Richmond
Local Municipality

In-Year Report
March 2024

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1.1 Executive Summary

The Municipal Finance Management Act (MFMA) assigns various responsibilities to the Mayor and the Accounting Officer (Municipal Manager).

As per Section 71 (1) "*The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month.*"

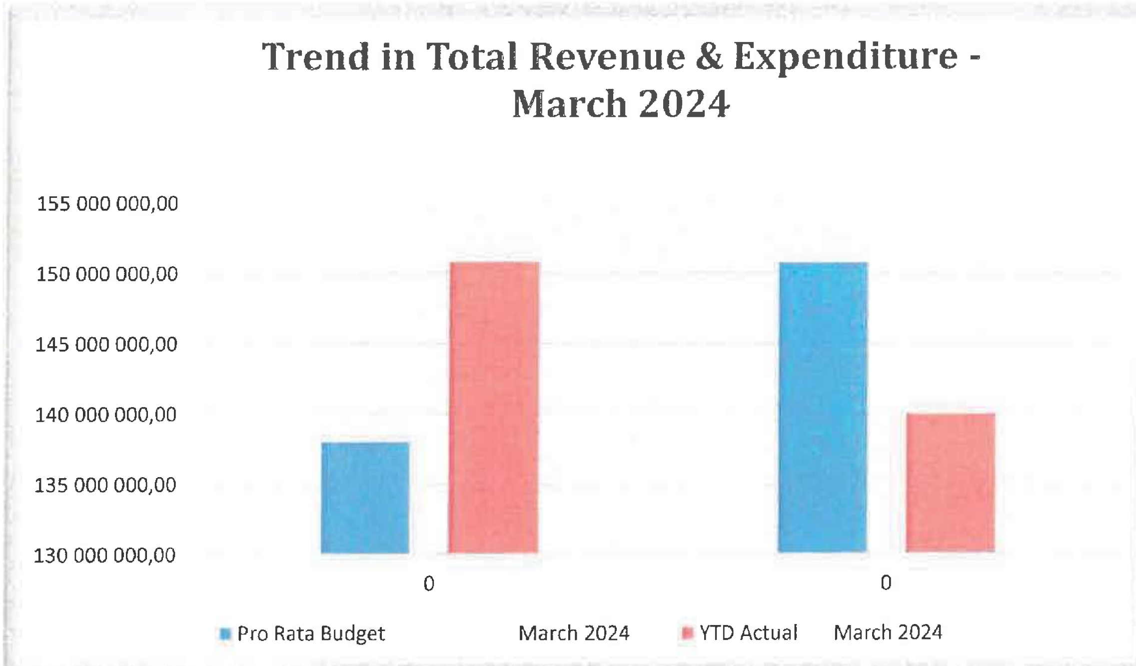
Furthermore, Section 52(d) of the MFMA states: *"**52. General responsibilities:** - The Mayor of a municipality-*

(d) Must within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

This in year report is prepared in terms of the municipal budget and reporting regulations that were promulgated in the Government Gazette No. 32141 of 17 April 2009.

1.1.1 Overview of financial performance

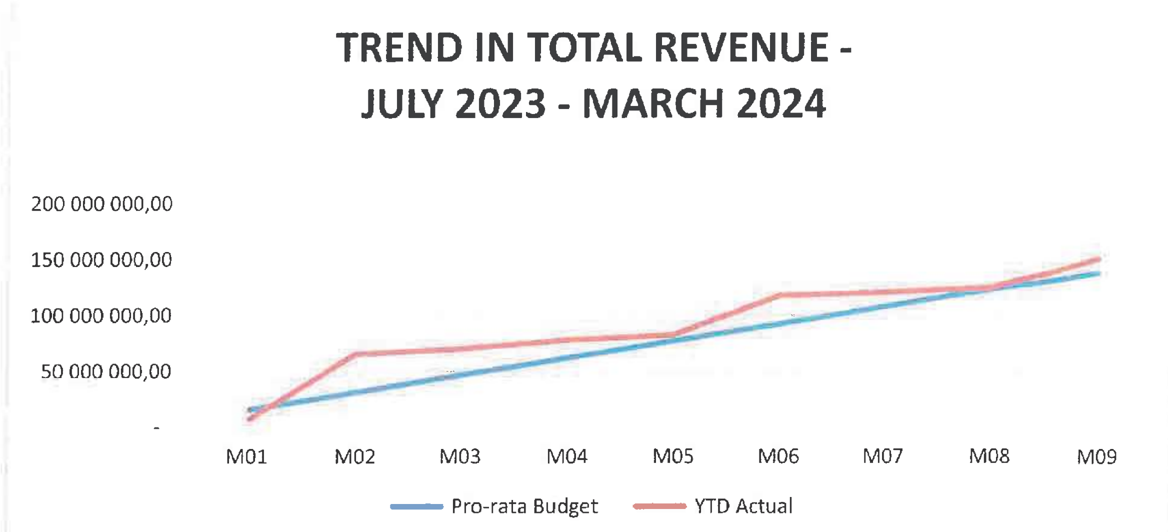
Description	Table 1 - Summary for Financial Period ended March 2024					
	Full Year Budget 2023/24	Pro Rata Budget March 2024	YTD Actual March 2024	YTD Variance March 2024		
						%
Total Revenue:	**183,983,059.00**	**137,987,294.25**	**150,839,148.63**	**R**	**12,851,854**	**9.31%**
Revenue - Operational	164,286,954.00	123,215,215.50	133,816,640.70	R	10,601,425	8.60%
Revenue - Capital	19,696,105.00	14,772,078.75	17,022,507.93	R	2,250,429	15.23%
Total Expenditure:	**201,015,722.00**	**150,761,791.50**	**139,936,859.83**	**R**	**-10,824,932**	**-7.18%**
Expenditure - Operational	177,021,147.00	132,765,860.25	123,856,507.38	R	-8,909,353	-6.71%
Expenditure - Capital	23,994,575.00	17,995,931.25	16,080,352.45	R	-1,915,579	-10.64%
						Source: Budget Table C1



