



WINNIE MADIKIZELA-MANDELA LOCAL MUNICIPALITY MONTHLY REPORT

**REPORT IN TERMS OF s71 OF THE MFMA FOR THE
MONTH OF JANUARY 2024**

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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 seventh report of the 2023/24 financial year which comes after the mid-year assessment and before the adjusted budget and should give an indication of how the municipality has performed on its first seven months of operation in the indicated year. This is generally a period where activity worth reporting has generally taken 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 by mid-year are combined with quarter three and four 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 most projects is in advanced stages and most 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 as well as during the audit process which was concluded on 30 November 2023.

4. Implementation of mSCOA

As mentioned in the executive summary of the report, the municipality is implementing mSCOA as required. Following are some of the challenges that the implementation has posed to the municipality over the years:

a) Challenges Identified

i. Version Changes

On an annual basis, the mSCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.8 is released with MFMA circular 126. Version 6.8 of the chart will be effective from 2024/25 and must be used to compile the 2024/25 MTREF.

Since the introduction of mSCOA, National Treasury has introduced a number of chart versions with the latest version referred to above to be used for the draft and final budgets for 2025 as well as the day to day operations of the municipality throughout the said year.

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 that continue to be 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.

6. Strategic Objectives

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

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																					
Outcome 9 Objective																					
Sub-Result Area	Issue	Strategic Objective	Objective No.	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source		Measurable Performance				Ward	Responsible Section	Responsible Manager
													Internal	External	Q1	Q2	Q3	Q4			
Revenue Management	Revenue collection trends are decreasing posing a threat to the municipality's going concern	To achieve 100% billing of all active accounts for all services that are connected to each account to be billed by June 2024	4.1	Metering of all electricity consumption by June 2024	Electricity meters are read, recorded, and captured manually	Reading of electricity meters	Accurate billing of electricity consumption	4.1.1	0.5	Reading 100% of active electricity meters utilizing the Automated system by June 2024	12 Months Meter reading Report from the AMR System, invoice and GRV	R 947,700.00	Yes	N/A	3 Monthly Reading of 100% active electricity meters	3 Monthly Reading of 100% active electricity meters	3 Monthly Reading of 100% active electricity meters	3 Monthly Reading of 100% active electricity meters	Ward 01	Revenue Management	Manager: Revenue and Expenditure
				Monthly billing of all consumers for all services by June 2024	90% billing on property rates, 80% on electricity and 90% on refuse	Maintain an accurate and complete consumer master database for refuse, electricity and property rates	Percentage of billing of active customer accounts.	4.1.2	0.25	Billing 100% of active consumer accounts for Property rates, refuse and electricity by	12 monthly Billing Report	R -	Yes	N/A	03 Monthly Billing of 100% active consumer accounts for Property rates, refuse	03 Monthly Billing of 100% active consumer accounts for Property rates, refuse	03 Monthly Billing of 100% active consumer accounts for Property rates, refuse	03 Monthly Billing of 100% active consumer accounts for Property rates, refuse	Ward 01	Revenue Management	Manager: Revenue and Expenditure

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Outcome 9 Objective																					
Su b- Re	Issue	Strate gic Obiec	Obje ctive	Strate gies	Baseli ne Inform	Project to be Implemented	Outpu t - KPI	KPI No.	KP I We	Annua l Target	Means of Verificat	Budge t	Budget Source		Measurable Performance				War d	Resp onsibl e	Resp onsibl e
										June 2024					and electric ity	and electric ity	and electrici ty	and electrici ty			
					Billing comple ted beyond the 3rd day of the followin g month	Completion of billing processes by the 3rd day of each following month	reduce d custom er querie s - All active of consu mer accoun ts billed as per consu mer master databa se	4.1. 3	0.2 5	Billing comple ted by the 3rd day of each month followin g the billing month by June 2024	12 Month end closing Reports	R -		N/A	Perfom 3 month end proced ure for consu mer debtors , sundry debtors	Perfom 3 month end proced ure for consu mer debtors , sundry debtors	Perfom 3 month end proced ure for consu mer debtors , sundry debtors	Perfom 3 month end proced ure for consu mer debtors , sundry debtors	War d 01	Reven ue Mana geme nt	Mana ger: Reven ue and Expen diture
					Manual distribu tion of consu mer statem ents	Sending of monthly statement using emails and sms's		4.1. 4	0.2 5	Distrib ution of electro nical monthl y consu mer statem ents by June 2024	12 Monthl y Statem ents distribu tion Report	R 7,308.0 0	Yes	N/A	Emailin g of 3 monthl y statem ent distribu tion reports	Emailin g of 3 monthl y statem ent distribu tion reports	Emailin g of 3 monthl y statem ent distribu tion reports	Emailin g of 3 monthl y statem ent distribu tion reports	War d 01	Reven ue Mana geme nt	Mana ger: Reven ue and Expen diture

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Outcome 9 Objective																					
Sub-Result	Issue	Strategic Objective	Objectives	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source		Measurable Performance				Ward	Responsible	Responsible
				Review and Implementation of the Revenue enhancement Strategy by June 2024	Revenue Enhancement Strategy reviewed in 2020/2021	Monitoring of the Revenue enhancement Strategy Action Plan	Improved revenue collection and generation	4.1.5	0.25	1 Reviewed Revenue enhancement Strategy Action Plan by June 2024	4 Quarterly Revenue enhancement meeting reports, reviewed revenue enhancement strategy plan and attendance register	R-		N/A	Reviewed Revenue enhancement strategy action plan	1 Quarterly Revenue enhancement meeting	1 Quarterly Revenue enhancement meeting	1 Quarterly Revenue enhancement meeting	Ward 01	Revenue Management	Manager: Revenue and Expenditure
	To achieve at least 95% collection of all debt by June 2024			Implementation 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 to debt collectors that are beyond 90 days	4.1.6	0.25	Implementing Consumer Data analyses, data cleansing and handing over of all accounts beyond 90 days through outsourced services by June 2024.	04 Quarterly report on 100% business accounts handed over for debt collection to debt collectors	R1,368,900.00	Yes	N/A	1 Quarterly report on 100% business accounts handed over for debt collection to debt collectors	1 Quarterly report on 100% business accounts handed over for debt collection to debt collectors	1 Quarterly report on 100% business accounts handed over for debt collection to debt collectors	1 Quarterly report on 100% business accounts handed over for debt collection to debt collectors	Ward 01	Revenue Management	Manager: Revenue and Expenditure

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Outcome 9 Objective																					
Su b- Re	Issue	Strate gic Obiec	Obje ctiv e	Strate gies	Baseli ne Inform	Project to be Implemented	Outpu t - KPI	KPI No.	KP I We	Annua l Target	Means of Verificat	Budge t	Budget Source		Measurable Performance				War d	Resp onsibl e	Resp onsibl e
						Establishing of a credit control and debt collection services function within the revenue structure		4.1. 7	0.2 5	Establi shed functio n within revenu e section for credit control implem entatio n by June 2024.	Submitt ed Request for establi shment of Revenue section for credit control unit.	R -		N/A	N/A	Reque sting establi shment of Reven ue section for credit control unit	N/A	N/A	WM ML M	Reven ue Mana geme nt	Mana ger: Reven ue and Expen diture
	Accou nts with errors taking longer to identif y and resolv e	To achiev e a clean audit by June 2024		Perfor mance of monthl y debtors , rates and invest ment reconci liations by June 2024	Monthl y reconci liations not perfor med by the 7th day of each month	Monthly reviewal of debtors, rates and investment reconciliation by the 7th working day of each month	Numbe r of monthl y reveiw ed debtors , invest ments and rates reconci liation	4.1. 8	0.2 5	12 monthl y review ed debtors ,12 invest ments and 12 rates reconci liation by June 2024	12 monthl y Signed debtors, 12 monthl y signed investme nts and 12 monthl y signed rates reconci liation	R -		N/A	Review ed 3 monthl y debtors ,3 monthl y invest ments and 3 monthl y rates reconci liation	Review ed 3 monthl y debtors ,3 monthl y invest ments and 3 monthl y rates reconci liation	Review ed 3 monthl y debtors ,3 monthl y invest ments and 3 monthl y rates reconci liation	Review ed 3 monthl y debtors ,3 monthl y invest ments and 3 monthl y rates reconci liation	WM ML M	Reven ue Mana geme nt	Mana ger: Reven ue and Expen diture
	Outdat ed Policie s	Annua ll Revie w of sectio nal Policie s by June 2024		Review ing section al policies by June 2024	Secton al policies that are not review ed annuall y	Review of existing sectional policies and presentation to the relevant stakeholders	Numbe r of review ed and adopte d policie s	4.1. 9	0.2 5	3 Review ed section al and adopte d policies by June 2024	03 Review ed and signed Credit control and debt collectio n policy, Tariffs Policy, Property Rates Policy, re solution extract	R -		Yes	N/A	N/A	N/A	N/A	3 review ed Credit control and debt collecti on policy, Tariffs Policy, Propert y Rates Policy and adopte d by	WM ML M	Reven ue Mana geme nt

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Outcome 9 Objective																						
Sub-Re	Issue	Strategic Objec	Objective	Strategies	Baseline Inform	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verificat	Budget	Budget Source			Measurable Performance				Ward	Responsible	Responsible
																	council.					
	Compliance with laws and regulations	To ensure proper regulations of the municipal powers and functions by June		Promulgation of revenue policies and credit control policies into by-laws by June 2024	Revenue by laws that not promulgated on time	Promulgating of property rates policy and credit control policy	Number of gazetted policies	4.1.10	0.25	2 Promulgated of property rates policy and credit control policy by 30 June 2024	2 Promulgated of property rates policy and credit control policy	R -	Yes	N/A	N/A	N/A	N/A	2 Promulgated of property rates policy and credit control policy	WMMLM	Revenue Management	Manager: Revenue and Expenditure	

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Outcome 9 Objective																					
Su b- Re	Issue	Strate gic Obiec 2024	Obje ctive	Strate gies	Baseli ne Inform	Project to be Implemented	Outpu t - KPI	KPI No.	KP I We	Annua l Target	Means of Verificat	Budge t	Budget Source		Measurable Performance				War d	Resp onsibl e	Resp onsibl e
				Promul gation of the approved tariffs (gazetti ng) by June 2024	Gazet ting of approved municipal tariffs not per formed timely	Promulgation of the approved tariffs (gazetting)	No. of gazett ed approved property rates tariffs (gazett ing)	4.1. 11	0.2 5	1 Promul gated of the approved tariffs (gazetti ng) by 30 June 2024	Promulg ated of the approve d tariffs (gazetti ng)	R -		N/A	N/A	N/A	N/A	1 Promul gated of the approved tariffs (gazetti ng)	WM ML M	Reven ue Mana gemen t	Mana ger: Reven ue and Expen diture
	Municipalities must comply with Section 18 of the MFMA and ensure that they fund their MTRF budgets from realistically anticipated revenues to be collect			Maximi sing the revenue generati on of the municipal 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	Numbe r of reconci lation reports for property catego ries prepar ed	4.1. 12	0.2 5	4 Recon ciliation report for property catego ries between the MPRA, valuation roll and Municipal Tariffs by June 2024.	4 Recon ciliation report for property categori es between the MPRA, valuation roll and Municipal Tariffs, and proof of submissi on 10 days after the end of each quarter	R -	Yes	N/A	1 Recon ciliation report for property categori es between the MPRA, valuati on roll and Municipal Tariffs and proof submis sion 10 days after the end of the quarter	1 Recon ciliation report for property categori es between the MPRA, valuati on roll and Municipal Tariffs and proof submis sion 10 days after the end of the quarter	1 Recon ciliation report for property categori es between the MPRA, valuati on roll and Municipal Tariffs and proof submis sion 10 days after the end of the quarter	1 Recon ciliation report for property categori es between the MPRA, valuati on roll and Municipal Tariffs and proof submis sion 10 days after the end of the quarter	WM ML M	Reven ue Mana gemen t	Mana ger: Reven ue and Expen diture

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Outcome 9 Objective																					
Su b- Re	Issue	Strate gic Obiec	Obje ctiv e	Strate gies	Baseli ne Inform	Project to be Implemented	Outpu t - KPI	KPI No.	KP I We	Annua l Target	Means of Verificat	Budge t	Budget Source		Measurable Performance				War d	Resp onsibl e	Resp onsibl e
	ed.															quarter					
						Reconciliation of General Valuation roll with the deeds office registry and the municipal billing system	Numbe r of reconci liation reports of genera l valuati on roll prepar ed	4.1. 13	0.5	4 reconci liation reports of propert y rates billing and Genera l valuati on roll prepar ed by June 2024.	4 quarterly reconci liation reports of property rates billing and General valuation roll	R -		N/A	Prepar ed 1 quarter ly reconci liation report of propert y rates billing and Genera l valuati on roll	Prepar ed 1 quarter ly reconci liation report of propert y rates billing and Genera l valuati on roll	Prepar ed 1 quarterl y reconci liation report of propert y rates billing and Genera l valuati on roll	Prepar ed 1 quarterl y reconci liation report of propert y rates billing and Genera l valuati on roll	WM ML M	Reven ue Mana geme nt	Mana ger: Reven ue and Expen diture

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Outcome 9 Objective																					
Sub-Re	Issue	Strategic Objec	Objective	Strategies	Baseline Inform	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verificat	Budget	Budget Source		Measurable Performance				Ward	Responsible	Responsible
Expenditure Management	Invoices not submitted within 30 days of receipt for payment	To pay creditors within 30 days in compliance with the MFMA by June 2024	4.2	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 -	Yes	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)	WMLM	Expenditure Management	Manager: Revenue and Expenditure
	Datastrings that are submitted with incomplete information and month end procedures that are not performed on time	To achieve a clean audit by June 2024		Develop sound, strict and effective procedures for reporting by June 2028	Non implementation of all monthly procedures	Implementing of month end procedures for 8 modules(cashiers,stores,creditors,cashbook,sundries,consumer debtors,GL and Asset)	Number of submitted monthly datastrings and reports no later than 10 working days after month end of each month	4.2.2	0.5	Submitting monthly datastrings and Reports not later than 10 working days after month end of each month by June 2024	12 confirmations of submission from LG Portal not later than 10 working days after month end	R -		N/A	3 monthly datastrings submitted to LG Portal	3 monthly datastrings submitted to LG Portal	3 monthly datastrings submitted to LG Portal	3 monthly datastrings submitted to LG Portal	WMLM	Expenditure Management	Manager: Revenue and Expenditure

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Outcome 9 Objective																					
Su- b- Re	Issue	Strategic Obiec	Obje- ctive	Strate- gies	Baseli- ne Inform	Project to be Implemented	Output - KPI	KPI No.	KP I We	Annua- l Target	Means of Verificat	Budge- t	Budget Source		Measurable Performance				War- d	Resp- onsibl- e	Resp- onsibl- e
	Inaccu- rate and incom- plete commi- tment registe- r				Commi- tment register with material misstat- ements	Monthly reviewal of commitment register by the 7th working day of each month	Numbe- r of monthl- y review- ed commit- ment registe- r	4.2. 3	0.2 5	12 monthl- y review- ed commit- ment register by June 2024	12 signed commit- ment register	R- 		N/A	3 monthl- y review- ed Commi- tment register	3 monthl- y review- ed Commi- tment registe- r	3 monthl- y review- ed Commi- tment register	3 monthl- y review- ed Commi- tment register	WM ML M	Expen- diture Mana- geme- nt	Mana- ger: Reven- ue and Expen- diture
	Credit- ors and grants with errors taking longer to identif- y and resolv- e			Perfor- mance of monthl- y conditi- onal grants, creditor- s, retentio- n and vat reconci- liation by June 2024	Monthl- y reconci- liations not perfor- med by the 7th day of each month	Monthly reviewal of conditional grants, creditors , retention and vat reconciliation by the 7th working day of each month	Numbe- r of monthl- y review- ed conditi- onal grants, creditor- s, monthl- y retenti- on and monthl- y vat reconci- liation	4.2. 4	0.2 5	12 monthl- y review- ed Condi- tional grants , 12 monthl- y creditor- s , 12 monthl- y retentio- n and 12 monthl- y vat reconci- liations by June 2024	12 Signed monthly Condi- tional grants, 12 monthly creditors ,12 monthly retention and 12 monthly vat reconci- liations	R- 	Yes 	N/A	3 monthl- y review- ed creditor- s, monthl- y retentio- n, monthl- y conditi- onal grants and monthl- y vat reconci- liation	3 monthl- y review- ed creditor- s, monthl- y retentio- n, monthl- y conditi- onal grants and monthl- y vat reconci- liation	3 monthl- y review- ed creditor- s, monthl- y retentio- n, monthl- y conditi- onal grants and monthl- y vat reconci- liation	3 monthl- y review- ed creditor- s, monthl- y retentio- n, monthl- y conditi- onal grants and monthl- y vat reconci- liation	WM ML M	Expen- diture Mana- geme- nt	Mana- ger: Reven- ue and Expen- diture

