



# NAMA KHOI MUNISIPALITEIT

## BUDGET AND TREASURY OFFICE

**NAAM/NAME:** Financing costs: UNAUTHORISED EXPENDITURE

**DOEL/GOAL:** To report to Council on Section 32 of the MFMA (Municipal Finance Management Act), Unauthorised Expenditure for Council Approval.

**AGTERGROND/BACKGROUND:** Investigation is still in progress to identify all wrong allocations and corrections will be made once process is finalized.

### **Analysis of overspent items:**

The total overspent items at 31 January 2014 amounts to R27 701 614.

In the the amount above R4 542 864 are included, this amount represent item with no budget allocated to them e.g. housing income not budgeted in current year and internal charges for service not budgeted, this figures does not include items that must be mved to correct allocations.

In the amount above R4 139 737 are included, this amount represent salary items that are not centralized and therefore not budget is allocated to them per department, the budget for these salary department are included in the main department of the directorate and should be moved o these department.

In the amount above R6 936 353 are included for revenue foregone and interest paid on creditors of R2 211 674.

In the amount above are wrong allocations that need to moved to the correct allocations.

Taken the above in consideration the overspent items at 31 January 2014 will be lowered if all corrections are to be made.

## Nama Khoi Municipality Overspent Items at 31 January 2014

VOTE NUMBER	DEPARTMENT	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	OVERSPENT ITEM	ITEMS NOT BUDGETED excluding items to be moved to correct allocations	SALARIES NOT CENTRALISED AND NOT BUDGETED
<b>DIRECTORATE: 10</b>	<b>EXECUTIVE MAYOR &amp; COUNC</b>						
<b>DEPARTMENT: 204</b>	<b>COUNCIL GENERAL ADMINIS</b>						
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>						
102040210162	CONTR. MEDICAL FD - (		114 874		-114 874		-114 874
<b>CLASSIFICATION:</b>	<b>REMUNERATION OF COUNCI</b>						
102040810325	ALLOWANCE - CNLRS: TEL		131 649		-131 649		-131 649
102040810329	ALLOWANCE - CNLRS: TRA		622 283		-622 283		-622 283
102040810345	CONTR: PENSION FD- COU		47 074		-47 074		-47 074
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>						
102042810983	AUDIT COMMITTEE TRAVEL		17 612		-17 612	-17 612	
102042811453	LEGAL EXPENSES		574 380		-574 380	-574 380	
102042811525	MEMBERSHIP & SUBSCRIPT	291 655	877 972	499 999	-377 973		
102042811574	SPECIAL PROGRAMS		12 000		-12 000	-12 000	
102042811771	UNFORESEEN EXPENDITURE		300		-300	-300	
<b>DIRECTORATE: 11</b>	<b>MUNICIPAL MANAGER</b>						
<b>DEPARTMENT: 220</b>	<b>OFFICE OFTHE MUNICIPAL</b>						
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>						
112200210273	RELIEF STAFF		16 840		-16 840	-16 840	-16 840
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>						
112202811562	PERFORMANCE REWARDS		3 896		-3 896	-3 896	
112202811582	RDP HOUSING EXPENDITUR		1 125 970		-1 125 970	-1 125 970	
112202811584	RDP HOUSING EXPENDITUR		332 877		-332 877	-332 877	
112202811586	RDP HOUSING EXPENDITUR		168 717		-168 717	-168 717	
112202811587	RDP HOUSING EXPENDITUR		1 157 086		-1 157 086	-1 157 086	
112202811588	RDP HOUSING EXPENDITUR		65 392		-65 392	-65 392	
112202811589	RDP HOUSING EXPENDITUR		73 061		-73 061	-73 061	
112202811590	MANDELA DAY - HOUSING		1 540		-1 540	-1 540	
112202811757	TRAVELLING AND SUBSIST	116 662	232 903	200 001	-32 902		
112202811795	YEAR END FUNCTION EXPE		24 450		-24 450	-24 450	
<b>CLASSIFICATION:</b>	<b>CONTR FROM OPERATING T</b>						
112203211841	LOOSE ASSETS:FURN & EQ		70		-70		
<b>DIRECTORATE: 11</b>	<b>MUNICIPAL MANAGER</b>						
<b>DEPARTMENT: 221</b>	<b>INTERNAL AUDITING</b>						
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>						
112210210141	BONUSES	26 530	48 174	45 480	-2 694		

