



**WINNIE MADIKIZELA-MANDELA  
LOCAL MUNICIPALITY  
MONTHLY REPORT**

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**REPORT IN TERMS OF s71 OF THE MFMA FOR THE  
MONTH OF MARCH 2022**

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## **PART 1 – IN-YEAR REPORT**

### **1. Executive Summary**

Section 71 of the Municipal Finance Management Act No 56 of 2003 requires that the Accounting officer of a municipality must, within 10 working days after the end of each month submit to the Mayor of the municipality and relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.

This is the ninth report of the 2021/22 financial year which should give an indication of how the municipality has performed on its eight months of operation in the indicated year. This is generally a reporting period during which most programs have already taken shape and expenditure patterns improved compared to the start of the financial year. The situation is expected to be better this year compared to the same period last year considering that the country was operating under stricter lockdown regulations that made it impossible to operate optimally. This is also a report for a period that has coincided with the preparation and finalisation of the draft budget by the municipality where activity may have also been affected in terms of spending. This draft budget was somehow informed by the adjusted budget as the baseline for the 2022/23 draft budget and hopefully the contents of each report will help council and its structures to understand fully the status of the municipality's financial performance and decisions that need to be taken to ensure sustainability of the institution and continued service delivery.

#### **1.1 The Political Oversight**

The Budget and Treasury Office standing committee is composed of the honourable councillors indicated below with their respective allocated desks within the department as follows:-

• Cllr N. Madikizela	Chairperson
• Cllr A. Diya	Committee Whip
• Cllr. N Cengimbo	Committee Member
• Cllr. X. Bhabhazela	Committee Member
• Cllr S. Nomvalo	Committee Member
• Cllr S. Jayiya	Committee Member
• Cllr L. Silangwe	Committee Member
• Cllr P. Siramza	Committee Member

### **2. Administration**

The municipality has been implementing mSCOA with its annual updates like all municipalities in the country as a business reform since its introduction from 1 July 2017. This was introduced to address among other things ensuring standardisation of treatment of transactions and reporting across all

municipalities, to encourage proper planning and put controls in terms of revenue and expenditure management. Introduction of new and improved versions of the mSCOA chart has proven to present problems that sometimes make it impossible to operate normally requiring some extra effort to be put into the operations of the municipality to fulfil its service delivery mandate.

### **3. Staff turnover**

During the past eight months we have been reporting no vacant positions within the department except for the three internship opportunities that were in the recruitment processes. The process as previously reported was expected to have been concluded by 30 June 2021, which unfortunately did not take place. The process was eventually concluded by the end of November 2021. Out of the three appointed candidates, two did not fully meet the minimum requirements as set by National Treasury, meaning only one internship opportunity was filled. The Senior Manager Corporate services requested approval from the accounting officer to have the two non qualifying interns to be absorbed by the municipality and have the shortlisting and interviews be redone from the candidates who submitted their applications to ensure that the process is not delayed. This was in January 2022 but we report with concern that there has not been progress on the commitment to fill these positions. During the month of January, we also received a resignation of one of the interns previously enrolled who has opted for pursuing other career opportunities. This still therefore requires recruitment of three more qualifying young graduates to meet the required number of five.

This poses a serious risk of not being able to spend the conditional grant that is allocated to the municipality and may also lead to the money being returned to the national revenue fund at the end of the year.

### **4. Implementation of mSCOA**

As mentioned in the executive summary of the report, the municipality is implementing mSCOA as required. Following are some of the challenges that the implementation has posed to the municipality over the years:

#### **a) Challenges Identified**

##### **i. Version Changes**

On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, version 6.6 has been released.

Since the introduction of mSCOA, National Treasury has introduced a number of chart versions with the latest version referred to above expected to be used for the draft and final budgets for 2023 and

corrections made to the draft budget as per the budget engagements that will be held with Provincial Treasury during the month of May 2022.

The version has introduced a number of improvements from the previous versions which are expected to pose new challenges to the way the municipality does business and records transactions. We, however continue to examine the new chart to understand the full extent of the changes and their anticipated impact thereof.

History has taught us that there does not seem to be any agreed upon plan on the side of the system vendors and Treasury themselves to ensure that the information gets transferred in a uniform manner as we find that some municipalities do not face the same challenges as others while others only realise when issues are being raised that they have similar challenges.

#### ii. IDP Budgeting

mSCOA requires that the IDP non-financial information be linked to the budget not only at the IDP and SDBIP level but also at the financial system level. As a way to force this, mSCOA has since required that all expenditures be linked to a strategic objective, project and specific ward in the municipal area including expenditure on personnel expenses.

#### iii. Production of in-year reports

All approved system vendors were required to have a functionality to produce all statutory reports to avoid municipalities having to prepare these manually. Munsoft was approved as one of the service providers on the strength that they indicated they use Caseware to produce these reports which the municipality also has access to. The utilisation of these two systems does however require some work and setting up to ensure they fully integrate, which was successfully addressed. Parts of this report have been prepared using the system even though there are parts that require manual population which is how the reporting templates are setup.

#### iv. Budget and reporting module functionality

The budget module of the system that the municipality uses has in the past been discovered to only work well with income and expenditure, other modules like balance sheet and cashflow budgeting still continue to produce aligning reports even though some principles are incorrect. This challenge seems however, to have been addressed from the adjustment budget processes and we continue to analyse the reasonability of the principles these modules are using to check consistency with the financial management standards.

Even though attempts are being made to ensure that all system vendors get their systems working as required when it comes to the balance sheet and cashflow budget, there is however consensus that the

principles and information required to produce these are currently subject to discussions and revisions are required.

There are a number of trainings setup by both Treasury and system vendors on the balance sheet and cashflow budgeting which we have attended and will continue to attend as the municipality to ensure full compliance during the upcoming adjustments budget and all other subsequent budgets.

#### **b) mSCOA Governance Structures**

The introduction of mSCOA introduced a number of governance structures that were meant to ensure full compliance and seamless transition when the deadlines for full implementation came. Key structures that were established were as follows:

- Project steering committee
  - This was made of the following prescribed persons:
    - Project sponsor – Accounting Officer
    - Chief Financial Officer
    - Senior Manager – Corporate Services
    - Senior Manager – Engineering Services
    - Senior Manager – Community Services
    - Manager – Internal Audit
    - Manager – ICT
    - Manager – Municipal Operations
    - Manager – Budgeting and Reporting
    - Manager – Revenue and Expenditure
- Project implementation team
  - This is a committee that was assigned by the municipality's Project Steering Committee which also included a multi-disciplinary team as follows:
    - Chief Financial Officer – Project Chairperson
    - Senior Manager – Corporate Services
    - Senior Manager – Engineering Services

- Senior Manager – Community Services
- Manager – ICT
- Manager – Internal Audit
- Manager – Municipal Operations
- Manager – Budgeting and Reporting
- Manager – Revenue and Expenditure
- Manager – Supply Chain Management

All these structures were appointed in 2015 before full implementation of mSCOA. There has been a number of changes in the municipality's personnel which has lead to these structures not to be functional. It is therefore necessary to make sure that these structures are re-appointed before the end on April 2022 to ensure that they consider implementation requirements of mSCOA and advise the municipality on matter relating to the implementation challenges and successes as well.

## **5. Implementation of the 2020/21 Audit Action Plan**

After receiving the audit report, the municipality formulated an audit action plan that was then approved by Council at the end of January 2022. The audit action plan included the following areas:

- Errors in the calculation of prior corrections on the cash flow statement,
- **Competency assessments not done for all employees during the recruitment process,**
- **Doing business with companies linked to persons in the service of the state**
- **Incorrect calculation of electricity distribution losses**
- **Differences in the ageing of receivables**
- **Statutory receivables not tying up**

All issues in bold above were targeted to be completed by 31 March 2022 and below is the updated action plan indicating progress made to date. We can also report that all companies flagged to have directors who are in the service of the state have been suspended from doing business with the municipality with one company's contract having been terminated as well after settling the invoices that were already due when the decision was taken.

## **6. Implementation of the Municipal Cost containment regulations**

During the month of June 2019, the minister of finance approved Municipal Cost Containment regulations effective from 1 July 2019. The regulations required municipalities to develop, adopt and implement policies as part of its budget related policies to support cost containment measures. The council of Winnie Madikizela-Mandela Local municipality developed and adopted a policy on cost containment that is now being implemented and is being reviewed annually.

The municipality has since implemented the following measures in line with cost containment:

- No catering for all meetings taking less than 5 hours
- No catering for all meetings held by only staff members regardless of the duration of the meeting
- All accommodation arrangements set within the limits as communicated by National Treasury
- All sporting activities have been discontinued.

The implementation of these regulations has seen a reduction in the amounts spent on traveling and accommodation and catering expenses which we believe has assisted the municipality to redirect these funds to other service delivery initiatives in the years to come including the current year.

### **a. Supply and Delivery of Municipal Vehicles**

As part of the cost containment regulations municipalities were directed to utilise the transversal contracts arranged and negotiated by National Treasury to procure municipal vehicles. According to the regulations, municipalities are only allowed to procure vehicles using any other means only if they can demonstrate that they will get the vehicles cheaper when using their own procurement processes. The municipality applied for approval to participate in the transversal contract (RT-57 2019) for procurement of municipal vehicles with National Treasury which was granted.

The municipality gathered information on how the procurement must then take place through the Special Conditions of Contract. This meant that all advertisements for this procurement will now be cancelled and completely discontinued. The procurement process through the transversal contract requires the following:

- The municipality to identify the need
- Development specification
- Check the specification against published suppliers and specification by Treasury
- Identify the supplier that is rated higher by treasury on the list of suppliers

- Send the order to the highest ranked supplier first
- Allow three working days for the supplier to respond
- Move only to the second ranked supplier with the permission of the highest ranked supplier

The municipality successfully procured a refuse skip bean truck during the 2021 financial year.

The municipality is also in the process of procuring vehicles for Political Office Bearers together with two bakkies that are all expected to have been delivered by the end of May 2022.

### **b. Provision of vehicle fleet management services for the period 1 April 2021 to 31 March 2026**

As part of both cost containment and operational needs of the municipality, the municipality has been approved to be a participant of RT-46 2020 arranged by National Treasury. The contract covers a range of services including the following:

- a) Fleet data integration
- b) Fuel, oil and Toll services
- c) Managed Maintenance, Repairs and Accident Reports
- d) Vehicle Tracking and Monitoring
- e) Driver, Vehicle Condition and Fine Management

We were hoping the approval in this contact will greatly assist the municipality in addressing the delays in procurement processes in cases where vehicles are required to be available for use in the short space of time. There are challenges which cause delays in the maintenance processes that we believe will need to be addressed with both National Treasury and Wesbank fleet services as the appointed service provider. Meetings are held quarterly with the appointed service provider to raise challenges faced. Some of the challenges are as follows:

- Shoddy work performed by some appointed mechanics
- Delays in assessments conducted by the service provider before approval of the repair work required
- Mechanics taking longer than expected to complete approved maintenance work
- Locations of service providers not confirmed before work is allocated

As part of the meetings with the service provider appointed by National Treasury we have been able to get clarity on some of the issues with their proposed solutions:

- Allocation of work is done according to the contract terms requiring that emerging mechanics and workshops be prioritised
- Mechanics and workshops used are registered in the database of approved workshops with a rotation system required
- More assessors have been recruited to address delays indicated
- The location of the municipality and lack of approved workshops in the area make it difficult to allocate work outside the province
- The municipality to provide a list of workshops that have been used over the years who are quick to respond to our maintenance requirements

We will then monitor the performance of the contract after these and provide more guidance on ways to improve our maintenance work.

## 7. Strategic Objectives

The Budget Treasury Office was part of the development of strategies for the municipality for the next five years from which short-term operational plans and targets relating to at least a period of one financial year. This is done in the form of the Service Delivery and Budget Implementation Plan (SDBIP) which was approved by the mayor within 30 days after the adoption of the annual budget by the municipal council.

The table below gives the details of the SDBIP with the targets that the department will be working to achieve on a quarterly basis. The table shows the department's performance per quarter to ensure they are monitored and achieved by the end of the financial year:

KPA N0 4: Budget & Treasury									
Outcome 9 Objective		Baseline Information		Project to be Implemented		Budget Source			
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Output - KPI	KPI Weight	Annual Target	Means of Verification	Budget
Revenue Management	To achieve collection trend	Metering of all electric services that are to be billed by June 2022	100% billing for all services that are to be billed by June 2022	Electric city meters are read, recorded, and captured manually	Reading of electricity meters	4.1	Accurate billing of electricity consumption	Reading of 78 electricity meters	Readings of 78 electricity meters
	Revenue collection trend	Metering of all electric services that are to be billed by June 2022	4.1	Electric city meters are read, recorded, and captured manually	Reading of electricity meters	0.5	Utilizing the Automated system and GRV	Meter reading Report from the AMR System, invoice and GRV	92 meters for January, 90 meters for February and 84 meters for March but not yet
							R 1,671,984.00	Ye 0	R 151,344.95
							R 700,000.00	0	Achieved

KPA N0 4: Budget & Treasury

KPA N0 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Budget Source	Q3	Non Financial Performance	Achievement
Financial Management	ERM	Strategic Objective	Obj 1.2	Training of meter reader	4.1.2	Trained 1 meter reader	Application letter, Attendance register	R 5,200.00	Ye s 0	n/a
Financial Management	Reduced Customer queries	Strategic Objective	Obj 1.2	Training of meter reader	4.1.2	Trained 1 meter reader	Application letter, Attendance register	R 5,200.00	Ye s 0	n/a
Financial Management	Month ly billing	Strategic Objective	Obj 1.3	Maintain an accurate and complete consumer master database for refuse, electricity and property rates	4.1.3	100% of consumers billed as per consumer master database for all services	12 monthly Billing Report	R -	N/A 0	Achieved
Financial Management	Properly rates, 80% on electri city and 90% on refuse	Strategic Objective	Obj 1.3	90% billing on proper ty rates, 80% on electri city and 90% on refuse	4.1.3	90% billing on proper ty rates, 80% on electri city and 90% on refuse	Property rates, refuse and electricity by June 2022	R -	R -	Settled for payment during the debt collection hav
Financial Management	Master data base	Strategic Objective	Obj 1.3	90% billing on proper ty rates, 80% on electri city and 90% on refuse	4.1.3	90% billing on proper ty rates, 80% on electri city and 90% on refuse	Property rates, refuse and electricity by June 2022	R -	R -	Settled for payment during the debt collection hav





KPA N0 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Res-ult Area	Issue	Strategic Objec-tive	Objec-tive No.	Strate-gies	Basel ine Infor-matio-n	Project to be Implemented	Budget Source	Q3	Non Finan-cial Perfo-rman-ce	Finan-cial Perfo-rman-ce
To achieve at least 95% collection of all debt	4.2	Imple-mentation of credit control measures	Long outsta-nding debtor s, which are more than 365 days	Debtors age analy-sis reflec-ting debtors within 90 days	Consu-mer Data analy-ses and clean-ing to ensur e readin	2 Quarterly Data cleansing report, Progress report on accounts handed over beyond	R 500,000.00	R 1,488,628.00	n/a	R - n/a
To review the Revenue enhancement Strategy Action Plan by June 2022	4.1.6	Revenue Enhan-cement Strat-egy review ed in 2019/20	Monitoring of the Revenue enhancement Strategy Action Plan	Improved revenue collection and generation	R - minutes and attendance register	N/A	0	0	Achieved	n/a
To imple-ment the Revenue enhancement Strat-egy Action Plan by June 2022	4.0.5	Imple-mentation of the Revenue enhancement Strat-egy Action Plan by June 2022	Implementation of the Revenue enhancement Strat-egy Action Plan by June 2022	4. Quartely Revenue enhance-ment Strat-egy Committe e	R -	01 Meet-ing was organ-ised on the 29 March 2022 for Q3	Quart-ely Reven ue enhanceme nt meet-ing	R -	n/a	n/a

KPA NO 4: Budget & Treasury

KPA N0 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Basel ine Information	Project to be Implemented	Budget Source	Q3	Non Financial Performance	Financial Performance
Acco unts with errors	To achieve a clean audit as at 30 June 2022	4.3	Performance of monthly debtor s, rates and	Monthly review of debtors, rates and investment reconciliation by the 7th working day of each month	Accur ate and compl ete reconciliations	12 month ly review ed debtor s, 12 investm ents and 7th working day of each month	R -	N/A	Prepar ation of 3 debtor s, 3 investm ents and 3 rates	R -
Identifi cation of long term errors	Identify long term errors	9.1	Identification of long term errors	Identification of long term errors	Identification of long term errors	Identification of long term errors	R -	Achie ve d	n/a	n/a

KPA N0 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Basel ine Information	Project to be Implemented	Budget Source	Q3	Non Financial Performance	Financial Performance
	fy and resolve			investment reconciliations	day of each month	month	and 12 rates reconciliation by June 2022		ment s and Rates have been performed for Q3	Achieved / Not Ach
	To pay creditors within 30 days in compliance with the MFM A by June 2022	Invoices not submitted within 30 days of receipt for payment	4.4	Enforcement of system descriptions and processes as per the Account payable policy	invoices still taking longer to reach BTO for payment	Age analysis reflecting creditors within 30 days	Payment of all presented acceptable invoices within 30 days from receipt of invoice by June 2022	R/N/A	All payments received have been settled and paid within 30 days	Achieved
	Data strings that are submitted with incomplete	To achieve a clean audit as at 30 June 2022	4.5	Develop sound 'strict and effective procedures	Non implementation of all monthly procedures	Submission of monthly end procedures for 3 modules(creators,cashbook,GL)	Submitting monthly datasets and Report is not	R/N/A	Submission of 3 monthly datasets to LG Portal	Achieved
Expenditure Management										

