



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

**REPORT IN TERMS OF s71 OF THE MFMA FOR THE
MONTH OF JANUARY 2023**

PART 1 – IN-YEAR REPORT

1. Executive Summary

This is a report in terms of Section 71 of the Municipal Finance Management Act No 56 of 2003 which requires that the Accounting officer of a municipality to, 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 implementation.

This is the seventh report of the 2022/23 financial year which comes after the municipality's mid-year assessment and at a time where the municipality is in the process of reprioritising its budget in response to the assessments done for the first six months of the financial year. This is generally a period where activities and programs have taken shape as procurement processes are mostly either completed or at advanced stages. Even though the period coincides with the mid-year assessment and the Executive Committee Lekgotla, service delivery programmes also find attention better than the first few months of the financial year. The situation is expected to be better this year compared to the same period last year where there may have been challenges making it impossible to operate fully in the past two financial years. This will be the baseline for the municipality's adjustment budget and hopefully the contents of each report will help council and its structures to understand fully the status of the municipality's financial performance and decisions that need to be taken to ensure sustainability of the institution.

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 (Acting Chairperson) |
| • 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 months' reports, we reported having had 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 as we now approach a period in the audit where we expect a lot of activity and deliberations with the Auditor General as they near the end of their audit.

Requests to have these positions filled were submitted to Corporate Services and have since been advertised, close, shortlisted and interviews held. After the conclusion of the interview processes a recommendation was made to the municipal manager and it is anticipated that the successful candidates will assume duties by February or March 2023.

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 6.7 is released with MFMA circular 122.

Version 6.7 of the chart will be effective from 2023/24 and must be used to compile the 2023/24 MTREF and will be available from 20 December.

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 2024.

The version introduces 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 may not fully align with GRAP. This challenge seems however, to have been addressed and we continue to analyse the reasonability of the principles these modules are using to check consistency with the financial management and reporting 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 budgets and all other subsequent reporting requirements.

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 recently completed a process of procuring vehicles for Political Office Bearers together which were confirmed to have been delivered to a dealership in Kokstad on the 18th of November as promised and were registered in the name of the municipality on the 30th of November 2022 with full delivery being on the 3rd of December 2022. The municipality is currently in the process of securing further vehicles as follows:

- Refuse removal bakkie
- Disaster Management bakkie
- Electricity bakkie

These are expected to be delivered between April and May 2023 from the date the orders were issued.

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

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

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

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

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

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

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

We 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										Budget: MIREF						WAD			Responsibility Section		Responsible Agent/s	
Strategic Issue	Strategic Objective No.	Objectives	Strategies	Baseline Information		Project to be Implemented		KPI Weight	Annual Target	Means of Verification	Budget	Budget Source			Q1	Q2	Q3	Q4	WAD	Responsibility Section	Responsible Agent/s	
				Implementation Status	Completion %	Output - KPI	Output - KPI					Internal	External									
Revenue Management	To achieve collection trend % targets set by decree as per existing threat to the municipality's going concern	To collect 100% billings for all electricity services that are to be billed by June 2023	Metering of all electricity consumers by June 2023	Electricity meter readings are recorded, edited, and captured manually	Reading of electricity meters	Accurate billing	Electricity meter reading record, edited, and captured manually	4.1	4.1	1.1	12 months	Montly Readings of 92 electricity city meter	Report from the AMR System, utilizing Auto generated system by June 2023	Rs 900,000.00	Year end 2023	0	0	0	0	Ward 1	Revenue Section	Manager: Revneue and Expenditure e
Customer Satisfaction	To increase customer satisfaction levels by 10% by June 2023	To increase customer satisfaction levels by 10% by June 2023	Customer satisfaction survey	Surveys are conducted monthly	Surveys are conducted monthly	High satisfaction levels	Customer satisfaction survey results	5.0	5.0	1.0	12 months	Montly Readings of 92 electricity city meter	Report from the AMR System, utilizing Auto generated system by June 2023	Rs 900,000.00	Year end 2023	0	0	0	0	Ward 1	Revenue Section	Manager: Revneue and Expenditure e

Prioritizing and proper management of consumer transaction inquiries by June 2023	Consumer transaction requirements that a proper logue and gene manu ment of consumer transacti on querie s by June 2023	Develop a systematic way of managing consumer transaction inquiries and consumer portal system	4. 1. 5	Implementation of consumer care system that is direct ly linked with the billing system by June 2023	Feasibility study report	R -	n/a	n/a	N/A	W ard 1	Perfor m a feasibl ity study on consumer care syste m that is direct ly linked with the billin g syste m	Mana ger: Rcvc nuc and Expe nditur e	
Review and Implement Revenue Enhancement of the Revenue Strategy by June 2023	Revenue Enhancemen nt review and Strategic Plan 2020/21	Monitoring of the Revenue enhancement Strategy Action Plan	4. 1. 6	Implementation of the Revenue enhancement Strategy and Action Plan	Quarterly Revenue enhancement Strategy Committee minutes and attendant register	R -	N/A	0	Quart erly Reven ue enhanc ement meeti ng	Quart erly Reven ue enhanc ement meeti ng	Quart erly Reven ue enhanc ement meeti ng	Manager: Reve nue and Expe nditur e	
To achieve at least 95% collection of all debt by June 2023	Long outstanding debtors, which are more than 365 days	Debtors aging analysis reflecting debtors with 90 days	4. 1. 7	Handling of over due accounts	Quarterly Progress report on accounts handed over beyond 90 days by	R 900.00 0.00	Yc \$	0	25 account s for debt collecti on on hande d over accou nts	25 account s for debt collecti on on hande d over accou nts	25 account s for debt collecti on on hande d over accou nts	Manager: Reve nue and Expe nditur e	

Ann ual Rev ew of sec tional Polic ies by June 2027	Out sted Polic ies	Review of existing sectional policies and presentati on to the relevant stakehold ers	Secto nal polic ies that are not revie wed annua lly	Num ber of revie wed polic ies	4. 1. 10	04 Revic wed existi ng sectio nal polic ies	04 Review d and signed Credit control polici es and debt collectio n policy.	Ad min istrati ve Tariff and debt collectio n policy.	Y, Tariff and debt collectio n policy.	Ad min istrati ve Y, Propri etary Rates Policy.	Mana ge Rev nu and Expe nditur e
Review w of existi ng sectio nal polic ies	Out sted Polic ies	Review of existing sectional policies and presentati on to the relevant stakehold ers	Secto nal polic ies that are not revie wed annua lly	Num ber of revie wed polic ies	4. 1. 10	04 Revic wed existi ng sectio nal polic ies	04 Review d and signed Credit control polici es and debt collectio n policy.	Ad min istrati ve Tariff and debt collectio n policy.	Y, Tariff and debt collectio n policy.	Ad min istrati ve Y, Propri etary Rates Policy.	Mana ge Rev nu and Expe nditur e
Review w of existi ng sectio nal polic ies	Out sted Polic ies	Review of existing sectional policies and presentati on to the relevant stakehold ers	Secto nal polic ies that are not revie wed annua lly	Num ber of revie wed polic ies	4. 1. 10	04 Revic wed existi ng sectio nal polic ies	04 Review d and signed Credit control polici es and debt collectio n policy.	Ad min istrati ve Tariff and debt collectio n policy.	Y, Tariff and debt collectio n policy.	Ad min istrati ve Y, Propri etary Rates Policy.	Mana ge Rev nu and Expe nditur e
Review w of existi ng sectio nal polic ies	Out sted Polic ies	Review of existing sectional policies and presentati on to the relevant stakehold ers	Secto nal polic ies that are not revie wed annua lly	Num ber of revie wed polic ies	4. 1. 10	04 Revic wed existi ng sectio nal polic ies	04 Review d and signed Credit control polici es and debt collectio n policy.	Ad min istrati ve Tariff and debt collectio n policy.	Y, Tariff and debt collectio n policy.	Ad min istrati ve Y, Propri etary Rates Policy.	Mana ge Rev nu and Expe nditur e
Review w of existi ng sectio nal polic ies	Out sted Polic ies	Review of existing sectional policies and presentati on to the relevant stakehold ers	Secto nal polic ies that are not revie wed annua lly	Num ber of revie wed polic ies	4. 1. 10	04 Revic wed existi ng sectio nal polic ies	04 Review d and signed Credit control polici es and debt collectio n policy.	Ad min istrati ve Tariff and debt collectio n policy.	Y, Tariff and debt collectio n policy.	Ad min istrati ve Y, Propri etary Rates Policy.	Mana ge Rev nu and Expe nditur e

Expenditure Management									
Category A: Revenue Generation					Category B: Expenditure Control				
Revenue		Expenditure			Revenue		Expenditure		
Revenue Type	Description	Expenditure Item	Quantity	Unit Price	Revenue Type	Description	Expenditure Item	Quantity	Unit Price
Promulgation of Property Rates	Promulgating property rates	Number of promulgated policies	4.	proper ty rates	02 Promulgated	Ad mind ed	Proper ty rates	n/a	Manager: Reve nue and Expenditur e
Revenue by laws that not promulgated on time	Promulgating property rates and credit control policy	Number of promulgated policies into by laws	1.11	policy and credit control policy	R -	Promulg ated policies	Policy and credit control by June 2023	n/a	Reve nue and Expenditur e
To ensure proper regulation of the municipal powers and functions by June 2027	Promulgation of approved municipal tariffs (gazetting) by June 2023	Gazetting of approved municipal tariffs (gazetting)	4.12	proper ty rates	01 Promulgated	Ad mind ed	Proper ty rates	n/a	Manager: Reve nue and Expenditur e
Compliance with laws and regulations	Promulgation of approved municipal tariffs (gazetting) by June 2023	Promulgation of approved municipal tariffs (gazetting)	4.12	proper ty rates	R -	Advertis ed of the approved tariffs (gazetting) by June 2023	Advertis ed of the approved tariffs (gazetting)	n/a	Reve nue and Expenditur e
To pay creditors within 30 days in compliance with receipt for payment by June 2027	Enforcement of payment system	Invoices still pending submission as processes as per the Account receivable policy	4.2	age analysis reflecting creditors within 30 days	Centralisation of submission of invoices per department	0.5	Invoice register and age analysis report	N/A	Manager: Reve nue and Expenditur e
Invoice not submitted within 30 days of receipt for payment by June 2027	To pay creditors within 30 days in compliance with receipt for payment by June 2027	Invoices still pending submission as processes as per the Account receivable policy	4.2	age analysis reflecting creditors within 30 days	Centralisation of submission of invoices per department	0.5	Invoice register and age analysis report	0	Manager: Reve nue and Expenditur e

Q2 2023 Performance Report										Q3 2023 Performance Report										
Key Initiatives & Status					Financial Health					Operational Metrics					Strategic Initiatives					
Initiative	Description	Status	Progress (%)	Owner	Budget (M\$)	Actual (M\$)	Variance (M\$)	Trend	Revenue (M\$)	Profit Margin (%)	EBITDA (M\$)	Net Income (M\$)	EPS (\$)	Production (Units)	Quality Defects	Delivery %	Inventory Turnover	Market Share (%)	Competitor Analysis	Future Outlook
Data entry	Completed	On Track	100%	John Doe	10.0	10.0	0.0	Stable	1200.0	15.0	200.0	50.0	2.00	100000	100	1.5	12.0	30.0	Outlook Positive	
System integration	In Progress	At Risk	75%	Jane Smith	15.0	12.0	-3.0	Decreasing	1100.0	14.0	180.0	40.0	1.80	90000	110	1.4	11.0	28.0	Outlook Stable	
Market expansion	Planned	Pending Approval	0%	Mike Johnson	20.0	0.0	0.0	Not Started	1300.0	16.0	250.0	60.0	2.20	80000	130	1.6	13.0	32.0	Outlook Neutral	
Product innovation	Proposed	Concept Stage	0%	Sarah Lee	18.0	0.0	0.0	Not Started	1400.0	17.0	220.0	55.0	2.10	70000	140	1.7	12.5	31.0	Outlook Neutral	
Supply chain optimization	On Track	On Track	100%	David White	12.0	12.0	0.0	Stable	1100.0	14.0	180.0	40.0	1.80	90000	110	1.4	11.0	28.0	Outlook Stable	
Employee training	Completed	On Track	100%	Emily Green	5.0	5.0	0.0	Stable	1000.0	13.0	150.0	35.0	1.70	80000	120	1.3	10.5	27.0	Outlook Positive	
Customer support enhancement	In Progress	At Risk	60%	Alex Brown	8.0	6.0	-2.0	Decreasing	900.0	12.0	140.0	30.0	1.60	70000	130	1.2	10.0	26.0	Outlook Stable	
R&D investment	Planned	Pending Approval	0%	Chris Black	10.0	0.0	0.0	Not Started	800.0	14.0	120.0	35.0	1.90	60000	140	1.1	9.5	25.0	Outlook Neutral	
Partnership development	Proposed	Concept Stage	0%	Olivia White	7.0	0.0	0.0	Not Started	700.0	13.0	100.0	30.0	1.80	50000	150	1.0	9.0	24.0	Outlook Neutral	
Brand marketing campaign	On Track	On Track	100%	Henry Green	6.0	6.0	0.0	Stable	600.0	12.0	90.0	25.0	1.70	40000	160	0.9	8.5	23.0	Outlook Positive	
Logistics efficiency	Completed	On Track	100%	Grace Black	4.0	4.0	0.0	Stable	500.0	11.0	80.0	20.0	1.60	30000	170	0.8	8.0	22.0	Outlook Positive	
Total Q2 Performance	Overall	At Risk	65%	N/A	100.0	90.0	-10.0	Decreasing	10000.0	13.5	1800.0	45.0	2.00	900000	120	1.3	10.5	26.0	Outlook Stable	
Q3 Forecast	Revenue	Upward	15%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	Profit Margin	Upward	2%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	EBITDA	Upward	10%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	Net Income	Upward	5%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	EPS	Upward	1%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	Production	Upward	10%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	Quality Defects	Downward	5%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	Delivery %	Upward	2%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	Inventory Turnover	Upward	1%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	Market Share	Upward	1%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	Competitor Analysis	Upward	1%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Q3 Forecast	Future Outlook	Upward	1%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	
Overall Q3 Outlook	Overall	Upward	10%	N/A	120.0	120.0	0.0	Stable	1300.0	16.0	250.0	60.0	2.20	100000	130	1.6	13.0	32.0	Outlook Positive	

Creditors and grants with error\$ taking longer to identify and resolve	Performance of month ly Conditonal Grant s, credit ors, credit retainents, on and vat recon ciliati on by June 2023	Monthly reviewal of Condition al Grants, creditors, retention and vat recon ciliati on by the 7th day of each month	Mont hly recon ciliati ons of not perf ormed by the 7th day of each month	Accur ate and compl ete recon ciliati ons	12 month ly review wed	Signed monthly Conditio nal grants, 12 credit ors, 12 creditors, 12 retenti on and 12 vat recon ciliati on by June 2023	N/ A	Preparation of 3 month ly credit ors, 3 on, 3 condit ional grants and 3 vat recon ciliati on	Preparation of 3 month ly credit ors, 3 on, 3 condit ional grants and 3 vat recon ciliati on	Ad mi nistrati on, 3 grant s and 3 vat recon ciliati on	Preparation of 3 month ly credit ors, 3 on, 3 condit ional grants and 3 vat recon ciliati on	Ad mi nistrati on, 3 grant s and 3 vat recon ciliati on	Manager: Reve nue and Expe nditur e	
Payroll accounts with error\$ taking longer to identify and resolve	Performance of month ly payroll	Monthly reviewal of payroll recon ciliati on by the 7th working day of each month	Mont hly recon ciliati ons not perf ormed by the 7th day of each month	Accur ate and compl ete recon ciliati ons	12 month ly review wed	Signed monthly payroll recon ciliati on by June 2023	N/ A	Preparation of 3 month ly payroll recon ciliati ons	Preparation of 3 month ly payroll recon ciliati ons	Ad mi nistrati on, 3 grant s and 3 vat recon ciliati on	Preparation of 3 month ly payroll recon ciliati ons	Ad mi nistrati on, 3 grant s and 3 vat recon ciliati on	Manager: Reve nue and Expe nditur e	
Annual Review of Outdated Policies	Reviewing section al policies by June 2027	Review of existing sectional policies and presentation to the relevant stakeholders	Review of revie wed policies	Number of revie wed policies	02 Revie wed	Reviewed and signed Accounts Payables Policy and Petty Cash Policy.	R	n/a	n/a	n/a	n/a	n/a	Review of existing sectional policies and presentation to the relevant stakeholders	Manager: Reve nue and Expe nditur e

Supply Chain Management									
Project A: Stakeholder Engagement		Project B: Document Scanning		Project C: System Upgrade		Project D: Reporting		Overall Status	
Task ID	Description	Start Date	End Date	Lead	Team	Progress (%)	Budget (USD)	Completion Status	Manager
A1	Identify key stakeholders	2023-06-01	2023-06-15	John Doe	Marketing	85%	N/A	In Progress	Supply Chain Manager
A2	Conduct stakeholder interviews	2023-06-15	2023-07-01	Jane Smith	Marketing	70%	N/A	In Progress	Supply Chain Manager
A3	Develop engagement plan	2023-07-01	2023-07-15	Mike Johnson	Marketing	90%	N/A	In Progress	Supply Chain Manager
B1	Scanning of physical documents	2023-06-01	2023-06-30	Sarah Lee	Logistics	60%	N/A	In Progress	Supply Chain Manager
B2	Conversion of scanned documents to digital format	2023-06-01	2023-06-30	David Wilson	Logistics	50%	N/A	In Progress	Supply Chain Manager
C1	System printout reflecting the number of documents scanned	2023-06-01	2023-06-30	Emily Davis	IT	95%	N/A	Completed	Supply Chain Manager
D1	Reporting of system documents and evaluation reports	2023-06-01	2023-06-30	Robert Green	IT	80%	N/A	In Progress	Supply Chain Manager
Total	Overall Project Summary	2023-06-01	2023-06-30	Overall Lead	Overall Team	Overall Progress	Overall Budget	Overall Status	Overall Manager

