



KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Quarterly Budget Report – Section 52 3rd Quarter of 2022/23



Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 July 2009

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GLOSSARY

Adjustment's budget - Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

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

Approved budget - means an annual budget—

- a) approved by a municipal council; or
- b) approved by a provincial or the national executive following an intervention in terms of section 139 of the Constitution, and includes such an annual budget as revised by an adjustments budget in terms of section 28;

Budget - The financial plan of the Municipality.

Budget related policy - Policy of a municipality affecting or affected by the budget, examples include the Tariff Policy, Property Rates Policy, Customer Care, Credit Control and Debt Collection Policy etc.

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

Cash flow statement – summarizes the amount of cash and cash equivalents entering and leaving the municipality. The cash flow statement measures how well the municipality manages its cash position. It should be noted that there could be a difference between the timing of the actual cash flow compared to the recognition of expenditure. For example, when an invoice is received by the Municipality it is recognised as expenditure in the month it is dated, even though it may not be paid within the same month.

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

Equitable share - A general unconditional grant paid to municipalities. It is predominantly targeted to subsidise the delivery of free basic services.

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

GFS - Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP - Generally Recognised Accounting Practice. The standard for municipal accounting.

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

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

MFMA - Local Government: Municipal Finance Management Act (56/2003). The principal piece of legislation relating to municipal financial management. From here on to be referred to as the Act.

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

Operating expenditure - Spending on the day-to-day expenses of the Municipality such as salaries and wages. It provides a short-term benefit, normally less than a year.

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

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

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

Unauthorised expenditure - in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes—

- a) overspending of the total amount appropriated in the municipality's approved budget;
 - b) overspending of the total amount appropriated for a vote in the approved budget;
- Unauthorised expenditure refers to expenditure that municipalities incurred without provision having been made for it in the budget approved by the council or which does not meet the conditions of a grant.

Virement - A transfer of budget.

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

Vote - One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality and which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

PART 1: IN-YEAR REPORT

Section 1 – Mayor’s Report

1.1 In -Year Report – Quarterly Budget Statement

The quarterly budget statement, for the period ended **31 March 2023**, has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations and the Municipal Finance Management Act 56 of 2003.

- a) The budget of the municipality has been implemented in terms of ***the Service Delivery Budget Implementation Plan (SDBIP)***. Details on the implementation and any material deviations from the SDBIP will be covered under Section 10 of this document.
- b) ***Financial problems or risks*** facing the municipality are numerous and the implementation of the budget will demand continuous monitoring.

Cash flow has and will for the foreseeable future be of concern. In the short-term Kannaland Municipality has done well to meet the most pressing commitments such as employee related costs and meeting service delivery requirements. The municipality still experiences cash flow challenges due to constrained resources. A Budget Funding Plan has been developed and is being implemented to ensure that revenue will be sufficient to cover the expenses and prior year liabilities.

Section 2 – Resolutions

Recommendation:

That the council takes cognisance of the Quarterly budget statement of the **Third Quarter of the 2022/23 MTREF (Q3)**.

Section 3 – Executive Summary

1.1 Introduction

In terms of section 52(d) of the Municipal Finance Management Act 56 of 2003, the mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality. The format and content of in-year reporting are set out in the Municipal Budget and Reporting Regulations of 2009, that was published in terms of section 168 of the MFMA (2003).

1.2 Consolidated Performance

The performance against the budget can be summarized as follow:

	Original Budget	Adjustments Budget	YTD Budget	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
Operating Revenue	R 192 782	R 193 021	R 154 222	R 136 300	R (17 922)	-12%
Operating Expenditure	R 218 716	R 219 080	R 164 308	R 119 363	R (44 945)	-27%
Capital	R 12 919	R 14 106	R 10 799	R 965	R (9 835)	-91%

TABLE C1 – QUARTERLY BUDGET SUMMARY

Western Cape: Kannaland (WC041) - Table C1 Quarterly Budget Summary for 3rd Quarter ended 31 March 2023

Description	2021/22	Budget year 2022/23									
	Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
Financial Performance											
Property rates	25 891	24 836	24 836	6 388	6 367	6 413	19 167	18 627	540	2,90	24 836
Service charges	102 394	109 715	109 715	27 878	24 601	24 557	77 036	82 286	(5 250)	(6,38)	109 715
Investment revenue	1 232	680	1 380	232	509	479	1 219	1 035	184	17,82	1 380
Transfer and subsidies - Operational	41 701	43 164	42 854	12 989	6 422	10 575	29 986	41 597	(11 611)	(27,91)	42 854
Other own revenue	7 380	14 386	14 235	2 420	2 444	4 028	8 891	10 676	(1 785)	(16,72)	14 235
Total Revenue (excluding capital transfers and contributions)	178 600	192 782	193 021	49 906	40 342	46 051	136 300	154 222	(17 922)	(11,62)	193 021
Employee costs	71 598	80 239	80 836	18 110	20 629	20 632	59 370	60 626	(1 256)	(2,07)	80 836
Remuneration of councillors	3 148	3 357	3 438	977	1 007	1 740	3 724	2 578	1 146	44,45	3 438
Depreciation and amortisation	16 588	13 222	13 222	1 075	2 151	4 301	7 527	9 916	(2 389)	(24,09)	13 222
Finance charges	4 244	2 072	2 008	75	729	482	1 286	1 506	(220)	(14,62)	2 008
Inventory consumed and bulk purchases	54 288	63 094	59 017	6 382	7 671	11 078	25 130	44 263	(19 133)	(43,23)	59 017
Transfers and subsidies	240	450	450	-	-	80	80	338	(258)	(76,30)	450
Other expenditure	61 387	56 283	60 109	3 196	13 009	6 040	22 245	45 081	(22 836)	(50,66)	60 109
Total Expenditure	211 494	218 716	219 080	29 815	45 195	44 353	119 363	164 308	(44 945)	(27,35)	219 080
Surplus/(Deficit)	(32 894)	(25 934)	(26 059)	20 091	(4 853)	1 699	16 937	(10 086)	27 023	(267,92)	(26 059)
Transfers and subsidies - capital (monetary allocations)	18 889	10 529	12 194	0	-	-	0	11 778	(11 777)	(100,00)	12 194
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(14 005)	(15 405)	(13 865)	20 092	(4 853)	1 699	16 937	1 691	15 246	901,45	(13 865)
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(14 005)	(15 405)	(13 865)	20 092	(4 853)	1 699	16 937	1 691	15 246	901,45	(13 865)
Capital expenditure & funds sources											
Capital expenditure	14 052	12 919	14 106	7	870	88	965	10 799	(9 835)	(91,07)	14 106
Transfers recognised - capital	19 138	10 529	12 194	-	-	-	-	9 145	(9 145)	(100,00)	12 194
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	726	2 390	1 912	7	870	88	965	1 654	(689)	(41,67)	1 912
Total sources of capital funds	19 864	12 919	14 106	7	870	88	965	10 799	(9 835)	(91,07)	14 106
Financial position											
Total current assets	(12 141)	(60 736)	(65 168)	22 053	9 737	14 886	46 675	(21 500)	68 175	(317,09)	(65 168)
Total non current assets	324 309	325 969	327 156	(1 068)	(1 281)	(4 213)	(6 562)	883	(7 446)	(843,07)	327 156
Total current liabilities	40 080	(1 894)	(7 612)	916	13 308	9 024	23 248	(21 981)	45 229	(205,77)	(7 612)
Total non current liabilities	33 884	44 757	45 689	-	-	-	-	(327)	327	(100,00)	45 689
Community wealth/Equity	252 209	237 775	237 775	(24)	0	(50)	(73)	-	(73)	-	237 775
Cash flows											
Net cash from (used) operating	130 076	(8 251)	(9 530)	39 485	21 600	23 290	84 375	14 634	69 741	476,58	(9 530)
Net cash from (used) investing	(7 293)	(12 733)	(13 330)	(8)	-	(1 095)	(1 103)	(9 998)	8 894	(88,96)	(13 330)
Net cash from (used) financing	-	(648)	(216)	-	-	-	-	(162)	162	(100,00)	(216)
Cash/cash equivalents at the year end	171 583	27 173	25 729	39 477	61 077	83 272	83 272	4 474	78 797	1 761,04	25 729
Collection Rate	66,87	86,19	85,84	59,56	59,02	54,33	57,65	85,84	-	-	85,84
Property rates	58,44	82,00	82,00	25,46	15,16	17,71	19,44	82,00	-	-	82,00
Service charges	73,06	91,58	91,67	71,65	74,88	71,66	72,69	91,67	-	-	91,67
Service charges - electricity revenue	81,72	104,16	104,16	80,00	84,50	80,33	81,49	104,16	-	-	104,16
Service charges - water revenue	65,14	74,77	75,70	61,96	65,28	62,59	63,31	75,70	-	-	75,70
Service charges - sanitation revenue	53,28	65,11	65,11	52,23	59,86	56,26	56,08	65,11	-	-	65,11
Service charges - refuse revenue	46,56	58,77	57,65	44,89	48,48	48,98	47,41	57,65	-	-	57,65
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-

Operational Revenue

The municipality's total operational revenue budget amounts to R193 million and the year-to-date revenue on the budget accrued to R 136 million. This represents 70% of total revenue to date.

Operational Expenditure

The municipality's total operational expenditure budget amounts to R219 million, with a year-to-date performance of R119 million, or 54% of the total expenditure budget.

Capital Expenditure

The total capital budget for the municipality amounts to 14 million. National grant funding amounts to R10.5 million, Provincial grant funding amounts to R1 million and own funding R2.4 million. There was no capital expenditure for Grant funded projects for this Quarter and R 88 thousand for own funded projects. The total capital expenditure against year-to-date actual amounted to R 965 thousand

Operating Surplus/Deficit

Third quarter operating revenue amounted to R46 million, with expenditure amounting to R44 million, with an operating surplus of R2 million for the quarter under review.

1.3 Material differences to the SDBIP

Material differences to the SDBIP will be discussed under section 10 and in more detail within Appendix A.

1.4 Remedial actions

- (a) Directorates are to ensure that the budget is being implemented in accordance with the Service Delivery and Budget Implementation Plan of the Municipality;
- (b) That, strategic decisions / resolutions to improve the capital expenditure, be implemented; communicating with the technical department on slow spending on capital budget;
- (c) That monthly monitoring of the implementation of the Budget Funding Plan;
- (d) The effort should be coordinated, with giving the necessary and all-important consideration to the impact of the COVID-19 pandemic on municipal operations and more specifically municipal liquidity;
- (e) That measures on debt collection are implemented and applied effectively;
- (f) A procurement plan be developed and approved as a matter of urgency;
- (g) That the funding plan addresses all issues and challenges on the financial performance of the municipality and adapt to an always changing environment.

