MATATIELE

LOCAL MUNICIPALITY

# 2024/2025 MID TERM BUDGET ` ASSESSMENT REPORT

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## GLOSSARY

**Annual Budget** – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.
**Adjustment** Budget – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its annual budget during the year.
**Capital Expenditure** - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet and must be included in the asset register.
**Cash Flow Statement** – A statement showing when actual cash will be received and spent by the Municipality. Payments do not always coincide with budgeted expenditure timings – for example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.
**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).
**Equitable Share** – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
**GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting.
**IDP** – Integrated Development Plan. The main strategic planning document of the Municipality
**MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations dated April 2009.
MFMA – The Municipal Finance Management Act – Act No. 56 of 2003. The principle piece of legislation relating to municipal financial management.
**mSCOA** – Municipal Standard Chart of Accounts.
**MTREF** – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years' budget allocations. Also includes details of the previous and current years' financial position.
**Vote** – One of the main segments into which a budget is divided.

## PURPOSE & LEGISTLATIVE REQUIREMENT

The purpose of the report is to inform council of the municipality's mid-year actual performance for the Mid-year financial year against the approved budget in compliance with section 72 of the Municipal Finance Management Act, 56 of 2003.

As instructed by the Local Government: Municipal Finance Management Act No.56 of 2009, Chapter 8 on roles of municipal officials, section 72, the Accounting officer must assess the half yearly performance of the municipality and this is required to be done by 25th January every year to be submitted to the Mayor, National and Provincial Treasuries.

The strategic objective of this report is to ensure good governance, financial viability and management of optimal organisational development and transformation to execute its mandate.

In terms of Section 72 of the Municipal Finance Management Act, 56 of 2003
1. "The accounting officer of the municipality must by 25 January of each year-
(a) Assess the performance of the municipality during the first half of the financial year, taking into account-
   (i) the monthly statements referred to in section 71 for the first half of the financial year;
   (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
   (iii) the past year's annual report, and progress on resolving problems identified in the annual report.
b) Submit a report on such assessment to-
i) The mayor of the municipality
ii) The National Treasury and
iii) The relevant provincial treasury

2. The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.

The accounting officer must, as part of the review-
(a) make recommendations as to whether an adjustments budget is necessary; and
(b) Recommend revised projections for the revenue and expenditure to the extent that this may be necessary.

# PART 1 - EXECUTIVE SUMMARY

## 1.1 Introduction

The figures presented in this report are for the first six months ended 31 December 2024.

## 1.2 Consolidated Performance

### Revenue by source

The total annual approved budget is **R 681,215,688**. The mid-year revenue recognised for the first six months ended 31 December 2024 is **R 428,319,393** (including capital transfers). This represents **63%** of the approved revenue budget. This is mainly due to the transfers and grants recognised in the first six months, property rates that are billed at the beginning of the financial year, increased demand in the applications for learner licences and increase in service charges : Electricity .

As at 31 December 2024 the municipality recognised revenue above the **50%** performance that is expected for the first six month of the financial year.

### Operating Expenditure by type

The municipality's approved expenditure budget of **R 584,466,312**. The mid-year actual expenditure incurred as at 31 December 2024 amount to **R 298,030,174,** when measured against the approved budget this represents **51%** of the approved operating budget. The performance is above **50%** at mid-term mainly due to depreciation, rural electrification and electrical repairs and maintenance expenditure incurred for the period under review.

### Capital Expenditure

- The total approved capital budget is **R 182,983,008**, capital expenditure incurred as of 31 December 2024 amounted to **R 56,651,661,** this represents **31%** of the capital expenditure budget. The performance is below the expected performance at mid-term as the municipality is required to have spent **50%** at mid-term. The variance is due to capital commitment that are not yet implemented as planned, expenditure trends should reflect in the next quarter.

- **Capital Expenditure Funding Sources**

- The MIG capital funding for the financial year is **R 54,704,808**. The spending at the end of 31 December 2024 is **R 24,770,870 (**Vat exclusive**)** which represents **45%** of expenditure to date.
- Disaster Response Grant of **R 41,092,392** million was allocated. The grant reflects **R 8,631,735 (**Vat Exclusive**)** spending as at 31 December 2024 which represent **21%** YTD. Minimal expenditure reflected on the grant as a result of the delay in awarding of disaster related capital projects with some projects still at tender processes and higher expenditure trends should reflects in the next quarter.
- On 2023-24 financial year MDRG was unspent and rollover application of **R 18, 098,742** to national treasury was made, this will be catered into the February adjustment budget as it was approved by national treasury.
- The Library Capital Grant allocation of **R 950,000** was allocated. The grant reflects **R 0.00** spending at 31 December 2024 which represent **0%.** The specification has been finalized and the tender process is to commence in the next quarter.
- Capital Replacement Reserves (CRR) for the financial year of **R 86,235,804** million is allocated. The spending as at 31 December 2024 is **R 23,249,056** which represent **27%.**
- The municipality is busy with procurement processes to secure contractors. The were delays in approving tenders by bid committees due to the influx of disaster projects.
- The municipality anticipates to spend **100%** of the total capital budget as at the end of the financial year.

**Capital Expenditure material variances**

- The Capital Expenditure for the 2024/2025 financial year is which implies that the capital expenditure incurred is significantly below the projection, variance is due to delays in implementing projects and the spending will improve in the 3rd quarter

## 1.3 Material variances from SDBIP (Service Delivery and Budget Implementation Plan).

The Service Delivery and Budget Implementation Plan (SDBIP) performance of the municipality will be explained in a report prepared by the performance unit.

The variances on the SDBIP will also be part of this report on non-financial information for the period started 1 July 2024 to 31 December 2024.

## 1.4 Annual Report

The draft annual report for the 2023/2024 will be tabled to Council on the 29th January 2025.

## 1.5 Remedial or corrective steps

After assessing the performance of the municipality for the six months, an adjustments budget will be tabled to Council in February on the operational revenue and expenditure to address major variances that have been noted at midterm. Together with the adjustments budget a report on the revised Service Delivery and Budget implementation Plan will also be taken to council for approval.

# PART 2- IN YEAR BUDGET

## STATEMENT TABLES

## 2.1 Monthly budget statements
### 2.1.1 Table C1: Monthly Budget Statement Summary

EC441 Matatiele - Table C1 Monthly Budget Statement Summary - M06 - Half Year

| Description | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| R thousands | Audited Outcome | Original Budget | Adjusted Budget | Mid Year | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Financial Performance | | | | | | | | | |
| Property rates | 50 849 | 61 937 | – | 47 435 | 47 435 | 30 968 | 16 467 | 53% | 61 937 |
| Service charges | 75 857 | 91 972 | – | 46 505 | 46 505 | 45 986 | 519 | 1% | 91 972 |
| Investment revenue | 24 861 | 28 813 | – | 11 063 | 11 063 | 14 406 | (3 343) | -23% | 28 813 |
| Transfers and subsidies - Operational | 354 013 | 360 244 | – | 269 692 | 269 692 | 180 122 | 89 570 | 50% | 360 244 |
| Other own revenue | 27 967 | 41 503 | – | 13 732 | 13 732 | 20 751 | (7 020) | -34% | – |
| Total Revenue (excluding capital transfers and contributions) | 533 546 | 584 469 | – | 388 427 | 388 427 | 292 234 | 96 193 | 33% | 584 469 |
| Employee costs | 159 134 | 174 999 | – | 76 438 | 76 438 | 87 500 | (11 062) | -13% | 174 999 |
| Remuneration of Councillors | 23 070 | 26 401 | – | 12 329 | 12 329 | 13 201 | (872) | -7% | 26 401 |
| Depreciation and amortisation | 18 539 | 52 790 | – | 31 380 | 31 380 | 26 395 | 4 985 | 19% | 52 790 |
| Interest | 219 | – | – | – | – | – | – | | – |
| Inventory consumed and bulk purchases | 71 500 | 83 143 | – | 48 131 | 48 131 | 41 571 | 6 560 | 16% | 83 143 |
| Transfers and subsidies | – | – | – | – | – | – | – | | – |
| Other expenditure | 201 327 | 247 133 | – | 129 752 | 129 752 | 123 567 | 6 186 | 5% | 247 133 |
| Total Expenditure | 473 788 | 584 466 | – | 298 030 | 298 030 | 292 233 | 5 797 | 2% | 584 466 |
| Surplus/(Deficit) | 59 758 | 2 | – | 90 397 | 90 397 | 1 | 90 396 | 8232798% | 2 |
| Transfers and subsidies - capital (monetary allocations) | 72 232 | 96 747 | – | 39 892 | 39 892 | 48 374 | (8 482) | -18% | 96 747 |
| Transfers and subsidies - capital (in-kind) | – | – | – | – | – | – | – | | – |
| contributions | 131 990 | 96 749 | – | 130 289 | 130 289 | 48 375 | 81 915 | 169% | 96 749 |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | | – |
| Surplus/ (Deficit) for the year | 131 990 | 96 749 | – | 130 289 | 130 289 | 48 375 | 81 915 | 169% | 96 749 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 128 785 | 182 983 | – | 56 652 | 56 652 | 91 492 | (34 840) | -38% | 182 983 |
| Capital transfers recognised | 59 929 | 96 747 | – | 33 403 | 33 403 | 48 374 | (14 971) | -31% | 96 747 |
| Borrowing | – | – | – | – | – | – | – | | – |
| Internally generated funds | 68 856 | 86 236 | – | 23 249 | 23 249 | 43 118 | (19 869) | -46% | 86 236 |
| Total sources of capital funds | 128 785 | 182 983 | – | 56 652 | 56 652 | 91 492 | (34 840) | -38% | 182 983 |
| Financial position | | | | | | | | | |
| Total current assets | 409 433 | 481 343 | – | | 479 072 | | | | 481 343 |
| Total non current assets | 1 097 671 | 988 611 | – | | 1 074 504 | | | | 988 611 |
| Total current liabilities | 140 716 | 198 386 | – | | 145 712 | | | | 198 386 |
| Total non current liabilities | 36 325 | 39 250 | – | | 40 325 | | | | 39 250 |
| Community wealth/Equity | 1 330 083 | 1 232 317 | – | | 1 367 539 | | | | 1 232 317 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 385 835 | 177 947 | 177 947 | 290 905 | 290 905 | 88 973 | (201 932) | -227% | 177 947 |
| Net cash from (used) investing | 167 906 | (182 983) | (182 983) | (63 209) | (63 209) | (91 492) | (28 283) | 31% | (182 983) |
| Net cash from (used) financing | – | – | – | – | – | – | – | | – |
| Cash/cash equivalents at the month/year end | 808 528 | 298 182 | 298 182 | – | 485 841 | 282 880 | (193 181) | -68% | 253 106 |
| Debtors & creditors analysis | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total |
| Debtors Age Analysis | | | | | | | | | |
| Total By Income Source | 9 873 | 7 972 | 5 413 | 24 391 | 3 950 | 7 907 | 2 556 | 194 075 | 256 137 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 465 | 450 | – | – | – | – | – | – | 915 |

## 2.1.2 Table C2: Monthly Budget Statement – Financial Performance (standard classification)

EC441 Matatiele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 - Half Year

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Mid Year | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Revenue - Functional | | | | | | | | | | |
| *Governance and administration* | | 399 198 | 438 117 | – | 308 650 | 308 650 | 219 059 | 89 591 | 41% | 438 117 |
| Executive and council | | – | – | – | – | – | – | – | | – |
| Finance and administration | | 399 198 | 438 117 | – | 308 329 | 308 329 | 219 059 | 89 271 | 41% | 438 117 |
| Internal audit | | – | – | – | 321 | 321 | – | 321 | #DIV/0! | – |
| *Community and public safety* | | 11 042 | 14 604 | – | 7 856 | 7 856 | 7 302 | 555 | 8% | 14 604 |
| Community and social services | | 4 820 | 8 904 | – | 4 571 | 4 571 | 4 452 | 120 | 3% | 8 904 |
| Sport and recreation | | – | – | – | – | – | – | – | | – |
| Public safety | | 6 222 | 5 700 | – | 3 285 | 3 285 | 2 850 | 435 | 15% | 5 700 |
| Housing | | – | – | – | – | – | – | – | | – |
| Health | | – | – | – | – | – | – | – | | – |
| *Economic and environmental services* | | 63 401 | 104 188 | – | 40 339 | 40 339 | 52 094 | (11 755) | -23% | 104 188 |
| Planning and development | | 1 221 | 5 502 | – | 432 | 432 | 2 751 | (2 319) | -84% | 5 502 |
| Road transport | | 62 180 | 98 686 | – | 39 907 | 39 907 | 49 343 | (9 436) | -19% | 98 686 |
| Environmental protection | | – | – | – | – | – | – | – | | – |
| *Trading services* | | 132 137 | 124 307 | – | 71 474 | 71 474 | 62 153 | 9 321 | 15% | 124 307 |
| Energy sources | | 117 153 | 105 494 | – | 62 502 | 62 502 | 52 747 | 9 755 | 18% | 105 494 |
| Water management | | – | – | – | – | – | – | – | | – |
| Waste water management | | – | – | – | – | – | – | – | | – |
| Waste management | | 14 984 | 18 813 | – | 8 971 | 8 971 | 9 406 | (435) | -5% | 18 813 |
| Other | 4 | – | – | – | – | – | – | – | | – |
| **Total Revenue - Functional** | 2 | 605 778 | 681 216 | – | 428 319 | 428 319 | 340 608 | 87 712 | 26% | 681 216 |
| Expenditure - Functional | | | | | | | | | | |
| *Governance and administration* | | 219 068 | 256 861 | – | 129 221 | 129 221 | 128 430 | 791 | 1% | 256 861 |
| Executive and council | | 31 034 | 35 348 | – | 17 383 | 17 383 | 17 674 | (291) | -2% | 35 348 |
| Finance and administration | | 183 879 | 216 648 | – | 109 276 | 109 276 | 108 325 | 951 | 1% | 216 649 |
| Internal audit | | 4 154 | 4 864 | – | 2 562 | 2 562 | 2 432 | 130 | 5% | 4 864 |
| *Community and public safety* | | 55 714 | 55 502 | – | 21 697 | 21 697 | 27 751 | (6 054) | -22% | 55 502 |
| Community and social services | | 33 750 | 29 281 | – | 9 966 | 9 966 | 14 640 | (4 675) | -32% | 29 281 |
| Sport and recreation | | – | – | – | – | – | – | – | | – |
| Public safety | | 21 964 | 26 221 | – | 11 732 | 11 732 | 13 111 | (1 379) | -11% | 26 221 |
| Housing | | – | – | – | – | – | – | – | | – |
| Health | | – | – | – | – | – | – | – | | – |
| *Economic and environmental services* | | 63 750 | 115 059 | – | 55 094 | 55 094 | 57 530 | (2 436) | -4% | 115 059 |
| Planning and development | | 29 669 | 48 686 | – | 19 708 | 19 708 | 24 343 | (4 635) | -19% | 48 686 |
| Road transport | | 33 089 | 66 373 | – | 35 386 | 35 386 | 33 187 | 2 199 | 7% | 66 373 |
| Environmental protection | | – | – | – | – | – | – | – | | – |
| *Trading services* | | 135 247 | 157 044 | – | 92 018 | 92 018 | 78 522 | 13 496 | 17% | 157 044 |
| Energy sources | | 114 817 | 131 098 | – | 80 479 | 80 479 | 65 549 | 14 930 | 23% | 131 098 |
| Water management | | – | – | – | – | – | – | – | | – |
| Waste water management | | – | – | – | – | – | – | – | | – |
| Waste management | | 20 431 | 25 946 | – | 11 539 | 11 539 | 12 973 | (1 434) | -11% | 25 946 |
| Other | | – | – | – | – | – | – | – | | – |
| **Total Expenditure - Functional** | 3 | 473 788 | 584 466 | – | 298 030 | 298 030 | 292 233 | 5 797 | 2% | 584 466 |
| **Surplus/ (Deficit) for the year** | | 131 990 | 96 749 | – | 130 289 | 130 289 | 48 375 | 81 915 | 169% | 96 749 |

