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FINANCIAL REPORTING AS AT 30 SEPTEMBER 2015

This report served before the Financial Services Portfolio Committee on 29 October 2015. The recommendations are supported.

PURPOSE

To submit to Council the financial position of the uMhlathuze Municipality for the quarter ended 30 September 2015, as required in terms of the Municipal Finance Management Act, 2003 (Act No 56 of 2003). The monthly and quarterly requirements in terms of Section 71 and Section 52(d) respectively are also included in this report.

NATIONAL KPA 5 : MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT		
GOALS	OBJECTIVES	STRATEGIES
5.1 Sound Financial And Supply Chain Management	5.1.1 Compliance with financial legislation and policies	5.1.1.1 Ensure GRAP compliance 5.1.1.2 SCOA compliant (new reform) 5.1.1.3 Review of all budget related policies 5.1.1.4 Adherence to all MFMA and budget and reporting 5.1.1.5 Compliance with the Supply Chain Management regulation and PPPFA
	5.1.2 Sustainable Financial and supply chain Management	5.1.2.1 Improve internal communication on budget matters 5.1.2.2 Maintenance of fixed asset register 5.1.2.3 Credit control and debt collection 5.1.2.4 Compliant internal controls 5.1.2.5 Compliant grant reporting 5.1.2.6 Obtain targeted cash-backed statutory reserves 5.1.2.7 Development and appropriate training and assistance to employees 5.1.2.8 Identify and redress water and electricity tampering 5.1.2.9 Demand and acquisition management 5.1.2.10 Warehouse management 5.1.2.11 Contract administration

BACKGROUND

Section 71 of the Municipal Finance Management Act (MFMA), (Act 56 of 2003) prescribes certain conditions that need to be complied with in terms of the mentioned Act.

The Accounting Officer of the Municipality must report, by no later than 10 working days after the end of each month, to the Mayor and the relevant Provincial Treasury, a statement in the **prescribed format** on the state of the Municipality's budget.

Section 66 of the Municipal Finance Management Act further prescribes that all expenditure incurred by the Municipality on staff salaries, allowances and benefits be reported upon in a format and for the prescribed period. It is considered appropriate to report on this section of the Act on a monthly basis, to coincide with the reporting requirements of Section 71(1) of the Act.

Section 52 (d) of the Municipal Finance Management Act prescribes that 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 additional monthly reporting as required by Council is also included herein. The MFMA requires that the reporting of the budget (Annual, monthly, mid-year and adjustment) be in terms of a prescribed format.

As mentioned above, the MFMA Section 71 (1) refers to a prescribed format according to which the annual budget is required to be prepared. National Treasury has issued MFMA Circular No 51 (**DMS 633560**) in which this prescribed format has been set out.

Furthermore, National Treasury has issued Municipal Budget and Reporting Regulations in terms of Government Gazette Number 32141 dated 17 April 2009. These regulations set out the manner in which Municipalities are required to prepare the 2010/2011 Budget as well as the in-year reporting effective from July 2010.

The objectives of the budget formats reforms in terms of these regulations are:

- ❖ To ensure that the municipal budget and financial reporting formats support the other financial management reforms introduced by the Municipal Finance Management Act (MFMA).
- ❖ To formalise the norms and standards governing municipal budget and financial reporting formats, so as to improve the credibility, sustainability, transparency, accuracy and reliability of budgets and in-year reports of Municipalities.
- ❖ To improve Council's ability to deliver basic services to all by addressing issues of financial sustainability.
- ❖ To facilitate informed policy choices by Council and medium term planning of service delivery by aligning targets to achieve backlog elimination.

Section 1 of the MFMA defines the Service Delivery and Budget Implementation Plan (SDBIP) as:

"A detailed plan approved by the mayor of a municipality in terms of section 53(l)(c)(ii) for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate:

- (a) *Projections for each month of:*
 - (i) *Revenue to be collected, by source; and*
 - (ii) *Operational and capital expenditure, by vote.*
- (b) *service delivery targets and performance indicators for each quarter."*

The Service Delivery and Budget Implementation Plan (SDBIP) have been segmented into five components. These are:

- ❑ Component 1: Monthly projections of revenue (including capital grants) to be collected for each source **Annexure Z (DMS 1082996)**;
- ❑ Component 2: Monthly projections of expenditure (operating and capital) and revenue for each vote **Annexure AA (DMS 1082996)**;

- Component 3: Quarterly projections of service delivery targets and performance indicators for each vote **Annexure AB - AH (DMS 1082996)**:

It should be noted that there will be gaps on reported information for Infrastructure and Technical Services and Corporate Services for Quarter 1, once the targets have been reviewed and finalised, Component 3 will be updated according.

- Component 4: Ward information for expenditure and service delivery **Annexure AI and AJ (DMS 1082996)**; and
- Component 5: Detailed capital works plan broken down by ward over three years **Annexure AK (DMS 1082996)**.

DISCUSSION

This report and the supporting schedules will be forwarded to National and Provincial Treasury as required in terms of Section 71 and Section 74 of the MFMA in both printed and electronic formats.

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1. **MAYOR'S REPORT**

In terms of the Budget Regulations, Part 1 in-year reporting, the Mayor is required to provide a report / comments on:

- “(a) a summary of whether the Municipality’s budget is being implemented in accordance with the service delivery and budget implementation plan and any service delivery agreements with municipal entities;*
- (b) a summary of any financial problems or risks facing the municipality or any such entity; and*
- (c) any other information considered relevant by the Mayor.”*

Quarterly Report - September 2015

The quarterly budget statement summary (Table C1) for the month of September 2015 (year to date actual), shows a surplus of R120,1 million. This implies that the municipality has been able to raise its budgeted income and has successfully collected such billed income as well.

Capital Expenditure

Council is in the beginning of the financial year and capital expenditure is still low at R35,7 million (7,96%). This is based on the Adopted Capital Budget of R449 million.

The low spend in September 2015 is expected as departments ensure that old year transactions are captured correctly. Expenditure should accelerate now that all old year transactions are finalised.

2. **RESOLUTIONS**

Refer to the recommendations contained in this report.

3. EXECUTIVE SUMMARY

3.1 Status of MSCOA Project

As Council is aware this Municipality is performing a pilot exercise for the National Treasury on the new Municipal Standard Chart of Accounts. Such are governed by regulations which will become effective Nation-wide on 1 July 2017.

In short the change is resulting in some sound business reforms:

1. Ensuring a more consistent reporting of financial transactions across all municipalities in South Africa;
2. Ensuring that municipalities can budget per objective or project based, not on items or products.

The Project commenced on the 1 September 2014 and we "went live" on 7 July 2015.

There are many challenges at this stage, however most relate to the effect the new chart has on our existing business processes. We have had to change the Supply Chain and Expenditure side of the existing financial system to accommodate such change using the existing service providers.

Fundamental transactions are taking place such as:

1. Receipting;
2. Billing;
3. Payments;
4. Stock Issues;
5. Requisitions;
6. Journals; and
7. Virements (Budget transfers).

Problem areas are:

1. Works order component of financial system is not working;
2. Contract Payments Module not functional yet. Main reason here is that the user departments are not using it and interrogating any issues that might arise therefrom;
3. Automated Work flow (authorisations) not 100% set up for all Departments;
4. Due to the initial challenges when going "live", there is a back-log with current year payments. A plan is in place to remedy such back-log.

The project is run on a strict Project Management basis and project issues are well documented and managed. We are currently in the "hand holding" phase of the project which is planned to end at the end of September 2015. Given the extent of our challenges currently, it is envisaged that such hand holding phase will need to be extended to end of November 2015.

3.2 Operating Budget

The following table represents an executive summary for the financial period ended 30 September 2015:

DESCRIPTION	ADOPTED BUDGET 2015/2016	PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)	% OF PRO- RATA BUDGET SPENT
	R	R	R	%
Revenue (excluding capital grants)	2 524 300 900	631 075 225	713 617 048	113.08%
Expenditure	2 519 363 600	629 840 900	593 476 096	94.23%
	4 937 300	1 234 325	120 140 952	

As can be seen from the table above, Actual Surplus for the month ended 30 September 2015 is significant higher than the Budgeted Surplus.

Actual revenue to Budgeted revenue has exceeded the budget. Actual expenditure to Budgeted expenditure is lower than the budget limit.

This is to be expected as both operating and capital expenditure is usually slow at the start of the financial year and as departments ensure that old year transactions are captured correctly.

3.3 Cash Flow Situation

Details of Bank Balances

DESCRIPTION	CASH ON HAND AT 30 SEPTEMBER 2015	CASH OBLIGATIONS	POLICY TARGET	(SHORTFALL)/ SURPLUS AT 30 SEPTEMBER 2015
	R	R	R	%
Conditional Grants	42 144 000	42 144 000	42 144 000	-
Workings Capital	444 484 000	192 608 000	385 216 000	59 268 000
Total (incl. investments)	486 628 000	234 752 000	427 360 000	59 268 000

Council's Working Capital Policy

In terms of Council's Adopted Working Capital Policy the objective is for Working Capital to be two (2) times the average monthly creditors of the municipality. This ratio is currently at 2,31:1 (444 484/192 608).

MFMA Circular 71

The Cash/Cost Coverage ratio in terms of MFMA Circular 71 is [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) plus Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)] **and the norm is one (1) to three (3) times the average monthly creditors.**

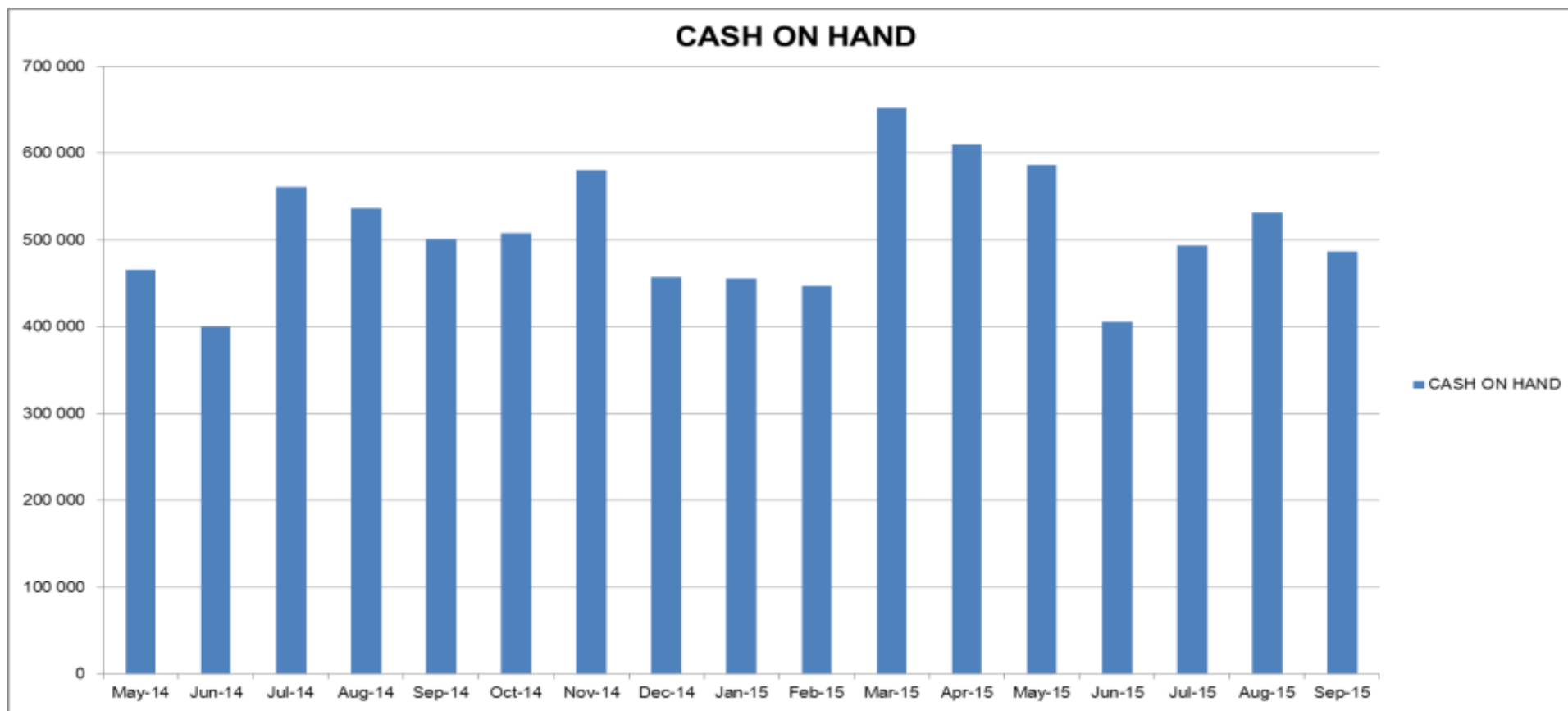
The calculation for the above ratio is as follows: $[(191\ 628 - 42\ 144 + 295\ 000) / (2\ 519\ 364 - 205\ 014 - 3\ 050)/12]$ which currently sits at 2,31:1.

It therefore needs to be noted that both in terms of Council's Policy and the National Treasury MFMA Circular 71, the City of uMhlathuze has suitable cash coverage.

Bank Balance Trend since June 2011

Table:

	May-14	June-14	July-14	Aug-14	Sept-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	April-15	May-15	Jun-15	Jul-15	Aug-15	Sept -15
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Cash on Hand	465 696	399 897	561 308	536 244	501 032	508 007	580 872	457 572	455 589	447 501	652 334	610 458	586 847	405 490	493 345	531 182	486 628



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The table below reflects the grants gazetted and received as at 30 September 2015 from National and Provincial Treasury:

DESCRIPTION OF GRANT	AMOUNT GAZETTED FOR JULY 2015	AMOUNT GAZETTED FOR AUGUST 2015	AMOUNT GAZETTED FOR SEPTEMBER 2015	TOTAL TO BE RECEIVED AS AT 30/06/2016	AMOUNT RECEIVED AS AT 30/09/2015	DIFFERENCE	ACTUAL EXPENDITURE AS AT 30/09/2015	% SPENT	COMMENTS
NATIONAL TREASURY									
Equitable Share	95 802 000	-	-	229 925 000	95 802 000	134 123 000	57 481 250	60%	
Municipal Infrastructure Grant	29 000 000	-	-	93 154 000	29 000 000	64 154 000	32 736 453	113%	This expenditure is as per claims submitted to COGTA.
Municipal Systems Improvement Grant	930 000	-	-	930 000	930 000	-	43 950	5%	
Financial Management Grant	1 600 000	-	-	1 600 000	1 600 000	-	296 053	19%	
Municipal Water Infrastructure Grant	12 721 000	-	-	50 882 000	12 721 000	38 161 000	2 272 411	18%	
Water Services Operating Subsidy	1 750 000	-	-	7 000 000	-	7 000 000	2 735 848	0%	
Integrated National Electrification Grant	-	-	2 000 000	9 000 000	2 000 000	7 000 000	475 777	24%	
Rural Households Infrastructure Grant	2 250 000	-	-	4 500 000	-	4 500 000	532 207	0%	
Extended Public Works Programme	-	1 184 000	-	2 961 000	1 184 000	1 777 000	22 715	2%	
Infrastructure Skills Development Grant	2 250 000	-	-	7 500 000	2 250 000	5 250 000	1 205 259	54%	The 2014/2015 grant was over-spent by R1 071 700. This expenditure will be recovered from the 2015/2016 allocation.
Municipal Demarcation Grant	-	-	-	1 857 000	-	1 857 000	-	0%	
TOTAL NATIONAL TREASURY GRANTS	146 303 000	1 184 000	2 000 000	409 309 000	145 487 000	263 822 000	97 801 923	67%	

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DESCRIPTION OF GRANT	AMOUNT GAZETTED FOR JULY 2015	AMOUNT GAZETTED FOR AUGUST 2015	AMOUNT GAZETTED FOR SEPTEMBER 2015	TOTAL TO BE RECEIVED AS AT 30/06/2016	AMOUNT RECEIVED AS AT 30/09/2015	DIFFERENCE	ACTUAL EXPENDITURE AS AT 30/09/2015	% SPENT	COMMENTS
PROVINCIAL TREASURY									
Provincialisation of Libraries	-	-	6 289 000	6 289 000	-	6 289 000	4 195 251	0%	Expenditure shown is the total operating cost of the Libraries for the period.
Community Library Services Grant (Cyber cadets)	-	-	1 020 000	1 020 000	-	1 020 000	191 882	0%	
Housing Operating Account	-	-	1 047 000	1 047 000	1 188 680	(141 680)	2 519 980	212%	Expenditure shown is the total operating cost of the Human Settlements Section excluding Hostel Operating costs.
Museum Subsidy	-	-	-	166 000	-	166 000	459 836	0%	Expenditure shown is the total operating cost of the Museum.
TOTAL PROVINCIAL TREASURY GRANT	-	-	8 356 000	8 522 000	1 188 680	7 333 320	7 366 949	0%	
TOTAL GRANTS AND SUBSIDIES	146 303 000	1 184 000	10 356 000	417 831 000	146 675 680	271 155 320	105 168 871	72%	

3.4 Capital Budget Summary

The table below represents Capital Expenditure incurred as at 30 September 2015 (7,96%) of the Adopted Budget:

FUNCTION	ADOPTED BUDGET 2015/2016	CASH FLOW PROJECTED BUDGET (YTD) AS PER ADOPTED BUDGET TABLES (SA29)	ACTUAL SEPTEMBER 2015 (YTD)	% OF ADOPTED BUDGET SPENT	% OF CASHFLOW PROJECTION SPENT
	R	R	R		
Executive and Council	92 600	392 600	-	0.00%	0.00%
Budget and Treasury Office	15 000	661 200	-	0.00%	0.00%
Corporate Services	44 497 900	15 606 800	7 915 175	17.79%	50.72%
Community and Social Services	40 525 500	19 406 800	1 829 065	4.51%	9.42%
Sport and Recreation	41 239 400	25 739 400	1 959 117	4.75%	7.61%
Public Safety	21 345 000	6 968 400	-	0.00%	0.00%
Housing	18 000 000	7 500 000	-	0.00%	0.00%
Health	4 866 600	4 742 400	80	0.00%	0.00%
Planning and Development	-	-	-	0.00%	0.00%
Road Transport	42 982 500	7 679 200	266 250	0.62%	3.47%
Electricity	24 830 600	14 907 700	1 134 379	4.57%	7.61%
Water	128 498 650	34 310 400	14 486 483	11.27%	42.22%
Waste Water Management (Sanitation)	79 806 550	11 911 600	7 667 522	9.61%	64.37%
Waste Management (Solid Waste)	1 777 900	1 173 200	479 270	26.96%	40.85%
Other	300 000	-	-	0.00%	0.00%
TOTAL	448 778 200	150 999 700	35 737 340	7.96%	23.67%

