



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

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

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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 Twelfth and last report of the 2022/23 financial year which comes after the municipality's third adjustment budget process of reprioritising its budget in response to the assessments done for the first six months of the financial year, the approval of the final budget after engagements with the municipal stakeholders on the adopted draft budget as well as the approval of the 3rd adjustment budget necessitated by the stopping on MIG funds as well as progress on the disaster grant implementation. This is generally a period where activities and programs should generally be reaching their planned completion as procurement processes for the year are completed and implementation ideally at the final stages. The performance this year is expected to be better 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. These results have been used together with the budget consultation outcomes to revise the baseline used for the final budget and hopefully the contents of this report will help council and its structures to understand fully the status of the municipality's financial performance and decisions that need to be taken to ensure sustainability of the institution.

1.1 The Political Oversight

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

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

2. Administration

The municipality has been implementing mSCOA with its annual updates like all municipalities in the country as a business reform since its introduction from 1 July 2017. This was introduced to address among other things ensuring standardisation of treatment of transactions and reporting across all municipalities, to encourage proper planning and put controls in terms of revenue and expenditure management. Introduction of new and improved versions of the mSCOA chart has proven to present problems that sometimes make it impossible to operate normally requiring some extra effort to be put into the operations of the municipality to fulfil its service delivery mandate.

3. Staff turnover

There are currently no vacant positions within the Budget and Treasury Office to report on, which we hope will make things slightly better this year during the financial year-end processes as well as the preparation and finalisation of the Annual Financial Statements for submission at the end of August 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 has been 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.

b) mSCOA Governance Structures

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

- Project steering committee

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

All these structures were initially appointed in 2015 before full implementation of mSCOA. There has been a number of changes in the municipality's personnel which has resulted in the need for these

structures to be re-established to include new members of management and replace those who are no longer with the municipality.

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 also completed a process of procuring vehicles for Political Office Bearers which were confirmed to have been delivered to a Toyota 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
- Pool bakkie

These were expected to be delivered between April and May 2023 from the date the orders were issued, however engagements with Toyota South Africa and confirmed backlogs in the manufacturing processes it has since been confirmed that all three vehicles will be delivered by 30 June 2023 and these were actually delivered on the 27th of June 2023.

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. Year -end processes

a. Stock count

The municipality runs a storeroom managed with the Assets and Stores Management Unit that oversees proper recording and accounting for stock movements.

The inventory count is performed to ensure that all stock movements were recorded and to test effectiveness of stock control measures. This is a process that is done in the presence of the Auditor-General or delegate, in this case delegated to our Internal Audit Unit. The stock count was performed on Friday the 30th of June 2023 in the following storerooms:

- Finance
- Refuse removal
- Cultural Village
- Electricity

On 30 June 2023, the stores management section conducted a 100% verification of inventory in the municipal stores for purposes of ensuring that inventory for year-end has been correctly valued at reporting date. The preparations for a successful inventory count were carried out through implementing the approved AFS compilation plan. For increased assurance, the Auditor General and internal audit of the municipality was invited to take part in the inventory count.

The results of the inventory count showed inventory levels valued at an amount of R 1 383 522.59. The inventory movements for the quarter can be broken down as follows:

	FUNCTION	OPENNING BALANCE	PURCHASES	WRITE-OFFS	ISSUES & ADJUSTMENT	CLOSING BALANCE
Electricity	Electricity	1 061 563.66		2 145.25	49 775.33	1 009 643.08
Refuse	Solid Waste Removal	244 908.16	89 970.00	15 584.05	261 669.69	57 624.42
Stationery	B.T.O	525 174.46			247 555.26	277 619.20
Building Material	Building Mterial	2 865.00				2 865.00
Cleaning Material	Admin & Corporate Support	93 863.09			58 092.20	35 770.89
Security Equipment	Security Equipment	-			-	-
Fuel	Fuel	-	31 169.49		31 169.49	-
Animal Feed	Licensing and control of animals	-	158 000.00		158 000.00	-
Disaster PPE	Human Resources	-	-		-	-
TOTAL COST		1 928 374.37	279 139.49	17 729.30	806 261.97	1 383 522.59

b. Irrecoverable debtors identified

The municipality contracted an external debt collector to assist with debt collection. As part of the debt collection process a continuous assessment of collectability of each debt is made to ensure that there are no changes in the status of debtors and or ownership of the debt. Regular meetings are held with the debt collectors as part of the municipality's contract management processes where it has become clear that some accounts may not be collectable and therefore a write-off is recommended. Below is a table showing the details of then amounts and affected accounts which is then followed by and explanation of the findings that have resulted in the recommendation:

Summary of Write-offs

Account	Account Holder	Status	90 Days Plus	90 Days Plus To	Total Outstanding	Writeoff amount	Bizan ID	Reasons	Recommendation by Kumyolz / M. Service / Charge
6346	BIZANA FUNERAL	Working on	546,198.66	1,366,635.72	1,392,743.62	588,000.00		R588,000 and municipality will recommend write off. This account is accumulating interest funeral P every month	Billing Error
50236	Mrs. M.R. Lingan	Transido	16,376.82	48,208.52	48,969.00	48,969.00	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
50332	MR JMDLULU	Transido	16,376.82	48,208.52	48,969.00	48,969.00	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
50163	Mr M. Bitane	Transido	16,174.07	47,732.85	48,485.98	48,485.98	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
50445	MR S. XHALABILE	Transido	16,174.07	47,732.85	48,485.98	48,485.98	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
50325	MR L.M. MDING	Transido	15,588.34	46,352.06	47,083.75	47,083.75	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
50212	MRS S.C.JALI	Transido	15,374.27	45,844.53	46,568.28	46,568.28	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
50251	MR P.J. LINGANI	Transido	14,146.13	42,894.50	43,574.09	43,574.09	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
50340	MR T.M. MPILA	Transido	13,983.27	42,460.32	43,133.44	43,133.44	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
7357	NUBAT	Transido	11,813.44	36,593.26	37,186.75	37,186.75	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
8488	MAMPSHIKA(R)	Transido	1,069.29	3,828.02	3,894.07	3,894.07	Transido	There is no possible collection on this site	Recommendation by Kumyolz Refuse
5159	TRANSIDO	Transido	2,369.25	2,446.14	2,448.21	2,448.21	Transido	Interest- There is no service	Recommendation by Kumyolz Refuse
64					1,811,542.17	1,006,798.55			

Account 6346

A billing from prior years of R588 000 that was identified during the engagement with the customer and is uncollectable, this was identified to have happened in 2016/02 for electricity billing in which the customer is disputing, reasonable assessment of consumption in this account point that this is a billing error.

Account 50236; 50332; 50163; 50445; 50325; 50212; 50251; 50340; 3757; 8488 & 5159

During the recovery of these accounts an amount of R467 767.55 relating to refuse collection billing and interest was identified to be uncollectable as all reasonable steps to identify and trace these customers were impossible. These are accounts opened in the names of tenants with untraceable data account opened in Transido Property (Erf 111).

It is therefore recommended for council to consider the write off of these amounts as these are irrecoverable. Based on the background work done to trace these accounts it has proven that the exercise may be too costly and the books of the municipality may be overstated.

c. Compilation of the immovable asset register

During the fourth quarter, the municipality advertised a tender to acquire the services of a suitable service provider that can assist the municipality with preparation of the immovable asset register for a period of 12 months. The submissions from bidders was evaluated and adjudicated during the quarter and Lilitha Project managers was the successful bidders appointed by the municipality.

The asset management section invited key stakeholders within the municipality and conducted an inception meeting on the 22nd June 2023 where the pertinent matters were discussed and the planning was initiated.

The municipality has conducted 2 additional meetings with the service provider where the submission of information is facilitated and outstanding information as well as challenges are circumvented. The service provider is now on site and has, after gathering the relevant information, mapped all the places for verification on the GIS maps. On site verifications have commenced from the weekend of the 8th July 2023.

d. Compilation of the movable asset register

The movable asset register is subject to monthly reconciliations which assists the sections to track and deal with changes monthly, including the processing of monthly depreciation. The 4th quarter asset verification was conducted in order to make the following updates to the asset register required by the GRAP standards:

- Conditional assessment of assets
- Updating of asset custodians
- Reassessment of useful lives
- Updating of asset locations
- Confirmation of physical existence
- Completeness of the asset register

From a combination of the events which transpired during the year and outcome of the asset verification conducted, the asset management section recommends that a disposal of assets with a carrying amount of R 799 237,12 through auction (where applicable) be approved by the standing committee as per the summary below:

ASSET CATEGORY	COST/DR C	ACCUM. DEPREC OPENING 1 JULY 2022	2022/23 CURRENT YEAR DEPRECIATION	CLOSING ACCUM DEPREC 31 JUNE 2023	NET BOOK VALUE 30 JUNE 2023
FURNITURE AND FIXTURES	2 222 226.72	1 880 878.89	100 164.90	1 908 718.32	105 229.03
INTANGIBLE ASSETS	89 900.00	89 899.00	-	89 899.00	1.00
MACHINERY AND EQUIPMENT	257 350.00	235 266.94	3 956.54	239 223.49	18 126.51
TRANSPORT ASSETS	760 469.70	-	84 589.12	84 589.12	675 880.58
TOTAL	3 329 946.42	2 206 044.84	188 710.57	2 322 429.93	799 237.12

It is noteworthy that the biggest contributor in terms of value for the proposed disposal above is the singular disposal of a municipal vehicle allocated to the office of the mayor which got involved in an accident on the 18th May 2023 and was subsequently declared a total loss by the municipality. The municipality opted to take the option of getting a replacement vehicle from the insurance rather than accepting the cash pay-out and such replacement vehicle was delivered to the municipality on the 21st June 2023.

Reasons for disposal can be summarised into the following groupings below:

- Irreparable, damaged and no longer function as required by the management
- Lost/stolen/damaged and reported to the insurance
- Used up and no longer functioning as intended

The committee to recommend the disposal of assets as proposed in the report in line with the requirements of the asset management policy to the executive committee and further reporting to council.

7. Strategic Objectives

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

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

KPA N04 - BUDGET AND TREASURY

Outcome 9 Objective											
Strategic Objective Area	Issue	Strategic Objective No.	Baseline Information	Project to be implemented	Output KPI	KPI Target	Annual Verification	Budget	Business Source	Q4 Measurable Performance	Financial Performance
						Key Performance Indicator	Meaning of Verification	Budgeted	Adjusted Budget	Internal	External
Revenue Generation	Revenue Generation	Revenue Generation	90% billing on proper rates, 80% on electricity and 90% on refuse	Maintain an accurate and complete consumer master database for refuse, electricity and property rates	Reduced Customer queries - 100% of consumers billed as per consumer master database	Billing of 100% active accounts for Proper rates, refuse and electricity by June 2023	12 month Billing Report	R -	N/A	03 Month Billing of 100% active consumer accounts (210) Apr, 2100 May and 2092 June)	100% active consumer accounts (210) Apr, 2100 May and 2092 June) for Proper rates, refuse and electricity billed for Quarter 4.
Cost Reduction	Cost Reduction	Cost Reduction	90% of all consumers for all services	Completion of billing processes by the 3rd day of each following month	Billing completed by the 3rd day of each month	Billing completed by the 3rd day of each month follow ing the billing month by June 2023	12 Month end closing Report	R -	N/A	Perfor m 3 month end procedure for consumer debtor s, sundry debtor s	April, May and June was billed within the 3 days, R0.00 Achieved N/A N/A

PANO 4: BUDGET AND TREASURY

KPA N°4: BUDGET AND TREASURY

Outcome & Objective										
Sub-B-Result Area	Strategic Objective No.	Objectives	Base Information	Project to be implemented	Output - KPI	KPI Target	Annual Verification	Financial Performance	Q4 measurable performance	Reason for Variance
To achieve at least 95% collection of all debt	Implementation of credit control measures	Long outstanding debtor s, which are more than 365 days	Outsourcing of collection services	Handing over of all business accounts that are beyond 90 days overdue	Handing over of all business accounts that are beyond 90 days overdue	4.0.5	R900.00	R1,300,000.00	Yes	1. All(100%) business accounts that are beyond 90days were handed over for debt collection to debt collectors
To achieve a clean audit taking longer than 30 days to identify and resolve errors	Performance of monthly reconciliation	Monthly reconciliation of each month's rates and investment reconciliation	Number of months reviewed and investment reconciliation by the 7th working day of each month	12 months	12 months	1.0.5	R-	N/A	0	3. Signed debtor review ed debtor s,12 months monthly investments and 12 months reconciliation
							R-	N/A	0	Preparation of 3 monthly debtor s,3 monthly investments and 3 monthly reconciliation
							R-	N/A	0	3. monthly rates reconciliation prepared and signed
							R0.00	Achieved	N/A	N/A

KPA NO 4: BUDGET AND TREASURY

Outcome 9 Objective									
Sub - Re - sult Ar - ea	Strat - egic Obj - ective	Obj - ecti - ve No.	Strate - gies	Basefi - ne Infor - matio - n	Project to be implemen - ted	Out - put - KPI	KP - I Pl - N ig - ht O.	Ann - ual Targe - t	Mean - s of Verifi - cation
Cu - da - ted Polici - es	Annu - al Revie - w of secu - nal Polici - es	Revie - wing secu - nal polici - es	Review of polici - es and presenta - tion to the relevant stakeholders	Num - ber of revie - wed polici - es	03	Revie - wed Credit contro - l and debt collect - ion policy, Tariffs Policy, Land and debt collect - ion policy, Tariffs Policy	R	-	The Credit control and debt collection policy, Tariffs Policy, Proper ty Rates Policy and Presentation to the relevant stakeholders
		Secu - nal Polici - es that are not review - ed annual - ly			4. 1. 8	0.5	Proper ty Rates Policy and presenta - tion to the relevant stakeholders by June 2023	R	Achie - ved
									N/A
									N/A

KPA N04-BUDGET AND TREASURY

Outcome 9 Objective										
Sub-Result	Strategic Objective No.	Objectives	Baseline Information	Project to be implemented	Output-KPI	KPI Target	Annual Verification	Financial Performance	Non Financial Performance	Reason for Variation
Compilance with laws and regulations of the municipal powers and functions	To ensure proper regulation of the municipal powers and functions	Promulgation of property rates policy and credit control policy	Revenue by laws that not promulgated on time	Promulgating of property rates policy and credit control policy	Numb er of gazetted policies			Property rates and credit policy were gazetted in Quarter 4		A request for quotation was sent to the Government Gazette; however, due to the backlog has not been responded to regardless of numerous emails and phone calls during the month of June.
					02	Gazett ed property rates policy and credit control policy into by-laws	02	Gazett ed property rates policy and credit control policy	R -	The publicatio n is still due before the end of July 2023, the municipality will continue to contact Government Gazette during the month of June.
					4.	0.5	1.9	02	R -	Net Achieved
									Rs.0.00	N/A

KPA NO 4: BUDGET AND TREASURY

Outcome 9 Objective											
Sub-Result Area	Strategic Objective No.	Baseline Information	Project to be implemented	Output KPI	KPI Weighting	Annual Target	Mean of Verification	Budget	Adjusted Budget	Business Score	Q4 measurable performance
										Internal	External
			Promulgation of the approved property rates tariffs (gazetting)	Gazetting of approved property rates tariffs (gazetting)	Numb er of Gazett ed approved property rates tariffs (gazetting)	1	Gazett ed of the approved property rates tariffs (gazetting) b y 30 June 2023	Advert or Gazzet te for property rates tariffs	R -	Gazett ed of the approved property rates tariffs (gazetting)	Gazette d property rates tariffs were advertised on East Grinvald News Paper
											R0.00
											N/A
											N/A
											N/A
To pay creditors within 30 days of receipt for payment	Invoices not submitted within 30 days in compliance with the MFM A by June 2022	Enforcement of system descriptions and processes as per the Account payable policy	Invoice s still taking longer to reach BTO for payment	Centralisation of submission of invoices per department	Age analysis is reflecting creditors within 30 days	Payment of all presented invoices	Invoice register and age analysis is from receipt of invoice by June 2023	Payme nt of credito rs within 30 days	R -	N/ A	Achie ved
Expenditure Management											

PAPERS ON EDUCATION AND INSTITUTIONS

KPA NO 4: BUDGET AND TREASURY

Outcome & Objective										Performance Indicators									
Sub-Result	Strategic Objective No.	Objetive	Baseline Information	Project to be implemented	Output KPI	KPI Weighting	Annual Target	Mean of Verification	Budget	Adjusted Budget	Budget So Far	Q4 measurable Performance	Non Financial Performance	Financial Performance	Performance	Achieved / Not Achieved	Reason for Variance %	Reported by	Reported to
Creditors and grants with errors taking longer to identify and resolve	To achieve a clean audit as at 30 June 2022	Performance of monthly reconciliation	Monthly review of Conditional Grants, creditors, retention and vat reconciliation by the 7th working day of each month	Number of monthly reviewed Conditional grants, month by month	12 month review	12 months	Signed monthly	12 months	Preparation of 3 monthly creditors, 3 monthly retention, 3 monthly conditional grants, 3 monthly conditions	Preparation of 3 monthly creditors, 3 monthly retention, 3 monthly conditional grants, 3 monthly conditions	R -	N/A	0	R -	Achieved	N/A	N/A	N/A	
Payroll accounts with errors taking longer to identify and resolve	Performance of monthly payroll reconciliation	Monthly review of payroll reconciliation by the 7th working day of each month	Number of monthly reviewed payroll reconciliation by the 7th working day of each month	12 month review	12 months	Signed monthly	12 months	Preparation of 3 monthly payroll reconciliations, 3 monthly payroll conditions	Preparation of 3 monthly payroll reconciliations, 3 monthly payroll conditions	R -	N/A	0	R -	Achieved	N/A	N/A	N/A		

