

EMALAHLENI LOCAL MUNICIPALITY (EC 136)

SECTION 52 (d) MONITORING REPORT

FOR QUARTER 01 OF THE 2021/2022 FY

IN TERMS OF SECTION 52 OF THE MFMA

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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating expenditure – Spending on the day-to-day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, is spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned. In Emalahleni Municipality this means votes such as Executive & Council, Financial Services, Corporate Services, and Public Safety etc.

MIG – Municipal Infrastructure grant- Conditional grant capital in nature

INEP – Integrated Electrification (municipal) Programme grant capital in nature

EPWP –Expanded Public Works Programme

FMG – Financial Management Grant

DOT – Department of Transport

1 REPORT OF THE HONOURABLE MAYOR

In accordance with Section 52 of the Municipal Finance Management Act 56 of 2003(MFMA); the mayor must submit a report to the council within 30 days after the end of each quarter of the 2021/2022 financial year, on the implementation of the budget and financial state of affairs of the Emalahleni Local Municipality.

The submission of this report forms part of the general responsibilities of the mayor of a municipality and is intended to inform and enable the council to fulfil its oversight responsibility.

It must be noted that the figures contained in this report are interim and are unaudited. The use of the figures reported in this report is therefore for the designated audience and any other use of this information for other purposes; the municipality disclaims itself.

Honorable Mayor :
Signature : *D.F. Louw*
Date : ...13 October 2021.....

2 MUNICIPAL MANAGER 'S CERTIFICATION

I, **Velile Castro Makedama**, the municipal manager of **Emalahleni Municipality, EC 136** hereby certify that: -

(mark as appropriate)

- the monthly budget statement
 quarterly report on the implementation of the budget and financial state of affairs of the municipality
 mid-year budget and performance assessment

for the first quarter of 2021/2022 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name: Mr. VC. Makedama

Municipal Manager of Emalahleni Municipality (EC136)

Signature *VC Makedama*

Date --13 October 2021-----

3. INTRODUCTION

The quarter 01 budget implementation report covers revenue and expenditure, SCM and assets for quarter 01 of the 2021/2022 financial year.

The budget implementation report assesses the in-year financial performance of the municipality against the budgeted revenue and expenditure. The budget implementation report focuses on the credibility of municipal budget, covering capital and operating budgets as well as sustainability of the municipality that includes debtors, creditors and cash flow position through compliance with SCM regulations.

The straight-line method of projection used as a benchmark for expenditure and revenue at the end of the second month set to be 25%.

4.1 LEGISLATIVE FRAMEWORK

In terms of section 52 (d) of the Municipal Finance Management Act, (Act 56 of 2003) (MFMA), the Mayor of a municipality must within 30 days after the end of each quarter submit a report to council on the implementation of the budget and the financial state of affairs of the Municipality. Section 74 of the MFMA requires accounting officers to submit such information, returns, documents, explanations and motivations as may be required.

4.2 EXECUTIVE SUMMARY

The executive summary presented is aimed at providing Council with a high-level overview of the trading results for the period quarter 01 of 2021/2022 as well as a comprehensive overview of the Municipality's financial management and viability, and the extent to which the Municipality is meeting and exceeding planned performance as contained within the Service Delivery and Budget implementation plan.

5. CREDIBILITY OF MUNICIPAL BUDGET

5.1 CAPITAL BUDGET VERSUS ACTUAL

Table C5 below reflects the capital expenditure for quarter 01 of the 2021/2022 financial year by "municipal vote". The capital expenditure at the end of quarter 01 of 2021/2022 is R8,897 million with a variance of 25% compared to the quarter 01 projection of R11,861 million.

Table C5 has been included below for illustrative purposes.

5. CREDIBILITY OF MUNICIPAL BUDGET

5.1 CAPITAL BUDGET VERSUS ACTUAL

Table C5 below reflects the capital expenditure for quarter 01 of the 2021/2022 financial year 2021 by "vote". The capital expenditure for quarter 01 of the 2021/2022 financial year is R8,912 million with the variance of 25% (R2,949 million) compared to the year-to date projections of R11,861 million.

- The capital expenditure funded from National grant funding amounted to R8,897 million compared to the projected budget for the quarter of R10,755 million, resulting in a 17% (R1,858 million) under performance
- The capital expenditure funded from internally generated funding amounted to R15 375 compared to the projected budget for the quarter of 906 000, resulting in a 98% (R891 000) under performance

Table C5 has been included below for illustrative purposes.

EC136 Emalaheni (Ec) - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	Ref	2020/21		Budget Year 2021/22						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		-	300	-	-	-	75	(75)	-100%	300
Vote 3 - Budget and Treasury		29	80	-	-	-	20	(20)	-100%	80
Vote 4 - PEDTA		-	-	-	-	-	-	-	-	-
Vote 5 - Community Services and Social Services		16,174	12,723	-	395	528	4,320	(3,793)	-88%	12,723
Vote 6 - Infrastructure Development and Human Settlement		6,942	41,974	-	6,611	8,369	7,046	1,323	19%	41,974
Total Capital Multi-year expenditure	4.7	23,144	55,076	-	7,006	8,897	11,461	(2,965)	-22%	55,076
Single Year expenditure appropriation	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services		728	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury		1,515	1,000	-	-	-	250	(250)	-100%	1,000
Vote 4 - PEDTA		-	-	-	-	-	-	-	-	-
Vote 5 - Community Services and Social Services		1,204	300	-	-	-	50	(50)	-100%	300
Vote 6 - Infrastructure Development and Human Settlement		18,655	400	-	-	-	100	(100)	-100%	400
Total Capital single-year expenditure	4	22,102	1,700	-	-	-	400	(400)	-100%	1,700
Total Capital Expenditure		45,246	56,776	-	7,006	8,897	11,861	(2,965)	-25%	56,776
Capital Expenditure - Functional Classification										
Governance and administration		2,336	1,380	-	-	-	345	(345)	-100%	1,380
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		2,336	1,380	-	-	-	345	(345)	-100%	1,380
Community and public safety		18,250	12,323	-	395	528	4,195	(3,668)	-87%	12,323
Community and social services		17,258	4,550	-	301	434	1,508	(1,074)	-71%	4,550
Sport and recreation		992	7,673	-	94	94	2,662	(2,568)	-96%	7,673
Public safety		-	100	-	-	-	25	(25)	-100%	100
Economic and environmental services		24,142	21,586	-	745	1,646	1,962	(316)	-16%	21,586
Planning and development		(113)	-	-	-	-	-	-	-	-
Road transport		24,255	21,586	-	745	1,646	1,962	(316)	-16%	21,586
Trading services		182	21,487	-	5,867	6,723	5,359	1,364	25%	21,487
Energy sources		182	20,735	-	5,867	6,723	5,184	1,539	30%	20,735
Waste water management		1,272	52	-	-	-	-	-	-	52
Waste management		(1,272)	700	-	-	-	175	(175)	-100%	700
Other		336	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	45,246	56,776	-	7,006	8,897	11,861	(2,965)	-25%	56,776
Funded by:										
National Government		25,141	52,951	-	7,006	8,897	10,755	(1,858)	-17%	52,951
Provincial Government		18,037	200	-	-	-	200	(200)	-100%	200
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		43,178	53,151	-	7,006	8,897	10,955	(2,058)	-19%	53,151
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		2,068	3,625	-	-	-	906	(906)	-100%	3,625
Total Capital Funding		45,246	56,776	-	7,006	8,897	11,861	(2,965)	-25%	56,776

Analysis of Table C5 below:

- **Economic and environmental services (Road transport)** – For quarter 01 of the 2021/2022 financial year to date expenditure for road transport was R1,646 million which is below the year-date budget of R1,962 million, resulting in a variance of 16% (R316 000).

- **Trading services:** At the end of quarter 01 amounts to R6,723 million compared to a year-date budget of R5,184 million, resulting in an over-expenditure 30% (R1,539 million).
- **Community and Public safety:** Amount to R528 000 at the end of the first quarter versus a year-date budget of R4,195 million, resulting in a variance of R3,668 million (87%). The slow expenditure trend is due to the fact that we are still at the beginning of a new financial year and the SCM processes due to be implemented according to the Procurement Plan.

5.1.1. CAPITAL EXPENDITURE SOURCES OF FUNDING

- The capital expenditure funded from National grant funding amounted to R8,897 million compared to the projected budget for the quarter of R10,755 million, resulting in a 17% (R1,858 million) under performance
- The capital expenditure funded from internally generated funding amounted to R15 375 compared to the projected budget for the quarter of 906 000, resulting in a 98% (R891 000) under performance

5.2 OPERATING BUDGET

5.2.1 Operating Revenue

The following table shows budgeted revenue projections vs. Actual revenue recognised:

Table C4 below, is a breakdown of the Actual revenue per revenue source, as well as "other" actual revenue collected, compared to the Actual projections for quarter 01 of 2021/2022 financial year. See table C4 below together with a discussion analysis below.

EC136 Emalaheni (Ec) - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		9,893	11,000	-	523	5,927	2,750	3,177	116%	11,000
Service charges - electricity revenue		14,041	15,000	-	1,306	4,056	3,750	306	8%	15,000
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		9,570	5,000	-	875	2,607	1,250	1,357	109%	5,000
Rental of facilities and equipment		208	544	-	28	231	136	95	70%	544
Interest earned - external investments		2,274	4,000	-	269	828	1,000	(172)	-17%	4,000
Interest earned - outstanding debtors		5,266	3,130	-	517	1,514	782	732	93%	3,130
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1,032	150	-	20	48	38	11	28%	150
Licences and permits		1,436	4,010	-	166	392	1,003	(610)	-61%	4,010
Agency services		1,712	1,529	-	334	585	382	203	53%	1,529
Transfers and subsidies		165,248	145,852	-	1,635	59,369	63,029	(3,660)	-6%	145,852
Other revenue		1,865	316	-	7	202	79	123	156%	316
Gains		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		212,545	190,532	-	5,682	75,760	74,199	1,561	2%	190,532

- **Property Rates:** actual vs. projected revenue amounts to R5,927 million, results have a positive variance of 116% (R3,177 million) compared to the year-to-date quarter 01 projection of R2,750 million. This variance shows that half the billing for the year was done in the month of July.
- **Electricity revenue** amounts to R4,056 million, resulting in an 8% (R306 000) over-expenditure variance versus the projected quarter 01 budget of R3,750 million, which is deemed to be an acceptable variance. This could be due to usage patterns stabilizing due to the change in season from Winter to Spring.
- **Refuse removal:** actual vs. projected collection amounts to R2,609 million, resulting in a 109% (R1,357 million) over collection variance compared to the quarter 01 projection of R1,250 million, this is a result of the strengthening of the collection efforts towards the businesses.

- Rental of facilities: actual vs. projected collection reflects R231 000, resulting in a 70% (R95 000) under-collection variance. During the 2019/20 audit, it was found that the leases that the municipality held for rental of municipal property were invalid except for 6 leases which also had expired contracts. The correction of this error entailed the derecognition of revenue even in the current year.
- Interest on debtors amounts to R1,514 million, resulting in a variance of 93% (R732 000) over-collection compared to the quarter 01 projection of R782 000
- Other revenue: actual vs. projected revenue amounts to R59,369 million, resulting in a minor variance of 6% (R3,660 million) compared to the quarter 01 projection of R63,029 million.
- The overall Quarter 01 2021/2022 revenue collection is showing collection of R75,760 million, resulting in a variance of 2% (R1,561 million) compared to the quarter 01 projection of R74,199 million, thereby showing that the municipality is largely on par with the revenue generation targets set out for the quarter.

5.2.2 Operating Expenditure by type:

Table C4 reflects operating expenditure by type for Quarter 01 of 2021/2022 of the operating expenditure.