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING																					
Outcome 9 Objective																					
Sub-Re	Issue	Strategic Objec	Objective	Strategies	Baseline Inform	Project to be Implemented	Output - KPI	KPI No.	KPI We	Annual Target	Means of Verificat	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 reconciliations not performed by the 7th day of each month	Monthly reviewal of payroll reconciliation by the 7th working day of each month	Number of monthly reviewed payroll reconciliations	4.2.5	0.25	12 monthly reviewed payroll reconciliations by June 2024	12 Signed monthly payroll reconciliation	R-	Yes	N/A	3 monthly reviewed payroll reconciliations	3 monthly reviewed payroll reconciliations	3 monthly reviewed payroll reconciliations	3 monthly reviewed payroll reconciliations	WMLM	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 payables policy by June 2024	01 Reviewed and signed Accounts Payables Policy ,resolution extract	R-		N/A	N/A	N/A	N/A	Reviewed Accounts Payables policy by June 2024	WMLM	Expenditure Management	Manager: Revenue and Expenditure
Supply Chain Management	No clear monitoring of the procurement plan	To have fully capacitated Supply Chain Management Personnel and effective procurement system by June 2024		Monitoring and adherence to procurement plan by June 2024	Approved procurement plan with no clear monitoring plan	Monthly monitoring of the procurement plan	Number of monthly reports on the monitoring of the procurement plan	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	WMLM	Supply Chain Management	Manager: Supply Chain Management

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																					
Outcome 9 Objective																					
Sub-Re	Issue	Strategic Obiecc	Objective	Strategies	Baseline Inform	Project to be Implemented	Output - KPI	KPI No.	KPI We	Annual Target	Means of Verificat	Budget	Budget Source		Measurable Performance				Ward	Responsible	Responsible
	The municipality needs to comply with all statutory training requirement	To have fully capacitated Supply Chain Management Personnel by June 2024		Training of Supply Chain Management Personnel and communication of all updates on SCM matters by June 2024	Officials operating with outdated information relevant to their sections	Training of SCM Officials	Number of trained SCM personnel	4.3.2	0.25	2 SCM officials trained on Munsoft and SCM regulations by 30 June 2024.	Attendance registers ,concept document signed by MM.	R 100,000.00	Yes	N/A	N/A	N/A	2 SCM officials trained on Munsoft system and SCM Regulations.	N/A	WMLM	Supply Chain Management	Manager: Supply Chain Management
				Training of Supply Chain Management Personnel on newly promulgated PPPFA Regulations	BEE certificates discontinued requiring municipalities to develop their own mechanisms	Training of 2 SCM officers on newly promulgated PPPFA Regulations	Trainings attended by the SCM officers targeted	4.3.3	0.25	02 SCM Officers trained to PPPFA regulations by June 2024.	Attendance registers ,concept document signed by MM.	R 50,000.00	Yes	N/A	N/A	N/A	2 SCM officers trained on PPPFA Regulations	N/A	WMLM	Supply Chain Management	Manager: Supply Chain Management
	Inadequate contract management processes	To have an effective contract management system by June 2024		To develop contract management mechanisms for all BTO contracts	Non-compliance with s116 of the MFMA	Monthly monitoringreports for all extended contracts .	Number of monitoring reports for all extended contracts	4.3.4	0.25	12 monthly monitoring reports for all extended contracts by 30 June 2024	12 monthly signed contract registers	R -	Yes	N/A	3 monitoring reports for all extended Contracts	3 monitoring reports for all extended Contracts	3 monitoring reports for all extended Contracts	3 monitoring reports for all extended Contracts	WMLM	Supply Chain Management	Manager: Supply Chain Management

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING																						
Outcome 9 Objective																						
Sub-Re	Issue	Strategic Objec	Objective	Strategies	Baseline Inform	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verificat	Budget	Budget Source			Measurable Performance				Ward	Responsible	Responsible
	Outdated and expired supplier Information	To have a fair competitive bidding processes in all municipal thresholds by June 2024		Updated suppliers information by June 2024	Supplier database with bidders showing information that has not been updated for a number of years	Annual update of the supplier database	Number of suppliers updated information	4.3.5	0.25	300 Supplier database updated information by June 2024	Advertisement and Munsoft audit trail	R-	Yes	N/A	Publication of the call to suppliers to update their information	100 supplier information updated	100 supplier information updated	100 supplier information updated	WMLM	Supply Chain Management	Manager: Supply Chain Management	
	No effective schedule of bid committee sittings			Developing mechanisms to monitor sitting of bid committees by June 2024	Bid committees sitting randomly	Schedule of sitting of bid committees	Schedule of bid committee sittings with confirmed dates	4.3.6	0.5	Schedule of bid committee sittings ensuring each bid is concluded within 60 days of the tender closing by June 2024	12 Signed schedule of bid committees, attendance registers for Bid Adjudication Comm	R-	Yes	N/A	Development and approval of 3 signed schedule of seating	12 seated bid committees and 3 signed schedule of seating	12 seated bid committees and 3 signed schedule of seating	12 seated bid committees and 3 signed schedule of seating	WMLM	Supply Chain Management	Manager: Supply Chain Management	
	Inadequate contract management processes			Review of all existing contracts by June 2024	Contracts only approved at year end	Contract register reviewed monthly	Number of contract registers reviewed monthly	4.3.7	0.25	12 monthly contract registers reviewed by June 2024	12 monthly signed contract registers	R-	N/A	N/A	3 monthly contract registers reviewed	3 monthly contract registers reviewed	3 monthly contract registers reviewed	3 monthly contract registers reviewed	WMLM	Supply Chain Management	Manager: Supply Chain Management	

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																						
Outcome 9 Objective																						
Sub-Re	Issue	Strategic Objec	Objective	Strategies	Baseline Inform	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source			Measurable Performance				Ward	Responsible	Responsible
	Outdated Policies	Annual Review of sectional Policies by June 2024		Reviewing sectional policies by June 2024	Sectional 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 and Framework for Infrastructure Development Management Policy,resolution extract	R-	N/A	N/A	N/A	N/A	N/A	Reviewed Supply Chain Management Policy, Contract Management Policy , Cost Containment Policy.	WMLM	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 fixed Asset Register	To have an accurate GRAP compliant Asset Register by June 2024	Accurate and complete Fixed Assets Register as at 30 June 2022 with no Audit 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.	WMLM	Asset Management	Manager: Assets and Stores Management	

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																					
Outcome 9 Objective																					
Sub-Report	Issue	Strategic Objective	Objective by June 2024	Strategies	Baseline Information	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verification	Budget	Budget Source		Measurable Performance				Ward	Responsible	Responsible
					GRAP Compliant asset register as at 30 June 2024	Review and submission of the GRAP compliant fixed asset register	GRAP compliant fixed asset register	4.4.2	0.5	Submission of GRAP compliant asset register to AG by June 2024	Signed GRAP compliant Fixed asset register, Proof of submission to AG, RFI and Coaf Register	R1,684,800.00	Yes	N/A	Submitted GRAP Compliant Asset Register to AG.	N/A	N/A	N/A	WMLM	Asset Management	Manager: Assets and Stores Management
				All assets recorded in the FAR do exist and valued accurately by June 2024	Approved Assets Verification 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.	Number of signed and approved quarterly Assets Verification Reports	4.4.3	0.25	4 Reviewed and approved Assets Verification Reports by June 2024	4 Reviewed and signed Assets Verification Reports	R-	N/A	N/A	1 reviewed and approved Asset verification report.	1 reviewed and approved Asset verification report.	1 reviewed and approved Asset verification report.	1 reviewed and approved Asset verification report.	WMLM	Asset Management	Manager: Assets and Stores Management
					Council approved assets write off report as at 30 June 2022	Removing of previously disposed assets from municipal operational facilities	Fixed Asset Register that is complete.	4.4.4	0.25	100% removal of previously disposed assets identified within the municipal premises by June 2024.	A signed report with a list of all assets removed from municipal premises and thrown away.	R-	Yes	N/A	100% removal previously disposed assets identified within the municipal premises	100% removal previously disposed assets identified within the municipal premises	100% removal previously disposed assets identified within the municipal premises	100% removal previously disposed assets identified within the municipal premises	WMLM	Asset Management	Manager: Assets and Stores Management

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																						
Outcome 9 Objective																						
Su b- Re	Issue	Strate gic Obiec	Obje ctiv e	Strate gies	Baseli ne Inform	Project to be Implemented	Outpu t - KPI	KPI No.	KP I We	Annua l Target	Means of Verificat	Budge t	Budget Source			Measurable Performance				War d	Resp onsibl e	Resp onsibl e
				Basis 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	WMMLM	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	WMMLM	Stores Management	Manager: Assets and Stores Management	

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																						
Outcome 9 Objective																						
Sub-Re	Issue	Strategic Obiec	Objective	Strategies	Baseline Inform	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verificat	Budget	Budget Source			Measurable Performance				Ward	Responsible	Responsible
				Inventory updates once 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 Reviewed and approved Inventory Count Reports by June 2024	4 Reviewed and signed Inventory Count Reports	R-	N/A	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	WMLM	Stores Management	Manager: Assets and Stores Management	
	All council assets need to be fully insured to ensure going concern assumption of the municipality is not at risk.	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	WMLM	Asset Management	Manager: Assets and Stores Management	

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																					
Outcome 9 Objective																					
Su b- Re	Issue	Strategic Objec	Objec tive	Strate gies	Baseli ne Inform	Project to be Implemented	Output - KPI	KPI No.	KP I We	Annua l Target	Means of Verificat	Budge t	Budget Source		Measurable Performance				Ward	Responsibl e	Responsibl e
	Municipality that is operating smoothly with enough operational material	To ensure that municipality has stationary available when needed by June 2024		Valid contract for provision of municipal stationery	Municipality have an existing contract for 12months	To supply stationery	Provision of stationery for municipal operations	4.4.9	0.25	Provision of stationery for all municipal operations by June 2024	Authorised Stock issue form	R1,816,212.00	Yes	N/A	Issuing of all available stationery requested	Issuing of all available stationery requested	Issuing of all available stationery requested	Issuing of all available stationery requested	WMLM	Asset Management	Manager: Assets and Stores Management
	Outdated Asset and Inventory Management Policies	Review of Asset and Inventory Management Policies by June 2024		Annual review Asset and Inventory Management Policies by June 2024	Reviewed and approved Asset and Inventory Management Policies for 2020/21 financial year.	Reviewal 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	2 Review of Asset and Inventory Management Policies	WMLM	Assets and Stores Management	Manager: Assets and Stores Management
	All council assets need to be well managed effectively.	Compliance with the requirements of MFM A section 63 by June 2024		Reviewal of an effective Asset Management Plan by June 2024	None	Reviewal 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 Assets Management Plan by		N/A	N/A	N/A	N/A	N/A	Review of asset management plan.	WMLM	Asset Management	Manager: Assets and Stores Management

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																					
Outcome 9 Objective																					
Sub-Re	Issue	Strategic Objec	Objective	Strategies	Baseline Inform	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verificat	Budget	Budget Source		Measurable Performance				Ward	Responsible	Responsible
Reporting	Financial statements with non-compliance with laws	To compile Annual Financial Statements that comply with all requirements by June 2024	4.5	Develop sound, strict and effective procedures for the compilation of AFS by June 2024	Audited Annual Financial Statements for 2021/22 with compliance findings	Development and approval of processes and procedures for compilation of Compliant annual financial statements.	Credible Annual Financial Statements submitted	4.5.1	0.5	Credible and fully compliant Annual Financial Statements submitted by 30 June 2024	AFS , Proof of caseware payment , Interim Financial statements	R 200,000.00	Yes	N/A	Monitoring of AFS plan, Roll-forward of AFS File	N/A	Renew of Caseware Licenc e	Submitted AFS.	WMMLM	Reporting	Manager: Budgeting and Reporting
		To achieve a clean audit by June 2024		Managed audit and ensure audit readiness by June 2024	Audited Annual Financial Statements for 2021/22 with compliance findings	Manage the external audit by the office of the Auditor General to ensure smooth running	Managed external audit and ensure audit readiness to achieve clean audit opinion	4.5.2	0.25	Manage the external audit and ensure audit readiness to achieve clean audit opinion as at 30 June 2024	Proof of submission to AG, COAF register, Audit Action Plan, updated Audit Action Plan	R5,475,600.00	Yes	N/A	Submit 2022/23Annual Financial Statements to AG	Respond to AG's queries and provide CoAf register	Development of Audit Action plan, Implementation and monitoring of Audit Action Plan	Implementation and monitoring of Audit Action Plan	WMMLM	Reporting	Manager: Budgeting and Reporting
				Performance of Monthly bank reconciliations by June 2024	Reconciliation s not always completed within times	Performance of monthly reconciliations by the 7th working day of each month	number of Reviewed bank reconciliations	4.5.3	0.25	12 Reviewed bank reconciliations by June 2024	12 Signed monthly Bank Reconciliation	R -	N/A	N/A	3 Reviewed monthly Bank Reconciliation	3 Reviewed monthly Bank Reconciliation	3 Reviewed monthly Bank Reconciliation	3 Reviewed monthly Bank Reconciliation	WMMLM	Reporting	Manager: Budgeting and Reporting

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																					
Outcome 9 Objective																					
Sub-Re	Issue	Strategic Objec	Objective	Strategies	Baseline Inform	Project to be Implemented	Output - KPI	KPI No.	KPI Weight	Annual Target	Means of Verificat	Budget	Budget Source		Measurable Performance				Ward	Responsible	Responsible
	Non compliance with statutory requirements	Adhere to compliance in terms of management and reporting by June 2024		Preparation and submission of all in-year statutory reports which is section 71,52d and 72 of the MFMA and FMG monthly and quarterly Reports by June 2024	Reports not submitted on time	Submission of s71 Report not later than 10 working day of each month	Number of signed s71 Reports and monthly FMG report submitted	4.5.4	0.25	Submission of 12 signed s71 Reports by 30 June 2024	Proof of submission of 12 signed s71 Report and 12 signed FMG report	R-	N/A	N/A	Submitted 3 s71 and 3 monthly FMG reports	Submitted 3 s71 and 3 monthly FMG reports	Submitted 3 s71 and 3 monthly FMG reports	Submitted 3 s71 and 3 monthly FMG reports	WMLM	Reporting	Manager: Budgeting and Reporting
						Submission of s52d reports within 30 days of the end of each quarter	Number of signed s52d and quarterly FMG Reports submitted	4.5.5	0.25	Submission of 04 signed s52d Reports by 30 June 2024	Proof of submission of 4 Signed s52 Reports and 4 FMG Quarterly Reports	R-	N/A	N/A	Submitted 1 Quarterly and 1 FMG Reports	Submitted 1 Quarterly and 1 FMG Reports	Submitted 1 Quarterly and 1 FMG Reports	Submitted 1 Quarterly and 1 FMG Reports	WMLM	Reporting	Manager: Budgeting and Reporting
						Submission of the s72 report by the 25th of January 2024	Signed mid-year assessment report	4.5.6	0.25	Submission of 1 signed s72 Reports (Mid Year assessment Report) by 25 January 2024	Proof of submission on s72 Report by the 25th of January 2024	R-	N/A	N/A	N/A	N/A	Prepared and signed of s72 Report	N/A	WMLM	Reporting	Manager: Budgeting and Reporting

KPA NO 4: FINANCIAL PLANNING AND BUDGETTING																						
Outcome 9 Objective																						
Su b- Re	Issue	Strate gic Obiec	Obje ctiv e	Strate gies	Baseli ne Inform	Project to be Implemented	Outpu t - KPI	KPI No.	KP I We	Annua l Target	Means of Verificat	Budge t	Budget Source			Measurable Performance				War d	Resp onsibl e	Resp onsibl e
Budgeting	The municipality needs to comply with all statutory budgeting and reporting requirements	Adhere to compliance with Municipal Regulations on Minimum Competency levels	4.6	Training of new finance official on Minimum Competency levels	Appointed 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	4.6.1	0.25	Enrolling 3 financial management interns to meet minimum competency requirements and training provided by June 2024	Proof of registration of 3 interns and Attendance register	R 174,000.00	N/A	Yes	Enrollment of three interns and training attendance	Attendance of the training	Attendance of the training	Attendance of the training	WM MLM	Budgeting	Manager: Budgeting and Reporting	
		To timely produce budgets in line with the National Treasury guidelines and regulations by June 2024		Develop and monitor processes to ensure timely preparation, adoption and publication of credible municipal budgets 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	4.6.2	0.5	Approved Adjustment, Draft and 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	N/A	Adopted budget adjustment 2023/24; Draft budget 2024/25	Approved 2024/25 Budget	WM MLM	Budgeting	Manager: Budgeting and Reporting	