**Table C2** reflects the financial performance per standard classification, the majority of revenue is reflected under governance and administration. This is due to the equitable share grant budgeted under the finance department.

### 2.1.3 Table C3: Monthly Budget Statement – Financial Performance (revenue and expenditure by Municipal vote)

EC441 Matatiele - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 - Half Year

| Vote Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Mid Year | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| Revenue by Vote | 1 | | | | | | | | | |
| Vote 1 - Executive Council | | – | – | – | – | – | – | – | | – |
| Vote 2 - Finance and Admin | | 398 797 | 437 767 | – | 308 195 | 308 195 | 218 884 | 89 312 | 40.8% | 437 767 |
| Vote 3 - Corporate | | 401 | 350 | – | 134 | 134 | 175 | (41) | -23.4% | 350 |
| Vote 4 - Development and Planning | | 1 326 | 5 502 | – | 432 | 432 | 2 751 | (2 319) | -84.3% | 5 502 |
| Vote 5 - Community | | 26 025 | 33 416 | – | 16 828 | 16 828 | 16 708 | 120 | 0.7% | 33 416 |
| Vote 6 - Infrastructure | | 179 229 | 204 180 | – | 102 409 | 102 409 | 102 090 | 319 | 0.3% | 204 180 |
| Vote 7 - Internal Audit | | – | – | – | 321 | 321 | – | 321 | #DIV/0! | – |
| Vote 8 - | | – | – | – | – | – | – | – | | – |
| Vote 9 - | | – | – | – | – | – | – | – | | – |
| Vote 10 - | | – | – | – | – | – | – | – | | – |
| Vote 11 - | | – | – | – | – | – | – | – | | – |
| Vote 12 - | | – | – | – | – | – | – | – | | – |
| Vote 13 - | | – | – | – | – | – | – | – | | – |
| Vote 14 - | | – | – | – | – | – | – | – | | – |
| Vote 15 - | | – | – | – | – | – | – | – | | – |
| Total Revenue by Vote | 2 | 605 778 | 681 216 | – | 428 319 | 428 319 | 340 608 | 87 712 | 25.8% | 681 216 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 1 - Executive Council | | 31 034 | 35 348 | – | 17 383 | 17 383 | 17 674 | (291) | -1.6% | 35 348 |
| Vote 2 - Finance and Admin | | 105 568 | 125 287 | – | 63 902 | 63 902 | 62 644 | 1 258 | 2.0% | 125 287 |
| Vote 3 - Corporate | | 74 311 | 91 362 | – | 45 374 | 45 374 | 45 681 | (307) | -0.7% | 91 362 |
| Vote 4 - Development and Planning | | 29 869 | 48 686 | – | 19 749 | 19 749 | 24 343 | (4 594) | -18.9% | 48 686 |
| Vote 5 - Community | | 76 155 | 81 448 | – | 33 236 | 33 236 | 40 724 | (7 488) | -18.4% | 81 448 |
| Vote 6 - Infrastructure | | 148 697 | 197 471 | – | 115 824 | 115 824 | 98 736 | 17 089 | 17.3% | 197 471 |
| Vote 7 - Internal Audit | | 4 154 | 4 864 | – | 2 562 | 2 562 | 2 432 | 130 | 5.3% | 4 864 |
| Vote 8 - | | – | – | – | – | – | – | – | | – |
| Vote 9 - | | – | – | – | – | – | – | – | | – |
| Vote 10 - | | – | – | – | – | – | – | – | | – |
| Vote 11 - | | – | – | – | – | – | – | – | | – |
| Vote 12 - | | – | – | – | – | – | – | – | | – |
| Vote 13 - | | – | – | – | – | – | – | – | | – |
| Vote 14 - | | – | – | – | – | – | – | – | | – |
| Vote 15 - | | – | – | – | – | – | – | – | | – |
| Total Expenditure by Vote | 2 | 473 788 | 584 466 | – | 298 030 | 298 030 | 292 233 | 5 797 | 2.0% | 584 466 |
| Surplus/ (Deficit) for the year | 2 | 131 990 | 96 749 | – | 130 289 | 130 289 | 48 375 | 81 915 | 169.3% | 96 749 |

**Table C3** reflects operating revenue and expenditure performance per municipal vote. The majority of the revenue income is budgeted under finance and administration as this is where the equitable share grant income is recorded.
Operating expenditure per municipal vote reflects more budget under finance and administration.

## 2.1.4 Table C4: Monthly Budget Statement – Financial Performance (revenue and expenditure)

EC441 Matatiele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - Half Year

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Mid Year | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **Revenue** | | | | | | | | | | |
| **Exchange Revenue** | | | | | | | | | | |
| Service charges - Electricity | | 64 358 | 76 446 | – | 40 600 | 40 600 | 38 223 | 2 377 | 6% | 76 446 |
| Service charges - Water | | – | – | – | – | – | – | – | | – |
| Service charges - Waste Water Management | | – | – | – | – | – | – | – | | – |
| Service charges - Waste management | | 11 499 | 15 526 | – | 5 905 | 5 905 | 7 763 | (1 858) | -24% | 15 526 |
| Sale of Goods and Rendering of Services | | 1 794 | 5 946 | – | 644 | 644 | 2 973 | (2 329) | -78% | 5 946 |
| Agency services | | – | – | – | – | – | – | – | | – |
| Interest | | – | – | – | – | – | – | – | | – |
| Interest earned from Receivables | | 1 657 | 2 200 | – | 723 | 723 | 1 100 | (377) | -34% | 2 200 |
| Interest from Current and Non Current Assets | | 24 851 | 28 813 | – | 11 063 | 11 063 | 14 406 | (3 343) | -23% | 28 813 |
| Dividends | | – | – | – | – | – | – | – | | – |
| Rent on Land | | 327 | – | – | – | – | – | – | | – |
| Rental from Fixed Assets | | 819 | 2 028 | – | 1 036 | 1 036 | 1 014 | 23 | 2% | 2 028 |
| Licence and permits | | 3 969 | 4 522 | – | 2 053 | 2 053 | 2 261 | (209) | -9% | 4 522 |
| Operational Revenue | | 338 | 892 | – | 134 | 134 | 446 | (312) | -70% | 892 |
| **Non-Exchange Revenue** | | | | | | | | – | | |
| Property rates | | 50 849 | 61 937 | – | 47 435 | 47 435 | 30 968 | 16 467 | 53% | 61 937 |
| Surcharges and Taxes | | – | – | – | – | – | – | – | | – |
| Fines, penalties and forfeits | | 2 268 | 25 890 | – | 1 248 | 1 248 | 12 945 | (11 697) | -90% | 25 890 |
| Licence and permits | | 28 | 25 | – | 16 | 16 | 12 | 4 | 28% | 25 |
| Transfers and subsidies - Operational | | 354 013 | 360 244 | – | 269 692 | 269 692 | 180 122 | 89 570 | 50% | 360 244 |
| Interest | | 16 571 | – | – | 7 878 | 7 878 | – | 7 878 | #DIV/0! | – |
| Fuel Levy | | – | – | – | – | – | – | – | | – |
| Operational Revenue | | – | – | – | – | – | – | – | | – |
| Gains on disposal of Assets | | – | – | – | – | – | – | – | | – |
| Other Gains | | 182 | – | – | – | – | – | – | | – |
| Discontinued Operations | | – | – | – | – | – | – | – | | – |
| **Total Revenue (excluding capital transfers and contributions)** | | 533 546 | 584 469 | – | 388 427 | 388 427 | 292 234 | 96 193 | 33% | 584 469 |
| **Expenditure By Type** | | | | | | | | | | |
| Employee related costs | | 159 134 | 174 999 | – | 76 438 | 76 438 | 87 500 | (11 062) | -13% | 174 999 |
| Remuneration of councillors | | 23 070 | 25 401 | – | 12 329 | 12 329 | 13 201 | (872) | -7% | 25 401 |
| Bulk purchases - electricity | | 65 975 | 76 246 | – | 44 793 | 44 793 | 38 123 | 6 670 | 17% | 76 246 |
| Inventory consumed | | 5 525 | 6 897 | – | 3 338 | 3 338 | 3 448 | (110) | -3% | 6 897 |
| Debt impairment | | – | – | – | – | – | – | – | | – |
| Depreciation and amortisation | | 18 539 | 52 790 | – | 31 300 | 31 300 | 26 395 | 4 905 | 19% | 52 790 |
| Interest | | 219 | – | – | – | – | – | – | | – |
| Contracted services | | 136 012 | 160 782 | – | 91 297 | 91 297 | 80 391 | 10 906 | 14% | 160 782 |
| Transfers and subsidies | | – | – | – | – | – | – | – | | – |
| Irrecoverable debts written off | | – | 6 294 | – | – | – | 3 147 | (3 147) | -100% | 6 294 |
| Operational costs | | 64 428 | 80 058 | – | 38 456 | 38 456 | 40 029 | (1 573) | -4% | 80 058 |
| Losses on Disposal of Assets | | – | – | – | – | – | – | – | | – |
| Other Losses | | 887 | – | – | – | – | – | – | | – |
| **Total Expenditure** | | 473 788 | 584 466 | – | 298 030 | 298 030 | 292 233 | 5 797 | 2% | 584 466 |
| **Surplus/(Deficit)** | | 59 758 | 2 | – | 90 397 | 90 397 | 1 | 90 396 | 8232790% | 2 |
| Transfers and subsidies - capital (monetary allocations) | | 72 232 | 96 747 | – | 39 892 | 39 892 | 48 374 | (8 482) | -18% | 96 747 |
| Transfers and subsidies - capital (in-kind) | | – | – | – | – | – | – | – | | – |
| **Surplus/(Deficit) after capital transfers & contributions** | | 131 990 | 96 749 | – | 130 289 | 130 289 | 48 375 | | | 96 749 |
| Income Tax | | – | – | – | – | – | – | – | | – |
| **Surplus/(Deficit) after income tax** | | 131 990 | 96 749 | – | 130 289 | 130 289 | 48 375 | | | 96 749 |
| Share of Surplus/Deficit attributable to Joint Venture | | – | – | – | – | – | – | – | | – |
| Share of Surplus/Deficit attributable to Minorities | | – | – | – | – | – | – | – | | – |
| **Surplus/(Deficit) attributable to municipality** | | 131 990 | 96 749 | – | 130 289 | 130 289 | 48 375 | | | 96 749 |
| Share of Surplus/Deficit attributable to Associate | | – | – | – | – | – | – | – | | – |
| Intercompany/Parent subsidiary transactions | | – | – | – | – | – | – | – | | – |
| **Surplus/ (Deficit) for the year** | | 131 990 | 96 749 | – | 130 289 | 130 289 | 48 375 | | | 96 749 |

## Revenue by Source

### Property Rates

The municipality levies property rates on all rateable properties within the Matatiele area in terms of the Municipal Property Rates Act No.6 of 2004.