The total adopted capital budget funding structure is as follows:

SOURCE OF FUNDING	ADOPTED BUDGET 2015/2016	CASH FLOW PROJECTED BUDGET (YTD) AS PER COMPONENT 5	ACTUAL SEPTEMBER 2015 (YTD)	% OF ADOPTED BUDGET SPENT	% OF CASHFLOW PROJECTION SPENT
External Loans	159 702 100	52 917 800	16 976 899	10.63%	32.08%
Capital Replacement Reserve	110 082 400	54 516 500	4 186 866	3.80%	7.68%
MIG	88 496 200	16 700 000	9 755 889	11.02%	58.42%
Other National Government Grants	71 382 100	18 250 000	4 817 685	6.75%	26.40%
Provincial Government Grants	18 000 000	7 500 000	-	0.00%	0.00%
Public Contributions	1 115 400	1 115 400	-	0.00%	0.00%
TOTAL	448 778 200	150 999 700	35 737 340	7.96%	23.67%

3.5 Expenditure per Category

EXPENDITURE BY TYPE	ADOPTED BUDGET 2015/2016	PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)	% OF PRO- RATA BUDGET SPENT
Employee related costs	615 819 200	153 954 800	139 783 492	90.80%
Remuneration of Councillors	24 728 600	6 182 150	5 711 684	92.39%
Debt Impairment	3 050 000	762 500	201 030	26.36%
Depreciation and asset impairment	205 014 200	51 253 550	51 334 117	100.16%
Finance Charges	79 806 300	19 951 575	19 951 575	100.00%
Bulk Purchases - Electricity	997 804 600	249 451 150	283 700 161	113.73%
Bulk Purchases - Water	136 253 700	34 063 425	31 983 432	93.89%
Other Materials	45 366 400	11 341 600	4 187 629	36.92%
Contracted Services	204 839 600	51 209 900	17 977 354	35.11%
Transfers and grants	13 883 600	3 470 900	1 437 676	41.42%
Other Expenditure	192 797 400	48 199 350	37 207 946	77.20%
TOTAL	2 519 363 600	629 840 900	593 476 096	94.23%

Bulk Purchases – Electricity: Electricity purchases are higher in July and August due to the increase tariff charged by Eskom in the winter months. Tata Steel did not operate during the month of September 2015. Included in Electricity purchases are amounts in terms of the Generation Purchase agreement with Mondi.

A corresponding increase in Revenue amounting to R76,5 million is apparent under Service Charges – Electricity.

3.6 Revenue per Category

The source of funding for the above comprises the following revenue categories:

REVENUE BY SOURCE	ADOPTED BUDGET 2015/2016	PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)	% OF PRO- RATA BUDGET SPENT
Rates	360 000 000	90 000 000	94 754 258	105.28%
Service Charges – Electricity revenue	1 386 603 100	346 650 775	446 955 620	128.94%
Service Charges – Water revenue	281 565 000	70 391 250	56 514 859	80.29%
Service Charges – Sanitation revenue	84 000 000	21 000 000	20 566 391	97.94%
Service Charges – Refuse revenue	67 800 000	16 950 000	16 750 264	98.82%
Service Charges – Other revenue	13 304 000	3 326 000	3 732 691	112.23%
Rental of facilities and equipment	10 874 400	2 718 600	3 067 155	112.82%
Interest earned – external investments	21 981 500	5 495 375	5 223 763	95.06%
Interest earned – outstanding debtors	1 558 000	389 500	525 010	134.79%
Fines	11 231 300	2 807 825	596 314	21.24%
Licences and permits	1 764 500	441 125	844 409	191.42%
Agency services	7 000 000	1 750 000	1 382 292	78.99%
Operating Grants and Subsidies	257 952 700	64 488 175	59 155 431	91.73%
Other Revenue	18 666 400	4 666 600	3 548 591	76.04%
TOTAL	2 524 300 900	631 075 225	713 617 048	113.08%

The above table represents operating revenue per category as at 30 September 2015.

The table below reflects a list of all tenders awarded in September 2015:

Tender Number	RPT Number	Project Description	Date Awarded	Amount (excl VAT)	Function	GL Code	Description	Budget
				R				R
8/2/1/1066 (8/2/1/UMH30-15/16)	157975	Refurbishment of Ntuze Hall	09/09/2015	1 787 290.97	FX001001005002	532_29	Ntuze Hall - Upgrade (Construct Guard House Fencing And Lift Disabled)	800 000.00
8/2/1/1005 (8/2/1/UMH15-16)	158366	Renovations to uMsasandla Thusong Centre	09/09/2015	892 355.20	FX001001005002	632_17	Umsasandla Thusong Centre - Extension	958 700.00
8/2/1/1072	158254	Provision of Mentoring and Training Services for Emerging Contractors within the City of uMhlathuze	09/09/2015	Tender to be executed via the normal Supply Chain Management processes				
8/2/1/924	157337	Extension to Ngwelezane Hall: Additional Expenditure	09/09/2015	Additional Expenditure to be Held in Abeyance				
8/2/1/1116 (8/2/1/UMH43-15/16)	158630	Internet Link: Supply, Instal and Commission	09/09/2015	Tender to be cancelled and re-advertised				
8/2/1/UMH33-15/16	158858	Economic Development, Transformation and Job creation Roadmap	14/09/2015	635 600.00	FX004001002005	040_13	Contracted Services - Consultants and Professional Services: Business and Advisory - Research and Advisory	2 000 000.00
8/2/1/UMH50-15/16 (8/2/1/1094)	158469	Procurement of services secured by another organ of state under section 32 of the Supply Chain Management Policy: Provision of services to produce a business continuity plan	16/09/2015	1 779 899.00	FX004001002005	040_13	Performance Management - Research and Advisory	2 000 000.00

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Tender Number	RPT Number	Project Description	Date Awarded	Amount (excl VAT)	Function	GL Code	Description	Budget
				R				R
8/2/1/1089 (8/2/1/UMH64-15/16)	158555	Provision of Meter reading services (Water and Electricity Meters) for the period of three years	16/09/2015	The Tender will be held in Abeyance.				
8/2/1/1121 (8/2/1/UMH37-15/16)	158395	Refurbishment of eSikhaleni Hostel: H396 - Three Blocks C,D and E	18/09/2015	8 446 518.00	FX007001001	HSTESIK3_1_0	Esikhaleni Hostels Phase 3	17 811 000.00
8/2/1/UMH46-15/16	158735	Procurement of goods secured by another Organ of State under Section 32: Supply and Delivery of 3 X SUV's For Mayoral Fleet	30/09/2015	2 831 185.00	FX005001005	500_359	Mayoral Fleet (X3)	2 500 000.00
					FX005001005	600_122	Replacement Vehicles	8 526 000.00
8/2/1/UMH07-15/16	158235	Water losses, Conservation and Management Awareness	30/09/2015	Tender to be referred back to the Bid Evaluation Committee				
8/2/1/UMH59-15/16	158660	The Provision of Security Services at Council owned Building and Facilities	30/09/2015	Tender be referred back to the user department				

3.7 Surplus and Deficit by Service Category

SERVICE CATEGORY	ADOPTED BUDGET 2015/2016			ACTUAL AS AT 30 SEPTEMBER 2015		
	REVENUE	EXPENDITURE	SURPLUS/ (DEFICIT)	REVENUE	EXPENDITURE	SURPLUS/ (DEFICIT)
	R'000	R'000	R'000	R'000	R'000	R'000
Rates and General Services						
Executive and Council	2 955	3 371	(416)	38	(6 337)	6 375
Budget and Treasury Office	394 207	4 406	389 801	90 155	(2 432)	92 587
Corporate Services	6 489	43 945	(37 456)	2 181	9 599	(7 418)
Community and Social Services	10 562	61 319	(50 757)	851	9 590	(8 739)
Sport and Recreation	3 593	125 570	(121 977)	743	26 492	(25 749)
Public Safety	12 193	140 046	(127 853)	875	22 699	(21 824)
Housing	2 147	16 410	(14 263)	2 012	3 364	(1 352)
Health	12	9 886	(9 874)	-	1 853	(1 853)
Planning and Development	1 834	41 343	(39 509)	557	9 235	(8 678)
Road Transport	10 899	195 018	(184 119)	2 178	38 450	(36 272)
Water (Portion of PMU funded by Rates & General Services)	7 562	10 484	(2 922)	4	1 116	(1 112)
Waste Water Management (Sanitation) (Portion of PMU funded by Rates & General Services)	7 562	12 363	(4 801)	4	1 448	(1 444)
Total Rates and General Services	460 015	664 161	(204 146)	99 598	115 077	(15 479)
Airport	596	736	(140)	-	109	(109)
Trading Services						
Electricity	1 393 890	1 211 487	182 403	449 023	335 984	113 039
Water	350 506	369 622	(19 116)	75 985	82 015	(6 030)
Clarified Water	20 365	17 578	2 787	14 922	3 976	10 946
Sewerage	184 724	150 113	34 611	45 765	32 803	12 962
Refuse Removal	114 206	105 667	8 539	28 325	23 511	4 814
Total Trading Services	2 063 691	1 854 467	209 224	614 020	478 289	135 731
Total Service Category	2 524 302	2 519 364	4 938	713 618	593 475	120 143

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The table above sets out the surplus and deficit for each service category. It is important to note that although the trading services namely Electricity, Water, Sewerage and Refuse Removal are expected to be profitable, only Electricity, Sewer and Refuse services are making surpluses.

As part of Council's revenue enhancement policy approved in July 2013, a considerable effort needs to be made to improve the surplus for the remaining trading services by reducing expenditure or increasing revenue.

The main aim of this table is to provide information to departments in order for them to manage their respective services and ensure that revenue and expenditure is in line with budget expectations.

3.8 Debtors Age Analysis

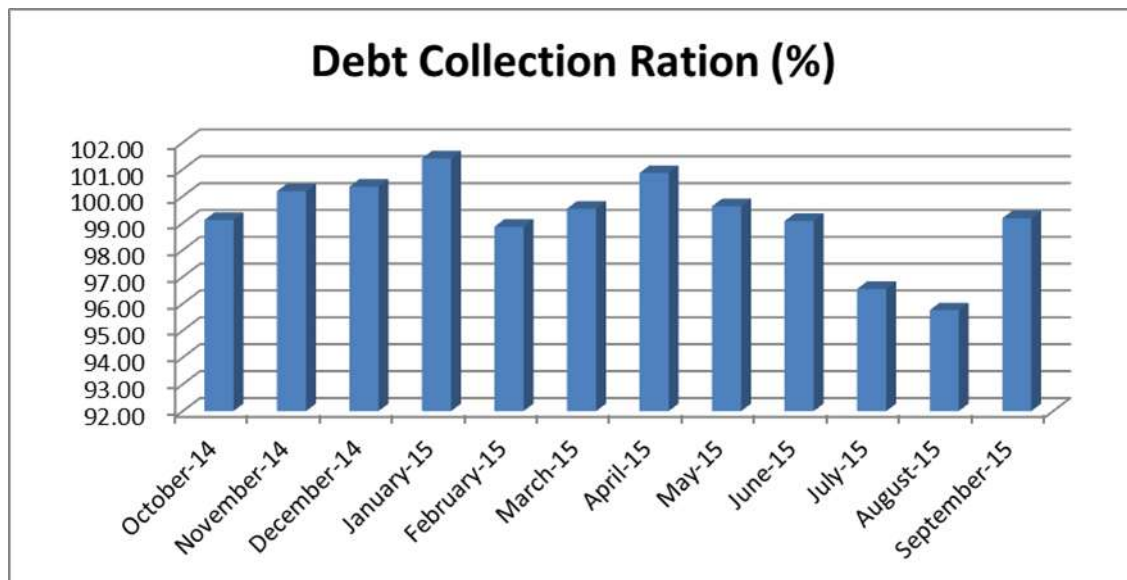
➤ Debtors age analysis by category

DEBTORS AGE ANALYSIS BY CATEGORY	0-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	TOTAL
Government	9 041 530	10 778 836	130 649	2 037 529	21 988 544
Business	210 452 774	8 128 087	494 733	27 110 770	246 186 364
Households	60 651 173	5 371 117	29 178 535	45 378 424	140 579 249
Other	9 573 931	839 348	594 606	13 405 721	24 413 606
Total	289 719 408	25 117 388	30 398 523	87 932 444	433 167 763
%	66.88%	5.80%	7.02%	20.30%	

➤ **Debt Collection Rate**

The debt collection rate for the previous 12 months is as follows:

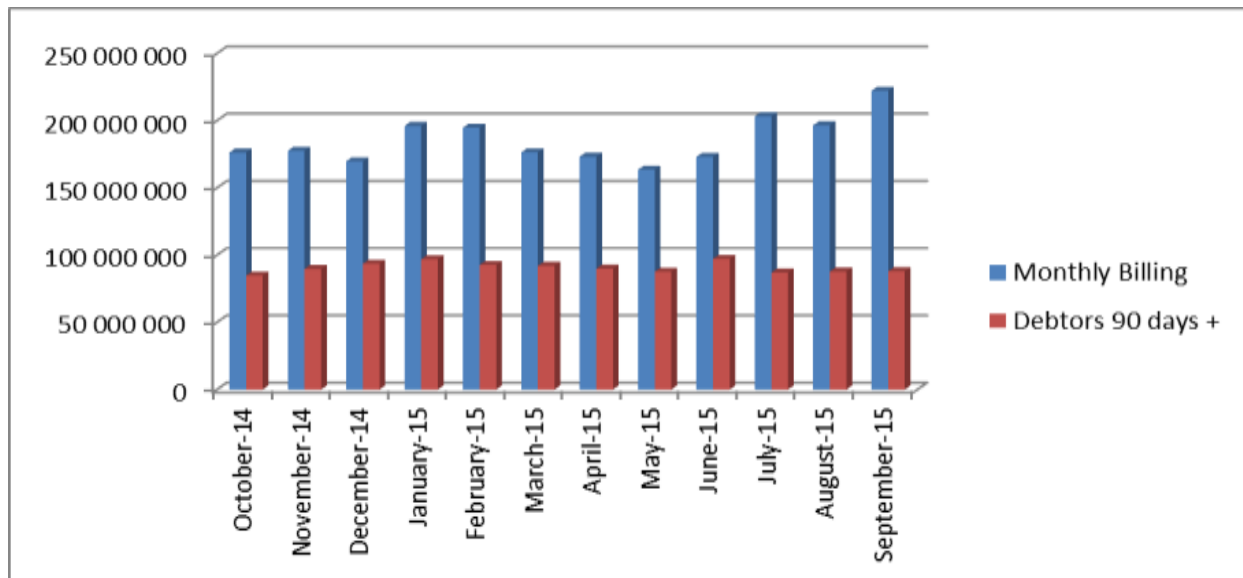
MONTH	PERCENTAGE (%)
September-15	99.18
August-15	94.24
July-15	96.55
June-15	99.08
May-15	99.63
April-15	100.87
March-15	99.54
February-15	98.87
January-15	101.41
December-14	100.36
November-14	100.19
October-14	99.12



➤ **Monthly Billing Compared to Total Debtors 90 Days+**

Month	Monthly Billing	Debtors 90 days +	Percentage
September-15	222 259 385	87 932 444	39.56%
August-15	163 599 892	87 813 204	53.68%
July-15	203 257 139	86 978 439	42.79%
June-15	173 081 964	97 215 214	56.17%
May-15	163 518 965	87 638 012	53.60%
April-15	173 226 083	89 918 524	52.16%
March-15	176 382 683	92 006 897	47.56%
February-15	194 758 958	92 636 860	49.43%
January-15	196 088 953	96 924 525	55.12%
December-14	169 766 329	93 569 932	50.51%
November-14	177 574 145	89 696 475	48.08%
October-14	176 327 531	84 775 434	51.72%
September-14	163 364 936	84 495 709	33.28%

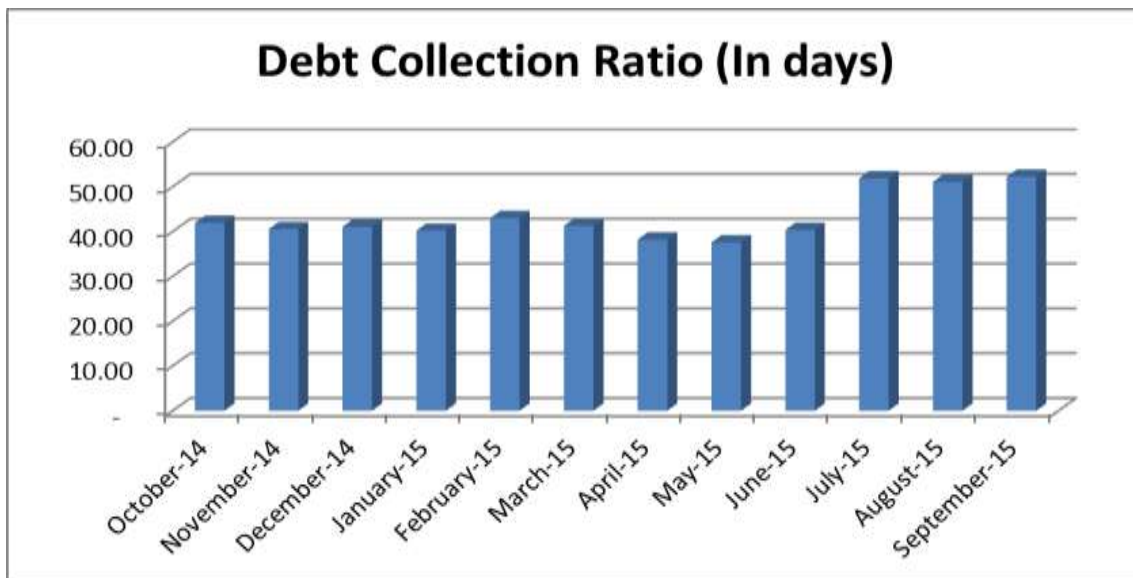
Monthly Billing Compared to Total Debtors 90 Days+:



➤ **Debt Collection Rate**

The debt collection ratio in days should be below 60 days. If the ratio is at 60 days it means that your debt older than 30 days is equal to your monthly billing.

