

MANDENI MUNICIPALITY (KZN 291)



THIRD QUARTER REPORT SECTION 52(D) (mSCOA) 2022/23 FINANCIAL YEAR

JULY– MARCH 2023

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1.1 MAYORS' FOREWORD

Attached

1.2 COUNCIL RESOLUTION

Resolution No: C

Refer to the recommendations contained in this report.

1.3 EXECUTIVE SUMMARY

LEGAL REQUIREMENTS

In terms of section 52(d) of the MFMA, *the Mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state affairs of the municipality.*

Quarterly reports are submitted in a prescribed format on the state of the municipality's budget reflecting the following particulars for that quarter and for the financial year up to the end of that quarter.

- Actual revenue, per revenue source;
- Actual expenditure, per vote;
- Actual capital expenditure, per vote;
- The amount of any allocations received and actual expenditure on grant allocations excluding expenditure on the equitable share.
- the actual expenditure on those allocations
- when necessary, an explanation of—
- any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
- any material variances from the service delivery and budget implementation plan; and
- Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

1.3.1 FINANCIAL PERFORMANCE

BUDGET SUMMARY

The following table represents an executive summary for the 3rd Quarter of the financial year ended 31st March 2023:

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - Q3 Third Quarter									
Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Total Revenue (excluding capital transfers and	341,567	328,592	344,324	67,367	331,403	258,243	73,160	28%	328,592
Total Expenditure	306,106	361,725	371,753	27,973	246,531	278,712	(32,181)	-12%	361,725
Surplus/(Deficit)	35,461	(33,133)	(27,429)	39,394	84,872	(20,469)	105,341	-515%	(33,133)
Transfers and subsidies - capital (monetary allocations) (National /	45,099	38,462	39,118	782	25,787	29,338	(3,552)	-12%	38,462
Surplus/(Deficit) after capital transfers & contributions	80,560	5,329	11,689	40,176	110,659	8,870	101,789	1148%	5,329
Share of surplus/ (deficit) of	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	80,560	5,329	11,689	40,176	110,659	8,870	101,789	1148%	5,329
Capital expenditure & funds sources									
Capital expenditure	121,644	313,245	85,993	4,694	41,898	64,495	(22,596)	-35%	313,245
Capital transfers recognised	5,762	32,693	33,307	1,388	22,721	24,981	(2,259)	-9%	32,693
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	24,649	45,619	52,686	3,306	19,177	39,514	(20,337)	-51%	45,619
Total sources of capital funds	30,411	78,311	85,993	4,694	41,898	64,495	(22,596)	-35%	78,311

As can be seen from the table above, Actual surplus for the quarter ended 31st March 2023 is significantly more than the Budgeted Surplus. Quarterly budget statement summary (Table C1), for the 3rd quarter of the year, July – March 2023 (year to date actual), shows a surplus of R110.7 million against YTD budget of R8.8 million which reflects more than 100% performance.

Currently there are no financial problems and major risks facing the municipality. A total amount of R175 million is invested by the municipality to the approved banking institutions, while the Investment register closing balance as at March 2023, R312.8 million.

1.4 IN- YEAR BUDGET STATEMENT TABLES

Table 1

Table C1 below provides a summary of the overall performance of the Municipality

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - Q3 Third Quarter									
Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	43 600	48 880	48 880	2 635	45 306	36 660	8 646	24%	48 880
Service charges	56 776	44 328	44 328	4 032	45 999	33 246	12 754	38%	44 328
Investment revenue	10 694	5 700	19 200	552	13 060	14 400	(1 340)	-9%	5 700
Transfers and subsidies	220 162	224 045	223 389	59 255	220 265	167 542	52 723	31%	224 045
Other own revenue	10 334	5 639	8 527	894	6 773	6 395	378	6%	5 639
Total Revenue (excluding capital transfers and	341 567	328 592	344 324	67 367	331 403	258 243	73 160	28%	328 592
Employee costs	107 713	124 828	124 828	9 162	85 258	93 621	(8 363)	-9%	124 828
Remuneration of Council	13 798	14 682	14 682	1 140	10 315	11 011	(696)	-6%	14 682
Depreciation & asset im	35 256	33 747	33 747	2 844	24 639	25 310	(671)	-3%	33 747
Finance charges	58	410	410	-	260	307	(47)	-15%	410
Inventory consumed and	37 998	37 937	44 143	3 409	32 355	33 108	(753)	-2%	37 937
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	111 283	150 121	153 943	11 418	93 703	115 354	(21 651)	-19%	150 121
Total Expenditure	306 106	361 725	371 753	27 973	246 531	278 712	(32 181)	-12%	361 725
Surplus/(Deficit)	35 461	(33 133)	(27 429)	39 394	84 872	(20 469)	105 341	-515%	(33 133)
Transfers and subsidies - capital	45 099	38 462	39 118	782	25 787	29 338	(3 552)	-12%	38 462
Capital transfers & subsidies - capital	80 560	5 329	11 689	40 176	110 659	8 870	101 789	1148%	5 329
the year	80 560	5 329	11 689	40 176	110 659	8 870	101 789	1148%	5 329
Capital expenditure & funds sources									
Capital expenditure	121 644	313 245	85 993	4 694	41 898	64 495	(22 596)	-35%	313 245
Capital transfers recogn	5 762	32 693	33 307	1 388	22 721	24 981	(2 259)	-9%	32 693
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated fund	24 649	45 619	52 686	3 306	19 177	39 514	(20 337)	-51%	45 619
Total sources of capital	30 411	78 311	85 993	4 694	41 898	64 495	(22 596)	-35%	78 311
Financial position									
Total current assets	246 082	102 933	186 918		360 297				(114 146)
Total non current assets	1 974 489	678 674	625 675		687 760				860 124
Total current liabilities	49 357	37 001	(39 756)		74 569				37 001
Total non current liabilities	18 003	27 394	22 795		18 003				27 394
Community wealth/Equi	752 151	717 212	829 553		955 485				658 399
Cash flows									
Net cash from (used) op	110 198	76 547	55 356	53 609	152 421	62 389	(90 032)	-144%	393 779
Net cash from (used) inv	302 868	(78 311)	(98 892)	(5 326)	(42 785)	(65 928)	(23 143)	35%	(313 245)
Net cash from (used) fin	-	-	-	28	160	-	(160)	#DM/0!	(199)
Cash/cash equivalents	413 067	(1 764)	(43 536)	-	317 777	(3 539)	(321 316)	9080%	288 317
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	7 037	5 665	2 541	(85)	2 817	2 600	31 856	156 502	208 933
Creditors Age Analysis									
Total Creditors	30	-	-	-	-	-	-	2	32

Table 2

Table C2 provides the statement of financial performance by standard classification

KZN291 Mandeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q3 Third

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		273 272	272 442	286 954	62 830	276 329	215 215	61 114	28%	272 442
Executive and council		–	7 806	7 806	–	–	5 855	(5 855)	-100%	7 806
Finance and administration		273 272	264 636	279 148	62 830	276 329	209 361	66 969	32%	264 636
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		6 070	4 643	4 643	284	2 500	3 482	(982)	-28%	4 643
Community and social services		4 421	4 643	4 643	284	2 500	3 482	(982)	-28%	4 643
Sport and recreation		1 649	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		48 723	44 548	46 425	992	30 986	34 818	(3 833)	-11%	44 548
Planning and development		46 731	43 589	44 266	927	30 514	33 199	(2 685)	-8%	43 589
Road transport		1 992	959	2 159	65	472	1 619	(1 147)	-71%	959
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		58 601	45 420	45 420	4 043	47 375	34 065	13 309	39%	45 420
Energy sources		46 103	36 068	36 068	3 177	37 595	27 051	10 544	39%	36 068
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		12 498	9 353	9 353	866	9 780	7 015	2 766	39%	9 353
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	386 666	367 054	383 442	68 149	357 190	287 581	69 608	24%	367 054
Expenditure - Functional										
Governance and administration		150 187	187 729	192 855	11 034	126 052	144 538	(18 486)	-13%	187 729
Executive and council		43 112	52 611	55 072	4 151	40 561	41 304	(743)	-2%	52 611
Finance and administration		107 076	135 119	137 783	6 884	85 491	103 234	(17 743)	-17%	135 119
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		34 617	36 843	36 399	2 961	24 636	27 300	(2 664)	-10%	36 843
Community and social services		22 685	25 878	24 369	2 500	18 347	18 277	70	0%	25 878
Sport and recreation		11 517	9 873	10 938	461	6 270	8 203	(1 933)	-24%	9 873
Public safety		399	1 073	1 073	–	–	804	(804)	-100%	1 073
Housing		16	20	20	–	18	15	3	23%	20
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		65 500	79 416	79 505	5 630	47 791	59 629	(11 837)	-20%	79 416
Planning and development		15 904	23 148	22 974	1 571	12 538	17 230	(4 692)	-27%	23 148
Road transport		46 432	52 589	52 852	3 804	32 973	39 639	(6 666)	-17%	52 589
Environmental protection		3 164	3 680	3 680	255	2 280	2 760	(480)	-17%	3 680
Trading services		55 802	57 736	62 994	8 347	48 052	47 245	807	2%	57 736
Energy sources		45 697	45 688	49 768	7 447	40 369	37 326	3 043	8%	45 688
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	2 800	2 800	226	1 997	2 100	(103)	-5%	2 800
Waste management		10 105	9 248	10 426	674	5 685	7 819	(2 134)	-27%	9 248
Other		–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	306 106	361 725	371 753	27 973	246 531	278 712	(32 181)	-12%	361 725
Surplus/ (Deficit) for the year		80 560	5 329	11 689	40 176	110 659	8 870	101 789	1148%	5 329

Table 3

Table C3 Quarterly Budget Statement – Financial Performance and expenditure by municipal vote

KZN291 Mandeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		–	7 806	7 806	–	–	5 855	(5 855)	-100.0%	7 806
Vote 2 - FINANCE AND ADMINISTRATION		273 272	264 636	279 148	62 830	276 329	209 361	66 969	32.0%	264 636
Vote 3 - INTERNAL AUDIT		–	–	–	–	–	–	–		–
Vote 4 - COMMUNITY AND SOCIAL SERVICES		4 421	4 643	4 643	284	2 500	3 482	(982)	-28.2%	4 643
Vote 5 - Sport and Recreation		1 649	–	–	–	–	–	–		–
Vote 6 - Public safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		46 731	43 589	44 266	927	30 514	33 199	(2 685)	-8.1%	43 589
Vote 9 - Road transport		1 992	959	2 159	65	472	1 619	(1 147)	-70.9%	959
Vote 10 - Energy sources		46 103	36 068	36 068	3 177	37 595	27 051	10 544	39.0%	36 068
Vote 11 - Waste Management		12 498	9 353	9 353	866	9 780	7 015	2 766	39.4%	9 353
Vote 12 - Environmental Protection		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	386 666	367 054	383 442	68 149	357 190	287 581	69 608	24.2%	367 054
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		43 112	52 611	55 072	4 151	40 561	41 304	(743)	-1.8%	52 611
Vote 2 - FINANCE AND ADMINISTRATION		107 076	135 119	137 783	6 884	85 491	103 234	(17 743)	-17.2%	135 119
Vote 3 - INTERNAL AUDIT		–	–	–	–	–	–	–		–
Vote 4 - COMMUNITY AND SOCIAL SERVICES		22 685	25 878	24 369	2 500	18 347	18 277	70	0.4%	25 878
Vote 5 - Sport and Recreation		11 517	9 873	10 938	461	6 270	8 203	(1 933)	-23.6%	9 873
Vote 6 - Public safety		399	1 073	1 073	–	–	804	(804)	-100.0%	1 073
Vote 7 - Housing		16	20	20	–	18	15	3	23.0%	20
Vote 8 - Planning and Development		15 904	23 148	22 974	1 571	12 538	17 230	(4 692)	-27.2%	23 148
Vote 9 - Road transport		46 432	55 389	55 652	4 030	34 970	41 739	(6 769)	-16.2%	55 389
Vote 10 - Energy sources		45 697	45 688	49 768	7 447	40 369	37 326	3 043	8.2%	45 688
Vote 11 - Waste Management		10 105	9 248	10 426	674	5 685	7 819	(2 134)	-27.3%	9 248
Vote 12 - Environmental Protection		3 164	3 680	3 680	255	2 280	2 760	(480)	-17.4%	3 680
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	306 106	361 725	371 753	27 973	246 531	278 712	(32 181)	-11.5%	361 725
Surplus/ (Deficit) for the year	2	80 560	5 329	11 689	40 176	110 659	8 870	101 789	1147.6%	5 329

Table 4 provides information on the planned revenue and operational expenditures against the actual results for the period ending 31st March 2023

This report analyses each major component under following headings;

