

2020

Makhado Local Municipality (LIM344)

Chief Financial Officer



Section 71 report for Month Ending 31 AUGUST 2019

ITEM

FINANCES: IN YEAR MONITORING AND REPORTING: MONTH ENDING 31 AUGUST 2019 (6/1/1(2019/2020))

Report of Chief Financial Officer

STRATEGIC OBJECTIVE

The strategic objective of this matter is under sound financial management and viability.

SUMMARY

The purpose of submitting the above mentioned report to management committee for consideration.

BACKGROUND

In terms of the MFMA act 56 of 2003 section 71(1) - requires the accounting officer by no later than 10 working days after the end of each month submit to the Mayor of the Municipality and the relevant provincial treasury a statement of the municipalities budget performance performance).The accounting officer of the Makhado municipality had prepared a statement of report actual revenue, actual expenditure, actual capital expenditure and projection of income and expenditure of the municipality on a monthly basis.

1. ANALYSIS FROM REPORTS FROM INCOME AND EXPENDITURE FOR THE MONTH ENDING 31 AUGUST 2019

SUMMARY: INCOME AND EXPENDITURE REPORT PERFORMANCE

The actual operational income for Month of August 2019 is R 43 million and actual to date is R 226 million. The operational expenditure for the same period is R 78 million and actual to date is R 147 million.

Summary overall budgeted and actual expenditure

Types of Budget	Budget	Budget Spent	% Spent	Variance
Operational	R 958 million	R 147 million	15%	R 811 million
Capital	R 203 million	R7 million	4%	R 196 million
Total	R 1 billion	R 154 million	13%	R 1.90 billion

Figure 1: Summary Budget and overall current expenditure

The municipality's annual operational budget is R 958 million and capital budget is R 203 million and the amount of R 147 million and R 7 million was spent respectively. This represents 15% spending on operational budget as well as 4% spending on capital budget. Overall spending is R 154 million against the approved annual budget of R 1 billion and this represent 13% spending of the budget.

2. APPROVED CONDITIONAL GRANT

Grant Name	Budget	Actual received	Actual to date received	Actual Expenditure	Expenditure to date	Unspent	% Spent
Municipal Infra Structure Grant	R 89.577 million	R 0	R 40 .309 million	R 2 346 million	R 5.562 million	R 34 747 million	6%
Integrated National Electricity Program	R 20.000 million	R 0	R 8 million	R 1 308 million	R 1 308 million	R 6.692 million	7%
Financial Management Grant	R 1.700 million	R 1.700	R 1 700 million	R 75 thousands	R 150 thousands million	R 1 550 million	9%
Expanded Public Works Program	R1. 863 million	R	R 466 thousands	R 310 thousands	R 310 thousands	R 156 thousands	17% %
Total	R 113.140 million	R 1 700 million	R 50 009 million	R 3.292 million	R 7 million	R 43 145 million	6%

1. Municipal infrastructure Grant (MIG)

The actual amount received for the Month of August 2019 is zero and to date is R 40 309 million and actual expenditure for the Month of August 2019 is R 2 346 million and to date is R 5 562 million that represent 6% of expenditure against approved allocation of R 89.577 million.

2. Integrated National Electricity Programme (INEP)

The actual amount received for the Month of August 2019 is zero and to date is R 8 000 million and actual expenditure for the month of August R 1 308 million and to date is R 1 308 million which represent 7% of expenditure against approved allocation of R 20 000 million.

3. Financial Management Grant (FMG)

The actual amount received for the Month of August 2019 is R 1.700 million and to date is R 1.700 million and actual expenditure for the Month of August 2019 is R 75 thousands and to date is R 150 thousands that represents 9% against the approved allocation of R 1 .7 million.

4. Expanded Public Works Programme (EPWP)

The actual amount received for the Month of August 2019 is R 466 thousands and to date is R 466 thousands and actual expenditure for the month of August 2019 is R 310 and to date is R 310 which represents 17% spending against the approved budget of R 1 .863 million.