Section 4 – In-year budget statement tables

TABLE C4 – QUARTERLY FINANCIAL PERFORMANCE

Western Cape: Kannaland (WC041) - Table C4 Quarterly Budgeted Financial Performance (All) for 3rd Quarter ended 31 March 2023

Description	Ref	Budget year 2022/23										
		2021/22	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands												
Revenue												
Exchange Revenue												
Service charges - Electricity		64 750	70 503	70 503	18 364	14 854	15 014	48 231	52 877	(4 646)	(8,79)	70 503
Service charges - Water		20 355	21 516	21 516	4 957	5 346	5 206	15 510	16 137	(627)	(3,89)	21 516
Service charges - Waste Water Management		8 706	8 778	8 778	2 243	2 175	2 144	6 562	6 584	(22)	(0,34)	8 778
Service charges - Waste Management		8 583	8 918	8 918	2 314	2 227	2 193	6 734	6 688	45	0,68	8 918
Sale of Goods and Rendering of Services		307	274	274	85	63	87	235	205	29	14,27	274
Agency services		1 098	1 200	1 200	167	282	382	831	900	(69)	(7,64)	1 200
Interest												
Interest earned from Receivables		3 407	3 240	3 240	1 237	959	2 152	4 348	2 430	1 918	78,93	3 240
Interest earned from Current and Non Current Assets		1 232	680	1 380	232	509	479	1 219	1 035	184	17,82	1 380
Dividends												
Rent on Land												
Rental from Fixed Assets		552	607	607	146	151	154	451	456	(5)	(0,99)	607
Licence and permits		135	334	159	43	46	39	129	119	9	7,80	159
Operational Revenue		241	201	201	32	350	65	448	151	297	196,76	201
Non-Exchange Revenue												
Property rates		25 891	24 836	24 836	6 388	6 367	6 413	19 167	18 627	540	2,90	24 836
Surcharges and Taxes												
Fines, penalties and forfeits		39	6 007	6 031	13	14	103	130	4 523	(4 393)	(97,12)	6 031
Licences or permits		25	30	30	0	0	0	23	23	(22)	(98,37)	30
Transfer and subsidies - Operational		41 701	43 164	42 854	12 989	6 422	10 575	29 986	41 597	(11 611)	(27,91)	42 854
Interest		1 577	1 728	1 728	528	411	879	1 819	1 296	523	40,35	1 728
Fuel Levy												
Operational Revenue			765	765	168	168	165	501	574	(73)	(12,77)	765
Gains on disposal of Assets												
Other Gains												
Discontinued Operations												
Total Revenue (excluding capital transfers and contributions)		178 600	192 782	193 021	49 906	40 342	46 051	136 300	154 222	(17 922)	(11,62)	193 021
Expenditure												
Employee related costs		71 598	80 239	80 836	18 110	20 629	20 632	59 370	60 626	(1 256)	(2,07)	80 836
Remuneration of councillors		3 148	3 357	3 438	977	1 007	1 740	3 724	2 578	1 146	44,45	3 438
Bulk purchases - electricity		50 752	58 024	53 617	5 873	6 929	10 220	23 022	40 213	(17 191)	(42,75)	53 617
Inventory consumed		3 536	5 071	5 401	509	741	858	2 108	4 050	(1 942)	(47,96)	5 401
Debt impairment		(14 327)	23 594	23 594		7 956	7 956	7 956	17 696	(9 740)	(55,04)	23 594
Depreciation and amortisation		16 588	13 222	13 222	1 075	2 151	4 301	7 527	9 916	(2 389)	(24,09)	13 222
Interest		4 244	2 072	2 008	75	729	482	1 286	1 506	(220)	(14,62)	2 008
Contracted services		13 677	13 749	13 748	1 033	1 366	2 951	5 350	10 311	(4 961)	(48,11)	13 748
Transfers and subsidies		240	450	450			80	80	338	(258)	(76,30)	450
Irrecoverable debts written off		38 627				37	9	46	46			
Operational costs		16 573	18 939	22 767	2 163	3 650	3 080	8 893	17 075	(8 182)	(47,92)	22 767
Losses on disposal of Assets		4 806										
Other Losses		2 031										
Total Expenditure		211 494	218 716	219 080	29 815	45 195	44 353	119 363	164 308	(44 945)	(27,35)	219 080
Surplus/(Deficit)												
Transfers and subsidies - capital (monetary allocations)		18 889	10 529	12 194	0			0	11 778	(11 777)	(100,00)	12 194
Transfers and subsidies - capital (in-kind)												
Surplus/(Deficit) after capital transfers and contributions		(14 005)	(15 405)	(13 865)	20 092	(4 853)	1 699	16 937	1 691	15 246	901,45	(13 865)
Income Tax												
Surplus/(Deficit) after income tax		(14 005)	(15 405)	(13 865)	20 092	(4 853)	1 699	16 937	1 691	15 246	901,45	(13 865)
Share of Surplus/Deficit attributable to Joint Venture												
Share of Surplus/Deficit attributable to Minorities												
Surplus/(Deficit) attributable to municipality		(14 005)	(15 405)	(13 865)	20 092	(4 853)	1 699	16 937	1 691	15 246	901,45	(13 865)
Share of Surplus/Deficit attributable to Associate												
Intercompany/Parent subsidiary transactions												
Surplus/(Deficit) for the year		(14 005)	(15 405)	(13 865)	20 092	(4 853)	1 699	16 937	1 691	15 246	901,45	(13 865)

THE DETAILED QUARTERLY OPERATING REVENUE PERFORMANCE AGAINST THE TOTAL BUDGET ITEMS ARE AS FOLLOW:

Q3 Electricity Revenue – R15.01 million (21% of the Electricity Budget)

Loadshedding is having a negative impact on the number of units sold and this item should be monitored as it is currently very unpredictable

Electricity billing during the second quarter amounted to **R14.85 million a 28%** of the year-to-date budget

Q3 Water Revenue – R5.02 million (24% of the Water Budget)

Water billing during the second quarter amounted to **R5.02 million a 33%** of the year-to-date budget

Q3 Sewerage Revenue – R2.14 million (24% of the Sewerage Budget)

Sewerage billing during the second quarter amounted to **R2.2 million a 33%** of the year-to-date budget.

Q3 Refuse Removal Revenue – R2.2 million (25% of the Solid Waste Budget)

Refuse billing during the second quarter amounted to **R2.22 million a 33%** of the year-to-date budget

Interest on Outstanding Debtors

This revenue item considered the write-off of indigent and prescription debt and because of the timing, this revenue item will deviate from the monthly forecast. Outstanding debtors continue to increase, and the collection rate did not realize as budgeted for.

Interest charges on outstanding debtors is currently **2.2 million**.

Rental of facilities and equipment

Rental of facilities and equipment amounted to **R154 thousand and 34%** of the year-to-date budget

Q3 Interest on external investments – R479 thousand (34% of the interest Budget)

The budget did not consider the timing of the grants to be received (interest on call account with cash relating to grants being cash backed) when the monthly budget break-down was done.

Fines Penalties and forfeits

Almost no activity, no vendor appointed to provide cameras and administrative support on speed fines.

Fines Penalties and forfeits for Quarter 3 amounted to **103 thousand**.

Other revenue, Agency services, licences and permits

The reason for these variances is due to a breakdown in the equipment needed for the testing and issuing of licenses, can be explained as incidental and cyclical in nature. The lack of revenue from licences and permits will necessitate further investigation with a potential allocation issue under “other revenue

Other Revenue, Agency Services and Licences and permits amounts to **R586 thousand**.

THE DETAILED QUARTERLY OPERATING EXPENDITURE PERFORMANCE AGAINST THE TOTAL BUDGET ITEMS ARE AS FOLLOW:

Employee Related Costs – R20.63 million (25% of Annual Employee Budget) with Councillors at R1.74 million (51% of the Annual Councillors Remuneration Budget)

Bulk Purchases

Bulk purchases are severely understated as expenditure are only recognised once paid and not in terms of GRAP. The actual expenditure on bulk purchases amounted to R23.02 million or 43% against the full year budget.

Finance Charges R482 thousand (23% of the Finance Charges Budget)

Finance charges will significantly exceed the full budget forecast and the extent thereof still needs to be established. The budget accounted for finances charges that relates to employee benefits and the rehabilitation of landfill sites, that were not on a year-to-date basis accounted for on SAMRAS.

Other materials – R858 thousand (15% of the budget)

Expenditure on “Other Materials” is well below the year-to-date forecast.

Contracted Services – R2.3 million (21% of Budget)

The expenditure on Contracted Services will be well below the actual forecast.

Other Expenditure – R3.08 million (13 % of Budget)

Other expenditure is much lower than forecasted. Expenditure can only be incurred in terms of available revenue.

TABLE C5 – QUARTERLY BUDGETED CAPITAL EXPENDITURE

Western Cape: Kannaland (WC041) - Table C5 Quarterly Budgeted Capital Expenditure by Functional Classification and Funding for 3rd Quarter ended 31 March 2023

Description	Ref	2021/22	Budget year 2022/23			Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget									
Capital Expenditure - Functional													
Municipal governance and administration		(907)	180	212	7	64	10	81	204	(123)	(60,16)	212	
Executive and council		249	130	147	7	17	10	35	143	(108)	(75,77)	147	
Finance and administration		(1 155)	50	65		47		47	61	(15)	(23,80)	65	
Internal audit													
Community and public safety		5 235	1 510	33	-	-	-	-	25	(25)	(100,00)	33	
Community and social services		5 235	860	33					25	(25)	(100,00)	33	
Sport and recreation			650										
Public safety													
Housing													
Health													
Economic and environmental services		341	700	700	-	-	-	-	700	(700)	(100,00)	700	
Planning and development													
Road transport		341	700	700					700	(700)	(100,00)	700	
Environmental protection													
Trading services		9 383	10 529	13 161	-	806	78	884	9 871	(8 987)	(91,05)	13 161	
Energy sources			1 980	2 482		806		806	1 861	(1 056)	(56,71)	2 482	
Water management		9 383	2 441	1 554			78	78	1 165	(1 087)	(93,33)	1 554	
Waste water management			6 108	9 125					6 844	(6 844)	(100,00)	9 125	
Waste management													
Other													
Total Capital Expenditure - Functional	3	14 052	12 919	14 106	7	870	88	965	10 799	(9 835)	(91,07)	14 106	
Funded by													
National Government		11 552	10 529	11 086					8 314	(8 314)	(100,00)	11 086	
Provincial Government		7 586		1 108					831	(831)	(100,00)	1 108	
District Municipality													
Transfers and subsidies - capital (monetary allocations) (Nat/													
Transfers recognised - capital		19 138	10 529	12 194	-	-	-	-	9 145	(9 145)	(100,00)	12 194	
Borrowing	6												
Internally generated funds		726	2 390	1 912	7	870	88	965	1 654	(689)	(41,67)	1 912	
Total Capital Funding		19 864	12 919	14 106	7	870	88	965	10 799	(9 835)	(91,07)	14 106	

THE FOLLOWING IS THE FINANCIAL PERFORMANCE AGAINST THE BUDGET CAPITAL EXPENDITURE IN THE SECOND QUARTER

- There was no actual capital expenditure year-to-date for Grant Funded Projects
- The monthly actual expenditure for own funded capital amounted to R965 thousand.

TABLE C6 – QUARTERLY BUDGETED FINANCIAL POSITION

Western Cape: Kannaland (WC041) - Table C6 Quarterly Budget Statement - Financial Position (All) for 3rd Quarter ended 31 March 2023

Description	Ref	Budget year 2022/23										
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands	1											
ASSETS												
Current assets												
Cash and cash equivalents		30 934	8 758	4 655	12 255	9 336	3 625	25 216	(11 331)	36 547	(322,55)	4 655
Trade and other receivables from exchange transactions		3 677	2 496	2 496	6 217	(595)	6 934	12 556	(2 307)	14 863	(644,15)	2 496
Receivables from non-exchange transactions		3 732	(4 806)	(4 806)	941	(853)	1 561	1 649	(4 644)	6 293	(135,51)	(4 806)
Current portion of non-current receivables												
Inventory		2 257	(724)	(1 054)	(280)	162	395	277	(3 218)	3 495	(108,61)	(1 054)
VAT		(51 847)	(65 626)	(65 626)	2 934	1 689	2 393	7 016		7 016		(65 626)
Other current assets		(893)	(834)	(834)	(14)	(2)	(23)	(40)		(40)		(834)
Total current assets		(12 141)	(60 736)	(65 168)	22 053	9 737	14 886	46 675	(21 500)	68 175	(317,09)	(65 168)
Non current assets												
Investments		186										
Investment property		1 163	1 250	1 250								1 250
Property, plant and equipment		322 957	324 691	325 878	(1 068)	(1 281)	(4 213)	(6 562)	883	(7 446)	(843,07)	325 878
Biological assets												
Living and non-living resources												
Heritage assets												
Intangible assets		3	28	28								28
Trade and other receivables from exchange transactions												
Non-current receivables from non-exchange transactions												
Other non-current assets												
Total non current assets		324 309	325 969	327 156	(1 068)	(1 281)	(4 213)	(6 562)	883	(7 446)	(843,07)	327 156
TOTAL ASSETS		312 168	265 233	261 988	20 984	8 456	10 673	40 112	(20 617)	60 729	(294,56)	261 988
LIABILITIES												
Current liabilities												
Bank overdraft		-										
Financial liabilities		229	459	459	(116)	(41)		(157)		(157)		459
Consumer deposits		1 217	1 119	1 119	22	39	30	91		91		1 119
Trade and other payables from exchange transactions		66 176	21 544	17 458	(10 428)	9 477	(1 146)	(2 097)	(16 983)	14 886	(87,65)	17 458
Trade and other payables from non-exchange transactions		18 366	31 045	29 413	7 251	135	6 549	13 935	(4 998)	18 933	(378,82)	29 413
Provision		8 390	7 296	7 296								7 296
VAT		(54 297)	(63 358)	(63 358)	4 188	3 697	3 591	11 476		11 476		(63 358)
Other current liabilities												
Total current liabilities		40 080	(1 894)	(7 612)	916	13 308	9 024	23 248	(21 981)	45 229	(205,77)	(7 612)
Non current liabilities												
Financial liabilities			(950)	(19)					(327)	327	(100,00)	(19)
Provision		22 344	35 348	35 348								35 348
Long term portion of trade payables												
Other non-current liabilities		11 540	10 360	10 360								10 360
Total non current liabilities		33 884	44 757	45 689	-	-	-	-	(327)	327	(100,00)	45 689
TOTAL LIABILITIES	2	73 964	42 863	38 077	916	13 308	9 024	23 248	(22 308)	45 557	(204,21)	38 077
NET ASSETS		238 204	222 370	223 910	20 068	(4 853)	1 649	16 864	1 691	15 173	897,12	223 910
COMMUNITY WEALTH/EQUITY												
Accumulated surplus/(deficit)		251 739	237 306	237 306	(16)	0	(50)	(65)		(65)		237 306
Reserves and funds		470	470	470	(8)			(8)		(8)		470
Other												
TOTAL COMMUNITY WEALTH/EQUITY	2	252 209	237 775	237 775	(24)	0	(50)	(73)	-	(73)	-	237 775