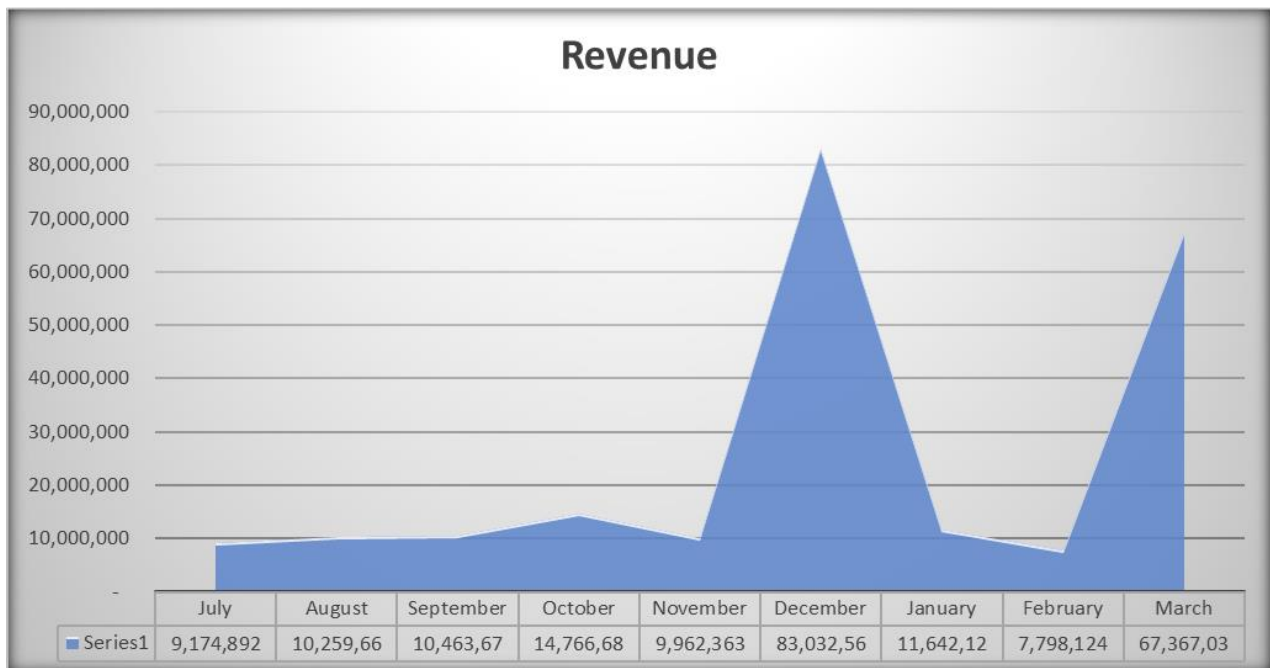
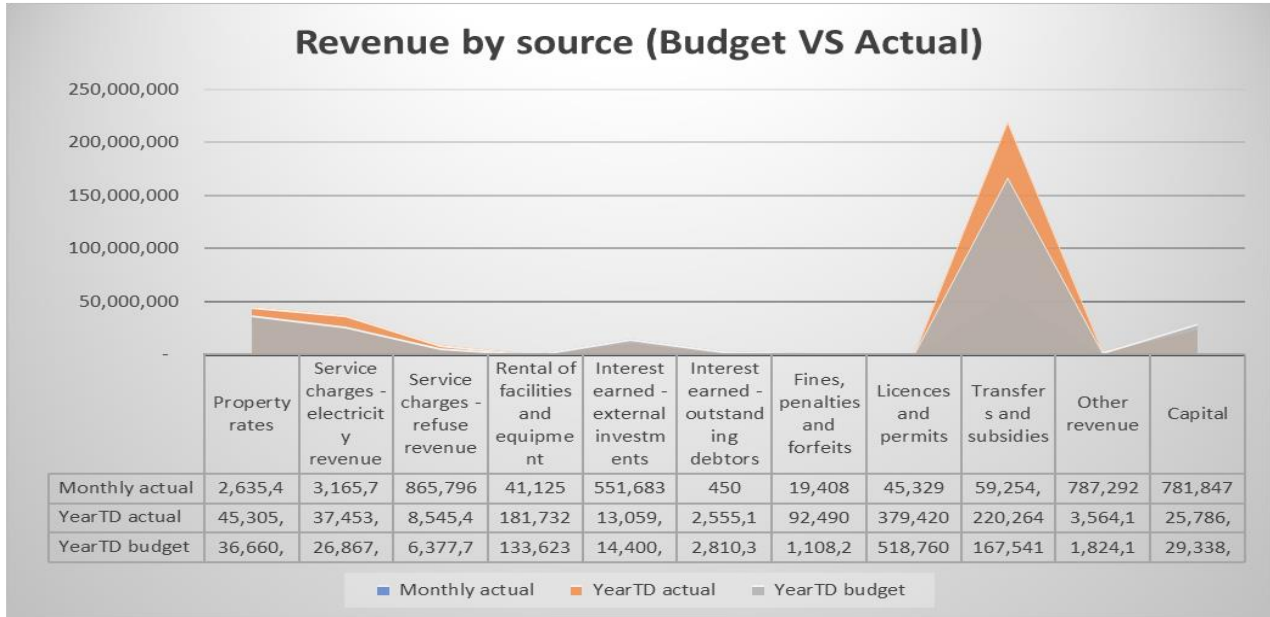
- Revenue by Source
- Operational Expenditure by Type, and

KZN291 Mandeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q3 Third Quarter										
Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		43,600	48,880	48,880	2,635	45,306	36,660	8,646	24%	48,880
Service charges - electricity revenue		45,958	35,824	35,824	3,166	37,454	26,868	10,586	39%	35,824
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		10,818	8,504	8,504	866	8,545	6,378	2,168	34%	8,504
Rental of facilities and equipment		150	178	178	41	182	134	48	36%	178
Interest earned - external investments		10,694	5,700	19,200	552	13,060	14,400	(1,340)	-9%	5,700
Interest earned - outstanding debtors		3,387	3,747	3,747	0	2,555	2,810	(255)	-9%	3,747
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1,202	278	1,478	19	92	1,108	(1,016)	-92%	278
Licences and permits		791	692	692	45	379	519	(139)	-27%	692
Agency services		–	–	–	–	–	–	–	–	–
Transfers and subsidies		220,162	224,045	223,389	59,255	220,265	167,542	52,723	31%	224,045
Other revenue		1,228	744	2,432	787	3,564	1,824	1,740	95%	744
Gains		3,577	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		341,567	328,592	344,324	67,367	331,403	258,243	73,160	28%	328,592
Expenditure By Type										
Employee related costs		107,713	124,828	124,828	9,162	85,258	93,621	(8,363)	-9%	124,828
Remuneration of councillors		13,798	14,682	14,682	1,140	10,315	11,011	(696)	-6%	14,682
Debt impairment		20,430	42,548	42,548	4	21,003	31,911	(10,908)	-34%	42,548
Depreciation & asset impairment		35,256	33,747	33,747	2,844	24,639	25,310	(671)	-3%	33,747
Finance charges		58	410	410	–	260	307	(47)	-15%	410
Bulk purchases - electricity		36,575	33,950	39,050	3,190	31,134	29,288	1,846	6%	33,950
Inventory consumed		1,424	3,987	5,093	219	1,221	3,820	(2,599)	-68%	3,987
Contracted services		50,051	63,868	64,587	4,512	39,602	48,440	(8,838)	-18%	63,868
Transfers and subsidies		–	–	–	–	–	–	–	–	–
Other expenditure		39,894	43,705	45,809	6,890	33,386	34,253	(867)	-3%	43,705
Losses		908	–	1,000	12	(287)	750	(1,037)	-138%	–
Total Expenditure		306,106	361,725	371,753	27,973	246,531	278,712	(32,181)	-12%	361,725
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National /		45,099	38,462	39,118	782	25,787	29,338	(3,552)	(0)	38,462
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Transfers and subsidies - capital (in-kind - a		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		80,560	5,329	11,689	40,176	110,659	8,870			5,329
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		80,560	5,329	11,689	40,176	110,659	8,870			5,329
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to		80,560	5,329	11,689	40,176	110,659	8,870			5,329
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		80,560	5,329	11,689	40,176	110,659	8,870			5,329

Table 4.1

▪ **Total Operating Revenue from (July- March 2023)**

The table below reflects trend of the revenue from July to March 2023



Revenue:

- The Year to Date (YTD) total revenue earned is R331.4 million for the period ending 31st March 2023 excluding capital conditional grant income of R 25.8 million. The YTD Budget is R 258.2 million; therefore, this reflects an over performance against the revenue projected by 28%, this is a reflection that the municipality has achieved its revenue performance budget.

Property Rates

- The municipality accounts for Property Rates on an invoice basis in line with GRAP requirements and the total amount billed is R45.3 million (current month – R2.6 million) which equates to an over billing by 24% when compared to the total R36.7 million pro-rata property rates revenue budgeted.
- This means that the revenue is recognized when the bills are performed. The municipality took a decision to Bill rates for 10 months and the process does not have any negative effect on revenue but it has just been compressed to cater for window period July and March, no income foregone in the process. This is to encourage people to pay and pause during window period provided they are up to date and catch up if they are in arrears.

The actual cash collected being R 4.6 million for the month ended March 2023.

Service Charges: Electricity

- As indicated above, also revenue for service charges- electricity is recognized on an invoice basis and the total amount billed is R37.5 million (current month – R3.2 million) which equates to an over billing by 39% when compared to the total R26.9 million pro-rata electricity revenue budgeted. A number of customers that moved to prepaid system which resulted in lesser billing on electricity and also is due to seasonal fluctuations that electricity consumption increases in winter months as compared to summer months. Further to that meter audit that was conducted which identified over 30 meters on the ground that were not billed due to dysfunctional DCUs.

The actual cash collected is R1.3 million for the month ended March 2023.

Service Charges: Refuse

- As indicated above, also revenue for service charges- refuse is recognized on an invoice basis and the total amount billed is R8.5 million (current month – R866 thousand) which equates to an over billing by 34% when compared to the total R6.4 million pro-rata refuse revenue budgeted. this variance is due to additional properties that were billed as identified in the Supplementary Valuation Roll

expected to have a significant impact at the end of the financial year. The variance is acceptable, the business refuse always increases during the more economic active months.

The actual cash collected is R276 thousand for the quarter ended March 2023.

Planned Interventions to Increase Collections (Property rates and Service Charges)

- On a weekly basis, a list of top 20 debtors (businesses, government and domestic) is extracted from the debtors list.
- Debtors selected are encouraged to come and make arrangements for payment;
- In the event that they still default on payments, these debtors are written final demand letters and if no positive response is received, a process of effecting service disconnections ensues in line with our credit control policy.

ACCOUNTS WITH LETTERS OF FINAL DEMAND FOR PAYMENT SENT OUT					
ACC. NO.	TOWN	ERF NO.	DEBTORS NAME	DEBT TYPE	AMOUNT R
001001792	SUNDUMBILI A	179	MR MNGOMEZUL	REFUSE	41,816.38
001001862	SUNDUMBILI A	186	MR DLAMINI	REFUSE	43,465.02
001002100	SUNDUMBILI A	21	MS ZULU	REFUSE/RATES	89,672.76
001002242	SUNDUMBILI A	224	MR XULU	REFUSE	41,678.07
001002400	SUNDUMBILI A	24	MR ZULU	RATES/REFUSE	55,287.64
001001742	SUNDUMBILI A	174	MR MTHETHWA	REFUSE	39,447.12
001019000	SUNDUMBILI A	190	MS MKHWANAZI	RATES/REFUSE	41,406.40
001001400	SUNDUMBILI A	14	MR MASONDO	RATES/REFUSE	14,658.44
001001372	SUNDUMBILI A	137	MR NGEMA	REFUSE	32,516.21
001063100	SUNDUMBILI A	631	MR MADELA	RATES/REFUSE	71,304.27
001064500	SUNDUMBILI A	645	MS ZUNGU	RATES/REFUSE	9,354.39
001065000	SUNDUMBILI A	650	MS NTSHANGASE	RATES/REFUSE	56,787.72
0010656	SUNDUMBILI A	656	MR MANQELE	RATES/REFUSE	32,464.53
001069300	SUNDUMBILI A	693	MR WILLIAMSON	RATES/REFUSE	16,514.60
001069900	SUNDUMBILI A	699	MS NGOBESE	RATES/REFUSE	6,858.72
001071300	SUNDUMBILI A	713	MR SANGWENI	RATES/REFUSE	11,452.63
001070800	SUNDUMBILI A	708	MR BELE	RATES/REFUSE	23,205.55
001071200	SUNDUMBILI A	712	KKLK PROPERTY IN	RATES/REFUSE	47,342.25
001073500	SUNDUMBILI A	735	MS MBINGLA	RATES/REFUSE	7,944.33
001073600	SUNDUMBILI A	736	MR SIBIYA	RATES/REFUSE	16,282.66
TOTAL					699,459.69