VOTE NUMBER	DEPARTMENT	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	OVERSPENT ITEM	ITEMS NOT BUDGETED excluding items to be moved to correct allocations	SALARIES NOT CENTRALISED AND NOT BUDGETED
<b>DIRECTORATE: 11</b>	<b>MUNICIPAL MANAGER</b>						
<b>DEPARTMENT: 227</b>	<b>INFORMATION TECHNOLOGY</b>						
<b>CLASSIFICATION:</b>	<b>CONTR FROM OPERATING T</b>						
112273211841	LOOSE ASSETS:FURN & EQ		255		-255	-255	
<b>DIRECTORATE: 11</b>	<b>MUNICIPAL MANAGER</b>						
<b>DEPARTMENT: 229</b>	<b>MUSEUM</b>						
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>						
112290210065	ALLOWANCE - HOUSING SU		875		-875		-875
112290210173	CONTRIBUTIONS - PENSIO		13 680		-13 680		-13 680
112290210203	INSURANCE : UIF		602		-602		-602
112290210223	LEVY - BARGAINING COUN		44		-44		-44
112290210281	SALARIES		59 323		-59 323		-59 323
<b>DIRECTORATE: 11</b>	<b>MUNICIPAL MANAGER</b>						
<b>DEPARTMENT: 232</b>	<b>PERFORMANCE MANAGEMENT</b>						
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>						
112322811566	PMS: E PERFORM SYSTEMS	29 169	116 866	50 001	-66 865		
<b>DIRECTORATE: 11</b>	<b>MUNICIPAL MANAGER</b>						
<b>DEPARTMENT: 234</b>	<b>PLANNING &amp; DEVELOPMENT</b>						
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>						
112342811260	EPWP CLEANING PROJECT		4 175		-4 175	-4 175	
<b>DIRECTORATE: 13</b>	<b>CORPORATE SERVICES</b>						
<b>DEPARTMENT: 261</b>	<b>MANAGER: CORPORATE SERV</b>						
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>						
132610210117	ALLOWANCE - TRANSPORT		1 250		-1 250	-1 250	
<b>CLASSIFICATION:</b>	<b>CONTRACTED SERVICES</b>						
132612410767	SECURITY SERVICES		74 319		-74 319		
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>						
132612810671	TOOLS AND EQUIPMENT (T		5 793		-5 793		
132612810953	ADVERTISING FEES		16 209		-16 209	-16 209	
132612811453	LEGAL EXPENSES	87 500	2 766 640	150 003	-2 616 637		
132612811461	LEVY - SETA TRAINING		306 228		-306 228	-306 228	
132612811563	POSTAGE		271 664		-271 664	-271 664	
132612811733	TELEPHONES - TELKOM	344 386	1 186 121	590 399	-595 722		
132612811735	TELEPHONES - CELLPHONE	70 000	178 147	119 999	-58 148		
132612811753	TRAINING		17 927		-17 927		
<b>DIRECTORATE: 13</b>	<b>CORPORATE SERVICES</b>						
<b>DEPARTMENT: 263</b>	<b>HUMAN RESOURCE MANAGEME</b>						
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>				-		
132632810953	ADVERTISING FEES	75 831	285 346	130 000	-155 346		

