



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

**REPORT IN TERMS OF s71 OF THE MFMA FOR THE
MONTH OF AUGUST 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 second report of the 2022/23 financial year which should give an indication of how the municipality has performed on its first two months of operation in the indicated year. There is generally not much activity to report during this period as processes to prepare and submit annual financial statements normally take part during the period while procurement processes are also being finalised for the first programs of the financial year. This situation may be better this year compared to the same period last year considering that the country is now operating without any lockdown regulations that made it impossible to operate fully in the past two financial years. This will be the baseline for the new financial year 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.

1.1 The Political Oversight

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

- | | |
|-----------------------|--|
| • Cllr N. Madikizela | Chairperson |
| • Cllr A. Diya | Committee Whip |
| • Cllr. N Cengimbo | Committee Member – Asset Management |
| • Cllr. X. Bhabhazela | Committee Member – Supply Chain Management |
| • Cllr S. Nomvalo | Committee Member - Reporting |
| • Cllr S. Jayiya | Committee Member - Budgeting |
| • Cllr L. Silangwe | Committee Member - Expenditure Management |
| • Cllr. P. Siramza | Committee Member - Revenue Management |

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

In the previous month's report, we reported having received two resignations from critical positions within the department from the following positions:

- Accountant: Reporting – last day being 31 July 2022
- Manager: Assets and Stores Management – last day being 31 August 2022

Both these are very critical positions in the processes of preparation and submission of annual financial statements as well as the audit process and this could not have come at a worse time than this.

Requests to have these positions filled have already been submitted to Corporate Services and hopefully they will be prioritised. We however do not expect these to be filled anytime before the end of the audit and therefore must find ways to go through the processes without these critical members.

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 were held with Provincial Treasury during the month of May 2022.

The version 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.

5. Implementation of the Municipal Cost containment regulations

During the month of June 2019, the minister of finance approved Municipal 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. These regulations were unfortunately approved after the municipal budget processes had been concluded which made it difficult for municipalities to develop these policies at such a short space of time. The council of Winnie Madikizela-Mandela Local municipality developed and adopted a policy on cost containment that is now being implemented.

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
- 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 will assist 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 were expected to have been delivered by the end of May 2022 but due to unavailability of stock, especially of the 4X4 vehicles it does not look likely that the municipality will get these vehicles before the of October 2022 which was also made worse by the recent floods that affected one of the major depots in the country that is situated in KwaZulu Natal. We have however received a communication from Toyota South Africa indicating that we must expect delivery in October and another in November 2022 since the resumption of operations on the affected depot.

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:

- Fleet data integration
- Fuel, oil and Toll services
- Managed Maintenance, Repairs and Accident Reports
- Vehicle Tracking and Monitoring
- 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 continue to monitor the performance of the contract after these and provide more guidance on ways to improve our maintenance work.

6. 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 at the end of the financial year:

Outcome 9 Objective		Baseline Information		Project to be Implemented		Annual Target		Means of Verification		Budget Source		Budget MIREF				WARD				Responsible Agency	
Sub-Objectives	Strategic Objectives	Objective No.	Strategies	Output KPI	Performance KPI	KPI Weighting	Annual Target	Verification	Budget	Internal Audit	External Audit	Q1	Q2	Q3	Q4	Ward 1	Revenue Section	Manager	Revenue	Expenditure	
Revenue collection trend is on an upward trajectory.	To achieve 100% billing for all services.	4.1	Electricty meter readings are recorded, and consumption is captured manually.	Accurate billing of electricity consumption.	Reading of electricity meters.	4.1.	1.0.5	12 Months Meter reading Report from the AMR System, invoice and GRV system by June 2023.	R 900,000.00	Yesterdays	0	3 Monthly Readings of 92 electric city meters	3 Monthly Readings of 92 electric city meters	3 Monthly Readings of 92 electric city meters	3 Monthly Readings of 92 electric city meters	Ward 1	Revenue Section	Manager	Revenue and Expenditure		
Revenue management system threat to the municipality is going to be addressed by June 2027.	To achieve 100% billing for all services.	4.1	Electricty meter readings are recorded, and consumption is captured manually.	Accurate billing of electricity consumption.	Reading of electricity meters.	4.1.	1.0.5	12 Months Meter reading Report from the AMR System, invoice and GRV system by June 2023.	R 900,000.00	Yesterdays	0	3 Monthly Readings of 92 electric city meters	3 Monthly Readings of 92 electric city meters	3 Monthly Readings of 92 electric city meters	3 Monthly Readings of 92 electric city meters	Ward 1	Revenue Section	Manager	Revenue and Expenditure		

Strategic Plan Overview										Operational Initiatives & Resource Allocation										
Strategic Objectives					Annual Performance Metrics					Key Initiatives					Resource Allocation					
Objectives		KPIs			Q1		Q2			Q3		Q4			Initiative		Budget			
Priority	Description	Target	Actual	Variance	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value	Resource Type	Quantity	Cost	Efficiency	Impact	
Prioritizing and proper management of consumer transaction inquiries by June 2023	Develop a systematic way of managing consumer transaction inquiries and consumer portal system	4.1.5	4.1.5	0	Implementation of a consumer care system that is directly linked with the billing system by June 2023	Feasibility study report	R-	n/a	N/A	n/a	Ward 1	Performed a feasibility study on consumer care system that is directly linked with the billing system	Managers	Revenue and Expenditure	Manager	Revenue and Expenditure	Manager	Revenue and Expenditure		
Review and implementation of the Revenue enhancement Strategy review period by June 2023	Review and implementation of the Revenue enhancement Strategy Action Plan	4.1.6	4.1.6	0	Implementation of the Revenue enhancement Strategy Action Plan	Improved revenue collection and generation	4.0.5	Quarterly Revenue enhancement Strategy Committee	R-	N/A	Quarterly Revenue enhancement meeting	Quarterly Revenue enhancement meeting	0	Quarterly Revenue enhancement meeting	Managers	Revenue and Expenditure	Manager	Revenue and Expenditure	Manager	Revenue and Expenditure
To achieve at least 95% collection of all debt by June 2023	Implementation of credit control measures by June 2023	Long outstanding debtor \$, which are more than 90 days	Debtors age analysis reflecting debts within 90 days	4.0.5	Outsourcing of collection services	Handling over of accounts	4.0.5	Quarterly Progress report on accounts handed over beyond 90 days	R-90,000.00	YEs	25 accounts for debt collection on handed over accounts	25 accounts for debt collection on handed over accounts	0	25 accounts for debt collection on handed over accounts	Managers	Revenue and Expenditure	Manager	Revenue and Expenditure	Manager	Revenue and Expenditure

Expenditure Management					Expenditure Management					Expenditure Management										Expenditure Management										
Category A					Category B					Category C					Category D					Category E					Category F					
Sub-Category A1		Sub-Category A2			Sub-Category B1		Sub-Category B2			Sub-Category C1		Sub-Category C2			Sub-Category D1		Sub-Category D2			Sub-Category E1		Sub-Category E2			Sub-Category F1		Sub-Category F2			
Promulgation of Property Rates policy and credit control	Revenue by laws that not promulgated on time	Promulgating property rates policy and credit control	Number of promulgated policies into laws	4.11	02 Promulgated properly rates policy and credit control	02 Promulgated policies	R -	n/a	n/a	02 Promulgated properly rates policy and credit control	Ad mind	02 Promulgated properly rates policy and credit control	Ad mind	n/a	01 Promulgated of the approved tariffs (gazetting)	Ad mind	01 Promulgated of the approved tariffs (gazetting)	Ad mind	n/a	01 Promulgated of the approved tariffs (gazetting)	Ad mind	n/a	01 Promulgated of the approved tariffs (gazetting)	Ad mind	n/a	01 Promulgated of the approved tariffs (gazetting)	Ad mind	n/a		
To ensure proper regulation of the municipal powers and functions by June 2027	Compliance with laws and regulations	Gazetting of approved municipal tariffs (gazetting) b	Numb er of advert ised (gazet ted) tariffs	4.12	01 Promulgated of the approved tariffs (gazetting) by June 2023	Advertiser Gazette for tariffs (gazetting)	R -	n/a	n/a	01 Promulgated of the approved tariffs (gazetting) by June 2023	Advertiser Gazette for tariffs (gazetting)	R -	n/a	n/a	01 Promulgated of the approved tariffs (gazetting)	Advertiser Gazette for tariffs (gazetting)	R -	n/a	01 Promulgated of the approved tariffs (gazetting)	Advertiser Gazette for tariffs (gazetting)	R -	n/a	01 Promulgated of the approved tariffs (gazetting)	Advertiser Gazette for tariffs (gazetting)	R -	n/a	01 Promulgated of the approved tariffs (gazetting)	Advertiser Gazette for tariffs (gazetting)	R -	n/a
To pay creditors within 30 days	Invoices not submitted within 30 days of receipt for payment	Enforcement of system	Age analysis reflecting creditors within 30 days	4.2	Invoices still taking longer to process as per BTO for the Accountant payable	Centralisation of submission of invoices per department	R -	0	0	Invoices still taking longer to process as per BTO for the Accountant payable	Invoice register and age analysis report	R -	0	0	Invoices still taking longer to process as per BTO for the Accountant payable	Invoice register and age analysis report	R -	0	Invoices still taking longer to process as per BTO for the Accountant payable	Invoice register and age analysis report	R -	0	Invoices still taking longer to process as per BTO for the Accountant payable	Invoice register and age analysis report	R -	0	Invoices still taking longer to process as per BTO for the Accountant payable	Invoice register and age analysis report	R -	0

Year	Quarter	Project ID	Project Name	Task Description	Due Date	Status	Last Update	Progress (%)	Risk Level	Impact Score	Financials			Operational Metrics			Strategic Indicators			
											Budget (\$)	Actual (\$)	Variance (\$)	Completion (%)	Defects	Avg. Response Time	SLA Met (%)	Customer Sat. (Avg.)	Market Share (%)	Competitor Analysis
2023	Q1	PJ001	Project Alpha	Initiate requirements gathering.	2023-01-15	In Progress	2023-03-01	30%	Medium	5	10000	8500	-1500	10%	0	4 hours	85%	4.2	15%	Superior performance.
2023	Q1	PJ002	Project Beta	Design system architecture.	2023-01-15	In Progress	2023-03-01	30%	Medium	5	15000	13000	-2000	10%	0	6 hours	75%	4.0	15%	On track.
2023	Q1	PJ003	Project Gamma	Develop initial prototypes.	2023-01-15	In Progress	2023-03-01	30%	Medium	5	20000	18000	-2000	10%	0	8 hours	70%	3.8	15%	Initial prototypes ready.
2023	Q1	PJ004	Project Delta	Test system integration.	2023-01-15	In Progress	2023-03-01	30%	Medium	5	10000	9000	-1000	10%	0	5 hours	90%	4.5	15%	Testing phase completed.
2023	Q1	PJ005	Project Epsilon	Finalize documentation.	2023-01-15	In Progress	2023-03-01	30%	Medium	5	5000	4500	-500	10%	0	2 hours	95%	4.7	15%	Documentation updated.
2023	Q2	PJ001	Project Alpha	Implement new reporting module.	2023-04-15	In Progress	2023-06-01	60%	Medium	5	10000	9500	-500	20%	0	3 hours	90%	4.3	15%	Reporting module functional.
2023	Q2	PJ002	Project Beta	Refine user interface design.	2023-04-15	In Progress	2023-06-01	60%	Medium	5	15000	14000	-1000	20%	0	5 hours	85%	4.1	15%	User interface improved.
2023	Q2	PJ003	Project Gamma	Optimize database queries.	2023-04-15	In Progress	2023-06-01	60%	Medium	5	20000	19000	-1000	20%	0	4 hours	80%	3.9	15%	Database performance improved.
2023	Q2	PJ004	Project Delta	Integrate AI-powered analytics.	2023-04-15	In Progress	2023-06-01	60%	Medium	5	10000	9000	-1000	20%	0	6 hours	75%	4.6	15%	AI integration progressing.
2023	Q2	PJ005	Project Epsilon	Conduct final user acceptance tests.	2023-04-15	In Progress	2023-06-01	60%	Medium	5	5000	4500	-500	20%	0	3 hours	90%	4.8	15%	Final user acceptance tests completed.
2023	Q3	PJ001	Project Alpha	Monitor system performance.	2023-07-15	Completed	2023-09-01	100%	Low	5	10000	10000	0	100%	0	1 hour	100%	4.9	15%	System stable.
2023	Q3	PJ002	Project Beta	Plan maintenance schedule.	2023-07-15	Completed	2023-09-01	100%	Low	5	15000	15000	0	100%	0	1 hour	100%	4.7	15%	Maintenance plan ready.
2023	Q3	PJ003	Project Gamma	Review audit findings.	2023-07-15	Completed	2023-09-01	100%	Low	5	20000	20000	0	100%	0	1 hour	100%	4.5	15%	Audit findings resolved.
2023	Q3	PJ004	Project Delta	Update competitor analysis.	2023-07-15	Completed	2023-09-01	100%	Low	5	10000	10000	0	100%	0	1 hour	100%	4.3	15%	Competitor analysis updated.
2023	Q3	PJ005	Project Epsilon	Finalize project report.	2023-07-15	Completed	2023-09-01	100%	Low	5	5000	5000	0	100%	0	1 hour	100%	4.1	15%	Final project report submitted.
2023	Q4	PJ001	Project Alpha	Initiate system migration.	2023-08-15	In Progress	2023-10-01	40%	Medium	5	10000	8000	-2000	15%	0	8 hours	70%	4.0	15%	System migration in progress.
2023	Q4	PJ002	Project Beta	Configure new system settings.	2023-08-15	In Progress	2023-10-01	40%	Medium	5	15000	13000	-2000	15%	0	6 hours	65%	3.8	15%	New system settings configured.
2023	Q4	PJ003	Project Gamma	Train staff on new software.	2023-08-15	In Progress	2023-10-01	40%	Medium	5	20000	18000	-2000	15%	0	4 hours	60%	3.6	15%	Staff training completed.
2023	Q4	PJ004	Project Delta	Perform final system checks.	2023-08-15	In Progress	2023-10-01	40%	Medium	5	10000	9000	-1000	15%	0	2 hours	55%	3.4	15%	Final system checks completed.
2023	Q4	PJ005	Project Epsilon	Finalize post-migration review.	2023-08-15	In Progress	2023-10-01	40%	Medium	5	5000	4500	-500	15%	0	1 hour	50%	3.2	15%	Post-migration review initiated.
2024	Q1	PJ001	Project Alpha	Monitor system performance.	2024-01-15	Completed	2024-03-01	100%	Low	5	10000	10000	0	100%	0	1 hour	100%	4.9	15%	System stable.
2024	Q1	PJ002	Project Beta	Plan maintenance schedule.	2024-01-15	Completed	2024-03-01	100%	Low	5	15000	15000	0	100%	0	1 hour	100%	4.7	15%	Maintenance plan ready.
2024	Q1	PJ003	Project Gamma	Review audit findings.	2024-01-15	Completed	2024-03-01	100%	Low	5	20000	20000	0	100%	0	1 hour	100%	4.5	15%	Audit findings resolved.
2024	Q1	PJ004	Project Delta	Update competitor analysis.	2024-01-15	Completed	2024-03-01	100%	Low	5	10000	10000	0	100%	0	1 hour	100%	4.3	15%	Competitor analysis updated.
2024	Q1	PJ005	Project Epsilon	Finalize project report.	2024-01-15	Completed	2024-03-01	100%	Low	5	5000	5000	0	100%	0	1 hour	100%	4.1	15%	Final project report submitted.
2024	Q2	PJ001	Project Alpha	Initiate system migration.	2024-02-15	In Progress	2024-04-01	40%	Medium	5	10000	8000	-2000	15%	0	8 hours	70%	4.0	15%	System migration in progress.
2024	Q2	PJ002	Project Beta	Configure new system settings.	2024-02-15	In Progress	2024-04-01	40%	Medium	5	15000	13000	-2000	15%	0	6 hours	65%	3.8	15%	New system settings configured.
2024	Q2	PJ003	Project Gamma	Train staff on new software.	2024-02-15	In Progress	2024-04-01	40%	Medium	5	20000	18000	-2000	15%	0	4 hours	60%	3.6	15%	Staff training completed.
2024	Q2	PJ004	Project Delta	Perform final system checks.	2024-02-15	In Progress	2024-04-01	40%	Medium	5	10000	9000	-1000	15%	0	2 hours	55%	3.4	15%	Final system checks completed.
2024	Q2	PJ005	Project Epsilon	Finalize post-migration review.	2024-02-15	In Progress	2024-04-01	40%	Medium	5	5000	4500	-500	15%	0	1 hour	50%	3.2	15%	Post-migration review initiated.
2024	Q3	PJ001	Project Alpha	Monitor system performance.	2024-03-15	Completed	2024-05-01	100%	Low	5	10000	10000	0	100%	0	1 hour	100%	4.9	15%	System stable.
2024	Q3	PJ002	Project Beta	Plan maintenance schedule.	2024-03-15	Completed	2024-05-01	100%	Low	5	15000	15000	0	100%	0	1 hour	100%	4.7	15%	Maintenance plan ready.
2024	Q3	PJ003	Project Gamma	Review audit findings.	2024-03-15	Completed	2024-05-01	100%	Low	5	20000	20000	0	100%	0	1 hour	100%	4.5	15%	Audit findings resolved.
2024	Q3	PJ004	Project Delta	Update competitor analysis.	2024-03-15	Completed	2024-05-01	100%	Low	5	10000	10000	0	100%	0	1 hour	100%	4.3	15%	Competitor analysis updated.
2024	Q3	PJ005	Project Epsilon	Finalize project report.	2024-03-15	Completed	2024-05-01	100%	Low	5	5000	5000	0	100%	0	1 hour	100%	4.1	15%	Final project report submitted.
2024	Q4	PJ001	Project Alpha	Initiate system migration.	2024-04-15	In Progress	2024-06-01	40%	Medium	5	10000	8000	-2000	15%	0	8 hours	70%	4.0	15%	System migration in progress.
2024	Q4	PJ002	Project Beta	Configure new system settings.	2024-04-15	In Progress	2024-06-01	40%	Medium	5	15000	13000	-2000	15%	0	6 hours	65%	3.8	15%	New system settings configured.
2024	Q4	PJ003	Project Gamma	Train staff on new software.	2024-04-15	In Progress	2024-06-01	40%	Medium	5	20000	18000	-2000	15%	0	4 hours	60%	3.6	15%	Staff training completed.
2024	Q4	PJ004	Project Delta	Perform final system checks.	2024-04-15	In Progress	2024-06-01	40%	Medium	5	10000	9000	-1000	15%	0	2 hours	55%	3.4	15%	Final system checks completed.
2024	Q4	PJ005	Project Epsilon	Finalize post-migration review.	2024-04-15	In Progress	2024-06-01	40%	Medium	5	5000	4500	-500	15%	0	1 hour	50%	3.2	15%	Post-migration review initiated.

