

Item

3.2/5/2/4/2  
FS

**MONTHLY FINANCIAL REPORT AS AT 31 MARCH 2023:**

The following financial reports are submitted for the above-mentioned period:

**ANNEXURE A** - Bank and Call Accounts balances as at 31 March 2023.

**ANNEXURE B** - Councillors Remuneration as at 31 March 2023.

**ANNEXURE C** - MFMA Section 66 Report as at 31 March 2023.

**ANNEXURE D** - Top 20 highest paid creditors for the month ended 31 March 2023.

**ANNEXURE E** - Assets Report as at 31 March 2023.

**ANNEXURE F** - Budget vs. Collection Report as at 31 March 2023.

**ANNEXURE G** – Section 71 Narration as at 31 March 2023.

**ANNEXURE H** - Grant Register as at 31 March 2023.

**ANNEXURE I** - Bank Reconciliation as at 31 March 2023.

**ANNEXURE J** – Supply Chain Management Implementation as at 31 March 2023.

**ANNEXURE K** – Accounts with Agreements Collections as at 31 March 2023.

**ANNEXURE L** – Progress Report on 30% Amnesty as at 31 March 2023.

**ANNEXURE M** – Information Technology as at 31 March 2023.

**ANNEXURE N** – Municipal Standard Charts of Account Update Report as at 31 March 2023.

**ANNEXURE O** – Budget Funding Plan Progress Report as at 31 March 2023.

**COMMENTS: MUNICIPAL MANAGER**

Recommendation is supported.

**RECOMMENDATION:**


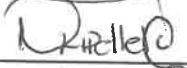


1. **THAT** the contents of the Monthly Financial Reports and Annexures be noted.

# " The City of Heritage "



## BANK AND CALL ACCOUNTS BALANCES AS AT 31 MARCH 2023

ACCOUNT NAME	ACCOUNT NUMBER	BALANCE (R)
Salaries Account	62033637846	79 571.68
Current Account	62035267609	565 458.10
FMG Call Account	62064936093	1 262 684.07
Electricity Sales	62328066776	2 356 953.33
Housing Grant	62062833639	337 608.38
Investment -Main	62179391190	27 793 839.01
Statutory Funds	62064936340	3 449 586.17
DME Account	62324120261	24 031.14
MIG Funds	62067492943	34 151 920.04
Conditional Grant	62067492802	6 835 815.40
<b>TOTAL</b>	<b>R</b>	<b>76 857 467.32</b>

Prepared by:	DG Jiyane		05/04/2023
Reviewed by:	HP Ndlela		05/04/2023
Recommended by:	NM Mahlaba		05/04/2023
Authorised by:	JH Mhlongo		05/04/2023

UMASIPALA WASOLUNDI  
TEL:035 874 5100

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ULUNDI MUNICIPALITY  
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## Expenditure on Councillors remuneration

Period: MARCH 2023

Description	Councillors Expenditure
(a) Salaries and Wages	756 606.72
(b) Medical aid	63 360.00
(c) Pension fund	113 491.02
(d) Car allowance& Subsistence	312 592.82
(e) Data card	173 900.00
<b>Total</b>	<b>1 419 950.56</b>

Prepared by : NP Msimango  
Signature :

DATE: 2023/03/31

Reviewed by : PM Nxumalo  
Signature :

DATE: 2023/03/31

Approved by : ET Khoza  
Signature :

DATE: 2023/03/31

Authorised by: JH Mhlongo  
Signature :

DATE: 2023/03/31

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**"The City of Heritage"**



ULUNDI MUNICIPALITY  
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**Expenditure on Staff Benefits - MFMA S66**  
Period: MARCH 2023

Sec 66	Description	Permanent	EPWP	Contractual	Sec 57	Total
(a)	Salaries and Wages	7 165 025.96	618 426.00	704 519.91	504 708.25	8 992 680.12
(b)	Pensions and Medical Aid	2 373 872.56	-	-	-	2 373 872.56
(c)	Car allowance, S&T, Cell phone	676 925.59	-	10 771.95	93 003.05	780 700.59
(d)	Housing Benefits and Bonus allowance	605 704.71	-	-	3 000.00	608 704.71
(e)	Overtime, standby and standing allowance	105 233.80	-	5 406.30	-	110 640.10
(f)	Leave cash and other allowances	-	-	-	-	-
(g)	Group Insurance, Bargaining Council, UIF, SDL	121 012.80	12 164.18	13 982.75	6 881.54	154 041.27
	<b>Total</b>	<b>11 047 775.42</b>	<b>630 590.18</b>	<b>734 680.91</b>	<b>607 592.84</b>	<b>13 020 639.35</b>

Prepared by : NP Msimango

Signature :  Date: 2023/03/31

Reviewed by : PM Nxumalo

Signature :  Date: 2023/03/31

Approved by : ET Khoza

Signature :  Date: 2023/03/31

Authorised by: JH Mhlongo 

Date: 2023/03/31

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## **Expenditure Management**





### **TWENTY HIGHEST PAID CREDITOR MARCH 2023**

Opening Balance (Favorable) as of 1 March 2023 R13 840 866.48 excluding Grants, therefore R15 709.819.65 was paid in March 2023 utilized collections and collection accounts funds.