TABLE C7 – QUARTERLY BUDGETED CASH FLOW

Western Cape: Kannaland (WC041) - Table C7 Quarterly Budgeted Cash Flows (All) for 3rd Quarter ended 31 March 2023

Description	Ref	Budget year 2022/23										
		2021/22	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates		15 132	20 366	20 366	1 626	965	1 136	3 727	15 275	(11 548)	(75,60)	20 366
Service charges		74 810	100 478	100 579	19 973	18 422	17 599	55 994	75 434	(19 440)	(25,77)	100 579
Other revenue		1 343	10 583	11 132	462	675	516	1 654	8 349	(6 695)	(80,19)	11 132
Transfers and Subsidies - Operational	1	31 684	43 164	42 854	21 469	8 122	12 406	41 997	40 455	1 542	3,81	42 854
Transfers and Subsidies - Capital	1	23 701	10 529	12 194	5 899		6 196	12 095	9 145	2 950	32,26	12 194
Interest												
Dividends												
Payments												
Suppliers and employees		(16 593)	(193 371)	(196 655)	(9 944)	(6 585)	(14 563)	(31 092)	(134 025)	102 933	(76,80)	(196 655)
Finance charges												
Transfers and Subsidies	1											
NET CASH FROM/(USED) OPERATING ACTIVITIES		130 076	(8 251)	(9 530)	39 485	21 600	23 290	84 375	14 634	69 741	476,58	(9 530)
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE												
Decrease (Increase) in non-current debtors (not used)												
Decrease (increase) in non-current receivables												
Decrease (increase) in non-current investments		(186)	186	186					139	(139)	(100,00)	186
Payments												
Capital assets		(7 107)	(12 919)	(13 516)	(8)		(1 095)	(1 103)	(10 137)	9 034	(89,12)	(13 516)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7 293)	(12 733)	(13 330)	(8)	-	(1 095)	(1 103)	(9 998)	8 894	(88,96)	(13 330)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans												
Borrowing long term/refinancing												
Increase (decrease) in consumer deposits												
Payments												
Repayment of borrowing			(648)	(216)					(162)	162	(100,00)	(216)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(648)	(216)	-	-	-	-	(162)	162	(100,00)	(216)
NET INCREASE/ (DECREASE) IN CASH HELD		122 783	(21 632)	(23 076)	39 477	21 600	22 195	83 272	4 474	78 797	1 761,04	(23 076)
Cash/cash equivalents at the year begin:		48 800	48 805	48 805	-	39 477	61 077	-	-	-	-	48 805
Cash/cash equivalents at the year end:	2	171 583	27 173	25 729	39 477	61 077	83 272	83 272	4 474	78 797	1 761,04	25 729

The total bank balances of **Quarter 3** were as follow;

- Standard Bank Main Account Balance **R 3 million**;
- The Traffic Account Balance **R 444 thousand**;
- Deposit Account Balance **R 5.8 million**; and
- Call Account Balance component of conditional grants amounts to **R21 million** at the end of Quarter 3.

The lack of revenue streams has left the municipality to be heavily dependent on grant funding to run its daily operations. The current local economic circumstances are in addition having an adverse effect on an already difficult situation. Insufficient funding is available to fund reserves and provisions and the liquidity of the municipality remains fragile.

TABLE C2 – QUARTERLY BUDGETED FINANCIAL PERFORMANCE (Functional Classification)

Western Cape: Kannaland (WC041) - Table C2 Quarterly Budgeted Financial Performance by Functional Classification for 3rd Quarter ended 31 March 2023

Description	Ref	Budget year 2022/23										
		Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
Revenue - Functional												
<i>Municipal governance and administration</i>		61 563	43 561	45 417	20 411	12 907	17 478	50 796	37 818	12 978	34,32	45 417
Executive and council		28 774	12 201	12 401	12 971	4 939	9 314	27 224	12 323	14 901	120,93	12 401
Finance and administration		32 789	31 360	33 016	7 440	7 968	8 164	23 572	25 495	(1 923)	(7,54)	33 016
Internal audit												
<i>Community and public safety</i>		15 179	16 689	15 256	17	1 226	1 095	2 338	14 332	(11 994)	(83,69)	15 256
Community and social services		14 567	14 889	15 256	12	1 226	1 064	2 301	14 332	(12 031)	(83,94)	15 256
Sport and recreation					0			0		0		
Public safety		80			5	0	31	36		36		
Housing		532	1 800									
Health												
<i>Economic and environmental services</i>		1 756	8 170	8 019	219	484	635	1 337	6 165	(4 828)	(78,31)	8 019
Planning and development												
Road transport		1 756	8 170	8 019	219	484	635	1 337	6 165	(4 828)	(78,31)	8 019
Environmental protection												
<i>Trading services</i>		118 991	134 891	136 522	29 260	25 726	26 843	81 829	107 684	(25 855)	(24,01)	136 522
Energy sources		71 371	75 292	76 924	18 412	14 888	15 073	48 372	58 853	(10 481)	(17,81)	76 924
Water management		28 376	30 332	30 332	5 495	5 787	6 126	17 407	24 572	(7 165)	(29,16)	30 332
Waste water management		9 618	15 135	15 135	2 673	2 535	2 811	8 019	12 608	(4 589)	(36,40)	15 135
Waste management		9 627	14 131	14 131	2 681	2 516	2 833	8 030	11 652	(3 622)	(31,08)	14 131
<i>Other</i>	4											
Total Revenue - Functional	2	197 488	203 311	205 215	49 906	40 342	46 051	136 300	165 999	(29 700)	(17,89)	205 215
Expenditure - Functional												
<i>Municipal governance and administration</i>		104 246	72 679	75 222	12 488	17 602	17 147	47 237	56 416	(9 179)	(16,27)	75 222
Executive and council		23 511	20 288	20 256	4 960	5 071	5 994	16 024	15 192	832	5,48	20 256
Finance and administration		80 735	52 391	54 966	7 529	12 531	11 153	31 213	41 224	(10 011)	(24,29)	54 966
Internal audit												
<i>Community and public safety</i>		13 857	13 346	12 231	2 796	3 278	2 967	9 042	9 173	(131)	(1,43)	12 231
Community and social services		10 670	9 826	10 389	2 178	2 214	2 047	6 439	7 791	(1 352)	(17,36)	10 389
Sport and recreation		397	448	566	121	280	369	770	424	346	81,52	566
Public safety		1 276	231	231	249	470	297	1 016	174	843	485,70	231
Housing		1 514	2 841	1 045	248	314	254	816	784	33	4,16	1 045
Health												
<i>Economic and environmental services</i>		9 108	17 823	18 429	2 038	2 773	3 540	8 350	13 822	(5 471)	(39,58)	18 429
Planning and development												
Road transport		9 108	17 823	18 429	2 038	2 773	3 540	8 350	13 822	(5 471)	(39,58)	18 429
Environmental protection												
<i>Trading services</i>		84 282	114 868	113 198	12 492	21 543	20 699	54 734	84 898	(30 164)	(35,53)	113 198
Energy sources		38 407	68 326	64 388	7 086	8 957	12 564	28 606	48 291	(19 685)	(40,76)	64 388
Water management		21 399	20 485	21 643	2 137	5 577	3 395	11 110	16 232	(5 122)	(31,56)	21 643
Waste water management		9 969	12 251	13 002	1 082	3 083	2 601	6 765	9 752	(2 986)	(30,62)	13 002
Waste management		14 507	13 806	14 165	2 188	3 926	2 139	8 253	10 624	(2 371)	(22,31)	14 165
<i>Other</i>	4											
Total Expenditure - Functional	3	211 494	218 716	219 080	29 815	45 195	44 353	119 363	164 308	(44 945)	(27,35)	219 080
		(14 005)	(15 405)	(13 865)	20 092	(4 853)	1 699	16 937	1 691	15 246	901,45	(13 865)

References

TABLE C3 – QUARTERLY BUDGETED FINANCIAL PERFORMANCE

(Revenue & Expenditure by Municipal Vote)

WC041 Kannaland - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q3 Third Quarter										
Vote Description	Ref	2021/22			Budget Year 2022/23					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - MUNICIPAL MANAGER	1	28 774	12 201	12 401	9 313	27 224	12 323	14 901	120,9%	12 401
Vote 2 - CORPORATE SERVICES		15 469	23 672	22 695	453	3 815	19 653	(15 838)	-80,6%	22 695
Vote 3 - FINANCIAL SERVICES		32 352	30 912	31 962	2 598	23 510	24 704	(1 194)	-4,8%	31 962
Vote 4 - TECHNICAL SERVICES		120 892	136 526	138 158	8 889	84 358	109 319	(24 961)	-22,8%	138 158
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	197 488	203 311	205 215	21 253	138 908	165 999	(27 092)	-16,3%	205 215
Expenditure by Vote										
Vote 1 - MUNICIPAL MANAGER	1	23 511	20 288	20 256	2 173	16 086	15 192	894	5,9%	20 256
Vote 2 - CORPORATE SERVICES		29 078	36 476	36 626	2 517	22 980	27 469	(4 489)	-16,3%	36 626
Vote 3 - FINANCIAL SERVICES		66 518	35 710	37 083	1 894	19 059	27 812	(8 753)	-31,5%	37 083
Vote 4 - TECHNICAL SERVICES		91 527	124 182	123 054	9 364	68 377	92 290	(23 913)	-25,9%	123 054
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		860	2 060	2 060	42	486	1 545	(1 059)	-68,5%	2 060
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	211 494	218 716	219 080	15 990	126 988	164 308	(37 320)	-22,7%	219 080
Surplus/ (Deficit) for the year	2	(14 005)	(15 405)	(13 865)	5 263	11 919	1 691	10 228	604,7%	(13 865)

PART 2 SUPPORTING DOCUMENTATION

Section 5 – Debtors' analysis

WC041 Kannaland - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q3 Third Quarter														
Description	NT Code	Budget Year 2022/23									Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o 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					
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	2 281	1 055	919	891	964	783	4 498	16 586	27 976	23 721	–	–	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	882	172	141	138	119	119	395	574	2 540	1 346	–	–	
Receivables from Non-exchange Transactions - Property Rates	1400	2 217	666	588	561	541	527	3 260	19 032	27 392	23 921	–	–	
Receivables from Exchange Transactions - Waste Water Management	1500	687	327	326	324	325	327	1 864	9 438	13 618	12 279	–	–	
Receivables from Exchange Transactions - Waste Management	1600	1 349	554	541	534	534	531	2 955	13 962	20 961	18 516	–	–	
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	0	0	0	–	–	
Interest on Arrear Debtor Accounts	1810	28	51	70	89	113	124	1 064	16 642	18 181	18 032	–	–	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–	
Other	1900	(3 331)	192	189	163	161	159	784	2 824	1 141	4 091	–	–	
Total By Income Source	2000	4 112	3 018	2 773	2 700	2 757	2 570	14 821	79 058	111 809	101 906	–	–	
2021/22 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	(1 505)	85	74	68	65	72	115	419	(608)	739	–	–	
Commercial	2300	874	271	207	196	199	179	1 065	3 686	6 677	5 325	–	–	
Households	2400	5 268	2 457	2 307	2 250	2 305	2 132	12 647	62 539	91 907	81 874	–	–	
Other	2500	(525)	205	185	186	188	187	994	12 414	13 834	13 969	–	–	
Total By Customer Group	2600	4 112	3 018	2 773	2 700	2 757	2 570	14 821	79 058	111 809	101 906	–	–	

- The total amount owed to Kannaland Municipality amounted to **R112 million during the end of the Third Quarter**.
- **R79 million or 71%** of the total outstanding debtors are older than one year.
- **R102 million or 91%** of the outstanding debtors are outstanding for more than 90 days and are less likely to be recoverable debt.

