RICHMOND
Local Municipality

# In-Year Report
# September 2025

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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.*"

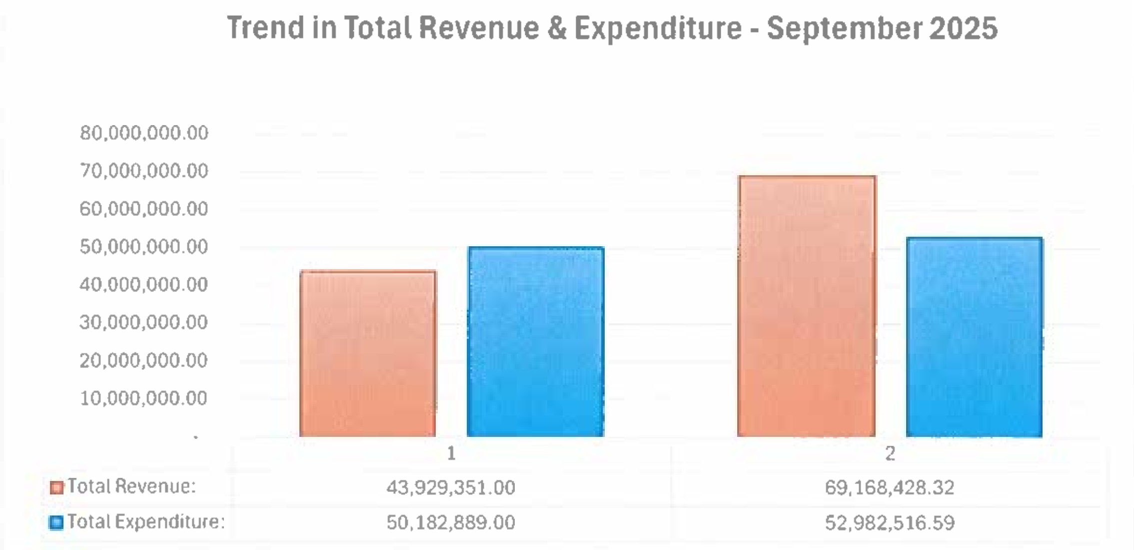
Furthermore, Section 52(d) of the MFMA states: *"**52. General responsibilities:** - The Mayor of a municipality-*

*(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

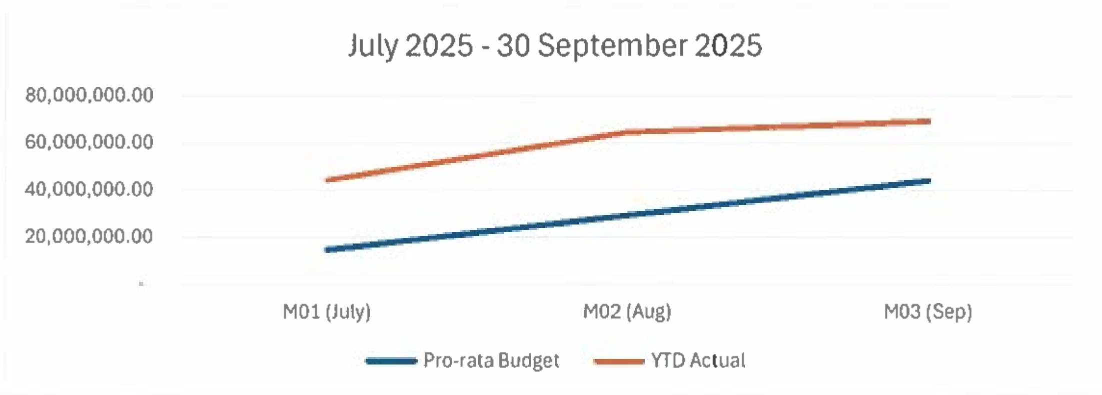
| Description | Table 1 - Summary for Financial Period ended 2025/26 | | | | |
|---|---|---|---|---|---|
| | Full Year Budget | Pro Rata Budget | YTD Actual | YTD Variance | |
| | 2025/26 | September | September | September | % |
| **Total Revenue:** | **175,717,404.00** | **43,929,351.00** | **69,168,428.32** | **25,239,077** | **57%** |
| Revenue - Operational | 153,507,144.00 | 38,376,786.00 | 63,085,254.47 | 24,708,468 | 64% |
| Revenue - Capital | 22,210,260.00 | 5,552,565.00 | 6,083,173.85 | 530,609 | 10% |
| **Total Expenditure:** | **200,731,556.00** | **50,182,889.00** | **52,982,516.59** | **2,799,628** | **6%** |
| Expenditure - Operational | 176,951,300.00 | 44,237,825.00 | 44,815,144.60 | 577,320 | 1% |
| Expenditure - Capital | 23,780,256.00 | 5,945,064.00 | 8,167,371.99 | 2,222,308 | 37% |
| | | | | | **Source: Budget Table C1** |




