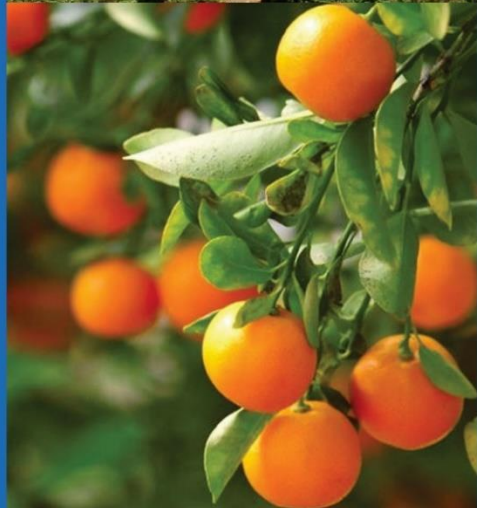




SUNDAYS RIVER VALLEY MUNICIPALITY



In- year monitoring for EC106: Sundays River Valley Municipality

Prepared in terms of the Local Government: Municipal Finance
Management Act (56/2003): Municipal Budget and Reporting
Regulations, Government Gazette 32141, 17 May 2009

Section 71

Monthly Budget Statement for period ending 30 August 2024



Municipality

www.srvvm.gov.za 

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PART 1 – IN-YEAR MONITORING REPORT

1. LEGAL CONTEXT

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium-term planning and policy choices on service delivery.

This report has been prepared in terms of the following legislative framework:

- The Municipal Finance Management Act – No. 56 of 2003, Section 71,
- and The Municipal Budget and Reporting Regulations

The MBRR highlights the format of the monthly budget statements. The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

The objective of these Regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability, and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

1.1 MONTHLY BUDGET STATEMENT

Section 71 of the Municipal Finance Management Act determines that:

“(1) 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 in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) Actual revenue, per revenue source;*
- (b) actual borrowings;*
- (c) actual expenditure, per vote;*
- (d) actual capital expenditure, per vote;*

- (e) the amount of any allocations received;
 - (f) actual expenditure on those allocations, excluding expenditure on
 - (i) its share of the local government equitable share
 - (ii) and allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
 - (g) when necessary, an explanation of
 - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - (ii) any material variances from the municipality's projected revenue by source any material variances from the service delivery and budget implementation plan; and
 - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.
- (2) The statement must include—
- (a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
 - (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87 (10)
- (3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.
- (4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.
- (5) The accounting officer of a municipality which has received an allocation referred to in subsection (1) (e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1) (e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.
- (6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in

the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.

(7) The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter".

1.2 RESPONSIBILITY OF THE MAYOR

Section 54 of the MFMA determines that:

"(1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must—

- (a) consider the statement or report;*
- (b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;*
- (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;*
- (d) issue any appropriate instructions to the accounting officer to ensure—*
 - (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and*
 - (ii) that spending of funds and revenue collection proceed in accordance with the budget;*
- (e) identify any financial problems facing the municipality, including any emerging or impending financial problems; and*
- (f) in the case of a section 72 report, submit the report to the council by 31 January of each year.*

(2) If the municipality faces any serious financial problems, the mayor must—

(a) Promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include—

- (i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;*
- (ii) the tabling of an adjustments budget; or*
- (iii) steps in terms of Chapter 13; and*

(b) alert the council and the MEC for local government in the province to those problems.

(3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly".

2. MAYOR'S REPORT

2.1 IN-YEAR MONTHLY BUDGET STATEMENT REPORT

This report represents the Section 71 MFMA monthly budget statement for the month ending 30 August 2024 and reflects the implementation of the budget and the financial situation of the Municipality.

I hereby wish to submit a report to the Finance and Administration Committee on the implementation of the budget and financial situation of the Municipality as at the end of August 2024.

Further to the above, Section 54 (1) of the MFMA determines that the Mayor must consider the Section 71 report submitted by the Accounting Officer and assess whether the Municipality's approved budget is implemented in accordance with the approved Service Delivery Budget Implementation Plan (SDBIP), and if necessary issue appropriate instructions to the Accounting Officer.

2.2 FINANCIAL SUSTAINABILITY

The cashflow position of the municipality remains concern, as cash commitments continue to exceed cash available.

The collection of outstanding debt in the 2024/25 financial year still requires improvement to ensure financial sustainability.

Firm expenditure control in the 2024/25 financial year must be applied to ensure unauthorised expenditure is avoided and that there is no abuse of municipal funds.

An Unauthorised, Irregular, Fruitless and Wasteful Reduction Strategy has been developed but needs further attention to make it realistic to the municipality's needs.

2.3 RECOMMENDATIONS

1. That Finance and Administration Committee notes the Section 71 budget statement for August 2024.
2. That Finance and Administration Committee notes the Section 71 budget statement for August 2024 will be published in the municipal website.
3. That Finance and Administration Committee notes the Section 71 budget statement reports for August 2024 was submitted to the Mayor, National Treasury, and the Eastern Cape Provincial Treasury

3. ACCOUNTING OFFICERS REPORT

3.1 EXECUTIVE SUMMARY

The monthly Financial Monitoring Report (FMR) aims to provide a regular update on indicators critical to the organisation's viability and serve as an early warning indicator where remedial action is required. The consolidated performance is a high-level overview of the organisation's financial viability and sustainability. The Municipal Manager, as Accounting Officer of the Municipality, is required by Section 71(1) of the Municipal Finance Management Act to submit a report in a prescribed format within 10 working days after the end of each month on the state of the Municipality's budget.

This report is a summary of the main budget issues arising from the monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

Section 54 of the MFMA requires the Mayor to consider the Section 71 report and take appropriate action to ensure that the approved budget is implemented in accordance with the SDBIP.

The financial performance of the operating and capital budget for the 2024/25 financial year, and an overview of the municipality's financial position is provided below.

3.2 FINANCIAL PERFORMANCE OVERVIEW

Monthly Budget Statement - Revenue Financial Performance - M02 August					
Description	Original Budget	Monthly actual- Aug	YearTD actual	YearTD budget	YTD variance
R thousands					
Revenue					
Exchange Revenue					
Service charges - Electricity	34 950 435	2 999 034	3 864 587	5 825 073	1 960 486
Service charges - Water	20 444 334	162 030	157 901	3 407 389	3 249 488
Service charges - Waste Water Management	3 629 816	415 727	415 826	604 969	189 144
Service charges - Waste management	7 807 426	484 302	484 302	1 301 238	816 936
Sale of Goods and Rendering of Services	656 017	37 728	52 136	109 336	57 201
Agency services	3 646 767	-	-	607 795	607 795
Interest earned from Receivables	13 712 539	1 078 250	1 078 250	2 285 423	1 207 173
Interest from Current and Non Current Assets	1 778 550	339 135	345 831	296 425	- 49 406
Rental from Fixed Assets	71 576	18 952	24 380	11 929	- 12 451
Licence and permits	1 020 231	-	-	170 039	170 039
Operational Revenue	1 383 645	12 920	37 926	230 608	192 681
Non-Exchange Revenue					
Property rates	49 057 562	2 127 339	2 112 187	8 176 260	6 064 074
Surcharges and Taxes	-	-	-	-	-
Fines, penalties and forfeits	1 848 580	3 250	15 950	308 097	292 147
Licence and permits	24 259	14 395	16 890	4 043	- 12 847
Transfers and subsidies - Operational	126 564 500	30 057	49 004 057	21 094 083	- 27 909 973
Interest	7 512 338	843 695	840 422	1 252 056	411 635
Gains on disposal of Assets	-	-	-	-	-
			-	-	-
Total Revenue (excluding capital transfers and contributions)	274 108 575	8 566 814	58 450 642	45 684 763	-12 765 880

3.2.1 The summary of Financial Statement shows the actual monthly operating revenue of R8,6 million. Year-to- date actual operating revenue of R58,5 million compared to the year-to-date budgeted operating revenue of R45,7 million results in a negative variance of R12,8 million.

VARIANCE EXPLANATIONS:

SERVICE CHARGES – Billing occurred in the sub-ledger however the general ledger was not updated timeously

AGENCY FEES – Journals to recognise revenue have not been recorded on the system for July and August.

LICENCE AND PERMITS – Journals to account for traffic section activities has not been recorded in the financial system for the current year

FINES – Fines issued have not been recorded in the financial system as per accrual accounting basis

PROPERTY RATES – Billing has not been posted to the general ledger, still an open batch.

REMEDIAL ACTION:

CFO and Director Community to ensure these are corrected before the 1st quarter report.