KPA N0 4: FINANCIAL PLANNING AND BUDGETTING																					
Outcome 9 Objective																					
Sub-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	Responsible	Responsible
					non publication of budget approved by council	Publication of approved budgets	Number of publicized approved budgets	4.6.3	0.5	Publication of Adjustment, Draft and Final Budget by June 2024	3 Adverts	R 65,928.00	Yes	N/A	N/A	N/A	Advertising of Adjustment budget	Advertising of Draft budget; Advertising of Adopted final budget	Ward 1	Budgeting	Manager: Budgeting and Reporting
	Outdated Policies	Annual Review of sectional Policies by June 2024		Reviewing sectional 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 policies	4.6.4	0.5	1 IDP and Budget policy reviewed and adopted by 30 June 2024	01 Reviewed and signed IDP/Budget policy, resolution extract	R -	N/A	N/A	N/A	N/A	N/A	Reviewed and adopted IDP/Budget Policy.	Ward 1	Budgeting	Manager: Budgeting and Reporting

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 - M07 January

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	21,160	21,250	–	604	18,705	12,396	6,309	51%	21,250
Service charges	56,325	37,904	–	4,894	31,358	22,111	9,248	42%	37,904
Investment revenue	21,920	15,890	–	3,100	18,985	9,269	9,715	105%	–
Transfers and subsidies - Operational	21,920	349,897	–	67	262,794	204,107	58,687	29%	15,890
Other own revenue	342,186	15,153	–	1,539	10,730	8,839	1,891	21%	–
Total Revenue (excluding capital transfers and contributions)	463,512	440,094	–	10,204	342,572	256,722	85,850	33%	440,094
Employee costs	114,174	130,212	–	9,805	67,046	75,957	(8,911)	-12%	130,212
Remuneration of Councillors	26,321	28,480	–	2,210	15,705	16,614	(909)	-5%	28,480
Depreciation and amortisation	41,762	54,371	–	3,167	22,098	31,716	(9,618)	-30%	54,371
Interest	–	100	–	–	–	58	(58)	-100%	100
Inventory consumed and bulk purchases	47,637	55,216	–	293	23,406	32,209	(8,803)	-27%	55,216
Transfers and subsidies	2,593	3,431	–	299	339	2,001	(1,663)	-83%	3,431
Other expenditure	154,559	175,887	–	5,560	79,914	102,601	(22,687)	-22%	175,887
Total Expenditure	387,046	447,697	–	21,335	208,507	261,157	(52,649)	-20%	447,697
Surplus/(Deficit)	76,466	(7,603)	–	(11,131)	134,065	(4,435)	138,500	-3123%	(7,603)
Transfers and subsidies - capital (monetary)	93,836	76,295	–	2,246	39,432	44,505	###	-11%	76,295
Transfers and subsidies - capital (in-kind)	479	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	170,782	68,692	–	(8,885)	173,497	40,070	133,427	333%	68,692
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	170,782	68,692	–	(8,885)	173,497	40,070	133,427	333%	68,692
Capital expenditure & funds sources									
Capital expenditure	149,223	123,282	–	1,027	46,896	71,915	(25,019)	-35%	123,282
Capital transfers recognised	87,749	66,343	–	1,634	34,843	38,700	(3,857)	-10%	66,343
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	61,474	56,939	–	(608)	12,053	33,214	(21,162)	-64%	56,939
Total sources of capital funds	149,223	123,282	–	1,027	46,896	71,915	(25,019)	-35%	123,282
Financial position									
Total current assets	468,005	413,370	–	–	629,456				413,370
Total non current assets	881,715	875,374	–	–	906,495				875,374
Total current liabilities	81,357	99,779	–	–	94,091				99,779
Total non current liabilities	11,485	22,484	–	–	11,485				22,484
Community wealth/Equity	1,256,878	1,166,481	–	–	1,430,375				1,166,481
Cash flows									
Net cash from (used) operating	232,129	170,828	–	7,642	190,058	99,649	(90,409)	-91%	170,828
Net cash from (used) investing	(149,222)	(141,376)	–	(984)	(56,712)	(82,469)	(25,757)	31%	(141,376)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	360,015	306,560	–	493,361	493,361	294,289	(199,072)	-68%	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	9,420	3,745	3,155	2,852	2,909	11,949	2,224	67,772	104,026
Creditors Age Analysis									
Total Creditors	1,187	–	–	–	–	–	–	–	1,187

The table above shows a summary of the municipality's financial performance for the period ended 31 January 2024. The first part of the table shows financial performance which gives information about whether the municipality made a loss or a surplus during the month followed by a summary of the municipality's performance on its capital budget. This is then followed by the municipality's financial position, a summary of the cashflow recalculation and then debtors and creditors age analysis.

b) Financial Performance by functional classification

EC443 Winnie Madikizela Mandela - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

Description	Ref	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>Revenue - Functional</u>										
<i>Governance and administration</i>		394,999	391,308	–	4,946	303,137	228,263	74,874	33%	391,308
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		394,999	391,308	–	4,946	303,137	228,263	74,874	33%	391,308
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		6,325	4,599	–	354	2,409	2,683	(274)	-10%	4,599
Community and social services		1,597	605	–	49	232	353	(121)	-34%	605
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		4,728	3,993	–	305	2,177	2,329	(153)	-7%	3,993
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		80,051	62,281	–	1,955	27,292	36,331	(9,039)	-25%	62,281
Planning and development		6,859	2,986	–	8	2,429	1,742	687	39%	2,986
Road transport		73,192	59,295	–	1,947	24,862	34,589	(9,726)	-28%	59,295
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		76,452	58,201	–	5,194	49,168	33,951	15,217	45%	58,201
Energy sources		57,288	49,298	–	4,842	43,471	28,757	14,714	51%	49,298
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		19,164	8,903	–	352	5,696	5,194	503	10%	8,903
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	557,828	516,389	–	12,449	382,005	301,227	80,777	27%	516,389
<u>Expenditure - Functional</u>										
<i>Governance and administration</i>		165,572	217,120	–	10,837	97,410	126,653	(29,243)	-23%	217,120
Executive and council		59,350	68,123	–	4,687	32,136	39,738	(7,602)	-19%	68,123
Finance and administration		102,238	144,047	–	5,917	62,710	84,028	(21,317)	-25%	144,047
Internal audit		3,984	4,950	–	232	2,563	2,887	(324)	-11%	4,950
<i>Community and public safety</i>		25,233	34,348	–	2,424	14,169	20,036	(5,868)	-29%	34,348
Community and social services		8,067	13,748	–	677	4,072	8,020	(3,947)	-49%	13,748
Sport and recreation		1,977	2,866	–	161	1,189	1,672	(482)	-29%	2,866
Public safety		14,133	16,544	–	1,507	8,376	9,651	(1,275)	-13%	16,544
Housing		1,056	1,190	–	79	531	694	(164)	-24%	1,190
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		73,425	95,895	–	5,249	50,701	55,939	(5,238)	-9%	95,895
Planning and development		24,405	27,599	–	1,843	12,032	16,099	(4,067)	-25%	27,599
Road transport		46,783	65,786	–	3,259	37,507	38,375	(868)	-2%	65,786
Environmental protection		2,236	2,510	–	147	1,162	1,464	(302)	-21%	2,510
<i>Trading services</i>		119,513	96,035	–	2,509	44,526	56,021	(11,495)	-21%	96,035
Energy sources		94,197	67,303	–	889	30,383	39,260	(8,877)	-23%	67,303
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		25,316	28,732	–	1,620	14,143	16,761	(2,617)	-16%	28,732
<i>Other</i>		3,303	4,299	–	316	1,702	2,508	(806)	-32%	4,299
Total Expenditure - Functional	3	387,046	447,697	–	21,335	208,507	261,157	(52,649)	-20%	447,697
Surplus/ (Deficit) for the year		170,782	68,692	–	(8,885)	173,497	40,070	133,427	333%	68,692

The table above shows the municipality's financial performance for the period ended 31 January 2024 in functional classification which was created by National treasury to assist in reporting financial information per functional area. This information is consolidated at National treasury level to produce the provincial and national financial reports.

c) Revenue by Source

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

Description	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		40,848	32,243	–	4,542	28,884	18,808	10,076	54%	32,243
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water Management		–	–	–	–	–	–	–		–
Service charges - Waste management		15,477	5,661	–	352	2,474	3,302	(828)	-25%	5,661
Sale of Goods and Rendering of Services		158	201	–	29	117	117	0	0%	201
Agency services		1,361	1,266	–	121	873	739	134	18%	1,266
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		2,413	3,390	–	341	2,112	1,977	135	7%	3,390
Interest from Current and Non Current Assets		21,920	15,890	–	3,100	18,985	9,269	9,715	105%	15,890
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		7,576	5,282	–	418	2,811	3,081	(271)	-9%	5,282
Licence and permits		–	–	–	–	–	–	–		–
Operational Revenue		676	471	–	35	314	275	39	14%	471
Non-Exchange Revenue		–	–	–	–	–	–	–		–
Property rates		21,160	21,250	–	604	18,705	12,396	6,309	51%	21,250
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		1,225	225	–	–	17	131	(114)	-87%	225
Licence and permits		2,169	2,537	–	185	1,298	1,480	(182)	-12%	2,537
Transfers and subsidies - Operational		342,754	349,897	–	67	262,794	204,107	58,687	29%	349,897
Interest		4,037	1,780	–	411	3,188	1,038	2,150	207%	1,780
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		1,738	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		463,512	440,094	–	10,204	342,572	256,722	85,850	33%	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 thousand 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 R4.5 million for the month and a year to date actual of R28.8 million. This is above the projection by about 54% (about R10 million) which may add up to R17.6 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 R352 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 R3.1 million worth of interest on investments with a year to date

actual that is above the projection by 105% 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 R752 thousand for the period ended 31 January 2024 which has gone above the amount projected for the period by 214%. This requires intense debt collection initiatives. A higher interest generation means the municipality's debtors are more than what they were projected to be.
- **Fines:** The municipality has a traffic department which enforces traffic laws and the municipality's by-laws. Anyone found to have contravened these laws is charged a fine accordingly. These fines also include fines for electricity tempering. The municipality has not generated any revenue on these fines with a year to date of R17 thousand which is below the projection by 87%. 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 R418 thousand for the month which has pushed the actual performance to a level below the projection by 9%, an improvement from 11% in the previous months up to November 2023 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 R185 thousand worth of revenue for the period. The municipality has generated below the projected collection by 12% which we hope will be improved as the year progresses to at least come closer to the amounts projected.

- **Transfers and subsidies:** The municipality receives grants, both conditional and those without conditions. The report shows that an amount of over R67 thousand has been transferred to revenue for the period ended 31 January 2024 from the operating grants whose conditions have been met. This has recorded a year to date performance of R262.7 million the first seven 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 first month of the financial year and during the month of December 2023.

d) Debt Collection

The table below shows a 106% overall collection rate for the month ended 31 January 2024. However, we note a 101% collection rate on leasehold fees, 83% on electricity, 219% on property rates and 83% 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 QUARTER	OCTOBER	NOVEMBER	DECEMBER	2ND QUARTER	JANUARY	3RD QUARTER	TOTAL
RATES											
billed	15,604,954.85	1,123,005.38	1,123,511	17,851,471	1,125,130.39	1,027,745.78	1,030,076.00	3,182,952.17	1,014,690.23	1,014,690.23	22,049,113.29
payment received	627,626.58	796,922.50	613,744	2,038,294	557,899.15	10,251,524.46	515,224.90	11,324,648.51	2,220,693.95	2,220,693.95	15,583,635.97
% of billing received	4%	71%	55%	11%	50%	997%	50%	356%	219%	219%	71%
ELECTRICITY											
billed	3,155,904.34	3,176,575.05	3,052,055	9,384,534	3,474,151.04	3,786,663.64	3,486,583.29	2,653,393.27	3,184,789.11	3,184,789.11	15,222,716.44
payment received	2,272,302.01	2,208,570.00	2,248,110	6,728,982	2,418,818.04	2,580,284.91	2,203,396.05	7,202,499.00	2,653,393.27	2,653,393.27	16,584,874.44
% of billing received	72%	70%	74%	72%	70%	68%	63%	271%	83%	83%	109%
LEASEHOLD FEES											
billed	376,354.31	376,354.31	354,289	1,106,997	354,288.81	378,119.55	381,881.42	1,114,289.78	381,881.42	381,881.42	2,603,168.63
payment received	317,569.70	352,272.46	319,556	989,399	321,158.11	350,118.76	468,332.57	1,139,609.44	386,615.19	386,615.19	2,515,623.18
% of billing received	84%	94%	90%	89%	91%	93%	123%	102%	101%	101%	97%
VAT											
billed	582,492.91	585,865.38	563,850	1,732,208	627,163.94	677,615.39	633,167.71	1,937,947.04	587,708.96	587,708.96	4,257,863.79
payment received	434,171.56	409,863.83	425,024	1,269,059	453,654.74	481,617.01	437,697.21	1,372,968.96	499,485.73	499,485.73	3,141,513.92
% of billing received	75%	70%	75%	73%	72%	71%	69%	71%	85%	85%	74%
INTEREST											
billed	284,801.86	285,265.88	295,487	865,555	302,656.56	311,748.06	328,700.36	943,104.98	340,620.62	340,620.62	2,149,280.38
payment received	127,852.26	100,457.22	117,095	345,404	106,142.59	569,306.79	99,906.00	775,355.38	177,219.04	177,219.04	1,297,978.82
% of billing received	45%		40%	40%	35%	183%	30%	82%	52%	52%	60%
REFUSE REMOVAL											
billed	351,026.45	352,839.00	352,652	1,056,517	352,652.00	352,652.00	352,652.00	1,057,956.00	351,388.00	351,388.00	2,465,861.45
payment received	295,867.99	243,433.41	251,617	790,919	275,153.67	279,996.61	251,269.11	806,419.39	291,480.15	291,480.15	1,888,818.38
% of billing received	84%	69%	71%	75%	78%	79%	71%	76%	83%	83%	77%
TOTAL INCOME											
billed	20,355,534.72	5,899,905.00	5,741,843	31,997,282	6,236,042.74	6,534,544.42	6,213,060.78	10,889,643.24	5,861,078.34	5,861,078.34	48,748,003.98
payment received	4,075,390.10	4,111,519.42	3,975,147	12,162,057	4,132,826.30	14,512,848.54	3,975,825.84	22,621,500.68	6,228,887.33	6,228,887.33	41,012,444.71
% of billing received	20%	70%	69%	38%	66%	222%	64%	208%	106%	106%	84%

e) Expenditure by Type

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

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		114,174	130,212	–	9,805	67,046	75,957	(8,911)	-12%	130,212
Remuneration of councillors		26,321	28,480	–	2,210	15,705	16,614	(909)	-5%	28,480
Bulk purchases - electricity		42,241	47,731	–	–	20,922	27,843	(6,921)	-25%	47,731
Inventory consumed		5,396	7,485	–	293	2,484	4,366	(1,882)	-43%	7,485
Debt impairment		1,404	10,109	–	–	–	5,897	(5,897)	-100%	10,109
Depreciation and amortisation		41,762	54,371	–	3,167	22,098	31,716	(9,618)	-30%	54,371
Interest		–	100	–	–	–	58	(58)	-100%	100
Contracted services		52,001	85,745	–	2,321	47,671	50,018	(2,347)	-5%	85,745
Transfers and subsidies		2,593	3,431	–	299	339	2,001	(1,663)	-83%	3,431
Irrecoverable debts written off		–	–	–	–	–	–	–		–
Operational costs		61,243	80,034	–	3,239	32,225	46,686	(14,462)	-31%	80,034
Losses on Disposal of Assets		39,911	–	–	–	18	–	18	#DIV/0!	–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		387,046	447,697	–	21,335	208,507	261,157	(52,649)	-20%	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 January 2024 reflects an amount of R9.8 million for employee costs and R2.2 million for the remuneration of councillors. The remuneration of councillors shows a 5% underspending compared to what is expected at the same period. Employee costs have continued to record a 12% 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 did not spend on the item during the month but an invoice of R3.8 million was received and sent to the responsible department to process payment. An investigation on why the payment was not process is being made. A year to date actual of R20.9 million which is below the projected expenditure by 26% is reported while the correct figure should have been a year to date actual of R24.7 million which would have been below by 11%. 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 January 2023 being R3.1 million as the asset register had just concluded 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 R2.3 million worth of expenditure during the month. As indicated earlier in the report this month coincides with the end of the first month after the end of the 2nd quarter where recovery plans are being implemented to compensate for targets not achieved in the previous quarters.
- **Other Expenditure (Operational Costs):** This also shows expenditure for the month at R3.2 million and a saving of about 31% which might be as a result of the slow spending during the first months of each financial year which is always experienced 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) - M07 January

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		576	441	–	16	242	258	(16)	-6.1%	441
Vote 3 - Budget and Treasury Office		373,263	362,652	–	4,326	284,190	211,547	72,643	34.3%	362,652
Vote 4 - Community Services		25,490	13,502	–	706	8,105	7,876	229	2.9%	13,502
Vote 5 - Development Planning		22,795	28,330	–	611	18,767	16,526	2,241	13.6%	28,330
Vote 6 - Engineering Services		135,705	111,464	–	6,790	70,701	65,021	5,680	8.7%	111,464
Total Revenue by Vote	2	557,828	516,389	–	12,449	382,005	301,227	80,777	26.8%	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 R6.7 million for the month with Budget and Treasury showing generation of over R4 .3 million which may be attributable to the interest received on investments and debtors as well as Community Services at over R706 thousand.