***Key Observations:***

- The table & illustrations above provide an overview of the municipal financial performance and position as of **September 2025.**
- Total revenue accrued amounted to **R69.1m,** which is higher compared to the pro rata budget of **R 43.9m**. The main contribution is the August yearly billing for property rates.
- Total expenditure incurred amounted to **R52.9m,** which is slightly higher compared to the pro rata budget of **R50.1m**.

### 1.1.2 Revenue Trend



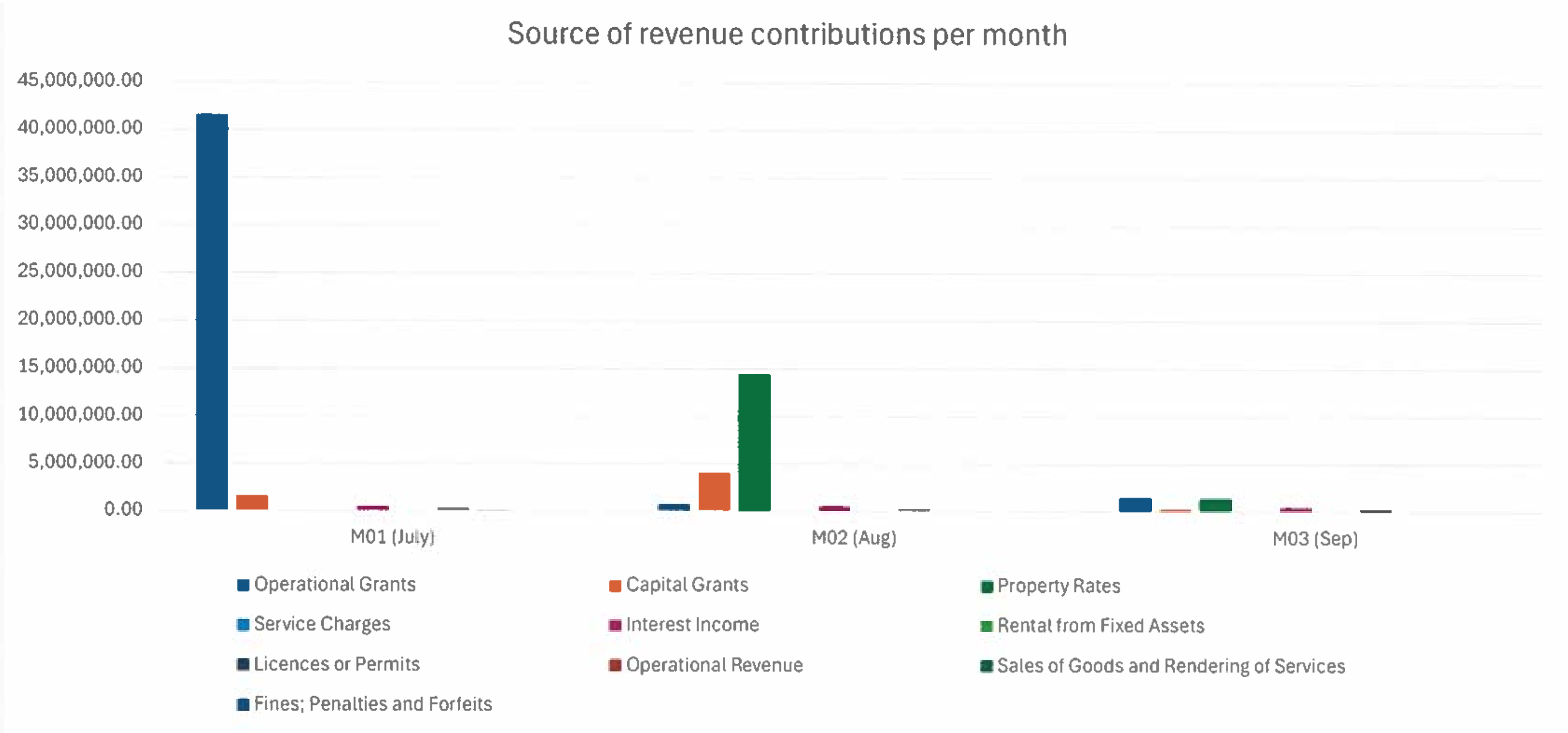

### 1.1.3 Revenue by source

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 M03)**. Key variances are further detailed and analysed below:

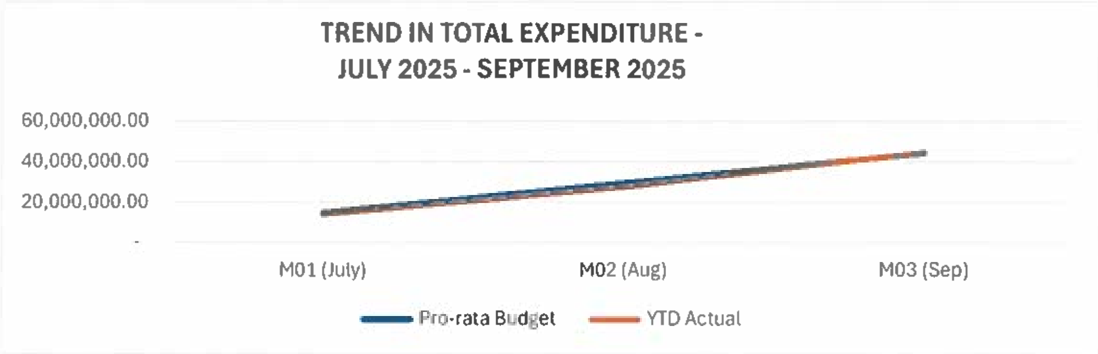
| Revenue by Source | Budget to Date | Total Actual | Variance |
|---|---|---|---|
| Operational Grants | 27,143,940.00 | 43,818,449.44 | 16,674,509.44 |
| Capital Grants | 5,552,565.00 | 6,083,173.85 | 530,608.85 |
| Property Rates | 7,772,952.00 | 15,850,568.83 | 8,077,616.83 |
| Service Charges | 281,514.00 | 239,529.17 | -41,984.83 |
| Interest Income | 1,737,750.00 | 1,698,972.55 | -38,777.45 |
| Rental from Fixed Assets | 263,433.00 | 344,625.48 | 81,192.48 |
| Licences or Permits | 722,052.00 | 840,623.30 | 118,571.30 |
| Operational Revenue | 316,137.00 | 182,985.33 | -133,151.67 |
| Sales of Goods and Rendering of Services | 131,118.00 | 109,500.37 | -21,617.63 |
| Fines; Penalties and Forfeits | 7,890.00 | - | -7,890.00 |

| % | Revenue by Source | Comment | Explanations for variances above +/-10% |
|---|---|---|---|
| 61% | Operational Grants | Favourable | The favourable variance is attributed to the timely receipt of the equitable share allocation and improved utilization of conditional grants, resulting in higher than anticipated revenue recognition |
| 10% | Capital Grants | Favourable | The variance is due to the good performance of the Municipal Infrastructure Grant (MIG), with expenditure closely aligned to the approved implementation plan. |
| 104% | Property Rates | Favourable | The variance is caused by the advance billing of property rates for certain accounts, resulting in revenue being raised earlier than anticipated |
| -15% | Service Charges | Unfavourable | The variance is caused by the budget being higher than the actual billing. The budget will be corrected during the adjustment budget process |
| -2% | Interest Income | Unfavourable | The variance is caused by improved cash investment management processes, resulting in better returns on short-term investments. |
| 31% | Rental from Fixed Assets | Favourable | The favourable variance is attributed to the timely receipt of the equitable share allocation and improved utilization of conditional grants, resulting in higher than anticipated revenue recognition |
| 16% | Licences or Permits | Favourable | The variance is caused by fluctuations in the number of clients visiting the municipality for licence renewals |
| -42% | Operational Revenue | Unfavourable | The variance is caused by the uneven timing of revenue receipts budgeted for the year. The municipality anticipates that performance will stabilize as the year progresses. |
| -16% | Sales of Goods and Rendering of Services | Unfavourable | The variance is caused by the uneven timing of revenue from the sale of goods and rendering of services. The municipality anticipates that performance will stabilize as the year progresses. |
| -100% | Fines; Penalties and Forfeits | Unfavourable | The variance is caused by the delayed implementation of the traffic fines management module, which will enable the real-time capture and recognition of fines issued. |