Table C4: EXPENDITURE

Expenditure By Type									
Employee related costs	86,420	95,936	-	6,963	20,400	23,984	(3,584)	-15%	95,936
Remuneration of councillors	13,239	13,600	-	1,097	3,344	3,400	(56)	-2%	13,600
Debt impairment	8,324	3,000	-	-	-	750	(750)	-100%	3,000
Depreciation & asset impairment	34,340	20,000	-	-	4,647	5,000	(353)	-7%	20,000
Finance charges	1,366	60	-	-	(2)	15	(17)	-113%	60
Bulk purchases - electricity	13,185	12,000	-	3,815	5,815	3,000	2,815	94%	12,000
Inventory consumed	3,710	5,893	-	257	684	1,473	(789)	-54%	5,893
Contracted services	16,245	9,883	-	1,749	2,421	2,471	(50)	-2%	9,883
Transfers and subsidies	349	901	-	1	1	225	(224)	-99%	901
Other expenditure	23,263	26,522	-	1,678	5,808	6,631	(823)	-12%	26,522
Losses	276	-	-	-	-	-	-	-	-
Total Expenditure	200,717	187,795	-	15,560	43,118	46,949	(3,831)	-8%	187,795

Expenditure projected, original budget against actuals: -

Employee related costs amounts to R20,400 million, with an under expenditure of 15% (R3,584 million) under-expenditure. This is due to vacancies which are vacant in the organogram but have been budgeted for in the projections.

Remuneration of Councillors amounts to R3,344 million which results in a minor variance of 2% (R56 000) under-expenditure. This means the budget is in line with the quarter 01 budget projections of R3,400 million.

Debt impairment has not been spent yet as the municipality is in the process of finalizing the write-off of irrecoverable debtors.

Depreciation and asset impairment Expenditure at the end of quarter 01 is R4,142 million, resulting in a 17% (R858 000) negative variance compared to the projected budget for quarter 01. This is an indication that the quarter 01 year-to date budget estimate may be over budgeted, but it is still early to come to such a conclusion.

Bulk Purchases reflects a minor over expenditure of 94% (2,815 million) compared to the budget. This means the bulk electricity quarter 01 year-to date budget estimate may be under-estimated, but it is still early to come to such a conclusion. It needs to be monitored closely specially since the winter months have come to an end

Inventory consumed shows an under-expenditure of 54% (R789 000) compared to the that the quarter 01 year-to date budget estimate may be over-estimated, but it is still early to come to such a conclusion.

Contracted services shows an under-expenditure of 2% (R50 000) compared to the annual budget. This is due to the municipality implementing a resolution to reduce the use of consultants to a minimum and that the quarter 01 year-to date budget estimate is realistic.

Other Expenditure shows an under-expenditure of 12% (R823 000) compared to the budget.

Other Expenditure: -

- Training services
- Catering services
- Audit fees
- Transport services
- Casual Labourers
- Municipal running costs
- Water and Electricity services
- Conference fees

5.3 Allocations and Grants

Conditional grants expenditure

CONDITIONAL GRANTS AT THE END OF SQUARTER 01 2021/2022			
GRANT	AMOUNT RECEIVED	AMOUNT SPENT	PERCENTAGE EXPENDITURE
EPWP	501,000.00	896,305.00	179%
FMG	3,100,000.00	1,013,000.00	33%
MIG	8,713,000.00	3,521,000.00	40,41%
INEP	6,240,000.00	7,822,000.00	125,35%
LIBRARY	-	221,817.00	#
TOTAL	18,554,000.00	13,474,122.00	72%

- Financial Management Grant (FMG) – The municipality has spent about R1,013 million or 33% of the total FMG grant allocation of R3,1 million which was transferred in full to the municipality in August 2021.
- Municipal Infrastructure Grant (MIG) – The MIG expenditure for the first quarter is R3,521million or 40,41% of the allocation R8,713 million which was received in July 2021.The total MIG grant allocation for the 2021/2022 financial year is of R35,275 million.
- INEP– The municipality has spent about R7,822 million or R125,35% of the total INEP grant received in the first quarter, R6,240 million of the allocation received in July 2021. The total INEP grant allocation for the 2021/2022 financial year is R19,440 million
- EPWP – In the first quarter the municipality has spent about R896,305.00 or 179% of the EPWP grant received in September of R501 000. The total EPWP allocation for the 2021/2022 financial year is R2,003 million.
- LIBRARY-In the first quarter R221 817 was spent. No funds have been transferred to the municipality by the department of Sport Arts and Culture, but the allocation of R950 000 has been gazetted and therefore will be transferred in the near future.

5.4 CREDITORS AGE ANALYSIS

The following table reflects the total outstanding creditors owed by the municipality at the end of Quarter 1 of 2021/2022 :

EC136 Emalaheni (Ec) - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2021/22								Total	Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	0	-	0	-	-	-	-	-	0	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1,345	0	0	20	2	0	0	0	1,367	1,157	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	14	-	-	-	-	-	-	-	14	-	
Total By Customer Type	1000	1,359	0	0	20	2	0	0	0	1,381	1,157	

The table above reflects that the municipality is trying its level best to pay its creditors within 30 days, since this is a new financial year the outstanding creditors payments are reflecting in the 60 days to 90 days. The municipality and system vendor are trying to fix this as it is not a true reflection. None of the amounts still to be processed for payment were audit fees or payments to Eskom.

6 SUSTAINABILITY OF THE BUDGET

6.1 Outstanding Debt as at end of Quarter 01 - September 2021:

- The total debt owed to the municipality as at the 30th September 2021 amounts to R105 939 577.45.
- The total debt above can be broken down as follow:
 - Balance Per Debtor:**

Totals per Account Group	Total Balance	Current Billing	30-60 Days	Greater than 90 Days	Total Interest
Blue Crane Minerals & Resources (PTY) Ltd	R42 182.02	R843.00	R32 999.60	R7 579.39	R760.03

Business	R9 749 110.62	R299 484.27	R723 974.83	R6 470 380.73	R2 255 270.79
Chris Hani District Municipality	R7 374 697.97	R17 828.80	R211 926.24	R5 516 110.83	R1 628 832.10
Churches	R588.51	-R1 337.36	R1 906.80	R0.00	R19.07
CORNISH TRUST AND HW STAPELBERG	R147 616.82	R6 745.94	R26 475.76	R109 861.68	R4 533.44
Councillors Accounts	R25 164.37	R184.51	R535.35	R16 697.51	R7 747.00
Dept of Rural Development and Land Reform	R4 094 202.90	R10 826.63	R861 929.66	R2 854 203.12	R367 243.49
Dept Rural Dev & Agri Reform	R9 250.12	R157.10	R314.20	R7 180.36	R1 598.46
Dept Social Development	R201 064.34	R14 955.53	R27 137.42	R140 425.17	R18 546.22
Dordrecht High School	R2 828.77	R293.05	R2 361.12	R0.00	R174.60
Eastern Cape Development Corp	R39 691.23	R2 085.64	R4 171.28	R31 049.92	R2 384.39
Education	R142 490.18	R7 861.04	R13 401.90	R109 127.86	R12 099.38
Farms	R5 559 130.33	-R71 428.27	R530 474.24	R3 538 037.30	R1 562 047.06
Health	R705 439.05	R149 454.83	R304 576.18	R240 630.16	R10 777.88
Indigents	R264 550.23	R65 668.28	R196 919.53	R0.00	R1 962.42
Indwe High School	R13 954.42	R3 193.62	R6 387.24	R4 150.12	R223.44
Joe Gqabi Municipality	R50 799.69	R4 642.85	R16 671.18	R26 648.33	R2 837.33
Mr Mvambo	R349 890.27	R5 623.40	R21 272.79	R255 927.74	R67 066.34
Municipal Accounts	-R375 343.22	-R374 182.75	R84.80	-R1 232.57	-R12.70
National Public Works	-R2 028 292.35	-R2 719 453.90	R594 251.19	R81 046.73	R15 863.63
OSBORNE FAMILY TRUST AND NUMBER TWO PIGGERIES	-R743.45	-R1 329.10	R84.00	R415.65	R86.00
Provincial Pub Lic Works	R4 933 826.39	R174 923.06	R2 134 163.22	R2 294 713.53	R330 026.58
Residents	R74 414 162.16	R594 187.05	R1 738 731.54	R48 143 117.88	R23 938 125.69
South African Post Office	R88 342.36	R26 244.38	R55 976.75	R5 073.40	R1 047.83
Staff Accounts	R88 324.90	-R5 221.60	R24 042.50	R57 630.81	R11 873.19
VAN NIEKERK	R46 648.82	-R807.12	R5 577.94	R38 715.14	R3 162.86
Total	R105 939 577.45	-R1 788 557.12	R7 536 347.26	R69 947 490.79	R30 244 296.52

b. **Balance Per Service Type:**

Totals per Service Type	Total Balance	Current Billing	30-60 Days	Greater than 90 Days	Total Interest
Advance Payment	-R3 822 438.16	-R3 822 438.16	R0.00	R0.00	R0.00
Electricity Basic	R163 130.56	R13 390.16	R24 216.47	R109 000.63	R16 523.30
Electricity Metered	R9 053 523.05	R363 197.03	R928 062.07	R6 094 019.78	R1 668 244.17
Property Rates	R34 424 951.00	R658 726.18	R4 596 213.81	R21 748 335.18	R7 421 675.83
Rental(H003)	R687 265.50	R28 443.92	R134 482.71	R449 255.80	R75 083.07
Waste Disposal	R65 433 145.50	R970 123.75	R1 853 372.20	R41 546 879.40	R21 062 770.15
Total	R105 939 577.45	-R1 788 557.12	R7 536 347.26	R69 947 490.79	R30 244 296.52

c. Staff and Councillors Accounts

Councillors Account

Account No	Name	Total	Current Billing	30-60 Days	Greater than 90 Days	Total Interest Charged
0000000000001645	PIETER FREDERICK GREYLING	R65.54	R65.54	R0.00	R0.00	R0.00
0000000000002856	MBULELO THOMAS/ THEMBI FLORENCE MONDILE	R369.92	R184.34	R184.35	R0.00	R1.23
0000000000003067	THANDEKA GLORIA/THEMBINKOSI GABRIEL KULASHE	R24 969.78	R175.50	R351.00	R16 697.51	R7 745.77
0000000000006581	PIETER FREDERICK GREYLING	-R240.87	-R240.87	R0.00	R0.00	R0.00
Total		R25 164.37	R184.51	R535.35	R16 697.51	R7 747.00

Staff Accounts

Account No	Name	Total	Current Billing	30-60 Days	Greater Than 90 Days	Total Interest Charged
0000000000000964	NKULULEKO SIDNEY KELEMBE	R2 564.96	R172.49	R344.98	R1 962.21	R85.28
0000000000001811	TINUS BEKKER	-R5 603.89	-R5 603.89	R0.00	R0.00	R0.00
0000000000001812	MABHUTI HEADMAN NTSHINGANA	R369.70	R369.70	R0.00	R0.00	R0.00
0000000000004777	THOBEKA HAZEL SIZANI	R203.74	R16.93	R33.86	R145.35	R7.60
0000000000004921	BANTUBATHI MOSES MSITSHANA	R42.25	R13.99	R27.98	R0.00	R0.28
0000000000004922	NOKUZOLA FLORENCE MTWANA	R4 311.75	R157.10	R314.20	R3 494.16	R346.29
0000000000005227	KRISMESI PONDOYI	R14 256.73	R171.09	R342.18	R10 215.58	R3 527.88
0000000000005286	SPITI MBULELO ELEFU	R3 296.64	R171.09	R342.18	R2 433.81	R349.56
0000000000005321	TEKA	R12 001.34	R171.09	R342.18	R9 442.93	R2 045.14
0000000000005476	DANJIWE BENTELE	R152.20	R13.99	R27.98	R105.05	R5.18
0000000000005477	LINDIWE NOLINDEMNA MPHOCWA	R3 788.92	R157.10	R314.20	R3 001.90	R315.72
0000000000006480	THAMSANQA MAYEKISO	R14 387.80	R171.09	R342.18	R10 338.89	R3 535.64
0000000000006623	VUSUMZI LANDE	-R1 303.18	-R1 303.18	R0.00	R0.00	R0.00
0000000000006708	MALIBONGWE ADVOCATE NZIWENI	R40 328.78	R1 484.57	R21 141.76	R16 072.84	R1 629.61
0000000000007993	NKOSIKHONA MVIMBI	-R1 619.17	-R1 619.17	R0.00	R0.00	R0.00
0000000000008667	PHUMZILE ERIC JACOBS	R1 146.33	R234.41	R468.82	R418.09	R25.01
Total		R88 324.90	-R5 221.60	R24 042.50	R57 630.81	R11 873.19

Debtors Collection Levels for Quarter 1 of 2021/22 Financial Year:

- Collection rate for September 2021 has increased when compared to August and July 2021. This is due to an increase in payment rate for September 2021.

