



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

**REPORT IN TERMS OF s71 OF THE MFMA FOR THE  
MONTH OF JUNE 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 12<sup>th</sup> report of the 2023/24 financial year which is the last month of the financial year and comes after the passing of two adjustment budget with the second budget to include funding and implementation for disaster affected roads in the municipal area. This being the last month of the financial year means that all programs planned for implementation during the year should have reached their completion after completion of appointments, formulation and approval of the audit action plans, approval of adjustment budgets, revision of the SDBIP and departments implementing catch-up and remedial actions to ensure that targets not achieved by the third quarter are combined with quarter four performance to ensure all targets are achieved by the end of the year. The information reported below provides information for the remainder of the financial year and decisions that may need to be taken to ensure that performance is improved and incorporated into the next financial year plans 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 has been 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 used for the draft and subsequently the final budgets for 2025 as well as the day to day operations of the municipality throughout the said year.

The version introduced 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 has used the contract for all procurement requests in the current year through the process above and on the new contract as indicated. Below are the details of the amounts spent and items procured through the contract for the period ended 30 June 2024.

Contract Number	Item Purchased	Make	Delivery Date	Supplier	Total Cost	Purchasing Department
RT57-2022	Mitsubishi Pajero Sport 2.4D 4x4 AT	Mitsubishi	22 February 2024	NMI DURBAN SOUTH MOTORS	R 966,391.65	Corporate Services
RT57-2022	NPR400 Crew Cab AMT 4X2_ Dropside	Isuzu N Series TRCK	29 June 2024	Isuzu Motors South Africa	R 1,022,745.76	Community Services
RT57-2022	FTR850 SWB_Hyva Skip Loader	Hyva Skip Loader	29 June 2024	Isuzu Motors South Africa	R 1,658,035.78	Community Services
RT57-2022	Turbo Double Cab Ranger	Ford Ranger	28 June 2024	Ford South Africa	R 694,272.20	Community Services
RT57-2022	Turbo Double Cab Ranger	Ford Ranger	28 June 2024	Ford South Africa	R 694,272.20	Community Services
RT57-2022	Turbo Double Cab Ranger	Isuzu Double Cab	28 June 2024	Isuzu Motors South Africa	R 654,526.82	Corporate Services

R 5,690,244.41

## **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. Year -end processes**

### **a. Stock count**

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

The inventory count is performed to ensure that all stock movements were recorded and to test effectiveness of stock control measures. This is a process that is done in the presence of the Auditor-General or delegate, in this case delegated to our Internal Audit Unit. The stock count was performed on Saturday the 29<sup>th</sup> of June 2024 in the following storerooms:

- Finance
- Refuse removal
- Cultural Village
- Electricity

On 29 June 2024, the stores management section conducted a 100% verification of inventory in the municipal stores for purposes of ensuring that inventory for year-end has been correctly valued at reporting date. The preparations for a successful inventory count were carried out through implementing the approved AFS compilation plan. For increased assurance, the Auditor General and internal audit of the municipality was invited to take part in the inventory count.

The results of the inventory count showed inventory levels valued at an amount of R 786 192,53.

The inventory movements for the quarter can be broken down as follows:

STOCK CATEGORY	FUNCTION	OPENNING BALANCE	PURCHASES	WRITE-OFFS	TRANSFERS	ISSUES & ADJUSTMENTS	CLOSING BALANCE
Electricity	Electricity	980 223.74	675.00	-	-	563 088.37	417 810.37
Refuse	Solid Waste Removal	67 079.71	308 699.55	-	-	194 660.87	181 118.39
Stationery	B.T.O	191 116.33	217 087.20	-	-	310 604.63	97 598.90
Building Material	Building Material	20 066.22	-	-	-	7 124.79	12 941.43
Cleaning Material	Admin & Corporate Support	109 310.48	-	-	-	32 959.67	76 350.81
Security Equipment	Security Equipment	-	-	-	-	-	-
Fuel	Fuel	-	38 928.00	-	-	38 928.00	-
Animal Feed	Licensing and control of animals	-	189 650.00	-	-	189 650.00	-
Disaster PPE	Human Resources	372.63	-	-	-	-	372.63
Cleaning Material	Social services	14 714.00	21 150.00	-	-	35 864.00	-
<b>TOTAL COST</b>		<b>1 382 883.11</b>	<b>776 189.75</b>	<b>-</b>	<b>-</b>	<b>1 372 880.33</b>	<b>786 192.53</b>

### b. Verification of indigent register

During the verification of the indigent register for ward 01, a total of 100 accounts that meet the criteria were identified to be billed with property rates, refuse and interest. 108 accounts were verified as indigent through the applicants Identity Number. These accounts were then corrected as per indigent policy of 100% rates billed for the period 2023/2024 and refuse billed of 100%:

Recommendation	Reason	Total
Not Recommended	Deceased	23
	Invalid ID	36
	Predicted Income Above R4360	115
Not Recommended Total		174

Recommended	Meets Criteria	505
Recommended Total		505
<b>Grand Total</b>		<b>679</b>

NUMBER OF INDIGENT ACCOUNTS PER SERVICE TYPE	SERVICE TYPE	OPENING BALANCE	MOVEMENT CY	CLOSING BALANCE
1	ADJUSTMENTS	R27.18	R19.86	R47.04
68	INTEREST	R89,094.49	-R69,804.60	R19,289.89
61	RATES	R151,103.76	R19,561.54	R170,665.30
25	REFUSE	R162,552.63	R85,079.92	R247,632.55
24	VAT	R24,552.64	-R24,316.64	R236.00
<b>179</b>	<b>Grand Total</b>	<b>R427,330.70</b>	<b>R10,540.08</b>	<b>R437,870.78</b>

Out of 679 people taken for review from the external source, 505 people were confirmed to meet the criteria and 108 had municipal accounts with 100 accounts that had balances owed. The 100 accounts had a total balance outstanding to date of R437 871 relating to interest, refuse and property rates.

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

### **c. Compilation of the immovable asset register**

During the month of March, the municipality advertised a tender to acquire the services of a suitable service provider that can assist the municipality with preparation of the immovable asset register for a period of 36 months. The submissions from bidders were evaluated and adjudicated during the month of May and Lilitha Project Managers was the successful bidder appointed by the municipality.

The asset management section invited key stakeholders within the municipality and conducted an inception meeting at the start of June 2024 where the pertinent matters were discussed and the planning was initiated.

The municipality has conducted 3 additional meetings with the service provider where the submission of information is facilitated and outstanding information as well as challenges are circumvented. The service provider is now on site and has, after gathering the relevant information, mapped all the places for verification on the GIS maps. On site verifications have commenced from the last week of June 2024.

### **d. Compilation of the movable asset register**

The movable asset register is subject to monthly reconciliations which assists the sections to track and deal with changes monthly, including the processing of monthly depreciation. The 4th

quarter asset verification was conducted in order to make the following updates to the asset register required by the GRAP standards:

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

From a combination of the events which transpired during the year and outcome of the asset verification conducted, the asset management section recommends that a disposal of assets with a carrying amount of R 202 622 through auction (where applicable) be approved by the standing committee as per the summary below:

Asset Class	ASSET COST	ACCUM DEPREC 30 JUNE 2024	ACCUM. IMPAIRMENT 30 JUNE 2024	NET BOOK VALUE 30 JUNE 2024	RUL 30 JUNE 2024
Bins and Containers	144,666.64	144,565.64	-	101.00	-
Bins and Containers	207,840.30	207,689.30	-	151.00	-
Computer Equipment	94,621.67	29,783.10	-	64,838.57	761 Days
Furniture and Fittings	351.85	350.85	-	1.00	-
Furniture and Office Equipment	1,200.00	352.25	-	847.75	1,289 Days
Machinery, Plant and Equipment	45,970.22	39,815.42	-	6,154.79	20,018 Days
Office Equipments	401,687.95	399,016.56	428.83	2,242.55	7,555 Days
Office Equipments	8,789.96	8,672.14	-	117.82	2,435 Days
Transport Assets	246,963.37	118,796.14	-	128,167.23	-
<b>Grand Total</b>	<b>1,152,091.96</b>	<b>949,041.41</b>	<b>428.83</b>	<b>202,621.71</b>	

It is noteworthy that that the biggest contributor in terms of value for the proposed disposal above is the singular disposal of a municipal vehicle and its accessories allocated to the security section of the municipality that was involved in an accident and declared irreparable by the municipality's insurance.

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

- Irreparable, damaged and no longer function as required by the management

- Lost/stolen/damaged and reported to the insurance
- Used up and no longer functioning as intended
- Items below the capitalisation threshold

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

## 7. Strategic Objectives

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

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

KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
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	R 1,247,700.00	R 1,247,700.00	N/A	3 Monthly Reading of 100% active electricity meters	100% of (96 April.96 May and 96 June ) active electricity meters were read for 4th Quarter.	R288,370.35	Achieved	N/A	N/A	N/A
				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 June 2024	12 monthly Billing Report	R -	R -	N/A	N/A	03 Monthly Billing of 100% active consumer accounts for Property rates, refuse and electricity	100% active consumer accounts(2068 April 2066 May, 2066 June) for Property rates, refuse and electricity billed for 4th	R0.00	Achieved	N/A	N/A	N/A



KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
											attendance register											
		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	Percentage of handed over accounts to debt collectors that are beyond 90 days	4.1.6	0.25	Implementing 100% of Consumer Data analyses, data cleansing and handing over of all accounts beyond 90 days through outsourced services by June 2024.	04 reports	R 1,368,900.00	R 1,368,900.00	R 1,368,900.00	N/A	1 Quarterly report on 100% business accounts handed over for debt collection to debt collectors for the 4th Quarter.	100% business accounts handed over for debt collection to debt collectors for the 4th Quarter.	R133,688.03	Achieved	N/A	N/A	N/A
						Establishing of a credit control and debt collection services function within the revenue structure	Number of job descriptions reviewed and people assigned with revenue management functions	4.1.7	0.25	02 Reviweved job descriptions and 02 staff members assigned with credit control and debt collection functions by June 2024	reviewed job descriptions,report	R -	R -	N/A	N/A	Assign 2 revenue section staff members with credit control and debt collection functions.	A revenue clerk was allocated with credit control and debt collection functions. A Revenue Accountant JD was already inclusive of the reporting functions of the entire revenue section in terms of the	R0.00	Achieved	N/A	N/A	N/A

KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
	Accounts with errors taking longer to identify and resolve	To achieve a clean audit by June 2024		Performance of monthly debtors, rates and investment reconciliations by June 2024	Monthly reconciliations not performed by the 7th day of each month	Monthly review of debtors, rates and investment reconciliation by the 7th working day of each month	Number of monthly reviewed debtors, investments and rates reconciliation	4.1.8	0.25	12 monthly reviewed debtors ,12 investments and 12 rates reconciliation by June 2024	12 monthly Signed debtors,1 2 monthly signed investments and 12 monthly signed rates reconciliation	R -	R -	N/A	N/A	Reviewed 3 monthly debtors, 3 monthly investments and 3 monthly rates reconciliation	3 monthly debtors, 3 monthly investment reconciliation were reviewed for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A
	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 and adopted policies	4.1.9	0.25	3 Reviewed and adopted sectional policies by June 2024	03 Reviewed and signed Credit control and debt collection policy, Tariffs Policy, Property Rates Policy,rest of extract	R -	R -	N/A	N/A	3 reviewed Credit control and debt collection policy, Tariffs Policy, Property Rates Policy and adopted by council.	Credit control, debt collection, tariffs policy, property rates policy were reviewed and adopted by council on the 20 May 2024.	R0.00	Achieved	N/A	N/A	N/A
	Compliance with laws and regulations	To ensure proper regulations of the municipal powers and functions by June 2024		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 -	R -	N/A	N/A	2 Promulgated of property rates policy and credit control policy	Property Rates policy and credit control policies were promulgated and gazetted on the 28th of June 2024	R0.00	Achieved	N/A	N/A	N/A

KPA NO 4: BUDGET AND TREASURY																							
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action	
														Internal	External								
				Promulgation of the approved tariffs (gazetting) by June 2024	Gazetting of approved municipal tariffs not performed timely	Promulgation of the approved tariffs (gazetting)	Number of gazetted property rates tariffs (gazetting)	4.1.11	0.25	1 Promulgated of the approved tariffs (gazetting) by 30 June 2024	Promulgated of the approved tariffs (gazetting)	R -	R -	N/A	N/A	1 Promulgated of the approved tariffs (gazetting)	Municipal approved tariffs for were promulgated and gazette d on the 28th of June 2024	R0.00	Achieved	N/A	N/A	N/A	
				Municipalities must comply with Section 18 of the MFMA and ensure that they fund their MTREF budgets from realistically anticipated revenues to be collected.	Maximising the revenue generation 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	Number of reconciliation reports for property categories prepared	4.1.12	0.25	4 Reconciliation report for property categories between the MPRA, valuation roll and Municipal Tariffs by June 2024.	4 Reconciliation report for property categories between the MPRA, valuation roll and Municipal Tariffs, and proof of submission 10 days after the end of each quarter	R -	R -	N/A	N/A	1 Reconciliation report for property categories between the MPRA, valuation roll and Municipal Tariffs and proof submission 10 days after the end of the quarter	1 Reconciliation reports for property categories between the MPRA, valuation roll and Municipal Tariffs was performed for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A
							Reconciliation of General Valuation roll with the deeds office registry and the municipal billing system	Number of reconciliation reports of general valuation roll prepared	4.1.13	0.5	4 reconciliation reports of property rates billing and General valuation roll prepared by June 2024.	4 quarterly reconciliation reports of property rates billing and General valuation roll	R -	R -	N/A	N/A	Prepared 1 quarterly reconciliation report of property rates billing and General valuation	1 quarterly reconciliation report of property rates billing and General valuation roll	R0.00	Achieved	N/A	N/A	N/A

KPA NO 4: BUDGET AND TREASURY																							
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action	
														Internal	External								
																roll		have been prepared for the 4th Quarter.					
Expenditure Management	Invoice s not submitted within 30 days of receipt for payment	To pay creditors within 30 days in compliance with the MFM A 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 -	R -	N/A	N/A	100% (Creditors paid within 30 days of receipt of a valid invoice)		all creditors for April, May and June presented for payment were paid within 30 days	R0.00	Achieved	N/A	N/A	N/A
	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 data strings 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 -	R -	N/A	N/A	3 monthly datastrings submitted to LG Portal	3 monthly datastrings to LG Portal submitted to LG portal within an average of 3 days for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A	

KPA NO 4: BUDGET AND TREASURY

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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action	
														Internal	External								
	Inaccurate and incomplete commitment register				Commitment register with material misstatements	Monthly review of commitment register by the 7th working day of each month	Number of monthly reviewed commitment register	4.2.3	0.25	12 monthly reviewed commitment register by June 2024	12 signed commitment register	R -	R -	N/A	N/A	3 monthly reviewed Commitment register	3 monthly commitments registers were reviewed for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A	
	Creditors and grants with errors taking longer to identify and resolve				Performance of monthly conditional grants, creditors retention and vat reconciliation by June 2024	Monthly reconciliations not performed by the 7th day of each month	Monthly review of conditional grants, creditors retention and vat reconciliation by the 7th working day of each month	Number of monthly reviewed conditional grants, creditors, monthly retention and monthly vat reconciliation	4.2.4	0.25	12 monthly reviewed Conditional grants, 12 monthly creditors, 12 monthly retention and 12 monthly vat reconciliations by June 2024	12 Signed monthly Conditional grants, 12 monthly creditors, 12 monthly retention and 12 monthly vat reconciliations	R -	R -	N/A	N/A	3 monthly reviewed creditors, monthly retention, monthly conditional grants and monthly vat reconciliation	3 monthly global creditors, 3 monthly retention, 3 monthly conditional grants and 3 monthly vat reconciliations were reviewed for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A
	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 review 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 -	R -	N/A	N/A	3 monthly reviewed payroll reconciliations	3 monthly payroll recons (April, May and June) were reviewed for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A

KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
	Outdated Policies	Annual Review of sectional Policies by June 2024		Reviewing sectional policies by June 2024	Sectonal 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 -	R -		N/A	Reviewed Accounts Payables policy	Accounts payable policy was reviewed and approved by council on the 20 May 2024.	R0.00	Achieved	N/A	N/A	N/A
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 -	R -	N/A	N/A	3 signed SCM reports	3 monthly SCM Reports were signed for the 4th quarter.	R0.00	Achieved	N/A	N/A	N/A
	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	R 100,000.00	R60 000	R60 000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
																N/A	N/A					
				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	R 50,000.00	R 50,000.00	R 50,000.00	N/A	N/A		N/A	N/A	N/A	N/A	N/A
	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 monitoring reports for all extended contracts.	Number of monitoring reports for all extended contracts	4.3.4	0.25	12 monthly monitoring reports for all extended BTO contracts by 30 June 2024	12 monthly signed monitoring reports	R -	R -	N/A	N/A	3 monitoring reports for all extended BTO Contracts	Only insurance and Debt Collection Contracts were monitored	N/A	Not achieved	The target was incorrectly crafted to only focus on extended contracts	N/A	The target has been corrected in the 2024/25 SDBI to ensure full compliance with s116 of the MFMA
	Outdated and expired supplier information	To have a fair competitive bidding process in all municipal thersh		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 -	R -	N/A	N/A	100 supplier information updated	233 Supplier information was updated in the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A

KPA NO 4: BUDGET AND TREASURY

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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
	No effective schedule of bid committee sittings	olds by June 2024		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	12 Schedule of Bid committee sittings and 36 Seated bid committees ensuring each bid is concluded within 60 days of the tender closing by June 2024	12 Signed schedule of sitting, 36 seated Bids and BAC registers	R-	R-	N/A	N/A	12 seated bid committees and 3 signed schedule of seating	32 seated bid committees and 3 signed schedule of seating	R0.00	Achieved	N/A	N/A	N/A
	Inadequate contract management processes	To have valid and closely monitored municipal contracts by June 2024		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-	R-	N/A	N/A	3 monthly contract registers reviewed	3 monthly contract registers were reviewed for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A
	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	R-	R-	N/A	N/A	Reviewed Supply Chain Management Policy, Contract Management Policy, Cost Containment Policy.	Supply Chain Management Policy, Contract Management Policy, Cost Containment Policy were reviewed and approved by council	R0.00	Achieved	N/A	N/A	N/A

KPA N0 4: BUDGET AND TREASURY																							
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action	
														Internal	External								
											Management Policy.resolution extract												
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 by June 2024	To have an accurate GRAP compliant Asset Register by June 2024	Accurate and complete Fixed Assets Registers 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.	R -	R -	N/A	N/A	3 reviewed and approved fixed asset reconciliations.	3 Fixed Assets reconciliations were reviewed and approved for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A	
					GRAP Compliant asset registers 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	R 1,684,800.00	R 2,484,800.00	R1,884,800.00	R600,000.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
					All assets recorded in the FAR do exist and valued accurately by June 2024	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 -	R -	N/A	N/A	1 reviewed and approved Asset verification report.	1 Physical verification for all Assets in our FAR was approved and reviewed for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A	N/A

KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
					Council approved assets write off report as at 30 June 2022	Removing of previously disposed assets from municipal operational facilities	% of removed disposed assets.	4.4.4	0.25	100% removal of disposed assets by 30 June 2024.	A signed report	R -	R -	N/A	N/A	100% removal of approved assets for disposal	100% assets identified for disposal for the 4th Quarter. Identified asset were also removed from the municipal properties	R0.00	Achieved	N/A	N/A	N/A
				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	Number of 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 -	R -	N/A	N/A	Approved PPE(movable assets) Methodology	01 PPE(movable assets) methodology signed and approved by CFO	R0.00	Achieved	N/A	N/A	N/A
				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 -	R -	N/A	N/A	3 Reviewed Inventory reconciliations	3 inventory reconciliations were reviewed and approved for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A



KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
	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 reviewed and approved policies	4.4.10	0.25	2 Asset and Inventory management policies reviewed and approved by council by 30 June 2024	Signed Asset and Inventory Management Policies, resolution extract	R -	R -	N/A	N/A	Review and Approved 1 Asset and 1 Inventory Management Policies	1 Asset and 1 inventory Management policy was reviewed and approved by council on the 20 May 2024.	R0.00	Achieved	N/A	N/A	N/A
	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 assets management plan	R -	R -	N/A	N/A	1 Reviewed asset management plan.	1 Reviewed and signed Asset Management Plan by 30 June 2024	R0.00	Achieved	N/A	N/A	N/A
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	R 200,000.00	R 200,000.00	N/A	Submit Interim Financial Statement to CFO	The interim, financial statement were submitted to CFO.	R0.00	Achieved	N/A	N/A	N/A

KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
		To achieve a clean audit by June 2024		Manage 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	R 5,475,600.00	R 5,475,600.00	R 5,475,600.00	N/A	Implemented and monitored Audit Action Plan	The Audit Action plan was loaded on FMCM for all relevant officials to have an access on it. The audit action plan have been updated as per the committed target date by all relevant officials	R0.00	Achieved	N/A	N/A	N/A
				Performence of Monthly bank reconciliations by June 2024	Reconciliations 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 -	R -	N/A	N/A	3 Reviewed monthly Bank Reconciliation	3 monthly bank reconciliation were reviewed for the 4th Quarter.	R0.00	Achieved	N/A	N/A	N/A
	Non compliance with statutory		Adhere to compliance in terms of	Preparation and submission of all in-year statutory	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	Proof of submission of 12 signed s71 Report	R -	R -	N/A	N/A	Submitted 3 s71 and 3 monthly FMG reports	3 s71 Report and 3 monthly FMG Reports	R0.00	Achieved	N/A	N/A	N/A

KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
	requirements	management and reporting by June 2024		reports which is section 71,52d and 72 of the MFMA and FMG monthly and quarterly Reports by June 2024						by 30 June 2024	and 12 signed FMG report						were submitted for the 4th Quarter.					
						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-	R-	N/A	N/A	Submitted 1 Quarterly and 1 FMG Reports	1 s52d Reports and 1 FMG Quarterly Reports were submitted	R0.00	Achieved	N/A	N/A	N/A
						Submission of s72 report by the 25th of January 2024	Number of Submitted mid-year assessment report	4.5.6	0.25	Submitted 1 s72 Report (Mid Year assessment Report) by 25 January 2024	Proof of submission	R-	R-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Budgeting	The municipality needs to comply with all statutory budgeting and reporting requirements	Adherence 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	R 315,996.00	N/A	R 315,996.00	Attendance of the training	Three (3) interns attended training for minimum competency.	R43,797.93	Achieved	n/a	n/a	n/a

KPA NO 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							
		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 -	R -	N/A	N/A	Approved 2024/25 Budget	Draft budget approved on the 29 March 2024 and Final budget was approved on the 20 May 2024 by council.	R0.00	Achieved	n/a	n/a	n/a
					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	R 65,928.00	R 65,928.00	N/A	Advertising of Draft budget; Advertising of Adopted final budget	The draft budget was advertised on the 29 March and Final budget was advertised on one local newspaper on the 24 May 2024.	R10,382.00	Achieved	n/a	n/a	n/a
	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 & Budget policy reviewed and adopted by 30 June 2024	01 Reviewed and signed IDP/Budget policy resolution extract	R -	R -	N/A	N/A	1 Reviewed and adopted IDP & Budget Policy.	IDP & Budget policy was reviewed and tabled to council for adoption on the	R0.00	Achieved	n/a	n/a	n/a

KPA N0 4: BUDGET AND TREASURY																						
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	Adjusted Budget	Budget Source		Q4 measurable performance	Non Financial Performance	Financial Performance	Achieved / Not Achieved	Reason for Variance	Reason for budget variance	Remedial Action
														Internal	External							

The table above shows that the budget and Treasury Office had 43 targets for the quarter and 42 of those were achieved while one was not achieved due to the target being incorrectly planned or poorly planned and as a result not achieving what the MFMA requires.

