

**QUARTERLY REPORT IN TERMS OF SECTION 52d OF
THE MUNICIPAL FINANCE MANAGEMENT ACT FOR
THE QUARTER ENDED 30 SEPTEMBER 2023**

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

TABLE OF CONTENT

1. PURPOSE OF THIS REPORT
2. LEGAL AND STATUTORY REQUIREMENTS
3. RECOMMENDATIONS

PART ONE DISCUSSION OPERATING RESULTS

4. OPERATING REVENUE
- 4.1 COMMENTS ON MATERIAL VARIANCES
- 4.2 RECEIPTS VERSUS BILLINNG
5. OPERATING EXPENDITURE
- 5.1 COMMENTS ON MATERIAL EXPENDITURE VARIANCES
- 5.2 CAPITAL EXPENDITURE
6. DEPARTMENTAL REVENUE AND EXPENDITURE REPORT

PART TWO FINANCIAL POSITION

7. DEBTORS
- 7.1 DEBTORS AGE ANALYSIS
- 7.2 COUNCILLORS OWING
- 7.3 COUNCILLORS OVERPAYMENT
- 7.4 STAFF DEBTORS
- 7.5 STAFF HOUSE
- 7.6 GOVERNMENT GRANTS AND SIBSIDIES
- 7.7 DEDICATED ACCOUNTS / GRANTS INVESTMENTS
- 7.8 INVESTMENTS OWN
- 7.9 CASH AND BANK MOVEMENTS
- 7.10 CREDITORS AGE ANALYSIS
- 7.11 LONG AND SHORT TERM BORROWINGS

PART THREE

8. SECTION 66 REPORT FOR THE PERIOD
- 8.1 COMMENTS ON EMPLOYEE RELATED COSTS
- 8.2 DETAILED REPORT ON ALLOWANCE

PART FOUR

9. ASSET MANAGEMENT
- 9.1 FUEL CONSUMPTION REPORT
- 9.2 REPAIRS AND MAINTENANCE REPORT
- 9.3 REPORT FOR PROPRTY, PLANT AND EQUIPMENT

PART FIVE

10. SUPPLY CHAIN MANAGEMENT

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

1. PURPOSE OF THIS REPORT

The purpose of the report is to present the financial status of the municipality in terms of Section 52d of the MFMA for the quarter ended 30 SEPTEMBER 2023.

2. LEGAL AND STATUTORY REQUIREMENTS

- In terms of section 71 of the MFMA 56 of 2003 the Accounting Officer has a responsibility of submitting to the Executive Mayor within 10 working days the state of the Municipalities budget, subsequent to that the Executive Mayor has to report to council within 30 days of the end of each quarter that is in line with section 52d of the MFMA Act No.56 of 2003.
- Chapter 9 Section 96 of the Municipal Systems Act 32 of 2000 requires that the municipality must collect all monies due and payable.
- Section 11(4) (a) requires the Accounting Officer to report within 30 days after the end of each quarter to the Municipal Council a consolidated report of all withdrawals made in terms of section (1)(b) to (j)

3. RECOMMENDATIONS

It is recommended that the council notes:

- Section 52 (d) reports for the First Quarter of the 2022/23 Financial Year.
- Section 66 report for the First Quarter of the 2022/23 Financial Year.
- Paragraph 6 (SCM regulations) report for the First Quarter of the 2022/23 Financial Year.
- Paragraph 36 (SCM regulations) report for the First Quarter of the 2022/23 Financial Year.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

PART ONE

4. OPERATING REVENUE

EC157 King Sabata Dalindyebo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

R thousands	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								
	Revenue																		
	Exchange Revenue																		
	Service charges - Electricity		523 932	640 141		48 260	139 784	160 035	(20 251)	-13%	640 141								
	Service charges - Waste management		53 284	68 241	560	60 406	68 241	(7 835)	-11%	68 241									
	Sale of Goods and Rendering of Services		12 635	20 623	551	9 441	5 156	4 285	83%	20 623									
	Agency services		12 813	19 891	1 091	3 028	4 973	(1 945)	-39%	19 891									
	Interest earned from Receivables		35 523	19 752	3 682	10 614	4 938	5 676	115%	19 752									
	Interest from Current and Non Current Assets		4 305	1 380	291	1 305	345	345		1 380									
	Rental from Fixed Assets		21 994	20 669	1 872	5 819	3 432	2 386	70%	20 669									
	Licence and permits		523	479	49	139	120	19	16%	479									
	Operational Revenue		4 387	21 256	103	203	5 314	(5 111)	-96%	21 256									
	Non-Exchange Revenue																		
	Property rates			331 582	(462)	297 082	331 582	(34 500)	-10%	331 582									
	Surcharges and Taxes		10 914		1 144	5 217		5 217											
	Fines, penalties and forfeits		5 347	46 705	273	1 020	11 676	(10 656)											
	Licence and permits		784	2 743	64	365	686	(321)			46 705								
	Transfers and subsidies - Operational		428 066	458 457	1 734	186 934	187 090	(156)			2 743								
	Transfers and subsidies - capital		134 014	196 106	8 080	34 819	49 026	(14 208)	(0)		458 457								
	Interest		29 913	19 110	2 691	6 593	4 778	1 816			196 106								
	Gains on disposal of Assets		(6 777)								19 110								
	Other Gains		23 535																
	Total Revenue (excluding capital transfers and contributions)		1 295 189	1 867 136	-	69 982	762 767	837 392	(74 625)	-9%	1 867 136								

4.1. COMMENTS ON MATERIAL VARIANCES

- 4.1.1. Property Rates reflects a shortfall of thirty-four million five hundred and seven thousand (R34.5 million).

The total billed income for property rates and fire brigade amounts to three hundred and five million (R305 million), and ninety-eight million (R98 million) has been collected representing 32% of total billed income. Of the three hundred and five million billed an amount of seven million relates to fire brigade fees.

- 4.1.2. Electricity Sales show a shortfall of twenty million (R20 million).

Other factors that might reduce the electricity revenue below expected levels are:

- Theft of electricity through foreign meters, meter bypasses and tempering and illegal connections.
- Eskom Load shedding results to communities and businesses using less units of energy.

Of the total billed income for electricity amounting to ninety-one million (R91 million) excluding prepaid electricity amounting to forty-eight million (R48 million), an amount of ninety million (R90 million) has been collected representing 98% of the total billed income. This is an indication that more debtors were collected during the period under review and including previous year's debts.

It should be noted that electricity sales to date are sitting at R139 million including prepaid sales while the electricity bulk purchases are sitting at R171 million, and this shows that the service is running at a loss without taking into account the salaries and other expenses relating to the electricity department.

- 4.1.3. Refuse removal shows a shortfall of seven million eight hundred thousand (R7.8 million). Of the total billed income for refuse removal amounting to fifty-nine million (R59 million), an amount of nine million two hundred thousand (R9.2 million) has been collected representing 16% of the total billed income.

- 4.1.4. Rental of facilities and equipment shows a surplus of two million four hundred thousand (R2.4 million).

Of the total billed income for rental amounting to five million (R5 million), an amount of one million five hundred thousand (R1.5 million) has been collected representing 31% of total billed income.

- 4.1.5. Agency fees show a shortfall of one million nine hundred thousand rands (R1.9 million).

This relates to these services:

- Motor Vehicle registration Centre
- Motor Vehicle Testing Centre and
- Drivers Licence Testing Centre

Attempts should be made to improve revenue collection.

- 4.1.6. Interest on outstanding debtors reflect a surplus of five million six hundred thousand (R5.6 million). This is due to increases in arrear debt and low collection rates. Collection levels needs to be improved.

- 4.1.7. Fine, penalties and forfeits reflect a shortfall of ten million (R10 million).

Attempts should be made to improve collection including implementation of the traffic fines management by TRUVERO.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

4.1.8. Other Revenue show a shortfall of five million (R5 million). There is under collection on disconnections fees and sale of meter boxes.

4.1.9. Grants and subsidies

4.1.9.1. Operational grants show a underspending of one hundred and fifty-six thousand (R156 000).

Due to non-movement on the following grants:

Non – spending on the following Grants:

- Electricity demand side management
- Library Grant
- Neighbourhood Grant

The following grants are already overspent:

- Overspending in EPWP of an amount of R1 853 007.49
- SETA was not budgeted for, and we have spent an amount of R162 138.75.

LEDGER DESCRIPTION	TOTAL BUDGET	TOTAL ACTUAL	YTD BUDGET	VARIANCE	VAR %
Grant - Prov: Equitable Share	434 856 000,00	181 190 000,00	181 190 000,00	-	0%
Grant - State: Financial Manag	2 850 000,00	644 485,05	712500	68 014,95	10%
Grant income- Electricity demand side man	4 000 000,00	-	1000000	1 000 000,00	100%
Grant Income - Expanded Public Works (EP	4 238 000,00	2 912 507,49	1059500	- 1 853 007,49	-175%
Grant income Library	1 750 000,00	-	437500	437 500,00	100%
Grant Income - Infrastructure	5 500 000,00	1 138 113,79	1375000	236 886,21	17%
Grant - Prov: MIG	5 163 450,00	886 815,58	1290862,5	404 046,92	31%
Neighbourhood Grant Income	100 000,00	-	25000	25 000,00	100%
Grant Income - SETA		162 138,75		- 162 138,75	-100%
	458 457 450,00	186 934 060,66	187 090 362,50	156 301,84	0%

4.1.9.2. Capital Grants show a shortfall of fourteen million two hundred thousand (R14.2 million) exclusive of VAT. This is summarised as follows considering the VAT component.

CODE (mSCOA) DESCRIPTION	ORIG BUDGET	YTD ACTUAL -VAT Incl	YTD BUDGET	VARIANCE	VAR %
Grant income: Prov - Human Settlement	68 000 000,00	7 250 961,96	17 000 000,00	9 749 038,04	57%
Grant - Prov: MIG	98 105 550,00	27 392 277,83	24 526 387,50	- 2 865 890,33	-12%
Grant Income: Small Town Revitalisation	30 000 000,00	4 310 450,30	7 500 000,00	3 189 549,70	43%
Grant Income: Disaster Response Grant	-	4 787 493,13	-	- 4 787 493,13	-100%
Total	196 105 550,00	43 741 183,22	49 026 387,50	5 285 204,28	11%

- Human Settlement is reflecting an under performance of nine million seven hundred thousand (R9.7 million).
- MIG project spending is progressing well, however there is an overspending of R2.8 million on YTD budget but the spending is within the total budget.
- Small Town Revitalisation is reflecting an under- performance three million one hundred thousand (R3.1 million).
- Disaster response grant was not budgeted for hence it does not have a budget amount. An amount of five million three and sixty thousand was received in the 2022/23 financial year and an application for the rollover was made and an adjustment budget will be made when the rollover application is approved.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

4.2. CONSOLIDATED RECEIPTS VERSUS BILLING REPORT

CONSOLIDATED RECEIPTS VERSUS BILLING 30 SEPTEMBER 2023									
	202122 Financial Year			202223 Financial Year			202324 Financial Year		
	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative
July	334 598 462	50 346 950	50 346 950	373 857 058	45 990 833	45 990 833	391 205 004	40 882 274	40 882 274
August	38 508 309	42 783 050	93 130 000	37 172 692	57 257 087	103 247 920	40 210 494	55 520 126	96 402 400
September	27 723 129	80 931 005	174 061 005	43 565 663	114 977 478	218 225 398	30 341 380	103 211 913	199 614 313
October	41 036 127	60 268 019	234 329 025	2 755 633	49 560 171	267 785 569			
November	27 074 527	42 653 234	276 982 259	30 981 364	62 255 879	330 041 448			
December	23 125 218	46 867 371	323 849 629	31 324 387	72 557 686	402 599 133			
January	31 142 838	35 546 218	359 395 847	29 644 845	37 342 095	439 941 228			
February	46 223 310	55 097 631	414 493 478	29 611 605	44 110 424	484 051 653			
March	23 375 581	59 739 787	474 233 265	30 314 115	62 205 707	546 257 360			
April	31 205 386	66 066 199	540 299 464	37 038 333	36 127 742	582 385 102			
May	29 402 050	52 697 051	592 996 515	36 551 387	61 957 176	644 342 277			
June	24 166 767	37 003 295	629 999 810	39 294 064	64 714 891	709 057 168			
YTD comparison	677 581 704	629 999 810	-	722 111 147	709 057 168	-	461 756 878	199 614 313	-
			43%			48%			43%