The biggest concern regarding debt collection in Kannaland Municipality is the ability to collect service charges for water, refuse and sewerage in areas where electricity is not supplied by the municipality. Pre-paid electricity remains the most effective form of credit control.

Section 6 – Creditors' analysis

WC041 Kannaland - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q3 Third Quarter

Description	NT Code	Budget Year 2022/23								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	4 515	–	3 601	7 412	32 827	–	–	–	48 355
Bulk Water	0200	37	–	–	–	–	–	–	–	37
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	267	353	103	243	8 646	–	–	–	9 613
Auditor General	0800	126	(658)	304	3 413	7 071	–	–	–	10 257
Other	0900	197	133	101	–	5 869	–	–	–	6 299
Total By Customer Type	1000	5 144	(172)	4 108	11 068	54 413	–	–	–	74 562

- The total outstanding creditors as at the end of the **Third Quarter** amounts to **R 74 562**.
- The biggest outstanding creditors are Eskom (**R48 355 million**), the Auditor-General of South Africa (**R10 257 million**). Combined, the before mentioned, represents **79%** of all outstanding creditors.

The outstanding trade creditors continue to have a negative influence on service delivery and the ability to fully comply with supply chain management regulations. Creditors are owed money for extended periods of time, and this is causing a reluctance to quote and take part in competitive bidding processes. Pressure on cash flow is increasing, due to long outstanding creditors demanding settlement.

Section 7 – Investment portfolio analysis

- ↳ The municipality has no long-term debt obligations and any investments other than call account investments.

Section 8 – Allocation and grant receipts and expenditure

Transfers and Grant Receipts 2022/ 2023							ROLLOVERS
	Original Budget	Roll-over (Approved)	Adjustment Budget	Total Received	Total Spent	Unspent	
National Government Grants							
Financial Management Grant (FMG)	R2 932 000,00			R2 932 000,00	R208 000,00	R2 724 000,00	
Integrated National Electrification (INEP)		R556 878,81				R556 878,81	
Equitable Share	R33 259 000,00			R17 910 000,00	R17 910 000,00		
Municipal Infrastructure Grant (Operational)	554 150,00			R554 150,00	R489 022,38	R65 127,62	
Municipal Infrastructure Grant (Capital)	R10 528 850,00			R2 412 850,00		R2 412 850,00	R178 273,77 Rejected
Water Service Infrastructure Grant						R0,00	R4 667 823,66 Rejected
EPWP Incentive Grant	R1 031 000,00			R1 031 000,00	R834 954,40	R196 045,60	
Total National Grants	R48 305 000,00	R556 878,81	R0,00	R24 840 000,00	R19 441 976,78	R5 954 902,03	
Provincial Government	Original Budget	Roll-over (Approved)	Adjustment Budget	Total Received	Total Spent	Unspent	
Libraries (Conditional Grant)		R33 203,21				R33 203,21	
MRF (Municipal Replacement Fund)	R3 281 000,00	R334 204,16		R3 281 000,00	R2 172 584,27	R1 442 619,89	
Local Government Employee Support Grant		R126 236,40				R126 236,40	
CDW Grant	R112 000,00	R73 524,21		R112 000,00	R91 890,00	R93 634,21	
Capacity Bursary Grant		R250 000,00		R100 000,00		R350 000,00	
Intervention Grant				R606 000,00		R606 000,00	
Loadshedding Relief Grant(Generators)				R1 075 000,00		R1 075 000,00	
Total Provincial Grants	R3 393 000,00	R817 167,98	R0,00	R5 174 000,00	R2 264 474,27	R3 726 693,71	
Departmental Agencies	Original Budget	Roll-over (Approved)	Adjustment Budget	Total Received	Total Spent	Unspent	
Public Sector Seta	R145 000,00			R77 756,30	R73 366,00	R4 390,30	
Totals	R51 698 000,00	R1 374 046,79	R0,00	R30 014 000,00	R21 706 451,05	R9 681 595,74	

The following indicates receipts and expenditure for each respective grants (Operational) and (Capital) for Quarter 3 of 2022/23 -

Received:

National Treasury

- Equitable Share amounts to **R9.31 million**
- Expanded Public Works Programme amounts to **R309 thousand**
- Municipal Infrastructure Grant amounts to **R6.2 million**

Provincial Treasury

- Library amounts to **R1.09 million**
- Community Development Workers Programme amounts to **R 112 thousand**
- Western Cape Capacity Building Grant amounts to **R100 thousand**
- Intervention Grant amounts **R606 thousand**
- Loadshedding Relief Grant (Generators) amounts to **R 1.08 thousand**

Expenditure:

- Financial Management Grant amounts to **R72 thousand.**
- Municipal Infrastructure Grant (MIG) amounts R 0 capital expenditure and **MIG PMU amounts to R142 thousand.**
- Expanded Public Works Programme amounts to **R 434 thousand**

Provincial Treasury

Expenditure:

- Libraries Grant amounts to **R613 thousand**

Section 9 – Expenditure on Councillor, Senior Managers and Other Staff

WC041 Kannaland - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q3 Third Quarter										
Summary of Employee and Councillor remuneration	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		2 560	3 046	3 046	558	3 395	2 284	1 111	49%	3 046
Pension and UIF Contributions		26	-	-	3	27	-	27	#DIV/0!	-
Medical Aid Contributions		124	-	81	5	43	61	(18)	-30%	81
Motor Vehicle Allowance		131	-	-	3	43	-	43	#DIV/0!	-
Cellphone Allowance		307	311	311	25	217	233	(16)	-7%	311
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		3 148	3 357	3 438	594	3 724	2 578	1 146	44%	3 438
% increase	4		6,6%	9,2%						9,2%
Senior Managers of the Municipality										
Basic Salaries and Wages		1 854	4 994	4 994	54	1 415	3 746	(2 331)	-62%	4 994
Pension and UIF Contributions		1	9	9	0	2	7	(4)	-65%	9
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		130	-	-	20	131	-	131	#DIV/0!	-
Cellphone Allowance		37	115	115	1	24	86	(63)	-73%	115
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		12	210	210	-	96	157	(61)	-39%	210
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2 033	5 328	5 328	74	1 668	3 996	(2 328)	-58%	5 328
% increase	4		162,0%	162,0%						162,0%
Other Municipal Staff										
Basic Salaries and Wages		45 593	49 327	51 910	4 090	36 701	38 932	(2 231)	-6%	51 910
Pension and UIF Contributions		6 740	8 520	8 520	567	5 329	6 390	(1 061)	-17%	8 520
Medical Aid Contributions		2 434	2 899	2 899	187	1 591	2 174	(583)	-27%	2 899
Overtime		4 001	4 442	4 405	556	4 753	3 304	1 449	44%	4 405
Performance Bonus		1 564	652	641	-	1 274	481	793	165%	641
Motor Vehicle Allowance		2 393	2 391	2 391	244	1 937	1 793	144	8%	2 391
Cellphone Allowance		165	172	172	13	120	129	(9)	-7%	172
Housing Allowances		315	349	349	34	239	262	(22)	-9%	349
Other benefits and allowances		4 420	4 639	3 703	481	5 421	2 777	2 644	95%	3 703
Payments in lieu of leave		(243)	1 520	520	130	445	390	55	14%	520
Long service awards		249	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	1 934	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		69 564	74 911	75 508	6 302	57 810	56 630	1 180	2%	75 508
% increase	4		7,7%	8,5%						8,5%
Total Parent Municipality		74 745	83 595	84 274	6 971	63 203	63 205	(2)	0%	84 274
Unpaid salary, allowances & benefits in arrears:										
Total Municipal Entities		1	-	-	0	1	-	1	#DIV/0!	-
TOTAL SALARY, ALLOWANCES & BENEFITS		74 746	83 595	84 274	6 971	63 203	63 205	(2)	0%	84 274
% increase	4		11,8%	12,7%						12,7%
TOTAL MANAGERS AND STAFF		71 597	80 239	80 836	6 376	59 478	60 626	(1 148)	-2%	80 836

Section 10 – Material variances to the SDBIP

FINAL REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2020/21 includes the following KPA's to be discussed in more detail in Appendix A.

KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens

KPA 2: To Provide adequate Services and improve our public relations

KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks

KPA 4: To Facilitate Economic Growth and Social and Community development

KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation

KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy

KPA 7: To Strive towards a financially sustainable municipality

Section 11– Capital programme performance

EXPENDITURE STATUS 2022/2023 FY (Mar 2023)								
No.	Grant	Project No	Project Name	Adjustment Budget	Expenditure	Still to spend	% Spend	Status/Progress/Comments
1	MIG	285450	Ladismith: Upgrade Water Treatment Works	R 2 440 804,29		R 2 440 804,29	0%	Contractor Appointed
2	MIG	160843	Ladismith: New Waste Water Treatment Works	R 1 074 463,12		R 1 074 463,12	0%	Contractor Appointed
3	MIG	220290	Zoar: New Sport Field Lighting	R 1 193 282,84		R 1 193 282,84	0%	Contractor Appointed
4	MIG	220290	Zoar: New Sport Field Lighting (AFA - Additional Fund Application; project 220290)	R 787 212,75		R 787 212,75	0%	Contractor Appointed
5	MIG		Van Wyksdorp: Upgrade Water treatment Works	R 1 000 000,00		R 1 000 000,00	0%	Consultant Appointed
6	MIG		Van Wyksdorp: Upgrade Sewerage Works	R 1 033 087,00		R 1 033 087,00	0%	Retention
7	MIG		Zoar: Upgrade sewer Works	R 3 000 000,00		R 3 000 000,00	0%	
8	MIG	PMU/041	PMU 2022/23	R 554 150,00	R 489 022,38	R 65 127,62	88%	Not Registered
						R -		
		TOTALS		R 11 083 000,00	R 489 022,38	R 10 593 977,62	4,4%	EXPENDITURE FOR 2022/2023 FY
No.	Grant	Project No	Project Name	Budget	Expenditure	Still to spend	% Spend	Status/Progress/Comments
1	EPWP		Temporary Workers appointed	R 1 031 000,00	R 834 954,40	R 196 045,60	81%	
		TOTALS		R 1 031 000,00	R 834 954,40	R 196 045,60	81%	EXPENDITURE FOR 2022/2023 FY

Section 13 – Quality certification

I, **Morne Hoogbaard**, the Acting Accounting Officer of **Kannaland Municipality WC041**, hereby certify that the quarterly budget statement for **Quarter 3**, ending **31 March 2023**, has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Morne Hoogbaard

Signature:

Date:

PROVINCIAL TREASURY		
Withdrawals from Municipal Bank Accounts		
In accordance with Section 11, Sub-section 1 (b) to (j)		
NAME OF MUNICIPALITY:	KANNALAND MUNICIPALITY	
MUNICIPAL DEMARCATION CODE:	WC041	
QUARTER ENDED:	Mar-23	
MFMA section 11. (1) Only the <i>accounting officer</i> or the <i>chief financial officer</i> of a <i>municipality</i> , or any other senior financial <i>official</i> of the <i>municipality</i> acting on the written authority of the <i>accounting officer</i> may withdraw money or authorise the withdrawal of money from any of the <i>municipality</i> bank accounts, and may do so only -	Amount	Reason for withdrawal
	R 0,00	
(b) to defray expenditure authorised in terms of section 26(4);	R 0,00	
(c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);	R 0,00	
(d) in the case of a bank account opened in terms of section 12. to make payments from the account in accordance with subsection (4) of that section;	R 0,00	
(e) to pay over to a person or organ of state money received by the <i>municipality</i> on behalf of that person or organ of state, including -	R 1 843 200,03	Motor Registration and RTMC transaction fees
(i) money collected by the <i>municipality</i> on behalf of that person or organ of state by agreement; or	R 0,00	
(ii) any insurance or other payments received by the <i>municipality</i> for that person or organ of state;	R 0,00	
(f) to refund money incorrectly paid into a bank account;	R 0,00	
(g) to refund guarantees, sureties and <i>security deposits</i> ;	R 0,00	
(h) for cash management and <i>investment</i> purposes in accordance with section 13;	R 0,00	
(i) to defray increased expenditure in terms of section 31; or	R 0,00	
(j) for such other purposes as may be <i>prescribed</i> .	R 0,00	
(4) The <i>accounting officer</i> must within 30 days after the end of each <i>quarter</i> -	Name and Surname: J BOOYSEN	
(a) table in the <i>municipal council</i> a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that <i>quarter</i> ; and	Rank/Position:	CFO
(b) submit a copy of the report to the relevant <i>provincial treasury</i> and the <i>Auditor-General</i> .	Signature:	
Tel number	Fax number	Email Address
(028) 551 8000	(028) 551 1766	jodene@kannaland.gov.za