No	To have clear monitoring of the procurement system	Monitoring of adherence to the procurement plan	Approved procurement plan with no clear monitoring plan	Monthly monitoring of the procurement plan	Report on adherence to the procurement plan	4.2	0.5	i2.1y	Signed report by the SCM Manager	R	N/A	0	3	6	9	12	Ad mind	Manager SCM	
	The municipality needs to comply with all statutory requirements	To have fully capacitated Supply Chain Management training requirement by June 2027	Training of Supply Chain Managers and Persons in charge of all Municipal sections of all SCM matters by June 2027	Training of SCM Officials	Training of SCM Officials	4.3	0.5	R200,000.00	Yearly	n/a	Invitations to all SCM officials of chenges and updates between March 2021 to September 2021						Distribution to all SCM officials of chenges and updates between March 2021 to September 2021	Ad mind	
									Email confirmation of Municipal Financial System release notes or attendance									Manager Supply Chain Section	
									Software registers (where a training is attended)										
									and relevant to their sections of all update on SCM matters by June 2023										

	Inadequate contract management processes	To have valid contracts by June 2027	Monthly review of all existing contracts by June 2023	Contract registers to be reviewed and signed monthly	Review wednesday contra ct register	4. 3.	0.5	12 month ly contra ct registr ers	12 month ly contra ct registr ers	0.00 N/A	3 month ly contra ct registr ers	6 month ly contra ct registr ers	9 month ly contra ct registr ers	12 month ly contra ct registr ers	Administrative	Manager: SCM
	The municipality needs to comply with statutory requirements by June 2027	Training of Supply Chain Management Personnel	Training of SCM Officials	Offices operating with outdated information relevant to their sections	Trained offici als operating with outdat ed information relevant to their sections	4. 3.	0.5	Training of attendanc e	Training of 1 Manager and 1 SCM office r on CPS by June 2023	0.00 N/A	0 N/A	2 Exam Confirmation Letters	4 Exam Confirmation Letters	6 Exam Confirmation Letters	Administrative	Manager: SCM
	Outdated Policies	Annual Review of sectional Policies by June 2027	Reviewing of sections	Review of existing sectional policies and presentations to the relevant stakeholders	Reviewed sections that are not reviewed annually	4. 3.	0.5	Review wednesday policies	Reviewed existing sectional policies and presentations to the relevant stakeholders	0.00 N/A	N/A	N/A	N/A	N/A	Review of existing sections and presentation	Manager: Supply Chain Section
															Approved Supply Chain Management Policy, Contract Management Policy, Cost Containment Policy and Stakeholders by 30 Framework	Manager: Supply Chain Section

Servic e Level Agree ment as at 30 June 2021	To have a valid contra ct for an Updat e and Compilati on of A GRAP Complain t for the Prepar ation of GRA P compl iant FAR	Valid contra ct for an Updat e and Compilatio n of A GRAP Complain t Immova ble Asset Register	An SLA for Update and Compile Of A GRAP Complia nt Immova ble Asset Register that is signed by both the Municip ality and the Service provider	R 5,000. 00	N/ A	Ye s	Ad vertising and / or appoi ntmen t of a service provider	Ad vertising and / or appoi ntmen t of a service provider	Ad vertising and / or appoi ntmen t of a service provider	Ad min	Of A GRAP Compliant Immovable Asset Register	Asset Management Section	Manager A set Mana gement Sectio n	
All assets record ed in the FAR do exist and valuat ed accurat ely by June 2023	Quarterly performance of Assets verificati on process before the end of the following month after the end of the quarter.	Number of Performance of Assets quarterly verification	Reviewed and approved Assets Verification Reports, by June 2023, that are signed for Review and Approval	4	N/ A	N/ A	Perfor m 2 Assets Verific ations and prepar ation	Perfor m 3 Assets Verific ations and prepar ation	Perfor m 4 Assets Verific ations and prepar ation	Ad mi n and Repor t that is signed as signed as proof of Revie wal	Asset Management Section	Manager A set Mana gement Sectio n		

Annual Audit Report - 2023										Annual Audit Report - 2023									
Audit Findings					Audit Findings					Audit Findings					Audit Findings				
Category		Findings			Category		Findings			Category		Findings			Category		Findings		
Date	Description	Findings	Category	Severity	Date	Description	Findings	Category	Severity	Date	Description	Findings	Category	Severity	Date	Description	Findings	Category	Severity
2023-06-30	To ensure compliance with the GRA P compliant Asset Register by June 2023	Removal from municipal operation of all assets written off report as at 30 June 2021	Fixed Asset Register	4.0.5	2023-06-30	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.	Compilation of a list of assets to be thrown away in the 2nd quarter.	R-	2023-06-30	Removal of 60 written off assets from municipal premises.	Compilation of a list of assets to be thrown away in the 4th quarter.	Removal of 120 written off assets from municipal premises.	Adm Of Finc	2023-06-30	Asset Management Section	Manager Asset Management Section	Manager Asset Management Section	Manager Asset Management Section
2023-06-30	Basis and assumptions on which assets are accounted for to be well documented and approved by June 2023	Audit findings on preparation of a PPE Methodology as at 30 June 2021 with no audit findings.	PPE Methodology	4.0.5	2023-06-30	Approved PPE Methodology	Signed and approved PPE methodology as at June 2023.	Approved PPE Methodology by June 2023.	R-	2023-06-30	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.	Adm Of Finc	2023-06-30	Asset Management Section	Manager Asset Management Section	Manager Asset Management Section	Manager Asset Management Section

Mont hy updat e on invent ory move ments by June 2021	Invent ory report and listing as at 30 working days after month closure by June 2023	Performa nce of monthly Inventory reconcilia tions within 5 working days after month closure Revie wed and appro ved	Number of Perfor manc e Inven tory recon ciliati ons, Revie wed and appro ved	Performance of 12 Inventory recon ciliati ons, Revie wed and appro ved	12 Review ed and approved Inventory reconcili ations by June 2023	R -	N/ A	3 Revie wed and approved Inventory reconcili ations	6 Revie wed and approved Inventory reconcili ations	9 Revie wed and approved Inventory reconcili ations	12 Revie wed and approved Inventory reconcili ations	Manager Asset Manage ment Sectio n	Manager Asset Manage ment Sectio n
		Quarterly performa nce of Inventory count process before the end of the following month after the end of the quarter	Number of perfor med Revie wed Inven tory Count s with Report s	To perform in 4 Revie wed Inventory Count Reports by June 2023	4 Review ed and approved Inventory Count Reports by June 2023	R -	N/ A	1 Revie wed and approved Inventory Count Reports	2 Revie wed and approved Inventory Count Reports	3 Revie wed and approved Inventory Count Reports	4 Revie wed and approved Inventory Count Reports	Manager Asset Manage ment Sectio n	Manager Asset Manage ment Sectio n
		Invent ory updat es once every quarte r by June 2023	Approved Invent ory Count report as at 30 June 2021	Quarterly performa nce of Inventory count process before the end of the following month after the end of the quarter	To perform in 4 Revie wed Inventory Count Reports by June 2023	R -	N/ A	1 Revie wed and approved Inventory Count Reports	2 Revie wed and approved Inventory Count Reports	3 Revie wed and approved Inventory Count Reports	4 Revie wed and approved Inventory Count Reports	Manager Asset Manage ment Sectio n	Manager Asset Manage ment Sectio n
All coun cil asset s	To ensu re that the muni cipal insur ed to ensur c activ e conc ern assu mpfi on of the muni cipali	Procu remen t of Insura nce Provis ion for 5 years by June 2027	Activ e insura nce Provis ion as at 30 June 2021	Procure ment of provision of insurance services for a period of 5 years	1 active insurance policy by both the Munic ipality and the Service provider	R 1,900, 000.00	Ye s	N/ A	Adver tise and / or appoi ntmen t of Insura nce service prov ider.	Adver tise and / or appoi ntmen t of Insura nce service prov ider.	SLA for Insur ance that is signe d by both the Muni cipali ty and the Service provider	Manager Asset Manage ment Sectio n	Manager Asset Manage ment Sectio n

IV is not at risk.	To ensure that municipality that is operating smoothly with enough operational material by June 2027	Municipality that is operating smoothly with enough operational material by June 2027	Procurement of Provision for Stationery by June 2023	Number of active agreements for supply and delivery of Stationery	1 active agreement for supply and delivery of stationery that is signed by both the Municipality and the Service provider	An SLA for supply and delivery of stationery that is signed by both the Municipality and the Service provider	Advertise and/or appointment of supplier and delivery of stationery service provider.
			Procurement of Supply and Delivery of Stationery	4. 0.5 10	R 2,600,000.00	N/A	Advertisement of SLA for supply and delivery of stationery service provider.
			Review and approved Asset and Inventory Management Policies by June 2027	Number of Asset and Inventory Management Policies	2 Asset and Inventory Management Policies	N/A	Review of old Assets and Inventories and sign off Asset and Inventory Management Policies
			Review and approved Asset and Inventory Management Policies for 2020/21 financial year.	4. 0.5 11	R Inventor -	N/A	Review of old Assets and Inventories and sign off Asset and Inventory Management Policies

All coun cil asset s need to be well mana ged effect ively.	Com plan ce with the requi reme nts of MF MA secti on 63	Open nt and revie wal of an effect ve Asset Mana gement Plan by June 2023	Develop ment and review al of an Asset Mana gement Plan	Number of deve loped and appro ved	1	Devel oped and appro ved	A signed and approved Assets Mana gement Plan as at 30 June 2023	An approved Asset Mana gement Plan by June 2023	Ad mi nistrati on	Asset Mana gement Plan by June 2023	Ad mi nistrati on	Asset Mana gement Plan by June 2023	Mana ger; Asset Mana gement Sectio n
To com pile Ann ual Financ ial state ment s with non-comp liace with all requi reme nts by June 2027	Annual Financ ial State ment s that com ply with all laws	Devel op sound, strict and effect ve proce dures for the compi lation of AFS by June 2023	Audit ed Annual Financ ial State me nts for 2019/ 20	Development and approval of processes and proced ure s for compili ation of Complian t annual financial statement s	Credi ble Annu al Financ ial State me nts	Credi ble Annu al Financ ial State me nts for compili ation of Complian t annual financial statement s	AFS, Proof of payment, Interim Financial statements	R e 200,00 0.00	Prepa ration of Interna l Financial	Renewal of Case ware Licens e	n/a	Ad mi nistrati on Of fice	Mana ger; Budg et and Repor ting
Financial Reporting	Annual Financ ial State ment s that com ply with all laws	Devel op sound, strict and effect ve proce dures for the compi lation of AFS by June 2023	Audit ed Annual Financ ial State me nts for compili ation of Complian t annual financial statement s	Development and approval of processes and proced ure s for compili ation of Complian t annual financial statement s	Credi ble Annu al Financ ial State me nts	Credi ble Annu al Financ ial State me nts for compili ation of Complian t annual financial statement s	AFS, Proof of payment, Interim Financial statements	R e 200,00 0.00	Prepa ration of Interna l Financial	Renewal of Case ware Licens e	n/a	Ad mi nistrati on Of fice	Mana ger; Budg et and Repor ting

			Audit ed	Annual Finan cial Statem ents for 2019/20 with compl iance findin gs	Mana ge audit and ensure audit readin g by June 2023	Manage the external audit by the office of the Auditor General to ensure smooth running	Mana ge the extern al audit and ensur e audit readin g to achieve clean audit opini on	Proof of submissi on to AG, COAF register, Audit Action Plan, updated Audit Action Plan	R 5,200, 000.00	Yea rs	Submi tted 2021/22 Annu al Financ ial State ment s to the AG	Respo nd to AG's queries and provid e CoAf regist r	n/a	Ad mi n Of fice s	Devel opment of Audit Actio n plan, Implement ation and monit oring of Audit Action Plan	Mana ger; Budg et and Repor ting
To	achie ve a clean audit as at 30 June 2027	Performance of Mont hly bank reconciliations by June 2023	Reconciliati ons not aways compl ied within times	Perform ance of monthly reconcilia tions by the 7th working day of each month	Numb er of Revie wed bank reconciliati ons	12 Revie wed bank recon ciliati ons by June 2023	R -	N/ A	Preparation of 3 Bank Recon ciliatio n	Preparation of 3 Bank Recon ciliatio n	Preparation of 3 Bank Recon ciliatio n	Preparation of 3 Bank Recon ciliatio n	Preparation of 3 Bank Recon ciliatio n	Ad mi n Of fice s	Preparation of 3 Bank Recon ciliatio n	Mana ger; Budg et and Repor ting
Adhere to comp licanc e with statut es of man agement and report	Non comp licanc e in term s of statut ory requi rements	Prepar ation and submi ssion of all in-year statut ory report s which	Submissi on of \$71 Report s not later than 10 working day of each month	Number of signed \$71 and 4. mont hly FMG Report s submitted	Proof of submissi on of 12 \$71 and 12 signed \$71 Report s and 12 FMG signed FMG report	R -	N/ A	Preparation of 3 \$71 and FMG report s	Preparation of 3 \$71 and FMG report s	Preparation of 3 \$71 and FMG report s	Preparation of 3 \$71 and FMG report s	Preparation of 3 \$71 and FMG report s	Ad mi n Of fice s	Preparation of 3 \$71 and FMG report s	Mana ger; Budg et and Repor ting	

is section 71,52 d and 72 of the MFM A and FMG monthly and quarterly Reports by June 2023	by June 2027	is section 71,52 d and 72 of the MFM A and FMG monthly and quarterly Reports by June 2023	Number of Submission of 4 s52d report s and 4 Quart erly FMG Report withi n 30 days of the end of each quarter	Submission of s52d reports within 30 days of the end of each quarter	4. Quart erly FMG Report withi n 30 days of the end of each quarter	4. Quart erly FMG Report within 30 days of the end of each quarter	Proof of submissi on of 4 signed s52d Reports and 4 FMG Quarterly Reports	N/ A	R	Preparation of Quart erly and FMG Report s	Preparation of Quart erly and FMG Report s	Ad mi n Of fice s	Manager; Budgeting and Reporting
The budgeting Adhere to municipal needs to comply with all statutory and budgeting requirements	The budgeting Adhere to municipal needs to comply with all statutory and budgeting requirements	Preparation and submission of all in-year statutory reports by June 2023	Appointed intern s and new accountants	Training of financial management interns and finance staff to meet minimum competency requirements	Number of Train ed financial mana gement interns and finance staff to meet minimum competency requirements	Training of financial management interns and finance staff to meet minimum competency requirements	Proof of registrati on and attendanc e register	N/ A	R	Preparation of s72 Report	n/a	Ad mi n Of fice s	Manager; Budgeting and Reporting

requi rem nts	by June 2027			compe tenc y requir ement s		compe tency require ment s by June 2023					
				Adju stment s budg et appro ved by 28 Febru ary 2022	Devel op and monit or proce sses to ensure timely prepar ation, adopti on and appro val by 31 Marc h 2022;	Adjust ment budg et 22/23; Draft budg et 23/24; Approve d 23/24	Adopt ed budg et adjust ment 2022/ 23; Draft budg et 2023/ 24	Ad mi nistr ative Budgeting	Mana ger: Budg et and Repor ting		
		To time ly prod uce budg ets in line with the Nati onal Tre as ury guid eline s and regul ations by June 2027	Devel op and monit or proce sses to ensure timely prepar ation, adopti on and appro val by 31 Marc h 2022;	Compile three draft budgets to be approved by council	Num ber of Appr oved budg ets	3 4. 6. 2	Appro ved budg ets by June 2023	R - N/ A	n/a 0 n/a	Appr oved 2023/ 24; Draft budg et 2023/ 24	

			non public actions of budgets approved by council	Publication of approved budgets	Number of Publicised approved budgets	4.6.	0.5	3	Advertis	R 62,608 .00	Ye s	0	n/a	n/a	Adjustment budget advert	Draft budget advert	Ad minder; Adopted final budget advert	Manager; Budget and Reporting		
					Number of Revie wed of existing sections	01	Review of existing sections	01	Review of existing sections						Review of existing sections	Review of existing sections	Ad minder; Adopted final budget advert	Review of existing sections	Manager; Budget and Reporting	
	Annual Review of Outdated Policies			Sectio nal policies that are not reviewed annually																

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 try 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 - M07 January

Description	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
R thousands									
Financial Performance									
Property rates	21,163	21,468	21,468	584	18,008	12,523	5,484	44%	21,468
Service charges	42,139	36,680	36,680	4,293	23,762	21,396	2,365	11%	36,680
Investment revenue	10,784	9,760	9,760	2,119	10,553	5,894	4,860	85%	9,760
Transfers and subsidies	295,672	338,352	351,142	107,121	247,202	204,833	42,369	21%	351,142
Other own revenue	19,284	14,189	14,189	1,156	9,859	8,277	1,583	19%	14,189
Total Revenue (excluding capital transfers and contributions)	389,042	420,449	433,239	115,271	309,384	252,723	56,661	22%	433,239
Employee costs	107,129	124,799	124,799	8,664	62,031	72,800	(10,769)	-15%	124,799
Remuneration of Councillors	24,782	27,047	27,047	2,100	15,015	15,778	(762)	-5%	27,047
Depreciation & asset impairment	52,653	49,735	49,735	3,400	24,127	29,012	(4,885)	-17%	49,735
Finance charges	—	100	100	—	—	58	(58)	-100%	100
Inventory consumed and bulk purchases	45,684	47,632	47,632	3,058	24,667	27,785	(3,118)	-11%	47,632
Transfers and subsidies	1,251	3,200	3,200	224	780	1,867	(1,087)	-58%	3,200
Other expenditure	176,312	178,804	189,107	36,437	107,243	110,312	(3,069)	-3%	189,107
Total Expenditure	407,811	431,318	441,621	53,883	233,863	257,612	(23,749)	-9%	441,621
Surplus/(Deficit)	(18,769)	(10,870)	(8,382)	61,388	75,521	(4,889)	80,410	-1645%	(8,382)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	80,162	82,288	82,288	3,481	15,487	48,001	###	-68%	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)	79	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	61,472	71,418	73,906	64,869	91,008	43,112	47,896	111%	73,906
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	61,472	71,418	73,906	64,869	91,008	43,112	47,896	111%	73,906
Capital expenditure & funds sources									
Capital expenditure	165,301	108,048	115,718	2,617	27,956	67,502	(39,546)	-59%	115,718
Capital transfers recognised	64,059	69,945	70,126	2,186	14,547	40,907	(26,360)	-64%	70,126
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	101,241	38,103	45,591	431	13,409	26,595	(13,186)	-50%	45,591
Total sources of capital funds	165,301	108,048	115,718	2,617	27,956	67,502	(39,546)	-59%	115,718
Financial position									
Total current assets	381,881	438,634	439,622	—	501,904	—	—	—	439,622
Total non current assets	806,463	797,697	805,366	—	784,831	—	—	—	805,366
Total current liabilities	75,515	64,901	71,070	—	82,899	—	—	—	71,070
Total non current liabilities	22,484	5,246	5,246	—	22,484	—	—	—	5,246
Community wealth/Equity	1,090,344	1,166,184	1,168,672	—	1,181,352	—	—	—	1,168,672
Cash flows									
Net cash from (used) operating	178,760	178,444	184,042	90,211	137,324	107,366	(29,957)	-28%	184,042
Net cash from (used) investing	(159,813)	(129,968)	(134,579)	(3,818)	(38,759)	(78,504)	(39,745)	51%	(129,968)
Net cash from (used) financing	—	—	—	—	—	—	—	—	—
Cash/cash equivalents at the month/year end	277,109	385,302	386,290	—	375,672	365,689	(9,983)	-3%	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									
Total By Income Source	8,292	2,907	2,614	3,845	3,164	10,835	7,172	47,818	86,647
Creditors Age Analysis									
Total Creditors	1,026	—	—	—	—	—	—	—	1,026