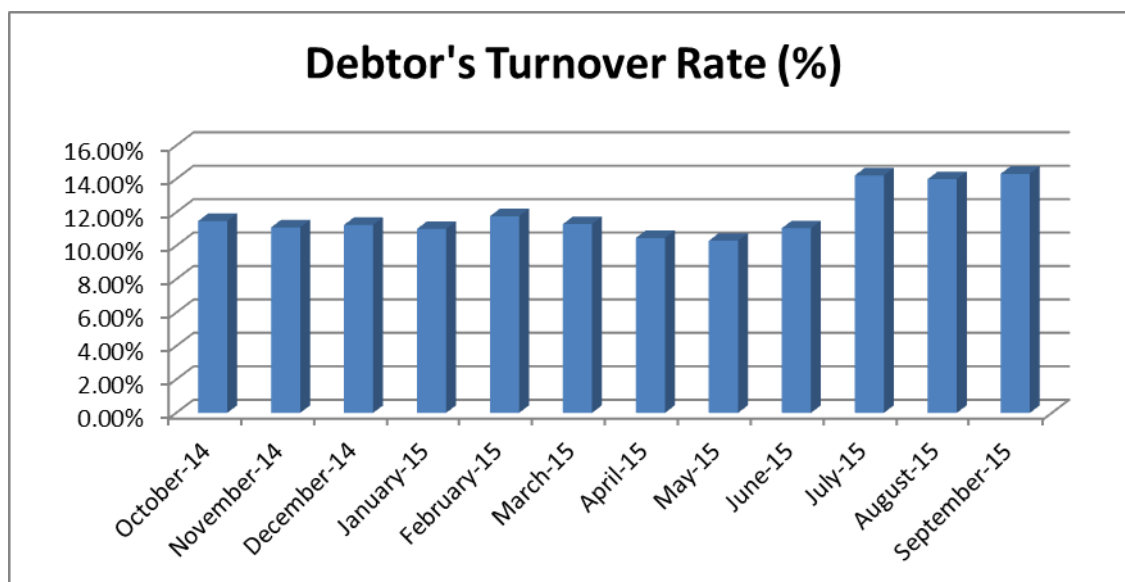
MONTH	COLLECTION IN DAYS
September-15	52.22
August-15	51.45
July-15	51.86
June-15	40.35
May-15	37.59
April-15	38.20
March-15	41.26
February-15	42.98
January-15	40.18
December-14	41.05
November-14	40.52
October-14	41.91



➤ **Turnover Rate of Debtors (%)**

In terms of the key performance indicators, the turnover rate should be below 20%. If everybody in town pays their debt fully, the turnover rate will be 8.33%. Council's turnover rate is listed below and it is better than the required key performance indicator.

MONTH	TURNOVER RATE
September-15	14.31%
August-15	13.99%
July-15	14.21%
June-15	11.05%
May-15	10.30%
April-15	10.47%
March-15	11.30%
February-15	11.77%
January-15	11.01%
December-14	11.25%
November-14	11.10%
October-14	11.48%



➤ **Summary of Credit Control Technical Actions Performed**

DESCRIPTION	Jul-15	Aug-15	Sep-15
SMS Notification - General	9 217	5 832	6 781
SMS Notification - It & S	201 571	53 674	11 289
Final Request - Residential	3 265	2 305	5 329
Final Request - Business	328	148	328
Electricity Disconnection Level 1 (Switch Off Supply)	91	125	109
Electricity Disconnection Level 2. Remove Circuit Breaker	2	7	5
Illegal Consumption Inspection (Water or Electricity)	1 014	1 996	1 239
Water Restriction Level 1. (Restrict supply with a water flow restriction device)	640	803	438
Water Restriction Level 2. (Install water pressure reducing valve)	9	8	5
Water Disconnection (Business accounts)	20	24	20
Finals (New consumers, moving in or out, readings taken, disconnected / reconnected)	206	181	177

➤ **Comments for Government Accounts**

The arrears 90 days+ for government accounts is restricted to just a few accounts on which there are either a dispute regarding ownership or the property is not verified yet by respective departments. The high amount in the current column is due to the annual rates being charged in July every year.

TOP 10 GOVERNMENT ACCOUNTS			
ACCOUNT NUMBER	NAME OF DEPARTMENT	TOTAL	COMMENTS
		R	
1552325	Department of Public Works	558 625.73	This account is still under investigation and verification by the department. These are agricultural properties. We have submitted all relevant information to DPW. Payment is still awaited. The latest correspondence available on dms 1070273. Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted Sept 2015 - No further progress to report the department is still busy with verification
970111	Province of Kwazulu Natal	377 831.64	This account is still under investigation and verification by the Human settlement. This an open space property. The latest correspondence available on dms 1031396 and 1064772. Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted. Sept 2015 - Refer DMS 1088571 information submitted to DHS.
1991812	Province of Kwazulu Natal	347 284.98	Property at Dumisane Makhaye Village on which a municipal pump station is situated. The matter is still under investigation by Dept of Human settlement. The latest correspondence available on dms 1031396 and 1064772. Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted. Sept 2015 - Refer DMS 1088571 information submitted to DHS.
1552318	Department of Public Works	198 679.55	This account is still under investigation and verification by the department. These are agricultural properties. We have submitted all relevant information to DPW. Payment is still awaited. The latest correspondence available on dms 1031396 and 1064769 and 1064777. Follow up emails have been sent. Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted. Sept 2015 - No further progress to report the department is still busy with verification
1552357	Department of Public Works	151 912.04	This account is still under investigation and verification by the department. These are agricultural properties. We have submitted all relevant information to DPW. Payment is awaited. The latest correspondence available on dms 1031396 and 1064769 and 1064777. Follow up e-mails have been sent. Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted. Sept 2015 - No further progress to report the department is still busy with verification

TOP 10 GOVERNMENT ACCOUNTS			
ACCOUNT NUMBER	NAME OF DEPARTMENT	TOTAL	COMMENTS
		R	
1340659	Department of Public Works	47 870.23	This account is still under investigation and verification by the department(Ngw B451 service charges). Meetings were held with officials from the DPW and all relevant info submitted. The latest correspondence available on dms 1031396 Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted. Sept 2015 - No further progress to report awaiting feedback.
1009849	Department of Public Works	59 074.04	This account is still under investigation and verification by the department (Ngw B451 - rates). Meetings were held with officials from the DPW and all relevant info submitted. The latest correspondence available on dms 1031396 ,1064774 and 1070284. Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted. Sept 2015 - No further progress to report.
325680	Department of Public Works	32 641.39	This account is still under investigation and verification by the department. Latest correspondence on dms 1075911. Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted. Notice has been given that the electricity supply will be disconnected to the premises.
2092688	Province of Kwazulu Natal	26 094.66	This account is still under investigation and verification by the Human settlement. This an open space property. The latest correspondence available on dms 1031396 and 1064772. Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted. Sept 2015 - Refer DMS 1088571 information submitted to DHS.
1628278	Department of Public Works	27 361.44	This account is still under investigation and verification by the department. Property was sold to Natal Roads Dept but was never transferred. Refer to correspondence on DMS 1076092. No further progress Aug 2015 - Consultants appointed by Dept of Public works to assist with verification & amounts owed to municipalities (DMS 1080261). Information has been submitted. Sept 2015 - Refer to DMS 1088568 - no progress.

➤ **The Top 10 Arrear Business Accounts**

ACCOUNT NUMBER	NAME OF BUSINESS	90 DAYS +	TOTAL	COMMENTS
1854904	Basfour 3721 (Pty) Ltd	18 216 590	20 112 790	Basfour 3721 (Pty) Ltd / Indlovu Dev Trust Trustees is the account for some of the commission in respect of the 40% on sales above the agreed threshold in respect of the Golf Estate. The developer is currently disputing the amount. The matter has been handed over to Council's attorneys. Summons has been issued and the case is defended. The setting down of the court date by the Registrar of the High Court is awaited. Council has now launched an anti-dissipation order application in an attempt to prevent the debtor from selling all his assets. This is to try and prevent a case where Council could be successful with the court case but still have no assets to attach A decision was also taken to refuse the issuing of clearance certificates and this matter is also now going to be heard in court as they have launched a counter application to force Council to issue clearance certificates. The court date for the urgent applications will be heard, is set for early in June 2015.
				June 2015 - The court date for the application to be heard is set for 16 March 2016
				Sept 2015 - There is not further progress as the court date is set.
1929003	Zotec development (Pty) Ltd	4 012 360	4 012 360	Zotec Development (Pty) Ltd refers to an account for contribution charges after the development of the Old Mill Security Estate. The matter is set down for Arbitration. No further progress since previous report.
				August 2015 - There is no further progress as the matter has been set down for arbitration. The legal services section is handling this matter.
1251416	D Schoeman	253 223	304 905	The account is for a business property in Empangeni. The account is handed over to attorneys and the collection is in process.

ACCOUNT NUMBER	NAME OF BUSINESS	90 DAYS +	TOTAL	COMMENTS
1940649	Shifting Sands (Pty) Ltd	443 457	1 115 795	The account is in respect of services to a business park in Empangeni. The charges were charges to the previous owner and there was a large amount corrected on the account. There are still some aspects of the account that is under dispute which require possible correction and the Metered Services Section within the Finance
				August 2015 - All corrections required have been actioned. The matter is now being discussed with the customer.
				Sept 2015 - The customer is now paying the amount off in installments
1610626	Tisand (Pty) Ltd	2 739 918	3 076 153	Tisand (Pty) Ltd is in respect of the water surcharge being levied against the debtor. The matter is under dispute and is with Council's attorneys. Council attorneys have now advised of a similar matter which now provides case law. The advise is currently being studied and will be reported on.
				September 2015 - No further progress to report.
392020	River Rock Invest (Pty) Ltd	1 237 060	1 336 639	River Rock Investments is in respect of unpaid charges in respect of rates that are under dispute. Matter still under consideration by legal services. They are paying their monthly charges excluding the disputed charge
				September 2015 - No further progress to report. The matter is being handled by the Legal Services section together with City Development department.
1929028	PSE Development Initiatives (Pty) Ltd	629 149	629 149	PSE Dev Initiatives refers to an account for contribution charges after the development of certain low cost housing initiatives around Ngwelezane. The debtor paid R300 000 towards the debt and requested some leniency for the balance. A separate report will serve in this regard.

ACCOUNT NUMBER	NAME OF BUSINESS	90 DAYS +	TOTAL	COMMENTS
2024857	Sugarberry Trading	522 960	522 960	The account is for the contract for litterbin advertising. The details of this debt was reported continuously in the quarterly report from the department. It was resolved that the contract be cancelled and the account handed over to Council's attorneys for collection. The contract was formally cancelled and has now been handed over to Council's attorneys for collection.
				July 2015 - On request of the Legal Services section, this matter is being held in abeyance pending further negotiations with the debtor.
				September 2015 - No further progress to report.
416383	RBT Resources (Pty) Ltd	729 946	1 073 007	Aug 2015 - This account is for outstanding rates. There is discussions / negotiations underway with the company and the matter is expected to be resolved shortly.

3.9 Employee Debt / Councillor Debt

At a previous Financial Services Portfolio Committee meeting, Councillors requested that Official's and Councillor's debt be submitted to Council.

Employee debt amounts to R163 357,14 as per **Annexure AL - DMS 1082996**.

Councillor's debt amounts to R6 876,75 as per **Annexure AM - DMS 1082996**.

3.10 Outstanding Creditors

At a previous Financial Services Portfolio Committee meeting, Councillors requested that creditors greater than R100 000 outstanding for 90 days and longer be submitted to Council:

Creditor	90 Days	120 Days	120 Days +	Explanation
	R			
Tobies Civil Construction	0	0	224 257	Invoice in dispute by Infrastructure and Technical Services PMU Section.
Department of Water and Sanitation	0	8 497 610	0	Invoice was In dispute by Infrastructure and Technical Services Water Section. Department to process requisition

4. EXCEPTION REPORTING ON OPERATING EXPENSES – FOR ENTIRE MUNICIPALITY

The Chief Financial Officer will highlight what he deems are important observations on the operating expenditure in this Section, where after Departments will provide specific comment on their own sections.

It is very important for Council and the Administration to understand that although the liquidity situation is improving and there is a surplus on the current figures, expenditure has to take place in accordance with the approved budget. **If not, the objective of attempting to create internal reserves for future Capital Expenditure from accumulated cash reserves is not going to materialise.**

4.1 Employee related costs

Although total employee related expenditure is within budgetary limits, overtime expenditure has exceeded its budgetary limits. Below is a table indicating overtime expenditure at the request of Council, which allows this expenditure to be monitored and managed on a monthly basis:

EXPENDITURE PER CATEGORY	ADOPTED BUDGET 2015/2015	PRO-RATA BUDGET (YTD)	ACTUAL AUGUST 2015 (YTD)	(OVER) EXPENDITURE	% OF PRO-RATA BUDGET SPENT
	R	R	R	R	%
Overtime - Non-structured	14 362 800	3 590 700	9 490 057	(5 899 357)	264%
Overtime - Structured	21 544 500	5 386 125	-	5 386 125	0%
TOTAL	35 907 300	8 976 825	9 490 057	(513 232)	106%

The table below indicates the total number of overtime hours worked and the total number of temporary and permanent employees:

EMPLOYEES	JULY 2015		AUGUST 2015		SEPTEMBER 2015	
	Total Hours	Total Employees	Total Hours	Total Employees	Total Hours	Total Employees
Permanent	30 581	759	30 953	766	29 013	869
Temporary	643	69	403	20	549	63
	31 224	828	31 356	786	29 562	932

Planned Repairs and Maintenance programmes should be standard practice for both infrastructure and movable assets such as Plant and Vehicles.

The table below represents the expenditure incurred on overtime for each department for the month September 2015. The relevant departments have supplied the comments for the over-expenditures incurred on overtime.

DEPARTMENT	ADOPTED BUDGET 2015/2016	PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)	(OVER)/ UNDER EXPENDITURE	% OF PRO-RATA BUDGET SPENT
	R	R	R	R	%
Community Services	18 520 100	4 630 025	4 883 256	(253 231)	105%
Corporate Services	431 500	107 875	110 391	(2 516)	102%
Financial Services	128 100	32 025	34 705	(2 680)	108%
Infrastructure and Technical Services	16 827 600	4 206 900	4 457 901	(251 001)	106%
Office of the Municipal Manager	-	-	3 803	(3 803)	0%
Total	35 907 300	8 976 825	9 490 056	(513 231)	106%

Detailed explanations that have been provided by the departments on the over-expenditure reflected in the table above have been included below (5. Exception Reporting - Departmental).

4.2 Volume of Transfers

Type of Transfer of Funds	July 2015	August 2015	September 2015	Total Number of Transfers
Capital	0	0	1	1
Operating	0	10	7	17
Total	0	10	8	18

The table below reflects the value of transfer of funds per department:

Department	July 2015	August 2015	September 2015	Total Value of Transfers
Corporate Services	-	72 000	-	72 000
Community Services	-	-	401 700	401 700
Office of The Municipal Manager	-	877 600	-	877 600
City Development	-	6 900	7 700	14 600
Financial Services	-	4 740 000	3 000	4 743 000
ITS - Electrical Supply Services	-	50 000	-	50 000
ITS - Engineering Support Services	-	-	-	-
ITS - Roads and Stormwater	-	-	-	-
ITS - Water and Sanitation Services	-	-	-	-
Total	-	5 746 500	412 400	6 158 900

4.3 Over-expenditure of line items

In terms of Council Resolution 8260 dated 4 December 2012, Council requested that:

“4. a Municipal Manager submits to Council, on a quarterly basis, a comprehensive report on all over expenditure incurred within the organisation.”

In order to provide financial information to Council, the finance department has prepared a table showing over-expenditure of certain line items. In order to provide relevant information only line items with an over-expenditure of the budget **exceeding 10%** has been shown. Line items for which an annual expense is paid in a lump sum as a once-off payment, for example SALGA annual levies, have also not been included.

The Chief Financial Officer will not comment on the specific reasons for over expenditures as this will be provided by the Departments themselves. However, with regards to line items highlighted in bold the Chief Financial Officer is able to provide comments. Departments will be expected to provide comments relating to other over expenditure line items.

EXPENDITURE PER LINE ITEM	ADOPTED BUDGET 2014/2015	PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER (YTD)	% OF PRO- RATA BUDGET OVERSPENT
	R	R	R	%
External Audit Fees	3 131 000	782 750	903 093	15%
Bulk Purchases - Electricity	998 404 600	249 601 150	283 700 161	14%
Consultancy Fees - Examination of Samples	1 909 700	477 425	805 856	69%
Safeguard and Security	22 188 800	5 547 200	7 896 298	42%
Dumping Fees (District Council)	4 311 200	1 077 800	1 399 196	30%
Railway Transport	2 184 000	546 000	612 954	12%
Buildings Structural	7 562 100	1 890 525	2 349 353	24%
Meters	11 581 300	2 895 325	3 227 697	11%
Plumbing	4 412 800	1 103 200	1 423 870	29%
Rural Roads	28 231 200	7 057 800	8 987 289	27%

Bulk Purchases – Electricity: Electricity purchases are higher in July and August due to the increase tariff charged by Eskom in the winter months. Tata Steel did not operate during the month of September 2015. Included in Electricity purchases are amounts in terms of the Generation Purchase agreement with Mondi.

A corresponding increase in Revenue amounting to R76,5 million is apparent under Service Charges – Electricity.

Security - The table below indicates the pro-rata budget and actual expenditure for the line item. It is clearly evident that the expenditure is increasing at an alarming rate over the years.

