RICHMOND
Local Municipality

In-Year Report
SEPTEMBER 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.*"

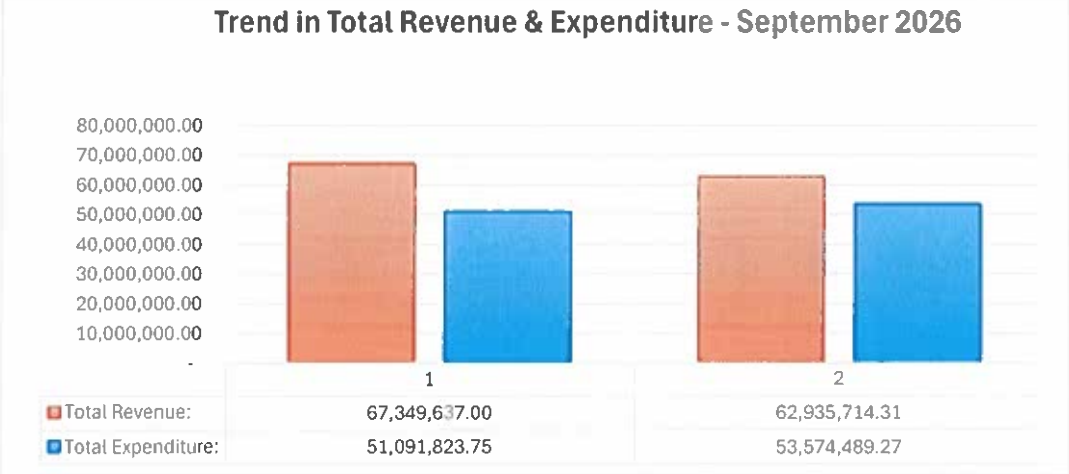
Furthermore, Section 52(d) of the MFMA states: "***52. General responsibilities:*** *- The Mayor of a municipality-*

(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

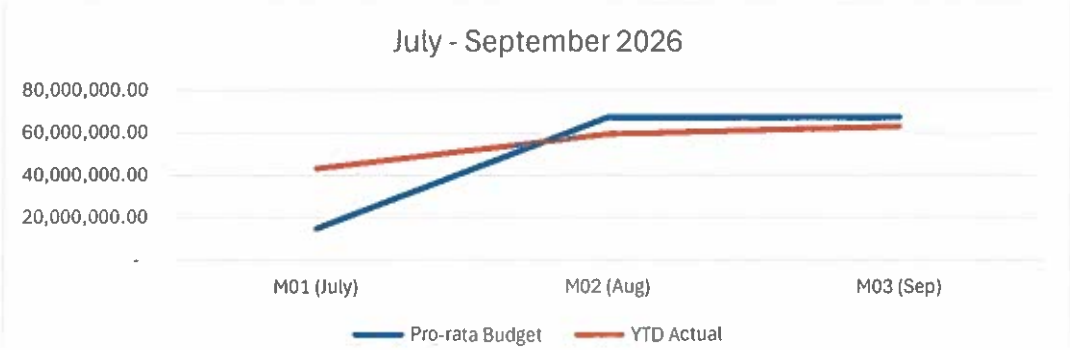
Description	Table 1 - Summary for Financial Period ended 2026/27					
	Full Year Budget	Pro Rata Budget	YTD Actual	YTD Variance		
	2026/27	September	September	September		%
Total Revenue:	**176,167,627.00**	**67,349,637.00**	**62,935,714.31**	**R**	**-4,413,923**	**-7%**
Revenue - Operational	155,132,731.00	64,320,637.00	61,770,481.52	R	-2,550,155	-4%
Revenue - Capital	21,034,896.00	3,029,000.00	1,165,232.79	R	-1,863,767	-62%
Total Expenditure:	**204,367,295.00**	**51,091,823.75**	**53,574,489.27**	**R**	**2,482,666**	**5%**
Expenditure - Operational	180,007,319.00	45,001,829.75	51,222,813.83	R	6,220,984	14%
Expenditure - Capital	24,359,976.00	6,089,994.00	2,351,675.44	R	-3,738,319	-61%
						Source: Budget Table C1



Key Observations:

- The table & illustrations above provide an overview of the municipal financial performance and position as of **September 2026.**
- Total revenue accrued amounted to **R62.9 million**, which was below the pro rata budget of **R67.3 million**. The variance is mainly attributable to lower-than-anticipated own-source revenue and delays in recognising conditional grant revenue, which is recognised as qualifying expenditure is incurred.
- Total expenditure incurred amounted to **R53.5 million**, exceeding the pro-rata budget of **R51 million**. The unfavourable variance is mainly attributable to once-off and annual payments for financial systems, insurance and statutory obligations, including SALGA membership contributions.

