



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

**REPORT IN TERMS OF s71 OF THE MFMA FOR THE
MONTH OF OCTOBER 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 must, within 10 working days after the end of each month submit to the Mayor of the municipality and relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.

This is the fourth report of the 2023/24 financial year which should give an indication of how the municipality has performed on its first four months of operation in the indicated year. This is generally a period where activity worth reporting start taking shape after completion of appointments, submission of the annual financial statements to the Auditor General for auditing, departments working on ensuring that targets not achieved in the first quarter are combined with quarter two performance as a catch-up plan. Performance is expected be better this year compared to the same period in the previous years as procurement for some projects is in advanced stages and some have been appointed. The information reported below sets the tone for the remainder of the financial year and decisions that may need to be taken to ensure that performance is improved where necessary and hopefully the contents of each report will help the Mayor, 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 made 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 for auditing as required by the law.

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 are incorrect. This challenge seems however, to have been addressed from the adjustment budget processes and we continue to analyse the reasonability of the principles these modules are using to check consistency with the financial management standards.

Even though attempts are being made to ensure that all system vendors get their systems working as required when it comes to the balance sheet and cashflow budget, there is however consensus that the principles and information required to produce these are currently subject to discussions and revisions are required.

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

5. Implementation of the Municipal Cost containment regulations

During the month of June 2019, the minister of finance approved Municipal Containment regulations effective from 1 July 2019. The regulations required municipalities to develop, adopt and implement policies as part of its budget related policies to support cost containment measures. These regulations were unfortunately approved after the municipal budget processes had been concluded which made it difficult for municipalities to develop these policies at such a short space of time. The council of Winnie

Madikizela-Mandela Local municipality developed and adopted a policy on cost containment that is now being implemented.

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

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

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

a. Supply and Delivery of Municipal Vehicles

As part of the cost containment regulations municipalities were directed to utilise the transversal contracts arranged and negotiated by National Treasury to procure municipal vehicles. According to the regulations, municipalities are only allowed to procure vehicles using any other means only if they can demonstrate that they will get the vehicles cheaper when using their own procurement processes. The municipality applied for approval to participate in the transversal contract (RT-57 2019) for procurement of municipal vehicles with National Treasury which was granted. This transversal contract was due to expire at the end of March 2023. A new contract has since been finalised in the form of (RT-57 2022) with effect from 1 July 2023 to 30 June 2026.

This means that all procurement for municipal vehicles including yellow fleet are now secured through this arrangement. The procurement process through the transversal contract still requires the following:

- The municipality to identify the need
- Development specification for the type of vehicle or machine required
- Check the specification against published suppliers and specification by Treasury
- Identify the supplier that is rated higher on the transversal contract 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 will now be proceeding with all procurement requests in the current year through the process above and on the new contract as indicated.

**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

As part of improvements that have been introduced on the management of the contract, the following has since been introduced:

- Dedicated contacts for each province
- Dedicated email addresses for each province
- Dedicated email addressed for VIP fleet
- Dedicated email addresses for Yellow Fleet (Earth Moving Equipment)
- Dedicated email addresses for general fleet
- Addition of new vendors on the database used by Wesbank to select suitable service providers

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

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective														
Su-b- Re	Issue	Strategic Objective	Objective	Strategies	Baseline Information	Project to be implemented	Output 1- KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source	Measurable Performance
					Billing complete beyond the 3rd day of the following month	Completion of billing processes by the 3rd day of each following month	reduced customer queries - All active consumer accounts billed as per consumer master database	4.1.3	0.25	Billing completed by the 3rd day of each month following the billing month by June 2024	12 Month closing Reports	R -	N/A	and electrically
														and electrically
														and electrically
					Manual distribution of consumer statements	Sending of monthly statement using email and sms		4.1.4	0.25	Distribution of electronic monthly consumer statement by June 2024	12 Monthly Statement distribution Reports	R 7,308,000	Yes	and electrically
														and electrically
														and electrically
														War d 01
														War d 01
														War d 01
														Revenue Management
														Revenue Management
														Revenue Management
														Managerial Expenditure
														Managerial Expenditure
														Managerial Expenditure

KPA NO. 4: FINANCIAL PLANNING AND BUDGETING

Outcome 9 Objective

Su-b-Objective	Strategic Objective	Objectives	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source	Measurable Performance				Weighted	Responsibility	Responsible	
		Review and implement the Revenue Enhancement Strategy by June 2024	Review the Revenue Enhancement Strategy by review in 2020/2021	Monitoring of the Revenue Enhancement Strategy Action Plan	Improve revenue collection and generation	4.1.5	0.25	1	Quarterly Revenue enhancement meeting reports, reviewed revenue enhancement strategy implementation plan and attendance register	R -	N/A	Review and Revenue Enhancement Strategy action plan	1 Quarterly Revenue enhancement meeting	1 Quarterly Revenue enhancement meeting	1 Quarterly Revenue enhancement meeting	Weighted 01	Revenue Management	Manager: Revenue and Expenditure	
	To achieve at least 99% collection of all debt by June 2024	Implement the collection of credit control measures by June 2024	Long outstanding debtors, which are more than 365 days	Outsourcing of collection services	Number of handed over accounts is to debt collect ors that are beyond 90 days	4.1.6	0.25	1	Quarterly report on 100% business accounts handed over for debt collection to debt collectors	R1,368 ,900.00	Yes	N/A	Quarterly report on 100% business accounts handed over for debt collection on to debt collect ors	1 Quarterly report on 100% business accounts handed over for debt collection on to debt collect ors	1 Quarterly report on 100% business accounts handed over for debt collection on to debt collect ors	1 Quarterly report on 100% business accounts handed over for debt collection on to debt collect ors	Weighted 01	Revenue Management	Manager: Revenue and Expenditure

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective

Sub-Results	Issue	Strategic Objective	Objectives	Baseline Information	Project to be implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget Estimate	Budget Source	Measurable Performance				Ward	Responsible	Responsible	
	Accounts with errors taking longer to identify and resolve	To achieve a clean audit by June 2024	Performance of monthly debtors, rates and investment reconciliation by June 2024	Monthly reconciliation not performed by the 7th day of each month	Establishing of a credit control and debt collection services function within the revenue structure	Number of monthly reviewed debtors, investments and rates reconciliation	4.1.8	0.25	12 monthly review of debtors, investments and rates reconciliation by June 2024	12 monthly Signed debtors, investments and rates reconciliation signed monthly	R -	N/A	Reviewed 3 monthly debtors, investments and 3 monthly rates reconciliation	Reviewed 3 monthly debtors, investments and 3 monthly rates reconciliation	Reviewed 3 monthly debtors, investments and 3 monthly rates reconciliation	Reviewed 3 monthly debtors, investments and 3 monthly rates reconciliation	WM ML M	Revenue Manager	Manager Revenue and Expenditure	
													N/A	N/A	N/A	N/A				
	Outdated section of national Policies by June 2024	Annual Review of section of national Policies by June 2024	Reviewing section of all policies by June 2024	Sectional policies that are not reviewed annually	Review of existing sectional policies and presentation to the relevant stakeholders	Number of reviewed and adopted policies	4.1.9	0.25	3 Reviewed section and adopted policies by June 2024	03 Reviewed and signed Credit control and debt collection policy, Tariffs, Property Rates Policy/re solution extract	R -	Yes	N/A	N/A	N/A	N/A	reviewed Credit control and debt collection policy, Tariffs, Property Rates Policy and adopted by	WM ML M	Revenue Manager	Manager Revenue and Expenditure
													N/A	N/A	N/A	N/A				

KPA NO 4: FINANCIAL PLANNING AND BUDGETING

Outcome 9 Objective

Sub-Result	Issue	Strategic Objective	Objective	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Measure	Annual Target	Means of Verification	Budget	Budget Source	Measurable Performance			Weighted	Responsibility	Responsible
	Compliance with laws and regulations	To ensure proper regulation of the municipal power functions by June	Promulgation of revenue and credit control policies into by-laws by June 2024	Revenue by laws that not promulgated on time	Number of gazetted policies	Promulgating of property rates policy and credit control policy	4.1.10	0.25	Promulgated of property rates policy and credit control policy by 30 June 2024	Promulgated of property rates policy and credit control policy	R -	Yes	N/A	N/A	N/A	Promulgated of property rates policy and credit control policy	WM ML M	Revenue Management	Manager. Revenue and expenditure

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective

Su- b- Re	Issue	Strategic Objective 2024	Objective	Strategies	Baseline Information	Project to be implemented	Output 1- KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget 1	Budget Source	Measurable Performance				Ward id	Responsibility	Responsible
				Promulgation of the approved municipal tariffs (gazetted) by June 2024	Gazetted approval of municipal tariffs not performed timely	Promulgation of the approved tariffs (gazetted)	No. of gazetted approved property rates tariffs (gazetted)	4.1.11	0.25	1 Promulgated of the approved tariffs (gazetted) by 30 June 2024	Promulgated of the approved tariffs (gazetted)	R -		N/A	N/A	N/A	1 Promulgated of the approved tariffs (gazetted)	WM ML M	Revenue Management	Manager Revenue and Expenditure
				Maximising the revenue generated by the municipal pal revenue base	Non-compliance with Municipal Property Rates Act (MPRA) as amended in 2014	To compare property rates categories on the Valuation roll to those of the MPRA and ensure that the municipal tariffs are aligned with the categories	Number of reconciliation reports for property rates prepared	4.1.12	0.25	4 Reconciliation report for property categories between the MPRA, valuation roll and Municipal Tariffs by June 2024.	4 Reconciliation report for property categories between the MPRA, valuation roll and Municipal Tariffs, proof of submission on 10 days after the end of each quarter	R -	Yes	N/A	1 Reconciliation report for property categories between the MPRA, valuation roll and Municipal Tariffs and proof submission 10 days after the end of the quarter	1 Reconciliation report for property categories between the MPRA, valuation roll and Municipal Tariffs and proof submission 10 days after the end of the quarter	1 Reconciliation report for property categories between the MPRA, valuation roll and Municipal Tariffs and proof submission 10 days after the end of the quarter	WM ML M	Revenue Management	Manager Revenue and Expenditure

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING																					
Outcome 9 Objective																					
Su b- Re	Issue	Strate gic Objec	Objec tive	Strate gies	Baseli ne Inform	Project to be Implemented	Output t- KPI	KPI No.	KP I Me	Annua l Target	Means of Verificat	Budge t	Budget Source	Measurable Performance		War d	Resp onsibl e	Resp onsibl e			
	ed.																				
						Reconciliation of General Valuation roll with the deeds office registry and the municipal billing system	Number of reconci lation reports of genera l valuati on roll prepar ed	4.1. 13	0.5	4 reconci lation reports of propert y rates billing and Genera l valuati on roll prepar ed by June 2024.	4 quarterly reconci lation reports of propert y rates billing and General valuation roll	R -			Prepar ed 1 quarter ly - reconci lation report of propert y rates billing and Genera l valuati on roll	Prepar ed 1 quarter ly - reconci lation report of propert y rates billing and Genera l valuati on roll	Prepar ed 1 quarter ly - reconci lation report of propert y rates billing and Genera l valuati on roll	Prepar ed 1 quarter ly - reconci lation report of propert y rates billing and Genera l valuati on roll	VM ML M	Reven ue Mana gement	Mana ger. Reven ue and Expen diture

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective																				
Sub-Result	Issue	Strategic Objective	Strategies	Baseline Information	Project to be Implemented	Output (KPI)	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source	Measurable Performance				Weight	Responsibility	Responsible	
	Invoice credit systems not submitted within 30 days of receipt for the payment	To pay creditors within 30 days in compliance with the MFM A by June 2024	Enforcement of system descriptions and processes as per the Account payable policy by June 2024	Invoices still taking longer to reach BTO for payment	Centralisation of submission of invoices per department	Percentage of Creditors paid within 30 days of receipt of a valid invoice	4.2.1	0.5	100% Creditors paid within 30 days of receipt of a valid invoice by June 2024	Invoice register and age analysis report	R -	N/A	100% (Creditors paid within 30 days of receipt of a valid invoice)	100% (Creditors paid within 30 days of receipt of a valid invoice)	100% (Creditors paid within 30 days of receipt of a valid invoice)	100% (Creditors paid within 30 days of receipt of a valid invoice)	WM ML M	Expense Management	Manager Revenue and Expense	
Expenditure Management																				
	Datasets that are submitted with information and audit month end procedures that are not performed on time	4.2	To achieve a clean audit by June 2024	Develop sound, strict and effective procedures for reporting by June 2028	Non implementation of all month end procedures	Number of submitted monthly data strings and reports no later than 10 working days after month end of each month	4.2.2	0.5	Submit findings by month end datastrings and Report not later than 10 working days after month end of each month by June 2024	12 confirmations of submissions on from LG Portal not later than 10 working days after month end	R -	Yes	N/A	3 months by datastrings submitted to LG Portal	3 months by datastrings submitted to LG Portal	3 months by datastrings submitted to LG Portal	3 months by datastrings submitted to LG Portal	WM ML M	Expense Management	Manager Revenue and Expense

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING																			
Outcome 9 Objective																			
Su b- Re	Issue	Strategic Objective	Strategies	Baseline Information	Project to be Implemented	Output t- KPI	KPI No.	KPI Unit	Annual Target	Means of Verification	Budget t	Budget Source	Measurable Performance				Ward d	Responsible	Responsible
	Inaccurate and incomplete commitment register			Commitment register with material misstatements	Monthly reviewal of commitment register by the 7th working day of each month	Number of monthly reviewed commitment register	4.2.3	0.25	12 monthly reviewed commitment register by June 2024	12 signed commitment register	R-	N/A	3 monthly reviewed commitment register	3 monthly reviewed commitment register	3 monthly reviewed commitment register	3 monthly reviewed commitment register	WM ML M	Expenditure Management	Manager, Revenue and Expenditure
	Creditors and grants with errors taking longer to identify and resolve		Performance of monthly conditional grants, creditors, not performed by the 7th day of each month	Monthly reconciliation of conditional grants, creditors, not performed by the 7th day of each month	Monthly reviewal of conditional grants, creditors, reconciliation and vat reconciliation by the 7th working day of each month	Number of monthly reviewed conditional grants, creditors, monthly reviewed conditional grants													

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 3 Objective																					
Sub-Results	Issue	Strategic Objective	Objective	Strategies	Baseline Information	Project to be Implemented	Output 1- KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source	Measurable Performance				Ward	Responsible	Responsible	
	Payroll accounts with errors taking longer to identify and resolve			Performance of monthly payroll reconciliation by June 2024	Monthly reconciliation not performed by the 7th day of each month	Monthly review of payroll reconciliation by the 7th working day of each month	Number of monthly payroll reconciliations	4.2.5	0.25	12 monthly reviewed payroll reconciliations by June 2024	12 Signed monthly payroll reconciliation	R -	N/A	3 monthly reviewed payroll reconciliations	3 monthly reviewed payroll reconciliations	3 monthly reviewed payroll reconciliations	3 monthly reviewed payroll reconciliations	WM ML M	Expenditure Management	Manager: Revenue and Expenditure	
Outdated Policies		Annual Review of sectional policies by June 2024		Reviewing sectional policies by June 2024	Sectional policies that are not reviewed annually	Review and adopt accounts payable policy.	Number of reviewed policies	4.2.6	0.25	1 Reviewed Accounts payable policy by June 2024	01 Reviewed and signed Accounts Payable Policy, resolution extract	R -	N/A	N/A	N/A	Review of Accounts Payables policy by June 2024	WM ML M	Expenditure Management	Manager: Revenue and Expenditure		
	Supply Chain Management				Monitoring and adhering to procurement plan by June 2024	Approved procurement plan with no clear monitoring	Monthly monitoring of the procurement plan	Number of monthly reports on the monitoring of the procurement plan	4.3.1	0.25	12 monthly reports on the monitoring of the procurement plan by June 2024	Signed report by the SCM Manager and CFO	R -	Yes	N/A	3 signed SCM reports	3 signed SCM reports	3 signed SCM reports	3 signed SCM reports	WM ML M	Supply Chain Management

