

**COLLINS CHABANE  
LOCAL MUNICIPALITY**  
Mincsa 2011 e



# SECTION 52 REPORT FOR PERIOD ENDING DECEMBER 2021

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## 1. INTRODUCTION

### Monthly budget statements

In terms of MFMA Section 52 the accounting officer of a municipality must by no later than 30 working days after the end of each quarter 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:

- Actual revenue, per revenue source;
- actual borrowings;
- actual expenditure, per vote;
- actual capital expenditure, per vote;
- the amount of any allocations received;
- actual expenditure on those allocations, excluding expenditure on—
- its share of the local government equitable share; and
- allocations exempted by the annual Division of Revenue Act from compliances with this paragraph; and
- when necessary, an explanation of—
- any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
- any material variances from the service delivery and budget implementation plan; and
- any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

(2) The statement must include—

- a projection of the relevant municipality’s revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
  - 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.

## **2. IN – YEAR BUDGET STATEMENT TABLES**

In terms of regulation 14 of the Municipal Budget and Reporting Regulations, the in-year budget statement tables must consist of Table C1 to C 7 and supporting documentation for debtors, Creditors, Investment portfolio analysis and allocation of grants receipts and expenditure.

### **2.1 Collins Chabane Local Municipality- Table C1 Monthly Budget Statement Summary – M06 December**

### **2.1.1 REVENUE**

In terms of 2020/21 audited figures, the municipality had total revenue (excluding capital transfers) of R 539,771 million and in the current financial year, the revised operational revenue budget is R 583,799 million resulting in an increase of 8.1% from previous financial year. The municipal revenue is R 328,288 million for the period ending December 2021. The revised annual operational revenue budget is R 583,799 million and the operational revenue for the period ending December 2021 is R 328,288 million that shows a positive 13% variance against the projected budget of R 289,300 million.

The municipality received Equitable Shares amounting to R 309,293 million, MIG R 63,437 million, FMG of R2, 450 million, R 26,000 million for DRG and INEP of R 15,000 million as at the end of December 2021. The municipality has received all gazetted transfers and subsidies for the period ended December 2021 as per the approved payment schedule and the Division of Revenue Act (DORA).

The operational revenue year to date is R 328,288 million against total projected operational budget of R 269,300 million that shows a positive variance of 13%. The variance of 13% is as the result of the projected budget on grants and subsidies. The budget had been allocated for 12 months' period on the financial system, and the grants has been received in tranches. The municipality will engage with the system vendor during the budget adjustment process to address the allocation of grants in the financial system.

**Refer to Schedule C4 for details on the operational revenue budget.**

The 2020/21 audited figures for transfers and subsidies (capital transfer) is R 100,030 million comprising of R 88,475 million for MIG and R11, 555 million for INEP. The municipality has spent 100% on all the conditional grants in the 2020/21 financial year. No rollover was submitted for the conditional grants, except for the Covid19 unspent allocation. The rollover for the unconditional grant (Covid19) amounting to R725 thousand has been applied and submitted to Treasury as required by Circular 108 of the MFMA. The National Treasury has granted the municipality an approval to rollover the R725 thousand relating to Covid19 grant.

The original budget for capital transfer and subsidies in the current year is budgeted at R 101,758 million, comprising of R86, 758 million for MIG and R15 million for INEP.

The municipality has received R 78,484 million for capital transfer. Of the total capital amount received for capital transfers and subsidies, R 56,803 million has been recognised.

## **2.1.2 EXPENDITURE**

The municipality had R 371,085 million audited figures on operational expenditure in 2020/21 financial year and the current year revised operational expenditure budget is R 469,228 million.

The municipality has currently spent R 215,788 million on operational expenditure against the projected operational budget of R 232,014 million representing a negative variance of 7%. The actual expenditure is R 215,788 million against the annual budget of R 469,228 million is 46%, which shows the negative variance of 54%. Therefore, the municipality underspent by 54% at 31 December 2021. The expenditure on Debt impairment for the quarter ended 31 December 2021 was not captured in the financial system.

The municipality's 2020/21 audited figures for capital expenditure is R 301,848 million and the annual budget was R 351,578 million whereas the current year capital expenditure budget is R 267,308 million which is a decrease of 24% from prior year.

The current year capital budget is made up of two sources of revenue, transfers and subsidies budget of R 101,758 million and own revenues budget of R 165,550 million.

The year to date capital expenditure for both transfers and own revenue is R 155,628 million against the annual budget of R 267,308 million representing 58%. The total capital expenditure of R 155,628 million represents 42% variance against the annual budget of R 267,308 million.

**Refer to the detailed report on each capital projects for the reasons on none or lower than expected spending.**

## **2.1.3 FINANCIAL POSITION**

The municipality's 2020/21 audited outcome for community wealth/Equity was R 1,357,054 billion and projected at R 1,495,470 billion in the current year budget representing an increase of 9%. The municipality is currently sitting on R 1,524,973 billion-community wealth against the annual budget of R 1,495,470 billion which represent 99.7%.

## **2.1.4 CASH FLOWS**

The municipality's 2020/21 audited outcome for cash equivalent was R 401,480 million, the current year projected cash and cash equivalent is R 348,303 million. The municipality bank balance as at 31 December 2021 was R 295,520 million and is in a good financial condition to cover all its committed projects and other current liabilities. The municipality has made an investment amounting to R 100 million in the last financial year

2020/21, and the closing balance of the investments as at 31 December 2021 amounts to R 103,260 million. These includes the total interest accrued to date of R 3,260 million. The overall cash and cash equivalent balance, as at 31 December 2021 was R 398,780 million.

### **2.1.5 DEBTORS**

The debtors balance for the period ending 31 December 2021 is R 224,624 million. Of the total of R 224,624 million, an amount of R 203, million representing 90% is over 90 days.

Total billing for the period ending December 2021 is R 19,237 million with a total year to date collection of R 5,666 million that represent a collection rate of 29, 5% against the year to date billing. The total amount of R 224,624 million is made up of:

- R 67,317 million: government departments,
- R 16,394 million: commercial,
- R 140,684 million: households and
- R 229 thousand: others.

### **2.1.6 CREDITORS**

The municipality's outstanding payments as at 31 December 2021 is R 24,452 million, the total is made up of:

- R 13,967 million: outstanding payments between 0 to 30 days,
- R 65 thousand: outstanding payments 31 to 60 days,
- R 9,200 million : outstanding payments 61 to 90 days,
- R 1,221 million: outstanding payments 91 to 120 days

These exclude the retention amount of R 36,837 million that is catered for in the statement of financial position.



**LIM345 Collins Chabane - Table C1 Monthly Budget Statement Summary - M06 December**

LIM345 Collins Chabane - Table C1 Monthly Budget Statement Summary - M06 December

Description	2020/21		Budget Year 2021/22						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	35 054	33 185	33 185	2 807	16 861	16 592	269	2%	33 185
Service charges	4 775	4 300	4 300	418	2 376	2 150	226	11%	4 300
Investment revenue	7 279	6 889	6 889	1 023	6 447	3 444	3 003	87%	6 889
Transfers and subsidies	481 700	416 518	442 518	119 561	292 969	218 659	74 310	34%	442 518
Other own revenue	10 963	96 908	96 908	3 647	9 635	48 454	(38 819)	-80%	96 908
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>539 771</b>	<b>557 799</b>	<b>583 799</b>	<b>127 457</b>	<b>328 288</b>	<b>289 300</b>	<b>38 988</b>	<b>13%</b>	<b>583 799</b>
Employee costs	119 480	154 283	154 283	11 601	59 382	77 141	(17 759)	-23%	154 283
Remuneration of Councillors	26 555	28 337	28 337	2 192	13 106	14 168	(1 062)	-7%	28 337
Depreciation & asset impairment	39 874	40 650	40 650	8 364	18 319	20 325	(2 006)	-10%	40 650
Finance charges	145	-	-	-	0	-	0	#DIV/0!	-
Inventory consumed and bulk purchases	8 081	7 518	7 318	836	4 664	3 679	985	27%	7 318
Transfers and subsidies	7 783	22 513	22 513	50	3 844	11 256	(7 413)	-66%	22 513
Other expenditure	173 509	189 928	216 128	43 296	116 473	105 444	11 029	10%	216 128
<b>Total Expenditure</b>	<b>375 426</b>	<b>443 228</b>	<b>469 228</b>	<b>66 340</b>	<b>215 788</b>	<b>232 014</b>	<b>(16 226)</b>	<b>-7%</b>	<b>469 228</b>
<b>Surplus/(Deficit)</b>	<b>164 345</b>	<b>114 572</b>	<b>114 572</b>	<b>61 117</b>	<b>112 500</b>	<b>57 286</b>	<b>55 214</b>	<b>96%</b>	<b>114 572</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	100 030	101 758	101 758	20 420	56 803	50 879	5 924	12%	101 758
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>264 375</b>	<b>216 330</b>	<b>216 330</b>	<b>81 537</b>	<b>169 303</b>	<b>108 165</b>	<b>61 138</b>	<b>57%</b>	<b>216 330</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>264 375</b>	<b>216 330</b>	<b>216 330</b>	<b>81 537</b>	<b>169 303</b>	<b>108 165</b>	<b>61 138</b>	<b>57%</b>	<b>216 330</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	288 964	267 308	267 308	22 068	155 908	133 654	22 254	17%	267 308
Capital transfers recognised	60 824	70 167	70 167	17 926	74 440	35 083	39 357	112%	70 167
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	63 807	197 141	197 141	4 143	81 188	98 571	(17 383)	-18%	197 141
<b>Total sources of capital funds</b>	<b>124 631</b>	<b>267 308</b>	<b>267 308</b>	<b>22 068</b>	<b>155 628</b>	<b>133 654</b>	<b>21 974</b>	<b>16%</b>	<b>267 308</b>
<b>Financial position</b>									
Total current assets	501 854	406 671	406 671	-	549 766	-	-	-	406 671
Total non current assets	1 130 745	1 169 233	1 169 233	-	1 267 639	-	-	-	1 169 233
Total current liabilities	144 722	75 142	75 142	-	160 958	-	-	-	75 142
Total non current liabilities	133 379	5 292	5 292	-	131 474	-	-	-	5 292
Community wealth/Equity	1 354 498	1 495 470	1 495 470	-	1 524 973	-	-	-	1 495 470
<b>Cash flows</b>									
Net cash from (used) operating	415 170	262 723	262 723	87 336	217 273	130 815	(86 458)	-66%	262 723
Net cash from (used) investing	(386 609)	(267 308)	(267 308)	(40 545)	(212 998)	(133 654)	79 344	-59%	(267 308)
Net cash from (used) financing	2	-	-	5	4	-	(4)	#DIV/0!	-
<b>Cash/cash equivalents at the monthly/year end</b>	<b>524 987</b>	<b>348 303</b>	<b>348 303</b>	<b>-</b>	<b>427 506</b>	<b>350 049</b>	<b>(77 457)</b>	<b>-22%</b>	<b>418 643</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	3 878	13 964	3 832	17 246	2 998	1 789	11 481	166 197	221 385
<b>Creditors Age Analysis</b>									
Total Creditors	13 522	445	65	9 200	1 221	-	-	-	24 452

