



# **UMzimkhulu Local Municipality**

**COUNCIL QUARTERLY REPORT**

**QUARTER FOUR 2014/ 2015**

**APRIL TO JUNE 2015**

## **SECTION 71 MFMA REPORT FOR MAY 2015**

### **Introduction**

This report serves to give a synopsis of what has been taking place on the Month of May. It is evident that the program that the municipality is rolling out pertaining to electrification projects is receiving sanctuary to the communities. The interaction with the community is vigorously invigorated by the presence of the leadership who are sharing information of service delivery with the people.

In the same vein, the youth month has been characterised by the programs directed to the youth. Recently we had a Mayor's tournament which had involved all the youth in various wards. They started the competitions at ward levels eventually they went further to zonal competitions at a local level. The Community and Social Services department is engaged on the program of motivating the youth in all zones. The program encompasses the career guidance and advocacy on the opportunities available for Umzimkhulu youth. The NYDA is in partnership with the municipality, they run this program in order to impart knowledge and advice the youth on the development of small scale businesses.

The Annual Budget of Umzimkhulu municipality for 2015/2016 financial year has been approved by council as the MFMA directs us to do so.

As the MFMA Sect 53 (1) stipulates that 28 days after the approval of the Annual Budget, the Mayor of the municipality should approve the SDBIP. This is a plan which measures the performance of the organisation. The SDBIP is readily available for perusal by community members as required by the law.

## MUNICIPAL MANAGER'S OFFICE

### PROGRESS ON CONTRACTOR'S

#### a. Completion of traffic offices

The expected completion date on this project is the 29<sup>th</sup> June 2015.

The progress is still going well and there are no challenges experienced. The progress made is satisfactory and the progress is estimated at 75 percent plus

Accordingly the progress made show that the deadline for completion shall be met by the Contractor

#### b. Upgrading of Memorial hall to heritage site

Loyiso Consultants is the implementing agent of the above project. The implementing agent agreement with the municipality is ending on the 1<sup>st</sup> June 2015.

The implementing agent has underperformed and did not meet his contractual obligations

However I must bring to the attention of the Council that the reasons of slowly progression of the project are in a way cause by some of the reasons that were neither beyond the Municipality nor the Implementing agents, some of the reasons are;

- 1 The unavailability of the funding that caused the project progression to delay
- 2 The national metal strike ( steel frame not to be available)
- 3 Unavailability of funds from their side ( of which on this they have secured bridging funds from Ithalac to be used solely for this project and the project manager has since been appointed to make sure that these funding is used only for this project )

It is true that contractually the contract is supposed to be ending on the 01<sup>st</sup> June 2015 and the agreement signed between the municipality and the implementing agent never made provision or clause for extension of the contract period.

It must be noted however that there were meetings held between the Implementing agents the contractor and the municipality where all the issues and concerns about progress progression were ironed out.

Subsequent to those meeting the site was visited and it became apparent that there was progress made and the contractor seemed to be working tireless to expedite the project progression.

- It would not be viable to terminate this agreement just because its term has ended
- It would not be viable to start afresh all the SCM process as it will further delay the progress and also will have further financial implications to the municipality

Taking into account the above afore stated interaction and submission.

Resolutions

Council resolved

- The municipality allows the agreement to be extended for further 6 (six) to 9 (nine) months to allow the contractor to complete the project.

### **Street lighting (Main Road)**

The contractor ( Umpisi Engeneers , an implementing agent appointed by the municipality for the duration of three years started in 2014 July ending in June 2017 ) The solar lights were installed on the main road sometime last year 2014 , Beside them being installed they were never energised to effect them to be light.

Besides all the bilateral and meetings held with the service provider. The contractor still fails to honour his undertaking

It is my belief that the contractor does not take in cognisance all the efforts that are made for the delivery of service to the community of UMzimkhulu. It is my observation that he either disregards or undermines the municipality of UMzimkhulu as an institution. He clearly doesn't have regards and respects of the contractual obligations he enters into with the municipality.

Resolutions

Council resolved

- I. Penalties to be charged
- II. Also feel that all other projects that the contractor is handling be reviewed and checked if justice is done to them since maybe they will be not electrical related.

## CORPORATE SERVICES

### RECRUITMENT

#### NEW APPOINTMENTS

The Municipality seeks to attract highly motivated individuals who want to work as a team and share in the commitment, responsibility, risk taking and discipline required to achieve the vision and mission.

The interviews for the following positions were held on the 18<sup>th</sup> of May 2015:

- Low bed Truck Driver
- Excavator

The following candidates were recommended for appointments,

Mr Siphon Bhavu : Low Bed truck Driver  
Mr Makayi Tumelo : Excavator Operator

#### RESOLUTIONS

Council resolved

- To approve the appointment of Mr Siphon Bhavu as Low Bed Truck Driver and Mr Makayi Tumelo as Excavator Operator.

## COMMUNITY AND SOCIAL SERVICES

### YOUTH MONTH CELEBRATIONS

#### Background

The Youth Month 2015 programme will seek to facilitate conversations with the youth on the achievements and progress made in youth development over the past 21 years as well as the challenges that still exist

The Youth Month programme should be engaging and interactive and underpinned by the following:

- ✓ To educate the youth about their history and role played by young people in the struggle for national liberation by reflecting on the events of 1976.
- ✓ To highlight progress made by government and its related agencies in implementing the Freedom Charter declarations as the country marks 60 years of its adoption.

On the 15 and 16 June in Durban the youth month will be celebrated simultaneously with African Month which was in May this year

In an effort to curb xenophobic attacks the Sport activities like Soccer and Netball will be played whereby teams will mix youth of foreign nationals with South Africans into one team to compete for R10,000 cash prizes

The KZN Youth Parliament will be hosted in Greytown on the 17<sup>th</sup> of June where young politicians will debate the state of the youth in this Province and Country at large. UMzikhulu Municipality will commemorate its youth month from the 22<sup>nd</sup> to the 29<sup>th</sup> of June 2015 as per 5 zones.

#### Financial implications

Catering for about 300 people on each event.

Audio-Visual

Transportation of youth to the venues of the zones.

### RESOLUTIONS

Council resolved

To approve the series of youth events as tabled in the report.

## STRATEGIC PLANNING, HOUSING & LED DEPARTMENT

### ESTABLISHMENT OF DISPOSAL COMMITTEE & THE DISPOSAL OF UMZIMKHULU PROPERTIES

#### Background and reasoning

The municipality has an obligation under a range of legislations to redress the past land ownership patterns within its area of jurisdiction and reflect its demographics. Since the municipality has been undertaking steps and activities which were to prepare land within the municipality for disposal, the municipality must ensure appropriate land disposal procedures in providing for the diverse needs of the municipality.

Umzimkhulu Land disposal & acquisition Policy requires that the municipality establishes a Land Disposal Committee in order to oversee the processes of land transactions as prescribed by the municipal systems Act.

The following are recommended to form part of the committee:

- Manager : Planning, Housing & LED
- Chief financial Officer
- Manager : Infrastructure & Engineering Services
- Development Planner
- Account: Revenue

The above mentioned members will be responsible of evaluating at all times the assets submitted for disposals and weigh disposal alternatives as per disposal procedure and the chairperson of the committee shall be responsible for the drafting of terms of reference for the committee.

The appointed committee will be responsible for the assessment of the following properties for disposal by the municipality, also for future municipal assets that will need to be disposed via committee:

Erf no.	Township Name	Extent Sqm.	Erf no.	Township Name	Extent Sqm
1787	Umzimkhulu	558	1813	Umzimkhulu	1 063
1788	Umzimkhulu	905	1814	Umzimkhulu	1 040
1789	Umzimkhulu	875	1815	Umzimkhulu	969
1790	Umzimkhulu	845	1816	Umzimkhulu	792
1791	Umzimkhulu	1 089	1817	Umzimkhulu	1 200
1792	Umzimkhulu	962	1818	Umzimkhulu	995
1793	Umzimkhulu	980	1819	Umzimkhulu	904
1794	Umzimkhulu	976	1820	Umzimkhulu	975
1795	Umzimkhulu	1 003	1821	Umzimkhulu	853

1796	Umzimkhulu	1 077	1822	Umzimkhulu	894
1797	Umzimkhulu	1 207	1823	Umzimkhulu	948
1798	Umzimkhulu	1 374	1824	Umzimkhulu	928
1799	Umzimkhulu	1 152	1825	Umzimkhulu	833
1800	Umzimkhulu	1 005	1826	Umzimkhulu	787
1801	Umzimkhulu	900	1827	Umzimkhulu	1045
1802	Umzimkhulu	962	1828	Umzimkhulu	1096
1803	Umzimkhulu	1 463	1829	Umzimkhulu	943
1804	Umzimkhulu	1 047	1830	Umzimkhulu	1070
1805	Umzimkhulu	818	1831	Umzimkhulu	1016
1806	Umzimkhulu	854	1832	Umzimkhulu	1041
1807	Umzimkhulu	1024	1833	Umzimkhulu	1122
1808	Umzimkhulu	1040	1810	Umzimkhulu	1 132
1809	Umzimkhulu	910	1812	Umzimkhulu	1 126
Total - Residential Sites (Un-serviced)- 46 properties					

Erf no.	Township Name	Extent Sgm.	Erf no.	Township Name	Extent Sgm
2155	Umzimkhulu	1 0 5 5	2168	Umzimkhulu	713
2156	Umzimkhulu	246	2169	Umzimkhulu	417
2157	Umzimkhulu	416	2170	Umzimkhulu	498
2158	Umzimkhulu	415	2171	Umzimkhulu	536
2159	Umzimkhulu	415	2172	Umzimkhulu	523
2160	Umzimkhulu	424	2173	Umzimkhulu	570
2161	Umzimkhulu	604	2174	Umzimkhulu	513
2162	Umzimkhulu	454	2175	Umzimkhulu	513



2163	Umzimkhulu	855	2176	Umzimkhulu	486
2164	Umzimkhulu	378	2177	Umzimkhulu	49
2165	Umzimkhulu	594	2178	Umzimkhulu	93
2166	Umzimkhulu	647	2179	Umzimkhulu	1491
2167	Umzimkhulu	427			
Total - Residential Sites (Un-serviced)- 25 properties					

## RESOLUTIONS

Council resolved

The report on the establishment of Disposal Committee for Umzimkhulu properties be approved by Standing committee & Exco/ Council.

The report on the disposal of properties within phase 3 & 6 in Umzimkhulu be approved by Exco/ Council.

**SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (ACT NO. 16 OF 2013): REQUEST FOR COUNCIL TO ADOPT A PLANNING BY-LAW, DECIDE ON THE NOMINATION PROCESS OF MEMBERS TO FORM A MUNICIPAL PLANNING TRIBUNAL IN TERMS OF THE ACT, DECIDING ON THE CATEGORISATION OF APPLICATIONS AND SPLUMA RELATED INFRASTRUCTURE.**

### Background

SPLUMA requires municipalities to adopt spatial development frameworks and land use schemes and empowers them to approve applications for the rezoning of land, subdivision of land, township establishment and removal, amendment and suspension of restrictive condition of title. Municipalities in KwaZulu-Natal have performed these functions since 2010. However, municipalities will now be required to establish Municipal Planning Tribunals to decide applications, devolve the power to approve routine applications to officials, decide appeals against decisions by the Municipal Planning Tribunal etc. SPLUMA is framework legislation and does not regulate planning exhaustively. The Constitution empowers municipalities to make by-laws to effectively administer by-laws. The Department of Rural Development and Land Reform (DRDLR) has therefore initiated a process to develop planning by-laws for municipalities in KwaZulu-Natal to be used in conjunction with SPLUMA. A draft generic by-law is currently available and is being refined and will be finalised by 24 April 2015.

### ACTIVITIES THAT REQUIRE COUNCIL RESOLUTIONS

#### Appointment of a Municipal Planning Tribunal

Decide whether to establish its own Municipal Planning Tribunal, a joint Municipal Planning Tribunal with other municipalities, or a district Municipal Planning Tribunal with other municipalities in the same district (see Annexure 1).

If a municipality decided to establish a joint Municipal Planning Tribunal or a district Municipal Planning Tribunal, enter into agreement with other participating municipalities (see Annexure 1).

Decide on the Municipal Planning Tribunal criteria (see Annexure 2).

Consider the composition of the Municipal Planning Tribunal (see Annexure 3)

Establish an Evaluation panel and criteria to consider MPT nominations (See Annexure 4).

Categorise applications into applications that must be decided by the Municipal Planning Tribunal and applications that may be decided by an official (See Schedule 5 of the SPLUMA Regulations attached at Annexure 5).

