



BUDGET AND TREASURY REPORT

Report as in June 30 2023

JUNE 30, 2023
MOPANI DISTRICT MUNICIPALITY
Section 71 Report

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1. Executive Summary

The municipal Revenue budget for the year was approved at **R1.577bn** adjusted to **R1.537bn** to cater for operational activities and **R560.7m** adjusted to **R560.0m** for capital expenditure. The YTD budget is estimated at **R1.517b** as in June 2023 for operations and **R549.3m** for capital expenditure. An amount of **R1.663b** was received, included in the **R1.663b** is **R1.130b** for equitable shares received from National Treasury. Out of **R518,3m** received for capital, only **R482.1m** has been recognized as income for meeting the condition of the grant.

The municipal payable to date is currently reported at **R957.4m** which. Of the **R877.4m**, **R893.3m** is for the purchase of bulk water from Lepelle and DWS. This historic debt is pausing a challenge to the municipal cash flow as it should be funded from the current budget.

The municipality revenue billed from local municipality for a YTD amount to **R259.6m** for water and sewer. The total collection by local municipality is reported at **R100.7m** which is yet to be transfer by local municipalities for water and sewer services done on behalf of District.

The Municipality relies solely on grant for funding the operations mainly because of non -payment of services by the municipalities. The municipal current operational and capital per months is **+ R 100m**. The office of BTO has finalize some monthly cash flow projections that will provide a guideline as to the cash that will be made available for a month / quarter. This would be done to ensure that cash is available to fund critical operations even in cases where equitable shares allocations from National Treasury get to be delay. The details management accounts is attached as schedule C.

2. Financial Overview

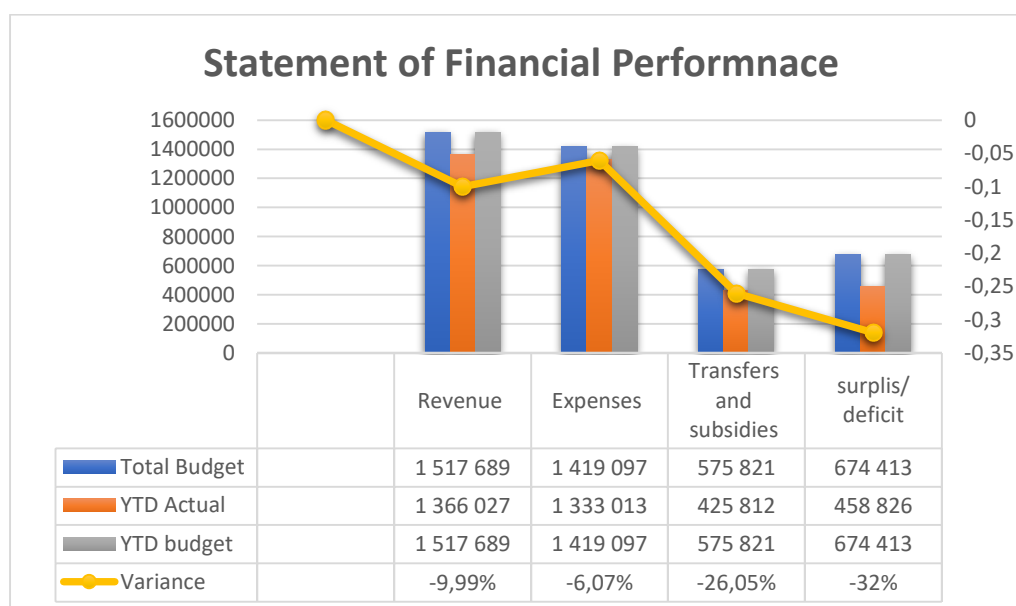


Figure 1: Statement of Financial Performance

2.1 Statement of financial Performance

a). Operating Revenue

i. Service charges

The services charges for water charged to consumers is at **R141.4m** of the YTD Actual when compared to the YTD Budget of **R253.2m** and the variances **-44.1%**. The service charges for sanitation is at **R27.1m** of the YTD Actual when compared to the YTD Budget of **R36.3m** and the variance is **-25.2%** as at the period ending 31 May 2023.

i. **Transfers and Subsidies** – the municipalities have received **R1.158b** of the YTD Actual when compared to the YTD Budget of **R1.144b**, the variance is **1.22%** on operating grants and subsidies as at the end of the period ended the 30 June 2023.

ii. **Interest earned on Current and Non-Current Assets** –Interest earned on current and non-current asset is **R 11.4m** of the YTD Actual when compared to the YTD Budget of **R9m**.

iii. **Interest earned on outstanding debtors**- The interest recorded on outstanding debtors from the local municipalities is at **R 5.6m** when compared to the YTD Budget of **R71.7 m**, the variance is **-92.1%**

iv. **Other income** – Includes sale of tender documents and fire services charges, it is at **R 12.5m** of YTD Actual when compared to the YTD Budget of **R1.1 m** and the variance is **986.7%** as at 30 June 2023. This is due to high volume of tender documents sold which exceeded the expectation.

b) Operating Expenditure

i. **Employee Related Costs (Salaries and Wages & Social contribution)** – Employee related costs expenditure it at **R 459.0m** of YTD Actual when compared to the YTD Budget of **R 461.81m** and the variance is **-0.46%** for the period ended 30 June 2023, which is lower than the expected budget.

ii. **Councillors Remuneration** – The councillors' remuneration is at **R 19.7m** of the YTD Actual when compared to the YTD Budget of **R22.9m** the variance is **-13.9%**.

iii. Depreciation

The depreciation is at **R167m** for the period ending 30 June 2023, the Assets Register is currently being finalised and as such, the Deprecation for the 2022/023 financial year would be accounted for the exercise is completed.

iv. **Debt Impairment**- Debt impairment is at **R122 k** of the year YTD Actual when compared to the YTD Budget of **70.0m** the variance is **-99.8% for the period ending 30 June 2023**

v. **Contracted services** – includes the payments for leased vehicles, security services, Legal Services, PMU Support, consultants assisting in preparation of AFS and mSCOA. Expenditure is at **R179.9m** of the

YTD Actual compared to the YTD Budget of **R179.4m**, the variance is **0.28%** for the period ending 30 June 2023.

- vi. **Inventory Consumed** - This figure includes repairs and maintenance of infrastructure and movable assets on an ad hoc basis and the purchase of bulk water purchases from Lepelle Northern Water and Department of Water and Sanitation expenditure to date is at **R 278.6m** of the YTD Actual compared to the YTD Budget of **R 298.3m**, the variance is **-6.5%** for the year to date. The lower expenditure is due to the fact that the municipality is yet to sign new repayment agreement with Lepelle Northern water.
- vii. **Operational Costs** – Operational Costs is at **R207.7m** of the YTD Actual compared to the YTD Budget of **R168.0m** the variance is **23.6%** as at the period ended 30 June 2023

The overall operating expenditure on the 30 June 2023 is at **R 1.333b** of the YTD Actual compared to the YTD Budget of **R1.419b** and the variance is **-6.07%**. The reason for low spending on operational expenditure is non-calculations of the depreciation and debt impairment, and also, the receiving and issuing the water inventory and other stores using the financial system (stores module)

Detailed statement of Financial Performance

Limpopo: Mopani (DC33) - Table C4 Monthly Budgeted Financial Performance (All) for period ending (M12) 30 June 2023