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective

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KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective																				
Su b- Re	Issue	Strate gic Obiec	Oble ctive	Strate gies	Baseli ne Infor mation	Project to be implemented	Outpu t - KPI	KPI No.	KP 1 We	Annua l Target	Means of Verifica tion	Budge t	Budget Source	Measurable Performance				War d	Resp onsibl e	Resp onsibl e
	Outdat ed and expire d suppl ier Infor mation	To have a fair comp etitive biddin g		Update d suppl iers Infor mation by June 2024	Supplie r's data base with bidders shown g Infor mation that has not been update d for a numbe r of years	Annual update of the supplier database	Numbe r of suppl iers update d Infor mation	4.3. 5	0.2 5	300 Supplie r's data base update d Infor mation by June 2024	Advertis ment and Munsoft audit trail	R -	Yes N/A	Publica tion of the call to supplie rs to update their Infor mation	100 supplie r Infor mation update d	100 supplie r Infor mation update d	100 supplie r Infor mation update d	WM ML M	Suppl y Chain Mana gement	Mana ger. Suppl y Chain Mana gement
	No effect ive sched ule of bid commi tee sitting s	proce sses in all municip al pa rth ers by June 2024		Develo ping mecha nisms to monitor sitting of bid commi tees by June 2024	Bid commi tees sitting random ly	Schedule of sitting of bid committees	Sched ule of bid commi tees sitting with confir med dates	4.3. 6	0.5	Sched ule of bid commi tee sittings ensurin g each bid is conclu ded within 60 days of the tender closing by June 2024	12 Signed schedule of bid commi tees, attendan ce registers for Bid Adjudica tion Comm	R - Yes N/A	Develo pment and approv al of 3 signed schedu le of seating	12 seated bid commi tees and 3 signed schedu le of seating	12 seated bid commi tees and 3 signed schedu le of seating	12 seated bid commi tees and 3 signed schedu le of seating	WM ML M	Suppl y Chain Mana gement	Mana ger. Suppl y Chain Mana gement	
	Inade quate contra ct mana gement process es	To have valid and close ly moni tored municip al proc esses by June 2024		Review of all existing contract s by June 2024	Contra cts only approv ed at year end	Contract register reviewed monthly	Numbe r of contra ct registe rs review ed month ly	4.3. 7	0.2 5	12 month ly contract register s review ed by June 2024	12 monthly signed contract registers	R - N/A N/A		3 month ly contract register s review ed	3 month ly contract register s review ed	3 month ly contract register s review ed	3 month ly contract register s review ed	WM ML M	Suppl y Chain Mana gement	Mana ger. Suppl y Chain Mana gement

KPA NO. 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective

Sub-Result	Issue	Strategic Objective	Objectives	Strategic Objectives	Baseline Information	Project to be Implemented	Output (1-KPI)	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source	Measurable Performance				Ward	Responsibility	Responsible	
	Outdated Policies	Annual Review of national policies by June 2024	Reviewing section of policies by June 2024	Section of policies that are not reviewed annually		Reviewal and adoption of existing sectional policies.	Number of reviewed policies	4.3.8	0.25	3 reviewed SCM policies by June 2024	Reviewed and Signed of Supply Chain Management Policy, Contract Management Policy, Cost Containment Policy, Framework for Infrastructure Development Management Policy/re-solution extract	R -	N/A	N/A	N/A	N/A	N/A	WM ML M	Supply Chain Management	Manager: Supply Chain Management	
Asset Management	Financial statements with non-compliance with laws	To achieve a clean audit by June 2024	To have a complete GRAP compliant plan by June 2024	To have accurate GRAP compliant Asset Register by June 2024	Accurate and complete Fixed Assets Register as at 30 June 2022 with no Findings	Performance of monthly reconciliations between FAR and GL within 5 working days after month closure.	Number of reconciliations approved and reviewed	4.4.1	0.25	12 Reviewed and approved Assets reconciliations by June 2024	12 monthly Fixed Assets reconciliation signed, reviewed and approved	R -	N/A	N/A	3 reviewed and approved fixed asset reconciliations	3 reviewed and approved fixed asset reconciliations	3 reviewed and approved fixed asset reconciliations	3 reviewed and approved fixed asset reconciliations	WM ML M	Asset Management	Manager: Assets and Stores

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective																					
Su b- Re	Issue	Strate gic Obec	Oble ctive by June 2024	Strate gies	Baseli ne Infor m	Project to be implemented	Output t-KPI	KPI No.	KP 1 We	Annua l Target	Means of Verificat ion	Budge t	Budget Source	Measurable Performance			War d	Resp onsibl e	Resp onsibl e		
				All assets recorded in the FAR do exist and valuated accurat ely by June 2024	Approv ed Assets Verifica tion Report as at 30 June 2022	Quarterly performance of Assets verification process before the end of the following month after the end of the quarter.	Numbe r of signed and approv ed Verifica tion quarter ly Assets Verifica tion Reports	4.4. 3	0.2 5	4 Review ed and approv ed Assets Verifica tion Report s by June 2024	4 Reviewe d and signed Assets Verificati on Reports	R -	N/A	N/A	1 review ed and approv ed Asset verifica tion report.	1 review ed and approv ed Asset verifica tion report.	1 review ed and approv ed Asset verifica tion report.	1 review ed and approv ed Asset verifica tion report.	WM ML M	Asset Manna Stores Manna gent	Mana ger: Asset Stores Manna gent
					Council approv ed assets write off report as at 30 June 2022	Removing of previously disposed assets from municipal operational facilities	Fixed Asset Regist er that is complete.	4.4. 4	0.2 5	100% remova l of previou sly dispos ed assets identifi ed within the municip al premises by june 2024.	A signed report with a list of all assets removed from municipa l premise s and thrown away.	R -	Yes	N/A	100% remova l of previou sly dispos ed assets identifi ed within the municip al premises	100% remov al previou sly dispos ed assets identifi ed within the municip al premises	100% remova l of previou sly dispos ed assets identifi ed within the municip al premises	100% remova l of previou sly dispos ed assets identifi ed within the municip al premises	WM ML M	Asset Manna Stores Manna gent	Mana ger: Asset Stores Manna gent

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective

Su b- Re	Issue	Strategic Objective	Objectives	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Metric	Annual Target	Means of Verification	Budget Estimate	Budget Source	Measurable Performance				Ward	Responsible	Responsible	
			Basics and assumptions on which assets are accounted for to be well documented and approved by June 2024	Audited PPE methodology as at 30 June 2022 with no audit findings.	Preparation and approval of a PPE (movable assets) Methodology	Approved PPE (movable assets) Methodology	4.4.5	0.25	01 Reviewed and approved PPE Methodology by 30 June 2024	01 PPE(movable assets) methodology signed and approved by CFO	R -	N/A	N/A	N/A	N/A	N/A	Approved PPE(movable assets) Methodology	WM ML M	Asset Management	Manager, Assets and Stores Management
			Monthly update on inventory movements by June 2024	Inventory report and listing as at 30 June 2022	Performance of monthly inventory reconciliations within 5 working days after month closure.	Number of Reviewed and approved performance of Inventory reconciliations	4.4.6	0.25	12 Reviewed and approved Inventory reconciliations by June 2024	12 Reviewed and signed Inventory reconciliations	R -	N/A	N/A	3 Reviewed Inventory reconciliations	3 Reviewed Inventory reconciliations	3 Reviewed Inventory reconciliations	3 Reviewed Inventory reconciliations	WM ML M	Stores Management	Manager, Assets and Stores Management

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective

Sub-Re	Issue	Strategic Objective	Objectives	Baseline Information	Project to be implemented	Output 1 - KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source	Measurable Performance					Weight	Responsible	Responsible
			Inventory update every quarter by June 2024	Approved Inventory Count report as at 30 June 2022	Quarterly performance of inventory count process before the end of the following month after the end of the quarter.	Number of performed, Reviewed and approved inventory Count with Reports	4.4.7	0.25	4 Review and approved Inventory Count Report by June 2024	4 Reviewed and signed Inventory Count Reports	R -	N/A	1 Performed and reviewed inventory Count	1 Performed and reviewed inventory Count	1 Performed and reviewed inventory Count	1 Performed and reviewed inventory Count	WMM	Stores Manager	Manager, Asset Stores and Stores Manager	
	All council	To ensure that the municipality has an active insurance policy by June 2024	Valid Insurance contract for municipal assets	Continuous extension of municipal insurance	Insuring of municipal assets	Provision of insurance services	4.4.8	0.5	Insurance services provided for municipal assets by June 2024.	Annual Insurance schedule proof of payment	R3,776,052.00	Yes	N/A	Insurance services provided for municipal assets	N/A	N/A	N/A	WMM	Asset Manager	Manager, Asset Stores and Stores Manager

KPA ND 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective

Su-b-Result	Issue	Strategic Objective	Objective	Strategies	Baseline Information	Project to be implemented	Output (KPI)	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source	Measurable Performance				Ward	Responsibility	Responsible
Re-	Municipality that is operating smoothly with enough operational material	To ensure that municipality has statutory availability when needed by June 2024	Valid contract for provision of municipal pal stationery	Municipality have an existing contract for 12 months	To supply stationery	Provision of stationery for municipal pal operations	4.4.9	0.25	Provision of stationery for all municipal pal operations by June 2024	Authorised Stock Issue form	R1,876,212.00	Yes	N/A	Issuing of all available stationery request ed	Issuing of all available stationery request ed	Issuing of all available stationery request ed	Issuing of all available stationery request ed	WM ML M	Asset Management	Manager: Asset Stores and Management
	Outdated Asset and Inventory Management Policy	Review of Asset and Inventory Management Policies by June 2024	Annual review of Asset and Inventory Management Policies by June 2024	Reviewed and approved Asset and Inventory Management Policies for 2020/21 financial year.	Review of existing Asset and Inventory Management Policies	Number of Asset and Inventory Management Policies reviewed, approved and signed	4.4.10	0.25	2 policies reviewed and approved by council by 30 June 2024	Signed Assets and Inventory Management Policies, resolution extract	R -	N/A	N/A	N/A	N/A	N/A	Review of Asset and Inventory Management Policies	WM ML M	Assets and Stores Management	Manager: Asset Stores and Management
	All council assets need to be well managed effectively.	Compliance with the requirement of an Asset MFM A section 63 by June 2024	Review of an effective Asset Management Plan by June 2024	None	Review of Asset Management Plan	Number of Reviewed Asset Management Plan	4.4.11	0.25	1 reviewed and signed Asset Management Plan by 30 June 2024	Reviewed and signed Asset Management Plan by	N/A	N/A	N/A	N/A	N/A	N/A	Reviewed Asset management plan.	WM ML M	Asset Management	Manager: Asset Stores and Management

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective																					
Su- b- Re	Issue	Strategic Objective	Objec- tive	Strate- gies	Baseli- ne Inform	Project to be Implemented	Output to KPI	KPI No.	KPI We	Annual Target	Means of Verificat	Budge- t	Budget Source	Measurable Performance			War- d	Resp onsibl e	Resp onsibl e		
Financial statements with non- compli- ance with laws	Reporting	To complete Annual Financial Statements that comply with all require- ments by June 2024	4.5	Develop p sound, strict and effectiv e proced ures for the compli- ation of AFS by June 2024	Audite d Annual Financial Statements for 2021/22 with compli- ance findings	Development and approval of processes and procedures for completion of Compliant annual financial statements.	Crediti e Annual Financial Statements submit ed	4.5. 1	0.5	Crediti e and fully compli- ant Annual Financial Statements submit ed by 30 June 2024	AFS, Proof of casewar e, payment , Interim Financial stateme nts	R 200,00 0.00	Yes	N/A	Monitor ing of AFS plan, Roll- forward of AFS File	N/A	Renew of Casew are Licenc e	Submitt ed AFS.	WM ML M	Report ing and Report ing	Mana ger: Budge- ting and Report ing
				Manage and ensure audit readine ss by June 2024	Audite d Annual Financial Statements for 2021/22 with compli- ance findings	Manage the external audit by the office of the Auditor General to ensure smooth running	Manag ed extern al audit and ensure audit readine ss to achiev e clean audit opinion	4.5. 2	0.2 5	Manag e the externa l audit and ensure audit readine ss to achiev e clean audit opinion as at 30 June 2024	Proof of submissi on to AG, COAF register, Action Plan, updated Audit Action Plan	RS,475 ,600.00	Yes	N/A	Submitt ed Annual Financial Statements to AG	Respo nd to 2022/23 AG's queries and provide CoAF regist er	Develo pment of Audit plan, implem entatio n and monitor ing of Audit Action Plan	Implem entatio n and monitor ing of Audit Action Plan	WM ML M	Report ing and Report ing	Mana ger: Budge- ting and Report ing
		To achiev e a clean audit by June 2024	4.5	Perform ance of Monthly Bank reconci- liations by June 2024	Recon- ciliations not always comple- ted within times	Performance of monthly reconciliations by the 7th working day of each month	numbe- r of Reviewed bank reconci- liations	4.5. 3	0.2 5	Review ed bank reconci- liations by June 2024	12 Signed monthly Bank Reconci- liation	R -	N/A	N/A	3 Reviewed monthly Bank Recon- ciliatio n	3 Reviewed monthly Bank Recon- ciliatio n	3 Reviewed monthly Bank Recon- ciliatio n	WM ML M	Report ing	Mana ger: Budge- ting and Report ing	

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective																				
Sub-Result	Issue	Strategic Objective	Objectives	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Indicator Target	Means of Verification	Budget Estimate	Budget Source	Measurable Performance			Valid	Responsibility	Reporting		
Budgeting	The municipality needs to comply with all statutory budgets and reporting requirements	Adherence to compliance with Municipal Regulations on Minimum Municipal Competency levels	Training of new finance official on Minimum Competency levels	Appointed finance interns and new accountants	Training of newly appointed FMG interns and finance officials to meet minimum competency requirements	Number of trained financial management interns and finance staff to meet minimum competency requirements	46.1	0.25	Enrollment of 3 financial management interns to meet minimum competency requirements and training provided by June 2024	Proof of registration of 3 interns on of 3 interns Attendance register	R 174,000.00	N/A	Yes	Enrollment of three interns and attendance training	Attendance of the training	Attendance of the training	Attendance of the training	VMM MLM	Budgeting	Manager: Budgeting and Reporting
Budgeting	To timely produce budgets in line with the National Treasury guidelines and regulations by June 2024	4.5	Develop and monitor processes to ensure timely preparation, adoption and publication of credible municipal budget by June 2024	Adjustments budget approved by 28 February 2024 and draft budget approved by 31 March 2024; Final budget approved 31 May 2024	Compile three budgets to be approved by council	Number of approved budgets	4.5.2	0.5	Approved budget Adjusted, Draft budget 24/25; Final Budget by June 2024	Adjustment budget 23/24; Draft budget 24/25; Approved 24/25 Final Budget and Council resolutions	R -	N/A	N/A	N/A	Adopted budget adjustment 2023/24; Draft budget 2024/25	Approved 2024/25 Budget	VMM MLM	Budgeting	Manager: Budgeting and Reporting	

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING

Outcome 9 Objective																				
Su- b- Re	Issue	Strate- gic Objec	Obje- ctive	Strate- gies	Baseli- ne Inform	Project to be implemented	Output 1- KPI	KPI No.	KP We	Annua- l Target	Means of Verifica	Budge- t	Budget Source	Measurable Performance			War- d	Resp- onsibl e	Resp- onsibl e	
					non publica- tion of budget approved by council	Publication of approved budgets	Numbe- r of publici- zed approv- ed budgets	4,6. 3	0.5	Publica- tion of Adjust- ment, Draft and Final Budget by June 2024	3 Adverts	R 65,928. 00	Yes	N/A	N/A	N/A	Adverti- sing of Draft budget Adjust- ment budget	War- d 1	Budge- ting	Mana- ger: Budge- ting and Report- ing
	Outdat- ed Policie- s	Annua- l Review of secto- rial Policie- s by June 2024		Review ing section- al policie- s by June 2024	Section al policie- s that are not review- ed annua- lly	Review of existing sectional policies and presentation to the relevant stakeholders	Numbe- r of review- ed policie- s	4,6. 4	0.5	1 IDP and Budget policy review and adapte- d by 30 June 2024	01 Reviewe- d and signed IDP/Bud- get policy/re- solution extract	R -	N/A	N/A	N/A	N/A	Reviewe- d and adapte- d IDP/Bu- dget Policy.	War- d 1	Budge- ting	Mana- ger: Budge- ting and Report- ing

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

7. In-year budget statement tables

a) Budget Statement Summary

EC443 Winnie Madikizela Mandela - Table C1 Monthly Budget Statement Summary - M04 October

Description	2022/23	Budget Year 2023/24							
	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	–	21,250	–	604	16,894	7,083	9,811	139%	21,250
Service charges	–	37,904	–	4,593	16,762	12,635	4,127	33%	37,904
Investment revenue	–	15,890	–	2,693	10,961	5,297	5,665	107%	–
Transfers and subsidies - Operational	–	349,897	–	1,166	146,849	116,632	30,217	26%	15,890
Other own revenue	–	15,153	–	1,564	6,084	5,051	1,033	20%	–
Total Revenue (excluding capital transfers and contributions)	–	440,094	–	10,620	197,551	146,698	50,853	35%	440,094
Employee costs	–	130,212	–	9,491	37,879	43,404	(5,525)	-13%	130,212
Remuneration of Councillors	–	28,480	–	2,181	8,703	9,493	(791)	-8%	28,480
Depreciation and amortisation	–	54,371	–	3,166	12,687	18,124	(5,437)	-30%	54,371
Interest	–	100	–	–	–	33	(33)	-100%	100
Inventory consumed and bulk purchases	–	55,216	–	3,673	15,912	18,405	(2,494)	-14%	55,216
Transfers and subsidies	–	3,431	–	–	–	1,144	(1,144)	-100%	3,431
Other expenditure	–	175,887	–	19,055	50,669	58,629	(7,961)	-14%	175,887
Total Expenditure	–	447,697	–	37,564	125,849	149,232	(23,384)	-16%	447,697
Surplus/(Deficit)	–	(7,603)	–	(26,945)	71,702	(2,534)	74,236	-2929%	(7,603)
Transfers and subsidies - capital (monetary)	–	76,295	–	4,017	18,752	25,432	###	-26%	76,295
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	68,692	–	(22,927)	90,454	22,897	67,557	295%	68,692
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	–	68,692	–	(22,927)	90,454	22,897	67,557	295%	68,692
Capital expenditure & funds sources									
Capital expenditure	–	123,282	–	6,023	26,415	41,094	(14,679)	-36%	123,282
Capital transfers recognised	–	66,343	–	3,824	16,781	22,114	(5,333)	-24%	66,343
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	56,939	–	2,199	9,634	18,980	(9,346)	-49%	56,939
Total sources of capital funds	–	123,282	–	6,023	26,415	41,094	(14,679)	-36%	123,282
Financial position									
Total current assets	–	413,370	–	–	537,202	–	–	–	413,370
Total non current assets	–	875,374	–	–	892,006	–	–	–	875,374
Total current liabilities	–	99,779	–	–	70,533	–	–	–	99,779
Total non current liabilities	–	22,484	–	–	11,485	–	–	–	22,484
Community wealth/Equity	–	1,166,481	–	–	1,347,190	–	–	–	1,166,481
Cash flows									
Net cash from (used) operating	–	170,828	–	(27,914)	69,536	42,707	(26,830)	-63%	170,828
Net cash from (used) investing	–	(141,376)	–	(6,389)	(35,220)	(35,344)	(124)	0%	(141,376)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	–	306,560	–	394,331	394,331	284,472	(109,860)	-39%	389,467
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	9,230	3,083	17,465	2,692	2,456	2,707	2,026	70,021	109,679
Creditors Age Analysis									
Total Creditors	2	–	–	–	–	–	–	–	2

