



KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Quarterly Budget Report – Section 52 **3rd Quarter of 2023/24**



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.

LEGISLATIVE FRAMEWORK

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium-term planning and policy choices on service delivery.

This report has been prepared in terms of the following legislative framework:

- The Municipal Finance Management Act – No. 56 of 2003, Sections 71 & 52,
- and The Municipal Budget and Reporting Regulations

The MBRR highlights the format of the monthly budget statements.

28. The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

The objective of these Regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

Report of the Executive Mayor

In accordance with Section 52(d) of the Municipal Finance Management Act, I submit a report to the council within 30 days after the end of the first quarter of 2023/24, on the implementation of the budget and the financial state of affairs of the Kannaland Municipality.

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

Executive Mayor

Recommendations

That the council takes cognisance of the Quarterly budget statement of the **Third Quarter of the 2023/24 MTREF (Q3)**.

SECTION 1 – 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

This report is a summary of the main budget issues arising from the in-year monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

It also compares the quarterly projections for service delivery targets and performance indicators contained in the SDBIP, against the actual; outcomes of the municipality's performance in service delivery for the 3rd quarter of 2023/24.

The performance against the budget can be summarized as follow:

Amount in thousands	Amended Budget	YTD Budget	YTD Actual	YTD Budget vs YTD Actual Variance	YTD Budget vs YTD Actual Variance %
Operating Revenue	R 233 809	R 185 374	R 166 885	R (18 488)	-10%
Operating Expenditure	R 253 451	R 190 029	R 153 727	R (36 302)	-19%
Capital	R 16 026	R 12 020	R 8 349	R (3 671)	-31%

Operational Revenue

The municipality's total operational revenue budget amounts to R234 million and the year-to-date revenue on the budget accrued to R 167 million. This represents 71% of total revenue to date. This presents a 4% under collection for total revenue as at quarter three (3).

Operational Expenditure

The municipality's total operational expenditure budget amounts to R253 million, with a year-to-date performance of R154 million, or 61% of the total expenditure budget. This presents a 14% under-spent for total expenditure as at quarter three (3), which in the event of expenditure will be realised in the unfunded expenditure.

Capital Expenditure

The total capital budget for the municipality amounts to R12 million with a year-to-date performance of R 8 million, or 69% of the total capital budget. Commitments for R (6.9 million), obtain form Makier) for expenditure in April and May 2024.

Operating Surplus/Deficit

This quarter operating revenue amounted to R 58 million, with expenditure amounting to R 32 million, with an operating deficit of R 26 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 C.

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) That measures on debt collection are implemented and applied effectively;
- (e) A procurement plan be developed and approved as a matter of urgency;
- (f) That the funding plan addresses all issues and challenges on the financial performance of the municipality and adapt to an always changing environment.

SECTION 2 – IN-YEAR BDUEGT STATEMENT TABLES

2.1 TABLE C1 – QUARTERLY BUDGET SUMMARY

Western Cape: Kannaland (WC041) - Table C1 Quarterly Budget Summary for 3rd Quarter ended 31 March 2024

Description	2022/23	2023/24	Budget year 2023/24										
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
Financial Performance													
Property rates	25,562	-	26,915	26,915	7,119	7,069	6,884	-	21,071	26,915	(5,844)	(21.71)	26,915
Service charges	101,947	-	117,388	117,388	29,382	27,423	31,521	-	88,326	117,388	(29,062)	(24.76)	117,388
Investment revenue	1,845	-	960	960	562	260	370	-	1,192	960	232	24.15	960
Transfer and subsidies - Operational	41,576	-	64,252	71,715	16,219	13,838	10,200	-	40,258	71,715	(31,457)	(43.86)	71,715
Other own revenue	12,828	-	16,831	16,831	3,746	5,485	8,794	-	18,024	16,831	1,193	7.09	16,831
Total Revenue (excluding capital transfers and contributions)	183,758	-	226,346	233,809	57,027	54,075	57,769	-	168,871	233,809	(64,938)	(27.77)	233,809
Employee costs	81,640	-	79,390	91,548	23,097	25,493	23,581	-	72,171	91,548	(19,377)	(21.17)	91,548
Remuneration of councillors	4,746	-	3,276	3,866	1,090	952	925	-	2,967	3,866	(899)	(23.24)	3,866
Depreciation and amortisation	13,957	-	11,762	11,885	2,940	2,940	2,940	-	8,821	11,885	(3,064)	(25.78)	11,885
Finance charges	6,069	-	8,000	1,100	1	495	3	-	499	1,100	(601)	(54.64)	1,100
Inventory consumed and bulk purchases	58,220	-	64,991	64,158	7,254	37,696	780	-	45,730	64,158	(18,428)	(28.72)	64,158
Transfers and subsidies	255	-	920	400	10	114	4	-	128	400	(272)	(68.12)	400
Other expenditure	97,034	-	72,573	79,621	3,121	22,609	4,279	-	30,009	79,621	(49,612)	(62.31)	79,621
Total Expenditure	261,921	-	240,912	252,579	37,514	90,300	32,512	-	160,326	252,579	(92,253)	(36.52)	252,579
Surplus/(Deficit)	(78,163)	-	(14,566)	(18,770)	19,513	(36,225)	25,257	-	8,545	(18,770)	27,315	(145.53)	(18,770)
Transfers and subsidies - capital (monetary allocations)	8,426	-	15,804	17,433	2,112	5,070	369	-	7,551	17,433	(9,882)	(56.68)	17,433
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(69,737)	-	1,238	(1,336)	21,626	(31,155)	25,626	-	16,097	(1,336)	17,433	(1,304.62)	(1,336)
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(69,737)	-	1,238	(1,336)	21,626	(31,155)	25,626	-	16,097	(1,336)	17,433	(1,304.62)	(1,336)
Capital expenditure & funds sources													
Capital expenditure	3,047	-	13,743	16,026	530	6,765	1,053	-	8,349	16,026	(7,678)	(47.91)	16,026
Transfers recognised - capital	17,429	-	13,743	15,366	530	6,765	1,053	-	8,349	15,366	(7,017)	(45.67)	15,366
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	(21,435)	-	-	661	-	-	-	-	-	661	(661)	(100.00)	661
Total sources of capital funds	(4,007)	-	13,743	16,026	530	6,765	1,053	-	8,349	16,026	(7,678)	(47.91)	16,026
Financial position													
Total current assets	(36,163)	-	(23,714)	(17,958)	39,604	(76,378)	51,895	-	15,121	(17,958)	33,080	(184.20)	(17,958)
Total non current assets	317,657	-	1,961	4,141	(2,410)	321,482	(1,887)	-	317,184	4,141	313,043	7,558.75	4,141
Total current liabilities	82,292	-	(22,971)	(12,481)	15,583	77,073	24,372	-	117,028	(12,481)	129,509	(1,037.67)	(12,481)
Total non current liabilities	30,889	-	-	-	-	30,889	-	-	30,889	-	30,889	-	-
Community wealth/Equity	251,141	-	2,867	2,867	(14)	168,297	10	-	168,293	2,867	165,425	5,769.75	2,867
Cash flows													
Net cash from (used) operating	75,736	-	5,213	6,729	47,361	(17,028)	57,169	-	87,502	6,729	80,772	1,200.30	6,729
Net cash from (used) investing	(8,622)	-	(13,258)	(16,026)	(577)	(5,805)	(1,211)	-	(7,593)	(16,026)	8,434	(52.62)	(16,026)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	98,048	-	(8,045)	(9,297)	46,784	44,681	100,638	100,638	100,638	(9,297)	109,936	(1,182.48)	(9,297)
Collection Rate	56.71	-	93.01	92.62	65.91	60.43	61.84	-	62.75	92.62	-	-	92.62
Property rates	19.25	-	82.87	82.87	56.37	64.57	59.90	-	60.27	82.87	-	-	82.87
Service charges	71.99	-	103.01	102.50	75.84	67.68	67.82	-	70.44	102.50	-	-	102.50
Service charges - electricity revenue	79.73	-	109.68	109.68	83.01	71.57	84.88	-	80.04	109.68	-	-	109.68
Service charges - water revenue	64.83	-	89.61	86.92	71.74	65.26	44.04	-	56.96	86.92	-	-	86.92
Service charges - sanitation revenue	56.88	-	92.00	92.00	53.20	58.19	52.92	-	54.77	92.00	-	-	92.00
Service charges - refuse revenue	47.35	-	92.00	92.00	46.04	53.83	44.89	-	48.24	92.00	-	-	92.00
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-

2.2 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 2024

Description	Ref	2022/23	2023/24	Budget year 2023/24										
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands														
Revenue - Functional														
Municipal governance and administration		68,359	-	50,659	52,394	23,760	22,017	22,863	-	68,639	52,394	16,245	31.01	52,394
Executive and council		33,573		12,961	13,261	14,728	11,824	8,837		35,389	13,261	22,128	166.86	13,261
Finance and administration		34,786		37,698	39,133	9,032	10,193	14,026		33,250	39,133	(5,883)	(15.03)	39,133
Internal audit														
Community and public safety		11,776	-	36,120	41,087	3,195	6,142	1,319	-	10,656	41,087	(30,431)	(74.06)	41,087
Community and social services		11,666		15,750	15,041	3,195	6,142	1,276		10,613	15,041	(4,428)	(29.44)	15,041
Sport and recreation		0						43		43		43		
Public safety		110				(0)				(0)		(0)		
Housing				20,370	26,046						26,046	(26,046)	(100.00)	26,046
Health														
Economic and environmental services		2,239	-	4,604	4,904	594	638	529	-	1,761	4,904	(3,142)	(64.08)	4,904
Planning and development														
Road transport		2,239		4,604	4,904	594	638	529		1,761	4,904	(3,142)	(64.08)	4,904
Environmental protection														
Trading services		109,810	-	150,767	152,857	31,591	30,348	33,426	-	95,366	152,857	(57,492)	(37.61)	152,857
Energy sources		65,268		81,032	81,103	19,922	17,230	17,863		55,015	81,103	(26,088)	(32.17)	81,103
Water management		23,004		37,355	39,374	5,731	6,956	9,905		22,592	39,374	(16,782)	(42.62)	39,374
Waste water management		10,774		16,612	16,612	2,983	3,128	2,895		9,006	16,612	(7,605)	(45.78)	16,612
Waste management		10,764		15,769	15,769	2,954	3,035	2,764		8,752	15,769	(7,016)	(44.50)	15,769
Other	4													
Total Revenue - Functional	2	192,184	-	242,150	251,242	59,139	59,145	58,138	-	176,422	251,242	(74,820)	(29.78)	251,242
Expenditure - Functional														
Municipal governance and administration		89,810	-	86,062	88,523	15,998	21,727	17,808	-	55,534	88,523	(32,990)	(37.27)	88,523
Executive and council		23,144		24,205	22,906	5,065	6,470	5,618		17,153	22,906	(5,753)	(25.11)	22,906
Finance and administration		66,666		61,858	65,618	10,934	15,257	12,190		38,381	65,618	(27,237)	(41.51)	65,618
Internal audit														
Community and public safety		15,601	-	31,175	37,936	3,176	3,311	2,536	-	9,024	37,936	(28,912)	(76.21)	37,936
Community and social services		10,203		8,894	9,344	2,285	2,349	1,745		6,379	9,344	(2,965)	(31.73)	9,344
Sport and recreation		1,096		532	1,096	248	204	197		649	1,096	(447)	(40.77)	1,096
Public safety		1,197		280	280	369	417	322		1,107	280	828	295.96	280
Housing		3,105		21,469	27,216	275	341	272		888	27,216	(26,328)	(96.74)	27,216
Health														
Economic and environmental services		17,058	-	17,691	20,660	3,452	3,644	3,677	-	10,773	20,660	(9,888)	(47.86)	20,660
Planning and development	5													
Road transport		17,053		17,691	20,660	3,452	3,644	3,677		10,773	20,660	(9,888)	(47.86)	20,660
Environmental protection														
Trading services		139,453	-	105,983	105,459	14,887	61,618	8,491	-	84,996	105,459	(20,464)	(19.40)	105,459
Energy sources		64,460		70,336	65,457	8,271	38,279	1,338		47,887	65,457	(17,569)	(26.84)	65,457
Water management		35,304		14,006	17,622	2,923	12,695	3,212		18,830	17,622	1,208	6.86	17,622
Waste water management		20,940		10,984	11,509	1,542	5,188	1,554		8,284	11,509	(3,225)	(28.02)	11,509
Waste management		18,749		10,657	10,871	2,151	5,456	2,387		9,994	10,871	(877)	(8.07)	10,871
Other	4													
Total Expenditure - Functional	3	261,921	-	240,912	252,579	37,514	90,300	32,512	-	160,326	252,579	(92,253)	(36.52)	252,579
		(69,737)	-	1,238	(1,336)	21,626	(31,155)	25,626	-	16,097	(1,336)	17,433	(1,304.62)	(1,336)

2.3 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) -										
Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		33,573	12,961	13,261	8,837	35,389	13,158	22,231	169.0%	13,261
Vote 2 - CORPORATE SERVICES		13,175	41,883	46,985	411	11,413	35,239	(23,826)	-67.6%	46,985
Vote 3 - FINANCIAL SERVICES		33,986	34,750	36,050	2,681	32,828	27,771	5,057	18.2%	36,050
Vote 4 - TECHNICAL SERVICES		111,450	152,556	154,946	12,228	96,793	122,281	(25,489)	-20.8%	154,946
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	192,184	242,150	251,242	24,157	176,422	198,449	(22,027)	-11.1%	251,242
Expenditure by Vote	1									
Vote 1 - MUNICIPAL MANAGER		21,671	24,748	23,656	1,985	17,153	17,742	(589)	-3.3%	23,656
Vote 2 - CORPORATE SERVICES		37,646	55,025	65,328	3,099	29,170	48,948	(19,777)	-40.4%	65,328
Vote 3 - FINANCIAL SERVICES		38,564	38,044	41,049	1,668	19,331	30,776	(11,445)	-37.2%	41,049
Vote 4 - TECHNICAL SERVICES		129,996	121,333	121,113	8,895	93,791	90,834	2,957	3.3%	121,113
Vote 5 - CALITZDORP SPA		-	-	-	-	-	-	-	-	-
Vote 6 - CORPORATE SERVICES (Continued)		1,381	2,305	2,305	40	879	1,729	(849)	-49.1%	2,305
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	229,258	241,455	253,451	15,687	160,326	190,029	(29,703)	-15.6%	253,451
Surplus/ (Deficit) for the year	2	(37,074)	695	(2,209)	8,471	16,097	8,420	7,677	91.2%	(2,209)

2.4 TABLE C4 – QUARTERLY FINANCIAL PERFORMANCE

Western Cape: Kannaland (WC041) - Table C4 Quarterly Budgeted Financial Performance (All) for 3rd Quarter ended 31 March 2024