Creditors and grants with errors taking longer to identify and resolve	Performance of monthly Conditional Grants \$, creditors, not performed by the 7th day of each month	Monthly reviewal of Condition al Grants, creditors, retention and vat reconciliation by the 7th working day of each month	Accurate and complete recon ciliations	4. 2. 0.5 4	12 month ly review ed Conditional grants \$, credit ors, 12 credit ors, 12 retention and 12 vat reconciliations	12 Signed monthly Conditional grants \$, credit ors, 12 credit ors, 12 retention and 12 vat reconciliations	R -	N/A	Preparation of 3 monthly credit ors, 3 credit ors, 3 conditional grants and 3 vat recon ciliations	Preparation of 3 monthly credit ors, 3 credit ors, 3 conditional grants and 3 vat recon ciliations	Preparation of 3 monthly credit ors, 3 credit ors, 3 conditional grants and 3 vat recon ciliations	Ad mi n Of fice s	Manager: Reve nue and Expenditur e
Payroll accounts with errors taken longer to identify and resolve	Performance of monthly payroll recon ciliations not performed by the 7th day of each month	Monthly reviewal of payroll reconciliation by the 7th working day of each month	Accurate and complete recon ciliations	4. 2. 0.5 5	12 month ly review ed payroll recon ciliations	12 Signed monthly payroll reconciliations	R -	N/A	Preparation of 3 monthly payroll recon ciliations	Preparation of 3 monthly payroll recon ciliations	Preparation of 3 monthly payroll recon ciliations	Ad mi n Of fice s	Manager: Reve nue and Expenditur e
Annual Review of Outdated Policies	Reviewing section al policies that are not reviewed by June 2023	Review of existing sectional policies and presentation to the relevant stakeholders	Number of reviewed policies	4. 2. 0.5 6	02 Revie wed existi ng sectio nal policies and presen tation to the releva nt stakeholders	02 Reviewed and signed Accounts Payables Policy and Petty Cash Policy.	R -	n/a	n/a	n/a	n/a	Review of existing sectional policies and presentation to the relevant stakeholders	Manager: Reve nue and Expenditur e

Supply Chain Management		To have an effective reliable filing system for the volume of documents in the Budget and Treasury office	Inadequate filing space and system for the volume of documents in the Budget and Treasury office	Conversion of Supply Chain Management for SCM and all aware ded tender documents in the Budget and Treasury office	Monitoring of Electronic filing system	Paper based and physical filing to electronic for old documents already audited by June 2023	System printout Reflecting the number of documents Scanned	To have effective Electronic filing system and loading of Budget and Treasury Documents	Scanning of 100 supply chain documents and Evaluation Reports	Scanning of 200 BTO documents	Scanning of 300 BTO documents	Scanning of 400 BTO documents	Admission Of offices	Manager :Supply Chain Section	
Revant stakeholders by 30 June 2023		Relayant stakeholders by 30 June 2023		System printout Reflecting the number of documents Scanned		To have effective Electronic filing system and loading of Budget and Treasury Documents		Scanning of 100 supply chain documents and Evaluation Reports		Scanning of 200 BTO documents		Scanning of 300 BTO documents		Scanning of 400 BTO documents	

No	To	have fully capacitated the procurement plan	Monitoring of adherence to the procurement plan by June 2023	Approved procurement plan with no clear monitoring plan	Monthly monitoring of the procurement plan	Report on adherence to the procurement plan	4.3.	0.5	1.2 month by report on the monitoring of the procurement plan by June 2023	Signed report by the SCM Manager	R	N/A	0	3 signed SCM reports	6 signed SCM reports	9 signed SCM reports	12 signed SCM reports	Ad mindn Of fic es	Manager SCM
The municipality needs to comply with all statutory training requirements	To have fully capacitated the Chai n Management Pers onnel	Training of Supply Chain Mana gement Pers onnel	Training of SCM Officials	Training of SCM Officials	Training of SCM Officials	Training of SCM Officials	4.3.	0.5	Capacity building with outdated information	Email confirmation of Municipal Financial System release notes or attendance	R200,000.00	Yea rs	n/a	Distribution to all SCM officials of changes and updates between March 2021 to September 2021	Invitations and Attendance Registers	Distribution to all SCM officials of changes and updates between March 2021 to September 2021	Ad mindn Of fic es	Manager SCM	
The municipality needs to comply with all statutory training requirements	To have fully capacitated the Chai n Management Pers onnel	Training of Supply Chain Mana gement Pers onnel	Training of SCM Officials	Training of SCM Officials	Training of SCM Officials	Training of SCM Officials	4.3.	0.5	Capacity building with outdated information	Email confirmation of Municipal Financial System release notes or attendance	R200,000.00	Yea rs	n/a	Distribution to all SCM officials of changes and updates between March 2021 to September 2021	Invitations and Attendance Registers	Distribution to all SCM officials of changes and updates between March 2021 to September 2021	Ad mindn Of fic es	Manager SCM	
The municipality needs to comply with all statutory training requirements	To have fully capacitated the Chai n Management Pers onnel	Training of Supply Chain Mana gement Pers onnel	Training of SCM Officials	Training of SCM Officials	Training of SCM Officials	Training of SCM Officials	4.3.	0.5	Capacity building with outdated information	Email confirmation of Municipal Financial System release notes or attendance	R200,000.00	Yea rs	n/a	Distribution to all SCM officials of changes and updates between March 2021 to September 2021	Invitations and Attendance Registers	Distribution to all SCM officials of changes and updates between March 2021 to September 2021	Ad mindn Of fic es	Manager SCM	

Inadequate contract management processes	To have valid and close monitoring contracts by June 2027	Montly review of all existing contracts by June 2023	Contract register to be reviewed and signed monthly	Review wednesday	4.3.	0.5	12 month	12 month	0.00	N/A	3 month	9 month	12 month	Admi n Of fice s	Manager SCM
The municipality needs to comply with all statutory requirements by June 2027	To have trained personnel on statutory training requirements by June 2027	Training of Supply Chain Management Personnel by June 2023	Training Officials operating with outdated information relevant to their sections	Training of SCM Officials	4.3.	0.5	Training of attendanc e	Proof of attendance	0.00	N/A	0	N/A	2	4 Exam Confir matation Letters	Manager SCM
Outdated Policies	Annual Review of sectional Policies by June 2027	Reviewing of sectional policies by June 2023	Review of existing sectional policies that are not reviewed annually	Review of sectional policies that are not reviewed annually	4.3.	0.5	Review wednesday	Approved Supply Chain Management Policy, Contract Management Policy, Cost Containment Policy, Stakeholders and Framework by 30	0.00	N/A	N/A	N/A	Revie w of existing section policies and presentation to the relevant stakeholders	Admi n Of fice s	Manager :Suppl y Chain Sectio n

To ensure completeness of GRA P compliant Asset Register by June 2023	Council approved assets write off report as at 30 June 2021	Removal from municipal operational facilities. of all alienated/ written off assets to ensure completeness of the FAR	Fixed Asset Register that is complete	Complete GRA P compliant FAR by 30 June 2023	A signed report with a list of all assets removed from municipal premises and thrown away.	R	Yea	N/A	Compilation of a list of assets to be thrown away in the 2nd quarter.	Removal of a list of assets to be thrown away in the 2nd quarter.	Compilation of a list of assets to be thrown away in the 2nd quarter.
Basis and assumptions on which assets are accounted for to be well documented and approved by June 2023	Audit PPE methodology as at 30 June 2021 with no audit findings.	Preparation and approval of a PPE Methodology	Approved PPE Methodology	Approved PPE Methodology as at June 2023.	Signed and approved PPE methodology.	R	N/A	N/A	Review and updating of PPE Methodology as per the new amended Policy.	Review and updating of Assets Methodology as per the new amended Policy.	Review and updating of Assets Methodology as per the new amended Policy.

	Compliance with the requirements to be well managed effectively.	Development and review of an effective Asset Management Plan by June 2023	Number of developed and approved Asset Management Plan	1 Number of developed and approved Asset Management Plan as at 30 June 2023	A signed and approved Assets Management Plan as at 30 June 2023	Development and approval of Asset Management Plan	Development of Asset Management Plan	An approved Asset Management Plan by June 2023	Approved Asset Management Plan	Admission Of Fines	Admission Of Fines	Management Section	Management Section	Manager A
All council assets need to be well managed effectively.	To compile Annual Financial Statement that comply with non-compliance laws by June 2027	Development and sound, strict, and effective procedures for the compilation of AFS by June 2023	Audit Annual Financial Statement for 2019/20 for the compilation of AFS by June 2023	Creditable Annual Financial Statement for 2019/20 for the compilation of AFS by June 2023	Creditable Annual Financial Statement for 2019/20 for the compilation of AFS by June 2023	Development and approval of processes and procedure s for compilation of Complain t annual financial statement s	Development and approval of processes and procedure s for compilation of Complain t annual financial statement s	RFS, Proof of payment, Interim Financial statements	RFS, Proof of payment, Interim Financial statements as at 30 June 2022 by June 2023	Monitoring of AFS plan, Roll-forward of AFS File	n/a	Renewal of Caseware License	Preparation of Internal Financial Report	Admission Of Fines
Financial Reporting		Financial statement that comply with non-compliance laws by June 2023	4.5	4. Annual Financial Statement for 2019/20 for the compilation of AFS by June 2023	4. Annual Financial Statement for 2019/20 for the compilation of Complain t annual financial statement s	4. Annual Financial Statement for 2019/20 for the compilation of Complain t annual financial statement s	4. Annual Financial Statement for 2019/20 for the compilation of Complain t annual financial statement s	R, 200.00 0.00	Ye s 2020.00	0	0	n/a	Reporting	Manager, Budget and Reporting

Audit Plan		Audit Findings		Audit Corrective Actions		Audit Status		Audit Report		Audit Follow-up	
Objectives	Scope	Findings	Severity	Action Items	Owner	Status	Due Date	Report Type	Prepared By	Reviewed By	Approved By
Audit Plan	Annual Financial Statement Audit	External audit findings	Medium	Corrective Actions	Audit Manager	Completed	2023-06-30	Final Report	Audit Manager	Internal Auditor	Chief Executive Officer
Performance of Montly bank reconciliations	Bank Reconciliations	Reconciliation errors	High	Review and correct	Audit Manager	Pending	2023-07-15	Intermediate Report	Audit Manager	Internal Auditor	Chief Executive Officer
Preparation and submission of S71 Reports	S71 Reporting	Non-compliance with statutory requirements	Medium	Review and correct	Audit Manager	Pending	2023-07-15	Intermediate Report	Audit Manager	Internal Auditor	Chief Executive Officer
Adherence to compliance plan	Compliance Plan	Non-compliance with statutory requirements	Medium	Review and correct	Audit Manager	Pending	2023-07-15	Intermediate Report	Audit Manager	Internal Auditor	Chief Executive Officer

		non public ations of budge ts appro ved by counc il	Public ation of 3 appro ved budge ts	Numb er of Publi cised appro ved budge ts	R 3 Advert	62,508 .00	Ye s	0	n/a	n/a	Adjus tment budge t	Draft bude gt adver t;	Ad mi n Of fic es	Man ager, Budg et and Repor ting	
		Ann uall Rev ew of secti onal Polic ies by June 2027	Secto nal polic ies that are not revie wed annua lly	Review of existing sectional policies and presentati on to the relevant stakehold ers	4. 6. 4	0.5 0.5 4	01 Revie w of existi ng sectio nal polic ies and presen tatio n to the releva nt stake holde rs	01 Review and signed IDP/Bud get policies	R -	n/a	n/a	Revie w of existi ng IDP/ Budg et Polic y and prese ntatio n to the relev ant stake holde rs	n/a	Ad mi n Of fic es	Man ager, Budg et and Repor ting

Reporting against the above information will be done at the end of each quarter as a monitoring mechanism that is currently being used by the municipality even though responsible heads of sections make an effort to monitor these on a monthly basis.