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



### 1.1.4 Expenditure Trend




### 1.1.5 Expenditure by Type

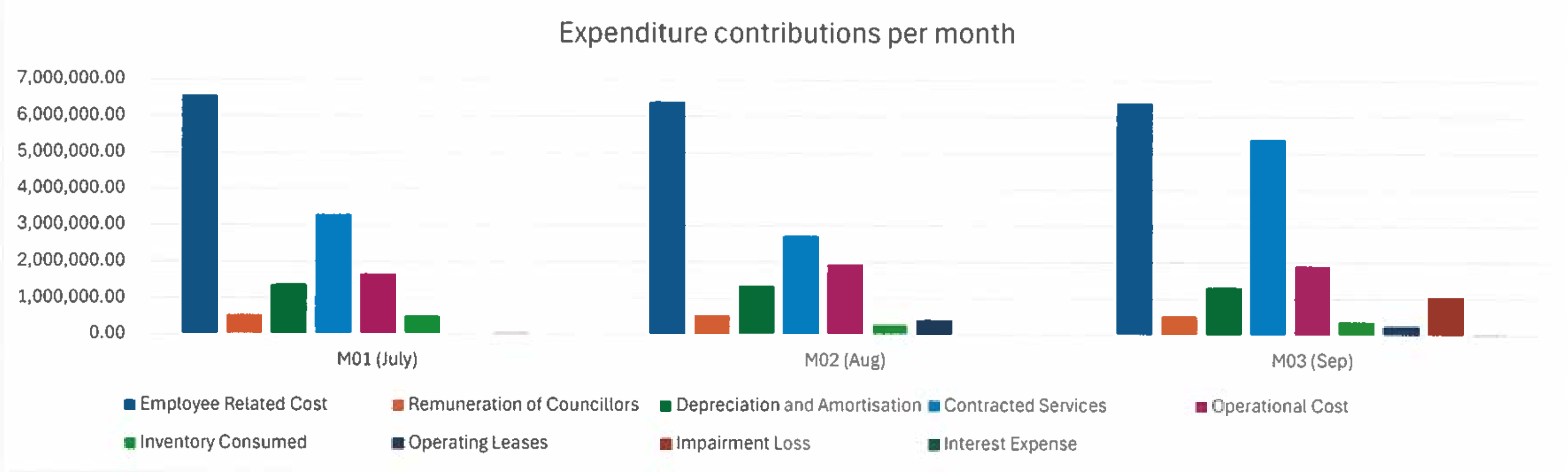
#### Operational cost

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 M03)**. Key variances are further detailed and analysed below:

| Expenditure by type | Budget To date | Total Actual | Variance |
|---|---:|---:|---:|
| Employee Related Cost | 19,590,198.00 | 19,318,351.70 | 271,846.30 |
| Remuneration of Councillors | 1,897,575.00 | 1,618,581.93 | 278,993.07 |
| Depreciation and Amortisation | 5,339,595.00 | 4,017,342.34 | 1,322,252.66 |
| Contracted Services | 9,369,899.00 | 11,377,913.02 | -2,008,014.02 |
| Operational Cost | 5,422,033.00 | 5,496,941.36 | -74,908.36 |
| Inventory Consumed | 1,118,800.00 | 1,138,794.30 | -19,994.30 |
| Operating Leases | 92,940.00 | 714,160.79 | -621,220.79 |
| Impairment Loss | 1,117,003.00 | 1,099,821.32 | 17,181.68 |

| % | Expenditure by Type | Comment | Explanations for variances above +/-10% |
|---|---|---|---|
| 1% | Employee Related Cost | Favourable | Variance within an acceptable threshold |
| 15% | Remuneration of Councillors | Favourable | The variance is attributable to the councillor remuneration being lower than the budgeted amount. The councillor upper limits have not yet been processed, and the municipality is currently awaiting MEC approval to implement the adjusted remuneration. |
| 25% | Depreciation and Amortisation | Favourable | The variance is caused by the system-generated monthly depreciation being lower than budgeted. In addition, the impairment provision has not yet been processed, as this is only accounted for at year end. |
| -21% | Contracted Services | Unfavourable | The variance is caused by the processing of annual licences and premiums, which were paid in full during the period under review. This resulted in higher than anticipated expenditure against the year-to-date budget. |
| -1% | Operational Cost | Unfavourable | Variance within an acceptable threshold |
| -2% | Inventory Consumed | Unfavourable | Variance within an acceptable threshold |
| -668% | Operating Leases | Unfavourable | The variance is due to the late finalisation of the finance lease contract for the procurement of vehicles for the municipality. As a result, the budget for this line item will have to be adjusted accordingly in the February budget adjustment period. |
| 2% | Impairment Loss | Favourable | Variance within an acceptable threshold |
| 89% | Interest Expense | Favourable | The variance is due to the delay in finalising the vehicle finance lease agreement, resulting in no interest charges being incurred during the period. The budgeted interest expense will be reviewed during the mid-year budget adjustment. |

