RICHMOND
Local Municipality

In-Year Report
MAY 2026

Table of Contents

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.*"

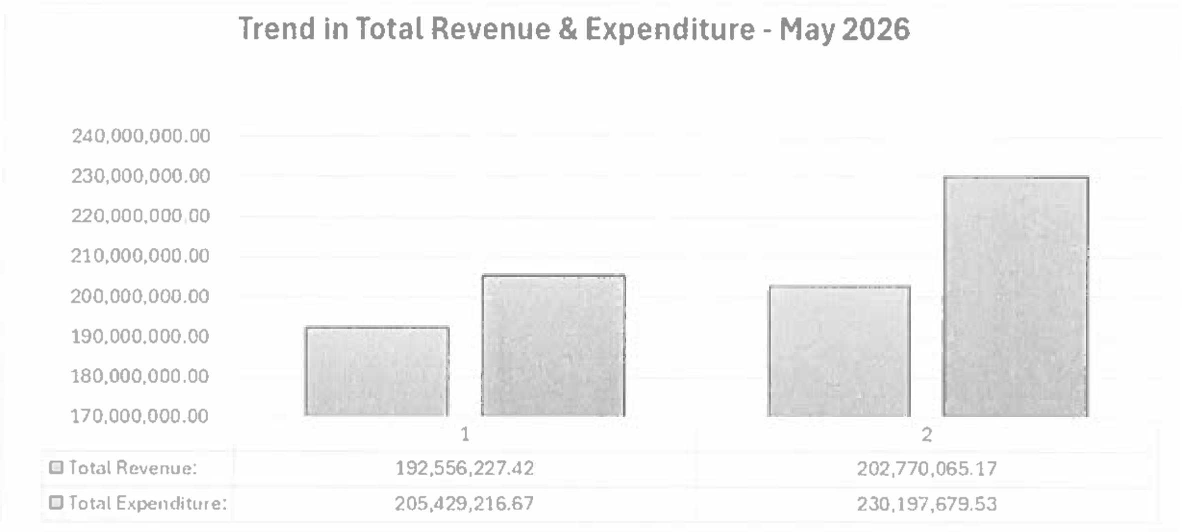
Furthermore, Section 52(d) of the MFMA states: "***52. General responsibilities:*** *- The Mayor of a municipality-*

(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

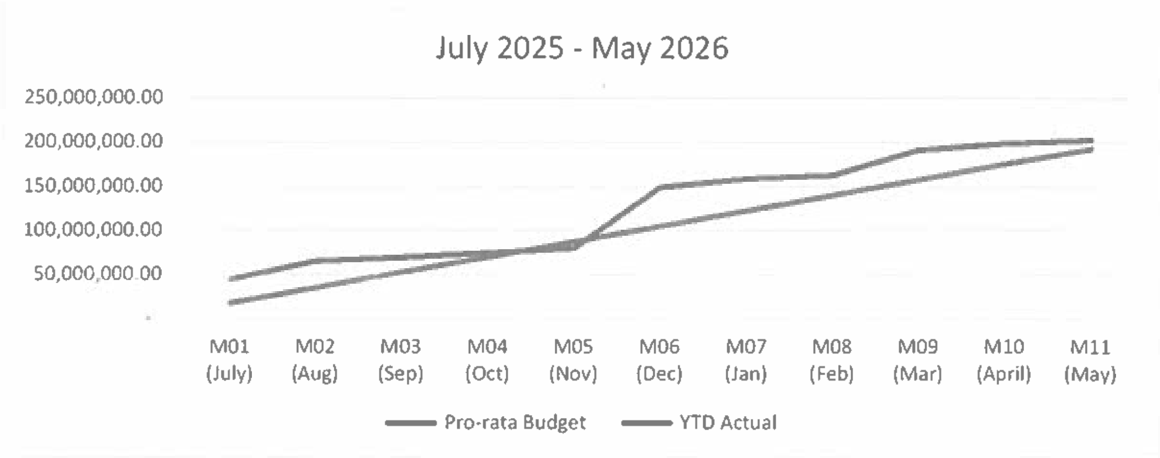
Description	Table 1 - Summary for Financial Period ended 2025/26				
	Full Year Budget	Pro Rata Budget	YTD Actual	YTD Variance	
	2025/26	May	May	May	%
Total Revenue:	**210,061,339.00**	**192,556,227.42**	**202,770,065.17**	**R 10,213,838**	**5%**
Revenue - Operational	154,416,959.00	141,548,879.08	152,067,891.83	R 10,519,013	7%
Revenue - Capital	55,644,380.00	51,007,348.33	50,702,173.34	R -305,175	-1%
Total Expenditure:	**224,104,600.00**	**205,429,216.67**	**230,197,679.53**	**R 24,768,463**	**12%**
Expenditure - Operational	186,169,999.00	170,655,832.42	163,393,910.75	R -7,261,922	-4%
Expenditure - Capital	37,934,601.00	34,773,384.25	66,803,768.78	R 32,030,385	92%
					Source: Budget Table C1



