2021/2022 FINANCIAL YEAR

THIRD QUARTER BUDGET AND PERFORMANCE ASSESSMENT REPORT

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

TABLE OF CONTENTS

PART 1

1.1 Mayors Report

1.2 Resolutions

1.3 Executive Summary

1.4 In-Year Budget Statement Tables

PART 2

2.1 Debtors Analysis

2.2 Creditors Analysis

2.3 Investment Portfolio Analysis

2.4 Allocation and Grant Receipts and Expenditure

2.5 Councillor and Board Member Allowances and Employee Benefits

2.6 Material Variances to The Service Delivery and Budget Implementation Plan

2.7 Capital Programme Performance

2.8 Other Supporting Documents

2.9 Municipal Managers Quality Certification

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

PART 1

1.1 MAYORS REPORT

This report is tabled in terms of section 52 of the MFMA that requires that as the mayor of this municipality:

(a) **I** must provide general political guidance over the fiscal and financial affairs of the municipality;

(b) **IN** providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;

(c) **MUST** take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;

(d) **MUST**, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and

(e) **MUST** exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor.

In fulfilling these duties honourable Councillors, I present to you the third quarter budget and performance assessment report for the period ending 31 March 2022 for 2021/2022 financial year for you to play your oversight role.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

1.2 RESOLUTIONS

Hereunder are the resolutions in terms of the Municipal Budget and Reporting Regulations which are required to be considered by Council.

1.**THAT** the March 2021/2022 Section 71(1) Monthly Budget Assessment Statement in the C Schedule format as per No. 32141 GOVERNMENT GAZETTE, 17 APRIL 2009 be noted and approved in terms of Section 52(d) of the MFMA

2.**THAT** the report be submitted to National Treasury, Provincial Treasury and other organs of state as per the requirement of No. 32141 GOVERNMENT GAZETTE, 17 APRIL 2009.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

1.3 EXECUTIVE SUMMARY

OPERATING BUDGET

The operating budget as reflected in Table C1 of the Budget Statement Tables can be summarised as follows:

Table 1: Monthly Budget Statement Summary as at 31 March 2022

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
Total Revenue (excluding capital transfers and contributions)	220 614	200 155	199 527	42 761	195 541	149 645	45 895	31%	200 155
Total Expenditure	216 593	200 076	199 448	16 473	136 430	149 586	(13 156)	-9%	200 076
Surplus/(Deficit)	**4 020**	**79**	**79**	**26 289**	**59 110**	**59**	**59 051**	**1**	**79**
Transfers and subsidies - capital	29 266	31 331	31 331	2 043	28 475	23 498	4 976	**0**	31 331
Surplus/ (Deficit) for the year	**34 797**	**31 410**	**31 410**	**28 331**	**87 585**	**23 557**			**31 410**
Total Capital Expenditure	**56 110**	**82 662**	**82 407**	**4 762**	**38 325**	**61 805**	**(23 480)**	**(0)**	**82 662**

The above table shows that as at the end of the third quarter of 2021/2022 financial year, the municipality performance shows an over collections/billing of R45.9 million when comparing the year-to-date budget of R149.6 million with the R195.5 million actual collection/billing. The reasons for this variance will follow below.

On the other hand, the actual expenditure of the municipality for the third quarter of the 2021/2219/2020 financial year has shown a negative variance of R13.2 million and the reasons for this variance will also be discussed in detail later in this report.

For the purposes of this report, the operating budget will be discussed under the following broad headings:

- **Revenue; and**
- **Expenditure**

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

Table 2: Financial Performance (**Revenue**) for the third quarter of 2021/2022 financial year

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
R thousands								%	
Revenue By Source									
Property rates	17 853	18 837	18 644	300	17 747	13 983	3 764	27%	18 837
Service charges - refuse revenue	37	100	501	42	376	376	0	0%	100
Rental of facilities and equipment	525	533	773	55	530	580	(51)	-9%	533
Interest earned - external investments	5 548	6 500	4 986	30	2 941	3 739	(798)	-21%	6 500
Interest earned - outstanding debtors	1 029	942	942	102	858	706	151	21%	942
Licences and permits	2	2	2	–	1	2	(0)	-20%	2
Transfers and subsidies	194 474	172 688	172 716	41 874	172 038	129 537	42 502	33%	172 688
Other revenue	1 146	554	964	359	1 050	723	327	45%	554
Gains	–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)	**220 614**	**200 155**	**199 527**	**42 761**	**195 541**	**149 645**	**45 895**	**31%**	**200 155**

The above table shows~~state~~ that the third quarter budgeted operating revenue for 2021/2022 financial year was R149.6 million. The actual revenue recognised as at 31 March 2022 amounts to R195.5 million which implies that the municipality ~~have~~ realised a favourable variance of approximately R45.9 million in revenue as at the end of the first quarter.