7. In-year budget statement tables

a) Budget Statement Summary

EC443 Winnie Madikizela Mandela - Table C1 Monthly Budget Statement Summary - M02 August

Description R thousands	2021/22 Audited Outcome	Budget Year 2022/23								
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
Financial Performance										
Property rates	-	21,468	21,468	584	15,255	3,578	11,677	326%	21,468	
Service charges	-	36,680	36,680	3,803	6,828	6,113	715	12%	36,680	
Investment revenue	-	9,760	9,760	1,398	2,393	1,627	766	47%	9,760	
Transfers and subsidies	-	338,352	351,142	598	125,484	58,524	66,950	114%	351,142	
Other own revenue	-	14,189	14,189	1,210	2,397	2,385	32	1%	14,189	
	-	420,449	433,239	7,593	152,357	72,208	80,150	111%	433,239	
Total Revenue (excluding capital transfers and contributions)										
Employee costs	-	124,799	124,799	8,949	17,881	20,800	(2,939)	-14%	124,799	
Remuneration of Councillors	-	27,047	27,047	2,109	4,217	4,508	(291)	-6%	27,047	
Depreciation & asset impairment	-	49,735	49,735	3,510	7,024	8,289	(1,265)	-15%	49,735	
Finance charges	-	100	100	-	-	17	(17)	-100%	100	
Inventory consumed and bulk purchases	-	47,632	47,632	141	1,426	7,939	(6,514)	-82%	47,632	
Transfers and subsidies	-	3,200	3,200	185	185	533	(349)	-65%	3,200	
Other expenditure	-	178,804	189,107	9,542	16,097	31,518	(16,421)	-52%	189,107	
Total Expenditure	-	431,318	441,621	24,435	45,808	73,603	(27,795)	-38%	441,621	
Surplus/(Deficit)	-	(10,870)	(8,382)	(16,842)	106,549	(1,397)	107,946	-7727%	(8,382)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	82,288	82,288	984	1,478	13,715	(12,236)	-89%	82,288	
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)	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions	-	71,418	73,906	(15,859)	108,027	12,318	95,709	777%	73,906	
Share of surplus / (deficit) of associate	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	-	71,418	73,906	(15,859)	108,027	12,318	95,709	777%	73,906	
Capital expenditure & funds sources										
Capital expenditure	-	108,048	115,718	5,144	6,137	19,286	(13,149)	-68%	115,718	
Capital transfers recognised	-	69,945	70,126	2,228	2,325	11,688	(9,363)	-80%	70,126	
Borrowing	-	-	-	-	-	-	-	-	-	
Internally generated funds	-	38,103	45,591	2,916	3,812	7,599	(3,786)	-50%	45,591	
Total sources of capital funds	-	108,048	115,718	5,144	6,137	19,286	(13,149)	-68%	115,718	
Financial position										
Total current assets	-	438,634	439,622		514,184				438,634	
Total non current assets	-	797,697	805,366		805,610				797,697	
Total current liabilities	-	64,901	71,070		98,939				64,901	
Total non current liabilities	-	5,246	5,246		22,484				5,246	
Community wealth/Equity	-	1,168,184	1,168,672		1,198,371				1,168,184	
Cash flows										
Net cash from (used) operating	-	178,444	184,042	5,331	113,698	30,674	(83,024)	-271%	184,042	
Net cash from (used) investing	-	(129,968)	(134,579)	(6,300)	(9,432)	(22,430)	(12,998)	58%	(129,968)	
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	
Cash/cash equivalents at the month/year end	-	386,302	386,290	-	381,373	345,071	(36,302)	-11%	390,901	
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Ds	151-180 Ds	181 Ds+1 Yr	Over 1Yr	Total	
Debtors Age Analysis	4,907	16,922	2,484	2,626	2,550	69,547	-	-	99,036	
Creditors Age Analysis	2,089	-	-	-	-	-	-	-	2,089	

The table above shows a summary of the municipality's financial performance for the period ended 31 August 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) - M02 August

Description R thousands	Ref 1	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
<i>Governance and administration</i>		—	362,794	375,584	2,912	144,282	62,597	81,684	130%	375,584
Executive and council		—	—	—	—	—	—	—	—	—
Finance and administration		—	362,794	375,584	2,912	144,282	62,597	81,684	130%	375,584
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		—	4,966	4,966	336	702	828	(126)	-15%	4,966
Community and social services		—	623	623	14	18	104	(85)	-82%	623
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		—	4,344	4,344	322	683	724	(41)	-6%	4,344
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		—	78,100	78,100	987	1,482	13,017	(11,534)	-89%	78,100
Planning and development		—	23,062	23,062	3	4	3,844	(3,840)	-100%	23,062
Road transport		—	55,038	55,038	984	1,478	9,173	(7,695)	-84%	55,038
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		—	56,876	56,876	4,341	7,369	9,479	(2,110)	-22%	56,876
Energy sources		—	47,325	47,325	3,432	6,084	7,888	(1,804)	-23%	47,325
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		—	9,550	9,550	908	1,285	1,592	(307)	-19%	9,550
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	—	502,737	515,527	8,576	153,835	85,921	67,914	79%	515,527
Expenditure - Functional										
<i>Governance and administration</i>		—	201,620	201,620	14,779	26,055	33,603	(7,548)	-22%	201,620
Executive and council		—	64,094	64,094	4,678	8,329	10,682	(2,353)	-22%	64,094
Finance and administration		—	132,844	132,844	9,818	17,141	22,141	(5,000)	-23%	132,844
Internal audit		—	4,682	4,682	283	584	780	(196)	-25%	4,682
<i>Community and public safety</i>		—	32,667	32,667	1,586	3,194	5,445	(2,251)	-41%	32,667
Community and social services		—	12,936	12,936	479	756	2,156	(1,400)	-65%	12,936
Sport and recreation		—	2,729	2,729	56	107	455	(347)	-76%	2,729
Public safety		—	15,956	15,956	977	2,183	2,659	(477)	-18%	15,956
Housing		—	1,046	1,046	74	148	174	(26)	-15%	1,046
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		—	102,588	115,378	5,045	9,920	19,230	(9,310)	-48%	115,378
Planning and development		—	37,697	37,697	1,751	3,129	6,283	(3,154)	-50%	37,697
Road transport		—	62,240	75,030	3,136	6,501	12,505	(6,004)	-48%	75,030
Environmental protection		—	2,651	2,651	158	290	442	(152)	-34%	2,651
<i>Trading services</i>		—	90,304	87,817	2,852	6,265	14,636	(8,371)	-57%	87,817
Energy sources		—	63,408	60,921	1,385	3,269	10,153	(6,885)	-68%	60,921
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		—	26,896	26,896	1,467	2,996	4,483	(1,487)	-33%	26,896
<i>Other</i>		—	4,139	4,139	173	374	690	(315)	-46%	4,139
Total Expenditure - Functional	3	—	431,318	441,621	24,435	45,808	73,603	(27,795)	-38%	441,621
Surplus/ (Deficit) for the year		—	71,418	73,906	(15,859)	108,027	12,318	95,709	771%	73,906

The table above shows the municipality's financial performance for the period ended 31 August 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) - M02 August

Description R thousands	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates	-	-	21,468	21,468	584	15,255	3,578	11,677	326%	21,468
Service charges - electricity revenue	-	-	30,845	30,845	3,431	6,079	5,141	938	18%	30,845
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	5,834	5,834	372	749	972	(224)	-23%	5,834
Rental of facilities and equipment	-	-	3,893	3,893	345	679	649	30	5%	3,893
Interest earned - external investments	-	-	9,760	9,760	1,398	2,393	1,627	766	47%	9,760
Interest earned - outstanding debtors	-	-	5,378	5,378	509	915	896	18	2%	5,378
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	593	593	3	10	99	(89)	-90%	593
Licences and permits	-	-	2,404	2,404	197	408	401	7	2%	2,404
Agency services	-	-	1,401	1,401	122	266	233	32	14%	1,401
Transfers and subsidies	-	-	338,352	351,142	598	125,484	58,524	66,960	114%	351,142
Other revenue	-	-	520	520	34	119	87	33	38%	520
Gains	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	420,449	433,239	7,593	152,357	72,206	80,150	111%	433,239

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 Public Works which are levied once at the beginning of the financial year which lead to the revenue generated for the month to be R14.7 million in the 1st month and a decrease to R584 as expected for the following months to the end June 2023. The current revenue recognised on this stream may seem to be way above the monthly target but it is important to note that this is only due to properties levied only at the beginning of the financial for the whole year which are then paid for during the 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 R3.4 million for the month and a year to date actual of just over R6 million for the first two months of the financial year. This is above the projection by about 18% (about R938 thousand) which may add up to R5.9 million by the end of the year if attempts to better the situation yield positive results. As previously reported, the municipality has installed a automated meter reading system to assist in reducing losses and detect areas where there might me tempering with the municipal infrastructure. There are however challenges that the municipality has faced with the system:

- Modems damaged by water
- Modems being stolen or damaged

The municipality's electricity system is working on a solution to have lockable boxes where these modems are installed.

- **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 around R372 thousand which has continued to be less than the projection by 23%. An investigation has indicated that the decrease is as a result of the correction of categories from the verification conducted by the user department from the categories previously confirmed for billing purposes.
- **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 R1.3 million worth of interest on investments with a year to date actual that is above the projection by 47% which hope will be maintained as the year progresses to supplement the municipality's funding capacity during the adjustment budget process.
- **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 R509 thousand for the period ended 31 August 2022 which has gone above the amount projected for the period by 2%. This still 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 tampering. The municipality generated only R3 thousand worth of revenue on these fines during the month of August 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 year 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 R345 thousand for the month which has pushed the actual performance to a level above the projection by 5% which is a result of other revised contracts that have been concluded.
- **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 R197 thousand worth of revenue for the period. The municipality has collected above the projected collection by 2% which we hope will be maintained throughout the year or even bettered.
- **Transfers and subsidies:** The municipality receives grants, both conditional and those without conditions. The report shows that an amount of over R598 thousand has been transferred to revenue for the period ended 31 August 2022 from the operating grants whose conditions have been met. This has recorded a year to date performance of R125 million the first two months of the financial year. 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 previous month.

d) **Debt Collection**

The table below shows a 92% overall collection rate for the month ended 31 August 2022. However, we note a 84% collection rate on leasehold fees, 55% on electricity, 197% on property rates and 78% on refuse removal for the period.

WINNIE MADIKIZELA MANDELA LM : MONTHLY BILLING & RECEIPTS (including VAT)

YEAR ENDING: 30 June 2023

INCOME TYPE	JULY	AUGUST	SEPTEMBER	1st QUARTER
RATES				
billed	14,903,796	949,866		15,853,663
payment received	1,707,959	1,869,106		3,577,065
% of billing received	11%	197%		23%
ELECTRICITY				
billed	2,524,531	2,657,915		5,182,446
payment received	3,629,058	1,469,515		5,098,573
% of billing received	144%	55%		98%
LEASEHOLD FEES				
billed	331,596	342,039		673,635
payment received	264,563	285,972		550,534
% of billing received	80%	84%		82%
VAT				
billed	484,888	505,807		990,695
payment received	590,594	269,882		860,476
% of billing received	122%	53%		87%
INTEREST				
billed	198,178	235,923		434,101
payment received	364,758	467,486		832,244
% of billing received	184%	198%		192%
REFUSE REMOVAL				
billed	376,459	372,092		748,552
payment received	310,608	288,447		599,055
% of billing received	83%	78%		80%
TOTAL INCOME				
billed	18,819,449	5,063,643		23,883,092
payment received	6,867,539	4,650,408		11,517,947
% of billing received	36%	92%		48%

e) Expenditure by Type

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description R thousands	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type										
Employee related costs	-	124,799	124,799	8,949	17,861	20,800	(2,939)	-14%	124,799	
Remuneration of councillors	-	27,047	27,047	2,109	4,217	4,508	(291)	-6%	27,047	
Debt impairment	-	9,600	9,600	-	-	1,600	(1,600)	-100%	9,600	
Depreciation & asset impairment	-	49,735	49,735	3,510	7,024	8,289	(1,265)	-15%	49,735	
Finance charges	-	100	100	-	-	17	(17)	-100%	100	
Bulk purchases - electricity	-	40,005	40,005	-	979	6,688	(5,688)	-85%	40,005	
Inventory consumed	-	7,627	7,627	141	446	1,271	(825)	-65%	7,627	
Contracted services	-	86,644	96,916	3,688	5,922	16,163	(10,231)	-63%	96,916	
Transfers and subsidies	-	3,200	3,200	185	185	533	(349)	-65%	3,200	
Other expenditure	-	82,660	82,590	5,854	9,175	13,765	(4,590)	-33%	82,590	
Losses	-	-	-	-	-	-	-	-	-	
Total Expenditure		-	431,318	441,621	24,435	45,808	73,603	(27,795)	-38%	441,621

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 August 2022 reflects an amount of R8.9 million for employee costs and R2.1 million for the remuneration of councillors. The remuneration of councillors shows a 6% underspending compared to what is expected at the same period. Employee costs have continued to record a 14% saving that is always expected considering issues like, annual increment for senior managers, 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 R979 thousand on electricity purchases for the year to date actual which is below the projected expenditure by 85%. A thorough investigation revealed that an invoice received for August amounting to about R5 million was not processed. A follow up with the responsible department will be made to ensure settlement before the due date to avoid incurring penalties for late payment. This amount only relates to 10 days of July as the billing by Eskom only takes place on the 10th of each month.
- Depreciation and asset impairment:** The depreciation run has been performed after the end of each quarter and recently monthly, resulting in the depreciation for August 2022 being R3.5 million as the asset register was still in the process of being reviewed to ensure that the assets are correctly accounted for in the annual financial statements. This has resulted in the depreciation recorded being below the projection for the month by about 15%.
- 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 R3.6 million worth of expenditure during the month. This is as a result of slow activity during the first months of each financial year which is always experienced.