The table above shows a summary of the municipality's financial performance for the period ended 31 October 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) - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		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>		–	391,308	–	4,557	175,499	130,436	45,063	35%	391,308
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		–	391,308	–	4,557	175,499	130,436	45,063	35%	391,308
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		–	4,599	–	357	1,405	1,533	(128)	-8%	4,599
Community and social services		–	605	–	35	82	202	(119)	-59%	605
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	3,993	–	322	1,323	1,331	(8)	-1%	3,993
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		–	62,281	–	2,470	10,310	20,760	(10,451)	-50%	62,281
Planning and development		–	2,986	–	404	1,638	995	643	65%	2,986
Road transport		–	59,295	–	2,066	8,672	19,765	(11,093)	-56%	59,295
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		–	58,201	–	7,254	29,088	19,400	9,688	50%	58,201
Energy sources		–	49,298	–	6,198	25,439	16,433	9,006	55%	49,298
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	8,903	–	1,056	3,650	2,968	682	23%	8,903
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	–	516,389	–	14,637	216,303	172,130	44,173	26%	516,389
Expenditure - Functional										
<i>Governance and administration</i>		–	217,120	–	14,189	56,720	72,373	(16,653)	-22%	217,120
Executive and council		–	68,123	–	4,403	17,298	22,708	(5,410)	-24%	68,123
Finance and administration		–	144,047	–	9,418	37,927	48,016	(10,088)	-21%	144,047
Internal audit		–	4,950	–	368	1,495	1,650	(155)	-9%	4,950
<i>Community and public safety</i>		–	34,348	–	2,038	7,870	11,449	(3,579)	-31%	34,348
Community and social services		–	13,748	–	728	2,255	4,583	(2,328)	-51%	13,748
Sport and recreation		–	2,866	–	202	712	955	(243)	-25%	2,866
Public safety		–	16,544	–	1,037	4,610	5,515	(905)	-16%	16,544
Housing		–	1,190	–	71	293	397	(103)	-26%	1,190
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		–	95,895	–	14,271	32,262	31,965	297	1%	95,895
Planning and development		–	27,599	–	1,711	6,142	9,200	(3,058)	-33%	27,599
Road transport		–	65,786	–	12,338	25,433	21,929	3,504	16%	65,786
Environmental protection		–	2,510	–	223	687	837	(149)	-18%	2,510
<i>Trading services</i>		–	96,035	–	6,876	28,120	32,012	(3,892)	-12%	96,035
Energy sources		–	67,303	–	4,895	20,114	22,434	(2,320)	-10%	67,303
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	28,732	–	1,981	8,005	9,577	(1,572)	-16%	28,732
<i>Other</i>		–	4,299	–	190	877	1,433	(556)	-39%	4,299
Total Expenditure - Functional	3	–	447,697	–	37,564	125,849	149,232	(23,384)	-16%	447,697
Surplus/ (Deficit) for the year		–	68,692	–	(22,927)	90,454	22,897	67,557	295%	68,692

The table above shows the municipality's financial performance for the period ended 31 October 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) - M04 October

20240 Whimbe Makindia mandata - Table 04 Monthly Budget Statement - Financial Performance (Revenue and expenditure) - mo4 October										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		—	32,243	—	4,240	15,346	10,748	4,599	43%	32,243
Service charges - Water		—	—	—	—	—	—	—	—	—
Service charges - Waste Water Management		—	—	—	—	—	—	—	—	—
Service charges - Waste management		—	5,661	—	353	1,416	1,887	(471)	-25%	5,661
Sale of Goods and Rendering of Services		—	201	—	23	86	67	19	28%	201
Agency services		—	1,266	—	121	515	422	93	22%	1,266
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		—	3,390	—	303	1,147	1,130	17	2%	3,390
Interest from Current and Non Current Assets		—	15,890	—	2,693	10,961	5,297	5,665	107%	15,890
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		—	5,282	—	374	1,497	1,761	(264)	-15%	5,282
Licence and permits		—	—	—	—	—	—	—	—	—
Operational Revenue		—	471	—	21	93	157	(64)	-41%	471
Non-Exchange Revenue		—	—	—	—	—	—	—	—	—
Property rates		—	21,250	—	804	16,894	7,083	9,811	139%	21,250
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		—	225	—	0	15	75	(60)	-80%	225
Licence and permits		—	2,537	—	201	804	846	(42)	-5%	2,537
Transfers and subsidies - Operational		—	349,897	—	1,166	146,849	116,632	30,217	26%	349,897
Interest		—	1,780	—	522	1,926	593	1,333	225%	1,780
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	—	—	—	—	—	—	—	—
Other Gains		—	—	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		—	440,094	—	10,620	197,551	146,698	50,853	35%	440,094

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

- PROPERTY RATES:** The municipality being a local municipality levies property rates on all rateable properties within the Mbizana area in terms of the Municipal Property Rates Act No.6 of 2004. The categories of rate payers include government departments which own properties, like Public Works which are levied once at the beginning of the financial year which lead to the revenue generated for the month to be R15.2 million in the 1st month and a decrease to an average of just over R600 a month for the following months to the end 30 June 2024. The current revenue recognised on this stream may seem to be way above the monthly target but it is important to note that this is only due to properties levied only at the beginning of the financial for the whole year.

- **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 R4.2 million for the month and a year to date actual of R15.3 million. This is above the projection by about 43% (about R4.6 million) which may add up to R13.7 million by the end of the year if attempts to better the situation do not yield and results. As previously reported, the municipality has installed a 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 since installation:
 - Modems damaged by water
 - Modems being stolen or damaged

The municipality's electricity section continues to work on a solution to have lockable boxes where these modems are installed.

- **Solid Waste Removal:** Collection and disposal of solid waste is one of the services that the municipality provides to the town area and a few sites outside of town including the Wild Coast Sun Casino. The municipality has implemented a new billing approach which ensures that all customers who individually generate waste are billed individually. The exercise was conducted by the refuse section and the billing database has significantly increased and showed us that there are customers we have been providing the service to at no cost at all. This has resulted in the revenue billed for the month to be around R353 thousand which is less than the projection by 25%. An investigation indicated that the decrease may be as a result of the correction of categories from the verification conducted by the user department from the categories previously confirmed for billing purposes.
- **Interest on Investments:** The municipality invests surplus cash and unspent grants to generate interest that would be utilised to fund other municipal programmes, this interest includes interest on the municipality's positive balance in the municipality's main account. The table above shows that the municipality generated over R2.6 million worth of interest on investments with a year to date

actual that is above the projection by 107% which hope will be maintained as the year progresses to supplement the municipality's funding capacity during the adjustment budget process.

- **Interest on outstanding debtors:** The municipality charges interest on debtors owing for more than 30 days at a rate of prime plus 2% as per the municipality's credit control and debt collection policy. This has yielded interest of R824 thousand for the period ended 31 October 2023 which has gone above the amount projected for the period by 226%. This requires intense debt collection initiatives. A higher interest generation means the municipality's debtors are more than what they were projected to be.
- **Fines:** The municipality has a traffic department which enforces traffic laws and the municipality's by-laws. Anyone found to have contravened these laws is charged a fine accordingly. These fines also include fines for electricity tempering. The municipality generated just about R3 hundred for the month of revenue on these fines and a year to date of R15 thousand which is below the projection by 80%. It is worth noting though that this does not represent cash collected and measures should be put in place to ensure people pay their fines. Experience has taught us that people generally do not settle traffic fines and, in most cases when they do they do so at lower values than the initial revenue recognised. This is one of the areas where we were forced to adjust down in the previous year to ensure that we end up with realistic revenues.
- **Rental of facilities:** The municipality has properties that it rents out to other businesses and individuals from which it generates revenue. These include properties like the Boxer complex, Spar, Browns, Bargain and others. The revenue generated here also includes rental for billboards and advertising around the town area. The municipality has generated about R374 thousand for the month which has pushed the actual performance to a level below the projection by 15% which is a result of a combination of revised contracts that have been concluded and those that have since expired and are on a month to month term.
- **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 R201 thousand worth of revenue for the period. The municipality has generated below the projected collection by 5% which we hope will be maintained throughout the year or even bettered.
- **Transfers and subsidies:** The municipality receives grants, both conditional and those without conditions. The report shows that an amount of over R1.6 million has been transferred to revenue for the period ended 31 October 2023 from the operating grants whose conditions have been met. This has

recorded a year to date performance of R146 million the first three months of the financial year. This happens when the municipality has spent the grants according to the requirements of the funders or DORA. The biggest chunk of these transfers is equitable share that was received during the previous month.

d) Debt Collection

The table below shows a 66% overall collection rate for the month ended 31 October 2023. However, we note a 91% collection rate on leasehold fees, 70% on electricity, 50% on property rates and 78% on refuse removal for the period.

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

YEAR ENDING: 30 June 2024

INCOME TYPE	JULY	AUGUST	SEPTEMBER	1ST QUATER	OCTOBER	2ND QUATER	TOTAL
RATES							
billed	15,604,955	1,123,005	1,123,511	17,851,471	1,125,130.39	1,125,130.39	18,976,601
payment received	627,627	796,923	613,744	2,038,294	557,899.15	557,899.15	2,596,193
% of billing received	4%	71%	55%	11%	50%	50%	14%
ELECTRICITY							
billed	3,155,904	3,176,575	3,052,055	9,384,534	3,474,151.04	3,474,151.04	12,858,685
payment received	2,272,302	2,208,570	2,248,110	6,728,982	2,418,818.04	2,418,818.04	9,147,800
% of billing received	72%	70%	74%	72%	70%	70%	71%
LEASEHOLD FEES							
billed	376,354	376,354	354,289	1,106,997	354,288.81	354,288.81	1,461,286
payment received	317,570	352,272	319,556	989,399	321,158.11	321,158.11	1,310,557
% of billing received	84%	94%	90%	89%	91%	91%	90%
VAT							
billed	582,493	585,865	563,850	1,732,208	627,163.94	627,163.94	2,359,372
payment received	434,172	409,864	425,024	1,269,059	453,654.74	453,654.74	1,722,714
% of billing received	75%	70%	75%	73%	72%	72%	73%
INTEREST							
billed	284,802	285,266	295,487	865,555	302,656.56	302,656.56	1,168,211
payment received	127,852	100,457	117,095	345,404	106,142.59	106,142.59	451,547
% of billing received	45%	35%	40%	40%	35%	35%	39%
REFUSE REMOVAL							
billed	351,026	352,839	352,652	1,056,517	352,652.00	352,652.00	1,409,169
payment received	295,868	243,433	251,617	790,919	275,153.67	275,153.67	1,066,073
% of billing received	84%	69%	71%	75%	78%	78%	76%
TOTAL INCOME							
billed	20,355,535	5,899,905	5,741,843	31,997,282	6,236,042.74	6,236,042.74	38,233,325
payment received	4,075,390	4,111,519	3,975,147	12,162,057	4,132,826.30	4,132,826.30	16,294,883
% of billing received	20%	70%	69%	38%	66%	66%	43%

e) Expenditure by Type

EC443 Winnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		–	130,212	–	9,491	37,879	43,404	(5,525)	-13%	130,212
Remuneration of councillors		–	28,480	–	2,181	8,703	9,493	(791)	-8%	28,480
Bulk purchases - electricity		–	47,731	–	3,237	14,280	15,910	(1,631)	-10%	47,731
Inventory consumed		–	7,485	–	436	1,632	2,495	(863)	-35%	7,485
Debt impairment		–	10,109	–	–	–	3,370	(3,370)	-100%	10,109
Depreciation and amortisation		–	54,371	–	3,166	12,687	18,124	(5,437)	-30%	54,371
Interest		–	100	–	–	–	33	(33)	-100%	100
Contracted services		–	85,745	–	14,545	32,671	28,582	4,290	15%	85,745
Transfers and subsidies		–	3,431	–	–	–	1,144	(1,144)	-100%	3,431
Irrecoverable debts written off		–	–	–	–	–	–	–		–
Operational costs		–	80,034	–	4,492	17,779	26,678	(8,899)	-33%	80,034
Losses on Disposal of Assets		–	–	–	18	18	–	18	#DIV/0!	–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		–	447,697	–	37,564	125,849	149,232	(23,384)	-16%	447,697

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 October 2023 reflects an amount of R9.4 million for employee costs and R2.1 million for the remuneration of councillors. The remuneration of councillors shows a 8% underspending compared to what is expected at the same period. Employee costs have 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 spent about R3.2 million on electricity purchases for month ended 31 October 2023 with a year to date actual of R14.2 million which is below the projected expenditure by 10%. Eskom has since changed their billing date to coincide with the month end from their traditional billing date of the 10th of the following month.
- **Depreciation and asset impairment:** The depreciation run has been performed after the end of each quarter and recently monthly, resulting in the depreciation for October 2023 being R3.1 million as the asset register was still in the process of being reviewed to ensure that the assets are correctly accounted for in the annual financial statements. This has resulted in the depreciation recorded being below the projection for the month by about 30%.
- **Contracted Services:** This relates to the municipality's general expenses that have been incurred during the month where only external service providers could be used to render the service or

procure goods. This shows that the municipality incurred R14.5 million worth of expenditure during the month. As indicated earlier in the report this month coincides with the start of a new quarter where recovery plans are being implemented to compensate for targets not achieved in the first quarter.