APPENDIX B: Cost Containment Measures

ANNEXURE D: Total Cost Savings Disclosure in the In-Year and Annual Report						Quarter 3
Measures	Cost Containment In -Year Report					
	Budget	Q1	Q2	Q3	Q4	Savings / (Exceed)
	R'000	R'000	R'000	R'000	R'000	R'000
Use of consultants	R 6 942 000,00	R 1 120 804,51	R 555 165,46	R 1 365 173,28	R -	R 3 900 856,75
Vehicles used for political office-bearers	R -	R -	R -	R -	R -	R -
Travel and subsistence	R 625 640,00	R 139 072,36	R 66 495,30	R 217 854,53	R -	R 202 217,81
Domestic accommodation	R 583 200,00	R 55 760,03	R 50 430,09	R 94 322,67	R -	R 382 687,21
Sponsorships, events and catering	R 250 000,00	R 37 301,61	R 8 641,64	R 72 509,66	R -	R 131 547,09
Communication	R 1 010 800,00	R 30 067,67	R 150 473,78	R 248 615,15	R -	R 581 643,40
Other related expenditure items	R 9 971 242,00	R 2 684 189,71	R 3 143 834,75	R 4 401 557,30	R -	-R 258 339,76
Total	R19 382 882,00	R4 067 195,89	R 3 975 041,02	R 6 400 032,59	R -	R 4 940 612,50

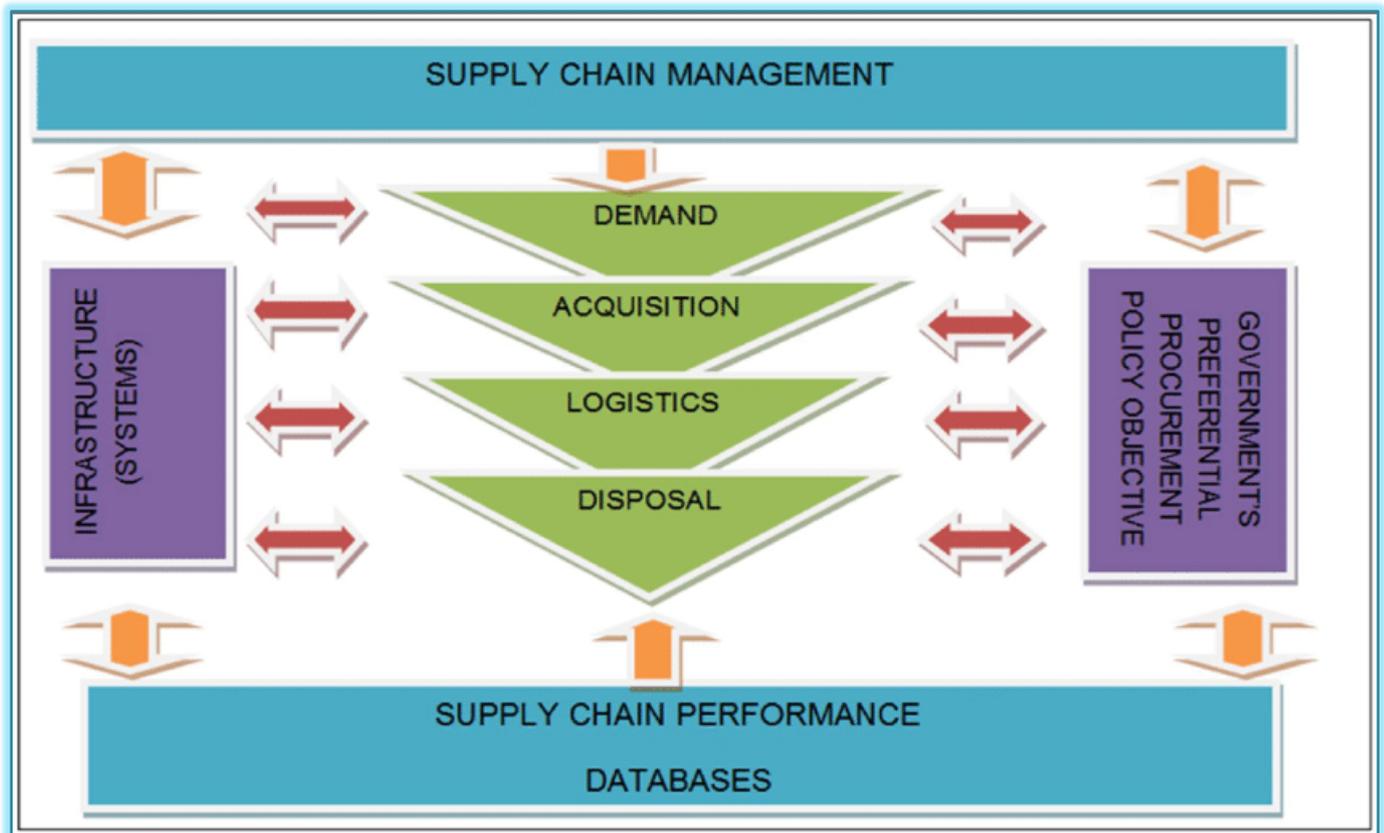
Cost Containment Annual Report			
Cost Containment Measure	Budget	Total Expenditure	Savings
	R'000	R'000	R'000
Use of consultants	R 6 942 000,00	R 3 041 143,25	R 3 900 856,75
Vehicles used for political office-bearers	R -	R -	R -
Travel and subsistence	R 625 640,00	R 423 422,19	R 202 217,81
Domestic accommodation	R 583 200,00	R 200 512,79	R 382 687,21
Sponsorships, events and catering	R 250 000,00	R 118 452,91	R 131 547,09
Communication	R 1 010 800,00	R 429 156,60	R 581 643,40
Other related expenditure items	R 9 971 242,00	R 10 229 581,76	-R 258 339,76
Total	R 19 382 882,00	R 14 442 269,50	R 4 940 612,50

APPENDIX C: Implementation of the SCM Policy



KANNALAND
MUNICIPALITEIT | MUNICIPALITY

**Supply Chain Management Policy
Implementation Report
Third Quarter 2022/23**



Quarterly Report in terms of Section 6(3) of the Municipal SCM Policy

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1. INTRODUCTION

In terms of clauses 6(1) & 6(3) of Kannaland Municipality's Supply Chain Management Policy, the following responsibilities were allocated:

- 1) The council of a municipality must maintain oversight over the implementation of its supply chain management policy.
- 3) The accounting officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality.

2. BACKGROUND

The purpose of this report is to ensure that Council maintains oversight over the implementation of the Supply Chain Management Policy, specifically regarding the following:

- a) Awards made through the bid committee system for the Quarter under review;
- b) Deviations in terms of Clause 36 of the Supply Chain Management Policy;
- c) Minor breaches approved by the Accounting Officer in terms of Clause 36(2) of the Supply Chain Management Policy;
- d) The status of objections, complaints and appeals lodged;
- e) Deviations in terms of section 114 of the MFMA, pertaining to the approval of a tender other than the one recommended through normal procurement processes;
- f) Clause 32 of the SCM Policy disclosure, procurement of goods or services under a contract secured by another organ of state;
- g) Status update on the implementation of the Council approved procurement plan as year-to-date; and
- h) Report of and progress made with incidences of non-compliance and irregular expenditure identified and currently undergoing investigation.

3. SCM POLICY & PROCEDURES

3.1 Adoption of a S

3.2 CM Policy by Council

- Adopted.

3.2 SCM Procedures

- SCM procedures manual and relevant SOP's.

It should however be noted that implementation has been hampered due to the delay in the staff placement process.

3.3 Delegations

- All delegations have not been delegated, are not in writing and accepted.
The above will be address as a matter of urgency.

3.4 Infrastructure Procurement

- The Standard for Infrastructure Procurement and Delivery Management Policy has been adopted.

4. FUNCTIONING OF THE SCM UNIT

4.1 SCM Structure:

- The approved SCM Structure is in place but not in full operation to date.

It is important to note that there are numerous critical vacancies within the SCM department that needs to be filled as a matter of urgency. There are only three positions filled and all are assuming acting positions for more than nine months that is in contravention with the Collective agreement.

Please see below the latest approved organogram:

SCM & Asset Management	Manager: SCM & Contract Management	T15
Demand & Acquisition Management	Senior SCM Practitioner: Demand & Acquisition Management	T11
	Senior Clerk: Procurement	T7
	Senior Clerk: Procurement	T7
Logistics, Compliance & Contract Management	Senior SCM Practitioner: Logistics, Compliance & Contract Management	T11
	Assistant: Inventory Control	T4
	Assistant: Inventory Control	T4
Fleet, Asset & Insurance Management	Accountant: Fleet, Asset & Insurance Management	T12
	Clerk: Assets, Fleet & Insurance	T6

4.2 Declaration of Interest:

- All SCM Practitioners Have declared their interests.

4.3 Code of Conduct for SCM Practitioners:

- All SCM Practitioners have signed the Code of Conduct.

4.4 Training of SCM Personnel:

- Training schedule to be made available.

4. FUNCTIONING OF BID COMMITTEES

4.1 All Bid Committees are constituted in line with Clauses 27, 28 and 29 of the SCM Policy of Kannaland Municipality.

4.2 All Infrastructure Committees are aligned with the Infrastructure Delivery Management System (IDMS)

4.3 Bid Committee Terms of Reference are in place.

5. REPORTING

5.1 Total Bids Awarded

Bids are awarded in terms of Kannaland Municipality's Supply Chain Management Policy.

Total value of bids awarded for the quarter under review:

Bids are awarded in terms of Kannaland Municipality's Supply Chain Management Policy and the preferential points system prescribed in the Preferential Procurement Policy.

Procurement transactions have been processed through the bid committee system and formal written price quotations in excess of R30 000 within the following timeframes:

	2022/23 3 rd Quarter	2022/23 YTD	2022/2021
Bids Processed	10	20	
Bids processed - Average per Quarter			
Average days from final evaluation to Bid Adjudication Committee	N/A	N/A	N/A
Average days from initiation to Bid Specification Committee	N/A	N/A	N/A
Estimated Value of Awards (Rand)	R 814 788.79	R 1 577 529.42	R

A schedule of these awards for the 3RD Quarter of 2022/23 is attached as **Annexure A**.

a) Value of all Awards

The total value of tenders and formal written price quotations in excess of R30 000 awarded by the Supply Chain Management Unit for the 3rd Quarter of 2022/23:

	Operational Amount (Including VAT, where applicable)	Capital Amount (Including VAT, where applicable)	VAT @ 15%	Value of Awards (Including VAT, where applicable) for Q3
Bid Awards (xxx)	R814 788.79	R	R	R814 788.79

b) Deviations – Clause 36(1)(a)

Clause 36(1)(a) of Kannaland Municipality's Supply Chain Management Policy allows circumstances for deviations from the procurement processes. Furthermore, the policy requires in Clause 36(2), that the reasons for any deviations from the procurement processes must be recorded and be reported to Council.

Deviations approved by the Accounting Officer or by the delegated officials were motivated in terms of the following categories for applications approved for the 2022/23 year to date is compared to the 2021/2022 financial year as per the following schedule:

SCM Policy	Description	2022/23 3 rd Quarter	2022/23 to date	2021/2022
Clause 36(1)(a)(i)	Emergency	11		0
Clause 36(1)(a)(ii)	Sole Provider	9		0
Clause 36(1)(a)(iii)	Special works of Art	0		0
Clause 36(1)(a)(iv)	Animals for zoos	0		0
Clause 36(1)(a)(v)	Impractical Impossible	29		0
Total		49	0	0

A schedule of Deviations approved in terms of Clauses 36(1)(a) is attached as **Annexure B**.

