MANDENI MUNICIPALITY

KZN291

BUDGET & TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED MARCH 2023/24 FINANCIAL YEAR

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2023/24 BUDGET FOR THE PERIOD ENDING 31st MARCH 2024.

1. PURPOSE

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2023/24 Budget of the Mandeni Municipality for the period ending 31 March 2024 in line with the statutory requirements of S71 of the Municipal Finance Management Act (2003).

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 71.

4. BACKGROUND

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003 Chapter 8, the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement on the financial performance of that municipality.

5. EXECUTIVE SUMMARY

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ended 31st March 2024 is detailed below. The monthly budget statement is divided into the following:

5.1 Statement of Financial Performance
5.2 Capital Expenditure
5.3 DORA Receipts
5.4 DORA Grants Expenditure
5.5 Debtors Age Analysis
5.6 Employee Costs and Councilors' Remuneration
5.7 Investment Portfolio
5.8 Long-term Borrowing
5.9 Performance Indicators
6. Creditor's Age Analysis
6.1 Bank Reconciliation Statement
7. Supporting Tables
8. Municipal Managers quality certificate

1.1 FINANCIAL PERFORMANCE

BUDGET SUMMARY

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M09 March									
	2022/23	Budget Year 2023/24							
Description	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	50 660	59 329	59 329	3 221	44 757	44 497	260	1%	59 329
Service charges	61 434	63 657	72 787	5 376	55 566	54 591	975	2%	63 657
Investment revenue	20 010	–	–	–	–	–	–		–
Transfers and subsidies - Operatio	20 010	10 500	23 500	2 361	21 034	17 625	3 409	19%	10 500
Other own revenue	249 438	248 882	262 970	59 830	245 344	197 228	48 117	24%	–
Total Revenue (excluding capital transfers and contributions)	**401 553**	**382 369**	**418 587**	**70 788**	**366 701**	**313 940**	**52 761**	17%	**382 369**
Employee costs	116 754	141 420	141 420	10 655	92 762	106 065	(13 303)	-13%	141 420
Remuneration of Councillors	14 325	15 460	15 460	1 214	10 923	11 595	(672)	-6%	15 460
Depreciation and amortisation	32 437	35 534	35 534	3 063	24 977	26 651	(1 674)	-6%	35 534
Interest	325	100	3 300	0	33	2 475	(2 442)	-99%	100
Inventory consumed and bulk purcl	49 664	51 014	55 837	6 588	40 271	41 878	(1 607)	-4%	51 014
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	127 029	158 592	187 342	14 310	116 274	140 757	(24 483)	-17%	158 592
Total Expenditure	**340 534**	**402 121**	**438 894**	**35 830**	**285 239**	**329 421**	**(44 182)**	**-13%**	**402 121**
Surplus/(Deficit)	**61 019**	**(19 752)**	**(20 307)**	**34 958**	**81 462**	**(15 481)**	**96 943**	**-626%**	**(19 752)**
Transfers and subsidies - capital (monetary allocations)	45 387	48 381	60 292	7 539	36 971	45 219	(8 248)	-18%	48 381
Surplus/(Deficit) after capital transfers & contributions	**106 406**	**28 629**	**39 985**	**42 497**	**118 433**	**29 738**	**88 694**	**298%**	**28 629**
Surplus/ (Deficit) for the year	**106 406**	**28 629**	**39 985**	**42 497**	**118 433**	**29 738**	**88 694**	**298%**	**28 629**
Capital expenditure & funds sources									
Capital expenditure	**73 316**	**143 945**	**139 784**	**16 769**	**72 545**	**104 838**	**(32 293)**	**-31%**	**143 945**
Capital transfers recognised	12 628	55 598	52 428	7 044	37 023	39 321	(2 298)	-6%	55 598
Borrowing	0	–	–	–	–	–	–		–
Internally generated funds	**60 688**	**88 347**	**87 356**	**9 725**	**35 522**	**65 517**	**(29 995)**	**-46%**	**88 347**
Total sources of capital funds	**73 316**	**143 945**	**139 784**	**16 769**	**72 545**	**104 838**	**(32 293)**	**-31%**	**143 945**

As can be seen from the table above, Actual surplus for the period ended 31st March 2024 is more than the Budgeted Surplus. Monthly budget statement summary (Table C1), for the period ending 31st March 2024 (year to date actual), shows a surplus of R 118.4million against YTD budget of R 29.7million which reflects variance of more than 100%.

Currently there are no financial challenges and major risks facing the municipality. A total amount of R215 million is invested by the municipality to the approved banking institutions and the total investment register closing balance as of March 2024, is R 306.8million.

1.2 Monthly Budget statement Summary M09- MARCH 2024

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M09 March									
	2022/23	Budget Year 2023/24							
Description	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	50 660	59 329	59 329	3 221	44 757	44 497	260	1%	59 329
Service charges	61 434	63 657	72 787	5 376	55 566	54 591	975	2%	63 657
Investment revenue	20 010	–	–	–	–	–	–		–
Transfers and subsidies - Operatio	20 010	10 500	23 500	2 361	21 034	17 625	3 409	19%	10 500
Other own revenue	249 438	248 882	262 970	59 830	245 344	197 228	48 117	24%	–
Total Revenue (excluding capital transfers and contributions)	**401 553**	**382 369**	**418 587**	**70 788**	**366 701**	**313 940**	**52 761**	17%	**382 369**
Employee costs	116 754	141 420	141 420	10 655	92 762	106 065	(13 303)	-13%	141 420
Remuneration of Councillors	14 325	15 460	15 460	1 214	10 923	11 595	(672)	-6%	15 460
Depreciation and amortisation	32 437	35 534	35 534	3 063	24 977	26 651	(1 674)	-6%	35 534
Interest	325	100	3 300	0	33	2 475	(2 442)	-99%	100
Inventory consumed and bulk purcl	49 664	51 014	55 837	6 588	40 271	41 878	(1 607)	-4%	51 014
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	127 029	158 592	187 342	14 310	116 274	140 757	(24 483)	-17%	158 592
Total Expenditure	**340 534**	**402 121**	**438 894**	**35 830**	**285 239**	**329 421**	**(44 182)**	**-13%**	**402 121**
Surplus/(Deficit)	**61 019**	**(19 752)**	**(20 307)**	**34 958**	**81 462**	**(15 481)**	**96 943**	**-626%**	**(19 752)**
Transfers and subsidies - capital (monetary allocations)	45 387	48 381	60 292	7 539	36 971	45 219	(8 248)	-18%	48 381
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**106 406**	**28 629**	**39 985**	**42 497**	**118 433**	**29 738**	**88 694**	**298%**	**28 629**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**106 406**	**28 629**	**39 985**	**42 497**	**118 433**	**29 738**	**88 694**	**298%**	**28 629**
Capital expenditure & funds sources									
Capital expenditure	**73 316**	**143 945**	**139 784**	**16 769**	**72 545**	**104 838**	**(32 293)**	**-31%**	**143 945**
Capital transfers recognised	12 628	55 598	52 428	7 044	37 023	39 321	(2 298)	-6%	55 598
Borrowing	0	–	–	–	–	–	–		–
Internally generated funds	**60 688**	**88 347**	**87 356**	**9 725**	**35 522**	**65 517**	**(29 995)**	**-46%**	**88 347**
Total sources of capital funds	**73 316**	**143 945**	**139 784**	**16 769**	**72 545**	**104 838**	**(32 293)**	**-31%**	**143 945**
Financial position									
Total current assets	288 947	177 849	307 425		422 352				177 849
Total non current assets	602 748	740 801	704 758		650 316				740 801
Total current liabilities	78 293	71 097	(89 003)		68 338				71 097
Total non current liabilities	17 730	22 795	21 693		17 730				22 795
Community wealth/Equity	**795 672**	**824 758**	**1 079 493**		**986 599**				**824 758**
Cash flows									
Net cash from (used) operating	236 278	99 211	66 784	46 114	139 353	(197 000)	(336 354)	171%	(281 522)
Net cash from (used) investing	(432 612)	(190 367)	(160 666)	(19 284)	(83 426)	138 575	222 001	160%	190 367
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the mor	**(113 346)**	**116 824**	**160 642**	**–**	**310 452**	**196 099**	**(114 353)**	**-58%**	**–**
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	10 213	11 561	(1 132)	5 704	5 436	5 067	15 894	172 266	225 010
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

Table 1.3

Table C2 provides the statement of financial performance by standard classification.

KZN291 Mandeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		**319 605**	**305 464**	**319 314**	**64 013**	**301 127**	**239 486**	61 641	26%	**305 464**
Executive and council		–	7 806	7 806	–	–	5 855	(5 855)	-100%	7 806
Finance and administration		319 605	297 658	311 508	64 013	301 127	233 631	67 496	29%	297 658
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**10 732**	**4 692**	**4 743**	**326**	**2 965**	**3 557**	(592)	-17%	**4 692**
Community and social services		5 497	4 692	4 743	326	2 965	3 557	(592)	-17%	4 692
Sport and recreation		5 234	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**46 274**	**54 327**	**67 281**	**8 412**	**43 009**	**50 461**	(7 451)	-15%	**54 327**
Planning and development		44 726	49 857	47 398	4 733	28 359	35 548	(7 189)	-20%	49 857
Road transport		1 548	4 470	19 883	3 679	14 650	14 913	(262)	-2%	4 470
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**70 329**	**66 266**	**87 542**	**5 576**	**56 571**	**65 656**	**(9 086)**	-14%	**66 266**
Energy sources		56 878	53 804	75 079	4 374	46 447	56 309	(9 862)	-18%	53 804
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		13 451	12 463	12 463	1 202	10 123	9 347	776	8%	12 463
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**446 939**	**430 750**	**478 879**	**78 327**	**403 672**	**359 159**	**44 512**	**12%**	**430 750**
Expenditure - Functional										
Governance and administration		**168 536**	**201 988**	**252 151**	**15 030**	**148 241**	**189 113**	(40 873)	-22%	**201 988**
Executive and council		54 325	62 711	64 591	4 238	43 724	48 443	(4 719)	-10%	62 711
Finance and administration		114 211	139 277	187 560	10 792	104 517	140 670	(36 154)	-26%	139 277
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**34 639**	**42 477**	**42 341**	**4 489**	**33 446**	**31 756**	1 690	5%	**42 477**
Community and social services		26 279	31 792	31 347	2 777	24 069	23 510	559	2%	31 792
Sport and recreation		8 335	9 442	9 792	1 596	8 990	7 344	1 646	22%	9 442
Public safety		–	1 223	1 162	117	367	872	(505)	-58%	1 223
Housing		24	20	40	–	20	30	(10)	-34%	20
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**65 567**	**81 845**	**86 280**	**6 702**	**48 203**	**64 960**	(16 757)	-26%	**81 845**
Planning and development		19 166	22 164	23 161	1 735	13 042	17 321	(4 279)	-25%	22 164
Road transport		43 242	55 750	59 187	4 639	32 470	44 691	(12 220)	-27%	55 750
Environmental protection		3 159	3 931	3 931	328	2 690	2 948	(258)	-9%	3 931
Trading services		**71 791**	**75 761**	**98 107**	**9 609**	**55 349**	**73 580**	**(18 232)**	-25%	**75 761**
Energy sources		60 265	55 216	76 369	8 298	47 146	57 277	(10 130)	-18%	55 216
Water management		–	–	–	–	–	–	–		–
Waste water management		2 487	2 948	2 948	241	1 907	2 211	(304)	-14%	2 948
Waste management		9 039	17 597	18 790	1 070	6 296	14 093	(7 797)	-55%	17 597
Other		–	50	–	–	–	–	–		50
Total Expenditure - Functional	3	**340 534**	**402 121**	**478 879**	**35 830**	**285 239**	**359 410**	**(74 170)**	**-21%**	**402 121**
Surplus/ (Deficit) for the year		**106 406**	**28 629**	**–**	**42 497**	**118 433**	**(250)**	**118 683**	**-47419%**	**28 629**

Table 1.4

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

KZN291 Mandeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue by Vote	1									
Vote 1 - Executive and council		–	7 806	7 806	–	–	5 855	(5 855)	-100.0%	7 806
Vote 2 - Finance and administration		319 605	297 658	311 508	64 013	301 127	233 631	67 496	28.9%	297 658
Vote 3 - Internal audit		–	–	–	–	–	–	–		–
Vote 4 - Community and social services		5 497	4 692	4 743	326	2 965	3 557	(592)	-16.6%	4 692
Vote 5 - Sport and Recreation		5 234	–	–	–	–	–	–		–
Vote 6 - Public safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		44 726	49 857	47 398	4 733	28 359	35 548	(7 189)	-20.2%	49 857
Vote 9 - Road transport		1 548	4 470	19 883	3 679	14 650	14 913	(262)	-1.8%	4 470
Vote 10 - Energy sources		56 878	53 804	75 079	4 374	46 447	56 309	(9 862)	-17.5%	53 804
Vote 11 - Waste Management		13 451	12 463	12 463	1 202	10 123	9 347	776	8.3%	12 463
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	**446 939**	**430 750**	**478 879**	**78 327**	**403 672**	**359 159**	**44 512**	**12.4%**	**430 750**
Expenditure by Vote	1									
Vote 1 - Executive and council		54 325	62 711	64 591	4 238	43 724	48 443	(4 719)	-9.7%	62 711
Vote 2 - Finance and administration		114 211	139 277	187 560	10 792	104 517	140 670	(36 154)	-25.7%	139 277
Vote 3 - Internal audit		–	–	–	–	–	–	–		–
Vote 4 - Community and social services		26 279	31 792	31 347	2 777	24 069	23 510	559	2.4%	31 792
Vote 5 - Sport and Recreation		8 335	9 442	9 792	1 596	8 990	7 344	1 646	22.4%	9 442
Vote 6 - Public safety		–	1 223	1 162	117	367	872	(505)	-57.9%	1 223
Vote 7 - Housing		24	20	40	–	20	30	(10)	-33.5%	20
Vote 8 - Planning and Development		19 166	22 214	23 161	1 735	13 042	17 321	(4 279)	-24.7%	22 214
Vote 9 - Road transport		45 730	58 698	62 136	4 880	34 377	46 902	(12 525)	-26.7%	58 698
Vote 10 - Energy sources		60 265	55 216	76 369	8 298	47 146	57 277	(10 130)	-17.7%	55 216
Vote 11 - Waste Management		9 039	17 597	18 790	1 070	6 296	14 093	(7 797)	-55.3%	17 597
Vote 12 - Environmental Protection		3 159	3 931	3 931	328	2 690	2 948	(258)	-8.7%	3 931
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**340 534**	**402 121**	**478 879**	**35 830**	**285 239**	**359 410**	**(74 170)**	**-20.6%**	**402 121**
Surplus/ (Deficit) for the year	2	**106 406**	**28 629**	**–**	**42 497**	**118 433**	**(250)**	**118 683**	**-47418.5%**	**28 629**

Table 1.5 provides information on the planned revenue and operational expenditures against the actual results for the period ending 31st March 2024

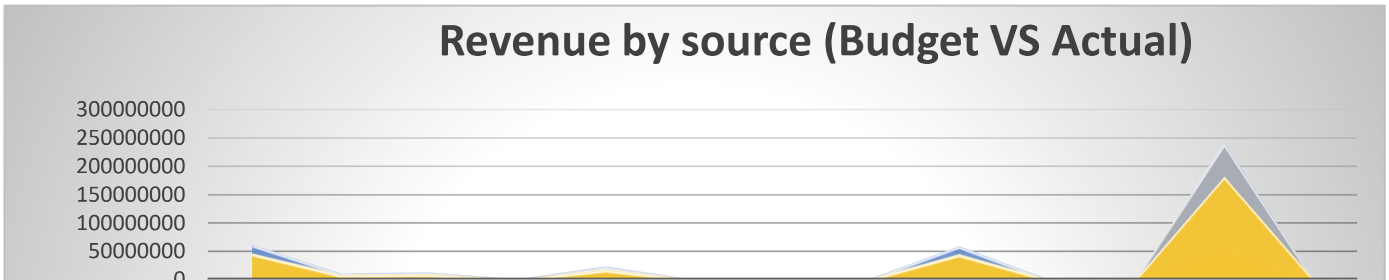
This report analyses each major component under following headings;