- 3.2.2 Monthly actual operating expenditure for 30 August 2024 amounts to R23,9 million. Year to- date actual operating expenditure of R33,5 million compared to the year-to-date budgeted operating expenditure of R39,3 million resulting in a positive variance of R5,8 million.

Monthly Budget Statement - Expenditure Financial Performance- M02 August					
	Original Budget	Monthly actual-Aug	YearTD actual	YearTD budget	YTD variance
R thousands					
Expenditure By Type					
Employee related costs	104 673 910,00	17 678 226,20	17 678 226,20	17 445 651,67	- 232 575
Remuneration of councillors	7 762 759,00	1 244 032,14	1 244 032,14	1 293 793,17	49 761
Bulk purchases - electricity	31 949 779,00	-	4 400 364,57	5 324 963,17	924 599
Inventory consumed	8 602 623,00	84 425,78	150 039,16	1 433 770,50	1 283 731
Debt impairment	- 2 955 686,00	-	-	- 492 614,33	- 492 614
Depreciation and amortisation	29 848 278,00	-	-	4 974 713,00	4 974 713
Interest	2 659 742,00	12 522,13	78 615,31	443 290,33	364 675
Contracted services	33 764 978,00	2 601 445,80	5 797 884,27	5 627 496,33	- 170 388
Transfers and subsidies	-	-	-	-	-
Irrecoverable debts written off	-	17 987,90	17 987,90	-	- 17 988
Operational costs	19 602 320,00	2 325 625,67	4 146 429,16	3 267 053,33	- 879 376
Losses on Disposal of Assets	-	-	-	-	-
Other Losses	-	-	-	-	-
Total Expenditure	235 908 703,00	23 964 265,62	33 513 578,71	39 318 117,17	5 804 538

VARIANCE EXPLANATIONS:

BULK ELECTRICITY – Invoice for August has not been received therefore not recorded on the financial system

DEBT IMPAIRMENT -This will be recorded at year end as per policy

DEPRECIATION – Asset module not yet functioning and therefore will only be recorded at year-end.

REMEDIAL ACTION:

Although no material variance noted with employee costs and remuneration of councillors, CFO to ensure that payroll journals are updated and reconciled monthly.

3.2.3 The municipality had a deficit of R15,4 million for the month ended 30 August 2024. The year-to-date actual operating revenue compared to the actual expenditure year to date, has a surplus of R24,9 million against the year-to-date budget of R6,6 million.

Description	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance
	R	R	R	R	R	R
Total Revenue (excluding capital transfers and contributions)	274 108 575,00	0	8 566 814	58 450 643	45 684 763	- 12 765 880
Total Expenditure	235 908 703,00	0	23 964 266	33 513 579	39 318 117	5 804 538
Surplus/(Deficit)	38 199 872,00	-	15 397 452	24 937 064	6 366 645	- 18 570 419
Transfers and subsidies - capital (monetary allocations)	57 388 550,00	0	-	-	187 594	- 4 179 407
Transfers and subsidies - capital (in-kind)		0				
Surplus/(Deficit) after capital transfers & contributions	95 588 422,00	-	15 397 452	24 937 064	6 554 239	- 22 749 826

3.2.4 The table below reflects repairs and maintenance expenditure for the month ended 30 August 2024 to the value of R505 thousand.

Project Name	2024 ORIG BUDGET	202408 ACTUAL	YTD	BUDGET YTD	VARIANCE
Emergency Maintenance:Transport Assets	456 087	66 791	171 856	76 015	- 95 841
Preventative Maintenance:Transport Assets	228 043	54 868	54 868	38 007	- 16 861
Building Maintenance	350 000	17 983	17 983	58 333	40 350
Hall Maintenance (All Halls)	350 000	7 950	8 340	58 333	49 993
Establishment & Maintenance of parks playgrounds and sportfields	250 000	-	1 285	41 667	40 382
Library	210 000	10 031	10 031	35 000	24 969
Landfillsite	2 173 913	48 500	101 650	362 319	260 669
Water Supply Infrastructure - Water Treatment - External Facilities	434 783	-	25 750	72 464	46 714
Roads Civil structure	347 826	1 913	1 913	57 971	56 058
Public Lighting	255 409	29 600	55 215	42 568	- 12 647
Waste Water Treatment Works	729 739	1 410	1 410	121 623	120 213
Jetting Service	228 043	55 167	55 167	38 007	- 17 160
Public Ablution Facilities Maintenance	25 000			4 167	4 167
Sportfields upkeep	418 269			69 712	69 712
Library Equipment maintenance-	60 000			10 000	10 000
Maintenance of Vehicle	100 000			16 667	16 667
Traffic Maintenance of Building	18 243			3 041	3 041
Calibration of Road Worthy Testing Equipment & Courier Service	130 435			21 739	21 739
Calibration of Prolaser Speed Machines done yearly according to Act 93/1996	18 243			3 041	3 041
Refuse Machinery and Equipment	26 087			4 348	4 348
Water Pump Station - Pipe Works	434 783			72 464	72 464
Water Supply Infrastructure - Pump Station	434 783			72 464	72 464
Water Supply Infrastructure - Reservoirs	565 548			94 258	94 258
Resealing of Roads	100 000			16 667	16 667
Bulk Aggregates	100 000			16 667	16 667
Road marking and signs	300 000			50 000	50 000
Civil Structure	273 652			45 609	45 609
Side walks	136 826			22 804	22 804
Storm Water Drainage	300 000			50 000	50 000
Network Equipment and Transformers	346 626			57 771	57 771
Bush Clearing	273 652			45 609	45 609
Pump Stations	218 922			36 487	36 487
				-	-
Total repairs and maintenance	10 294 912	294 214	505 469	1 715 819	1 210 350

Repair and Maintenance for the month of August amounted to R294 thousand, year to date is actual spent is R505 thousand and year to date budget amounts to R1,7 million which leads to a variance R1,2 million.

3.2.5 EXPENDITURE ON STAFF BENEFITS

Section 66 of the MFMA requires disclosure of the municipalities expenditure on staff benefits as follows:

The Accounting Officer of the municipality must, in a format and for the periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits.

Employee costs for the month of July 2024 had been updated in August 2024, this has resulted in additional costs for this month.

EMPLOYEE RELATED COSTS						
Category	Item	2024 BUDGET	202408 ACTUAL	YTD	BUDGET YTD	VARIANCE
Municipal Staff	Leave Gratuity	530 993	58 893	58 893	88 499	29 605
Municipal Staff	Housing Benefits	549 692	90 590	90 590	91 615	1 025
Municipal Staff	Non-pensionable	31 973	4 924	4 924	5 329	405
Municipal Staff	Acting and Post Related Allowances	90 899	15 197	15 197	15 150	- 47
Municipal Staff	Long Service Award	13 559	31 198	31 198	2 260	- 28 938
Municipal Staff	Night Shift	84 744	13 967	13 967	14 124	157
Municipal Staff	Non Structured	4 381 341	957 531	957 531	730 224	- 227 307
Municipal Staff	Standby Allowance	1 139 648	237 451	237 451	189 941	- 47 509
Municipal Staff	Travel or Motor Vehicle	6 243 842	964 854	964 854	1 040 640	75 787
Municipal Staff	Basic Salary and Wages	63 335 228	11 226 067	11 226 067	10 555 871	- 670 195
Municipal Staff	Bargaining Council	37 239	7 064	7 064	6 207	- 858
Municipal Staff	Medical	4 945 001	784 351	784 351	824 167	39 816
Municipal Staff	Pension	10 833 556	1 910 091	1 910 091	1 805 593	- 104 498
Municipal Staff	Unemployment Insurance	562 123	95 706	95 706	93 687	- 2 019
Municipal Staff	Cellular and Telephone	922 765	142 845	142 845	153 794	10 949
		93 702 603	16 540 726	16 540 726	15 617 101	- 923 626
Senior Management	Cellular and Telephone	25 416	4 000	4 000	4 236	236
Senior Management	Cellular and Telephone	76 248	12 000	12 000	12 708	708
Senior Management	Travel or Motor Vehicle	190 620	30 000	30 000	31 770	1 770
Senior Management	Basic Salary	961 159	177 331	177 331	160 193	- 17 138
Senior Management	Scarcity	46 071	7 251	7 251	7 679	428
Senior Management	Bargaining Council	145	23	23	24	1
Senior Management	Unemployment Insurance	2 251	354	354	375	21
Senior Management	Cellular and Telephone	25 416	4 000	4 000	4 236	236
Senior Management	Housing Benefits	203 328	32 000	32 000	33 888	1 888
Senior Management	Travel or Motor Vehicle	590 922	93 000	93 000	98 487	5 487
Senior Management	Basic Salary	2 661 087	496 992	496 992	443 515	- 53 478
Senior Management	Scarcity	138 213	21 752	21 752	23 036	1 283
Senior Management	Bargaining Council	435	70	70	73	3
Senior Management	Unemployment Insurance	6 753	1 063	1 063	1 126	63
Senior Management	Travel or Motor Vehicle	131 285	20 662	20 662	21 881	1 219
Senior Management	Basic Salary	1 275 729	227 793	227 793	212 622	- 15 172
Senior Management	Scarcity	56 112	8 831	8 831	9 352	521
Senior Management	Bargaining Council	145	23	23	24	1
Senior Management	Unemployment Insurance	2 251	354	354	375	21
		6 393 586	1 137 500	1 137 500	1 065 598	- 71 902
		100 096 189	17 678 226	17 678 226	16 682 698	- 995 528

