



**MATATIELE**  
LOCAL MUNICIPALITY

2020/2021  
QUARTERLY  
SECTION 52(D)  
REPORT

2<sup>ND</sup> QUARTER ENDED  
31 DECEMBER 2020

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## GLOSSARY

**Annual Budget** – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.

**Adjustment Budget** – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its annual budget during the year.

**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 and must be included in the asset register.

**Cash Flow Statement** – A statement showing when actual cash will be received and spent by the Municipality. Payments do not always coincide with budgeted expenditure timings – for example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).

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

**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 dated April 2009.

**MFMA** – The Municipal Finance Management Act – Act No. 56 of 2003. The principle piece of legislation relating to municipal financial management.

**mSCOA** – Municipal Standard Chart of Accounts.

**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.

**Vote** – One of the main segments into which a budget is divided.

## LEGISLATIVE FRAMEWORK

This report has been prepared in terms of the following enabling legislation:

**The municipal Finance Management Act No. 56 of 2003**

Section 52(d): Quarterly budget Statements

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

### 1.1 RESOLUTIONS

This is the resolution being presented to Council in the quarterly report on the implementation of budget and financial state of affairs of the municipality as required in terms of section 52 of the Municipal Finance Management Act 56 of 2003.

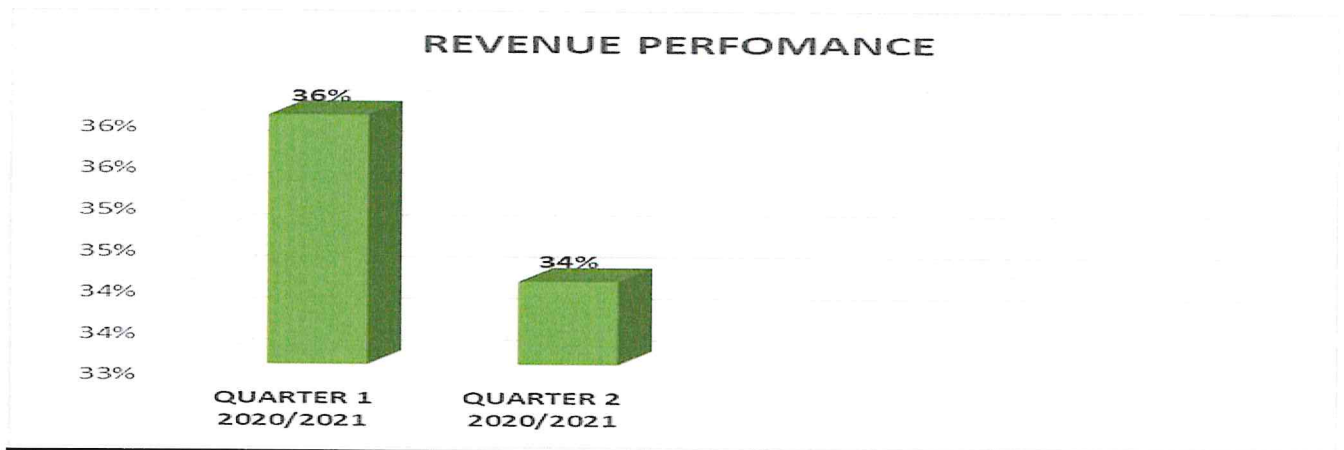
**Recommendations:**

- That, the report on the implementation of the budget and the financial state of affairs of the municipality for the quarter ended 31<sup>st</sup> December 2020 be noted by council.
- That, the submission of section 52(d) reports and to Provincial and National Treasuries 30 days after the end of each quarter be noted by Council.

## 1.2 EXECUTIVE SUMMARY

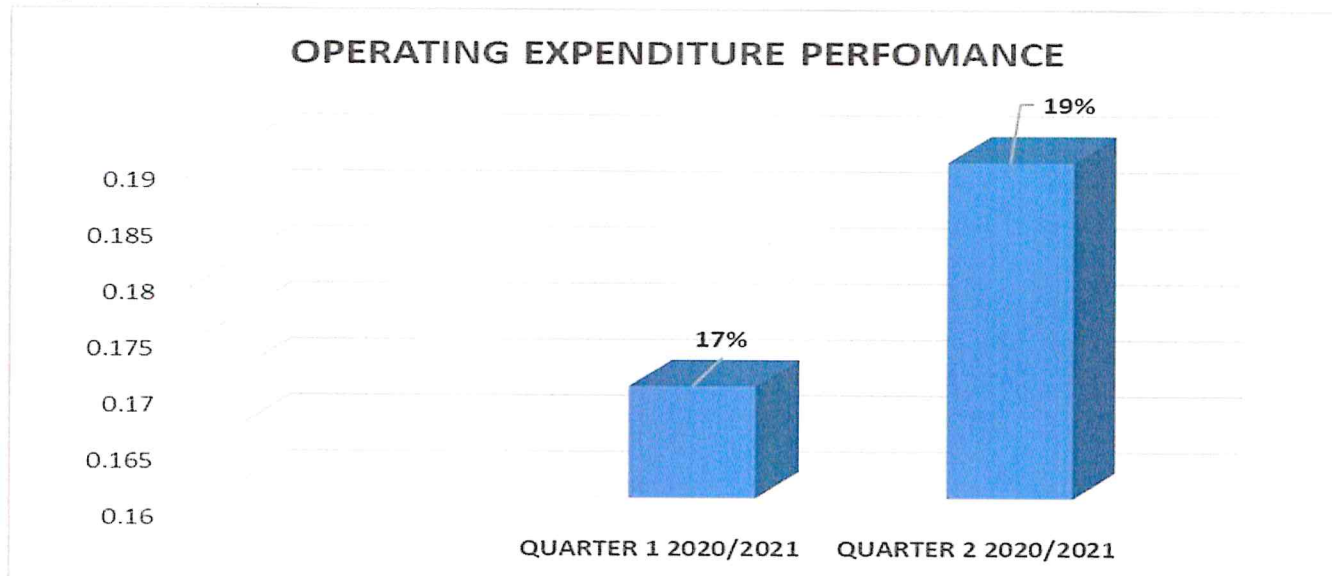
### Revenue by source

The total revenue received by source for the 2<sup>nd</sup> quarter amounted to **R154,117,004** against approved budget of **R408,393,768** and adjusted budget of **R458,174,768** (excluding capital transfers). This represents **37%** of the approved budget and **34%** revenue for the second quarter, this is above the expected performance of **25%** for the quarter ended 31<sup>st</sup> December 2020.



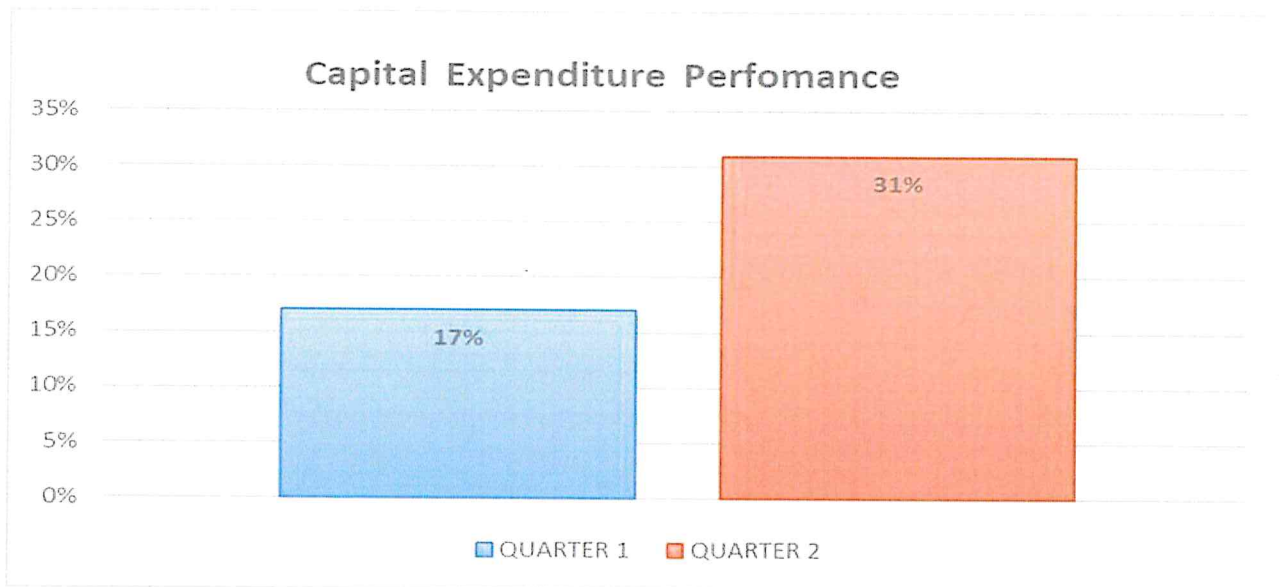
### Operating Expenditure by type

Operating expenditure amounted to **R82,341,271** for the 2<sup>nd</sup> quarter of the financial year against approved budget of **R 408,392,856** and adjusted budget of **R435,074,576**. This represents **20%** of the approved operating expenditure budget and **19%** of the adjusted operating expenditure budget.



**Capital Expenditure**

Capital expenditure for the 2<sup>nd</sup> quarter of the financial year amounted to **R54,305,209** against approved budget of **R174,313,680** and adjusted budget of **R177,313,684**. This represents **32%** of the approved capital expenditure budget and **31%** of the adjusted capital expenditure budget.



