RICHMOND
Local Municipality

In-Year Report
February 2026

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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.*"

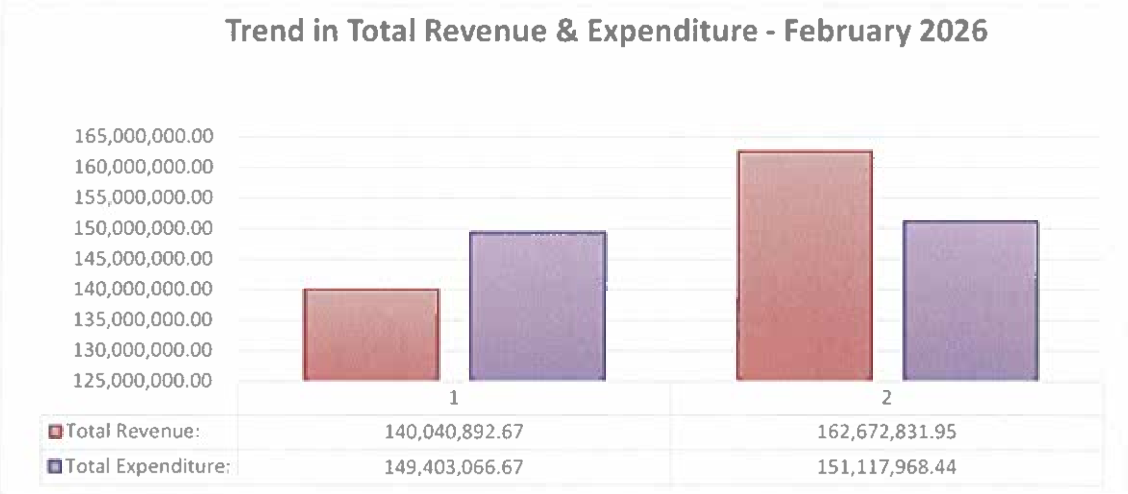
Furthermore, Section 52(d) of the MFMA states: *"**52. General responsibilities:** - The Mayor of a municipality-*

(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

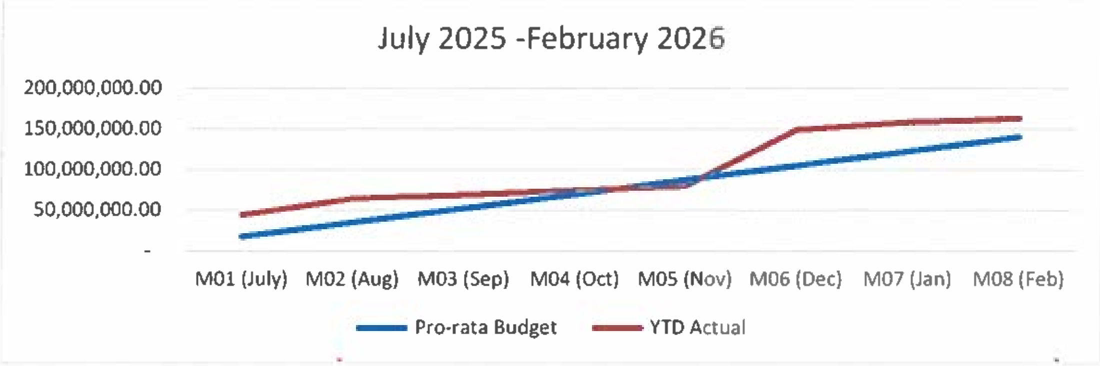
Description	Table 1 - Summary for Financial Period ended 2025/26				
	Full Year Budget	Pro Rata Budget	YTD Actual	YTD Variance	
	2025/26	February	February	February	%
Total Revenue:	**210,061,339.00**	**140,040,892.67**	**162,672,831.95**	**R 22,631,939**	**16%**
Revenue - Operational	154,416,959.00	102,944,639.33	115,996,730.00	R 13,052,091	13%
Revenue - Capital	55,644,380.00	37,096,253.33	46,676,101.95	R 9,579,849	26%
Total Expenditure:	**224,104,600.00**	**149,403,066.67**	**151,117,968.44**	**R 1,714,902**	**1%**
Expenditure - Operational	186,169,999.00	124,113,332.67	120,733,038.51	R -3,380,294	-3%
Expenditure - Capital	37,934,601.00	25,289,734.00	30,384,929.93	R 5,095,196	20%
					Source: Budget Table C1