Key Observations:

- The table & illustrations above provide an overview of the municipal financial performance and position as at **March 2024**
- Total revenue accrued amounted to **R 150 839 m** which is higher compared to the pro rata budget of **R 137 987 m.** This is mainly due to the equitable share of R 38 716 m received in July 2023, R 30 973 m in December 2023, R 23 230 m as well as the annual raising of rates in August.
- Total expenditure incurred amounted to **R 139 937 m**, which is lower compared to the pro rata budget of **R 150 761 m.**

1.1.2 Revenue Trend



The illustration above provides an overview and trend of total revenue for **July 2023 to March 2024**.

1.1.3 Revenue by source

The following revenue tables are from Richmond Local Municipality financial system their purpose is to disclose revenue performance by source. These tables are aligned with **Table C4, Monthly Budget Statement – Financial performance (revenue M09)**. Key variances are further detailed and analysed below:

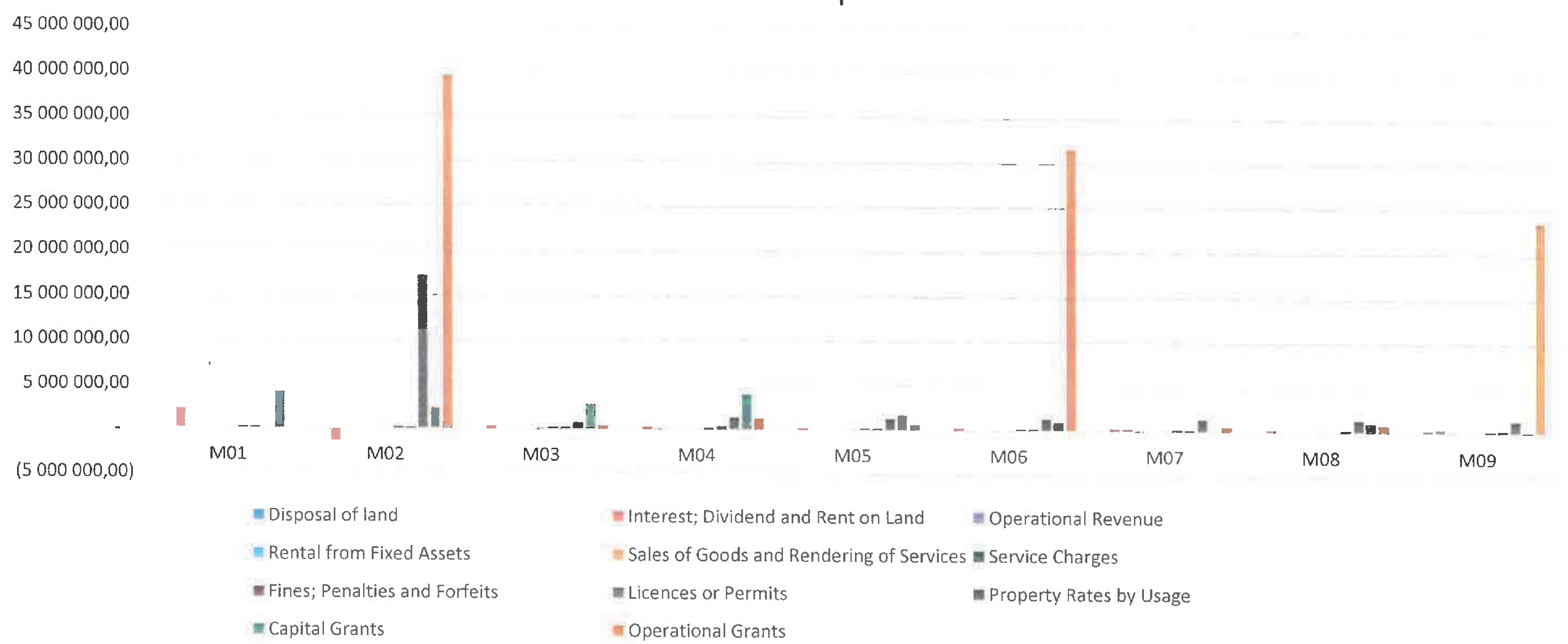
Revenue by source	Total Budget	Total Actual	Prorated Budge	Variance
Operational Grants	102,990,514.00	98,504,154.11	77,242,885.50	21,261,268.61
Operational Revenue	1,027,812.00	981,550.23	770,859.00	210,691.23
Property Rates by Usage	28,445,868.00	26,111,548.06	21,334,401.00	4,777,147.06
Capital Grants	19,696,105.00	17,022,507.93	14,772,078.75	2,250,429.18
Interest on investments	4,126,993.00	2,872,507.27	3,095,244.75	(222,737.48)
Licences or Permits	2,864,164.00	1,971,061.86	2,148,123.00	(177,061.14)
Service Charges	1,145,064.00	771,626.19	858,798.00	(87,171.81)
Rental from Fixed Assets	1,095,540.00	574,169.75	821,655.00	(247,485.25)
Fines; Penalties and Forfeits	3,738,857.00	1,736,704.59	2,804,142.75	(1,067,438.16)
Sales of Goods and Rendering of Services	8,420,638.00	293,318.64	6,315,478.50	(6,022,159.86)
Disposal of land	10,431,504.00	-	7,823,628.00	(7,823,628.00)