KPAN 04: BUDGET AND TREASURY

Outcome 9 Objective											
Sub-Result Area	Strategic Objective No.	Objectives	Baseline Information	Project to be implemented	Output-KPI	KPI Target	Annual Verification	Budget	Adjusted Budget	Achieved	Reason for Variance
						Key Performance Indicator	Meaning of Verification	Budget	Adjusted Budget	Achieved	Reason for Variance
Outdated Policies	Annual Review of Sectional Policies	Reviewing sectional policies that are not reviewed annually	Sectoral policies that are not reviewed annually	Review of Accounts Payable policy and presentation to the relevant stakeholders	Number of Revived policies	4.5	0.5	R	R	Achieved	N/A
Inadequate filing space and system for the volume of documents in the Budget and Treasury office	To have an effective and reliable filing system for old documents already audited	Conversion of Supply Chain Management filing system to electronic filing	Conversion of Electronic filing system and loading of Budget and Treasury Office Documents	100 Budget and Treasury documents scanned using Electronic Filing system by June 2023	100 Budget and Treasury documents scanned using Electronic Filing system by June 2023	4.1	0.5	R	R	Achieved	The Municipality is currently finalizing its budget and Treasury Office documents scanned using Electronic Filing system by June 2023
Supply Chain Management											
Outdated Payables Policy	Annual Review of Payables Policy	Reviewing Payables Policy and presentation to the relevant stakeholders	Review of Payables Policy and presentation to the relevant stakeholders	1 Revived Accounts Payables policy and presentation to the relevant stakeholders by June 2023	01 Revived and signed Accounts Payables Policy	4.5	0.5	R	R	Achieved	To the Municipality to complete the project needs to have enough space for Back-up Procurement of a Server room was done and none of the Eids were responsi
Outdated Financial Performance	Annual Review of Financial Performance	Reviewing of Financial Performance	Review of Financial Performance	Q4 measurable performance	Reviewing of Accounts Payables policy and presentation to the relevant stakeholders by June 2023	4.5	0.5	R	R	Achieved	To finalise the procurement of Seven Room in current First Quarter of 2023/24

KPA NO 4: BUDGET AND TREASURY

Outcome 9 Objective											
Sub-Result Issue Area	Strategic Objective No.	Objectives	Baseline Information	Project to be implemented	Output KPI	KPI	PI	Annual Target	Mean % of Verification	Q4 measurable performance	Financial Performance
						Key	Performance	Objectives	Budget	Adjusted Budget	Actual
Actual	External	Internal	External	Internal	External	Not Achieved	Reason For Variance	Reason for budget variance	Actual	Not Achieved	Reason For Variance
No clear monitoring of the procurement plan	To have fully capacitated Supply Chain Management Personnel and effective procurement system	payment vouchers				Monitoring of adherence to the procurement plan with no clear monitoring plan	Monthly procurement plan	Number of monthly reports on the monitoring of the procurement plan	12 monthly reports on the monitoring of the procurement plan	Signed report by the SCM Manager	3 monthly SCM Reports were prepared
										R N/A	0 R0.00
											N/A

EXPLANATION AND TREASURY

Outcome 9 Objective											Performance Indicators				Strategic Initiatives				Budget Allocation				Resource Utilization			
Strategic Objective Area	Strategic Objective No.	Strategic Objective Description	Strategic Objective Key Performance Indicator	Target Value	Annual Target	Meaning of Verification	Achieved	Achieved	Non-financial Performance	Financial Performance	Budgeted	Adjusted Budget	Budgeted	Actual	Achieved	Achieved	Reason for Variance	Reason for Variance	Remedial Action							
The municipality needs to comply with all statutory training requirements	Strategic Objective No.	Strategic Objective Description	Strategic Objective Key Performance Indicator	Target Value	Annual Target	Meaning of Verification	Achieved	Achieved	Non-financial Performance	Financial Performance	Budgeted	Adjusted Budget	Budgeted	Actual	Achieved	Achieved	Reason for Variance	Reason for Variance	Remedial Action							
Training of Supply Chain Management to all relevant sections	Training of Supply Chain Management to all relevant sections	Training of Supply Chain Management to all relevant sections	Training of Supply Chain Management to all relevant sections	3.0	0.5	Number of capacitated SCM personnel	4.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Yes	N/A	Achieved	N/A	N/A							
Base-line Information Project to be implemented	Project to be implemented	Project to be implemented	Project to be implemented	100%	100%	Meaning of Verification	4.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Yes	N/A	Achieved	N/A	N/A							
The municipality needs to comply with all statutory training requirements	Training of SCM Officials	Training of SCM Officials	Training of SCM Officials	100%	100%	Capacity of at least 2 SCM personnel	4.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	No	Not Achieved	Not Achieved	Not Achieved	Not Achieved							
The municipality needs to comply with all statutory training requirements	Offices operating with outdated information relevant to their sections	Offices operating with outdated information relevant to their sections	Offices operating with outdated information relevant to their sections	100%	100%	Email confirmation of Municipal Financial Software update and relevant releases	4.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	No	Not Achieved	Not Achieved	Not Achieved	Not Achieved							
The municipality needs to comply with all statutory training requirements	Communication on all updates on SCM matters	Communication on all updates on SCM matters	Communication on all updates on SCM matters	100%	100%	System or SCM Regulation Management module changes and updates between April 2023 to June 2023	4.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Yes	N/A	Achieved	N/A	N/A							
The municipality needs to comply with all statutory training requirements	Training of all relevant sections	Training of all relevant sections	Training of all relevant sections	100%	100%	Distribution to atleast 2 SCM officials	4.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	No	Not Achieved	Not Achieved	Not Achieved	Not Achieved							
The municipality needs to comply with all statutory training requirements	Communication on all updates on SCM matters	Communication on all updates on SCM matters	Communication on all updates on SCM matters	100%	100%	Munsoft officials were trained on a new Contract Management system or SCM Regulation Management module by Munsoft	4.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	No	Not Achieved	Not Achieved	Not Achieved	Not Achieved							

KPA NO 4: BUDGET AND TREASURY

Outcome 9 Objective										KPIs & Metrics										Strategic Initiatives									
Sub-Result	Issue Area	Strategic Objective No.	Strategic Objectives	Output KPI	Project to be implemented	Baseline Information	Annual KPIS	Annual Target	Mean % of Verification	Q4 Financial Performance	Budget Adjustment Bridge	Budget Adjustment Bridge	Budget Adjustment Bridge	Budget Adjustment Bridge	Financial Performance	Non-Financial Performance	Achieved Not Achieved	Reason for Variance	Achieved Not Achieved	Reason for Variance	Achieved Not Achieved	Reason for Variance	Achieved Not Achieved	Reason for Variance	Achieved Not Achieved	Reason for Variance			
Supplier Database not updated annually	Supplier Database	Callin g of all supplie s to update their information	Supplier database with bidder showing information that expired in the past years	Annual update of the supplier database	Number of suppliers updated information	Supplier update information by June 2023	800	4.	0.5	Advertiser and Muso ft information audit trial	R	R	R	R	268	Suppliers information update d	0	Supplier information have been updated for this quarter.	N/A	Achieved	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
No scheduled bid committee seatings	Developing Mechanisms to monitor seating of the bid committees	Bid committees seating randomly	Schedule of seating of bid committees	Schedule of seating of bid committees	Schedule of seating of bid committees with confirmed dates	Scheduled seating of bid committees ensuring each bid committee, attendance registered within 60 days of the tender closing by June 2023	12	4.	0.5	Signed schedule of bid committees and committies, each bid is concluded within 60 days of the tender closing by June 2023	R	R	R	R	6	22 Bid seated committees and 3 signed schedules of seating	0	22 Bid seated committees and 3 signed schedules of seating	N/A	Achieved	N/A	N/A	N/A	N/A	N/A	N/A			

APPENDIX 4: BUDGET AND TREASURY

Outcome 9 Objective											Budget and Treasury										
Sub-Result	Strategic Issue	Strategic Objective No.	Objectives	Strategic Initiatives	Baseline Information	Project to be Implemented	Output-KPI	KPI Weighting	Annual Target	Means of Verification	Budget	Adjusted Budget	Achieved	Not Achieved	Achieved	Financial Performance	Non-Financial Performance	Reason for Variance	Remedial Action Taken	Action Plan	
Inadequate contract management processes	To have effective contracts for travel agency	Contra	Contracts for travel agency	Appointment of Travel Agency	Panel of travel agencies	Appointm	Appointment of municipal travel agency by June 2023	0.5	4.3	Contract Docu	R 10,000.00	R 10,000.00	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Procurement documents not uploaded on the website on time	Monitoring of compliance with publication of documents	Public	Documents uploaded on the website	Monthly monitoring of documents uploads	Updated Website with SCM advert	Uploa	Uploading of all Advert	0.5	4.3	Screenc	R -	R -	Uploading of all tenders	All advertised tenders were uploaded on E-tender Portal and Municipal Website as at April to June 2023	Achieved	N/A	N/A	N/A	N/A	N/A	

KPA NO 4: BUDGET AND TREASURY

Outcome 9: Objectives									
Su - b - Re - sult	Strat - egic Issue	Obj - ective No.	Strate - gies Infor - ma - tion	Project to be implemented	Outp - ut - KPI	KP - I	Ann - al Targe - t	Mean - age of Verifi - cation	Qd - mension
						K - PI	W - et - hr	O -	Eu - dge
Made Quate contra ct mana gement pro - cesses	Monthly review of all existin - g contra cts	Contract register reviewed monthly	Contra cts only review ed at year end	Number of contra ct regis - terers review ed monthly	12 month contrac - t registe - rs review ed by June 2023	12 month contrac - t registe - rs review ed by June 2023	R -	N/ A	3 monthly contra ct registe - rs review ed from April 2023 to June 2023
The municip - ility needs to compl - y with all statut - ary traini - ng requir - ement	Training of Supply Chain Management Personnel	Official s operati - ng with outdat - ed inform - ation releva - nt to their section s	Training of SCM Officials	Number of traine d officia ls	Training of 1 SCM Manager and 1 SCM officer on CIPS by June 2023	Training of 1 SCM Manager and 1 SCM officer on CIPS by June 2023	R -	N/ A	0 N/A N/A N/A N/A N/A

KPI NO 4: BUDGET AND TREASURY

Outcome 9: Objective									
Su- b- Re- su- lt Ar- ea	Strat- egic Obj- ectiv- e Ar- ea	Obj- ectiv- e No.	Strate- gies	Baseh- us	Out- put- KPI	KP- I	Annu- al Targe- t	Mean s of Verifi- cation	Finan- cial Perfor- mance
Outda- ted Polici- es	Annual Revie- w of sec- tional Policy	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review of existing sec- tional poli- cies and presenta- tion to the relevant stakeholders	Numb- er of revi- wed poli- cies	04	Revie- wed existin- g sec- tional poli- cies	Revie- wed and Signed of Suppl- y Chain Manag- ment Policy	Q4 measur- able perfor- mance
Outda- ted Polici- es	Annual Revie- w of sec- tional Policy	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review of existing sec- tional poli- cies and presenta- tion to the relevant stakeholders	Numb- er of revi- wed poli- cies	04	Revie- wed existin- g sec- tional poli- cies	Revie- wed and Signed of Suppl- y Chain Manag- ment Policy	Bu- dget Soc- iety
Outda- ted Polici- es	Annual Revie- w of sec- tional Policy	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review of existing sec- tional poli- cies and presenta- tion to the relevant stakeholders	Numb- er of revi- wed poli- cies	04	Revie- wed existin- g sec- tional poli- cies	Revie- wed and Signed of Suppl- y Chain Manag- ment Policy	Adjus- ted Bud- get
Outda- ted Polici- es	Annual Revie- w of sec- tional Policy	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review of existing sec- tional poli- cies and presenta- tion to the relevant stakeholders	Numb- er of revi- wed poli- cies	04	Revie- wed existin- g sec- tional poli- cies	Revie- wed and Signed of Suppl- y Chain Manag- ment Policy	Int- ern- al
Outda- ted Polici- es	Annual Revie- w of sec- tional Policy	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review of existing sec- tional poli- cies and presenta- tion to the relevant stakeholders	Numb- er of revi- wed poli- cies	04	Revie- wed existin- g sec- tional poli- cies	Revie- wed and Signed of Suppl- y Chain Manag- ment Policy	Ext- ern- al
Outda- ted Polici- es	Annual Revie- w of sec- tional Policy	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review ing sec- tional poli- cies that are not review- ed annual- ly	Review of existing sec- tional poli- cies and presenta- tion to the relevant stakeholders	Numb- er of revi- wed poli- cies	04	Revie- wed existin- g sec- tional poli- cies	Revie- wed and Signed of Suppl- y Chain Manag- ment Policy	Re- aso- n for Rem- edial Ac- tin-

KPA N 4: BUDGET AND TREASURY

KPI AND BUDGET AND TREASURY										
Outcome 9: Objective										
Sub-Result	Strategic Objective	Objectives No.	Strategic Information	Baseline	Project to be implemented	Output-KPI	KPI-Way Forward	Annual Target	Meaning of Verification	Financial Performance
Financial statements with a clean audit and non-compliance with laws	To achieve financial statements with a clean audit and non-compliance with laws	4.4	To have an accurate GRAP compliant Asset Register by June 2021 with no Audit Findings	Accurate and complete Fixed Assets Register as at 30 June 2021 with no Audit Findings	Performance of monthly reconciliations between FAR and GL within 5 working days after month closure.	Number of reconciliations that are reviewed and approved	12 monthly	12 monthly review and approval	Fixed Assets reconciliations that are signed for Review and Approval	Preparation of Fixed Assets reconciliation
GRAP compliant Asset register	Review of the GRAP compliant Fixed asset register	4.5	GRAP compliant Asset register as at 30 June 2021	GRAP compliant Fixed Asset register as at 30 June 2022 by June 2023	GRAP compliant Fixed Asset register	GRAP compliant Fixed Asset register as at 30 June 2022 by June 2023	0.5	R -	N/A	Achieved R0.00
Management Assets and Stores	Review of the GRAP compliant Fixed asset register	4.2	GRAP compliant Fixed Asset register as at 30 June 2022 by June 2023	Signed GRAP compliant Fixed Asset register as at 30 June 2022 by June 2023	Signed GRAP compliant Fixed Asset register as at 30 June 2022 by June 2023	Signed GRAP compliant Fixed Asset register as at 30 June 2022 by June 2023	0.5	R, Proof of submission to AG, RFI and Coaf Register	Yes 1,300,000.00	N/A N/A N/A N/A N/A

FPA NO 4: BUDGET AND TREASURY

Outcome 9: Objective											
Strategic Issue Area	Strategic Objective No.	Baseline Information	Objectives to be implemented	Current KPIs	KPI Targets	Annual Verification	Budget	Budget Adjustment	Budget Source	Q4 measurable performance	Financial Performance
Service Level Agreement as at 30 June 2021 for the Preparation of GRAP compliant FAR	Appointment of Service provider for GRAP Compliant Fixed Asset Register	Appointed Service provider for GRA P Compliant Fixed Asset Register	Appointed Service provider for GRA P Compliant Fixed Asset Register	4.0.5	4.0.5	Appointment of Service provider for GRAP Compliant Fixed Asset Register by both parties	Concealed Document, Signed Advertised Letter and SLA signed by both parties	R.00	R.5,000.00	N/A	N/A
All assets record in the FAR do exist and validated accurately.	Approved Assets Verification Report as at 30 June 2021	Number of signed and approved quarterly assets verification reports	4.0.5	4.4	4.4	Signed and approved Quarterly Assets Verification Reports by June 2023	R -	R -	N/A	RO.00	Achieved
							Physical verification and preparation for all Assets in our FAR was done for Quarter 4.			N/A	N/A

KPA NO 4: BUDGET AND TREASURY

Outcome 9 Objective											
Sub-Result	Strategic Issue	Objective No.	Baseline Information	Project to be implemented	Output KPI	KPI Weight	Annual Target	Mean of Verification	Budget	Adjusted Budget	Business Score
									Int'l External	Ext'rnal	
To ensure completeness of GRAP compliant Asset Register	Council approved assets write-off report as at 30 June 2021	Removing of disposed assets from municipal operational facilities	Fixed Asset Register that is complete	Compliance GRAP compliant FAR by 30 June 2023	R	R	-	N/A	0.00	Achieved	N/A
				A signed report with a list of all assets removed from municipal premises and thrown away.				No disposed assets were identified during this quarter			N/A
				Signed and approved PPE(movable assets)	R	R	-	N/A	0	Achieved	N/A
				Prepared and reviewed PPE(movable assets) Methodology				The PPE(movable assets Methodology) was prepared and reviewed			N/A
				Methodology							N/A

SPANISH BUDGET AND TREASURY

KPA No.3: BUDGET AND TREASURY

Outcome 9 Objective											
Sub-Result	Strategic Issue	Objective No.	Baseline Information	Project to be implemented	Corp. KPI	Annual Target	KPI Weighting	Q4 Measureable Performance	Budget So Far	Adjusted Budget	Badge
All council	To ensure that assets need to be fully insured to ensure going concern assumption of the municipality is not at risk.										
All council	To ensure that the municipality has an active insurance policy										
All council	To ensure that municipality operating smoothly with enough operational material										

KPI A.10.4: BUDGET AND TREASURY

Outcome 9: Objective									
Sub-Result	Strategic Objective	Objective No.	Baseline Information	Project to be implemented	KPIs	Annual Targets	Q4 Out-KPI	Mean Score of Verification	Achieved / Not Achieved
Outdated Asset and Inventory Management Policies	Review of Asset and Inventory Management Policies	Annual review and approval	Review and approval	Review of existing Asset and Inventory Management Policies	Number of Assets and Inventories	2	Asset and Inventory Management Policies	Signed Assets and Inventory Management Policies	Reviewing of Asset and Inventory Management Policies was reviewed and signed
Outdated Asset and Inventory Management Policies	Annual review and approval	Annual review and approval	Review and approval	Review of existing Asset and Inventory Management Policies	Number of Assets and Inventories	2	Asset and Inventory Management Policies	R -	Reviewing of Asset and Inventory Management Policies was reviewed and signed by June 2023
Outdated Asset and Inventory Management Policies	Annual review and approval	Annual review and approval	Review and approval	Review of existing Asset and Inventory Management Policies	Number of Assets and Inventories	2	Asset and Inventory Management Policies	R -	Reviewing of Asset and Inventory Management Policies was reviewed and signed by June 2023