Key Observations:

- The table & illustrations above provide an overview of the municipal financial performance and position as of **February 2026.**
- Total revenue accrued amounted to **R162.8m,** which is higher compared to the pro rata budget of **R140m**.
- Total expenditure incurred amounted to **R151m,** which is slightly higher compared to the pro rata budget of **R149.4m**. Mainly due to the finance lease arrangements

1.1.2 Revenue Trend



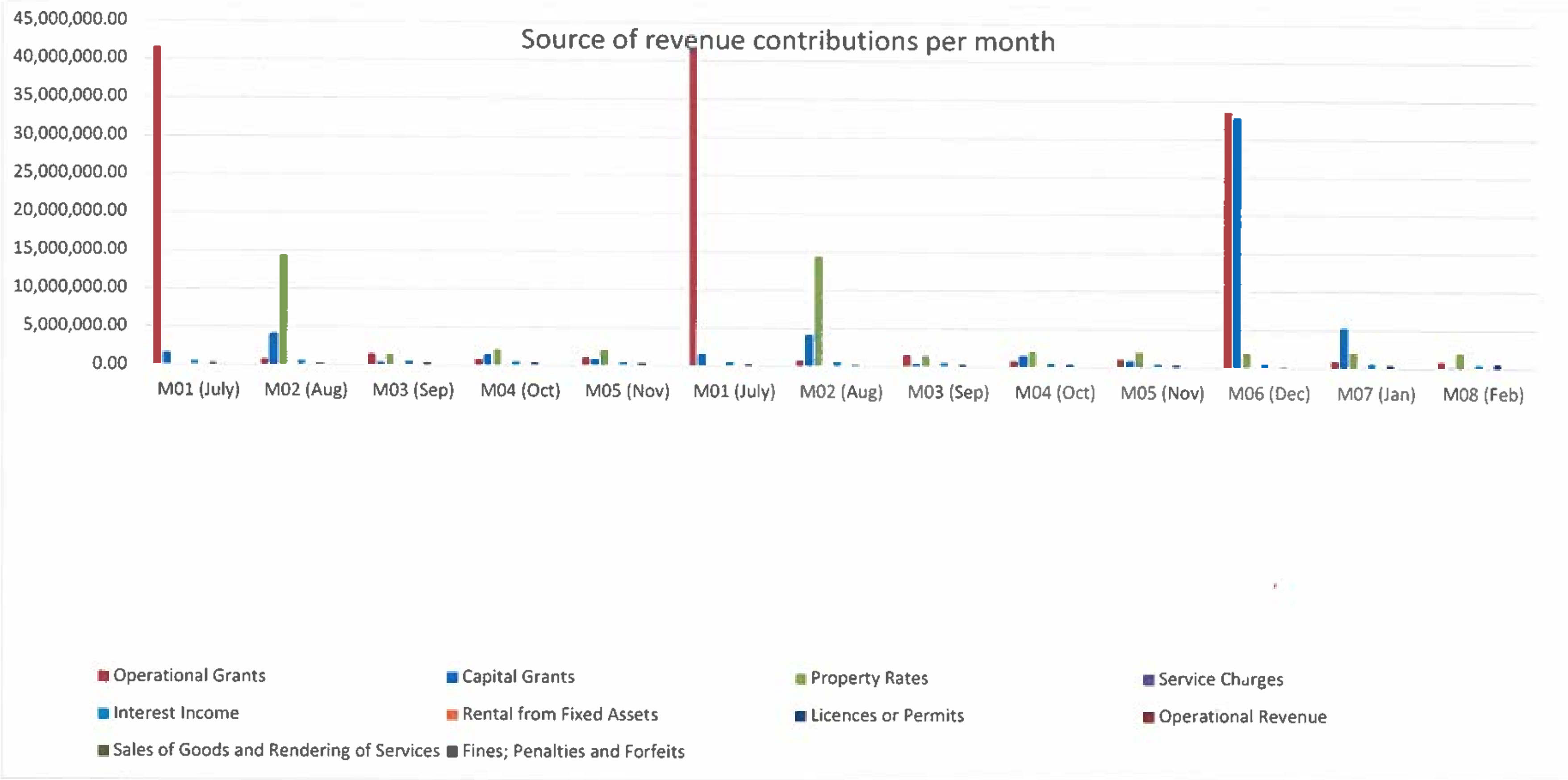
1.1.3 Revenue by source

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 M08)**. Key variances are further detailed and analysed below:

Revenue by Source	Budget to Date	Actual to Date	Variance
Operational Grants	72,631,340.00	81,068,813.04	8,437,473.04
Capital Grants	37,096,253.33	46,676,101.95	9,579,848.62
Property Rates	20,727,872.00	25,977,229.66	5,249,357.66
Service Charges	638,030.67	637,829.07	- 201.60
Interest Income	4,464,053.33	4,129,387.46	- 334,665.87
Rental from Fixed Assets	1,027,921.33	917,612.50	- 110,308.83
Licences or Permits	2,441,798.67	2,548,979.43	107,180.76
Operational Revenue	736,522.00	486,719.47	- 249,802.53
Sales of Goods and Rendering of Services	270,278.00	224,188.94	- 46,089.06
Fines; Penalties and Forfeits	6,823.33	5,970.43	- 852.90

