



Local Municipality • Mmasepala wa sechaba • Matika Municipality

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REPORT BY THE EXECUTIVE MAYOR FOR SUBMISSION TO COUNCIL

UNAUTHORISED EXPENDITURE REPORT FOR THE 3rd QUARTER ENDING 31 MARCH 2023

1. EXECUTIVE SUMMARY

The purpose of this report is to provide the status of the Unauthorized Expenditure report per line item for the 3rd quarter ending 31 March 2023.

2. BUSINESS PLAN

IDP and Budget process plan

3. COMPLIANCE WITH STRATEGIC OBJECTIVE

To ensure compliance to statutory reporting deadlines

4. DELEGATED AUTHORITY

Delegated powers vest with the Council.

5. ANNEXURES

None

6. POLICY

None

7. LEGAL REQUIREMENTS

MFMA No 56 of 2003

8. BACKGROUND AND DISCUSSION

The unauthorised expenditure reports' details the line items which have expenditure that is above the allocated budget, some of the line items do not have budget allocations, however there was expenditure incurred on them.

Most items are the employee related costs. These is due to the fact that the Payroll and e-Venus financial system enables the salary transactions to be recorded even when there is no Budget. Due to the vote numbers which are not correctly aligned between the two systems, some transactions are incorrectly uploaded to the wrong votes. The reconciliations are on-going in order to remove some of the expenditure from the incorrect votes to the correct votes.



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9. FINANCIAL IMPLICATIONS

The figures from the tables are accumulating from **July to March 2023**.

The total unauthorised expenditure to date on the line items was **R3.7 million** by the end of the **3rd quarter** as indicated on the tables from **page 3 to 4**.

The amounts indicated as unauthorised under Legislative will be journalised to the equitable share funded vote number. The correct votes will be updated on the Payday system.

The total of **R1.8 million** under the Municipal infrastructure department relates to the EPWP salaries and will be moved to the EPWP own source funding vote as it indicates that it has exceeded the grant allocation.

10. COMMENTS FROM OTHER DIRECTORS

Budget analysis reports and monthly expenditure reports are sent to Directorates to check their expenditure for possibilities of overspending.

11. RECOMMENDATIONS

It is recommended that:

1. Council takes note of the line items with Unauthorised Expenditure report for the **3rd quarter ending 31 March 2023**.
2. All departments verify their personnel with Human Resource to ensure that the correct votes are used.
3. The departments avoid spending on items where there are no budget allocations.
4. The reconciliations and corrections be made on the affected line items
5. The adjustment budget be made on the line items affected.

SUBMITTED BY:

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THE EXECUTIVE MAYOR
Cllr. G. MOKOTSO

21-07-2023

.....
DATE



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Local Municipality • Amangweni District • Ficksburg Municipality