1.1.2 Revenue Trend



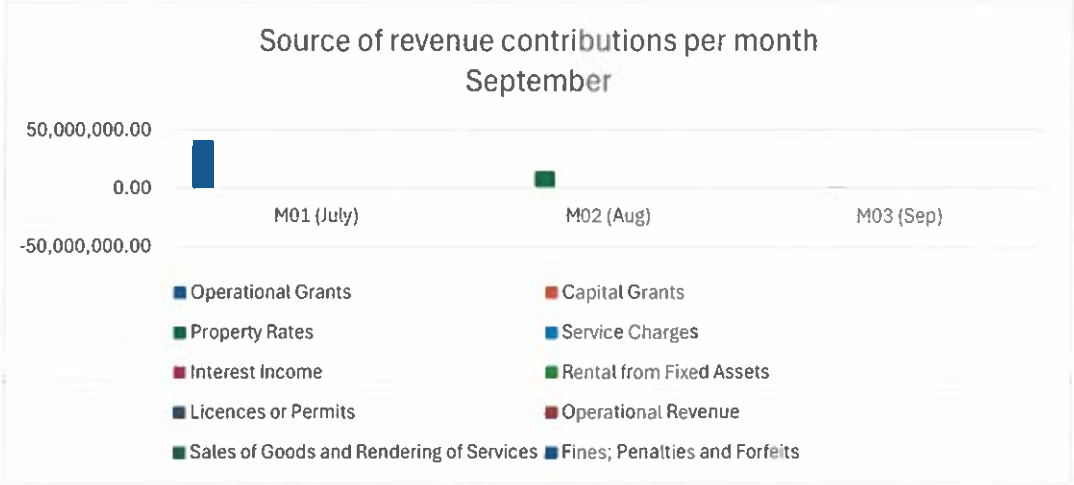
1.1.3 Revenue by source

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	Actual to Date	Variance
Operational Grants	43,928,000.00	42,723,450.29	- 1,204,549.71
Capital Grants	3,029,000.00	1,165,232.79	- 1,863,767.21
Property Rates	16,627,000.00	15,877,825.45	- 749,174.55
Service Charges	248,037.00	210,159.03	- 37,877.97
Interest Income	1,855,813.00	1,421,274.29	- 434,538.71
Rental from Fixed Assets	356,835.00	373,440.83	16,605.83
Licences or Permits	991,233.00	931,943.30	- 59,289.70
Operational Revenue	218,991.00	119,041.98	- 99,949.02
Sales of Goods and Rendering of Services	92,406.00	99,653.30	7,247.30
Fines; Penalties and Forfeits	2,322.00	13,693.05	11,371.05