**KPA N0 4: Budget & Treasury**

Outcome 9 Objective									KPIs						
Sub-Result Area	Issue	Strategic Objective	Obj ective No.	Strate gies	Basel ine Infor matio n	Project to be Implemented			Budget Source	Q3	Non Financial Perfor mance	Financial Perf or mance	Achie ved / Not Ach	Re aso n for Var	Re me dial Acti on
Information and mont h end procedures that are not performed on time	e	informati on and mont h end procedu res that are not perfo med on time	for reporting				later than 10 working days after month end of each month by June 2022	days after month end			through LG Portal before the 10th working days for Q3				
Inaccurate and incomplete commitment register		Com mitme nt regist er with materi al missta temen ts	Accur ate and compl ete com mitme nt regist er	Monthly review of commitment register by the 7th working day of each month	12 month ly reviewed	R	N/A	Preparation of 3 Commitment register	R	0	Commitment register have been signed and reviewed for Q3	-	Achie ved	n/a	n/a
			4.5.2	0.5	0.5	-									

Outcome 9 Objective										KPA N0 4: Budget & Treasury					
Sub-Result Area	Issue	Strategic Objective	Objective No.	Basel Informatio n	Project to be Implemented				Budget Source	Q3	Non Financial Performance	Financial Performance	Achieved / Not Ach	Reason for Var	Relevant Action
Creditors and grants with errors taken long to identify and resolve as at 30 June 2022	Performanc e of monthly Conditonal Grant S., credit crs , retention and vat reconciliatio n	To achie ve a clean audit as at 30 June 2022	4.6	Monthly reviewal of Conditional Grants, creditors, retention and vat reconciliation by the 7th working day of each month	Accurate and complete reconciliations	4.1	12 month ly review ed Conditional grants, 12 credit ors, 12 creditors, 12 retention and 12 vat reconciliations	Preparation of 3 monthly credit ors,3 retainent on and 3 vat recon ciliatio n by June 2022	R -	N/A 0	Mont hly recon ciliati on for Credit ors, retainent ion and VAT have been prepared and reviewed for Q3	R -	Achieved	n/a	
Payroll accounts with errors taken long to identify and resolve	Performanc e of monthly payroll reconciliatio n			Monthly reconciliatio ns not performed by the 7th day of each month	Accurate and complete reconciliations	4.2	12 month ly review ed payroll reconciliatio n by June 2022	Preparation of 3 monthly payroll reconciliatio ns	R -	N/A 0	Mont hly recon ciliati on for Payroll have been prepared and reviewed for Q3	R -	Achieved	n/a	

**KPA No 4: Budget & Treasury**

Outcome 9 Objective									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Baseline Information	Project to be Implemented	Budget Source	Q3	Non Financial Performance	Financial Performance
		To have an effective and reliable filing space and system for SCM and aware all tend er documents and payment vouchers	4.7	Conversion of Supply Chain Management system for the volume of documents in the Budget and Treasury office	Electronic filing for Budget and Treasury documents	12 Progress report on BTO scanned documents	R -	N/A	Achieved
		Inadequate filing space and system for SCM and aware all tend er documents and payment vouchers	4.7	Paper based and physical filing to electronic for old documents already audited	4.7 Conversion of information into electronic documents	0.5 Progress report on BTO scanned documents by June 2022	R -	0	120.000.00
	No clear monitoring of the procurement	To have fully capacitated Suppliers	4.8	Approved procurement plan with no	Report on adherence to the procurement plan	0.5 monthly reports on the procurement	R -	N/A	3 Mont hly Supplier Chain Mana
<b>Supply Chain Management</b>									
		To have fully capacitated Suppliers	4.8	Monitoring of adherence to the procurement	12 monthly reports on the procurement	Signed reports by the SCM Manager	R -	N/A	Achieved

KPA N0 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baselining Information	Project to be Implemented	Budget Source	Q3	Financial Performance	Achieved / Not Ach
Int'l plan	Int'l Chai n Management	Pers onnel and effect iven tive procurement system	1. Man age ment	ment plan	clear monitoring plan	nt plan	oring of the procurement plan by June 2022		gemen t report s were Prepa red and signe d for Q3	
Supplier Data base not updated annu ally	Callin g of all suppli ers to update their information that expire d in the past years	Suppli er datab ase with bidder s	Annual update of the supplier database	Supplier Data base	Updat ed Suppl ier Data base	R 4. 05 2	Advertis ement and Munsoft audit trail	R 5,000.0 0	600 Suppli ers inform ation updat ed	R - Audit Trail for Q3
No sche dule of bid comm ittee seati	Devel oping Mech anism s to monit or seatin gs	Bid comm ittees seatin g random ly	Schedule of seating of bid committees	Sched ule of bid comm ittee seatin gs	R 4. 05 3	Signed schedule of bid committee, attendan ce registers	R -	N/ A	3 Mont hly sche dule of seatin g prepa	R - Achie ved

**KPA N0 4: Budget & Treasury**

Outcome 9 Objective									KPIs					
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategic Objectives	Basel line Information	Project to be Implemented	Budget Source	Q3	Non Financial Performance	Financial Performance	Achieved / Not Ach	Reason for Var	Revised Action	
Procurement documents not uploaded on the website on time	ngs	g of the bid committees		with confirmed dates	ng each bid is concluded within 60 days of the tender closing by June 2022	of members			red and 16 Bids seated with signed attendance registrars for Q3					
Monitoring of compliance with publication of documents		Publication documents uploaded late on the website		Updated Website will SCM advertises, closing registers and award tenders on the municipal website by June 2022					Uploading of all tenders advertised from January 2022 to March 2022		04 adverts uploaded on E-tender portal			
Procurement documents not uploaded on the website on time		Monthly monitoring of documents uploads	4.8.4	0.5	R	N/A			Screenshots of the website showing documents uploaded		Closing -	Achieved	N/A	

KPA NO 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Res	Issue	Strategic Objective	Objective No.	Strategies	Basel ine Information	Project to be Implemented	Budget Source	Q3	Financial Performance	Achieved / Not Ach
SCM personnel not regularly trained on updates regularly	Comm unications on of all updat es on SCM matter s	Updates only communicated to Managers and Senior Managers	Capacitate d SCM Officials with relevant knowledge	Training of all SCM officials on updates on SCM matters	Capacitating of all SCM officials on updates by June 2022	Email confirmations	N/A	R -	R -	Achieved
										N/A
										N/A
										N/A
										N/A

**KPA N0 4: Budget & Treasury**

Outcome 9 Objective		Project to be Implemented				Budget Source				Non Financial Performance				Financial Performance		Achieved / Not Ach	Reason for Var	Remediation Action	
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Review Period	Contract register to be reviewed and signed monthly	Review Period	Contract register to be reviewed and signed monthly	Review Period	Contract register to be reviewed and signed monthly	Review Period	Contract register to be reviewed and signed monthly	Review Period	Contract register to be reviewed and signed monthly	Review Period	Contract register to be reviewed and signed monthly	Review Period	Contract register to be reviewed and signed monthly
Inadequate contract management processes	Month review of all existing contracts	Contract only reviewed at year end	4.6	Review period	12 monthly	0.5	12 signed contract registers	R	N/A	3 monthly	Montly	3 monthly	R	Achieved	N/A	N/A	N/A	N/A	
The municipality needs to comply with all statutory training requirements	Training of Supply Chain Management personnel	Capacitated SCM Officials with relevant knowledge	4.7	Training of SCM Officials by 30 June 2022	Training of SCM Officials by 30 June 2022	0.5	Proof of attendance on CIPS by June 2022	R	N/A	0 Exam Confir matio n	Training of Manager and 1 SCM officer on CIPS by June 2022	0 Exam Confir matio n	R	Achieved	N/A	N/A	N/A	N/A	

KPA N0 4: Budget & Treasury									
Outcome 9 Objective									
Sub-Result Area	Issue	Strategic Objective	Objective No.	Baseline Information	Project to be Implemented	Budget Source	Q3	Financial Performance	Achieved / Not Ach
All assets of the municipality to be accounted for the value and location of all municipal assets by 30 June 2022	To accurately account for the value and location of all municipal assets by 30 June 2022	Asset Management office being notified	Quarterly update of the fixed asset register	Performing quarterly asset verification within 30 days of the end of each quarter	Accounting for all municipal assets	4. Signed quarterly Asset verification Reports by June 2022	R -	R -	Achieved



KPA N0 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Budget Source	Q3	Financial Performance	Review and Action
Early managed	function on the municipality	Strategic management	4.1	Strategic levels are kept at all times	Report by June 2022	Report by June 2022	Stock count for the 3rd quarter.	Stock count	Stock count for the 3rd quarter.	n/a
Financial statement	To compile Annual Financial Statement that comply with non-compliance with laws as at 30 June 2022	Development sound, strict and effective procedures for the compilation of AFS	Audited Annual Financial Statement for 2019/20 with compilation of AFS	Credible Annual financial statements for compilation of Compliant annual financial statements by 30 May 2021	Credible Annual financial statements for compilation of Compliant annual financial statements by 31 August 2021	Financial statements as at 30 June 2021 submitted by 31 August 2021	Financial statements as at 30 June 2021 submitted by 31 August 2021	Financial statements as at 30 June 2021 submitted by 31 August 2021	R 178.22 1.25	R -
Financial Reporting								Yeos	0	n/a



KPA N0 4: Budget & Treasury

KPA N0 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Basel Infor mation	Project to be Implemented	Budget Source	Q3	Non Financial Perfo rmance	Financial Performance
Adhere to compliance in term s of man agement and reporting	Non compliance with statutory requirements	4.1.3	Preparation and submission of s71 reports	Report s not submitted on time	Submission of s71 Report not later than 10 working day of each month	Signe d mont hly report s	R -	N/A	Proof of submissi on of 12 signed s71 Report	Mont hly s71 report s
Adhere to compliance in term s of man agement and reporting	Non compliance with statutory requirements	4.1.3	Preparation and Submission of s52d reports	Submission of s52d reports within 30 days of the end of each quarter	Signe d quart erly report s	R -	R -	0	Preparation of 3 monthly report s	R -
Adhere to compliance in term s of man agement and reporting	Non compliance with statutory requirements	4.1.3	Preparation and Submission of s52d reports	Submission of s52d reports within 30 days of the end of each quarter	Signe d quart erly report s	R -	R -	0	Proof of submissi on of 4 Signed s52 Reports within 30 days of the end of each quarter	R -



KPA N0 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Result Area	Issue	Strategic Objective	Objectuve No.	Strategies	Baseline Information	Project to be Implemented	Budget Source	Q3	Non Financial Performance	Financial Performance
nts	To timely produce budgets in line with the National Treasury guide lines and regulations	Devel op and monitor or processes to ensure timely preparation, adoption and publication of credible municipal budgets	Adjustments budget approved by 28 February 2022 and draft budget	Council resolutions adopting the budgets	4.15	3	Approved budget is by June 2022	R -	N/A 0	Adjustment Budget
	y requirements by June 2022			Compile three budgets to be approved by council	4.15	0.5	Approved 22/23 Final Budget and Council resolutions	R -	R -	Adopted budget adjustment
				by 31 March 2022 and publication of each year; final budgets	1.2		Draft budget 2022/23	-	-	2021/22, Draft budget 2022/23
				of regulation s			Draft budget 2022/23	-	n/a	2022/23
							Achieved	-	n/a	n/a

KPA No 4: Budget & Treasury								
Outcome 9 Objective								
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Basel ine Information	Project to be Implemented	Budget Source	Q3
					May 2022			

non publications of budgets approved by council	Publication of three approved budgets	Publication of at least three approved budgets	0.5	3 Adverts	R 60,200.00	Ye s 0	Adjustment budget advert	Advertis for Adjustment budget 21/22 has been published for Q3
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The table above shows targets for the quarter that the department of Budget and Treasury worked towards achieving for the period. 30 targets were set for the period with all 30 reported to have been achieved.

## 8. In-year budget statement tables

### a) Budget Statement Summary

EC443 Winnie Madikizela Mandela - Table C1 Monthly Budget Statement Summary - M09 March

Description	2020/21	Budget Year 2021/22								
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	20,145	26,171	21,283	561	19,542	15,962	3,579	22%	21,283	
Service charges	40,257	43,474	43,481	2,996	30,558	32,611	(2,053)	-6%	43,481	
Investment revenue	7,604	10,047	10,047	793	7,742	7,535	207	3%	10,047	
Transfers and subsidies	338,001	295,690	298,973	70,603	293,535	224,230	69,305	31%	298,973	
Other own revenue	16,324	14,651	13,721	919	9,477	10,290	(814)	-8%	13,721	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>422,331</b>	<b>390,032</b>	<b>387,505</b>	<b>75,872</b>	<b>360,854</b>	<b>290,629</b>	<b>70,225</b>	<b>24%</b>	<b>387,505</b>	
Employee costs	105,837	126,854	119,529	8,384	75,316	89,646	(14,331)	-16%	119,529	
Remuneration of Councillors	23,964	26,007	26,007	2,074	18,097	19,505	(1,408)	-7%	26,007	
Depreciation & asset impairment	40,180	52,682	52,682	3,615	32,205	39,511	(7,306)	-18%	52,682	
Finance charges	1	150	150	—	—	113	(113)	-100%	150	
Inventory consumed and bulk purchases	39,820	48,440	48,640	3,040	31,273	36,480	(5,207)	-14%	48,640	
Transfers and subsidies	4,499	5,907	5,623	—	933	4,218	(3,284)	-78%	5,623	
Other expenditure	128,012	173,490	225,752	8,489	93,458	169,314	(75,856)	-45%	225,752	
<b>Total Expenditure</b>	<b>342,313</b>	<b>433,529</b>	<b>478,383</b>	<b>25,602</b>	<b>251,281</b>	<b>358,787</b>	<b>(107,506)</b>	<b>-30%</b>	<b>478,383</b>	
<b>Surplus/(Deficit)</b>	<b>80,018</b>	<b>(43,497)</b>	<b>(90,878)</b>	<b>50,269</b>	<b>109,572</b>	<b>(68,159)</b>	<b>177,731</b>	<b>-261%</b>	<b>(90,878)</b>	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	77,425	99,296	96,175	946	50,334	72,131	####	-30%	96,175	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	—	—	—	—	—	—	—	—	—	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>	<b>155,934</b>	<b>3925%</b>	<b>5,296</b>	
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	
<b>Surplus/ (Deficit) for the year</b>	<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>	<b>155,934</b>	<b>3925%</b>	<b>5,296</b>	
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>141,432</b>	<b>117,727</b>	<b>188,684</b>	<b>21,547</b>	<b>77,543</b>	<b>141,513</b>	<b>(63,970)</b>	<b>-45%</b>	<b>188,684</b>	
Capital transfers recognised	67,976	86,399	80,762	7,749	43,617	60,572	(16,955)	-28%	80,762	
Borrowing	—	—	—	—	—	—	—	—	—	
Internally generated funds	73,456	31,328	107,921	13,798	33,927	80,941	(47,014)	-58%	107,921	
<b>Total sources of capital funds</b>	<b>141,432</b>	<b>117,727</b>	<b>188,684</b>	<b>21,547</b>	<b>77,543</b>	<b>141,513</b>	<b>(63,970)</b>	<b>-45%</b>	<b>188,684</b>	
<b>Financial position</b>										
Total current assets	364,659	277,032	277,878	—	509,778	—	—	—	277,878	
Total non current assets	739,453	789,359	836,767	—	784,499	—	—	—	836,767	
Total current liabilities	69,907	49,384	75,113	—	100,147	—	—	—	75,113	
Total non current liabilities	5,246	5,495	5,246	—	5,246	—	—	—	5,246	
Community wealth/Equity	1,028,958	1,011,512	1,034,286	—	1,188,884	—	—	—	1,034,286	
<b>Cash flows</b>										
Net cash from (used) operating	209,606	129,537	126,155	84,141	206,750	94,616	(112,134)	-119%	126,155	
Net cash from (used) investing	(125,089)	(119,176)	(182,428)	(22,858)	(82,198)	(136,821)	(54,623)	40%	(182,428)	
Net cash from (used) financing	—	—	—	—	—	—	—	—	—	
<b>Cash/cash equivalents at the month/year end</b>	<b>258,161</b>	<b>101,508</b>	<b>201,887</b>	<b>—</b>	<b>382,713</b>	<b>215,956</b>	<b>(100,757)</b>	<b>77%</b>	<b>201,887</b>	
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Ds</b>	<b>151-180 Ds</b>	<b>181 Ds-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>	
<b>Debtors Age Analysis</b>										
Total By Income Source	4,274	2,588	2,539	2,633	2,437	70,207	—	—	84,679	
<b>Creditors Age Analysis</b>										
Total Creditors	372	—	—	—	—	—	—	—	372	

The table above shows a summary of the municipality's financial performance for the period ended 31 March 2022. The first part of the table shows financial performance which gives information about whether the municipality made a loss or a surplus during the month followed by a summary of the municipality's performance on its capital budget. This is then followed by the municipality's financial position, a summary of the cashflow recalculation and then debtors and creditors age analysis.