%	Revenue by Source	Comment	Explanations for variances above +/-10%
28%	Operational Grants	Favorable	The favorable variance is attributable to the Equitable share tranche that was received during March 2024.
27%	Operational Revenue	Favorable	The favorable variance is due to the insurance refund that was received during March in respect of the Tipper Truck.
22%	Property Rates by Usage	Favorable	The variance is attributed to the annual raising of rates in August. This will even out during the year.
15%	Capital Grants	Favorable	Favorable variance is due to the effective utilization of capital grants.
-7%	Interest on investments	Favorable	The variance is accepted.
-8%	Licenses or Permits	Unfavorable	The variance is accepted.
-10%	Service Charges	Unfavorable	The variance is accepted.
-30%	Rental from Fixed Assets	Unfavorable	Variance is due to the certain municipal properties being vacant and not occupied as expected.
-38%	Fines; Penalties and Forfeits	Unfavorable	Variance is due to the offering of discount on debt settlement through the implementation of debt incentive policy.
-95%	Sales of Goods and Rendering of Services	Unfavorable	The unfavorable variance is due to the accounting of INEP under GRAP 11 that will be recorded by the end of April.
-100%	Disposal of land	Unfavorable	The disposal of land is being finalized and is expected to be completed in the fourth quarter of the financial year

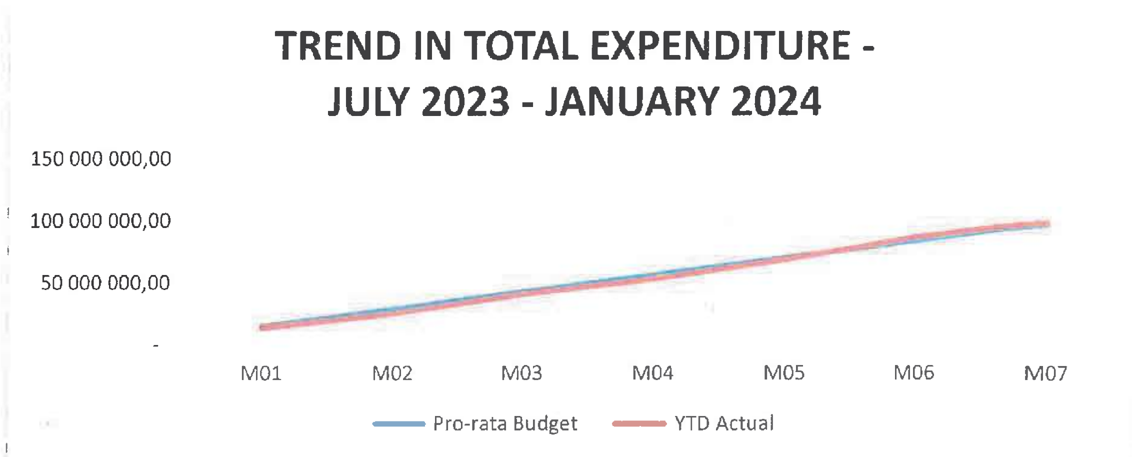
The table and graph below further show revenue per source monthly:

Revenue by source	Total Budget	M01	M02	M03	M04	M05	M06	M07	M08	M09	Total Actual
Disposal of land	10,431,504.00	-	-	-	-	-	-	-	-	-	0
Interest; Dividend and Rent on Land	4,126,993.00	2,145,434.77	(1,426,866.88)	357,058.27	328,328.45	255,852.78	309,833.27	332,853.81	267,901.36	302,111.44	2872507.27
Operational Revenue	1,027,812.00	38,402.15	4,737.63	19,620.18	131,134.10	4,836.90	72,991.64	319,260.17	16,380.70	374,186.76	981550.23
Rental from Fixed Assets	1,095,540.00	57,218.81	56,905.90	59,024.67	55,820.64	53,764.72	52,088.92	112,560.85	32,823.43	93,961.81	574169.75
Sales of Goods and Rendering of Services	8,420,638.00	52,477.97	23,521.75	28,846.23	50,054.22	28,091.26	22,582.34	14,043.13	39,879.15	33,822.59	293318.64
Service Charges	1,145,064.00	85,226.25	85,226.25	86,238.09	86,000.01	84,809.61	85,940.49	85,880.97	86,152.26	86,152.26	771626.19
Fines; Penalties and Forfeits	3,738,857.00	186,004.30	200,657.04	201,741.21	219,732.87	218,404.50	222,940.40	223,969.52	35,545.91	227,708.84	1736704.59
Licences or Permits	2,864,164.00	156,789.17	157,844.71	204,817.37	392,660.56	205,298.39	195,080.16	141,706.93	236,765.71	280,098.86	1971061.86
Property Rates by Usage	28,445,868.00	(22,334.23)	17,122,511.62	723,961.23	1,397,896.94	1,307,584.06	1,385,714.96	1,398,175.53	1,399,217.69	1,398,820.26	26111548.06
Capital Grants	19,696,105.00	4,085,652.49	2,353,205.08	2,755,905.64	3,956,918.02	1,728,501.22	966,381.18	11,848.34	1,000,583.77	163,512.19	17022507.93
Operational Grants	102,990,514.00	34,840.08	39,539,937.88	389,474.16	1,270,266.56	715,790.32	31,585,890.21	547,696.81	825,135.09	23,595,123.00	98504154.11
Grand Total	**183,983,059.00**	**6,819,711.76**	**58,117,680.98**	**4,826,687.05**	**7,888,812.37**	**4,602,933.76**	**34,899,443.57**	**3,187,996.06**	**3,940,385.07**	**26,555,498.01**	**150,839,148.63**

Source of revenue contributions per month



1.1.4 Expenditure Trend



The table and illustration above provide an overview and trend of Total Expenditure for **July 2023 to March 2024**.

1.1.5 Expenditure by Type

Operational cost

The following expenditure tables are from Richmond Local Municipality financial system, their purpose is to disclose expenditure by type. These tables are aligned with **Table C4, Monthly Budget Statement – Financial performance (expenditure M09)**. Key variances are further detailed and analysed below:

Expenditure by type	Total Budget	Total Actual	Prorated Budge	Variance
Interest expenditure	401,616.00	21,918.80	234,276.00	(212,357.20)
Depreciation and Amortisation	22,241,400.00	9,394,607.33	12,974,150.00	(3,579,542.67)
Transfers and Subsidies	600,000.00	314,222.16	350,000.00	(35,777.84)
Operating Leases	3,022,860.00	1,766,457.39	1,763,335.00	3,122.39
Contracted Services	31,217,472.00	18,279,755.45	18,210,192.00	69,563.45
Remuneration of Councillors	6,881,352.00	4,042,665.10	4,014,122.00	28,543.10
Employee Related Cost	68,612,604.00	41,958,033.31	40,024,019.00	1,934,014.31
Inventory Consumed	8,663,724.00	5,303,165.44	5,053,839.00	249,326.44
Operational Cost	19,494,384.00	12,448,705.10	11,371,724.00	1,076,981.10
Impairment Loss	5,000,000.00	4,827,279.95	2,916,666.67	1,910,613.28