<b>DATE</b>	<b>EFT/CHQ</b>	<b>PAYEE/SUPPLIER</b>	<b>DESCRIPTION</b>	<b>SOURCE OF FUNDING</b>	<b>AMOUNT</b>
31/03/2023	APRBLR 843	Green Diamond	Phase 1 ULM EMF Project	Own revenue /Equitable share	78 775.00
31/03/2023	C0323092S	Afrisent Fleet Management	ULM vehicle maintenance	Own revenue /Equitable share	87 903.57
31/03/2023	APRBLR 826	Amahlobo Funeral	Indigent burial	Own revenue /Equitable share	95 000.00
31/03/2023	APRBLR 831	Izwilenkosi Trading and	Purchase of tools for	Own revenue	109 799.00

		Projects	maintenance	/Equitable share Own revenue /Equitable share	
20/03/2023	APLRBLR 820	Loma Business Enterprise	Pound keeper Service	Own revenue /Equitable share	125 000.00
31/03/2023	APRBLR 810/C03230895	Ibutho Lodondo	Refuse removal and collection	Own revenue /Equitable share	134 505.00
31/03/2023	C03230815	TGOSL Trading Group	Managing MIG Projects	Own revenue /Equitable share	187 029.17
15/03/2023	APRBLR 822	Thibi & Thibedis Trading	Purchase of black refuse bags	Own revenue /Equitable share	190 000.00
31/03/2023	C0323088S/APLRBLR 811	Lindimpiliso Trading & Projects	Refuse removal and cleaning services	Own revenue /Equitable share	195 960.00
02/03/2023	APRBLR 815	CHM Vuwani Computer Solution	Purchase of computers	Own revenue /Equitable share	197 013.40
14/03/2023	C0323037M	Premier Hotel	Accommodations for meeting	Own revenue /Equitable share	211 758.00
27/03/2023	APRBLR 844	Ekaya Promotion	Purchase of protective	Own revenue /Equitable share	233 179.75
20/03/2023	C0323053M/APRBLR 823	Ulundi Total Filling Station	Purchase of oil, fuel and petrol	Own revenue /Equitable share	400 000.00
20/03/2023	C0323057M/APRBLR 823	CCG Systems	Annual licence fee for software	Own revenue /Equitable share	414 624.00
24/03/2023	C0323072M	Abdeil Projects	Purchase of material for pothole patching	Own revenue /Equitable share	500 400.00
31/03/2023	APRBLR 813/C0323091S	Brand Partners	Purchase of wall calendars and diaries for ULM	Own revenue /Equitable share	788 038.88

31/03/2023	C0323087S/APLRBLR 807	We.Indlovu Projects	Hire of Private Security	Own revenue /Equitable share	795 113.68
31/03/2023	C0323097M/APRRBLR 816	Uhaqane M. Construction	Transfer of waste from Ulundi to King Cetshwayo District Landfilled	Own revenue /Equitable share	943 000.00
08/03/2023	C0223039M	Auditor General	Professional fees	Own revenue /Equitable share	1 010 88.97
20/03/2023	C0323052M	Eskom	Electricity bulk - purchase	Own revenue /Equitable share	9 011 838.23
<b>TOTAL</b>					<b>15 709 819.65</b>

Prepared by: S Nxumalo		03/03/2023
Recommended by: P M Nxumalo		03/03/2023
Approved by: T E Khoza		03/03/2023
Authorized by: J H Mhlongo		03/03/2023

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## ASSET MANAGEMENT UNIT – MARCH 2023

**Objective:** To give the status update on the work performed and the challenges encountered in the Asset Management Unit.

No.	Legislation/Standard/Policy	Description
	MFMA – Sec 62 (XX)(V)	
	Asset Management Policy	
	GRAP 17	Property, Plant and equipment
	GRAP 16	Investment Property
	GRAP 13	Leases (Finance and Operating)
	GRAP 31	Intangible Assets
	GRAP 103	Heritage Assets
	GRAP 1	Presentation and Disclosure


No.	Item and work done
1.	<b>Additions: (both PPE and IP)</b> <ul style="list-style-type: none"> <li>➤ Acquired Thirteen Laptops</li> <li>➤ Acquired Two Chainsaws</li> </ul>
2.	<b>Disposal/Write offs: (</b> <ul style="list-style-type: none"> <li>➤ No disposals were made during the Month of March.</li> </ul>
	<b>Depreciation:</b> Depreciation was successfully posted.
4	<b>Asset Movement</b> We are currently doing thorough verification with SDM consultants to report on movements after completing the exercise.
5	<b>Damaged assets</b> There were no assets identified as damaged during the verification in the Department of Corporate Services during the month of March.
6	<b>Missing assets</b> There has been no missing assets identified or reported during the Month of March.
7	<b>Physical verification</b> Verification was done in the Department of Corporate Services.
No	Challenges and proposed actions (if any)

Prepared by:

  
N Mthembu

06/04/23

Checked by:

  
P.P S.C DLAMINI

06/04/23

Reviewed by:

  
T. KHOZA

06/04/2023

Authorized by:

  
J.H MHLONGO

# ULUNDI MUNICIPALITY: BUDGET VS COLLECTION MARCH 2023

SERVICES	ANNUAL BUDGET	BUDGETED MONTHLY	SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN AND REVENUE COLLECTION 2022/2023		BUDGETED %
			COLLECTED Mar-23	BUDGET YEAR TO DATE MONTH 08	
			YEAR TO DATE JULY 2022-JUNE 2023	YEAR TO DATE JULY 2022-JUNE 2023	BUDGET VS COLLECTION
MONTHLY RATES	53 290 575.25	4 440 881.27	4 068 325.10	39 967 931.44	79.81
ANNUAL BILLING	55 936 424.75				81.23
REFUSE REMOVAL	10 992 000.00	916 000.00	1 131 108.28	8 244 000.00	87.59
ELECTRICITY SALES:	63 030 912.00	5 252 576.00	3 243 785.92	47 273 184.00	61.36
PREPAID SALES	27 675 088.00	2 306 257.33	2 188 319.65	20 756 316.00	81.75
TRAFFIC FINES	150 000.00	12 500.00	5 200.00	112 500.00	254.23
AGENCY SERVICES	2 500 000.00	208 333.33	281 130.00	1 875 000.00	124.61
RENTAL FACILITIES	1 804 000.00	150 333.33	63 749.86	1 353 000.00	88.29
RECONNECTION; TEMPERING & NEW CONNECTIONS	605-095.00	403 396.67	67 595.88	453 821.25	113.13
BUILDING PLANS	497 935.00	331 956.67	13 115.99	373 451.25	62.34
LICENCE AND PERMITS	1 800 000.00	1 200 000.00	5 776.54	1 350 000.00	87.25
CEMETRIES	44 553.00	29 702.00	3 607.83	33 414.75	124.57
RATES CLEARANCE & VALUATION CERTIFICATES	92 953.00	61 968.67	3 043.48	69 714.75	116.68
TOTAL	218 418 536.00	15 313 905.27	11 069 758.53	121 862 333.44	111.93
Prepared by: Miss P N Mthabela		2023/04/05	COMMENTS (IF ANY)		
Reviewed by: Mr E S Ngubane		2023/04/05			
Recommended by: Mr E T Khoza		2023/04/05			
Authorised by: Mr J H Mhlomo		2023/04/05			

## " The City of Heritage "



### SECTION 71 NARRATION

#### Financial Performance

KZN266 Ulundi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March										
Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		100 048	109 226	109 226	4 161	101 449	81 920	19 499	24%	109 226
Service charges - electricity revenue		65 738	78 875	78 875	5 241	48 218	59 156	(10 938)	-18%	78 875
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		9 092	9 559	9 559	800	7 544	7 169	375	5%	9 559
Rental of facilities and equipment		1 033	1 569	1 077	64	773	808	(35)	-4%	1 569
Interest earned - external investments		648	1 000	1 200	-	1 095	900	195	22%	1 000
Interest earned - outstanding debtors		3 104	-	4 058	418	3 998	3 044	955	31%	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		168	150	100	34	518	75	443	591%	150
Licences and permits		17	-	-	6	92	-	92	#DIV/0!	-
Agency services		2 023	2 174	1 800	169	1 341	1 350	(9)	-1%	2 174
Transfers and subsidies		192 788	196 272	196 272	54 324	206 045	147 204	58 841	40%	196 272
Other revenue		2 901	2 173	773	25	462	580	(118)	-20%	2 173
Gains		(116)	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>377 442</b>	<b>400 998</b>	<b>402 941</b>	<b>65 242</b>	<b>371 507</b>	<b>302 206</b>	<b>69 301</b>	<b>23%</b>	<b>400 998</b>
<b>Expenditure By Type</b>										
Employee related costs		155 484	162 951	162 951	(51)	104 035	122 213	(18 179)	-15%	162 951
Remuneration of councillors		16 835	17 615	17 615	-	11 371	13 211	(1 840)	-14%	17 615
Debt impairment		11 505	16 790	12 790	4	1 267	9 592	(8 326)	-87%	16 790
Depreciation & asset impairment		27 285	37 125	25 125	-	11 553	18 844	(7 291)	-39%	37 125
Finance charges		19	-	-	1 103	5 621	-	5 621	#DIV/0!	-
Bulk purchases - electricity		113 844	100 000	115 000	6 449	87 404	86 250	1 154	1%	100 000
Inventory consumed		4 786	8 951	4 777	1 877	6 634	4 089	2 545	62%	8 951
Contracted services		84 512	42 234	68 149	4 865	59 150	58 045	1 105	2%	42 234
Transfers and subsidies		-	1 146	1 346	181	520	1 099	(579)	-53%	1 146
Other expenditure		32 431	40 360	39 983	4 863	30 726	31 707	(981)	-3%	40 360
Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>446 700</b>	<b>427 171</b>	<b>447 734</b>	<b>19 292</b>	<b>318 281</b>	<b>345 050</b>	<b>(26 769)</b>	<b>-8%</b>	<b>427 171</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(69 259)	(26 173)	(44 793)	45 950	53 226	(42 844)	96 070	(0)	(26 173)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		52 489	44 888	44 888	-	-	33 666	(33 666)	(0)	44 888
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(16 770)</b>	<b>18 715</b>	<b>95</b>	<b>45 950</b>	<b>53 226</b>	<b>(9 178)</b>			<b>18 715</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(16 770)</b>	<b>18 715</b>	<b>95</b>	<b>45 950</b>	<b>53 226</b>	<b>(9 178)</b>			<b>18 715</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(16 770)</b>	<b>18 715</b>	<b>95</b>	<b>45 950</b>	<b>53 226</b>	<b>(9 178)</b>			<b>18 715</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>(16 770)</b>	<b>18 715</b>	<b>95</b>	<b>45 950</b>	<b>53 226</b>	<b>(9 178)</b>			<b>18 715</b>

## **Revenue**

### **Property Rates**

The actual amount represented under property rates is a result of debt collection policy and the municipal financial recovery plan, these instruments played enormous role in achieving this.

### **Service Charges – Electricity**

The unachievable target under electricity sales is due to a vast number of households with tempered electricity and meter audit are conducted continuously.