KPI NO 4: BUDGET AND TREASURY

Outcome 9: Objective											
Su- b- Re- sult A- chie- em- ent	Strat- egic Issue	Obj- ective No.	Strate- gies	Base- line Infor- mation	Project to be implemented	Qar- ter- KPI	KP I	KP II	Mean % of Verifi- cation	Bu- dge- t So- urc- es	Q4 mea- surable perfor- mance
							KPI N.	KPI O.	Actual Target	Adjus- ted Budg- et	Finan- cial Perfor- mance
All coun- ceil assets need to be well mana- ged effect- ively.	Com- plian- ce with the require- ments of MFM A- section 63	Devel- opment and review of an effective Asset Management Plan	None	Development and review of an Asset Management Plan	1	A signed Assets Management Plan by the CFO as at 30 June 2023	R	-	N/A	Submi- ssion of Asset Management Plan for review and signing by the CFO.	Asset Manage- ment plan was reviewed and signed by the CFO
Financial statements with non-compli- ance laws	To com- file Annu- al Finan- cial State- ments that compli- ly with all requi- rements as at 30 June 2022	4.5	Audit- ed Annual Financ- ial State- ments	Credi- ble Annual Financial Statements for 2019/20 with compli- ance of AFS	4.5	Credit- able and fully compliant Annual Financial Statements for 2019/20 with compli- ance of AFS	R	0	N/A	The Interim Financial statements (MAY) were prepared and submitted to the CFO and BTO manager	N/A
Financial Reporting											

SPANNING BUDGET AND TREASURY

KPA № 4: BUDGET AND TREASURY

Su- b- Re- sul- t- Ara- ea	Strat- egic Ob- je- ctive No.	Obj- ecti- ve No.	Strate- gic Infor- ma- tion	Basef- ne Infor- ma- tion	Project to be im- ple- men- ted	Out- put- KPI	K- P I W- eig- ht O.	KP- I W- eig- ht O.	Mean ann- ual Targe- t	Mean s of Verifi- cation	Bu- dget- S- o- urc- e	Adjus- ted Bud- get	Q4 meas- urable Perfor- mance	Non Finan- cial Perfor- mance	Finan- cial Perfo- rmance	Achie- ved/ Not Achie- ved	Achie- ved	Re- spon- sible for bu- dget- varia- tion	Re- spon- sible for Varian- ce
Non compli- iance with statut- ory requir- ements	Adhe- re to compli- ance with statut- ory requir- ements	4.6	Prepar- ation and submis- sion of all in- year statu- tory reports which is not sub- mit- ted on time																

KPA NO 4: BUDGET AND TREASURY

Outcome 9 Objective											KPIs										
Sub-Objective	Strategic Issue	Strategic Objective	Object No.	Strategic Objectives	Baseline Information	KPI Type	Annual Target	Meaning of Verification	Budgeted Budget	Adjusted Budget	Budget Source	Q4 measurable performance	Financial Performance	Non-financial Performance	Achieved	Not Achieved	Reason for Variance	Reason for Change	Review for Remedial Action		
1.1	Arrears	Project to be implemented	Output-KPI	Number of Submission of s52d reports and Quarterly FMG Report within 30 days of the end of each quarter	Submission of s52d	Proof of submission and 4 Quarterly FMG Reports	4.0.5	Signed	R -	N/A	1 s52d Quarterl y and 1 FMG Report were prepared and signed	Preparation of 1 Quarterly and 1 FMG Report s	R0.00	Achieved	N/A	N/A	N/A	N/A	N/A		
1.2	Arrears	Project to be implemented	Output-KPI	Number of Submission of s52d reports and Quarterly FMG Report within 30 days of the end of each quarter	Submission of s52d	Proof of submission and 4 Quarterly FMG Reports	4.0.5	within 30 days of the end of each quarter by June 2023	R -	N/A	1 s52d Quarterl y and 1 FMG Report were prepared and signed	Preparation of 1 Quarterly and 1 FMG Report s	R0.00	Achieved	N/A	N/A	N/A	N/A	N/A		
1.3	Arrears	Project to be implemented	Output-KPI	Number of Submission of s72 report by the 25th of January 2023	Submission of s72	Sign mid-year assessment report	4.0.5	by the 25th of January 2023	R -	N/A	1 s72 report by the 25th of January 2023	Preparation of 1 Quarterly and 1 FMG Report s	R0.00	Achieved	N/A	N/A	N/A	N/A	N/A		

XPA NO 4 BUDGET AND TREASURY

KPA NO. 4 BUDGET AND MEASUR

KPA NO 4: BUDGET AND TREASURY

Su- b- Re- su- lts Ar- ea	Strat- egic Obje- ctive No.	Obj- ectiv- e No.	Strate- gic Obje- ctive Area	Basef- ne Infor- matio- n	Project to be imple- mented	Out- pur- t KPI	K- P1 W- O- C- O	K- P1 W- O- C- O	Annu- al Targe- t	Mean s of Verifi- cation	Bu- dges- t		Q4 meas- urable Perfor- mance		Bu- dges- t		Q4 meas- urable Perfor- mance		Re- aso- n for bu- dges- t var- ian- ce		
											Adjust- ed Budge- t	Budge- t	Int- ern- al	Ext- ern- al	Achie- ved/ Not Achie- ved	Rea- son For Varian- ce	Achie- ved	Finan- cial Perfor- mance	Non Finan- cial Perfor- mance	Achie- ved/ Not Achie- ved	Rea- son For Varian- ce
Outda- ted Polici- es	Annual Revie- w of sectio- nal Polici- es	Obj- ectiv- e No.	Strate- gic Obje- ctive Area	Basef- ne Infor- matio- n	Project to be imple- mented	Out- pur- t KPI	K- P1 W- O- C- O	K- P1 W- O- C- O	Annu- al Targe- t	Mean s of Verifi- cation	Adjust- ed Budge- t	Budge- t	Int- ern- al	Ext- ern- al	Achie- ved/ Not Achie- ved	Rea- son For Varian- ce	Achie- ved	Finan- cial Perfor- mance	Non Finan- cial Perfor- mance	Achie- ved/ Not Achie- ved	Rea- son For Varian- ce

The table above shows that the department achieved 39 out of 41 targets that were set for the quarter. This equates to 95% of targets achieved. This information is still undergoing verification by PMS and Internal audit for accuracy and acceptability of POEs submitted in support of the performance and a consolidated institutional report will be presented separately to the structures of council.

8. In-year budget statement tables

a) Budget Statement Summary

EC443 Winnie Madikizela Mandela - Table C1 Monthly Budget Statement Summary - M12 June

Description	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										
Financial Performance										
Property rates	21,163	21,468	21,468	581	20,749	21,468	(719)	-3%	21,468	
Service charges	42,139	36,680	41,347	4,307	45,290	41,347	3,943	10%	41,347	
Investment revenue	10,784	9,760	19,090	2,467	21,970	19,090	2,879	15%	19,090	
Transfers and subsidies	295,672	338,352	350,924	205	340,989	350,924	(9,934)	-3%	350,924	
Other own revenue	19,284	14,189	15,262	2,190	16,326	15,262	1,064	7%	15,262	
Total Revenue (excluding capital transfers and contributions)	389,042	420,449	448,092	9,749	445,324	448,092	(2,768)	-1%	448,092	
Employee costs	107,129	124,799	122,052	15,314	112,949	122,052	(9,103)	-7%	122,052	
Remuneration of Councillors	24,782	27,047	27,047	1,872	25,261	27,047	(1,786)	-7%	27,047	
Depreciation & asset impairment	52,653	49,735	49,735	3,248	40,417	49,735	(9,318)	-19%	49,735	
Finance charges	—	100	100	—	—	100	(100)	-100%	100	
Inventory consumed and bulk purchases	45,684	47,632	46,915	4,071	42,979	46,915	(3,937)	-8%	46,915	
Transfers and subsidies	1,261	3,200	3,349	1,231	2,593	3,349	(756)	-23%	3,349	
Other expenditure	176,312	178,804	232,767	15,893	181,846	232,767	(70,921)	-30%	232,767	
Total Expenditure	407,811	431,318	481,966	41,629	386,045	481,966	(95,921)	-20%	481,966	
Surplus/(Deficit)	(18,769)	(10,870)	(33,874)	(31,879)	59,280	(33,874)	93,154	-275%	(33,874)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	80,162	82,288	107,215	20,236	90,654	107,215	###	-15%	107,215	
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	—	—	—	479	—	479	#DIV/0!	—	
Surplus/(Deficit) after capital transfers & contributions	61,472	71,418	73,341	(11,644)	150,413	73,341	77,072	105%	73,341	
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	
Surplus/ (Deficit) for the year	61,472	71,418	73,341	(11,644)	150,413	73,341	77,072	105%	73,341	
Capital expenditure & funds sources										
Capital expenditure	165,301	108,048	150,824	24,869	112,872	150,824	(37,952)	-25%	150,824	
Capital transfers recognised	64,059	69,945	93,055	17,237	81,000	93,055	(12,055)	-13%	93,055	
Borrowing	—	—	—	—	—	—	—	—	—	
Internally generated funds	101,241	38,103	57,769	7,632	31,872	57,769	(25,897)	-45%	57,769	
Total sources of capital funds	165,301	108,048	150,824	24,869	112,872	150,824	(37,952)	-25%	150,824	
Financial position										
Total current assets	381,881	438,634	425,331	—	495,859	—	—	—	425,331	
Total non current assets	806,463	797,697	871,215	—	853,038	—	—	—	871,215	
Total current liabilities	75,515	64,901	102,931	—	86,364	—	—	—	102,931	
Total non current liabilities	22,484	5,246	22,484	—	22,484	—	—	—	22,484	
Community wealth/Equity	1,090,344	1,166,184	1,171,131	—	1,240,049	—	—	—	1,171,131	
Cash flows										
Net cash from (used) operating	178,760	178,444	237,449	(24,666)	207,843	237,449	29,606	12%	237,449	
Net cash from (used) investing	(159,813)	(129,968)	(171,246)	(24,607)	(124,887)	(156,976)	(32,089)	20%	(129,968)	
Net cash from (used) financing	—	—	—	—	—	—	—	—	—	
Cash/cash equivalents at the month/year end	277,109	385,302	343,311	—	360,065	357,582	(2,483)	-1%	444,308	
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	
Debtors Age Analysis										
Total By Income Source	5,116	3,042	3,040	2,515	2,520	2,508	68,664	2,290	89,695	
Creditors Age Analysis										
Total Creditors	3,002	—	—	—	—	—	—	—	3,002	

The table above shows a summary of the municipality's financial performance for the period ended 30 June 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) - M12 June

Description R thousands	Ref 1	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		339,259	362,794	385,917	4,021	404,025	385,917	18,108	5%	385,917
Executive and council		—	—	—	—	—	—	—	—	—
Finance and administration		339,259	362,794	385,917	4,021	404,025	385,917	18,108	5%	385,917
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		3,960	4,966	5,086	1,623	5,332	5,086	246	5%	5,086
Community and social services		193	623	623	86	509	623	(114)	-18%	623
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		3,768	4,344	4,464	1,536	4,823	4,464	360	8%	4,464
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		51,861	78,100	102,760	12,366	62,292	102,127	(39,834)	-39%	102,760
Planning and development		838	23,062	25,547	(212)	6,694	24,913	(18,219)	-73%	25,547
Road transport		51,023	55,038	77,214	12,577	55,598	77,214	(21,616)	-28%	77,214
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		74,203	56,876	61,543	11,976	64,808	61,543	3,264	5%	61,543
Energy sources		66,431	47,325	53,325	11,622	56,693	53,325	3,367	6%	53,325
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		7,772	9,550	8,218	354	8,115	8,218	(103)	-1%	8,218
Other	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	469,283	502,737	555,307	29,985	536,458	554,674	(18,216)	-3%	555,307
Expenditure - Functional										
Governance and administration		150,782	201,620	202,945	20,697	162,222	202,945	(40,722)	-20%	202,945
Executive and council		54,350	64,094	64,639	5,816	57,310	64,639	(7,329)	-11%	64,639
Finance and administration		92,856	132,844	134,124	14,062	101,206	134,124	(32,918)	-25%	134,124
Internal audit		3,577	4,682	4,182	819	3,706	4,182	(475)	-11%	4,182
Community and public safety		26,754	32,667	31,778	4,566	25,702	31,778	(6,076)	-19%	31,778
Community and social services		9,955	12,936	12,826	1,640	8,861	12,826	(3,965)	-31%	12,826
Sport and recreation		2,363	2,729	2,269	317	1,753	2,269	(515)	-23%	2,269
Public safety		13,617	15,956	15,619	2,310	14,052	15,619	(1,567)	-10%	15,619
Housing		818	1,046	1,064	299	1,036	1,064	(28)	-3%	1,064
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		115,864	102,588	129,513	8,152	93,850	129,513	(35,663)	-28%	129,513
Planning and development		24,701	37,697	37,762	4,163	21,874	37,762	(15,888)	-42%	37,762
Road transport		89,005	62,240	89,333	3,698	69,792	89,333	(19,541)	-22%	89,333
Environmental protection		2,159	2,651	2,418	291	2,184	2,418	(235)	-10%	2,418
Trading services		111,390	90,304	113,604	7,692	100,988	113,604	(12,617)	-11%	113,604
Energy sources		96,817	63,408	87,433	4,672	78,853	87,433	(8,781)	-10%	87,433
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		14,573	26,896	26,171	3,020	22,335	26,171	(3,836)	-15%	26,171
Other		3,021	4,139	4,126	522	3,283	3,782	(499)	-13%	4,126
Total Expenditure - Functional	3	407,811	431,318	481,966	41,629	386,045	481,622	(95,577)	-20%	481,966
Surplus / (Deficit) for the year		61,472	71,418	73,341	(11,644)	150,413	73,052	77,362	106%	73,341

The table above shows the municipality's financial performance for the period ended 30 June 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) - M12 June

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	581	20,749	21,468	(719)	-3%	21,468
Service charges - electricity revenue		37,937	30,845	36,845	3,953	40,862	36,845	4,017	11%	36,845
Service charges - water revenue		—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—
Service charges - refuse revenue		4,202	5,834	4,502	354	4,428	4,502	(74)	-2%	4,502
Rental of facilities and equipment		—	—	—	—	—	—	—	—	—
Interest earned - external investments		7,511	3,893	4,498	362	4,425	4,498	(73)	-2%	4,498
Interest earned - outstanding debtors		10,784	9,760	19,090	2,467	21,970	19,090	2,879	15%	19,090
Dividends received		4,691	5,378	5,378	607	6,607	5,378	1,229	23%	5,378
Fines, penalties and forfeits		386	593	593	11	70	593	(523)	-88%	593
Licences and permits		2,141	2,404	2,404	179	2,169	2,404	(235)	-10%	2,404
Agency services		1,202	1,401	1,521	85	1,381	1,521	(160)	-11%	1,521
Transfers and subsidies		295,672	338,352	350,924	205	340,989	350,924	(9,934)	-3%	350,924
Other revenue		891	520	868	946	1,695	868	826	95%	868
Gains		2,461	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		389,042	420,449	448,092	9,749	445,324	448,092	(2,768)	-1%	448,092

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 an average of R584 thousand as expected for the following months to the end June 2023. The revenue recognised on this stream for the year is below the projected revenue by 3% with R581 being recorded for the month of June 2023. This is made up of the R584 thousand a month for the past 10 months added to the once-off billing of R14.7 as well as the R581 for the month.
- 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 R40.8 million for the twelve months of the financial year. This is above the projection by about 11% which may add up to R4 million by the end of the year as attempts to better the situation continue to yield 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 R354 thousand which has continued to be less than the revised projection by 2%. An investigation 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 R2.4 million worth of interest on investments with a year to date

actual that is above the revised projection by 15% which we hope will be maintained as the new year progresses to supplement the municipality's funding capacity during the implementation of the 2024 budget.

- **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 R607 thousand for the period ended 30 June 2023 which has gone above the amount projected for the period by 23%. 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 R11 thousand worth of revenue generated on fines during the month of June 2023. It is worth noting though that this does not represent cash collected (if related to traffic fines) 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 R362 thousand for the month which has left the actual performance to continue being just below the revised projection by 2% 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 generating rentals.
- **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 R179 thousand worth of revenue for the period. The municipality has collected below the projected collection by 10% which we hope will be improved as winter school holidays are approaching.
- **Transfers and subsidies - operating:** The municipality receives grants, both conditional and those without conditions. The report shows that an amount of about R205 thousand has been transferred to

revenue for the period ended 30 June 2023 from the operating grants whose conditions have been met. This has resulted in a recorded year to date performance of R340.9 million for the eleven months of the financial. 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, December 2022 and March 2023.

d) Debt Collection

The table below shows a 109% overall collection rate for the month ended 30 June 2023. However, we note a 92% collection rate on leasehold fees, 128% on electricity, 66% on property rates and 105% 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	FEBRUARY	MARCH	3rd QUARTER	APRIL	MAY	JUNE	4th QUARTER	TOTAL
RATES																	
billed	14,903,795	949,866	942,279	16,795,941	938,601	909,190	911,227	2,757,018	918,558	918,830	932,362	2,769,750	932,872	932,428	947,562	2,812,862	25,135,571
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	661,635	750,539	2,096,559	510,041	726,542	629,650	1,866,233	20,161,832
% of billing received	11%	19%	128%	28%	178%	103%	41%	414%	75%	72%	80%	76%	55%	78%	66%	66%	80%
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	2,567,509	2,450,882	5,218,317	6,994,289	2,479,497	2,765,438	12,239,225	22,705,772
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	2,792,518	1,686,327	3,901,125	1,495,922	4,206,449	3,528,659	9,231,029	31,984,322
% of billing received	144%	55%	75%	89%	300%	84%	59%	144%	80%	109%	69%	75%	21%	170%	128%	75%	141%
LEASEHOLD FEES																	
billed	331,596	342,039	336,678	1,010,313	336,578	336,678	538,816	1,212,172	347,338	347,338	367,462	1,062,137	367,462	356,802	346,359	1,070,623	4,355,245
payment received	264,553	285,972	270,854	821,389	264,984	307,843	332,688	905,514	325,881	516,956	305,132	1,147,969	324,762	358,087	317,580	1,000,429	3,875,301
% of billing received	80%	84%	80%	81%	79%	91%	62%	75%	94%	149%	83%	108%	88%	100%	92%	93%	89%
VAT																	
billed	484,888	505,807	635,955	1,626,650	475,120	504,658	527,694	1,507,472	523,468	493,807	479,260	1,496,535	1,160,771	480,553	521,634	3,258,982	7,889,638
payment received	590,594	269,882	508,655	1,369,131	1,186,268	419,079	298,788	1,904,136	420,004	552,284	344,411	1,316,699	295,151	739,799	582,707	1,617,658	6,207,624
% of billing received	122%	53%	80%	84%	250%	83%	57%	126%	80%	112%	72%	88%	25%	154%	112%	50%	79%
INTEREST																	
billed	198,178	235,923	227,127	661,228	194,383	224,883	283,064	702,330	248,625	248,688	288,495	785,808	281,419	281,837	279,511	842,766	2,992,133
payment received	364,758	467,486	197,935	1,030,179	780,693	517,237	67,332	1,365,262	124,843	146,022	109,642	380,507	110,552	120,033	265,153	495,737	3,271,686
% of billing received	184%	198%	87%	156%	402%	230%	24%	194%	50%	59%	38%	48%	39%	43%	95%	59%	109%
REFUSE REMOVAL																	
billed	376,459	372,092	376,273	1,124,825	375,972	375,016	375,016	1,126,005	375,016	377,196	376,718	1,128,931	376,718	376,718	375,762	1,129,199	4,508,961
payment received	310,608	288,447	496,197	1,095,252	350,816	342,395	217,781	910,992	305,749	326,711	316,523	948,984	152,588	389,095	395,204	936,887	3,892,114
% of billing received	83%	78%	132%	97%	93%	91%	58%	81%	82%	87%	84%	84%	41%	103%	105%	83%	85%
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	4,953,368	4,895,180	12,461,478	10,113,531	4,907,836	5,235,267	21,353,657	67,587,319
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	4,966,127	3,512,575	9,791,844	2,889,016	6,540,004	5,718,953	15,147,974	69,392,878
% of billing received	36%	92%	88%	56%	243%	263%	54%	184%	79%	101%	72%	79%	29%	133%	109%	71%	103%

e) Accounts with dispute and in litigation processes

As part of the debt collection process in line with the municipality's credit control policy a number of accounts with long outstanding amounts get into disputes over issues that in some cases cannot be proven or instances where the consumers claim to have fulfilled a condition that was agreed on with the municipality but there is no documentary proof. Some of these accounts end up undergoing court processes which we later find the consumers have abandoned the case once requested to submit proof of their dispute basis. Below are the accounts referred to:

A number of accounts that were identified during debt collection, however these accounts are part of the ongoing dispute engagements and litigation processes.