REVENUE AND EXPENDITURE

LIM344 Makhado - Table C4 Monthly Budget Statement - Financial Performance (Revenue and expenditure) - M02 August									
Description	2018/19	Budget Year 2019/20							
	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	71 424	70 363		6 485	12 795	11 727	1 068	9%	70 363
Service charges - electricity revenue	322 851	373 218		27 364	50 973	62 203	(11 230)	-18%	373 218
Service charges - refuse revenue	11 369	9 824		860	1 826	1 637	189	12%	9 824
Rental of facilities and equipment	352	346		23	60	58	2	3%	346
Interest earned - external investments	28	54		2	4	9	(5)	-55%	54
Interest earned - outstanding debtors	19 712	20 345		1 774	3 454	3 391	63	2%	20 345
Fines, penalties and forfeits	1 662	1 848		343	864	308	556	181%	1 848
Licences and permits	7 400	13 922		486	1 314	2 320	(1 007)	-43%	13 922
Transfers and subsidies	383 358	361 091		2 166	151 136	60 182	90 954	151%	361 091
Other revenue	15 631	109 883		3 451	3 699	18 314	(14 615)	-80%	109 883
Total Revenue	833 786	960 894	-	42 956	226 125	160 149	65 976	41%	960 894

LIM344 Makhado - Table C4 Monthly Budget Statement - Financial Performance (Revenue and expenditure) - M02 August

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Employee related costs	248 321	284 371		20 917	41 460	47 395	(5 935)	-13%	284 371
Remuneration of councillors	26 457	28 554		2 177	4 403	4 759	(356)	-7%	28 554
Debt impairment	83 484	45 000		61	186	7 500	(7 314)	-98%	45 000
Depreciation & asset impairment	95 425	100 000		10 447	20 894	16 667	4 227	25%	100 000
Finance charges	10 080	6 752		–	–	1 125	(1 125)	-100%	6 752
Bulk purchases	193 562	242 406		33 861	59 650	40 401	19 249	48%	242 406
Other materials	27 022	38 935		2 033	2 069	6 489	(4 421)	-68%	38 935
Contracted services	74 284	68 183		5 604	7 843	11 364	(3 521)	-31%	68 183
Other expenditure	57 596	144 773		2 912	10 785	24 129	(13 344)	-55%	144 773
Total Expenditure	816 231	958 975	–	78 011	147 289	159 829	(12 541)	-8%	958 975

3. SIGNIFICANT VARIANCES ANALYSIS OF REVENUE AND EXPENDITURE PERFORMANCE

3.1 Revenue

3.1.1 Licenses and Permits

The actual licenses and permits collected for the month of August 2019 is R 486 thousand and to date is R 1 314 million compared with the R 2 320 million projections which results to 57% collection rates

3.2 Expenditure

3.2.1 Debt Impairment

This is non- cash item and expenditure for the month of August 2019 is R 61 thousand and to date is R 186 compared to the projection of R 7 500 million, the full assessment of debtors impairment will be done end of Sept 2019.

3.2.2 Depreciation & asset impairment

This is non-cash item and expenditure for the month of August 2019 is R 10,447 million and to date is R 20 894 million compared to the projection of R 16 667 million.

3.2.3 Contracted Services, Other Materials and other Expenditure

The contracted services expenditure for the month of August 2019 is R 10 549 million and to date is R 20 697 million compared to projected expenditure of R 41 982 million which results in under spending by 51% spending.

4. CAPITAL EXPENDITURE.

The Actual Capital expenditure for the August 2019 is R 5 .281 million and to date is R 7 493 million which result to 4% spending against the approved budget of R 203 377 million. The expenditure percentage increased due to 4% spending on conditional grants projects and other own funded projects.

CODE	DEPARTMENT	BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Planning and Development	R 18 250 000.00	R 0	R 18 250 000.00	0%
SC	Technical Services	R 136,174,989.57	R 7 279 506.13	R 128 895 483.44	5%

CODE	DEPARTMENT	BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Community Services	R 5,300,000.00	R 213 500.00	R 5 300 000.00	0%
SC	Budget and Treasury	R 30 950 ,000.00	R 0	R 30 950 000.00	0%
SC	Corporate Services	R 6 ,594,000.00	R0	R 6 594 000.00	0%
SC	Regional Offices	R 6,109,000.00	R 0	R 6,109,000.00	0%
	TOTAL	R 203,377,989.57	R 7 ,493 ,006.13	R 196 384 983.44	4%

Summary of the Departmental Capital Budget

5. DEBTORS AGE ANALYSIS

The amount outstanding from debtors as at August 2019 is R 238 543 164.33

LIM344 Makhado - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August							
Description	Budget Year 2019/20						
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	Total	Total over 90 days
R thousands							
Debtors Age Analysis By Income Source							
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	21 162	4 881	1 991	1 127	34 989	64 151	36 116
Receivables from Non-exchange Transactions - Property Rates	4 640	2 869	2 723	2 525	72 097	84 854	74 622
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1 928	398	337	343	14 237	17 243	14 580
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1 716	1 666	1 622	1 591	46 953	53 547	48 543
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-
Other	2 499	(2 125)	295	35	18 040	18 744	18 075
Total By Income Source	31 945	7 690	6 968	5 621	186 315	238 538	191 936
Debtors Age Analysis By Customer Group							
Organs of State	2 662	1 543	1 041	903	23 529	29 678	24 432
Commercial	15 359	1 711	1 439	1 186	35 239	54 933	36 425
Households	7 092	2 882	2 802	2 609	92 553	107 939	95 163
Other	6 832	1 553	1 686	923	34 994	45 988	35 917
Total By Customer Group	31 945	7 690	6 968	5 621	186 315	238 538	191 936