The reasons for these variances will be discussed with reference to table C4 of the budget statement tables, and are ~~is~~ explained as follows:

The council to note that only material variances will be discussed in this report and ~~it a~~ variances of R200 thousands and above.

Property rates

- Property rates shows an over-recognition of R3.8 million as at the end of March 2022. This variance results from ~~is because of~~ the annual billing done to those customers qualify for it in terms of property rates policy. The variance is anticipated to be lesser ~~reduce~~ as the year progresses.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

Interest earned - external investments

- Interest earned - external investments has recorded an under recognition of R0.8 million as of 31 March 2022.
- The municipality is currently experiencing ~~the external email~~ network challenges and that affects the sending/receipt of emails hence the bank statement could ~~an~~not be obtained from the banks to update~~record~~ the interest amount o~~i~~n the system as a result the interest as at the end of March has not been recognised resulting to this variance.
- Once the emails are back the recognition of interest will take place which will subsequently ~~contributing to~~ reduc~~e~~~~ing~~ thi~~se~~ variance even further.

Transfers and subsidies

- Transfers and subsidies show over recognition of R42.5 million as at 31 March 2022. T~~, t~~his positive variance is as a result of grants being received in advance than anticipated as a result it is anticipated that this variance will lessen~~reduce~~ as the year progresses.

Other revenue

- Other revenue revealed an over collection of R327 thousands as of 31 March 2022. This variance arose because of more insurance refunds received than was anticipated.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

Table 3: Financial Performance **(Expenditure**) for the third quarter of 2021/2022 financial year

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
R thousands								%	
Expenditure By Type									
Employee related costs	61 177	71 170	63 607	4 835	46 313	47 705	(1 392)	-3%	71 170
Remuneration of councillors	14 217	16 247	14 913	1 129	10 328	11 185	(857)	-8%	16 247
Debt impairment	1 584	3 000	2 000	–	791	1 500	(709)	-47%	3 000
Depreciation & asset impairment	27 552	23 496	24 196	–	10 184	18 147	(7 963)	-44%	23 496
Finance charges	3	–	–	0	1	–	1	#DIV/0!	–
Inventory consumed	624	1 290	871	50	579	653	(75)	-11%	1 290
Contracted services	61 142	46 577	51 538	6 937	38 975	38 653	322	1%	46 577
Transfers and subsidies	15 086	3 200	5 298	1 081	3 736	3 973	(238)	-6%	3 200
Other expenditure	34 981	35 097	37 026	2 441	25 524	27 770	(2 246)	-8%	35 097
Losses	226	–	–	–	–	–	–		–
Total Expenditure	**216 593**	**200 076**	**199 448**	**16 473**	**136 430**	**149 586**	**(13 156)**	**-9%**	**200 076**

The above table indicates that in the third quarter, budgeted operating expenditure for the 2021/2022 financial year was R149.6 million and the actual expenditure recognised as at 31 March 2022 was R136.4 million. This ~~which~~ implies that the municipality ~~has~~ realised a negative variance or savings of approximately R13.2 million in operational expenditure as at the end of the third quarter.

The reasons for these variances will also be discussed with reference to table C4 of the budget statement tables, and ~~is~~ explained as follows:

The council to note that only material variances will be discussed in this report and ~~it a~~ variances of R200 thousands and above.

The employee related costs

- The employee related costs show a negative variance or savings of almost R1.4 million as at the end of March 2022.
- Delays in filling the budgeted posts as well as resignation of employees remain the main contributing factors into this variance.
- The provisions which are normally calculated upon the finalisation of the AFS also contributed ~~in~~to this variance.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

- Hence is it anticipated that once all budget posts are filled and the provisions are considered the variance will lessen~~reduce~~.

Remuneration of councillors:

- Remuneration of councillors show~~s~~ a negative variance of R857 thousands as at the end of March 2022.
- This variance is attributed to the executive committee budget that are budgeted as full time Councillors but they are currently ~~while now there are~~ earning allowancea as part time Councillors- since the MEC's concurrence of the application has not been received.
- The municipality has made the application to have all members of its EXCO being paid as full-time Councillors. ~~hence once the approval is granted and the back pays are paid the variance will be eliminated.~~

Debt Impairment:

- Debt impairment revealed a negative variance of R907 thousand as of 31 March 2022.
- This variance results from~~is because of~~ the journal related to January, February and March 2022 ~~being~~ not yet captured onto the financial system hence it is anticipated that once the journal is captured the variance will be lesser~~reduce~~.

