

**FINANCE: IN YEAR MONITORING AND REPORTING: 3rd QUARTER: 2021/2022 FINANCIAL YEAR (MONTH ENDING 31 MARCH 2022)
(6/1/1(2021/22))**

1. QUARTER THREE SDBIP 31 MARCH 2022

MUNICIPAL FINANCIAL MAMAGEMENT AND VIABILITY			
Summary of third quarter SDBIP (Jan, Feb and March 2022) Municipal financial management and viability			
Key Performance Indicators	Third-quarter Performance Remarks	Third-quarter Target	Actual achieved Third-quarter
Number of Household earning less than per month with access to free electricity	Not Achieved	3 300	2 231
Approved 2022/23 Budget by 31 May 2022	Achieved	Draft budget to be tabled to council by 31 March 2022	Draft budget was tabled in council by 31 March 2022
Number of section 71 reports submitted to Treasury within 10 days after the end of the month of third quarter ending 31 March 2022	Achieved	3	3
Percentage Expenditure of Financial Management Grant by the end of second quarter ending 31 March 2022	Achieved	75%	75%
Percentage of Tenders processed within 90 days by second quarter ending 31 March 2022 (From closing date in the advert)	Not Achieved	95%	89%
Percentage of Electricity Distribution loss by second quarter ending 31 March 2022	Achieved	10%	10%
Percentage of Invoices Paid within 30 days of receipt by second quarter ending 31 March 2022	Achieved	100%	100%
Percentage of Billed revenue collected per month during 2021/22(second quarter ending by 31 March 2022 Financial Year	Achieved	90%	105%

Figure 1: Summary of 3rd quarter ending 31 March 2022 SDBIP

2. ANALYSIS OF SECOND QUARTER SDBIP KEY PERFORMANCE INDICATORS AND ACHIEVMENT ENDING 31 MARCH 2022.

1. Number of Household earning less than per month with access to free electricity

- The target was for the municipality to register 3300 by the end of third-quarter. The municipality did not achieve the target by registering only 2 231 by the end of third- quarter ending 31 March 2022.

2. Number of section 71 reports submitted to Treasury within 10 days after the end of the month by 31 March 2022

- The target was for the municipality to submit section 71 reports to provincial and national treasury within ten working days after the end of each month. The target was achieved and three section 71 reports were submitted to both national and provincial Treasury during third quarter.

3. Percentage Expenditure of Financial Management Grant by 31 March 2022.

- The target was to spend 75% of financial management grant by 31 March 2022 .The municipality achieved by this target by spending 75% of the budget.

4. Percentage of Tenders processed within 90 days by 31 March 2022 (From closing date in the advert). The target was not achieved 95% and only 89% was achieved. The reasons for the delay in processing of bids.

5. Percentage of Electricity Distribution loss by 31 March 2022.

The target for the municipality was to achieve less than 10% on distribution loss by 10% at the end of the quarter ending 31 March 2022.

6. Percentage of invoice processed within 30 days from the date of receipts of the invoice. The target was achieved and 100% of the invoice was paid within 30 days from the date of receipt of the invoice.

7. Percentage of Billed revenue collected per month during 2021/22 as at 31 March 2022 Financial Year.

- The target was for the municipality to achieved 90% collection rate at the end of the quarter ending 31 March 2022. The target was achieved by 105% .

**3. ANALYSIS FROM REPORTS FROM INCOME AND EXPENDITURE QUARTER THREE ENDING 31 MARCH 2022
SUMMARY: INCOME AND EXPENDITURE REPORT PERFORMANCE**

The actual operational income for third quarter is R 375 330 million and actual to date is R 978 426 million. The operational expenditure for the same period is R 237 472 million and actual to date is R 799 030 million.