**PART 2 –  
IN-YEAR BUDGET STATEMENTS  
2.1 C1 Monthly Budget Statement Summary**

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	44,904	48,190	48,190	1,627	41,166	24,095	17,071	71%	48,190
Service charges	58,434	68,817	68,817	7,387	27,837	34,408	(6,571)	-19%	68,817
Investment revenue	12,973	14,650	14,650	819	4,078	7,325	(3,247)	-44%	14,650
Transfers and subsidies	244,441	256,212	305,993	124,728	239,948	152,997	86,952	57%	305,993
Other own revenue	19,092	20,525	20,525	1,777	10,306	10,263	43	0%	20,525
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>379,844</b>	<b>408,394</b>	<b>458,175</b>	<b>136,337</b>	<b>323,335</b>	<b>229,087</b>	<b>94,247</b>	<b>41%</b>	<b>458,175</b>
Employee costs	115,402	125,231	125,231	9,664	57,140	62,615	(5,475)	-9%	125,231
Remuneration of Councillors	20,834	21,537	21,537	1,605	9,946	10,769	(823)	-8%	21,537
Depreciation & asset impairment	47,731	33,110	33,110	-	-	16,555	(16,555)	-100%	33,110
Finance charges	3	-	-	-	-	-	-	-	-
Materials and bulk purchases	44,131	53,567	53,717	3,572	30,252	26,783	3,469	13%	53,717
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	129,629	174,949	201,480	8,919	52,437	87,474	(35,038)	-40%	201,480
<b>Total Expenditure</b>	<b>357,729</b>	<b>408,393</b>	<b>435,075</b>	<b>23,761</b>	<b>149,774</b>	<b>204,196</b>	<b>(54,423)</b>	<b>-27%</b>	<b>435,075</b>
<b>Surplus/(Deficit)</b>	<b>22,114</b>	<b>1</b>	<b>23,100</b>	<b>112,577</b>	<b>173,561</b>	<b>24,891</b>	<b>148,670</b>	<b>597%</b>	<b>23,100</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	124,782	101,527	81,527	-	36,974	40,763	(3,790)	-9%	81,527
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>146,896</b>	<b>101,528</b>	<b>104,627</b>	<b>112,577</b>	<b>210,534</b>	<b>65,654</b>	<b>144,880</b>	<b>221%</b>	<b>104,627</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>146,896</b>	<b>101,528</b>	<b>104,627</b>	<b>112,577</b>	<b>210,534</b>	<b>65,654</b>	<b>144,880</b>	<b>221%</b>	<b>104,627</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>155,644</b>	<b>174,314</b>	<b>177,314</b>	<b>27,380</b>	<b>84,232</b>	<b>88,657</b>	<b>(4,425)</b>	<b>-5%</b>	<b>177,314</b>
Capital transfers recognised	95,417	99,340	79,340	16,905	48,031	39,670	8,361	21%	79,340
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	60,228	74,974	97,974	10,475	36,200	97,974	(61,773)	-63%	97,974
<b>Total sources of capital funds</b>	<b>155,644</b>	<b>174,314</b>	<b>177,314</b>	<b>27,380</b>	<b>84,232</b>	<b>137,644</b>	<b>(53,412)</b>	<b>-39%</b>	<b>177,314</b>
<b>Financial position</b>									
Total current assets	266,693	232,526	232,475	-	405,558	-	-	-	232,475
Total non current assets	1,094,663	1,143,450	1,146,450	-	1,194,911	-	-	-	1,146,450
Total current liabilities	63,077	97,388	97,238	-	129,901	-	-	-	97,238
Total non current liabilities	29,028	27,398	27,398	-	28,370	-	-	-	27,398
Community wealth/Equity	1,269,250	1,251,190	1,254,289	-	1,442,198	-	-	-	1,254,289
<b>Cash flows</b>									
Net cash from (used) operating	201,441	140,489	158,238	112,577	210,534	79,119	(131,415)	-166%	158,238
Net cash from (used) investing	(155,644)	(174,314)	(177,314)	(27,380)	(84,232)	(88,657)	(4,425)	5%	(177,314)
Net cash from (used) financing	5	13	(1,268)	(0)	(1,416)	(1,268)	147	-12%	(1,268)
Cash/cash equivalents at the month/year end	169,799	9,248	22,716	-	127,666	32,254	(95,412)	-296%	(17,566)
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	9,595	4,197	3,429	4,028	3,510	25,400	26,010	98,253	174,422
<b>Creditors Age Analysis</b>									
Total Creditors	-	-	-	-	-	-	-	-	-

**Table C2 Monthly Budget Statement - Financial Performance (functional classification) -**

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		309,200	325,819	375,600	128,481	291,002	187,800	103,202	55%	375,600
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		309,200	325,819	375,600	128,481	291,002	187,800	103,202	55%	375,600
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		7,125	11,958	11,958	312	3,824	5,979	(2,155)	-36%	11,958
Community and social services		3,469	5,719	5,719	57	1,483	2,860	(1,376)	-48%	5,719
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3,655	6,239	6,239	255	2,341	3,120	(779)	-25%	6,239
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		59,075	49,081	49,081	51	30,556	24,541	6,016	25%	49,081
Planning and development		481	145	145	25	71	73	(1)	-2%	145
Road transport		58,594	48,936	48,936	26	30,485	24,468	6,017	25%	48,936
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		129,225	123,062	103,062	7,492	34,926	51,531	(16,605)	-32%	103,062
Energy sources		118,306	107,474	87,474	6,496	29,110	43,737	(14,627)	-33%	87,474
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		10,919	15,588	15,588	997	5,816	7,794	(1,978)	-25%	15,588
<i>Other</i>	<b>4</b>	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>504,625</b>	<b>509,921</b>	<b>539,702</b>	<b>136,337</b>	<b>360,308</b>	<b>269,851</b>	<b>90,457</b>	<b>34%</b>	<b>539,702</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		181,281	212,043	229,625	10,760	78,662	114,812	(36,151)	-31%	229,625
Executive and council		31,048	28,964	28,964	1,925	12,649	14,482	(1,833)	-13%	28,964
Finance and administration		147,900	179,004	196,586	8,606	64,521	98,293	(33,772)	-34%	196,586
Internal audit		2,333	4,075	4,075	229	1,492	2,038	(546)	-27%	4,075
<i>Community and public safety</i>		29,228	36,223	38,073	2,612	14,382	19,037	(4,655)	-24%	38,073
Community and social services		12,048	15,351	17,201	965	5,653	8,600	(2,947)	-34%	17,201
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		17,180	20,873	20,873	1,648	8,729	10,436	(1,708)	-16%	20,873
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		82,373	78,862	85,462	4,756	17,615	42,731	(25,116)	-59%	85,462
Planning and development		15,981	25,584	31,084	3,103	7,201	15,542	(8,341)	-54%	31,084
Road transport		66,392	53,278	54,378	1,654	10,414	27,189	(16,775)	-62%	54,378
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		64,848	81,265	81,915	5,631	39,115	40,957	(1,842)	-4%	81,915
Energy sources		46,926	57,506	58,006	3,895	30,997	29,003	1,994	7%	58,006
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		17,922	23,759	23,909	1,736	8,118	11,955	(3,836)	-32%	23,909
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>357,729</b>	<b>408,393</b>	<b>435,075</b>	<b>23,761</b>	<b>149,774</b>	<b>217,537</b>	<b>(67,763)</b>	<b>-31%</b>	<b>435,075</b>
<b>Surplus/ (Deficit) for the year</b>		<b>146,896</b>	<b>101,528</b>	<b>104,627</b>	<b>112,576</b>	<b>210,534</b>	<b>52,314</b>	<b>158,221</b>	<b>302%</b>	<b>104,627</b>



### 2.1.3 C3 Monthly Budget Statement –Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - Executive and council	1	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		308,729	325,469	375,250	128,460	289,545	187,625	101,920	54.3%	375,250
Vote 3 - Corporate		471	350	350	22	1,457	175	1,282	732.4%	350
Vote 4 - Development and Planning		481	145	145	25	71	73	(1)	-1.9%	145
Vote 5 - Community		18,044	27,546	27,546	1,309	9,640	13,773	(4,133)	-30.0%	27,546
Vote 6 - Infrastructure		176,900	156,410	136,410	6,521	59,595	68,205	(8,610)	-12.6%	136,410
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>504,625</b>	<b>509,921</b>	<b>539,702</b>	<b>136,337</b>	<b>360,308</b>	<b>269,851</b>	<b>90,457</b>	<b>33.5%</b>	<b>539,702</b>
<b>Expenditure by Vote</b>										
Vote 1 - Executive and council	1	722	37,214	28,964	1,925	12,649	14,482	(1,833)	-12.7%	28,964
Vote 2 - Finance and Admin		13,192	100,989	121,321	4,465	34,387	60,661	(26,274)	-43.3%	121,321
Vote 3 - Corporate		4,256	73,840	75,265	4,141	30,134	37,632	(7,498)	-19.9%	75,265
Vote 4 - Development and Planning		2,914	25,584	31,084	3,103	7,201	15,542	(8,341)	-53.7%	31,084
Vote 5 - Community		3,812	59,983	61,983	4,349	22,500	30,991	(8,491)	-27.4%	61,983
Vote 6 - Infrastructure		3,690	110,783	112,383	5,548	41,411	56,192	(14,781)	-26.3%	112,383
Vote 7 - Internal Audit		-	-	4,075	229	1,492	2,038	(546)	-26.8%	4,075
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>28,585</b>	<b>408,394</b>	<b>435,075</b>	<b>23,761</b>	<b>149,774</b>	<b>217,537</b>	<b>(67,763)</b>	<b>-31.2%</b>	<b>435,075</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>476,040</b>	<b>101,527</b>	<b>104,627</b>	<b>112,576</b>	<b>210,534</b>	<b>52,314</b>	<b>158,221</b>	<b>302.4%</b>	<b>104,627</b>