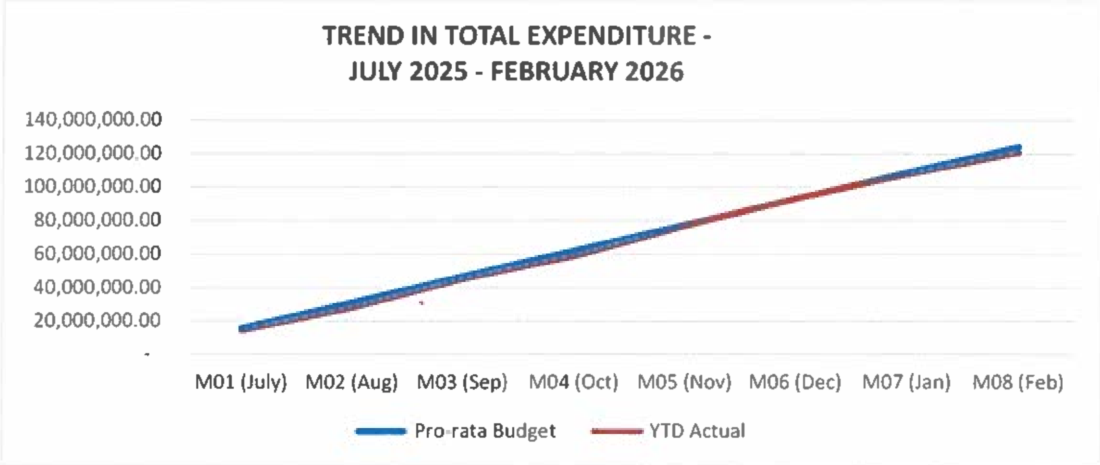
%	Revenue by Source	Comment	Explanations for variances above +/-10%
12%	Operational Grants	Favourable	The favourable variance is attributed to the timely receipt of the equitable share allocation and improved utilisation of conditional grants, resulting in higher than anticipated revenue recognition
26%	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 and the donation as a result of the Library infrastructure donated by Sport,Art and Culture to the municipality
25%	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
0%	Service Charges	Unfavourable	Variance within an acceptable threshold
-7%	Interest Income	Unfavourable	Variance within an acceptable threshold
-11%	Rental from Fixed Assets	Unfavourable	Variance within an acceptable threshold
4%	Licences or Permits	Favourable	Variance within an acceptable threshold
-34%	Operational Revenue	Unfavourable	The variance is caused by the uneven timing of revenue receipts budgeted for the year. The municipality anticipates that performance will stabilise as the year progresses.
-17%	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 stabilise as the year progresses.
-12%	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:



Revenue by Source	Total Budget	M01 (July)	M02 (Aug)	M03 (Sep)	M04 (Oct)	M05 (Nov)	M06 (Dec)	M07 (Jan)	M08 (Feb)	TotalActual
Operational Grants	108,947,010.00	41,512,440.98	795,858.65	1,510,149.81	832,432.64	1,108,939.01	33,491,625.26	934,701.52	882,665.17	81,068,813.04
Capital Grants	55,644,380.00	1,628,910.00	4,107,036.80	347,227.05	1,448,270.11	885,836.66	32,823,726.95	5,276,933.88	158,160.50	46,676,101.95
Property Rates	31,091,808.00	0.00	14,412,390.67	1,438,178.16	2,012,546.81	2,055,665.91	1,953,915.39	2,055,665.91	2,048,866.81	25,977,229.66
Service Charges	957,046.00	82,064.31	78,602.07	78,862.79	78,927.97	78,862.79	83,440.10	77,518.05	79,550.99	637,829.07
Interest Income	6,696,080.00	541,024.71	602,566.88	555,380.96	498,860.22	479,758.19	521,654.34	542,010.32	388,131.84	4,129,387.46
Rental from Fixed Assets	1,541,882.00	112,629.74	116,038.02	115,957.72	118,470.49	116,003.04	109,482.69	114,732.91	114,297.89	917,612.50
Licences or Permits	3,662,698.00	275,790.98	249,405.51	315,426.81	341,745.86	327,177.58	154,001.28	359,913.70	525,517.71	2,548,979.43
Operational Revenue	1,104,783.00	131,680.59	45,575.73	5,729.01	59,420.50	4,642.30	88,123.31	107,570.61	43,977.42	486,719.47
Sales of Goods and Rendering of Services	405,417.00	15,880.94	43,552.15	50,067.28	18,252.05	25,714.01	29,908.04	21,240.57	19,573.90	224,188.94
Fines; Penalties and Forfeits	10,235.00	0.00	0.00	0.00	0.00	2,000.00	3,970.43	0.00	0.00	5,970.43
	210,061,339.00	**44,300,422.25**	**20,451,026.48**	**4,416,979.59**	**5,408,926.65**	**5,084,599.49**	**69,259,847.79**	**9,490,287.47**	**4,260,742.23**	**162,672,831.95**