1.1.1.Account 680 - R401,411.92 and Acc. 1259 – R513,802.54 dispute on refuse billing.

1.1.2.Account 923 R1 748,071.31 dispute on electricity billing during the implementation of bulk electricity meters.

1.1.3.Account 755 - R2,044,886.53 refuse billing is disputed

1.1.4.Account 766; 859; 842; 916 & 909 dispute linked to municipal transformer

f) Accounts identified as Indigent

During the verification of the indigent register for ward 01, a total of 108 accounts were identified to be billed with property rates, refuse and interest. 65 accounts were verified as indigent through the applicants Identity Number. These accounts were then corrected as per indigent policy of 100% rates billed for the period 2022/2023 and refuse billed of 100%

Description		Count of MUNICIPAL ACCOUNTS
Duplicate		2
Meets Criteria		2
No		41
CIPC Director		23
Deceased		6
Employed by State		3
Exceed Income Threshold		9
Yes		65
Meets Criteria		65
Grand Total		108

Out of 108 accounts taken for review from the external source, 65 accounts were confirmed to meet the indigent criteria as per municipal indigent policy. On the 65 accounts 20 accounts had a total balance outstanding to date of R41 999 relating to interest and property rates.

It is recommendation that a write-off of the previous years' balances on these accounts with regards to property rates and interest billed as well as refuse billed to the indigent verified accounts be recommended to council for approval.

g) Expenditure by Type

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

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	122,052	15,314	112,949	122,052	(9,103)	-7%	122,052
Remuneration of councillors		24,782	27,047	27,047	1,872	25,261	27,047	(1,786)	-7%	27,047
Debt impairment		822	9,600	9,600	-	-	9,600	(9,600)	-100%	9,600
Depreciation & asset impairment		52,653	49,735	49,735	3,248	40,417	49,735	(9,318)	-19%	49,735
Finance charges		100	100	100	-	-	100	(100)	-100%	100
Bulk purchases - electricity		40,211	40,005	40,005	3,204	38,679	40,005	(1,327)	-3%	40,005
Inventory consumed		5,473	7,627	6,910	868	4,300	6,910	(2,610)	-38%	6,910
Contracted services		63,499	86,644	99,475	6,423	74,797	99,475	(24,677)	-25%	99,475
Transfers and subsidies		1,251	3,200	3,349	1,231	2,593	3,349	(756)	-23%	3,349
Other expenditure		65,440	82,560	87,357	7,622	59,920	87,357	(27,436)	-31%	87,357
Losses		46,551	-	36,336	1,847	27,129	36,336	(9,207)	-25%	36,336
Total Expenditure		407,811	431,318	481,966	41,629	386,045	481,966	(95,921)	-20%	481,966

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 30 June 2023 reflects an amount of R15 million for employee costs and R1.8 million for the remuneration of councillors. The remuneration of councillors continues to show a 7% saving compared to what is expected at the same period. Employee costs have also continued to record a 7% 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 recorded expenditure of R3.2 million on electricity purchases for the month due to a change in billing dates from Eskom from mid-month to the start of the new month, with a year to date actual which just below the projected expenditure by 3%. This amount only relates to 23 days of May and 07 days of June as billing by Eskom only took place a few days into the following 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 June 2023 being R3.2 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 period by about 19%.

- **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 R6.4 million worth of expenditure during the month. Despite this level of spending the actual performance against the projected spending is still below by over 25% which is in line with the 25% that was recorded last month which may be attributable to the impact of slow activity during the first months of each financial year which the municipality may not have recovered from as 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 31% 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) - M12 June

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
Revenue by Vote	1	—	—	—	—	—	—	—	—	—
Vote 1 - Executive and Council		—	—	—	—	—	—	—	—	—
Vote 2 - Corporate Services		483	137	509	60	622	509	113	22.1%	164
Vote 3 - Budget and Treasury Office		317,613	341,189	363,940	3,380	367,446	363,940	3,506	1.0%	363,940
Vote 4 - Community Services		11,732	14,517	13,304	1,977	13,447	13,304	143	1.1%	13,304
Vote 5 - Development Planning		22,001	44,531	44,481	587	22,219	44,481	(22,261)	-50.0%	44,481
Vote 6 - Engineering Services		117,454	102,363	130,539	23,982	132,724	130,539	2,185	1.7%	130,539
Total Revenue by Vote	2	469,283	502,737	552,773	29,985	536,458	552,773	(16,315)	-3.0%	552,428

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 R23.9 million for the month with Budget and Treasury showing generation of over R3.3 million which may be attributable to the grants received, interest received on investments and debtors as well as Development Planning at R587 thousand.

i) Expenditure by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

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 %
Expenditure by Vote									
Vote 1 - Executive and Council	1	71,138	84,391	84,186	7,744	75,520	84,186	(8,666)	-10.3%
Vote 2 - Corporate Services		40,512	59,772	57,986	5,963	43,061	57,986	(14,925)	-25.7%
Vote 3 - Budget and Treasury Office		24,251	41,521	43,771	4,442	26,857	43,771	(16,914)	-38.6%
Vote 4 - Community Services		59,268	79,012	78,098	10,292	67,751	78,098	(10,347)	-13.2%
Vote 5 - Development Planning		17,008	36,131	36,533	3,955	19,444	36,189	(16,744)	-46.3%
Vote 6 - Engineering Services		195,635	130,491	181,392	9,232	153,411	181,392	(27,981)	-15.4%
Total Expenditure by Vote	2	407,811	431,318	481,966	41,629	386,045	481,622	(95,577)	-19.8%
Surplus/ (Deficit) for the year	2	61,472	71,418	70,807	(11,644)	150,413	71,151	79,262	111.4%
									70,462

The table above shows the expenditure by municipal vote. The total expenditure for the month of June 2023 amounted to above R41.6 million with a year to date of R386 million.

j) Municipality's financial performance

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

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	581	20,749	21,468	(719)	-3%	21,468
Service charges - electricity revenue		37,937	30,845	36,845	3,953	40,862	36,845	4,017	11%	36,845
Service charges - water revenue		—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—
Service charges - refuse revenue		4,202	5,834	4,502	354	4,428	4,502	(74)	-2%	4,502
Rental of facilities and equipment		7,511	3,893	4,498	362	4,425	4,498	(73)	-2%	4,498
Interest earned - external investments		10,784	9,760	19,090	2,467	21,970	19,090	2,879	15%	19,090
Interest earned - outstanding debtors		4,691	5,378	5,378	607	6,607	5,378	1,229	23%	5,378
Dividends received		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		386	593	593	11	70	593	(523)	-88%	593
Licences and permits		2,141	2,404	2,404	179	2,169	2,404	(235)	-10%	2,404
Agency services		1,202	1,401	1,521	85	1,361	1,521	(160)	-11%	1,521
Transfers and subsidies		295,672	338,352	350,924	205	340,989	350,924	(9,934)	-3%	350,924
Other revenue		891	520	868	946	1,695	868	826	95%	868
Gains		2,461	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		389,042	420,449	448,092	9,749	445,324	448,092	(2,768)	-1%	448,092
Expenditure By Type										
Employee related costs		107,129	124,799	122,052	15,314	112,949	122,052	(9,103)	-7%	122,052
Remuneration of councillors		24,782	27,047	27,047	1,872	25,261	27,047	(1,786)	-7%	27,047
Debt impairment		822	9,600	9,600	—	—	9,600	(9,600)	-100%	9,600
Depreciation & asset impairment		52,653	49,735	49,735	3,248	40,417	49,735	(9,318)	-19%	49,735
Finance charges		—	100	100	—	—	100	(100)	-100%	100
Bulk purchases - electricity		40,211	40,005	40,005	3,204	38,679	40,005	(1,327)	-3%	40,005
Inventory consumed		5,473	7,627	6,910	868	4,300	6,910	(2,610)	-38%	6,910
Contracted services		63,499	86,644	99,475	6,423	74,797	99,475	(24,677)	-25%	99,475
Transfers and subsidies		1,251	3,200	3,349	1,231	2,593	3,349	(756)	-23%	3,349
Other expenditure		65,440	82,560	87,357	7,622	59,920	87,357	(27,436)	-31%	87,357
Losses		46,551	—	36,336	1,847	27,129	36,336	(9,207)	-25%	36,336
Total Expenditure		407,811	431,318	481,966	41,629	386,045	481,966	(95,921)	-20%	481,966
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(18,769)	(10,870)	(33,874)	(31,879)	59,280	(33,874)	93,154	(0)	(33,874)
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	107,215	20,236	90,654	107,215	(16,561)	(0)	107,215
Transfers and subsidies - capital (in-kind - all)		—	—	—	—	—	—	—	#DIV/0!	—
79		—	—	—	—	479	—	479	#DIV/0!	—
Surplus/(Deficit) after capital transfers & contributions		61,472	71,418	73,341	(11,644)	150,413	73,341			73,341
Taxation		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation		61,472	71,418	73,341	(11,644)	150,413	73,341			73,341
Attributable to minorities		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		61,472	71,418	73,341	(11,644)	150,413	73,341			73,341
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year		61,472	71,418	73,341	(11,644)	150,413	73,341			73,341

The municipality has so far recorded a surplus of over R150 million for the period ended 30 June 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 and possible

savings from non-cash items. Measures still need to be put in place to move the municipality towards self-sustainability.

9. Capital programme performance

a) Capital expenditure by asset class and sub-class

EC443 Winnie Madikizela Mandela - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June

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	54,968	14,986	55,876	54,968	(908)	-1.7%	54,968
Roads Infrastructure		35,302	38,090	38,013	7,207	39,789	38,013	(1,776)	-4.7%	38,013
<i>Roads</i>		35,302	38,090	37,144	7,207	39,789	37,144	(2,645)	-7.1%	37,144
<i>Road Structures</i>		—	—	869	—	—	869	869	100.0%	869
Electrical Infrastructure		26,289	15,725	15,565	6,747	15,055	15,565	510	3.3%	15,565
<i>MV Networks</i>		25,565	13,940	14,261	6,747	13,878	14,261	383	2.7%	14,261
<i>LV Networks</i>		724	1,785	1,304	—	1,178	1,304	127	9.7%	1,304
Solid Waste Infrastructure		158	8,075	1,390	1,032	1,032	1,390	358	25.8%	1,390
<i>Landfill Sites</i>		—	8,075	1,390	1,032	1,032	1,390	358	25.8%	1,390
<i>Waste Drop-off Points</i>		158	—	—	—	—	—	—	—	—
Community Assets		9,910	5,950	5,248	890	4,632	5,248	616	11.7%	5,248
<i>Community Facilities</i>		9,910	5,355	4,640	890	4,632	4,640	7	0.2%	4,640
<i>Halls</i>		6,168	1,020	846	89	693	846	153	18.1%	846
<i>Crèches</i>		3,743	2,975	935	349	1,890	935	(955)	-102.2%	935
<i>Markets</i>		—	1,360	2,859	451	2,050	2,859	809	28.3%	2,859
<i>Sport and Recreation Facilities</i>		—	595	609	—	—	609	609	100.0%	609
<i>Outdoor Facilities</i>		—	595	609	—	—	609	609	100.0%	609
<i>Heritage assets</i>		30	—	—	—	—	—	—	—	—
<i>Other Heritage</i>		30	—	—	—	—	—	—	—	—
Other assets		660	11,562	11,828	—	997	11,828	10,831	91.6%	11,828
<i>Operational Buildings</i>		660	11,562	11,828	—	997	11,828	10,831	91.6%	11,828
<i>Yards</i>		63	—	—	—	—	—	—	—	—
<i>Manufacturing Plant</i>		597	11,562	11,828	—	997	11,828	10,831	91.6%	11,828
Computer Equipment		1,834	2,125	4,440	388	626	4,440	3,813	85.9%	4,440
<i>Computer Equipment</i>		1,834	2,125	4,440	388	626	4,440	3,813	85.9%	4,440
Furniture and Office Equipment		84	7,140	3,308	(648)	1,068	3,308	2,240	67.7%	3,308
<i>Furniture and Office Equipment</i>		84	7,140	3,308	(648)	1,068	3,308	2,240	67.7%	3,308
Machinery and Equipment		119	128	217	79	79	217	138	63.6%	217
<i>Machinery and Equipment</i>		119	128	217	79	79	217	138	63.6%	217
Transport Assets		—	6,500	5,077	2,551	4,143	5,077	934	18.4%	5,077
<i>Transport Assets</i>		—	6,500	5,077	2,551	4,143	5,077	934	18.4%	5,077
Total Capital Expenditure on new assets	1	74,385	95,294	85,086	18,246	67,421	85,086	17,665	20.8%	85,086

EC443 Winnie Madikizela Mandela - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M12 June

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									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		24,090	3,426	38,405	6,046	35,871	38,405	2,535	6.6%	38,405
Roads Infrastructure		24,090	3,426	38,405	6,046	35,871	38,405	2,535	6.6%	38,405
Roads		24,090	3,426	38,405	6,046	35,871	38,405	2,535	6.6%	38,405
Community Assets		26,700	1,360	5,843	177	4,211	5,843	1,632	27.9%	5,843
Community Facilities		26,700	1,360	5,843	177	4,211	5,843	1,632	27.9%	5,843
Taxi Ranks/Bus Terminals		26,700	1,360	5,843	177	4,211	5,843	1,632	27.9%	5,843
Other assets		(63)	340	350	399	748	350	(399)	-114.1%	350
Operational Buildings		(63)	340	350	399	748	350	(399)	-114.1%	350
Municipal Offices		(63)	340	350	399	748	350	(399)	-114.1%	350
Total Capital Expenditure on renewal of existing assets	1	50,726	5,126	44,598	6,622	40,830	44,598	3,768	8.4%	44,598

EC443 Winnie Madikizela Mandela - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M12 June

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									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		652	—	522	—	—	522	522	100.0%	522
Roads Infrastructure		652	—	522	—	—	522	522	100.0%	522
Roads		652	—	522	—	—	522	522	100.0%	522
Community Assets		39,537	7,628	20,617	—	4,620	20,617	15,997	77.6%	20,617
Community Facilities		19,960	7,628	11,037	—	4,620	11,037	6,417	58.1%	11,037
Halls		19,960	7,628	11,037	—	4,620	11,037	6,417	58.1%	11,037
Sport and Recreation Facilities		19,577	—	9,580	—	—	9,580	9,580	100.0%	9,580
Outdoor Facilities		19,577	—	9,580	—	—	9,580	9,580	100.0%	9,580
Total Capital Expenditure on upgrading of existing assets	1	40,189	7,628	21,139	—	4,620	21,139	16,519	78.1%	21,139

The above tables indicate that the municipality spent R24.8 million for the month from its capital budget for the period ended 30 June 2023. R13.2 million of this expenditure was made on roads with over R6 million spent on roads that were affected by disasters in April 2022, this is an encouraging picture considering that this was the third month of expenditure since the grant was received about three months ago. It is however worth noting that there are payments of close to 4 million that were received after 30 June 2023 relating to the Civic center that have been recorded as accruals and will be reported in the annual financial statements as current year expenditure.

b) Capital Expenditure by municipal vote

EC443 Winnie Madikizela Mandela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