	2012/2013		2013/2014		2014/2015		2015/2016	
LINE ITEM	ADJUSTED BUDGET	ACTUAL	ADJUSTED BUDGET	ACTUAL	ADJUSTED BUDGET	ACTUAL	PRO-RATA BUDGET	ACTUAL
	R	R	R	R	R	R	R	R
SAFEGUARD AND SECURITY	20 319 900	20 908 176	23 509 200	24 679 748	25 000 000	30 950 034	5 547 200	7 896 298

The spending patterns per department are as follows:

EXPENDITURE PER LINE ITEM	ADOPTED BUDGET 2014/2015	PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER (YTD)	UNDER/(OVER) EXPENDITURE	% OF PRO- RATA BUDGET OVERSPENT
	R	R	R	R	%
CITY DEVELOPMENT	2 028 600	507 150	561 686	(54 536)	111%
COMMUNITY SERVICES	9 024 100	2 256 025	3 175 742	(919 717)	141%
CORPORATE SERVICES	2 215 700	553 925	714 028	(160 103)	129%
FINANCIAL SERVICES	1 319 200	329 800	529 055	(199 255)	160%
INFRASTRUCTURE AND TECHNICAL SERVICES	7 601 200	1 900 300	2 766 592	(866 292)	146%
OFFICE OF THE MUNICIPAL MANAGER	-	-	-	-	0%
TOTAL	22 188 800	5 547 200	7 747 103	(2 199 903)	140%

5. EXCEPTION REPORTING - DEPARTMENTAL

5.2 COMMUNITY SERVICES, HEALTH AND PUBLIC SAFETY AND RECREATIONAL AND ENVIRONMENTAL SERVICES

5.2.1 OVERTIME

COMMUNITY SERVICES, HEALTH AND PUBLIC SAFETY									
OVERTIME									
FUNCTION	DESCRIPTION	ADOPTED BUDGET 2015/2015			PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)			UNDER/ (OVER) EXPENDITURE
		NON- STRUCTURED	STRUCTURED	TOTAL		NON- STRUCTURED	STRUCTURED	TOTAL	
		R	R	R	R	R	R	R	R
COMMUNITY SERVICES AND HEALTH									
FX011001005	Fire Fighting and Protection	1 077 200	1 615 800	2 693 000	673 250	722 143	-	722 143	(48 893)
FX011001007	Police Forces, Traffic and Stre	1 361 200	2 041 700	3 402 900	850 725	913 624	-	913 624	(62 899)
FX005001006003	Occupational Clinic	54 900	82 300	137 200	34 300	-	-	-	34 300
FX005001012	Security Services	-	-	-	-	108 414	-	108 414	(108 414)
FX012001005	Taxi Ranks	46 400	69 500	115 900	28 975	35 047	-	35 047	(6 072)
FX014001003	Solid Waste Removal	1 793 400	2 690 200	4 483 600	1 120 900	1 359 152	-	1 359 152	(238 252)
FX014001004	Street Cleansing	2 132 100	3 198 200	5 330 300	1 332 575	1 236 131	-	1 236 131	96 444
FX015001001	Public Toilets	60 400	90 500	150 900	37 725	47 606	-	47 606	(9 881)
Total		6 525 600	9 788 200	16 313 800	4 078 450	4 422 117	-	4 422 117	(343 667)

❑ Fire Fighting and Protection

The Fire and Rescue Services overspent on overtime during the month of September 2015 due to a shortage of personnel on shift. Overtime personnel had to be called in to continue with the rendering of effective firefighting and rescue services to the community.

□ **Police Forces, Traffic and Street Parking Control**

The overtime for the financial budget is R 3 402 900. Divided by 12 months = R 283 575. For the month of September 2015, the projected planned overtime amounted to R 260 934. However, the actual overtime for the month is R 365 677. This was due to the annual salary increase of 7%, which affects the hourly rate of all personnel working overtime respectively. Furthermore, the emergency personnel affected by the 40/45 hours were afforded a contractual to holder status such that their salaries be calculated as per their contracts prior to the implementation of the new conditions of service.

Personnel such as traffic officers, traffic wardens and Bylaw enforcers, including the shift supervisors are required to work alternate weekends including public holidays, adding to the over expenditure. The officers attend to various call outs, such as accidents and obstructions, whilst performing standby duties (unplanned overtime). September overtime submission include, 10 August, Women Rights Day, whereby staff members were remunerated on double pay.

Security Services

The over expenditure was mainly caused by unplanned emergency situations at security wherein the VIP personnel had to work long extra hours *ad hoc*. No budget allocation was made during the 2015/16 Adopted Budget as the overtime investigation was still under review, this will be resolved during the Adjusted Budget process.

□ **Solid Waste. Street Cleaning and Public Toilets**

Waste Management is a basic service which cannot be interrupted if we are to keep our environment clean. It bears noting that the month at hand had a holiday which is a full staff complement for the section, which contributed more to expenditure. Furthermore, the section is under budgeted and this has to be looked at. It be noted that all the overtime worked was planned and approved. The expenditure is still stable without any fluctuation, which shows that there is no abuse but is based on need for this essential service.

COMMUNITY SERVICES - ENVIRONMENTAL AND RECREATION SERVICES									
OVERTIME									
FUNCTION	DESCRIPTION	ADOPTED BUDGET 2015/2015			PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)			UNDER/ (OVER) EXPENDITURE
		NON- STRUCTURED	STRUCTURED	TOTAL		NON- STRUCTURED	STRUCTURED	TOTAL	
		R	R	R	R	R	R	R	R
COMMUNITY SERVICES AND HEALTH									
FX001001003	Cemeteries	366 800	550 300	917 100	229 275	192 112	-	192 112	37 163
FX001001005002	Halls	39 300	58 900	98 200	24 550	40 518	-	40 518	(15 968)
FX013002004001	Sport Development and Sportfields	89 900	134 800	224 700	56 175	66 263	-	66 263	(10 088)
FX013002004002	Sports Grounds and Stadiums - Stadium	-	-	-	-	-	-	-	-
FX013001001	Beaches and Jetties	171 400	257 200	428 600	107 150	77 666	-	77 666	29 484
FX013002003003	Recreational Facilities - Swimming Pools	186 400	279 600	466 000	116 500	702	-	702	115 798
FX013001002	Community Parks (including Nurseries)	28 700	43 000	71 700	17 925	83 880	-	83 880	(65 955)
Total		882 500	1 323 800	2 206 300	551 575	461 141	-	461 141	90 434

□ **Vote 016 - Municipal Hall**

Empangeni and Ngwelezane Halls

The general routine cleaning of Empangeni Community Service Centre after each function to maintain the service standard required by our clients (The Public) and the way our facilities operates is now advanced in terms of allocating all structures of government as well as the public ordinary functions that will determine the need of overtime from time to time

eSikhaleni and Richards Bay Halls

The routine cleaning of Halls and Community Service Centres after each function if it happens to have recurrence functions i.e Weddings and the funeral. One would have to note that the cleaning of halls after each function cost implications are charged on client expense to cover the overtime occurred.

□ **Vote 24 - Sport Development and Sportsfield**

Sport and Recreation overspent in the month of September due to many high-profile events which were hosted at sport facilities where officials had to be on site to do line marking, litter picking, ablution facilities cleaning etc. These events include the Mayoral Sport Day, uThungulu District Games and Thanda Royal Zulu FC league fixtures.

□ **Community Parks (Including Nurseries)**

Most of the overtime done during this period was due to trucks being at the Mechanical Workshop for a long period of time. The department had trucks that had been standing at the Workshop for weeks and beyond, and that resulted in a backlog in collection of vegetation debris and overtime was schedule improve or clear vegetation debris as per our operational requirements.

5.3 CORPORATE SERVICES

5.3.1 OVERTIME

CORPORATE SERVICES									
OVERTIME									
FUNCTION	DESCRIPTION	ADOPTED BUDGET 2015/2015			PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)			UNDER/ (OVER) EXPENDITURE
		NON- STRUCTURED	STRUCTURED	TOTAL		NON- STRUCTURED	STRUCTURED	TOTAL	
		R	R	R	R	R	R	R	R
ADMINISTRATION									
FX005001001	Administrative and Corporate Support	119 100	178 700	297 800	74 450	73 946	-	73 946	504
FX005001008	Legal Services	-	-	-	-	164	-	164	(164)
FX004001001001	Mayor & Council	29 200	43 700	72 900	18 225	36 281	-	36 281	(18 056)
FX005001007	Information Technology	24 300	36 500	60 800	15 200	-	-	-	15 200
Total		172 600	258 900	431 500	107 875	110 391	-	110 391	(2 516)

□ Mayor and Council

The reason for over-expenditure in our section is that we had many events and programmes coming from all spheres of Government which requires Public Participation and Council Support attention. In these events/ programmes we assisted with community mobilisation in a form of loud hailing in all wards, Fliers distribution and attending the events, to make sure that all is in order.

5.4 FINANCIAL SERVICES

5.4.1 OVERTIME

FINANCIAL SERVICES									
OVERTIME									
FUNCTION	DESCRIPTION	ADOPTED BUDGET 2015/2015			PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)			UNDER/ (OVER) EXPENDITURE
		NON- STRUCTURED	STRUCTURED	TOTAL		NON- STRUCTURED	STRUCTURED	TOTAL	
		R	R	R	R	R	R	R	R
FX005001003002	Revenue and Expenditure	14 700	22 200	36 900	9 225	-	-	-	9 225
FX005001013	Supply Chain Management	36 500	54 700	91 200	22 800	34 705	-	34 705	(11 905)
Total		51 200	76 900	128 100	32 025	34 705	-	34 705	(2 680)

□ Vote 066 - Supply Chain Management Unit

The Supply Chain Management Unit (SCMU) provides support service to various user departments that must ensure that municipal services are provided 24 hours a day. The unit personnel are therefore required on rotation basis to be on standby in order to issue breakdown materials after hours to ensure the continuity of service delivery. The only planned overtime is the issuing of fuel every Saturday and some public holidays. The unit's overtime is inherent to the needs of user departments and it is therefore difficult to ascertain and budget for the number of breakdowns during the year.

5.5 INFRASTRUCTURE AND TECHNICAL SERVICES

5.5.1 OVERTIME

INFRASTRUCTURE AND TECHNICAL SERVICES									
OVERTIME									
FUNCTION	DESCRIPTION	ADOPTED BUDGET 2015/2015			PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)			UNDER/ (OVER) EXPENDITURE
		NON- STRUCTURED	STRUCTURED	TOTAL		NON- STRUCTURED	STRUCTURED	TOTAL	
		R	R	R	R	R	R	R	R
ELECTRICAL SUPPLY SERVICES									
FX002001001001	Marketing and Customer relations	19 600	29 400	49 000	12 250	3 798	-	3 798	8 452
FX002001001003	Process Control Systems	11 400	17 200	28 600	7 150	9 104	-	9 104	(1 954)
FX002001001004	Electricity and gas Distribution and Planning	1 886 300	2 829 500	4 715 800	1 178 950	1 165 842	-	1 165 842	13 108
FX002001002	Street lighting	52 400	78 500	130 900	32 725	33 466	-	33 466	(741)
Total		1 969 700	2 954 600	4 924 300	1 231 075	1 212 210	-	1 212 210	18 865

□ Process Control Systems

Over-expenditure on overtime is as a result of the system output enable at time they exceed the limit due to parity bits and the APN will resolve this issue once we have it running currently we are on month to month basis.

INFRASTRUCTURE AND TECHNICAL SERVICES									
OVERTIME									
FUNCTION	DESCRIPTION	ADOPTED BUDGET 2015/2015			PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)			UNDER/ (OVER) EXPENDITURE
		NON- STRUCTURED	STRUCTURED	TOTAL		NON- STRUCTURED	STRUCTURED	TOTAL	
		R	R	R	R	R	R	R	R
ENGINEERING SUPPORT SERVICES									
FX010001007001	Project Management Unit - Administration	3 300	5 000	8 300	2 075	-	-	-	2 075
FX005001005	Fleet Management	224 500	336 800	561 300	140 325	125 223	-	125 223	15 102
FX001001005001	Building Maintenance	-	-	-	-	21 702	-	21 702	(21 702)
Total		227 800	341 800	569 600	142 400	146 925	-	146 925	(4 525)

□ **Building Maintenance**

Two Employees worked over time at Royal-show ground Pietermaritzburg on 18 September 2015.

INFRASTRUCTURE AND TECHNICAL SERVICES

OVERTIME

FUNCTION	DESCRIPTION	ADOPTED BUDGET 2015/2015			PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)			UNDER/ (OVER) EXPENDITURE
		NON- STRUCTURED	STRUCTURED	TOTAL		NON- STRUCTURED	STRUCTURED	TOTAL	
		R	R	R	R	R	R	R	R
TRANSPORT, ROADS AND STORMWATER									
FX012001004002	Roads - Urban Roads	16 000	24 000	40 000	10 000	60 525	-	60 525	(50 525)
FX012001004003	Roads - Rural Roads	16 000	24 100	40 100	10 025	2 109	-	2 109	7 916
FX015001003	Storm Water Management	-	-	-	-	-	-	-	-
Total		32 000	48 100	80 100	20 025	62 634	-	62 634	(42 609)

INFRASTRUCTURE AND TECHNICAL SERVICES									
OVERTIME									
FUNCTION	DESCRIPTION	ADOPTED BUDGET 2015/2015			PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)			UNDER/ (OVER) EXPENDITURE
		NON- STRUCTURED	STRUCTURED	TOTAL		NON- STRUCTURED	STRUCTURED	TOTAL	
		R	R	R	R	R	R	R	R
WATER AND SANITATION SERVICES									
FX015001002002	Sewerage - Pumpstations	193 900	290 900	484 800	121 200	115 364	-	115 364	5 836
FX015001002003	Sewerage - Sewerage Network	2 143 300	3 215 000	5 358 300	1 339 575	1 921 883	-	1 921 883	(582 308)
FX016001001003	Water Treatment - Scientific Services	20 900	31 300	52 200	13 050	16 763	-	16 763	(3 713)
FX016001002001	Water Distribution - Rural Water	2 143 300	3 215 000	5 358 300	1 339 575	493 463	-	493 463	846 112
FX016001002002	Water Distribution - Urban Water	-	-	-	-	488 658		488 658	(488 658)
Total		4 501 400	6 752 200	11 253 600	2 813 400	3 036 131	-	3 036 131	(222 731)

□ **Sewerage – Sewerage Network**

Due to the theft of manhole lids, it causes too many blockages because everything goes into that open manhole. That has contributed on having the overtime. Due to Promis 2 system challenges, Employees required to drive all the way to Richards bay stores to do the manual requisitions and get the required materials. Shortage of water around northern depot area put more pressure into our water tankers to supply water until late which contribute on having increased overtime. Hiring of jetting machine also contribute on increase overtime, as we would wait for suppliers to provide the equipment (Jetting machine) for Council's use.

□ **Water Treatment – Scientific Services**

Water Quality officials attend Water Pollution Incidents as they occur, therefore overtime is never planned.

❑ **Water Distribution – Urban Water**

A major factor that contribute on overtime over expenditure is the ever increasing of the Municipality's 'ageing' water and wastewater infrastructure, which result more pipe burst, leaks and sewerage spills. The less or no budget on Capital water and sewer replacement projects is steadily resulting in an increase in pipeline failures and breakdowns due to age. Additional factor that contributes largely to increased overtime is that of continuous breakdown/failures experienced from Municipal Fleet. Most of the Council Fleet currently being utilised spend more time in work shop than at work, i.e. if four vehicle are in workshop, therefore 16 people are redundant and all work that is supposed to be done during the day will only be done after hours by standby teams. The lack of capital expenditure to replace and proper repair these vehicles is negatively impacting on the operational overtime budget. When Fleet is unavailable or in short supply, emergency water or sewer repair work can at most times be escalated to overtime. The other factor that contribute is the delivery of water to rural communities and to all areas affected by no water due to either pipe burst or water demand problems.

5.6 OFFICE OF THE MUNICIPAL MANAGER

MUNICIPAL MANAGER									
OVERTIME									
FUNCTION	DESCRIPTION	ADOPTED BUDGET 2015/2015			PRO-RATA BUDGET (YTD)	ACTUAL SEPTEMBER 2015 (YTD)			UNDER/ (OVER) EXPENDITURE
		NON- STRUCTURED	STRUCTURED	TOTAL		NON- STRUCTURED	STRUCTURED	TOTAL	
		R	R	R	R	R	R	R	R
FX005001009	Marketing, Customer Relations, Publicity	-	-	-	-	1 483	-	1 483	(1 483)
FX004001002005	Municipal Manager	-	-	-	-	2 320	-	2 320	(2 320)
Total		-	-	-	-	3 803	-	3 803	(3 803)

❑ **Marketing, Customer Relations and Publicity and Office of the Municipal Manager**

Employees from the Office of the Municipal Manager Marketing, Customer Relations and Publicity and were part of the staff assisting during the State of the City.

7. **IN-YEAR BUDGET STATEMENT TABLES**

The following monthly budget statement tables (**DMS 1088476**) respectively have been prepared in accordance with the Municipal Budgeting and Reporting Regulations:

TABLE NUMBER	DESCRIPTION	ANNEX
Table C1	Monthly Budget Statement Summary	A
Table C2	Monthly Budget Financial Performance (Standard Classification)	B
Table C2C	Monthly Budget Financial Performance (Detail) (Standard Classification)	C
Table C3	Monthly Budget Financial Performance (Revenue and Expenditure by Municipal Vote)	D
Table C3C	Monthly Budget Financial Performance (Detail) (Revenue and Expenditure by Municipal Vote)	E
Table C4	Monthly Budget Financial Performance (Revenue by source and Expenditure by Item)	F
Table C5	Monthly Budgeted Capital Expenditure Budget by vote, standard classification and funding	G
Table C5C	Monthly Budgeted Capital Expenditure Budget by vote, standard classification and funding	H
Table C6	Monthly Budgeted Financial Position	I
Table C7	Monthly Budgeted Cash Flows	J
Table SC1	Material variance explanations	K
Table SC2	Monthly Performance indicators	L
Table SC3	Aged Debtors	M
Table SC4	Aged Creditors	N
Table SC5	Investment Portfolio	O
Table SC6	Transfers and grant receipts	P
Table SC7(1)	Transfers and grant expenditure	Q
Table SC7(2)	Expenditure Against Approved Rollovers	R
Table SC8	Councillor and Staff Benefits	S
Table SC9	Monthly actuals and revised targets for cash receipts (cash flow)	T
Table SC12	Monthly capital expenditure trend	U
Table SC13a	Monthly capital expenditure on new assets by asset class	V
Table SC13b	Monthly capital expenditure on the renewal of existing assets by asset class	W
Table SC13c	Monthly repairs and maintenance expenditure by asset class	X
Table SC13d	Monthly depreciation by asset class	Y

PART 2 - SUPPORTING DOCUMENTATION

8. DEBTORS ANALYSIS

Refer to supporting table SC3 - Aged Debtors (**Annexure M**) for the month ended 30 September 2015.