The table above shows a summary of the municipality's financial performance for the period ended 31 January 2023. 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) - M07 January

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									
Revenue - Functional										
<i>Governance and administration</i>		339,259	362,794	375,584	110,262	275,784	219,091	56,693	26%	375,584
Executive and council		—	—	—	—	—	—	—	—	—
Finance and administration		339,259	362,794	375,584	110,262	275,784	219,091	56,693	26%	375,584
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		3,960	4,966	4,966	301	3,589	2,897	692	24%	4,966
Community and social services		193	623	623	35	348	363	(15)	-4%	623
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		3,768	4,344	4,344	266	3,241	2,534	707	28%	4,344
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		51,861	78,100	78,100	3,185	15,542	45,559	(30,017)	-66%	78,100
Planning and development		838	23,062	23,062	(8)	685	13,453	(12,768)	-95%	23,062
Road transport		51,023	55,038	55,038	3,193	14,857	32,106	(17,248)	-54%	55,038
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		74,203	56,876	56,876	5,005	29,957	33,177	(3,221)	-10%	56,876
Energy sources		66,431	47,325	47,325	4,562	23,641	27,606	(3,966)	-14%	47,325
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		7,772	9,550	9,550	443	6,316	5,571	745	13%	9,550
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	469,283	502,737	515,527	118,752	324,871	300,724	24,147	8%	515,527
Expenditure - Functional										
<i>Governance and administration</i>		150,782	201,620	201,820	12,209	94,137	117,612	(23,474)	-20%	201,620
Executive and council		54,350	64,094	64,094	4,872	33,903	37,388	(3,486)	-9%	64,094
Finance and administration		92,856	132,844	132,844	7,140	58,256	77,492	(19,236)	-25%	132,844
Internal audit		3,577	4,682	4,682	197	1,978	2,731	(753)	-28%	4,682
<i>Community and public safety</i>		26,754	32,667	32,667	1,868	13,314	19,056	(6,742)	-30%	32,667
Community and social services		9,955	12,936	12,936	699	4,383	7,546	(3,163)	-42%	12,936
Sport and recreation		2,363	2,729	2,729	166	816	1,592	(776)	-49%	2,729
Public safety		13,617	15,956	15,956	943	7,646	9,308	(1,662)	-18%	15,956
Housing		818	1,046	1,046	60	469	610	(142)	-23%	1,046
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		115,864	102,588	115,378	7,614	55,524	67,304	(11,780)	-18%	115,378
Planning and development		24,701	37,697	37,697	1,348	11,129	21,990	(10,861)	-49%	37,697
Road transport		89,005	62,240	75,030	6,106	43,290	43,767	(477)	-1%	75,030
Environmental protection		2,159	2,651	2,651	160	1,105	1,547	(441)	-29%	2,651
<i>Trading services</i>		111,390	90,304	87,817	31,720	69,000	51,226	17,773	35%	87,817
Energy sources		96,817	63,408	60,921	30,116	57,245	35,537	21,708	61%	60,921
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		14,573	26,896	26,896	1,604	11,755	15,689	(3,935)	-25%	26,896
<i>Other</i>		3,021	4,139	4,139	472	1,888	2,414	(526)	-22%	4,139
Total Expenditure - Functional	3	407,811	431,318	441,621	53,883	233,863	257,612	(23,749)	-9%	441,621
Surplus/ (Deficit) for the year		61,472	71,418	73,908	64,869	91,008	43,112	47,896	111%	73,908

The table above shows the municipality's financial performance for the period ended 31 January 2023 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) - M07 January

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		21,163	21,468	21,468	584	18,008	12,523	5,484	44%	21,468
Service charges - electricity revenue		37,937	30,845	30,845	3,918	21,133	17,993	3,139	17%	30,845
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		4,202	5,834	5,834	375	2,629	3,403	(774)	-23%	5,834
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-
Interest earned - external investments		7,511	3,893	3,893	350	2,585	2,271	314	14%	3,893
Interest earned - outstanding debtors		10,784	9,760	9,760	2,119	10,553	5,694	4,860	85%	9,760
Dividends received		4,691	6,378	6,378	477	3,518	3,137	381	12%	5,378
Fines, penalties and forfeits		306	593	593	2	19	346	(326)	-94%	593
Licences and permits		2,141	2,404	2,404	174	1,287	1,402	(115)	-8%	2,404
Agency services		1,202	1,401	1,401	90	886	817	69	8%	1,401
Transfers and subsidies		295,672	330,352	351,142	107,121	247,202	204,833	42,369	21%	351,142
Other revenue		891	520	520	63	1,563	303	1,260	415%	520
Gains		2,461	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		389,042	420,449	433,239	115,271	309,384	252,723	56,661	22%	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 the Department of Public Works which are levied once at the beginning of the financial year which lead to the revenue generated for the month to be R14.7 million in the 1st month and a decrease to R584 thousand as expected for the following months to the end June 2023. The current revenue recognised on this stream may seem to be above the monthly target by 44% but it is important to note that this is only due to properties levied only at the beginning of the financial year for the whole year which are then paid for during the year. The R584 thousand a month added to the once-off billing of R14.7 are expected to be in line with the projections made at the start of the year and no adjustment may be required.
- **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 R3.9 million for the month and a year to date actual of just over R21.1 million for the seven months of the financial year. This is above the projection by about 17% (about R3.1 million) which may add up to R5.3 million by the end of the year if attempts to better the situation yields positive results. This upward trend may be attributable to the new customers having been connected and adding to the revenue base that were not there at the start of the financial year like the Bizana Walk mall. As previously reported, the municipality has installed an automated meter reading system to assist in reducing losses and detect areas where there might be tampering 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 section is working on a solution to have lockable boxes where these modems are installed. Continued load shedding continues to pose a threat on the municipality's revenue generating capacity.

- **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 R375 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. There has been a growing trend of people running small business coming to the municipality requesting their billing for refuse removal to be halted until electricity supply returns to normal because they end up not being able to operate and therefore not generating any revenue and no refuse to be collected, especially those that are service driven.
- **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 R2.1 million worth of interest on investments with a year to date actual that is above the projection by 85% which we 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 R477 thousand for the period ended 31 January 2023 which has gone above the amount projected for the period by 12%. This requires intense debt collection initiatives. A higher interest generation means the municipality's debtors are more than what they were projected to be.
- **Fines:** The municipality has a traffic department which enforces traffic laws and the municipality's by-laws. Anyone found to have contravened these laws is charged a fine accordingly. These fines also include fines for electricity tempering. The municipality has recorded just over R1.6 thousand worth of revenue generated on fines during the month of January 2023. 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 R350 thousand for the month which has pushed the actual performance to a level above the projection by 14% which is a result of other revised contracts that have been concluded as well as the new lease agreement with Cybromax which has also started paying rent.
- **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 R174 thousand worth of revenue for the period. The municipality has collected below the projected collection by 8% which we hope will be improved as the new year kicks in and further progresses.

- **Transfers and subsidies:** The municipality receives grants, both conditional and those without conditions. The report shows that an amount of over R107 million has been transferred to revenue for the period ended 31 January 2023 from the operating grants whose conditions have been met. This however, includes an amount of R106 million of the equitable share that was received during the month of December 2022. This has resulted in a recorded year to date performance of R247 million the seven months of the financial year which was corrected to R246 million in the previous month's report. 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 the equitable share that was received during the months of July and December 2022.

d) Debt Collection

The table below shows a 79% overall collection rate for the month ended 31 January 2023. However, we note a 94% collection rate on leasehold fees, 80% on electricity, 75% on property rates and 82% 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	OCTOBER	NOVEMBER	DECEMBER	2nd QUARTER	JANUARY	3rd QUARTER	TOTAL
RATES											
billed	14,903,796	949,866	942,279	16,795,941	936,601	909,190	911,227	2,757,018	918,558	918,558	20,471,517
payment received	1,707,959	1,869,106	1,209,613	4,786,678	1,667,066	9,370,318	374,978	11,412,362	684,385	684,385	16,883,425
% of billing received	11%	197%	128%	28%	178%	1031%	41%	414%	75%	75%	82%
ELECTRICITY											
billed	2,524,531	2,657,915	3,522,753	8,705,199	2,454,814	2,652,689	2,604,130	7,711,633	2,767,434	2,767,434	19,184,266
payment received	3,629,058	1,469,515	2,638,870	7,737,443	7,363,234	2,221,948	1,529,542	11,114,724	2,214,798	2,214,798	21,066,965
% of billing received	144%	55%	75%	89%	300%	84%	59%	144%	80%	80%	110%
LEASEHOLD FEES											
billed	331,596	342,039	336,678	1,010,313	336,678	336,678	538,816	1,212,172	347,338	347,338	2,569,822
payment received	264,563	285,972	270,854	821,389	264,984	307,843	332,688	905,514	325,881	325,881	2,052,784
% of billing received	80%	84%	80%	81%	79%	91%	62%	75%	94%	94%	80%
VAT											
billed	484,888	505,807	635,955	1,626,650	475,120	504,658	527,694	1,507,472	523,468	523,468	3,657,590
payment received	590,594	269,882	508,655	1,369,131	1,186,268	419,079	298,788	1,904,136	420,004	420,004	3,693,270
% of billing received	122%	53%	80%	84%	250%	83%	57%	126%	80%	80%	101%
INTEREST											
billed	198,178	235,923	227,127	661,228	194,383	224,883	283,064	702,330	248,625	248,625	1,612,183
payment received	364,758	467,485	197,935	1,030,179	780,693	517,237	67,332	1,365,262	124,843	124,843	2,520,284
% of billing received	184%	198%	87%	156%	402%	230%	24%	194%	50%	50%	156%
REFUSE REMOVAL											
billed	376,459	372,092	376,273	1,124,825	375,972	375,016	375,016	1,126,005	375,016	375,016	2,625,847
payment received	310,608	288,447	496,197	1,095,252	350,816	342,395	217,781	910,992	305,749	305,749	2,311,993
% of billing received	83%	78%	132%	97%	93%	91%	58%	81%	82%	82%	88%
TOTAL INCOME											
billed	18,819,449	5,063,643	6,041,065	29,924,156	4,773,567	5,003,114	5,239,948	15,016,630	5,180,440	5,180,440	50,121,226
payment received	6,867,539	4,650,408	5,322,125	16,840,071	11,613,060	13,178,821	2,821,109	27,612,990	4,075,660	4,075,660	48,528,721
% of billing received	36%	92%	88%	56%	243%	263%	54%	184%	79%	79%	97%

e) Progress report on amnesty for consumer debtors

Winnie Madikizela-Mandela Local municipality in its Ordinary Council Meeting held on the 30th May 2022 took a resolution in line with its Credit Control and Debt collection policy to implement a debt amnesty program which was then extended for a further three months in a council meeting held on the 9th of December 2022. The municipality then made public the programme via local newspapers and social media platforms.

It was recommended that for Business and Residential Consumer accounts that have balances that are outstanding beyond 90 days as per debtors ageing analysis be discounted as follows –

Option 1

- upon intentions of full settlement at once of the amount that is beyond 90 days overdue the municipality must offer amnesty on the outstanding monies on 90 days plus:
 - 30% amnesty on outstanding principal monies on Property Rates,
 - 20% amnesty on outstanding principal monies on Refuse removal,
 - 10% amnesty on outstanding principal monies on electricity, and
 - 100 % amnesty on interest outstanding of the consumer account.

Option 2

- upon intentions of settlement of the amount that is beyond 90 days overdue over a period of three (3) months the municipality must offer amnesty on the outstanding monies on 90 days plus:
 - 40% amnesty on outstanding principal monies on Property Rates,
 - 15% amnesty on outstanding principal monies on Refuse removal,
 - 0% amnesty on outstanding principal monies on electricity, and
 - 100 % amnesty on interest outstanding of the consumer account.

The amnesty will only be applicable on the last month of the settlement of the debt provided that the current monthly billing is also paid in full within the agreement period

Option 3

- upon intentions of settlement of the amount that is beyond 90 days overdue over a period of six (6) months the municipality must offer amnesty on the outstanding monies on 90 days plus:
 - 30% amnesty on outstanding principal monies on Property Rates,
 - 5% amnesty on outstanding principal monies on Refuse removal,
 - 0% amnesty on outstanding principal monies on electricity, and
 - 100 % amnesty on interest outstanding of the consumer account.

The amnesty will only be applicable on the last month of the settlement of the debt provided that the current monthly billing is also paid in full within the agreement period

Option 4

Government Consumer accounts that have settled their accounts in full with only interest balances that are outstanding as per debtors ageing analysis be discounted as follows –

- 100 % amnesty on interest outstanding of the consumer account.

This amnesty be applied for a period of three months from which debt collection will commence.

Below is a summary of progress made on the program:

ACC NO.	NAME	ACCOUNT CATEGORY	BALANCE BEFORE AMNESTY	PAYMENT	AMNESTY	ACCOUNT SETTLED ON	SETTLEMENT OPTION CHOSED
217	SILVER RUBY TRADING 1013 CC	BUSINESS	R 610,183.56	-R 451,960.30	-R 158,223.46	R 44,820.00	Option 01 - 30% Rates + 100% interest
457	MADIKIZELA EUNICE MAKAZIWE	RESIDENT	R 128,259.37	-R 66,934.32	-R 61,325.11	R 44,774.00	Option 01 - 30% Rates + 100% interest
1459	NTUSI NONTSASA MONICA N M	RESIDENT	R 91,072.85	-R 62,087.31	-R 28,985.54	R 44,774.00	Option 01 - 30% Rates + 100% interest
1549	MDA CALEDON SIZAKELE	BUSINESS	R 34,418.88	-R 23,482.00	-R 10,946.27	R 44,774.00	Option 01 - 30% Rates + 100% interest
1570	SILVER RUBY TRADING 1013 CC	BUSINESS	R 154,152.42	-R 120,320.85	-R 33,831.57	R 44,820.00	Option 01 - 30% Rates + 100% interest
1829	MAKAULA MANDISA	RESIDENT	R 30,635.04	-R 22,106.66	-R 8,528.38	R 44,820.00	Option 01 - 30% Rates + 100% interest
1877	ZATELELA NOZION ANNA	RESIDENT	R 4,526.90	-R 4,000.48	-R 526.42	R 44,820.00	Option 01 - 30% Rates + 100% interest
1930	MBIZANA MUNICIPALITY/ MPINDA N	RESIDENT	R 36,481.57	-R 25,930.00	-R 10,551.84	R 44,820.00	Option 01 - 30% Rates + 100% interest
1934	MBIZANA MUNICIPALITY/ MPINDA N	RESIDENT	R 25,532.03	-R 16,993.50	-R 8,538.70	R 44,820.00	Option 01 - 30% Rates + 100% interest
9033	FAMILY FUNERAL BROKERS	BUSINESS	R 38,016.18	-R 23,923.24	-R 14,092.94	R 44,756.00	Option 01 - 30% Rates + 100% interest
5254	BIZANA GUEST INN LIQOUR S	BUSINESS	R 175,450.67	-R 68,866.30	-R 106,584.37	R 44,952.00	Option 01 - 30% Rates + 100% interest
860	LG WORKS & WELDING (7)	BUSINESS	R 1,359.52	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
3	ESIBAYENI BUTCHERY	BUSINESS	R 28,067.49	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
864	IKUR FIIZA SALON	BUSINESS	R 1,359.52	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
861	JIVA STORE	BUSINESS	R 1,359.52	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
858	NEW FEELING	BUSINESS	R 1,359.52	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
4927	PHUMILANI CAFÉ	BUSINESS	R 6,880.30	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
862	PLAMEDI HAIR SALON & COSMETICS	BUSINESS	R 1,359.52	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
7117	SKELETON SECURITY	BUSINESS	R 18,615.21	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
6659	SMALL TYRE	BUSINESS	R 54,602.93	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
869	SOUTH AFRICAN DEVELOPMENT TRU	BUSINESS	R 63,847.45	R -	R -	R -	Option 01 - 30% Rates + 100% Interest pending authorisation
			R 1,507,540.45	-R 886,604.96	-R 228,965.86	R 492,950.00	

21 applications were received and 11 were approved by the accounting officer, a total of R 886 605 was received of R1 507 541 amount of accounts that were applied for R 228 966 of amnesty was approved by the municipality between interest and a portion of property rates based on the option of amnesty chosen by the debtor.

All applicants chose option 01 amnesty programme which then resulted to 2% of debtors beyond 90 days amounting to R32 million debt on business and residential categories were settled during the period January 2023 to February 2023.

The amnesty period will run up to the month end of March 2023.

f) Additional discount requests received

The municipality has received a number of consumers requesting debt write-off. In terms of the municipal credit control policy, this account holder has to apply to the municipal council for this request detailing supporting submission for consideration of the request.

During the month, the municipality through the office of the municipal manager has received the following extra ordinary requests from consumers:

i) Account Number 0000001883 Erf 1883 in Extension 2 (Mabhanoyini):

This is an owner account billed for property rates and refuse removal in extension two where it was discovered that there was a period where ERF numbers were mixed causing them not to match with the

properties occupied by property owners. The account is one of the accounts that were affected by the issue of the Erf numbers that was found to have been erroneously done by the municipality during the phase where these properties were sold. During this period the municipality formalized the sale of a number of properties in extension 2, a list was developed of the sold land and a dummy ERF number was created which consists of three numbers, deeds of sale were issued to customers for each. Upon registration at the deeds office the municipality erroneously mixed the ERF numbers on the list that was in excel file format, this resulted for each ERF number to be aligned to two owners. This was not discovered in time which led to some of the accounts being serviced by two owners in terms of payments. This account was also affected by this issue of mixed ERF numbers.

