



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

**REPORT IN TERMS OF s71 OF THE MFMA FOR THE
MONTH OF MAY 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 eleventh report of the 2022/23 financial year which comes after the municipality's mid-year adjustment budget process of reprioritising its budget in response to the assessments done for the first six months of the financial year, the adoption of the draft budget for the next year and the medium-term forecasts, 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 approaching their planned completion as procurement processes are mostly completed and implementation ideally at advanced 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 each report will help council and its structures to understand fully the status of the municipality's financial performance and decisions that need to be taken to ensure sustainability of the institution.

1.1 The Political Oversight

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

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

2. Administration

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

3. Staff turnover

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.

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.

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

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

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

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

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

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

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

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

6. Strategic Objectives

The Budget Treasury Office was part of the development of strategies for the municipality for the next five years from which short-term operational plans and targets relating to at least a period of one financial year. This is done in the form of the Service Delivery and Budget Implementation Plan (SDBIP) which was approved by the mayor within 30 days after the adoption of the annual budget by the municipal council. The table below gives the details of the SDBIP with the targets that the department will be working to achieve on a quarterly basis. The table shows the department's performance per quarter to ensure they are monitored and achieved at the end of the financial year.

Outcome 9 Objective									
Sub-Objectives	Strategic Objective	Objective No.	Baseline Information	Project to be Implemented			Budget Source	Budget: MTR/EF	Responsible Agency
Issue	Strategic Objective	Strategies	Strategic No.	90% billing on property 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	0.5	0.5	Manager, Revenue and Expenditure
Monthly	Y			Billing of 100% active accounts for Proper ty rates, refuse and electricity by June 2023	12 monthly Billing Report	R	-	03 Monthly Billing of 100% active consumer accounts for Property rates, refuse and electricity	03 Monthly Billing of 100% active consumer accounts for Property rates, refuse and electricity
				100% of consumers billed as per consumer master database	Billings completed by the 3rd day of each month following the billing month by June 2023	12 Month end closing Reports	R	N/A	Manager, Revenue and Expenditure
				Completion of billing processes by the 3rd day of each following month	4. 1. 3	0.5	-	0	Manager, Revenue and Expenditure
				Manual distribution of consumer statements	4. 1. 4	0.5	Distribution of electrical monthly consumer statement	12 Monthly Statement distribution Report	03 Monthly Billing of 100% active consumer accounts for Property rates, refuse and electricity
				Sending of monthly statement using emails and sms's				7,000.00	7,000.00
								0	0
									Manager, Revenue and Expenditure

KPA N0 4: Budget & Treasury

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Outcome 3 Objective

Su- b- Re- su	Strat- egic Objec- tive	Obj- ecti- ve No.	Strate- gies	Base- line Infor- mati- on	Project to be Implemen- ted	Budget Source			Budget: MTREF			W- AR- D	Respon- sible Secti- on	Respo- nsible Agenc- y/s	
						Preper- ation of 3 month- ly debitor s.	Preper- ation of 3 month- ly debtor s.								
Acco- unts with errors taking longe r to identify and resolv- e	To achieve a clean audit as at 30 June 2022	Perfor- mance of month- ly recon- ciliations not per- formed by the 7th day of each month	Month- ly recon- ciliation of debtors, and investment reconcilia- tion by the 7th working day of each month	Number of month- ly review- ed debtors, 12 invest- ments and 12 rates reconcilia- tion by June 2023	12 monthly review- ed debtors, 12 invest- ments and 12 rates reconcilia- tion by June 2023	N/A	R	-	R	-	R	Ad- mi- nistrative Off- ice	Manage- r: Revenue and Expen- iture	Manage- r: Revenue and Expen- iture	
Annual Outda- ted Poli- ci- es	Review- ing sec- tional Poli- ci- es	Review- ing sec- tional Poli- ci- es	Sectional poli- ci- es	Number of review- ed poli- ci- es	Review- of poli- ci- es that are not review- ed annual- ly	4.1.	0.5	0	0	0	0	Ad- mi- nistrative Off- ice	Manage- r: Tariffs Policy, Proper- ty Rates Policy and presenta- tion to the relevant stake- holders	Manage- r: Tariffs Policy, Proper- ty Rates Policy and presenta- tion to the relevant stake- holders	
												n/a	n/a	n/a	

KPA NO 4: Budget & Treasury

Outcome 9 Objective										Budget Source	Budget: MTREF		W AIR D	Responsible Sector	Responsible Agency's	
Su- b- Re- su	Issue	Strategic Objec- tive	Objec- tive No.	Strate- gies	Baseli- ne Infor- mation	Project to be Implemented										
				Promulgation of Proper ty Rates policy and credit control policy into by-laws	Revenue by laws that not promulgated on time	Promulgating of property rates policy and credit control policy	Number of gazetted policies	02 Gazett ed property rates policy and credit control policy by June 2023	02 Gazett ed property rates policy and credit control policy	n/a	n/a	02 Gazett ed property rates policy and credit control policy	Admi nistrative Off ice s	Manager: Revenue and Expenditure		
		To ensure proper regulations of the municipal powers and functions		Compliance with laws and regulations	Promulgation of the approved tariffs (gazetting)	Gazetting of approved municipal tariffs not performed on time	Promulgation of the approved property rates tariffs (gazetting)	1 Gazett ed of the approved property rates tariffs (gazetting) by June 2023	R -	n/a	n/a	Gazett ed of the approved property rates tariffs (gazetting)	Administrative Off ice s	Manager: Revenue and Expenditure		
				Invoices not submitted within 30 days of receipt for payment	Invoice Management	Invoice still taking longer to reach BTO for payment	Age analysis reflecting creditors within 30 days	Centralisation of submission of invoices per department	R -	n/a	n/a	Payment of creditors within 30 days	Payment of creditors within 30 days	Expenditure Sector	Manager: Revenue and Expenditure	

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Outcome 9 Objective																	
Su b- Re su	Issue	Strat egic Objec tive	Obj ecti ve No.	Strate gies	Baseli ne Infor mation	Project to be Implemented											
Credit ors and grant s with errors taking long er to identify and resolv e	To achie ve a clean audit as at 30 June 2022	Perfor mance of month ly Condi tional Grants	Monthl y reconc iliatio ns not perfor med by the 7th day of each month	Monthly review of Conditional Grants, creditors, retention and vat reconcili ation by the 7th working day of each month	Num ber of month ly review ed Conditi onal grants	12 month ly review ed Conditi onal grants	12 Signed monthly Condition al grants,	R	-	Prepara tion of 3 monthly credito rs,3	Prepara tion of 3 monthly credito rs,3	Prepara tion of 3 monthly credito rs,3	Ad mi nistrati on,3	Off ice s	Manag er: Rev enue and Expen diture		
Payro ll accou nts with errors taking long er to identify and resolv e		Monthl y reconc iliatio ns not perfor med by the 7th day of each month	Monthly review of payroll reconcili ation by the 7th working day of each month	Num ber of month ly review ed payrol l reconcili ations	12 month ly review ed payrol l reconcili ations	N/A	0	R	Prepara tion of 3 monthly credito rs,3	Prepara tion of 3 monthly credito rs,3	Prepara tion of 3 monthly credito rs,3	Ad mi nistrati on,3	Off ice s	Manag er: Rev enue and Expen diture			

KPA N0 4: Budget & Treasury

Outcome 9 Objective

Su b- Re su	Strat egic Objec tive	Obj ecti ve No.	Strate gies	Baseli ne Infor mation	Project to be Implemented	Budget Source			Budget: MTREF		W AR D	Respo nsible Agenc y/s
	Annual Review of sectional Policies	Outdated Policies	Reviewing sectional policies that are not reviewed annually	Sectional policies that are not reviewed annually	Review of Accounts Payable policy and presentation to the relevant stakeholders	Number of Revised policies	4.2	0.5	Reviewed and signed Accounts Payables Policy	R -		Manager: Revenue and Expenditure
	To have an effective and reliable filing space system for the volume of documents in the Budget and Treasury office	Inadequate filing space and reliable filing system for the volume of documents in the Budget and Treasury office	Conversion of Supply Chain Management	Conversion of information into electronic filing system and loading of Budget and Treasury Office Documents	Paper based and physical filing	100 Budget and Treasury documents scanned using Electronic Filing system	4.1	0.5	System printout Reflecting the number of documents Scanned	R -	Y e s	Scanning of 100 Budget and Treasury documents and Evaluation Reports
	Supply Chain Management	Supply Chain Management	Monitoring of Electronic filing system and loading of Budget and Treasury Office Documents	Paper based electro nic for old documents already audited	100 Budget and Treasury documents scanned using Electronic Filing system by June 2023	Scanning of 200 Budget and Treasury documents and Evaluation Reports	n/a	n/a	Scanning of 100 Budget and Treasury documents and Evaluation Reports	R -		Manager: Supply Chain Management
												Supplier Chain Management

KPA NO 4: Budget & Treasury

Outcome 9 Objective										Budget Source	Budget: MTREF		WAD	Responsible Sector	Responsible Agency
Sub-Objectives	Strategic Objective No.	Objectives	Strategies	Baseline Information	Project to be Implemented										
No clear monitoring of the procurement plan	Ensurers	Monitoring of adherence to the procurement plan with no clear monitoring plan	Approved procurement plan with no clear monitoring plan	Monthly monitoring of the procurement plan	Number of monthly reports on the monitoring of the procurement plan by June 2023	0.5	12 monthly reports on the monitoring of the procurement plan by June 2023	R	R	N/A	0	3 signed SCM reports	3 signed SCM reports	Ad mind Off ice s	Manager Supply Chain Management
To have fully capacitated Supply Chain Management needs to comply with all statutory requirements	The municipality	Training of Supply Chain Management Personnel and Communication on SCM matters	Official	Training of SCM Officials	Number of capacitated SCM personnel	0.5	Capacity or at least 2 SCM personnel on Municipal Financial System release notes or attendance in Financial Software update and relevant modules, general information on the system and newly	R	R	YEs	n/a	n/a	n/a	Distribution to atleast 2 SCM officials on Municipal system or SCM Regulation changes and updates between April 2023 to June 2023	Manager Supply Chain Section

KPA N0 4: Budget & Treasury

Outcome 9 Objective

Su- b- Re- su	Issue	Strat- egic Objec- tive	Obj- ecti- ve No.	Basei- ne Infor- mation	Project to be Implemen- ted	Budget Source	Budget: MTREF	W- AR D	Res- pon- sible Agenc- y/s	Res- pon- sible Secti- on
Supplier Database not updated annually					introduced modules 2022/2023 by June 2023					
No schedule of bid committee seatings										
Calling of all suppliers to update their information that expired in the past years				Supplier database with bidders showing information that expired in the past years	Annual update of the supplier database	0.5	800 Supplier updated information by June 2023	R -	R	Advertisment and Microsoft audit trail
Developing mechanisms to monitor seating of the bid committees					Schedule of bid committees	0.5	Schedule of bid committee seating 4.3.5	R	N/A	12 Signed schedule of bid committee attendees registers for Bid Adjudication Committee
No schedule of bid committee seatings										6 seated bid committes and 3 signed schedule of seating
										6 seated bid committes and 3 signed schedule of seating

KPA N° 4: Budget & Treasury

Outcome 9 Objective									
Su b Re su	Strat egic Objec tive	Obj ecti ve No.	Strate gies	Baseli ne Infor mation	Project to be Implemented			Budget Source	Budget: MTREF
								W AR D	Respon sible Secti
To have Effective contracts for travel agency	Contracts for travel agency	Appointment of Travel Agency	Panel of travel agencies	0.5	Appointment of municipal travel agency by	2023	R 0	R 10,000.00	Ye s
Inadequate contract management processes	Contra cts for travel agency	Contra cts for travel agency					Concept Document Signed, Advert, Appointment Letter and signed SLA by both parties	Preparation of Concept Document and sign ed appointment letter for Bid Specific Comm and advertising	Appoint ment of Bid Evaluation and Adjudication Committee s
Procurement documents not uploaded on the website on time	Monitoring of compliance with publication of documents	Public document uploads	Monthly monitoring of documents uploads	0.5	Updat ed Website with SCM advert s, closing regist ers and award ed tenders	4. 3. 7	R -	R -	N/A
							Screench ots of the website showing document s uploaded	Upload ing of all tenders advertised from July 2022 to September 2022	Upload ing of all tenders advertised from January 2023 to March 2023
									Admi n Off ice s
									Manag er: Supply Chain Management

KPA NO 4: Budget & Treasury										
Outcome 9 Objective										
Sub-Result	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented				Budget Source	Budget: MTREF
Inadequate contract management processes	Monthly review of all existing contracts	Contract register reviewed monthly	Number of contract registers reviewed monthly	0.5	12 monthly signed contract registers	R -	R -	N/A	3 monthly contract register reviews	3 monthly contract register reviews
The municipality needs to comply with all statutory training requirements	Training of Supply Chain Management personnel	Official SCM officials	Training of SCM Officials	0.5	Training of 1 SCM Manager and 1 SCM officer on CIPS by June 2023	R -	R -	N/A	1 written exam confirmation by SCM Manager and SCM Officer	n/a
Outdated Policies	Reviewing section policies	Review of existing sectional policies that are not reviewed	Number of reviewed policies	0.5	04 Revised existing sectional policies	R -	R -	N/A	N/A	Reviewing of Supply Chain Management Policy,

KRA N0 4: Budget & Treasury									
Outcome 9 Objective									
Sub-Objectives	Strategic Objectives	Baseline Information	Project to be Implemented				Budget Source	Budget: MTREF	WARD
Issue	Issue	Strategic No.	Objectives	Project to be Implemented			Contract Management Policy, Cost Containment Policy and Framework for Infrastructure Development Management Policy	Contract Management Policy, Cost Containment Policy and Framework for Infrastructure Development Management Policy	Contract Management Policy
Assess and Strengthen Financial Management with non-compliance with laws	To achieve a clean audit	To have accurate GRAP compliant Asset Register	To have accurate Fixed Assets Register 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 review and approved Fixed Assets	R	Preparation of 3 Fixed Assets reconciliation	Admission Section
Assets and Stores Management	To achieve a clean audit	4.4	4.1	4.1	0.5	R	N/A	Preparation of 3 Fixed Assets reconciliation	Asset Management Section
Responsible Agency	Responsible Sector							Preparation of 3 Fixed Assets reconciliation	Management of Assets and Stores Management
Financial Management with non-compliance with laws	To achieve a clean audit	4.4	4.1	4.1	0.5	R	N/A	Preparation of 3 Fixed Assets reconciliation	Asset Management Section
Assets and Stores Management	To achieve a clean audit	4.4	4.1	4.1	0.5	R	N/A	Preparation of 3 Fixed Assets reconciliation	Asset Management Section

KPA N0 4: Budget & Treasury

Outcome 9 Objective

Sub-Objectives	Strategic Objectives	Objective No.	Baseline Information	Project to be Implemented	Budget Source	Budget: MTREF	WAD	Responsible Sector	Responsible Agencies
Outcome 9 Objective									
Service Level Agreement as at 30 June 2021 for the Preparation of GRAP compliant FAR	Review of the 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 as at 30 June 2022 by June 2023	Signed GRAP compliant Fixed Asset register, Proof of submission to AG, RFI and Coaf Register	R 1,300,000.00	R 1,300,000.00	Ye s	Submission of Responses to audit requests n/a	Ad mind Office s
Appointment of Service provider for GRAP Compliant Fixed Asset Register	GRAP compliant Asset Register	Appointed Service provider for GRAP Compliant Fixed Asset Register	Appointed Service provider for GRAP Compliant Fixed Asset Register	Concept Document Signed , Advert , Appointment Letter and signed SLA by both parties	R 5,000.00	R 5,000.00	Ye s	Advertising of bid n/a	Appointment of service provider
GRAP compliant Asset Register									