9. CREDITORS ANALYSIS

Refer to supporting table SC4 - Aged Creditors (**Annexure N**) for the month ended 30 September 2015.

10. INVESTMENT PORTFOLIO ANALYSIS

Refer to supporting table SC5 - Investment portfolio (**Annexure O**) for the month ended 30 September 2015.

11. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Refer to supporting table SC6 - Transfers and grant receipts (**Annexure P**) and supporting table SC7 - transfers and grant expenditure (**Annexure Q**) for the month ended 30 September 2015.

12. COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

Refer to supporting table SC8 - Councillor and staff benefits (**Annexure R**) for the month ended 30 September 2015.

13. MATERIAL VARIANCES TO THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP COMPONENT 5 SUMMARISED)

The first quarter progress on the quarterly projections of Service Delivery Targets and performance indicators is indicated on **Annexures AK**.

Although the detailed Component 5 **is attached as Annexure AK**, the tables below depict a summary of the most applicable components thereof.

NB: (Please note when looking at the detailed version of Component 5 **attached as Annexure AK** each vote is illustrated in number order on the extreme left, vote detail of which is illustrated over 3 pages).

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (COMPONENT 5) SUMMARY				
	ADOPTED 2015/2016 INCLUDING ROLL OVERS	DRAFT ADJUSTED BUDGET 2015/2016	ACTUAL EXPENDITURE 30 SEPTEMBER 2015 (YTD)	% COMPLETED / DRAFT ADJUSTED BUDGET
	R	R	R	%
DEPUTY MUNICIPAL MANAGER: CITY DEVELOPMENT	74 828 100	74 641 100	-	0%
CITY DEVELOPMENT	74 828 100	74 641 100	-	0%
DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES	65 964 300	48 297 300	5 266 132	11%
PUBLIC HEALTH AND SAFETY	25 185 800	19 338 400	1 103 675	6%
RECREATION AND ENVIRONMENTAL SERVICES	40 778 500	28 958 900	4 162 457	14%
DEPUTY MUNICIPAL MANAGER: CORPORATE SERVICES	8 164 700	8 518 500	62 489	1%
ADMINISTRATION	8 147 100	8 506 900	62 489	1%
HUMAN RESOURCES	17 600	11 600	-	0%
CHIEF FINANCIAL OFFICER	2 661 200	425 300	-	0%
FINANCIAL SERVICES	2 661 200	425 300	-	0%
DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES	297 330 400	283 303 800	30 408 719	11%
ELECTRICAL SUPPLY SERVICES	35 809 800	38 760 800	760 104	2%
ENGINEERING SUPPORT SERVICES	130 758 900	130 537 000	17 557 395	13%
TRANSPORT, ROADS AND STORMWATER	29 148 000	27 470 500	225 311	1%
WATER AND SANITATION SERVICES	101 613 700	86 535 500	11 865 909	14%
OFFICE OF THE CITY MANAGER	-	7 100	-	0%
CITY MANAGER	-	7 100	-	0%
TOTAL CAPITAL BUDGET	448 948 700	415 193 100	35 737 340	9%

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: CITY DEVELOPMENT								
1	FX001001005003	532_187	MAYORAL RESIDENCE	3 000 000	3 000 000	-	0%	A deviation was applied for the purposes of attaining professional services and due to the amount exceeding R300 000, the Municipal Manager referred back the deviation requesting further investigation.
2	FX001001005003	532_188	CONSTRUCTION OF SMME RETAIL PARKS	4 800 000	4 800 000	-	0%	Terms of Reference have completed and requisitions have been created.
3	FX001001005003	532_84	RE-DESIGNING OFFICE SPACE	-	100 000	-	0%	Specifications and Terms of Reference have been completed and will be submitted to Council committee for Re-design of Office spaces for approval.
4	FX005001007	536_88	IT EQUIPMENT FOR CITY DEVELOPMENT	17 700	17 700	-	0%	Requisition for the purchase of a new laptop for the Senior Town Planner will done in the month of October.
5	FX007001001	832_0	ESIKHALENI REFURBISH HOSTELS	18 000 000	17 627 400	-	0%	Appointment of the 3 Blocks at Esikhaleni was done on the 21/09/2015. Project will start after the allocations have been finalised by Consultant(Groundworks)
6	FX010001004	532_1	NKOSI MQEDI MONUMENT	-	8 000	-	0%	No comments provided
7	FX010001004	532_2A	FENCING NGWELEZANE	-	70 000	-	0%	The user department - Public Works has taken over the fencing
8	FX010001006	544_1	CITY DEVELOPMENT	-	18 000	-	0%	Furniture will be purchased at the completion of the office re-design project.
9	FX012001005	532_3	CONSTRUCTION OF TAXI RANKS (BUILDINGS AND SURROUNDING) - LOT 63, RICHARDS BAY AND A RANK)	7 000 000	7 000 000	-	0%	REQ677 and REQ771 have been completed and awaiting approval.
10	FX015001002003	632_30	AQUADENE BULK SERVICES (SANITATION)	21 000 000	21 000 000	-	0%	The documents are with SCM as it was identified by the MM & DMM-ITS that these projects should go out on Section 32 and not tender
11	FX016001002002	632_6	AQUADENE BULK SERVICES (WATER)	21 000 000	21 000 000	-	0%	The documents are with SCM as it was identified by the MM & DMM-ITS that these projects should go out on Section 32 and not tender
TOTAL CITY DEVELOPMENT				74 828 100	74 641 100	-	0%	

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
COMMUNITY SERVICES, HEALTH AND PUBLIC SAFETY								
12	FX001001005003	532_137	EXTENSION OF TRACK WASHER ROOM (REFUSE)	50 000	25 200	-	0%	Carry over project from 2014/2015. Awaiting Completion
13	FX001001005003	532_138	6 X AIRCONDITIONERS FIRE STATIONS (R/BAY, VULINDLELA, ENSELENI)	20 000	20 000	-	0%	Carry over project from 2014/2015. Awaiting Completion
14	FX001001005003	532_141	EXTENSION OF EMPANGENI TRUCK WASH BAY (REFUSE)	50 000	50 000	-	0%	Carry over project from 2014/2015. Awaiting Completion
15	FX001001005003	532_147	CONSTRUCTION : CANTEEN (EMPANGENI AND ESIKHALENI) (REFUSE)	151 600	151 600	-	0%	Carry over project from 2014/2015. Awaiting Completion
16	FX001001005003	532_172	AIRCONDITIONERS FOR TRAFFIC EMPANGENI	3 400	3 400	-	0%	Project completed during 2014/2015 financial year. Council Approval will be sought for re-direction of remaining funds to other capital projects.
17	FX001001005003	632_60	CONSTRUCTION : CANTEEN (EMPANGENI AND ESIKHALENI) (REFUSE)	9 900	9 900	-	0%	Project completed during 2014/2015 financial year. Council Approval will be sought for re-direction of remaining funds to other capital projects.
18	FX003001003	536_2	AIR POLLUTION EQUIPMENT	1 428 100	1 289 600	80	0%	Final phase : Item to Serve at Bid Spec on 12 October 2015
19	FX005001005	500_322	7 x TRAFFIC CONTROL SEDANS	107 800	240 200	-	0%	Tender awarded by Fleet Management during 2014/15 financial Year. Awaiting delivery
20	FX005001005	500_343	REFUSE TRUCKS	557 400	557 400	624 325	112%	Project Completed
21	FX005001005	500_353	SEDAN FOR TRAFFIC LICENCING	259 400	259 400	-	0%	Tender awarded by Fleet Management during 2014/15 financial Year. Awaiting delivery
22	FX005001005	600_116	REFUSE TRUCKS	2 890 100	-	-		Project Completed in 2014/2015.
23	FX005001005	600_120	1 x DOUBLE CAB 4X4 WITH RAISED BODY	372 200	372 200	-	0%	Tender awarded by Fleet Management during 2014/15 financial Year. Awaiting delivery

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
COMMUNITY SERVICES, HEALTH AND PUBLIC SAFETY								
24	FX005001005	600_121	1 x DOUBLE CAB 4X4 WITH RAISED BODY WITH CANOPY	386 600	-	-		Project completed
25	FX005001006003	532_10	OCCUPATIONAL HEALTH CLINIC	1 333 900	2 033 800	-	0%	Carry Over Project. In progress
26	FX005001006003	532_5A	PARK HOME R/BAY CLINIC - TB PATIENTS	454 900	133 600	-	0%	Project completed during 2014/2015 financial year. Council Approval will be sought for re-direction of remaining funds to
27	FX005001006003	532_6A	ALARMS : ALL CLINICS	46 100	-	-		Carry over Project Completed
28	FX005001006003	536_6A	OCCUPATIONAL HEALTH CLINIC	246 100	-	-		Carry Over Project. In progress
29	FX005001006003	536_7	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	224 200	-	-		Council Approval will be sought for re-direction of savings to other capital projects.
30	FX005001006003	632_5A	PARK HOME R/BAY CLINIC - TB PATIENTS	133 300	-	-		Completed
31	FX005001006003	632_6A	OCCUPATIONAL HEALTH CLINIC	1 000 000	1 000 000	-	0%	Carry Over Project. In progress
32	FX005001007	532_30	PARK HOME CLINIC - NETWORK INFRASTRUCTURE SERVICES	20 200	8 100	-	0%	Project completed during 2014/2015 financial year. Council Approval will be sought for re-direction of remaining funds to other capital projects.
33	FX005001007	536_7	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	9 200	9 200	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
34	FX005001007	536_87	IT EQUIPMENT FOR AIR QUALITY MANAGEMENT	23 400	7 400	-	0%	Project completed during 2014/2015 financial year. Council Approval will be sought for re-direction of remaining funds to other capital projects.
35	FX005001012	536_1A	SECURITY BICYCLE PROJECT	2 000 000	2 000 000	-	0%	New Project. Specifications finalised. Expected completion by December 2015
36	FX011001005	532_5B	ESIKHALENI FIRE STATION - PLAN AND CONSTRUCT	3 566 900	1 533 000	-	0%	Carry over multiyear project : In progress

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
COMMUNITY SERVICES, HEALTH AND PUBLIC SAFETY								
37	FX011001005	532_7	RICHARDS BAY FIRE BRIGADE - STRUCTURAL UPGRADES, CARPORTS AND ACCESS GATE	64 200	-	-		Project Completed in previous financial year
38	FX011001005	536_36	1 x HYDRAULIC JACK	17 500	-	-		Project Completed in previous financial year
40	FX011001005	536_49	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	168 400	95 600	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
41	FX011001005	544_3A	FURNITURE	9 000	-	-		Project Completed in previous financial year
42	FX011001005	632_6B	ESIKHALENI FIRE STATION - PLAN AND CONSTRUCT	7 446 400	7 446 400	-	0%	Carry over multiyear project : In progress
43	FX011001005	632_8	RICHARDS BAY FIRE STATION - PLAN AND CONSTRUCT PHASE ONE	327 700	327 700	-	0%	Carry Over : In progress
44	FX012002001	536_5B	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	30 000	30 000	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
45	FX014001003	532_11	ESTABLISHMENT TRANSFER STATION ENSELENI FOR RECYCLING	1 654 700	1 650 000	479 270	29%	Carry Over : In progress
46	FX014001003	532_14	ESTABLISHMENT TRANSFER STATION NGWELEZANE	15 200	15 200	-	0%	Project completed. Council Approval will be sought for re-direction of savings to other capital projects.
47	FX014001003	536_13	SKIPS	10 000	-	-		Completed
48	FX014001003	544_1	REPLACEMENT OF DESKS AND CHAIRS	28 500	-	-		Completed
50	FX014001003	636_11	SKIPS	69 500	69 500	-	0%	Project completed during 2014/2015 financial year. Council Approval will be sought for re-direction of remaining funds to other capital projects.
TOTAL COMMUNITY SERVICES, HEALTH AND PUBLIC SAFETY				25 185 800	19 338 400	1 103 675	6%	

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
RECREATION AND ENVIRONMENTAL SERVICES								
51	FX001001003	532_4	R/BAY EXTENSION/DEVELOPMENT OF CEMETARY	2 000 000	783 700	274 905	35%	Carry over project from 2014/2015. In progress - awaiting completion.
52	FX001001003	532_5	ESIKHALENI EXTENSION/DEVELOPMENT OF CEMETARY	16 800	16 800	-	0%	Carry over project from 2014/2015. In progress - awaiting completion.
53	FX001001005002	532_29	NTUZE HALL - UPGRADE (CONSTRUCT GUARD HOUSE, FENCING AND LIFT DISABLED)	800 000	800 000	-	0%	Tender 8/2/1/1066 (tender 8/2/1UMH30-15/16). Approved at BAC on 9 September
54	FX001001005002	532_37	NGWELEZANE HALL - EXTENSION	606 100	514 300	-	0%	Carry over project from 2014/2015. In progress - awaiting completion.
55	FX001001005002	532_38	BHEJANE HALL - GUARD HOUSE, HALL BOOKINGS AND COUNCILLOR'S OFFICES AND REFURBISHMENT OF ABLUTION FACILITIES	500 000	500 000	251 033	50%	Carry over project from 2014/2015. In progress - awaiting completion by end October 2015.
56	FX001001005002	532_39	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	152 700	152 700	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
57	FX001001005002	532_40	HALLS	3 000 000	3 000 000	-	0%	No new project will be initiated against the 2015/2016 allocation. Instead funds will supplement shortages that prevented completion of 2014/2015 projects.
58	FX001001005002	632_15	MANDLAKALA HALL - REFURBISHMENT	126 300	-	-		Project Completed.
59	FX001001005002	632_17	UMSASANDLA THUSONG CENTRE - EXTENSION	958 700	958 700	-	0%	Tender 8/2/1/1005 approved during September 2015.
60	FX001001005002	632_18	VELDENVLEI HALL - REFURBISHMENT	802 800	47 900	844 481	1763%	Completed. Over-expenditure to be corrected through journal entries

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
RECREATION AND ENVIRONMENTAL SERVICES								
61	FX001001005002	632_19	NGWELEZANE HALL - EXTENSION	98 100	-	190 309		Extended Scope of Works will be funded from 2015/2016 allocation for Halls
62	FX001001005002	632_23	ENSELENI HALL - UPGRADE (CONSTRUCT FENCING AND LIFT FOR DISABLED)	520 400	520 400	-	0%	75% Complete. Full completion expected by end October 2015.
63	FX001001005002	632_24	NEW HALL - EXTENSION	145 000	56 000	-	0%	Project completef
64	FX001001005003	532_162	AIRCONDITIONERS FOR PARK OFFICES IN ALTON PARKS	37 300	37 300	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
65	FX001001005003	632_140	AIRCON FOR HALLS BOOKING OFFICE	17 400	-	-		Council Approval will be sought for re-direction of savings to other capital projects.
66	FX001001005003	632_141	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	4 600	4 600	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
67	FX001001006001	532_27	AQUADENE LIBRARY	2 580 800	1 096 000	1 112 818	102%	Project Completed
68	FX001001006001	544_10	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	49 900	35 100	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
69	FX001001006001	632_4	ESIK LIBRARY - EXTENSION	928 700	578 600	-	0%	Project Completed. Snag list being attended to before final payment is processed.
70	FX001001006001	632_5	AQUADENE LIBRARY	339 200	1 500	-	0%	Project completed.
71	FX001001006001	644_1	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	74 600	74 600	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
RECREATION AND ENVIRONMENTAL SERVICES								
72	FX001001008	536_6	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	4 600	4 600	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
73	FX005001005	500_358	2 X DOUBLE CAB LDV (SPORTS)	773 100	-	-		Project Completed.
74	FX005001007	532_31	THREE DATA POINTS FOR RFID SYSTEM RICHARDS BAY LIBRARY	2 000	2 000	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
75	FX013001001	532_17A	BEACH DEVELOPMENT (RESTAURANT)	40 100	40 100	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
76	FX013001001	532_18	BEACH EROSION PROJECT	6 594 400	6 594 400	-	0%	Project in Progress. Start was delayed due to insufficient dredging by Portnet.
77	FX013001001	536_0	BEACH EQUIPMENT	1 600	1 600	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
78	FX013001001	536_3	FRIDGE, STOVE	1 400	1 400	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
79	FX013001001	536_5	BEACH EQUIPMENT - MALIBU BOARDS	30 000	-	-		Project Completed
80	FX013001001	544_2	DESKS, CHAIRS & CUPBOARDS	6 300	1 500	341 580	22772%	Incorrect cost allocation. It will be corrected by Budget Office
81	FX013001002	532_3A	PARKS DEVELOPMENT	523 400	262 900	-	0%	Carry over project from 2014/2015. In progress .
82	FX013001002	532_4A	EMPANGENI PARKS DEPT ABLUTIONS - REFURBISHMENT	325 800	157 300	-	0%	Project Completed. Awaiting processing of final payment