Determine the fees payable to MPT members who are not officials.(See Annexure 6)

### **Planning by-law**

Municipalities to consider KZN Model By-law and follow process provided for as provided in Annexure 7).

### **Institutional capacity**

Municipalities are required to determine whether they want to only use Municipal Planning Tribunals and their Councils as decision-making bodies, or also include an Authorised Officer. If municipalities also want to use an Authorised Officer, an appropriately qualified person will be required to be appointed or designated for this purpose. (Please see Annexure 8)

Municipalities are required to assess and process land development applications. For this purpose municipalities will need to decide whether to appoint or designate appropriately qualified persons for this purpose. (Please see Annexure 9).

### **Fees and tariffs**

Municipalities are required to determine fees and tariffs in respect of SPLUMA. The Department of Rural Development and Land Reform has prepared a guideline document for municipalities to guide this process. Municipalities are required to Gazette their SPLUMA fees and tariffs (Please see Annexure 10).

### **Appeal authority**

Municipalities must decide on their appeal authority as provided in Section 51 of SPLUMA. Either the Executive Authority or another institution, as provided for in Regulation, may be appointed subject to the provisions of the legislation (Please see Annexure 11).

## **IMPLEMENTATION PROGRAMME**

A nine-point plan has been developed to ensure that the municipality completes all the actions required by it before SPLUMA commences on 1 July 2015 (Please table 1 below and Annexure 12).

Action	Activities	Timeframes					
		March	April	May	June	July	
Decision: Bylaw	<ul style="list-style-type: none"> <li>• Council resolution</li> <li>• Publish notice for comments</li> <li>• Gazette approved By-Law</li> </ul>						
Decision: Bill	N/A	Await approval from MEC					
MPT: Single	<ul style="list-style-type: none"> <li>• Council resolution</li> <li>• Decision on numbers and adverts etc</li> <li>• Evaluation, appoint and Gazette</li> </ul>						
MPT: Joint & District	<ul style="list-style-type: none"> <li>• Council resolution by <b>all</b> municipalities</li> <li>• Decision on numbers and adverts etc</li> <li>• Evaluation, appoint and Gazette</li> </ul>						
MPT Operating procedures	<ul style="list-style-type: none"> <li>• Code of conduct</li> <li>• Matters to consider and contract</li> </ul>						
Authorised Officer	<ul style="list-style-type: none"> <li>• Identify suitable person/s</li> <li>• Appoint and amend JD</li> </ul>						
Municipal Development Administrator	<ul style="list-style-type: none"> <li>• Identify suitable person/s</li> <li>• Appoint and amend JD</li> </ul>						
Appeals Body	<ul style="list-style-type: none"> <li>• Exco Default</li> </ul>	N/A - orientation only					
	<ul style="list-style-type: none"> <li>• External Body</li> <li>– Council Resolution,</li> <li>– Advertise and</li> <li>– appoint</li> </ul>						
Municipal delegations	<ul style="list-style-type: none"> <li>• Prepare delegations and gazette</li> </ul>						
Fees and tariffs	<ul style="list-style-type: none"> <li>• Determine fees and publish into legislation</li> </ul>						
Categorisation	<ul style="list-style-type: none"> <li>• Council resolution</li> </ul>						

## RESOLUTIONS

Council resolved

### Adoption of Joint MPT model (see annexure 1):

- UMzimkhulu municipality council, in terms of Sections 34(1) and 35(1) of the Spatial Planning and Land Use Management Act, 2013 (Act no. 16 of 2013) hereby resolves to establish a Joint MPT, comprising of Umzimkhulu municipality and Ubuhlebezwe municipality.
- Umzimkhulu municipal council resolves that the Municipal Managers of the participating municipalities are hereby authorised to sign the Joint MPT agreement,
- The Joint Agreement attached as **Appendix 1** is hereby approved as the agreement to be signed by the participating municipalities

### MPT Qualification criteria (see Annexure 2):

- That the criteria set by section 36 of SPLUMA and Regulation 3, are to be adhered to and that MPT members must have at least 5 years knowledge and experience of spatial planning, land use management and land development or the law related thereto.
- That Umzimkhulu municipal employed members and non-municipal members are to be appointed in respect of the Joint MPT, appointed in respect of Umzimkhulu and Ubuhlebezwe municipalities.

### Nomination of MPT members (see Annexure 3):

- The following MPT members are nominated by the participating Joint Municipality Councils for the consideration of the District Appointed Evaluation Committee:  
  
-Deputy Manager: Thembinkosi Maphumulo
- The Municipal Manager/ or the Municipal Manager of Umzimkhulu Municipality (in the case of a Joint MPT) is hereby authorized to publish an advert as required in terms of Regulation 3(5) calling for MPT members. The Umzimkhulu Council approves the draft advert at **Appendix 2**

### Nomination of MPT Evaluation Committee (see Annexure 4):

- The following officials are appointed as the MPT Evaluation committee in respect of Joint Evaluation Committee. (In respect of Joint MPT's it is recommended that the municipal manager's forum in respect of the participating municipalities are appointed as the MPT Evaluation Committee).

### Categorisation of applications (see Annexure 5):

## RESOLUTIONS

Council resolved

- Council hereby resolves to adopt the categorisation of applications as provided for in schedule 5 to the Regulations, detailed hereunder:

(1) Category 1 Applications are -

(a) the establishment of a township or the extension of the boundaries of a township;

- (b) the amendment of an existing scheme or land use scheme by the rezoning of land;
- (c) subject to sub item (3), the removal, amendment or suspension of a restrictive or obsolete condition, servitude or reservation registered against the title of the land;
- (d) the amendment or cancellation in whole or in part of a general plan of a township;
- (e) the subdivision and consolidation of any land other than a subdivision and consolidation which is provided for as a Category 2 application;
- (f) permanent closure of any public place;
- (g) any consent or approval required in terms of a condition of title, a condition of establishment of a township or condition of an existing scheme or land use scheme;
- (h) any consent or approval provided for in a provincial law.

(2) Category 2 Applications are:

- (a) the subdivision of any land where such subdivision is expressly provided for in a land use scheme;
- (b) the consolidation of any land;
- (c) the simultaneous subdivision, under circumstances contemplated in paragraph (a) and consolidation of land;
- (d) the consent of the municipality for any land use purpose or departure or deviation in terms of a land use scheme or existing scheme which does not constitute a land development application;
- (e) the removal, amendment or suspension of a restrictive title condition relating to the density of residential development on a specific erf where the residential density is regulated by a land use scheme in operation.

(3) The division of functions between an authorised official and a Municipal Planning Tribunal are as follows:

- (a) All category 1 applications and all opposed category 2 applications must be referred to the Municipal Planning Tribunal.
- (b) All category 2 applications that are not opposed must be considered and determined by the authorised official.

**SPLUMA By-law: Intention to adopt By-law (please see Annexure 7):**

## RESOLUTIONS

Council resolved

- Council hereby confirms that it has initiated a process to adopt a SPLUMA aligned by-law while the SPLUMB is being finalized by the province.
- Council further approves the notice (as per Appendix 4) to be advertised in the Local Fever Newspaper, advising the public of its intention to adopt a planning by-law and identifying places of public viewing as attached hereto

**Designation of Authorised Officer (see Annexure 8):**

## RESOLUTIONS

Council resolved

- Council appoints Manager Planning, Housing and LED: **Tyekela Nwabisa**, as the Authorised Officer, to decide on applications that may be decided by municipal officials as contemplated in terms of Section 35(2) of the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013).

## **Designation of Municipal Development Administrator (see Annexure 9):**

### **RESOLUTIONS**

Council resolved

- Council hereby appoints Town Planner: Mpumelelo Majola as the Municipal Development Administrator in respect of Umzimkhulu municipality/ Joint Development Administrator arrangement.

## **Adoption of SPLUMA Fees and Tariffs (see annexure 10):**

### **RESOLUTIONS**

Council resolved

- The Umzimkhulu Council hereby confirms that it has reviewed its Development and Planning Fees and Tariffs and it has gazetted its reviewed fees and tariffs as per the provisions of the Municipal Systems Act.

## **Appeal (see Annexure 11):**

### **RESOLUTIONS**

Council resolved

- The Umzimkhulu municipality, as provided in Section 51 (6) of the Spatial Planning and Land Use Management Act, 2013 (Act No. 16 of 2013). Hereby approves the establishment of an appeal authority outside the municipality to assume the obligations as an Appeal authority.

## **MATTERS HANDLED BY MATTHEW FRANCIS ATTORNEYS ON ILLEGAL LAND USE AND BUILDING WORK FOR THE MONTH OF MAY 2015**

### **Background and reasoning**

In terms of the National Building Regulations and Building Standard Act "No person shall without the prior approval in writing of the local authority in question, erect any building in respect of which plans and specifications are to be drawn and submitted in terms of this Act and if a local authority, having considered a recommendation referred to, is satisfied that the application in question complies with the requirements of this Act and any other applicable law, shall grant its approval in respect thereof.

### **Matters:**

#### **1. Mr. and Mrs Moola Matter**

Scientific Roets Engineering Services employed by the Moola's submitted the report based on the inspection done at erf 56, the report refers to the inspection done on the foundations, walls, and flood line. The study provided is satisfactory but incomplete to be granted approval by the municipality, that was stated on the correspondence forwarded to Scientific Roets and all the outstanding design, documentation and information that is needed to be submitted in order to grant approval was clearly written point by point.

On receipt of the municipal correspondence, Scientific Roets provided carbon copy of the quotation sent to the Moola's for the outstanding information requested by the municipality to be considered for approval.

On the municipality side, the municipal attorneys prepared supplementary and confirmatory affidavits and were signed by the Municipal Manager, Building Inspector and Mr. Albert Katz. The Building Inspector met with the

Advocate and Attorneys to verify the documentation and the application ready to be submitted to the High Court to be given court order to demolish.

## **RESOLUTIONS**

Council resolved

That the status report on matters handled by municipal attorneys for illegal land use and illegal building work be noted by Standing Committee, EXCO and Council.

## **HOUSING UNIT REPORT**

### **HOUSING PROJECTS IN UMZIMKHULU LM.**

#### **Background and reasoning**

The following projects were originally approved and implemented by the Eastern Cape Department of Human Settlement for UMzikhulu Local Municipality when the municipality was under the Eastern Cape Province.

In 2007 UMzikhulu Local Municipality was incorporated to Kwa-Zulu Natal Province. The Kwa-Zulu Natal Department of Human Settlement then appointed service providers (IA) to unblock the following 6 projects.

The Department of Human Settlements had appointed Implementing Agents (IA) for Extension 6 and Clydesdale on a subsidy quantum of 63 666 000.00. During the month of February these IA stopped working citing their inability to deliver the required houses on the approved subsidy. There has been a number of meetings with the department of Human Settlements in attempt to find a solution on this matter however to date there is no clear communication which can be given even to project beneficiaries. The department is in the process of finalising the business plan to get approval for spending the Municipal Housing Operating Account which the MEC for Human Settlements will have to approve.

The Department of Human Settlements has presented proposed escalation to the existing subsidy quantum which will be presented to MEC for approval. A meeting is also scheduled for the 22<sup>nd</sup> of May 2015 to address the implementing agent by the department, it is only after this meeting that a direction is hoped to be given on the recently stalled projects.

The Department of Rural Development has now drafted a development rights agreement (DRA) which will allow the municipality to develop houses on land parcels that are vested to DRDLR. This agreement has been forwarded to municipal attorneys for scrutiny before an application is made for signing of the DRA. There is a budget allocation of approximately R33 000 000.00 allocated for unblocking the stalled projects.

## **RESOLUTIONS**

Council resolved

That the progress report on the urban and rural housing projects for UMzikhulu LM be noted by the Standing Committee, Executive Council and Council.