ACCOUNT NO	DESCRIPTION	TOTAL BUDGET	YTD EXPENDITURE	UNAUTHORISED EXPENDITURE
LEGISLATIVE AUTHORITY				
10052110460EQMRCZZWM	MS: SRB - ANNUAL BONUS	22,599	61,504	- 38,905
10152211600PRMRCZZWM	OTH COUNCIL: BASIC SALARY	-	217,077	- 217,077
10152211620PRMRCZZWM	OTH COUNCIL: CELL PHONE ALLOWANCE	-	30,600	- 30,600
10152211600PRMRCZZWM	OTH COUNCIL: MEDICAL AID BENEFITS	-	1,440	- 1,440
10152305410PRMRCZZWM	OC: SKILLS DEVELOPMENT FUND LEVY	-	543	- 543
10202210400PRMRCZZWM	WHIP: BASIC SALARY	-	43,176	- 43,176
10252110340EQMRCZZWM	MS: ALL - TRAVEL OR MOTOR VEHICLE	-	942	- 942
10252211510PRMRCZZWM	OTH COUNCIL: OFFICE-BEARER ALLOWANCE	-	43,176	- 43,176
10352210120PRMRCZZWM	SPEAKER: CELL PHONE ALLOWANCE	-	3,400	- 3,400
10452210050PRMRCZZWM	MMC: TRAVELLING ALLOWANCE	-	28,784	- 28,784
10452210100PRMRCZZWM	MMC: BASIC SALARY	-	481,814	- 481,814
10452210120PRMRCZZWM	MMC: CELL PHONE ALLOWANCE	-	34,000	- 34,000
10452220050PRMRCZZWM	MMC: PENSION FUND CONTRIBUTIONS	-	7,509	- 7,509
10452305410PRMRCZZWM	OC: SKILLS DEVELOPMENT FUND LEVY	-	564	- 564
		22,599	954,528	- 931,929
OFFICE OF THE MUNICIPAL MANGER				
11102110360EQMRCZZHO	MS: OVERTIME - NON STRUCTURED	-	12,659	- 12,659
11102110440EQMRCZZHO	MS: SRB - ACTING ALLOWANCE	-	37,145	- 37,145
11102130100EQMRCZZHO	MS: SOC CONTR - GROUP LIFE INSURANCE	2,153	2,512	- 359
		2,153	52,315	- 50,162
CORPORATE SERVICES				
12102110440EQMRCZZHO	MS: SRB - ACTING ALLOWANCE	-	107,884	- 107,884
12102110460EQMRCZZHO	MS: SRB - ANNUAL BONUS	1,422,096	1,456,592	- 34,496
		1,422,096	1,564,477	- 142,381
FINANCIAL SERVICES				
13102110500EQMRCZZHO	MS: SRB - LONG SERVICE AWARD	-	48,707	- 48,707
13202110360EQMRCZZHO	MS: OVERTIME - NON STRUCTURED	44,841	63,801	- 18,960
13252110460EQMRCZZHO	MS: SRB - ANNUAL BONUS	1,591,511	1,764,912	- 173,401
13302110200EQMRCZZHO	MS: ALL - ACCOMMODATION/TRVL/INCIDENTAL	6,553	13,920	- 7,367
13352110500EQMRCZZHO	MS: SRB - LONG SERVICE AWARD	95,029	205,971	- 110,942
13452110200EQMRCZZWM	MS: ALL - ACCOMMODATION/TRVL/INCIDENTAL	-	5,421	- 5,421
		1,737,934	2,102,733	- 364,799
MUNICIPAL INFRASTRUCTURE				
14102110300EQMRCZZWM	MS: HB & INC: RENTAL SUBSIDY	3,000	3,250	- 250
14402110010F4MRCZZHO	MS: SAL & ALL: BASIC SALARY & WAGES	6,140,500	8,006,550	- 1,866,050
14402110440EQMRCZZWM	MS: SRB - ACTING ALLOWANCE	351,778	386,120	- 34,342
14402130400F4MRCZZHO	MS: SOC CONTR - UNEMPLOYMENT INSUR FUND	24,500	43,161	- 18,661
		6,519,778	8,439,081	- 1,919,303



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ACCOUNT NO	DESCRIPTION	TOTAL BUDGET	YTD EXPENDITURE	UNAUTHORISED EXPENDITURE
COMMUNITY SERVICES				
15202110220EQMRCZZWM	MS: ALL - CELLULAR & TELEPHONE	-	800	- 800
15202110340EQMRCZZWM	MS: ALL - TRAVEL OR MOTOR VEHICLE	-	13 226	- 13 226
15202110360EQMRCZZWM	MS: OVERTIME - NON STRUCTURED	-	2 598	- 2 598
15202110440EQMRCZZWM	MS: SRB - ACTING ALLOWANCE	-	26 500	- 26 500
		-	43 124	- 43 124
PUBLIC SAFETY AND TRANSPORT				
16152110460EQMRCZZWM	MS: SRB - ANNUAL BONUS	745 588	750 445	- 4 857
16202110420EQMRCZZWM	MS: OVERTIME - NIGHT SHIFT	-	902	- 902
16202110440EQMRCZZWM	MS: SRB - ACTING ALLOWANCE	56 513	157 182	- 100 669
		802 101	908 528	- 106 427
SPORT ARTS & CULTURE ADMINISTRATION				
17102110400EQMRCZZWM	MS: PAYMENTS - SHIFT ADD REMUNERATION	3 036	6 577	- 3 541
		3 036	6 577	- 3 541
LED AND TOURISM				
18152110460EQMRCZZWM	MS: SRB - ANNUAL BONUS	255 341	293 442	- 38 101
		255 341	293 442	- 38 101
ELECTRICITY				
25102110360EQMRCZZWM	MS: OVERTIME - NON STRUCTURED	21 589	23 364	- 1 775
25102110500EQMRCZZWM	MS: SRB - LONG SERVICE AWARD	-	16 569	- 16 569
25152110440EQMRCZZWM	MS: SRB - ACTING ALLOWANCE	1 169 764	1 265 832	- 96 068
		1 191 353	1 305 765	- 114 412
TOTAL UNAUTHORISED EXPENDITURE		11 956 391	15 670 571	- 3 714 180