## 8. In-year budget statement tables

### a) Budget Statement Summary

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

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	21,160	21,250	21,250	602	21,720	21,250	470	2%	21,250
Service charges	56,325	37,904	49,111	5,257	53,615	49,111	4,504	9%	49,111
Investment revenue	21,920	15,890	31,890	3,048	34,468	31,890	2,578	8%	-
Transfers and subsidies - Operational	21,920	349,897	357,060	(4,406)	351,492	357,060	(5,569)	-2%	31,890
Other own revenue	342,186	15,153	19,256	2,745	19,018	19,256	(238)	-1%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>463,512</b>	<b>440,094</b>	<b>478,568</b>	<b>7,246</b>	<b>480,313</b>	<b>478,568</b>	<b>1,745</b>	<b>0%</b>	<b>478,568</b>
Employee costs	114,174	130,212	130,041	11,334	117,400	130,041	(12,641)	-10%	130,041
Remuneration of Councillors	26,321	28,480	28,480	2,189	26,711	28,480	(1,770)	-6%	28,480
Depreciation and amortisation	41,762	54,371	64,536	2,996	37,361	64,536	(27,175)	-42%	64,536
Interest	-	100	100	-	41	100	(59)	-59%	100
Inventory consumed and bulk purchases	47,637	55,216	55,315	5,113	45,696	55,315	(9,618)	-17%	55,315
Transfers and subsidies	2,593	3,431	3,281	44	2,196	3,281	(1,085)	-33%	3,281
Other expenditure	154,559	175,887	245,301	19,897	153,144	245,301	(92,157)	-38%	245,301
<b>Total Expenditure</b>	<b>387,046</b>	<b>447,697</b>	<b>527,053</b>	<b>41,572</b>	<b>382,549</b>	<b>527,053</b>	<b>(144,504)</b>	<b>-27%</b>	<b>527,053</b>
<b>Surplus/(Deficit)</b>	<b>76,466</b>	<b>(7,603)</b>	<b>(48,485)</b>	<b>(34,326)</b>	<b>97,764</b>	<b>(48,485)</b>	<b>146,249</b>	<b>-302%</b>	<b>(48,485)</b>
Transfers and subsidies - capital (monetary)	93,836	76,295	94,040	19,824	83,232	94,040	###	-11%	94,040
Transfers and subsidies - capital (in-kind)	479	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>170,782</b>	<b>68,692</b>	<b>45,554</b>	<b>(14,502)</b>	<b>180,996</b>	<b>45,554</b>	<b>135,442</b>	<b>297%</b>	<b>45,554</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>170,782</b>	<b>68,692</b>	<b>45,554</b>	<b>(14,502)</b>	<b>180,996</b>	<b>45,554</b>	<b>135,442</b>	<b>297%</b>	<b>45,554</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>149,223</b>	<b>123,282</b>	<b>155,056</b>	<b>29,824</b>	<b>105,745</b>	<b>155,056</b>	<b>(49,311)</b>	<b>-32%</b>	<b>155,056</b>
Capital transfers recognised	87,749	66,343	67,860	10,551	58,095	67,860	(9,765)	-14%	67,860
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	61,474	56,939	87,196	19,273	47,650	87,196	(39,545)	-45%	87,196
<b>Total sources of capital funds</b>	<b>149,223</b>	<b>123,282</b>	<b>155,056</b>	<b>29,824</b>	<b>105,745</b>	<b>155,056</b>	<b>(49,311)</b>	<b>-32%</b>	<b>155,056</b>
<b>Financial position</b>									
Total current assets	468,005	413,370	479,153		604,870				479,153
Total non current assets	881,715	875,374	949,803		949,959				949,803
Total current liabilities	81,357	99,779	115,039		106,231				115,039
Total non current liabilities	11,485	22,484	11,485		11,485				11,485
Community wealth/Equity	1,256,878	1,166,481	1,302,432		1,437,114				1,302,432
<b>Cash flows</b>									
Net cash from (used) operating	232,129	170,828	170,215	(15,229)	223,698	170,215	(53,483)	-31%	170,215
Net cash from (used) investing	(149,222)	(141,376)	(168,512)	(21,019)	(121,558)	(168,512)	(46,955)	28%	(168,512)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	<b>360,015</b>	<b>306,560</b>	<b>361,719</b>	<b>462,156</b>	<b>462,156</b>	<b>361,719</b>	<b>(100,438)</b>	<b>-28%</b>	<b>361,719</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	8,820	3,034	2,936	3,240	2,685	2,616	3,664	77,718	104,714
<b>Creditors Age Analysis</b>									
Total Creditors	22,602	-	-	-	-	-	-	-	22,602

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

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
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		394,999	391,308	411,363	6,118	414,284	411,363	2,920	1%	411,363
Executive and council		-	-	-	-	100	-	100	#DIV/0!	-
Finance and administration		394,999	391,308	411,363	6,118	414,184	411,363	2,820	1%	411,363
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		6,325	4,599	4,867	898	4,657	4,867	(210)	-4%	4,867
Community and social services		1,597	605	725	188	636	725	(90)	-12%	725
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4,728	3,993	4,141	710	4,021	4,141	(120)	-3%	4,141
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		80,051	62,281	88,149	12,988	71,914	88,149	(16,235)	-18%	88,149
Planning and development		6,859	2,986	11,982	17	4,202	11,982	(7,780)	-65%	11,982
Road transport		73,192	59,295	76,167	12,971	67,712	76,167	(8,455)	-11%	76,167
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		76,452	58,201	68,228	7,066	72,690	68,228	4,462	7%	68,228
Energy sources		57,288	49,298	60,505	6,715	65,459	60,505	4,954	8%	60,505
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		19,164	8,903	7,723	350	7,231	7,723	(493)	-6%	7,723
<b>Other</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	557,828	516,389	572,607	27,070	563,545	572,607	(9,063)	-2%	572,607
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		165,572	217,120	219,417	15,959	163,153	219,417	(56,264)	-26%	219,417
Executive and council		59,350	68,123	65,938	6,021	57,963	65,938	(7,975)	-12%	65,938
Finance and administration		102,238	144,047	148,529	9,395	101,050	148,529	(47,479)	-32%	148,529
Internal audit		3,984	4,950	4,950	544	4,140	4,950	(809)	-16%	4,950
<b>Community and public safety</b>		25,233	34,348	36,733	4,385	27,984	36,733	(8,749)	-24%	36,733
Community and social services		8,067	13,748	15,455	1,097	7,896	15,455	(7,559)	-49%	15,455
Sport and recreation		1,977	2,866	2,726	390	2,334	2,726	(392)	-14%	2,726
Public safety		14,133	16,544	17,517	2,779	16,787	17,517	(730)	-4%	17,517
Housing		1,056	1,190	1,035	119	967	1,035	(69)	-7%	1,035
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		73,425	95,895	128,396	8,396	86,864	128,396	(41,532)	-32%	128,396
Planning and development		24,405	27,599	33,682	4,252	26,108	33,682	(7,575)	-22%	33,682
Road transport		46,783	65,786	91,997	3,659	58,291	91,997	(33,706)	-37%	91,997
Environmental protection		2,236	2,510	2,717	484	2,465	2,717	(252)	-9%	2,717
<b>Trading services</b>		119,513	96,035	138,441	12,599	101,376	138,441	(37,065)	-27%	138,441
Energy sources		94,197	67,303	108,815	8,800	74,442	108,815	(34,372)	-32%	108,815
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		25,316	28,732	29,626	3,799	26,934	29,626	(2,693)	-9%	29,626
<b>Other</b>		3,303	4,299	4,066	232	3,172	4,066	(894)	-22%	4,066
<b>Total Expenditure - Functional</b>	3	387,046	447,697	527,053	41,572	382,549	527,053	(144,504)	-27%	527,053
<b>Surplus/ (Deficit) for the year</b>		170,782	68,692	45,554	(14,502)	180,996	45,554	135,442	297%	45,554

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

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
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		40,848	32,243	44,450	4,906	49,426	44,450	4,976	11%	44,450
Service charges - Water		-	-	-	-	-	-	-		-
Service charges - Waste Water Management		-	-	-	-	-	-	-		-
Service charges - Waste management		15,477	5,661	4,661	350	4,189	4,661	(473)	-10%	4,661
Sale of Goods and Rendering of Services		158	201	221	17	249	221	28	12%	221
Agency services		1,361	1,266	1,414	81	1,298	1,414	(116)	-8%	1,414
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		2,413	3,390	3,790	331	3,608	3,790	(181)	-5%	3,790
Interest from Current and Non Current Assets		21,920	15,890	31,890	3,048	34,468	31,890	2,578	8%	31,890
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental from Fixed Assets		7,576	5,282	5,402	447	5,008	5,402	(394)	-7%	5,402
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		676	471	287	618	901	287	614	214%	287
<b>Non-Exchange Revenue</b>										
Property rates		21,160	21,250	21,250	602	21,720	21,250	470	2%	21,250
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		1,225	225	225	662	642	225	417	185%	225
Licence and permits		2,169	2,537	2,537	187	2,102	2,537	(435)	-17%	2,537
Transfers and subsidies - Operational		342,754	349,897	357,060	(4,406)	351,492	357,060	(5,569)	-2%	357,060
Interest		4,037	1,780	5,380	401	5,210	5,380	(169)	-3%	5,380
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		1,738	-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-	-		-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>463,512</b>	<b>440,094</b>	<b>478,568</b>	<b>7,246</b>	<b>480,313</b>	<b>478,568</b>	<b>1,745</b>	<b>0%</b>	<b>478,568</b>

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 1<sup>st</sup> 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 revenue recognised from this stream is slightly above the year to date target which may be attributable to a correction of either categories of properties or rates charged in line with the assessment performed

by CoGTA on an annual basis from the municipality's approved budget against the municipality's valuation roll.

- **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 R4.9 million for the month and a year to date actual of R49.4 million. This is above the revised projection by about 11% (about R4.9 million). As previously reported, the municipality has installed and implemented 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.

The system and the meter reading processes have identified the following internal deficiencies that continue to cause possible losses of revenue:

- Meter replacements by municipal employees with unprogrammed meters
- No controls to record and submit meter readings when changing meters resulting in lost revenue to the municipality
- New meters going for months without being programmed to read correct consumptions
- No database of meters installed to ensure completeness of the billing
- No specific requirements to decide which meter is connected to which consumer

These have been reported to the municipality's electricity section and escalated to the office of the Senior Manager where no action has been taken for longer periods and continue to be monitored from month to month.

The current contract for the automated meter reading system is coming to an end. While the municipality was in the process of drafting specifications and terms of reference National Treasury confirmed finalisation of a panel of service providers for the provision of the same service. The municipality is now in the process of applying for participation in the transversal contract which will then replace the current contract. It is however recommended that the municipality extends the current contract for a period of three months to allow processes including installation of the new system to be completed before the new contract can take over.

- **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 R350 thousand which is less than the revised projection by 10%. 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 million worth of interest on investments with a year to date actual that is above the revised projection by 8% which has been confirmed to be due to higher interest rates offered by the municipality's banker during the recently completed competitive bidding process and will assist to supplement the municipality's funding capacity on shortfalls with some anticipated revenue streams.
- **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 R732 thousand for the period ended 30 June 2024 which has now gone below the revised amount projected for the period by 8%. This still requires intense debt collection initiatives as interest generation means the municipality's debtors continue to grow.
- **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 seen a generation for the month of

over R662 thousand of revenue on these fines which has resulted to a above revised projection performance by almost 185%. 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 R447 thousand for the month which has pushed the actual performance to a level below the revised projection by 7%, an improvement from 8% in the previous month even though in line with the performance reported last month 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 R187 thousand worth of revenue for the period. The municipality has generated below the revised projected collection by 17% 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 R15.4 million has been recognised as revenue transferred for the period ended 30 June 2024 from the operating grants whose conditions have been met. This has recorded a year to date performance of R351 million the twelve months of the current 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, during the month of December 2023, and the last trenches during the month of March 2024.

### d) Debt Collection

The table below shows a 120% overall collection rate for the month ended 30 June 2024. However, we note a 104% collection rate on leasehold fees, 133% on electricity, 83% on property rates and 110% 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	FEBRUARY	MARCH	3RD QUARTER	APRIL	MAY	JUNE	4TH QUARTER	TOTAL
<b>RATES</b>																	
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	1,012,782.81	1,012,386.46	3,039,859.50	1,005,025.13	1,004,101.46	1,004,101.46	3,013,228.05	27,087,510.61
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	932,169.04	747,268.64	3,900,131.63	1,676,862.98	740,027.32	834,003.04	3,250,893.34	20,513,966.99
% of billing received	4%	71%	55%	11%	50%	997%	50%	356%	219%	92%	74%	128%	167%	74%	83%	108%	76%
<b>ELECTRICITY</b>																	
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	10,747,397.97	3,184,789.11	3,092,947.40	2,701,177.11	8,978,913.62	3,375,433.73	3,349,423.72	3,349,424.02	10,074,281.47	39,185,127.12
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	2,396,409.30	2,557,282.97	7,607,085.54	5,111,088.70	2,420,441.47	4,464,816.19	11,996,346.36	33,534,913.07
% of billing received	72%	70%	74%	72%	70%	68%	63%	67%	83%	77%	95%	85%	151%	72%	133%	119%	86%
<b>LEASEHOLD FEES</b>																	
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	322,428.59	1,086,191.43	322,428.59	405,533.02	405,533.02	1,133,494.63	4,440,973.27
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	487,987.72	286,178.72	1,160,781.63	238,170.83	316,217.83	420,231.42	974,620.08	4,264,409.70
% of billing received	84%	94%	90%	89%	91%	93%	123%	102%	101%	128%	89%	107%	74%	78%	104%	86%	96%
<b>VAT</b>																	
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	573,904.10	506,558.40	1,668,171.46	607,640.81	616,298.90	616,298.90	1,840,238.61	7,178,564.90
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	467,599.02	418,662.68	1,385,747.43	846,736.32	508,988.81	791,431.78	2,147,156.91	6,174,932.53
% of billing received	75%	70%	75%	73%	72%	71%	69%	71%	85%	81%	83%	83%	139%	83%	128%	117%	86%
<b>INTEREST</b>																	
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	347,813.80	354,373.84	1,042,808.26	334,642.80	344,083.16	344,083.16	1,022,809.12	3,874,277.14
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	197,692.03	107,824.78	482,735.85	369,634.56	117,621.18	378,843.99	866,099.73	2,469,595.36
% of billing received	45%	35%	40%	40%	35%	183%	30%	82%	52%	57%	30%	46%	110%	34%	110%	85%	64%
<b>REFUSE REMOVAL</b>																	
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	351,197.00	353,449.00	1,056,034.00	353,075.00	353,701.00	353,701.00	1,060,477.00	4,230,984.45
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	250,001.32	325,232.08	866,713.55	296,573.35	254,231.28	387,650.77	938,455.40	3,402,507.18
% of billing received	84%	69%	71%	75%	78%	79%	71%	76%	83%	71%	92%	82%	84%	72%	110%	88%	80%
<b>TOTAL INCOME</b>																	
billed	20,355,534.72	5,899,905.00	5,741,843	31,997,282.40	6,236,042.74	6,534,544.42	6,213,060.78	18,983,647.94	5,861,078.34	5,760,526.53	5,250,373.40	16,871,978.27	5,998,246.06	6,073,141.26	6,073,141.56	18,144,528.88	85,997,437.49
payment received	4,075,390.10	4,111,519.42	3,975,147	12,162,056.70	4,132,826.30	14,512,848.54	3,975,825.84	22,621,500.68	6,228,887.33	4,731,858.43	4,442,449.87	15,403,195.63	8,539,066.74	4,357,527.89	7,276,977.19	20,173,571.82	70,360,324.83
% of billing received	20%	70%	69%	38%	66%	222%	64%	119%	106%	82%	85%	91%	142%	72%	120%	111%	82%

e) Expenditure by Type

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

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
<b>R thousands</b>										
<b>Expenditure By Type</b>										
Employee related costs		114,174	130,212	130,041	11,334	117,400	130,041	(12,641)	-10%	130,041
Remuneration of councillors		26,321	28,480	28,480	2,189	26,711	28,480	(1,770)	-6%	28,480
Bulk purchases - electricity		42,241	47,731	47,731	3,541	39,965	47,731	(7,766)	-16%	47,731
Inventory consumed		5,396	7,485	7,584	1,572	5,732	7,584	(1,852)	-24%	7,584
Debt impairment		1,404	10,109	10,109	-	-	10,109	(10,109)	-100%	10,109
Depreciation and amortisation		41,762	54,371	64,536	2,996	37,361	64,536	(27,175)	-42%	64,536
Interest			100	100	-	41	100	(59)	-59%	100
Contracted services		52,001	85,745	131,051	12,696	96,227	131,051	(34,823)	-27%	131,051
Transfers and subsidies		2,593	3,431	3,281	44	2,196	3,281	(1,085)	-33%	3,281
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-
Operational costs		61,243	80,034	81,709	7,200	56,776	81,709	(24,933)	-31%	81,709
Losses on Disposal of Assets		39,911	-	22,432	0	141	22,432	(22,292)	-99%	22,432
Other Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>387,046</b>	<b>447,697</b>	<b>527,053</b>	<b>41,572</b>	<b>382,549</b>	<b>527,053</b>	<b>(144,504)</b>	<b>-27%</b>	<b>527,053</b>

The table above shows the municipality's expenses per type of expenditure. This is compared with the revenues generated per type to determine whether the municipality is operating at a loss or a surplus.

- Employee costs and Remuneration of councillors:** The municipality has remunerated employees who are remunerated as per the prevailing Bargaining Council agreements. The expenditure for the period ended 30 June 2024 reflects an amount of R11.3 million for employee costs and R2.1 million for the remuneration of councillors. The remuneration of councillors shows a 6% underspending compared to what is expected at the same period. Employee costs have continued to record a 10% saving that is still pending issues like, annual increment for senior managers, annual and long-term bonuses, leave pay-out for resignations, leave provisions and positions that remained vacant for some parts of the financial year.
- Bulk Purchases:** The municipality purchases electricity in bulk from Eskom for distribution to the town customers. This is the main input cost to the distribution of electricity. The table shows that the municipality spent over R3.5 million on the item during the month. A year to date actual of R39.9 million which is below the revised projected expenditure by 16% is reported. This is still pending an invoice for the month of June 2024 which will only be received after the 10<sup>th</sup> of July but attempts will be made to ensure such is included in the report for the quarter ended in terms of s52d of the MFMA. Eskom has since changed their billing date to coincide with the month end from their traditional billing date of the 10<sup>th</sup> 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 June 2024 being R2.9 million as the asset register has been reviewed to ensure that the assets were correctly accounted for in the annual financial statements. This has resulted in the depreciation recorded being below the revised projection for the month by about 42%. This amount is still subject to change pending the

finalisation of the review of the Infrastructure assets register which is expected to be concluded before the end of August 2024.

- **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 R12.6 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 second adjustment budget been approved after the end of the 3<sup>rd</sup> quarter where recovery plans are being implemented to compensate for targets not achieved in the previous quarters. The expenditure also includes expenditures reallocated from the capital budget relating to electrification projects that are anticipated will be transferred to Eskom by the end of the year. A year to date performance less than the targeted performance at 27% is recorded on the report indicating the need for affected departments to be informed and sensitised so that recovery measures may be implemented in the following financial year. It is also important to mention that, this being the end of the year means these figures may change due to invoices expected to be submitted during the month of July for work performed and verified up to the 30<sup>th</sup> of June 2024. These are normally processed as accruals resulting in the change on some of the figures reported in the reports up to the finalisation of the annual financial statements.
- **Other Expenditure (Operational Costs):** This also shows expenditure for the month at R7.2 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) - M12 June

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
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive and Council		-	-	-	-	100	-	100	#DIV/0!	-
Vote 2 - Corporate Services		576	441	392	16	428	392	36	9.1%	392
Vote 3 - Budget and Treasury Office		373,263	362,652	379,156	(4,384)	382,152	379,156	2,996	0.8%	379,156
Vote 4 - Community Services		25,490	13,502	12,590	1,249	11,888	12,590	(702)	-5.6%	12,590
Vote 5 - Development Planning		22,795	28,330	41,118	10,503	33,126	41,118	(7,991)	-19.4%	41,118
Vote 6 - Engineering Services		135,705	111,464	139,351	19,686	135,850	139,351	(3,501)	-2.5%	139,351
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-		-
<b>Total Revenue by Vote</b>	2	<b>557,828</b>	<b>516,389</b>	<b>572,607</b>	<b>27,070</b>	<b>563,545</b>	<b>572,607</b>	<b>(9,063)</b>	<b>-1.6%</b>	<b>572,607</b>

The table above shows revenue generated per municipal vote as defined in s1 of the MFMA. The table shows that Engineering services has generated over R19.6 million for the month with Budget and Treasury showing correction of over R4.3 million which includes interest received on investments, interest on debtors as well as a correction of revenue from leases that has moved to Properties under Development Planning while Development Planning is at R10.5 million as well as Community Services at over R1.2 million.

g) Expenditure by Municipal Vote

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

Vote Description	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
<b>R thousands</b>										
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive and Council		78,545	88,654	89,306	8,205	78,442	89,306	(10,864)	-12.2%	89,306
Vote 2 - Corporate Services		42,090	64,946	65,965	4,442	42,784	65,965	(23,181)	-35.1%	65,965
Vote 3 - Budget and Treasury Office		27,995	45,747	45,747	1,894	25,609	45,747	(20,138)	-44.0%	45,747
Vote 4 - Community Services		70,461	83,784	88,666	10,131	74,620	88,666	(14,046)	-15.8%	88,666
Vote 5 - Development Planning		21,936	24,898	29,973	3,869	22,439	29,973	(7,534)	-25.1%	29,973
Vote 6 - Engineering Services		146,019	139,669	207,396	13,030	138,655	207,396	(68,741)	-33.1%	207,396
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-		-
<b>Total Expenditure by Vote</b>	2	<b>387,046</b>	<b>447,697</b>	<b>527,053</b>	<b>41,572</b>	<b>382,549</b>	<b>527,053</b>	<b>(144,504)</b>	<b>-27.4%</b>	<b>527,053</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>170,782</b>	<b>68,692</b>	<b>45,554</b>	<b>(14,502)</b>	<b>180,996</b>	<b>45,554</b>	<b>135,442</b>	<b>297.3%</b>	<b>45,554</b>

The table above shows the expenditure by municipal vote. The total expenditure for the month of June 2024 amounted to above R41.5 million with a year to date of R382.5 million.