## INFRASTRUCTURE AND ENGINEERING

### REPORT ON CAPITAL PROJECTS

### PROGRESS REPORT

### MIG PROJECTS

#### FINANCIAL REPORT: 2014/2015 FINANCIAL YEAR

MIG ALLOCATION	TOTAL MIG TRANSFERS	EXPENDITURE			
		Submitted & approved by MIG	Submitted but not yet approved by MIG	Total expenditure VS Allocation	Total expenditure VS to date Transfers
R41,033,000.00	R41,033,000.00	R32,292,476.34	R 6 078 080.94	R 38 370 557.28	R 38 370 557.28
100%	100			93.5%	93.5%

Up to and including the month of April 2015 our accumulative expenditure is sitting at R 38 370 557.28, out of which the April claims to the value of R 6 078 080.94 are still being processed. The next set of claims will be submitted to CoGTA on Friday, 15th May 2015. Based on the actual expenditure to date as illustrated above, the Municipality is currently sitting at **93.5%** expenditure of the total annual allocation vs the May Provincial target of **84%**; therefore we are **9.5%** above the target. The balance of the money that we are expected yet to spend between the remaining two(2) months in the 2014/2015 financial year is R 2 662 442.72, of which an amount of R 401 818.15 will be claimed towards the 5% topslice, which leaves a balance of R 2 260 624.57 to be spent toward projects implementation.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Monthly expenditure	0.00	2,445,437	2,563,062	4,831,565	2,886,957	2,978,607	3,821,542	4,799,918	4,661,897	4,159,504		
CoGTA Targets (%)	8%	13%	19%	25%	32%	41%	47%	56%	66%	73%	84%	100%
Actual (%)	0%	6%	12%	23%	31%	38%	49%	59%	69%	79%	93.5%	

#### 1.1.2. PROJECTS CURRENTLY ON DEFECTS LIABILITY PERIOD

Project Name	Project Name	Defects Liability Period Expiry Date
Ward 16 Sports field	16	19 March 2015
Fencing of Ward 16 Gravesites	16	31 July 2015
Fencing of Ibisi Gravesites	11	31 July 2015
Fencing of Rietvlei Gravesites	12	31 July 2015
Nsingizi – Mtshayazafe Access Road	08	09 October 2015

#### 1.1.3 2013/2014 MIG PROJECTS

PROJECT NAME	PROGRESS REPORT	CHALLENGE(S) & PROPOSED ACTION
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Fencing of Cemeteries	The EIA study is still in progress for the development of new sites at nodal areas.	Ezemvelo KZN Wildlife requires that a Wetland delineation and functionality be undertaken for the Riverside site in order to apply a safe buffer from the wetland edge and safeguard the wetland system to the north of the proposed cemetery. We are still in the tender process for Wetland delineation and functionality specialists the briefing was on the 25 <sup>th</sup> of May 2015.	
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#### 1.1.4 2014/2015 MIG PROJECTS

PROJECT NAME	PROGRESS REPORT	CHALLENGE(S) & PROPOSED ACTION	
Zintwala Community Hall	<b>Start Date: 08 Sept. 2014</b> <b>Complete: 31 March 2015</b> <b>Revised Completion Date: 8 May 2015</b>  Earthworks : 100% Steel frame : 100% Building Works : 95% Fencing : 100% Roadworks : 100% Ablution facilities : 85% <b>The overall progress is 95%.</b>	The contractor has exceeded the time of completion. They were given a "grace period" until end May 15 by the Municipal Leadership, after which they will be charged penalties.	Photos Attached
Ward 6 Sportsfield	<b>Start Date: 14 Jan. 2015</b> <b>Complete: 15 Sep 2015</b> Site clearance= 100% earthworks= 100% top soil (track and soccer)= 100% grassing= 60% Fencing=70% Ablution= 30% Change rooms= 45% Combo court = 40% Grand stands= 20% Access Road= 100%  <b>The overall progress is 76%</b>	During the visit by Municipal Leadership it was recommended that some items to be added provided they do not exceed the available contingency amount. These items include the VIP Box and gate and paving of entrance. <b>It is recommended that Council approves the use of contingencies for these additional activities.</b>	Photos Attached

#### 1.1.5 NDPG PROJECTS - 2011/2012 PROJECTS

PROJECT NAME	PROGRESS REPORT	CHALLENGE(S) & PROPOSED ACTION	
Upgrading of Memorial Hall to a Heritage Site.	<b>Start Date: 14 April 2014</b> <b>Completion Date: 14 October 2015</b>  <b>Old Structure:</b> Demolishing Attachment hall = 100% Removal of old windows = 100% Striping and replacing of old plaster = 90% Removal of old roof tiles = 100%	A meeting was held on the 12 May 2015 at Municipal Manager's office regarding slow progress in the project. In the meeting the contractor explained the reasons as being a cashflow problem which they have managed to arrange means of overcoming it hence they there is a	Photos Attached

	<p>Re-instating new roof = 99%</p> <p><b>New Structure:</b>  Site establishment = 100% complete  Pile Foundations = 100%  Strip Foundation = 100%  Columns = 100%  Wall to columns = 90%(First Floor)  Ground Floor Slab=100% (Leveling)</p> <p><b>Overall Progress = 44%</b>  Contractor currently casting the scaffolding for the first floor concrete slab. Reinforce steel being order from the supplier -90% completion.</p> <p>The revised program had been re-issued and claims to complete on December 2015.</p>	<p>counter-funder in place.</p> <p>The contractor committed themselves in writing to ensure the project does not experience challenge as before.</p> <p>A revised program has been issued which reflected a completion of December 2015 and it is a two months extension since the original program was reflecting October 2015. The extension is based on the time lost during the national steel strike that took more than three months.</p>	
<b>1.1.6 COGTA - SMALL TOWNS REHABILITATION PROGRAMME (2)</b>			
<b>PROJECT NAME</b>	<b>PROGRESS REPORT</b>	<b>CHALLENGE(S) &amp; PROPOSED ACTION</b>	
Street Lighting along Main Street	<p>The Street lights are 100% complete in the structural form with only the energizing that is remaining</p> <p>The regulators had arrived for installation. The contractor had reported to start fixing them on the 28<sup>th</sup> April 2015.</p>	<p>It has been found that the ordered regulators do not work in these street lights and the contractor has placed another order which is anticipated to deliver within three months.</p> <p>A meeting has been arranged with the contractor with the Municipal manager's engagement to find out the intentions of the contractor and commitment in the project since it has been almost eight months the structure was completed and yet not energized. The meeting is schedule for the 27 May 2015 @ 10h00 Municipal managers Offices.</p>	Photos attached
EPWP Contractor Sidewalk Paving Along Skoonplaas Access Road	<p><b>Start Date : March 2015 Completion Date: July 2015</b></p> <p>Establishment= 80%  Procurement of Labour =100%  PPE's = 100%  Site clearing Phase1 = 100%  Brick laying = 50%  Sand finishes = 50%  The contractor is currently busy with the laying of bricks and procurement of material.</p>	<p>The contractor has requested a cession with the pavement bricks supplier. This has been forwarded to finance for approval.</p>	Photos Attached

## **EIA APPROVALS**

The following projects are still undergoing the EIA and Licensing process:

- New Grave sites (Riverside, Rietvlei, Kokshill, Ibsi and Clydesdale)
- Land Fill Site
- Gwijendlini Access Road, KwaFile Access Road, Cebe Access Road, and Gudlintaba Access Road are ahead of the other roads because they fall within the first group of projects to be implemented from July 2015 onwards. The DAEARD anticipated that we will receive authorization by end June 2015.
- Mbuzweni Extension, Ntlasi Access Road, Ntlangwini Access Road, and Gugwini Access Road fall within the second group of roads.

## **PROJECT REGISTRATIONS**

The Municipality remains 100% committed for the 3 year MTEF as per the requirements of the CoGTA - Municipal Infrastructure Grant. By October 2015 we are expected to commit 2017/2018 Financial year, we have started our feasibility studies in preparation for project registrations.

## **MIG PROJECTS PRIORITY LIST (3 YEAR MTEF)**

We are currently planning for the implementation of the MIG priority list that was last revised on 05 February 2015 during the strategic planning session.

## **PROCUREMENT ISSUES**

The following capital projects are still on tender phase:

- Ward 1 Sportsfield (Re-advertisement)
- Ward 2 Sportsfield
- Gwijendlini Access Road
- Cebe Access Road
- Gudlintaba (Ward 6) Access Road
- KwaFile Access Road
- Fencing of Umzimkhulu Pound (Re- Advertised)
- Routine Maintenance Municipal Surfaced Roads
- Fencing of Temporary Waste Storage Facilities
- Surface Upgrade at Public Transport Rank
- Refurbishment of Ntsikeni Community Hall
- Renovation of old municipal building toilets and fitting of kitchen built inns

## **RESOLUTIONS**

Council resolved

- It is recommended that the contract for Memorial Hall be extended until December 2015.
- To approve the use of contingencies for these additional activities for Ward 6 Sport facilities and Ward 20 Community Hall.

## RURAL ELECTRIFICATION

### GAYBROOK ELECTRIFICATION 2012/13

#### Progress report

The project is at 95%; a lot of the MV stringing and LV stringing has been done. The contractor is finalizing the project. Last month Charles Scott from Merensky confirmed that by the 30<sup>th</sup> April 2015 we should have the way leave documents; we are still waiting for the way leave from Charles Scott.

### NSIKENI ELECTRIFICATION 2013/14 PHASE 1

#### Progress report

The project is at 100%, the project has been energized. As discussed before, the project experienced a shortfall due to the changes in villages and designs as per instructions. Eskom had recommended that the project starts from Deda, Matshitshi, Malenge and Skhewini to avoid islands instead of starting at Nsikeni village. This resulted to additional houses to a total of 186. All the works have been done and the Implementing needs to be paid. Attached is the financial breakdown of costs incurred during implementation of these projects.

### NSIKENI ELECTRIFICATION 2014/15 PHASE 2

The project is at 100%, the project has been energized. This project was completed within stipulated time, however a shortfall was also experienced due to the additional transformer that was recommended by Eskom at the end of the project.

PROJECT NAME	AVAILABLE BUDGET AS PER DORA	APPOINTMENT VALUE	SHORT- FALL	Reason for shortfall
Nsikeni phase 1 (Deda, Skhewini, Malenge and Matshitshi)	R15M	R 8,331,073.43 excl VAT and Eskom fees	R 1,6M	The number of villages were changed which resulted to additional connections.
Nsikeni phase 2 (nsikeni)	R15M	R 14,833,405.50 excl Eskom fees	R 600,000.00	Eskom recommended that an additional transformer to be installed.
Nsikeni phase 3 (Bomvini)	R22M	R24,872,237.60 excl Eskom fees	R 3M	
TOTALS			R5,2M	

### NSIKENI ELECTRIFICATION 2015/16 PHASE 3

The project is at design stage 25%, the implementing agent has finished detail design for Bomvini and Nongingqa . Construction will start first week of June 2015.

### MAINTANANCE DONE BY NATIONAL WIDE ELECTRICAL

- Highmast lights repaired at majalidin ,white city and extension has been done

- Replace of cable at the shed
- Replace of lights in the main offices has been done
- Waiting for fittings and cable along R56 streetlights
- Sourcing material for the pound

## RESOLUTIONS

Council resolved

- Approves the additional cost as detailed in the table above. Additional costs can be loaned from internal funds and later be claimed from department of Energy.

## CLEANSING & ENVIRONMENTAL MANAGEMENT

### PROGRESS REPORTS

### DUMPSITE USAGE

The volume of waste entered the site this month is 51063.5 ton. UBuhlebezwe LM has temporally stopped to dispose their waste at our disposal site due to non-payment.

### RECYCLING PROGRAMME

Recycling is taking place at the dump site but is currently conducted by the private service provider, and the recycled waste this month is 60 500 ton.

### COLLECTION OF WASTE

Waste collection at Rietvlei hospital has been temporarily stopped due to non-payment for the services by the hospital. A letter was issued by the Revenue to the management of the hospital and they have not responded to the letter. The service will resume as soon as they pay for the services.

### GREENING PROGRAM (CLEAN-UP AND AWARENESS CAMPAIGN)

The cleaning of vacant sites at White city was conducted and some owners were informed and they responded and cleared the site such as ERF183. The municipality cleared ERF 283 and the Revenue office was informed and will bill the owner.

Maintenance of gardens and verges (Grass cutting) at the following areas:

AREA	DATE
David Ndawonde park	07/05/2015
Main building	11&12/05/2015
Distribution of refuse bags	22/05/2015
R56 white city side	28-30/04/2015
R56 Majalidin side	06&08/05/2015
Town between A&B and Memorial hall	21&22/05/2015
Vacant site cleaning White City	18-20/05/2015
Dressing sport field	22-27/05/2015

### MAINTENANCE OF DUMPSITE

The service provider for the maintenance of dump site has been appointed for the period of 3 months but still waiting for 14 days appeal period.

## **STREET CLEANING**

The street cleaning in the CBD is in progress and counting of refuse bins in town was conducted, the number of bins is decreasing drastically and suspect theft by metal scrap vendors.

## **PUBLIC AMNETIES AND ABLUTION**

There are some few major technical problems in both Public facilities (Van rank and Taxi rank) that have been noted such as cisterns are not working, and they will be fixed in the next financial year. The maintenance team is continuing to service minor repairs in both facilities.