Depreciation & asset impairment:

- Depreciation & asset impairment revealed a negative variance of R7.9 million as at the end of March 2022.
- This variance is due to asset impairment which yet to be tested and captured onto the financial system as a result it is anticipated that once the impairment is tested and captured on the system the variance will be lesser~~reduce~~.
- In addition to that, the non-running of January, February and March depreciation has also contributed into this variance. This has also not being done since the incumbent responsible is on maternity leave and the consultant could not run Depreciation since the network is down.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

Contracted services

- Contracted services show an over expenditure of R322 thousands as of 31 March 2022.
- This variance is due programmes implemented or expenditure earlier than was ~~being incurred more in advance than~~ anticipated.
- ~~The~~ Council to note that this does not indicate the unauthorised expenditure since ~~once~~ the budget allocated per ~~each of the~~ votes is still available and ~~made up of this expenditure line item is exhausted~~ no payment will be made once the budget for the each vote has been exhausted.

Transfers and subsidies

- Transfers and subsidies revealed a negative variance of R238 thousands as at the end of March 2022.
- This variance is due to items budgeted under this expenditure category such as external bursaries which are~~is~~ not yet paid in full ~~paid~~, but the process is in progress. A ~~a~~s a result, it is anticipated that once all ~~the~~ payments have been ~~is~~ made the variance will reduce.

Other expenditure:

- Other expenditure shows a negative variance of R2.2 million as at 31 March 2022.
- This is mainly due to programme that are yet to be implemented which will be implemented in the final quarter of the financial year. H ~~h~~ence the variance is anticipated to be eliminated as the year progresses.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

CAPITAL BUDGET

Reference is made to Part One – (C Schedule Table C5) for a detailed breakdown of amounts pertaining to the capital budget, per Department.

The municipality has the following seven Departments for the purposes of budget reporting:

- Executive and Council
- Municipal Manager
- Corporate Services
- Budget ad Treasury Office
- Economic Development and Planning
- Community Services
- Technical Services

The municipality approved an original budget of R82.7 million as a capital budget in the current financial year with most of the funding being allocated towards road infrastructure projects and community services projects such as sport fields, ~~and~~ community halls as well as to plant and machinery. The adjustment budget has since seen this budget drop to R82.4 million.

The reference for capital expenditure report is based on Table C5 which is a prescribed format required by National Treasury and it is categorised by municipal vote and standard classification.

The Capital Budget is funded by the following funding sources:

- **Government Grants (MIG)**
- **Internally generated funds**

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

Table 4: Capital Budget Funding Summary

Vote 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
R thousands								%	
Funded by:									
National Government	14 451	31 331	31 331	1 745	24 973	23 498	1 475	6%	31 331
Provincial Government	–	–	–	–	–	–	–		–
District Municipality	–	–	–	–	–	–	–		–
Transfers recognised - capital	**14 451**	**31 331**	**31 331**	**1 745**	**24 973**	**23 498**	**1 475**	**6%**	**31 331**
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	41 659	51 331	51 076	3 018	13 352	38 307	(24 955)	-65%	51 076
Total Capital Funding	**56 110**	**82 662**	**82 407**	**4 762**	**38 325**	**61 805**	**(23 480)**	**-38%**	**82 407**

- The above table illustrate the funding sources for capital expenditure. Based on this report as at 31 March 2022, the municipality was anticipating to spend R61.8 million but only ~~and this was over achieved by~~ R23.5 million was actually spent.
- However, spending on ~~the~~ grant funded projects was good~~have performed very well~~ as at the end of the third quarter. The above table indicates that the municipality has over performed by R1.5 million in projects funded by the MIG grant
- On the other hand, the internal funded projects are showing 65% negative variance.
- The delays in implementing the internally funded projects such as construction of testing centre, municipal access road, buyback centre, procurement of yellow plant and other items funded internal has contributed to this variance.

EXPENDITURE PER STANDARD CLASSIFICATION

The table below provides a budget versus actual expenditure as per the standard classification Table C5 of the in-year reports. Based on this table, as at 31 March 2022 Council ~~has~~ spent R38.3 million of the year-to-date budget of R61.8 million.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

The actual expenditure results in 38% negative variance when compared to a target of R62.8 million.

Table 5: Capital Expenditure Functional Classification

Vote 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
R thousands								%	
Capital Expenditure - Functional Classification									
Governance and administration	**8 970**	**10 671**	**6 710**	**2 239**	**3 729**	**5 032**	(1 303)	-26%	**10 671**
Executive and council	952	3 011	3 160	1 619	2 399	2 370	29	1%	3 011
Finance and administration	8 018	7 660	3 550	620	1 330	2 662	(1 332)	-50%	7 660
Internal audit	–	–	–	–	–	–	–		–
Community and public safety	**3 133**	**3 550**	**3 557**	**124**	**627**	**2 667**	(2 040)	-76%	**3 550**
Community and social services	3 133	3 550	3 557	124	627	2 667	(2 040)	-76%	3 550
Sport and recreation	–	–	–	–	–	–	–		–
Economic and environmental services	**44 007**	**68 441**	**72 141**	**2 399**	**33 969**	**54 106**	(20 137)	-37%	**68 441**
Planning and development	27 393	36 787	43 366	462	18 028	32 525	(14 497)	-45%	36 787
Road transport	16 614	31 654	28 775	1 937	15 941	21 581	(5 640)	-26%	31 654
Environmental protection	–	–	–	–	–	–	–		–
Trading services	**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Energy sources	–	–	–	–	–	–	–		–
Water management	–	–	–	–	–	–	–		–
Other	–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	**56 110**	**82 662**	**82 407**	**4 762**	**38 325**	**61 805**	**(23 480)**	**-38%**	**82 662**

Governance and Administration – Executive and council

Governance and Administration – Executive and council includes the following departments.