1.1.4 Expenditure Trend



1.1.5 Expenditure by Type

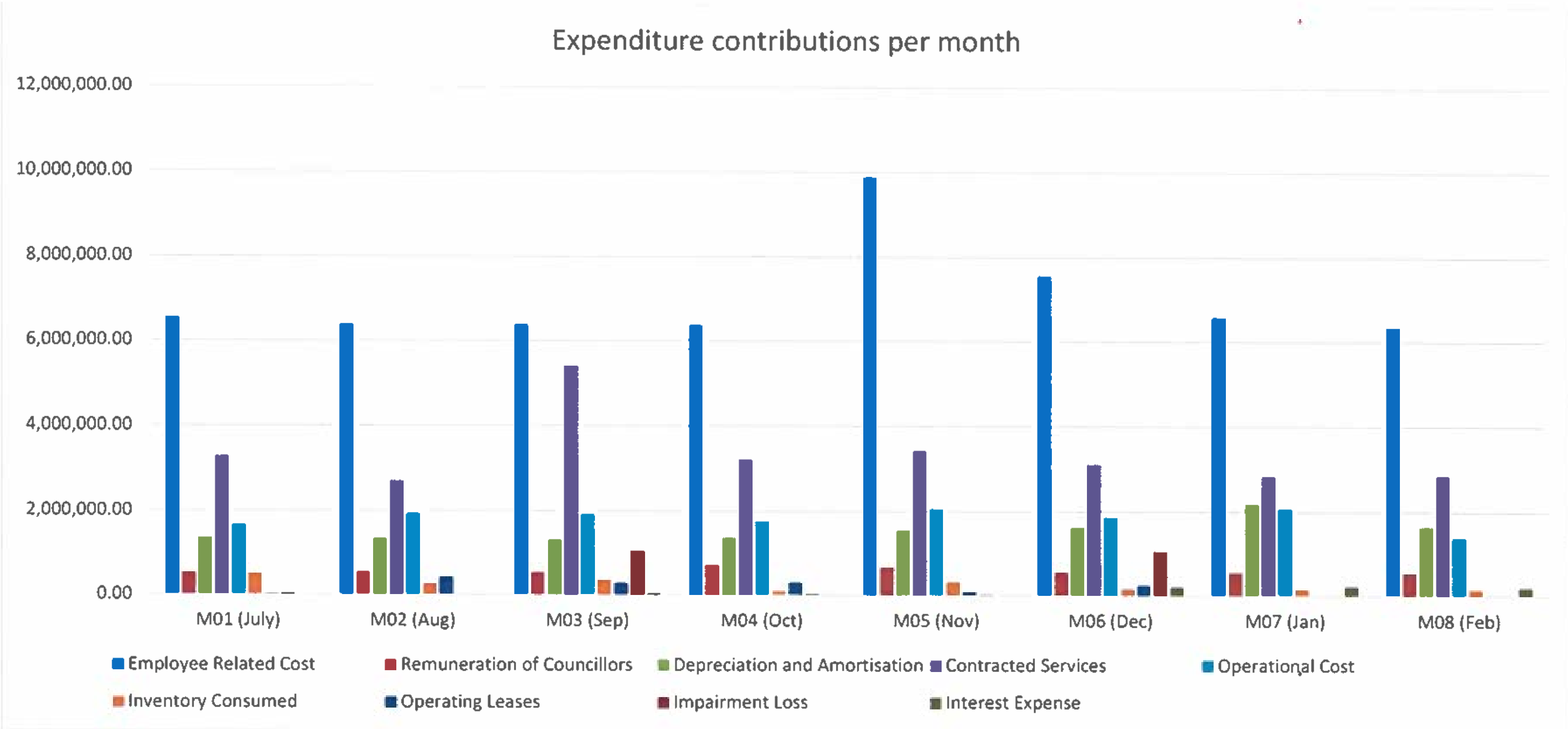
Operational cost

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 M08**. Key variances are further detailed and analysed below:

Expenditure by type	Budget to Date	Actual to Date	Variance
Employee Related Cost	53,231,434.67	56,013,376.95	- 2,781,942.28
Remuneration of Councillors	5,060,200.00	4,644,856.56	415,343.44
Depreciation and Amortisation	14,238,946.67	12,395,921.93	1,843,024.74
Contracted Services	28,899,233.33	26,791,103.56	2,108,129.77
Operational Cost	14,186,982.67	14,615,701.02	- 428,718.35
Inventory Consumed	2,444,908.67	2,055,263.03	389,645.64
Operating Leases	907,530.00	1,342,547.13	- 435,017.13
Impairment Loss	3,091,934.67	2,221,406.44	870,528.23
Interest Expense	2,052,162.00	652,861.89	1,399,300.11

%	Expenditure by Type	Comment	Explanations for variances above +/-10%
-5%	Employee Related Cost	Unfavourable	Variance within an acceptable threshold
8%	Remuneration of Councillors	Favourable	Variance within an acceptable threshold
13%	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.
7%	Contracted Services	Favourable	Variance within an acceptable threshold
-3%	Operational Cost	Unfavourable	Variance within an acceptable threshold
16%	Inventory Consumed	Favourable	The variance is due to the implementation of cost containment measures and strict spending patterns, which reduced spending to below budgeted amount.
-48%	Operating Leases	Unfavourable	The variance is due to the late finalisation of the finance lease contract for the procurement of vehicles for the municipality. The variance will self-correct as the year progresses.
28%	Impairment Loss	Favourable	The variance is due to the estimation of the impairment provision for debtors being lower than budgeted. However, the more accurate calculation will be done at year end.
68%	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, since the finance lease agreement is concluded, the variance will self-correct as the year progresses.