Description	Ref	2021/22	2022/23	Budget year 2022/23																						
R thousands		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	M01 July Actual	M02 Aug Actual	M03 Sept Actual	Q1 Sept Actual	M04 Oct Actual	M05 Nov Actual	M06 Dec Actual	Q2 Dec Actual	M07 Jan Actual	M08 Feb Actual	M09 Mar Actual	Q3 Mar Actual	M10 Apr Actual	M11 May Actual	M12 June Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
Revenue																										
Exchange Revenue																										
Service charges - Electricity																										
Service charges - Water	188 417			273 450	253 250		15 882	12 813	28 694	10 458	26 386	28 654	65 497	4 111	17 803	6 700	28 614		13 312	5 324	18 636	141 441	253 250	(111 809)	(44.15)	253 250
Service charges - Waste Water Management	34 728			36 351	36 351		2 608	3 422	6 030	2 500	5 239	5 163	12 901	643	2 933	1 250	4 826		2 291	1 141	3 432	27 190	36 351	(9 161)	(25.20)	36 351
Service charges - Waste Management																										
Sale of Goods and Rendering of Services	1 518			2 016	2 016	1 009	1 321	1 075	3 405	2 790	1 357	(0)	4 147	37	276	369	681	20	47	1 265	1 332	9 566	2 016	7 550	374.49	2 016
Agency services																										
Interest																										
Interest earned from Receivables	74 141			71 713	71 713			126	126			5 197	5 197	121	122	64	307					5 630	71 713	(66 084)	(92.15)	71 713
Interest earned from Current and Non Current Assets	3 622			9 000	9 000	779	899	449	2 127	147	151	1 417	1 715	1 209	12 807	(10 912)	3 103	2 237	1 540	741	4 519	11 463	9 000	2 463	27.37	9 000
Dividends																										
Rent on Land																										
Rental from Fixed Assets																										
Licence and permits																										
Operational Revenue	585			1 157	1 157	4	213	180	398	274	86	(81)	279	0	95	2 720	2 815		5 843	3 234	9 077	12 570	1 157	11 413	986.77	1 157
Non-Exchange Revenue																										
Property rates																										
Surcharges and Taxes																										
Fines, penalties and forfeits																										
Licences or permits																										
Transfer and subsidies - Operational	1 065 743			1 184 019	1 144 202	457 002	2 391	729	460 122	2 420	3 066	366 659	372 146	5 064	2 652	309 117	316 833	3 981	2 547	2 538	9 067	1 158 167	1 144 202	13 965	1.22	1 144 202
Interest																										
Fuel Levy																										
Operational Revenue																										
Gains on disposal of Assets																										
Other Gains	1 375																									
Discontinued Operations																										
Total Revenue (excluding capital transfers and contributions)		1 370 129	-	1 577 706	1 517 689	458 794	23 314	18 793	500 902	18 588	36 286	407 008	461 882	11 185	36 687	309 308	357 180	6 238	25 582	14 243	46 063	1 366 027	1 517 689	(151 662)	(9.99)	1 517 689
Expenditure																										
Employee related costs	472 971			460 123	461 134	36 689	36 475	39 803	112 967	34 081	37 470	52 037	123 588	38 350	38 644	35 708	112 702	31 658	41 549	36 571	109 778	459 034	461 134	(2 100)	(0.46)	461 134
Remuneration of councillors	12 175			12 935	22 935	2 040	2 106	2 385	6 531	2 042	1 395	1 318	4 754	1 085	1 888	1 372	4 344	1 410	1 286	1 402	4 098	19 727	22 935	(3 208)	(13.99)	22 935
Bulk purchases - electricity																										
Inventory consumed	393 383			346 514	298 309	3 176	14 041	33 091	50 308	724	741	24 698	26 163	8 130	17 736	22 243	48 108	36 599	26 932	90 965	154 097	278 676	298 309	(19 633)	(6.58)	298 309
Debt impairment	31 948			70 005	70 005								122	122								122	70 005	(69 883)	(99.83)	70 005
Depreciation and amortisation	237 687			219 126	219 126														167 934		167 934	167 934	219 126	(51 153)	(23.36)	219 126
Interest	52 068			150	150			75	75			1	1	7		1	8	16	5	19 741	19 762	19 846	150	19 696	13 130.48	150
Contracted services	226 986			147 977	179 436	11 264	13 877	21 066	46 207	7 059	16 987	16 334	40 380	18 955	13 472	16 648	49 075	2 838	21 458	19 981	44 277	179 940	179 436	504	0.28	179 436
Transfers and subsidies																										
Irrecoverable debts written off	47 332																									
Operational costs	103 953			146 244	168 002	5 232	13 913	9 171	28 315	13 421	10 034	16 545	40 000	16 727	14 296	17 140	48 164	10 851	58 369	22 035	91 255	207 734	168 002	39 732	23.65	168 002
Losses on disposal of Assets																										
Other Losses	3 058																									
Total Expenditure	1 581 561	-	1 403 074	1 419 097	58 402	80 412	105 589	244 403	57 327	66 626	111 055	235 008	83 254	86 036	93 111	262 401	83 373	317 533	190 294	591 200	1 333 013	1 419 097	(86 084)	(6.07)	1 419 097	
Surplus/(Deficit)	(211 432)	-	174 632	98 592	400 392	(57 098)	(86 796)	256 499	(38 739)	(30 341)	295 953	226 874	(72 070)	(49 349)	216 197	94 779	(77 134)	(291 951)	(176 051)	(545 137)	33 014	98 592	(65 578)	(66.51)	98 592	
Transfers and subsidies - capital (monetary allocations)																										
436 643				575 821	575 821	6 319	14 668	22 116	43 103	9 002	29 410	(2 961)	35 451	110 812	23 491	99 678	233 981	51 854	(77 156)	138 579	113 277	425 812	575 821	(150 009)	(26.05)	575 821
520																				59	59	59				
224 730	-	750 453	674 413	406 711	(42 430)	(64 680)	299 602	(29 737)	(931)	292 992	262 325	38 742	(25 858)	315 875	328 760	(25 280)	(369 107)	(37 413)	(431 801)	458 885	674 413	(215 529)	(31.96)	674 413		
Surplus/(Deficit) after capital transfers and contributions																										
Income Tax																										
224 730	-	750 453	674 413	406 711	(42 430)	(64 680)	299 602	(29 737)	(931)	292 992	262 325	38 742	(25 858)	315 875	328 760	(25 280)	(369 107)	(37 413)	(431 801)	458 885	674 413	(215 529)	(31.96)	674 413		
Share of Surplus/Deficit attributable to Joint Venture																										
Share of Surplus/Deficit attributable to Minorities																										
224 730	-	750 453	674 413	406 711	(42 430)	(64 680)	299 602	(29 737)	(931)	292 992	262 325	38 742	(25 858)	315 875	328 760	(25 280)	(369 107)	(37 413)	(431 801)	458 885	674 413	(215 529)	(31.96)	674 413		
Surplus/(Deficit) attributable to municipality																										
Share of Surplus/Deficit attributable to Associate																										
Intercompany/Parent subsidiary transactions																										
224 730	-	750 453	674 413	406 711	(42 430)	(64 680)	299 602	(29 737)	(931)	292 992	262 325	38 742	(25 858)	315 875	328 760	(25 280)	(369 107)	(37 413)	(431 801)	458 885	674 413	(215 529)	(31.96)	674 413		

2.1 Staff benefits expenditure

The Municipality staff and councillors benefits to date amount to **R478.7m** as compared to the budget of **R484.0m**. The overall salary variance is reported at **-1%** as at 30 June 2023.

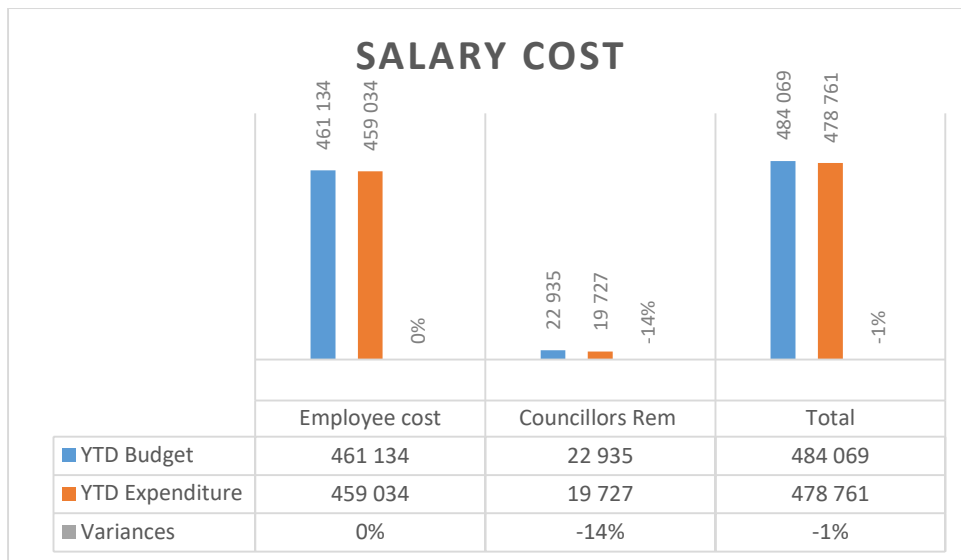


Figure 2: Remuneration Cost

2.3 Capital expenditure

The overall capital expenditure as at 30 June 2023 is at **R 482.1m** of the YTD Actual compared to the YTD Budget of **R 518.2m** and the variance is **-31.75%**. The reason is due to low spending of WSIG and MIG projects.