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
Multi-Year expenditure appropriation	2									
Vote 6 - Engineering Services		66,237	8,988	26,964	—	8,654	26,964	(18,310)	-68%	26,964
Total Capital Multi-year expenditure	4,7	66,237	8,988	26,964	—	8,654	26,964	(18,310)	-68%	26,964
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		30	—	—	—	—	—	—	—	—
Vote 2 - Corporate Services		1,855	12,900	9,403	1,084	4,403	9,403	(5,000)	-53%	9,403
Vote 3 - Budget and Treasury Office		—	—	—	—	—	—	—	—	—
Vote 4 - Community Services		306	11,388	5,262	2,585	3,415	5,262	(1,847)	-35%	5,262
Vote 5 - Development Planning		597	13,517	15,295	451	3,047	15,295	(12,249)	-80%	15,295
Vote 6 - Engineering Services		96,277	61,256	93,900	20,748	93,353	93,900	(547)	-1%	93,900
Total Capital single-year expenditure	4	99,064	99,060	123,860	24,869	104,218	123,860	(19,642)	-16%	123,860
Total Capital Expenditure		165,301	108,048	150,824	24,869	112,872	150,824	(37,952)	-25%	150,824
Capital Expenditure - Functional Classification										
Governance and administration		1,885	13,240	9,778	999	4,489	9,778	(5,289)	-54%	9,778
Executive and council		30	—	—	—	—	—	—	—	—
Finance and administration		1,855	13,240	9,778	999	4,489	9,778	(5,289)	-54%	9,778
Community and public safety		221	1,848	1,895	870	1,528	1,895	(367)	-19%	1,895
Community and social services		221	1,720	1,710	791	1,394	1,710	(316)	-18%	1,710
Sport and recreation		—	128	185	79	134	185	(51)	-28%	185
Economic and environmental services		136,787	67,336	119,894	14,452	89,998	119,894	(29,895)	-25%	119,894
Planning and development		76,744	25,820	42,867	1,199	14,339	42,867	(28,528)	-67%	42,867
Road transport		60,044	41,516	77,027	13,253	75,660	77,027	(1,367)	-2%	77,027
Trading services		26,408	25,625	19,257	8,548	16,856	19,257	(2,400)	-12%	19,257
Energy sources		26,323	16,425	16,265	6,747	15,055	16,265	(1,210)	-7%	16,265
Waste management		85	9,200	2,991	1,801	1,801	2,991	(1,190)	-40%	2,991
Total Capital Expenditure - Functional Classification	3	165,301	108,048	150,824	24,869	112,872	150,824	(37,952)	-25%	150,824
Funded by:										
National Government		64,059	69,945	93,055	17,237	81,000	93,055	(12,055)	-13%	93,055
Provincial Government		—	—	—	—	—	—	—	—	—
Transfers recognised - capital		64,059	69,945	93,055	17,237	81,000	93,055	(12,055)	-13%	93,055
Borrowing	6	—	—	—	—	—	—	—	—	—
Internally generated funds		101,241	38,103	57,769	7,632	31,872	57,769	(25,897)	-45%	57,769
Total Capital Funding		165,301	108,048	150,824	24,869	112,872	150,824	(37,952)	-25%	150,824

The above table indicates that the municipality spent R24.8 million from its capital budget for the period ended 30 June 2023 which continues to be discouraging considering that we have two major projects that have been continuously 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 and into the following financial year.

c) Expenditure on repairs and maintenance

EC443 Winnie Madikizela Mandela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June

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	37,132	27	28,327	37,132	8,805	23.7%	37,132
Roads Infrastructure		3,845	17,582	33,368	27	27,934	33,368	5,434	16.3%	33,368
Roads		191	640	640	—	43	640	598	93.4%	640
Road Structures		3,357	16,421	32,283	27	27,647	32,283	4,636	14.4%	32,283
Road Furniture		297	520	445	—	244	445	201	45.1%	445
Electrical Infrastructure		3,000	3,764	3,764	—	393	3,764	3,371	89.6%	3,764
MV Networks		3,000	3,764	3,764	—	393	3,764	3,371	89.6%	3,764
Community Assets		482	619	819	87	668	819	151	18.4%	819
Community Facilities		482	619	819	87	668	819	151	18.4%	819
Halls		—	250	450	—	426	450	24	5.4%	450
Libraries		69	155	155	—	155	155	—	—	155
Cemeteries/Crematoria		—	100	100	87	87	100	13	13.1%	100
Parks		413	114	114	—	—	114	114	100.0%	114
Other assets		3,472	4,274	3,173	210	1,554	3,173	1,619	51.0%	3,173
Operational Buildings		3,472	4,274	3,173	210	1,554	3,173	1,619	51.0%	3,173
Municipal Offices		3,328	4,125	2,984	210	1,397	2,984	1,586	53.2%	2,984
Yards		143	149	189	—	157	189	32	17.2%	189
Computer Equipment		35	50	50	—	23	50	27	54.0%	50
Computer Equipment		35	50	50	—	23	50	27	54.0%	50
Furniture and Office Equipment		—	210	150	31	69	150	81	54.0%	150
Furniture and Office Equipment		—	210	150	31	69	150	81	54.0%	150
Machinery and Equipment		256	500	620	—	—	620	620	100.0%	620
Machinery and Equipment		256	500	620	—	—	620	620	100.0%	620
Transport Assets		2,753	2,976	5,716	331	4,597	5,716	1,119	19.6%	5,716
Transport Assets		2,753	2,976	5,716	331	4,597	5,716	1,119	19.6%	5,716
Total Repairs and Maintenance Expenditure	1	13,841	29,975	47,660	685	35,238	47,660	12,421	26.1%	47,660

The table shows that the municipality spent R685 thousand on the maintenance of its assets and infrastructure during the month of June 2023 with a year to date actual of R35.2 million being below the projected spending by over 26% for the same period.

10. 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.

Creditor Name	Function Name	Order Date	Value	Specifications	Segment
Tyres & More Kokstad	Solid Waste Removal:Solid Waste Removal	Wednesday, June 28, 2023	394.99	Request For Patching Of Truck Tyre For Fwk 197 Ec	Refuse- Vehicle Maintenance
Pondoland Times	Function:Population Development	Friday, June 23, 2023	1,800.00	Request For Advertisement Of Service Provider For Maintenance Of Sola Wards For 36 Months	Advertising MM
Pondoland Times	Core Function:Solid Waste Removal	Tuesday, June 20, 2023	1,800.00	Request For Re-Advert For Panel Of Service Providers For Supply And D Cleaning Resources For 3 Years.	Advertising fees Human resources 1010260540
Pondoland Times	Core Function:Human Resources	Monday, June 5, 2023	1,800.00	Request For Twoadverts Admin Clerk Under Community Services Department Capturer Under Engineering Services Department (Permanent)	Advertising fees community services 2505260540
Group Two Media Company	Core Function:Municipal Manager Town Se	Thursday, June 29, 2023	1,998.70	Request To Advertise Public Notice For Approved Sdbsip 2023/2024 Financial Year On Two Local News Paper	Advertising fees MM
Group Two Media Company	Core Function:Project Management Unit	Thursday, June 29, 2023	1,998.70	Request To Re-Advertise 3 Year Multi Discipline Of Panel Consultants	Advertising fees PMU 5505260540
Group Two Media Company	Core Function:Project Management Unit	Wednesday, June 21, 2023	1,998.70	Payment For The Advertisement Of Mqonjwana To Greenville Consultants; To Matumbatha Consultants And Electrification Of Villages	Advertising fees PMU 5505260540
Group Two Media Company	Core Function:Municipal Manager Town Se	Wednesday, June 21, 2023	1,998.70	Request To Advertise Public Notice Of Ordinary Council Meeting On 2 Lo Papers	Advertising MM
Group Two Media Company	Core Function:Human Resources	Wednesday, June 21, 2023	1,998.70	Request For Re-Advert For Renewal Of Ict Disaster Recovery	Advertising fees Human resources 1010260540
Group Two Media Company	Core Function:Municipal Manager Town Se	Thursday, June 15, 2023	1,998.70	Request Re-Advert Of Installation Of Wmim Statue And Heritage Research Local News Papers	Advertising MM
Group Two Media Company	Core Function:Municipal Manager Town Se	Thursday, June 8, 2023	1,998.70	Request To Advertise Adoption Of The Final Ldp Review For 2023/2024 Fy Local News Papers	Advertising MM
Pondoland Times	Core Function:Municipal Manager Town Se	Thursday, June 29, 2023	2,000.00	Request To Advertised Public Notice For Approved Sdbsip 2023/24 Fy On Two Local Newspaper	Advertising Finance
Pondoland	Core Function:Human	Friday, June 23,	2,000.00	Request For Advertising Of One Post Pa To Municipal Manager Under M	Advertising fees Human resources

Creditor Name	Function Name	Order Date	Value	Specifications	Segment
Times Resources		2023		Manager's Office(Fixed Term Contract)	1010260540
Pondoland Times	Core Function:Municipal Manager Town Se	Wednesday, June 21, 2023	2,000.00	Request To Advertise Public Notice Of Ordinary Council Meeting On 2 Lo Papers	Advertising Finance
Pondoland Times	Core Function:Human Resources	Thursday, June 8, 2023	2,000.00	Request For Two Advertising Posts Namely: It Technician And System Administrator Under Corporate Services (Permanent)	Advertising Publicity and Marketing:Corporate and Municipal

27,785.89

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
Lusikisiki Spares Cc	Core Function:Fleet Management	Wednesday, June 14, 2023	2,499.99	Request For Supply And Installation Of One Battery Size 669[12v Cla Transportation Of 15 Traditional Leaders To Mt Ayliff For District In Prayer On The 30/05/2023 And Return To Bizana On Same Day	Vehicle maintenance outsourced 1010235115
Zientle Trading Enterprise	Core Function:Mayor And Council	Thursday, June 29, 2023	3,000.00		Support to Traditional Leaders transportation 505260195
Likho Trading Cc	Core Function:Mayor And Council	Tuesday, June 6, 2023	3,675.00	Request Vip Lunch With Soft Drinks For Traditional Leader's Meeting	Support to Traditional Leaders catering
Lusikisiki Spares Cc	Core Function:Electricity	Thursday, June 8, 2023	3,999.99	Request For Replacement Of Two (2) Batteries For Electricity Cherry Pi Truck; Reg No. Hff 091 Ec	Electricity- Vehicle Maintenance
African Compass Trading 37cc	Core Function:Human Resources	Monday, June 5, 2023	4,200.00	Request Still Water For 20 People On The 31st Of May 2023 To 1st Of	Labour relations 1010260185 catering
Laz Investments	Non-Core Function:Libraries And Archives	Tuesday, June 6, 2023	5,330.00	Payment For Supply Of Periodicals For May 2023	Newspaper Library 2505
Laz Investments	Non-Core Function:Libraries And Archives	Friday, June 30, 2023	5,537.00	Payment For Library Periodicals	Newspaper Library 2505
Kwik-Fit Bizana	Core Function:Roads	Wednesday, June 14, 2023	6,319.25	Request For 1 (One) New Tyre Truck; Reg No. Hpz 909 Ec; Tyre Size Is 315/80r 22.5	Refuse- Vehicle Maintenance
Mountzone Pty Ltd	Core Function:Mayor And Council	Tuesday, June 6, 2023	7,300.00	Hiring Of P.A System For Community Education On 07/06/23 In Ward 31	Community Education hiring costs 505260695
Pondoland Times	Core Function:Finance	Thursday, June 8, 2023	9,186.88	Request For Advertising Of Annual Budget 2023/2024	Advertising 5020
Pondoland Times	Core Function:Finance	Tuesday, June 6, 2023	9,186.88	Advertising Of Final Budget 2023/2024 And Tariffs	Advertising Finance
Kwik-Fit Bizana	Core Function:Fleet Management	Thursday, June 8, 2023	9,430.00	Request For Supply And Delivery Of Tyres For Two All Terrain Tyres 265/60r18 For Jrs 370 Ec	Refuse- Vehicle Maintenance
Arena Holdings	Core Function:Human Resources	Friday, June 30, 2023	11,954.25	Re:Advert For Senior Manager Engineering Services On Provincial Newspapers	Advertising fees Human resources 1010260240
Kwik-Fit Bizana	Core Function:Solid Waste Removal	Thursday, June 8, 2023	12,696.00	Request For Replacement Of 2 Tyres For Fwk 197 Ec Size 11/22.5	Vehicle maintenance outsourced 1010235115
Xolani Sizwe Construction Anforcept Trading Enterprise	Core Function:Mayor And Council	Tuesday, June 6, 2023	15,570.00	Request For 3 Taxis To Flagstaff(Mthontsasi Community Hall)	Transportation Legacy 505260388
Rainbows And Sons Projects (Pt	Non-Core Function:Population Development	Thursday, June 29, 2023	15,674.50	Royal Blue WorkSuits With Reflector Tape And Branding Top-Large Bottom	Withdrawals:Trade Creditors Accruals
				Request For Hiring Of 1 X Framed White Tent (9x 20m) For Social Awareness Campaign On The 6 June 2023 @ Mantshangase Village	Social Services Awarenesses Hire charges 2505

Creditor Name	Function Name	Order Date	Value	Specifications	Segment
Hlongwane Son Trading Enterpr	Core Function:Mayor And Council	Wednesday, June 28, 2023	21,000.00	Request For 5 Taxis For Pondo Revolt Commemoration To Be Held On The 2 At Ngqindlili Village(Ward 11)	Transportation Legacy 505260188
Zisimpilo Trading Enterpris Pt	Core Function:Mayor And Council	Wednesday, June 28, 2023	22,500.00	Request Tables Of Pondo Revolt Commemoration To Be Held On The 26 June Nqgindlili Village Ward 11	Hire costs Legacy 505260188
Orinova Training (Pty) Ltd	Core Function:Community Parks (Including	Wednesday, June 14, 2023	23,470.00	Request For Supply And Delivery Of 25 Rolls Of (Nylon Cord) For Grass Accessories	Finished Goods:Acquisitions
Zuko And Pinky Trading Enter	Core Function:Mayor And Council	Thursday, June 29, 2023	23,500.00	Request Transport For constituency Work Program To Be Held On The 28-3 2023 At Estuary Hotel	Whippery support transport hire
Kwik-Fit Bizana	Solid Waste Removal:Solid Waste Removal!	Thursday, June 8, 2023	23,920.00	Request For Replacement Of 4 X Tyres (Size 265/65R17) For Ezy 309 Ec	Refuse-Vehicle Maintenance
Mapholo Trading & Projects	Solid Waste Removal:Solid Waste Removal!	Monday, June 12, 2023	25,200.00	Request For Hiring Of Truck For 5 Days For Waste Collection	Transport Hire
Masinyane And Son (Pty) Ltd	Solid Waste Removal:Solid Waste Removal!	Thursday, June 8, 2023	28,500.00	Request For Promotional Material 20 Boxes Of Disposables Gloves For Wa Management Awareness On 09th June 2023	Promotional material cleaning campaign
Nkosiyabona Trading	Core Function:Biodiversity And Landscape	Tuesday, June 13, 2023	28,920.00	Request For Supply ;Delivery & Installation Of 6 X Galvanised Poles (4 Mzamiba Beach Signboards	Blue Flag Programme sign boards 2505260485
JNW Trading Enterprise Pty Ltd	Core Function:Community Parks (Including	Friday, June 30, 2023	29,000.00	Payment For Maintenance Of Garden Tools	RNM Power Tools

371,069.74

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.

Function Name	Order Date	Value	Specifications	Specifications
Core Function:Solid Waste Removal	6/14/20 23	35,000.00	Payment For Supply And Delivery Of Waste Management Awareness Material	Newslatters Communication costs 515260565
Core Function:Economic Development/Planning	6/6/2022 3	36,000.00	Request Payment For Masinyrane And Son For The Supply And Delivery Of S And Protective Clothing,Machinery And Promotional Material	Promotional material cleaning campaign
Core Function:Marketing Customer Relati	6/30/20 23	39,425.00	Payment For Newsletter Second Edition	Library awareness promotional material
Core Function:Human Resources	6/5/2020 23	47,182.20	Request For Re-Advert Permanent Post Senior Manager: Engineering Under Engineering Services (National And Provincial)	Advertising fees Human resources 1010260540
Core Function:Solid Waste Removal	6/5/2022 3	48,000.00	Request Payment Of Laz Investments For Supply And Delivery Of Refuse B	Newspaper Library 2505
Core Function:Mayor And Council	6/20/20 23	52,290.00	Payment For Procurement Of Educational Tools For 3 Early Ecdc	Finished Goods:Acquisitions
Non-Core Function:Libraries And Archives	6/29/20 23	73,556.00	Payment For Library Awareness Bags	Cleaning Material cleaning services Promotional items childrens program 505260194
Core Function:Finance	6/30/20 23	78,623.00	Payment For Cleaning Material Toilet Papers	
Core Function:Community Parks (including Parks)	6/13/20 23	79,200.00	Payment For Supply And Delivery Of Grass Cutting Machine	Grass Cutting Machine Product owner involvement promotional material 1505
Core Function:Community Parks (including Parks)	6/30/20 23	86,900.00	Payment For Mbizana Cemetery Maintenance	
Core Function:Solid Waste Removal	6/12/20 23	101,700.00	Payment For Supply And Delivery Of Waste Management Campaign Material	Library Awareness campaign sound Withdrawals:Trade Creditors Accruals
Core Function:Tourism	6/5/2022 3	130,800.00	Request Payment Of The Mane's Pty Ltd For Supply And Delivery Of Brand Marketing Material For Life Guards	Accruals
Core Function:Human Resources	6/13/20 23	148,000.00	Payment For Occupational Health And Safety Committee Training	Facilitator OHS 1010260397
Core Function:Solid Waste Removal	6/30/20 23	150,000.00	Payment For Supply And Deliver Of Skip Bins	Withdrawals:Trade Creditors Accruals
Core Function:Solid Waste Removal	6/15/20 23	150,000.00	Supply And Delivery Of Waste Receptacles	Waste receptacles traffic awareness campaign hiring charges
Core Function:Police Forces Traffic And	6/12/20 23	155,400.00	Payment Safetey Awareness Campaign. Transport	
Core Function:Licensing And Control Of A	6/14/20 23	158,000.00	Payment For Supply And Delivery Of Animal Feed	Finished Goods:Acquisitions
Core Function:Security Services	6/13/20 23	163,000.00	Request For Procurement Of Fire Arms	Security Equipment 2505

Function Name	Order Date	Value	Specifications	Specifications
Core Function:Mayor And Council	6/30/20 23	163,830.00	Payment For Youth Month Hire Charges	Hire costs Youth Program 505260190
Core Function:Economic Development/Plann	6/30/20 23	165,749.99	Payment For Reviewal Agricultural Development Plan	Reviewal of Agricultural Plans
Non-Core Function:Population Development	6/13/20 23	170,00.00	Safety Boots	Social services- Uniform
Core Function:Community Halls And Facili	6/13/20 23	177,400.00	Payment For Supply And Delivery; Branding And Registration Of Two Mobi Vip Toilets	Taxi Rank Mobile toilets
Core Function:Solid Waste Removal	6/13/20 23	188,570.00	Payment For Supply And Delivery Of Protective Clothing (Epwp)	Uniforms refuse removal
		2,598,620.19		