## **2.2 Table C2 Monthly Budget Statement- Financial Performance (functional classification)- M06 December**

### **2.2.1 REVENUE PER FUNCTIONAL CLASSIFICATION.**

The total revenue in Table C2 below broken down per functional classification as follows:

- Governance and Administration revenue has been budgeted to R 482,977 million; the year to date actual revenue is R 323,341 million against the projected revenue budget of R 238,888 million that has a variance of 35%. The huge variance has been triggered by the under projection, the municipality used the straight-line projection not considering the equitable shares transfers as per payment schedule. It must be noted that equitable shares for December was incorrectly Captured with an amount VAT exclusive. The correcting journal will be made in next reporting month.
- Community and Public Safety has been budgeted to R 320 thousand, the year to date actual is R 117 thousand against the projected budget of R 160 thousand which is 11% collection over the anticipated collection. Included in this amount is rental of facilities (halls and stadiums) and sale of graves. The variance is above the acceptable norm, the municipality will in the next reporting period adjust the projected figures to eliminate unnecessary variances.
- Economic and Environmental service has been budgeted to R 182,960 million, the year to date actual revenue is R 61,573 million against the projected revenue budget of R 91,480 million, this indicates that revenue received against the year to date budget has a negative variance of 33%. This include R 86,758 million for MIG allocation. The municipality has recognised all conditional grant as at 31 December 2021.
- Trading services revenue has been budgeted to R 19,300 million, the year to date actual revenue is R 0 against the annual budget of R 19,300 million that indicates under collection by 100%. The municipality has received R 15,000 million and the municipality has since spent 0% on INEP projects. It must be noted that waste management revenue is sitting on Budget and Treasury; the manual journal will be processed to move the actual to where it is budgeted for.



## 2.2.2 EXPENDITURE PER FUNCTION

The total expenditure in Table C2 is further broken down per function and classified as follow:

- The total budgeted expenditure per function for Governance & Administration has been budgeted to R 268,522 million, the municipality spent R 114,218 million against the projected budget of R 134,251 million which is negative 15% under spending of the projected budget. The variance is above the acceptable norm; the variance has been explained in table C4 below for individual line items.
- Community and Public Safety has been a total expenditure budget of R 20,246 million, and R 12,088 million was spent against the projected budget of R 10,123 million which shows 19% overspent. There was an under projection hence the huge variance.
- Economic and Environment service expenditure budget has been budgeted to R 107,656 million, and R 63,134 million was spent against the projected budget of R 64,228 million that indicates underspending of -2%.
- Trading service has been budgeted at R 46,804 million, and R 26,347 million was spent against the projected budget of R 23,402 million, which shows 13% variance. Investigation will be conducted to test completeness and accuracy of the information on the General Ledger.

LIM345 Collins Chabane - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
Governance and administration		530 396	456 977	482 977	125 403	323 341	238 888	84 453	35%	482 977
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		530 396	456 977	482 977	125 403	323 341	238 888	84 453	35%	482 977
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		213	320	320	23	177	160	17	11%	320
Community and social services		213	320	320	23	176	160	16	10%	320
Sport and recreation		(0)	-	-	1	1	-	1	#DIV/0!	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		97 638	182 960	182 960	22 451	61 573	91 480	(29 907)	-33%	182 960
Planning and development		92 859	176 027	176 027	20 439	57 966	88 014	(30 048)	-34%	176 027
Road transport		4 779	6 933	6 933	2 012	3 607	3 466	141	4%	6 933
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		11 555	19 300	19 300	-	-	9 650	(9 650)	-100%	19 300
Energy sources		11 555	15 000	15 000	-	-	7 500	(7 500)	-100%	15 000
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	4 300	4 300	-	-	2 150	(2 150)	-100%	4 300
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>639 801</b>	<b>659 557</b>	<b>685 557</b>	<b>147 877</b>	<b>385 091</b>	<b>340 179</b>	<b>44 912</b>	<b>13%</b>	<b>685 557</b>
<b>Expenditure - Functional</b>										
Governance and administration		259 396	268 522	268 522	26 644	114 218	134 261	(20 042)	-15%	268 522
Executive and council		42 181	55 056	55 056	3 177	17 630	27 528	(9 898)	-36%	55 056
Finance and administration		208 552	207 254	207 254	23 205	95 301	103 627	(8 326)	-8%	207 254
Internal audit		8 663	6 211	6 211	251	1 288	3 106	(1 818)	-59%	6 211
Community and public safety		24 516	20 246	20 246	(3 476)	12 088	10 123	1 965	19%	20 246
Community and social services		20 188	4 167	4 167	(7 325)	8 159	2 084	6 076	292%	4 167
Sport and recreation		10	2 970	2 970	-	-	1 485	(1 485)	-100%	2 970
Public safety		4 319	13 108	13 108	3 848	3 929	6 554	(2 625)	-40%	13 108
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		66 458	107 656	133 656	28 582	63 134	64 228	(1 094)	-2%	133 656
Planning and development		37 752	45 663	45 663	(2 957)	21 955	22 832	(876)	-4%	45 663
Road transport		28 706	61 364	87 364	31 538	41 178	41 082	96	0%	87 364
Environmental protection		(0)	629	629	-	-	315	(315)	-100%	629
Trading services		25 057	46 804	46 804	14 590	26 347	23 402	2 945	13%	46 804
Energy sources		16 851	26 117	26 117	2 932	13 602	13 059	543	4%	26 117
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		8 205	20 687	20 687	11 658	12 746	10 344	2 402	23%	20 687
Other		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>375 426</b>	<b>443 228</b>	<b>469 228</b>	<b>66 340</b>	<b>215 788</b>	<b>232 014</b>	<b>(16 226)</b>	<b>-7%</b>	<b>469 228</b>
<b>Surplus/ (Deficit) for the year</b>		<b>264 375</b>	<b>216 330</b>	<b>216 330</b>	<b>81 537</b>	<b>169 303</b>	<b>108 165</b>	<b>61 138</b>	<b>57%</b>	<b>216 330</b>

**References**

- Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
- Total Revenue by functional classification must reconcile to Total Operating Revenue shown in the Financial Performance Statement
- Total Expenditure by functional classification must reconcile to total operating expenditure shown in Financial Performance Statement
- All amounts must be classified under a functional classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

## **2.3 Collins Chabane Local Municipality Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M06 December**

Table C3 below shows the Revenue and Expenditure per vote.

### **2.3.1 REVENUE BY VOTE**

- Budget and Treasury has been budgeted its revenue to R 482,977 million, the year to date actual is R 323,341 million and against the projected budget of R 238,888 million that resulted in a variance of 35.4%. The revenue is made up of municipal grants and other revenue however, it excludes capital grants. Equitable share carries a budget of R 412,284 of the total budget and it has since received R 309,293 million for equitable shares.
- Technical services budget has been budgeted to R 110,475 million, the year to date actual revenue was R 60,856 million against the projected budget of R 53,237 million that shows positive variance of 10.2%. Included in the revenue amount is the capital grants.