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



### 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 | M01 | M02 | M03 |
|---|---|---|---|---|
| Collection rate | The ratio indicates the collection rate, i.e. level of payments. It measures an increase or decreases 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% | 217% | 22% | 41% |
| 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. | 3.8 months | 3 months | 2.1 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 | 2.4 | 2.7 | 1.9 |
| Creditor payment period | This ratio indicates the average number of days taken for trade creditors to be paid. The norm is 30 days | 15 Days | 14 Days | 20 Days |

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

The collection rate as of the end of September was 41%. This is considered below the norm of 95%; however, this is mainly due to the yearly billing done in August.

<u>Cash coverage (norm 1-3 months)</u>

The current ratio falls within acceptable benchmarks, suggesting that the municipality can sustain its operations for a period exceeding two months without external financial support.

<u>Current ratio: (Norm 1:1.5)</u>

The current ratio for September is above the norm, which means the municipality is still able to meet its short-term obligations.

<u>Creditors payment period (norm 30 days)</u>

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:

KZN227 Richmond - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 - September

| Description<br>R thousands | NT Code | Budget Year 2025/26<br>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 | - | - | - | - | - | - | - | - | - | - | - | - |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 1 897 | 11 883 | 48 | 544 | 521 | 488 | 542 | 29 672 | 45 576 | 31 787 | - | - |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | - | - | - | - | - | - | - | - | - | - | - | - |
| Receivables from Exchange Transactions - Waste Management | 1600 | 126 | 87 | 64 | 58 | 55 | 53 | 52 | 2 476 | 2 851 | 2 688 | - | - |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest on Arrear Debtor Accounts | 1810 | 307 | 280 | 280 | 290 | 276 | 270 | 264 | 13 746 | 15 714 | 14 846 | - | - |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 1900 | - | - | - | 6 | - | - | - | 29 | 35 | 35 | - | - |
| **Total By Income Source** | **2000** | **2,330** | **12,311** | **392** | **898** | **851** | **812** | **858** | **45,923** | **64,276** | **49,343** | - | - |
| 2024/25 - totals only | | - | - | - | - | - | - | - | - | - | - | - | - |
| **Debtors Age Analysis By Customer Group** | | | | | | | | | | | | | |
| Organs of State | 2200 | 866 | 9 718 | 38 | 105 | 51 | 35 | 41 | 11 342 | 22 387 | 11 774 | - | - |
| Commercial | 2300 | 312 | 326 | 8 | 30 | 29 | 29 | 30 | 220 | 984 | 347 | - | - |
| Households | 2400 | 1 152 | 2 165 | 346 | 763 | 770 | 748 | 780 | 34 146 | 40 885 | 37 222 | - | - |
| Other | 2500 | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total By Customer Group** | **2600** | **2,330** | **12,311** | **392** | **898** | **851** | **812** | **858** | **45,823** | **64,276** | **49,343** | - | - |

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 49.3m.**

## 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 - M03 - September

| Description<br>R thousands | NT Code | Budget Year 2025/26<br>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 | Prior year totals for chart (same period) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **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 | - | - | - | - | - | - | - | - | - | - |
| Auditor General | 0800 | - | - | - | - | - | - | - | - | - | - |
| Other | 0900 | - | - | - | - | - | - | - | - | - | - |
| **Total By Customer Type** | **1000** | - | - | - | - | - | - | - | - | - | - |

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 **R0.00** outstanding creditors as of **September 2025**.