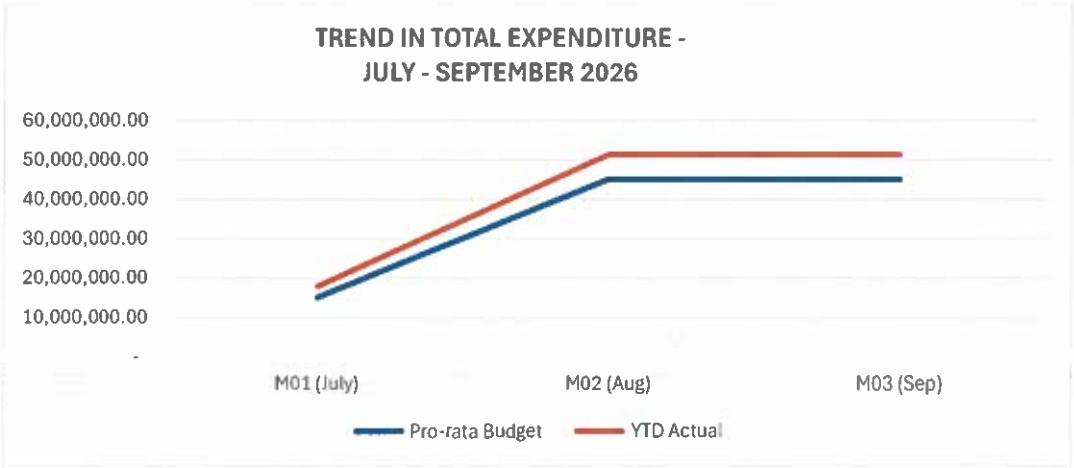
%	Revenue by Source	Comment	Explanations for variances above +/-10%
-3%	Operational Grants	Unfavourable	Variance within an acceptable threshold
-62%	Capital Grants	Unfavourable	The unfavourable variance is due to delays in implementing grant-funded capital projects, resulting in lower capital grant revenue recognition. Revenue will be recognised as the related expenditure is incurred.
-5%	Property Rates	Unfavourable	Variance within an acceptable threshold
-15%	Service Charges	Unfavourable	The unfavourable variance is mainly attributable to the reversal of duplicate refuse charges identified during a debtor data-cleansing exercise. As the corrections related to prior-year billing could not be processed retrospectively, they were recorded in the current financial year, resulting in a temporary reduction in service-charge revenue.
-23%	Interest Income	Unfavourable	The variance is caused by reduced investment balances due to cash demands for funding projects, resulting in missed opportunities to earn interest income.
5%	Rental from Fixed Assets	Favourable	Variance within an acceptable threshold
-6%	Licences or Permits	Unfavourable	Variance within an acceptable threshold
-46%	Operational Revenue	Unfavourable	The unfavourable variance is attributable to the nature and timing of recoveries and refunds, which are recognised when the relevant transactions or recoverable events occur and therefore do not follow an even monthly pattern. Performance will continue to be monitored.
8%	Sales of Goods and Rendering of Services	Favourable	Variance within an acceptable threshold
490%	Fines; Penalties and Forfeits	Favourable	The favourable variance is due to higher-than-anticipated revenue from fines, penalties and forfeitures during the reporting period. These transactions arise as relevant offences or events occur and therefore do not follow an even monthly pattern. The revenue performance will continue to be monitored.

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



Revenue by Source	Total Budget	Prorata Budget	M01 (July)	M02 (Aug)	M03 (Sep)	TotalActual
Operational Grants	108,050,080.00	43,928,000.00	41,187,123.81	755,450.93	780,875.55	42,723,450.29
Capital Grants	21,034,896.00	3,029,000.00	918,799.29	0.00	246,433.50	1,165,232.79
Property Rates	32,020,103.00	16,627,000.00	-10,410.82	14,488,866.57	1,399,369.70	15,877,825.45
Service Charges	992,148.00	248,037.00	82,019.79	46,119.45	82,019.79	210,159.03
Interest Income	7,423,252.00	1,855,813.00	509,002.30	412,640.28	499,631.71	1,421,274.29
Rental from Fixed Assets	1,427,340.00	356,835.00	130,718.10	106,855.12	135,867.61	373,440.83
Licences or Permits	3,964,932.00	991,233.00	294,735.45	351,058.19	286,149.66	931,943.30
Operational Revenue	875,964.00	218,991.00	15,699.61	48,186.23	55,156.14	119,041.98
Sales of Goods and Rendering of Services	369,624.00	92,406.00	34,100.19	27,789.51	37,763.60	99,653.30
Fines; Penalties and Forfeits	9,288.00	2,322.00	487.83	12,229.57	975.65	13,693.05
	176,167,627.00	**67,349,637.00**	**43,162,275.55**	**16,249,195.85**	**3,524,242.91**	**62,935,714.31**