Value of all Deviations Awarded

The total value of deviations processed via the Supply Chain Management Unit for the 3rd Quarter of 2022/23, are as follows:

	Operational Amount (Excluding VAT, where applicable)	Capital Amount (Excluding VAT, where applicable)	VAT @ 15%	Value of Awards (Including VAT, where applicable) for Q3
Deviations (xxx)	R 2 578 616.41	R0.00	R 0	R 2 578 616.41

c) Minor Breaches

The Supply Chain Management Policy states in Clause 36(1)(b) that the Accounting Officer may consider ratifying any minor breach of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

The Accounting Officer approved one (0) minor breaches of the Supply Chain Management Policy in the 3rd Quarter of the 2022/2023 financial year:

SCMMB #	Date approved	Description
N/A		

d) Objections, Complaints and Appeals

In terms of Clause 49 of the SCM Policy, persons aggrieved by decisions or actions taken in the implementation of the supply chain management system, may lodge a written objection against the decision or action within 10 business days of the decision or action.

These objections must be dealt with and resolved in terms of Clause 50(1) of the SCM Policy. In terms of this, the Accounting Officer has appointed an 'appeals authority' which must strive to resolve all objections within 46 business days of receipt and report to the Accounting Officer on a monthly basis on the objections received, attended to and resolved in terms of Clause 50(3) of the Policy.

In terms of Section 62 of the Local Government: Municipal Systems Act, No. 32 of 2000, a person whose rights are affected by a decision taken by a staff member of a municipality, may appeal against that decision by giving written notice of the appeal and reasons to the municipal manager within 21 days of the date of the notification of the decision.

e) Incidences of Non-compliance and Irregular Expenditure

In terms of Section 32(4) of the Local Government: Municipal Finance Management, Act No. 56 of 2003, the Executive Mayor, inter alia, must be made aware of all possible irregular expenditure incurred by the municipality.

A register of all incidences of irregular expenditure identified and currently undergoing investigation will be attached when compiled.

f) Awards above R2000 to spouses, child, parent of a person in service of the state

Section 45 of the Supply Management Policy – Nothing to declare

6. FINANCIAL IMPLICATIONS

Nothing to be reported.

7. STAFF IMPLICATIONS

Nothing to be reported.

8. COMMENTS FROM OTHER DEPARTMENTS, DIVISIONS AND ADMINISTRATIONS

Nothing to be reported.

9. ANNEXURES

Annexure A: Schedule of Awards made through the Bid Committee system and all formal written price quotations in excess of R30 000;

Annexure B: Schedule of Deviations from the procurement processes;

Annexure C: Schedule of disputes, objections, queries, complaints and appeals received

RECOMMENDATION TO THE COUNCIL:

That the activities undertaken, and outcomes achieved in the implementation of the Kannaland Municipality's Supply Chain Management Policy for the 3rd Quarter of 2022/23 **be noted**, including the schedules pertaining to -

- Awards made through the Bid Committee system and all formal written price quotations in excess of R30 000;
- Deviations from the procurement processes;
- Disputes, objections, queries, complaints and appeals received; and
- Irregular Expenditure report will be available for the 2nd Quarter of 2022/2023.

APPENDIX A

Attached

APPENDIX B

Attached

APPENDIX C

Attached (There was no disputes, objections, queries, complaints and appeals received)

Annexure A

FORMAL QUOTATION NO.	NAME OF SUPPLIER	APPOINTED 2021/2022	ADDRESS OF SUPPLIER	NAME OF TENDER	AMOUNT
01/2023	GIFTED JACK	2022/2023	2 ARSENAL ROAD SIMONSTOWN	SUPPLY AND DELIVERY OF ULTRA FLOC U3500	R184 000,00
02/2023	CITYSAVE 518 TRADING	2022/2023	215 GRAHAMSTOWN ROAD DEAL PARTY GOEBERHA	SUPPLY AND DELIVERY OF BLACK REFUSE BAGS	R185 725,00
03/2023	ZINGISA INDUSTRIAL SERVICES	2022/2023	6 INDUSTRY ROAD VOORBAAI MOSELBAY 6500	SUPPLY AND DELIVERY OF 800 BAGS OF COLDMIX	R63 992,00
04/2023	GIFTED JACK	2022/2023	2 ARSENAL ROAD SIMONSTOWN	SUPPLY AND DELIVERY OF ULTRA FLOC U3500	R189 999,99
06/2023	NDILRUD TRADING PTY LTD	2022/2023	1 ST JOHNS CLOSE STREET PARKLANDS 7441	SUPPLY AND DELIVERY OF UNIFORMS AND PERSONAL PROTECTION EQUIPMENT	R95 200,00
07/2023	RILEY AUCTIONS AFRICA	2022/2023	3 BERKSWEEL ROAD BRAMLEY	APPOINTMENT OF A SERVICE PROVIDER TO ACT AS A AUCTIONEER FOR THE AUCTION OF OBSOLETE ASSETS OF KANNALAND MUNICIPALITY	
08/2023	SWIFT SILLIKER (PTY) LTD T/A MERIEUX	2022/2023	7 WARRINGTON ROAD CLAREMONT CAPE TOWN 7708	APPOINTMENT OF A SERVICE PROVIDER FOR THE SAMPLING AND TESTING OF PORTABLE AND WASTE WATER SAMPLES IN THE KANNALAND LOCAL MUNICIPALITY AREA FOR A PERIOD OF 3 MONTHS FROM 01 APRIL UNTILL 30 JUNE 2023	R95 871,80
09/2023	VUYANI ELECTRICAL SUPPLIES	2022/2023	285 VOORTREKKER ROAD UNIT B9 MATILAND	SUPPLY AND DELIVERY OF ELECTRICAL HARDWARE AND SUPPLIES	R129 225,50
10/2023	IRRIGATION EQUIPMENT SUPPLIES	2022/2023	POSTNET SUITE 235 PRIVATE BAGS01 BRANDHOFF	SUPPLY AND DELIVERY OF PIPES & FITTINGS	R110 505,00
11/2023	ZINGISA INDUSTRIAL SERVICES	2022/2023	6 INDUSTRY ROAD VOORBAAI MOSELBAY 6500	SUPPLY AND DELIVERY 1250 BAGS OF COLDMIX	R101 425,00 R814 788,79

Annexure B

DEVIATION REGISTER JANUARY 2023- MARCH 2023						
SUPPLY CHAIN MANAGEMENT: ART 36- SCM REGULATIONS						
NOMMER/NUMBER	ORDER NO.	DATUM/DATE	DEPARTEMENT/DEPARTMENT	VERSKAFFER/SUPPLIER	BEDRAG/AMOUNT	REDE/REASON
Jan-23						
8/14/R		03/11/2022	ADMINISTRATION	CONTAINERS 4 LESS	R 10 120,00	THE MUNICIPALITY HAS NO OTHER CHOICE BUT TO APPOINT THE CURRENT SERVICE PROVIDER UP UNTIL A PROCUREMENT AND TENDER PROCESS FOR A MORE PERMANENT SERVICE PROVIDER HAS BEEN FINALIZED. THE AIM OF THIS PROJECT IS TO PROVIDER CONTAINERS FOR STORAGE AND OFFICE IN VARIOUS AREAS WITHIN THE KANNALAND MUNICIPALITY.
8/14/R		03/11/2022	ADMINISTRATION	CONTAINERS 4 LESS	R 10 120,00	THE MUNICIPALITY HAS NO OTHER CHOICE BUT TO APPOINT THE CURRENT SERVICE PROVIDER UP UNTIL A PROCUREMENT AND TENDER PROCESS FOR A MORE PERMANENT SERVICE PROVIDER HAS BEEN FINALIZED. THE AIM OF THIS PROJECT IS TO PROVIDER CONTAINERS FOR STORAGE AND OFFICE IN VARIOUS AREAS WITHIN THE KANNALAND MUNICIPALITY.
8/14/R		25/01/2023	ADMINISTRATION	SOLVEM	R 66 545,90	KANNALAND MUNICIPALITY APPOINTED SOLVEM PREVIOUSLY BYTES WAS APPOINTED IN 1991 TO DEVELOP SOFTWARE FOR A FINANCIAL SYSTEM. EMPLOYEES REQUESTED FOR PROFESSIONAL SAMBAS TRAINING TO INCREASE THEIR WORK ABILITY AND TO PERFORM EVEN BETTER.
8/14/R		23/01/2023	FINANCE	LUCKRUMSOFT	R 38 640,00	THE MUNICIPALITY DOES NOT HAVE FACILITIES TO PERFORM THESE METER READINGS THEMSELVES. THE APPOINTED SERVICE PROVIDER CAN CURRENTLY NOT SUPPLY THE INFORMATION DUE TO THE URGENCY OF THIS SERVICE THAT MUST BE DELIVERED IN INFORMATION IS OBTAINED FROM THE PREVIOUS SERVICE PROVIDER. NO REVENUE I.R.D SERVICES RENDERED CAN BE GENERATED IF THE MONTHLY METER READINGS ARE NOT PERFORMED AND INVOICES RENDERED TO USERS FOR PAYMENT.
8/14/R		13/01/2023	MUNICIPAL MANAGER	MEDIA 24 BEPERK	R 64 400,00	COUNCIL RESOLVED ON 12 JANUARY 2023 TO RE-ADVERTISE THE POSTS OF MUNICIPAL MANAGER AND CFO SERVED AT COUNCIL ON 12 JANUARY 2023. COUNCIL TOOK A DECISION TO RE-ADVERTISE THE POST. IN LINE WITH REGULATION ON THE APPOINTMENT AND CONDITIONS OF SERVICE MANAGERS/2014.
8/14/R		13/01/2023	TECHNICAL	ULTRA WATER CC	R 84 812,50	THE CALTZOORP WATER SUPPLY SYSTEM IS BEING FED FROM THE CALTZOORP DAM, WHICH IS MANAGED BY THE CALTZOORP IRRIGATION BOARD. THE CALTZOORP AREA WAS FLOODED ON 12 DECEMBER 2022 WITH OVER 70MM OF RAINFALL. THIS PRECIPITATION RESULTED IN THE CALTZOORP DAM RECEIVING A RUSH OF MUDGY WATER. THE MUDGY WATER IS FED TO THE WATER TREATMENT WORKS. THE DOSING RATE HAD TO BE INCREASED UP TO 4 LITRES PER HOUR, RESULTING IN THE AVAILABLE FOCCULANT (€3000) NOT BEING ENOUGH AS PER PLANNING DOCUMENT.
8/14/R		20/12/2022	ADMINISTRATION	CONTAINERS 4 LESS	R 10 120,00	THE MUNICIPALITY HAS NO OTHER CHOICE BUT TO APPOINT THE CURRENT SERVICE PROVIDER UP UNTIL A PROCUREMENT AND TENDER PROCESS FOR A MORE PERMANENT SERVICE PROVIDER HAS BEEN FINALIZED. THE AIM OF THIS PROJECT IS TO PROVIDER CONTAINERS FOR STORAGE AND OFFICE IN VARIOUS AREAS WITHIN THE KANNALAND MUNICIPALITY.
8/14/R		20/01/2023	ADMINISTRATION	TELKOM SA LIMITED	R 52 784,20	THE MUNICIPALITY DURING THE PREVIOUS AND CURRENT FINANCIAL YEAR STARTED ENGAGEMENT WITH THE BUSINESS SIDE OF TELKOM, BUT COULD NOT FINALIZE THE PROCESS DUE TO A LACK OF CONTINUITY IN NEGOTIATIONS AND PERSONNEL. MR RUDJ FORTUIN IS STILL IN EVENTUAL PROCUREMENT. TELKOM ARE A GOVERNMENT PARASTATAL. THE CONTRACTS THAT LAPSED MAKES PROVISION FOR A MONTH- TO-MONTH AGREEMENT THAT SHALL BE TERMINATED UPON PRIOR NOTICE BY ANY OF THE PARTIES.
					R 347 542,60	