KPA N0 4: Budget & Treasury

Outcome 9 Objective									
Sub-Result	Strategic Objective	Objective No.	Baseline Information	Project to be Implemented					WARD
Su	Issue	Strategic Objective	Strategic	Base li ne Infor mation	Project to be Implemented				Responsible Agency/ys
All assets record ed in the FAR do exist and value d accur ately.	Approved Assets Verification Report as at 30 June 2021	Quarterly performance of Assets verification process before the end of the quarter following month after the end of the quarter	Number of signed and approved quarterly assets verification reports	4. Signed and approved Quart ly Assets Verification Report s by June 2023	4. Reviewed and signed Assets Verification Reports, by June 2023	R -	N/A	Perform m 1 Asset Verific ation and prepar e Report that is signed as proof of Review wal and Approv al	Perfor m 1 Assets Verific ation and prepar e Report that is signed as proof of Review wal and Approv al
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	4. Fixed Asset Register that is complete	4. Compil e GRAP compliant FAR by 30 June 2023	R -	Ye s	Identific ation of all municipal assets that have been disposed away.	Remov al of all identified assets from municipal premises
Basis and assumptions on which assets are accounted for	Audit ed PPE methodology	Preparation and approval of a PPE (movable assets) Methodology	Approved PPE(movable assets) Methodology	1 Approved PPE(movable assets) Methodology	1 Signed and approved PPE(movable assets) methodology as at June 2023.	R -	N/A	n/a	Prepar e and Revie wed PPE(movable assets) Methodology
									Admi n Off ice s
									Management
									Manager Ass ets and Stores Management
									Manager Ass ets and Stores Management
									Manager Ass ets and Stores Management

KPA NO 4: Budget & Treasury

KPA N° 4: Budget & Treasury

Outcome 9 Objective							Budget Source	Budget: MTR/EF		WAD	Responsible Sector	Responsible Agency/s
Sub-Result	Issue	Strategic Objective No.	Objectives	Baseline Information	Project to be Implemented							
e going concern assumption of the municipality is not at risk.	Municipality that is operating smoothly with enough operational material	To ensure that municipality has stationary available when needed.	Procurement of Provision for Stationery	Appointment of service provider for the supply and delivery of municipal stationery	Appointed service provider for the supply and delivery of municipal stationery	4.0.5	An SLA for Stationery that is signed by both the Municipality and the Service provider, appointment letter by June 2023	Appointment of Bid committee and award of bid	n/a	Adm n Off ice s	Managerial Assets and Stores Management	
Outdated Asset and Inventory Management Policies	Review of Asset and Inventory Management Policies	Annual review Asset and Inventory Management Policies	Review of existing Asset and Inventory Management Policies	Number of Asset and Inventory Management Policies	2	Asset and Inventory Management Policies	Signed Assets and Inventory Management Policies	R -	R -	Review of Asset and Inventory Management Policies for approval	Managerial Assets and Stores Management	

KPA N0 4: Budget & Treasury

Outcome 9 Objective

Su- b- Re- su	Issue	Strat- egic Objec- tive	Obj- ecti- ve No.	Baseli- ne Infor- mati- on	Project to be Implemen- ted	Budget Source	Budget: MTREF	W- AR- D	Respon- sible Secti- on	Respo- nsible Agenc- y/s
All coun- cil asset s need to be well mana- ged effecti- vely.	Compliance with the requirements of MFM A section 63	Development and review of an effective Asset Management Plan		Number of Developed and approved Asset Management Plan	1. Developed Asset Management Plan by the CFO as at 30 June 2023				Submission of Asset Management Plan for review and signing by the CFO.	Manager: Assets and Stores Management
Financial Reporting	To complete Annual Financial Statement with non-compliance with regulations as at 30 June 2022	Auditd Develop- p sound, strict and effective		Creditable Annual Financial Statement for 2019/20 with compliance of AFS findings	- R -	N/A	N/A	n/a	Renew of Caseware License	Manager: Budgeting and Reporting
									Preparation of interim Financial	Administrator Office

KPA N0 4: Budget & Treasury									
Outcome 9 Objective									
Sub-Resu	Strategic Objective	Obj ecti ve No.	Strate gies	Baseli ne Infor mation	Project to be Implemented			Budget Source	Budget: MTREF
To achieve a clean audit as at 30 June 2022	Manage audit and ensure audit readiness	Audited Annual Financial Statements for 2020/21 with compliance findings	Manage the external audit by the office of the Auditor General to ensure smooth running	Manage the external audit and ensure audit readiness to achieve a clean audit opinion	Manage the external audit and ensure audit readiness to achieve a clean audit opinion by 30 June 2023	Proof of submission to AG, COAF register, Audit Action Plan, updated Audit Action Plan	R 5,200,00 R 5,200,00 .00 .00	Submit 2021/22 Annual financial statements to the AG	Development of Audit Action plan, Implementation and monitoring of Audit Action Plan
Non compliance with statutory requirements and	Adhere to compliance in terms of management and	Preparation and submission of all statutory reports which	Performance of monthly reconciliations by the 7th working day of each month	Number of Reviwed monthly bank reconciliation frames	Review wed monthly bank reconciliation by June 2023	12 Signed monthly Bank Reconciliation	R -	Preparation of 3 monthly Bank Reconciliation	Preparation of 3 monthly Bank Reconciliation
4.6	4.6	4.6	Submission of S71 Report not later than 10 working day of each month	Number of S71 and monthly FMG Report submitted	Submission of 12 signed S71 and 12 monthly FMG Reports by June 2023	R -	R -	Preparation of 3 S71 and 3 monthly FMG reports	Preparation of 3 S71 and 3 monthly FMG reports

KPA NO 4: Budget & Treasury

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Reporting against the above revised targets will be done at the end of the quarter, which will be before the end of July 2023.

7. In-year budget statement tables

a) Budget Statement Summary

EC443 Winnie Madikizela Mandela - Table C1 Monthly Budget Statement Summary - M11 May

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	584	20,168	19,679	489	2%	21,468
Service charges	42,139	36,680	41,347	4,562	40,983	37,902	3,081	8%	41,347
Investment revenue	10,784	9,760	19,090	2,738	19,503	17,500	2,003	11%	19,090
Transfers and subsidies	295,672	338,352	350,924	149	340,785	321,680	19,104	6%	350,924
Other own revenue	19,284	14,189	15,262	1,399	14,136	13,990	146	1%	15,262
Total Revenue (excluding capital transfers and contributions)	389,042	420,449	448,092	9,432	435,575	410,751	24,824	6%	448,092
Employee costs	107,129	124,799	122,052	9,000	97,635	111,881	(14,246)	-13%	122,052
Remuneration of Councillors	24,782	27,047	27,047	2,100	23,389	24,793	(1,404)	-6%	27,047
Depreciation & asset impairment	52,653	49,735	49,735	3,360	37,169	45,591	(8,421)	-18%	49,735
Finance charges	—	100	100	—	—	92	(92)	-100%	100
Inventory consumed and bulk purchases	45,684	47,632	46,915	3,158	38,907	43,006	(4,099)	-10%	46,915
Transfers and subsidies	1,251	3,200	3,349	454	1,363	3,070	(1,708)	-56%	3,349
Other expenditure	176,312	178,804	232,767	7,447	145,953	213,370	(67,417)	-32%	232,767
Total Expenditure	407,811	431,318	481,966	25,518	344,416	441,802	(97,386)	-22%	481,966
Surplus/(Deficit)	(18,769)	(10,870)	(33,874)	(16,087)	91,159	(31,051)	122,210	-394%	(33,874)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	80,162	82,288	107,215	18,953	70,419	98,281	###	-28%	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	2,867	162,057	67,230	94,828	141%	73,341
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	61,472	71,418	73,341	2,867	162,057	67,230	94,828	141%	73,341
Capital expenditure & funds sources									
Capital expenditure	165,301	108,048	150,824	21,035	88,003	138,255	(50,252)	-36%	150,824
Capital transfers recognised	64,059	69,945	93,055	17,663	63,763	85,301	(21,537)	-25%	93,055
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	101,241	38,103	57,769	3,373	24,240	52,954	(28,714)	-54%	57,769
Total sources of capital funds	165,301	108,048	150,824	21,035	88,003	138,255	(50,252)	-36%	150,824
Financial position									
Total current assets	381,881	438,634	425,331	—	543,093	—	—	—	425,331
Total non current assets	806,463	797,697	871,215	—	828,546	—	—	—	871,215
Total current liabilities	75,515	64,901	102,931	—	96,754	—	—	—	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	—	1,252,401	—	—	—	1,171,131
Cash flows									
Net cash from (used) operating	178,760	178,444	237,449	(4,531)	232,508	217,661	(14,847)	-7%	237,449
Net cash from (used) investing	(159,813)	(129,968)	(171,246)	(20,753)	(100,280)	(156,976)	(56,695)	36%	(129,968)
Net cash from (used) financing	—	—	—	—	—	—	—	—	—
Cash/cash equivalents at the month/year end	277,109	385,302	343,311	—	409,337	337,795	(71,542)	-21%	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	4,788	3,223	2,569	2,538	2,525	2,424	21,127	51,328	90,522
Creditors Age Analysis									
Total Creditors	93	—	—	—	—	—	—	—	93

The table above shows a summary of the municipality's financial performance for the period ended 31 May 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) - M11 May

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		339,259	362,794	385,917	7,725	400,005	353,758	46,247	13%	385,917
Executive and council		—	—	—	—	—	—	—	—	—
Finance and administration		339,259	362,794	385,917	7,725	400,005	353,758	46,247	13%	385,917
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		3,960	4,966	5,086	320	3,710	4,663	(953)	-20%	5,086
Community and social services		193	623	623	7	423	571	(148)	-26%	623
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		3,768	4,344	4,464	313	3,287	4,092	(805)	-20%	4,464
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		51,861	78,100	102,760	14,454	49,927	94,197	(44,270)	-47%	102,760
Planning and development		838	23,062	23,012	3	1,464	21,095	(19,630)	-93%	23,012
Road transport		51,023	55,038	79,748	14,451	48,463	73,102	(24,639)	-34%	79,748
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		74,203	56,876	61,543	5,886	52,832	56,415	(3,583)	-6%	61,543
Energy sources		66,431	47,325	53,325	5,609	45,071	48,882	(3,811)	-8%	53,325
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		7,772	9,550	8,218	377	7,761	7,533	228	3%	8,218
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	469,283	502,737	555,307	28,385	506,473	509,032	(2,559)	-1%	555,307
Expenditure - Functional										
<i>Governance and administration</i>		150,782	201,620	202,945	11,858	141,525	186,033	(44,508)	-24%	202,945
Executive and council		54,350	64,094	64,639	4,326	51,494	59,253	(7,759)	-13%	64,639
Finance and administration		92,856	132,844	134,124	7,335	87,144	122,947	(35,803)	-29%	134,124
Internal audit		3,577	4,682	4,182	197	2,887	3,833	(946)	-25%	4,182
<i>Community and public safety</i>		26,754	32,667	31,778	1,688	21,136	29,130	(7,994)	-27%	31,778
Community and social services		9,955	12,936	12,826	567	7,221	11,757	(4,537)	-39%	12,826
Sport and recreation		2,363	2,729	2,269	150	1,436	2,080	(643)	-31%	2,269
Public safety		13,617	15,956	15,619	904	11,742	14,317	(2,575)	-18%	15,619
Housing		818	1,046	1,064	67	737	975	(238)	-24%	1,064
Health		—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		115,864	102,588	129,513	5,520	85,698	118,720	(33,022)	-28%	129,513
Planning and development		24,701	37,697	37,762	1,861	17,711	34,615	(16,904)	-49%	37,762
Road transport		89,005	62,240	89,333	3,347	66,095	81,889	(15,794)	-19%	89,333
Environmental protection		2,159	2,651	2,418	312	1,892	2,217	(324)	-15%	2,418
<i>Trading services</i>		111,390	90,304	113,604	6,203	93,296	104,137	(10,842)	-10%	113,604
Energy sources		96,817	63,408	87,433	4,329	73,981	80,147	(6,166)	-8%	87,433
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		14,573	26,896	26,171	1,874	19,315	23,990	(4,675)	-19%	26,171
<i>Other</i>		3,021	4,139	4,126	250	2,761	3,782	(1,021)	-27%	4,126
Total Expenditure - Functional	3	407,811	431,318	481,966	25,518	344,416	441,802	(97,386)	-22%	481,966
Surplus/ (Deficit) for the year		61,472	71,418	73,341	2,867	162,057	67,230	94,828	141%	73,341

The table above shows the municipality's financial performance for the period ended 31 May 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) - M11 May

Description R thousands	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates		21,163	21,468	21,468	584	20,168	19,679	489	2%	21,468
Service charges - electricity revenue		37,937	30,845	36,845	4,185	36,909	33,775	3,134	9%	36,845
Service charges - water revenue		—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—
Service charges - refuse revenue		4,202	5,834	4,502	377	4,074	4,127	(53)	-1%	4,502
Rental of facilities and equipment		7,511	3,893	4,498	357	4,063	4,124	(60)	-1%	4,498
Interest earned - external investments		10,784	9,760	19,090	2,738	19,503	17,500	2,003	11%	19,090
Interest earned - outstanding debtors		4,691	5,378	5,378	630	6,000	4,930	1,070	22%	5,378
Dividends received		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		386	593	593	11	58	543	(485)	-89%	593
Licences and permits		2,141	2,404	2,404	228	1,990	2,204	(213)	-10%	2,404
Agency services		1,202	1,401	1,521	84	1,276	1,394	(119)	-9%	1,521
Transfers and subsidies		295,672	338,352	350,924	149	340,785	321,680	19,104	6%	350,924
Other revenue		891	520	868	89	749	796	(47)	-6%	868
Gains		2,461	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		389,042	420,449	448,092	9,432	435,575	410,751	24,824	6%	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 R584 thousand as expected for the following months to the end June 2023. The current revenue recognised on this stream may seem to be above the monthly target by 2% down from 9% in the previous month but it is important to note that this is only due to properties levied only at the beginning of the financial year for the whole year which are then paid for during the year. The R584 thousand a month for the past 10 months added to the once-off billing of R14.7 are expected to be slightly below the projected amount which may affect the budget for the next financial year as this is the baseline unless something changes on the supplementary valuation.
- **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 R4.1 million for the month and a year to date actual of just over R36.9 million for the eleven months of the financial year. This is above the projection by about 9% (about R3.1 million) which may add up to R3.3 million by the end of the year if attempts to better the situation yields positive results. This upward trend may be attributable to the new customers having been connected and adding to the revenue base that were not there at the start of the financial year like the Bizana Walk mall. As previously reported, the municipality has installed an automated meter reading system to assist in reducing losses and detect areas where there might be tampering with the municipal infrastructure. There are however challenges that the municipality has faced with the system:

- Modems damaged by water
- Modems being stolen or damaged

The municipality's electricity section is working on a solution to have lockable boxes where these modems are installed. Continued load shedding continues to pose a threat on the municipality's revenue generating capacity.

- **Solid Waste Removal:** Collection and disposal of solid waste is one of the services that the municipality provides to the town area and a few sites outside of town including the Wild Coast Sun Casino. The municipality has implemented a new billing approach which ensures that all customers who individually generate waste are billed individually. The exercise was conducted by the refuse section and the billing database has significantly increased and showed us that there are customers we have been providing the service to at no cost at all. This has resulted in the revenue billed for the month to be around R3 77 thousand which has continued to be less than the revised projection by 1%. 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 R2.7 million worth of interest on investments with a year to date actual that is above the revised projection by 11% which we hope will be maintained as the 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 R630 thousand for the period ended 31 May 2023 which has gone above the amount projected for the period by 22%. 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 tampering. The municipality has recorded just over R11 thousand worth of revenue generated on fines during the month of May 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 R357 thousand for the month which has left the actual performance to continue being just below the revised projection by 1% 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 R228 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:** The municipality receives grants, both conditional and those without conditions. The report shows that an amount of about R149 thousand has been transferred to revenue for the period ended 31 May 2023 from the operating grants whose conditions have been met. This has resulted in a recorded year to date performance of R340.7 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 133% overall collection rate for the month ended 31 May 2023. However, we note a 100% collection rate on leasehold fees, 170% on electricity, 78% on property rates and 103% on refuse removal for the period.