## h) Municipality's financial performance

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

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		40,848	32,243	44,450	4,906	49,426	44,450	4,976	11%	44,450
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		15,477	5,661	4,661	350	4,189	4,661	(473)	-10%	4,661
Sale of Goods and Rendering of Services		158	201	221	17	249	221	28	12%	221
Agency services		1,361	1,266	1,414	81	1,298	1,414	(116)	-8%	1,414
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		2,413	3,390	3,790	331	3,608	3,790	(181)	-5%	3,790
Interest from Current and Non Current Assets		21,920	15,890	31,890	3,048	34,468	31,890	2,578	8%	31,890
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		7,576	5,282	5,402	447	5,008	5,402	(394)	-7%	5,402
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		676	471	287	618	901	287	614	214%	287
<b>Non-Exchange Revenue</b>										
Property rates		21,160	21,250	21,250	602	21,720	21,250	470	2%	21,250
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1,225	225	225	662	642	225	417	185%	225
Licence and permits		2,169	2,537	2,537	187	2,102	2,537	(435)	-17%	2,537
Transfers and subsidies - Operational		342,754	349,897	357,060	(4,406)	351,492	357,060	(5,569)	-2%	357,060
Interest		4,037	1,780	5,380	401	5,210	5,380	(169)	-3%	5,380
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		1,738	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>463,512</b>	<b>440,094</b>	<b>478,568</b>	<b>7,246</b>	<b>480,313</b>	<b>478,568</b>	<b>1,745</b>	<b>0%</b>	<b>478,568</b>
<b>Expenditure By Type</b>										
Employee related costs		114,174	130,212	130,041	11,334	117,400	130,041	(12,641)	-10%	130,041
Remuneration of councillors		26,321	28,480	28,480	2,189	26,711	28,480	(1,770)	-6%	28,480
Bulk purchases - electricity		42,241	47,731	47,731	3,541	39,965	47,731	(7,766)	-16%	47,731
Inventory consumed		5,396	7,485	7,584	1,572	5,732	7,584	(1,852)	-24%	7,584
Debt impairment		1,404	10,109	10,109	-	-	10,109	(10,109)	-100%	10,109
Depreciation and amortisation		41,762	54,371	64,536	2,996	37,361	64,536	(27,175)	-42%	64,536
Interest		-	100	100	-	41	100	(59)	-59%	100
Contracted services		52,001	85,745	131,051	12,696	96,227	131,051	(34,823)	-27%	131,051
Transfers and subsidies		2,593	3,431	3,281	44	2,196	3,281	(1,085)	-33%	3,281
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-
Operational costs		61,243	80,034	81,709	7,200	56,776	81,709	(24,933)	-31%	81,709
Losses on Disposal of Assets		39,911	-	22,432	0	141	22,432	(22,292)	-99%	22,432
Other Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>387,046</b>	<b>447,697</b>	<b>527,053</b>	<b>41,572</b>	<b>382,549</b>	<b>527,053</b>	<b>(144,504)</b>	<b>-27%</b>	<b>527,053</b>
<b>Surplus/(Deficit)</b>		<b>76,466</b>	<b>(7,603)</b>	<b>(48,485)</b>	<b>(34,326)</b>	<b>97,764</b>	<b>(48,485)</b>	<b>146,249</b>	<b>-302%</b>	<b>(48,485)</b>
Transfers and subsidies - capital (monetary allocations)		93,836	76,295	94,040	19,824	83,232	94,040	(10,807)	-11%	94,040
Transfers and subsidies - capital (in-kind)		479	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>170,782</b>	<b>68,692</b>	<b>45,554</b>	<b>(14,502)</b>	<b>180,996</b>	<b>45,554</b>			<b>45,554</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>170,782</b>	<b>68,692</b>	<b>45,554</b>	<b>(14,502)</b>	<b>180,996</b>	<b>45,554</b>			<b>45,554</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>170,782</b>	<b>68,692</b>	<b>45,554</b>	<b>(14,502)</b>	<b>180,996</b>	<b>45,554</b>			<b>45,554</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>170,782</b>	<b>68,692</b>	<b>45,554</b>	<b>(14,502)</b>	<b>180,996</b>	<b>45,554</b>			<b>45,554</b>

The municipality has, for the month ended recorded a loss of R14.5 million so far with a year to date surplus of over R180.9 million for the period ended June 2024. Despite the performance, 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 have already been incurred and the corresponding revenue to cater for depreciation and other expenses related to the wear and tear of assets created from the revenues. Measures still need to be put in place to move the municipality towards self-sustainability.

## 9. Capital programme performance

### a) Capital expenditure by asset class and sub-class

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

Description	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
<b>R thousands</b>	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		51,479	82,532	56,856	7,260	39,178	56,856	17,678	31.1%	56,856
Roads Infrastructure		35,196	51,478	49,194	4,812	36,297	49,194	12,897	26.2%	49,194
<i>Roads</i>		35,196	42,181	39,781	3,033	27,261	39,781	12,521	31.5%	39,781
<i>Road Structures</i>		-	9,297	9,412	1,779	9,036	9,412	376	4.0%	9,412
Electrical Infrastructure		15,252	14,783	-	-	0	-	(0)	#DIV/0!	-
<i>MV Networks</i>		14,432	14,783	-	-	0	-	(0)	#DIV/0!	-
<i>LV Networks</i>		820	-	-	-	-	-	-		-
Solid Waste Infrastructure		1,032	16,271	7,662	2,448	2,881	7,662	4,781	62.4%	7,662
<i>Landfill Sites</i>		1,032	16,271	7,575	2,448	2,881	7,575	4,694	62.0%	7,575
<i>Waste Drop-off Points</i>		-	-	87	-	-	87	87	100.0%	87
<b>Community Assets</b>		5,009	3,754	6,994	98	2,357	6,994	4,636	66.3%	6,994
Community Facilities		4,632	3,117	6,704	-	2,227	6,704	4,477	66.8%	6,704
<i>Halls</i>		693	770	770	-	-	770	770	100.0%	770
<i>Crèches</i>		1,890	607	1,900	-	1,642	1,900	258	13.6%	1,900
<i>Markets</i>		2,050	1,739	4,033	-	585	4,033	3,448	85.5%	4,033
Sport and Recreation Facilities		377	637	289	98	130	289	160	55.1%	289
<i>Outdoor Facilities</i>		377	637	289	98	130	289	160	55.1%	289
<b>Heritage assets</b>		-	1,304	1,304	-	-	1,304	1,304	100.0%	1,304
Works of Art		-	1,304	1,304	-	-	1,304	1,304	100.0%	1,304
<b>Other assets</b>		997	-	3,419	-	0	3,419	3,419	100.0%	3,419
Operational Buildings		997	-	3,419	-	0	3,419	3,419	100.0%	3,419
<i>Yards</i>		-	-	-	-	0	-	(0)	#DIV/0!	-
<i>Manufacturing Plant</i>		997	-	3,419	-	-	3,419	3,419	100.0%	3,419
<b>Computer Equipment</b>		2,520	2,000	2,086	(74)	1,306	2,086	780	37.4%	2,086
Computer Equipment		2,520	2,000	2,086	(74)	1,306	2,086	780	37.4%	2,086
<b>Furniture and Office Equipment</b>		1,201	3,870	4,062	170	909	4,062	3,153	77.6%	4,062
Furniture and Office Equipment		1,201	3,870	4,062	170	909	4,062	3,153	77.6%	4,062
<b>Machinery and Equipment</b>		168	137	231	-	215	231	16	6.8%	231
Machinery and Equipment		168	137	231	-	215	231	16	6.8%	231
<b>Transport Assets</b>		4,457	6,678	6,478	4,150	5,117	6,478	1,362	21.0%	6,478
Transport Assets		4,457	6,678	6,478	4,150	5,117	6,478	1,362	21.0%	6,478
<b>Total Capital Expenditure on new assets</b>	1	65,832	100,275	81,431	11,605	49,082	81,431	32,349	39.7%	81,431

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

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
<b>R thousands</b>	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		66,994	4,122	21,681	7,656	17,696	21,681	3,985	18.4%	21,681
Roads Infrastructure		66,994	4,122	21,681	7,656	17,696	21,681	3,985	18.4%	21,681
<i>Roads</i>		66,994	4,122	21,681	7,656	17,696	21,681	3,985	18.4%	21,681
<b>Community Assets</b>		2,374	-	-	-	-	-	-		-
Community Facilities		2,374	-	-	-	-	-	-		-
<i>Taxi Ranks/Bus Terminals</i>		2,374	-	-	-	-	-	-		-
<b>Other assets</b>		1,243	191	191	-	(32)	191	224	116.9%	191
Operational Buildings		1,243	191	191	-	(32)	191	224	116.9%	191
<i>Municipal Offices</i>		1,243	191	191	-	(32)	191	224	116.9%	191
<b>Total Capital Expenditure on renewal of existing assets</b>	1	70,611	4,313	21,872	7,656	17,663	21,872	4,208	19.2%	21,872

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

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
<b>R thousands</b>	1									
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	6,830	26,239	4,857	20,909	26,239	5,330	20.3%	26,239
Roads Infrastructure		-	6,830	22,739	4,857	18,207	22,739	4,532	19.9%	22,739
Roads		-	6,830	22,739	4,857	18,207	22,739	4,532	19.9%	22,739
Electrical Infrastructure		-	-	3,500	-	2,703	3,500	797	22.8%	3,500
LV Networks		-	-	3,500	-	2,703	3,500	797	22.8%	3,500
<b>Community Assets</b>		12,780	11,864	25,514	5,707	18,091	25,514	7,423	29.1%	25,514
Community Facilities		9,921	8,744	19,029	5,707	13,862	19,029	5,167	27.2%	19,029
Halls		9,921	8,744	19,029	5,707	13,862	19,029	5,167	27.2%	19,029
Sport and Recreation Facilities		2,859	3,120	6,485	-	4,229	6,485	2,256	34.8%	6,485
Outdoor Facilities		2,859	3,120	6,485	-	4,229	6,485	2,256	34.8%	6,485
<b>Total Capital Expenditure on upgrading of existing assets</b>	1	12,780	18,695	51,753	10,564	39,001	51,753	12,753	24.6%	51,753

The above tables indicate that the municipality’s spending is over R29.8 million for the month ended from its capital budget and a year to date of over R105.7 million for the period ended 30 June 2024.

b) Capital Expenditure by municipal vote

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

Vote Description	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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 4 - Community Services		-	-	-	-	-	-	-	-	-
Vote 5 - Development Planning		-	-	-	-	-	-	-	-	-
Vote 6 - Engineering Services		14,976	10,125	23,179	5,707	18,091	23,179	(5,088)	-22%	23,179
<b>Total Capital Multi-year expenditure</b>	4,7	<b>14,976</b>	<b>10,125</b>	<b>23,179</b>	<b>5,707</b>	<b>18,091</b>	<b>23,179</b>	<b>(5,088)</b>	<b>-22%</b>	<b>23,179</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	1,304	1,304	-	-	1,304	(1,304)	-100%	1,304
Vote 2 - Corporate Services		6,366	9,457	7,490	580	2,926	7,490	(4,564)	-61%	7,490
Vote 3 - Budget and Treasury Office		-	-	300	-	-	300	(300)	-100%	300
Vote 4 - Community Services		4,289	21,308	15,834	6,114	7,469	15,834	(8,366)	-53%	15,834
Vote 5 - Development Planning		3,423	2,376	7,742	98	715	7,742	(7,028)	-91%	7,742
Vote 6 - Engineering Services		120,168	78,712	99,205	17,325	76,544	99,205	(22,661)	-23%	99,205
<b>Total Capital single-year expenditure</b>	4	<b>134,247</b>	<b>113,157</b>	<b>131,877</b>	<b>24,118</b>	<b>87,654</b>	<b>131,877</b>	<b>(44,222)</b>	<b>-34%</b>	<b>131,877</b>
<b>Total Capital Expenditure</b>		<b>149,223</b>	<b>123,282</b>	<b>155,056</b>	<b>29,824</b>	<b>105,745</b>	<b>155,056</b>	<b>(49,311)</b>	<b>-32%</b>	<b>155,056</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>6,594</b>	<b>11,109</b>	<b>9,269</b>	<b>750</b>	<b>3,096</b>	<b>9,269</b>	<b>(6,172)</b>	<b>-67%</b>	<b>9,269</b>
Executive and council		-	1,304	1,304	-	-	1,304	(1,304)	-100%	1,304
Finance and administration		6,594	9,804	7,964	750	3,096	7,964	(4,868)	-61%	7,964
<b>Community and public safety</b>		<b>1,607</b>	<b>907</b>	<b>4,085</b>	<b>1,207</b>	<b>2,129</b>	<b>4,085</b>	<b>(1,956)</b>	<b>-48%</b>	<b>4,085</b>
Community and social services		1,473	770	1,405	-	93	1,405	(1,312)	-93%	1,405
Sport and recreation		134	137	137	-	90	137	(47)	-34%	137
Public safety		-	-	2,543	1,207	1,946	2,543	(598)	-23%	2,543
<b>Economic and environmental services</b>		<b>123,316</b>	<b>75,731</b>	<b>126,714</b>	<b>23,129</b>	<b>92,648</b>	<b>126,714</b>	<b>(34,066)</b>	<b>-27%</b>	<b>126,714</b>
Planning and development		21,038	13,300	33,013	5,805	20,448	33,013	(12,565)	-38%	33,013
Road transport		102,278	62,430	93,613	17,325	72,199	93,613	(21,414)	-23%	93,613
Environmental protection		-	-	87	-	-	87	(87)	-100%	87
<b>Trading services</b>		<b>17,706</b>	<b>35,536</b>	<b>14,988</b>	<b>4,737</b>	<b>7,872</b>	<b>14,988</b>	<b>(7,116)</b>	<b>-47%</b>	<b>14,988</b>
Energy sources		15,252	15,483	3,500	-	2,703	3,500	(797)	-23%	3,500
Waste management		2,454	20,054	11,488	4,737	5,170	11,488	(6,319)	-55%	11,488
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>149,223</b>	<b>123,282</b>	<b>155,056</b>	<b>29,824</b>	<b>105,745</b>	<b>155,056</b>	<b>(49,310)</b>	<b>-32%</b>	<b>155,056</b>
<b>Funded by:</b>										
National Government		87,749	66,343	67,860	10,551	58,095	67,860	(9,765)	-14%	67,860
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>87,749</b>	<b>66,343</b>	<b>67,860</b>	<b>10,551</b>	<b>58,095</b>	<b>67,860</b>	<b>(9,765)</b>	<b>-14%</b>	<b>67,860</b>
<b>Borrowing</b>	6	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>		<b>61,474</b>	<b>56,939</b>	<b>87,196</b>	<b>19,273</b>	<b>47,650</b>	<b>87,196</b>	<b>(39,545)</b>	<b>-45%</b>	<b>87,196</b>
<b>Total Capital Funding</b>		<b>149,223</b>	<b>123,282</b>	<b>155,056</b>	<b>29,824</b>	<b>105,745</b>	<b>155,056</b>	<b>(49,311)</b>	<b>-32%</b>	<b>155,056</b>

The above table indicates that the municipality's spending is over R29.8 million for the month ended from its capital budget and a year to date of over R105.7 million for the period ended 30 June 2024.

c) Expenditure on Repairs and Maintenance

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

Description	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
<b>R thousands</b>	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		1,966	22,656	29,823	1,614	19,934	29,823	9,889	33.2%	29,823
Roads Infrastructure		1,404	18,715	25,373	338	17,780	25,373	7,593	29.9%	25,373
Roads		43	666	466	27	45	466	421	90.4%	466
Road Structures		1,117	17,583	24,441	232	17,365	24,441	7,076	29.0%	24,441
Road Furniture		244	466	466	79	371	466	95	20.5%	466
Electrical Infrastructure		562	3,941	3,450	1,184	1,793	3,450	1,657	48.0%	3,450
MV Networks		562	3,941	300	–	188	300	112	37.4%	300
LV Networks		–	–	3,150	1,184	1,605	3,150	1,545	49.0%	3,150
Solid Waste Infrastructure		–	–	1,000	92	361	1,000	639	63.9%	1,000
Waste Drop-off Points		–	–	1,000	92	361	1,000	639	63.9%	1,000
<b>Community Assets</b>		668	864	1,354	345	719	1,354	635	46.9%	1,354
Community Facilities		668	864	1,354	345	719	1,354	635	46.9%	1,354
Halls		426	262	752	–	375	752	377	50.2%	752
Libraries		155	350	350	199	199	350	151	43.1%	350
Cemeteries/Crematoria		87	105	105	145	145	105	(41)	-38.7%	105
PurIs		–	148	148	–	–	148	148	100.0%	148
<b>Other assets</b>		3,391	3,279	3,308	33	783	3,308	2,525	76.3%	3,308
Operational Buildings		3,391	3,279	3,308	33	783	3,308	2,525	76.3%	3,308
Municipal Offices		3,235	3,123	3,152	33	629	3,152	2,522	80.0%	3,152
Yards		157	156	156	–	154	156	2	1.4%	156
<b>Computer Equipment</b>		23	30	30	–	21	30	9	31.5%	30
Computer Equipment		23	30	30	–	21	30	9	31.5%	30
<b>Furniture and Office Equipment</b>		69	199	259	30	167	259	92	35.5%	259
Furniture and Office Equipment		69	199	259	30	167	259	92	35.5%	259
<b>Machinery and Equipment</b>		–	693	1,192	136	982	1,192	210	17.6%	1,192
Machinery and Equipment		–	693	1,192	136	982	1,192	210	17.6%	1,192
<b>Transport Assets</b>		5,170	4,546	6,385	287	5,445	6,385	940	14.7%	6,385
Transport Assets		5,170	4,546	6,385	287	5,445	6,385	940	14.7%	6,385
<b>Total Repairs and Maintenance Expenditure</b>	1	11,287	32,266	42,352	2,443	28,051	42,352	14,301	33.8%	42,352

The table shows that the municipality spent over R2.4 on the maintenance of its assets and infrastructure during the month of June 2024 with maintenance of electricity infrastructure consisting of the bigger chunk of the expenditure with a year to date actual just below the revised projected spending by over 33.8% for the same period.

d) Depreciation by asset class

EC443 Winnie Madikizela Mandela - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M12 June

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
<b>R thousands</b>	1									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>30,625</b>	<b>34,353</b>	<b>34,353</b>	<b>2,382</b>	<b>29,339</b>	<b>34,353</b>	<b>5,015</b>	<b>14.6%</b>	<b>34,353</b>
Roads Infrastructure		29,277	32,894	32,894	2,271	27,987	32,894	4,907	14.9%	32,894
<i>Roads</i>		12,562	14,241	14,241	912	11,388	14,241	2,853	20.0%	14,241
<i>Road Structures</i>		16,277	18,165	18,165	1,324	16,167	18,165	1,998	11.0%	18,165
<i>Road Furniture</i>		438	488	488	35	433	488	55	11.3%	488
Storm water Infrastructure		543	588	588	45	544	588	44	7.4%	588
<i>Drainage Collection</i>		204	221	221	17	205	221	16	7.4%	221
<i>Storm water Conveyance</i>		338	366	366	28	339	366	27	7.4%	366
Electrical Infrastructure		638	691	691	52	640	691	51	7.4%	691
<i>MV Substations</i>		51	55	55	4	51	55	4	7.4%	55
<i>MV Networks</i>		432	467	467	35	433	467	35	7.4%	467
<i>LV Networks</i>		155	168	168	13	156	168	12	7.4%	168
Solid Waste Infrastructure		167	181	181	14	167	181	13	7.4%	181
<i>Landfill Sites</i>		167	181	181	14	167	181	13	7.4%	181
<b>Community Assets</b>		<b>4,532</b>	<b>9,089</b>	<b>9,089</b>	<b>201</b>	<b>2,451</b>	<b>9,089</b>	<b>6,638</b>	<b>73.0%</b>	<b>9,089</b>
Community Facilities		3,762	6,344	6,344	138	1,680	6,344	4,664	73.5%	6,344
<i>Halls</i>		3,268	4,764	4,764	97	1,185	4,764	3,579	75.1%	4,764
<i>Crèches</i>		295	320	320	24	296	320	24	7.4%	320
<i>Cemeteries/Crematoria</i>		13	14	14	1	13	14	1	7.4%	14
<i>Parks</i>		101	1,068	1,068	8	101	1,068	967	90.5%	1,068
<i>Public Ablution Facilities</i>		27	114	114	2	27	114	87	76.4%	114
<i>Stalls</i>		58	64	64	5	58	64	7	10.3%	64
Sport and Recreation Facilities		770	2,745	2,745	63	771	2,745	1,974	71.9%	2,745
<i>Outdoor Facilities</i>		770	2,745	2,745	63	771	2,745	1,974	71.9%	2,745
<b>Other assets</b>		<b>675</b>	<b>730</b>	<b>730</b>	<b>55</b>	<b>676</b>	<b>730</b>	<b>54</b>	<b>7.4%</b>	<b>730</b>
Operational Buildings		662	716	716	54	663	716	53	7.4%	716
<i>Municipal Offices</i>		358	386	386	29	357	386	29	7.4%	386
<i>Pay/Enquiry Points</i>		3	4	4	0	3	4	0	7.4%	4
<i>Yards</i>		77	83	83	6	77	83	6	7.4%	83
<i>Stores</i>		115	125	125	9	115	125	9	7.4%	125
<i>Training Centres</i>		110	119	119	9	110	119	9	7.4%	119
Housing		13	14	14	1	13	14	1	7.4%	14
<i>Social Housing</i>		13	14	14	1	13	14	1	7.4%	14
<b>Intangible Assets</b>		<b>11</b>	<b>-</b>	<b>165</b>	<b>16</b>	<b>170</b>	<b>165</b>	<b>(5)</b>	<b>-3.1%</b>	<b>165</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		11	-	165	16	170	165	(5)	-3.1%	165
<i>Computer Software and Applications</i>		11	-	165	16	170	165	(5)	-3.1%	165
<b>Computer Equipment</b>		<b>2,380</b>	<b>2,809</b>	<b>2,809</b>	<b>139</b>	<b>1,780</b>	<b>2,809</b>	<b>1,029</b>	<b>36.6%</b>	<b>2,809</b>
Computer Equipment		2,380	2,809	2,809	139	1,780	2,809	1,029	36.6%	2,809
<b>Furniture and Office Equipment</b>		<b>29</b>	<b>1,342</b>	<b>1,342</b>	<b>44</b>	<b>647</b>	<b>1,342</b>	<b>694</b>	<b>51.8%</b>	<b>1,342</b>
Furniture and Office Equipment		29	1,342	1,342	44	647	1,342	694	51.8%	1,342
<b>Machinery and Equipment</b>		<b>1,564</b>	<b>4,550</b>	<b>4,550</b>	<b>44</b>	<b>903</b>	<b>4,550</b>	<b>3,648</b>	<b>80.2%</b>	<b>4,550</b>
Machinery and Equipment		1,564	4,550	4,550	44	903	4,550	3,648	80.2%	4,550
<b>Transport Assets</b>		<b>954</b>	<b>1,499</b>	<b>1,499</b>	<b>114</b>	<b>1,396</b>	<b>1,499</b>	<b>103</b>	<b>6.9%</b>	<b>1,499</b>
Transport Assets		954	1,499	1,499	114	1,396	1,499	103	6.9%	1,499
<b>Total Depreciation</b>	1	<b>40,770</b>	<b>54,371</b>	<b>54,536</b>	<b>2,996</b>	<b>37,361</b>	<b>54,536</b>	<b>17,175</b>	<b>31.5%</b>	<b>54,536</b>

## **10. Supply chain management**

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

### **a. Acquisition management**

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

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

### **b. Handling of tenders during and Post COVID-19**

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

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

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

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

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

- Once the tender closing time passes, a register 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.
- This was then formalised and included in the review of the municipality's SCM policy.