KZN293 Ndwedwe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

Vote 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
R thousands								%	
Municipal Manager's Office	299	175	235	–	53	176	(123)	-70%	235

- **Municipal Manager Office** with a budget of R235 thousands for the purchase of Computer equipment and furniture and office equipment.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

- As at 31 March 2022 the department ~~has~~ spent R53 thousands against the targeted budget of R176 thousands which resulted in an underspending of R123 thousands.
- The procurement of furniture for the office of Mayor and Speaker is underway with the expenditure anticipated in the next quarter which will subsequently reduce thise variance.

KZN293 Ndwedwe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March									
Vote 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
R thousands								%	
Executive and Council	653	2 836	2 925	1 619	2 346	2 193	152	7%	2 925

- **Council General** with a budget of R2.9 million for the purchase of the vehicles for the Mayor, Deputy Mayor and Speaker as well as for the laptops for new Councillors.
- Procurement of vehicles ~~is~~ hasd been completed and the expenditure reflected in this report is for those items however there is still a journal that still needs to be done onto the system to add the VAT into this expenditure in line with GRAP standard.
- The procurement of the laptops for Council hasve also been done in a contract method heance this budget will no longer be used and it will form part of the savings within this department.

Governance and Administration – Finance & Administration

Governance and Administration – Finance & Administration includes the following Departments:

KZN293 Ndwedwe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March									
Vote 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
R thousands								%	
Finance	258	300	300	–	32	225	(193)	-86%	300

- **Finance Department** with an annual budget of R300 thousands to purchase Furniture and office equipment and computers.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

- The department has so far spent R32 thousands of this budget and there are few requisitions in progress for furniture and equipment with the expenditure expected in the fourth quarter of the financial year.
- As a result, the variance is anticipated to be reduced once the procurement is done for the above-mentioned items.

KZN293 Ndwedwe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

Vote 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
R thousands								%	
Corporate services	7 760	7 360	3 250	620	1 298	2 437	(1 140)	-47%	3 250

Corporate Services Department with a budget of R3.3 million to procure the following capital items:

- ❖ Vehicles Fire Extinguishers
- ❖ Computer Equipment
- ❖ Furniture and Office Equipment
- ❖ Refurbishment of municipal parking
- ❖ Broadband Infrastructure
- ❖ Municipal Fleet

- As at 31 March 2022 the department was expected to spend R2.4 million (75% of its annual budget) and has since managed to spend R1.3 million which implies that the department had an underspending of R1.1 million as at the end of March 2022.

- The most contributing factor to this variance is the expenditure related to Broadband Infrastructure with a budget of R1 million and nothing had been spent ~~with zero expenditure~~ as at the end of the third quarter.
- The SCM process for this project is underway with the expenditure expected before the end of the fourth quarter which will contribute in reducing this varian~~v~~ce.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

Community and public safety

- Community & Social Services include the budget related to:

KZN293 Ndwedwe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March									
Vote 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
R thousands								%	
Community and Social Services	3 133	3 550	3 557	124	627	2 667	(2 040)	-76%	3 557

- **Community Services Department** with a budget of R3.6 million to procure the following items:
  - ❖ Upgrade of licencing office
  - ❖ Park home
  - ❖ Wheelie bin
  - ❖ Furniture and Office Equipment
  - ❖ Computer Equipment
  - ❖ Modification of Vehicle into fire vehicle
  - ❖ Buy Back Structure (Phase One)
- As at the end of the third quarter, the department was expected to spend R2.7 million however, it managed to spend only R627 thousands.
- The most contributing factor to this variance is the procurement related to the construction of the buyback centre with a budget R2.93 million and zero expenditure was reported as at the end of ~~under review~~ the quarter under review.
- The SCM processes for this project are at the advanced stage with the award and expenditure expected soon as a result this variance is anticipated to reduce once the expenditure has been incurred

Economic & Environmental Services

In terms of Functional classification, the R68.4 million budget reflected under Economic & Environmental Services is for the following departments:

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

KZN293 Ndwedwe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March									
Vote 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
R thousands								%	
Economic Development and Planning	158	1 200	1 200	–	66	900	(834)	-93%	1 200

- **Planning and development (Economic Development and Planning)** with an annual budget of R1.2 million for the procurement of the following capital items:
  - ❖ Computer Equipment
  - ❖ Furniture and Office Equipment and
  - ❖ Machinery and Equipment (Corridor Development Tractor implementation)
- As of 31 March 2022, the department was expected to spend R900 thousands however it ~~has~~ recorded only R66 thousands expenditure as at the end of quarter under review.
- The procurement for the tractor has begun and the process is at the advanced stages with the award expected in the next quarter together with the delivery and respective expenditure ~~which~~ will subsequently reduce the variance in this department.
- As a result, the variance in this department is anticipated to be lesser~~reduce~~ once the appointment is done and the expenditure is incurred which is anticipated in the fourth quarter.