- The collection rate for July (5.65%), August (68.66%) and September (171.68%). This gives us the average collection rate for of 51.45% for quarter 1 ending on 30th of September 2021.

MONTH	JULY			AUG			SEPT			TOTALS		
	BILLING	COLLECTION	COLL. %	BILLING	COLLECTION	COLL. %	BILLING	COLLECTION	COLL. %	BILLING	COLLECTION	COLL. %
RATES	R4 837 776.71	-R186 184.45	3.85%	R811 452.09	-R1 123 719.38	138.48%	R684 512.68	-R337 677.78	49.33%	R6 333 741.48	-R1 647 581.61	26.01%
REFUSE REMOVAL	R1 265 239.24	-R164 539.75	13.00%	R1 265 428.39	-R83 091.08	6.57%	R1 280 870.17	-R169 923.00	13.27%	R3 811 537.80	-R417 553.83	10.95%
RENTAL	R31 498.74	-R13 401.60	42.55%	R177 982.34	-R14 280.61	8.02%	R32 335.51	-R9 284.15	28.71%	R241 816.59	-R36 966.36	15.29%
ELECTRICITY	R5 287 249.08	-R281 534.62	5.32%	-R4 100 450.47	-R46 031.19	-1.12%	R509 079.13	-R3 786 665.07	743.83%	R1 695 877.74	-R4 114 230.88	242.60%
TOTALS	R11 421 763.77	-R645 660.42	5.65%	-R1 845 587.65	-R1 267 122.26	-68.66%	R2 506 797.49	-R4 303 550.00	171.68%	R12 082 973.61	-R6 216 332.68	51.45%

2. Our Efforts to collect Municipal Revenue:

Totals per Account Group	Total Balance	Current Amount
Blue Crane Minerals & Resources (PTY) Ltd	R42 182.02	There was no payment received from Blue Crane. They have sent us an email enquiring about the balance. And we have provided the response with the breakdown of the balance.
Business	R9 749 110.62	total amount of R211 797.41 was received from the businesses in September 2021. Demand letters and letters of disconnection have been prepared and will be submitted to the Municipal Manager for signature and delivered to the debtors.
Chris Hani District Municipality	R7 374 697.97	There was no payment received from CHMD. During our engagement with CHDM Revenue section we were informed that CHDM does not have money to pay for municipal services. We have requested that they send us something in writing.
Churches	R588.51	The amount on the churches relates to the individual's account 14364 which was incorrectly classified as church instead of residential. We have corrected the category to residential.
CORNISH TRUST AND HW STAPELBERG	R147 616.82	Only R 246.22 was received from Mr. Stapelberg by the end of September.
Councillors Accounts	R25 164.37	All councillor's accounts except Cllr. Kulashe's accounts are up to date. We have received R 1000.00 in July from Cllr Kulashe in line with the payment arrangement that was made in May 2021. the arrangement is now active. To date a total amount of R 4000.00 has been received in accordance with the arrangement made.
Dept of Rural Development and Land Reform	R4 094 202.90	Billing schedules and statements have Been prepared and will be sent with 2021/22 rates billing.
Dept Rural Dev & Agri Reform	R9 250.12	No payment was made even after we have sent the letter of demand. We had scheduled to meet with the department, but due to Covid 19 we had to postponed. The meeting has been rescheduled for October 2021 as the person responsible for payments was not available in September.

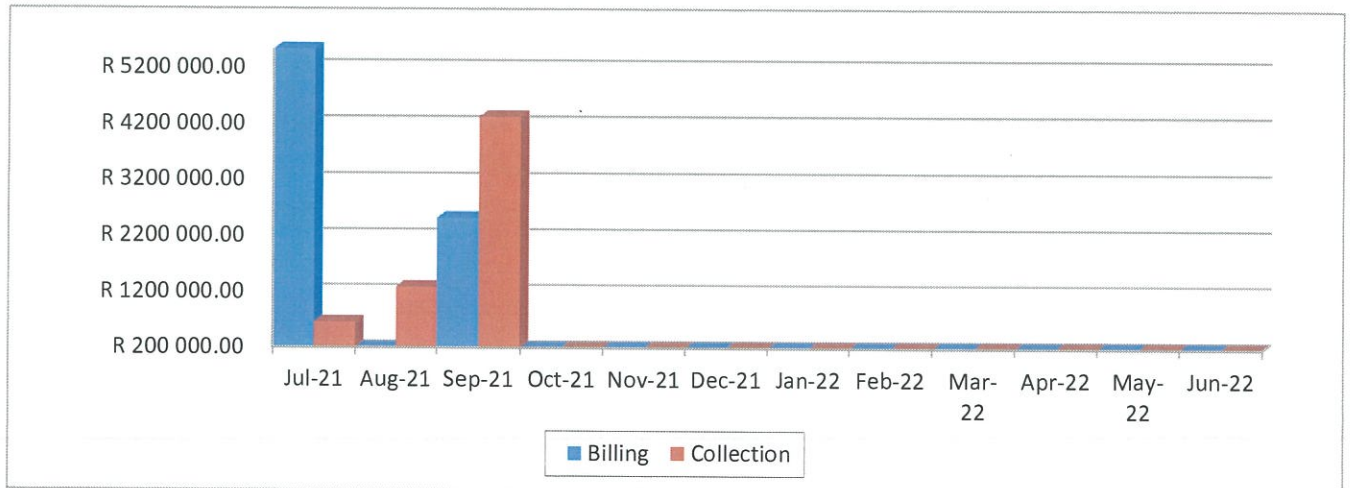
Dept Social Development	R201 064.34	We only received R1 616.17 from social development for services. No payment was made for rental account. Social Development advised us that they have referred the rental accounts to their Management.
Dordrecht High School	R2 828.77	Dordrecht High School paid R34 349.22 in September. Their accounts are now on 30 days.
Eastern Cape Development Corp	R39 691.23	We have not received any payment from ECDC in September. This matter is now subject of the Court as Mr. Komani referred the matter to Court with the complaint that the municipality did not issue him with the rates clearance figures. The municipality however did not receive any rates clearance figures request from ECDC as the owner of the property in terms of deeds office, and we have been communicating with them regarding the status of their accounts.
Education	R142 490.18	No payment was made in September by the school. Notice of disconnection have been prepared and will be delivered once they are signed.
Farms	R5 559 130.33	R 184 954.54 was received from farms in September 202. We had started with the one on once sessions with the farmers, which resulted in improved payment from them. We will continue with these engagements.
Health	R705 439.05	There was no payment received from the Department of Health even after they had committed to pay in September. We will send the letter of demand to them in October 2021.
Indigents	R264 550.23	All the indigent beneficiaries who were receiving subsidy in 2020/21 had been deactivated until the 2021/22 indigent register had been finalised and captured. The indigents whose qualify will have their debt written off in line with the indigent policy.
Indwe High School	R13 954.42	R1 457.64 was paid pay Indwe High School in September. Their account is now 90 days in arrears. We will communicate with the school to encourage them to pay more to keep their account up to date.
Joe Gqabi Municipality	R50 799.69	We have not received any payment from Joegqabi DM in September. They submitted a request for interest waiver to settle the balance. The replying letter to them was prepared and submitted for review.
Mr Mvambo	R349 890.27	We have not received a payment in August from Mr Mvambo. We will contact him to inform him that his arrangement will be terminated.
Municipal Accounts	-R375 343.22	the credits results from the error on the system relating to departmental credit journals. This issue will be resolved in October 2021.
National Public Works	-R2 028 292.35	National Public Works Paid a total amount of R3 650 038.27 for municipal services. This resulted on their account being on credit. The credit will be allocated monthly with billing.
OSBORNE FAMILY TRUST AND NUMBER TWO PIGGERIES	-R743.45	Mr Osborne accounts are paid up to date.
Provincial Pub Lic Works	R4 933 826.39	We have submitted the rates billing schedules and statements for 2021/22. the department advise us they have requested the budget to be able to pay us in October.
Residents	R74 414 162.16	R46 296.77 was received from residents in September 2021. we will continue with disconnection letters and demand letters to those who do not pay their accounts.
South African Post Office	R88 342.36	R27 053.49 was paid by the SAPO in September. We are busy with the reconciliation process for their accounts.

Staff Accounts	R88 324.90	Msitshana, Elefu and Mayekiso made payment arrangement where they request municipality to deduct rates from their monthly salary. We will send notices to the other informing them that the municipality will deduct the outstanding balances from their salaries.
VAN NIEKERK	R46 648.82	R15 822.27 was received from Mr. Van Niekerk in September 2021
Total	R105 939 577.45	

3. Payment arrangements make:

Totals per Account Group	Category	Total Balance	Arrangement Amount	Total paid
Blue Crane Minerals & Resources (PTY) Ltd	Business	R42 182.02	R10 000.00	R76 262.90
Indwe High School	Government	R13 954.42	R5 000.00	R29 703.64
Mr Mvambo	Business	R349 890.27	R10 000.00	R37 086.55
Nontsikelelo Grace Pambo	Business	R79 310.54	R10 000.00	R90 000.00
Mzandile HIBA	Business	R17 085.94	R800.00	R12 400.00
Richard Ndamane	Residential	R964.20	R350.00	R3 715.60
Mangaliso Robert Tyobeka	Business	R9 501.49	R500.00	R2 500.00
Uddin Ala	Business	R15 057.93	R500.00	R3 000.00
Lukeka Magibisela	Residential	R3 789.69	R1 200.00	R5 300.00
Mfuneko Tshongaye	Residential	R30 345.01	R1 000.00	R5 000.00
Mabhuti Antoni	Residential	R17 580.28	R300.00	R1 450.00
Vuyisile Maseti	Residential	R19 529.61	R600.00	R3 600.00
Bartholomew Emenike Aniebo	Residential	R2988.65	R300.00	R300.00
Phillipus Arnold Van Pletzen	Residential	R20 372.93	R400.00	R7 400.00
Clementina Thabile Mqotyana	Residential	R661.13	R1 000.00	R11 897.00
Zingisa Eudoxio Nojozi	Residential	R6 380.06	R500.00	R6 540.00
Maria Malepola Chulayo	Business	R137 160.16	R5 000.00	R62 404.69
Gysbert Jacobus Labuschagne	Business	-R830.43	R5 000.00	R1 300.00
Total		R765 923.90	R52 450.00	R359 860.38

- Below is graphical illustration of the revenue collection for the 2021/2022 financial year.



See attached annexure for more information.