3.2.6 EXPENDITURE: REMUNERATION OF COUNCILLORS

Remuneration of Councillors						
Description	Original Budget 2024/25	Monthly actual - Aug	YearTD actual	YearTD budget	YTD variance	%
R thousands	R	R	R	R	R	
Basic Salary	6 353 155	1 018 134	1 018 133,90	1 058 859,17	40 725,27	0,96
Cellphone Allowance	718 848	115 200	115 200,00	119 808,00	4 608,00	0,96
Housing Allowance	312 000	50 000	50 000,00	52 000,00	2 000,00	0,96
Office Bearer Allowance	66 756	10 698	10 698,24	11 126,00	427,76	0,96
Out of pocket expenses	3 458	554	554,24	576,33	22,09	0,96
Travelling allowance	312 000	50 000	50 000,00	52 000,00	2 000,00	0,96
	7 766 217	1 244 586	1 244 586	1 294 370	49 783	6

Remuneration of councillors for the month of July 2024 had been updated in August 2024, this has resulted in additional costs for this month.

3.3 FINANCIAL POSITION OVERVIEW

3.3.1 Ratios

RATIO	NORM/RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS	INTERPRETATION
			" R 000 "	
B. Debtors Management				
Net Debtors Days	30 days		783 days	This is above the norm , suggesting debtor collection needs urgent attention. The poor culture of credit control and revenue management must be improved.
		Gross debtors	287 476 520	
		Bad debts Provision	268 443 271	
		Billed Revenue	8 871 648	
C. Liquidity Management				
Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	1 - 3 Months		2 Month	This ratio shows that the municipality has enough cash on hand to render services but this must not be viewed on its own but with Debtors Management and Cashflow analysis.
		Cash and cash equivalents	31 387 608	
		Unspent Conditional Grants	27 134 392	
		Overdraft	-	
		Short Term Investments	-	
		Total Annual Operational Expenditure	33 513 579	
Current Ratio	1.5 - 2:1		0.43	The municipality doesn't have the ability to meet its short term financial obligations should a financial recession or shock occur with its current financial muscle.
		Current Assets	70 012 881	
		Current Liabilities	162 509 298	
D. Liability Management				
Debt (Total Borrowings) / Revenue	45%		0%	Sufficient revenue is available to repay liabilities
		Total Debt	-	
		Total Operating Revenue	58 450 643	
		Operational Conditional Grants	49 004 057	
D. Expenditure Management				
Remuneration as % of Total Operating Expenditure	25% - 40%		45%	This ratio is at 45% which is above the norm of 40%
		Employee/personnel related cost	17 678 226	
		Councillors Remuneration	1 244 032	
		Total Operating Expenditure	33 513 579	
Contracted Services / Total Operating Expenditure x100	2% - 5%		17%	Contracted services form a sufficient amount of the total operating expenditure which is above the norm.
		Contracted Services	5 797 884	
		Total Operating Expenditure	33 513 579	
		Taxation Expense	-	

3.3.2 Cash and cash equivalents

Cash and cash equivalents show an amount of 31,4 million for 31 August 2024 as per Trial Balance.

No long-term investments are held by the municipality.

No investments are ceded over as security.

Furthermore, it should be noted that the municipality doesn't have Capital Replacement Reserve. It is therefore critical for debt collection and the recovery of unpaid grants to receive immediate priority.

Description	Jul-24	Aug-24	Movement
	R	R	R
Cash and cash equivalent	40 510 201,00	31 387 608,00	- 9 122 593,00
Total cash and cash equivalent	40 510 201,00	31 387 608,00	- 9 122 593,00
Unspent grant	21 157 871,00	27 134 392,00	5 976 521,00
SARS	-		-
Payable from exchange	95 677 936,00	91 832 389,00	- 3 845 547,00
Total commitments	(116 835 807,00)	5 911 272,17	122 747 079,17
Surplus/Shortfall	- 76 325 606,00	37 298 880,17	113 624 486,17

The municipality has insufficient money to meet all its commitments. A shortfall of R37,3 million. Management should urgently devise plans to ensure financial sustainability and financial longevity for the municipality.

3.3.3 Unspent Conditional Grants

Grant	Nature	Type: Conditional / Unconditional	Opening Balance	Rollover Rejected	Current year receipts	Conditions met - transferred to Revenue	Unspent as @ July 2024
Municipal Infrastructure Grant	Capital	Conditional	-		12 480 869,57	-	12 480 869,57
INEP	Capital	Conditional	-		430 434,78	-	430 434,78
Energy Efficiency Demand Grant	Capital	Conditional	-		1 478 260,87	-	1 478 260,87
Water Services Infrastructure Grant	Capital	Conditional	-		8 677 000,00	-	8 677 000,00
Small Town Revitalisation	Capital	Conditional	-		-	-	-
Financial Management Grant	Operating	Conditional	-		3 800 000,00	-	3 800 000,00
EPWP	Operating	Conditional	-		267 826,09	-	267 826,09
			-	-	27 134 391,31	-	27 134 391,31

Unspent conditional grants in the table above reflect a total balance of R27,1 million as at August 2024.

Allocations received are as follows during the current year:

- MIG – R14 million was received however this is recorded incorrectly in the respective account due to VAT setups.
- EPWP – R308 thousand was received however VAT setups must be corrected to ensure correct recording of financial transactions.
- FMG – R3,8 million received and recorded correctly
- INEP – R450 thousand was received but recorded inaccurately in the financial system.
- EEDMS – R1,7 million was received but recorded incorrectly in the financial books of the municipality.
- WSIG – R8,7 million was received and recorded correctly.

Careful attention needs to be paid by the municipality to ensure that expenditure is updated timeously on the system so that the correct revenue is recognised against the grants received as no recognition has occurred despite expenditure being incurred.

CFO must ensure correcting journals are processed for Grant deposits, furthermore must ensure VAT setups are relooked to ensure correct functioning of the Grants Module.

3.3.4 Creditors Analysis

TOP 10 CREDITORS							
Supplier Number	Supplier Name	Invoiced	BALANCE	CURRENT	30 DAYS	60 DAYS	90 DAYS
306	ESKOM BULK	9 081	10 095	3 016	–	4 969	2 110
81	AUDITOR GENERAL	3 220	1 116	(154)	187	571	512
307	ESKOM HOLDINGS	1 678	977	981	–	–	(4)
1200	R-DATA	1 600	1 637	1 637	–	–	–
167	BUSINESS CONNEXION	577	215	–	–	107	108
1035	TELKOM SA	127	45	45	–	–	–
1708	WESLEY PRTORIUS AND ASSOC	92	24	24	–	–	–
568	LOWER SUNDAYS RIVER WATER	84	7	–	–	–	7
1503	SKY METRO EQUIPMENT	53	33	–	–	0	33
248	WATER AND SANITATION	–	50 392	1 901	4 122	807	43 561
	Total	16 510	64 541	7 449	4 310	6 456	46 327

The total balance of the municipality's top ten creditors is R64 million at August 2024 with the biggest contributor being The Department of Water and Sanitation at a balance of R50,4 million.

Engagements with The Department of Water and Sanitation are underway and once finalised the municipality will have to honour the arrangement without fail.

Municipality is not complying to the legislation to pay for paying creditors within 30 days.

3.3.5 Consumer Debtors

Total outstanding debtors at end August 2024, R287,1 million. The high contributor to the outstanding balance is households to the value of R225,6 million. The municipality should consider writing off debt as irrecoverable for most of customers as the possibility of collection is low due to culture of non-payment has been carried out throughout the years.