ARRANGEMENTS					
ACC. NO.	TOWN	ERF. NO	DEBTORS NAM	DEBT TYPE	AMOUNT R
001070700	SUNDUMBILI A	707	MRS GCALEKA	RATES/REFUSE	7,717.62
009801201	MANDINI EXT. 001	278	MR NGCOBO	RATES/REFUSE	25,732.84
004001932	MANDINI EXT. 006	916	MR KANNI	ELEC/REFUSE	20,271.80
001095000	SUNDUMBILI A	950	MR MASONDO	RATES	5,077.41
002700821	MANDINI EXT. 007	994	MR SIBIYA S S	ELECTRICITY	
009500781	MANDINI EXT. 007	994	MR SIBIYA S S	RATES/ELEC	136,320.83
009701331	MANDII EXT. 005	776	MR THABETHE	RATES/REFUSE	15.10
002145600	SUDUMBILI B	1456	MR MTHEMBU	RATES/REFUSE	12,418.17
009900602	MANDINI EXT.090	60	MS BAKER	RATES/REFUSE	938.95
002136900	SUNDUMBILI B	1369	MR VILAKAZI	RATES/REFUSE	51,741.89
001022500	SUNDUMBILI A	225	MR MBATHA	RATES/REFUSE	10,661.22
001072500	SUNDUMBILI A	725	MR SHANGE	RATES/REFUSE	24,083.41
002242500	SUNDUMBILI B	2425	MR MDLULI	RATES	54,381.63
001077100	SUNDUMBILI A	771	MR MTHEMBU	RATES/REFUSE	1,294.08
001107800	SUNDUMBILI A	1078	MR SKOSANA	RATES/REFUSE	13,884.71
002160000	SUNDUMBILI B	1600	MR SHANGE	RATES/ REFUSE	21,315.83
002067800	SUNDUMBILI B	678	MS MPUNGOSE	RATES/REFUSE	29,788.66
001073600	SUNDUMBILI A	736	MR SIBIYA	RATES/REFUSE	16,282.66
009903601	MANDINI EXT. 002	360	MR MWANDLA	RATES/REFUSE	19,645.52
TOTAL					451,572.33

DISCONNECTIONS					
ACCOUNT	TOWN	ERF NO.	DEBTORS NAM	DEBT TYPE	AMOUNT R
002600432	MANDINI	1426 EXT.	ASSOCIATED SPIN	RATES/ELEC	-
004001952	MANDINI	744 EXT. 0	BASIC BEST PROP	ELECTRICITY	18,914.68
008400851	MANDINI	835	ELASTICO	RATES/ELEC	8,958.94
009600501	MANDINI	699	MR EUSHEN	RATES/ELEC	78,276.66
008800681	MANDINI	98	MR GETKATE	RATES/ELEC	3,700.53
002400241	MANDINI	444 EXT. 0	M3 HOLDINGS	RATES/ELEC	132,845.00
003000102	MANDINI	307	MR MBUYISA	RATES/ELEC	57,300.57
002800131	MANDINI	448 EXT. 0	MR MVULA	RATES/ELEC	2,578.05
002300031	MANDINI	746 EXT. 0	MR MCHUNU X S	ELECTRICITY	1,182.63
009907461	MANDINI	746 EXT. 0	MR MCHUNU X S	RATES/ELEC	2,623.33
002601032	MANDINI	805 EXT. 0	MR BUTHELEZI	ELECT.	
8000421	MANDINI	805 EXT. 0	MR BUTHELEZI	RATES/ELEC	11,730.67
008801301	MANDINI	77	MR PIETERS	RATES/ELEC	6,521.10
002701212	MANDINI	28	MS NTULI	RATES/ELEC	29,094.83
008903411	MANDINI	469 EXT. 0	MR RADEBE L P	RATES/ELEC	68,057.80
002900232	MANDINI	911 EXT. 0	MR RADEBE	RATES/ELEC	69,249.71
002700941	MANDINI	46 EXT. 09	MR KUBHEKA	RATES/ELEC	333.48
004001932	MANDINI	916 EXT. 0	MR KANNI	RATES/ELEC	20,271.80
002701091	MANDINI	405 EXT. 0	MS HORSLEY-DAL	RATES/ELEC	20,040.92
009300771	MANDINI	786/02 FLA	MR FOURIE	RATES/ELEC	5,946.74
002800902	MANDENI	786/10 FLA	MR GOPAL	RATES/ELEC	5,772.55
TOTAL					543,399.99

Rental of facilities & Equipment

- Revenue from rental of facilities recognised amounts to R182 thousand in comparison with the year-to-date budget amount of R89 thousand thus indicating an over performance of R48 thousand or 36 percent. Variance is due to level of demand in the usage of municipal facilities (Municipal sports fields, municipal halls) when comparing to the projections.

Interest earned _external investments

- Investment revenue is the amount of interest earned on the amount invested with various financial institutions registered with South African Banking Council. The amount collected to date as interest earned amounts to R13.1 million resulting in an under performance of -9 per cent over collection of the pro-rata budget to date. Variance is due to the cash available from previous year cash backed reserves and additional grants received.
- In line with the investment policy, funds are invested on call accounts with institutions offering the highest possible interest rates.

Interest earned outstanding debtors

- In line with council adopted credit control policy, the municipality charges interest on arrear debtors.
- Interest earned on outstanding debtors amounts to R2.6 million in comparison with the year-to-date budget of R2.8 million, thus indicating an under performance by - R41 thousand or -9 percent, variance is based on the outstanding debtors for that period. Interest on outstanding debtors has been charged at a rate of 2% as approved by Council.

Fines, Penalties and forfeits

- Fines have underperformed by -92 percent or R1.0 million, with an actual amount of R92 thousand variance against year-to-date budget projections of R1.1 million. This is mainly due to the culture of non-payment and adverse economic conditions Revenue reported to date is on cash basis, as the municipality accounts for fines in terms of iGRAP 1 during year end.

Licences and permits

- Licences and permits have underperformed by -27 percent or R139 thousand with an actual amount of R379 thousand as compared to budget of R519 thousand, variance is due performance by Traffic Department on issuing of licences which has been affected by load shedding which has an impact on the functioning of the office.

Transfers & subsidies

- Transfers and subsidies recognised operational amounts to R220.3 million in comparison with the year-to-date budget of R167.5 million, thus indicating an over performance by R42.7 million or 31 percent, variance is mainly attributable to the municipality receiving the 3rd trench of the Equitable Share R58.9 million and realisation of operational grants spent as conditions have been met for EPWP, FMG, Library Grant.
- Transfers and subsidies capital amounts to R25.8 million in comparison with the year-to-date budget of R29.3 million with an under performance of R3.6 million, revenue recognised based on conditions met for MIG and Library Grant. *(Detailed report on MIG expenditure has been provided below)*

Other Revenue

The majority of the Council own funded sources are budgeted under this category.

The year-to-date performance in Other Revenue amounts to R3.6 million more than anticipated YTD budget of R1.8 million, thus indicating an over- performance of R1.7 million or 95 percent, variance is mainly due to seasonal fluctuations and level of demand for these items e.g, tender fees, connection and disconnection fees.

Another contributing factor to this variance is due to revenue received from LG Seta of R676 thousand and insurance refund of R1.4 million.

Overall revenue budget to date

The overall Operational revenue to date totals to R331.4 million (current month – R67.4 million) which equates to an over collection of 28% when compared to pro-rata budget of R258.2 million.

Table 4.3

▪ **Total Operating Expenditure from (July – March 2023)**

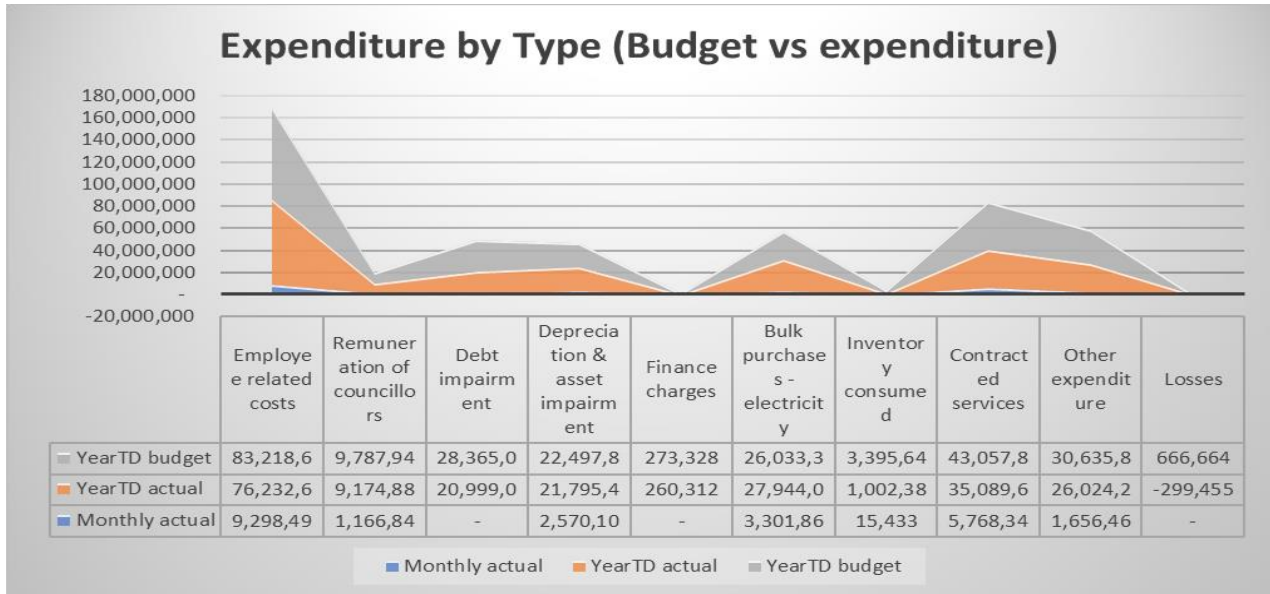
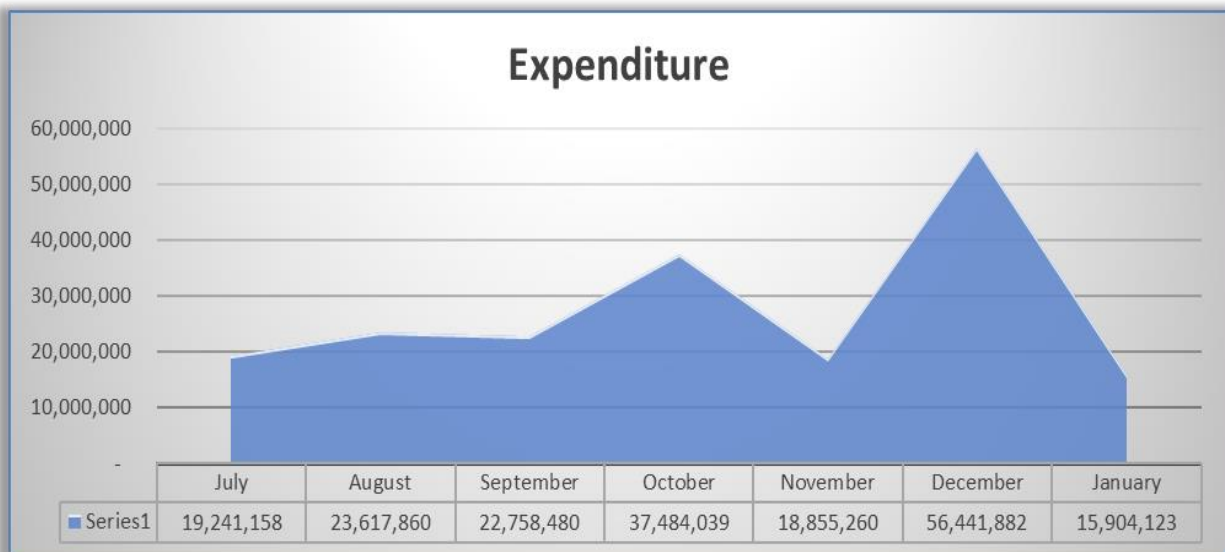


Table 4.4

▪ **Operating Expenditure from July-March 2023**

The table below reflects trend of expenditure for the 3rd quarter of the financial year



Operating Expenditure:

- The total operational expenditure YTD Actual for the period ending 31st March 2023 amounted to R 246.5 million against the planned target of YTD budget is R 278.7 million. As at the end of March the operational expenditure budget has been under spent by -12% or -R32.2 million. Detailed expenditure analysis is below:

Employee Related Costs

- Employee related costs YTD expenditure for the period ending 31st March 2023 amounted to R85.3 million while the YTD budget was R93.6 million with an underspending of R8.4 million at -9 per cent. Variance is due to positions that were prioritised in the budget which have not been filled. However, recruitment processes have been started and almost close to being finalised for filling of these position
- Furthermore, to that it should be noted that employee bonuses are now being paid on their birth month.

Remuneration of Councilors

- The expenditure on councilor allowances as of 31st March 2023 was under spent by R 696 thousand. The YTD Remuneration of Councilor's budget is R11.0 million whilst the actual expenditure incurred results in under-expenditure of -6% YTD expenditure performance. Variance is due to Cllrs upper limits which have not been affected as the municipality has not received approval from COGTA, variance will be considered during back pay of Cllrs in January. However, there are still engagements with the department in relation to the Public Office bearer's salary increase.

Debt Impairment

- The provision for bad debt is reflecting an under performance by 34 percent or R10.9 million from YTD budget of R31.9 million against the YTD actual of R21.0 million. Debt impairment calculation has assumed the method below.
- The assumption is that you exclude all debtors with credit balances when calculating the provision. Provision for Bad debt is therefore calculated using the collection rate of 65% for debt within 90 days and 20% for any debt older than 90 days for all categories except Electricity. With Electricity the assumption is that 90% of the debt older than 90 days is still collectable.