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

YEAR ENDING: 30 June 2023

INCOME TYPE	JULY	NOVEMBER	DECEMBER	2nd QUARTER	JANUARY	FEBRUARY	MARCH	3rd QUARTER	APRIL	MAY	4Th QUARTER	TOTAL
RATES												
billed												
billed	14,903,796	909,190	911,227	2,757,018	918,558	918,830	932,362	2,769,750	932,872	932,428	1,865,300	22,322,709
payment received	1,707,959	9,370,318	374,978	11,412,362	684,385	661,635	750,539	2,096,559	510,041	726,542	1,236,583	18,295,599
% of billing received	11%	1031%	41%	414%	75%	72%	80%	76%	55%	78%	66%	82%
ELECTRICITY												
billed	2,524,531	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	9,473,787	21,635,149
payment received	3,629,058	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	5,702,370	22,753,292
% of billing received	144%	84%	59%	144%	80%	109%	69%	75%	21%	170%	60%	105%
LEASEHOLD FEES												
billed	331,596	336,678	538,816	1,212,172	347,338	347,338	367,462	1,062,137	367,462	356,802	724,264	3,284,621
payment received	264,563	307,843	332,688	905,514	325,881	516,956	305,132	1,147,969	324,762	358,087	682,849	2,874,872
% of billing received	80%	91%	62%	75%	94%	149%	83%	108%	88%	100%	94%	88%
VAT												
billed	484,888	504,658	527,694	1,507,472	523,468	493,807	479,260	1,496,535	1,160,771	480,553	1,641,324	4,630,656
payment received	590,594	419,079	298,788	1,904,136	420,004	552,284	344,411	1,316,699	295,151	739,799	1,034,951	4,589,966
% of billing received	122%	83%	57%	126%	80%	112%	72%	88%	25%	154%	63%	99%
INTEREST												
billed	198,178	224,883	283,064	702,330	248,625	248,688	288,495	785,808	281,419	281,837	563,255	2,149,366
payment received	364,758	517,237	67,332	1,365,262	124,843	146,022	109,642	380,507	110,552	120,033	230,585	2,775,948
% of billing received	184%	230%	24%	194%	50%	59%	38%	48%	39%	43%	41%	129%
REFUSE REMOVAL												
billed	376,459	375,016	375,016	1,126,005	375,016	377,196	376,718	1,128,931	376,718	376,718	753,437	3,379,762
payment received	310,608	342,395	217,781	910,992	305,749	326,711	316,523	948,984	152,588	389,095	541,683	2,955,228
% of billing received	83%	91%	58%	81%	82%	87%	84%	84%	41%	103%	72%	87%
TOTAL INCOME												
billed	18,819,449	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	15,021,367	57,402,264
payment received	6,867,539	13,178,821	2,821,109	27,612,990	4,075,660	4,996,127	3,512,575	9,791,844	2,889,016	6,540,004	9,429,020	54,244,904
% of billing received	36%	263%	54%	184%	79%	101%	72%	79%	29%	133%	63%	94%

e) Expenditure by Type

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

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	9,000	97,635	111,881	(14,246)	-13%	122,052
Remuneration of councillors		24,782	27,047	27,047	2,100	23,389	24,793	(1,404)	-6%	27,047
Debt impairment		822	9,600	9,600	—	—	8,800	(8,800)	-100%	9,600
Depreciation & asset impairment		52,653	49,735	49,735	3,360	37,169	45,591	(8,421)	-18%	49,735
Finance charges		100	100	100	—	—	92	(92)	-100%	100
Bulk purchases - electricity		40,211	40,005	40,005	2,953	35,475	36,672	(1,197)	-3%	40,005
Inventory consumed		5,473	7,627	6,910	206	3,432	6,334	(2,902)	-46%	6,910
Contracted services		63,499	86,644	99,475	2,419	68,374	91,185	(22,811)	-25%	99,475
Transfers and subsidies		1,251	3,200	3,349	454	1,363	3,070	(1,708)	-56%	3,349
Other expenditure		65,440	82,560	87,357	5,028	52,298	80,077	(27,779)	-35%	87,357
Losses		46,551	—	36,336	—	25,282	33,308	(8,027)	-24%	36,336
Total Expenditure		407,811	431,318	481,966	25,518	344,416	441,802	(97,386)	-22%	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 31 May 2023 reflects an amount of R9 million for employee costs and R2.1 million for the remuneration of councillors. The remuneration of councillors continues to show a 6% saving compared to what is expected at the same period. Employee costs have also continued to record a 13% 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 R2.9 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 April and 07 days of May 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 May 2023 being R3.3 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 18%.

- **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 R2.4 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 a regression from the 21% that was recorded last month which may be attributable to the impact of slow activity during the first months of each financial year which is always experienced and requires better planning in the years to come to ensure spending patterns are improved.
- **Other Expenditure:** This also shows a saving of about 35% 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.

f) Revenue by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

Vote Description R thousands	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Revenue by Vote</u>	1	-	-	-	-	-	-	-	-	
Vote 1 - Executive and Council		483	137	509	80	562	487	95	20.5%	164
Vote 2 - Corporate Services		317,613	341,189	363,940	7,062	379,274	333,612	45,663	13.7%	363,940
Vote 3 - Budget and Treasury Office		11,732	14,517	13,304	697	11,471	12,196	(725)	-5.9%	13,304
Vote 4 - Community Services		22,001	44,531	44,481	587	21,633	40,774	(19,141)	-46.9%	44,481
Vote 5 - Development Planning		117,454	102,363	133,073	19,960	93,533	121,984	(28,450)	-23.3%	133,073
Total Revenue by Vote	2	469,283	502,737	555,307	28,385	506,473	509,032	(2,559)	-0.5%	554,962

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 R19.9 million for the month with Budget and Treasury showing generation of over R7 million which may be attributable to the grants received, interest received on investments and debtors as well as Development Planning at R587 thousand.

g) Expenditure by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

Vote Description R thousands	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure by Vote										
Vote 1 - Executive and Council	1	71,138	84,391	84,186	5,396	67,776	77,171	(9,395)	-12.2%	84,186
Vote 2 - Corporate Services		40,512	59,772	57,986	3,354	37,098	53,154	(16,056)	-30.2%	57,986
Vote 3 - Budget and Treasury Office		24,251	41,521	43,771	2,478	22,415	40,124	(17,708)	-44.1%	43,771
Vote 4 - Community Services		59,268	79,012	78,098	4,526	57,459	71,590	(14,131)	-19.7%	78,098
Vote 5 - Development Planning		17,008	36,131	36,533	1,682	15,489	33,488	(17,999)	-53.7%	36,533
Vote 6 - Engineering Services		195,635	130,491	181,392	8,084	144,179	166,276	(22,097)	-13.3%	181,392
Total Expenditure by Vote	2	407,811	431,318	481,966	25,518	344,416	441,802	(97,386)	-22.0%	481,966
Surplus/ (Deficit) for the year	2	61,472	71,418	73,341	2,867	162,057	67,230	94,828	141.1%	72,996

The table above shows the expenditure by municipal vote. The total expenditure for the month of May 2023 amounted to above R25.5 million with a year to date of R344.4 million.

h) Municipality's financial performance

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		21,163	21,468	21,468	584	20,168	19,679	489	2%	21,468
Service charges - electricity revenue		37,937	30,845	36,845	4,185	36,909	33,775	3,134	9%	36,845
Service charges - water revenue		—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—
Service charges - refuse revenue		4,202	5,834	4,502	377	4,074	4,127	(53)	-1%	4,502
Rental of facilities and equipment		7,511	3,893	4,498	357	4,063	4,124	(60)	-1%	4,498
Interest earned - external investments		10,784	9,760	19,090	2,738	19,503	17,500	2,003	11%	19,090
Interest earned - outstanding debtors		4,691	5,378	5,378	630	6,000	4,930	1,070	22%	5,378
Dividends received		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		386	593	593	11	58	543	(485)	-89%	593
Licences and permits		2,141	2,404	2,404	228	1,990	2,204	(213)	-10%	2,404
Agency services		1,202	1,401	1,521	84	1,276	1,394	(119)	-9%	1,521
Transfers and subsidies		295,672	338,352	350,924	149	340,785	321,680	19,104	6%	350,924
Other revenue		891	520	868	89	749	796	(47)	-6%	868
Gains		2,461	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		389,042	420,449	448,092	9,432	435,575	410,751	24,824	6%	448,092
Expenditure By Type										
Employee related costs		107,129	124,799	122,052	9,000	97,635	111,881	(14,246)	-13%	122,052
Remuneration of councillors		24,782	27,047	27,047	2,100	23,389	24,793	(1,404)	-6%	27,047
Debt impairment		822	9,600	9,600	—	—	8,800	(8,800)	-100%	9,600
Depreciation & asset impairment		52,653	49,735	49,735	3,360	37,169	45,591	(8,421)	-18%	49,735
Finance charges		100	100	—	—	92	(92)	-100%	100	
Bulk purchases - electricity		40,211	40,005	40,005	2,953	35,475	36,672	(1,197)	-3%	40,005
Inventory consumed		5,473	7,627	6,910	206	3,432	6,334	(2,902)	-46%	6,910
Contracted services		63,499	86,644	99,475	2,419	68,374	91,185	(22,811)	-25%	99,475
Transfers and subsidies		1,251	3,200	3,349	454	1,363	3,070	(1,708)	-56%	3,349
Other expenditure		65,440	82,560	87,357	5,028	52,298	80,077	(27,779)	-35%	87,357
Losses		46,551	—	36,336	—	25,282	33,308	(8,027)	-24%	36,336
Total Expenditure		407,811	431,318	481,966	25,518	344,416	441,802	(97,386)	-22%	481,966
Surplus/(Deficit)		(18,769)	(10,870)	(33,874)	(16,087)	91,159	(31,051)	122,210	(0)	(33,874)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		80,162	82,288	107,215	18,953	70,419	98,281	(27,862)	(0)	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	2,867	162,057	67,230			73,341
Taxation		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation		61,472	71,418	73,341	2,867	162,057	67,230			73,341
Attributable to minorities		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		61,472	71,418	73,341	2,867	162,057	67,230			73,341
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year		61,472	71,418	73,341	2,867	162,057	67,230			73,341

The municipality has so far recorded a surplus of over R162 million for the period ended 31 May 2023. This must be seen in the correct perspective as there has been receipts of the expected grants from the national purse. The municipality is still heavily reliant on grant funding and as such the surpluses still need to be seen in that perspective as they relate to expenditures that are still to be incurred. Measures still need to be put in place to move the municipality towards self-sustainability.

8. Capital programme performance

a) Capital expenditure by asset class and sub-class

EC443 Winnie Madikizela Mandela - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M11 May

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	9,007	40,890	50,387	9,497	18.8%	54,968
Roads Infrastructure		35,302	38,090	38,013	7,851	32,582	34,845	2,263	6.5%	38,013
Roads		35,302	38,090	37,144	7,851	32,582	34,049	1,467	4.3%	37,144
Road Structures		—	—	869	—	—	796	796	100.0%	869
Electrical Infrastructure		26,289	15,725	15,565	1,156	8,308	14,268	5,960	41.8%	15,565
MV Networks		25,565	13,940	14,261	1,156	7,131	13,072	5,942	45.5%	14,261
LV Networks		724	1,785	1,304	—	1,178	1,196	18	1.5%	1,304
Solid Waste Infrastructure		158	8,075	1,390	—	—	1,274	1,274	100.0%	1,390
Landfill Sites		—	8,075	1,390	—	—	1,274	1,274	100.0%	1,390
Waste Drop-off Points		158	—	—	—	—	—	—	—	—
Community Assets		9,910	5,950	5,248	1,446	3,743	4,811	1,068	22.2%	5,248
Community Facilities		9,910	5,355	4,640	1,446	3,743	4,253	510	12.0%	4,640
Halls		6,168	1,020	846	—	604	776	172	22.2%	846
Crèches		3,743	2,975	935	646	1,540	857	(684)	-79.8%	935
Markets		—	1,360	2,859	800	1,599	2,621	1,022	39.0%	2,859
Sport and Recreation Facilities		—	595	609	—	—	558	558	100.0%	609
Outdoor Facilities		—	595	609	—	—	558	558	100.0%	609
Heritage assets		30	—	—	—	—	—	—	—	—
Other Heritage		30	—	—	—	—	—	—	—	—
Other assets		660	11,562	11,828	—	997	10,842	9,845	90.8%	11,828
Operational Buildings		660	11,562	11,828	—	997	10,842	9,845	90.8%	11,828
Yards		63	—	—	—	—	—	—	—	—
Manufacturing Plant		597	11,562	11,828	—	997	10,842	9,845	90.8%	11,828
Computer Equipment		1,834	2,125	4,440	—	238	4,070	3,832	94.2%	4,440
Computer Equipment		1,834	2,125	4,440	—	238	4,070	3,832	94.2%	4,440
Furniture and Office Equipment		84	7,140	3,308	374	1,715	3,032	1,317	43.4%	3,308
Furniture and Office Equipment		84	7,140	3,308	374	1,715	3,032	1,317	43.4%	3,308
Machinery and Equipment		119	128	217	—	0	199	199	100.0%	217
Machinery and Equipment		119	128	217	—	0	199	199	100.0%	217
Transport Assets		—	6,500	5,077	—	1,591	4,654	3,062	65.8%	5,077
Transport Assets		—	6,500	5,077	—	1,591	4,654	3,062	65.8%	5,077
Total Capital Expenditure on new assets	1	74,385	95,294	85,086	10,827	49,175	77,996	28,821	37.0%	85,086

EC443 Winnie Madikizela Mandela - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M11 May

Description R thousands	Ref 1	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		24,090	3,426	38,405	9,859	29,825	35,205	5,380	15.3%	38,405
Roads Infrastructure		24,090	3,426	38,405	9,859	29,825	35,205	5,380	15.3%	38,405
Roads		24,090	3,426	38,405	9,859	29,825	35,205	5,380	15.3%	38,405
Community Assets		26,700	1,360	5,843	—	4,034	5,357	1,323	24.7%	5,843
Community Facilities		26,700	1,360	5,843	—	4,034	5,357	1,323	24.7%	5,843
Taxi Ranks/Bus Terminals		26,700	1,360	5,843	—	4,034	5,357	1,323	24.7%	5,843
Other assets		(63)	340	350	350	350	320	(29)	-9.1%	350
Operational Buildings		(63)	340	350	350	350	320	(29)	-9.1%	350
Municipal Offices		(63)	340	350	350	350	320	(29)	-9.1%	350
Total Capital Expenditure on renewal of existing assets	1	50,726	5,126	44,598	10,209	34,208	40,882	6,674	16.3%	44,598

EC443 Winnie Madikizela Mandela - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M11 May