Description	Ref	2022/23	2023/24	Budget year 2023/24										
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands														
Revenue														
Exchange Revenue														
Service charges - Electricity		64,073		76,101	76,101	19,869	17,162	17,810		54,840	76,101	(21,261)	(27.94)	76,101
Service charges - Water		20,258		22,267	22,267	4,834	5,710	9,198		19,742	22,267	(2,526)	(11.34)	22,267
Service charges - Waste Water Management		8,707		9,610	9,610	2,336	2,305	2,296		6,937	9,610	(2,673)	(27.81)	9,610
Service charges - Waste Management		8,910		9,410	9,410	2,343	2,247	2,217		6,807	9,410	(2,603)	(27.66)	9,410
Sale of Goods and Rendering of Services		428		396	396	61	210	110		382	396	(14)	(3.64)	396
Agency services		1,215		1,350	1,350	317	407	281		1,005	1,350	(345)	(25.54)	1,350
Interest														
Interest earned from Receivables		6,176		5,929	5,929	2,065	2,538	1,759		6,361	5,929	432	7.29	5,929
Interest earned from Current and Non Current Assets		1,845		960	960	562	260	370		1,192	960	232	24.15	960
Dividends														
Rent on Land														
Rental from Fixed Assets		611		1,098	1,098	176	160	153		490	1,098	(608)	(55.40)	1,098
Licence and permits		171		159	159	52	43	53		149	159	(10)	(6.07)	159
Operational Revenue		602		66	66	49	333	56		438	66	372	562.29	66
Non-Exchange Revenue														
Property rates		25,562		26,915	26,915	7,119	7,069	6,884		21,071	26,915	(5,844)	(21.71)	26,915
Surcharges and Taxes					(0)		583	5,449		6,032	(0)	6,032	(603,163.20)	(0)
Fines, penalties and forfeits		395		2,501	2,501	83	45	54		182	2,501	(2,319)	(92.73)	2,501
Licences or permits		0		30	30	0				0	30	(30)	(99.82)	30
Transfer and subsidies - Operational		41,576		64,252	71,715	16,219	13,838	10,200		40,258	71,715	(31,457)	(43.86)	71,715
Interest		2,561		2,802	2,802	767	975	703		2,444	2,802	(358)	(12.77)	2,802
Fuel Levy														
Operational Revenue		667				175	190	176		541		541		
Gains on disposal of Assets				2,500	2,500						2,500	(2,500)	(100.00)	2,500
Other Gains														
Discontinued Operations														
Total Revenue (excluding capital transfers and contributions)		183,758	-	226,346	233,809	57,027	54,075	57,769	-	168,871	233,809	(64,938)	(27.77)	233,809
Expenditure														
Employee related costs		81,640		79,390	91,548	23,097	25,493	23,581		72,171	91,548	(19,377)	(21.17)	91,548
Remuneration of councillors		4,746		3,276	3,866	1,090	952	925		2,967	3,866	(899)	(23.24)	3,866
Bulk purchases - electricity		55,313		56,045	56,045	6,573	36,062	(351)		42,285	56,045	(13,760)	(24.55)	56,045
Inventory consumed		2,907		8,946	8,113	681	1,634	1,131		3,446	8,113	(4,667)	(57.53)	8,113
Debt impairment		59,016		16,691	16,691						16,691	(16,691)	(100.00)	16,691
Depreciation and amortisation		13,957		11,762	11,885	2,940	2,940	2,940		8,821	11,885	(3,064)	(25.78)	11,885
Interest		6,069		8,000	1,100	1	495	3		499	1,100	(601)	(54.64)	1,100
Contracted services		22,841		33,727	40,017	613	2,587	1,044		4,254	40,017	(35,763)	(89.37)	40,017
Transfers and subsidies		255		920	400	10	114	4		128	400	(272)	(68.12)	400
Irrecoverable debts written off		46				70	16,695			16,765		16,765		
Operational costs		14,873		22,156	22,914	2,438	3,317	3,234		8,990	22,914	(13,924)	(60.77)	22,914
Losses on disposal of Assets		(609)												
Other Losses		866												
Total Expenditure		261,921	-	240,912	252,579	37,514	90,300	32,512	-	160,326	252,579	(92,253)	(36.52)	252,579
Surplus/(Deficit)		(78,163)	-	(14,566)	(18,770)	19,513	(36,225)	25,257	-	8,545	(18,770)	27,315	(145.53)	(18,770)
Transfers and subsidies - capital (monetary allocations)		8,426		15,804	17,433	2,112	5,070	369		7,551	17,433	(9,882)	(56.68)	17,433
Transfers and subsidies - capital (in-kind)														
Surplus/(Deficit) after capital transfers and contributions		(69,737)	-	1,238	(1,336)	21,626	(31,155)	25,626	-	16,097	(1,336)	17,433	(1,304.62)	(1,336)
Income Tax														
Surplus/(Deficit) after income tax		(69,737)	-	1,238	(1,336)	21,626	(31,155)	25,626	-	16,097	(1,336)	17,433	(1,304.62)	(1,336)
Share of Surplus/Deficit attributable to Joint Venture														
Share of Surplus/Deficit attributable to Minorities														
Surplus/(Deficit) attributable to municipality		(69,737)	-	1,238	(1,336)	21,626	(31,155)	25,626	-	16,097	(1,336)	17,433	(1,304.62)	(1,336)
Share of Surplus/Deficit attributable to Associate														
Intercompany/Parent subsidiary transactions														
Surplus/(Deficit) for the year		(69,737)	-	1,238	(1,336)	21,626	(31,155)	25,626	-	16,097	(1,336)	17,433	(1,304.62)	(1,336)

2.5 OPERATING REVENUE BY SOURCES:

- **YTD Electricity Revenue – R 54.8 million (72% of the Electricity Budget)**

Electricity billing during the **third quarter** amounted to **R 17 million** a **23%** of the total budget.

- **YTD Water Revenue – R 19.7 million (89% of the Water Budget)**

Water billing during the **third quarter** amounted to **R 9.1 million** a **41%** of the total budget

- **YTD Sewerage Revenue – R 6.9 million (72% of the Sewerage Budget)**

Sewerage billing during the **third quarter** amounted to **R 2.2 million** a **24%** of the total budget.

- **YTD Refuse Removal Revenue – R 6.8 million (72% of the Solid Waste Budget)**

Refuse billing during the **third quarter** amounted to **R 2.2 million** a **24%** of the total budget

- **Interest on Outstanding Debtors**

Interest charges on outstanding debtors for the year-to-date is **R 6.4 million** and **R 1.7 million** for the quarter.

- **Rental of facilities and equipment**

Rental of facilities and equipment amounted to **R 153 thousand** and **14%** of the total budget for the third quarter.

- **Interest on external investments – R 370 thousand (39% of the interest Budget)**

- **Fines Penalties and forfeits**

Fines Penalties and forfeits for **Third quarter** amounted to **R 54 thousand** this represents **7%** of the YTD budget.

- **Other revenue, Agency services, licences and permits**

Other Revenue, Agency Services and Licences and permits amounts to **R 623 thousand** this represents **14%** of the YTD budget

2.6 OPERATING EXPENDITURE BY TYPE

- **Employee Related Costs for the year amounts to R 72 million representing 79% the Councillors amounts to R 2.9 million or 77% of the annual budget**
The third quarter amounts to R 23.5 million (26% of Annual Employee Budget) with Councillors at R 925 thousand (24% of the Annual Councillors Remuneration Budget)
- **Bulk Purchases amounts to R42 million or 75% of the annual budget**
Bulk purchases for the third quarter amounts of R 18 million representing 32% of the YTD budget.
- **Finance Charges amount to R 499 thousand or 45% of the annual budget**
The third quarter expenditure amounts to R 248 million or 25% of the budget.
- **Other materials – R 1.3 million (14% of the budget)**
Expenditure on “Other Materials” is well below the year-to-date forecast.
- **Contracted Services amount to R 4.2 million or 11% of the annual budget**
The third quarter expenditure amounts to R 1 million or 3% of the budget.
- **Other Expenditure – R 3.2 million (14 % of Budget)**
Other expenditure is much lower than forecasted. Expenditure can only be incurred in terms of available revenue.

2.7 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 2024

Description	Ref	2022/23	2023/24	Budget year 2023/24										Full Year Forecast
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	
R thousands														
Capital Expenditure - Functional														
Municipal governance and administration		6,856	-	-	261	-	-	-	-	-	261	(261)	(100.00)	261
Executive and council					261						261	(261)	(100.00)	261
Finance and administration		6,856												
Internal audit														
Community and public safety		-	-	-	206	-	-	-	-	-	206	(206)	(100.00)	206
Community and social services					206						206	(206)	(100.00)	206
Sport and recreation														
Public safety														
Housing														
Health														
Economic and environmental services		(21,238)	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development														
Road transport		(21,238)												
Environmental protection														
Trading services		17,429	-	13,743	15,559	530	6,765	1,053	-	8,349	15,559	(7,211)	(46.34)	15,559
Energy sources		873		485	62		1,171			1,171	62	1,110	1,798.96	62
Water management		(676)		6,449	6,490	530	378			908	6,490	(5,581)	(86.01)	6,490
Waste water management		17,231		6,809	9,008		5,216	1,053		6,269	9,008	(2,739)	(30.41)	9,008
Waste management														
Other														
Total Capital Expenditure - Functional	3	3,047	-	13,743	16,026	530	6,765	1,053	-	8,349	16,026	(7,678)	(47.91)	16,026
Funded by														
National Government	-	17,231		13,743	12,646	530	6,765	1,053		8,349	12,646	(4,298)	(33.98)	12,646
Provincial Government		197			2,719						2,719	(2,719)	(100.00)	2,719
District Municipality														
Transfers and subsidies - capital (monetary allocations) (Nat/Prov)														
Transfers recognised - capital		17,429	-	13,743	15,366	530	6,765	1,053	-	8,349	15,366	(7,017)	(45.67)	15,366
Borrowing	6													
Internally generated funds		(21,435)			661						661	(661)	(100.00)	661
Total Capital Funding		(4,007)	-	13,743	16,026	530	6,765	1,053	-	8,349	16,026	(7,678)	(47.91)	16,026

CAPITAL EXPENDITURE

- The YTD capital expenditure for including **quarter 3** was **R 6 765 million** which amounts to **49%** of the total budget.

2.8 TABLE C6 – QUARTERLY BUDGETED FINANCIAL POSITION

Western Cape: Kannaland (WC041) - Table C6 Quarterly Budget Statement - Financial Position (All) for 3rd Quarter ended 31 March 2024

Description	Ref	2022/23	2023/24	Budget year 2023/24										
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands	1													
ASSETS														
Current assets														
Cash and cash equivalents		20,729		(14,630)	(10,079)	29,468	(17,866)	37,003		48,606	(10,079)	58,684	(582.26)	(10,079)
Trade and other receivables from exchange transactions		(19,814)		(9,478)	(9,478)	7,018	(25,319)	11,545		(6,756)	(9,478)	2,722	(28.72)	(9,478)
Receivables from non-exchange transactions		(1,219)		(1,128)	(1,128)	2,093	(2,631)	2,056		1,518	(1,128)	2,646	(234.56)	(1,128)
Current portion of non-current receivables														
Inventory		2,400		(8,946)	(8,084)	(73)	2,417	(2)		2,342	(8,084)	10,426	(128.97)	(8,084)
VAT		(37,195)		10,468	10,811	1,170	(31,884)	1,279		(29,434)	10,811	(40,245)	(372.27)	10,811
Other current assets		(1,063)				(73)	(1,095)	14		(1,154)		(1,154)		
Total current assets		(36,163)	-	(23,714)	(17,958)	39,604	(76,378)	51,895	-	15,121	(17,958)	33,080	(184.20)	(17,958)
Non current assets														
Investments														
Investment property		1,116					1,116			1,116		1,116		
Property, plant and equipment		316,531		1,981	4,141	(2,410)	320,356	(1,887)		316,059	4,141	311,917	7,531.58	4,141
Biological assets														
Living and non-living resources														
Heritage assets														
Intangible assets		9					9			9		9		
Trade and other receivables from exchange transactions														
Non-current receivables from non-exchange transactions														
Other non-current assets														
Total non current assets		317,657	-	1,981	4,141	(2,410)	321,482	(1,887)	-	317,184	4,141	313,043	7,558.75	4,141
TOTAL ASSETS		281,494	-	(21,733)	(13,817)	37,194	245,104	50,008	-	332,306	(13,817)	346,123	(2,505.06)	(13,817)
LIABILITIES														
Current liabilities														
Bank overdraft	-	0												
Financial liabilities														
Consumer deposits	-	1,364				23	1,393	6		1,422		1,422		
Trade and other payables from exchange transactions		99,664		(19,856)	(9,366)	2,335	94,369	(8,836)		87,868	(9,366)	97,234	(1,038.19)	(9,366)
Trade and other payables from non-exchange transactions		13,937				8,828	11,777	28,532		49,137		49,137		
Provision		8,491					8,491			8,491		8,491		
VAT		(41,164)		(3,115)	(3,115)	4,397	(38,957)	4,670		(29,890)	(3,115)	(26,775)	859.54	(3,115)
Other current liabilities														
Total current liabilities		82,292	-	(22,971)	(12,481)	15,583	77,073	24,372	-	117,028	(12,481)	129,509	(1,037.67)	(12,481)
Non current liabilities														
Financial liabilities														
Provision		19,349					19,349			19,349		19,349		
Long term portion of trade payables														
Other non-current liabilities		11,540					11,540			11,540		11,540		
Total non current liabilities		30,889	-	-	-	-	30,889	-	-	30,889	-	30,889	-	-
TOTAL LIABILITIES	2	113,181	-	(22,971)	(12,481)	15,583	107,962	24,372	-	147,917	(12,481)	160,397	(1,285.16)	(12,481)
NET ASSETS		168,314	-	1,238	(1,336)	21,611	137,142	25,636	-	184,389	(1,336)	185,725	(13,899.24)	(1,336)
COMMUNITY WEALTH/EQUITY														
Accumulated surplus/(deficit)		250,680		2,867	2,867	(14)	167,836	10		167,831	2,867	164,964	6	2,867
Reserves and funds		462					462			462		462		
Other														
TOTAL COMMUNITY WEALTH/EQUITY	2	251,141	-	2,867	2,867	(14)	168,297	10	-	168,293	2,867	165,425	6	2,867

2.9 TABLE C7 – QUARTERLY BUDGETED CASH FLOW

Western Cape: Kannaland (WC041) - Table C7 Quarterly Budgeted Cash Flows (All) for 3rd Quarter ended 31 March 2024