### 2.1.4 C4 Monthly Budget Statement –Financial Performance (revenue and Expenditure)

Description	Ref	Budget Year 2020/21								
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		44,904	48,190	48,190	1,627	41,166	24,095	17,071	71%	48,190
Service charges - electricity revenue		47,645	53,291	53,291	6,416	22,116	26,645	(4,530)	-17%	53,291
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		10,790	15,526	15,526	971	5,721	7,763	(2,042)	-26%	15,526
Rental of facilities and equipment		803	500	500	247	779	250	529	212%	500
Interest earned - external investments		12,973	14,650	14,650	819	4,078	7,325	(3,247)	-44%	14,650
Interest earned - outstanding debtors		11,555	11,799	11,799	1,165	6,838	5,899	939	16%	11,799
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1,398	2,094	2,094	11	397	1,047	(650)	-62%	2,094
Licences and permits		2,557	4,525	4,525	249	1,962	2,262	(300)	-13%	4,525
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		244,441	256,212	305,993	124,728	239,948	152,997	86,952	57%	305,993
Other revenue		2,779	1,608	1,608	105	329	804	(475)	-59%	1,608
Gains		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>379,844</b>	<b>408,394</b>	<b>458,175</b>	<b>136,337</b>	<b>323,335</b>	<b>229,087</b>	<b>94,247</b>	<b>41%</b>	<b>458,175</b>
<b>Expenditure By Type</b>										
Employee related costs		115,402	125,231	125,231	9,664	57,140	62,615	(5,475)	-9%	125,231
Remuneration of councillors		20,834	21,537	21,537	1,605	9,946	10,769	(823)	-8%	21,537
Debt impairment		13,884	5,000	5,000	-	-	2,500	(2,500)	-100%	5,000
Depreciation & asset impairment		47,731	33,110	33,110	-	-	16,555	(16,555)	-100%	33,110
Finance charges		3	-	-	-	-	-	-	-	-
Bulk purchases		39,938	48,000	48,000	3,273	27,125	24,000	3,125	13%	48,000
Other materials		4,192	5,567	5,717	298	3,126	2,783	343	12%	5,717
Contracted services		81,078	101,279	125,861	6,876	38,294	50,639	(12,346)	-24%	125,861
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		33,957	68,670	70,620	2,044	14,143	34,335	(20,192)	-59%	70,620
Losses		711	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>357,729</b>	<b>408,393</b>	<b>435,075</b>	<b>23,761</b>	<b>149,774</b>	<b>204,196</b>	<b>(54,423)</b>	<b>-27%</b>	<b>435,075</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		22,114	1	23,100	112,577	173,561	24,891	148,670	0	23,100
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		124,782	101,527	81,527	-	36,974	40,763	(3,790)	(0)	81,527
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>146,896</b>	<b>101,528</b>	<b>104,627</b>	<b>112,577</b>	<b>210,534</b>	<b>65,654</b>			<b>104,627</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>146,896</b>	<b>101,528</b>	<b>104,627</b>	<b>112,577</b>	<b>210,534</b>	<b>65,654</b>			<b>104,627</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>146,896</b>	<b>101,528</b>	<b>104,627</b>	<b>112,577</b>	<b>210,534</b>	<b>65,654</b>			<b>104,627</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>146,896</b>	<b>101,528</b>	<b>104,627</b>	<b>112,577</b>	<b>210,534</b>	<b>65,654</b>			<b>104,627</b>

## Revenue by Source

### Property Rates

Billing on property rates is done during the first quarter of the financial year. Revenue recognised for property rates for the 2<sup>nd</sup> quarter ended 31 December 2020 amounted to **R 4,892,290**. This is **10%** revenue generated for this source.

### Service Charges

Revenue from Service charges amounted to **R 15,799,458** for the 2<sup>nd</sup> quarter ended 31 December 2020 against approved budget of **R68,816,568** this represent **23%** of the revenue budget for this source. The variance is due to less electricity consumption by consumers as anticipated.

### Rental from facilities

Revenue from rental of facilities amounted to R 779,138 for the 2<sup>nd</sup> quarter ended 31<sup>st</sup> December 2020 against budget of R 500,000 and this represents 155% of the anticipated revenue from rentals, more revenue was recognised under this category and revenue adjustment will be done during the adjustments budget in February 2020.

### Interest on Outstanding Debtors

Interest on outstanding debtors for the 2<sup>nd</sup> quarter ended 30<sup>th</sup> December 2020 amounted to **R3,298,218** against approved budget of **R11,798,772** and this reflects **28%** of the revenue budget and is a positive performance as the expected target is 25% for the quarter.

### Interest on Investments

Interest earned from conditional and unconditional investments amounted to **R1,774,191** against approved budget **R14,650,000** for the 2<sup>nd</sup> quarter ended 31<sup>st</sup> December 2020. This represents **12%** of the total budget from this source and is due to low interest rates on investments during the lockdown period.

### Fines & Penalties

Revenue from fines and penalties amounted to **R185,076** for the 2<sup>nd</sup> quarter ended 31 December 2020 against approved budget of **R 2,093,700** and this reflects **9%** of the revenue budget from fines and penalties, the variance is a result of less payments received for fines issued in the quarter under review.

### Licenses and Permits

Revenue from licenses and permits amounted to **R1,201,641** against approved budget **R 4,524,696** for the 2<sup>nd</sup> quarter ended 31 December 2020. This represents **27%** revenue for the quarter against the budget from this source, which is an increase from the 1<sup>st</sup> quarter.

### Other Revenue

Other revenue reflects an amount of **R 177,675** for the 2<sup>nd</sup> quarter ended 31 December 2020 against approved budget of **R 1,608,024**. This represents 11% of the budget allocated for this category. The variance is a result no revenue received for tender documents, insurance refund as anticipated.

### Expenditure by Type

Expenditure by type reflects operational budget per type/category of expenditure

#### Employee Related Costs

Employee related expenditure for the 2<sup>nd</sup> quarter ending 31 December 2020 amounted to R 29,157,972 against budget amount of R125,230,692, that represents 23% of the budgeted amount. The variance is due to vacant posts that have not been filled.

#### Remuneration of Councillors

Expenditure from remuneration of Councillors amounted to R4,859,222 for the for 2<sup>nd</sup> quarter ended 31<sup>st</sup> December 2020 against adjusted budget of R 21,537,048, this represents 21% of the budget allocated to this category.

#### Debt impairment

Currently the municipality accounts for Debt impairment at the end of the financial year, no expenditure is reflected for 2<sup>nd</sup> quarter for this category.

#### Depreciation and Asset Impairment

Expenditure and Asset Impairment is accounted for at the end of the financial year, no expenditure is reflected for the 2<sup>nd</sup> quarter for this category.

#### Finance Costs

No expenditure relating to interest charges has been incurred for the quarter.

### Bulk Purchases

Expenditure on electricity bulk purchases amounted to R14,911,229 for the 2<sup>nd</sup> quarter ended 31 December 2020 against adjusted budget of R 48,000,000, this represents 31% and is within the expected performance for the quarter.

### Contracted Services

Expenditure on contracted services amounted to **R 21,620,732** for the 2<sup>nd</sup> quarter ended 31 December 2020 against approved budget of **R 101,278,992** and adjusted budget of **R125,810,712**, this represents **21%** and **17%** respectively of the budget for this category and is less than the expected performance for the quarter. This is as a result of less expenditure on catering services, legal services, event promotion than anticipated due to the national lockdown.

### Other Material

Expenditure on other material amounted to **R2,217,413** for the 2<sup>nd</sup> quarter ended 31 December 2020 against approved budget of **R 5,566,512** and adjusted budget of **R 5,716,512**. This represents **39%** of budget allocation. More material for maintenance of roads was procured during the 2<sup>nd</sup> quarter.

### Operational Expenditure

Operational expenditure for the 2<sup>nd</sup> quarter ended 31 December 2020 amounted to **R 9,574,702** against approved budget of **R 68,669,608** and adjusted budget of **R70,669,604** and represents **14%** and **14%** of the respective budget allocation for this category. The variance results from expenditure from travelling and subsistence that was not utilised, and other general expenditure that was not incurred during the national lockdown.