## **HUMAN RESOURCES**

Mr. Mncwabe is still on sick leave he mentioned that he will have an appointment on the 25<sup>th</sup> of May 2015. Mr Mahlaba has been referred to the hospital for fitness assessment by his doctor and still waiting for the results.

## **CLEANSING & ENVIRONMENTAL MANAGEMENT**

### **INTER-GOVERNMENTAL INTERACTIONS PURPOSE AND DECISIONS REQUESTED**

The purpose of the submission is for Standing Committee, Executive Committee, & Council to note interactions with other governmental departments report.

## **PROGRESS REPORTS**

### **1. Food for waste – CoGTA**

The 7 beneficiaries have started to work for extra days as per request they are conducting grass cutting with the maintenance team. The number of beneficiaries this month is 100.

### **2. Food for Waste –Public works**

The program is in progress with 99 beneficiaries, one beneficiary from Ward 12 has passed away due to natural death. Replacement will be done and will start in June 15.

### **3. Community Works Program (CWP)**

On the 26/05/2015 there was a CWP LRC that was held at e Thembeni Ward 20, the reason for sitting at Thembeni was to solve the challenges that are affecting the program at that ward. The issues that were raised are the issues of beneficiaries who are not doing their jobs as per the expectation, it was also reported that they come late to work and leave early and some other issue. The members of the committee recommended a meeting with all participants so that this issue will be discussed with them and rectified.

Site plan was also discussed but there are few wards that still need to be visited and a final draft will be presented and endorsed by the committee.

The Province has allowed addition of 150 participants to the program; the LRC will prioritize according to the areas of concern.

The CWP will develop a park and they need the municipality to identify an area where the children park will be built and it must be at least near the school and the community. The potential area that was recommended by the CWP Local Reference Committee is the Ibisi since it is a nodal area.

There is a proposal of the construction of a Borehole that was sent to the implementing agent that will assist CWP communal gardens. The identified area for the borehole is ward 6 since they have already had communal garden.

There are beneficiaries who have not received their salaries but their names have been forwarded to the national office.

#### 4. Youth Jobs in waste

The program is in progress with 18 participants, the participants were tasked to perform the following duties:

Identification of illegal in the CBD was done, in the following stores

##### **Mall and Shoprite**

There is a proper temporal storage behind the Shoprite but the access is not controlled and that allowed the scavengers enter anytime. They were advised to control access as there are people who are taking disposed food which is not fit for human consumption.

The temporal storage for the Mall is open anyone can come and out. It was recommended that they have to close their temporal storage more especial that it's near to the residence and that can pose risk to the children.

##### **Cashbuild**

There is no temporal storage; their waste was discovered disposed along the road to Mbizweni. There are no records at the landfill of disposal. It was recommended that they must dispose to the disposal site.

##### **Super Spar**

A follow up was done at Super spar with regard to the management of waste, there is a little improvement although it was discovered that they are still disposing their liquid waste to the trench opposite. It was recommended that no liquid is allowed to be disposed at that trench as it causes nuisance. It was also recommended that they must clean the opposite area.

There are other areas visited such as Transido, Dawede flats, they were all educated about waste management and a follow will be conducted.

##### **Compliance Notices were issued to the following premises:**

Name of the premises	Reason for the Notice	Comments
Car wash	They push their waste on the banks around the car wash	The area was cleaned by car wash
Maliyavuza	Disposal of waste outside the	7 days' notice was issued but the area is not cleaned as yet, a follow up will be conducted.

A.B hardware and supply	Disposal of rubble outside the premises	Rubble around was cleared by the hardware
Macksons	Disposal of waste in the receiving area	Rental of waste skip was proposed and the area was cleared by the store
Hurry-Hurry Hardware	Disposal of rubble outside the building	The area has been cleared by hardware
Bhejane Hardware	Disposal of rubble outside the building and there was an illegal site outside the building.	Area cleared by the hardware.

### Working for River program

The program is anticipated to resume again, it was supposed to start last financial year but due to the challenges that were experienced by the funder/ implementer Ezemvelo KZN wild life there were some financial challenges as a results the program did not start.

The department visited the municipality and sign quotation with the contractors; the delivery of working equipment's such as Knapsacks has been delivered to the municipality.

Initially there 5 contractor and they were allocated to clean (Remove alien plants) Ibsi river from up side of the river to the down side of the river. Affected wards are Ward 8, 9, 11, 13 and 15. Currently there are 4 contractors left; the other one has another commitment (Ward 11). Replacement of the contractor needs to be done as soon as possible.



## MAINTENANCE ROADS & STORM WATER

### REPORT ON PROGRESS FOR ROADS

#### MAINTAINANCE PROJECTS- EQUITABLE SHARE

##### Purpose and decision requested

The purpose of the submission is to outline the progress and expenditure of the Roads maintenance projects for Standing Committee to note, advise accordingly and recommend or support the proposed recommendations.

##### PROGRESS REPORT

This report reflects projects implemented as from 2013/2014 financial year and up to date, it clearly explained what was executed in each project as per the scope of work or required work Since the Road Maintenance programme commenced after the purchasing of the New Machines by the municipality.

PROJECT NAME	DESCRIPTION OF WORK	WARD	ZONE	Km	Blading & and shaping	Tipping & processing	Pipe De-silting	New Pipe crossing	General Comments
Ntlambamasoka A.R.	Blading	19	2	6.5	100%	0%			Blading only was 100% complete
Marhwaqa to Sayimane A.R	Blading and Tipping and processing	19	2	6.9	100%	100%	nil	nil	Completed in 2013/14
Nazareth Access Road (to clinic)	Blading and Tipping to process	7	2	0.8	100%	100%			completed
Chief Jozana Access Road	Blading and Shaping, tipping and processing, pipe desilting	7	2	5.5	100%	100%	100%	100%	Completed During 2013/14

Ndabayilali Access Road	Blading and Shaping, Tipping and processing	5	2	3	100%	100%	100%		completed
Clydesdale Ext (Emxhasweni) Access Road	Blading and Shaping, Tipping and processing selected areas	17	5	5.6	100%	100%			Completed
Ext 8 Access Road	Blading and Shaping, Tipping & processing	16	5	2.8	100%	100%	100%		Completed
Goxe Access Road	Blading, tipping and Processing	9	2	3.5	100%	100%			Completed
Ncambele Access Road	Blading, tipping and processing At selected areas	8	3	3	100%	100%	100%		Completed
Ndideni Access Road	Blading and tipping at selected areas	14	4	5.6	100%	100%			Completed
Ngwaqa Access Road	Blading and shaping	2	1	6.4	100%				Tipping and processing is scheduled for 2014/15 plan
Gudlintaba (Entsikeni) A.R.	Blading and shaping Tipping & processing	3	1	2	100%	0%			Tipping and processing is scheduled for 2014/15 plan
Nozingila A.R.	Blading and shaping	3	1	5.6	100%				Tipping and processing is

									scheduled for 2014/15 plan
Nongingqa Access Road	Blading and shaping, tipping and processing at selected areas	4	1	5.1	100%	0%			Tipping and processing is scheduled for 2014/15 plan
Base Mthaleri Access Road	Blading and shaping	10	3	9.6	100%	100%			Completed
Maqhuqhu Access Road	Blading and shaping	20	5	4.2	100%				Blading completed
Gcebeni Access Road	Blading and shaping	15	5	4.4	100%	Tipping 100%			Tipping in Progress 1 km Only, outstanding is the processing
Qwalu(Esichelweni) Access Road	Blading and shaping	7	2	4.5	100%				Tipping and processing is scheduled for 2014/15 plan
Driefontein Access Road	Blading and shaping of the Existing road & tipping and processing	8	3	5.6	100%	100%		100%	Completed

St Paul Access Road	Blading and shaping of the Existing road & tipping and processing	6	2	3.5	100%	100% tipping	nil	nil	Completed
Manxiweni Access Road	Blading and shaping of the Existing road & tipping and processing	12	4	7.4	100%	100%			Completed
Sangweni Access Road	Blading and Shaping & tipping and & processing at selected areas	1	1	0.75	0%	0%			New Assessment has been Done. Come out to 13.9km of blading and tipping at selected areas
Mbulumba Access Road	Blading and shaping	12	4	3.7	100%				Tipping and processing is scheduled for 2014/15 plan
Ndlovini Access Road	Blading and Shaping, tipping & processing	14	4	6.9	100%	100%			100% complete

#### REPAIRS ON BRIDGES

PROJECT NAME	PROGRESS REPORT	CHALLENGES & SOLUTIONS
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Ncambele low level bridge	The projects is on defect liability period of 3 months which will expire on the 10 <sup>th</sup> of July 2015	nil
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## EMERGENCY REQUEST ACTIVITIES

Assistance at dump site has also been done during this month, Hauling of Top soil material, digging of holes to put rotten meats and cleaning around the dump site.

- Blading and shaping at Chamto in ward 15 (Emathuneni akwamvusi) Access road for about 0.3km
- Blading and shaping at St Barnabas in ward 19 (Kwa Mkhize) Access Road for about 1.3km
- Blading and shaping at Mbulumba in ward 12 (Kwa Jaca) Access Road for 2.5km
- Blading and shaping at KwaBasi in ward 18 (KwaBasi) Access Road for 1.7km
- Blading and shaping at Mahawini and Mambulwini in ward 9 Mahawini 0.4km and Mambulwini 1km still have to go back as per plan.

## Challenges

We are still awaiting the appointment the Low bed truck driver, excavator operator and water tanker driver in order to fast track the implementation of the Plan. We are currently using the Tipper truck driver and TLB operator for low bed truck and excavator to assist us in pushing the work fast, one tipper and TLB is on standstill due to the shuffling of drivers or operators. Plant breakdowns occurred during this month such as Tipper Trucks, low bed truck and Excavator. And the overhaul distance of hauling Gravel material is playing a vital role in slowing the progress due to unavailability of Gravel material at the nearest designated site (Gcebeni Access Road).

The main challenge is still the one for the sleep-out allowance for operators which we are still awaiting approval.

## Phase 3 projects: (2014/15 LIST)

Is per the attached new programme (Plan)

## PROCUREMENT

Procurement of Small equipment such as high pressure washer for cleaning of the machines and trucks, and tools such as spades, rakes, pick is still underway. Procurement of Digital camera is also in progress in order to take photos before and after during the maintenance process.

## RESOLUTIONS

Council resolved

- That procurement of Concrete pipes, concrete materials for the base preparation of the headwalls and ditch drains should be sought using three quote system or should be sought using the external service providers if it happens that the required amount exceeds the amount of 30 thousand rand.
- That the plan should be revised accordingly the full maintenance projects be listed and agreed upon and also the roads that require minor touches such as blading be prioritized in order for the unit to work accordingly.
- That outsourcing of the EPWP service providers be considered in the programme since we only using heavy machines to maintain the roads, Roads sign installations, Pipe crossings, construction of Headwalls, V- drains and ditch drains cannot be done by machines.
- That the protocol should be maintained when dealing with special interventions by the ward councilors.

## SOCIAL FACILITATION

### Background

The Social facilitation unit executes various activities although some of them are on-going activities. The main activities are as follows:

- MANCO & STANCO monthly reports.
- To ensure OHSA compliance on construction sites through sites visits
- Facilitating sites meetings
- Ensuring labour Intensive on projects sites and collecting beneficiary lists for jobs created as EPWP requirements (extensive labour)
- Strategizing working systems for the unit e.g. formulating working documents (Policy formulation).
- Facilitating meetings with all municipal Sectors and NGOs that receive EPWP grants to report.
- EPWP quarter report to National Public Works.

Furthermore, the report will point out the activities that were executed for May 2015. It will also indicate the achievements, not achieved and actions to plan for not achieved. For not achieved activities the reasons will be mentioned. The information will be presented in a form of a table.

Moreover, the recommendations will be listed in order to advance the proficiency of the unit and to influence the future deliverables of the institution as a whole.