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

4.3. RECEIPTS VERSUS BILLING REPORTS

	Property Rates History and Fire Brigade Fees					
	2021/22 Financial Year		2022/23 Financial Year		2023/24 Financial Year	
	Billing	Receipts	Billing	Receipts	Billing	Receipts
July	250 666 634	19 683 330	285 012 535	10 446 644	307 240 368	11 383 133
August	11 479 611	17 122 148	3 273 888	15 806 026	(1 753 423)	25 330 062
September	(190 175)	52 989 083	271 395	70 338 893	(462 063)	61 918 287
October	13 566 958	32 916 148	5 611 113	15 144 179		
November	(77 424)	12 336 867	926 919	25 446 806		
December	(3 782 267)	15 783 984	367 470	34 435 226		
January	3 589 025	11 143 587	376 189	11 127 740		
February	18 585 839	29 542 464	138 016	15 907 535		
March	(3 867 805)	26 519 279	618 560	24 046 240		
April	1 238 967	32 533 745	745 850	11 868 732		
May	(598 425)	13 056 849	1 085 601	19 457 558		
June	(6 025 839)	13 721 376	(191 332)	12 852 118		
YTD comparison	284 585 099	277 348 860	298 236 204	266 877 698	305 024 882	98 631 482
		34%		33%		32%

	Refuse Removal History					
	2021/22 Financial Year		2022/23 Financial Year		2023/24 Financial Year	
	Billing	Receipts	Billing	Receipts	Billing	Receipts
July	53 740 408	2 830 963	57 082 666	2 394 436	58 985 494	2 594 310
August	418 653	2 177 208	1 046 122	3 193 963	45 927	3 194 835
September	394 671	3 208 241	511 536	5 216 677	721 809	3 493 252
October	363 464	3 980 619	(5 513 478)	2 611 345		
November	386 501	2 522 429	466 143	3 571 458		
December	500 448	1 610 709	895 351	3 469 568		
January	521 258	2 093 852	322 042	2 224 982		
February	228 060	3 246 388	525 577	2 672 322		
March	454 616	2 353 047	(2 042 856)	4 440 121		
April	9 834	1 912 950	564 851	2 422 419		
May	920 297	2 728 508	750 798	3 485 567		
June	994 612	2 697 081	771 621	2 991 250		
YTD comparison	58 932 821	31 361 994	55 380 372	38 694 108	59 753 230	9 282 396
		15%		18%		16%

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

Electricity Sales History									
	2021/22 Financial Year			2022/23 Financial Year			2023/24 Financial Year		
	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative
July	28 730 484	27 170 947	27 170 947	30 408 426	32 727 925	32 727 925	24 399 218	26 260 201	26 260 201
August	24 903 463	22 993 450	50 164 397	31 678 668	37 734 798	70 462 723	39 054 372	26 687 645	52 947 846
September	25 998 263	24 217 974	74 382 371	40 830 284	38 283 689	108 746 412	28 362 635	37 167 753	90 115 599
October	26 322 959	22 853 990	97 236 361	165 462	30 676 669	139 423 081			
November	25 225 739	26 998 610	124 234 971	27 835 550	32 804 058	172 227 139			
December	24 903 955	28 981 207	153 216 178	29 137 079	33 378 739	205 605 879			
January	25 516 334	21 773 126	174 989 305	25 756 174	23 379 014	228 984 892			
February	26 060 723	21 773 126	196 762 431	27 146 339	24 832 842	253 817 935			
March	24 969 289	30 367 375	227 129 807	30 030 826	33 193 175	287 010 910			
April	93 151	31 165 360	258 295 167	33 896 955	21 378 362	308 389 271			
May	45 750 546	36 228 833	294 523 999	33 014 610	38 501 544	346 890 815			
June	27 772 617	19 442 626	313 966 625	36 556 760	48 260 182	395 150 997			
YTD comparison	306 247 523	313 966 625	93%	346 457 132	395 150 997	106%	91 816 225	90 115 599	98%

Prepaid electricity sales amounted R48 million at the end of the First quarter of 2023/24.

Rental Income History									
	2021/22 Financial Year			2022/23 Financial Year			2023/24 Financial Year		
	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative
July	1 460 936	661 710	661 710	1 353 431	421 828	421 828	579 924	644 630	644 630
August	1 706 582	490 244	1 151 954	1 174 014	522 300	944 128	2 863 617	307 584	952 214
September	1 520 370	515 707	1 667 661	1 952 449	1 138 219	2 082 347	1 719 000	632 621	1 584 835
October	782 745	517 262	2 184 924	2 492 537	1 127 978	3 210 325			
November	1 539 711	795 328	2 980 252	1 752 752	433 556	3 643 882			
December	1 503 082	491 471	3 471 723	924 488	1 274 152	4 918 033			
January	1 516 221	535 653	4 007 376	3 190 440	610 360	5 528 393			
February	1 348 688	535 653	4 543 028	1 801 672	697 724	6 226 117			
March	1 819 481	500 085	5 043 113	1 707 585	526 171	6 752 288			
April	(25 548)	454 143	5 497 256	1 830 677	458 229	7 210 518			
May	2 471 925	682 861	6 180 118	1 700 378	512 506	7 723 024			
June	1 794 774	1 142 212	7 322 330	2 157 016	611 341	8 334 364			
YTD comparison	17 438 968	7 322 330	42%	22 037 438	8 334 364	38%	5 162 541	1 584 835	31%

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

5. OPERATING EXPENDITURE REPORT

EC157 King Sabata Dalindyebo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

R thousands	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				
	<u>Expenditure By Type</u>														
	Employee related costs		555 487	570 608		47 449	140 133	142 652	(2 519)	-2%	570 135				
	Remuneration of councillors		29 657	35 149		2 455	7 312	8 787	(1 475)	-17%	35 149				
	Bulk purchases - electricity		398 822	479 989		43 566	171 259	119 997	51 261		479 989				
	Inventory consumed		28 467	29 161		359	8 364	7 290	1 073		29 161				
	Debt impairment		-	21 153		-	-	5 288	(5 288)	-100%	21 153				
	Depreciation and amortisation		262 144	157 347		66 262	66 262	39 337	26 925	68%	157 347				
	Interest		13 584	16 000		2 870	4 856	4 000	856	21%	16 000				
	Contracted services		121 660	121 709		8 701	20 780	30 427	(9 648)	-32%	120 911				
	Transfers and subsidies		32 619	-		-	-	-	-		-				
	Irrecoverable debts written off		27 361	-		268	855	-	855		-				
	Operational costs		157 077	154 079		(7 812)	33 965	38 520	(4 554)	-12%	155 350				
	Other Losses		503	-		-	(1 012)	-	(1 012)		-				
	Total Expenditure		1 627 381	1 585 196		164 118	452 773	396 299	56 474	14%	1 585 196				

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

5.1. COMMENTS ON MATERIAL EXPENDITURE VARIANCES

The following material variances were noted.

- 5.1.2. Employee related costs and remuneration of councillors reflect savings of two million five hundred thousand (R2.5 million), and savings of one million four hundred thousand (R1.4 million) respectively. For a detailed report refer to S66 report below.
- 5.1.3. Depreciation reflect overspending of twenty-six million (R26 million). This is due to underbudgeting for the item. Adjustment should be considered.
- 5.1.4. Bulk purchases overspending fifty-one million (R51 million). This is due to increased demand in winter months.
- 5.1.5. Debt impairment shows a savings of five million two hundred thousand (R5.2 million). This will be utilized at year end.
- 5.1.6. Finance charges overspent by eight hundred and fifty-six thousand (R856 000).
- 5.1.7. Contracted services savings of nine million six hundred thousand (R9.6 million) due to the following material variances and savings in certain line items: significant variances are as follows.

LEDGER DESCRIPTION	TOTAL BUDGET	YTD AMOUNT	YTD BUDGET	VARIANCE	VAR %
Electr Infrastr, Mains Cable	22 500 000	169 058	5 625 000	5 455 942	97%
Consultants Professional Fees	10 000 000	-	2 500 000	2 500 000	100%
Debtors Database Cleansing	7 600 000	1 710	1 900 000	1 898 290	100%
Roads, Str Repair / Resealing	6 000 000	-	1 500 000	1 500 000	100%
Electricity Demand Side - Consultants Professional Fees	3 880 000	-	970 000	970 000	100%
Electr Infrastr, Mains Cable	7 500 000	6 596 180	1 875 000	-4 721 180	-252%
Agency Payments- Security Serv	6 000 000	4 496 565	1 500 000	-2 996 565	-200%
Other sundries (immaterial individual line items)	58 229 160	9 516 074	14 557 290	5 041 216	35%
	121 709 160	20 779 587	30 427 290	9 647 703	32%

- 5.1.8. Other expenditure savings of four million five hundred thousand (R4.5 m). This is due to the following significant variances.

LEDGER DESCRIPTION	TOTAL BUDGET	TOTAL ACTUAL	YTD BUDGET	VARIANCE	VAR %
Hire Charges - Transport Extnl	12 386 226	1 011 387	3 096 557	2 085 170	67%
Insurance	7 167 200	-	1 791 800	1 791 800	100%
Municipal Service Charges	12 886 572	1 663 384	3 221 643	1 558 259	48%
Audit Fee - External	10 296 400	1 178 055	2 574 100	1 396 045	54%
Levy - Skills Development SETA	-	1 221 780	-	- 1 221 780	-100%
Vehicles, Machinery Plant	10 000 000	3 734 053	2 500 000	- 1 291 957	-52%
Electr Infrastr, Mains Cable	2 500 000	2 411 232	625 000	- 1 786 232	-286%
Council ward committee meeting ince	1 087 000	2 665 000	271 750	- 2 393 250	-881%
Levy - SALGA Membership	6 463 798	6 308 255	1 615 950	- 4 692 305	-290%
	62 787 196	20 193 145	15 696 799	- 4 554 250	-29%

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

5.2. CAPITAL EXPENDITURE

EC157 King Sabata Dalindyebo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Capital Expenditure - Functional Classification										
Governance and administration		2 149	7 971	-	451	474	2 593	(2 119)	-82%	8 571
Executive and council		-	1 200		-	-	300	(300)	-100%	1 200
Finance and administration		2 149	6 741		451	474	2 285	(1 812)	-79%	7 341
Internal audit		-	30		-	-	8	(8)	-100%	30
Community and public safety		49 629	75 761	-	1 775	7 327	18 340	(11 013)	-60%	75 161
Community and social services		-	311		-	76	78	(2)	-2%	311
Sport and recreation		-	1 000		-	-	250	(250)	-100%	1 000
Public safety		-	6 450		-	-	1 012	(1 012)	-100%	5 850
Housing		49 629	68 000		1 775	7 251	17 000	(9 749)	-57%	68 000
Health		-	-		-	-	-	-		-
Economic and environmental services		86 917	129 694	-	9 476	37 184	34 290	2 894	8%	129 694
Planning and development		7 512	5 217		883	8 150	1 304	6 846	525%	5 418
Road transport		79 405	124 478		8 594	29 034	32 986	(3 952)	-12%	124 276
Environmental protection		-	-		-	-	-	-		-
Trading services		7 017	9 000	-	-	-	2 250	(2 250)	-100%	9 000
Energy sources		7 017	5 000		-	-	1 250	(1 250)	-100%	5 000
Waste management		-	4 000		-	-	1 000	(1 000)	-100%	4 000
Total Capital Expenditure - Functional Classification	3	145 712	222 426	-	11 702	44 985	57 473	(12 489)	-22%	222 426
Funded by:										
National Government		57 373	98 106		9 125	27 982	26 393	1 589	6%	98 106
Provincial Government		80 462	98 000		3 118	10 999	24 500	(13 501)	-55%	98 000
District Municipality		3 978	-		-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher		1 490	-		496	5 530	-	5 530	100%	-
Transfers recognised - capital		143 303	196 106	-	12 739	44 511	50 893	(6 382)	-13%	196 106
Borrowing	6	-	-		-	-	-	-		-
Internally generated funds		2 149	26 071		451	474	6 518	(6 044)	-93%	26 071
Total Capital Funding		145 452	222 176	-	13 190	44 985	57 411	(12 426)	-22%	222 176