Depreciation and Asset Impairment

- Depreciation and asset impairment are reflecting an under performance by 3 percent or R702 thousand against YTD actual of R24.6 million against the YTD budget of R25.3 million, variance is low but it is due to delays in acquiring capital assets that were planned to be procured and completion of projects that are still under work in progress as assets are depreciated when completed.

Finance Charges

- Finance charges are reflecting an under performance by -15 percent or R47 thousand against YTD actual of R260 variance is due to interest paid towards Wesbank for Finance Lease. Further to that it should be noted that the Instatement contract agreement for 1 Toyota Avanza has come to an end in the month of September 2022.
- Another contributing factor to finance charges is the reclassification of retirement benefit obligation interest costs in accordance with GRAP 25, this calculation will be done during year end after assessment by Actuarial Report has been completed for the year.

Bulk Purchases

- Bulk purchases relate to electricity purchases that the municipality purchases from Eskom for revenue generation stream, as the municipality has the license authority within ward 3. To date the expenditure on bulk purchases totals to R31.1 million (current month – R3.2 million) when compared to the projected budget of R29.3 million, variance is R1.8 million with an over expenditure of 6 percent. Variance is due to level of demand for electricity.

Inventory Consumed

- Inventory Consumed are reflecting an underperformance by 68 percent or R2.6 million from YTD budget of R3.8 million against the YTD Actual of R1.2 million, variance is due to the implementation of procurement plan. The municipality has reviewed its repairs and maintenance plan so as to ensure that the infrastructure of the municipality is regularly monitored for its aging.

Contracted Services

- Contracted services expenditure is reflecting an under expenditure by -18 percent or R8.8 million from YTD budget of R48.4 million against the YTD actual of R39.6 million, variance is due to the implementation of procurement plan, however we anticipate that there will be improvement during the last quarter of the financial year. This item included all the contracted and outsourced services by the municipality.

Transfers & Subsidies

- Transfers & Subsidies has been reclassified under Other expenditure so as to consider findings raised by mSCOA Co-Ordinator. Therefore, this expenditure is part of Other Expenditure.

Other expenditure

- Other expenditure has underspent by -3 percent or -R867 thousand from YTD budget of R34.3 million against the YTD actual of R33.4 million, variance is due to activities that that took place in the 3rd quarter of the financial year and the decision the municipality took on implementation of cost cutting measures to improve the municipal cash flows.
- Other expenditure - The majority of items are not a straight-line expenditure some are paid where it is needed e.g. printing and stationery, mayoral projects, external services etc. Certain expenditure items are based on a seasonal commitment.

Table 5

Table C5 Quarterly Budget Statement – Capital Expenditure

KZN291 Mandeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q3 Third Quarter

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Single Year expenditure	2									
Vote 1 - EXECUTIVE AND COU		(3 306)	2 108	527	–	418	395	23	6%	2 108
Vote 2 - FINANCE AND ADMINIS		55 471	29 580	4 662	209	4 597	3 496	1 101	31%	29 580
Vote 3 - INTERNAL AUDIT		–	–	–	–	–	–	–	–	–
Vote 4 - COMMUNITY AND SOC		38 695	27 116	6 614	–	2 624	4 961	(2 337)	-47%	27 116
Vote 5 - Sport and Recreation		16 298	54 035	11 840	565	4 987	8 880	(3 893)	-44%	54 035
Vote 6 - Public safety		–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–	–	–
Vote 8 - Planning and Developm		(2 131)	73 916	17 006	1 501	5 654	12 755	(7 100)	-56%	73 916
Vote 9 - Road transport		(4 694)	81 304	31 733	1 895	14 545	23 800	(9 255)	-39%	81 304
Vote 10 - Energy sources		21 311	24 378	8 704	524	3 015	6 528	(3 513)	-54%	24 378
Vote 11 - Waste Management		–	20 808	4 907	–	6 059	3 680	2 379	65%	20 808
Vote 12 - Environmental Protect		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Capital single-year	4	121 644	313 245	85 993	4 694	41 898	64 495	(22 596)	-35%	313 245
Total Capital Expenditure		121 644	313 245	85 993	4 694	41 898	64 495	(22 596)	-35%	313 245
Capital Expenditure - Functional Classification										
Governance and administrati		13 041	7 922	5 189	209	5 015	3 848	1 168	30%	7 922
Executive and council		(826)	527	527	–	418	351	67	19%	527
Finance and administration		13 868	7 395	4 662	209	4 597	3 496	1 280	41%	7 395
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		13 748	20 288	18 454	565	7 610	13 841	(6 230)	-45%	20 288
Community and social service		9 674	6 779	6 614	–	2 624	4 961	(1 786)	-40%	6 779
Sport and recreation		4 074	13 509	11 840	565	4 987	8 880	(3 472)	-44%	13 509
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental		(1 706)	38 805	48 739	3 396	20 199	36 554	(16 355)	-45%	38 805
Planning and development		(533)	18 479	17 006	1 501	5 654	12 755	(7 184)	-63%	18 479
Road transport		(1 174)	20 326	31 733	1 895	14 545	23 800	(8 506)	-40%	20 326
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		5 328	11 297	13 611	524	9 074	10 208	(1 134)	-11%	11 297
Energy sources		5 328	6 095	8 704	524	3 015	6 528	(3 312)	-57%	6 095
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	5 202	4 907	–	6 059	3 680	2 787	85%	5 202
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure	3	30 411	78 311	85 993	4 694	41 898	64 451	(22 553)	-35%	78 311
Funded by:										
National Government		5 762	32 370	32 427	1 388	22 681	24 320	(1 639)	-7%	32 370
Provincial Government		0	323	881	–	40	660	(620)	-94%	323
District Municipality		–	–	–	–	–	–	–	–	–
Transfers recognised - capita		5 762	32 693	33 307	1 388	22 721	24 981	(2 259)	-9%	32 693
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		24 649	45 619	52 686	3 306	19 177	39 514	(20 337)	-51%	45 619
Total Capital Funding		30 411	78 311	85 993	4 694	41 898	64 495	(22 596)	-35%	78 311

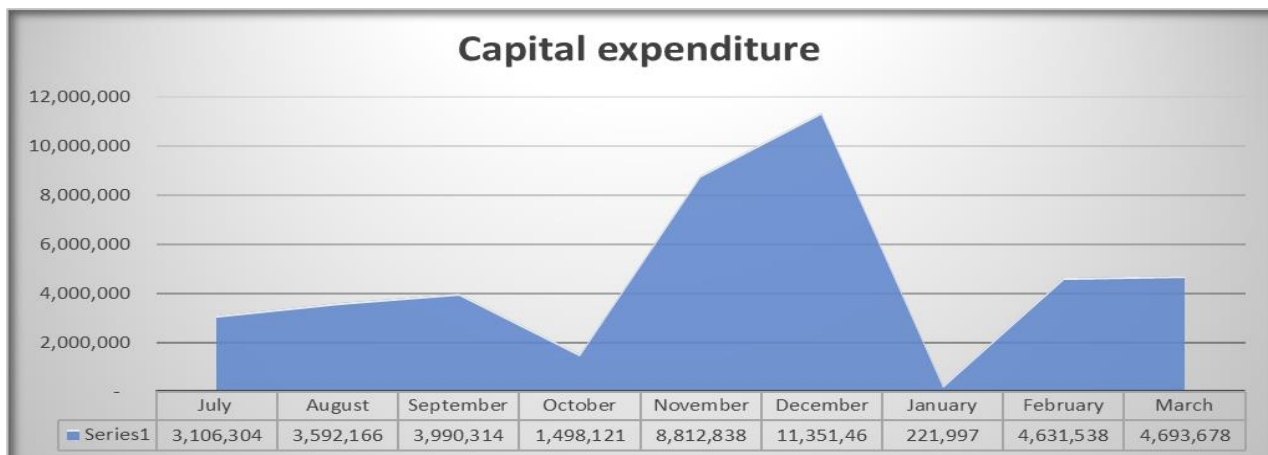
Capital Expenditure Analysis:

The YTD capital expenditure budget is R 64.5 million against YTD actual Capital expenditure amounted to R 41.9 million resulting in under performance of (35%) on capital expenditure. Variance in capital expenditure were due to technical challenges that were experienced with the implementation of capital projects. *(Detail Report on Implementation of Capital Projects below)*

Table 4.4

▪ **Capital Expenditure from July-March 2023**

The table below reflects trend of expenditure for the 3rd quarter of the financial year



- Capital grants funded by National Government actual is R22.7 million versus YTD Budget of R24.3million as at March 2023. Variance of R1.3million, MIG projects are on ground with minor delays
- Capital grants funded by Provincial Government actual is R40thousand versus YTD Budget of R660 thousand as at March 2023 variance of 94% reflects an under expenditure on this grant. However, it should be noted that there is a Library Project on ground which will ensure that budget is fully spent at year end.
- Capital grants funded Internally actual is R19.2 million versus YTD Budget of R39.5 million as at March 2023 variance of 51% reflects and under expenditure on this item. However, it should be noted that there are ongoing projects which are in progress in relation to this funding such as DLTC Establishment and Upgrading of municipal offices roofing which will ensure that capital budget is fully spent at year end.

PROJECTS STATUS QUO / PROGRESS REPORT AS AT 31 MARCH 2023 – MIG FUNDED PROJECTS

2020/2021 FINANCIAL YEAR ROLL OVER CAPITAL PROJECTS (MIG)

No	Project Name	Ward	Brief Description	Consultant/ Contractor	Approved MIG Funding	Status/ Progress	Anticipate d Date	Challenges / Comments
01	Upgrade of Link Road between Masomone Bus Route (Ward 10) and Enembe/Isithebe Link Road (Ward 12)	10/12	This project entails the construction of the new scope of work to prioritize the Storm-water, retaining wall, sidewalk and fixing the damage sections of the road.	Consultant Iqhina Consulting Engineers Contractor TBC	R2 000 000.00	Documentation stage	TBC	The new Consultant Iqhina consulting Engineers has been appointed to deal with the finishing of the project since the previous Consultant Leletu Consulting Engineers pulled out of the project.
02	Construction of a Sports field	5	Project Scope: The scope of works is as follows: Construction of a soccer field, Installation of clear view	Consultant Sivest Consulting Engineers	R7 962 614.60	Project Complete	December 2022	Project is at Defect Liability Period ending 14 December 2023.

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	in Enembe, Ward 5		Fencing, Construction of Change rooms and ablution facility as well as the septic tank and Construction of grand stands	Contractor Sholo Trading				
<u>2022/2023 FINANCIAL YEAR CAPITAL PROJECTS (MIG)</u>								
03	Rural Roads Phase 4(a) - Upgrade of Gravel Roads in Ward 11	11	The scope of works includes the following activities: mass earthworks, construction of pavement layers (G4 material compacted to 97% of MDD, G7 material compacted to 93 & of MDD, 160mm unreinforced 35MPA concrete), construction of stormwater drainage and installation of road signs	Consultant: BVI Consulting Contractor: Onombuthu (PTY) LTD	R 4,867,775.44	Project complete.	October 2022	The project is currently under the defect liability period ending October 2023.
04	Rural Roads Phase 4(b) - Upgrade	6	The scope of works includes the following activities: mass earthworks, construction of pavement layers (G4 material	Consultant: BVI Consulting Contractor:	R3,517,436.0 7	Project complete.	September 2022	The project is currently under the defect liability period

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	of a Gravel Road in Ward 6		compacted to 97% of MDD, G7 material compacted to 93 & of MDD, 160mm unreinforced 35MPA concrete), construction of stormwater drainage and installation of road signs	Zisayini Trading Enterprise				ending September 2023.
05	Khenana and Hlomendlin i High Mast Lights	4, 10, 16, 17 and 18	<p>7 x new high mast lighting including the following:</p> <ul style="list-style-type: none"> - 40A single phase supply kiosk per mast. - Electrical cable reticulation including all trenches, sleeves, joints, and terminations as detailed in the electrical bill of quantities. - 25m high-mast pole including concrete base as detailed in the electrical bill of quantities. - 8 x 400w LED luminaires per mast using an 8-way spigot. 	<p>Consultant: BVI Consulting</p> <p>Contractor: Yakhalungisa Engineering Services</p>	R5,924,861.03	The project is practical complete.	January 2023	Six out of seven High Mast Lights have been energized. The seventh high mast will be energized as soon as Eskom provide the connection point.

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06	Construction of a Community Hall in Ward 13	13	The scope of works includes the following activities: mass earthworks, platforms, reinforced foundations, brick work superstructure, plumbing, roof construction and covering, plaster and painting, electrical wiring, fencing and parking area.	<p>Consultant: SMA Consulting</p> <p>Contractor: Sanoqwabe Consultants</p>	R10,417,173.70	Project Complete.	November 2022	The Contractor has been asked to submit quotations for additional work due to the money that is still available in the project.
07	Ward 3 Access Roads Rehabilitation	3	<p>The scope of works will entail the following:</p> <ul style="list-style-type: none"> - Rehabilitation of 2.867 kms of road (Plover Road, Inyala Road, Impunzi Road, Impala Road, Trogon Road and Sandpiper Road) - Construction of curbs - Surfacing using 30mm asphalt - Construction of storm water drainage - Road marking - Installation of road signs 	<p>Consultant: Morula Consulting</p> <p>Contractor: Bheka Phezulu Investments</p>	R13,057,500.00	Project Complete.	November 2022	The project is under the defect liability period ending November 2023.