Detail Report								
Region	Department	Current	Interest	30 Days	60 Days	90 Days	120 Days +	Total
Sarah Baartman	Education	R 750 143,54	R 0,00	R 48 723,36	R 60 036,67	R 50 580,98	R 145 883,17	R 1 055 367,72
	Education (S21)	R 1 300 779,75	R 0,00	R 17 806,22	R 29 243,38	R 30 365,84	R 124 030,21	R 1 502 225,40
	Health	R 265 267,36	R 0,00	R 2 166,50	R 1 947,04	R 3 168,18	R 207 754,79	R 480 303,87
	Human Settlements	R 6 475,96	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 6 475,96
	Public Works	R 1 920 867,35	R 0,00	R 66 297,41	R 66 806,49	R 67 730,36	R 2 392 984,34	R 4 514 685,95
	Roads	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00
	Residents	R 197 949 180,16	R 0,00	R 3 238 396,43	R 3 420 839,75	R 3 446 360,36	R 17 571 801,70	R 225 626 578,40
	Councillors	R 143 454,33	R 0,00	R 251 832,95	R 2 265,07	R 7 914,30	R 37 478,16	R 442 944,81
	Municipal Officials	R 1 939 516,57	R 0,00	R 37 341,13	R 24 916,79	R 68 421,49	R 118 806,84	R 2 189 002,82
	Industries	R 18 186 853,60	R 0,00	R 673 771,99	R 439 634,22	R 498 094,83	R 5 498 081,06	R 25 296 435,70
	National Departments	R 17 451 982,35	R 0,00	R 452 729,32	R 121 471,72	R 152 438,16	R 7 764 663,74	R 25 943 285,29
	Grand Total	R 239 914 520,97	R 0,00	R 4 789 065,31	R 4 167 161,13	R 4 325 074,50	R 33 861 484,01	R 287 057 305,92
Region	Debt By Type	Residents	Councillors	Municipal Officials	Industries	Nat Depts	Prov Depts	Total
Sarah Baartman	Water	R 74 013 048,24	R 80 676,90	R 972 740,47	R 2 479 162,62	R 104 768,43	R 1 951 775,76	R 79 602 172,42
	Electricity	R 4 454 342,74	R 956,41	R 69 100,08	R 11 751 851,17	R 273 742,80	R 2 195 609,07	R 18 745 602,27
	Sewerage	R 39 393 669,82	R 30 932,47	R 591 489,12	R 1 153 540,35	R 36 982,31	R 705 742,11	R 41 912 356,18
	Refuse	R 18 316 601,01	R 9 474,18	R 211 451,12	R 570 017,45	R 8 030,19	R 227 061,04	R 19 342 634,99
	Rates	R 81 031 407,94	R 70 188,23	R 235 821,31	R 14 237 149,67	R 24 670 833,69	R 4 759 696,69	R 125 005 097,53
	Other	R 8 417 508,65	R 250 716,62	R 108 400,72	R (4 895 285,56)	R 848 927,87	R (2 280 825,77)	R 2 449 442,53
	Grand Total	R 225 626 578,40	R 442 944,81	R 2 189 002,82	R 25 296 435,70	R 25 943 285,29	R 7 559 058,90	R 287 057 305,92
	% on Total Debt	78,60	0,15	0,76	8,81	9,04	2,63	100,00

DEBT COLLECTION & CREDIT CONTROL

Below are highlights of the credit control section in attempt to improve revenue collection:

- **Indigent Registration**
 - It seems Indigent Registration is moving slowly as the customers does not provide enough documentation during registration process.
 - Challenges of getting the customers during the week due to seasonal employment.
 - It is advisable registration to be done throughout the year.
- **Other matters**
 - Sheriff has been appointed to assist with collection attempts
 - Follow up with municipal staff and councillors is being performed.
 - Government debt reconciliations are being performed for Public Works, Rural development and Education

3.3.6 Capital Expenditure by Project

Authorised Capital Expenditure						
Capital Expenditure by Project	Funding Source	Budget Amount	Monthly actual-Aug	YearTD actual	YearTD budget	YTD variance
Grant Funding - Projects		Rands	Rands	Rands	Rands	Rands
Upgrading of Roads & Stormwater in Enon and Bersheba – Phase 2	MIG	8 069 402			1 344 900	1 344 900
Construction of Multi- Purpose Sports Recreational Facility in Nomathamsanqa in Addo (Budget Maintenance)	MIG	3 168 327			528 055	528 055
Construction of a New Community Hall in Moses Mabhida (Budget Maintenance)	MIG	2 348 070		2 237 749	391 345	(1 846 404)
Refurbishment of Enon and Bersheba Water Borne Sanitation	MIG	9 488 804		2 129 253	1 581 467	(547 785)
Emergency Flood Repairs at Vygie and Adams Street in Valencia	MIG	2 446 217			407 703	407 703
Construction of Roads and Stormwater in Paterson - Phase 1	MIG	3 340 601			556 767	556 767
Augmentation of the Water Reticulation Network in Paterson	MIG	6 032 129			1 005 355	1 005 355
Construction of Bulk and Water Reticulation in Molly Blackum	MIG	2 000 000			333 333	333 333
Refurbishment of Addo Waste Water Pump Station	WSIG	10 578 664			1 763 111	1 763 111
Construction of Luthando pipeline	WSIG	5 421 336			903 556	903 556
Electrification Kirkwood- Planning	INEP	495 000			82 500	82 500
Retrofit of Street Lights in Kirkwood and municipal buildings	Energy Efficiency Demand	4 000 000			666 667	666 667
Total Capex - Funded By Grants		57 388 550	-	4 367 001	9 564 758	5 197 757
Own Funding - Projects		-	-	-	-	-
Fencing - Library	Internal Funds	150 000			25 000	25 000
Mayor's Car	Internal Funds	700 000			116 667	116 667
Council Chamber Furniture	Internal Funds	600 000			100 000	100 000
Upgrade of Kirkwood Water Treatment Works	Internal Funds	3 000 000			500 000	500 000
Total Capex - Funded By Own Resources		4 450 000	0	0	741 667	741 667
Total Authorised Capital Acquisition		61 838 550	-	4 367 001	10 306 425	5 939 424
Unauthorised Capital Expenditure						
Capital Expenditure by Project	Funding Source	Budget Amount	Monthly actual-Aug	YearTD actual	YearTD budget	YTD variance
Unauthorised Capital Expenditure		Rands	Rands	Rands	Rands	Rands
Equipment for Water and Sanitation	Internal	-	12 665	12 665		
Total Unauthorised Capital Acquisition			12 665	12 665		
Total Capital Expenditure		61 838 550	12 665	4 379 666	10 306 425	5 939 424

Capital acquisitions for the month ending 30 August 2024 amounts to R12,665 for tools and materials acquired for Water and Sanitation. This is unauthorised capital expenditure and should be included in detailed reports to be presented to relevant committees for investigation and condonement, if necessary.

YTD actual capital expenditure is R4,3 million.

YTD variance of R5,9 million is noted.

Technical Director and CFO need to closely monitor and ensure that all projects are proceeding as planned. Expedite any delays and ensure compliance with SCM processes, in order to ensure that the grant allocation is preserved and that community interests are upheld through proper project implementation.

3.3.7 INVESTMENT

No investment portfolio held.

3.3.8 BORROWINGS

No borrowings budget provision made and no borrowings taken by the municipality for the month.

3.4 REMEDIAL OR CORRECTIVE STEPS REQUIRED

Revenue generation should be the agenda of the year. Strategies to improve revenue must be developed and implemented to ensure financial longevity and sustainability.

Procurement and Budgetary Control must be closely monitored to eliminate procurement of goods and services not budgeted for, suggesting redirecting of funds to unwarranted project not prioritised at planning stage.

Monitoring of contractors implementing capital projects must be done continuously by both Finance and Technical department.

Internal control adherence must be a non-negotiable for all municipal officials for efficient and effective service delivery.

3.5 CONCLUSION

Financial Recovery Plan must be developed to remedy the state of financial affairs despite great strides achieved for the reporting year.

Poor adherence to internal controls and continued expenditure incurred on unfunded projects weakens our cashflow and positions the municipality in an unfavourable posture insofar as achieving its strategic objectives for the financial year.

Municipal Manager's quality certificate.

I, T. Klaas, Municipal Manager of Sundays River Valley Municipality, hereby certify that the monthly report on the implementation of the budget and financial affairs of the month of **August 2024** of the 2024/25 financial year has been prepared in accordance with the Municipal Financial Management Act and regulations made under that Act.