Limpopo: Mopani (DC33) - Table C5 Monthly Budgeted Capital Expenditure by Functional Classification and Funding for period ending (M12) 30 June 2023

Empofo: Mpumalanga - Table 03 Monthly Budgeted Capital Expenditure by Functional Classification and Funding for period ending (W/12/30 June 2023)											
Description	Ref	2021/22	Budget year 2022/23								
		Audited Outcome	Original Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD variance %	Full Year Forecast
R thousands											
Capital Expenditure - Functional											
<i>Municipal governance and administration</i>		133 348	6 020	-	45	449	512	1 006	6 308	(84,05)	6 308
Executive and council		179 060									
Finance and administration		(45 713)	6 020		45	449	512	1 006	6 308	(84,05)	6 308
Internal audit											
<i>Community and public safety</i>		47 941	8 500	-	-	-	-	-	0	(100,00)	0
Community and social services		(12 143)									
Sport and recreation											
Public safety		60 084	8 500						0	(100,00)	0
Housing											
Health											
<i>Economic and environmental services</i>		4 167	-	-	-	-	-	-	1 668	(100,00)	1 668
Planning and development		4 167							1 668	(100,00)	1 668
Road transport											
Environmental protection											
<i>Trading services</i>		228 031	546 243	42 724	73 157	159 587	86 652	362 121	541 384	(33,11)	541 384
Energy sources											
Water management		225 428	546 243	42 724	73 157	159 587	86 652	362 121	541 384	(33,11)	541 384
Waste water management		2 602									
Waste management											
<i>Other</i>											
Total Capital Expenditure - Functional	3	413 487	560 763	42 724	73 203	160 036	87 164	363 127	549 360	(33,90)	549 360
Funded by											
National Government	-	343 326	541 243	42 184	72 995	158 171	84 826	358 177	537 292	(33,34)	537 292
Provincial Government											
District Municipality											
Transfers and subsidies - capital (monetary allocations) (Nat/											
Transfers recognised - capital		343 326	541 243	42 184	72 995	158 171	84 826	358 177	537 292	(33,34)	537 292
Borrowing	6										
Internally generated funds		121 766	19 520	540	208	1 865	2 338	4 951	12 068	(58,98)	12 068
Total Capital Funding		465 092	560 763	42 724	73 203	160 036	87 164	363 127	549 360	(33,90)	549 360

2.3 Cash Flow statement

Limpopo: Mopani (DC33) - Table C7 Monthly Budgeted Cash Flows (All) for period ending (M12) 30 June 2023

Description	2021/22	Budget year 2022/23								
	Audited Outcome	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Other revenue	2 431	140 173	4 329	5 118	766	1 718	11 932	140 173	(91,49)	140 173
Transfers and Subsidies - Operational	1 039 019	1 144 019	462 152	388 887	310 968	244	1 162 251	1 144 019	1,59	1 144 019
Transfers and Subsidies - Capital	499 604	575 821	145 151	227 259	256 924	1 001	630 336	575 821	9,47	575 821
Interest	262	9 000	709	683	116	902	2 411	9 000	(73,21)	9 000
Payments										
Suppliers and employees	(499 963)	(1 413 638)	(132 835)	(123 740)	(133 229)	(104 548)	(494 353)	(1 413 638)	(65,03)	(1 413 638)
Finance charges		(150)						(150)	(100,00)	(150)
Transfers and Subsidies										
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 041 353	455 224	479 505	498 208	435 546	(100 682)	1 312 577	455 224	188,34	455 224
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE										
Payments										
Capital assets	(551 961)	(560 079)	(43 323)	(73 751)	(168 315)	(217 148)	(502 537)	(560 079)	(10,27)	(560 079)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(551 961)	(560 079)	(43 323)	(73 751)	(168 315)	(217 148)	(502 537)	(560 079)	(10,27)	(560 079)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD	489 392	(104 855)	436 182	424 457	267 231	(317 830)	810 040	(104 855)	(872,53)	(104 855)
Cash/cash equivalents at the year begin:	131 652	30 500	257 057	693 240	1 117 696	1 384 927	257 057	30 500	742,80	30 500
Cash/cash equivalents at the year end:	621 044	(74 355)	693 240	1 117 696	1 384 927	1 067 097	1 067 097	(74 355)	(1 535,15)	(74 355)

2.4 Cash and Cash equivalents

MOPANI DISTRICT MUNICIPALITY CONSOLIDATED BTS FOR JUNE 2023

Month

12

Statement Description	MAIN ACCOUNT 62854372093	CALL ACCOUNTS	TOTAL
Opening balance	16 465 064.91	222 216 086.89	238 681 151.80
Interest capitalised	47 144.47	694 275.05	741 419.52
Transfer from Main to Call	-	-	-
Transfer to Main Account from call	207 600 000.00	(207 600 000.00)	-
Current - Refunds SARS	-	-	-
Current - ACBs	(217 187 333.62)	-	(217 187 333.62)
Current - ACB (GRANT)	29 260 869.25	-	29 260 869.25
Current - Deposits	1 522 714.30	-	1 522 714.30
Current - debit orders	(182 000.86)	-	(182 000.86)
Current - ESKOM	(4 198 727.59)	-	(4 198 727.59)
Current - (UNAUTHORISED DEBIT ORDER)	-	-	-
Current - Bank Charges	(3 849.95)	-	(3 849.95)
Current - (Salaries)	(30 122 980.57)	-	(30 122 980.57)
Other transfers-Unpaid	-	-	-
Closing balance	3 200 900.34	15 310 361.94	18 511 262.28

3. Grant Management

3.1 Grant and Subsidy received

An amount of **R1.663b**, which represents 95% of all grants, budgeted for has been received as at the 30 June 2023. The municipality did receive all grants trenches as per the NT payment schedule, though with reduction due to unapproved rollover and MIG spending pattern

Supporting Table SC6 Monthly Budget statement -transfer and Grants Receipt 30 June 2023

Description	Ref	2021/22	Budget year 2022/23		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget						
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		1 057 434 000	1 184 019 000	1 184 019 000	-	1 144 019 000	1 144 019 000	-	0%	1 184 019 000
Local Government Equitable Share		1 044 405 000	1 170 419 000	1 170 419 000	-	1 130 419 000	1 130 419 000	-	0%	1 170 419 000
Finance Management		2 900 000	3 000 000	3 000 000	-	3 000 000	3 000 000	-	0%	3 000 000
EPWP Incentive		10 129 000	10 600 000	10 600 000	-	10 600 000	10 600 000	-	0%	10 600 000
								-	0%	-
Total Operating Transfers and Grants	5	1 057 434 000	1 184 019 000	1 184 019 000	-	1 144 019 000	1 144 019 000	-	0%	1 184 019 000
Capital Transfers and Grants								-	#DIV/0!	
National Government:		471 415 000	575 821 000	575 821 000	-	519 028 000	519 028 000	-	0%	575 821 000
Rural Transport Services and Infrastructure		2 255 000	2 361 000	2 361 000	-	2 999 000	2 999 000	-	0%	2 361 000
Municipal Infrastructure Grant (MIG)		436 797 000	523 460 000	523 460 000	-	481 029 000	481 029 000	-	0%	523 460 000
Water Services infrastructure Grant		32 363 000	50 000 000	50 000 000	-	35 000 000	35 000 000	-	0%	50 000 000
Total Capital Transfers and Grants	5	471 415 000	575 821 000	575 821 000	-	519 028 000	519 028 000	-	0%	575 821 000
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 528 849 000	1 759 840 000	1 759 840 000	-	1 663 047 000	1 663 047 000	-	0%	1 759 840 000

References

- Each grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation
- Grant expenditure must be separately listed for each grant received
- Replacement of RSC levies
- Housing subsidies for housing where ownership transferred
- Total recurrent/capital grants and subsidies must reconcile to the 'Financial Performance' Statement

3.2 Grant Payment Allocation

The table below depicts the amount and the date that the payments were made into the municipality's bank account

Date transferred	Equitable shares R'000	MIG R'000	RRAMS R'000	WSIG R'000	FMG R'000	EPWP R'000	Total R'000
06/07/2022	456 463						456 463
15/07/2022		120 395					120 395
18/07/2022			1 652				1 652
28/07/2022				20 000			20 000
03/08/2022						2 650	2 650
26/08/2022					3 000		3 000
25/11/2022		151 330					151 330
07/12/2022	366 238					4 770	371 008
15/02/2023						3 108	3 108
15/03/2023	307 718						307 718
29/03/2023			1 347	15 000			16 347
30/03/2023		209 304					209 304
Total	1 130 419	481 029	2 999	35 000	3 000	10 528	1 662 975

3.3 Performance on conditional Grants

Supporting Table SC 7 Monthly Budget statement -transfer and Grant Expenditure 30 June 2023

Description	2021/22	Budget year 2022/23		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget						
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	1 057 434 000	1 184 019 000	1 184 019 000	262 437 620	756 992 688	1 074 167 000	(317 174 312)	-30%	1 184 019 000
Local Government Equitable Share	1 044 405 000	1 170 419 000	1 170 419 000	262 401 000	741 813 000	1 060 567 000	(318 754 000)	-30%	1 170 419 000
Finance Management	2 900 000	3 000 000	3 000 000	36 620	2 301 749	3 000 000	(698 251)	-23%	3 000 000
EPWP Incentive	10 129 000	10 600 000	10 600 000	-	12 877 939	10 600 000	2 277 939	21%	10 600 000
Total operating expenditure of Transfers and Grants:	1 057 434 000	1 184 019 000	1 184 019 000	262 437 620	756 992 688	1 074 167 000	(317 174 312)	-30%	1 184 019 000
Capital expenditure of Transfers and Grants									
National Government:	471 415 000	575 821 000	575 821 000	55 964 218	482 834 894	518 390 000	(35 555 106)	-7%	575 821 000
Rural Transport Services and Infrastructure	2 255 000	2 361 000	2 361 000	214 684	2 361 000	2 361 000	-	0%	2 361 000
MIG	436 797 000	523 460 000	523 460 000	55 749 534	457 575 555	481 029 000	(23 453 445)	-5%	523 460 000
Water Services Infrastructure Grant	32 363 000	50 000 000	50 000 000	-	22 898 339	35 000 000	(12 101 661)	-35%	50 000 000
Total capital expenditure of Transfers and Grants	471 415 000	575 821 000	575 821 000	55 964 218	482 834 894	518 390 000	(35 555 106)	-7%	575 821 000
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	1 528 849 000	1 759 840 000	1 759 840 000	318 401 838	1 239 827 582	1 592 557 000	(352 729 418)	-22%	1 759 840 000
References									

3.4 Creditors aging analysis

The total due to creditors due amounts to **R957m** as at 30 June 2023.

