

KING SABATA DALINDYEBO  
MUNICIPALITY



**QUARTERLY REPORT IN TERMS OF SECTION 52d OF  
THE MUNICIPAL FINANCE MANAGEMENT ACT FOR  
THE QUARTER ENDED 31 DECEMBER 2023**

# SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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 SECOND QUARTER ENDED 31 DECEMBER 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 31 DECEMBER 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 must report to council within 30 days of the end of each quarter that is in line with section 52d of the MFMA 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 Second Quarter of the 2022/23 Financial Year.
- Section 66 report for the Second Quarter of the 2022/23 Financial Year.
- Paragraph 6 (SCM regulations) report for the Second Quarter of the 2022/23 Financial Year.
- Paragraph 36 (SCM regulations) report for the Second Quarter of the 2022/23 Financial Year.

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

PART ONE

4. OPERATING REVENUE

EC157 King Sabata Dalindyebo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

R thousands	Description	Ref	Budget Year 2023/24							YTD variance %	Full Year Forecast	
			2022/23 Audited Outcome	Original Budget	Adjusted Budget	Actual Q1	Actual Q2	YearTD actual	YearTD budget			YTD variance
	<b>Revenue</b>											
	<b>Exchange Revenue</b>											
	Service charges - Electricity		523 932	640 141	640 141	139 784	143 595	283 379	320 070	(36 691)	-11%	640 141
	Service charges - Waste management		53 284	68 241	68 241	60 406	1 269	61 675	68 241	(6 567)	-10%	68 241
	Sale of Goods and Rendering of Services		12 635	20 623	20 623	9 441	2 055	11 496	10 312	1 185	11%	20 623
	Agency services		12 813	19 891	19 891	3 028	3 750	6 778	9 945	(3 168)	-32%	19 891
	Interest earned from Receivables		35 523	19 752	19 752	10 614	11 221	21 835	9 876	11 959	121%	19 752
	Interest from Current and Non Current Assets		4 305	1 380	1 380	1 305	1 162	2 466	690	1 776	258%	1 380
	Rental from Fixed Assets		21 994	20 669	20 669	5 819	5 733	11 551	10 335	1 216	12%	20 669
	Licence and permits		523	479	479	139	138	277	239	37	16%	479
	Operational Revenue		4 387	21 256	21 256	203	248	451	10 628	(10 178)	-96%	21 256
	<b>Non-Exchange Revenue</b>											
	Property rates		-	331 582	331 582	297 082	(2 894)	294 188	331 582	(37 394)	-11%	331 582
	Surcharges and Taxes		10 914	-	-	5 217	(999)	4 218	-	4 218	-	-
	Fines, penalties and forfeits		5 347	46 705	46 705	1 020	1 426	2 446	23 353	(20 907)	-	46 705
	Licence and permits		784	2 743	2 743	365	242	607	1 372	(765)	-	2 743
	Transfers and subsidies - Operational		428 066	458 457	457 795	186 934	151 578	338 512	336 435	2 078	(0)	457 795
	Transfers and subsidies - capital		134 014	196 106	245 329	34 819	61 221	96 040	122 665	(26 625)	(0)	245 329
	Interest		29 913	19 110	19 110	6 593	10 100	16 693	9 555	7 138	-	19 110
	Gains on disposal of Assets		(6 777)	-	-	-	(9)	(9)	-	(9)	-	-
	Other Gains		23 535	-	-	-	-	-	-	-	-	-
	<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 295 189</b>	<b>1 867 136</b>	<b>1 915 697</b>	<b>762 767</b>	<b>389 835</b>	<b>1 152 602</b>	<b>1 265 297</b>	<b>(112 695)</b>	<b>-9%</b>	<b>1 915 697</b>

#### 4.1. COMMENTS ON MATERIAL VARIANCES

- 4.1.1. Property Rates reflects a shortfall of thirty-seven million three hundred and ninety-four thousand (R37 million). Due to over budgeting as it was expected that the secondary rebates for property rates will be removed, however it was rejected by the leadership and council committee.

The total billed income for property rates and fire brigade amounts to three hundred and two million (R302 million), and one hundred and eighty-five million (R185 million) has been collected representing 62% of total billed income. Of the three hundred and two million billed an amount of seven million relates to fire brigade fees.

- 4.1.2. Electricity Sales show a shortfall of thirty-six million six hundred and ninety-one thousand (R36 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 one hundred and eighty-four million (R184 million) excluding prepaid electricity amounting to ninety-eight million (R98 million), an amount of two hundred and seven million (R207 million) has been collected representing 113% 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 R283 million including prepaid sales while the electricity bulk purchases are sitting at R269 million, and this shows a surplus of R13 million without taking into account the salaries and other expenses relating to the electricity department.***

- 4.1.3. Refuse removal shows a shortfall of six million five hundred thousand (R6.5 million). Of the total billed income for refuse removal amounting to sixty-one million (R61 million), an amount of twenty-four million (R24 million) has been collected representing 40% of the total billed income.

- 4.1.4. Rental of facilities and equipment shows a surplus of one million two hundred thousand (R1.2 million).

Of the total billed income for rental amounting to eleven million (R11 million), an amount of three million two hundred thousand (R3.2 million) has been collected representing 28% of total billed income.

- 4.1.5. Agency fees show a shortfall of three million one hundred thousand rands (R3.1 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 nineteen million (R19 million). This is due to increases in arrear debt and low collection rates. Collection levels needs to be improved.

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

4.1.7. Interest from investments surplus of one million seven hundred thousand (R1.7 million)

4.1.8. Fine, penalties and forfeits reflect a shortfall of twenty million (R20 million).

LEDGER DESCRIPTION	TOTAL BUDGET	TOTAL ACTUAL	YTD BUDGET	VARIANCE
Penalties - Traffic Fines	75 031	31 228	37 516	6 287
Penalties - Traffic Fines	12 000 000	1 284 532	6 000 000	4 715 468
Mikros penalties -traffic fines	30 000 000	201 950	15 000 000	14 798 050
Pound Fees	22 533	0	11 267	11 267
Penalties - General	28 801	9 000	14 401	5 401
Damage:Elec Supply Equip/Cable	276 522	0	138 261	138 261
Disconnection:Illegal Connect	4 302 477	918 939	2 151 239	1 232 299
	<b>46 705 364</b>	<b>2 445 650</b>	<b>23 352 682</b>	<b>20 907 032</b>

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

4.1.9. Other Revenue show a shortfall of ten million (R10 million). There is under collection on DOT.

DESCRIPTION	TOTAL BUDGET	TOTAL ACTUAL	YTD BUDGET	VARIANCE
Recoveries other	2 740 924,00	21 919,12	1370462	1 348 542,88
Depart of Transport SLA	17 230 347,00	5 267,77	8615173,5	8 609 905,73
Insurance claims recoveries	617 239,00	185 145,01	308619,5	123 474,49
Inspection Fees Sewerage	5 479,00	1 127,37	2739,5	1 612,13
Surplus Cash	0,00	23 814,09	0	-23 814,09
Commission On Collections	490 013,00	212 364,96	245006,5	32 641,54
Tourism centre Mqanduli	2 651,00	0,00	1325,5	1 325,50
Tourism centre Mthatha	69 822,00	0,00	34911	34 911,00
Business Investment Expoexhibition stalls	100 000,00	0,00	50000	50 000,00
Swimming Pools Income	0,00	1 027,89	0	-1 027,89
	<b>21 256 475,00</b>	<b>450 666,21</b>	<b>10 628 237,50</b>	<b>10 177 571,29</b>

4.1.10. Grants and subsidies

4.1.10.1. Operational grants show a surplus of two million (R2 million).

**Highly Important to note:** non-movement on the following grants:

Non – spending on the following Grants

- Electrification INEP Grant
- Library Grant
- Neighbourhood Grant

The following grants are already overspent:

- Overspending in EPWP of an amount of R4 956 482.
- SETA was not budgeted for; we have spent an amount of R578 818.

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

LEDGER DESCRIPTION	TOTAL BUDGET	TOTAL ACTUAL	YTD BUDGET	VARIANCE
Grant Income - Expanded Public Works (EPWP)	4 001 030	6 956 997	2 000 515	-4 956 482
Grant Income - Library	1 750 000	0	875 000	875 000
Grant Income - SETA	0	578 818	0	-578 818
Grant Inc H/S Graduates	0	91 118	0	-91 118
Grant - Prov: Equitable Share	434 856 000	324 965 000	324 965 000	0
Neighbourhood Grant Income	100 000	0	50 000	50 000
Grant - Prov: MIG	4 818 100	1 986 959	2 409 050	422 091
Grant - State: Financial Manag	2 850 000	957 043	1 425 000	467 957
Grant Income - Infrastructure	5 420 000	2 976 416	2 710 000	-266 416
Grant income- Electricity demand side management	4 000 000	0	2 000 000	2 000 000
	<b>457 795 130</b>	<b>338 512 352</b>	<b>336 434 565</b>	<b>-2 077 787</b>

4.1.10.2. Capital Grants show a shortfall of twenty-six million six hundred thousand (R26 million) exclusive of VAT. This is summarised as follows considering the VAT component.

LEDGER DESCRIPTION	TOTAL BUDGET	TOTAL ACTUAL	YTD BUDGET	VARIANCE
Grant income - Prov - Human Settlements	68 000 000,00	16 123 378,59	34 000 000,00	17 876 621,41
Small Town Revitalisation	30 000 000,00	19 926 896,44	15 000 000,00	-4 926 896,44
Vat component - Capital grants	0,00	689 702,03	-	-689 702,03
Grant - Prov: MIG	91 543 900,00	53 269 840,68	45 771 950,00	-7 497 890,68
Grant Income-Municipal Disaster Response	45 575 000,00	4 598 013,50	22 787 500,00	18 189 486,50
Grant Inc. Small Business Development	10 210 130,00	1 431 937,63	5 105 065,00	3 673 127,37
Vat component - Capital grants	0,00	0,00	-	0,00
	<b>245 329 030,00</b>	<b>96 039 768,87</b>	<b>122 664 515,00</b>	<b>26 624 746,13</b>

- Human Settlement is reflecting an under performance of seventeen million eight hundred thousand (R17 million).
- MIG project spending is progressing well, however there is an overspending of R7.4 Million excluding VAT on YTD budget but the spending is within the total budget.
- Small Town Revitalisation is reflecting an overspending of four million nine hundred thousand (R4.9 million).

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

4.2. CONSOLIDATED RECEIPTS VERSUS BILLING REPORT

CONSOLIDATED RECEIPTS VERSUS BILLING 30 NOVEMBER 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	34 072 903	85 667 658	285 281 971
November	27 074 527	42 653 234	276 982 259	30 981 364	62 255 879	330 041 448	32 988 511	73 755 050	359 037 021
December	23 125 218	46 867 371	323 849 629	31 324 387	72 557 686	402 599 133	30 116 853	62 469 003	421 506 024
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			
	<b>677 581 704</b>	<b>629 999 810</b>	-	<b>722 111 147</b>	<b>709 057 168</b>	-	<b>558 935 146</b>	<b>421 506 024</b>	-

YTD comparison 66%

77%

75%



SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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	Cumulative	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative
July	250 666 634	19 683 330	285 012 535	10 446 644	10 446 644	307 240 368	11 383 133	11 383 133			
August	11 479 611	36 805 478	3 273 888	15 806 026	26 252 670	(1 753 423)	25 330 062	36 713 196			
September	(190 175)	52 989 083	271 395	70 338 893	96 591 563	(462 063)	61 918 287	98 631 482			
October	13 566 958	32 916 148	5 611 113	15 144 179	111 735 741	(409 482)	36 600 263	135 231 746			
November	(77 424)	12 336 867	926 919	25 446 806	137 182 547	(231 926)	25 972 005	161 203 751			
December	(3 782 267)	15 783 984	367 470	34 435 226	171 617 774	(2 252 175)	24 628 812	185 832 563			
January	3 589 025	11 143 587	376 189	11 127 740	182 745 514						
February	18 585 839	29 542 464	138 016	15 907 535	198 653 049						
March	(3 867 805)	26 519 279	618 560	24 046 240	222 699 290						
April	1 238 967	32 533 745	745 850	11 868 732	234 568 021						
May	(598 425)	13 056 849	1 085 601	19 457 558	254 025 580						
June	(6 025 839)	13 721 376	(191 332)	12 852 118	266 877 698						
<b>YTD comparison</b>	<b>284 585 099</b>	<b>277 348 860</b>	<b>298 236 204</b>	<b>266 877 698</b>	<b>-</b>	<b>302 131 298</b>	<b>185 832 563</b>	<b>-</b>	<b>62%</b>		