ANALYSIS OF MUNICIPAL REVENUE PER INCOME SOURCE

The rating of debts owed to the Municipality is as follows:

1. Property Rates : R 84 854 million = 35.57%
2. Exchange transactions (Electricity) : R64 151 million = 26.89%
3. Interest on Arrears : R53 547 million = 22.45%
4. Others : R18 744 million = 7.86%
5. Waste Management : R17 243 million = 7.23%

CHALLENGES THAT IMPACT ON COLLECTION

- The highest percentage (35.57%) of debt on property rates indicates that the Municipality has more debt which cannot be collected through the Municipal Credit Control Policy, because of the non-existent of electricity in those properties.

For example: The non-existent of electricity in R293 Towns such as Dzanani, Waterval, Vleifontein, excluding Tshikota.

- Electricity bearing properties are the next in rating, at 26.89%.

The following issues are a contributing factor towards poor collection:

- Illegal connections
- Locked gates
- Customers who are temporarily unblocked to purchase electricity, while waiting to be unblocked, they call friends/family members to buy more electricity at other points
- Government entities who are not paying the Municipality
- Position for Senior Clerk : Credit Control not filled, the load of credit control work is very huge
- Interest bears 22.45% of the total debt.
This is indicative of the size of debt which the Municipality has. The incentive of discounting interest on settled accounts is not bearing any fruit. Let alone the Debt Collection strategy in place remains a challenge because of the non-responsive of the current debt collectors.
- Other Income and Waste Management Income are the least with 7.86% and 7.23 respectively%.

These services could also be collected completely at 100% of the debt owed in this type of service if the Municipal debt collectors were effective.

STRATEGIES

- We should embark on a campaign to physically check meters that are not buying or buying electricity that is unreasonably too low because they raise a suspicion of illegal connection. This exercise can be executed with the assistance of Technical Department.
- All accounts with meters inside the yards should be identified and a request sent to Technical Department to have those meters removed and allocated to a point where they can be accessible.
- There is a need to tighten the Credit Control Policy by indicating that in case where a customer is temporarily unblocked to purchase electricity and that customer purchase more than what was agreed on, the Municipality must have a right to remove the links, until a payment of an amount determined by the Credit Control team is paid.
- Credit Control should be applied to Government entities without compromise. These Government entities receive funds from Treasury in order for them to pay for the services that we render to them, however they choose not to pay, hence it is important that we disconnect services when they fail to honor their debts.
- It is important that the position of Senior Clerk: Credit Control is advertised and filled as urgently as possible. Credit Control plays a very crucial role to the survival of any Municipality, and therefore needs to be fully equipped to be able to execute this function to the required level.
- Addition to that, is the position Accountant – Billing, which needs to be filled as urgent as possible.

ANALYSIS OF MUNICIPAL REVENUE PER CUSTOMER GROUP

Customer groups are rated as follows:

- | | |
|--------------------|-----------------------------|
| 1. Organs of state | : R 29 678 million = 12.44% |
| 2. Commercials | : R 54 933 million = 23.03% |
| 3. Households | : R107 939 million= 45.25% |
| 4. Other | : R 45 988 million = 19.28% |

Same challenges apply to the customer groups. The same strategies which apply to revenue per income source will be applied to the revenue per customer group. Organs of state reflect the smallest percentage due to the fact that the IGR impact on collection to a favourable extent.

There is a need to cancel the current contract with the current service providers since they are not performing, such that the household debtors' debt can be reduced extensively.