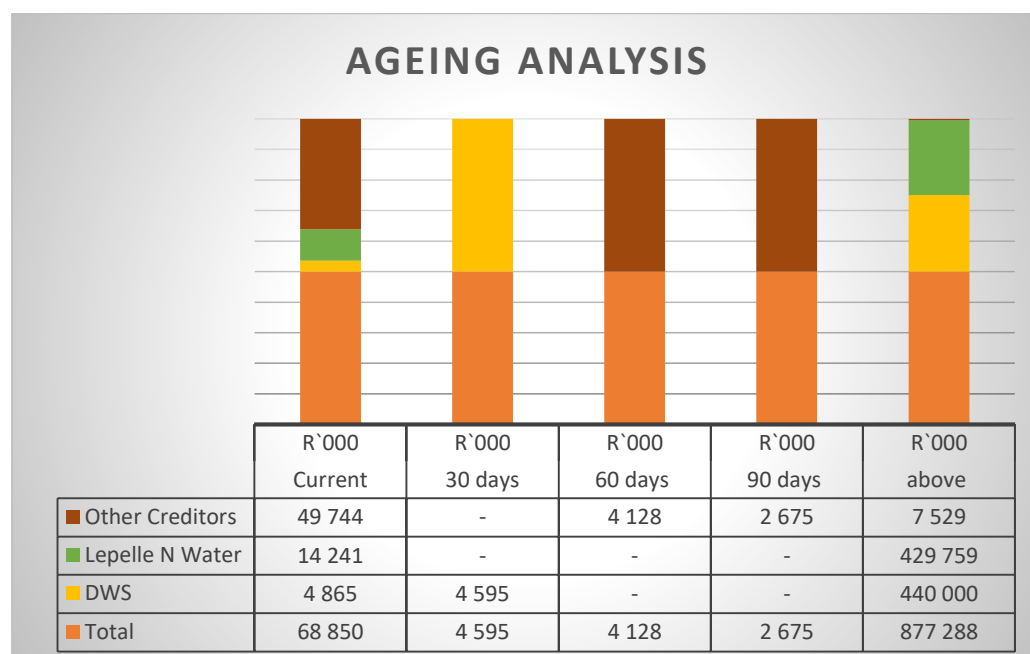


Figure 3: Creditors age analysis

4. Revenue Management

The Municipality's revenue sources are as follows: -

- Water and sewer service charges
- Fire services charges
- Environmental Health service charges
- Air Quality services charges
- Sale of tenders

The main own revenue is water and sewer transaction that are done at the local municipalities on behalf of the District Municipality

4.1. Billing on Water and Sewer Services

Municipality	Water Budget	Sewer Budget R'000	YTD Water Billing	YTD Sewer Billing	YTD Water Collection	YTD Sewer Collection	& YTD Receipts vs Billing
	R'000		R'000	R'000	R'000	R'000	
BPM	239 623	32 669	184 040 451	23 677 795	55 475 594	11 358 321	0
GGM	23 346	3 943	11 839 357	4 546 318	2 827 097	759 418	0
GLM	10 986	4 394	4 798 765	2 481 462	3 781 685	271 783	0
GTM	55 931	5 852	83 864 808	14 127 618	50 117 763	10 771 293	0
MLM	4 610	0	3 660 482	357 959	3 408 998	285 424	0
TOTAL	334 496	46 858	288 203 862	45 191 152	115 611 137	23 446 238	0

a) Local Municipalities invoiced as at June 2023

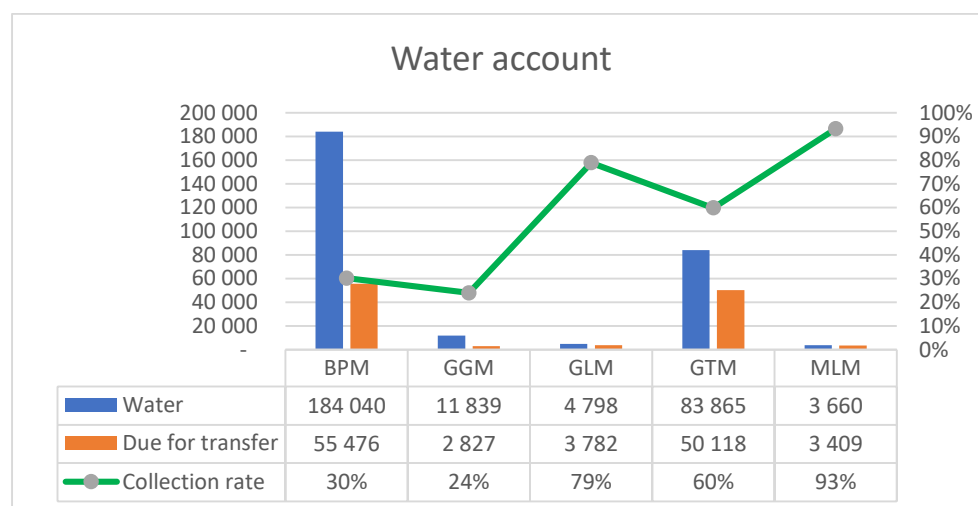


Figure 4: Water account

b) Sewer Billing

The following graph illustrate the performance of the sewer services

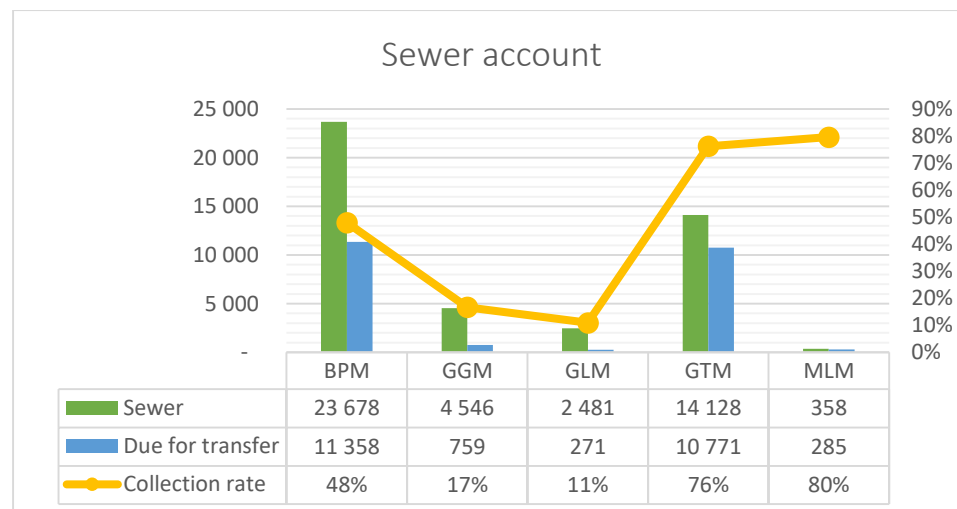


Figure 5: Sewer Account

c) Local Municipalities Costs Recovery Report (Expenditures)

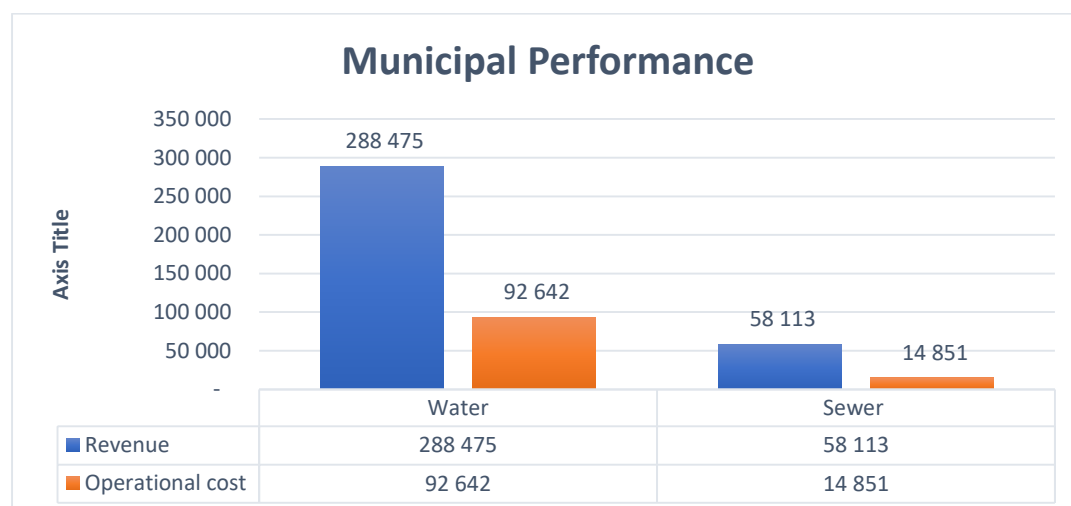


Figure 6: Cost recovery

The revenue invoiced on water and sewer for functions performed by local municipalities as per the above two tables. Municipalities has not yet transfer the money to the district municipality. As such further engagements with the local municipalities is critical. The local municipalities need to invoice the district on the total expenditures incurred on the water and sewer transactions.