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



Richmond Local Municipality – In-Year Report February 2026

Expenditure by type	Total Budget	M01 (July)	M02 (Aug)	M03 (Sep)	M04 (Oct)	M05 (Nov)	M06 (Dec)	M07 (Jan)	M08 (Feb)	TotalActual
Employee Related Cost	79,847,152.00	6,538,904.20	6,394,327.99	6,385,119.51	6,360,983.36	9,877,534.47	7,557,290.33	6,565,723.00	6,333,494.09	56,013,376.95
Remuneration of Councillors	7,590,300.00	539,527.31	539,527.31	539,527.31	711,865.00	661,503.67	552,040.32	550,432.82	550,432.82	4,644,856.56
Depreciation and Amortisation	21,358,420.00	1,362,240.79	1,341,936.35	1,313,165.20	1,364,958.63	1,564,662.89	1,617,204.94	2,181,803.87	1,649,949.26	12,395,921.93
Contracted Services	43,348,850.00	3,276,989.22	2,704,457.90	5,396,465.90	3,203,794.53	3,414,263.93	3,099,845.98	2,842,695.81	2,852,590.29	26,791,103.56
Operational Cost	21,280,474.00	1,662,999.80	1,926,549.83	1,907,391.73	1,746,974.42	2,051,194.66	1,856,949.93	2,083,131.00	1,380,509.65	14,615,701.02
Inventory Consumed	3,667,363.00	501,959.48	269,136.37	367,698.45	109,109.71	323,512.06	165,750.00	162,155.40	155,941.56	2,055,263.03
Operating Leases	1,361,295.00	26,785.03	413,072.45	274,303.31	291,024.25	88,277.56	226,570.29	9,261.97	13,252.27	1,342,547.13
Impairment Loss	4,637,902.00	38,296.12	372.35	1,061,152.85	30,355.72	25,617.63	1,061,152.85	4,458.92	0.00	2,221,406.44
Interest Expense	3,078,243.00	0.00	0.00	33,237.84	16,224.16	15,825.97	193,026.10	207,032.09	187,515.73	652,861.89
	186,169,999.00	**13,947,701.95**	**13,589,380.55**	**17,278,062.10**	**13,835,289.78**	**18,022,392.84**	**16,329,830.74**	**14,606,694.88**	**13,123,685.67**	**120,733,038.51**

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	M04	M05	M06	M07	M08
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%	49%	51%	54%	57%	59%
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	1.4 Months	1.0 months	2 Months	1.3 Months	1months
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	1.7	1.4	1.9	1.9	1.6
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	19 Days	20 Days	20 Days	15 Days	15 Days

Debtors' collection rate (norm 95%)

The collection rate as of the end of February was 59%. This is considered below the norm of 95%; however, this is mainly due to the yearly billing done in August.

Cash coverage (norm 1-3 months)

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

Current ratio: (Norm 1:1.5)

The current ratio for February is above the norm, which means the municipality is still able to meet its 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:

KZN227 Richmond - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 - February

Description	NT Code	Budget Year 2025/26									
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
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	2 002	1 376	1 200	1 181	1 146	1 121	7 286	30 600	45 913	41 335
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	129	74	63	62	61	60	56	2 586	3 093	2 826
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	323	313	305	298	291	285	274	14 788	16 876	15 935
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	4	–	–	–	–	–	–	32	36	32
Total By Income Source	2000	2,458	1,763	1,569	1,542	1,498	1,465	7,617	48,006	65,918	60,128
2024/25 - totals only		1 718	1 086	978	913	876	780	7 801	43 992	58 145	54,363
Debtors Age Analysis By Customer Group											
Organs of State	2200	907	663	624	618	614	608	5 928	11 407	21 369	19 176
Commercial	2300	333	119	45	43	40	39	44	518	1 182	684
Households	2400	1 217	981	900	880	845	818	1 644	36 080	43 367	40 269
Other	2500	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	2,458	1,763	1,569	1,542	1,498	1,465	7,617	48,006	65,918	60,128