COMMENTS ON CAPITAL SPENDING

- ❖ **MIG** - The spending is at 88% at the end of the First quarter on YTD budget, progressing well.
- ❖ **Human Settlement Projects**- The spending was at 43% at the end of the First quarter, reflect an underspending of nine million on YTD budget.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

6. DEPARTMENTAL REVENUE AND EXPENDITURE REPORT**6.1. Executive and Council**

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	VARIANCE	VAR %	BUDGET	VARIANCE	VAR %
AREA: 11 - Executive & Council							
Revenue							
Rent of Facilities and Equipment	26 500	15 603	10 897	41%	6 625	- 8 978	-136%
Fines	103 832	26 228	77 604	75%	25 958	- 270	-1%
Licenses and Permits	2 185 648	311 631	1 874 017	86%	546 412	234 781	43%
Other Revenue	28 306	- 1 295	29 601	105%	7 077	8 372	118%
Total Revenue	2 344 286	352 167	1 992 119	85%	586 072	233 905	40%
Expenditure							
Employee Related Costs	64 996 228	14 642 393	50 353 835	77%	16 249 057	1 606 664	10%
Remuneration Of Councillors	35 344 962	7 312 465	28 032 497	79%	8 836 241	1 523 776	17%
General Expenses - Other	36 979 819	7 082 348	29 897 471	81%	9 244 955	2 162 607	23%
Repairs & Maintenance - Municipal Assets	80 000	-	80 000	100%	20 000	20 000	100%
Total Expenditure	137 401 009	29 037 206	108 363 803	79%	34 350 252	5 313 046	15%
Net Surplus /(Deficit)	- 135 056 723	- 28 685 039	- 106 371 684	79%	- 33 764 181	- 5 079 142	15%

6.2. Corporate Services

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	VARIANCE	VAR %	BUDGET	VARIANCE	VAR %
AREA: 12 - Corporate Services							
Revenue							
Rent of Facilities and Equipment	671 736	170 825	500 911	75%	167 931	- 2 894	-2%
Grants & Subsidies Received - Operating	-	162 139	- 162 139	-100%	-	- 162 139	-100%
Total Revenue	671 736	332 964	338 772	50%	-	- 332 964	-100%
Expenditure							
Employee Related Costs	69 494 169	12 623 157	56 871 012	82%	17 373 567	4 750 410	27%
General Expenses - Other	15 117 447	3 082 392	12 035 055	80%	3 779 373	696 981	18%
Depreciation - Property, Plant & Equip	216 116	147 169	68 947	32%	54 030	- 93 139	-172%
Total Expenditure	84 827 732	15 852 718	68 975 014	81%	21 206 970	5 354 252	25%
Net Surplus /(Deficit)	- 84 155 996	- 15 519 754	- 68 636 242	82%	- 21 206 970	- 5 687 216	27%

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

6.3. Finance and Asset Management

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	VARIANCE	VAR %	BUDGET	VARIANCE	VAR %
AREA: 13 - Finance & Asset Management							
Revenue							
Property Rates	341 121 951	304 297 320	36 824 631	11%	341 121 951	36 824 631	11%
Rent of Facilities and Equipment	17 587 144	5 024 662	12 562 482	71%	4 396 786	- 627 876	-14%
Interest Earned - External Investments	1 379 635	1 304 622	75 013	5%	344 909	- 959 713	-278%
Interest Earned - Outstanding Debtors	38 861 721	17 207 016	21 654 705	56%	9 715 430	- 7 491 586	-77%
Grants & Subsidies Received - Operating	437 706 000	181 917 200	255 788 800	58%	181 902 500	- 14 700	0%
Grants & Subsidies Received - Capital	-	5 133 927	- 5 133 927	-100%	-	- 5 133 927	-100%
Other Revenue	3 861 352	205 648	3 655 704	95%	965 338	759 690	79%
Total Revenue	840 517 803	515 090 395	325 427 408	39%	538 446 914	23 356 519	4%
Expenditure							
Employee Related Costs	59 778 867	14 703 130	45 075 737	75%	14 944 717	241 587	2%
General Expenses - Contracted Services	14 903 231	1 547 176	13 356 055	90%	3 725 808	2 178 632	58%
General Expenses - Other	76 413 324	24 018 737	52 394 587	69%	19 103 331	- 4 915 406	-26%
General Expenses: Grants & Subs - Operat	2 600 000	644 485	1 955 515	75%	650 000	5 515	1%
Repairs & Maintenance - Municipal Assets	10 007 000	3 734 053	6 272 947	63%	2 501 750	- 1 232 303	-49%
Depreciation - Property, Plant & Equip	32 455 146	6 216 245	26 238 901	81%	8 113 787	1 897 542	23%
Impairment Gain\Lost	21 153 025	-	21 153 025	100%	5 288 256	5 288 256	100%
Interest Expense - External Borrowings	16 000 000	140 953	15 859 047	99%	4 000 000	3 859 047	96%
Contributions To / From Provisions & Res	-	854 923	- 854 923	-100%	-	- 854 923	-100%
Total Expenditure	233 310 593	51 859 702	181 450 891	78%	58 327 648	6 467 946	11%
Net Surplus/(Deficit)	607 207 210	463 230 693	143 976 517	24%	480 119 266	16 888 573	4%

6.4. Planning, Social and Economic Development

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	VARIANCE	VAR %	BUDGET	VARIANCE	VAR %
AREA: 14 - Planning, Social & Ec Dev							
Revenue							
Rent of Facilities and Equipment	290 425	9 844	280 581	97%	72 606	62 762	86%
Licenses and Permits	2 461 347	302 028	2 159 319	88%	615 339	313 311	51%
Other Revenue	172 473	11 062	161 411	94%	43 119	32 057	74%
Total Revenue	2 924 245	322 934	2 601 311	89%	731 064	408 130	56%
Expenditure							
Employee Related Costs	9 361 224	4 988 318	4 372 906	47%	2 340 303	- 2 648 015	-113%
General Expenses - Other	11 156 249	1 558 989	9 597 260	86%	2 789 076	1 230 087	44%
Total Expenditure	20 517 473	6 547 307	13 970 166	68%	5 129 379	- 1 417 928	-28%
Net Surplus/(Deficit)	- 17 593 228	- 6 224 373	- 11 368 855	65%	- 4 398 315	1 826 058	-42%

The budgeted expenditure has been exceeded on employee related costs.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

6.5. Human Settlement

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	VARIANCE	VAR %	BUDGET	VARIANCE	VAR %
AREA: 15 - Human Settlement							
Revenue							
Service Charges	137 800	189 864	- 52 064	-38%	34 450	- 155 414	-451%
Grants & Subsidies Received - Capital	68 000 000	7 250 962	60 749 038	89%	17 000 000	9749038	57%
Other Revenue	1 965 424	874 114	1 091 310	56%	491 356	-382758	-78%
Total Revenue	70 103 224	8 314 940	61 788 284	88%	17 525 806	9210866	53%
Expenditure							
Employee Related Costs	16 952 569	7 538 142	9 414 427	56%	4 238 142	- 3 300 000	-78%
General Expenses - Other	10 845 526	1 100 330	9 745 196	90%	2 711 382	1 611 052	59%
General Expenses: Grants & Subs - Operat	-	72 829	- 72 829	-100%	-	- 72 829	-100%
Repairs & Maintenance - Municipal Assets	20 000	-	20 000	100%	5 000	5 000	100%
Total Expenditure	27 818 095	8 711 301	19 106 794	69%	6 954 524	- 1 756 777	-25%
Net Surplus/(Deficit)	42 285 129	- 396 361	42 681 490	101%	10 571 282	10 967 643	104%

The budgeted expenditure has been exceeded on employee related costs.

6.6. Community Services

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	VARIANCE	VAR %	BUDGET	VARIANCE	VAR %
AREA: 16 - Community Services							
Revenue							
Service Charges	68 512 052	60 237 871	8 274 181	12%	68 512 052	8 274 181	12%
Rent of Facilities and Equipment	2 093 678	597 641	1 496 037	71%	306 891	- 290 750	-95%
Grants & Subsidies Received - Operating	7 543 000	1 721 465	5 821 535	77%	1 885 749	164 284	9%
Other Revenue	21 200	-	21 200	100%	5 301	5 301	100%
Total Revenue	78 169 930	62 556 977	15 612 953	20%	70 709 993	8 153 016	12%
Expenditure							
Employee Related Costs	94 773 923	22 628 830	72 145 093	76%	23 693 487	1 064 657	4%
General Expenses - Contracted Services	300 000	22 000	278 000	93%	75 000	53 000	71%
General Expenses - Other	20 806 868	4 076 079	16 730 789	80%	5 201 709	1 125 630	22%
General Expenses: Grants & Subs - Operat	5 793 000	683 641	5 109 359	88%	1 448 250	764 609	53%
Repairs & Maintenance - Municipal Assets	270 000	13 861	256 139	95%	67 500	53 639	79%
Depreciation - Property, Plant & Equip	19 262 760	10 997 934	8 264 826	43%	4 815 690	- 6 182 244	-128%
Total Expenditure	141 206 551	38 422 345	102 784 206	73%	35 301 636	- 3 120 709	-9%
Net Surplus/(Deficit)	- 63 036 621	24 134 632	- 87 171 253	138%	35 408 357	11 273 725	32%

The budgeted expenditure has been exceeded on depreciation.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

6.7. Public Safety

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	VARIANCE	VAR %	BUDGET	VARIANCE	VAR %
AREA: 17 - Public Safety							
Revenue							
Service Charges	12 914 392	7 970 208	4 944 184	38%	3 228 600	- 4 741 608	-147%
Fines	42 000 000	470 666	41 529 334	99%	10 500 000	10 029 334	96%
Licenses and Permits	18 158 416	2 849 147	15 309 269	84%	4 539 603	1 690 456	37%
Grants & Subsidies Received - Operating	652 000	-	652 000	100%	162 999	162 999	100%
Other Revenue	307 750	68 514	239 236	78%	76 938	8 424	11%
Total Revenue	74 032 558	11 358 535	62 674 023	85%	18 508 140	7 149 605	39%
Expenditure							
Employee Related Costs	139 855 878	36 680 386	103 175 492	74%	34 963 998	- 1 716 388	-5%
General Expenses - Contracted Services	6 000 000	4 496 565	1 503 435	25%	1 500 000	- 2 996 565	-200%
General Expenses - Other	7 055 871	1 477 483	5 578 388	79%	1 763 973	286 490	16%
General Expenses: Grants & Subs - Operat	652 000	114 444	537 556	82%	162 999	48 555	30%
Repairs & Maintenance - Municipal Assets	680 000	40 266	639 734	94%	169 998	129 732	76%
Total Expenditure	154 243 749	42 809 144	111 434 605	72%	38 560 968	- 4 248 176	-11%
Net Surplus/(Deficit)	- 80 211 191	- 31 450 609	- 48 760 582	61%	- 20 052 828	11 397 781	-57%

The budgeted expenditure has been exceeded on employee related costs and contracted services.