However, over and above that, this account was further revalued during the valuation roll of 2012 which led to the market value of the property to move from R700 000 (@ a monthly billing of R665 per month) rezoned as residential to R3 130 000 in the supplementary of 2014 (@ a monthly billing of R4 955 per month) rezoned as business. During the new valuation roll of 2019 the market value was R4 464 000 (@ a monthly billing of R4 464 per month). The owner did object for the valuation of 2020 and was later revalued at R3 200 000 in 2021 (@ a monthly billing R3 680) to date.

A scenario where the outcomes of the objections were implemented in 2019, the account owner would have paid R24 619 less during this period.

The account is currently owing as follows:

Service	Opening balances	Billing from 2012 to 2014	Billing from 2014 to 2019	Billing from 2020 to date	Change after objection	Payments Received	Balance owed to date	Amnesty Discount	Additional Discount	Total Discount	Amount Payable
Property Rates	R 19,285.00	R 41,845.82	R 152,936.87	R 128,317.87	-R 24,619.00	R 7,941.93	R 334,443.63	R 100,333.09	R 30,104.22	R 130,437.31	R 204,006.32
Refuse Removal	R -	R -	R 25,187.00	R -	R -	R 25,187.00	R -	R -	R -	R -	R 25,187.00
Interest of arrears	R 450.01	R 3,832.42	R 22,214.40	R 67,659.64	R -	R 16,723.72	R 77,432.75	R -	R -	R 77,432.75	R -
Land sales	R -	R -	R 18,628.66	R -	R -	R 15,000.00	R 3,628.66	R -	R -	R -	R 3,628.66
VAT				R 3,778.05	R -	R 1,234.35	R 2,543.70	R -	R -	R -	R 2,543.70
Total	R 19,735.01	R 45,678.24	R 193,779.93	R 224,942.56	-R 24,619.00	R 40,900.00	R 443,235.74	R 177,765.84	R 30,104.22	R 207,870.06	R 235,365.68

**ii) Account number 6949; 7149; 472; 467; 458; 456; 453; 445; 443; 437; 434; 428; 422 ERF
22 in Extension 01 (Bizana Town)**

In 2017/18 financial year the municipality changed from opening accounts in the names of tenants into only opening these in the name of the property owner following accounts that were no longer collectible because the tenants who were allowed to open accounts had left their accounts unpaid and could not be traced. Balances on the accounts in each property were therefore transferred to the account of the property owner. The accounts listed above are occupier accounts that were billed for Refuse and Electricity. These accounts were handed over for debt collection as an old outstanding debt. The application is from the owner of the properties. The owner has alleged that occupants of the property left the property without notice to either them or the municipality, therefore the old occupiers are untraceable to them. The amounts owed in these accounts are as follows:

Refuse: R67 891.53

Electricity: R5 345.61

Electricity Disconnection fees: R2 984.78

Basic Electricity charge: R8 500.52

Interest: R17 762.08

TOTAL: R102 484.52

The accounts qualify for a 100% interest write-off if they will be settling the accounts which would then leave them with R84 722 to settle the accounts and close them.

The owner has since made an offer to pay R60 000.00 on the amount of R84 722 after council amnesty discount which is only the total interest billed on the accounts. After approval of these, the owner has requested that these accounts be closed.

An assessment by the municipality of the owner's accounts has revealed that their accounts are all up to date which makes it possible to recommend that council and its structures considers this request and take a resolution on the matter.

It is recommended that the committee recommends these requests for approval on condition that the owners fulfil their end of the bargain.

g) Expenditure by Type

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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		107,129	124,799	124,799	8,664	62,031	72,800	(10,769)	-15%	124,799
Remuneration of councillors		24,782	27,047	27,047	2,100	15,015	15,778	(762)	-5%	27,047
Debt impairment		822	9,600	9,600	—	—	5,600	(5,600)	-100%	9,600
Depreciation & asset impairment		52,653	49,735	49,735	3,400	24,127	29,012	(4,885)	-17%	49,735
Finance charges		100	100	100	—	—	58	(58)	-100%	100
Bulk purchases - electricity		40,211	40,005	40,005	3,106	23,122	23,336	(215)	-1%	40,005
Inventory consumed		5,473	7,627	7,627	(48)	1,545	4,449	(2,904)	-65%	7,627
Contracted services		63,499	86,644	96,916	5,181	45,654	56,535	(10,881)	-19%	96,916
Transfers and subsidies		1,261	3,200	3,200	224	780	1,867	(1,087)	-58%	3,200
Other expenditure		65,440	82,560	82,590	4,946	35,253	48,178	(12,925)	-27%	82,590
Losses		46,551	—	—	26,310	26,336	—	26,336	#DIV/0!	—
Total Expenditure		407,811	431,318	441,621	53,883	233,863	257,612	(23,749)	-9%	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 January 2023 reflects an amount of R8.6 million for employee costs and R2.1 million for the remuneration of councillors. The remuneration of councillors shows a 5% saving compared to what is expected at the same period. Employee costs have continued to record a 15% 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 R3.1 million on electricity purchases for the month, with a year to date actual which just below the projected expenditure by 1%. This amount only relates to 10 days of January and 20 days of December as billing by Eskom only takes place on the 10th of each month.
- Depreciation and asset impairment:** The depreciation run has previously been performed after the end of each quarter which has since been changed to monthly, resulting in the depreciation for January 2023 being R3.4 million as the asset register has been audited to confirm the reasonability of the figures disclosed and ensure that the assets are correctly accounted for in the municipality's records. This has resulted in the depreciation recorded being below the projection for the month by about 17%.
- Contracted Services:** This relates to the municipality's general expenses that have been incurred during the month where external service providers were used to render the service or procure

goods. This shows that the municipality incurred R5.1 million worth of expenditure during the month. Despite this level of spending the actual performance against the projected spending is still below by over 19% which is a regression from the 16% that was recorded last month which may be attributable to slow activity during the first months of each financial year which is always experienced and requires better planning in the years to come to ensure spending patterns are improved.

- **Other Expenditure:** This also shows a saving of about 27% which might be as a result of the slow spending during the first months of each financial year which is always experienced. This requires though that departments that are currently underspending be sensitised of the matter.

h) Revenue by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January

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>Revenue by Vote</u>	1	—	—	—	—	—	—	—	—	—
Vote 1 - Executive and Council		—	—	—	—	—	—	—	—	—
Vote 2 - Corporate Services		483	137	137	53	134	80	54	67.9%	137
Vote 3 - Budget and Treasury Office		317,613	341,189	353,979	109,626	257,392	206,488	50,904	24.7%	353,979
Vote 4 - Community Services		11,732	14,517	14,517	744	9,905	8,468	1,437	17.0%	14,517
Vote 5 - Development Planning		22,001	44,531	44,531	575	18,692	25,876	(7,284)	-28.0%	44,531
Vote 6 - Engineering Services		117,454	102,363	102,363	7,755	38,498	59,712	(21,214)	-35.5%	102,363
Total Revenue by Vote	2	469,283	502,737	515,527	118,752	324,621	300,724	23,897	7.9%	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 R7.7 million for the month with Budget and Treasury showing generation of over R109.6 million which may be attributable to the equitable share received, interest received on investments and debtors as well as Community Services at over R744 thousand.

i) Expenditure by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January

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>Expenditure by Vote</u>	1									
Vote 1 - Executive and Council		71,138	84,391	84,391	6,207	44,402	49,228	(4,826)	-9.8%	84,391
Vote 2 - Corporate Services		40,512	59,772	59,772	2,918	24,617	34,867	(10,250)	-29.4%	59,772
Vote 3 - Budget and Treasury Office		24,251	41,521	41,521	2,258	16,365	24,221	(7,856)	-32.4%	41,521
Vote 4 - Community Services		59,268	79,012	79,012	4,522	35,503	46,090	(10,587)	-23.0%	79,012
Vote 5 - Development Planning		17,008	36,131	36,131	1,389	9,845	21,077	(11,232)	-53.3%	36,131
Vote 6 - Engineering Services		195,635	130,491	140,793	36,588	103,131	82,129	21,002	25.6%	140,793
Total Expenditure by Vote	2	407,811	431,318	441,621	53,883	233,863	257,612	(23,749)	-9.2%	441,621
Surplus/ (Deficit) for the year	2	61,472	71,418	73,906	64,889	90,758	43,112	47,646	110.5%	73,906

The table above shows the expenditure by municipal vote. The total expenditure for the month of January 2023 amounted to above R53.8 million with a year to date of R233.8 million.

j) Municipality's financial performance

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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		21,163	21,468	21,468	584	18,008	12,523	5,484	44%	21,468
Service charges - electricity revenue		37,937	30,845	30,845	3,918	21,133	17,993	3,139	17%	30,845
Service charges - water revenue		—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—
Service charges - refuse revenue		4,202	5,834	5,834	375	2,629	3,403	(774)	-23%	5,834
Rental of facilities and equipment		7,511	3,893	3,893	350	2,585	2,271	314	14%	3,893
Interest earned - external investments		10,784	9,760	9,760	2,119	10,553	5,694	4,860	85%	9,760
Interest earned - outstanding debtors		4,691	5,378	5,378	477	3,518	3,137	381	12%	5,378
Dividends received		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		386	593	593	2	19	346	(326)	-94%	593
Licences and permits		2,141	2,404	2,404	174	1,287	1,402	(115)	-8%	2,404
Agency services		1,202	1,401	1,401	90	886	817	69	8%	1,401
Transfers and subsidies		295,672	338,352	351,142	107,121	247,202	204,833	42,369	21%	351,142
Other revenue		891	520	520	63	1,563	303	1,260	415%	520
Gains		2,461	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		389,042	420,449	433,239	115,271	309,384	252,723	56,661	22%	433,239
Expenditure By Type										
Employee related costs		107,129	124,799	124,799	8,664	62,031	72,800	(10,769)	-15%	124,799
Remuneration of councillors		24,782	27,047	27,047	2,100	15,015	15,778	(762)	-5%	27,047
Debt impairment		822	9,600	9,600	—	—	5,600	(5,600)	-100%	9,600
Depreciation & asset impairment		52,653	49,735	49,735	3,400	24,127	29,012	(4,885)	-17%	49,735
Finance charges		100	100	100	—	—	58	(58)	-100%	100
Bulk purchases - electricity		40,211	40,005	40,005	3,106	23,122	23,336	(215)	-1%	40,005
Inventory consumed		5,473	7,627	7,627	(48)	1,545	4,449	(2,904)	-65%	7,627
Contracted services		63,499	86,644	96,816	5,181	45,654	56,535	(10,881)	-19%	96,916
Transfers and subsidies		1,251	3,200	3,200	224	780	1,867	(1,087)	-58%	3,200
Other expenditure		65,440	82,560	82,590	4,946	35,253	48,178	(12,925)	-27%	82,590
Losses		46,551	—	—	26,310	26,336	—	26,336	#DIV/0!	—
Total Expenditure		407,811	431,318	441,621	53,883	233,863	257,612	(23,749)	-9%	441,621
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(18,769)	(10,870)	(8,382)	61,388	75,521	(4,889)	80,410	(0)	(8,382)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		80,162	82,288	82,288	3,481	15,487	48,001	(32,514)	(0)	82,288
Transfers and subsidies - capital (in-kind - all)		—	—	—	—	—	—	—	—	—
79		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		61,472	71,418	73,906	64,869	91,008	43,112			73,906
Taxation										—
Surplus/(Deficit) after taxation		61,472	71,418	73,906	64,869	91,008	43,112			73,906
Attributable to minorities										—
Surplus/(Deficit) attributable to municipality		61,472	71,418	73,906	64,869	91,008	43,112			73,906
Share of surplus/ (deficit) of associate										—
Surplus/ (Deficit) for the year		61,472	71,418	73,906	64,869	91,008	43,112			73,906

The municipality has so far recorded a surplus of over R91 million for the period ended 31 January 2023.

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 - M07 January

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		61,748	61,890	62,072	2,186	12,649	36,209	23,559	65.1%	62,072
Roads Infrastructure		35,302	38,090	38,272	1,663	9,183	22,325	13,142	58.9%	38,272
Roads		35,302	38,090	38,272	1,663	9,183	22,325	13,142	58.9%	38,272
Electrical Infrastructure		26,289	15,725	15,725	523	3,466	9,173	5,707	62.2%	15,725
MV Networks		25,585	13,940	13,940	523	2,289	8,132	5,843	71.9%	13,940
LV Networks		724	1,785	1,785	--	1,178	1,041	(136)	+13.1%	1,785
Solid Waste Infrastructure		158	8,075	8,075	--	--	4,710	4,710	100.0%	8,075
Landfill Sites		--	8,075	8,075	--	--	4,710	4,710	100.0%	8,075
Waste Drop-off Points		158	--	--	--	--	--	--	--	--
Community Assets		9,910	5,950	4,189	--	651	2,443	1,792	73.4%	4,189
Community Facilities		9,910	5,355	3,594	--	651	2,096	1,445	68.9%	3,594
Halls		6,168	1,020	1,020	--	--	595	595	100.0%	1,020
Crèches		3,743	2,975	1,214	--	--	708	708	100.0%	1,214
Markets		--	1,360	1,360	--	651	783	142	17.9%	1,360
Sport and Recreation Facilities		--	695	595	--	--	347	347	100.0%	595
Outdoor Facilities		--	595	595	--	--	347	347	100.0%	595
Heritage assets		30	--	1,000	--	--	583	583	100.0%	1,000
Works of Art		--	--	1,000	--	--	583	583	100.0%	1,000
Other Heritage		30	--	--	--	--	--	--	--	--
Other assets		660	11,562	11,562	--	355	6,744	6,389	94.7%	11,562
Operational Buildings		660	11,562	11,562	--	355	6,744	6,389	94.7%	11,562
Yards		63	--	--	--	--	--	--	--	--
Manufacturing Plant		597	11,562	11,562	--	355	6,744	6,389	94.7%	11,562
Computer Equipment		1,834	2,125	2,125	176	176	1,240	1,064	85.8%	2,125
Computer Equipment		1,834	2,125	2,125	176	176	1,240	1,064	85.8%	2,125
Furniture and Office Equipment		84	7,140	7,140	170	208	4,165	3,957	95.0%	7,140
Furniture and Office Equipment		84	7,140	7,140	170	208	4,165	3,957	95.0%	7,140
Machinery and Equipment		119	128	183	(55)	0	106	106	100.0%	183
Machinery and Equipment		119	128	183	(55)	0	106	106	100.0%	183
Transport Assets		--	6,500	6,445	43	1,469	3,760	2,291	60.9%	6,445
Transport Assets		--	6,500	6,445	43	1,469	3,760	2,291	60.9%	6,445
Total Capital Expenditure on new assets	1	74,385	95,294	94,715	2,521	15,509	55,250	39,742	71.9%	94,715

EC443 Winnie Madikizela Mandela - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M07 January

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		24,030	3,426	7,426	--	5,693	4,332	(1,361)	-31.4%	7,426
Roads Infrastructure		24,030	3,426	7,426	--	5,693	4,332	(1,361)	-31.4%	7,426
Roads		24,030	3,426	7,426	--	5,693	4,332	(1,361)	-31.4%	7,426
Community Assets		26,700	1,360	5,609	96	4,034	3,272	(762)	-23.3%	5,609
Community Facilities		26,700	1,360	5,609	96	4,034	3,272	(762)	-23.3%	5,609
Taxi Ranks/Bus Terminals		26,700	1,360	5,609	96	4,034	3,272	(762)	-23.3%	5,609
Other assets		(63)	340	340	--	--	198	198	100.0%	340
Operational Buildings		(63)	340	340	--	--	198	198	100.0%	340
Municipal Offices		(63)	340	340	--	--	198	198	100.0%	340
Total Capital Expenditure on renewal of existing assets	1	50,726	5,126	13,375	96	9,727	7,802	(1,925)	-24.7%	13,375

EC443 Winnie Madikizela Mandela - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M07 January

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										
Infrastructure		652	—	—	—	—	—	—	—	—
Roads Infrastructure		652	—	—	—	—	—	—	—	—
Roads		652	—	—	—	—	—	—	—	—
Community Assets		39,537	7,628	7,628	—	2,720	4,450	1,729	38.9%	7,628
Community Facilities		19,960	7,628	7,628	—	2,720	4,450	1,729	38.9%	7,628
Halls		19,960	7,628	7,628	—	2,720	4,450	1,729	38.9%	7,628
Sport and Recreation Facilities		19,577	—	—	—	—	—	—	—	—
Outdoor Facilities		19,577	—	—	—	—	—	—	—	—
Total Capital Expenditure on upgrading of existing assets	1	40,189	7,628	7,628	—	2,720	4,450	1,729	38.9%	7,628

The above tables indicate that the municipality spent R2.6 million for the month from its capital budget for the period ended 31 January 2023. This is concerning performance even though it's a big improvement from previous months, especially considering that the municipality has two major capital programmes being implemented by the municipality that are behind schedule with both having been scheduled for completion by 30 June 2022 already.

b) Capital Expenditure by municipal vote

EC443 Winnie Madikizela Mandela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January

Vote Description R thousands	Ref 1	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
<u>Multi-Year expenditure appropriation</u>	2									
Vote 6 - Engineering Services		66,237	8,988	13,237	96	6,754	7,722	(968)	-13%	13,237
Total Capital Multi-year expenditure	4,7	66,237	8,988	13,237	96	6,754	7,722	(968)	-13%	13,237
<u>Single Year expenditure appropriation</u>	2									
Vote 1 - Executive and Council		30	—	1,000	—	—	583	(583)	-100%	1,000
Vote 2 - Corporate Services		1,855	12,900	12,900	285	1,749	7,525	(6,776)	-77%	12,900
Vote 3 - Budget and Treasury Office		—	—	—	—	—	—	—	—	—
Vote 4 - Community Services		306	11,388	11,388	49	104	6,643	(6,539)	-98%	11,388
Vote 5 - Development Planning		597	13,517	13,517	—	1,006	7,885	(6,878)	-87%	13,517
Vote 6 - Engineering Services		96,277	61,256	63,677	2,186	18,342	37,145	(18,802)	-51%	63,677
Total Capital single-year expenditure	4	99,064	99,060	102,481	2,521	21,202	59,780	(38,579)	-65%	102,481
Total Capital Expenditure		165,301	108,048	115,718	2,617	27,956	67,502	(39,546)	-59%	115,718
Capital Expenditure - Functional Classification										
Governance and administration		1,885	13,240	14,240	457	1,921	8,307	(6,386)	-77%	14,240
Executive and council		30	—	1,000	—	—	583	(583)	-100%	1,000
Finance and administration		1,855	13,240	13,240	457	1,921	7,723	(5,803)	-75%	13,240
Community and public safety		221	1,848	1,903	(122)	(67)	1,110	(1,177)	-106%	1,903
Community and social services		221	1,720	1,720	(122)	(122)	1,003	(1,126)	-112%	1,720
Sport and recreation		—	128	183	—	55	106	(51)	-48%	183
Economic and environmental services		136,787	67,336	74,005	1,759	22,636	43,170	(20,533)	-48%	74,005
Planning and development		76,744	25,820	28,307	96	7,760	16,513	(8,752)	-53%	28,307
Road transport		60,044	41,516	45,698	1,663	14,876	26,657	(11,781)	-44%	45,698
Trading services		26,408	25,625	25,570	523	3,466	14,916	(11,449)	-77%	25,570
Energy sources		26,323	16,425	16,425	523	3,466	9,581	(6,115)	-64%	16,425
Waste management		85	9,200	9,145	—	—	5,335	(5,335)	-100%	9,145
Total Capital Expenditure - Functional Classification	3	165,301	108,048	115,718	2,617	27,956	67,502	(39,546)	-59%	115,718
Funded by:										
National Government		64,059	69,945	70,126	2,186	14,547	40,907	(26,360)	-64%	70,126
Transfers recognised - capital		64,059	69,945	70,126	2,186	14,547	40,907	(26,360)	-64%	70,126
Internally generated funds		101,241	38,103	46,591	431	13,409	26,595	(13,186)	-50%	45,591
Total Capital Funding		165,301	108,048	115,718	2,617	27,956	67,502	(39,546)	-59%	115,718