### **Rental Facilities And Equipment**

Our collection was less than the anticipated figure in this because this is entirely dependent on the residents demand.

### **Licence and Permits**

The unobtainable target was due to the license printing machine at national level.

## **Expenditure**

### **Depreciation**

This non-cash item increase is represented by additions in the municipal fleet department.

## CAPITAL EXPENDITURE

Capital Expenditure - Functional Classification										
<b>Governance and administration</b>	-	-	683	-	2 399	-	2 399	#DIV/0!	-	
Executive and council	-	-	574	-	244	-	244	#DIV/0!	-	
Finance and administration	-	-	109	-	1 910	-	1 910	#DIV/0!	-	
Internal audit	-	-	-	-	245	-	245	#DIV/0!	-	
<b>Community and public safety</b>	-	34 422	558	-	49 814	20 079	29 735	148%	34 422	
Community and social services	-	34 104	558	-	49 640	19 894	29 746	150%	34 104	
Sport and recreation	-	-	-	-	-	-	-	-	-	
Public safety	-	318	-	-	174	185	(11)	-6%	318	
Housing	-	-	-	-	-	-	-	-	-	
Health	-	-	-	-	-	-	-	-	-	
<b>Economic and environmental services</b>	-	3 411	24 932	-	58 000	1 990	56 011	2815%	3 411	
Planning and development	-	-	-	-	-	-	-	-	-	
Road transport	-	3 411	24 932	-	58 000	1 990	56 011	2815%	3 411	
Environmental protection	-	-	-	-	-	-	-	-	-	
<b>Trading services</b>	-	349	1 925	-	7 935	203	7 731	3800%	349	
Energy sources	-	296	1 495	-	7 779	173	7 606	4401%	296	
Water management	-	-	-	-	-	-	-	-	-	
Waste water management	-	53	408	-	156	31	125	409%	53	
Waste management	-	-	22	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	
<b>Total Capital Expenditure - Functional Classification</b>	3	-	38 182	28 098	-	118 149	22 273	95 876	430%	38 182
<b>Funded by:</b>										
National Government	-	37 515	26 354	-	112 065	21 884	90 181	412%	37 515	
Provincial Government	-	-	-	-	-	-	-	-	-	
District Municipality	-	-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Entities, etc.)	-	-	-	-	-	-	-	-	-	
Transfers recognised - capital	-	37 515	26 354	-	112 065	21 884	90 181	412%	37 515	
Borrowing	6	-	-	-	-	-	-	-	-	
Internally generated funds	-	666	1 744	-	6 084	389	5 695	1465%	666	
<b>Total Capital Funding</b>		-	38 182	28 098	-	118 149	22 273	95 876	430%	38 182

The municipal has one capital expenditure (MIG) and has demonstrated in the above the municipal is still align to the conditions.

Prepared by: L.N. MNGAMA

Reviewed by: H.P. NDLELA

Signature:



Signature:







Authorised by: MW MASHABA

Signature:



## BUDGET AND TREASURY OFFICE

ULUNDI MUNICIPALITY GRANTS REPORTS AS AT 31 MARCH 2023					
NO.	GRANT NAME	AMOUNT RECEIVED	AMOUNT SPENT	BALANCE	
1.	MIG – CAPITAL PROJECTS	R 41 888 000.00	R 41 281 387.93	R 606 612.13	
2.	INEP – ELECTRIFICATION	R 6 000 000.00	R 6 206 500.00	-R 206 500.00	
3.	FMG – CONDITIONAL	R 2 100 000.00	R 929 686.43	R 1 146 107.23	
4.	EPWP - CONDITIONAL	R 3 298 000.00	R 4 517 524.86	-R 1 219 524.86	

	PREPARED BY	REVIEWED BY	RECOMMENDED BY	AUTHORISED BY
NAME	L.N. Mokoena	D.G. Jirane	M.N. Mofokeng	T. Khosa
SIGNATURE				
DATE	06/04/23	06/04/2023	06/04/23	06/04/2023

# " The City of Heritage "



Ulundi Local Municipality			
Bank Reconciliation Statement for the month ended 31 March 2023			
Date	Reference	Amount	Balance
Balance per Bank Statement	B/S		565 458.10
Processed Transactions			
Less: Outstanding Payments			
<b>Total Outstanding Payments</b>	C/B	<b>10 407 463.67</b>	
Plus: Outstanding Deposits			
<b>Total Outstanding Deposits</b>	C/B		
Open Batches			
Less: Outstanding Open Batch Payments			
<b>Total Outstanding Open Batch Payments</b>	C/B		
<b>Reconciled Bank Balance</b>		-	<b>8 794 296.57</b>
<b>Computer Calculated Bank Balance</b>		-	<b>8 794 294.00</b>
<b>Difference</b>		-	<b>2.57</b>

Prepared by L.N MNGOMA

Checked by H.P. NDLELA

Date 06/04/23

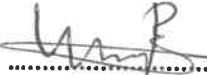
Date 05/04/2023

Signature 

Signature 

Approved by MN MASHABA

Date 05/04/23

Signature 

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"The City of Heritage"



ULUNDI MUNICIPALITY

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# SUPPLY CHAIN MANAGEMENT UNIT

## IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY – MARCH 2023

### 1. Purpose:

Is to report to the Mayor regarding the implementation of the Supply Chain Management Policy adopted in May 2022.