6.8. Infrastructure

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	VARIANCE	VAR %	BUDGET	VARIANCE	VAR %
AREA: 18 - Infrastructure							
Revenue							
Service Charges	648 297 247	140 336 915	507 960 332	78%	162 074 313	21 737 398	13%
Grants & Subsidies Received - Operating	12 556 450	3 215 972	9 340 478	74%	3 139 113	- 76 859	-2%
Grants & Subsidies Received - Capital	128 105 550	27 567 590	100 537 960	78%	32 026 389	4 458 799	14%
Other Revenue	27 384 946	986 461	26 398 485	96%	6 846 237	5 859 776	86%
Total Revenue	816 344 193	172 106 938	644 237 255	79%	204 086 052	31 979 114	16%
Expenditure							
Employee Related Costs	105 150 722	24 178 412	80 972 310	77%	26 287 674	2 109 262	8%
General Expenses - Bulk Purchases	479 989 276	171 258 751	308 730 525	64%	119 997 318	- 51 261 433	-43%
General Expenses - Other	29 298 081	2 503 838	26 794 243	91%	7 324 512	4 820 674	66%
General Expenses: Grants & Subs - Operat	7 393 000	2 237 347	5 155 653	70%	1 848 252	- 389 095	-21%
Repairs & Maintenance - Municipal Assets	76 598 654	18 123 648	58 475 006	76%	19 149 663	1 026 015	5%
Depreciation - Property, Plant & Equip	105 413 206	48 900 420	56 512 786	54%	26 353 302	- 22 547 118	-86%
Total Expenditure	803 842 939	267 202 416	536 640 523	67%	200 960 721	- 66 241 695	-33%
Net Surplus/(Deficit)	12 501 254	- 95 095 478	107 596 732	100%	3 125 331	98 220 809	100%

The budgeted expenditure has been exceeded on bulk purchases and depreciation.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

PART TWO: FINANCIAL POSITION

7. DEBTORS AGE ANALYSIS

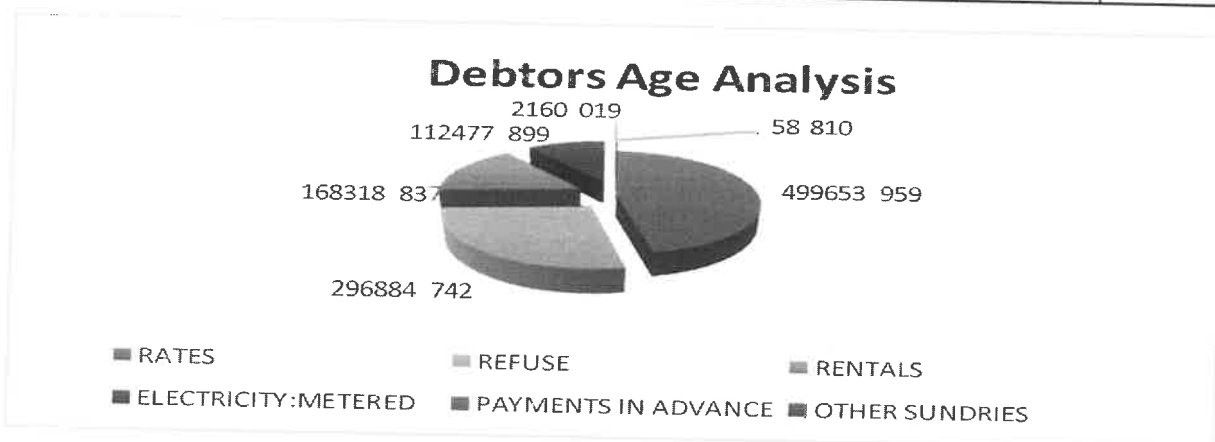
Debtors age analysis for forth quarter of 2022/23

Balance Type	CURRENT	30 Days	60 Days	90 Days	120 Days+	PENALTIES	TOTAL
RATES	11,898,308.67	6,262,289.85	5,170,536.15	4,491,421.96	223,210,582.08	109,472,892.65	360,506,031.36
ELECTRICITY	36,237,815.53	13,944,473.18	10,931,927.38	8,038,637.13	10,367,193.20	6,638,263.16	86,158,309.58
REFUSE	4,058,774.01	3,065,668.41	2,687,942.18	2,605,426.55	172,955,675.94	72,581,670.94	257,955,158.03
RENTALS	1,697,984.82	1,481,025.15	1,354,176.57	1,915,271.59	95,007,871.90	59,889,466.10	161,345,796.13
OTHER	536,199.58	406,586.08	313,765.80	296,070.17	9,385,934.83	805,914.83	11,744,471.29
TOTAL	54,429,082.61	25,160,042.67	20,458,348.08	17,346,827.40	510,927,257.95	249,388,207.68	877,709,766.39

Debtors age analysis for first quarter of 2023/24

Debtors balance as at the end of the month September 2023 amounted to one billion seventy-nine hundred million, five hundred and fifty-four thousand rands (R1079 554 000).

Balance Type	CURRENT	30 Days	60 Days	90 Days	120 Days +	PENALTIES	TOTAL
RATES (01)	110 176 327	26 124 143	6 201 276	5 157 729	245 361 659	106 632 825	499 653 959
REFUSE (05)	27 821 451	7 896 563	3 011 934	2 573 393	178 171 203	77 410 198	296 884 742
RENTALS (08)	1 721 955	2 276 430	588 595	1 551 519	99 212 473	62 967 866	168 318 837
ELECTRICITY:METERED (10)	34 364 382	24 306 961	7 302 060	10 445 806	28 367 548	7 691 142	112 477 899
PAYMENTS IN ADVANCE (51)	-	-	-	8 587	50 223	-	58 810
OTHER SUNDRIES	-	-	-	70 444	2 089 575	-	2 160 019
	174 084 115	60 604 097	17 103 865	19 807 476	553 252 682	254 702 031	1 079 554 266



SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.1. COUNCILLORS OWING

Councillors Rates Debt as at 30 September 2023

Account Number	Account Name (& Address)	Current	30 Days	60 Days	90 Days	120 Days +	Amount owing	Amount paid	comments
41390	MRS NOMVUYISO MATUBATUBA	-11811,39	0,00	0,00	0,00	0,00	-11811,39	1000,00	Credit balance
276777	MBUTYE MZOLO GOODMAN	-6616,10	0,00	0,00	0,00	0,00	-6616,10	800,00	Credit balance
59920	KHUTALA/ MAWANDE NOKWALI	12,23	0,00	0,00	0,00	0,00	12,23	800,00	Current
63838	CYNTHIA N MAKUBALO	721,75	0,00	0,00	0,00	0,00	721,75	3248,74	Current
88296	NOMBULELO SIBEKO	1567,47	943,95	943,63	896,00	4319,63	8670,68	1300,00	Stop order
129486	NOMBULELO SIBEKO	-453,41	0,00	0,00	0,00	0,00	-453,41	700,00	Stop order
198007	TEMBELANI / Y N KEKEZWA	-4846,83	0,00	0,00	0,00	0,00	-4846,83	1311,00	Stop order
202360	NYANISO &TANDIWE NELANI	-12531,11	0,00	0,00	0,00	0,00	-12531,11	1500,00	Stop order
270701	MR RAYMOND KNOCK	516,64	0,00	0,00	0,00	0,00	516,64	1200,00	Stop order
275145	RAPIYA SHADRACK	-21498,58	0,00	0,00	0,00	0,00	-21498,58	5750,00	Stop order & payment
							-47836,12	17609,74	

The municipality is currently following the debts up and communication was sent to each councillor owing, and the electricity meters are blocked.

7.2. COUNCILLORS OVERPAYMENT

7.2.1. OLD COUNCILLORS OVERPAYMNET

Old Councillors Overpayment Debt as at 30 september 2023			
Account Number	Account Name	Total	comments
381478	LUMKWANA A N	20 329,37	Tracing Process
381484	MDA N	19 059,01	Tracing Process
381497	PIERCE B	23 820,40	Tracing Process
381498	SANGOVANA E	35 730,60	Tracing Process
381502	STOYILE M	23 073,19	Tracing Process
381503	TSHOTA L M	20 329,37	Tracing Process
		142 341,94	

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.2.2. PREVIOUS YEAR COUNCILLORS' OVERPAYMENT

Account Name	January Payments	February	March	April	August	September	Amount Owed as at 30 September 2023	Credit control actions
MRS UNATHI MALGHAS							R 897,92	Signed arrangement for R1500
MRS ANDILE NDZENZDE							R 19 756,92	sheriff unable to find address
MRS MONWABISI MALOTANA							R 0,00	Fully paid
MRS ZIPATHE KUTU							R 0,00	Fully paid
MRS MASIZAKHE OOTYANA							R 16 723,07	Preparations of documents for default Judgement
MRS TOYILBHOVA							R 9 967,66	Final demand
MS ZISANDA MTSOTSO							R 6 248,92	Cannot proceed with summons without address
MS THANDI MCIMBI							R 20 207,88	Preparations of documents for default Judgement
MRS LIHLE ZUMA							R 15 159,21	Preparations of documents for default Judgement
MPENDULENI MANZOLWANDLE							R 20 201,74	Preparations of documents for default Judgement
MS ABONGILE BABILE							R 20 396,07	Final demand
MRS BOOI MALGHAS							R 0,00	Property Rates account with credit bal used to settle overpayment account
MRS NKOSINATHI DIBLOKWE							R 19 600,97	Awaiting sheriffs return of service
MRS THULANI MINGOMA							R 18 145,70	Return of Non service of summons
MS NOMSHATO NQWAZI							R 18 572,50	Preparations of documents for default Judgement
MS NOZUKO MKONTWANA							R 19 756,92	Preparations of documents for default Judgement
MRS ZWELETHU NTLIZIYOMBI							R 19 103,94	Preparations of documents for default Judgement
MRS BONGANI BIKANI							R 19 022,92	Preparations of documents for default Judgement
MRS XOLANI MBONGWANA							R 18 110,70	sheriff unable to find address
MRS OSO KHOTSO							R 17 769,64	Awaiting sheriffs return of service
MRS MPHIWE MRWEBI							R 18 101,07	Preparations of documents for default Judgement
MS NANDIPHA NGALO							R 1 496,00	Withdrawn from legal due to low balance
MRS SABELO JADISO							R 24 740,14	Preparations of documents for default Judgement
MRS LULAMA TSHISEKA							R 18 620,44	Physical address obtained for further legal action
MS NOTYATYAMBO GCINGCA	R 10 000,00	R 10 000,00	R 10 000,00	R 10 000,00			-R 0	Fully paid
MS NONKOLISO NGQONGWA							-R 1	Fully paid
MRS ZANEMVULA GUSANA							R 19 756,92	Return of Non service of summons
MRS LIVINGSTONE MKHONTO						1 000,00	R 9 293,70	Salary deduction
MRS MZUKISI NYOKA							R 36 241,29	Awaiting sheriffs return of service
MS NOMPUMELELO NYANGANI							R 19 858,38	Preparations of documents for default Judgement
MRS NOLITA PALI					300,00		R 16 548,00	Preparations of documents for default Judgement
MRS BONISILE BARA							R 19 985,19	Preparations of documents for default Judgement
MS NOMPUMELELO GCININDAWO							R 19 084,20	Preparations of documents for default Judgement
MRS MTELELEI MKHOTELI							R 17 293,92	Received notice of filint and defendants plea
MRS TSHEPO MACHAEA							R 35 089,55	Preparations of documents for default Judgement
MRS MMELI MENZELWA					2 000,00		R 13 626,92	Signed R2000 Stop order
MRS DUMANI ZOZO							R 7 926,01	Received issued summons
COUNCILLOR FUKULA							R 18 145,70	
COUNCILLOR MTWA							R 13 084,83	
COUNCILLOR VOKO							R 16 606,74	
COUNCILLOR MAPEKULA	44 881,46						R -	These Councilors paid immediately
COUNCILLOR MAQOKO	41 942,98						R -	These Councilors paid immediately
COUNCILLOR LIWANI	20 004,34						R -	These Councilors paid immediately
COUNCILLOR MTIRARA	40 676,49						R -	These Councilors paid immediately
COUNCILLOR NTLONZE	44 233,83						R -	These Councilors paid immediately
COUNCILLOR SOBAHLE							R -	These Councilors paid immediately
COUNCILLOR LUSU							R -	These Councilors paid immediately

R 201 738,90	R 10 000,00	R 10 000,00	R 10 000,00	R 10 000,00	R 2 300,00	R 3 300,00	R 605 141,10
							R 568 087,03
							R 605 141,10

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.3. STAFF DEBTORS

"Clause 10 of schedule 2 – A staff member of a municipality may not be in arrears to the municipality for rates and service charges for a period longer than three months and a municipality may deduct any outstanding amounts from staff member's salary after this period." Below is the table showing staff that are in arrears for more than three months and they are in contravention of the code quoted above:
 Notices were sent to staff debtors asking debtors to come and make an arrangement for the settlement of their accounts. The response is very low, this might necessitate deductions from their salaries.