4.2. DEBTORS AGE ANALYSIS

a) Debt age analysis.

Age Analysis	Sewerage	Water	Total
	R'000	R'000	R'000
Current	0	0	0
30 days	4 958 875	26 657 134	31 616 010
60 days	3 496 378	20 291 525	23 787 903
90 days	3 602 612	19 613 329	23 215 941
120 days	4 024 596	22 086 473	26 111 069
150 days plus	198 053 570	1 103 695 698	1 301 749 267
TOTAL	214 136 031	1 192 344 159	1 406 480 189

AGEING PER LOCAL MUNICIPALITY			
WATER		SEWER	
MUNICIPALITY	AMOUNT	MUNICIPALITY	AMOUNT
	R'000		R'000
BPM	1 073 546 052	BPM	185 909 223
GGM	118 798 107	GGM	28 226 808
GLM	0	GLM	0
GTM	0	GTM	0
MLM	0	MLM	-
TOTAL	1 192 344 159	TOTAL	214 136 031

Annexure A: Detailed schedule C Section attached

5. Assets management

5.1. Asset Management (MFMA, section 63)

- a) Significant movable / immovable assets under the control of the municipality.
- b) Continuous updates of the asset register. (Assets Acquisitions for the quarter)

This section of the report relates to the asset spend analysis (quantum and rand value) during the past quarter for all asset transactions.

THRESHOLD– OTHER ASSET PURCHASES	QUANTITY	VALUE
Transactions Exceeding R 1 000	4	R 302 791

NO	DATE	CHEQUE NUMBER	DESCRIPTION OF WORKS	AMOUNT
1	Apr-23	EF017547-0001	Supply and delivery of 6 high back chairs black	9291
2	Apr-23	EF017509-0003	Supply and delivery of 20 electric motor 2.2kw*230*3hp for compressor	254000
3	Apr-23	EF015790-0001	Supply and install air conditioning for the executive mayor's board ro	19500
4	May-23	EF017721-0012	Supply and delivery of 5 measuring wheels for motor graders operators	20000

Total

R 302 791

THRESHOLD– INFRASTRUCTURE ASSET PURCHASES	QUANTITY	VALUE
Transactions Exceeding R 1 000	154	R 211 484 989

NO	DATE	CHEQUE NUMBER	DESCRIPTION OF SERVICE	AMOUNT
1	23-Apr	EF017512-0001	Claim 1 mageva internal water reticulation phase 2 20/04/2023	9 410 40
2	23-Apr	EF017527-0001	Claim 6 thabina to lenyenye bulk line 20/04/2023	3 709 36
3	23-Apr	EF017515-0001	claim 2 rotterdam ground water scheme phase 2 20/04/2023	13 214 57

4	23-Apr	EF017555-0001	claim 3 rotterdam regional ground water scheme phase 2 28/04/2023	2 144 68
5	23-Apr	EF017593-0001	claim 1 rotterdam ground water scheme phase 2 03/05/2023	20 859 48
6	23-Apr	EF017552-0001	claim 2 makhushane water scheme phase 5a 25/04/2023	3 570 78
7	23-Apr	EF017597-0001	claim 2 makhushane water scheme phase 5b 28/04/2023	64 140
8	23-Apr	EF017526-0001	claim 2 makhushane water scheme phase 5b 03/05/2023	17 998 39
9	23-Apr	EF017587-0001	claim 12 makhushane water scheme phase 4 03/05/2023	5 338 22
10	23-Apr	EF017566-0001	claim 7 sekgosese regional ground water phase 3c 28/04/2023	2 611 64
11	23-Apr	EF017557-0001	claim 6 sekgosese regional bulk water scheme phase 3c	38 320 79
12	23-Apr	EF017549-0001	claim 2 sekgosese regional ground water phase 3b 03/05/2023	32 580 27
13	23-Apr	EF017582-0001	claim 2 sekgosese regional ground water scheme phase 3a 03/05/2023	21 091 54
14	23-Apr	EF017572-0001	claim 4 ritavi 2 regional water scheme phase 04b 26/04/2023	229 844
15	23-Apr	EF017568-0001	claim 5 ritavi 2 regional water scheme phase 04- 28/04/2023	265 884
16	23-Apr	EF017576-0001	claim 6 ritavi 2 rws sub scheme 1 phase 04c 03/05/2023	150 000
17	23-Apr	EF017545-0001	ritavi 2 regional water scheme phase 3 03/05/2023	1 245 675
18	23-Apr	EF017550-0001	claim 4 ritavi 2 water scheme phase 4b petanenge 03/05/2023	3 308 443
19	23-Apr	EF017516-0001	claim 12 lulekani water scheme phase 1 benfarm 28/12/2022	179 486
20	23-Apr	EF017558-0001	claim 1 lulekani water scheme phase 2a 25/04/2023	1 873 227
21	23-Apr	EF017570-0001	claim 3 lulekani water scheme phase 2b 28/04/2023	183 063
22	23-Apr	EF017593-0004	claim 17 lulekani water scheme phase 1 03/05/2023	280 485
23	23-Apr	EF017593-0003	claim 2 lulekani water scheme phase 2a 03/05/2023	203 709
24	23-Apr	EF017588-0001	claim 2 lulekani water scheme phase 2a 03/05/2023	1 952 711
25	23-Apr	EF017573-0001	claim 4 lulekani water scheme phase 2c 03/05/2023	193 583
26	23-Apr	EF017560-0001	claim 1 eco park xikukwane water reticulation phase 2 25/04/2023	915 565
27	23-Apr	EF017581-0001	claim 1 xikukwane eco park water reticulation 04/05/2023	2 248 929
28	23-Apr	EF017556-0001	claim 4 tours water reticulation 25 villages phase 2b 03/05/2023	3 623 046
29	23-Apr	EF017571-0001	claim 2 tours water reticulation 25 villages phase 2d 03/05/2023	1 454 480
30	23-Apr	EF017561-0001	claim 5 tours water reticulation phase 2c 03/05/2023	3 510 931
31	23-Apr	EF017565-0001	claim 5 tours water reticulation 25 villages phase 2a 03/05/2023	3 787 465
32	23-May	EF017617-0001	claim 2 mgeva water reticulation phase 2 05/05/2023	822 549
33	23-May	EF017688-0001	rotterdam groundwater scheme phase 2 mdm2022/23- 23 claim no 4	214 466
34	23-May	EF017642-0001	claim 2 makhushane water scheme phase 5c 19/05/2023	125 836
35	23-May	EF017642-0002	claim 04 makhushane water scheme phase 5c 19/05/2023	199 449
36	23-May	EF017670-0002	claim 4 makhushane water scheme phase 5b 25/05/2023	189 447

37	23-May	EF017670-0001	claim 3 makhushane water scheme phase 5a 26/05/2023	170 992
38	23-May	EF017646-0001	makhushane water scheme phase 5b claim no 3	988 409
39	23-May	EF017650-0001	makhushane water scheme phase 5a claim no 2 mdm 2022/23-10	1 500 453
40	23-May	EF017660-0001	makhushane water scheme phase phase 5c claim no 2	1 142 918
41	23-May	EF017670-0003	makhushane water scheme phase 5b mdm2022/23-11	138 642
42	23-May	8007/3A-005	claim 05 sekgosese regional ground water phase 3a 25/05/2023	562 210
43	23-May	EF017649-0002	sekgosese ground water scheme phase 3b claim no 4	492 371
44	23-May	EF017666-0001	sekgosese regional groundwater scheme phase 3c mdm2019/035e	219 066
45	23-May	EF017645-0001	sekgosese regional bulk water supply phase 3c claim no 7	2 554 617
46	23-May	EF017664-0001	sekgosese regional ground water scheme phase 3a claim no 3	7 061 913
47	23-May	EF017671-0002	sekgosese regional groundwater scheme phase 3b in glm claim 3	2 307 483
48	23-May	EF017671-0001	sekgosese regional groundwater scheme phase 3b in greater letaba	1 842 905
49	23-May	EF017649-0001	sekgosese regional groundwater scheme phase 3a 23052023	562 209
50	23-May	EF017625-0001	claim 5 ritavi 2 ritavi regional water scheme 08/05/2023	890 910
51	23-May	EF017662-0001	claim 6 ritavi 2 regional water scheme phase 3 25/05/2023	3 205 099
52	23-May	EF017652-0001	claim 03 ritavi 2 regional water scheme phase 4b 26/05/2023	229 844
53	23-May	EF017655-0001	claim 2 ritavi 2 regional water schem phase 4b 26/05/2023	7 362 478
54	23-May	EF017652-0002	ritavi ii rws phase 04a claim 7	178 971
55	23-May	EF017668-0001	ritavi ii rws phase 4c mdm 2017-052/02/05	235 816
56	23-May	EF017639-0001	claim 14 lulekani water scheme phase 1 24/05/2023	304 967
57	23-May	EF017639-0002	claim 14 lulekani water scheme phase 1 24/05/2023	236 149
58	23-May	EF017639-0003	claim 14 lulekani water scheme phase 1 24/05/2023	541 795
59	23-May	EF017663-0001	claim 03 lulekani water scheme phase 2a 24/05/2023	3 084 981
60	23-May	EF017694-0004	claim 2 lulekani water scheme phase 2b 24/05/2023	2 220 000
61	23-May	EF017694-0003	claim 2 lulekani water scheme phase 2b 24/05/2023	5 097 204
62	23-May	EF017654-0001	claim 03 lulekani water scheme phase 2c kurhula 24/05/2023	2 994 539
63	23-May	EF017694-0001	claim 2 lulekani water scheme phase 2b 24/05/2023	336 964
64	23-May	EF017694-0002	claim 2 lulekani water scheme phase 2b 24/05/2023	495 000
65	23-May	EF017661-0002	lulekani water scheme phase 2b humulani b claim no 4 project	202 394
66	23-May	EF017688-0002	lulekani water scheme phase 2c (kurhula) claim no 5 mdm2022/23-16	193 578
67	23-May	EF017661-0001	lulekan water scheme phase1 29/05/2023	241 482
68	23-May	EF017665-0001	eco park xikukwane water reticulation phase 2 claim no 2 mdm 22/23-24	1 872 769
69	23-May	EF017647-0001	claim 6 tours water reticulation 25 villages phase 2c 26/05/2023	2 073 870
70	23-May	EF017673-0003	claim 1 tours water reticulation 25 viillages phase 2d 30/05/2023	1 989 989
71	23-May	EF017673-0001	tours water reticulation 25 villages claim no 8 30/05/2023	97 000