### 2. Background:

Regulation 6(3) of the SCM Regulations (General Notice 868 in Government Gazette 27636 of May 2005 which states that – "the accounting officer must, within 10 working days of the end of each quarter submit a report on the implementation of the supply chain management policy to the mayor"

### 3. Legislative compliance:

- Local Government: Municipal Finance Management Act no 56 of 2003
- Local Government: Municipal Finance Management Regulations no 56 of 2003
- Municipal Supply Chain Management Policy
- Declaration of conflict interest policy
- Contract management policy

- Contract management framework
- Preferential Procurement Regulations
- All other relevant legislations, National and Provincial Treasury
- Guidelines and Circulars

**4. Capacity of Supply Chain Management:**

- The unit has 7 seven budgeted and filled position with two which are vacant for orders clerk and Contract Manager.
- 5 of the officials are fully compliant with the minimum competency requirements and the other two officials (Data capture and storeman) whose functions does not require them to have competency.

**5. Orders issued**

	March 2023	Comments
Orders	89	
Amount	R 12 732 093.63	

**6. Deviations:**

There hasn't been any deviation during the month of March 2023.

**7. Competitive bidding process:**

There have been no awards made during the month of March 2023

**8. Database administration**

- There is one official appointed to maintain database.
- The municipality has 724 suppliers registered in the ULM Database.
- Municipality continuously uses Central Suppliers Database (CSD) as required by MFMA circular 81 of 2016.
- Municipality does not trade with suppliers that are not compliant on CSD and the financial system does not allow to transact with those.

- CSD is a real time system that is used to verify supplier.
- Information such as TAX, BBBE, Bank account, In the employment of the state or not.
- The unit is also continuously driving the process to ensure that all suppliers are registered for the correct commodities to ensure effective and efficient service delivery.

New suppliers for the month March 2023: **08**

suppliers who did not comply for the month of **March 2023**, were taken out from Ulundi Local Municipality Suppliers database: **0**

total number of Ulundi Local Municipality suppliers in database for the month of **March 2023 :724**

**NEW SUPPLIERS FOR THE MONTH OF MARCH 2023:**

- |   |              |
|---|--------------|
| 1. Madluphuthu Construction and Projects  | MAAAA0139970 |
| 2. Senzangabomu                           | MAAAA0933228 |
| 3. Sukuma Consulting Engineers            | MAAAA0213185 |
| 4. Mekan Engineering Services             | MAAAA0032858 |
| 5. Isinqumo Investments                   | MAAAA0086044 |
| 6. Okatshani Trading and Projects         | MAAAA0978315 |
| 7. Sphesihle and Snenlanhla girls Trading | MAAAA0088384 |
| 8. Iqubekela Phambili Traders             | MAAAA1082852 |

**9. Monthly suppliers' performance:**

Reports are submitted to the Municipal Manager on quarterly basis to Council.

**10. Irregular expenditure:**





Irregular expenditure amounts to R25 876 155.60 for the Month of March 2023

**11. Contract management:**

<ul style="list-style-type: none"> <li>There has been no contract extension for the month of March 2023</li> </ul>
<p><b>12. Inventory management:</b></p> <ul style="list-style-type: none"> <li>Stock take is done for the 3rd quarter 2023.</li> <li>The value of stock as at the end of March 2023 – R1 907 961.11</li> </ul>
<p><b>13. Regulation 32</b></p> <ul style="list-style-type: none"> <li>Resolution not to use SCM regulation 32 was taken by the MANCO.</li> </ul>
<p><b>14. Fruitless and wasteful expenditure</b></p> <p>An amount of R1 103 375.57 has been incurred and reported as fruitless and wasteful expenditure. The amount is mainly made of Eskom interest</p>
<p><b>15. Audit finding:</b></p> <p>Corrective measures were implemented to address the findings raised which relates to Contract Management.</p>

**14. Recommendation**

-that the report be noted.

ITEM:	NAME:	Title	SIGNATURE:	DATE:
Prepared By:	Ms NVD Hlabe	SCM Manager		04/04/2023
Checked By:	Mr. NM Mahlaba	DCFO Reporting		04/04/2023
Reviewed By:	Mr. T. Khoza	DCFO		04/04/2023
Approved By:	Mr JH Mhlongo	CFO		04/04/2023

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MUNICIPALITY**

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**FS 8**

**LIST OF ACCOUNTS WITH AGREEMENT AS AT 31 MARCH 2023**

**SUMMARY**

MONTH			TOTAL
MARCH	FS 12.1	18 436.00	
	FS 12.3	69 551.15	
	FS 12. 2	30 311.00	
	FS 12.2	13 470.00	
			<b>R131 768.15</b>
<b>TOTAL</b>			<b>R131 768.15</b>

PREPARED BY: Controller Revenue B.P.Nxumalo Signature:  Date: 04/04/2023

CHECKED BY: Revenue Accountant S.N.Biyela Signature:  Date: 04/04/2023

RECOMMENDED BY: Revenue Manager E.S.Ngubane Signature:  Date: 04/04/2023



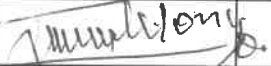
APPROVED BY : DeputyCFO T.E.Khoza Signature:  Date : 06/04/2023

AUTHORISED BY : CFO J.H.Mhlongo Signature:  Date: 06/04/23

# " The City of Heritage "



## PROGRESS RESOPRT ON 30 % AMNESTY AS AT 31 MARCH 2023

No of Customers	Balance	70% to be recovered	30% Amnesty	Monthly payments	Comments
9	125,838.71	88,087.10	37,751.61	23,621.77	AOD
7	119,113.87	83,379.71	35,734.16	83,384.36	Settled
Total received as at 31/03/2023				<b>107,006.13</b>	
PREPARED BY:	E S NGUBANE			11/04/2023	
CHECKED BY:	T E KHOZA			11/04/2023	-
APPROVED BY:	J H MHLONGO			11/04/2023	

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## IT DIVISION REPORT – MARCH 2023

**Objective:** To give the status update on the work performed and the challenges encountered in the Information Technology Division during the month.