- Revenue by Source
- Operational Expenditure by Type, and

KZN291 Mandeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March										
		2022/23	Budget Year 2023/24							
Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue										
Exchange Revenue										
Service charges - Electricity		49 864	52 613	61 743	4 349	46 263	46 307	(44)	0%	52 613
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water M		–	–	–	–	–	–	–		–
Service charges - Waste manager		11 570	11 044	11 044	1 026	9 303	8 283	1 019	12%	11 044
Sale of Goods and Rendering of S		7 854	618	12 862	404	875	9 647	(8 772)	-91%	618
Agency services		–	–	–	–	–	–	–		–
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		1 229	918	918	118	559	688	(130)	-19%	918
Interest from Current and Non Cur		20 010	10 500	23 500	2 361	21 034	17 625			10 500
Dividends		–	–	–	–	–	–	–		–
Rent on Land		106	–	–	–	–	–	–		–
Rental from Fixed Assets		248	192	242	27	226	182	44	24%	192
Licence and permits		22	–	–	3	8	–	8	#DIV/0!	–
Operational Revenue		2 548	396	2 012	97	1 572	1 509	64	4%	396
Non-Exchange Revenue		–	–	–	–	–	–	–		–
Property rates		50 660	59 329	59 329	3 221	44 757	44 497	260	1%	59 329
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		1 002	1 210	1 210	6	245	907	(663)	-73%	1 210
Licence and permits		525	737	737	75	718	553	165	30%	737
Transfers and subsidies - Operatio		223 107	241 975	242 152	58 853	238 443	181 614	56 829	31%	241 975
Interest		2 628	2 837	2 837	248	2 698	2 128	570	27%	2 837
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		–	–	–	–	–	–	–		–
Other Gains		30 181	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and		**401 553**	**382 369**	**418 587**	**70 788**	**366 701**	**313 940**	**52 761**	**17%**	**382 369**
Expenditure By Type										
Employee related costs		116 754	141 420	141 420	10 655	92 762	106 065	(13 303)	-13%	141 420
Remuneration of councillors		14 325	15 460	15 460	1 214	10 923	11 595	(672)	-6%	15 460
Bulk purchases - electricity		45 293	43 603	51 864	6 525	38 581	38 898	(317)	-1%	43 603
Inventory consumed		4 371	7 411	3 974	64	1 690	2 980	(1 291)	-43%	7 411
Debt impairment		–	37 303	37 303	–	18 652	27 977	(9 325)	-33%	37 303
Depreciation and amortisation		32 437	35 534	35 534	3 063	24 977	26 651	(1 674)	-6%	35 534
Interest		325	100	3 300	0	33	2 475	(2 442)	-99%	100
Contracted services		62 194	64 092	84 884	7 824	47 430	63 963	(16 533)	-26%	64 092
Transfers and subsidies		–	–	–	–	–	–	–		–
Irrecoverable debts written off		15 022	7 500	7 500	–	3 750	5 625	(1 875)	-33%	7 500
Operational costs		43 672	48 198	56 155	6 477	46 261	42 067	4 194	10%	48 198
Losses on Disposal of Assets		6 080	1 500	1 500	–	–	1 125	(1 125)	-100%	1 500
Other Losses		61	–	–	8	182	–	182	#DIV/0!	–
Total Expenditure		**340 534**	**402 121**	**438 894**	**35 830**	**285 239**	**329 421**	**(44 182)**	**-13%**	**402 121**
Surplus/(Deficit)		**61 019**	**(19 752)**	**(20 307)**	**34 958**	**81 462**	**(15 481)**	**96 943**	**(0)**	**(19 752)**
Transfers and subsidies - capital (monetary		45 387	48 381	60 292	7 539	36 971	45 219	(8 248)	**(0)**	48 381
Transfers and subsidies - capital (in kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers &		**106 406**	**28 629**	**39 985**	**42 497**	**118 433**	**29 738**			**28 629**
Income Tax		–	–	–	–	–	–			–
Surplus/(Deficit) after income tax		**106 406**	**28 629**	**39 985**	**42 497**	**118 433**	**29 738**			**28 629**
Surplus/(Deficit) attributable to municipality		**106 406**	**28 629**	**39 985**	**42 497**	**118 433**	**29 738**			**28 629**

The above revenue and expenditure sources can be graphically presenting in figure 1 and 2 below:

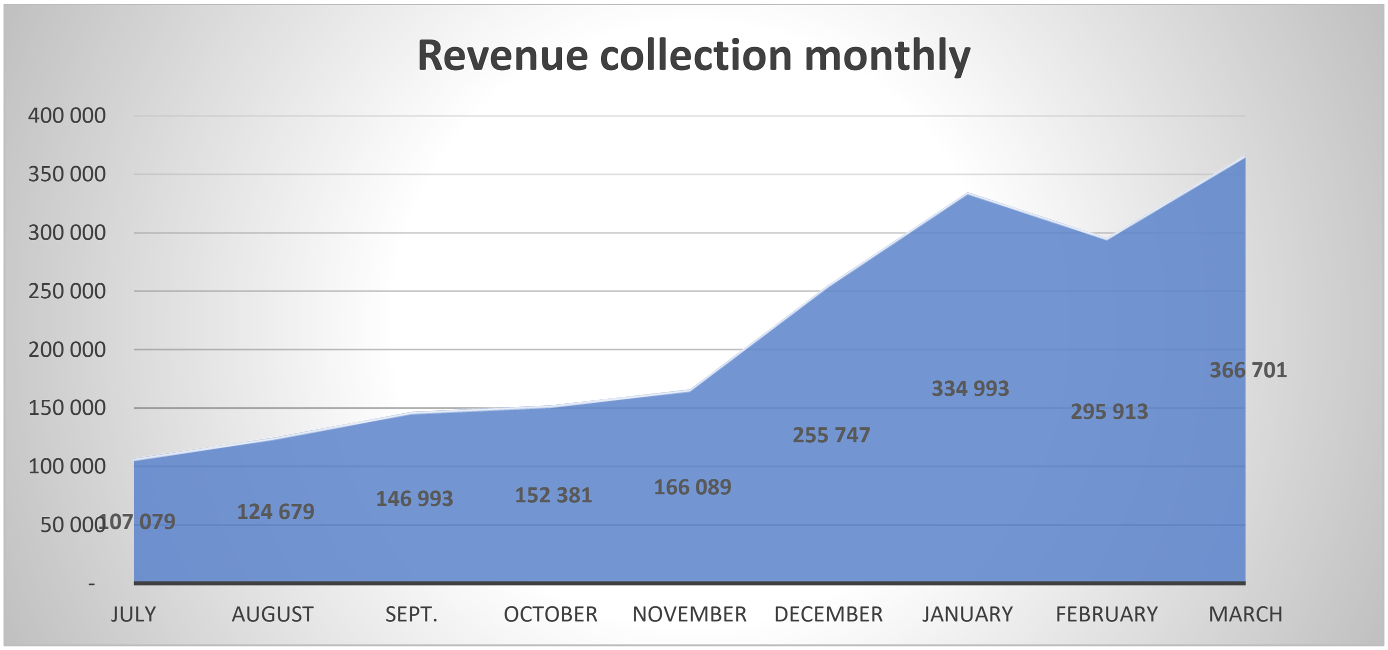
Figure 1



	Exchange Revenue	Service charges - Electricity	Service charges - Waste management	Sale of Goods and Rendering of Services	Interest earned from Receivables	Interest from Current and Non Current Assets	Rental from Fixed Assets	Licence and permits	Operational Revenue	Property rates	Fines, penalties and forfeits	Licence and permits	Transfers and subsidies - Operational
Adjustment	6.2E+07	1.1E+07	1.3E+07	917821	2.4E+07	192215	0	2011560	5.9E+07	1210000	737332	2.4E+08	2836738
Monthly actual	4349 3	1026 4	403 75	117 57	2360 9	26 648	3 383	97 469	3220 5	5 945	74 617	58853	247 95
YearTD actual	46263	9302 6	875 23	558 75	21034	226 25	8 457	1572 4	44756	244 80	717 74	238442	2697 9
YearTD budget	46307	8283 2	9646 8	688 36	17624	181 76	-	1508 6	44497	907 49	552 99	181613	2127 5

Adjustment Monthly actual YearTD actual YearTD budget

Figure 2



Revenue:

- The Year to Date (YTD) total revenue earned is R 366.7 million for the period ending 31st March 2024 excluding capital conditional grant income. The YTD Budget is R 313,9 million; therefore, this reflects an over performance against the revenue projected by 17%, this is a reflection that the municipality has achieved its revenue performance budget.

- As can been seen from the table above that transfers recognized-operational are high is due to the municipality receiving total equitable share as gazette for R230.8 million has been received by the municipality which has set off an INEP rollover application of R624 thousand which was not approved by National Treasury. Also increase is due to operational grants which conditions have been met as they have been realized as revenue for FMG, EPWP and INEP.

EXCHANGE REVENUE

Service Charges: Electricity

- Revenue for service charges- electricity is recognized on an invoice basis and the total amount billed is R46.3 million (current month – R4.3million) over a budget YTD of R46.3 million the target for this item has been reached, as the variance to this vote is zero.

The actual cash collected is R 4.8 million for the month ended March 2023.

Service Charges: Refuse

- The actual revenue from Service Charges Refuse as @ 31st March 2024 is R9.3 million or 12 percent more than the budgeted income of R8.3 million. Variance is due to business refuse which has increased during this period. As part of Revenue Enhancement Strategy, the Municipality provides an incentive for consumers who wish to settle their annual refuse collection debt within the 1st two months of the financial year. As result we receive a lot of requests for annual refuse billings in this regard. As the months progresses the revenue billed will subsequently match the budgeted figures.

- The actual cash collected is R 268thousand for the month ended March 2024.

Sale of Goods and rendering services

- Sale of Goods and services amounts to R875 thousand in comparison with the year-to-date budget of R9.6 million, thus indicating an under performance by R8.8 million or 91 percent, variance is due to INEP revenue which has been recognised under Transfers and subsidies operational. This item will be updated so as to adhere to GRAP 11.

Interest earned from receivables.

- Interest earned from receivables amounts to R559 thousand in comparison with the year-to-date budget of R688 thousand, thus indicating an under performance by R130 thousand or 19 percent, variance is based on the outstanding debt billed on refuse and electricity. Interest rate on outstanding debtors is 2% per annum.

Interest from Current and Non-Current assets

- Interest earned on external investments amounts to R21.0 million in comparison with the year-to-date budget of R17.6 million, thus indicating an over performance by R3.4 million or 16.2 percent, variance is based interest rate on the cash available from previous year cash backed reserves and additional grants received.

- Further to that the municipality has taken decision to redirect the interest generated from these investments towards service delivery which will also be considered during adjustment budget process.

Rental from fixed assets

- Revenue from rental of facilities recognised amounts to R226 thousand in comparison with the year-to-date budget amount of R182 thousand thus indicating an over performance of R44 thousand or 24 percent. Variance is due to level of demand in rental of municipal facilities due (Municipal sports fields, municipal halls) when comparing to the projections.

Operational Revenue

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

  The year-to-date performance in Operational Revenue amounts to R1.6 million more than anticipated YTD budget of R1.5 million, thus indicating an over performance of R64 thousand or 4 percent, variance is mainly due to the municipality receiving additional revenue which were not budgeted for during budgeted preparation process as there was no source to support this revenue.

NON-EXHANGE REVENUE

Property Rates

- The municipality accounts for Property Rates on an invoice basis in line with GRAP requirements and the total amount billed is R44.8 million (current month – R3.2 million) which equates to an over billing by 1% when compared to the total R44.5 million pro-rata property rates revenue budgeted.

- The actual cash collected being R 2.6 million for the month ended March 2024.

Fines, Penalties and forfeits

- Fines underperformed by 73 percent or R663 thousand, with an actual amount of R245 thousand variance against year-to-date budget projections of R907 thousand. 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.

- Furthermore, to that based on the audited AFS the budget allocated appears to be understated and it will be adjusted during an adjustment budget to ensure realistic budget estimatesd to be receipted using the accrual basis of accounting in order to recognise the income accordingly.

Licences and permits.

- Licences and permits have over performed by 30 percent or R165 thousand with an actual amount of R718 thousand as compared to budget of R553 thousand, variance is due to the level of demand for issuing of licences and permits. Revenue reported has been received from issuing licences and permits by traffic department and trading licences for business within the municipality.

Transfers & subsidies

- Transfers and subsides recognised operational amounts to R238.4 million YTD Actual in comparison with the YTD budget of R181.6 million, thus indicating an over performance by R568 million or 31 percent, variance is mainly attributable to the municipality receiving total allocation of Equitable Share of R230 million and realisation of operational grants spent as conditions have been met for EPWP, FMG and Library Grant.
- INEP Rollover application of R624 thousand was not approved by National Treasury, this balance has been set off from the second trench of Equitable Share. Total amount transferred to date for Equitable Share is R230.5 million, However the INEP funds that were set off have been transferred from INEP Call account to replace the amount set off.

- Transfers and subsides capital amounts to R36.9 million in comparison with the YTD budget of R45.2 million, thus indicating an under performance by R8.2 million variance is mainly attributable by expenditure in MIG. *(Detailed report on MIG expenditure has been provided below)*

Interest earned from receivables.

- In line with council adopted credit control policy, the municipality charges interest on arrear debtors.

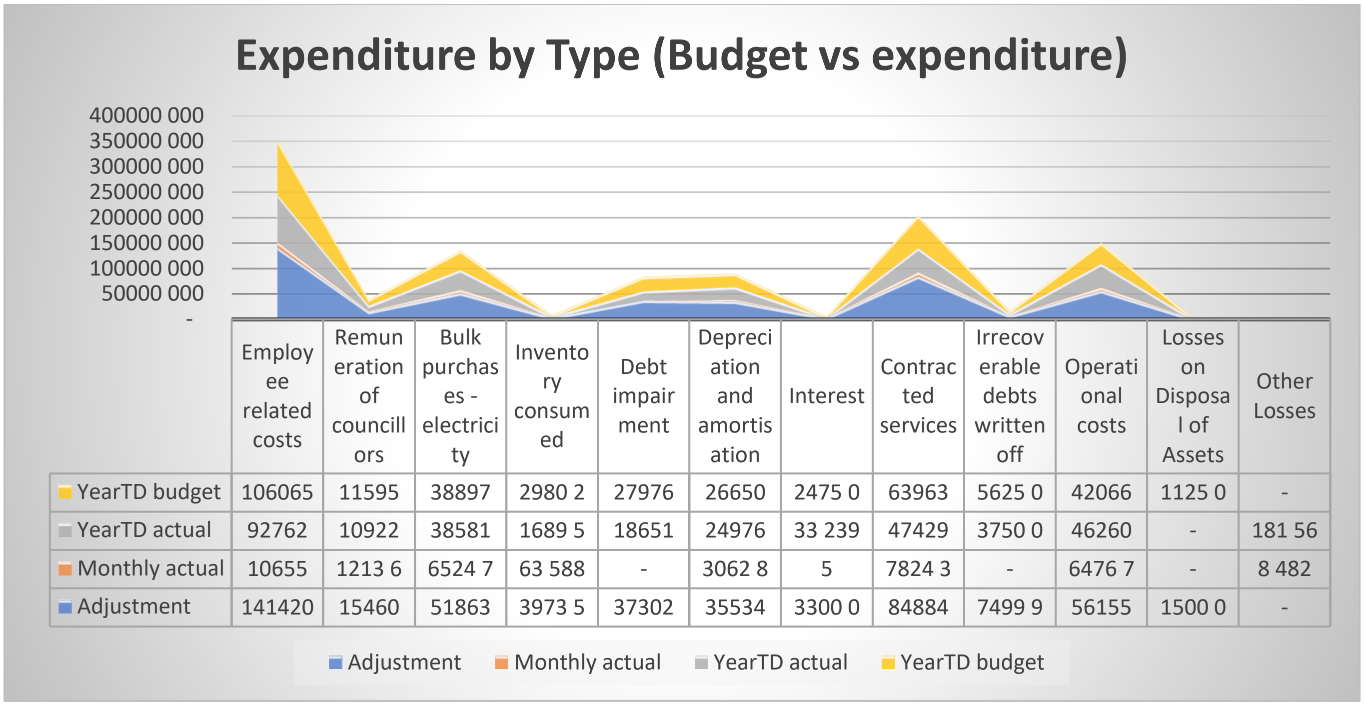
- Interest earned from receivables amounts to R2.7million in comparison with the year-to-date budget of R2.1million, thus indicating an over performance by 570 thousand or 27 percent.