Refuse Removal History											
2021/22 Financial Year			2022/23 Financial Year			2023/24 Financial Year					
Billing	Receipts	Cumulative	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative	Billing	Receipts	Cumulative
July	53 740 408	2 830 963	57 082 666	2 394 436	2 394 436	58 985 494	2 594 310	2 594 310			
August	418 653	2 177 208	1 046 122	3 193 963	5 588 399	45 927	3 194 835	5 789 145			
September	394 671	3 208 241	511 536	5 216 677	10 805 076	721 809	3 493 252	9 282 396			
October	363 464	3 980 619	(5 513 478)	2 611 345	13 416 421	525 999	8 447 459	17 729 856			
November	386 501	2 522 429	466 143	3 571 458	16 987 879	256 770	4 268 860	21 998 715			
December	500 448	1 610 709	895 351	3 469 568	20 457 448	485 839	2 496 577	24 495 292			
January	521 258	2 093 852	322 042	2 224 982	22 682 429						
February	228 060	3 246 388	525 577	2 672 322	25 354 752						
March	454 616	2 353 047	(2 042 856)	4 440 121	29 794 872						
April	9 834	1 912 950	564 851	2 422 419	32 217 291						
May	920 297	2 728 508	750 798	3 485 567	35 702 859						
June	994 612	2 697 081	771 621	2 991 250	38 694 108						
<b>YTD comparison</b>	<b>58 932 821</b>	<b>31 361 994</b>	<b>55 380 372</b>	<b>38 694 108</b>	<b>-</b>	<b>61 021 838</b>	<b>24 495 292</b>	<b>-</b>	<b>40%</b>		

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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	31 924 780	40 208 984	130 324 583
November	25 225 739	26 998 610	124 234 971	27 835 550	32 804 058	172 227 139	30 488 813	42 731 400	173 055 984
December	24 903 955	28 981 207	153 216 178	29 137 079	33 378 739	205 605 879	30 096 862	34 902 949	207 958 932
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	253 817 735			
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			
<b>YTD comparison</b>	<b>306 247 523</b>	<b>313 966 625</b>	<b>98%</b>	<b>346 457 132</b>	<b>395 150 997</b>	<b>128%</b>	<b>184 326 680</b>	<b>207 958 932</b>	<b>113%</b>

Prepaid electricity sales amounted R98 million at the end of the Second 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	2 031 606	410 951	1 995 786
November	1 539 711	795 328	2 980 252	1 752 752	433 556	3 643 882	2 474 854	782 784	2 778 571
December	1 503 082	491 471	3 471 723	924 488	1 274 152	4 918 033	1 786 328	440 666	3 219 237
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			
<b>YTD comparison</b>	<b>17 438 968</b>	<b>7 322 330</b>	<b>41%</b>	<b>22 037 438</b>	<b>8 334 364</b>	<b>51%</b>	<b>11 455 329</b>	<b>3 219 237</b>	<b>28%</b>

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

5. OPERATING EXPENDITURE REPORT

EC157 King Sabata Dalindyebo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	Budget Year 2023/24														
		2022/23	Audited Outcome	Original Budget	Adjusted Budget	Actual Q1	Actual Q2	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast				
<b>R thousands</b>																
<b>Expenditure By Type</b>																
Employee related costs		555 487	570 608	569 928	140 133	147 235	287 368	284 964	2 404	1%	569 928					
Remuneration of councillors		29 657	35 149	35 149	7 312	9 044	16 357	17 575	(1 218)	-7%	35 149					
Bulk purchases - electricity		398 822	479 989	479 989	171 259	98 265	269 523	239 995	29 529		479 989					
Inventory consumed		28 467	29 161	31 911	8 364	6 755	15 119	15 955	(837)		31 911					
Debt impairment		-	21 153	21 153	-	-	-	10 577	(10 577)	-100%	21 153					
Depreciation and amortisation		262 144	157 347	157 347	66 262	44 339	110 600	78 674	31 927	41%	157 347					
Interest		13 584	16 000	16 000	4 856	(3 059)	1 797	8 000	(6 203)	-78%	16 000					
Contracted services		121 660	121 709	117 762	20 780	29 501	50 280	58 881	(8 601)	-15%	117 762					
Transfers and subsidies		32 619	-	-	-	-	-	-	-		-					
Irrecoverable debts written off		27 361	-	-	855	1 243	2 098	-	2 098		-					
Operational costs		157 077	154 079	155 339	33 965	39 039	73 004	77 670	(4 665)	-6%	155 339					
Other Losses		503	-	-	(1 012)	-	(1 012)	-	(1 012)		-					
<b>Total Expenditure</b>		<b>1 627 361</b>	<b>1 585 196</b>	<b>1 584 579</b>	<b>452 773</b>	<b>372 362</b>	<b>825 135</b>	<b>792 290</b>	<b>32 846</b>	<b>4%</b>	<b>1 584 579</b>					

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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 overspending of two million five hundred thousand (R2 million), and savings of one million two hundred thousand (R1.2 million) respectively. For a detailed report refer to S66 report below.
- 5.1.3. Depreciation reflects overspending of thirty-two million (R32 million). This is due to underbudgeting for the item. Adjustment should be considered.
- 5.1.4. Bulk purchases overspending twenty-nine million five hundred thousand (R29.5 million). This is due to increased demand in winter months and Furthermore Eskom was charging higher tariffs during the winter season.
- 5.1.5. Debt impairment shows a savings of ten million five hundred thousand (R10.5 million). This will be utilized at year end.
- 5.1.6. Finance charges savings of six million two hundred thousand (R6.2 million).
- 5.1.7. Contracted services savings of eight million six hundred thousand (R8.6 million) due to the following material variances and savings in certain line items: significant variances are as follows.

LEDGER DESCRIPTION	TOTAL BUDGET	TOTAL ACTUAL	YTD BUDGET	VARIANCE
Consultants Professional Fee	13 068 813,00	800 568,30	6 534 406,50	5 733 838,20
Roads, Str Repair / Resealing	6 000 000,00	-	3 000 000,00	3 000 000,00
Debtors Database Cleansing	4 500 000,00	1 709,60	2 250 000,00	2 248 290,40
Confrences Seminars	4 838 141,00	1 140 900,00	2 419 070,50	1 278 170,50
LED Project - SMME Development	2 500 000,00	71 508,41	1 250 000,00	1 178 491,59
Community Cleaning Project	4 450 000,00	3 908 834,26	2 225 000,00	- 1 683 834,26
Electr Infrastr, Mains Cable	35 000 000,00	19 266 233,31	17 500 000,00	- 1 766 233,31
Traffic Lights	1 500 000,00	2 677 121,00	750 000,00	- 1 927 121,00
Agency Payments- Security Serv	6 728 790,00	7 867 483,81	3 364 395,00	- 4 503 088,81
Other individual items	39 176 314,00	14 546 032,56	19 588 157,00	5 042 124,44
	<b>117 762 058,00</b>	<b>50 280 391,25</b>	<b>58 881 029,00</b>	<b>8 600 637,75</b>

- 5.1.8. Other expenditure savings of four million six hundred thousand (R4.6 million). This is due to the following significant variances.

LEDGER DESCRIPTION	TOTAL BUDGET	TOTAL ACTUAL	YTD BUDGET	VARIANCE
Hire Charges - Transport Extnl	12 759 396,00	1 596 009,71	6 379 698,00	4 783 688,29
Insurance	7 167 200,00	-	3 583 600,00	3 583 600,00
Workmens Compensation	4 350 000,00	-	2 175 000,00	2 175 000,00
Levy - Skills Development SETA	5 478 270,00	735 423,98	2 739 135,00	2 003 711,02
Greenest Ward Competition	3 000 000,00	-	1 500 000,00	1 500 000,00
Rural Roads Maintenance	4 000 000,00	519 409,80	2 000 000,00	1 480 590,20
Municipal Service Charges	12 886 572,00	4 965 947,74	6 443 286,00	1 477 338,26
Vehicles, Machinery Plant	10 000 000,00	6 624 120,28	5 000 000,00	- 1 624 120,28
Levy - Skills Development SETA	-	2 504 071,52	-	- 2 504 071,52
Audit Fee - External	9 914 726,00	7 655 697,33	4 957 363,00	- 2 698 334,33
Levy - SALGA Membership	6 463 798,00	6 308 254,52	3 231 899,00	- 3 076 355,52
Council Ward Committees	2 737 000,00	6 101 841,15	1 368 500,00	- 4 733 341,15
Electr Infrastr, Mains Cable	2 500 000,00	8 743 308,45	1 250 000,00	- 7 493 308,45
Other individual items	74 082 272,00	27 250 385,52	37 041 136,00	9 790 750,48
	<b>155 339 234,00</b>	<b>73 004 470,00</b>	<b>77 669 617,00</b>	<b>4 665 147,00</b>

## SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

### 5.2. CAPITAL EXPENDITURE

EC157 King Sabata Dalindyebo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2022/23	Budget Year 2023/24								
		Audited Outcome	Original Budget	Adjusted Budget	Actual Q1	Actual Q2	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1										
<b>Capital Expenditure - Functional Classification</b>											
<b>Governance and administration</b>		2 149	7 971	8 871	474	2 008	2 482	4 435	(1 954)	-44%	8 871
Executive and council		-	1 200	1 200	-	-	-	600	(600)	-100%	1 200
Finance and administration		2 149	6 741	7 641	474	2 008	2 482	3 820	(1 339)	-35%	7 641
Internal audit		-	30	30	-	-	-	15	(15)	-100%	30
<b>Community and public safety</b>		49 629	75 761	75 038	7 327	7 735	15 062	37 519	(22 457)	-60%	75 038
Community and social services		-	311	188	76	-	76	94	(18)	-19%	188
Sport and recreation		-	1 000	1 000	-	-	-	500	(500)	-100%	1 000
Public safety		-	6 450	5 850	-	-	-	2 925	(2 925)	-100%	5 850
Housing		49 629	68 000	68 000	7 251	7 735	14 985	34 000	(19 015)	-56%	68 000
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		86 917	129 694	179 041	37 184	44 361	81 545	89 521	(7 976)	-9%	179 041
Planning and development		7 512	5 217	12 963	8 150	(275)	7 876	6 482	1 394	22%	12 963
Road transport		79 405	124 478	166 078	29 034	44 635	73 669	83 039	(9 370)	-11%	166 078
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		7 017	9 000	9 000	-	2 725	2 725	4 500	(1 775)	-39%	9 000
Energy sources		7 017	5 000	5 000	-	2 346	2 346	2 500	(154)	-6%	5 000
Waste management		-	4 000	4 000	-	379	379	2 000	(1 621)	-81%	4 000
<b>Total Capital Expenditure - Functional Classification</b>	3	145 712	222 426	271 950	44 985	56 828	101 813	135 975	(34 162)	-25%	271 950
<b>Funded by:</b>											
National Government		57 373	98 106	137 119	27 982	29 376	57 358	68 559	(11 201)	-16%	137 119
Provincial Government		80 462	98 000	98 000	10 999	21 803	32 802	49 000	(16 198)	-33%	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 Educ Institutions)		1 490	-	10 210	5 530	(435)	5 095	5 105	(10)	100%	10 210
<b>Transfers recognised - capital</b>		143 303	196 106	245 329	44 511	50 744	95 255	122 665	(27 409)	-22%	245 329
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		2 149	26 071	26 371	474	5 962	6 436	13 185	(6 750)	-51%	26 371
<b>Total Capital Funding</b>		145 452	222 176	271 700	44 985	56 706	101 691	135 850	(34 159)	-25%	271 700

### COMMENTS ON CAPITAL SPENDING

- ❖ **MIG** -The spending on MIG has exceeded the second quarter YTD budget by nine million inclusive of VAT.
- ❖ **Human Settlement Projects**- The spending was at 44% at the end of the second quarter, reflect an underspending of Seventeen million on YTD budget.

## SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

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

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	DIFFERENCE	DIFF %	BUDGET	DIFFERENCE	DIFF %
<b>AREA: 11 - Executive &amp; Council</b>							
<b>Revenue</b>							
Rent of Facilities and Equipment	26 500	31 823	- 5 323	-20%	13 250	- 18 573	-140%
Fines	103 832	40 228	63 604	61%	51 916	11 688	23%
Licenses and Permits	2 185 648	591 817	1 593 831	73%	1 092 824	501 007	46%
Other Revenue	28 306	4 174	24 132	85%	14 153	9 979	71%
<b>Total Revenue</b>	<b>2 344 286</b>	<b>668 042</b>	<b>1 676 244</b>	<b>72%</b>	<b>1 172 143</b>	<b>504 101</b>	<b>43%</b>
<b>Expenditure</b>							
Employee Related Costs	64 996 228	29 779 902	35 216 326	54%	32 498 112	2 718 210	8%
Remuneration Of Councillors	35 344 962	16 356 780	18 988 182	54%	17 672 472	1 315 692	7%
General Expenses - Other	36 979 819	17 180 350	19 799 469	54%	18 489 930	1 309 580	7%
Repairs & Maintenance - Municipal Assets	80 000	-	80 000	100%	40 002	40 002	100%
<b>Total Expenditure</b>	<b>137 401 009</b>	<b>63 317 032</b>	<b>74 083 977</b>	<b>54%</b>	<b>68 700 516</b>	<b>5 383 484</b>	<b>8%</b>
<b>Net Surplus/(Deficit)</b>	<b>- 135 056 723</b>	<b>- 62 648 990</b>	<b>- 72 407 733</b>	<b>54%</b>	<b>- 67 528 373</b>	<b>- 4 879 383</b>	<b>7%</b>

**6.2. Corporate Services**

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	DIFFERENCE	DIFF %	BUDGET	DIFFERENCE	DIFF %
<b>AREA: 12 - Corporate Services</b>							
<b>Revenue</b>							
Rent of Facilities and Equipment	671 736	295 787	375 949	56%	335 862	40 075	12%
Grants & Subsidies Received - Operating	-	578 818	- 578 818	-100%	-	- 578 818	-100%
<b>Total Revenue</b>	<b>671 736</b>	<b>874 605</b>	<b>- 202 869</b>	<b>-30%</b>	<b>335 862</b>	<b>- 538 743</b>	<b>-160%</b>
<b>Expenditure</b>							
Employee Related Costs	69 124 169	25 473 383	43 650 786	63%	34 562 136	9 088 753	26%
General Expenses - Other	15 487 447	6 929 007	8 558 440	55%	7 743 756	814 749	11%
Depreciation - Property, Plant & Equip	216 116	196 225	19 891	9%	108 060	- 88 165	-82%
<b>Total expenditure</b>	<b>84 827 732</b>	<b>32 598 615</b>	<b>52 229 117</b>	<b>62%</b>	<b>42 413 952</b>	<b>9 815 337</b>	<b>23%</b>
<b>Net Surplus/(Deficit)</b>	<b>- 84 155 996</b>	<b>- 31 724 010</b>	<b>- 52 431 986</b>	<b>62%</b>	<b>- 42 078 090</b>	<b>- 10 354 080</b>	<b>25%</b>

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

**6.3. Finance and Asset Management**

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	DIFFERENCE	DIFF %	BUDGET	DIFFERENCE	DIFF %
<b>AREA: 13 - Finance &amp; Asset Management</b>							
<b>Revenue</b>							
Property Rates	341 121 951	302 942 019	38 179 932	11%	341 121 951	38 179 932	11%
Rent of Facilities and Equipment	17 587 144	10 017 097	7 570 047	43%	7 781 172	- 2 235 925	-29%
Interest Earned - External Investments	1 379 635	2 466 214	- 1 086 579	-79%	689 820	- 1 776 394	-258%
Interest Earned - Outstanding Debtors	38 861 721	38 528 222	333 499	1%	19 430 862	- 19 097 360	-98%
Grants & Subsidies Received - Operating	437 706 000	326 004 758	111 701 242	26%	218 853 000	- 107 151 758	-49%
Grants & Subsidies Received - Capital	-	4 824 840	- 4 824 840	-100%	-	- 4 824 840	-100%
Other Revenue	3 861 352	450 738	3 410 614	88%	1 930 674	1 479 936	77%
Gains \Losses on Disposal Of Property, P	-	9 371	- 9 371	-100%	-	- 9 371	-100%
<b>Total revenue</b>	<b>840 517 803</b>	<b>685 243 259</b>	<b>155 274 544</b>	<b>18%</b>	<b>589 807 479</b>	<b>- 95 435 780</b>	<b>-16%</b>
<b>Expenditure</b>							
Employee Related Costs	59 778 867	30 747 356	29 031 511	49%	29 889 450	- 857 906	-3%
General Expenses - Contracted Services	11 803 231	3 579 199	8 224 032	70%	5 901 618	2 322 419	39%
General Expenses - Grants & Subsidies Pa	-	- 89 411	89 411	100%	-	89 411	100%
General Expenses - Other	79 213 324	37 793 501	41 419 823	52%	39 606 708	1 813 207	5%
General Expenses: Grants & Subs - Operat	2 600 000	834 912	1 765 088	68%	1 300 002	465 090	36%
Repairs & Maintenance - Municipal Assets	10 007 000	6 630 372	3 376 628	34%	5 003 496	- 1 626 876	-33%
Depreciation - Property, Plant & Equip	32 455 146	10 524 569	21 930 577	68%	16 227 576	5 703 007	35%
Impairment Gain\Lost	21 153 025	-	21 153 025	100%	21 153 025	21 153 025	100%
Interest Expense - External Borrowings	16 000 000	201 450	15 798 550	99%	7 999 998	7 798 548	97%
Contributions To / From Provisions & Res	-	2 097 554	- 2 097 554	-100%	-	- 2 097 554	-100%
<b>Total expenditure</b>	<b>233 010 593</b>	<b>92 319 502</b>	<b>140 691 091</b>	<b>60%</b>	<b>127 081 873</b>	<b>34 762 371</b>	<b>27%</b>
<b>Net Surplus/(Deficit)</b>	<b>607 507 210</b>	<b>592 923 757</b>	<b>14 583 453</b>	<b>2%</b>	<b>462 725 606</b>	<b>- 130 198 151</b>	<b>-28%</b>

**6.4. Planning, Social and Economic Development**

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	DIFFERENCE	DIFF %	BUDGET	DIFFERENCE	DIFF %
<b>AREA: 14 - Planning, Social &amp; Ec Dev</b>							
<b>Revenue</b>							
Rent of Facilities and Equipment	290 425	17 659	272 766	94%	145 212	127 553	88%
Licenses and Permits	2 461 347	491 335	1 970 012	80%	1 230 678	739 343	60%
Grants & Subsidies Received - Capital	10 210 130	1 431 938	8 778 192	86%	5 105 064	3 673 126	72%
Other Revenue	172 473	17 255	155 218	90%	86 238	68 983	80%
<b>Total revenue</b>	<b>13 134 375</b>	<b>1 958 187</b>	<b>11 176 188</b>	<b>85%</b>	<b>6 567 192</b>	<b>4 609 005</b>	<b>70%</b>
<b>Expenditure</b>							
Employee Related Costs	9 361 224	9 031 300	329 924	4%	4 680 606	- 4 350 694	-93%
General Expenses - Other	10 839 026	3 404 766	7 434 260	69%	5 419 536	2 014 770	37%
<b>Total expenditure</b>	<b>20 200 250</b>	<b>12 436 066</b>	<b>7 764 184</b>	<b>38%</b>	<b>10 100 142</b>	<b>- 2 335 924</b>	<b>-23%</b>
<b>Net Surplus/(Deficit)</b>	<b>- 7 065 875</b>	<b>- 10 477 879</b>	<b>3 412 004</b>	<b>-48%</b>	<b>- 3 532 950</b>	<b>6 944 929</b>	<b>-197%</b>

The budgeted expenditure has been exceeded on employee related costs.

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

**6.5. Human Settlement**

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	DIFFERENCE	DIFF %	BUDGET	DIFFERENCE	DIFF %
<b>AREA: 15 - Human Settlement</b>							
<b>Revenue</b>							
Service Charges	137 800	263 127	- 125 327	-91%	68 900	- 194 227	-282%
Grants & Subsidies Received - Operating	-	91 118	- 91 118	-100%	-	- 91 118	-100%
Grants & Subsidies Received - Capital	68 000 000	16 123 379	51 876 621	76%	34 000 000	17 876 621	53%
Other Revenue	1 965 424	2 305 605	- 340 181	-17%	982 712	- 1 322 893	-135%
<b>Total revenue</b>	<b>70 103 224</b>	<b>18 783 229</b>	<b>51 319 995</b>	<b>73%</b>	<b>35 051 612</b>	<b>16 268 383</b>	<b>46%</b>
<b>Expenditure</b>							
Employee Related Costs	16 952 569	15 035 480	1 917 089	11%	8 476 285	- 6 559 196	-77%
General Expenses - Other	10 845 526	1 330 772	9 514 754	88%	5 422 763	4 091 991	75%
General Expenses: Grants & Subs - Operat	-	132 381	- 132 381	-100%	-	- 132 381	-100%
Repairs & Maintenance - Municipal Assets	20 000	-	20 000	100%	10 000	10 000	100%
<b>Total expenditure</b>	<b>27 818 095</b>	<b>16 498 633</b>	<b>11 319 462</b>	<b>41%</b>	<b>13 909 048</b>	<b>- 2 589 586</b>	<b>-19%</b>
<b>Net Surplus/(Deficit)</b>	<b>42 285 129</b>	<b>2 284 596</b>	<b>40 000 533</b>	<b>95%</b>	<b>21 142 565</b>	<b>18 857 969</b>	<b>89%</b>

The budgeted expenditure has been exceeded on employee related costs.

**6.6. Community Services**

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	DIFFERENCE	DIFF %	BUDGET	DIFFERENCE	DIFF %
<b>AREA: 16 - Community Services</b>							
<b>Revenue</b>							
Service Charges	68 512 052	61 349 311	7 162 741	10%	68 512 052	7 162 741	10%
Rent of Facilities and Equipment	2 093 678	1 188 724	904 954	43%	902 484	- 286 240	-32%
Grants & Subsidies Received - Operating	7 453 350	4 428 961	3 024 389	41%	3 726 672	- 702 289	-19%
Other Revenue	21 200	-	21 200	100%	10 602	10 602	100%
<b>Total revenue</b>	<b>78 080 280</b>	<b>66 966 996</b>	<b>11 113 284</b>	<b>14%</b>	<b>73 151 810</b>	<b>6 184 814</b>	<b>8%</b>
<b>Expenditure</b>							
Employee Related Costs	94 773 923	46 874 064	47 899 859	51%	47 386 974	512 910	1%
General Expenses - Contracted Services	300 000	110 000	190 000	63%	150 000	40 000	27%
General Expenses - Other	20 806 868	9 490 902	11 315 966	54%	10 403 418	912 516	9%
General Expenses: Grants & Subs - Operat	5 703 350	2 503 733	3 199 617	56%	2 851 674	347 941	12%
Repairs & Maintenance - Municipal Assets	270 000	46 287	223 713	83%	135 000	88 713	66%
Depreciation - Property, Plant & Equip	19 262 760	18 329 888	932 872	5%	9 631 380	- 8 698 508	-90%
<b>Total expenditure</b>	<b>141 116 901</b>	<b>77 354 874</b>	<b>63 762 027</b>	<b>45%</b>	<b>70 558 446</b>	<b>- 6 796 428</b>	<b>-10%</b>
<b>Net Surplus/(Deficit)</b>	<b>- 63 036 621</b>	<b>- 10 387 878</b>	<b>- 52 648 743</b>	<b>84%</b>	<b>2 593 364</b>	<b>12 981 242</b>	<b>501%</b>

The budgeted expenditure has been exceeded on depreciation.



SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

**6.7. Public Safety**

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	DIFFERENCE	DIFF %	BUDGET	DIFFERENCE	DIFF %
<b>AREA: 17 - Public Safety</b>							
<b>Revenue</b>							
Service Charges	12 914 392	7 970 208	4 944 184	38%	6 457 200	- 1 513 008	-23%
Fines	42 000 000	1 486 482	40 513 518	96%	21 000 000	19 513 518	93%
Licenses and Permits	18 158 416	6 446 928	11 711 488	64%	9 079 206	2 632 278	29%
Grants & Subsidies Received - Operating	652 000	-	652 000	100%	325 998	325 998	100%
Other Revenue	307 750	131 298	176 452	57%	153 876	22 578	15%
<b>Total revenue</b>	<b>74 032 558</b>	<b>16 034 916</b>	<b>57 997 642</b>	<b>78%</b>	<b>37 016 280</b>	<b>20 981 364</b>	<b>57%</b>
<b>Expenditure</b>							
Employee Related Costs	139 855 878	74 217 717	65 638 161	0,4693	69 927 996	- 4 289 721	-6%
General Expenses - Contracted Services	6 000 000	7 561 805	- 1 561 805	-0,26	3 000 000	- 4 561 805	-152%
General Expenses - Other	7 055 871	3 566 952	3 488 919	0,4945	3 527 946	- 39 006	-1%
General Expenses: Grants & Subs - Operat	652 000	215 424	436 576	0,6696	325 998	110 574	34%
Repairs & Maintenance - Municipal Assets	680 000	81 141	598 859	0,8807	339 996	258 855	76%
<b>Total expenditure</b>	<b>154 243 749</b>	<b>85 643 039</b>	<b>68 600 710</b>	<b>0,4448</b>	<b>77 121 936</b>	<b>- 8 521 103</b>	<b>-11%</b>
<b>Net Surplus/(Deficit)</b>	<b>- 80 211 191</b>	<b>- 69 608 123</b>	<b>- 10 603 068</b>	<b>0,1322</b>	<b>- 40 105 656</b>	<b>29 502 467</b>	<b>-74%</b>

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

**6.8. Infrastructure**

DESCRIPTION	ANNUAL				YTD		
	BUDGET	AMOUNT	DIFFERENCE	DIFF %	BUDGET	DIFFERENCE	DIFF %
<b>AREA: 18 - Infrastructure</b>							
<b>Revenue</b>							
Service Charges	648 297 247	283 855 920	364 441 327	56%	324 148 626	40 292 706	12%
Grants & Subsidies Received - Operating	11 983 780	7 491 412	4 492 368	37%	5 991 888	- 1 499 524	-25%
Grants & Subsidies Received - Capital	167 118 900	77 794 751	89 324 149	53%	83 559 450	5 764 699	7%
Other Revenue	27 384 946	2 007 974	25 376 972	93%	13 692 474	11 684 500	85%
<b>Total revenue</b>	<b>854 784 873</b>	<b>371 150 057</b>	<b>483 634 816</b>	<b>57%</b>	<b>427 392 438</b>	<b>56 242 381</b>	<b>13%</b>
<b>Expenditure</b>							
Employee Related Costs	105 150 722	49 819 359	55 331 363	53%	52 575 354	2 755 995	5%
General Expenses - Bulk Purchases	479 989 276	269 523 322	210 465 954	44%	239 994 636	- 29 528 686	-12%
General Expenses - Other	29 298 081	5 579 983	23 718 098	81%	14 649 036	9 069 053	62%
General Expenses: Grants & Subs - Operat	7 165 650	5 332 779	1 832 871	26%	3 582 828	- 1 749 951	-49%
Repairs & Maintenance - Municipal Assets	76 915 877	42 212 079	34 703 798	45%	38 457 936	- 3 754 143	-10%
Depreciation - Property, Plant & Equip	105 413 206	81 549 757	23 863 449	23%	52 706 604	- 28 843 153	-55%
<b>Total expenditure</b>	<b>803 932 812</b>	<b>454 017 279</b>	<b>349 915 533</b>	<b>44%</b>	<b>401 966 394</b>	<b>- 52 050 885</b>	<b>-13%</b>
<b>Net Surplus/(Deficit)</b>	<b>50 852 061</b>	<b>- 82 867 222</b>	<b>133 719 283</b>	<b>2,6296</b>	<b>25 426 044</b>	<b>108 293 266</b>	<b>426%</b>

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

**PART TWO: FINANCIAL POSITION**

**7. DEBTORS AGE ANALYSIS**

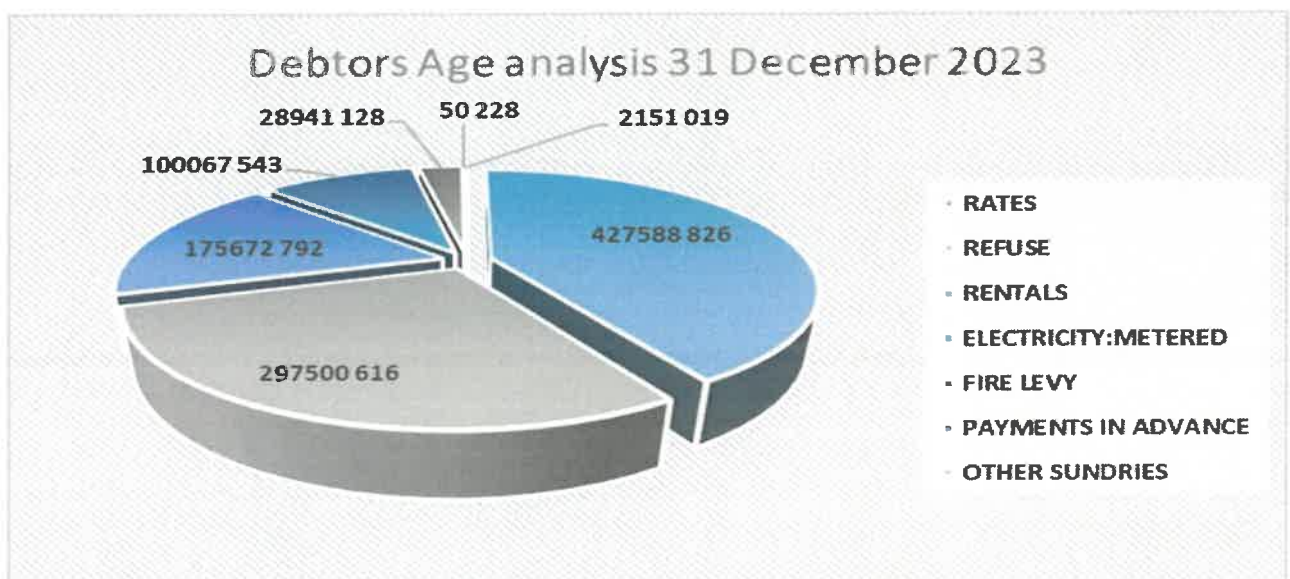
**Debtors age analysis for first quarter of 2023/24**

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
	<b>174 084 115</b>	<b>60 604 097</b>	<b>17 103 865</b>	<b>19 807 476</b>	<b>553 252 682</b>	<b>254 702 031</b>	<b>1 079 554 266</b>

**Debtors age analysis for second quarter of 2023/24**

**Debtors balance as at the end of the month December 2023 amounted to one billion thirty-one million, nine hundred and seventy-two thousand (R1 031 972 000).**

Balance Type	CURRENT	30 Days	60 Days	90 Days	120 + Days	PENALTIES	TOTAL
RATES	11 683 746	6 269 295	5 408 322	58 711 734	236 171 486	109 344 243	427 588 826
REFUSE	4 283 963	3 217 690	5 779 087	23 545 212	178 343 300	82 331 363	297 500 616
RENTALS	1 789 063	1 451 258	1 837 592	1 611 093	102 829 716	66 154 070	175 672 792
ELECTRICITY:METERED	33 810 016	15 713 426	9 247 215	8 090 226	25 288 267	7 918 393	100 067 543
FIRE LEVY	498 268	372 133	375 940	3 556 675	21 971 281	2 166 832	28 941 128
PAYMENTS IN ADVANCE	-	-	-	4	50 223	-	50 228
OTHER SUNDRIES	-	-	-	-	2 151 019	-	2 151 019
	<b>52 065 055</b>	<b>27 023 804</b>	<b>22 648 155</b>	<b>95 514 945</b>	<b>566 805 292</b>	<b>267 914 902</b>	<b>1 031 972 152</b>



SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

7.1. COUNCILLORS OWING

Councilors Rates Debt as at 31 December 2023										
Account Number	Account Name (& Address)	Current	30 Days	60 Days	90 Days	120 Days +	Amount owing	stop order	Payment	Comments
41390	MRS NOMVUYISO MATUBATUBA	-12245	0	0	0	0	-12245	0	1000	Cr balance
59920	KHUTALA/ MAWANDE NOKWALI	-165	0	0	0	0	-165	800	0	Cr balance
63838	CYNTHIA N MAKUBALO	769	249	0	0	0	1018	0	0	No paymnet-notice
88296	NOMBULELO SIBEKO	1533	937	945	944	641	5000	1300	0	Cr balance
129486	NOMBULELO SIBEKO	-655	0	0	0	0	-655	700	0	Cr balance
198007	TEMBELANI / Y N KEKEZWA	-5725	0	0	0	0	-5725	1311	0	Cr balance
202360	NYANISO &TANDIWE NELANI	-12963	0	0	0	0	-12963	1500	0	Cr balance
270701	MR RAYMOND KNOCK	-95	0	0	0	0	-95	1200	0	Cr balance
275145	RAPIYA SHADRACK	-36491	0	0	0	0	-36491	5000	750	Cr balance
276777	MBUTYE MZOLO GOODMAN	-7844	0	0	0	0	-7844	800	0	Cr balance
		-73881	1186	945	944	641	-70165	12611	1750	

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 Councilors Overpayment Debt as at 31 December 2023			
Account Number	Account Name	Total	comments
381478	LUMKWANA A N	20 329,37	served with summons by the Sheriff of the court
381484	MDA N	19 059,01	served with summons by the Sheriff of the court
381497	PIERCE B	23 820,40	served with summons by the Sheriff of the court
381498	SANGOVANA E	35 730,60	served with summons by the Sheriff of the court
381502	STOYILE M	23 073,19	served with summons by the Sheriff of the court
381503	TSHOTA L M	20 329,37	served with summons by the Sheriff of the court
		142 341,94	

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

7.2.2. 2021 FINANCIAL YEAR COUNCILLORS' OVERPAYMENT

No	Account Name	Account Number	January Payments	October	November	December	Amount Owed as at 31 December 2023	Credit control actions
1	MRS UNIATHI MALGHAS	7562452			897,92		R 19 756,92	Signed arrangement for R1500
2	MR ANDILE NDZENZE	7562453					R -	sheriff unable to find address
3	MR MONWABISI MALOTANA	7562454					R 0,00	Fully paid
4	MR ZIPATHE KUTU	7562455					R 0,00	Fully paid
5	MR MASIZAKHE QOTYANA	7562456					R 16 723,07	Preparations of documents for default Judgement
6	MR TOYI BHOVA	7562457					R 9 967,66	Final demand
7	MS ZISANDA MTSOTSO	7562458					R 6 248,92	Cannot proceed with summons without address
8	MS THANDI MCIMBI	7562459					R 20 207,88	Preparations of documents for default Judgement
9	MR LIHLE ZUMA	7562460					R 15 159,21	Preparations of documents for default Judgement
10	MPENDULENI MANZOLWANDLE	7562461					R 20 201,74	Preparations of documents for default Judgement
11	MS ABONGILE BABILE	7562462					R 20 396,07	Final demand
12	MR BOOI MALGHAS	7562463					R 0,00	Property Rates account with credit bal used to settle overpayment account
13	MR NKOSINATHI DIBLOKWE	7562464					R 19 600,97	Awaiting sheriffs return of service
14	MR THULANI MNGOMA	7562466					R 18 145,70	Return of Non service of summons
15	MS NOMSHATO NOWAZI	7562467					R 18 572,50	Preparations of documents for default Judgement
16	MS NOZUKO MKONTIWANA	7562468					R 19 756,92	Preparations of documents for default Judgement
17	MR ZWELETHU NTLIZIYOMBI	7562470					R 19 103,94	Preparations of documents for default Judgement
18	MR BONGANI BIKANI	7562471					R 19 022,92	Preparations of documents for default Judgement
19	MR XOLANI MBONGWANA	7562472					R 18 110,70	sheriff unable to find address
20	MR OSO KHOTSO	7562473					R 17 769,64	Awaiting sheriffs return of service
21	MR MPHWE MRWEBI	7562474					R 18 101,07	Preparations of documents for default Judgement
22	MS NANDIPHA NGALO	7562475					R 1 496,00	Withdrawn from legal due to low balance
23	MR SABELO JADISO	7562476					R 24 740,14	Preparations of documents for default Judgement
24	MR LULAMA TSHISEKA	7562477					R 18 620,44	Physical address obtained for further legal action
25	MS NOTATYAMBO GCINGCA	7562478	R 10 000,00				R -	Fully paid
26	MS NONKOLISO NGOQINGWA	7562479					R 1	Fully paid
27	MR ZANEMVULA GUSANA	7562480					R 19 756,92	Return of Non service of summons
28	MR LIVINGSTONE MKHONTO	7562481		1 000,00	1 000,00		R 6 293,76	Salary deduction
29	MR MZUKISI NYOKA	7562482					R 36 241,29	Awaiting sheriffs return of service
30	MS NOMPUMELELO NYANGANI	7562483					R 19 858,38	Preparations of documents for default Judgement
31	MS NOLITA PALI	7562484					R 16 548,00	Preparations of documents for default Judgement
32	MR BONISILE BARA	7562485					R 19 985,19	Preparations of documents for default Judgement
33	MS NOMPUMELELO GCININDAWO	7562486					R 19 084,20	Preparations of documents for default Judgement
34	MR MTELELE MKHOTELI	7562487					R 17 293,92	Preparations of documents for default Judgement
35	MR TSHEPO MACHAEA	7562488					R 35 089,55	Received notice of filing and defendants plea
36	MR MMELI MENZELWA	7562489		2 000,00	2 000,00		R 7 656,92	Signed R2000 Stop order
37	MR DUMANI ZOZO	7562490					R 7 926,01	Received issued summons
38	COUNCILLOR FUKULA	7512499					R 18 145,70	Blocked ,turned out the address found is for Zion Church and not for Mr Fukula
39	COUNCILLOR MTWA	7512500					R 13 084,83	Deceased
40	COUNCILLOR YOKO	7512501					R 16 606,74	Blocked.
41	COUNCILLOR MAPEKULA		44 881,46				R -	- These Councilllors paid immidiately
42	COUNCILLOR MAQOKO		41 942,98				R -	- These Councilllors paid immidiately
43	COUNCILLOR LIWANI		20 004,34				R -	- These Councilllors paid immidiately
44	COUNCILLOR MTRIRARA		40 676,49				R -	- These Councilllors paid immidiately
45	COUNCILLOR NTLONZE		44 233,63				R -	- These Councilllors paid immidiately
46	COUNCILLOR SOBAHLE	7563465					R -	- These Councilllors paid immidiately
47	COUNCILLOR LUSU	7562469					R -	- These Councilllors paid immidiately
			R 201 738,90	R 3 000,00	R 3 897,92	R 3 000,00	R 595 273,23	
							R 577 884,95	
							R 595 273,23	