Summary overall budgeted and actual expenditure

Types of Budget	Approved Adjusted Budget	Budget Spent	Variance	% Spent
Operational	R 1 146 billion	R 799 million	R 347 million	70%
Capital	R 333 million	R 238 million	R 95 million	71%
Total	R 1.479 billion	R 1 037 billion	R 442 million	70%

Summary Budget and overall current expenditure

The municipality had approved adjusted operational expenditure budget of R 1 146 billion and adjusted capital budget of R 333 million and the amount of R 799 million and R 238 million was spent respectively. This represents 70% spending on operational budget as well as 71% spending on capital budget. Overall spending is R 1 037 billion against the approved adjusted budget of R 1.479 billion and this represent 70% spending of the budget

4. APPROVED CONDITIONAL GRANT AS AT 31 MARCH 2022

Details of Grants allocated ,Grants Performance as at 31 MARCH 2022												
	Budget Year 2021/22											
Description	APPROVED ADJUSTED BUDGET	Grants Received YTD R '000	Actual Received Q1 R '000	Actual Received Q2 R '000	Q3 Received	Actual Q1 Expenditure R'000	Actual Q2 Expenditure R'000	Actual Q3 Expenditure R'000	Actual to date Expenditure R'000	% Spent on received	BUDGET VS ACTUAL %	Full Year Forecast
APPROVED CONDITIONAL GRANT												
Funded by:												
MIG	94,768	94,768	41,006	43,781	9,981	36,010	27,206	25,845	89,061	94%	94%	94,768
INEP	11,269	11,269	5,000	6,296		4,237		4,442	8,679	77%	77%	11,269
FMG	1,850	1,850	1,850			463	559	371	1,393	75%	75%	1,850
EPWP	2,280	2,280	568	1,140	572	570	570	570	1,710	75%	75%	2,280
DMG	26,000	26,000		26,000				18,574	18,574	71%	71%	26,000
Total Grants	136,167	136,167	48,424	77,217	10,553	41,280	28,336	49,802	119,418	88%	88%	136,167

1. Municipal infrastructure Grant (MIG)

The actual amount received for the third quarter is R 9 981 million and to date is R 94 768 million and actual expenditure for the third quarter is R 25 845 million and to date is R 89 061 million that represent 94% of expenditure against approved allocation of R 94 768 million.

2. Integrated National Electricity Programme (INEP)

The actual amount received for the third quarter is zero and to date R 11 296 million and actual expenditure for the third quarter is R 4 442 million and to date R 8 679 million that represents 77% of expenditure against approved allocation of R 11 279 million.

3. Financial Management Grant (FMG)

The actual amount received for the third quarter is zero and to date is R 1 850 million and actual expenditure for the third quarter is R 371 thousands and to date is R 1 393 million that represents 75% against the approved allocation of R 1 850 million.

4. Expanded Public Works Programme (EPWP)

The actual amount received for the third quarter is R 572 thousands and to date is R 2 280 million and actual expenditure for the third quarter is R 570 thousands and to date is R 1 710 million that represent 75% against the approved allocation of R 2 280 million.

5. Disaster Management Grants (DMG)

The actual amount received for the third quarter is zero and to date is R 26 000 million and actual expenditure for the third quarter is R 18 574 million and to date is R 18 574 million that represent 71% against the approved allocation of R 26 000 million