Operating Expenditure from March 2024

The table below reflects trend of expenditure for the period ended 31st March 2024

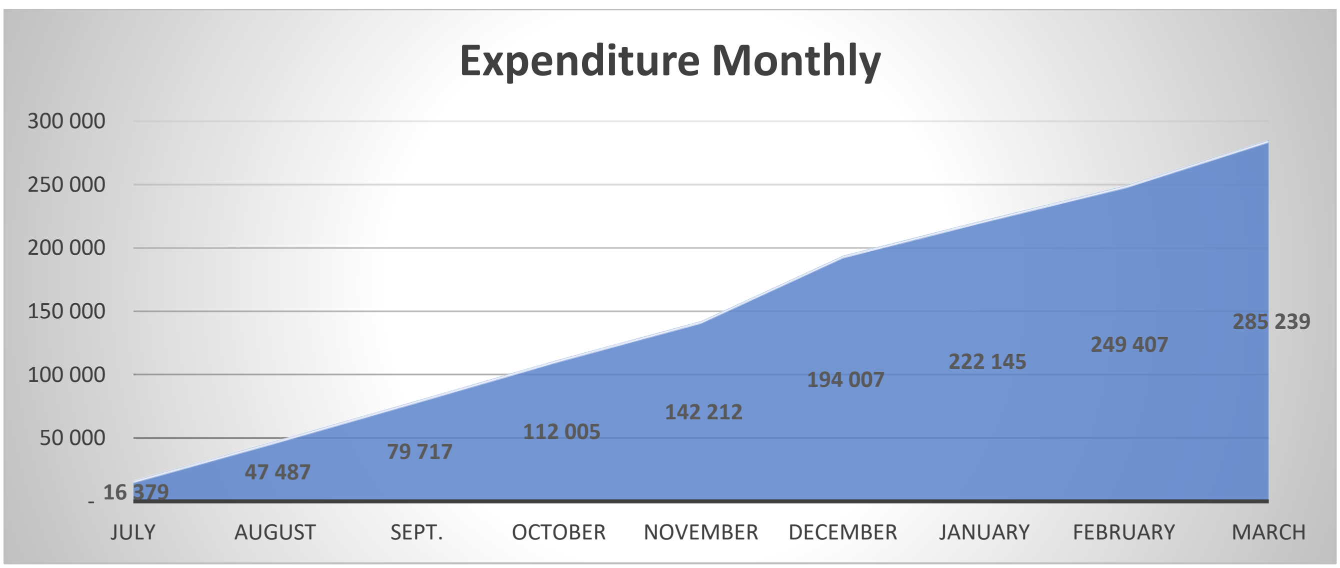
Figure 6

- **Total Operating Expenditure**



	Employee related costs	Remuneration of councillors	Bulk purchases - electricity	Inventory consumed	Debt impairment	Depreciation and amortisation	Interest	Contracted services	Irrecoverable debts written off	Operational costs	Losses on Disposal of Assets	Other Losses
YearTD budget	106065	11595	38897	2980 2	27976	26650	2475 0	63963	5625 0	42066	1125 0	-
YearTD actual	92762	10922	38581	1689 5	18651	24976	33 239	47429	3750 0	46260	-	181 56
Monthly actual	10655	1213 6	6524 7	63 588	-	3062 8	5	7824 3	-	6476 7	-	8 482
Adjustment	141420	15460	51863	3973 5	37302	35534	3300 0	84884	7499 9	56155	1500 0	-

Figure 7



Operating Expenditure:

- The total operational expenditure YTD Actual for the period ending 31st March 2024 amounted to R 285.2 million against the planned target of YTD budget is R 329.4million. As at the end of March the operational expenditure budget has been under spent by -13% or -R44.2 million. *Detailed expenditure analysis is below:*

Employee Related Costs

- Employee related costs YTD expenditure for the period ending 31st March 2024 amounted to R92.8 million while the YTD budget was R106.1 million with an underspending of R13.3million at -13per cent. Variance is due to positions that were prioritised in the budget which have not been filled. However, recruitment processes are underway to filling of these positions.
- Furthermore, to that it should be noted that employee bonuses are now being paid on their birth month.
- Another contributing factor to this variance is due to calculation of provision for leave and long service awards which are processed at year end upon receiving the actuarial calculation for Actuaries.

Remuneration of Councilors

- The expenditure on councilor allowances as at 31st March 2024 was under spent by R 672 thousand. The YTD Remuneration of Councilor's budget was R11.6 million whilst the actual expenditure incurred results in slightly under-spending of 6% YTD expenditure performance.

- Performance reported under Remuneration of Cllrs has considered the approval from COGTA in relation Cllrs Upper limits as per Gazette Notice No. 3807 dated 18 August 2023. Further to that backpack was considered when implementing this gazette.

Bulk Purchases

- The bulk purchases for Umngeni Water Board and Eskom Purchases reflects an underspending of 1 percent or R317 thousand from the year-to-date budget projections amounting to R38.5 million, variance is due to electricity bulk consumption by umngeni water and increased rate that was approved by NERSA.
- Performance reported in this line item has considered the expansion of Umngeni Water Plant. The plant increased its water generating capacity to circumvent the Hezelmere Dam shortfalls which came because of the KZN April 2022 floods which resulted in a serious destruction of the Bulk Water Infrastructure particularly in Ethekwini and the Southern part of KwaDukuza. As expected, the increase in the demand for the generation and subsequent transmission resulted in a rapid increase of electricity consumption.

Inventory Consumed

- Inventory Consumed are reflecting an underperformance by 43 percent or R1.3 million from YTD budget of R2.9 million against the YTD Actual of R1.7 million, variance is due to the implementation of procurement plan, however it should be noted that there will be improvement during the 4th quarter of this financial year as bulk of these projects will be implemented.
- Budget allocated for this item relates to materials procured by the municipality towards repairs and maintenance which are kept at stores for rendering of services, such as pothole patching materials, workshop stock etc.
- The municipality regularly reviews its repairs and maintenance plan so as to ensure that the infrastructure of the municipality is regularly monitored for its aging.

Debt Impairment

- The provision for bad debt is reflecting an under performance by 33percent or R9.3 million from YTD budget of R38 million against the YTD actual of R18.7 million. Based on the complexity of analysis which brings about the said calculation, it was management's view that such calculation should take place biannually (Midyear and Year end). We believe that the said Midyear calculation will increase the expenditure value to be in line with the year-to-date budgeted amount.

- When provision for debt impairment is calculated, the following assumptions must take into consideration.
- Each debtor's account per age analysis must be analyzed.
- The frequency of payment must be analyses on each debtor.
- Indigent debtors, debtors with take on balances which cannot be explained, insolvent and debtors under administration of estate should be impaired 100%.
- The Municipality is guided by a write off policy when the assumptions are determined.
- Different services must be impaired separately.
- Different customer must be impaired separately.

Depreciation and Asset Impairment

- Depreciation and asset impairment are reflecting an under performance by -6 percent or R1.7 million against YTD actual of R24.9 million against the YTD budget of R26.7 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.

Interest

- Finance charges reflect an under performance by 99 percent or R2.4 million against YTD actual of R33 thousand. Expenditure incurred is due to interest paid to as per Eskom Invoices for late payment which results in fruitless and wasteful expenditure. However, the municipality has been engaging eskom in relation to this interest being charged whereas payments are always done timeously.

- 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. Based on performance for 2023/24 for finance charges of R2.6 million this item appears to be under stated and it will be adjusted during an adjustment budget to avoid Unauthorized Expenditure

Contracted Services

- Contracted services expenditure is reflecting an underspending of -26 percent or R16.5 million from YTD budget of R63.9 million against the YTD actual of R47.4 million, variance is due to planned activities within this quarter, however we anticipate that this expenditure will improve during the last quarter of this year.

Irrecoverable debts written off

- Irrecoverable debts written off is within the projected budget of R5,6 million, this is due to result of Indigents and untraceable debtors which have been written off within the third quarter of this financial year. The municipality has been in the process of data cleansing, and we have discovered deceased accounts, liquidated companies etc.

Operational Cost

- Other expenditure has overspent by 10 percent or R4.1 million from YTD budget of R42.1 million against the YTD actual of R42.3 million, variance is due to activities that that took place in the third quarter of the financial year and the decision the municipality took on implementation of cost cutting measures so as to improve the municipal cash flows. Most of other expenditure items will take place during the third quarter of the year.

  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.

Losses on Disposal of assets

Losses on disposal of assets reflects no performance in the third quarter of this financial year. This is because the planned auction to dispose assets was processed in March 2024.
The municipality through its supply chain management appointed Five Star Trading Enterprise T/A Auction 24 to conduct auction on its behalf, the main trigger for the auction was the Council Resolution C21 of 31 August 2023 and C65 of March 2024. The auction was held in the month of march, however we are waiting for final report from Auctioneer.

Other Losses

- Losses of R182 thousand reported as at mid-year is due to write off of Inventory items.

2. Capital Expenditure

Table C5 Monthly Budget Statement – Capital Expenditure

KZN291 Mandeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

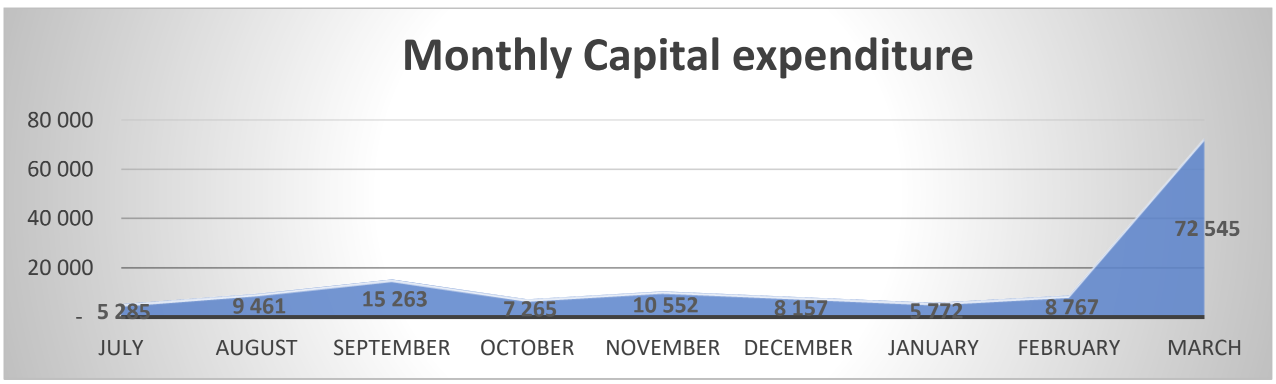
Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and council		–	–	–	–	–	–	–		–
Vote 2 - Finance and administration		–	–	–	–	–	–	–		–
Vote 3 - Internal audit		–	–	–	–	–	–	–		–
Vote 4 - Community and social services		–	–	–	–	–	–	–		–
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		–	–	–	–	–	–	–		–
Vote 9 - Road transport		–	–	–	–	–	–	–		–
Vote 10 - Energy sources		–	–	–	–	–	–	–		–
Vote 11 - Waste Management		–	–	–	–	–	–	–		–
Vote 12 - Environmental Protection		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Single Year expenditure appropriation	2									
Vote 1 - Executive and council		–	1 843	1 878	187	209	1 409	(1 200)	-85%	1 843
Vote 2 - Finance and administration		34 353	21 225	17 330	615	8 091	12 997	(4 906)	-38%	21 225
Vote 3 - Internal audit		–	–	–	–	–	–	–		–
Vote 4 - Community and social services		21 438	2 304	1 765	105	699	1 324	(625)	-47%	2 304
Vote 5 - Sport and Recreation		(4 264)	15 205	14 084	2 233	4 007	10 563	(6 556)	-62%	15 205
Vote 6 - Public safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		11 028	16 435	18 565	1 168	9 314	13 924	(4 610)	-33%	16 435
Vote 9 - Road transport		4 857	79 374	78 546	10 906	43 526	58 909	(15 383)	-26%	79 374
Vote 10 - Energy sources		5 903	2 957	3 710	1 464	1 744	2 782	(1 038)	-37%	2 957
Vote 11 - Waste Management		–	4 602	3 906	90	4 954	2 929	2 024	69%	4 602
Vote 12 - Environmental Protection		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	73 316	143 945	139 784	16 769	72 545	104 838	**(32 293)**	**-31%**	143 945
Total Capital Expenditure		**73 316**	**143 945**	**139 784**	**16 769**	**72 545**	**104 838**	**(32 293)**	**-31%**	**143 945**
Capital Expenditure - Functional Classification										
Governance and administration		**34 353**	**23 069**	**19 208**	**802**	**8 300**	**14 406**	(6 106)	-42%	**23 069**
Executive and council		–	1 843	1 878	187	209	1 409	(1 200)	-85%	1 843
Finance and administration		34 353	21 225	17 330	615	8 091	12 997	(4 906)	-38%	21 225
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**17 174**	**17 509**	**15 850**	**2 338**	**4 706**	**11 887**	(7 181)	-60%	**17 509**
Community and social services		21 438	2 304	1 765	105	699	1 324	(625)	-47%	2 304
Sport and recreation		(4 264)	15 205	14 084	2 233	4 007	10 563	(6 556)	-62%	15 205
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**15 885**	**95 809**	**97 111**	**12 075**	**52 840**	**72 833**	(19 993)	-27%	**95 809**
Planning and development		11 028	16 435	18 565	1 168	9 314	13 924	(4 610)	-33%	16 435
Road transport		4 857	79 374	78 546	10 906	43 526	58 909	(15 383)	-26%	79 374
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**5 903**	**7 558**	**7 615**	**1 554**	**6 698**	**5 712**	987	17%	**7 558**
Energy sources		5 903	2 957	3 710	1 464	1 744	2 782	(1 038)	-37%	2 957
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	4 602	3 906	90	4 954	2 929	2 024	69%	4 602
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**73 316**	**143 945**	**139 784**	**16 769**	**72 545**	**104 838**	**(32 293)**	**-31%**	**143 945**
Funded by:										
National Government		12 628	55 119	51 837	7 044	36 863	38 878	(2 014)	-5%	55 119
Provincial Government		–	478	591	–	160	443	(284)	-64%	478
District Municipality		–	–	–	–	–	–	–		–

Capital Expenditure from MARCH 2023:

The YTD capital expenditure budget is R104.8 million against YTD actual Capital expenditure amounted to R 72.5 million resulting in an under performance of (31%) on capital expenditure. Variance in capital expenditure were due to different reason (detail report on the progress on all capital projects has been provided below).

