

Item

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FS

COST CONTAINMENT IN- YEAR REPORT FOR THE PERIOD ENDED 31 DECEMBER 2024:

BACKGROUND

The Local Government: Municipal Cost Containment Regulations (MCCR), were promulgated on 7 June 2019, and came into effect on 01 July 2019. Circular 97 confirms and clarifies the process followed to promulgate the MCCR, provide more information to municipalities and municipal entities to assist with implementation. There were also various engagements with stakeholders, include Provincial and municipal officials, since 2016 Circular 97 replaces MFMA Circular 82.

The measures implemented aggregate amounts saved per quarter, together with the regular reports on reprioritisation of cost savings and on the implementation of the cost containment measures must be submitted to the Municipal Council for review and resolution.

Measures	Budget	Q1	Q2	Savings Q2
	R'000	R'000	R'000	R'000
Use of consultants				
Vehicles used for Political Office-Bearers	R 1 114 283.90	278 570.97	278 570.97	278 570.98
Travel & Subsistence	R 125 745.00	16 928.02	13 952.00	17 484.25
Domestic Accommodation	R 279 998.96	52 608.45	59 130.19	10 869.55
Sponsorships, Events and Catering	R 105 000.00	39 321.09	40 271.19	-14 021.19
Communication	R 3 200 000.00	67 946.90	211 922.50	588 077.50
TOTAL SAVINGS				880 981.09

The municipality does not have Consultants other than those for Infrastructure Projects & Assets for conditional assessment.

COMMENTS: MUNICIPAL MANAGER

Recommendations are supported.

RECOMMENDATIONS:

1. **THAT** Council note the Cost Containment In-Year report for the period ended 31 December 2024.