### **2.3.2 EXPENDITURE BY VOTE**

- Corporate services have been budgeted to R 118,323 million, the year to date spending by vote is R 59,119 million against the projected budget of R 59,161 million that shows overspending of -1% against the projected expenditure budget.
- Community services budget have been budgeted to R 43,299 million, the year to date actual by vote was R 25,209 million against the projected budget of R 21,650 million that shows less spending of 16% against the projected expenditure budget.
- Spatial Planning & Development's budget has been budgeted to R 40,714 million, the year to date spending by vote was R 19,735 million against the projected budget of R 20,357 million which shows an over spending of 3% against the projected expenditure budget.
- Budget and Treasury budget has been budgeted to R 122,066 million, the year to date spending by vote is R 48,655 million against the projected budget of R 61,083 million which shows under spending of -20% against the projected expenditure budget. The municipality did not affect all transactions debt impairment hence the material variance.
- Technical services 'budget have been adjusted to R 119, 782 million, the year to date spending by vote is R 34,722 million against the projected budget of R 55,524 million which shows underspending by -3% against the projected expenditure budget. The salaries for general workers

who report to Technical services are being cost centred at Waste and management department, some at Budget and Treasury department hence the huge variance.

- Office of the Municipal Manager have been adjusted to R 25,044 million, the year to date spending by vote is R 7,537 million against the projected budget of R 12,522 million which show 39% under spending against the projected expenditure budget.



LJM345 Collins Chabane - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2020/21 Audited Outcome	Budget Year							
			Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - CORPORATE SERVICES	1	—	—	—	—	—	—	—	—	—
Vote 2 - COMMUNITY SERVICES		213	4 620	4 620	23	177	2 310	(2 133)	-92.3%	4 620
Vote 3 - SPATIAL PLANNING & DEVELOPMENT		3 223	87 485	87 485	19	716	43 743	(43 026)	-98.4%	87 485
Vote 4 - BUDGET & TREASURY		530 396	456 977	482 977	125 403	323 341	238 888	84 453	35.4%	482 977
Vote 5 - TECHNICAL SERVICES		105 969	110 475	110 475	22 432	60 856	55 237	5 619	10.2%	110 475
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		—	—	—	—	—	—	—	—	—
Vote 7 -		—	—	—	—	—	—	—	—	—
Vote 8 -		—	—	—	—	—	—	—	—	—
Vote 9 -		—	—	—	—	—	—	—	—	—
Vote 10 -		—	—	—	—	—	—	—	—	—
Vote 11 -		—	—	—	—	—	—	—	—	—
Vote 12 -		—	—	—	—	—	—	—	—	—
Vote 13 -		—	—	—	—	—	—	—	—	—
Vote 14 -		—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—
<b>Total Revenue by Vote</b>	<b>2</b>	<b>639 801</b>	<b>659 557</b>	<b>685 557</b>	<b>147 877</b>	<b>385 091</b>	<b>340 179</b>	<b>44 912</b>	<b>13.2%</b>	<b>685 557</b>
<b>Expenditure by Vote</b>										
Vote 1 - CORPORATE SERVICES	1	103 713	118 323	118 323	12 856	59 119	59 161	(42)	-0.1%	118 323
Vote 2 - COMMUNITY SERVICES		33 219	43 299	43 299	7 992	25 209	21 650	3 560	16.4%	43 299
Vote 3 - SPATIAL PLANNING & DEVELOPMENT		30 037	40 714	40 714	(381)	19 735	20 357	(622)	-3.1%	40 714
Vote 4 - BUDGET & TREASURY		131 308	122 066	122 066	13 045	48 665	61 033	(12 369)	-20.3%	122 066
Vote 5 - TECHNICAL SERVICES		46 898	93 782	119 782	34 722	55 524	57 291	(1 768)	-3.1%	119 782
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		30 251	25 044	25 044	(1 895)	7 537	12 522	(4 985)	-39.8%	25 044
Vote 7 -		—	—	—	—	—	—	—	—	—
Vote 8 -		—	—	—	—	—	—	—	—	—
Vote 9 -		—	—	—	—	—	—	—	—	—
Vote 10 -		—	—	—	—	—	—	—	—	—
Vote 11 -		—	—	—	—	—	—	—	—	—
Vote 12 -		—	—	—	—	—	—	—	—	—
Vote 13 -		—	—	—	—	—	—	—	—	—
Vote 14 -		—	—	—	—	—	—	—	—	—
Vote 15 -		—	—	—	—	—	—	—	—	—
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>375 426</b>	<b>443 228</b>	<b>469 228</b>	<b>66 340</b>	<b>215 788</b>	<b>232 014</b>	<b>(16 226)</b>	<b>-7.0%</b>	<b>469 228</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>264 375</b>	<b>216 330</b>	<b>216 330</b>	<b>81 537</b>	<b>169 303</b>	<b>108 165</b>	<b>61 138</b>	<b>56.5%</b>	<b>216 330</b>

**References**

1. Insert 'Vote'; e.g. Department, if different to standard classification structure
2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)

**2.4 Collins Chabane Local Municipality - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – M06 December**

Table C4 below shows the Revenue and Expenditure per item.

#### 2.4.1 REVENUE

- **Property rates-** The Municipality has been budgeted to R 33,185 million for property rate; the year to date collection on property rate is R 4,896 million against the year to date billing of R 16,861 million that shows the collection rate of 29%. Collection rate for property rate has declined as compared from previous months by 3%.
- **Refuse revenue-** The Municipality budget has been budgeted to R 4,300 million for refuse revenue, the year to date collection on refuse revenue is R 770 thousand against the year to date billing of R 2,376 million that shows the collection rate of 32%. The reason for under collection is due to non-payment by councillors, letters has been sent to individuals to make payments. Consumers not getting statements due to inaccurate contact details on the system; eg. Emails, cellphone. Furthermore, the main contributing to non-payments are government spheres not paying their debts.
- **Rental of facilities and equipment-** The Municipality budget has been budgeted to R 170 thousand for rental of facilities and equipment, the year to date actual rental facilities revenue is R 84 thousand against the projected budget of R 85 thousand that's shows over collection by -1%. The variance is due to government spheres that are utilising the municipal properties (boxing gym and guesthouse) at no fee, including the local radio station. The waiving of costs to communities and other departments contribute to the under collection.
- **Interest earned on external investment-** The budget has been budgeted to R 6,889 million for interest earned on external investments, the municipality earned & received R 6,447 million against the projected budget of R 3,444 million during the period ended October 2021. The municipality made an investment during the previous financial year 2020/21. The huge variance was caused by the misclassification of interest on primary bank account that share strings as interest on investment. The actual to date for interest earned on investment amounts to R 2,597 million.
- **Fines, Penalties and forfeits** has been budgeted to R 644 thousand, to date the municipality has recognised traffic fines revenue amounting to R 1,116 million against the projected budget of R 322 thousand which shows the over collection of 245%. The huge variance is a result of duplicate transactions for prior months; It must also be noted that the write off should be considered.
- **Licence and Permits-** The municipality budgeted R 4,784 million on licence and permits, the year to date actual income is R 3,650 million against the projected budget of R 2,392 million which shows a variance of 53%. This item include the renewal of Spaza licences and permits for new applicants.

- **Agency service**-The municipality has budgeted R 2,149 million for agency fees and the year to date actual agency fees is R 807 thousand against the projected budget of R 1, 074 thousand that shows under collection by 25%. There is a journal that was processed incorrectly in December, which has reduced the agency fees, the journal was meant to reclassify actual to where the budget is.
- **Transfer and subsidies** has been budgeted to R 442,518 million and the year to date actual is R 292,959 million against the projected budget of R 218,659 million that shows 34% variance. The municipality has since received the first trench for Equitable shares for an amount of R 309,293 million however it was previously captured vat exclusive, hence the actual for Transfer and subsidies is understated by R 17,000 million that is currently sitting under Vat payable.
- **Other Revenue** that has been budgeted to R 87,660 million and year to date actual received is R 4,764 million against the projected budget of R 43,830 million that shows a negative variance of 89%. Included in the other revenue is sales of tender documents, clearance certificate and etc. interest on primary bank account is budgeted under other revenue however the spending is sitting at interest on external investment.

#### 2.4.2 EXPENDITURE

- The budget of **employee related cost** has been budgeted to R154, 283 million, and the actual spending is R 59,382 million against the projected budget of R 77,141 million that shows the less spending of 23%. The reason for less spending is mainly due to late appointment of new staff and the delay in the annual salary increases.
- **The budget for remuneration of councillor** is R 28,337 million, and the actual spent is R 13,106 million against the projected budget of R 14,168 million that shows the spending of 93%. The variance of -7% on the remuneration of councillors is within the acceptable norm.
- The budget for both **debt impairment and depreciation** amount to R11,452 million and R 40,650 million respectively and the actual to date for depreciation is R 18,319 million against the projected budget of R 20,325 million and debt impairment R 0 against the budget of R 5,725 million that shows the variance of 100% for debt impairment and 10% for depreciation. There are assets that will be soon capitalised and the new additional assets.
- **Inventory consumed** has been budgeted to R 7,518 million and the actual spending year to date is R 4,664 million against the projected budget of R 3,679 million that shows a variance of 27% over consumption. Included in the year to date spending of R 4,664 million, is the R 2,322 million for fuel usage.
- The actual expenditure on the **contracted services** amounted to R 60,331 million against the projected budget of R 53,109 million. The contracted services relate to security services, GRAP Compliance Asset Register, Financial Reporting and Management Improvements, Financial Reporting and Advisory services, Revenue Enhancement, Legal fees, IT support, Development of Risk plans, Development of LED

strategy and conducting land audit. During the special budget adjustment the municipality adjusted contracted services by R 26,000 million which relates to the disaster relief. It must be noted that the adjusted expenditure budget is funded by Disaster relief grant.