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08	Upgrade of Manono Road in Ward 15	15	<p>The scope of works is as follows:</p> <ul style="list-style-type: none"> - Box Cut 900m Long x 480mm Depth x 5m wide (to upgrade this road to a 2 Lane) - 900m x 150mm G7 (Sub Grade) - 900m x 150mm C4 (G5 Cement Stabilized Sub Base) - 900m x 150mm G2 (Base) - 900m x 5m Prime - 900m x 5m Tack and 30mm Asphalt - 900m Concrete V Drains on one side (Left or Right Pending Crossfall) - 900m Kerbing on one side (Left or Right Pending Crossfall) - Stormwater Pipe Concrete 100m x 600mm Diameter with Manholes and Outlets 	<p>Consultant: SKYV</p> <p>Contractor: The Curve Behind Trading 219 Cc</p>	R 6,804,889.83	Project is 97% Complete	January 2023	The revised completion date was 23 January due to additional scope and relocation of additional services. The Contractor is behind the programme due to cashflow issues.
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			- Road Marking & Signs					
09	Swimming Pool Area Additions in Ward 15	15	<p>The project scope entails the following activities:</p> <ul style="list-style-type: none"> - Construction of a 76m2 change room, with 4 female and 2 male toilets and 2 urinals (male) - Construction of extra 33m2 ablutions block for usage during peak seasons with 6 toilets - Construction of a 20m2 guard house with cashier space - Construction of life guard house stand - Construction of external works - Construction of block paved parking area (25 bays) - Construction of approximately 1500m2 block 	<p>Consultant: Hi Tech Consulting</p> <p>Contractor: Umhlathuze Builders Emporium</p>	R3,685,154.5 2	Project complete.	November 2022	The project reached is complete Completion stage in November 2022 and is currently under the defect liability period ending in November 2023.

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			<p>paved walkways and waiting area</p> <ul style="list-style-type: none"> - Children play area with specialized equipment - Beach volley ball sand area 400m² - Landscaping - Provision of gates - Provision of outside lighting - Construction of a 50mm HDPE pipeline water supply, and - Construction of sewer pipeline, 110mm uPVC approximately 150m long 					
10	Highview Park and Padianagar Court Additions	3 & 4	<p>The scope of works will entail the following:</p> <ul style="list-style-type: none"> - Construction of an Ablution Block (40m² x 2) -Construction of Guardhouse (20m² x 2) -Construction of Palisade Steel Fence 	<p>Consultant: Hi Tech Consulting</p> <p>Contractor: Lamazwide Projects</p>	R2 300 098.90	Project is 90% Complete.	February 2023	The revised completion date is 28 February 2023 due to Social issues at the start of the project and rain delays.

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			<p>Combo Court Rehabilitation (500m² x 2)</p> <p>-Construction of Conservancy (30m²)</p> <p>-Water Supply (150m)</p> <p>-Provision of sanitation (90m)</p> <p>-Construction of blocked paved parking (110m² x 2)</p> <p>-Provisions of electricity</p>					
11	Construction of Hlomendlini Sportfield, Ward 4	4	<p>Site Establishment. Setting out of works. Bulk earthworks to the various elements of infrastructure on side.</p> <p>Construction of a soccer field (110m x 75m). Construction of a combi court (38m x 19.5m). Construction of an ablution facility (10 toilet units), with change rooms (4 toilet units), public toilets (6 toilet units) and office/first aid room including water, sewage, and electrical supply.</p>	<p>Consultant: SRK Consulting</p> <p>Contractor: Zithinzuzo Trading Enterprise cc</p>	R 8 041 369.71	Project is 15% complete	October 2023	There were delays with the contractor meeting contractual obligations, appointment of the ECO who ensures that the WULA conditions are adhered to on site.

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			Construction of a grandstand with a minimum of 5 rows of seats (length of 25m). Installation of fencing including gate house (pedestrian and vehicle gates). Construction of an unpaved parking area.					
12	Installation of High Mast Lights in Mandeni, Phase 2	3,5,9,11 and 12	Supply and Install of 6 x 30m high mast lighting. Installation and Commissioning of street and high mast lighting. Certifying all the installations for compliance. Submitting project report, designs/drawings and quality stacks on project handover.	Consultant: Africoast JBFE Project Manager Contractor: R Busisiwe (Pty) LTD	R 5 046 311.80	Project is 25% started.	May 2023	
13	Rehabilitation of Internal Roads and	13	Site establishment. Site clearance. Mass Earthworks. Road Bed Preparation. Clearing Existing Stormwater	Consultant: DLV Project Managers & Engineers (Pty) Ltd	TBC	Project went out on tender and closing date is	TBC	

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	Upgrade of Associated Stormwater in Sundumbili , Ward 13 Phase 1	Infrastructure. New Stormwater Infrastructure. New Pavement Layerworks. Road Surfacing. Kerbs and Channels. Road Restraint Systems. Road Signs. Road Marking. Finishing of road reserve.	Contractor: TBC		Friday, 31 March 2023.		
14	Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili , Ward 13 Phase 2 and Ward 14 White City Section	Milling of existing asphalt. Removal of existing layerworks and box cut to 340mm. 300mm undercut to spoil and replace with G7 backfill at unsuitable founding conditions. Rip and compact Roadbed. Construct 150mm Gravel Subgrade: with in-situ material. Construct 150mm Subbase: G5 with material from commercial sources. Construct 150mm Base G2 with material from commercial	Consultant: Singh Govender Associates Contractor: TBC	TBC	Project went out on tender and closing date is Friday, 31 March 2023.	TBC	

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			sources. Construct 40mm Asphalt (Mix D). Construction of Concrete V-Drains & Kerbing. Construction of Stormwater pipelines utilising 600mmØ and 450mmØ Concrete Pipes.				
15	Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 15		Establishment on site. Clearing & grubbing. Traffic accommodation facilities. Milling and stockpiling of existing surface on strategic sections with minimal degree of surface failure. In situ recycling (BSM2) on strategic sections with severe degree of surface failures. Patching. Heavy Rehabilitation. Construction of stormwater infrastructure. Replace with 40mm thick medium mix asphalt for the entire length of the road. Erection of Kerbing	Consultant: Libeko (Pty) Ltd Contractor: TBC	TBC	Project went out on tender and closing date is Friday, 31 March 2023.	

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			and Channel along either side of the road. Clearing of road reserve.					
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2022/2023 FINANCIAL YEAR CAPITAL ROLL OVER PROJECTS (INEP)

No .	Project Name	Ward	Brief Description	Consultant & Contractor	Approved INEP Funding	Status/Progress	Anticipated Completion Date	Challenges / Comments
16	Completion of Okhovothe Electrification Project	12	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 105 households' connections	Consultant : BVI Engineers Contractor : TBA	R1 680 000.00	Project awarded.	TBA	The project was terminated at 65% complete with the previous Contractor. Provisional contractor appointment dated 30 March 2023 has been made pending allowed appeals

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								period of 14 days from other bidders.
17	Hlanzeni Electrification Project	7	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 105 households' connections	Consultant : BVI Engineers Contractor : Shanti's Electrical	R1 640 000.00	The project is 99% complete. Eskom's outages were successfully completed. Contractor is finalising the IC's to be submitted to the consultant by 30 January 2023.	January 2023	There were delays due to theft.
18	Dendethu / Wetane Electrification Project	5 & 15	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 170 households' connections	Consultant : Veritas Engineers Contractor : 	R2 034 054.94	The project is 95% complete.	February 2023	The project experienced delays due procurement of materials. The Contractor is attending to added house connections.

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				Afrilectrical Consulting Engineers				
19	Emhlangeni Electrification	5	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 100 households' connections	Consultant : PSMT Consulting Engineers Contractor : R Busisiwe (Pty) LTD	R2 000 000.00	Project awarded.	TBA	New contractor appointment has been made. The project will start soon pending price negotiation, project launch and handover.

2022/2023 FINANCIAL YEAR INTERNALLY FUNDED CAPITAL PROJECTS

No.	Project Name	Ward	Brief Description	Consultant & Consultant	Approved Internal Funding	Status/Progress	Anticipated Completion Date	Challenges / Comments
20	Construction of	3	Construction of a Drivers Licence	Consultant:	R14 017 239.00	Project is 25% Complete.	July 2023	The project was terminated and new

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	DLTC and DMC Administration Offices - Phase 1		Testing centre administration offices and Testing Ground	Nzamaxhuze Holdings Contractor: Mlombomvu Projects CC				tendering process took place for the finishing of the remaining work. New contractor was appointed in December 2022 and work resumed in January 2023
21	Rehabilitation of Msomuhle Road	15	250m Road Rehabilitation Length Box Cut to 480mm. Dump Rock infilling at soft spots. Rip and compact Roadbed	Consultant: SKYV Consulting Contractor: Big O Trading 298	R 3 222 236.46	Project is 98% Complete.	January 2023	The project experienced slow progress due to poor planning that has contributed to substandard quality of works. Contractor is currently busy with the added scope of works to achieve

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		<p>Construct 150mm Gravel Subgrade: G7 with material from commercial sources.</p> <p>Construct 150mm Subbase: C4 with material from commercial sources.</p> <p>Construct 150mm Base G2 with material from commercial sources.</p> <p>Construct 30mm Asphalt G2 with material from commercial sources.</p>					practical completion.
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			Construction of Concrete V-Drains & Kerbing Construction of Stormwater pipelines utilising 600mm Pipes.					
22	Repair and Renovation of Civic Centre and Roof Replacement	3	Replacement of Existing roof. Replacing existing ceiling. Treatment of Rising damp by Specialists. Installation of Energy saving Components and the replacement of all existing Electrical	Consultant: LZM Africa Holdings Contractor: Uhlanga Trading Enterprise	R 10 993 497.45	Project is 50% complete	July 2023	

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			<p>Components and Wiring. Upon Replacement of Existing Roofs, The networking and Security cabling will be exposed to damages therefore re-routing and the installation of cable trays is recommendable. Damaged Walls with visible rising damp has to restored and re-painted.</p>					
23	Construction of	3	Demolition of existing	Consultant:	TBC	Project went out on tender and closing	TBC	

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	Mechanical Workshop	<p>pavement and structures, earthworks, construction of a Mechanical workshop, construction of a new office block, paving front of the workshop, construction of a drainage channel, installation of water and sewer, installation of electrical, mechanical and associated works. The site comprises an</p>	<p>Ukwakha Consulting Engineers</p> <p>Contractor: TBC</p>		<p>date is Friday, 31 March 2023.</p>		
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			abundant building that will be demolished and an area to be used for the construction of the new office block.					
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2022/2023 FINANCIAL YEAR CAPITAL ROLL OVER PROJECTS (MASSIFICATION)

No .	Project Name	Ward	Brief Description	Consultant & Contractor	Approved Massification Funding	Status/Progress	Anticipated Completion Date	Challenges / Comments
24	Khenana Electrification Phase 5	10	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 100	Consultant : Veritas Engineers Contractor :	R 1 500 000.00	The tender documents are being evaluated by BEC.	TBA	Budget issues due to rollover not being approved under INEP funding.

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			households' connections	TBA				The project is being done using Massification Budget
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Table 6

FINANCIAL POSITION

Table C6 displays the financial position of the municipality as at 31st March 2023

KZN291 Mandeni - Table C6 Monthly Budget Statement - Financial Position - Q3 Third Quarter						
Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		199 732	43 480	7 011	217 666	(173 598)
Call investment deposits		8 435	30 756	155 000	100 112	30 756
Consumer debtors		57 455	28 024	20 749	41 620	28 024
Other debtors		(20 347)	–	3 351	–	–
Current portion of long-term receivables		–	–	–	–	–
Inventory		807	673	807	900	673
Total current assets		246 082	102 933	186 918	360 297	(114 146)
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		352 654	84 587	88 164	88 164	84 587
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1 619 927	593 519	537 034	599 179	774 969
Biological		–	–	–	–	–
Intangible		1 907	568	477	418	568
Other non-current assets		–	–	–	–	–
Total non current assets		1 974 489	678 674	625 675	687 760	860 124
TOTAL ASSETS		2 220 571	781 607	812 593	1 048 057	745 978
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		5 760	326	(14)	4 925	326
Consumer deposits		277	199	(275)	234	199
Trade and other payables		41 039	36 476	(39 467)	67 130	36 476
Provisions		2 280	–	–	2 280	–
Total current liabilities		49 357	37 001	(39 756)	74 569	37 001
Non current liabilities						
Borrowing		–	–	–	–	–
Provisions		18 003	27 394	22 795	18 003	27 394
Total non current liabilities		18 003	27 394	22 795	18 003	27 394
TOTAL LIABILITIES		67 359	64 395	(16 961)	92 572	64 395
NET ASSETS	2	2 153 212	717 212	829 553	955 485	681 583
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		549 479	715 076	827 418	752 813	656 263
Reserves		202 672	2 136	2 136	202 672	2 136
TOTAL COMMUNITY WEALTH/EQUITY	2	752 151	717 212	829 553	955 485	658 399

FINANCIAL RATIOS AND NORMS

Current ratio: The municipality's current assets are 4 (four) times that of current liabilities. **4.83:0.21**

The ratio measures the short-term liquidity, that is, the extent to which the current liabilities can be paid from current assets. The higher the ratio, the healthier is the situation. The ratio of 4.83:0.21 is favorable as it is above the norm of 1:1 normally set for municipalities. This indicates that there is sufficient cash to meet creditor obligations.