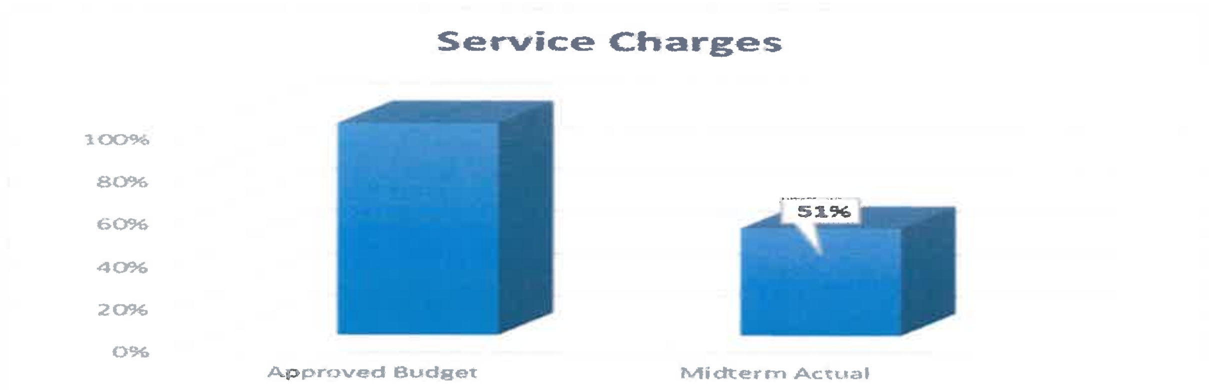
Property rates are billed for 10 months starting from July 2024 to April 2025 for both annual and monthly rates, hence there is variance. The majority of the revenue for this source to be recognised at mid-term. Revenue billed on property rates as at 31 December 2024 amounted to **R 47,435,463.**

Property rates appears to be in line with the budget projections, the revenue recognised from property rates amounted to **R 36,358,598** as at 31 December 2024 against approved budget of **R 61,936,752** this reflects **59%** at mid-year. Property rates billed vs collected to date represents **77%** for the six months under review, this is due to General valuation roll that has produced substantial increased property values.

The annual billings and outcomes of the new valuation roll have been considered in order to be more accurately on predicting the rate billing for the full 2024-2025 financial year.

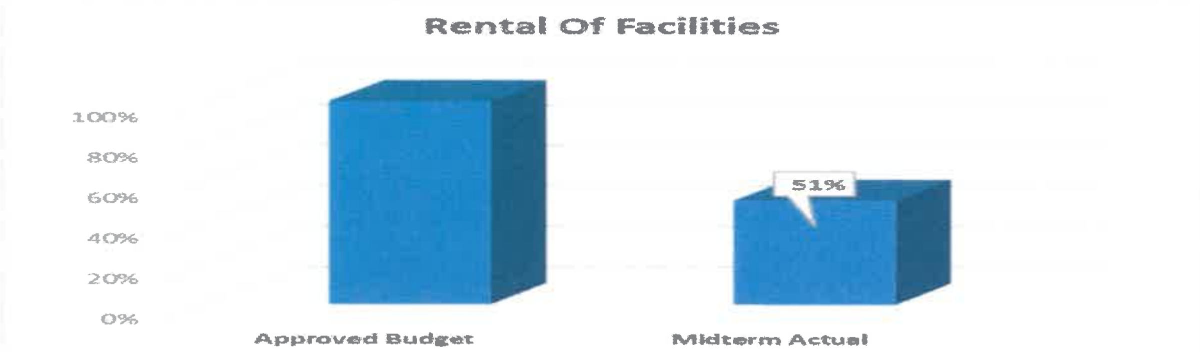
### Service Charges

The revenue trends for the service charge revenue are more than anticipated in the operating revenue budget. Revenue from service charges for the first six months ended 31 December 2024 amounted to **R 46,504,842** when measured against the approved budget of **R 91,971,672** and represents **51%** performance on the allocated budget for this revenue source. The variance is due to more sales on electricity . The budget will be reviewed during the adjustment budget processes to ensure that the budget is in line with the billing trend for the financial year.



## Rental of facilities and equipment

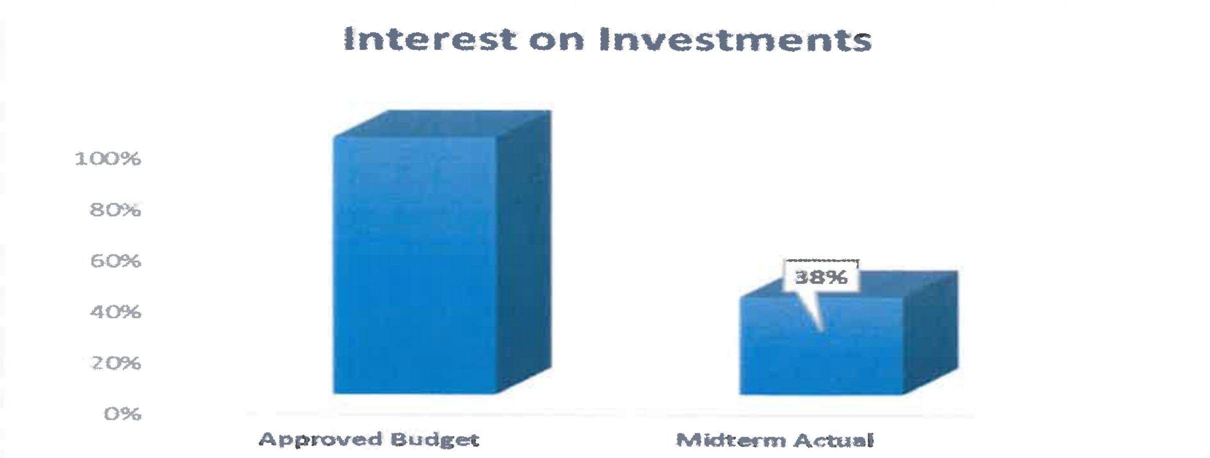
Revenue from rental of facilities and equipment is within the projections made on this source at mid-year. Income received from rental of facilities for the first six months ended 31 December 2024 amounted to **R 1,036,373** against approved budget of **R 2,027,532.** This reflects **51%** performance due to more revenue received for site rentals .




## Interest earned –External Investments

The interest earned represents the revenue received in respect of investments that have matured and have been earned during midterm period under review. Interest earnings are influenced by the extent of the municipality's investment portfolio.

The budget for interest on investments amounted to **R 28,812,996,** an amount of **R 11,063,283** has been received as at 31 December 2024. It reflects a performance of **38%** and this is less than the expected performance at mid-term as it is less than **50%.** The negative variance is a result of less investments made during this period as a result of increase expenditure trends where cash in needed and not invested as anticipated.

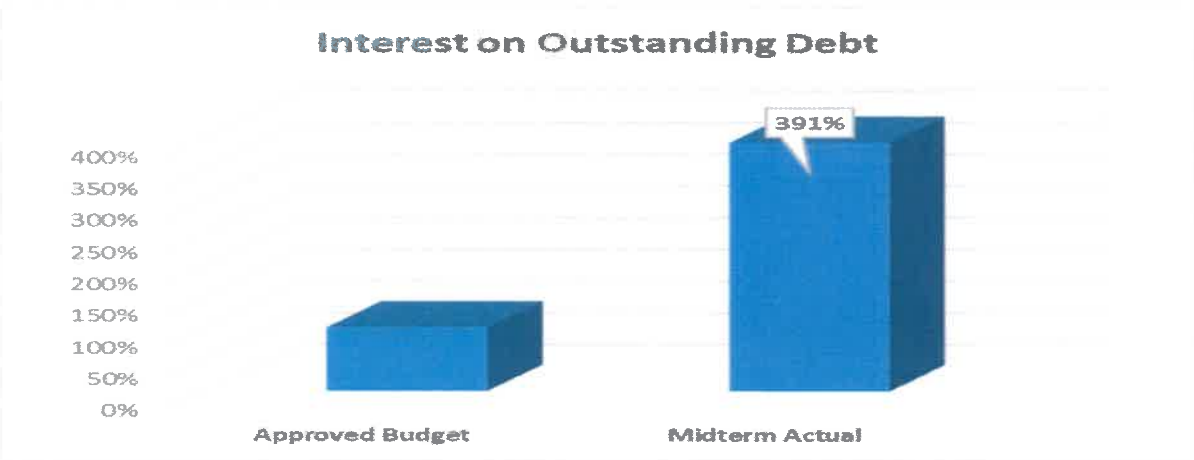


## Interest Earned-Outstanding debtors

### Interest earned – Debtors

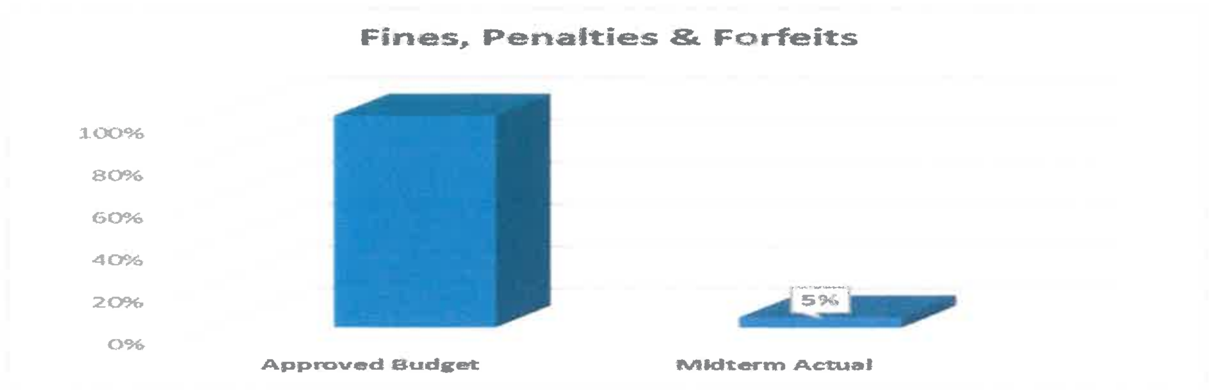
The municipality charges interest on arrear services charges and property rates. Interest on outstanding debtors for the first half of the financial year ended 31 December 2024 amounted to **R 8,600,891** against approved budget of **R 2,199,996.** This represents **391%** performance at mid-term. it must be stressed that the is revenue for property rates penalties which amount to **R 7,877,501** that is raised under this segment which must be reversed and be raised under fines, once this corrected the amount raised at mid-term to **R 723,389**

Therefore, once corrected this will represent **33%** which is less than the expected performance when measured at mid-term with many debtors taking advantage of the indigent relief scheme which must be reviewed. The Budget allocations will be reviewed based on the interest charged to date.



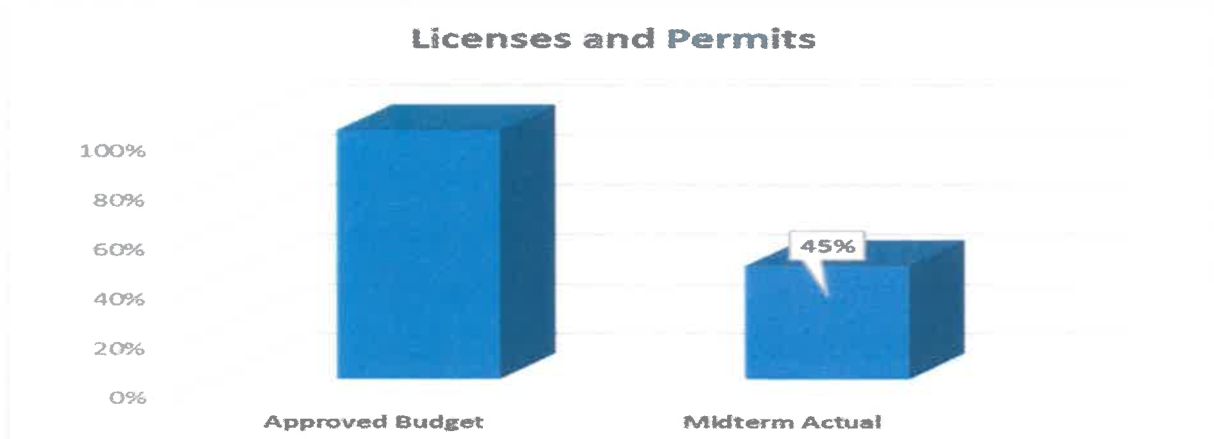

### Fines, penalties and forfeits

Traffic Fines which amount to **R 1,247,508** million was collected for the period ending 31 December 2024 against budget of **R 25,890,000** which represents **5%** performance at mid-term. This is the less than the expected performance at mid-year on this category and necessary adjustment should be made under this category. It must be stressed that an amount of **R 7,877,501** was erroneously raised under interest on outstanding debtors and once corrected this will amount to **R 9,125,009** for the mid-term under review and will represent **35%** this is less than expected performance. The variance is due to non-payment of interest by government departments on the arrear debt and traffic fines.




## Licenses and Permits

The total Licences and Permits revenue recognised as at 31 December 2024 is **R 2,068,519** against budget of **R 4,547,100** which represents **45%** performance, this is less expected performance due to the decrease in roadworthy examinations. The budget will be reviewed during adjustment budget process to ensure that the budget is in line with the receipt of revenue for the financial year.




## Transfers recognised- Operational

The municipality has recognised revenue amounting to **R 269,692,110** as at 31 December 2024, the total grants transfers amounted to **R 360,244,200** based on DORA allocation for 2024-2025 financial year, this represent **75%** at midyear which is above the expected performance quarter due to the operating grants received this include Equitable Share, MIG, INEP and FMG recognised at mid-year.

## Transfers Capital

Total approved budget on transfers and subsidies is **R 96,747,180**, The municipality has recognised revenue amounting to **R 39,891,995** as at 31 December 2024, this represents **41%**

against the approved budget at mid-year which is below the expected performance. The variance is due to capital commitment that are not yet implemented as planned.

It is anticipated that by the end of the financial year the actual recognition shall be in line with the budget. It should be noted that all tranche that was scheduled to be received at mid-term have been received except disaster response grant as **R 7,363,000** was withheld by National Treasury, that the municipality should at least spend **60%** of the funds that have been transferred to the municipality in order for them to transfer the amount to the municipal bank account.

**Other revenue**

Other revenue reflects an amount of **R 778,408** for the midterm ended 31 December 2024 against approved budget of **R 6,838,260**. This represents **11%** of the budget allocated for this category. This is below the expected performance hence the variance and this is due to less revenue collected, insurance refund, merchandising and jobbing and admin handling fees for the construction contract revenue are accounted at year end. Various line items of revenue are related to timing of certain events and will only be accounted for as the year progress, should this trend continue downwardly adjusted during the February adjustment budget process.