<p>EPWP report and monthly reports (MANCO and STANCO)</p> <p>Monitor the creation of jobs on capital projects as per EPWP guidelines.</p>		<p>2 achieved MANCO and STANCO. The above reports has got same context because the HOD has to relate the MANCO information to STANCO members.</p> <p><b>April 2015</b> The total numbers of beneficiaries are for the following projects :Upgrade of UMzimkhulu Memorial Hall=3; ; Extension 8 Surfacing =9; Diphini Sports field =18; Wash bank Community Hall =14 ; Ward 16 Sizonqoba Co-op =11; Ward 17 Nursery =12;Upgrading of Traffic offices =13; Skoonplaas paving =21</p> <p>YF= 19 YM = 47 AF = 28 AM = 21 D = 1 <b>Total = 116</b></p>	<p>EPWP report is submitted quarterly to National Public works department on a date set by the department, as of now the due date on the 17<sup>th</sup> of April 2015. Up to date there are 11 projects being reported on MIS.</p> <p>On the 3<sup>rd</sup> and 4<sup>th</sup> June 2015, there will be EPWP training for the new reporting system which is conducted by Public works in Durban.</p>	
<p>Developing EPWP policy</p>		<p>Achieved</p>	<p>An addendum to align the policy with EPWP Phase 3 has been received with the 5yearly targets, it has been submitted to the executive committee and it is waiting for council approval</p>	



EPWP Incentive Grant			<p>The project list and EPWP Integrated grant agreement has been received and it is due on the 5<sup>th</sup> June 2015. The funds for the incentive has all been received .Up to date we have an expenditure of R1 912 998 and funds have been all used.</p> <p>The expenditure report has been submitted to National Public works as per requirement that it should be submitted before the 10<sup>th</sup> of every month.</p>	
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## RESOLUTIONS

Council resolved

- The institution should promote labour intensive projects even on capital projects as we have to compile the project list for the 2015/2016 financial year.
- Penalties should be imposed to all contractors with non-compliance.
- The unit heads of all sectors should give us projects to be implemented this financial year 2015/2016.

BUDGET AND TREASURY OFFICE

Financial Report for May 2015

Report from the Chief Financial Officer

Borrowings and External Investments Reports

On 31 May 2015 the investments of council were as follows:

Financial Institution	Amount Invested R	Interest Rate	Interest To Date R
FNB	92, 872, 812.92	8.00%	510, 726.62
<b>TOTAL</b>	<b>92, 872, 812.92</b>		<b>510, 726.62</b>

Revenue collection

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Income Detail	Budgeted Monthly 2014/2015 R	Actual y.t.d April 2014/2015) R	Deviation Positive/ Negative
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Assessment Rates	708,333	R	198, 921	Assessment Rates Collection for the month.
Interest on outstanding accounts	20, 833	R	11, 732	Refuse payments made by consumers for services rendered.
Refuse	70, 750	R	71, 239	Interest received on outstanding accounts due on service rendered
Refuse removal	69, 892	R	81, 221	Refuse removal for dumpsite (inclusive of Ubuhlebezwe, st. Margaret hospital, umgeni water & Shoprite
Building plans	5, 000	R	4, 841	Fees for Building plans bought
Cemetery fees	833	R	1, 086	Fees for burial plot bought by consumers
Advertising income	6, 667	R	8, 823	Advertising income are fees paid for billboard advertisement
Dumping fees	5, 417	R	4, 457	Dumping fees are fees paid for private dumping
Interest on investment	250, 000	R	322, 891	Depend on outstanding balance we have at that particular time
Land lease	64, 000	R	44, 654	Our lessee's are paying every month
Lease of Municipal property	29, 167	R	11, 503	Rental received from lease of municipal properties
SARS refund	-	R	-	Depends on the claims submitted to SARS for that particular month.
Hall fees	667	R	715	Hall fees depend on the demand for usage of hall

Fines	83, 333	R	75, 415	Fees received from traffic fines & pound fines
Learners license	50, 000	R	52, 248	Fees received from applicants for learners renewal of drivers licenses & renewal of professional driving permit
Vehicle reg. licensing`	31, 250	R	18, 791	Fees received from applicants for vehicle registration & licensing
Tender documents fees	15, 000	R	4, 868	Income received from tender documents sold
Library fees	3, 917	R	4, 032	Fees made by the library (Copies made on the photocopying machine and lending of books.
Sundry/other income	2, 083	R	1,422	Sundry income received from mutual & clearance certificate
Repayment of debt		R	-	It is the money deducted from municipality officials refunding the municipality
Refunds	10, 000	R	229, 718	Refund received this month was from the insurance for traffic department vehicle
Proceeds from disposal	-	R	-	Fees received for disposal of assets
Business tariffs	4, 167	R	1, 000	Fees for business license
PDA Applications	417	R	-	Fees for application for land rights
Waste skips	7, 017	R	8, 901	Fees for skip wastes that are contracted
Zoning certificate	167	R	20	Fees for zoning copies
GIS Income	-	R	-	Fees paid copies of maps
Parking bays fees	1, 000	R		Fees for parking bays

Seta Fund Grant	8, 333	R	-	
Rental for municipal property	2, 083	R	2, 830	Municipal property rental
Legal fees income	1, 667	R	-	Legal fees income
Prior year revenue	-			
Income received in kind	91, 413	R	-	Funds received from Cogta
<b>TOTAL OWN REVENUE</b>	<b>1, 543, 405</b>	<b>R</b>	<b>1, 161, 329</b>	
Equitable share	9, 678, 500	R		
FMG	150, 000			
MSIG	77, 833			
MIG ADIM	136, 777	R		
SPORT	-			
NEIGHBOURHO OD GRANT	1, 333, 333			
EPWP	159, 417	R		
HOUSING ADMIN COSTS	-			
MIG PROJECTS	3, 282, 640	R		

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ARTS & CULTURE	-	
ARTS & CULTURE LIBRARY	56, 750	
ELECTRICITY	250, 000	R
ELECTRICITY COGTA	291, 667	
ELECTRICITY NATIONAL	1, 250, 333	
SETA FUND GRANT	666, 667	
SMALL TOWN DEVELOPMENT		
LOAN	833, 333	
<b>GRAND TOTAL</b>	<b>18, 167, 250</b>	
Totals	<b>19, 710, 655</b>	<b>R 1, 161, 329</b>

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<b>Investments Register – MAY 2015</b>							
<b>NAME OF INVESTMENT</b>	<b>Vote no.</b>	<b>Acc.</b>	<b>Opening bal.</b>	<b>Withdrawals</b>	<b>Re-investments</b>	<b>Interest</b>	<b>Bank balance</b>
		<b>type</b>	<b>(01 MAY 2015)</b>	<b>(MAY 2015)</b>	<b>(MAY 2015)</b>	<b>(MAY 2015)</b>	<b>(31 MAY 2015)</b>
SPECIAL CALL - 621 3217 2355	<b>949 - 524001</b>	32 day	R 58, 818, 534.05	R 10, 593, 135.22	R 541, 500.00	R 214,457.59	R 48, 981, 356.42
RURAL HOUSING PROJECT - 623 3194 9422	<b>949 - 524013</b>	call	R 228, 949.09	R 0.00	R 0.00	R 29, 739.19	R 258, 688.28
RIVERSIDE PH2 - 623 3195 0495	<b>949 - 524012</b>	call	R 164, 833.77	R 0.00	R 0.00	R 21, 374.08	R 186, 207.85
MSIG - 621 2705 5045	<b>949 - 524006</b>	call	R 422, 212.62	R 0.00	R 0.00	R 950.26	R 423, 162.88
RIETF & CLY SURV ACC- 621 2393 8104	<b>949 - 524010</b>	call	R 32, 989.78	R 0.00	R 0.00	R 4, 996.82	R 37, 986.60
MIG - 621 2393 8055	<b>949 - 524008</b>	call	R 11, 297, 808.16	R 4, 850, 182.78	R 0.00	R 43, 738.59	R 6, 491, 363.97



RIVERSIDE PH1 - 620 2399 0593	<b>949 - 524011</b>	call	R 32, 584.50	R 0.00	R 0.00	R 4, 113.31	R 36, 697.81
SPORT FACILITY GRANT - 621 2514 0129	<b>949 - 524014</b>	call	R 1, 119.82	R 0.00	R 0.00	R 0.95	R 1,120.77
EXT 5&6 - 620 2399 0907	<b>949 - 524004</b>	call	R 55, 824.83	R 0.00	R 0.00	R 7, 617.54	R 63, 442.37
CLY HOUSING - 623 3194 7418	<b>949 - 524002</b>	call	R 482, 768.65	R 0.00	R 0.00	R 61, 935.36	R 544,704.01
IBISI HOUSING PRJ - 623 3193 5950	<b>949 - 524005</b>	call	R 42, 915.96	R 0.00	R 0.00	R 4,855.93	R 47, 771.89
ELECTRIFICATIO N. - 621 7436 3508	<b>949 - 524015</b>	call	R 147, 878.91	R 0.00	R 0.00	R 309.94	R 148, 188.85
SMALL TOWN - 62396640396	<b>949-524017</b>	call	R 6, 821, 405.50	R 803, 537.53	R 0.00	R 25, 277.47	R 6, 846, 682.97

NEIGHBOURHOOD - 621 7435 8525	949 - 524016	call	R 11, 186, 340.78	R 0.00	R 0.00	R 38, 156.15	R 11, 224, 496.93
MUNICIPAL HUMAN SETTLEMENT INTEREST	949-524018		R 10, 785, 663.80	R 0.00	R 0.00	R 35, 790.45	R 10, 821, 454.25
ELECTRIFICATION PLEDGE			R 10, 000, 933.27	R3, 258, 859.19	R 0.00	R 17, 412.99	R 6, 759, 487.25
<b>TOTAL</b>			<b>R 110, 522, 763.49</b>	<b>R 18, 702, 177.19</b>	<b>R 541, 500.00</b>	<b>R 510,726.62</b>	<b>R 92,872,812.92</b>

### Debt Collection

Please see a detailed debt collection overview report below

May 2015	
<i>DEBTORS RECONCILIATION</i>	
Closing Balance Per Age Analysis	<b>R 5, 655, 524.01</b>
Balance As Per Debtors Control Account Vote No: 949522005	<b>R 5, 655, 524.01</b>
<i>DIFFERENCE</i>	<i>R 0.00</i>

### DEBT BY CATEGORY AS AT END MAY 2015

DEBTORS BY CATEGORY	AMOUNT
TOWN - COMMERCIAL	

	956,541.82
SKOONPLAAS	120,740.77
MAJALDINI	353,040.79
COMMERCIAL FARM	60,277.06
SISULU	307,308.90
WHITE CITY	390,654.43
EXTENTION 6	577,024.37
DEPARTMENT OF TRANSPORT	719.67
CHURCHES	34,242.72
IBISI	584,532.44
RITVLEI	-856.21
EXTENSION 8	273,289.98
FARMERS	-6,632.57
PUBLIC WORKS NATIONAL	1,264,028.46
MUNICIPAL RENTAL	417,549.87
PUBLIC WORKS PROVINCIAL	20,826.56
SKIP WASTES	42,443.40
DUMPING FEES	191,520.44
RAILWAY	1,923.89
DOT-STRACHAN & C	0.71
ESKOM HOLDINGS	4,891.60
TOWN RESIDENTIAL	27,922.32
PROVINCIAL PUBLIC WORKS	33,532.59
<b>Total</b>	<b>5,655,524.01</b>

#### TOP 20 BUSINESS DEBTS

#### TOP 20 DEBTORS

Account No	Customer Name	ERF'S	Outstanding Balance	Last Payment	Payment Date	Notes
546	MOOLA C	56	122, 516.80	-1, 000.00	12/05/2015	150+days
8417	CONCO MR TRUST	235	103, 308.47	-2, 317.65	29/05/2015	150+ days
440	CHOOKI FAMILY T	46	91, 369.73	-5, 000.00	19/05/2015	150+ days
553	MOOLA C	57	88, 438.64	-4, 000.00	12/05/2015	150+ days
8431	CONCO M.R	237	84, 534.03	-272.38	29/05/2015	150+ days
190	NOLUTSHUNGU M.C	21	61, 416.29	-1, 710.00	18/02/2015	150+ days
471	MKULISI H.M	49	17, 227.40	-500.00	07/05/2015	150+ days
2021	PEERS A.S	253	14, 630.11	-3, 000.00	22/05/2015	150+ days
2760	DE BRUYN	1607	14, 476.29	-14, 476.29	29/05/2015	60 days
7318	MUNICIPALITY- ARNOLD PRO	735	14, 459.99	-14, 459.99	21/05/2015	30 days
514	CITOPIX CC	53	12, 625.90	-1.94	27/02/2015	90 days
1997	BAYI D.N	251	10, 556.97	-93.00	09/01/2014	150+ days
14122	MALANDA SC	656	9, 907.94	-5, 000	21/05/2015	150+ days
7301	NEW ADAMS TRUST	729	9, 750.26	-9, 710.26	29/05/2015	30 days
9003312	NEW FARM INVEST CC	1782	9, 411.40	-9, 411.40	29/05/2015	30 days
457	NGQULA LT	47	8, 456.89	-1, 500.00	13/04/2015	150+days
8456	NEW FARM INVEST	241	8, 068.06	-8, 068.06	29/01/2015	30 days
432	Y & F TRUST	45	7, 760.84	-7, 500.00	29/01/2015	30 days
489	NEW FARM INVEST	50	6, 111.12	-6, 111.12	29/05/2015	60 days
489	THE R.A FAMILY	51	5, 547.32	4, 500.00	24/11/2015	60 days

The following were actions have been done as part of credit control

DESCRIPTION	NUMBER
Reminder notices sent out for Ibisi Area	45

Final Demand Notice sent out for extension 8 Area	16
Follow ups calls were made to different debtors some were not available and few made arrangements.	