VOTE NUMBER	DEPARTMENT	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	OVERSPENT ITEM	ITEMS NOT BUDGETED excluding items to be moved to correct allocations	SALARIES NOT CENTRALISED AND NOT BUDGETED
					-		
<b>DIRECTORATE: 13</b>	<b>CORPORATE SERVICES</b>				-		
<b>DEPARTMENT: 266</b>	<b>MUNICIPAL PROPERTY MANA</b>				-		
<b>CLASSIFICATION:</b>	<b>REPAIRS &amp; MAINTENANCE</b>				-		
132661810441	BUILDINGS		20 823		-20 823		
132661810604	OPERATING & MAINTENANC	113 162	205 999	194 000	-11 999		
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>				-		
132662811671	SERV CHGE MUN - ELECT		55 647		-55 647	-55 647	
132662811679	SERV CHGE MUN - REFUS		2 408		-2 408	-2 408	
132662811693	SERV CHGE MUN - SEPTI		2 757		-2 757	-2 757	
132662811701	SERV CHGE MUN - WATER		34 806		-34 806	-34 806	
					-		
<b>DIRECTORATE: 13</b>	<b>CORPORATE SERVICES</b>				-		
<b>DEPARTMENT: 267</b>	<b>CLEANING SERVICE MUN OF</b>				-		
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>				-		
132670210065	ALLOWANCE - HOUSING SU		4 164		-4 164		-4 164
132670210113	ALLOWANCE - TRAVELLING		38 500		-38 500		-38 500
132670210141	BONUSES		49 517		-49 517		-49 517
132670210161	CONTRIBUTIONS - MEDICA		21 091		-21 091		-21 091
132670210173	CONTRIBUTIONS - PENSIO		144 505		-144 505		-144 505
132670210203	INSURANCE : UIF		9 488		-9 488		-9 488
132670210223	LEVY - BARGAINING COUN		851		-851		-851
132670210243	OVERTIME		17 680		-17 680		-17 680
132670210273	RELIEF STAFF		20 880		-20 880		-20 880
132670210281	SALARIES		850 170		-850 170		-850 170
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>				-		
132672811671	SERV CHGE MUN - ELECT		33 724		-33 724	-33 724	
132672811679	SERV CHGE MUN - REFUS		498		-498	-498	
132672811695	SERV CHGE MUN - SEWER		1 267		-1 267	-1 267	
132672811701	SERV CHGE MUN - WATER		51 196		-51 196	-51 196	
					-		
<b>DIRECTORATE: 15</b>	<b>FINANCIAL SERVICES</b>				-		
<b>DEPARTMENT: 301</b>	<b>MANAGER: FINANCIAL SERV</b>				-		
<b>CLASSIFICATION:</b>	<b>CONTRACTED SERVICES</b>				-		
153012410745	CONSULTANCY SERVICES-		583 613		-583 613		
153012410749	GRAP CONVERSION/ FINAN		191 401		-191 401		
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>				-		
153012810671	TOOLS AND EQUIPMENT (T		26		-26		
153012810981	AUDIT FEES	1 166 620	2 319 109	2 000 001	-319 108		
153012811519	MUNICIPAL GAMES (Expen		165 126		-165 126		
153012811702	STOCK LOSSES (WHS 1)		10 741		-10 741	-10 741	
153012811705	STOCK LOSSES (WHS 4)		4 466		-4 466	-4 466	
153012811706	STOCK LOSSES (WHS 5)		219		-219	-219	
153012811707	STOCK LOSSES (WHS 6)		5 896		-5 896	-5 896	
153012811708	STOCK LOSSES (WHS 7)		1 421		-1 421	-1 421	
153012811757	TRAVELLING AND SUBSIST	174 993	245 824	299 999	54 175		
153012811758	REVENUE FORGONE		6 936 353		-6 936 353		
					-		