**Expenditure by Type**

**Employee related cost & Remuneration of councillors**

As part of the mid-year assessment it can be noted the that, as at 31 December 2024 the following budgeted expenditure lines items are showing under performance.

**Employee related expenditure**

For the six months ended 31 December 2024 employee costs amounted to **R 76,437,673** against budget amount of **R 174,999,456,** this represents **44%** of the budgeted amount. The variance is attributable to vacant posts anticipated to be filled in the next quarter.

The process of filling posts is continuous hence there is a variance, the timing of service-related benefits such as bonus and leave pay are also reason for underspending.

To note that the recruitment processes are underway for various vacant positions.

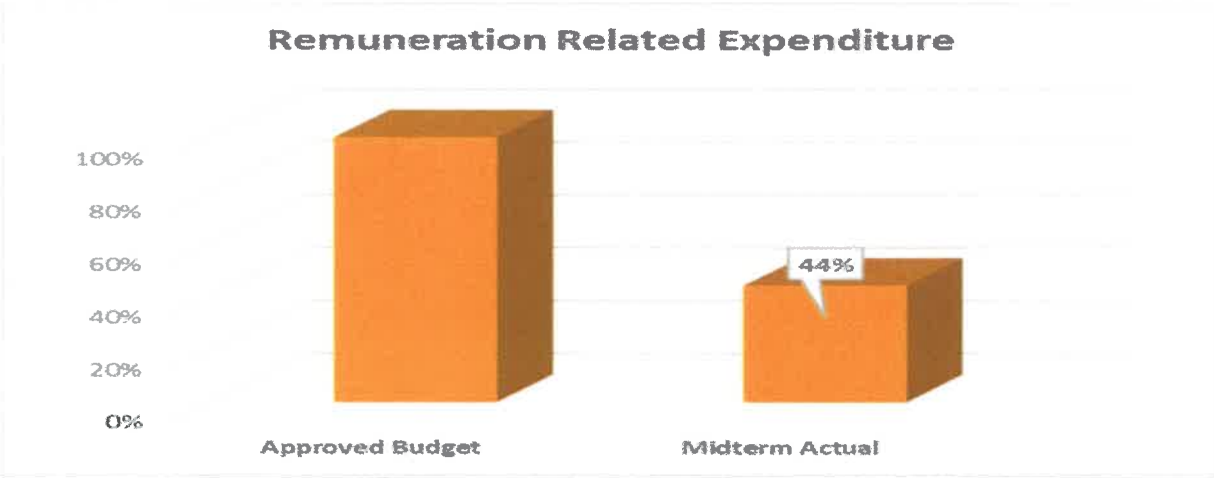
## Overtime Expenditure

| Row Labels | Approved Budget | July | August | September | October | November | December | Total Actual |
|---|---|---|---|---|---|---|---|---|
| Community Halls and Facilities:Public Amenities (3005) | 69 996 | 58 969 | 30 503 | 33 889 | 42 365 | 31 973 | 81 428 | 279 128 |
| CORE FUNCTION: SOLID WASTE REMOVAL | 405 492 | 52 511 | 40 310 | 39 355 | 43 595 | 31 037 | 42 445 | 249 254 |
| Energy Sources: Electricity (4040) | 679 128 | 43 862 | 48 761 | 68 458 | 62 256 | 46 627 | 48 161 | 318 125 |
| Finance and Administration: Information Technology (25 | - | - | - | - | - | - | 9 864 | 9 864 |
| Finance and Administration: Administrative and Corpora | 60 000 | 9 749 | 9 474 | 6 695 | 11 130 | 15 143 | 9 133 | 61 326 |
| Finance and Administration: Council Support (2541) | 50 004 | - | - | - | - | - | - | - |
| Finance and Administration: SCM & Expenditure (2025) | 50 004 | 8 365 | 8 954 | 8 878 | 9 363 | 9 065 | 8 896 | 53 521 |
| Public Safety: Civil Defence (3074) | 815 280 | 232 512 | 202 151 | 259 125 | 276 244 | 171 209 | 213 517 | 1 354 757 |
| Road Transport: Project Operations & Mainnt (4010) | - | 17 040 | 1 979 | - | - | - | - | 19 020 |
| Roads: ROAD TRANSPORT HUMAN SETTLEMENTS (4035) | - | 18 300 | 22 503 | - | - | - | - | 40 802 |
| Grand Total | 2 129 904 | 441 308 | 364 635 | 416 400 | 444 953 | 305 054 | 413 445 | 2 385 796 |
| | | | | | | | | 112% |

The overtime cost has increased and will need to be closely monitored to ensure that cost containment measures are affected to ensure that this is reduced.

## Remuneration of Councillors

Remuneration of Councillors amounted to **R 12,329,021** for the period ended 31 December 2024 against budget of **R 26,401,344,** this represents **47%** which is attributed to the budget provision of annual increment to councillors and Political office bearers.




## Debt impairment

Currently the municipality accounts for Debt impairment at the end of the financial year, no expenditure is reflected for the period of six months.

It must be noted that debt impairment testing, and calculation is done at the financial year end and only at the time are journal entries processed onto the financial system and this journal only accrue in the 13th period on the financial system, therefore no expenditure will reflect for under for this category and Bad debts are written off upon Council's approval.

The council to note that the above non-cash provisions are required in terms of GRAP which are normally calculated at year end.

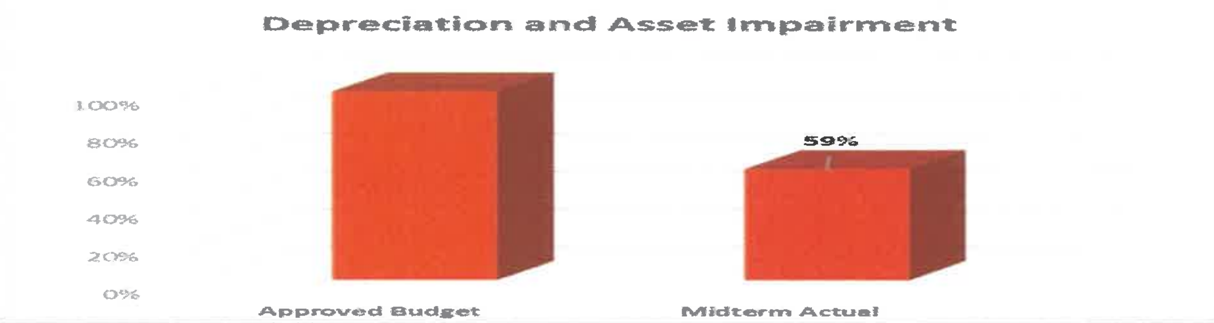
## Irrecoverable debts written-off

Note that no council approved write-offs as at date of reporting as the journal is processed at year end. Bad debt written off under Rates and Electricity will be determined on quarter 4 and Write-offs will be processed after the capital amount outstanding by debtor has been settled in terms of the incentive.

## Depreciation and asset impairment

The approved budget amounts to **R 52,789,752** and the expenditure incurred on depreciation amounted to **R 31,379,819** as at 31 December 2024, which reflects performance of **59%** which is above the performance for the mid-term period.

It also relates to asset impairment which is undertaken towards the year end of the financial year and has been provided for assets depreciation and impairment and the journal for this category will be processed in the period 13th once the impairment testing has been finalised.




## Finance charges

The expenditure relating to interest charges has been incurred for the period under review.

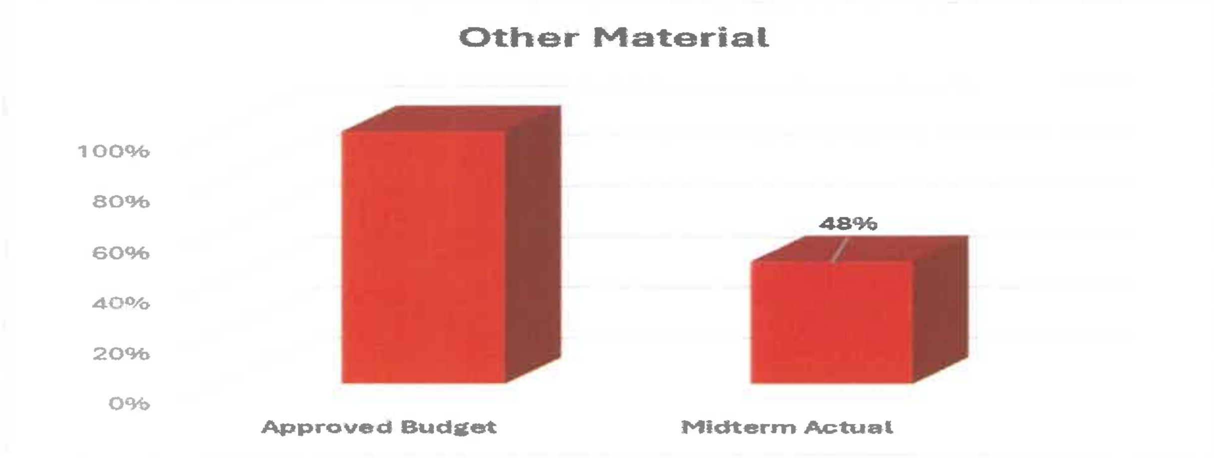
## Bulk purchases

Expenditure on electricity bulk purchases amounted to **R 44,792,965** for the midterm period ended December 2024 against approved budget of **R 76,245,564**, this represents **59%** and is within the expected performance for the midterm. This can be attributed to the seasonal demand of electricity as well as the 18% bulk increase that has been implemented by Eskom, and this could also be indicative of energy losses that the municipality is incurring year to year. The municipality continues to monitor bulk expenditure to ensure energy losses are not excessive as this may result in increase of expenditure.

To note that the December Eskom Bulk purchases invoice will be paid in January 2025 which an upwards adjustment need to be catered on February adjustment budget.

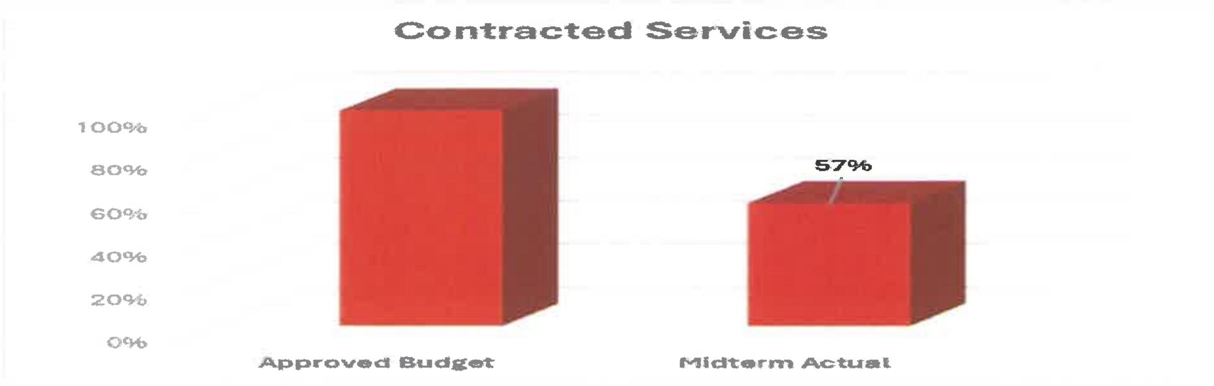
**Other Material**

Expenditure on other material amounted to **R 3,338,487** for the period ended 31 December 2024 against approved budget of **R 6,897,036**. This represents **48%** of budget allocation, the variance results from lower expenditure on Materials and Supplies due less demand on finished goods as anticipated. The variance in this expenditure category is expected to reduce as the year progress.




**Contracted services**

Expenditure on contracted services amounted to **R 91,296,615** for the period ended 31 December 2024 against approved budget of **R 160,781,520,** this represents **57%** of the budget for this category and is less than the expected performance for the period necessary adjustment will be made if necessary. It reflects more spending at midyear due to timing of projects. There are also certain annual projects for which the expenditure will only be considered closer to year end. More spending electrical maintenance, consultants' services and catering.




## Other Expenditure

Operational expenditure for the six months' period ended 31 December 2024 amounted to **R 38,455,593** against approved budget of **R 80,057,640** and represents **48%** of the operating budget.

The other expenditure reflects an under spending of **R 1,573,227** million as at December 2024 based on the 6 months' projection. This also results on unexpected circumstances, contributions to provision that are normally recognised towards the end of the financial year and those line items that are technically undertaken upon the finalization of annual financial statements remain the main contributors in this variance, another factor to this variance is the Workmen's Compensation Fund and Uniform and Protective Clothing, the expenditure generally is below as anticipated and will improve in the next quarter as it progresses.