- **Other Expenditure:** This also shows a saving of about 33% which might be as a result of the slow spending during the first months of each financial year which is always experienced at this time of the year. 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) - M02 August

Vote Description R thousands	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD varlance	YTD varlance %	Full Year Forecast
Revenue by Vote										
Vote 1 - Executive and Council	1	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	137	137	14	27	23	4	17.0%	137
Vote 3 - Budget and Treasury Office		-	341,189	353,979	2,315	128,942	58,996	69,945	118.6%	353,979
Vote 4 - Community Services		-	14,517	14,517	1,245	1,987	2,419	(433)	-17.9%	14,517
Vote 5 - Development Planning		-	44,531	44,531	587	15,260	7,422	7,838	105.6%	44,531
Vote 6 - Engineering Services		-	102,363	102,363	4,416	7,562	17,061	(9,498)	-55.7%	102,363
Total Revenue by Vote	2	-	502,737	515,527	8,576	163,777	85,921	67,856	79.0%	515,527

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 R4.4 million for the month with Budget and Treasury showing generation of over R2.3 million which may be attributable to interest received on investments and debtors as well as Community Services at over R1.2 million.

g) Expenditure by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote Description R thousands	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure by Vote										
Vote 1 - Executive and Council	1	-	84,391	84,391	6,323	10,904	14,065	(3,161)	-22.5%	84,391
Vote 2 - Corporate Services		-	59,772	59,772	4,380	8,394	9,982	(1,568)	-15.7%	59,772
Vote 3 - Budget and Treasury Office		-	41,521	41,521	2,627	3,818	6,920	(3,102)	-44.8%	41,521
Vote 4 - Community Services		-	79,012	79,012	4,771	9,662	13,169	(3,607)	-27.4%	79,012
Vote 5 - Development Planning		-	36,131	36,131	1,438	2,578	6,022	(3,444)	-57.2%	36,131
Vote 6 - Engineering Services		-	130,491	140,793	4,895	10,652	23,466	(12,914)	-55.0%	140,793
Total Expenditure by Vote	2	-	431,318	441,621	24,435	45,808	73,603	(27,795)	-37.8%	441,621
Surplus/ (Deficit) for the year	2	-	71,418	73,906	(15,859)	107,969	12,318	95,651	776.5%	73,906

The table above shows the expenditure by municipal vote. The total expenditure for the month of August 2022 amounted to above R24.4 million with a year to date of R45.8 million.

h) Municipality's financial performance

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		—	21,468	21,468	584	15,255	3,578	11,677	326%	21,468
Service charges - electricity revenue		—	30,845	30,845	3,431	6,079	5,141	938	18%	30,845
Service charges - water revenue		—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—
Service charges - refuse revenue		—	5,834	5,834	372	749	972	(224)	-23%	5,834
Rental of facilities and equipment		—	3,893	3,893	345	679	649	30	5%	3,893
Interest earned - external investments		—	9,760	9,760	1,398	2,393	1,627	766	47%	9,760
Interest earned - outstanding debtors		—	5,378	5,378	509	915	896	18	2%	5,378
Dividends received		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		—	593	593	3	10	99	(89)	-90%	593
Licences and permits		—	2,404	2,404	197	408	401	7	2%	2,404
Agency services		—	1,401	1,401	122	266	233	32	14%	1,401
Transfers and subsidies		—	338,352	351,142	598	125,484	58,524	66,960	114%	351,142
Other revenue		—	520	520	34	119	87	33	38%	520
Gains		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		—	420,449	433,239	7,593	152,357	72,206	80,180	111%	433,239
Expenditure By Type										
Employee related costs		—	124,799	124,799	8,949	17,861	20,800	(2,939)	-14%	124,799
Remuneration of councillors		—	27,047	27,047	2,109	4,217	4,508	(291)	-6%	27,047
Debt impairment		—	9,600	9,600	—	—	1,600	(1,600)	-100%	9,600
Depreciation & asset impairment		—	49,735	49,735	3,510	7,024	8,289	(1,265)	-15%	49,735
Finance charges		—	100	100	—	—	17	(17)	-100%	100
Bulk purchases - electricity		—	40,005	40,005	—	979	6,668	(5,688)	-85%	40,005
Inventory consumed		—	7,627	7,627	141	446	1,271	(825)	-65%	7,627
Contracted services		—	86,644	96,916	3,688	5,922	16,153	(10,231)	-63%	96,916
Transfers and subsidies		—	3,200	3,200	185	185	533	(349)	-65%	3,200
Other expenditure		—	82,560	82,590	5,854	9,175	13,765	(4,590)	-33%	82,590
Losses		—	—	—	—	—	—	—	—	—
Total Expenditure		—	431,318	441,621	24,435	45,808	73,663	(27,795)	-38%	441,621
Surplus/(Deficit)		—	(10,870)	(8,382)	(16,842)	106,549	(1,397)	107,946	(0)	(8,382)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		—	82,288	82,288	984	1,478	13,715	(12,236)	(0)	82,288
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)		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		—	71,418	73,906	(15,859)	108,027	12,318			73,906
Taxation						—	—	—	—	—
Surplus/(Deficit) after taxation		—	71,418	73,906	(15,859)	108,027	12,318			73,906
Attributable to minorities						—	—	—	—	—
Surplus/(Deficit) attributable to municipality		—	71,418	73,906	(15,859)	108,027	12,318			73,906
Share of surplus/ (deficit) of associate						—	—	—	—	—
Surplus/ (Deficit) for the year		—	71,418	73,906	(15,859)	108,027	12,318			73,906

The municipality has so far recorded a surplus of over R108 million for the period ended 31 August 2022.

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.

8. 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 - M02 August

Description R thousands	Ref 1	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	61,890	62,072	665	782	10,345	9,583	92.6%	62,072
Roads Infrastructure		-	38,090	38,272	-	97	6,379	6,282	98.5%	38,272
Roads		-	38,090	38,272	-	97	6,379	6,282	98.5%	38,272
Electrical Infrastructure		-	15,725	15,725	665	665	2,621	1,956	74.6%	15,725
MV Networks		-	13,940	13,940	51	51	2,323	2,273	97.8%	13,940
LV Networks		-	1,785	1,785	614	614	298	(317)	-108.5%	1,785
Solid Waste Infrastructure		-	8,075	8,075	-	-	1,346	1,346	100.0%	8,075
Landfill Sites		-	8,075	8,075	-	-	1,346	1,346	100.0%	8,075
Community Assets		-	5,850	4,189	-	-	698	698	100.0%	4,189
Community Facilities		-	5,355	3,594	-	-	599	599	100.0%	3,594
Halls		-	1,020	1,020	-	-	170	170	100.0%	1,020
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	2,976	1,214	-	-	202	202	100.0%	1,214
Markets		-	1,360	1,360	-	-	227	227	100.0%	1,360
Sport and Recreation Facilities		-	595	595	-	-	99	99	100.0%	595
Outdoor Facilities		-	595	595	-	-	99	99	100.0%	595
Heritage assets		-	-	1,000	-	-	167	167	100.0%	1,000
Works of Art		-	-	1,000	-	-	167	167	100.0%	1,000
Other assets		-	11,562	11,562	355	355	1,927	1,572	81.6%	11,562
Operational Buildings		-	11,562	11,562	355	355	1,927	1,572	81.6%	11,562
Manufacturing Plant		-	11,562	11,562	355	355	1,927	1,572	81.6%	11,562
Computer Equipment		-	2,125	2,125	-	-	354	354	100.0%	2,125
Computer Equipment		-	2,125	2,125	-	-	354	354	100.0%	2,125
Furniture and Office Equipment		-	7,140	7,140	-	-	1,190	1,190	100.0%	7,140
Furniture and Office Equipment		-	7,140	7,140	-	-	1,190	1,190	100.0%	7,140
Machinery and Equipment		-	128	183	55	55	21	(34)	-158.8%	183
Machinery and Equipment		-	128	183	55	55	21	(34)	-158.8%	183
Transport Assets		-	6,500	6,445	-	-	1,083	1,083	100.0%	6,445
Transport Assets		-	6,500	6,445	-	-	1,083	1,083	100.0%	6,445
Total Capital Expenditure on new assets	1	-	95,294	94,715	1,075	1,172	15,788	14,614	92.6%	94,715

EC443 Winnie Madikizela Mandela - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M02 August

Description R thousands	Ref 1	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	3,428	7,428	2,246	3,143	1,238	(1,905)	-153.9%	7,428
Roads Infrastructure		-	3,428	7,428	2,246	3,143	1,238	(1,905)	-153.9%	7,428
Roads		-	3,428	7,428	2,246	3,143	1,238	(1,905)	-153.9%	7,428
Community Assets		-	1,360	5,609	-	-	935	935	100.0%	5,609
Community Facilities		-	1,360	5,609	-	-	935	935	100.0%	5,609
Taxi Ranks/Bus Terminals		-	1,360	5,609	-	-	935	935	100.0%	5,609
Other assets		-	340	340	-	-	57	57	100.0%	340
Operational Buildings		-	340	340	-	-	57	57	100.0%	340
Municipal Offices		-	340	340	-	-	57	57	100.0%	340
Total Capital Expenditure on renewal of existing assets	1	-	5,128	13,375	2,246	3,143	2,228	(014)	-41.0%	13,375

EC443 Winnie Madikizela Mandela - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M02 August

Description R thousands	Ref 1	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Community Assets		-	7,628	7,628	1,823	1,823	1,271	(551)	-43.4%	7,628
Community Facilities		-	7,628	7,628	1,823	1,823	1,271	(551)	-43.4%	7,628
Halls		-	7,628	7,628	1,823	1,823	1,271	(551)	-43.4%	7,628
Total Capital Expenditure on upgrading of existing assets	1	-	7,628	7,628	1,823	1,823	1,271	(551)	-43.4%	7,628

The above tables indicate that the municipality spent R5.1 million for the month from its capital budget for the period ended 31 August 2022. This is performance that cannot be encouraged even though it's a big improvement from last month, especially considering that the municipality has three major capital programmes being implemented by the municipality that are behind schedule with two having been scheduled for completion by 30 June 2022.

b) Capital Expenditure by municipal vote

EC443 Winnie Madikizela Mandela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 August

Vote Description R thousands	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Multi-Year expenditure appropriation</u>	2	—	8,988	13,237	1,823	1,823	2,206	(384)	-17%	13,237
Vote 6 - Engineering Services		—	8,988	13,237	1,823	1,823	2,206	(384)	-17%	13,237
<u>Total Capital Multi-year expenditure</u>	4,7	—	8,988	13,237	1,823	1,823	2,206	(384)	-17%	13,237
<u>Single Year expenditure appropriation</u>	2	—	—	1,000	—	—	167	(167)	-100%	1,000
Vote 1 - Executive and Council		—	—	1,000	—	—	167	(167)	-100%	1,000
Vote 2 - Corporate Services		—	12,900	12,900	—	—	2,150	(2,150)	-100%	12,900
Vote 3 - Budget and Treasury Office		—	—	—	—	—	—	—	—	—
Vote 4 - Community Services		—	11,388	11,388	55	55	1,898	(1,843)	-97%	11,388
Vote 5 - Development Planning		—	13,517	13,517	355	355	2,253	(1,898)	-84%	13,517
Vote 6 - Engineering Services		—	61,256	63,677	2,911	3,805	10,613	(6,708)	-63%	63,677
<u>Total Capital single-year expenditure</u>	4	—	99,060	102,481	3,321	4,315	17,080	(12,765)	-75%	102,481
<u>Total Capital Expenditure</u>		—	108,048	115,718	5,144	6,137	19,286	(13,149)	-68%	115,718
<u>Capital Expenditure - Functional Classification</u>		—	—	—	—	—	—	—	—	—
<i>Governance and administration</i>		—	13,240	14,240	—	—	2,373	(2,373)	-100%	14,240
Executive and council		—	—	1,000	—	—	167	(167)	-100%	1,000
Finance and administration		—	13,240	13,240	—	—	2,207	(2,207)	-100%	13,240
<i>Community and public safety</i>		—	1,848	1,903	55	55	317	(262)	-83%	1,903
Community and social services		—	1,720	1,720	—	—	287	(287)	-100%	1,720
Sport and recreation		—	128	183	55	55	30	25	81%	183
<i>Economic and environmental services</i>		—	67,336	74,005	4,424	5,418	12,334	(6,917)	-56%	74,005
Planning and development		—	25,820	28,307	2,178	2,178	4,718	(2,540)	-54%	28,307
Road transport		—	41,516	45,698	2,246	3,240	7,616	(4,376)	-57%	45,698
<i>Trading services</i>		—	25,625	25,570	665	665	4,262	(3,597)	-84%	25,570
Energy sources		—	16,425	16,425	665	665	2,738	(2,073)	-76%	16,425
Waste management		—	9,200	9,145	—	—	1,524	(1,524)	-100%	9,145
<u>Total Capital Expenditure - Functional Classification</u>	3	—	108,048	115,718	5,144	6,137	19,286	(13,149)	-68%	115,718
<u>Funded by:</u>		—	—	—	—	—	—	—	—	—
National Government		—	69,945	70,126	2,228	2,325	11,688	(9,363)	-80%	70,126
Transfers recognised - capital		—	69,945	70,126	2,228	2,325	11,688	(9,363)	-80%	70,126
Internally generated funds		—	38,103	45,591	2,916	3,812	7,599	(3,786)	-50%	45,591
<u>Total Capital Funding</u>		—	108,048	115,718	5,144	6,137	19,286	(13,149)	-68%	115,718

The above table indicate that the municipality spent R5.1 million from its capital budget for the period ended 31 August 2022 which is very discouraging considering that we have three major projects that have been allocated the bigger slice of the municipality's available resources that have not performed desirably during the past years.

9. 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 and Post 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. 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.

Creditor	Creditor Name	Creditor Address	Function Name	Auth Date	Specifications	Order No.	Order Date	Value	Status	CSorefnumb er
23255	PONDOLAN D TIMES	P.O BOX 127 BIZANA WARD 174800	Core Function:Municipal Manager Town Se	2022/08/2 4	REQUEST ADVERTISEMENT FOR ORDINARY COUNCIL MEETING IN 2 LOCAL NEWSPAPER TO BE HELD ON THE 30.08.2022	3267 5	2022/08/2 4	1,900.00	RECEIVE D	MAAA057043
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Core Function:Municipal Manager Town Se	2022/08/2 4	REQUEST ADVERTISEMENT FOR ORDINARY COUNCIL MEETING IN 2 LOCAL NEWSPAPER HELD ON THE 30 AUGUST 2022 AT COUNCIL CHAMBER AT 10H00.	3267 4	2022/08/2 4	1,920.00	RECEIVE D	MAAA094340
23255	PONDOLAN D TIMES	P.O BOX 127 BIZANA WARD 174800	Core Function:Economic Development/Plan nn	2022/08/2 5	REQUEST FOR PUBLICATION OF TENDER NOTICE FOR REVALIDATION OF A TOWNSHI ESTABLISHMENT	3268 3	2022/08/2 5	1,990.00	RECEIVE D	MAAA057043
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Core Function:Corporate e Wide Strategic P	2022/09/0 5	REQUEST ADVERTIZING OF THE PUBLIC NOTICE FOR THE ADOPTION OF THE IDP PLAN TO A NEWSPAPER	3273 2	2022/09/0 5	2,000.00	OPEN	MAAA094340
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Core Function:Project Management Unit	2022/09/0 5	REQUEST FOR ADVERTISEMENT OF CONSTRUCTION OF QOBO TO SIZINDENI A/R; MA A/R; MINYAMENI A/R; BAZANA WITH BRIDGE A/R; SIKHOMBE A/R; KWABULALA TO TSUZE TO LUPHILISWENI A/R; SIDANGA BRIDGE; TSHONGWIENI A/R; MQONJIWANA	3273 1	2022/09/0 5	2,000.00	OPEN	MAAA094340
23255	PONDOLAN D TIMES	P.O BOX 127 BIZANA WARD 174800	Core Function:Supply Chain Management	2022/08/3 0	Request for re-advertising of Supply and Delivery of Stationery; Provi Insurance Services; Provision of Travel Agency Services and GRAP Compliant Immovable Asset Register for 3 years	3270 1	2022/08/3 0	2,000.00	RECEIVE D	MAAA057043
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Non-core Function:Populati on Development	2022/08/2 9	REQUEST FOR ADVERTISEMENT OF FENCING FOR MZAMBA COMMUNITY HALL AND EXT FENCING FOR DUDUMENI COMMUNITY HALL	3269 4	2022/08/2 9	2,000.00	OPEN	MAAA094340