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<b>DIRECTORATE: 15</b>	<b>FINANCIAL SERVICES</b>					-	
<b>DEPARTMENT: 304</b>	<b>EXPENDITURE &amp; SUPPLY CH</b>					-	
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>					-	
153042811416	INTEREST PAID - CREDIT		2 211 674			-2 211 674	
						-	
<b>DIRECTORATE: 15</b>	<b>FINANCIAL SERVICES</b>					-	
<b>DEPARTMENT: 305</b>	<b>PROP RATES &amp; VALUATION</b>					-	
<b>CLASSIFICATION:</b>	<b>CONTRACTED SERVICES</b>					-	
153052410775	VALUATION SERVICES		39 013			-39 013	
						-	
<b>DIRECTORATE: 16</b>	<b>COMMUNITY SERVICES: COM</b>					-	
<b>DEPARTMENT: 318</b>	<b>MANAGER: COMMUNITY DEVE</b>					-	
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>					-	
163180210065	ALLOWANCE - HOUSING SU		360			-360	-360
163180210113	ALLOWANCE - TRAVELLING		38 500			-38 500	-38 500
163180210141	BONUSES		34 178			-34 178	-34 178
163180210161	CONTRIBUTIONS - MEDICA		8 159			-8 159	-8 159
163180210173	CONTRIBUTIONS - PENSIO		43 064			-43 064	-43 064
163180210203	INSURANCE : UIF		1 984			-1 984	-1 984
163180210223	LEVY - BARGAINING COUN		146			-146	-146
163180210273	RELIEF STAFF		21 840			-21 840	-21 840
163180210281	SALARIES		377 625			-377 625	-377 625
						-	
<b>DIRECTORATE: 16</b>	<b>COMMUNITY SERVICES: COM</b>					-	
<b>DEPARTMENT: 320</b>	<b>HEAD: CLEANSING &amp; REMOV</b>					-	
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>					-	
163200210281	SALARIES		2 673			-2 673	-2 673
						-	
<b>DIRECTORATE: 16</b>	<b>COMMUNITY SERVICES: COM</b>					-	
<b>DEPARTMENT: 323</b>	<b>LIBRARIES &amp; INFORMATION</b>					-	
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>					-	
163232811671	SERV CHGE MUN - ELECT		36 917			-36 917	-36 917
163232811679	SERV CHGE MUN - REFUS		166			-166	-166
163232811695	SERV CHGE MUN - SEWER		74			-74	-74
163232811701	SERV CHGE MUN - WATER		58 160			-58 160	-58 160
						-	
<b>DIRECTORATE: 16</b>	<b>COMMUNITY SERVICES: COM</b>					-	
<b>DEPARTMENT: 324</b>	<b>CEMETERIES</b>					-	
<b>CLASSIFICATION:</b>	<b>REPAIRS &amp; MAINTENANCE</b>					-	
163241810441	BUILDINGS		4 291			-4 291	
						-	
<b>CLASSIFICATION:</b>	<b>GRANTS &amp; SUBSIDIES PAI</b>					-	
163242610831	PAUPER BURIALS [ARMLAS	2 625	6 141	4 501		-1 640	
						-	
<b>DIRECTORATE: 16</b>	<b>COMMUNITY SERVICES: COM</b>					-	
<b>DEPARTMENT: 326</b>	<b>PARKS &amp; OPEN AREAS</b>					-	
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>					-	
163260210261	PROTECTIVE CLOTHING		293			-293	
163260210273	RELIEF STAFF		81 800			-81 800	
						-	
<b>CLASSIFICATION:</b>	<b>REPAIRS &amp; MAINTENANCE</b>					-	
163261810441	BUILDINGS		192			-192	
						-	
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>					-	
163262811671	SERV CHGE MUN - ELECT		7 387			-7 387	-7 387
163262811701	SERV CHGE MUN - WATER		24 639			-24 639	-24 639