3. Non-Billable Revenue

Description	Billing			Ledger			Differences		
	Billing Credit	Billing Debit	Billing Movement	GLCredit	GLDebit	GLMovement	Credit Difference	Debit Difference	Movement Difference
Deposits	R15.80	R905 203.00	R905 187.20	R15.80	R905 203.00	R905 187.20	R0.00	R0.00	R0.00
Monthly Billing	R4 928.81	R236 150.40	R231 221.59	R4 928.81	R236 150.40	R231 221.59	R0.00	R0.00	R0.00
Interest Charge	R0.00	R84 553.05	R84 553.05	R0.00	R84 553.05	R84 553.05	R0.00	R0.00	R0.00
Collections	R166 982.51	R0.00	-R166 982.51	R166 982.51	R0.00	-R166 982.51	R0.00	R0.00	R0.00
Monthly Billing	R557 752.80	R1 382 976.40	R825 223.60	R557 752.80	R1 382 976.40	R825 223.60	R0.00	R0.00	R0.00
Interest Charge	R0.00	R39 720.16	R39 720.16	R0.00	R39 720.16	R39 720.16	R0.00	R0.00	R0.00
Collections	R11 891.54	R458.40	-R11 433.14	R11 891.54	R458.40	-R11 433.14	R0.00	R0.00	R0.00
Interest Charge	R0.00	R229.59	R229.59	R0.00	R229.59	R229.59	R0.00	R0.00	R0.00
Monthly Billing	R73 382.90	R247 811.02	R174 428.12	R73 382.90	R247 811.02	R174 428.12	R0.00	R0.00	R0.00
Interest Charge	R0.00	R289.15	R289.15	R0.00	R289.15	R289.15	R0.00	R0.00	R0.00
Collections	R38 035.79	R11.05	-R38 024.74	R38 035.79	R11.05	-R38 024.74	R0.00	R0.00	R0.00
Monthly Billing	R9 002.62	R20 710.02	R11 707.40	R9 002.62	R20 710.02	R11 707.40	R0.00	R0.00	R0.00
Interest Charge	R0.00	R2 838.40	R2 838.40	R0.00	R2 838.40	R2 838.40	R0.00	R0.00	R0.00
Collections	R2 806.66	R15.80	-R2 790.86	R2 806.66	R15.80	-R2 790.86	R0.00	R0.00	R0.00
Monthly Billing	R12 578.20	R3 453 269.88	R3 440 691.68	R12 578.20	R3 453 269.88	R3 440 691.68	R0.00	R0.00	R0.00

Interest Charge	R0.00	R25 195.25	R25 195.25	R0.00	R25 195.25	R25 195.25	R0.00	R0.00	R0.00
Collections	R281 297.96	R0.00	-R281 297.96	R281 297.96	R0.00	-R281 297.96	R0.00	R0.00	R0.00
Monthly Billing	R409 267.56	R5 647 223.18	R5 237 955.62	R409 267.56	R5 647 223.18	R5 237 955.62	R0.00	R0.00	R0.00
Interest Charge	R0.00	R49 293.46	R49 293.46	R0.00	R49 293.46	R49 293.46	R0.00	R0.00	R0.00
Collections	R526 726.06	R0.00	-R526 726.06	R526 726.06	R0.00	-R526 726.06	R0.00	R0.00	R0.00
Monthly Billing	R0.00	R174 224.44	R174 224.44	R0.00	R174 224.44	R174 224.44	R0.00	R0.00	R0.00
Interest Charge	R0.00	R3 054.82	R3 054.82	R0.00	R3 054.82	R3 054.82	R0.00	R0.00	R0.00
Collections	R77 708.64	R0.00	-R77 708.64	R77 708.64	R0.00	-R77 708.64	R0.00	R0.00	R0.00
Monthly Billing	R8 899.74	R992 108.50	R983 208.76	R8 899.74	R992 108.50	R983 208.76	R0.00	R0.00	R0.00
Interest Charge	R861.82	R277 319.36	R276 457.54	R861.82	R277 319.36	R276 457.54	R0.00	R0.00	R0.00
Prior Period Corrections and Adjustments	R4 893.96	R0.00	-R4 893.96	R4 893.96	R0.00	-R4 893.96	R0.00	R0.00	R0.00
Collections	R204 457.15	R0.00	-R204 457.15	R204 457.15	R0.00	-R204 457.15	R0.00	R0.00	R0.00
Municipal Services	R0.00	R410 052.55	R410 052.55	R0.00	R410 052.55	R410 052.55	R0.00	R0.00	R0.00
Deposits	R3 479.80	R0.00	-R3 479.80	R3 479.80	R0.00	-R3 479.80	R0.00	R0.00	R0.00
Deposits	R46 352.28	R0.00	-R46 352.28	R46 352.28	R0.00	-R46 352.28	R0.00	R0.00	R0.00
Withdrawals	R0.00	R629 096.20	R629 096.20	R0.00	R629 096.20	R629 096.20	R0.00	R0.00	R0.00
Deposits	R0.00	R683 692.99	R683 692.99	R0.00	R683 692.99	R683 692.99	R0.00	R0.00	R0.00
Deposits	R371 498.35	R0.00	-R371 498.35	R371 498.35	R0.00	-R371 498.35	R0.00	R0.00	R0.00
Recognised	R865 993.54	R0.00	-R865 993.54	R865 993.54	R0.00	-R865 993.54	R0.00	R0.00	R0.00
Transfers	R0.00	R147 530.58	R147 530.58	R0.00	R147 530.58	R147 530.58	R0.00	R0.00	R0.00
Recognised	R131 449.61	R0.00	-R131 449.61	R131 449.61	R0.00	-R131 449.61	R0.00	R0.00	R0.00
Vehicle Registration	R128 288.48	R0.00	-R128 288.48	R128 288.48	R0.00	-R128 288.48	R0.00	R0.00	R0.00
Electricity	R49 293.46	R0.00	-R49 293.46	R49 293.46	R0.00	-R49 293.46	R0.00	R0.00	R0.00
Property Rental Debtors	R5 571.02	R0.00	-R5 571.02	R5 571.02	R0.00	-R5 571.02	R0.00	R0.00	R0.00
Waste Management	R277 319.36	R861.82	-R276 457.54	R277 319.36	R861.82	-R276 457.54	R0.00	R0.00	R0.00
Agricultural Activities	R158.83	R0.00	-R158.83	R158.83	R0.00	-R158.83	R0.00	R0.00	R0.00
Straight-lined Operating	R174 224.44	R0.00	-R174 224.44	R174 224.44	R0.00	-R174 224.44	R0.00	R0.00	R0.00
Cemetery and Burial	R4 095.75	R0.00	-R4 095.75	R4 095.75	R0.00	-R4 095.75	R0.00	R0.00	R0.00
Disconnection/Reconnection Fees	R1 567.60	R0.00	-R1 567.60	R1 567.60	R0.00	-R1 567.60	R0.00	R0.00	R0.00

Commercial Conventional (Single Phase)	R4 701 581.22	R0.00	-R4 701 581.22	R4 701 581.22	R0.00	-R4 701 581.22	R0.00	R0.00	R0.00
Commercial Conventional (3-Phase)	R117 973.29	R0.00	-R117 973.29	R117 973.29	R0.00	-R117 973.29	R0.00	R0.00	R0.00
Prepaid	R109 704.37	R0.00	-R109 704.37	R109 704.37	R0.00	-R109 704.37	R0.00	R0.00	R0.00
Street Lighting	R91 074.36	R0.00	-R91 074.36	R91 074.36	R0.00	-R91 074.36	R0.00	R0.00	R0.00
Refuse Removal	R862 709.27	R1 591.51	-R861 117.76	R862 709.27	R1 591.51	-R861 117.76	R0.00	R0.00	R0.00
Trading	R15 336.73	R0.00	-R15 336.73	R15 336.73	R0.00	-R15 336.73	R0.00	R0.00	R0.00
Drivers Licence Application/Duplicate Drivers Licences	R151 323.00	R0.00	-R151 323.00	R151 323.00	R0.00	-R151 323.00	R0.00	R0.00	R0.00
Learner Licence Application	R21 441.00	R0.00	-R21 441.00	R21 441.00	R0.00	-R21 441.00	R0.00	R0.00	R0.00
Pound Fees	R13 420.25	R0.00	-R13 420.25	R13 420.25	R0.00	-R13 420.25	R0.00	R0.00	R0.00
Municipal	R500.00	R0.00	-R500.00	R500.00	R0.00	-R500.00	R0.00	R0.00	R0.00
Business and Commercial Properties	R236 150.40	R0.00	-R236 150.40	R236 150.40	R0.00	-R236 150.40	R0.00	R0.00	R0.00
Agricultural Purposes	R1 382 518.00	R1 146.00	-R1 381 372.00	R1 382 518.00	R1 146.00	-R1 381 372.00	R0.00	R0.00	R0.00
Developed	R247 811.02	R60 766.11	-R187 044.91	R247 811.02	R60 766.11	-R187 044.91	R0.00	R0.00	R0.00
Vacant Land	R20 710.02	R0.00	-R20 710.02	R20 710.02	R0.00	-R20 710.02	R0.00	R0.00	R0.00
State-owned Properties	R3 453 728.28	R547 713.60	-R2 906 014.68	R3 453 728.28	R547 713.60	-R2 906 014.68	R0.00	R0.00	R0.00
Property Rates	R152 825.60	R0.00	-R152 825.60	R152 825.60	R0.00	-R152 825.60	R0.00	R0.00	R0.00
Correction of Prior Period Error	R0.00	R4 483.16	R4 483.16	R0.00	R4 483.16	R4 483.16	R0.00	R0.00	R0.00
							Balance Difference:		R0.00

6.3 FREE BASIC SERVICES

LEGISLATIVE BACKGROUND

In terms of Section 74 of the Municipal Systems Act, municipal council is required to adopt and implement a tariff policy. Section 74 (2) (c) requires municipalities to take into account the subsidisation of poor households.

To comply with the provisions of the above act and other pieces of legislation Emalahleni municipal council adopted an Indigent policy, which we have to comply with when we provide the indigent support to the poor households.

BACKGROUND

The National Government provides equitable share to municipality in order to provide Free Basic Services to deserving households.

To comply with the provisions of the above sections and in line with the municipality's Service Delivery and Budget Implementation Plan (SDBIP), Budget and Treasury Office (BTO) Directorate in particular the revenue section has been mandated to conduct the Indigent applications project annually in all the municipal boundaries

- The FBS office received registers from the ward councillors/committees.
- The process of capturing commenced in May 2021 and is still in progress.
- Some wards specific ward 1 did not submit any register, with no reason ward 5,12 and 13 submitted late hence the office is still busy with capturing.

Below is the list of submitted wards and the total number of wards that has been captured.

Ward	Number of applicants	Total number captured
1	0	0
2	563	553
3	10	10
4	28	28
5	360	0
6	678	670
7	724	646
8	407	84
9	166	0
10	816	757
11	637	543
12	272	0
13	831	0
14	281	281
15	826	816
16	213	213
17	518	510
Totals	7330	5111

- The process of capturing is almost completed we are only left with the wards that submitted late.
- The FBS office captured 5111 applications, we still have to capture 2219 applications that needs to be captured however 5111 has been sent for verification process.to avoid further delays for our indigent applicants.

1. Expenditure incurred on indigent subsidy for 2021:

2. Below is the expenditure incurred by the municipality on indigent subsidy for the month of July September 2021 financial year spent on customers currently benefiting
3. Eskom sent an email stating that Emalahleni had aa problem with few meter numbers.

The report shows the total spent on each service together with the number of customers who benefitted

SERVICES RENDERED	JULY	NO BENEFIT	AUGUST	NO BENEFIT	SEPTEMBER	NO BENEFIT
Electricity (Eskom)	R1063.01	13	R989.87	12	R577	7
Electricity (Ontec)	R58182.01	1006	R57603,66	998	R57 950,67	1004

CHALLENGES:

- There is only 2 staff members capturing the Application from the manual registers to the excel spreadsheet.
- This results in delays as the workload is too much. Some of the hand-written registers are taking time as we struggle to see what is written on the register.
- Some ward councillors are taking too long to submit the outstanding data on registers.