5. SUMMARY OF PERFORMANCE OF INCOME AND EXPENDITURE 31 MARCH 2022

Description	Budget Year 2021/22										
	APPROVED ADJUSTED BUDGET	THIRD QUARTER Projections	Q1 Sept 2021	Q2 Dec 2021	Q3 March 2022	Actual to date	YTD Variance	YTD variance	YTD Actual Budget/Budget %	Actual vs Projected%	Full Year Forecast
Revenue By Source											
Property rates	95,852,000.00	71,889,000.00	23,820,535.08	23,074,464.92	25,503,064.00	72,398,064.00	509,064.00	1%	76%	101%	95,852,000.00
Service charges - electricity revenue	457,348,000.00	343,011,000.00	83,240,910.33	123,648,089.67	76,971,200.00	283,860,200.00	-59,150,800.00	-17%	62%	83%	457,348,000.00
Service charges - refuse revenue	13,750,000.00	10,312,500.00	3,475,379.04	3,399,620.96	3,536,464.00	10,411,464.00	98,964.00	1%	76%	101%	13,750,000.00
Rental of facilities and equipment	301,000.00	225,750.00	350,315.56	-240,452.56	76,095.00	185,958.00	-39,792.00	-18%	62%	82%	301,000.00
Interest earned - external investments	6,423,000.00	4,817,250.00	1,690,655.93	1,521,226.07	2,368,284.00	5,580,166.00	762,916.00	16%	87%	116%	6,423,000.00
Interest earned - outstanding debtors	29,141,000.00	21,855,750.00	7,524,228.26	10,027,140.74	5,486,216.00	23,037,585.00	1,181,835.00	5%	79%	105%	29,141,000.00
Fines, penalties and forfeits	4,241,000.00	3,180,750.00	446,352.90	164,647.10	2,669,117.00	3,280,117.00	99,367.00	3%	77%	103%	4,241,000.00
Licences and permits	3,836,000.00	2,877,000.00	815,804.24	1,102,183.76	1,222,936.00	3,140,924.00	263,924.00	9%	82%	109%	3,836,000.00
Transfers and subsidies	537,941,000.00	403,455,750.00	169,813,000.00	133,660,000.00	195,062,434.00	498,535,434.00	95,079,684.00	24%	93%	124%	537,941,000.00
Other revenue	131,154,000.00	98,365,500.00	4,176,329.46	11,385,802.50	62,434,435.04	77,996,567.00	-20,368,933.00	-21%	59%	79%	131,154,000.00
Total Revenue	1,279,987,000.00	959,990,250.00	295,353,510.80	307,742,723.16	375,330,245.04	978,426,479.00	18,436,229.00	2%	76%	102%	1,279,987,000.00

Description	Budget Year 2021/22										
	APPROVED ADJUSTED BUDGET	Third-quarter Projections	Q1 Sept 2021	Q2 Dec 2021	Q3 March 22	ACTUAL TO DATE	YTD Variance	YTD variance	YTD Actual Budget/Budget %	Actual vs Projected%	Full Year Forecast
Expenditure By Source											
Employee related costs	298,896,000.00	224,172,000.00	60,210,370.84	75,228,629.16	71,000,188.00	206,439,188.00	-17,732,812.00	-8%	69%	92%	298,896,000.00
Remuneration of councillors	28,311,000.00	21,233,250.00	6,548,486.17	6,637,513.83	7,309,070.00	20,495,070.00	-738,180.00	-3%	72%	97%	28,311,000.00
Debt impairment	57,933,944.00	43,450,458.00	22,411,110.74	20,747,889.26	4,000,000.00	47,159,000.00	3,708,542.00	9%	81%	109%	57,933,944.00
Depreciation & asset impairment	130,000,000.00	97,500,000.00	34,550,736.76	34,449,263.24	35,613,001.00	104,613,001.00	7,113,001.00	7%	80%	107%	130,000,000.00
Finance charges	9,262,528.00	6,946,896.00		2,458,908.00	5,431,992.00	7,890,900.00	944,004.00	14%	85%	114%	9,262,528.00
Bulk purchases	300,000,000.00	225,000,000.00	79,025,586.15	91,760,413.85	44,186,946.00	214,972,946.00	-10,027,054.00	-4%	72%	96%	300,000,000.00
Other materials	30,462,980.00	22,847,235.00	4,899,909.32	8,220,090.68	2,772,000.00	15,892,000.00	-6,955,235.00	-30%	52%	70%	30,462,980.00
Contracted services	207,813,000.00	155,859,750.00	40,172,161.68	33,506,838.32	64,387,532.00	138,066,532.00	-17,793,218.00	-11%	66%	89%	207,813,000.00
Other expenditure	83,326,617.00	62,494,962.75	15,655,462.94	25,074,537.06	2,772,000.00	43,502,000.00	-18,992,962.75	-30%	52%	70%	83,326,617.00
Total Expenditure	1,146,006,069.00	859,504,551.75	263,473,824.60	298,084,083.40	237,472,729.00	799,030,637.00	-60,473,914.75	-7%	70%	93%	1,146,006,069.00

6. SIGNIFICANT VARIANCES ANALYSIS OF REVENUE AND EXPENDITURE PERFORMANCE

1. Revenue

1.1.1 Electricity Revenue

- The actual billing for Electricity revenue for the third quarter is R 76 971 million and to date is R 283 860 million compared with the R 343 011 million projections which results to under billing by 17%.