Monthly reconciliation status as at 31 AUGUST 2019

Bank reconciliations

Grant Reconciliation is up to date

Investment Reconciliations is up to date

Assets Reconciliation is up to date

Petty Cash reconciliation is up to date

Retention reconciliation is up to date

Inventory Reconciliation is up to date

Debtors Reconciliations is up to date

Salary Reconciliation is up to date

Vat Reconciliation is done up to Month of June 2019

6. COMPETITIVE BIDDING PROCESSES

COMPETITIVE BIDDING PROCESSES ACTIVITY

COMPETITIVE BIDDING PROCESSES ACTIVITY

ACTIVITY	Bids Advertise d	Evaluate d	Adjudicate d	Awarde d	BBB -EE	Re-Advertise d	Cancelle d
Balance B/F	11	-	-	-	-	-	-
July 2019	04	-	-	-	-	-	-
August 2019	03	06	06	02	-	-	-
Total to Date	18	06	06	02	-	-	-
ANNEXUR E	A	B	C	D	E	F	F

All requests for adverts were processed. At the end of August 2019, the following 09 bids were pending evaluation:

NO	BID NUMBER	BID DESCRIPTION	COMMENTS	CLOSING DATE
1	25 of 2019	Appointment of contractor to upgrading the 6.3km gravel to tar road from Chavani to Bungeni phase 2	Waiting for evaluation committee to evaluate	10 June 2019 at 12H00
2	26 of 2019	Appointment of contractor to upgrading the 2.5km gravel to tar road from Gombita , Tshivhuyuni to Mamphagi phase 3	Waiting for evaluation committee to evaluate	10 June 2019 at 12H00
3	28 of 2019	Panel of service provider for sourcing of grants and implementation of programmes on a risk based for a period of three (03) years	evaluation committee to evaluate	10 June 2019 at 12H00
04	29 of 2019	Appointment of road rehabilitation contractor with hot mix layer of asphalt at songozwi street	evaluation committee to evaluate	14 June 2019 at 12H00
05	34 of 2019	Supply and delivery of four (04) auto recloser units with control cables 22kv	evaluation committee to evaluate	14 June 2019 at 12H00
06	36 /2019	Appointment of service provider for Operation and maintenance of Makhado new landfill site for the period of three (03) years	evaluation committee to evaluate	26 August 2019 at 12H00

07	37 / 2019	Supply and delivery of Office Furniture for the Makhado local municipality	evaluation committee to evaluate	19 August 2019 at 12H00
08	38 / 2019	Refill, service, supply and delivery of council fire extinguishers for a period of three (03) years	evaluation committee to evaluate	26 August 2019 at 12H00
09	35 of 2019	Onstruction of Tshedza to Vuvha access road	evaluation committee to evaluate	26 August 2019 at 12H00

FORMAL WRITTEN QUOTATION AS AT 31 AUGUST 2019

ACTIVITY	STATUS FOR AUGUST 2019	ANNEXURES
Number of Advertised formal written quotations	08	F
Number of quotations Evaluated	0	G
Number of quotations Awarded	0	H
Number of quotation cancelled	0	I

7. ANNEXURE "A CASH FLOW FORECAST

This statement indicates the financial position as at August 2019 is R 159 370 967.60 .The municipality continue to keep a favorable balance on the monthly basis .

Primary Account (R 158 512 243.21

Call account 1 (62 404 650435) R 734 851.29

Call account 2 (62 482 843408) R 103 369.28

Call account 3 (62 308 30779) R 20 503.82

Closing balance as at 31 August 2019 R 159 370 967.60

MAKHADO LOCAL MUNICIPALITY

COLLECTION RATE REPORT FOR THE MONTH OF 31 AUGUST 2019 BILLING VS COLLECTION

Type Of Service	PAYMENT AUGUST 2019	AUGUST 2019 Billing	Collection Rate %
ELECTRICITY	R 21 574 858.58	R 22 660 608.03	95%
PROPERTY RATES	R 3 748 065.38	R 6 543 167.47	57%
REFUSE REMOVAL	R 691 405.47	R 990 964.20	70%
OTHER SERVICES	R 4 902 891.45	R 5 893 205.94	83%
TOTAL	R 30 917 220.88	R 36 087 945.64	86%

Payment analysis for the month of August 2019 is at 86%

Electricity service charges Revenue

Electricity services charged billed for the month of August 2019 is R 22 660 608.03 and R 21 574 858.58 was received, this indicates 95% collection rates on Electricity service charges for the month of August 2019.

Property Rates

Property rate billed for the month of July 2019 is R 6 543 167.47 and R 3 748 065.38 was received; this indicates 57% collection rates on property rates for the month of August 2019.

Service Charges Refuse

Refuse charged for the month of August 2019 is R 990 964.20 and R 691 405.47 was received which indicates 70% collection rate for the month of August 2019.

Other services charges

Other service charges for the month of August 2019 is R 5 893 205.94 and an amount of R 4 902 891.45 was received which indicates 83% collection rate for the month of August 2019.

POLICY IMPLICATIONS

Compliance to section 71 report of the Municipal Finance Management Act.