**2.1.5 C5 Monthly Budget Statement –Capital Expenditure (municipal vote, functional classification and funding)**

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate		-	-	-	-	-	-	-	-	-
Vote 4 - Development and Planning		-	-	-	-	-	-	-	-	-
Vote 5 - Community		-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure		71,334	-	-	-	-	-	-	-	-
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>71,334</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		3,013	6,029	6,029	159	188	3,014	(2,826)	-94%	6,029
Vote 3 - Corporate		1,246	3,130	3,130	549	685	1,565	(880)	-56%	3,130
Vote 4 - Development and Planning		43	480	480	-	-	240	(240)	-100%	480
Vote 5 - Community		1,601	6,190	6,190	-	86	3,095	(3,009)	-97%	6,190
Vote 6 - Infrastructure		78,408	158,485	161,485	26,672	83,272	80,743	2,530	3%	161,485
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	<b>84,310</b>	<b>174,314</b>	<b>177,314</b>	<b>27,380</b>	<b>84,232</b>	<b>88,657</b>	<b>(4,425)</b>	<b>-5%</b>	<b>177,314</b>
<b>Total Capital Expenditure</b>		<b>155,644</b>	<b>174,314</b>	<b>177,314</b>	<b>27,380</b>	<b>84,232</b>	<b>88,657</b>	<b>(4,425)</b>	<b>-5%</b>	<b>177,314</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>4,259</b>	<b>9,159</b>	<b>9,159</b>	<b>708</b>	<b>873</b>	<b>4,579</b>	<b>(3,706)</b>	<b>-81%</b>	<b>9,159</b>
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		4,259	9,159	9,159	708	873	4,579	(3,706)	-81%	9,159
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>1,601</b>	<b>3,260</b>	<b>3,260</b>	<b>-</b>	<b>57</b>	<b>1,630</b>	<b>(1,573)</b>	<b>-97%</b>	<b>3,260</b>
Community and social services		1,479	1,560	1,560	-	57	780	(723)	-93%	1,560
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		122	1,700	1,700	-	-	850	(650)	-100%	1,700
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>87,749</b>	<b>80,724</b>	<b>92,224</b>	<b>16,541</b>	<b>56,784</b>	<b>46,112</b>	<b>10,671</b>	<b>23%</b>	<b>92,224</b>
Planning and development		43	480	480	-	-	240	(240)	-100%	480
Road transport		87,706	80,244	91,744	16,541	56,784	45,872	10,911	24%	91,744
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>62,036</b>	<b>81,171</b>	<b>72,671</b>	<b>10,131</b>	<b>26,518</b>	<b>36,335</b>	<b>(9,817)</b>	<b>-27%</b>	<b>72,671</b>
Energy sources		62,036	78,241	69,741	10,131	26,489	34,870	(8,382)	-24%	69,741
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	2,930	2,930	-	30	1,465	(1,435)	-98%	2,930
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>155,644</b>	<b>174,314</b>	<b>177,314</b>	<b>27,380</b>	<b>84,232</b>	<b>88,657</b>	<b>(4,425)</b>	<b>-5%</b>	<b>177,314</b>
<b>Funded by:</b>										
National Government		95,416	99,080	79,080	16,905	47,974	39,540	8,434	21%	79,080
Provincial Government		1	260	260	-	57	130	(73)	-56%	260
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>95,417</b>	<b>99,340</b>	<b>79,340</b>	<b>16,905</b>	<b>48,031</b>	<b>39,670</b>	<b>8,361</b>	<b>21%</b>	<b>79,340</b>
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		60,228	74,974	97,974	10,475	36,200	97,974	(61,773)	-63%	97,974
<b>Total Capital Funding</b>		<b>155,644</b>	<b>174,314</b>	<b>177,314</b>	<b>27,380</b>	<b>84,232</b>	<b>137,644</b>	<b>(53,412)</b>	<b>-39%</b>	<b>177,314</b>

The approved capital budget amounted to **R174,313,684** and was adjusted to **R177,313,684** for the financial year. For the 2<sup>nd</sup> quarter ended 31 December 2020 amounted to **R 54,305,209** representing **31%** of the adjusted budget. The performance is above expected performance of 25% per quarter.

## 2.1.6 C6 Monthly Budget Statement –Financial Position

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		153,085	23,886	23,985	20,667	23,985
Call investment deposits		-	93,822	93,822	198,734	93,822
Consumer debtors		8,258	65,910	66,534	112,631	66,534
Other debtors		103,648	47,924	47,299	71,871	47,299
Current portion of long-term receivables		-	-	-	-	-
Inventory		1,703	984	834	1,656	834
<b>Total current assets</b>		<b>266,693</b>	<b>232,526</b>	<b>232,475</b>	<b>405,558</b>	<b>232,475</b>
<b>Non current assets</b>						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		35,575	35,947	35,947	35,575	35,947
Investments in Associate		-	-	-	-	-
Property, plant and equipment		1,058,068	1,107,177	1,110,177	1,159,004	1,110,177
Biological		-	-	-	-	-
Intangible		333	326	326	333	326
Other non-current assets		688	-	-	-	-
<b>Total non current assets</b>		<b>1,094,663</b>	<b>1,143,450</b>	<b>1,146,450</b>	<b>1,194,911</b>	<b>1,146,450</b>
<b>TOTAL ASSETS</b>		<b>1,361,356</b>	<b>1,375,976</b>	<b>1,378,926</b>	<b>1,600,469</b>	<b>1,378,926</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	-	-
Consumer deposits		345	1,268	1,268	1,412	1,268
Trade and other payables		50,733	81,679	81,529	116,359	81,529
Provisions		11,998	14,440	14,440	12,131	14,440
<b>Total current liabilities</b>		<b>63,077</b>	<b>97,388</b>	<b>97,238</b>	<b>129,901</b>	<b>97,238</b>
<b>Non current liabilities</b>						
Borrowing		-	-	-	8,363	-
Provisions		29,028	27,398	27,398	20,007	27,398
<b>Total non current liabilities</b>		<b>29,028</b>	<b>27,398</b>	<b>27,398</b>	<b>28,370</b>	<b>27,398</b>
<b>TOTAL LIABILITIES</b>		<b>92,106</b>	<b>124,787</b>	<b>124,637</b>	<b>158,271</b>	<b>124,637</b>
<b>NET ASSETS</b>	2	<b>1,269,250</b>	<b>1,251,190</b>	<b>1,254,289</b>	<b>1,442,198</b>	<b>1,254,289</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		1,038,804	793,988	797,087	1,340,810	797,087
Reserves		230,446	457,202	457,202	101,387	457,202
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1,269,250</b>	<b>1,251,190</b>	<b>1,254,289</b>	<b>1,442,198</b>	<b>1,254,289</b>

The table reflects the financial position is recorded at the end of the quarter ending 31 December 2020.

**2.1.7 C7 Monthly Budget Statement –Cash Flow**

Description	Ref	Budget Year 2020/21								
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		-	49,807	49,807	1,627	41,166	24,903	16,263	65%	49,807
Service charges		86,333	82,700	82,700	7,387	27,837	41,350	(13,513)	-33%	82,700
Other revenue		4,149	8,726	8,726	612	3,467	4,363	(896)	-21%	8,726
Transfers and Subsidies - Operational		242,957	256,212	305,993	124,728	239,948	152,997	86,952	57%	305,993
Transfers and Subsidies - Capital		124,782	101,527	81,527	-	36,974	40,763	(3,790)	-9%	81,527
Interest		24,528	11,799	26,449	1,984	10,916	13,224	(2,308)	-17%	26,449
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(281,152)	(370,283)	(396,965)	(23,761)	(149,774)	(198,482)	(48,708)	25%	(396,965)
Finance charges		(5)	-	-	-	-	-	-	-	-
Transfers and Grants		(150)	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>201,441</b>	<b>140,489</b>	<b>158,238</b>	<b>112,577</b>	<b>210,534</b>	<b>79,119</b>	<b>(131,415)</b>	<b>-166%</b>	<b>158,238</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		(155,644)	(174,314)	(177,314)	(27,380)	(84,232)	(88,657)	(4,425)	5%	(177,314)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(155,644)</b>	<b>(174,314)</b>	<b>(177,314)</b>	<b>(27,380)</b>	<b>(84,232)</b>	<b>(88,657)</b>	<b>(4,425)</b>	<b>5%</b>	<b>(177,314)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		5	13	(1,268)	(0)	(1,416)	(1,268)	(147)	12%	(1,268)
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>5</b>	<b>13</b>	<b>(1,268)</b>	<b>(0)</b>	<b>(1,416)</b>	<b>(1,268)</b>	<b>147</b>	<b>-12%</b>	<b>(1,268)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>45,801</b>	<b>(33,812)</b>	<b>(20,344)</b>	<b>85,197</b>	<b>124,887</b>	<b>(10,806)</b>			<b>(20,344)</b>
Cash/cash equivalents at beginning:		123,997	43,060	43,060		2,779	43,060			2,779
Cash/cash equivalents at month/year end:		169,799	9,248	22,716		127,666	32,254			(17,566)



PART 4 –SUPPORTING DOCUMENTATION

DEBTORS’ ANALYSIS

Supporting Table SC3 \_Monthly Budget statement Aged Debtors \_Q1 Third quarter

Description	NT Code	Budget Year 2020/21									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	5,778	1,255	813	1,472	729	587	1,783	509	12,925	5,079	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,609	990	710	681	942	22,725	1,435	42,575	71,668	68,358	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	1,036	788	587	543	522	501	1,550	15,852	21,380	18,968	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	10	10	10	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	1,171	1,151	1,285	1,330	939	833	4,156	23,954	34,818	31,211	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	1	12	34	2	379	754	17,086	15,353	33,622	33,574	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>9,595</b>	<b>4,197</b>	<b>3,429</b>	<b>4,028</b>	<b>3,510</b>	<b>25,400</b>	<b>26,010</b>	<b>98,253</b>	<b>174,422</b>	<b>157,201</b>	<b>-</b>	<b>-</b>
<b>2019/20 - totals only</b>		<b>17032509</b>	<b>3188608</b>	<b>2829239</b>	<b>2254205</b>	<b>2657880</b>	<b>1762753</b>	<b>31321363</b>	<b>83737170</b>	<b>144,784</b>	<b>121,733</b>	<b>-</b>	<b>-</b>
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	2,929	1,916	1,705	2,546	1,708	24,018	4,769	47,881	87,470	80,921	-	-
Commercial	2300	6,644	2,272	1,717	1,475	1,799	1,378	21,227	50,253	86,765	76,132	-	-
Households	2400	22	9	7	7	4	4	15	119	187	148	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>9,595</b>	<b>4,197</b>	<b>3,429</b>	<b>4,028</b>	<b>3,510</b>	<b>25,400</b>	<b>26,010</b>	<b>98,253</b>	<b>174,422</b>	<b>157,201</b>	<b>-</b>	<b>-</b>

The total debt book for December 2020 is R 167 046 543,22 has decreased by R633 174 from the previous month balance of R166,413,369.11 Debt is made up of the following:

**Residential debt:**  
R 55 679 336,15

**Commercial debt**  
R 25 329 263,85

**Government debt**  
R 83 853 795,92

**Other**  
R 2,185 ,557

The municipality implements the credit control and debt collection policy, there are two areas in which the municipality is not able to collect and the debt totals to;

**Maluti**  
R42 670 563,44 (including current)

**Cedarville**  
R 3 509 014,91 (including current)

The municipality makes use of debt collectors in implementing the credit and debt collection policy. There is no handover made in quarter 2 as the contract expired. The new service provider has been appointed to start with the collections.