- **General expenditure** has been budgeted to R 93,058 million and the year to date actual is R 56,141 million. The projected budget for general expenditure is R 46,609 million. The variance shows the underspending on general expenditure by 20%. Included in the general expenditure budget is the Repairs and maintenance, which is has been recently been adjusted and the projects has started spending this month of December.

### **2.4.3 SURPLUS FOR THE YEAR**

The anticipated surplus at the end of financial year 2021/2022 is R 231,510 million. The current surplus is R 169,303 million.

LIM345 Collins Chabane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Vote Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		35 054	33 185	33 185	2 807	16 861	16 592	269	2%	33 185
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		4 775	4 300	4 300	418	2 376	2 150	226	11%	4 300
Rental of facilities and equipment		47	170	170	15	84	85	(1)	-1%	170
Interest earned - external investments		7 279	6 889	6 889	1 023	6 447	3 444	3 003	87%	6 889
Interest earned - outstanding debtors		-	1 500	1 500	-	-	750	(750)	-100%	1 500
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		689	644	644	866	1 116	322	794	246%	644
Licences and permits		2 659	4 784	4 784	2 824	3 650	2 392	1 258	53%	4 784
Agency services		2 278	2 149	2 149	(807)	-	1 074	(1 074)	-100%	2 149
Transfers and subsidies		481 700	416 518	442 518	119 561	292 969	218 659	74 310	34%	442 518
Other revenue		4 733	87 660	87 660	750	4 784	43 830	(39 046)	-89%	87 660
Gains		556	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>539 771</b>	<b>557 799</b>	<b>583 799</b>	<b>127 457</b>	<b>328 288</b>	<b>289 300</b>	<b>38 988</b>	<b>13%</b>	<b>583 799</b>
<b>Expenditure By Type</b>										
Employee related costs		119 480	154 283	154 283	11 601	59 382	77 141	(17 759)	-23%	154 283
Remuneration of councillors		26 555	28 337	28 337	2 192	13 106	14 168	(1 062)	-7%	28 337
Debt impairment		27 201	11 452	11 452	-	-	5 726	(5 726)	-100%	11 452
Depreciation & asset impairment		39 874	40 650	40 650	8 364	18 319	20 325	(2 006)	-10%	40 650
Finance charges		145	-	-	-	0	-	0	#DIV/0!	-
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-
Inventory consumed		8 081	7 518	7 318	836	4 664	3 679	985	27%	7 318
Contracted services		83 565	85 418	111 418	22 399	60 331	53 109	7 222	14%	111 418
Transfers and subsidies		7 783	22 513	22 513	50	3 844	11 256	(7 413)	-66%	22 513
Other expenditure		59 186	93 058	93 258	20 897	56 141	46 609	9 532	20%	93 258
Losses		3 556	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>375 426</b>	<b>443 228</b>	<b>469 228</b>	<b>66 340</b>	<b>215 788</b>	<b>232 014</b>	<b>(16 226)</b>	<b>-7%</b>	<b>469 228</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		164 345	114 572	114 572	61 117	112 500	57 286	55 214	0	114 572
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		100 030	101 758	101 758	20 420	56 803	50 879	5 924	0	101 758
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>264 375</b>	<b>216 330</b>	<b>216 330</b>	<b>81 537</b>	<b>169 303</b>	<b>108 165</b>			<b>216 330</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>264 375</b>	<b>216 330</b>	<b>216 330</b>	<b>81 537</b>	<b>169 303</b>	<b>108 165</b>			<b>216 330</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>264 375</b>	<b>216 330</b>	<b>216 330</b>	<b>81 537</b>	<b>169 303</b>	<b>108 165</b>			<b>216 330</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>264 375</b>	<b>216 330</b>	<b>216 330</b>	<b>81 537</b>	<b>169 303</b>	<b>108 165</b>			<b>216 330</b>

## **2.5 Collins Chabane Local Municipality Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) – M06 December**

The municipality (as shown on Table C5) has an original budget of R 267,308 million. As at 31 December 2021, the municipality's capital expenditure is R 155,908 million against the projected budget of R 133,654 million. The capital expenditure performance is more than the projection, the municipality is performing in terms of service delivery except for INEP projects that has no spent since the beginning of the financial year.

LIM345 Collins Chabane - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Multi-Year expenditure appropriation</b>	<b>2</b>									
Vote 1 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - SPATIAL PLANNING & DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET & TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>4,7</b>	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	<b>2</b>									
Vote 1 - CORPORATE SERVICES		1 475	35 600	35 600	180	21 552	17 800	3 752	21%	35 600
Vote 2 - COMMUNITY SERVICES		43 408	45 035	45 035	9 983	35 470	22 517	12 953	58%	45 035
Vote 3 - SPATIAL PLANNING & DEVELOPMENT		-	500	500	-	-	250	(250)	-100%	500
Vote 4 - BUDGET & TREASURY		52 947	8 650	8 650	113	1 188	4 325	(3 137)	-73%	8 650
Vote 5 - TECHNICAL SERVICES		191 134	177 523	177 523	11 793	97 698	88 762	8 936	10%	177 523
Vote 6 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>4</b>	<b>288 964</b>	<b>267 308</b>	<b>267 308</b>	<b>22 068</b>	<b>155 908</b>	<b>133 654</b>	<b>22 254</b>	<b>17%</b>	<b>267 308</b>
<b>Total Capital Expenditure</b>		<b>288 964</b>	<b>267 308</b>	<b>267 308</b>	<b>22 068</b>	<b>155 908</b>	<b>133 654</b>	<b>22 254</b>	<b>17%</b>	<b>267 308</b>

Below is a table showing detailed performance on each capital asset with comments on progress.



<b>Capital expenditure 2021/22 Financial Year</b>				
	<b>Description</b>	<b>Budget</b>	<b>Actuals</b>	<b>Percentage</b>
1	Cost:Acquisitions Corp Serv Construction of Municipal Office Building(new)	29 700 000.00	14 632 307.74	49%
2	Cost:Acquisitions Asset Man Other Equipment(new)	5 449 996.00	495 605.00	9%
3	Acquisitions:Outsourced Palisade Fence at Vuwani Traffic Station(correct)	999 996.00	-	0%
4	Cost:Acquisitions Comm & Soc Serv Hall & Facil Establish Tourism Inform Centre	1 200 000.00	1 552 366.99	129%
5	Cost:Acquisitions Comm & Soc Serv Hall & Facili Constr Comm Hall at Malamulele	999 996.00	-	0%
6	Cost:Acquisitions Comm & Soc Serv Hall & Facili Development of Market Stalls	4 300 004.00	3 930 014.03	91%
7	Cost:Acquisitions Vuwani Sports Centre	999 996.00	-	0%
8	Cost:Acquisitions NURSERY AT MALAMULELE	400 000.00	343 701.00	86%
9	Cost:Acquisitions PARK AT MALAMULELE	2 000 004.00	-	0%
10	Acquisitions:Outsourced Agricultural shared services	500 004.00	-	0%
11	Acquisitions:Outsourced Rehabilitation of Malamulele Internal streets	6 999 996.00	5 330 959.39	76%
12	Acquisitions:Outsourced TRAFFIC LIGHTS AT MHINGA CROSS	399 996.00	-	0%
13	Computer Software:Acquisitions IT EQUIPMENT-LICENSING	2 300 004.00	1 126 365.00	49%
14	Cost:Acquisitions CONSTRUCTION OF DAVHANA STADIUM	16 860 097.00	9 607 628.19	57%
15	Cost:Acquisitions Implementation of Back up and DRP processes	1 200 000.00	-	0%
16	Cost:Acquisitions electronic document management system	3 000 000.00	-	0%
17	Cost:Acquisitions Acquisitions ELECTRIFICATION OF Various villages	15 000 000.00	1 151 471.15	8%
18	Cost:Acquisitions CONSTRUCTION OF FLOOD LIGHTS	999 996.00	925 546.24	93%
19	Cost:Acquisitions Electrification of Malamulele B Extention	2 000 004.00	-	0%
20	Cost:Acquisitions Electricity Construction of High Masts lights(new)	1 500 000.00	1 236 667.32	82%
21	Cost:Acquisitions Electricity Electrification of Ward 21 - 4 Districts	350 004.00	189 058.48	54%
22	Cost:Acquisitions Street Lights at Malamulele Salamulele Vuwani Hlanganani	13 500 000.00	11 591 640.37	86%
23	Cost:Acquisitions GENERATOR AT INFORMATION CENTRE;VUWANI SUB OFFICE AND TRAFFI	2 499 996.00	-	0%
24	Cost:Acquisitions SOLAR PANELS AT CIVIC CENTRE;TRAFFIC AND COMMUNITY HALL	3 999 996.00	2 869 565.22	72%
25	Cost:Acquisitions Bevhula Ring Road	16 949 274.00	13 908 809.82	82%
26	Cost:Acquisitions Fleet Man Motor Vehicles	3 000 000.00	692 125.00	23%
28	Cost:Acquisitions IT Acquisition of IT Equipment(new)	5 799 996.00	6 919 763.81	119%
29	Cost:Acquisitions IT OWN NETWORK TOWERS FEASIBILITY STUDY	600 000.00	-	0%