LEGAL IMPLICATIONS

None

RISK IMPLICATIONS

None

ENVIRONMENTAL IMPLICATIONS

None

CHANGE MANAGEMENT IMPLICATIONS

Ensure compliance to MFMA and timely submission of section 71 report in terms of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

RECOMMENDATION:

That the section 71 report for the month ending August 2019 be considered by management committee.

RECOMMENDED BY

**MR NF TSHIVHENGWA
MUNICIPAL MANAGER**

**COMMENT BY
CLLR S N MUNYAI
MUNICIPAL MAYOR**

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 31 AUGUST 2019

BUDGET & TREASURY OFFICE

ASSETS MANAGEMENT SECTION

CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Replace vehicle Speaker (Corporate Services)	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	1 x 22m3 Refuse removal truck equipped with 240L bin carrier(lifting equipment) (Community services)	INCOME	2 500 000.00		2 500 000.00		2 500 000.00	0%
SC	Purchasing of 16 ton Skip Loader truck (Community services)	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
SC	Purchasing of 10 ton truck with waste collection cage	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	LDV DC 4 X 4 (Electrical division)	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Pole truck 1x7 Ton truck (half canopy+pole carrier) (Electrical division)	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	1 Chain Dozer & 3 Graders	INCOME	10 450 000.00		10 450 000.00		10 450 000.00	0%
SC	Replace of Vehicles Electricity	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	Vehicle Finance	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	Community Vehicles	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	1 X LDV Bakkie 1 ton (Roads & Storm water)	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	1 x Tipper Tuck 6 Cube (Roads & Storm water)	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	2 x LDV Bakkie 1 ton (Road & storm water) building	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	Forklift (Road and storm water)	INCOME	300 000.00		300 000.00		300 000.00	0%
SC	3Ton diesel truck (Electrical division)	INCOME	600 000.00		600 000.00		600 000.00	0%
SC	Furnuture for all municipality	INCOME	800 000.00		800 000.00		800 000.00	0%
TOTAL			30 950 000.00	-	30 950 000.00	-	30 950 000.00	0%
TOTAL BUDGET AND TREASURY BUDGET			30 950 000.00	-	30 950 000.00	-	30 950 000.00	0%

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 31 AUGUST 2019
CORPORATE SERVICES DEPARTMENT

UPGRADE AND ACQUISITION OF NETWORK AND COMMUNICATION SYSTEMS - ICT								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Sage/VIP ESS Software for Employee Self Service Leave Applications	INCOME	160 000.00		160 000.00		160 000.00	0%
SC	Sage/VIP Overtime Management System Module	INCOME	300 000.00		300 000.00		300 000.00	0%
SC	Electronic Agendas Phase 2 for councillors	INCOME	200 000.00		200 000.00		200 000.00	0%
SC	Upgrade Software: Office 2010 to Office 365 - all users	INCOME	800 000.00		800 000.00		800 000.00	0%
SC	Software to align Budget, IDP and SDBIP	INCOME	250 000.00		250 000.00		250 000.00	0%
SC	Councillors: Domain & Email Access & Mimecast Year 1 License fee	INCOME	494 000.00		494 000.00		494 000.00	0%
SC	Executive and Council Chambers - Wifi connection	INCOME	250 000.00		250 000.00		250 000.00	0%
SC	HR Mobile office connectivity infrastructure	INCOME	300 000.00		300 000.00		300 000.00	0%
SC	D R hardware & software (subject to BIA outcome)	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
TOTAL			4 254 000.00	-	4 254 000.00	-	4 254 000.00	0%
ICT EQUIPMENT								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Computer and IT related office equipment all departments	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
TOTAL			1 000 000.00	-	1 000 000.00	-	1 000 000.00	0%
COUNCILLOR AFFAIRS UNIT								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Loud halers x 8	INCOME	40 000.00		40 000.00		40 000.00	0%
TOTAL			40 000.00	-	40 000.00	-	40 000.00	0%
RECORDS MANAGEMENT								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Filing System and warehousing	INCOME	1 300 000.00		1 300 000.00		1 300 000.00	0%
TOTAL			1 300 000.00	-	1 300 000.00	-	1 300 000.00	0%
TOTAL CORPORATE SERVICES BUDGET			6 594 000.00	-	6 594 000.00	-	6 594 000.00	-

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 31 AUGUST 2019**PLANNING AND DEVELOPMENT****LED**