Description	Ref	2022/23	2023/24	Budget year 2023/24											
	1	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Q1 Sept Actual	Q2 Dec Actual	Q3 Mar Actual	Q4 June Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast	
CASH FLOW FROM OPERATING ACTIVITIES															
Receipts															
Property rates		4,921		22,305	22,305	4,013	4,564	4,123		12,701	22,305	(9,604)	(43.06)	22,305	
Service charges		73,390		120,923	120,323	22,282	18,560	21,379		62,220	120,323	(58,103)	(48.29)	120,323	
Other revenue		2,794		9,067	9,067	5,122	2,128	6,854		14,105	9,067	5,038	55.56	9,067	
Transfers and Subsidies - Operational	1	43,410		64,252	71,715	19,176	13,631	33,064		65,871	71,715	(5,844)	(8.15)	71,715	
Transfers and Subsidies - Capital	1	13,170		15,804	17,433	8,056	3,118	6,038		17,212	17,433	(221)	(1.27)	17,433	
Interest															
Dividends															
Payments															
Suppliers and employees		(61,949)		(227,138)	(234,114)	(11,288)	(59,029)	(14,289)		(84,607)	(234,114)	149,507	(63.86)	(234,114)	
Finance charges															
Transfers and Subsidies	1														
NET CASH FROM/(USED) OPERATING ACTIVITIES			75,736	-	5,213	6,729	47,361	(17,028)	57,169	-	87,502	6,729	80,772	1,200.30	6,729
CASH FLOWS FROM INVESTING ACTIVITIES															
Receipts															
Proceeds on disposal of PPE															
Decrease (increase) in non-current receivables															
Decrease (increase) in non-current investments		186													
Payments															
Capital assets		(8,808)		(13,258)	(16,026)	(577)	(5,805)	(1,211)		(7,593)	(16,026)	8,434	(52.62)	(16,026)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			(8,622)	-	(13,258)	(16,026)	(577)	(5,805)	(1,211)	-	(7,593)	(16,026)	8,434	(52.62)	(16,026)
CASH FLOWS FROM FINANCING ACTIVITIES															
Receipts															
Short term loans															
Borrowing long term/refinancing															
Increase (decrease) in consumer deposits															
Payments															
Repayment of borrowing															
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	-	-	-	-	-	-	-	-	-	-	-	
NET INCREASE/(DECREASE) IN CASH HELD			67,113	-	(8,045)	(9,297)	46,784	(22,833)	55,958	-	79,909	(9,297)	89,206	(959.51)	(9,297)
Cash/cash equivalents at the year begin:		30,934					46,784	23,951	79,909	-	-	-	-	-	
Cash/cash equivalents at the year end:	2	98,048	-	(8,045)	(9,297)	46,784	23,951	79,909	79,909	79,909	(9,297)	89,206	(959.51)	(9,297)	

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

- Standard Bank Main Account is **R 1.5 million**;
- The Traffic Account has **R 670 thousand**;
- Deposit Account has **R 1 million**; and
- Call Account has **R 38 million**.

SECTION 3 SUPPORTING DOCUMENTATION

3.1 TABLE SC3 – DEBTORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC3 Monthly Budget Statement - aged debtors - for 3rd Quarter ended 31 March 2024

Description	NT Code	Budget Year 2023/24										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	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	5,723	1,510	826	895	562	578	2,804	18,656	31,554	23,495	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,234	353	142	166	106	72	308	759	3,140	1,411	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2,629	805	674	613	615	527	3,003	21,615	30,481	26,373	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	742	349	358	335	334	332	1,766	11,498	15,713	14,265	-	-
Receivables from Exchange Transactions - Waste Management	1600	1,441	592	558	548	537	525	2,718	16,721	23,639	21,049	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	0	-	-	-	0	0	-	-
Interest on Arrear Debtor Accounts	1810	-	68	52	102	108	125	1,010	24,301	25,766	25,646	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(2,290)	250	203	189	172	166	764	3,409	2,863	4,700	-	-
Total By Income Source	2000	9,478	3,928	2,811	2,848	2,434	2,325	12,373	96,959	133,156	116,939	-	-
2022/23 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	(630)	177	115	108	51	17	100	94	32	370	-	-
Commercial	2300	396	168	151	153	186	141	825	3,494	5,514	4,799	-	-
Households	2400	9,827	3,417	2,392	2,447	2,064	2,037	10,692	82,846	115,721	100,085	-	-
Other	2500	(115)	166	154	139	134	131	756	10,525	11,888	11,684	-	-
Total By Customer Group	2600	9,478	3,928	2,811	2,848	2,434	2,325	12,373	96,959	133,155	116,939	-	-

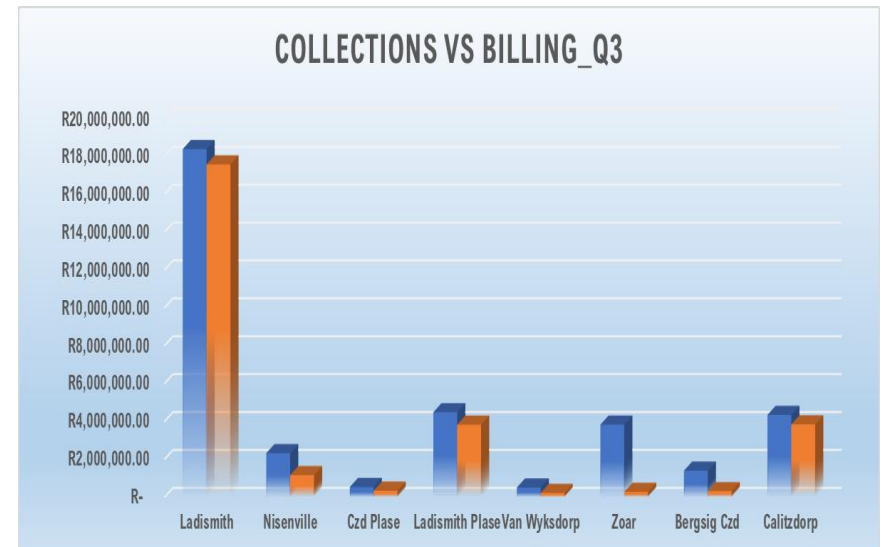
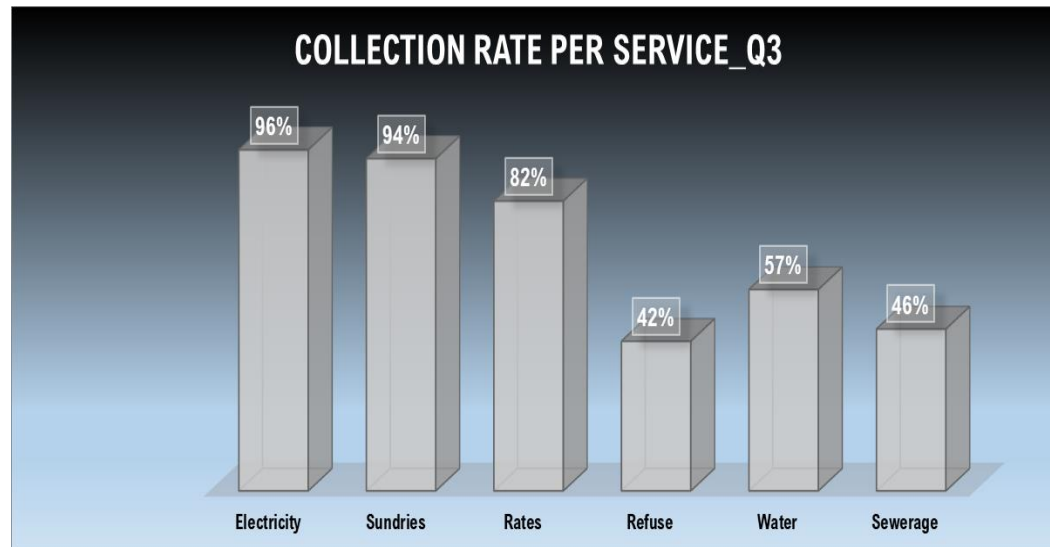
- The total amount owed to Kannaland Municipality amounted to **R127 million during the end of the Second Quarter**.
- **R94 million or 74%** of the total outstanding debtors are older than one year.
- **R114 million or 90%** of the outstanding debtors are outstanding for more than 90 days and are less 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.

3.2 DEBTORS PAYMENT PERCENTAGES

Q3 COLLECTIONS	Billing		Collections		
Ladismith	R	18,352,058.65	R	17,548,500.57	96%
Nisenville	R	2,308,850.32	R	1,150,688.77	50%
Czd Plase	R	524,432.61	R	331,262.47	63%
Ladismith Plase	R	4,467,540.06	R	3,812,851.11	85%
Van Wyksdorp	R	498,043.74	R	211,775.35	43%
Zoar	R	3,815,986.30	R	266,360.76	7%
Bergsig Czd	R	1,384,482.59	R	305,108.85	22%
Calitzdorp	R	4,329,391.81	R	3,828,299.79	88%
	R	35,680,786.08	R	27,454,847.67	76.9%

Service	3rd Quarter Levy	3rd Quarter Receipts	Collection rate	
Electricity	R 15,654,261.09	-R 15,061,033.44	96%	
Sundries	R 228,121.29	-R 213,835.72	94%	
Rates	R 6,882,816.73	-R 5,628,363.24	82%	
Refuse	R 2,558,045.09	-R 1,079,704.48	42%	
Water	R 7,720,748.42	-R 4,384,911.46	57%	
Sewerage	R 2,637,773.03	-R 1,204,237.31	46%	
	R 35,681,765.65	-R 27,572,085.65	77%	



3.3 TABLE SC4 – CREDITORS AGE ANALYSIS

WC041 Kannaland - Supporting Table SC4 Monthly Budget Statement - aged creditors - for 3rd Quarter ended 31 March 2024

2023/24 Annual and Supporting Data - Financial Budget Statement - Age Creditors - For 1st Quarter ended 31 March 2024											
Description R thousands	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	5,602	–	–	39,867	–	–	–	–	45,469	45,469
Bulk Water	0200	116	–	–	–	–	–	–	–	116	116
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	791	330	392	630	3,809	–	–	–	5,952	5,952
Auditor General	0800	1,442	983	195	85	4,157	–	–	–	6,862	6,862
Other	0900	284	198	219	144	16,406	–	–	–	17,249	17,249
Total By Customer Type	1000	8,235	1,510	806	40,726	24,372	–	–	–	75,648	75,648

- The total outstanding creditors as at the end of the **Third Quarter** amounts to **R 75 648 million**.
- The biggest outstanding creditors are Eskom (**R39 867 million**), the Auditor-General of South Africa (**R6 863 million**). Combined, the before mentioned, represents **61%** of all outstanding creditors.

The old debt, +90days, consist mainly of the following:

- ESKOM debt amount to **R 39 867 million**, of which the entire amount is conditionally written off as part of the debt relief process. The amount of **R 26 894 million** is made up of creditors with payment arrangements, being AG, SALGA, SAMRAS, and Business Engineering. Municipal debt owed by Kannaland municipality to neighbouring municipalities amount to **R 3.2 million**.
- All other creditors 0-90 days are managed on a month-to-month payment plan, for finalisation in the 2023-2024 FY. The current expense includes the monthly ESKOM account of **R 5.6 million** and the Auditor General account of **R 2.4 million**.

3.4 INVESTMENT PORTFOLIO ANALYSIS

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

3.5 GRANT RECEIPTS AND EXPENDITURE

Transfers and Grant Receipts 2023/ 2024						
	Original Budget	Adjustment Budget	Total Received	Total Spent	Unspent	Rejected Rollover Repayment
National Government Grants						
Financial Management Grant (FMG)	R2,932,000		R2,932,000	R1,166,198	R1,765,802	
Equitable Share	R35,348,000		R26,511,000	R26,511,000		
Municipal Infrastructure Grant (Operational)	R568,650		R568,650	R426,487	R142,163	
Municipal Infrastructure Grant (Capital)	R10,804,350	R10,043,350	R10,105,350	R7,316,389	R2,788,961	R958,940
Water Service Infrastructure Grant	R5,000,000	R4,500,000	R500,000	R234,984	R265,016	
EPWP Incentive Grant	R1,220,000		R1,220,000	R1,007,751	R212,249	
	R55,873,000	R14,543,350	R41,837,000	R36,662,810	R5,174,190	
Provincial Government						
Human Settlements	R20,262,000	R24,905,000	R13,264,260	R13,264,260	R0	
Human Settlement Informal Settlement Upgrading Partnership Grant	R108,000	R1,141,000				
MRF (Municipal Replacement Fund)	R3,555,000	R3,607,000	R3,607,000	R2,255,182	R1,351,818	
Municipal Intervention Grant		R300,000				
Municipal Service Delivery and Capacity Building Grant		R300,000				
Western Cape Financial Recovery Services		R1,000,000				
CDW Grant	R113,000		R113,000	R55,900	R57,100	
Departmental Agencies						
Public Sector Seta	R145,000.00		R49,664.75		R49,664.75	
Total	R24,183,000.00	R31,253,000.00	R17,033,924.75	R15,575,342.26	R1,458,582.49	
	R80,056,000.00	R45,796,350.00	R58,870,924.75	R52,238,151.92	R6,632,772.83	

The following indicates expenditure on each respective grant received (Operational) and (Capital) for Quarter 2 of 2023/24 -

Received:

- Equitable Share amounts to **R 8 837 million**.
- Expanded Public Works Programme amounts to **R 366 thousand**.
- Human Settlements amounts to **R 13 264 million**.
- Municipal Replacement Fund (MRF) amounts to **R 1 237 million**.

Expenditure:

- Financial Management Grant amounts to **R315 thousand**.
- Municipal Infrastructure Grant (MIG) amounts **R 368 thousand** capital expenditure and **MIG PMU** amounts to **R 142 thousand**.
- Expanded Public Works Programme amounts to **R 231 thousand**.
- Human Settlements amounts to **R 13 264 million**.
- Municipal Replacement Fund (MRF) amounts to **R 685 thousand**.
- Community Development Workers (CDW) amounts to **R 15 thousand**.

3.6 TABLE SC8 – EXPENDITURE ON COUNCILLOR, SENIOR MANAGERS AND OTHER STAFF

WC041 Kannaland - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits -										
Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		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		2,827	2,990	3,580	255	2,525	2,685	(160)	-6%	3,580
Pension and UIF Contributions		36	-	-	16	105	-	105		-
Medical Aid Contributions		67	-	-	10	85	-	85		-
Motor Vehicle Allowance		52	-	-	3	27	-	27		-
Cellphone Allowance		292	286	286	25	225	214	11	5%	286
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		-	-	-	-	-	-	-		-
Sub Total - Councillors		3,273	3,276	3,866	308	2,967	2,900	68	2%	3,866
% increase	4		0.1%	18.1%						18.1%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		2,729	4,449	3,899	336	2,425	2,924	(499)	-17%	3,899
Pension and UIF Contributions	5	9	9	9	1	6	7	(1)	-15%	9
Medical Aid Contributions		-	-	-	-	-	-	-		-
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		80	509	439	23	254	329	(75)	-23%	439
Cellphone Allowance		50	113	113	7	67	85	(18)	-21%	113
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		98	88	88	4	9	66	(57)	-86%	88
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		2,963	5,167	4,547	371	2,760	3,410	(650)	-19%	4,547
% increase	4		74.4%	53.5%						53.5%
Other Municipal Staff										
Basic Salaries and Wages		52,231	52,793	62,438	5,335	46,031	46,828	(797)	-2%	62,438
Pension and UIF Contributions		7,132	8,568	8,367	630	5,786	6,275	(490)	-8%	8,367
Medical Aid Contributions		2,168	1,687	2,417	206	1,798	1,813	(14)	-1%	2,417
Overtime		6,568	4,876	5,913	650	6,332	4,422	1,910	43%	5,913
Performance Bonus		1,975	752	1,002	10	771	752	19	3%	1,002
Motor Vehicle Allowance		2,790	2,359	3,515	322	2,733	2,637	96	4%	3,515
Cellphone Allowance		127	100	131	8	85	98	(13)	-13%	131
Housing Allowances		337	173	345	28	253	258	(5)	-2%	345
Other benefits and allowances		6,515	2,851	3,009	335	5,365	2,250	3,114	138%	3,009
Payments in lieu of leave		(1,166)	150	280	-	257	210	47	22%	280
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	(723)	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Other Municipal Staff		77,954	74,309	87,417	7,522	69,411	65,543	3,867	6%	87,417
% increase	4		-4.7%	12.1%						12.1%
Total Parent Municipality		84,190	82,752	95,831	8,202	75,138	71,853	3,285	5%	95,831

3.7 MATERIAL VARIANCES TO THE SDBIP

FINAL REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2023/24 includes the following KPA's to be discussed in more detail in Appendix C.