g) Expenditure by Municipal Vote

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

Vote Description	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		78,545	88,654	–	5,469	45,796	51,715	(5,919)	-11.4%	88,654
Vote 2 - Corporate Services		42,090	64,946	–	2,645	25,153	37,885	(12,732)	-33.6%	64,946
Vote 3 - Budget and Treasury Office		27,995	45,747	–	1,436	16,711	26,686	(9,975)	-37.4%	45,747
Vote 4 - Community Services		70,461	83,784	–	5,494	39,704	48,874	(9,170)	-18.8%	83,784
Vote 5 - Development Planning		21,936	24,898	–	1,393	9,767	14,524	(4,757)	-32.8%	24,898
Vote 6 - Engineering Services		146,019	139,669	–	4,896	71,377	81,473	(10,097)	-12.4%	139,669
Total Expenditure by Vote	2	387,046	447,697	–	21,335	208,507	261,157	(52,649)	-20.2%	447,697
Surplus/ (Deficit) for the year	2	170,782	68,692	–	(8,885)	173,497	40,070	133,427	333.0%	68,692

The table above shows the expenditure by municipal vote. The total expenditure for the month of January 2024 amounted to above R21.3 million with a year to date of R208.5 million.

h) Municipality's financial performance

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

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		40,848	32,243	—	4,542	28,884	18,808	10,076	54%	32,243
Service charges - Water		—	—	—	—	—	—	—	—	—
Service charges - Waste Water Management		—	—	—	—	—	—	—	—	—
Service charges - Waste management		15,477	5,661	—	352	2,474	3,302	(828)	-25%	5,661
Sale of Goods and Rendering of Services		158	201	—	29	117	117	0	0%	201
Agency services		1,361	1,266	—	121	873	739	134	18%	1,266
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		2,413	3,390	—	341	2,112	1,977	135	7%	3,390
Interest from Current and Non Current Assets		21,920	15,890	—	3,100	18,985	9,269	9,715	105%	15,890
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		7,576	5,282	—	418	2,811	3,081	(271)	-9%	5,282
Licence and permits		—	—	—	—	—	—	—	—	—
Operational Revenue		676	471	—	35	314	275	39	14%	471
Non-Exchange Revenue		—	—	—	—	—	—	—	—	—
Property rates		21,160	21,250	—	604	18,705	12,396	6,309	51%	21,250
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		1,225	225	—	—	17	131	(114)	-87%	225
Licence and permits		2,169	2,537	—	185	1,298	1,480	(182)	-12%	2,537
Transfers and subsidies - Operational		342,754	349,897	—	67	262,794	204,107	58,687	29%	349,897
Interest		4,037	1,780	—	411	3,188	1,038	2,150	207%	1,780
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	—	—	—	—	—	—	—	—
Other Gains		1,738	—	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—	—
contributions)		463,512	440,094	—	10,204	342,572	256,722	85,850	33%	440,094
Expenditure By Type										
Employee related costs		114,174	130,212	—	9,805	67,046	75,957	(8,911)	-12%	130,212
Remuneration of councillors		26,321	28,480	—	2,210	15,705	16,614	(909)	-5%	28,480
Bulk purchases - electricity		42,241	47,731	—	—	24,722	27,843	(3,121)	-11%	47,731
Inventory consumed		5,396	7,485	—	293	2,484	4,366	(1,882)	-43%	7,485
Debt impairment		1,404	10,109	—	—	—	5,897	(5,897)	-100%	10,109
Depreciation and amortisation		41,762	54,371	—	3,167	22,098	31,716	(9,618)	-30%	54,371
Interest		—	100	—	—	—	58	(58)	-100%	100
Contracted services		52,001	85,745	—	2,321	47,671	50,018	(2,347)	-5%	85,745
Transfers and subsidies		2,593	3,431	—	299	339	2,001	(1,663)	-83%	3,431
Irrecoverable debts written off		—	—	—	—	—	—	—	—	—
Operational costs		61,243	80,034	—	3,239	32,225	46,686	(14,462)	-31%	80,034
Losses on Disposal of Assets		39,911	—	—	—	18	—	18	#DIV/0!	—
Other Losses		—	—	—	—	—	—	—	—	—
Total Expenditure		387,046	447,697	—	21,335	212,308	261,157	(48,849)	-19%	447,697
Surplus/(Deficit)		76,466	(7,603)	—	(11,131)	130,265	(4,435)	134,700	(0)	(7,603)
Transfers and subsidies - capital (monetary allocations)		93,836	76,295	—	2,246	39,432	44,505	(5,073)	(0)	76,295
Transfers and subsidies - capital (in-kind)		479	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		170,782	68,692	—	(8,885)	169,697	40,070			68,692
Income Tax		—	—	—	—	—	—			—
Surplus/(Deficit) after income tax		170,782	68,692	—	(8,885)	169,697	40,070			68,692
Share of Surplus/Deficit attributable to Joint Venture		—	—	—	—	—	—			—
Share of Surplus/Deficit attributable to Minorities		—	—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality		170,782	68,692	—	(8,885)	169,697	40,070			68,692
Share of Surplus/Deficit attributable to Associate		—	—	—	—	—	—			—
Intercompany/Parent subsidiary transactions		—	—	—	—	—	—			—
Surplus/ (Deficit) for the year		170,782	68,692	—	(8,885)	169,697	40,070			68,692

The municipality has, for the month ended recorded a deficit of R8.8 million and so far, recorded a surplus of over R169.6 million for the period ended 31 January 2024. This must be seen in the correct perspective as there has been receipts of the expected grants from the national purse. The municipality is still heavily reliant on grant funding and as such the surpluses still need to be seen in that perspective as they relate to expenditures that are still to be incurred. Measures still need to be put in place to move the municipality towards self-sustainability.

8. Capital programme performance

a) Capital expenditure by asset class and sub-class

EC443 Winnie Madikizela Mandela - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M07 January

Description	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		51,479	82,532	–	1,037	29,134	48,143	19,009	39.5%	82,532
Roads Infrastructure		35,196	51,478	–	774	16,328	30,029	13,701	45.6%	51,478
Roads		35,196	42,181	–	774	13,281	24,606	11,325	46.0%	42,181
Road Structures		–	9,297	–	–	3,048	5,423	2,376	43.8%	9,297
Electrical Infrastructure		15,252	14,783	–	263	12,806	8,623	(4,183)	-48.5%	14,783
MV Networks		14,432	14,783	–	263	12,806	8,623	(4,183)	-48.5%	14,783
LV Networks		820	–	–	–	–	–	–		–
Solid Waste Infrastructure		1,032	16,271	–	–	–	9,491	9,491	100.0%	16,271
Landfill Sites		1,032	16,271	–	–	–	9,491	9,491	100.0%	16,271
Community Assets		5,009	3,754	–	–	2,151	2,190	39	1.8%	3,754
Community Facilities		4,632	3,117	–	–	2,119	1,818	(301)	-16.6%	3,117
Halls		693	770	–	–	–	449	449	100.0%	770
Crèches		1,890	607	–	–	1,642	354	(1,288)	-363.5%	607
Markets		2,050	1,739	–	–	477	1,014	538	53.0%	1,739
Sport and Recreation Facilities		377	637	–	–	32	372	340	91.4%	637
Outdoor Facilities		377	637	–	–	32	372	340	91.4%	637
Heritage assets		–	1,304	–	–	–	761	761	100.0%	1,304
Works of Art		–	1,304	–	–	–	761	761	100.0%	1,304
Other assets		997	–	–	(463)	0	–	(0)	#DIV/0!	–
Operational Buildings		997	–	–	(463)	0	–	(0)	#DIV/0!	–
Yards		–	–	–	(463)	0	–	(0)	#DIV/0!	–
Manufacturing Plant		997	–	–	–	–	–	–		–
Computer Equipment		2,520	2,000	–	–	382	1,167	784	67.2%	2,000
Computer Equipment		2,520	2,000	–	–	382	1,167	784	67.2%	2,000
Furniture and Office Equipment		1,201	3,870	–	(10)	0	2,257	2,257	100.0%	3,870
Furniture and Office Equipment		1,201	3,870	–	(10)	0	2,257	2,257	100.0%	3,870
Machinery and Equipment		168	137	–	–	32	80	47	59.4%	137
Machinery and Equipment		168	137	–	–	32	80	47	59.4%	137
Transport Assets		4,457	6,678	–	–	–	3,896	3,896	100.0%	6,678
Transport Assets		4,457	6,678	–	–	–	3,896	3,896	100.0%	6,678
Total Capital Expenditure on new assets	1	65,832	100,275	–	564	31,700	58,493	26,794	45.8%	100,275

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

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		66,994	4,122	–	–	3,118	2,405	(713)	-29.7%	4,122
Roads Infrastructure		66,994	4,122	–	–	3,118	2,405	(713)	-29.7%	4,122
Roads		66,994	4,122	–	–	3,118	2,405	(713)	-29.7%	4,122
Community Assets		2,374	–	–	–	–	–	–		–
Community Facilities		2,374	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		2,374	–	–	–	–	–	–		–
Other assets		1,243	191	–	463	(32)	112	144	129.0%	191
Operational Buildings		1,243	191	–	463	(32)	112	144	129.0%	191
Municipal Offices		1,243	191	–	463	(32)	112	144	129.0%	191
Total Capital Expenditure on renewal of existing assets	1	70,611	4,313	–	463	3,085	2,516	(569)	-22.6%	4,313

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

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 upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		-	6,830	-	-	2,711	3,984	1,273	32.0%	6,830
Roads Infrastructure		-	6,830	-	-	2,711	3,984	1,273	32.0%	6,830
Roads		-	6,830	-	-	2,711	3,984	1,273	32.0%	6,830
Community Assets		12,780	11,864	-	-	9,400	6,921	(2,479)	-35.8%	11,864
Community Facilities		9,921	8,744	-	-	5,850	5,101	(750)	-14.7%	8,744
Halls		9,921	8,744	-	-	5,850	5,101	(750)	-14.7%	8,744
Sport and Recreation Facilities		2,859	3,120	-	-	3,549	1,820	(1,729)	-95.0%	3,120
Outdoor Facilities		2,859	3,120	-	-	3,549	1,820	(1,729)	-95.0%	3,120
Total Capital Expenditure on upgrading of existing assets	1	12,780	18,695	-	-	12,111	10,905	(1,206)	-11.1%	18,695

The above tables indicate that the municipality spent R1 million for the month ended from its capital budget and a year to date of the R46.8 million for the period ended 31 January 2024. Even though this is an improvement compared to the same time in the prior years and hopefully will be maintained for the remaining months to ensure all current projects are completed. There are a number of infrastructure projects that were awarded during the month of December contributed positively to the expenditure reported as at the end of December 2023 but that performance was unfortunately not replicated in the following month and as such the picture has began to be concerning again.

b) Capital Expenditure by municipal vote

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

Vote Description	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		14,976	10,125	–	–	9,400	5,906	3,494	59%	10,125
Total Capital Multi-year expenditure	4,7	14,976	10,125	–	–	9,400	5,906	3,494	59%	10,125
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		–	1,304	–	–	–	761	(761)	-100%	1,304
Vote 2 - Corporate Services		6,366	9,457	–	–	382	5,516	(5,134)	-93%	9,457
Vote 4 - Community Services		4,289	21,308	–	22	0	12,430	(12,430)	-100%	21,308
Vote 5 - Development Planning		3,423	2,376	–	–	509	1,386	(877)	-63%	2,376
Vote 6 - Engineering Services		120,168	78,712	–	1,004	36,605	45,915	(9,310)	-20%	78,712
Total Capital single-year expenditure	4	134,247	113,157	–	1,027	37,496	66,008	(28,512)	-43%	113,157
Total Capital Expenditure		149,223	123,282	–	1,027	46,896	71,915	(25,019)	-35%	123,282
Capital Expenditure - Functional Classification										
Governance and administration		6,594	11,109	–	(10)	382	6,480	(6,098)	-94%	11,109
Executive and council		–	1,304	–	–	–	761	(761)	-100%	1,304
Finance and administration		6,594	9,804	–	(10)	382	5,719	(5,337)	-93%	9,804
Community and public safety		1,607	907	–	(463)	–	529	(529)	-100%	907
Community and social services		1,473	770	–	(463)	–	449	(449)	-100%	770
Sport and recreation		134	137	–	–	–	80	(80)	-100%	137
Economic and environmental services		123,316	75,731	–	742	33,708	44,176	(10,468)	-24%	75,731
Planning and development		21,038	13,300	–	–	11,551	7,758	3,792	49%	13,300
Road transport		102,278	62,430	–	742	22,157	36,418	(14,261)	-39%	62,430
Trading services		17,706	35,536	–	758	12,806	20,729	(7,924)	-38%	35,536
Energy sources		15,252	15,483	–	263	12,806	9,032	3,774	42%	15,483
Waste management		2,454	20,054	–	495	–	11,698	(11,698)	-100%	20,054
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional Classification	3	149,223	123,282	–	1,027	46,896	71,915	(25,019)	-35%	123,282
Funded by:										
National Government		87,749	66,343	–	1,634	34,843	38,700	(3,857)	-10%	66,343
Transfers recognised - capital		87,749	66,343	–	1,634	34,843	38,700	(3,857)	-10%	66,343
Borrowing		–	–	–	–	–	–	–	–	–
Internally generated funds		61,474	56,939	–	(608)	12,053	33,214	(21,162)	-64%	56,939
Total Capital Funding		149,223	123,282	–	1,027	46,896	71,915	(25,019)	-35%	123,282

The above table indicates that the municipality spent R1 million from its capital budget for the month ended 31 January 2024 as indicated in the earlier paragraph with a year to date actual of R46.8 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 - M07 January

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		1,966	22,656	–	24	16,934	13,216	(3,718)	-28.1%	22,656
Roads Infrastructure		1,404	18,715	–	24	13,985	10,917	(3,068)	-28.1%	18,715
Roads		43	666	–	–	18	389	371	95.4%	666
Road Structures		1,117	17,583	–	24	13,676	10,257	(3,419)	-33.3%	17,583
Road Furniture		244	466	–	–	292	272	(20)	-7.3%	466
Electrical Infrastructure		562	3,941	–	–	2,949	2,299	(650)	-28.3%	3,941
MV Networks		562	3,941	–	(2,949)	(0)	2,299	2,299	100.0%	3,941
LV Networks		–	–	–	2,949	2,949	–	(2,949)	#DIV/0!	–
Community Assets		668	864	–	–	164	504	340	67.4%	864
Community Facilities		668	864	–	–	164	504	340	67.4%	864
Halls		426	262	–	–	164	153	(11)	-7.5%	262
Libraries		155	350	–	–	–	204	204	100.0%	350
Cemeteries/Crematoria		87	105	–	–	–	61	61	100.0%	105
Parks		–	148	–	–	–	86	86	100.0%	148
Other assets		3,391	3,279	–	8	523	1,913	1,390	72.7%	3,279
Operational Buildings		3,391	3,279	–	8	523	1,913	1,390	72.7%	3,279
Municipal Offices		3,235	3,123	–	8	523	1,822	1,299	71.3%	3,123
Yards		157	156	–	–	–	91	91	100.0%	156
Computer Equipment		23	30	–	–	21	18	(3)	-17.5%	30
Computer Equipment		23	30	–	–	21	18	(3)	-17.5%	30
Furniture and Office Equipment		69	199	–	–	60	116	56	48.4%	199
Furniture and Office Equipment		69	199	–	–	60	116	56	48.4%	199
Machinery and Equipment		–	693	–	357	402	404	2	0.4%	693
Machinery and Equipment		–	693	–	357	402	404	2	0.4%	693
Transport Assets		5,170	4,546	–	492	3,122	2,652	(471)	-17.8%	4,546
Transport Assets		5,170	4,546	–	492	3,122	2,652	(471)	-17.8%	4,546
Total Repairs and Maintenance Expenditure	1	11,287	32,266	–	881	21,226	18,822	(2,404)	-12.8%	32,266

The table shows that the municipality spent R881 thousand on the maintenance of its assets and infrastructure during the month of January 2024 with a year to date actual above the projected spending by over 12% for the same period.

d) Depreciation by asset class

EC443 Winnie Madikizela Mandela - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M07 January