VOTE NUMBER	DEPARTMENT	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	OVERSPENT ITEM	ITEMS NOT BUDGETED excluding items to be moved to correct allocations	SALARIES NOT CENTRALISED AND NOT BUDGETED
					-		
<b>DIRECTORATE: 17</b>	<b>COMMUNITY SERVICES: PUB</b>				-		
<b>DEPARTMENT: 341</b>	<b>EMERGENCY, FIRE &amp; DISAS</b>				-		
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>				-		
173410210065	ALLOWANCE - HOUSING SU		4 630		-4 630		-4 630
173410210109	ALLOWANCE - STANDBY		38 789		-38 789		-38 789
173410210113	ALLOWANCE - TRAVELLING		38 500		-38 500		-38 500
173410210141	BONUSES		13 556		-13 556		-13 556
173410210173	CONTRIBUTIONS - PENSIO		25 999		-25 999		-25 999
173410210203	INSURANCE : UIF		3 070		-3 070		-3 070
173410210223	LEVY - BARGAINING COUN		222		-222		-222
173410210243	OVERTIME		10 055		-10 055		-10 055
173410210273	RELIEF STAFF		3 500		-3 500		-3 500
173410210281	SALARIES		242 369		-242 369		-242 369
					-		
<b>DIRECTORATE: 17</b>	<b>COMMUNITY SERVICES: PUB</b>				-		
<b>DEPARTMENT: 342</b>	<b>LAW ENFORCEMENT SERVICE</b>				-		
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>				-		
173420210105	ALLOWANCE - SHIFT ALLO		7 548		-7 548		
173420210161	CONTRIBUTIONS - MEDICA	16 226	21 153	27 814	6 661		
173420210203	INSURANCE : UIF	7 882	8 343	13 511	5 168		
173420210243	OVERTIME	56 497	299 601	96 851	-202 750		
173420210273	RELIEF STAFF		24 800		-24 800		
					-		
<b>CLASSIFICATION:</b>	<b>REPAIRS &amp; MAINTENANCE</b>				-		
173421810685	VEHICLES, PLANT & EQUI		355		-355		
					-		
<b>DIRECTORATE: 17</b>	<b>COMMUNITY SERVICES: PUB</b>				-		
<b>DEPARTMENT: 344</b>	<b>TRAFFIC SERVICES</b>				-		
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>				-		
173440210105	ALLOWANCE - SHIFT ALLO		578		-578		
173440210117	ALLOWANCE - TRANSPORT	2 730	17 913	4 679	-13 234		
					-		
<b>CLASSIFICATION:</b>	<b>REPAIRS &amp; MAINTENANCE</b>				-		
173441810685	VEHICLES, PLANT & EQUI		1 877		-1 877		
					-		
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>				-		
173442811571	PRINTING AND STATIONAR		7 741		-7 741		
					-		
<b>DIRECTORATE: 18</b>	<b>INFRASTRUCTURE,ENG &amp; TE</b>				-		
<b>DEPARTMENT: 361</b>	<b>MANAGER:INFRASTRUCT,ENG</b>				-		
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>				-		
183610210065	ALLOWANCE - HOUSING SU		3 616		-3 616		-3 616
183610210113	ALLOWANCE - TRAVELLING		81 200		-81 200		-81 200
183610210141	BONUSES		9 542		-9 542		-9 542
183610210161	CONTRIBUTIONS - MEDICA		17 263		-17 263		-17 263
183610210173	CONTRIBUTIONS - PENSIO		55 726		-55 726		-55 726
183610210203	INSURANCE : UIF		1 769		-1 769		-1 769
183610210207	INSURANCE: GROUP LIFE		9 753		-9 753		-9 753
183610210223	LEVY - BARGAINING COUN		89		-89		-89
183610210243	OVERTIME		429		-429		-429
183610210281	SALARIES		311 835		-311 835		-311 835
					-		
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>				-		
183612811757	TRAVELLING AND SUBSIST	35 000	131 890	59 999	-71 891		
					-		
<b>DIRECTORATE: 18</b>	<b>INFRASTRUCTURE,ENG &amp; TE</b>				-		
<b>DEPARTMENT: 362</b>	<b>PROJECT MANAGEMENT UNIT:</b>				-		
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>				-		
183620210113	ALLOWANCE - TRAVELLING		125 200		-125 200		-125 200
183620210141	BONUSES		39 517		-39 517		-39 517
183620210161	CONTRIBUTIONS - MEDICA		15 249		-15 249		-15 249
183620210173	CONTRIBUTIONS - PENSIO		45 339		-45 339		-45 339
183620210203	INSURANCE : UIF		1 925		-1 925		-1 925
183620210223	LEVY - BARGAINING COUN		95		-95		-95
183620210281	SALARIES		295 831		-295 831		-295 831
					-		