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 **R60m.**

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 - M08 - February

Description	NT Code	Budget Year 2025/26								
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	243	–	–	–	–	–	–	–	243
Auditor General	0800	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	243	–	–	–	–	–	–	–	243

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 **R243 000** outstanding creditors as of **February 2026,** 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 28 February 2026	Interest Rate	February 2026 Interest	Bal. as at 31 January 2026
First National Bank	61356002695	Call account		1,268.98		1,268.98	332,863.45
First National Bank	62117170407	Patheni Housing					
First National Bank	62134473280	Housing Operating Account		484,436.93		2,476.48	481,960.45
First National Bank	62155682844	Zwelethu Housing					
First National Bank	62176174383	Siyathuthuka Phase ii					
First National Bank	62810019217	Housing Title deed Account		2,893,818.45		13,368.44	2,880,450.01
First National Bank	62299629116	Mig Grant Funding		85,000.24		24,705.65	1,560,294.59
First National Bank	62241817537	Financial Management Grant					
First National Bank	62833569900	Library Services Grant		70,547.52		11,330.59	2,959,216.93
First National Bank	62833571385	Small Town Grant		2,076.16		9.59	2,066.57
FNB DME	63003663506	FNB DME		18,256.36		84.34	18,172.02
FNB RESERVES	63003024063	FNB RESERVES		5,034.83		5,034.83	1,846,758.73
NEDBANK	03/7165013946/000054	Nedbank Fixed		15,771,698.61		94,356.16	15,677,342.45
ABSA BANK	20-8167-2454	ABSA Fixed					
Standard Bank	268791155 006	Standard Fixed					
First National Bank	63024683319	FNB HIGHOVER		336,544.06		8,847.17	2,027,696.89
First National Bank	63107196932	Nelson St. SMME Project		177,830.87		821.52	177,009.35
Standard Bank	268791155 005	Standard Fixed					
First National Bank	63138299341	Informal Economy Infrastructure		2,145,191.29		9,910.04	2,135,281.25
				21,991,704.30		172,213.79	30,099,112.69

Summary of exposures to particular financial institutions

financial institution	amount invested	Percentage exposure
First National Bank	6,220,005.69	28.28
Nedbank	15,771,698.61	71.72
Investec	-	-
ABSA BANK	-	-
Standard Bank	-	-
TOTAL	21,991,704.30	100.00
Primary Bank Account	R 748,500.65	
Cash & Cash Equivalent	22,740,204.95	
CONDITIONAL GRANTS	-11661184.33	
AVAILABLE MUNICIPAL FUNDS	11,079,020.62	

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 - M08 - February

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	103,511	616	77,825	69,007	8,818	12.8%	103,511
Expanded Public Works Programme Integrated Grant		1,410	2,054	2,054	616	2,054	1,369	685	50.0%	2,054
Local Government Financial Management Grant	3	1,900	2,000	2,000	–	2,000	1,333	667	50.0%	2,000
Municipal Infrastructure Grant		–	1,096	1,096	–	–	731	(731)	-100.0%	1,096
Equitable Share		97,995	98,361	98,361	–	73,771	65,574	8,197	12.5%	98,361
Provincial Government:		6,289	5,065	4,988	245	7,352	3,361	3,990	118.7%	4,988
Specify (Add grant description)		–	5,065	4,988	–	–	3,361	(3,361)	-100.0%	4,988
Specify (Add grant description)		429	–	–	245	620	–	620	#DIV/0!	–
Specify (Add grant description)		2,000	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	–	–	1,743	–	1,743	#DIV/0!	–
Specify (Add grant description)		3,860	–	–	–	4,988	–	4,988	#DIV/0!	–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		107,594	108,576	108,499	861	85,177	72,368	12,808	17.7%	108,499
Capital Transfers and Grants										
National Government:		20,974	20,819	20,819	–	16,000	13,880	2,120	15.3%	20,819
Municipal Infrastructure Grant		20,974	20,819	20,819	–	16,000	13,880	2,120	15.3%	20,819
Provincial Government:		2,926	1,391	1,391	16	1,531	927	603	65.1%	1,391
Specify (Add grant description)		359	1,391	1,391	–	1,391	927	464	50.0%	1,391
Specify (Add grant description)		267	–	–	16	140	–	140	#DIV/0!	–
Specify (Add grant description)		2,300	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		23,900	22,210	22,210	16	17,531	14,807	2,724	18.4%	22,210
TOTAL RECEIPTS OF TRANSFERS & GRANTS		131,494	130,786	130,709	877	102,707	87,175	15,532	17.8%	130,709