1.1.4 Expenditure Trend



1.1.5 Expenditure by Type

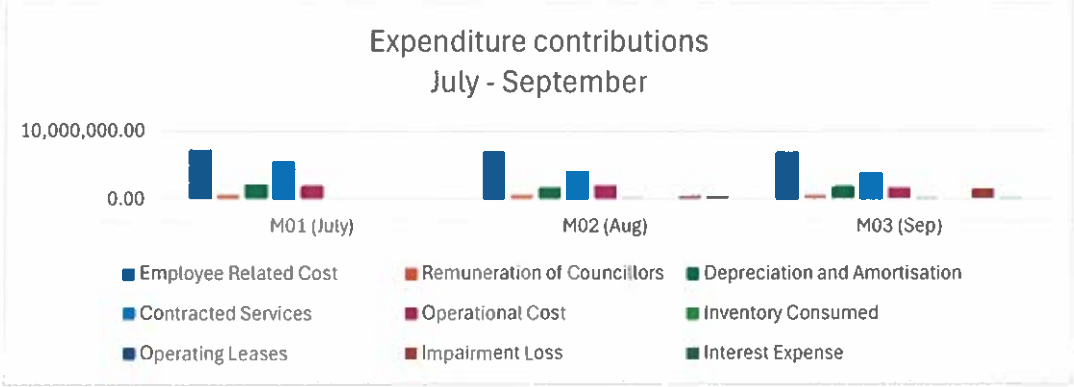
Operational cost

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	Actual to Date	Variance
Employee Related Cost	21,705,933.00	21,373,423.04	332,509.96
Remuneration of Councillors	1,982,964.00	1,722,914.91	260,049.09
Depreciation and Amortisation	4,566,203.00	5,796,242.75	- 1,230,039.75
Contracted Services	9,007,416.50	13,643,988.56	- 4,636,572.06
Operational Cost	4,959,039.00	5,646,185.03	- 687,146.03
Inventory Consumed	1,366,754.00	474,910.05	891,843.95
Operating Leases	3,000.00	-	3,000.00
Impairment Loss	922,915.25	1,962,700.68	- 1,039,785.43
Interest Expense	487,605.00	602,448.81	- 114,843.81
Total	**45,001,829.75**	**51,222,813.83**	**- 6,220,984.08**

%	Expenditure by Type	Comment	Explanations for variances above +/-10%
2%	Employee Related Cost	Favourable	Variance within an acceptable threshold
13%	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.
-27%	Depreciation and Amortisation	Unfavourable	The unfavourable variance is attributable to additional assets being capitalised and brought into use, which increased the depreciable asset base and resulted in depreciation and amortisation exceeding the YTD budget. The variance will be reviewed against the asset register.
-51%	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.
-14%	Operational Cost	Unfavourable	The unfavourable variance is mainly attributable to the once-off payment of the annual insurance premium, while the budget was spread over the financial year. The variance is expected to normalise in subsequent months.
65%	Inventory Consumed	Favourable	The variance is due to the timing of inventory purchases, which are procured as needed. Expenditure is expected in subsequent periods as operational requirements arise.
100%	Operating Leases	Favourable	No expenditure was incurred during the reporting period, resulting in a favourable variance against the YTB budget. Expenditure will be incurred as lease obligations arise.
-113%	Impairment Loss	Unfavourable	The unfavourable variance is attributable to the quarterly processing of debtors' impairment, resulting in higher YTD expenditure than the phased YTD budget.
-24%	Interest Expense	Unfavourable	The unfavourable variance is mainly attributable to finance lease interest charges on the municipality's vehicle and equipment leases being recognised in July. These charges are calculated on outstanding lease liabilities and are therefore higher during the earlier repayment periods.

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



Expenditure by type	Total Budget	Prorata Budget	M01 (July)	M02 (Aug)	M03 (Sep)	TotalActual
Employee Related Cost	86,823,732.00	21,705,933.00	7,317,948.26	7,054,762.26	7,000,712.52	21,373,423.04
Remuneration of Councillors	7,931,856.00	1,982,964.00	573,712.47	573,712.47	575,489.97	1,722,914.91
Depreciation and Amortisation	18,264,812.00	4,566,203.00	2,193,849.87	1,707,826.63	1,894,566.25	5,796,242.75
Contracted Services	36,029,666.00	9,007,416.50	5,618,542.64	4,114,278.62	3,911,167.30	13,643,988.56
Operational Cost	19,836,156.00	4,959,039.00	1,966,939.19	2,011,383.99	1,667,861.85	5,646,185.03
Inventory Consumed	5,467,016.00	1,366,754.00	0.00	207,287.90	267,622.15	474,910.05
Operating Leases	12,000.00	3,000.00	0.00	0.00	0.00	0.00
Impairment Loss	3,691,661.00	922,915.25	56,353.80	461,034.98	1,445,311.90	1,962,700.68
Interest Expense	1,950,420.00	487,605.00	0.00	400,098.98	202,349.83	602,448.81
	180,007,319.00	**45,001,829.75**	**17,727,346.23**	**16,530,385.83**	**16,965,081.77**	**51,222,813.83**

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%	201%	21%	39%
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.	1.84 Months	1.14 Months	0.44 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	1.75	1.75	1.41
Creditor payment period	This ratio indicates the average number of days taken for trade creditors to be paid. The norm is 30 days	20 days	15 days	15 days

Debtors' collection rate (norm 95%)

The collection rate as of the end of September was 39%. 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 ratio of **0.44 months** indicates that the Municipality's available cash, excluding unspent conditional grants, can cover less than half a month of operating expenditure. This is below the minimum norm of one month, reflecting limited unrestricted cash reserves. The position requires close cash-flow monitoring, improved revenue collection and careful management of expenditure, with continued reliance on timely equitable-share transfers.