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

KANNALAND MUNICIPALITY ANNEXURE 1V

2023/2024 ADJUSTED SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
KPI.1	KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	7 An inclusive district economy	Growth and jobs	KPA 1 Basic Service Delivery Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Achieve 100% of all MIG expenditure to the stage where MIG Infrastructure projects are issued with Practical Completion certificates	Percentage spent of MIG projects measured as Total MIG expenditure/Total MIG budget allocated to MIG projects X 100.	65%	89.5 %	KPI Met		2024-06-30
KPI.2	KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	7 An inclusive district economy	Growth and jobs	KPA 1 Basic Service Delivery Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Achieve 100% of WSIG (Drought Relief) expenditure to the stage where WSIG (Drought Relief) projects are issued with Practical Completion certificates	Percentage spent of WSIG (Drought Relief) projects measured as Total WSIG (Drought Relief) expenditure/Total WSIG (Drought Relief) budget allocated to WSIG (Drought Relief) projects X 100	65%	5%	KPI Not met	Delay in WSIG grant fund transfer. (March 2024) as per gazette from national treasury	2024-06-30
KPI 3	KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	7 An inclusive district economy	Growth and jobs	KPA 1 Basic Service Delivery Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Review the Integrated Water Services Development Plan by 30 June 2024	Number of Integrated Water Services Development Plan by 30 June 2024	-	-	KPI Not yet Measured		2024-06-30
KPI 4	KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	7 An inclusive district economy	Growth and jobs	KPA 1 Basic Service Delivery Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Draft and Integrated Infrastructure Master Plan by 30 June 2024	Number of Infrastructure Master Plans adopted by Council by 30 June 2024.	-	-	KPI Not yet Measured		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
KPI.5	KPA 2: To Provide adequate Services and improve our Public Relations	7 An inclusive district economy	Innovation and culture	KPA 1 Basic Service Delivery Outcome 10: Protection and enhancement of environmental assets and natural resources	Infrastructure Services	Limit total of electricity losses in distribution network to less than 12% accumulated over the financial year until 30 June 2024	Percentage (%) of electricity losses calculated in distribution network on a twelve-month rolling period as kWh sold/kWh purchased	Less than 12%	13,77	KPI NOT MET	The electrical losses can be ascribed to inaccurate billing, faulty electricity meters and possible theft of electricity. The corrective action plan to remedy the high electrical losses can be dealt with by implementing audit plans for the various users as per Financial history.	2024-06-30
KPI.6	KPA 2: To Provide adequate Services and improve our Public relations	7 An inclusive district economy	Innovation and culture	KPA 1 Basic Service Delivery Outcome 10: Protection and enhancement of environmental assets and natural resources	Infrastructure Services	75% of water samples comply with SANS-241 micro biological indicators {(Number of water samples that comply with SANS-241 indicators/Number of water samples tested)x100}	% of water samples that complies with SANS-241 standards calculated as no of water samples that complies with SANS Code 241/total number of water samples tested X 100	75%	29,73	KPI NOT MET	Consistent non-conformance of water quality has been experienced at various areas, which should've been dealt with already as it is an urgent health matter. The best approach would be that the source of contamination needs to be investigated in conjunction with GRDM Health Department. An urgent meeting will be arranged with the stakeholders for corrective actions to be developed.	2024-06-30
KPI.7	KPA 2: To Provide adequate Services and improve our Public relations	7 An inclusive district economy	Innovation and culture	KPA 1 Basic Service Delivery Outcome 10: Protection and enhancement of environmental assets and natural resources	Infrastructure Services	Limit accumulated unaccounted for water to less than 30% annually until 30 June 2024	% of water losses in distribution networks in all of Kannaland towns	Less than 30%	8%	KPI MET		2024-06-30
NKPI 1	KPA 2: To Provide adequate Services and improve our Public relations	3 Bulk Infrastructure Co-ordination	Innovation and culture 10. Integrating service delivery for maximum impact	KPA 1 Basic Service Delivery Outcome 8: Sustainable human settlements and improved quality of	Financial Services	Number of formal residential properties that receive piped water connected to the municipal water infrastructure network	Number of formal residential properties which are billed for water services as at 30	4656	4732	KPI		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
				household live.		annually as at 30 June 2024	June 2024			MET		
NKPI 2	KPA 2: To Provide adequate Services and improve our Public relations	3 Bulk Infrastructure Co-ordination	Innovation and culture 10. Integrating servicedelivery for maximumimpact	KPA 1 Basic Service Delivery Outcome 8: Sustainable humansettlements and improved quality of household live.	Financial Services	Provision of electricity to formal residential account holders connected to the municipal electrical infrastructure network for both credit and prepaid electrical metering. Number of formal residential properties connected to the municipal electrical infrastructure network (excluding Eskom areas) annually as at 30 June 2024	Number of formal residential properties which are billed for electricity/have pre-paid electricity (excluding Eskom areas) as at 30 June 2024	3520	3939	KPI MET		2024-06-30
NKPI 3	KPA 2: To Provide adequate Services and improve our Public relations	3 Bulk Infrastructure Co-ordination	Innovation and culture 10. Integrating servicedelivery for maximumimpact	KPA 1 Basic Service Delivery Outcome 8: Sustainable humansettlements and improved quality of household live.	Financial Services	Provision of sanitation/sewerage services to formal residential account holders which are connected to the municipal waste water/sanitation/sewerage network and billed for services annually as at 30 June 2024	Number of formal residential properties which are billed for sewerage services in accordance with the SAMRAS financial system as at 30 June 2024	4340	4396	KPI MET		2024-06-30
NKPI 4	KPA 2: To Provide adequate Services and improve our Public relations	3 Bulk Infrastructure Co-ordination	Innovation and culture 10. Integrating servicedelivery for maximumimpact	KPA 1 Basic Service Delivery Outcome 8: Sustainable humansettlements and improved quality of household live.	Financial Services	Number of formal residential properties for which refuse is removed at least once per week and billed for the service annually as at 30 June 2024	Number of formal residential properties which are billed for refuse removal services as at 30 June 2024	4546	4393	KPI NOT MET		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
NKPI 5	KPA 2: To Provide adequate Services and improve our Public relations	3 Bulk Infrastructure Co-ordination	Innovation and culture 10. Integrating servicedelivery for maximum impact	KPA 1 Basic Service Delivery Outcome 8: Sustainable humansettlements and improved quality of household live.	Financial Services	Provision of electricity to informal residential account holders in the designated informal areas which are connected to the municipal electrical infrastructure network for prepaid electrical metering annually as at 30 June 2024	Number of residential pre-paid meters registered on the Syntell/ Utilities World Financial system in the designated informal areas	180	232	KPI MET		2024-06-30
NKPI 6	KPA 2: To Provide adequate Services and improve our Public relations	3 Bulk Infrastructure Co-ordination	Innovation and culture 10. Integrating servicedelivery for maximum impact	KPA 1 Basic Service Delivery Outcome 8: Sustainable humansettlements and improved quality of household live.	Financial Services	Number of Households with access to free basic services (as per Indigent Register annually) by 30 June 2024.	Number of Households with accessto free basic services (as per Indigent Register)	2240	2369	KPI MET		2024-06-30
NKPI 7	KPA 2: To Provide adequate Services and improve our Public relations	3 Bulk Infrastructure Co-ordination	Innovation and culture 10. Integrating servicedelivery for maximum impact	KPA 1 Basic Service Delivery Outcome 8: Sustainable humansettlements and improved quality of household live.	Financial Services	Provision of free basic electricity to indigent account holders connected to the municipal electrical infrastructure network annually as at 30 June 2024	Number of indigent account holders receiving free basic electricity which are connected to the municipal electrical infrastructure network	1600	2369	KPI MET		2024-06-30
NKPI 8	KPA 2: To Provide adequate Services and improve our Public relations	3 Bulk Infrastructure Co-ordination	Innovation and culture 10. Integrating servicedelivery for maximum impact	KPA 1 Basic Service Delivery Outcome 8: Sustainable humansettlements and improved quality of household live.	Financial Services	Provision of free basic sanitation services to indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets) annually as at 30 June 2024	Number of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	2240	2369	KPI MET		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
NKPI 9	KPA 2: To Provide adequate Services and improve our Public relations	3 Bulk Infrastructure Co-ordination	Innovation and culture 10. Integrating servicedelivery for maximum impact	KPA 1 Basic Service Delivery Outcome 8: Sustainable humansettlements and improved quality of household live.	Financial Services	Provision of clean piped water to indigent account holders which are connected to the municipal water infrastructure network annually as at 30 June 2024	Number of indigent account holders receiving free basic water.	2240	2369	KPI MET		2024-06-30
KPI.8	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	Safe and Cohesive Communities 12. Building the best-run regional government in the world	KPA 1 Basic Service Delivery Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Review of the disaster management plan by 31 March 2024	Number of plans reviewed and submitted to council by 31 March 2024	1	1	KPI Met		2024-06-30
KPI 9	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	Safe and Cohesive Communities 12. Building the best-run regional government in the world	KPA 1 Basic Service Delivery Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Review Integrated Waste Management Implementation plan by 30 June 2024	Number of IWMIP reviewed	-	-	KPI Not yet Measured		2024-06-30
NEW KPI 12	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	Safe and Cohesive Communities 12. Building the best-run regional government in the world	KPA 1 Basic Service Delivery Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Conduct one quarterly clean-up campaign in all 4 wards Kannaland up until 30 June 2024	No of quarterly clean up campaigns held in Kannaland.by 30 June 2024	4	4	KPI Met		2024-06-30
NEW KPI 14	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	Mobility and spatial transformation 12. Building the best-run regional government in the world	KPA 1 Basic Service Delivery Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Submission of a quarterly progress report to council of the 179 Calitzdorp housing implementation project by 30 June 2024.	No of quarterly progress reports submitted to council of the 179 Calitzdorp housing implementation project by 30 June 2024.	1	1	KPI Met		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
NEW KPI KPI 15	KPA 4: To Facilitate Economic Growth and Social and Community development	7 An inclusive district economy	Growth and jobs Innovation and culture	KPA 4: Municipal Financial Viability and Management Outcome 10: Protection and enhancement of environmental assets and natural resources	Financial Services	Report to council on the annual Review of Supply Chain Management Policy by 31 March 2024.	Number of SCM Policy reviews conducted and submitted to council by 31 March each year.	1	0	KPI Not met	SCM Policy workshop to be held during April/May 2024 and Final SCM Policy to be tabled for adoption by council by 31 May 2024.	2024-06-30
NEW KPI KPI 16	KPA 4: To Facilitate Economic Growth and Social and Community development	7 An inclusive district economy	Growth and jobs 12. Building the best-run regional government in the world	KPA 3: Local Economic Development Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Review a LED/Tourism implementation strategy for the Kannaland Municipality by June 2024	Number of Implementation strategies reviewed	-	-	KPI Not yet measured		2024-06-30
NEW KPI KPI 17	KPA 4: To Facilitate Economic Growth and Social and Community development	7 An inclusive district economy	Growth and jobs 12. Building the best-run regional government in the world	KPA 3: Local Economic Development Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Establish an LED Steering Committee by 30 June 2024	No of LED Steering Committees established by June 2024	-	-	KPI Not yet Measured		2024-06-30
NEW KPI KPI 18	KPA 4: To Facilitate Economic Growth and Social and Community development	7 An inclusive district economy	Growth and jobs 12. Building the best-run regional government in the world	KPA 3: Local Economic Development Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Report to council quarterly on implementation of catalytic projects	No of quarterly reports submitted to council on implementation of catalytic projects	1	0	KPI Not yet measured	That the LED catalytic projects be confirmed at the ward committee and IDP/Budget Public Participation stakeholder engagements scheduled for April and May 2024 for inclusion into the Final 2024/25 Amended IDP.	2024-06-30
NKPI.10	KPA 4: To Facilitate Economic Growth and Social and Community development	7. An inclusive district economy	Growth and Jobs	KPA 2 Municipal Institutional Development and Transformation Outcome 5: A skilled and capable workforce to support inclusive growth	Infrastructure Services	Create job opportunities through the Expanded Public Works Programme (EPWP) until 30 June 2024	Number of job opportunities created	150	193	KPI Met		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
NEW KPI 19	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	Empowering people/ Innovation and culture/ 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP approved within 28 days after the Main Budget has been approved	-	-	KPI not yet measured		2024-06-30
NEW KPI 20	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	Innovation and culture/ Empowering people 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Report to council on the review of the Performance Management Policy Frameworks by 30 June 2024.	Number of Performance Management Policy Frameworks reviewed and submitted to council by 30 June 2024.	-	-	KPI not yet measured		2024-06-30
KPI.10	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	Empowering people 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Ensuring performance by the timeous development and signing of the Section 57 performance agreements in adherence to the Performance Framework by 1 July 2024	Percentage (%) of signed performance agreements of Section 57 managers within 14 days of approval of the SDBIP or appointment in the case of vacancies	-	-	KPI not yet measured		2024-06-30
KPI.11	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	Empowering people/innovation and culture 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local government system	Corporate Services	(Minimum number of Ordinary General Council meetings to be held per annum)	(Number of Ordinary General Council meeting agendas submitted for sign off by Speaker within 7 days before the ordinary council meeting)	1	0	KPI not met	That a meeting schedule be drafted and adopted by council indicating all ordinary council meeting dates; That the Manager: Administration and Speaker collaborate and confirm compliance dates for Ordinary council meetings for the calendar year.	2024-06-30
NEW KPI 21	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder	6 Good Governance	Empowering people/innovation and culture 12. Building the best-	Good governance and Public Participation Outcome 9: A responsive and, accountable,	Corporate	Review Council's Rules of Order by 30 June 2024.	No of Council Rules of Order reviewed and	-	-	KPI Not yet measured		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
	participation		run regional government in the world	effective and efficient local governmentsystem	Services		submitted to Council by 30 June 2024.					
NEW KPI KPI 22	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	Empowering people/innovation and culture 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local governmentsystem	Corporate Services	Review the Delegation Register by 30 June 2024.	No of Delegation Registers reviewed and submitted to Council by 30 June 2024.	-	-	KPI not yet measured		2024-06-30
NEW KPI KPI 23	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	Empowering people/innovation and culture 12. Building the best-run regional government in the world	Municipal Institutional Development and Transformation Outcome 9: A responsive and, accountable, effective and efficient local governmentsystem	Corporate Services	Review and submit the Policy Register by 30 June 2024	Number of Policy registers reviewed and submitted to Council by 30 June 2024.	-	-	KPI not yet measured		2024-06-30
NEW KPI KPI 24	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	Empowering people/innovation and culture 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local governmentsystem	Corporate Services	Review and submit the Record Management Policy by 30 June 2024	Number of Record Management Policy reviewed by Council by 30 June 2024	-	-	KPI not yet measured		2024-06-30
KPI.13	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	Empowering people/innovation and culture 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Conduct an Annual Strategic risk Assessment by 30 June 2024	Number of risk assessments conducted through the reviewed risk register compiled.	-	-	KPI not yet measured		2024-06-30
KPI 25	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	Empowering people/innovation and culture 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local governmentsystem	Office of Municipal Manager/	Risk based audit plan reviewed by Audit Committee by 31 March 2024 for subsequent adoption by council.	No of risk based audit plans approved by audit committee by 31 March 2024.	1	1	KPI met		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
NEW KPI KPI 39	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	Empowering people/innovation and culture 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of Municipal Manager/	Ensure compliance with S166(2)(v) MFMA, through the conduct of quarterly audit and performance audit committee meetings by 30 June 2024.	Number of audit and performance audit committee meetings conducted by 30 June 2024	1	1	KPI met		2024-06-30
NEW KPI KPI 40	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	Empowering people/innovation and culture/growth and jobs/ALL 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of Municipal Manager/	Annual Review/Amendment of Draft and Final IDP by 31 March 2024 and 31 May 2024 respectively	Number of annual review/amendment of Draft and Final IDP and submitted to council by 31 March 2024 (Draft IDP) and 31 May 2024 (Final IDP)	1	1	KPI met		2024-06-30
NEW KPI KPI 41	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	Innovation and culture 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of Municipal Manager/	Review the Communication Strategy by 30 June 2024	Number of Communication Strategies reviewed and submitted to council by 30 June 2024	-	-	KPI not yet measured		2024-06-30
NEW KPI KPI 42	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	7 An inclusive district economy	Innovation and culture	Municipal Financial Viability and Management Outcome 10: Protection and enhancement of environmental assets and natural resources	Financial Services	Conduct an SCM Policy workshop with council by 30 June 2024.	Number of SCM Policy workshops conducted with council by the end of June 2024.	-	-	KPI Not yet measured		2024-06-30
NEW KPI KPI 43	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	7 An inclusive district economy	Innovation and culture	Municipal Financial Viability and Management Outcome 10: Protection and enhancement of environmental assets and natural resources	Financial Services	Conduct two SCM Open day CSD/municipal database registration training sessions with SMMEs by 30 June 2024.	Number of SCM Open day CSD/municipal database registration training sessions with SMMEs by 30 June 2022	1	1	KPI Met		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
KPI.26	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	Innovation and culture/ Empowering people 12. Building the best-run regional government in the world	Good governance and Public Participation Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Quarterly Ward Committee meetings with consolidated quarterly reports to council until 30 June 2024	Number of ward committee meetings convened	4	4	KPI Met		2024-06-30
KPI.29	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	Innovation and culture 12. Building the best-run regional government in the world	Municipal Financial Viability and Management Outcome 9: A responsive and, accountable, effective and efficient local government system	Financial Services	100% Reporting compliance by submitting s71, s72 and s52d reports within legislated timeframes until 30 June 2024	% of reporting on all compliance documents	100%	100%	KPI Met		2024-06-30
KPI 30	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	Empowering people/ Innovation and culture 12. Building the best-run regional government in the world	Basic Service Delivery Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Promote library services to community through outreach and awareness in each of the six libraries in Kannaland by 30 June 2024	Two quarterly community outreach engagements conducted in each of the six libraries in Kannaland by 30 June 2024	12	23	KPI Not met	Outreach programmes be implemented throughout all libraries in kannaland. Library services coordination of results by Manager: Community Services. KPI only met in Ladismith, Hoekoe and Zoar. Outreach programmes to be implemented in Calitzdorp and Van Wyksdorp.	2024-06-30
KPI.31	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-use efficiency	Municipal Institutional Development and Transformation Empowering people Outcome 5: A skilled and capable workforce to support inclusive growth	Corporate Services	Vacancy rate of the entire approved staff establishment by 30 June 2024	% of vacancy rate to be not more than 20% as calculated at 30 June 2023 calculated as Number of current vacant posts/ Number of current posts	-	-	KPI not yet measured		2024-06-30