Account Number	Account Name (& Address)	Staff Debt as at 30 September 2023												Comments
		Current	30 Days	60 Days	90 Days	120 Days	Amount owing	Stop order	Payments	payment date				
280093	NMBUYISELO PW METH	599	-	-	-	-	599	-	-	602	22-Sep-23	Current		
52756	VUYOLWENKOSI G MARARENI	821	-	-	-	-	821	-	-	800	19-Sep-23	Current		
97414	SIYABULELA MFOBO	1 201	-	-	-	-	1 201	-	-	1 500	30-Sep-23	Current		
216483	NDZO R	1 372	149	-	-	-	1 521	-	-	2 793	01&29 september 21	Current		
7522897	LUWACA N K	1 639	398	-	-	-	2 037	-	-	1 520	25-Sep-23	Current		
276114	ZUZEKA CETYIWE	69	-	-	-	-	69	-	-	475	30-Sep-23	Current		
68771	MAZIVI V N	204	-	-	-	-	204	-	-	-	-	Current		
7513362	NTSZWA T	220	-	-	-	-	220	-	-	600	30-Sep-23	Current		
277120	NONTANDBUZO HENGE	321	36	-	-	-	357	-	-	142	07-Sep-23	Current		
281148	BOYCE LITHA YONGAMA	375	-	-	-	-	375	-	-	380	26-Sep-23	Current		
282114	MALINDI NONTANGO	396	-	-	-	-	396	-	-	450	30-Sep-23	Current		
129014	SOMAXAMA FEZILE LENNOX	403	73	-	-	-	476	-	-	500	29-Sep-23	Current		
190713	MJALI NOZIDIMA	454	-	-	-	-	454	-	-	-	Current			
195069	MEMELA M	739	732	492	-	-	1 963	-	-	-	No payment			
180855	ANDILE L & CHRISTELLE L NDABA	1 310	1 296	1 156	1 083	-	4 845	502	-	-	No payment			
72024	FELIX A VUSI ZINTLE MBAMBANI	1 264	1 251	360	1 213	-	4 589	-	-	-	No payment			
155168	MBUBE Z B	628	622	623	598	-	2 427	-	-	-	No payment			
107763	SOKANYILE MALIZOLE J & N	783	775	787	741	-	4 898	-	-	-	No payment			
86178	MR & MRS TABO T & NOLUTHANDO MANAMATH	1 017	1 007	997	967	-	5 554	-	-	-	No payment			
281370	MBUYISELI ALVEN / S MANDLA	1 914	1 895	1 876	1 835	-	7 228	-	-	-	No payment			
278592	MAVIS THOZAMA / B CANGA	359	146	-	-	-	14 369	-	-	-	No payment			
282243	NOSINOR MACUBENI	391	387	387	365	-	505	-	-	-	No payment			
130797	TIYA NOLLUNDI	407	403	399	378	-	4 448	-	-	-	No payment			
276511	FUNDELWA FLORA MQALI	414	404	185	-	-	5 987	-	-	-	No payment			
	NOTATA LENNOX MADOLO	478	461	101	-	-	1 003	-	-	-	No payment			
	BAYI VATISWA	527	626	925	898	-	1 039	-	-	-	No payment			
	NGCEZU B	431	395	3 767	3 767	-	22 459	-	-	10 000	26-Sep-23	notice issued		
40245	MOMOZA TT & NW	674	338	44	41	-	58 823	72	-	-	30-Sep-23	Staff has a pending query with Salaries		
37795	MIR&MRS THANUXOLO H & THULIS NTONDINI	654	354	354	336	-	1 097	485	-	-	30-Sep-23	Stop order		
277553	AROSI SITHEMBI SO	605	381	361	362	-	2 755	1 500	-	-	30-Sep-23	Stop order		
275575	VAKELE LIZWI	1 086	677	276	276	-	3 697	5 425	-	-	30-Sep	Stop order		
275613	MANGE WELEKAZI PATRICIA	340	-	-	-	-	38 886	1 900	-	-	30-Sep-23	Stop order		
281775	NDOTSHANA NOLITA	345	43	43	41	-	340	350	-	-	30-Sep-23	Stop order		
81088	NCEKO N P	360	-	-	-	-	1 442	1 500	-	-	30-Sep-23	Stop order		
280015	NOLUTHANDO KATE TAFENI	363	353	93	41	-	360	180	-	-	30-Sep-23	Stop order		
276327	NOLWAZI RITTAH MDLEKEZA	408	351	212	41	-	1 957	1 300	-	-	30-Sep-23	Stop order		
280444	SONGCA NOZIBELE	493	364	364	346	-	3 185	500	-	-	30-Sep-23	Stop order		
279888	SKENJANA BUSISIWE	801	374	-	-	-	1 176	-	-	-	01-Sep-23	Stop order		
49054	NKANJENI KHATHULA	1 618	1 612	3 132	736	-	7 099	1 000	-	-	29-Sep-23			
279130	LUTANGO NOLUVO	472	473	477	455	-	13 140	-	-	500	06-Sep-23			
							227 171	12 012		20 238				

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.4. STAFF HOUSES

The following is the table of Employees who are part of the resolution of council in 2005 and 2006 that says they must buy the following properties. This cannot be resolved. Currently the Office of Surveyor General is completing the process of survey and issue out individual Ervin before the disposal can take place. It was therefore agreed that these employees must pay an amount equal to the rental pending the finalization of the sale.

BOTTOM OF THE HILL TOWNSHIP STAFF HOUSES - SEPTEMBER 2023						
ACCOUNT NO.	NAME	ADDRESS	OFFER TO PURCHASE	AMOUNT PAID	VOTE:133208612755	BALANCE
7561752	E.B. BUSS (Deceased)	16 DELVILLE ROAD	125000,00	-82184,87		53 815,13
7526531	D.T. DYANTYI (Deceased)	21 HEMMING STREET	150000,00	125 709,33		24 290,67
				207 894,20	0,00	78 105,80

The establishment of the township has since been finalised the transfer process is underway

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.5. UNCOLLECTABLE RATES DEBT

MQANDULI ACCOUNTS

Account Number	Account Name (& Address)	Current	30 Days	60 Days	90 Days	120 Days +	Amount owing	comments August 2023	Comments sept 2023
6000349	X SITETO	523,24	498,75	2552,63	2521,01	32536,66	38632,29	Mqanduli-Salary deduction reversed	Notice prepared
6000225	V TOMSANA	542,52	499,35	4293,78	4273,20	22696,55	32305,40	Mqanduli-Salary deduction reversed	Notice prepared
6000318	M NDAYI	544,15	500,16	4370,11	4350,23	30707,44	40472,09	Mqanduli-Salary deduction reversed	Notice prepared
6000555	S BOZO	544,92	504,25	4065,51	4044,58	31530,51	40689,77	Mqanduli	Notice prepared
6000540	K NGONYAMA	683,72	646,21	3912,41	3898,88	57104,58	66245,80	Mqanduli	Notice prepared

276902	SOKANYILE MALIZOLE&KOLEKA	1179,32	1178,33	1177,52	1434,58	134296,35	139266,10	Salary deduction reversed	Notice could not be delivered-house demolished
7504086	MGIDLANA E T	2115,15	2101,65	2088,16	2011,44	141972,41	150288,81		Notice issued and received by staff member
280969	MADYIBI LWAZI	777,42	710,47	6577,96	6543,80	30073,67	44683,32	Salary deduction reversed	Technicians cannot go to Zimbabwe unless escorted
280813	LUFELE MZUVUKILE	711,11	702,10	1133,61	1093,98	35346,77	38989,57	Salary deduction reversed	Technicians cannot go to Zimbabwe unless escorted
254210	MANELI N A	1091,96	1069,22	2756,62	2734,94	92871,69	100524,43	Salary deduction reversed	Notice could not be delivered-No physical address
273792	MR VUYANI VICTOR ZIBAYA	591,90	591,90	351,43	333,60	22129,04	23997,87		Notice issued and received by staff member

716095,45

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.6. GOVERNMENT GRANTS AND SUBSIDIES

CUMMULATIVE GRANT REGISTER 2023/23 FINANCIAL YEAR											
Summary Grant register				Received ToDate	Interest Rec	Rejected Roll over	Sub Total	Expenditure	VAT	Total Expenditure	Total
GRANT	TYPE	OPENING BAL	Receipts								
FINANCE MANAGEMENT GRANT INVESTMENT	OPERATING	0,00	2 850 000,00	-	-	-	2 850 000,00	644 485,05	61 592,79	706 077,84	2 143 922,16
MOANDULI MIDDLE INCOME HOUSING	OPERATING	333 651,71	-	-	-	-	333 651,71	-	-	-	333 651,71
MUNICIPAL INFRASTRUCTURE GRANT	CAPITAL	0,00	61 524 000,00	-	-	-	61 524 000,00	24 706 187,62	3 572 905,80	28 279 093,42	33 244 906,68
UMTATA CONSOLIDATED METRO-MTAB	CAPITAL	514 265,11	-	-	-	-	514 265,11	-	-	-	514 265,11
SMALL TOWN REVITALISATION	CAPITAL	(3 945 728,66)	1 873 275,00	-	-	(2 072 453,66)	(2 072 453,66)	3 748 217,66	562 232,65	4 310 450,31	(6 382 903,97)
EPWP	OPERATING	-	1 059 000,00	-	-	-	1 059 000,00	1 874 927,49	-	1 874 927,49	(815 927,49)
ORGANOGRAM DEVELOPMENT	OPERATING	294 477,33	-	-	-	-	294 477,33	-	-	-	294 477,33
ELECTRICITY DEMAND SIDE MANAGEMENT	OPERATING	1 116 341,32	1 000 000,00	-	-	-	2 116 341,32	21 176,90	3 176,54	24 353,44	2 091 987,89
INEP	CAPITAL	10,79	-	-	-	-	10,79	-	-	-	10,79
LIBRARY GRANT	OPERATING	-	-	-	-	-	-	-	-	-	-
RURAL PLANNING & SURVEY	CAPITAL	126 942,80	-	-	-	-	126 942,80	-	-	-	126 942,80
KSD ELECTIONS ROAD MAINTENANCE	OPERATING	109 543,34	-	-	-	-	109 543,34	-	-	-	109 543,34
MAHLUNGULU	CAPITAL	1 194 009,82	-	-	-	-	1 194 009,82	-	-	-	1 194 009,82
NEW PAYNE 200	CAPITAL	989 148,16	-	-	-	-	989 148,16	592 372,00	-	592 372,00	396 776,16
NEW PAYNE 300	CAPITAL	(368 453,34)	-	-	-	-	(368 453,34)	-	-	-	(368 453,34)
NTSHABENI	CAPITAL	158 387,50	-	-	-	-	158 387,50	-	-	-	158 387,50
WILLOW	CAPITAL	(530 320,11)	-	-	-	-	(530 320,11)	-	-	-	(530 320,11)
ZIDINDI	CAPITAL	1 072 507,86	-	-	-	-	1 072 507,86	-	-	-	1 072 507,86
MAYDENE FARM EXTENSIONS	CAPITAL	15 657 559,18	-	-	-	-	15 657 559,18	6 658 589,96	-	6 658 589,96	8 998 969,22
NEW BRIGHTON	CAPITAL	880 594,02	-	-	-	-	880 594,02	-	-	-	880 594,02
KEI RAIL	CAPITAL	1 456 722,75	-	-	-	-	1 456 722,75	-	-	-	1 456 722,75
HUMAN SETTLEMENT GRADUATES	OPERATING	70 919,92	-	-	-	-	70 919,92	-	-	-	70 919,92
INFRASTRUCTURE SKILLS DEVELOPMENT	OPERATING	61 046,22	3 000 000,00	-	-	-	3 061 046,23	1 139 328,15	20 927,00	1 160 255,15	1 900 791,08
Disaster Recovery	CAPITAL	5 360 000,00	-	-	-	-	5 360 000,00	4 163 037,50	624 455,63	4 787 493,13	572 506,87
DOT TAXI RANK	CAPITAL	7 236 277,02	-	-	-	-	7 236 277,02	-	-	-	7 236 277,02
TOTALS:		31 787 902,75	71 306 275,00	-	-	-	103 094 177,75	43 548 322,33	4 845 290,40	48 393 612,73	54 700 565,02