### **c. Challenges in the implementation of the Supply Chain Management Policy**

The municipality implements a supply chain management policy in line with the prescription of the constitution of the Republic of South Africa. S217 prescribes that – (1) When an organ of state in the national, provincial or local sphere of government, or any other institution identified in the national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective.

(2) Subsection (1) does not prevent the organs of state or institutions referred to in that subsection from implementing a procurement policy providing for –

- a) Categories of preference in the allocation of contracts; and
- b) The protection or advancement of persons, or categories of persons, disadvantaged by unfair discrimination.

(3) National legislation must prescribe a framework within which the policy referred to in subsection (2) must be implemented.

In response to the prescripts above, National legislation has been enacted in the form of the Preferential Procurement Regulations as amended in 2022 as well as the Municipal Supply Chain Management Regulations 2005 as amended in 2017 and December 2023. These prescribe the manner in which the municipality may procure goods and services.

Over the past months the municipality has been receiving pressure from people representing business with the main discussions being on how the municipality must find ways to exclude business people who have

benefited over the past years, with special focus from 2017 after the regulations were changed. These discussions go as far as taking or proposing resolutions that are not in line with the legislative framework prescribed in the constitution. These discussions are centered around what is called *distribution of wealth* which, other than not finding expression in any legislative framework also suggests tempering with the procurement system to exclude the identified groups of businesses. As a result of these discussions some procurement processes have had to be cancelled to find ways to address the demands being made.

Most of the resolutions made in these discussions are not in line with the legislative framework will result in irregularities due to non-compliance with the prescribed legislation.

Below is a summary of recommendations:

- Introduction of intention to award for all tenders – (SCM regulations require the accounting officer to make public the appointments which have always been done in line with the municipality’s SCM policy on the Municipal Website.)
- The municipality to stop using its database for procurement processes – this contradicts regulation 14 of the SCM regulations which require the municipality to keep and maintain its database hence the systems only sync to update information that the regulations do not place responsibility in the municipality to maintain (annual reviews are done to update information and Service Providers are encouraged to submit any changes as and when they occur)
- The Municipality must separate the procurement bid document from contracting processes in order to reduce the size of the bid documents – this is not in line with both regulation 13 and 21 of the SCM regulations which prescribe the information that must be included when bids are invited both in terms of the advert and the bid document and also industry specific regulations that dictate what information must be included
- Evaluation committees to be guided not to eliminate bidders on immaterial reasons e.g. spelling errors, alteration where original meaning is not compromised – this is also not in line with the requirements of a valid contract document. Tender documents are legal documents and the reasons used during evaluation and adjudication relate to things that may result in the contract basis being invalid (Alterations are also dealt with in terms of industry regulations like CIDB for construction and these are included in the tender terms and conditions before tender documents are issued)

**d. 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.

Function Name	Segment	Value	Value	Specification
Core Function:Project Management Unit	Advertising fees PMU 5505260540	6/14/2024	1,000.00	Request For Advertising The Cancellation Of The Appointment Of Provisi Of Plant For Winnie Madikizela Mandela Municipality For A Period Of 1
Core Function:Governance Function	Membership fees internal audit 515260290	6/27/2024	1,139.45	Payment For Memembership Renewal. June 2024
Core Function:Roads	Roads Vehicle Maintenance	6/14/2024	1,610.00	Request For Patching Of One (1) Back-Left Tyre For Bell Grader ; Registration No: Jcf 375 Ec;Tyre Size 17.5-25
Core Function:Municipal Manager Town Se	Advertising MM	6/21/2024	1,998.70	Request Advertisement For Ordinary Council Meeting On The 27 June 2024 In One Local News Paper.
Core Function:Municipal Manager Town Se	Advertising MM	6/21/2024	1,998.70	Request Advertisement For Public Notice Approved Sdbip For 2024/2025 F Year
Core Function:Human Resources	Advertising fees Human resources 1010260540	6/25/2024	2,000.00	Request Advert For Gis Officer Post Under Development And Planing (Per
Core Function:Municipal Manager Town Se	Advertising MM	6/21/2024	2,000.00	Request Advertisement For Ordinary Council Meeting On The 27 June 2024 Local Newspaper.
Core Function:Municipal Manager Town Se	Advertising MM	6/21/2024	2,000.00	Request Advertisement For Public Notice Approved Sdbip 2024/2025 Finan
Core Function:Human Resources	Advertising fees Human resources 1010260540	6/10/2024	2,000.00	Request To Advertise The Post Of Truck Driver

**15,746.85**

**e. Procurement requests above R2, 000.00 but below R30, 000.00**

Procurement of goods and services above R2000.00 but below R30 000.00 is done through a three-quotation system

Creditor Name	Function Name	Segment	Date	Value	Specification
Philakona	Core Function:Mayor And Council	Catering Councillors meetings	6/20/2024	2,310.00	Request High Tea For Ordinary Executive Committee Meeting To Be Held O The 20 June 2024 At Council Chamber At 9h00.
Ndizanyolo Trading Enterprise	Core Function:Mayor And Council	Catering Councillors meetings	6/11/2024	2,860.00	Request Lunch With Soft Drinks For Municipal Public Accounts Committee To Be Held On The 11 June 2024 At Mm's Boardroom At 10am
Fakade Construction (Pty) Ltd	Core Function:Economic Development/Plann	Stakeholder Consultation catering costs 1505	6/19/2024	5,700.00	Request For Catering By Means Of Lunch For 60 People Who Will Be Atten Meeting At Council Chamber And Should Be Served At 12h00.
Songo Trading And Projects	Core Function:Mayor And Council	Whippery support catering costs 505260175	6/25/2024	6,175.00	Request Lunch With Soft Drinks For Constituency Work Programme To Be H 26 June 2024 At Council Chamber At 12h00.
Truvelo Africa Electronics Div	Core Function:Police Forces Traffic And	Stationery vehicle testing and licencing	6/26/2024	7,028.96	Service Of Vehicle Speed Machine
Masinyane And Son	Non-Core Function: Libraries And Archives	Finished Goods: Acquisitions	6/28/2024	7,860.00	Supply And Delivery Of Library Periodicals
Arena Holdings	Core Function: Project Management Unit	Advertising fees PMU 5505260540	6/24/2024	9,522.00	Advertisement Of Thaleni Bridge In Ward 27
Lower Sthokza	Non-Core Function:Population Development	Social Services Awarenesses catering 2505	6/19/2024	10,500.00	Request Catering (Lunch Packs) For Advisory Forum For 100 People
Athi Cetshe	Core Function: Mayor And Council	Catering Councillors meetings	6/26/2024	10,925.00	Request Lunch With Soft Drinks For Ordinary Council Meeting To Be Held 27 June 2024 At Council Chamber At 09h00.
Ndizanyolo Trading Enterprise	Core Function: Mayor And Council	Catering Councillors meetings	6/19/2024	12,000.00	Request For Catering: Annual Youth Celebrarion At Mfundisweni Great PI Ward 08 On The 16 June 2024
Sasa	Core Function:Human Resources	Conference and seminars Registration fees	6/12/2024	12,000.00	Request For Registration For Klass And Xakata For Conference
Laz Investments	Non-Core Function:Libraries And Archives	Newspaper Library 2505	6/28/2024	12,712.00	Supply And Dilivery Of Library Periodicals For 12 Months Delivered On
Masinyane And Son	Non-Core Function:Libraries And Archives	Newspaper Library 2505	6/30/2024	15,720.00	Payment For The Supply And Delivery Of Library Periodicals For The Mon
Masinyane And Son	Libraries And Archives:Librararies And A	Newspaper Library 2505	6/11/2024	15,740.00	Payment For Library Periodicals. June 2024
Philakona	Core Function:Mayor And Council	Catering Councillors meetings	6/14/2024	15,980.00	Request Lunch With Soft Drinks For Pwd Meeting To Be Held On The 14 Ju Roman Catholic Church Hall.
Keytha Trading	Core Function:Mayor And Council	HIVAids support group Catering	6/25/2024	19,000.00	Catering For 200 People In Ward 02 Mbuthweni For Candle Light Memorial 22/05/2024
Zongs Mtshasvela Futhi Investm	Core Function:Mayor And Council	Whippery support transport hire	6/24/2024	19,500.00	Request Transport For Provincial Women Councillors On The 24 June 2024 Williams Town. Pick Up At The Municipal Gate On The 24 June 2024 At 08 Return On The 25 June 2024.
Jnw Trading Enterprise	Core Function:Community Parks (Including	RNM Power Tools	6/28/2024	21,000.00	Payment For Maintanance Of Garden Power Tools
Lundwe Trading Enterprise	Administrative And Corporate Support:Cor	Finished Goods:Acquisitions	6/27/2024	21,150.00	Request For 48's Toilet Papers 2 Ply
Billy And Chris (Pty)Ltd	Core Function:Mayor And Council	MAAA0601727	6/25/2024	24,480.00	Request For Transport (2x 15 Seater Taxi )From Bizana To Amathole Regi (Butterworth Wsu Grounds) For Mens Regional League Play Offs For 25 Bi City Fc Football Players On

Creditor Name	Function Name	Segment	Date	Value	Specification
					The 27th To 29th June 2024.
Kwik-Fit Bizana	Core Function:Fleet Management	Vehicle maintenance outsourced 1010235115	6/25/2024	24,817.00	Request For Four Allterrain Tyres With Registration Number Hlt147ec 265/60r18
Ylt	Core Function:Town Planning Building Re	Geographic INFO system 1505260814	6/14/2024	26,000.00	Payment For Upgrade And Maintanance Of Gis Web Portal
Zamantambo Construction And Pr	Core Function:Roads	RM Buildings Maintenance roads 5505	6/26/2024	26,000.00	Request For Service Provider To Replace The New Toilet Pan With Cister Urinal; Urinal Spreader And Stop Cock
Fakade Construction (Pty) Ltd	Core Function:Mayor And Council	Hire costs Legacy 505260188	6/24/2024	28,950.00	Request Vip Morning Tea For Mphuthumi Mafumbatha Legacy Commemoration Be Held On The 21 June 2024 At Oliver And Adelaide Tambo Regional Hosp Boardroom
Lions Den Projects	Finance:Default	Finished Goods:Acquisitions	6/24/2024	29,000.00	Supply And Delivery Of Nylon Cords
Cmam South Africa	Core Function:Finance	mSCOA 1010260900	6/11/2024	29,210.00	Payment For Asset Management Training
Isiphosa Trading	Core Function:Mayor And Council	Promotional items and Tockens Legacy 505260188	6/14/2024	30,000.00	Request Tables For Pondo Revolt Legacy Commemorations To Be Held On Th 2024 At Ngqindilili Hall Site At Ward 11

446,139.96

## f. Procurement above R30 000 but below R300 000

Procurement of goods and services above R30 000.00 but below R300 000.00 is done through a system of advertising on website and the tender notice board and reports to be evaluated using PPPFA.

Creditor Name	Function Name	Segment	Date	Value	Specification
Wetshe Projects	Non-Core Function:Population Development	Catering Indigent	6/14/2024	40,930.00	Payment For Indigent Awareness Campaign Stationery
Evetho Trading 8207	Core Function:Economic Development/Plann	Road markings	6/24/2024	44,000.00	Payment For Wholesalers And Retailers Support Programme
Evetho Trading 8207	Core Function:Marketing Customer Relati	Newsletters Communication costs 515260565	6/28/2024	45,000.00	Supply And Dilivery Of 4th Quater Newsletters
Wits School Of Governance	Core Function:Human Resources	Tuition fees	6/20/2024	58,000.00	Payment To Wits For Cpmd For Ms. Shange
Ludwala Investment Services	Core Function:Community Halls And Facili	Maintenance of Sceptic Tank Population	6/28/2024	61,050.00	Honey Sucking Service With Capacity Of 5000 Litres
Jnw Trading Enterprise	Non-Core Function:Libraries And Archives	Maintenance of Library	6/26/2024	67,500.00	Supply And Dilivery Of Ppe For Maintenance Of Library Facilities
Evetho Trading 8207	Core Function:Police Forces Traffic And	Road markings	6/30/2024	79,000.00	Payment For Central Line Road Marking
Evetho Trading 8207	Core Function:Police Forces Traffic And	Road markings	6/28/2024	79,000.00	5.5 Kilometres In Cbd; Intersections And Zebra Crossings In A Month Of
Dream Bold Business Consultanc	Core Function:Economic Development/Plann	Economic Development Business Plans	6/24/2024	89,750.00	Market Place And Beach Infrastructure Final Business Plans Payment
Dream Bold Business Consultanc	Core Function:Economic Development/Plann	Economic Development Business Plans	6/11/2024	89,750.00	Payment For Development Of Bankable Business Plans
Hambanikuzozonke	Core Function:Electricity	Protective clothing Electricity 6505	6/14/2024	92,520.00	Payment For Delivery Of Protective Clothing
Phapha Zindela Holdings	Core Function:Economic Development/Plann	Beach Infrastructure: Development Facilities	6/27/2024	98,000.00	Payment For Supply And Delivery Of Mnyameni Life Guard Tower
Vilo Security Services	Core Function:Biodiversity And Landscape	Environmental Awareness promotional items 2505260485	6/25/2024	108,900.00	Payment For Environmental Awards 23/24
Hambanikuzozonke	Core Function:Roads	Protective clothing roads 5505	6/29/2024	114,750.00	Payment For O&M Protective Clothing
Jnw Trading Enterprise	Libraries And Archives:Libraries And A	Maintenance of Library	6/10/2024	131,800.00	Payment For Maintenance Of Library
Magwace	Core Function:Mayor And Council	Catering Legacy 510260188	6/28/2024	137,980.00	Gift Vouchers For Umphalo And Umhambo Traditional Horce Racings
Sword Group	Core Function:Community Parks (Including	Cemetery Maintenance	6/28/2024	145,200.00	Payment For The Supply;Delivery And Installation Of Cemetry Maintenanc And Clearance
Hambanikuzozonke	Core Function:Mayor And Council	Awards Youth Programe 505260190	6/25/2024	145,620.00	Glass Trophies For Achievemental Awards
Faith Lwa 01 (Pty) Ltd	Core Function:Police Forces Traffic And	traffic awareness campaign hiring charges	6/28/2024	158,400.00	Hiring Charges

Creditor Name	Function Name	Segment	Date	Value	Specification
Jnw Trading Enterprise	Core Function:Police Forces Traffic And	Protective Clothing	6/14/2024	169,800.00	Payment For Provision Of Protection Services Uniform
Jnw Trading Enterprise	Core Function:Security Services	Security Equipment 2505	6/28/2024	170,000.00	Procurement Of Security Equipment
Ludwala Investment Services	Core Function:Police Forces Traffic And	Traffic Consumables	6/27/2024	182,500.00	Payment For Supply And Delivery Of Traffic Consumables
Lions Den Projects	Core Function:Finance	Finished Goods:Acquisitions	6/10/2024	189,650.00	Payment For Supply And Delivery Of Animal Feed

**2,499,100.00**

## 11. Status of Tenders

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

### a) Mini Tender progress for June 2024

No	Name of Bidder	Award Value	Payments Made	Balance	Bid Number	Service Rendered	Award Date	Department
1	LUDWALA INVESTMENTS SERVICES	1650 RATES Limited to R300,000	R 61,050.00	R 238,950.00	WMM LM 09/05/24 HS SER	HONEY SUCKING SERVICES	Tuesday, June 4, 2024	COMMUNITY SERVICES
2	MAGWACE PTY LTD	R 137,980.00	R 137,980.00	R -	WMM -LM15/05/24/01 THR	TRADITIONAL HORSE RACING	Tuesday, June 4, 2024	MUNICIPAL MANAGERS OFFICE
3	VILO SECURITY SERVICES	R 108,900.00	R 108,900.00	R -	WMM LM 07/05/24 ENV A 23/24	ENVIRONMENTAL AWARDS	Wednesday, June 5, 2024	COMMUNITY SERVICES
4	FAITH LWA	R 285,000.00	R -	R 285,000.00	WMM LM 07/05/24 S&C	SUPPORT AND CAPACITATION; CAR WASH	Thursday, June 20, 2024	LED
5	HAMBANIKUZONKE	R 114,750.00	R 114,750.00	R -	WMM LM 14/03/24 P PC;O&M	PROCUREMENT OF PROTECTIVE CLOTHING	Thursday, June 20, 2024	ENGINEERING OFFICE
6	MYN 9612 TRADUNG ENTERPRISE	R 141,380.00	R 141,380.00	R -	WMM LM 24/04/24/01 PFD	PROCUREMENT OF FURNITURE-DLTC OFFICES	Wednesday, June 26, 2024	COMMUNITY SERVICES
7	JNW TRADING ENTERPRISE	R 170,000.00	R 170,000.00	R -	WMM LM-LM 28/05/24/01 PSE	PROCUREMENT OF SECURITY EQUIPMENT	Wednesday, June 26, 2024	COMMUNITY SERVICES
<b>TOTAL</b>		<b>R 958,010.00</b>	<b>R 734,060.00</b>	<b>R 523,950.00</b>				

**b) Tenders awarded during the month of June 2024**

Competitive Bidding

N O	SUCCESSFUL TENDERER	AMOUNT	TENDER NO	DESCRIPTION	DATE AWARDED	END USER DEPARTMENT
1	Mabhula Force	R 744,921.81	WMM LM 04/04/24/01	WARD 04 COMMUNITY HALL PAVING	Thursday, June 13, 2024	Engineering Services
2	Bern and Willie Projects	R 390,000.00	WMM LM 28/11/23/01 RID	DEVELOPMENT OF INVENTORY OF RECORDS	Friday, June 14, 2024	Corporate Services
3	Masinyane and Son Pty Ltd	R 386,345.00	WMM LM 00056	SUPPLY AND DELIVERY OF FISHING EQUIPMENT & MATERIAL	Friday, June 14, 2024	Development Planning
4	Sword Group	R 299,900.00	WMM-LM 00064 0 OE	SUPPLY AND DELIVERY OF OFFICE FURNITURE	Friday, June 14, 2024	Corporate Services
5	Techseeds Telecommunications	R 2,404,799.80	WMM-LM00060 ICC-MMB	INTERGRATION OF CIVIC CENTRE WITH THE MAIN MUNICIPAL BUILDING	Wednesday, June 26, 2024	Corporate Services
6	Sword Group	R 405,100.00	WMM-LM 00064 MMS F& YCC	SUPPLY, DELIVERY AND INSTALLATION OF MPHUTHUMI MAFUMBATHA STADIUM FURNITURE	Wednesday, June 26, 2024	Community Services
<b>Total</b>		<b>R 4,631,066.61</b>				