Key Observations:

- The table & illustrations above provide an overview of the municipal financial performance and position as of **May 2026.**
- Total revenue accrued amounted to **R202.7m,** which is higher compared to the pro rata budget of **R192.6m**. The main contribution is the August yearly billing for property rates.
- Total expenditure incurred amounted to **R230.2m,** which is slightly higher compared to the pro rata budget of **R205.4m**. Mainly due to the capitalisation of the library received as donation.

1.1.2 Revenue Trend



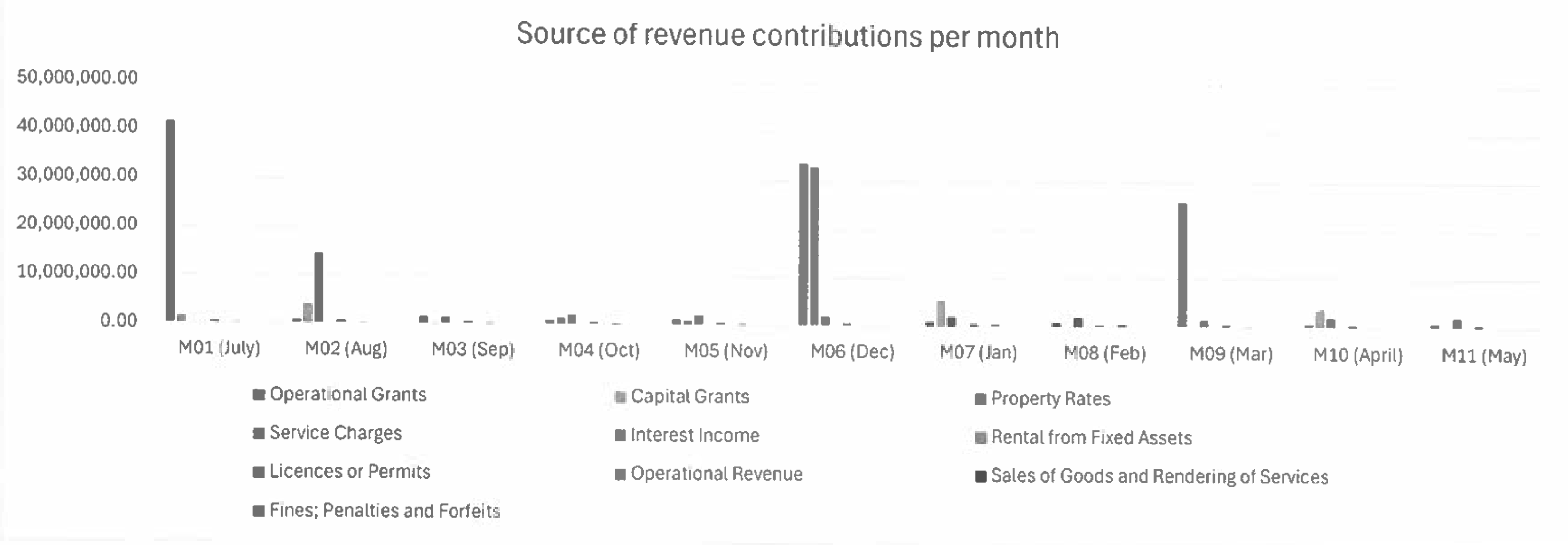
1.1.3 Revenue by source

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 M11)**. Key variances are further detailed and analysed below:

Revenue by Source	Budget to Date	Actual to Date	Variance
Operational Grants	99,868,092.50	108,477,643.12	8,609,550.62
Capital Grants	51,007,348.33	50,702,173.34	- 305,174.99
Property Rates	28,500,824.00	31,503,752.08	3,002,928.08
Service Charges	877,292.17	869,733.71	- 7,558.46
Interest Income	6,138,073.33	5,710,284.46	- 427,788.87
Rental from Fixed Assets	1,413,391.83	1,286,721.29	- 126,670.54
Licences or Permits	3,357,473.17	3,221,485.28	- 135,987.89
Operational Revenue	1,012,717.75	672,536.36	- 340,181.39
Sales of Goods and Rendering of Services	371,632.25	319,294.67	- 52,337.58
Fines; Penalties and Forfeits	9,382.08	6,440.86	- 2,941.22

%	Revenue by Source	Comment	Explanations for variances above +/-10%
9%	Operational Grants	Favourable	Variance within an acceptable threshold
-1%	Capital Grants	Unfavourable	Variance within an acceptable threshold
10%	Property Rates	Favourable	Variance within an acceptable threshold
-1%	Service Charges	Unfavourable	Variance within an acceptable threshold
-7%	Interest Income	Unfavourable	Variance within an acceptable threshold
-9%	Rental from Fixed Assets	Unfavourable	Variance within an acceptable threshold
-4%	Licences or Permits	Unfavourable	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.
-14%	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.
-31%	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.

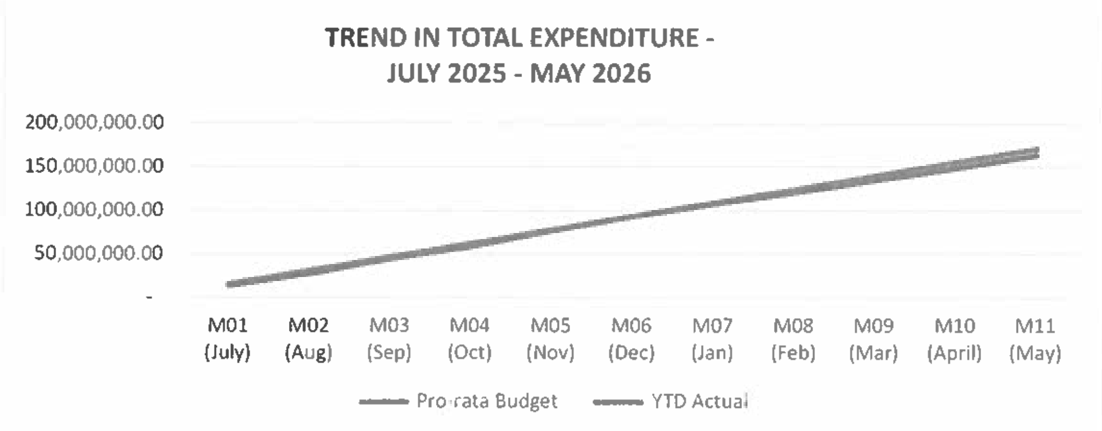
The table and graph below further show revenue per source monthly:



Richmond Local Municipality – In-Year Report May 2026

Revenue by Source	Total Budget	Prorata Budget	M01 (July)	M02 (Aug)	M03 (Sep)	M04 (Oct)	M05 (Nov)	M06 (Dec)	M07 (Jan)	M08 (Feb)	M09 (Mar)	M10 (April)	M11 (May)	TotalActual
Operational Grants	108,947,010.00	99,868,092.50	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	25,759,585.61	810,062.12	839,182.35	108,477,643.12
Capital Grants	55,644,380.00	51,007,348.33	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	0.00	3,994,726.42	31,344.97	50,702,173.34
Property Rates	31,091,808.00	28,500,824.00	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	1,415,823.31	2,049,034.91	2,061,664.20	31,503,752.08
Service Charges	957,046.00	877,292.17	82,064.31	78,602.07	78,862.79	78,927.97	78,862.79	83,440.10	77,518.05	79,550.99	79,355.45	78,868.26	73,680.93	869,733.71
Interest Income	6,696,080.00	6,138,073.33	541,024.71	602,566.88	555,380.96	498,860.22	479,758.19	521,654.34	542,010.32	388,131.84	578,594.22	519,543.87	482,758.91	5,710,284.46
Rental from Fixed Assets	1,541,882.00	1,413,391.83	112,629.74	116,038.02	115,957.72	118,470.49	116,003.04	109,482.69	114,732.91	114,297.89	119,986.58	128,107.29	121,014.92	1,286,721.29
Licences or Permits	3,662,698.00	3,357,473.17	275,790.98	249,405.51	315,426.81	341,745.86	327,177.58	154,001.28	359,913.70	525,517.71	252,476.29	220,149.14	199,880.42	3,221,485.28
Operational Revenue	1,104,783.00	1,012,717.75	131,680.59	45,575.73	5,729.01	59,420.50	4,642.30	88,123.31	107,570.61	43,977.42	4,874.74	7,860.05	173,082.10	672,536.36
Sales of Goods and Rendering of Services	405,417.00	371,632.25	15,880.94	43,552.15	50,067.28	18,252.05	25,714.01	29,908.04	21,240.57	19,573.90	34,307.79	38,054.94	22,743.00	319,294.67
Fines; Penalties and Forfeits	10,235.00	9,382.08	0.00	0.00	0.00	0.00	2,000.00	3,970.43	0.00	0.00	0.00	0.00	470.43	6,440.86
	210,061,339.00	**192,556,227.42**	**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**	**28,245,003.99**	**7,846,407.00**	**4,005,822.23**	**202,770,065.17**

1.1.4 Expenditure Trend



1.1.5 Expenditure by Type

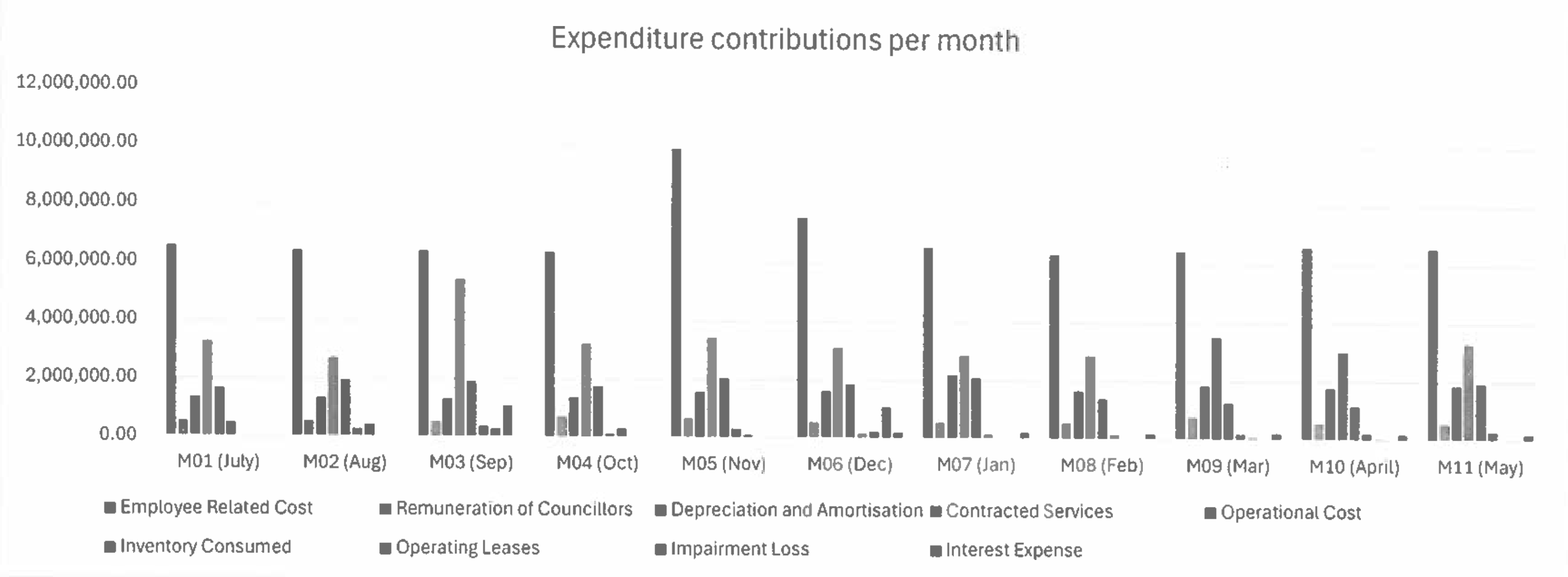
Operational cost

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 M11)**. Key variances are further detailed and analysed below:

Expenditure by type	Budget to Date	Actual to Date	Variance
Employee Related Cost	73,193,222.67	75,612,032.81	-2,418,810.14
Remuneration of Councillors	6,957,775.00	6,557,314.64	400,460.36
Depreciation and Amortisation	19,578,551.67	17,865,655.49	1,712,896.18
Contracted Services	39,736,445.83	36,636,823.36	3,099,622.47
Operational Cost	19,519,934.50	18,952,250.18	567,684.32
Inventory Consumed	3,348,916.08	2,768,607.42	580,308.66
Operating Leases	1,247,853.75	1,488,239.85	-240,386.10
Impairment Loss	4,251,410.17	2,248,523.47	2,002,886.70
Interest Expense	2,821,722.75	1,264,463.53	1,557,259.22

%	Expenditure by Type	Comment	Explanations for variances above +/-10%
-3%	Employee Related Cost	Unfavourable	Variance within an acceptable threshold
6%	Remuneration of Councillors	Favourable	Variance within an acceptable threshold
9%	Depreciation and Amortisation	Favourable	Variance within an acceptable threshold
8%	Contracted Services	Favourable	Variance within an acceptable threshold
3%	Operational Cost	Favourable	Variance within an acceptable threshold
17%	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.
-19%	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 has been adjusted accordinly in the February budget and variance will normalise by year end.
47%	Impairment Loss	Favourable	The variance is due to the estimation of the impairment provision for debtors being lower than budgeted. This will be monitored and adjusted accordingly at the end of the quarter.
55%	Interest Expense	Favourable	The variance is due to the interest expense in the unwinding of landfil site provision that has not yet been processsed as this is only done at year end.

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



Expenditure by type	Total Budget	Prorata Budget	M01 (July)	M02 (Aug)	M03 (Sep)	M04 (Oct)	M05 (Nov)	M06 (Dec)	M07 (Jan)	M08 (Feb)	M09 (Mar)	M10 (April)	M11 (May)	TotalActual
Employee Related Cost	79,847,152.00	73,193,222.67	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	6,449,645.12	6,592,185.27	6,556,825.47	75,612,032.81
Remuneration of Councillors	7,590,300.00	6,957,775.00	539,527.31	539,527.31	539,527.31	711,865.00	661,503.67	552,040.32	550,432.82	550,432.82	765,039.14	573,709.47	573,709.47	6,557,314.64
Depreciation and Amortisation	21,358,420.00	19,578,551.67	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	1,835,238.53	1,778,340.16	1,856,154.87	17,865,655.49
Contracted Services	43,348,850.00	39,736,445.83	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	3,526,076.73	3,017,228.84	3,302,414.23	36,636,823.36
Operational Cost	21,294,474.00	19,519,934.50	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	1,250,512.46	1,158,845.19	1,927,191.51	18,952,250.18
Inventory Consumed	3,653,363.00	3,348,916.08	501,959.48	269,136.37	367,698.45	109,109.71	323,512.06	165,750.00	162,155.40	155,941.56	193,376.58	227,213.90	292,753.91	2,768,607.42
Operating Leases	1,361,295.00	1,247,853.75	26,785.03	413,072.45	274,303.31	291,024.25	88,277.56	226,570.29	9,261.97	13,252.27	73,102.07	50,829.85	21,760.80	1,488,239.85
Impairment Loss	4,637,902.00	4,251,410.17	38,296.12	372.35	1,061,152.85	30,355.72	25,617.63	1,061,152.85	4,458.92	0.00	0.00	9,077.29	18,039.74	2,248,523.47
Interest Expense	3,078,243.00	2,821,722.75	0.00	0.00	33,237.84	16,224.16	15,825.97	193,026.10	207,032.09	187,515.73	216,324.14	189,791.68	205,485.82	1,264,463.53
	186,169,999.00	170,655,832.42	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	14,309,314.77	13,597,221.65	14,754,335.82	163,393,910.75

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	M09	M10	M11
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%	63%	64%	67%
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 Month	1 Month	2 Months	1 Month	1 Month
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	2	1.89	1.52
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	15 Days	18 Days	20 Days

Debtors' collection rate (norm 95%)