T KLAAS
MUNICIPAL MANAGER

DATE: 13 September 2024

Submitted to the office of the Mayor

Received by:

Date:



Home of the Addo Elephant Park

Part 2 - In-year budget statements tables

1.1 Table C1: Monthly Budget Statement Summary

EC106 Sundays River Valley - Table C1 Monthly Budget Statement Summary - M02 August

Description	2023/24	Budget Year 2024/25							
	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	44 517	49 058	–	2 127	2 112	8 176	(6 064)	-74%	49 058
Service charges	65 557	66 832	–	4 061	4 923	6 691	(1 768)	-26%	66 832
Investment revenue	1 655	1 779	–	339	346	296	49	17%	1 779
Transfers and subsidies - Operational	115 209	126 565	–	30	49 004	21 094	27 910	0	126 565
Other own revenue	24 451	29 876	–	2 009	2 066	4 979	(2 913)	-59%	–
Total Revenue (excluding capital transfers and contributions)	251 389	274 109	–	8 567	58 451	41 237	17 214	42%	274 109
Employee costs	100 772	104 674	–	17 678	17 678	17 446	233	1%	104 674
Remuneration of Councillors	7 282	7 763	–	1 244	1 244	1 294	(50)	-4%	7 763
Depreciation and amortisation	36 599	29 848	–	–	–	4 975	(4 975)	-100%	29 848
Interest	11 184	2 660	–	13	79	443	(365)	-82%	2 660
Inventory consumed and bulk purchases	39 816	40 552	–	84	4 550	1 690	2 861	169%	40 557
Transfers and subsidies	52	–	–	–	–	–	–	–	–
Other expenditure	138 546	50 412	–	4 945	9 962	13 001	(3 039)	-23%	50 407
Total Expenditure	334 251	235 909	–	23 964	33 514	38 849	(5 335)	-14%	235 909
Surplus/(Deficit)	(82 862)	38 200	–	(15 397)	24 937	2 388	22 549	944%	38 200
Transfers and subsidies - capital (monetary)	48 435	57 688	–	–	–	9 615	(9 615)	-100%	57 688
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(34 427)	95 887	–	(15 397)	24 937	12 003	12 934	108%	95 887
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(34 427)	95 887	–	(15 397)	24 937	12 003	12 934	108%	95 887
Capital expenditure & funds sources									
Capital expenditure	–	–	–	–	–	–	–		–
Capital transfers recognised	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–
Total sources of capital funds	–	–	–	–	–	–	–		–
Financial position									
Total current assets	48 446	111 221	–	–	70 013	–	–	–	111 221
Total non current assets	983 855	891 233	–	–	963 126	–	–	–	891 233
Total current liabilities	161 477	84 917	–	–	162 509	–	–	–	84 917
Total non current liabilities	58 370	46 989	–	–	58 370	–	–	–	46 989
Community wealth/Equity	854 751	874 081	–	–	790 481	–	–	–	874 081
Cash flows									
Net cash from (used) operating	(83 934)	76 666	–	(41 013)	(50 220)	28 068	78 288	279%	(174 639)
Net cash from (used) investing	(47 386)	(63 043)	–	–	–	(10 507)	(10 507)	100%	–
Net cash from (used) financing	–	–	–	(18)	(72)	–	72	#DIV/0!	–
Cash/cash equivalents at the month/year end	(131 320)	13 623	–	(41 031)	(50 293)	17 561	67 854	386%	(174 639)
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	68 824	7 173	6 632	6 381	6 114	5 913	237 412	3 847	342 297
Creditors Age Analysis									
Total Creditors	2 747	1 796	5 412	3 657	3 092	1 742	4 864	40 748	64 056

1.2 Table C2: Monthly Budget Statement – Financial Performance

EC106 Sundays River Valley - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 August

Description	Ref	2023/24	Budget Year 2024/25							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		86 576	103 593	-	3 380	19 910	17 266	2 645	15%	103 593
Executive and council		8 970	12 654	-	-	5 273	2 109	3 164	150%	12 654
Finance and administration		77 607	90 939	-	3 380	14 638	15 157	(519)	-3%	90 939
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		30 354	16 524	-	44	75	2 754	(2 680)	-97%	16 524
Community and social services		25 723	1 964	-	26	42	327	(286)	-87%	1 964
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		4 631	14 561	-	18	33	2 427	(2 394)	-99%	14 561
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		8 263	21 740	-	1	2	3 623	(3 621)	-100%	21 740
Planning and development		3 760	7 884	-	1	2	1 314	(1 311)	-100%	7 884
Road transport		4 503	13 856	-	-	-	2 309	(2 309)	-100%	13 856
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		174 967	189 938	-	5 142	38 463	27 209	11 255	41%	189 938
Energy sources		91 141	70 340	-	3 110	16 257	8 842	7 415	84%	70 340
Water management		50 610	69 324	-	1 053	8 319	9 988	(1 669)	-17%	69 324
Waste water management		13 316	19 093	-	156	4 891	3 182	1 709	54%	19 093
Waste management		19 900	31 181	-	823	8 996	5 197	3 799	73%	31 181
<i>Other</i>	4	13	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	300 174	331 796	-	8 567	58 451	50 852	7 599	15%	331 796
Expenditure - Functional										
<i>Governance and administration</i>		165 822	88 669	-	10 058	12 876	13 702	(825)	-6%	88 669
Executive and council		38 642	22 874	-	3 291	3 838	3 287	551	17%	22 874
Finance and administration		127 179	65 795	-	6 766	9 039	10 415	(1 376)	-13%	65 795
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		46 077	37 997	-	5 841	6 987	5 154	1 833	36%	37 997
Community and social services		30 073	20 239	-	3 348	4 481	2 334	2 146	92%	20 239
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		14 154	15 499	-	2 205	2 218	2 446	(228)	-9%	15 499
Housing		1 851	2 258	-	288	288	374	(85)	-23%	2 258
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		25 822	13 713	-	1 397	1 397	1 798	(401)	-22%	13 713
Planning and development		5 080	7 757	-	660	660	1 031	(370)	-36%	7 757
Road transport		20 743	5 956	-	736	736	767	(31)	-4%	5 956
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		107 619	95 347	-	6 635	12 220	18 187	(5 968)	-33%	95 347
Energy sources		47 861	46 126	-	1 122	6 415	8 937	(2 521)	-28%	46 126
Water management		32 679	22 829	-	3 284	3 354	4 715	(1 361)	-29%	22 829
Waste water management		14 709	14 329	-	1 334	1 370	3 077	(1 707)	-55%	14 329
Waste management		12 369	12 062	-	894	1 080	1 459	(378)	-26%	12 062
<i>Other</i>		263	182	-	34	34	8	27	350%	182
Total Expenditure - Functional	3	345 604	235 909	-	23 964	33 514	38 849	(5 335)	-14%	235 909
Surplus/ (Deficit) for the year		(45 430)	95 887	-	(15 397)	24 937	12 003	12 934	1,07757187	95 887

1.3 Table C3: Monthly Budget Statement – Financial Performance

EC106 Sundays River Valley - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		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 (10: IE)		8 970	12 654	–	–	5 273	2 109	3 164	150,0%	12 654
Vote 2 - CORPORATE SERVICES (11: IE)		7 164	9 268	–	43	3 790	1 545	2 245	145,3%	9 268
Vote 3 - FINANCE (12: IE)		56 792	72 678	–	3 338	10 848	12 113	(1 265)	-10,4%	72 678
Vote 4 - Community Services (13: IE)		39 640	56 698	–	866	9 070	9 450	(379)	-4,0%	56 698
Vote 5 - Technical Services (14: IE)		136 998	111 174	–	3 267	21 151	15 647	5 503	35,2%	111 174
0		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	249 564	262 472	–	7 513	50 131	40 864	9 268	22,7%	262 472
Expenditure by Vote	1									
Vote 1 - Executive AND Council (10: IE)		39 836	24 232	–	3 430	3 976	3 456	521	15,1%	24 232
Vote 2 - CORPORATE SERVICES (11: IE)		25 777	28 247	–	3 090	3 201	3 903	(703)	-18,0%	28 247
Vote 3 - FINANCE (12: IE)		101 274	37 548	–	3 677	5 838	6 512	(674)	-10,3%	37 548
Vote 4 - Community Services (13: IE)		57 315	47 983	–	6 481	7 813	6 247	1 567	25,1%	47 983
Vote 5 - Technical Services (14: IE)		121 402	97 899	–	7 287	12 685	18 731	(6 046)	-32,3%	97 899
0		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	345 604	235 909	–	23 964	33 514	38 849	(5 335)	-13,7%	235 909
Surplus/ (Deficit) for the year	2	(96 040)	26 564	–	(16 451)	16 618	2 015	14 603	724,6%	26 564