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>Depreciation by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		30,625	34,353	–	2,487	17,249	20,040	2,790	13.9%	34,353
Roads Infrastructure		29,277	32,894	–	2,373	16,456	19,188	2,733	14.2%	32,894
<i>Roads</i>		12,562	14,241	–	967	6,703	8,307	1,604	19.3%	14,241
<i>Road Structures</i>		16,277	18,165	–	1,369	9,498	10,596	1,098	10.4%	18,165
<i>Road Furniture</i>		438	488	–	37	254	285	30	10.7%	488
Storm water Infrastructure		543	588	–	46	320	343	23	6.8%	588
<i>Drainage Collection</i>		204	221	–	17	120	129	9	6.8%	221
<i>Storm water Conveyance</i>		338	366	–	29	199	214	14	6.8%	366
Electrical Infrastructure		638	691	–	54	376	403	27	6.8%	691
<i>MV Substations</i>		51	55	–	4	30	32	2	6.8%	55
<i>MV Networks</i>		432	467	–	37	254	273	18	6.8%	467
<i>LV Networks</i>		155	168	–	13	91	98	7	6.8%	168
Solid Waste Infrastructure		167	181	–	14	98	105	7	6.7%	181
<i>Landfill Sites</i>		167	181	–	14	98	105	7	6.7%	181
<u>Community Assets</u>		4,532	9,089	–	208	1,440	5,302	3,862	72.8%	9,089
Community Facilities		3,762	6,344	–	142	987	3,701	2,714	73.3%	6,344
<i>Halls</i>		3,268	4,764	–	100	696	2,779	2,083	75.0%	4,764
<i>Crèches</i>		295	320	–	25	174	187	13	6.8%	320
<i>Cemeteries/Crematoria</i>		13	14	–	1	8	8	1	6.8%	14
<i>Purls</i>		101	1,068	–	9	59	623	564	90.5%	1,068
<i>Public Ablution Facilities</i>		27	114	–	2	16	66	51	76.2%	114
<i>Stalls</i>		58	64	–	5	34	38	4	9.8%	64
Sport and Recreation Facilities		770	2,745	–	65	453	1,601	1,148	71.7%	2,745
<i>Outdoor Facilities</i>		770	2,745	–	65	453	1,601	1,148	71.7%	2,745
<u>Other assets</u>		675	730	–	57	397	426	29	6.8%	730
Operational Buildings		662	716	–	56	389	417	28	6.8%	716
<i>Municipal Offices</i>		358	386	–	30	210	225	15	6.8%	386
<i>Pay/Enquiry Points</i>		3	4	–	0	2	2	0	6.7%	4
<i>Yards</i>		77	83	–	7	45	48	3	6.8%	83
<i>Stores</i>		115	125	–	10	68	73	5	6.7%	125
<i>Training Centres</i>		110	119	–	9	65	69	5	6.7%	119
Housing		13	14	–	1	8	8	1	6.8%	14
<i>Social Housing</i>		13	14	–	1	8	8	1	6.8%	14
<u>Intangible Assets</u>		11	–	–	17	87	–	(87)	#DIV/0!	–
Licences and Rights		11	–	–	17	87	–	(87)	#DIV/0!	–
<i>Computer Software and Applications</i>		11	–	–	17	87	–	(87)	#DIV/0!	–
<u>Computer Equipment</u>		2,380	2,809	–	148	1,068	1,638	570	34.8%	2,809
Computer Equipment		2,380	2,809	–	148	1,068	1,638	570	34.8%	2,809
<u>Furniture and Office Equipment</u>		29	1,342	–	49	417	783	365	46.7%	1,342
Furniture and Office Equipment		29	1,342	–	49	417	783	365	46.7%	1,342
<u>Machinery and Equipment</u>		1,564	4,550	–	83	619	2,654	2,036	76.7%	4,550
Machinery and Equipment		1,564	4,550	–	83	619	2,654	2,036	76.7%	4,550
<u>Transport Assets</u>		954	1,499	–	118	820	874	54	6.2%	1,499
Transport Assets		954	1,499	–	118	820	874	54	6.2%	1,499
Total Depreciation	1	40,770	54,371	–	3,167	22,098	31,716	9,618	30.3%	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	Order Date	Value	Status	Specifications	CSDRefNumber
MIE (Pty) Ltd	Human Resources	1/10/2024	1,643.12	RECEIVED	REQUEST FOR QUALIFICATION VERIFICATION HTC COUNSELLORS ADMIN CLERK- WHIP	MAAA0001104
GROUP TWO MEDIA COMPANY	Economic Development	2/1/2024	1,998.70	OPEN	REQUEST FOR AN ADVERT FOR SUPPLY & DELIVERY OF FISHING EQUIPMENT & MAT NEWSPAPER AS PER THE ATTACHED.	MAAA0943404
GROUP TWO MEDIA COMPANY	Municipal Manager	2/1/2024	1,998.70	OPEN	REQUEST ADVERTISEMENT FOR DRAFT ANNUAL REPORT FOR 2022/2023 FINANCIAL	MAAA0943404
GROUP TWO MEDIA COMPANY	Human Resources	2/1/2024	1,998.70	OPEN	ADVERTISING OF WELLNESS AND OCCUPATIONAL HEALTH AND SAFETY	MAAA0943404
GROUP TWO MEDIA COMPANY	Human Resources	1/10/2024	1,998.70	OPEN	Request for Advertisement of 30 Laptops	MAAA0943404
GROUP TWO MEDIA COMPANY	Roads	1/10/2024	1,998.70	OPEN	REQUEST FOR ADVERTISING OF CBD ROADS MAINTENANCE	MAAA0943404
PONDOLAND TIMES	Project Management Unit	2/1/2024	2,000.00	RECEIVED	REQUEST FOR ADVERTISING THE MAINTENANCE OF ELECTRICITY INFRASTRUCTURE MAINTENANCE OF STREETLIGHTS FOR (ELECTRICITY SECTION)	MAAA0570434
PONDOLAND TIMES	Municipal Manager	2/1/2024	2,000.00	OPEN	ADVERTISEMENT FOR DRAFT ANNUAL DREPORT FOR 2022/2023 FINANCIAL YEAR	MAAA0570434
PONDOLAND TIMES	Population Development	2/1/2024	2,000.00	OPEN	REQUEST FOR RE-ADVERTISEMENT FOR SUPPLY AND DELIVERY OF PPE: PROTECTION FOR 36 MONTHS AND MAINTENANCE OF CCTV CAMERAS FOR 3 YEARS	MAAA0570434
PONDOLAND TIMES	Economic Development	2/1/2024	2,000.00	OPEN	REQUEST FOR A NEWSPAPER ADVERT FOR AN INVITATION / CALL TO NOMINATE OR SERVE AS MEMBERS OF WMM LM MUNICIPAL PLANNING TRIBUNAL.	MAAA0570434
PONDOLAND TIMES	Economic Development	1/31/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADVERT TO SOURCE A QUALIFIED SERVICE PROVIDER TO RENDER BUILDING FOR COMMUNITIES UNDER GBS HUBS PROGRAM	MAAA0570434
PONDOLAND TIMES	Administrative and Corporate	1/31/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADERT OF DEVELOPMENT OF RECORDS INVENTORY	MAAA0570434
PONDOLAND TIMES	Population Development	1/25/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADVERTISEMENT FOR SUPPLY AND DELIVERY OF CLEANING RESOU EXTENSION OF WASTE MANAGEMENT SERVICES.	MAAA0570434
PONDOLAND TIMES	Economic Development	1/15/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADVERT FOR LAND DISPOSAL AS PER ATTACHED SPECIFICATION	MAAA0570434
PONDOLAND TIMES	Economic Development	1/12/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADVERT FOR CONSTRUCTION OF BIZANA MINI-MARKET PHASE 2	MAAA0570434
PONDOLAND TIMES	Human Resources	1/11/2024	2,000.00	RECEIVED	REQUEST TO ADVERTISE THE POST OF ADMINISTRATION CLERK AT MUNICIPAL MANAGER'S OFFICE	MAAA0570434
PONDOLAND TIMES	Finance	1/11/2024	2,000.00	RECEIVED	Request advertisement of municipal stationery	MAAA0570434
PONDOLAND TIMES	Municipal Manager	1/11/2024	2,000.00	RECEIVED	RE ADVERT FOR CUSTOMER SATISFACTION SURVEY	MAAA0570434

Total 35,636.62

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

Name of the Creditor	Function Name	Order Date	Value	Status	Specifications	CSDRefNumber
SIZISA UKHANYO TRADING 1119	Mayor and Council	1/30/2024	4,200.00	RECEIVED	REQUEST FOR 2 TAXIS FOR SAYC YOUTH SUMMIT	MAAA0167545
SONGO TRADING AND PROJECTS	Mayor and Council	1/30/2024	4,800.00	RECEIVED	FRUIT PACKS FOR 80 PEOPLE THAT WILL BE ATTENDING COUNCIL M ON THE 30TH OF JANUARY 2024	MAAA1403418
CIGFARO	Human Resources	1/10/2024	8,450.00	OPEN	PAYMENT FOR ANNUAL CONFERENCE FOR CLLR.TD MAFUMBATHA	MAAA0129791
MYN 9612 TRADING ENTERPRISE	Mayor and Council	1/10/2024	13,500.00	RECEIVED	REQUEST TENT HIRE WITH 50 CHAIRS AND 1 TABLE FOR YOUTH RESTORATION MOV AWARENESS 2023 EDITION	MAAA1361767
JEST STAR	Finance:Default	2/1/2024	13,699.08	OPEN	3 LEVER LOCKSET	MAAA1362989
KWIK-FIT BIZANA	Roads	2/1/2024	15,640.00	OPEN	REQUEST FOR REPLACEMENT OF TWO NEW TYRE'S FOR WATER CURT REG.NO: JCF-367 EC; TYRE SIZE'S 295/80R22.5 152/147	MAAA0408288
LOVE GRACE TRADING	Population Development	2/1/2024	18,405.00	OPEN	REQUEST FOR SUPPLY AND DELIVERY OF 10 X WINDOW LEAN CLEANER FOR RECREA FACILITIES	MAAA1188672
EKS VEHICLE TRACKING	Fleet Management	1/9/2024	19,537.56	RECEIVED	PAYMENT FOR VEHICLE TRACKING SERVICES	MAAA0419559
DRIVING LICENSE CARD ACCOUNT	Road and Traffic Regulations	1/31/2024	20,224.00	RECEIVED	R751-NEW CARD ORDERS FOR THE MONTH OF DECEMBER 2023	MAAA0357741
KWIK-FIT BIZANA	Roads	2/1/2024	22,597.50	OPEN	REQUEST FOR REPLACEMENT OF ONE BACK LEFT TYRE FOR BELL GRADER . REGISTRATION NO:JCF 375 EC ; TYRE SIZE 17.5-25	MAAA0408288
NGOZI CIVILS	Solid Waste Removal	1/10/2024	28,050.00	OPEN	REQUEST FOR PURCHASING OF 30 SAFETY BOOTS FOR EPWP EMPLOYEES	MAAA0957378
THE MANE'S PTY LTD	Fleet Management	2/1/2024	28,120.00	RECEIVED	PAYMENT FOR CAR WASH SERVICES	MAAA0100893
Ingcali agricultural solutions	Economic Development	1/9/2024	29,750.00	RECEIVED	PAYMENT FOR THE REVIEW OF AGRICULTURAL DEVELOPMENT PLAN	MAAA0422206

Total 226,973.14

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.

2001	Function Name	Order Date	Value	Status	Specifications	CSDRefNumber
THE MANE'S PTY LTD	Finance	2/1/2024	34,164.98	RECEIVED	PAYMENT FOR CLEANING RESOURCES CUTTING BAR OIL	MAAA0100893
JNW TRADING ENTERPRISE PTY LTD	Community Parks (including	2/1/2024	44,000.00	OPEN	REPAIRS AND MAINTENANCE OF GRDEN POWER TOOLS	MAAA0252021
PHAHLE CONSTRUCTION	Population Development	1/31/2024	49,369.90	OPEN	MAINTENANCE OF RECREATIONAL FACILITIES INSTALLATION OF NEW MIRANTI DOORS	MAAA0025893
SEBEKHO HOLDINGS	Population Development	2/1/2024	73,400.00	RECEIVED	DISASTER AWARENESS CAMPAIGN SOUND SYSTEM	MAAA0596923
CONLOG	Finance:Default	1/30/2024	84,410.00	OPEN	REQUEST FOR 100 METER FOR ELECTRICITY SECTION	MAAA0233537
LUDWALA INVESTMENT SERVICES	Mayor and Council	1/9/2024	102,600.00	RECEIVED	CATERING FOR TRADITIONAL MALE CIRCUMCITION WORKSHOP	MAAA1047308
HAMBANIKUZOZONKE	Population Development	1/15/2024	102,840.00	RECEIVED	REQUEST PAYMENT FOR SUPPLY AND DELIVERY OF CLEANING EQUIPMENT FOR RECREATIONAL FACILITIES	MAAA1332861
EVETHO TRADING 820(PTY)LTD	Economic Development/Plann	1/11/2024	116,000.00	RECEIVED	PAYMENT FOR WHOLESALERS AND RETAILERS SUPPORT PROGRAMME	MAAA0260078
TIMELESS T PTY LTD	Mayor and Council	1/9/2024	131,700.00	RECEIVED	HIRING OF CONFERENCE VENUE WITH FACILITIES	MAAA0779325
MASINYANE AND SON (PTY) LTD	Tourism	1/10/2024	182,500.00	RECEIVED	PAYMENT FOR PROCUREMENT OF SUPPORT MATERIAL AND SERVICES	MAAA0551580
TIMELESS T PTY LTD	Mayor and Council	1/31/2024	187,300.00	RECEIVED	REQUEST FOR PAYMENT FOR 16 DAYS OF ACTIVISM AGAINST WOMEN ABUSE 2023	MAAA0779325

Total 1,108,284.88

10. Status of Tenders

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

a) Mini Tender progress for January 2024

NO	SUCCESSFUL TENDERER	AMOUNT	PAYMENTS	BALANCE	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
						Jan-24		
1	TIMELESS T	R 187,300.00	R -	R 187,300.00	WMM LM 08/12/23 S&D G&HS	SUPPLY AND DELIVERY OF GROCERIES AND HIRING SERVICES	Saturday, January 13, 2024	MUNICIPAL MANAGERS OFFICE
2	EVETHO TRADING 8207	R 40,500.00	R -	R 40,500.00	WMM LM 05/12/23 CC O	CUSTOMER CARE OUTREACH	Monday, January 15, 2024	MUNICIPAL MANAGERS OFFICE
3	SNE JAY CONSTRUCTION	R 162,910.00	R -	R 162,910.00	WMM LM 10/01/24 S&D CM	SUPPLY AND DELIVERY OF CLEANING MATERIAL	Tuesday, January 30, 2024	COOPERATE SERVICES
4	FAITH LWA	R 99,300.00	R -	R 99,300.00	WMM LM 08/12/23 S&D ET 3 ECDC	SUPPLY AND DELIVERY OF EDUCATIONAL TOOLS	Monday, January 15, 2024	MUNICIPAL MANAGERS
TOTAL				R 490,010.00				

b) Tenders awarded during the month of January 2024

Competitive Bidding

NO	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
				Jan-24		
1	Vilo Security Services	R 883,300.00	WMM LM 00052 P AGRIC I	Procurement of Agricultural Inputs	Wednesday, January 31, 2024	Development Planning
2	Mabozela Trading and Enterprise	Rates	WMM LM 13/09/23/02 COC	Call Out for Crane Truck Hiring Services	Wednesday, January 31, 2024	Engineering Services
3	Eco South Partnership	R 573,850.00	WMM LM 11/08/22/02 MHR	Mbizana Heritage Reseach	Wednesday, January 31, 2024	Municipal Manager
4	Munsoft Pty Ltd	R 8,972,421.01	WMM LM 00012 PPS	Procuremen of Payroll System	Wednesday, January 31, 2024	Corporate Services
5	Blue Cycle Trading Services	R 494,500.00	WMM LM 03/11/22/02	Reviewal of ICT Disaster Recovery	Wednesday, January 31, 2024	Corporate Services
Total		R 10,924,071.01				

c) Status of current tenders

Description	Bid Number	Chairperson	Closing Date	Validity	Validity Period	SCM Official	Status	Department	Members	Today's Date	Days Lapsed	Validity Check	Remaining Days
Multi Discipline Panel of Consultants	WMM LM 31/05/22/06 MDP	Not Yet Appointed	Friday, January 26, 2024	91	Friday, April 26, 2024	Not Yet Appointed	Closed	Engineering Services	Not Yet Appointed	Monday, January 22, 2024	-4.00	Valid	95.00
Multi-Utility Online Pre-paid Electricity Vending Management System	WMM LM 00088 PVMS	Not Yet Appointed	Friday, January 26, 2024	90	Thursday, April 25, 2024	Not Yet Appointed	Closed	Engineering Services	Not Yet Appointed	Monday, January 22, 2024	-4.00	Valid	94.00
Revalidation of Township Establishment	WMM LM 24/08/22/RTE	Siphele Morlock	Monday, February 5, 2024	90	Sunday, May 5, 2024	Asithethi Ntongana	On Advert	Development Planning	Sihle Khushi, Nyameka Ngejane	Monday, January 22, 2024	-14.00	Valid	104.00
Service provider for Extension of waste management services	WMM LM 04/08/22/01/EWM	Ncumisa Xoko	Monday, February 5, 2024	90	Sunday, May 5, 2024	Mziwethu Mtetandaba	On Advert	Community Services	Nonzaliseko Xakata, Madodomzi Madikizela	Monday, January 22, 2024	-14.00	Valid	104.00
Maintenance of Solar for 36 Months in WMM LM Wards	WMM-LM 000900 MS WMM L	Not Yet Appointed	Friday, January 12, 2024	90	Thursday, April 11, 2024	Not Yet Appointed	On Advert	Community Services	Not Yet Appointed	Monday, January 22, 2024	10.00	Valid	80.00
Maintenance of 2 VIP Toilets and Honey Sucking at Mbizana	WMM-LM 000102 MMT&hs	Ms. N. Jokweni	Monday, February 5, 2024	90	Sunday, May 5, 2024	Mr. M. Mtetandaba	On Advert	Community Services	Ms. N. Xoko and Ms. Rabie	Monday, January 22, 2024	-14.00	Valid	104.00
Bizana Mini Market Phase 2	WMM-LM 24/08/23/01 BMM	Not Yet Appointed	Monday, February 5, 2024	90	Sunday, May 5, 2024	Mziwethu Mtetandaba	On Advert	Development Planning	Viwe Nontanda, Nobusi Mshweshwe	Monday, January 22, 2024	-14.00	Valid	104.00
Land Audit	WMM-LM 24/08/23/02 MLA	Not Yet Appointed	Monday, February 5, 2024	90	Sunday, May 5, 2024	Asithethi Ntongana	On Advert	Development Planning	Sihle Khushi, Nyameka Ngejane	Monday, January 22, 2024	-14.00	Valid	104.00
Indigent Register Verification	WMM-LM 13/09/23/05 IRV	Not Yet Appointed	Friday, January 26, 2024	90	Thursday, April 25, 2024	Mr. M. Mtetandaba	Closed	Community Services	Not Yet Appointed	Monday, January 22, 2024	-4.00	Valid	94.00