## Expenditure

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	<b>R</b>
<i>Salaries</i>	R 4, 744, 884.60
<i>General Expenditure</i>	R 8, 057, 874.46
<i>Repairs and Maintenance</i>	R 189, 969.88
<i>Contribution to Capital Outlay</i>	R 754, 226.96
<i>Assets</i>	R 5, 967, 564.58
<i>Projects</i>	R 8, 104, 970.82
<b>TOTAL EXPENDITURE</b>	<b>R 27, 823, 491.30</b>

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### Projects

MIG- R4, 850, 182.78

Neighbourhood- R 981, 971.71

Electrification Pledge – R 3, 258, 788.09

Small Towns- R 803, 537.53

**Annexure 1 – Top twenty creditors for May 2015**

<b>CREDITORS NAME</b>	<b>AMOUNT</b>
ESKOM	R 2,238,964.45
DIMZO'S CONSTRUCTIONS PROJECTS	R 1,272,192.19
OONTSELE DEVELOPMENT PROJECTS	R 1,075,807.15
SSR SECURITY	R 910,379.85
SIYAKWETHEMBA CONTRACTORS	R 616,821.19
BOSTON INK	R 574,088.04
MULTI-FINANCE SOLUTION	R 569,796.11
CAKATHA AFRICA	R 480,479.69
LELETHU CONSULTING CC	R 356,177.55
DESTINATION TRAVEL	R 333,285.82
SANESAMY SIGNS 031	R 317,812.24
WITS BUSINESS SCHOOL	R 199,500.00

TELKOM	R 198,302.60
MABONA CIVILS AND PLANT HIRE	R 177,662.16
TOTAL MADLANDUNA	R 130,212.49
DARK OR BLUE TRADING & SERVICE	R 126,750.00
AUDITOR GENERAL	R 122,673.05
INKONYANE CONSTRUCTION	R 102,343.50
EMC MOTORS CC	R 79,149.85
ESKOM	R 76,140.25

**Annexure 2 – Debit Orders for May 2015**

<b>PAYEE</b>	<b>AMOUNT</b>
TRACKER 00NK5548TRACKERH9458	R 2,005.49
TELKOM SA 1199000342	R 4,014.17
G001200 VODACOM SP0105750220	R 130,966.04
B0070371015 VODACOM	R 13,092.27
SP0191816161 VODACOM	R 290.70
MWEB-IN 9072025 940192	R 435.00
TELKOM SA 22580764-6	R 99.00
TELKOM SA 149149487-2	R 612.46

AFRIHOST A08167153	R	340.00
00762031 : EQSTRA FLEET	R	79,045.36
FNB CARD 881271290647	R	5,362.79
NETSTAR	R	212.36
AUTOPAGE	R	948.13
SPEEDPOINT	R	1,332.00

**Annexure 3 – TRAVELLING & OIL EXPENDITURE for May 2015**

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	May	AMOUNT
Travelling and Accommodation		<b>R 333, 285.82</b>

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**PETROL & OIL EXPENDITURE FOR MAY 2015**

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	May	AMOUNT
Petrol		<b>R 131, 562.29</b>

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**Annexure 4 – ESKOM & TELEPHONE for May 2015**

**ELECTRICITY EXPENDITURE MAY 2015**

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	May	AMOUNT
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Eskom free basic electricity

76, 140.25

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**TELKOM EXPENDITURE FOR MAY 2015**

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	May	AMOUNT
Gateway		-
Diginet		43, 423.15
Telkom		154, 879.45

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**1. GRANTS REPORT**

**GRANTS REGISTER AS AT 31 MAY 2015**

NAME OF THE GRANT	OPENING BALANCE	GRANT/INTEREST RECEIVED TO DATE	EXPENDITURE TO DATE	UNSPENT GRANT	BALANCE AS PER BANK ACCOUNT	DIFF. BETWEEN UNSPENT & BANK BALANCE
ELECTRIFICATION DoE		15,004,000.00	15,004,000.00	0.00		
ELECTRIFICATION Cogta/Harry Gwala		6,500,000.00	6,500,000.00	0.00	147, 878.91	147, 878.91
ELECTRIFICATION DBSA LOAN		10, 000, 000.00	3, 351, 075.60	6, 648, 924.40	10, 000, 933.22	3, 351, 008.87
NEIGHBORHOOD	0.00	16,000,000.00	8,891,058.72	7,108,941.28	11, 186, 340.78	4, 077, 399.50

SMALL TOWNS		8,000,000.00	1,921,954.92	6,078,045.08	6, 821, 405.50	743, 360.42
MSIG	0.00	934,000.00	871, 678.63	62, 321.37	422, 212.62	359, 891.25
FMG	0.00	1,800,000.00	1,661, 235.28	138, 764.72	-	-
MIG	0.00	41,033,000.00	36, 917,959.17	4, 115, 040.83	11, 297, 808.16	7, 182, 767.33
HUMAN SETTLEMENT	8,961,107.25	1,531,674.07	0.00	10,492,781.32		
EPWP GRANT	0.00	1,913,000.00	1,913,000.00	0.00		
ARTS & CULTURE GRANT	0.00	681,000.00	681,000.00	0.00		
IDP GRANT	5,000.00	0.00	5,000.00	0.00		
<b>TOTAL</b>	<b>8,966,107.25</b>	<b>77, 717, 962.32</b>	<b>68,442,327.90</b>	<b>34,644, 819.00</b>	<b>50, 369, 360.56</b>	

## 2. SUPPLY CHAIN REPORT

### Procurement Threshold

#### Level 1 Petty Cash: R0-R500 per transaction

During the month of May an amount of R 4, 991.82 was utilized for Petty cash purchases

#### Level 2 Purchase Orders: R500.1-R30 000

During the month of May an amount of R 700, 894.74 was utilized for purchases in this level

#### Level 3 Purchase Orders/notice board advert: R30 001-R200 000

During the month of May an amount of R311, 739.70 was utilized for purchases in this level

#### Level 4 Competitive Bidding: R200 001 and above

During the month of May an amount of R8, 203,221.00 for competitive bidding

Purchase orders for total Madlanduna Garage Total **R198, 925.37**

Department 100 **R 16, 472.76**

Department 300 **R 57,614.17**

Department 800 **R 124,811.44**

Purchase orders for Destination Travel **R323, 912.71**

### Outstanding Commitments

During the month of May there are outstanding commitments that amounts to R 709, 662.34

UMzimkhulu Garage R 153,446.55

Malanda Service Station R 72, 900.00

Destinations Travel R 298, 325.48

Other Orders R 184, 990.31

### Rotation of Suppliers

When procuring goods and services, suppliers are rotated using data base register. The following is list of suppliers used in different categories during May

Category	No. of Suppliers Used
Catering	36
Stationery	2
Assets ( furniture, lap Top )	4
Adverts	5

Hired facilities ( tents, tables & chairs)	4
Promotional materiel	1

### Economic Goals

During the month of May the following economic goals were achieved.

HDI 52

- Women 36
- Disability 0
- Locality-UMzimkhulu 40
- KZN 48

### Evaluations

On the 18<sup>th</sup> May 2015 the evaluation committee sat and the following projects were recommended.

Project Name	Date	Department
Rural electrification-provision of pre- marketing and survey services	12/05/2015	Infrastructure department
Wetland health functionality and impact assessment	12/05/2015	Infrastructure department
Headwalls maintenance & construction for umzimkhulu internal roads- zone -1	14/05/2015	Infrastructure department
Pipe desilting for Umzimkhulu internal road zone	14/05/2015	Infrastructure department
Secure offsite document storage	21/05/2015	IT Officer

### Projects still on the Evaluation

- Construction of Cebe Access Road
- Construction of Kwafile Access Road
- Construction of Gwijendlini Access Road
- Construction of Gundlintaba Access Road
- Supply and Delivery of Stationery (CSS)
- Supply and Delivery of Cleaning Material
- Refurbishment of Nsikeni Community Hall
- Training on HIV/AIDS( on hold)
- Supply and delivery of Rescue van (Re-advert)

- Supply Delivery of Stationery (Infrastructure)
- Routine Maintenance of UMzimkhulu Township Roads ( on hold )
- Renovation of Old municipal toilets and fitting of kitchen built in
- Construction of Ward 2 Sports Field
- Supply and Installation of environmental controls
- Surface upgrade at public transport rank
- Supply and delivery of Microsoft office standard 2013
- Tenure upgrade and Anomaly Rectification of portion of ERF 175 Rietvlei
- Consultant : Review and Training on Annual Financial Statement
- Supply and Delivery of Microsoft Project 2013 Volume license for 20 users
- Supply and delivery of ID card Printer
- Supply, deliver and erect Park Home
- Cash in-transit services (36 months contract)
- Facilitator: Training of ward committees
- Consultant: Mankofu Dumpsite Audit
- Consultant: Environment impact assessment for multi-purpose sports Centre
- 

**On the 25<sup>th</sup> we sent an updated list of Awarded Projects and Publishing of Bids to IT department for Website Upload.**

**Appointments of service providers**

<b>PROJECT NAME</b>	<b>SERVICE PROVIDER</b>	<b>PROJECT AMOUNT</b>	<b>RESPONSIBLE DEPARTMENT</b>
Supply, Deliver and Install Security Gate System	Bell Oak Investments	R 122 739.70	CSS
Fencing Temporary Waste Storage	Golden Rewards	R 661 000.00	Infrastructure
Maintenance of Mankofu Dumpsite	Mzovuyo Trading	R 189 000.00	Infrastructure
Construction of Delamzi Sports Field	Striving Mind	R 7 542 221.00	Infrastructure

**Deviations on SCM Procedure**

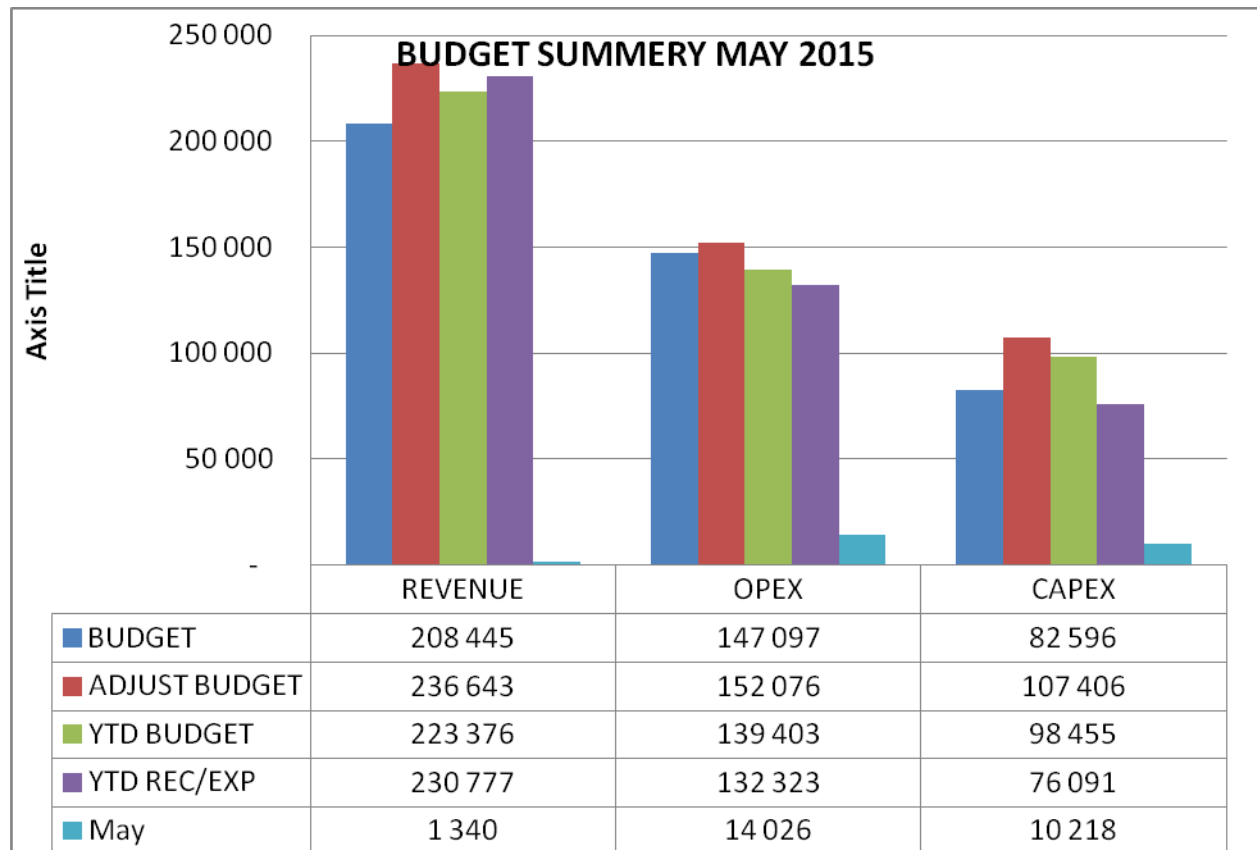
During the month of May there were no deviation on the SCM Procedures when acquiring goods and services from suppliers.