1.1.2 Other Revenue

The actual collection for the third quarter R 62 434 million and to date is R 77 996 compared with the projected revenue of R 98 365 million.

Expenditure

2.1.1 Debt Impairment

This is non- cash item and expenditure for the third quarter is R 4 000 million and to date is R 47 159 million compared to the projection of R 43 450 million .Debtors were assessed for impairment during the third quarter.

2.1. 2 Depreciation & asset impairment

This is non- cash item and expenditure for the third quarter is R 35 613 million and to date is R 104 613 million compared to the projection of R 97 500 million .

7. **CAPITAL EXPENDITURE.**

The Actual Capital expenditure for the third quarter 2022 is R 28 .173 million and to date is R 238.061 million which result to 71% spending against the approved adjusted budget of R 332 679 million.

DEPARTMENT	SOURCES	APPROVED ADJUSTED BUDGET	EXPENDITURE	VARIANCE	PERCENTAGE
Technical Services	INCOME & GRANT	295,348,123.76	215,760,115.73	79,588,008.03	73%
Community Services	INCOME	5,706,000.00	1,370,921.50	4,335,078.50	24%
Budget and Treasury	INCOME	21,136,276.37	14,098,110.00	7,038,166.37	67%
Corporate Services	INCOME	7,261,250.00	5,072,504.10	2,188,745.90	70%
Regional Offices	INCOME	3,517,025.00	1 759 845.00	1 757 180.00	50%
TOTAL		332,968,675.13	238,061,496.33	94,907,178..80	71%

i. Technical Services Department

The actual expenditure for the third quarter is R 215 760 million compared with the projection of R 221 511 million which result to a negative variance of 3%. The expenditure incurred for the third half represent 73% of approved budget for 2021/2022 financial year. The major spending of the department is mainly derived from MIG, INEP and own funding projects that are progressing well.

ii. Department of Community services

The actual expenditure for the third quarter is R 1 370 million compared with the projection of R 4 279 million which result to a negative variance of 67%. The expenditure incurred for the Third quarter half represent 24% of approved budget for 2021/22 financial year 2022

iii. Department of Budget and Treasury office

The actual expenditure for the third quarter is R 14 098 million compared with the projection of R 15 852 million which result to a negative variance of 11%.The expenditure incurred for the third quarter represent 67% of approved budget for 2021/22 financial year.

iv. Department of Corporate Services

The actual expenditure for the third quarter is R 5 073 million compared with the projection of R 5 445 million. The under spending represent negative 7% of the Mid-term projection. The expenditure incurred for the third quarter represents 70% of approved budget for 2021/22 financial year.

v. Regional Offices

The actual expenditure for the third quarter is R 1 759 million compared with the projection of R 2 638 million which result to a negative variance of 33%.The expenditure incurred for the third quarter represent 55% of approved budget for 2021/22 financial year.

8. DEBTORS AGE ANALYSIS

The amount outstanding from debtors as at 31 March 2022 is R 370 879 191.94

Description	Budget Year 2021/22							Total	Total over 90 days
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	180 Days and Over			
R thousands									
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	20,197	2,271	1,580	1,768	4,922	13,092	43,829	19,781	
Receivables from Non-exchange Transactions - Property Rates	20,995	3,531	3,117	3,244	17,278	95,981	144,147	116,504	
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Management	1,488	508	491	479	2,641	20,211	25,818	23,331	
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	5,440	2,656	2,581	2,517	13,693	77,275	104,163	93,485	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	
Other	4,967	1,428	1,297	1,159	5,270	38,801	52,922	45,230	
Total By Income Source	53,089	10,394	9,065	9,167	43,804	245,360	370,879	298,331	
2018/19 - totals only									
Debtors Age Analysis By Customer Group									
Organs of State	973	413	454	386	2,176	15,244	19,646	17,806	
Commercial	19,014	2,173	2,050	1,564	6,876	29,916	61,593	38,356	
Households	11,053	4,061	3,751	3,616	19,615	138,230	180,326	161,461	
Other	22,049	3,748	2,809	3,601	15,138	61,969	109,314	80,708	
Total By Customer Group	53,089	10,394	9,065	9,167	43,804	245,360	370,879	298,331	