1.4 Table C4: Monthly Budget Statement – Financial Performance

EC106 Sundays River Valley - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

EC106 Sundays River Valley - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August										
Description	Ref	2023/24	Budget Year 2024/25							
		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		33 321	34 950	–	2 999	3 865	2 943	921	31%	34 950
Service charges - Water		21 143	20 444	–	162	158	2 295	(2 137)	-93%	20 444
Service charges - Waste Water Management		4 897	3 630	–	416	416	151	265	175%	3 630
Service charges - Waste management		6 196	7 807	–	484	484	1 301	(817)	-63%	7 807
Sale of Goods and Rendering of Services		304	656	–	38	52	109	(57)	-52%	656
Agency services		2 955	3 647	–	–	–	608	(608)	-100%	3 647
Interest										
Interest earned from Receivables		3 506	13 713	–	1 078	1 078	2 285	(1 207)	-53%	13 713
Interest from Current and Non Current Assets		1 655	1 779	–	339	346	296	49	17%	1 779
Dividends										
Rent on Land										
Rental from Fixed Assets		38	72	–	19	24	12	12	104%	72
Licence and permits		989	1 020	–	–	–	170	(170)	-100%	1 020
Operational Revenue		1 056	1 384	–	13	38	231	(193)	-84%	1 384
Non-Exchange Revenue										
Property rates		44 517	49 058	–	2 127	2 112	8 176	(6 064)	-74%	49 058
Surcharges and Taxes		7 602	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		368	1 849	–	3	16	308	(292)	-95%	1 849
Licence and permits		13	24	–	14	17	4	13	318%	24
Transfers and subsidies - Operational		115 209	126 565	–	30	49 004	21 094	27 910	132%	126 565
Interest		7 238	7 512	–	844	840	1 252	(412)	-33%	7 512
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets		167	–	–	–	–	–	–	–	–
Other Gains		215	–	–	–	–	–	–	–	–
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		251 389	274 109	–	8 567	58 451	41 237	17 214	42%	274 109
Expenditure By Type										
Employee related costs		100 772	104 674	–	17 678	17 678	17 446	233	1%	104 674
Remuneration of councillors		7 282	7 763	–	1 244	1 244	1 294	(50)	-4%	7 763
Bulk purchases - electricity		28 363	31 950	–	–	4 400	1 331	3 069	231%	31 950
Inventory consumed		11 454	8 603	–	84	150	358	(208)	-58%	8 608
Debt impairment		44 204	(2 956)	–	–	–	9 742	(9 742)	-100%	(2 956)
Depreciation and amortisation		36 599	29 848	–	–	–	4 975	(4 975)	-100%	29 848
Interest		11 184	2 660	–	13	79	443	(365)	-82%	2 660
Contracted services		61 575	33 765	–	2 601	5 798	1 820	3 978	219%	33 765
Transfers and subsidies		52	–	–	–	–	–	–	–	–
Irrecoverable debts written off		–	–	–	18	18	–	18	#DIV/0!	–
Operational costs		32 403	19 602	–	2 326	4 146	1 440	2 707	188%	19 597
Losses on Disposal of Assets										
Other Losses		364	–	–	–	–	–	–	–	–
Total Expenditure		334 251	235 909	–	23 964	33 514	38 849	(5 335)	-14%	235 909
Surplus/(Deficit)		(82 862)	38 200	–	(15 397)	24 937	2 388	22 549	0	38 200
Transfers and subsidies - capital (monetary allocations)		48 435	57 688	–	–	–	9 615	(9 615)	(0)	57 688
Transfers and subsidies - capital (in-kind)										
Surplus/(Deficit) after capital transfers & contributions		(34 427)	95 887	–	(15 397)	24 937	12 003	12 934	0	95 887
Income Tax										
Surplus/(Deficit) after income tax		(34 427)	95 887	–	(15 397)	24 937	12 003	12 934	0	95 887
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		(34 427)	95 887	–	(15 397)	24 937	12 003	12 934	0	95 887
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		(34 427)	95 887	–	(15 397)	24 937	12 003	12 934	0	95 887

1.5 Table C5: Monthly Budget Statement – Capital Expenditure

Vote Description	Ref	2023/24	Budget Year 2024/25							
		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 6 - Technical Services (14: CAPEX)		-	-	-	-	-	-	-		-
Vote 7 - Executive AND Council (30: CAPEX)		-	-	-	-	-	-	-		-
Vote 8 - Community Services (36: CAPEX)		-	-	-	-	-	-	-		-
Vote 9 - Technical Services (38: CAPEX)		-	-	-	-	-	-	-		-
Vote 10 - Finance (39: CAPEX)		-	-	-	-	-	-	-		-
Vote 11 - Corporate Services (40: CAPEX)		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 6 - Technical Services (14: CAPEX)		-	-	-	-	-	-	-		-
Vote 7 - Executive AND Council (30: CAPEX)		-	1 300	-	-	-	217	(217)	-100%	600
Vote 8 - Community Services (36: CAPEX)		11 643	5 870	-	-	2 238	978	1 259	129%	5 870
Vote 9 - Technical Services (38: CAPEX)		36 834	55 872	-	13	2 142	9 312	(7 170)	-77%	55 872
Vote 10 - Finance (39: CAPEX)		-	-	-	-	-	-	-		-
Vote 11 - Corporate Services (40: CAPEX)		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	48 477	63 043	-	13	4 380	10 507	(6 127)	-58%	62 343
Total Capital Expenditure		48 477	63 043	-	13	4 380	10 507	(6 127)	-58%	62 343
Capital Expenditure - Functional Classification										
Governance and administration		-	1 300	-	-	-	217	(217)	-100%	600
Executive and council		-	1 300	-	-	-	217	(217)	-100%	600
Finance and administration										
Internal audit										
Community and public safety		11 643	5 870	-	-	2 238	978	1 259	129%	5 870
Community and social services		11 643	5 870	-	-	2 238	978	1 259	129%	5 870
Sport and recreation										
Public safety										
Housing										
Health										
Economic and environmental services		2 341	12 410	-	-	-	2 068	(2 068)	-100%	12 410
Planning and development										
Road transport		2 341	12 410	-	-	-	2 068	(2 068)	-100%	12 410
Environmental protection										
Trading services		34 493	43 462	-	13	2 142	7 244	(5 102)	-70%	43 462
Energy sources		2 854	4 495	-	13	13	749	(737)	-98%	4 495
Water management		1 062	14 489	-	-	-	2 415	(2 415)	-100%	14 489
Waste water management		30 577	24 478	-	-	2 129	4 080	(1 950)	-48%	24 478
Waste management										
Other										
Total Capital Expenditure - Functional Classification	3	48 477	63 043	-	13	4 380	10 507	(6 127)	-58%	62 343
Funded by:										
National Government		48 454	57 389	-	-	4 367	9 565	(5 198)	-54%	57 389
Provincial Government										
District Municipality										
Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)										
Transfers recognised - capital		48 454	57 389	-	-	4 367	9 565	(5 198)	-54%	57 389
Borrowing	6									
Internally generated funds		23	5 654	-	13	13	942	(930)	-99%	4 954
Total Capital Funding		48 477	63 043	-	13	4 380	10 507	(6 127)	-58%	62 343

Home of the Addo Elephant Park

1.6 Table C6: Monthly Budget Statement - Financial Position

EC106 Sundays River Valley - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		7 101	57 606	–	31 388	57 606
Trade and other receivables from exchange transactions		8 855	18 990	–	7 129	18 990
Receivables from non-exchange transactions		7 211	26 009	–	4 221	26 009
Current portion of non-current receivables		–	368	–	–	368
Inventory		309	299	–	346	299
VAT		24 934	7 205	–	26 897	7 205
Other current assets		36	745	–	32	745
Total current assets		48 446	111 221	–	70 013	111 221
Non current assets						
Investments						
Investment property		40 205	22 609	–	40 205	22 609
Property, plant and equipment		943 328	868 587	–	922 599	868 587
Biological assets						
Living and non-living resources						
Heritage assets		322	322	–	322	322
Intangible assets		–	(286)	–	–	(286)
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions						
Other non-current assets						
Total non current assets		983 855	891 233	–	963 126	891 233
TOTAL ASSETS		1 032 301	1 002 453	–	1 033 139	1 002 453
LIABILITIES						
Current liabilities						
Bank overdraft						
Financial liabilities		–	–	–	(72)	–
Consumer deposits		84	2 637	–	84	2 637
Trade and other payables from exchange transactions		126 723	63 828	–	97 485	63 828
Trade and other payables from non-exchange transactions		0	9 209	–	27 134	9 209
Provision		9 687	8 746	–	9 687	8 746
VAT		24 082	(256)	–	27 290	(256)
Other current liabilities		902	754	–	902	754
Total current liabilities		161 477	84 917	–	162 509	84 917
Non current liabilities						
Financial liabilities						
Provision		51 659	41 877	–	51 659	41 877
Long term portion of trade payables						
Other non-current liabilities		6 711	5 112	–	6 711	5 112
Total non current liabilities		58 370	46 989	–	58 370	46 989
TOTAL LIABILITIES		219 848	131 906	–	220 879	131 906
NET ASSETS	2	812 453	870 547	–	812 260	870 547
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		854 751	874 081	–	790 481	874 081
Reserves and funds						
Other						
TOTAL COMMUNITY WEALTH/EQUITY	2	854 751	874 081	–	790 481	874 081