KZN293 Ndwedwe - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March									
Vote 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
R thousands								%	
Technical Services	43 849	67 241	70 941	2 399	33 904	53 206	(19 302)	-36%	70 941

- **Technical Services Department** has a total capital budget of R70.9 million which includes the MIG funding of R31.3 million and internally funding of R39.6 million.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

- As at 31 March 2022 the department was expected to spend R53.2 million and it managed to spend R33.9 million as a result the negative variance of R19.3 million was reportedalised as at the end of quarter under review.
- The delays in implementing the internally funded projects such as construction of testing centre, municipal access road and procurement of more yellow plant has contributed to this variance.
- The department has assured the Council during the adjustment budget that the expenditure on internally funded projects will improve hence it is anticipated that this variance will be lesser once all the projects are implemented.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

1.4 IN-YEAR BUDGET STATEMENT TABLES

The following tables are included as part of the 2021/2022 Budget and Performance Assessment:

C1 - S71 Monthly Budget Statement Summary

C2 - Monthly Budget Statement; Financial Performance (Standard Classification)

C3 - Monthly Budget Statement; Financial Performance (Revenue and Expenditure by municipal vote)

C4 - Monthly Budget Statement; Financial Performance (Revenue and Expenditure)

C5 - Monthly Budget Statement; Capital Expenditure (Municipal vote, Standard classification and Funding)

C6 - Consolidated Monthly Budget Statement; Financial Position

C7 - Consolidated Monthly Budget Statement; Cash Flow

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

PART 2

2.1 DEBTORS ANALYSIS

Table 6: Debtors Analysis

KZN293 Ndwedwe - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March										
Description	Budget Year 2021/22									
R thousands	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
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	–	–	–	–	–	–	–	–	–	–
Receivables from Non-exchange Transactions - Property Rates	300	(7 680)	268	–	259	259	15 143	21 308	29 856	36 969
Receivables from Exchange Transactions - Waste Water Management	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	48	95	48	–	3	3	23	12	231	40
Receivables from Exchange Transactions - Property Rental Debtors	55	98	46	–	39	20	57	127	442	243
Interest on Arrear Debtor Accounts	102	198	98	–	95	95	687	4 501	5 775	5 378
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–	–
Other	(746)	(5 036)	(77)	(8)	(60)	132	(36)	(6)	(5 837)	22
Total By Income Source	**(241)**	**(12 325)**	**382**	**(8)**	**335**	**509**	**15 874**	**25 942**	**30 467**	**42 652**
2020/21 - totals only									–	–
Debtors Age Analysis By Customer Group										
Organs of State	(729)	(8 324)	14	–	10	4	13 055	8 718	12 747	21 787
Commercial	257	468	217	(7)	213	214	1 515	11 174	14 053	13 111
Households	20	41	20	–	20	20	152	2 905	3 179	3 097
Other	210	(4 509)	130	(1)	92	271	1 151	3 144	488	4 657
Total By Customer Group	**(241)**	**(12 325)**	**382**	**(8)**	**335**	**509**	**15 874**	**25 942**	**30 467**	**42 652**

- The above table reflects the municipal debtors by income sources as well as by customer group and based on the above table it can be noted that the municipality is sitting with ~~an~~ Ooutstanding debtors of R30.9 million as at the end of the third quarter of 2021/2022 financial year.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

- Property rates with R239.9 million remain the main debtors of the municipality for the infrastructure owned by National Public Works Department followed by the interest charged on outstanding debtors with R5.8 million outstanding debts.
- Government department and commercial customers group are the main culprints in this leading the list of debtors of the municipality followed by households and other debtors.

2.2 CREDITORS ANALYSIS

Table 7: Creditors Analysis

KZN293 Ndwedwe - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March									
Description	Budget Year 2021/22								
R thousands	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type									
Bulk Electricity	–	–	–	–	–	–	–	–	–
Bulk Water	–	–	–	–	–	–	–	–	–
PAYE deductions	–	–	–	–	–	–	–	–	–
VAT (output less input)	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	–	–	–	–	–	–	–	–	–
Loan repayments	–	–	–	–	–	–	–	–	–
Trade Creditors	(221)	577	0	–	–	29	(15)	(150)	**220**
Auditor General	–	–	–	–	–	–	–	–	–
Other	(1 129)	1 190	26	30	92	(28)	129	(2)	**308**
Total By Customer Type	**(1 350)**	**1 766**	**26**	**30**	**92**	**1**	**114**	**(152)**	**528**

- The above table reflects the creditors owed by the municipality by customer type. As per the above table it is indicated that the municipality is owing the creditors an amount close to R528 thousands million as at the end of the third quarter.
- The invoices submitted but disputed by the creditors section which requires modification or additional information remain the main contributing factor to this amount owed by the municipality.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

- As a result, it is anticipated that once those disputes are resolved the balance will reduce to almost par.