The capital expenditure year to date can be graphically presented as follows:

Capital Expenditure reported as at March 2024



- Capital grants funded by National Government actual is R36.9 million versus YTD Budget of R38.9 million, expenditure reported has been underspent by (5%). However, the municipality will ensure that grant is fully spent by year end.

- Capital grants funded by Provincial Government actual is R160 thousand versus YT Budget of R443 thousand variance of (64%) reflects and under expenditure on this grant. However, it should be noted that the variance reported has been committed toward procuring library vehicle which is awaiting delivery so as ensure that budget is fully spent at year end.
- Capital grants funded Internally actual is R35.5 million versus YTD Budget of R65.5 million variance of 46% 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, Upgrading of municipal offices roofing and rehabilitation of roads which will ensure that there is improvement in expenditure reported at year end. Further to that bulk of projects that were prioritized are rehabilitation of roads in all wards within Mandeni. Panel of Contractors has been finalized we are undertaking the appointment of services providers from the panel.

2.2 Monthly Budget Statement – expenditure on Repairs and Maintenance

KZN291 Mandeni - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 March										
		2022/23	Budget Year 2023/24							
Description	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**10 468**	**9 996**	**13 517**	**1 640**	**6 876**	**10 438**	3 562	**34.1%**	**9 996**
Roads Infrastructure		7 600	5 522	6 261	1 246	3 952	4 996	1 044	**20.9%**	5 522
Roads		7 470	5 130	5 870	1 246	3 952	4 702	751	**16.0%**	5 130
Road Structures		59	261	261	–	–	196	196	**100.0%**	261
Road Furniture		70	130	130	–	–	98	98	**100.0%**	130
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		627	1 087	3 435	164	746	2 576	1 830	**71.0%**	1 087
Drainage Collection		627	1 087	3 435	164	746	2 576	1 830	**71.0%**	1 087
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		1 196	2 778	3 083	185	1 489	2 312	823	**35.6%**	2 778
Power Plants		93	61	61	–	–	46	46	**100.0%**	61
HV Substations		–	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	1 304	1 304	–	138	978	840	**85.9%**	1 304
MV Substations		9	65	65	77	77	49	(28)	**-57.4%**	65
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		58	87	87	–	47	65	19	**28.6%**	87
LV Networks		332	609	696	66	419	522	103	**19.7%**	609
Capital Spares		704	652	870	42	808	652	(156)	**-23.9%**	652
Information and Communication Infrastruc		1 046	609	739	45	689	554	(135)	**-24.3%**	609
Data Centres		–	–	–	–	–	–	–		–
Core Layers		1 046	609	739	45	689	554	(135)	**-24.3%**	609
Distribution Layers		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		**1 089**	**1 485**	**2 137**	**423**	**1 143**	**1 603**	**460**	**28.7%**	**1 485**
Community Facilities		52	294	294	61	79	220	142	**64.2%**	294
Halls		–	120	120	–	–	90	90	100.0%	120
Libraries		3	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	–	–	–	–	–	–		–
Police		–	–	–	–	–	–	–		–
Purls		49	174	174	61	79	130	52	39.6%	174
Public Open Space		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		1 036	1 191	1 843	362	1 065	1 383	318	**23.0%**	1 191
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		1 036	1 191	1 843	362	1 065	1 383	318	23.0%	1 191
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Other assets		**91**	**70**	**40**	**–**	**–**	**30**	**30**	**100.0%**	**70**
Operational Buildings		91	70	40	–	–	30	30	**100.0%**	70
Municipal Offices		91	70	40	–	–	30	30	100.0%	70
Machinery and Equipment		**3 970**	**4 826**	**4 609**	**680**	**3 617**	**3 457**	**(160)**	-4.6%	**4 826**
Machinery and Equipment		3 970	4 826	4 609	680	3 617	3 457	(160)	-4.6%	4 826
Total Repairs and Maintenance E	1	**15 618**	**16 377**	**20 303**	**2 743**	**11 636**	**15 528**	**3 892**	**25.1%**	**16 377**

The ratio for Repairs and Maintenance measures the level of repairs to ensure adequate maintenance and to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of service.

The Technical Services Department is currently implementing the following projects as per the Municipality's Integrated Development Plan (IDP):

4.1 Projects under The Municipal Infrastructure Grant (MIG) Funding:

2023/24 Financial Year MIG Allocation	**R46 392 000.00**
Less: Total Expenditure (incl. Retention)	R 28 754 856.58
Balance	R 17 637 143.42
Expenditure of as a %	**61.98%**

Projects under Construction Stage

a) Installation of High Mast Phase 2
b) Hlomendlini Sports-field: Ward 04
c) Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili ward 15 (Amajuba Road)
d) Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili Ward 13 Phase 2 and Ward 14 White City Section (Phumla, Indumiso and Malandela).
e) Nyoni Taxi Route Phase 4
f) Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 1 (Mthombothi, Mbabala, Umgakla and Sondeza)
g) Specialised Vehicles, Waste Management (TLB, 2 Cage Trucks) – **Delivered and reported in November 2023.**
h) Construction of Sportfield in Mandeni Ward 10 Endlondlweni

Projects in Planning Stage

i) Upgrade of Machibini Link Road in Isithebe in Ward 10 and Ward 12.
j) The Rehabilitation of Bumbanani Road in Sundumbili: Ward 13, 14 & 15 - Phase1

To be registered with MIG

k) Upgrade of Rural Gravel Roads in Mandeni, Phase 5 - Ward 8
l) Rehabilitation of Quartz Road and Portion of Platinum Road in Ward 4
m) Construction of a Sportsfield in Ward 2, Mandeni

n) Construction of a Soccer Field and Combo Court in Khenana Township, Ward 10

o) Construction of a Sportsfield in Ward 1, Mandeni

p) Construction of Community Hall in Ward 8

4.2. Projects under Municipal Internal Funding

Projects under Construction

a) Repair and Renovation of Civic Centre Roof in Mandeni

b) New Protection Services Centre DLTC

c) Extension of Mechanical Workshop and Construction of New Offices

d) P415-459 Ward 3 Streetlights

4.3. Projects under the Integrated National Electrification Programme (INEP)

2023/24 Financial Year Allocation	**R 7 384 000.00**
Less: Total Expenditure	R 4 289 779,11
Balance	R 3 094 220,89
Expenditure as a %	**58,1%**

Projects under Construction

a) Dendethu Phase2/Wetane - 108HH (38)

b) Khovothi Electrification 105 HH

c) Emhlangeni Electrification 100 HH

Projects under Planning Stage

d) Mandeni Sub-station - Bulk

4.4. Projects under the Massification Grant

Total Allocation	**R 5 000 000.00**
Less: Total Expenditure	R 5 139 424.43
Balance	- R 139 424.43
Expenditure of as a %	**102.79%**

Projects under Construction

e) Mantshangula Mhlubulweni Electrification Project
f) Khenana Phase 5 Electrification Project

4.5. Projects under the Disaster Management Grant

Total Allocation	**R17 023 000.00**
Less: Total Expenditure	R 15 151 237.26
Balance	R 1 871 176.74
Expenditure of as a %	**89%**

Projects under Construction -

a) Novas Farm 2 (Ward 04)
b) D2022 Road (Ward 14)
c) Efalethu Road (Ward 3)
d) D1293 Road (Ward 12)

5. PROGRESS ON PROJECTS AND EXPENDITURE

5.1 Municipal Infrastructure Grant

Projects under Construction Stage

a) Installation of High Mast Lights in Mandeni, Phase 2 (Ward 3, 5, 9, 11 and 12x2)

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 067 105.27	R 1 022 364.28
Construction Cost (incl. Retention) (V.O : R 367 004.50)	R 5 413 316.30	R 5 283 165.92
TOTALS (Incl. Vat)	R 6 480 421.57	R 6 3055 530.20

Project Details

Name of Consultant: Africoast JBFE Project Manager

Name of Contractor: R Busisiwe (Pty) Ltd

Project Commencement Date: January 2023

Contractual Completion Date: July 2023

Revised Completion date: 20 May 2024

Project Scope

- 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.

Current Status Overall Construction progress 98%: All overhead support infrastructure and underground infrastructure has been installed. All 6 High masts have been erected, and the Light fittings have been installed. Consultant to book an outage for energizing.

Challenges: Awaiting approval of metering point application from Eskom. Previously approved metering point has expired due to delays that was experienced on the light fitting specification.

b) Construction of Hlomendlini Sportfield, Ward 4

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 846 700.02	R 1 317 689.58
Construction Cost (incl. Retention)	R 8 041 369.71	R 3 493 216.27
Sub-Total (MIG Funds)	R 8 888 069.73	R 4 810 905.85
Sub-total (Internal Funds) Approved (26.07.2023)	R 1 547 441.12	R0.00
TOTALS (Incl Vat)	R 10 435 510.85	R 4 810 905.80

Project Details

Name of Consultant: SRK Consulting

Name of Contractor: Zithinzuzo Trading Enterprise cc

Project Commencement Date: March 2023

Contractual Completion Date: TBA

Revised Completion date: N/A

Project Scope

- Site Establishment. Setting out of works.
- Bulk earthworks to the various elements of infrastructure on side.
- 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.
- 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.

Current Status Overall Construction Progress 49%: Site establishment and setting out of works is 100% completed, topsoil removal 100%, fencing 90%, commencement of guardhouse and ablution block along with bulk earthworks currently is approximately 85%.

Challenges:

Municipality has terminated contact with appointed service provider. Appointment for new consultant has been concluded for redesign of outstanding works.

c) Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili ward 15 (Amajuba Road

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 485 206.26	R 1 323 892.56
Construction Cost (incl. Retention)	R 10 555 885.48	R 9 514 359.75
Internal Funds	R1 166 508.82	R 609 671.34
TOTALS (Incl Vat)	R 13 207 600.56	R 11 447 923.65

Project Details

Name of Consultant: Libeko (Pty) Ltd

Name of Contractor: Nangu-U-Mzamo Retailers

Project Commencement Date: August 2023

Contractual Completion Date: February 2024

Revised Completion date: N/A

Project Scope

- Site Establishment: Establishment of offices, tools, plant, etc.
- Site clearance: removal of topsoil, cutting of trees and bushes, where required.
- Overhaul: Hauling of gravel selected layer material.
- Installation of Subsoil drainage.
- Concrete pipe installation: Installation of prefabricated culverts with associated catch pits and headwalls.
- Concrete kerb-channel: Installation of precast kerb and cast in situ channel.
- Roadbed preparation.
- Hauling and Processing of G7, G6, G5 and G2 quality gravel materials.
- In-situ Recycling (First Phase) and (Second Phase);
- Stabilization.
- Milling and stockpiling of existing surface on strategic sections with minimal degree of surface failure;
- Patching and repairing edge breaks.
- Priming;
- Asphalt Wearing coarse: Lay and process Asphalt from commercial source.
- Construction of speed humps;
- Gabions: Installation of gabions.
- Plantable Interlocking TB300;
- Installation of Concrete Bollards.
- Road Signs: Installation of road signs;
- Road Marking.
- Landscaping and Planting; and
- Finishing the road and road reserve.

Current Status Overall Construction progress 95%: Contractor achieved practical completion of works date of Friday, 22nd March 2024.

Challenges: Delay in the commencement of works due to Contractor meeting Contractual Obligations. An Award Adjustment Application has been submitted to COGTA for approval as the project was appointed for an amount of R 1 041 525.73 incl. vat more than the amount approved by COGTA i.e Notification of Registration Amount (NOR). Recent inclement weather conditions have caused delays and sub-contracting issues.

d) Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili Ward 13 Phase 2 and Ward 14 White City Section (Phumla, Indumiso and Malandela).

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 2 352 795.17	R 2 011 489.12
Construction Cost (incl. Retention)	R 16 257 859.82	R 8 108 389.16
TOTALS (Incl Vat)	R 18 610 654.99	R 10 119 878.28

Project Details

Name of Consultant: Singh Govender & Associates cc

Name of Contractor: MVI-SSSS Trading Enterprise cc

Project Commencement Date: August 2023

Contractual Completion Date: April 2024

Revised Completion date: N/A

Project Scope

- Site Establishment: Establishment of offices, tools, plant, etc.
- General requirements for construction activities: Employment of Local Labour and CLO.
- Site clearance: removal of topsoil, cutting of trees and bushes, where required.
- The implementation of Traffic Accommodation facilities.
- Milling of the existing road asphalt to spoil.
- Excavation of the existing road layerworks to stockpile and spoil.
- Subgrade treatment: 300mm undercut to spoil and replace with G7 backfill at unsuitable founding conditions.
- Rip and recompact Roadbed (Subgrade) in preparation for layerworks.
- Installation of cable ducts — and protection to existing services where necessary.

- Import G5 and G2 material from commercial sources for layerworks.
- Construction of a 150mm Subbase layer with G5 material obtained from commercial sources.
- Construction of a 150mm Base layer with G2 material obtained from commercial sources.
- Pre-pulverising cement stabilising of the existing Base layer for areas with minimal degree of surface failures.
- Construction of concrete V-Drains and Kerbing and Channelling.
- Construction of a 40mm Asphalt layer- Mix D, obtained from commercial sources.
- Construction of speed humps.
- Construction of Stormwater pipelines utilising 600mmØ and 450mmØ concrete pipes. The installation of Sub-soil drains for subsurface drainage.
- Construction of Side Inlet Manholes along the roadways. Installation of Guardrails.
- Installation of Gabions.
- Installation of Retaining walls.
- Installation of Road Signs and painting of Road Markings.
- Clearing of the road reserve

Current Status Overall Construction progress 50%: Site establishment 90%, Setting Out of works is 90%, Site Clearance 80% and Roadbed preparation 80%, Stormwater Installation 90%, subsoil installation 70%, service crossing ducts 85%, G5 material layer 40% for our subbase layer. Performance of contractor has improved. Additional resources have been added to ensure acceleration targets are met.

Challenges: Delay in the commencement of works due to Contractor meeting Contractual Obligations. An Award Adjustment Application has been submitted to COGTA for approval as the project was appointed for an amount of R 5 479 308.70 incl. vat more than the amount approved by COGTA i.e Notification of Registration Amount (NOR). Recent inclement weather conditions. Furthermore, we have experienced very unsuitable in-situ material as a result of high moisture level including seepage due to fluctuation in subsurface ground water levels.

e) **Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 1 (Mthombothi, Mbabala, Umgakla and Sondeza)**

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 532 598.83	R1 099 409.35
Construction Cost (incl. Retention)	R 12 148 430.66	R 3 703 269.82
Internal Funds	R 667 565.79	R 0.00
TOTALS (Incl. Vat)	R 14 348 595.28	R 4 802 679.17

Project Details

Name of Consultant: DLV Project Managers and Engineers

Name of Contractor: Bheka Phezulu Investments and Sales

Project Commencement Date: October 2023

Contractual Completion Date: April 2024

Revised Completion date: N/A

Project Scope

- Site establishment
- Site clearance
- Mass Earthworks
- Road Bed Preparation
- Clearing Existing Stormwater Infrastructure
- New Stormwater Infrastructure
- New Pavement Layerworks (Construction of 150mm G7 subgrade layer, Construction of stabilized 125mm C4 lower – subbase layer and Construction of stabilized 125mm C4 base)
- Asphalt Road Surfacing
- Kerbs and Channels
- Road Restraint Systems
- Road Signs
- Road Marking
- Finishing

Current Status Overall Construction progress 37%: Site establishment 100%, Mass earthworks 45%, Roadbed preparation 25%, C4 Stabilized layer 12%, Stormwater 25%, subsoil drainage 35%, Asphalt surfacing 16%, Kerbs.

Challenges: Delay in the commencement of works due to community dissatisfaction about labour and CLO recruitment. The issue was later resolved, more people were recruited and they agreed that they will work on rotational basis. New CLO was also recruited. An Award Adjustment Application has been submitted to COGTA for approval as the project was appointed for an amount of R 667 565.79 incl. vat more than the amount approved by COGTA. i.e. Notification of Registration Amount (NOR).