1.7 Table C7: Monthly Budget Statement – Cashflow

EC106 Sundays River Valley - Table C7 Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		33 614	37 859	–	30	(8 781)	6 310	(15 091)	-239%	–
Service charges		10 351	69 119	–	(5 299)	(9 882)	16 092	(25 974)	-161%	–
Other revenue		25 692	8 651	–	(496)	(1 750)	1 442	(3 192)	-221%	–
Transfers and Subsidies - Operational		141 270	113 539	–	(5 418)	31 561	18 087	13 474	74%	35 550
Transfers and Subsidies - Capital		29 018	57 688	–	2 177	6 127	9 615	(3 487)	-36%	–
Interest		1 442	1 779	–	339	342	296	45	15%	1 779
Dividends		–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees		(325 322)	(209 308)	–	(32 346)	(67 836)	(23 330)	(44 506)	191%	(209 308)
Interest		–	(2 660)	–	–	–	(443)	443	-100%	(2 660)
Transfers and Subsidies		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		(83 934)	76 666	–	(41 013)	(50 220)	28 068	78 288	279%	(174 639)
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		(47 386)	(63 043)	–	–	–	(10 507)	10 507	-100%	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		(47 386)	(63 043)	–	–	–	(10 507)	(10 507)	100%	–
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–
Payments										
Repayment of borrowing		–	–	–	(18)	(72)	–	(72)	#DIV/0!	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	(18)	(72)	–	72	#DIV/0!	–
NET INCREASE/ (DECREASE) IN CASH HELD		(131 320)	13 623	–	(41 031)	(50 293)	17 561			(174 639)
Cash/cash equivalents at beginning:		–	–	–	–	–	–	–	–	–
Cash/cash equivalents at month/year end:		(131 320)	13 623	–	(41 031)	(50 293)	17 561			(174 639)

1.8 Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August 2024

EC106 Sundays River Valley - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	Ref	2023/24	Budget Year 2024/25							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5 948	6 353	–	1 018	1 018	1 059	(41)	-4%	6 353
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Motor Vehicle Allowance								–		
Cellphone Allowance		670	719	–	115	115	120	(5)	-4%	719
Housing Allowances		300	312	–	50	50	52	(2)	-4%	312
Other benefits and allowances		363	379	–	61	61	63	(2)	-4%	379
Sub Total - Councillors		7 282	7 763	–	1 244	1 244	1 294	(50)	-4%	7 763
% increase	4		6,6%							6,6%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 739	4 898	–	902	902	816	86	11%	4 898
Pension and UIF Contributions		11	11	–	2	2	2	(0)	-6%	11
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance		865	913	–	144	144	152	(8)	-6%	913
Cellphone Allowance		120	127	–	20	20	21	(1)	-6%	127
Housing Allowances		192	203	–	32	32	34	(2)	-6%	203
Other benefits and allowances		1	1	–	0	0	0	(0)	-4%	1
Payments in lieu of leave		(637)	–	–	–	–	–	–		–
Long service awards								–		
Post-retirement benefit obligations	2	206	–	–	–	–	–	–		–
Entertainment								–		
Scarcity		223	240	–	38	38	40	(2)	-6%	240
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Senior Managers of Municipality		5 719	6 394	–	1 137	1 137	1 066	72	7%	6 394
% increase	4		11,8%							11,8%
Other Municipal Staff										
Basic Salaries and Wages		61 222	63 335	–	11 226	11 226	10 556	670	6%	63 335
Pension and UIF Contributions		10 798	11 396	–	2 006	2 006	1 899	107	6%	11 396
Medical Aid Contributions		4 543	4 945	–	784	784	824	(40)	-5%	4 945
Overtime		4 467	4 466	–	972	972	744	227	31%	4 466
Performance Bonus		4 625	4 578	–	–	–	763	(763)	-100%	4 578
Motor Vehicle Allowance		5 937	6 244	–	965	965	1 041	(76)	-7%	6 244
Cellphone Allowance		768	923	–	143	143	154	(11)	-7%	923
Housing Allowances		547	550	–	91	91	92	(1)	-1%	550
Other benefits and allowances		1 183	1 209	–	249	249	201	48	24%	1 209
Payments in lieu of leave								–		
Long service awards		288	14	–	31	31	2	29	1280%	14
Post-retirement benefit obligations	2	276	531	–	59	59	89	(30)	-33%	531
Entertainment								–		
Scarcity								–		
Acting and post related allowance		1 513	1 231	–	253	253	205	48	23%	1 231
In kind benefits								–		
Sub Total - Other Municipal Staff		96 167	99 420	–	16 778	16 778	16 570	208	1%	99 420
% increase	4		3,4%							3,4%
Total Parent Municipality		109 168	113 576	–	19 160	19 160	18 929	230	1%	113 576
			4,0%							4,0%
Unpaid salary, allowances & benefits in arrears:										
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		109 168	113 576	–	19 160	19 160	18 929	230	1%	113 576
% increase	4		4,0%							4,0%
TOTAL MANAGERS AND STAFF		101 887	105 814	–	17 916	17 916	17 636	280	2%	105 814

PART 3 - REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN POLICY

AUGUST 2024 REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN POLICY

PURPOSE OF THIS REPORT

The purpose of this report is to inform the Council on the implementation of the Supply Chain Management Policy of the municipality for the above outlined period.

BACKGROUND

In terms of the Supply Chain Management Policy, the Council must maintain oversight over the implementation of the policy to ensure that the accounting officer implements all supply chain activities in accordance therewith.

LEGISLATIVE FRAMEWORK

Section 6(3) MFMA Supply Chain Regulations.

PROGRESS AND COMPLIANCE

Progress

The supply chain processes have been examined to make sure that the authorized Supply Chain Management (SCM) Policy is followed in terms of controls and task segregation.

For various transaction values of products and services, the SCM department continues to apply the checklists created in the previous fiscal year to assure adherence to the Supply Chain Policy and Preferential Procurement Regulation. SCM officials have been trained in order to be able to implement SCM policy.

Supplier Database

The municipality complies with the requirements of CSD as stipulated in the MFMA circular number 81. Suppliers which are utilised are being verified their registration with CSD. The municipal database is also updated on adhoc bases.

Functioning of SCM Unit

- Declaration of Interest for 2024/25 financial year is signed by SCM personnel. None of SCM personnel have declared any interest.

Bid Committees

Bid Committees are still formulated in accordance with the standard for infrastructure procurement delivery (SIPDM) and are operating efficiently. The municipal bid committees comprise the following:

- **Bid Specification Committee**
- **Bid Evaluation Committee**
- **Bid Adjudication Committee**

The committees are entrusted with the responsibility to ensure that the municipal procurement system is done in accordance with the s217 of the South African Constitution and s112 of the MFMA.

The bid committee workshop was conducted on the 04th of July 2024 for all appointed bid committee members. This was to ensure that all officials appointed to serve in bid committees have received training before they sit for the meetings.

Performance of committees in general

The Bid committees meetings sit on scheduled days.

Procurement Plans

- Procurement Plan for the 2024/25 financial year was approved by the Accounting Officer.

Supplier Performance

All service providers for the month of August performed as per signed contracts.