COD	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Dzanani Traders Market	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	Tshakhuma fruit market	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	Construction of N1 tourism park	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	Construction of Incubation centre at ha Rathidili	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	Design and Construction of Erf 210 Burger Street Ma	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
SC	Refurbishment of Information Centre and lap	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	Change Room for Workshop	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Arts and Craft centre designs	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Designs of Municipality Civic centre	INCOME	1 500 000.00		1 500 000.00		1 500 000.00	0%
SC	Reallocation of Rugby Stadium	INCOME	3 750 000.00		3 750 000.00		3 750 000.00	0%
TOTAL PLANNING AND DEVELOPMENT BUDGET			18 250 000.00	-	18 250 000.00	-	18 250 000.00	0%

**CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 31 AUGUST 2019
REGIONAL OFFICES**

WATERVAL REGIONAL OFFICE								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Boreholes: 1 x Waterval Regional Office ,Stores and Vleifontein equipping a	INCOME	350 000.00		350 000.00		350 000.00	0%
SC	Movable Shelf for Record Office	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	2 x Bakkies	INCOME	800 000.00		800 000.00		800 000.00	0%
SC	1 x Fridges	INCOME	10 000.00		10 000.00		10 000.00	0%
SC	Office Furniture for Waterval Regional Office	INCOME	120 000.00		120 000.00		120 000.00	0%
SC	Telephone and IT Network for Waterval Community Hall Offices	INCOME	110 000.00		110 000.00		110 000.00	0%
TOTAL			1 890 000.00	-	1 890 000.00	-	1 890 000.00	-
DZANANI REGIONAL OFFICE								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Borehole at Musekwa TSC	INCOME	70 000.00		70 000.00		70 000.00	0%
SC	Ablution Facility at Transfer Station	INCOME	150 000.00		150 000.00		150 000.00	0%
SC	Air Conditioner for Dzanani Community Hall	INCOME	70 000.00		70 000.00		70 000.00	0%
SC	Air Conditioner at Musekwa Thusong (Library)	INCOME	70 000.00		70 000.00		70 000.00	0%
SC	Fencing of Dzanani Regional Office	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	Rehabilitation of Streets: Ramaano ,Tshitotolwe and Denzhe	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	Branding of Musekwa TSC	INCOME	30 000.00		30 000.00		30 000.00	0%
SC	Branding of Dzanani Community Hall	INCOME	30 000.00		30 000.00		30 000.00	0%
SC	Printer Oki microline 3320	INCOME	10 000.00		10 000.00		10 000.00	0%
SC	3 x High Back Chairs	INCOME	5 000.00		5 000.00		5 000.00	0%
SC	1 x Chainsaw	INCOME	7 000.00		7 000.00		7 000.00	0%
SC	2 x Electric Mowing Machine	INCOME	5 000.00		5 000.00		5 000.00	0%
SC	10 x Arm Chairs	INCOME	25 000.00		25 000.00		25 000.00	0%
SC	3 x Single Pedastal	INCOME	15 000.00		15 000.00		15 000.00	0%
SC	Combination Tractor Trailer and 5 Containers	INCOME	300 000.00		300 000.00		300 000.00	0%
SC	1 x Grass Cutter (Walk Behind)	INCOME	12 000.00		12 000.00		12 000.00	0%
SC	6 x Brush Cutter	INCOME	20 000.00		20 000.00		20 000.00	0%
TOTAL			4 219 000.00	-	4 219 000.00	-	4 219 000.00	0%
TOTAL REGIONAL OFFICES BUDGET			6 109 000.00	-	6 109 000.00	-	6 109 000.00	-

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 31 AUGUST 2019
TECHNICAL SERVICES DEPARTMENT