Debtors Age Analysis By Customer Group

Customer Group	Total Debt per Customer Group	Impairment Provided	Net Debt per Customer Group
Organs of State	58 609	(51 226)	7 383
Commercial	61 825	(54 127)	7 698
Households	171 361	(150 105)	21 256
Other	79 084	(69 236)	9 848
Totals	370 879	(324 695)	46 184

MAKHADO LOCAL MUNICIPALITY

DEBT BREAKDOWN - March 2022

Customer Group	Amount	Action Plan and Progress
ORGANS OF STATE	17 925 559.89	
Agriculture	(121,090.59)	Payment in advance
Arts	120.84	Normal Monthly debt
Education	420,433.99	The department has been engage the Debt has been reduced from R 3.8 million to R 420 433.99
Health	50,672.39	Normal Monthly debt
Public Works - National	3,821,943.80	The Department was engaged regarding the debt. Payments were made by the Department which reduced the debt from R21,679,708.54 to R 3 821 943.80 The remaining debt to be monitored to ensure that it is further reduced and eventually paid up.
Public Works - Provincial	71,359.10	Normal Monthly Account
Rural Development	13,897,431.07	The Department was engaged regarding the debt. Payments were made by the Department which reduced the debt from R 17 .6 million to R 13 897 431.07 The remaining debt to be monitored to ensure that it is further reduced and eventually paid up.
DWARF	319,321.70	The Department was engaged regarding the debt.
SASSA	53,300.43	Normal debt
Vhembe District Municipality	(587,932.84)	Payment in advance

COMMERCIAL

61,592,970.13		
Business	61,592,970.13	Cut-offs are been executed and customers are making arrangement on how settle outstanding debts will servicing current consumption an Appointed of debt collectors will also
Residential Properties		
180,326,317.03		
Waterval	56 870 417.27	Campaigns are necessary to educate the public about payment of their accounts. Appointment of debt collectors could also assist with collection
Dzanani	14 242 014.85	Campaigns are necessary to educate the public about payment of their accounts. Appointment of debt collectors could also assist with collection
Vleifontein	29 029 930.22	Campaigns are necessary to educate the public about payment of their accounts. Appointment of debt collectors could also assist with collection
Tshikota	8 221 798.88	Cut-offs are been executed and customers are making arrangement on how settle outstanding debts will servicing current consumption an Appointed of debt collectors will also assist with collection.
MAKHADO (LOUIS TRICHARDT)		
Eltivillas	4 047 015.91	Cut-offs has been executed and customers are making arrangement on how settle outstanding debts will servicing current consumption an Appointed of debt collectors could also assist with collection
Louis Trichardt – Ext 1	1 172 511.17	
Louis Trichardt – Ext 2	8 402 353.02	
Louis Trichardt – Ext 6	773 017.19	
Louis Trichardt – Ext 7	2 245 099.18	
Louis Trichardt – Ext 8	7 580 669.66	
Louis Trichardt – Ext 9	4 574 171.76	
Louis Trichardt – Ext 11	705 543.20	

Louis Trichardt – Industrial Area	1 094 507.50	
Louis Trichardt – Industrial Area (2)	4 120 554.75	
Louis Trichardt – CBD	37 249 334.28	
OTHER	111,034,344.89	
Agricultural	76,874,996.11	Cut-offs are been executed for the accounts in arrear and Data Cleansing to obtain addresses for the farms. Appointment of debt collectors could also assist with collection
Other Government Accounts	1,720,178.65	Cut-offs are been executed for the accounts in arrear and Data Cleansing to obtain addresses for the farms. Appointment of debt collectors could also assist with collection
Churches	554,778.57	Cut-offs will be executed for the accounts in arrear
PSP (Public Service Properties)	4,426,872.74	Cut-offs will be executed for the accounts in arrear
PSI (Public Service Infrastructure)	484,374.13	Cut-offs will be executed for the accounts in arrear
PBO (Public Benefit Organisation)	(7,706.58)	Payment in advance
SOP (State Owned Properties)	26,980,851.27	Cut-offs will be executed for the accounts in arrear
GRAND - TOTAL	370 879 191.94	

Summary of Debt Impairment Narration

Allowance for debt impairment for the third quarter ending March 2022 equals R324.6 million.