72	23-May	EF017673-0002	claim 3 tours water reticulation phase 2b 31/05/2023	400 579
73	23-May	EF017656-0001	tours water reticulation 25 villages phase 2a claim no 6	2 434 999
74	23-May	EF017653-0001	tours water reticulation to 25 villages phase 2d claim no 3	264 492
75	23-May	EF017630-0001	borehole electrification for modjadji water;thapane;giyani waterworks	1 211 766
76	23-Jun	EF017708-0001	claim 3 mageva water reticulation phase 2 09/06/2023	2 029 322
77	23-Jun	EF017732-0002	claim 04 mageva water reticulation phase 2 22/06/2023	810 057
78	23-Jun	EF017733-0010	upgrading of internal water reticulation network in mageva claim no 3	233 630
79	23-Jun	EF017732-0009	claim 06 thabina regional water scheme phase 6 26/06/2023	2 760 317
80	23-Jun	1/T23-302A	claim 07 thabina rws phase 6 30/06/2023	3 431 077
81	23-Jun	BJVB-07	claim 07 thabina regional water scheme phase 06 30/06/2023	1 337 176
82	23-Jun	EF017733-0005	thabina to lenyenye bulk water supply phase 6 claim no 7	267 967
83	23-Jun	EF017635-0006	claim 2 rotterdam groundwater scheme phase 2 05/06/2023	1 539 075
84	23-Jun	EF017733-0018	claim 05 rotterdam groundwater scheme phase 2 26/06/2023	214 468
85	23-Jun	EF017732-0006	claim 3 rotterdam groundwater scheme phase 2 27/06/2023	1 538 848
86	23-Jun	EF017705-0006	makhushane water scheme phase 04	558 557
87	23-Jun	EF017733-0003	claim 5 makhushane water scheme phase 5c 22/06/2023	174 785
88	23-Jun	EF017732-0005	claim 3 makhushane water scheme phase 5a 26/06/2023	2 401 627
89	23-Jun	EF017733-0001	claim 04 makhushane water scheme phase 5a 26/06/2023	251 195
90	23-Jun	EF017733-0006	claim 04 makhushane water scheme phase 5b 27/06/2023	1 308 711
91	23-Jun	EF017732-0003	claim 03 makhushane water supply phase 5c 27/06/2023	1 317 934
92	23-Jun	EF017733-0002	claim 05 makhushane water scheme phase 5b 27/06/2023	258 826
93	23-Jun	105	claim 05 makhushane water scheme phase 5b 30/06/2023	1 572 509
94	23-Jun	MDM-10 004	claim 04 makhushane water scheme phase 5a 04/07/2023	4 102 932
95	23-Jun	EF017747-0002	claim 09 sekgosese regional groundwater phase 3c 27/06/2023	231 584
96	23-Jun	EF017735-0001	claim 05 sekgosese regional ground water phase 3b 27/06/2023	355 076
97	23-Jun	EF017732-0010	claim 08 sekgosese regional bulk water 3c 27/06/2023	3 595 533
98	23-Jun	EF017732-0011	claim 4 sekgosese regional ground water phase 3a 27/06/2023	6 295 814
99	23-Jun	EF017747-0001	claim 05 sekgosese regional water scheme phase 3a 28/06/2023	340 942
100	23-Jun	EF017733-0012	claim 04 sekgosese regional groundwater scheme phase 3b 28/06/2023	4 699 588
101	23-Jun	EF017733-0014	claim 04 sekgosese regional groundwater scheme phase 3b 28/06/2023	685 663
102	23-Jun	INA10367	claim 05 sekgsese regional ground water scheme phase 3a 04/07/2023	1 394 838
103	23-Jun	SEKGPC05	claim 05 sekgosese regional ground water phase -3b 04/07/2023	2 937 402

104	23-Jun	EF017734-0007	claim 08 ritavi 2 rws phase 04-c 28/06/2023	250 304
105	23-Jun	EF017734-0001	claim 7 ritavi 2 regional water scheme phase 3 28/06/2023	986 040
106	23-Jun	MDM-RWS-008	claim 08 ritavi 2 regional weater scheme phase 3 29/06/2023	627 862
107	23-Jun	MDM/GE006	claim 06 ritavi regional water scheme phase 4b 30/06/2023	5 292 423
108	23-Jun	EF017734-0006	ritavi ii regional water scheme (sum- scheme 1) phase 04a claim no 8	196 353
109	23-Jun	EF017733-0007	ritavi ii regional water scheme phase 4b claim no 7	304 348
110	23-Jun	MDM/GE007	claim 07 ritavi 2 regional water scheme phase 4b petanenge 30/6/2023	1 796 554
111	23-Jun	MDM/RITAVI/008	claim 08 ritavi 2 regional water scheme phase 4c sasekani 30/06/2023	1 751 536
112	23-Jun	EF017690-0006	claim 1 lephephane water reticulation phase 3a 08/06/2023	1 185 921
113	23-Jun	EF017691-0001	claim 1 lephephane water reticulation phase 3b 08/06/2023	1 114 364
114	23-Jun	EF017734-0004	claim 02 lephephane water reticulation phase 3a 28/06/2023	606 552
115	23-Jun	EF017734-0005	claim 1 lephephane water reticulation phase 3c 28/06/2023	777 470
116	23-Jun	EF017734-0003	claim 02 lephephane water reticulation phase 3b 28/06/2023	563 618
117	23-Jun	EF017733-0011	claim 04 lulekani water scheme phase 2c kurhula 26/06/2023	2 057 870
118	23-Jun	EF017732-0013	claim 6 lulekani water scheme phase 2c 26/06/2023	191 842
119	23-Jun	EF017733-0017	claim 19 lulekani water scheme phase 1 27/06/2023	158 285
120	23-Jun	EF017733-0016	claim 3 lulekani water scheme phase 2a humulani 27/06/2023	233 733
121	23-Jun	EF017732-0012	claim 4 lulekani water scheme pahse 2a 27/06/2023	1 925 380
122	23-Jun	EF017733-0013	claim 04 lulekani water scheme phase 2c kurhula 28/06/2023	1 480 000
123	23-Jun	EF017734-0012	lulekani water scheme phase 2a (humulani a) claim no 4 project no	182 858
124	23-Jun	EF017733-0019	lulekani water scheme phase 2b (humulani b) certificate no 5 project	201 396
125	23-Jun	5	claim 05 lulekani water scheme phase 2c kurhula 06/07/2023	2 645 728
126	23-Jun	R-TI000701	makasela captured	43 478
127	23-Jun	EF017705-0002	eco park xikukwane water reticulation phase 2	1 045 304
128	23-Jun	KCE/MDM/ECO2/2021-IN	claim 02 eco park xikukwani water reticulation phase 2 30/06/2023	250 356
129	23-Jun	INV03	claim 03 eco park xikukwani water reticulation phase 2 03/07/2023	87 365
130	23-Jun	INVMRIS000317	claim 04 eco park xikukwane water reticulation phase 2 05/07/2023	2 055 446
131	23-Jun	EF017734-0010	claim 05 maselapata water supply 23/06/2023	121 706
132	23-Jun	EF017635-0009	claim 10 middle letaba wtw 05/06/2023	232 811
133	23-Jun	EF017635-0002	claim 10 middle letaba wtw 05/06/2023	133 642
134	23-Jun	EF017734-0011	claim 03 tours water reticulation 25 villages p2c 25/05/2023	490 951
135	23-Jun	EF017732-0001	claim 07 tours water reticulation 25 villages phase 2a 26/06/2023	2 785 480
136	23-Jun	EF017733-0008	claim 04 tours water reticulation 25 villages phase 2d 26/06/2023	4 019 345