Description	Bid Number	Chairperson	Closing Date	Validity	Validity Period	SCM Official	Status	Department	Members	Today's Date	Days Lapsed	Validity Check	Remaining Days
										2024			
Supply and Delivery of Cleaning Resources	WMM-LM 04/08/22/01 SDC	Not Yet Appointed	Friday, February 2, 2024	90	Thursday, May 2, 2024	Mr. M. Mtetandaba	On Advert	Community Services	Mr. Morlock, Mrs Mhlelembana	Monday, January 22, 2024	-11.00	Valid	101.00
Panel of Attorneys for 36 Months	WMM LM 0054 PA 36 M	Not Yet Appointed	Friday, January 26, 2024	90	Thursday, April 25, 2024	Not Yet Appointed	Closed	Municipal Manager	Not Yet Appointed	Monday, January 22, 2024	-4.00	Valid	94.00
Customer Care Satisfactory Survey	WMM-LM 13/09/23/04 CCS	Not Yet Appointed	Thursday, February 1, 2024	90	Wednesday, May 1, 2024	Not Yet Appointed	On Advert	Municipal Manager	Not Yet Appointed	Monday, January 22, 2024	-10.00	Valid	100.00
Supply and Delivery of Stationery	WMM LM 00056 PMS 12M	Not Yet Appointed	Monday, February 12, 2024	90	Sunday, May 12, 2024	Not Yet Appointed	On Advert	B.T.O	Not Yet Appointed	Monday, January 22, 2024	-21.00	Valid	111.00
CBD Road Maintenance	WMM LM 00055 CBD R	Not Yet Appointed	Friday, February 2, 2024	90	Thursday, May 2, 2024	Not Yet Appointed	On Advert	Engineering Services	Not Yet Appointed	Monday, January 22, 2024	-11.00	Valid	101.00
Supply and Delivery of Laptops	WMM LM 00057 S&D 30 L	Not Yet Appointed	Friday, February 2, 2024	90	Thursday, May 2, 2024	Not Yet Appointed	On Advert	Corporate Service	Not Yet Appointed	Monday, January 22, 2024	-11.00	Valid	101.00

d) Deviations

No deviations were approved during the month.

e) Irregular, Fruitless and Wasteful Expenditure

There was no irregular expenditure identified for the month ended 31 January 2024.

11. Database utilisation

The following table indicates the service providers that have been utilised for the month of January 2024. 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	Order Date	Value	Status	Specifications	CSDRefNumber	Ward no.
MIE (Pty) Ltd	P.O Box 525 Irene; Centurion 0062	Human Resources	1/10/2024	1,643.12	RECEIVED	REQUEST FOR QUALIFICATION VERIFICATION HTC COUNSELLORS ADMIN CLERK- WHIP	MAAA0001104	Pretoria
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Economic Development/Plann	2/1/2024	1,998.70	OPEN	REQUEST FOR AN ADVERT FOR SUPPLY & DELIVERY OF FISHING EQUIPMENT & MAT NEWSPAPER AS PER THE ATTACHED.	MAAA0943404	Kokstad
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Municipal Manager	2/1/2024	1,998.70	OPEN	REQUEST ADVERTISEMENT FOR DRAFT ANNUAL REPORT FOR 2022/2023 FINANCIAL	MAAA0943404	Kokstad
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Human Resources	2/1/2024	1,998.70	OPEN	ADVERTISING OF WELLNESS AND OCCUPATIONAL HEALTH AND SAFETY	MAAA0943404	Kokstad
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Human Resources	1/10/2024	1,998.70	OPEN	Request for Advertisement of 30 Laptops	MAAA0943404	Kokstad
GROUP TWO MEDIA COMPANY	SHOP NO 16 TIAGOS KOKSTAD 4700	Roads	1/10/2024	1,998.70	OPEN	REQUEST FOR ADVERTISING OF CBD ROADS MAINTENANCE	MAAA0943404	Kokstad
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Project Management Unit	2/1/2024	2,000.00	RECEIVED	REQUEST FOR ADVERTISING THE MAINTENANCE OF ELECTRICITY INFRASTRUCTURE MAINTENANCE OF STREETLIGHTS FOR (ELECTRICITY SECTION)	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Municipal Manager	2/1/2024	2,000.00	OPEN	ADVERTISEMENT FOR DRAFT ANNUAL DREPORT FOR 2022/2023 FINANCIAL YEAR	MAAA0570434	Ward 17

Creditor Name	Creditor Address	Function Name	Order Date	Value	Status	Specifications	CSDRefNumber	Ward no.
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Population Development	2/1/2024	2,000.00	OPEN	REQUEST FOR RE-ADVERTISEMENT FOR SUPPLY AND DELIVERY OF PPE: PROTECTION FOR 36 MONTHS AND MAINTENANCE OF CCTV CAMERAS FOR 3 YEARS	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Economic Development	2/1/2024	2,000.00	OPEN	REQUEST FOR A NEWSPAPER ADVERT FOR AN INVITATION / CALL TO NOMINATE OR SERVE AS MEMBERS OF WMM LM MUNICIPAL PLANNING TRIBUNAL.	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Economic Development	1/31/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADVERT TO SOURCE A QUALIFIED SERVICE PROVIDER TO RENDER BUILDING FOR COMMUNITIES UNDER GBS HUBS PROGRAM	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Administrative and Corporate	1/31/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADERT OF DEVELOPMENT OF RECORDS INVENTORY	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Population Development	1/25/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADVERTISEMENT FOR SUPPLY AND DELIVERY OF CLEANING RESOU EXTENSION OF WASTE MANAGEMENT SERVICES.	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Economic Development	1/15/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADVERT FOR LAND DISPOSAL AS PER ATTACHED SPECIFICATION	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Economic Development	1/12/2024	2,000.00	RECEIVED	REQUEST FOR RE-ADVERT FOR CONSTRUCTION OF BIZANA MINI-MARKET PHASE 2	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Human Resources	1/11/2024	2,000.00	RECEIVED	REQUEST TO ADVERTISE THE POST OF ADMINISTRATION CLERK AT MUNICIPAL MANAGER'S OFFICE	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Finance	1/11/2024	2,000.00	RECEIVED	Request advertisement of municipal stationery	MAAA0570434	Ward 17
PONDOLAND TIMES	P.O BOX 127 BIZANA WARD 17 4800	Municipal Manager	1/11/2024	2,000.00	RECEIVED	RE ADVERT FOR CUSTOMER SATISFACTION SURVEY	MAAA0570434	Ward 17
SIZISA UKHANYO TRADING 1119	P O BOX 12 BIZANA WARD 16 4800	Mayor and Council	1/30/2024	4,200.00	RECEIVED	REQUEST FOR 2 TAXIS FOR SAYC YOUTH SUMMIT	MAAA0167545	Ward 16
SONGO TRADING AND PROJECTS	NGCINGO LOCATION AMANGUTYANA AA WARD 13 4800	Mayor and Council	1/30/2024	4,800.00	RECEIVED	REQUEST FOR FRUIT PACKS FOR 80 PEOPLE THAT WILL BE ATTENDING COUNCIL M ON THE 30TH OF JANUARY 2024 : BANANAS; PEACHES AND APPLES	MAAA1403418	Ward 13

Creditor Name	Creditor Address	Function Name	Order Date	Value	Status	Specifications	CSDRefNumber	Ward no.
CIGFARO	P.O BOX 4003 KEMPTON PARK GAUTENG	Human Resources	1/10/2024	8,450.00	OPEN	PAYMENT FOR ANNUAL CONFERENCE FOR CLLR.TD MAFUMBATHA	MAAA0129791	Gauteng
MYN 9612 TRADING ENTERPRISE	NIKHWE (KWANIKHWE) NIKHWE (KWANIKHWE) SP; NIKHWE 4800	Mayor and Council	1/10/2024	13,500.00	RECEIVED	REQUEST TENT HIRE WITH 50 CHAIRS AND 1 TABLE FOR YOUTH RESTORATION MOV AWARENESS 2023 EDITION	MAAA1361767	Ward 17
JEST STAR	AMANGUTYANA ADMINISTRATIVE ARE NTSIMBINI LOCATION WARD 12 4800	Finance:Default	2/1/2024	13,699.08	OPEN	3 LEVER LOCKSET	MAAA1362989	Ward 12
KWIK-FIT BIZANA	SHOP 221 45 MAIN STREET BIZANA 4800	Roads	2/1/2024	15,640.00	OPEN	REQUEST FOR REPLACEMENT OF TWO NEW TYRE'S FOR WATER CURT REG.NO: JCF-367 EC; TYRE SIZE'S 295/80R22.5 152/147	MAAA0408288	Ward 1
LOVE GRACE TRADING	P O BOX 104818 BIZANA 4800	Population Development	2/1/2024	18,405.00	OPEN	REQUEST FOR SUPPLY AND DELIVERY OF 10 X WINDOW LEAN CLEANER FOR RECREA FACILITIES	MAAA1188672	Ward 1
DRIVING LICENSE CARD ACCOUNT	P.O. BOX 25223 MONUMENT PARK PRETORIA 0105	Road and Traffic Regul	1/31/2024	20,224.00	RECEIVED	R751-NEW CARD ORDERS FOR THE MONTH OF DECEMBER 2023	MAAA0357741	Pretoria
KWIK-FIT BIZANA	SHOP 221 45 MAIN STREET BIZANA 4800	Roads	2/1/2024	22,597.50	OPEN	REQUEST FOR REPLACEMENT OF ONE BACK LEFT TYRE FOR BELL GRADER . REGISTRATION NO:JCF 375 EC ; TYRE SIZE 17.5-25	MAAA0408288	Ward 1
NGOZI CIVILS	P.O.BOX 609 WARD 29 BIZANA 4800	Solid Waste Removal	1/10/2024	28,050.00	OPEN	REQUEST FOR PURCHASING OF 30 SAFETY BOOTS FOR EPWP EMPLOYEES	MAAA0957378	Ward 14
Ingcali agricultural solutions	118 GOVERN MBEKI ROAD;KUYASA 118 GOVERN MBEKI ROAD;KUYASA 5099	Economic Development	1/9/2024	29,750.00	RECEIVED	PAYMENT FOR THE REVIEW OF AGRICULTURAL DEVELOPMENT PLAN	MAAA0422206	Mtata

Total 214,952.20

12. Emerging Risks in the municipality's Procurement Processes

In the mid-year assessment report for the 2022/23 financial year presented to the Mayor in January 2023 and to the council by the Mayor, a report on the risks identified in the procurement processes was presented. There were trends that had been identified in the procurement processes which required strengthening of controls to ensure that public funds are protected from abuse or undue benefit from the bidders and other role players. These trends had resulted in a number of tenders being re-advertised depending on the nature of risks identified. A summary of the risks identified were as follows:

- Fraudulent appointment letters, reference letters, and completion certificates submitted to claim points
- Fraudulent BEE certificates
- Documents certified by people who do not have adequate authority to do so
- False or incomplete declarations by bidders
- Non-disclosure of information necessary to assist in decision making
- Municipal employees giving certain bidders information on progress in the evaluation and adjudication processes before they are finalised and officially made public by the municipality.

i. Unauthorised Issue of SCM Information

In August 2022, evaluation reports for the construction of Tshongweni Access Road, Sixhanxeni Access Road and Sigingqini were presented to the adjudication committee by the respective members of the appointed committees. A day after these reports were presented information surfaced that the reports were circulating in WhatsApp groups of business formations within the Alfred Nzo district despite the processes not having been finalised and the reports approved by the accounting officer. The reports circulating allegedly contained signatures of municipal staff members who were part of the evaluation committee.

During the month of December 2022, a report for the Mbizana Heritage Research project was presented to the bid evaluation committee by the appointed chairperson of the committee from which the adjudication committee identified the following issues:

- a) The bid was already past its validity period and no request to extend the validity period was made
- b) The recommended bidder had made a false declaration where information relating to one of the directors was concealed

On the same day one of the members of the bid adjudication committee members received a WhatsApp message from the bidder clearly not pleased with the reasons for the municipality not to award them the bid despite the report having not been finalised and sent to the accounting officer for approval and the process finalised.

Such incidents do not only compromise the municipal processes but also endanger the lives of those charged with taking decisions in the municipality as may have been seen in the case in Mpumalanga where a municipal manager was kidnapped in front of the municipal premises, allegedly in an attempt to influence the outcome of a procurement process. This is reported as an attempt to request the municipality to investigate how these incidents took place so that controls may be put in place from an informed position.

ii. Developments since this was identified

The following is a summary of what has happened since the report was made:

- Members of management have received calls from unknown numbers informing them they are aware bids in which they have an interest are to be presented to the bid adjudication committee and the Chief Financial Officer is the one who might have a problem with their bids being awarded and therefore requesting them to speak to the Chief Financial Officer to disregard whatever might not be right on their submissions
- The Chief Financial Officer has since May 2023 been targeted through death threats and as a result the municipality has had to provide protection to date
- Unsuccessful bidders have been sending objection letters on bids awarded making reference to information contained in internal communications between the Budget and Treasury Office and the Office of the Municipal Manager
- Bid evaluation committees have began ignoring recommendations of the bid adjudication committee and therefore recommending bidders who have not fully complied with the requirements of the bid at the expense of those who have complied
- Some bidders have been increasing submitting bid prices that seem to have been changed and submitted after what would have been the lowest bid had they not been changed resulting in the controls of the email access where bids are submitted being tightened to eliminate any foul play after which the changing of prices has not been seen

- Certain local business people organising themselves to come and direct the municipality to find ways to manipulate the outcomes of the bid processes so that some bidders do not get bids and some are preferred regardless of the outcome (this being referred to as distribution of wealth)
- Allegations of certain bidders boasting that their bids are prepared by municipal officials
- Some sections of the local businesses demanding that the municipality scraps the submission of bids electronically
- The municipality and winning bidders being taken to court where again information contained in the internal reports of the municipality is being referenced on the reasons for such

It is still recommended that the municipality sanctions an investigation into these practices to protect both the municipality and the lives and families of those tasked with overseeing and implementing these processes.