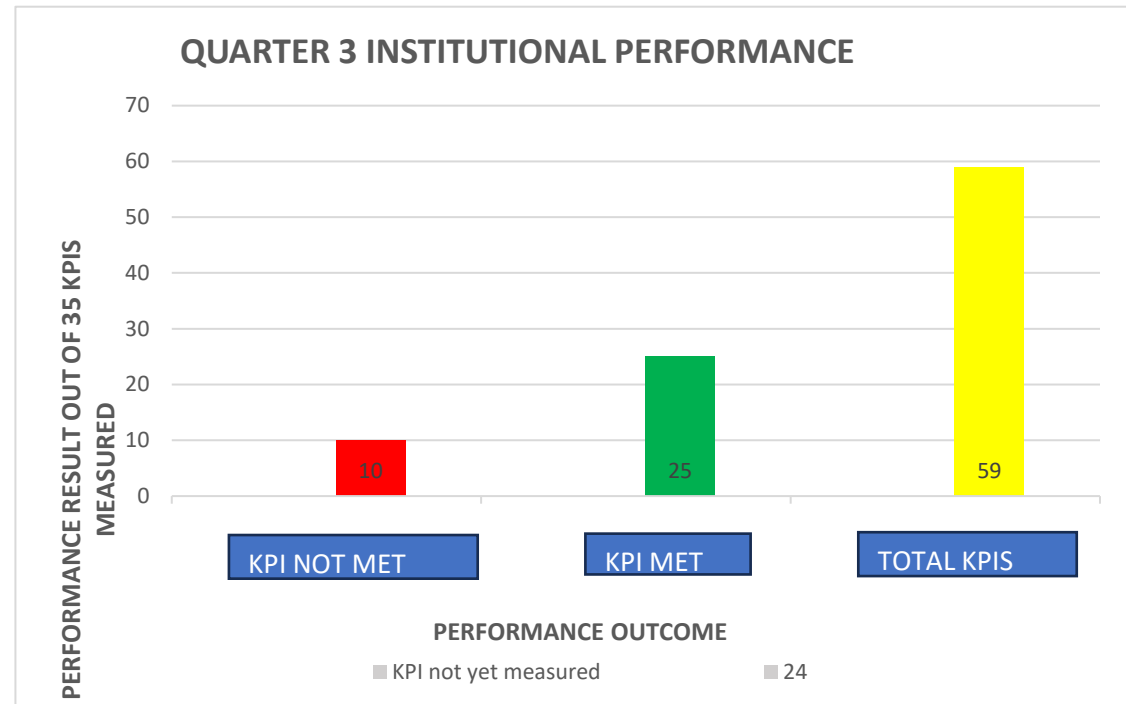
IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
NEW KPI 44	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-use efficiency	Municipal Institutional Development and Transformation Empowering people Outcome 5: A skilled and capable workforce to support inclusive growth	Corporate Services	Review the Human Resources Strategy by 30 June 2024	Report to council on the review of the Human Resource Strategies by 30 June 2024.	-	-	KPI not yet measured		2024-06-30
NEW KPI 45	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-use efficiency	Municipal Institutional Development and Transformation Empowering people Outcome 5: A skilled and capable workforce to support inclusive growth	Corporate Services	Review organizational staff establishment structure by 31 March 2024	Report to council on the review of the organizational staff establishment structures by 31 March 2024	1	1	KPI met		2024-06-30
NEW KPI 46	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-use efficiency	Municipal Institutional Development and Transformation Empowering people Outcome 5: A skilled and capable workforce to support inclusive growth	Corporate Services	Conduct monthly meetings with Local Labor Forum.	No of Local Labor Forum meetings held by 30 June 2024.	3	1	KPI not met	Quarterly LLF meetings to be translated into monthly LLF meetings	2024-06-30
NEW KPI 47	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-use efficiency	Municipal Institutional Development and Transformation Empowering people Outcome 5: A skilled and capable workforce to support inclusive growth	Corporate Services	Conduct bi annual staff induction training workshops by 30 June 2024	No of staff induction training workshops conducted by 30 June 2024	1	1	KPI met		2024-06-30
NEW KPI 27	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-use efficiency	Municipal Institutional Development and Transformation Empowering people Outcome 5: A skilled and capable workforce to support inclusive growth	Corporate Services	Review the Employment Equity Plan by 30 June 2024.	No of employment equity plans reviewed by council	-	-	KPI not yet measured		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
NEW KPI KPI 28	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-use efficiency	Municipal Institutional Development and Transformation Empowering people/Growth and jobs Outcome 5: A skilled and capable workforce to support inclusive growth	Corporate Services	Ensure the implementation of the Local Government: Municipal Staff Regulations by reporting to Council on the progress and actions taken to ensure adherence to the Staff Regulation by 30 June 2024.	Number of progress reports on critical vacancies posts advertised and or filled and submitted to Council by 30 June 2024	-	-	KPI not yet measured		2024-06-30
NEW KPI KPI 32	KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-use efficiency	Municipal Institutional Development and Transformation Empowering people Outcome 5: A skilled and capable workforce to support inclusive growth	Corporate Services	Ensure compliance with and implementation of S83(1) MFMA.	Report to council on opportunities for the training of professional financial officials referred to in S83(1) MFMA to meet the prescribed competency levels by 30 June 2024.	-	-	KPI not yet measured		2024-06-30
KPI.34	KPA 7: To Strive towards a financially sustainable municipality	6 Good Governance	10. Integrating service delivery for maximum impact	Municipal Financial Viability and Management Innovation and culture Outcome 6: Efficient, competitive and responsive economic infrastructure network	Financial Services	Budget for 2024/2025 financial year approved by Council by 31 May 2024	Number of budgets approved	-	-	KPI not yet measured		2024-06-30
KPI.35	KPA 7: To Strive towards a financially sustainable municipality	5 Financial Viability	10. Integrating service delivery for maximum impact	Municipal Financial Viability and Management Innovation and culture Outcome 6: Efficient, competitive and responsive economic infrastructure network	Financial Services	Achieve 80% year to date collection rate of revenue billed by 30 June 2023 (Total revenue collected / total billed) x100	Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	-	-	KPI not yet measured		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
NKPI.11	KPA 7: To Strive towards a financially sustainable municipality	5 Financial Viability	1. Creating opportunities for growth and job	Municipal Financial Viability and Management Innovation and culture Outcome 4: Decent employment through inclusive growth	Financial Services	Financial Viability measured in terms of Cost coverage ratio by 30 June 2024	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).	-	-	KPI not yet measured		2024-06-30
NKPI.12	KPA 7: To Strive towards a financially sustainable municipality	5 Financial Viability	7. Mainstreaming sustainability and optimising resource-use efficiency	Municipal Financial Viability and Management Innovation and culture Outcome 5: A skilled and capable workforce to support inclusive growth	Financial Services	Financial Viability measured in terms of debt coverage ratio for the 2023/2024 financial year.	Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant	45%	49%	KPI Not Met	Awaiting Comments from Finance Department	2024-06-30
KPI.36	KPA 7: To Strive towards a financially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Municipal Financial Viability and Management Innovation and culture Outcome 9: A responsive and, accountable, effective and efficient local government system	Financial Services	Conduct monthly reconciliation of the bank account within 10 working days and signed by CFO	Number of reconciliations completed and signed by CFO	3	3	KPI met		2024-06-30

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	NATIONAL KPA National Output	Department	Indicator description	How indicator is measured	Q3 TARGET	Q3 ACTUAL	Status	PORTFOLIO OF EVIDENCE/ MANAGEMENT COMMENT/ CORRECTIVE MEASURES	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National KPA Outcome	Department	Indicator	Unit of measurement					
KPI.37	KPA 7: To Strive towards a financially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Municipal Financial Viability and Management Innovation and culture Outcome 9: A responsive and, accountable, effective and efficient local government system	Financial Services	Financial Statements submitted to the Auditor-General by 31 August 2023.	Number of completed annual financial statements submitted to the Auditor-General by 31 August 2023	-	-	KPI not yet measured		2024-06-30
KPI.38	KPA 7: To Strive towards a financially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Municipal Financial Viability and Management Innovation and culture Outcome 9: A responsive and, accountable, effective and efficient local government system	Financial Services	Submit an adjustment budget to Council for approval by 28 February 2024	Number of adjustment budget approved	1	1	KPI met		2024-06-30
NEW KPI KPI 33	KPA 7: To Strive towards a financially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Municipal Financial Viability and Management Innovation and culture Outcome 9: A responsive and, accountable, effective and efficient local government system	Financial Services	The % of the Municipality's capital budget spent on capital projects identified in the IDP, measured as the Total actual Year to Date (YTD) Capital Expenditure/ Total Approved Capital Budget x 100	The percentage (%) of a municipality's capital budget spent on capital projects identified in the IDP for the 2023/24 financial year	44%	54%	KPI MET		2024-06-30

	KPI not measured	24
	Not met	10
	KPI met	25
	TOTAL KPIs	59



3.8 CAPITAL PROGRAMME PERFORMANCE

PROJECT STATUS 2023/24

No.	Grant	Project No	Project Name	Original Budget	Budget Adjustments October 2023	Budget Adjustments March 2023/24	Total Budget 2023/24	Received	Expenditure	Still to spend
1	MIG	458789	Refurbishment & Upgrade of Van Wyksdorp WTW	443,753.20	-	-	443,753.20	443,753.20	424,380.26	19,372.94
2	MIG	458828	Refurbishment & Upgrade of Van Wyksdorp Greenhills WWTW	2,196,660.71	-	-	2,196,660.71	2,196,660.71	1,778,711.82	417,948.89
3	MIG	458834	Refurbishment & Upgrade of Zoar WTW	7,606,456.47	- 203,520.38	779,117.22	8,182,053.31	8,182,053.31	6,963,848.34	1,218,204.97
4	MIG	470476	Zoar Sportfield Lighting	557,479.62	- 557,479.62	1,020,832.78	1,020,832.78	1,020,832.78	-	1,020,832.78
5	WSIG	No project no generated	Refurbishment & Upgrading of Ladismith Wastewater Treatment Works	5,000,000.00	- 500,000.00		4,500,000.00	4,500,000.00	234,984.13	4,265,015.87
				15,804,350.00	- 1,261,000.00	1,799,950.00	16,343,300.00	16,343,300.00	9,401,924.55	6,941,375.45

SECTION 4 – QUALITY CERTIFICATION


I, Dillo Sereo, the Acting Accounting Officer of **Kannaland Municipality WC041**, hereby certify that the quarterly budget statement for **Quarter 3**, ending **31 March 2024**, has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Dillo Sereo

Signature:

Date:

ANNEXURE A - Bank Withdrawals MFMA Section 11(4)

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-24		
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 official 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's</i> bank accounts, and may do so only - (b) to defray expenditure authorised in terms of section 26(4); (c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1); (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; (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 - (i) money collected by the <i>municipality</i> on behalf of that person or organ of state by agreement; or (ii) any insurance or other payments received by the <i>municipality</i> for that person or organ of state; (f) to refund money incorrectly paid into a bank account; (g) to refund guarantees, sureties and security deposits; (h) for cash management and investment purposes in accordance with section 13; (i) to defray increased expenditure in terms of section 31; or (j) for such other purposes as may be prescribed.	Amount	Reason for withdrawal	
	R 0,00		
	R 0,00		
	R 0,00		
	R 1 779 054,55	Motor Registration and RTMC transaction fees	
	R 0,00		
	R 0,00		
	R 0,00		
	R 0,00		
	R 0,00		
	R 0,00		
	R 0,00		
	(4) The <i>accounting officer</i> must within 30 days after the end of each quarter -		
	Name and Surname: R SAPTOE		
Rank/Position: CFO			
Signature:  24-04-2024			
Tel number	Fax number	Email Address	
(028) 551 8000	(028) 551 1766	jodene@kannaland.gov.za	
The completed form must reach Mr Wesley Baatjies at the Provincial Treasury, Private Bag x 9165, 7 Wale Street, Cape Town, 8000, Tel: 021 483 5007, Fax 021 483 8623, Email: wbaatjie@pgwc.gov.za on or before the 15th of the month following the end of each quarter.			