b) Financial Performance by functional classification

EC443 Winnie Madikizela Mandela - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March

Description R thousands	Ref 1	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast	
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		374,264	335,534	330,811	74,014	324,252	248,109	76,143	31%	
Executive and council		—	—	—	—	—	—	—	—	
Finance and administration		374,264	335,534	330,811	74,014	324,252	248,109	76,143	31%	
Internal audit		—	—	—	—	—	—	—	—	
<i>Community and public safety</i>		4,828	5,479	4,673	174	3,050	3,505	(455)	-13%	
Community and social services		544	681	681	(254)	79	511	(432)	-85%	
Sport and recreation		—	—	—	—	—	—	—	—	
Public safety		4,285	4,798	3,992	429	2,972	2,994	(23)	-1%	
Housing		—	—	—	—	—	—	—	—	
Health		—	—	—	—	—	—	—	—	
<i>Economic and environmental services</i>		45,586	71,475	71,348	4,444	29,812	53,511	(23,699)	-44%	
Planning and development		127	20,452	20,325	7	813	15,244	(14,431)	-95%	
Road transport		45,459	51,023	51,023	4,437	28,999	38,267	(9,268)	-24%	
Environmental protection		—	—	—	—	—	—	—	—	
<i>Trading services</i>		75,078	76,840	76,847	(1,814)	54,073	57,635	(3,562)	-6%	
Energy sources		67,709	68,576	68,577	(861)	47,930	51,433	(3,503)	-7%	
Water management		—	—	—	—	—	—	—	—	
Waste water management		—	—	—	—	—	—	—	—	
Waste management		7,369	8,264	8,270	(953)	6,143	6,202	(59)	-1%	
<i>Other</i>	4	—	—	—	—	—	—	—	—	
<b>Total Revenue - Functional</b>	2	<b>499,756</b>	<b>489,328</b>	<b>483,680</b>	<b>76,818</b>	<b>411,187</b>	<b>362,760</b>	<b>48,428</b>	<b>13%</b>	<b>483,680</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		144,640	195,801	200,566	12,843	106,658	150,425	(43,766)	-29%	
Executive and council		54,961	62,138	61,135	3,874	38,190	45,851	(7,661)	-17%	
Finance and administration		86,227	127,983	134,083	8,795	66,089	100,563	(34,474)	-34%	
Internal audit		3,452	5,679	5,348	175	2,380	4,011	(1,631)	-41%	
<i>Community and public safety</i>		24,150	31,625	30,707	1,414	17,564	23,030	(5,466)	-24%	
Community and social services		7,338	11,967	11,806	317	5,834	8,854	(3,021)	-34%	
Sport and recreation		1,968	2,853	2,558	154	1,957	1,919	38	2%	
Public safety		14,083	15,769	15,372	864	9,267	11,529	(2,262)	-20%	
Housing		762	1,037	971	79	507	728	(221)	-30%	
Health		—	—	—	—	—	—	—	—	
<i>Economic and environmental services</i>		67,912	105,923	117,631	5,932	60,773	88,223	(27,451)	-31%	
Planning and development		21,005	31,356	32,901	1,341	12,825	24,676	(11,851)	-48%	
Road transport		45,335	72,029	82,151	4,341	46,706	61,614	(14,908)	-24%	
Environmental protection		1,572	2,539	2,578	250	1,242	1,934	(692)	-36%	
<i>Trading services</i>		102,932	96,328	125,216	5,150	64,140	93,912	(29,772)	-32%	
Energy sources		79,676	68,375	98,132	3,761	48,612	73,599	(24,987)	-34%	
Water management		—	—	—	—	—	—	—	—	
Waste water management		—	—	—	—	—	—	—	—	
Waste management		23,256	27,952	27,084	1,389	15,528	20,313	(4,785)	-24%	
<i>Other</i>		2,678	3,853	4,263	263	2,146	3,197	(1,051)	-33%	
<b>Total Expenditure - Functional</b>	3	<b>342,313</b>	<b>433,529</b>	<b>478,383</b>	<b>25,602</b>	<b>251,281</b>	<b>358,787</b>	<b>(107,506)</b>	<b>-30%</b>	<b>478,383</b>
<b>Surplus/ (Deficit) for the year</b>		<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>	<b>155,934</b>	<b>3925%</b>	<b>5,296</b>

The table above shows the municipality's financial performance for the period ended 31 March 2022 in functional classification which was created by National treasury to assist in reporting financial information per functional area. This information is consolidated at National treasury level to produce the provincial and national financial reports.

c) Revenue by Source

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description R thousands	Ref	2020/21		Budget Year 2021/22					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>Revenue By Source</b>									
Property rates		20,145	26,171	21,283	561	19,542	15,962	3,579	22% 21,283
Service charges - electricity revenue		35,679	38,809	38,810	2,629	27,248	29,108	(1,860)	-6% 38,810
Service charges - water revenue		-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-
Service charges - refuse revenue		4,578	4,665	4,671	367	3,310	3,503	(193)	-6% 4,671
Rental of facilities and equipment		5,876	3,093	3,452	88	2,674	2,589	85	3% 3,452
Interest earned - external investments		7,604	10,047	10,047	793	7,742	7,535	207	3% 10,047
Interest earned - outstanding debtors		4,275	5,133	5,133	382	3,387	3,850	(463)	-12% 5,133
Dividends received		-	-	-	-	-	-	-	-
Fines, penalties and forfeits		688	938	938	-	325	704	(378)	-54% 938
Licences and permits		2,343	2,756	1,879	244	1,581	1,409	172	12% 1,879
Agency services		1,291	1,265	1,337	125	1,025	1,003	22	2% 1,337
Transfers and subsidies		338,001	295,690	298,973	70,603	293,535	224,230	69,305	31% 298,973
Other revenue		781	1,466	982	80	485	737	(252)	-34% 982
Gains		1,069	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>422,331</b>	<b>390,032</b>	<b>387,505</b>	<b>75,872</b>	<b>360,854</b>	<b>290,629</b>	<b>70,225</b>	<b>24%</b> <b>387,505</b>

The above table shows the municipality's revenue per revenue source. This is in line with the services that municipalities are providing. An analysis of each revenue source follows below:

- **PROPERTY RATES:** The municipality being a local municipality levies property rates on all rateable properties within the Mbizana area in terms of the Municipal Property Rates Act No.6 of 2004. The categories of rate payers include government departments which own properties, like the Department of Public Works which are levied once at the beginning of the financial year which lead to the revenue generated for the month to be R15 million in the 1<sup>st</sup> month and a decrease to R561 thousand for the following months which has been the case for the month of March 2022. The current revenue recognised on this stream may seem to be above the monthly target but it is important to note that this is only due to government properties levied only at the beginning of the financial year for the whole year.
- **ELECTRICITY REVENUE:** The municipality distributes electricity in the town area as per its distribution licence. This is one of the major sources of revenue for the municipality as households now depend on electricity for their day to day living. This is a trading service where the municipality gives electricity equivalent to the amount provided by the consumer. Municipalities are therefore expected to at least recover the cost of providing the service. The approval of tariffs by NERSA is set up such that the municipality can make some form of surpluses from sale of

electricity so that it may be able to maintain the infrastructure used to render the service and defray all other operating expenses related to the service provision. The municipality has generated over R2.6 million for the month and a year to date actual of R27.2 million. This is below the projection by about 6% (over R1.8 million) which may add up to R2.4 million by the end of the year if attempts to remedy the situation do not yield any results. The 6% reported is a regression from the 5% reported in the previous month. Even though new bulk meters have been installed for identified large power users that we expect would bring positive results, there are however some disturbing observations that have been made by the professional service provider contracted by the municipality to install automated meter reading system. Some of the large power users in town that are owned by the different persons seem to have a way to lower the way in which our meters read consumption leading to less billing and more consumption from their side. The municipality has made some research and learnt that a solution might be installing a automated meter reading system that is able to identify when a meter changes its reading in real time. The installation process has assessments reports that have been shared with the municipality's Electricity Section with findings that also require action from the municipality to protect revenue losses.

- **Solid Waste Removal:** Collection and disposal of solid waste is one of the services that the municipality provides to the town area and a few sites outside of town including the Wild Coast Sun Casino. The municipality has implemented a new billing approach which ensures that all customers who individually generate waste are billed individually. The exercise was conducted by the refuse section and the billing database has significantly increased and showed us that there are customers we have been providing the service to at no cost at all. This has resulted in the revenue billed for the month to be over R367 thousand which is less than the projection by 6% which is a regression from the 5% reported in the previous month which will be monitored against performance of other periods to follow.
- **Interest on Investments:** The municipality invests surplus cash and unspent grants to generate interest that would be utilised to fund other municipal programmes, this interest includes interest on the municipality's positive balance in the municipality's main account. The table above shows that the municipality generated over R798 thousand worth of interest on investments with a year to date actual that is above the projection by 3% which is a regression from the 4% above projection reported in the previous months. This is still less than the normal performance in the previous years at the same time. This underperformance may be due to interest rates cuts that have been implemented by the South African Reserve Bank since the outbreak of Covid-19. This may also be attributable to the decrease in revenue collection since the outbreak of COVID-19 which has meant

the municipality continues to spend without making any significant funds coming in. We hope to see the impact of the interest rate hikes that have been approved in the past two quarters in the months to follow.

- **Interest on outstanding debtors:** The municipality charges interest on debtors owing for more than 30 days at a rate of prime plus 2% as per the municipality's credit control and debt collection policy. This has yielded interest of R382 thousand for the period ended 31 March 2022 which is less than the amount projected for the period by 12%, consistent with 12% reported last month. This requires intense debt collection initiatives. A higher interest generation means the municipality's debtors are more than what they were projected to be.
- **Fines:** The municipality has a traffic department which enforces traffic laws and the municipality's by-laws. Anyone found to have contravened these laws is charged a fine accordingly. These fines also include fines for electricity tempering. The municipality did not generate any revenue for the month of March 2022. It is worth noting though that, this does not represent cash collected and measures should be put in place to ensure people pay their fines. Experience has taught us that people generally do not settle traffic fines and, in most cases when they do they do so at lower values than the initial revenue recognised. This is one of the areas where we were forced to adjust down in the previous years to ensure that we end up with realistic revenues.
- **Rental of facilities:** The municipality has properties that it rents out to other businesses and individuals from which it generates revenue. These include properties like the Boxer complex, Spar, Browns, Bargain and others. The revenue generated here also includes rental for billboards and advertising around the town area. The municipality has generated about R88 thousand for the month which has pushed the actual performance to a level above the projection by 3% which is a result of other revised contracts that have been concluded. This still a reduction from the 12% above performance reported in the previous month. This is being investigated to identify which accounts were incorrectly billed during the month, which will then be corrected in the next billing cycle and the affected account holders will be informed of the error identified.
- **Licenses and permits:** The municipality has a fully functional testing station which has been in operation for the past three years. This has been one of the municipality's promising revenue stream since the completion of the testing station. The municipality only generated R244 thousand worth of revenue for the period. The municipality has collected above the revised projected collection by 12% which will be monitored over the remaining months up to the end of the financial year.

- **Transfers and subsidies:** The municipality receives grants, both conditional and those without conditions. The report shows that an amount of over R70.6 million has been transferred to revenue for the period ended 31 March 2022 from the operating grants whose conditions have been met. This has recorded a year to date performance of about R293 million. This happens when the municipality has spent the grants according to the requirements of the funders or DORA. The biggest chunk of these transfers is equitable share that was received during the months of July, December and March.

d) Debt Collection

The table below shows a 93% overall collection rate for the month ended 31 March 2022. However, we note a 302% collection rate on leasehold fees, 84% on electricity and 96% on refuse removal for the period.

WINNIE MADIKIZELA MANDELA LM : MONTHLY BILLING & RECEIPTS [including VAT]  
YEAR ENDING: 30 June 2022

	INCOME TYPE	JULY	AUG	SEP	1st QUARTER	OCT	Nov-21	DEC	2nd QUARTER	Jan-22	Feb-22	Mar-22	3rd QUARTER	TOTAL
RATES														
billed	15,281,245	845,277	780,328		16,906,850		780,184	780,383	781,290	2,341,857	788,359		794,953	
payment received	682,650	2,426,724	10,397,016	13,508,390	643,972	624,348	512,226	1,080,546	1,606,047	465,711	818,814	2,889,572	18,178,508	
% of billing received	4%	28%	133%	80%			83%		66%		76%	204%	59%	122%
ELECTRICITY														
billed	2,485,637	2,412,039	2,534,081	2,431,740	2,541,756	2,439,327	2,555,595	2,537,061	2,549,951	2,425,605	2,531,618	2,495,556	19,944,374	
payment received	1,278,556	1,371,930	3,382,909	6,033,695	2,009,470	1,929,996	1,872,370	5,811,837	2,154,073	2,141,948	2,137,238	6,433,259	18,278,791	
% of billing received	51%	57%	133%	81%			79%		73%		77%	84%	88%	129%
LEASEHOLD FEES														
billed	320,729	251,916	308,289	880,935	308,289	322,443	326,384	956,916	326,384	326,384	326,384	858,836	738,605	2,576,456
payment received	208,557	368,759	257,635	834,950	260,295	250,494	240,548	751,337	250,326	30,922	259,485	811,732	2,398,020	
% of billing received	65%	146%	84%	95%		84%		78%		74%		79%	93%	302%
VAT														
billed	478,481	457,120	483,882	1,419,482	484,857	471,584	489,560	1,446,000	494,162	469,593	448,501	1,412,256	4,277,739	
payment received	269,193	264,570	650,302	1,184,065	358,439	372,889	352,935	1,089,062	399,823	369,892	410,399	1,180,114	3,448,241	
% of billing received	56%	58%	134%	83%		74%		79%		72%		75%	92%	302%
INTEREST														
billed	167,391	175,773	166,484	509,648	168,376	173,169	177,565	519,110	191,690	194,965	202,441	589,096	1,617,854	
payment received	82,143	771,451	1,049,999	1,903,593	109,077	97,047	97,047	285,182	355,137	98,334	142,432	358,033	596,903	2,785,678
% of billing received	49%	43%	631%	374%		65%		45%		55%		85%	50%	101%
REFUSE REMOVAL														
billed	383,508	383,508	383,508	1,150,525	382,349	381,922	381,752	1,146,024	339,696	378,627	377,554	1,090,878	3,387,428	
payment received	253,877	191,263	639,159	1,084,299	258,949	255,774	242,261	756,984	343,205	268,502	358,033	969,740	2,811,023	
% of billing received	66%	50%	167%	94%		68%		67%		66%		71%	96%	83%
TOTAL INCOME														
billed	19,116,991	4,525,633	4,656,573	28,299,196	4,665,795	4,569,029	4,712,145	13,946,969	4,690,243	4,435,904	4,435,412	11,178,941	46,936,409	
payment received	2,775,276	5,396,696	16,377,019	24,548,992	3,640,202	3,550,347	3,299,399	10,449,948	5,108,610	3,665,309	4,127,402	12,881,320	40,127,550	
% of billing received	15%	119%	352%	87%		78%		77%		75%		109%	80%	115%
														85%

e) Expenditure by Type

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description R thousands	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Expenditure By Type</b>										
Employee related costs		105,837	126,854	119,529	8,384	75,316	89,646	(14,331)	-16%	119,529
Remuneration of councillors		23,964	26,007	26,007	2,074	18,097	19,505	(1,408)	-7%	26,007
Debt impairment		5,208	9,600	9,600	—	—	7,200	(7,200)	-100%	9,600
Depreciation & asset impairment		40,180	52,682	52,682	3,615	32,205	39,511	(7,306)	-18%	52,682
Finance charges		1	150	150	—	—	113	(113)	-100%	150
Bulk purchases - electricity		35,022	40,777	40,777	2,788	27,376	30,583	(3,207)	-10%	40,777
Inventory consumed		4,798	7,663	7,863	253	3,897	5,897	(2,000)	-34%	7,863
Contracted services		41,065	98,848	102,070	4,156	60,603	76,553	(15,949)	-21%	102,070
Transfers and subsidies		4,499	5,907	5,623	—	933	4,218	(3,284)	-78%	5,623
Other expenditure		38,313	65,042	75,364	4,326	32,847	56,523	(23,676)	-42%	75,364
Losses		43,425	—	38,718	6	7	29,039	(29,032)	-100%	38,718
<b>Total Expenditure</b>		<b>342,313</b>	<b>433,529</b>	<b>478,383</b>	<b>25,602</b>	<b>251,281</b>	<b>358,787</b>	<b>(107,506)</b>	<b>-30%</b>	<b>478,383</b>
<b>Surplus/(Deficit)</b>		<b>80,018</b>	<b>(43,497)</b>	<b>(90,878)</b>	<b>50,269</b>	<b>109,572</b>	<b>(68,159)</b>	<b>177,731</b>	<b>(0)</b>	<b>(90,878)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		77,425	99,296	96,175	946	50,334	72,131	(21,797)	(0)	96,175
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								—		
Transfers and subsidies - capital (in-kind - all)								—		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>			<b>5,296</b>
Taxation								—		
<b>Surplus/(Deficit) after taxation</b>		<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>			<b>5,296</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>			<b>5,296</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>			<b>5,296</b>

The table above shows the municipality's expenses per type of expenditure. This is compared with the revenues generated per type to determine whether the municipality is operating at a loss or a surplus.