13. Regulation 17(1) c Procurement

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

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

SECTION 17 TRANSACTION DETAILS							PROCUREMENT PROCESS			
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
Not Paid	N/A	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	PINV04428	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	IN.0003645	S.A. Borad for Peaplo Practices	R 2,300.00	Local Government Oversight for Mr.Jozela	Z.Zukulu	Wednesday, September 27, 2023	Corporate Services	NO	One quote requested	Sole Provider
Saturday, September 30, 2023	11729	CIGFARO	R 15,796.00	Membership Fees for CFO and Municipal Manager	Z.Zukulu	Thursday, September 28, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Wednesday, October 11, 2023	1000620	HV Test Academy	R 12,458.53	Fees for Training	Z.Zukulu	Tuesday, October 10, 2023	Engineering office	NO	One quote requested	Sole Provider
Wednesday, October 11, 2023	INV2023072102	Renkalic Training centre	R 13,900.00	Fees for Training	Z.Zukulu	Tuesday, October 10, 2023	Engineering office	NO	One quote requested	Sole Provider
Tuesday, September 12, 2023	Gov0911	Sita	R 31,600.00	Study Fees Electricity Officials	Z.Zukulu	Tuesday, September 12, 2023	Engineering office	NO	One quote requested	Sole Provider

SECTION 17 TRANSACTION DETAILS								PROCUREMENT PROCESS		
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
Thursday, November 9, 2023	200044257	Institute for Internal Auditors	R 22,011.00	Membership fees for internal audit officials	Z.Zukulu	Tuesday, September 19, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Thursday, November 9, 2023	DFI56156469	MIE	R 4,326.65	Verification and collection of educational qualifications	Z.Zukulu	Tuesday, October 24, 2023	Corporate Services	NO	One quote requested	Sole Provider
Not Paid	IN0031421	WESSA	R 12,275.00	NGO	Z.Zukulu	Monday, October 30, 2023	LED	NO	One quote requested	Sole Provider
Wednesday, November 1, 2023	1345560 C 1345560A	WITS	R 116,000.00	Study fees	Z.Zukulu	Wednesday, November 1, 2023	Corporate Services	NO	One quote requested	Sole Provider
Wednesday, November 1, 2023	1345560(B)	WITS	R 174,000.00	Study fees	Z.Zukulu	Wednesday, November 1, 2023	Corporate Services	NO	One quote requested	Sole Provider
Monday, November 13, 2023	12478	CIGFARO	R 3,356.00	Membership fees	Z.Zukulu	Monday, November 13, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Tuesday, December 19, 2023	200005401	Leadership Academy	R 11,731.15	Trainin for internal Audtors Interns	Z.Zukulu	Monday, December 18, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Tuesday, November 28, 2023	DFI56159749	MIE	R 251.39	Verification and collection of educational qualifications	Z.Zukulu	Tuesday, November 28, 2023	Corporate Services	NO	One quote requested	Sole Provider
Wednesday, November 29, 2023	MOC026344	SAGE	R 32,637.00	Training	Z.Zukulu	Wednesday, November 29, 2023	Corporate Services	NO	One quote requested	Sole Provider
Not Paid	N/A	SAICA	R 4,778.22	Skilled Accounting Professional	Z.Zukulu	Wednesday, December 20, 2023	Corporate Services	NO	One quote requested	Sole Provider
Not Paid	N/A	Chartered Institute of Government Finance	R 8,450.00	For Audit and Risk Officers	Z.Zukulu	Tuesday, January 9, 2024	Corporate Services	NO	One quote requested	Sole Provider
DFI56159749	EF008325-000	MIE	R 1,643.12	Verification and collection of educational qualifications	Z.Zukulu	Wednesday, January 10, 2024	Corporate Services	NO	One quote requested	Sole Provider
Not Paid	N/A	Walter Sisulu University	R 14,320.00	Study Fees	Z.Zukulu	Wednesday, January 31, 2024	Corporate Services	NO	One quote requested	Sole Provider
Not Paid		Unisa	R 16,410.00	Study Fees	Z.Zukulu	Wednesday, January 31, 2024	Corporate Services	NO	One quote requested	Sole Provider
			R 587,366.15							

14. Contract Management

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

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

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

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	24-Jan	Current year Expenditure	Closing Balance
Zama Dunga Business Enterprise	Construction of Mbizana Civic Centre	MBIZLM27/02/18/02ENG	R 81,933,542.18	R -	R 1,420,411.67	R 3,707,098.64
Sage VIP	Payroll System	None Provided	R -	R -	R 32,637.00	-R 893,781.95
Sizanane Consulting	General Valuation Roll 2019/2024	Valluation Roll 2019/2024	R 1,576,425.00	R -	R -	R 581,897.44
Munsoft (PTY) LTD	Financial and Billing System	MBIZ LM ICT DUE DELIGENTS	R -	R -	R 4,295,051.47	-R 19,199,875.40
Indwe Risk Services	Provision of Insurance Services	MBIZ LM/02/05/18/INS/BTO	R 876,543.75	R -	R 1,691,183.78	-R 6,498,061.29
Conlog	Prepaid electricity agent	Fef:6/1/1/5	R -	R -	R 237,731.17	-R 9,027,556.44
Kumyolz Investments	Debt collection services for 3 years	MBIZ LM 00022 DCS	R 0.13	R 80,572.39	R 574,725.56	-R 2,799,008.54
Khanya Africa Networks	Integrated Financial Records and Archiving Solutions (IFRA) for 3 years	MBIZ LM 0035 IFRA	R 5,300,000.00	R -	R -	R 208,042.19
Vodacom Pty Ltd	Procurement of Mobile Contract	MBIZ LM 0040 PMC	R -	R 464,739.31	R 3,307,048.22	-R 16,882,770.72
ODG Technologies PTY Ltd	Panel of Electrical Engineering Consultants(Ele Load Forecasting)	MBIZ LM 0055 CON	R 345,000.00	R -	R -	R -

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	24-Jan	Current year Expenditure	Closing Balance
Restsam Engineering PTY Ltd	Panel of Electrical Engineering Consultants	MBIZ LM 0055 CON	R -	R -	R -	R -
Emerald Metering and Utility Management Pty Ltd	Supply & Maintenance of Automated Meter Reading System for 3 years	MBIZ LM 0085 AMR'S	R 2,129,902.23	R 110,894.73	R 790,826.27	-R 1,895,529.64
Iqhaya Design Workshop	Panel of Consultants- Architectural: Temporary Traders Stalls and Civil Works	MBIZ LM 0055 CON	R 956,705.82	R -	R 280,772.35	R 6,239.40
Iqhaya Design and Workshop	Manufacturing Hubs	WMM-LM(Panel of Consultants)	R 3,850,372.50	R 1,353,800.70	R 1,353,800.70	R 664,021.43
Bukhobethu Security Services	Provision of Private Security Services	WMM LM 08/12/20/03 PSC	R 27,820,800.00	R 869,400.00	R 1,899,800.00	R 8,447,900.00
Phahle Construction	Maintenance of Recreational Facilities	WMM LM 16/09/20/01	R -	R -	R -	-R 448,965.09
Dr Sugudhav-Sewpersadh Attorneys	Provision of Legal Services	WMM LM 25/08/21	R -	R -	R 2,868,713.21	-R 5,636,892.65
Z.N.Mtshabe	Provision of Legal Services	WMM LM 25/08/21	R -	R -	R 5,812,582.41	-R 11,020,301.17
Techseeds Pty Ltd	Supply and Delivery of Printers	WMM LM 21/12/21/01 PRI	R 6,581,971.41	R -	R -	R 5,897,168.03
Ziinzame Consulting Engineers	Sidanga Access Road with a Bridge	MBIZ LM 0055 CON	R 3,256,364.38	R -	R -	R 102,691.34
EKS Vehicle Tracking	Vehicle Tracking Services	Transversal Contracts(RT-46)	R -	R -	R 92,815.29	-R 258,887.67
Iheans Travelling Agency	Provision of Traveling Agency for 36 months	WMM LM 30/06/22/01 TRA	R -	R 50,985.48	R 802,061.47	-R 975,984.75
Tunimart(PTY)LTD	Provision of Traveling Agency for 36 months	WMM LM 30/06/22/01 TRA	R -	R 110,025.22	R 1,415,700.91	-R 1,901,703.17
Bomba Diesel	Supply and Delivery of Stationery for 12 months	WMM LM 18/09/09/1/01	R -	R -	-R 665,426.83	R 382,220.10
Thahle Project jv Ayagu Construction	Construction of Sidanga Access Road with Bridges	WMM LM 00098	R 19,990,389.66	R -	R 1,999,034.91	R 1,999,075.23
Nikhwe Group	Repairs and Maintenance of Municipal Main Building	WMM LM 00099 R&M MB	R 1,557,620.17	R -	R -	R 410,097.58
XS Dollarz	Construction of Ward 13 ECDC	WMM LM 25/05/22/05 ECDC	R 4,061,813.16	R -	R 1,916,990.85	R 406,307.51
Thahle Projects Jv Ayagu Trading	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 5,884,206.38	R 529,971.31	R 2,236,826.62	R 85,780.67
Moya Trading and Projects	Social and Disaster Relief Material for 3 years	WMM LM 0064 SRM	R -	R 195,700.00	R 388,700.00	-R 1,369,120.00
Mabozela Trading and Enterprise	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 9,520,610.95	R -	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 -	R 2,699,970.10	-R 2,351,508.29
Manyobo Group	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 6,825,933.78	R -	R 2,885,226.67	-R 393,647.48
LG Construction TA LGC Construction	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 5,232,704.10	R -	R 2,654,590.54	-R 1,598,773.84
Restsam Engineering PTY Ltd	Electrification of Msarhweni Village	MBIZ LM 0055 CON	R 607,200.00	R -	R -	R 201,590.40

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	24-Jan	Current year Expenditure	Closing Balance
Wosa Nawe 16	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R 3,687,053.32	R -	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 650,578.00
ZML Group	Electrification of Zizityaneni Village	WMM LM 00058E	R 7,836,167.58	R -	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 259,619.62	R 1,604,926.68	-R 1,839,326.68
Lilitha Project Managers	Preparation of GRAP Compliant Immovable Fixed Asset Register	WMM LM 14/06/22 FAR	R 1,722,106.00	R -	R 1,707,779.80	R 14,326.20
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 -
Nikhwe Group	Multi Discipline Panel of Consultants for a Period of 3 years	WMM LM 25/03/22/01 MDP	R -	R -	R -	R -
VHB and Associates	Construction of Mbizana Civic Centre	MBIZLM27/02/18/02ENG	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 -	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 -	R 898,150.00	-R 472,395.99
Masilo 85 Projects	Refurbishment of Low Voltage Lines in Extension 4	WMM LM 00081 RVL	R 3,491,945.22	R -	R 2,093,341.32	R 1,398,603.90
Ziinzame Consulting Engineers	Multi Discipline Panel of Consultants for a Period of 3 years	WMM LM 25/03/22/01 MDP	R -	R -	R -	R -
S.Zoko Consulting	Rehabilitation of Ntamonde Access Road	MBIZ LM 0055 CON	R 508,801.44	R -	R 68,558.95	R 27,338.44
S.Zoko Consulting	Rehabilitation of Mgodini to Mcinjweni Access Road	MBIZ LM 0055 CON	R 433,683.34	R -	R -	R 159,301.47
Ziinzame Consulting Engineers	Maintenance of Monti Access Road	MBIZ LM 0055 CON	R 253,105.02	R -	R -	R 12,190.01
Ziinzame Consulting Engineers	Construction of Majazi Landfill Site	MBIZ LM 0055 CON	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 59,050.00	-R 59,050.00
Nkwali AM	Fencing of Mphuthumi Mafumbatha Staidum	WMM-LM 04/05/23/06	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 182,030.00	-R 182,030.00
Citeplan	Kubha/Magusheni LSDF	WMM LM /24/0822 K/M LSDF	R 276,000.00	R -	R 163,000.00	R 113,000.00
Masilo Jv Kresta Green	Nomlacu Electrification Phase 2	WMM LM 04/05/23/01 ENP	R 5,221,160.12	R 1,334,351.55	R 4,029,562.87	R 1,191,597.25
ODG Technologies PTY Ltd	Nomlacu Electrification Phase 2	WMM LM 04/05/23/01 ENP	R 1,035,116.46	R -	R 622,035.39	R 413,081.07
Stira Construction	Construction of Mgqutsalala Access Road	WMM LM 000103 M W18	R 4,621,749.00	R -	R 2,130,287.58	R 2,491,461.42
Alutha Holding 82/ Show Love and Care	Construction to Ntshikitsane to Bhukuveni Access Road	WMM LM 000104 CS W08	R 2,495,075.00	R -	R 770,712.00	R 1,724,363.00
Mvumeza Trading Enterprise	Construction of Mhlwazini Access Road	WMM LM 00020 M A/R	R 4,395,182.41	R 712,034.00	R 1,719,194.80	R 2,675,987.61

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	24-Jan	Current year Expenditure	Closing Balance
Isivuno Eshile Construction	Construction of Mgomanzi Access Road	WMM LM 00013 M A/R	R 5,122,592.20	R -	R 2,648,632.85	R 2,473,959.35
Vitsha Trading	Construction of Mwilini Access Road	WMM LM 0018 MZ/ A/R	R 5,790,907.51	R -	R 1,005,394.40	R 4,785,513.11
Vitsha Trading	Upgrading of Mbongwana Access Road	WMM LM 00017 MDG	R 9,685,836.19	R -	R 1,720,657.60	R 7,965,178.59
Ndzila Investments	Provision of Insurance Services for 36 Months	WMM-LM 27/10/21/01 PIS	R -	R -	R -	R -
Masilo Projects 85	Electrification of Masarhweni Phase 2	WMM LM 04/05/23/02 EMP	R 3,207,821.60	R -	R -	R 3,207,821.60
First Rand Limited	Provision of Banking Services for 5 Years	WMM LM 00012 BS	R -	R -	R -	R -
Vilo Security Services	Procurement of Agricultural Inputs	WMM LM 00052 P AGRIC I	R 883,300.00	R -	R -	R 883,300.00
ATC Industries Pty Ltd	Maintenance of Traffic Lights for 3 Years	WMM LM 00016 M TL 3Y	R -	R 271,851.64	R 603,391.74	-R 603,391.74
Mabozela Trading and Enterprise	Call Out for Crane Truck Hiring Services	WMM LM 13/09/23/02 COC	#VALUE!	R -	R -	
West Bank Limited	Fuel	WMM LM 00012 BS	R -	R 813,038.16	R 813,038.16	R -
Eco South Partnership	Mbizana Heritage Research	WMM LM 11/08/22/02 MHR	R 573,850.00	R -	R -	R 573,850.00
Munsoft Pty Ltd	Procurement of Payroll System	WMM LM 00012 PPS	R 8,972,421.01	R -	R -	R 8,972,421.01
Blue Cycle Trading Services	Reviewal of ICT Disaster Recovery	WMM LM 03/11/22/02	R 494,500.00	R -	R -	R 494,500.00
				R 7,156,984.11	R 74,312,470.65	-R 10,639,951.28

PART 2 – SUPPORTING DOCUMENTATION

1. Formulation of the 2022/23 Audit Action Plan

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.

As opposed to the 2022 audit where the Office of the Auditor General was unable to conduct planning, for the 2023 audit this was done and concluded in April 2023 which made it easy for the audit to be concluded much easier and better this time towards the end of November 2023.

The following milestones were covered:

- Presentation of the engagement letter and signing by the MM
- Presentation of the audit strategy and planning report
- Presentation of the draft and Final Management Report
- Issuing and signing of the audit report confirming the municipality has maintained its clean audit opinion.

By the end of November 2023, 70 RFIs and 24 Communications of Audit Findings had been issued and responded to.

As previously reported, a audit action plan framework was developed and distributed to all members of the municipality's management team for inputs on the corrective measures relating to each item as raised on the management report.

During the month of January 2024, the Chief Financial Officer convened a session with all affected departments to discuss the corrective measures together with internal audit. The corrective action plan was presented to the Executive Committee in a meeting where the Chairperson of the Audit Committee, the Chairperson of MPAC, Whip of Council and the Speaker were invited during the month.

This was therefore presented to Council on the 30th of January 2024 for approval and monitoring. The audit action plan has since been split into matters affecting each department which would need to be presented to each standing committee on a monthly basis. Internal audit has been tasked with verifying corrections claimed by each responsible department for each item included in the action plan.