**c) Status of current tenders**

Decription of the Project	Bid Number	Chairpers on	Closing Date	Val idit y	Validity Period	SCM Official	Status	Departmen t	Members	Todays Date	Days Lapse d	Validit y Check	Remain ing Days
Contract for Service and Maintenance of Backup Generator	WMM-LM 13/04/23/01 BUG	Mr V. Mqina	Friday, June 21, 2024	90	Thursday, September 19, 2024	Ms A. Ntongan a	On Advert	Corporate Services	Mr D. Luphoko, Mr S. Morlock, Mr M Somi	Friday, July 5, 2024	14.00	Valid	76.00
General Valuation Roll 2024/2029	WMM LM 00013 GVR	Mrs Z Bhengu	Monday, June 10, 2024	90	Sunday, September 8, 2024	Mr M. Mtetand aba	Closed	Developm ent Planning	Mr S. Morlock, Ms N. Ngejane, Mr M Somi	Friday, July 5, 2024	25.00	Valid	65.00
Maintenance of CCTV Cameras for 36 Months	WMM-LM 00058 CCTV C	Mr V. Mqina	Monday, June 17, 2024	90	Sunday, September 15, 2024	Ms A. Ntongan a	Closed	Communit y Services	Mr D. Luphoko, Mr S. Morlock, Mr M Somi	Friday, July 5, 2024	18.00	Valid	72.00
Multi Discipline Panel of Consultants	WMM LM 31/05/22/06 MDP	Mr V. Nontanda	Tuesday, June 18, 2024	90	Monday, September 16, 2024	Mr M. Mtetand aba	Closed	Engineerin g Services	Mrs Z. Shange, Ms N. Mshweshwe, Ms S. Noqhamza	Friday, July 5, 2024	17.00	Valid	73.00
Multi-Utility Online Pre-paid Electricity Vending Management System	WMM LM 00088 PVMS	Mr V. Mqina	Wednesday, June 26, 2024	90	Tuesday, September 24, 2024	Ms A. Ntongan a	On Advert	Engineerin g Services	Mr D. Luphoko, Mr S. Morlock, Mr M Somi	Friday, July 5, 2024	9.00	Valid	81.00
Panel of Attorney's for 36 Months	WMM LM 0054 PA 36 M	Ms N. Jokweni	Monday, June 10, 2024	90	Sunday, September 8, 2024	Mr M. Mtetand aba	Closed	Municipal Manager	Ms A. Nodangala, Mr B. Hlangabezo, Ms S. Noqhamza	Friday, July 5, 2024	25.00	Valid	65.00
Procurement of Server Room Infrastructure	WMM-LM 11/02/22/01 CCR	Mrs S. Sako	Friday, June 21, 2024	90	Thursday, September 19, 2024	Mr M. Mtetand aba	On Advert	Corporate Services	Mr M. Madikizela ,Mrs N. Rabie-Xakata, Ms S. Noqhamza	Friday, July 5, 2024	14.00	Valid	76.00

Decription of the Project	Bid Number	Chairpers on	Closing Date	Val idit y	Validity Period	SCM Official	Status	Departmen t	Members	Todays Date	Days Lapse d	Validit y Check	Remain ing Days
Three Year Turnkey Contract for Electrical Service Providers	WMM-LM 18/01/24/01 TCE	Mr V. Mqina	Monday, June 17, 2024	90	Sunday, September 15, 2024	Ms A. Ntongan a	Closed	Engineerin g Services	Mr D. Luphoko, Mr S. Morlock, Mr M Somi	Friday, July 5, 2024	18.00	Valid	72.00
Proposals for alternative Energy Supply Methods	WMM-LM 18/01/24/02 ESM	Mrs S. Sako	Monday, May 6, 2024	90	Sunday, August 4, 2024	Mr M. Mtetand aba	To be Evaluat ed	Engineerin g Services	Mr M.Madikizela ,Mrs N. Rabie-Xakata, Ms S. Noqhamza	Friday, July 5, 2024	60.00	Valid	30.00
Private Security Services for 36 Months	WMM-LM 000101 PSS 36M	Mr S. Mtsheng u	Monday, June 10, 2024	90	Sunday, September 8, 2024	Mr M. Mtetand aba	Closed	Communit y Services	Mrs.N.Rabie-Xakatha, Mr M Madikizela,Spilikazi Noqhamza	Friday, July 5, 2024	25.00	Valid	65.00
Development of Wild Coast Precinct Plan	WMM-LM 19/0423/02 CPP	Mrs Z Bhengu	Friday, June 14, 2024	90	Thursday, September 12, 2024	Mr M. Mtetand aba	Closed	Developm ent Planning	Mr S. Morlock, Ms N. Ngejane, Mr M Somi	Friday, July 5, 2024	21.00	Valid	69.00
Maintenance of Solar for 36 Months in WMM LM Wards	WMM-LM 000900 MS WMM L	Mrs L. Mhlelem bana	Monday, June 17, 2024	90	Sunday, September 15, 2024	Ms A. Ntongan a	Closed	Communit y Services	Mr S Noconjo, Ms N. Xoko, Ms S. Noqhamza	Friday, July 5, 2024	18.00	Valid	72.00
Indigent Register Verification	WMM-LM 13/09/23/05 IRV	Mrs L. Mhlelem bana	Wednesday, June 26, 2024	90	Tuesday, September 24, 2024	Ms A. Ntongan a	On Advert	Communit y Services	Mr S Noconjo, Ms N. Xoko, Ms S. Noqhamza	Tuesday, December 5, 2023	- 204.0 0	Valid	294.00

**d) Deviations**

No deviations were approved during the month.

**e) Irregular, Fruitless and Wasteful Expenditure**

No expenditure identified during the month. There are discussions currently going on between the SCM section and Internal Audit on their audit performed during the year where, if there are transactions warranting recognition as irregular a report will be submitted to the committee and the structures of council for consideration.

**12. Database utilisation**

The following table indicates the service providers that have been utilised for the month of June 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	UNIT 1; JEAN PARK CHAMBERS 252 JEAN AVENUE 0157	Core Function:Human Resources	6/25/2024	165.90	RECEIVED	REQUEST FOR VERIFICATION OF QUALIFICATIONS. ADMIN CLERK CORPORATE	MAAA0001104	Pretoria
WANDILE AND SONS TRADING	P.O BOX 39274 HARDING WARD 4800	Core Function:Finance	6/20/2024	675.00	RECEIVED	PAYMENT FOR INSULATION TAPE. BLACK	MAAA0055047	Ward 17
AFRICAN COMPASS TRADING 37CC	BOX 555 BIZANA WARD 31 4800	Core Function:Human Resources	6/25/2024	970.00	RECEIVED	CATERING FOR 10 PEOPLE ATTENDING DISCIPLINARY COMMITTEE ON THE 11/04/24	MAAA0121475	Ward 31
Pondoland Times	P O BOX 127 NTSINGIZI A SP; NTSINGIZI A WARD 17 4800	Core Function:Project Management Unit	6/14/2024	1,000.00	RECEIVED	REQUEST FOR ADVERTISING THE CANCELLATION OF THE APPOINTMENT OF PROVISI OF PLANT FOR WINNIE MADIKIZELA MANDELA MUNICIPALITY FOR A PERIOD OF 1	MAAA0570434	Ward 17
THE INSTITUTE OF INTERNAL AUDI	PO BOX 2290 BEDFORDVIEW 2008 2008	Core Function:Governance Function	6/27/2024	1,139.45	RECEIVED	PAYMENT FOR MEMEBERSHIP RENEWAL JUNE 2024	MAAA0005432	Pretoria
GROUP TWO MEDIA COMPANY	SHOP 16 TIAGOS BUILDING KOKSTAD 4700	Core Function:Municipal Manager Town Se	6/21/2024	1,998.70	RECEIVED	REQUEST ADVERTISEMENT FOR ORDINARY COUNCIL MEETING ON THE 27 JUNE 2024 IN ONE LOCAL NEWS PAPER.	MAAA0943404	Kokstad
GROUP TWO MEDIA COMPANY	SHOP 16 TIAGOS BUILDING KOKSTAD 4700	Core Function:Municipal Manager Town Se	6/21/2024	1,998.70	RECEIVED	REQUEST ADVERTISEMENT FOR PUBLIC NOTICE APPROVED SDBIP FOR 2024/2025 F YEAR	MAAA0943404	Kokstad
Pondoland Times	P O BOX 127 NTSINGIZI A SP; NTSINGIZI A WARD 17 4800	Core Function:Human Resources	6/25/2024	2,000.00	RECEIVED	REQUEST ADVERT FOR GIS OFFICER POST UNDER DEVELOPMENT AND PLANING (PER	MAAA0570434	Ward 17
Pondoland Times	P O BOX 127 NTSINGIZI A SP; NTSINGIZI	Core	6/21/2024		RECEIVED	REQUEST ADVERTISEMENT FOR ORDINARY COUNCIL	MAAA0570434	Ward 17

Creditor Name	Creditor Address	Function Name	Order Date	Value	Status	Specifications	CSDRefNumber	Ward no.
	A WARD 17 4800	Function:Municipal Manager Town Se		2,000.00		MEETING ON THE 27 JUNE 2024 LOCAL NEWSPAPER.		
Pondoland Times	P O BOX 127 NTSINGIZI A SP; NTSINGIZI A WARD 17 4800	Core Function:Municipal Manager Town Se	6/21/2024	2,000.00	RECEIVED	REQUEST ADVERTISEMENT FOR PUBLIC NOTICE APPROVED SDBIP 2024/2025 FINAN	MAAA0570434	Ward 17
Pondoland Times	P O BOX 127 NTSINGIZI A SP; NTSINGIZI A WARD 17 4800	Core Function:Human Resources	6/10/2024	2,000.00	RECEIVED	REQUEST TO ADVERTISE THE POST OF TRUCK DRIVER	MAAA0570434	Ward 17
THE MANE'S	ESIGODWENI LOCATION FLAGSTAFF WARD 17 4810	Core Function:Finance	6/20/2024	2,200.00	RECEIVED	PAYMENT FOR TWO STROKE OIL	MAAA0100893	Ward 17
PHILAKONA	354 EXT 2 BIZANA WARD 01 4800	Core Function:Mayor and Council	6/20/2024	2,310.00	RECEIVED	REQUEST HIGH TEA FOR ORDINARY EXECUTIVE COMMITTEE MEETING TO BE HELD O THE 20 JUNE 2024 AT COUNCIL CHAMBER AT 9H00.	MAAA0597432	Ward 1
NDIZANOYOLO TRADING ENTERPRISE	ERF 1818 EXTENSION 2 4800 4800	Core Function:Mayor and Council	6/11/2024	2,860.00	RECEIVED	REQUEST LUNCH WITH SOFT DRINKS FOR MUNICIPAL PUBLIC ACCOUNTS COMMITTEE TO BE HELD ON THE 11 JUNE 2024 AT MM'S BOARDROOM AT 10AM	MAAA0085884	Ward 1
FAKADE CONSTRUCTION (PTY) LTD	P.O.BOX 307 BIZANA WARD 1 4800	Core Function:Economic Development/Plann	6/19/2024	5,700.00	RECEIVED	REQUEST FOR CATERING BY MEANS OF LUNCH FOR 60 PEOPLE WHO WILL BE ATTEN MEETING AT COUNCIL CHAMBER AND SHOULD BE SERVED AT 12H00.	MAAA0125170	Ward 1
uMngeni-uThukela Water	P O BOX 9 PIETERMARITZBURG SP; PIETERMAR 3200	Core Function:Biodiversity and Landscape	6/26/2024	5,865.00	RECEIVED	LABORATORY TESTING SERVICES- CERT. NO. :2024-0809	MAAA0355022	Pietermari tzburg
SONGO TRADING AND PROJECTS	NGCINGO LOCATION AMANGUTYANA AA WARD 13 4800	Core Function:Mayor and Council	6/25/2024	6,175.00	RECEIVED	REQUEST LUNCH WITH SOFT DRINKS FOR CONSTITUENCY WORK PROGRAMME TO BE H 26 JUNE 2024 AT COUNCIL CHAMBER AT 12H00.	MAAA1403418	Ward 13
TRUVELO AFRICA ELECTRONICS DIV	33 TSESSEBE CRESCENT CORPORATE PARK SOUTH; MIDRAND 1685	Core Function:Police Forces Traffic and	6/26/2024	7,028.96	RECEIVED	SERVICE OF VEHICLE SPEED MACHINE	MAAA0087787	Johannesb urg
MASINYANE AND SON	AMANIKHWE A/A NIKHWE 4800 4800	Non-core Function:Libraries and Archives	6/28/2024	7,860.00	RECEIVED	SUPPLY AND DELIVERY OF LIBRARY PERIODICALS	MAAA0551580	Ward 17
ARENA HOLDINGS	P O BOX 1746 SAXONWOLD 8000 2132	Core Function:Project Management Unit	6/24/2024	9,522.00	RECEIVED	ADVERTISEMENT OF THALENI BRIDGE IN WARD 27	MAAA0076388	East london
LOWER STHOKZA	563 ERNEST CLOKIE ROAD ISIPINGO BEACH 4133	Non-core Function:Population Development	6/19/2024	10,500.00	RECEIVED	REQUEST CATERING(LUNCH PACKS) FOR ADVISORY FORUM FOR 100 PEOPLE	MAAA1422451	Ward 9
ATHI CETSHE	AMANIKHWE ADMINISTRATION AREA AMANIKHWE 4800	Core Function:Mayor and Council	6/26/2024	10,925.00	RECEIVED	REQUEST LUNCH WITH SOFT DRINKS FOR ORDINARY COUNCIL MEETING TO BE HELD 27 JUNE 2024 AT COUNCIL CHAMBER AT 09H00.	MAAA0194138	Ward 17
NDIZANOYOLO TRADING ENTERPRISE	ERF 1818 EXTENSION 2 4800 4800	Core Function:Mayor and Council	6/19/2024	12,000.00	RECEIVED	REQUEST FOR CATERING: ANNUAL YOUTH CELEBRARION AT MFUNDISWENI GREAT PL WARD 08 ON THE 16 JUNE 2024	MAAA0085884	Ward 1
LAZ INVESTMENTS	IMIZIZI A/A MNYAKA LOCATION 4800	Non-core Function:Libraries and Archives	6/28/2024	12,712.00	RECEIVED	SUPPLY AND DILIVERY OF LIBRARY PERIODICALS FOR 12 MONTHS DELIVERED ON	MAAA1232148	Ward 18
MASINYANE AND SON	AMANIKHWE A/A NIKHWE 4800 4800	Non-core Function:Libraries and Archives	6/30/2024	15,720.00	RECEIVED	PAYMENT FOR THE SUPPLY AND DELIVERY OF LIBRARY PERIODICALS FOR THE MON	MAAA0551580	Ward 17

Creditor Name	Creditor Address	Function Name	Order Date	Value	Status	Specifications	CSDRefNumber	Ward no.
PHILAKONA	354 EXT 2 BIZANA WARD 01 4800	Core Function:Mayor and Council	6/14/2024	15,980.00	RECEIVED	REQUEST LUNCH WITH SOFT DRINKS FOR PWD MEETING TO BE HELD ON THE 14 JU ROMAN CATHOLIC CHURCH HALL.	MAAA0597432	Ward 01
KEYTHA TRADING	LALENI VILLAGE GOXE ADMIN AREA WARD 2 4800	Core Function:Mayor and Council	6/25/2024	19,000.00	RECEIVED	CATERING FOR 200 PEOPLE IN WARD 02 MBUTHWENI FOR CANDLE LIGHT MEMORAL 22/05/2024	MAAA1409298	Admin
THE MANE'S	ESIGODWENI LOCATION FLAGSTAFF WARD 17 4810	Fleet Management	6/27/2024	19,830.00	RECEIVED	PAYMENT FOR CAR WASH SERVICES. JUNE 2024	MAAA0100893	Ward 17
JNW TRADING ENTERPRISE	QEBEDU LOCATION LUSIKISIKI WARD 31 4820	Community Parks (including	6/28/2024	21,000.00	RECEIVED	PAYMENT FOR MAINTANANCE OF GARDEN POWER TOOLS	MAAA0252021	Ward 31
LUNDWE TRADING ENTERPRISE	NIKHWE LOCATION BIZANA WARD 17 4800	Administrative and Corporate Support	6/27/2024	21,150.00	RECEIVED	REQUEST FOR 48'S TOILET PAPERS 2 PLY	MAAA0138871	Ward 17
Transport - Driving License Ca	459B TSITSA STREET ERASMUSKLOO 459B TSITSA STREET ERASMUSKLOO PRETORIA 0048	Road and Traffic Regultions	6/10/2024	22,752.00	RECEIVED	PAYMENT FOR NEW CARDS. MAY 2024	MAAA0357741	Pretoria
Billy and Chris (PTY)LTD	P O BOX 210786 MATHWEBU SP; MATHWEBU WARD 13 4800	Mayor and Council	6/25/2024	24,480.00	RECEIVED	REQUEST FOR TRANSPORT (2X 15 SEATER TAXI )FROM BIZANA TO AMATHOLE REGI (BUTTERWORTH WSU GROUNDS) FOR MENS REGIONAL LEAGUE PLAY OFFS FOR 25 BI CITY FC FOOTBALL PLAYERS ON THE 27TH TO 29TH JUNE 2024.	MAAA0601727	Ward 13
KWIK-FIT BIZANA	SHOP 7 BAM CENTRE MAIN STREET BIZANA BIZANA 4800	Fleet Management	6/25/2024	24,817.00	RECEIVED	REQUEST FOR FOUR ALLTERRAIN TYRES WITH REGISTRATION NUMBER HLT147EC 265/60R18	MAAA0408288	Ward 1
ZAMANTAMBO CONSTRUCTION AND PR	HIGHLAND VIEW MBIZANA WARD 1 4800	Roads	6/26/2024	26,000.00	RECEIVED	REQUEST FOR SERVICE PROVIDER TO REPLACE THE NEW TOILET PAN WITH CISTER URINAL; URINAL SPREADER AND STOP COCK	MAAA0168017	Ward 1
YLT	PO BOX 50 DOWN TOWN WARD 13 4800	Town Planning Building Rectification	6/14/2024	26,000.00	RECEIVED	PAYMENT FOR UPGRADE AND MAINTANANCE OF GIS WEB PORTAL	MAAA0396079	Ward 13
FAKADE CONSTRUCTION (PTY) LTD	P.O.BOX 307 BIZANA WARD 1 4800	Mayor and Council	6/24/2024	28,950.00	RECEIVED	REQUEST VIP MORNING TEA FOR MPHUTHUMI MAFUMBATHA LEGACY COMMEMORATION BE HELD ON THE 21 JUNE 2024 AT OLIVER AND ADELAIDE TAMBO REGIONAL HOSP BOARDROOM	MAAA0125170	Ward 1
LIONS DEN PROJECTS	LUDEKE HALT BIZANA WARD 4 4800	Finance:Default	6/24/2024	29,000.00	RECEIVED	SUPPLY AND DELIVERY OF NYLON CORDS	MAAA0391611	Ward 4
CMAM SOUTH AFRICA	G7 BENCORRUM 183 PRINCE STREET DURBAN 4001	Finance	6/11/2024	29,210.00	RECEIVED	PAYMENT FOR ASSET MANAGEMENT TRAINING	MAAA0879470	Durban
ISIPHOSA TRADING	MDESALINI A/A MTHATHA MFUNDISWENI 5099	Mayor and Council	6/14/2024	30,000.00	RECEIVED	REQUEST TABLES FOR PONDO REVOLT LEGACY COMMEMORATIONS TO BE HELD ON TH 2024 AT NGQINDILILI HALL SITE AT WARD 11	MAAA0558371	Ward 8

Total 465,494.71

### 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	Not Paid	Government Printing Works(In Order Stage)	R 15,132.00	Printing Works for Provincial and Local Impotant Documents	Z.Zukulu	Friday, July 7, 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 Maintanance Manager	Z.Zukulu	Tuesday, July 25, 2023	Corporate Services	NO	One quote requested	Sole Provider
Monday, July 31, 2023	300059842	Institute for Internal Auditors	R 14,019.08	Membership Fees fot Manager Internal Auditor	Z.Zukulu	Thursday, July 20, 2023	Municipal Manager's Office	NO	One quote requested	Sole Provider
Monday, July 17, 2023	2007443	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
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
Thursday, August 31, 2023	22112411/20232	Stadio Higher Education	R 3,330.00	Study Fees for Fleet Officer	Z.Zukulu	Tuesday, August 15, 2023	Coporate Services	NO	One quote requested	Sole Provider
	DFI56153360	MIE	R 9,692.11	Verification and collection of educational qualifications	Z.Zukulu	Wednesday, August 16, 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
	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
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
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
Thursday, November 30, 2023	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
Wednesday, December 13, 2023	200005400	Leadership Academy	R 53,943.05	Training for Internal Auditors Interns	Z.Zukulu	Wednesday, November 8, 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
Wednesday, January 31, 2024	INV-85652- M4T9126	SAICA	R 4,778.22	Skilled Accounting Professional	Z.Zukulu	Wednesday, December 20, 2023	Corporate Services	NO	One quote requested	Sole Provider
Not Paid	Not Paid	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
Wednesday, January 10, 2024	DFI56115913	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
Wednesday, February 21, 2024	206349459	Walter Sisulu University	R 14,320.00	Study Fees	Z.Zukulu	Wednesday, January 31, 2024	Corporate Services	NO	One quote requested	Sole Provider
Wednesday, February 21, 2024	45796513/20013116	Unisa	R 16,410.00	Study Fees	Z.Zukulu	Wednesday, January 31, 2024	Corporate Services	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
2024						2024				
	Various	Unisa	R 63,600.00	Study Fees	Z.Zukulu	Monday, February 19, 2024	Corporate Services	NO	One quote requested	Sole Provider
Tuesday, February 20, 2024	L528668/6665/L150746	Mancosa	R 53,865.04	Study Fees	Z.Zukulu	Tuesday, February 20, 2024	Corporate Services	NO	One quote requested	Sole Provider
Tuesday, February 20, 2024	2922044	WITS	R 15,240.00	Study Fees	Z.Zukulu	Monday, February 19, 2024	Corporate Services	NO	One quote requested	Sole Provider
Tuesday, February 20, 2024	202669848	UFS	R 15,240.00	Study Fees	Z.Zukulu	Tuesday, February 20, 2024	Corporate Services	NO	One quote requested	Sole Provider
Monday, February 19, 2024	INV12953	SABPP	R 1,210.00	SABPP	Z.Zukulu	Sunday, February 18, 2024	Municipal Manager's Office	NO	One quote requested	Sole Provider
Tuesday, February 20, 2024	22410177	STADIO Higher Education	R 21,020.00	Study fees	Z.Zukulu	Monday, February 19, 2024	Corporate Services	NO	One quote requested	Sole Provider
Thursday, March 14, 2024	DFI56168915172097	MIE	R 732.56	Verification and collection of educational qualifications	Z.Zukulu	Friday, March 8, 2024	Corporate Services	NO	One quote requested	Sole Provider
Thursday, April 11, 2024	90017124	Umgeni water	R 17,595.00	SoleProvider for laboratory services in E.Coli	Z.Zukulu	Monday, April 8, 2024	LED	NO	One quote requested	Sole Provider
Thursday, April 11, 2024	300070059	Institute of Directors South Africa	R 3,745.00	Membership fees	Z.Zukulu	Friday, April 5, 2024	Municipal Manager's Office	NO	One quote requested	Sole Provider
Tuesday, April 30, 2024	DFI156175299	MIE	R 1,707.36	Verification and collection of educational qualifications	Z.Zukulu	Monday, April 29, 2024	Corporate Services	NO	One quote requested	Sole Provider
Wednesday, May 15, 2024	90017888	Umgeni water	R 5,865.00	SoleProvider for laboratory services in E.Coli	Z.Zukulu	Monday, May 20, 2024	LED	NO	One quote requested	Sole Provider
Thursday, May 30, 2024	IN308615	Synergy	R 51,933.43	Registration for indaba	Z.Zukulu	Friday, May 10, 2024	LED	NO	One quote requested	Sole Provider
Thursday, May 30, 2024	90017867	Umgeni water	R 5,865.00	SoleProvider for laboratory services in E.Coli	Z.Zukulu	Tuesday, May 21, 2024	LED	NO	One quote requested	Sole Provider
Thursday, May 30, 2024	90016899	Umgeni water	R 11,730.00	SoleProvider for laboratory services in E.Coli	Z.Zukulu	Thursday, May 23, 2024	LED	NO	One quote requested	Sole Provider
Monday, June 3, 2024	DFI56181664	MIE	R 2,558.27	Verification and collection of educational qualifications	Z.Zukulu	Friday, May 31, 2024	Corporate Services	NO	One Quote	Sole Provider
Tuesday, June 25, 2024	DFI56178514	MIE	R 165.90	Verification and collection of educational qualifications	Z.Zukulu	Monday, June 24, 2024	Corporate Services	NO	One Quote	Sole Provider