30	Cost:Acquisitions IT IMPLEMENTATION OF DRONES PROGRAMMES	500 004.00	-	0%
31	Cost:Acquisitions IT SECURITY VULNERABILITY SCAN	500 004.00	-	0%
32	Acquisitions:Outsourced development of stray animal pound station saselamani and hla	500 004.00	-	0%
33	Cost:Acquisitions Purchase of Firearms	699 996.00	-	0%
34	Cost:Acquisitions Acquisitions of Furniture	999 996.00	19 669.57	2%
35	Cost:Acquisitions Construction of Pound Stations for Vehicles	150 000.00	-	0%
36	Cost:Acquisitions Construction of sub-offices traffic/DLTC and VTS at Hlangana	999 996.00	-	0%
37	Acquisitions:Outsourced Sports & Rec facilities Upgrading of Malamulele Stadium	9 067 257.00	8 794 060.87	97%
38	Acquisitions:Outsourced UPGRADING OF BUNGENI STADIUM	999 996.00	-	0%
39	Cost:Acquisitions Sports & Rec facilities Upgrading of Malamulele Stadium	6 999 996.00	7 468 392.80	107%
40	Acquisitions:Outsourced TESTING STATION AT HLANAGNANI AND SASELAMANI	999 996.00	-	0%
41	Acquisitions:Outsourced VUWANI TRAFFIC AND LICENSING ADMIN BLOCK	500 004.00	-	0%
42	Cost:Acquisitions Road Traffic Regulation Upgrade of Malamulele Traffic Statio	3 000 000.00	1 947 763.20	65%
43	Acquisitions:Outsourced CONSTRUCTION OF JOSEFA RING ROAD	999 996.00	-	0%
44	Acquisitions:Outsourced CONSTRUCTION OF XIHOSANA RING ROAD	999 996.00	-	0%
45	Acquisitions:Outsourced Construction of traffic circle Malamulele	1 500 004.00	-	0%
46	Acquisitions:Outsourced MAGOMANI ROAD 2.5KM	999 996.00	-	0%
47	Acquisitions:Outsourced Oliphantshoek Road 2.5 km	999 996.00	-	0%
48	Acquisitions:Outsourced Phaphazela road 2.5 km	999 996.00	-	0%
49	Acquisitions:Outsourced Rehabilitation of Vuwani Internal streets	9 999 996.00	4 035 602.46	40%
50	Cost:Acquisitions Road Tech Serv Plant & Machinery	2 499 996.00	-	0%
51	Cost:Acquisitions ALTEIN ROAD 2.5KM	999 996.00	-	0%
52	Cost:Acquisitions Construction of speed humps on newly constructed roads	399 996.00	-	0%
53	Cost:Acquisitions Low Level Bridges	4 500 000.00	3 798 258.01	84%
54	Cost:Acquisitions Mdavula Ring Road	12 530 720.00	12 530 719.75	100%
56	Cost:Acquisitions Mphambho Ring Road	12 843 483.00	7 988 004.13	62%
58	Cost:Acquisitions Opening and Widening of Streets in Business Park	8 100 000.00	5 113 365.58	63%
59	Cost:Acquisitions Road Tech Serv Nwa-Matatani Ring Road	-	811 575.16	0%
61	Cost:Acquisitions Upgrading of Malamulele D Extension 3	5 000 004.00	1 264 716.90	25%
62	Cost:Acquisitions construction of bus terminals	2 000 004.00	1 734 465.09	87%
63	Cost:Acquisitions sibudi to vyeboom road	10 799 996.00	10 516 237.52	97%
65	Cost:Acquisitions Solid Waste Landfill Xigalo land fill site	20 007 177.00	12 541 648.85	63%
66	Cost:Acquisitions Refuse Bins and Bulk Containers	1 700 000.00	840 000.00	49%
		<b>267 307 956.00</b>	<b>155 908 074.64</b>	<b>58%</b>

Below is a table showing detailed performance on each capital asset with comments on progress.

Below is the breakdown in terms of grants funded projects:

<b>Capital expenditure 2021/22 Financial Year</b>				
		Budget	Actuals	Percentage
1	Acquisitions CONSTRUCTION OF DAVHANA STADIUM	9 000 000	9 607 628	107%
2	Acquisitions Bevhula Ring Road	16 981 936	13 908 810	82%
3	Acquisitions Sports & Rec facilities Upgrading of Malamulele Stadium	5 000 000	5 000 000	100%
4	Construction of Mdavula ring road	18 220 724	12 530 720	69%
5	Construction of Mphambo ring road	18 220 724	7 988 004	44%
6	Acquisitions Solid Waste Management Landfill Site Xigalo Project	15 834 616	15 834 616	100%
		<u>83 258 000</u>	<u>64 869 778</u>	<u>78%</u>
			Total Capex	267 307 956
			MIG	64 869 778
			%	24%
<b>Capital expenditure 2020/21 Financial Year</b>				
		Budget	Actuals	Percentage
1	Acquisitions Acquisitions ELECTRIFICATION OF Various villages	15 000 000	-	0%
		<u>15 000 000</u>	<u>-</u>	<u>0%</u>
			Total Capex	267 307 956
			INEP	-
			%	0%

## MIG

MIG funded projects contributes 31% of the total capital budget and it has since spent 24 % of the total capital budget.

## **INEP**

INEP funded projects contributes 6% of the total capital budget and it has since spent 0% of the total capital budget.

## **INTERNAL FUNDED**

The internal funded projects contribute 62% of the total capital budget and it has since spent 34% of the total actual expenditure as at 31 December 2021.

NB! It must be noted that all calculated expenditure percentage were done against the annual budget.

## **COMMENTS**

The attached Capital Expenditure report shows the total expenditure to date of R 155,908 million. Table C5 Capex showed the capital expenditure of R 155,908 million.

- Cost: Acquisitions Corp Serv Construction of Municipal Office Building(new)-the Contractor is busy with the concrete foundation and columns. The overall progress is at 25%.
- Cost:Acquisitions Asset Man Other Equipment(new)- ongoing
- Acquisitions:Outsourced Palisade Fence at Vuwani Traffic Station-Development of the specification and submitted to SCM for advert
- Cost:Acquisitions Comm & Soc Serv Hall & Facili Development of Market Stalls- the project is complete
- Cost:Acquisitions Vuwani Sports Centre- The Engineer is busy with the detailed designs.
- Cost:Acquisitions NURSERY AT MALAMULELE – The project has been handed-over.
- Cost:Acquisitions PARK AT MALAMULELE – Construction in progress.
- Acquisitions:Outsourced Agricultural shared services-not a competency of the municipality

- Acquisitions:Outsourced Rehabilitation of Malamulele Internal streets- . Ten (10) Contractors have been appointed. The contractors are currently busy with kerbs and speed humps installation. The overall progress is at 80%.
- Acquisitions:Outsourced TRAFFIC LIGHTS AT MHINGA CROSS – Advert stage.
- Computer Software:Acquisitions IT Equipment Licensing - Ongoing
- Cost:Acquisitions CONSTRUCTION OF DAVHANA STADIUM-Phase 2: Phase 2: The Contractor is currently busy with water and sewer pipeline installation,p/avi,ng and building work. The overall progress is at 89%.
- Cost:Acquisitions Implementation of Back up and DRP processes- Advert stage.
- Cost:Acquisitions Electronic document management system- Advert stage.
- Cost:Acquisitions Acquisitions Electrification of Various villages- Makhasa, Meseveni A&C, Masia Miveledzo, Ekurhuleni, Masia Tandavale projects are completed and energized.Makhasa and Madobi will be energized on the 18<sup>th</sup> of January 2022 Overall progress is 98%
- Cost: Acquisitions CONSTRUCTION OF FLOOD LIGHTS. The project is complete ,100%
- Cost: Acquisitions Electrification of Malamulele B Extension- Mbuti contractor is busy stringing LV bundles. Rikaka and Mabiligwe design are 100% complete kick off meeting will be on the 17<sup>th</sup> January 2022.Malamulele B ext the Engineer is busy correcting the design according to Eskom standard. Overall progress 35%
- Cost:Acquisitions Electricity Construction of High Masts lights(new)-. High Mast have been installed, currently awaiting transformer installation from Eskom
- Cost:Acquisitions Electricity Electrification of Ward 21 - 4 Districts- Project is Completed
- Cost:Acquisitions Street Lights at Malamulele Salamulele Vuwani Hlanganani- Contractors are currently busy with installation of head lights and overall progress 95%
- Cost:Acquisitions GENERATOR AT INFORMATION CENTRE;VUWANI SUB OFFICE AND TRAFFI- The contractor is busy with site clearance and procurement of material.overall progress 15%.
- Cost:Acquisitions SOLAR PANELS AT CIVIC CENTRE;TRAFFIC AND COMMUNITY HALL- The Contractor is currently busy with installation of batries. The overall progress is at 88%.
- Cost:Acquisitions Bevhula Ring Road- The contractor has completed the whole scope of work,practical completion handover to be done. The overall progress 96%
- Cost:Acquisitions Fleet Man Motor Vehicles – Requisition to be finalised and SCM unit.
- Cost:Acquisitions IT Acquisition of IT Equipment(new) – Ongoing.
- Cost:Acquisitions IT Own Network Towers Feasibility Study- Advert stage.
- Cost:Acquisitions IT Implementation of Drones Programmes- Advert stage.