The Total Consumer Debtors as at the 31 March equals R370 879 million.

The Net Debt Collectible equals R46 184 million.

COLLECTION REPORT.

- Vhembe District Municipality still owes **R36m** as at the 31 March 2022.
- Distribution loss for the third quarter ending 31 March 2022 amounted to 10%.
- The overall third quarter Collection Rate is = 105%
- The municipality has appointed service providers for debtor collectors who will assist in collecting where the municipality does not provide electricity.

CHALLENGES THAT IMPACT ON COLLECTION

- The non-existent of electricity in R293 Towns such as Dzanani, Waterval, Vleifontein, excluding Tshikota.
- Illegal connections
- Government entities who are not paying the Municipality

STRATEGIES TO IMPROVE COLLECTION

- The municipality has embarked 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 will be identified and a request sent to Technical Department to have those meters removed and allocated to a point where they can be accessible.
- Credit Control is currently being implemented to Government and business without compromise.
- The municipality is currently monitoring the payment arrangement with VDM with on 96 million outstanding for water debt which currently is sitting at R 36 million
- Installation of prepaid meter

COLLECTION REPORT FOR THE THIRD QUARTER OF 2021/ 2022

MONTHS	COLLECTION RATE
Jan – 2022	81%
Feb – 2022	120%
March - 2022	115%
Total	105%

9. SCM PROCESS

. COMPETITIVE BIDDING PROCESSES ACTIVITY

ACTIVITY	Bids Advertised	Evaluated	Adjudicated	Awarded	BBB-EE	Re- Advertised	Cancelled
Balance B/F	12	-	-	-	-	-	-
1st Quarter	15	24	24	24			
2nd Quarter	39	15	15	15			
3rd	19	20	20	20	-	-	
Total to Date	85	59	59	59			
ANNEXURE	A	B	C	D	E	F	F

All requests for adverts were processed. As at 31 March 2022, the following 26 bids were not awarded:

NO	BID NO	DESCRIPTION	CLOSING DATE	COMMENTS
01	70 of 2021	Supply,delivery and installation of two high masts at Makhado new land fill site	23-Sep-21	In evaluation
02	64 of 2021	Supply and delivery of oils for mechanical workshop for the period of three years	01-Oct-21	In evaluation
03	76 of 2021	Supply,delivery and installation of mobile	01-Nov-21	In evaluation

		radio and portable radio		
04	83 of 2021	Design architecture of disaster recovery solution	12-Nov-21	In evaluation
05	91 of 2021	Supply, delivery of material, labour and construction of concrete palisade fence at Muwaweni Community hall	14-Dec-21	In evaluation
06	94 of 2021	Appointment of electrical contractor to Supply and erection of high masts lightening structures in Town Parks	14-Dec-21	In evaluation
07	95 of 2021	Appointment of electrical contractor to upgrade wooden poles to concrete poles for 22kv line to Emma Substation.	14-Dec-21	In evaluation
08	97 of 2021	Supply, deliver and commissioning of 3 X Voltage regulators at Tshipise	10-Jan-22	In evaluation
09	01 of 2022	Development of Dzanani park Phase 2 (Installation of Outdoor Gym, Playing equipment and swimming pool)	11 February 2022 at 12:00pm	In evaluation
10	02 of 2022	Refurbishment of Waterval Regional Office	11 February 2022 at 12:00pm	In evaluation
11	03 of 2022	Construction of fence at Madombidzha Graveyard	11 February 2022 at 12:00pm	In evaluation
12	04 of 2022	Construction of fence at Maelula Graveyard	11 February 2022 at 12:00pm	In evaluation
13	05 of 2022	Waterval Cemetery Road (Regravelling)	18 February 2022 at 12:00pm	In evaluation
14	06 of 2022	Rehabilitation of Streets in waterval : Djunani Street	18 February 2022 at 12:00pm	In evaluation
15	07 of 2022	Appointment of a service provider/consultants to render assignment for internal audit unit for Makhado municipality for the period of three (03) years	25 February 2022 at 12:00pm	In evaluation
16	10 of 2022	Occupational Medical Services For Makhado Local Municipality Employees For The Period Of Three (03) Years	28 February 2022 at 12:00pm	In evaluation