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	—	—	478	478	100.0%	522
Roads Infrastructure		652	—	522	—	—	478	478	100.0%	522
Roads		652	—	522	—	—	478	478	100.0%	522
Community Assets		39,537	7,628	20,617	—	4,620	18,899	14,279	75.6%	20,617
Community Facilities		19,960	7,628	11,037	—	4,620	10,117	5,497	54.3%	11,037
Halls		19,960	7,628	11,037	—	4,620	10,117	5,497	54.3%	11,037
Sport and Recreation Facilities		19,577	—	9,580	—	—	8,782	8,782	100.0%	9,580
Outdoor Facilities		19,577	—	9,580	—	—	8,782	8,782	100.0%	9,580
Total Capital Expenditure on upgrading of existing assets	1	40,189	7,628	21,139	—	4,620	19,378	14,757	76.2%	21,139

The above tables indicate that the municipality spent R21 million for the month from its capital budget for the period ended 31 May 2023. R17.7 million of this expenditure was made on roads with over R9.8 million spent on roads that were affected by disasters in April 2022, this is an encouraging picture considering that this was the first month of expenditure since the grant was received about two months ago.

b) Capital Expenditure by municipal vote

EC443 Winnie Madikizela Mandela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 May

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 %
Multi-Year expenditure appropriation									
Vote 6 - Engineering Services	2	66,237	8,988	26,964	—	8,654	24,717	(16,063)	-65%
Total Capital Multi-year expenditure	4,7	66,237	8,988	26,964	—	8,654	24,717	(16,063)	-65%
Single Year expenditure appropriation									
Vote 1 - Executive and Council	2	30	—	—	—	—	—	—	—
Vote 2 - Corporate Services		1,855	12,900	9,403	374	3,318	8,619	(5,301)	-62%
Vote 3 - Budget and Treasury Office		—	—	—	—	—	—	—	—
Vote 4 - Community Services		306	11,388	5,262	—	830	4,824	(3,993)	-83%
Vote 5 - Development Planning		597	13,517	15,295	800	2,596	14,021	(11,425)	-81%
Vote 6 - Engineering Services		96,277	61,256	93,900	19,862	72,605	86,075	(13,470)	-16%
Total Capital single-year expenditure	4	99,064	99,060	123,860	21,035	79,349	113,538	(34,189)	-30%
Total Capital Expenditure		165,301	108,048	150,824	21,035	88,003	138,255	(50,252)	-36%
Capital Expenditure - Functional Classification									
Governance and administration		1,885	13,240	9,778	374	3,490	8,963	(5,473)	-61%
Executive and council		30	—	—	—	—	—	—	—
Finance and administration		1,855	13,240	9,778	374	3,490	8,963	(5,473)	-61%
Community and public safety		221	1,848	1,895	—	659	1,737	(1,079)	-62%
Community and social services		221	1,720	1,710	—	604	1,568	(964)	-61%
Sport and recreation		—	128	185	—	55	170	(115)	-68%
Economic and environmental services		136,787	67,336	119,894	19,505	75,546	109,903	(34,356)	-31%
Planning and development		76,744	25,820	42,867	1,795	13,140	39,294	(26,155)	-67%
Road transport		60,044	41,516	77,027	17,710	62,407	70,608	(8,201)	-12%
Trading services		26,408	25,625	19,257	1,156	8,308	17,652	(9,344)	-53%
Energy sources		26,323	16,425	16,265	1,156	8,308	14,910	(6,602)	-44%
Waste management		85	9,200	2,991	—	—	2,742	(2,742)	-100%
Total Capital Expenditure - Functional Classification	3	165,301	108,048	150,824	21,035	88,003	138,255	(50,252)	-36%
Funded by:									
National Government		64,059	69,945	93,055	17,663	63,763	85,301	(21,537)	-25%
Provincial Government		—	—	—	—	—	—	—	—
Transfers recognised - capital		64,059	69,945	93,055	17,663	63,763	85,301	(21,537)	-25%
Borrowing	6	—	—	—	—	—	—	—	—
Internally generated funds		101,241	38,103	57,769	3,373	24,240	52,954	(28,714)	-54%
Total Capital Funding		165,301	108,048	150,824	21,035	88,003	138,255	(50,252)	-36%
									150,824

The above table indicates that the municipality spent R21 million from its capital budget for the period ended 31 May 2023 which continues to be discouraging considering that we have two major projects that have been allocated the bigger share of the municipality's available resources that have not performed desirably during the past years and continue to do so in the current year as well.

c) Expenditure on repairs and maintenance

EC443 Winnie Madikizela Mandela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M11 May

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									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		6,845	21,346	37,132	105	28,300	34,038	5,738	16.9%	37,132
Roads Infrastructure		3,845	17,582	33,368	105	27,906	30,588	2,681	8.8%	33,368
Roads		191	640	640	—	43	587	544	92.7%	640
Road Structures		3,357	16,421	32,283	105	27,619	29,593	1,973	6.7%	32,283
Road Furniture		297	520	445	—	244	408	164	40.1%	445
Electrical Infrastructure		3,000	3,764	3,764	—	393	3,450	3,057	88.6%	3,764
MV Networks		3,000	3,764	3,764	—	393	3,450	3,057	88.6%	3,764
Community Assets		482	619	819	—	581	750	169	22.6%	819
Community Facilities		482	619	819	—	581	750	169	22.6%	819
Halls		—	250	450	—	426	413	(13)	-3.2%	450
Libraries		69	155	155	—	155	142	(13)	-9.1%	155
Cemeteries/Crematoria		—	100	100	—	—	92	92	100.0%	100
Parks		413	114	114	—	—	104	104	100.0%	114
Other assets		3,472	4,274	3,173	—	1,344	2,908	1,564	53.8%	3,173
Operational Buildings		3,472	4,274	3,173	—	1,344	2,908	1,564	53.8%	3,173
Municipal Offices		3,328	4,125	2,984	—	1,188	2,735	1,548	56.6%	2,984
Yards		143	149	189	—	157	173	17	9.7%	189
Computer Equipment		35	50	50	—	23	46	23	49.8%	50
Computer Equipment		35	50	50	—	23	46	23	49.8%	50
Furniture and Office Equipment		—	210	150	—	39	138	99	72.0%	150
Furniture and Office Equipment		—	210	150	—	39	138	99	72.0%	150
Machinery and Equipment		256	500	620	—	—	568	568	100.0%	620
Machinery and Equipment		256	500	620	—	—	568	568	100.0%	620
Transport Assets		2,753	2,976	5,716	392	4,267	5,240	973	18.6%	5,716
Transport Assets		2,753	2,976	5,716	392	4,267	5	973	18.6%	5,716
Total Repairs and Maintenance Expenditure	1	13,841	29,975	47,660	497	34,553	43,688	9,135	20.9%	47,660

The table shows that the municipality spent R497 thousand on the maintenance of its assets and infrastructure during the month of May 2023 with a year to date actual of R34.5 million being below the projected spending by over 20% for the same period.

9. Supply chain management

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

a. Acquisition management

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

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

b. Handling of tenders during and Post COVID-19

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

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

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

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

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

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

c. Procurement requests below R2000.00

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

Creditor Name	Function Name	Order Date	Value	Specifications	Segment
Meyife Construction And Project Council	Core Function:Mayor And Council	5/18/2023	1,425.00	Request For Lunch	Catering Councillors Meetings
Laz Investments	Non-Core Function:Libraries And Archives	5/15/2023	1,884.00	Payment For Supply/And Delivery Of Periodicals. April 2023	Newspaper Library 2505
Pondoland Times	Core Function:Property Services	5/18/2023	1,900.00	Request For Re-Advert For Development Of General Valuation Roll For 20 Financial Years As Per The Attached Terms Of Reference	Advertising Services 2505260540
Pondoland Times	Core Function:Project Management Unit	5/3/2023	1,900.00	Request To Re-Advertise The Electrification Of Zizilvaneni Village	Advertising Fees 5505260540
Group Two Media Company	Core Function:Finance	5/30/2023	1,998.70	Advertising Of 3rd Adjustment Budget 2022/2023	Advertising Finance

9,107.70

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
Cigfaro	Core Function:Human Resources	6/1/2023	3,938.50	Registration Fee For L.Mahlaka To Cigfarro Conference	Conference And Seminars
Cigfaro	Core Function:Human Resources	5/30/2023	3,938.50	Request Payment Of Registration Fee To Cigfarro For Conference To Atte Mr Z.A Zukulu	Conference And Seminars
Amanqute Trading & Projects	Solid Waste Removal:Solid Waste Removal	5/18/2023	5,125.00	Request For Supply And Delivery Of 25 Lunch Packs For Marian Hill Land Visit On The 18th May 2023.	Stakeholder Meetings- Refuse
Magholo Trading& Projects	Solid Waste Removal:Solid Waste Removal	5/18/2023	10,500.00	Request For Transport Hire For 15 People From Zizithyanei Tribal Autho Marian Hill Landfill Site (Durban) For Site Visit On The 18th May 2023	Transport Hire
Sizisa Ukhanya Trading 1119	Core Function:Mayor And Council	5/25/2023	15,000.00	The Office Of The Whip Of Council Will Need Transport From 29 May 202 Travelling To Bisho From Bizana ; Return To Destination On The 2 June	Whippery Support Transport Hire
Kwik-Fit Bizana	Core Function:Fleet Management	5/18/2023	18,860.00	Request Four All Terrain Tires For Two Vehicles; Jnx 731 Ec And Jnx 73 Two Each Vehicle	Vehicle Maintenance Outsourced
Kwik-Fit Bizana	Core Function:Fleet Management	5/3/2023	18,860.00	Request Four All TerrainTyres For Isuzu 823ec Size 265/60R18	Vehicle Maintenance Outsourced
Lustaz Project (Pty) Ltd	Solid Waste Removal:Solid Waste Removal	5/18/2023	23,850.00	Request For Hiring Of Tlb For 3 Days To Work At Ext 3 Dumpsite	Transport Hire
Magholo Trading& Projects	Core Function:Solid Waste Removal	5/26/2023	26,400.00	Request For Hieing Of Truck For 5 Days For Waste Collection	Transport Hire
Likiho Trading Cc	Core Function:Biodiversity And Landscape	5/18/2023	27,000.00	Request For Supply & Delivery Of 3 X A4 Coloured Papers For Promotions For World Environmental Day Awareness	Promotional Items 2505260485
					<u>153,472.00</u>

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.

Creditor Name	Function Name	Order Date	Value	Specifications	Specifications
Evetho 820(Pty) Ltd	Trading Core Function:Mayor And Council	5/8/2023	46,200.00	Payment For Traditional Horse Riding Tent	Hire Costs Legacy 505260188
Synergy Events	Business Core Function:Tourism	5/4/2023	54,939.80	Payment For Registration For Africa Travel Indaba	Tourism Indaba Registration 1505
Hibiscus Panel Beaters Pty	Core Function:Fleet Management	6/2/2023	76,778.20	Request Payment Of Status Panel Beaters For The Repairs Of Municipal V With Registration No: Hn 081 Ec	Vehicle Maintenance Outsourced 1010235115
Dosvents Td Pty Ltd	Non-Core Function:Population Development	5/15/2022 3	129,640.00	Request Payment For 72 Mpss	Finished Goods:Acquisitions
Guardrisk Insurance Company	Core Function:Asset Management	5/30/2022 3	139,369.75	Excess For Insurance	Insurance Accident Liability
Sebekho Holdings	Core Function:Biodiversity And Landscape	5/23/2022 3	168,420.00	Payment For Environmental Awards Venue 230 People	Environmental Awareness Hiring Costs 2505260485
Sword Group	Core Function:Electricity	5/18/2022 3	183,000.00	Request Payment Of Sword Group For Procurement Of Christmas Lights	Electrical Stores And Materials
					<u>798,347.75</u>

10. Status of Tenders

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

a) Mini Tender progress for May 2023

N O	SUCCESSFUL TENDERER	AMOUNT	PAYMENTS	BALANCE	TENDER NO	DESCRIPTION	DATE AWARDED	END DEPARTMENT
57	SWORD GROUP	R 150,000.00	R -	R 150,000.00	WMM LM 04/04/23 S&D WR	SUPPLY AND DELIVERY OF WASTE RECEPTABLES	Tuesday, May 2, 2023	COMMUNITY SERVICES
58	SEBEKHO HOLDINGS	R 168,420.00	R 168,420.00	R 168,420.00	WMM LM 12/04/23 ENV A	ENVIRONMENTAL AWARDS	Wednesday, May 3, 2023	COMMUNITY SERVICES
59	PHAPHA ZINDELA HOLDINGS	R 170,000.00	R -	R 170,000.00	WMM LM 04/04/23 S&D P:RF	SUPPLY AND DELIVERY OF PROTECTIVE CLOTHING :RECREATIONAL FACILITIES	Monday, May 15, 2023	COMMUNITY SERVICES
60	FAITH LWIA	R 150,000.00	R -	R 150,000.00	WMM LM 28/01/23/01 5KB	SUPPLY AND DELIVERY OF 5 SKIP BINS	Friday, May 2023	COMMUNITY SERVICES
61	SEBEKHO HOLDINGS	R 177,400.00	R -	R 177,400.00	WMM LM 04/04/23 S&D 2 VIP MT	SUPPLY AND DELIVERY OF TWO MOBILE TOILETS	Monday, May 15, 2023	COMMUNITY SERVICES
62	NCAJANA TRADING AND PROJECTS	R 158,000.00	R -	R 158,000.00	WMM-LM25/04/23/01 DAF	SUPPLY AND DELIVERY OF ANIMAL FEED	Tuesday, May 23, 2023	COMMUNITY SERVICES
63	INGGALI AGRICULTURAL SOLUTIONS	R 195,500.00	R -	R 195,500.00	WMM LM 04/08/22 R ADP	REVIEW OF AGRICULTURAL DEVELOPMENT PLAN	Tuesday, May 23, 2023	COMMUNITY SERVICES
64	HAMBANKUZOZ ONKE	R 52,290.00	R -	R 52,290.00	WMM LM 15/03/23 P ET ECDC	EDUCATIONAL TOOLS FOR 3 EARLY	Tuesday, May 23, 2023	MUNICIPAL MANAGER
65	LUDWALA INVESTMENTS	R 155,400.00	R -	R 155,400.00	WMM LM 07/11/22 CSAC&PS	SAFETY AWARENESS CAMPAIGN AND PRAYER	Monday, May 29, 2023	COMMUNITY SERVICES
Total		R 1,377,010.00	R 168,420.00	R 1,377,010.00				

b) Tenders awarded during the month of May 2023

Competitive Bidding

No tenders were awarded during the month of May 2023.

c) Status of current tenders

Name Of The Project	Bid Number	Chairperson	Closing Date	Validity	Validity Period	Status	Department	Members	SCM Official
Multi Discipline Panel Of Consultants for 3 years MDP	W/MM 25/03/22/01 LM MDP	Mr.L.Gwala	Monday, May 22, 2023	90	Sunday, August 20, 2023	On Evaluation	Engineering Services	Mhlelembana ,Jokweni	Asithethi
Supply And Delivery Of Protective Clothing For Protection Services	W/MM 09/06/22 PSCP	Ms.N.Xoko	Monday, April 24, 2023	90	Sunday, July 23, 2023	To be Adjudicated	Community Services	Luphoko,Nontanda	Mziwethu
Maintenance Of Traffic Lights For 3 Years	W/MM 09/06/22 MTL	Mr.L.Gwala	Saturday, April 22, 2023	90	Friday, July 21, 2023	On Evaluation	Community Services	Mhlelembana ,Jokweni	To be appointed
Preparation Of A Gap Compliant Immovable Asset Register For 2022/23 -25 Financial Year.	W/MM 14/06/22 Far	Mr.V.Nonta nda	Monday, May 15, 2023	90	Sunday, August 13, 2023	To be appointed	B.T.O	Dodi,Mqina	Asithethi
Provision Of Insurance Services (60 Months)	W/MM 27/10/21/01 P/s	Mr.V.Nonta nda	Friday, April 14, 2023	90	Thursday, July 13, 2023	To be Adjudicated	B.T.O	Dodi,Mqina	Asithethi
Supply And Delivery Of Cleaning Resources	W/MM 04/08/22/01 Sdc	Ms.N.Jokweni	Monday, April 24, 2023	90	Sunday, July 23, 2023	To be appointed	Community Services	Xoko,Mqina	Asithethi
Rehabilitation And Maintenance Of Dumping Site	W/MM 04/08/22/02 Rmd	Ms.N.Xoko	Monday, April 24, 2023	90	Sunday, July 23, 2023	To be Adjudicated	Community Services	Luphoko,Nontanda	Mziwethu
Extension Of Waste Management Service	W/MM 04/08/22/01 Ewm	Ms.N.Xoko	Monday, May 22, 2023	90	Sunday, August 20, 2023	To be Evaluated	Community Services	Luphoko,Nontanda	Mziwethu
Land Survey Services	W/MM 24/08/22 Ls	Mrs.Z.Ndze lu	Friday, May 12, 2023	90	Thursday, August 10, 2023	To be Adjudicated	Development Planning	Mqina, Mehlo	Mziwethu
Development Of Kubha/ Magusheni Lsd	W/MM 24/08/22 K/M	Mrs.Z.Ndze lu	Wednesday, April 12, 2023	90	Tuesday, July 11, 2023	To be Adjudicated	Development Planning	Mqina, Mehlo	Mziwethu