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. Councillor and staff benefits

EC443 Winnie Madikizela Mandela - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January

Summary of Employee and Councillor remuneration	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	A	B	C						D
<u>Councillors (Political Office Bearers plus Other)</u>										
Basic Salaries and Wages		14,085	15,153	–	1,182	8,394	8,839	(446)	-5%	15,153
Pension and UIF Contributions		1,167	1,263	–	98	696	737	(41)	-6%	1,263
Medical Aid Contributions		1,167	1,263	–	98	696	737	(41)	-6%	1,263
Motor Vehicle Allowance		5,762	6,314	–	483	3,435	3,683	(249)	-7%	6,314
Cellphone Allowance		4,139	4,488	–	349	2,485	2,618	(133)	-5%	4,488
Sub Total - Councillors		26,321	28,481	–	2,210	15,705	16,614	(909)	-5%	28,481
% increase	4		8.2%							8.2%
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages		5,572	5,572	–	408	3,041	3,250	(210)	-6%	5,572
Pension and UIF Contributions		176	250	–	15	124	146	(22)	-15%	250
Medical Aid Contributions		343	361	–	24	186	211	(25)	-12%	361
Motor Vehicle Allowance		1,477	1,630	–	141	949	951	(2)	0%	1,630
Cellphone Allowance		114	120	–	7	60	70	(11)	-15%	120
Housing Allowances		426	465	–	33	245	271	(27)	-10%	465
Sub Total - Senior Managers of Municipality		8,107	8,398	–	629	4,604	4,899	(295)	-6%	8,398
% increase	4		3.6%							3.6%
<u>Other Municipal Staff</u>										
Basic Salaries and Wages		76,714	76,704	–	6,128	42,456	44,744	(2,287)	-5%	76,704
Pension and UIF Contributions		11,266	12,619	–	1,027	7,140	7,361	(221)	-3%	12,619
Medical Aid Contributions		5,356	6,213	–	522	3,433	3,624	(191)	-5%	6,213
Overtime		1,387	2,925	–	312	1,126	1,706	(580)	-34%	2,925
Performance Bonus		5,971	6,093	–	18	162	3,554	(3,392)	-95%	6,093
Motor Vehicle Allowance		7,625	8,157	–	676	4,659	4,758	(99)	-2%	8,157
Cellphone Allowance		615	875	–	50	345	510	(165)	-32%	875
Housing Allowances		3,728	4,403	–	331	2,302	2,569	(267)	-10%	4,403
Other benefits and allowances		4,845	3,825	–	112	819	2,231	(1,412)	-63%	3,825
Sub Total - Other Municipal Staff		117,507	121,814	–	9,176	62,442	71,058	(8,616)	-12%	121,814
% increase	4		3.7%							3.7%
Total Parent Municipality		151,935	158,693	–	12,015	82,751	92,571	(9,820)	-11%	158,693
			4.4%							4.4%
TOTAL SALARY, ALLOWANCES & BENEFITS		151,935	158,693	–	12,015	82,751	92,571	(9,820)	-11%	158,693
% increase	4		4.4%							4.4%
TOTAL MANAGERS AND STAFF		125,614	130,213	–	9,805	67,046	75,957	(8,911)	-12%	130,213

4. Debtors' analysis

Summary of all Debtors

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

Description	NT Code	Budget Year 2023/24											
		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	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables	1200	–	–	–	–	–	–	–	–	–	–		
Trade and Other Receivables	1300	5,907	2,396	1,814	1,531	1,583	1,240	1,159	13,968	29,598	19,481		
Receivables from Non-exchange	1400	1,345	341	274	266	281	9,853	263	27,331	39,955	37,994		
Receivables from Exchange	1500	–	–	–	–	–	–	–	–	–	–		
Receivables from Exchange	1600	49	14	14	14	14	16	2	2,060	2,182	2,105		
Receivables from Exchange	1700	–	–	–	–	–	–	–	384	384	384		
Interest on Arrear Debtor Accounts	1810	1,506	735	820	806	815	621	588	16,112	22,002	18,941		
Recoverable unauthorised, interest	1820	–	–	–	–	–	–	–	–	–	–		
Other	1900	614	259	232	234	216	220	212	7,917	9,905	8,800		
Total By Income Source	2000	9,420	3,745	3,155	2,852	2,909	11,949	2,224	67,772	104,026	87,706	–	–
2022/23 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	997	540	590	590	606	9,983	390	29,615	43,311	41,184		
Commercial	2300	7,777	2,906	2,267	1,987	2,030	1,692	1,578	23,792	44,030	31,080		
Households	2400	647	299	298	275	273	274	255	14,365	16,685	15,442		
Other	2500	–	–	–	–	–	–	–	–	–	–		
Total By Customer Group	2600	9,420	3,745	3,155	2,852	2,909	11,949	2,224	67,772	104,026	87,706	–	–

The table above shows municipal debtors for the month of January 2024 per income source and per customer group. It should be noted that the municipality's leading source of income when it comes to debtors is property rate followed by interest on arrears which is an indication that we have more debtors that have stayed for longer periods outstanding. It should also be noted that the municipality's majority of debtors are more than 150 days old. This could prompt a write-off at some point if these are not collected as they overstate the municipality's balance sheet.

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

5. Creditors' analysis

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

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	1,187								1,187	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	1,187	-	-	-	-	-	-	-	1,187	-

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

6. Investment portfolio analysis

EC443 Winnie Madikizela Mandela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	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	0.006503363	0	n/a	not fixed	7,345	48	(760)	13,500	20,133
FNB CALL DEPOSIT ACCOUNT(62459758078)		Not fixed	Call Deposit	No	Variable	0.006356108	0	n/a	not fixed	15	0	–	–	15
FNB CALL DEPOSIT ACCOUNT(62028477992)		Not fixed	Call Deposit	No	Variable	0.006143847	0	n/a	not fixed	464,893	2,856	(7,856)	–	459,893
FNB CALL DEPOSIT ACCOUNT(62816769220)		Not fixed	Call Deposit	No	Variable	0.006157528	0	n/a	not fixed	848	5	–	–	854
FNB CALL DEPOSIT ACCOUNT(62816773073)		Not fixed	Call Deposit	No	Variable	0.006157105	0	n/a	not fixed	5	0	–	–	5
FNB CALL DEPOSIT ACCOUNT(62896110170)		Not fixed	Call Deposit	No	Variable	0.005662246	0	n/a	not fixed	9,230	52	(1,354)	–	7,928
FNB CALL DEPOSIT ACCOUNT(62852108531)		Not fixed	Call Deposit	No	Variable	0.006157535	0	n/a	not fixed	2,690	17	–	–	2,706
FNB CALL DEPOSIT ACCOUNT(62550715828)		Not fixed	Call Deposit	No	Variable	0.006145951	0	n/a	not fixed	940	6	(61)	–	885
										485,965	2,984	(10,030)	13,500	492,419
Entities														
														–
														–
														–
														–
														–
Entities sub-total										–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2									485,965		(10,030)	13,500	492,419

The table above shows the municipality's investments performance. The table shows that the municipality's cash and cash equivalents increased during the month by over R98.8 million which lead to an increase in its investments for the month of January 2024. It should however be noted that this only reflects the difference between what was received and what was spent.

7. Allocation and grant receipts and expenditure

a) Transfers & Grants Receipts

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

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:		21,111	349,397	–	–	260,258	203,815	55,192	27.1%	349,397
Local Government Equitable Share		–	341,204	–	–	255,903	199,036	56,867	28.6%	341,204
Finance Management		2,100	2,100	–	–	2,100	1,225			2,100
Integrated National Electrification Programme		–	–	–	–	–	–			–
EPWP Incentive		3,687	3,222	–	–	2,255	1,880			3,222
Neighbourhood Development Partnership Grant		–	–	–	–	–	–			–
Municipal Infrastructure Grant	3	2,534	2,871	–	–	–	1,675	(1,675)	-100.0%	2,871
Disaster relief grant		12,790	–	–	–	–	–	–		–
Provincial Government:		500	500	–	–	500	292	208	71.4%	500
Health subsidy		–	–	–	–	–	–	–		–
Capacity Building and Other		500	500	–	–	500	292			500
Other transfers and grants [insert description]		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	21,611	349,897	–	–	260,758	204,107	55,401	27.1%	349,897
Capital Transfers and Grants										
National Government:		98,354	71,555	–	13,500	64,694	41,740	11,102	26.6%	71,555
Municipal Infrastructure Grant (MIG)		48,148	54,555	–	13,500	42,926	31,824	11,102	34.9%	54,555
Neighbourhood Development Partnership		–	–	–	–	9,168	–			–
Municipal Disaster Recovery Grant		33,806	–	–	–	–	–			–
Integrated National Electrification Programme Grant		16,400	17,000	–	–	12,600	9,917			17,000
Other capital transfers [insert description]		–	–	–	–	–	–	–		–
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	98,354	71,555	–	13,500	64,694	41,740	11,102	26.6%	71,555
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	119,965	421,452	–	13,500	325,452	245,847	66,503	27.1%	421,452

The above table shows grants received during the month of January 2024.

b) Transfers & Grants Expenditure

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

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:		21,111	349,397	–	13,203	124,617	203,815	(79,198)	-38.9%	349,397
Local Government Equitable Share		–	341,204	–	12,890	118,240	199,036	(80,796)	-40.6%	341,204
Finance Management		2,100	2,100	–	55	1,215	1,225	(10)	-0.9%	2,100
Integrated National Electrification Programme		–	–	–	–	–	–	–	–	–
EPWP Incentive		3,687	3,222	–	–	3,222	1,880	1,343	71.4%	3,222
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		2,534	2,871	–	259	1,940	1,675	265	15.8%	2,871
Disaster relief grant		12,790	–	–	–	–	–	–	–	–
Provincial Government:		500	500	–	(2)	87	292	(204)	-70.0%	500
Health subsidy		–	–	–	–	–	–	–	–	–
Capacity Building and Other		500	500	–	(2)	87	292	(204)	-70.0%	500
		–	–	–	–	–	–	–	–	–
		–	–	–	–	–	–	–	–	–
Other transfers and grants [insert description]		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		21,611	349,897	–	13,201	124,704	204,107	(79,403)	-38.9%	349,897
Capital expenditure of Transfers and Grants										
National Government:		98,354	76,295	–	1,852	39,039	44,505	(5,466)	-12.3%	76,295
Municipal Infrastructure Grant (MIG)		48,148	54,555	–	867	20,581	31,824	(11,243)	-35.3%	54,555
Neighbourhood Development Partnership Grant		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Gran		16,400	17,000	–	298	14,570	9,917	4,653	46.9%	17,000
Disaster Recovery Grant		33,806	4,740	–	687	3,888	2,765	1,123	40.6%	4,740
		–	–	–	–	–	–	–	–	–
Other capital transfers [insert description]		–	–	–	–	–	–	–	–	–
Provincial Government:		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		98,354	76,295	–	1,852	39,039	44,505	(5,466)	-12.3%	76,295
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		119,965	426,192	–	15,053	163,743	248,612	(84,869)	-34.1%	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 - M07

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					-	
Disaster relief grant					-	
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.

d) Actuals and revised targets for cash receipts and payments

EC443 Winnie Madikizela Mandela - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M07 January

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands	1															
Cash Receipts By Source																
Property rates		613	670	536	466	10,544	411	2,185	2,790	2,790	2,790	2,790	3,395	29,982	31,546	29,613
Service charges - Electricity revenue		2,570	3,392	3,476	3,402	3,859	3,107	4,590	1,181	1,181	1,181	1,181	(2,228)	26,893	30,798	33,302
Service charges - Water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Mangement		374	303	326	354	353	318	366	614	614	614	614	862	5,712	3,987	4,531
Rental of facilities and equipment		472	503	467	480	564	665	610	355	355	355	355	101	5,282	5,670	6,087
Interest earned - external investments		2,279	3,071	2,923	2,693	2,498	2,426	3,100	2,426	2,426	2,426	2,426	(12,804)	15,890	16,669	17,452
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		13	16	14	24	11	28	19	-	-	-	-	(74)	50	95	85
Licences and permits		196	232	184	201	168	141	185	236	236	236	236	286	2,537	2,662	2,787
Agency services		91	228	134	139	165	107	140	67	67	67	67	(6)	1,266	1,328	1,391
Transfers and Subsidies - Operational		142,168	2,905	-	-	1,950	113,735	-	-	60,157	-	-	28,982	349,897	371,637	364,128
Other revenue		24	50	14	26	81	137	46	6,041	6,041	6,041	6,041	17,940	42,480	39,510	41,655
Cash Receipts by Source		148,800	11,372	8,073	7,784	20,193	121,076	11,239	13,710	73,867	13,710	13,710	49,159	479,991	481,564	477,492
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		21,526	-	-	-	7,000	22,668	13,500	-	6,861	-	-	-	71,555	80,471	82,487
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		170,326	11,372	8,073	7,784	27,193	143,744	24,739	13,710	80,728	13,710	13,710	49,159	551,545	562,034	559,979
Cash Payments by Type																
Employee related costs		12,521	9,333	12,594	10,981	12,052	12,586	12,207	15,365	15,365	15,365	15,365	18,523	162,256	170,108	177,688
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-	100	100	100	100
Bulk purchases - Electricity		5,344	5,761	5,692	3,723	4,056	3,582	-	3,262	3,262	3,262	3,262	6,525	47,731	53,792	60,624
Acquisitions - water & other inventory		-	905	638	372	1,072	130	150	679	679	679	679	1,208	7,192	7,523	7,870
Contracted services		1,828	1,825	7,072	14,984	2,310	4,826	496	8,462	8,462	8,462	8,462	16,427	83,615	90,128	99,320
Transfers and subsidies - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		19,824	5,840	3,146	5,638	7,177	10,265	4,244	5,060	5,060	5,060	5,060	3,450	79,823	83,445	87,224
Cash Payments by Type		39,517	23,663	29,141	35,698	26,668	31,389	17,098	32,828	32,828	32,828	32,828	46,232	380,718	405,097	432,826
Other Cash Flows/Payments by Type																
Capital assets		5,906	9,492	13,433	6,389	8,724	11,783	984	13,919	13,919	13,919	13,919	28,989	141,376	100,930	100,189
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		45,423	33,155	42,574	42,088	35,392	43,173	18,081	46,747	46,747	46,747	46,747	75,221	522,094	506,027	533,015
NET INCREASE/(DECREASE) IN CASH HELD		124,903	(21,783)	(34,501)	(34,303)	(8,199)	100,571	6,658	(33,037)	33,981	(33,037)	(33,037)	(26,063)	29,451	56,007	26,964
Cash/cash equivalents at the month/year beginning:		360,015	484,919	463,135	428,635	394,331	386,133	486,704	493,361	460,324	494,306	461,269	428,232	360,015	389,467	445,474
Cash/cash equivalents at the month/year end:		484,919	463,135	428,635	394,331	386,133	486,704	493,361	460,324	494,306	461,269	428,232	402,170	389,467	445,474	472,438

8. Cash flow Statement

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

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		20,224	29,982	–	2,185	15,425	17,489	(2,064)	-12%	29,982
Service charges		54,103	32,606	–	4,956	26,791	19,020	7,771	41%	32,606
Other revenue		3,680	51,616	–	998	6,574	30,109	(23,535)	-78%	51,616
Transfers and Subsidies - Operational		343,919	349,897	–	–	260,758	204,107	56,651	28%	349,897
Transfers and Subsidies - Capital		93,836	71,555	–	13,500	64,694	41,740	22,954	55%	71,555
Interest		28,371	15,890	–	3,100	18,990	9,269	9,721	105%	15,890
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(312,003)	(380,618)	–	(17,098)	(203,174)	(222,027)	(18,853)	8%	(380,618)
Interest		–	(100)	–	–	–	(58)	(58)	100%	(100)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		232,129	170,828	–	7,642	190,058	99,649	(90,409)	-91%	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		(149,222)	(141,376)	–	(984)	(56,712)	(82,469)	(25,757)	31%	(141,376)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(149,222)	(141,376)	–	(984)	(56,712)	(82,469)	(25,757)	31%	(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		82,907	29,451	–	6,658	133,346	17,180			29,451
Cash/cash equivalents at beginning:		277,109	277,109	–	486,704	360,015	277,109			360,015
Cash/cash equivalents at month/year end:		360,015	306,560	–	493,361	493,361	294,289			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.

9. Statement of Financial Position

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

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		360,015	306,560	—	493,361	306,560
Trade and other receivables from exchange transactions		22,750	46,746	—	36,768	46,746
Receivables from non-exchange transactions		42,668	25,809	—	51,138	25,809
Current portion of non-current receivables		—	—	—	—	—
Inventory		1,384	450	—	1,755	450
VAT		17,621	18,042	—	30,341	18,042
Other current assets		23,568	15,763	—	16,092	15,763
Total current assets		468,005	413,370	—	629,456	413,370
Non current assets						
Investments		—	—	—	—	—
Investment property		42,209	39,090	—	42,209	39,090
Property, plant and equipment		837,613	834,980	—	862,480	834,980
Biological assets		—	—	—	—	—
Living and non-living resources		—	—	—	—	—
Heritage assets		1,261	1,261	—	1,261	1,261
Intangible assets		632	43	—	544	43
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		—	—	—	—	—
Total non current assets		881,715	875,374	—	906,495	875,374
TOTAL ASSETS		1,349,720	1,288,744	—	1,535,950	1,288,744
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		—	—	—	—	—
Consumer deposits		497	506	—	457	506
Trade and other payables from exchange transactions		52,744	74,019	—	30,370	74,019
Trade and other payables from non-exchange transactions		8,199	—	—	26,609	—
Provision		19,918	20,308	—	15,338	20,308
VAT		—	4,947	—	21,316	4,947
Other current liabilities		—	—	—	—	—
Total current liabilities		81,357	99,779	—	94,091	99,779
Non current liabilities						
Financial liabilities		—	—	—	—	—
Provision		11,485	22,484	—	11,485	22,484
Long term portion of trade payables		—	—	—	—	—
Other non-current liabilities		—	—	—	—	—
Total non current liabilities		11,485	22,484	—	11,485	22,484
TOTAL LIABILITIES		92,842	122,263	—	105,575	122,263
NET ASSETS	2	1,256,878	1,166,481	—	1,430,375	1,166,481
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1,256,878	1,166,481	—	1,430,375	1,166,481
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	1,256,878	1,166,481	—	1,430,375	1,166,481

This is the report for January 2024 and we would like the Committee to consider its contents.

10. Municipal Manager's quality certification

Quality Certificate

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

☐ The monthly budget statement

for the month of January 2024 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: 09/02/2024

Date: _____