## CREDITORS' ANALYSIS

Description	NT Code	Budget Year 2019/20									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	Total	
<b>R thousands</b>											
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100										-
Bulk Water	0200										-
PAYE deductions	0300										-
VAT (output less input)	0400										-
Pensions / Retirement deductions	0500										-
Loan repayments	0600										-
Trade Creditors	0700										-
Auditor General	0800										-
Other	0900										-
<b>Total By Customer Type</b>	<b>1000</b>	-	-	-	-	-	-	-	-	-	-

The municipality paid its creditors within 30 days for the 2<sup>nd</sup> quarter ended 31<sup>st</sup> December 2020.

## INVESTMENT POTFOLIO ANALYSIS

Conditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Municipal Infrastructure Grant	31,968.06	9,401,078.90	- 6,863,008.04	- 78.90	2,570,038.92
INEP	13,861,378.65	18,102.30	- 9,419,780.88	- 18,102.30	4,459,700.07
EPWP	-	-	-	-	-
Municipal Electrification Intervention	267,412.40	659.40	-	- 659.40	268,071.80
Library and Archives	-	-	-	-	-
Finance Management Grant	-	-	-	-	-
Smart Grid	53,562.78	132.00	-	- 132.00	53,694.78
Establishment Plan	191,571.39	309.14	-	- 309.14	191,880.53
Housing Development Fund	1,948,511.95	3,144.31	-	- 3,144.31	1,951,656.26
Dedea	592,955.69	956.86	-	- 956.86	593,912.55
<b>Total Conditional Investments</b>	<b>16,947,361</b>	<b>9,424,383</b>	<b>- 16,282,789</b>	<b>- 23,383</b>	<b>10,088,955</b>

Unconditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	23,884,582.18	11,000,000.00	-	- 76,425.47	34,884,582.18
Call Acc STD CRR	10,957,519.61	24,661.92	-	- 24,661.92	10,982,181.53
Call Acc STD CRR	20,609,978.08	100,049.32	-	- 100,049.32	20,710,027.40
Call Acc FNB	50,294,410.92	163,561.61	- 50,457,972.53	- 163,561.64	-
Call Acc FNB	20,105,205.47	67,945.21	-	- 67,945.21	20,173,150.68
Call ACC FNB Surplus Cash	6,805,395.80	-	-	- 10,981.86	6,805,395.80
Nedbank 32 Days	6,247,297.72	19,255.50	-	- 19,255.50	6,266,553.22
Nedbank relief fund	755,593.93	1,863.00	-	- 1,863.00	757,456.93
Nedbank COV -19 Solidarity	91,360.75	225.30	-	- 225.30	91,586.05
Nedbank call Surplus	14,446,834.20	179,996,637.07	- 138,041,892.68	- 73,769.37	56,401,578.59
<b>Total Unconditional</b>	<b>154,198,179</b>	<b>191,374,199</b>	<b>- 188,499,865</b>	<b>- 538,739</b>	<b>157,072,512</b>

As at 31 December 2020, the total investments amounted to R167,081,467, this includes both conditional and unconditional grants and municipal reserves.

## ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
National Government:		240,621	255,022	304,803	124,728	241,298	152,401	88,897	58.3%	304,803
Local Government Equitable Share		234,919	249,823	299,604	124,728	237,148	149,802	87,346	58.3%	299,604
Finance Management Grant		1,700	1,700	1,700	-	1,700	850	850	100.0%	1,700
EPWP		3,257	3,499	3,499	-	2,450	1,749	701	40.0%	3,499
Disaster relief grant		745	-	-	-	-	-	-	-	-
Provincial Government:		1,197	930	930	-	650	465	185	39.8%	930
Sport and Recreation		1,197	930	930	-	650	465	185	39.8%	930
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>5</b>	<b>241,818</b>	<b>255,952</b>	<b>305,733</b>	<b>124,728</b>	<b>241,948</b>	<b>152,866</b>	<b>89,082</b>	<b>58.3%</b>	<b>305,733</b>
<b>Capital Transfers and Grants</b>										
National Government:		128,432	101,527	81,527	9,401	54,819	40,763	7,351	18.0%	81,527
MIG		58,255	48,936	48,936	9,401	31,819	24,468	7,351	30.0%	48,936
INEP		70,177	52,591	32,591	-	23,000	16,295	-	-	32,591
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	260	260	-	-	130	(130)	-100.0%	260
Sport and Recreation		-	260	260	-	-	130	(130)	-100.0%	260
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	<b>5</b>	<b>128,432</b>	<b>101,787</b>	<b>81,787</b>	<b>9,401</b>	<b>54,819</b>	<b>40,893</b>	<b>7,221</b>	<b>17.7%</b>	<b>81,787</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>5</b>	<b>370,250</b>	<b>357,739</b>	<b>387,520</b>	<b>134,129</b>	<b>296,767</b>	<b>193,760</b>	<b>96,303</b>	<b>49.7%</b>	<b>387,520</b>

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of revenues. All trenches allocated to be received in the quarter under review have been received.

**Supporting Table C7**

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		239,876	255,022	304,803	17,449	101,808	152,401	(50,594)	-33.2%	304,803
Local Government Equitable Share		234,919	249,823	299,604	17,164	98,739	149,802	(51,063)	-34.1%	299,604
Finance Management Grant		1,700	1,700	1,700	284	338	850	(512)	-60.2%	1,700
EPWP		3,257	3,499	3,499	-	2,730	1,749	981	56.1%	3,499
Disaster relief grant		-	-	-	-	-	-	-	-	-
Provincial Government:		1,197	930	930	2	10	465	(455)	-97.8%	930
Sport and Recreation		1,197	930	930	2	10	465	(455)	-97.8%	930
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>241,073</b>	<b>255,952</b>	<b>305,733</b>	<b>17,451</b>	<b>101,818</b>	<b>152,866</b>	<b>(51,049)</b>	<b>-33.4%</b>	<b>305,733</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		128,432	101,527	81,527	17,261	49,608	40,763	8,845	21.7%	81,527
MIG		58,255	48,936	48,936	10,831	37,429	24,468	12,961	53.0%	48,936
INEP		70,177	52,591	32,591	6,430	12,150	16,295	(4,145)	-25.4%	32,591
Other capital transfers [insert description]		-	-	-	-	30	30	-	#DIV/0!	-
Provincial Government:		-	260	260	-	57	130	(73)	-56.4%	260
		-	260	260	-	57	130	(73)	-56.4%	260
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>128,432</b>	<b>101,787</b>	<b>81,787</b>	<b>17,261</b>	<b>49,665</b>	<b>40,893</b>	<b>8,772</b>	<b>21.4%</b>	<b>81,787</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>369,505</b>	<b>357,739</b>	<b>387,520</b>	<b>34,712</b>	<b>151,483</b>	<b>193,760</b>	<b>(42,277)</b>	<b>-21.8%</b>	<b>387,520</b>

Expenditure performance on operational grants to date represents **33%** of the adjusted budget and on operating grants, slow expenditure on library support grant is as a result of closed libraries during the national lockdown.

Capital expenditure on capital grants to date represents **61%** of the adjusted budget on capital grants, expenditure on capital grants is above the expected performance.