The request for additional funding was redirected to the municipality due COGTA not approving the application for award adjustment. Mandeni Municipality has since approved to fund the project internally with an amount of R 667 565.79 incl. vat.

On the 26th of February 2024, 16 no. of labourers put the tools down demanding that they want to start working on full time basis and not work on rotational basis. That has caused the work to not continue. The issue is still pending and is being discussed to find the solution.

The issue of labourers demanding to work on full time basis continued for further one week in the month of March 2024. The resolution was reached on the 6th of March 2024 that the labourers are going to work on full time basis.

There has been a slow progress on site since the contractor was without the plant to continue with the construction. As it stands the contractor has not adhered to the acceleration plan that they submitted in order to finish the project by the original completion date.

f) Construction of Sportfield in Mandeni Ward 10 (Endlondlweni)

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 801 860.14	R 1 357 464.73
Construction Cost	R 13 321 772.49	R 731 780.46
TOTALS (Incl. Vat)	R 15 123 632.63	R 2 089 245.19

Project Details

Name of Consultant: Ukwakha Consulting Engineers

Name of Contractor: Bheka Phezulu Investment and Sales

Project Commencement Date: July 2023

Contractual Completion Date: March 2023

Revised Completion date: 31 May 2024

- Clearing and removal of vegetation, i.e. trees and grass and topsoil removal – Site Clearance
- Earthworks to create the required platform for the development of sports facilities.
- Construction of 110m x 70m soccer field (Soccer field to average DSAC and SAFA standards complete with goal posts)
- Construction of Practice Field
- Athletic Track
- Construction of Combi Court
- Construction of change rooms, ablution facility, and Guardhouse
- Construction of parking bays
- Construction of a grandstand within the soccer field vicinity.
- Provision of water, sewer, and irrigation services

Current Status Overall Construction progress 5%: Site Establishment 70%, Site Clearing 10%.

Challenges: Upon the project launch, it came to the Mandeni Municipality attention that the land that was earmarked for the construction of the sportfield has the graveyard. The family that has graves went out to site to identify the graves. Site layout has been revised to avoid interference with graveyard.

5.2. Municipal Internal Funding:

Projects under Construction Stage

A) **Repair and Renovation of Civic Centre Roof in Mandeni**

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 829 510.70	R 1 445 043.84
Construction Cost	R10 993 497.45	R 8 044 269.52
TOTALS (Incl Vat)	R 12 823 008.15	R 9 489 313.36

Project Details

Name of Consultant: LZM Africa Holdings

Name of Contractor: Uhlanga Trading Enterprise

Project Commencement Date: October 2022

Contractual Completion Date: July 2023

Revised Completion date: April 2024

Project Scope

The scope of works includes the following activities

- 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 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.

Current Status Overall Construction progress 93%: Site Establishment 100%, Relocation of staff 100%, Stripping of Existing Roof 100% and Installation of New Trusses 100%, installation of roof tiles 100%, Electrical work 100%, Ceiling 95%, External Paint 100%, Commissioning of the Smoke & Fire System for the first Phase of works 100%. Contractor to complete electrical works, ceiling and carpentry works for Phase 1 due to some of the works being linked to the second phase.

Phase 2 works progress is as follows: Relocation of staff 100%, Stripping of Existing Roof 100% and Installation of New Trusses 100%, installation of roof tiles 100%, Electrical work 94%, Ceiling 85%, External Paint 80%, floor tiling 95%, IT Works 95%, doors installation 75%. Contractor is yet to commence with the follow works:- smoke and fire detection system and carpentry works for Phase 2.

Challenges: Anticipated delay with regards to the commencement of Phase 2 due to the Relocation of the Mandeni Library service. Further delays have been encountered as a result of a re-design of the Electrical Works along with the IT Services portion. The contractor has experienced further delays around items that are outsourced to be done by specialized services such as the smoke and fire system, inclement weather during the roof installation, delays regarding the carpentry works.

B) New Protection Services Centre DLTC

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 2 114 723.00	R 1 615 369.85
Construction Cost	R 14 017 239.00	R 11 473 942.25
TOTALS (Incl. Vat)	R 16 131 962.00	R 13 089 312.10

Project Details

Name of Consultant: Nzamakhuze Holdings
Name of Contractor: Mlombomvu Projects
Project Commencement Date: January 2023
Contractual Completion Date: July 2023
Revised Completion date: 14 February 2024

Project Scope

- Site establishment
- Site clearance
- Fencing (450m Approximately) and installation of Vehicular Gates
- Excavation for foundation
- Construction of brickworks for super structure
- Installation of roof sheeting including finishing off remaining works
- Plaster and Paint works for internal walls
- Electrical connections and Plumbing works
- Building Electrical and Mechanical Works (Fire and HVAC)
- Portable water pipeline supply will be connected on the district Municipality main water pipeline.
- Rainwater collection system
- Parking and related pavement earthworks and layer works
- Stormwater Drainage Works and Installation of Jojo Tanks
- Road marking
- Installation of Sewer Reticulation
- Finishes

- Fully furnished kitchen
- Cleaning, removal of building rubble and reinstatement of lawns

Current Status Overall Construction progress 95%: Site Establishment 100%, Excavation for foundation 100%, Construction of brickworks for super structure 100%, Installation of roof sheeting including finishing off remaining works (suspended ceiling) 100%, Installation of Sewer Reticulation 100%, Parking and related pavement earthworks 100%, layer works 100%, Concrete Drains 100%, Plaster 100% and Paint works for internal walls 100%, Plumbing works 100%, Building Electrical and Mechanical Works (Fire and HVAC) 98%, Stormwater Drainage Works 96%, Portable water pipeline supply will be connected on the district Municipality main water pipeline 100%, Rainwater collection system 90%, Installation of Jojo Tanks 0%, Road marking 0%, Fencing 84% and installation of Vehicular Gates 0%, Finishes 0%, Fully furnished kitchen 0%. Cleaning, removal of building rubble and reinstatement of lawns 0%.
The contractor submitted the letter for the request of extension of time number four and they were granted up until 14 February 2024 to complete the works.

Mandeni Municipality End-user Department and Kwazulu-Natal Department of Transport have requested the additional items for the compliance of the venue. There will be a possibility for the application of additional funds in order to achieve the work.

Challenges: The project is behind the schedule and the contractor has failed to complete the project despite being granted the extension of time that ended on 14 February 2024. No extension of time application has been sent, therefore the contractor is working outside of the contract period.

C) Extension of Mechanical Workshop and Construction of New Offices

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 910 105.97	R 1 774 651.88
Construction Cost	R 16 996 962.19	R 8 745 859.35
TOTALS (Incl. Vat)	R 18 907 069.16	R 10 520 511.23

Project Details

Name of Consultant: Ukwakha Consulting Engineers

Name of Contractor: Bheka Phezulu Investment and Sales

Project Commencement Date: July 2023

Contractual Completion Date: March 2023

Revised Completion date: 31 May 2024

Project Scope

- Site establishment
- Site clearance, demolition of existing pavement
- Demolition of an existing building
- Earthworks
- Construction of the new 146m² Mechanical workshop
- Demolition & Modification of the existing workshop storage
- Modification, Repairing and plumbing of the Existing Toilets & Change room
- Construction of the new 100.70m² Office Block
- Construction of the new canteen
- Extension of the existing storage rooms by 114m^2
- Fiberglass Roof Sheet IBR 3.6m Clear - Covered Walkway
- Construction of new pavement around the site
- Stormwater drainage installation
- Installation of electrical, mechanical, and associated works
- Renovation of the Male and Female Ablution and change rooms
- Construction of New Slabs

Current Status Overall Construction progress 70%: Site Establishment 100%, Site clearance 40%, Demolition of existing pavement 85%, Demolition of an existing building 100% and Construction of the new 100.70m² Office Block 15%, Earthworks 40%, Construction of the new 146m² Mechanical workshop 55%, Construction of the new canteen 95%, Extension of the existing storage rooms by 114m^2 50%, Fiberglass Roof Sheet IBR 3.6m Clear - Covered Walkway 0%, Construction of new pavement around the site 0%, Stormwater drainage installation 70%, Installation of electrical, mechanical and associated works 40%, Renovation of the Male and Female Ablution and change rooms 96%, Construction of New Slab for the vehicle wash bay 90%

Challenges: The contractor is behind the programme. The contractor has submitted the extension of time application ending 31 May 202

5.3. Department of Energy: Integrated National Electrification Programme (INEP) Projects

Projects under Construction

a) Dendethu Phase2/Wetane - 108+38 Connections

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R541 761.49	R 290 962.51
Construction Cost	R2 034 054.94	R 2 014 748.60
TOTAL (excl vat)	R2 575 816.43	R 2 305 711.11

Project Details

Name of Consultant: Veritas
Name of Contractor: Afriletrical
Project Commencement Date: 07 October 2022
Completion Date: 07 December 2022
Revised Completion Date: April 2023

Current Status: Overall Construction progress is 100%. All 146 households have been energized. PCS file submitted to eskom.

Challenges: Contractor not cooperating with the clients/consultant, contractor not on site to remove the illegal connections. This project is experiencing delays due to the inefficiency and unwillingness to comply and perform duties effectively by the contractor i.e. Meetings was held on the 22 of February with the contractor. Contractor to has committed to complying and completing outstanding scope.

b) Emhlangeni Electrification Project - 100 HH

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 407 183.93	R 463 817.67
Construction Cost	R 2 908 456.61	R 2 394 374.91
TOTAL (excl. vat)	R 3 315 640.54	R 2 858 192.58

Project Details

Name of Consultant: PSMT Consulting Engineers
Name of Contractor: R Busisiwe (Pty) Ltd
Project Commencement Date: May 2023
Completion Date: July 2023
Revised Completion Date: 30 April 2024

Current Status: Overall Construction progress is 95% complete. There are 100 dry connections that have been achieved. Outage booking is currently in progress for energizing the dry connection. Transformers will be installed upon the confirmation of the outage.

Challenges: The project has a dependency as per Eskom's Network Planning Report, which is a line upgrade from MV Oak line to MV Chickadee line. This upgrade calls for break-and-build in the same servitude because of space constraints. The break-and-build requires the line to be dead, this then necessitates the booking of outages from the commencement of the project to do the upgrade as there are no connections to be added in the network before the line has been upgraded. Municipality to meet with DMRE head office on the 7th of March to discuss the project and the way forward.

c) Okhovothi Electrification Project

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R210 983.83	R128 424.94
Construction Cost	R 899 998.72	R 498 874.33
TOTAL	R1 363 717.39	R 627 299.27

Project Details

Name of Consultant: **BVI Engineers**

Name of Contractor: **Onombuthu (Pty) Ltd**

Project Commencement Date: **May 2023**

Completion Date: **August 2023**

Revised Completion Date: **June 2024**

Current Status: Overall Construction progress is at 98% with installation of house labels being the only outstanding item to be done. 105 dry connections awaiting Eskom to be energized.

Challenges: poor performance of appointed consultant.

d) Mandeni Substation Project

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 11,826,735.62	R 4 289 779,11
Construction Cost	R0	R0
TOTAL	R 7 384 000.00	R 4 289 779,11

Project Details

Name of Consultant: **ZLM Engineers**

Name of Contractor: **N/A**

Project Commencement Date: **12 May 2023**

Completion Date: **TBC**

Revised Completion Date: **Nil**

Current Status: The project is currently at a preliminary design stage.

Challenges: Application has not been made to Eskom for approval of the project design.

5.4. Projects under Massification Grant

e) Khenana Phase 5 Electrification Project

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 0.00	R 0.00
Construction Cost	R 1 783 633.26	R 1 414 425,3
TOTAL	R1 783 633.26	R 1 414 425,3

Project Details

Name of Consultant: **Veritas Engineers**

Name of Contractor: **Godide Engineering Services (Pty) Ltd**

Project Commencement Date: **July 2023**

Completion Date: **September 2023**

Revised Completion Date: **30 March 2024**

Current Status:99% completed.Construction on site have been completed, commissioning and energizing has been completed.

Challenges: None

f) Mantshangula Mhlubulweni Electrification Project

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 716 075,63	R 575 005.68
Construction Cost	R 3 906 727.96	R 3 066 739.07
TOTAL	R 4 622 803,59	R 3 641 744.76

Project Details

Name of Consultant: **PSMT Engineers**

Name of Contractor: **R. Busisiwe (Pty) Ltd**

Project Commencement Date: **06/11/2023**

Completion Date: **06/03/2024**

Revised Completion Date: **N/A**

Current Status:81% completed.

Challenges: The project was stopped as of 17 November 2023 by Macambini Traditional Council, project resumed on the 8th of December 2023.

5.5 Projects under Disaster Recovery Grant

a) **Gravelling of Novas Farm 2 (Ward 04)**

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 631 643.21	R 539 184.27
Construction Cost	R 3 665 502.91	R 2 798 342.01
TOTAL	R 4 297 146.12	R 3 337 526.28

Project Details

Name of Consultant: Libeko (Pty) Ltd

Name of Contractor: Msebe Contracting and Trading cc

Project Commencement Date: December 2023

Contractual Completion Date: February 2024

Revised Completion date: 28 March 2024

Project Scope

- Establishment on site.
- Clearing & grubbing.

- Site clearance: removal of topsoil, cutting of trees and bushes, where required.
- Bulk Earthworks: Cut to fill, cut to spoil, etc.
- Preparation of Roadbed and removal of unsuitable material.
- Gravel selected layer: Preparation and process G7 material.
- Gravel wearing coarse: Preparation and process G5 material
- Prefabricated Culverts: Laying of prefabricated culverts with associated catch pits and headwalls
- Installation of subsoil
- Installation of signages
- Cleaning of road reserve

Current Status Overall Construction progress 90%: Site Establishment 100%, Clearing & grubbing 100%, Cutting of trees and bushes, where required 100%, Bulk Earthworks: Cut to fill, cut to spoil, etc. 100%, Preparation of Roadbed and removal of unsuitable material 100%, Gravel selected layer: Preparation and process G7 material 100%, Gravel wearing coarse: Preparation and process G5 material 90%,

Prefabricated Culverts: Laying of prefabricated culverts 80% with associated catch pits 85% and headwalls 90%, Installation of subsoil 100%, Installation of signages 70% and Cleaning of road reserve 80%.

Challenges: The project is behind the planned contract period. The contractor has submitted the application for extension of time ending 28 March 2024.

b) The Rehabilitation of D2022 Road (Ward 14)

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 443 870.98	R 315 297.83
Construction Cost	R 2 657 657.41	R 2 060 500.64
TOTAL	R 3 101 528.39	R 2 375 798.47

Project Details

Name of Consultant: Libeko (Pty) Ltd

Name of Contractor: Musa and Sons Trading Enterprise Pty Ltd

Project Commencement Date: December 2023

Contractual Completion Date: February 2024

Revised Completion date: 15 March 2024

Project Scope

- Establishment on site.
- Clearing & grubbing.
- Site clearance: removal of topsoil, cutting of trees and bushes, where required.
- Overhaul: Hauling of gravel selected layer material from commercial source.
- Bulk Earthworks: Cut to fill, cut to spoil, etc.
- Preparation of Roadbed and removal of unsuitable material.
- Gravel selected layer: Preparation and process G7 material.
- Chemical stabilization: Preparation and process
- Installation of kerbing and channelling
- Crushed Stone Base: Preparation and process G2 material
- Prime Coat: preparation and application.
- 40mm Asphalt Wearing coarse
- Prefabricated Culverts: Laying of prefabricated culverts with associated catch pits and headwalls
- Installation of subsoil
- Road Marking
- Installation of signages
- Cleaning of road reserve

Current Status Overall Construction progress 99%: Establishment on site100%, Clearing & grubbing 100%,: Hauling of gravel selected layer material from commercial source 100%, Bulk Earthworks: Cut to fill, cut to spoil, etc. 100%, Preparation of Roadbed 100% and removal of unsuitable material 100%, Gravel selected layer: Preparation and process G7 material 100%, Chemical stabilization: Preparation and process 100%, Installation of kerbing and channelling 100%, Crushed Stone Base: Preparation and process G2 material 100%, Prime Coat: preparation and application 100%, 40mm Asphalt Wearing coarse 100%, Prefabricated Culverts: Laying of prefabricated culverts 100%, with associated catch pits 100% and headwalls 100%, Installation of subsoil 100%, Road Marking 100%, Installation of signages 98% and Cleaning of road reserve 98%.