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
RECREATION AND ENVIRONMENTAL SERVICES								
83	FX013001002	532_5C	ESIKHALENI PARK (POOL AREA)	1 000 000	1 000 000	-	0%	This project is linked to Beautification of all areas project. Construction proceeded with leveling of area. Importing of topsoil will commence once broken playground equipment has been removed for repairs and refurbishment and excess rubble removed. Specifications for walkways finalised and served at BSC during September 2015. Referred back for details on walkway. Served on 28 September 2015 but no quorum. To serve on 05 October 2015.
84	FX013001002	532_6	BEAUTIFICATION (ALL AREAS)	5 000 000	5 000 000	-	0%	Nseleni Hall - paving (Tender 8/2/1/UMH40 - 15/16) : Calling for tenders. Advertised on 25 September 2015. Site meeting scheduled for 02 October. Tender closes 9 October 2015 Dumisani Makhaya Village; Ngwelezane - Planning of Public open spaces : Project program revised. Call for quotes mid-October as specifications were revised after additional input from Environmental Planning. Site visit rescheduled for 28 October 2015. Planting of trees along main routes Enseleni, eSikhaleni, Ngwelezane: Awaiting prices on tree plant containers. Selection of trees to be planted will be finalised during October/November 2015, pending availability of selected stock. Planting programmes scheduled to start in January 2016 pending the supply of containers.
85	FX013001002	536_10B	COMPONENTS FOR LAWNMOWER	2 700	2 700	-	0%	Ongoing.
86	FX013001002	536_11A	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	400	1 200	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
RECREATION AND ENVIRONMENTAL SERVICES								
87	FX013001002	544_0	FURNITURE FOR PARKS DEPOT	5 000	-	-		Project completed
88	FX013001002	636_2A	REPLACEMENT RIDE-ON MOWERS	522 500	64 100	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
89	FX013001002	636_5	HAND MOWERS, CHAIN SAWS, BRUSH CUTTERS, POLE PRUNER	42 600	4 100	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
90	FX013001002	636_6	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	77 100	110 400	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
91	FX013001002	644_2	OFFICE CHAIRS FOR PARKS	2 600	-	-		Project Completed.
92	FX013002003003	532_34	UPGRADE BAY HALL POOL	218 500	2 700	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
93	FX013002003003	532_37A	SWIMMING POOLS - PUMPS	16 000	4 300	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
94	FX013002003003	532_39A	SWIMMING POOLS - SIGNAGE	7 300	500	-	0%	Project Completed.
95	FX013002003003	532_40A	SWIMMING POOLS - ANTI-TURBULANCE LANES	3 000	3 000	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
96	FX013002003003	532_42	SWIMMING POOLS - TOILET SYSTEM	11 000	11 000	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
97	FX013002003003	532_43	SWIMMING POOLS - NEW AND RELACEMENT CHLORINATORS	5 000	5 000	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
RECREATION AND ENVIRONMENTAL SERVICES								
98	FX013002003003	532_44	UPGRADE FILTER - NSELENI POOL	8 000	8 000	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
99	FX013002003003	532_45	STAFF REST ROOMS - VARIOUS POOLS	331 200	24 400	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
100	FX013002003003	536_10	BA SETS : VARIOUS POOLS	16 600	7 000	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
101	FX013002003003	536_11	PA SYSTEM	300	300	-	0%	Completed.
102	FX013002003003	536_12	CASH REGISTERS VARIOUS POOLS	7 700	-	-		Completed.
103	FX013002003003	536_3B	SWIMMING POOLS - EQUIPMENT	6 500	6 500	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
104	FX013002003003	536_9A	FIRE EQUIPMENT VARIOUS POOLS	8 600	6 600	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
105	FX013002003003	544_1	SWIMMING POOLS - NEW AND REPLACEMENT FURNITURE	5 400	5 400	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
106	FX013002004001	432A_01	MZINGAZI SPORTSFIELD	-	423 100	-	0%	carry over project Project in progress.
107	FX013002004001	532_17	PLAYGROUND EQUIPMENT	14 800	14 800	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
108	FX013002004001	532_21	ESIKHALENI COLLEGE COURTS UPGRADE	164 200	164 200	773 056	471%	Project Completed

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
RECREATION AND ENVIRONMENTAL SERVICES								
109	FX013002004001	532_23	FLOODLIGHTS - VARIOUS SPORTSFIELDS	2 816 000	795 300	-	0%	1. Specification reports to serve at BSC during September 2015, 2. Consultant appointed to finalise specifications for floodlights at various fields : 1. Application for upgrade of field at DMV completed and submitted to COGTA for approval. 2. Specifications completed and will call for tenders during October/November 2015 2. Specifications completed and will call for tenders during October/November 2015
110	FX013002004001	532_54	2 x TRAILERS WITH RAMPS	80 500	21 200	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
111	FX013002004001	532_56	UPGRADE IRRIGATION SYSTEM AT MANDLANZINI	75 000	75 000	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
112	FX013002004001	532_57	FLOODLIGHTS -CENTRAL SPORTSFIELDS	1 927 600	1 560 000	-	0%	1. Specification reports to serve at BSC during September 2015, 2. Consultant appointed to finalise specifications for floodlights at various fields : 1. Application for upgrade of field at DMV completed and submitted to COGTA for approval. 2. Specifications completed and will call for tenders during October/November 2015
113	FX013002004001	532_58	UPGRADING RURAL SPORTSFIELDS	58 600	58 600	-	0%	Carry over project. In progress.
114	FX013002004001	532_59	CONSTRUCTION OF COMBI COURT AT MANDLAZINI	687 500	687 500	-	0%	Carry over project. In progress
115	FX013002004001	532_60	NGWELEZANE STADIUM	1 000 000	150 000	-	0%	Carry Over project. This project constitutes the design and specification of upgrade only and is completed. Savings to be redirected.

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
RECREATION AND ENVIRONMENTAL SERVICES								
116	FX013002004001	536_9	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	134 800	134 800	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
117	FX013002004001	632_15A	LIGHTING SPORTS GROUND	460 000	444 500	-	0%	1. Specification reports to serve at BSC during September 2015, 2. Consultant appointed to finalise specifications for floodlights at various fields : 1. Application for upgrade of field at DMV completed and submitted to COGTA for approval. 2. Specifications completed and will call for tenders during October/November 2015
118	FX013002004001	632_17A	REFURBISHMENT OF STADIUM LEAKAGES	274 800	6 600	-	0%	Completed: Council Approval will be sought for re-direction of savings to other capital projects.
119	FX013002004001	632_18A	UPGRADING RURAL SPORTSFIELDS	752 500	500 400	-	0%	Completed: Awaiting final invoices. Council Approval will be sought for re-direction of savings to other capital projects.
120	FX013002004001	632_19A	NEW FIELD COURTS - UPGRADE	670 000	525 900	-	0%	Carry over project. In Progress
121	FX013002004001	632_20	REPLACEMENT OF CRICKET NETS AND MATS AT SPORT COMPLEX	100 000	15 000	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
122	FX013002004001	632_21	IRRIGATION SYSTEM AT CENTRAL SPORT COMPLEX	95 000	83 700	-	0%	Carry over project - in progress.
123	FX013002004001	632_27	FLOODLIGHTS - VARIOUS SPORTSFIELDS	450 000	417 100	374 275	90%	1. Specification reports to serve at BSC during September 2015, 2. Consultant appointed to finalise specifications for floodlights at various fields : 1. Application for upgrade of field at DMV completed and submitted to COGTA for approval. 2. Specifications completed and will call for tenders during October/November 2015

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: COMMUNITY SERVICES								
RECREATION AND ENVIRONMENTAL SERVICES								
124	FX013002004001	636_2	SPORTSFIELD EQUIPMENT	171 700	-	-		Project Completed
125	FX013002004001	636_3	SAVINGS ON OTHER CAPITAL PROJECTS (COMMUNITY SERVICES)	370 000	370 000	-	0%	Council Approval will be sought for re-direction of savings to other capital projects.
126	FX013002004001	832_1	SPORTFIELDS - SIGISI FIELD LOTTO FUNDING	1 115 400	-	-		Project Completed. Payment to be processed.
TOTAL RECREATION AND ENVIRONMENTAL SERVICES				40 778 500	28 958 900	4 162 457	14%	
TOTAL COMMUNITY SERVICES				65 964 300	48 297 300	5 266 132	11%	

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: CORPORATE SERVICES								
ADMINISTRATION								
127	FX005001001	544_3	ADMINISTRATION	17 200	13 700	62 489	456%	Furniture will be supplied to all staff without furniture
128	FX001001005003	528_4	CIVIC CENTRE	400 000	400 000	-	0%	Civic Centre will be fully secured and fenced
129	FX001001005003	532_97	RENOVATIONS - CIVIC CENTRE	21 400	9 800	-	0%	Civic Centre be renovated
130	FX001001005003	532_186	RENOVATIONS - ICT SECTION	40 000	26 200	-	0%	No comments provided
131	FX001001005003	532_189	SAVINGS ON OTHER CAPITAL PROJECTS (CORPORATE SERVICES)	1 927 900	1 927 900	-	0%	No comments provided
132	FX001001005003	632_134	WESTERN SERVICES DEPOT - REFURBISHMENT	150 000	33 000	-	0%	No comments provided
133	FX001001005003	532_190	SATELLITE OFFICES REFURBISHMENT	3 000 000	3 000 000	-	0%	Satellite Offices will be fully renovated and office space created
134	FX004001001001	536_10A	EXECUTIVE AND COUNCIL PROJECTS	83 800	83 800	-	0%	Project in process, awaiting quotations
135	FX004001001001	544_1A	COUNCILLORS TOOLS OF TRADE	8 800	8 800	-	0%	Project in process, awaiting quotations
136	FX009001002	528_1	FENCING - AIRPORT	300 000	300 000	-	0%	the airport will be fully fenced
137	FX005001007	532_24	ICT RESEARCH AND DEVELOPMENT (R&D)	69 600	19 100	-	0%	CLOUDWARE solution
138	FX005001007	536_43	NEW & REPLACEMENT OF IT RELATED EQUIPMENT	2 089 000	2 679 400	-	0%	Revised Roll Over of R 649 700 to be utilised in Quarter 2
139	FX005001007	536_97	LAPTOP FOR SUKUMA SAKHE CO-ORDINATOR	12 400	1 100	-	0%	Procured in 14/ 15 financial year
140	FX005001007	536_98	LAPTOPS FOR CORPORATE SERVICES	27 000	4 100	-	0%	Procured in 14/ 15 financial year
TOTAL ADMINISTRATION				8 147 100	8 506 900	62 489	1%	

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: CORPORATE SERVICES								
HUMAN RESOURCES								
142	FX005001006001	544_1	GENERAL	5 800	3 300	-	0%	planned expenditure 30 November 2015
146	FX005001007	536_105	IPAD FOR HEAD OF SECTION	-	8 300	-	0%	Revised Roll Over: iPad for Mr Nzuza (Quarter 2)
TOTAL HUMAN RESOURCES				17 600	11 600	-	0%	
TOTAL CORPORATE SERVICES				8 164 700	8 518 500	62 489	1%	

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PROJECTS UNDER THE RESPONSIBILITY OF THE CHIEF FINANCIAL OFFICER								
147	FX001001005003	532_170	IMPROVED SECURITY SATELITE OFFICES	31 600	31 600	-	0%	Project complete in 2014/15. Balance savings. To be utilised for replacement of furniture
148	FX001001005003	532_171	RENOVATIONS AND IMPROVED SECURITY ACCESS EXPENDITURE SECTION	224 000	152 900	-	0%	Specifications provided to Building & Structures. Awaiting progress
149	FX001001005003	532_178	RENOVATION eSIKHALENI SATELLITE OFFICE	66 600	-	-		Project complete in 2014/15.
150	FX001001005003	532_180	2 X AIRCONDITIONERS AT EMPANGENI OFFICE	20 000	5 600	-	0%	Project complete in 2014/15. Balance savings. To be utilised for replacement of furniture
151	FX001001005003	532_181	RENOVATION AT NSELENI STATELLITE OFFICE	76 000	-	-		Project complete in 2014/15.
152	FX001001005003	532_185	RENOVATION CFO SECRETARY OFFICE	36 000	36 000	-	0%	Specifications provided to Building & Structures. Awaiting progress
153	FX005001003002	544_7	5 WORKSTATIONS FOR INCOME	15 000	2 700	-	0%	Project complete in 2014/15. Balance savings. To be utilised for replacement of furniture
154	FX005001007	536_72	2 X LAPTOPS FOR FINANCIAL SERVICES	192 000	34 500	-	0%	Laptops that were delivered in June 2015, were not as per Specs and were returned to supplier. Awaiting delivery of laptops - expected 31/10/2015
155	FX005001007	632_39	FINANCIAL ERP SYSTEM (CONSULTANT)	2 000 000	162 000	-	0%	Tenders closed for ERP Phase 2 - project pending NT discussions.
TOTAL FINANCIAL SERVICES				2 661 200	425 300	-	0%	

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
ELECTRICAL SUPPLY SERVICES								
156	FX001001005003	532_183	STANDBY QUARTERS AT SERVICES CENTRE ELECTRICITY	1 500 000	1 320 000	-	0%	Project delay due to the allocation of funding
163	FX002001001003	572_3	CITY OF uMHLATHUZE SMART METER SOLUTION	400 000	207 100	-	0%	This funds will be used for Smart Metering pilot project before the end of this month 30 October 2015
165	FX002001001003	644_0	GENERAL	5 100	5 100	-	0%	This money will be allocated for clocking system at the TOC and Alton
166	FX002001001003	672_3	PROCESS CONTROL SIGNALLING SYSTEM	1 000 000	1 000 000	-	0%	This Project is at the BEC stage which will sit on the 11th of October 2015, RPT 158675. but I really don't understand why I have an expenditure whereas the project hasn't been started.
167	FX002001001004	532_30A	UNDERCOVER PARKING AT ELECTRICITY SUPPLY	10 400	10 400	-	0%	Funds to be transferred to purchase a generator
168	FX002001001004	572_17	A1275 NGWELEZANE ELECTRIFICATION	2 280 300	2 280 300	42 000	2%	Specifications and designs are complete, tender for the appointment of a contractor to serve at Bid Specification on the 12th October 2015
169	FX002001001004	572_18	CYGNUS MV SWITCHGEAR REPLACEMENT	267 800	267 800	-	0%	The project is technically complete with the following outstanding items. 1. Driveways repairs 2. Pressure test certificate 3. Submission of As-Built drawings 4. R 1 000 000.00 will be transferred to fund N2 Corrido Substation design 5. R1 380 000 to be transferred to standby quarters to cover the short fall
170	FX002001001004	632_27A	eSIKHALENI - REPLACE XLPE MEDIUM VOLTAGE CABLE WITH PAPER INSULATED CABLE	8 902 800	5 060 900	-	0%	The project is technically complete with the following outstanding items. 1. Driveways repairs 2. Pressure test certificate 3. Submission of As-Built drawings 4. R 1 000 000.00 will be transferred to fund N2 Corrido Substation design 5. R1 380 000 to be transferred to standby quarters to cover the short fall . The order number was not issued at the time of payment to Langa Electrical and Zizamele

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PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
ELECTRICAL SUPPLY SERVICES								
171	FX002001001004	632_57	UNDERCOVER PARKING AT ELECTRICITY SUPPLY	-	20 700	-	0%	No comments provided
182	FX002001001004	636_3A	ELECTRICAL TOOLS	40 000	13 800	-	0%	Complete funds to be transferred to Furniture to purchase a desk for Planning
172	FX002001001004	672_21	ENERGY LOSSES PROJECT	2 110 500	1 599 400	-	0%	Project delay due to the allocation of funding
173	FX002001001004	672_29	NETWORK MASTER PLAN	1 500 000	1 500 000	242 327	16%	Consulted is now busy with network modelling , Project target completion date is end of November 2015
174	FX002001001004	672_31	ELECTRIFICATION ESIKHALENI J2710	718 800	159 000	-	0%	complete
175	FX002001001004	672_32	CYGNUS MV SWITCHGEAR REPLACEMENT	-	9 763 900	-	0%	The project is technically complete with the following outstanding items.
176	FX002001001004	872_12	ELECTRIFICATION OF MANDLAZINI AREA (564 STANDS)	4 300 000	4 300 000	475 777	11%	1..The project is technically complete , still awaits as built drawings, 2.Tacky survey and pre-marketing to be done on RFQ in conjunction with City development to determine extra customers 3. To consider the possibility of using the money on this budget to normalise the network ,The order number was not issued at the time of payment
177	FX002001001004	872_13	ELECTRIFICATION OF MZINGAZI AREA (209 STANDS)	3 100 000	3 100 000	-	0%	1.Project is completed, tacky survey and pre-marketing to be done on RFQ in conjunction with City development to determine extra customers 2.To consider the possibility of using the money on this budget to normalise the network
180	FX002001001004	872_16	ELECTRIFICATION OF NGWELEZANE IDT (NEWTOWN)	1 600 000	1 600 000	-	0%	Preliminary designs completed, Land surveyor to be appointed for surveying and pegging so as to produce construction drawings

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
ELECTRICAL SUPPLY SERVICES								
157	FX002001002	576_20	JOHN ROSS/EMPANGENI MAIN STREETLIGHTING INSTALLATION	2 048 800	1 785 200	-	0%	The contractor is currently busy on site where they have done the following: 1. Planting of poles - 63 completed 2. Trenching and laying of cable-600 Meters 3. Outstanding invoices amounting to R 116 143 .96 (R50 000 for site establishment and R35 175.60 and R30 968 .80) should be submitted by 6th of October 2015
158	FX002001002	576_26	EMPANGENI MAIN ROAD INTERSECTION STREETLIGHTING INSTALLATION	920 700	-	-		Complete,transferred toMadlankala /Maholoholo streetlighting project
159	FX002001002	576_27	MANDLANKALA/ MAHOLOHOLO STREETLIGHTING INSTALLATION	1 775 400	1 536 300	-	0%	1.Mahoholo road is complete but vandalism is taking place (An insurance claim to be used for the repairs at a cost of approximately R 110 000.00) 2. A second transformer is to be installed on Mandlankala Road so as to power the remaining street lights 3. Phase two of the project is to install street lights from Mandlankala road to John Ross, tender for this project is out on advert the closing date is the 16 October 2015
160	FX002001002	576_28	HIGH MAST LIGHTING INSTALLATION (TRADITIONAL AREAS)	200 000	200 000	-	0%	Tender for the appointment of a consultant will served on Bid Specification on 5th of October 2015 and advertisement process is in progress
162	FX002001002	676_27	HIGH MAST LIGHTING INSTALLATION (TRADITIONAL AREAS)	2 800 000	2 800 000	-	0%	Tender for the appointment of a consultant will served on Bid Specification on 5th of October 2015 and advertisement process is in progress