24-04-2024

ANNEXURE B – SCM POLICY IMPLEMENTATION PLAN – Q3

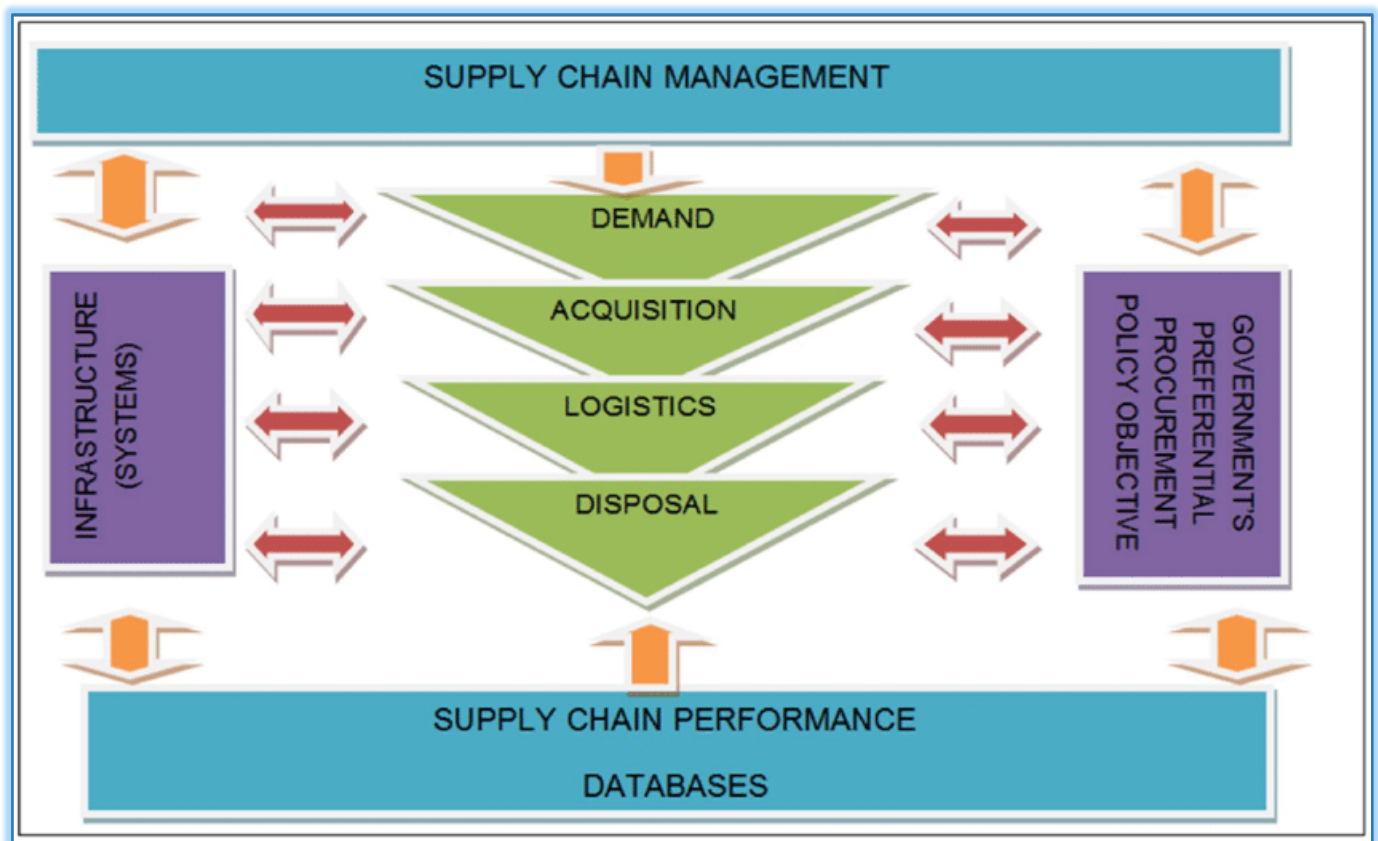


KANNALAND
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Supply Chain Management Policy

Implementation Report

Third Quarter 2023/24



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

1. INTRODUCTION

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

- The council of a municipality must maintain oversight over the implementation of its supply chain management policy.
- 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

Adoption of a SCM Policy by Council

Adopted.

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.

Delegations

All delegations have not been delegated, are not in writing and accepted.

The above will be address as a matter of urgency.

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.

5. FUNCTIONING OF BID COMMITTEES

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

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

5.3 Bid Committee Terms of Reference are in place.

6. REPORTING

6.1 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:

	2023/24 3 rd Quarter	2023/24 YTD	2022/2023
Bids Processed	1	4	
Bids processed - Average per Quarter	1	4	
Average days from final evaluation to Bid Adjudication Committee	2	N/A	N/A
Average days from initiation to Bid Specification Committee	New Project	N/A	N/A
Estimated Value of Awards (Rand)	R 20 117 157.63	R 469 932.42	

A schedule of these awards for the 3RD Quarter of 2023/24 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)	R 469 932.42	R 20 117 157.63	R 3 088 063.50	R20 587 090.05

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 2023/24 year to date is compared to the 2022/2023 financial year as per the following schedule:

SCM Policy	Description	2023/24 Quarter 3 rd	2023/24 to date	2022/2023
Clause 36(1)(a)(i)	Emergency	12	35	11
Clause 36(1)(a)(ii)	Sole Provider	2	9	9
Clause 36(1)(a)(iii)	Special works of Art	0	0	0
Clause 36(1)(a)(iv)	Animals for zoos	0	0	0
Clause 36(1)(a)(v)	Impractical Impossible	22	73	29
Total		36	117	49

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 2 051 311.14	R0.00	R 307 696.67	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 no (0) minor breaches of the Supply Chain Management Policy in the 3rd quarter of the 2023/2024 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

7. FINANCIAL IMPLICATIONS

Nothing to be reported.

8. STAFF IMPLICATIONS

Nothing to be reported.

9. COMMENTS FROM OTHER DEPARTMENTS, DIVISIONS AND ADMINISTRATIONS

Nothing to be reported.

10.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

11.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 2023/24 **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 3rd Quarter of 2023/2024.

APPENDIX A – DEVIATION REGISTER [JAN 2024 – MAR 2024]

JANUARY 2024

SUPPLY CHAIN MANAGEMENT DEVIATIONS: ART 36- SCM REGULATIONS

ORDER NUMBER	DATE	DEPARTMENT	SUPPLIER	AMOUNT	REASON	Description of Reg 36
8/1/4/R	08/12/2023	COUNCIL	FTMG CORPORATE ADVISORY SERVICES	R 411,750.00	COUNCIL AND MPAC HAVE TASKED THE ACTING MUNICIPAL MANAGER TO INVESTIGATE SEVERAL ISSUES OF CONCERNED AS A MATTER OF URGENCY. SINCE 2017 TO 2020 LITTLE HAS BEEN DONE TO EXECUTE RULINGS MADE BY MPAC TO COLLECT FRUITLESS AND WASTEFUL OF IRREGULAR EXPENSES AND LOSSES.	IMPRACTICAL / IMPOSSIBLE
8/1/4/R	19/12/2023	TECHNICAL SERVICES	DEKLIN	R 66,477.60	THE MUNICIPALITY IS CURRENTLY EXPERIENCING PROBLESM WITH SUSTAINABLE WATER PROVISIONING, ESPECIALLY WITH THE WATER DELIVERY TO RURAL AREAS WITHIN THE KANNALAND MUNICIPALITY, LADISMITH, CALITZDORP AND ZOAR	EMERGENCY
8/1/4/R	12/01/2024	ADMINISTRATION	TELKOM SA	R 38,588.26	THE ORIGINAL AGREEMENT WITH THE SERVICE PROVIDER TO PROVIDE TELECOMMUNICATION SERVICES HAS LAPSED AND THUIS RESULTED IN THE MUNICIPALITY HAVING TO START THE PROCUREMENT PROCESS FOR THE APPOINTMENT OF A NEW SERVICE PROVIDER ON A LONG-TERM BASIS.	IMPRACTICAL / IMPOSSIBLE
8/1/4/R	12/01/2024	ADMINISTRATION	KONICA MINOLTA	R 46,005.49	THE AGREEMENTS WITH THE SERVICES PROVIDERS TO PROVIDE, INSTALL AND MAINTAIN THE CURRENT MEDIUM VOLUME MULTIFUNCTION COPIERS AT THE MUNICIPALITY ON A RENTAL BASIS HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY STARTING THE PROCUREMENT PROCESS FOR THE APPOINTMENT OF A NEW SERVICE PROVIDER ON A 36 MONTHS CONTRACT.	IMPRACTICAL / IMPOSSIBLE
8/1/4/R	12/01/2024	ADMINISTRATION	VALLEY CONTAINERS	R 10,522.50	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.	IMPRACTICAL / IMPOSSIBLE
8/1/4/R	12/01/2024	ADMINISTRATION	BIDVEST STEINERS	R 12,826.78	THE ORIGINAL AGREEMENTS WITH THE SERVICE PROVIDER TO PROVIDE THESE SERVICES HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY HAVING TO RETAIN THESE SERVICES ON A MONTH TO MONTH BASIS. THE NEED FOR EXTERNAL SPECIFIED CLEANSING SERVICES/PRODUCTS ARE A CHALLENGE IN KANNALAND MUNICIPALITY AS WE HAVE LIMITED SOURCES.	IMPRACTICAL / IMPOSSIBLE
8/1/4/R	12/01/2024	TECHNICAL SERVICES	DEKLIN	R 80,511.00	THE MUNICIPALITY IS CURRENTLY EXPERIENCING PROBLESM WITH SUSTAINABLE WATER PROVISIONING, ESPECIALLY WITH THE WATER DELIVERY TO RURAL AREAS WITHIN THE KANNALAND MUNICIPALITY, LADISMITH, CALITZDORP AND ZOAR	EMERGENCY
8/1/4/R	16/01/2024	COUNCIL	RAMOT	R 99,000.00	REHABILITATION SERVICES IS NOT A CORE FUNCTION OF THE MUNUPALITY AND THUS HAVE TO BE OUTSOURCED TO AN EXTERNAL SERVICE PROVIDER. THE MUNICIPALITY HAS PREVIOUSLY MADE USE OF THE SERVICES OF RAMOT TREATMENT CENTRE FOR ADDICTION WITH NUMEROUS SUCCESS STORIES AND WOULD LIKE TO MAKE USE OF THEIR SERVICES AGAIN.	IMPRACTICAL / IMPOSSIBLE
8/1/4/R	23/01/2024	TECHNICAL SERVICES	VALSTA'S SPECIALIZED CLEANING	R 71,800.00	THE SEWERAGE TRUCK OF KANNALAND MUNICIPALITY IS CURRENTLY NOT OPERATIONAL DUE TO THE PUMP THAT HAS BROKEN AND REMOVED FOR REPAIRS. THE REPAIR TIME IS UNKNOWN AT THIS STAGE. THE MUNICIPALITY IS CURRENTLY SEVICING SEPTIC TANKS ALL OVER KANNALAND TO AVOID THE SEWERAGE TO OVERFLOW AND CREATE ENVIRONMENTAL SPILL WE URGENTLY NEED TO RENT A SEWERAGE TRUCK FOR 7DAYS TO RENDER THIS ESSENTIAL SERVIC TO THE COMMUNITY.	EMERGENCY
8/1/4/R	26/01/2024	ADMINISTRATION	BLYTH AND COETZEE	R 19,716.00	THE ORIGINAL AGREEMENT WITH THE SUPPLIER TO RENT THIS BUILDING EXPIRED AND IT THEREFORE RESULTED IN THE MUNICIPALITY HAVING TO RETAIN THIS SUPPLIER ON A MONTH TO MONTH BASIS. KANNALAND MUNICIPALITY HAS A CHALLENGE WITH OFFICE SPACE, THE TECHNICAL DEPARTMENT CURRENTLY OCCUPIES THE BUILDING. THE BUIDING IS SITUATED WITH A 200M RADIUS FROM MAIN MUNICIPALITY BUILDING.	IMPRACTICAL / IMPOSSIBLE
				R 857,197.63		