- Cost:Acquisitions IT Security Vulnerability Scan- Advert stage.
- Acquisitions:Outsourced development of stray animal pound station Saselamani and Hlaganani- The specification and BOQ were developed for the appointment of a service provider from the pool.
- Cost:Acquisitions Purchase of Firearms – Delay in the appointment of officers.
- Cost:Acquisitions Acquisitions of Furniture – Project on advert stage. Advert closing on 07/02/2022.
- Cost:Acquisitions Construction of Pound Stations for Vehicles- The specification and BOQ were developed for the appointment of a service provider from the pool.
- Cost:Acquisitions Construction of sub-offices traffic/DLTC and VTS at Hlanganani- The project has been handed over to the community on the 16<sup>th</sup> of August 2021
- Acquisitions:Outsourced Sports & Rec facilities Upgrading of Malamulele Stadium- The Contractor is currently busy with access control, rehabilitation of existing sport field grass, construction of the athletic race track, refurbishment of the existing building and electric supply. The overall progress is at 85%.
- Acquisitions:Outsourced UPGRADING OF BUNGENI STADIUM- The Engineer is busy with the details designs.
- Cost:Acquisitions Sports & Rec facilities Upgrading of Malamulele Stadium - 1. The Contractor is currently busy with access control, rehabilitation of existing sport field grass, construction of the athletic race track, refurbishment of the existing building and electric supply. The overall progress is at 85%.
- Acquisitions:Outsourced TESTING STATION AT HLANAGNANI AND SASELAMANI- The Engineer is busy with the detailed designs.
- Acquisitions:Outsourced VUWANI TRAFFIC AND LICENSING ADMIN BLOCK- The Engineer is busy with the detailed designs.
- Cost:Acquisitions Road Traffic Regulation Upgrade of Malamulele Traffic Station- The project has been handed over to the community on the 16th of August 2021.
- Acquisitions:Outsourced CONSTRUCTION OF JOSEFA RING ROAD – The designs are complete. The engineer is busy with the tender document.
- Acquisitions:Outsourced CONSTRUCTION OF XIHOSANA RING ROAD- The designs are complete. The engineer is busy with the tender document
- Acquisitions:Outsourced Construction of traffic circle Malamulele- The project to be re-advertised
- Acquisitions:Outsourced MAGOMANI ROAD 2.5KM- The designs are complete. The engineer is busy with the tender document
- Acquisitions:Outsourced Oliphantshoek Road 2.5 km-The designs are complete. The engineer is busy with the tender document
- Acquisitions:Outsourced Phaphazela road 2.5 km- The designs are complete. The engineer is busy with the tender document
- Acquisitions:Outsourced Rehabilitation of Vuwani Internal streets- The Contractor is currently busy with installation of storm water pipes. The overall progress is 10%.

- Cost:Acquisitions Road Tech Serv Plant & Machinery-ongoing
- Cost:Acquisitions ALTEIN ROAD 2.5KM-The designs are complete. The engineer is busy with the tender document
- Cost:Acquisitions Construction of speed humps on newly constructed roads- Awaiting for appointment letter from SCM
- Cost:Acquisitions Low Level Bridges- 1. Ward 28: -project complete. 2. Ward 27: project complete. 3. Ward 26: - 4. Ward 24: - the contractor is currently busy with head and wing walls construction. The overall progress is at 55%.5. Ward 23: - The contractor is currently busy with site cleaning. Overall progress is at 85%. 6. Ward 22: - The Contractor is currently waiting for the delivery of culverts. Overall progress is at 30%. 7. Ward 21: - The Contractor is currently busy with site cleaning. Overall progress is at 85%.
- Cost:Acquisitions Mdavula ring road-The Contractor is currently busy with roadbed and selected layer construction. The overall progress is 24%.
- Cost:Acquisitions Mphambo ring road- The Contractor is currently busy with roadbed and selected layer construction. The overall progress is 25%.
- Cost:Acquisitions Opening and Widening of Streets in Business Park- The Contractor is currently busy with box cutting and roadbed construction. The overall progress is 20%.
- Cost:Acquisitions Upgrading of Malamulele D Extension 3- The appointment is currently busy box cutting and roadbed construction. The overall progress is at 20%
- Cost:Acquisitions construction of bus terminals-The Contractor is currently busy with beam filling,paving,Eskom poles relocation and cleaning . The overall progress is at 65%.
- Cost:Acquisitions sibudi to vyeboom road- The Contractor is currently busy with G2 base construction ,road surfing and construction of v-drains. overall progress is at 94%.
- Cost:Acquisitions Solid Waste Management Landfill Site Xigalo Project- The Contractor is currently busy with installation of the liners,installation of medium pressure pipe, gravelling of the wearing course on the road, gabion and stone pitching. The overall progress is at 81%.

## **2.6 Collins Chabane Local Municipality - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend – M06 December**

As at 31 December 2021, the municipality had spent R 155,908 million in capital expenditure.



The capital budget of R 15,000 million on the upgrading of existing assets relates to the upgrading of Malamulele stadium having a budget of R 7,000 million, Malamulele D internal streets at R5,000 million, Upgrading of traffic station with a budget of R 2,000 million each and UPGRADING OF BUNGENI STADIUM with R 1,000 million.

The municipality has since spent R 6,488 million as at 31 December 2021 against the budget projection of R 15,000 million on upgrade of existing assets.

LIM345 Collins Chabane - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<b>Monthly expenditure performance trend</b>									
July	9 651	22 276	22 276	32 072	32 072	22 276	(9 796)	-44.0%	12%
August	14 469	22 276	22 276	18 416	50 488	44 551	(5 936)	-13.3%	19%
September	16 306	22 276	22 276	23 940	74 428	66 827	(7 601)	-11.4%	28%
October	15 975	22 276	22 276	22 324	96 752	89 103	(7 650)	-8.6%	36%
November	28 444	22 276	22 276	37 087	133 840	111 378	(22 461)	-20.2%	50%
December	17 733	22 276	22 276	22 068	155 908	133 654	(22 254)	-16.7%	58%
January	11 825	22 276	22 276	-	-	155 930	-	-	-
February	7 185	22 276	22 276	-	-	178 205	-	-	-
March	56 298	22 276	22 276	-	-	200 481	-	-	-
April	16 016	22 276	22 276	-	-	222 757	-	-	-
May	45 439	22 276	22 276	-	-	245 032	-	-	-
June	49 624	22 276	22 276	-	-	267 308	-	-	-
<b>Total Capital expenditure</b>	<b>288 964</b>	<b>267 308</b>	<b>267 308</b>	<b>155 908</b>					

## 2.7 Collins Chabane Local Municipality - Table C6 Monthly Budget Statement - Financial Position – M06 December

The municipality has an opening cash balance of R 401,480 million at the beginning of the financial year and the balance as at 31 December 2021 is R 295,520 million with a projection of R 315,848 million. There is an increase of current assets from the audited balance of R 452,715 million to R 549,766 million in the 2021/2022 financial year. The total non-current assets increased from R 1,483,460 billion to R 1,228,625 billion in the 2021/2022 financial year.

There is generally increase on outstanding debtors due to non-implementation of credit control and debt collection policy as explained above. The municipality has embarked on data cleansing exercise to update the billing information in order to implement the credit control.

The total current liabilities of the municipality are R 135,730 million that include among others creditors and retention amounting to R 36,837 million. Based on the municipality current assets of R 549,766 million, the municipality will be able to cover its short-term obligations as indicated by a positive current/liquidity ratio.

The community wealth of the municipality has increase from R 1,357,054 billion (audited 2020/21) to R 1,524,973 billion in the current financial year.