## 2.1.5 Table C5: Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding)

EC441 Matatiele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 - Half Year

| Vote Description | Ref | 2023/24 Audited Outcome | Budget Year 2024/25 Original Budget | Adjusted Budget | Mid Year | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | | | | | | | | | |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - Executive Council | | – | – | – | – | – | – | – | | – |
| Vote 2 - Finance and Admin | | – | – | – | – | – | – | – | | – |
| Vote 3 - Corporate | | – | – | – | – | – | – | – | | – |
| Vote 4 - Development and Planning | | – | – | – | – | – | – | – | | – |
| Vote 5 - Community | | – | – | – | – | – | – | – | | – |
| Vote 6 - Infrastructure | | – | – | – | – | – | – | – | | – |
| Vote 7 - Internal Audit | | – | – | – | – | – | – | – | | – |
| Vote 8 - | | – | – | – | – | – | – | – | | – |
| Vote 9 - | | – | – | – | – | – | – | – | | – |
| Vote 10 - | | – | – | – | – | – | – | – | | – |
| Vote 11 - | | – | – | – | – | – | – | – | | – |
| Vote 12 - | | – | – | – | – | – | – | – | | – |
| Vote 13 - | | – | – | – | – | – | – | – | | – |
| Vote 14 - | | – | – | – | – | – | – | – | | – |
| Vote 15 - | | – | – | – | – | – | – | – | | – |
| Total Capital Multi-year expenditure | 4,7 | – | – | – | – | – | – | – | | – |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - Executive Council | | 64 | 90 | – | 25 | 25 | 45 | (20) | -44% | 90 |
| Vote 2 - Finance and Admin | | 2 323 | 3 225 | – | 1 229 | 1 229 | 1 613 | (383) | -24% | 3 225 |
| Vote 3 - Corporate | | 2 374 | 3 920 | – | 403 | 403 | 1 960 | (1 557) | -79% | 3 920 |
| Vote 4 - Development and Planning | | 116 | 8 705 | – | 1 720 | 1 720 | 4 352 | (2 633) | -60% | 8 705 |
| Vote 5 - Community | | 5 870 | 16 360 | – | 2 092 | 2 092 | 8 180 | (6 088) | -74% | 16 360 |
| Vote 6 - Infrastructure | | 116 791 | 150 683 | – | 51 183 | 51 183 | 75 342 | (24 159) | -32% | 150 683 |
| Vote 7 - Internal Audit | | 46 | – | – | – | – | – | – | | – |
| Vote 8 - | | – | – | – | – | – | – | – | | – |
| Vote 9 - | | – | – | – | – | – | – | – | | – |
| Vote 10 - | | – | – | – | – | – | – | – | | – |
| Vote 11 - | | – | – | – | – | – | – | – | | – |
| Vote 12 - | | – | – | – | – | – | – | – | | – |
| Vote 13 - | | – | – | – | – | – | – | – | | – |
| Vote 14 - | | – | – | – | – | – | – | – | | – |
| Vote 15 - | | – | – | – | – | – | – | – | | – |
| Total Capital single-year expenditure | 4 | 126 785 | 182 983 | – | 56 652 | 56 652 | 91 492 | (34 840) | -38% | 182 983 |
| Total Capital Expenditure | | 126 785 | 182 983 | – | 56 652 | 56 652 | 91 492 | (34 840) | -38% | 182 983 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 4 807 | 7 235 | – | 1 657 | 1 657 | 3 617 | (1 960) | -54% | 7 235 |
| Executive and council | | 64 | 90 | – | 25 | 25 | 45 | (20) | -44% | 90 |
| Finance and administration | | 4 698 | 7 145 | – | 1 632 | 1 632 | 3 572 | (1 941) | -54% | 7 145 |
| Internal audit | | 46 | – | – | – | – | – | – | | – |
| Community and public safety | | 3 790 | 10 410 | – | 439 | 439 | 5 205 | (4 766) | -92% | 10 410 |
| Community and social services | | 686 | 2 510 | – | 154 | 154 | 1 255 | (1 101) | -88% | 2 510 |
| Sport and recreation | | – | – | – | – | – | – | – | | – |
| Public safety | | 3 104 | 7 900 | – | 285 | 285 | 3 950 | (3 665) | -93% | 7 900 |
| Housing | | – | – | – | – | – | – | – | | – |
| Health | | – | – | – | – | – | – | – | | – |
| Economic and environmental services | | 99 086 | 149 736 | – | 45 973 | 45 973 | 74 869 | (28 896) | -39% | 149 736 |
| Planning and development | | 116 | 8 705 | – | 1 720 | 1 720 | 4 352 | (2 633) | -60% | 8 705 |
| Road transport | | 98 950 | 141 033 | – | 44 253 | 44 253 | 70 517 | (26 263) | -37% | 141 033 |
| Environmental protection | | – | – | – | – | – | – | – | | – |
| Trading services | | 19 211 | 15 600 | – | 8 583 | 8 583 | 7 800 | 783 | 10% | 15 600 |
| Energy sources | | 17 942 | 9 650 | – | 6 930 | 6 930 | 4 825 | 2 105 | 44% | 9 650 |
| Water management | | – | – | – | – | – | – | – | | – |
| Waste water management | | – | – | – | – | – | – | – | | – |
| Waste management | | 1 300 | 5 950 | – | 1 653 | 1 653 | 2 975 | (1 322) | -44% | 5 950 |
| Other | | – | – | – | – | – | – | – | | – |
| Total Capital Expenditure - Functional Classification | 3 | 126 785 | 182 983 | – | 56 652 | 56 652 | 91 492 | (34 840) | -38% | 182 983 |
| Funded by: | | | | | | | | | | |
| National Government | | 59 929 | 95 797 | – | 33 403 | 33 403 | 47 899 | (14 496) | -30% | 95 797 |
| Provincial Government | | – | 950 | – | – | – | 475 | (475) | -100% | 950 |
| District Municipality | | – | – | – | – | – | – | – | | – |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, | | – | – | – | – | – | – | – | | – |
| Transfers recognised - capital | | 59 929 | 96 747 | – | 33 403 | 33 403 | 48 374 | (14 971) | -31% | 96 747 |
| Borrowing | 6 | – | – | – | – | – | – | – | | – |
| Internally generated funds | | 66 856 | 86 236 | – | 23 249 | 23 249 | 43 118 | (19 869) | -46% | 86 236 |
| Total Capital Funding | | 126 785 | 182 983 | – | 56 652 | 56 652 | 91 492 | (34 840) | -38% | 182 983 |

The municipality's approved capital expenditure budget amounts **R 182,983,004** million, capital expenditure incurred as at 31 December 2024 amounted to **R 56,651,661** this represents **31%** of the budget. The variance of **19%**, is due to delayed procurement of roads infrastructure funded by the municipal disaster response grant and municipal funded projects.

The municipality is busy with procurement processes to secure contractors. There were delays in approving tenders by bid committees due to the influx of disaster projects as well as Capital Replacement Reserves projects.

## 2.1.6 Table C6: Monthly Budget Statement – Financial Position

EC441 Matatiele - Table C6 Monthly Budget Statement - Financial Position - M06 - Half Year

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | |
|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| **ASSETS** | | | | | | |
| **Current assets** | | | | | | |
| Cash and cash equivalents | | 258 145 | 290 162 | – | 325 462 | 290 162 |
| Trade and other receivables from exchange transactions | | (23 839) | 126 604 | – | (36 927) | 126 604 |
| Receivables from non-exchange transactions | | 154 306 | 37 651 | – | 164 688 | 37 651 |
| Current portion of non-current receivables | | – | – | – | – | – |
| Inventory | | 3 992 | 3 041 | – | 3 557 | 3 041 |
| VAT | | 10 285 | 18 836 | – | 17 244 | 18 836 |
| Other current assets | | 6 546 | 5 048 | – | 5 048 | 5 048 |
| **Total current assets** | | 469 433 | 481 343 | – | 479 072 | 481 343 |
| **Non current assets** | | | | | | |
| Investments | | – | – | – | – | – |
| Investment property | | 4 960 | 4 960 | – | 4 960 | 4 960 |
| Property, plant and equipment | | 1 090 015 | 981 457 | – | 1 067 500 | 981 457 |
| Biological assets | | – | – | – | – | – |
| Living and non-living resources | | – | – | – | – | – |
| Heritage assets | | 1 543 | 1 543 | – | 1 543 | 1 543 |
| Intangible assets | | 1 153 | 652 | – | 491 | 652 |
| Trade and other receivables from exchange transactions | | – | – | – | – | – |
| Non-current receivables from non-exchange transactions | | – | – | – | – | – |
| Other non-current assets | | – | – | – | – | – |
| **Total non current assets** | | 1 097 671 | 988 611 | – | 1 074 504 | 988 611 |
| TOTAL ASSETS | | 1 507 104 | 1 469 954 | – | 1 553 658 | 1 469 954 |
| **LIABILITIES** | | | | | | |
| **Current liabilities** | | | | | | |
| Bank overdraft | | – | – | – | – | – |
| Financial liabilities | | – | – | – | – | – |
| Consumer deposits | | 1 780 | 472 | – | 1 797 | 472 |
| Trade and other payables from exchange transactions | | 30 952 | 126 890 | – | 29 352 | 126 890 |
| Trade and other payables from non-exchange transactions | | 27 259 | 20 746 | – | 29 570 | 20 746 |
| Provision | | 20 371 | 29 993 | – | 26 769 | 29 993 |
| VAT | | 48 394 | 20 285 | – | 58 223 | 20 285 |
| Other current liabilities | | 2 961 | – | – | – | – |
| **Total current liabilities** | | 140 718 | 198 386 | – | 145 712 | 198 386 |
| **Non current liabilities** | | | | | | |
| Financial liabilities | | – | – | – | – | – |
| Provision | | 21 827 | 39 250 | – | 23 768 | 39 250 |
| Long term portion of trade payables | | – | – | – | – | – |
| Other non-current liabilities | | 14 497 | – | – | 16 556 | – |
| **Total non current liabilities** | | 36 325 | 39 250 | – | 40 325 | 39 250 |
| TOTAL LIABILITIES | | 177 041 | 237 637 | – | 186 036 | 237 637 |
| NET ASSETS | 2 | 1 330 063 | 1 232 317 | – | 1 367 620 | 1 232 317 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 964 303 | 1 146 081 | – | 971 353 | 1 146 081 |
| Reserves and funds | | 365 760 | 86 236 | – | 396 267 | 86 236 |
| Other | | – | – | – | – | – |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 1 330 063 | 1 232 317 | – | 1 367 620 | 1 232 317 |

**Table C6** reflects on the financial position of the municipality.

## 2.1.7 Table C7: Monthly Budget Statement – Cash flow

EC441 Matatiele - Table C7 Monthly Budget Statement - Cash Flow - M06 - Half Year

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | 1 | Audited Outcome | Original Budget | Adjusted Budget | Mid Year | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Property rates | | 52 679 | 52 646 | 52 646 | 43 548 | 43 548 | 26 323 | 17 225 | 65% | 52 646 |
| Service charges | | 85 250 | 80 376 | 80 376 | 47 215 | 47 215 | 40 188 | 7 027 | 17% | 80 376 |
| Other revenue | | 22 975 | 84 503 | 84 503 | 10 012 | 10 012 | 42 251 | (32 239) | -76% | 84 503 |
| Transfers and Subsidies - Operational | | 345 678 | 360 244 | 360 244 | 256 094 | 256 094 | 180 122 | 75 972 | 42% | 360 244 |
| Transfers and Subsidies - Capital | | 114 964 | 96 747 | 96 747 | 106 543 | 106 543 | 48 374 | 58 170 | 120% | 96 747 |
| Interest | | 24 009 | 28 813 | 28 813 | 12 561 | 12 561 | 14 406 | (1 845) | -13% | 28 813 |
| Dividends | | – | – | – | – | – | – | – | | – |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (289 721) | (525 383) | (525 383) | (185 069) | (185 069) | (262 691) | 77 623 | -30% | (525 383) |
| Interest | | – | – | – | – | – | – | – | | – |
| Transfers and Subsidies | | – | – | – | – | – | – | – | | – |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 385 835 | 177 947 | 177 947 | 290 905 | 290 905 | 88 973 | (201 932) | -227% | 177 947 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Proceeds on disposal of PPE | | – | – | – | – | – | – | – | | – |
| Decrease (increase) in non-current receivables | | – | – | – | – | – | – | – | | – |
| Decrease (increase) in non-current investments | | – | – | – | – | – | – | – | | – |
| Payments | | | | | | | | | | |
| Capital assets | | 167 906 | (182 983) | (182 983) | (63 209) | (63 209) | (91 492) | 28 283 | -31% | (182 983) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | 167 906 | (182 983) | (182 983) | (63 209) | (63 209) | (91 492) | (28 283) | 31% | (182 983) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | – | – | – | – | – | – | – | | – |
| Borrowing long term/refinancing | | – | – | – | – | – | – | – | | – |
| Increase (decrease) in consumer deposits | | – | – | – | – | – | – | – | | – |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | – | – | – | – | – | – | – | | – |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | – | – | – | – | – | – | – | | – |
| NET INCREASE/ (DECREASE) IN CASH HELD | | 553 741 | (5 036) | (5 036) | 227 696 | 227 696 | (2 518) | | | (5 036) |
| Cash/cash equivalents at beginning: | | 254 787 | 295 199 | 295 199 | | 258 145 | 295 199 | | | 258 145 |
| Cash/cash equivalents at month/year end: | | 808 528 | 290 162 | 290 162 | | 485 841 | 292 680 | | | 253 108 |

Short term deposits amounted to **R 317,651,435** as at 31 December 2024.

The Total Cash held reflects bank balances at 31 December 2024 is **R 7,494,326** consist of the following bank balances as at 2024.

| | |
|---|---|
| Standard Bank | R 4,143,020 |
| FNB | R 3,594,956 |
| Nedbank | R 1,602,517 |

Therefore, the total cash and cash equivalents amounts to **R 325,145,761**.