6.4 STAFF BENEFITS REPORT

Section 66 of the MFMA, which states that the accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure:

SECTION 85 REPORT
PERSONNEL EXPENDITURE FOR 2021/2022

EARNINGS

Months	Salaries	UF	Pension Funds	Backpay	Leave Pay	Housing Allowance	Medical Aids	Non Pensionable Allowance	Overtime	Transport Allowance	Standby	Bonus	SS Allowance	Events Management Allowance	Accong Allowance	Telephone Allowance	Enhanced Responsibility Allowance	Corruption Allowance	Traveling Allowance	SALGC Levy	SDL	REDUCTION COST	RESISTANCE & TRAVELLING	TOTALS		
Jan-21	458 077 59	55 811 9	665 802 15	10 000	0	84 211 9	27 453 45	0	40 000 00	40 000 00	0	30 000 00	30 000 00	0	40 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	
Apr-21	470 453 59	57 811 9	678 000 00	10 000	0	85 000 00	28 000 00	0	40 000 00	40 000 00	0	30 000 00	30 000 00	0	40 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00
Sept-21	480 000 00	58 000 00	680 000 00	10 000 00	0	85 000 00	28 000 00	0	40 000 00	40 000 00	0	30 000 00	30 000 00	0	40 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00
Totals	14 800 000 00	112 000 00	1 600 000 00	30 000 00	0 000 00	240 000 00	80 000 00	0 000 00	120 000 00	120 000 00	0 000 00	90 000 00	90 000 00	0 000 00	120 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	

DEDUCTIONS

Months	Bank Housing	Retreat	Unions	Medical Aids	SALGC Levy	Pension Funds	Political Party fees	Gumieses/ Maintenance	Dept of Education	PAYE	UF	Backpay	Service Accounts	Legal Fees	Society Fund	Vocators	TOTALS
Jan-21	45 000 00	50 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00
Apr-21	45 000 00	50 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00
Sept-21	45 000 00	50 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00	10 000 00
Totals	140 000 00	150 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00	30 000 00

Employee related costs

At the end of the first quarter amounts to R24,736 million for the earnings component. The employee deductions amount to R7,024 million for the first quarter.

6.5.1 CASHFLOW STATEMENT

EC136 Emalaheni (Ec) - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	2020/21			Budget Year 2021/22			YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget			
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(15,257)	5,487	-	355	2,030	1,372	659	48%	5,487
Service charges		24,292	9,294	-	2,136	4,281	2,323	1,958	84%	9,294
Other revenue		13,176	6,550	-	1,554	4,969	1,637	3,331	203%	6,550
Transfers and Subsidies - Operational		114,472	145,852	-	501	68,075	36,765	31,310	85%	145,852
Transfers and Subsidies - Capital		15,178	52,951	-	-	6,676	13,238	(6,562)	-50%	52,951
Interest		7,579	3,130	-	271	885	782	102	13%	3,130
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(156,062)	(199,722)	-	(11,996)	(25,084)	(49,931)	(24,847)	50%	(199,722)
Finance charges		(1,366)	294	-	-	-	74	74	100%	294
Transfers and Grants		-	(901)	-	-	-	(225)	(225)	100%	(901)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2,012	22,933	-	(7,179)	61,832	6,035	(55,797)	-925%	22,933
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		-	(56,776)	-	(7,347)	(9,731)	(14,194)	(4,463)	31%	(56,776)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(56,776)	-	(7,347)	(9,731)	(14,194)	(4,463)	31%	(56,776)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	(2)	(4)	(0)	(4)	374600%	(0)
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	(2)	(4)	(0)	4	-374600%	(0)
NET INCREASE/ (DECREASE) IN CASH HELD		2,012	(33,843)	-	(14,528)	52,097	(8,159)			(33,843)
Cash/cash equivalents at beginning:		5,791	17,529	-	-	-	17,529			-
Cash/cash equivalents at month/year end:		7,803	(16,315)	-	-	52,097	9,370			(33,843)

At the end of the first quarter the municipality has a positive cash and cash equivalent balance of R52,097 million , taking into account the Cashflows from operating activities minus the cash outflows from investing activities.

6.5.2 CASH AND CASH EQUIVALENTS

Below table is the investment balances of the municipality as at the end of Quarter 01 of 2021.

INVESTMENT SUMMARY FOR THE MONTH: SEPTEMBER 2021									
investment ID	Description	Account Number	Institution	Opening Balance	Investment Made	Investment Withdraw	Investment Interest	Bank Charges	BALANCE
	FUNDS								
1	SUFFIX 530	1100-465258	INVESTEC	1,038,628.92	0.00	0.00	3,424.63	0.00	1,042,053.55
2	INVESTMENT 001	08 8799 697- 001	STANDARD BANK	202,056.70	0.00	584.58	584.58	0.00	202,056.70
3	INVESTMENT 012	08 8799 697-012	STANDARD BANK	11,392.31	0.00	0.00	5.15	0.00	11,397.46
23	INVESTMENT 022	08 8799 697-022	STANDARD BANK	32,151.94	0.00	0.00	28.19	0.00	32,180.13
24	INVESTMENT 023	08 8799 697-023	STANDARD BANK	30,307,602.96	0.00	0.00	0.00	0.00	30,307,602.96
26	INVESTMENT 024	08 8799 697-024	STANDARD BANK	0.00	0.00	0.00	0.00	0.00	0.00
32	INVESTMENT 025	08 8799 697-025	STANDARD BANK	32,105,862.50	12,086,728.85	0.00	112,222.00	0.00	44,304,813.35
33	INVESTMENT 026	08 8799 697-026	STANDARD BANK	20,000,000.00	0.00	20,086,728.85	86,728.85	0.00	-0.00
27	FIXED DEPOSIT	93 5890 7006	ABSA BANK	7,343.30	0.00	0.00	26.19	80.00	7,289.49
29	FIXED DEPOSIT	93-6256-7503	ABSA BANK	61,702.01	0.00	0.00	220.10	0.00	61,922.11
31	FIXED DEPOSIT	74907104851	FNB BANK	20,067,857.53	0.00	0.00	65,960.02	0.00	20,133,817.55
				103,834,598.17	12,086,728.85	20,087,313.43	269,199.71	80.00	96,103,133.30

The municipality at the end of Quarter 01 of 2021/2022 is sitting at a balance of R96,103 million for Investments.

Cash and cash equivalents Quarter 01 of 2021/2022	
Municipal Account	Closing balance
Investments	R 96,103 million
Main bank accounts	R 2,544 million
	R 98,647 million

At the end of quarter 01 of 2021/2022, the municipality is sitting at a balance of R98,647 million for cash and cash equivalents.

6.6 ASSET ADDITIONS

Month: Jul-21

General Ledger Extract

Reconciliation: General ledger to Fixed Asset Register						
Transaction Date	Processing Month	Reference	Project Id	Transaction ID	Transaction Details	Debit
20/08/2021	1		5018	297436	SCM	R 285,343.89
20/08/2021	1		5019	297437	SCM	R 285,343.89
20/08/2021	1		5020	297439	SCM	R 285,343.91
29/07/2021	1		4839	293686	SCM	R 363,943.02
29/07/2021	1		4840	293680	SCM	R 377,584.08
						R 1,597,558.79

AKAL

IbHOTWE LEZIZWE INVESTMEN

Total as per General Ledger

Line nr	Barcode nr	Invoice Date	Description	Qty	Invoice number	Cost
TBA	N/A	29/07/2021	CONSTRUCTION	1	IBL/2021/001	R 363,943.02
TBA	N/A	29/07/2021	PROFESSIONAL SE	1	IBL/2021/002	R 377,584.08
TBA	N/A	20/08/2021	ELECTRIFICATION	1	001RET	R 856,031.70
TBA	N/A					
TBA	N/A					
TBA	N/A					
TBA	N/A					
						R 1,597,558.80

Total additions

Reconciliation

Recon items from previous month

Current Year

General Ledger total	R 1,597,558.79
Less: Fixed Asset Register total	R 1,597,558.80

Difference: - 0.01

Reconciling items -

Balance: 0.01

Month: Aug-21

General Ledger Extract

Reconciliation: General ledger to Fixed Asset Register						
Transaction Date	Processing Month	Reference	Project Id	Transaction ID	Transaction Details	Debit
09/09/2021	2		5014	305603	SCM	R 155,390.33 IGONDA
20/08/2021	2		4841	306207	SCM	R 107,640.00 THUBALAM
20/08/2021	2		4841	306213	SCM	R 36,432.00 THUBALAM
28/08/2021	2		4545	306222	SCM	R 108,693.77 TATI GROUP
06/08/2021	2		4778	306180	Cashbook	R 89,536.12 RETENTION AMAGAVU
06/08/2021	2		4778	306183	Cashbook	R 81,014.50 RETENTION THUBALAM
16/08/2021	2		4778	306186	Cashbook	R 220,728.42 RETENTION KOMANI TRADING
16/08/2021	2		4778	306189	Cashbook	R 304,672.95 RETENTION MASİYABU
						R 1,104,108.09

Total as per General Ledger

Line nr	Barcode nr	Invoice Date	Description	Qty	Invoice number	Cost
TBA	N/A	17/08/2021	DESIGNS OF ELE	1	210601.1	R 155,380.33
TBA	N/A	10/08/2021	RETENTION-JIN	1	MaS/08/2021	R 304,672.95
TBA	N/A	11/08/2021	RETENTION-MA	1	1121	R 220,728.42
TBA	N/A	02/08/2021	RETENTION -SL	1	ELM/3/10/2020T-009	R 89,536.12
TBA	N/A	04/08/2021	RETENTION-SO	1	ELM/4/10/2020T	R 81,014.50
TBA	N/A	28/08/2021	DEVELOPMENT	1	291	R 108,693.77
TBA	N/A	20/08/2021	CONSTRUCTION	1	10021	R 36,432.00
TBA	N/A	20/08/2021	CONSTRUCTION	1	10121	R 107,640.00
TBA	N/A					
TBA	N/A					R 1,104,098.09

Total additions

Reconciliation

Recon items from previous month

Current Year

General Ledger total	R 1,104,108.09
Less: Fixed Asset Register total	R 1,104,098.09

Difference: 10.00

Reconciling items -

Balance: 10.00

6.7 INSURANCE REPORT

The report seeks to give a clear background on insurance claims and current claim status for the financial period 2021/2022 quarter 01.