The contractor achieved practical completion on 15 March 2024 pending finalization of snag list items to reach completion and defect liability period.

Challenges: None

c) **Gravelling of Efalethu Road (Ward 3)**

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 699 015.99	R 630 862.48
Construction Cost	R 3 905 945.04	R 3 526 562.23
TOTAL	R 4 604 961.03	R 4 157 424.71

Project Details

Name of Consultant: Libeko (Pty) Ltd
Name of Contractor: Humble Frank Multi Service
Project Commencement Date: December 2023
Contractual Completion Date: February 2024
Revised Completion date: 28 March 2024

Project Scope

- Establishment on site.
- Clearing & grubbing.
- Site clearance: removal of topsoil, cutting of trees and bushes, where required.
- Overhaul: Hauling of gravel selected layer material from commercial source.
- Purchase of G5 Material: from the Commercial Source.
- Bulk Earthworks: Cut to fill, cut to spoil, etc.
- Preparation of Roadbed and removal of unsuitable material.
- Gravel selected layer: Preparation and process G7 material.
- Gravel Wearing coarse: Preparation and process G5 material

- Installation of Gabions
- Excavation and preparation of side drains
- Installation of subsoil
- Prefabricated Culverts: Laying of prefabricated culverts with associated catch pits and headwalls
- Installation of signages
- Cleaning of road reserve

Current Status Overall Construction progress 92%: Site Establishment 100%, Clearing & grubbing 100%, Bulk Earthworks: Cut to fill, cut to spoil, etc. 100%, Preparation of Roadbed and removal of unsuitable material 100%, Gravel selected layer: Preparation and process G7 material 100%, Gravel wearing coarse: Preparation and process G5 material 100%, Prefabricated Culverts: Laying of prefabricated culverts 90% with associated catch pits 85% and headwalls 85%, Installation of subsoil 100%, Side Drainage: Excavation and preparation of side drains 95%, Construction of stone pitching 60%, Installation of signages 80% and Cleaning of road reserve 0%.

Challenges: The project is behind the planned contract period. The contractor has submitted the extension of time request ending 28 March 2024.

d) Gravelling of D1293 Road (Ward 12)

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 788 939.30	R 634 508.26
Construction Cost	R 4 653 370.55	R 4 645 979.54
TOTAL	R 5 442 309.85	R 5 280 487.80

Project Details

Name of Consultant: Libeko (Pty) Ltd
Name of Contractor: Sukoluhle Trading Enterprise
Project Commencement Date: December 2023
Contractual Completion Date: February 2024
Revised Completion date: 15 march

Project Scope

- Establishment on site.
- Clearing & grubbing.
- Site clearance: removal of topsoil, cutting of trees and bushes, where required.
- Overhaul: Hauling of gravel selected layer material from commercial source.
- Bulk Earthworks: Cut to fill, cut to spoil, etc.
- Preparation of Roadbed and removal of unsuitable material.
- Gravel Wearing Coarse: Preparation and process G5 material.
- Gravel Subbase Coarse: Preparation and process G7 material
- Side Drainage: Excavation and preparation of side drains.
- Construction of stone pitching.
- Installation of gabion wall and mattresses on stormwater inlet/outlet infrastructure
- Cross drains: Laying of prefabricated culverts with associated catch pits and headwalls
- Installation of subsoil
- Installation of signages
- Cleaning of road reserve

Current Status Overall Construction progress 97%: Site Establishment 100%, Clearing & grubbing 100%, Bulk Earthworks: Cut to fill, cut to spoil, etc. 100%, Preparation of Roadbed and removal of unsuitable material 100%, Gravel selected layer: Preparation and process G7 material 100%, Gravel wearing coarse: Preparation and process G5 material 100%, Prefabricated Culverts: Laying of prefabricated culverts 100% with associated catch pits 0% and headwalls 0%, Installation of subsoil 100%, Side Drainage: Excavation and preparation of side drains 30%, Construction of stone pitching 0%, Installation of signages 0% and Cleaning of road reserve 0%.

Challenges: The project is behind the planned contract period as a result of experiencing some challenges and delays due to illegal water connections, underground surface water which required additional laying for subsoil drainage and re-routing stormwater due to obstructions. The contractor has achieved practical completion on the Friday, 15th March 2024.

5.3 Division of Revenue Act on Grants Receipts

KZN291 Mandeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		223 519	244 496	244 803	58 933	244 946	183 602	61 344	33.4%	241 943
EPWP Incentive	_	2 435	2 553	2 410	143	2 553	1 808	746	41.2%	–
Finance Management	_	1 850	1 850	1 850	–	1 850	1 388	463	33.3%	1 850
Integrated National Electrifi	_	6 416	7 384	7 384	1 084	7 384	5 538	1 846	33.3%	7 384
Local Government Equitabl	_	212 818	230 823	230 823	57 706	230 823	173 117	57 706	33.3%	230 823
Municipal Infrastructure Gra	_	–	1 886	2 336	–	2 336	1 752	584	33.3%	1 886
	3							–		
Provincial Government:		53 711	3 873	9 624	–	9 624	7 218	2 406	33.3%	7 218
MASSIFICATION GRANT	_	50 633	–	4 761	–	4 761	3 571	1 190	33.3%	3 571
EDTEA				990		990	743	248	33.3%	743
				–				–		–
	4			–				–		–
LIBRARY		3 078	3 873	3 873		3 873	2 905	968	33.3%	2 905
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
Total Operating Transfers a	5	277 231	248 369	254 427	58 933	254 570	190 820	63 750	33.4%	249 161
Capital Transfers and Grants										
National Government:		42 232	50 384	46 609	5 392	51 440	34 957	11 014	31.5%	50 384
Municipal Infrastructure Gr	_	42 232	47 831	44 056	5 392	44 056	33 042	11 014	33.3%	47 831
Integrated National Electrifi	_	–	2 553	2 553	–	7 384	1 915			2 553
Municipal Disaster Recove	_	–	–	–	–	–	–			–
								–		
Other capital transfers *[insert description]*								–		
Provincial Government:		(4 972)	550	550	–	550	413	138	33.3%	5 413
KwaZulu-Natal_Capacity B	_	(4 972)	550	550	–	550	413	138	33.3%	5 413
Total Capital Transfers and	5	37 260	50 934	47 159	5 392	51 990	35 369	11 151	31.5%	55 797
TOTAL RECEIPTS OF TRAN	5	314 491	299 303	301 586	64 325	306 560	226 190	74 901	33.1%	304 958

5.4 Division of Revenue Act on Grants Expenditure

KZN291 Mandeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		223 519	244 496	244 803	598	213 838	85 726	128 112	149.4%	11 120
Expanded Public Works Programme Integra	_	2 435	2 553	2 410	290	2 553	107	2 446	2280.4%	–
Local Government Financial Management G	_	1 850	1 850	1 850	147	1 528	5 538	(4 010)	-72.4%	7 384
INEP	_	6 416	7 384	7 384	–	4 290	1 388	2 902	209.2%	1 850
Equitable shre	_	212 818	230 823	230 823	–	203 872	76 941	126 931	165.0%	–
Municipal Infrastructure Grant	_	–	1 886	2 336	161	1 595	1 752	(157)	-8.9%	1 886
0								–		
Other transfers and grants [insert description]								–		
Provincial Government:		53 711	3 873	9 624	720	7 301	7 218	83	1.1%	–
MASSIFICATION GRANT		50 633	–	4 761	420	4 662	3 571	1 091	30.6%	
KwaZulu-Natal	_			990	–		743	(743)	-100.0%	–
0				–				–		
LIBRARY				–				–		
Other transfers and grants [insert description]		3 078	3 873	3 873	300	2 638	2 905	(266)	-9.2%	
District Municipality:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
Other Transfers Public Corporations	_	–						–		
[insert description]								–		
Total operating expenditure of Transfers and Gr		277 231	248 369	254 427	1 318	221 139	92 944	128 195	137.9%	11 120
Capital expenditure of Transfers and Grants										
National Government:		40 583	47 831	59 612	7 539	36 849	44 709	(7 860)	-17.6%	50 384
Integrated National Electrification Programm	_	–	–	–	–	–	–	–		2 553
Municipal Disaster Recovery Grant	_	–	–	15 556	3 057	11 163	11 667	(505)	-4.3%	–
Municipal Infrastructure Grant	_	40 583	47 831	44 056	4 483	25 687	33 042	(7 356)	-22.3%	47 831
0								–		
0								–		
Other capital transfers [insert description]								–		
Provincial Government:		(3 064)	550	550	–	104	4 060	(3 955)	-97.4%	5 413
KwaZulu-Natal	_	(3 064)	550	550	–	104	4 060	(3 955)	-97.4%	5 413
0								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
0								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
0								–		
Total capital expenditure of Transfers and Grant		37 519	48 381	60 162	7 539	36 954	48 769	(11 815)	-24.2%	55 797
TOTAL EXPENDITURE OF TRANSFERS AND GR		314 750	296 750	314 589	8 858	258 092	141 713	116 380	82.1%	66 917

3. Debtors Age Analysis

Table SC3 Monthly Budget Statement_ Debtors Age Analysis

KZN291 Mandeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

Description		Budget Year 2023/24											
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivabl	1200	–	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivabl	1300	4 189	402	(1)	111	163	146	452	2 495	7 957	3 367	–	–
Receivables from Non-exch	1400	4 514	8 729	(1 123)	4 165	4 022	3 743	8 193	77 140	109 382	97 262	–	–
Receivables from Exchange	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange	1600	1 115	1 917	(7)	928	893	854	4 722	55 816	66 239	63 213	–	–
Receivables from Exchange	1700	8	8	–	4	4	4	37	267	332	317	–	–
Interest on Arrear Debtor Ac	1810	373	504	(0)	497	354	320	2 490	30 793	35 330	34 453	–	–
Recoverable unauthorised,	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	15	–	–	–	–	–	–	5 754	5 769	5 754	–	–
Total By Income Source	**2000**	**10 213**	**11 561**	**(1 132)**	**5 704**	**5 436**	**5 067**	**15 894**	**172 266**	**225 010**	**204 367**	**–**	**–**
2022/23 - totals only										–	**–**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	562	2 079	(1 212)	279	242	247	354	23 455	26 007	24 578	–	–
Commercial	2300	5 386	2 216	(1)	2 547	2 503	2 428	4 933	18 929	38 942	31 342	–	–
Households	2400	4 126	5 552	82	2 752	2 567	2 273	9 806	127 302	154 461	144 701	–	–
Other	2500	139	1 714	(1)	125	124	119	800	2 579	5 599	3 747	–	–
Total By Customer Group	**2600**	**10 213**	**11 561**	**(1 132)**	**5 704**	**5 436**	**5 067**	**15 894**	**172 266**	**225 010**	**204 367**	**–**	**–**

The total Consumer debtors outstanding as 31st March 2024 is **R 225.0million**

- Debt book indicates 13% increase from to 1st July 2022 to 31st March 2024, the debt book is very high.
- Debtors collection rate at March 2024 is 73.90%
- 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 temering 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.

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 MNGOMEZULU	REFUSE	45706.39
001001862	SUNDUMBILI A	186	MR DLAMINI	REFUSE	47395.66
'001002100	SUNDUMBILI A	21	MS ZULU	REFUSE/RATES	97317.66
001002242	SUNDUMBILI A	224	MR XULU	REFUSE	45564.72
;R59884.9659	SUNDUMBILI A	24	MR ZULU	RATES/REFUSE	59884.96
001001742	SUNDUMBILI A	174	MR MTHETHWA	REFUSE	43289.35
001019000	SUNDUMBILI A	190	MS MKHWANAZI	RATES/REFUSE	44822.68
001001400	SUNDUMBILI A	14	MR MASONDO	RATES/REFUSE	18937.02
R36177.70	SUNDUMBILI A	137	MR NGEMA	REFUSE	R36177.70
001063100	SUNDUMBILI A	631	MR MADELA	RATES/REFUSE	R76251.05
001064500	SUNDUMBILI A	645	MS ZUNGU	RATES/REFUSE	12160.49
001065000	SUNDUMBILI A	650	MS NTSHANGASE	RATES/REFUSE	60485.27
0010656	SUNDUMBILI A	656	MR MANQELE	RATES/REFUSE	35703.34
001069300	SUNDUMBILI A	693	MR WILLIAMSON	RATES/REFUSE	19149.77
001069900	SUNDUMBILI A	699	MS NGOBESE	RATES/REFUSE	6965.04
001071300	SUNDUMBILI A	713	MR SANGWENI	RATES/REFUSE	14299.12
001070800	SUNDUMBILI A	708	MR BELE	RATES/REFUSE	29444.65
001071200	SUNDUMBILI A	712	KKLK PROPERTY INV. TRU	RATES/REFUSE	58192.60
001073500	SUNDUMBILI A	735	MS MBINGLA	RATES/REFUSE	11403.15
001073600	SUNDUMBILI A	736	MR SIBIYA	RATES/REFUSE	20866.74
TOTAL					**773117.36**

ARRANGEMENT - MARCH 2024 REPORT

NO.	DATE	ACCOUNT HOLDER	REF NUMBER	ADDRESS	ACCOUNT NUMBER	AMOUNT OWING	AMOUNT AGREED	COMMENTS
1	01/03/2024	NXUMALO	28	28 KUDU RD	008005271	R32232.10	R2300	PER MONTH
2	04/03/2024	NOVELA	56	56 KUDU RD	009300281	R7586.74	R2500	PER MONTH
3	07/03/2024	NTULI	2	02 INYALA	009907184	R56593.19	R3000	PER MONTH
4	07/03/2024	NGOBESE	68	68 ANDERSON RD	009980221	R44592.90	R31216	Will be paid in full on the 25/04/2024
5	13/03/2024	SOMTSEWU	3	03 GAZELLE PLACE	009907542	R32926.33	R2000	PER MONTH
6	11/03/2024	MZIMELA	10	10 CYCAD PLACE	009901177	R445810.72	R10000	PER MONTH
7	2024/03/15	MPHILI	1	01 UMSINSI PLACE	009909821	R96330.75	R2000	PER MONTH
8	2024/03/19	CHETTY	15	15 SANDPIPER RD	009903612	R103728.86	R2000	PER MONTH
9	2024/03/19	MHLONGO	21	21 PLOVER CRESCENT	009702171	R17472.12	R17472.12	Will be paid in full on the 16/05/2024
10	2024/03/19	GASA	18	18 FARROW RD	009901251	R30455.06	R9200	PER MONTH
11	2024/03/19	HORSLEY-DALIL	30	30 TEKWANE CRESCENT	002701091	R22524.80	R1000	PER MONTH
12	2024/03/20	JOSEPH	6	06 DUBE RD	009801271	R18794.75	R1600	PER MONTH
13	2024/03/20	NDLOVU	25	25 DUBE RD	009908931	R23703.33	1000	Outstanding balance will be settled in June
14	2024/03/21	SAGADAVEN	134	134 ANDERSON RD	009900041	R17251.56	R2000	PER MONTH
15	2024/03/21	CELE	13	13 MIMOSA PLACE	009909671	18970.24	4000	PER MONTH
16	2024/03/26	PONNUSAMY	6	6 KARAMI FLAT	008006136	11740.39	1000	PER MONTH
17	2024/03/26	FOURIE	23	23 DUBE RD	009300382	22165.56	7785	PER MONTH
18	2024/03/26	MATHONSI	25	25 INYALA RD	009800801	15787.47	3763	PER MONTH
19	2024/03/06	DLAMINI	1090	A1090 SUNDUMBILI	001109011	67085.07	2500	PER MONTH
20	2024/03/07	BHENGU	1547	B1547 SUNDUMBILI	002154700	10412.45	3000	PER MONTH
21	2024/03/07	DUBE	539	A539 SUNDUMBILI	001053900	36976.61	1000	PER MONTH
22	2024/03/18	BIYELA	2008	B2008 SUNDUMBILI	002200800	7751.55	1000	PER MONTH
23	2024/03/18	ZIKHALI	798	A798 SUNDUMBILI	001079800	44558.23	1000	PER MONTH
24	2024/03/05	MBATHA	644	B644 SUNDUMBILI	002064400	33196.89	3000	UPON SCM
25	2024/03/14	NKOSINI	1365	A1365 SUNDUMBILI	001136500	14163.49	2000	UPON SCM
26	2024/03/25	MAZIBUKO	78	A 78 SUNDUMBILI	001007800	87204.36	1000	UPON SCM
27	2024/03/27	RADEBE	30	30 PLOVER CRESCENT	008903411	79268.45	1500	PER MONTH
28	2024/03/27	MZIMELA	1	01 MIMOSA PLACE	009200441	16052.19	3800	PER MONTH
	TOTAL					**R1415336.16**	**R122336.12**	