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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.

Staff Debt as at 31 December 2023												
Account Number	Account Name (& Address)	Current	30 Days	60 Days	90 Days	120 Days +	Amount owing	Stop order	Payment	Payment date	Comment	
280813	LUFELE MZUVUKILE	741,86	719,77	715,44	711,11	38 278,46	41 166,64				Blocked	
155168	SOKANYILE MALIZOLE J & N	806,21	798,31	790,51	782,72	4 771,45	7 949,20				Blocked	
107763	MR & MRS TABO T & NOLUTHANDO MANAMATHELA	1 049,32	1 036,89	1 026,75	1 016,63	6 211,56	10 341,15				Blocked	
280684	NONYAMEKO P SIFUMBA	10,21	-	-	-	-	10,21	400,00		31/12/2023	Current	
278454	NTOKOZO CYNTHIA ZWANE	247,29	-	-	-	-	247,29				Current	
281148	MALINDI NONTANDO	256,51	-	-	-	-	256,51				Current	
276245	ADONIS AMANDA PATIENCE	327,29	40,88	-	-	-	368,17				Current	
278660	NONTANDABUZO HENGE	352,04	70,68	-	-	-	422,72		1 000,00	08/12/2023	Current	
277120	BOYCE LITHA YONGAMA	377,64	-	-	-	-	377,64		417,00	18/12/2023	Current	
280093	NOMBUISELO PW METH	599,91	-	-	-	-	599,91		601,00	19/12/2023	Current	
97414	SIYABULELA MFOBO	796,23	-	-	-	-	796,23	1 500,00		31/12/2023	Current	
52756	VUYOLWENKOSI G MARARENI	864,15	-	-	-	-	864,15		800,00	21/12/2023	Current	
278282	ZOLA/GLORIA NELISWA SALIWA	1 112,84	-	-	-	-	1 112,84				Current	
195069	ANDILE L & CHRISTELLE L NDABA	1 148,07	-	-	-	-	1 148,07		1 150,00	18/12/2023	Current	
282243	FUNDELWA FLORA MQALI	416,48	353,13	352,67	352,21	277,10	1 751,59				No payment-notice emailed-blocked.	
216483	NDZO R	1 497,66	1 323,93	-	-	-	2 821,59				No payment-to issue notice	
281370	MAVIS THOZAMA / B CANGA	368,67	364,87	363,71	254,92	-	1 352,17				No payment-staff to pay this month	
279130	LUTANGO NOLUVO	481,08	468,70	470,19	471,68	11 668,79	13 560,44				No payment-to issue notice	

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

125034	MKWALI LIZIWE AGRINETTE	775,98	674,31	-	-	-	1 450,29				No payment-to issue notice	
258181	NDUBE N R	527,69	521,09	515,78	510,47	1 000,15	3 075,18				No payment-to issue notice	
280969	MADYIBI LWAZI	806,94	785,18	781,31	777,42	43 905,90	47 056,75				Notice issued and emailed-blocked	
278592	NOSINOR MACUBENI	381,38	384,89	381,15	390,84	1 707,21	3 245,47	1 000,00	18/12/2023		Paid	
282114	SOMAXAMA FEZILE LENNOX	405,44	301,48	-	-	-	706,92	500,00	18/12/2023		Paid	
180865	FELIX A VUSI /ZINTLE MBAMBANI	1 262,89	1 268,69	1 255,63	588,74	-	4 375,95	2 000,00	20/12/23		Paid	
7522897	LUWACA N K	1 643,01	759,71	-	-	-	2 402,72	1 520,00	25/12/2023		Paid	
86178	MBUYISELI /ALVEN /S MANDLA	1 890,47	1 890,87	1 892,29	1 913,88	3 955,07	11 542,58	2 500,00	18/12/2023		Paid	
282005	TIYA NOLUNDI	419,52	414,04	410,31	406,57	5 580,75	7 231,19				Site	
280015	NOLLUTHANDO KATE TAFENI	368,43	354,00	353,54	143,80	171,20	1 390,97	200,00	31/12/2023		Stop order	
7561677	NGCEZU B	431,31	431,53	431,31	431,31	56 677,26	58 402,72	578,00	31/12/2023		Stop order	
275613	MANGE WELEKAZI PATRICIA	435,45	84,73	43,21	-	-	563,39	350,00	31/12/2023		Stop order	
280444	SONGCA NOZIBELE	491,56	354,00	355,72	355,26	596,60	2 153,14	500,00	31/12/2023		Stop order	
81068	NCEKO N P	587,88	427,47	353,20	180,15	-	1 548,70	180,00	31/12/2023		Stop order	
273792	MIR VUYANI VICTOR ZIBAYA	591,90	591,90	351,29	351,29	23 137,19	25 023,57	250,00	31/12/2023		Stop order	
277553	AROSI SITHEMBISO	608,48	382,28	169,81	73,29	2 995,28	4 229,14	1 000,00	31/12/2023		Stop order	
40245	MOMOZA TT &NW	680,26	353,56	353,10	161,07	128,87	1 676,86	485,00	31/12/2023		Stop order	
275575	VAKELE LIZWI	709,35	641,96	638,24	982,20	32 294,28	35 266,03	1 900,00	31/12/2023		Stop order	
37795	MR&MRS THANDUXOLO H& THULIS NTONDINI	689,77	682,55	644,71	354,82	899,87	3 271,72		31/12/2023		No payment-issue notice	
		<b>25 161,17</b>	<b>16 481,40</b>	<b>12 649,87</b>	<b>11 210,38</b>	<b>234 256,99</b>	<b>299 759,81</b>	<b>7 343,00</b>	<b>11 488,00</b>			

## SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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 - DECEMBER 2023						
ACCOUNT NO.	NAME	ADDRESS	OFFER TO PURCHASE	AMOUNT PAID	VOTE:133208612755	BALANCE
7561752	E.B. BUSS (Deceased)	16 DELVILLE ROAD	125000,00	- 86 334,87		38 665,13
7526531	D.T. DYANTYI (Deceased)	21 HEMMING STREET	150000,00	- 125 709,33		24 290,67
				- 212 044,20	0,00	62 955,80

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

### 7.5. UNCOLLECTABLE RATES DEBT

RATES ACCOUNTS											
Account Number	Account Name (& Address)	Current	30 Days	60 Days	90 Days	120 Days +	Amount owing	December Comments			
6000349	X SITETO	547,09	528,04	525,64	523,24	38109,05	40233,06	Cannot block nor disconnect Mqanduli			
6000225	V TOMSANA	565,11	547,33	544,93	542,52	31762,88	33962,77	Cannot block nor disconnect Mqanduli			
6000318	M NDAYI	568,01	548,95	546,56	544,15	39927,94	42135,61	Cannot block nor disconnect Mqanduli			
6000555	S BOZO	568,99	549,72	547,33	544,92	40144,85	42355,81	Cannot block nor disconnect Mqanduli			
6000540	K NGONYAMA	715,17	688,52	686,12	683,72	65562,08	68335,61	Cannot block nor disconnect Mqanduli			
276902	SOKANYILE MALIZOLE&KOLEKA	1250,82	1179,32	1178,33	1177,52	135730,93	140516,92	House demolished.			
7504086	MGIDLANA E T	2170,75	2115,15	2101,65	2088,16	143983,85	152459,56	Issued disconnection order- Technicians cannot disconnect Ngangelizwe.			
280969	MADYIBI LWAZI	799,19	777,42	710,47	6577,96	36617,47	45482,51	To be blocked.			
280813	LUFELE MZUVUKILE	733,20	711,11	702,10	1133,61	36442,75	39722,77	Issued disconnection order- Technicians cannot disconnect Zimbabwe.			
254210	MANELI N A	1133,65	1091,96	1069,22	2756,62	95606,63	101658,08	No Address.			
273792	MR VUYANI VICTOR ZIBAYA	591,90	591,90	351,29	351,43	22453,25	24339,77	Issued disconnection order-cannot disconnect Ngangelizwe.			
276511	BAYI VATISWA	564,71	541,11	840,48	833,43	25214,90	27994,63	No Payment-blocked and disconnected long time.			
	TOTAL	10208,59	9870,53	9804,12	17757,28	711556,58	759197,10				

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

7.6. GOVERNMENT GRANTS AND SUBSIDIES

CUMMULATIVE GRANT REGISTER 2023/24 FINANCIAL YEAR

Summary Grant register	GRANT	TYPE	OPENING BAL	Received To date		Interest Rec	Rejected Roll over	OutFlows			Total
				Receipts	Sub Total			Expenditure	VAT	Total Expenditure	
	FINANCE MANAGEMENT GRANT INVESTMENT	OPERATING	0,00	2 850 000,00	-	-	-	1 287 477,88	111 158,01	1 398 635,89	1 451 364,11
	MQANDULI MIDDLE INCOME HOUSING	OPERATING	333 651,71	-	-	-	-	-	-	-	333 651,71
	MUNICIPAL INFRASTRUCTURE GRANT	CAPITAL	0,00	84 870 000,00	-	-	-	51 415 434,56	7 414 271,27	58 829 705,83	26 040 294,17
	UMTATA CONSOLIDATED METRO-MTAB	CAPITAL	514 265,11	-	-	-	-	-	-	-	514 265,11
	SMALL TOWN REVITALISATION	CAPITAL	(3 945 728,66)	15 948 797,02	-	-	-	14 883 126,39	2 672 495,10	17 555 621,49	(5 552 553,13)
	EPWP	OPERATING	-	1 059 000,00	-	-	-	4 125 611,44	-	4 125 611,44	(3 066 611,44)
	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	-	-	-	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
	KSD ELECTIONS ROAD MAINTENANCE	OPERATING	109 543,34	-	-	-	-	-	-	-	109 543,34
	MAHLUNGULU	CAPITAL	1 194 009,82	-	-	-	-	-	-	-	1 194 009,82
	NEW PAYNE 200	CAPITAL	989 148,16	-	-	-	-	1 516 615,45	-	1 516 615,45	(527 467,29)
	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	-	-	-	-	789 934,95	-	789 934,95	282 572,91
	MAYDENE FARM EXTENSIONS	CAPITAL	15 657 559,18	-	-	-	-	12 839 671,25	-	12 839 671,25	2 817 887,93
	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	111 149,10	-	-	-	130 168,40	-	130 168,40	51 900,62
	INFRASTRUCTURE SKILLS DEVELOPMENT	OPERATING	61 046,22	3 000 000,00	-	-	-	2 885 552,75	96 798,26	2 982 351,01	78 695,22
	Disaster Recovery	CAPITAL	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
	NTOZONKE MARKET	CAPITAL	(1 713 350,66)	8 666 468,87	-	-	-	6 071 603,62	910 740,53	6 982 344,15	(29 225,94)
	<b>TOTALS:</b>		<b>30 074 552,09</b>	<b>117 505 414,99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100 129 411,09</b>	<b>11 833 095,34</b>	<b>111 962 506,43</b>	<b>35 617 460,65</b>



SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

7.7. DEDICATED ACCOUNTS / GRANT INVESTMENTS

CONDITIONAL GRANT MOVEMENTS		01/07/2023-31/12/2023							
PROJECT NAME	INSTITUTE	ACCOUNT NO	OPENING BALANCE	TRANSFERS IN	INTEREST	SUB TOTAL	WITHDRAWALS	BANK CHARGES	BANK BALANCE
FINANCE MANAGEMENT GRANT INVESTMENT	FNB BANK	62480370031	10 000,00	4 950 000,00	41 962,13	5 001 962,13	3 540 600,00		1 461 362,13
MQANDULI MIDDLE INCOME HOUSING	ABSA BANK	9095799392	63 402,27	-	2 241,59	65 643,86	-		65 643,86
MUNICIPAL INFRASTRUCTURE GRANT	FNB BANK	62480368838	5 737,55	246 764 940,12	483 919,81	247 254 597,48	229 715 377,67		17 539 219,81
UMTATA CONSOLIDATED METRO-MTAB	ABSA BANK	9061932550	52 200,51	-	1 845,57	54 046,08	-		54 046,08
ORGANOGRAM DEVELOPMENT	ABSA BANK	9260110397	9 938,13	-	264,47	10 202,60	-		10 202,60
DOE ELECTRIFICATION PROJECT	FNB BANK	62480366345	596 435,48	-	15 598,09	612 033,57	325 427,91		286 605,66
RURAL PLANNING & SURVEY	ABSA BANK	9260110101	162 790,98	-	5 839,52	168 630,50	-		168 630,50
KSD ELECTIONS ROAD MAINTENANCE	ABSA BANK	9260118662	140 493,96	-	5 039,70	145 533,66	-		145 533,66
LIBRARY GRANT	FNB BANK	62480372863	11 131,63	-	437,15	11 568,78	-		11 568,78
INFRASTRUCTURE SKILLS DEVELOPMENT	FNB BANK	62486520151	1 011 042,46	3 000 000,00	46 898,46	4 057 940,92	3 825 978,53		231 962,39
DOT TAXI RANK	FNB BANK	6250444639	18 178,93	178 986,00	930,00	198 094,93	178 986,00		19 108,93
KEI RAIL HOUSING	FNB BANK	62523942408	19 232 879,37	7 200 000,00	313 096,15	26 745 975,52	26 088 677,23		657 298,29
NEW BRIGHTON HOUSING	FNB BANK	62523941070	86 135,23	-	3 420,42	89 555,65	-		89 555,65
DEMAN SIDE MONEY ON CALL	FNB BANK	62857329364	4 199 274,08	1 000 000,00	71 117,79	5 270 391,87	3 576 456,22		1 693 935,65
COVID -19 RELIEF FUND	FNB BANK	62856124161	5 369 888,83	600 000,00	91 003,78	6 060 892,61	5 516 881,72		544 010,89
KWANTOZONKE MARKET			0,00	8 666 468,88	85 729,01	8 752 197,89	5 622 990,52		3 129 207,36
			30 969 529,41	272 360 395,00	1 169 343,64	304 499 268,05	278 391 375,80	0,00	26 107 892,25
									26 107 892,14

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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.

Cumulative Summaries at 31 December 2023							
Account Name	Opening balance	Transfers In	Interest	SubTotal	Withdrawals	Bank Charges	Balance
INVESTEC BANK	315 694,87	-	13 112,05	328 806,92	-	-	328 806,92
INDWE RISK SERVICES	4 041 788,50	-	128 514,40	4 170 302,90	-	77 084,05	4 093 218,85
ABSA targetLIQUIDITY PLUS	243 707,62	-	9 556,28	253 263,90	-	300,00	252 963,90
UNCLAIMED GROUP LIFE ASSUARANCE	1 796,75	-	44,72	1 841,47	-	300,00	1 541,47
ASSET FINANCE RESERVES	165 972,79	10 000 000,00	57 549,68	10 223 522,47	-	-	10 223 522,47
	<b>4 768 960,53</b>	<b>10 000 000,00</b>	<b>208 777,13</b>	<b>14 977 737,66</b>	<b>-</b>	<b>77 684,05</b>	<b>14 900 053,61</b>

**7.9. LONG AND SHORT -TERM BORROWINGS AS AT 31 DECEMBER 2023**

	Balance 1 October 2023	Capital	Accrued Interest	Capitalised Interest	Total	Balance at 31 October 2023
DBSA 10378771/1 61001048	6 405 427,41					6 405 427,41
WEST BANK	3 095 336,36	863 876,89		26 902,64	890 779,53	2 204 556,83
<b>TOTAL LIABILITIES AT 31 October 2023</b>	<b>9 500 763,77</b>	<b>863 876,89</b>	<b>-</b>	<b>26 902,64</b>	<b>890 779,53</b>	<b>8 609 984,24</b>

	Balance 1 November 2023	Capital	Accrued Interest	Capitalised Interest	Total	Balance at 30 November 2023
DBSA 10378771/1 61001048	6 405 427,41					6 405 427,41
WEST BANK	2 204 556,83	880 863,90		22 285,29	903 149,19	1 301 407,64
<b>TOTAL LIABILITIES AT 30 November 2023</b>	<b>8 609 984,24</b>	<b>880 863,90</b>	<b>-</b>	<b>22 285,29</b>	<b>903 149,19</b>	<b>7 706 835,05</b>

	Balance 1 December 2023	Capital	Accrued Interest	Capitalised Interest	Total	Balance at 31 December 2023
DBSA 10378771/1 61001048	6 405 427,41	1 067 571,23		217 960,02	1 285 531,25	5 337 856,18
WEST BANK	1 301 407,64	370 496,55		11 309,90	381 806,45	919 601,19
<b>TOTAL LIABILITIES AT 31 December 2023</b>	<b>7 706 835,05</b>	<b>1 438 067,78</b>	<b>-</b>	<b>229 269,92</b>	<b>1 667 337,70</b>	<b>6 257 457,37</b>

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

7.10. CASH AND BANK MOVEMENTS FOR THE PERIOD

	Absa Operating ACC	FNB Main	Absa Electricity	FNB Electricity	DOT Payoutover	Corporate Cheque Acc
	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec
Bank Balance 1 October 2023	4048218780	62471836513	4061496604	62090323636	62709676582	62810696487
	7 214 264,79	8 957 992,81	6 827 783,56	24 841 228,34	741 958,05	1 434,87
<b>TOTAL</b>						<b>48 581 792,68</b>

INFLOWS

Service and Sundry Debtors	11 753 059,13	187 741 171,43	56 599 571,40	108 737 150,13	5 735 375,56	202 174,16	370 768 501,81
Investments		67 500 832,52					67 500 832,52
Equitableshare		143 775 000,00					143 775 000,00
Operating grant		23 346 000,00					23 346 000,00
Interbank transfer		206 567 249,74				2 000,00	206 569 249,74
<b>Total Inflows</b>	<b>11 753 059</b>	<b>628 930 254</b>	<b>56 599 571</b>	<b>108 737 150</b>	<b>5 735 376</b>	<b>204 174</b>	<b>811 959 584,07</b>

OUTFLOWS

Employee costs	18 000 000,00	160 684 597,18					160 684 597,18
Interbank transfers		2 000,00	59 600 000,00	115 520 000,00	5 667 249,74		198 789 249,74
Investments		78 316 845,27					78 316 845,27
Reserves	25 914,48	10 000 000,00					10 000 000,00
Sundry Payments		3 228 254,47	1 689,99	1 723,07	27 534,70	10 427,82	3 295 544,53
Trade Creditors		383 174 456,52					383 174 456,52
<b>Total Outflows</b>	<b>18 025 914,48</b>	<b>635 406 153,44</b>	<b>59 601 689,99</b>	<b>115 521 723,07</b>	<b>5 694 784,44</b>	<b>10 427,82</b>	<b>834 260 693,24</b>

<b>Net Inflows/(Outflows)</b>	(6 272 855)	(6 475 900)	(3 002 119)	(6 784 573)	40 591	193 746	(22 301 109)
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Opening Balance 01 October

Opening Balance 01 October	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
-	6 272 855,35	6 475 899,75	3 002 118,59	6 784 572,94	40 591,12	193 746,34	22 301 109,17
<b>Closing Balance at 31 December 2023</b>	<b>941 409,44</b>	<b>2 482 093,06</b>	<b>3 825 664,97</b>	<b>18 056 655,40</b>	<b>782 549,17</b>	<b>192 311,47</b>	<b>26 280 683,51</b>

The balance of R26 million as at end December cannot cover creditors amounting to R156 million. There is a need to prioritise spending to manage cash flow crisis of the municipality. Of the total balance ESKOM is owed R131 million representing 84% of total creditors.

## SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

### 7.11. CREDITORS AGE ANALYSIS

The creditor's balance is R156 million (1st Quarter: R239 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. 95% of long outstanding debts over 30 days balance relates to Eskom with an amount of R64 782 955 and 5% of other creditors with an amount of R3 736 172. The municipality has a payment arrangement with Eskom and other creditors its due to cash flow challenges.

NAME	BALANCE	CURRENT	30 DAYS	60 DAYS	90 DAYS	120+ DAYS
ADAPT IT	199 726,93	199 726,93	-	-	-	-
ALLENIO TRAVEL	2 197,00	2 197,00	-	-	-	-
AUDITOR GENERAL	767 847,87	767 847,87	-	-	-	-
AUTO AERO MOTOR AND GEN	73 870,00	-	73 870,00	-	-	-
AZANIA PLACEMENT SPECIA	24 755,00	-	-	-	-	24 755,00
BAYAZENZELA CATERERS	23 250,00	23 250,00	-	-	-	-
BIG BLUE MARKETING T/A	317 952,46	-	-	-	-	317 952,46
BLUETECH CO.PTY (LTD)	161 000,00	-	-	-	-	161 000,00
BREAK EVEN 1388 CC	23 250,00	23 250,00	-	-	-	-
CANCELE POWER PRODUCTS	630 042,00	630 042,00	-	-	-	-
CHIC-CHAC BUSINESS ENTE	204 582,70	-	-	-	204 582,70	-
CONTOUR TECHNOLOGY	504 565,46	-	504 565,46	-	-	-
DENJAVU SERVICES	339 381,56	-	-	339 381,56	-	-
DEPARTMENT OF PUBLIC WO	60 771,51	-	60 771,51	-	-	-
DRIVING LICENCE CARD AC	78 394,85	79 080,70	-	-	-	-
EASTERN CAPE DEVELOPMEN	356 153,72	-	-	74 720,90	70 803,21	210 629,61
ESKOM	131 036 974,75	32 284 663,12	33 999 303,02	43 540 308,42	-	21 212 700,19
ESKOM 6120	22 784,41	-	-	-	-	22 784,41
ESKOM 7572	7 161,53	-	-	3 580,26	-	3 581,27
ESRI SOUTH AFRICA	31 050,00	-	-	31 050,00	-	-
EZOLUTSHA TRADING (PTY)	55 000,00	-	55 000,00	-	-	-
FORT HARE SOLUTIONS	70 330,00	-	-	-	-	70 330,00
GOVERNMENT PRINTING WOR	56 491,68	-	-	56 491,68	-	-