DISCRIPTION	CUSTODIAN	CLAIM NUMBER	REASON FOR LOSS	DATE OF LOSS	STATUS	EXCESSPAID	RE AM
Hp ProBook i5	Ms Smith	EMA00012	Laptop fell and damaged	20/04/2021	Replacement laptop provided	R 15 375.42	-
Toyota Fortuner JGN 757 EC	Cllr Kaloto	EMA00013	Driver reversed into a trench and damaged bumper	11/05/2021	Komani panel beaters appointed for repair	R 7 500.00	
Nissan NP300 HPJ 274 EC	Mr Skoti	EMA00014	Vehicle collided with a car that did not indicate before turning	12/05/2021	Settled	R18 150.00	R1
Greyspan hall	Mr Qaba	EMA00015	High winds blew roof top and damaged building	13/07/2021	Claim pending Loss adjusters appointed for assessment	-	-
Hp Probook	Mr Lande	EMA00016	Laptop stolen on the accident scene	25/05/2021	Settled	R 2 500.00	R 1
Indwe resort	Mr Nziweni	EMA00017	Fire damages to 4 chalets and contents		Loss adjuster has been appointed for assessment		
Hp Probook laptop	Mr Seplani	EMA00018	Laptop reported to have a broken screen	08/08/2021	Claim approved	R 2 500.00	R 1
Isuzu JCG 191 EC	Mr Ganamfana	EMA00019	Third party liability claim	Dates to 25/10/2019	Claim still pending	-	-

6.8 WITHDRAWALS REPORT : QUARTER 01

BANK ACCOUNT WITHDRAWALS NOT IN TERMS OF AN APPROVED BUDGET

Municipal Finance Management Act, section 11(4)

Consolidated Quarterly Report for period 01/07/2021 to 30/09/2021 (complete relevant period)



D

Date	Payee	Amount in R	Description and Purpose (including section reference e.g. sec 11(f))	Authorised by (name)
13-07-2021	Emalahleni Local Municipality	R5,347 million	Transfer from municipal fixed investment account held with ABSA Bank to Primary account in accordance with Section 11(h) - Payments for cash management and investment purposes in accordance with section 13	Mr. X. Sikobi
13-07-2021	Emalahleni Local Municipality	R44,714 million	Transfer from municipal fixed investment account held with ABSA Bank to Primary account in accordance with Section 11(h) - Payments for cash management and investment purposes in accordance with section 13	Mr. X. Sikobi
14-08-2021	Emalahleni Local Municipality	R5 million	Transfer from municipal fixed investment account held with Standard Bank to other investment account in accordance with Section 11(h) - Payments for cash management and investment purposes in accordance with section 13	Mr. X. Sikobi
23-08-2021	Emalahleni Local Municipality	R10 million	Transfer from municipal fixed investment account held with Standard Bank to other investment account in accordance with Section 11(h) - Payments for cash management and investment purposes in accordance with section 13	Mr. X. Sikobi
23-08-2021	Emalahleni Local Municipality	R15 million	Transfer from municipal fixed investment account held with Standard Bank to other investment account in accordance with Section 11(h) - Payments for cash management and investment purposes in accordance with section 13	Mr. X. Sikobi
23-08-2021	Emalahleni Local Municipality	R20 million	Transfer from municipal fixed investment account held with Standard Bank to other investment account in accordance with Section 11(h) - Payments for cash management and investment purposes in accordance with section 13	Mr. X. Sikobi
27-08-2021	Emalahleni Local Municipality	R10,053 million	Transfer from municipal fixed investment account held with Standard Bank to other investment account in accordance with Section 11(h) - Payments for cash management and investment purposes in accordance with section 13	Mr. X. Sikobi
29-08-2021	Emalahleni Local Municipality	R8 million	Transfer from municipal fixed investment account held with Standard Bank to primary account in accordance with Section 11(h) - Payments for cash management and investment purposes in accordance with section 13	Mr. X. Sikobi
29-08-2021	Emalahleni Local Municipality	R12,087 million	Transfer from municipal fixed investment account held with Standard Bank to other investment account in accordance with Section 11(h) - Payments for cash management and investment purposes in accordance with section 13	Mr. X. Sikobi

6.9 IRREGULAR EXPENDITURE : FOR QUARTER 01 2021/2022

Irregular expenditure at the end of quarter 01 of 2021/2022 amounts to **Zero** cumulatively .

6.10 FRUITLESS AND WASTEFUL EXPENDITURE

6.10.1 For the month of July 2021 there was no fruitless and wasteful expenditure

6.10.2 Fruitless and wasteful expenditure for August 2021



Emalahleni Local Municipality
2021/2022 Financial Year

Register of Fruitless and Wasteful Expenditure

Month	Supplier Name	Invoice date	Invoice Received Date (Registry Stamp)	Date of payment	Payment number (Voucher no)	Amount	Description of Incident	Date reported to accounting officer	Transaction details								Genera commen
									SCC	UI	DP	CC	TR	P	WO		
30-Aug	Eskom	13/07/2021	12/08/2021	12/08/2021		R 2,287.29				*							
	Eskom	19/07/2021	20/07/2021	06/08/2021		R 329.07				*							
	Tekom	28/07/2021	22/07/2021	16/08/2021		R 384.36				*							
Total						3,000.72											

6.10.3 Fruitless and wasteful expenditure for September 2021

Month		Transaction details															
		Supplier Name	Invoice date	Invoice Received Date (Registry Stamp)	Date of payment	Payment number (Voucher no)	Amount	Description of Incident	Date reported to accounting officer	SCC	UI	DP	CC	TR	P	WO	General comments
30-Sep	Telkom	24/08/2021	08/09/2021			R 191.48				*							
	Eskom	11/08/2021	12/08/2021			R 141.22				*							
Total		332.70															

Fruitless and wasteful expenditure incurred in quarter 01 of 2021/2022 amounts to R 3,333.42 in total (July to September 2021).

6.11 SCM REPORT

BACKGROUND

Section 6 subsection (3) of SCM Regulations requires that the Accounting Officer must within 10 days of the end of each quarter submit a report on the implementation of Supply Chain Management policy to the Mayor of the municipality.

DISCUSSION

The tables below reflect on bids awarded, deviations approved, irregular expenditure incurred, contracts management and implementation of the procurement plan during the 1st quarter of the 2021/2022 financial year.

BID AWARDS REPORT

TABLE 1: BIDS AWARDED FOR AN AMOUNT ABOVE R200 000.00 FOR THE 1st QUARTER IN THE 2021/2022 FINANCIAL YEAR

COMPETITIVE BIDDING 2020/2021						
No.	BID NO	PROJECT NAME	BIDDERS NAME	Locality	Awarded Amount	Month
1	ELM/2/6/2021T	Compilation and Maintenance of Movable and Immovable asset register and Provision of Asset Management System for a period of three years	CCG Systems	KZN	R4 273 170,00	22-07-2021
2	ELM/4/6/2021T	Appointment of a Service Provider to Provide Vetting and Due diligence Services for ELM for a period of three years	Forensic Investigations Consulting and Risk Advisory Services	East London	Rates contract	04-08-2021
3	ELM/1/9/2020T	Appointment of Panel of Attorneys for a period of three years	Tonise Attorneys	Mthatha	Rates contract	19-08-2021
4	ELM/1/7/2021T	Construction of Dordrecht Sports Field Phase 2 in ward 14	Vitsha Trading	Flagstaff	R6 366 660,25	17-09-2021
5	ELM/1/02/2021T	Panel of professional Services for a period of three years	Engineering Aces	Bloemfontein	Rates contract	20-09-2021
6	ELM/1/02/2021T	Panel of professional Services for a period of three years	Nemorango Consulting Engineers	East London	Rates contract	20-09-2021
7	ELM/1/02/2021T	Panel of professional Services for a period of three years	Black Mountain Consulting Engineers JV Zinzame	East London	Rates contract	20-09-2021
					R10 639 830,25	0% Emalahleni
						71% Eastern Cape Excl Emalahleni
						29% Outside the Province

TABLE 2: BIDS AWARDED FOR AN AMOUNT BETWEEN R30 000-R200 000.00 FOR THE 1ST QUARTER IN THE 2021/2022 FINANCIAL YEAR

Quarter	Bid Number	Month	No	Order Date	Order Number	Supplier name	Locality	Amount	Description
1	ELM/5/11/2020Q	July	1	27/07/2021	1923	Mzileni Construction CC	Dutywa	R96 550,00	Installation of fencing at Indwe Animal Holding facility and gated entrance.
2	ELM/01/7/2021Q	Sept	2	31/08/2021	1966	Ubuhle Bamafama farming	Emalahleni	R1 436,35	Supply and delivery of pound feed in Dordrecht and Indwe for a period of six (6) months
3	ELM/2/08/2021Q	Sept	3	28/09/2021	2105	Resilient Servers and Networks	East London	R51 203,75	Provision of ESET Licenses for a period of three years
4	ELM/1/09/2021Q	Sept	4	28/09/2021	2107	Set Up Technologies	Queenstown	R34 500,00	Supply and delivery of A4 White Paper
5	ELM/5/08/2021	Sept	5	28/09/2021	2108	Sibalam Group	East London	R199 999,44	Supply and Delivery of Personal Protective Clothing
								R383 689,54	20% Emalahleni
									80% Eastern Cape Excl Emalahleni

TABLE 3: BIDS AWARDED FOR AN AMOUNT ABOVE R2 000- R30 000 IN THE 1st QUARTER OF THE 2021/2022 FINANCIAL YEAR

Month	No	Order Date	Order Number	Supplier name, Winning bidder	Locality	Amount	Description
Aug	1	05/08/2021	1939	BTC	Queenstown	R16 178,04	Toner : traffic station
Aug	2	13/08/2021	1968	CVU Hiring	Emalahleni	R3 150,00	Transport service to Dordrecht and back for a funeral service
Aug	3	13/08/2021	1969	Moss Transport	Emalahleni	R3 900,00	Transport service to Tsomo and back for a funeral service
Aug	4	10/08/2021	1945	Umalusi Catering & Transport	Emalahleni	R2 250,00	Transport service to Dordrecht and back for a memorial service
Aug	5	10/08/2021	1946	Shakes Multi Traders	Emalahleni	R2 220,00	Transport service to Dordrecht and back for a memorial service
Aug	6	10/08/2021	1949	NP Mrwebi Transport cc	Emalahleni	R3 600,00	Transporting councillors from lady frere via Indwe to DDX and back
Aug	7	10/08/2021	1947	Ezobhanqo (pty)ltd	Emalahleni	R3 220,00	Transport Service to Dordrecht and back for a memorial service (Family members)
Aug	8	10/08/2021	1948	M.M Sirenqe Transport & Trading	Emalahleni	R3 300,00	Transport Service to Dordrecht and back for a memorial service
Aug	9	11/08/2021	1957	Lakhiwe General Trading	Emalahleni	R3 800,00	Still water and fruit pack
Aug	10	11/08/2021	1956	Mpira and Wabo's Trading Enterprise	Emalahleni	R9 000,00	Decoration for a memorial service
Aug	11	19/08/2021	1972	Hlako Tradings	Queenstown	R11 645,00	Indwe Animal Holding material
Aug	12	31/08/2021	2007	ZPK Construction & Projects	Queenstown	R4 200,00	3 pole tent with 100 chairs for women's day event
Aug	13	31/08/2021	2004	NP Mrwebi Transport cc	Emalahleni	R2 200,00	Transport service (22 seater) from Indwe to Cacadu for women's day event

Month	No	Order Date	Order Number	Supplier name, Winning bidder	Locality	Amount	Description
Aug	14	31/08/2021	2003	Ezonkomoshe Trading	Emalahleni	R3 916,00	Transport service (22 seater) from Dordrecht to Cacadu for women's day event
Sept	15	02/09/2021	2011	CVU Hiring & Transport	Emalahleni	R 5 500,00	Transport services (22 seater) for students attending library week in Tentergate
Sept	16	13/09/2021	2046	Lakhiwe General Trading	Emalahleni	R 22 089,00	Supply and delivery of waste Project and Equipment. Gloves and rakes
Sept	17	14/09/2021	2054	Gungu Qwesha	Emalahleni	R8 940,00	Supply and Delivery of refuse bags for a clean up campaign
Sept	18	22/09/2021	2093	Konke 26	Emalahleni	R 3 500,00	Fruit packs for Mr Beja's Memorial Service
Aug	19	10/08/2021	1944	Ezobhanqo (pty)ltd	Emalahleni	R2 850,00	Lunch for 30 people attending projects handover
Aug	20	31/08/2021	2005	Kungawo Suppliers and Projects	Emalahleni	R13 400,00	Lunch for Women's day
Sept	21	02/09/2021	2012	Sizis'ukhanyo Trading 943	Emalahleni	R 2 860,00	Lunch for Library Book week
Sept	22	14/09/2021	2066	Camiline 94	Emalahleni	R 9 500,00	Lunch for cleaning campaign in Indwe
Sept	23	15/09/2021	2067	Buyilumkile General Projects	Emalahleni	R 19 000,00	Lunch for cleaning campaign in Dordrecht
Sept	24	17/09/2021	2071	Ezonkomoshe Trading	Emalahleni	R 19 000,00	Lunch for cleaning campaign in Indwe
Sept	25	21/09/2021	2091	Konke 26	Emalahleni	R 2 400,00	Lunch for Mr Beja's Memorial Service
Sept	26	15/09/2021	2058	Konke 26	Emalahleni	R3 600,00	lunch for Emalahleni Local Aids Council Meeting
Sept	27	27/09/2021	2099	Mxhaseni Construction and Projects	Emalahleni	R2 010,00	Transport for Staff attending Memorial Service from Indwe to Cacadu.