**FEBRUARY 2024
SUPPLY CHAIN MANAGEMENT DEVIATIONS: ART 36- SCM REGULATIONS**

ORDER NUMBER	DATE	DEPARTMENT	SUPPLIER	AMOUNT	REASON	Description of Reg 36
20257	20/11/2023	TECHNICAL DEPARTMENT	ULTRA WATER (PTY) LTD	R 71,875.00	THE MUNICIPALITY HAS NO OTHER CHOICE BUT TO APPOINT THE CURRENT SERVICES PROVIDER FOR THE SUPPLY OF THE ACTIVATED CARBON WHICH WAS URGENTLY NEEDED FOR FIGHTING THE CAUSE OF DRINKING WATER, ZOOB AND AMALHENSTEIN	EMERGENCY
20687	7/2/2024	ADMINISTRATION	BRAAFF	R 31,028.73	DUE TO OFFICE SPACE, KANNALAND MUNICIPALITY ENTERED INTO AN AGREEMENT WITH MR BRAAF TO RENT THE PROPERTY ON THE CORNER OF CHURCH AND VAN RIEBEECK STREET (01/06/2022-31/05/2025. THIS OFFICE SPACE IS USED BY THE FOLLOWING USER DEPARTMENTS: CFO, BTO, SCM, SCM STORES, AND EXPENDITURE AND PAYROLL	IMPRACTICAL / IMPOSSIBLE
20692	8/2/2024	ADMINISTRATION	TELKOM SA LIMITED	R 60,781.00	ENGAGEMENT WITH THE BUSINESS SIDE OF TELKOM, BUT COULD NOT FINALIZE THE PROCESS DUE TO A LACK OF CONTINUITY IN NEGOTIATIONS AND PERSONNEL. MR RUDI 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.	IMPRACTICAL / IMPOSSIBLE
20741	15/02/2024	FINANCIAL SERVICES	SA POSTAL SERVICES	R 44,922.50	SAPO 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 GENERATE REVENUE FOR SERVICE DELIVERED.	SOLE PROVIDER
20764	20/02/2024	ADMINISTRATION	KONICA MINOLTA	R 8,627.78	CURRENT MEDIUM VOLUME MULTIFUNCTION COPIERS AT THE MUNICIPALITY ON A RENTAL BASIS HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY STARTING THE PROCUREMENT PROCESS FOR THE APPOINTMENT OF A NEW SERVICE PROVIDER ON A 36 MONTHS CONTRACT. THE MUNICIPALITY HAS NO OTHER CHOICE BUT TO APPOINT THE CURRENT SERVICE PROVIDERS UP UNTIL THE PROCUREMENT AND TENDER PROCESS FOR A SERVICE PROVIDER HAS BEEN FINALISED.	IMPRACTICAL / IMPOSSIBLE
20766	20/02/2024	FINANCIAL SERVICES	WINDEED	R 1,587.64	KANNALAND MUNICIPALITY 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. IF THIS ACTION IS NOT PERFORMED ON A MONTHLY BASIS AND RECORDS ARE NOT ADJUSTED TO THE LATEST INFORMATION, INVOICES WILL BE DELIVERED TO INCORRECT PROPERTY OWNERS AND THIS WILL RESULT IN A LOSS IN INCOME.	EMERGENCY
20769	20/02/2024	FINANCIAL SERVICES	WINDEED	R 2,305.87	KANNALAND MUNICIPALITY 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. IF THIS ACTION IS NOT PERFORMED ON A MONTHLY BASIS AND RECORDS ARE NOT ADJUSTED TO THE LATEST INFORMATION, INVOICES WILL BE DELIVERED TO INCORRECT PROPERTY OWNERS AND THIS WILL RESULT IN A LOSS IN INCOME.	EMERGENCY
20770	20/02/2024	FINANCIAL SERVICES	WINDEED	R 1,815.87	KANNALAND MUNICIPALITY 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. IF THIS ACTION IS NOT PERFORMED ON A MONTHLY BASIS AND RECORDS ARE NOT ADJUSTED TO THE LATEST INFORMATION, INVOICES WILL BE DELIVERED TO INCORRECT PROPERTY OWNERS AND THIS WILL RESULT IN A LOSS IN INCOME.	EMERGENCY
20768	20/02/2024	FINANCIAL SERVICES	WINDEED	R 906.42	KANNALAND MUNICIPALITY 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. IF THIS ACTION IS NOT PERFORMED ON A MONTHLY BASIS AND RECORDS ARE NOT ADJUSTED TO THE LATEST INFORMATION, INVOICES WILL BE DELIVERED TO INCORRECT PROPERTY OWNERS AND THIS WILL RESULT IN A LOSS IN INCOME.	EMERGENCY
20767	20/02/2024	FINANCIAL SERVICES	WINDEED	R 2,020.01	KANNALAND MUNICIPALITY 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. IF THIS ACTION IS NOT PERFORMED ON A MONTHLY BASIS AND RECORDS ARE NOT ADJUSTED TO THE LATEST INFORMATION, INVOICES WILL BE DELIVERED TO INCORRECT PROPERTY OWNERS AND THIS WILL RESULT IN A LOSS IN INCOME.	EMERGENCY
20731	12/2/2024	ADMINISTRATION	KONICA MINOLTA	R 7,555.12	THE AGREEMENTS WITH THE SERVICES PROVIDERS TO PROVIDE, INSTALL AND MAINTAIN THE CURRENT MEDIUM VOLUME MULTIFUNCTION COPIERS AT THE MUNICIPALITY ON A RENTAL BASIS HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY STARTING THE PROCUREMENT PROCESS FOR THE APPOINTMENT OF A NEW SERVICE PROVIDER ON A 36 MONTHS CONTRACT. THE MUNICIPALITY HAS NO OTHER CHOICE BUT TO APPOINT THE CURRENT SERVICE PROVIDERS UP UNTIL THE PROCUREMENT AND TENDER PROCESS FOR A SERVICE PROVIDER HAS BEEN FINALISED.	IMPRACTICAL / IMPOSSIBLE
20728	12/2/2024	ADMINISTRATION	BIDVEST STEINER	R 12,826.78	THE ORIGINAL AGREEMENTS WITH THE SERVICE PROVIDER TO PROVIDE THESE SERVICES HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY HAVING TO RETAIN THESE SERVICES ON A MONTH TO MONTH BASIS. THE NEED FOR ETERNAL SPECIFIED CLEANSING SERVICES/PRODUCTS ARE A CHALLENGE IN KANNALAND MUNICIPALITY AS WE HAVE LIMITED RESOURCES.	IMPRACTICAL / IMPOSSIBLE
20735	13/02/2024	ADMINISTRATION	BLYTH AND COETZEE	R 9,858.00	THE ORIGINAL AGREEMENT WITH THE SUPPLIER TO RENT THIS BUILDING EXPIRED AND IT THEREFORE RESULTED IN THE MUNICIPALITY HAVING TO RETAIN THIS SUPPLIER ON A MONTH TO MONTH BASIS. KANNALAND MUNICIPALITY HAS CHALLENGE WITH OFFICE SPACE, THE TECHNICAL DEPARTMENT CURRENTLY OCCUPIES THE BUILDING. THIS BUILDING IS SITUATED WITHIN A 200m RADIUS FROM MAIN MUNICIPALITY OFFICES	IMPRACTICAL / IMPOSSIBLE
20772	20/02/2024	FINANCE	LUCRUMSOFT	R 38,640.00	METERS, TO ENABLE BILLING. THE MUNICIPALITY DOES NOT HAVE THE FACILITIES TO PERFORM THESE METER READINGS THEMSELVES. THE CURRENT APPOINTED SERVICE PROVIDER FOR THE READING OF ALL WATER AND ELECTRICITY METERS IN NOT IN A POSITION TO PROVIDE THIS INFORMATION AS THIS WAS NOT INCLUDED IN THE TENDER AWARDED. A NEW TENDER IS IN PROCESS SPECIFICALLY WITH REGARDS TO THE READING OF AMR	IMPRACTICAL / IMPOSSIBLE
20771	20/02/2024	FINANCE	LUCRUMSOFT	R 38,640.00	METERS, TO ENABLE BILLING. THE MUNICIPALITY DOES NOT HAVE THE FACILITIES TO PERFORM THESE METER READINGS THEMSELVES. THE CURRENT APPOINTED SERVICE PROVIDER FOR THE READING OF ALL WATER AND ELECTRICITY METERS IN NOT IN A POSITION TO PROVIDE THIS INFORMATION AS THIS WAS NOT INCLUDED IN THE TENDER AWARDED. A NEW TENDER IS IN PROCESS SPECIFICALLY WITH REGARDS TO THE READING OF AMR METERS. DUE TO THE URGENCY OF THIS SERVICE THAT MUST BE DELIVERED THE INFORMATION IS OBTAINED FROM THE PREVIOUS SERVICE PROVIDER	IMPRACTICAL / IMPOSSIBLE
20798	28/02/2024	FINANCE	WINDEED	R 1,831.44	KANNALAND MUNICIPALITY 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. IF THIS ACTIONS IS NOT PERFORMED ON A MONTHLY BASIS AND RECORDS ARE NOT ADJUSTED TO THE LATEST INFORMATION, INVOICES WILL BE DELIVERED TO THE INCORRECT PROPERTY OWNERS AND THIS WILL RESULT IN A LOSS IN INCOME.	IMPRACTICAL / IMPOSSIBLE
20739	15/02/2024	TECHNICAL DEPARTMENT	HIDRO-TECH SYSTEMS (PTY) LTD	R 368,580.99	KANNALAND MUNICIPALITY DEVIATED	IMPRACTICAL / IMPOSSIBLE
20732	13/02/2024	ADMINISTRATION	VALLEY CONTAINERS	R 10,522.50 R 714,325.65	THE ORIGINAL AGREEMENTS WITH THE SERVICE PROVIDER TO PROVIDE THESE SERVICES HAS LAPSED AND THUS RESULTED IN THE MUNICIPALITY HAVING TO RETAIN THESE SERVICES ON A MONTH TO MONTH BASIS. THE NEED FOR OFFICE AND STORAGE HAS BEEN A CHALLENGE IN KANNALAND MUNICIPALITY FOR A NUMBER OF YEARS NOW AND HAS NECESSITATED THE MUNICIPALITY TO USE CONTAINERS TO ADDRESS THIS NEED AS INTERIM MEASURE.	IMPRACTICAL / IMPOSSIBLE

MARCH 2024
SUPPLY CHAIN MANAGEMENT DEVIATIONS: ART 36- SCM REGULATIONS

ORDER NUMBER	DATE	DEPARTMENT	SUPPLIER	AMOUNT	REASON	Description of Reg 36
20815	6/3/2024	Administrative Services	Bidvest Steiner	R 12,826.78	The Original agreements with the service provider to provide these services has lapsed and thus resulted in the municipality having to retain these services on a month-to-month basis. The need for external specified cleansing services/products are a challenge in Kannaland Municipality as we have limited resources. 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.	IMPRACTICAL / IMPOSSIBLE
20833	12/3/2024	Technical Services	Valsta's Specialized Cleaning	R 105,600.00	The sewerage truck of Kannaland Municipality is in for repairs, thus this will result in the sewerage overflow into a nearby rivers, creating an environmental spill. This necessitating the need to hire a sewerage truck on an emergency basis. To also have Valsta's Specialized Cleaning Services (Pty) Ltd on a standby basis in case of an emergency.	EMERGENCY
20840	15/03/2024	IT Services	ICT Wize Group (Pty) Ltd	R 28,319.00	The WAN Network tender was out for bidder to bid and closed in 23 October 2024. The reason the tender was not awarded is that the bids received was non compliant, and since the WAN Network is a critical operational function within the municipality, it had to be procured through Deviation until such a time that the user department again initiates the tender process through SCM.	IMPRACTICAL / IMPOSSIBLE
20864	20/03/2024	Technical Services	Deklin Services	R 77,988.60	Water Supply Systems works only periodically. This leaves the community without water as well as the school. The community of Voorbaat are provided with water through a borehole and the pump are currently not functional. The municipality is currently experiencing problems with sustainable water provisioning, especially with the elevated levels of loadshedding. Water and sanitation services are a basic human right. A loack of water and sanitation service could lead to serious health and environmental problems.	EMERGENCY
20870	22/03/2024	Administrative Services	Valley Containers	R 10,522.50	The Original agreements with the service provider to provide these services has lapsed and thus resulted in the municipality having to retain these services on a month-to-month basis. The need for office and storage has been a challenge in Kannaland Municipality for a number of years now and has necessitated the municipality to use containers to address this need as an interim measure. The municipality has no other choice but to appoint th ecurrent service provider up until a procurement and tender process for a more permanent service provider has been finalized.	IMPRACTICAL / IMPOSSIBLE
20869	22/03/2024	Administrative Services	Konica Minolta South Africa	R 29,058.98	The agreements with the services providers to provide, install and maintain the current medium volume multifuction copiers at the municipality on a rental basis has lapsed and thus resulted in the municipality starting the procurement process for the appointment of a new service provider on a 36 months contract. The specifications and scope of works has been signed off by the Municipal Manager, but the availability of the copiers plays an important role in the effective and efficient administration of the municipality. The municipality has no other choice but to appoint the current service providers up until the procurement and tender process for a service provider has been finalized. The contracts that lapsed makes provision for a month-to-month agreement that shall be terminated upon prior notice by any of the parties, but to ensure continuity its requested that a contract appointment for the rest of the current financial year to be done.	IMPRACTICAL / IMPOSSIBLE
20865	22/03/2024	Technical Services	Valsta's Specialized Cleaning	R 130,050.00	The sewerage truck of Kannaland Municipality is in for repairs, thus this will result in the sewerage overflow into a nearby rivers, creating an environmental spill. This necessitating the need to hire a sewerage truck on an emergency basis. To also have	EMERGENCY
20899	28/03/2024	Human Resources	Media 24	R 85,422.00	The item for the advertisement of the vacant post of the Director Technical Services served at Council 27 March 2024. Council took a decision to advertise the post, in line with the regulations and the Appointment and Conditions of Senior Managers, 2014. As part of the resolution, the administration must appoint an independent Consultant which will assist council with the process. Regulation 11(1) of regulations of the Appointment and Conditions of Senior Manager 2014, States that the advert must be placed 14 days of approval by council. This results in the normal SCM Processes not being able to realise based on the following timeline, Council Resolution 27 March 2024, Advertisement (Latest date) 30 March 2024. The independent consultant must be appointed between 13 March 2024 until recruitment process if completed, to allow SCM to place the advertisement in the National Newspaper.	SOLE PROVIDER
				R 479,787.86		