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

NAME	BALANCE	CURRENT	30 DAYS	60 DAYS	90 DAYS	120+ DAYS
HARVEY WORLD TRAVEL EAS	1 834,30	1 834,30	-	-	-	-
HLUBI ENGINEERING TRADI	102 105,91	102 105,91	-	-	-	-
JOJOCON PROJECTS (PTY)	188 162,20	-	188 162,20	-	-	-
JOLWANA MGIDLANA INCORP	48 405,73	-	-	-	-	48 405,73
KWAEDZA ELECTRICAL CONT	272 226,82	-	-	-	-	272 226,82
KWAZIKWAKHE TRADING ENT	87 975,00	-	87 975,00	-	-	-
MAGNITUDE MM	69 350,00	-	69 350,00	-	-	-
MALISWANA TRADING ENTER	66 125,00	-	66 125,00	-	-	-
MANDLANKOSI OPERATION (	112 000,00	112 000,00	-	-	-	-
MAZOCORP (PTY) LTD	350 000,00	-	350 000,00	-	-	-
MEDIA MAESTRO	31 996,00	-	31 996,00	-	-	-
MILWA CONSTRUCTION	854 512,47	854 512,47	-	-	-	-
MNQUMENI TRADING ENTERP	349 400,00	349 400,00	-	-	-	-
MOSERY AND ASSOCIATES	148 804,60	-	148 804,60	-	-	-
N2 ASSIST TOWING AND RE	41 781,00	-	-	41 781,00	-	-
NELSON MANDELA BAY METR	28 974,00	-	28 974,00	-	-	-
O.R.TAMBO DISTRICT MUNI	1 605 471,22	-	-	571 751,05	470 773,66	562 946,51
OCTALI INSTITUTE	44 480,00	44 480,00	-	-	-	-
QWEQWE COMMUNITY TRUST	55 000,00	-	-	-	-	55 000,00
R-DATA	77 198,37	66 361,75	10 836,62	-	-	-
R.N.E HOLDINGS (Pty) Lt	43 299,06	43 299,06	-	-	-	-
RENEILWE CONSULTING & P	154 673,61	154 673,61	-	-	-	-
SEARTEC	72 429,00	-	-	-	-	72 429,00
SNR ELECTRICAL	4 557 790,20	2 176 892,57	2 380 897,63	-	-	-
SONDLO &KNOPP ADVERTISE	2 029,81	-	2 029,81	-	-	-
STRAIGHT BREAKDOWN	333 000,00	333 000,00	-	-	-	-
SWIFT TRAVEL AND TOURS	32 400,00	32 400,00	-	-	-	-
TIDOO ENGINEERING SERVI	11 209 764,92	11 209 764,92	-	-	-	-
TUME CONSTRUCTION ENTER	161 732,00	161 732,00	-	-	-	-

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

NAME	BALANCE	CURRENT	30 DAYS	60 DAYS	90 DAYS	120+ DAYS
VODACOM SERVICE PROVIDE	262 364,35	112 604,56	70 598,48	76 737,26	32 690,90	30 266,85
WORKSHOP ELECTRONICS	46 305,90	46 305,90	-	-	-	-
<b>TOTAL ...</b>	<b>156 459 124,90</b>	<b>49 811 424,67</b>	<b>38 128 573,48</b>	<b>44 735 802,13</b>	<b>778 850,47</b>	<b>23 004 474,15</b>
<b>DEBIT BALANCES</b>						
EMALANGENI TECHNOLOGIES	- 61 226,00	-	-	-	-	61 226,00
FRITZDIN PROJECTS CC	- 53 991,00	-	-	-	-	53 991,00
TSawe CONSTRUCTION CC	- 137 982,16	-	-	-	-	137 982,16
SMART ACCOMMODATION	- 140 689,84	-	-	-	-	140 689,84
NGQUKAZA TRADING JV	- 168 703,35	-	-	-	-	168 703,35
YPG SUPPLIES & DISTRIB	- 12 110,00	-	-	-	-	12 110,00
<b>TOTAL ...</b>	<b>574 702,35</b>	-	-	-	-	<b>574 702,35</b>
<b>GRAND TOTAL</b>	<b>155 884 422,55</b>	<b>49 811 424,67</b>	<b>38 128 573,48</b>	<b>44 735 802,13</b>	<b>778 850,47</b>	<b>22 429 771,80</b>

Payments for the second quarter of 2023/24 amounted to R341 770 174.38 and an amount of R166 427 042 relates to Eskom debt. Please refer to the annexure for details

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 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 - M06 December

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C					%	D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		24 477	30 061	30 061	2 102	13 588	15 031	(1 443)	-10%	30 061
Cellphone Allowance		3 464	4 875	4 875	286	1 911	2 438	(526)	-22%	4 875
Other benefits and allowances		1 716	213	213	143	858	106	752	706%	213
<b>Sub Total - Councillors</b>		<b>29 657</b>	<b>35 149</b>	<b>35 149</b>	<b>2 531</b>	<b>16 357</b>	<b>17 575</b>	<b>(1 218)</b>	<b>-7%</b>	<b>35 149</b>
<b>% increase</b>	4		<b>18,5%</b>	<b>18,5%</b>						<b>18,5%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	3	9 064	10 931	10 805	557	3 788	5 417	(1 629)	-30%	10 805
Pension and UIF Contributions		46	61	61	4	27	31	(4)	-14%	61
Performance Bonus		-	2 690	2 690	-	-	1 345	(1 345)	-100%	2 690
Motor Vehicle Allowance		-	-	-	18	35	-	35	100%	-
Cellphone Allowance		50	46	46	3	16	23	(7)	-29%	46
<b>Sub Total - Senior Managers of Municipality</b>		<b>9 159</b>	<b>13 729</b>	<b>13 603</b>	<b>582</b>	<b>3 866</b>	<b>6 815</b>	<b>(2 949)</b>	<b>-43%</b>	<b>13 603</b>
<b>% increase</b>	4		<b>49,9%</b>	<b>48,5%</b>						<b>48,5%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		341 246	360 609	359 107	30 477	179 932	180 139	(207)	0%	359 107
Pension and UIF Contributions		56 031	59 725	59 708	5 035	29 838	29 854	(16)	0%	59 708
Medical Aid Contributions		28 826	31 262	31 255	2 430	14 578	15 628	(1 050)	-7%	31 255
Overtime		34 672	17 319	18 232	2 800	16 955	8 722	8 233	94%	18 232
Performance Bonus		25 051	23 145	23 120	1 376	10 459	11 560	(1 101)	-10%	23 120
Motor Vehicle Allowance		15 206	15 881	16 227	2 111	9 444	7 931	1 513	19%	16 227
Cellphone Allowance		2 581	2 236	2 314	477	2 177	1 148	1 029	90%	2 314
Housing Allowances		23 963	28 629	28 528	2 517	12 441	14 293	(1 852)	-13%	28 528
<b>Sub Total - Other Municipal Staff</b>		<b>527 577</b>	<b>538 806</b>	<b>538 489</b>	<b>47 221</b>	<b>275 824</b>	<b>269 275</b>	<b>6 549</b>	<b>2%</b>	<b>538 489</b>
<b>% increase</b>	4		<b>2,1%</b>	<b>2,1%</b>						<b>2,1%</b>
<b>Total Parent Municipality</b>		<b>566 394</b>	<b>587 684</b>	<b>587 241</b>	<b>50 335</b>	<b>296 046</b>	<b>293 665</b>	<b>2 382</b>	<b>1%</b>	<b>587 241</b>

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

**8.1. COMMENTS ON MATERIAL VARIANCES**

The following line items reflects material variances as at 31 DECEMBER 2023

**Employee Related Costs and Remuneration of councilors:**

**Overall overspending of two million (R2.3 million).**

- Basic salaries for councilors reflect savings of one million (R1.4 million) and savings of five hundred thousand (R0.5 million) on cellphone allowance.
- Senior managers reflect savings on basic salaries of one million six hundred thousand and performance bonuses of one million three hundred thousand.
- Other municipal officials the following variances are noted;
  - Medical aid savings of one million (R1 million).
  - Overtime overspent by eight million (R8 million).
  - Bonuses reflect savings of one million one hundred thousand (R1.1 million).
  - Motor vehicle allowance overspent by one million five hundred thousand (R1.5 million).
  - Cellphone allowance overspent by one million (R1 million).
  - Housing allowances reflect savings of one million eight hundred thousand (R1.8 million).

**8.2. ACTING ALLOWANCE AND OVERTIME (SUNDAY/ PUBLIC HOLIDAY) REPORTS FOR Q2 OF 2023/2024**

<b>SUMMARY SUNDAY &amp; PUBLIC HOLIDAYS</b>	
<b>Department</b>	<b>Amount</b>
Community Services	141 299,13
Corporate Services	36 861,32
Infrastructure	56 999,81
Mm's Office	1 420,26
Public Safety	1 283 552,84
<b>Grand Total</b>	<b>1 520 133,36</b>



SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

<b>SUMMARY OVERTIME</b>	
<b>Department</b>	<b>Amount</b>
BTO	24 991,25
Community Services	49 084,81
Corporate Services	21 190,30
Infrastructure	419 700,77
Mm's Office	3 313,94
Public Safety	9 541,63
<b>Grand Total</b>	<b>527 822,70</b>

<b>SUMMARY ACTING ALLOWANCE</b>	
<b>Department</b>	<b>Amount</b>
Community Services	11 148,05
Corporate Services	21 554,95
Infrastructure	30 464,35
Public Safety	197 955,54
Human Settlement	4 290,68
<b>Grand Total</b>	<b>265 413,57</b>

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

PART FOUR: ASSET MANAGEMENT

9.1. FUEL CONSUMPTION

Directorate	July 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023
B.I.O.	R28 965,05	R33 984,40	R26 984,85	R23 962,96	R28 937,74	R23 671,52
Community Services	R311 822,16	R239 556,11	R366 841,71	R351 510,60	R434 906,32	R359 765,95
Corporate Services	R0,00	R1 667,05	R0,00	R0,00	R0,00	R1 197,70
Infrastructure	R568 846,20	R509 362,78	R613 628,12	R701 543,62	R871 161,36	R521 372,08
Council and Executive	R39 402,21	R17 413,16	R36 367,69	R51 381,46	R37 348,17	R38 396,81
RED	R5 157,75	R11 663,15	R4 976,35	R0,00	R8 436,04	R0,00
Public Safety	R106 480,49	R165 120,40	R103 577,84	R111 934,95	R104 993,90	R133 530,02
Human Settlement	R0,00	R3 704,75	R0,00	R0,00	R0,00	R0,00
	R1 060 673,86	R982 471,80	R1 152 376,56	R1 240 333,59	R1 485 783,53	R1 077 934,08

9.2. REPAIRS AND OIL EXPENSES

REGNO	MAKE	DEPARTMENT	DEFECT DATE	DEFECT	DATE TO MERCHANT	MERCHANT	RETURN DATE	STATUS OF REPAIRS	COST OF REPAIRS
JFF 082 EC	Toyota Corolla	Public Safety	2004/12/23	Boot Faulty	-	In house	2004/12/23	Repairs completed	-
HVN 614 EC	Toyota Corolla	Public Safety	2004/12/23	Gears not engaging	-	In house	2004/12/23	Repairs completed	-
HHN 061 EC	Toyota Hilux	Community services	2004/12/23	Faulty clutch & brakes	2004/12/23	Ash's Brake & Clutch	2019/12/23	Repairs completed	R13 370,00
HNZ 959 EC	Toyota Hilux	Infrastructure	2004/12/23	Faulty clutch	2005/12/23	Panavu	2015/12/23	Repairs completed	R10 365,00
JHZ 585 EC	Jetting Truck	Infrastructure	2005/12/23	Waterpipe leak	2005/12/23	Ash's Brake & Clutch	2008/12/23	Repairs completed	R4 650,00
HPK 694 EC	Tipper Truck	Infrastructure	2005/12/23	Radiator pipe leak	2005/12/23	Donsis	2008/12/23	Repairs completed	R18 556,31
JGV 762 EC	Ford Ranger	Infrastructure	2006/12/23	Non-starting	2006/12/23	Donsis		Awaiting Clearance	-
HRL 716 EC	Crane Truck	Infrastructure	2007/12/23	Faulty indicator switch	-	In house	2007/12/23	Repairs completed	-
HVX 812 EC	Corolla	Public Safety	2007/12/23	Door window	-	In house	2007/12/23	Repairs completed	-
JFZ 029 EC	Polo vivo	Public safety	2008/12/23	Faulty fan switch	2008/12/23	Simac Auto Electrical	2013/12/23	Repairs completed	R6 697,08
JLV 745 EC	Compactor Truck	Community services	2011/12/23	Faulty body blade faulty	-	In house	2011/12/23	Repairs completed	-
JDV 451 EC	Cherry Picker	Infrastructure	2012/12/23	Hydraulic pipe leak	2012/12/23	Ash's Brake & Clutch	2018/12/23	Repairs completed	R1 830,00
	Polo vivo	BTO	2011/12/23	Water bottle, fog lamps & head lamps	2011/12/23	M log	2012/12/23	Repairs completed	R3 878,75
HVN 614 EC	Corolla	Public Safety	2013/12/23	Front suspension & wheel alignment	2013/12/23	Ash's Brake & Clutch		Repairs in progress	R6 840,00
HBC 817 EC	Cage Truck	Community services	2013/12/23	Faulty gear box	2013/12/23	Panavu		Authorised repairs in progress	R48 750,00
HHN 063 EC	Toyota Hilux	Community services	2013/12/23	Wiper blades	-	In house	2013/12/23	Repairs completed	-
HVN 622 EC	Corolla	BTO	2014/12/23	Rattling suspension,	2014/12/23	Eyamangwabe		Awaiting Clearance	-