REPORT ON STATUS OF TENDERS

TENDER NAME	STATUS
1. Outsourcing of ICT Audit for the Municipality for 2023/2024 Financial year	On adjudication stage

AWARDED BIDS AUGUST 2024

BID NAME	BIDDER	Tender No	TENDER AMOUNT	APPOINTMENT DATE
LEASING OF PRINTERS FOR A PERIOD OF 3 YEARS	XEROX EASTERN CAPE (PTY) LTD	RT3-2022	R1 653 382,68	2024/07/31
SUPPLY, INSTALL, REPLACE AND DELIVERY OF HIGH MAST LIGHTS MATERIAL	INTAKA UBUSI (PTY) LTD	SRVM-016/2024	R256 500,00	2024/08/12
SUPPLY, DELIVERY AND INSTALLATION OF ALARM SYSTEMS AND EQUIPMENT TO SRVM FACILITIES	OMEGA RISK SOLUTIONS (PTY) LTD	SRVM-RFQ 02/2025	R169 651,81	2024/08/15
APPOINTMENT FOR THE PROVISION FOR ALARM MONITORING, ARMED RAPID RESPONSE TO INCIDENTS DETECTED FOR A PERIOD OF 36 MONTHS	OMEGA RISK SOLUTIONS (PTY) LTD	SRVM-RFQ 03/2025	R168 498,00	2024/08/15
SUPPLY AND DELIVERY OF HOT MIS ASPHALT FOR ROADS SECTION	HEICO PROJECT MANAGEMENT 1 (PTY) LTD	SRVM-RFQ 04/2025	R168 233,73	21-Aug-24
SUPPLY, DELIVERY AND INSTALLATION OF UPS IN THE SERVER ROOM	OLIKIM BUSINESS SOLUTIONS (PTY) LTD	SRVM-RFQ 05/2025	R144 236,57	21-Aug-24
SUPPLY AND DELIVERY OF NETWORK SWITCHES FOR REMOTE SITES	INNOVO NETWORKS (PTY) LTD	SRVM-RFQ 06/2025	R24 836,55	21-Aug-24

Deviations

All procurement processes are currently met for the thresholds and deviations are approved where necessary in terms of the following:

- According to the Municipal Supply Chain Management Regulation paragraph 36, municipalities must disclose all deviations to Council. The categories for deviations to supply chain management process are:
- In an emergency
- If such goods or services are produced or available from a single provider only;
- For the acquisition of special works of art or historic objects where specifications are difficult to compile
- Acquisitions of animals for zoos;
- In any other exceptional case where it is impractical or impossible to follow the official procurement process

It should be noted that, SCM advises Councillors and officials to bear in mind that SCM processes need to be always followed therefore they need to develop a way of reporting issues within their area.

Approved deviations for August 2024 amount **R161 362.89**

Payment Date	Supplier Name	Details	Deviation Type	R	Comments
27-Aug-24	CFAO Mobility t/a Hino Algoa	Service of vehicle HVC 760 Ec	Sole supplier	R46.977,79	Hino Algoa is the sole service provider of Toyota vehicles and they have a better understanding and knowledge of their products.
27-Aug-24	CFAO Mobility t/a Williams Hunt PE	Service of vehicle HXH 982 EC	Sole supplier	R11.320,95	Williams Hunt PE is the sole service provider of Chev vehicles and they have a better understanding and knowledge of their products.
26-Aug-24	The Institute for Local Government Management of South Africa	2024 ILGM conference (19 & 20 September 2024) registration fee	Sole supplier	R5.000,00	The Institute for Local Government Management of South Africa is the premier network in South Africa for Managers in Local Government
23-Aug-24	CFAO Mobility t/a Williams Hunt PE	Service of vehicle HXH 982 EC	Sole supplier	R10.943,17	Williams Hunt PE is the sole service provider of Chev vehicles and they have a better understanding and knowledge of their products.
21-Aug-24	Mbuyiselo Isaac Bolo	Hiring a traditional dance group for International Literacy Day event held in Sinakho Community Hall in Paterson	Sole supplier	R2.500,00	The hired traditional dance group is the only group that provides entertainment in ward 4
30-Aug-24	Metsi Water Solutions	Supply and delivery of Water chemicals	Emergency	R66.766,98	Failure to procure chemicals may pose a health hazard to all communities. The tender process for the supply and delivery of chemicals is already on an evaluation stage.
30-Aug-24	Transport- Driving License Card	New card orders- July 2024	Sole supplier	R17.854,00	Driving license Card account is the only supplier of new driving license cards.
				R161.362,89	

IRREGULAR EXPENDITURE

In compliance with Section 32 of the MFMA, Irregular, fruitless and wasteful expenditure amounts to **R1 622 417.98** for the month of August 2024. The expenditure is broken down into the following categories:

- Total of Irregular Expenditure for Capital Projects amounts to **R 0**
- Total of Irregular Expenditure for Operational Expenditure amounts to **R1 609 985.85**
- Total of Fruitless and Wasteful Expenditure amounts to **R 12 522.13**

Reasons for Irregular Expenditure is due to poor planning which leads to direct appointment of security service without following the processes. Utilizing service provider even though the contract have expired.

Detailed Irregular, Fruitless and Wasteful Expenditure schedules are stated in the pages which follow:

IRREGULAR EXPENDITURE FOR AUGUST 2024

Bidder Name	Tender Name/Description	Date Reported	Date of payment	Payment Number	Amount	Description of Incident	Person liable (Official or Political Office)
Sky Metro equipment	Excess KM	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the applicable reporting periods.	27-Aug-24	OB 000062802	R 29.321,50	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Chief Financial Officer
Business Connexion	ICT payment power apps	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the applicable reporting periods.	26-Aug-24	OB 000062797	R107.646,90	The contract for this service provider expired on September 2023 but their services continued being utilised.	Director Corporate Services
Eagle Time Security	Security services rendered from July 2024 to August 2024	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the applicable reporting periods.	23-Aug-24	OB 000062765	R38.143,39	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Director Community Services
Mazizi Amahle Armed Security	Protecting and escorting the Mayor from 15/07/2024 to 15/08/2024	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the applicable reporting periods.	23-Aug-24	OB 000062768	R117.866,66	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Director Community Services
Mazizi Amahle Armed Security	Protecting and escorting the Councillor from 05/08/2024 to 14/08/2024	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the applicable reporting periods.	23-Aug-24	OB 000062768	R37.996,85	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Director Community Services
Mazizi Amahle Armed Security	Protecting and escorting the Director from 15/07/2024 to 15/08/2024	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the applicable reporting periods.	23-Aug-24	OB 000062768	R157.743,20	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Director Community Services
Mazizi Amahle Armed Security	Security services rendered from 15 July 2024 to 15 August 2024	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the applicable reporting periods.	23-Aug-24	OB 000062768	R379.687,47	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Director Community Services



042 230 7700



078 266 6230



Vusa Ithemba	Securtiy services from 16/07/2024 until 15/08/2024	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the apppplicable reporting periods.	23-Aug-24	OB 000062769	R581.779,19	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Director Community Services
Sky Metro equipment	Rental of T Cross	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the apppplicable reporting periods.	15-Aug-24	OB 000062727	R32.880,80	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Chief Financial Officer
Business Connexion	SD Wan	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the apppplicable reporting periods.	30-Aug-24	OB 000062837	R107.496,23	The contract for this service provider expired on September 2023 but their services continued being utilised.	Director Corporate Services
Travelstart	Return flight for Director Infrastructure to Joburg attending the Onaugural Just Energy Transition Municipal conference on 26-27 August 2024	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the apppplicable reporting periods.	21-Aug-24	OB 000062748	R4.500,74	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Chief Financial Officer
South African National Park	Game drive taking place after the conference meeting	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the apppplicable reporting periods.	15-Aug-24		R12.239,92	This service provider was directly appointed with out following the proper SCM processes of sourcing 3 quotations or a deviation.	Municipal manager
Travelstart	Return flight for the Mayor	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the apppplicable reporting periods.	6-Aug-24	OB 000062682	R2.683,00	The service provider was directly appointed without following proper SCM Processes in that there was no specification, evaluation and adjudication of the contract for these services.	Chief Financial Officer
					R1.609.985,85		

Home of the Addo Elephant Park

Fruitless and Wasteful Expenditure for August 2024

Bidder Name	Tender Name/Description	Date Reported	Date of payment	Payment Number	Amount	Description of Incident	Person liable (Official or Political Office)
Auditor General	ACC#81 Finance charges	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the applicable reporting periods.	20/08/2024	1209	12,425.30	Overdue Accounts	Chief Financial Officer
Eskom Holdings	ACC#307 Interest	N/a- MFMA section 71, 52 (d) and 72 Reports are tabled to council during the applicable reporting periods.	23/08/2024	1218	96.83	Overdue Accounts	Chief Financial Officer
					12.522,13		

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