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.7. DEDICATED ACCOUNTS / GRANT INVESTMENTS

CONDITIONAL GRANT MOVEMENTS		01/07/2023-30/09/2023						
PROJECT NAME	INSTITUTE	OPENING BALANCE	TRANSFERS IN	INTEREST	SUB TOTAL	WITHDRAWALS	BANK CHARGES	BALANCE
Finance Management Grant Investment	FNB BANK	10 000	4 950 000	10 251	4 970 251	2 660 600		2 309 651
Mqanduli Middle Income Housing	ABSA BANK	63 402	-	1 117	64 519	-		64 519
Mqanduli Milling Project	ABSA BANK	(0)	-	-	(0)	-		(0)
Municipal Infrastructure Grant	FNB BANK	5 738	33 524 000	219 424	33 749 162	31 650 073		2 099 088
Umtata Consolidated Metro-Mtab	ABSA BANK	52 201	-	920	53 120	-		53 120
Organogram Development	ABSA BANK	9 938	-	132	10 070	-		10 070
Doe Electrification Project	FNB BANK	596 435	-	10 131	606 566	325 428		281 139
Rural Planning & Survey	ABSA BANK	162 791	-	2 910	165 701	-		165 701
Ksd Elections Road Maintenance	ABSA BANK	140 494	-	2 511	143 005	-		143 005
Libray Grant	FNB BANK	11 132	-	216	11 348	-		11 348
Infrastructure Skills Development	FNB BANK	1 011 042	3 000 000	40 457	4 051 500	3 479 520		571 980
Dot Taxi Rank	FNB BANK	18 179	178 986	228	197 392	-		197 392
Kei Rail Housing	FNB BANK	19 232 879	7 200 000	211 807	26 644 686	17 533 338		9 111 348
New Brighton Housing	FNB BANK	86 135	-	1 694	87 829	-		87 829
Deman Side Money On Call	FNB BANK	4 199 274	1 000 000	34 554	5 233 828	2 404 183		2 829 645
Covid -19 Relief Fund	FNB BANK	5 369 889	-	80 045	5 449 934	3 007 785		2 442 150
		30 969 529	49 852 986	616 397	81 438 913	61 060 927	-	20 377 986

SECTION 52d REPORT FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.8. INVESTMENTS –OWN

Both investments Indwe Risk Services and Unclaimed group life insurance cannot be utilised by the municipality, these are ring fenced for specific purposes.

Account No	Own Investment register for the quarter ended 30 September 2023						
	Opening balance	Transfers In	Interest	SubTotal	Withdrawals	Bank Charges	Balance
456924 500	315 694,87	-	6 489,33	322 184,20	-	-	322 184,20
02HRC/KSD/MTF/1/2005	4 041 788,50	-	63 953,16	4 105 741,66	-	- 10 232,36	4 095 509,30
VARIOUS ACC NO'S	243 707,62	-	4 759,64	248 467,26	-	- 150,00	248 317,26
9057846202	1 796,75	-	23,32	1 820,07	-	- 150,00	1 670,07
62559404092	165 972,79	-	3 263,31	169 236,10	-	-	169 236,10
	4 768 960,53	-	78 488,76	4 847 449,29	-	- 10 532,36	4 836 916,93

LONG AND SHORT -TERM BORROWINGS AS AT 30 SEPTEMBER 2023

Description	Balance 1 July 2023	Capital	Accrued Interest	Capitalised Interest	Total	Balance at 31 July 2023
DBSA 10378771/1 61001048	6 405 427,41					6 405 427,41
WEST BANK	6 508 888,25	1 286 903,20	-	56 660,44	1 343 563,64	5 165 324,61
TOTAL LIABILITIES AT 31 July 2023	12 914 315,66	1 286 903,20	-	56 660,44	1 343 563,64	11 570 752,02

Description	Balance 1 August 2023	Capital	Accrued Interest	Capitalised Interest	Total	Balance at 31 August 2023
DBSA 10378771/1 61001048	6 405 427,41		-	-	-	6 405 427,41
WEST BANK	5 165 324,61	1 145 102,57	-	46 338,43	1 191 441,00	3 973 883,61
TOTAL LIABILITIES AT 31 August 2023	11 570 752,02	1 145 102,57	-	46 338,43	1 191 441,00	10 379 311,02

Description	Balance 1 September 2023	Capital	Accrued Interest	Capitalised Interest	Total	Balance at 30 September 2023
DBSA 10378771/1 61001048	6 405 427,41					6 405 427,41
WEST BANK	3 973 883,61	855 088,06	-	35 691,47	890 779,53	3 083 104,08
TOTAL LIABILITIES AT 30 September 2023	10 379 311,02	855 088,06	-	35 691,47	890 779,53	9 488 531,49

SECTION 52d REPORT FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.9. CASH AND BANK MOVEMENTS FOR THE PERIOD

KSD MUNICIPALITY S52d COUNCIL REPORTS							
CASHFLOW AND ANALYSIS OF DISPOSABLE CASH							
CASH FLOW MOVEMENT FOR 1st QUARTER 2023-24							
	Absa Operating ACC 4048218780	FNB Main 62471836513	Absa Electricity 4061496604	FNB Electricity 62090323636	DOT Payover 62709676582	Corporate Cheque Acc 62810696487	
	Sep-23	Sep-23	Sep-23	Sep-23	Sep-23	Sep-23	TOTAL

Bank Balance 1 July 2023

434 804,03	4 449 864,50	14 257 916,91	2 979 906,38	151 138,41	7 228,38	22 280 858,61
------------	--------------	---------------	--------------	------------	----------	---------------

INFLOWS

Service and Sundry Debtors	24 927 803,65	166 466 412,14	48 272 051,17	94 863 424,11	6 572 617,26	99,25	341 102 407,58
Investments		60 023 712,23					60 023 712,23
Interbank transfer		152 754 536,74					152 754 536,74
Operating grant		6 850 000,00					6 850 000,00
Capital grant		28 000 000,00					28 000 000,00
Equitable share		181 190 000,00					181 190 000,00
Total Inflows	24 927 804	595 284 661	48 272 051	94 863 424	6 572 617	99	769 920 656,55

OUTFLOWS

Employee costs		129 252 016,60					129 252 016,60
Interbank transfers	18 100 000,00		55 700 000,00	73 000 000,00	5 954 536,74		152 754 536,74
Investments		51 915 832,02					51 915 832,02
Sundry Payments	48 342,89	4 565 785,50	2 184,52	2 102,15	27 260,88	8 762,50	4 654 438,44
Trade Creditors		405 042 898,68					405 042 898,68
Total Outflows	18 148 343	590 776 533	55 702 185	73 002 102	5 981 798	8 763	743 619 722

Net Inflows/(Outflows)

6 779 461	4 508 128	(7 430 133)	21 861 322	590 820	(8 663)	26 300 934
-----------	-----------	-------------	------------	---------	---------	------------

Opening Balance at 1 July 2023

434 804,03	4 449 864,50	14 257 916,91	2 979 906,38	151 138,41	7 228,38	22 280 858,61
------------	--------------	---------------	--------------	------------	----------	---------------

Closing Balance at 30 September 2023

6 779 460,76	4 508 128,31	(7 430 133,35)	21 861 321,96	590 819,64	(8 663,25)	26 300 934,07
7 214 264,79	8 957 992,81	6 827 783,56	24 841 228,34	741 958,05	(1 434,87)	48 581 792,68

The balance of R48.5 million as at end September cannot cover creditors amounting to R239 million. There is a need to prioritise spending to manage cash flow crisis of the municipality. Of the total balance Eskom is owed R 187.6 million representing 78% of total creditors.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

7.10. CREDITORS AGE ANALYSIS

The creditor's balance is R239 million (4th Quarter: R246.2 million). A concerted effort is being made to pay suppliers within the MFMA deadline of 30 days and this is reflected in the age analysis in the table below. The creditor's balance is R239 million (4th Quarter of 2022/23: R246.2 million). A concerted effort is being made to pay suppliers within the MFMA deadline of 30 days and this is reflected in the age analysis in the table below. Of the creditors over 30 days, 29% of long outstanding debts relate to other creditors with an amount of R26 064 960 and 71% relates to Eskom with an amount of R62 822 485. The municipality has a payment arrangement with Eskom due to cash flow challenges.

NAME	CURRENT				
	BALANCE	30 DAYS	60 DAYS	90 DAYS	120+ DAYS
A.A SOLWANDLE ATTORNEYS	1 042 384,72	-	-	-	-
ABANGULA ICT SOLUTIONS	518 247,25	518 247,25	1 042 384,72	-	-
AMLO TRADING	890 383,59	890 383,59	-	-	-
ASIME DEVELOPMENT CONSU	520 738,00	-	-	-	-
AZANIA PLACEMENT SPECIA	24 755,00	-	-	520 738,00	-
BATHABILE CONSTRUCTION	1 543 836,23	1 543 836,23	-	-	24 755,00
BIG BLUE MARKETING T/A	317 952,46	-	-	-	-
BLUETECH CO.PTY (LTD)	161 000,00	-	-	-	317 952,46
CAMTHISI HOLDINGS	295 769,88	295 769,88	-	-	161 000,00
CHIC-CHAC BUSINESS ENTE	204 582,70	204 582,70	-	-	-
DENJAVU SERVICES	7 341 059,84	153 559,84	7 187 500,00	-	-
EARTH FREE ENVIRONMENTA	167 028,68	-	167 028,68	-	-
EASTERN CAPE DEVELOPMEN	68 881,80	-	-	-	-
EMPIRE SIGNS AND GRAPHI	24 300,00	24 300,00	-	68 881,80	-
ERGOFLEX 520 CC	711 353,96	711 353,96	-	-	-
ESKOM	187 639 742,88	52 939 363,89	71 900 678,26	-	-
ESKOM 6120	22 784,41	-	-	31 331 137,79	94 130 838,52
ESKOM 7572	3 581,27	-	-	-	22 784,41
FORT HARE SOLUTIONS	70 330,00	-	3 581,27	-	-
GOLDENECON TOWN PLANNER	428 500,00	-	70 330,00	-	-
IAN MOSS	78 120,00	-	-	278 500,00	-
ICT CHOICE	407 081,93	-	78 120,00	-	-
IMBEKO TRAVEL & HOSPITA	6 446,40	6 446,40	-	407 081,93	-