- **Other Expenditure (Operational Costs):** This also shows expenditure for the month at R4.4 million and a saving of about 34% which might be as a result of the slow spending during the first months of each financial year which is always experienced at this time of the year. This requires though that departments that are currently underspending be sensitised of the matter so that they can ensure that the underspending is as per their plans and there are plans to recover or periods where expenditure is expected to be more.

f) Revenue by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

20440 Winnie Madikizela Municipality - Table 05 Monthly Budget Statement - Financial Performance (Revenue and Expenditure by Municipal Vote) - 30 October										
Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		--	--	--	--	--	--	--	--	--
Vote 2 - Corporate Services		--	441	--	15	81	110	(29)	-26.6%	441
Vote 3 - Budget and Treasury Office		--	362,652	--	3,938	158,524	120,884	37,640	31.1%	362,652
Vote 4 - Community Services		--	13,502	--	1,413	5,055	4,501	554	12.3%	13,502
Vote 5 - Development Planning		--	28,330	--	605	16,948	9,443	7,505	79.5%	28,330
Vote 6 - Engineering Services		--	111,464	--	8,666	35,695	37,155	(1,460)	-3.9%	111,464
Total Revenue by Vote	2	--	516,389	--	14,637	216,303	172,093	44,210	25.7%	516,389

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 R8.6 million for the month with Budget and Treasury showing generation of over R3.9 million which may be attributable to interest received on investments and debtors as well as Community Services at over R1.4 million.

g) Expenditure by Municipal Vote

EC443 Winnie Madikizela Mandela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description		Ref	2022/23	Budget Year 2023/24							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
Expenditure by Vote		1									
Vote 1 - Executive and Council			–	88,654	–	6,218	25,977	29,551	(3,574)	-12.1%	88,654
Vote 2 - Corporate Services			–	64,946	–	3,246	15,471	21,649	(6,178)	-28.5%	64,946
Vote 3 - Budget and Treasury Office			–	45,747	–	3,021	9,224	15,249	(6,025)	-39.5%	45,747
Vote 4 - Community Services			–	83,784	–	5,680	22,588	27,928	(5,340)	-19.1%	83,784
Vote 5 - Development Planning			–	24,898	–	1,685	5,393	8,299	(2,907)	-35.0%	24,898
Vote 6 - Engineering Services			–	139,669	–	17,715	47,196	46,556	640	1.4%	139,669
Total Expenditure by Vote		2	–	447,697	–	37,564	125,849	149,232	(23,384)	-15.7%	447,697
Surplus/ (Deficit) for the year		2	–	68,692	–	(22,927)	90,454	22,881	67,594	295.7%	68,692

The table above shows the expenditure by municipal vote. The total expenditure for the month of October 2023 amounted to above R37.5 million with a year to date of R125.8 million.

h) Municipality's financial performance

EC443 WInnie Madikizela Mandela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		—	32,243	—	4,240	15,346	10,748	4,599	43%	32,243
Service charges - Water		—	—	—	—	—	—	—	—	—
Service charges - Waste Water Management		—	—	—	—	—	—	—	—	—
Service charges - Waste management		—	5,661	—	353	1,416	1,887	(471)	-25%	5,661
Sale of Goods and Rendering of Services		—	201	—	23	86	67	19	28%	201
Agency services		—	1,266	—	121	515	422	93	22%	1,266
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		—	3,390	—	303	1,147	1,130	17	2%	3,390
Interest from Current and Non Current Assets		—	15,890	—	2,693	10,961	5,297	5,665	107%	15,890
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		—	5,282	—	374	1,497	1,761	(264)	-15%	5,282
Licence and permits		—	—	—	—	—	—	—	—	—
Operational Revenue		—	471	—	21	93	157	(64)	-41%	471
Non-Exchange Revenue		—	—	—	—	—	—	—	—	—
Property rates		—	21,250	—	604	16,894	7,083	9,811	139%	21,250
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		—	225	—	0	15	75	(60)	-80%	225
Licence and permits		—	2,537	—	201	804	846	(42)	-5%	2,537
Transfers and subsidies - Operational		—	349,897	—	1,166	146,849	116,632	30,217	26%	349,897
Interest		—	1,780	—	522	1,926	593	1,333	225%	1,780
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	—	—	—	—	—	—	—	—
Other Gains		—	—	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		—	440,094	—	10,620	197,551	146,698	50,853	35%	440,094
Expenditure By Type										
Employee related costs		—	130,212	—	9,491	37,879	43,404	(5,525)	-13%	130,212
Remuneration of councillors		—	28,480	—	2,181	8,703	9,493	(791)	-8%	28,480
Bulk purchases - electricity		—	47,731	—	3,237	14,280	15,910	(1,631)	-10%	47,731
Inventory consumed		—	7,485	—	436	1,632	2,495	(863)	-35%	7,485
Debt impairment		—	10,109	—	—	—	3,370	(3,370)	-100%	10,109
Depreciation and amortisation		—	54,371	—	3,166	12,687	18,124	(5,437)	-30%	54,371
Interest		—	100	—	—	—	33	(33)	-100%	100
Contracted services		—	85,745	—	14,545	32,871	28,582	4,290	15%	85,745
Transfers and subsidies		—	3,431	—	—	—	1,144	(1,144)	-100%	3,431
Irrecoverable debts written off		—	—	—	—	—	—	—	—	—
Operational costs		—	80,034	—	4,492	17,779	26,678	(8,899)	-33%	80,034
Losses on Disposal of Assets		—	—	—	18	18	—	18	#DIV/0!	—
Other Losses		—	—	—	—	—	—	—	—	—
Total Expenditure		—	447,697	—	37,564	125,849	149,232	(23,384)	-16%	447,697
Surplus/(Deficit)		—	(7,603)	—	(26,945)	71,702	(2,534)	74,236	(0)	(7,603)
Transfers and subsidies - capital (monetary allocations)		—	76,295	—	4,017	18,752	25,432	(6,679)	(0)	76,295
Transfers and subsidies - capital (in-kind)		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		—	68,692	—	(22,927)	90,454	22,897			68,692
Income Tax		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after Income tax		—	68,692	—	(22,927)	90,454	22,897			68,692
Share of Surplus/Deficit attributable to Joint Venture		—	—	—	—	—	—			—
Share of Surplus/Deficit attributable to Minorities		—	—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality		—	68,692	—	(22,927)	90,454	22,897			68,692
Share of Surplus/Deficit attributable to Associate		—	—	—	—	—	—			—
Intercompany/Parent subsidiary transactions		—	—	—	—	—	—			—
Surplus/ (Deficit) for the year		—	68,692	—	(22,927)	90,454	22,897			68,692

The municipality has so far recorded a surplus of over R90.4 million for the period ended 31 October 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 - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		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 new assets by Asset Class/Sub-class										
Infrastructure		–	82,532	–	3,824	13,540	27,511	13,970	50.8%	82,532
Roads Infrastructure		–	51,478	–	2,121	4,675	17,159	12,484	72.8%	51,478
Roads		–	42,181	–	1,157	2,752	14,060	11,308	80.4%	42,181
Road Structures		–	9,297	–	963	1,922	3,099	1,177	38.0%	9,297
Electrical Infrastructure		–	14,783	–	1,703	8,865	4,928	(3,938)	-79.9%	14,783
MV Networks		–	14,783	–	1,703	8,865	4,928	(3,938)	-79.9%	14,783
Solid Waste Infrastructure		–	16,271	–	–	–	5,424	5,424	100.0%	16,271
Landfill Sites		–	16,271	–	–	–	5,424	5,424	100.0%	16,271
Community Assets		–	3,754	–	733	2,582	1,251	(1,330)	-106.3%	3,754
Community Facilities		–	3,117	–	270	2,119	1,039	(1,080)	-104.0%	3,117
Halls		–	770	–	–	–	257	257	100.0%	770
Crèches		–	607	–	270	1,642	202	(1,440)	-711.1%	607
Markets		–	1,739	–	–	477	580	103	17.7%	1,739
Sport and Recreation Facilities		–	637	–	463	463	212	(250)	-117.8%	637
Outdoor Facilities		–	637	–	463	463	212	(250)	-117.8%	637
Heritage assets		–	1,304	–	–	–	435	435	100.0%	1,304
Works of Art		–	1,304	–	–	–	435	435	100.0%	1,304
Computer Equipment		–	2,000	–	(5)	208	667	459	68.8%	2,000
Computer Equipment		–	2,000	–	(5)	208	667	459	68.8%	2,000
Furniture and Office Equipment		–	3,870	–	10	10	1,290	1,280	99.2%	3,870
Furniture and Office Equipment		–	3,870	–	10	10	1,290	1,280	99.2%	3,870
Machinery and Equipment		–	137	–	32	32	46	13	29.0%	137
Machinery and Equipment		–	137	–	32	32	46	13	29.0%	137
Transport Assets		–	6,678	–	–	–	2,226	2,226	100.0%	6,678
Transport Assets		–	6,678	–	–	–	2,226	2,226	100.0%	6,678
Total Capital Expenditure on new assets	1	–	100,275	–	4,594	16,373	33,425	17,052	51.0%	100,275

EC443 Winnie Madikizela Mandela - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		–	4,122	–	–	3,118	1,374	(1,744)	-126.9%	4,122
Roads Infrastructure		–	4,122	–	–	3,118	1,374	(1,744)	-126.9%	4,122
Roads		–	4,122	–	–	3,118	1,374	(1,744)	-126.9%	4,122
Other assets		–	191	–	(495)	(495)	64	559	876.7%	191
Operational Buildings		–	191	–	(495)	(495)	64	559	876.7%	191
Municipal Offices		–	191	–	(495)	(495)	64	559	876.7%	191
Total Capital Expenditure on renewal of existing assets	1	–	4,313	–	(495)	2,623	1,438	(1,185)	-82.4%	4,313

EC443 Winnie Madikizela Mandela - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		-	6,830	-	-	841	2,277	1,436	63.1%	6,830
Roads Infrastructure		-	6,830	-	-	841	2,277	1,436	63.1%	6,830
Roads		-	6,830	-	-	841	2,277	1,436	63.1%	6,830
<u>Community Assets</u>		-	11,864	-	1,924	6,579	3,955	(2,624)	-66.4%	11,864
Community Facilities		-	8,744	-	1,924	3,030	2,915	(115)	-3.9%	8,744
Halls		-	8,744	-	1,924	3,030	2,915	(115)	-3.9%	8,744
Sport and Recreation Facilities		-	3,120	-	-	3,549	1,040	(2,509)	-241.3%	3,120
Outdoor Facilities		-	3,120	-	-	3,549	1,040	(2,509)	-241.3%	3,120
Total Capital Expenditure on upgrading of existing assets	1	-	18,695	-	1,924	7,420	6,232	(1,188)	-19.1%	18,695

The above tables indicate that the municipality spent R6 million for the month ended from its capital budget and a year to date of the R26.4 million for the period ended 31 October 2023. Even though this is an improvement compared to the same time in the prior years, it is still concerning that MIG and INEP are not the major contributors to the level of expenditure. There were projects before end of September that were still in the registration processes that have not been finalised for these projects to take commence procurement and eventually commence with works even though an improvement may be noted on the electricity projects progress and procurement.

b) Capital Expenditure by municipal vote

EC443 Winnie Madikizela Mandela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 October

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 6 - Engineering Services		–	10,125	–	1,924	6,579	3,375	3,204	95%	10,125
Total Capital Multi-year expenditure	4,7	–	10,125	–	1,924	6,579	3,375	3,204	95%	10,125
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		–	1,304	–	–	–	435	(435)	-100%	1,304
Vote 2 - Corporate Services		–	9,457	–	(5)	208	3,152	(2,944)	-93%	9,457
Vote 3 - Budget and Treasury Office		–	–	–	–	–	–	–	–	–
Vote 4 - Community Services		–	21,308	–	(22)	(22)	7,103	(7,125)	-100%	21,308
Vote 5 - Development Planning		–	2,376	–	–	477	792	(315)	-40%	2,376
Vote 6 - Engineering Services		–	78,712	–	4,127	19,173	26,237	(7,064)	-27%	78,712
Total Capital single-year expenditure	4	–	113,157	–	4,099	19,836	37,719	(17,883)	-47%	113,157
Total Capital Expenditure		–	123,282	–	6,023	26,415	41,094	(14,679)	-36%	123,282
Capital Expenditure - Functional Classification										
Governance and administration		–	11,109	–	5	218	3,703	(3,485)	-94%	11,109
Executive and council		–	1,304	–	–	–	435	(435)	-100%	1,304
Finance and administration		–	9,804	–	5	218	3,268	(3,050)	-93%	9,804
Community and public safety		–	907	–	463	463	302	160	53%	907
Community and social services		–	770	–	463	463	257	206	80%	770
Sport and recreation		–	137	–	–	–	46	(46)	-100%	137
Economic and environmental services		–	75,731	–	4,347	17,364	25,244	(7,880)	-31%	75,731
Planning and development		–	13,300	–	2,194	8,698	4,433	4,265	96%	13,300
Road transport		–	62,430	–	2,153	8,666	20,810	(12,144)	-58%	62,430
Trading services		–	35,536	–	1,208	8,370	11,845	(3,475)	-29%	35,536
Energy sources		–	15,483	–	1,703	8,865	5,161	3,704	72%	15,483
Waste management		–	20,054	–	(495)	(495)	6,685	(7,180)	-107%	20,054
Total Capital Expenditure - Functional Classification	3	–	123,282	–	6,023	26,415	41,094	(14,679)	-36%	123,282
Funded by:										
National Government		–	66,343	–	3,824	16,781	22,114	(5,333)	-24%	66,343
Provincial Government		–	–	–	–	–	–	–	–	–
Transfers recognised - capital		–	66,343	–	3,824	16,781	22,114	(5,333)	-24%	66,343
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		–	56,939	–	2,199	9,634	18,980	(9,346)	-49%	56,939
Total Capital Funding		–	123,282	–	6,023	26,415	41,094	(14,679)	-36%	123,282

The above table indicate that the municipality spent R6 million from its capital budget for the month ended 31 October 2023 as indicated in the earlier paragraph with a year to date actual of R26.4 million.

c) Expenditure on Repairs and Maintenance

EC443 Winnie Madikizela Mandela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		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		--	22,656	--	9,444	13,982	7,552	(6,430)	-85.1%	22,656
Roads Infrastructure		--	18,715	--	8,740	12,038	6,238	(5,800)	-93.0%	18,715
Roads		--	666	--	--	--	222	222	100.0%	666
Road Structures		--	17,583	--	8,740	11,747	5,861	(5,885)	-100.4%	17,583
Road Furniture		--	466	--	--	292	155	(136)	-87.7%	466
Electrical Infrastructure		--	3,941	--	704	1,944	1,314	(631)	-48.0%	3,941
MV Networks		--	3,941	--	704	1,944	1,314	(631)	-48.0%	3,941
Community Assets		--	864	--	--	164	288	124	43.0%	864
Community Facilities		--	864	--	--	164	288	124	43.0%	864
Halls		--	262	--	--	164	87	(77)	-88.1%	262
Libraries		--	350	--	--	--	117	117	100.0%	350
Cemeteries/Crematoria		--	105	--	--	--	35	35	100.0%	105
Parks		--	148	--	--	--	49	49	100.0%	148
Other assets		--	3,279	--	247	325	1,093	768	70.3%	3,279
Operational Buildings		--	3,279	--	247	325	1,093	768	70.3%	3,279
Municipal Offices		--	3,123	--	247	325	1,041	716	68.8%	3,123
Yards		--	156	--	--	--	52	52	100.0%	156
Computer Equipment		--	30	--	3	3	10	7	66.6%	30
Computer Equipment		--	30	--	3	3	10	7	66.6%	30
Furniture and Office Equipment		--	199	--	43	60	66	6	9.6%	199
Furniture and Office Equipment		--	199	--	43	60	66	6	9.6%	199
Machinery and Equipment		--	693	--	45	45	231	186	80.5%	693
Machinery and Equipment		--	693	--	45	45	231	186	80.5%	693
Transport Assets		--	4,546	--	455	1,554	1,515	(38)	-2.5%	4,546
Transport Assets		--	4,546	--	455	1,554	1,515	(38)	-2.5%	4,546
Total Repairs and Maintenance Expenditure	1	--	32,266	--	10,237	16,133	10,755	(5,378)	-50.0%	32,266

The table shows that the municipality spent R10.2 million on the maintenance of its assets and infrastructure during the month of October 2023 with a year to date actual above the projected spending by over 50% for the same period.

d) Depreciation by asset class

EC443 Winnie Madikizela Mandela - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		–	34,353	–	2,487	9,868	11,451	1,583	13.8%	34,353
Roads Infrastructure		–	32,894	–	2,373	9,414	10,965	1,551	14.1%	32,894
Roads		–	14,241	–	967	3,835	4,747	912	19.2%	14,241
Road Structures		–	18,185	–	1,369	5,434	6,055	621	10.3%	18,185
Road Furniture		–	488	–	37	145	163	17	10.6%	488
Storm water Infrastructure		–	588	–	46	183	196	13	6.6%	588
Drainage Collection		–	221	–	17	69	74	5	6.6%	221
Storm water Conveyance		–	366	–	29	114	122	8	6.6%	366
Electrical Infrastructure		–	691	–	54	215	230	15	6.6%	691
MV Substations		–	55	–	4	17	18	1	6.6%	55
MV Networks		–	467	–	37	145	156	10	6.6%	467
LV Networks		–	168	–	13	52	56	4	6.6%	168
Solid Waste Infrastructure		–	181	–	14	56	60	4	6.6%	181
Landfill Sites		–	181	–	14	56	60	4	6.6%	181
Community Assets		–	9,089	–	208	824	3,030	2,206	72.8%	9,089
Community Facilities		–	6,344	–	142	565	2,115	1,550	73.3%	6,344
Halls		–	4,764	–	100	398	1,588	1,190	74.9%	4,764
Crèches		–	320	–	25	100	107	7	6.6%	320
Cemeteries/Crematoria		–	14	–	1	4	5	0	6.6%	14
Parks		–	1,068	–	9	34	356	322	90.5%	1,068
Public Ablution Facilities		–	114	–	2	9	38	29	76.2%	114
Stalls		–	64	–	5	19	21	2	9.3%	64
Sport and Recreation Facilities		–	2,745	–	65	259	915	656	71.7%	2,745
Outdoor Facilities		–	2,745	–	65	259	915	656	71.7%	2,745
Other assets		–	730	–	57	227	243	16	6.6%	730
Operational Buildings		–	716	–	56	223	239	16	6.6%	716
Municipal Offices		–	386	–	30	120	129	9	6.6%	386
Pay/Enquiry Points		–	4	–	0	1	1	0	6.6%	4
Yards		–	83	–	7	26	28	2	6.6%	83
Stores		–	125	–	10	39	42	3	6.6%	125
Training Centres		–	119	–	9	37	40	3	6.6%	119
Housing		–	14	–	1	4	5	0	6.6%	14
Social Housing		–	14	–	1	4	5	0	6.6%	14
Intangible Assets		–	–	–	7	37	–	(37)	#DIV/0!	–
Licences and Rights		–	–	–	7	37	–	(37)	#DIV/0!	–
Computer Software and Applications		–	–	–	7	37	–	(37)	#DIV/0!	–
Computer Equipment		–	2,809	–	147	628	936	309	33.0%	2,809
Computer Equipment		–	2,809	–	147	628	936	309	33.0%	2,809
Furniture and Office Equipment		–	1,342	–	53	269	447	178	39.8%	1,342
Furniture and Office Equipment		–	1,342	–	53	269	447	178	39.8%	1,342
Machinery and Equipment		–	4,550	–	88	366	1,517	1,150	75.8%	4,550
Machinery and Equipment		–	4,550	–	88	366	1,517	1,150	75.8%	4,550
Transport Assets		–	1,499	–	118	469	500	30	6.1%	1,499
Transport Assets		–	1,499	–	118	469	500	30	6.1%	1,499
Total Depreciation	1	–	54,371	–	3,166	12,689	18,124	5,435	30.0%	54,371