**Submission by suppliers updating information on supplier's database during the month of May**

<b>Original valid Tax clearance</b>	<b>BBBEE valid certificate original or certified copy certificate</b>	<b>Bank details</b>
<b>07</b>	<b>8</b>	<b>3</b>

## BUDGET REPORT

### BUDGET PERFORMANCE ANALYSIS



### Financial Position

The **CURRENT RATIO** up to date for the municipality is **3:1**. This shows that the municipality's **current assets of R134 million** up to date can be able to pay the municipality's **current liabilities of R39 million**. This is an indication that the Municipality is liquid and has the ability to pay its current obligations in time and when they become due.

**Current assets** include cash and those assets which can be easily converted into cash within a short period of time, generally, one year, such as marketable securities or readily realizable investments, bills receivables, sundry debtors, (excluding bad debts or provisions), inventories, work in progress, etc. Prepaid expenses should also be included in current assets because they represent payments made in advance which will not have to be paid in near future.

**Current liabilities** are those obligations which are payable within a short period of time generally one year and include outstanding expenses, bills payable, sundry creditors, bank overdraft, accrued expenses, short term advances, income tax payable, dividend payable, etc. However, sometimes a controversy arises that whether overdraft should be regarded as current liability or not. Often an arrangement with a bank may be regarded as permanent and therefore, it may be treated as long term liability. At the same time the fact remains that the overdraft facility may be cancelled at any time. Accordingly, because of this reason and the need for conversion in interpreting a situation, it seems advisable to include overdrafts in current liabilities.

## **Cash Flow Position**

At the beginning of the financial year the municipality had Cash/Cash equivalents amounting to **R52 million**, and after the inflows and outflows of cash the municipality has got **R115 million** up to date. This shows that the municipality is financially able to finance its operations.

The Cash Flow is a summary of all the transactions that affect cash. It shows how the cash moved during the period. The term cash as used in the statement of cash flows refers to both cash and cash equivalents. Cash flow statement provides relevant information in assessing a company's liquidity, quality of earnings and solvency.

## **BUDGET PROCESS PLAN IMPLEMENTATION**

IMPLEMENTATION AS AT 31 May 2015

### **PROCESS FOR THE BUDGET 2015/2016**

The workshop was successfully held on the 25<sup>th</sup> of July that was conducted by the budget officer to all municipal departments representative, and one of the objectives for the workshop was to equip all the departments/ budget users on the budgetary processes and broadening the understanding on the implications of their budgets to the whole municipality.

The **IDP and Budget Steering Committee** meeting was held on the 2<sup>nd</sup> of February 2015 where the following matters were discuss: Mid-year report, expenditure on votes, adjustment budget 2014/2015, budget 2015/2016 and the SCOA.

The Adjustment Budget 2014/2015 has been approved by the council on 26 February 2015. And it is placed on the Municipal website.

The draft budget 2015/2016 has been table to council on the 30 March 2015; it's on the municipal websites.

The Budget Process Plan and IDP process plan were adopted by the council and are in the municipal website.

The Annual Financial Statements and the draft Annual Report were approved and submitted on the 29<sup>th</sup> of August to all relevant stakeholders.

<b>UMZIMKHULU MUNICIPALITY</b>					
<b>BUDGET VARIANCE REPORT</b>					
<b>May 2015</b>					
	<b>BUDGET</b>	<b>ACTUALS MAY</b>	<b>YTD BUDGET</b>	<b>YTD REVENUE</b>	<b>YTD VARIANCE</b>
<b>REVENUE</b>					
Equitable Share	9 678 500	-	106 463 500	116 142 000	9 678 500
Own Revenue	1 244 845	1 340 271	13 693 296.83	19 781 163	6 087 866
Other Grants	580 777	-	6 388 543.33	6 985 380	596 837
Surplus/Deficit Brought forward		20 793 469	-	305 175 408	305 175 408
	<b>11 504 122</b>	<b>22 133 740</b>	<b>126 545 340</b>	<b>448 083 951</b>	<b>321 538 611</b>
<b>EXPENDITURES</b>					
	<b>BUDGET</b>		<b>YTD BUDGET</b>	<b>YTD EXPENDITURE</b>	<b>YTD VARIANCE</b>
General Expenses	6 516 958	8 953 309	71 686 541.67	70 368 242	1 318 300
Salaries	4 739 613	4 882 643	52 135 740.25	53 400 929	-1 265 189
Repairs & Maintenance	1 001 500	189 970	11 016 500	5 260 990	5 755 510
Other Fixed Assets (Own funding)	1 016 667	173 850	11 183 333.33	5 944 414	5 238 919
	<b>13 274 738</b>	<b>14 199 772</b>	<b>146 022 115</b>	<b>134 974 575</b>	
<b>Surplus/ Deficit on operations</b>	<b>-1 770 616</b>	<b>7 933 968</b>	<b>-19 476 775</b>	<b>313 109 376</b>	
<b>CAPITAL</b>					
<b>CAPITAL REVENUE</b>	<b>7 907 973</b>	-	<b>86 987 706.67</b>	<b>85 895 680</b>	<b>-1 092 027</b>
Capital Reserves Brought forward		25 999 330	44 559 502		
	<b>7 907 973</b>	<b>25 999 330</b>	<b>131 547 209</b>	<b>85 895 680</b>	<b>-1 092 027</b>
<b>CAPEX</b>					
MIG	3 282 640	6 125 645	36 109 040	33 790 436	-2 318 604
NEIGHBORHOOD	1 333 333	-	14 666 666.67	8 911 219	-5 755 448
ELECTRIFICATION	1 250 333	3 918 061	13 753 666.67	25 316 446	11 562 779
SMALL TOWN DEVELOPMENT	1 600 000	-	4 800 000	1 921 955	-2 878 045
	<b>5 866 307</b>	<b>10 043 706</b>	<b>64 529 373</b>	<b>68 018 101</b>	<b>5 807 332</b>
<b>Capital Surplus/Deficit</b>	<b>2 041 666.67</b>	<b>15 955 624</b>	<b>67 017 835.44</b>	<b>17 877 579</b>	<b>-6 899 358</b>





KZN435 Umzimkhulu - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M11 May

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		66 000	72 388	74 624	952	78 583	72 851	5 731	8%	72 388
Executive and council		23 414	21 122	22 142	-	20 915	20 915	-		21 122
Budget and treasury office		28 996	31 844	33 029	952	37 853	32 130	5 723	18%	31 844
Corporate services		13 589	19 422	19 453	-	19 814	19 805	8	0%	19 422
<i>Community and public safety</i>		15 257	17 909	19 135	238	18 125	17 539	587	3%	17 909
Community and social services		15 257	17 909	19 135	238	18 125	17 539	587	3%	17 909
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		38 578	46 904	142 035	83	55 578	45 427	10 151	22%	46 904
Planning and development		8 974	11 784	11 800	15	11 731	11 779	(47)	0%	11 784
Road transport		29 604	35 120	130 235	68	43 846	33 648	10 198	30%	35 120
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		736	849	849	68	696	778	(82)	-11%	849
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		736	849	849	68	696	778	(82)	-11%	849
<i>Other</i>	4	-	-	-	-	-	-	-		-
<b>Total Revenue - Standard</b>	2	120 570	138 049	236 643	1 340	152 982	136 595	16 387	12%	138 049
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		65 379	79 460	79 012	6 068	56 284	72 427	(16 143)	-22%	79 460
Executive and council		27 732	28 155	30 535	2 236	22 871	27 990	(5 119)	-18%	28 155
Budget and treasury office		18 491	24 923	24 762	2 068	16 611	22 699	(6 088)	-27%	24 923
Corporate services		19 156	26 382	23 715	1 763	16 802	21 738	(4 936)	-23%	26 382
<i>Community and public safety</i>		16 659	22 171	21 245	1 951	18 279	19 474	(1 195)	-6%	22 171
Community and social services		16 659	22 171	21 245	1 951	18 279	19 474	(1 195)	-6%	22 171
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		40 520	56 896	51 049	5 937	56 982	46 795	10 187	22%	56 896
Planning and development		9 095	12 774	12 613	1 286	7 325	11 562	(4 237)	-37%	12 774
Road transport		31 426	44 122	38 436	4 650	49 657	35 233	14 424	41%	44 122
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		-	770	770	71	778	706	72	10%	770
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	770	770	71	778	706	72	10%	770
<i>Other</i>		-	-	-	-	-	-	-		-
<b>Total Expenditure - Standard</b>	3	122 558	159 297	152 076	14 026	132 323	139 403	(7 079)	-5%	159 297
<b>Surplus/ (Deficit) for the year</b>		(1 988)	(21 247)	84 568	(12 686)	20 658	(2 808)	23 466	-836%	(21 247)

KZN435 Umzimkhulu - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE&COUNCIL		23 414	21 122	22 142	-	20 915	20 915	0	0.0%	21 122
Vote 2 - BUDGET & TREASURY OFFICE		28 996	31 844	33 029	952	39 199	33 420	5 779	17.3%	31 844
Vote 3 - CORPORATE SERVICES		13 589	19 422	19 453	-	19 814	19 805	8	0.0%	19 422
Vote 4 - COMMUNITY & SOCIAL SERVICES		15 993	18 758	19 984	306	18 625	18 618	7	0.0%	18 758
Vote 5 - STRATEGIC PLANNING		8 974	11 784	11 800	15	11 731	11 795	(64)	-0.5%	11 784
Vote 6 - INFRASTRUCTURE		115 811	105 516	130 235	68	120 492	118 822	1 670	1.4%	105 516
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>206 777</b>	<b>208 445</b>	<b>236 643</b>	<b>1 340</b>	<b>230 777</b>	<b>223 376</b>	<b>7 401</b>	<b>3.3%</b>	<b>208 445</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE&COUNCIL		27 732	28 155	30 535	2 236	24 592	27 990	(3 399)	-12.1%	28 155
Vote 2 - BUDGET & TREASURY OFFICE		18 491	24 923	24 762	2 068	16 611	22 699	(6 088)	-26.8%	24 923
Vote 3 - CORPORATE SERVICES		19 156	26 382	23 715	1 763	17 486	21 738	(4 252)	-19.6%	26 382
Vote 4 - COMMUNITY & SOCIAL SERVICES		16 659	22 171	21 245	1 951	18 279	19 474	(1 195)	-6.1%	22 171
Vote 5 - STRATEGIC PLANNING		9 095	12 774	12 613	1 286	7 325	11 562	(4 237)	-36.6%	12 774
Vote 6 - INFRASTRUCTURE		31 426	44 892	39 206	4 721	50 364	35 939	14 425	40.1%	44 892
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>122 558</b>	<b>159 297</b>	<b>152 076</b>	<b>14 026</b>	<b>134 657</b>	<b>139 403</b>	<b>(4 746)</b>	<b>-3.4%</b>	<b>159 297</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>84 219</b>	<b>49 148</b>	<b>84 567</b>	<b>(12 686)</b>	<b>96 120</b>	<b>83 973</b>	<b>12 146</b>	<b>14.5%</b>	<b>49 148</b>