SECTION 17 TRANSACTION DETAILS							PROCUREMENT PROCESS			
Payment Date	Payment Number	Supplier Name	Amount	Description of Incident	Approved by	Date Approved	Department Responsible	Normal Process	Process Followed	Reason for Section 17
Wednesday, June 19, 2024	1348439	Wits School of Governments	R 58,000.00	Study Fees	Z.zukulu	Wednesday, June 19, 2024	Corporate Services	NO	One Qoute	Sole Provider
<b>TOTAL</b>			<b>R 919,340.92</b>							

## 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	Balance Brought down	24-Jun	Current year Expenditure	Closing Balance
Zama Dunga Business Enterprise	Construction of Mbizana Civic Centre	MBIZLM27/02/18/0 2ENG	R 86,428,299.70	R 31,984,133.12	R 273.63	R 5,750,628.66	-R 623,118.35
Sizane Consulting	General Valuation Roll 2019/2024	Valuation Roll 2019/2024	R 1,576,425.00	R 581,897.44	-	-	R 581,897.44
Munsoft (PTY) LTD	Financial and Billing System	MBIZ LM ICT DUE DELIGENTS	R -	-R 5,318,113.79	R -	R 5,164,284.96	-R 20,069,108.89
Conlog	Prepaid electricity agent	Fef:6/1/1/5	R -	-R 6,727,453.16	R 63,023.93	R 770,312.62	-R 9,560,137.89
Kumyolz Investments	Debt collection services for 3 years	MBIZ LM 00022 DCS	R 0.13	R 0.13	R 29,304.46	R 857,027.27	-R 3,081,310.25
Khanya Africa Networks	Integrated Financial Records and Archiving Solutions (IFRA) for 3 years	MBIZ LM 0035 IFRA	R 5,300,000.00	R 455,292.19	R -	R -	R 208,042.19
Vodacom Pty Ltd	Procurement of Mobile Contract	MBIZ LM 0040 PMC	R -	-R 5,602,000.00	R -	R 4,761,971.14	-R 18,337,693.64
ODG Technologies PTY Ltd	Panel of Electrical Engineering Consultants(Ele Load Forecasting )	MBIZ LM 0055 CON	R 345,000.00	R 345,000.00	R -	R -	R -
Restsam Engineering	Panel of Electrical	MBIZ LM 0055	R	R	R	R	R

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	24-Jun	Current year Expenditure	Closing Balance
PTY Ltd	Engineering Consultants	CON	-	-	-	-	-
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 1,248,811.13	R -	R 76,441.69	R 1,124,682.27
Iqhayiya Design Workshop	Panel of Consultants- Architectural: Temporary Traders Stalls and Civil Works	MBIZ LM 0055 CON	R 956,705.82	R 287,011.75	R -	R 280,772.35	R 6,239.40
Iqhayiya Design and Workshop	Manufacturing Hubs	WMM-LM(Panel of Consultants)	R 3,850,372.50	R 3,850,372.50	R -	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 30,463,800.00	R 27,820,800.00	R 869,400.00	R 10,658,200.00	-R 310,500.00
Phahle Construction	Maintanance of Recreational Facilities	WMM LM 16/09/20/01	R -	R -	R -	R 427,362.37	-R 876,327.46
Dr Sugudhav-Sewpersadh Attorneys	Provisison of Legal Services	WMM LM 25/08/21	R -	R -	R 189,134.73	R 3,767,005.82	-R 6,535,185.26
Z.N.Mtshabe	Provision of Legal Services	WMM LM 25/08/21	R -	R -	R 60,770.28	R 6,487,075.81	-R 11,694,794.57
Techseeds Pty Ltd	Supply and Delivery of Printers	WMM LM 21/12/21/01 PRI	R 6,581,971.41	R 6,581,971.41	R -	R 728,658.31	R 5,168,509.72
Zinzame Consulting Engineers	Sidanga Access Road with a Bridge	MBIZ LM 0055 CON	R 3,256,364.38	R 3,256,364.38	R -	R -	R 102,691.34
EKS Vehicle Tracking	Vehicle Tracking Services	Transversal Contracts(RT-46)	R -	R -	R -	R 113,576.92	-R 279,649.30
Iheans Travelling Agency	Provision of Traveling Agency for 36 months	WMM LM 30/06/22/01 TRA	R -	R -	R 481,462.80	R 4,167,032.91	-R 4,340,956.19
Tunimart(PTY)LTD	Provision of Traveling Agency for 36 months	WMM LM 30/06/22/01 TRA	R -	R -	R 1,467,231.02	R 6,508,959.41	-R 6,994,961.67
Thahle Project jv Ayagu Construction	Construction of Sidanga Access Road with Bridges	WMM LM 00098	R 19,990,389.66	R 19,990,389.66	R -	R 2,998,552.36	R 999,557.78
XS Dollarz	Construction of Ward 13 ECDC	WMM LM 25/05/22/05 ECDC	R 4,061,813.16	R 4,061,813.16	R -	R 2,323,158.16	R 822,963.36
Thahle Projects Jv Ayagu Trading	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R -	R -	R -	R -	R -
Moya Trading and Projects	Social and Disaster Relief Material for 3 years	WMM LM 0064 SRM	R -	R -	R -	R 1,129,750.00	-R 2,110,170.00
Mabozela Trading and Enterprise	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R -	R -	R -	R -	R -
Mvi Construction and Maintenance	Hiring of Construction Plant	WMM LM 08/12/22/02 HPC	R -	R -	R -	R -	R -

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	24-Jun	Current year Expenditure	Closing Balance
	and Trucks						
Manyobo Group	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R -	R -	R -	R -	R -
LG Construction TA LGC Construction	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R -	R -	R -	R -	R -
Restsam Engineering PTY Ltd	Electrification of Msarhweni Village	MBIZ LM 0055 CON	R 607,200.00	R 607,200.00	R -	R 201,590.40	R -
Wosa Nawe 16	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R -	R -	R -	R -	R -
Mayile Solutions	Provision of Internal Services	WMM LM 06/10/22/03 IAS	R -	R -	R -	R 821,661.94	-R 1,472,239.94
ZML Group	Electrification of Zizityaneni Village	WMM LM 00058E	R 7,836,167.58	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 -	R -	R 2,124,645.01	-R 2,359,045.01
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 30,600.00	-R 30,600.00
Nikhwe Group	Multi Discipline Panel of Consultants for a Period of 3 years	WMM LM 25/03/22/01 MDP	R -	R -	R -	R -	R -
VHB and Associates	Construction of Mbizana Civic Centre	MBIZLM27/02/18/0 2ENG	R 3,811,832.48	R 3,811,832.48	R -	R 571,774.87	R 2,858,874.37
Nikhwe Group	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R -	R -	R -	R -	R -
Citi Cargo	Hiring of Construction Plant and Trucks	WMM LM 08/12/22/02 HPC	R -	R -	R -	R -	R -
Masilo 85 Projects	Refurbishment of Low Voltage Lines in Extension 4	WMM LM 00081 RVL	R 3,491,945.22	R 3,491,945.22	R 144,077.18	R 3,135,486.97	R 356,458.25
Zinzame Consulting Engineers	Multi Discipline Panel of Consultants for a Period of 3 years	WMM LM 25/03/22/01 MDP	R -	R -	R -	R -	R -
S.Zoko Consulting	Rehabilitation of Mgodini to Mcinjweni Access Road	MBIZ LM 0055 CON	R 433,683.34	R 433,683.34	R -	R -	R 89,312.55
Zinzame Consulting Engineers	Construction of Majazi Landfill Site	MBIZ LM 0055 CON	R 3,827,625.00	R 3,827,625.00	R -	R -	R 9,030,991.07
Nkwali AM	Fencing of Mphuthumi Mafumbatha Staidum	WMM-LM 04/05/23/06	R 4,863,852.26	R 4,863,852.26	R -	R 4,377,467.05	R 486,385.21
The Mane's	Supply and Delivery of Cleaning	WMM LM 04/08/22/01 SDC	R -	R -	R 2,200.00	R 1,152,824.08	-R 1,152,824.08

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	24-Jun	Current year Expenditure	Closing Balance
	Resourses						
Citeplan	Kubha/Magusheni LSDF	WMM LM /24/0822 K/M LSDF	R 276,000.00	R 276,000.00	R -	R 274,200.00	R 1,800.00
Masilo Jv Kresta Green	Nomlacu Electrification Phase 2	WMM LM 04/05/23/01 ENP	R 5,743,276.13	R 5,743,276.13	R -	R 4,805,293.81	R 937,982.32
ODG Technologies PTY Ltd	Nomlacu Electrification Phase 2	WMM LM 04/05/23/01 ENP	R 1,035,116.46	R 1,035,116.46	R -	R 622,035.39	R 413,081.07
Stira Construction	Construction of Mggutsalala Access Road	WMM LM 000103 M W18	R 4,621,749.00	R 4,621,749.00	R -	R 3,598,123.59	R 1,023,625.41
Alutha Holding 82/ Show Love and Care	Construction to Ntshikitshane to Bhukuveni Access Road	WMM LM 000104 CS W08	R 2,495,075.00	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 4,395,182.41	R 380,144.00	R 3,372,547.50	R 1,022,634.91
Isivuno Esihle Construction	Construction of Mgomanzi Access Road	WMM LM 00013 M A/R	R 5,122,592.20	R 5,122,592.20	R 1,087,225.34	R 5,032,431.44	R 90,160.76
Vitsha Trading	Construction of Mwilini Access Road	WMM LM 0018 MZ/ A/R	R 5,790,907.51	R 5,790,907.51	R 415,518.00	R 4,918,576.22	R 872,331.29
Vitsha Trading	Upgrading of Mbongwana via Dotye to Greenville Access Road	WMM LM 00017 MDG	R 9,685,836.19	R 9,685,836.19	R 303,094.00	R 6,975,612.50	R 2,710,223.69
Ndzila Investments	Provision of Insurance Services for 36 Months	WMM-LM 27/10/21/01 PIS	R -	R -	R -	R 548,154.19	-R 548,154.19
Masilo Projects 85	Electrification of Masarhweni Phase 2	WMM LM 04/05/23/02 EMP	R 3,207,821.60	R 3,207,821.60	R -	R 2,045,202.79	R 1,162,618.81
First Rand Limited	Provision of Banking Services for 5 Years	WMM LM 00012 BS	R -	R -	R 714,548.85	R 3,768,314.81	-R 3,768,314.81
Vilo Security Services	Procurement of Agricultural Inputs	WMM LM 00052 P AGRIC I	R 883,300.00	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 -	R -	R 1,091,888.74	-R 1,091,888.74
Mabozela Trading and Enterprise	Call Out for Crane Truck Hiring Services	WMM LM 13/09/23/02 COC	R -	R -	R -	R -	R -
West Bank Limited	Fuel	WMM LM 00012 BS	R -	R -	R -	R 1,198,674.31	-R 1,198,674.31
Eco South Partnership	Mbizana Heritage Reseach	WMM LM 11/08/22/02 MHR	R 573,850.00	R 573,850.00	R 448,500.00	R 573,850.00	R -
Munsoft Pty Ltd	Procurement of Payroll System	WMM LM 00012 PPS	R 8,972,421.01	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 494,500.00	R -	R 253,000.00	R 241,500.00
Ziinzame Consulting Engineers	Upgrading of Mbongwana Access Road	WMM LM 25/03/22/01 MDP	R 1,917,600.00	R 1,917,600.00	R 89,773.49	R 1,883,181.00	R 34,419.00

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	24-Jun	Current year Expenditure	Closing Balance
Zinzame Consulting Engineers	Construction of Mwilini Access Road	WMM LM 25/03/22/01 MDP	R 1,423,057.26	R 1,423,057.26	R 202,953.43	R 1,392,797.27	R 30,259.99
Masinyane and Son	Supply and Delivery of SMME Equipment	WMM LM 31/05/22/06 MDP	R 750,000.00	R 750,000.00	R -	R 750,000.00	R -
Mvumeza Trading Enterprise	Construction of Ntlanezwe to Sizabonke Access Road	WMM LM 00019 NS A/R	R 6,790,555.42	R 6,790,555.42	R 1,016,972.60	R 5,416,848.68	R 1,373,706.74
ODG Technologies PTY Ltd	Nomlacu Electrification Phase 1 - 2022/2023	WMM LM 00066 E SV	R 1,472,719.42	R 1,472,719.42	R -	R 1,114,348.46	R 91,423.76
ODG Technologies PTY Ltd	Electrification of Zizityaneni 2022/2023	WMM LM 00066 E SV	R 1,416,776.00	R 1,416,776.00	R -	R 580,631.64	R 68,174.36
Siya and Aya JV S One	Electrification of Lower Ethridge Village Phase 2	WMM LM 04/05/23/03 ELE	R 4,127,551.32	R 4,127,551.32	R 1,264,367.90	R 2,690,148.55	R 1,437,402.77
Innovative Technologies	Supply and Delivery of Laptops	WMM LM 00057 S&D 30L	R 1,161,137.75	R 1,161,137.75	R -	R 1,161,137.75	R -
Mabozela Trading Enterprise	Thaleni Access Road and Bridge	WMM LM 00021 TBR	R 20,873,963.09	R 20,873,963.09	R 1,841,320.51	R 5,894,140.65	R 14,979,822.44
Eco South Partnership	Municipal Land Audit	WMM LM 24/06/23/02 MLA	R 403,650.00	R 403,650.00	R 351,900.00	R 403,650.00	R -
Dream Bold Business Consultancy	Pre-Capacity Building for GBS Manufacturing Hubs	WMM-LM 10/06/22 B GBS C	R 2,998,750.00	R 2,998,750.00	R 250,000.00	R 250,000.00	R 2,748,750.00
Eco South Partnership	Customer Care Satisfactory Survey	WMM LM 13/09/04 CCS	R 195,822.00	R 195,822.00	R -	R -	R 195,822.00
Thake Electrical	3 Year Turnkey Contract for Electricity Services	WMM LM 18/01/24/01 TCE	R -	R -	R -	R -	R -
Lilitha Project Managers	GRAP Compliant Immovable Asset Register for 2023-26 Financial Years	WMM LM 00061 FAR	R 5,526,582.57	R 5,526,582.57	R -	R -	R 5,526,582.57
Kati Kabizwayo	Supply and Delivery of PPE: Protection Services for 36 Months	WMM LM 00051 PPE PS 36M	R -	R -	R 366,090.00	R 366,090.00	-R 366,090.00
Dosvents TD	Supply and Delivery of Stationery for 12 Months	WMM LM 00056 PMS 12M	R -	R -	R 217,087.20	R 217,087.20	-R 217,087.20
Masinyane and Son	Supply and Delivery of Cleaning Resources for 36 Months	WMM LM 04/08/22/01 SDC	R -	R -	R 183,099.55	R 183,099.55	-R 183,099.55
Woman of Virtue Health	Wellness and Occupational Health Practitioner for 36 Months	WMM LM 00053 W&OHP 36M	R -	R -	R -	R -	R -
Moya Trading and Projects	Procurement of PPE: Environmental Services for 24 Months	WMM LM 00051 P PPE 24M	R -	R -	R 197,890.00	R 579,115.00	-R 579,115.00

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	24-Jun	Current year Expenditure	Closing Balance
Ibala Consulting	CBD Road Maintenance	WMM LM 00055 CBD R	R 2,283,458.58	R 2,283,458.58	R 254,261.17	R 1,004,795.20	R 1,278,663.38
Ziinzame Consulting Engineers	Allocation for Mqonjwana Access Road	WMM LM 25/03/22/01 MDP	R 2,659,375.00	R 2,659,375.00	R 359,744.15	R 359,744.15	R 2,299,630.85
Wosa Nawe 16	Allocation of Shesi Access Road	WMM LM 08/12/22/02 HPC	R 2,622,137.43	R 2,622,137.43	R 1,417,490.58	R 2,622,137.43	R -
Mvi Construction and Maintenance	Allocation of Khaleni Access Road	WMM LM 08/12/22/02 HPC	R 4,262,638.07	R 4,262,638.07	R 685,099.41	R 2,269,705.11	R 1,992,932.96
Mvi Construction and Maintenance	Allocation of Mthamvuna Nature Reserve Access Road	WMM LM 08/12/22/02 HPC	R 2,657,043.09	R 2,657,043.09	R 155,250.00	R 2,657,043.09	R -
Wosa Nawe 16	Allocation of Dinizulu Access Road	WMM LM 25/03/22/01 MDP	R 2,054,348.50	R 2,054,348.50	R -	R 2,045,126.65	R 9,221.85
Citi Cargo	Allocation of MabhaNqana Access Road	WMM LM 08/12/22/02 HPC	R 1,590,105.00	R 1,590,105.00	R -	R 1,590,105.00	R -
Manyobo Group	Allocation of Mfuneli Access Road	WMM LM 08/12/22/02 HPC	R 3,283,800.85	R 3,283,800.85	R -	R 1,419,100.00	R 1,864,700.85
Mabozela Trading and Enterprise	Allocation of Dyifane Access Road	WMM LM 08/12/22/02 HPC	R 1,625,964.50	R 1,625,964.50	R -	R 1,586,335.49	R 39,629.01
Nikhwe Group	Allocation of Mabutho Access Road	WMM LM 25/03/22/01 MDP	R 1,000,305.05	R 1,000,305.05	R -	R 1,000,305.05	R -
Mvi Construction and Maintenance	Allocation of Rockville Access Road	WMM LM 08/12/22/02 HPC	R 2,931,010.28	R 2,931,010.28	R -	R 2,930,980.38	R 29.90
Thahle Projects Jv Ayagu Trading	Allocation of Goxe Access Road	WMM LM 08/12/22/02 HPC	R 4,601,257.49	R 4,601,257.49	R -	R 3,930,299.23	R 670,958.26
LG Construction TA LGC Construction	Allocation of Lundini to Mtsgawedikazi Access Road	WMM LM 08/12/22/02 HPC	R 2,208,057.50	R 2,208,057.50	R -	R 2,208,057.41	R 0.09
LG Construction TA LGC Construction	Allocation of Mlindazwe Access Road	WMM LM 25/03/22/01 MDP	R 2,052,749.50	R 2,052,749.50	R 119,296.26	R 2,052,749.51	-R 0.01
Mabozela Trading and Enterprise	Allocation of Zinini Access Road	WMM LM 08/12/22/02 HPC	R 3,799,600.00	R 3,799,600.00	R -	R 3,724,476.25	R 75,123.75
Thahle Projects Jv Ayagu Trading	Allocation of Marina Access Road	WMM LM 08/12/22/02 HPC	R 2,244,332.12	R 2,244,332.12	R 686,958.25	R 2,194,963.60	R 49,368.52
Manyobo Group	Allocation of Marhelane Access Road	WMM LM 25/03/22/01 MDP	R 2,598,341.63	R 2,598,341.63	R -	R 1,387,176.00	R 1,211,165.63
Citi Cargo	Allocation of Bholorhweni Access Road	WMM LM 08/12/22/02 HPC	R 2,380,513.80	R 2,380,513.80	R 1,115,233.79	R 2,290,871.30	R 89,642.50
LG Construction TA LGC Construction	Allocation- Rehabilitation of Ndayini Access Road(Disaster)	WMM LM 08/12/22/02 HPC	R 4,540,072.40	R 4,540,072.40	R 883,303.00	R 2,284,440.00	R 2,255,632.40
Wosa Nawe 16	Allocation- Rehabilitation of Ndela to Ward 11	WMM LM 08/12/22/02 HPC	R 2,913,661.30	R 2,913,661.30	R 875,115.73	R 2,056,422.18	R 857,239.12

SUCCESSFUL TENDERER	NAME OF THE PROJECT	TENDER NO	Contract Amount	Balance Brought down	24-Jun	Current year Expenditure	Closing Balance	
Zinzame Consulting Engineers	Allocation-Rehabilitation of Matshezini(Disaster )	WMM LM 25/03/22/01 MDP	R 307,674.95	R 307,674.95	R 144,739.55	R 307,674.95	R -	
Mvi Construction and Maintenance	Allocation-Rehabilitation of Khaleni Access Road(Disaster)	WMM LM 08/12/22/02 HPC	R 4,262,638.07	R 4,262,638.07	R -	R 1,682,501.91	R 2,580,136.16	
Nikhwe Group	Allocation-Rehabilitation of Mtomkhulu Access Road(Disaster )	WMM LM 08/12/22/02 HPC	R 2,936,509.72	R 2,936,509.72	R -	R -	R 2,936,509.72	
Citi Cargo	Allocation-Rehabilitation of Labani Access Road(Disaster)	WMM LM 08/12/22/02 HPC	R 4,909,976.55	R 4,909,976.55	R 651,077.10	R 2,148,504.75	R 2,761,471.80	
Khulani Skills Development Center	Extension of Waste Management Services	WMM LM 04/08/22/01 EWM	R -	R -	R 305,650.00	R 305,650.00	-R 305,650.00	
Eco South Partneship	Revalidation of Township Establishment	WMM LM 24/08/22 RTE	R 672,865.00	R 672,865.00	R -	R -	R 672,865.00	
Masinyane and Son	Supply and Delivery of Fishing Equipment	WMM LM 00056 S&D FE&M	R 386,345.00	R 386,345.00	R 386,345.00	R 386,345.00	R -	
Zinzame Consulting Engineers	Allocation-Rehabilitation of Mhlwazini Access Road	WMM LM 25/03/22/01 MDP	R 532,794.47	R 532,794.47	R 110,881.88	R 509,174.47	R 23,620.00	
				<b>R 360,486,718.06</b>	<b>R 278,361,963.99</b>	<b>R 20,787,808.77</b>	<b>R 183,603,641.55</b>	<b>-R 5,978,744.41</b>

## **PART 2 – SUPPORTING DOCUMENTATION**

### **1. Implementation of the 2022/23 Audit Action Plan**

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 the 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 30<sup>th</sup> 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.