9. Supply chain management

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

a. Acquisition management

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

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

b. Handling of tenders during and Post COVID-19

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

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

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

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

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

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

c. Procurement requests below R2000.00

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

Creditor Name	Function Name	Segment	Order Date	Value	Specifications
Pondoland Times	Core Function:Municipal Manager Town Se	Advertising fees 1505	10/13/ 2023	1,800.00	Request To Advertise Public Notice For Mayoral Imbizo Outreach Program On 2 Local News Papers
Isanga Business Solutions	Core Function:Mayor And Council	Catering Councilors meetings	10/5/2 023	1,950.00	Request For Lunch For Rate Payers And Executive Committee Meeting
Group Two Media Company	Core Function:Project Management Unit	Advertising MM	10/20/ 2023	1,998.70	Request To Advertise Upgrading Of Mbongwana Via Doye To Greenville Ho Construction Of Thlanti Bridges Construction Of Mkhini To Zibanzini Construction Of Ntanzwe To Sizabonke And Construction Of Mkhwazi Acc
Group Two Media Company	Core Function:Municipal Manager Town Se	Advertising fees community services 2505260540	10/13/ 2023	1,998.70	Request To Advertise Notice For Mayoral Imbizo Outreach Program
Group Two Media Company	Non-Core Function:Population Development	Advertising fees community services 2505260540	10/5/2 023	1,998.70	Request For Advertisement Of Maintenance Of Traffic Lights For 3years C
Lusikisiki Spares Cc	Core Function:Police Forces Traffic And	R&M Backup Generator	10/9/2 023	1,999.99	Request For Replacement Of Battery For Pound Backup Generator 12v 66ah /630cca/ 105rc
Pondoland Times	Core Function:Economic Development/Plann	Advertising skills program	10/27/ 2023	2,000.00	Request For A News Paper Advert Development Of Wild Coast Precind Plans
Pondoland Times	Core Function:Human Resources	Advertising fees Human resources 1010280540	10/27/ 2023	2,000.00	Request For Re-Advertisement Of Disaster Recovery Plan
Pondoland Times	Core Function:Human Resources	Advertising fees community services 2505260540	10/20/ 2023	2,000.00	Request For Re-Advertisement Of Server Room Infrastructure
Pondoland Times	Non-Core Function:Population Development	Advertising fees 1505	10/12/ 2023	2,000.00	Request For Re-Advertisement For Panel Of Service Providers For Clean Resources For 3 Years
Pondoland Times	Core Function:Economic Development/Plann	Advertising MM	10/9/2 023	2,000.00	Request For An Advert To Recruit A Dealer For The Integrated Energy Ce

21,746.0
9

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

Supplier Name	Function Name	Support	Order Date	Value	Specifications
Ziko And Lizzy's Trading	Core Function:Biodiversity And Landscape	Promotional material cleaning campaign	11/6/2023	3,300.00	Request For 30 Lunch Packs For Gma Provincial Assessment
Ndzanoyolo Trading Enterprise	Core Function:Mayor And Council	Support to Traditional Leaders catering	10/11/2023	4,500.00	Request For Fruit Packs For HIV/Aids Awareness
Ndzanoyolo Trading Enterprise	Core Function:Mayor And Council	OHS Catering	10/20/2023	5,200.00	Catering For Municipal Demarcation Board Meeting
Ndzanoyolo Trading Enterprise	Core Function:Mayor And Council	OHS Catering	10/30/2023	5,400.00	Catering Lunch For 45 People On 27/10/2023 At Council Chamber
Ndzanoyolo Trading Enterprise	Core Function:Human Resources	OHS Catering	10/12/2023	7,350.00	Request Vip Morning Tea For Employee Wellness To Be Held On The 11 Oc
Ndzanoyolo Trading Enterprise	Core Function:Mayor And Council	Employees wellness hire charges	10/17/2023	9,600.00	Catering For Traditional Leaders & Headmen's Meeting To Be Held On The 17 October 2023.
Maslu Gamba	Core Function:Corporate Wide Strategic P	IDP catering 515260556	11/11/2023	10,010.00	Request For Lunch Packs For 150 People For Mayoral Imbizo To Be Held On October 2023 At Zikhuba Community Hall
Jest Star	Core Function:Corporate Wide Strategic P	Mayoral Imbizo Roadshows- Hire charges	11/11/2023	10,780.00	Request Lunch Packs For 150 People For Mayoral Imbizo That Will Be Held 2 November 2023 At Nabendovu Community Hall
Tamati Transport Pty Ltd	Core Function:Corporate Wide Strategic P	Whippy support transport hire	11/11/2023	11,494.00	Request Lunch Packs For 150 People For Mayoral Imbizo That Will Be Held November 2023 At Sicofo Bhani Community Hall
Songo Trading And Projects	Core Function:Human Resources	Hire charges OHS	11/2/2023	11,750.00	Request For Tea For 25 People And Still For 25 People For Memorial Ser
Ziko And Lizzy's Trading	Core Function:Solid Waste Removal	Stakeholder meetings	10/5/2023	12,000.00	Request For 50 Lunch Packs For Waste Management Awareness Campaign In
Wildlife & Environment Society	Core Function:Biodiversity And Landscape	Blue Flag Programme application fees 2505260465	10/31/2023	12,275.00	Payment For Blue Flag Application
Khojson Trading	Core Function:Corporate Wide Strategic P	IDP catering 515260555	11/6/2023	12,320.00	Request For Lunch Packs At Ward 8 For Imbizo On The 03 November At Mon
Oonjana Trading	Core Function:Corporate Wide Strategic P	IDP catering 515260555	11/6/2023	12,330.00	Request Lunch Packs For 150 People For Mayoral Imbizo To Be Held On Th October 2023 At Lugwini Jss
H V Test Academy (Pty) Ltd	Core Function:Human Resources	Tuition fees	10/11/2023	12,458.53	Payment For Samkelo Nshiyaniya For Training On High Voltage
Laz Investments	Libraries And Archives:Libraries And A	Newspaper Library 2505	10/30/2023	12,782.00	Payment For Periodicals, August 2023
Aphiwe Chantani Group Society	Core Function:Corporate Wide Strategic P	IDP catering 515260555	11/6/2023	12,870.00	Lunch Packs For Mayoral Imbizo At Ward 11 On The 01/11/2023
Athayanda Mashabane Enterprise	Core Function:Corporate Wide Strategic P	IDP catering 515260555	11/11/2023	13,030.00	Request Lunch Packs For 150 People For Mayoral Imbizo That Will Be Held 31 October 2023 At Nomanesi Malunga Community Hall
Pentagon Group 707	Core Function:Biodiversity And Landscape	Climate Change Catering	10/27/2023	13,076.00	Request For Catering For 100 Participants For Climate Change Workshop
Hume Luni Enterprise	Core Function:Corporate Wide Strategic P	IDP catering 515260555	11/11/2023	13,150.00	Request Lunch Packs For 150 People For Mayoral Imbizo That Will Be Held 31 October 2023 At Noubukhwe Gwala Community Hall
Renkalele Training Centre Cc	Core Function:Human Resources	Tuition fees	10/11/2023	13,900.00	Payment For Phyllasande Mhahle For Electrical Trade Test Preparation
Juw Trading Enterprise Pty Ltd	Core Function:Community Parks (including	RNM Power Tools	10/11/2023	14,200.00	Payment For Maintenance Of Garden Poor Tools
Kwaakras 066 Trading Enterprise	Core Function:Corporate Wide Strategic P	Mayoral Imbizo Roadshows- Hire charges	11/11/2023	14,630.00	Request Lunch Packs For 150 People For Mayoral Imbizo That Will Be Held 1 November 2023 At Nabezulu Community Hall

Credited Name	Function Name	Segment	Order Date	Value	Specifications
Liso Investments (Pty) Ltd	Core Function:Corporate Wide Strategic P	IDP catering 515280555	11/6/2023	15,018.00	Request Lunch Packs For 150 People For Mayoral Imbizo That Will Be He 31 October 2023 At Majola Tshusha Community Hall
Isiqhamo Sa Bambo Ply Ltd	Core Function:Corporate Wide Strategic P	IDP catering 515280555	11/6/2023	15,084.00	Request For Lunch Packs For Imbizo On The 03 November At Ward 3 Sitruk Community Hall
Maphalala Trading	Core Function:Corporate Wide Strategic P	IDP catering 515280555	11/6/2023	15,320.00	Request Lunch Packs For 150 People For Mayoral Imbizo That Will Be Held November 2023 At Lundini Community Hall
Mejife Construction And Project	Core Function:Corporate Wide Strategic P	IDP catering 515280555	11/1/2023	15,380.00	Request For Lunch Packs For Imbizo At Ward 9 On The 03 November At Gci
Thomson Construction And Projec	Core Function:Corporate Wide Strategic P	IDP catering 515280555	11/1/2023	15,630.00	Request For Lunch Packs For Imbizo At Ward 2 On The 03 November At Imbu Community Hall
Base Line Enterprise	Core Function:Corporate Wide Strategic P	IDP catering 515280555	11/1/2023	18,120.00	Request Catering For 150 For Mayoral Imbizo To Be Held On The 31 Octo 2023 At Amos Nogxina Community Hall
Site Meye/ Projects	Core Function:Corporate Wide Strategic P	IDP catering 515280555	11/6/2023	18,294.00	Request Lunch For 150 People For Mayoral Imbizo That Will Be Held On T 2 November 2023 At Makrosonke Community Hall
Bulikhanyo Trading	Core Function:Solid Waste Removal	Catering cleaning campaign 5020260490	10/27/2023	23,618.00	Catering cleaning campaign 5020260490
Driving License Card Account	Non-Core Function:Road And Traffic Regul		10/30/2023	24,332.00	Payment To Driving License Card Account For Month Of October 2023
Tamati Transport Pty Ltd	Core Function:Mayor And Council	IDP catering 515280555	10/27/2023	27,000.00	IDP catering 515280555
Sandiso Zangoxolo Contracting	Core Function:Mayor And Council	Catering Legacy 510280188	10/12/2023	28,500.00	Request 300 Lunch Packs
The Middle Man Enterprise 485	Core Function:Mayor And Council	Transport	10/12/2023	29,500.00	Request 1500 Sealer Tent From The 06/10/23 To 08/10/23

494,201.53

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	Segment	Order Date	Value	Specifications
Ncalaana Trading And Projects	Core Function:Mayor And Council	Promotional items PWD 505260280	10/27/2023	53,855.00	Payment For Pwd Support Material
Chieptan	Core Function:Town Planning Building Re		10/27/2023	69,000.00	Payment For Spetal Development Frame Work
The Dream Girls Entreprisa	Non-Core Function:Population Development	Hire charges disaster awareness	10/11/2023	69,500.00	Catering For 300 People And 50 Still Water Bottles For Disaster Aware Campaign
Sedekho Holdings	Core Function:Biodiversity And Landscape	Environmental Awareness promotional items 2505260485	10/27/2023	77,920.00	Payment For Environmental Awareness Campaign, Promotional Campaign
Ncalaana Trading And Projects	Core Function:Corporate Wide Strategic P	IDP printing and publication 515260565	10/11/2023	79,000.00	Payment For Printing And Binding Of Idp Documents
Faith Lwa 01 (Pty) Ltd	Core Function:Municipal Manager Town Se		10/17/2023	79,500.00	Payment For Printing And Binding Annual Report For 21-22ty
Wits School Of Governance	Core Function:Human Resources	Tuition fees	11/1/2023	116,000.00	Tuition Fee For Ntsholele Ntlanga
Wits School Of Governance	Core Function:Finance	Tuition fees	11/1/2023	174,000.00	Tuition Fees For Mliswa Zanga, Luzuko Mphahle And Athi Cola

718,775.00

10. Status of Tenders

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

a) Mini Tender progress for October 2023

NO	SUCCESSFUL TENDERER	AMOUNT	PAYMENTS	BALANCE	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
1	ISIQHAMO SABAMBO PROJECTS	R 131,490.00	R -	R 131,490.00	WMM LM 11/09/23 CSA & PS	COMMUNITY SAFETY AWARENESS AND PRAYER SESSION	Thursday, October 12, 2023	COMMUNITY SERVICES
2	NCAJANA TRADING AND PROJECTS	R 53,855.00	R 53,855.00	R -	WMM LM 12/09/23 P PWD SM	PROCUREMENT OF PWD SUPPORT MATERIAL	Thursday, October 12, 2023	MUNICIPAL MANAGERS OFFICE
3	THE DREAM GIRLS ENTERPRISE	R 151,950.00	R -	R 151,950.00	WMM LM 11/09/23 P AF	PROCUREMENT OF ANIMAL FEED	Thursday, October 12, 2023	COMMUNITY SERVICES
4	JNW TRADING ENTERPRISE	R 169,800.00	R -	R 169,800.00	WMM LM 11/09/23 P U PS	PROCUREMENT OF UNIFORM FOR PROTECTION SERVICES	Thursday, October 12, 2023	COMMUNITY SERVICES
5	WANDILE AND SONS	R 41,205.00	R -	R 41,205.00	WMM LM 13/09/23 WMAC (M17)	WASTE MANAGEMENT CAMPAIGN	Thursday, October 12, 2023	COMMUNITY SERVICES
6	HAMBANIKUZONKE	R 121,889.00	R -	R 121,889.00	WMM LM 05/09/23 S&D U (EPWP)	SUPPLY AND DELIVERY OF UNIFORM(EPWP)	Thursday, October 12, 2023	COMMUNITY SERVICES
7	ISIQHAMO SA BAMBO	R 187,500.00	R -	R 187,500.00	WMM LM 11/09/23 WC & CLIRT	WARD COMMITTEE AND COUNCILLORS ASSISTANTS TRAINING	Thursday, October 19, 2023	CO-OPERATE SERVICES
8	NCAJANA TRADING AND PROJECTS	R 194,100.00	R -	R 194,100.00	WMM LM 27/09/23 P OE	PROCUREMENT OF OFFICE EQUIPMENT	Thursday, October 19, 2023	COOPERATE SERVICES
9	CJUEY HOLDINGS	R 188,900.00	R -	R 188,900.00	WMM LM 16/10/23 ORT COMA & UMZILA	O.R.A.MBO COMMEMORATION AND UMZILA KA TAMBO RACE	Thursday, October 26, 2023	MUNICIPAL MANAGERS OFFICE
10	FAITH LWA	R 67,750.00	R -	R 67,750.00	WMM LM 19/09/23 P PC OHS	PROCUREMENT OF PROTECTIVE CLOTHING	Tuesday, October 31, 2023	CO-OPERATE SERVICES
		R 1,308,439.00	R 53,855.00	R 1,254,584.00				

b) Tenders awarded during the month of October 2023

Competitive Bidding

NO	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
				Oct-23		
1	Sifra Construction and Projects	R 4 621,749.00	WMM LM 000103 M W18	Construction of Mgutsalala Access Road	Friday, October 6, 2023	Engineering Services
2	Alutha Holdings 82	R 2,270,158.00	WMM LM 000104 CS W08	Construction of Bhukweni to Nshikitsihane Access Road Concrete Slap	Friday, October 6, 2023	Engineering Services
Total		R 6,891,907.00				

c) Status of current tenders

Bid Name	Bid Number	Closing Date	Validity	Validity Period	SGM Official	Status	Department	Members	Days Lapsed	Validity Check	Remaining Days
Multi Discipline Panel of Consultants	WMM/LM 31/05/22/06 MDP	Monday, July 31, 2023	91	Monday, October 30, 2023	Ms. A. Ntongana	To be re-advertised	Engineering Services	Mr. B. Hlangabezo and Ms. N. Mshweshwe	99.00	Expired	-8.00
Multi-Utility Online Pre-paid Electricity Vending Management System	WMM/LM 00088 PVMS	Saturday, May 13, 2023	90	Friday, August 11, 2023	Mr. M. Mtetandaba	To be re-advertised	Engineering Services	Mr. S. Morlock and Ms. Ndzelu	178.00	Expired	-88.00
Revalidation of Township Establishment	WMM/LM 24/08/22/RTE	Thursday, September 14, 2023	90	Wednesday, December 13, 2023	Asithethi Ntongana	To be evaluated	Development Planning	Sihle Khusi, Nyameka Ngejane Nonzaliseko	54.00	Valid	36.00
Service provider for Extension of waste management services	WMM/LM 04/08/22/01/EWM	Monday, September 4, 2023	90	Sunday, December 3, 2023	Mziwethu Mtetandaba	To be evaluated	Community Services	Xakata, Madodonzini Madikizela	64.00	Valid	26.00
Service Provider to Conduct Heritage Research	WMM/LM 11/08/22/02 MHR	Wednesday, June 7, 2023	90	Tuesday, September 5, 2023	Ms. A. Ntongana	To be re-advertised	Municipal Manager	Mr. V. Mgina and Ms. L. Mhlembana	153.00	Expired	-63.00
Contract for Service and Maintenance of a Back-up Generator	WMM/LM 13/04/23/01 BUG	Monday, September 25, 2023	90	Sunday, December 24, 2023	Asithethi Ntongana	To be evaluated	Engineering Services	Vuyani Mgina, Madodonzini Madikizela	43.00	Valid	47.00
General Valuation Roll	WMM/LM 00013 GVR	Monday, September 4, 2023	90	Sunday, December 3, 2023	Asithethi Ntongana	To be evaluated	Development Planning	Sihle Khusi, Nyameka Ngejane	64.00	Valid	26.00