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
ELECTRICAL SUPPLY SERVICES								
161	FX002001002	676_27A	MANDLANKALA/ MAHOLOHOLO STREETLIGHTING INSTALLATION	-	209 000	-	0%	1.Mahoholo road is complete but vandalism is taking place (An insurance claim to be used for the repairs at a cost of approximately R 110 000.00) 2. A second transformer is to be installed on Mandlankala Road so as to power the remaining street lights 3. Phase two of the project is to install street lights from Mandlankala road to John Ross, tender for this project is out on advert the closing date is the 16 October 2015
183	FX005001007	536_100	YOGA TABLET FOR DMM I&TS	24 000	2 400	-	0%	Complete
184	FX005001007	536_102	LAPTOP FOR SECRETARY HOS ELECTRICAL SERVICES	20 000	2 000	-	0%	Complete
185	FX005001007	636_32	3 x LAPTOP DOCKING STATION AND SCREENS	12 800	12 800	-	0%	Complete
186	FX005001007	636_40	3 X LAPTOPS FOR ELECTRICAL PROJECT MANAGEMENT	40 400	-	-		Complete
187	FX005001007	636_41	LAPTOP FOR SNR ADMIN OFFICER - ELECTRICAL SUPPLY SERVICES	20 000	4 700	-	0%	Complete
TOTAL ELECTRICAL SUPPLY SERVICES				35 809 800	38 760 800	760 104	2%	

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
ENGINEERING SUPPORT SERVICES								
188	FX001001005003	532_94	CIVIC CENTRE - ROOFING AND WATER PROOFING	434 800	434 800	-	0%	Contractor started on site on 28 Sept 2015. Contractor has completed C-section of the Civic Centre
189	FX001001005003	532_176	REPLACEMENT OF CENTRAL PLANT AIR CONDITIONER CIVICCENTRE R/BAY UNIT B001	280 000	280 000	-	0%	Repairs to be done on the appointment of a 3 year contract starting from the 1st of November 2015
190	FX001001005003	536_7A	CIVIC CENTRE EMP 1 & 2 CENTRAL COOLING UNIT	150 000	150 000	-	0%	Repairs to be done on the appointment of a 3 year contract starting from the 1st of November 2015
191	FX001001005003	536_8	CIVIC CENTRE CENTRAL COOLING UNIT	550 000	550 000	-	0%	Repair and re wind motors for water cooling tower manufacture supply and install new steel metal DB Board with 3 phase isolator
192	FX001001005003	632_52	STRUCTURAL INSPECTION OF MUNICIPAL BUILDINGS	2 304 400	2 300 000	-	0%	Annual inspection completed info. RPT 159052 reports DMS 1056321/ 1056330/1061713 • Richards Bay Civic Centre renovations and maintenance repairs project in-progress Structural Engineer submitted Tender document to appoint contractors for the repairs, the closing date was on the 28 August 2015. The next stage will be the evaluation process.
193	FX012001004002	872_20	ROADS PROJECTS - MADLANZINI ROAD (TARRING MAIN ROAD)	15 000 000	15 000 000	40 938	0%	Consultant finalising detail designs of drawings. Anticipated to go out to tender end Oct 2015.
194	FX013002004001	832_13	SPORTS PROJECTS	15 000 000	15 000 000	-	0%	Tenders closed on 09 October 2015.
195	FX015001002003	832_1A	RURAL SANITATION	29 248 100	29 248 100	7 629 522	26%	26 % of budget spent on ongoing rural sanitation programme.

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
ENGINEERING SUPPORT SERVICES								
196	FX015001001	532_6B	ABLUTION FACILITIES AT NAVAL ISLAND	2 185 800	2 185 800	-	0%	Transnet approved prelim design drawings. Consultant to finalise construction drawings.
197	FX010001007001	536_6B	WHEELCHAIR	10 000	3 500	-	0%	Project completed, savings to be transferred.
198	FX010001007001	644_0	ENGINEERING SUPPORT	1 200	1 200	-	0%	Insufficient funds savings to be transferred from GL 536_6B
199	FX016001002001	884_6	RURAL/SEMI-URBAN AREAS	29 248 200	29 248 200	2 126 367	7%	7 % of budget spent on ongoing rural projects.
200	FX016001002001	884_8	RURAL HOUSEHOLDS INFRASTRUCTURE	4 500 000	4 500 000	532 207	12%	12 % of project completed.
201	FX010001007005	544_1	VARIOUS	100 000	100 000	-	0%	In the process of procuring.
203	FX005001005	536_5A	HEAVY DUTY IMPACT TOOL	3 300	1 700	-	0%	Completed. Savings to be utilized elsewhere.
205	FX005001005	650_41	REPLACEMENT OF YELLOW PLANT	20 000 000	20 000 000	7 228 361	36%	65% of plant has been delivered.
206	FX005001005	500_351	3 x 4 DOOR HATCH BACK SEDANS	507 700	507 700	-	0%	Completed, vehicles have been delivered.
208	FX005001005	500_359	MAYORAL FLEET (X3)	2 500 000	2 500 000	-	0%	Order has been placed on 10/10/15.
210	FX005001005	600_122	REPLACEMENT VEHICLES	8 526 000	8 526 000	-	0%	Requirements from department has been finalized, will be purchasing on RT 57 tender.
TOTAL ENGINEERING SUPPORT SERVICES				130 581 200	130 537 000	17 557 395	13%	

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
TRANSPORT, ROADS AND STORMWATER								
211	FX001001005003	532_167	ROAD MARKING AND SIGNAGE STOREROOM	144 300	5 100	-	0%	PROJECT COMPLETED
212	FX001001005003	632_56	ROAD MARKING AND SIGNAGE STOREROOM	-	16 900	-	0%	PROJECT COMPLETED
214	FX012001004002	572_78	ESIKHALENI MALL PARKING - TAXI LOADING & HOLDING AREAS	2 076 300	1 947 200	225 311	12%	Project scope changed. Contractor withdrawn. Consultant commenced with new works design in August 2015. Plan to submit BSC report at end October 2015.
215	FX012001004002	572_79	CIVIC SERVICES INFILL AREAS (J2 & H2 AREA)	1 000 000	1 092 200	-	0%	Slow progress with Contract. Commenced in September. 80% complete. Contractor experiencing financial problems. Awaiting session approval
216	FX012001004002	572_82	UPGRADE OF 2 INTERSECTIONS	142 500	142 500	-	0%	Awaiting internal design team to finalise designs
217	FX012001004002	572_84	REHABILITATION AND STABILISATION OF EMBANKMENT	-	572 600	-	0%	PROJECT COMPLETED
218	FX012001004002	672_11	STREET REHABILITATION - TANNER ROAD	427 700	834 000	-	0%	PROJECT COMPLETED
219	FX012001004002	672_55	ESIKHALENI MALL ROAD SAFETY	1 747 700	1 218 400	-	0%	Project scope changed. Contractor withdrawn. Consultant commenced with new works design in August 2015. Plan to submit BSC report at end October 2015.
221	FX012001004002	672_74	STRUCTURAL UPGRADE AND ROOFING - STORE ROOM WESTERN ROADS DEPOT	89 000	108 600	-	0%	PROJECT COMPLETED

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
TRANSPORT, ROADS AND STORMWATER								
222	FX012001004002	672_81	PEDESTRIAN BRIDGES RURAL AREAS	197 500	25 500	-	0%	PROJECT COMPLETED
223	FX012001004002	672_83	UPGRADE & SIGNALISE OF 1 INTERSECTION WITHIN THE CITY OF UMHLATHUZE	603 900	424 700	-	0%	Awaiting internal design team to finalise designs. Plan to submit BSC report at end October 2015.
224	FX012001004002	672_85	CIVIL SERVICES INFILL AREAS	90 000	57 500	-	0%	Slow progress with Contract. Commenced in September. 80% complete. Contractor experiencing financial problems. Awaiting session approval
225	FX012001004002	672_86	BUS SHELTERS & LAYBYES - ALL AREAS	379 300	25 300	-	0%	In planning process. Finalizing SCOA requirements before going on on quotation.
226	FX012001004002	572_85	WALKWAYS AND BRIDGES	2 000 000	2 000 000	-	0%	Walkways - Report serving at BSC committee 12/10/2015. Pedestrian bridges BSC report to be served to BSC committee for approval before 30 October 2015.
227	FX012001004002	572_86	TRAFFIC CALMING	1 000 000	1 000 000	-	0%	BSC report completed and serving at BSC committee 12/10/2015.
228	FX012001004002	572_87	ESIKHALENI INTERSECTION	18 000 000	18 000 000	-	0%	Project scope changed. Contractor withdrawn. Consultant commenced with new works design in August 2015. Plan to submit BSC report at end October 2015. Plan to submit BSC report at end of October 2105.
TOTAL TRANSPORT, ROADS AND STORMWATER				29 148 000	27 470 500	225 311	1%	

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
WATER AND SANITATION								
232	FX001001005003	632_49	UPGRADE LABORATORY	262 400	11 100	-	0%	The money will be used for gas detectors in the laboratory. Various analysis are conducted in the laboratory. The analysis use toxic and harmful chemicals and gases. Gas detectors are therefore required to monitor the oxygen levels in the laboratory to ensure safety of the laboratory personnel.
233	FX001001005003	632_59	ELECTRICITY CONNECTION - W & S OFFICES (A1227 NGWELEZANE)	50 000	50 000	-	0%	Savings identified. 6 x Aircons required at Water and Sanitation Offices in Ngwelezane. Report sent to council for transfer of funds to respective Vote no. RPT 159061.
235	FX015001002003	632_11	RURAL SANITATION (COUNTER FUNDING)	187 700	-	38 000		COUNTER FUNDING
236	FX015001002003	632_24A	REPLACEMENT SEWER (A NGWELEZANE)	323 500	4 600	-	0%	Project Completed on 2014/2015 financial year. Savings to be transferred on to the savings vote.
238	FX015001002003	632_26	REPLACEMENT SEWER RETICULATION & UPGRADE MANHOLE	25 500	25 500	-	0%	In progress. , mainholes covers are procured and installed on open manholes.
240	FX015001002003	632_29	UPGRADE - VULINDLELA SEWER PIPELINE	1 242 900	694 400	-	0%	Contractor terminated. Busy with the process of recalling guarantee to complete the works. Deviation will need to be done for the minor works.
241	FX015001002003	632_31	VELDENVLEI PUMP STATION	22 374 000	22 374 000	-	0%	Specification completed. Drawings 95% complete To submit to BSC by 5 October 2015
242	FX015001002002	536_3C	STANDBY PUMPS	9 700	9 700	-	0%	Project Completed on 2014/2015 financial year. Savings to be transferred on to the savings vote.

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
WATER AND SANITATION								
243	FX016001002001	636_1	NEW WATER METERS (RURAL) - KWA-DUBE TRADITIONAL AREAS	462 500	134 900	-	0%	Project Completed on 2014/2015 financial year. Savings to be transferred on to the savings vote.
244	FX016001002001	684_9	MKHWANAZI NORTH BULK WATER SUPPLY PHASE 5	133 100	89 200	7 619 638	8542%	Project underway. MWIG funds to be utilized first before counter funding is used.
245	FX016001002003	684_1	BULK MASTER PLAN	815 600	815 600	-	0%	Project Completed.
246	FX016001002002	584_30	LEAK DETECTOR	1 400 000	1 400 000	-	0%	RPT 158234. Served at BAC, awaiting for CFO to identify funds, by end of September 2015.
248	FX016001002002	684_19	CONSTRUCTION OF 20ML RESERVOIR EMPANGENI (HILLTOP)	9 808 800	-	439 507		Project is progressing Well. 70% Completed.
249	FX016001002002	684_20	RICHARDS BAY WATER IMPROVEMENTS PHASE 1	3 168 600	2 580 300	-	0%	Kulu Civils & Project Managers appointed. Awaiting documentation from contractor and signing of SLA by legal section before work can commence.
250	FX016001002002	884_21	RICHARDS BAY PIPE REPLACEMENT (MWIG)	10 882 000	10 882 000	-	0%	Kulu Civils & Project Managers appointed. Awaiting documentation from contractor and signing of SLA by legal section before work can commence.
251	FX016001002002	884_25	NSELENI PIPE REPLACEMENT (MWIG)	10 000 000	10 000 000	-	0%	Kulu Civils & Project Managers appointed. Awaiting documentation from contractor and signing of SLA by legal section before work can commence.
252	FX016001002002	884_26	NGWELEZANE PIPE REPLACEMENT (MWIG)	8 000 000	8 000 000	-	0%	The project is currently on design stage.

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
PROJECTS UNDER THE RESPONSIBILITY OF THE DEPUTY MUNICIPAL MANAGER: INFRASTRUCTURE AND TECHNICAL SERVICES								
WATER AND SANITATION								
253	FX016001002002	884_27	EMPANGENI PIPE REPLACEMENT (MWIG)	15 000 000	15 000 000	-	0%	To serve at Bid Spec
254	FX016001002002	884_28	REDUCTION OF NON-REVENUE	7 000 000	7 000 000	2 272 411	32%	3 Year on going project. In progress
256	FX016001002002	884_30	ESIKHALENI WATER TREATMENT WORKS	-	-	1 187 735		No funds allocated
257	FX016001002002	884_32	ESIKHALENI WASTE WATER TREATMENT WORKS	7 000 000	7 000 000	308 618	4%	No funds available
258	FX016001002002	532_2	CLOCKING MACHINES	37 400	5 100	-	0%	Project Completed on 2014/2015. Roll over savings to be used to purchase the air conditioner for Mr Mlungisi at Esikhaleni Offices. Report sent to council for trasfr of funds to
259	FX016001002002	536_0A	PLUMBERS TOOL SETS	1 300	1 100	-	0%	Project completed on 2014/2015 financial year. Savings to be transferred into a savings vote.
260	FX005001007	536_62	3 x NOTEBOOKS AND PC'S FOR WATER AND SANITATION	5 600	4 000	-	0%	Project completed on 2014/2015 financial year. Savings to be transferred into a savings vote.
261	FX005001007	636_17	MOBILE GIS DATABASE ENHANCEMENTS AND CAPTURING	248 300	2 500	-	0%	Project completed on 2014/2015 financial year. Savings to be transferred into a savings vote.
263	FX015001004	536_1	PUMPSTATIONS	2 400	2 400	-	0%	Project completed on 2014/2015 financial year. Savings to be transferred into a savings vote.
264	FX015001004	632_2	BRACKENHAM PUMPSTATION RISER MAIN	89 700	89 700	-	0%	Project Completed, Remaining funds to be used to purchase the IT equipments for the Admin Staff and the Management for Water and Sanitation Section.
265	FX015001004	632_4A	MS 10 DOUBLE PUMP PLUS ADDITIONAL PUMP	359 400	359 400	-	0%	It was referred back due to unsufficient funds.
TOTAL WATER AND SANITATION				101 613 700	86 535 500	11 865 909	14%	
TOTAL INFRASTRUCTURE AND TECHNICAL SERVICES				297 152 700	283 303 800	30 408 719	11%	

NO	FUNCTION	GL CODE	DETAILED PROJECT DESCRIPTION (QUANTITY & LOCATION - OUTPUTS & OUTCOMES)	ADOPTED 2015/2016	DRAFT ADJUSTED BUDGET 2015/2016	YTD AT 30/09/2015	PERCENTAGE SPENT OF PROPOSED ADJUSTED BUDGET	QUARTER 1 PROJECT PROGRESS/STATUS
OFFICE OF THE MUNICIPAL MANAGER								
266	FX004001002005	544_1	RE-DESIGN OF OFFICE FURNITURE	-	7 100	-	0%	Spending will only start on the second Quarter.
TOTAL OFFICE OF THE MUNICIPAL MANAGER				-	7 100	-	0%	
TOTAL CAPITAL BUDGET				448 771 000	415 193 100	35 737 340	9%	

14. **CAPITAL PROGRAMME PERFORMANCE**

Refer to the following tables for the month ended 30 September 2015:

- Table C5 - Monthly Budgeted Capital Expenditure Budget by vote, standard classification and funding (**Annexure G**).
- Table C5C - Monthly Budgeted Capital Expenditure Budget by vote, standard classification and funding (**Annexure H**).
- Table SC12 - Monthly capital expenditure trend (**Annexure U**).
- Table SC13a - Monthly capital expenditure on new assets by asset class (**Annexure V**).
- Table SC13b - Monthly capital expenditure on the renewal of existing assets by asset class (**Annexure W**).
- Table SC13c - Monthly repairs and maintenance expenditure by asset class (**Annexure X**).
- Table SC13d - Monthly depreciation by asset class (**Annexure Y**).

Actual capital expenditure which represents payments made during the reporting period, constitutes only 7,96% (R35,7 million) of the Adopted budget of R449 million. Refer to 3.4 above for capital budget summary.

15. **MUNICIPAL MANAGER'S QUALITY CERTIFICATION**

Refer to **DMS 1091343 (Annexure AQ)**.

PART 3 - OTHER LEGISLATION REQUIREMENTS

16. **WITHDRAWALS FROM MUNICIPAL BANK ACCOUNTS**

In accordance with Section 11(4) of the Municipal Finance Management Act 2003 (No 56 of 2003) the Accounting Officer must within 30 days after the end of each quarter table a consolidated report of all withdrawals made in terms of Subsection (1) (b) to (j) during that quarter and submit a copy of the report to the relevant Provincial Treasury and the Auditor-General. Refer to **Annexure AQ (DMS 1091343)** for Form D.

“Withdrawals from municipal bank accounts-

“(b) to defray expenditure authorised in terms of Section 26(4).”

None

“(c) to defray unforeseeable and unavoidable expenditure authorised in terms of Section 29(1).”

The purpose of this section can be divided into two subsections:

- **Unbudgeted, unavoidable expenditure, some of which has, and some of which still needs to be approved by Council.**

Unbudgeted and unavoidable expenditure for the quarter ended 30 September 2015:

Due to the challenges with the financial system the information could not be extracted.

All operating and capital transfers between votes approved by Council and delegated authority.