# PART 3- SUPPORTING DOCUMENTATION

## 3.1 Debtor's analysis

### Supporting Table SC3

EC441 Matatiele - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 - Half Year

| Description | NT Code | Budget Year 2024/25 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total | Total over 90 days | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts i.t.o Council Policy |
| Debtors Age Analysis By Income Source | | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | – | – | – | – | – | – | – | – | – | – | – | – |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | 4 760 | 2 546 | 2 408 | 1 337 | 1 229 | 584 | 808 | 3 741 | 17 413 | 7 699 | – | – |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 2 379 | 1 247 | 1 029 | 21 025 | 727 | 4 463 | 15 | 68 385 | 99 300 | 94 645 | – | – |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | – | – | – | – | – | – | – | – | – | – | – | – |
| Receivables from Exchange Transactions - Waste Management | 1600 | 913 | 574 | 479 | 439 | 438 | 386 | 379 | 27 896 | 31 513 | 29 547 | – | – |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | – | – | – | – | – | – | – | 7 | 7 | 7 | – | – |
| Interest on Arrear Debtor Accounts | 1810 | 1 602 | 1 596 | 1 200 | 1 374 | 1 280 | 1 313 | 1 344 | 58 054 | 67 818 | 63 366 | – | – |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | – | – | – | – | – | – | – | – | – | – | – | – |
| Other | 1900 | 206 | 2 008 | 109 | 216 | 277 | 1 021 | 288 | 35 982 | 40 086 | 37 714 | – | – |
| Total By Income Source | 2000 | 9 873 | 7 972 | 5 413 | 24 381 | 3 950 | 7 907 | 2 556 | 194 075 | 256 137 | 232 879 | – | – |
| 2023/24 - totals only | | 6 945 | 5 084 | 2 578 | 4 280 | 28 459 | 29 513 | 2 791 | 157 086 | 239 823 | 222 199 | – | – |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | |
| Organs of State | 2200 | 2 817 | 2 802 | 3 220 | 22 471 | 2 171 | 6 487 | 1 615 | 71 621 | 112 205 | 103 266 | – | – |
| Commercial | 2300 | 7 036 | 5 081 | 2 187 | 1 914 | 1 776 | 2 418 | 1 016 | 122 245 | 143 652 | 129 388 | – | – |
| Households | 2400 | 20 | 8 | 7 | 6 | 3 | 3 | 28 | 200 | 280 | 245 | – | – |
| Other | 2500 | – | – | – | – | – | – | – | – | – | – | – | – |
| Total By Customer Group | 2600 | 9 873 | 7 972 | 5 413 | 24 381 | 3 950 | 7 907 | 2 556 | 194 075 | 256 137 | 232 879 | – | – |

The total debt book for 31 December 2024 of **R 256,137,213**, inclusive of **R 4,055,096**. advance payments.

The total debt book for December amounts to **R 252,082,117** (including of **R 9,725, 532** which is not yet due) has decreased by **R 8,760, 500** from the previous month closing balance of **R 251, 117, 085.** Debt is made up of the following:

**Residential debt**
R 101,341,593

**Commercial debt**
R 40,052,939

**Government debt**
R 106, 105, 874.45

**Other**
R 4,581,710

**R 75,127,902 was collection made for the mid-term under review.**

The municipality implements the credit control and debt collection policy.

There are two areas in which the municipality is not able to collect and the debt totals to;

**R 79,929,054**

**Maluti**

R 69, 509, 557 (including current)

**Cedarville**

R 16,296,542 (including current)

(both areas are handed over for collection)

The municipality have currently appointed a panel of collecting agency to assist in implementing the credit and debt collection policy for outstanding debt 90 days and over.

The credit control measures for collection are implemented especially for old debt.

The following are measures to be put in place to reduce the outstanding debts

- Continuous partial blocking of accounts that utilize the prepaid electricity meters.

Other reasons for the increase in debt:

- The new valuation roll was implemented, General valuation roll that has produced substantial increased property values resulting in unaffordable property rates;
- The loss of income faced by customers affected their ability to pay.
- Escalating interest charges on outstanding government debt that is not serviceable.

## 3.2 Creditors analysis

### Supporting Table SC4

EC441 Matatiele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 - Half Year

| Description<br>R thousands | NT Code | Budget Year 2024/25 | | | | | | | | | Prior year totals for chart (same period) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | Total | |
| Creditors Age Analysis By Customer Type | | | | | | | | | | | |
| Bulk Electricity | 0100 | – | – | – | – | – | – | – | – | – | – |
| Bulk Water | 0200 | – | – | – | – | – | – | – | – | – | – |
| PAYE deductions | 0300 | – | – | – | – | – | – | – | – | – | – |
| VAT (output less input) | 0400 | – | – | – | – | – | – | – | – | – | – |
| Pensions / Retirement deductions | 0500 | – | – | – | – | – | – | – | – | – | – |
| Loan repayments | 0600 | – | – | – | – | – | – | – | – | – | – |
| Trade Creditors | 0700 | 465 | 450 | – | – | – | – | – | – | 915 | 3 |
| Auditor General | 0800 | – | – | – | – | – | – | – | – | – | – |
| Other | 0900 | – | – | – | – | – | – | – | – | – | – |
| Total By Customer Type | 1000 | 465 | 450 | – | – | – | – | – | – | 915 | 3 |

The above tables represent the age creditors as at the mid-term.

The age creditors reflects a total of R 915,311.25 outstanding payments as at 31 December 2024 as per the financial system. The municipality makes an extra effort to ensure that creditors are paid 30 days as per the MFMA.

## 3.3 Investment Management

EC441 Matatiele - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 - Half Year

| Investments by maturity<br>Name of institution & investment ID | Ref | Period of Investment | Type of Investment | Capital Guarantee (Yes/ No) | Variable or Fixed interest rate | Interest Rate ³ | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Yrs/Months | | | | | | | | | | | | |
| Municipality | | | | | | | | | | | | | | |
| STD Bank | | | Call Account | | | | | | | 220 025 | 73 | – | 51 200 | 271 297 |
| FNB | | | Money Market | | | | | | | 10 074 | 17 | – | – | 10 091 |
| Nedbank 32 | | 32 days | Surplus Cash | | | | | | | 8 015 | 54 | – | – | 8 069 |
| Nedbank | | | Daily call account | | | | | | | 9 048 | 136 | (106 813) | 116 807 | 19 190 |
| DISASTER RELIEF FUND | | | Call Account | | | | | | | 941 | 6 | – | – | 947 |
| COV-19V SOLIDALITY FUND | | | Daily call account | | | | | | | 114 | 1 | – | – | 115 |
| TERMINATION GUARANTEE | | | Daily call account | | | | | | | 145 | – | – | – | 145 |
| ACCOUNT GUARENTEE | | | Daily call account | | | | | | | 6 202 | – | – | – | 6 202 |
| FINANCE MANAGEMENT | | | Daily call account | | | | | | | 1 | 0 | – | – | 1 |
| DISASTER MANAGEMENT | | | Daily call account | | | | | | | 5 521 | 86 | (4 000) | – | 1 567 |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| Municipality sub-total | | | | | | | | | | 260 085 | 372 | (110 813) | 168 007 | 317 651 |
| Entities | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| | | | | | | | | | | | | | | – |
| Entities sub-total | | | | | | | | | | – | | – | – | – |
| TOTAL INVESTMENTS AND INTEREST | 2 | | | | | | | | | 260 085 | 372 | (110 813) | 168 007 | 317 651 |

The municipality had total investments amounting to **R 317,651,435** as at 31 December 2024. Conditional grants investments amounted to **R 15,646,911** and **R 302,004,524** relates to unconditional investments.

The municipality invests surplus funds in order to maximize the interest and to have cash readily available when needed and is done in line with the Cash Management and Investments policy.

The Total Cash held reflects bank balances as at 31 December 2024 is **R 7,494,326**

Therefore, the total cash and cash equivalents amount to **R 325,145,761.**

## 3.4 Grant receipts and expenditure

### 3.4.1 Supporting Table SC6

EC441 Matatiele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 - Half Year

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Mid Year | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **RECEIPTS:** | 1,2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 405 237 | 355 428 | – | 289 348 | 289 348 | 177 714 | 111 634 | 62.8% | 355 428 |
| Expanded Public Works Programme Integrated Grant | | 3 974 | 3 880 | – | 544 | 544 | 1 940 | (1 396) | -71.9% | 3 880 |
| Integrated National Electrification Programme Grant | | 41 000 | 26 648 | – | – | – | 13 324 | (13 324) | -100.0% | 26 648 |
| Local Government Financial Management Grant | 3 | 1 700 | 1 700 | – | 1 700 | 1 700 | 850 | 850 | 100.0% | 1 700 |
| Municipal Infrastructure Grant | | 54 593 | 2 879 | – | 46 863 | 46 863 | 1 440 | 45 423 | 3155.3% | 2 879 |
| Equitable Share | | 303 970 | 320 321 | – | 240 241 | 240 241 | 160 161 | 80 080 | 50.0% | 320 321 |
| Provincial Government: | | – | 4 816 | – | – | – | 2 408 | (2 408) | -100.0% | 4 816 |
| Specify (Add grant description) | | – | 1 750 | – | – | – | 875 | (875) | -100.0% | 1 750 |
| Specify (Add grant description) | | – | 3 066 | – | – | – | 1 533 | (1 533) | -100.0% | 3 066 |
| District Municipality: | | 100 | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 100 | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| Total Operating Transfers and Grants | | 405 337 | 360 244 | – | 289 348 | 289 348 | 180 122 | 109 226 | 60.6% | 360 244 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 32 786 | 95 797 | – | 24 235 | 24 235 | 47 899 | (23 664) | -49.4% | 95 797 |
| Municipal Disaster Relief Grant | | 32 786 | 41 092 | – | 4 908 | 4 908 | 20 546 | (15 638) | -76.1% | 41 092 |
| Municipal Infrastructure Grant | | – | 54 705 | – | – | – | 27 352 | (27 352) | -100.0% | 54 705 |
| Integrated National Electrification Programme Grant | | – | – | – | 19 327 | 19 327 | – | 19 327 | #DIV/0! | – |
| Provincial Government: | | 3 981 | 950 | – | 3 396 | 3 396 | 475 | 2 921 | 614.9% | 950 |
| Specify (Add grant description) | | – | 950 | – | – | – | 475 | (475) | -100.0% | 950 |
| Specify (Add grant description) | | 3 331 | – | – | 2 146 | 2 146 | – | 2 146 | #DIV/0! | – |
| Specify (Add grant description) | | 650 | – | – | 1 250 | 1 250 | – | 1 250 | #DIV/0! | – |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| Total Capital Transfers and Grants | | 36 687 | 96 747 | – | 27 631 | 27 631 | 48 374 | (20 743) | -42.9% | 96 747 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | | 442 024 | 456 991 | – | 316 979 | 316 979 | 228 496 | 88 484 | 38.7% | 456 991 |

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of revenues. Other trenches allocated to be received during the midterm have been received. The grants receipts performance of the conditional grants was impacted by National Treasury for not paying the Municipal Infrastructure Fund as Gazetted in the DoRA.in line with the National Treasury Payment Schedule.

### 3.4.2 Supporting Table SC7

EC441 Matatiele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 - Half Year

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Mid Year | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **EXPENDITURE** | | | | | | | | | | |
| Operating expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | 49 511 | 35 107 | – | 26 211 | 26 211 | 17 554 | 8 657 | 49.3% | 35 107 |
| Expended Public Works Programme Integrated Grant | | 3 974 | 3 880 | – | 4 269 | 4 269 | 1 940 | 2 329 | 120.0% | 3 880 |
| Integrated National Electrification Programme Grant | | 41 000 | 26 648 | – | 21 173 | 21 173 | 13 324 | 7 849 | 58.9% | 26 648 |
| Municipal Disaster Relief Grant | | – | – | – | 0 | 0 | – | 0 | #DIV/0! | – |
| Local Government Financial Management Grant | 3 | 1 677 | 1 700 | – | 755 | 755 | 850 | (95) | -11.2% | 1 700 |
| Municipal Infrastructure Grant | | 2 860 | 2 879 | – | 15 | 15 | 1 440 | (1 425) | -99.0% | 2 879 |
| **Provincial Government:** | | 3 640 | 4 816 | – | 3 240 | 3 240 | 2 408 | 832 | 34.6% | 4 816 |
| Specify (Add grant description) | | 0 | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 309 | 1 750 | – | 223 | 223 | 875 | (652) | -74.5% | 1 750 |
| Specify (Add grant description) | | 3 331 | 3 066 | – | 3 017 | 3 017 | 1 533 | 1 484 | 96.8% | 3 066 |
| District Municipality: | | 100 | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 100 | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| Total Operating Transfers and Grants | | 53 250 | 39 923 | – | 29 451 | 29 451 | 19 962 | 9 490 | 47.5% | 39 923 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 69 024 | 95 797 | – | 39 892 | 39 892 | 47 899 | (8 007) | -16.7% | 95 797 |
| Municipal Disaster Relief Grant | | 16 907 | 41 092 | – | 9 926 | 9 926 | 20 546 | (10 620) | -51.7% | 41 092 |
| Municipal Infrastructure Grant | | 52 117 | 54 705 | – | 29 965 | 29 965 | 27 352 | 2 613 | 9.6% | 54 705 |
| Integrated National Electrification Programme Grant | | 0 | – | – | – | – | – | – | | – |
| **Provincial Government:** | | (6 576) | 950 | – | (1 136) | (1 136) | 475 | (1 611) | -339.2% | 950 |
| Specify (Add grant description) | | – | 950 | – | – | – | 475 | (475) | -100.0% | 950 |
| Specify (Add grant description) | | (4 500) | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | (2 076) | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | – | – | – | (1 136) | (1 136) | – | (1 136) | #DIV/0! | – |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| Total Capital Transfers and Grants | | 62 449 | 96 747 | – | 38 756 | 38 756 | 48 374 | (9 618) | -19.9% | 96 747 |
| TOTAL EXPENDITURE OF TRANSFERS & GRANTS | | 115 699 | 136 670 | – | 68 207 | 68 207 | 68 335 | (128) | -0.2% | 136 670 |

Expenditure performance on operational grants to date represents **55%** of the approved budget of **R 29,5** and excluding equitable share, department has planned to utilise library assistance funds for the next six months.

Capital spending on grants for 2024/25 as at 31 December 2024 amounts to only **R 56,7 million** or **31%** of the approved budget of **R 182,9m**, Expenditure on capital grants is below the expected performance as at the mid-year. The variance is due to capital commitment that are not yet implemented as planned, the higher expenditure trends should reflect in the next quarter.