KZN435 Umzimkhulu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		6 719	8 500	8 500	387	9 294	7 792	1 502	19%	8 500
Property rates - penalties & collection charges								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue		1 331	849	849	68	696	778	(83)	-11%	849
Service charges - other								-		
Rental of facilities and equipment		1 088	1 065	1 143	59	771	1 048	(277)	-26%	1 143
Interest earned - external investments		2 988	2 000	3 000	317	3 407	2 750	657	24%	3 000
Interest earned - outstanding debtors		147	250	250	12	123	229	(106)	-46%	250
Dividends received								-		
Fines		532	600	1 000	75	632	917	(285)	-31%	1 000
Licences and permits		273	250	375	19	471	344	128	37%	375
Agency services								-		
Transfers recognised - operational		101 530	123 111	123 116	-	123 127	123 127	-		123 116
Other revenue		4 834	1 424	3 514	403	5 005	3 221	1 784	55%	3 514
Gains on disposal of PPE								-		
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>119 442</b>	<b>138 049</b>	<b>141 747</b>	<b>1 340</b>	<b>143 526</b>	<b>140 206</b>	<b>3 320</b>	<b>2%</b>	<b>141 747</b>
<b>Expenditure By Type</b>										
Employee related costs		39 719	43 690	45 425	3 678	40 453	41 639	(1 186)	-3%	45 425
Remuneration of councillors		13 190	13 185	14 729	1 205	12 320	13 501	(1 181)	-9%	14 729
Debt impairment		273		-				-		-
Depreciation & asset impairment		17 900	14 250	14 250	3 567	33 971	13 063	20 908	160%	14 250
Finance charges				-				-		-
Bulk purchases				-				-		-
Other materials				-				-		-
Contracted services			7 420	8 320	593	8 484	7 627	857	11%	8 320
Transfers and grants			1 540	3 740	297	3 773	3 428	345	10%	3 740
Other expenditure		50 123	67 012	65 613	4 687	35 281	60 145	(24 864)	-41%	65 613
Loss on disposal of PPE		18						-		
<b>Total Expenditure</b>		<b>121 223</b>	<b>147 097</b>	<b>152 076</b>	<b>14 026</b>	<b>134 282</b>	<b>139 403</b>	<b>(5 121)</b>	<b>-4%</b>	<b>152 076</b>
<b>Surplus/(Deficit)</b>		<b>(1 781)</b>	<b>(9 047)</b>	<b>(10 329)</b>	<b>(12 686)</b>	<b>9 244</b>	<b>803</b>	<b>8 441</b>	<b>0</b>	<b>(10 329)</b>
Transfers recognised - capital		86 207	70 396	94 896	-	95 896	86 988	8 908	0	94 896
Contributions recognised - capital								-		
Contributed assets								-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>84 426</b>	<b>61 348</b>	<b>84 567</b>	<b>(12 686)</b>	<b>105 140</b>	<b>87 791</b>			<b>84 567</b>
Taxation								-		
<b>Surplus/(Deficit) after taxation</b>		<b>84 426</b>	<b>61 348</b>	<b>84 567</b>	<b>(12 686)</b>	<b>105 140</b>	<b>87 791</b>			<b>84 567</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>84 426</b>	<b>61 348</b>	<b>84 567</b>	<b>(12 686)</b>	<b>105 140</b>	<b>87 791</b>			<b>84 567</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>84 426</b>	<b>61 348</b>	<b>84 567</b>	<b>(12 686)</b>	<b>105 140</b>	<b>87 791</b>			<b>84 567</b>

KZN435 Umzimkhulu - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M11 May

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE&COUNCIL		1 906	200	120	20	127	110	17	15%	120
Vote 2 - BUDGET & TREASURY OFFICE		69	100	80	6	102	73	28	39%	80
Vote 3 - CORPORATE SERVICES		67	4 000	950	-	227	871	(644)	-74%	950
Vote 4 - COMMUNITY & SOCIAL SERVICES		1 646	1 500	1 970	148	434	1 806	(1 371)	-76%	1 970
Vote 5 - STRATEGIC PLANNING		129	400	330	-	20	303	(282)	-93%	330
Vote 6 - INFRASTRUCTURE		89 076	76 396	103 956	10 044	75 181	95 293	(20 111)	-21%	103 956
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	92 892	82 596	107 406	10 218	76 091	98 455	(22 364)	-23%	107 406
<b>Total Capital Expenditure</b>		92 892	82 596	107 406	10 218	76 091	98 455	(22 364)	-23%	107 406
<b>Capital Expenditure - Standard Classification</b>										
<i>Governance and administration</i>		2 042	4 300	1 150	30	429	958	(529)	-55%	1 150
Executive and council		1 906	200	120	-	106	100	6	6%	120
Budget and treasury office		69	100	80	30	96	67	29	44%	80
Corporate services		67	4 000	950	-	227	792	(565)	-71%	950
<i>Community and public safety</i>		1 646	1 500	1 970	16	287	1 642	(1 355)	-83%	1 970
Community and social services		1 646	1 500	1 970	16	287	1 642	(1 355)	-83%	1 970
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		89 204	76 796	104 286	10 272	65 158	86 905	(21 747)	-25%	104 286
Planning and development		129	400	330	-	20	275	(255)	-93%	330
Road transport		89 076	76 396	103 956	10 272	65 138	86 630	(21 492)	-25%	103 956
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard Classification</b>	3	92 892	82 596	107 406	10 318	65 874	89 505	(23 631)	-26%	107 406
<b>Funded by:</b>										
National Government		80 972	70 396	70 396	6 604	53 911	66 496	(12 585)	-19%	70 396
Provincial Government		-	-	12 500	846	5 422	10 417	(4 995)	-48%	12 500
District Municipality		-	-	3 000	-	3 000	3 000	-	-	3 000
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		80 972	70 396	85 896	7 450	62 333	79 913	(17 580)	-22%	85 896
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	10 000	-	-	-	-	-	10 000
Internally generated funds		11 920	12 200	11 510	2 868	3 540	9 592	(6 051)	-63%	11 510
<b>Total Capital Funding</b>		92 892	82 596	107 406	10 318	65 874	89 505	(23 631)	-26%	107 406

KZN435 Umzimkhulu - Table C6 Monthly Budget Statement - Financial Position - M11 May

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		51 828	16 460	6 402	690	6 402
Call investment deposits		10 707	41 196	47 366	120 406	47 366
Consumer debtors		3 640	4 500	4 500	2 853	4 500
Other debtors		1 740	2 859	2 859	10 530	2 859
Current portion of long-term receivables						
Inventory						
<b>Total current assets</b>		<b>67 915</b>	<b>65 014</b>	<b>61 127</b>	<b>134 479</b>	<b>61 127</b>
<b>Non current assets</b>						
Long-term receivables						
Investments						
Investment property		31 315	28 884	28 884	31 288	28 884
Investments in Associate						
Property, plant and equipment		430 730	269 967	269 967	324 136	269 967
Agricultural						
Biological assets						
Intangible assets		167	150	150	356	150
Other non-current assets		432	2 000	2 000	141 212	2 000
<b>Total non current assets</b>		<b>462 645</b>	<b>301 001</b>	<b>301 001</b>	<b>496 991</b>	<b>301 001</b>
<b>TOTAL ASSETS</b>		<b>530 559</b>	<b>366 015</b>	<b>362 128</b>	<b>631 470</b>	<b>362 128</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft						
Borrowing					10 000	
Consumer deposits						
Trade and other payables		21 147	7 500	7 500	25 264	7 500
Provisions			90	90	3 740	90
<b>Total current liabilities</b>		<b>21 147</b>	<b>7 590</b>	<b>7 590</b>	<b>39 005</b>	<b>7 590</b>
<b>Non current liabilities</b>						
Borrowing						
Provisions		2 490	2 043	2 043		2 043
<b>Total non current liabilities</b>		<b>2 490</b>	<b>2 043</b>	<b>2 043</b>	<b>-</b>	<b>2 043</b>
<b>TOTAL LIABILITIES</b>		<b>23 638</b>	<b>9 633</b>	<b>9 633</b>	<b>39 005</b>	<b>9 633</b>
<b>NET ASSETS</b>	2	<b>506 922</b>	<b>356 382</b>	<b>352 495</b>	<b>592 465</b>	<b>352 495</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		405 778	194 870	190 983	434 607	190 983
Reserves		101 144	161 512	161 512	157 858	161 512
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>506 922</b>	<b>356 382</b>	<b>352 495</b>	<b>592 465</b>	<b>352 495</b>

KZN435 Umzimkhulu - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other		15 901	26 095	19 624	838	14 146	17 988	(3 843)	-21%	19 624
Government - operating		101 530	123 111	123 111	-	123 127	123 127	-		123 111
Government - capital		86 207	70 396	84 896	-	85 896	85 896	-		84 896
Interest		2 988	2 000	3 000	317	3 407	2 750	657	24%	3 000
Dividends								-		
<b>Payments</b>										
Suppliers and employees		(104 454)	(124 217)	(130 367)	(10 162)	(96 238)	(119 503)	(23 265)	19%	(130 367)
Finance charges			-	-	-	-	-	-		-
Transfers and Grants			(540)	(919)	(76)	(832)	(842)	(10)	1%	(919)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>102 171</b>	<b>96 845</b>	<b>99 345</b>	<b>(9 083)</b>	<b>129 506</b>	<b>109 417</b>	<b>(20 089)</b>	<b>-18%</b>	<b>99 345</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE								-		
Decrease (Increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments								-		
<b>Payments</b>										
Capital assets		(92 892)	(82 596)	(107 406)	(10 218)	(76 091)	(98 455)	(22 364)	23%	(107 406)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(92 892)</b>	<b>(82 596)</b>	<b>(107 406)</b>	<b>(10 218)</b>	<b>(76 091)</b>	<b>(98 455)</b>	<b>(22 364)</b>	<b>23%</b>	<b>(107 406)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans				10 000	10 000	10 000	10 000	-		10 000
Borrowing long term/refinancing								-		-
Increase (decrease) in consumer deposits								-		
<b>Payments</b>										
Repayment of borrowing								-		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>10 000</b>	<b>10 000</b>	<b>10 000</b>	<b>10 000</b>	<b>-</b>		<b>10 000</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>9 278</b>	<b>14 250</b>	<b>1 940</b>	<b>(9 301)</b>	<b>63 415</b>	<b>20 961</b>			<b>1 940</b>
Cash/cash equivalents at beginning:		42 550	43 406	51 828		51 828	51 828			51 828
Cash/cash equivalents at month/year end:		51 828	57 655	53 768		115 243	72 790			53 768

## REPORT ON ASSETS

### BACKGROUND OF THE REPORT

Fixed assets report for May 2015.

### STATUS OF THE REPORT

ASSETS	MAY 2015 O/B	ADDITIONS	OTHER CHANGES/MOVEMENT	MAY 2015 C/B
LAND	10, 104, 000			10, 104, 000
BUILDING	39, 579, 801	0		39, 579, 801
INVESTM PROPERTY	31, 827, 992	0		31, 827, 992
INFRASTRUCTURE	322, 035, 735	27, 576, 635	67, 844.00	349, 680, 214
COMMUNITY	73, 541, 541	6, 446, 473		73, 541, 541
HERITAGE ASSETS	432,000	0		432,000
OTHER ASSETS	25, 029, 097	173, 850		25, 202, 946
WIP	170, 990, 682.57	8, 335, 248	67, 844.00	140, 779, 544
INTANGIBLE ASSETS	1, 352, 250			1, 352, 250
	<b>636, 278, 868</b>	<b>42, 532, 206</b>	<b>135, 687</b>	<b>678, 946, 761</b>

### DEPRECIATION

The depreciation for this month was **R 3, 566, 773.70**

### ASSET WRITTEN OFF

There were no assets which are written off this month

### ASSETS DISPOSALS

There were no disposed assets this month.

### INTERDEPARTMENTAL TRANSFER OF ASSETS

There were no transfers this month

### DONATIONS RECEIVED

There were assets that were donated; there is an attachment for details.

### Financial implications

New assets for the month amounted to **R 173, 850.02**

- Hover Machine – **R 7, 899.00**
- Desktop Computer – **R 9, 505.00**
- HP Printer – **R 5, 845.00**
- HP Probook i7 – **R 10, 578.06**
- HP Probook i5 – **R 10, 363.04**
- Air conditioners – **R 119, 866.92**
- Laptop – **R 9, 793.00**

The depreciation for this month was **R 3, 566, 773.70**



**Resolution****Investments**

The municipality has invested an amount of R17 million and has accrued interest of R 603, 000.00 and we have realised some savings this financial year. The municipality is proposing to invest an amount of R 25 million for the period of 12 months, starting from the 1<sup>st</sup> of July 2015

**Recommendation**

To approve the proposal to invest an amount of 25 million.