- Employee costs and Remuneration of councillors:** The municipality has remunerated employees who are remunerated as per the prevailing Bargaining Council agreements. The expenditure for the period ended 31 March 2022 reflects an amount of R8.3 million for employee costs and R2 million for the remuneration of councillors. The remuneration of councillors continues to show a 7% underspending compared to what was expected at the same period. Employee costs have continued to record a 16% saving that is always expected considering issues like, annual increment, annual and long-term bonuses, resignations, leave provisions and vacant positions.
- Bulk Purchases:** The municipality purchases electricity in bulk from Eskom for distribution to the town customers. This is the main input cost to the distribution of electricity. The table shows that the municipality spent about R2.7 million on electricity purchases for the period ended 31 March 2022 and a year to date actual of the same which is below the projected expenditure by 10%. This amount only relates to 20 days of February and 10 days of March as the billing by Eskom only takes place on the 10<sup>th</sup> of each month.

- **Depreciation and asset impairment:** The municipality's depreciation run is performed at the end of each month, resulting in the depreciation for March 2022 being R3.6 million. The monthly depreciation calculations have been performed and recorded manually for the six months from July to December 2021 and when this was corrected to record these movements through the assets module, seven months were recorded as the movement for one month which has then been corrected through processing of journals and therefore correcting the month February 2022. This has resulted in the depreciation recorded being below the projection for the period by about 18%.
- **Contracted Services:** This relates to the municipality's general expenses that have been incurred during the month where only external service providers could be used to render the service or procure goods. This shows that the municipality incurred R4.1 million worth of expenditure during the month. This is as a result of slow spending during the first months of each financial year which is always experienced.
- **Other Expenditure:** This also shows a saving of about 42% which might be as a result of the slow spending during the first months of each financial year which is always experienced and the national lockdown which has meant that no activity was recorded for the municipality and some events being cancelled. This requires though that departments that are currently underspending be sensitised of the matter.

f) Revenue by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote Description R thousands	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Revenue by Vote</u>	1									
Vote 1 - Executive and Council		-	--	--	-	-	--	--		-
Vote 2 - Budget and Treasury		354,705	309,070	309,235	73,440	304,445	231,926	72,518	31.3%	309,235
Vote 3 - Corporate Services		405	293	293	13	265	220	45	20.6%	293
Vote 4 - Community Services		12,198	13,743	12,942	(778)	9,194	9,707	(513)	-5.3%	12,942
Vote 5 - Development Planning		19,267	46,466	41,579	568	20,355	31,184	(10,829)	-34.7%	41,579
Vote 6 - Engineering Services		113,181	119,755	119,630	3,576	76,929	89,723	(12,793)	-14.3%	119,630
<b>Total Revenue by Vote</b>	<b>2</b>	<b>499,756</b>	<b>489,328</b>	<b>483,679</b>	<b>76,818</b>	<b>411,187</b>	<b>362,760</b>	<b>48,428</b>	<b>13.3%</b>	<b>483,679</b>

The table above shows revenue generated per municipal vote as defined in s1 of the MFMA. The table shows that Engineering services has generated over R3.5 million for the month with Budget and Treasury showing generation of over R73.4 million which may be attributable to grants that have been received or spent more than the projected amounts and the interest on investments as well as Development Planning at over R568 thousand.

g) Expenditure by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote Description R thousands	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Expenditure by Vote</b>										
Vote 1 - Executive and Council	1	71,489	83,323	82,105	5,228	48,550	61,579	(13,029)	-21.2%	82,105
Vote 2 - Budget and Treasury		21,935	37,982	39,379	1,413	17,338	29,534	(12,196)	-41.3%	39,379
Vote 3 - Corporate Services		38,505	59,154	63,472	4,967	29,903	47,604	(17,702)	-37.2%	63,472
Vote 4 - Community Services		62,815	78,225	76,867	4,277	45,394	57,651	(12,256)	-21.3%	76,867
Vote 5 - Development Planning		15,969	29,062	31,046	1,257	11,637	23,285	(11,648)	-50.0%	31,046
Vote 6 - Engineering Services		131,601	145,783	185,513	8,461	98,459	139,135	(40,675)	-29.2%	185,513
<b>Total Expenditure by Vote</b>	2	<b>342,313</b>	<b>433,529</b>	<b>478,383</b>	<b>25,602</b>	<b>251,281</b>	<b>358,787</b>	<b>(107,506)</b>	<b>-30.0%</b>	<b>478,383</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>157,443</b>	<b>55,798</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>	<b>155,934</b>	<b>3925.5%</b>	<b>5,296</b>

The table above shows the expenditure by municipal vote. The total expenditure for the month of March 2022 amounted to above R25.6 million.

h) Municipality's financial performance

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description R thousands	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Revenue By Source</b>										
Property rates		20,145	26,171	21,283	561	19,542	15,962	3,579	22%	21,283
Service charges - electricity revenue		35,679	38,809	38,810	2,629	27,248	29,108	(1,860)	-6%	38,810
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		4,578	4,665	4,671	367	3,310	3,503	(193)	-6%	4,671
Rental of facilities and equipment		5,876	3,093	3,452	88	2,674	2,589	85	3%	3,452
Interest earned - external investments		7,604	10,047	10,047	793	7,742	7,535	207	3%	10,047
Interest earned - outstanding debtors		4,275	5,133	5,133	382	3,387	3,850	(463)	-12%	5,133
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		688	938	938	-	325	704	(378)	-54%	938
Licences and permits		2,343	2,756	1,879	244	1,581	1,409	172	12%	1,879
Agency services		1,291	1,265	1,337	125	1,025	1,003	22	2%	1,337
Transfers and subsidies		338,001	295,690	298,973	70,603	293,535	224,230	69,305	31%	298,973
Other revenue		781	1,466	982	80	485	737	(252)	-34%	982
Gains		1,069	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>422,331</b>	<b>390,032</b>	<b>387,505</b>	<b>75,872</b>	<b>360,854</b>	<b>290,629</b>	<b>70,225</b>	<b>24%</b>	<b>387,505</b>
<b>Expenditure By Type</b>										
Employee related costs		105,837	126,854	119,529	8,384	75,316	89,646	(14,331)	-16%	119,529
Remuneration of councillors		23,964	26,007	26,007	2,074	18,097	19,505	(1,408)	-7%	26,007
Debt impairment		5,208	9,600	9,600	-	-	7,200	(7,200)	-100%	9,600
Depreciation & asset impairment		40,180	52,682	52,682	3,615	32,205	39,511	(7,306)	-18%	52,682
Finance charges		1	150	150	-	-	113	(113)	-100%	150
Bulk purchases - electricity		35,022	40,777	40,777	2,788	27,376	30,583	(3,207)	-10%	40,777
Inventory consumed		4,798	7,663	7,863	253	3,897	5,897	(2,000)	-34%	7,863
Contracted services		41,065	98,848	102,070	4,156	60,603	76,553	(15,949)	-21%	102,070
Transfers and subsidies		4,499	5,907	5,623	-	933	4,218	(3,284)	-78%	5,623
Other expenditure		38,313	65,042	75,364	4,326	32,847	56,523	(23,676)	-42%	75,364
Losses		43,425	-	38,718	6	7	29,039	(29,032)	-100%	38,718
<b>Total Expenditure</b>		<b>342,313</b>	<b>433,529</b>	<b>478,383</b>	<b>25,602</b>	<b>251,281</b>	<b>358,787</b>	<b>(107,506)</b>	<b>-30%</b>	<b>478,383</b>
<b>Surplus/(Deficit)</b>		<b>80,018</b>	<b>(43,497)</b>	<b>(90,878)</b>	<b>50,269</b>	<b>109,572</b>	<b>(68,159)</b>	<b>177,731</b>	<b>(0)</b>	<b>(90,878)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		77,425	99,296	96,175	946	50,334	72,131	(21,797)	(0)	96,175
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-	-	
Transfers and subsidies - capital (in-kind - all)								-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>			<b>5,296</b>
Taxation								-	-	
<b>Surplus/(Deficit) after taxation</b>		<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>			<b>5,296</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>			<b>5,296</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>157,443</b>	<b>55,799</b>	<b>5,296</b>	<b>51,216</b>	<b>159,906</b>	<b>3,972</b>			<b>5,296</b>

The municipality has so far recorded a surplus of over R159 million for the period ended 31 March 2022 with a surplus of R51.2 million for the month. This must be seen in the correct perspective as there has been receipts of the expected grants from the national purse. The municipality is still heavily reliant on grant funding and as such the surpluses still need to be seen in that perspective as they relate to

expenditures that are still to be incurred. Measures still need to be put in place to move the municipality towards self-sustainability.

## 9. Capital programme performance

### a) Capital expenditure by asset class and sub-class

EC443 Winnie Madikizela Mandela - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M09 March

Description R thousands	Ref 1	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>										
<b>Infrastructure</b>		64,182	34,277	41,901	8,422	31,241	31,426	184	0.6%	41,901
Roads Infrastructure		31,539	13,070	14,843	4,792	13,994	11,132	(2,862)	-25.7%	14,843
Roads		31,539	13,070	14,843	4,792	13,994	11,132	(2,862)	-25.7%	14,843
Electrical Infrastructure		32,643	20,957	26,900	3,630	17,090	20,175	3,085	15.3%	26,900
MV Networks		30,937	18,107	24,150	3,630	17,090	18,113	1,023	5.6%	24,150
LV Networks		1,707	2,850	2,750	—	—	2,063	2,063	100.0%	2,750
Solid Waste Infrastructure		—	250	158	—	158	118	(39)	-33.3%	158
Waste Drop-off Points			250	158	—	158	118	(39)	-33.3%	158
<b>Community Assets</b>		2,803	13,500	13,731	1,436	7,146	10,298	3,152	30.6%	13,731
Community Facilities		2,803	13,500	13,000	1,436	7,146	9,750	2,604	26.7%	13,000
Halls		1,356	8,400	8,200	825	4,615	6,150	1,535	25.0%	8,200
Crèches			3,500	3,200	611	2,531	2,400	(131)	-5.4%	3,200
Markets		1,447	1,600	1,600	—	—	1,200	1,200	100.0%	1,600
Sport and Recreation Facilities		—	—	731	—	—	548	548	100.0%	731
Outdoor Facilities			—	731	—	—	548	548	100.0%	731
<b>Other assets</b>		736	19,820	16,699	—	597	12,524	11,927	95.2%	16,699
Operational Buildings		736	19,820	16,699	—	597	12,524	11,927	95.2%	16,699
Yards		736				597	12,524	11,927	95.2%	16,699
Manufacturing Plant			19,820	16,699	—	597	12,524	11,927	95.2%	16,699
<b>Computer Equipment</b>		5,784	1,248	5,598	1,324	1,655	4,199	2,544	60.6%	5,598
Computer Equipment		5,784	1,248	5,598	1,324	1,655	4,199	2,544	60.6%	5,598
<b>Furniture and Office Equipment</b>		1,154	6,280	2,940	(11)	59	2,205	2,146	97.3%	2,940
Furniture and Office Equipment		1,154	6,280	2,940	(11)	59	2,205	2,146	97.3%	2,940
<b>Machinery and Equipment</b>		1,987	300	360	—	13	270	257	95.1%	360
Machinery and Equipment		1,987	300	360	—	13	270	257	95.1%	360
<b>Transport Assets</b>		1,974	1,400	4,050	—	—	3,038	3,038	100.0%	4,050
Transport Assets		1,974	1,400	4,050	—	—	3,038	3,038	100.0%	4,050
<b>Total Capital Expenditure on new assets</b>	1	78,620	76,825	85,278	11,170	40,712	63,959	23,247	36.3%	85,278

EC443 Winnie Madikizela Mandela - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M09 March

Description R thousands	Ref 1	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>										
<b>Infrastructure</b>		16,495	—	16,000	3,202	3,202	12,000	8,798	73.3%	16,000
Roads Infrastructure		16,495	—	16,000	3,202	3,202	12,000	8,798	73.3%	16,000
Roads		16,495	—	16,000	3,202	3,202	12,000	8,798	73.3%	16,000
<b>Community Assets</b>		12,588	11,000	27,815	910	9,365	20,861	11,496	55.1%	27,815
Community Facilities		12,588	11,000	27,815	910	9,365	20,861	11,496	55.1%	27,815
Taxi Ranks/Bus Terminals		12,588	11,000	27,815	910	9,365	20,861	11,496	55.1%	27,815
<b>Total Capital Expenditure on renewal of existing assets</b>	1	29,083	11,000	43,815	4,112	12,566	32,861	20,295	61.8%	43,815

EC443 Winnie Madikizela Mandela - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M09 March

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>	1									
<b>Infrastructure</b>		4,152	-	900	-	585	675	90	13.3%	900
Roads Infrastructure		3,543	-	900	-	585	675	90	13.3%	900
Roads		3,543	-	900	-	585	675	90	13.3%	900
Electrical Infrastructure		609	-	-	-	-	-	-	-	-
LV Networks		609								
<b>Community Assets</b>		29,576	29,902	58,690	6,265	23,382	44,018	20,635	46.9%	58,690
Community Facilities		19,643	28,402	28,402	-	10,038	21,302	11,263	52.9%	28,402
Halls		19,643	28,402	28,402	-	10,038	21,302	11,263	52.9%	28,402
Sport and Recreation Facilities		9,933	1,500	30,288	6,265	13,344	22,716	9,372	41.3%	30,288
Outdoor Facilities		9,933	1,500	30,288	6,265	13,344	22,716	9,372	41.3%	30,288
<b>Total Capital Expenditure on upgrading of existing assets</b>	1	<b>33,728</b>	<b>29,902</b>	<b>59,590</b>	<b>6,265</b>	<b>23,967</b>	<b>44,693</b>	<b>20,725</b>	<b>46.4%</b>	<b>59,590</b>

The above tables indicate that the municipality spent only R21.5 million for the month from its capital budget for the period ended 31 March 2022. This is beginning to cast serious doubts on the completion of the municipality's key projects, especially on the two major capital programmes being implemented by the municipality as it poses a number of risks for the institution including paying for work that has not been completed come the end of the year chasing targets and expenditure performance.

b) Capital Expenditure by municipal vote

EC443 Winnie Madikizela Mandela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Multi-Year expenditure appropriation</u>	2									
Vote 6 - Engineering Services		29,576	29,902	86,505	7,175	32,747	64,879	(32,132)	-50%	86,505
Total Capital Multi-year expenditure	4,7	29,576	29,902	86,505	7,175	32,747	64,879	(32,132)	-50%	86,505
<u>Single Year expenditure appropriation</u>	2									
Vote 2 - Budget and Treasury		2,096	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		6,269	7,028	9,298	1,324	1,725	6,974	(5,248)	-75%	9,298
Vote 4 - Community Services		3,035	3,150	4,278	(11)	160	3,208	(3,048)	-95%	4,278
Vote 5 - Development Planning		1,447	21,420	19,030	-	597	14,272	(13,676)	-96%	19,030
Vote 6 - Engineering Services		99,009	56,227	69,573	13,060	42,314	52,180	(9,866)	-19%	69,573
Total Capital single-year expenditure	4	111,856	87,825	102,178	14,372	44,796	76,634	(31,838)	-42%	102,178
Total Capital Expenditure		141,432	117,727	188,684	21,547	77,543	141,513	(63,970)	-45%	188,684
<u>Capital Expenditure - Functional Classification</u>										
<u>Governance and administration</u>		8,470	7,028	9,498	1,313	1,714	7,124	(5,409)	-76%	9,498
Finance and administration		8,470	7,028	9,498	1,313	1,714	7,124	(5,409)	-76%	9,498
<u>Community and public safety</u>		1,875	2,450	2,258	-	171	1,693	(1,522)	-90%	2,258
Community and social services		980	1,650	1,358	-	158	1,018	(861)	-85%	1,358
Sport and recreation			-	100	-	-	75	(75)	-100%	100
Public safety		896	800	800	-	13	600	(587)	-98%	800
<u>Economic and environmental services</u>		95,848	85,891	147,508	16,605	58,568	110,631	(52,063)	-47%	147,508
Planning and development		44,271	72,822	115,735	8,611	40,787	86,801	(46,014)	-53%	115,735
Road transport		51,577	13,070	31,773	7,994	17,781	23,830	(6,049)	-25%	31,773
<u>Trading services</u>		34,185	22,357	29,420	3,630	17,090	22,065	(4,975)	-23%	29,420
Energy sources		34,185	21,657	27,600	3,630	17,090	20,700	(3,610)	-17%	27,600
Waste management			700	1,820	-	-	1,365	(1,365)	-100%	1,820
<u>Other</u>		1,054	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	141,432	117,727	188,684	21,547	77,543	141,513	(63,970)	-45%	188,684
<u>Funded by:</u>										
National Government		67,776	86,399	80,762	7,749	43,617	60,572	(16,955)	-28%	80,762
Provincial Government		200						-	-	
Transfers recognised - capital		67,976	86,399	80,762	7,749	43,617	60,572	(16,955)	-28%	80,762
Borrowing								-	-	
Internally generated funds		73,456	31,328	107,921	13,798	33,927	80,941	(47,014)	-58%	107,921
Total Capital Funding		141,432	117,727	188,684	21,547	77,543	141,513	(63,970)	-45%	188,684

The above table indicate that the municipality spent R21.5 from its capital budget for the period ended 31 March 2022 which is seriously discouraging considering that we have two major projects that have been allocated the bigger share of the municipality's available resources that have not performed desirably during the past year and has begun to cast serious doubts over the municipality's ability to complete these in the current year as previously committed.