Creditor	Creditor Name	Creditor Address	Function Name	Auth Date	Specifications	Order No.	Order Date	Value	Status	CSDRNumb er
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Core Function:Project Management Unit	2022/08/26	REQUEST TO ADVERTISE THE ELECTRIFICATION OF ZIZITVANENI AND ELECTRIC LOWER-ETHRIDGE SURVEYING OF 15 MUNICIPAL SIT	3269	2022/08/26	2,000.00	OPEN	MAAA094340 4
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Core Function:Economic Development/Pla nn	2022/08/25	REQUEST TO PUBLISH TENDER ADVERT FOR THE DISPOSAL OF 4 MUNICIPAL SITES SITUATED IN BIZANA TOWN EXTENSION 1	3268	2022/08/25	2,000.00	RECEIVE D	MAAA094340 4
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Core Function:Economic Development/Pla nn	2022/08/25	REQUEST FOR A PROVISION OF A TRUCK AND BAKKIE FOR 12 MONTHS	3268	2022/08/25	2,000.00	RECEIVE D	MAAA094340 4
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Core Function:Solid Waste Removal	2022/08/24	REQUEST TO ADVERTISE TRANSFORMER OIL SAMPLE TESTING AND ANALYSIS; PROC ELECTRICITY MATERIALS AND TOOLS; PROCUREMENT OF CHRISTMAS LIGHTS; ADVE VOLTAGE LINES UPGRADE PROJECT AND ADVERT FOR STREETLIGHTS MAINTENANCE	3267	2022/08/24	2,000.00	RECEIVE D	MAAA094340 4
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Core Function:Project Management Unit	2022/08/23	REQUEST FOR ADVERTISEMENT FOR A SERVICE PROVIDER TO CONDUCT MBIZANA HE RESEARCH	3266	2022/08/23	2,000.00	RECEIVE D	MAAA094340 4
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTA D 4700	Core Function:Municip al Manager Town Se	2022/08/15	REQUEST FOR ADVERTISING FOR THE FOLLOWING: SUPPLY AND DELIVERY OF CLEANING RESOURCES REHABILITATION & MAINTENANCE OF DUMPING SITE	3263	2022/08/15	2,000.00	RECEIVE D	MAAA094340 4

27,810.0
0
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d. 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

Creditor	Creditor Name	Creditor Address	Function Name	Auth Date	Specifications	Order No.	Order Date	Value	Status	CSDRRefNumber
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Core Function:Human Resources	2022/09/05	REQUEST RE-ADVERT FOR TWO PERMANENT POSTS :HR OFFICER : RECRUITMENT HR OFFICER; IPMS	32728	2022/09/05	2,400.00	OPEN	MAAA0943404
12983	GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Core Function:Human Resources	2022/09/05	REQUEST FIVE ADVERTISING POSTS NAMELY: PA TO THE MUNICIPAL MANAGER)MANAGER -ASSET & STORES MANAGEMENT;(PERMANENT); ACCOUNTANT;REPORTIN (PERMANENT); PAYROLL ADMINISTRATION CLERK(PERMANENT) AND VIP OFFICER	32727	2022/09/05	2,800.00	OPEN	MAAA0943404
2118	KANGO CONSTRUCTION (PTY) LTD	ISIKELO A/A LUDEKE MISSION BIZ. BIZANA SP; BIZANA 4800	Core Function:Fleet Management	2022/08/24	REQUEST FOR ONE BATTERY (AN ENVIABLE REPUTATION FOR EXCELLENCE IN PR QUALITY) FOR JFC 804EC SIZE 669(12V CLASS A)	32678	2022/08/24	3,262.50	RECEIVED	MAAA0836704
88959	PHILAKONA	P O BOX 220 BIZANA WARD 01 4800	Core Function:Economic Development/Plann	2022/08/15	REQUEST FOR PROVISION OF CATERING BY MEANS OF LUNCH WITH BOTTLED WATER PEOPLE THAT WILL BE ATTENDING STAKEHOLDER ENGAGEMENT WORKSHOP SCHEDULE 11 AUGUST 2022 AT COUNCIL CHAMBER.BOTTLED WATER TO BE SERVED AT 09H00	32621	2022/08/15	4,950.00	RECEIVED	MAAA0597432
2035	MIE (Pty) Ltd	P.O Box 525 Irene; Centurion 0062	Core Function:Human Resources	2022/08/30	REQUEST FOR VERIFICATION OF QUALIFICATION- SM COMMUNITY SERVICES	32708	2022/08/30	4,952.92	OPEN	MAAA0001104
4265	KWIK-FIT BIZANA	SHOP 221 45 MAIN STREET BIZANA 4800	Core Function:Roads	2022/08/10	REQUEST FOR FIXING AND PURCHASING OF TWO NEW BATTERIES FOR CAT ROLLER BATTERY SIZE 674 EACH VOLTEGE MUST BE 12V TO MAKE 24V VOLTS FOR CAT ROLL BATTERY.	32611	2022/08/10	5,181.44	OPEN	MAAA0408288
9189	STHWALE TRADING 88 PTY LTD	P.O. BOX 764 PORT EDWARD 4800	Core Function:Mayor and Council	2022/08/16	REQUEST FRUIT PLATTER	32637	2022/08/16	5,425.00	RECEIVED	MAAA0318074
2180	KEKE BUSINESS SERVICES PTY LTD	130 3RD AVENUE ALEXANDRA 2090	Core Function:Human Resources	2022/08/30	PAYMENT FOR MR. N. NGALONKULU TO ATTEND TRAINING	32706	2022/08/30	9,990.00	OPEN	MAAA0007341
2113	WALTER SISULLU	PRIVATE BAG X1	Core	2022/08/16	PAYMENT FOR TUITION FEES FOR YONELA	32648	2022/08/16	10,558.25	RECEIVED	MAAA0405471

Creditor	Creditor Name	Creditor Address	Function Name	Auth Date	Specifications	Order No.	Order Date	Value	Status	CSDRefNumber
	UNIVERSITY	UNITRA UMYEZO PARK 5117	Function:Human Resources		TIRE					
15262	ARENA HOLDINGS	P.O. BOX 2447 CAPE TOWN 8000 8000	Core Function:Mayor and Council	2022/08/24	REQUEST TO RE-ADVERTISED CFO'S POST	32676	2022/08/24	11,350.50	OPEN	MAAA0076388
80921	NANDI-LEE JNR	P.O. BOX 210428 BIZANA WARD 17 4800	Core Function:Tipper Truck	2022/08/30	REQUEST FOR TEA	32698	2022/08/30	12,900.00	RECEIVED	MAAA00689420
4265	KWIK-FIT BIZANA	MAIN STREET BIZANA 4800	Core Function:Fleet Management	2022/08/16	REQUEST FOR FOUR TYRES (ALL TERRAIN) OF ISUZU KB 300L WITH REGISTRATORS 370 EC SIZE 265/60R18	32636	2022/08/16	13,426.25	OPEN	MAAA0408288
4265	KWIK-FIT BIZANA	SHOP 221-45 MAIN STREET BIZANA 4800	Core Function:Roads	2022/08/16	REQUEST FOR TWO NEW TYRES FOR LOW-BAD SINCE THE OLD ONE NEED TO BE CHANGED Reg.no.FVS 102 EC ;TYRE SIZES 12R22.5 152/148L	32643	2022/08/16	13,788.50	RECEIVED	MAAA0408288
4265	KWIK-FIT BIZANA	SHOP 221-45 MAIN STREET BIZANA 4800	Core Function:Roads	2022/08/15	REQUEST FOR REPLACEMENT OF TWO NEW TYRES FOR TIPPER TRUCK THE CURRENT IS NOT ON GOOD CONDITION AND OTHER ONE BLAST ON SITE.	32619	2022/08/15	14,282.00	RECEIVED	MAAA0408288
4424	WARAWARA BUSINESS	P.O.BOX 210755 BIZANA 4800	Core Function:Marketing Customer Relati	2022/09/05	REQUEST LUNCH PACKS FOR CUSTOMER CARE OUTREACH TO BE HELD ON THE 07 SEPT AT WARD 13.	32724	2022/09/05	15,750.00	OPEN	
12548	AMANGUTE TRADING & PROJECTS	P.O BOX 10 WARD 1 BIZANA 4800	Core Function:Mayor and Council	2022/08/30	REQUEST TEA FOR ORDINARY COUNCIL MEETING TO BE HELD ON THE 30 AUGUST 2022 AT COUNCIL CHAMBER AT 10H00.	32702	2022/08/30	16,625.00	RECEIVED	MAAA0415895
2169	TIGER WHEEL & TYRE-SHELLY BEAC	53 MARINE DRIVE SHELLY BEACH MARGATE 4265	Core Function:Roads	2022/08/24	REQUEST FOR THE REPLACEMENT OF ONE NEW BACK LEFT TYRE FOR BELL GRADER SINCE THE OLD ONE HAS BEEN BLAST ON WARD 30 ON OUR SITE REG.NO:CF 375 TYRE SIZE 17.5-25	32677	2022/08/24	17,879.99	RECEIVED	MAAA0727311
550	SOUTHERN BUSINESS SCHOOL	P/BAG X03 HEIDERKRUIN	Core Function:Human Resources	2022/08/30	TUITION FEES FOR ZIYANDA BEWU AT SBS	32700	2022/08/30	18,600.00	RECEIVED	MAAA0009609
550	SOUTHERN BUSINESS SCHOOL	P/BAG X03 HEIDERKRUIN	Core Function:Human Resources	2022/08/16	PAYMENT FOR TUITION FEES FOR ZIYANDA BEWU AND YANGA NTSHANQA.	32647	2022/08/16	18,600.00	DELETED	MAAA0009609
3063	UNISA	P O BOX 488	Core Function:Human Resources	2022/08/30	TUITION FEES FOR INTLANGA NOLUFEE AT UNISA	32699	2022/08/30	19,490.00	RECEIVED	MAAA0229105
3063	UNISA	P O BOX 488	Core Function:Human Resources	2022/08/16	PAYMENT FOR STUDY ASSISTANCE FOR NTINGA, MADIKIZELA AND MAYEKISO	32645	2022/08/16	19,490.00	DELETED	MAAA0229105

Creditor	Creditor Name	Creditor Address	Function Name	Auth Date	Specifications	Order No.	Order Date	Value	Status	CSDRRefNumber
10145	THE MIDDLE MAN ENTERPRISE 485	P.O. BOX 14 BIZANA WARD 01 4800	Core Function:Mayor and Council	2022/09/05	REQUEST SOUND SYSTEM WITH 4 CORDLESS MIC'S FOR MORAL REGENERATION MOVEM. MEETING TO BE HELD ON THE 05-10 SEPTEMBER 2022 AT MULT PURPOSE YOTH CE THIS MEETING WILL TAKE 5 DAYS.	32725	2022/09/05	19,500.00	OPEN	MAAA0215571
944	MABOZELA TRADING AND ENTERRIS	P.O BOX 210242 BIZANA 4800	Core Function:Solid Waste Removal	2022/08/19	REQUEST FOR HIRING OF TLB FOR 2 DAYS FOR WASTE MANAGEMENT SERVICES	32662	2022/08/19	19,550.00	RECEIVED	MAAA0092741
99809	SANDULUBE TRADING AND PROJECTS	P O BOX 223 BIZANA BIZANA 4800	Non-core Function:Population Development	2022/08/31	REQUEST FOR CATERING FOR 150 PARTICIPANTS FOR SOCIAL AWARENESS CAMPAI 30/08/2022 AT M.P.Y.C	32710	2022/08/31	20,250.00	RECEIVED	MAAA0203044
1815	VIZAR MAP	14th Avenue Lot 486 4295	Core Function:Finance	2022/08/30	REQUEST FOR TWO EARTH LEAKAGE	32703	2022/08/30	21,007.00	OPEN	MAAA0885715
10786	MTSHIKITSHO CONSTRUCTION	P.O.BOX 280 BIZANA WARD 07 4800	Core Function:Solid Waste Removal	2022/08/24		32670	2022/08/24	22,060.00	RECEIVED	MAAA0530799
10786	ZAMAMBANIWA TRADING AND PROJEC	P.O.BOX 123 PORT EDWARD 4295	Core Function:Solid Waste Removal	2022/08/24	REQUEST FOR SUPPLY AND DELIVERY OF 36 X MOPS FOR RECREATIONAL FACILITI CLEANING EQUIPMENT	32670	2022/08/24	22,060.00	RECEIVED	MAAA0530799
36298	ZIZENTLE TRADING ENTERPRISE	AMADIBA A/A, CINGWENI LOCATION BIZANA WARD 24 4800	Core Function:Mayor and Council	2022/08/17	REQUEST FOR 5 TAXIS TO TRANSPORT YOUTH FROMWARDS TO ATTEND SAYC GENER TO BE HELD ON THE 12 AUGUST 2022 AT YOUTH CENTRE	32671	2022/08/24	22,104.00	RECEIVED	MAAA1097243
32459	DRIVING LICENSE CARD ACCOUNT	P.O. BOX 25223 MONUMENT PARK PRETORIA 0105	Non-core Function:Road and Traffic Regul	2022/08/30	PAYMENT TO DRIVING LICENSE CARD ACCOUNT FOR THE MONTH OF AUGUTS 2022	32651	2022/08/17	24,300.00	RECEIVED	MAAA0706853
9774	UKZN Extended Learning Pty Ltd DURBAN	P.O. BOX 448 HYPER BY THE SEA DURBAN 4053	Core Function:Human Resources	2022/08/16	PAYMENT FOR STUDY FEES FOR MZWETHU MTETANDABA	32705	2022/08/30	24,727.00	RECEIVED	MAAA0357741
10125	UNIVERSITY OF TECHNOLOG	P.O BOX 1334 DURBAN 4001	Core Function:Human Resources	2022/08/16	PAYMENT FOR STUDY FEES FOR PHINDEKA LUHABE	32646	2022/08/16	25,000.00	RECEIVED	MAAA0096849
3375	VIKO EMPIRE 09 PTY LTD	13 BIZANA 4800	Core Function:Finance	2022/08/19	50 Boxes of White Printing Papers	32661	2022/08/19	26,250.00	RECEIVED	MAAA0539613

Creditor	Creditor Name	Creditor Address	Function Name	Auth Date	Specifications	Order No.	Order Date	Value	Status	CSDRefNumber
56677	ESRI SOUTH AFRICA	P O BOX 652 HALFWAY HOUSE JOHNANNESBURG 1685	Core Function:Economic Development/Plann	2022/08/10	PAYMENT TO ESRI FOR LICENCE RENEWAL AND MAINTENANCE	32613	2022/08/10	26,846.98	RECEIVED	MAAA0003912
1432	KAROO DAWN CONSTRUCTION & PRO	P.O BOX 210613 BIZANA WARD 31 4800	Libraries and Archives:Libraries and A	2022/08/19	REQUEST FOR 150 X CATERING (LUNCH PACKS) FOR LIBRARY AWARENESS CAMPAI 25 AUGUST 2022 AT MONWABISI MFINGWANA PUBLIC LIBRARY	32659	2022/08/19	27,150.00	RECEIVED	MAAA0054819
10548	IHEANS TRAVELLING AGENCIES	38 OWL STREET SOUTHERNWOOD LIMUTHATHA	Core Function:Mayor and Council	2022/08/19	ACCOMMODATION ARRANGEMENTS FOR CLR TD MAFUMBATHA IN BOKSBURG IN 23.08.22 OUT 27.08.22	32654	2022/08/19	27,354.11	OPEN	MAAA0190464
65247	FIRSTRAND DAGAYA'S CONSTRUCTION	FNB PLACE 30 DIGONAL STREET JOHANNESBURG 2000	Core Function:Finance	2022/09/05	REQUEST PAYMENT FOR GRASS CUTTING FUEL:59.968 LITRES	32733	2022/09/05	27,636.39	RECEIVED	MAAA1041160
10036	PTY LTD	P.O. BOX 123 BIZANA WARD 1 4800	Core Function:Biodiversity and Landscape	2022/08/19	REQUEST CATERING FOR 150 PARTICIPANTS FOR WASTE MANAGEMENT CLEANING CA THE 17 AUGUST 2022	32660	2022/08/19	29,300.00	OPEN	MAAA0190065

651,804.83

e. 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.