DISCONNECTIONS

ACCOUNT I	TOWN	ERF NO.	DEBTORS NAME	DEBT TYPE	AMOUNT R
002600711	MANDINI	9	NGCOBO	RATES/ELEC	147581.48
009910291	MANDINI	46	JAN VAN RENSBURG	RATES/ELEC	83993.52
002902202	MANDINI	13	MYENI	RATES/ELEC	28059.09
009301431	MANDINI	15	GOVENDER	RATES/ELEC	30278.87
004001281	MANDINI	7	TSHABALALA	RATES/ELEC	10665.90
007900401	MANDINI	7	MAVIE	RATES/ELEC	23677.99
008005871	MANDINI	16	BOTES	RATES/ELEC	87719.11
008006136	MANDINI	6	PONUSAMY	RATES/ELEC	11740.38
008007864	MANDINI	4	ANGUS	RATES/ELEC	9837.33
008061315	MANDINI	15	MSOMI	RATES/ELEC	60662.41
008078615	MANDINI	17	NAIDOO	RATES/ELEC	18741.20
008300671	MANDINI	6	DD DUBE	RATES/ELEC	52790.48
008400881	MANDINI	8	SENTONGO	RATES/ELEC	28524.30
008600151	MANDINI	26	MOKGOKONG	RATES/ELEC	116244
008700581	MANDINI	57	MNQAYI	RATES/ELEC	35648.30
008700851	MANDINI	6	DUMISA	RATES/ELEC	13897.86
008902381	MANDINI	28	ZONDI	RATES/ELEC	21938.82
008903411	MANDINI	30	RADEBE	RATES/ELEC	78301.73
009200441	MANDINI	1	MZIMELA	RATES/ELEC	16052.19
009300382	MANDINI	23	FOURIE	RATES/ELEC	22165.57
009600111	MANDINI	10	KANNIGAN	RATES/ELEC	120030.86
'009600442	MANDINI	1	MVELASE	RATES/ELEC	94880.54
009601431	MANDINI	4	PONEN	RATES/ELEC	69234.47
009800801	MANDINI	25	MATHONSI	RATES/ELEC	15787.47
009801162	MANDINI	14	MBONAMBI	RATES/ELEC	32947.42
009903751	MANDINI	15	DLAMINI	RATES/ELEC	10701.06
009909512	MANDINI	20	BUSANE	RATES/ELEC	17578.55
009900411	MANDINI	27	NDLOVU	RATES/ELEC	14845.57
008005171	MANDINI	17	MKHWANAZI	RATES/ELEC	14259.31
008004671	MANDINI	13	MAKHOBA	RATES/ELEC	17064.50
008006131	MANDINI	1	MTHETHWA	RATES/ELEC	'19130.17
008007861	MANDINI	1	IBHOMI TRADING	RATES/ELEC	11106.38
008061319	MANDINI	19	SHANDU	RATES/ELEC	13743.04
008801781	MANDINI	57	VAN RENSBURG	RATES/ELEC	85371.22
008700781	MANDINI	131	ZANGWA	RATES/ELEC	86076.50
009900411	MANDINI	27	NDLOVU	RATES/ELEC	14845.57
008078614	MANDINI	15	HARITATOS	RATES/ELEC	106097.13
009401971	MANDINI	13	MVULA	RATES/ELEC	66051.57
009701382	MANDINI	39	MNCWANGO	RATES/ELEC	20803.04
009701611	MANDINI	6	LIN,XUE	RATES/ELEC	38491.28
009702121	MANDINI	42	NZIMANDE	RATES/ELEC	12822.16
008907042	MANDINI	5	RADEBE	RATES/ELEC	131348.81
008908221	MANDINI	2	DLAMINI	RATES/ELEC	35069.32
009990061	MANDINI	8	MVBOKAZI	RATES/ELEC	18054.86
TOTAL					**R1940602.021**

Figure 9

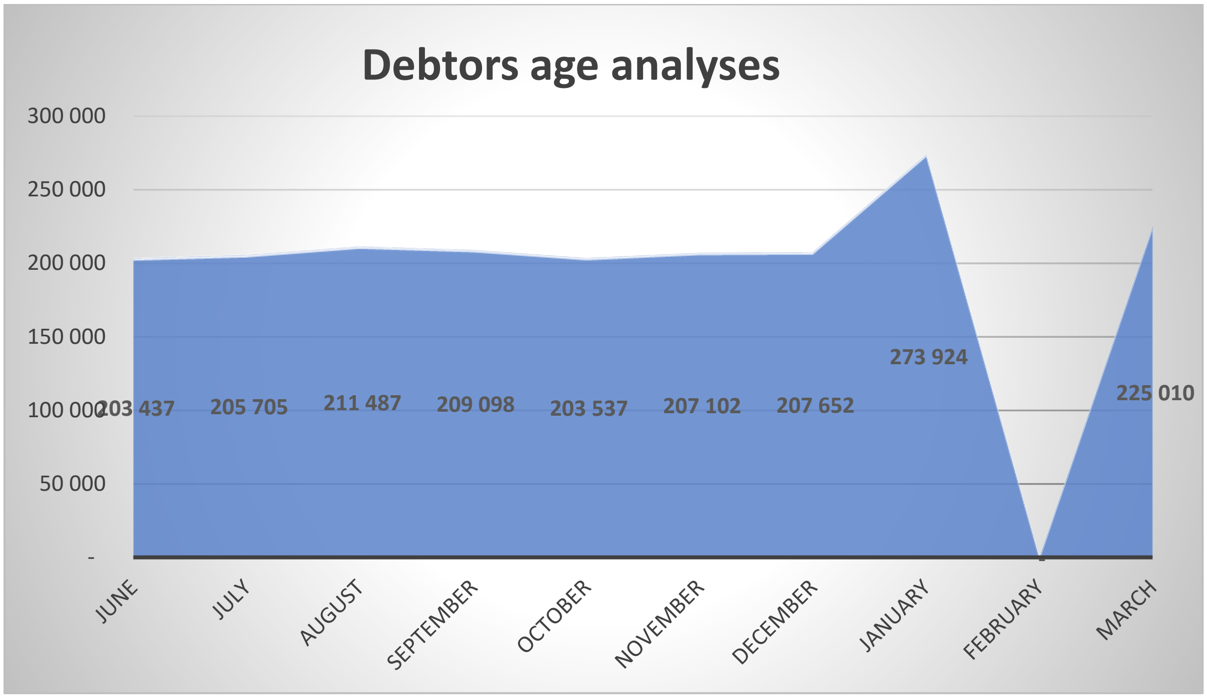
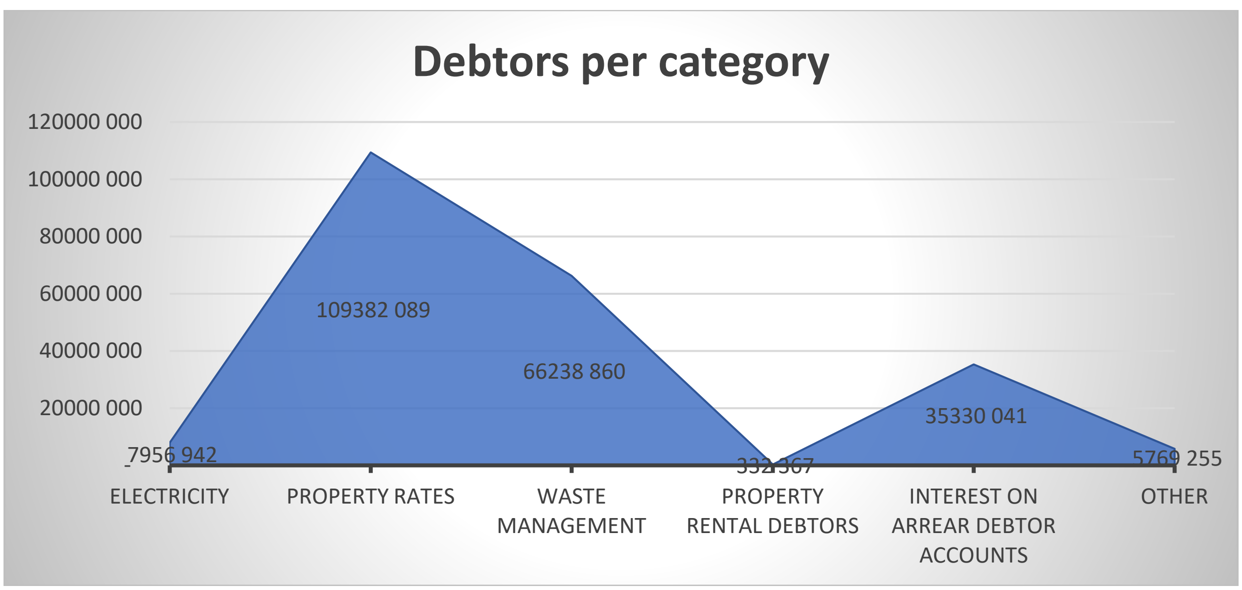
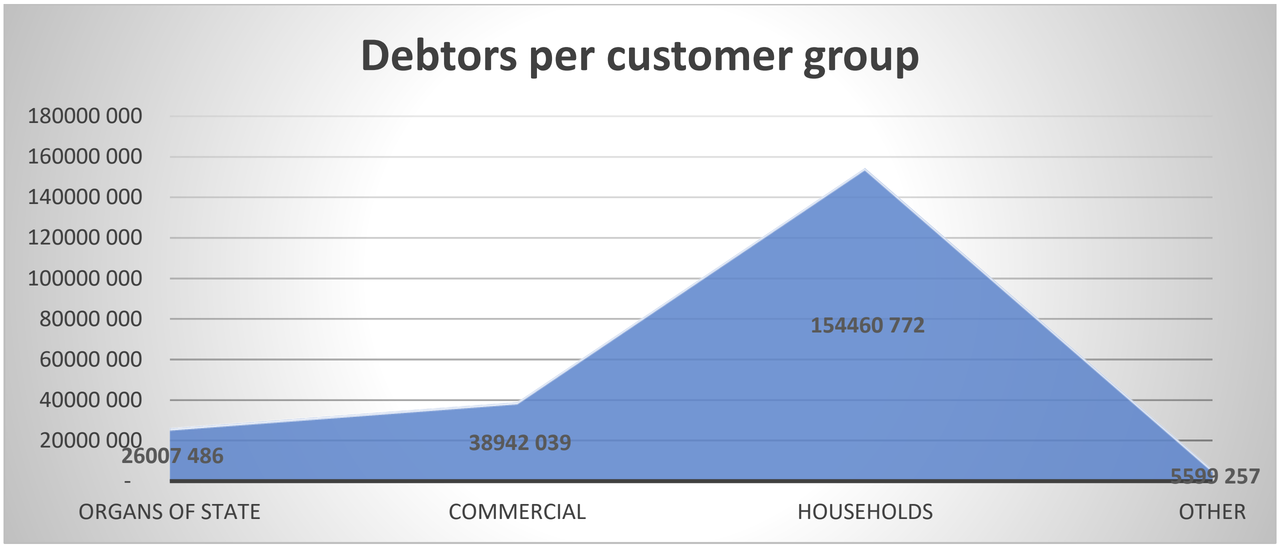


Figure 10



The municipal debtors have increased from R205.7 million to R 225.0 million that is from July until 31st March 2024.This increase is between Household debtors of 70% and it is followed by business Commercial of 17% and Organ of state is 12% compared to another debtors' type.

- **Total Outstanding Debtors from July – March 2024**



Councilors and Employees in Arrear

- Debt outstanding on Councilors as at March 2024 is R 238,668.6
- Staff Accounts in arrears as at March 2024 is R 65,427.33

However, it should be noted that both Councilors and Staff have made arrangement with the municipality to settle this outstanding debt.

4. CREDITOR'S AGE ANALYSIS

Table SC4 Monthly Budget Statement_ Creditors Age Analysis

KZN291 Mandeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

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

Notes

Material increases in value of creditors' categories compared to previous month to be explained

- Creditors aging is nil as of 31st March 2024.
- 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.

Top 10 Creditors:

Name	Amount
ESKOM HOLDING	R 8 373 541.46
EMALANGENI	R 632 957.64
RURAL METRO	R 401 018.60
BAMBHANANI ENTERPRISE	R 296 437.71
MALUTHULI TRADING	R 191 335.45
EZAMALUNQA	R 1 322 097.74
KING CETSHWAYO	R 176 506.30
ILEMBE DISTRICT	R 81 730.32
CCG TECHNOLOGY	R 185 196.67
CONLOG	R 309 973.33

5. MONTHLY BUDGET STATEMENT - FINANCIAL POSITION

Table C6 displays the financial position of the municipality as at 31st March 2024

KZN291 Mandeni - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		254 613	116 789	143 413	310 452	116 789
Trade and other receivables from exchange tra		53 837	8 376	40 554	58 001	8 376
Receivables from non-exchange transactions		(67 991)	21 324	43 984	3 257	21 324
Current portion of non-current receivables		–	–	–	–	–
Inventory		42 752	739	43 267	43 017	739
VAT		5 511	30 621	36 207	7 399	30 621
Other current assets		225	–	–	225	–
Total current assets		**288 947**	**177 849**	**307 425**	**422 352**	**177 849**
Non current assets						
Investments		–	–	–	–	–
Investment property		60 544	88 164	60 544	60 544	88 164
Property, plant and equipment		541 873	652 214	644 060	589 480	652 214
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		331	423	154	291	423
Trade and other receivables from exchange tra		–	–	–	–	–
Non-current receivables from non-exchange tra		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**602 748**	**740 801**	**704 758**	**650 316**	**740 801**
TOTAL ASSETS		**891 695**	**918 651**	**1 012 183**	**1 072 667**	**918 651**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		4 762	–	–	3 661	–
Consumer deposits		216	245	(216)	198	245
Trade and other payables from exchange trans		41 741	35 888	(48 045)	19 688	35 888
Trade and other payables from non-exchange t		25 789	20 275	(25 789)	36 751	20 275
Provision		3 815	4 872	(3 547)	3 815	4 872
VAT		1 969	9 818	(11 406)	4 226	9 818
Other current liabilities		–	–	–	–	–
Total current liabilities		**78 293**	**71 097**	**(89 003)**	**68 338**	**71 097**
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		–	–	–	–	–
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		17 730	22 795	21 693	17 730	22 795
Total non current liabilities		**17 730**	**22 795**	**21 693**	**17 730**	**22 795**
TOTAL LIABILITIES		**96 023**	**93 892**	**(67 310)**	**86 068**	**93 892**
NET ASSETS	2	**795 672**	**824 758**	**1 079 493**	**986 599**	**824 758**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		593 000	822 568	836 407	711 432	822 568
Reserves and funds		202 672	2 191	65 080	202 672	2 191
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	**795 672**	**824 758**	**901 487**	**914 105**	**824 758**

Current ratio: The municipality's current assets are 6 (SIX) times that of current liabilities. **6.18:0.16**
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 5.47 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 the current liabilities.