11. 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 June 2023

NO	SUCCESSFUL TENDERER	AMOUNT	PAYMENTS	BALANCE	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
1	JNW TRADING ENTERPRISE	R 158,500.00	R -	R 158,500.00	WMM LM R&M GPT	29/08/22 REPAIRS AND MAINTENANCE OF GARDEN POWER TOOLS	Thursday, June 1, 2023	COMMUNITY SERVICES
2	THE MANES	R 137,800.00	R -	R 137,800.00	WMM LM LGT	12/05/23/01 SUPPLY AND DELIVERY OF LIFE GUARDS TOWER	Thursday, June 15, 2023	LED MUNICIPAL MANAGERS OFFICE
3	NDUKUDE ZN TRADING	R 67,850.00	R -	R 67,850.00	CLMD 2023	CANDLE LIGHT MEMORIAL DAY 2023	Tuesday, June 20, 2023	CORPORATE SERVICES
4	KGOSIHPROJECTS	R 174,240.00	R -	R 174,240.00	WMM LM LAP	25/05/23 P PROCUREMENT OF LAPTOPS	Tuesday, June 20, 2023	CORPORATE SERVICES
5	THE MANES	R 31,800.00	R -	R 31,800.00	WMM LM CCSW	29/05/23 CLIMATE CHANGE STRATEGIC WORKSHOP	Tuesday, June 20, 2023	COMMUNITY SERVICES
6	SEBEKHO HOLDINGS	R 79,000.00	R -	R 79,000.00	WMM LM S&DT	26/05/23 SUPPLY AND DELIVERY OF A TRAILER	Tuesday, June 20, 2023	COMMUNITY SERVICES
7	THE MANES	R 86,900.00	R -	R 86,900.00	WMM LM MMMC	04/04/23 MAINTENANCE MATERIAL FOR MBIZANA CEMETRY	Tuesday, June 20, 2023	COMMUNITY SERVICES
8	EYETHO TRADING 8207	R 73,550.00	R -	R 73,550.00	WMM LM LAC (WPD)	23/05/23 LIBRARY AWARENESS CAMPAIGN (WORLD PLAY DAY)	Friday, June 9, 2023	COMMUNITY SERVICES
9	ON GRID TRAINING AND DEVELOPMENT	R 195,500.00	R -	R 195,500.00	WMM LM W&R	11/01/22 CB AND RETAILERS CAPACITY BUILDING FOR WHOLESALERS	Friday, June 23, 2023	LED
10	HAMBANKUZOZONKE	R 78,623.00	R -	R 78,623.00	WMM LM S&D	26/05/23 SUPPLY AND DELIVERY OF CLEANING MATERIAL	Thursday, June 22, 2023	CO-OPERATE SERVICES
11	JONGOWARE PTY LTD	R 179,400.00	R -	R 179,400.00	WMM LM	22/03/23 DEVELOPMENT OF A BANKABLE BUSINESS PLAN	Wednesday, June 21, 2023	LED

NO	SUCCESSFUL TENDERER	AMOUNT	PAYMENTS	BALANCE	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
12	EVETHO TRADING 8207	R 142,200.00	R -	R 142,200.00	WMM LM 23/05/23 CBD RM	CBD ROAD MARKING	Friday, June 30, 2023	COMMUNITY SERVICES
13	THE MANES	R Rates	R -	R rates	WMM LM 26/10/22/03 CWS	CAR WASH SERVICES	Friday, June 30, 2023	CORPORATE SERVICES
14	HAMBANI KUZOZONKE	R 140,400.00	R -	R -	WMM LM 14/06/23/01 RBW	SUPPLY & DELIVERY OF 130 000 REFUSE BAGS FOR WASTE COLLECTION	Friday, June 30, 2023	COMMUNITY SERVICES
15	EVETHO TRADING 8207	R 200,000.00	R -	R -	WMM LM 02/05/23 W&R SP	WHOLESALERS AND RETAILERS SUPPORT PROGRAMME	Friday, June 30, 2023	LED
16	PRAY AND PROSPER CONSTRUCTION	R 163,830.00	R -	R 163,830.00	WMM LM 25/05/23 YM	YOUTH MONTH	Wednesday, June 14, 2023	MUNICIPAL MANGERS OFFICE
	TOTAL	R 1,909,593.00	R 0.00	R 1,569,193.00				

b) Tenders awarded during the month of June 2023

Competitive Bidding

NO	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
				Jun-23		
1	Ezamavovo Trading Pty Ltd	R 542,376.67	WMM LM 02/06/22/01 PST	SUPPLY AND DELIVERY OF PROTECTIVE CLOTHING FOR 12 MONTHS	Monday, June 5, 2023	Community Services
2	NanoChip Technologies	R 1,524,520.00	WMM LM 16/03/23/01 SLD	SUPPLY AND DELIVERY OF LAPTOPS AND DESKTOPS	Thursday, June 8, 2023	Corporate Services
3	Manyobo Group	Rates	WMM LM 04/08/22/02 RMD	REHABILITATION OF DUMPING SITE FOR 18 MONTHS	Thursday, June 8, 2023	Community Services
4	Lilitha Project Managers	R 1,722,106.00	FAR	PREPARATION OF GRAP COMPLIANT IMMOVABLE ASSET REGISTER FOR 2022/23FY	Thursday, June 8, 2023	BTO
5	Wandile and Son Trading Pty Ltd	Rates	WMM LM 03/11/22/05 EMT	MULTI THREE YEAR CONTRACT FOR SUPPLY AND DELIVERY OF ELECTRICITY MATERIAL	Thursday, June 8, 2023	Engineering Services
6	Zinname Consulting	Rates	WMM LM 25/03/22/01 MDP	MULTI DISCIPLINE PANEL OF CONSULTANTS FOR PERIOD OF 3 YEARS	Friday, June 23, 2023	Engineering Services
7	Nikhwe Group	Rates	WMM LM 25/03/22/01 MDP	MULTI DISCIPLINE PANEL OF CONSULTANTS FOR PERIOD OF 3 YEARS	Friday, June 23, 2023	Engineering Services
8	Masilo 85 Logistics	R 3,491,945.22	RLV	REFURBISHMENT OF LOW VOLTAGE LINES IN EXTENSION 4	Friday, June 23, 2023	Engineering Services
Total		R 7,280,947.89				

c) Status of current tenders

Name Of The Project	Bid Number	Chairperson	Closing Date	Validity	Status	Department
Maintenance of Traffic Lights for 3 years	WMM LM 09/06/22 MTL	Not Yet Appointed	Monday, May 22, 2023	90	Sunday, August 20, 2023	To be Adjudicated
Multi-Utility Online Pre-paid Electricity Vending Management System	WMM LM 00088 PWMS	Ms. Z. Ndzelu	Saturday, May 13, 2023	90	Friday, August 11, 2023	Awarded
Revalidation of Township Establishment	WMM LM 24/08/22/RTE	Ms. Z. Ndzelu	Tuesday, May 23, 2023	90	Monday, August 21, 2023	On Advert
Land Surveying Services	WMM LM 24/08/22/LSS	Ms. Z. Ndzelu	Monday, April 24, 2023	90	Sunday, July 23, 2023	Development Planning
Service provider for Extension of waste management services	WMM LM 04/08/22/01/EWM	Ms. N. Xoko	Monday, May 22, 2023	90	Sunday, August 20, 2023	To be Adjudicated
						Community Services

Name of the Project	Bid Number	Chairperson	Closing Date	Validity	Validity Period	Status	Department
Mbizana heritage research	WMM-LM 11/08/22/02 M-HR	Ms. N. Jokweni	Wednesday, June 7, 2023	90	Tuesday, September 5, 2023	On Advert	Municipal Manager
Provision of Insurance Services (36 Months)	WMM-LM 27/10/21/01 PIS	Mr. V. Nonianda	Monday, May 15, 2023	90	Sunday, August 13, 2023	To be Adjudicated	B.T.O
General Valuation Roll	WMM-LM 00013 GVR	Ms. Z. Ndzelu	Monday, April 3, 2023	90	Sunday, July 2, 2023	To be Adjudicated	Development Planning
Electrification of Nomlaci Phase 2	WW-LM 04/05/23/01 ENP	Mr. V. Mgina	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Adjudicated	Engineering Services
Electrification of Meashweni Phase 2	WW-LM 04/05/23/02 EMP	Mr. V. Mgina	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Adjudicated	Engineering Services
Electrification of Lower Etheridge Phase 2	WW-LM 04/05/23/03 ELE	Mr. V. Mgina	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Adjudicated	Engineering Services
Professional Services for Mphuthuni Matimbatha Sports Field (Performance	WW-LM 04/05/23/04 PSM	Mr. L. Gwala	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Adjudicated	Engineering Services
Professional Services for Matuhutumi Matimbatha Sports Field (Performance	WW-LM 04/05/23/05 SFP	Mr. V. Nonianda	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Adjudicated	Engineering Services
Fencing of Mphuthuni Matumbatha Sports Field	WMM-LM 04/05/23/06 FMM	Mr. V. Nonianda	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Adjudicated	Engineering Services
Professional Services for Mqonjwana to Green Access Road	WMM-LM 04/05/23/07 MGA	Mr. V. Nonianda	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Adjudicated	Engineering Services
Fencing of Majazi Landfill Site	WMM-LM 00015 FMLS	Ms. N. Xoko	Monday, April 24, 2023	90	Sunday, July 23, 2023	To be Adjudicated	Engineering Services
Supply and Delivery of Protective Clothing for Protection Services for 3 Years	WMM-LM 09/05/22 PCPS	Mr. V. Nonianda	Monday, April 24, 2023	90	Sunday, July 23, 2023	Awarded	Community Services
Maintenance of Solar for 36 Months in WMM LM Wards	WMM-LM 000900 MS	Not Yet Appointed	Monday, July 24, 2023	90	Sunday, October 22, 2023	On Advert	Community Services
Review of ICT Disaster Recovery	WMM-LM 03/11/22/02	Not Yet Appointed	Thursday, April 6, 2023	90	Wednesday, July 5, 2023	On Advert	Corporate Service
Banking Services for Five Years	WMM-LM 00012 BS	Ms. Z. Ndzelu	Friday, April 28, 2023	90	Thursday, July 27, 2023	To be Adjudicated	B.T.O

d) Deviations

The table below shows details of the deviations that were approved by the municipal during the reporting period. As summary of the reasons is as follows:

Date Reported to Council	Payment Date	TRANSACTION DETAILS					Department Responsible	Normal Process Followed	Procurement Process Followed	Reason for Deviation
		Payment Number	Supplier Name	Amount	Description of Incident	Approved by				
31/05/2023	EF0081	HIBISCUS PANEL BEATERS	R 76,778.20	REPAIRS OF ENGINEERING BAKKIE	MUNICIPAL MANAGER	25/05/2023	CORPORATE SERVICE	7 DAY ADVERT	DIRECT PROCUREMENT	VEHICLE WAS DECLINED BY INSURANCE IN 2020 AND HAS BEEN WITH THE PANEL BEATERS FOR OVER THREE YEARS AND THE MUNICIPALITY WOULD HAVE HAD TO PAY FOR STORAGE THAN PAY TO FIX THE VEHICLE
31/05/2023	EF0081	GUARDRI SK INSURANCE COMPANY	R 139,369.75	SHORTFALL ON THE REPLACEMENT VEHICLE FOR THE MAYOR'S OFFICE	MUNICIPAL MANAGER	25/05/2023	CORPORATE SERVICE	7 DAY ADVERT	DIRECT PAYMENT	IT WAS IMPOSSIBLE TO FOLLOW A PROCUREMENT PROCESS AS THIS WAS A TOPUP AMOUNT ON A PURCHASE ALREADY MADE BY THE INSURANCE TO REPLACE THE VEHICLES
TO TA L.				TOTAL R 216,147.95						

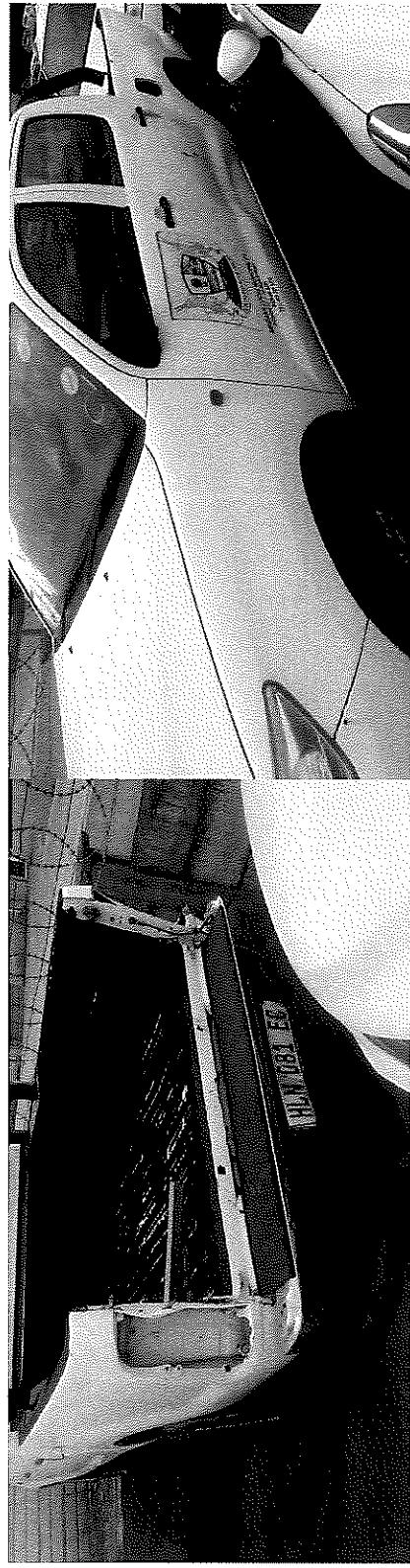
i. Hibiscus Panel Beaters

A municipal vehicle Toyota Hilux 2.5D 4X4 with registration number HNL 081 EC was reported to the insurance for repairs which had to be done on the vehicle. The vehicle was towed to Status Panelbeaters in Port Shepstone on the 27 January 2020 where the vehicle was meant to be fixed. Per the incident report that the insurance received, they expressed to the municipality and the Panelbeaters that the damage to the vehicle was within the access amount to be paid by the municipality and therefore the repairs were going to be for the municipality's account. Status Panel

beaters did an assessment on the vehicle and the damages to be fixed came to an amount of R 68 000 per their quotation. There was then a lot of back and forth correspondence between the municipality, insurance and penal beaters which did not lead to any resolution. In June 2021 after more than a year had lapsed, the municipality tried to get the vehicle back from the panel beaters which is when the panel beaters refused to release the vehicle due to storage of R46 832,54 for storage of 485 days and an invoice of R 1 923,95 for towing services.

Upon investigating and obtaining the background, it became apparent that no further actions or negotiations were done with the panel beaters to find a common ground. The Panelbeaters were contacted and they expressed that the municipal vehicle has been on their premises for more than 3 years which has accumulated a significant storage bill which the Panelbeaters are planning to recover through the attachment and sale of the municipal vehicle to cover some of the accumulated costs. Upon proposing whether the panel beaters are willing to waive their storage costs and cease the legal action against the municipality if the municipality repairs the vehicle with the panel beaters, there was an affirmative response that shows willingness to resolve the matter in this manner. Therefore, to avoid losing the municipal vehicle, the municipality will have to repair the vehicle with Status panel beaters.

The panel beaters were asked for an updated invoice to fix the car to a roadworthy condition and an invoice of R 76 778,20 was received, being the amount that the municipality must pay in order to avoid losing the vehicle through legal attachment to recover storage costs at the panel beaters. All the relevant documentation has been attached with the memo. Please see pictures of the municipal vehicle in its current condition below.







It is against the above background that the municipal manager approved the payment for the repairs of the municipal vehicle through a deviation to avoid losing the municipal vehicle through legal action taken against the municipality to recover the storage costs for a period more than 3 year.

ii. Guardrisk Insurance Company

The Mayors vehicle was involved in an accident which resulted in the vehicle being declared as a write-off by the municipality's insurance. As compensation for the vehicle the insurance company sourced a vehicle meeting the specification of the vehicle written-off which then had a shortfall for which the municipality was given an opportunity to settle or be paid the amount the insurance had approved which would then have required the municipality to procure a replacement vehicle. The approach to procure a replacement vehicle for the municipality would have attracted more costs in terms of hiring charges as the process normally takes longer. A request was made to the municipal manager to approve the payment of the excess amount to the insurance to secure the vehicle that was readily available. This ensured that the municipality has a new

vehicle before 30 June 2023 while saving on hiring costs for the Mayor due to delays in the delivery of vehicles which would not have cost R200 thousand.

It is recommended that the committee recommends these deviations to the executive committee for the further reporting to council as required of the accounting officer.

e) Fruitless and Wasteful Expenditure

The South African Revenue Services conducts audit of VAT claims every five years which fell on the current year for the municipality. During the year we received requested for information from 2017 to 2021 which were all responded to VAT audit a communication of findings revealed that the municipality received refunds that were not due in the periods in which they were claimed. This resulted in an amount of over R19 million being disallowed. The reasons for this related to timing differences between when the amount is claimed and when the amount cleared in the municipality's bank account. It was agreed that the amounts should have been claimed by the municipality at a later stage than they were claimed which then allowed the municipality to reclaim the disallowed amount.

During this process, however, SARS revealed that the amounts disallowed have attracted a penalty of and amount confirmed at the time to be in the region of R3.5 million.

Attempts to get the breakdown of the penalty fee have not yielded any results to this point, however, an analysis of the municipality's VAT statement has revealed that an amount of R 8,404,998.21 has been deducted from the municipality's VAT refunds.

It is recommended that the amount be reported to the executive committee for further reporting to council for a possible investigation of the facts and a recommendation to council of possible treatment of the amount.

f) Irregular Expenditure

No irregular expenditure was identified during the month.