Below is the summary of the items affecting the Budget and Treasury Office, a consolidated view will be presented at the end of each quarter.

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23																		
No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
<b>Planning</b>																		
	Review of Annual Financial Statements	2	Financial	Budget and Reporting	N/A	Yes	No	No	No	Medium	When management was preparing the AFS, there was a number of errors on the Budget vs Actuals resulting from a corrupt file. Management before submitting the AFS realised that there was a loss on disposal amount which was updated on the GL and TB but was not pulling correctly on the Budget vs Actuals when comparing to the Statement of Financial Performance	Management should ensure that for all line items per the statement of financial position and Performance are fairly presented as required per the GRAP Standards.	<p>Improve the implementation of the AFS plan to ensure sufficient time for reviews</p> <p>Make alternative arrangements for power outages between July and August 2024 to avoid losing hours to load shedding</p> <p>Allocate each component for review by different personnel</p>	No	Chief Financial Officer	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year
<b>Immovable assets</b>																		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
	WIP: Omission of prior period error adjustment to WIP	4	Financial	Asset Management	N/A	Yes	No	No	No	Medium	Management omitted to include and assert this prior period error adjustment relating to the project: Replacement of LV & MV Lines with the project number: WMM LM 00059 LV&MVL in note 57. Prior period errors of the financial statements.	Management should ensure that the financial statements are present fairly. All prior period error adjustment should be asserted and presented in the Prior period errors note to the financial statements	Improve the implementation of the AFS plan to ensure sufficient time for reviews  Make alternative arrangements for power outages between July and August 2024 to avoid losing hours to load shedding  Allocate each component for review by different personnel	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year
	Land-fill Site: Omission of prior period error adjustment to PPE	4	Financial	Budget and Reporting	N/A	Yes	No	No	No	Medium	National Environmental Waste Act (NEMWA) section 20 (b) state states that "No person may commence, undertake or conduct a waste management activity, except in accordance with a waste management licence issued in respect of that activity, if a licence is required." Winnie Madikizela-Mandela Local Municipality has been making use of	Management should ensure that the financial statements are present fairly. All prior period error adjustment should be asserted and presented in the Prior period errors not to the financial statements	Improve the implementation of the AFS plan to ensure sufficient time for reviews  Make alternative arrangements for power outages between July and August 2024 to avoid losing hours to load shedding  Allocate each component for review by different personnel	No	Chief Financial Officer	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress		
											a sites as a dumping site and has been classifying it as Landfill site. However the Local Municipality has not been licensed in terms of the National Environmental Waste Act (NEMWA) or the Environmental Conservation Act (ECA). Management omitted to include and assert this prior period error adjustment relating to the Land-Fill Site reclassification in the current year financial statements									
	Issue 03: WIP Register: Asset not capitalised on to the WIP Register	11	Financial	Asset Management	N/A	Yes	No	No	No	Medium	Management did not recognise the asset on the fixed asset register as it was assumed that the project would be completed before the end of the financial period.	Management should comply with Section 63(2)(a) of the MFMA as to ensure that the all the municipality's assets are recognised. Management should recognise all capital expenditures on to the WIP register	Engagements between Treasury and Municipalities to be initiated to seek clarity and direction on the INEP accounting issues brought about by the guidelines issued by the Office of the Accountant General  A revision of the budget related to Electrification projects to be completed by 30 June 2024	No	Manager: Assets and Stores Management	Internal Audit	30-Jun-24	On a meeting held on the 27th of June 2024, Provincial Treasury Committee to convening a meeting with all affected municipalities in the province together with the auditor general to respond on issues that may		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
													<i>to be done where necessary by 30 June 2024</i>					not have been considered when the guidelines were issued.
	<b>Issue 01:</b> WIP: Differences between WIP register and AFS	11	Financial	Asset Management	N/A	Yes	No	No	No	Medium	The following cost was incurred (GL) but not capitalised the register. This project has capital expenditure of R 9 920 871 relating to 2022-2023 however there is an amount 417 321 which was included in the asset register which does not recorded in the general ledger in the current year.	Management should adequately review of PPE work in progress register against the general ledger as to ensure that all capital expenditure incurred is accurately reflected in the register. All capital expenditure which has not been incurred should not be included in the asset registers	<i>Engagements between Treasury and Municipalities to be initiated to seek clarity and direction on the INEP accounting issues brought about by the guidelines issued by the Office of the Accountant General</i>  <i>A revision of the budget related to Electrification projects to be completed by 30 June 2024 to be done where necessary by 30 June 2024</i>	No	Manager: Assets and Stores Management	Internal Audit	30-Jun-24	On a meeting held on the 27th of June 2024, Provincial Treasury Committed to convening a meeting with all affected municipalities in the province together with the auditor general to respond on issues that may not have been considered when the guidelines were issued.

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
	<b>Issue 04:</b> Differences between WIP transfers and FAR transfers	11	Financial	Asset Management	N/A	Yes	No	No	No	Medium	The cause of the finding is lack of review of work in progress register and Immovable asset register as to ensure that all transfer out from work in progress are accurately reflected in the Immovable asset register.	Management should adequately work in progress register and Immovable asset register as to ensure that all transfers from work in progress are accurately reflected in the Immovable asset register.	<p><i>The WIP register to be reviewed monthly to ensure it includes all transactions incurred during the year,</i></p> <p><i>The GL to be reviewed for all transactions above R10 000 to ensure they are correctly allocated and review against the WIP register for completeness</i></p> <p><i>WIP register to be reconciled with Accruals register to ensure all transactions included are updated on the WIP register as well</i></p>	No	Manager: Assets and Stores Management	Internal Audit	31 January 2024  31 July 2024	The WIP register is currently being reviewed and reconciled with the GL

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
	Differences between Fixed Asset Register and Annual Financial Statement	12	Financial	Asset Management	N/A	Yes	No	No	No	Medium	No constantly review of the supporting schedule against the information report in the annual financial statement.	Management should review the supporting schedules to identify any difference with information disclosed in the financial statement.	<p>Improve the implementation of the AFS plan to ensure sufficient time for reviews</p> <p>Make alternative arrangements for power outages between July and August 2024 to avoid losing hours to load shedding</p> <p>Allocate each component for review by different personnel</p>	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year
	Immovable assets - WIP - INEP Grant related expenditure treatment matters	16	Financial	Asset Management	N/A	No	No	No	No	Medium	The cause of the finding is due to management's diverse interpretation and treatment pertaining to expenditure relating to Integrated National Electrification Programme (INEP) Grant. Management not in full agreement with the National Treasury guidance on the recognition of the INEP grant, in the current year (Accounting for Integrated National	Management should ensure that they apply the requirements of GRAP 11 for transactions relating to INEP grant. The expenditure incurred to date on the INEP grant must be reclassified from fixed assets to expenditure. The management should further assess the impact of the finding on the corresponding figures.	<p>Engagements between Treasury and Municipalities to be initiated to seek clarity and direction on the INEP accounting issues brought about by the guidelines issued by the Office of the Accountant General</p> <p>A revision of the budget related to Electrification projects to be completed by 30 June 2024 to be done where necessary by 30 June 2024</p>	No	Chief Financial Officer	Internal Audit	30-Jun-24	On a meeting held on the 27th of June 2024, Provincial Treasury Committee to convening a meeting with all affected municipalities in the province together with the auditor general to respond on issues that may not have been considered when

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
											Electrification Programme (INEP) Grant allocations). Therefore, resulting in incorrect application of the applicable reporting standard, GRAP.							the guidelines were issued.
	Assets: Differences in useful lives used to calculate depreciation	18	Financial	Asset Management	N/A	No	No	No	No	Medium	The management has not reviewed the depreciation calculation and ensure that all the variables used to calculation of depreciation is constant with asset management policy.	Management should excise the oversight responsibility the work done on fixed asset register and reconcile all the variables used to calculate the value of property plant and equipment.	<p><i>Review of the Infrastructure FAR register to commence before the end of the 2023/24 financial year to allow sufficient time for reviews</i></p> <p><i>The Infrastructure FAR useful lives to be aligned with the municipality's Asset Management Policy</i></p> <p><i>A report on the useful lives outside the Asset Management guidelines to be prepared and submitted to Treasury detailing reasons for such</i></p>	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
	Issue 02: WIP: Project Cost not capitalised	11	Financial	Asset Management	N/A	No		No		Medium	Management expensed the cost to Contracted Services as measure to manage municipalities' losses.	Management should consistently apply the principals of Standard of Generally Recognised Accounting Practice Property Plant and Equipment (GRAP 17) consistently	<p><i>Engagements between Treasury and Municipalities to be initiated to seek clarity and direction on the INEP accounting issues brought about by the guidelines issued by the Office of the Accountant General</i></p> <p><i>A revision of the budget related to Electrification projects to be completed by 30 June 2024 to be done where necessary by 30 June 2024</i></p>	No	Manager: Budgeting and Reporting	Internal Audit	30-Jun-24	On a meeting held on the 27th of June 2024, Provincial Treasury Committee d to convening a meeting with all affected municipalities in the province together with the auditor general to respond on issues that may not have been considered when the guidelines were issued.

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
	Issue 05: WIP : Prior year Completed Asset not transferred out of Work-in progress	11	Financial	Asset Management	N/A	Yes		No		Medium	The above finding is due to lack of reconciliations not being performed by management to ensure that all completed projects are transferred immediately when the practical completion certificate is available	Management should ensure that there are controls that are put in place over daily and monthly processing and reconciling of work in progress and assets to ensure that all the projects that are completed are transferred after the practical completion certificate is available	<p><i>Review of the Infrastructure FAR register to commence before the end of the 2023/24 financial year to allow sufficient time for reviews</i></p> <p><i>The WIP register to be reviewed monthly to ensure it includes all transactions incurred during the year,</i></p> <p><i>The GL to be reviewed for all transactions above R10 000 to ensure they are correctly allocated and reviewed against the WIP register for completeness</i></p> <p><i>WIP register to be reconciled with Accruals register to ensure all transactions included are updated on the WIP register as well</i></p>	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year
Investment property																		

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	
	Investment property valuation issue	17	Financial	Development planning & Asset Management & Revenue	N/A	No	No	No	No	Medium	Incorrect invoices were used as the billing for June 2023	Management should ensure that they apply the requirements of GRAP 16 for measurement of investment property. The correct rental billing for the last month should be used when following the above-mentioned method to fair value the investment properties	<i>Review of the Infrastructure FAR register to commence before the end of the 2023/24 financial year to allow sufficient time for reviews</i>	No	Manager: Assets and Stores Management	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year	
<b>Provisions</b>																			
	Provision - Incorrect calculations	20	Financial	Community Services & Budget and Reporting	N/A	No	No	No	No	Medium	Incorrect rate was used to determine the present value of the future expected cost for the provision.	Management should ensure that they apply the requirements of GRAP 19 for measurement of provisions. The correct discount rate should be used when determining the present value of the provision.	To introduce reviews on the dumping site closure report to include the discount rate relevant to the liability being recognised	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of	

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	
																			the financial year
	Provision - incorrect classification and disclosure	25	Financial	Budget and Reporting	N/A	No	No	No	No	Medium	The management has not adequately reviewed the provision amount and ensure that all the amounts included in the provision are actually provision as defined.	As the amount is considered to be paid or be taken as a leave in the next 12 months by the related employee after the reporting date. The municipality should consider the amount to be an employee related obligation and be classified as such in the financial statements as required by the above mentioned GRAP.	Create disclosure notes for employee costs to improve on the disclosure of short-term benefits even though GRAP does not require such	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year	
<b>Payables</b>																			
	Payables from exchange transactions - incorrect classification of accruals	15	Financial	Expenditure Management	N/A	No	No	No	No	Medium	The cause of the above is due to a lack of controls over the maintenance of financial information and the lack of management exercising oversight to ensure that information submitted for audit is accurate and complete	Management should put controls in place to ensure that there is adequate review and oversight of information for appropriate presentation and accuracy of the figure presented in the financial statements		No	Manager: Revenue and Expenditure				This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	
																			which will only be done after the end of the financial year
	Payables from exchange transactions - difference between AFS and GL	14	Financial	Expenditure Management	N/A	No	No	No	No	Low	The cause of the above is due to a lack of controls over the maintenance of financial information and the lack of management exercising oversight to ensure that information submitted for audit is accurate and complete.	Management should put controls in place to ensure that there is adequate review and oversight of information for appropriate presentation and accuracy of the figure presented in the financial statements	<i>A report on the take-on balances to the mSCOA system that have not moved and do not have supporting information to be presented to council for write-off</i>	No	Manager: Revenue and Expenditure	Internal Audit	31-May-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year	
<b>Employee costs</b>																			
	Employee related cost - overtime classification	8	Financial	Payroll & Budget and Reporting	N/A	Yes	No	No	No	Low	Errors in capturing of expenditure amount in the accounting system.	Management should ensure that the amounts included in the financial statements is included in the correct account when capturing into the system.	<i>Overtime expenditure items to be mapped such that they are separately disclosed on the AFS</i>	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the	

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	
																			next set of the annual financial statements which will only be done after the end of the financial year
<b>Operating expenditure</b>																			
	Expenditure not paid within 30 days	12	Compliance	Expenditure management	N/A	No	No	No	No	Medium	The supplier was non-tax compliance on the date invoice received by municipality as per CSD report and municipality opted not pay the supplier until such non-tax compliance status is corrected by the supplier.	Management should constantly review unpaid invoices that are about to exceed 30 days and ensure that these invoices are paid to avoid non-compliance with MFMA	<i>Invoices for suppliers who have not complied with their tax matters for more than two payment runs not be accepted for processing until such issues have been attended to</i>	No	Manager: Revenue and Expenditure	Internal Audit	31-Jan-24	Invoices are only processed once without tax compliance being confirmed to have been address where tax matters were not in order when last payment was processed	
<b>Revenue</b>																			

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
	Rental of facilities and equipment; Leasehold fees - supporting schedules not adequately updated	6	Financial	Revenue management	N/A	No	No	No	No	Medium	The cause of the above finding is due to management not adequately updating the supporting registers with the transactions/journals passed in the general ledger. The submitted supporting register/schedules were not updated with the following transactions and journals that were passed in general ledger.	Management should ensure that the supporting registers to the financial statements are adequately updating with the transactions/journals passed in the general ledger.	Currently, there is no register specific for leasehold billing as this is done using the actual lease agreements and not a register. Going forward from Q2 of 2023-24 financial period, management commits to improve internal controls by performing monthly billing recons that will reconcile actual billing vs lease agreements each month for each lease to develop a register directed to leasehold billing by year end.	No	Manager: Revenue and Expenditure	Internal Audit	31-Jan-24	Register and monthly calculations introduced
	Service charges - recalculation differences	5	Financial	Revenue management	N/a	No	No	No	No	Medium	The cause of the above is due to a lack of controls over the maintenance of financial information and the lack of management exercising oversight to ensure that information submitted for audit is accurate and complete.	Management should put controls in place to ensure that there is adequate review and oversight of information for appropriate presentation and accuracy of the figure presented in the financial statements	The error was due to a change in capturing of a tariff structure in our billing system which subdivided the amount from hundreds to tens. The approved tariff is R313.81 per KVA not R3.1381 (R3.14 rounding factor). A Credit note	No	Manager: Revenue and Expenditure	Internal Audit	31-Jan-24	A review was done during the February billing period to identify and correct billing information

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
													billing will be effected, a capturing checklist as an internal control will be implemented which will be reviewed.					
<b>Disclosures</b>																		
	Additional disclosure	15	Financial	Budget and reporting	N/A	Yes	No	No	No	Medium	One of the pension fund amount paid was erroneously omitted on the determination of amount paid when preparing the financial statements.	Management should put controls in place to ensure that there is adequate review of information used to prepare financial statements to ensure appropriate presentation and accuracy of the figure presented in the financial statements.	The difference of an amount of R1 908.09 is due to recalculation on average PAYE reconciliation performed on the payroll system at the end of tax period. These amounts were not deducted on employees therefor the municipality is not liable to pay over to the SARS. A necessary revision will be made to the disclosure note to the annual financial statements.	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial statements which will only be done after the end of the financial year

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress
	Segment reporting - incorrect amount	22	Financial	Budget and reporting	N/A	Yes	No	No	No	Medium	This is due to management oversight in ensuring that the information for the segment reporting purposes agrees with the information reported on the financial statements.	Management should ensure that the amounts included in the financial statements in the segment report agrees to the amount included in the face of the financial statement and the correct account or name is used in order to ensure faithful presentation of Municipality affairs.	Engagements with the system vendor on the possibility of:  Current assets opening balances to be split per segment and movements to be processed against related segments	No	Chief Financial Officer	Internal Audit	28-Feb-24	Mid-year AFS are currently being prepared and testing journals being processed to split opening balances per function to ensure information is available for Segment Reporting at year-end. The exercise is taking longer than expected but should be completed before the end of April 2024
	Prior period error note - fruitless and wasteful expenditure	21	Financial	Budget and reporting	N/A	Yes	No	No	No	Medium	The narrations regarding the nature of the change in prior period was erroneously omitted when preparing the financial statements	Management should ensure that narrations are provided in order to better understand the note disclosure and/or to ensure fair presentation of the financial statements as per the above mentioned GRAP standard.	Narratives to be included even for corrections not related to figures on the annual financial statements for users to understand the change presented	No	Manager: Budgeting and Reporting	Internal Audit	31-Jul-24	This was corrected on the 2022/23 Audited Annual Financial Statements. The remedial action relates to ensuring this is addressed on the next set of the annual financial

WINNIE MADIKIZELA MANDELA LOCAL MUNICIPALITY AUDIT ACTION PLAN - 2022/23

No	Issues identified	CoA F No	Component / Classification	Department within the Municipality	Impact of the finding	Adjusted (Yes/No)	Affecting Audit Report?	Raised In 2021/22?	Adjustment Jnl required	Risk Level	Root cause	AG recommendation	Remedial Actions/Corrective Measures.	Consequence Management	Responsible person (Entity)	Validation of information	Due date	Progress	
																			statements which will only be done after the end of the financial year
<b>Procurement and contract management</b>																			
	SCM: Quotations awarded exceed budgeted project costs	3	Internal Control	Supply Chain management	N/A	No	No	No	No	High	Management made awards to bidders which exceeded their available budget. Management did not consider the use of the municipality's resources in an economical manner	Management should comply with Section 62(1)(a) of the MFMA as to ensure that the resources of the municipality are used in an economically manner. Management should ensure that budget restrictions are adhered to by ensuring that quotation prices received and awarded do not exceed the available budget	<i>Estimates for procurement processes to be supported by research by the user of the goods to be procured where possible</i>	No	Manager: Supply Chain Management	Internal Audit	31-Jan-24	Specifications are submitted with proof that research was done on the prices estimated	
	Local Content: Minimum threshold not specified on advert	13	Internal Control	Supply Chain management	N/A	No	No	No	No	Medium	Management did not review the contents of the tender resulting in failure to comply with regulations.	Management should adequately review the content on a tender adverts before they are advertised to the general public as to ensure all compliance with the relevant legislation are adhered to.	<i>All adverts to be reviewed to ensure they include thresholds for targeted goods</i>	No	Manager: Supply Chain Management	Internal Audit	31-Jan-24	All adverts are being reviewed by the SCM Manager before submission to the Municipal Manager for approval	

## **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. During the month, the department received a request from Internal Audit requesting an extension of the contracts that were coming to an end for two interns allocated within Internal Audit for a further 12 months as permitted by the internship program guidelines which was approved and a submission to both Provincial and National Treasury has been made in this regard.