The above table indicates that the municipality spent R2.6 million from its capital budget for the period ended 31 January 2023 which continues to be discouraging considering that we have two major projects that have been allocated the bigger share of the municipality's available resources that have not performed desirably during the past years and continue to do so in the current year as well.

c) Expenditure on repairs and maintenance

EC443 Winnie Madikizela Mandela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M07 January

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
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		6,845	21,346	33,986	1,659	19,371	19,825	454	2.3%	33,986
Roads Infrastructure		3,845	17,582	30,372	1,659	18,978	17,717	(1,261)	-7.1%	30,372
Roads		191	640	640	—	43	373	331	88.6%	640
Road Structures		3,357	16,421	29,211	1,659	18,691	17,040	(1,651)	-9.7%	29,211
Road Furniture		297	520	520	—	244	303	59	19.4%	520
Electrical Infrastructure		3,000	3,764	3,614	—	393	2,108	1,715	81.3%	3,614
MV Networks		3,000	3,764	3,614	—	393	2,108	1,715	81.3%	3,614
Community Assets		482	619	619	—	305	361	56	15.6%	619
Community Facilities		482	619	619	—	305	361	56	15.6%	619
Halls		—	250	250	—	150	146	(4)	-2.6%	250
Libraries		69	155	155	—	155	90	(65)	-71.4%	155
Cemeteries/Crematoria		—	100	100	—	—	58	58	100.0%	100
Parks		413	114	114	—	—	66	66	100.0%	114
Other assets		3,472	4,274	4,274	0	264	2,493	2,230	89.4%	4,274
Operational Buildings		3,472	4,274	4,274	0	264	2,493	2,230	89.4%	4,274
Municipal Offices		3,328	4,125	4,125	0	264	2,407	2,143	89.0%	4,125
Yards		143	149	149	—	—	87	87	100.0%	149
Computer Equipment		35	50	50	—	—	29	29	100.0%	50
Computer Equipment		35	50	50	—	—	29	29	100.0%	50
Furniture and Office Equipment		—	210	210	15	39	123	84	68.6%	210
Furniture and Office Equipment		—	210	210	15	39	123	84	68.6%	210
Machinery and Equipment		256	500	650	—	—	379	379	100.0%	650
Machinery and Equipment		256	500	650	—	—	379	379	100.0%	650
Transport Assets		2,753	2,976	2,976	1,629	3,264	1,736	(1,528)	-88.0%	2,976
Transport Assets		2,753	2,976	2,976	1,629	3,264	1,736	(1,528)	-88.0%	2,976
Total Repairs and Maintenance Expenditure	1	13,841	29,975	42,765	3,303	23,242	24,946	1,704	6.8%	42,765

The table shows that the municipality spent R3.3 million on the maintenance of its assets and infrastructure during the month of January 2023 with a year to date actual of R23.2 million being below the projected spending by over 6.7% for the same period.

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 indication 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.

Creditors Name	Function Name	Order Date	Value	Specifications	Segment
Lusikisiki Spares Cc	Core Function:Solid Waste Removal	2023/01/10	1,949.99	Request For Replacement Of A 1 Battery For Fzy 309 Ec	Refuse- Vehicle Maintenance
Lusikisiki Spares Cc	Core Function:Solid Waste Removal	2023/01/10	1,949.99	Request Replacement Of A Battery For Jnx 120 Ec (1.3 Ton Truck)	Refuse- Vehicle Maintenance
Pondoland Times	Core Function:Mayor And Council	2023/01/26	1,900.00	Public Notice Of Special Council Meeting On 2 Local News Papers	Advertising fees 150S
Pondoland Times	Core Function:Economic Development/Plan	2023/01/16	1,950.00	Request To Re-Advertise Notice For Disposal Of Land	Advertising fees 150S
Pondoland Times	Core Function:Economic Development/Plan	2023/01/16	1,950.00	Request For An Advert For Supply And Delivery Of Fishing Material And	Advertising MM
Pondoland Times	Core Function:Human Resources	2023/01/16	1,950.00	Request For Re-Advertisement Of Server Room Infrastructure	Advertising fees 150S
Pondoland Times	Core Function:Supply Chain Management	2023/01/10	1,950.00	Advert Ising Of Provision Of Insurance Services For 36 Months	Advertising skills program 1010
Pondoland Times	Core Function:Economic Development/Plan	2023/01/05	1,950.00	Request To Advertise Incubator Capacity Building And Request Request To Advertise Supply And Delivery Of Agricultural Input.	Advertising fees SCM 1005/60340
Pondoland Times	Core Function:Municipal Manager Town Se	2023/01/06	1,950.00	Advert For Service Provider To Supply And Install Winnie Madikizela Ma Sitaue Request For Service Provider To Conduct A Search On Mbizera Her Provide A Booklet	Advertising fees 150S
Group Two Media Company	Core Function:Project Management Unit	2023/02/02	1,950.65	Request To Advertise Construction Of Security Guard House At Dlc And Request To Advertise The Hiring Of Construction Plant And Equipment	Advertising MM
Group Two Media Company	Core Function:Municipal Manager Town Se	2023/01/24	1,950.65	Public Notice Of Special Council Meeting On 2 Local News Papers	Advertising MM
Pondoland Times	Core Function:Municipal Manager Town Se	2023/01/26	2,000.00	Request Advertisement For Co-Sourcing Arrangements For Internal Audit Services	Advertising MM

23.811.28

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 Name	Function Name	Order Date	Value	Specifications	Segment
The Institute Of Directors In Lusikisiki Spares Cc	Core Function:Human Resources	2023/01/12	3,500.00	Payment For Membership Fees For Mr Mahlaka Size's For The Replacement Of Two New Batteries For Cat Excavator . The Battery	Membership fees- HR
Laz Investments	Core Function:Roads And Archives	2023/01/31	3,999.99	Request For The Replacement Of Two New Batteries For Cat Excavator- 874 X2	Roads Vehicle Maintenance
Shivhare Trading 88 Piv Ltd	Core Function:Corporate Wide Strategic P	2023/01/19	6,563.00	Payment For Supply Of Periodicals For January 2023	Roads Vehicle Maintenance
Driving License Card Account	Non-Core Function:Road And Traffic Regul	2023/01/26	6,750.00	Fruit Packs For 100 People For Mayoral Imbizo Feedback Meeting On 16/0	Finished Goods Acquisitions
Sakhi Indu Council	Core Function:Mayor And Council	2023/02/01	8,216.00	Code 10 Enrols Driving License Fees For October 2022 (n065178 Underpa	Stationery vehicle testing and licencing / Promotional items PWD
Tamai Transport Piv Ltd	Core Function:Mayor And Council	2023/02/01	8,250.00	Request For 15 Bags Of Potato Seeds For The Siskelwe Disability Pro	5052601280
Fakade Construction (Pty) Ltd	Core Function:Mayor And Council	2023/01/30	10,000.20	Request For 2 Quantums For 30 People	Whispery support transport hire
Umgeni Water	Core Function:Biodiversity And Landscape	2023/01/10	10,200.00	Request Tea	Whispery support catering costs
Arena Holdings	Core Function:Human Resources	2023/01/16	11,169.00	Payment For Water Sampling Inv. 90014497	Blue flag water sampling
Kwik-Fit Bizana	Core Function:Solid Waste Removal	2023/02/01	11,954.25	Request For Advertising Of Two Permanent Posts; Namely Manager Ict Ur Oracle Services And Pms Officer Under Municipal Manager's Office (Prov Paper)	Advertising fees Human resources
Dad And Son Construction	Core Function:Mayor And Council	2023/01/06	11,999.99	Request For Replacement Of 2 Tyres For Skip Loader Truck Jig 283 Ec	Refuse- Vehicle Maintenance
Zicky Trading Enterprise	Core Function:Roads	2023/01/06	12,000.00	Request Transport For Constituency Programme To Be Held 06 January 20 London (15 Seater Quantum)	Whispery support transport hire
Mashiyane And Son (Pty) Ltd	Core Function:Human Resources	2023/01/26	12,500.00	Request For Service Provider To Unblock The Plumbing Of Vmb Toilet; Toilet Cistern Mechanism Replacement And Re-Sitching Carport Covers.	Rm Buildings Maintenance roads 5505
Driving License Card Account	Non-Core Function:Road And Traffic Regul	2023/01/16	16,150.00	Request Venue For 200 People	Employees wellness hire charges
Unisa	Core Function:Human Resources	2023/01/31	16,985.00	Payment To Driving Licence Card Account For December 2022	Stationery vehicle testing and licencing
Tyres & More Kotskard Cc	Core Function:Solid Waste Removal	2023/01/24	23,325.00	Payment For Study Assistance For Ndava Khayakaza	Study assistance HR 1010260395
Anazweletha Trading Cc	Core Function:Community Parks Including	2023/01/12	23,774.96	Request For Supply & Delivery Of 4 Tyres For Dlh 289 Ec Size (315/80r2	Refuse- Vehicle Maintenance
African Compass Trading 37cc	Core Function:Mayor And Council	2023/01/30	26,650.00	Request For Maintenance Of 15x Garden Power Tools For Grass Cutting Ac	Finished Goods Acquisitions
			28,900.00	Request Lunch With Soft Drinks	Hire Charges Council
					252,827.39

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.

Creation Name	Function Name	Order Date	Value	Specifications	Segment
Yit Pty Ltd	Core Function:Marketing Customer Relati	2023/01/30	39,000.00	1 Hour Inkonjanane -Fn 07/11/2022 11 Hour Alfre Ndzo Fn 07/11/2022 1 Hour Ob In Ward 17 06/12/2022	Radio
Ezamavovo Trading (Pty) Ltd	Core Function:Solid Waste Removal	2023/01/30	80,000.00	Payment For Supply, Delivery And Installation Of Metal Waste Receptaci	Waste receptacles
Amasogini Construction & Proj	Core Function:Solid Waste Removal	2023/02/02	80,704.00	Payment For Rehab Of Ext 3 Dumping Site	Landfill site equipment 5020400510
The Mane's Pty Ltd	Core Function:Administrative And Corpora	2023/01/31	134,300.00	Payment	Finished Goods Acquisitions
Ludwala Investment Services	Core Function:Marketing Customer Relati	2023/01/06	138,300.00	Payment For Promotional Material For Customer Care Programmes	Promotional Items
Ludwala Investment Services	Core Function:Solid Waste Removal	2023/01/30	162,500.00	Payment For Supply And Delivery Of Refuse Bags	Finished Goods Acquisitions
Ezamavovo Trading (Pty) Ltd	Core Function:Information Technology	2023/01/24	176,000.00	Payment For Supply And Delivery Of Laptops And Software	Waste receptacles

810,804.00

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 January 2023

N O	SUCCESSFUL TENDERER	AMOUNT	PAYMENTS	BALANCE	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
1	AMASOGINI CONSTR & PROJECTS	R 188,150.00	R -	R 188,150.00	WMM LM 15/08/22 R EXT 3	REHABILITATION OF DUMPING SITE FOR 3 MONTHS	Thursday, 05 January 2023	COMMUNITY SERVICES
2	LAZ INVESTMENTS	R 150,576.00	R -	R 150,576.00	WMM LM 27/05/21/S&D LP	SUPPLY AND DELIVERY OF LIBRARY PERIODICALS	01/05/2023	COMMUNITY SERVICES
	TOTAL	R 338,726.00	R 0.00	R 338,726.00				

Competitive Bidding

b) Tenders awarded during the month of January 2023

NO	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
1	Thahle Projects Jv Ayagu Trading	R 19,990,389.66	WMM LM 00098	CONSTRUCTION OF SIDANGA ACCESS ROAD WITH BRIDGES	Thursday, 05 January 2023	Engineering Services
2	Madstof	R 1,200,000.00	06/10/22/01 CBD	CBD ROAD MAINTAINANCE	Monday, 16 January 2023	Engineering Services
Total		R 21,190	389.66			

c) Status of current tenders

Name Of The Project	Bid Number	Chairperson	Closing Date	Validity	Validity Period	Status
Multi Discipline Panel Of Consultants	WMM LM 30/05/22/06 Mdp	Ms. L. Mhlelembana	Monday, 05 December 2022	90	Sunday, 05 March 2023	To Be Adjudicated
Supply And Delivery Of Protective Clothing For Protection Services	WMM LM 09/06/22 Pccs	Ms. L. Mhlelembana	Tuesday, 20 December 2022	90	Monday, 20 March 2023	To be evaluated
Maintenance Of 1 Traffic Lights For 3 Years	WMM LM 09/06/22 Mt1	Mr. L. Gwala	Tuesday, 20 December 2022	90	Monday, 20 March 2023	To Be Adjudicated
Construction Of Ward 13 Ecds(Re-Advert)	WMM LM 31/05/22/05 Ecdd	Ms. L. Mhlelembana	Wednesday, 04 January 2023	90	Tuesday, 04 April 2023	To be evaluated
Hiring Of Waste Management Trucks And Bakkie For Winnie Madikizela Mandela LM	WMM LM 23/08/22 H T&B	Not Appointed	Tuesday, 10 January 2023	90	Monday, 10 April 2023	To Be Appointed
Preparation Of A Gap Compliant Immovable Asset Register For 2022/23 - 25 Financial Year.	WMM LM 14/06/22 Far	Ms. Z. Metho	Monday, 05 December 2022	90	Sunday, 05 March 2023	To Be Adjudicated
Provision Of Insurance Services [60 Months]	WMM LM 27/10/21/01 Pis	Not Appointed	Monday, 06 February 2023	90	Sunday, 07 May 2023	On Advert
Supply And Delivery Of Cleaning Resources	WMM LM 04/08/22/01 Sdc	Mr. V. Nonianda	Monday, 09 January 2023	90	Sunday, 09 April 2023	To be evaluated
Rehabilitation And Maintenance Of Dumping Site	WMM LM 04/08/22/02 Rmd	Ms. Z. Ndezu	Monday, 09 January 2023	90	Sunday, 09 April 2023	To be evaluated
Extension Of Waste Management Service	WMM LM 04/08/22/01 Ewm	Not Appointed	Tuesday, 10 January 2023	90	Monday, 10 April 2023	To Be Appointed
Supply & Delivery Of A Customized Change Rooms Container	WMM LM 17/02/22/01 Ccs	Not Appointed	Wednesday, 04 January 2023	90	Tuesday, 04 April 2023	To Be Appointed
Service Provider To Conduct Mbizana Heritage Research	WMM LM 11/08/22/01 Mhr	Not Appointed	Thursday, 26 January 2023	90	Wednesday, 26 April 2023	To Be Appointed
Land Survey Services	WMM LM 24/08/22 Lss	Not Appointed	Friday, 30 December 2022	90	Thursday, 30 March 2023	To Be Appointed
Development Of Kubhal Magashen Lsf	WMM LM 24/08/22 Kml Lsf	Ms. Z. Ndezu	Friday, 30 December 2022	90	Thursday, 30 March 2023	To be Evaluated

Name Of The Project	Bid Number	Chairsman	Closing Date	Validity	Validity Period	Status
Revalidation Of A Township Establishment	WMM LM 24/08/22 Rie	Ms. Z. Ndezu	Friday, 30 December 2022	90	Thursday, 30 March 2023	To be Evaluated
Procurement Of Seven Room Infrastructure	WMM 11/02/22/01 Ccr	Not Appointed	Friday, 03 February 2023	90	Thursday, 04 May 2023	On Advert
Repairs of Municipal building	WMM LM 00098 R & M MB	Mr. V. Nontanda	Friday, 23 December 2022	90	Thursday, 23 March 2023	To be evaluated
Electrification of Lower Ethridge Village	WMM LM 00057E MV	Mr. L. Gwala	Wednesday, 04 January 2023	90	Tuesday, 04 April 2023	To Be adjudicated
Electrification of Zibiyani Village	WMM LM 00056 EMV	Mr. L. Gwala	Monday, 09 January 2023	90	Sunday, 09 April 2023	To Be Adjudicated
Provision of Internal Audit Services	WMM LM 06/10/22/03 IAS	Not Appointed	Thursday, 05 January 2023	90	Wednesday, 06 April 2023	To Be Appointed
Refurbishment Lv Lines In Extension 4	WMM LM 00081 R Lv	Ms. Z. Ndezu	Friday, 30 December 2022	90	Thursday, 30 March 2023	To be evaluated
Design, Manufacturing and erection of the life size Bronze Statue of Winnie	WMM LM 00097 S WMM B	Not Appointed	Thursday, 26 January 2023	90	Wednesday, 26 April 2023	To Be Appointed
Reveival of ICT Disaster Recovery	WMM LM 03/11/22/02	Mr. D. Luphoko	Friday, 27 January 2023	90	Thursday, 27 April 2023	To Be Adjudicated
Pre-Capacity Building for GBS Manufacturing Hubs	WMM LM 10/06/22 B GBS C	To Be Appointed	Saturday, 28 January 2023	90	Friday, 28 April 2023	To Be Appointed
Business Incubator for SMMEs	WMM LM 000100 BICB SMMEs	To Be Appointed	Thursday, 02 February 2023	90	Wednesday, 03 May 2023	To Be Appointed
Supply and Delivery of Agricultural Inputs	WMM LM 06/10/22/02 AGR	To Be Appointed	Thursday, 26 January 2023	90	Wednesday, 26 April 2023	To Be Appointed
Supply and Delivery of Fishing material and Equipment	WMM LM 000101 S&D FE&M	To Be Appointed	Thursday, 02 February 2023	90	Wednesday, 03 May 2023	To Be Appointed
Hiring of Construction Plant	WMM LM 08/12/22/02 HCP	Mr. V. Nontanda	Monday, 09 January 2023	90	Sunday, 09 April 2023	To Be Evaluated
Streetlight Maintenance/ Replacement Of Damaged Streetlight Poles And Cables	WMM LM 00080 Sm/Rds	Not Appointed	Friday, 30 December 2022	90	Thursday, 30 March 2023	To Be Appointed
Construction of Guard Gouse at DLTC	WMM LM 08/12/22/01 CGH	Mr. V. Nontanda	Monday, 09 January 2023	90	Sunday, 09 April 2023	To be evaluated

d) Deviations

No deviations were approved for the month.

e) Fruitless and Wasteful Expenditure

No fruitless and wasteful expenditure was incurred during the month.

f) Irregular Expenditure

No irregular expenditure was identified during the month.