Name Of The Project	Bid Number	Chairperson	Closing Date	Validity	Validity Period	Status	Department	Members	SCM Official
	Lsdf					ed			
Revalidation Of A Township Establishment	WMM LM 24/08/22 Rte	Not Appointed	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be appointed	Development Planning	Not Appointed	Not Appointed
Reviewal of ICT Disaster Recovery	WMM 03/11/22/02	Mrs.L.Mheli embana	Friday, April 14, 2023	90	Thursday, July 13, 2023	To be Evaluated	Corporate Services	Dodi,Nolufefe	Asithethi
Contractor for Services of Back up Generator	WMM 13/04/23/01 BUG	Ms.N.Jokweni	Monday, May 15, 2023	90	Sunday, August 13, 2023	To be appointed	Engineering Services	Xoko, Maina	Asithethi
RE-Fefurbishment LV Lines in Extremision 4	WMM LM 00081 R LV	Ms.N.Jokweni	Thursday, May 4, 2023	90	Wednesday, August 2, 2023	To be appointed	Engineering Services	Xoko, Maina	Asithethi
Fencing of Majazi Landfill Site	WMM LM 0015 FMLS	Ms.N.Xoko	Monday, April 24, 2023	90	Sunday, July 23, 2023	To be appointed	Engineering Services	Luphoko,Nontanda	Mziwethu
Multi 3 year Contract for Supply and Delivery of Electricity Material and Tool	wmm LM 03/11/22/05 EMT	Mr.V.Nontanda	Tuesday, May 2, 2023	90	Monday, July 31, 2023	To be Adjudicat ed	Engineering Services	Dodi,Maina	Asithethi
Supply and Delivery of Latops	WMM LM 16/03/23/01 SLD BS	Mrs.L.Mheli embana	Thursday, April 6, 2023	90	Wednesday, July 5, 2023	To be Adjudicat ed	Corporate Services	Dodi,Nolufefe	Asithethi
Banking Services	WMM LM 00012 Mrs.Z.Ndze lu	Mr.s.Z.Ndze	Friday, April 28, 2023	90	Thursday, July 27, 2023	To be appointed	B.T.O	Majina, Mehlo	Mziwethu
General Valuation Roll	WMM LM 00013 Not Appointed GVR		Monday, June 5, 2023	90	Sunday, September 3, 2023	To be appointed	Development Planning	Not Appointed	Not Appointed
Multi Utility Online prepaid Electricity Vending Machine	WMM LM 00088 PVMS	Mrs.Z.Ndze	Saturday, May 13, 2023	90	Friday, August 11, 2023	To be appointed	B.T.O	Majina, Mehlo	Mziwethu
Fencing of Mphuthumi Mafumbatha Sport Field	WMM-LM 04/05/23/06 FMM	Mr.V.Nontanda	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Evaluated	Engineering Services	Mhlembana ,Ngejane	Mziwethu
Professional Services for Mphuthumi Mafumbatha Sport Filed Pase 2	WMM-LM 04/05/23/05 SFP	Mr.V.Nonta nda	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Evaluated	Engineering Services	Mhlembana ,Ngejane	Mziwethu
Professional Services for Mqonjwana to Greenville Access Road	WMM-LM 04/05/23/07 MGA	Mr.V.Nontanda	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Evaluated	Engineering Services	Mhlembana ,Ngejane	Mziwethu
Professional Services for Mphuthumi Mafumbatha	WMM LM Mr.L.Gwala	Mr.L.Gwala	Thursday, May 90	Wednesday, 90	Wednesday, To be	Engineering	Mhlembane		Asithethi

Name Of The Project (Performance Auditing)	Bid Number	Chairperson	Closing Date	Validity	Validity Period	Status	Department	Members	SCM Official
	04/05/23/04 PSM		25, 2023		August 23, 2023	Evaluated	Services	Jokweni	
Electrification of Nomlaku Phase 2	WMM 04/05/23/01 ENP	LM Mr.V.Mqin a	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Evaluated	Engineering Services	Madikizela, M shweshwe	Astithethi
Electrification of Msamweni Phase 2	WMM 04/05/23/02 EMP	LM Mr.V.Mqin a	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Evaluated	Engineering Services	Madikizela, M shweshwe	Astithethi
Electrification of Lower Ethridge Phase 2	WMM 04/05/23/03 ELE	LM Mr.V.Mqin a	Thursday, May 25, 2023	90	Wednesday, August 23, 2023	To be Evaluated	Engineering Services	Madikizela, M shweshwe	Astithethi

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:

i. Lucky's Sports & Fishing

The deviation relates to procurement of firearms which is considered a security risk should this be done through a normal tender process as these can result in the firearms being hijacked and causing serious dangers to the communities. These also require a registration process that only authorised sellers are allowed to undertake. The process involved getting quotations from approved firearm sellers from which a comparison was made considering turnaround times as well for the municipality.

ii. Redington South Africa

The laptop used by the Manager: Budgeting and Reporting started showing signs of failure on the 7th of March 2023 which was then reported to the municipality's ICT Office. The municipality's ICT Office did not have a compatible laptop to perform the duties and run software utilised by the manager in her day to day duties as she was preparing the Mid-year financial statements as well as the draft budget that was due to go to council for adoption before the end of March 2023. This made the repair work on the computer an emergency. The laptop was taken to Redington as the approved HP repair center for assessment on 14 March 2023 but the center required an upfront payment to assess the laptop which made it impossible for the municipality to make the payment and therefore the manager was authorised to make the payments herself after which the municipality would then make a refund.

Date Reported to Council	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 Deviation
			LUCK'S SPORTS & FISHING	R 163 000.00	PROCUREMENT OF FIREARMS	MUNICIPAL MANAGER	04/04/2023	COMMUNITY SERVICES	7 DAY ADVERT	THREE QUOTAS	PROCUREMENT OF FIREARMS IS A SECURITY ISSUE AND HAS A PRESCRIBED PROCESS IN TERMS OF THE SOUTH AFRICAN LAWS

TRANSACTION DETAILS							PROCUREMENT PROCESS			
Date Reported to Council	Payment Date	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Deviation
17/04/2023	00016402	REDINGTON SOUTH AFRICA	R 11,869.32	REPAIRS OF A CRASHED LAPTOP	MUNICIPAL MANAGER	23/03/2023	CORPORATE SERVICES	THREE QUOTATIONS	ONE QUOTATION	THE COMPANY UTILISED IS THE APPROVED REPAIRER OF HP LAPTOPS AND THE REPAIR WORK WAS CRITICAL BECAUSE THE INFORMATION CONTAINED IN THE LAPTOP COULD NOT BE FOUND ON THE MUNICIPAL BACKUP SYSTEMS
TOTAL			TOTAL	R 174,869.32						

It is therefore recommended that the committee recommends to above deviations to the executive committee for further reporting to the council as required of the accounting officer to report such transactions as approved.

e) Fruitless and Wasteful Expenditure

No fruitless and wasteful expenditure was incurred during the month.

f) Irregular Expenditure

No irregular expenditure was identified during the month.

11. Database utilisation

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

Creditor Name	Creditor Address	Function Name	Order Date	Value	Specifications	CSDRefNumber	Ward No.
MEYIFE CONSTRUCTION AND PROJECT	P O BOX 210168 WARD 9 BIZANA 4800	Mayor and Council	5/18/2023	1,425.00	REQUEST FOR LUNCH	MAAAA01083 94	Ward 9
LAZ INVESTMENTS	IMIZIZI A/A	Libraries	5/15/2023	1,884.00	PAYMENT FOR SUPPLY AND	MAAAA12321	Ward 18

Creditor Name	Creditor Address	Function Name and Archives	Order Date	Value	Specifications	CSDRefNum ber	Ward No.
MNYAKA LOCATION 4800	P.O BOX 127 BIZANA WARD 17 4800	Property Services Project Management Unit	5/18/2023	1,900.00	REQUEST FOR RE-ADVERT FOR DEVELOPMENT OF GENERAL VALUATION ROLL FOR 20 FINANCIAL YEARS AS PER THE ATTACHED TERMS OF REFERENCE	MAAA05704 34	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	SHOP NO 16 TIAGOS KOKSTAD 4700 P.O BOX 4003 KEMPTON PARK GAUTENG	5/3/2023	1,900.00	REQUEST TO RE-ADVERTISE THE ELECTRIFICATION OF ZIZITYANENI VILLAGE	MAAA05704 34	Ward 17
PONDOLAND TIMES	GROUP TWO MEDIA COMPANY	Finance	5/30/2023	1,998.70	Advertising of 3rd adjustment Budget 2022/2023	MAAA09434 04	Kokstad
CIGFARO	P.O BOX 4003 KEMPTON PARK GAUTENG	Human Resources	6/1/2023	3,938.50	REGISTRATION FEE FOR L.MAHLUKA TO CIGFARO CONFERENCE	MAAA01297 91	Gauteng
CIGFARO	P.O BOX 698 BIZANA WARD 13 4800	Solid Waste Removal	5/18/2023	10,500.00	REQUEST PAYMENT OF REGISTRATION FEE TO CIGFARO FOR CONFERENCE TO ATTE MR Z.A ZUKULU	MAAA01297 91	Gauteng
MAGHOLO TRADING & PROJECTS	P O BOX 9 PIETERMARITZBURG 3200	Biodiversity and Landscape	5/8/2023	11,109.00	REQUEST FOR TRANSPORT HIRE FOR 15 PEOPLE FROM ZIZITYANENI TRIBAL AUTH MARLAN HILL LANDFILL SITE (DURBAN) FOR SITE VISIT ON THE 18TH MAY 2023	MAAA00150 80	Ward 13
UMGENI WATER	P O BOX 2488 HONEYDEW	Finance	5/30/2023	13,800.00	PAYMENT FOR WATER SAMPLING MZAMBA BEACH	MAAA03550 22	Pietermaritzburg
MUNSOFT (PTY) LTD	P O BOX 12 BIZANA WARD 16 4800	Mayor and Council	5/25/2023	15,000.00	PAYMENT FOR TRAINING ON CONTRACTS MANAGEMENT FOR 4 DELEGATES	MAAA01757 05	Pretoria
SIZISA UKHANYO TRADING 1119	P.O. BOX 25223 MONUMENT PARK PRETORIA 0105	Road and Traffic Regul	5/30/2023	18,249.00	THE OFFICE OF THE WHIP OF COUNCIL WILL NEED TRANSPORT FROM 29 MAY 202 TRAVELLING TO BISHO FROM BIZANA ; RETURN TO DESTINATION ON THE 2 JUNE	MAAA01675 45	Ward 16
DRIVING LICENSE CARD ACCOUNT						MAAA03577 41	Pretoria

Creditor Name	Creditor Address	Function Name	Order Date	Value	Specifications	CSDRefNum ber	Ward No.
DRIVING LICENSE CARD ACCOUNT	P.O. BOX 25223 MONUMENT PARK PRETORIA 0105	Road and Traffic Regul	5/30/2023	18,249.00	DRIVING LICENSE CARD	MAAA03577 41	Pretoria
KWI-KIT BIZANA	SHOP 221 45 MAIN STREET BIZANA 4800	Fleet Management	5/18/2023	18,860.00	REQUEST FOUR ALL TERRAIN TRYES FOR TWO VEHICLES; JNX 731 EC AND JNX 73 TWO EACH VEHICLE	MAAA04082 88	Ward 1
KWI-KIT BIZANA	SHOP 221 45 MAIN STREET BIZANA 4800	Fleet Management	5/3/2023	18,860.00	REQUEST FOUR ALL TERRAIN TRYES FOR ISUZU 823EC SIZE 265/60R18	MAAA04082 88	Ward 1
FIRSTRAND	FNB PLACE 30 DISGONAL STREET JOHANESSBURG 2000	Finance:Debt	5/8/2023	20,106.66	PAYMENT	MAAA10411 60	Johannesburg
LUSTARZ PROJECT (PTY) LTD	P.O BOX 226003 BIZANA WARD 8 4800	Solid Waste Removal	5/18/2023	23,850.00	REQUEST FOR HIRING OF TLB FOR 3 DAYS TO WORK AT EXT 3 DUMPSITE	MAAA03250 89	Ward 8
MAGHOLO TRADING & PROJECTS	PO BOX 698 BIZANA WARD 13 4800	Solid Waste Removal	5/26/2023	26,400.00	REQUEST FOR HIEING OF TRUCK FOR 5 DAYS FOR WASTE COLLECTION	MAAA00150 80	Ward 13
LIKHO TRADING CC	P O BOX 229 BIZANA WARD 17 4800	Biodiversity and Landscape	5/18/2023	27,000.00	REQUEST FOR SUPPLY & DELIVERY OF 3 X A4 COLOURED PAPERS FOR PROMOTIONS FOR WORLD ENVIRONMENTAL DAY AWARENESS	MAAA00225 25	Ward 17
Total				<u>238,968.36</u>			

12. Contract Management

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

- a) Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality of the municipality is properly enforced;
- b) Monitor on a monthly basis the performance of the contractor under the contract or agreement;

- c) Establish capacity in the administration of the municipality –
 - i. To assist the accounting officer in carrying out the duties set out in the paragraphs above; and
 - ii. To oversee the day-to-day management of the contract or agreement; and
- d) Regularly report to the municipal council on the management of the contract or agreement and the performance of the contractor.