Liquidity ratio: The cash and cash equivalents are four time of the current liabilities.

Creditors' system efficiency: 95 percent of the creditors outstanding are less than 30 days.

Creditor's payment: it takes the municipality 0 days to pay its creditors

Outstanding debtors: billing far exceeds the collection on outstanding debt at the rate of 69.39 percent.

Collection days: 756.69 days it takes the municipality to collect outstanding debt.

Cost coverage: on average the municipality has sustained its existence for the period of 8 month without any grant funding.

Debtors collection rate: as at mid-year is 69.39%

	9 Month
Cash and cash equivalents	5 037 903
Unspent Conditional Grants	41 134 878
Overdraft	-
Short Term Investments	312 844 156
Total Annual Operational Expenditure	371 753 121

	4.83
Current Assets	360 296 794
Current Liabilities	74 568 975

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	0 days
Trade Creditors	32 480
Contracted Services	39 601 755
Repairs and Maintenance	10 226 263
General expenses	33 386 101
Bulk Purchases	31 133 672

	39%
Employee/personnel related cost	85 257 892
Councillors Remuneration	10 314 945
Total Operating Expenditure	246 531 070
Taxation Expense	

	16%
Contracted Services	39 601 755
Total Operating Expenditure	246 531 070
Taxation Expense	

	69.39
Gross Debtors closing balance	209 128 710
Gross Debtors opening balance	181 350 281
Bad debts written Off	-
Billed Revenue	90 745 961

	756.69
Gross debtors	209 128 710
Bad debts Provision	21 000 000
Billed Revenue	90 745 961

1.4.4 PERFORMANCE INDICATOR

Table 7

Table C7 below display the Cash Flow Statement for the quarter ending 31st March 2023

KZN291 Mandeni - Table C7 Monthly Budget Statement - Cash Flow - Q3 Third Quarter										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(40 697)	24 440	21 996	1 524	24 601	16 497	8 104	49%	24 440
Service charges		(42 282)	44 540	44 040	4 560	41 496	33 030	8 466	26%	44 540
Other revenue		3 195	34 355	18 443	880	4 507	13 833	(9 325)	-67%	34 355
Transfers and Subsidies - Operational		299 620	246 207	235 589	58 800	227 046	176 692	50 354	28%	246 207
Transfers and Subsidies - Capital		(118 865)	38 462	39 118	8 500	40 044	29 338	10 706	36%	38 462
Interest		14 081	5 775	19 275	552	15 615	14 456	1 159	8%	5 775
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(639)	(316 822)	(322 696)	(21 207)	(200 629)	(221 183)	(20 555)	9%	-
Finance charges		-	(410)	(410)	-	(260)	(273)	(13)	5%	-
Transfers and Grants		(4 214)	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERAT		110 198	76 547	55 356	53 609	152 421	62 389	(90 032)	-144%	393 779
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current r		-	-	-	-	-	-	-		-
Decrease (increase) in non-current in		-	-	-	-	-	-	-		-
Payments										
Capital assets		302 868	(78 311)	(98 892)	(5 326)	(42 785)	(65 928)	(23 143)	35%	-
NET CASH FROM/(USED) INVESTI		302 868	(78 311)	(98 892)	(5 326)	(42 785)	(65 928)	(23 143)	35%	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer dep		-	-	-	28	160	-	160	#DIV/0!	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCI		-	-	-	28	160	-	(160)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN C		413 067	(1 764)	(43 536)	48 310	109 796	(3 539)			393 779
Cash/cash equivalents at beginning:		-	-	-	-	207 982	-			207 982
Cash/cash equivalents at month/year		413 067	(1 764)	(43 536)	-	317 777	(3 539)			601 761

Cash and cash equivalent at the beginning of 2022/23 financial year was R207.9 million as per audited AFS and cash and cash equivalent at the end of 31st March 2023 is R317.8 million.

Table C7 shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Revenue -Receipts

- Property rates collection rate to date is 50.32% or R24.3 million of the billed revenue as at March 2023. The municipality is implementing strategies as per credit control and debt collection policy which has ensured that there is improved collection.
- Service Charges: Electricity and Refuse is 94% or R31.2 million of billed revenue as at February 2023 collection rate is within the limits of budgeted collection rate.
- Other Revenue collected to date is R4.2 million, which is due to collection of rentals of properties, licenses and permits and other sources of revenue.
- Government Operating received to date as at March 2023 is R227.0 million which has been split between grants received as publicized in DORA of R172.5 million, Title Deed Expenditure of R195 thousand and INEP Grant of R4.8 million. Accounting treatment of Department of Human settlement Grants and INEP is in accordance with GRAP 109.
- Government Capital: received to date is R40.4 million from MIG Allocation which is in accordance with the approved business plan.
- Interest earned on external investments amounts to R13.1 million in comparison with the year to date budget of R14.4million. The next maturity date is at June 30,2023.

Payments

- Suppliers and employees for cash outflows of R200.6 million does not corresponds with table A4 as it has also considered payments for prior year creditors of R7.3 million as per the 2021/22 audited AFS which were paid in this current financial year. Further to that suppliers and employees cash flow have included INEP payments of R2.4 million and Title Deed Grant of R194 thousand as we adhere to GRAP 109 as the municipality serves as an agent.
- Finance charges are reflecting an over performed by 15 percent or R47 thousand against YTD actual of R260 thousand, variance on this line item is also immaterial.
- Capital Assets of R41.9 million on C5 excludes VAT whilst C7 includes VAT.
- Increase (decrease) in consumer debtors has paid R160 thousand through repayment of deposits of customers for rental of properties as at the end of March 2023.

PART 2 – SUPPORTING DOCUMENTATION

2.1 DEBTOR'S ANALYSIS

Table 8

KZN291 Mandeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q3 Third Quarter												
Description	NT Code	Budget Year 2022/23									Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transac	1200	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transac	1300	3,420	186	(60)	(53)	135	52	1,276	2,857	7,814	4,268	
Receivables from Non-exchange Transactions - Prop	1400	2,579	3,001	1,421	(17)	1,478	1,406	23,079	71,683	104,630	97,629	
Receivables from Exchange Transactions - Waste Wa	1500	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Ma	1600	917	1,792	847	(15)	854	815	5,515	47,720	58,444	54,888	
Receivables from Exchange Transactions - Property	1700	13	32	10	-	10	9	45	226	344	290	
Interest on Arrear Debtor Accounts	1810	2	654	323	-	340	318	1,941	26,902	30,481	29,502	
Recoverable unauthorised, irregular, fruitless and was	1820	-	-	-	-	-	-	-	-	-	-	
Other	1900	106	-	-	-	-	-	-	7,114	7,220	7,114	
Total By Income Source	2000	7,037	5,665	2,541	(85)	2,817	2,600	31,856	156,502	208,933	193,690	
2021/22 - totals only												
Debtors Age Analysis By Customer Group												
Organs of State	2200	296	667	319	(2)	314	314	10,600	18,129	30,637	29,355	
Commercial	2300	4,035	1,095	387	(57)	585	434	10,780	17,271	34,530	29,013	
Households	2400	2,442	3,580	1,673	(26)	1,757	1,691	9,529	120,114	140,761	133,066	
Other	2500	263	323	161	-	161	161	946	989	3,005	2,257	
Total By Customer Group	2600	7,037	5,665	2,541	(85)	2,817	2,600	31,856	156,502	208,933	193,690	

The total Consumer debtors outstanding as 31st March 2023 is **R 208 933**

- Debt book indicates 13% increase from to 30 June 2022 to 31 March 2023, the debt book is very high.
- Debtors collection rate at March 2023 is 67.39%
- We are however maintaining and ensuring the collection of the current debt but our biggest challenge is the historic debt. We have since appointed three Debt Collectors to follow up on outstanding debtors, Debt collectors are operating Debt pack while telephoning Debtors, printing section 29 and Final demands, we will soon be moving to legal in order to further our collection measured on consumers that are resistant to pay nor respond to our Debt collectors.
- Our Debt collectors have embarked on an exercise where different households are being visited in order to assess the state affordability of each household, this exercise is aimed at assisting the Municipality to classify its debt book in terms of collectability or non-collectability of the debt, the program is ongoing.
- There is a challenge of high level of debt that calls for reassessments of the debtors, impairments.
- It is quite a challenge to collect satisfactory revenue from Sundumbili since we do not have any leverage to restrict in order to encourage regular payments from consumers thereon. I.e. Eskom is licensed to supply electricity.
- The high debt is mainly due to non-payment by Household in Sundumbili.

- Interventions have been made which are expected that they will change the current status, as the municipality is placing every effort in ensuring that we collect and recover the outstanding debt.
- We are currently undergoing the process of categorizing our book per various customers so that we know which ones to chase once our debt management system is up and running.
- We have also initiated a meter audit exercise, through Conlog, in order to ensure that we receive all the funds due for electricity supplied without any household tampering with our meter and steal electricity, the program is currently o
- Debt collection measures have been improved after the policy review by issuing summons with the intention to attach movable property. This initiative is however a slow process because of sheriff's involvement. They cannot cope with the number of summons to be served, upon attachment of movable properties for sale in execution, the sheriff returns with "nulla bona" which defeats the entire process. Property owners are not regular domiciles of properties indebted to council and have since left with no possible trace, legal proceedings cannot be extended further since courts are reluctant in granting intended judgement (section 66 declaring properties especially executable) as the said properties are primary residents to the latte's relatives or dependents.

Auditor General's matter of emphasis

- It should be noted that the issue of Material impairments to debtors is one of the factors that affected our audit opinion
- It was also noted that we are having a challenge in identifying and eliminating indigent cheaters
- The audit Further identified the billing discrepancies relating to interest charged for outstanding debt and property rates
- It should be noted if things were to carry on this way this institution is going to lose it credibility and this will subsequently affect it going concern and we will soon be regarded as a grant dependent Municipality
- We should also put an emphasis that this issue is not entirely dependent on the Revenue team but requires a collective effort of each and every member of the Mandeni family to play a meaningful role so as to ensure that we redeem ourselves from these challenges.
- We have formulated a plan of collection going forward and our plan has been highlighted in the AG's management latter
- The plan provided is more operational but we have highlighted that strategic interventions need to be put in place so as to uplift the standard of living of our communities, attract and retain investment.
- Open opportunities for more job creation so as to ensure that we are serving the community that can afford to pay for our services.
- We need to ensure that we deal with the low hanging fruits in as far as basic service delivery is concerned. Fix potholes, streetlights, maintain roads clean our town and collect our waste on time.

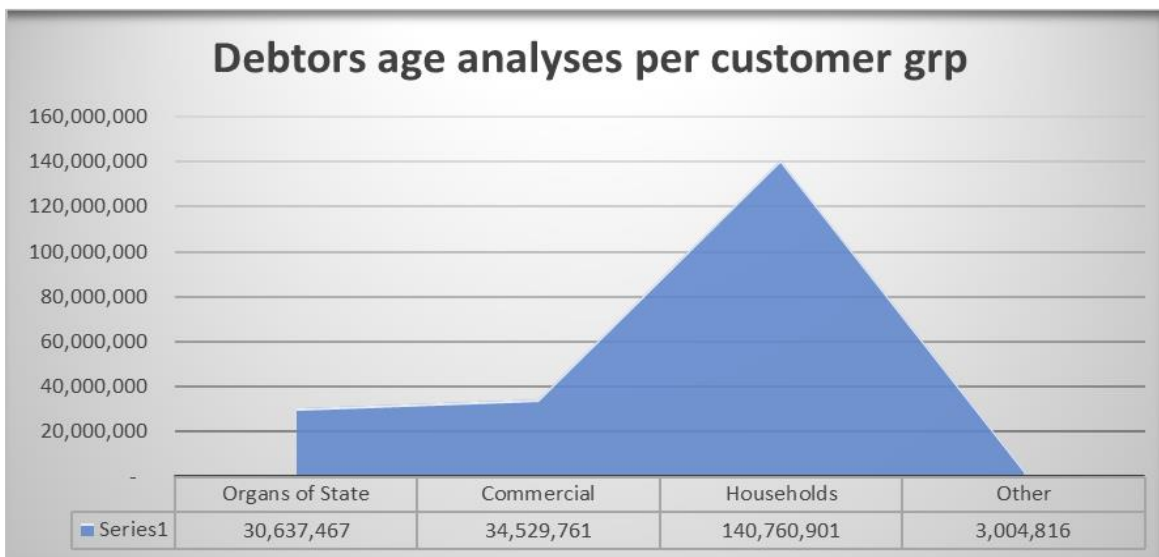
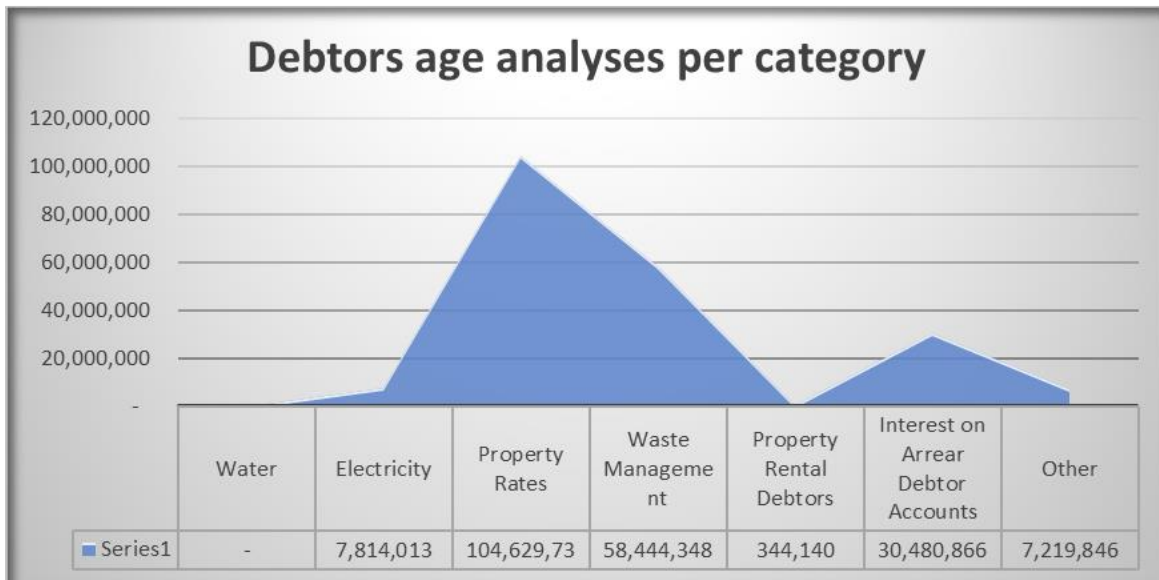
- It is the above few things that encourage our people to come forward and assist their Municipality when they can see that their Municipality is working for them.