**EXPENDITURE ON COUNCILLOR AND EMPLOYEE RELATED COSTS**  
**EC441 Matatiele - Supporting Table SC8 Monthly Budget Statement - councillor and staff**  
**benefits – 2nd Quarter**

Summary of Employee and Councillor remuneration	Ref	2019/20		Budget Year 2020/21						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		-	13,114	13,114	921	4,751	6,557	(1,806)	-28%	-
Pension and UIF Contributions		-	739	739	57	292	370	(78)	-21%	-
Medical Aid Contributions		-	142	142	62	312	71	241	339%	-
Motor Vehicle Allowance		-	133	133	11	54	66	(13)	-19%	-
Cellphone Allowance		-	3,140	3,140	235	1,198	1,570	(373)	-24%	-
Housing Allowances		-	4,269	4,269	319	1,638	2,134	(497)	-23%	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		-	21,537	21,537	1,605	8,244	10,769	(2,525)	-23%	-
<b>% increase</b>	4	-	#DIV/0!	#DIV/0!						
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		1,084	103,247	103,247	7,574	38,523	51,623	(13,100)	-25%	-
Pension and UIF Contributions		(3)	988	988	45	226	494	(268)	-54%	-
Medical Aid Contributions		-	5,322	5,322	347	1,693	2,661	(968)	-36%	-
Overtime		164	692	692	171	695	346	349	101%	-
Performance Bonus		371	6,197	6,197	574	1,894	3,099	(1,205)	-39%	-
Motor Vehicle Allowance		-	4,114	4,114	402	1,901	2,057	(156)	-8%	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		31	4,672	4,672	364	1,784	2,336	(552)	-24%	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		2,707	-	-	-	251	-	251	#DIV/0!	-
Long service awards		199	-	-	31	48	-	48	#DIV/0!	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		4,554	125,231	125,231	9,508	47,015	62,615	(15,600)	-25%	-
<b>% increase</b>	4		2649.9%	2649.9%						
<b>Total Parent Municipality</b>		4,554	146,768	146,768	11,114	55,259	73,384	(18,125)	-25%	-
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Total Municipal Entities</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		4,554	146,768	146,768	11,114	55,259	73,384	(18,125)	-25%	-
<b>% increase</b>	4		3122.8%	3122.8%						
<b>TOTAL MANAGERS AND STAFF</b>		4,554	125,231	125,231	9,508	47,015	62,615	(15,600)	-25%	-

Expenditure from remuneration of Councillors amounted to **R 4,859,222** for the 2nd quarter ended 31 December 2020 against budget of **R 21,357,048**, this represents **23%** of the budget allocated to this category.

Employee related cost expenditure for the quarter under review amounted to **R 29,157,972** against budget of **R 125,230,692** and represents 23% performance of the budget, vacant positions that have been included in the approved budget have not been filled resulting in a slight variance.

**SUPPLY CHAIN MANAGEMENT**

**a) Progress on Procurement Plan 2020/21**

FY	Department	Responsible Office unit	Description	2020/21 Budget	Estimated costs	Procurement Strategy	Bid Specification date	Advertisement date	Closing date	Bid Evaluation date	Bid Adjudication date	Date of award of contract	Responsible official	Status
<b>BUDGET AND TREASURY OFFICES</b>														
2020/2021	BTO	Financial Reporting and Assets Management	MANAGEMENT OF MEDIUM TERM INSURANCE PORTFOLIO FOR A PERIOD OF THREE(3) YEARS	R4.1 million	R4.1 million	Competitive bidding	11-May-20	22-May-20	22-Jun-20	24-Jun-20	2020/06/26	24-Jul-20	Financial Reporting and Assets Management	Awarded
2020/2021	BTO	Revenue, Payroll and Expenditure	Debt collection	R485 622.85	Commission	Competitive Bidding	12-May-20	22-May-20	22-Jun-20	24-Jun-20	2020/06/26	24-Jul-20	Revenue, Payroll and Expenditure	Awarded
2020/2021	Revenue and expenditure	Revenue, Payroll and Expenditure	Electricity Vending	R 1,000,000	R 1,000,000	Competitive Bidding	13-Oct-20	23-Oct-20	06-Nov-20	18-Nov-20	27-Nov-20	28-Dec-20	Revenue, Payroll and Expenditure	TOR not submitted
2020/2021	Revenue and expenditure	Revenue, Payroll and Expenditure	Postage	R 300,000	R 300,000	Competitive bidding	13-Oct-20	23-Oct-20	06-Nov-20	18-Nov-20	27-Nov-20	28-Dec-20	Revenue, Payroll and Expenditure	TOR not submitted
<b>COMMUNITY SERVICES</b>														
2020/2021	Community Services	Enviro & Waste	Landfill Weightbridge	R1,000,000.00	R1,000,000.00	Competitive bidding	18-Aug-20	28-Aug-20	11-Sep-20	22-Sep-20	2-Oct-20	2-Nov-20	Enviro & Waste	on Hold due to functionality issues
2020/2021	Community Services	Enviro & Waste	Landfill Remediation	R400,000.00	R4,000,000.00	Competitive bidding	18-Aug-20	28-Aug-20	11-Sep-20	22-Sep-20	2-Oct-20	2-Nov-20	Enviro & Waste	BEC stage
2020/2021	Community Services	Enviro & Waste	Cemetery Development	R1,000,000.00	R1,000,000.00	Competitive bidding	18-Aug-20	28-Aug-20	11-Sep-20	22-Sep-20	2-Oct-20	2-Nov-20	Enviro & Waste	TOR not submitted
2020/2021	Community Services	Enviro & Waste	Waste collection & Cleaning in CHD and Residential	R8000000	R8000000	Competitive Bidding	25-Aug-20	4-Sep-20	5-Oct-20	14-Oct-20	23-Oct-20	23-Nov-20	Enviro & Waste	Re - Advertised
2020/2021	Community Services	Enviro & Waste	Grass cutting & Cleaning Municipal Buildings	R200 000	R160000	Competitive Bidding	25-Aug-20	4-Sep-20	5-Oct-20	14-Oct-20	23-Oct-20	23-Nov-20	Enviro & Waste	Awarded
2020/2021	Community Services	Public Amenities and EPWP	Public Toilets Cleaning and Maintenance	R700 000	R700 000	Competitive Bidding	20-Aug-20	5-Sep-20	30-Sep-20	30-Oct-20	15-Nov-20	9-Dec-20	Public Amenities and EPWP	Awarded
2020/2021	Community Services	Public Amenities and EPWP	Construction of new blocks of public toilets	R700 000	R1 500 000	Competitive Bidding	10-Jul-20	24-Jul-20	21-Aug-20	26-Aug-20	31-Aug-20	3-Sep-20	Public Amenities and EPWP	Withdrawn
<b>CORPORATE SERVICES</b>														
2020/2021	Corporate Services	Admin Support	Provision of Security Services	R10,000,000.00	R1,000,000.00	Competitive bidding	01-Dec-20	28-Aug-20	11-Dec-20	11-Jan-21	12-Jan-21	12-Feb-21	Admin Support	TOR not submitted
2020/2021	Corporate Services	ICT	ICT Managed Security & Penetration Testing	R1,000,000.00	R3,000,000.00	Competitive bidding	15-Sep-20	25-Sep-20	9-Oct-20	21-Oct-20	30-Oct-20	30-Nov-20	Admin Support	BAC Stage
2020/2021	Corporate Services	ICT	Website Hosting	R250 000	R250 000	Competitive bidding	15-Sep-20	25-Sep-20	9-Oct-20	21-Oct-20	30-Oct-20	30-Nov-20	Admin Support	Awarded
2020/2021	Corporate Services	ICT	Network Redesign	R150 000	R300 000	Competitive bidding	15-Sep-20	25-Sep-20	9-Oct-20	21-Oct-20	30-Oct-20	30-Nov-20	Admin Support	Quotation
2020/2021	Corporate Services	ICT	Uninterrupted Power Supply (UPS) Framework	R1 000 000	R2500 000	Competitive bidding	15-Sep-20	25-Sep-20	9-Oct-20	21-Oct-20	30-Oct-20	30-Nov-20	Admin Support	Awarded
2020/2021	Corporate Services	ICT	ICT Security Awareness and Cybersecurity Framework	R1 400 000	R400 000	Competitive bidding	29-Sep-20	3-Oct-20	16-Oct-20	21-Oct-20	6-Nov-20	7-Dec-20	Admin Support	TOR not submitted
2020/2021	Corporate Services	ICT	Click-in-System	R450 000	R450 000	Competitive bidding	29-Sep-20	3-Oct-20	16-Oct-20	21-Oct-20	6-Nov-20	7-Dec-20	Admin Support	Awarded
2020/2021	Corporate Services	ICT	Upgrade of Network Points	R500 000	R400 000	Competitive bidding	29-Sep-20	3-Oct-20	16-Oct-20	21-Oct-20	6-Nov-20	7-Dec-20	Admin Support	TOR not submitted
2020/2021	Corporate Services	ICT	Establishment Of ICT Centres	R600 000	R150 000	Competitive bidding	29-Sep-20	3-Oct-20	16-Oct-20	21-Oct-20	6-Nov-20	7-Dec-20	Admin Support	TOR not submitted
2020/2021	Corporate Services	ICT	Procurement Of Committee Management System	R100 000	R2 800 000.00	Competitive bidding	29-Sep-20	3-Oct-20	16-Oct-20	21-Oct-20	6-Nov-20	7-Dec-20	Admin Support	Re-advertised