LIM345 Collins Chabane - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	Budget Year 2021/22				
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		300 171	248 303	248 303	300 118	248 303
Call investment deposits		123 057	100 000	100 000	123 057	100 000
Consumer debtors		23 433	43 395	43 395	41 308	43 395
Other debtors		50 602	11 289	11 289	80 251	11 289
Current portion of long-term receivables		-	1 605	1 605	-	1 605
Inventory		4 591	2 079	2 079	5 033	2 079
<b>Total current assets</b>		<b>501 854</b>	<b>406 671</b>	<b>406 671</b>	<b>549 766</b>	<b>406 671</b>
<b>Non current assets</b>						
Long-term receivables		-	-	-	-	-
Investments		100 000	-	-	100 000	-
Investment property		3 800	15 570	15 570	3 800	15 570
Investments in Associate		-	-	-	-	-
Property, plant and equipment		1 022 061	1 149 563	1 149 563	1 158 132	1 149 563
Biological		-	-	-	-	-
Intangible		3 758	4 100	4 100	4 581	4 100
Other non-current assets		1 127	-	-	1 127	-
<b>Total non current assets</b>		<b>1 130 745</b>	<b>1 169 233</b>	<b>1 169 233</b>	<b>1 267 639</b>	<b>1 169 233</b>
<b>TOTAL ASSETS</b>		<b>1 632 599</b>	<b>1 575 904</b>	<b>1 575 904</b>	<b>1 817 405</b>	<b>1 575 904</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		1 206	-	-	3 110	-
Consumer deposits		318	-	-	322	-
Trade and other payables		119 524	71 313	71 313	133 852	71 313
Provisions		23 675	3 829	3 829	23 675	3 829
<b>Total current liabilities</b>		<b>144 722</b>	<b>75 142</b>	<b>75 142</b>	<b>160 958</b>	<b>75 142</b>
<b>Non current liabilities</b>						
Borrowing		7 831	-	-	5 927	-
Provisions		125 547	5 292	5 292	125 547	5 292
<b>Total non current liabilities</b>		<b>133 379</b>	<b>5 292</b>	<b>5 292</b>	<b>131 474</b>	<b>5 292</b>
<b>TOTAL LIABILITIES</b>		<b>278 101</b>	<b>80 434</b>	<b>80 434</b>	<b>292 433</b>	<b>80 434</b>
<b>NET ASSETS</b>	<b>2</b>	<b>1 354 498</b>	<b>1 495 470</b>	<b>1 495 470</b>	<b>1 524 973</b>	<b>1 495 470</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		1 354 498	1 495 470	1 495 470	1 524 973	1 495 470
Reserves		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>1 354 498</b>	<b>1 495 470</b>	<b>1 495 470</b>	<b>1 524 973</b>	<b>1 495 470</b>

Reference:

## **CASH FLOW**

### **2.7 Collins Chabane Local Municipality - Table C7 Monthly Budget Statement - Cash Flow – M06 December**

#### **2.7.1 Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts – M06 December**

The municipality has a cash balance of R 295,520 million at the end of 31 December 2021. The municipality also made an investment in the previous financial year amounting to R 100 million. The projected balance as at 30 June 2022 is R 351,933 million. Refer Table SC 9 below for more details on monthly cash flow forecasting. It must be noted that the municipality closing balance as at 31 December 2021 was R 398,780 million.

The amount of R 295,520 million is sitting on the primary bank account, which is risky, however the other portion has been invested with other two Banks (Nedbank & Standard Bank) during May 2021 in the previous financial year. The Municipality closed the 2019/20 financial year with a balance of R 401,480 million and surplus funds were used to finance the capital expenditure in the 2021/22 financial year hence a projection of R 351,933 million at June 2022.

LIM345 Collins Chabane - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
Receipts										
Property rates		10 624	9 476	9 476	650	4 896	4 738	159	3%	9 476
Service charges		1 485	1 288	1 288	138	770	644	126	20%	1 288
Other revenue		621	95 408	95 408	(1)	3 012	47 157	(44 145)	-94%	95 408
Transfers and Subsidies - Operational		516 485	416 518	442 518	141 955	344 905	218 659	126 246	58%	442 518
Transfers and Subsidies - Capital		10 660	101 758	101 758	-	15 000	50 879	(35 879)	-71%	101 758
Interest		-	6 889	6 889	-	-	3 444	(3 444)	-100%	6 889
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(124 705)	(368 613)	(394 613)	(55 406)	(151 310)	(194 706)	(43 397)	22%	(394 613)
Finance charges		-	-	-	-	-	-	-	-	-
Transfers and Grants		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>415 170</b>	<b>262 723</b>	<b>262 723</b>	<b>87 336</b>	<b>217 273</b>	<b>130 815</b>	<b>(86 458)</b>	<b>-66%</b>	<b>262 723</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		(100 000)	-	-	-	-	-	-	-	-
Payments										
Capital assets		(286 609)	(267 308)	(267 308)	(40 545)	(212 998)	(133 654)	79 344	-59%	(267 308)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(386 609)</b>	<b>(267 308)</b>	<b>(267 308)</b>	<b>(40 545)</b>	<b>(212 998)</b>	<b>(133 654)</b>	<b>79 344</b>	<b>-59%</b>	<b>(267 308)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		2	-	-	5	4	-	4	#DIV/0!	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>2</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>4</b>	<b>-</b>	<b>(4)</b>	<b>#DIV/0!</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>28 564</b>	<b>(4 585)</b>	<b>(4 585)</b>	<b>46 796</b>	<b>4 279</b>	<b>(2 839)</b>			<b>(4 585)</b>
Cash/cash equivalents at beginning:		496 423	352 888	352 888		423 227	352 888			423 227
Cash/cash equivalents at month/year end:		524 987	348 303	348 303		427 506	350 049			418 643

References

1. Material variances to be explained in Table SC1

## 2.8 Table SC4 Monthly Budget Statement - aged creditors

The creditor's age analysis shows balances of R 24,452 million with the following breakdown:

- R 13,967 million on 30 days,
- R 65 thousand on 60 days,
- R 9,200 million on 90 days and
- R 1,221 million on 121 days.

The municipality has a retention of R 36,837 million as part of other payables in the statement of financial position. The available cash in the bank is able to cover all current creditors. An amount of R 10, 930 million of outstanding creditors is against a legislation requirement of payment of service providers with 30 days in terms of section 65 of MFMA.

LIM345 Collins Chabane - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2021/22								Total
		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	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100									-
Bulk Water	0200									-
PAYE deductions	0300	2 254								2 254
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	11 267	445	65	9 200	1 221				22 198
Auditor General	0800									-
Other	0900									-
<b>Total By Customer Type</b>	<b>1000</b>	<b>13 522</b>	<b>445</b>	<b>65</b>	<b>9 200</b>	<b>1 221</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 452</b>

## 2.9 Collins Chabane Local Municipality - Supporting Table SC3 Monthly Budget Statement - aged debtors – M06 December

The table below indicates that the municipality had outstanding debtors of R 224,624 million as at 31 December 2021. The municipality has appointed a service provider to assist with data cleansing, which will also enable the municipality to implement the credit control and debt collection policy. The municipal collection has improved since the appointment of service provider; the culture of payment in place. The municipality impaired R 64 million (2019/20 FYR) for consumer debtors. The amount of R 224,624 is not a true reflection, there is an amount of R 86 million (2017/18 FYR) that was written off outside the system and it must be noted that the municipality is working with the system vendor to effect the write off in the system.

Description	NI Code	Budget Year 2022/23										Actual Bad Debts Written	Impairment - Bad Debts	
		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			
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200													
Trade and Other Receivables from Exchange Transactions - Electricity	1300													
Receivables from Non-exchange Transactions - Property Rates	1400	2 747	2 526	12 616	2 508	15 518	2 028	9 294	69 102	116 338	98 449			
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-			
Receivables from Exchange Transactions - Waste Management	1600	403	382	637	653	331	313	1 467	18 419	22 605	21 183			
Receivables from Exchange Transactions - Property Rental Debtors	1700													
Interest on Arrear Debtor Accounts	1810													
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820													
Other	1900	704	735	698	687	1 235	646	(145)	81 120	85 681	83 544			
<b>Total By Income Source</b>	<b>2000</b>	<b>3 853</b>	<b>3 643</b>	<b>13 951</b>	<b>3 847</b>	<b>17 084</b>	<b>2 987</b>	<b>10 617</b>	<b>168 642</b>	<b>224 624</b>	<b>203 177</b>	-	-	
<b>2021/22 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	1 778	1 725	5 508	1 735	13 735	1 160	5 530	36 145	67 317	58 306			
Commercial	2300	581	471	1 073	484	1 015	198	609	11 963	16 394	14 269			
Households	2400	1 488	1 440	7 318	1 623	2 329	1 625	4 464	120 397	140 684	130 438			
Other	2500	6	6	53	5	5	3	14	137	229	164	90%		
<b>Total By Customer Group</b>	<b>2600</b>	<b>3 853</b>	<b>3 643</b>	<b>13 951</b>	<b>3 847</b>	<b>17 084</b>	<b>2 987</b>	<b>10 617</b>	<b>168 642</b>	<b>224 624</b>	<b>203 177</b>	<b>0</b>	<b>-</b>	

## 2.10 Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class- M06 December

LIM345 Collins Chabane - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		18 994	26 900	52 900	29 955	38 481	23 850	(14 631)	-61.3%	52 900
Roads Infrastructure		10 828	20 000	46 000	26 474	28 674	20 400	(8 274)	-40.6%	46 000
Roads		10 828	20 000	46 000	26 474	28 674	20 400	(8 274)	-40.6%	46 000
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		7 479	6 000	6 000	3 395	9 347	3 000	(6 347)	-211.6%	6 000
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		7 479	6 000	6 000	3 395	9 347	3 000	(6 347)	-211.6%	6 000
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		687	900	900	87	459	450	(9)	-2.0%	900
Landfill Sites		687	900	900	87	459	450	(9)	-2.0%	900
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-



LIM345 Collins Chabane - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		405	3 000	3 000	176	635	1 500	865	57.6%	3 000
Transport Assets		405	3 000	3 000	176	635	1 500	865	57.6%	3 000
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>1</b>	<b>19 398</b>	<b>29 900</b>	<b>55 900</b>	<b>30 131</b>	<b>39 116</b>	<b>25 350</b>	<b>(13 766)</b>	<b>-54.3%</b>	<b>55 900</b>

2.11 Collins Chabane Local Municipality - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – M06 December

2.12

Table below detailed the Municipality councillors, senior management and other municipal staff remuneration in full detail. It shows all the benefits paid as part of their package.