## 3.5 Expenditure on councilor and staff related expenditure

### Supporting Table SC8

EC441 Matatiele - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 - Half Year

| Summary of Employee and Councillor remuneration<br>R thousands | Ref | 2023/24<br>Audited Outcome | Budget Year 2024/25<br>Original Budget | Adjusted Budget | Mid Year | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | A | B | C | | | | | | D |
| **Councillors (Political Office Bearers plus Other)** | | | | | | | | | | |
| Basic Salaries and Wages | | 12 101 | 13 958 | 13 958 | 6 731 | 6 731 | 6 979 | (248) | -4% | 13 958 |
| Pension and UIF Contributions | | 803 | 1 054 | 1 054 | 451 | 451 | 527 | (76) | -14% | 1 054 |
| Medical Aid Contributions | | 697 | 137 | 137 | 397 | 397 | 68 | 329 | 480% | 137 |
| Motor Vehicle Allowance | | (4) | 2 757 | 2 757 | – | – | 1 379 | (1 379) | -100% | 2 757 |
| Cellphone Allowance | | 2 547 | 2 876 | 2 876 | 1 280 | 1 280 | 1 438 | (158) | -11% | 2 876 |
| Housing Allowances | | 6 926 | 5 620 | 5 620 | 3 471 | 3 471 | 2 810 | 661 | 24% | 5 620 |
| Other benefits and allowances | | – | – | – | – | – | – | – | | – |
| **Sub Total - Councillors** | | 23 876 | 26 401 | 26 401 | 12 329 | 12 329 | 13 201 | (872) | -7% | 26 401 |
| **% increase** | 4 | | 14.4% | 14.4% | | | | | | 14.4% |
| **Senior Managers of the Municipality** | 3 | | | | | | | | | |
| Basic Salaries and Wages | | 2 195 | 2 988 | 2 988 | 703 | 703 | 1 453 | (749) | -52% | 2 988 |
| Pension and UIF Contributions | | (17) | 381 | 381 | 26 | 26 | 150 | (125) | -83% | 381 |
| Medical Aid Contributions | | – | 283 | 283 | 11 | 11 | 131 | (121) | -92% | 283 |
| Overtime | | – | – | – | – | – | – | – | | – |
| Performance Bonus | | 114 | 687 | 687 | – | – | 343 | (343) | -100% | 687 |
| Motor Vehicle Allowance | | 1 152 | 2 856 | 2 856 | 809 | 809 | 1 428 | (618) | -43% | 2 856 |
| Cellphone Allowance | | – | – | – | – | – | – | – | | – |
| Housing Allowances | | 1 583 | 906 | 906 | 462 | 462 | 454 | 8 | 2% | 906 |
| Other benefits and allowances | | 0 | 1 | 1 | 0 | 0 | 0 | (0) | -78% | 1 |
| Payments in lieu of leave | | – | – | – | – | – | – | – | | – |
| Long service awards | | – | – | – | – | – | – | – | | – |
| Post-retirement benefit obligations | 2 | – | – | – | – | – | – | – | | – |
| Entertainment | | – | – | – | – | – | – | – | | – |
| Scarcity | | 172 | 569 | 569 | 61 | 61 | 285 | (223) | -78% | 569 |
| Acting and post related allowance | | – | – | – | – | – | – | – | | – |
| In kind benefits | | – | – | – | – | – | – | – | | – |
| **Sub Total - Senior Managers of Municipality** | | 5 160 | 8 488 | 8 488 | 2 072 | 2 072 | 4 244 | (2 172) | -51% | 8 488 |
| **% increase** | 4 | | 64.5% | 64.5% | | | | | | 64.5% |
| **Other Municipal Staff** | | | | | | | | | | |
| Basic Salaries and Wages | | 106 879 | 116 282 | 116 282 | 50 504 | 50 504 | 58 101 | (7 600) | -13% | 116 282 |
| Pension and UIF Contributions | | 15 431 | 17 227 | 17 227 | 8 071 | 8 071 | 8 614 | (543) | -6% | 17 227 |
| Medical Aid Contributions | | 5 972 | 6 468 | 6 468 | 3 114 | 3 114 | 3 234 | (120) | -4% | 6 468 |
| Overtime | | 4 042 | 2 130 | 2 130 | 2 386 | 2 386 | 1 065 | 1 321 | 124% | 2 130 |
| Performance Bonus | | 7 250 | 8 982 | 8 982 | 3 264 | 3 264 | 4 491 | (1 227) | -27% | 8 982 |
| Motor Vehicle Allowance | | 7 708 | 8 844 | 8 844 | 3 529 | 3 529 | 4 422 | (893) | -20% | 8 844 |
| Cellphone Allowance | | 6 | 7 | 7 | 3 | 3 | 3 | (0) | -8% | 7 |
| Housing Allowances | | 3 165 | 5 421 | 5 421 | 1 376 | 1 376 | 2 710 | (1 335) | -49% | 5 421 |
| Other benefits and allowances | | 2 996 | 1 231 | 1 231 | 1 246 | 1 246 | 616 | 631 | 102% | 1 231 |
| Payments in lieu of leave | | 1 240 | – | – | 724 | 724 | – | 724 | #DIV/0! | – |
| Long service awards | | 491 | – | – | 153 | 153 | – | 153 | #DIV/0! | – |
| Post-retirement benefit obligations | 2 | – | – | – | – | – | – | – | | – |
| Entertainment | | – | – | – | – | – | – | – | | – |
| Scarcity | | – | – | – | – | – | – | – | | – |
| Acting and post related allowance | | – | – | – | – | – | – | – | | – |
| In kind benefits | | – | – | – | – | – | – | – | | – |
| **Sub Total - Other Municipal Staff** | | 153 974 | 166 512 | 166 512 | 74 366 | 74 366 | 83 256 | (8 890) | -11% | 166 512 |
| **% increase** | 4 | | 8.1% | 8.1% | | | | | | 8.1% |
| **Total Parent Municipality** | | 182 206 | 201 401 | 201 401 | 88 767 | 88 767 | 100 700 | (11 934) | -12% | 201 401 |

## EMPLOYEE RELATED COST

For the six months ended 31 December 2024 employee costs amounted to **R 76 437 673** against budget amount of **R 174,999,456,** this represents **44%** of the budgeted amount. The variance is attributable to vacant posts anticipated to be filled in the next quarter.

The process of filling posts is continuous hence there is a variance, the timing of service-related benefits such as bonus and leave pay are also reason for underspending. The journal for leave provision are done at year end during the finalisation of AFS.

To note that the recruitment processes are underway for various vacant positions.

## COUNCIL REMUNERATION

Remuneration of Councillors amounted to **R 12,329,021** for the period ended 31 December 2024 against budget of **R 26,401,344,** this represents **47%** which is attributed to the budget provision of annual increment to councillors and Political office bearers. The increment of this item is guided by the government gazette No 51407 was released on the 17 October 2024, was issued to the municipality on determination of the upper limits for councillors. The increment and the back pay have been affected in December 2024.