No.	Legislation/Standard/Policy	Description
1	None	

NO.	ITEM AND WORK DONE
1	<p><b>Acquisition of New Computer Equipment</b></p> <p>Following numerous cry by many end users to get new computers and deservedly so, the Municipality purchased 13 new Dell laptops. The laptops were appropriately tested and setup by the IT office before being handed out to end users. The test results indicated that these were fairly good laptops for business use. They were allocated to end users who were prioritized by both IT office and the municipal manager.</p> <p>There is, however, still the need to acquire more computers to satisfy the need by many end users.</p>
2	<p><b>Cabling of the New Offices at Technical Services Department</b></p> <p>After the appointment of the service provider, Green G Technologies, the cabling of the new building was started. Due to technical requirements for connection of the new offices from the Fleet office, the new switch router was installed in the Fleet office and the old one from the Fleet office was then installed in the new offices. The cabling was completed without major challenges.</p> <p>The Technical Services department needs to install a power plug to supply the switch router in the new offices. Mr. Dlathu was engaged on this matter. The contingency plan was made, where Mr. Dlathu provided an extension cable to power the switch router.</p> <p>However, a proper power supply which office occupants cannot easily interrupt must be installed instead of using the extension cable. The department promised that they will make means to install the proper power supply as recommended.</p>

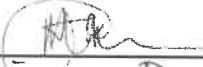
	<p><b>Network Challenges</b></p> <p>Over and above cabling of the new offices, Green G Technologies also assisted IT office to troubleshoot and stabilize network after there were network challenges experienced across the organization. In addition to troubleshooting, the service provider configured a technical means (i.e., OSPF tunnels) for IT office to easily identify problems in the network. However, the problem wasn't eliminated completely as there are still problems from time to time; the municipality will have to get a service provider to assist in</p>
3	<p><b>Sage HR and Payroll Implementation</b></p> <p>The service provider, CCG Systems, requested IT office to provide them with Payday backup. This could only be done after authorization is granted by the accounting officer as it may have legal implications. The IT office wrote a memo to the municipal manager (MM) requesting the authorization to send backup data. The MM authorized IT office to provide the backup to CCG Systems. The backup was then given to representative of CCG System.</p> <p>No further communication or update about the implementation was received from CCG System and receiving the backup data. Therefore, as end of the month, the IT office had no knowledge of the current status of this project.</p>
4	<p><b>IT Helpdesk</b></p> <p>The issues reported to IT are appropriately logged by IT helpdesk personnel. We request municipal officials to respect the IT helpdesk process by following proper channel when reporting issues.</p>
5	<p><b>Risk Register</b></p> <p>The risk register file was submitted for the month of February 2023. All due risk items were submitted.</p>
6	<p><b>Website Update</b></p> <ul style="list-style-type: none"> <li>- The website was updated by uploading documents for public consumption.</li> <li>- As of the end of March 2023, the IT manager who was responsible for website update hadn't received the content from Corporate Service. This was after two forms (for events) were designed and shared with representatives of Corporate Services to make it easier for them to provide content.</li> </ul>


Number of meetings held within the division	
No	None


STANDING CHALLENGES	
No	Item and Description
1	<b>Ordinary User and Admin Access Monitoring</b>

	Monitoring of users and administrators access to the municipal systems needs to be done frequently as the auditors recommends and good practice. IT needs a tool to do this task. We made the quotation with an aim to acquire the tool. However, we have not been able to get the tool because of shortage of funds.
2	<p><b>Old Computers</b></p> <p>Most desktop computers in the municipality have gone passed their recommended lifespan for business use which is 5 years. We have tried to maintain these old computers as they are still in use; however, they are now failing to handle new Microsoft products that the municipality is using. There is, therefore, a need to acquire several computers to replace these items.</p>

<b>FUTURE PLANS</b>	
1	<p><b>Library Website Requested Feature Development</b></p> <p>The functionality that was requested by the Community department still needs to be incorporated to the library's website.</p>

Prepared By Mzomuhle Nkosi Signature  Date 31 March 2023

Checked By MW Mathwaba Signature  Date 31/03/23

Authorized By T Khosha Signature  Date 31/03/2023

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## **BUDGET AND TREASURY OFFICE**

### **MUNICIPAL STANDARD CHART OF ACCOUNT REPORT FOR QUARTER 3, 2022/2023**

The MSCOA regulation were implemented on 01 July 2017. The Municipality successfully implemented and there are still some implementation taking place which includes:

- Monthly reports (Data strings) have been successful submitted through the GoMuni portal.
- Quarterly reports have been successful.
- Integration of Payday and Pastel evolution there still some challenges which Treasury has been also advised for their intervention.
- Audited data strings for 2021/2022 were successfully submitted on version 6.5.
- Non-Financial data strings for 2023/2024 were successfully submitted.
- Draft budget data strings were successfully submitted on version 6.7
- Municipality is using all Mscoa Segments.

- The municipality is transacting on 6.6 from 01 July 2022.