12. Database utilisation

The following table indicates the service providers that have been utilised for the month of June 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	CSPRefNumber	Ward Number
MEYFE CONSTRUCTION AND PROJECT	P O BOX 2410168 WARD 9 BIZANA 4800	Core Function:Mayor and Council	MAAA0108394	Ward 9
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Non-core Function:Population Development	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Solid Waste Removal	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Human Resources	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Economic Development/Plann	MAAA0570434	Ward 17
LAZ INVESTMENTS	IMIZI/A MINYAKA LOCATION 4800	Non-core Function:Libraries and Archives	MAAA1232148	Ward 18
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Property Services	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Project Management Unit	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Solid Waste Removal/Solid Waste Removal	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Municipal Manager Town Se	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Municipal Manager Town Se	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Human Resources	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Municipal Manager Town Se	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Human Resources	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Core Function:Municipal Manager Town Se	MAAA0570434	Ward 17
ZIDENTLE TRADING ENTERPRISE	AMADIBA A/A CINGWENI LOCATION BIZANA WARD 24 4800	Core Function:Mayor and Council	MAAA0706853	Ward 24
LKHOTRADING CC	P O BOX 229 BIZANA WARD 17 4800	Core Function:Mayor and Council	MAAA0922525	Ward 17
AFRICAN COMPASS TRADING 37/CC	BOX 555 BIZANA WARD 31 4800	Core Function:Human Resources	MAAA0121475	Ward 31
AMANGUTE TRADING & PROJECTS	P.O BOX 10 WARD 1 BIZANA 4800	Solid Waste Removal/Solid Waste Removal	MAAA0415895	Ward 01
LAZ INVESTMENTS	IMIZI/A MINYAKA LOCATION 4800	Non-core Function:Libraries and Archives	MAAA1232148	Ward 17
LAZ INVESTMENTS	IMIZI/A MINYAKA LOCATION 4800	Non-core Function:Libraries and Archives	MAAA1232148	Ward 17
MOUNTZONE PTY LTD	P O BOX 159 FLAGSTAFF WARD 24 4810	Core Function:Mayor and Council	MAAA0540808	Ward 24
CONLOG	P.O.BOX2332 DURBAN	Non-core Function:Electricity	MAAA0233537	Ward 18
LAZ INVESTMENTS	IMIZI/A MINYAKA LOCATION 4800	Non-core Function:Libraries and Archives	MAAA1232148	Ward 01
ZUKO AND LIZZYS TRADING	P O BOX 12 BIZANA WARD 1 4800	Core Function:Economic Development/Plann	MAAA0425061	Ward 01
KWIK-FIT BIZANA	SHOP 221 45 MAIN STREET BIZANA 4800	Core Function:Fleet Management	MAAA0408288	Ward 01
NINGI MIKHWANAZI CONSTRUCTION	P.O.BOX 277 BIZANA 4800	Core Function:Corporate Wide Strategic P	MAAA0087665	Ward 08
KHOYSON TRADING	P O BOX 424 FLAGSTAFF WARD 8 4800	Core Function:Municipal Manager Town Se	MAAA0421737	Ward 04
GEE'S AND BULLIE'S TRADING	P.O.BOX 134 BIZANA WARD 04 4800	Core Function:Economic Development/Plann	MAAA0491577	Ward 04

Creditor Name	Creditor Address	Function Name	CSDRefNumber	Ward Number
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700 PO BOX 698 BIZANA WARD 13 4800	Core Function:Finance Solid Waste Removal:Solid Waste Removal	MAAA0943404 MAAA0015080	Kokstad Ward 13
MAGHOLI TRADING & PROJECTS	P.O BOX 475 PORT EDWARD WARD 29 4800	Core Function:Corporate Wide Strategic P	MAAA0105361	Ward 29
SENZWA CIVILS AND PROJECT	AMADIBA A/A ELITYENI LOCATION BIZANA 4800	Core Function:Municipal Manager Town Se	MAAA1126417	Ward 24
FORWARD WE GO DEVELOPMENT	P.O BOX 512 BIZANA WARD 25 4800	Core Function:Mayor and Council	MAAA0355674	Ward 25
BONGWAS CATERING AND PROJECT	SHOP 221 45 MAIN STREET BIZANA 4800	Core Function:Solid Waste Removal	MAAA0408288	Ward 01
KWIK-FIT BIZANA	P.O BOX 14 WARD 1 BIZANA 4800	Core Function:Mayor and Council	MAAA0202852	Ward 01
ANFORCEPT TRADING ENTERPRISE	P O BOX 12 BIZANA WARD 16 4800	Core Function:Mayor and Council	MAAA0167545	Ward 16
SIZISA UKHANYO TRADING 1119	P O BOX 696 WARD 23 PORT EDWARD 4295	Core Function:Mayor and Council	MAAA0106007	Ward 23
XOLANI SIZWE CONSTRUCTION	P O Box 996 Bizana WARD 25 4800	Core Function:Community Parks (including	MAAA1134208	Ward 25
SAVAGE DYNASTY	P O BOX 12 BIZANA 4800	Core Function:Corporate Wide Strategic P	MAAA1135544	Ward 01
THULANI AND MOM TRADING ENTER	PO BOX 698 BIZANA WARD 13 4800	Core Function:Mayor and Council	MAAA0015080	Ward 13
MAGHOLI TRADING & PROJECTS	SHOP 221 45 MAIN STREET BIZANA 4800	Core Function:Fleet Management	MAAA0408288	Ward 01
KWIK-FIT BIZANA				

13. 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	Balance Brought down	Opening Balance 21	23-Jun	Current year Expenditure	Closing Balance
Zama Dunga Business Enterprise	Construction of Mbizana Civic Centre	MBIZ/LM 2/18/02/ENG	R 74,861,072.75	R 31,984,133.12	R 1,113,000.00	R 3,988,594.39	R 7,114,930.32	
SAGE VIP	Payroll System	None Provided	R -	-R 283,395.82	R 5,984.99	R 303,686.76	-R 861,144.95	
MUNSOFT PTY (LTD)	Financial and Billing System	MBIZ/LM ICT DUE DELIGENTS	R -	-R 5,318,113.79	R 548,238.50	R 4,730,698.77	-R 14,904,823.93	
Indwe Risk Services	Provision of Insurance Services	MBIZ LM/02/05/18/ INSIBTO	R 876,543.75	R -	R -	R 2,239,202.98	-R 4,806,877.51	
First Rand Limited	Provision of Banking Services	MBIZ LM/06/03/18/ LTIBTO	R -	-R 7,524,870.94	R 1,473,761.45	R 6,588,379.46	-R 16,245,864.06	
CONLOG	Prepaid electricity agent	Fef/6/1/1/5	R -	-R 6,727,453.16	R 97,590.29	R 1,440,256.07	-R 8,789,825.27	
West Bank Limited	Fuel	MBIZ LM/06/03/18/ LTIBTO	R -	R -	R -	R 454,375.70	-R 5,975,851.29	
Kumyolz Investments	Debt collection services for 3 years	MBIZ LM 00022 DCS	R 0.13	R 0.13	R -	R 841,298.20	-R 2,224,282.98	
Khanya Africa Networks	Integrated Financial Records and Archiving Solutions (IFRA) for 3 years	MBIZ LM 0035 IFRA	R 5,300,000.00	R 455,292.19	R -	R -	R 334,499.41	
Techseeds Pty Ltd	Procurement of IP-PBX	MBIZ LM 0041 IP-PBX	R 3,292,404.50	R 909,349.82	R -	R 720,488.18	R 188,861.64	
Vodacom Pty Ltd	Procurement of Mobile Contract	MBIZ LM 0040 PMC	R -	-R 5,602,000.00	R 416,768.48	R 4,246,451.91	-R 13,575,722.50	
Blue Cycle Services Pty Ltd	Review of Municipal Corporate Governance for ICT Charter and Framework for Two Years	MBIZ LM 002 ITC&FM	R 1,180,000.00	R 10,000.01	R -	R -	R 10,000.01	
Ndela	Website	MBIZ LM	R -	R -	R -	R -	R -	

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO.	Contract Amount	Balance Brought down	Opening Balance 21	23-Jun	Current year Expenditure	Closing Balance
Mhlophe Trading	Revamp	0058 WEB	805,000.00	168,500.00	168,500.00	-	-	168,500.00
ODG Technologies PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R 345,000.00	R 345,000.00	R 104,362.50	R 345,000.00	R	R
Resistam Engineering PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R -	R -	R -	R -	R	R -
Emerald Metering and Utility Management Pty Ltd	Supply & Maintenance of Automated Meter Reading System for 3 Years	MBIZ LM 0085 AMRS	R 2,129,902.23	R 1,800,336.15	R 1,800,336.15	R 131,993.97	R 985,628.55	R 884,219.02
Iqhayiya Design Workshop	Panel of Consultants-Architectural: Temporary Traders Stalls and Civil Works	MBIZ LM 0055 CON	R 956,705.82	R 287,011.75	R 287,011.75	R -	R -	R 287,011.75
YG Solutions	Maintenance of Bulk Metering and Cables	WMM LM 0091 MBM&C	R 756,551.68	R 756,551.68	R 756,551.68	R -	R -	R 75,655.16
Iqhayiya Design and Workshop	Manufacturing Hubs	WMM-LM (Panel of Consultants)	R 3,850,372.50	R 3,850,372.50	R 3,850,372.50	R -	R 1,146,544.25	R 2,017,822.13
S. Zoko Consulting	Construction of Signiqini to Marina Access Road	MBIZ LM 0055 CON	R 838,341.08	R 838,341.08	R 112,979.39	R 449,108.71	R	R 705.17
TPA JV Lisa Solutions	Sixhanxeni Access Road	MBIZ LM 0055 CON	R 1,138,312.20	R 1,138,312.20	R 1,138,312.20	R 33,974.03	R 365,388.95	R 0.02
Bukhobethu Security Services	Provision of Private Security Services	WMM LM PSC 0812/20/03	R 27,820,800.00	R 27,820,800.00	R 869,400.00	R 10,783,100.00	R	R 10,441,300.00
Phahle Construction	Repairs and Maintenance of DLTC	WMM LM RDL 17/09/21/02	R 860,741.50	R 860,741.50	R -	R -	R	R 164,991.50
BMK	Tshuze To	MBIZ LM	R R	R R	R R	R R	R R	R R

SUCCESSFUL BIDDERS	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Credit Balance 21	23-Jun	Current year Expenditure	Closing Balance
Consulting Engineering	Luphiliswe Access Road	0055 CON	1,232,705.70	1,232,705.70	1,232,705.70	-	-	205,357.73
Sihle Pot Trading	Disaster Management Plan	WMM LLM DRMP	R 480,000.00	R 480,000.00	R 480,000.00	R -	R 334,180.00	R 49,820.00
Phahle Construction	Maintenance of Recreational Facilities	WMM LLM 16/09/20/01	R -	R -	R -	R -	R 276,879.09	-R 276,879.09
Dr Sugudhav-Sewpersad Attorneys	Provision of Legal Services	WMM LLM 25/08/21	R -	R -	R -	R 67,063.80	R 2,311,758.66	-R 2,768,179.44
Z.N.Mshabe	Provision of Legal Services	WMM LLM 25/08/21	R -	R -	R -	R 105,612.06	R 2,964,578.50	-R 5,207,718.76
Techseeds Pty Ltd	Supply and Delivery of Printers	WMM LLM PRI	R 6,531,971.41	R 6,581,971.41	R 6,581,971.41	R -	R 684,803.38	R 5,897,168.03
Zinzame Consulting Engineers	Sidanga Access Road with a Bridge	MBIZ LLM 0055 CON	R 3,256,364.38	R 3,256,364.38	R 3,256,364.38	R 639,321.57	R 2,432,034.26	R 102,691.34
Vitsha Trading	Siginqini to Marina Access Road	WMM LLM 31/05/2022	R 5,594,999.70	R 5,594,999.70	R 5,594,999.70	R 559,238.77	R 4,951,427.46	R 643,572.24
Mabozela Trading and Enterprise	Sixhaseni Access Road	WMM LLM 31/05/22/03	R 8,255,733.77	R 8,255,733.77	R 8,255,733.77	R -	R 7,842,772.09	R 412,961.68
Oracle Energy and Power	Electrification of Nomiacu Village	WMM LM000059E MV	R 5,485,723.24	R 5,485,723.24	R 5,485,723.24	R -	R 1,834,422.92	R 3,651,300.32
YG Solutions Pty Ltd	Maintenance of Electricity Infrastructure	WMM LLM 31/05/22/01	R 646,225.25	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 2,404,750.80	R -	R 1,838,402.08	R 566,348.72
Sakhive Contractors	Procurement of Electricity Material and Tools	WMM 00083 PEM&T	R 1,287,700.00	R 1,287,700.00	R 1,287,700.00	R -	R 1,280,200.00	R 7,500.00
EKS Vehicle Tracking	Vehicle Tracking Services	Transversal Contracts(RT -46)	R -	R -	R -	R -	R -	R -
Ishivuno Eshle Construction	Construction of Tsulizi to Luphilisweni	WMM LLM 00097	R 7,534,851.06	R 7,534,851.06	R 7,534,851.06	R 1,393,164.10	R 6,729,159.47	R 805,691.59

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-Jun	Current year Expenditure		Closing Balance
	Access Road								
YG Solutions	Electrification of Msarhweni Village	WMM LM 0060E	R 8,162,989.79	R 8,162,989.79	R 8,162,989.79		R 2,410,827.32	R 5,558,709.66	R 2,604,280.13
Iheans Travelling Agency	Provision of Traveling Agency for 36 months	WMM LM 30/06/22/01 TRA	R -	R -	R -		R -	R 173,923.28	-R 173,923.28
Tunimart(PTY) LTD	Provision of Traveling Agency for 36 months	WMM LM 30/06/22/01 TRA	R -	R -	R -		R -	R 486,002.26	R 486,002.26
Bomba Diesel	Supply and Delivery of Stationery for 12 months	WMM LM 18/09/09/10 1	R -	R -	R -		R -	R 283,206.73	-R 283,206.73
Thahle jv Ayagu Mabozela Trading Enterprise JV Bobosie Trading Enterprise	Construction of Sidanga Access Road with Bridges	WMM LM 00098	R 19,990,389.66	R 19,990,389.66	R 19,990,389.66		R 4,388,243.39	R 15,992,279.52	R 3,998,110.14
XS Dollarz Nikhwe Group	Electrification of Redoubt Village (Ward 20) 180 Households	WMM LM 00057E MV	R 4,845,112.10	R 4,845,112.10	R 4,845,112.10		R 1,293,753.84	R 2,490,204.46	R 2,354,907.64
XS Dollarz	Construction of DLTC Guard House	WMM LM CGH	R 860,706.00	R 860,706.00	R 860,706.00		R 476,436.95	R 817,670.70	R 43,035.30
Thahle Projects Jv Ayagu Trading	Repairs and Maintenance of Municipal Main Building	WMM LM MB	R 1,557,620.17	R 1,557,620.17	R 1,557,620.17		R 235,639.72	R 1,147,522.59	R 410,097.58
Mabozela Trading and Enterprise	Construction of Ward 13 ECDC	WMM LM ECDC	R 3,494,043.85	R 3,494,043.85	R 3,494,043.85		R 321,279.64	R 1,738,514.80	R 1,755,529.05
Thahle Projects Jv Ayagu Trading	HIRING OF CONSTRUCT ION PLANT AND TRUCKS	WMM LM HPC	R 5,884,206.38	R 5,884,206.38	R 5,884,206.38		R -	R 2,636,087.09	R 3,248,119.29
Mabozela Trading and Enterprise	HIRING OF CONSTRUCT ION PLANT AND	WMM LM HPC	R 7,894,646.45	R 7,894,646.45	R 7,894,646.45		R 1,657,814.99	R 5,924,494.39	R 1,970,152.06

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO.	Contract Amount	Balance Brought down	Opening Balance 21	23-Jun	Current year Expenditure	Closing Balance
Mvi Construction and Maintenance	HIRING OF CONSTRUCT ION PLANT AND TRUCKS	WMMI LM 08/12/22/02 HPC	R 5,660,152.80	R 5,660,152.80	R 5,660,152.80	R 1,029,002.49	R 5,311,690.99	R 348,461.81
Manyobo Group	HIRING OF CONSTRUCT ION PLANT AND TRUCKS	WMMI LM 08/12/22/02 HPC	R 3,283,800.85	R 3,283,800.85	R 3,283,800.85	R 1,180,001.20	R 1,659,063.60	R 1,624,737.25
LG Construction	HIRING OF CONSTRUCT ION PLANT AND TRUCKS	WMMI LM 08/12/22/02 HPC	R 5,232,704.10	R 5,232,704.10	R 5,232,704.10	R 1,657,117.80	R 3,822,521.80	R 1,410,182.30
Madstof	CBD Road Maintanance	WMMI LM 06/10/22/01 CBD	R 1,200,000.00	R 1,200,000.00	R 1,200,000.00	R -	R 995,824.03	R 204,175.97
Abangula ICT Solutions	Re-Cabling of Municipal Main Building	WMMI LM 03/11/22/01	R 1,864,626.65	R 1,864,626.65	R 1,864,626.65	R -	R 1,700,094.22	R 164,532.43
Restsam Engineering PTY Ltd	Electification of Msarhweini Village	MBIZ LM 0055 CON	R 607,200.00	R 607,200.00	R 607,200.00	R -	R 405,609.60	R 201,590.40
Wosa Nawe 16	HIRING OF CONSTRUCT ION PLANT AND TRUCKS	WMMI LM 08/12/22/02 HPC	R 1,632,704.82	R 1,632,704.82	R 1,632,704.82	R 196,775.25	R 1,532,316.59	R 100,388.23
Mayile Solutions	Provision of Internal Services	WMMI LM 06/10/22/03 IAS	R -	R -	R 650,578.00	R 650,578.00	R -	R 650,578.00
Masinyane and Sond	Supply and Delivery of Fishing Material and Equipment	WMMI LM 00101 S&D	R 453,510.00	R 453,510.00	R -	R -	R -	R 453,510.00
Masinyane and Sond	Supply and Delivery of Agricultural Inputs	WMMI LM 06/10/22/02 AGR	R 1,194,685.00	R 1,194,685.00	R 1,194,685.00	R 1,194,685.00	R 1,194,685.00	R -
ZML Group	Electification of Zizlyaneni Village	WMMI LM 00558E	R 7,836,167.58	R 7,836,167.58	R 7,836,167.58	R 699,603.25	R 3,262,347.09	R 4,573,820.49

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-Jun	Current year Expenditure	Closing Balance
Ezamavovo Trading Pty Ltd	SUPPLY AND DELIVERY OF PROTECTIVE CLOTHING FOR 12 MONTHS	WMMI LM 02/06/22/01 PST	R 542,376.67	R 542,376.67	R 542,376.67	-	R 362,850.00	R 179,526.67
NanoChip Technologies	SUPPLY AND DELIVERY OF LAPTOPS AND DESKTOPS	WMMI LM 16/03/23/01 SLD	R 1,524,520.00	R 1,524,520.00	R 1,524,520.00	-	R -	R 1,524,520.00
Manyobo Group	REHABILITATION OF DUMPING SITE FOR 18 MONTHS	WMMI LM 04/08/22/02 RMD	R -	R -	R -	-	R 234,400.00	R -234,400.00
Lilitha Project Managers	PREPARATION OF GRAP ON OF GRAP COMPLIANT IMMOVABLE ASSET REGISTER FOR 2022/23FY	WMMI LM 14/06/22 FAR	R 1,722,106.00	R 1,722,106.00	R 1,722,106.00	-	R -	R 1,722,106.00
Wandile and Son Trading Pty Ltd	MULTI THREE YEAR CONTRACT FOR SUPPLY AND DELIVERY OF ELECTRICITY MATERIAL	WMMI LM 03/11/22/05 EMT	R -	R -	R -	-	R -	R -
Nikhwe Group VHB and	MULTI DISCIPLINE OF CONSULTANTS FOR A PERIOD OF 3 YEARS	WMMI LM 25/03/22/01 MDP	R -	R -	R -	-	R -	R -
	Construction	R	R	R	R	R	R	R

114. 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 Process	Process Followed	Reason for Section 17
2023-09-15	PMT-2023-09-15	ABC Corp.	\$10,000.00	Incident 17-1: Supplier delayed delivery due to weather conditions.	J. Doe	2023-09-15	Procurement Dept.	Normal Proc.	Standard Proc.	Supplier delay due to weather.