%	Expenditure class	Comment	Explanations for variances above +/-10%
-91%	Interest expense	Favorable	Favorable variance is due to the unwinding of interest from the landfill site not yet recorded. Interest on landfill site is recorded at year end by the municipality.
-22%	Contracted Services	Favorable	The variance is due to an upwards budget adjustment as a resulting of budgeting for the INEP funded projects as a construction cost in terms of GRAP 11
-18%	Depreciation and Amortization	Favorable	The monthly depreciation is posted utilizing an asset module however, the impairment element is only processed at year.
-11%	Transfers and Subsidies	Favorable	The municipality will continue to vet indigent qualifying customers and ensure that there are updated on list of beneficiaries for electricity.
-7%	Inventory Consumed	Favorable	The variance is accepted.
-6%	Impairment Loss	Unfavorable	The variance is accepted.
-2%	Remuneration of Councilors	Unfavorable	The variance is accepted.
-1%	Operating Leases	Unfavorable	The variance is accepted.
1%	Operational Cost	Unfavorable	The variance is accepted.
2%	Employee Related Cost	Unfavorable	The variance is accepted.

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The table and graph below further show expenditure per source on a monthly basis:

Expenditure per type	Total Budget	M01	M02	M03	M04	M05	M06	M07	M08	M09	Total Actual
Contracted Services	41,114,182.00	3,198,815.47	3,115,964.36	2,786,667.98	2,289,064.76	1,641,344.99	3,073,471.13	2,174,426.76	2,735,653.73	3,159,666.81	24,175,075.99
Depreciation and Amortisation	19,499,995.00	1,354,578.70	-	2,665,465.84	1,354,578.70	1,310,887.14	1,354,548.97	1,354,547.98	1,267,153.62	1,354,516.96	12,016,277.91
Employee Related Cost	68,612,604.00	5,729,804.04	5,432,130.94	5,618,137.13	5,314,657.64	8,525,503.48	5,486,521.79	5,851,278.29	5,447,460.05	5,332,823.61	52,738,316.97
Interest; Dividends and Rent on Land	401,616.00	-	6,946.81	3,290.13	3,130.01	2,990.97	2,850.92	2,709.96	2,568.02	2,425.11	26,911.93
Inventory Consumed	5,163,809.00	452,866.75	710,775.38	688,817.60	1,006,598.94	1,044,440.86	727,294.87	672,371.04	(2,219,308.86)	517,779.19	3,601,635.77
Operating Leases	3,024,670.00	257,951.21	247,523.73	266,317.45	260,063.97	282,030.29	8,629.85	443,940.89	262,810.91	212,987.58	2,242,255.88
Operational Cost	24,722,919.00	535,085.55	1,683,147.16	3,116,700.70	1,519,123.29	1,986,831.05	2,033,017.97	1,574,799.38	4,305,309.26	1,881,632.18	18,635,646.54
Remuneration of Councillors	6,881,352.00	1,010,520.76	(1,440.00)	506,321.88	793,782.97	679,583.43	530,119.15	523,776.91	523,776.91	495,632.18	5,062,074.19
Transfers and Subsidies	600,000.00	42,904.83	46,694.77	47,198.04	44,734.47	45,166.38	43,374.85	44,148.82	40,973.49	43,784.48	398,980.13
Impairment Loss	7,000,000.00	901.04	-	-	-	-	4,826,378.91	-	24,853.79	107,198.33	4,959,332.07
Grand Total	**177,021,147.00**	**12,583,428.35**	**11,241,743.15**	**15,698,916.75**	**12,585,734.75**	**15,518,778.59**	**18,086,208.41**	**12,642,000.03**	**12,391,250.92**	**13,108,446.43**	**123,856,507.38**

Expenditure by type contributions per month

1.1.6 Financial Health Indicators

The following provides an overview of the key financial health indicators

Crucial ratios	A brief definition of that ratio	M04	M05	M06	M07	M08	M09
Collection rate	The ratio indicates the collection rate; i.e. level of payments. It measures an increase or decrease in debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written off are taken into consideration. The norm is 95%	44%	53%	57%	66%	71%	74%
Cash/Cost Coverage ratio (excluding unspent conditional grants)	The ratio indicates the municipality's or municipal entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investments without collecting any additional revenue, during that month. The norm range is between 1 month to 3 months.	2 months	0.89 months	2.83 months	2.19 months	1.9 months	2.7 months
Current ratio	The ratio is used to assess the municipality's or municipal entity's ability to pay back its short-term liabilities (Debt and Payables) with its short-term assets (cash, inventory, receivables). The norm ranges between 1.5 to 2:1	2.0	1.68	2.34	2.05	2.03	2
Creditor payment period	This ratio indicates the average number of days taken for trade creditors to be paid. The norm is 30 days	26 days	25 days	24 days	23 days	26 days	26 days

<u>Debtors collection rate (norm 95%)</u>

Collection rate as at the end of February was 74%. This is considered below the norm of 95%, however currently there is a debt collector who is assist with collection of outstanding debt and during quarter 4 the municipality will be embarking on a debt incentive scheme with the intention of increasing the debt collection ratio.