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<b>DIRECTORATE: 18</b>	<b>INFRASTRUCTURE,ENG &amp; TE</b>					-	
<b>DEPARTMENT: 363</b>	<b>ELECTRICAL ENGINEERING</b>					-	
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>					-	
183630210005	ALLOWANCE - ACTING ALL		18 219			-18 219	
<b>CLASSIFICATION:</b>	<b>REPAIRS &amp; MAINTENANCE</b>					-	
183631810471	DISTRIBUTION NETWORK -	466 648	1 008 364	800 000		-208 364	
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>					-	
183632810734	ESKOM ELECTR.- INFRAST	233 324	1 064 707	399 999		-664 708	
<b>DIRECTORATE: 18</b>	<b>INFRASTRUCTURE,ENG &amp; TE</b>					-	
<b>DEPARTMENT: 365</b>	<b>MECHANICAL ENG SERV: WO</b>					-	
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>					-	
183650210109	ALLOWANCE - STANDBY		8 479			-8 479	
183650210261	PROTECTIVE CLOTHING		146			-146	
183650210273	RELIEF STAFF		18 600			-18 600	
<b>CLASSIFICATION:</b>	<b>REPAIRS &amp; MAINTENANCE</b>					-	
183651810685	VEHICLES, PLANT & EQUI		27 409			-27 409	
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>					-	
183652811701	SERV CHGE MUN - WATER	581	1 716	998		-718	
<b>DIRECTORATE: 18</b>	<b>INFRASTRUCTURE,ENG &amp; TE</b>					-	
<b>DEPARTMENT: 366</b>	<b>ROADS</b>					-	
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>					-	
183660210113	ALLOWANCE - TRAVELLING	38 500	74 360	66 000		-8 360	
183660210207	INSURANCE: GROUP LIFE	1 225	2 392	2 103		-289	
183660210273	RELIEF STAFF		7 440			-7 440	
<b>DIRECTORATE: 18</b>	<b>INFRASTRUCTURE,ENG &amp; TE</b>					-	
<b>DEPARTMENT: 368</b>	<b>WATER SERVICE</b>					-	
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>					-	
183680210005	ALLOWANCE - ACTING ALL		8 086			-8 086	
183680210273	RELIEF STAFF		55 800			-55 800	
<b>DIRECTORATE: 18</b>	<b>INFRASTRUCTURE,ENG &amp; TE</b>					-	
<b>DEPARTMENT: 369</b>	<b>SEWERAGE &amp; SANITATION S</b>					-	
<b>CLASSIFICATION:</b>	<b>EMPLOYEE RELATED COSTS</b>					-	
183690210105	ALLOWANCE - SHIFT ALLO		16 952			-16 952	
183690210273	RELIEF STAFF		42 480			-42 480	
183690210285	SUNDAY PREMIUM		39 778			-39 778	
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>					-	
183692811671	SERV CHGE MUN - ELECT	7 077	37 595	12 134		-25 461	
183692811701	SERV CHGE MUN - WATER		10 204			-10 204	
<b>DIRECTORATE: 18</b>	<b>INFRASTRUCTURE,ENG &amp; TE</b>					-	
<b>DEPARTMENT: 372</b>	<b>VEHICLE, PLANT &amp; MACHIN</b>					-	
<b>CLASSIFICATION:</b>	<b>REPAIRS &amp; MAINTENANCE</b>					-	
183721810685	VEHICLES, PLANT & EQUI		763 865			-763 865	
183721810687	VEHICLES - TYRES & TUB		350 985			-350 985	
<b>CLASSIFICATION:</b>	<b>GENERAL EXPENSES - OTH</b>					-	
183722811315	FUEL & OIL		1 788 227			-1 788 227	
183722811481	LICENCE FEES		75 286			-75 286	
	<b>TOTAL</b>					<b>-27 701 614</b>	<b>-4 542 864</b>
							<b>-4 139 737</b>

**FINANSËLE IMPLIKASIES/FINANCIAL IMPLICATION :**

**WETLIKE IMPLIKASIES/LEGAL IMPLICATION: Section 32 of the MFMA**

32. (1) Without limiting liability in terms of the common law or other legislation—  
(a) a political office-bearer of a municipality is liable for unauthorised expenditure if that office-bearer knowingly or after having been advised by the accounting officer of the municipality that the expenditure is likely to result in unauthorised expenditure, instructed an official of the municipality to incur the expenditure;

(d) any political office-bearer or official of a municipality who deliberately or negligently made or authorised a fruitless and wasteful expenditure is liable for that expenditure.

(2) (b) in the case of irregular or fruitless and wasteful expenditure, is, after investigation by a council committee, certified by the council as irrecoverable and written off by the council.

(3) If the accounting officer becomes aware that the council, the mayor or the executive committee of the municipality, as the case may be, has taken a decision which, if implemented, is likely to result in unauthorised, irregular or fruitless and wasteful expenditure, the accounting officer is not liable for any ensuing unauthorised, irregular or fruitless and wasteful expenditure provided that the accounting officer has informed the council, the mayor or the executive committee, in writing, that the expenditure is likely to be unauthorised, irregular or fruitless and wasteful expenditure.

(4) The accounting officer must promptly inform the mayor, the MEC for local government in the province and the Auditor-General, in writing, of—  
(a) any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality;

(b) whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and

(c) the steps that have been taken—  
(i) to recover or rectify such expenditure; and  
(ii) to prevent a recurrence of such expenditure.



(5) The writing off in terms of subsection (2) of any unauthorised, irregular or fruitless and wasteful expenditure as irrecoverable, is no excuse in criminal or disciplinary proceedings against a person charged with the commission of an offence or a breach of this Act relating to such unauthorised, irregular or fruitless and wasteful expenditure.

(8) The Minister, acting with the concurrence of the Cabinet member responsible for local government, may regulate the application of this section by regulation in terms of section 168.

**AANBEVELINGS/RECOMMENDATION:**

Council to take note of the report.

That the Council should follow Section 32 of the MFMA (Municipal Finance Management Act) in dealing with this issue.

Chief Financial Officer

**Nozuko Mdaka**