## 10. Maintenance of municipal assets

### a) Repairs and maintenance

EC443 Winnie Madikizela Mandela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 March

Description R thousands	Ref 1	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		(1,227)	24,763	24,593	–	18,235	18,445	210	1.1%	24,593
Roads Infrastructure		(1,566)	20,663	20,493	–	15,740	15,370	(370)	-2.4%	20,493
Roads		3	616	616	–	–	462	462	100.0%	616
Road Structures		(2,068)	19,548	19,378	–	15,443	14,533	(909)	-6.3%	19,378
Road Furniture		500	500	500	–	297	375	78	20.7%	500
Electrical Infrastructure		339	4,100	4,100	–	2,495	3,075	580	18.9%	4,100
MV Networks		339	4,100	4,100	–	2,495	3,075	580	18.9%	4,100
<u>Community Assets</u>		515	903	1,090	–	482	817	335	41.0%	1,090
Community Facilities		515	903	1,090	–	482	817	335	41.0%	1,090
Halls		27	300	400	–	–	300	300	100.0%	400
Libraries		281	183	270	–	69	202	134	66.1%	270
Parks		207	420	420	–	413	315	(98)	-31.2%	420
<u>Other assets</u>		4,043	4,439	4,375	1,305	3,077	3,281	204	6.2%	4,375
Operational Buildings		4,043	4,439	4,375	1,305	3,077	3,281	204	6.2%	4,375
Municipal Offices		3,894	4,231	4,231	1,305	2,934	3,173	240	7.6%	4,231
Yards		149	208	144	–	143	108	(35)	-32.6%	144
<u>Computer Equipment</u>		72	100	50	–	1	38	36	96.5%	50
Computer Equipment		72	100	50	–	1	38	36	96.5%	50
<u>Machinery and Equipment</u>		324	570	530	–	249	398	148	37.4%	530
Machinery and Equipment		324	570	530	–	249	398	148	37.4%	530
<u>Transport Assets</u>		1,886	3,496	3,026	14	1,560	2,270	710	31.3%	3,026
Transport Assets		1,886	3,496	3,026	14	1,560	2,270	710	31.3%	3,026
<b>Total Repairs and Maintenance Expenditure</b>	<b>1</b>	<b>5,614</b>	<b>34,271</b>	<b>33,664</b>	<b>1,319</b>	<b>23,604</b>	<b>25,248</b>	<b>1,644</b>	<b>6.5%</b>	<b>33,664</b>

The table above shows the municipality's performance for the month and year to date on maintenance of municipal assets which shows a R1.3 million spending for the month with a year to date of R23.6 million. The spending shows being in line with the projections made at the start of the year and will continue to be monitored to ensure that no underspending is recorded.

b) Depreciation and Asset Impairment

EC443 Winnie Madikizela Mandela - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M09 March

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Depreciation by Asset Class/Sub-class</u>										
Infrastructure		29,666	39,754	39,754	2,621	23,163	29,816	6,652	22.3%	39,754
Roads Infrastructure		29,499	38,934	38,934	2,506	22,152	29,200	7,049	24.1%	38,934
Roads		29,499	38,934	38,934	1,085	9,590	29,200	19,610	67.2%	38,934
Road Structures					1,384	12,233		(12,233)	#DIV/0!	
Road Furniture					37	329		(329)	#DIV/0!	
Storm water Infrastructure		-	121	121	46	407	90	(317)	-350.3%	121
Drainage Collection			121	121	17	153	90	(63)	-69.6%	121
Storm water Conveyance					29	254		(254)	#DIV/0!	
Electrical Infrastructure		-	488	488	54	479	366	(113)	-30.9%	488
HV Transmission Conductors			235	235	-	-	176	176	100.0%	235
MV Substations			24	24	4	38	18	(21)	-117.9%	24
MV Switching Stations			43	43		-	32	32	100.0%	43
MV Networks			102	102	37	324	76	(248)	-323.9%	102
LV Networks			84	84	13	116	63	(53)	-84.5%	84
Solid Waste Infrastructure		167	212	212	14	125	159	34	21.3%	212
Landfill Sites		167	212	212	14	125	159	34	21.3%	212
Community Assets		2,371	2,755	2,755	208	1,837	2,066	229	11.1%	2,755
Community Facilities		2,371	2,755	2,755	142	1,258	2,066	808	39.1%	2,755
Halls		2,371	1,358	1,358	100	887	1,019	132	12.9%	1,358
Centres			1,379	1,379		-	1,034	1,034	100.0%	1,379
Crèches			-	-	25	222		(222)	#DIV/0!	-
Cemeteries/Crematoria			17	17	1	10	13	3	23.1%	17
Purls			-	-	9	76	-	(76)	#DIV/0!	-
Public Ablution Facilities			-	-	2	20	-	(20)	#DIV/0!	-
Stalls			-	-	5	43	-	(43)	#DIV/0!	-
Sport and Recreation Facilities		-	-	-	66	579	-	(579)	#DIV/0!	-
Outdoor Facilities					66	579	-	(579)	#DIV/0!	-
Other assets		722	1,128	1,128	57	455	846	391	46.2%	1,128
Operational Buildings		722	1,128	1,128	56	446	846	400	47.3%	1,128
Municipal Offices		722	1,128	1,128	30	217	846	629	74.4%	1,128
Pay/Enquiry Points					0	3	-	(3)	#DIV/0!	
Yards					7	58	-	(58)	#DIV/0!	
Stores					10	86	-	(86)	#DIV/0!	
Training Centres					9	82	-	(82)	#DIV/0!	
Housing		-	-	-	1	10	-	(10)	#DIV/0!	-
Social Housing					1	10		(10)	#DIV/0!	
Intangible Assets		129	100	100	-	70	75	5	6.7%	100
Licences and Rights		129	100	100	-	70	75	5	6.7%	100
Computer Software and Applications		129	100	100	-	70	75	5	6.7%	100
Computer Equipment		186	400	400	209	1,633	300	(1,333)	-443.8%	400
Computer Equipment		186	400	400	209	1,633	300	(1,333)	-443.8%	400
Furniture and Office Equipment		2,797	3,174	3,174	99	915	2,381	1,465	61.6%	3,174
Furniture and Office Equipment		2,797	3,174	3,174	99	915	2,381	1,465	61.6%	3,174
Machinery and Equipment		2,856	3,179	3,179	304	3,094	2,384	(710)	-29.8%	3,179
Machinery and Equipment		2,856	3,179	3,179	304	3,094	2,384	(710)	-29.8%	3,179
Transport Assets		1,452	2,191	2,191	117	1,038	1,644	606	36.9%	2,191
Transport Assets		1,452	2,191	2,191	117	1,038	1,644	606	36.9%	2,191
Total Depreciation	1	40,180	52,682	52,682	3,615	32,206	39,511	7,306	18.5%	52,682

## **11. Supply chain management**

The municipality has an established Supply Chain Management Unit in terms of the Municipal Finance Management Act. The section is placed within the Budget and Treasury to deal centrally with all issues that relate to procurement, demand management, logistics and disposals. The following is the indication of the activities that have occurred within the department for the period being reported on.

### **a. Acquisition management**

To improve the system of acquisition management the following should be taken into considerations

- Goods and services must only be procured in accordance with authorized procurement processes.
- Procurement of goods and services, either through quotations or through a bidding process, must be within the threshold values as determined by National treasury and the municipality's supply chain management policy.

### **b. Handling of tenders during COVID-19**

In attempt to continue delivering services to the communities decisions needed to be taken to ensure that the municipality proceeds with the procurement processes in line with the limitations placed by the regulations governing the movement of people and other things.

The municipality introduced virtual tender briefings using the Facebook live platform to share information with interested parties and provide clarities on tenders issued by the municipality. This was coupled with creation and introduction of email addresses where tenders can be submitted. This was done to address the following:

- Procurement to proceed despite the lockdown
- Protect the public and municipal staff from direct human interaction
- Limit movement in line with the lockdown
- Avoid documents which are known to be one of the carriers of COVID-19

To continue ensuring these processes are transparent the following has been introduced:

- After each live Facebook briefing a register is generated of all those who interacted with the presentation as instructed and posted on the municipal website so that all interested parties know who is considered to have fully complied

- Once the tender closing time passes, a register indicating the name of the company, tender amount, email address, date and time is prepared and posted on the municipal website for all bidders to know if their tenders will be considered
- All tenders are evaluated in electronic versions
- The recommended bidders are then requested to make a submission of the hard copies of their submission (originals)
- Only the hard copy of the winning bidder is then filed which also addresses issues with filing space and safety of the documents.

### **c. Suspension of procurement processes**

On Wednesday, 16 February 2022, the Constitutional Court handed down judgement in the application for leave to appeal against a judgement and order of the Supreme Court of Appeal. This application was brought by the Minister of Finance against Afribusiness NPC, and concerns the validity of the Preferential Procurement Regulations, 2017 promulgated by the Minister on January 2017, in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000.

The majority judgement of the Constitutional Court dismissed the appeal against the Supreme Court of Appeal judgement.

Government institutions were informed by National Treasury that the minister would seek urgent guidance as to whether the Procurement Regulations remain valid until 15 March 2023, unless repealed sooner.

While waiting for the outcome, government institutions were advised that:

- Tenders advertised before 16 February 2022 be finalised in terms of the Procurement Regulations;
- Tenders advertised on or after 16 February 2022 be held in abeyance; and
- No new tenders be advertised.

**d. Procurement requests below R2000.00**

S13.2. (b)(1) Supply Chain Management policy states that 01 written quotation will be obtain for any procurement of transaction below an amount of R2000 including vat.

Order Date	Creditor Name	Value	Specifications	Function Name	Segment
2022/03/07	Magholo Trading& Projects	1 600,00	Request Quantum To Transport Cdws For Door To Door Campaign On The 02/2022 At Ward 15 Nontlanga Village.	Core Function:Mayor And Council	Cdw Campaign Transportation 505260582
2022/03/28	Sthwale Trading 88 Pty Ltd	1 800,00	Request High Tea For Ordinary Executive Committee Meeting On The 24 Ma	Core Function:Mayor And Council	Catering Councilors Meetings
2022/03/31	Group Two Media Company	1 944,00	Advert For Adopted Oversight Report On The Annual Report For 2020/2021	Core Function:Municipal Manager Town Se	Advertising Mm
2022/03/28	Group Two Media Company	1 960,00	Request To Advertise Ordinary Council Meeting In Two Local Newspaper	Core Function:Municipal Manager Town Se	Advertising Mm
2022/03/31	Group Two Media Company	2 000,00	Public Notice For Draft Iop For 2022-2027& Draft Budget For 2022-2025	Core Function:Corporate Wide Strategic P	Advertising Fees Idp 515260540
		9 304,00			

**e. Procurement requests above R2, 000.00 but below R30, 000.00**

Procurement of goods and services above R2000.00 but below R30 000.00 is done through a three quotation system

Order Date	Creditor Name	Value	Specifications	Function Name	Segment
2022/03/30	Pondo News	2 530,00	Advert For Approved Revised Sdipip For 2021/2022 Financial Year	Core Function:Municipal Manager Town Se	Advertising Mm
2022/03/29	Forward Wę Go Development	3 300,00	Request 850 Ton Truck Hiring For The Collection Of Illegal Structures Condemned Food Items Around Bizana Town	Core Function:Solid Waste Removal	Transport Hire
2022/03/14	Fakade Construction (Pty) Ltd	4 440,00	Request For 10 Kg Rice	Core Function:Mayor And Council	Public Participation Groceries
2022/03/22	Zanempiro Projects	4 500,00	Catering For 50 People For Local Aids Council On 15/03/2022 At Council	Core Function:Mayor And Council	Hiv aids Support Group Catering
2022/03/29	Vuyisas Pride (Pty) Ltd	5 000,00	Request For Truck Hire For 5 Days For Waste Management	Core Function:Solid Waste Removal	Transport Hire
2022/03/29	African Compass Trading 37cc	5 400,00	Request Lunch With Soft Drinks For Constituency Work Programme To Be H 28 March 2022	Core Function:Mayor And Council	Whippery Support Catering Costs 505260175
2022/04/01	Lusikisi Spares Cc	5 405,00	Request For One Battery For Toyota Quantum With Registration Number H Size 657	Core Function:FiFleet Management	Vehicle Maintenance Outsourced 1010235115
2022/03/28	Pondoland Times	5 500,00	Request To Advertise Ordinary Council Meeting In Two Local Newspaper	Core Function:Municipal Manager Town Se	Advertising Mm
2022/03/31	Hlongwane Son Trading Enterpri	6 000,00	Request Transport 22 Seater For Cdw Annual Program On Th 31 March 2022 Ward 15 Nonlang Village	Core Function:Mayor And Council	Catering Councillors Meetings
2022/03/29	Sthwale Trading 88 Pty Ltd	6 650,00	Request Tea For Ordinary Council Meeting On The 29 March 2022 At 10hrs	Core Function:Mayor And Council	Catering Councilors Meetings
2022/03/14	Sizisa Ukhanyo Trading 1119	7 400,00	Request 22 Seater Transport For Cdw To Attend Training And Handover Of On The 08 March 2022 At Matatiele.	Core Function:Mayor And Council	Cdw Campaign Transportation 505260582
2022/03/22	Sigwaiza Construction & Projec	8 095,00	Request For A 3 Pole Tent	Core Function:Mayor And Council	Hiring-Public Participation
2022/03/30	Odd's Koria Construction	9 400,00	Request Catering For 100 Participants For Clean-Up Campaign On The 01/ Winnie Madikizela Mandela Local Municipality	Core Function:Solid Waste Removal	Catering Cleaning Campaign 5020260490
2022/03/31	Arena Holdings	9 401,25	Request To Advertised Panel Of Legal Services	Core Function:Municipal Manager Town Se	Advertising Mm
2022/03/14	Umgeni Water	10 994,00	Laboratory Testing Services-2022-0037	Core Function:Biodiversity And Landscape	Blue Flag Water Sampling
2022/03/30	San-Sit Events Management	12 800,00	Request For Catering For 200 Participants For Disaster Awareness Campa On The 30 March 2022 At 10h00	Non-Core Function:Population Development	Social Services Awareness Sound 2505
2022/03/30	Sword Group	12 800,00	Hiring Of 4 Mobile Toilets (2 Males And 2 Female Toilets) For Council The 28th Of March 2C22 At Youth Centre	Core Function:Mayor And Council	Hire Charges Council

Order Date	Creditor Name	Value	Specifications	Function Name	Segment
2022/03/15	The Sa Institute Of Chartered Ac	13 747,00	Payment For Membership Fees For Mr. Pato	Core Function:Finance	Membership Fees 1005260170
2022/04/01	Mvazaras Construction	16 500,00	Request 4 Quantums To Transport Councillors To Attend Municipal Dermac Awareness Workshop On The 02 April 2022 At Matatile Conference Hall	Core Function:Mayor And Council	Whippery Support Transport Hire
2022/03/29	Cujana	20 200,00	Request Lunch With Soft Drinks For Know Your CdW Annual Program To Be The 28 March 2022 At Nontlaga Village At Ward 15	Core Function:Mayor And Council	Cdw Campaign Catering 505260582
2022/03/14	Vuyisasa Pride (Pty) Ltd	21 000,00	Request For Three Taxi(S) Quantum For 55 People On The 06th Of March 2 To 11th Of March 2022	Core Function:Fleet Management	Car Rental Fleet 1010260240
2022/03/30	Thulani And Mom Trading Enter	24 140,00	White Printing Papers 60 Boxes	Core Function:Finance	Finished Goods:Acquisitions
2022/03/30	Ludwala Investment Services	25 200,00	Request For 30 Nylon Cords For Grass Cutting Accessories	Core Function:Solid Waste Removal	R&M Refuse Powertools
2022/03/29	Xolani Sizwe Construction	26 750,00	Request Lunch With Soft Drinks For Ordinary Council Meeting To Be Held 29 March 2022 At 10h00	Core Function:Mayor And Council	Catering Councillors Meetings
2022/03/22	Vds Concept	27 000,00	Request For 50 Lunch Packs For Environmental Awareness Campaign On The in Majavu Sss At 10h00	Core Function:Biodiversity And Landscape	Environmental Awareness Promotional Items 2505260485
2022/03/16	Meyife Construction And Projec	28 550,00	Request For Morning Tea	Core Function:Human Resources	Policy Review Catering
2022/03/14	Ongezwa Holdings Pty Ltd	29 951,00	Request Lunch With Soft Drinks 1(160) On Thee 03 March 2022 Request Lunch With Soft Drinks 160 On The 04 March 2022	Core Function:Mayor And Council	Ward Committee Meetings Hiring Costs 505260581
		352 654,25			

**f. Procurement above R30 000 but below R200 000**

Procurement of goods and services above R30 000.00 but below R200 000.00 is done through a system of advertising on website and the tender notice board and reports to be evaluated using PPPFA.