### **2.12.1 COUNCILLORS REMUNIRATION**

- Basic salaries and wages- councillor's basic salaries and wages has been budgeted to R 19,835 million and the actual spending is R 9,250 million against the projected budget of R 9,917 million that shows 7% underspending against projected budget. The variance is within the acceptable norm.
- The councillor's car allowance has been budgeted to R 1,086 million and actual spending of R 274 thousand against the projected budget of R 543 thousand that shows the underspending of 50%.
- Cell phone allowance has been budgeted for R 3,321 million and actual spent of R 1,564 million against the projected budget of R 1,661 million that shows the underspending of 6%.

### **2.12.2 SENIORS MANAGERS**

- Basic salaries and Wages-Senior Managers basic salaries and wages is budgeted at R 4,521 million and the actual spending is R 1,707 million against the project budget of R 2,261 million that shows 24% underspending against the projected budget. There is a vacant position of a senior manager: Planning and Development and municipal manager which has not been appointed that contributes to the underspending.
- The Senior Manager's car allowance has been budgeted at R 977 thousand and actual spending of R 487 thousand against the projected budget of R 458 thousand that shows the underspending of 0%.

### **2.12.3 OTHER MUNICIPAL STAFF**

- Basic salaries and wages- municipal staff basic salaries and wages has been budgeted to R 93,685 million and the actual spending is R 38,045 million against the projected budget of R 46,843 million which shows an underspending of 19%. The delay in the appointment and filling on vacant positions, and the delay in the annual salary increase has affected the actual to date spending.
- Pension fund- municipal staff pension has been budgeted for R 19,499 million and the actual spent is R 7,197 million against the projected budget of R 9,749 million which shows underspending of 26% against the projected budget.
- Medical aid contribution- municipal staff medical aid contribution has been budgeted for R 12,973 million and the actual spent is R 1,905 million against the projected budget of R 6,487 million that shows an underspending of 71%.

- Overtime - municipal staff overtime has been budgeted for R 238 thousand and the actual spent is R 61 thousand against the projected budget of R 119 thousand that shows an underspending of 49% against the projected budget.

LIM345 Collins Chabane - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		18 941	19 835	19 835	1 562	9 250	9 917	(667)	-7%	19 835
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		754	1 086	1 086	30	274	543	(269)	-50%	1 086
Cellphone Allowance		3 120	3 321	3 321	272	1 564	1 661	(96)	-6%	3 321
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		3 740	4 094	4 094	327	2 018	2 047	(29)	-1%	4 094
<b>Sub Total - Councillors</b>		<b>26 555</b>	<b>28 337</b>	<b>28 337</b>	<b>2 192</b>	<b>13 106</b>	<b>14 168</b>	<b>(1 062)</b>	<b>-7%</b>	<b>28 337</b>
% increase	4		6.7%	6.7%						6.7%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		4 973	4 521	4 521	276	1 707	2 261	(553)	-24%	4 521
Pension and UIF Contributions		35	918	918	3	11	459	(448)	-98%	918
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		689	-	-	-	177	-	177	#DIV/0!	-
Motor Vehicle Allowance		1 239	977	977	90	487	488	(1)	0%	977
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		0	0	0	-	-	0	(0)	-100%	0
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>6 905</b>	<b>6 416</b>	<b>6 416</b>	<b>368</b>	<b>2 382</b>	<b>3 208</b>	<b>(826)</b>	<b>-26%</b>	<b>6 416</b>
% increase	4		-7.1%	-7.1%						-7.1%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		71 502	93 685	93 685	6 916	38 045	46 843	(8 797)	-19%	93 685
Pension and UIF Contributions		14 144	19 499	19 499	1 235	7 197	9 749	(2 553)	-26%	19 499
Medical Aid Contributions		3 869	12 973	12 973	319	1 905	6 487	(4 581)	-71%	12 973
Overtime		2 292	238	238	30	61	119	(58)	-49%	238
Performance Bonus		5 958	7 757	7 757	1 387	3 416	3 878	(462)	-12%	7 757
Motor Vehicle Allowance		9 318	9 898	9 898	912	4 951	4 949	2	0%	9 898
Cellphone Allowance		283	-	-	-	-	-	-	-	-
Housing Allowances		163	549	549	3	51	275	(223)	-81%	549
Other benefits and allowances		2 487	1 857	1 857	168	814	929	(115)	-12%	1 857
Payments in lieu of leave		1 766	1 410	1 410	262	356	705	(349)	-50%	1 410
Long service awards		792	-	-	-	204	-	204	#DIV/0!	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>112 574</b>	<b>147 867</b>	<b>147 867</b>	<b>11 233</b>	<b>57 000</b>	<b>73 933</b>	<b>(16 933)</b>	<b>-23%</b>	<b>147 867</b>
% increase	4		31.4%	31.4%						31.4%
<b>Total Parent Municipality</b>		<b>146 035</b>	<b>182 619</b>	<b>182 619</b>	<b>13 793</b>	<b>72 489</b>	<b>91 310</b>	<b>(18 821)</b>	<b>-21%</b>	<b>182 619</b>

## COMPETENCY REGULATION

- ❖ The municipality identified the number of officials whom does not meet the competency regulation, more than 12 officials are currently enrolled with registered training group for MFIP programme, the programme started from previous financial year (2020/21).
- ❖ The municipality has previously appointed seven (7) new interns that are funded by FMG. The interns attended their last class in December 2021.
- ❖ The municipal appointed seven (7) of the 14 interns as Accounting clerks, they resumed their new role on the 1 July 2021.
- ❖ The municipality has advertised for five (5) interns for Finance interns and internal audit.

Accounting Officer	Meet Minimum Competency	Chief Financial Officer	Meet Minimum Competency	Senior Managers	Meet Minimum Competency	Middle Managers	Meet Minimum Competency	Other Officials & Accountants	Meet Minimum Competency	Councillors	Meet Minimum Competency
Vacant	N/A	Maluleleke V.N	MFMP in progress	Shilenge R.R	CPMD	Maringa R.M	MFMP	Masuvhelele P	CPMD	Cllr Bila T.J	MFMP
				Mabunda R.I	MFMP	Mkhuvele H.S	MFMP	Mamarara L	CPMD	Cllr Lebea M	MFMP
				Maluleleke G.L	MFMP	Simango A	MFMP	Linda T.C	CPMD	Cllr Chauke M.G	MFMP
						Makhubele N.N	MFMP	Chauke H.D	MFMP	Cllr Mashimbye	MFMP
						Yingwana T.B	MFMP	Shivori V	CPMD	Cllr Mavikane S	MFMP
						Shimange T.R	MFMP	Mabasa P	CPMD	Cllr Chauke H	MFMP
						Qxumalo C	MFMP in progress	Minyuku V	CPMD	Cllr Mutele T.M	MFMP
						Radali C	MFMP in progress	Mabasa T.L	MFMP in progress	Cllr Mukhaha A.J	MFMP
						Baloyi P	MFMP in progress	Pataka T	MFMP in progress	Cllr Masia T.M	MFMP
						Mondlane S	MFMP in progress	Mabasa K	MFMP in progress	Cllr Maluleleke S.G	MFMP
						Marima	MFMP in progress	Mathonsi N.B	MFMP in progress		
						Honwane X	MFMP in progress	Rakgogo P	CPMD		
						Napo O	MFMP in progress	Vandezi D	CPMD		
						Maputla D	MFMP in progress	Maluleke T	CPMD		
						Nukeri I	MFMP in progress	Baloyi B	CPMD		
						Sithole G	MFMP in progress	Mashaba N	CPMD		
						Hlungwani G.P	MFMP in progress	Sithole N	CPMD		
						Hlungwani A.K	MFMP in progress	Ntivani O	CPMD		
						Mkhubele T	MFMP in progress				
						Maluleleke L	MFMP in progress				
						Khanyi D	MFMP in progress				

## **SUPPLY CHAIN MANAGEMENT REPORT**

Please refer to the **attached annexure** for supply chain management report.