APPENDIX B – TENDER REGISTER

TENDER PROCESS REPORT

Project Description	CURRENT PROCESS				NEW PROCESS				
	Service Provider	Emergency Procurement	Responsible official	Method of procurement	Bid Specification	Advert	Bid closing	Bid Evaluation	Bid award
ICT	ICT Iwize	NO	R Meyers	Tender	14/08/2023	22/09/2023	23/10/2023	06-8/11/2023	21/11/2023
Banking services	Please check	Please check	C. Claasens/J Booyen	Tender	27/10/2023	04/11/2023	04/12/2023		
Chemical Toilet Supplies/ Ablition Services	Sanitech	NO	M. Mackier/ R. Timmie	Tender	14/03/2024				
Bulk meter readings	Lucrumsoft	Yes	R. Nel/ I Grispe	Tender	23/10/2023	4/11/2023	4/12/2023		
Printers	Konica Minolta	NO	H. Constable	Tender	6/11/2023	8/11/2023	8/12/2023	6/3/2024	14/03/2024
Telecoms	Telkom	NO	R.Meyers/H. Constable	Tender	26/10/2023		27/11/2023		
Hygienic services	Bidvest Steiner	NO	H. Constable/Ivor	Tender	30/10/2023	27/10/2023	27/11/2023		
Tyres for vehicles	Tyers & Treads	NO	M.Scheffers	Tender	31/10/2023	4/11/2023	4/12/2023		
Vehicle Maintenance	Arthurs workshop and towing	NO	M.Scheffers	Tender	15/11/2023	4/11/2023	4/12/2023	6/3/2024	
Equipment Maintenance				Tender	6/11/2023				
Upgrading and Refurbishment of Ladismith Waste Water Treatment Works Phase 2	New project		M. Mackier/ N. Paskwali	Tender	20/09/2023	28/09/2023	30/10/2023	16/11/2023	21/11/2023
Water supply	Deklin	NO We have been informed that the water supply services started as a disaster measure, and was therefore an emergency for months, ending in February. This situation is however still ongoing as an emergency	R Timmie/ C Willemse N.Paskwali	Tender	6/3/2024				
Debt Collections	No previous activity		C. Hartnick/R Nel	Tender	30/10/2023	27/10/2023			
Container rentals	Valley containers	NO	H. Constable/Ivor	Tender					
Sewerage services	Various service providers, the latest provider Valsta	YES, however, a deviation cannot be justified for year on end	N.Paskwali	Tender	6/3/2024	ADVERTISING			
Fleet Management System	No service provider	No	M.Scheffers	Tender	15/11/2023	27/11/2023	15/01/2024		
Transactional and advisory services	No service provider	No	M. Makier	Tender	14/03/2024	19/03/2024	22/04/2024		
Sanitech (Chemical toilets)	Sanitech	Deviation	M.Makier	Tender	14/03/2024				
Consulting Engineers	SMEC	Emergency Procurement	M. Makier	Tender	14/03/2024	26/03/2024	26/04/2024		
Water truck	Deklin	Deviation	Makier	Tender	14/03/2024				
Sewerage truck	Valstas	Deviation	Makier	Tender	14/03/2024				
Sampling and Testing of potable water and wastewater	No service provider		Makier	Tender	14/03/2024				
Forensic Services	No service provider	No	T. Mweli	Tender	13/03/2024	21/03/2023	22/04/2024		
Legal services	No service provider	No	F. Stemmet	Tender	14/03/2024	20/03/2024	22/04/2024		
Programme Implementation Support	No service provider	No	M. Makier	Tender	19/03/2024	26/03/2024	26/04/2024		
Panel of Presiding Officers	No service provider	No	T Roodtman	Tender					
Panel of Contractors	No service provider	No	J Lesch	Tender	22/04/2024	26/04/2024	28/05/2024		
Panel of Consultants(Accounting Support, Advisory Services)	No service provider	No	CFO	Tender					
Expression of Interest	No service provider	No	M. Makier	Tender	09/04/2024	11/04/2024	13/05/2024		

ANNEXURE D – 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 2024 to March 202	Q3	1,298,267	R 1.56	2,025,297	12.7%	20.3%	10.9%	
SDBIP	Q3	-1%	Quarterly Target Missed		12%			

Electricity Losses occur due to *inter alia*, 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.

				Kannaland	Czd	VWD	LDS	Zoar
Water Losses:		Lost Units	% Loss	% Loss	% Loss	% Loss	% Loss	% Loss
January 2024 to March 2024	Q3	82,105	22.1%	17.2%	17.5%	24.5%	21.3%	
SDBIP	Q3	7%	Quarterly Target Achieved		29%			

Water Losses occur due to *inter alia*, 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

ANNEXURE E – BUDGET FUNDING PLAN

The implementation of the funding plan is taking place on monthly basis and will be reported on a monthly basis for any material issues that may arise and that will need attention.

11-Apr-24	Activity	Activity Detail	Status	Due Date	Date Achieved	Comments / Reasons / remedial action
Improved Monthly Collection Rate	Meter verification, TID & data collection project	Start processes for meter verification, TID & data collection project - Specs for tender	Target Missed	1-Feb-24		The tender was advertised, only one application was received. The tender expired and will be re-advertised. The Municipality is engaging the service current service provider to roll-out this services.
	Meter verification, TID & data collection project	Tender to be awarded and project commencement	Target Missed	1-Apr-24		The tender was not awarded. Depending on the outcome of the engagement with the current service provider will the tender be re-advertised.
	Meter verification, TID & data collection project	Phase I - To be specified during specs evaluation/assessment	Not Due	1-Jun-24		The tender was not awarded, it will be re-advertised.
	Meter verification, TID & data collection project	Phase II - To be specified during specs evaluation/assessment	Not Due	1-Sep-24		The tender was not awarded, it will be re-advertised.
	Meter verification, TID & data collection project	Phase III - To be specified during specs evaluation/assessment	Not Due	1-Oct-24		The tender was not awarded, it will be re-advertised.
	Tender for issuing of summonses to be awarded	Referred back to evaluation for clarity on pricing	Target Missed	31-Jan-24		The Municipality is currently busy with an intensive debt collection drive. The focus is on the top 50 debtors. Numerous communication has been circulated with some success. A further drive will ensue and none paying debtors will be handed over. The Municipality advertised a tender for legal and professional services. None of the bidders were able to assist with Debt Collection. The Municipality opted to re-advertised. The Municipality is in the process of enlisting the services of a debt collection agency and all overdue debtors will be handed-over systematically.
	Bulk SMS's - Credit Control / Check with SAMRAS credit control module	SMS's can be done internally (part of FMG support Plan)	Achieved	31-Aug-23	31-Aug-23	The Municipality managed to procure bulk messages and it forms part of the debt collection process. The Municipality appointed a Accountant Debt Collection to ensure a dedicated focus on overdue accounts
	SAMRAS - Credit Control Module activate and support	Dependent availability of SAMRAS (part of FMG support Plan)	Achieved	30-Sep-23	1-Nov-23	The Municipality opted to appoint a Accountant responsible for Debt Collection. The Credit Control Module implementation will be investigated and detailed recommendations will be considered.
	Exception reporting - Improved	System in place to ensure technical department address issues escalated	Achieved	1-Aug-23	1-Oct-23	The Municipality are making use of the services of a Seconded Technical Director. This will allow management to implement cross departmental actioned. The technical department in conjunction with the meter reading department will ensure all faulty meters are replaced.
	Action against biggest Debtors	Dependent on summons processes (can start with notices to be issued & addressing disputes)	Achieved	31-Aug-23	31-Aug-23	The debt collection team is busy prioritising the highest debtors per month.
	Strengthen internal capacity	Appointment Customer Care Clerk	Achieved	31-Jul-23	31-Aug-23	The Municipality opted to appoint a Accountant responsible for Debt Collection. It also appointed a clerk within the department.
	Strengthen internal capacity	Appointment Accountant - Debtors	Achieved	31-Jul-23	1-Dec-23	The Municipality advertised for this position and is busy with the recruitment process. An appointment will be made once the process has been concluded. The appointment has been made and the candidate will start on 01 December 2023.
	Adding additional pay-points / Indigent registration	WVD - (tools of trade to be issued)	Achieved	31-Jul-23	1-Aug-23	The Municipality are busy exploring the options to increase the pay-points. It was concluded that a possible relief cashier be used on selected days.
	Adding additional pay-points / Indigent registration	Thusong Centre - (tools of trade to be issued)	Target Missed	31-Mar-24		The Municipality are busy exploring the options to increase the pay-points. A site visit was conducted and a particular office was identified. The Municipality must identify savings to make the necessary adjustments, safety proof the office.
	Adding additional - Indigent registration (temporarily - Maxi Hall)	Zoar (tools of trade to be issued)	Achieved	31-Jul-23	31-Jul-23	The Municipality throughout the month of July 2023 embarked on numerous indigent registration initiatives. This was rewarding as people managed to register.
	Adding additional - Indigent registration (temporarily - Bergsig Library)	Czd (tools of trade to be issued)	Achieved	31-Jul-23	31-Jul-23	The Municipality throughout the month of July 2023 embarked on numerous indigent registration initiatives. This was rewarding as people managed to register.

Improved Accuracy in Billing	Reconciliations	Rates / billing recon - quarterly (being done to ensure billing completeness) -Addressing Reconciliation differences (in place)	Achieved	31-Aug-23	31-Oct-23	The valuation roll is being reconciled and all variances reported on monthly. A action plan has been drawn up to address outstanding matters.
	Water & Electricity Meters to be recorded correctly on the system	Uniformity in capturing and data cleansing through verification project - SOP's to be put in place and actual corrections to correlate with verification process	Achieved	31-Oct-23	30-Sep-23	The debtors and metering department is busy with a meter audit. A number of faulty meters has been identified for repairs and replacement. The Municipality has established a operating team consisting of the technical and finance department to perform a detailed analysis throughout the Municipality. The process already started and will be completed by end of January 2024.
	Stakeholder Communication	System in place to communicate and follow progress on replacement and installing of meters. Connecting of new services to a property. (Role clarification building control, technical & billing)	Achieved	31-Aug-23	30-Sep-23	An interdepartmental working group will be established and the finance department will be in charge of the data of each meter
	Stakeholder Communication	Communication campaign - methods of payment, accounts to be emailed, accounts available online - communicate to the public	Achieved	30-Sep-23	31-Dec-23	Accounts is being emailed to debtors monthly. The council resolved that the CFO can engage outstanding debtors on a payment plan or settlement arrangement.
	Management of Bulk Services	Calibrate and monitor bulk meters (Control meters and annual calibration part of technical maintenance plan)	Achieved	30-Nov-23	31-Dec-23	Bulk meters are being monitored monthly. The Municipality is currently in the processes of going out on tender for the reading of all bulk meters.
Other Revenue	Rental Contracts	Ensure that there are rental contracts for all properties on the rent-register	Target Missed	31-Aug-23		The Municipality is busy collating the outstanding contracts. The deadline was extended to 31 December 2023 from 31 August 2023. The user department is currently busy with finalising these contracts.
	Rental Income	Enhance rental income for municipal properties like community facilities & equipment	Target Missed	31-Dec-23		Rental contracts must be adjusted with market related rental income. All outstanding rental contract must be signed.
	Rental Income	Rental income all municipal properties and market related where applicable	Target Missed	31-Jul-23		Rental contracts must be adjusted with market related rental income. All outstanding rental contract must be signed.
	Traffic Department	Procurement process- vendor to be appointed for speed cameras	Target Missed	31-Jan-24		The Municipality has rented a traffic camera which is currently in use. The Municipality is currently in the process of auditing the traffic fine system. The progress is not satisfactory and management will review the operations, as the service is under-utilized.
	Traffic Department	Address traffic department leadership and structuring - Head of department to be appointed	Target Missed	31-Oct-23		This is currently in process, the position has been advertised, HR is yet to make the appointment
	Traffic Department	Address traffic department revenue shortfall - increased spot fines, licenses, roadworthy etc. - address inefficiencies - report progress	Target Missed	30-Sep-23		Due to a lack in leadership the department does not have a clear action plan. The targets must be revised to end of December 2023. It seems unlikely that the projected revenue target for this will be achieved.

Cost Containment Measures	Human Resources	Implement a performance management system for all managers (consequence management + improvement discipline)	Target Missed	31-Oct-23		This is still outstanding, a draft performance plan and contracts have been implemented for directors. The Municipality must enlist the get access to a performance management system to effectively implement a PMS.
	Human Resources	Phased in approach to cost cutting measures - address allowances, standby, overtime etc.	Target Missed	31-Aug-23		The Municipality is busy with budget vs actual workshops for each department. Costs containment measures will be implemented once the directors have a better understanding of their budgets. Various cash flow meetings was held with line managers during November 2023. A budget vs actual workshop was also held, budgeted vacant positions were highlighted for the employment of temporary workers, limited until Feb 2024.
	Human Resources	Completeness HR records (leave, sick leave and employee Masterfile information)	Target Missed	31-Aug-23		Monthly reconciliations is still outstanding, this must be implemented by 31 December 2023.
	Human Resources	Compliance with Staff regulations and address structure inefficiencies + organogram payroll recon. Appointments to be prioritized and "need" justified	Target Missed	31-Aug-23		Monthly reconciliations is still outstanding, this must be implemented by 31 December 2023.
	Contract Management	Approve a Contract Management Policy & Checklist for vendor performance management and need analysis before appointing	Target Missed	31-Jan-24		The Municipality is currently busy with the implementation of controls and the development of a compliant contract register. Various expired contracts will be reviewed to implement cost-containment measures.
Liability Management	Creditors	Compliance with section 65 of the MFMA. Recognition of expenditure when incurred. Sub-system to be used and reconciled	Target Missed	29-Feb-24		The Municipality circulated numerous communication with suppliers regarding payment dates, processes and payment terms. As cash flow allow it will attempt to ensure compliance with the section. The Eskom debt relief application has allowed the Municipality to decrease its total liabilities. The final adjustments for the Eskom balance has been received and the Municipality has over R8million credit which will impact the municipalities cash balance positively. The credit with Eskom has been utilized to strengthen the Municipalities cash position.
	Budgeting	Weekly cash flow monitoring	Achieved	31-Aug-23	7-Nov-23	Cash flow meetings is scheduled weekly
	Budgeting	Establish Budget Steering Committee (budget implementation & grant management monitoring)	Target Missed	31-Jan-24		The Municipality is in the process of establishing a budget steering committee
	Liabilities	Clearing and dealing with old grants on grant register	Target Missed	31-Mar-24		The Municipality performed a detailed grant reconciliation at year-end for the financials statements, this will be corrected in the financial system. The financial system will be aligned to the grant register. All historical grants will be reported on as historical expenditure might be off-set against these expense conditions.
	Liabilities	Improved grant & retention management - address PMU inefficiencies and administrative responsibilities clarified	Achieved	31-Aug-23	31-Aug-23	The Municipality performed a detailed grant reconciliation at year-end for the financials statements, this will be corrected in the financial system
Other Measures	Water & Electricity Losses	Isolating high loss and fix (water) / exception reporting & monitoring of use	Target Missed	31-Jul-23		The Technical department is in the process of implementing a system in which they will address water losses.
	Water & Electricity Losses	Pre-Paid water meters first Indigent households as policy dictate - linked to verification project	Target Missed	31-Jan-24		The Municipality is in the process of embarking on a internal meter audit verification process, by establishing a multi-departmental team to verify meter data of all meters within the Municipality. Through this process all water & electricity meters will be audited and replaced if found to be faulty.
	Water & Electricity Losses	Identify and consolidate Eskom service points (reduce monthly account)	Target Missed	31-Dec-23		The Municipality has started exploring this through the technical department.
	Asset Management	Improved fleet management - Policy implementation, monitoring of fuel use & monthly reporting	Target Missed	31-Jul-23		Fleet management is challenging in the Municipality due to the lack of vehicle management. The Municipality is in the process of evaluating the tender for a fleet management system.
	Asset Management	Develop a R&M plan / strategy	Target Missed	31-Mar-24		
	Employee Related Costs	Fill critical vacancies - "justifiable needs assessment" first. Revenue generating / protecting in nature - prioritise	Target Missed	31-Oct-23		The organogram is still in development phase