Order Date	Creditor Name	Value	Specifications	Function Name	Segment
2022/03/14	Audit And Risk Management Solu	32 000,00	Payment For 4 Delegates Attending Gap Training	Core Function:Finance	Mscoa 1010260900
2022/03/29	Cmam	34 600,00	Payment To Cmam For Training Of Municipal Officials	Core Function:Finance	Mscoa 1010260900
2022/03/07	North West University	68 000,00	Tuition Fees For N.Nopeng@N.Ntlanga; N.Mhleke;X.Mbokotho; T.Gantile Aan Municipality And Exhibitor	Core Function:Human Resources	Tuition Fees
2022/03/14	Umanyano Lwe-Afrika Trading	73 360,00	Payment For Branding Material(Banners For Municipality And Exhibitor	Core Function:Economic Development/Planin	Business Conference Marketing Materials 1505
2022/03/28	Sebekho Holdings	80 550,00	Payments For Back To School Campaign(Shoes For Males)	Core Function:Mayor And Council	Uniforms Childrens Program 510260194
		288 510,00			

## **12. Status of Tenders**

This procurement is done through a system of competitive bidding processes advertised on the provincial paper for a minimum of 14 days as per Regulation 14 as per S19 of Treasury Regulation of MFMA.

### **a) Mini Tender progress for March 2022**

<b>N O</b>	<b>SUCCESSF UL TENDERE R</b>	<b>AMOUNT</b>	<b>PAYMENTS</b>	<b>BALANCE</b>	<b>TENDER NO</b>	<b>DESCRIPTION</b>	<b>DATE AWARD ED</b>
						<b>Mar-22</b>	
42	DOSVEN TS	R 128 800,00	R -	R 128 800,00	WMM LM 10/02/21/01 MSA	MAYOR SCHOOLS ACHIEVEMENT AWARDS	Monday, 14 March 2022
43	SEBEKHO HOLDINGS	R 80 550,00	R -	R 80 550,00	WMM LM 27/01/22/01 BSC	BACK TO SCHOOL	Monday, 14 March 2022
<b>Total</b>		<b>R 209 350,00</b>	<b>R 0,00</b>	<b>R 209 350,00</b>			

**b) Tenders awarded during the month of March 2022**

**Competitive Bidding**

No tenders were awarded during the month,

**c) Status of current tenders**

<b>Name of the Project</b>	<b>Bid Number</b>	<b>Chairperson</b>	<b>Closing Date</b>	<b>Appointment Date</b>	<b>Validity</b>	<b>Validity Period</b>	<b>Status</b>
Panel for Land Survey Services	MBIZLM00069PLS	Mr. V. Nontanda	Monday, 17 MARCH 2022	Friday, 31 MARCH 2022	90	Sunday, 17 April 2022	to be evaluated
Reviewal of Disaster Management plan DRMP	MBIZ LM 29/09/20/ R DRMP	Ms. N. Jokweni	Friday, 14 MARCH 2022	Wednesday, 19 MARCH 2022	90	Thursday, 14 April 2022	to be adjudicated
Socio-Economic Infrastructure Assessment Study	WMMILM 004/ S-EIAS	Ms. N. Jokweni	Friday, 14 MARCH 2022	Wednesday, 19 MARCH 2022	90	Thursday, 14 April 2022	to be adjudicated
Supply and Delivery of Electricity Material and Tools	WMMILM 12/10/21/01 EMT	To be appointed	Friday, 04 MARCH 2022	to be appointed	90	Thursday, 05 May 2022	to be appointed
Bizana Mini Market	WMMILM 001/MS-21 SMM	Ms. N. Jokweni	Wednesday, 06 MARCH 2021	Wednesday, 06 MARCH 2022	90	Tuesday, 06 April 2021	to be adjudicated
Supply and Delivery of SME Goods	WMMILM 30/11/21/01 PC	Mr. V. Nontanda	Thursday, 06 MARCH 2022	Wednesday, 19 MARCH 2022	90	Wednesday, 06 April 2022	to be evaluated
Procurement of EPWP Protective Clothing	WMMILM 00074 EPWP	Ms. N. Xoko	Friday, 14 MARCH 2022	Wednesday, 19 MARCH 2022	90	Thursday, 14 April 2022	to be evaluated
Procurement of Printers	WMMILM 21/12/21/01 PRI	Mr. S. Mbusi	Monday, 24 MARCH 2022	Tuesday, 25 MARCH 2022	90	Sunday, 24 April 2022	to be evaluated
Supply and Delivery of Stationery for 12 Months	WMMILM 09/09/1/01 PST	Not Appointed	Monday, 24 MARCH 2022	Not Appointed	90	Sunday, 24 April 2022	Advertised
CBD Road Maintenance	WMMILM 10/12/21/01 CBD	Mr. V. Nontanda	Thursday, 06 MARCH 2022	Wednesday, 19 MARCH 2022	90	Wednesday, 06 April 2022	to be evaluated

**d) Deviations**

There were no approved deviations for the month of March 2022.

**e) FruITLESS and Wasteful Expenditure**

No fruitless and wasteful expenditure was incurred during the month.

### 13. Database rotation

The following table indicates the service providers that have been utilised for the month of March 2022. This is in keeping in line with demonstrating that we are making strides in ensuring that there is rotation of service providers and no single provider is preferred.

Creditor Name	Creditor Address	Order Date	Value	Specifications	ward no
MAGHOLO TRADING& PROJECTS	PO BOX 698 BIZANA WARD 13 4800	2022/0 3/07	1 600,00	REQUEST QUONTUM TO TRANSPORT CDW'S FOR DOOR TO DOOR CAMPAIGN ON THE Q2 2022 AT WARD 15	Ward 13
STHWALE TRADING 88 PTY LTD	P.O. BOX 764 PORT EDWARD PORT EDWARD 4800	2022/0 3/28	1 800,00	REQUEST HIGH TEA FOR ORDINARY EXECUTIVE COMMITTEE MEETING ON THE 24 MA	Kokstad
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	2022/0 3/31	1 944,00	ADVERT FOR ADOPTED OVERSIGHT REPOIT ON THE ANNUAL REPORT FOR 2020/2021	Kokstad
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	2022/0 3/28	1 960,00	REQUEST TO ADVERTISE ORDINARY COUNCIL MEETING IN TWO LOCAL NEWSPAPER	Kokstad
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	2022/0 3/31	2 000,00	PUBLIC NOTICE FOR DRAFT IDP FOR 2022-2027& DRAFT BUDGET FOR 2022-2025	Kokstad
PONDO NEWS FORWARD WE GO DEVELOPMENT	BOX 1275 KOKSTAD AMADIBA A/A ELITYENI LOCATION BIZANA 4800	2022/0 3/30	2 530,00	ADVERT FOR APPROVED REVISED SDBIP FOR 2021/2022 FINANCIAL YEAR	Kokstad
FAKADE CONSTRUCTION (PTY) LTD	P.O.BOX 307 BIZANA WARD 1 4800	2022/0 3/29	3 300,00	REQUEST 850 TON TRUCK HIRING FOR THE COLLECTION OF ILLEGAL STRUCTURES CONDEMNED FOOD ITEMS	Ward17
ZANEMPILO PROJECTS VUYISAS PRIDE (PTY) LTD	P.O BOX 107 BIZANA WARD 26 4800	2022/0 3/14	4 440,00	REQUEST FOR 10 KG RICE CATERING FOR 50 PEOPLE FOR LOCAL AIDS COUNCIL ON 15/03/2022 AT COUNCIL	Ward17
AFRICAN COMPASS TRADING 37CC	BOX 555 BIZANA WARD 31 4800	2022/0 3/29	4 500,00	REQUEST FOR TRUCK HIRE FOR 5 DAYS FOR WASTE MANAGEMENT	Ward1
			5 000,00	REQUEST LUNCH WITH SOFT DRINKS FOR CONSTITUENCY WORK PROGRAMME TO BE H 28 MARCH 2022	Ward31
			5 400,00		

Creditor Name	Creditor Address	Order Date	Value	Specifications	ward no
LUSIKISIKI SPARES CC	P O BOX 207 PORT SHEPSTONE 4240	Fleet Management :Municipal Manager Town Se	2022/04/01	5 405,00 REQUEST FOR ONE BATTERY FOR TOYOTA QUANTUM WITH REGISTRATION NUMBER H SIZE 657	Ward1
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	2022/03/28	5 500,00 REQUEST TO ADVERTISE ORDINARY COUNCIL MEETING IN TWO LOCAL NEWSPAPER	Ward17	
HLONGWANES SON TRADING ENTERPR	P.O BOX 210047 BIZANA WARD 19 4800	2022/03/31	6 000,00 REQUEST TRANSPORT 22 SEATER FOR CDW ANNUAL PROGRAM ON TH 31 MARCH 2022 WARD 15 NONTLanga VILLAGE	Ward19	
STHWALE TRADING 888 PTY LTD	P.O. BOX 764 PORT EDWARD PORT EDWARD 4800	2022/03/29	6 650,00 REQUEST TEA FOR ORDINARY COUNCIL MEETING ON THE 29 MARCH 2022 AT 10HRS	Ward1	
SIZISA UKHANYO TRADING 1119	P O BOX 12 BIZANA WARD 16 4800	2022/03/14	7 400,00 REQUEST 22 SEATER TRANSPORT FOR CDW TO ATTEND TRAINING AND HANDOVER OF ON THE 08 MARCH 2022 AT MATATILE.	Ward16	
SIGWAZA CONSTRUCTION & PROJEC	P.O.BOX 12 BIZANA WARD 17 4800	2022/03/22	8 096,00 REQUEST FOR A 3 POLE TENT	Ward17	
ODD'S KORIA CONSTRUCTION	P.O.BOX 210114 BIZANA WARD 13 4800	2022/03/30	9 400,00 REQUEST CATERING FOR 100 PARTICIPANTS FOR CLEAN-UP CAMPAIGN ON THE 01/ WINNIE MADIKIZELA	Ward13	
ARENA HOLDINGS	P.O BOX 2447 CAPE TOWN 8000 8000	2022/03/31	9 401,25 REQUEST TO ADVERTISED PANEL OF LEGAL SERVICES	East london	
UMGENI WATER SAN-SIT EVENTS MANAGEMENTRNT	P O BOX 9 PIETERMARITZBURG 3200 P O BOX 210447 NYANISWENI BIZANA 4800	2022/03/14	10 994,00 LABORATORY TESTING SERVICES-2022-0037	Pietermaritzburg	
P.O BOX 228 ALBANY BUILDING WARD 17 4800 SWORD GROUP	P.O BOX 534 BIZANA ward 15 4800	2022/03/30	12 800,00 REQUEST FOR CATERING FOR 200 PARTICIPANTS FOR DISASTER AWARENESS CAMPA ON THE 30 MARCH 2022 AT 10H00	Ward30	
THE SA INSTITUTE OF CHARTED AC MVAZANAS CONSTRUCTION CUJANA VUYISAS PRIDE (PTY) LTD	17 FRICKER RD ILLOOVO 2196 P O BOX 2105170 WARD 1 BIZANA 4800 P O BOX 534 BIZANA ward 15 4800 P.O BOX 210527 BIZANA 4800	2022/04/01	12 800,00 HIRING OF 4 MOBILE TOILETS (2 MALES AND 2 FEMALE TOILETS) FOR COUNCIL THE 28TH OF MARCH 2022 AT YOUTH	Ward17	
THUJANI AND MOM TRADING ENTER LUDWALA INVESTMENT SERVICES XOLANI SIZWE CONSTRUCTION VDS CONCEPT DIBELIHL JV INVENTIVENESS MEYIFE	17 FRICKER RD ILLOOVO 2196 P O BOX 2105170 WARD 1 BIZANA 4800 P O BOX 534 BIZANA ward 15 4800 P.O BOX 210527 BIZANA 4800 P O BOX 12 BIZANA 4800 NYAKA LOCATION WARD 18 BIZANA 4800 P O BOX 696 WARD 23 PORT EDWARD 4295 P O BOX 210274 WARD 17 BIZANA 4800	2022/03/15	13 747,00 PAYMENT FOR MEMBERSHIP FEES FOR MR. PATO	Durban	
		2022/04/01	16 500,00 REQUEST 4 QUANTAMS TO TRANSPORT COUNCILLORS TO ATTEND MUNICIPAL DERMAC AWARENESS WORKSHOP	Ward1	
		2022/03/29	20 200,00 REQUEST LUNCH WITH SOFT DRINKS FOR KNOW YOUR CDW ANNUAL PROGRAM TO BE THE 28 MARCH	Ward15	
		2022/03/14	21 000,00 REQUEST FOR THREE TAXI(S) QUANTUM FOR 55 PEOPLE ON THE 06TH OF MARCH 2 TO 11TH OF MARCH 2022	Ward17	
		2022/03/30	24 140,00 WHITE PRINTING PAPERS 60 BOXES	Ward1	
		2022/03/30	25 200,00 REQUEST FOR 30 NYLON CORDS FOR GRASS CUTTING ACCESSORIES	Ward18	
		2022/03/29	26 750,00 REQUEST LUNCH WITH SOFT DRINKS FOR ORDINARY COUNCIL MEETING TO BE HELD 29 MARCH 2022 AT 10H00	Ward23	
		2022/03/22	27 000,00 REQUEST FOR 50 LUNCH PACKS FOR ENVIRONMENTAL AWARENESS CAMPAIGN ON THE IN MAJAVU SSS AT 10H00	Ward17	
		2022/03/22	27 750,00 PAYMENT TO DIBELIHL JV INVENTIVENESS FOR SUPPLY AND DELIVERY OF PPE	Ward17	
		2022/03/09	28 550,00 REQUEST FOR MORNING TEA	Ward9	

Creditor Name	Creditor Address	Order Date	Value	Specifications	ward no
CONSTRUCTION AND PROJEC	BIZANA 4800 Resources	3/16			
ONGEZWA HOLDINGS PTY LTD	BOX 210168 BIZANA WARD 23 4800	2022/0 3/14	29 951,00	REQUEST LUNCH WITH SOFT DRINKS (160) ON THE 03 MARCH 2022 REQUEST LUNCH WITH SOFT DRINKS	Ward23
Total			<u>389 708,25</u>		

## 14. Contract Management

S116(2) of the MFMA requires that the accounting officer of a municipality must –

- a) Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality of the municipality is properly enforced;
- b) Monitor on a monthly basis the performance of the contractor under the contract or agreement;
- c) Establish capacity in the administration of the municipality –
  - i. To assist the accounting officer in carrying out the duties set out in the paragraphs above; and
  - ii. To oversee the day-to-day management of the contract or agreement; and
- d) Regularly report to the municipal council on the management of the contract or agreement and the performance of the contractor.

In keeping with the above prescripts, the table below shows the contracts that the municipality currently has in operation.

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount
Zama Dunga Business Enterprise	Construction of Mbizana Civic Centre	MBIZLM27/02/18/02ENG	R 74 861 072,75
Tunimart(PTY)LTD	Provision of Travel Agency	MBIZ LM/11/05/08/01/TRA	R -
Sizanane Consulting	General Valuation Roll 2019/2024	Valuation Roll 2019/2024	R 1 037 685,00
SAGE VIP	Payroll System	None Provided	R -
NZ Mithabe Incorporated	Legal Services	MBIZ LM00091LEG	R -
MUNSOFT PTY (LTD)	Financial and Billing System	None Provided	R -
Mozi Auctioneers	Fixed asset auctioning	MBIZ LM 0049 AUC	R 0,06
Lilitha Projects Managers	GRAP Compliant Fixed Asset Register	MBIZ 0041FAR	R 25 616,10
Konyana Attorneys	Legal Services	MBIZ LM00091LEG	R -
Eskom Holdings Soc Ltd	Provision of basic services ( energy provision)	KES	R -
Jolwana Mgidiela Incorporated	Legal Services	MBIZ LM00091LEG	R -
Ighayiya Design Workshop Architects	Professional Fees for Mbizana Civic Center	MBIZ LM /12/1/2017ENG	R 11 231 788,41
IPM Plant Hire Jv Mozman's Trading	Construction of Mphuthumzi Mafumbatha Stadium	MBIZ LM 18/1/18/ENG	R 53 768 483,44
Indwe Risk Services	Provision of Insurance Services	MBIZ LM/02/05/18/INS/BTO	R 1 059 844,97
Iheans Travelling Agency	Provision of Travel Agency	MBIZ LM/11/05/08/01/TRA	R -
First Rand Limited	Provision of Banking Services	MBIZ LM/06/03/18/LTBTO	R -
Dumack and Bright Idea	Construction of Mphuthumzi Mafumbatha Stadium	MBIZ LM/29/11/03	R 8 094 071,25
Dr Sugudhav-Sewpersad Attorneys	Legal Services	MBIZ LM00091LEG	R -