The collection rate as of the end of May was 67%. 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 May 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 - M11 - May

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	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	2 030	1 428	1 279	1 161	1 136	1 077	1 036	35 785	44 333	40 196	(17)	–
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	171	71	64	61	59	56	[illegible]	2 511	3 131	2 866	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	333	326	318	312	303	295	289	15 435	17 511	16 636	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	2	–	–	–	–	–	–	31	33	31	(1)	–
Total By Income Source	2000	2 496	1 824	1 661	1 534	1 499	1 431	1 382	53 883	65 789	59 728	(18)	–
2024/25 - totals only		1 775	1 108	1 041	901	839	838	791	49 085	56 376	52 453	–	–
Debtors Age Analysis By Customer Group													
Organs of State	2200	904	665	626	623	612	586	570	15 552	20 136	17 941	(7)	–
Commercial	2300	339	92	63	48	46	41	41	633	1 303	809	–	–
Households	2400	1 253	1 086	972	864	840	805	771	37 699	44 270	40 973	(15)	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	2 496	1 824	1 661	1 534	1 499	1 431	1 382	53 883	65 789	59 728	(18)	–

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 **R59m.**

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 - M11 - May

Description	NT Code	Budget Year 2025/26									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	–	–	–	–	–	–	–	–	–	–
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 RNil outstanding creditors as of **May 2026**.

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 May 2026	Interest Rate	May 2026 Interest	Bal. as at 30 April 2026	Investment Period
First National Bank	61356002695	Call account		34.21		34.21	18,760.96	call
First National Bank	62117170407	Patheni Housing						daily call
First National Bank	62134473280	Housing Operating Account		372,863.35		2,432.53	489,185.82	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		2,938,231.93		15,080.26	2,923,151.67	daily call
First National Bank	62299629116	Mig Grant Funding		67,986.47		27,856.01	3,531,505.87	daily call
First National Bank	62241817537	Financial Management Grant						daily call
First National Bank	62833569900	Library Services Grant		347,187.91		4,107.05	993,080.86	daily call
First National Bank	62833571385	Small Town Grant		2,108.03		10.82	2,097.21	daily call
FNB DME	63003663506	FNB DME		18,536.56		95.14	18,441.42	daily call
FNB RESERVES	63003024063	FNB RESERVES		84.79		84.79	46,504.55	daily call
NEDBANK	03/7165013946/000054	Nedbank Fixed		16,081,726.00		104,465.75	15,977,260.25	fixed inv.
ABSA BANK	20-8167-2454	ABSA Fixed						fixed inv.
Standard Bank	268791155 006	Standard Fixed						fixed inv.
First National Bank	63024683319	FNB HIGHOVER		61,334.81		8,395.03	2,052,939.78	daily call
First National Bank	63107196932	Nelson St. SMME Project		180,560.17		926.72	179,633.45	daily call
Standard Bank	268791155 005	Standard Fixed						fixed inv.
First National Bank	63138299341	Informal Economy Infrastructure		177,079.45		10,143.40	2,166,936.05	daily call
				20,247,733.68		173,631.71	28,399,497.89	

Summary of exposures to particular financial institutions

financial institution	amount invested	Percentage exposure
First National Bank	4,166,007.68	20.58
Nedbank	16,081,726.00	79.42
Investec	-	-
ABSA BANK	-	-
Standard Bank	-	-
TOTAL	20,247,733.68	100.00
Primary Bank Account	R 2,294,838.24	
Cash & Cash Equivalent	22,542,571.92	
CONDITIONAL GRANTS	-11,016,304.66	
AVAILABLE MUNICIPAL FUNDS	11,526,267.26	