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

CONTRACT REGISTER FOR THE MONTH OF MAY- 2022/23 FY								
SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-May	Current year Expenditure	Closing Balance
Zama Dunga Business Enterprise	Construction of Mbizana Civic Centre	MBIZ/LM27/0 2/18/02/ENG	R 74,861,072.75	R 31,984,133.12	R 31,984,133.12	-	R 2,815,594.39	R 8,287,930.32
Sizanane Consulting	General Valuation Roll 2019/2024	Y6	R 12,233,195.00	R 195,510.00	R 195,510.00	-	R -	R -
SAGE VIP	Payroll System	None Provided	R -	-R 283,395.82	-R 283,395.82	-	R 111,389.72	R 568,847.91
MUNSOFT PTY (LTD)	Financial and Billing System	MBIZ LM ICT DUE DELIGENTS	R -	-R 5,318,113.79	-R 5,318,113.79	-	R 3,654,079.55	R -R 13,828,204.71
Lilitha Projects Managers	GRAP Compliant Fixed Asset Register	MBIZ 0041FAR	R 5,695,317.06	R 2,743,475.56	R 2,743,475.56	-	R 1,386,383.65	R 97,197.04
Iqhayiya Design Workshop Architects	Fees for Mbizana Civic Center	MBIZ LM /12/1/2017/ENG	R 11,282,784.41	R 393,938.80	R 393,938.80	-	R -	R 393,938.80
IPM Plant Hire Jv Mozmas's Trading	Construction of Mphuthumini Mafulmbatha Stadium	MBIZ LM 18/1/18/ENG	R 64,518,679.57	R 21,173,404.03	R 21,173,404.03	-	R -	R 4,566,745.39
Indwe Risk Services	Provision of Insurance Services	MBIZ LM/02/05/18/ INSB/TO	R 876,543.75	R -	R -	-	R 1,333,520.88	R -R 3,901,195.41
First Rand Limited	Provision of Banking Services	MBIZ LM/06/03/18/ LT/BT/TO	R -	-R 7,524,870.94	-R 7,524,870.94	-	R 4,502,026.51	R -R 14,159,511.11
Dumack and Bright Idea	Construction of Mphuthumini	MBIZ LM/29/11/03	R 8,094,071.25	R 1,349,390.32	R 1,349,390.32	-	R -	R 1,349,390.32

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-May	Current year Expenditure	Closing Balance
Mafumbatha Stadium								
Prepaid electricity agent		R		-R 6,727,453.16	6,727,453.16	R	R 952,412.04	-R 8,301,981.24
CONLOG	Fef6/1/15	-		R	R	R	R 454,375.70	-R 5,975,851.29
West Bank Limited	LM/06/03/18/ LT/BTO	R		-				
Thenjiwe Business Solutions t/a Umusa	Medical Check-ups	MBIZ LM 0000085	R	-R 1,456,987.00	1,456,987.00	R	R	-R 1,941,449.61
Mbizana Roadworthy Ingayi Design Economic Partnership	Leasing of Land For Vehicle Testing Centre	MBIZLM000 0078	R 2,100,000.00	R -	R	R	R	R -
Kumyolz Investments	MLDP Implementation Project	MBIZLM001 6DPI	R 598,000.00	R 449,000.00	R 449,000.00	R	R	R 449,000.00
Genbiz Trading 1001 PTY LTD	Debt collection services for 3 years	MBIZ LM 00022 DCS	R 0.13	R 0.13	R 0.13	R	R 841,298.20	-R 2,224,282.98
Khanya Africa Networks	Procurement of printers/copiers for 3 years	MBIZ LM 0030 PPIC	R 782,112.24	R 658,405.76	R 658,405.76	R	R 278,872.29	R 340,109.68
Ziinzame Consulting Engineers	Integrated Financial Records and Archiving Solutions (IFRA) for 3 years	MBIZ LM 0035 IFRA	R 5,300,000.00	R 455,292.19	R 455,292.19	R	R -	R 334,499.41
VHB Associates	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R	R	R -
	Multi Discipline Panel of Consultants-Architectural	MBIZ LM 0055 CON	R -	R -	R -	R	R -	R -

CONTRACT REGISTER FOR THE MONTH OF MAY- 2022/23 FY							
SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-May	Current year Expenditure
BMK Consulting Engineering	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R 205,123.44	R -R 205,123.44
TPA JV Lisa Solutions	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
S. Zoko Consulting	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R 587,912.99	R 587,912.99	R 587,912.99	R 222,797.16	R R 365,115.83
Mlala Emazweni Trading & projects	Multi Discipline Panel of Consultants-Civil Engineering	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
Ighayiya Design Workshop Architects Techseeds Pty Ltd	Multi Discipline Panel of Consultants-Architectural	MBIZ LM 0055 CON	R -	R -	R -	R -	R -
Vodacom Pty Ltd	Procurement of IP-PBX	MBIZ LM 00411P-PBX	R 3,292,404.50	R 909,349.82	R 909,349.82	R -R 720,488.18	R R 188,861.64
Dibelihe Construction and Projects JV Inventiveness	Procurement of Mobile Contract	MBIZ LM 0040 PMC	R -R 5,602,000.00	R -R 5,602,000.00	R -R 5,602,000.00	R -R 2,956,025.36	R -R 12,295,295.95
Blue Cycle Services Pty Ltd	Supply & Delivery of Refuse Removal Protective Clothing for 36 Months	MBIZ LM 0005 RRPC	R 2,585,777.16	R 896,699.37	R 896,699.37	R -R -	R R 697,848.47
	Review of Municipal Corporate	MBIZ LM 002 ICTC&FM	R 1,180,000.00	R 10,000.01	R 10,000.01	R -R -	R R 10,000.01

CONTRACT REGISTER FOR THE MONTH OF MAY- 2022/23 FY

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-May	Current year Expenditure	Closing Balance
	Governance for ICT Charter and Framework for Two Years							
Mabozela Trading and Enterprise Jv Boboshe Ndlela Mhlophe Trading	Electrification of Mabhenguteni Village (Ward 15) 414 Households	MBIZ LM 00057 EMV 0058 WEB	R 19,575,046.47 R 805,000.00	R 8,837,062.99 R 168,500.00	R 8,837,062.99 R 168,500.00	R -	R 426,440.70	R 399,698.88
ODG Technologies PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R 345,000.00	R 345,000.00	R 345,000.00	R 240,637.50	R 240,637.50	R 168,500.00
Resistam Engineering PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R -	R -	R -	R -	R -	R 104,362.50
ODG Technologies PTY Ltd	Panel of Consultants: Mabhenguteni Electrification	MBIZ LM 0055 CON	R 1,632,385.17	R 423,185.28	R 423,185.28	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 -	R 659,569.19	R 558,159.66
Ighayiya Design Workshop Mabozela Trading JV Boboshe Trading enterprise	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	Replacement of LV & MV LINES	WMM LM 00059 LV&MVL	R 2,603,711.60	R 1,972,982.60	R 1,972,982.60	R -	R -	R 264,681.25
	Maintenance	WMM LM	R R	R R	R R	R R	R R	R R

CONTRACT REGISTER FOR THE MONTH OF MAY- 2022/23 FY								
SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-May	Current year Expenditure	Closing Balance
	of Bulk Metering and Cables	0091 MBM&C	756,551.68	756,551.68	756,551.68	-	-	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 1,146,544.25	R 2,017,822.13
Thake Electrical	Electrification of Xholobeni Village in Ward 25	WMM LM 00057E MV	R 28,254,288.46	R 28,254,288.46	R 28,254,288.46	-	R 3,272,039.19	R 0.01
ODG Technologies	Electrification of Xholobeni Village in Ward 25	WMM LM 00057E MV	R 2,362,477.01	R 2,362,477.01	R 2,362,477.01	-	R 206,716.73	R -
S Zoko Consulting	Construction of Signinini to Marina Access Road	MBIZ LM 0055 CON	R 838,341.08	R 838,341.08	R 838,341.08	-	R 495,542.32	R 45,728.44
Zimzame Consulting Engineers	Maphaleni Via Mbubazi	MBIZ LM 0055 CON	R 1,777,614.33	R 1,777,614.33	R 1,777,614.33	-	R -	R 9,064.44
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 331,414.92	R 33,974.01
Vistha Trading	Refurbishment of Mbizana Taxi rank phase 2	WMM LM 01/09/21/02 RTR	R 24,696,034.42	R 24,696,034.42	R 24,696,034.42	-	R 2,219,496.95	R 1,296,144.06
Bukhobethu Security Services	Provision of Private Security Services	WMM LM 08/12/20/03 PSC	R 27,820,800.00	R 27,820,800.00	R 27,820,800.00	-	R 9,044,300.00	R 12,180,100.00
Mlaa Emazweni Trading & projects	Msthongweni Access Road	MBIZ LM 0055 CON	R 271,621.81	R 271,621.81	R 271,621.81	-	R 18,832.45	R 13,688.41
VHB Associates	Professional Fees Upgrade of Taxi Rank(Phase 2)	MBIZ LM 005 SC ON	R 3,649,617.06	R 3,649,617.06	R 3,649,617.06	-	R -	R 0.01
MVI	Construction of Mapheleli Via Mbubazi to MDA	WMM LM 08/10/21/02 MDA	R 9,502,995.40	R 9,502,995.40	R 9,502,995.40	-	R 949,368.87	R 9,311.22

CONTRACT REGISTER FOR THE MONTH OF MAY- 2022/23 FY

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-May	Current year Expenditure		Closing Balance
							-	-	
Maintenance Dutyni	Repairs and Maintenance of DLTC	WMM LM RDL	R 860,741.50	R 860,741.50	R 860,741.50	R -	R -	R -	R 164,991.50
Phahle Construction	Leonard to Smakadeni Access Road	MBIZ LM 0055 CON	R 1,261,214.89	R 786,158.01	R 786,158.01	R -	R -	R -	R 56,683.22
S. Zoko Consulting BMK Consulting Engineering	Tshuze To Luphiliswe Access Road	MBIZ LM 0055 CON	R 1,232,705.70	R 1,232,705.70	R 1,232,705.70	R -	R -	R -	R 205,357.73
Masilo Projects	Supply and Delivery of 2 Sola High Mast Disaster	WMM LM 18/0821 IFP:HM	R 2,187,151.60	R 2,187,151.60	R 2,187,151.60	R -	R 1,437,513.75	R 0.02	R -
Sihle Pot Trading	Management Plan	WMM LM 29/09/20 DRMP	R 480,000.00	R 480,000.00	R 480,000.00	R -	R 334,180.00	R 49,820.00	R -
Phahle Construction	Maintanance of Recreational Facilities	WMM LM 16/09/20/01	R -	R -	R -	R -	R 276,879.09	R 276,879.09	R -
Dr Sugudhav-Sewpersadsh Attorneys	Provision of Legal Services	WMM LM 25/08/21	R -	R -	R -	R -	R 1,898,270.99	R 2,354,691.77	R -
Z.N.Mtshabe	Provision of Legal Services	WMM LM 25/08/21	R -	R -	R -	R -	R 2,285,711.07	R 4,528,851.33	R -
Techseeds Pty Ltd	Supply and Delivery of Printers	WMM LM 21/12/21/01 PRI	R 6,581,971.41	R 6,581,971.41	R 6,581,971.41	R -	R 684,803.38	R 5,897,168.03	R -
Zintzame Consulting Engineers	Sidanga Access Road with a Bridge	MBIZ LM 0055 CON	R 3,256,364.38	R 3,256,364.38	R 3,256,364.38	R -	R 1,792,712.69	R 742,012.91	R -
Virsha Trading Maboeza	Siginqini to Marina Access Road	WMM LM 31/05/2022	R 5,594,999.70	R 5,594,999.70	R 5,594,999.70	R -	R 4,073,761.18	R 1,521,238.52	R -
Trading and Enterprise	Sixhaseni Access Road	WMM LM 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	R -
Oracle Energy and Power	Maintenance of Nomlacu Village	WMM LM 00059E 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	R -
YG Solutions Pty Ltd	Electrification Infrastructure	WMM LM 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	R -
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 919,445.51	R 1,838,402.08	R 566,348.72	R -

CONTRACT REGISTER FOR THE MONTH OF MAY- 2022/23 FY								
SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-May	Current year Expenditure	Closing Balance
Vitsha Trading	Rehabilitation of Sikhombe Access Road	WMMMLM 0091 SKM A/R	R 3,522,826.29	R 3,522,826.29	R 3,522,826.29	R -	R 2,724,923.16	R 797,903.13
Stira Construction and Projects (Pty) Ltd	Rehabilitation of Mnyameni Access Road and Bridge	WMMMLM 0000 92 M A/R & B	R 1,830,184.94	R 1,830,184.94	R 1,830,184.94	R -	R 1,646,705.20	R 183,479.74
Mabozela Trading and Enterprises	Rehabilitation of Bazana Access Road	WMMMLM 0095 B A/R & B	R 3,885,094.57	R 3,885,094.57	R 3,885,094.57	R -	R 3,489,411.53	R 395,683.04
Masilo Jy Mshakeni	Rehabilitation of Qobo To Sizindeni Access Road	WMMMLM 0090 Q-S A/R	R 1,312,600.69	R 1,312,600.69	R 1,312,600.69	R -	R 1,827,425.25	R 514,824.56
Manyobo Group	Rehabilitation of Kwabulala Construction	WMMMLM 0094 KB-M A/R	R 1,822,190.57	R 1,822,190.57	R 1,822,190.57	R -	R 1,859,360.54	R 37,169.97
Vitsha Trading	Procurement of Electricity Material and Tools	WMMMLM 00083 PEM&T	R 1,287,700.00	R 1,287,700.00	R 1,287,700.00	R -	R 1,607,959.52	R 84,629.28
Sakhile Contractors	Vehicle Tracking Services	Transversal Contracts(RT-46)	R -	R -	R -	R -	R 554,800.00	R 7,500.00
Zimzame Consulting Engineers	Professional Services for Bazana Access Road	WMMMLM 0095 B A/R & B	R 495,180.00	R 495,180.00	R 495,180.00	R -	R 474,307.50	R 20,872.50
Zimzame Consulting Engineers	Professional Services of Mnyameni Access Road and Bridge	WMMMLM 0000 92 M A/R & B	R 274,650.00	R 274,650.00	R 274,650.00	R -	R 256,450.00	R 18,200.00
Zimzame Consulting Engineers	Professional Services for Sikhombe Access Road	WMMMLM 0091 SKM A/R	R 459,199.00	R 459,199.00	R 459,199.00	R -	R 440,601.61	R 18,597.39
Zimzame Consulting Engineers	Professional Services for Kwabulala Access Road	WMMMLM 0094 KB-M A/R	R 341,172.00	R 341,172.00	R 341,172.00	R -	R -	R 341,172.00

CONTRACT REGISTER FOR THE MONTH OF MAY- 2022/23 FY								
SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-May	Current year Expenditure	Closing Balance
MVI Construction and Maintenance	Rehabilitation of Matshezini Access Road	WMM LM 00093	R 2,829,759.20	R 2,829,759.20	R 2,829,759.20	R -	R 2,987,943.49	R 141,815.71
Isivuno Esihle Construction	Construction of Tshuze to Luphilisweni Access Road	WMM/LM 00097	R 7,534,851.06	R 7,534,851.06	R 7,534,851.06	R 1,873,965.90	R 5,335,995.37	R 2,198,855.69
YG Solutions	Electrification of Msarthweni Village	WMM LM 0060E	R 8,162,989.79	R 8,162,989.79	R 8,162,989.79	R -	R 3,147,882.34	R 5,015,107.45
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 -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 -R 486,002.26
Bomba Diesel	Supply and Delivery of Stationery for 12 months	WMM LM 18/09/09/1/01 -	R -	R -	R -	R -	R 283,206.73	R -R 283,206.73
Nikhwe Group	Mzamba Community Hall & Dudumeni Community Hall	WMM LM 18/02/20/01 FEN	R 700,000.00	R 700,000.00	R 700,000.00	R -	R 458,447.50	R 241,552.50
Thahle JV Ayaen	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 -	R 6,454,131.69	R 13,536,257.97
Mabozela Trading Enterprise JV Boboshe Trading Enterprise	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 455,399.58	R 941,401.84	R 3,903,710.26
XS Dollarz	Construction of DLTC Guard House	WMM LM CGH 08/12/22/01	R 860,706.00	R 860,706.00	R 860,706.00	R -	R -	R 860,706.00
Nikhwe Group	Repairs and	WMM LM	R R	R R	R R	R R	R R	R R