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount
CONLOG	Prepaid electricity agent	Ref:6/11/1/5	R -
Boara Construction & Projects	Review of Indigent Register 2018/19/2021/22	MBIZ LM 0042 RIR	R 1 993 600,00
West Bank Limited	Fuel	MBIZ LM/06/03/18/LT/BTO	R -
Abangula ICT	Supply & Delivery of Microsoft Licenses and Management Tool	MBIZ LM 0053 MIC	R 2 051 919,59
Fleet Horizon Solutions	Municipal Fleet Management System	MBIZ LM 000047 FMS	R 444 370,41
Thenjiwe Business Solutions t/a Umusa	Medical Check-ups	MBIZ LM 0000085	R -
Abangula Trading Enterprise	Maintenance of CCTV Cameras	MBIZLM0029MMCCTV	R 307 395,00
Mbizana Roadworthy	Leasing of Land For Vehicle Testing Centre	MBIZLM0000078	R 2 100 000,00
Njilo Technology Systems	Automated Electronic Performance Management Systems	MBIZ LM 0000079	R 1 900 000,00
Thake Electrical cc	8MVA Back-Bone line Upgrade	MBIZLM000026BBL	R 7 299 823,31
Inqqayi Design Economic Partnership	MLDP Implementation Project	MBIZLM0016DPI	R 598 000,00
Kumyotz Investments	Debt collection services for 3 years	MBIZ LM 00022 DCS	R 0,13
Genbiz Trading 1001 PTY LTD	Procurement of printers/copiers for 3 years	MBIZ LM 0030 PP/C	R 782 112,24
Khanya Africa Networks	Integrated Financial Records and Archiving Solutions (IFRA) for 3 years	MBIZ LM 0035 IFRA	R 5 300 000,00
Ziinzame Consulting Engineers	Multi Discipline Panel of Consultants- Civil Engineering	MBIZ LM 0055 CON	R -
VHB Associates	Multi Discipline Panel of Consultants- Architectural	MBIZ LM 0055 CON	R -
BMK Consulting Engineering	Multi Discipline Panel of Consultants- Civil Engineering	MBIZ LM 0055 CON	R -
TPA JV Lisa Solutions	Multi Discipline Panel of Consultants- Civil Engineering	MBIZ LM 0055 CON	R -
S.Zoko Consulting	Multi Discipline Panel of Consultants- Civil Engineering	MBIZ LM 0055 CON	R -
Mlala Emazweni Trading & projects	Multi Discipline Panel of Consultants- Civil Engineering	MBIZ LM 0055 CON	R -
Iqhayiya Design Workshop Architects	Multi Discipline Panel of Consultants- Architectural	MBIZ LM 0055 CON	R -
Techseeds Pty Ltd	Procurement of IP-PBX	MBIZ LM 0041 IP-PBX	R 3 292 404,50
Cycle Civils and Projects	Rehabilitation of Dumping Site for 24 Months	MBIZ LM 0098 RDS	R 2 553 896,45
Vodacom Pty Ltd	Procurement of Mobile Contract	MBIZ LM 0040 PMC	R -
Dibelihi Contract and Projects JV	Supply & Delivery of Refuse Removal Protective Clothing for 36 Months	MBIZ LM 0005 RRPC	R 2 585 777,16
Inventiveness	Revenue Management and Enhancement Strategy	MBIZ LM 0024 RES	R 600 000,00
Clear Result 77 (PTY)LTD	Environmental Threatening Obstacle in MLM for 36 Months	MBIZ LM 0007 ETO	R 950 000,00
Asenati Construction Pty Ltd	Free Basic Electricity	N/A	R -
Eskom Holdings Soc Ltd	Review of Municipal Corporate Governance for ICT Charter and Framework for Two Years	MBIZ LM 002 ITC&FM	R 1 180 000,00
Blue Cycle Services Pty Ltd	Electrification of 235 Extra Connection in Sigodweni, Mandlabe, Madaida and Diphini	MBIZ LM 0025 SIG	R 4 856 335,37
SNR Electrical cc	Professional Fees Mqonjwana to Greenville A/R	MBIZLM0055CON	R 712 748,47
Mlala Emazweni Trading & projects	Professional Fees Extension 4 Bridge	MBIZLM0055CON	R 775 531,76
S.Zoko Consulting	Supply & Delivery of Refuse Plastic Bags for 36 Months	MBIZ LM 0006RPB	R 2 800 000,00
Cape to Cairo to Investments Pty Ltd	Electrification of Mabhenguteni Village (Ward 15) 414 Households	MBIZ LM 00057 EMV	R 19 575 046,47
Mabozela Trading and Enterprise Jv Boboshe	Website Revamp	MBIZ LM 0058 WEB	R 805 000,00
Ndlela Mhlophe Trading	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R -
ODG Technologies PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0006 EWB	R 3 296 658,31
Restisam Engineering PTY Ltd	Extension 4 Bridge Ward 01		
Ambrose Civils			

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount
MAT Trading Enterprise	Deliver and servicing of skip bins	MBIZ LM 0062 SSB	R 990 000,00
Thake Electrical cc	Electrification of Sigidi Village/Mdatya Bekele	MBIZ LM 00057 EMV	R 18 944 944,21
YG Solutions (Pty) Ltd	Electrification of Sidanga Village	MBIZ LM 00066 E SV	R 2 453 216,26
Denasa Civils and Construction	Construction of Mqonwana Access Road	MBIZ LM 001MGA	R 8 478 910,00
Isigidimi Solutions	Co-Sourcing arrangements for internal auditing	MBIZ LM 00050 IAU	R 2 100 000,00
Siti Cargo	Maintenance of Tshavingca Road	MBIZ LM 0048 RTAR	R 4 534 471,20
Mayenzwi Holdings Pty Ltd	Maintenance of 2 Nurseries for a Period of 12 Months	MBIZ LM 00072 MN12M	R 620 000,00
Restisam	Panel of Consultants: Mdatya and Bekela (Sigidi Village)	MBIZ LM 0055 CON	R 1 228 319,50
YG Solutions Pty Ltd	Electrification of Sidanga Village (Ward 28) link line	MBIZ LM 04/02/21/02 SVL	R 1 997 310,57
ODG Technologies	Panel of Consultants: Sidanga Electrification	MBIZ LM 0055 CON	R 249 663,82
ODG Technologies PTY Ltd	Panel of Consultants: Mabhenguteni Electrification	MBIZ LM 0055 CON	R 1 958 862,20
Emerald Metering and Utility Management Pty Ltd	Supply & Maintenance of Automated Meter Reading System for 3 years	MBIZ LM 0085 AMR'S	R 2 129 902,23
Ighayiya Design Workshop	Panel of Consultants- Architectural: Temporary Traders Stalls and Civil Works	MBIZ LM 0055 CON	R 956 705,82
Mabozela Trading JV Boboshe Trading enterprise	Replacement of LV & MV LINES	VMM LM 00059 LV&MVL	R 2 603 711,60
YG Solutions	Maintenance of Bulk Metering and Cables	VMM LM 0091 MBM&C	R 641 603,26
IPM Plant Hire Pty Ltd	Disposal of Municipal Sites for Business and Government Use	MBIZ LM 00060 DMP	R 1 152 032,62
Thake Electrical cc JV Ubuntu Bam Rural Developers Pty Ltd	Disposal of Municipal Sites for Business and Government Use	MBIZ LM 00060 DMP	R 1 152 032,62
Ighayiya Design and Workshop	Manufacturing Hubs	VMM-LM(Panel of Consultants)	R 3 850 372,50
Thake Electrical	Electrification of Xholobeni Village in Ward 25	VMM LM 00057E MV	R 23 624 770,08
ODG Technologies	Electrification of Xholobeni Village in Ward 25	VMM LM 00057E MV	R 2 362 477,01
Ngoma JV Dimbane Zikhazi Trading	Ward 20	VMM LM 00061 W20CH	R 3 600 000,00
Ngoma JV Dimbane Zikhazi Trading	Ward 04	VMM LM 00060 W04CH	R 3 500 000,00
ThahleProjects Jv Magnacorp 522	Construction of ward 01 ECDC	VMM LM 00062 W01 ECDC	R 3 191 415,70
Manyobo Group	Hiring Of Construction Plant and Trucks	VMM LM 21/07/21/02HPT	R 9 001 800,00
Stira Construction and Projects (Pty) Ltd	Hiring Of Construction Plant and Trucks	VMM LM 21/07/21/02HPT	R 1 600 000,00
Mabozela Trading	Hiring Of Construction Plant and Trucks	VMM LM 21/07/21/02HPT	R 4 072 500,00
Siti Cargo	Hiring Of Construction Plant and Trucks	VMM LM 21/07/21/02HPT	R 2 997 000,00
S. Zoko Consulting	Construction of Siginqini to Marina Access Road	MBIZ LM 0055 CON	R 838 341,08
Ziinzane Consulting Engineers	Maphaleni Via Mbubazi	MBIZ LM 0055 CON	R 1 777 614,33
TPA JV Lisa Solutions	Sixhamxeni Access Road	MBIZ LM 0055 CON	R 400 000,00
Viisha Trading	Refurbishment of Mbizana Taxi rank phase 2	VMM LM 01/09/21/02 RTR	R 23 545 916,50
Bukhobethu Security Services	Provision of Private Security Services	VMM LM 08/12/20/03 PSC	R 27 820 800,00
Mlala Emazweni Trading & projects	Construction for VAV Access Road Professional Fees	VMM LM 08/10/21/03 VMA	R 253 513,69
Mlala Emazweni Access Road	Msthongweni Access Road	MBIZ LM 0055 CON	R 271 621,81
VHB Associates	Professional Fees Upgrade of Taxi Rank(Phase 2)	MBIZLM005CON	R 3 649 617,06
Environmental Vanguard(Pty) Ltd	Review of climate change strategy	VMM LM 11/02/21/01 CCS	R 390 000,00
Ncaliana Trading and Projects	LED Streetlight fitting, cables and poles	MBIZ LM 21/07/21/02 PSL	R 540 400,00
Thake Electrical cc	Replacement of ring main unit material and equipment	VMM LM 10/08/21/02 RRMMU	R 790 493,13
Sword Group		VMM LM 06/10/21/01 PME	R 477 000,00

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount
XS Dollarz	Repairs and Maintenance of Municipal Building	W/MM LM 17/09/21/01 RMMW	R 1 339 125,95
MVI Construction and Maintenance	Construction of Mapheleli Via Mbubazi to Dutyini	W/MM LM 08/10/21/02 MDA	R 8 032 179,54
The Mane's	Supply and delivery of Laptops and Desktops	W/MM LM 00/070 S&D L&D	R 1 771 000,00
Thahle Projects Jv Majnacorp 522	Construction of VAV Memorial College Access Road	W/MM LM 08/10/21/03 VMA	R 1 820 533,00
Mabozela Trading and Enterprise	Construction of Leonard to Simakadeni Access Road	W/MM LM 08/10/21/01 LSA	R 3 560 171,73
Phahle Construction	Repairs and Maintenance of DLTC	W/MM LM 17/09/21/02 RDL	R 730 737,50
S. Zoko Consulting	Leonard to Simakadeni Access Road	MBIZ LM 00/55 CON	R 1 261 214,89
XS Dollarz	Maintenance of Cultural Village	W/MM LM17/09/21/03 RCV	R 1 124 887,68

R 411 026 370,24

Below is a list of contracts that have been extended beyond their initial contract period. The extensions were necessitated by different reason ranging from the financial benefit to the municipality, Covid-19 restrictions, instructions from National Treasury on the procurement of financial systems as well as correction of errors in the process of procuring the contract where the duration should only have been the main factor with rates but amounts were used leading to incorrect interpretation of the contract arrangement.

CONTRACT REFERENCE	CONTRACT TITLE	NAME OF SUPPLIER	APPOINTMENT DATE	ORIGINAL COMPLETION DATE	EXTENSION DURATION	REVISED COMPLETION DATE	APPOINTMENT AMOUNT	VARIATION ORDERS	CONTRACT CATEGORY	END USER DEPARTMENT
1 MBIZ LM/11/05/08/01/TRA	Provision of Travel Agency	Tuniman(PTY)LTD	03 August 2018	02 August 2021	12	02 August 2022	R	-	R	Operating Contract
2 None Provided	Payroll System	SAGE VIP	31 May 2016	31 May 2019	36	30 May 2022	R	-	R	Operating Contract
3 None Provided	Financial and Billing System	MUNSOFT PTY (LTD)	31 May 2016	31 May 2019	48	30 May 2023	R	-	R	Operating Contract
4 MBIZ LM/02/05/18/INS/BTO	Provision of Insurance Services	Indwe Risk Services	10 August 2018	09 August 2021	12	09 August 2022	380 338,00	-	R	Operating Contract
5 MBIZ LM/11/05/08/01/TRA	Provision of Travel Agency	Iheans Travelling Agency	03 August 2018	02 August 2021	12	02 August 2022	R	-	R	Operating Contract
6 Fef:6/1/1/5	Prepaid electricity agent	CONLOG	01 August 2018	31 July 2021	12	31 July 2022	R	-	R	Operating Contract

It is recommended that the standing committee notes these contract extensions and further recommend them to the executive committee for noting with their revised extension dates.

## **PART 2 – SUPPORTING DOCUMENTATION**

### **1. The impact of COVID-19 to the municipality**

The President of South Africa declared a nationwide lockdown, where all citizens, except those that form part of essential services, were ordered to stay home for a period of 21 days. Those working in essential services, as defined in the latter announcement, were exempted from the nationwide lockdown declaration. The nationwide lockdown commenced at midnight on Thursday, 26 March 2020. This was eventually extended to the end of April 2020. The president then announced that the country will continue being on a risk adjusted lockdown with level 4 alert expected to take until the end of May 2020. This announcement has broadly affected how municipalities and municipal entities undertake their financial management responsibilities for the remainder of the 2019/20 financial year in terms of the MFMA and the 2020/21 MTREF budget preparation process.

As a result, the Minister of Finance issued a conditional Exemption Notice in terms of section 177(1)(b) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) on 30 March 2020 to facilitate and enable the performance of legislative responsibilities by municipalities and municipal entities during the national state of disaster.

During the month of December 2020, the president of the Republic announced government's decision to place the country back to adjusted level as a result of the rising numbers of infections and deaths due to Covid-19.

Below are some of the areas that have been greatly affected and will continue to be affected as long COVID-19 is still within our shores.

#### **a. Financial Performance**

The municipality generates its revenues from a number of sources including provision of services. With the lockdown in full force, it meant that the municipality may not be generating normal revenues from some services. The most affected areas are as follows:

##### **i. Refuse removal**

Due to the number of businesses currently being closed, it means the municipality is not providing any service to those as they do not generate any refuse. This required the municipality to exempt those from paying during the period of the lockdown. The impact of this continues to be felt by the municipality as it was a decline in the revenue that will never be recovered.

### ii. Electricity distribution

The municipality provides electricity in the town area with businesses forming the bigger part of the municipality's revenue generation capacity. With most of these businesses currently operating at reduced capacity, it means less electricity will be consumed and therefore less revenue generated.

### iii. Licences and permits

The municipality as indicated earlier in the report runs a driver's license testing center which unfortunately did not operate during the lockdown and the limitations in numbers and movement will continue to affect revenue generation capacity for the duration of the lockdown. This means loss of income to the municipality.

## **2. Implementation of the Finance Management Internship Programme**

The municipality implements the Finance Management Internship from funded through the Financial Management Grant as one of the conditions indicated in the grant framework. The program is implemented in line with the guidelines that govern the following:

- a) Number of interns, which is 5 at all times
- b) The minimum requirements for recruitment of the interns
- c) The recruitment process to be followed
- d) The duration of the programme
- e) The remuneration structure and limits
- f) The reporting requirements
- g) The structure of the programme

The municipality currently has one intern enrolled in the programme with the four currently being recruited.

We have noted with concern that the municipality has not been following the guidelines in full when these are being recruited which may resulting in funding being withheld should this be picked up by the funder. Some of the candidates that get shortlisted do not meet the minimum requirements and no proscribed process is followed as prescribed when the municipality decides not to follow the guidelines.

A meeting has been held with Corporate Services to assist each other in understanding and correctly implementing the programme.

The municipality has since enrolled two financial management interns on the programme who have started attending classes during the month of June 2021 to date. One of the two interns has since resigned during the month of January 2022.

The municipality is also in the process of recruiting three additional Financial Management Interns to make the required number of 5. This was anticipated to be completed before the end of March 2022 to allow the municipality the full number that is required and avoid having unspent funds at the end of the year meant for the stipends of these interns.

### 3. Debtors' analysis

#### Summary of all Debtors

EC443 Winnie Madikizela Mandela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

		Budget Year 2021/22												
		NT	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands	Description	Code												
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2,880	1,330	1,369	1,420	1,342	12,970	-	-	-	21,010	15,732	-	
Receivables from Non-exchange Transactions - Property Rates	1400	795	543	536	523	521	32,864	-	-	-	35,781	33,907	-	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Management	1600	373	270	265	263	261	8,239	-	-	-	9,669	8,763	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	86	20	20	20	20	440	-	-	-	607	480	-	
Interest on Arrear Debtor Accounts	1810	202	195	190	175	170	12,273	-	-	-	13,205	12,619	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	239	231	160	232	122	3,422	-	-	-	4,407	3,776	-	
<b>Total By Income Source</b>	<b>2000</b>	<b>4,274</b>	<b>2,588</b>	<b>2,539</b>	<b>2,633</b>	<b>2,437</b>	<b>70,207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,679</b>	<b>75,277</b>	<b>-</b>	
<b>2020/21 totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	834	755	767	815	854	37,905	-	-	-	41,930	39,573	-	
Commercial	2300	3,124	1,587	1,539	1,379	1,367	19,897	-	-	-	29,093	22,843	-	
Households	2400	316	247	233	239	217	12,385	-	-	-	13,636	12,841	-	
Other	2500	(0)	(0)	(0)	0	0	20	-	-	-	20	20	-	
<b>Total By Customer Group</b>	<b>2600</b>	<b>4,274</b>	<b>2,588</b>	<b>2,539</b>	<b>2,633</b>	<b>2,437</b>	<b>70,207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,679</b>	<b>75,277</b>	<b>-</b>	

The table above shows municipal debtors for the month of March 2022 per income source and per customer group. It should be noted that the municipality's leading source of income when it comes to debtors is property rate followed by interest on arrears which is an indication that we have more debtors that have stayed for longer periods outstanding. It should also be noted that the municipality's majority of debtors are more than 150 days old. This could prompt a write-off at some point if these are not collected as they overstate the municipality's balance sheet.

