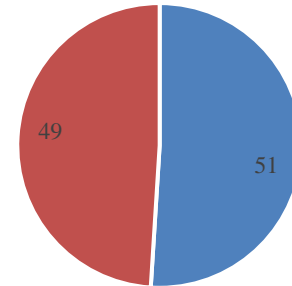


PROJECTS

Number of projects implemented by the Metros against the allocated budget

Metropolitan Municipality	Projects in the Approved Business Plan	Projects in the Q2 Report	Projects that Have Incurred Expenditure	Projects Without Expenditure
BCM	64	64	38	19
NMB	88	57	22	35
MAN	89	98	24	74
COE	144	144	71	74
COJ	50	51	21	30
COT	78	86	32	53
ETH	102	123	75	48
CCT	113	113	62	44
TOTAL	726	736	375 (51%)	377 (49%)

% Project Expenditure: All Metros



- % of Projects that have incurred expenditure
- % of Projects Without Expenditure

The Number of projects that have incurred expenditure at the end of the 2nd quarter is 375. This translates to 51% of projects incurring expenditure. This is a growth from what was reported in the 1st quarter where 310 projects incurred expenditure.

PROJECTS: BCM; NMB

Sector Department	Projects in the Business Plan	Projects in the Q2 Report	Projects with Expenditure	USDG Budget	USDG Expenditure
Human Settlements	12	15	7	13 229	27 236
Roads	17	21	13	143 011	59 345
Transport Planning	38	7	7	60 000	24 394
Water				66 480	24 031
Sanitation - Waste Water	3	10	10	44 000	39 892
Electricity				10 000	7 056
Socio Economic Amenities				34 261	17 879
Waste Management/ Refuse				10 300	-
EPMO (3% OPSCAP)				14 885	12 845
Total				496 166	212 678

Sector Department	Projects in the approved Business Plan	Projects in the Q2 Report	Projects with Expenditure	USDG Budget	USDG Expenditure
Human Settlements	12	12	6	167, 369 356	17 697 476
Human Settlements	2	1	-	17, 668 344	-
Public Health	10	10	3	16, 445 000	1, 984 937
Electricity and Energy	13	4	4	41, 406 923	19, 358 718
Roads and Storm water	9	2	1	139, 150 000	20, 657 928
Water	21	14	6	183, 675 378	126, 508 132
Sanitation	21	14	2	23, 230 000	5, 809, 547
TOTAL	88	57	22	588, 945, 000	192 016 738

PROJECTS: MAN; COE

Sector Department	Projects in the approved Business Plan (2022/23)	Projects in the Q2 Report	USDG Budget	USDG Expenditure
Centlec	1	1	20,000,000	4,167,915
Social Services	4	4	6,755,839	-
Planning	10	10	48,699,851	11,427,748
Human Settlement	7	7	62,500,000	16,952,674
Roads And Stormwater	22	22	82,585,665	54,378,865
Sanitation	16	16	89,852,186	11,416,224
Water	22	22	147,514,165	28,700,104
Waste And Fleet	12	12	19,099,495	-
3% OPSCAP	5	5	14,752,800	-
TOTAL	99	99	491,760,001	127,043,529

Sector Department	Projects in the Business Plan	Projects in the Q2 Report	Projects with Expenditure	Adjusted Budget	Spent by Municipality
Chief Operating Officer	4	4	0	34 000	-
Human Settlements	19	19	16	232 572	127 633
Roads and Stormwater	48	48	20	203 250	35 195
Transport Planning & Provision	1	1	1	10 000	260
Water and Sanitation	30	30	9	512 750	98 220
Energy	29	29	13	143 040	73 802
Socio Economic Amenities	2	2	2	50 500	2 746
Environment Resources & Waste Management	10	10	9	85 000	23 073
Human Settlements OPSCAP- Capacity requirement 3%	-	-	-	11 090	1 355
Total		145	71	1 282 202	362 284