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 - M08 - February

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	5,821	436	3,728	3,881	(153)	-4%	5,821
Pension and UIF Contributions		28	166	166	2	19	110	(92)	-83%	166
Medical Aid Contributions		35	88	88	3	23	58	(35)	-61%	88
Motor Vehicle Allowance		450	678	678	47	376	452	(76)	-17%	678
Cellphone Allowance		625	723	723	55	439	482	(43)	-9%	723
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		180	115	115	7	60	76	(17)	-22%	115
Sub Total - Councillors		6,522	7,590	7,590	550	4,645	5,060	(415)	-8%	7,590
% increase	4		16.4%	16.4%						16.4%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5,143	5,532	5,532	319	3,520	3,688	(168)	-5%	5,532
Pension and UIF Contributions		10	12	12	1	5	8	(3)	-39%	12
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		119	–	–	–	91	–	91	#DIV/0!	–
Motor Vehicle Allowance		780	887	887	41	364	591	(227)	-38%	887
Cellphone Allowance		2	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		102	1	1	0	0	1	(0)	-37%	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	6,431	361	3,980	4,287	(308)	-7%	6,431
% increase	4		4.5%	4.5%						4.5%
Other Municipal Staff										
Basic Salaries and Wages		49,393	51,270	53,388	4,502	35,717	34,603	1,113	3%	53,388
Pension and UIF Contributions		7,433	7,530	7,530	665	5,250	5,020	229	5%	7,530
Medical Aid Contributions		2,698	2,627	2,627	265	1,970	1,752	219	12%	2,627
Overtime		1,871	2,209	1,561	107	1,190	1,343	(152)	-11%	1,561
Performance Bonus		3,728	3,397	3,397	–	3,838	2,265	1,574	69%	3,397
Motor Vehicle Allowance		1,761	1,642	1,642	151	1,201	1,095	106	10%	1,642
Cellphone Allowance		481	457	457	40	324	305	19	6%	457
Housing Allowances		368	342	342	36	281	228	53	23%	342
Other benefits and allowances		952	843	843	60	511	562	(51)	-9%	843
Payments in lieu of leave		2,237	1,613	1,629	145	1,752	1,078	673	62%	1,629
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	73,416	5,973	52,034	48,250	3,783	8%	73,416
% increase	4		-0.9%	1.2%						1.2%
Total Parent Municipality		85,229	85,951	87,437	6,884	60,658	57,598	3,060	5%	87,437

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 Prorata Budget	Sum of TotalActual
Non-current Assets	**37,934,601.00**	**25,289,734.00**	**62,985,549.93**
Capital:	**37,934,601.00**	**25,289,734.00**	**62,985,549.93**
Finance and Administration	4,257,911.00	2,838,607.33	4,001,595.99
Planning and Development	370,032.00	246,688.00	370,009.48
Community and Social Services	3,474,852.00	2,316,568.00	36,067,890.36
Executive and Council	5,292,579.00	3,528,386.00	5,292,515.04
Road Transport	23,174,462.00	15,449,641.33	15,888,790.66
Waste Management	683,650.00	455,766.67	683,642.22
Sport and Recreation	681,115.00	454,076.67	681,106.18
Grand Total	**37,934,601.00**	**25,289,734.00**	**62,985,549.93**

An adjustment to the finance lease arrangements for the photocopiers and the municipal fleet will be incorporated in the adjustment budget, resulting in an increase in the municipality's capital budget.

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 Managers Quality Certification

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

- ☐ Monthly Budget statement
- ☐ C Schedule

☐

for the month of **February 2026** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Name: Bhekani Mswane

Municipal Manager of Richmond Municipality (KZN227)

Signature