ELECTRICAL ENGINEERING								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Car ports	INCOME	330 000.00		330 000.00		330 000.00	0%
SC	Air conditioners	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	CT VT Units 11kv & 22kV various sub stations	INCOME	2 000 000.00		2 000 000.00	-	2 000 000.00	0%
SC	Low voltage problems Rural Farming	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	Mini Subs	INCOME	800 000.00		800 000.00		800 000.00	0%
SC	Replace Line protection control Panel complete Makhado Sub	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	Transformers 2x5MVA 22/11	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
SC	Transformers 1x5MVA 22/11	INCOME	150 000.00		150 000.00		150 000.00	0%
SC	Emmerentia substation refurbishment	INCOME	1 000 000.00		1 000 000.00		1 000 000.00	0%
SC	Upgrade Lev1	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Upgrade Levubu 2 line	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Upgrade Mara Line	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Upgrade Shefeera Line	INCOME	2 000 000.00		2 000 000.00		2 000 000.00	0%
SC	Upgrade Tshipise line	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	Upgrade Urban Substations	INCOME	4 000 000.00		4 000 000.00		4 000 000.00	0%
SC	Upgrading bulk supply Tshipise Leeudraai	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	Service MV OCB's	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	Incomer intake point Eskom Substation	INCOME	3 000 000.00		3 000 000.00		3 000 000.00	0%
SC	South of Pretorius Str Bulk supply Engineering	INCOME	500 000.00		500 000.00		500 000.00	0%
SC	Reroute and upgrade Levubu East line	INCOME	3 500 000.00		3 500 000.00		3 500 000.00	0%
SC	New Voltage Regulators for Tshipise Line	INCOME	4 000 000.00		4 000 000.00		4 000 000.00	0%
SC	Electrification of villages top up to INEP grant	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	Post connections Minor extensions Munic area	INCOME	5 000 000.00		5 000 000.00		5 000 000.00	0%
SC	Pre-Paid Meters Conventional Single phase	INCOME	2 500 000.00		2 500 000.00		2 500 000.00	0%
SC	High masts lighting in villages	INCOME	3 500 000.00		3 500 000.00		3 500 000.00	0%
TOTAL			56 280 000.00	-	56 280 000.00	-	56 280 000.00	0%

ELECTRIFICATION								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	MUANANZHELE PHASE2	INEP	2 098 400.00		2 098 400.00		2 098 400.00	0%
SC	SMOKEY & KHOMELE SECTIONS	INEP	2 304 800.00		2 304 800.00		2 304 800.00	0%
SC	RAMANTSHA & RIVERSIDE	INEP	2 803 600.00		2 803 600.00		2 803 600.00	0%
SC	KHUNDA & MATSHAVHAWE	INEP	1 393 200.00		1 393 200.00		1 393 200.00	0%
SC	MANAVHELA VILLAGE	INEP	258 000.00		258 000.00		258 000.00	0%
SC	DOLI-DOLI/NDOUVHADA	INEP	258 000.00		258 000.00		258 000.00	0%
SC	MADODONGA VILLAGE	INEP	1 290 000.00		1 290 000.00		1 290 000.00	0%
SC	MARANIKWE VILLAGE	INEP	602 000.00		602 000.00	60 899.40	541 100.60	10%
SC	MUDILMELI VILLAGE PH2	INEP	946 000.00		946 000.00		946 000.00	0%
SC	SANE/NATALIE VILLAGES	INEP	946 000.00		946 000.00		946 000.00	0%
SC	TSHIKODOBO VILLAGE	INEP	258 000.00		258 000.00		258 000.00	0%
SC	ZAMEKOMSTE VILLAGE	INEP	430 000.00		430 000.00		430 000.00	0%
SC	TSHIKOTA LOCATION	INEP	172 000.00		172 000.00		172 000.00	0%
SC	MAGAU VILLAGE	INEP	1 135 200.00		1 135 200.00		1 135 200.00	0%
SC	MAKHITHA VILLAGE	INEP	1 100 800.00		1 100 800.00		1 100 800.00	0%
SC	MAKUSHU VILLAGE	INEP	946 000.00		946 000.00		946 000.00	0%
SC	MAMBURU	INEP	430 000.00		430 000.00		430 000.00	0%
SC	MASHAU/TSHILAPHALA Phase2	INEP	430 000.00		430 000.00		430 000.00	0%
SC	PFUMEMBE	INEP	997 600.00		997 600.00	520 721.30	476 878.70	52%
SC	MAANGANI	INEP	1 200 400.00		1 200 400.00	726 824.74	473 575.26	61%
TOTAL			20 000 000.00	-	20 000 000.00	1 308 445.44	18 691 554.56	7%
CIVIL ENGINEERING SECTION								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Tshikwarani to Zamkomste Road Phase 3	MIG Capex	25 017 518.00		25 017 518.00	2 300 952.03	22 716 565.97	9%
SC	Waterval Sports Facility Phase 2	MIG Capex	10 119 951.00		10 119 951.00		10 119 951.00	0%
SC	Waterval Sports Facility Phase 3	MIG Capex	900 000.00		900 000.00		900 000.00	0%
SC	Fencing of Makhado municipality cemetery	MIG Capex	1 193 834.00		1 193 834.00		1 193 834.00	0%
SC	Valdezia Xitacini to Jiweni access road phase 3	MIG Capex	1 393 503.00		1 393 503.00	831 050.52	562 452.48	60%
TOTAL			38 624 806.00	-	38 624 806.00	3 132 002.55	35 492 803.45	8%
CIVIL ENGINEERING SECTION - OWN FUNDING								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Mingard Bridge to Mhokota Entrance	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Luvhalani to Dzananwa Access Road	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Makatu to Tshikota Access Road	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Rivoni to Xihobyeni Access road	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Tsianda (Marundu to Military Base) Access Road	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Waterval Region Refuse Transfer Station	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Mudimeli bridge and Access road Phase 3	INCOME	7 042 280.70		7 042 280.70	2 375 258.14	4 667 022.56	34%
SC	Tshikwarani to Zamkomste Road Phase 3	INCOME	1 957 902.87		1 957 902.87		1 957 902.87	0%
SC	Waterval Stormwater	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Afton to Natalie Access Road	INCOME	800 000.00		800 000.00		800 000.00	0%
TOTAL			14 700 183.57	-	14 700 183.57	2 375 258.14	12 324 925.43	16%