Month	No	Order Date	Order Number	Supplier name, Winning bidder	Locality	Amount	Description
Sept	28	27/09/2021	2102	Ezobhangqo	Emalahleni	R3 500,00	Fruit packs and bottled water for Ms Kwetsha's Memorial Service.
						R190 728,04	89% Emalahleni
							12% Eastern Cape Excl Emalahleni

TABLE 4: BIDS AWARDED FOR AN AMOUNT ABOVE R0- R2000 FOR THE 1st QUARTER OF THE 2021/2022 FINANCIAL YEAR

Month	No	Order Date	Order Number	Supplier name, Winning bidder	Locality	Amount	Description
Aug	1	10/08/2021	1952	Mxhaseni Construction & projects	Emalahleni	R1 500,00	Transport Service to Dordrecht and back for a memorial service
Aug	2	11/08/2021	1958	Mce and Mzi Media Production	Queenstown	R1 995,00	PA System for a memorial service in DDX
Aug	3	31/08/2021	2006	Mce and Mzi Media Production	Queenstown	R1 995,00	PA System for Women's day event
Sept	4	10/09/2021	2044	Nozukile's Transport and Trading	Emalahleni	R1 920,00	Transporting staff to attend Ms Yaphi's brother funeral
Sept	5	21/09/2021	2094	Tar Mini	Emalahleni	R1 200,00	Transporting family members from Ngganda village to cacadu for Mr Beja's Memorial Service
Sept	6	21/09/2021	2090	Mxhaseni Construction & projects	Emalahleni	R1 800,00	Transporting employees from Indwe to Cacadu for Mr Beja's Memoria Service
Sept	7	22/09/2021	2092	AOS Enterprise and Projects	Emalahleni	R1 950,00	Transporting employees from Dordrecht to Cacadu for Mr Beja's Memoria Service
Sept	8	22/09/2021	2089	Roa Sulo	Emalahleni	R2 000,00	PA System for Mr Beja's Memorial Service
Sept	9	27/09/2021	2104	The Reporter CC	Barkeley East	R1 804,35	Receipt books For Revenue Receipting
Sept	10	27/09/2021	2101	Luphawu Trans And Trading	Emalahleni	R1 200,00	Transport for employees attending Mr Bheja's funeral
Sept	11	27/09/2021	2100	Mxhaseni Construction and Projects	Emalahleni	R1 800,04	Fleet Management – Transport for staff attending memorial service from Indwe and DDX to Cacadu
Sept	12	15/09/2021	2063	Moss Transportation and Projects	Emalahleni	R1 500,00	Transport for Cllrs to Bengu for homage visit
Sept	13	27/09/2021	2103	Roa Sulo	Emalahleni	R2 000,00	PA System for memorial services for Ms Kwentsha's Memorial

Month	No	Order Date	Order Number	Supplier name, Winning bidder	Locality	Amount	Description
Sept	14	16/09/2021	2068	Boss Robes Trading Enterprise	Queenstown	R1 840,00	Stationery for AFS Prep Team
Sept	15	15/09/2021	2062	Aos Enterprise And Projects	Emalahleni	R1 800,00	Transport for Councillors attending cleanup campaign in Dordrecht
						R26 304,39	73% Emalahleni
							26% Eastern Cape Excl Emalahleni

TABLE 5- DEVIATION REGISTER FOR THE 1st QUARTER OF THE 2021/2022 FINANCIAL YEAR

SERVICE PROVIDER	DESCRIPTION	AMOUNT	REASON
VGS	Supply of fuel for Municipal vehicles	R116 526.65	The service provided by the supplier is only available from a single provider.
Universal Garage	Supply of fuel for municipal vehicles	R16 013.87	The service provided by the supplier is only available from a single provider.
Cyber Boss	Internet connectivity for ELM Main Offices	R41 985.00	Normal SCM processes could not be followed due to the Covid 19 pandemic.
Arena Holdings	Newspaper adverts	R30 334.70	The Service provided by the supplier is available from a single provider
New Adventure	Serving and Fit Parts	R39 077.19	The Service provided by the supplier is available from a single provider.
TOTAL		R243 937.41	

Contract Registers

On Progress (Technical)

N o.	DESCRIPTION OF CONTRACT/P ROJECT	CONTRACTOR'S/SE RVICE PROVIDER'S NAME	BID/CONTRACT NO.	COMMENCE MENT DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	RETENTION	COMMITMENT
1	Construction of Municipal Offices Phase 1	Nubhana Jv Leshole	ELM/5/9/2016T	2017-08-23	2019/02/28	18 Months	R 34 995 000,00	R 9 004 113,23	R 0,00	R 25 990 886,77
2	Installation of Solar StreetLights in Cacadu, Indwe	Wegezi JV Theshani	ELM/1/11/2017T	2018-01-18	2018/07/30	6 Months	R 4 016 300,00	R 3 063 422,40	R 0,00	R 952 877,60
3	Professional and Construction Services for the Rehabilitation of Indwe Sports Field Phase 1 Through Turnkey	MBS Civils JV Cudjoe Quantity Surveying CC	ELM/2/5/2018T	01/10/2018	30/06/2019	9 Months	R 11 000 000,00	R 10 251 614,96	R 0	R1382.64
4	Paving of Sinakho Location (Professional Services)	Nemorango Consulting Engineers	Elm/6/07/2019T	2012/09/19	2020/05/31	9 months	R 1 293 043,99	R 1 240 600,03	R 0,00	R 52 443,96

N o.	DESCRIPTION OF CONTRACT/P ROJECT	CONTRACTOR'S/SE RVICE PROVIDER'S NAME	BID/CONTRACT NO.	COMMENCE MENT DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	RETENTION	COMMITMENT
5	Cemetery Development Indwe (Ward 16) (Consultant)	Black Mountain Msavhen JV	ELM/5/07/2019T	12-Sep-19	31-Mar-20	7 months	R 354 562,00	R 354 206,47	R 0,00	R355.53
6	Construction of DDX Sport Field Phase 2	BVI Boarder (PTY) LTD	ELM/1/6/2019T	31-Oct-19	30 April 2020	6 months	R 962 090,00	R 846 643,94	R 0,00	R 115 446,06
7	Cemetery Development Indwe (Ward 16) (Contractor)	Nontembiso Projects	ELM/3/10/2019T	19-Nov-19	30 April 2020	5 months	R 2 034 775,56	R1 463 594,34	R 162 621,59	R0
8	Development of Indwe Unit	Tati Group	ELM/2/3/2021T	07-Jun 21	06 Aug 21	2 months	R1 653 207,63	R1 067 282,75	R237 173,94	R348 750,94
9	Paving of Sinakho Location in ward 11 & 14	Tshiya Infrastructure Development (Pty) Ltd	ELM/5/10/2019T	28/11/2022	27/10/2021	11 months	R 9 927 947,57	R8 934 215,61	R 992 690,62	R 1 041,34
10	Electrification of ward 1, 5,6 & 17 in Emalahleni LM	A1 Electrical	ELM/1/7/2020T	08/09/2020	31/08/2021	12 months	R 3 416 852,03	R 3 075 166,84	R 341 685,20	R0,01
11	Electrification of ward 7,8 and 9 in	Akal Genesis (Pty) Ltd	ELM/2/7/2020T	07/09/2020	31/08/2021	12 months	R 3 582 057,50	R 3 535 597,96	R 271 550,01	R0,01

NO.	DESCRIPTION OF CONTRACT/P PROJECT	CONTRACTOR'S/ SERVICE PROVIDER'S NAME	BID/CONTRACT NO.	COMMENCEMENT DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	RETENTION	COMMITMENT
	Emalahleni LM									
1	Professional Services for Solar Street Lights Cacadu, DDX and Indwe.	Akal Genesis (Pty) Ltd	ELM/1/6/2020T	20/08/2020	30/06/2021	10 months	R 495 600,34	R 495 600,33	R 0,00	R01
3	Professional Services And Construction Of Mavuya Paving At Emalahleni Local Municipality Area Through Turnkey	MBSA JV Thubalam	ELM/2/9/2020T	28/10/2020	03/11/2021	12 Months	R10 819 867,25	R10 819 711,27	R640 042,39	R 155,98
4	DR08563 Cacadu to Machubeni	Masilakhe Consulting	ELM/1/11/2020T	16/01/2021	31/03/2021	2.5 months	R 13 185 331,76	R11 230 197,11	R1 157 778,48	R797 356,20
5	DR08563 Indwe to Machubeni	Masilakhe Consulting	ELM/2/11/2020T	16/01/2021	31/03/2021	2.5 months	R13 314 412,32	R3 340 248,56	R253 763,49	R9 720 400,27

N o.	DESCRIPTION OF CONTRACT/P ROJECT	CONTRACTOR'S/SE RVICE PROVIDER'S NAME	BID/CONTRACT NO.	COMMENCE MENT DATE	COMPLETION DATE	PERIOD	CONTRACT AMOUNT	TOTAL EXPENDITURE INCURRED TO DATE	RETENTION	COMMITMENT
1 6	Installation of Solar Street Lights in Dordrecht - Zola	Komanim Trading	ELM/4/10/2020T	10-Dec-20	11-Mar-21	3 Months	R 1 620 289,91	R1 508 260.60	R112 029.31	R0
1 7	Installation of Solar Street Lights in Indwe – Ezitandini	T and N Contractors	ELM/1/3/2021T	24 May	30 Jun 21	1 month	R1 795 992.32	R1 663 993,90	R131 998.42	R0
1 8	Panel of Professional Services- Civil (Construction of Gadlume Access Road)	Ibhotwe Lezizwe Consulting JV	ELM/1/02/2021T	01 July 21	31 Dec 22	18 Months	Rates contract	R343 221.69	R0	R0
1 9	Panel of Professional Services- Civil (Construction of Diamini Access Road ward 5, 6 & 7)	Ibhotwe Lezizwe Consulting JV	ELM/1/02/2021T	01 July 21	31 Dec 22	18 Months	Rates contract	R418 534.47	R0	R0

SERVICE PROVIDER PERFORMANCE SCHEDULE FOR TECHNICAL PROJECTS

No	DESCRIPTION OF CONTRACT/PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SER VICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
1	Construction of Municipal Offices Phase 1	ELM/5/9/2016T	Nubhana Trading JV Leshole Trading	R34 995 000,00	R9 004 113,23	Project being halted, further implementation will be based on budget.
2						The project was not completed in 2017/18 financial year. ELM met with the service provider and found that the Company is in liquidation.
3	Installation of Solar Street Lights	ELM1/11/2017T	Wegezi JV Teshani	R4 016 300,00	R3 063 422,40	Performance was fair. The consultant made extra efforts to ensure that the project is completed. The anticipated close out report is expected during the first quarter 2021/2022.r.
4	Paving of Sinakho Location (Professional Services)	Elm/6/07/2019T	Nemorango Consulting Engineers	R1 293 043,99	R1 240 600,03	Performance was fair as the consultant advised the municipality on dealing with the nonperforming contractor on site. The project has reached practical completion stage as at 22/09/2021.
5	Cemetery Development Indwe (Ward 16) (Consultant)	ELM/5/07/2019T	Black Mountain Msavhen JV	R354 562,00	R354 206,47	Performance Satisfactory. The planning processes were
	Construction of DDX Sport Field Phase 2	ELM/1/6/2019T	BVI Border (PTY) LTD	R962 090,00	R846 643,94	