Credit or debt or equity	Creditor Name	Creditor Address	Function Name	Auth Date	Specifications	Order No.	Order Date	Value	Status	CSREF Number
18	AUDITOR GENERAL	P O BOX 466 PRETORIA GP	Core Function:Finance	2022 /08/1	PAYMENT TO AG FOR AUDIT SERVICES	32617	2022/08/10	31,622.24	REC EIVE D	MAAA0 096620
152	ARENA HOLDINGS 62	P.O BOX 2447 CAPETOWN 8000 8000	Core Function:Human Resources	2022 /08/2	REQUEST TO RE-ADVERTISED CFO'S POSITION ON NATIONAL NEWSPAPER	32681	2022/08/24	45,367.50	OPE EIVE N	MAAA0 076388
228	SWORD GROUP 2	P.O BOX 228 ALBANY BUILDING WARD 17 4800	Core Function:Community Parks (including	2022 /08/3	PAYMENT FOR SUPPLY AND DELIVERY OF FUEL TANKER	32711	2022/08/31	55,000.00	REC EIVE D	MAAA0 447951
909	OF GOVERNANCE 0	P O BOX 96 WITS 2050	Core Function:Human Resources	2022 /08/1	Tuition Fees	32650	2022/08/16	58,000.00	REC EIVE D	MAAA0 070724
909	OF GOVERNANCE 0	P O BOX 96 WITS 2050	Core Function:Human Resources	2022 /08/1	Tuition Fees	32650	2022/08/16	58,000.00	REC EIVE D	MAAA0 070724
909	OF GOVERNANCE 0	P O BOX 96 WITS 2050	Core Function:Finance	2022 /08/1	Tuition Fees	32649	2022/08/16	58,000.00	REC EIVE D	MAAA0 070724
909	OF GOVERNANCE 0	P O BOX 96 WITS 2050	Core Function:Finance	2022 /08/1	Tuition Fees	32649	2022/08/16	58,000.00	REC EIVE D	MAAA0 070724
698	BLACK CAPITAL SOLUTIONS 88	NOMIACU LOCATION BIZANA 4800 4800	Function:Marketing Customer Relations	2022 /08/3	PAYMENT FOR PROMOTIONAL MATERIAL - CUSTOMER CARE DISC HOLDERS	32713	2022/08/31	84,740.00	REC EIVE D	MAAA0 754721
698	BLACK CAPITAL SOLUTIONS 88	NOMIACU LOCATION BIZANA 4800 4800	Function:Corporate Wide Strategic P	2022 /08/3	PAYMENT FOR PRINTING AND BINDING OF IDP DOCUMENTS	32704	2022/08/30	86,988.00	REC EIVE D	MAAA0 754721
808	MASINYANE AND SON (PTY) LTD 2	P O BOX 229 BIZANA 4800 4800	Core Function:Economic Development/Planning	2022 /08/1	PAYMENT FOR SUPPLY AND DELIVERY OF SMME; TOOLS AND PROTECTIVE CLOTHING MACHINERY & PROMOTIONAL MATERIAL	32616	2022/08/10	184,600.00	REC EIVE D	MAAA0 551580
102	MARGATE PANELBEATERS 83	P O BOX 1247 MARGATE 4275	Non-core Function:Electricity	2022 /08/3	PAYMENT FOR VEHICLE MAINTAINANCE FOR ELECTRICITY SECTION 1	32712	2022/08/31	193,716.48	REC EIVE D	MAAA0 452085

Creditor	Creditor Name	Creditor Address	Function Name	Auth Date	Specifications	Order No.	Order Date	Value	Status	CSDRef Number
								<u>914,034.22</u>		

10. 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 August 2022

NO	SUCCESSFUL TENDERER	AMOUNT	PAYMENTS	BALANCE	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
1	BLACK CAPITAL SOLUTIONS	R 86,988.00	R -	R 86,988.00	WMM LM 12/07/22/02 IDP DOCUMENTS	PRINTING AND BINDING OF 120 COPIES OF IDP DOCUMENTS	Aug-22	MUNICIPAL MANAGERS OFFICE
2	SIHLE POT TRADING	R 198,610.00	R -	R 198,610.00	WMM LM 14/07/22/01 RED	REVIEWAL OF EXT 3 DUMPING SITE REHABILITATION PLAN AND FINANCIAL PROJECTIONS	Tuesday, 16 August 2022	COMMUNITY SERVICES
3	NCAJANA TRADING AND PROJECTS	R 96,000.00	R -	R 96,000.00	WMM LM 12/07/22/01 ARD	PRINTING AND BINDING OF ANNUAL OF 120 COPIES OF ANNUAL REPORT	Thursday, 18 August 2022	MUNICIPAL MANAGER'S OFFICE
	Total	R 381,598.00	R -	R 381,598.00				

b) Tenders awarded during the month of August 2022

Competitive Bidding

				Aug-22		
1	VG Solutions	R	646 225.25	WMM LM 31/05/22/01 MEI	MAINTENANCE OF ELECTRICITY INFRASTRUCTURE	19/08/2022
Total		R	646 225.25			Engineering Dept

c) Status of current tenders

Name Of The Project	Bid Number	Chairperson	Closing Date	Appointment Date	Validity	Validity Period	Status
Social Relief Material	WMM LM 0064 Srm	Ms. N. Mhlelembana	Wednesday, 06 July 2022	Thursday, 07 July 2022	90	Tuesday, 04 October 2022	To Be Adjudicated
Socio-Economic Infrastructure Assessment Study	WMM LM 0041-S-Eis	Ms. N. Jokweni	Monday, 18 July 2022	Wednesday, 19 January 2022	90	Sunday, 16 October 2022	To Be Re-Advertised
Electrification Of Msarhweni Village	WMM LM 0060 Mv	Ms. N. Mshweshwe	Tuesday, 19 July 2022	Thursday, 27 January 2022	90	Monday, 17 October 2022	To Be Adjudicated
Electrification Of Nomlacu Village	WMM LM 00059 Mv	Ms. N. Mshweshwe	Tuesday, 19 July 2022	Thursday, 27 January 2022	90	Monday, 17 October 2022	To Be Adjudicated
Multi Discipline Panel Of Consultants	WMM LM 3/05/22/06 Mdp	Mr. V. Nontanda	Friday, 17 June 2022	Wednesday, 22 June 2022	90	Thursday, 15 September 2022	To Be Adjudicated
Supply And Delivery Of Protective Clothing For Protection Services	WMM 09/06/22 Pcps	Ms. N. Jokweni	Friday, 01 July 2022	Saturday, 02 July 2022	90	Thursday, 29 September 2022	To Be Adjudicated
Maintenance Of Traffic Lights For 3 Years	WMM LM 09/06/22 Mt	Ms. N. Ngelane	Monday, 18 July 2022	Tuesday, 19 July 2022	90	Sunday, 16 October 2022	Evaluated
Supply And Delivery Of Arts & Craft Material And Equipment	WMM LM 09/06/22 Acme	Ms. N. Ngelane	Wednesday, 06 July 2022	Thursday, 07 July 2022	90	Tuesday, 04 October 2022	To Be Adjudicated
Construction Of Ward 13 Edd(Re-Advert)	WMM LM 31/05/22/05 Eddic	N/A	September 2022	N/A	90	Wednesday, 28 December 2022	To Be Appointed
Construction Of Tshongweni Access Road (Re-Advertis)	WMM LM 31/05/22/03 Tar	N/A	September 2022	N/A	90	Tuesday, 27 December 2022	To Be Appointed
Completion Of Mqonjwana To Greenville Access Road	WMM LM 00036 M-G Access Road	N/A	September 2022	N/A	90	Tuesday, 27 December 2022	To Be Appointed
Rehabilitation Of Kwarebulala To Mdaya Access Road	WMM LM 00094 Kb-M A/R	N/A	September 2022	N/A	90	Monday, 26 December 2022	To Be Appointed
Rehabilitation Of Bazana Access Road And Bridge	WMM LM 00095 B A/R & B	N/A	September 2022	N/A	90	Monday, 26 December 2022	To Be Appointed
Hiring Of Waste Management Trucks And Battie For Winnie Madikizela Mandela M	WMM LM 23/08/22 H T&B	N/A	September 2022	N/A	90	Sunday, 25 December 2022	To Be Appointed

Name Of The Project	Bid Number	Chairperson	Closing Date	Appointment Date	Validity	Validity Period	Status
Provision Of Travel Agency For A Period Of 36 Months	WMM LM 30/06/22/01 Tra	N/A	Monday, 26 September 2022	N/A	90	Sunday, 25 December 2022	To Be Appointed
Preparation Of A Grap Compliant Immovable Asset Register For 2022/23 - 25 Financial Year.	WMM LM 14/06/22 Far	N/A	Monday, 26 September 2022	N/A	90	Sunday, 25 December 2022	To Be Appointed
Provision Of Insurance Services (60 Months)	WMM LM 27/10/21/01 Pis	N/A	Monday, 26 September 2022	N/A	90	Sunday, 25 December 2022	To Be Appointed
Supply And Delivery Of Stationery (12 Months) October 2022	WMM LM 09/09/1/01 Pst	N/A	Monday, 26 September 2022	N/A	90	Sunday, 25 December 2022	To Be Appointed
Rehabilitation Of Myaymeni A/R And Bridge &B	Min LM 00092 M A/R	N/A	Monday, 26 September 2022	N/A	90	Sunday, 25 December 2022	To Be Appointed
Rehabilitation Of Sikhotombe Access Road	WMM LM 00091 Skm A/R	N/A	Friday, 23 September 2022	N/A	90	Thursday, 22 December 2022	To Be Appointed
Electrification Of Zizywaneni Village (Ward 31) With 300 Households	WMM LM 00056e Mv	N/A	Friday, 23 September 2022	N/A	90	Thursday, 22 December 2022	To Be Appointed
Electrification Of Redoubt Village (Ward 20) 180 Households	WMM LM 00057e Mv	N/A	Thursday, 22 September 2022	N/A	90	Wednesday, 21 December 2022	To Be Appointed
Rehabilitation Of Qobo To Szindeni Access Road	WMM LM 00090 QS A/R	N/A	Thursday, 22 September 2022	N/A	90	Wednesday, 21 December 2022	To Be Appointed
Fencing Of Nzamba Community Hall In Ward 7 And Extension Of Dudumani Community Hall In Ward 8 Fen	WMM LM 18/02/20/01 Fen	N/A	Thursday, 22 September 2022	N/A	90	Wednesday, 21 December 2022	To Be Appointed
Procurement Of Electricity Material And Tools	WMM LM 00083 Pem&T	N/A	Friday, 09 September 2022	N/A	90	Thursday, 08 December 2022	To Be Appointed
Procurement Of Christmas Lights	WMM LM 00082 Pcl	N/A	Thursday, 08 September 2022	N/A	90	Wednesday, 07 December 2022	To Be Appointed
Supply And Delivery Of Cleaning Resources Sdc	WMM LM 04/08/22/01 Sdc	N/A	Monday, 05 September 2022	N/A	90	Sunday, 04 December 2022	To Be Appointed
Rehabilitation And Maintenance Of Dumping Site Rmd	WMM LM 04/08/22/02 Rmd	N/A	Monday, 05 September 2022	N/A	90	Sunday, 04 December 2022	To Be Appointed
Extension Of Waste Management Service Ewm	WMM LM 04/08/22/01 Ewm	N/A	Monday, 05 September 2022	N/A	90	Sunday, 04 December 2022	To Be Appointed
Supply & Delivery Of A Customized Change Rooms Container Ccr	WMM LM 11/02/22/01 Ccr	N/A	Friday, 26 August 2022	N/A	90	Sunday, 04 November 2022	To Be Appointed
Disposal Of 4 Municipal Sites Situated In Bizana Town Extension 1	WMM LM 11/02/22/01 Bte	N/A	Wednesday, 31 August 2022	N/A	90	Tuesday, 29 November 2022	To Be Appointed
Service Provider To Conduct Mbizana Heritage Research Mhr	WMM LM 11/08/22/01 Mhr	N/A	Tuesday, 27 September 2022	N/A	90	Monday, 26 November 2022	To Be Appointed
Land Survey Services	WMM LM 24/08/22 Lss	N/A	Monday, 19 September 2022	N/A	90	Sunday, 18 December 2022	To Be Appointed
Development Of Kubhai Magushenii Lsdif	WMM LM 24/08/22 Lsdif	N/A	Friday, 16 September 2022	N/A	90	Thursday, 15 December 2022	To Be Appointed
Revalidation Of A Township Establishment	WMM LM 24/08/22 Rte	N/A	Thursday, 15 September 2022	N/A	90	Wednesday, 14 December 2022	To Be Appointed
Procurement Of Severe Room Infrastructure	WMM 11/02/22/01 Ccr	N/A	Wednesday, 14 September 2022	N/A	90	Tuesday, 13 December 2022	To Be Appointed
Refurbishment Lv Lines In Extension 4	WMM LM 00081 R Lv	N/A	Tuesday, 13 September 2022	N/A	90	Monday, 12 December 2022	To Be Appointed

Name Of The Project	Bid Number	Chairperson	Closing Date	Appointment Date	Validity	Validity Period	Status
Streetlight Maintenance/ Replacement Of Damaged Streetlight Poles And Cables	WMM LM 000080 Smt/Rds	N/A	September 2022	Monday, 12 N/A	90	Sunday, 11 December 2022	To Be Appointed

d) Deviations

During the month, the municipal manager received and approved a deviation for the repairs of the electricity bakkie that was not approved by the insurance for repairs citing reasons relating to not following reporting procedures and process. This decision was taken as an alternative to buying a new bakkie considering that the bakkie has done less than 50 000km and is still expected to service the municipality for at least the next three years. The committee must therefore refer this to the executive committee for further recommendation to council for noting and ratification of the approval.