Feb-23						
8/2/4/R	24/02/2023	ADMINISTRATION	KONICA MINOLTA SOUTH AFRICA	R	43 983,53	THE MUNICIPALITY HAS NO OTHER CHOICE BUT TO APPOINT THE CURRENT SERVICE PROVIDERS UP UNTIL THE END OF THE FINANCIAL YEAR TO ALLOW THE SECTION TO COMPLETE PROCUREMENT AND TENDER PROCESS FOR A SERVICE PROVIDER TO BE APPOINTED ON 30 MONTHS CONTRACT.
8/2/4/R	20/02/2023	TECHNICAL DEPARTMENT	IRAH CONSTRUCTION CC	R	33 800,00	KANNALAND STILL CONSERVANCY TANKS WHICH REQUIRE EXTRACTION BY PUMP WITH THE HONEY SUCKER. THE BIGGEST PART OF THE TOWN AREA OF CALTZDORP IS STILL OPERATING WITH CONSERVANCY TANKS AS WELL AS THE COMMUNITY OF AMALHENTEN AND RURAL FARMING AREAS, INCLUDING VAN WYSDORP. THE MUNICIPAL HONEY SUCKER IS CURRENTLY STILL OUT OF SERVICE DUE TO AN ENGINE FAULT. THIS CAN TAKE SOME TIME, AS PER CONTRACTOR WHO WORKS ON THE MUNICIPAL VEHICLES.
8/2/4/R	20/02/2023	TECHNICAL DEPARTMENT	IRAH CONSTRUCTION CC	R	25 100,00	KANNALAND STILL CONSERVANCY TANKS WHICH REQUIRE EXTRACTION BY PUMP WITH THE HONEY SUCKER. THE BIGGEST PART OF THE TOWN AREA OF CALTZDORP IS STILL OPERATING WITH CONSERVANCY TANKS AS WELL AS THE COMMUNITY OF AMALHENTEN AND RURAL FARMING AREAS, INCLUDING VAN WYSDORP. THE MUNICIPAL HONEY SUCKER IS CURRENTLY STILL OUT OF SERVICE DUE TO AN ENGINE FAULT. THIS CAN TAKE SOME TIME, AS PER CONTRACTOR WHO WORKS ON THE MUNICIPAL VEHICLES.
8/2/4/R	16/02/2023	ADMINISTRATION	TELOM	R	125 229,38	THE BUSINESS SIDE OF TELKOM, BUT COULD NOT FINALISE THE PROCESS DUE TO A LACK OF CONTINUITY IN NEGOTIATIONS AND PERSONNEL. MR RUDO FORTUIN IS STILL IN EVENTUAL PROCUREMENT. TELKOM ARE A GOVERNMENT PARASTATAL. THE CONTRACTS THAT LAPSED MAKES PROVISION FOR A MONTH- TO MONTH AGREEMENT THAT SHALL BE TERMINATED UPON NOTICE BY ANY OF THE PARTIES.
8/2/4/R	13/02/2023	COMMUNITY SERVICES	SANTECH	R	82 329,07	SANTECH IS THE ONLY PROVIDER OF THIS SERVICE IN THE GARDEN ROUTE AREA. SANTECH HAS BEEN USED SINCE MARCH OF 2020. WATER AND SANITATION SERVICE ARE IS A BASIC HUMAN RIGHT. A LACK OF WATER AND SANITATION SERVICE COULD LEAD TO SERIOUS HEALTH AND ENVIRONMENTAL PROBLEMS.
8/2/4/R	16/02/2023	TECHNICAL DEPARTMENT	DELIN	R	28 214,00	KANNALAND NEEDS TO UPDATE THEIR DEBTOR RECORDS OF PROPERTIES SOLD TO ENSURE THAT PROPERTY RATES INVOICES ARE DELIVERED TO THE CORRECT OWNERS. THESE RECORDS ARE OBTAINABLE VIA THE WINDEED ELECTRONIC SYSTEM.
8/2/4/R	15/02/2023	ADMINISTRATION	TELOM	R	11 281,00	THE BUSINESS SIDE OF TELKOM, BUT COULD NOT FINALISE THE PROCESS DUE TO A LACK OF CONTINUITY IN NEGOTIATIONS AND PERSONNEL. MR RUDO FORTUIN IS STILL IN EVENTUAL PROCUREMENT. TELKOM ARE A GOVERNMENT PARASTATAL. THE CONTRACTS THAT LAPSED MAKES PROVISION FOR A MONTH- TO MONTH AGREEMENT THAT SHALL BE TERMINATED UPON NOTICE BY ANY OF THE PARTIES.
8/2/4/R	13/02/2023	COMMUNITY SERVICES	SANTECH	R	82 329,07	BEEN USED SINCE MARCH OF 2020. WATER AND SANITATION SERVICE ARE IS A BASIC HUMAN RIGHT. A LACK OF WATER AND SANITATION SERVICE COULD LEAD TO SERIOUS HEALTH AND ENVIRONMENTAL PROBLEMS.
8/2/4/R	13/02/2023	COMMUNITY SERVICES	SANTECH	R	69 472,24	BEEN USED SINCE MARCH OF 2020. WATER AND SANITATION SERVICE ARE IS A BASIC HUMAN RIGHT. A LACK OF WATER AND SANITATION SERVICE COULD LEAD TO SERIOUS HEALTH AND ENVIRONMENTAL PROBLEMS.
8/2/4/R	09/02/2023	COMMUNITY SERVICES	ARTHURS WORKSHOP & TOWING	R	22 905,00	CAITZDORP RECEIVED UP TO 70MM OF RAIN DURING DECEMBER 2022, RESULTING IN LOCALISED FLOODING AND THE NELSDAM BEING FLOODED WITH ELEVATED LEVELS OF SEDIMENT AND OTHER MINERALS IN THE WATER THAT ARE STIRRED UP WHEN THE WATER LEVEL RISES.
8/2/4/R	14/02/2023	FINANCE	MEDIA 24 BEPERK	R	49 600,00	THE ITEM FOR THE RE-ADVERTISEMENT OF THE VACANT POST OF MUNICIPAL MANAGER AND CEO SERVED AT COUNCIL ON 12 JANUARY 2023. COUNCIL TOOK A DECISION TO RE-ADVERTISEMENT THE POST IN LINE WITH THE REGULATION ON THE APPOINTMENT AND CONDITIONS OF SENIOR MANAGERS.
8/2/4/R	14/02/2023	FINANCE	IBM BRAAF TRUST	R	28 466,73	KANNALAND MUNISPALITEIT ONDERVIND DIE AFGELOPE PAAR JAAR N TE KOHT AM KANTOOR SPASIE. HIERDE BEHOEFTE NET ONTSTAAN AS GEVOLG VAN DIE REIT DAT DIE PERSONELE AANGESTEL MOES WORD OM DIE MUNISPALITEIT IN STAAT TE STEL OM SY DAAGLIESE FUNKSIE DOELTEFFENDUIT TE VOER. GEDEURENDE 2013-2015, HET DIE MUNISPALITEIT REEDS VIR HIERDE DOEL KANTOOR BY MNR ELLIS (MOUNTAIN VIEW) GEHOU.
8/2/4/R	06/02/2023	TECHNICAL DEPARTMENT	IRAH CONSTRUCTION CC	R	29 300,00	KANNALAND STILL CONSERVANCY TANKS WHICH REQUIRE EXTRACTION BY PUMP WITH THE HONEY SUCKER. THE BIGGEST PART OF THE TOWN AREA OF CALTZDORP IS STILL OPERATING WITH CONSERVANCY TANKS AS WELL AS THE COMMUNITY OF AMALHENTEN AND RURAL FARMING AREAS, INCLUDING VAN WYSDORP. THE MUNICIPAL HONEY SUCKER IS CURRENTLY STILL OUT OF SERVICE DUE TO AN ENGINE FAULT. THIS CAN TAKE SOME TIME, AS PER CONTRACTOR WHO WORKS ON THE MUNICIPAL VEHICLES.
8/2/4/R	07/02/2023	FINANCE	WINDEED SYSTEMS	R	851,96	KANNALAND NEEDS TO UPDATE THEIR DEBTOR RECORDS OF PROPERTIES SOLD TO ENSURE THAT PROPERTY RATES INVOICES ARE DELIVERED TO THE CORRECT OWNERS. THESE RECORDS ARE OBTAINABLE VIA THE WINDEED ELECTRONIC SYSTEM.
8/2/4/R	01/02/2023	MUNICIPAL MANAGER	ICT WISE GROUP (PTY) LTD	R	28 119,00	SAP IS CURRENTLY THE SOLE SERVICE PROVIDER FOR THE POSTING OF THE MUNICIPALITY'S MONTHLY SERVICE ACCOUNTS. IN THE EVENT THAT THE SERVICE ACCOUNTS ARE NOT DELIVERED TO THE CONSUMERS, THE MUNICIPALITY CANNOT DEBITATE REVENUE FOR SERVICE DELIVERED.
8/2/4/R	07/02/2023	FINANCE	SA POST OFFICE	R	43 272,35	ICT WOULD HAVE GONE OUT ON TENDER BUT THE PREVIOUS DIRECTOR FINANCE FORGOT TO FORWARD THE INPUTS OF ICT THE BUDGET AND TREASURY OFFICE. CURRENTLY KANNALAND MUNICIPALITY HAS NO APPOINTED NETWORK ADMINISTRATOR. THEREFORE THE APPOINTMENT OF ICT WISE GROUP HAS THE ABILITY TO HELP KANNALAND TO HELP KANNALAND WITH THE ROUTING OF THE NETWORK FROM CALTZDORP AND ZDAR TO LADSMITH.
8/2/4/R	14/02/2023	MUNICIPAL MANAGER	ICT WISE GROUP (PTY) LTD	R	28 119,00	SAP IS CURRENTLY THE SOLE SERVICE PROVIDER FOR THE POSTING OF THE MUNICIPALITY'S MONTHLY SERVICE ACCOUNTS. IN THE EVENT THAT THE SERVICE ACCOUNTS ARE NOT DELIVERED TO THE CONSUMERS, THE MUNICIPALITY CANNOT DEBITATE REVENUE FOR SERVICE DELIVERED.
8/2/4/R	14/02/2023	FINANCE	SA POST OFFICE	R	2 964,50	THE PURPOSE OF THIS DEVIATION IS TO SEEK APPROVAL FROM THE ACTING MUNICIPAL MANAGER IN TERMS OF SECTION 81(4)(V) OF THE MUNICIPAL SUPPLY CHAIN REGULATION, THE COMMUNITY DEVELOPMENT WORKERS (CDW)'S HAVE TO ATTEND AN OPERATIONAL REVIEW ON 17 FEBRUARY 2023.
8/2/4/R	15/02/2023	MUNICIPAL MANAGER	SOUKIRWA RESERVE	R	27 600,00	THE PURPOSE OF THIS DEVIATION IS TO SEEK APPROVAL FROM THE ACTING MUNICIPAL MANAGER IN TERMS OF SECTION 81(4)(V) OF THE MUNICIPAL SUPPLY CHAIN REGULATION, THE COMMUNITY DEVELOPMENT WORKERS (CDW)'S HAVE TO ATTEND AN OPERATIONAL REVIEW ON 17 FEBRUARY 2023.
8/2/4/R	15/02/2023	MUNICIPAL MANAGER	SOUKIRWA RESERVE	R	34 200,00	THE PURPOSE OF THIS DEVIATION IS TO SEEK APPROVAL FROM THE ACTING MUNICIPAL MANAGER IN TERMS OF SECTION 81(4)(V) OF THE MUNICIPAL SUPPLY CHAIN REGULATION, THE COMMUNITY DEVELOPMENT WORKERS (CDW)'S HAVE TO ATTEND AN OPERATIONAL REVIEW ON 17 FEBRUARY 2023.
				R	797 787,83	