No	DESCRIPTION OF CONTRACT/PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SER VICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
6	Paving of Sinakho Location in ward 11 & 14	ELM/5/10/2019T	Tshiya Infrastructure Development (Pty) Ltd	R9 927 947.57	R 8 934 215.61	conducted as per contract. Delayed by the appointment of a contractor. Contractor appointed on the 17/09/2021. Poor performance. Delays in the process and various Variation Orders requested and approved and problem in paying of sub-contractors, Resulting in the contractors voluntarily ceding the contract.
7	Cemetery Development of Indwe Unit	ELM/2/3/2021T	Tati Group	R1 653 207.63	R942 284.91	Performance satisfactory, the project has reached practical completion stage as at 22/09/2021.
8	Electrification of ward 1, 5, 6 & 17 in Emalahleni LM	ELM/1/7/2020T	A1 Electrical	R 3 416 852.03	R3 075 166.84	Performance poor. Due to non-compliance with Eskom Electrification model which resulted in a mayhem that compromised the municipality with the municipality with the community. Dry connections are complete, awaiting Eskom to energize and retentions are still withheld.
9	Electrification of ward 7, 8 and 9 in Emalahleni LM	ELM/2/7/2020T	Akal Genesis (Pty) Ltd	R 3 807 147.98	R 3 535 597.96	Performance satisfactory, delays were due to Eskom approval of designs. Variation

No	DESCRIPTION OF CONTRACT/PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SER VICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
						order of R225 090.47 for 10 transformers, Retentions are withheld.
10	Professional Services for Solar Street Lights Cacadu, DDX and Indwe.	ELM/1/6/2020T	Akal Genesis (Pty) Ltd	R 495 600.34	R495 600.33	Performance satisfactory. All designed works and monitoring were completed as per contract.
11	Professional Services And Construction Of Mavuya Paving At Emalahleni Local Municipality Area Through Turnkey	ELM/2/9/2020T	MBSA JV Thubalam	R10 819 867.25.07	R10 819 711.27	Fair performance. Progress sitting at 67%. Contractor managed to accelerate the work due to the additional funds that were availed on the project. However there are challenges with the planning which threatens the successful implementation of the project.
12	DR08563 Cacadu to Machubeni	ELM/1/11/2020T	Masilakhe Consulting	R 13 185331.76	R 11 230 197.11	Performance Poor at 45% and there was a variation order of R4 185 331.76 due to additional funding from DoT
13	Installation of Solar Street Lights Indwe-Cacadu –Hintsa and Mpangele	ELM/4/10/2020T	Komanim Trading	R1 620 289.91	R1 508 260.60	Fair Performance due to delays in orders material which resulted in delay in completion of the project. Practical completion issued. Retention are withheld

No	DESCRIPTION OF CONTRACT/PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SER VICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
14						
15	DR08563 Indwe to Machubeni	ELM/2/11/2020T	Masilakhe Consulting	R 13 314 412.32	R 3 340 248.56	Performance Poor at 45% and there was a variation order of R4 314 412.32 due to additional funding from DoT.
15	Installation of Solar Street Lights in Indwe – Ezitandini	ELM/1/3/2021T	T and N Contractors	R1 795 992.32	R1 663 993.90	Performance satisfactory. The have taken less than a month to start and complete the project. Tetenctions are withheld.
16	Cemetery Development of Indwe Unit	ELM/2/3/2021T	Tati Group	R1 653 207.63	R942 284.91	Performance satisfactory .There are no issues .
17	Panel of Professional Services- Civil (Construction of Gadlume Access Road)	ELM/1/02/2021T	Ibhotwe Lezizwe Consulting JV	Rates contract	R343 221.69	Performance satisfactory .There are no issues
18	Panel of Professional Services- Civil (Construction of Dlamini Access Road ward 5, 6 & 7)	ELM/1/02/2021T	Ibhotwe Lezizwe Consulting JV	Rates contract	R418 534.47	Performance satisfactory .There are no issues

SERVICE PROVIDER PERFORMANCE SCHEDULE FOR NON-TECHNICAL PROJECTS

No	DISCRPTION OF CONTRACT/PROJECT	BID/ CONTRACT NO.	CONTRACTOR'S/SERVICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
1	Procurement of Valuers for Property Rates	ELM/01/03/2017T	Penny Lindstrom Valuations	Rates contract	R1 080 791.96	Performance satisfactory
2	Supply, Delivery and Installation of All in One Printers	ELM/1/3/2018T	Aloe Office	Rates contract	R2 474 417.66	Performance satisfactory, Contract extended until end of October 2021.
3	Provision of Security Services	ELM/10/5/2018T	Quick Save Security	R15 351 589.10	R15 391 876.24	Performance satisfactory, Contract expired as at 30 September 2021.
4	Provision of Travel Agency & Events Management	ELM/7/12/2018T	Tunimart Travel (Pty) Ltd	Rates contract	R3 628 478.35	Performance satisfactory.
5	Provision of Fuel for Municipal Vehicles	ELM/3/11/2019T	Indwe Vulstasie 2	Rates contract	R379 548.34	Performance satisfactory.
6	Supply, Delivery, Installation and Commissioning of a prepaid Electricity Vending System	ELM/2/09/2019T	Ontec Systems (Pty) Ltd	Rates contract	R668 766.43	Performance satisfactory.
7.	Provision of Short -term insurance for a period of three years	ELM/1/6/2020T	Lateral Unison	R2 820 143.41	R2 381 633.13	Performance satisfactory.
8.	Provision of Cibecs annual licenses for backup and protection of user computers into local	ELM/3/9/2020T	ICT Choice	R1 067 209.20	R0	Performance satisfactory.

No	DISCRIPTION OF CONTRACT/PROJECT	BID/ CONTRACT NO.	CONTRACT	CONTRACTOR'S/SERVICE PROVIDER'S NAME	CONTRACT AMOUNT	TOTAL PAID TO CONTRACT	EVALUATING COMMENTS
	cibecs server for a period of three years						

PROGRESS ON PROCUREMENT PLAN DURING IN THE 1st QUARTER FOR THE 2021/2022 FINANCIAL YEAR.

SCHEDULE OF PROCUREMENT PLAN IN RESPECT OF ADVERTISED COMPETITIVE BIDS (GOODS, INFRASTRUCTURE PROJECTS OR SERVICES IN EXCESS OF R200 000 INCLUDING ALL APPLICABLE TAXES) FOR THE 2020/2021 FINANCIAL YEAR

PROCUREMENT PLAN 2021/2022							
No.	Description of goods / services / Infrastructure project	Registered Budget	Envisaged date of advertisement in the website, E-tender portal or other media	Envisaged closing date of bid	Envisaged date of award	Responsible office	Progress
INFRASTRUCTURE							
1	Construction of DDX Sport field Phase 2	R8 219 383,60	28-May	18-Jun-21	02-Jul-21	PMU	Contractor appointed on the 17-09-2021.
2	Cacadu landfill site	R500 000,00	18-Jun-21	02-Jul-21	16-Jul-21	PMU	End user to bring specification to SCM.
3	Dlamini Access road	R5 845 842,18	18-Jun-21	02-Jul-21	16-Jul-21	PMU	Bid advertised and closed, now at BAC stage.
4	Gadlume Access road	R6 291 605,25	18-Jun-21	02-Jul-21	16-Jul-21	PMU	Bid advertised and closed, now at BAC stage.

5	Wisile access road at Umhlanga	R4 179 601,97	25-Jun-21	09-Jul-21	23-Jul-21	PMU	End user to bring specification to SCM.
6	Public toilets	R2 816 329,88	19-Jul	09-Aug-21	23-Aug-21	PMU	End user to bring specification to SCM.
7	INEP PROJECT	R19 440 000.00	28-May	18-Jun-21	02-Jul-21		Advert out and due to close on the 28 Oct 2021.
8	Backup Power Supply	R400 000.00	25-Jun-21	09-Jul-21	23-Jul-21	PMU	End user to bring specification to SCM.
9	Electricity vehicle	R250 000.00	19-Jul	09-Aug-21	23-Aug-21	PMU	Request sent to National Treasury Transversal Contracts
10	Metering at Siyavuya & Sinakho Township	R300 000.00	18-Jun-21	02-Jul-21	16-Jul-21	PMU	End user to bring specification to SCM.
COMMUNITY SERVICES							
11	Refuse Collection Vehicle (2 Trucks)	R1 000 000.00	25-Jun-21	09-Jul-21	23-Jul-21	Waste & Environment	End user to bring specification to SCM.
12	Refuse Bags	R300 000.00	12-Jul-21	26-Jul-21	13-Aug-21	Waste & Environment	RFQ is at evaluation Stage.
13	Project Hlasela	R450 000.00	12-Jul-21	26-Jul-21	13-Aug-21	Waste & Environment	End user to bring specification to SCM.
14	Renovations Indwe Resort & Fencing	R1 000 000.00	12-Jul-21	26-Jul-21	13-Aug-21	Facilities Maintenance	End user to bring specification to SCM.
15	Furniture for Indwe Resort	R300 000.00	12-Jul-21	26-Jul-21	13-Aug-21	Facilities Maintenance	End user to bring specification to SCM.
16	Repairs & Maintenance / Additional Halls	R1 000 000.00	12-Jul-21	26-Jul-21	13-Aug-21	Facilities Maintenance	End user to bring specification to SCM.
17	Public Toilets	R300 000.00	25-Jun-21	09-Jul-21	23-Jul-21	Facilities Maintenance	End user to bring specification to SCM.
18	Response Vehicle	R600 000.00	12-Jul-21	26-Jul-21	13-Aug-21	Fire & Disaster Management	End user to bring specification to SCM.

CORPORATE SERVICES						
20	Fleet Management: VEHICLES CAPITAL BUDGET	R1 000 000.00	01-Jul-21	09-Jul-21	16-Jul-21	Fleet Management
						Request sent to National Treasury Transversal Contracts.

Controls on combating the abuse of Supply Chain Management Processes.

- The supply chain Management policy provides controls to prevent the abuse of supply Chain Management system.
- The Mayor has put in structures to investigate any allegations against an official or other role player of Fraud corruption, favouritism, unfair or irregular practices or failure to comply with this Policy.
- The Supply Chain Management Unit prior to awarding any contract ensures that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector this is done by checking the National Treasury database (csd).

- **The municipality rejects any bid from:**
 - a) A bidder or its directors who owe municipality or any other municipality or municipal entity rates and taxes or municipal service charges for more than 90 days.
 - b) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract
 - c) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;
 - d) has been convicted for fraud or corruption during the past five years;
 - e) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public-sector contract during the past five years; or
 - f) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).

The municipality cancels a contract awarded to a person if:

- g) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
- h) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person

Report on the effectiveness/sitting of the bid committees.

The sitting of bid committees for the first quarter was not as scheduled but the Municipality made great progress to catch up.

Report on awards made to person or supplier that are in service of the state and close family members

No	Suppliers	Contract Amount	Reason
1	VGS	Base on fuel Consumption	Director for this company works for the state as stated on csd. The supplier is a Sole Provider and was awarded through deviation
2	Universal garage	Base on fuel Consumption	Director for Universal garage is currently serving as a Councillor at Emalahleni Local Municipality. The supplier is a Sole Provider and was awarded through deviation.