11. Database utilisation

The following table indicates the service providers that have been utilised for the month of January 2023. This is in keeping in line with demonstrating that we are making strides in ensuring that there is rotation of service providers and no single provider is preferred while no provider is excluded:

Creditor Name	Creditor Address	Function Name	Order Date	Value	Status	Specifications	CSDRRefNumber	Ward No.
LUSIKISIKI SPARES CC	P O BOX 207 PORT SHEPSTONE 4240	Solid Waste Removal	2023/01/10	1,949.99	RECEIVED	REQUEST FOR REPLACEMENT OF A 1 BATTERY FOR TZY 309 EC	MAAA049 0384	Ward 1
LUSIKISIKI SPARES CC	P O BOX 207 PORT SHEPSTONE 4240	Solid Waste Removal	2023/01/10	1,949.99	RECEIVED	REQUEST REPLACEMENT OF A BATTERY FOR JNX 120 EC (1.3 TON TRUCK)	MAAA049 0384	Ward 1
PONDOLAND TIMES	P O BOX 127 BIZANA WARD 17 4800	Mayor and Council Economic Development	2023/01/26	1,990.00	OPEN	PUBLIC NOTICE OF SPECIAL COUNCIL MEETING ON 2 LOCAL NEWS PAPERS	MAAA057 0434	Ward 17
PONDOLAND TIMES	P O BOX 127 BIZANA WARD 17 4800	Economic Development	2023/01/16	1,990.00	RECEIVED	REQUEST TO RE-ADVERTISE NOTICE FOR DISPOSAL OF LAND	MAAA057 0434	Ward 17
PONDOLAND TIMES	P O BOX 127 BIZANA WARD 17 4800	Economic Development	2023/01/16	1,990.00	RECEIVED	REQUEST FOR AN ADVERT FOR SUPPLY AND DELIVERY OF FISHING MATERIAL AND	MAAA057 0434	Ward 17
PONDOLAND TIMES	P O BOX 127 BIZANA WARD 17 4800	Human Resources Supply Chain Management	2023/01/16	1,990.00	RECEIVED	Request for Re-advertisement of Server Room Infrastructure	MAAA057 0434	Ward 17
PONDOLAND TIMES	P O BOX 127 BIZANA WARD 17 4800	Management	2023/01/10	1,990.00	RECEIVED	Advertising of Provision of Insurance services for 35 Months	MAAA057 0434	Ward 17
PONDOLAND TIMES	P O BOX 127 BIZANA WARD 17 4800	Economic Development	2023/01/06	1,990.00	RECEIVED	REQUEST TO ADVERTISE INCUBATOR CAPACITY BUILDING AND REQUEST INPUT	MAAA057 0434	Ward 17
PONDOLAND TIMES	P O BOX 127 BIZANA WARD 17 4800	Municipal Manager Town	2023/01/06	1,990.00	RECEIVED	ADVERT FOR SERVICE PROVIDER TO SUPPLY AND INSTALL WINNIE MADIKIZELA MA STATUE REQUEST FOR SERVICE PROVIDER TO CONDUCT A SEARCH ON MBIZANA HER PROVIDE A BOOKLET	MAAA057 0434	Ward 17
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Project Management Unit	2023/02/02	1,990.65	OPEN	REQUEST TO ADVERTISE CONSTRUCTION OF SECURITY GUARD HOUSE AT DUTC AND REQUEST TO ADVERTISE THE HIRING OF CONSTRUCTION	MAAA094 3404	Kokstad

Creditor Name	Creditor Address	Function Name	Order Date	Value	Status	Specifications	CSNRefNo	Ward No.
GROUP TWO MEDIA COMPANY PONDOLAND TIMES THE INSTITUTE OF DIRECTORS IN LUSIKISIKI SPARES CC	SHOP NO 16 TIAGOS KOKSTAD 4700 P.O BOX 908 PARKLANDS 2121 P. O. BOX 207 PORT SHEPSTONE 4240 P.O. BOX 764 PORT EDWARD LTD 4800 P.O. BOX 25223 MONUMENT PARK PRETORIA 0105 P.O. BOX 210288 BIZANA BIZANA 4800	Municipal Manager Town Municipal Manager Town Human Resources Roads Corporate Wide Strategic Planning Road and Traffic Regulations Mayor and Council Mayor and Council Mayor and Council	2023/01/24 2023/01/26 2023/01/12 2023/01/31 2023/01/19 2023/01/26 2023/02/01	1,980,65 2,000.00 3,560.00 3,959.99 6,750.00 8,216.00 8,250.00	OPEN OPEN RECEIVED OPEN RECEIVED RECEIVED	PLANT AND EQUIPMENT PUBLIC NOTICE OF SPECIAL COUNCIL MEETING ON 2 LOCAL NEWS PAPERS REQUEST ADVERTISEMENT FOR CO-SOURCING ARRANGEMENTS FOR INTERNAL AUDIT SERVICES PAYMENT FOR MEMBERSHIP FEES FOR MR MAHLAKA REQUEST FOR THE REPLACEMENT OF TWO NEW BATTERIES FOR CAT EXCAVATOR ; THE BATTERY SIZES FOR CAT EXCAVATOR -674 x2 FRUIT PACKS FOR 100 PEOPLE FOR MAYORAL IMBIZO FEEDBACK MEETING ON 16/0	MAAA094 3404 MAAA057 0434 MAAA009 3656 MAAA049 6384	Kokstad Ward 17 Pretoria Bizana
TRADING 88 PTY LTD TRANSPORT PTY LTD FAKADE CONSTRUCTION (PTY) LTD	P.O. BOX 210288 BIZANA WARD 17 4800 P.O. BOX 77 BIZANA WARD 17 4800 P.O. BOX 307 BIZANA WARD 17 4800 P.O. BOX 9 PIETERMARITZBURG 3200 Landscape	Mayor and Council Mayor and Council Mayor and Council Biodiversity and Landscape	2023/02/01 2023/01/30 2023/01/10	10,000.20 10,200.00 11,109.00	RECEIVED RECEIVED RECEIVED	CODE 10 enatis DRIVING LICENSE FEES FOR OCTOBER 2022(ING65178 UNDERPAI REQUEST FOR 15 BAGS OF POTATO SEEDS FOR THE SISKELEWE DISABILITY PRO	MAAA035 7741 MAAA069 5453	Pretoria Ward 1
UMGENI WATER ARENA HOLDINGS KWIK-FIT BIZANA DAD AND SON CONSTRUCTION	P.O. BOX 2447 CAPE TOWN 8000 8000 STREET BIZANA 4800 PO BOX 33 HOLLY CROSS FLGSTAFF	Human Resources Solid Waste Removal Mayor and Council	2023/01/16 2023/02/01 2023/01/06	11,954.25 11,989.99 12,000.00	OPEN OPEN RECEIVED	REQUEST FOR 2 QUANTUMS FOR 30 PEOPLE REQUEST FOR WATER SAMPLING INV-90014497 REQUEST FOR ADVERTISING OF TWO PERMANENT POSTS; NAMELY MANAGER; ICT UND RATE SERVICES AND PMIS OFFICER UNDER MUNICIPAL MANAGER'S OFFICE (PROV) PAPER	MAAA036 9147 MAAA012 5170	Pietermaritzburg Ward 17
ZICKY TRADING ENTERPRISE MASINYANE AND SON (PTY) LTD UMGENI WATER	GAZINI A/A NTSHILINI 5099 PO BOX 229 BIZANA 4800 P.O. BOX 9 PIETERMARITZBURG 3200	Roads Solid Waste Removal Biodiversity and Landscape	2023/01/06 2023/01/06	12,500.00 16,150.00	OPEN RECEIVED	REQUEST FOR REPLACEMENT OF 2 TYRES FOR SKIP LOADER TRUCK JTG 283 EC REQUEST TRANSPORT FOR CONSTITUENCY PROGRAMME TO BE HELD 06 JANUARY 20 LONDON (15 SEATER QUANTAM)	MAAA040 5022 MAAA007 6388	burg East London
UNISA TYRES & MORE KOKSTAD AMAZWETSCHA TRADING CC AFRICAN COMPASS	P.O. BOX 25223 MONUMENT PARK PRETORIA 0105 P.O. BOX 488 Human Resources P.O. BOX 669 KOKSTAD KWAZULU-NATAL 4700 P.O. BOX 24 BIZANA ward 23 4800 BOX 555 BIZANA WARD 31 4800	Road and Traffic Regulations Roads Community Parks (including	2023/01/16 2023/01/31 2023/01/24 2023/01/12 2023/01/30	16,985.00 16,663.50 23,335.00 23,774.96 28,900.00	RECEIVED RECEIVED RECEIVED RECEIVED RECEIVED	PAYMENT TO DRIVING LICENCE CARD ACCOUNT FOR DECEMBER 2022 PAYMENT FOR STUDY ASSISTANCE FOR NDJAVA KHAYAKAZA REQUEST FOR SUPPLY & DELIVERY OF 4 TYRES FOR DTH 289 EC SIZE (315/80R2 REQUEST FOR MAINTENANCE OF 15X GARDEN POWER TOOLS FOR GRASS CUTTING AC REQUEST LUNCH WITH SOFT DRINKS	MAAA035 7741 MAAA022 9105 MAAA021 8212 MAAA001 7093 MAAA012 1475	Pretoria Durban Kokstad Ward 23 Ward 31

Creditor Name	Creditor Address	Function Name	Order Date	Value	Status	Specifications	CSOPeRNU mber	Ward No.
TRADING 37CC				R 286,739.17				
Total				R 286,739.17				

12. 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	Closing Balance	23-Jan	Current year Expenditure	Closing Balance
Zama Dunga Business Enterprise	Construction of Mbizana Civic Centre	MBIZLM27/02/18/02ENG	R 74,861,072.75	R 11,103,524.71	R -	R 2,815,594.39	R 8,287,930.32
Tunimart(PTY) LTD	Provision of Travel Agency	LM/11/05/08/01/T RA	R -	R 13,103,953.79	R 60,076.16	R 2,393,515.18	R -R 15,497,468.97
Sizanane Consulting	General Valuation Roll 2019/2024	Valuation Roll 2019/2024	R 1,233,195.00	R -	R -	R -	R -
SAGE VIP	Payroll System	None Provided	R -	R 557,458.19	R -	R 11,389.72	R 568,847.91
MUNSOFT PTY (LTD)	Financial and Billing System	MBIZ LM ICT DUE DELIGENTS	R -	R 10,174,125.16	R 313,967.25	R 3,395,396.59	R -R 13,567,521.55

SUCCEFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Existing Balance	23-Jan	Current year Expenditure	Closing Balance
Lilitha Projects Managers	GRAP Compliant Fixed Asset Register	MBIZ 0041FAR	R 5,695,317.06	R 1,483,580.69	R -	R 1,386,383.65	R 97,197.04
Igwayi Design Workshop Architects	Professional Fees for Mbizana Civic Center	MBIZ LM /121/2017/ENG	R 11,282,784.41	R 393,938.80	R -	R -	R 393,938.80
IPM Plant Hire Jv Moznas's Trading	Construction of Mphuthumi Matumbatha Stadium	MBIZ LM 18/1/18/ENG	R 64,518,679.57	R 4,566,745.39	R -	R -	R 4,566,745.39
Indwe Risk Services	Provision of Insurance Services	MBIZ LM/02/05/18/INS/BTO	R 876,543.75	R 2,567,674.53	R -	R 1,333,520.88	R 3,901,195.41
Iheans Travelling Agency	Provision of Travel Agency	MBIZ LM/11/05/08/01/T RA	R -	R 8,370,872.54	R 1,055,820.17	R 3,931,076.46	R 12,301,949.00
First Rand Limited	Provision of Banking Services	MBIZ LM/06/03/18/L/T/B TO	R -	R 9,657,484.60	R 1,850,931.69	R 4,187,486.62	R 13,844,971.22
Dumack and Bright Idea	Construction of Mphuthumi Matumbatha Stadium	MBIZ LM/29/11/03	R 8,094,071.25	R 1,349,380.32	R -	R -	R 1,349,380.32
CONLOG	Prepaid electricity agent	Feb 6/1/15	R -	R 7,349,559.20	R -	R 579,352.63	R 7,928,921.83
West Bank Limited	Fuel	MBIZ LM/06/03/18/L/T/B TO	R -	R 5,521,475.59	R -	R 73,012.13	R 5,594,487.72
Thenjiwe Business Solutions t/a Umuswa	Leasing of Land For Vehicle Testing	MBIZ LM 00000078	R 2,100,000.00	R -	R -	R -	R -
Mbizana Rodworthy Ingqayi Design Economic Partnership	MLDP Implementation Project	MBIZLM0016DPI	R 598,000.00	R 449,000.00	R -	R -	R 449,000.00
Kunyoz Investments	Debt collection services for 3 years	MBIZ LM 00022 DCS	R 0.13	R 1,382,984.78	R 43,487.56	R 716,083.59	R 2,089,068.37
Genbiz Trading 1001 PTY LTD	Procurement of printers/copiers for 3 years	MBIZ LM 0030 PP/C	R 782,112.24	R 618,981.97	R 23,585.57	R 278,872.29	R 340,109.68
Khanya Africa Networks	Integrated Financial Records and Archiving Solutions (IFRA) for 3 years	MBIZ LM 0035 IFRA	R 5,300,000.00	R 334,499.41	R -	R -	R 334,499.41
Zinzame Consulting Engineers	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
VHB Associates	Multi Discipline	MBIZ LM 0056	R -	R -	R -	R -	R -

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Closing Balance	23-Jan	Current year Expenditure	Closing Balance
	Panel of Consultants-Architectural	CON	-	-	-	-	-
	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
BMK Consulting Engineering	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
TPA JV Lisa Solutions	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
S Zoko Consulting	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
Mila Emazweni Trading & projects	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
Iqhayiya Design Workshop Architects	Multi Discipline Panel of Consultants-Architectural	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
Techseeds Pty Ltd	Procurement of IP-PBX	MBIZ LM 0041 IP-PBX	R 3,292,404.50	R 909,349.82	R -	R 651,602.03	R 257,747.79
Cycle Civils and Projects	Rehabilitation of Dumping Site For 24 Months	MBIZ LM 0008 RDS	R 2,553,896.45	R 93,021.90	R -	R -	R 93,021.90
Vadiacom Pty Ltd	Procurement of Mobile Contract	MBIZ LM 0040 PMC	R -	R 9,329,270.59	R 424,738.70	R 2,549,825.17	R 11,879,085.76
Dibethie Construction and Projects JV	Supply & Delivery of Refuse Removal Protective Clothing for 36 Months	MBIZ LM 0005 RRPC	R 2,585,777.16	R 697,848.47	R -	R -	R 697,848.47
Blue Cycle Services Pty Ltd	Review of Municipal Corporate Governance for ICT Charter and Framework for Two Years	MBIZ LM 002 ICT&FM	R 1,180,000.00	R 10,000.01	R -	R -	R 10,000.01
Mila Emazweni Trading & projects	Professional Fees Mqoniwana to Greenville AIR N	MBIZLM0055CO N	R 1,202,091.04	R 84,655.89	R -	R -	R 84,655.89
Mabozela Trading and Enterprise Jv Boboshe	Electrification of Mashenguteni Village (Ward 15) 414 Households	MBIZ LM 00057 EMV	R 19,575,046.47	R 826,139.58	R -	R 426,440.70	R 399,698.88
Ndlela Philophe Trading	Website Revamp WEB	MBIZ LM 0058	R 805,000.00	R 168,500.00	R -	R -	R 168,500.00
ODG Technologies	Panel of Electrical	MBIZ LM 0055	R -	R -	R -	R -	R -

SUCCESSFUL TENDERER PTY Ltd	NAME OF THE PROJECT Engineering Consultants	TENDER NO CON	Contract Amount -	Closing Balance -	23-Jan -	Current Year Expenditure -	Closing Balance -
Restsam Engineering PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
Siti Cargo	Maintenance of Tshavinga Road	MBIZ LM 0048 RTAR	R 4,554,471.20	R 321,127.01	R -	R -	R 321,127.01
ODG Technologies PTY Ltd	Panel of Consultants; Mathengueni Electrification Supply & Maintenance of Automated Meter Reading System for 3 years	MBIZ LM 0055 CON AMRS	R 1,632,385.17	R -	R -	R -	R -
Emerald Metering and Utility Management Pty Ltd	Panel of Consultants-Architectural; Temporary Traders Stalls and Civil Works	MBIZ LM 0085	R 2,129,902.23	R 101,409.53	R 85,378.94	R 574,190.25	R 477,780.72
Iqhayiya Design Workshop	Replacement of LV & MV LINES	WMM LM 0059 LV&MVL	R 956,705.82	R 287,011.75	R -	R -	R 287,011.75
Mabozela Trading JV Boboshe Trading enterprise	Maintenance of Bulk Metering and Cables	WMM LM 0091 MBM&C	R 75,551.68	R 75,655.16	R -	R -	R 558,379.99
YG Solutions	Manufacturing Hubs	WMM4-LM(Part of Consultants)	R 3,850,372.50	R 3,164,366.38	R -	R 408,250.00	R 75,655.16
Iqhayiya Design and Workshop	Electrification of Xholobeni Village in Ward 25	WMM LM 00057E MV	R 28,254,288.46	R 3,272,039.18	R 1,181,238.51	R 13,822,221.07	R 2,756,116.38
Thake Electrical	Electrification of Xholobeni Village in Ward 25	WMM LM 00057E MV	R 2,352,477.01	R 205,716.73	R -	R -	R 10,550,181.89
ODG Technologies Ngoma JV Dimbane Zikhazi Trading	Ward 20	W20CH	R 3,600,000.00	R 186,970.49	R -	R 179,632.30	R 7,338.19
Manyobo Group Sira Construction and Projects (Pty) Ltd	Hiring Of Construction Plant and Trucks	WMM LM 21/07/21/02:HPT	R 24,128,755.89	R 7,921,562.53	R -	R 5,200,898.29	R 2,720,754.24
Mabozela Trading	Hiring Of Construction Plant and Trucks	WMM LM 21/07/21/02:HPT	R 4,265,600.00	R 6,100.00	R -	R 2,980,000.00	R -R 2,973,900.00
S. Zoko Consulting	Construction of Signinini to Marina Access Road	MBIZ LM 0055 CON	R 838,341.08	R 449,813.98	R -	R 1,559,705.39	R 2,338,459.82
						R 159,433.00	R 290,400.58