Mar-23						
8/2/4/R	28/03/2023	MUNICIPAL MANAGER	TELOM SA LTD	R	36 213,80	THE MUNICIPALITY DURING THE PREVIOUS AND CURRENT FINANCIAL YEAR ENTERED ENGAGEMENT WITH THE BUSINESS SIDE OF TELKOM, BUT COULD NOT FINALISE THE PROCESS DUE TO A LACK OF CONTINUITY IN NEGOTIATIONS AND PERSONNEL. MR RUDO FORTUIN IS STILL IN EVENTUAL PROCUREMENT. TELKOM ARE A GOVERNMENT PARASTATAL. THE CONTRACTS THAT LAPSED MAKE PROVISION FOR A MONTH- TO MONTH AGREEMENT THAT SHALL BE TERMINATED UPON NOTICE BY ANY OF THE PARTIES.
8/2/4/R	28/03/2023	TECHNICAL	PANIE LE ROUX	R	9 600,00	THE MUNICIPAL HONEY SUCKER IS CURRENTLY OUT OF SERVICES DUE TO AN ENGINE FAULT. THIS CAN TAKE SOME TIME, AS PER THE CONTRACTOR WHO WORKS ON THE MUNICIPAL VEHICLES. THE MUNICIPALITY HAS THROUGH THE WATER-GOVERNMENTAL FRAMEWORK REACHED AN AGREEMENT WITH OUDSCHAMMUNICIPALITY, TO PROVIDE HONEY SERVICE TO KANNALAND MUNICIPALITY. KANNALAND STILL HAS CONSERVANCY TANKS WHICH REQUIRE FREQUENT EXTRACTION BY PUMP WITH THE HONEY SUCKER.
8/2/4/R	20/03/2023	MUNICIPAL MANAGER	FTMS CORPORATE ADVISORY SERVICES	R	500 000,00	COUNCIL AND MPAC HAVE TASKED THE ACTING MUNICIPAL MANAGER TO INVESTIGATE SERIOUS ISSUES OF CONCERN AS A MATTER OF URGENCY. SINCE 2021 TO 2020 LITTLE HAS BEEN DONE TO EXECUTE RULINGS MADE BY MPAC TO COLLECT FRUITLESS AND WASTEFUL OR IRREGULAR EXPENSES AND LOSSES. IN FACT SOME OF THESE EXPENDITURES WERE BRUISTIG UNDER ADMINISTRATOR'S WISDOMS. RABBIT ATTENTION IN THE NAME OF OUD- WIR-ATON BRETEL. BUT WITHOUT ANY SUCCESS FROM HIS LOCAL REPRESENTATIVE MR RABETS. FURTHERMORE, ITS ALSO ALLEGED THAT RABETS WERE FAVOURING CERTAIN OFFICIALS AND SERVICE PROVIDERS.
8/2/4/R	20/03/2023	TECHNICAL	DELIN	R	89 425,65	DELIN IS APPOINTED AS THE CONTRACTOR FOR THE INSTALLATION OF KANNALAND WATERMETERS PROJECT. THE PROJECT IS FUNDED THROUGH KANNALAND MUNICIPALITY. THE MUNICIPALITY DOES NOT HAVE FACILITIES TO PERFORM THESE METER READINGS. HOWEVER, THE APPOINTED SERVICE PROVIDER CAN CURRENTLY NOT SUPPLY THE INFORMATION DUE TO THE URGENCY OF THIS SERVICE THAT MUST BE DELIVERED IN INFORMATION IS OBTAINED FROM THE PREVIOUS SERVICE PROVIDER. NO REVENUE IS O SERVICES RECORDED CAN BE GENERATED IF THE MONTHLY METER READINGS ARE NOT PERFORMED AND INVOICES REFERRED TO USERS FOR PAYMENT.
8/2/4/R	17/03/2023	ADMIN	KONICA MINOLTA SOUTH AFRICA	R	41 284,34	THE MUNICIPALITY HAS NO OTHER CHOICE BUT TO APPOINT THE CURRENT SERVICE PROVIDERS UP UNTIL THE END OF THE FINANCIAL YEAR TO ALLOW THE SECTION TO COMPLETE PROCUREMENT AND TENDER PROCESS FOR A SERVICE PROVIDER TO BE APPOINTED ON 36 MONTHS CONTRACT.
8/2/4/R	02/03/2023	FINANCE	SA POST OFFICE	R	43 104,67	SAP IS CURRENTLY THE SOLE SERVICE PROVIDER FOR THE POSTING OF THE MUNICIPALITY'S MONTHLY SERVICE ACCOUNTS. IN THE EVENT THAT THE SERVICE ACCOUNTS ARE NOT DELIVERED TO THE CONSUMERS, THE MUNICIPALITY CANNOT DEBITATE REVENUE FOR SERVICE DELIVERED.
8/2/4/R	02/03/2023	TECHNICAL	DELIN	R	49 140,00	THE MUNICIPALITY IS CURRENTLY EXPERIENCING PROBLEMS WITH SUSTAINABLE WATER PROVISIONING, ESPECIALLY WITH THE ELEVATED LEVELS OF LOADREDDING, AS PART OF CONTINGENCY PLANNING, A STANDBY WATER TRUCK MUST BE AVAILABLE DURING THIS PERIOD. IF THE MUNICIPAL WATER TANKS BRREAKS OR WHEN AN ADDITIONAL WATER TANKER IS NEEDED.
8/2/4/R	03/03/2023	FINANCE	IBM BRAAF TRUST	R	28 466,73	KANNALAND MUNISPALITEIT ONDERVIND DIE AFGELOPE PAAR JAAR N TE KOHT AM KANTOOR SPASIE. HIERDE BEHOEFTE NET ONTSTAAN AS GEVOLG VAN DIE REIT DAT DIE PERSONELE AANGESTEL MOES WORD OM DIE MUNISPALITEIT IN STAAT TE STEL OM SY DAAGLIESE FUNKSIE DOELTEFFENDUIT TE VOER. GEDEURENDE 2013-2015, HET DIE MUNISPALITEIT REEDS VIR HIERDE DOEL KANTOOR BY MNR ELLIS (MOUNTAIN VIEW) GEHOU.
8/2/4/R	07/03/2023	MUNICIPAL MANAGER	ICT WISE GROUP (PTY) LTD	R	28 119,00	KANNALAND MUNICIPALITY HAS NO APPOINTED NETWORK ADMINISTRATOR. THEREFORE THE APPOINTMENT OF ICT WISE GROUP HAS THE ABILITY TO HELP KANNALAND TO HELP KANNALAND WITH THE ROUTING OF THE NETWORK FROM CALTZDORP AND ZDAR TO LADSMITH.
8/2/4/R	08/03/2023	TECHNICAL	SANTECH	R	11 615,00	THE DEPUTY MAYOR HOSTED A PUBLIC EVENT ON 4 MARCH 2023 IN LATEGANSEVAL, OUTSIDE OF CALTZDORP TOWN AREA. THIS EVENT IS AIMED AT RURAL COMMUNITIES, HERICE THE EVENT COULD NOT TAKE PLACE IN CALTZDORP ON THE SPORT FIELD.
8/2/4/R	01/03/2023	FINANCE	WINDEED	R	2 964,48	KANNALAND NEEDS TO UPDATE THEIR DEBTOR RECORDS OF PROPERTIES SOLD TO ENSURE THAT PROPERTY RATES INVOICES ARE DELIVERED TO THE CORRECT OWNERS. THESE RECORDS ARE OBTAINABLE VIA THE WINDEED ELECTRONIC SYSTEM.
8/2/4/R	14/03/2023	MUNICIPAL MANAGER	TITUS & ASSOCIATES T/A KEVIN	R	8 707,50	THE ORIGINAL AGREEMENTS WITH THE SERVICE PROVIDER TO PROVIDE THESE SERVICES HAS LAPSED AND THIS RESULTED IN THE MUNICIPALITY HAVING TO RETAIN THESE SERVICES ON A MONTH TO MONTH BASIS. THE NEED FOR EXTERNAL SPECIFIED CLEANING SERVICES/PRODUCTS ARE A CHALLENGE IN KANNALAND MUNICIPALITY AS WE HAVE LIMITED SOURCES.
8/2/4/R	20/03/2023	ADMIN	BIDVEST STEINER	R	8 504,00	THE ZDAR PUMPSTATION CURRENTLY HAS THREE SUBMERSIBLE PUMPS INSTALLED, OF WHICH TWO IS USED AS DUTY PUMPS AT ANYTIME. THESE PUMPS ARE REDBIT PUMPS, WITH MODELS DWP 82- 86-C, WHICH IS MANUFACTURED IN UNITED KINGDOM. THIS RESULT IN NEW PUMPS ONLY BE AVAILABLE AFTER 12 TO 16 WEEKS PERIOD, AFTER ORDER. ROBOT PUMPS IN CAPE TOWN IS ALSO IMPORTED OF THESE PUMPS.
8/2/4/R	28/03/2023	FINANCE	SA POST OFFICE	R	43 657,50	SAP IS CURRENTLY THE SOLE SERVICE PROVIDER FOR THE POSTING OF THE MUNICIPALITY'S MONTHLY SERVICE ACCOUNTS. IN THE EVENT THAT THE SERVICE ACCOUNTS ARE NOT DELIVERED TO THE CONSUMERS, THE MUNICIPALITY CANNOT DEBITATE REVENUE FOR SERVICE DELIVERED.
8/2/4/R	08/03/2023	TECHNICAL	COASTAL ARMATURE WINDERS	R	449 650,00	EXTERNE VOORSTENDE BEAAMTE VIR DIE DISDISPENSIE VERHOOR VAN MNR R DE JONGH, MEV J ANDREWS, MNR N PASQUALINI EN MNR A DELPORE.
8/2/4/R	15/03/2023	CORPORATE SERVICES	OW IR SOLUTION (PTY) LTD	R	10 500,00	EXTERNE VOORSTENDE BEAAMTE VIR DIE DISDISPENSIE VERHOOR VAN MNR R DE JONGH, MEV J ANDREWS, MNR N PASQUALINI EN MNR A DELPORE.
8/2/4/R	15/03/2023	CORPORATE SERVICES	OW IR SOLUTION (PTY) LTD	R	2 394,00	SINCE 1 MAY 2020 THE MUNICIPALITY IS WITHOUT SPEEDCAMERAS. AFTER THE SUPPLIER CONTRACT CAME TO AND END THERE WERE A DISPUTE BETWEEN THE SUPPLIER AND THE MUNICIPALITY. SO THE SUPPLIER DECIDED TO STOP THESE SERVICES.
8/2/4/R	27/03/2023	COMMUNITY SERVICES	TOTAL COMPUTER SERVICES	R	199 295,00	SINCE 1 MAY 2020 THE MUNICIPALITY IS WITHOUT SPEEDCAMERAS. AFTER THE SUPPLIER CONTRACT CAME TO AND END THERE WERE A DISPUTE BETWEEN THE SUPPLIER AND THE MUNICIPALITY. SO THE SUPPLIER DECIDED TO STOP THESE SERVICES.
8/2/4/R	31/03/2023	TECHNICAL	IRAH CONSTRUCTION	R	23 150,00	KANNALAND STILL CONSERVANCY TANKS WHICH REQUIRE EXTRACTION BY PUMP WITH THE HONEY SUCKER. THE BIGGEST PART OF THE TOWN AREA OF CALTZDORP IS STILL OPERATING WITH CONSERVANCY TANKS AS WELL AS THE COMMUNITY OF AMALHENTEN AND RURAL FARMING AREAS, INCLUDING VAN WYSDORP. THE MUNICIPAL HONEY SUCKER IS CURRENTLY STILL OUT OF SERVICE DUE TO AN ENGINE FAULT. THIS CAN TAKE SOME TIME, AS PER CONTRACTOR WHO WORKS ON THE MUNICIPAL VEHICLES.
				R	1 620 075,92	

APPENDIX F: Material Losses

Material Electricity and Water Losses were as follows and are not recoverable: Q3										
						Kannaland	Ward Loss	Ward Loss		
Electricity Losses:		Lost Units	Tariff	Value		% Loss	Czd	Lds		
January 2023 to March 2023	Q3	887 548	R 1,56	1 384 576		12,7%	20,3%	10,9%		
SDBIP	Q3	-1%	Quarterly Target Missed		12%					
<p>Electricity Losses occur due to <i>inter alia</i>, technical and non-technical losses (Technical losses - inherent resistance of conductors, transformers and other electrical equipment; Non-technical losses - the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal electricity connections). The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters. Faulty meters are replaced as soon as they are reported.</p>										
				Kannaland	Czd	VWD	LDS	Zoar		
Water Losses:		Lost Units	% Loss	% Loss	% Loss	% Loss	% Loss			
January 2023 to March 2023	Q3	101 407	22,1%	17,2%	17,5%	24,5%	21,3%			
SDBIP	Q3	7%	Quarterly Target Achieved		29%					
<p>Water Losses occur due to <i>inter alia</i>, leakages, the tampering of meters, the incorrect ratios used on bulk meters, faulty meters and illegal water connections. The problem with tampered meters and illegal connections is an ongoing process, with regular action being taken against defaulters. Faulty meters and leakages are replaced/repared as soon as they are reported. Water Losses only to be quantified at year-end</p>										