WINNIE MADIKIZELA -MANDELA LOCAL MUNICIPALITY						
DEVIATIONS REGISTER FOR AUGUST 2022						
TRANSACTION DETAILS				PROCUREMENT PROCESS		
Date Reported to Council	Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by
30/08/2022	EF007811-000	MARGATE BEATERS	E PANEL BEATERS	R 193,716.48	MANTAINANCE FOR ELECTRICITY SECTION	MUNICIPAL MANAGER
						27/06/2022
					ENGINEERING SERVICES	N/A
				R 193,716.48		N/A

11. 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	MBIZ LM27/02/18/02/ENG	R 74 861 072,75
Tunimart(PTY)LTD	Provision of Travel Agency	MBIZ LM/11/05/08/01/TRA	R –
Sizariane Consulting	General Valuation Roll 2019/2024	Valuation Roll 2019/2024	R 1 037 685,00
SAGE VIP	Payroll System	None Provided	R –
NZ Mishabe Incorporated	Legal Services	MBIZ LM0009LEG	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 LM0009LEG	R –
Eskom Holdings Soc Ltd	Provision of basic services (energy provision)	KES	R –
Jolwana Mgidi ana Incorporated	Legal Services	MBIZ LM0009LEG	R –
Iqhaviva Design Workshop Architects	Professional Fees for Mbizana Civic Center	MBIZ LM /12/1/2017/ENG	R 11 231 788,41
IPM Plant Hire Jy Mozman's Trading	Construction of Mphuthumi Matumbatha 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 –
Dumback and Bright Idea	Construction of Mphuthumi Matumbatha Stadium	MBIZ LM/29/11/03	R 8 094 071,25
Dr Sujudhav-Sewpersad Attorneys	Legal Services	MBIZ LM0009LEG	R –

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount
CONLOG	Prepaid electricity agent	Ref:6/1/15	R -
Boara Construction & Projects	Reviewal 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 (CT)	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
Thenjive Business Solutions Va Urmusa	Medical Check-ups	MBIZ LM 000085	R -
Abangula Trading Enterprise	Maintenance of CCTV Cameras	MBIZ LM0029MMCCTV	R 307 395,00
MbiziZana Roadworthy	Leasing of Land For Vehicle Testing Centre	MBIZ LM000078	R 2 100 000,00
Nilo Technology Systems	Automated Electronic Performance Management Systems	MBIZ LM 000079	R 1 900 000,00
Thake Electrical cc	8MVA Back-Bone line Upgrade	MBIZ LM00026BBBL	R 7 299 823,31
Inggayi Design Economic Partnership	MLDP Implementation Project	MBIZ LM0016DPI	R 598 000,00
Kumyolz Investments	Debt collection services for 3 years	MBIZ LM 00022 DCS	R 0,13
Gentiz 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
Zinzaame 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 -
Mlaia 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 0041IP-PBX	R 3 292 404,50
Cycle Civils and Projects	Rehabilitation of Dumping Site for 24 Months	MBIZ LM 0008 RDS	R 2 553 896,45
Vodacom Pty Ltd	Procurement of Mobile Contract	MBIZ LM 0040 PMC	R -
Dibethlie Contration and Projects JV Inventiveness	Supply & Delivery of Refuse Removal Protective Clothing for 36 Months	MBIZ LM 0005 RRPC	R 2 585 777,16
Clear Result 77 (PTY)LTD	Revenue Management and Enhancement Strategy	MBIZ LM 0024 RES	R 600 000,00
Asenati Construction Pty Ltd	Environmental Threatening Obstacle in MLM for 36 Months	MBIZ LM 0007 ET0	R 950 000,00
Eskom Holdings Soc Ltd	Free Basic Electricity	N/A	R -
Blue Cycle Services Pty Ltd	Review of Municipal Corporate Governance for ICT Charter and Framework for Two Years	MBIZ LM 002 ICTC&FM	R 1 180 000,00
SNR Electrical cc	Electrification of 235 Extra Connection in Sigodlweni, Mandlolo, Madada and Diphini	MBIZ LM 0025 SIG	R 4 856 335,37
Mlaia Emazweni Trading & projects	Professional Fees Mqonjwana to Greenville A/R	MBIZLM0055CON	R 712 748,47
S. Zoko Consulting	Professional Fees Extention 4 Bridge	MBIZLM0055CON	R 775 531,76
Cape to Cairo to Investments Pty Ltd	Supply & Delivery of Refuse Plastic Bags for 36 Months	MBIZ LM 0006RPB	R 2 800 000,00
Mabozela Trading and Enterprise Jv Boboshe	Electrification of Mathenguteni Village (Ward 15) 414 Households	MBIZ LM 00057 EMV	R 19 575 046,47
Ndlela Mhlophe Trading	Website Revamp	MBIZ LM 0058 WEB	R 805 000,00
ODG Technologies PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R -
Restsim Engineering PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R -
Ambrose Civils	Extension 4 Bridge Ward 01	MBIZ LM 0006 EWB	R 3 296 658,31

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 Bekete	MBIZ LM 00057 EMV	R 18 944 944,21
YG Solutions (Pty) Ltd	Electrification of Sidangaa Village	MBIZ LM 00066 E SV	R 2 453 216,26
Denase Civils and Construction	Construction of Mqoniwana Access Road	MBIZ LM 001MGA	R 8 478 910,00
Isigidiini 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
Mayenziwe Holdings Pty. Ltd	Maintenance of 2 Nurseries for a Period of 12 Months	MBIZ LM 00072 MIN12M	R 620 000,00
Restisam	Panel of Consultants: Mdatya and Beketa (Sigidi Village)	MBIZ LM 0055 CON	R 1 228 319,50
YG Solutions Pty Ltd	Electrification of Sidangaa Village (Ward 28) link line	MBIZ LM 04/02/21/02 SVL	R 1 997 310,57
ODG Technologies	Panel of Consultants: Sidianga Electrification	MBIZ LM 0055 CON	R 249 663,82
ODG Technologies PTY Ltd	Panel of Consultants: Mabhwengutini 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 AMRS	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 Bobboshe Trading enterprise	Replacement of LV & MV LINES	WMM LM 00059 LY&ML	R 2 603 711,60
YG Solutions	Maintenance of Bulk Metering and Cables	WMM 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	WMM-LM (Panel of Consultants)	R 3 850 372,50
Thake Electrical	Electrification of Xholobeni Village in Ward 25	WMM LM 00057E MV	R 23 624 770,08
ODG Technologies	Electrification of Xholobeni Village in Ward 25	WMM LM 00057E MV	R 2 362 477,01
Ngoma JV Dimbane Zikhazi Trading	Electrification of Xholobeni Village in Ward 25	WMM LM 00061 W20CH	R 3 600 000,00
Ngoma JV Dimbane Zikhazi Trading	Ward 20	WMM LM 00060 W04CH	R 3 500 000,00
Thahle Projects Jv Magnacorp 522	Construction of ward 01 ECDC	WMM LM 00062 W01 ECDC	R 3 191 415,70
Manyobo Group	Hiring Of Construction Plant and Trucks	WMM LM 21/07/21/02HPT	R 9 001 800,00
Stira Construction and Projects (Pty) Ltd	Hiring Of Construction Plant and Trucks	WMM LM 21/07/21/02HPT	R 1 600 000,00
Mabozela Trading	Hiring Of Construction Plant and Trucks	WMM LM 21/07/21/02HPT	R 4 072 500,00
Siti Cargo	Hiring Of Construction Plant and Trucks	WMM LM 21/07/21/02HPT	R 2 997 000,00
S. Zoko Consulting	Construction of Siginini to Marina Access Roadd	MBIZ LM 0055 CON	R 838 341,08
Zin zamme Consulting Engineers	Maphaleni Via Mbubazi	MBIZ LM 0055 CON	R 1 777 614,33
TPA JV Lisa Solutions	Sixhanzeni Access Road	MBIZ LM 0055 CON	R 400 000,00
Vitsha Trading	Refurbishment of Mbizana Taxi rank phase 2	WMM LM 01/09/21/02 RTR	R 23 545 916,50
Bukhobethu Security Services	Provision of Private Security Services	WMM LM 08/12/20/03 PSC	R 27 820 800,00
Mlala Emazweni Trading & projects	Construction for VAV Access Road Professional Fees	WMM LM 08/10/21/03 VMA	R 253 513,69
Mlala Emazweni Trading & projects	Mstihongweni Access Road	MBIZ LM 0055 CON	R 271 621,31
VHB Associates	Professional Fees Upgrade of Taxi Rank(Phase 2)	MBIZ LM 0055CON	R 3 649 617,06
Environmental Vanguard(Pty) Ltd	Review of climate change strategy	WMM LM 11/02/21/01 CCS	R 390 000,00
Ncaianana 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	WMM LM 10/08/21/02 RRMU	R 790 493,13
Sword Group	material and equipment	WMM 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	WMM LM 17/0921/01 RMW	R 1 339 125,95
MVI Construction and Maintenance	Construction of Mapheleli Via Mbulazi to Dutyini	WMM LM 08/10/21/02 MDA	R 8 032 179,54
The Mane's	Supply and delivery of Laptops and Desktops	WMM LM 00070 S&D L&D	R 1 771 000,00
Thahle Projects Jv Magnacorp 522	Construction of VAV Memorial College Access Road	WMM LM 08/10/21/03 VMA	R 1 820 533,00
Mabozela Trading and Enterprise	Construction of Leonard to Simakadeni Access Road	WMM LM 08/10/21/01 LSA	R 3 560 171,73
Phahlile Construction	Repairs and Maintenance of DLTC	WMM LM 17/09/21/02 RDL	R 730 737,50
S. Zoko Consulting	Leonard to Simakadeni Access Road	MBIZ LM 0055 CON	R 1 261 214,89
XS Dollarz	Maintenance of Cultural Village	WMM LM17/09/21/03 RCV	R 1 124 887,68

R 411 026 370,24

12. Regulation 17(1) c Procurement

Regulation 17 of the Municipal Supply Chain Management Regulations dealing with Formal written price quotations allows the municipality where it is not possible to obtain at least three quotations that reasons be recorded and approved by the Chief Financial Officer. This differs from the Deviations provided on regulation 36 of the same regulations.

Below is the list of transactions that have been procured through the utilisation of the regulation 17(1)c during the year:

SECTION 17 TRANSACTION DETAILS					
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Date Approved by
N/A	N/A	South African Cemeteries Association	R 9,000.00	Co-ordination of developmental cemeteries and crematoria services	Chief Financial Officer
2022/02/08	EF007804-001	Leadership Academy	R 23,692.00	Training for Auditors	Chief Financial Officer
27/07/2022	EF007794-000	The Institute of Directors	R 3,289.88	Training programmes on corporate	Chief Financial Officer

SECTION 17 TRANSACTION DETAILS						
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved
		South Africa		governance	Officer	Department Responsible
N/A	N/A	Wits school of Governance	R 58,000.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022 Corporate Services
30/08/2022	EF007804-000	UNISA	R 19,490.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022 Corporate Services
16/08/2022	EF007797-000	Durban University of Technology	R 25,000.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022 Corporate Services
N/A	N/A	University of Kwazulu Natal	R 25,000.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022 Corporate Services
N/A	N/A	SBS	R 18,600.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022 Corporate Services
16/08/2022	EF007804-000	Walt	R 10,558.25	Study Fees	Chief Financial Officer	Monday, 15 August 2022 Corporate Services
						<u>192,630.13</u>

PART 2 – SUPPORTING DOCUMENTATION

1. Preparation of the Annual Financial Statements

The MFMA requires that the accounting officer of a municipality must prepare the annual financial statements of the municipality or municipal entity and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing. Similarly, the accounting officer of a municipal entity must prepare the annual financial statements of the entity and within two months after the end of the financial year to which those statements relate, submit the statements to the parent municipality and the Auditor-General. This means that the 2021/22 annual financial statements must be submitted by 31 August 2022 to the Auditor-General for auditing.

2. Preparation Process

The process starts with the year-end closure processes as follows:

- Stock count
- Verification and assessment of assets
- Review of the Infrastructure asset register
- Correction of prior year errors
- Closure of the General ledger

a. Stock Count

The municipality runs a storeroom managed with the Supply Chain Management Unit that oversees proper recording and accounting for stock movements. The inventory count is performed to ensure that all stock movements were recorded and to test effectiveness of stock control measures. This is a process that is done in the presence of the Auditor-General or delegate, in this case delegated to our Internal Audit Unit. The stock count was performed on Thursday the 30th of June 2022 in the following storerooms:

- Finance
- Refuse removal
- Cultural Village
- Electricity

The stock count was successfully concluded with no major findings during the year as opposed to the prior years. The municipality's stock items at year end related to the following:

- Electricity material
- Stationary
- Cleaning equipment and material

The following is a summary of stock items that the municipality has in our stores:

STOREROOM	FUNCTION	OPENNING BALANCE (01/04/2022)	PURCHASES	TRANSFERS	ISSUES/ADJUSTMENTS	CLOSING BALANCE (30/06/2022)
Electricity	Electricity	382 693.59	395 000.00	-	423 756.40	353 937.19
Refuse	Solid Waste Removal	135 246.39	269 971.39	-	330 457.74	74 760.04
Stationery	B.T.O	34 099.44	104 903.75	-	120 058.48	18 944.71
Building Material	Building Material	-	-	-	-	-
Cleaning Material	Admin & Corporate Support	15 220.00	22 600.00	-	35 858.21	1 961.79
Security Equipment	Security Equipment	-	-	-	-	-
Fuel	Fuel	77 694.10	58 118.98	-	135 813.73	(0.65)
Animal Feed	Licensing and control of animals	-	-	-	-	-
Disaster PPE	Human Resources	14 500.00	-	-	14 500.00	-
TOTAL COST		659 453.52	850 594.12	-	1 060 444.56	449 828.94

During this process there were also items that are considered unusable by the user departments which are proposed for a possible disposal.

The table below shows a summary if the items including their location within the municipality's store rooms:

Part Number	Part Description	Quantity	Storeroom	Total Value	Reason
U08-RMA006	Helmet	22.00	Refuse solid-waste	594.00	User department has no use for it.
RMA012	Peaks	2.00	Refuse solid-waste	527.68	Broken
RMA06	spade	3.00	Refuse solid-waste	682.52	Broken
U08-RMA001	Slasher	32.00	Refuse solid-waste	9	Broken
U08-RMA022	Hard Brooms	3.00	Refuse Solid-Waste	360.00	Broken
E144	Airdac Suspension	100.00	Electricity	1	User department has no use for

Part Number	Part Description	Quantity	Storeroom	TOTAL VALUE	REASON
	clamps			825.00	it.
RMA01	Secrets	24.00	Refuse Solid-Waste	4	Broken
U08-RMA020	Bush Knives	32.00	Refuse Solid-Waste	800.00	Broken
E01-EMA031	Globes 40KW	31.00	Electricity	372.16	User department has no use for it.
TOTAL COST		249.00		26 644.22	

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b. Verification and Assessment of assets

The municipality has movable assets that are 100% managed internally and Infrastructure assets that are managed through an external service provider due to their complex nature and specialised skill required.

Movable assets were all verified, and their condition assessed at year end to determine those that are still good to be used and those that require a possible disposal. The assessments done have indicated that some assets require disposal. These assets included items as follows:

- Damaged computer equipment to the value of – R8 392
- Damaged and old furniture to the value of – R2 448

These items have gotten to a stage where they can cause harm to those using them and cost the municipality more money while some are no longer usable and occupying spaces that could be used to address office space for the municipality.

c. Review of Infrastructure register

The municipality had a service provider that was contracted for the review of the infrastructure register for a period of three years, with May 2022 being the last month of the service provider's contract. Due to the National Government's halting of procurement processes the municipality could not proceed with the procurement processes for a new contract and the Accounting Officer approved an extension for the existing service provider to also assist with the review of the 2021/22 register. Before the municipality the year ended, procurement processes commenced for a new service provider with the hope to cancel the extension as soon as the processes are finalised but no suitable service provider found. The recommended service provider was found to have submitted fraudulent appointment letters at another municipality in the province and therefore the municipality went ahead with the extension.

The process of the review of the infrastructure register includes, but not limited to:

- Unbundling of completed assets
- Valuation of investment properties and buildings
- Assessment of useful lives and residual values where applicable
- Impairment assessment
- Review of engineering and accounting standards used

Due to the recent floods that affected the municipality, the assessment of these assets for impairment and revision of useful lives was completed on 29 August 2022. This was done in comparison with the report that was submitted to the municipality by engineering professionals during the disaster impact assessment with the following findings:

- The initial assessments included portions that were not constructed by the municipality but rather foot paths
- The initial assessments had incorrect number of kilometres that did not reconcile with the length of the roads constructed by the municipality

Challenges faced during the unbundling process:

- Final BOQs not detailing the components of each asset completed
- In some internal project's contingencies were utilised by did not specify what items they were used for and therefore making it impossible to allocate those costs to the components of each asset.