## 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 September 2025 | Interest Rate | September 2025 Interest | Bal. as at 31 August 2025 | Investment Period |
|---|---|---|---|---|---|---|---|---|
| First National Bank | 61356002695 | Call account | | 193,147.02 | | 48,473.79 | 11,644,673.23 | call |
| First National Bank | 62117170407 | Patheni Housing | | - | | - | - | daily call |
| First National Bank | 62134473280 | Housing Operating Account | | 472,015.56 | | 3,301.45 | 617,014.11 | daily call |
| First National Bank | 62155682844 | Zwelethu Housing | | - | | | - | daily call |
| First National Bank | 62176174383 | Siyathuthuka Phase ii | | - | | | - | daily call |
| First National Bank | 62810019217 | Housing Title deed Account | | 2,821,761.85 | | 14,536.05 | 2,807,225.80 | daily call |
| First National Bank | 62299629116 | Mig Grant Funding | | 4,449,783.90 | | 4,618.14 | 803,292.32 | daily call |
| First National Bank | 62241817537 | Financial Management Grant | | - | | - | - | daily call |
| First National Bank | 62833569900 | Library Services Grant | | 5,003,980.04 | | 938.83 | 15,041.21 | daily call |
| First National Bank | 62833571385 | Small Town Grant | | 2,024.27 | | 10.43 | 2,013.84 | daily call |
| FNB DME | 63003663506 | FNB DME | | 17,800.03 | | 91.70 | 17,708.33 | daily call |
| FNB RESERVES | 63003024063 | FNB RESERVES | | 912,772.77 | | 4,702.07 | 908,070.70 | daily call |
| NEDBANK | 03/7165013946/000054 | Nedbank Fixed | | 15,262,849.31 | | 101,095.89 | 15,161,753.42 | fixed inv. |
| ABSA BANK | 20-8167-2454 | ABSA Fixed | | - | | | - | fixed inv. |
| Standard Bank | 268791155 006 | Standard Fixed | | 10,169,356.16 | | 65,136.98 | 10,104,219.18 | fixed inv. |
| First National Bank | 63024683319 | FNB HIGHOVER | | 2,181,527.94 | | 11,237.94 | 2,170,290.00 | daily call |
| First National Bank | 63107196932 | Nelson St. SMME Project | | 173,385.80 | | 1,056.90 | 259,005.02 | daily call |
| Standard Bank | 268791155 005 | Standard Fixed | | - | | | - | fixed inv. |
| First National Bank | 63138299341 | Informal Economy Infrastructure | | 364,873.45 | | 1,879.61 | 362,993.84 | daily call |
| | | | | 42,025,278.10 | | 257,079.78 | 44,873,301.00 | |

Summary of exposures to particular financial institutions

| financial institution | amount invested | Percentage exposure |
|---|---|---|
| First National Bank | 16,593,072.63 | 39.48 |
| Nedbank | 15,262,849.31 | 36.32 |
| Investec | - | - |
| ABSA BANK | - | - |
| Standard Bank | 10,169,356.16 | 24.20 |
| TOTAL | 42,025,278.10 | 100.00 |

| | |
|---|---|
| Primary Bank Account | R 127,860.93 |
| Cash & Cash Equivalent | 42,153,139.03 |
| **CONDITIONAL GRANTS** | 15,561,670.66 |
| **AVAILABLE MUNICIPAL FUNDS** | 26,591,468.37 |

## 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 an grant expenditure**:

KZN227 Richmond - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 - September

| Description | Ref | 2024/25 | Budget Year 2025/26 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| RECEIPTS: | 1,2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 101,305 | 103,511 | – | – | 43,498 | 25,878 | 17,620 | 68.1% | 103,511 |
| Expanded Public Works Programme Integrated Grant | | 1,410 | 2,054 | – | – | 514 | 514 | 0 | 0.1% | 2,054 |
| Local Government Financial Management Grant | 3 | 1,900 | 2,000 | – | – | 2,000 | 500 | 1,500 | 300.0% | 2,000 |
| Municipal Infrastructure Grant | | – | 1,096 | – | – | – | 274 | (274) | -100.0% | 1,096 |
| Equitable Share | | 97,995 | 98,361 | – | – | 40,984 | 24,590 | 16,394 | 66.7% | 98,361 |
| Provincial Government: | | 6,289 | 5,065 | – | – | – | 1,266 | (1,266) | -100.0% | 5,065 |
| Specify (Add grant description) | | – | 5,065 | – | – | – | 1,266 | (1,266) | -100.0% | 5,065 |
| Specify (Add grant description) | | 429 | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 2,000 | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 3,860 | – | – | – | – | – | – | | – |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| Total Operating Transfers and Grants | | 107,594 | 108,576 | – | – | 43,498 | 27,144 | 16,354 | 60.2% | 108,576 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 20,974 | 20,819 | – | – | 7,000 | 5,205 | 1,795 | 34.5% | 20,819 |
| Municipal Infrastructure Grant | | 20,974 | 20,819 | – | – | 7,000 | 5,205 | 1,795 | 34.5% | 20,819 |
| Provincial Government: | | 2,926 | 1,391 | – | – | 19 | 348 | (329) | -94.5% | 1,391 |
| Specify (Add grant description) | | 359 | 1,391 | – | – | – | 348 | (348) | -100.0% | 1,391 |
| Specify (Add grant description) | | 267 | – | – | – | 19 | – | 19 | #DIV/0! | – |
| Specify (Add grant description) | | 2,300 | – | – | – | – | – | – | | – |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| Total Capital Transfers and Grants | | 23,900 | 22,210 | – | – | 7,019 | 5,553 | 1,466 | 26.4% | 22,210 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | | 131,494 | 130,786 | – | – | 50,517 | 32,697 | 17,821 | 54.5% | 130,786 |