Bid Name	Bid Number	Closing Date	Validity	Validity Period	SCM Official	Status	Department	Members	Days Lapsed	Validity Check	Remaining Days
Design, Manufacturing and Erection of the life, size Bronze	WMM-LM 00097 S WMM B	Wednesday, June 7, 2023	90	Tuesday, September 5, 2023	Ms. A. Ntongana	To be re-advertised	Municipal Manager	Mr. V. Mgina and Ms. L. Mhlembana	153.00	Expired	-53.00
Maintenance of Solar for 36 Months in WMM LM Wards	WMM-LM 000900 MS WMM/L	Monday, July 24, 2023	90	Sunday, October 22, 2023	Ms. A. Ntongana	To be re-advertised	Community Services	Mr. V. Mgina and Ms. L. Mhlembana	106.00	Expired	-16.00
Banking Services for Five Years	WMM-LM 00012 BS	Wednesday, October 25, 2023	90	Tuesday, January 23, 2024	Not Yet Appointed	Closed	B.T.O	Not Yet Appointed	13.00	Valid	77.00
Maintenance of 2 VIP Toilets and Honey Sucking at Mbizana	WMM-LM 000102 MMT&hs	Tuesday, August 22, 2023	90	Monday, November 20, 2023	Mr. M. Mterandaba	To be evaluated	Community Services	Ms. N. Xoko and Ms. Rabie	77.00	Valid	13.00
Construction of Mgqutsalala Access Road in ward 18	WMM-LM 000103 M W18	Monday, August 14, 2023	90	Sunday, November 12, 2023	Ms. A. Ntongana	To be adjudicate d	Engineering Services	Mr. B. Hlangabezo and Ms. N. Mshweshwe	85.00	Valid	5.00
Bhukuveni to Nshikitsihane Access Road	WMM-LM 000104 CS W08	Friday, August 11, 2023	90	Thursday, November 9, 2023	Ms. A. Ntongana	To be adjudicate d	Engineering Services	Mr. B. Hlangabezo and Ms. N. Mshweshwe	88.00	Valid	2.00
Socio-Economic Infrastructure Assessment Study	WMM-LM 004/ S-EIAS	Friday, August 11, 2023	90	Thursday, November 9, 2023	Mr. M. Mterandaba	To be evaluated	Municipal Manager	Ms. N. Xoko and Ms. Rabie	88.00	Valid	2.00
Disposal of 4 Municipal properties	N/A	Friday, May 5, 2023	90	Thursday, August 3, 2023	Mr. M. Mterandaba	To be re-advertised	Development Planning	Mr. S. Morlock and Ms. Ndzelu	186.00	Expired	-96.00
Maintenance of Electricity Infrastructure Project	WMM-LM 13/09/23/01 MEI	Thursday, October 5, 2023	90	Wednesday, January 3, 2024	Not Yet Appointed	Closed	Engineering Services	Not Yet Appointed	33.00	Valid	57.00
Call Out Contract for Crane truck for 12 Months	WMM-LM 13/09/23/02 COC	Monday, October 16, 2023	90	Sunday, January 14, 2024	Not Yet Appointed	Closed	Engineering Services	Not Yet Appointed	22.00	Valid	68.00
Streetlight Maintenance	WMM-LM 13/09/23/03 STM	Thursday, October 5, 2023	90	Wednesday, January 3, 2024	Not Yet Appointed	Closed	Engineering Services	Not Yet Appointed	33.00	Valid	57.00
Customer Care Satisfaction Survey	WMM-LM 13/09/23/04 CCS	Thursday, October 5, 2023	90	Wednesday, January 3, 2024	Not Yet Appointed	Closed	Municipal Manager	Not Yet Appointed	33.00	Valid	57.00
Construction of Mgomazi Access Road	WMM-LM 00013 M A/A	Friday, October 13, 2023	90	Thursday, January 11, 2024	Not Yet Appointed	Closed	Engineering Services	Not Yet Appointed	25.00	Valid	65.00
Bizana Mini Market Phase 2	WMM-LM 24/08/23/01 BMM	Thursday, September 14, 2023	90	Wednesday, December 13, 2023	Mtshwethu Mterandaba	To be evaluated	Development Planning	Vive Nontanda, Nobusi Mshweshwe	54.00	Valid	36.00
Land Audit	WMM-LM 24/08/23/02	Thursday, September 14, 2023	90	Wednesday, December 13, 2023	Astheethi Ntongana	To be evaluated	Development Planning	Sihle Khusi, Nyameka Ngejane	54.00	Valid	36.00

Bid Name	Bid Number	Closing Date	Validity	Validity Period	SCM Official	Status	Department	Members	Days Lapsed	Validity Check	Remaining Days
	MLA	14, 2023		2023							
procurement of Payroll System for Five Years	WMM-LM 00012 PPS	Monday, October 23, 2023	90	Sunday, January 21, 2024	Not Yet Appointed	Closed	Corporate Service	Not Yet Appointed	15.00	Valid	75.00
Indigent Register Verification	WMM-LM 13/09/23/05 IRV	Monday, October 16, 2023	90	Sunday, January 14, 2024	Not Yet Appointed	Closed	Community Services	Not Yet Appointed	22.00	Valid	68.00
Supply and Delivery of Cleaning Resources	WMM-LM 04/08/22/01 SDC	Monday, October 16, 2023	90	Sunday, January 14, 2024	Not Yet Appointed	Closed	Community Services	Not Yet Appointed	22.00	Valid	68.00
Provision of Insurance services	WMM LM 27/10/21/01 PIS	Monday, October 30, 2023	90	Sunday, January 28, 2024	Not Yet Appointed	Closed	B.T.O	Not Yet Appointed	8.00	Valid	82.00
Re-Reviewal of ICT Disaster Recovery	WMM LM 11/02/22/01	Thursday, November 16, 2023	90	Wednesday, February 14, 2024	Not Yet Appointed	On Advert	Corporate Service	Not Yet Appointed	-9.00	Valid	99.00
Procurement of Sever Room	WMM 11/02/22/01 CCR	Thursday, November 9, 2023	90	Wednesday, February 7, 2024	Not Yet Appointed	On Advert	Corporate Service	Not Yet Appointed	-2.00	Valid	92.00
Upgrading of Mbongwana to Greenvile Hospital Access Road	WMM LM 00017 MDG A/R	Friday, November 10, 2023	90	Thursday, February 8, 2024	Not Yet Appointed	On Advert	Engineering Services	Not Yet Appointed	-3.00	Valid	93.00
Construction of Mwilini to Zibanzini Access Road	WMM LM 00018 MZ A/R	Monday, November 13, 2023	90	Sunday, February 11, 2024	Not Yet Appointed	On Advert	Engineering Services	Not Yet Appointed	-6.00	Valid	96.00
Construction of Ntanezwe to Sizabonke Access Road	WMM LM 00019 NS A/R	Tuesday, November 14, 2023	90	Monday, February 12, 2024	Not Yet Appointed	On Advert	Engineering Services	Not Yet Appointed	-7.00	Valid	97.00
Construction of Mhlwazini Access Road	WMM LM 00020 M A/R	Wednesday, November 15, 2023	90	Tuesday, February 13, 2024	Not Yet Appointed	On Advert	Engineering Services	Not Yet Appointed	-8.00	Valid	98.00
Construction of Thleni Bridge	WMM LM 00021 T BR	Friday, November 17, 2023	90	Thursday, February 15, 2024	Not Yet Appointed	On Advert	Engineering Services	Not Yet Appointed	-10.00	Valid	100.00

d) Deviations

A Laptop that contained critical information which was required within stipulated time frames either for audit or other purposes stopped working and could not be fixed within the municipality. The information from the backup of the municipality had missing information which made it an emergency that the computer be brought back to use as soon as possible. The Laptop was also very key on the Financial Statements that are currently being Audited, therefore immediate action had to be taken to mitigate the risk of losing the information. It was then taken to a manufacturer approved repair center which then made it impossible to follow normal procurement processes as there is only one manufacturer approved supplier closer to the municipality being in Durban.

WINNIE MADIKIZELA -MANDELA LOCAL MUNICIPALITY											
DEVIATIONS REGISTER											
TRANSACTION DETAILS								PROCUREMENT PROCESS			
Date Reported to council	Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Deviation
N/A	Tuesday, October 10, 2023	000-17003	Esure Technical Service	R 3,837,44	Computer Repairs	Municipal Manager	Tuesday, October 10, 2023	Corporate Services	3 quotation	1 Quotation	Emergency Repairs

e) Irregular, Fruitless and Wasteful Expenditure

There was no irregular expenditure identified for the month ended 31 October 2023.

11. Database utilisation

The following table indicates the service providers that have been utilised for the month of October 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.

Creditor name	Creditor Address	Function Name	Value	Status	Specifications	Ward no.	CSDRefNumb et
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Municipal Manager	1,800.00	OPEN	REQUEST TO ADVERTISE PUBLIC NOTICE FOR MAYORAL IMBIZO OUTREACH PROGRAM ON 2 LOCAL NEWS PAPERS	Ward 17	MAAA057043
ISANGA BUSINESS SOLUTIONS	P.O BOX 84 BIZANA WARD 4800	Mayor and Council	1,950.00	RECEIVED	REQUEST FOR LUNCH FOR RATE PAYERS AND EXECUTIVE COMMITTEE MEETING	Ward 18	MAAA084343
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Project Management Unit	1,998.70	RECEIVED	REQUEST TO ADVERTISE UPGRADING OF MBONGWANA VIA DOTYE TO GREENVILLE HO CONSTRUCTION OF THALENI BRIDGE; CONSTRUCTION OF MWULINI TO ZIBANINI; CONSTRUCTION OF NTLANEZWE TO SIZABONKE AND CONSTRUCTION OF MHLWAZI ACC	Kokstad	MAAA094340
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Municipal Manager	1,998.70	RECEIVED	REQUEST TO ADVERTISE NOTICE FOR MAYORAL IMBIZO OUTREACH PROGRAM	Kokstad	MAAA094340
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Population Development	1,998.70	RECEIVED	REQUEST FOR ADVERTISEMENT OF MAINTENANCE OF TRAFFIC LIGHTS FOR 3YEARS C	Kokstad	MAAA094340
LUSIKISKI SPARES CC	P O BOX 207 PORT SHEPSTONE 4240	Police Forces Traffic	1,999.99	RECEIVED	REQUEST FOR REPLACEMENT OF BATTERY FOR POUND BACKUP GENERATOR 12V 66AH /630CCA/ 105RRC	Ward 1	MAAA049038
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Economic Development	2,000.00	RECEIVED	REQUEST FOR A NEWS PAPER ADVERT DEVELOPMENT OF WILD COAST PRECINCT PLANS	Ward 17	MAAA057043
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Human Resources	2,000.00	RECEIVED	Request for Re-Advertisement of Disaster Recovery Plan	Ward 17	MAAA057043
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Human Resources	2,000.00	RECEIVED	Request for Re-Advertisement of Server Room Infrastructure	Ward 17	MAAA057043
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Population Development	2,000.00	RECEIVED	REQUEST FOR RE-ADVERTISEMENT FOR PANEL OF SERVICE PROVIDERS FOR CLEAN RESOURCES FOR 3 YEARS	Ward 17	MAAA057043
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Economic Development	2,000.00	RECEIVED	REQUEST FOR AN ADVERT TO RECRUIT A DEALER FOR THE INTEGRATED ENERGY CE	Ward 17	MAAA057043
MIE (Pty) Ltd	P.O Box 525 Irene; Centurion 0062	Human Resources	4,326.65	OPEN	PAYMENT FOR QUALIFICATION VERIFICATION	Pretoria	MAAA000110
NDIZANDYOLO TRADING ENTERPRISE	P.O BOX 67 BIZANA 4800 4800	Mayor and Council	4,500.00	RECEIVED	REQUEST FOR FRUIT PACKS FOR HIV/AIDS AWARENESS	Ward14	MAAA008588
NDIZANDYOLO TRADING ENTERPRISE	P.O BOX 67 BIZANA 4800 4800	Mayor and Council	5,200.00	OPEN	CATERING FOR MUNICIPAL DERMACATION BOARD MEETING	Ward 14	MAAA008588
NDIZANDYOLO TRADING ENTERPRISE	P.O BOX 67 BIZANA 4800 4800	Mayor and Council	5,400.00	OPEN	CATERING LUNCH FOR 45 PEOPLE ON 27/10/2023 AT COUNCIL CHAMBER	Ward 14	MAAA008588
NDIZANDYOLO TRADING ENTERPRISE	P.O BOX 67 BIZANA 4800 4800	Human Resources	7,350.00	RECEIVED	REQUEST VIP MORNING TEA FOR EMPLOYEE WELLNESS TO BE HELD ON THE 11 OC	Ward 14	MAAA008588
NDIZANDYOLO TRADING ENTERPRISE	P.O BOX 67 BIZANA 4800 4800	Mayor and Council	9,600.00	RECEIVED	CATERING FOR TRADITIONAL LEADERS & HEADMAN'S MEETING TO BE HELD ON THE 17 OCTOBER 2023.	Ward 14	MAAA008588
MSUTU GANTSA	MSIZAZWE 961 ROAD BIZANA WARD 24 4800	Wide Strategic Planning	10,010.00	OPEN	REQUES FOR LUNCH PACKS FOR 150 PEOPLE FOR MAYORAL IMBIZO TO BE HELD ON OCTOBER 2023 AT ZIKHUBA COMMUNITY HALL	Ward 24	MAAA140249
JEST STAR	AMANGUTYANA ADMINISTRATIVE ARE NTSIMBINI LOCATION WARD 12 4800	Corporate Wide Strategic Planning	10,780.00	OPEN	REQUEST LUNCH PACKS FOR 150 PEOPLE FOR MAYORAL IMBIZO THAT WILL BE HELD 2 NOVEMBER 2023 AT NTAENDLOVU COMMUNITY HALL	Ward 12	MAAA136298