137	23-Jun	EF017732-0004	claim 07 tours water reticulation 25 villages phase 2c 27/06/2023	2 846 646
138	23-Jun	KBE/TWR/008	claim 08 tours water reticulation phase 2c 30/06/2023	3 319 402
139	23-Jun	TOURS PHASE1/11	claim 10 tours water reticulation villages phase1 30/06/2023	2 839 538
140	23-Apr	EF017446-0001	construction of pipeline & stand pipes botludi village tzaneen 27/10	454 767
141	23-Apr	EF017452-0001	work done phalaborwa satelite booster pump 12/0/2022	2 143 280
142	23-Apr	EF017447-0001	refurb of hoedspruit of reservoir kampersrus 26/10/2022	1 135 719
143	23-Apr	EF017449-0001	site establishment; upgrade screen; electrical control repair 27/10/20	2 900 608
144	23-Apr	EF017451-0001	refurb namakgale sewage work treatment 21/12/2022	1 270 436
145	23-Apr	EF017450-0001	installation of ph; turbidity & chlorine meter nkowankowa water 21/12/20	1 767 150
146	23-Apr	EF017445-0001	refurb of motor baphalaborwa area 21/12/2022	130 000
147	23-Apr	EF017453-0001	repair of inlet & outlet valves middle letaba 21/12/02022	2 423 768
148	23-Apr	EF017448-0001	work done nsami dam water treatment 21/12/2022	1 475 868
149	23-Apr	EF017444-0001	supply of monster grinder (macher) at hoedspruit sewage plant. repai	755 620
150	23-Apr	EF017443-0001	reapir of mariveni sewage booster pump station	651 096
151	23-May	EF017601-0011	supply and installation of electric motor at mohkkone booster pump let	196 999
152	23-May	EF017702-0001	emergency appointment of a service provider to supply and install viri	1 160 082
153	23-May	EF017689-0001	construction of a pipeline at nwamankena village borehole 001	594 231
154	23-May	EF017687-0001	construction of a pipeline and storage tanks at mariveni village boreh	728 697
	Total			211 484 989

1. ASSET DISPOSAL ANALYSIS REPORT:

This section of the report relates to the asset disposals (quantity and rand value) that occurred during the past quarter for all disposal transactions by means of a transfer, donation, and tender or competitive sale process.

THRESHOLD– ASSET DISPOSED	QUANTITY	VALUE	
Asset Disposals through Transfers	N/A	0	
Asset Disposals through Donations	N/A	0	
Asset Disposals through Tender or Sale Process	N/A	0	
TOTAL TRANSACTION VALUE (Including VAT)			

1. Summary Expenditure on fleet.

Period	Fuel Expenditure on Fleet	Fuel Expenditure on Borehole And Generators	Repairs And Maintenance Expenditure	Licensing of Fleet Expenditure	Total Expenditure
APRIL-23	R 666,056.20	R 308,776.00	R 55,738.33	R 67,672.50	R 1,098,243.03
MAY -23	R 661,405.92	R 202,791.74	R 199,616.29	R 3,725.00	R 1,067,538.95
JUNE- 23	R 618,155.49	R 196,065.25	R 787,707.40	R191,547.00	R 1,793,475.14
TOTAL	R 1,945,617.61	R 707,632.99	R 1,043,062.02	R262,944.50	R 3,959,257.12

2. Summary listing on fleet status.

Location	Number Of Vehicles & Plant	Operational	Non Operational	Recommended Disposal	Accident/ Written Off
Tzaneen	41	18	19	4	0
Ba-Phalaborwa	25	14	8	3	0
Letaba	25	14	9	2	1
Giyani	61	37	19	5	1
Maruleng	24	12	10	2	0
Total	176	95	65	16	2

3. Fleet with Zero readings on Odometers

Cost Name	Reg Num	Make	Fuel	Opening Odo	Closing Odo	Span	Litres	Grand Total
GIYANI SATELITE	CTH452L	TOYOTA	P	0	102242	0	46.97	1093.69
LETABA SATELITE	FDZ817L	FUSO	D	87059	87059	0	300	6536
LETABA SATELITE	FFM978L	FUSO	D	110295	110295	0	1647.86	35637.36
LETABA SATELITE	FSL948L	NISSAN	D	13077	13077	0	236.25	5339.7
TZANEEN SATELITE	FVJ470L	LIUGONG	D	1519	1519	0	1122.81	23918.5

Factors on fleet

- Inaccurate odometer readings on FNB system, Fleet Management is engaging FNB on these discrepancies to avoid audit finding on issue.
- The internal workshop mechanic indicated the following challenges in order to perform minimum activities on fleet: a diagnosis machine, compressor and wheel jack and smaller items, like service kits and brake pads

- Fleet Management in conjunction with Community Service Division made an application in the month of November 2022 to the Department of Transport and Community Safety Limpopo for vehicles listed below to be registered as special classification in order to have a reduction on annual licensing fees and legislated classification of fire and rescue vehicles.

4. List of Fire and Rescue vehicle

NO	REG NUM	MAKE	LOCATION	DEPARTMENT
1	CXZ 890L	TATA-FIRE TRUCK	FIRE STATION- TZANEEN	Fire Service
2	DRD 675L	IVECO EUROCARGO	FIRE STATION- MODJADJISKLOOF	Fire Service
3	BKH 751L	NISSAN UD95 TRUCK	FIRE STATION-BA-PHABORWA	Fire Service
4	CXZ 901L	TATA-FIRE TRUCK	FIRE STATION- TZANEEN	Fire Service
5	CWL 357L	TOYOTA LANDCRUISER	FIRE STATION-BA-PHABORWA	Fire Service
6	CJK 653L	MERCEDES ATEGO	FIRE STATION- TZANEEN	Fire Service
7	CJK 630L	MERCEDES ATEGO	FIRE STATION- GIYANI	Fire Service
8	BVF 169L	NISSAN UD95 TRUCK	FIRE STATION- TZANEEN	Fire Service
9	CWL 359L	TOYOTA LANDCRUISER	FIRE STATION-MARULENG	Fire Service
10	CWL 361L	TOYOTA LANDCRUISER	FIRE STATION- MODJADJISKLOOF	Fire Service
11	CWL 317L	TOYOTA LANDCRUISER	FIRE STATION- GIYANI	Fire Service

5. Boreholes listed by Finance Portfolio Committee and Head of Finance as area of concern.

BOREHOLES THAT HAVE HIGH FUEL CONSUMPTION			
AUG-22			
BOREHOLE NO	RECEIPT NO	LOCATION	AMOUNT
H 14 -0090		MBHEDLE	R 6 076,90
H 14 -0083		LOLOKA	R 6 076,90
H14 -0210		RIVALA	R 6 076,90
H 14 -0588		HLANEKI	R 6 076,90
DINE 1001		MARBLE	R 6 171,40
DING 21001		MARBLE	R 6 171,40
NOH14-0104		RITA	R 6 076,90

NO H07-0142		RIMULA	R 6 076,90
H 14 -0588		HLANEKI	R 6 076,90
DINE 1001		MARBLE	R 6 171,40
DING 21001		MARBLE	R 6 171,40
MAKOSH -001		MAKOSH	R 6 076,90
MUNY -001		MUNYANGANI	R 6 076,90
SEP-22			
NOBLE-001	57517	NOBLEHOEK VILLAGE	R 6 076,90
DING/21/001	57536	DINGAMAZI VILLAGE	R11 960,85
OCT-22			
MAGE-001	57560	MAGEVA	R 5 498,40
NTSHXI-001	57567	NTSHUXI5284,20	R 5 284,20
NWK.21.001	57568	NWA KHUWURI	R 4 834,20
H14-0194	57564	NWA MANKENA	R 6 011,80
H14-0022	57574	MZILELA	R 6 106,30
H14-0588	57588	HLANIKI	R 5 581,80
HLNK-001	57589	HLANIKI	R 4 834,20
NWK21-001	57591	NWAKHUWANI	R 5 284,20
H14-003	57599	LOLOKA	R 6 011,80
H14-0090	57600	MBHEDLE	R 6 011,80
SIKH-002	57601	SIKHUNYANE	R 5 284,20
H14-000B	57602	JIMU NGHALALUME	R 6 012,35
H14-00210	57605	RIVALA	R 6 011,80
APR-23			
SAA6D140	013/G	LETHABA SATELITE	R 11 614,50

Factors that contributed to the high consumption of petrol and diesel of boreholes listed above:

- MAGEVA-001

The generator at Mageva village run for 9 hours per day and uses 20 liters of diesel per day this leads to high consumption of petrol and diesel. The 210L drum of diesel requested will not be sufficient for the entire month based on the number of hours the generator is operated.

- H14-0194

The borehole generator at Mwankena utilizes 8 ½ liters of diesel per day and it runs for 9 hours daily excluding Sundays.

- H14-0022

The borehole generator at Mzilela village is operated 3 days per week and utilizes 25 liters per week.