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Closing Balance	23-Jan	Current year Expenditure	Closing Balance
Zimzane Consulting Engineers	Mapheleni Via Mbubazi	MBIZ LM 0055 CON	R 1,777,614.33	R 1,092,984.85	R -	R 1,092,984.85	R -
TPA IV Lisa Solutions	Sixhaxeni Access Road	MBIZ LM 0055 CON	R 1,138,312.20	R 365,388.93	R -	R 331,414.92	R 33,974.01
Vitsha Trading	Refurbishment of Mbizana Taxi rank phase 2	WMM LM 01/09/21/02 RTR	R 24,696,034.42	R 3,515,641.01	R -	R 2,219,496.95	R 1,296,144.06
Bukhobethu Security Services	Provision of Private Security Services	WMM LM 08/12/20/03 PSC	R 27,820,800.00	R 21,224,400.00	R -	R 3,703,000.00	R 17,521,400.00
Maria Emazwani Trading & projects	Mishongweni Access Road Upgrade	MBIZ LM 0055 CON	R 271,621.81	R 0.01	R -	R -	R 32,520.86
VHB Associates	Professional Fees Rank(Phase 2)	MBIZLM0055CO N	R 3,649,617.06	R 32,520.86	R -	R -	R 0.01
Environmental Vanguard(Pty) Ltd	Reviewal of climate change strategy	WMM LM 11/02/21/01 CCS	R 360,000.00	R 52,000.00	R -	R 52,000.00	R -
MVI Construction and Maintenance	Construction of Mapheleni Via Mbubazi to Dutiyini	WMM LM 08/10/21/02 MDA	R 9,502,995.40	R 958,680.09	R -	R 949,368.87	R 5,311.22
Phahle Construction	Repairs and Maintenance of DLTC	WMM LM 17/09/21/02 RDL	R 860,741.50	R 164,981.50	R -	R -	R 164,991.50
S.Zoko Consulting	Leonard to Smakadeni Access Road	MBIZ LM 0055 CON	R 1,261,214.89	R 56,583.22	R -	R -	R 56,683.22
BMK Consulting Engineering	Tshuze To Luphiliswe Access Road	MBIZ LM 0055 CON	R 1,232,705.70	R 205,357.73	R -	R -	R 205,357.73
Mabozela Trading and Projects	CBD Road Maintenance	WMM LM 10/12/21/01 CBD	R 2,986,224.78	R 302,249.55	R -	R 301,613.66	R 635.89
Masilo Projects	Supply and Delivery of 2 Sola High Mast	WMM LM 18/05/21 IFP:HIM	R 2,187,151.60	R 1,437,513.77	R -	R 1,968,284.78	R 530,771.01
Sihle Pot Trading	Disaster Management Plan	WMM LM 29/09/20 DRMP	R 450,000.00	R 384,000.00	R -	R 572,690.00	R 188,690.00
Phahle Construction	Maintenance of Recreational Facilities	WMM LM 16/09/20/01	R -	R -	R -	R -	R -
Dr Sugudhav-Soversadhi Attorneys	Provision of Legal Services	WMM LM 25/06/21	R -	R 456,420.78	R -	R 762,698.55	R 2,119,119.33
Z.N.Mishabe	Provision of Legal Services	WMM LM 25/08/21	R -	R 2,243,140.26	R -	R 1,562,581.68	R 3,805,721.94
Techseeds Pty Ltd	Supply and Delivery of Printers	WMM LM 21/12/21/01 PRI	R 6,581,971.41	R 6,581,971.41	R 165,709.23	R 646,431.72	R 5,935,539.69
Siti Cargo	Hiring Of Construction Plant and Trucks	WMM LM 21/07/21/02 HPT	R 3,599,500.00	R -	R -	R -	R -

SUCCEFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Closing Balance	23-Jan	Current year Expenditure	Closing Balance
Zinname Consulting Engineers	Sidange Access Road with a Bridge	MBIZ LM 0055 CON	R 3,256,364.38	R -768,549.54	R -	R -	R 1,768,549.54
Vitsha Trading	Sigingini to Marina Access Road	WMM LM 31/05/2022	R 5,594,999.70	R 5,594,999.70	R 754,533.40	R 2,312,226.80	R 3,282,772.90
Mabozela Trading and Enterprise	Sikhombile Access Road	WMM LM 0059E	R 8,255,733.77	R 8,255,733.77	R -	R 4,650,329.60	R 3,565,404.17
Oracle Energy and Power	Electrification of Nomiacu Village	WMM LM 0059E MV	R 5,485,723.24	R 5,485,723.24	R 541,586.36	R 1,424,821.61	R 4,060,901.63
YG Solutions Pty Ltd	Maintenance of Electricity Infrastructure	WMM LM 31/05/22/01	R 646,225.25	R 646,225.25	R -	R 452,174.73	R 194,050.52
Nikhwe Group	Bizana Mini Market	WMM 001/MS-21	R 2,404,750.80	R 2,404,750.80	R -	R 748,857.46	R 1,655,893.34
Vitsha Trading	Rehabilitation of Sikhombile Access Road	WMM LM 0091 SKM A/R	R 3,522,826.29	R 3,522,826.29	R 453,779.19	R 2,724,923.16	R 797,903.13
Stina Construction and Projects (Pty) Ltd	Rehabilitation of Miyamani Access Road and Bridge	WMM LM 0092 M/A/R & B	R 1,830,184.94	R 1,830,184.94	R -	R 1,409,523.51	R 420,651.43
Mabozela Trading and Enterprises	Rehabilitation of Bazana Access Road	WMM LM 0095 B/A/R & B	R 3,885,094.57	R 3,885,094.57	R 730,415.03	R 6,542,151.44	R 2,657,056.87
Masiilo Jv Mshakeni	Rehabilitation of Qobo To Sizindeni Access Road	WMM LM 0090 Q.S A/R	R 1,312,600.69	R 1,312,600.69	R 116,846.84	R 1,467,257.67	R 154,656.98
Manyobo Group	Rehabilitation of Kwayubula	WMM LM 0094 KB-M A/R	R 1,822,190.57	R 1,822,190.57	R -	R 443,034.57	R 1,379,156.00
Vitsha Trading	Construction of Tshongweni Access Road	WMM LM 31/05/22/03 TAR	R 1,692,588.80	R 1,692,588.80	R 362,677.93	R 1,479,591.50	R 212,997.30
Sakhwe Contractors	Procurement of Electricity Material and Tools	WMM 00083 PEM& T	R 1,287,700.00	R 1,287,700.00	R -	R 1,116,913.57	R 170,786.43
EKS Vehicle Tracking	Vehicle Tracking Services	Transversal Contracts (RT-46)	R -	R -	R -	R -	R -
Zinname Consulting Engineers	Professional Services for Bazana Access Road	WMM LM 00095 B/A/R & B	R 495,180.00	R 495,180.00	R -	R 398,575.63	R 96,604.37
Zinname Consulting Engineers	Professional Services of Miyamani Access Road and Bridge	WMM LM 00092 M/A/R & B	R 274,650.00	R 274,650.00	R -	R 256,450.00	R 18,200.00
Zinname Consulting Engineers	Professional Services for Sikhombile Access Road	WMM LM 0091 SKM A/R	R 459,199.00	R 459,199.00	R -	R 386,446.12	R 72,752.88
Zinname Consulting Engineers	Professional Services for Kwayubula Access	WMM LM 0094 KB-M A/R	R 341,172.00	R 341,172.00	R -	R -	R 341,172.00

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Closing Balance	23-Jan	Current year Expenditure	Closing Balance
MVI Construction and Maintenance	Road	WMMI LM 00093	R 2,358,132.67	R 2,358,132.67	R 410,343.00	R 410,343.00	R 1,947,789.67
Iswano Eshe Construction	Rehabilitation of Matshezini Access Road	WMMI LM 00097	R 7,534,851.06	R 7,534,851.06	R -	R -	R 7,534,851.06
YG Solutions	Construction of Luthlisweni Access Road	WMMI LM 0060E	R 8,162,989.79	R 8,162,989.79	R -	R -	R 8,162,989.79
Heans Travelling Agency	Electrification of Msarthweini Village	WMMI LM 00601	R -	R -	R -	R -	R -
Tunimart(PTY) LTD	Provision of Traveling Agency for 36 months	WMMI LM 30/06/22/01 TRA	R -	R -	R -	R -	R -
Bomba Diesel	Provision of Traveling Agency for 36 months	WMMI LM 30/06/22/01 TRA	R -	R -	R -	R -	R -
Nikhwe Group	Supply and Delivery of Stationery for 12 months	WMMI LM 18/09/09/1,01	R -	R -	R -	R -	R -
Thabie iv Ayagu	Fencing of Mzamba Community Hall & Dudumeni Community Hall	WMMI LM 18/02/20/01 FEN	R 700,000.00	R 700,000.00	R -	R -	R 700,000.00
MVI Construction and Maintenance	Construction of Sidanga Access Road with Bridges	WMMI LM 00098	R 19,990,389.66	R 19,990,389.66	R 604,120.55	R 604,120.55	R 19,386,269.11
	Rehabilitation of Matshezini Access Road	WMMI LM 00098	R 19,990,389.66	R 19,990,389.66	R -	R -	R 19,990,389.66
		R 430,131,092.47	R 61,075,573.27	R 8,164,773.53	R 8,164,773.53	R 28,692,461.60	

13. 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							PROCUREMENT PROCESS			
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
2022/01/08	EF007822-000	South African Cemeteries Association	R 9,000.00	Co-ordination of developmental cemeteries and crematoria services	Chief Financial Officer	Friday, 29 July 2022	Mayor and Council	No	One quotation requested	Sole Provider
2022/02/08	EF007804-001	Leadership Academy	R 23,692.00	Training for Auditors	Chief Financial Officer	Tuesday, 02 August 2022	Corporate Services	No	One quotation requested	Sole Provider
27/07/2022	EF007794-000	The Institute of Directors South Africa	R 3,289.88	Training programmes on corporate governance	Chief Financial Officer	Tuesday, 26 July 2022	Corporate Services	No	One quotation requested	Sole Provider
16/08/2022	EF007804-0008	Wits school of Governance	R 58,000.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022	Corporate Services	No	One quotation requested	Sole Provider
30/08/2022	EF007804-000	UNISA	R 19,490.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022	Corporate Services	No	One quotation requested	Sole Provider
16/08/2022	EF007797-000	DUT	R 25,000.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022	Corporate Services	No	One quotation requested	Sole Provider
N/A	N/A	UKZN	R 25,000.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022	Corporate Services	No	One quotation requested	Sole Provider
30/08/2022	EF007822-000	SBS	R 18,600.00	Study Fees	Chief Financial Officer	Monday, 15 August 2022	Corporate Services	No	One quotation requested	Sole Provider
16/08/2022	EF007804-000	WSU	R 10,558.25	Study Fees	Chief Financial Officer	Monday, 15 August 2022	Corporate Services	No	One quotation requested	Sole Provider
		MIE	R 4,958.92	Verification and collection of educational qualifications	Chief Financial Officer	Monday, 29 August 2022	Corporate Services	No	One quotation requested	Sole Provider
30/09/2022	EF007871-000	The Assessment Toolbox	R 14,574.73	Assessment of Municipal Managers and Managers	Chief Financial Officer	Monday, 07 November 2022	Corporate Services	No	One quotation requested	Sole Provider
2022/02/21	EF007914-000	Hv Test Academy PTY LTD	R 13,662.00	Training of electricity employees regulated by NERSA	Chief Financial Officer	Thursday, 27 October 2022	Corporate Services	No	One quotation requested	Sole Provider
11.12.2022		Institute of Directors South Africa NPC	R 3,500.00	Training programmes on corporate governance	Chief Financial Officer					

SECTION 17 TRANSACTION DETAILS							PROCUREMENT PROCESS			
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
2022/12/1 2	EF007941-000	Hv Test Academy PTY LTD	R 13,662.00	Training of electricity employees regulated by NERSA	Chief Financial Officer	Thursday, 08 December 2022	Corporate Services	No	One quotation requested	Sole Provider
2022/12/1 2	MANY	The Institute of Internal Auditors	R 17,296.00	Training of Auditors	Chief Financial Officer	Friday, 09 December 2022	Corporate Services	No	One quotation requested	Sole Provider
2022/12/1 2	EF007944-000	Esri South Africa	R 26,846.98	Geographic information systempro Annual licence renewal	Chief Financial Officer	Saturday, 10 December 2022	Corporate Services	No	One quotation requested	Sole Provider
			287,130.76							

PART 2 – SUPPORTING DOCUMENTATION

1. 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 resulting in funding being withheld should this be picked up by the funder. Some of the candidates that get shortlisted do not meet the minimum requirements and no proscribed process is followed as prescribed when the municipality decides not to follow the guidelines.

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

The municipality has also finalised the process of recruiting three additional Financial Management Interns to make the required number of 5.

2. 2023 Adjustment Budget Processes

Section 28 of the Municipal Finance Management Act, 2003 (MFMA) allows a municipality to revise its approved annual budget through an adjustments budget.

An adjustments budget –

- a) Must adjust the revenue and expenditure estimates downwards if there is a material under-collection of revenue during the current year;
- b) May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- c) May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- d) May authorise the utilisation of projected savings in one vote towards spending under another vote;
- e) *May authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs where the annual budget for the current year was approved by the council;*
- f) May correct any errors in the annual budget, and
- g) May provide for any other expenditure within a prescribed framework.

The Municipal Manager with the assistance and advice of the municipal management recommended that an adjustment budget is necessary to address the short-comings within the existing budget in terms of Section 27(3) of MFMA.

The Budget and Treasury Office conducted planning and consultation meetings with individual departments where the needs of each section were discussed in relation to their approved SDBIP, with the budget principles and approach to be applied. Departments have used the review in relation to their mid-year performance assessment report which served as a motivation towards the adjustment budget.

The criteria utilized for compiling the adjustment budget were determined by the following factors:

- The adjustment budget must be compiled in compliance with the MFMA requirements as set out in Section 28 as specified in the body of the report. This relates to expenditure and income estimates which have been anticipated in the budget but which have not materialized for motivated reasons. It can also relate to unforeseen circumstances which can also be explained and motivated.
- The adjustment budget must be substantiated through alignment with the departmental SDBIP and Council approved IDP
- The original approved budget process and guidelines must be used to compile the 2022/2023 adjustment budget as it is not a new budget

Departments were required to prioritize within their approved operating and capital budget allocations in accordance with guidelines provided by Budget and Treasury office.

i. Revised Grants Allocation

Reconciliation of Winnie Madikizela-Mandela Local Municipality allocations for 22/23 MTREF								
	Revised 2021/22	Change	2022/23	Additional Allocation July 2022	Additional Allocation October 2022	Revised 2022/23	2023/24	2024/25
National Allocations								
<i>Operational</i>								
Equitable Share	317,560,650	33,892,750	351,453,400	12,790,000	33,806,000	398,049,400	344,768,650	366,424,200
Financial Management Grant	289,620,000	30,475,000	320,095,000	-		320,095,000	339,797,000	361,325,000
Expanded Public Works Programme	2,000,000	100,000	2,100,000	-		2,100,000	2,100,000	2,100,000
Municipal Infrastructure Grant 5%	3,570,000	117,000	3,687,000	-		3,687,000	-	-
Disaster Management Grant	2,551,150	200,750	2,751,900	-		2,751,900	2,871,650	2,999,200
Government Support Grant	-	-	-	12,790,000	33,806,000	46,596,000	-	-
<i>Capital</i>								
Municipal Infrastructure Grant	76,924,850	-8,238,750	68,686,100	-	-	68,686,100	82,561,350	86,241,800
Integrated National Electrification	48,471,850	3,814,250	52,286,100	-		52,286,100	54,561,350	56,984,800
	28,453,000	-12,053,000	16,400,000	-		16,400,000	28,000,000	29,257,000
Provincial Allocations								
<i>Operational</i>								
Library Grant	500,000	-	500,000	-	-	500,000	500,000	522,000
	500,000	-	500,000	-		500,000	500,000	522,000
	-	-	-	-	-	-	-	-
TOTAL ALLOCATIONS	394,985,500	25,654,000	420,639,500	12,790,000		467,235,500	427,830,000	453,188,000

The table above shows an additional amount that was allocated to the municipality in the form of Disaster Recovery Grant through the Adjustments appropriation bill that was passed in October 2022. There are no additional grants received.

ii. Summary of Revenue by Source

Row Labels	Annual Budget	Total Actual	Adjustment	Adjusted
Revenue	- 515,526,536.00	- 324,871,010.48	- 38,820,666.42	- 554,347,202.42
Property Rates	- 21,468,489.00	- 18,007,738.49	- -	21,468,489.00
Service Charges- Electricity	- 30,845,308.00	- 21,132,574.37	- -	30,845,308.00
Service Charges-Waste	- 5,834,277.00	- 2,629,287.28	1,332,310.58	4,501,966.42
Rental from Fixed Assets	- 3,893,452.00	- 2,585,490.68	605,000.00	4,498,452.00
Interest- investments	- 9,760,440.00	- 10,553,196.91	5,330,000.00	15,090,440.00
Interest- outstanding debtors	- 5,377,731.00	- 3,518,119.01	- -	5,377,731.00
Fines; Penalties and Forfeits	- 592,627.00	- 19,392.00	- -	592,627.00
Licences or Permits	- 2,403,886.00	- 1,286,994.06	- -	2,403,886.00
Agency Services	- 1,400,874.00	- 885,976.93	120,000.00	1,520,874.00
Transfers and Subsidies	- 433,429,458.00	- 262,688,893.25	33,806,000.00	467,235,458.00
Other revenue	- 519,994.00	- 1,563,347.50	291,977.00	811,971.00
Grand Total	- 515,526,536.00	- 324,871,010.48	- 38,820,666.42	- 554,347,202.42

a. Revenue adjustments

i. Service Charges - Waste

A reduction of R1.3 million is proposed considering the reductions that has been noted during the mid-year assessment.