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
1/8/2022	EF007822-000	South African Cemeteries Association	R 9,000.00	Co-ordination of developmental cemeteries and crematoria services	Chief Financial Officer	Friday, July 29, 2022	Mayor and Council	No	One quotation requested	Sole Provider
2/8/2022	EF007804-001	Leadership Academy	R 23,692.00	Training for Auditors	Chief Financial Officer	Tuesday, August 2, 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, July 26, 2022	Corporate Services	No	One quotation requested	Sole Provider
16/08/22	EF007804-008	Wits School of Governance	R 58,000.00	Study Fees	Chief Financial Officer	Monday, August 15, 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, August 15, 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, August 15, 2022	Corporate Services	No	One quotation requested	Sole Provider
N/A	N/A	UKZN	R 25,000.00	Study Fees	Chief Financial Officer	Monday, August 15, 2022	Corporate Services	No	One quotation requested	Sole Provider
30/08/22	EF007822-000	SBS	R 18,600.00	Study Fees	Chief Financial Officer	Monday, August 15, 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, August 15, 2022	Corporate Services	No	One quotation requested	Sole Provider
11/29/2022	EF007919-000	MTE	R 5,084.64	Verification and collection of educational qualifications	Chief Financial Officer	Monday, August 29, 2022	Corporate Services	No	One quotation requested	Sole Provider
30/09/2022	EF007871-000	The Assessee	R 14,574.73	Assessment of Municipal	Chief Financial Officer	Monday, November	Corporate Services	No	One quotation requested	Sole Provider

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 requested
		nt Toolbox		Managers and Managers	1 Officer	7.2022				
2/11/2022	EF007914-000	Hv Test Academy PTY LTD	R 13,662.00	Training of electricity employees regulated by NERSA	Chief Financial Officer	Thursday, October 27, 2022	Corporate Services	No	One quotation requested	Sole Provider
11.12.2022	MANY	Institute of Directors South Africa NPC	R 3,500.00	Training programmes on corporate governance	Chief Financial Officer	Monday, December 11, 2023	Corporate Services	No	One quotation requested	Sole Provider
12/12/2022	EF007941-000	Hv Test Academy PTY LTD	R 13,662.00	Training of electricity employees regulated by NERSA	Chief Financial Officer	Thursday, December 8, 2022	Corporate Services	No	One quotation requested	Sole Provider
12/12/2022	MANY	The Institute of Internal Auditors	R 17,296.00	Training of Auditors	Chief Financial Officer	Friday, December 9, 2022	Corporate Services	No	One quotation requested	Sole Provider
		Esri South Africa	R 26,846.98	Geographic information system/ Annual licence renewal	Chief Financial Officer	Saturday, December 10, 2022	Corporate Services	No	One quotation requested	Sole Provider
12/12/2022	EF007944-000	University of Pretoria	R 44,520.00	Study Fees	Chief Financial Officer	Tuesday, February 21, 2023	Corporate Services	No	One quotation requested	Sole Provider
2023/02/2023	EF008040-000	WWSU	R 14,320.00	Study Fees	Chief Financial Officer	Tuesday, February 28, 2023	Corporate Services	No	One quotation requested	Sole Provider
3/3/2023	EF008015-000	Milpark Education	R 10,720.00	Study Fees	Chief Financial Officer	Wednesday, March 1, 2023	Corporate Services	No	One quotation requested	Sole Provider
3/6/2023	EF008015-000	UNISA	R 85,125.00	Study Fees	Chief Financial Officer	Thursday, March 2, 2023	Corporate Services	No	One quotation requested	Sole Provider

SECTION 17 TRANSACTION DETAILS							PROCUREMENT PROCESS			
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approve by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
3/27/2023	EF008048-3 000	UNISA	R 21,180.00	Study fees	Chief Financial Officer	Monday, March 27, 2023	Corporate Services	No	One quotation requested	Sole Provider
4/4/2023	EF008061-000	UKZN	R 164,700.00	Study fees	Chief Financial Officer	Tuesday, April 4, 2023	Corporate Services	No	One quotation requested	Sole Provider
03/05/2023	EF008086-000	Synergy	R 54,939.80	SA Tourism	Chief Financial Officer	Wednesday, May 3, 2023	LED	No	One quotation requested	Sole Provider
08/05/2023	EF008092-000	Umgeni Water	R 11,109.00	Laboratory Services	Chief Financial Officer	Thursday, May 4, 2023	Community Services	No	One quotation requested	Sole Provider
31/05/2023	EF008117-000	Cigfarro	R 3,938.50	Professional body for government	Chief Financial Officer	Wednesday, May 31, 2023	Municipal Managers	No	One quotation requested	Sole Provider
30/05/2023	EF008118-000	Cigfarro	R 3,938.50	Professional body for government	Chief Financial Officer	Wednesday, May 31, 2023	CFO Office	No	One quotation requested	Sole Provider

TOTAL

R 701,747.28

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 had finalised the process of recruiting three additional Financial Management Interns to make the required number of 5.

During the months of January 2023 one of the interns resigned from the municipality and the municipality has also commenced with the recruitment processes. It was also noted that one of the Interns stopped reporting for duty since the 9th of February 2023 and a report had been submitted to Corporate Services to handle the matter and advise on the process to be followed. The contract has been terminated and a process to recruit a new candidate has commenced.

2. Debtors' analysis

Summary of all Debtors

EC443 Winnie Madikizela Mandela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description		Budget Year 2022/23											
		NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debt Written Off against Debtors
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	--	--	--	--	--	--	--	--	--	--	--	--
Trade and Other Receivables from Exchange Transactions - Electricity	1300	3,147	1,863	1,851	1,380	1,401	1,448	9,973	1,162	22,164	15,363	--	--
Receivables from Non-exchange Transactions - Property Rates	1400	905	328	302	283	305	258	33,216	235	35,863	34,317	--	--
Receivables from Exchange Transactions - Waste Water Management	1500	--	--	--	--	--	--	--	--	--	--	--	--
Receivables from Exchange Transactions - Waste Management	1600	2	2	2	2	2	2	2,417	2	2,432	2,425	--	--
Receivables from Exchange Transactions - Property Rental Debtors	1700	--	--	--	--	--	--	405	--	405	405	--	--
Interest on Arrear Debiti Accounts	1810	644	629	620	605	571	564	15,130	519	19,282	17,389	--	--
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	--	--	--	--	--	--	--	--	--	--	--	--
Other	1900	419	279	265	245	241	236	7,523	362	9,559	8,597	--	--
Total By Income Source	2000	5,116	3,042	3,040	2,515	2,520	2,508	68,664	2,290	89,695	78,497	--	--
2021/22 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	430	380	911	352	348	350	34,142	340	37,253	35,533	--	--
Commercial	2300	4,369	2,368	1,845	1,883	1,886	1,889	20,730	1,708	36,678	28,096	--	--
Households	2400	317	294	284	280	286	288	13,791	242	15,764	14,868	--	--
Other	2500	--	--	--	--	--	--	--	--	--	--	--	--
Total By Customer Group	2600	5,116	3,042	3,040	2,515	2,520	2,508	68,664	2,290	89,695	78,497	--	--

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

3. Creditors' analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

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	3,002	-	-	-	-	-	-	-	3,002
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	3,002	-	-	-	-	-	-	-	3,002

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.

4. Investment portfolio analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June

The table above shows the municipality's investments performance. The table shows that the municipality's cash and cash equivalents decreased during the month by over R39.1 million which lead to a decrease in its investments for the month of June 2023. It should however be noted that this only reflects the difference between what was received and what was spent.

5. Allocation and grant receipts and expenditure

a) Transfers & Grants Receipts

EC443 Winnie Madikizela Mandela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Ref	2021/22		Budget Year 2022/23					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
RECEIPTS:	1,2								
Operating Transfers and Grants									
National Government:		295,190	337,852	350,424	—	341,206	350,424	—	350,424
Local Government Equitable Share		289,620	320,095	320,095	—	320,095	320,095	—	320,095
Expanded Public Works Programme Integrated Grant		3,570	3,687	3,687	—	3,687	3,687	—	3,687
Local Government Financial Management Grant		2,000	2,100	2,100	—	2,100	2,100	—	2,100
Municipal Infrastructure Grant		—	2,752	2,534	—	2,534	2,534	—	2,534
Neighbourhood Development Partnership Grant		—	9,218	9,218	—	—	9,218	—	9,218
Disaster Relief Grant		—	—	12,790	—	12,790	12,790	—	12,790
Provincial Government:		500	500	500	—	500	500	—	500
Capacity Building and Other		500	500	500	—	500	500	—	500
District Municipality:		—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—
Total Operating Transfers and Grants	5	295,690	338,352	350,924	—	341,706	350,924	—	350,924
Capital Transfers and Grants									
National Government:		86,447	82,288	111,956	—	94,568	111,956	(17,388)	-15.5%
Municipal Infrastructure Grant (MIG)		51,023	52,286	48,148	—	50,682	48,148	2,534	5.3%
Neighbourhood Development Partnership Grant		6,971	13,602	13,602	—	—	13,602	(13,602)	-100.0%
Integrated National Electrification Programme Grant		28,453	16,400	16,400	—	10,080	16,400	(6,320)	-38.5%
Disaster Recovery Grant		—	—	33,806	—	33,806	33,806	—	33,806
Provincial Government:		—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—
Total Capital Transfers and Grants	5	86,447	82,288	111,956	—	94,568	111,956	(17,388)	-15.5%
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	382,137	420,639	462,879	—	436,274	462,879	(17,388)	-3.8%

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

b) Transfers & Grants Expenditure

EC443 Winnie Madikizela Mandela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

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										
Operating expenditure of Transfers and Grants										
National Government:		220,113	337,852	350,424	22,932	232,930	350,424	(117,494)	-33.5%	350,424
Local Government Equitable Share		214,543	320,095	320,095	22,686	211,819	320,095	(108,276)	-33.8%	320,095
Expanded Public Works Programme Integrated Grant		3,570	3,687	3,687	—	3,687	3,687	—	—	3,687
Local Government Financial Management Grant		2,000	2,100	2,100	817	2,100	2,100	0	0.0%	2,100
Municipal Infrastructure Grant		—	2,752	2,534	189	2,534	2,534	—	—	2,534
Neighbourhood Development Partnership Grant		—	9,218	9,218	—	—	9,218	(9,218)	-100.0%	9,218
Disaster Relief Grant		—	—	—	—	—	—	—	—	—
—		—	—	12,790	(760)	12,790	12,790	0	0.0%	12,790
Provincial Government:		144	500	500	58	461	500	(39)	-7.8%	500
Capacity Building and Other		144	500	500	58	461	500	(39)	-7.8%	500
District Municipality:		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
Total operating expenditure of Transfers and Grants:		220,257	338,352	350,924	22,990	233,391	350,924	(117,533)	-33.5%	350,924
Capital expenditure of Transfers and Grants										
National Government:		80,162	82,288	107,215	14,724	92,724	107,215	(14,491)	-13.5%	107,215
Municipal Infrastructure Grant (MIG)		51,023	52,286	48,148	567	48,148	48,148	0	0.0%	48,148
Neighbourhood Development Partnership Grant		686	13,602	13,602	—	—	13,602	(13,602)	-100.0%	13,602
Integrated National Electrification Programme Grant		28,453	16,400	16,400	7,567	15,511	16,400	(889)	-5.4%	16,400
Disaster Recovery Grant		—	—	29,066	6,589	29,066	29,066	—	—	29,066
Provincial Government:		—	—	—	—	—	—	—	—	—
District Municipality:		—	—	—	—	—	—	—	—	—
Other grant providers:		—	—	—	—	—	—	—	—	—
Total capital expenditure of Transfers and Grants		80,162	82,288	107,215	14,724	92,724	107,215	(14,491)	-13.5%	107,215
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		300,419	420,639	458,139	37,714	326,115	458,139	(132,024)	-28.8%	458,139

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 - M12

Description R thousands	Ref	Budget Year 2022/23				
		Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance %
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:						
Local Government Equitable Share		-	-	-	-	
Expanded Public Works Programme Integrated Grant						
Local Government Financial Management Grant						
Municipal Infrastructure Grant						
Neighbourhood Development Partnership Grant						
Disaster Relief Grant						
Provincial Government:						
Capacity Building and Other		-	-	-	-	
Other transfers and grants [insert description]						
District Municipality:						
[insert description]		-	-	-	-	
Other grant providers:						
[insert description]						
Total operating expenditure of Approved Roll-overs		-	-	-	-	
Capital expenditure of Approved Roll-overs						
National Government:						
Municipal Infrastructure Grant (MIG)		3,569	-	1,553	2,015	56.5%
Neighbourhood Development Partnership Grant						
Disaster Recovery Grant						
Provincial Government:						
		-	-	-	-	
District Municipality:						
		-	-	-	-	
Other grant providers:						
		-	-	-	-	
Total capital expenditure of Approved Roll-overs		3,569	-	1,553	2,015	56.5%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		3,569	-	1,553	2,015	56.5%

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.

6. Cash flow Statement

EC443 Winnie Madikizela Mandela - Table C7 Monthly Budget Statement - Cash Flow - M12 June

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	484	20,224	34,817	(14,593)	-42%	34,817
Service charges		43,512	54,588	54,588	5,308	54,103	54,588	(485)	-1%	54,588
Other revenue		7,350	26,570	57,012	817	11,312	57,012	(45,700)	-80%	57,012
Transfers and Subsidies - Operational		298,059	338,352	350,924	—	339,172	350,924	(11,752)	-3%	350,924
Transfers and Subsidies - Capital		80,162	82,288	111,956	—	100,888	111,956	(11,068)	-10%	111,956
Interest		15,474	9,760	19,090	2,467	21,731	19,090	2,640	14%	19,090
Dividends		—	—	—	—	—	—	—	—	—
Payments										
Suppliers and employees		(287,032)	(367,832)	(390,838)	(33,741)	(339,586)	(390,838)	(51,251)	13%	(390,838)
Finance charges		—	(100)	(100)	—	—	(100)	(100)	100%	(100)
Transfers and Grants		—	—	—	—	—	—	—	—	—
NET CASH FROM/(USED) OPERATING ACTIVITIES		178,760	178,444	237,449	(24,666)	207,843	237,449	29,606	12%	237,449
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)	(171,246)	(24,607)	(124,887)	(156,976)	(32,089)	20%	(129,968)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(159,813)	(129,968)	(171,246)	(24,607)	(124,887)	(156,976)	(32,089)	20%	(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	66,203	(49,272)	82,956	80,473			107,481
Cash/cash equivalents at beginning:		258,162	336,827	277,109	409,337	277,109	277,109			336,827
Cash/cash equivalents at month/year end:		277,109	385,302	343,311	—	360,065	357,582			444,308

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.

7. Statement of Financial Position

EC443 Winnie Madikizela Mandela - Table C6 Monthly Budget Statement - Financial Position - M12 June

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	39,543	1,006	39,543
Call investment deposits		274,157	365,583	303,868	359,058	303,868
Consumer debtors		63,657	19,654	37,739	65,872	37,739
Other debtors		40,665	31,799	43,014	68,539	43,014
Current portion of long-term receivables		—	—	—	—	—
Inventory		450	1,878	1,167	1,384	1,167
Total current assets		381,881	438,634	425,331	495,859	425,331
Non current assets						
Long-term receivables		—	—	—	—	—
Investments		—	—	—	—	—
Investment property		39,090	36,655	39,090	39,090	39,090
Investments in Associate		—	—	—	—	—
Property, plant and equipment		766,069	759,811	830,821	812,644	830,821
Biological		—	—	—	—	—
Intangible		43	—	43	43	43
Other non-current assets		1,261	1,231	1,261	1,261	1,261
Total non current assets		806,463	797,697	871,215	853,038	871,215
TOTAL ASSETS		1,188,344	1,236,331	1,296,546	1,348,897	1,296,546
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Borrowing		—	—	—	—	—
Consumer deposits		506	505	506	449	506
Trade and other payables		54,702	44,406	82,118	67,509	82,118
Provisions		20,308	19,990	20,308	18,405	20,308
Total current liabilities		75,515	64,901	102,931	86,364	102,931
Non current liabilities						
Borrowing		—	—	—	—	—
Provisions		22,484	5,246	22,484	22,484	22,484
Total non current liabilities		22,484	5,246	22,484	22,484	22,484
TOTAL LIABILITIES		97,999	70,147	125,415	108,848	125,415
NET ASSETS	2	1,090,344	1,166,184	1,171,131	1,240,049	1,171,131
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,090,344	1,166,184	1,171,131	1,240,049	1,171,131
Reserves		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	1,090,344	1,166,184	1,171,131	1,240,049	1,171,131

This is the report for June 2023.

8. Municipal Manager's quality certification

Quality Certificate

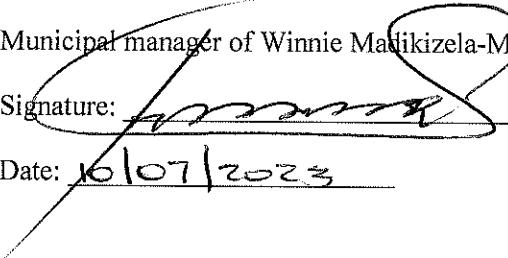
I, Luvuyo MAHLAKA, the municipal manager of Winnie Madikizela-Mandela Local Municipality, hereby certify that –

- The monthly budget statement

for the month of June 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: 10/07/2023