2.3 INVESTMENT PORTFOLIO ANALYSIS

As highlighted under 1.3 above, t~~T~~he investment register ~~for~~ as at 31 March 2022 had~~ve~~ not been updated due to the network ~~external emails~~ challenges faced by the municipality which prevented the municipality from obtaining ~~of the~~ bank statements from the different financial institutions via emails.

Hence the ~~below~~ table below only reflects the movements in the investment up until 28 February 2022 which does not give full picture of the municipal investment portfolio.

Table 8: Investment Portfolio Analysis

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Interest Rate [3]	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands	Yrs/Months										
Municipality											
ABSA CALL ACCOUNT 9123945833	Months	CALL ACCOUNT					1 255	150	(10 006)	20 000	**11 400**
ABSA CALL ACCOUNT 93445892694	Months	CALL ACCOUNT					3 380	55			**3 435**
ABSA FIXED DEPOSIT 2068130142	Months	FIXED DEPOSIT					7 723	207			**7 929**
ABSA FIXED DEPOSIT 2073633680	Months	FIXED DEPOSIT					8 093	217			**8 310**
ABSA FIXED DEPOSIT 2075383437	Months	FIXED DEPOSIT					7 237	194			**7 430**
FNB CALL ACCOUNT 62087920635	Months	CALL ACCOUNT					4 890	149	(9 000)	10 000	**6 039**
STD CALL ACCOUNT 058681019 001	Months	CALL ACCOUNT	0.062				2 089	356	(14 500)	27 000	**14 944**
STD RETAIL CALL ACCOUNT 058681019-011	Months	RETAIL CALL ACCOUNT	0.063				4 184	102			**4 286**
STD FIXED DEPOSIT 058681019 013	Months	FIXED DEPOSIT					7 368	85			**7 453**
STD RETAIL CALL ACCOUNT 058681019-030	Months	RETAIL CALL ACCOUNT					336	8			**345**
STD CALL ACCOUNT 058681019-033	Months	CALL ACCOUNT					3 273	80			**3 353**
INVESTEC BANK CALL ACCOUNT 1100 463139 502	Months	CALL ACCOUNT	0.05				703	526	(9 000)	10 000	**2 228**
INVESTEC BANK FIXED DEPOSIT 1100 463139 451	Months	FIXED DEPOSIT	0.072				14 671	138			**14 809**
INVESTEC BANK FIXED DEPOSIT 1100 463139 452	Months	FIXED DEPOSIT	0.072				13 933	131			**14 064**
INVESTEC BANK CALL ACCOUNT '1100463139620	Months	CALL ACCOUNT					15 310	141			**15 451**
NEDBANK CALL ACCOUNT '37881149922001	Months	CALL ACCOUNT	0.06				96	312	(37 300)	45 000	**8 108**
NEDBANK FIXED DEPOSIT '37881149922002	Months	FIXED DEPOSIT					61	2			**63**
TOTAL INVESTMENTS AND INTEREST							**94 601**	**2 853**	**(79 806)**	**112 000**	**129 648**

2.4 ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Table 9: Allocation and Grant Receipts and Expenditure

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

KZN293 Ndwedwe - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March									
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
R thousands								%	
RECEIPTS:									
Operating Transfers and Grants									
National Government:	–	**170 778**	**170 778**	**41 341**	**170 778**	**170 778**	–		**170 778**
Local Government Equitable Share		165 366	165 366	41 341	165 366	165 366	–		165 366
Finance Management		3 000	3 000	–	3 000	3 000	–		3 000
EPWP Incentive		2 412	2 412	–	2 412	2 412	–		2 412
Provincial Government:	–	**1 910**	**1 910**	–	**1 910**	**1 910**	–		**1 910**
Provincialisation of libraries		935	935		935	935	–		935
Community Library Services Grant		975	975		975	975	–		975
District Municipality:	–	–	–	–	–	–	–		–
[insert description]							–		
							–		
Other grant providers:	–	–	–	–	–	–	–		–
[insert description]							–		
							–		
Total Operating Transfers and Grants	–	**172 688**	**172 688**	**41 341**	**172 688**	**172 688**	–		**172 688**
Capital Transfers and Grants									
National Government:	–	**40 431**	**40 431**	**20 789**	**57 231**	**40 431**	**16 800**	**41.6%**	**40 431**
Municipal Infrastructure Grant (MIG)	–	31 331	31 331	12 989	40 331	31 331	9 000	28.7%	31 331
Integrated National Electrification Prog	–	9 100	9 100	7 800	16 900	9 100	7 800		9 100
Provincial Government:	–	–	–	–	–	–	–		–
[insert description]							–		
							–		
District Municipality:	–	–	–	–	–	–	–		–
[insert description]							–		
							–		
Other grant providers:	–	–	–	–	–	–	–		–
[insert description]							–		
							–		
Total Capital Transfers and Grants	–	**40 431**	**40 431**	**20 789**	**57 231**	**40 431**	**16 800**	**41.6%**	**40 431**
TOTAL RECEIPTS OF TRANSFERS & GR	–	**213 119**	**213 119**	**62 130**	**229 919**	**213 119**	**16 800**	**7.9%**	**213 119**