ii. Rental from fixed assets

An increase of R605 thousand is proposed as a result of the improved rental agreements on some of the municipality's investment properties as well as the commencement of the lease with Cybromax.

iii. Interest – Investments

A proposed increase of R5.3 million as a result of the recent continuous interest rate hikes.

iv. Agency Services

An increase of R120 thousand is proposed considering the mid-year performance which was above the projected amount for the period.

v. Transfers and Subsidies

An increase of R33.8 million as a result of the disaster recovery grant that has been allocated to the municipality in response to the floods that took place in April 2022. is proposed from the LGSETA grant that the municipality normally receives every year after submission of the required training information.

vi. Other Revenue

A decrease of R291 is proposed from the LGSETA grant that the municipality normally receives every year after submission of the required training information.

iii. Summary of expenditure type

Row Labels	Annual Budget	Total Actual	Remaining Budget	Adjustment	Adjusted
Expenditure	441,620,527.00	233,863,028.71	207,757,498.29	31,243,168.38	472,863,695.38
Employee Related Cost	125,780,703.00	62,727,257.99	63,053,445.01	- 2,265,881.53	123,514,821.47
Remuneration of Councillors	27,047,160.00	15,015,193.35	12,031,966.65	-	27,047,160.00
Depreciation and Amortisation	49,735,160.00	24,127,240.28	25,607,919.72	-	49,735,160.00
Provision for debt impairment	9,600,000.00	-	9,600,000.00	-	9,600,000.00
Interest; Dividends and Rent on Land	100,000.00	-	100,000.00	-	100,000.00
Bulk Purchases	40,005,406.00	23,121,918.36	16,883,487.64	-	40,005,406.00
Contracted Services	96,379,920.00	45,653,519.52	50,806,400.48	5,254,629.55	101,634,549.55
Inventory Consumed	7,394,642.00	1,545,230.64	5,849,411.36	- 449,900.00	6,944,742.00
Transfers and Subsidies	3,299,200.00	779,980.00	2,519,220.00	50,000.00	3,349,200.00
Other expenditure	82,278,336.00	34,556,568.08	47,641,767.92	2,318,200.00	84,596,536.00
Disposal of Fixed and Intangible Assets	-	26,336,120.49	- 26,336,120.49	26,336,120.36	26,336,120.36
Grand Total	441,620,527.00	233,863,028.71	207,757,498.29	31,243,168.38	472,863,695.38

a. Operating Expenditure

i. Employee related costs

This has seen a net decrease of R2.2 million with the main contributor being the savings that have been recorded due to vacant positions and increases that were below the projected percentage.

ii. Contracted Services

The R5.2 million adjustment has considered a number of important areas including Maintenance of Mphetshwa to Bonda, security services, CBD Maintenance, Vehicle, debt collection and legal fees, support of internal audit, and other areas requiring funding.

iii. Other expenditure

The adjustments made include funding for unavoidable expenditure incurred on the hiring of vehicles, insurance services, licence fees, refuse removal protective clothing, fuel and other similar necessary expenditures.

iv. Disposal of Fixed and Intangible Assets

The R26.3 million is allocated for electricity projects in the villages that will be completed during the year and transferred to Eskom. These include the remaining electrification in Xolobeni electrification that are expected to be completed by the end of the year.

iv. Summary of Capital budget by Asset Class

Row Labels	Annual budget	Total	Actual	Remaining Budg	Adjustment	Adjusted
Assets	134,579,376.09	27,955,720.94	95,836,835.06	47,436,313.48	182,015,689.57	
Community Assets	17,425,766.00	7,405,172.65	10,020,593.35	16,325,074.78	33,750,840.78	
Electrical infrastructure	15,725,000.00	3,466,350.42	12,258,649.58	-	510,000.00	15,215,000.00
Solid waste infrastructure	8,075,000.00	-	8,075,000.00	-	7,238,000.00	837,000.00
Roads infrastructure	57,259,290.00	15,231,090.30	42,028,199.70	35,419,672.45	92,678,962.45	
Heritage asset	1,000,000.00	-	1,000,000.00	-	1,000,000.00	-
Computer Equipment	2,125,000.00	176,000.00	1,949,000.00	2,361,300.00	4,486,300.00	
Furniture and Office Equipment	7,140,000.00	208,104.97	6,931,895.03	-	1,228,135.78	5,911,864.22
Machinery and Equipment	127,500.00	-	127,500.00	85,000.00	212,500.00	
Transport Assets	6,500,000.00	1,469,002.60	5,030,997.40	-	425,000.00	6,075,000.00
Buildings	340,000.00	-	340,000.00	731,000.00	1,071,000.00	
VAT Receivable	18,861,820.09	-	8,075,000.00	2,915,402.03	21,777,222.12	
Grand Total	134,579,376.09	27,955,720.94	95,836,835.06	47,436,313.48	182,015,689.57	

c. Capital Expenditure

i. Community Assets

The adjustments relate mainly to the adjustments made for the completion of the Civic Center, Stadium, Ward 13 ECDC and accounting for prepayments made at the stadium and Civic Center as well as other similar items that may have required top-up funding.

ii. Solid Waste Infrastructure

The adjustment relates to funding that was allocated for the completion of Majazi Landfill site which has become increasingly clear that due to challenges faced, the project is unlikely to commence this year.

iii. Road infrastructure

The adjustments relate to the R33.8 million allocated for disaster recovery as well as completion of other road infrastructure projects that require additional funding.

iv. Computer Equipment

The adjustment relates to adjustments made to cater for the new server room infrastructure that is currently under the municipality's procurement processes.

3. Debtors' analysis

Summary of all Debtors

EC443 Winnie Madikizela Mandela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

R thousands	Description	NT Code	Budget Year 2022/23						Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.e. Council Policy
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr		
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4,976	1,676	1,538	2,743	1,612	1,386	2,965	4,170	21,063	12,874
Receivables from Non-exchange Transactions - Property Rates	1400	1,462	300	289	283	288	8,813	1,231	23,468	36,133	34,183
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	4	2	2	2	2	7	2,609	2,631	2,623	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	435	435	-
Interest on Arrear Debtor Accounts	1810	1,147	548	543	577	585	408	1,711	11,658	17,176	14,938
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	703	382	242	240	678	227	1,260	5,477	9,209	7,982
Total By Income Source	2000	8,282	2,907	2,614	3,845	3,164	10,835	7,172	47,818	86,647	72,834
2021/22 - totals only											
Debtors Age Analysis By Customer Group											
Organs of State	2200	814	445	455	421	459	8,810	1,181	23,619	35,203	34,489
Commercial	2300	6,880	2,184	1,898	3,168	2,458	1,800	4,887	12,366	35,641	24,678
Households	2400	598	279	260	256	248	225	1,105	11,833	14,803	13,866
Other	2500	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	8,292	2,907	2,614	3,845	3,164	10,835	7,172	47,818	86,647	72,834

The table above shows municipal debtors for the month of January 2023 per income source and per customer group. It should be noted that the municipality's leading source of income when it comes to debtors is property rate followed by interest on arrears which is an indication that we have more debtors that have stayed for longer periods outstanding. It should also be noted that the municipality's majority of debtors are more than 150 days old. This could prompt a write-off at some point if these are not collected as they overstate the municipality's balance sheet.

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

4. Creditors' analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

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	
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	1,026								1,026
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	1,026	-	-	-	-	-	-	-	1,026

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

5. Investment portfolio analysis

EEC443 Winnie Madikizela Mandela - Supporting Table S C5 Monthly Budget Statement - investment portfolio - M07 January

Investments by maturity Name of institution & investment ID		Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands			Yrs/Months												
Municipality															
FNB CALL DEPOSIT ACCOUNT(62550717767)				Not fixed	Call Deposit	No	Variable	0.005091744	0	n/a	10,694	54	(2,452)	8,236	
FNB CALL DEPOSIT ACCOUNT(62450755076)				Not fixed	Call Deposit	No	Variable	0.005099889	0	n/a	8,487	43	(942)	7,588	
FNB CALL DEPOSIT ACCOUNT(62028477992)				Not fixed	Call Deposit	No	Variable	0.007313471	0	n/a	257,732	1,885	(18,385)	348,163	
FNB CALL DEPOSIT ACCOUNT(62816766220)				Not fixed	Call Deposit	No	Variable	0.006130138	0	n/a	353	2	-	355	
FNB CALL DEPOSIT ACCOUNT(62816773073)				Not fixed	Call Deposit	No	Variable	0.005130137	0	n/a	1,671	3	-	1,679	
FNB CALL DEPOSIT ACCOUNT(62886119170)				Not fixed	Call Deposit	No	Variable	0.005130136	0	n/a	3,293	17	-	3,310	
FNB CALL DEPOSIT ACCOUNT(62852108531)				Not fixed	Call Deposit	No	Variable	0.005111223	0	n/a	4,773	24	(527)	4,270	
FNB CALL DEPOSIT ACCOUNT(62550715828)				Not fixed	Call Deposit	No	Variable	0.005104889	0	n/a	1,311	7	(200)	1,118	
Municipality sub-total											288,313	(22,506)	106,931	374,779	
Entities											-	-	-	-	
TOTAL INVESTMENTS AND INTEREST											-	-	-	-	
Entities sub-total											288,313	(22,506)	106,931	374,779	

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 R86.4 million which lead to an increase in its investments for the month of January 2023. It should however be noted that this only reflects the difference between what was received and what was spent.

6. Allocation and grant receipts and expenditure

a) Transfers & Grants Receipts

EC443 Winnie Madikizela Mandela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

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		295,190	337,852	350,642	-	247,940	204,541	49,075	24.0%	350,642
Expanded Public Works Programme Integrated Grant		289,620	320,095	320,095	-	230,468	186,722	43,746	23.4%	320,095
Local Government Financial Management Grant		3,570	3,687	3,687	-	2,582	2,151			3,687
Municipal Infrastructure Grant		2,000	2,100	2,100	-	2,100	1,225			2,100
Neighbourhood Development Partnership Grant		-	2,752	2,752	-	-	1,605			2,752
Disaster Relief Grant		-	9,218	9,218	-	-	5,377			9,218
Provincial Government:										
Capacity Building and Other		500	500	500	-	500	292	208	71.4%	500
District Municipality:										
Other grant providers:										
Total Operating Transfers and Grants	5	295,690	338,352	351,142	-	248,440	204,833	49,283	24.1%	351,142
Capital Transfers and Grants										
National Government:										
Municipal Infrastructure Grant (MIG)		86,447	82,288	82,288	-	32,570	48,001	(8,010)	-16.7%	82,288
Neighbourhood Development Partnership Grant		51,023	52,286	52,286	-	22,490	30,500	(8,010)	-26.3%	52,286
Integrated National Electrification Programme Grant		6,971	13,602	13,602	-	-	7,934			13,602
Provincial Government:										
District Municipality:										
Other grant providers:										
Total Capital Transfers and Grants	5	86,447	82,288	82,288	-	32,570	48,001	(8,010)	-16.7%	82,288
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	382,137	420,639	433,429	-	281,010	252,834	41,273	16.3%	433,429

The above table shows grants received during the month of January 2023.

b) Transfers & Grants Expenditure

EC443 Winnie Madikizela Mandela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	Ref	2021/22		Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD varlance	YTD variance %	Full Year Forecast	
R thousands											
EXPENDITURE											
<u>Operating expenditure of Transfers and Grants</u>											
National Government:		220,113	337,852	350,642	16,176	135,295	204,541	(69,245)	-33.9%	350,642	
Local Government Equitable Share		214,543	320,095	320,095	15,390	118,659	186,722	(68,063)	-36.5%	320,095	
Expanded Public Works Programme Integrated Grant		3,570	3,687	3,687	118	3,687	2,151	1,536	71.4%	3,687	
Local Government Financial Management Grant		2,000	2,100	2,100	54	982	1,225	(243)	-19.8%	2,100	
Municipal Infrastructure Grant		—	2,752	2,752	(463)	1,962	1,605	357	22.2%	2,752	
Neighbourhood Development Partnership Grant		—	9,218	9,218	—	—	5,377	(5,377)	-100.0%	9,218	
Disaster Relief Grant		—	—	12,790	1,076	10,005	7,461	2,544	34.1%	12,790	
Provincial Government:		144	500	500	13	328	292	36	12.5%	500	
Capacity Building and Other		144	500	500	13	328	292	36	12.5%	500	
District Municipality:		—	—	—	—	—	—	—	—	—	
Other grant providers:		—	—	—	—	—	—	—	—	—	
Total operating expenditure of Transfers and Grants:		220,257	338,352	351,142	16,189	135,624	204,833	(69,209)	-33.8%	351,142	
<u>Capital expenditure of Transfers and Grants</u>											
National Government:		80,162	82,288	82,288	2,411	16,303	48,001	(31,698)	-66.0%	82,288	
Municipal Infrastructure Grant (MIG)		51,023	52,286	52,286	1,888	13,888	30,500	(16,612)	-54.5%	52,286	
Neighbourhood Development Partnership Grant		686	13,602	13,602	—	—	7,934	(7,934)	-100.0%	13,602	
Integrated National Electrification Programme Gran		28,453	16,400	16,400	523	2,415	9,587	(7,152)	-74.8%	16,400	
Provincial Government:		—	—	—	—	—	—	—	—	—	
District Municipality:		—	—	—	—	—	—	—	—	—	
Other grant providers:		—	—	—	—	—	—	—	—	—	
Total capital expenditure of Transfers and Grants		80,162	82,288	82,288	2,411	16,303	48,001	(31,698)	-66.0%	82,288	
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		300,419	420,639	433,429	18,600	151,927	252,834	(100,907)	-39.9%	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 - M07

Description	Ref	Budget Year 2022/23				
		Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						%
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:		4,255	-	650	3,604	84.7%
Municipal Infrastructure Grant (MIG)						-
Neighbourhood Development Partnership Grant						-
Other capital transfers [insert description]						-
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		4,255	-	650	3,604	84.7%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		4,255	-	650	3,604	84.7%

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

7. Cash flow Statement

EC443 Winnie Madikizela Mandela - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		21,235	34,817	34,817	549	17,325	20,310	(2,985)	-15%	34,817
Service charges		43,612	54,588	54,588	4,270	31,568	31,843	(276)	-1%	54,588
Other revenue		7,350	26,670	33,681	807	6,969	19,647	(12,679)	-65%	33,681
Transfers and Subsidies - Operational		298,059	338,352	351,142	105,631	248,440	204,833	43,607	21%	351,142
Transfers and Subsidies - Capital		80,162	82,288	82,288	—	32,570	48,001	(15,431)	-32%	82,288
Interest		15,474	9,760	9,760	1,869	10,303	5,694	4,610	81%	9,760
Dividends		—	—	—	—	—	—	—	—	—
Payments										
Suppliers and employees		(287,032)	(367,832)	(382,134)	(22,915)	(209,851)	(222,911)	(13,060)	6%	(382,134)
Finance charges		—	(100)	(100)	—	—	(50)	(50)	100%	(100)
Transfers and Grants		—	—	—	—	—	—	—	—	—
NET CASH FROM/(USED) OPERATING ACTIVITIES		178,760	178,444	184,042	90,211	137,324	107,366	(29,957)	-28%	184,042
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		9	—	—	—	—	—	—	—	—
Decrease (increase) in non-current receivables		—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments		(30)	—	—	—	—	—	—	—	—
Payments										
Capital assets		(159,792)	(129,968)	(134,579)	(3,818)	(38,759)	(78,504)	(39,745)	51%	(129,968)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(159,813)	(129,968)	(134,579)	(3,818)	(38,759)	(78,504)	(39,745)	51%	(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		18,947	48,476	49,463	86,393	98,565	28,862			54,074
Cash/cash equivalents at beginning:		258,162	336,827	336,827	289,279	277,107	336,827			336,827
Cash/cash equivalents at month/year end:		277,109	385,302	386,290	—	375,672	365,689			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.

8. Statement of Financial Position

EC443 Winnie Madikizela Mandela - Table C6 Monthly Budget Statement - Financial Position - M07 January

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		2,951	19,720	6,918	893	6,918
Call investment deposits		274,157	365,583	379,373	374,779	379,373
Consumer debtors		63,657	19,654	19,654	63,420	19,654
Other debtors		40,665	31,799	31,799	60,912	31,799
Current portion of long-term receivables		—	—	—	—	—
Inventory		450	1,878	1,878	1,901	1,878
Total current assets		381,881	438,634	439,622	501,904	439,622
Non current assets						
Long-term receivables		—	—	—	—	—
Investments		—	—	—	—	—
Investment property		39,090	36,655	36,655	39,090	36,655
Investments in Associate		—	—	—	—	—
Property, plant and equipment		766,069	759,811	767,480	744,437	767,480
Biological		—	—	—	—	—
Intangible		43	—	—	43	—
Other non-current assets		1,261	1,231	1,231	1,261	1,231
Total non current assets		806,463	797,697	805,366	784,831	805,366
TOTAL ASSETS		1,188,344	1,236,331	1,244,988	1,286,735	1,244,988
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Borrowing		—	—	—	—	—
Consumer deposits		506	505	505	468	505
Trade and other payables		54,702	44,406	50,575	66,448	50,575
Provisions		20,308	19,990	19,990	15,984	19,990
Total current liabilities		75,515	64,901	71,070	82,899	71,070
Non current liabilities						
Borrowing		—	—	—	—	—
Provisions		22,484	5,246	5,246	22,484	5,246
Total non current liabilities		22,484	5,246	5,246	22,484	5,246
TOTAL LIABILITIES		97,999	70,147	76,316	105,383	76,316
NET ASSETS	2	1,090,344	1,166,184	1,168,672	1,181,352	1,168,672
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,090,344	1,166,184	1,168,672	1,181,352	1,168,672
Reserves		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	1,090,344	1,166,184	1,168,672	1,181,352	1,168,672

This is the report for January 2023.

9. Municipal Manager's quality certification

Quality Certificate

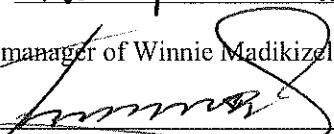
I, Luvuyo Mahlaka, the municipal manager of Winnie Madikizela-Mandela Local Municipality, hereby certify that –

- The monthly budget statement

for the month of January 2023 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: 10/02/2023