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

HVX 808 EC	Polo vivo	Public Safety	2014/12/23	door locks & wheel alignment	2014/12/23	Simac Auto Electrical		Awaiting parts		R13 907,00		
HNT 708 EC	Ford Ranger	Mayor's Office	2015/12/23	Front windows not opening & 12v socket not working	2018/12/23	Panavu		Awaiting parts		R13 028,00		
JFF 082 EC	Corolla	Public Safety	2018/12/23	Faulty gear box & clutch	2018/12/23	Simac Auto Electrical	2020/12/23	Repairs completed		R9 943,83		
HKM 793 EC	Ford Ranger	Infrastructure	2018/12/23	Rear lights, hooter & window switch faulty	2018/12/23	M log	2019/12/23	Repairs completed		R2 377,75		
HTR 439 EC	Cherry Picker	Infrastructure	2018/12/23	Faulty rear brakes	-	In house	2018/12/23	Repairs completed		-		
				Hydraulic oil leak				<b>TOTAL</b>		<b>154 193,72</b>		

9.3. HIRING COSTS

Directorate	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
Executive and Council			R7 200,00	R17 091,00	R229 627,50	R108 486,00
Budget & Treasury	R510 030,00	R166 290,55	R335 065,98	R27 682,80		
Community Services	R450,00			R15 525,00		
Public Safety						R133 364,40
Infrastructure		R7 200,00		R2 073 308,81	R825 822,62	R267 030,00
<b>Totals</b>	<b>R510 480,00</b>	<b>R173 490,55</b>	<b>R342 265,98</b>	<b>R2 133 607,61</b>	<b>R1 055 450,12</b>	<b>R508 880,40</b>

9.4. LICENSING AND ROADWORTHY

LICENSING & ROADWORTHY			
Reg no	Status	Licensing date	Amount
HBC 806 EC	Awaiting test	22/12/2023	R1 818,00
JGX 491 EC	Awaiting test	22/12/2023	R7 884,00
JDW 542 EC	Passed	22/12/2023	R132,00
HKM 770 EC	Passed	22/12/2023	R840,00
KBK 345 EC	Awaiting test	22/12/2023	R42 402,00
HGV 298 EC	Passed	13/12/2023	R5 167,50
	<b>Total</b>		<b>R58 243,50</b>

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

9.5. TYRES PURCHASED

UNIT NO	REG NO	VEHICLE MAKE	WHEEL POSITION	DATE	NO OF TYRES	SERVICE PROVIDER	Amount (R)
137	JGF 346 EC	UD Skip loader	5&6	29/12/2023	2	Supa Quick	R14 334,75
139	JFW 446 EC	UD Tipper Truck	7&8	21/12/2023	2	Supa Quick	R22 386,78
119	JDW 523 EC	CAT TLB	4	27/12/2023	1	Fite-rite	R1 149,99
167	JGZ 298 EC	UD Refuse compactor	7	21/12/2023	1	Fite-rite	R9 639,99
119	JDW 523 EC	CAT TLB	3	12/12/2023	1	Fite-rite	R1 549,99
88	HTR 439 EC	Cherry picker	3&6	13/12/2023	2	Fite-rite	R8 749,94
160	JGF 324 EC	UD Refuse compactor	2	13/12/2023	1	Fite-rite	R9 394,98
25	HHN 063 EC	Toyota Hilux	1&2	13/12/2023	2	Fite-rite	R5 309,95
	<b>Total</b>						<b>R72 516,37</b>

SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

9.4. REPORT FOR PROPERTY, PLANT AND EQUIPMENT

31 December 2023- PPE REPORT										
Class of assets	Cost			Accumulated Depreciation				Carrying Value		
	Opening Balance @01/07/2023	Additions	Disposals	Closing Cost at 31 December 2023	Operating Balance @01/07/2023	Depreciation	Disposal	Closing Acc Depr.	Carrying Value December 2023	Carrying Value 01/07/2023
Investment properties	R359 749 921.34			R359 749 921	R0.00			R0	R359 749 921	R359 749 921
Land	R286 538 280.91			R286 538 281				R0	R286 538 281	R286 538 281
Buildings	R380 813 450.00			R380 813 450	R335 347 374.00	R14 430 712		R149 758 056	R231 055 364	R245 466 079
Infrastructure Assets	R328 1862 170.00			R328 1862 170	R2 250 972 412.00	R97 800 841		R2 358 773 253	R923 088 917	R1 020 889 759
Community Assets	R396 631 188.00			R396 631 188	R151 083 583.00	R7 565 154		R158 668 737	R237 962 451	R245 547 605
Other Assets	R57 832 577.13	R1 699 206	R158 462	R59 473 321	R30 879 705.42	R2 280 459	R38 227	R33 121 957	R26 351 384	R27 052 871
WIP	R148 769 975.82	R78 826 254		R227 596 240	R0.00	R0		R0	R227 596 240	R148 769 976
Specialised vehicles	R180 640 576.00	R804 838		R181 445 414	R138 409 843.00	R10 473 317		R148 883 160	R32 562 254	R42 230 733
Intangibles	R3 466 725.00			R3 466 725	R2 878 050.00	R294 338		R3 172 368	R294 337	R588 675
Heritage Asset	R3 201 000.00			R3 201 000	R0.00	R0		R0	R3 201 000	R3 201 000
	R5 699 625 864	R81 330 308	R158 462	R5 830 797 711	R2 719 570 968	R32 844 820	R38 227	R2 852 377 561	R2 328 420 149	R2 390 654 901

## SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

### REPORT TO THE MUNICIPAL COUNCIL ON THE IMPLEMENTATION OF SCM POLICY FOR QUARTER 2 OF 2023/24 FINANCIAL YEAR

#### 1. PURPOSE

To report to Municipal Council on the Implementation of the Supply Chain Management Quarter ending 31 December 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.

## SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

### 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 SCM Unit 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

**SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023**

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 SCMJ 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 31 December 2023:

Number of awards above R200 000	14	Rate based
RFQ's awarded above R30 000	11	R 1 641 582.23
Three Quotation System	60	R 1 148 834.52
Deviations	19	R 1 979 237,32

**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**



**SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023**

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.	None

**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.

**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 31 December 2023:

**SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023**

Three Quotation System	60	R 1 148 834.52
Number of awards above R200 000	14	Rate based
RFQ's awarded above R30 000	11	R 1 641 582.23
Deviations	19	R 1 979 237,32

**Hiring of Vehicles and Travelling and Accommodation**

Travelling and accommodation for the quarter one of 2023/2024 financial year amount to **R 3 071 644.13**. and for Quarter 2 of 2023/24 FY amounts to **R1 991 429.30**  
The expenditure of travelling has gone up to **64,83 %**

**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 31 December 2023 are attached as Annexure B.

<b>Procurement Function</b>	<b>2022/23</b>
Bids Processed	14
<b>Estimated Value of Awards (R)</b>	<b>Rate based</b>

**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

**SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023**

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 18 deviations from July to September (Quarter 1) of 2023/24 financial year to the value of almost **R 1 403 237.32**

SCM Policy	Description	2023/24
Clause 36(1)(a)(ii)	Sole Supplier	17
Clause 36(1)(a)(v)	Impractical or impossible	02
		19

**Minor Breach**

**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 31 December 2023 is attached as Annexure D, however, there has been no irregular expenditure incurred for the period in question.

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 31 December 2023.

**Performance assessment for the Quarter ending December 2023**

NO OF PERFORMANCE ASSESSMENT	NO OF NON PERFORMING SERVICE PROVIDERS
315	33

**SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023**

**CONCLUSION**

The King Sabata Dalindyebo Municipality has been implementing the Supply Chain Management Regulations diligently through the Supply Chain Management Policy.

Contract Management, Demand Management and the combating of Irregular Expenditure will once again be key focus areas on the implementation of supply chain management within the municipality.

King Sabata Dalindyebo Municipality continuously strives to not only ensure compliance to legislative frameworks, but also to improve administrative and procedural efficiency, thereby giving effect to its Constitutional mandate in terms of Section 152 of the Constitution

**OTHER CONSULTED PARTIES**

N/A

**STAFF IMPLICATIONS**

N/A

**FINANCIAL IMPLICATIONS**

N/A

**Register of Fruitless and Wasteful Expenditure –Identified during 2023/24 Financial year**

<b>KING SABATA DALINDYEBO LOCAL MUNICIPALITY</b>				
No	Date of disc over	Date Rep ote d to	Transaction details	Status
			<p style="text-align: center;"><b>Person Liable (Official or Political Office Bearer)</b></p> <p style="text-align: center;"><b>Type of Prohibited Expenditure</b></p>	



SECTION 52d REPORT FOR THE SECOND QUARTER ENDED 31 DECEMBER 2023

Section 116 (2)(b) of the Municipal Finance Management Act requires that contracts procured through Supply Chain Management be monitored on monthly basis on the performance of the contractor under the contract or agreement.

**CONTRACT REGISTER STATISTICS:**

No. of Current Contracts	No. of current individual suppliers awarded	No. of Contracts about to expire in <6 months	No. of Expired Contracts	No. of suppliers awarded to SMMEs within the jurisdiction of KSD LM	No. of bids awarded for the month
73	223	24	08	139	02

**CESSIONS:**

Contract No.	Contract Description	Cession Percentage	ORDER NUMBER/ WORKS ORDER	Approved/ Not Approved
N/A	N/A	N/A	N/A	N/A

**VARIATIONS:**

Contract No.	Contract Description	Contract Value	Variation Amount	Percentage of Variation	New Contract Value	Reasons for Variation
N/A	N/A	N/A	N/A	N/A	N/A	N/A

**TERMINATIONS:**

Contract No.	Contract Description	Company Name	Date of Termination	Reasons for Termination
N/A	N/A	N/A	N/A	N/A

**EXTENSIONS:**

Contract No.	Contract Description	Name of Contractor	Reasons for Extension/Cancellation
N/A	N/A	N/A	N/A

**COMPLETED PROJECTS:**

Contract No.	Contract Description	Company Name	Date of Completion
015/2020/21	Re-gravelling of Luviweni access road	B and Sons IGL Projects JV	05/12/2023

**ANNEXURES:**

**Annexure A – Departmental Operating Revenue and Expenditure**

**Annexure B – Payments for the Month**


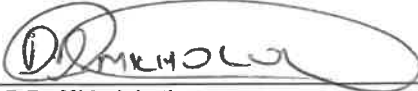
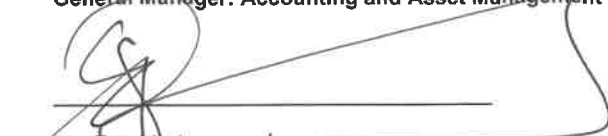

**Annexure C – Report on State of Municipal Finances**

**Annexure D – Performance Assessment of Service Providers**

**RECOMMENDATIONS**

**It is recommended that the Executive Mayor notes the following reports by the accounting officer:**

- **Section 52d narrative report for December 2023.**
- **Section 66 narrative report for December 2023.**
- **Asset Management reports for December 2023.**
- **Supply chain management reports for December 2023.**

<b>Prepared by:</b>	 Mr. T. Sixam Manager: AFS, Audit and Internal Controls
<b>Reviewed by:</b>	 Mr. D.D. Mkhokotho General Manager: Accounting and Asset Management
<b>Submitted By:</b>	 Mr. E F Jiholo Chief Financial Officer
<b>Recommended By:</b>	 Mr. N. Pakade Municipal Manager