Cash coverage (norm 1-3 months)

Currently this ratio is within the norm, which means the municipality can continue its operations for 2.7 months by only utilising its own funds.

Current ratio: (Norm 1:1.5)

Current ratio for February is still within the norm which means the municipality is still able to meet it short term obligations.

Creditors payment period (norm 30 days)

The municipality is within the norm of paying it short term creditors within 30 days. This means that the municipality is complying with section 65 of the MFMA.

1.1.7 Material differences from the SDBIP

None identified, however a detailed report is attached under performance information.

1.1.8 Remedial or corrective steps

None identified

1.2 In-Year Budget Statement Tables

The In-Year Budget Statement Tables, that are submitted with this report, include the following:

TABLE	DESCRIPTION	ADDITIONAL DETAILS
C1	Monthly Budget Statement	S71 Summary
C2	Monthly Budget Statement	Financial Performance (standard classification)
C3	Monthly Budget Statement	Financial Performance (revenue and expenditure by municipal vote)
C4	Monthly Budget Statement	Financial Performance (revenue and expenditure)
C5	Monthly Budget Statement	Capital expenditure
C6	Monthly Budget Statement	Financial Position
C7	Monthly Budget Statement	Cash Flow

2 Part 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

The following is from **Table SC3, Monthly Budget Statement – aged debtors**, and an analysis is further provided:

Code	Customer Category	202403 (C	202402 (3(	202401 (6(	202312 (9(	202311 (1:	202310 (1!	202309-2(	202306 (2:	Total	>90 Days
'000000		8515.1	5035.47	-2181.92	3453.21	3109.76	2873.08	1719.57	18002.52	40,526.79	29,158.14
'000001	RESIDENTIAL	280142.3	157202.4	109475.8	120354.6	109025	94989.47	90558.74	2784305	3,746,053.08	3,199,232.55
'000002	COMMERCIAL	228720.4	29870.99	196770.7	22481.25	26073.59	17320.93	7589.16	31493.26	560,320.25	104,958.19
'000003	NATIONAL GOVERNMENT	4246.2	3835.29	2242.24	2241.5	1419.35	1468.78	2504.27	4020518	4,038,476.03	4,028,152.30
'000005	OTHER	22900.79	3907.25	8427.83	5350.01	1722.77	1570.64	1332.47	-313337	(268,125.25)	(303,361.12)
'000006	RELIGIOUS	1506.37	1506.37	1506.37	610.37	1506.37	1502.87	1500.49	281425.1	291,064.35	286,545.24
'000007	AGRICULTURAL	267771.1	55956.69	30934.21	30535.9	19584.13	26001.64	12615.62	540660.5	984,059.77	629,397.77
'000008	PROVINCIAL GOVERNMENT	1302.84	11183.66	1141.5	1141.5	-368209	1141.5	1141.5	3415825	3,064,669.21	3,051,041.21
'000009	GOVERNMENT OTHE	-671083	26566.85	25492.48	27339.87	27053.03	28997.9	31366.9	12034633	11,530,366.98	12,149,390.57
'000010	PENSIONERS	11696.26	7828.75	3239.8	463.41	2979.02	-72914.7	1860.11	34962.01	(9,885.37)	(32,650.18)
'000011	HANDED OVER	724561.3	690293.3	677004.3	639622	621546.3	617076	608118.1	23152601	27,730,822.18	25,638,963.31
'000012	INDIGENT DEBTOR	39005.39	11978.83	10391.34	9528.95	9571.09	4217.45	10199.81	127410.1	222,302.94	160,927.38
TOTAL		919285.2	1005166	1064445	863122.6	455381.8	724245.5	770506.7	46128499	51,930,650.96	48,941,755.36

The Debtor's report has been prepared based on the format required to be lodged electronically with National Treasury. This format provides an extended aged analysis, as well as an aged analysis by debtor type. The summary report indicates that the debtors >90 days balance amounts to **R 51 930 650**

2.2 Creditors Analysis

The following is from **Table SC4, Monthly Budget Statement – aged creditors**, and an analysis is further provided:

KZN227 Richmond - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 - March

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
R thousands		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	33	–	–	–	–	–	–	–	33	–
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	33	–	–	–	–	–	–	–	33	–

The Creditors report has been prepared based on the format required to be lodged electronically with National Treasury. This format provides an extended aged analysis, as well as an aged analysis by creditor type.