The table below depicts all operating and capital budget transfers from 1 July to 30 September 2015:

OPERATING					
DEPARTMENT	FROM		TO		AMOUNT
	FUNCTION	GL CODE	FUNCTION	GL CODE	R
City Development	FX010001005	022_3	FX010001005	022_9	6 900
City Development	FX010001002	138_15	FX010001002	022_4	1 500
City Development	FX010001002	138_15	FX005001007	138_15	6 200
Community Services - Health and Public Safety	FX005001006003	027_0	FX005001006003	072_1	2 000
Community Services - Health and Public Safety	FX003001003	040_2	FX003001003	022_9	70 000
Community Services - Recreation and Environmental Services	FX013002004001	074_66	FX013002004001	046_2	15 800
Community Services - Recreation and Environmental Services	FX013002004001	164_5	FX013002004001	164_1	12 000
Corporate Services - Administration	FX005001007	082_2	FX005001007	001_1	52 000
Corporate Services - Human Resources	FX005001006001	040_8	FX005001006001	164_22	20 000
Corporate Services - Human Resources	FX005001006004	031_0	FX004001001001	074_69	822 600
Financial Services	FX005001003002	044_25	FX005001003002	044_32	1 611 600
Financial Services	FX005001003002	044_25	FX005001003002	044_33	3 128 400
Financial Services	FX005001003002	124_3	FX005001007	138_15	3 000
ITS - Electrical Supply Services	FX002001001004	010_0	FX005001010	138_2	50 000
Office of the Municipal Manager	FX004001001001	027_0	FX004001001001	138_15	20 000
Office of the Municipal Manager	FX004001001001	027_0	FX004001001001	044_51	5 000
Office of the Municipal Manager	FX004001001001	027_0	FX004001001001	138_15	30 000
Total Operating Transfers					5 857 000

CAPITAL					
DEPARTMENT	FROM		TO		AMOUNT
	FUNCTION	GL CODE	FUNCTION	GL CODE	R
Community Services - Recreation and Environmental Services	FX001001005002	532_40	FX001001005002	532_38	301 900
Total Capital Transfers					301 900

“(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.”

None

“(e) to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state.”

R21 710 969,41 (NPA vehicle licence pay over).

“(f) to refund money incorrectly paid into a bank account.”

R12 578,82

This type of refund occurs when a company/individual pays funds into Council's bank account in error. This amount is made up as follows:

AMOUNT	DETAILS
R	
1 832.05	Duplicate payment
3 992.82	Payment made in error
153.95	Payment made in error
6 600.00	Inadvertently paid R6 600
12 578.82	

“(g) to refund guarantees sureties and security deposits.”

R766 417,28 (Refund of credit balances and deposits debtors accounts).

“(h) for cash management and investment purposes in accordance with Section 13.”

Refer to **Annexure O** and **Annexure S**.

17. SUPPLY CHAIN MANAGEMENT POLICY

Clause 6 of the City's Supply Chain Management Policy (SCM Policy) relates to Section 117 of the Municipal Finance management Act (MFMA), which provides that a Councillor may not be member in terms of Section 7 (3) in which Council must maintain oversight over the implementation of this policy.

• Monthly Stock Count

Due to the new system challenges (Promis 2) there were no stock count for the quarter.

Staffing

Staffing of a Bid Administration Unit is a requirement that is becoming critical with numerous legislative requirement and National Treasury monitoring and evaluation reporting in order for the Supply Chain Management Unit (SCMU) to take control of the Bid Administration and processes linked to it, the establishment of a Bid Administration Unit needs urgent attention.

The 10 students from Mfolozi FET Collage's internship are coming to an end in April 2015 and we hope they have gained much needed experiential learning in Supply Chain Management. As it was reported a year ago that additional manpower has assisted the unit greatly and it was going to be a noble idea to absorb some of the students.

However, the Unit has managed to appoint 5 students on temporary basis for 6 months pending review of financial situation and performance thereof.

Three positions (Deputy Manager Logistics and Contract Management; Senior Procurement Officer; and Storeman) that became vacant were advertised from the first quarter, therefore 3 positions are still vacant pending appointment.

- **Training**

The Supply Chain Management Policy, Clause 8, the training of officials involved in implementing the supply chain management policy should be in accordance with National Treasury guidelines on supply chain management training.

There has been no training during this quarter.

- **Supply Chain Management module**

It was reported in the last financial year that the Financial Services department was nominated by National Minister of Finance to be one of the pilot sites for SCOA (Standard Chart of Account) project. The reforms as previously stated are in place as an introduction of the Supply Chain Module; the unit is involved with consultants in the implementation of new supply chain module for SCOA Classification implementation in 2015/2016 financial year.

- **Capturing of vendors on Council's database**

The total number of vendors on database 3 798:

MONTHS	NUMBER OF VENDORS
July 2015	15
August 2015	35
September 2015	46
Total	96

The challenge is that the process of "vetting" of Vendors is not currently taking place. In terms of the SCM Policy Clause 14(1)(b) *at least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, prospective providers of goods or services, construction works and consultant services must be invited to apply for evaluation and listing as accredited prospective providers.*

The only evaluation taking place is the checking for the completeness of the Vendors Application documents and some of the accompanying documents. With the implementation of new Supply Chain Management module as part of the SCOA project, it is hoped that most of the challenges in administering the database would be resolved. Especially, identifying Suppliers for various commodities and be able to send electronic request for quotations and assist with rotation of business.

- **Reporting of supply chain management awards above R100 000 captured on the National Treasury database**

Sections 74(1) and 104(1)(b) of the Municipal Finance Management Act (MFMA) prescribes the following regarding general reporting obligations:

"The accounting officer of a municipality [and municipal entity] must submit to the National Treasury, the provincial treasury, the department for local government in the province or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as may be required."

Since 1 July 2006, in terms of National Treasury Circular MFMA Circular No 34, municipalities and municipal entities are required to submit a separate report for each contract awarded (and signed) above R100 000, and which must be submitted within 15 days of the end of each month. A backlog still exists with the Capturing of data, mainly due to the fact that the database is very slow during working hours.

A list of orders in excess of R100 000 is included under - **Annexure AN (DMS 1082996).**

- **Orders placed by the Supply Chain Management Unit**

The total value of orders placed over the past three months is as follows (excludes Eskom Account:

MONTHS	AMOUNT
July 2015	281 696.00
August 2015	3 579 632.00
September 2015	13 625 436.00
Total	17 486 764.00

- **Reporting on the Supply Chain Management Policy in terms of Section 36 (2) in which any deviation from the Supply Chain Management Policy must be approved by the Municipal Manager**

The Supply Chain Management Policy, prescribe on Clause 36(2) *The accounting officer must record the reasons for any deviations in terms of sub Clauses (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.* The reporting is delegated to User Department to complete this task.

There was no departmental reporting to Council of deviations committed during Quarter 1. It has been observed that the User Departments are delaying the reporting of these deviations to Council. This will definitely result in an audit query.

Number of deviations for Quarter 1 = 23 **Annexure AO (DMS 1082996).**

DEPARTMENT	QUANTITY
Corporate Services (CS)	14
Financial Services (FS)	00
Infrastructure and Technical Services (I&TS)	08
City Development	00
Community Services (CS)	01
Office of the Municipal Manager	00
Total	23

- **Report on Objections and Complaints**

Refer to Section 1 of this report for a detailed list:

In terms of the Supply Chain Management Policy, Clause 49, *Persons aggrieved by **decisions** or **actions** taken in the implementation of this Supply Chain Management system, may lodge within 14 days of the decision or action:*

- (a) *if the **objection or complain is against the procurement process**, submit a written **objection or complaint against the decision or action** to the accounting officer of the municipality who shall, in turn, within 24 hours refer the written objection or complaint to the dependent and impartial refer the written objection or complaint to the dependent and impartial person referred to in Clause 50 for resolution:*

JULY 2015 TO SEPTEMBER 2015	
REPORT ON OBJECTIONS AND COMPLAINTS (In terms of SCMP, clause 50)	
Details of objections or complains	Letters received during the quarter
Against the procurement process	0
Against the decision or action	1

RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES (In terms of SCMP, Clause 50)	
Details of decision or action and queries	Cases during the quarter
taken in the implementation of the procurement process in terms of the supply chain management system; or	0
any matter arising from a contract awarded in the course of the supply chain management system;	0

MUNICIPAL BID APPEALS TRIBUNAL (In terms of SCMP, Clause 50A)	
Case referred by Bidder	0

PART 4 - ADDITIONAL REPORTING REQUESTED BY COUNCIL

18. BURSARIES - PERSONNEL

Below is a list of bursaries paid to employees and dependants of employees in terms of Council's various policies. The allocation of the bursaries is the responsibility of the Deputy Municipal Manager: Corporate Services. However, the Chief Financial Officer will be reporting on the quarterly payments as per Councillors' requests made previously.

BURSARIES	
01/07/2015 – 30/09/2015	
EMPLOYEES	AMOUNT
BUTHELEZI P	1 240.00
CHILI SS	5 440.00
GWAMANDA NS	190.00
GWAMANDA Z	380.00
MASUKU MF	10 000.00
SHONGWE PT	3 630.00
TOTAL	20 880.00

19. BURSARIES - DEPENDANTS

BURSARIES	
01/07/2015 – 30/09/2015	
CHILDREN	AMOUNT
DLAMINI PA	2 586.00
GWALA NN	9 500.00
LUKELE MW	485.00
MADONSELA MS	3 400.00
MAGUBANE SM	15 000.00
MAKHOBHA MC	4 686.50
MFEZA Z	650.00
MHLONGO SN	6 601.00
MZIMELA MK	907.00
NONQANDELA SM	8 000.00
NTULI ZJ	1 895.00
SHOZI SN	1 810.00
	55 520.50

BURSARIES SUMMARY - PERSONNEL AND DEPENDANTS

Description	Quarter 1
Personnel	20 880.00
Dependants	55 520.50
Total	76 400.50

20. PROFESSIONAL FEES

Below is a list of professional fees paid to consultants in terms of various tenders during the period 1 July to 30 September 2015:

CONSULTANT	AMOUNT
	R
ZAI CONSULTANTS CC	1 727 479.84
DMV CONSULTANTS INC.	347 168.90
AECOM	1 066 135.72
CASCADE CONSULTANTS	47 880.00
BIGEN AFRICA	194 241.25
TOTAL	3 382 905.71

21. LEGAL FEES

As per the Financial Services Portfolio Committee (previously Finance, LED, IDP and Marketing Portfolio Committee) meeting held on 1 July 2008, it was agreed that a quarterly schedule of overtime per vote as well as the attorney fees paid by Council for land transfers, etc. be submitted to the Committee. The Department of Corporate Services normally provides details via the Corporate Portfolio Committee. The table below is a list of the legal fees paid for the period 1 July to 30 September 2015. The total payments column is accumulated expenditure for the month ended 30 September 2015.

ATTORNEY	DEBT COLLECTION		CONVEYANCING		LITIGATION		DISCIPLINARY HEARING		ATTORNEYS TOTAL
	01/07/2015 - 30/09/2015	TOTAL	01/07/2015 - 30/09/2015	TOTAL	01/07/2015 - 30/09/2015	TOTAL	01/07/2015 - 30/09/2015	TOTAL	
Christine Wade & Co.	-	-	-	-	1 435.03	1 435.03	-	-	1 435.03
Kubheka BP	-	-	-	-	-	-	8 148.17	8 148.17	8 148.17
Hlophe N	-	-	-	-	-	-	7 864.17	7 864.17	7 864.17
Kloppers Inc	-	-	-	-	62 253.78	62 253.78	-	-	62 253.78
Duvenage Inc	-	-	-	-	11 044.45	11 044.45	-	-	11 044.45
Shepstone & Wyle AT	-	-	-	-	97 953.60	97 953.60	-	-	97 953.60
Schreiber Smith	-	-	-	-	19 274.82	19 274.82	-	-	19 274.82
Sibiya PB	-	-	-	-	-	-	4 260.00	4 260.00	4 260.00
TOTAL	-	-	-	-	191 961.68	191 961.68	20 272.34	20 272.34	212 234.02

22. LOAN OF COUNCIL EQUIPMENT OR MATERIAL

In accordance with delegated powers the following Council equipment or material was loaned to outside institutions but on a cost recovery basis:

Nil

23. COURSES, SEMINARS AND WORKSHOPS

In accordance with delegated powers the following courses, conferences, seminars and workshops were approved by the Municipal Manager on behalf of Council:

COURSES	DEPARTMENT
Executive leadership minicipal development programme	CS
CIA learning systems instructor led course part 3 (CIA3)	MM
Capacity building programme for tourism practitioners course	CD
KZN Provincial SALGA women commission lekgotla	CS
Municipal finance management course	MM
GIS enterprise ARCI tactual course	I & TS
US 116340: Apply costing principles to municipal operational & service- based costing	FS
US 116347: Cobtribute to capital planning and financing	FS
Powamaster course	I & TS
Procurement Indaba	FS
US 116357: Design internal control and internal control evaluation	FS
US 116348: Conduct stakeholder consultation around municipal finance programme	FS
Plumbers Trade test	I & TS
SEMINARS	DEPARTMENT
ILGM young managers confrence	CS
Agreements of Sale seminar	CD
South African transport conference CSIR	I & TS
LAB AFRICA 2015 Exhibition	I & TS
Validation of Methods for Microbiology Laboratories Master Class	I & TS
WORKSHOPS	DEPARTMENT
Water loss management workshop	I&TS
Road pavement design & maintenance workshop	I&TS
MFMP training	FS
Election strategy workshop	CS
Water quality monitoring framework for potable reuse in SA workshop	I&TS
cidb RoP/ tender client capacitation workshop	FS
Fibre optic technician training	I&TS
AutoCAD advanced training	I&TS
Provincial financed linked individual subsidy programme (FLISP) workshop	CD
SALGA's provincial public transport and road safety workshop	I&TS
Climate change TTTS terms or reference workshop	Comm S
Film friendly workshop	CD
Ethics workshop	CS
Stakeholder consultation workshop	Comm S
National upgrading support programme	I&TS
Plumbing brush-up training	CS
SPLUMA implementation training	I&TS
Capacity Development Programme	CD

24. LOSSES TO COUNCIL'S PROPERTY

The table below represents losses to Council property for the period 1 July to 30 September 2015:

DESCRIPTION	AREA	DEPT/DIVISION	V NUMBER	DAMAGE	EXCESS	COST TO COUNCIL	SHE NO
				R	R	R	
Vehicle Collision	Brackenhams Robots	Comms	V0440	19 622.04	7 500.00	7 500.00	17493
Vehicle Incident	Nongoma	Finance	V0259	1 899.81	5 000.00	1 899.81	
Vehicle Collision	Bullion Boulevard	Corporate Service	V1198	29 321.46	5 000.00	4 999.99	17819
Liability Claim	Esikhaleni	I&TS		10 898.00	5 000.00	5 000.01	
Vehicle Damage	Empangeni	Comms - Waste	V0438	8 464.50	10 000.00	8 464.50	18474
TOTAL				70 205.81	32 500.00	27 864.31	

25. ASSETS WRITTEN OFF

In accordance with delegated powers the following assets were written off during the 2015/2016 financial year for the period 1 July to 30 September 2015.

Nil

26. BAD DEBTS WRITTEN OFF

In accordance with delegated powers the following bad debts were written off during the 2015/2016 financial year for the period 1 July to 30 September 2015.

Nil

27. PROCEEDS FROM LAND SALES

As required in terms of the Chief Financial Officer's Performance Plan (**DMS 1082996**) the following progress on land sales that have been prepared by City Development and approved by Council for sale, the process followed by Financial Services be noted.

The following table represents actual land sale revenue received to date:

Date received	Amount	Erf Number	Details
	R		
17-Jun-15	93 000.00	Erf 1661H eSikhaleni	Sold to MG & FS Ntuli
18-Sep-15	12 000 000.00	Erf 11645 Richards bay	Sold to University of Zululand
		Erf 11646 Richards bay	
		Erf 11649 Richards bay	
		Erf 11650 Richards bay	
15-Jul-15	2 550 000.00	Erf 11627 Veld n Vlei	Sold to Ramgulan Investment CC
15-Jul-15	2 350 000.00	Erf 11628 Veld n Vlei	Sold to Ramgulan Investment CC
10-Jul-15	4 279.00	Erf 111 Ngwelezane A	Sold to Ngwelezane Baptist Church
10-Jul-15	5 386.40	Erf 112 Ngwelezane A	Sold to Ngwelezane Baptist Church
TOTAL	17 002 665.40		

ENVIRONMENTAL IMPLICATIONS

None

FINANCIAL IMPLICATIONS

This has been covered in detail throughout the report.

LEGAL IMPLICATIONS

The monthly and quarterly financial report is prepared in terms of Section 71 and Section 72 of the Municipal Finance Management Act, 2003 (MFMA), (Act 56 of 2003).

COMMENTS OF THE CHIEF FINANCIAL OFFICER

Refer to the Executive summary contained in this report for comments.

DISCUSSION: FINANCIAL SERVICES PORTFOLIO COMMITTEE – 29 OCTOBER 2015

Councillor N C Mbanjwa seconded by Councillor P T Mbatha proposed that the report be noted. However, what continues to raise concerns is the extent of Government debt. This matter was also discussed at the recent MPAC meeting and the Chairperson indicated that he would look into the matter based on previous discussions as reflected in the Instruction /Outstanding Matters List. The Chairperson expressed his appreciation to the Chief Financial Officer and his staff for their continued good management of the City's finances.

Councillor K Sukreben enquired with regard to the impact that mSCOA has had on debtor payments. Mr Renald indicated that mSCOA is a National Treasury initiative that is here to stay and municipalities across the country will be required to implement the new system. He assured the Committee that backlogs are being cleared as speedily as possible. There are no outstanding payments in respect of the previous financial year.

RECOMMENDED THAT:

1. the financial position of the uMhlathuze Municipality as at 30 September 2015, as required in terms of Section 71 and Section 66 of the Municipal Finance Management Act, 2003 (Act No 56 of 2003), and as set out in the monthly budget statement tables (**DMS 1088476**) including the quarterly requirements in terms of Section 52(d) be noted;
2. the comments on the Municipal Standard Chart of Accounts (mSCOA) project status included under point 3.1 of the report be noted; and
3. the progress on Land Sales as contained in the report be noted.