Creditors' system efficiency: 100 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 74 percent.

Collection days: 652 days it takes the municipality to collect outstanding debt.

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

Debtors collection rate: as at first quarter is 73.90 **%**

	8 Month
Cash and cash equivalents	5 805 540
Unspent Conditional Grants	30 806 767
Overdraft	-
Short Term Investments	306 805 085
Total Annual Operational Expenditure	438 894 291

	6.18
Current Assets	422 351 796
Current Liabilities	68 338 465

	102%
Cash and cash Equivalents	5 805 540
Bank Overdraft	-
Short Term Investment	306 805 085
Long Term Investment	-
Unspent Grants	30 806 767
Net Assets	986 599 116
Share Premium	
Share Capital	
Revaluation Reserve	
Fair Value Adjustment Reserve	
Accumulated Surplus	711 432 315

	36%
Employee/personnel related cost	92 762 322
Councillors Remuneration	10 922 830
Total Operating Expenditure	285 239 218
Taxation Expense	-

	17%
Contracted Services	47 429 762
Total Operating Expenditure	285 239 218
Taxation Expense	

	73.90
Gross Debtors closing balance	225 020 051.57
Gross Debtors opeining balance	203 310 844.63
Bad debts written Off	5 142 595.11
Billed Revenue	102 862 906.86

	0.09
Consumer Debtors Bad debts written off	5 142 595.11
Consumer Debtors Current bad debt Provision	55 001 168.10

	652.23
Gross debtors	223 900 433.00
Bad debts Provision	55 001 168.10
Billed Revenue	94 518 942.41

6. MONTHLY BUDGET STATEMENT -CASH FLOW

Table C7 below display the Cash Flow Statement for the period ending 31st March 2024

KZN291 Mandeni - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	2022/23	Budget Year 2023/24							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(39 539)	26 698	26 698	2 548	27 841	20 024	7 817	39%	26 698
Service charges		(53 312)	62 465	71 633	5 297	38 505	53 725	(15 220)	-28%	62 465
Other revenue		12 199	18 972	20 931	612	22 195	15 698	6 497	41%	18 972
Transfers and Subsidies - Operational		413 724	249 359	249 536	57 849	240 475	187 152	53 323	28%	249 359
Transfers and Subsidies - Capital		(98 617)	48 381	60 292	5 392	46 942	45 219	1 723	4%	48 381
Interest		23 867	10 500	23 500	2 726	24 291	17 625	6 666	38%	10 500
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(22 044)	(317 064)	(382 506)	(28 310)	(260 895)	(533 968)	(273 073)	51%	(697 798)
Finance charges		–	(100)	(3 300)	–	–	(2 475)	(2 475)	100%	(100)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		236 278	99 211	66 784	46 114	139 353	(197 000)	(336 354)	171%	(281 522)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(432 612)	(190 367)	(160 666)	(19 284)	(83 426)	138 575	222 001	160%	190 367
NET CASH FROM/(USED) INVESTING ACTIVITIES		(432 612)	(190 367)	(160 666)	(19 284)	(83 426)	138 575	222 001	160%	190 367
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		(196 333)	(91 156)	(93 883)	26 830	55 927	(58 426)			–
Cash/cash equivalents at beginning:		82 988	207 979	254 525	–	254 525	254 525			254 525
Cash/cash equivalents at month/year end:		(113 346)	116 824	160 642		310 452	196 099			–

Cash and cash equivalent at the beginning of 2022/23 financial year was R254.5 million as per pre-audited AFS and cash and cash equivalent at the end of 31st March 2024 is R310.5million.
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 99.42% or R44.8 million of the billed revenue as at March 2024. 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 98.24% or R55.6 million of billed revenue as at March 2024, over collection of12% is from the refuse vote, where a supplementary valuation has been implemented with new refuse collection sites, and electricity collection is at expected rate.

- Other Revenue collected to date is R1.6million, which is due to collection of rentals of properties, licenses and permits and other sources of revenue. Further to that the additional revenue from VAT refunds received as at February for R18.5 million.

- Government Operating received to date as at March 2024 is R240.5 million of grants received as published in DORA

- Government Capital: Total received to date is R46.9 million for and MIG of R, as the 4 trench of R5.4million has been received by the municipality.

- Interest earned on external investments amounts to R21.0 million in comparison with the year-to-date budget of R17.6 million. Variance is due to interest generated from invested funds.

Payments

- Suppliers and employees for cash outflows of R260.9 million does not corresponds with table A4 as it has also considered payments for prior year creditors of R17.3 million as per the 2022/23 pre-audited AFS which were paid in this current financial year. Further to that suppliers and employees cash flow have included INEP payments of R4.3 million as we adhere to GRAP 109 as the municipality serves as an agent.

- Finance charges reflect an under performance by 99 percent or R2.4million against YTD actual of R2.5 thousand, this line item was adjusted to R3.3million, as the Municipality has included for post-retirement cost.

- Capital Assets of R16.8 million for the month of March 2024 whilst a YTD budget of R104.9 million gives an under-performance by R32.3million or 31% against YTD actual of R72.5million.

6.1. BANK RECONCILIATION STATEMENT AS AT MARCH 2024

Mandeni Municipality

BANK RECONCILIATION STATEMENT FOR MARCH 2024		
Main Account :52940480587		
Opening FNB Bank Balance as on 1 MARCH 2024	**12 173 713.40**	**12 173 713.40**
PLUS: Deposits Banked	9 147 895.36	
PLUS: Interest received	14 301.35	
PLUS: Transfers In	43 568 549.98	
PLUS:Interest received From Call 1	332 512.23	
PLUS:Unpaid	4 262.66	
PLUS: MATURED INVESTMENTS	-	
PLUS: SARS REFUND	879 410.57	
PLUS: GRANTS RECEIVED	64 325 000.00	
Total Deposits	**118 271 932.15**	**118 271 932.15**
Less:Total payments	**- 124 640 105.56**	**- 124 640 105.56**
LESS: EFT Payments	- 59 513 887.72	
LESS: Bank Charges	- 21 082.71	
LESS: Cheques Paid Out	-	
LESS: Transfers Out	- 64 182 000.00	
LESS: NEW INVESTMENTS	-	
LESS: Debit Orders	- 923 135.13	
Closing FNB Bank Balance as on 31 MARCH 2024		**5 805 539.99**
Cashbook Reconciliation for 31 MARCH 2024		
Cashbook Balance as on 1 MARCH 2024-D0001/IA09567/F0001/X049/R0099/001/FIN	1 811 135 601.28	
Cashbook Balance as on 1 MARCH 2024-D0001/IA02105/F0041/X049/R0099/001/CONTRA	-	
Less:Cashbook Balance as on 1 MARCH 2024-D0001/IA09850/F0001/X049/R0099/001/FIN	- 1 800 757 816.60	
Corrections to be made (JNL DR)	-	
PLUS: Deposits Banked for MARCH 2024	9 152 158.02	
LESS: EFT Payments for MARCH 2024	- 68 028 294.06	
Plus :fEBRUARY 2024 outstanding (reconciled)	8 614 773.39	
Less: Bank Charges to date	- 1 313 871.03	
PLUS: Grant received	64 325 000.00	
Less : New investment	-	
Less: Payments not yet paid during MARCH 2024	-	
PLUS: Interest received to date	547 412.81	
PLUS:Interest received From Call 1-MARCH 2024	332 512.23	
PLUS MATURED INVESTMENT	-	
PLUS :SARS REFUND	879 410.57	
PLUS :TRANSFER IN	43 568 549.98	
LESS:TRANSFER OUT	- 64 182 000.00	
LESS: Debit Orders for MARCH 2024	- 923 135.13	
Closing Cashbook Balance as on 31 MARCH 2024	**3 350 301.46**	**3 350 301.46**
		2 455 287.42
Reconciling Items	**Amount**	
ADD: Journal Debits - on Cashbook not on Bank Statement	2 455 287.42	
ADJUSTED MONTH END CASHBOOK BALANCE- 31 MARCH 2024		**5 805 588.88**
MONTH END BALANCE PER BANK STATEMENT- 31 MARCH 2024		**5 805 539.99**
DIFFERENCE		**48.89**

6.2. MONTHLY BUDGET STATEMENT- INVESTMENT PORTFOLIO

The following information presents the short-term investments balances broken down per investment type as of 31st March 2024

KZN291 Mandeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M09 March

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Interest Rate [3]	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months							
Municipality									
call 1-internal grant		12months	CALL ACCOUNT	7.2	31 604	3 259	(35 833)	57 706	**53 810**
Call account 2 -HOUSING		12months	CALL ACCOUNT	7.2	2 083	110		–	**2 095**
Call account 3-MIG		12months	CALL ACCOUNT	7.2	19 100	907	(4 255)	5 392	**20 345**
Call account 5-TMT		12months	CALL ACCOUNT	7.2	479	24		6	**487**
Call account 6-INEP		12months	CALL ACCOUNT	7.2	2 589	82	(420)	1 084	**3 265**
Call account 7-AR		12months	CALL ACCOUNT	7.2	1 033	112	(337)	–	**702**
Call account 8- Title Deed		12months	CALL ACCOUNT	7.2	5 826	309	–	–	**5 861**
Call account 9-Disaster Recovery		12months	CALL ACCOUNT	7.2	8 252	772	(3 057)	–	**5 240**
NEDBANK		549 DAYS	INVESTMENT	10.27	100 000	7 569	–	–	**100 000**
NEDBANK		336 DAYS	INVESTMENT	9.8	50 000	3 276		–	**50 000**
NEDBANK			INVESTMENT	9.15	–	652	–	65 000	**65 000**
NEDBANK			INVESTMENT	5.5	–	305	–	–	**–**
NEDBANK			INVESTMENT	8.8	65 000	2 837	–	–	**–**
NEDBANK				9	73 620	581	–		**–**
						240			
									–
Municipality sub-total					**359 585**	**21 034**	**(43 901)**	**129 188**	**306 805**
TOTAL INVESTMENTS AN	2				**359 585**		**(43 901)**	**129 188**	**306 805**

7. MONTHLY BUDGET STATEMENT - Employee costs and councilors benefits (Section 66 MFMA)

KZN291 Mandeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		12 098	12 989	12 989	1 032	9 366	9 742	(375)	-4%	12 989
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		543	636	636	43	400	477	(78)	-16%	636
Cellphone Allowance		1 502	1 591	1 591	126	1 030	1 193	(164)	-14%	1 591
Housing Allowances		182	244	244	13	127	183	(56)	-30%	244
Other benefits and allowances		–	–	–	–	–	–	–		–
Sub Total - Councillors		**14 325**	**15 460**	**15 460**	**1 214**	**10 923**	**11 595**	**(672)**	**-6%**	**15 460**
% increase	4		**7.9%**	**7.9%**						**7.9%**
Senior Managers of the Mu	3									
Basic Salaries and Wages		4 204	5 602	5 602	316	2 861	4 201	(1 341)	-32%	5 602
Pension and UIF Contributions		1	11	11	–	0	8	(8)	-96%	11
Medical Aid Contributions		–	–	45	17	92	34	59	174%	–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		583	476	476	–	–	357	(357)	-100%	476
Motor Vehicle Allowance		645	773	833	60	537	625	(88)	-14%	773
Cellphone Allowance		182	186	186	24	195	140	56	40%	186
Housing Allowances		256	265	265	9	82	199	(117)	-59%	265
Other benefits and allowances		1	1	321	34	239	241	(2)	-1%	1
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit oblig	2	1 443	–	1 474	–	–	1 106	(1 106)	-100%	–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of M		**7 316**	**7 314**	**9 213**	**460**	**4 007**	**6 910**	**(2 903)**	**-42%**	**7 314**
% increase	4		**0.0%**	**25.9%**						**0.0%**
Other Municipal Staff										
Basic Salaries and Wages		74 961	89 913	90 448	7 083	61 517	67 836	(6 319)	-9%	89 913
Pension and UIF Contributions		12 303	14 704	15 193	1 150	10 025	11 395	(1 370)	-12%	14 704
Medical Aid Contributions		5 426	5 886	5 886	559	4 633	4 415	218	5%	5 886
Overtime		2 388	1 716	2 356	364	2 328	1 767	560	32%	1 716
Performance Bonus		6 078	6 209	6 209	472	4 310	4 657	(346)	-7%	6 209
Motor Vehicle Allowance		4 672	5 239	5 239	402	3 546	3 929	(383)	-10%	5 239
Cellphone Allowance		530	526	576	52	460	432	29	7%	526
Housing Allowances		306	345	345	27	234	258	(25)	-9%	345
Other benefits and allowances		828	765	845	79	732	634	98	15%	765
Payments in lieu of leave		2 636	2 591	2 591	–	684	1 943	(1 259)	-65%	2 591
Long service awards		962	1 341	1 341	8	286	1 006	(720)	-72%	1 341
Post-retirement benefit oblig	2	(1 651)	4 872	1 178	–	–	884	(884)	-100%	4 872
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**109 438**	**134 106**	**132 207**	**10 196**	**88 756**	**99 155**	**(10 400)**	**-10%**	**134 106**
% increase	4		**22.5%**	**20.8%**						**22.5%**
Total Parent Municipality		**131 079**	**156 880**	**156 880**	**11 869**	**103 685**	**117 660**	**(13 975)**	**-12%**	**156 880**
			19.7%	**19.7%**						**19.7%**
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS		**131 079**	**156 880**	**156 880**	**11 869**	**103 685**	**117 660**	**(13 975)**	**-12%**	**156 880**
% increase	4		**19.7%**	**19.7%**						**19.7%**
TOTAL MANAGERS AND STAFF		**116 754**	**141 420**	**141 420**	**10 655**	**92 762**	**106 065**	**(13 303)**	**-13%**	**141 420**

8. External Loan

NONE

9. Performance Indicators

KZN291 Mandeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M09 March

Description of financial indicator	Basis of calculation	Ref	2022/23 Audited Outcome	Budget Year 2023/24 Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.1%	8.9%	8.8%	0.0%	3.9%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		11.3%	9.6%	-4.8%	7.9%	9.6%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	369.1%	250.2%	-345.4%	618.0%	250.2%
Liquidity Ratio	Monetary Assets/Current Liabilities		325.2%	164.3%	-161.1%	454.3%	164.3%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		-3.5%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		29.1%	37.0%	33.8%	25.3%	37.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.9%	4.3%	4.9%	3.2%	4.3%
Interest & Depreciation	I&D/Total Revenue - capital revenue		8.2%	9.3%	9.3%	0.0%	4.1%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

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QUALITY CERTIFICATE

Regulation 27 prescribes that the Municipal Manager must sign a quality certificate in the format prescribed below;

I, Sizwe G. Khuzwayo the Municipal Manager of Mandeni Municipality KZN291, hereby certify that: -

- **Monthly Budget Statements**

for the month of **March 2024** has been prepared in accordance with the Municipal Finance Management Act and regulations under that Act.

Print Name **Mr. Sizwe.G. Khuzwayo**

Municipal manager of Mandeni Municipality (KZN 291)

Signature________________________________

Date **15 April 2024**