The municipality had a total of **R 33 000** outstanding creditors as of March 2024 which is still within 30 days.

2.3 Investment portfolio analysis

The following is from Richmond Local Municipality financial system and is aligned with Table **SC5, Monthly Budget Statement – Investment portfolio**, and an analysis is further provided:

INVESTMENT PORTFOLIO ANALYSIS

NOTICE NO. R.1536 - GOVT GAZETTE NO.18435

REGULATION 3(1)(g)

INVESTMENT PORTFOLIO :

Financial Institution	Account Number	Investment Type		Bal. as at 31 March 2024	Interest Rate	MARCH 2024 Interest	Bal. as at 29 February 2024
First National Bank	61356002695	Call account		17,333.40		97.35	10,865.01
First National Bank	62117170407	Patheni Housing		173,811.87		1,000.89	172,810.98
First National Bank	62134473280	Housing Operating Account		929,657.72		5,543.42	924,114.30
First National Bank	62155682844	Zwelethu Housing		386,632.34		2,305.44	384,326.90
First National Bank	62176174383	Siyathuthuka Phase ii		327,948.90		1,955.52	325,993.38
First National Bank	62810019217	Housing Title deed Account		2,539,505.34		16,180.39	2,523,324.95
First National Bank	62299629116	Mig Grant Funding		2,303,147.61		16,784.42	2,736,363.19
First National Bank	62241817537	Financial Management Grant		1,062,081.16		6,371.04	1,062,081.16
First National Bank	62833569900	Library Services Grant		1,820,014.65		11,596.17	1,808,418.48
First National Bank	62833571385	Small Town Grant		440,212.00		2,804.80	437,407.20
FNB DME	63003663506	FNB DME		466,464.75		2,972.07	463,492.68
FNB RESERVES	63003024063	FNB RESERVES		161,548.19		1,625.34	739,922.85
NEDBANK	03/7165013946/000052	Nedbank Fixed		15,991,639.74		126,505.48	15,865,134.26
STANDARD BANK	268791155 004	Standard Fixed					
STANDARD BANK	268791155 003	Standard Fixed					
First National Bank	63024683319	FNB HIGHOVER		815,151.77		5,193.72	809,958.05
ABSA BANK FIXED	20-8098-6579	ABSA FIXED					-
				27,435,149.44		200,936	28,264,213

Summary of exposures to particular financial institutions

financial institution	amount invested	Percentage exposure
First National Bank	12,404,272.85	43.88
Nedbank	15,865,134.26	56.12
Investec	-	
Standard Bank		-
ABSA BANK	-	-
TOTAL	28,269,407.11	100.00
Primary Bank Account	R 19,770,072.09	
Cash & Cash Equivalent	48,039,479.20	

2.4 Allocation and grants receipts & expenditure

Further detailed on **Table SC6, Monthly Budget Statement – Transfers and grant receipts** and **Table SC7, Monthly Budget Statement – Transfers and grant expenditure**:

KZN227 RICHMOND MUNICIPALITY GRANT REGISTER

Name of grant	Receipts	Expenditure: Operating (Revenue Recognised)	Expenditure: Capital (Revenue Recognised)	Total Spending Wednesday, January 31, 2024	%
Expanded Public Works Programme Integrated grant for Municipalities (EPWP)	R 1,125,000	R 1,125,000	R -	R 1,125,000	100%
Financial Management Grant (FMG)	R 1,950,000	R 1,647,423	R -	R 1,647,423	84%
Library Grant	R 2,946,000	R 2,265,858	R -	R 2,265,858	77%
INEP Grant	R 8,000,000	R 4,031,478	R -	R 4,031,478	41%
Municipal Infrastructure Grant (MIG)	R 22,331,000	R 313,561	R 17,022,508	R 17,336,069	82%
Highover Game Reserve	R -	R 2,281,691		R 2,281,691	83%
Small Town Rehabilitation Programme	R -	R -	R -	R -	0%
Library Cyber Grant	R 254,004	R 233,059		R 233,059	92%
Rehabilitation of Nelson Street SMME Units	R 500,000				0%

The equitable share is anticipated to be a total of R 92,919,000.00.