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

KZN293 Ndwedwe - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March									
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
R thousands								%	
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	–	**170 778**	**170 778**	**344**	**128 879**	**170 778**	**(41 899)**	**-24.5%**	**170 778**
Local Government Equitable Share		165 366	165 366		124 025	165 366	(41 341)	-25.0%	165 366
Finance Management		3 000	3 000	100	2 782	3 000	(218)	-7.3%	3 000
EPWP Incentive		2 412	2 412	244	2 072	2 412	(340)	-14.1%	2 412
Provincial Government:	–	**1 910**	**1 910**	**184**	**1 786**	**1 910**	**(124)**	**-6.5%**	**1 910**
Provincialisation of libraries		935	935		935	935	–		935
Community Library Services Grant		975	975	184	851	975	(124)	-12.7%	975
District Municipality:	–	–	–	–	–	–	–		–
							–		
[insert description]							–		
Other grant providers:	–	–	–	–	–	–	–		–
							–		
[insert description]							–		
Total operating expenditure of Transfers and Grant	–	**172 688**	**172 688**	**528**	**130 665**	**172 688**	**(42 023)**	**-24.3%**	**172 688**
Capital expenditure of Transfers and Grants									
National Government:	–	**40 431**	**40 431**	**1 980**	**34 677**	**40 431**	**(5 754)**	**-14.2%**	**40 431**
Municipal Infrastructure Grant (MIG)		31 331	31 331	1 980	28 412	31 331	(2 919)	-9.3%	31 331
Integrated National Electrification Programme Grant		9 100	9 100	–	6 266	9 100	(2 834)	-31.1%	9 100
Provincial Government:	–	–	–	–	–	–	–		–
							–		
District Municipality:	–	–	–	–	–	–	–		–
							–		
Other grant providers:	–	–	–	–	–	–	–		–
							–		
Total capital expenditure of Transfers and Grants	–	**40 431**	**40 431**	**1 980**	**34 677**	**40 431**	**(5 754)**	**-14.2%**	**40 431**
TOTAL EXPENDITURE OF TRANSFERS AND GRA	–	**213 119**	**213 119**	**2 508**	**165 342**	**213 119**	**(47 777)**	**-22.4%**	**213 119**

- The above tables indicate how much of grants the municipality has~~ve~~ received so far from its allocations. I, ~~i~~t also indicates how much of the received grants have been spent~~d~~ so far.
- ~~The~~ Council can be alerted that the municipality has~~ve~~ received all grants due in line with approved National and Provincial Treasury schedule of payment grants to the municipality. In addition, the municipality has~~ve~~ received R16.8 million from MIG and INEP respectively and the adjustment budget will be compiled~~done~~ to incorporate this additional funding into the budget in line with section 28(2)(b) of the MFMA.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