Creditor name	Creditor Address	Function Name	Value	Status	Specifications	Ward no.	CSDR#Numb cc
TAMATI TRANSPORT PTY LTD	P.O BOX 77 BIZANA WARD 17 4800	Corporate Wide Strategic Planning	11,494.00	OPEN	REQUEST LUNCH PACKS FOR 150 PEOPLE FOR MAYORAL IMBIZO THAT WILL BE HEL NOVEMBER 2023 AT SICILO BHANI COMMUNITY HALL	Ward 17	MAAA036914 7
SONGO TRADING AND PROJECTS	NGCINGO LOCATION AMANGUTYANA AA WARD 13 4800	Human Resources	11,750.00	OPEN	REQUEST FOR TEA FOR 25 PEOPLE AND STILL FOR 25 PEOPLE FOR MEMORIAL SER	Ward 13	MAAA140341 8
ZUKO AND LUZZYS TRADING	P.O BOX 12 BIZANA WARD 1 4800	Solid Waste Removal	12,000.00	RECEIVED	REQUEST FOR 50 LUNCH PACKS FOR WASTE MANAGEMENT AWARENESS CAMPAIGN IN	Ward 1	MAAA042506 1
wildlife & environment society	P.O box 394 howick	Biodiversity and Landscape	12,275.00	OPEN	PAYMENT FOR BLUE FLAG APPLICATION	Howick	MAAA005445 3
H V Test Academy (Pty) Ltd	17 GAILEY AVENUE ROBINDALE RANDBURG 2194	Human Resources	12,458.53	RECEIVED	PAYMENT FOR SAMKELO NTSHIVANTSHIVA FOR TRAINING ON HIGH VOLTAGE	Randburg	MAAA078537 7
ATHAYANDA MASHABANE ENTERPRISE	P.O BOX 299 REDOUBT WARD 18 4800	Corporate Wide Strategic Planning	13,030.00	OPEN	REQUEST LUNCH PACKS FOR 150 PEOPLE FOR MAYORAL IMBIZO THAT WILL BE HEL 31 OCTOBER 2023 AT NOMANESI MALUNGA COMMUNITY HALL	Ward 18	MAAA047839 9
PENTAGON GROUP 707	AMANGUTYANA A/A MIBONGWENI LOCATION WARD 14 4800	Biodiversity and Landscape	13,076.00	OPEN	REQUEST FOR CATERING FOR 100 PARTICIPANTS FOR CLIMATE CHANGE WORKSHOP	Ward 14	MAAA125338 7
HULME LUMI ENTERPRISE	LURHOLWENI LOCATION BIZANA 4800	Corporate Wide Strategic Planning	13,150.00	OPEN	REQUEST LUNCH PACKS FOR 150 PEOPLE FOR MAYORAL IMBIZO THAT WILL BE HEL 31 OCTOBER 2023 AT NOBUKHWE GWALA COMMUNITY HALL	Ward 1	MAAA124521 4
RENKALEC TRAINING CENTRE CC	69 ORIBI AVENUE CLAYVILLE EAST	Human Resources	13,900.00	RECEIVED	PAYMENT FOR PHILASANDE MBHELE FOR ELECTRICAL TRADE TEST PREPARATION	Ayville	MAAA063368 6
JNW TRADING ENTERPRISE PTY LTD	P.O BOX 425 PORT EDWARD WARD 31 4800	Community Parks (including	14,200.00	RECEIVED	PAYMENT FOR MAINTENANCE OF GARDEN POER TOOLS	Ward 31	MAAA025202 1
KWAKHA'S 065 TRADING ENTERPRIS	P.O BOX 578 WARD 19 BIZANA 4800	Corporate Wide Strategic Planning	14,630.00	OPEN	REQUEST LUNCH PACKS FOR 150 PEOPLE FOR MAYORAL IMBIZO THAT WILL BE HEL 1 NOVEMBER 2023 AT NTABEZULU COMMUNITY HALL	Bizana	MAAA036648 4
MEVFE CONSTRUCTION AND PROLEC	P.O BOX 210168 WARD 9 BIZANA 4800	Corporate Wide Strategic Planning	15,380.00	OPEN	REQUEST FOR LUNCH PACKS FOR IMBIZO AT WARD 9 ON THE 03 NOVEMBER AT GCI	Bizana	MAAA010839 4
THOMSON CONSTRUCTION AND PROLE	77 MAIN STREET, OFFICE NO. 5 KOKSTAD 4700	Corporate Wide Strategic Planning	15,630.00	OPEN	REQUEST FOR LUNCH PACKS FOR IMBIZO AT WARD 2 ON THE 03 NOVEMBER AT MBU	Kokstad	MAAA092930 3
BASE LINE ENTERPRISE	IMIZIZI LOCATION BIZANA WARD 20 4800	Corporate Wide Strategic Planning	18,120.00	OPEN	REQUEST CATERING FOR 150 FOR MAYORAL IMBIZO TO BE HELD ON THE 31 OCTO 2023 AT AMOS NOGXINA COMMUNITY HALL	Ward 1	MAAA073124 8
BUUKHANYO TRADING	NOMLACU LOCATION ESIKHUMBENI AA ward 26 4800	Solid Waste Removal	23,618.00	RECEIVED	Catering for 70 people	Ward 26	MAAA135378 0
BUUKHANYO TRADING	NOMLACU LOCATION ESIKHUMBENI AA ward 26 4800	Solid Waste Removal	23,618.00	RECEIVED	Hiring of TLB	Ward 26	MAAA135378 0
DRIVING LICENSE CARD ACCOUNT	P.O. BOX 25223 MONUMENT PARK PRETORIA 0105	Road and Traffic Regulations	24,332.00	RECEIVED	PAYMENT TO DRIVING LICENSE CARD ACCOUNT FOR MONTH OF OCTOBER 2023	Pretoria	MAAA035774 1
TAMATI TRANSPORT PTY LTD	P.O BOX 77 BIZANA WARD 17 4800	Mayor and Council	27,000.00	RECEIVED	Transport services	Ward 17	MAAA036914 7

Creditor name	Creditor Address	Function Name	Value	Status	Specifications	Ward no.	CSD Ref Number
TAMATI TRANSPORT PTY LTD	P.O BOX 77 BIZANA WARD 17 4800	Mayor and Council	27,000.00	RECEIVED	Transport services	Ward 17	MAAA036914 7
SANDISO ZANGOXOLO CONTRACTING	P.O BOX 3 WARD 14 BIZANA 4800	Mayor and Council	28,500.00	RECEIVED	REQUEST 300 LUNCH PACKS	Ward 1	MAAA060135 6
THE MIDDLE MAN ENTERPRISE 485	P.O. BOX 14 BIZANA WARD 01 4800	Mayor and Council	29,500.00	RECEIVED	REQUEST 1500 SEATER TENT FROM THE 05/10/23 TO 08/10/23	Ward 01	MAAA021557 1

453,574.27

12. Regulation 17(1) c Procurement

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

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

SECTION 17 TRANSACTION DETAILS							PROCUREMENT PROCESS			
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
Not Paid		Government Printing Works	R 15,132.00	Printing Works for Provincial and Local Important Documents	Z. Zukulu	Friday, July 7, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Not Paid	N/A	ILGM	R 1,070.00	Membership Fees for CFO	Z. Zukulu	Thursday, August 17, 2023	Budget and Treasury	NO	One quote requested	Sole Provider
Monday, July 31, 2023	ECPNA2023/12941	South African Local Government Association	R 5,000.00	Membership Fees for CFO, Hon Mayor, MM and Speaker	Z. Zukulu	Friday, August 18, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Monday, July 31, 2023	218078333	University of KwaZulu Natal	R 25,000.00	Study Fees for Operations and Maintenance Manager	Z. Zukulu	Tuesday, July 25, 2023	Corporate Services	NO	One quote requested	Sole Provider
Not Paid	N/A	Government Printing Works	R 1,008.78	Printing Works for Provincial and Local Important Documents	Z. Zukulu	Friday, August 25, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Friday, September 15, 2023	PJNV04428	ESRI South Africa	R 24,562.23	GIS-Software	Z. Zukulu	Friday, August 25, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Monday, July 31, 2023	300059842	Institute for Internal Auditors	R 14,019.08	Membership Fees for Manager Internal Auditor	Z. Zukulu	Thursday, July 20, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Thursday, August 31, 2023	22112411/20232	Stadio Higher Education	R 3,330.00	Study Fees for Fleet Officer	Z. Zukulu	Tuesday, August 15, 2023	Corporate Services	NO	One quote requested	Sole Provider
Saturday, September 30, 2023	JN.0003645	S.A. Borad for Peoplo Practices	R 2,300.00	Local Government Oversight for Mr. Josele	Z. Zukulu	Wednesday, September 27, 2023	Corporate Services	NO	One quote requested	Sole Provider
Saturday, 11/7/29	CIGFARO		R	Membership Fees	Z. Zukulu	Thursday,	Municipal	NO	One quote	Sole Provider

SECTION 17 TRANSACTION DETAILS							PROCUREMENT PROCESS			
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
September 30, 2023			15,796.00	for CFO and Municipal Manager		September 28, 2023	Manager's Office		requested	
Wednesday, October 11, 2023	1000620	HV Test Academy	R 12,458.53	Fees for Training	Z. Zikulu	Tuesday, October 10, 2023	Engineering office	NO	One quote requested	Sole Provider
Wednesday, October 11, 2023	INV2023072102	Renkale Training centre	R 13,900.00	Fees for Training	Z. Zikulu	Tuesday, October 10, 2023	Engineering office	NO	One maintenance	Sole Provider
Tuesday, September 12, 2023	Gov0911	Sita	R 31,600.00	Study Fees Electricity Officials	Z. Zikulu	Tuesday, September 12, 2023	Engineering office	NO	One quote requested	Sole Provider
Total			R 165,176.62							

13. Contract Management

SI116(2) of the MFMA requires that the accounting officer of a municipality must –

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

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

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Closing Balance	22-Oct	Current year Expenditure	Closing Balance
Zama Dunga Business Enterprise	Construction of Mbizana Civic Centre	MBIZ/LM/27/02/1 8/02/ENG	R 81,933,542.18	R 31,984,133.12	R 11,103,524.71	R 619,052.95	R 1,420,411.67	R 3,707,098.64
Sage VIP	Payroll System	None Provided	-	-R 283,395.82	-R 557,458.19	-	-	-R 861,144.95
Sizane Consulting	General Valuation Roll 2019/2024	Valuation Roll 2019/2024	R 1,576,425.00	R 581,897.44	R 581,897.44	R -	R -	R 581,897.44
Munsoft (PTY) LTD	Financial and Billing System	MBIZ LM/ICT DUE DELIGENTS	R -	-R 5,318,113.79	-R 10,174,125.16	R -	R 285,908.98	-R 15,190,732.91
Indwe Risk Services	Provision of Insurance Services	MBIZ LM/02/05/18/IN S/BTO	R 876,543.75	R -	-R 2,567,674.53	R -	R -	-R 4,806,877.51
First Rand Limited	Provision of Banking Services	MBIZ LM/06/03/18/LT/ BTO	R -	-R 7,524,870.94	-R 9,657,484.60	R -	R -	-R 16,245,864.06
Conlog	Prepaid electricity agent	Fat6/1/1/5	-	-R 6,777,453.16	-R 7,349,569.20	-	-	-R 8,789,825.27
West Bank Limited	Fuel	MBIZ LM/06/03/18/LT/ BTO	R -	R -	-R 5,521,475.59	R -	R -	-R 5,975,851.29
Kumyol Investments	Debt collection services for 3 years	MBIZ LM 00022 DCS	R 0.13	R 0.13	-R 1,382,984.78	R -	R -	-R 2,224,282.98
Khanya Africa Networks	Integrated Financial Records and Archiving Solutions (IFRA) for 3 years	MBIZ LM 0035 IFRA	R 5,300,000.00	R 455,292.19	R 455,292.19	R -	R -	R 208,042.19
Vodacom Pty Ltd	Procurement of Mobile Contract	MBIZ LM 0040 P/MC	R -	-R 5,602,000.00	-R 9,329,270.59	R -	R -	-R 13,575,722.50
ODG Technologies PTY Ltd	Panel of Electrical Engineering Consultants(Ele Load Forecasting)	MBIZ LM 0055 CON	R 345,000.00	R 345,000.00	R 345,000.00	R -	R -	R -
Resteam Engineering PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R -	R -	R -	R -	R -	R -
Emerald Metering and Utility Management Pty Ltd	Supply & Maintenance of Automated Meter Reading System for 3 years	MBIZ LM 0085 AMRS	R 2,129,902.23	R 1,800,336.15	R 101,409.53	R -	R 105,558.98	-R 1,210,262.35
Ikhayisa Design Workshop	Panel of Consultants- Architectural: Temporary Traders Stalls and Civil Works	MBIZ LM 0055 CON	R 956,705.82	R 287,011.75	R 287,011.75	R -	R 280,772.35	R 6,239.40

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Closing Balance	22-Oct	Current Year Expenditure	Closing Balance
Ibhayisa Design and Workshop	Manufacturing Hubs	WMM- LM/Panel of Consultants)	R 3,850,372.50	R 3,850,372.50	R 3,164,366.38	R -	R -	R 2,017,822.13
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 21,224,400.00	R -	R 96,600.00	R 10,251,100.00
BMK Consulting Engineering	Tshuze To Luphilswe Access Road Maintenance of Recreational Facilities	MBIZ LM 0055 CON	R 1,232,705.70	R 1,232,705.70	R 205,357.73	R -	R -	R 234.29
Phahle Construction	WMM LM 16/09/20/01	-	R -	R -	R -	R -	R -	-R 448,965.09
Dr Sugudhavi- Sawpersadh Attorneys	Provision of Legal Services	WMM LM 25/08/21	R -	R -	-R 456,420.78	R -	R 74,687.28	-R 2,842,865.72
Z.N.Mshabe	Provision of Legal Services	WMM LM 25/08/21	R -	R -	-R 2,243,140.26	R -	R 571,369.79	-R 5,779,088.55
Techeeds 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 -	R 5,897,168.03
Zilnzame Consulting Engineers	Sidanga Access Road with a Bridge	MBIZ LM 0055 CON	R 3,256,364.38	R 3,256,364.38	R 2,534,725.60	R -	R -	R 102,691.34
Oracle Energy and Power	Electrification of Nemlacu Village	WMM LM000656 MV	R 5,485,723.24	R 5,485,723.24	R 5,485,723.24	R -	R 2,259,518.12	R 946,482.55
EKS Vehicle Tracking	Vehicle Tracking Services	Transversal Contracts(RT- 46)	R -	R -	R -	R -	R 20,661.39	-R 186,733.77
Isivuno Esihle Construction	Construction of Tshuze to Luphilsweni Access Road	WMM/LM 00097	R 7,534,851.06	R 7,534,851.06	R 7,534,851.06	R -	R -	R 805,691.59
YG Solutions	Electrification of Maserweni Village	WMM LM 0060E	R 8,162,989.79	R 8,162,989.79	R 8,162,989.79	R -	R -	R 2,586,167.62
Iheans Travelling Agency	Provision of Travelling Agency for 36 months	WMM LM 30/06/22/01 TRA	R -	R -	R -	R -	R 581,542.99	-R 755,466.27
Tunimart(Pty)LT D	Provision of Travelling Agency for 36 months	WMM LM 30/06/22/01 TRA	R -	R -	R -	R -	R 628,779.07	-R 1,114,781.33
Bomba Diesel	Supply and Delivery of Stationary for 12 months	WMM LM 18/09/09/1/01	R -	R -	R -	R -	R 492,900.00	-R 776,106.73
Thabie Project Jv Ayagu Construction	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 1,999,034.91	R 1,999,075.23
Mabozele 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 -	R -	R 2,354,907.64

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought Forward	Closing Balance	23-Oct	Current year Expenditure	Closing Balance
XS Dollatz	Construction of DLTC Guard House	WMM LM 08/12/22/01 CGH	R 860,706.00	R 860,706.00	R 860,706.00	R -	R -	R 129,105.90
Nixtwe Group	Repairs and Maintenance of Municipal Main Building	WMM LM 00099 R&M MB WMM LM 25/05/22/05 ECDC	R 1,557,620.17	R 1,557,620.17	R 1,557,620.17	R -	R -	R 410,097.58
XS Dollatz	Construction of Ward 13 ECDC	WMM LM 08/12/22/02 HPC	R 4,061,813.16	R 4,061,813.16	R 3,494,043.85	R -	R 1,262,029.72	R 493,499.33
Thahle Projects JV Ayagu Trading	Hiring of Construction 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 -	R 1,706,855.31	R 615,751.98
Moya Trading and Projects	Social and Disaster Relief Material for 3 years	WMM LM 0064 SRM	R -	R -	R -	R -	R 193,000.00	-R 1,173,420.00
Mabozela Trading and Enterprise	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 9,520,610.95	R 9,520,610.95	R 7,894,646.45	R 1,315,446.99	R 1,874,651.46	-R 752,440.40
Mvi Construction and Maintenance	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 8,360,152.80	R 8,360,152.80	R 5,660,152.80	R 1,412,404.13	R 2,552,472.58	-R 2,204,010.77
Manyobo Group LG Construction TA LGC	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 6,825,933.78	R 6,825,933.78	R 6,825,933.78	R -	R 2,885,225.67	-R 393,647.48
Restasem Engineering PTY Ltd	Electrification of Msaamweni Village	MBIZ LM 0055 CON	R 607,200.00	R 607,200.00	R 607,200.00	R -	R -	R 201,590.40
Wosa Nawe 16	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 3,687,053.32	R 3,687,053.32	R 1,632,704.82	R 789,029.95	R 1,755,178.20	-R 1,654,789.97
Mayile Solutions	Provision of Internal Services	WMM LM 06/10/22/03 IAS	R -	R -	R -	R -	R -	-R 650,578.00
ZML Group	Electrification of Ziziyani Village	WMM LM 00058E	R 7,836,167.58	R 7,836,167.58	R 7,836,167.58	R 245,444.28	R 3,177,442.62	R 1,396,377.87
Manyobo Group	Rehabilitation of Dumping Site for a Period of 18 Months	WMM LM 04/08/22/02 RMD	R -	R -	R -	R 260,000.00	R 825,307.81	-R 1,059,707.81
Lilitha Project Managers	Preparation of GRAP Compliant Immovable Fixed Asset Register	WMM LM 14/06/22 FAR	R 1,722,106.00	R 1,722,106.00	R 1,722,106.00	R -	R -	R 1,722,106.00
Wandile and Son Trading Pty Ltd	Multi Three Year Contract for Supply and Delivery of Electricity Material	WMM LM 03/11/22/05 EMT	R -	R -	R -	R -	R -	R -