The review of the municipality's infrastructure register was completed Wednesday 31 August 2022 which was a bit too late for the finalisation of the annual financial statements resulting in the statements submitted without necessary reviews by those not involved in the preparation.

d. Correction of prior year errors

During the audit there are items and areas flagged by the auditors that require that the municipality addresses and avoids occurrence of such issues for the future. Some of these issues are identified by management when analysing the events that took place during the year and the year before that. Management has identified areas that necessitated that prior year figures be revised and below is a summary of these items:

- Overpayment of Zamadunga Business Enterprise for the construction of the civic center where a payment that was supposed to be split and a portion of it paid to a cessionary was also claimed by Zamadunga Business Enterprise as well, this has since been communicated to the service provider and a repayment agreement entered into.
- Creditors raised for Mayoral Imbizo catering where it was later discovered the service providers did not provide the catering required
- Reversal of a creditor that was also included in the accruals and creditors
- Leave provision for senior managers where 24 days at the end of the financial year were used instead of the 48 days that applies to other categories as well.

- VAT receivable affected by the transactions indicated above

3. Summary of the current year outcomes

Below are is a summary of the municipality's financial results starting with the Financial Position, Financial Performance and Cashflow results:

a) Financial Position

The municipality's total assets have increased from R1.1 billion to R1.19 billion with the following main areas of improvement:

- Property, Plant and Equipment
- Cash and Cash Equivalents
- Operating lease asset
- Receivables from exchange Transactions

The municipality's total liabilities have also increased from R75.8 million to R97.9 million with the following main contributors:

- Payables from exchange transactions
- Provision for landfill site rehabilitation
- Unspent conditional grants (GBS Grant)

The municipality's net worth has also increased from R1.02 billion to R1.09 billion indicating the good efforts in investing on infrastructure development.

b) Financial performance

The municipality's financial performance indicates how revenue and expenditures were managed during the year. The municipality has recorded an operation surplus of over R61.4 million for the year which is also in line with the increase on the municipality's net worth.

The municipality's total revenue has decreased from R498 million to R466 million with the following areas to be noted:

- Government grants and subsidies
- Licences and permits
- Fines, Penalties and Forfeits

The municipality's total expenditure has increased from R342 million to R407 million with the following areas contributing to the increase:

- Contracted services
 - Bulk purchases
 - General Expenses
 - Employee Related costs
- c) Cash flow

The municipality has recorded an increase of over R18 million on its cash and cash equivalents from R258 million to R277 million. This is very important in ensuring the municipality continues operating even under difficult economic conditions. This allows the municipality to be able to contribute its own funds in the development of infrastructure.

The municipality has seen a decrease in net cash flows from operating activities of R38.9 million from R207 million to R168 million with the following areas contributing:

- Decrease in Grants received
- Increase on cash paid to suppliers
- Increase on interest income

An increase on investing activities has also been recorded from R123 million to R149 million, this relates to creation of assets in the form of infrastructure investment

4. 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 noted with concern that the municipality has not been following the guidelines in full when these are being recruited which may result 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 also finalised the process of recruiting three additional Financial Management Interns to make the required number of 5.

5. Debtors' analysis

Summary of all Debtors

EC443 Winnie Madikizela Mandela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

Description		Budget Year 2022/23						Actual Bad Debts Written Off against Debtors			Impairment - Bad Debts i.o Council Policy		
		NT Code	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 over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2,658	1,622	1,442	1,403	1,405	13,316				21,846	16,124	
Receivables from Non-exchange Transactions - Property Rates	1400	950	14,624	528	525	522	32,050				49,199	33,097	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-				-	-	
Receivables from Exchange Transactions - Waste Management	1600	372	258	257	278	240	8,247				9,661	8,765	
Receivables from Exchange Transactions - Property Rental Debts	1700	350	20	20	16	48	621				1,076	685	
Interest on Arrear Debtor Accounts	1810	236	197	204	203	219	11,829				12,889	12,281	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-				-	-	
Other	1900	342	200	32	201	115	3,485				4,376	3,801	
Total By Income Source	2000	4,907	16,922	2,484	2,626	2,550	69,547	-	-		99,036	74,723	-
2021/22 - totals only											-	-	
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,101	14,978	824	844	819	35,920				54,387	37,483	
Commercial	2300	3,501	1,679	1,403	1,531	1,467	20,927				30,508	23,925	
Households	2400	304	265	257	250	264	12,801	(0)	(0)		14,140	13,315	
Other	2500	(0)	0	(0)	(0)	(0)	(0)				(0)	(0)	
Total By Customer Group	2600	4,907	16,922	2,484	2,626	2,550	69,547	-	-		99,036	74,723	-

The table above shows municipal debtors for the month of August 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.

6. Creditors' analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description R thousands	NT Code	Budget Year 2022/23									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	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700		2,089							2,089	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	2,089	-	-	-	-	-	-	-	2,089	-

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.

7. Investment portfolio analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

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 *	Commissio n Paid (Rands)	Commissio n Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality														
FNB CALL DEPOSIT ACCOUNT(62550717767)		Not fixed	Call Deposit	No	Variable	0.003627096	0	n/a	not fixed	7,307	27	(769)	-	6,565
FNB CALL DEPOSIT ACCOUNT(62459768078)		Not fixed	Call Deposit	No	Variable	0.003452207	0	n/a	not fixed	3,281	11	-	-	3,282
FNB CALL DEPOSIT ACCOUNT(62028477992)		Not fixed	Call Deposit	No	Variable	0.003549437	0	n/a	not fixed	360,900	1,281	(13,519)	-	348,662
FNB CALL DEPOSIT ACCOUNT(62816769220)		Not fixed	Call Deposit	No	Variable	0.003021925	0	n/a	not fixed	359	1	-	-	360
FNB CALL DEPOSIT ACCOUNT(62816773073)		Not fixed	Call Deposit	No	Variable	2.339347214	0	n/a	not fixed	1	2	-	922	926
FNB CALL DEPOSIT ACCOUNT(62896110170)		Not fixed	Call Deposit	No	Variable	0.003710533	0	n/a	not fixed	6,326	23	(408)	-	5,941
FNB CALL DEPOSIT ACCOUNT(62852108531)		Not fixed	Call Deposit	No	Variable	8.1475E+16	0	n/a	not fixed	(0)	33	-	12,790	12,823
FNB CALL DEPOSIT ACCOUNT(62550715828)		Not fixed	Call Deposit	No	Variable	1.55724	0	n/a	not fixed	1	2	(2)	2,100	2,101
Municipality sub-total										378,176		(14,697)	15,612	380,670
Entities														
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									378,176		(14,697)	15,612	380,670

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 R1.1 million which lead to an increase in its investments for the month of August 2022. It should however be noted that this only reflects the difference between what was received and what was spent.

8. Allocation and grant receipts and expenditure

a) Transfers & Grants Receipts

EC443 Winnie Madikizela Mandela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:										
Local Government Equitable Share		–	337,852	350,642	15,812	140,649	58,440	82,146	140.6%	350,642
Expanded Public Works Programme Integrated Grant		–	320,095	320,095	–	124,837	53,349	71,488	134.0%	320,095
Local Government Financial Management Grant		–	3,687	3,687	922	922	615			3,687
Municipal Infrastructure Grant		–	2,100	2,100	2,100	2,100	350			2,100
Neighbourhood Development Partnership Grant		–	2,752	2,752	–	–	459			2,752
Disaster Relief Grant		–	9,218	9,218	–	–	1,636			9,218
Provincial Government:		–	–	12,790	12,790	12,790	2,132	10,658	500.0%	12,790
Capacity Building and Other		–	500	500	–	–	83	(83)	-100.0%	500
District Municipality:		–	500	500	–	–	83	(83)	-100.0%	500
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	–	338,352	351,142	15,812	140,649	58,524	82,063	140.2%	351,142
Capital Transfers and Grants										
National Government:										
Municipal Infrastructure Grant (MIG)		–	82,288	82,288	–	10,586	13,715	(1,408)	-10.3%	82,288
Neighbourhood Development Partnership Grant		–	52,286	52,286	–	7,306	8,714	(1,408)	-16.2%	52,286
Integrated National Electrification Programme Gran		–	13,602	13,602	–	–	2,267			13,602
Provincial Government:		–	16,400	16,400	–	3,280	2,733			16,400
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	–	82,288	82,288	–	10,586	13,715	(1,408)	-10.3%	82,288
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	–	420,639	433,429	15,812	151,235	72,238	80,654	111.7%	433,429

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

b) Transfers & Grants Expenditure

EC443 Winnie Madikizela Mandela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August

Description	Ref	2021/22		Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
EXPENDITURE											
Operating expenditure of Transfers and Grants											
National Government:											
Local Government Equitable Share		—	337,852	350,642	18,636	33,052	58,440	(25,389)	-43.4%	350,642	
Expanded Public Works Programme Integrated Grant		—	320,096	320,095	16,930	30,874	53,349	(22,475)	-42.1%	320,095	
Local Government Financial Management Grant		—	3,687	3,687	1,197	1,197	615	582	94.7%	3,687	
Municipal Infrastructure Grant		—	2,100	2,100	125	174	350	(176)	-50.3%	2,100	
Neighbourhood Development Partnership Grant		—	2,752	2,752	386	807	459	348	76.0%	2,752	
Disaster Relief Grant		—	9,218	9,218	—	—	1,536	(1,536)	-100.0%	9,218	
—		—	—	—	—	—	—	—	—	—	
—		—	12,790	—	—	—	2,132	(2,132)	-100.0%	12,790	
Provincial Government:											
Capacity Building and Other		—	500	500	23	22	83	(61)	-73.6%	500	
District Municipality:											
Other grant providers:											
Total operating expenditure of Transfers and Grants:		—	338,352	351,142	18,659	33,074	58,524	(25,450)	-43.5%	351,142	
Capital expenditure of Transfers and Grants											
National Government:											
Municipal Infrastructure Grant (MIG)		—	82,288	82,288	1,955	2,067	13,715	(11,648)	-84.9%	82,288	
Neighbourhood Development Partnership Grant		—	52,286	52,286	1,905	2,016	8,714	(6,698)	-76.9%	52,286	
Integrated National Electrification Programme Grant		—	13,602	13,602	—	—	2,267	(2,267)	-100.0%	13,602	
Provincial Government:											
District Municipality:											
Other grant providers:											
Total capital expenditure of Transfers and Grants		—	82,288	82,288	1,955	2,067	13,715	(11,648)	-84.9%	82,288	
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		—	420,639	433,429	20,615	35,141	72,238	(37,098)	-51.4%	433,429	

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 - M02

Description R thousands	Ref	Budget Year 2022/23				
		Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance %
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Local Government Equitable Share						-
Expanded Public Works Programme Integrated Grant						-
Local Government Financial Management Grant						-
Municipal Infrastructure Grant						-
Neighbourhood Development Partnership Grant						-
Disaster Relief Grant						-
Provincial Government:		-	-	-	-	
Capacity Building and Other						-
Other transfers and grants [insert description]						-
District Municipality:		-	-	-	-	
[insert description]						-
Other grant providers:		-	-	-	-	
[insert description]						-
Total operating expenditure of Approved Roll-overs		-	-	-	-	
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Municipal Infrastructure Grant (MIG)						-
Other capital transfers [insert description]						-
Provincial Government:		-	-	-	-	
District Municipality:						-
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	-	-	

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.

9. Cash flow Statement

EC443 Winnie Madikizela Mandela - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		-	34,817	34,817	2,105	3,819	5,803	(1,984)	-34%	34,817
Service charges		-	54,588	54,588	2,900	7,769	9,098	(1,329)	-15%	54,588
Other revenue		-	26,570	33,681	848	1,706	5,614	(3,908)	-70%	33,681
Transfers and Subsidies - Operational		-	338,352	351,142	15,812	140,649	58,524	82,125	140%	351,142
Transfers and Subsidies - Capital		-	82,288	82,288	-	10,586	13,715	(3,129)	-23%	82,288
Interest		-	9,760	9,760	1,365	2,360	1,627	733	45%	9,760
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		-	(367,832)	(382,134)	(17,699)	(53,191)	(63,689)	(10,498)	16%	(382,134)
Finance charges		-	(100)	(100)	-	-	(17)	(17)	100%	(100)
Transfers and Grants		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	178,444	184,042	5,331	113,698	30,674	(83,024)	-271%	184,042
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		-	(129,968)	(134,579)	(6,300)	(9,432)	(22,430)	(12,998)	58%	(129,968)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(129,968)	(134,579)	(6,300)	(9,432)	(22,430)	(12,998)	58%	(129,968)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	48,476	49,463	(969)	104,266	8,244			54,074
Cash/cash equivalents at beginning:		-	336,827	336,827	382,342	277,107	336,827			336,827
Cash/cash equivalents at monthly/year end:		-	385,302	386,290	381,373	345,071				390,901

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.

10. Statement of Financial Position

EC443 Winnie Madikizela Mandela - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		—	19,720	6,918	703	19,720
Call investment deposits		—	365,583	379,373	380,670	365,583
Consumer debtors		—	19,654	19,654	75,808	19,654
Other debtors		—	31,799	31,799	56,379	31,799
Current portion of long-term receivables		—	—	—	—	—
Inventory		—	1,878	1,878	624	1,878
Total current assets		—	438,634	439,622	514,184	438,634
Non current assets						
Long-term receivables		—	—	—	—	—
Investments		—	—	—	33	—
Investment property		—	36,655	36,655	39,090	36,655
Investments in Associate		—	—	—	—	—
Property, plant and equipment		—	759,811	767,480	765,182	759,811
Biological		—	—	—	—	—
Intangible		—	—	—	43	—
Other non-current assets		—	1,231	1,231	1,261	1,231
Total non current assets		—	797,697	805,366	805,610	797,697
TOTAL ASSETS		—	1,236,331	1,244,988	1,319,794	1,236,331
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Borrowing		—	—	—	—	—
Consumer deposits		—	505	505	463	505
Trade and other payables		—	44,406	50,575	79,494	44,406
Provisions		—	19,990	19,990	18,982	19,990
Total current liabilities		—	64,901	71,070	98,939	64,901
Non current liabilities						
Borrowing		—	—	—	—	—
Provisions		—	5,246	5,246	22,484	5,246
Total non current liabilities		—	5,246	5,246	22,484	5,246
TOTAL LIABILITIES		—	70,147	76,316	121,423	70,147
NET ASSETS	2	—	1,166,184	1,168,672	1,198,371	1,166,184
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		—	1,166,184	1,168,672	1,198,371	1,166,184
Reserves		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	—	1,166,184	1,168,672	1,198,371	1,166,184

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

11. Municipal Manager's quality certification

Quality Certificate

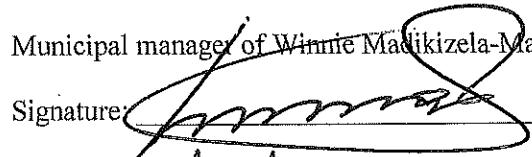
I, Luvuyo Mahlaka, the municipal manager of Winnie Madikizela-Mandela Local Municipality, hereby certify that –

- The monthly budget statement

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

Print name: Luvuyo Mahlaka

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

Signature: 

Date: 10/09/2022