2022/23 Debt Collection

- For this financial year, despite the challenges we anticipate to reach our target and collect nothing less than **R40 ml**
- We are determined and resolute that such shall happen judging from the recent collection trends and our projections.

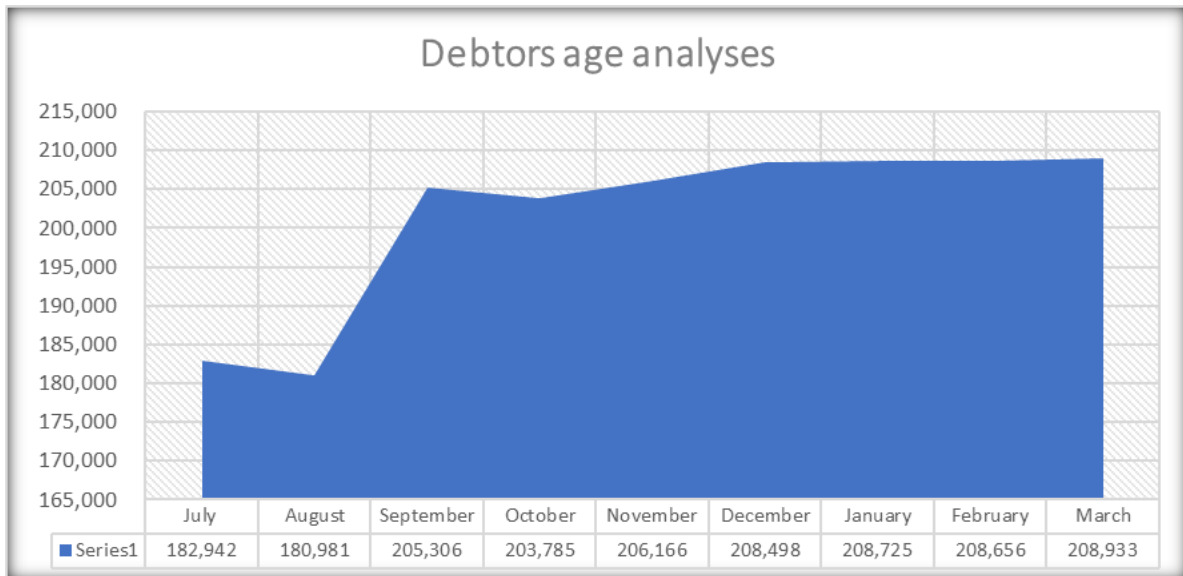
Table 8.1

- Debtors outstanding per Service**



The municipal debtors have increased from R208.6 million to R 208.9 million that is from 1st July 2022 until 31st March 2023. This increase is dominated by Household debtors of 67.25% and it is followed by business of 16% and Organ of state is 14% compared to another debtors' type.

- **Total Outstanding Debtors in days**



The information presented in the chart above show an increase in the outstanding debtor's balances from 1st July 2022 of R 182.9 million when compared to the current period as at 31st March 2023, bringing the total outstanding debtors balance to R 208.9 million.

Councilors and Employees in Arrear

- Debt outstanding on Councilors as at March 2023 is R 197,342.
- Staff Accounts in arrears as at March 2023 is R 40,023.
- However, it should be noted that both Councilors and Staff have made arrangement with the municipality to settle this outstanding debt.


2.2 CREDITORS ANALYSIS

Table 9

KZN291 Mandeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q3 Third Quarter												
Description	NT Code	Budget Year 2022/23									Prior year totals for	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120	121 - 150	151 - 180	181 Days -	Over 1 Year	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deduc	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	30	-	-	-	-	-	-	2	32	32	
Total By Customer Type	1000	30	-	-	-	-	-	-	2	32	32	

- Creditors as at 31st March 2023 amounts to **R32 thousand**
- 95% of the creditors are on current as per our age analysis, we ensure that creditors are paid within 30 days as stipulated by the MFMA.

2.3 BANK RECONCILIATION _ MARCH 2023

		Mandeni Municipality	
BANK RECONCILIATION STATEMENT FOR MARCH 2023			
Main Account :52940480587			
Opening FNB Bank Balance as on 1 MARCH 2023	2 773 470.68	2 773 470.68	
PLUS: Deposits Banked	7 857 039.33		
PLUS: Interest received	9 592.38		
PLUS: Transfers In	24 722 770.88		
PLUS: Interest received From Call 1	449 172.59		
PLUS: Unpaid	150 000.00		
PLUS: MATURED INVESTMENTS	-		
PLUS: SARS REFUND	1 372 866.60		
PLUS: GRANTS RECEIVED	84 447 000.00		
Total Deposits	119 008 441.78	119 008 441.78	
Less: Total payments	- 116 744 054.76	- 116 744 054.76	
LESS: EFT Payments	- 31 604 611.73		
Plus: FEBRUARY 2023 outstanding (reconciled)	-		
LESS: Bank Charges	- 19 709.57		
LESS: Cheques Paid Out	-		
LESS: Transfers Out	- 84 447 000.00		
LESS: NEW INVESTMENTS	-		
LESS: Debit Orders	- 672 733.46		
Closing FNB Bank Balance as on 31 MARCH 2023		5 037 857.70	
Cashbook Reconciliation for 31 MARCH 2023			
Cashbook Balance as on 1 MARCH 2023-D0001/A09567/F0001/X049/R0099/001/FIN	1 211 764 871.64		
Less: Cashbook Balance as on 1 MARCH 2023-D0001/A09850/F0001/X049/R0099/001/FIN	- 1 208 163 619.20		
PLUS: Deposits Banked for MARCH 2023	8 013 137.14		
LESS: EFT Payments for MARCH 2023	- 31 655 137.77		
Less: Bank Charges to date	- 1 110 591.53		
Less: Payments not yet paid during MARCH 2023	- 3 000.00		
PLUS: Interest received to date	229 949.33		
PLUS: Interest received From Call 1-MARCH 2023	449 172.59		
PLUS GRANT RECEIVED	84 447 000.00		
PLUS :SARS REFUND	1 372 866.60		
PLUS :TRANSFER IN	24 722 770.88		
LESS: TRANSFER OUT	- 84 447 000.00		
LESS: Debit Orders for MARCH 2023	- 672 733.46		
Closing Cashbook Balance as on 31 MARCH 2023	4 947 686.22	4 947 686.22	
Reconciling Items			
	Amount		
Add: Reconciling items Current month MARCH 2023 (Unreconciled FEBR 2023)	39 690.60	90 216.64	
LESS: Deposits on Cashbook but not on Bank statement (unreconciled MARCH 2023)	50 526.04		
Less: Deposits on Cashbook not on Bank Statement	-		
ADJUSTED MONTH END CASHBOOK BALANCE		5 037 902.86	
MONTH END BALANCE PER BANK STATEMENT		5 037 857.70	
DIFFERENCE		45.16	
Prepared by :Sanele Msomi			
Signature:	Date:		

2.4 INVESTMENT PORTFOLIO ANALYSIS _ MARCH 2023

Table 10

The following information presents the short-term investments balances broken down per investment type as at 31st March 2023

KZN291 Mandeni - Supporting Table SC5 Monthly Budget Statement - investme									
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Opening balance	Interest to be realised	Partial / Prematur e Withdraw	Investme nt Top Up	Closing Balance
		Yrs/Mon							
R thousands									
Municipality									
call 1-internal grant		0		00 January 1900	58,748	2,021	(22,949)	58,880	96,700
Call account 2 -HOUSING		0		00 January 1900	1,943	74	-	-	2,017
Call account 3-MIG		0		00 January 1900	3,389	283	(2,097)	8,544	10,120
Call account 5-TMT		0		00 January 1900	337	12	-	17,044	17,393
Call account 6-INEP		0		00 January 1900	5,144	235	(126)	-	5,254
Call account 7-AR		0		00 January 1900	2,242	107	-	-	2,349
Call account 8- Title Deed		0		00 January 1900	6,203	249	-	-	6,452
NEDBANK		365 DAYS		21 July 2022	30,000	117	(30,000)	-	117
NEDBANK		365 DAYS		21 December 2022	50,000	1,416	(52,988)	-	(1,572)
NEDBANK		367 DAYS		03 April 2023	30,000	1,588	-	-	31,588
NEDBANK		549 DAYS		28 December 2023	65,000	4,294	-	-	69,294
NEDBANK		365 DAYS		27 July 2023	50,000	2,905	-	-	52,905
NEDBANK		33 DAYS		23 January 2023	-	366	(53,354)	52,988	-
NEDBANK		2 DAYS		25 January 2023	-	20	(53,374)	53,354	-
NEDBANK		1 DAY		26 January 2023	-	10	(53,394)	53,384	-
NEDBANK		1 DAY		27 January 2023	-	10	(53,404)	53,394	-
NEDBANK		3 DAYS		30 January 2023	-	31	(53,435)	53,404	-
NEDBANK		1 DAY		31 January 2023	-	10	(53,445)	53,435	-
NEDBANK		150 DAYS		30 June 2023	-	407	-	30,000	30,407
									-
									-
Municipality sub-total					303,006	14,156	(428,567)	434,428	323,023
TOTAL INVESTMENTS AND INTERE	2				303,006	14,156	(428,567)	434,428	323,023

The cash flow situation is still a critical aspect for the Municipality and is being constantly monitored. However, the liquidity ratios have almost reached the acceptable standard norms but still need to be monitored on a continuous basis.

Closing balance for call investment deposits as of 31st March 2023 is R323.0 million with a cumulative interest generated as at 31st March 2023 of R14.2 million

The municipality has re-invested additional money market investment accounts with Nedbank and invested an amount of R175 million from its cash backed reserves of previous years. The municipality took a decision to increase its revenue source by re-investing its cash back reserves from institutions which offered better interest rates. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the municipality’s revenue base.