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	Closing Balance	23-Oct	Current Year Expenditure	Closing Balance
Nikhwe Group	Multi Discipline Panel of Consultants for a Period of 3 years	WMM LM 25/03/22/01 MDP	R -	R -	R -	R -	R -	R -
VHB and Associates	Construction of Mbizana Civic Centre	MBIZ LM27/02/1 8/02ENG	R 3,811,832.48	R 3,811,832.48	R 3,811,832.48	R -	R -	R 3,430,649.24
Nikhwe Group	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 1,000,305.05	R 1,000,305.05	R 1,000,305.05	R -	R -	R 1,000,305.05
Citi Cargo	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 1,302,481.25	R 1,302,481.25	R 1,302,481.25	R -	R 898,150.00	-R 472,395.99
Masio 85 Projects	Refurbishment of Low Voltage Lines in Extension 4	WMM LM 00081 RVL	R 3,491,945.22	R 3,491,945.22	R 3,491,945.22	R 809,165.07	R 2,093,341.32	R 1,398,603.90
Zinzame Consulting Engineers	Multi Discipline Panel of Consultants for a Period of 3 years	WMM LM 25/03/22/01 MDP	R -	R -	R -	R -	R -	R -
Zinzame Consulting Engineers	Rehabilitation of Access Road	MBIZ LM 0055 CON	R 307,674.95	R 307,674.95	R 307,674.95	R -	R -	R 59,083.23
S Zoko Consulting	Rehabilitation of Access Road	MBIZ LM 0055 CON	R 508,801.44	R 508,801.44	R 508,801.44	R -	R 68,558.95	R 27,338.44
S Zoko Consulting	Rehabilitation of Access Road	MBIZ LM 0055 CON	R 433,683.34	R 433,683.34	R 433,683.34	R -	R -	R 159,301.47
Zinzame Consulting Engineers	Maintenance of Monti Access Road	MBIZ LM 0055 CON	R 253,105.02	R 253,105.02	R 253,105.02	R -	R -	R 12,190.01
Zinzame Consulting Engineers	Construction of Majazi Landfill Site	MBIZ LM 0055 CON	R 10,217,253.61	R 10,217,253.61	R 10,217,253.61	R -	R -	R 9,030,991.07
The Mane's	Car Wash Services for 12 Months	WMM LM 26/10/22/03 CWS	R -	R -	R -	R -	R 59,050.00	-R 59,050.00
Nkweli AM	Fencing of Mphuthuni Matumbatha Stadium	WMM LM 04/05/23/06	R 4,863,852.26	R 4,863,852.26	R 4,863,852.26	R -	R 3,673,679.89	R 1,190,172.37
The Mane's	Supply and Delivery of Cleaning Resources	WMM LM 04/08/22/01 SDC	R -	R -	R -	R -	R 182,030.00	-R 182,030.00
Citechan	Kubha/Magushen LSDF	WMM LM 12/4/0822 K/M LSDF	R 276,000.00	R 276,000.00	R 276,000.00	R -	R 12,000.00	R 264,000.00
Masio Jv Kresta Green	Nomlacu Electrification Phase 2	WMM LM 04/05/23/01 ENP	R 5,221,160.12	R 5,221,160.12	R 5,221,160.12	R -	R 2,695,211.32	R 2,525,948.80

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO.	Contract Amount	Balance Brought down	Closing Balance	23-Oct	Current Year Expenditure	Closing Balance
ODG Technologies PTY Ltd	Nomlacu Electrification Phase 2	WMM LM 04/05/23/01 ENP	R 1,035,116.46	R 1,035,116.46	R 1,035,116.46	R 622,035.39	R 622,035.39	R 413,081.07
Sira Construction	Construction of Mqutsalala Access Road	WMM LM 000103 M W18	R 4,621,749.00	R 4,621,749.00	R 4,621,749.00	R -	R 792,192.60	R 3,829,556.40
Alutha Holding 82/ Show Love and Care	Construction to Nshikishane to Bhukuveni Access Road	WMM LM 000104 CS W08	R 2,270,158.00	R 2,270,158.00	R 2,270,158.00	R 770,712.00	R 770,712.00	R 1,499,446.00
			R 275,380,633.39	R 192,260,351.35	R 129,917,571.04	R 6,072,578.76	R 36,761,397.88	-R 29,171,696.30

PART 2 – SUPPORTING DOCUMENTATION

1. 2022/23 Audit Progress

The municipality prepared and submitted Annual Financial Statements for the year ended 30 June 2023 to the Auditor General of South Africa on 31 August 2023 as required.

Compared to the 2022 audit where the Auditor General could not perform planning separately, in the current audit they were able to conduct planning by March 2023. This is a process that normally gives them an idea of the areas to focus on during the audit come the end of the year and also determine sample sizes that might be necessary to perform all necessary procedures. The current audit has a completely new team from the auditors' side requiring a lot more effort in assisting the process than is normally required, they are very strict on timeframes and have no tolerance for any type of delays.

The following milestones have been covered:

- Presentation of the engagement letter and signing by the MM
- Presentation of the audit strategy and planning report

By the end of October 2023, 62 RFIs had been issued and responded to compared to 27 at the same time in the previous audit. 14 communications of audit findings had been raised by the end of the month compared to no communication of audit findings at the same point last year.

As was expected that more engagements started during the month of October 2023 as this is the time where auditors have had sufficient time to look at the information provided and are working towards finalising their audit processes to allow review processes to take place.

Current issues raised relate to supporting information that is not updated to agree to the information reported and other supporting information, examples of these are as follows:

- Tender registers incorrect
- Work in progress registers incorrect
- Completion certificates reflecting incorrect completion costs

There has also been an issue surrounding the accounting treatment of the INEP projects that has been brought about by the guidelines issued by National Treasury which have created problems for most of the municipalities in the country. There are currently discussions between the Auditor General and the National Treasury regarding the applicability of these and how they should be regarded.

2. Implementation of the Finance Management Internship Programme

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

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

Over the past months from January 2023 we have been reporting resignations of a number of interns resulting in three additional vacancies that were pending finalisation before the end of the month.

A report from the recruitment processed indicated that the processes were finalised and three additional interns commenced duties during the month of September 2023.

3. Debtors' analysis

Summary of all Debtors

EC443 Winnie Madikizela Mandela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.c.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5,672	1,682	1,653	1,534	1,317	1,623	978	11,311	25,770	16,763		
Receivables from Non-exchange Transactions - Property Rates	1400	1,236	317	14,912	281	280	258	257	33,037	50,590	34,113		
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	2	-	-	-	-	-		
Receivables from Exchange Transactions - Waste Management	1600	49	15	16	2	2	2	2	2,083	2,171	2,092		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	617	600	-	399	399	399		
Interest on Arrear Debtor Accounts	1810	1,637	824	642	630	-	-	571	15,557	21,078	17,975		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	635	245	243	244	241	224	217	7,633	9,681	8,538		
Total By Income Source	2000	9,230	3,083	17,465	2,692	2,456	2,707	2,026	70,021	109,679	79,901	-	-
2022/23 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,225	614	15,018	411	379	896	360	34,911	53,814	36,957		
Commercial	2300	7,364	2,168	2,148	2,002	1,804	1,560	1,419	21,170	39,633	27,954		
Households	2400	642	301	299	279	274	251	246	13,940	16,232	14,990		
Other	2500	-	-	-	-	-	-	-	-	-	-		
Total By Customer Group	2600	9,230	3,083	17,465	2,692	2,456	2,707	2,026	70,021	109,679	79,901	-	-

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

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

4. Creditors' analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description	NT Code	Budget Year 2023/24									Prior year
		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	totals for chart (same period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	2								2	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	2	-	-	-	-	-	-	-	2	-

The above table shows the municipality's creditors and their ageing.

5. Investment portfolio analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M04 October

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	Commissio n Paid (Rands)	Commissio n Recipient	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
FNB CALL DEPOSIT ACCOUNT(62550717767)		Not fixed	Call Deposit	No	Variable	0.006019362	0	n/a	not fixed	8,698	52	(371)	-	8,379
FNB CALL DEPOSIT ACCOUNT(62459758078)		Not fixed	Call Deposit	No	Variable	0.006157569	0	n/a	not fixed	8	0	-	-	8
FNB CALL DEPOSIT ACCOUNT(62028477992)		Not fixed	Call Deposit	No	Variable	0.006071555	0	n/a	not fixed	410,658	2,493	(27,093)	-	386,058
FNB CALL DEPOSIT ACCOUNT(62816769220)		Not fixed	Call Deposit	No	Variable	0.006157542	0	n/a	not fixed	355	2	-	-	357
FNB CALL DEPOSIT ACCOUNT(62816773073)		Not fixed	Call Deposit	No	Variable	0.00615754	0	n/a	not fixed	813	5	-	-	818
FNB CALL DEPOSIT ACCOUNT(62896110170)		Not fixed	Call Deposit	No	Variable	0.006157408	0	n/a	not fixed	27	0	-	-	27
FNB CALL DEPOSIT ACCOUNT(62852109531)		Not fixed	Call Deposit	No	Variable	0.006157534	0	n/a	not fixed	2,641	16	-	-	2,657
FNB CALL DEPOSIT ACCOUNT(62550715828)		Not fixed	Call Deposit	No	Variable	0.006157534	0	n/a	not fixed	1,462	9	(9)	-	1,462
										424,661	2,578	(27,473)	-	399,767
Entities														
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									424,661		(27,473)	-	399,767

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 R27.4 million which lead to an decrease in its investments for the month of October 2023. It should however be noted that this only reflects the difference between what was received and what was spent.

6. Allocation and grant receipts and expenditure

a) Transfers & Grants Receipts

EC443 Winnie Madikizela Mandela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		--	349,397	--	--	145,073	116,466	27,476	23.6%	349,397
Local Government Equitable Share		--	341,204	--	--	142,168	113,735	28,433	25.0%	341,204
Finance Management		--	2,100	--	--	2,100	700			2,100
Integrated National Electrification Programme		--	--	--	--	--	--			--
EPWP incentive		--	3,222	--	--	805	1,074			3,222
Neighbourhood Development Partnership Grant		--	--	--	--	--	--			--
Municipal Infrastructure Grant	3	--	2,871	--	--	--	957	(957)	-100.0%	2,871
Other transfers and grants [insert description]		--	--	--	--	--	--			--
Provincial Government:		--	500	--	--	--	167	(167)	-100.0%	500
Health subsidy		--	--	--	--	--	--			--
Capacity Building and Other		--	500	--	--	--	167			500
Other transfers and grants [insert description]		--	--	--	--	--	--			--
District Municipality:		--	--	--	--	--	--			--
Other grant providers:		--	--	--	--	--	--			--
Total Operating Transfers and Grants	5	--	349,897	--	--	145,073	116,632	27,310	23.4%	349,897
Capital Transfers and Grants										
National Government:		--	71,555	--	--	21,526	23,852	(2,259)	-9.5%	71,555
Municipal Infrastructure Grant (MIG)		--	54,555	--	--	15,926	18,185	(2,259)	-12.4%	54,555
Neighbourhood Development Partnership		--	--	--	--	--	--			--
Municipal Disaster Recovery Grant		--	--	--	--	--	--			--
Integrated National Electrification Programme Grant		--	17,000	--	--	5,600	5,667			17,000
Other capital transfers [insert description]		--	--	--	--	--	--			--
Provincial Government:		--	--	--	--	--	--			--
District Municipality:		--	--	--	--	--	--			--
Other grant providers:		--	--	--	--	--	--			--
Total Capital Transfers and Grants	5	--	71,555	--	--	21,526	23,852	(2,259)	-9.5%	71,555
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	--	421,452	--	--	166,599	140,484	25,051	17.8%	421,452

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

b) Transfers & Grants Expenditure

EC443 Winnie Madikizela Mandela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		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:		–	349,397	–	19,805	86,128	116,466	(30,338)	-26.0%	349,397
Local Government Equitable Share		–	341,204	–	18,618	80,604	113,735	(33,130)	-29.1%	341,204
Finance Management		–	2,100	–	46	819	700	119	17.0%	2,100
Integrated National Electrification Programme		–	–	–	–	–	–	–	–	–
EPWP Incentive		–	3,222	–	703	2,963	1,074	1,889	175.9%	3,222
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		–	2,871	–	438	1,742	957	785	82.0%	2,871
Other transfers and grants [insert description]		–	–	–	–	–	–	–	–	–
Provincial Government:		–	500	–	15	59	167	(108)	-64.6%	500
Health subsidy		–	–	–	–	–	–	–	–	–
Capacity Building and Other		–	500	–	15	59	167	(108)	-64.6%	500
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Other transfers and grants [insert description]		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		–	349,897	–	19,820	86,187	116,632	(30,445)	-26.1%	349,897
Capital expenditure of Transfers and Grants										
National Government:		–	76,295	–	4,072	19,277	25,432	(6,155)	-24.2%	76,295
Municipal Infrastructure Grant (MIG)		–	54,555	–	2,121	5,813	18,185	(12,372)	-68.0%	54,555
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Gran		–	17,000	–	1,952	10,081	5,667	4,414	77.9%	17,000
Disaster Recovery Grant		–	4,740	–	–	3,384	1,580	1,804	114.1%	4,740
		–	–	–	–	–	–	–	–	–
Other capital transfers [insert description]		–	–	–	–	–	–	–	–	–
Provincial Government:		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		–	76,295	–	4,072	19,277	25,432	(6,155)	-24.2%	76,295
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	426,192	–	23,892	105,464	142,064	(36,600)	-25.8%	426,192

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 - M04

Description	Ref	Budget Year 2023/24				
		Approved Rollover 2022/23	Monthly actual	YearTD actual	YTD variance	YTD variance
						%
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Local Government Equitable Share					-	
Finance Management					-	
Integrated National Electrification Programme					-	
EPWP Incentive					-	
Neighbourhood Development Partnership Grant					-	
Municipal Infrastructure Grant					-	
Other transfers and grants [insert description]					-	
Provincial Government:		-	-	-	-	
Health subsidy					-	
					-	
					-	
Other transfers and grants [insert description]					-	
District Municipality:		-	-	-	-	
[insert description]					-	
Other grant providers:		-	-	-	-	
[insert description]					-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Municipal Infrastructure Grant (MIG)					-	
Municipal Disaster Recovery Grant		-	-	-	-	
					-	
Other capital transfers [insert description]					-	
Provincial Government:		-	-	-	-	
					-	
District Municipality:		-	-	-	-	
					-	
Other grant providers:		-	-	-	-	
					-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	-	-	

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

7. Cash flow Statement

EC443 Winnie Madikizela Mandela - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	2022/23	Budget Year 2023/24							
		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		–	29,982	–	466	2,285	7,495	(5,211)	-70%	29,982
Service charges		–	32,606	–	3,756	14,198	8,151	6,046	74%	32,606
Other revenue		–	51,616	–	870	3,507	12,904	(9,397)	-73%	51,616
Transfers and Subsidies - Operational		–	349,897	–	–	145,073	87,474	57,599	66%	349,897
Transfers and Subsidies - Capital		–	71,555	–	–	21,526	17,889	3,637	20%	71,555
Interest		–	15,890	–	2,693	10,961	3,973	6,989	176%	15,890
Dividends		–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees		–	(380,618)	–	(35,698)	(128,014)	(95,154)	32,859	-35%	(380,618)
Interest		–	(100)	–	–	–	(25)	(25)	100%	(100)
Transfers and Subsidies		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	170,828	–	(27,914)	69,536	42,707	(26,830)	-63%	170,828
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–
Payments										
Capital assets		–	(141,376)	–	(6,389)	(35,220)	(35,344)	(124)	0%	(141,376)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(141,376)	–	(6,389)	(35,220)	(35,344)	(124)	0%	(141,376)
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		–	29,451	–	(34,303)	34,316	7,363			29,451
Cash/cash equivalents at beginning:		–	277,109	–	428,635	360,015	277,109			360,015
Cash/cash equivalents at month/year end:		–	306,560	–	394,331	394,331	284,472			389,467

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

8. Statement of Financial Position

EC443 Winnie Madikizela Mandela - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		—	306,560	—	394,331	306,560
Trade and other receivables from exchange transactions		—	46,746	—	31,027	46,746
Receivables from non-exchange transactions		—	25,809	—	61,262	25,809
Current portion of non-current receivables		—	—	—	—	—
Inventory		—	450	—	1,429	450
VAT		—	18,042	—	33,060	18,042
Other current assets		—	15,763	—	16,092	15,763
Total current assets		—	413,370	—	537,202	413,370
Non current assets						
Investments		—	—	—	(3,277)	—
Investment property		—	39,090	—	42,209	39,090
Property, plant and equipment		—	834,980	—	851,218	834,980
Biological assets		—	—	—	—	—
Living and non-living resources		—	—	—	—	—
Heritage assets		—	1,261	—	1,261	1,261
Intangible assets		—	43	—	595	43
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		—	—	—	—	—
Total non current assets		—	875,374	—	892,006	875,374
TOTAL ASSETS		—	1,288,744	—	1,429,207	1,288,744
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		—	—	—	—	—
Consumer deposits		—	506	—	454	506
Trade and other payables from exchange transactions		—	74,019	—	28,362	74,019
Trade and other payables from non-exchange transactions		—	—	—	4,381	—
Provision		—	20,308	—	16,928	20,308
VAT		—	4,947	—	20,408	4,947
Other current liabilities		—	—	—	—	—
Total current liabilities		—	99,779	—	70,533	99,779
Non current liabilities						
Financial liabilities		—	—	—	—	—
Provision		—	22,484	—	11,485	22,484
Long term portion of trade payables		—	—	—	—	—
Other non-current liabilities		—	—	—	—	—
Total non current liabilities		—	22,484	—	11,485	22,484
TOTAL LIABILITIES		—	122,263	—	82,017	122,263
NET ASSETS	2	—	1,166,481	—	1,347,190	1,166,481
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		—	1,166,481	—	1,347,190	1,166,481
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	—	1,166,481	—	1,347,190	1,166,481

This is the report for October 2023 and we would like the Committee to consider its contents.

9. Municipal Manager's quality certification

Quality Certificate

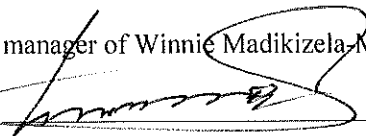
I, Luvuyo Mahlaka, the municipal manager of Winnie Madikizela-Mandela Local Municipality, hereby certify that –

☐ The monthly budget statement

for the month of October 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: 14/11/2023