## KZN227 Richmond - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 - September

| Description | Ref | 2024/25 | Budget Year 2025/26 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| **EXPENDITURE** | | | | | | | | | | |
| Operating expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | 3,881 | 5,150 | – | – | 586 | 1,287 | (702) | -54.5% | 5,150 |
| Expanded Public Works Programme Integrated Grant | | 1,410 | 2,054 | – | – | 140 | 514 | (374) | -72.8% | 2,054 |
| Local Government Financial Management Grant | 3 | 1,900 | 2,000 | – | – | 300 | 500 | (200) | -39.9% | 2,000 |
| Municipal Infrastructure Grant | | 571 | 1,096 | – | – | 146 | 274 | (128) | -46.8% | 1,096 |
| Provincial Government: | | 4,955 | 5,065 | – | – | 739 | 1,266 | (528) | -41.7% | 5,065 |
| Specify (Add grant description) | | 3,076 | – | – | – | 88 | – | 88 | #DIV/0! | – |
| Specify (Add grant description) | | 495 | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 116 | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 483 | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 784 | 5,065 | – | – | 650 | 1,266 | (616) | -48.6% | 5,065 |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| Total Operating Transfers and Grants | | 8,836 | 10,215 | – | – | 1,324 | 2,554 | (1,229) | -48.1% | 10,215 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 20,403 | 20,819 | – | – | 5,736 | 5,205 | 531 | 10.2% | 20,819 |
| Municipal Infrastructure Grant | | 20,403 | 20,819 | – | – | 5,736 | 5,205 | 531 | 10.2% | 20,819 |
| Provincial Government: | | 2,653 | 1,391 | – | – | – | 348 | (348) | -100.0% | 1,391 |
| Specify (Add grant description) | | – | 1,391 | – | – | – | 348 | (348) | -100.0% | 1,391 |
| Specify (Add grant description) | | 2,653 | – | – | – | – | – | – | | – |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| Total Capital Transfers and Grants | | 23,056 | 22,210 | – | – | 5,736 | 5,553 | 183 | 3.3% | 22,210 |
| TOTAL EXPENDITURE OF TRANSFERS & GRANTS | | 31,892 | 32,425 | – | – | 7,060 | 8,106 | (1,046) | -12.9% | 32,425 |