- H14-003

The borehole generator at Loloka village utilizes 10 liters of diesel per day, it is operated for 9 hours per day (from 8 am to 4pm), it is also operated on some weekends due to funerals.

- H14-0090

The borehole generator at Mbedle village utilizes 15 liters of petrol per day, it is operated 18 hours a day over 4 days per week.

- NTSHXI-001

The borehole generator at Ntshusi village, utilizes 20 liters of petrol per day, it is operated 4 hours a day the entire month.

- H14-000B

The borehole generator at Jimunghalalumes village is operated 5 hours per day and utilizes 5 ½ liters per hour

- H14-00210

The borehole generator at Rivala village utilizes 16 liters of diesel per day, it is operated 3 days per week.

- NWK21-001

The borehole generator at Nwakhuwani village utilizes 20 liters of petrol per day, it is operated 6 hours daily.

- H14-0588

The borehole generator at Hlaniki village is operated 2 days per week, a least 8 hours per day, and utilizes 20 liters of petrol a day.

- HLNK-002

The borehole generator Hlaniki village s operates 2 days per week, from 6am to 6pm (12 hours per day) and utilizes 20 liters of petrol daily.

- DINGA/21/001

The borehole generator at Dingamazi village utilizes 20 liters per day, and it is operated daily because it takes longer to fill up the jojo tanks, hence it is operated daily for the entire month.

- H14-0104

The borehole generator at Rita village is operated everyday 12 hours per day and utilizes 20 liters of petrol per day.

- Noble-001

The borehole is being operated 3 hours per day 3 times a week and utilizes 15 liters of diesel per day.

- Muny-001

The borehole is being operated 3 times a week from 7am to 5PM and it utilizes 12 liters per day.

- Makosha-001

The borehole is being operated 3 times a week, it utilizes 10 liters per day, from 8am to 4pm.

- SAA6D140

The generator is used to operate the plant in Letaba, 2x 210L fuel was taken for standby due to the strikes in the arear, controls are in place for both safeguarding and distribution of the fuel are in place.

Annexure B : Detailed fleet management report

6. SUPPLY CHAIN MANAGEMENT

6.1 Demand Management

Demand Management: Supply Chain Management process	April-June 2023
Description	No
Bids considered / approved by BSC (SCM reg. 27)	06
Bids approved by MM for advertisement from BSC	06
New bids advertised on MDM website/notice board	06
Bids closed / opening register place on MDM website/notice board	06

Acquisition Management: Supply Chain Management process	April-June 2023
Description	No
Total orders above R100 000 for April-June 2023	40
Total deviation orders processed for April-June 2023	04
Bid awarded / approved / appointed by MM (No. Service Providers)	10
SCM Reg. 32 Bid approved / appointed by MM	0
SCM Reg. 36 Bid approved / appointed by MM	0
Bids Awards place on Notice/website	0
Bids Awards reported to Treasury	0
Bids reported to External e.g. CIDB	0
Irregular Expenditure for April-June 2023	0

Total deviation orders processed for April-June 2023

Deviation type	
In case of an emergency	1
Sole supplier or single provider only or	1
Acquisition of special works of art or	0
Historical objects (spec are difficult to compile)	0
Acquisition of animals for zoos; or	0
In any other exceptional case where it is impractical or impossible to follow the official procurement processes	02
Total	04

6.2 Publication of bids

Bid no	Bid description	Initial closing date and time	New Closing date and time	Compulsory briefing session date, time and venue'	Compulsory briefing session
MDM 2022/23-071	Ritavi 2 Water Scheme (Sub-scheme 1) Phase 4D (2022/23)	07 July 2023 @ 14:00	07 July 2023 @ 14:00	07 July 2023 @ 14:00 Muhlava headkraal Tribal office	Non-Compulsory
MDM 2022/23-072	Ritavi 2 Water Scheme (Sub-scheme 1) Phase 4E (2022/23)	07 July 2023 @ 14:00	07 July 2023 @ 14:00	07 July 2023 @ 14:00 Muhlava headkraal Tribal office	Non-Compulsory
MDM 2022/23-073	Lephephane Water Reticulation Phase 3A (2022/23)	07 July 2023 @ 14:00	14 July 2023 @	10h00, Lephephane Booster Pump Station – Opposite Lesedi Creche and Mokgapa High School	Non-Compulsory
MDM 2022/23-074	Lephephane Water Reticulation Phase 3B (2022/23)	07 July 2023 @ 14:00	14 July 2023 @ 14:00	20 June 2023 @ 10h00, Lephephane Booster Pump Station – Opposite Lesedi Creche and Mokgapa High School	Non-Compulsory
MDM 2022/23-075	Lephephane Water Reticulation Phase 3C (2022/23)	07 July 2023 @ 14:00	14 July 2023 @ 14:00	20 June 2023 @ 10h00, Lephephane Booster Pump Station – Opposite Lesedi Creche and Mokgapa High school	Non-Compulsory
MDM 2022/23-076	Sekgosese Water Scheme Phase 3D	07 July 2023 @ 14:00	14 July 2023 @ 14:00	21 June 2023 @ 10h00, Pheeha Tribal Office at Thakgalane 1 Village	Non-Compulsory

6.3 Unauthorised, Irregular, Fruitless and Wasteful expenditure.

The total expenditure incurred that is declared as Irregular, Fruitless and unauthorised amounts to R1,6m. Most of the contract / expenditure are flowing from projects done in the previous financial year as not yet condoned in terms of the MFMA and SCM regulations. These UIFw has been identified dating back to 2011-2012 financial year.

YEAR	UNAUTHORISED		IRREGULAR		FRUITLESS / WASTEFUL	
	Number	R`000	Number	R`000	Number	R`000
Up to 2015			55	159 164		
2015/ 2016			34	79 816		
2016/2017			48	215 812		
2017/2018			36	385 057		
2018/2019			164	241 444		
2019/2020			91	381 661		
2020/2021	1	80 584	6	159 410	1	43 710
2021/2022	2	224 132	36	150 668	2	43 443
Current Year	0	0	2	1 275	14	7
Total				1 774 307		

The MPAC has recommended on the report dated 31st May 2023 that the following: -

- That an amount of R 173m unauthorised expenditure be written off
- That an amount of R43m fruitless/wasteful expenditure be written –off
- That an amount of R87m for 2019/2020, 2020/21 and 2021/22 irregular expenditure be written off
- That all total UIFw expenditure incurred from 2011/12 to 2018/19 financial year be written off

6.4 Contract Management

MDM has 347 contracts. Please see attached the 2022-23 Contract register

6.5 List of Active Panels

The table below depicts a list of all active panels of service providers in MDM.

No	Description	Contract Number	Award date	Duration
1	Travel Management Services	MDM 2021/22/011	6-Jun-22	36 Months
2	Panel of attorneys	MDM 2020/21-050	22-Sep-21	36 Months
3	Panel of consultants for infrastructure projects	MDM 2020/21-001	14-Sep-20	36 Months
4	Panel of Engineering Consultants for Water and Sanitation Infrastructure development	MDM 2020/21	08 June 2020	36 Months
5	Panel of Physical Security	MDM 2022/23-20	08 December 2022	36 Months
6	Panel of Water Chemicals			36 Months
7	Panel of Annual Financial Statement			36 Months
8	Panel Fixed Assets Register			36 Months

7. Administration and other BTO engagements

Stakeholders	Discussion	Resolution
Vhembe District Municipality	The meeting with VDM was held to discuss on the outstanding debt , repayment agreement , MOU and current account	<p>The repayment agreement was drafted awaiting signature by both the municipalities</p> <p>That VDM would settle the old outstanding account within 3 financial years</p> <p>The current account would be invoice by MDM and VDM would make a payment on a monthly basis</p>
DWS	The meeting with DWS was held to discuss the outstanding debt , repayment agreement , MOU and the Nandoni and Nwa-Mitwa account	<p>That total outstanding debt amounting to R115m be written off</p> <p>The repayment agreement between MDM and DWS be finalized</p> <p>The Interest on outstanding account would be written off upon signing of the repayment agreement</p>
Lepelle Northern Water	Several meeting and engagements were held with Lepelle Northern Water to address the accounts balance, other disputes on invoices between MDM and the water board , repayment agreement	<p>That the total outstanding debt as in June 2023, including interest amount R444m. (R218m capital and R225m interest)</p> <p>That Lepelle Northern water would write-off an amount of R167m interest on approval by the board</p> <p>That MDM would pay the old account as per the agreement</p> <p>That MDM would continue to service the current account on a monthly basis</p> <p>That the billing on the new meter installed on the 800mm pipeline would be discontinue and Lepelle would use the meter for water balancing</p> <p>The disputed 800mm water reading would be credited on the account balance on finalization of the recon</p>
Ba-Phalaborwa Business account	Mopani District Municipality has held an introductory session with identify customers within the Ba-Phalaborwa area in an effort to take over the billing from Ba-Phalaborwa municipality. This is to enable MDM to bill and collect directly from the customers	The customers would receive the water account directly from the MDM as at beginning of the new financial year

8. Recommendation

It hereby recommended to the MANCO to considered and support the report for submission to Council

Submitted by

CHIEF FINANCIAL OFFICER

MATHEVULA SP