FY	Department	Responsible Office unit	Description	2020/21 Budget	Estimated costs	Procurement Strategy	Bid Specification date	Advertisement date	Closing date	Bid Evaluation date	Bid Adjudication date	Date of award of contract	Responsible official	Status
<b>ECONOMIC DEVELOPMENT &amp; PLANNING</b>														
2020/2021	Economic Development and Planning	Development Planning	Development Master Plan	850,000	850,000	Competitive bidding	25-Aug-20	04-Sep-20	18-Sep-20	30-Sep-20	09-Oct-20	09-Nov-20	Development Planning	Evaluation stage
2020/2021	Economic Development and Planning	Development Planning	Traffic Study- old landfill site area	200,000	200,000	Competitive bidding	25-Aug-20	04-Sep-20	18-Sep-20	30-Sep-20	09-Oct-20	09-Nov-20	Development Planning	Quotation
2020/2021	Economic Development and Planning	Development Planning	(Land Tenure Upgrade (Conveyancing)	600,000	600,000	Competitive bidding	08-Sep-20	18-Sep-20	02-Oct-20	14-Oct-20	23-Oct-20	23-Nov-20	Development Planning	TOR not submitted
2020/2021	Economic Development and Planning	Development Planning	Review and Implementation of Land Use Management Scheme (LUMS) in all wards	200,000	200,000	Competitive bidding	08-Sep-20	18-Sep-20	02-Oct-20	14-Oct-20	23-Oct-20	23-Nov-20	Development Planning	Quotation
2020/2021	Economic Development and Planning	Development Planning	Review of Land Audit	600,000	600,000	Competitive bidding	08-Sep-20	18-Sep-20	02-Oct-20	14-Oct-20	23-Oct-20	23-Nov-20	Development Planning	BEC stage
2020/2021	Economic Development and Planning	Development Planning	Small Town Revitalisation (Feasibility Study)	200,000	200,000	Competitive bidding	13-Oct-20	21-Oct-20	06-Nov-20	18-Nov-20	27-Nov-20	28-Dec-20	Development Planning	Quotation
2020/2021	Economic Development and Planning	Development Planning	Small Town Revitalisation (Business Plan)	200,000	200,000	Competitive bidding	13-Oct-20	21-Oct-20	06-Nov-20	18-Nov-20	27-Nov-20	28-Dec-20	Development Planning	Quotation
2020/2021	EDP	LED UNIT	SMME Funding Support	400,000.00	400,000.00	Competitive bidding	18-Aug-20	28-Aug-20	11-Sep-20	22-Sep-20	2-Oct-20	2-Nov-20	LED	Quotation
2020/2021	EDP	LED UNIT	hawkers Stalls	600,000.00	600,000.00	Competitive bidding	18-Aug-20	28-Aug-20	11-Sep-20	22-Sep-20	2-Oct-20	2-Nov-20	LED	BAC Stage
2020/2021	EDP	LED UNIT	Cropping Programme	500,000.00	500,000.00	Competitive bidding	18-Aug-20	28-Aug-20	11-Sep-20	22-Sep-20	2-Oct-20	2-Nov-20	LED	Awarded
2020/2021	EDP	LED UNIT	Livestock Improvement Programme	200,000.00	200,000.00	Competitive bidding	25-Sep-20	9-Oct-20	21-Oct-20	30-Oct-20	30-Nov-20	2020/12/07	LED	Quotation
2020/2021	EDP	LED UNIT	Matiele Music Festival	2,750,000.00	2,750,000.00	Competitive bidding	25-Sep-20	9-Oct-20	21-Oct-20	30-Oct-20	30-Nov-20	2020/12/07	LED	No Longer taking place.
2020/2021	EDP	LED UNIT	Shas Music Festival	800,000.00	800,000.00	Competitive bidding	25-Sep-20	9-Oct-20	21-Oct-20	30-Oct-20	30-Nov-20	2020/12/07	LED	No Longer taking place.
2020/2021	EDP	LED UNIT	Tourism Sector Plan	600,000.00	600,000.00	Competitive bidding	29-Sep-20	1-Oct-20	16-Oct-20	21-Oct-20	6-Nov-20	7-Dec-20	LED	Quotation
2020/2021	EDP	LED UNIT	Youth Development Programme	200,000.00	200,000.00	Competitive bidding	29-Sep-20	1-Oct-20	16-Oct-20	21-Oct-20	6-Nov-20	7-Dec-20	LED	TOR not submitted
2020/2021	EDP	LED UNIT	Ced Mant Marabon Event, Matielelding Heritage Trust and Mata Fees Events	600,000.00	600,000.00	Competitive bidding	21-Jul-20	31-Jul-20	21-Aug-20	02-Sep-20	11-Sep-20	12-Oct-20	LED	TOR not submitted
2020/2021	EDP	LED UNIT	Tourism Indaba, Beeld Show and Gateway Events	600,000.00	600,000.00	Competitive bidding	21-Jul-20	31-Jul-20	21-Aug-20	02-Sep-20	11-Sep-20	12-Oct-20	LED	TOR not submitted

FY	Department	Responsible Office unit	Description	2020/21 Budget	Estimated costs	Procurement Strategy	Bid Specification date	Advertisement date	Closing date	Bid Evaluation date	Bid Adjudication date	Date of award of contract	Responsible official	Status
<b>INFRASTRUCTURE - PMU</b>														
2020/2021	Infrastructure Services	P.O&M	Mankeni AR	R2,000,000.00		Competitive bidding	21-Jul-20	31-Jul-20	21-Aug-20	02-Sep-20	11-Sep-20	12-Oct-20	P.O&M	Awarded
2020/2021	Infrastructure Services	P.O&M	Manqogwheeni AR	R3,000,000.00		Competitive bidding	21-Jul-20	31-Jul-20	21-Aug-20	02-Sep-20	11-Sep-20	12-Oct-20	P.O&M	Awarded
2020/2021	Infrastructure Services	P.O&M	Nkesele AR	R8,000,000.00		Competitive bidding	21-Jul-20	31-Jul-20	21-Aug-20	02-Sep-20	11-Sep-20	12-Oct-20	P.O&M	Awarded
2020/2021	Infrastructure Services	P.O&M	Harvey Gwala Internal Streets	R2,800,000.00		Competitive bidding	21-Jul-20	31-Jul-20	21-Aug-20	02-Sep-20	11-Sep-20	12-Oct-20	P.O&M	Advertised
2020/2021	Infrastructure Services	P.O&M	Supply and delivery of road asphalt	R560,000.00		Competitive bidding	01-Sep-20	11-Sep-20	23-Sep-20	07-Oct-20	16-Oct-20	16-Nov-20	P.O&M	PEC stage
2020/2021	Infrastructure Services	P.O&M	Supply and delivery of G2 material	R1,000,000.00		Competitive bidding	01-Sep-20	11-Sep-20	23-Sep-20	07-Oct-20	16-Oct-20	16-Nov-20	P.O&M	Quotation
2020/2021	Infrastructure Services	P.O&M	Supply and delivery of crusher dust	R2,000,000.00		Competitive bidding	01-Sep-20	11-Sep-20	23-Sep-20	07-Oct-20	16-Oct-20	16-Nov-20	P.O&M	Advertised
2020/2021	Infrastructure Services	P.O&M	Whanga AR and Bridges	R3,000,000.00		Competitive bidding	06-Oct-20	16-Oct-20	06-Nov-20	18-Nov-20	27-Nov-20	28-Dec-20	P.O&M	Advertised
2020/2021	Infrastructure Services	P.O&M	Panute-mobveni AR and Bridges	R3,000,000.00		Competitive bidding	06-Oct-20	16-Oct-20	06-Nov-20	18-Nov-20	27-Nov-20	28-Dec-20	P.O&M	Advertised
2020/2021	Infrastructure Services	P.O&M	Meliph AR and Bridges	R3,000,000.00		Competitive bidding	06-Oct-20	16-Oct-20	06-Nov-20	18-Nov-20	27-Nov-20	28-Dec-20	P.O&M	Advertised
<b>INFRASTRUCTURE - ELECTRICAL</b>														
2020/2021	Infrastructure	Electricity	Advert for Consultants & Contractors - Rural electrification Projects	R 32,591,000	R 32,591,000	Competitive bidding	07-Jul-20	17-Jul-20	17-Aug-20	29-Aug-20	31-Aug-20	30-Sep-20	Electricity	Awarded
2020/2021	Infrastructure	Electricity	Advert for Electrical Maintenance Contractors - CBD	R 1,200,000	R 1,200,000	Competitive bidding	07-Jul-20	17-Jul-20	07-Aug-20	18-Aug-20	21-Aug-20	21-Sep-20	Electricity	TOR not submitted
2020/2021	Infrastructure	Electricity	Transformers	R 800,000	R 800,000	Competitive bidding	07-Jul-20	17-Jul-20	07-Aug-20	18-Aug-20	21-Aug-20	21-Sep-20	Electricity	Re - Advertised
2020/2021	Infrastructure	Electricity	50 x Electrical Poles	R 150,000	R 150,000	Competitive bidding	07-Jul-20	17-Jul-20	07-Aug-20	18-Aug-20	21-Aug-20	21-Sep-20	Electricity	Budget adjustment
2020/2021	Infrastructure	Electricity	1500m MV Paper Cable	R 300,000	R 300,000	Competitive bidding	07-Jul-20	17-Jul-20	07-Aug-20	18-Aug-20	21-Aug-20	21-Sep-20	Electricity	BAC Stage
2020/2021	Infrastructure	Electricity	Installation of High Mast Lights & Street lights	R 2,500,000	R 2,500,000	Competitive bidding	14-Jul-20	24-Jul-20	14-Aug-20	26-Aug-20	28-Aug-20	28-Sep-20	Electricity	BAC Stage
2020/2021	Infrastructure	Electricity	Substation Switch Gears	R 1,500,000	R 1,500,000	Competitive bidding	14-Jul-20	24-Jul-20	14-Aug-20	26-Aug-20	28-Aug-20	28-Sep-20	Electricity	BAC Stage
2020/2021	Infrastructure	Electricity	Furniture	R 150,000	R 150,000	Competitive bidding	14-Jul-20	24-Jul-20	14-Aug-20	26-Aug-20	28-Aug-20	28-Sep-20	Electricity	BAC Stage
2020/2021	Infrastructure	Electricity	Uniform	R 200,000	R 200,000	Competitive bidding	14-Jul-20	24-Jul-20	14-Aug-20	26-Aug-20	28-Aug-20	28-Sep-20	Electricity	Quotation
2020/2021	Infrastructure	Electricity	Christmas Lights	R 250,000	R 250,000	Competitive bidding	22 Sept 20	02-Oct-20	16-Oct-20	19-Aug-20	06-Nov-20	07-Dec-20	Electricity	Awarded
2020/2021	Infrastructure	Electricity	Christmas Lights	R 250,000	R 250,000	Competitive bidding	30-Sep-20	02-Oct-20	16-Oct-20	19-Aug-20	06-Nov-20	07-Dec-20	Electricity	TOR not submitted
<b>INFRASTRUCTURE - HUMAN SETTLEMENT AND BUILDING CONTROL</b>														
2020/2021	Infrastructure Services	Human Settlement & Building Control	Renovation of Municipal Stores & Offices	R 800,000	R 800,000	Advertisement	03-Nov-20	13-Nov-20	04-Dec-20	09-Dec-20	18-Dec-20	20-Jan-21	Human Settlement	Awarded
<b>MUNICIPAL MANAGERS OFFICE</b>														
2020/2021	MM's Office	Comms & SP	Procure and install outdoor billboards	R500,000	R500,000	Competitive bidding	04-Aug-20	14-Aug-20	28-Aug-20	09-Aug-20	18-Sep-20	19-Oct-20		To be readvertised
2020/2021	MM's Office	Comms & SP	Organise and Procure equipment for SOMA	R250,000	R200,000	Competitive bidding	04-Aug-20	14-Aug-20	28-Aug-20	09-Aug-20	18-Sep-20	19-Oct-20		Quotation
2020/2021	MM's Office	Comms & SP	Host OVC Day	R350,000	R300,000	Competitive bidding	04-Aug-20	14-Aug-20	28-Aug-20	09-Aug-20	18-Sep-20	19-Oct-20		No Longer taking place.
2020/2021	MM's Office	Comms & SP	Host Rising Stars day	R400,000	R400,000	Competitive bidding	11-Aug-20	21-Aug-20	04-Sep-20	09-Sep-20	25-Sep-20	26-Oct-20		No Longer taking place.
2020/2021	MM's Office	Comms & SP	Host Mayoral Cup	R400,000	R500,000	Competitive bidding	11-Aug-20	21-Aug-20	04-Sep-20	09-Sep-20	25-Sep-20	26-Oct-20		No Longer taking place.
2020/2021	MM's Office	Comms & SP	Produce newsletter	R450,000	R350,000	Competitive bidding	11-Aug-20	21-Aug-20	04-Sep-20	09-Sep-20	25-Sep-20	26-Oct-20		TOR not submitted