2.5 Councillor & Board member allowances

The following is from **Table SC8, Monthly Budget Statement – Councillor and staff benefits**, and an analysis is further provided:

KZN227 Richmond - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 - March

Summary of Employee and Councillor remuneration R thousands	Ref	2022/23 Audited Outcome	Budget Year 2023/24 Original Budget	Adjusted Budget	Monthly actual	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		4,730	5,277	5,277	389	4,029	3,958	71	2%	5,277
Pension and UIF Contributions		31	150	150	2	21	113	(92)	-81%	150
Medical Aid Contributions		23	79	79	3	26	60	(34)	-56%	79
Motor Vehicle Allowance		541	65	65	(15)	420	49	371	757%	65
Cellphone Allowance		619	656	656	51	490	492	(1)	0%	656
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		109	654	654	66	76	490	(414)	-85%	654
Sub Total - Councillors		6,051	6,881	6,881	496	5,062	5,161	(99)	-2%	6,881
% Increase	4		13.7%	13.7%						13.7%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4,685	3,645	3,645	407	3,795	2,734	1,061	39%	3,645
Pension and UIF Contributions		10	10	10	1	8	7	1	8%	10
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		44	–	–	–	–	–	–		–
Motor Vehicle Allowance		765	887	887	67	603	665	(62)	-9%	887
Cellphone Allowance		36	106	106	–	–	79	(79)	-100%	106
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		1	1	1	0	1	1	(0)	-12%	1
Payments in lieu of leave		15	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	(346)	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		5,210	4,649	4,649	475	4,407	3,487	920	26%	4,649
% increase	4		-10.8%	-10.8%						-10.8%
Other Municipal Staff										
Basic Salaries and Wages		40,007	45,974	45,974	3,637	33,540	34,480	(940)	-3%	45,974
Pension and UIF Contributions		6,029	6,479	6,479	569	5,041	4,859	182	4%	6,479
Medical Aid Contributions		2,133	2,406	2,406	219	1,764	1,805	(41)	-2%	2,406
Overtime		1,326	1,074	1,074	84	1,203	806	397	49%	1,074
Performance Bonus		3,077	3,215	3,215	–	3,103	2,411	692	29%	3,215
Motor Vehicle Allowance		1,728	1,622	1,622	132	1,184	1,217	(33)	-3%	1,622
Cellphone Allowance		401	437	437	35	316	328	(12)	-4%	437
Housing Allowances		165	98	98	30	236	74	162	220%	98
Other benefits and allowances		182	728	728	67	579	546	33	6%	728
Payments in lieu of leave		2,286	1,930	1,930	85	1,367	1,447	(80)	-6%	1,930
Long service awards		387	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	1,308	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		–	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		59,028	63,964	63,964	4,858	48,332	47,973	359	1%	63,964
% increase	4		8.4%	8.4%						8.4%
Total Parent Municipality		70,290	75,494	75,494	5,828	57,800	56,620	1,180	2%	75,494

The schedule details expenditure incurred by the municipality on staff salaries, wages, allowances, and benefits. All expenditure is within year-to-date budget.

2.6 Material Variances to the SDBIP

None identified

2.7 Capital programme performance

2.7.1 Capital expenditure per month

The following is from **Table SC12, Monthly Budget Statement – Capital expenditure trend** , and an analysis is further provided:

Row Labels	Sum of TotalBudget	Sum of TotalActual
Assets	**23,994,575.00**	**16,080,352.45**
Non-current Assets	**23,994,575.00**	**16,080,352.45**
Assets:Non-current Assets:Construction Work-in-progress:Acquisitions:Outsourced	20,187,801.00	14,300,711.56
Assets:Non-current Assets:Intangible Assets:Cost:Other:In-use:Computer Software:Acquisitions	900,000.00	600,000.00
Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Community Assets:Cost:Acquisitions	375,000.00	78,750.00
Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Computer Equipment:In-use:Cost:Acquisitions	1,090,413.00	632,602.10
Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Furniture and Office Equipment:In-use:Cost:Acquisitions	202,770.00	99,471.40
Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Machinery and Equipment:In-use:Cost:Acquisitions	439,091.00	319,317.39
Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Transport Assets:Future Use:Cost:Acquisitions	49,500.00	49,500.00
Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Transport Assets:Owned and In-use:Cost:Acquisitions	750,000.00	-
Grand Total	**23,994,575.00**	**16,080,352.45**

2.7.2 Summary of Capital expenditure by asset class

The following is from **Table SC13a, Monthly Budget Statement – Capital expenditure on new assets by asset class**, and an *analysis is further provided on c schedule*.

2.8 Other supporting documents

A complete set of C schedule is attached.

2.9 Municipal Mangers Quality Certification

I, B.E Mswane, the acting Municipal Manager, of Richmond Municipality, hereby certify that the

- ☐ monthly budget statement
- ☐ quarterly report on the implementation of the budget and financial of the municipality
- ☐ mid-year budget and performance assessment

for the month of **February** of **2024** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Name: BE Mswane.

Municipal Manager of Richmond Municipality (KZN227)

Signature………………………………………………………