CONTRACT REGISTER FOR THE MONTH OF MAY- 2022/23 FY							
SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Brought down	Opening Balance 21	23-May	Current year Expenditure
	Maintenance of Municipal Main Building	00099 R&M MB	1,557,620.17	1,557,620.17	1,557,620.17	-	911,882.87
XS Dollarz	Construction of Ward 13 ECDC	WMM LM 25/05/22/05 ECDC	R 3,494,043.85	R 3,494,043.85	R 3,494,043.85	-	R 3,494,043.85
Thahle Projects Jv Ayegu Trading	HIRING OF CONSTRUCTI ON PLANT AND TRUCKS	WMM LM 08/12/22/02 HPC	R 5,884,206.38	R 5,884,206.38	R 5,884,206.38	R 1,102,655.32	R 3,248,119.29
Mabozela Trading and Enterprise	HIRING OF CONSTRUCTI ON PLANT AND TRUCKS	WMM LM 08/12/22/02 HPC	R 7,894,646.45	R 7,894,646.45	R 7,894,646.45	R 3,582,935.40	R 4,311,711.05
Mvi Construction and Maintenance	HIRING OF CONSTRUCTI ON PLANT AND TRUCKS	WMM LM 08/12/22/02 HPC	R 5,660,152.80	R 5,660,152.80	R 5,660,152.80	R 1,337,644.35	R 2,536,330.51
Manyobo Group	HIRING OF CONSTRUCTI ON PLANT AND TRUCKS	WMM LM 08/12/22/02 HPC	R -	R -	R -	R -	R -
LG Construction	HIRING OF CONSTRUCTI ON PLANT AND TRUCKS	WMM LM 08/12/22/02 HPC	R 5,232,704.10	R 5,232,704.10	R 5,232,704.10	R -	R 1,470,569.40
Madstof	CBD Road Maintenance	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
Abangula ICT Solutions Zinzame Consulting Engineers	Re-Cabling of Municipal Main Building Rehabilitation of Marshezini Access Road	WMM LM 03/11/22/01 R 00093	R 1,700,828.15	R 1,700,828.15	R 1,700,828.15	R -	R 1,269,553.77
Restam Engineering PTY Ltd	Electrification of Msarthwini Village	MBIZ LM 0055 CON	R 607,200.00	R 607,200.00	R 607,200.00	R -	R 253,731.25
	HIRING OF CONSTRUCTI ON PLANT AND TRUCKS	WMM LM 08/12/22/02 HPC	R 1,632,704.82	R 1,632,704.82	R 1,632,704.82	R 587,515.16	R 1,157,627.32
Wosa Nawe 16	Provision of Internal Solutions	WMM LM 06/10/22/03	R -	R -	R -	R -	R 475,077.50
Mayie Solutions							R -

CONTRACT REGISTER FOR THE MONTH OF MAY- 2022/23 FY						
SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Opening Balance 21	23-May
	Services	IAS				Current year Expenditure
Masinyane and Sonsd	Supply and Delivery of Agricultural Inputs	WMM MLM 06/10/22/02 AGR	R 1,194,685.00	R 1,194,685.00	R 1,194,685.00	R 303,035.00
Masinyane and Sonsd	Supply and Delivery of Fishing Material and Equipment	WMM MLM 00101 S&D	R 453,510.00	R 453,510.00	R 453,510.00	-
ZML Group	Electrification of Ziziyaneni Village	WMM MLM 00058E	R 7,836,167.58	R 7,836,167.58	R 7,836,167.58	R 2,562,738.84
			R 460,750,394.26	R 297,967,485.44	R 297,967,485.44	R 7,072,063.32
						R 118,356,589.77
						R 28,534,998.26

13. Regulation 17(1) c Procurement

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

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

SECTION 17 TRANSACTION DETAILS					PROCUREMENT PROCESS					
Transactio n 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 Cemetric Associates	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

SECTION 17 TRANSACTION DETAILS							PROCUREMENT PROCESS			
Transaction Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
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	MIE	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 Assessment Toolbox	R 14,574.73	Assessment of Municipal Managers and Managers	Chief Financial Officer	Monday, November 7, 2022	Corporate Services	No	One quotation requested	Sole Provider

SECTION 17 TRANSACTION DETAILS							PROCUREMENT PROCESS			
Transaction Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
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
12/12/2022	EF007944-000	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
2023/02/22	EF008040-023	University of Pretoria	R 44,520.00	Study Fees	Chief Financial Officer	Tuesday, February 21, 2023	Corporate Services	No	One quotation requested	Sole Provider
3/3/2023	EF008015-000	WSU	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 May, 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			
Transaction Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by Chief Financial Officer	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
3/27/2023	EF008048-000	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	Cigfaro	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	Cigfaro	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. 2024 Final Budget Processes

The MFMA requires a municipality to prepare and approve an annual budget before the start of the budget year. This process started with the adoption of a draft budget that was reported on in the previous report that was adopted on the 31st of March 2023 in compliance with the 90 days before the start of the financial year being budgeted for. This budget was therefore taken to communities for comments during the month of April and May 2023.

The target date for the final approval of this budget was the 31st of May 2023 with the actual date having been 29 May 2023. The following are the processes that had taken place as the lead up to the approval of the budget:

- Benchmarking exercise with provincial treasury where they also presented their findings on the assessment of the municipality's budget against the requirements of the MFMA and the Municipal Budget and Reporting Requirements
- A council strategic planning session that has also considered policy review in line with the budget processes
- Presentation to the executive committee of the reports on the findings and outcomes of the processes indicated above.

The Budgeting and Reporting office reconciled submissions from comments from the budget consultations, tariff corrections together with effecting corrections recommended by Provincial Treasury on the assessment presented as well as any revisions that departments deemed necessary before the approval of the final budget.

The budget continued to be prepared to ensure that it complies fully with the following requirements of the MFMA:

Section 18 of the MFMA requires that the budget can only be funded from

- h. Realistically anticipated revenues to be collected
- i. Cash-backed accumulated funds from previous years not committed for other purposes
- j. Borrowed funds only for the capital budget

While section 19 requires that a municipality may only spend money on a capital project only if –

- a. The money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17 (2);

- b. The project including the total cost has been approved by the council;
- c. The sources of funding have been considered, are available and have not been committed for other purposes

3. Grants Re-allocation and adjustment budget

The stopping and re-allocation of conditional grants is done in terms of sections 18 and 19 of the 2022 DoRAA against municipalities that reported significant underperformance, and non-compliance against conditional grants frameworks and the provisions of the Act against the 2022/23 allocations.

The purpose of sections 18 and 19 of the 2022 DoRAA is to avoid transferring more funds to municipalities that are sitting with unspent transferred funds, avoid fiscal dumping, addresses possibilities of funds misused and support fast moving projects in year.

The stopping however does not imply that projects should stop, rather municipalities should reprioritise to accelerate against their committed ready projects. Only projects that are not ready for implementation in the current year are affected by the stopping process as transferring more funds could lead to the misusing of the conditional grants.

The stopping and re-allocation process provides that municipalities that are showing improved performance could be considered for additional funding and the ones that are under performing could have their funds stopped in the current year. These municipalities will be supported in future when their performance improves.

Eleven capital grants are being affected by the stopping and re-allocation process namely; the Water Services Infrastructure Grant (WSIG 5B), Regional Bulk Infrastructure Grant (RBIG 5B), Public Transport Networks Grant (PTNG), Urban Settlements Development Grant (USDG), Informal Settlements Upgrading Partnership Grant (ISUPG), Neighborhood Development Partnership Grant (NDPG 5B and 6B), Integrated National Electrification Programme (INEP 5B and 6B), ***Municipal Infrastructure Grant (MIG)***, Rural Road Assets Management Systems Grant (RRAMS) and the Integrated Urban Development Grant (IUDG).

Reconciliation of Winnie Madikizela-Mandela Local Municipality allocations for 22/23 MTREF

	Revised 2021/22	Change	2022/23	Additional Allocation July 2022	Additional Allocation October 2022	Stopping and Re-allocation March 2023	Revised 2022/23	2023/24	2024/25
National Allocations									
Operational	317,560,650	33,892,750	351,453,400	12,790,000	-	-217,800	364,025,600	344,768,650	366,424,200
Equitable Share	289,620,000	30,475,000	320,095,000	-	-	-	320,095,000	339,797,000	361,325,000
Financial Management Grant	2,000,000	100,000	2,100,000	-	-	-	2,100,000	2,100,000	2,100,000
Expanded Public Works Programme	3,570,000	117,000	3,687,000	-	-	-	3,687,000	-	-
Municipal Infrastructure Grant 5%	2,551,150	200,750	2,751,900	-	-	-217,800	2,534,100	2,871,650	2,999,200
Disaster Management Grant	-	-	-	12,790,000	-	-	12,790,000	-	-
Government Support Grant	19,819,500	3,000,000	22,819,500	-	-	-	22,819,500	-	-
Capital	76,924,850	-8,238,750	68,686,100	-	33,806,000	-4,138,200	98,353,900	82,561,350	86,241,800
Municipal Infrastructure Grant	48,471,850	3,814,250	52,286,100	-	-	-4,138,200	48,147,900	54,561,350	56,984,800
Integrated National Electrification	28,453,000	-12,053,000	16,400,000	-	-	-	16,400,000	28,000,000	29,257,000
Disaster Recovery Grant	-	-	-	-	33,806,000	-	33,806,000	-	-
Provincial Allocations									
Operational	500,000	-	500,000	-	-	-	500,000	500,000	522,000
Library Grant	500,000	-	500,000	-	-	-	500,000	500,000	522,000
TOTAL ALLOCATIONS	394,985,500	25,654,000	420,639,500	12,790,000	33,806,000	-4,356,000	462,879,500	427,830,000	453,188,000

The table above shows an amount of R4.3 million has been re-allocated away from the municipality due to under-performance on the Grant as at the end of December 2022. This is the main reason for this budget to reduce the municipality's planned expenditure on the program.

1. SUMMARY OF THE BUDGET BY REVENUE SOURCE AND EXPENDITURE TYPE

WINNIE MADIKIZELA-MANDELA LOCAL MUNICIPALITY			
ADJUSTED OPERATING BUDGET BY REVENUE SOURCE AND EXPENDITURE ITEM			
CURRENT YEAR 2022/23			
	Latest Adjusted 2022/23	Adjustment	Adjusted Budget 2022/23
Revenue by Source			
Agency Services	R 1,520,874.00	R -	R 1,520,874.00
Fines; Penalties and Forfeits	R 592,627.00	R -	R 592,627.00
Interest- Investments	R 18,319,390.00	R -4,000,000.00	R 22,319,390.00
Interest- Outstanding debts	R 2,148,781.00	R -	R 2,148,781.00
Licences or Permits	R 2,403,886.00	R -	R 2,403,886.00
Other revenue	R 811,971.00	R 56,396.00	R 868,367.00
Property Rates	R 21,468,489.00	R -	R 21,468,489.00
Rental from Fixed Assets	R 4,498,452.00	R -	R 4,498,452.00
Service Charges- Electricity	R 30,845,308.00	R 6,000,000.00	R 36,845,308.00
Service Charges- Waste	R 4,501,966.00	R -	R 4,501,966.00
Transfers and Subsidies	R 467,235,458.00	R 9,096,391.91	R 458,139,066.09
Total Revenue	R 554,347,202.00	R 960,004.09	R 555,307,206.09
Expenditure by Type			
Bulk Purchases	R 40,005,406.00	R -	R 40,005,406.00
Contracted Services	R 99,503,653.00	R -	R 99,503,653.00
Depreciation and Amortisation	R 49,735,160.00	R -	R 49,735,160.00
Disposal of Fixed and Intangible Assets	R 26,336,122.00	R 10,000,000.00	R 36,336,122.00
Employee Related Cost	R 122,283,544.00	R 231,868.00	R 122,051,676.00
Interest; Dividends and Rent on Land	R 100,000.00	R -	R 100,000.00
Inventory Consumed	R 6,888,942.00	R -	R 6,888,942.00
Other expenditure	R 87,334,513.00	R 14,068.00	R 87,348,581.00
Provision for bad debt	R 9,600,000.00	R -	R 9,600,000.00
Remuneration of Councillors	R 27,047,160.00	R -	R 27,047,160.00
Transfers and Subsidies	R 3,349,200.00	R -	R 3,349,200.00
Total Expenditure	R 472,183,700.00	R 9,782,200.00	R 481,965,900.00
Surplus/Deficit	R 82,163,502.00	R 8,822,195.91	R 82,163,502.00
Non-cash Items	R 79,420,482.00	R 10,000,000.00	R 89,420,482.00
Available to fund Capital Budget	R 161,583,984.00	R 1,177,804.09	R 171,583,984.00

a. Revenue adjustments

i. Transfers and Subsidies

A decrease of R9 million is as a result of the R4.3 million re-allocated from the municipal Infrastructure Grant coupled with a R4.7 million from the Disaster recovery grant of R33 million that is allocated to projects that are anticipated to be completed at the start of the following year.

b. Operating Expenditure

i. Employee related costs

This has seen a net decrease of R231 thousand from the 5% allocation that is part of the MIG framework that has been caused by the re-allocation of funds.

ii. Other expenditure

The adjustment made relates to a re-allocation from employee costs funded from FMG to accommodation for trainings funded from the same fund.

iii. Disposal of Fixed and Intangible Assets

The additional R10 million is allocated to roads and engineering in preparation for the write-offs that may need to be processed at the end of the year as a result of the refurbished and rehabilitated roads during the year.

2. CAPITAL BUDGET BY VOTE

WINNIE MADIKIZELA-MANDELA LOCAL MUNICIPALITY			
2022/23 ADJUSTED BUDGET			
ADJUSTED CAPITAL EXPENDITURE BY MUNICIPAL VOTE			
	LATEST ADJUSTED BUDGET	ADJUSTMENT	ADJUSTED BUDGET
MUNICIPAL VOTE			
Executive and Council	R -		R -
Corporate Services	R 9,402,608.00		R 9,402,608.00
Budget and Treasury			
Development Planning	R 15,295,307.00		R 15,295,307.00
Community Services	R 5,262,049.00		R 5,262,049.00
Roads and Engineering	R 151,604,336.41	-R 8,878,591.91	R 142,725,744.50
TOTAL	R 181,564,300.41	-R 8,878,591.91	R 172,685,708.50
FUNDING SOURCE			
National Government	R 116,093,957.12	-R 8,878,591.91	R 107,215,365.21
Provincial Government	R -		R -
District Municipality	R -		R -
Other transfers and Grants	R -		R -
Borrowings	R -		R -
Internally Generated Funds	R 65,470,343.29		R 65,470,343.29
TOTAL FUNDING	R 181,564,300.41	-R 8,878,591.91	R 172,685,708.50

Roads and Engineering

The adjustment relates to the projects that were allocated budgets from the MIG allocation that have not started and those where the allocation available is projected that it may not be utilised in full, these were made due to the funding cut earlier indicated.

There are also projects that are expected to be completed in the first two months of the next financial year and the amounts in question have since been moved to the final budget for 2023/24 with their funding sources to ensure that no delays are caused before the adjustment budget processes.