2.5 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE
Table 11

KZN291 Mandeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q3 Third Quarter										
Description	Ref	Budget Year 2022/23								
		2021/22	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		195 434	226 202	226 202	58 880	223 840	150 801	791	0.5%	226 202
EPWP Incentive	-	2 435	2 372	2 372	-	2 372	1 581	791	50.0%	2 372
Finance Management	-	1 850	1 850	1 850	-	1 850	1 233	-	-	1 850
Integrated National Electrification	-	-	7 200	7 200	-	4 800	4 800	-	-	7 200
Local Government Equitable Share	-	191 149	212 818	212 818	58 880	212 818	141 879	-	-	212 818
Municipal Infrastructure Grant	3	-	1 962	1 962	-	2 000	1 308	-	-	1 962
0										
0										
0										
Disaster Relief grant				-						
Provincial Government:		(2 097)	11 539	6 597	-	6 000	6 731	(731)	-10.9%	20 385
Title deed Grant										
KwaZulu-Natal_Capacity Building	-	(2 097)	11 539	6 539	-	-	6 731	(6 731)	-100.0%	20 385
Sport and Recreation	-	-	-	58	-	-	-	-	-	-
	-	-	-	-	-	1 000	-	1 000	#DIV/0!	-
	-	-	-	-	-	5 000	-	5 000	#DIV/0!	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total Operating Transfers and Grants	5	193 337	237 741	232 799	58 880	229 840	157 533	60	0.0%	246 587
Capital Transfers and Grants										
National Government:		43 140	38 082	38 082	8 500	40 044	22 214	-	-	47 082
Municipal Infrastructure Grant (M)	-	-	38 082	38 082	8 500	40 044	22 214	-	-	38 082
Municipal Disaster Recovery Gra	-	-	-	-	-	-	-	-	-	9 000
Rural Transport Services and Inf	-	(24 800)	-	-	-	-	-	-	-	-
Water Services Infrastructure Gr	-	67 940	-	-	-	-	-	-	-	-
Other capital transfers <i>[insert description]</i>										
Provincial Government:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
KwaZulu-Natal_Infrastructure_In	-	-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Total Capital Transfers and Grants	5	43 140	38 082	38 082	8 500	40 044	22 214	-	-	47 082
TOTAL RECEIPTS OF TRANSFER	5	236 477	275 823	270 881	67 380	269 884	179 747	60	0.0%	293 669

Grant Receipts Analysis:

The total operational YTD grant receipts as of 31st March 2023 is R 269.8 million, which has been allocated as follows:

- Equitable Share received 3rd trench to the value of R58.9 million in the month of March, therefore total grant of R212.8 million has been received as publicized.
- FMG of R1.9 million has been fully received as publicized in DORA.
- EPWP of R2.8 million has been fully received as publicized in DORA
- Library Grant of R4.4 as publicized in provincial gazetted has not received as publicized during 3rd quarter of the year. However, the municipality has made follow ups with the respective department.
- INEP received to date is R4.8 million with 2nd trench of R1.9 million, remaining balance of R2.4 million. INEP rollover application of R2.9 million which was not fully spent in 2021/22 financial year was not approved by National Treasury it was set off against second trench.
- Department of Human Settlement -Title deed Grant of R5.8 million which was not fully spent in the last financial year. The municipality serves as an agent in relation to this grant.

The total capital YTD grant receipts as at 31st March 2023 is R 40.0 million which has been allocated as follows:

- MIG grant of R40.0 million has been fully received as publicized in DORA

Table 12: Transfers and Grant Expenditure

KZN291 Mandeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q3 Third Quarter										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		195 434	226 202	226 202	14 601	156 900	4 123	152 777	3705.7%	6 184
Expanded Public Works Pr		2 435	2 372	2 372	-	2 372	1 581	791	50.0%	2 372
Local Government Financia		1 850	1 850	1 850	155	1 399	1 233	165	13.4%	1 850
Municipal Infrastructure Gra		-	7 200	7 200	-	2 399	1 308	1 091	83.4%	1 962
Local Government Equitable Share		191 149	212 818	212 818	14 308	149 267	-	149 267	#DIV/0!	
Municipal Infrastructure Grant		-	1 962	1 962	137	1 463	-	1 463	#DIV/0!	
0		-	-	-	-	-	-	-		
Other transfers and grants [insert description]		-	-	-	-	-	-	-		
Provincial Government:		(0)	5 423	5 423	237	2 293	3 615	(1 323)	-36.6%	5 423
0		-	-	-	-	-	-	-		
KwaZulu-Natal		(0)	5 423	5 423	237	2 293	3 615	(1 323)	-36.6%	5 423
KwaZulu-Natal_Capacity Building and Other_Specify (Add grant description)_Receipts		-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-		
0		-	-	-	-	-	-	-		
District Municipality:		(375)	-	-	-	-	-	-		-
KwaZulu-Natal-DC 21 - Ugu		(375)	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
Other grant providers:		-	9 724	-	-	-	3 241	(3 241)	-100.0%	9 724
Social Security Payments-		-	9 724	-	-	-	3 241	(3 241)	-100.0%	9 724
[insert description]		-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants		195 059	241 350	231 625	14 838	159 193	10 980	148 213	1349.9%	21 332
Capital expenditure of Transfers and Grants										
National Government:		43 354	38 082	38 082	1 725	26 698	25 388	1 310	5.2%	85 634
Municipal Infrastructure Gra		(1 717)	38 082	38 082	1 725	26 698	25 388	1 310	5.2%	38 082
Municipal Disaster Recover		-	-	-	-	-	-	-		9 000
Municipal Infrastructure Gra		45 072	-	-	-	-	-	-		38 552
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
Other capital transfers [insert description]		-	-	-	-	-	-	-		-
Provincial Government:		(6 207)	1 130	1 130	-	46	753	(707)	-93.9%	1 130
KwaZulu-Natal		(6 207)	1 130	1 130	-	46	753	(707)	-93.9%	1 130
0		-	-	-	-	-	-	-		-
District Municipality:		(119)	-	-	-	-	-	-		-
KwaZulu-Natal-DC 21 - Ugu		(119)	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
Other grant providers:		(12 796)	-	-	-	-	-	-		-
National Departmental Age		(12 796)	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		24 233	39 212	39 212	1 725	26 744	26 141	603	2.3%	86 764
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		219 292	280 562	270 837	16 564	185 937	37 121	148 816	400.9%	108 095

Grant Expenditure Analysis:

The total operational YTD grant expenditure as at 31st March 2023 is R185.9 million which has been split between conditional and unconditional grants. Conditional Grants YTD expenditure as 31st March 2023 is R149.3 million and Equitable share as unconditional Grant expenditure as at 31st March 2023, YTD R36.7 million.

- FMG expenditure year to date is R1.4 million which is sitting at 76% spent to date.
- EPWP expenditure year to date is R2.4 million at (100%). Expenditure towards this grant is has exceed budget as per quarter 3 performance, this is due to payments paid towards epwp beneficiaries and the increase that was approved by Public Works. With performance reported the municipality has co-funded this project so as to ensure that the municipality eliminates unauthorized expenditure.

- Library expenditure to date is R2.3 million which is 63% spent.

- INEP expenditure to date is R2.4 million which is 33 per cent spent. *Detailed explanation of the grants has been provided below under service delivery performance and progress on spending of grants.*

- MIG operational expenditure (PMU) to date is R1.4 million (75%).

The total capital YTD grant expenditure as at 31st March 2023 is R 26.7 million which has been split as follows:

- MIG capital expenditure to date is R26.7 million with 70 per cent spent to date.

- Library capital expenditure to date is R46 thousand with 8 per cent spent to date.

KZN 291 Mandeni Municipality Monthly budget statement ended 31st March 2023

3.COUNCILORS AND BOARD MEMBER ALLOWNCES AND EMPLOYEE BENEFITS

Table 13

KZN291 Mandeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q3 Third Quarter										
Summary of Employee and Councillor remuneration	Ref	Budget Year 2022/23								
		2021/22 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	
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		11,306	11,854	11,854	963	8,706	8,890	(184)	-2%	11,854
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		719	876	876	46	404	657	(253)	-38%	876
Cellphone Allowance		1,432	1,512	1,512	116	1,068	1,134	(67)	-6%	1,512
Housing Allowances		340	439	439	15	136	329	(193)	-59%	439
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		13,798	14,682	14,682	1,140	10,315	11,011	(696)	-6%	14,682
% increase	4		6.4%	6.4%						6.4%
Senior Managers of the Municipality										
Basic Salaries and Wages		5,197	5,513	5,513	375	3,081	4,135	(1,054)	-25%	5,513
Pension and UIF Contributions		0	11	11	-	1	8	(8)	-93%	11
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		1,048	476	476	-	-	357	(357)	-100%	476
Motor Vehicle Allowance		737	737	737	60	467	553	(86)	-16%	737
Cellphone Allowance		186	186	186	16	126	140	(13)	-10%	186
Housing Allowances		264	269	269	22	190	202	(12)	-6%	269
Other benefits and allowances		1	1	1	0	1	1	(0)	-9%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	345	30	30	-	-	23	(23)	-100%	30
Sub Total - Senior Managers of Municipality		7,778	7,223	7,223	472	3,864	5,417	(1,553)	-29%	7,223
% increase	4		-7.1%	-7.1%						-7.1%
Other Municipal Staff										
Basic Salaries and Wages		71,436	79,546	80,242	6,024	55,864	60,182	(4,318)	-7%	79,546
Pension and UIF Contributions		11,179	12,197	12,197	965	9,253	9,148	105	1%	12,197
Medical Aid Contributions		5,273	5,500	5,500	469	3,956	4,125	(169)	-4%	5,500
Overtime		1,826	1,140	1,140	204	1,753	855	898	105%	1,140
Performance Bonus		4,104	5,556	5,556	389	3,883	4,167	(284)	-7%	5,556
Motor Vehicle Allowance		4,063	4,746	4,746	367	3,212	3,559	(348)	-10%	4,746
Cellphone Allowance		452	531	531	46	368	398	(31)	-8%	531
Housing Allowances		289	299	299	26	230	224	5	2%	299
Other benefits and allowances		1,041	1,089	1,089	53	569	817	(248)	-30%	1,089
Payments in lieu of leave		585	1,719	1,719	23	1,588	1,290	298	23%	1,719
Long service awards		832	1,246	1,246	124	718	934	(216)	-23%	1,246
Post-retirement benefit obligations	2	(1,143)	4,035	3,339	-	-	2,504	(2,504)	-100%	4,035
Sub Total - Other Municipal Staff		99,934	117,605	117,605	8,690	81,394	88,204	(6,810)	-8%	117,605
% increase	4		17.7%	17.7%						17.7%
Total Parent Municipality		121,510	139,510	139,510	10,302	95,573	104,632	(9,060)	-9%	139,510
			14.8%	14.8%						14.8%
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES &		121,510	139,510	139,510	10,302	95,573	104,632	(9,060)	-9%	139,510
% increase	4		14.8%	14.8%						14.8%
TOTAL MANAGERS AND STAFF		107,713	124,828	124,828	9,162	85,258	93,621	(8,363)	-9%	124,828

3. EXPENDITURE MANAGEMENT

3.1 LEGAL FRAMEWORK

As part of the Quarter 3 Report the analysis of expenditure pattern and the cash flow is highlighted.

The reflection is critical on issues that impact on unauthorized expenditure, irregular expenditure and fruitless and wasteful expenditure. Circular 97 give guidance and caution to practices that might lead to these expenditure categories.

As we give details to these categories it is important to briefly give proper meaning of the terms to avoid misinterpretation. And in order to provide appropriate corrective measures.

3.2 COST CONTAINMENT MEASURES

In terms of Cost Containment Regulation and Circular 97 on Cost containment measured must be implemented to eliminate wasteful expenditure, reprioritize spending and ensure savings on various focus areas including events, advertising and sponsorship.

We have identified quite a number of areas that require urgent attention if we are to remain financially stable;

- S & T and Accommodation
- Catering services
- Study programmes
- Excessive staff and Interns
- SALGA Games
- Excessive use of consultants
- Unbudgeted requests from community & government agencies
- Unfunded mandates

INSURANCE CLAIM REGISTER: MARCH 2023					
NATURE OF CLAIM	NATURE OF ACCIDENT	REFERENCE	VEHICLE REG	MAKE OR MODEL	RE
STATED BENEFITS	MR MT CELE WAS INVOLVED IN A CAR ACCIDENT	123693854			M
STATED BENEFITS	MR SB ZULU INVOLVED IN A CAR ACCIDENT	123710511			SE
MOTOR ACCIDENT	TIPPER TRUCK OVERTURNED	123872238	NZ22058	NISSAN UD TRUCK	ZL
MOTOR ACCIDENT	CHERRY PICKER NZ20004 COLLIDED WITH A TRUCK	123903237	NZ20004	FORD RANGER	D
BUSINESS ALL RISK CLAIM	2 X LAPTOPS STOLEN AT THE OFFICE	123882481	02976, 03279	LENOVO	PS
BUSINESS ALL RISK CLAIM	LAPTOP STOLEN DURING VEHICLE THEFT	123909520	03215	LENOVO	NI
MOTOR ACCIDENT	NZ20885 HIT THE PEDESTRIAN	123920773	NZ20885	TOYOTA PRADO	LP
BUSINESS ALL RISK CLAIM	COMPUTERS STOLEN AT SUNDUMBILI LIBRARY	123945780			LM
MOTOR ACCIDENT	TIPPER TRUCK DAMAGED BY STONE	124000693	NZ22058	NISSAN UD TRUCK	M
MOTOR ACCIDENT	NZ16856 COLLIDED WITH 3RD PARTY	123998178	NZ16586	ISUZU 250 HO D/CAB	CO
BUSINESS ALL RISK CLAIM	LAPTOP STOLEN FROM OFFICE		02977	LENOVO THINKPAD G2	SL
BUSINESS ALL RISK CLAIM	3X LAPTOPS STOLEN FROM ICT OFFICE		03657,02975	LENOVO THINKPAD G2	L
STATED BENEFITS	LC MAGWAZA INVOLVED IN AN ACCIDENT		1589		LC
MOTOR ACCIDENT	NZ14058 SIDE MIRROR DAMAGED	124069688	NZ14058	TOYOTA HILUX	T

5. Municipal manager's quality certificate

I **S.G KHUZWAYO**, municipal manager of Mandeni Municipality, hereby certify that the:

▪ **THIRD QUARTER REPORT Section 52 (D)**

has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act,

Print Name **Mr S.G. Khuzwayo**

Municipal manager of Mandeni Municipality (KZN 291)

Signature: _____

Date: **31st March 2022**