### 3. Councillor and staff benefits

EC443 Winnie Madikizela Mandela - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

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		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		14,085	15,153	15,153	1,170	14,280	15,153	(873)	-6%	15,153
Pension and UIF Contributions		1,167	1,263	1,263	97	1,184	1,263	(79)	-6%	1,263
Medical Aid Contributions		1,167	1,263	1,263	97	1,184	1,263	(79)	-6%	1,263
Motor Vehicle Allowance		5,762	6,314	6,314	479	5,842	6,314	(471)	-7%	6,314
Cellphone Allowance		4,139	4,488	4,488	345	4,221	4,488	(267)	-6%	4,488
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>26,321</b>	<b>28,481</b>	<b>28,481</b>	<b>2,189</b>	<b>26,711</b>	<b>28,481</b>	<b>(1,770)</b>	<b>-6%</b>	<b>28,481</b>
<b>% increase</b>	4		<b>8.2%</b>	<b>8.2%</b>						<b>8.2%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		5,572	5,572	5,423	525	5,233	5,423	(190)	-4%	5,423
Pension and UIF Contributions		176	250	210	15	201	210	(9)	-4%	210
Medical Aid Contributions		343	361	331	24	308	331	(23)	-7%	331
Motor Vehicle Allowance		1,477	1,630	1,710	141	1,652	1,710	(58)	-3%	1,710
Cellphone Allowance		114	120	120	7	97	120	(24)	-20%	120
Housing Allowances		426	465	445	33	409	445	(36)	-8%	445
<b>Sub Total - Senior Managers of Municipality</b>		<b>8,107</b>	<b>8,398</b>	<b>8,240</b>	<b>745</b>	<b>7,900</b>	<b>8,240</b>	<b>(340)</b>	<b>-4%</b>	<b>8,240</b>
<b>% increase</b>	4		<b>3.6%</b>	<b>1.6%</b>						<b>1.6%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		76,714	76,704	76,873	6,514	73,554	76,873	(3,319)	-4%	76,873
Pension and UIF Contributions		11,266	12,619	12,766	1,031	12,310	12,766	(456)	-4%	12,766
Medical Aid Contributions		5,356	6,213	6,353	547	6,137	6,353	(216)	-3%	6,353
Overtime		1,387	2,925	2,495	404	2,340	2,495	(155)	-6%	2,495
Performance Bonus		5,971	6,093	6,341	72	347	6,341	(5,993)	-95%	6,341
Motor Vehicle Allowance		7,625	8,157	8,327	708	8,066	8,327	(261)	-3%	8,327
Cellphone Allowance		615	875	992	49	593	992	(399)	-40%	992
Housing Allowances		3,728	4,403	4,192	328	3,957	4,192	(236)	-6%	4,192
Other benefits and allowances		4,845	3,825	3,462	935	2,195	3,462	(1,267)	-37%	3,462
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>117,507</b>	<b>121,814</b>	<b>121,801</b>	<b>10,588</b>	<b>109,500</b>	<b>121,801</b>	<b>(12,301)</b>	<b>-10%</b>	<b>121,801</b>
<b>% increase</b>	4		<b>3.7%</b>	<b>3.7%</b>						<b>3.7%</b>
<b>Total Parent Municipality</b>		<b>151,935</b>	<b>158,693</b>	<b>158,522</b>	<b>13,522</b>	<b>144,111</b>	<b>158,522</b>	<b>(14,411)</b>	<b>-9%</b>	<b>158,522</b>
<b>% increase</b>			<b>4.4%</b>	<b>4.3%</b>						<b>4.3%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>151,935</b>	<b>158,693</b>	<b>158,522</b>	<b>13,522</b>	<b>144,111</b>	<b>158,522</b>	<b>(14,411)</b>	<b>-9%</b>	<b>158,522</b>
<b>% increase</b>	4		<b>4.4%</b>	<b>4.3%</b>						<b>4.3%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>125,614</b>	<b>130,213</b>	<b>130,041</b>	<b>11,334</b>	<b>117,400</b>	<b>130,041</b>	<b>(12,641)</b>	<b>-10%</b>	<b>130,041</b>

## 4. Debtors' analysis

### Summary of all Debtors

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

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables	1200	–	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables	1300	5,468	1,732	1,677	1,489	1,457	1,403	1,906	13,520	28,650	19,774	–	–	
Receivables from Non-exchange	1400	1,253	278	274	272	270	267	261	36,009	38,884	37,079	–	–	
Receivables from Exchange	1500	–	–	–	–	–	–	–	–	–	–	–	–	
Receivables from Exchange	1600	50	29	15	26	14	14	13	2,064	2,225	2,131	–	–	
Receivables from Exchange	1700	–	–	–	–	–	–	–	384	384	384	–	–	
Interest on Arrear Debtor Accounts	1810	1,478	749	754	747	737	730	722	18,206	24,124	21,143	–	–	
Recoverable unauthorised, interest	1820	–	–	–	–	–	–	–	–	–	–	–	–	
Other	1900	572	246	215	708	206	203	761	7,535	10,447	9,414	–	–	
<b>Total By Income Source</b>	<b>2000</b>	<b>8,820</b>	<b>3,034</b>	<b>2,936</b>	<b>3,240</b>	<b>2,685</b>	<b>2,616</b>	<b>3,664</b>	<b>77,718</b>	<b>104,714</b>	<b>89,924</b>	<b>–</b>	<b>–</b>	
<b>2022/23 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	1,032	502	461	926	460	500	570	40,660	45,110	43,115	–	–	
Commercial	2300	7,145	2,189	2,207	2,054	1,969	1,862	2,845	22,943	43,213	31,673	–	–	
Households	2400	644	344	268	260	255	254	250	14,116	16,391	15,136	–	–	
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–	
<b>Total By Customer Group</b>	<b>2600</b>	<b>8,820</b>	<b>3,034</b>	<b>2,936</b>	<b>3,240</b>	<b>2,685</b>	<b>2,616</b>	<b>3,664</b>	<b>77,718</b>	<b>104,714</b>	<b>89,924</b>	<b>–</b>	<b>–</b>	

The table above shows municipal debtors for the month of June 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 - M12 June

Description	NT Code	Budget Year 2023/24									Total	Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year				
<b>Creditors Age Analysis By Customer Type</b>													
Bulk Electricity	0100											-	
Bulk Water	0200											-	
PAYE deductions	0300											-	
VAT (output less input)	0400											-	
Pensions / Retirement deductions	0500											-	
Loan repayments	0600											-	
Trade Creditors	0700	22,572										22,572	
Auditor General	0800	30										30	
Other	0900											-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>22,602</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,602</b>	<b>-</b>

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 - M12 June

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
<b>Municipality</b>														
FNB CALL DEPOSIT ACCOUNT(62550717767)		Not fixed	Call Deposit	No	Variable	0.004049653	0	n/a	not fixed	10,057	41	(10,098)	-	-
FNB CALL DEPOSIT ACCOUNT(62459758078)		Not fixed	Call Deposit	No	Variable	0.005891157	0	n/a	not fixed	1,955	12	(1,541)	1,079	1,504
FNB CALL DEPOSIT ACCOUNT(62028477992)		Not fixed	Call Deposit	No	Variable	0.006068897	0	n/a	not fixed	461,394	2,800	(36,800)	-	427,394
FNB CALL DEPOSIT ACCOUNT(62816769220)		Not fixed	Call Deposit	No	Variable	0.005703281	0	n/a	not fixed	391	2	(252)	-	142
FNB CALL DEPOSIT ACCOUNT(62816773073)		Not fixed	Call Deposit	No	Variable	0.005558012	0	n/a	not fixed	2	0	(2)	-	0
FNB CALL DEPOSIT ACCOUNT(62896110170)		Not fixed	Call Deposit	No	Variable	0.005943911	0	n/a	not fixed	8,120	48	(306)	-	7,862
FNB CALL DEPOSIT ACCOUNT(62852108531)		Not fixed	Call Deposit	No	Variable	0.005426355	0	n/a	not fixed	14,736	80	(3,859)	-	10,957
FNB CALL DEPOSIT ACCOUNT(62550715828)		Not fixed	Call Deposit	No	Variable	0.005561649	0	n/a	not fixed	620	3	(624)	-	-
										<b>497,275</b>	<b>2,986</b>	<b>(53,482)</b>	<b>1,079</b>	<b>447,858</b>
<b>Entities</b>														
<b>Entities sub-total</b>										<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>									<b>497,275</b>	<b>2,986</b>	<b>(53,482)</b>	<b>1,079</b>	<b>447,858</b>

The table above shows the municipality's investments performance. The table shows that the municipality's cash and cash equivalents decreased during the month by over R52.3 million which lead to a decrease in its investments for the month of June 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 - M12 June

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
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		21,111	349,397	356,321	-	356,321	356,321	(0)	0.0%	356,321
Local Government Equitable Share		-	341,204	341,204	-	341,204	341,204	-		341,204
Finance Management		2,100	2,100	2,100	-	2,100	2,100	-		2,100
Integrated National Electrification Programme		-	-	-	-	-	-	-		-
EPWP Incentive		3,687	3,222	3,042	-	3,042	3,042	-		3,042
Neighbourhood Development Partnership Grant		-	-	5,235	-	5,235	5,235	(0)	0.0%	5,235
Municipal Infrastructure Grant	3	2,534	2,871	2,679	-	2,679	2,679	0	0.0%	2,679
Municipal Disaster response grant		-	-	2,060	-	2,060	2,060	-		2,060
Disaster relief grant		12,790	-	-	-	-	-	-		-
<b>Provincial Government:</b>		500	500	500	-	500	500	-		500
Health subsidy		-	-	-	-	-	-	-		-
Capacity Building and Other		500	500	500	-	500	500	-		500
Other transfers and grants [insert description]		-	-	-	-	-	-	-		-
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
<b>Total Operating Transfers and Grants</b>	5	21,611	349,897	356,821	-	356,821	356,821	(0)	0.0%	356,821
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		98,354	71,555	87,968	-	87,968	87,968	0	0.0%	87,968
Municipal Infrastructure Grant (MIG)		48,148	54,555	50,906	-	50,906	50,906	0	0.0%	50,906
Neighbourhood Development Partnership		-	-	3,932	-	3,932	3,932	0	0.0%	3,932
Municipal Disaster Response Grant		33,806	-	17,130	-	17,130	17,130	-		17,130
Integrated National Electrification Programme Grant		16,400	17,000	16,000	-	16,000	16,000	-		16,000
Other capital transfers [insert description]		-	-	-	-	-	-	-		-
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	5	98,354	71,555	87,968	-	87,968	87,968	0	0.0%	87,968
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	119,965	421,452	444,789	-	444,789	444,789	0	0.0%	444,789

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

b) Transfers & Grants Expenditure

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

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
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		21,111	349,397	356,321	24,555	221,344	612,224	(390,879)	-63.8%	356,321
Local Government Equitable Share		-	341,204	341,204	23,509	210,074	597,107	(387,033)	-64.8%	341,204
Finance Management		2,100	2,100	2,100	554	2,100	2,100	-		2,100
Integrated National Electrification Programme		-	-	-	-	-	-	-		-
EPWP Incentive		3,687	3,222	3,042	-	3,042	3,042	-		3,042
Neighbourhood Development Partnership Grant		-	-	5,235	250	1,604	5,235	(3,632)	-69.4%	5,235
Municipal Infrastructure Grant		2,534	2,871	2,679	231	2,679	2,679	(0)	0.0%	2,679
Disaster Response Grant		-	-	2,060	11	1,845	2,060	(215)	-10.4%	2,060
Disaster relief grant		12,790	-	-	-	-	-	-		-
<b>Provincial Government:</b>		500	500	500	215	361	500	(139)	-27.8%	500
Health subsidy		-	-	-	-	-	-	-		-
Capacity Building and Other		500	500	500	215	361	500	(139)	-27.8%	500
Other transfers and grants [insert description]		-	-	-	-	-	-	-		-
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
<b>Total operating expenditure of Transfers and Grants:</b>		21,611	349,897	356,821	24,770	221,705	612,724	(391,019)	-63.8%	356,821
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		98,354	76,295	87,968	15,034	77,277	87,968	(10,692)	-12.2%	87,968
Municipal Infrastructure Grant (MIG)		48,148	54,555	50,906	6,995	50,906	50,906	(0)	0.0%	50,906
Neighbourhood Development Partnership Grant		-	-	3,932	-	-	3,932	(3,932)	-100.0%	3,932
Integrated National Electrification Programme Grant		16,400	17,000	16,000	2,776	16,000	16,000	(0)	0.0%	16,000
Disaster Response Grant		33,806	4,740	17,130	5,263	10,371	17,130	(6,759)	-39.5%	17,130
Disaster Recovery grant		-	-	-	-	-	-	-		-
Other capital transfers [insert description]		-	-	-	-	-	-	-		-
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
<b>Total capital expenditure of Transfers and Grants</b>		98,354	76,295	87,968	15,034	77,277	87,968	(10,692)	-12.2%	87,968
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		119,965	426,192	444,789	39,804	298,982	700,692	(401,710)	-57.3%	444,789

The above table shows expenditure on grants that have been allocated to the municipality.

c) Expenditure on approved rollovers

EC443 Winnie Madikizela Mandela - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M12

Description	Ref	Budget Year 2023/24				
		Approved Rollover 2022/23	Monthly actual	YearTD actual	YTD variance	YTD variance %
<b>R thousands</b>						
<b>EXPENDITURE</b>						
<b>Operating expenditure of Approved Roll-overs</b>						
<b>National Government:</b>						
Local Government Equitable Share		-	-	-	-	
Finance Management						
Integrated National Electrification Programme						
EPWP Incentive						
Neighbourhood Development Partnership Grant						
Municipal Infrastructure Grant						
Disaster relief grant						
<b>Provincial Government:</b>						
Health subsidy		-	-	-	-	
Other transfers and grants [insert description]						
<b>District Municipality:</b>						
[insert description]		-	-	-	-	
<b>Other grant providers:</b>						
[insert description]		-	-	-	-	
<b>Total operating expenditure of Approved Roll-overs</b>						
		-	-	-	-	
<b>Capital expenditure of Approved Roll-overs</b>						
<b>National Government:</b>						
Municipal Infrastructure Grant (MIG)		6,071	713	4,603	1,469	24.2%
Disaster Recovery grant		6,071	713	4,603	1,469	24.2%
			-			
Other capital transfers [insert description]						
<b>Provincial Government:</b>						
		-	-	-	-	
<b>District Municipality:</b>						
		-	-	-	-	
<b>Other grant providers:</b>						
		-	-	-	-	
<b>Total capital expenditure of Approved Roll-overs</b>						
		6,071	713	4,603	1,469	24.2%
<b>TOTAL EXPENDITURE OF APPROVED ROLL-OVERS</b>						
		6,071	713	4,603	1,469	24.2%

The table above shows spending progress on the approved rollovers for the year being implemented. The municipality had one rollover application that was been approved.

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 - M12 June

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 Outcome	March Outcome	April Outcome	May Outcome	June Outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
<b>R thousands</b>	1																
<b>Cash Receipts By Source</b>																	
Property rates		613	670	536	466	10,544	411	2,185	848	673	1,455	593	765	29,982	31,546	29,613	
Service charges - Electricity revenue		2,570	3,392	3,476	3,402	3,859	3,107	4,590	3,514	2,890	6,980	2,831	7,253	36,893	30,798	33,302	
Service charges - Water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Service charges - Waste Mangement		374	303	326	354	353	318	366	324	409	374	344	531	3,712	3,987	4,531	
Rental of facilities and equipment		472	503	467	480	564	665	610	721	459	407	499	605	5,402	5,670	6,087	
Interest earned - ex ternal investments		2,279	3,071	2,923	2,693	2,498	2,426	3,100	3,040	2,780	3,250	3,360	3,053	31,890	16,669	17,452	
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		13	16	14	24	11	28	19	28	26	15	14	18	250	95	85	
Licences and permits		196	232	184	201	168	141	185	207	143	163	183	216	2,537	2,662	2,787	
Agency services		91	228	134	139	165	107	140	131	106	75	83	93	1,414	1,328	1,391	
Transfers and Subsidies - Operational		142,168	2,905	-	-	1,950	113,735	-	-	105,304	(11,801)	100	2,679	357,060	371,637	364,128	
Other revenue		24	50	14	26	81	137	46	133	(31)	247	26	(61)	44,550	39,510	41,655	
<b>Cash Receipts by Source</b>		<b>148,800</b>	<b>11,372</b>	<b>8,073</b>	<b>7,784</b>	<b>20,193</b>	<b>121,076</b>	<b>11,239</b>	<b>8,946</b>	<b>112,760</b>	<b>1,165</b>	<b>8,033</b>	<b>15,152</b>	<b>513,692</b>	<b>481,564</b>	<b>477,492</b>	
<b>Other Cash Flows by Source</b>																	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		21,526	-	-	-	7,000	22,668	13,500	3,200	13,659	11,895	200	(5,479)	87,968	80,471	82,487	
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, 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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Cash Receipts by Source</b>		<b>170,326</b>	<b>11,372</b>	<b>8,073</b>	<b>7,784</b>	<b>27,193</b>	<b>143,744</b>	<b>24,739</b>	<b>12,146</b>	<b>126,419</b>	<b>13,060</b>	<b>8,233</b>	<b>9,673</b>	<b>601,660</b>	<b>562,034</b>	<b>559,979</b>	
<b>Cash Payments by Type</b>																	
Employee related costs		12,521	9,333	12,594	10,981	12,052	12,586	12,207	11,941	12,208	12,124	12,376	12,776	133,776	170,108	177,688	
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	-	28,481	-	-	
Interest		-	-	-	-	-	-	-	-	-	-	-	-	-	100	100	
Bulk purchases - Electricity		5,344	5,761	5,692	3,723	4,056	3,582	-	7,696	3,276	3,529	3,366	4,072	47,731	53,792	60,624	
Acquisitions - water & other inventory		-	905	638	372	1,072	130	150	740	177	470	121	783	7,431	7,523	7,870	
Contracted services		1,828	1,825	7,072	14,984	2,310	4,826	496	1,375	2,311	3,352	2,926	1,978	133,129	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	10,407	9,210	6,866	6,517	5,293	80,798	83,445	87,224	
<b>Cash Payments by Type</b>		<b>39,517</b>	<b>23,663</b>	<b>29,141</b>	<b>35,698</b>	<b>26,668</b>	<b>31,389</b>	<b>17,098</b>	<b>32,159</b>	<b>27,182</b>	<b>26,341</b>	<b>25,307</b>	<b>24,902</b>	<b>431,444</b>	<b>405,097</b>	<b>432,826</b>	
<b>Other Cash Flows/Payments by Type</b>																	
Capital assets		5,906	9,492	13,433	6,389	8,724	11,783	984	9,134	6,175	15,222	13,295	21,019	168,512	100,930	100,189	
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Cash Payments by Type</b>		<b>45,423</b>	<b>33,155</b>	<b>42,574</b>	<b>42,088</b>	<b>35,392</b>	<b>43,173</b>	<b>18,081</b>	<b>41,294</b>	<b>33,357</b>	<b>41,563</b>	<b>38,602</b>	<b>45,921</b>	<b>599,957</b>	<b>506,027</b>	<b>533,015</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>124,903</b>	<b>(21,783)</b>	<b>(34,501)</b>	<b>(34,303)</b>	<b>(8,199)</b>	<b>100,571</b>	<b>6,658</b>	<b>(29,147)</b>	<b>93,062</b>	<b>(28,503)</b>	<b>(30,369)</b>	<b>(36,248)</b>	<b>1,703</b>	<b>56,007</b>	<b>26,964</b>	
Cash/cash equivalents at the month/year beginning:		360,015	484,919	463,135	428,635	394,331	386,133	486,704	493,361	464,214	557,276	528,773	498,404	360,015	361,719	417,726	
Cash/cash equivalents at the month/year end:		484,919	463,135	428,635	394,331	386,133	486,704	493,361	464,214	557,276	528,773	498,404	462,156	361,719	417,726	444,690	

## 8. Cash flow Statement

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

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		20,224	29,982	29,982	765	19,758	29,982	(10,223)	-34%	29,982
Service charges		54,103	32,606	40,606	7,784	52,241	40,606	11,636	29%	40,606
Other revenue		3,680	51,616	54,154	872	11,082	54,154	(43,071)	-80%	54,154
Transfers and Subsidies - Operational		343,919	349,897	357,060	2,679	357,040	357,060	(20)	0%	357,060
Transfers and Subsidies - Capital		93,836	71,555	87,968	(5,479)	88,168	87,968	200	0%	87,968
Interest		28,371	15,890	31,890	3,053	34,473	31,890	2,582	8%	31,890
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(312,003)	(380,618)	(431,344)	(24,902)	(339,065)	(431,344)	(92,279)	21%	(431,344)
Interest		-	(100)	(100)	-	-	(100)	(100)	100%	(100)
Transfers and Subsidies		-	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>232,129</b>	<b>170,828</b>	<b>170,215</b>	<b>(15,229)</b>	<b>223,698</b>	<b>170,215</b>	<b>(53,483)</b>	<b>-31%</b>	<b>170,215</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		(149,222)	(141,376)	(168,512)	(21,019)	(121,558)	(168,512)	(46,955)	28%	(168,512)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(149,222)</b>	<b>(141,376)</b>	<b>(168,512)</b>	<b>(21,019)</b>	<b>(121,558)</b>	<b>(168,512)</b>	<b>(46,955)</b>	<b>28%</b>	<b>(168,512)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>82,907</b>	<b>29,451</b>	<b>1,703</b>	<b>(36,248)</b>	<b>102,141</b>	<b>1,703</b>			<b>1,703</b>
Cash/cash equivalents at beginning:		277,109	277,109	360,015	498,404	360,015	360,015			360,015
Cash/cash equivalents at month/year end:		360,015	306,560	361,719	462,156	462,156	361,719			361,719

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 - M12 June

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		360,015	306,560	361,719	462,156	361,719
Trade and other receivables from exchange transactions		22,750	46,746	39,775	37,562	39,775
Receivables from non-exchange transactions		42,668	25,809	34,150	51,894	34,150
Current portion of non-current receivables		-	-	-	-	-
Inventory		1,384	450	1,784	786	1,784
VAT		17,621	18,042	22,880	35,962	22,880
Other current assets		23,568	15,763	18,847	16,510	18,847
<b>Total current assets</b>		<b>468,005</b>	<b>413,370</b>	<b>479,153</b>	<b>604,870</b>	<b>479,153</b>
<b>Non current assets</b>						
Investments		-	-	-	-	-
Investment property		42,209	39,090	42,210	42,209	42,210
Property, plant and equipment		837,613	834,980	905,866	906,027	905,866
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		1,261	1,261	1,261	1,261	1,261
Intangible assets		632	43	466	462	466
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>881,715</b>	<b>875,374</b>	<b>949,803</b>	<b>949,959</b>	<b>949,803</b>
<b>TOTAL ASSETS</b>		<b>1,349,720</b>	<b>1,288,744</b>	<b>1,428,956</b>	<b>1,554,829</b>	<b>1,428,956</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		497	506	497	450	497
Trade and other payables from exchange transactions		52,744	74,019	87,550	55,539	87,550
Trade and other payables from non-exchange transactions		8,199	-	2,127	16,788	2,127
Provision		19,918	20,308	19,919	12,225	19,919
VAT		-	4,947	4,947	21,228	4,947
Other current liabilities		-	-	-	-	-
<b>Total current liabilities</b>		<b>81,357</b>	<b>99,779</b>	<b>115,039</b>	<b>106,231</b>	<b>115,039</b>
<b>Non current liabilities</b>						
Financial liabilities		-	-	-	-	-
Provision		11,485	22,484	11,485	11,485	11,485
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
<b>Total non current liabilities</b>		<b>11,485</b>	<b>22,484</b>	<b>11,485</b>	<b>11,485</b>	<b>11,485</b>
<b>TOTAL LIABILITIES</b>		<b>92,842</b>	<b>122,263</b>	<b>126,524</b>	<b>117,715</b>	<b>126,524</b>
<b>NET ASSETS</b>	2	<b>1,256,878</b>	<b>1,166,481</b>	<b>1,302,432</b>	<b>1,437,114</b>	<b>1,302,432</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		1,256,878	1,166,481	1,302,432	1,437,114	1,302,432
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1,256,878</b>	<b>1,166,481</b>	<b>1,302,432</b>	<b>1,437,114</b>	<b>1,302,432</b>

## **10. Recommendations**

It is recommended that the committee considers the report and recommend the following to the executive committee for consideration and further recommendation to council:

- The disposal of assets as indicated on the report be approved
- A write-off of debt owed by those verified to be indigent be approved
- A three month extension of the automated meter reading system be approved to allow transversal contracts approval and migration process

## 11. Municipal Manager's quality certification

### Quality Certificate

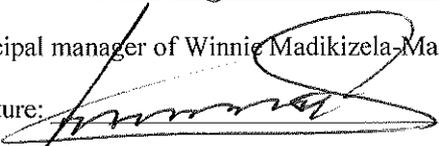
I, Luvuyo Mahlaka, the municipal manager of Winnie Madikizela-Mandela Local Municipality, hereby certify that –

The monthly budget statement

for the month of June 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: 

Date: 12/07/2024