SECTION 52d REPORT FIRST QUARTER ENDED 30 SEPTEMBER 2023

NAME	CURRENT					BALANCE				
	30 DAYS	60 DAYS	90 DAYS	120+ DAYS		30 DAYS	60 DAYS	90 DAYS	120+ DAYS	
JOLWANA MGIDLANA INCORP	-	-	-	-	48 405,73	-	-	-	-	48 405,73
KUMYOLZ INVESTMENTS	172 480,91	-	-	-	172 480,91	-	-	-	-	-
KWAEDZA ELECTRICAL CONT	-	-	-	-	272 226,82	-	-	-	-	-
KWAZIKWAKHE TRADING ENT	31 084,50	-	-	-	31 084,50	-	-	-	-	272 226,82
LMV CONSTRUCTION CC	833 750,00	-	-	-	833 750,00	-	-	-	-	-
LWAZI TEMO HOLDINGS	-	-	-	-	7 018,40	-	-	-	-	-
MATHEW GROUP CONSTRUCTI	793 979,49	-	-	-	793 979,49	-	-	-	-	-
MBETE GLOBAL INVESTMENT	-	-	-	-	1 560 000,00	-	-	-	-	-
MGOBHOZI WASTE MANAGEME	98 666,72	-	-	-	98 666,72	-	-	-	-	1 560 000,00
MJOES SECURITY AND CLEA	660 192,00	-	-	-	660 192,00	-	-	-	-	-
MTM ELECTRONICS 77 AND	196 700,00	-	-	-	196 700,00	-	-	-	-	-
NINJA PROTECTION & SECU	548 291,25	-	-	-	548 291,25	-	-	-	-	196 700,00
NJILO TECHNOLOGY SYSTEM	231 582,62	-	-	-	231 582,62	-	-	-	-	-
Phiko Security Service	515 200,00	-	-	-	515 200,00	-	-	-	-	-
QWEQWE COMMUNITY TRUST	55 000,00	-	-	-	55 000,00	-	-	-	-	-
R-DATA	51 641,18	-	-	-	51 641,18	3 680,00	-	-	-	55 000,00
SEARTEC	72 429,00	-	-	-	72 429,00	-	-	-	-	-
SHERLTON TRADING ENTERP	5 586,85	-	-	-	5 586,85	-	-	-	-	72 429,00
SIYA AND AYA ENGINEERIN	3 863 757,59	-	-	-	3 863 757,59	1 113 143,20	-	-	-	-
SNR ELECTRICAL	7 698 009,73	-	-	-	7 698 009,73	-	-	-	-	-
STRAIGHT BREAKDOWN	362 364,66	-	-	-	362 364,66	-	-	-	-	-
SURE UKHANYE TRAVELS	37 476,00	-	-	-	37 476,00	-	-	-	-	-
SWIFT TRAVEL AND TOURS	109 820,60	-	-	-	109 820,60	-	-	-	-	-
TELKOM MOBILE	33 084,58	-	-	-	33 084,58	-	-	-	-	-
THE INK SPOT	7 200,00	-	-	-	7 200,00	-	-	-	-	25 903,01
TIDOO ENGINEERING SERVI	16 498 585,32	-	-	-	16 498 585,32	-	-	-	-	-
TRUVELO AFRICA ELECTRON	78 650,00	-	-	-	78 650,00	-	-	-	-	-
TYEKS PLANT HIRE	400 079,22	-	-	-	400 079,22	-	-	-	-	-
VCV PROJECTS (PTY)LTD	120 316,00	-	-	-	120 316,00	-	-	-	-	-

SECTION 52d REPORT FIRST QUARTER ENDED 30 SEPTEMBER 2023

NAME	CURRENT					120+ DAYS
	BALANCE	30 DAYS	60 DAYS	90 DAYS	120+ DAYS	
VODACOM SERVICE PROVIDE	2 424,05	-	29 307,00	-	-	959,85
XYS EVENT MANAGEMENT	28 000,00	-	-	-	-	-
YAKAR GGC	378 126,00	-	-	-	-	-
ZAMA TRAFFIC SIGNALS CC	789 820,58	-	-	-	-	-
TOTAL...	239 050 810,80	80 718 977,03	22 214 809,68	29 987 736,06	96 641 929,37	
TOTAL...	574 702,35	-	-	61 226,00	-	513 476,35
YPG SUPPLIES & DISTRIB	12 110,00	-	-	-	-	12 110,00
TSawe CONSTRUCTION CC	137 982,16	-	-	-	-	137 982,16
SMART ACCOMMODATION	140 689,84	-	-	-	-	140 689,84
NGQKAZA TRADING JV	168 703,35	-	-	-	-	168 703,35
EMALANGENI TECHNOLOGIES	61 226,00	-	-	61 226,00	-	-
FRITZDIIN PROJECTS CC	53 991,00	-	-	-	-	53 991,00
TOTAL ...	238 476 108,45	80 718 977,03	22 214 809,68	30 048 962,06	96 128 453,02	

Payments for the first quarter of 2023/24 amounted to R374 468 631.89 and an amount of R153 646 920.40 relates to Eskom debt. Please refer to the annexure for details.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

PART THREE: SECTION 66 REPORT

BACKGROUND AND PURPOSE

Chapter 8 of the Municipal Finance Management Act, Act 66 of 2003 particularly section 66, states that the accounting officer of the municipality- Must, report to council on Expenditure incurred on staff salaries, wages, allowances and Benefits.

8. EMPLOYEE RELATED COSTS AND REMUNERATION OF COUNCILLORS

EC157 King Sabata Dalindyebo - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

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
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		24 477	30 061		2 026	6 064	7 515	(1 451)	-19%	30 061
Cellphone Allowance		3 464	4 875		286	819	1 219	(400)	-33%	4 875
Other benefits and allowances		1 716	213		143	429	53	376	706%	213
Sub Total - Councillors		29 657	35 149	-	2 455	7 312	8 787	(1 475)	-17%	35 149
% increase	4		18,5%							18,5%
Senior Managers of the Municipality										
Basic Salaries and Wages		9 064	10 931		628	2 101	2 635	(534)	-20%	10 833
Pension and UIF Contributions		46	61		5	13	15	(2)	-13%	61
Performance Bonus		-	2 690		-	-	672	(672)	-100%	2 690
Cellphone Allowance		50	46		3	8	12	(4)	-32%	46
Sub Total - Senior Managers of Municipality		9 159	13 729	-	635	2 122	3 334	(1 212)	-36%	13 631
% increase	4		49,9%							48,8%
Other Municipal Staff										
Basic Salaries and Wages		341 246	360 609		30 184	88 923	90 059	(1 136)	-1%	360 506
Pension and UIF Contributions		56 031	59 725		5 005	14 938	14 914	24	0%	59 708
Medical Aid Contributions		28 826	31 262		2 459	7 361	7 808	(448)	-6%	31 255
Overtime		34 672	17 319		2 648	8 491	4 455	4 035	91%	17 445
Performance Bonus		25 051	23 145		1 947	4 619	5 761	(1 142)	-20%	23 120
Motor Vehicle Allowance		15 206	15 881		1 358	4 070	3 951	119	3%	15 862
Cellphone Allowance		2 581	2 236		307	899	619	280	45%	2 296
Housing Allowances		23 963	28 629		1 942	5 803	7 114	(1 312)	-18%	28 586
Sub Total - Other Municipal Staff		527 577	538 806	-	45 850	135 104	134 683	421	0%	538 777
% increase	4		2,1%							2,1%
Total Parent Municipality		566 394	587 684	-	48 940	144 539	146 804	(2 266)	-2%	587 557

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

8.1. COMMENTS ON MATERIAL VARIANCES

The following line items reflects material variances as at 30 SEPTEMBER 2023

Employee Related Costs and Remuneration of councilors:

Overall savings of two million two hundred thousand rand (R2.2 million).

- Basic salaries for councilors reflect savings of one million four hundred thousand rand (R1.4 million) and savings of four hundred thousand (R0.4 million) on cellphone allowance.
- Motor vehicle allowance is overspent by one hundred nineteen thousand.
- Overtime overspent by four million (R4 million). The overtime is made up some of the below:
 - Bonuses reflect savings of one million (R1 million) on YTD budget.
 - Housing allowances reflect savings of one million three hundred thousand (R1.3 million).

8.2. ACTING ALLOWANCE AND OVERTIME (SUNDAY/ PUBLIC HOLIDAY) REPORTS FOR Q1 OF 2023/2024

Summary of Acting Allowance per Department	
Row Labels	Sum of MTD AMT
CORPORATE SERVICES	15 561,62
INFRASTRUCTURE	12 180,60
MM's OFFICE	6 981,00
PUBLIC SAFETY	75 369,18
FINANCE	2 034,17
Grand Total	112 126,57

Summary of Sunday/Public Holiday Allowance	
Row Labels	Sum of MTD AMT
COMMUNITY SERVICES	237 639,91
CORPORATE SERVICES	38 866,58
INFRASTRUCTURE	69 966,36
MM's OFFICE	1 043,54
PUBLIC SAFETY	1 257 438,05
Grand Total	1 604 954,44

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

Summary of Overtime per Department	
Row Labels	Sum of MTD AMT
COMMUNITY SERVICES	33 924,75
CORPORATE SERVICES	18 571,67
INFRASTRUCTURE	1 884,18
MM's OFFICE	2 603,81
PUBLIC SAFETY	7 597,50
FINANCE	17 278,30
Grand Total	81 860,21

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

PART FOUR: ASSET MANAGEMENT

9.1. FUEL CONSUMPTION

Directorate	July 2023		Aug 2023		Sep 2023	
	OIL	REPAIRS	OIL	REPAIRS	OIL	REPAIRS
B.T.O.			R28 965,05	R33 984,40	R26 984,85	
Community Services			R311 822,16	R239 556,11	R366 841,71	
Corporate Services			R0,00	R1 667,05	R0,00	
Infrastructure			R568 846,20	R509 362,78	R613 628,12	
Council and Executive			R39 402,21	R17 413,16	R36 367,69	
RED			R5 157,75	R11 663,15	R4 976,35	
Public Safety			R106 480,49	R165 120,40	R103 577,84	
Human Settlement			R0,00	R3 704,75	R0,00	
			R1 060 673,86	R982 471,80	R1 152 376,56	

9.2. REPAIRS AND OIL EXPENSES

Directorate	Jul-23		Aug-23		Sep-23	
	OIL	REPAIRS	OIL	REPAIRS	OIL	REPAIRS
Executive and Council						
Budget and Treasury		R2 631 764,88	R1 334,80	R447 255,94		R656 032,41
Community Services		R0,00		R4 808,70	R6 123,08	R4 242,48
Public Safety		R1 272 652,56		R40 266,00		
Infrastructure				R11 426 780,76	R822,80	R5 424 214,38
Totals	R0,00	R3 904 417,44	R1 334,80	R11 919 111,40	R6 945,88	R6 084 489,27

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

9.3. HIRING COSTS

Directorate	Jul-23	Aug-23	Sep-23
Executive and Council			7 200
Budget & Treasury	510 030	166 291	335 066
Community Services	450		
Infrastructure		7 200	
Totals	510 480	173 491	342 266

9.4. REPORT FOR PROPERTY, PLANT AND EQUIPMENT

Class of assets	30 September 2023- PPE REPORT									
	Cost				Accumulated Depreciation				Carrying Value	
	Opening Balance @01/07/2023	Additions	Disposals	Closing Cost at 30 September 2023	Opening Balance @01/07/2023	Depreciation	Disposal	Closing Acc Depr.	Carrying Value 30 September 2023	Carrying Value 01/07/2023
Investment properties	R359 749 921,34			R359 749 921	R0,00			R0	R359 749 921	R359 749 922
Land	R286 558 280,91			R286 558 281				R0	R286 558 281	R286 558 281
Buildings	R380 813 450,00			R380 813 450	R135 347 374,00	R7 205 356		R142 552 730	R238 260 720	R245 466 079
Infrastructure Assets	R3 281 862 170,00			R3 281 862 170	R2 260 972 412,00	R44 034 235		R2 305 006 647	R976 855 523	R1 020 889 011
Community Assets	R396 631 188,00			R396 631 188	R151 063 583,00	R4 866 186		R155 949 769	R240 681 419	R245 547 603
Other Assets	R57 932 577,13			R57 932 577	R30 879 706,42	R3 792 577		R34 672 283	R23 260 294	R27 051 563
WIP	R148 769 959,00	R41 551 393		R190 321 352				R0	R190 321 352	R148 769 959
Specialised vehicles	R180 640 576,00			R180 640 576	R138 409 843,00	R5 220 121		R143 629 964	R37 010 612	R42 230 715
Intangibles	R3 466 725,00			R3 466 725	R2 878 050,00	R996 124		R3 874 174	-R407 449	R588 675
Heritage Asset	R3 201 000,00			R3 201 000	R0,00	R147 169		R147 169	R3 053 831	R3 201 000
	R5 099 625 847	R41 551 393	R0	R5 141 177 240	R2 719 570 968	R66 261 768	R0	R2 785 832 736	R2 355 344 504	R2 380 052 808

PART FIVE SUPPLY CHAIN MANAGEMENT

1. PURPOSE

To report to Municipal Council on the Implementation of the Supply Chain Management Quarter ending 30 September 2023.