17	11 of 2022	Supply, delivery and providing of fuel and lubricants for yellow and small equipment for makhado local municipality for the period of three (03) years	28 February 2022 at 12:00pm	In evaluation
18	12 of 2022	Supply and delivery of waste skip bin to Makhado local municipality	25 February 2022 at 12:00pm	In evaluation
19	13 of 2022	Appointment of an electrical service provider for supply of spares and repairs of Auto Reclosers for the period three (03) years	28 February 2022 at 12:00pm	In evaluation
20	14 of 2022	Supply and delivery of Hot mix asphalt for the period of three (03) years	28 February 2022 at 12:00pm	In evaluation
21	15 of 2022	Refresh backup server hardware and software (for secondary server environment) for the period of three (03) years	28 February 2022 at 12:00pm	In evaluation
22	16 of 2022	New Internet line : 150 megabits per second (Mbps) upload (UL) and 150 Mbps download (DL) failover internet dataline for the period of three (03) years	28 February 2022 at 12:00pm	In evaluation
23	18 / 2022	Appointment of panel of consultants for professional civil engineering related services for the period of three years	14 March 2022 at 12:00pm	In evaluation
24	19 / 2022	Clinical psychologist medical services for Makhado local municipal employees for the period of three (03) years	14 March 2022 at 12:00pm	In evaluation
25	20/2022	Supply, delivery and Installation of 3M book detector security system for Musekwa satellite library	28 February 2022 at 12:00pm	In evaluation
26	21/2022	Supply and delivery of building material for Muduluni community hall	28 February 2022 at 12:00pm	In evaluation

FORMAL WRITTEN QUOTATION AS AT 31 MARCH 2022

ACTIVITY	Quotations Advertised	Quotations Evaluated	Quotations Awarded
1 st Quarter	28	23	23
2 nd Quarter	40	15	15
3 rd Quarter	28	11	11

PROCUREMENT DEVIATION THIRD QUARTER AS AT 31 MARCH 2022

1. The number of awards made in terms of SCM regulation 36
= **20**
2. Reason(s) for deviation in terms of SCM Regulations 36
Reason: Sole service providers and impractical to follow normal SCM process
3. Total value of deviations under R 200 000
= **R550 175.30**
4. Total value of deviations over R200 000
= **R0**
5. Total number of deviations under R 200 000 is 20
6. Total number of deviation over R 200 000 is 0
7. Total value of deviations awarded through SCM Regulation 36
= **R 550 175.30**

STATUS OF RECONCILIATIONS AS AT 31 MARCH 2022

Bank reconciliations is up to date
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 Feb 2022

10 A CASH FLOW POSITION

This statement indicates the financial position as at 31 March 2022 is R 318 129 997.46 .The municipality continue to keep a favorable balance on the monthly basis and this cash flow statement reflect positive balance of R 318 129 997.46 at the end third quarter 31 March 2022.