AFFECTED PROJECTS	LATEST ALLOCATION	ADJUSTEMENT	ADJUSTED ALLOCATION
Construction of Mbizana Town Hall	R 5,595,763.60	-R 1,388,442.51	R 4,207,321.09
Construction of Bhukuveni to Ntshikintshane Concrete Slab	R 700,000.35	-R 500,949.88	R 199,050.47
Construction of Mngomazi AR	R 848,806.91	-R 848,806.91	R 0.00
Construction of Mhlwazini AR	R 700,000.35	-R 700,000.35	-R 0.00
Rehabilitation of Mgomazi AR	R 4,492,338.13	-R 808,620.87	R 3,683,717.27
Rehabilitation of Bazana AR	R 1,622,981.20	-R 292,136.62	R 1,330,844.58
Rehabilitation of Dumasi AR(Disaster)	R 3,173,664.16	-R 571,259.56	R 2,602,404.61
Rehabilitation of Matshezini AR	R 2,988,896.07	-R 538,001.28	R 2,450,894.79
Rehabilitation of Luhondweni AR	R 3,720,997.56	-R 669,779.55	R 3,051,218.01
Rehabilitaion of Zamiiliwe AR	R 4,250,296.45	-R 765,053.37	R 3,485,243.08
Maintenance of Ntlozelo Access Road	R 2,046,372.14	-R 368,346.98	R 1,678,025.16
Maintenance of Umhlambi SSS Langalethu-Dotye Access Road	R 2,285,932.10	-R 411,467.77	R 1,874,464.33
Maintenance of Monti Access Road	R 1,754,032.97	-R 315,725.92	R 1,438,307.05
Total	R 34,180,081.99	-R 8,178,591.56	R 26,001,490.43

3. CAPITAL BUDGET BY ASSET CLASS

WINNIE MADIKIZELA-MANDELA LOCAL MUNICIPALITY				
2022/23 ADJUSTED BUDGET				
ADJUSTED CAPITAL EXPENDITURE BY ASSET CLASS AND FUNDING SOURCE				
		2023 ADJUSTED BUDGET		
ASSET CLASS		LATEST ADJUSTED BUDGET	ADJUSTMENT	ADJUSTED BUDGET
Community Assets	R	44,744,415.95	-R 1,207,341.31	R 43,537,074.63
Computer Equipment	R	4,439,565.00	R -	R 4,439,565.00
Electrical Infrastructure	R	15,565,218.00	R -	R 15,565,218.00
Furniture and Office Equipment	R	3,307,917.00	R -	R 3,307,917.00
Machinery and Equipment	R	217,392.00	R -	R 217,392.00
Other Assets - Buildings	R	173,043.00	R -	R 173,043.00
Roads Infrastructure	R	83,629,920.00	-R 6,513,173.51	R 77,116,746.49
Solid waste infrastructure	R	1,389,783.00	R -	R 1,389,783.00
Transport Assets	R	5,076,957.00	R -	R 5,076,957.00
VAT Receivable	R	23,020,089.47	-R 1,158,077.08	R 21,862,012.38
TOTAL	R	181,564,300.41	-R 8,878,591.91	R 172,685,708.50
FUNDING SOURCE				
National Government	R	116,093,957.12	-R 8,878,591.91	R 107,215,365.21
Provincial Government	R	-		R -
District Municipality	R	-		R -
Other transfers and Grants	R	-		R -
Borrowings	R	-		R -
Internally Generated Funds	R	65,470,343.29		R 65,470,343.29
TOTAL FUNDING	R	181,564,300.41	-R 8,878,591.91	R 172,685,708.50

c. Capital Expenditure

i. Community Assets

The adjustments relate mainly to the adjustments made for the completion of the Civic Center funded through MIG exclusive of VAT.

ii. Road infrastructure

The adjustments relate to roads allocated for disaster recovery that are expected to be completed after 30 June 2023 as well as MIG funded projects that have not started for which funding has been re-allocated away from the municipality.

4. Debtors' analysis

Summary of all Debtors

EC443 Winnie Madikizela Mandela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May

Description	NT Code	Budget Year 2022/23						Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment- Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days			
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2,835	2,007	1,392	1,411	1,459	1,366	7,149	5,663	23,280
Receivables from Non-exchange Transactions - Property Rates	1400	905	317	304	310	260	258	9,814	23,592	35,760
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	2	2	2	2	2	2	9	2,473	2,494
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	423	423
Interest on Arrear Debtor Accounts	1810	631	624	609	574	565	549	2,547	12,880	18,979
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-
Other	1900	416	273	262	242	238	249	1,609	6,236	9,586
Total By Income Source	2000	4,788	3,223	2,569	2,538	2,525	2,424	21,127	51,328	90,522
2021/22 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State	2200	411	917	352	348	350	345	10,135	24,116	36,974
Commercial	2300	4,050	2,018	1,935	1,902	1,902	1,812	9,789	14,445	37,854
Households	2400	327	288	282	288	272	268	1,202	12,756	15,684
Other	2500	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	4,788	3,223	2,569	2,538	2,525	2,424	21,127	51,328	90,522

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

5. Creditors' analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May

Description R thousands	NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	93	-	-	-	-	-	-	-	93	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	93	-	-	-	-	-	-	-	93	-

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.

6. Investment portfolio analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May

Investments by maturity Name of institution & investment ID		Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands			Yrs/Months												
Municipality															
FNB CALL DEPOSIT ACCOUNT(62550717767)			Not fixed	Call Deposit	No	Variable	0.00478136	0	n/a	not fixed	19,714	94	(6,795)	-	13,013
FNB CALL DEPOSIT ACCOUNT(62459758078)			Not fixed	Call Deposit	No	Variable	0.005480556	0	n/a	not fixed	10,197	56	(45)	-	9,798
FNB CALL DEPOSIT ACCOUNT(62028477982)			Not fixed	Call Deposit	No	Variable	0.005652786	0	n/a	not fixed	373,690	2,187	(25,167)	-	350,710
FNB CALL DEPOSIT ACCOUNT(6281569220)			Not fixed	Call Deposit	No	Variable	0.005615065	0	n/a	not fixed	345	2	-	-	347
FNB CALL DEPOSIT ACCOUNT(62815773073)			Not fixed	Call Deposit	No	Variable	0.002034247	0	n/a	not fixed	2,822	6	(2,822)	-	6
FNB CALL DEPOSIT ACCOUNT(6289610170)			Not fixed	Call Deposit	No	Variable	0.005615069	0	n/a	not fixed	2,616	15	-	-	2,631
FNB CALL DEPOSIT ACCOUNT(62852108531)			Not fixed	Call Deposit	No	Variable	0.005409724	0	n/a	not fixed	23,939	130	(3,191)	-	20,877
FNB CALL DEPOSIT ACCOUNT(62550715828)			Not fixed	Call Deposit	No	Variable	0.005615066	0	n/a	not fixed	848	5	(5)	-	848
Municipality sub-total											434,171	2,495	(38,435)	-	398,230
Entities															
Entities sub-total															
TOTAL INVESTMENTS AND INTEREST	2										434,171	2,495	(38,435)	-	398,230

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 R35.9 million which lead to a decrease in its investments for the month of May 2023. It should however be noted that this only reflects the difference between what was received and what was spent.

7. Allocation and grant receipts and expenditure

a) Transfers & Grants Receipts

EC443 Winnie Madikizela Mandela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

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
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		295,190	337,852	350,424	2,534	341,206	321,222	27,740	8.6%	350,424
Local Government Equitable Share		289,620	320,095	320,095	—	320,095	293,420	26,675	9.1%	320,095
Expanded Public Works Programme Integrated Grant		3,570	3,687	3,687	—	3,687	3,380			3,687
Local Government Financial Management Grant		2,000	2,100	2,100	—	2,100	1,925			2,100
Municipal Infrastructure Grant		—	2,752	2,534	2,534	2,534	2,323			2,534
Neighbourhood Development Partnership Grant		—	9,218	9,218	—	—	8,449			9,218
Disaster Relief Grant		—	—	12,790	—	12,790	11,724	1,066	9.1%	12,790
Provincial Government:		500	500	500	—	500	458	42	9.1%	500
Capacity Building and Other		500	500	500	—	500	458	42	9.1%	500
District Municipality:		—	—	—	—	—	—	—		—
Other grant providers:		—	—	—	—	—	—	—		—
Total Operating Transfers and Grants	5	295,690	338,352	350,924	2,534	341,706	321,680	27,782	8.6%	350,924
Capital Transfers and Grants										
National Government:		86,447	82,288	111,956	(2,534)	84,974	102,626	(17,652)	-17.2%	111,956
Municipal Infrastructure Grant (MIG)		51,023	52,286	48,148	(2,534)	41,088	44,136	(3,048)	-6.9%	48,148
Neighbourhood Development Partnership Grant		6,971	13,602	13,602	—	—	12,468	(12,468)	-100.0%	13,602
Integrated National Electrification Programme Gran		28,453	16,400	16,400	—	10,080	15,033	(4,953)	-32.9%	16,400
Disaster Recovery Grant		—	—	33,806	—	33,806	30,989	2,817	9.1%	33,806
Provincial Government:		—	—	—	—	—	—	—		—
District Municipality:		—	—	—	—	—	—	—		—
Other grant providers:		—	—	—	—	—	—	—		—
Total Capital Transfers and Grants	5	86,447	82,288	111,956	(2,534)	84,974	102,626	(17,652)	-17.2%	111,956
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	382,137	420,639	462,879	—	426,680	424,306	10,130	2.4%	462,879

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

b) Transfers & Grants Expenditure

EC443 Winnie Madikizela Mandela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

Description	Ref	2021/22		Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
EXPENDITURE											
Operating expenditure of Transfers and Grants											
National Government:		220,113	337,852	350,424	18,172	209,998	321,222	(111,224)	-34.6%	350,424	
Local Government Equitable Share		214,543	320,095	320,095	18,065	189,133	293,420	(104,288)	-35.5%	320,095	
Expanded Public Works Programme Integrated Grant		3,570	3,687	3,687	—	3,687	3,380	307	9.1%	3,687	
Local Government Financial Management Grant		2,000	2,100	2,100	41	1,283	1,925	(642)	-33.3%	2,100	
Municipal Infrastructure Grant		—	2,752	2,534	(52)	2,345	2,323	22	0.9%	2,534	
Neighbourhood Development Partnership Grant		—	9,218	9,218	—	—	8,449	(8,449)	-100.0%	9,218	
Disaster Relief Grant		—	—	—	—	—	—	—	—	—	
—		—	—	12,790	119	13,550	11,724	1,826	15.6%	12,790	
Provincial Government:		144	500	500	12	403	458	(56)	-12.1%	500	
Capacity Building and Other		144	500	500	12	403	458	(56)	-12.1%	500	
District Municipality:		—	—	—	—	—	—	—	—	—	
Other grant providers:		—	—	—	—	—	—	—	—	—	
Total operating expenditure of Transfers and Grants:		220,257	338,352	350,924	18,184	210,401	321,680	(111,279)	-34.6%	350,924	
Capital expenditure of Transfers and Grants											
National Government:		80,162	82,288	107,215	20,029	71,484	98,281	(26,796)	-27.3%	107,215	
Municipal Infrastructure Grant (MIG)		51,023	52,286	48,148	8,808	41,064	44,136	(3,071)	-7.0%	48,148	
Neighbourhood Development Partnership Grant		686	13,602	13,602	—	—	12,468	(12,468)	-100.0%	13,602	
Integrated National Electrification Programme Grant		28,453	16,400	16,400	1,312	7,944	15,033	(7,089)	-47.2%	16,400	
Disaster Recovery Grant		—	—	29,066	9,909	22,476	26,643	(4,167)	-15.6%	29,066	
Provincial Government:		—	—	—	—	—	—	—	—	—	
District Municipality:		—	—	—	—	—	—	—	—	—	
Other grant providers:		—	—	—	—	—	—	—	—	—	
Total capital expenditure of Transfers and Grants		80,162	82,288	107,215	20,029	71,484	98,281	(26,796)	-27.3%	107,215	
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		300,419	420,639	458,139	38,213	281,885	419,961	(138,076)	-32.9%	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 - M11

Description	Ref	Budget Year 2022/23				
		Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Local Government Equitable Share						-
Expanded Public Works Programme Integrated Grant						-
Local Government Financial Management Grant						-
Municipal Infrastructure Grant						-
Neighbourhood Development Partnership Grant						-
Disaster Relief Grant						-
Provincial Government:		-	-	-	-	
Capacity Building and Other						-
Other transfers and grants [insert description]						-
District Municipality:		-	-	-	-	
[insert description]						-
Other grant providers:		-	-	-	-	
[insert description]						-
Total operating expenditure of Approved Roll-overs		-	-	-	-	
Capital expenditure of Approved Roll-overs						
National Government:		3,569	-	1,351	2,218	62.2%
Municipal Infrastructure Grant (MIG)						-
Neighbourhood Development Partnership Grant		3,569	-	1,351	2,218	62.2%
Disaster Recovery Grant						-
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		3,569	-	1,351	2,218	62.2%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		3,569	-	1,351	2,218	62.2%

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.

8. Cash flow Statement

EC443 Winnie Madikizela Mandela - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		21,235	34,817	34,817	653	19,740	31,915	(12,175)	-38%	34,817
Service charges		43,512	54,588	54,588	7,271	48,796	50,039	(1,244)	-2%	54,588
Other revenue		7,350	26,570	57,012	919	10,495	52,261	(41,766)	-80%	57,012
Transfers and Subsidies - Operational		298,059	338,352	350,924	—	339,172	321,680	17,492	5%	350,924
Transfers and Subsidies - Capital		80,162	82,288	111,956	—	100,888	102,626	(1,738)	-2%	111,956
Interest		15,474	9,760	19,090	2,749	19,264	17,500	1,764	10%	19,090
Dividends		—	—	—	—	—	—	—	—	—
Payments										
Suppliers and employees		(287,032)	(367,832)	(390,838)	(16,122)	(305,845)	(358,268)	(52,423)	15%	(390,838)
Finance charges		—	(100)	(100)	—	—	(92)	(92)	100%	(100)
Transfers and Grants		—	—	—	—	—	—	—	—	—
NET CASH FROM/(USED) OPERATING ACTIVITIES		178,760	178,444	237,449	(4,531)	232,508	217,661	(14,847)	-7%	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)	(20,753)	(100,280)	(156,976)	(56,695)	36%	(129,968)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(159,813)	(129,968)	(171,246)	(20,753)	(100,280)	(156,976)	(56,695)	36%	(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	(25,284)	132,228	60,686			107,481
Cash/cash equivalents at beginning:		258,162	336,827	277,109	434,621	277,109	277,109			336,827
Cash/cash equivalents at month/year end:		277,109	385,302	343,311	—	409,337	337,795			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.

9. Statement of Financial Position

EC443 Winnie Madikizela Mandela - Table C6 Monthly Budget Statement - Financial Position - M11 May

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	11,107	39,543
Call investment deposits		274,157	365,583	303,868	398,230	303,868
Consumer debtors		63,657	19,654	37,739	67,295	37,739
Other debtors		40,665	31,799	43,014	64,532	43,014
Current portion of long-term receivables		—	—	—	—	—
Inventory		450	1,878	1,167	1,928	1,167
Total current assets		381,881	438,634	425,331	543,093	425,331
Non current assets						
Long-term receivables		—	—	—	—	—
Investments		—	—	—	(3,646)	—
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	791,798	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	828,546	871,215
TOTAL ASSETS		1,188,344	1,236,331	1,296,546	1,371,639	1,296,546
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Borrowing		—	—	—	—	—
Consumer deposits		506	505	506	447	506
Trade and other payables		54,702	44,406	82,118	82,500	82,118
Provisions		20,308	19,990	20,308	13,807	20,308
Total current liabilities		75,515	64,901	102,931	96,754	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	119,237	125,415
NET ASSETS	2	1,090,344	1,166,184	1,171,131	1,252,401	1,171,131
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,090,344	1,166,184	1,171,131	1,252,401	1,171,131
Reserves		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	1,090,344	1,166,184	1,171,131	1,252,401	1,171,131

This is the report for May 2023.

10. Municipal Manager's quality certification

Quality Certificate

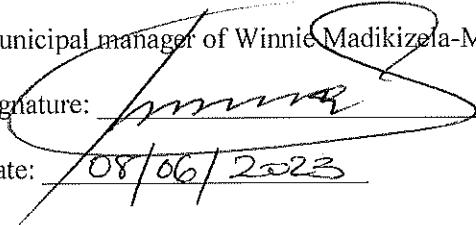
I, Luvuyo Mahlaka, the municipal manager of Winnie Madikizela-Mandela Local Municipality, hereby certify that –

- The monthly budget statement

for the month of May 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: 08/06/2023