2. AUTHORITY

- Section 217 of the Constitution of the Republic of South African Act 108 of 1996
- Section 110 of the Municipal Finance Management Act, No. 56 of 2003.
- Section 32 Municipal Systems Act 32 of 2000
- Municipal Supply Chain Management Regulations of 2022
- Supply Chain Management Policy
- Local Government Framework for Infrastructure Delivery and Procurement Management Policy

3. LEGAL / STATUTORY REQUIREMENTS

The Local Government: Municipal Finance Management Act, no 56 of 2003 (MFMA), requires the municipality to have and implement a Supply Chain Management (SCM) Policy which gives effect to the provisions of Chapter 11 of the Act that deals with 'Supply Chain Management'.

Municipal Supply Chain Management is further mandated to be in line with the Municipal Supply Chain Management Regulations which were promulgated on the 30 May 2005.

Although the MFMA prohibits a Councillor from being a member of a bid committee or any other committee evaluating or approving quotations or tenders, Council has an oversight role to ensure that the accounting officer implements all supply chain management activities in accordance with this policy. For the purposes of such oversight, Council's Supply Chain Management Policy,

Paragraph 6 (2)(a)(1) of the Municipal Supply Chain Management Regulations requires that the accounting officer must.

"Within 30 days of the end of each Year, submit a report on the implementation of this policy or of any municipal entity under its sole or shared control, to council".

4. BACKGROUND/REASONING

The Accounting Officer has the responsibility of facilitating the process of awarding tenders to successful bidders, within the legal framework, and the responsibility of reporting to Council on tenders awarded based on the above-mentioned paragraph quoted from the Supply Chain Management Regulations, hence this report has been prepared.

5. Oversight role of council

The Council must maintain oversight over the implementation of this Policy and for the purpose of such oversight the accounting officer must within 30 days of the end of each year, submit a report on the implementation of the Supply Chain Management Policy to the Council of the municipality in terms of paragraph 8(3)(a) of the Policy.

6. Supply Chain Management (SCM) Policy

The objectives of the Policy are:

- a) to give effect to section 217 of the Constitution of the Republic of South Africa by implementing a system that is fair, equitable, transparent, competitive and cost effective; and
- b) to comply with applicable provisions of the Municipal Finance Management Act including Municipal Supply Chain Management Regulations published under GN868 in Government Gazette 27636, 30 May 2005 and any National Treasury Guidelines issued in terms of the MFMA and regulations pertaining thereto.

7. Amendment of Supply Chain Management Policy

In terms of Paragraph 4(1) (b) of the Policy, the Accounting Officer must, when considered necessary, submit proposals for the amendment of the Supply Chain Management Policy.

As part of the annual budget policy review, the 2023/24 SCM policy was submitted to Council for consideration and approval on 31 May 2023 and was implemented with effect from 01 July 2023.

8. Supply Chain Management Unit

The Supply Chain Management Unit is headed by the General Manager SCM and operates under the direct supervision of the Chief Financial Officer.

The structure of the SCMU covers the following disciplines within Supply Chain Management:

SCM Elements	Procurement thresholds
Demand Management	Demand Planning and Specifications
Acquisition Management	Procurement of Goods & Services
Three quotation system	R2001 up to R30 000
Formal Written Quotation	R30 001 up to R200 000
Competitive Bidding	R200 001 and above
Contract Management and performance	Monitoring the performance of contracts Review and update contract management

The staff complement in the SCMU consists of a total of 10 officials.

9. Contract Management

Contracts Management Unit is attached within Legal services but seconded in the SCM unit.

The following table illustrates the list of awards registered in the system for the quarter ending 30 September 2023:

Number of awards above R200 000	04	Rate based
RFQ's awarded above R30 000	07	R 890539.00
Three Quotation System	71	R 1 214 382.84
Deviations	11	R 422 070.62

10. Milestones attained in Contract Management:

- a) Contract Management has been incorporated in the SCM Policy that has been previewed, amended and adopted by council on **31 May 2023**. The policy gives effect to section 116 of the MFMA and to support SCM functions and regulations.

11. Training of SCM Officials

Competency Levels of the Supply Chain Management Unit

The Municipal Regulations on Minimum Competency Levels requires certain General Competency Levels for Officials Involved in the Implementation of the Supply Chain Management Policy.

Due to financial constraints KSD Supply Chain Management staff is currently attending trainings offered by Provincial Treasury and National Treasury in the 2023/24 financial year as well as in house training.

12. Miscellaneous Training & Education

KSD Municipality attends the yearly SCM Forums, scheduled by Provincial Treasury. SCM issues are discussed at these meetings.

Below is a training attended by officials in the SCM Unit:

#	Description
1.	Bid Committee training -National Treasury 26-July 2023

13. The Delegation of Supply Chain Management Powers and Duties

Council has duly delegated the implementation of the Supply Chain Management Policy to the Accounting Officer who is responsible for taking all reasonable steps to ensure that proper mechanisms and separation of duties are in place in the Supply Chain Management System in order to minimise the likelihood of fraud, corruption, favouritism and unfair and irregular practices.

To aid the Accounting Officer in this responsibility, Council has adopted a Delegations of Powers and Duties Policy which assists in maximising the administrative and operational efficiency and is reviewed annually.

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

Demand Management

Demand Management is an interactive process to determine the demand levels required to meet the municipality's objectives. These objectives are reflected in the municipality's Integrated Development Plan (the 'IDP'), which is a comprehensive strategy document setting out how the municipality intends to address the development challenges in a specific financial year.

The SCM Unit has, with support by the Accounting Officer and the Chief Financial Officer implemented SCM via a Procurement Plan (PM) as a strategic tool in order to implement the budget. The PM assists the SCM Unit with the planning of tender processes and user departments with the planning of the execution and timely completion of projects in alignment with performance targets in the Service Delivery and Budget Implementation Plan.

The Procurement Plan for the 2023/24 financial year actively promotes and determined to enhance the procurement management process in procuring goods and services. The SCM Unit submits reports to the Management Committee on a monthly basis to measure the success of the implementation of Procurement Plan.

Acquisition Section

The Acquisition Section is specifically tasked to perform all procurement related activities for the procurement of goods and services with a value up to R30 000 as well as the issuing of orders for procurement with higher values.

The following table illustrates the number of orders and appointment letters being managed by the Supply Chain Management Unit, during the 2023/24 of the first quarter. This is a positive indication of procuring of goods and services in a more effective and efficiently way.

Commitments embark on during the year ending 30 September 2023:

Three Quotation System	71	R 1 214 382.84
Number of awards above R200 000	04	Rate based
RFQ's awarded above R30 000	07	R 890539.00
Deviations	11	R 422 070.62

Hiring of Vehicles and Travelling and Accommodation

Travelling and accommodation for the quarter 1 2023/2024 financial year amount to **R 3 071 644.13**. and for Quarter 4 of 2022/23 FY amounts to **1 875 513.60** The expenditure of travelling has gone up by **61,05 %**

14. Preferred Suppliers Database

In terms of Supply Chain Management Policy, the Accounting Officer is required to keep a list of accredited prospective providers of goods and services, Central Supplier Database (CSD). In terms of the municipality's legislative requirement, interested suppliers were invited to register/update details on CSD this was done through an advert which was published in July 2023. KSD has further allocated an official that assists service providers with CSD registration process and related enquiries.

15. Bid Committee System

The Bid Committee system for competitive bids has been actively applied within the municipality. The bid committee system includes a Bid Specification, Bid Evaluation as well as a Bid Adjudication Committee. These committees have been properly constituted and duly appointed and delegated by the Accounting Officer in order to execute the mandates of each of the committees.

All procurement of goods and services with a value above R 200 000 are procured by way of competitive bidding processes, via the bid committee system.

Bids recommended by the Bid Adjudication Committee

The bids that were recommended by the Bid Adjudication Committee in terms of the SCM Policy and the Preferential Procurement Policy for quarter ending 30 September 2023 are attached as Annexure B.

Procurement Function	2022/23
Bids Processed	04
Estimated Value of Awards (R)	Rate based

Deviations and Minor Breaches from Procurement Processes

Deviations

The Supply Chain Management Policy states in Paragraph 36(1) (a):

"The accounting officer may dispense with the official procurement processes established by this policy and may procure any required goods or services through any convenient process, which may include direct negotiations, but, amongst others, only.

- i. in an Emergency
- ii. if such goods or services are produced or available from a single provider only.
- iii. for the acquisition of special works of art or historical objects where specifications are difficult to compile.
- iv. Acquisition of animals for zoos or
- v. in any other exceptional case where it is impractical or impossible to follow the official procurement processes"
- vi. Such goods or services have already been acquired by the Municipality from a specific supplier or service provider and subsequent maintenance, amendments, or modifications by other suppliers or service providers are prohibited, restricted or impossible because of guarantee, legal, licensing or such other requirements, or it will be impractical or uneconomical to acquire additional similar goods or services from another supplier or service provider.
- vii. Expanded Public Works Programme (EPWP) learnership projects which have been identified and registered as such.

Accounting Officer approved 11 deviations from July to September (Quarter 1) of 2023/24 financial year to the value of almost **R 422 070.62**

SCM Policy	Description	2023/24
Clause 36(1)(a)(ii)	Sole Supplier	3
Clause 36(1)(a)(v)	Impractical or impossible	8
		11

SECTION 52d REPORT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2023

Minor Breaches

The Supply Chain Management Policy states in Clause 44(2) that the Accounting Officer may consider ratifying any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

The Accounting Officer did not approve any minor breaches of the Supply Chain Management Policy for the quarter ending 30 September 2023.

Irregular Expenditure- MFMA Section 32

Irregular Expenditure is defined as expenditure incurred in contravention of the Municipal Financial Management Act, Municipal Systems Act, and Public Office-Bearers Act of the Municipality's Supply Chain Management Policy.

In terms of Section 32(4) of the MFMA the Executive Mayor, the MEC for Local Government and Auditor-General must be informed of all possible irregular expenditure incurred by the municipality.

In terms of this, a register of cases of irregular expenditure identified in the quarter ending 30 September 2023 is attached as Annexure D, however, there has been no irregular expenditure incurred for the period in question.

Statistical Analysis

	Procurement threshold	Specific Goal	Beneficiaries in percentage
1.	Three procurements	Female	63.4%
		Male	47.9%
		Youth	14.1%
		Military Veterans	1.41%
		Disabled	0%
2.	7 days	Female	28.6%
		Male	71.4%
		Youth	14.3%
		Military Veterans	0%
		Disabled	0%
3.	Competitive Bidding	Female	41.67%
		Male	66.67%
		Youth	50%
		Military Veterans	0%
		Disabled	0%
4.	Deviations	Female	27.3%
		Male	36.4%
		Youth	27.3%
		Military Veterans	0%
		Disabled	0%

ANNEXURES

Annexure A: Payments for the quarter ended 30 September 2023

Annexure B: Register of awards made through three quotation system (R2,000 – R30,000 Vat incl) for the quarter ended 30 September 2023.

Annexure C: Register of awards made through competitive bidding process (Above R200,000 Vat incl) for the quarter ended 30 September 2023.

Annexure D: Register of deviations from the procurement processes for the quarter ended 30 September 2023.

Annexure E: Register of Irregular Expenditure identified for the quarter ended 30 September 2023.

Annexure F: Register of awards made through request for quotations system (31 000 - 200 000) for the quarter ended 30 September 2023.

Annexure G: Register for Fruitless and wasteful expenditure for the quarter ended 30 September 2023.


Annexure H: Register for Unauthorized expenditure for the quarter ended 30 September 2023.

Prepared by:



Mr. S. Sixam
Manager: AFS, Audit and Internal Controls

Reviewed by:



Mr. D.D. Mkhokotho
General Manager: Accounting and Asset Management

Submitted By:



Mr. E F Jiholo
Chief Financial Officer

Recommended By:



Mr. N. Pakade
Municipal Manager

13/10/2023