Primary Account	R 318 129 997.46
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Closing balance as at 31 MARCH 2022	R 318 129 997.46
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Description	Budget Year 2021/22											
	R thousands	APPROVED ADJUSTED BUDGET	THIRD QUARTER Projections	Q1 Sept 2021	Q2 Dec 2021	Q3 March 2022	Actual to date	YTD Variance	YTD variance	YTD Actual Budget/Budget %	Actual vs Projected%	Full Year Forecast
Revenue By Source												
Property rates	95,852,000.00	71,889,000.00	23,820,535.08	23,074,464.92	25,503,064.00	72,398,064.00	509,064.00	1%	76%	101%	95,852,000.00	
Service charges - electricity revenue	457,348,000.00	343,011,000.00	83,240,910.33	123,648,089.67	76,971,200.00	283,860,200.00	-59,150,800.00	-17%	62%	83%	457,348,000.00	
Service charges - refuse revenue	13,750,000.00	10,312,500.00	3,475,379.04	3,399,620.96	3,536,464.00	10,411,464.00	98,964.00	1%	76%	101%	13,750,000.00	
Rental of facilities and equipment	301,000.00	225,750.00	350,315.56	-240,452.56	76,095.00	185,958.00	-39,792.00	-18%	62%	82%	301,000.00	
Interest earned - external investments	6,423,000.00	4,817,250.00	1,690,655.93	1,521,226.07	2,368,284.00	5,580,166.00	762,916.00	16%	87%	116%	6,423,000.00	
Interest earned - outstanding debtors	29,141,000.00	21,855,750.00	7,524,228.26	10,027,140.74	5,486,216.00	23,037,585.00	1,181,835.00	5%	79%	105%	29,141,000.00	
Fines, penalties and forfeits	4,241,000.00	3,180,750.00	446,352.90	164,647.10	2,669,117.00	3,280,117.00	99,367.00	3%	77%	103%	4,241,000.00	
Licences and permits	3,836,000.00	2,877,000.00	815,804.24	1,102,183.76	1,222,936.00	3,140,924.00	263,924.00	9%	82%	109%	3,836,000.00	
Transfers and subsidies	537,941,000.00	403,455,750.00	169,813,000.00	133,660,000.00	195,062,434.00	498,535,434.00	95,079,684.00	24%	93%	124%	537,941,000.00	
Other revenue	131,154,000.00	98,365,500.00	4,176,329.46	11,385,802.50	62,434,435.04	77,996,567.00	-20,368,933.00	-21%	59%	79%	131,154,000.00	
Total Revenue	1,279,987,000.00	959,990,250.00	295,353,510.80	307,742,723.16	375,330,245.04	978,426,479.00	18,436,229.00	2%	76%	102%	1,279,987,000.00	

Description	Budget Year 2021/22										
	APPROVED ADJUSTED BUDGET	Third-quarter Projections	Q1 Sept 2021	Q2 Dec 2021	Q3 March 22	ACTUAL TO DATE	YTD Variance	YTD variance	YTD Actual Budget/Budget %	Actual vs Projected%	Full Year Forecast
Expenditure By Source											
Employee related costs	298,896,000.00	224,172,000.00	60,210,370.84	75,228,629.16	71,000,188.00	206,439,188.00	-17,732,812.00	-8%	69%	92%	298,896,000.00
Remuneration of councillors	28,311,000.00	21,233,250.00	6,548,486.17	6,637,513.83	7,309,070.00	20,495,070.00	-738,180.00	-3%	72%	97%	28,311,000.00
Debt impairment	57,933,944.00	43,450,458.00	22,411,110.74	20,747,889.26	4,000,000.00	47,159,000.00	3,708,542.00	9%	81%	109%	57,933,944.00
Depreciation & asset impairment	130,000,000.00	97,500,000.00	34,550,736.76	34,449,263.24	35,613,001.00	104,613,001.00	7,113,001.00	7%	80%	107%	130,000,000.00
Finance charges	9,262,528.00	6,946,896.00		2,458,908.00	5,431,992.00	7,890,900.00	944,004.00	14%	85%	114%	9,262,528.00
Bulk purchases	300,000,000.00	225,000,000.00	79,025,586.15	91,760,413.85	44,186,946.00	214,972,946.00	-10,027,054.00	-4%	72%	96%	300,000,000.00
Other materials	30,462,980.00	22,847,235.00	4,899,909.32	8,220,090.68	2,772,000.00	15,892,000.00	-6,955,235.00	-30%	52%	70%	30,462,980.00
Contracted services	207,813,000.00	155,859,750.00	40,172,161.68	33,506,838.32	64,387,532.00	138,066,532.00	-17,793,218.00	-11%	66%	89%	207,813,000.00
Other expenditure	83,326,617.00	62,494,962.75	15,655,462.94	25,074,537.06	2,772,000.00	43,502,000.00	-18,992,962.75	-30%	52%	70%	83,326,617.00
Total Expenditure	1,146,006,069.00	859,504,551.75	263,473,824.60	298,084,083.40	237,472,729.00	799,030,637.00	-60,473,914.75	-7%	70%	93%	1,146,006,069.00