2.5 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

Table 10: Councillor and Board Member Allowances and Employee Benefits

Summary of Employee and Councillor remuneration	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								%	
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	11 589	12 667	12 593	957	8 552	9 445	(893)	-9%	12 667
Pension and UIF Contributions	623	1 102	429	24	348	322	26	8%	1 102
Medical Aid Contributions	362	468	275	16	218	207	11	5%	468
Motor Vehicle Allowance	136	145	92	6	75	69	6	9%	145
Cellphone Allowance	1 506	1 721	1 524	126	1 126	1 143	(17)	-1%	1 721
Other benefits and allowances	–	143	–	–	9	–	9	#DIV/0!	143
Sub Total - Councillors	**14 217**	**16 247**	**14 913**	**1 129**	**10 328**	**11 185**	**(857)**	**-8%**	**16 247**
% increase		**14.3%**	**4.9%**						**14.3%**
Senior Managers of the Municipality									
Basic Salaries and Wages	3 402	3 836	3 095	258	2 329	2 321	8	0%	3 836
Pension and UIF Contributions	10	11	11	1	8	8	0	0%	11
Medical Aid Contributions	119	126	95	8	63	71	(8)	-11%	126
Performance Bonus	–	–	380	–	–	285	(285)	-100%	–
Motor Vehicle Allowance	1 173	1 324	1 063	89	797	797	(0)	0%	1 324
Sub Total - Senior Managers of Municipality	**4 704**	**5 298**	**4 644**	**355**	**3 198**	**3 483**	**(285)**	**-8%**	**5 298**
% increase		**12.6%**	**-1.3%**						**12.6%**
Other Municipal Staff									
Basic Salaries and Wages	38 647	46 153	41 559	3 306	30 180	31 170	(990)	-3%	46 153
Pension and UIF Contributions	6 615	8 307	7 540	557	5 169	5 655	(486)	-9%	8 307
Medical Aid Contributions	2 753	2 882	2 801	243	2 071	2 101	(30)	-1%	2 882
Overtime	308	477	–	–	–	–	–		477
Performance Bonus	2 615	3 495	2 772	13	2 740	2 079	661	32%	3 495
Motor Vehicle Allowance	1 679	1 853	1 497	120	1 165	1 122	43	4%	1 853
Housing Allowances	232	262	235	19	176	177	(1)	-1%	262
Other benefits and allowances	1 137	603	550	93	827	413	415	100%	603
Payments in lieu of leave	672	1 648	1 816	129	787	1 362	(575)	-42%	1 648
Long service awards	696	192	192	–	–	144	(144)	-100%	192
Post-retirement benefit obligations	1 118	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff	**56 472**	**65 872**	**58 963**	**4 480**	**43 115**	**44 222**	**(1 107)**	**-3%**	**65 872**
% increase		**16.6%**	**4.4%**						**16.6%**
Total Parent Municipality	**75 394**	**87 416**	**78 520**	**5 964**	**56 641**	**58 890**	**(2 249)**	**-4%**	**87 416**
TOTAL SALARY, ALLOWANCES & BENEFITS	**75 394**	**87 416**	**78 520**	**5 964**	**56 641**	**58 890**	**(2 249)**	**-4%**	**87 416**
% increase		**15.9%**	**4.1%**						**15.9%**
TOTAL MANAGERS AND STAFF	**61 177**	**71 170**	**63 607**	**4 835**	**46 313**	**47 705**	**(1 392)**	**-3%**	**71 170**

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

- The above table illustrates the remuneration paid to municipal Councillors and municipal employees.
- Based on this report it can be noted that the municipality has spent a total of R46.3 million toward its councillors and employees, R1.2 million less than the targeted budget of R47.7 million.
- The reasons for this negative variance can be viewed under section 1.3 of the Executive Summary above.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

2.6 MATERIAL VARIANCES TO THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

This report will be tabled separate by the Performance Management System Section.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

2.7 CAPITAL PROGRAMME PERFORMANCE

Table 11: Capital Programme Performance as at 31 March 2022

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								%	
Monthly expenditure performance trend									
July	6 792	6 888		3 258	3 258	6 888	3 631	52.7%	4%
August	6 792	6 888		4 938	8 196	13 777	5 581	40.5%	10%
September	6 792	6 888		5 850	14 045	20 665	6 620	32.0%	17%
October	6 792	6 888		3 211	17 256	27 554	10 298	37.4%	21%
November	6 792	6 888		5 848	23 104	34 442	11 338	32.9%	28%
December	6 792	6 888		5 917	29 022	41 331	12 309	29.8%	35%
January	6 792	6 888		737	29 759	48 219	18 461	38.3%	36%
February	6 792	6 888		3 804	33 563	55 108	21 545	39.1%	41%
March	6 792	6 888		4 762	38 325	61 996	23 671	38.2%	46%
April	6 792	6 888		–		68 885	–		
May	6 792	6 888		–		75 773	–		
June	6 792	6 888		–		82 662	–		
Total Capital expenditure	**81 506**	**82 662**	**–**	**38 325**					

- The council to refer to executive summary for full explanation on capital expenditure variances.

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

2.8 OTHER SUPPORTING DOCUMENTS

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.

2.9 MUNICIPAL MANAGERS QUALITY CERTIFICATION

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.



2021/2022 Budget Assessment - C Schedules as at 31 March 2022

Municipal Manager's quality certification

I, **MF Hadebe** the Municipal Manager of Ndwedwe Local Municipality, hereby certify that the Monthly Budget Assessment ending 31 March 2022 has been prepared in accordance with the Municipal Finance Management Act No. 56 of 2003 and the regulations made under the Act

MF Hadebe

_____

The Municipal Manager of Ndwedwe Municipality (KZN 293)

Signature …….

Date …….

LEGEND

A. Items: Items considered by Exco and referred to Council for resolution / final decision making.
B. Items: Items to be resolved (finalised) by Exco under delegated powers.
C. Items: Confidential matter considered by Exco and referred to Council for resolution.
D. Items: Confidential matters considered and resolved by Exco under delegated powers.