Current ratio: (Norm 1:1.5)

The current ratio of 1.41:1 indicates a favourable short-term liquidity position, with current assets exceeding current liabilities. However, the ratio should be considered alongside the availability of cash and the composition of current assets.

Creditors payment period (norm 30 days)

The municipality is within the norm of paying its 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 n-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 SC2, Monthly Budget Statement – aged debtors**, and an analysis is further provided:

KZN227 Richmond - Supporting Table SC2 Monthly Budget Statement - aged debtors - M03 - September

Description	NT Code	Budget Year 2026/27											
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 - Wate	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	1,937	12 809	4	415	654	681	631	30,822	47 953	33 213	(2	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	133	65	57	55	55	52	51	2 427	2 894	2,640	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	122	39	34	26	19	19	19	1 335	1 614	1 419	(2)	-
Interest on Arrear Debtor Accounts	1810	332	311	309	311	292	287	281	15 566	18 690	16 738	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	2	5	-	4	-	-	-	27	39	32	(11	-
Total By Income Source	2000	2,525	13,229	404	811	1,020	1,049	983	50,178	70,200	54,041	(362)	-
2025/26 - totals only		-	-	-	-	-	-	-	-	-	-	-	-
Debtors Age Analysis By Customer Group													
Organs of State	2200	906	11 125	12	28	201	192	185	12 783	25 429	13 386	-	-
Commercial	2300	519	404	57	72	76	68	63	2 541	3 802	2,821	(2)	-
Households	2400	1,100	1 699	335	711	744	791	734	34 855	40 969	37 835	(361)	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	2,525	13,229	404	811	1,020	1,049	983	50,178	70,200	54,041	(362)	-

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 **R54m.**

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	NT Code	Budget Year 2026/27									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	2	-	-	-	-	-	-	-	2	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	2	-	-	-	-	-	-	-	2	-

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 **R2** thousand outstanding creditors as of **September 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 30 September 2026	Interest Rate	September 2026 Interest	Bal. as at 31 August 2026	Investment Period
First National Bank	61356002695	Call account		69,452.00		2,850.93	563,434.09	call
First National Bank	62134473280	Housing Operating Account		381,038.16		1,962.89	379,075.27	daily call
First National Bank	62810019217	Housing Title deed Account		2,995,285.12		15,551.76	2,979,733.36	daily call
First National Bank	62299629116	Mig Grant Funding		6,998,735.06		37,248.72	6,961,486.34	daily call
First National Bank	62241817537	Financial Management Grant		300,000.00		3,166.98	-	daily call
First National Bank	62833569900	Library Services Grant		450,635.80		2,339.74	448,296.06	daily call
First National Bank	62833571385	Small Town Grant		2,152.86		11.18	2,141.68	daily call
FNB DME	63003663506	FNB DME		18,930.76		98.29	18,832.47	daily call
FNB RESERVES	63003024063	FNB RESERVES		76,640.73		36,950.17	10,639,690.56	daily call
NEDBANK	03/7165013946/0000	Nedbank Fixed		-		-	-	fixed inv.
ABSA BANK	20-8167-2454	ABSA Fixed		-		-	-	fixed inv.
Standard Bank	268791155 007	Standard Fixed		5,059,537.67		31,335.62	5,028,202.05	fixed inv.
First National Bank	63024683319	FNB HIGHOVER		1,742,534.75		9,047.38	1,733,487.37	daily call
First National Bank	63107196932	Nelson St. SMME Project		184,399.98		957.42	183,442.56	daily call
Standard Bank	268791155 005	Standard Fixed						fixed inv.
First National Bank	63138299341	Informal Economy Infrastructure		1,966,082.14		10,800.45	2,201,715.19	daily call
				20,245,425.03		152,321.53	31,139,537.00	

Summary of exposures to particular financial institutions

financial institution	amount invested	Percentage exposure
First National Bank	15,185,887.36	75.01
Nedbank	-	-
Investec	-	-
ABSA BANK	-	-
Standard Bank	5,059,537.67	24.99
TOTAL	20,245,425.03	100.00
Primary Bank Account	R 555,049.31	
Cash & Cash Equivalent	20,800,474.34	
CONDITIONAL GRANTS	-14,330,054.20	
AVAILABLE MUNICIPAL FUNDS	6,470,420.14	

2.4 Allocation and grants receipts & expenditure

Further detailed on **Table SC18, Monthly Budget Statement – Transfers and grant receipts** and **Table SC19, Monthly Budget Statement – Transfers an grant expenditure**:

KZN227 Richmond - Supporting Table SC18 Monthly Budget Statement - transfers and grant receipts - M03 - September

Description	Ref	2025/26	Budget Year 2026/27							
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:		102,415	102,364	-	-	43,147	43,703	(556)	-1.3%	102,364
Expanded Public Works Programme Integrated Grant		2,054	1,966	-	-	492	492	-		1,966
Local Government Financial Management Grant	3	2,000	2,200	-	-	2,200	2,200	0	0.0%	2,200
Municipal Infrastructure Grant		-	1,107	-	-	-	556	(556)	-100.0%	1,107
Equitable Share		98,361	97,091	-	-	40,455	40,455	0	0.0%	97,091
Provincial Government:		7,567	5,686	-	28	84	5,686	(5,602)	-98.5%	5,686
LGSETA		-	-	-	11	32	-	32	#DIV/0!	-
Municipal Employment Initiative		-	500	-	-	-	500	(500)	-100.0%	500
Provincialisation of Libraries		-	3,358	-	-	-	3,358	(3,358)	-100.0%	3,358
Specify (Add grant description)		835	-	-	-	-	-	-		-
Specify (Add grant description)		-	-	-	18	52	-	52	#DIV/0!	-
Specify (Add grant description)		1,743	-	-	-	-	-	-		-
Community Libraries		4,988	1,828	-	-	-	1,828	(1,828)	-100.0%	1,828
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants		109,982	108,050	-	28	43,231	49,389	(6,157)	-12.5%	108,050
Capital Transfers and Grants										
National Government:		21,915	21,035	-	-	5,380	10,558	(5,258)	-49.8%	21,035
Municipal Infrastructure Grant		21,915	21,035	-	-	5,000	10,558	(5,558)	-52.6%	21,035
Integrated National Electrification Programme Grant		-	-	-	-	380	-	380	#DIV/0!	-
Provincial Government:		1,595	-	-	-	-	-	-		-
Specify (Add grant description)		1,391	-	-	-	-	-	-		-
Specify (Add grant description)		204	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants		23,510	21,035	-	-	5,380	10,558	(5,258)	-49.8%	21,035
TOTAL RECEIPTS OF TRANSFERS & GRANTS		133,492	129,085	-	28	48,531	59,947	(11,415)	-19.0%	129,085

KZN227 Richmond - Supporting Schedule SC19 Monthly Budget Statement - Expenditure on Transfers and Grants - M03 - September

Description	Ref	2025/26	Budget Year 2026/27							
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:		5,056	5,273	–	354	1,116	2,177	(1,060)	-48.7%	5,273
Expanded Public Works Programme Integrated Grant		2,054	1,966	–	186	373	491	(118)	-24.1%	1,966
Local Government Financial Management Grant	3	2,000	2,200	–	84	493	1,408	(915)	-65.0%	2,200
Municipal Infrastructure Grant		1,002	1,107	–	84	250	277	(27)	-9.6%	1,107
Provincial Government:		8,007	5,686	–	427	1,152	1,296	(144)	-11.1%	5,686
Specify (Add grant description)		835	–	–	–	18	–	18	#DIV/0!	–
Specify (Add grant description)		–	500	–	–	–	–	–		500
Specify (Add grant description)		802	3,358	–	90	224	839	(615)	-73.3%	3,358
Specify (Add grant description)		331	–	–	–	–	–	–		–
Specify (Add grant description)		267	–	–	–	–	–	–		–
Specify (Add grant description)		1,743	–	–	–	–	–	–		–
Specify (Add grant description)		4,028	1,828	–	337	910	457	453	99.0%	1,828
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		13,063	10,959	–	781	2,268	3,473	(1,205)	-34.7%	10,959
Capital Transfers and Grants										
National Government:		18,063	21,035	–	–	919	3,029	(2,110)	-69.7%	21,035
Municipal Infrastructure Grant		18,063	21,035	–	–	919	3,029	(2,110)	-69.7%	21,035
Provincial Government:		158	–	–	246	246	–	246	#DIV/0!	–
Specify (Add grant description)		–	–	–	246	246	–	246	#DIV/0!	–
Specify (Add grant description)		158	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		18,222	21,035	–	246	1,165	3,029	(1,864)	-61.5%	21,035
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		31,285	31,994	–	1,027	3,434	6,502	(3,068)	-47.2%	31,994

2.5 Councillor & Board member allowances

The following is from **Table SC22, Monthly Budget Statement – Councillor and staff benefits**, and an analysis is further provided:

KZN227 Richmond - Supporting Table SC22 Monthly Budget Statement - councillor and staff benefits - Month DD, YYYY

Summary of Employee and Councillor remuneration	Ref	2025/26	Budget Year 2026/27							
R thousands		Audited	Original	Adjusted	Monthly	YearTD actual	YearTD	YTD	YTD %	Full Year
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Allowances and Service Related Benefits										
Basic Salary		5,780	6,083	-	485	1,454	1,521	(67)	-4%	6,083
Cellphone Allowance		658	756	-	56	165	189	(24)	-13%	756
Housing Allowance		-	-	-	-	-	-	-		-
In-kind Benefits		-	-	-	-	-	-	-		-
Market Related Non-pensionable Allowance		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		547	709	-	29	87	177	(90)	-51%	709
Office-bearer Allowance		-	-	-	-	-	-	-		-
Out of pocket Expenses		3	7	-	2	2	2	0	7%	7
Travelling Allowance		80	113	-	-	-	28	(28)	-100%	113
Use of Personal Facilities		-	-	-	-	-	-	-		-
Total Allowances and Service Related Benefits		7,068	7,667	-	570	1,707	1,917	(210)	-11%	7,667
Social Contributions										
Medical Aid Benefits		35	91	-	3	9	23	(14)	-62%	91
Pension Fund Contributions		28	173	-	2	7	43	(36)	-84%	173
Total Social Contributions		63	264	-	5	16	66	(50)	-76%	264
Total Councillors		7,131	7,932	-	575	1,723	1,983	(260)	-13%	7,932
% increase	4									
Senior Managers of the Municipality	2									
Salaries and Allowances										
Basic Salary		4,971	6,041	-	528	1,773	1,510	263	17%	6,041
Bonuses		91	-	-	-	-	-	-		-
Allowance								-		
Accommodation, Travel and Incidental		-	-	-	-	-	-	-		-
Cellular and Telephone	3	-	-	-	-	-	-	-		-
Housing Benefits	3	-	-	-	-	-	-	-		-
Non-pensionable		-	-	-	-	-	-	-		-
Travel or Motor Vehicle	3	825	968	-	67	201	242	(41)	-17%	968
Voluntary Work		-	-	-	-	-	-	-		-
Total Allowance		825	968	-	67	201	242	(41)	-17%	968
Service Related Benefits										
Acting	3	-	-	-	-	-	-	-		-
Bonus	3	-	-	-	-	-	-	-		-
Danger Allowance	3	-	-	-	-	-	-	-		-
Entertainment	3	-	-	-	-	-	-	-		-
Fire Brigade		-	-	-	-	-	-	-		-
In-kind Benefits	3	-	-	-	-	-	-	-		-
Leave Pay	3	-	-	-	-	-	-	-		-
Lifeguard/Duty Squads		-	-	-	-	-	-	-		-
Long Service Award		-	-	-	-	-	-	-		-
Overtime		-	-	-	-	-	-	-		-
Scarcity	3	-	-	-	-	-	-	-		-
Standby Allowance	3	-	-	-	-	-	-	-		-
Tools Allowance	3	-	-	-	-	-	-	-		-
Uniform/Special/Protective Clothing	3	-	-	-	-	-	-	-		-
Leave gratuity		-	-	-	-	-	-	-		-
Long Term Service Award		-	-	-	-	-	-	-		-
Total Service Related Benefits		-	-	-	-	-	-	-		-
Total Salaries and Allowances		5,887	7,009	-	595	1,974	1,752	222	13%	7,009
Social Contributions										
Bargaining Council		1	1	-	0	0	0	(0)	-5%	1
Group Life Insurance		-	-	-	-	-	-	-		-
Medical		-	-	-	-	-	-	-		-
Pension		14	-	-	5	14	-	14	#DIV/0!	-
Unemployment Insurance		8	13	-	1	3	3	(1)	-17%	13
Total Social Contributions		23	14	-	8	17	3	13	393%	14
Post-retirement Benefit	6									
Medical		-	-	-	-	-	-	-		-
Other Benefits		-	-	-	-	-	-	-		-
Pension		-	-	-	-	-	-	-		-
Total Post-retirement Benefit		-	-	-	-	-	-	-		-
Costs Capitalised to PPE		-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		5,709	7,023	-	591	1,991	1,756	235	13%	7,023
% increase	4									
Other Municipal Staff										
Salaries and Allowances										
Basic Salary		53,621	58,169	-	4,727	14,208	14,542	(334)	-2%	58,169
Bonuses		3,869	3,784	-	-	10	946	(936)	-99%	3,784
Allowance										
Accommodation, Travel and Incidental		-	-	-	-	-	-	-		-
Cellular and Telephone	3	480	477	-	42	122	119	3	3%	477
Housing Benefits	3	426	386	-	45	126	96	30	31%	386
Non-pensionable		14	128	-	1	4	32	(28)	-89%	128
Travel or Motor Vehicle	3	1,766	1,753	-	162	458	438	20	4%	1,753
Voluntary Work		-	-	-	-	-	-	-		-
Total Allowance		2,686	2,744	-	251	710	686	24	4%	2,744
Service Related Benefits										
Acting	3	-	-	-	-	-	-	-		-
Bonus	3	135	-	-	-	-	-	-		-
Danger Allowance	3	-	-	-	-	-	-	-		-
Entertainment	3	-	-	-	-	-	-	-		-
Fire Brigade		-	-	-	-	-	-	-		-
In-kind Benefits	3	-	-	-	-	-	-	-		-
Leave Pay	3	522	1,720	-	192	984	430	554	129%	1,720
Lifeguard/Duty Squads		42	48	-	4	11	12	(2)	-13%	48
Long Service Award		-	-	-	-	-	-	-		-
Overtime		1,547	1,623	-	198	394	406	(12)	-3%	1,623
Scarcity	3	-	-	-	-	-	-	-		-
Standby Allowance	3	449	510	-	21	66	128	(62)	-49%	510
Tools Allowance	3	-	-	-	-	-	-	-		-
Uniform/Special/Protective Clothing	3	192	156	-	14	42	39	3	8%	156
Leave gratuity		-	-	-	-	-	-	-		-
Long Term Service Award		-	-	-	-	-	-	-		-
Total Service Related Benefits		2,887	4,057	-	427	1,436	1,014	422	42%	4,057
Total Salaries and Allowances		63,962	68,754	-	5,464	16,424	17,188	(764)	-4%	68,754
Social Contributions										
Bargaining Council		27	29	-	2	7	7	(0)	-2%	29
Group Life Insurance		-	-	-	-	-	-	-		-
Medical		3,069	2,839	-	275	825	710	113	16%	2,839
Pension		7,496	7,714	-	684	2,022	1,928	94	5%	7,714
Unemployment Insurance		406	465	-	34	105	116	(10)	-9%	465
Total Social Contributions		10,998	11,047	-	995	2,958	2,762	197	7%	11,047
Post-retirement Benefit	6									
Medical		1,425	-	-	-	-	-	-		-
Other Benefits		-	-	-	-	-	-	-		-
Pension		-	-	-	-	-	-	-		-
Total Post-retirement Benefit		1,425	-	-	-	-	-	-		-
Costs Capitalised to PPE		-	-	-	-	-	-	-		-
Sub Total - Other Municipal Staff		75,486	79,801	-	6,460	19,381	19,950	(568)		79,801
% increase	4									
Total Parent Municipality		88,326	94,734	-	7,576	23,096	23,689	(593)	-3%	94,734