## SUPPLY CHAIN MANAGEMENT AS AT 31 DECEMBER 2024

| PROCUREMENT PLAN | Total Project Cost | Mode of Procurement | Project Description | Budget Confirmation and Specification submission date | SPEC Date | Advert Date | Closing Date | Appointment Date | Status |
|---|---|---|---|---|---|---|---|---|---|
| **BUDGET & TREASURY OFFICE** | | | | | | | | | |
| **Revenue & Expenditure Unit** | | | | | | | | | |
| Revenue & Expenditure Unit | 3 500 000 | Competitive Bidding | Indigent management system | 05-Jan-25 | 06-Jan-25 | 17-Jan-25 | 17-Feb-25 | 25-Mar-25 | Procured through schedule M |
| Revenue & Expenditure Unit | 400 000 | Competitive Bidding | Mailing and printing of statements | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 12-Aug-24 | 30-Sep-25 | Awarded |
| Revenue & Expenditure Unit | 1 500 000 | Competitive Bidding | Tracing and debt collection | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 12-Aug-24 | 30-Sep-25 | Panel appointed |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Revenue & Expenditure Unit | 3 000 000 | Competitive Bidding | Alternative energy | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 12-Aug-24 | 30-Sep-25 | Contracted for 3 years |
| | | | | | | | | | |
| **SCM & Fleet Unit** | | | | | | | | | |
| SCM & Fleet Unit | 3 000 000 | Competitive Bidding | Supply and delivery of motor vehicles | 29-Jul-24 | 30-Jul-23 | 09-Aug-24 | 09-Sep-24 | 21-Sep-24 | Procured through RT57 contract |
| SCM & Fleet Unit | 200 000 | Competitive Bidding | Rails for vehicles | 29-Jul-24 | 30-Jul-23 | 09-Aug-24 | 09-Sep-24 | 21-Sep-24 | TOR not submitted |
| | | | | | | | | | |
| **Budget & Investment Unit** | | | | | | | | | |
| Budget & Investment Unit | 250 000 | Competitive Bidding | Grocery Vouchers for Budget Outreach | 03-Mar-25 | 04-Mar-25 | 14-Mar-25 | 28-Mar-25 | 04-May-25 | TOR to be presented on the 03/03/2025 |
| | | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Financial Reporting & Asset Management Unit** | | | | | | | | | |
| Financial Reporting & Asset Management Unit | 4 500 000 | Competitive Bidding | Panel for Accounting and Financial Management Professional Services. | 28-Oct-24 | 29-Oct-24 | 01-Nov-24 | 02-Dec-24 | 13-Jan-25 | TOR not submitted |
| | | | | | | | | | |
| **COMMUNITY SERVICES** | | | | | | | | | |
| **Environment & Waste Unit** | | | | | | | | | |
| Environment & Waste Unit | 300 000 | Request for Quotations | Grass cutting machine | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | End-user advised SCM that the project must be onhold |
| Environment & Waste Unit | 1 500 000 | Competitive Bidding | Fencing mountain lake | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | Evaluation stage |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Environment & Waste Unit | 800 000 | Competitive Bidding | Waste skip bins | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | The project is onhold due to budget constraints (The reccommened bidder qouted above the alloacted budget) |
| Environment & Waste Unit | 600 000 | Competitive Bidding | Cemetery development | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | Awarded |
| Environment & Waste Unit | 100 000 | Request for Quotations | Waste Buy back centre | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | Evaluation stage |
| Environment & Waste Unit | 1 700 000 | Competitive Bidding | Weighbridge | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | Awarded |
| | | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Public Safety Unit** | | | | | | | | | |
| Public Safety Unit | 300 000 | Request for Quotations | Storage Container | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | Awarded |
| Public Safety Unit | 6 500 000 | Competitive Bidding | Fire Engine | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | Awarded |
| Public Safety Unit | 300 000 | Request for Quotations | Roadblock equipment | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | Awarded |
| Public Safety Unit | 800 000 | Competitive Bidding | Backup generator | 27-May-24 | 28-May-24 | 07-Jun-24 | 21-Jun-24 | 05-Aug-24 | BSC stage |
| | | | | | | | | | |
| **CORPORATE SERVICES** | | | | | | | | | |
| **HRM&D Unit** | | | | | | | | | |
| HRM&D Unit | 200 000 | Request for Quotations | Hygiene Services | 22-Jul-24 | 23-Jul-24 | 02-Aug-24 | 16-Aug-24 | 30-Sep-24 | TOR not submitted |
| HRM&D Unit | 300 000 | Request for Quotations | OHS Compliance | 22-Jul-24 | 23-Jul-24 | 02-Aug-24 | 16-Aug-24 | 30-Sep-24 | TOR not submitted |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| HRM&D Unit | 200 000 | Request for Quotations | Uniform and Protective Clothing | 22-Jul-24 | 23-Jul-24 | 02-Aug-24 | 16-Aug-24 | 30-Sep-24 | TOR not submitted |
| HRM&D Unit | 300 000 | Request for Quotations | Wellness Sport Equipment | 22-Jul-24 | 23-Jul-24 | 02-Aug-24 | 16-Aug-24 | 30-Sep-24 | TOR not submitted |
| HRM&D Unit | 200 000 | Request for Quotations | Wellness T-Shirts | 22-Jul-24 | 23-Jul-24 | 02-Aug-24 | 16-Aug-24 | 30-Sep-24 | TOR not submitted |
| HRM&D Unit | 200 000 | Request for Quotations | Wellness Catering | 29-Jul-24 | 30-Jul-24 | 09-Aug-24 | 23-Aug-24 | 01-Oct-24 | Done through 3 quotes |
| HRM&D Unit | 200 000 | Request for Quotations | Wellness Events | 29-Jul-24 | 30-Jul-24 | 09-Aug-24 | 23-Aug-24 | 01-Oct-24 | TOR not submitted |
| HRM&D Unit | 80 000 | Request for Quotations | OHS CAMERA | 29-Jul-24 | 30-Jul-24 | 09-Aug-24 | 23-Aug-24 | 01-Oct-24 | TOR not submitted |
| HRM&D Unit | 100 000 | Request for Quotations | Sport Activities | 29-Jul-24 | 30-Jul-24 | 09-Aug-24 | 23-Aug-24 | 01-Oct-24 | TOR not submitted |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| HRM&D Unit | 600 000 | Competitive Bidding | Employee Assistance Programme | 29-Jul-24 | 30-Jul-24 | 09-Aug-24 | 23-Aug-24 | 01-Oct-24 | Awarded |
| HRM&D Unit | 300 000 | Request for Quotations | Khanya Naledi Awards | 19-Aug-24 | 20-Aug-24 | 30-Aug-24 | 2024/09/13 | 28-Oct-24 | Awarded |
| HRM&D Unit | 200 000 | Request for Quotations | Khanya Naledi Event Promoter | 22-Aug-24 | 20-Aug-24 | 30-Aug-24 | 2024/09/13 | 28-Oct-24 | Awarded |
| | | | | | | | | | |
| **Adiministrative Support Unit** | | | | | | | | | |
| Adiministrative Support Unit | 400 000 | Competitive Bidding | Protective Clothing | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 05-Jul-24 | 20-Aug-24 | Evaluation stage |
| Adiministrative Support Unit | ########## | Competitive Bidding | Security Services | 22-Apr-24 | 23-Apr-24 | 03-May-24 | 03-Jun-24 | 2024/07/22 | Awarded |
| | | | | | | | | | |
| **ICT Unit** | | | | | | | | | |
| ICT Unit | 400 000 | Competitive Bidding | Cyber resilience (Penetration Test) | 03-Jun-24 | 04-Jun-24 | 14-Jun-24 | 15-Jul-24 | 02-Sep-24 | TOR not submitted |
| ICT Unit | 1 500 000 | Competitive Bidding | Managed Security Services | 03-Jun-24 | 04-Jun-24 | 14-Jun-24 | 15-Jul-24 | 02-Sep-24 | Evaluation stage |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| ICT Unit | 900 000 | Competitive Bidding | Council Audio Delegate Management | 03-Jun-24 | 04-Jun-24 | 14-Jun-24 | 15-Jul-24 | 02-Sep-24 | The project is onhold due to budget constraints (The reccommened bidder qouted above the alloacted budget) |
| ICT Unit | 1 100 000 | Competitive Bidding | Printer Lease | 03-Jun-24 | 04-Jun-24 | 14-Jun-24 | 15-Jul-24 | 02-Sep-24 | Awarded |
| ICT Unit | 300 000 | Request for Quotations | AD audit Licence | 03-Jun-24 | 04-Jun-24 | 14-Jun-24 | 15-Jul-24 | 02-Sep-24 | Evaluation stage |
| ICT Unit | 100 000 | Request for Quotations | Replica Backup Solution | 03-Jun-24 | 04-Jun-24 | 14-Jun-24 | 15-Jul-24 | 02-Sep-24 | TOR not submitted |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| ICT Unit | 600 000 | Competitive Bidding | Cybersecurity training and information security (POPI) | 03-Jun-24 | 04-Jun-24 | 14-Jun-24 | 15-Jul-24 | 02-Sep-24 | TOR not submitted |
| | | | | | | | | | |
| **Public Participation and Customer Care Unit** | | | | | | | | | |
| Public Participation and Customer Care Unit | 850 000 | Competitive Bidding | Customer Satisfaction Survey | 27-May-24 | 28-May-24 | 07-Jun-24 | 08-Jul-24 | 2024/08/26 | Awarded |
| Public Participation and Customer Care Unit | 650 000 | Competitive Bidding | Procurement of ward office furniture | 27-May-24 | 28-May-24 | 07-Jun-24 | 08-Jul-24 | 2024/08/26 | Adjudication stage |
| | | | | | | | | | |
| **ECONOMIC DEV & PLAN** | | | | | | | | | |
| **Planning and Development Unit** | | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Planning and Development Unit | 500 000 | Competitive Bidding | Feasibility study (Air Strip Area) | 08-Jul-24 | 09-Jul-24 | 19-Jul-24 | 19-Aug-24 | 2024/10/07 | Appointed from a panel of Town Planners |
| | | | | | | | | | |
| **LED Unit** | | | | | | | | | |
| LED Unit | 5 500 000 | Competitive Bidding | Planting of grain crops | 20-Jun-24 | 02-Jul-24 | 12-Jul-24 | 12-Aug-24 | 2024/10/01 | Awarded |
| LED Unit | 1 500 000 | Competitive Bidding | Dosing and Vaccination of Livestock | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 12-Aug-24 | 2024/10/01 | Awarded |
| LED Unit | 2 500 000 | Competitive Bidding | Music Festival | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 12-Aug-24 | 2024/10/01 | Awarded |
| LED Unit | 400 000 | Competitive Bidding | Buying of Seedlings for households | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 12-Aug-24 | 2024/10/01 | Awarded |
| LED Unit | 3 000 000 | Competitive Bidding | Silo Facilty for maize storage | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 12-Aug-24 | 2024/10/01 | Awarded |
| LED Unit | 2 000 000 | Competitive Bidding | Incubator Programme | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 12-Aug-24 | 2024/10/01 | Awarded |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| INFRASTRUCTURE TECHNICAL/ SERVICES | | | | | | | | | |
| **Electricity Unit** | | | | | | | | | |
| Electricity Unit | ########## | Competitive Bidding | Electrification of Motsekuoa Village | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 1 155 000 | Competitive Bidding | Electrification of Paballong | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 743 000 | Competitive Bidding | Electrification of Mahlabatheng | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 385 000 | Competitive Bidding | Electrification of Lugada | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 495 000 | Competitive Bidding | Electrification of Embizeni | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 2 200 000 | Competitive Bidding | Electrification of Mapakising | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 632 000 | Competitive Bidding | Electrification of Mgubho | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 1 155 000 | Competitive Bidding | Electrification of Luxeni | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 688 | Competiti | Electrification | 2024/06/2 | 2024/06/ | 05-Jul-24 | 26-Jul-24 | 2024/09/0 | Awarded |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 000 | ve Bidding | of Lihaseng | 4 | 25 | | | 9 | |
| Electricity Unit | 3 627 000 | Competitive Bidding | Electrification of Motsekuoa Link Line | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 650 000 | Competitive Bidding | Pound Electricity Connection | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Awarded |
| Electricity Unit | 500 000 | Competitive Bidding | Christmas Lights | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | awarded |
| Electricity Unit | 300 000 | Request for Quotations | Fencing of Substations/ Mini-Sub/Transfomers | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | Evualuation stage |
| Electricity Unit | 1 200 000 | Competitive Bidding | Cherry Picker | 2024/06/24 | 2024/06/25 | 05-Jul-24 | 26-Jul-24 | 2024/09/09 | The project is onhold due to budget constraints (The reccommened bidder qouted above the alloacted budget) |
| | | | | | | | | | |
| **Operations and Maintenance Unit** | | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Operations and Maintenance Unit | 100 000 | Request for Quotations | Supply of office furniture | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | TOR submitted |
| Operations and Maintenance Unit | 550 000 | Competitive Bidding | Malubaluba AR 1,1km at ward 3 | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Awarded |
| Operations and Maintenance Unit | 1 500 000 | Competitive Bidding | Skiti - Tholang AR 3km at ward 1 | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Awarded |
| Operations and Maintenance Unit | 2 000 000 | Competitive Bidding | New Resh AR 4km at ward 09 | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Awarded |
| Operations and Maintenance Unit | 3 000 000 | Competitive Bidding | Mafaise AR 6km at ward 12 | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Evaluation stage |
| Operations and Maintenance Unit | 2100 000 | Competitive Bidding | Bhakaneni 4,2km ward 06 | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Awarded |
| Operations and Maintenance Unit | 2 000 000 | Competitive Bidding | Kinira to Shepard Hope Access Road | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Evaluation stage |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Operations and Maintenance Unit | 4 000 000 | Competitive Bidding | Re-gravelling of 8km Chere Mahareng AR and stormwater management | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Awarded |
| Operations and Maintenance Unit | 4 064 731 | Competitive Bidding | Construction of Mngeni Bridge | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Awarded |
| Operations and Maintenance Unit | 9 335 022 | Competitive Bidding | Construction of Mdeni Bridge and 5km Access road and stormwater management | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Awarded |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Operations and Maintenance Unit | 900 000 | Competitive Bidding | Re-Gravelling of Mvenyane Access road and stormwater management | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Project reprioritised for the next finacial year |
| Operations and Maintenance Unit | ########## | Competitive Bidding | Re-Gravelling of Lugada to Mahlabathing Access road and stormwater management | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | TOR not submitted for construction (only consultant awarded) |
| Operations and Maintenance Unit | 500 000 | Competitive Bidding | Supply of Protective clothing | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Adjudication stage |
| Operations and Maintenance Unit | 500 000 | Competitive Bidding | Supply of crushed stone | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Procured through 7 days notice |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Operations and Maintenance Unit | 700 000 | Competitive Bidding | Supply of Tarfix Bags | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 26-Aug-24 | Evaluation stage |
| Operations and Maintenance Unit | 1 000 000 | Competitive Bidding | Supply of cocrete pipes | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 12-Jul-24 | 13-Aug-24 | Adjudication stage |
| | | | | | | | | | |
| **Project Management Unit** | | | | | | | | | |
| **Project Management Unit** | 1 937 504 | Competitive Bidding | Extension of Matatiele Sport Centre-Phase 2 | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 15-Jul-24 | Awarded |
| **Project Management Unit** | 9 513 244 | Competitive Bidding | Construction of Harry Gwala Internal Streets | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 15-Jul-24 | Awarded |
| **Project Management Unit** | 1 100 000 | Competitive Bidding | Installation of High Mast Lights | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 15-Jul-24 | Awarded |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Project Management Unit** | 9 702 540 | Competitive Bidding | Construction of Cedarville Internal Streets Phase 4 | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 17-Jun-24 | Awarded |
| **Project Management Unit** | 9644 954.41 | Competitive Bidding | Maluti Internal Streets Phase 5 | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 17-Jun-24 | Awarded |
| **Project Management Unit** | 4828 019.13 | Competitive Bidding | Mahasheng Access Road & Bridge | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 20-Jun-24 | Awarded |
| **Project Management Unit** | 6 077 265 | Competitive Bidding | Lekhalong via Magema-Outspan Access Road | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 20-Jun-24 | Awarded |
| **Project Management Unit** | 1 035 000 | Competitive Bidding | Planning of Matatiele Disaster & Fire Management Centre | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 23-May-24 | Awarded |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Project Management Unit** | 1 035 000 | Competitive Bidding | Planning for Upgrading Mahangwe Sport Centre | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 23-May-24 | Awarded |
| **Project Management Unit** | 7 031 275 | Competitive Bidding | Procurement of Special Vehicles | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 28-Jun-24 | Procured through RT57 contract |
| **Project Management Unit** | 2 800 000 | Competitive Bidding | Mafube-Nkosana Access Road & Bridge | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 24-Oct-23 | Awarded |
| **Project Management Unit** | 2 679 000 | Competitive Bidding | Pontsheng Access Road | 15-Apr-24 | 16-Apr-24 | 26-Apr-24 | 27-May-24 | 05-Jul-24 | Awarded |
| **Project Management Unit** | 4 728 799 | Competitive Bidding | Nkungwini-Ngudla Access Road | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 13-Jul-24 | 27-Aug-24 | Awarded |
| **Project Management Unit** | 2 280 000 | Competitive Bidding | Fatima Access Road | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 13-Jul-24 | 27-Aug-24 | Awarded |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Project Management Unit** | 1 710 000 | Competitive Bidding | Ramafole Access Road | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 13-Jul-24 | 27-Aug-24 | Awarded |
| **Project Management Unit** | 4 218 000 | Competitive Bidding | New Stance Access Road | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 13-Jul-24 | 27-Aug-24 | Awarded |
| **Project Management Unit** | 6 210 000 | Competitive Bidding | Khauoe Access Road | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 13-Jul-24 | 27-Aug-24 | Awarded |
| **Project Management Unit** | 3 192 000 | Competitive Bidding | Potlo Access Road | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 13-Jul-24 | 27-Aug-24 | Awarded |
| **Project Management Unit** | 500 000 | Competitive Bidding | Construction of St Paul Concrete Slab | 10-Jun-24 | 11-Jun-24 | 21-Jun-24 | 13-Jul-24 | 27-Aug-24 | The project is on hold ( waiting for the end user to correct the BOQ) |
| | | | | | | | | | |
| **MUNICIPAL MANAGER'S OFFICE** | | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Communications and SPU Unit** | | | | | | | | | |
| Communications and SPU Unit | 300 000 | Request for Quotations | Mayoral Cup Prizes | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 26-Jul-24 | 09-Sep-24 | Evaluation stage |
| Communications and SPU Unit | 100 000 | Request for Quotations | Miss Matatiele Prizes | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 26-Jul-24 | 09-Sep-24 | Awarded |
| Communications and SPU Unit | 100 000 | Request for Quotations | Burial Services | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 26-Jul-24 | 09-Sep-24 | Project was non-resposive, ToRs to be resubmitted |
| Communications and SPU Unit | 100 000 | Request for Quotations | Matric Awards Prizes | 01-Jul-24 | 02-Jul-24 | 12-Jul-24 | 26-Jul-24 | 09-Sep-24 | TOR not Submitted |

## IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

No expenditure reported for irregular, fruitless and wasteful expenditure as at mid-term ended 31 December 2024.

## INDIGENT MANAGEMENT

The indigent register for the 2024/25 has 9,513 beneficiaries registered to date. A total of R 13,463,2663 has been incurred as expenditure for indigent benefits as follows for the mid-term ended 31 December 2024:

- Electricity, Rates and refuse R 4,264,906

- Alternative energy (Solar; and gas and stoves) R 9,198,360

### Challenges experienced during registration processes.

- Applications submitted with incomplete information
- Delays in submitting applications for capturing.
- Returned applications forms not re-submitted for verification and capturing
- Delays / or slow pace in registering newly electrified beneficiaries by ESKOM

### 3.6 Material variances to the service delivery and budget implementation plan

The performance on implementation of the service delivery and budget implementation plan is dealt with separately on the non-financial performance report.

### 3.7 Recommendations

**It is recommended that;**

1. Council takes note of the mid-year budget performance report in terms of section 72 of the Municipal Finance Management Act.

2. Council takes note that an adjustments budget will be tabled for consideration, taking into account the midterm performance.

## 3.9 MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I **Lizo Matiwane** Municipal Manager of Matatiele Local Municipality, hereby certify that the Mid-term Performance Assessment report and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Performance Assessment has been done properly to ensure that is a true reflection of what has taken place with effect from 01 July 2024 to 31 December 2024 and is consistent with the Integrated Development Plan, Budget and SDBIP of the municipality.

This report will be submitted to the Mayor by the 25/01/2025 as required by the Municipal Finance Management Act, Section 72 and acknowledges receipt as signed below.

Print Name **Lizo Matiwane**

Municipal Manager of Matatiele Local Municipality (EC441)

Signature:

Date: 23/01/25

**Mayor's Acknowledgement of Submission**

Print Name Sonwabile Mngenela

Mayor of Matatiele Local Municipality (EC441)

Signature:

Date: 23/01/25

## 4. ANNEXTURES

### 4.1. ANNEXTURE "Á"- C SCHEDULE_MIDTERM_2024/2025