PROJECTS: COJ; COT

Sector Department	Projects in the Business Plan	Number of Projects in the Q2 Report	Projects with Expenditure	USDG Budget R'000	USDG Expenditure R'000
Housing	31	32	5	588 085	70 302
City Power	1	1	1	100 000	57 991
Joburg Water: Water	2	3	2	139 620	100 344
Joburg Water: Sewer	10	9	9	153 587	135 682
Joburg Development Agency (JDA)	1	2	2	178 135	85 589
Joburg Roads Agency (JRA)	5	4	2	45 082	3 484
TOTAL	50	51	21	1 204 509	453 383

Sector Department	Number of Projects in the Business Plan	Number of Projects in the Q2 Report	Projects with Expenditure	USDG Budget R'000	USDG Expenditure R'000
Human Settlements	22	24	5	R 111 208 169	R 13 149 280
Energy & Electricity	27	27	11	R 390 379 829	R 89 399 665
Transport: Roads and Stormwater	4	9	4	R 54 000 002	R 40 592 047
Water and Sanitation	22	22	10	R 371 200 000	R 131 417 580
Community & Social Development Services: Sports and Recreation Services	1	1	1	R 32 000 000	R 12 052 392
Environment and Agriculture Management/ Provision of waste containers	1	1	0	R 5 000 000	-
Health Services	1	1	1	R49 000 000	R 2 248 690
Grand Total	78	85	32	R1 012 788 000	R 288 859 654

PROJECTS: ETH

Sector Department	Number of Project s in the Busine ss Plan	Number of Projects in the Q2 Report	Projects with Expendit ure	USDG Budget R'000	USDG Expendit ure
Social Services	4	4	3	42,383	6,151
Roads and Stormwater	27	31	14	301,154	58,635
Human Settlements	4	5	3	120,000	6,555
Waste	7	7	5	125,462	40,583
Electricity	15	18	12	210,696	50,829
Water	28	28	20	254,963	123,045
Sanitation	29	29	17	214,378	28,704
Catalytic Projects	-	1	1	10,000	20,519
Grand Total	114	123	75	1 279,036	355,021



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5. USDG: PROJECTS LEVEL MONITORING

Metropolitan Municipality	Projects Under Implementation	Projects that Incurred Expenditure	Projects Visited
BCM	64	55	6
NMBM	57	13	4
MANG	98	13	6
EKUR	142	28	6
COJ	51	19	5
TSHW	81	44	Not visited
ETHEK	338	118	Not visited
COCT	117	78	7
TOTAL	948	368	34

Social Challenges:

- Business forums demanding share of contract. (NMBM) (EKUR) (CoCT)
- Illegal electricity connections. (BCM)
- Theft of construction Materials and Supplies (CoCT) (EKUR) (MANG) (NMBM).
- Gangsterism, hijacking project scope imposing security concerns for contractors (COCT)(NMBM)

Environmental Challenges:

- Unfavorable weather conditions (BCM) (CoCT)
- High water table in projects involving deep excavation such as bulk pipelines (NMBM)
- Hard Rock encountered on site

Contractual issues

- Work stoppages due to delays in payment (MANG) (EKUR)

CONCLUSIONS

A total of 726 projects were implemented by the Metropolitan Municipalities to implement their 2022-2023 USDG Business Plans. These projects were implemented by the different departments of 'Human Settlements', 'roads and stormwater' 'planning' 'economic development' 'water services', 'sanitation services' 'public health', CENTLEC entity', 'Joburg Water', 'Joburg Roads Agency', 'Waste and Fleet', 'solid waste management', 'energy and electricity', social and economic amenities'.

The Number of projects that have incurred expenditure at the end of the 2nd quarter is 375. This translates to 51% of projects incurring expenditure. This is a growth from what was reported in the 1st quarter where 310 projects incurred expenditure.

6. RECOMMENDATIONS

It is recommended that Technical MinMec:

1. Notes the Delivery Trends/Non-Financial Performance: HSDG and USDG for the Period ended 31 December 2022
2. Notes the poor performance and non achievement of set targets
3. Engages Provinces and metropolitan Municipalities on mitigation measures put in place to improve performance.

THANK YOU



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2/9/2023

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