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 - M11 - May

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	–	102,415	94,885	7,530	7.9%	103,511
Expanded Public Works Programme Integrated Grant		1,410	2,054	2,054	–	2,054	1,883	171	9.1%	2,054
Local Government Financial Management Grant	3	1,900	2,000	2,000	–	2,000	1,833	167	9.1%	2,000
Municipal Infrastructure Grant		–	1,096	1,096	–	–	1,004	(1,004)	-100.0%	1,096
Equitable Share		97,995	98,361	98,361	–	98,361	90,164	8,197	9.1%	98,361
Provincial Government:		6,289	5,065	4,988	165	7,704	4,581	3,122	68.2%	4,988
Specify (Add grant description)		–	5,065	4,988	–	–	4,581	(4,581)	-100.0%	4,988
Specify (Add grant description)		429	–	–	165	973	–	973	#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	165	110,119	99,466	10,653	10.7%	108,499
Capital Transfers and Grants										
National Government:		20,974	20,819	20,819	–	21,915	19,084	2,831	14.8%	20,819
Municipal Infrastructure Grant		20,974	20,819	20,819	–	21,915	19,084	2,831	14.8%	20,819
Provincial Government:		2,926	1,391	1,391	(101)	1,464	1,275	188	14.8%	1,391
Specify (Add grant description)		359	1,391	1,391	–	1,391	1,275	116	9.1%	1,391
Specify (Add grant description)		267	–	–	(101)	73	–	73	#DIV/0!	–
Specify (Add grant description)		2,300	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		23,900	22,210	22,210	(101)	23,379	20,359	3,019	14.8%	22,210
TOTAL RECEIPTS OF TRANSFERS & GRANTS		131,494	130,786	130,709	64	133,497	119,826	13,672	11.4%	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 - M11 - May

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	459	5 296	5 338	(42)	-1%	5 821
Pension and UIF Contributions		28	164	164	2	26	152	(126)	-83%	164
Medical Aid Contributions		35	88	88	3	32	80	(49)	-61%	88
Motor Vehicle Allowance		450	678	678	47	518	622	(104)	-17%	678
Cellphone Allowance		625	723	723	55	603	663	(60)	-9%	723
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		180	115	115	7	83	105	(22)	-21%	115
Sub Total - Councillors		6 322	7,300	7,300	574	6 557	6 958	(400)	-6%	7,300
% increase	4		16.4%	16.4%						16.4%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 143	5 532	5 532	507	4 949	5 071	(121)	-2%	5 532
Pension and UIF Contributions		10	12	12	6	17	11	6	53%	12
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		119	–	–	–	91	–	91	#DIV/0!	–
Motor Vehicle Allowance		780	887	887	67	552	813	(261)	-32%	887
Cellphone Allowance		2	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		102	1	1	0	1	1	(0)	-30%	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	580	5 609	5 895	(286)	-5%	6 431
% increase	4		4.5%	4.5%						4.5%
Other Municipal Staff										
Basic Salaries and Wages		49 393	51 270	53 388	4 491	49 227	48 692	535	1%	53 388
Pension and UIF Contributions		7 433	7,530	7 530	657	7 245	6 903	342	5%	7 530
Medical Aid Contributions		2 698	2 627	2 627	275	2 785	2 408	377	16%	2 627
Overtime		1 871	2 208	1 561	88	1 525	1 506	19	1%	1 561
Performance Bonus		3 728	3 397	3 397	31	3 869	3 114	756	24%	3 397
Motor Vehicle Allowance		1,761	1 642	1 642	140	1 632	1 505	127	8%	1 642
Cellphone Allowance		481	457	457	40	441	419	22	5%	457
Housing Allowances		368	342	342	36	390	314	76	24%	342
Other benefits and allowances		952	843	843	44	682	772	(91)	-12%	843
Payments in lieu of leave		2 237	1 613	1 629	175	2 196	1 491	705	47%	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		72,330	71,830	73 416	5 977	70 003	67 125	2,878	4%	73 416
% increase	4		4.9%	1.2%						1.2%
Total Parent Municipality		85 229	85,561	87 437	7,131	82,169	79 978	2,192	3%	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**	**34,773,384.25**	**66,803,768.78**
Capital:	**37,934,601.00**	**34,773,384.25**	**66,803,768.78**
Finance and Administration	4,257,911.00	3,903,085.08	4,264,280.99
Planning and Development	370,032.00	339,196.00	370,009.48
Community and Social Services	3,474,852.00	3,185,281.00	36,067,580.19
Executive and Council	5,292,579.00	4,851,530.75	5,292,515.04
Road Transport	23,174,462.00	21,243,256.83	19,444,634.68
Waste Management	683,650.00	626,679.17	683,642.22
Sport and Recreation	681,115.00	624,355.42	681,106.18
Internal Audit	-	-	-
Grand Total	**37,934,601.00**	**34,773,384.25**	**66,803,768.78**

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 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 **May** of **2026** 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..