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:

KZN227 Richmond - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 - September

Month	2025/26	Budget Year 2026/27							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	1,629	2,030	-	2,127	2,127	2,030	(97)	-4.8%	9%
August	4,107	2,030	-	-		4,060	-		
September	2,431	2,030	-	224	#VALUE!	6,090	#VALUE!	#VALUE!	#VALUE!
October	1,420	2,030	-	-		8,120	-		
November	15,627	2,030	-	-		10,150	-		
December	283	2,030	-	-		12,180	-		
January	37,986	2,030	-	-		14,210	-		
February	(33,098)	2,030	-	-		16,240	-		
March	257	2,030	-	-		18,270	-		
April	3,484	2,030	-	-		20,300	-		
May	78	2,030	-	-		22,330	-		
June	(890)	2,030	-	-		24,360	-		
Total Capital expenditure	33,313	24,360	-	2,352					

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 Municipal Mangers Quality Certification

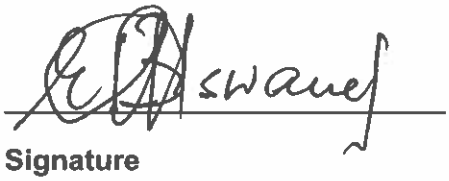
I, B.E Mswane, the Municipal Manager, of Richmond Municipality, hereby certify that the

- monthly budget statement
- C schedule

for the month of **September 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