ITEM:	NAME:	SIGNATURE:	DATE:
Prepared By:	Mrs DG Jiyane		11/04/2023
Checked By:	Mr N.M Mahlaba		11/04/2023
Approved By:	Mr T Khoza		11/04/2023

## PROGRESS AS AT 31 March 2023

Issued disconnections schedules to the value of R1 045 588.52 were executed timeously and R166 495.56 was received and this process is on an ongoing basis

435 meter audit were conducted at as at end of March 2023 and 136 households disconnected with collections of R267 500.00

R15 166 950.26 has been handed over to Council Attorneys since beginning of the financial year and no properties were handed over for collection this month  
The billing report is reconciled every month with valuation roll and all properties were billed accordingly to the value of R4 179 939.18 and R4 068 325.10 was collected

Tariffs have been implemented in line with MFMA Budget circular number 123 as issued by National Treasury in line with CPI information of 5.3%

Inception phase

Only 16 customers have reported to the amnesty. 7 of them settled their accounts in full (R83 384.36) which initially owed R119 113.87 and 9 customers have come forward to make an arrangement totalling R23 621.77 as at 31 March 2023 who were owing R125 838.71 before amnesty. Monitored monthly and if the customer fails to pay as per Acknowledgment Of Debt the municipality disconnects the services. This month R131 768.15 was recovered for 108 customers who made arrangements. The outcome has since been received and the findings of that verification has been implemented. Examples of findings of the verification was there were people who don't qualify as indigents, some were dead, incorrect capturing of identity numbers. A total of 3203 applicants were verified out of 6060, the Department is currently in the process of receiving applications for the new financial year and once the applications are finalised the applicants will be verified in order to have a credible indigent Register for 2023/2024. 1 692 applicants were successful and 1 511 were unsuccessful

A total of R56 850.00 has been received since the beginning of the financial year of which R5 200.00 was received this month

A total of R8 737 074 as from the beginning of the year for 38 properties of which four new residential buildings were completed in March 2023 and sent to the Municipal valuer for inclusion in the next supplementary valuation roll valued at R2 262 780.00  
R16.2 million owed by ITB to the municipality and the matter is with Council Attorneys

Engagements are currently underway regarding Correctional Services units situated in D845 whereby ownership of the property belongs to Public works and the registered owner is Ulundi municipality

R55 935 424.75 was billed and R45 437 642.37 collected to date making R10 497 782.38 still to be collected.

Continuous enforcement of Debt & Credit Control policy which states that if accounts are not settled within 30 days services are disconnected. An amount of R2 499 913.18 was billed and R2 515 120.15  
R15 166 950.26 has been handed over to Council Attorneys since beginning of the financial year and no properties were handed over for collection this month

Valuation Roll reconciliation is performed on a monthly basis where R4 202 910.80 was billed in February and R4 179 939.18 billed in March and both monthly figures are based on the market value of 4 967 729 000.00  
The building inspectors continuously verify the structures and the use thereof and submit new developments to Finance for update of Valuation Roll. Four buildings amounting to the estimated total value of R2 262 780.00 were completed during March 2023.

strictly infrastructure availability levy and amendments to relevant policies and tariffs is currently underway and servicing of B-South phase two for possible collection of property rates thereof next financial year. It is proposed that the municipality construct gravel access roads wh

435 meter audit were conducted at as at end of March 2023 and 136 households disconnected with collections of R267 500.00

This report serves before Council on a quarterly basis where instances of savings against budget are reported

Currently the departmental procurement activities are in line with the Procurement Plan

All departments are complying with Financial Recovery Plan

No catering provided

All trips are approved prior to being undertaken and expenditure for the month was R13 249.00. Four officials attend National School of Governance training this month.  
All overtimes were approved prior. Overtime expenditure in March was R42 294.64 and overtime is capped at 42 hours where time off is provided if hours have been exceeded

Only social media platforms such as facebook, website and twitter are utilised

R140 150.00 was spent while procuring office furniture for new Technical Services Offices

An amount of R426 869.26 was incurred for fuel and oil and each car is capped at 40 litres per week

Project plan to be developed by Technical Services Fleet Unit

Only 1 critical position has been filled  
1 critical position for Deputy Chief Financial Officer filled and was approved by Accounting Officer

The Repayment Plan has been revised from three years to five years and the municipality is honouring monthly billing on time. An amount of R9 011 838.23 was paid and the current invoice is R9 519 337.89 which is due on the 29 March 2023

All payments are honoured in time as they become due except Eskom where there is pending repayment arrangement

Management resolved for monthly tabling of this report before EXCO thereafter to Council at the end of each quarter

Prepared by:

DDG JIRANE  
MN M444BA

Checked by:

T KH02A



11/04/2023

Authorised by:

JH MALONGO



11/04/2023

Municipality: Umtata Local Municipality

Budget Funding Plan

STATUS & PERCENTAGE

Task completed: 100%

Task almost completed: 51% - 99%

Task commenced: 1% - 50%

Task not yet started: 0%

No	Strategy	Focus Area	Key Activities	Responsible Person	Comments regarding status and progress related to activities
1	Cash flow management/ Positive Cash Flows	Improved Debt Collection/ Collection rates	<p>Enforcement of Debt &amp; Credit Control Policy (disconnection &amp; reconnection, blocking &amp; unblocking)</p> <p>Continuous meter auditing and replacement of all faulty meters.</p> <p>Handing over of outstanding debtors accounts for possible collection</p> <p>Verify services connected to the property to ensure all services are billed correctly according to use and ensure billing completeness - Accurate billing</p> <p>Cost reflective tariffs - Continuous implementation of cost effective tariffs as guided by budgeting circulars.</p> <p>Service provider will be engaged to set up a formula when buying electricity while owing where portion goes towards the debt</p> <p>Giving discounts to the customers for the customers settling their accounts immediately</p> <p>Debt acknowledgement agreements signed by customers making payment arrangements</p>	<p>Director technical Services</p> <p>Chief Financial Officer/ Legal Service</p> <p>Chief Financial Officer</p> <p>Chief Financial Officer</p> <p>Chief Financial Officer &amp; Director Technical Services</p> <p>Chief Financial Officer</p> <p>Chief Financial Officer</p>	<p>Meter auditing is conducted on a monthly basis</p> <p>The files have been submitted to the municipality's lawyers and</p> <p>The billing report is reconciled every month with valuation roll.</p> <p>Tariffs have been implemented in line with circulars as issued by National Treasury</p> <p>In inception phase</p> <p>Planning stage</p> <p>Monitored monthly and if the customer fails to pay as per</p> <p>A portion of the indigent group has been verified and the balance of which we are waiting outcome</p>
		Data cleansing and updating of the Indigent register	To ensure that beneficiaries enjoying this service do qualify and prevention of fruitless expenses	Director Corporate Services	<p>The speed camera is currently in use and collectors are taking</p> <p>The Supplementary Valuation Roll is monitored on a monthly basis</p>
		Traffic fines	Use of the Pro-laser camera to monitor speed limits to boost Traffic Fines Revenue	Director Protection Services	<p>The Supplementary Valuation Roll is monitored on a monthly basis</p>
		Property rates	<p>Continuous billing of all new developments through supplementary valuation roll</p> <p>ITB debt - COGTA's engagement with municipality with the intention to try to resolve the matter as pilot for municipality and ITB is also participating</p> <p>National Public Works - NSR must take place in trying to resolve the matter and National Public works still does not respond and the Provincial Revenue Steering committee is also intervening</p> <p>Improve collection for Government debts</p> <p>Improve collection for Commercial</p> <p>Valuation roll reconciliation to be undertaken on a monthly basis.</p> <p>Verify the use of residential properties that will have an impact on Property rates revenue</p>	<p>Planning &amp; Development &amp; Chief Financial Officer</p> <p>Chief Financial Officer</p> <p>Chief Financial Officer</p> <p>Chief Financial Officer</p> <p>Director Planning &amp; Development</p>	<p>The meeting has been set up for early November 2022</p> <p>Government institutions that are owing the municipality are</p> <p>Credit Control policy which states that if accounts are not settled with Debt &amp; Credit Control policy where defaulting customers are handed</p> <p>Valuation Roll reconciliation is performed on a monthly basis</p> <p>The building inspectors continuously verify the structures and the</p>
2	Revenue mgt/enhancement	Increase in the revenue base of the municipality	Identification of new sources of revenue.	All HOD'S	<p>Exploring potential funders since the tax base is limited</p> <p>Inception phase</p>
		Implementation of SALGA programme on revenue management	Revenue collection strategies	All HOD'S	<p>Monitored monthly</p>
			Implementation Cost Containment Regulations	All HOD'S	<p>This report serves before Council on a quarterly basis where</p> <p>Each department report on a monthly basis on its relevant</p> <p>Each department report on a monthly basis on its relevant</p> <p>No catering for all meetings</p> <p>No office beverages and outgoing tips</p> <p>All overtime is approved prior to performing</p> <p>social media platforms such as facebook website and twitter are</p>
			Alignment to Procurement Plan	All HOD'S	<p>Only budgeted furniture is procured</p>
			Reduction of expenditure in line with Financial Recovery Plan	All HOD'S	<p>res per week and telephone codes for outgoing calls are centre</p>
			No catering for all meetings	All HOD'S	
			No office beverages and outgoing tips	All HOD'S	
			Cut down on overtime and standby allowance	All HOD'S	
			Multiplicity News	Chief Financial Officer	
			Procurement of furniture only budgeted	All HOD'S	
			Monitoring of Telephone and Petrol Usage	All HOD'S	
			engaged to put a meter so that they can pay	Director Technical Services	<p>Awaiting Eskom to correct the error</p>
3	Implementation of cost containment measures and a reduction of expenditure	Reduction in non-core expenditure	Travelling only the one that is compulsory	Director Technical Services	<p>All outgoing tips are approved by the Accounting Officer only</p>
			Kilometres are monitored continuously to see not exceeding the monthly kms and Customer system	Director Technical Services	<p>All tips are approved prior to being undertaken</p> <p>ring contracts are not renewed nor extended except for critical</p>

		Procure the fleet than to lease it (Long term after the expiry of the contract) as critical and to review the strategies of the organization to limit the use of over time	All HOD'S	In progress
4	Creditors payment rates that ensure that all fixed obligations, including obligations for bulk	Freezing of the vacant posts  Trade Payables	All HOD'S  All HOD'S  Director Technical Services Chief Financial Officer	Only critical positions are being filled after considering motivation Only critical positions are being filled after considering motivation  Currently this is not realized successfully since the municipality is struggling to honour the three year repayment plan instead a five year one would be viable  ants are honoured in time as they become payable except for E
5	Reporting	Monthly Oversight	Management to discuss on a monthly basis and report to Provincial Treasury on monthly basis and to Council quarterly  All HOD'S	This report (Budget Funding Plan) serves before Council on a quarterly where progress is being reported