The biggest category of debtors is government and they owe the municipality long outstanding amounts followed by households. This is due to some accounts that are being disputed by consumers and government schools that public works says are not surveyed and therefore they cannot pay according to their processes until they have been surveyed.

## 4. Creditors' analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

Description R thousands	NT Code	Budget Year 2021/22									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700		372							372	
Auditor General	0800									-	
Other	0900									-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>372</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>372</b>	<b>-</b>

The above table shows the municipality's creditors and their ageing. All creditors recorded are within the 30 days requirement with no creditors beyond the 30 days. The municipality continues to find ways to ensure that this status quo is maintained at all times.

## 5. Investment portfolio analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M09 March

Investments by maturity Name of institution & Investment ID R thousands	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ,	Commission Paid (Rand)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance	
<b>Municipality</b>															
FNB CALL DEPOSIT ACCOUNT(62550717767)			Not fixed	Call Deposit	No	Variable	0 00311763	0	N/A	not fixed	10,665	33	(5,747)	11,755	16,707
FNB CALL DEPOSIT ACCOUNT(62459758078)			Not fixed	Call Deposit	No	Variable	0 0	0	N/A	not fixed	0	(7,866)	10,453	2,587	
FNB CALL DEPOSIT ACCOUNT(62028477992)			Not fixed	Call Deposit	No	Variable	0 002352077	0	N/A	not fixed	303,221	713	(37,713)	88,515	354,737
FNB CALL DEPOSIT ACCOUNT(62816769220)			Not fixed	Call Deposit	No	Variable	0 002594119	0	N/A	not fixed	384	1	(8)	-	378
FNB CALL DEPOSIT ACCOUNT(62816773073)			Not fixed	Call Deposit	No	Variable	0 394305052	0	N/A	not fixed	5	2	(1,071)	1,071	6
FNB CALL DEPOSIT ACCOUNT(62896110170)			Not fixed	Call Deposit	No	Variable	0 002595889	0	N/A	not fixed	6,338	16	-	-	6,355
FNB CALL DEPOSIT ACCOUNT(62852108531)			Not fixed	Call Deposit	No	Variable	0 002595985	0	N/A	not fixed	69	0	-	-	69
FNB CALL DEPOSIT ACCOUNT(62550715828)			Not fixed	Call Deposit	No	Variable	0 002585188	0	N/A	not fixed	748	2	(92)	-	658
<b>Municipality sub-total</b>											321,430		(52,497)	111,794	381,496
<b>Entities</b>														-	
<b>Entities sub-total</b>											-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	2										321,430		(52,497)	111,794	381,496

The table above shows the municipality's investments performance. The table shows that the municipality's cash and cash equivalents increased during the month by over R59.2 million which lead to an increase in its investments for the month of March 2022. It should however be noted that this only reflects the difference between what was received and what was spent.

We have noted an increase in the number of fraudulent transactions taking place on the municipality's bank account in the form of debit orders which we have been reversing at least twice a month. Engagements with the bank have highlighted the difficulties in getting personal details since the effectiveness of the POPIA which fraudsters have

also taken advantage of. We have since decided to analyse our transactions at least once a week so that we can detect these early and have them reversed as soon as they are identified.

<b>FRAUDULENT DEBIT ORDER IDENTIFIED AND REVERSED</b>			
<b>Transaction Date</b>	<b>Transaction Description</b>	<b>Transaction Amount</b>	<b>Reason for Reversal</b>
15-Nov-21	HOMECHOICE315914065	R 1,221.38	Fraudulent Debit order
15-Dec-21	HOMECHOICE315914065	R 625.01	Fraudulent Debit order
22-Dec-21	PM8+CELOB1 02AD5A1	R 5,000.00	Fraudulent Debit order
24-Dec-21	PM8+CELOB1 02AD692	R 5,000.00	Fraudulent Debit order
24-Dec-21	KUDOUGHCS 157973670 NET	R 119.00	Fraudulent Debit order
30-Dec-21	PM8+CELOB1 02AD903	R 4,000.00	Fraudulent Debit order
03-Jan-22	PM8+CELOB1 02ADBB6	R 4,000.00	Fraudulent Debit order
10-Jan-22	KUDOUGHCS 154503649 NET	R 119.00	Fraudulent Debit order
14-Jan-22	HOMECHOICE315914065	R 3,125.03	Fraudulent Debit order
29-Jan-22	PM8+CELOB1 02AE6CE	R 5,000.00	Fraudulent Debit order
31-Jan-22	NRBFIN 64292515001	R 13,000.00	Fraudulent Debit order
03-Feb-22	PM8+CELOB1 02AEAF9	R 5,000.00	Fraudulent Debit order
05-Feb-22	MBD 7800078092711	R 719.28	Fraudulent Debit order
05-Feb-22	MBD 7800078099189	R 6,504.69	Fraudulent Debit order
05-Feb-22	VVM 78682046801X2	R 1,736.59	Fraudulent Debit order
07-Feb-22	ACKERMANS 1010009798069	R 1,090.00	Fraudulent Debit order
15 Feb 2022	CELL C 0005965749 I041	R 14,465.94	Fraudulent Debit order
28 Feb 2022	CELL C 0006498879 I101	R 725.92	Fraudulent Debit order
31 Mar 2022	CELL C 0007119090 I101	R 626.99	Fraudulent Debit order
24 Mar 2022	RCSCARDS 0000000011030	R 40,499.89	Fraudulent Debit order
19 Mar 2022	CELL C 0006655356 I101	R 725.92	Fraudulent Debit order
15 Mar 2022	CELL C 0006584227 I041	R 14,465.94	Fraudulent Debit order
	RCSCARDS 0000000011030	R 30,180.48	Fraudulent Debit order
	TRANSUNION166502829 NET	R 80.70	Fraudulent Debit order
		R 158,031.85	

Our research has indicated that the only option that other municipalities have used is to stop all debit orders but that requires that we inform all our creditors that we pay through debit orders of the change and arrange for them to send invoices for direct payment.

## 6. Allocation and grant receipts and expenditure

### a) Transfers & Grants Receipts

EC443 Winnie Madikizela Mandela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description R thousands	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		<b>363,013</b>	<b>323,643</b>	<b>326,764</b>	<b>83,929</b>	<b>323,643</b>	<b>245,073</b>	<b>78,570</b>	<b>32.1%</b>	<b>326,764</b>
Local Government Equitable Share		332,422	289,620	289,620	72,405	289,620	217,215	72,405	33.3%	289,620
Finance Management		2,000	2,000	2,000	—	2,000	1,500	500	33.3%	2,000
EPWP Incentive		2,389	3,570	3,570	1,071	3,570	2,678	893	33.3%	3,570
Integrated National Electrification Programme		26,202	28,453	28,453	10,453	28,453	21,340	7,113	33.3%	28,453
Neighbourhood Development Partnership					3,121		2,341	(2,341)	-100.0%	3,121
<b>Provincial Government:</b>	3	<b>773</b>	<b>500</b>	<b>500</b>	<b>—</b>	<b>500</b>	<b>375</b>	<b>125</b>	<b>33.3%</b>	<b>500</b>
Sport and Recreation		500	500	500	—	500	375	125	33.3%	500
Other transfers and grants [insert description]		273								
<b>District Municipality:</b>	4	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
[insert description]										
<b>Other grant providers:</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	<b>363,786</b>	<b>324,143</b>	<b>327,264</b>	<b>83,929</b>	<b>324,143</b>	<b>245,448</b>	<b>78,695</b>	<b>32.1%</b>	<b>327,264</b>
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		<b>49,714</b>	<b>70,843</b>	<b>67,722</b>	<b>11,755</b>	<b>57,994</b>	<b>50,791</b>	<b>12,756</b>	<b>25.1%</b>	<b>70,843</b>
Municipal Infrastructure Grant (MIG)		45,459	51,023	51,023	11,755	51,023	38,267	12,756	33.3%	51,023
Neighbourhood Development Partnership		4,255	19,820	16,699	—	6,971	12,524			19,820
Other capital transfers [insert description]										
<b>Provincial Government:</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
[insert description]										
<b>District Municipality:</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
[insert description]										
<b>Other grant providers:</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	<b>49,714</b>	<b>70,843</b>	<b>67,722</b>	<b>11,755</b>	<b>57,994</b>	<b>50,791</b>	<b>12,756</b>	<b>25.1%</b>	<b>70,843</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	<b>413,500</b>	<b>394,986</b>	<b>394,986</b>	<b>95,684</b>	<b>382,137</b>	<b>296,239</b>	<b>91,451</b>	<b>30.9%</b>	<b>398,106</b>

The above table shows grants received during the month of March 2022.

b) Transfers & Grants Expenditure

EC443 Winnie Madikizela Mandela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		368,781	323,643	326,764	14,023	162,150	245,073	(82,923)	-33.8%	323,643
Local Government Equitable Share		332,421	289,620	289,620	13,324	128,785	217,215	(88,430)	-40.7%	289,620
Finance Management		2,000	2,000	2,000	15	1,342	1,500	(158)	-10.5%	2,000
EPWP Incentive		2,389	3,570	3,570	—	3,570	2,678	893	33.3%	3,570
Integrated National Electrification Programme		31,966	28,453	28,453	683	28,453	21,340	7,113	33.3%	28,453
Neighbourhood Development Partnership		—	—	3,121	—	—	2,341	(2,341)	-100.0%	—
Disaster Grant		5	—	—	—	—	—	—	—	—
Provincial Government:		912	500	500	7	123	375	(252)	-67.1%	500
Sport and Recreation		511	500	500	7	123	375	(252)	-67.1%	500
Greenest Municipality		402	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
[insert description]		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
[insert description]		—	—	—	—	—	—	—	—	—
Total operating expenditure of Transfers and Grants:		369,694	324,143	327,264	14,030	162,274	245,448	(83,174)	-33.9%	324,143
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		45,459	70,843	67,722	6,329	33,891	50,791	(16,900)	-33.3%	70,843
Municipal Infrastructure Grant (MIG)		45,459	51,023	51,023	6,329	33,205	38,267	(5,062)	-13.2%	51,023
Neighbourhood Development Partnership		—	19,820	16,699	—	686	12,524	(11,838)	-94.5%	19,820
Other capital transfers [insert description]		—	—	—	—	—	—	—	—	—
Provincial Government:		—	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
[insert description]		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
Total capital expenditure of Transfers and Grants		45,459	70,843	67,722	6,329	33,891	50,791	(16,900)	-33.3%	70,843
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>415,153</b>	<b>394,986</b>	<b>394,986</b>	<b>20,359</b>	<b>196,165</b>	<b>296,239</b>	<b>(100,074)</b>	<b>-33.8%</b>	<b>394,986</b>

The above table shows expenditure on grants that have been allocated to the municipality.

c) Expenditure on approved rollovers

EC443 Winnie Madikizela Mandela - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M06

Description	Ref	Budget Year 2021/22				
		Approved Rollover 2020/21	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						%
<b>EXPENDITURE</b>						
<b>Operating expenditure of Approved Roll-overs</b>						
National Government:		-	-	-	-	
Local Government Equitable Share						-
Finance Management						-
EPWP Incentive						-
Integrated National Electrification Programme						-
Neighbourhood Development Partnership						-
Provincial Government:		-	-	-	-	
Sport and Recreation						-
Other transfers and grants [insert description]						-
District Municipality:		-	-	-	-	
[insert description]						-
Other grant providers:		-	-	-	-	
[insert description]						-
<b>Total operating expenditure of Approved Roll-overs</b>		-	-	-	-	
<b>Capital expenditure of Approved Roll-overs</b>						
National Government:		-	-	-	-	
Municipal Infrastructure Grant (MIG)						-
Other capital transfers [insert description]						-
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
<b>Total capital expenditure of Approved Roll-overs</b>		-	-	-	-	
<b>TOTAL EXPENDITURE OF APPROVED ROLL-OVERS</b>		-	-	-	-	

The table above shows spending progress on the approved rollovers for the year being implemented. The municipality has no rollover application that has been approved as application processes are still in taking place.

## 7. Cash flow Statement

EC443 Winnie Madikizela Mandela - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		15,110	56,951	56,951	738	19,418	42,713	(23,296)	-55%	56,951
Service charges		23,019	29,346	29,346	3,084	31,097	22,010	9,087	41%	29,346
Other revenue		9,342	8,896	7,966	881	6,264	5,975	289	5%	7,966
Transfers and Subsidies - Operational		335,485	295,690	295,853	73,476	295,690	221,889	73,801	33%	295,853
Transfers and Subsidies - Capital		77,425	99,296	99,296	22,208	87,203	74,472	12,731	17%	99,296
Interest		11,879	10,047	10,047	775	7,723	7,535	188	2%	10,047
Dividends					-		-	-		
<b>Payments</b>										
Suppliers and employees		(262,653)	(370,638)	(373,254)	(17,021)	(240,643)	(279,940)	(39,297)	14%	(373,254)
Finance charges		(1)	(50)	(50)	-	-	(38)	(38)	100%	(50)
Transfers and Grants							-	-		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>209,606</b>	<b>129,537</b>	<b>126,155</b>	<b>84,141</b>	<b>206,750</b>	<b>94,616</b>	<b>(112,134)</b>	<b>-119%</b>	<b>126,155</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		276							-	
Decrease (increase) in non-current receivables								-		
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		(125,365)	(119,176)	(182,428)	(22,858)	(82,198)	(136,821)	(54,623)	40%	(182,428)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(125,089)</b>	<b>(119,176)</b>	<b>(182,428)</b>	<b>(22,858)</b>	<b>(82,198)</b>	<b>(136,821)</b>	<b>(54,623)</b>	<b>40%</b>	<b>(182,428)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits			-	-	-	-	-	-		-
<b>Payments</b>										
Repayment of borrowing								-		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>84,516</b>	<b>10,361</b>	<b>(56,273)</b>	<b>61,283</b>	<b>124,552</b>	<b>(42,205)</b>			<b>(56,273)</b>
Cash/cash equivalents at beginning:		173,644	181,236	258,161	321,430	258,161	258,161			258,161
Cash/cash equivalents at month/year end:		258,161	191,598	201,887		382,713	215,956			201,887

The above table shows how the municipality's cash was applied during the month to account for the movement in actual cash at the bank.

## 8. Statement of Financial Position

EC443 Winnie Madikizela Mandela - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		9,353	12,892	9,353	1,217	9,353
Call investment deposits		248,808	178,706	192,534	381,496	192,534
Consumer debtors		56,546	46,512	41,771	61,455	41,771
Other debtors		47,905	37,398	32,244	64,950	32,244
Current portion of long-term receivables		—	—	—	—	—
Inventory		2,046	1,524	1,976	659	1,976
<b>Total current assets</b>		<b>364,659</b>	<b>277,032</b>	<b>277,878</b>	<b>509,778</b>	<b>277,878</b>
<b>Non current assets</b>						
Long-term receivables						
Investments					1	
Investment property		36,655	32,436	36,655	36,655	36,655
Investments in Associate			—	—	—	—
Property, plant and equipment		701,498	755,509	798,882	746,613	798,882
Biological				—	—	—
Intangible		69	73	—	(1)	—
Other non-current assets		1,231	1,341	1,231	1,231	1,231
<b>Total non current assets</b>		<b>739,453</b>	<b>789,359</b>	<b>836,767</b>	<b>784,499</b>	<b>836,767</b>
<b>TOTAL ASSETS</b>		<b>1,104,112</b>	<b>1,066,391</b>	<b>1,114,645</b>	<b>1,294,277</b>	<b>1,114,645</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft						
Borrowing						
Consumer deposits		505	503	505	461	505
Trade and other payables		49,412	28,928	54,618	84,229	54,618
Provisions		19,990	19,953	19,990	15,456	19,990
<b>Total current liabilities</b>		<b>69,907</b>	<b>49,384</b>	<b>75,113</b>	<b>100,147</b>	<b>75,113</b>
<b>Non current liabilities</b>						
Borrowing						
Provisions		5,246	5,495	5,246	5,246	5,246
<b>Total non current liabilities</b>		<b>5,246</b>	<b>5,495</b>	<b>5,246</b>	<b>5,246</b>	<b>5,246</b>
<b>TOTAL LIABILITIES</b>		<b>75,153</b>	<b>54,879</b>	<b>80,359</b>	<b>105,393</b>	<b>80,359</b>
<b>NET ASSETS</b>	2	<b>1,028,958</b>	<b>1,011,512</b>	<b>1,034,286</b>	<b>1,188,884</b>	<b>1,034,286</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		1,028,958	1,011,512	1,034,286	1,188,884	1,034,286
Reserves						
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1,028,958</b>	<b>1,011,512</b>	<b>1,034,286</b>	<b>1,188,884</b>	<b>1,034,286</b>

This is the report for March 2022 and we would like the Committee to consider its contents.

## 9. Municipal Manager's quality certification

### Quality Certificate

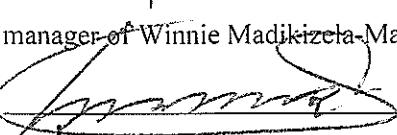
I, ....Luvuyo Mahlako....., the municipal manager of Winnie Madikizela-Mandela Local Municipality, hereby certify that –

- The monthly budget statement

for the month of March 2022 has been prepared in accordance with the Municipal Finance Management Act and Regulations made under that Act.

Print name: Luvuyo Mahlako

Municipal manager of Winnie Madikizela-Mandela Local Municipality (EC443)

Signature: 

Date: 08/04/2022