ROADS AND STORM WATER								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	2 X Pedestrian Roller		300 000.00		300 000.00		300 000.00	0%
SC	Jump Stamper		20 000.00		20 000.00		20 000.00	0%
SC	Four ways Stop Pavement		500 000.00		500 000.00		500 000.00	0%
SC	Culvert Pipe (Rockla)		800 000.00		800 000.00		800 000.00	0%
TOTAL			1 620 000.00	-	1 620 000.00	-	1 620 000.00	0%
PROVISION OF TOOLS, EQUIPMENT & MATERIALS (MECHANICAL WORKSHOP)								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Hand Tools and Toolbox	INCOME	40 000.00		40 000.00		40 000.00	0%
SC	Generator/Welding Machine	INCOME	60 000.00		60 000.00		60 000.00	0%
SC	Paving Workshop	INCOME	800 000.00		800 000.00	414 000.00	386 000.00	52%
TOTAL			900 000.00	-	900 000.00	414 000.00	486 000.00	46%
BUILDING MAINTENANCE								
CODE	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Refurbishment of Municipal exhibiting store at show ground	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	Refurbishment of Electrical Store and Warehouse	INCOME	600 000.00		600 000.00		600 000.00	0%
SC	Upgrading of workshop and Refurshment of ablutions of female & Male	INCOME	700 000.00		700 000.00	49 800.00	650 200.00	7%
SC	Tilling and of Vleifointein regional Office	INCOME	350 000.00		350 000.00		350 000.00	0%
SC	Hand tools	INCOME	100 000.00		100 000.00		100 000.00	0%
SC	Fencing of Ha Mutsha Community hall	INCOME	400 000.00		400 000.00		400 000.00	0%
SC	Retailing of Dzanani Traffic Station office	INCOME	700 000.00		700 000.00		700 000.00	0%
SC	Installation of sliding gates at Municipal Premises	INCOME	350 000.00		350 000.00		350 000.00	0%
SC	Drilling and Equipment of two boreholes at Civic Centre	INCOME	450 000.00		450 000.00		450 000.00	0%
TOTAL			4 050 000.00	-	4 050 000.00	49 800.00	4 000 200.00	1%
TOTAL TECHNICAL SERVICES BUDGET			136 174 989.57	-	136 174 989.57	7 279 506.13	128 895 483.44	5%

CONSOLIDATED CAPITAL EXPENDITURE REPORT FOR 31 AUGUST 2019

RAL Project

RAL PROJECTS ON OPERATIONAL BUDGET 2019/20								
COD	DESCRIPTION	SOURCES	BUDGET	VIREMENT	FINAL BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
SC	Piesanghoek to Khunda Access road Phase 4	MIG	4 952 605.00		4 952 605.00	1 243 427.68	3 709 177.32	25%
SC	Tshedza to Vuvha Access road Phase 3	MIG	15 773 326.11		15 773 326.11		15 773 326.11	0%
SC	Gombiti, Tshivhuyuni to Mamphagi Road phase 3	MIG	15 773 326.11		15 773 326.11		15 773 326.11	0%
SC	Valdezia Xitacini to Jiweni access road phase 3	MIG	8 108 780.00		8 108 780.00	831 050.52	7 277 729.48	10%
SC	Chavani and Bungeni Roads phase 2	MIG	3 263 274.26		3 263 274.26		3 263 274.26	0%
SC	Pmu fees	MIG	3 080 883.00		3 080 883.00	356 186.10	2 724 696.90	12%
SC	Chavani and Bungeni Roads phase 2	RAL	30 000 000.00		30 000 000.00		30 000 000.00	0%
TOTAL			80 952 194.48	-	80 952 194.48	2 430 664.30	78 521 530.18	3%