**b) Tenders awarded for the 2<sup>nd</sup> Quarter ended 31<sup>st</sup> December 2020**

**2.2. BIDS AWARDED SECOND QUARTER ENDING 31 DECEMBER 2020**

<b>N</b>	<b>NAME OF DESCRIPTION</b>	<b>CLOSING DATE</b>	<b>SERVICE PROVIDER</b>	<b>APPOINTMENT DATE</b>	<b>AMOUNT</b>	<b>LOCALITY</b>
0						
1	Provision of website hosting, development, Redesign and Maintenance service	2020/09/07	SMS ICT Choice (Pty) Ltd	2020/10/27	R 1 389 242.55	East London
2	Supply, Installation and maintenance of UPS Systems	2020/09/07	KC and Son Trading Enterprise	2020/10/27	R 1 092 612.76	Bizana
3	Supply and delivery of Kerbs	2020/04/03	Intlangula 86 Trading Enterprise	2020/10/21	R 242 778.80	Kokstad
4	Provision of IT Forensic Investigation	2020/08/21	Arms Audit and Risk Management Solution (Pty) Ltd	2020/10/27	Rates	Houghton

N o	NAME OF DESCRIPTION	CLOSING DATE	SERVICE PROVIDER	APPOINTMENT DATE	AMOUNT	LOCALITY
5	Appointment of 3 to 5 suitable service providers for design, construction supervision, close-out report and construction and commissioning of households electrification at various village in the eskom supply area within Matatiele Municipality (Turnkey) for a period of three years	2020/07/06	Thake Electrical cc, BTMN Consulting Engineering (Pty) Ltd, NSK Electrical Construction Managers JV Rems Electrical Construction, Igoda Projects and MN Africa Consulting Engineers JV Capital Power Projects	2020/10/15	Rates	Zimbali, Durban, Polokwane, Durban and Plessicaer
6	Supply, Installation and Maintenance of Boimetrics T&A System	2020/10/01	EXYS Africa (PTY) Ltd	2020/11/27	1 610 719,44	Pretoria
7	Supply and Delivery of Production Inputs and Mechanization to Plant yellow maize/ soya beans in following wards (05,07,08,09,12,13,14,17,18,21,22,23,24,25 and 26)	2020/10/23	Lonaletu Agri Business, Lwanda Developemnt Project and Mbali Rural Developers	2020/12/04	Rates	Kokstad, Matatiele and Mount Ayliff

N	NAME OF DESCRIPTION	CLOSING DATE	SERVICE PROVIDER	APPOINTMENT DATE	AMOUNT	LOCALITY
8	Renovation of Stores	2020/10/09	Amamayeza Earthworks JV Lulenzu Trading	2020/12/29	516 346.98	Matatiele
9	Supply, Delivery and Installation of 10 Hawker facilities in Station	2020/10/01	The Don Investment (Pty) Ltd	2020/12/29	400 000.00	King Willaims Town
10	Supply, Delivery and Installation Commissioning of 40 X 144 Wled Street Lights	2020/09/18	SNR Electrical cc	2020/12/30	1 267 481.00	East London

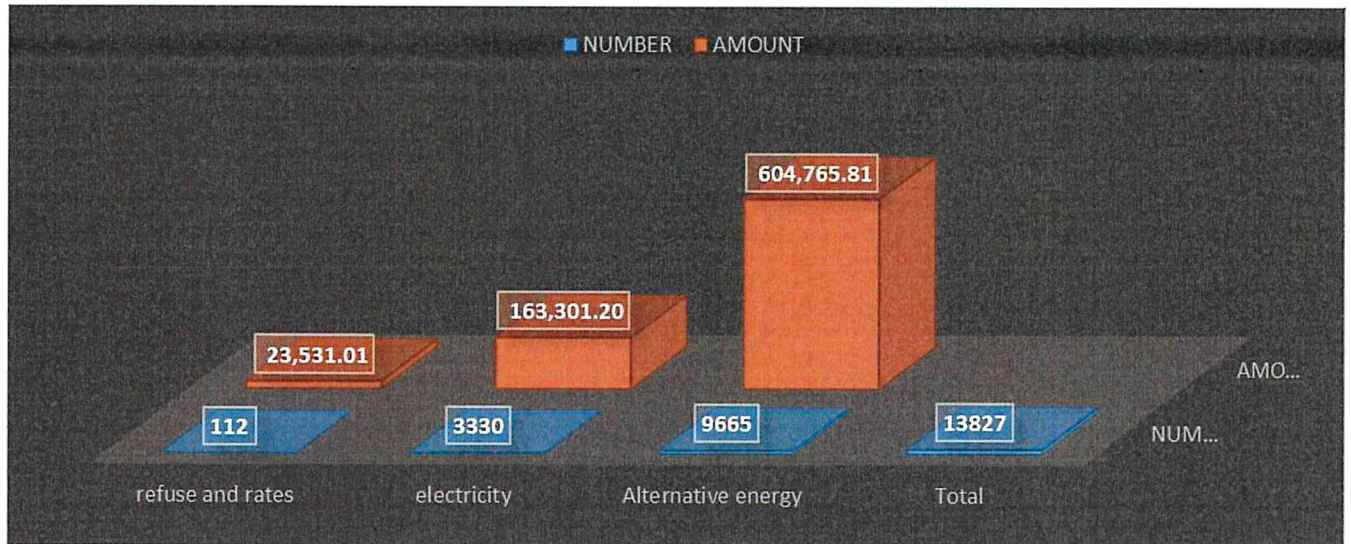
**IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE**

**Expenses paid and Irregular/Fruitless expenditure**



Fruitless and wasteful expenditure incurred for the second quarter ended 31 December 2020 R751.49 and relates to interest on overdue Eskom account.

**INDIGENT MANAGEMENT**



A total of 13 827 has decreased from 16 134 the previous financial year (2019/2020). The indigent register for the 2019/20 will be updated with new applicants except for ward 19, 20 and 1 (for rates and refuse). Due to the new project for supply and delivery for gas and gas stoves the wards in the rural area continued with the previous year's numbers which were updated when needed to be.

A total of R 791 598,02 has been incurred as expenditure for indigent benefits as follows for the month ended 31 December 2020:

- Electricity R 163 301,20
- Rates and refuse R 23 531,01
- Alternative energy (Solar; and gas and stoves) R 604 765,81

A total of R3 718 312,01 has been incurred as expenditure for indigent benefits as follows for quarter two ended 31 December 2020:

- Electricity R 632 239,42
- Rates and refuse R 29 034,04
- Alternative energy (Solar; and gas and stoves) R 3 057 038,58

## MUNICIPAL MANAGER'S QUALITY CERTIFICATE


### QUALITY CERTIFICATE

I, **Lizo Matiwane**, Municipal Manager of Matatiele Local Municipality do hereby certify that-

The quarterly budget statement (Section 52(d) Report) on the implementation of the budget and financial state of affairs of the municipality for the second quarter ended 31<sup>st</sup> December 2020 has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

**Print Name: Lizo Matiwane**

**Municipal Manager of Matatiele Local Municipality**

Signature: 

Date: 12 / 01 / 2021