## 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 - M03 - September

| Summary of Employee and Councillor remuneration | Ref | 2024/25 | Budget Year 2025/26 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| R thousands | | Audited Outcome | 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 | | 5 204 | 5 821 | – | – | 850 | 1,455 | (605) | -42% | 5,821 |
| Pension and UIF Contributions | | 28 | 166 | – | – | 5 | 41 | (37) | -89% | 166 |
| Medical Aid Contributions | | 35 | 88 | – | – | 6 | 22 | (16) | -74% | 88 |
| Motor Vehicle Allowance | | 450 | 678 | – | – | 94 | 170 | (75) | -45% | 678 |
| Cellphone Allowance | | 625 | 723 | – | – | 110 | 181 | (71) | -39% | 723 |
| Housing Allowances | | – | – | – | – | – | – | – | | – |
| Other benefits and allowances | | 180 | 115 | – | – | 15 | 29 | (14) | -49% | 115 |
| Sub Total - Councillors | | 6,322 | 7,390 | – | – | 1,079 | 1,898 | (819) | -43% | 7,390 |
| % increase | 4 | | 16.4% | | | | | | | 16.4% |
| Senior Managers of the Municipality | 3 | | | | | | | | | |
| Basic Salaries and Wages | | 5,143 | 5,532 | – | – | 712 | 1,383 | (671) | -49% | 5,532 |
| Pension and UIF Contributions | | 10 | 12 | – | – | 1 | 3 | (2) | -52% | 12 |
| Medical Aid Contributions | | – | – | – | – | – | – | – | | – |
| Overtime | | – | – | – | – | – | – | – | | – |
| Performance Bonus | | 119 | – | – | – | – | – | – | | – |
| Motor Vehicle Allowance | | 780 | 887 | – | – | 112 | 222 | (110) | -49% | 887 |
| Cellphone Allowance | | 2 | – | – | – | – | – | – | | – |
| Housing Allowances | | – | – | – | – | – | – | – | | – |
| Other benefits and allowances | | 102 | 1 | – | – | 0 | 0 | (0) | -49% | 1 |
| Payments in lieu of leave | | – | – | – | – | – | – | – | | – |
| Long service awards | | – | – | – | – | – | – | – | | – |
| Post-retirement benefit obligations | 2 | – | – | – | – | – | – | – | | – |
| Entertainment | | – | – | – | – | – | – | – | | – |
| Scarcity | | – | – | – | – | – | – | – | | – |
| Acting and post related allowance | | – | – | – | – | – | – | – | | – |
| In kind benefits | | – | – | – | – | – | – | – | | – |
| Sub Total - Senior Managers of Municipality | | 6,157 | 6,431 | – | – | 826 | 1,608 | (782) | -49% | 6,431 |
| % increase | 4 | | 4.5% | | | | | | | 4.5% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 49,393 | 51,270 | – | – | 8,814 | 12,817 | (4,004) | -31% | 51,270 |
| Pension and UIF Contributions | | 7,433 | 7,530 | – | – | 1,310 | 1,883 | (573) | -30% | 7,530 |
| Medical Aid Contributions | | 2,698 | 2,627 | – | – | 473 | 657 | (184) | -28% | 2,627 |
| Overtime | | 1,871 | 2,209 | – | – | 345 | 552 | (207) | -37% | 2,209 |
| Performance Bonus | | 3,728 | 3,397 | – | – | 27 | 849 | (822) | -97% | 3,397 |
| Motor Vehicle Allowance | | 1,761 | 1,642 | – | – | 291 | 410 | (119) | -29% | 1,642 |
| Cellphone Allowance | | 481 | 457 | – | – | 82 | 114 | (33) | -29% | 457 |
| Housing Allowances | | 368 | 342 | – | – | 67 | 86 | (19) | -22% | 342 |
| Other benefits and allowances | | 952 | 843 | – | – | 132 | 211 | (79) | -38% | 843 |
| Payments in lieu of leave | | 2,237 | 1,613 | – | – | 568 | 403 | 165 | 41% | 1,613 |
| Long service awards | | 326 | – | – | – | – | – | – | | – |
| Post-retirement benefit obligations | 2 | 1,302 | – | – | – | – | – | – | | – |
| Entertainment | | – | – | – | – | – | – | – | | – |
| Scarcity | | – | – | – | – | – | – | – | | – |
| Acting and post related allowance | | – | – | – | – | – | – | – | | – |
| In kind benefits | | – | – | – | – | – | – | – | | – |
| Sub Total - Other Municipal Staff | | 72,550 | 71,930 | – | – | 12,109 | 17,982 | (5,873) | -33% | 71,930 |
| % increase | 4 | | -0.9% | | | | | | | -0.9% |
| Total Parent Municipality | | 85,229 | 85,951 | – | – | 14,012 | 21,488 | (7,475) | -35% | 85,951 |

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 TotalBudge | Sum of Prorata Budge | Sum of TotalActual |
|---|---|---|---|
| **Non-current Assets** | **44,730,633.00** | **44,730,633.00** | **25,006,995.13** |
| **Capital:** | **44,730,633.00** | **44,730,633.00** | **25,006,995.13** |
| Finance and Administration | 20,253,780.00 | 20,253,780.00 | 1,433,952.95 |
| Planning and Development | 3,485,558.00 | 3,485,558.00 | 2,332,799.61 |
| Community and Social Service | 103,376.00 | 103,376.00 | 52,995.00 |
| Executive and Council | 549,955.00 | 549,955.00 | 513,458.71 |
| Road Transport | 20,187,964.00 | 20,187,964.00 | 18,054,414.76 |
| Waste Management | - | - | 2,515,374.00 |
| Sport and Recreation | 150,000.00 | 150,000.00 | 104,000.10 |
| **Grand Total** | **44,730,633.00** | **44,730,633.00** | **25,006,995.13** |

### 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 Municipal Manager, of Richmond Municipality, hereby certify that the

- monthly budget statement
- c schedule

for the month of **September** of **2025** 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**...................................................................