

# **MANDENI MUNICIPALITY**

**KZN291**



## **BUDGET & TREASURY DEPARTMENT**

### **MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED JANUARY 2024/25 FINANCIAL YEAR**

# **STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2024/25 BUDGET FOR THE PERIOD ENDING 31 JANUARY 2025.**

## **1. PURPOSE**

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2024/25 Budget of the Mandeni Municipality for the period ending 31 January 2025 in line with the statutory requirements of S71 of the Municipal Finance Management Act (2003).

## **2. AUTHORITY**

Mayor

## **3. LEGAL / STATUTORY REQUIREMENTS**

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 71.

## **4. BACKGROUND**

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003 Chapter 8, 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 on the financial performance of that municipality.

## **5. EXECUTIVE SUMMARY**

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ended 31 January is detailed below. The monthly budget statement is divided into the following:

- 5.1 Statement of Financial Performance
- 5.2 Capital Expenditure
- 5.3 DORA Receipts
- 5.4 DORA Grants Expenditure
- 5.5 Debtors Age Analysis
- 5.6 Employee Costs and Councilors' Remuneration
- 5.7 Investment Portfolio
- 5.8 Long-term Borrowing
- 5.9 Performance Indicators
- 6. Creditor's Age Analysis
- 6.1 Bank Reconciliation Statement
- 7. Supporting Tables
- 8. Municipal Managers quality certificate

## 1.1 FINANCIAL PERFORMANCE

### BUDGET SUMMARY

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M07 January								
Description	2023/24	Budget Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
<b>Financial Performance</b>								
Total Revenue (excluding capital transfers and	422 701	447 101	(33 653)	305 270	260 809	44 461	17%	447 101
Total Expenditure	397 367	443 031	27 498	250 192	258 622	(8 430)	-3%	443 031
Surplus/(Deficit)	25 334	4 070	(61 151)	55 078	2 187	52 891	2418%	4 070
Transfers and subsidies -	55 093	39 760	-	17 344	23 194	(5 849)	-25%	39 760
Surplus/(Deficit) after capital transfers & contributions	80 427	43 830	(61 151)	72 422	25 381	47 042	185%	43 830
Surplus/ (Deficit) for the year	80 427	43 830	(61 151)	72 422	25 381	47 042	185%	43 830
<b>Capital expenditure &amp; funds sources</b>								
Capital expenditure	139 662	127 600	6 038	62 271	74 433	(12 163)	-16%	127 600
Capital transfers recognised	51 789	34 702	69	15 538	20 243	(4 704)	-23%	34 702
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	87 873	92 898	5 969	46 732	54 191	(7 458)	-14%	92 898
Total sources of capital funds	139 662	127 600	6 038	62 271	74 433	(12 163)	-16%	127 600
<b>TOTAL BUDGET</b>	<b>537 029</b>	<b>570 631</b>	<b>33 536</b>	<b>312 463</b>	<b>333 055</b>	<b>(20 592)</b>	<b>(0)</b>	<b>570 631</b>

As can be seen from the table above, Actual surplus for the period ended 31<sup>st</sup> January 2025 is Significantly more than the Budgeted Surplus by- 100%. Monthly budget statement summary (Table C1), for the period ending 31<sup>st</sup> January 2025 (year to date actual), shows a surplus of R72,4million against YTD budget of R25,4 million which reflects variance of more than 100%.

## 1.2 Monthly Budget statement Summary M07-JANUARY 2025

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M07 January								
Description	2023/24	Budget Year 2024/25						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<b>Financial Performance</b>								
Property rates	58 321	62 237	3 241	50 541	36 305	14 236	39%	62 237
Service charges	73 544	86 448	5 135	46 551	50 428	(3 877)	-8%	86 448
Investment revenue	26 748	–	–	–	–	–	–	–
Transfers and subsidies - Oper	26 748	28 000	8 199	13 163	16 333	(3 170)	-19%	28 000
Other own revenue	237 340	270 416	(50 228)	195 015	157 743	37 272	24%	–
<b>Total Revenue (excluding capital transfers and</b>	<b>422 701</b>	<b>447 101</b>	<b>(33 653)</b>	<b>305 270</b>	<b>260 809</b>	<b>44 461</b>	<b>17%</b>	<b>447 101</b>
Employee costs	133 709	152 543	12 790	82 447	88 983	(6 536)	-7%	152 543
Remuneration of Councillors	14 564	16 388	1 246	9 094	9 559	(466)	-5%	16 388
Depreciation and amortisation	33 728	37 856	3 014	20 560	22 083	(1 523)	-7%	37 856
Interest	137	3 300	–	0	1 925	(1 925)	-100%	3 300
Inventory consumed and bulk p	56 309	62 398	1 712	35 931	36 586	(654)	-2%	62 398
Transfers and subsidies	–	–	–	–	–	–	–	–
Other expenditure	158 921	170 546	8 736	102 159	99 486	2 674	3%	170 546
<b>Total Expenditure</b>	<b>397 367</b>	<b>443 031</b>	<b>27 498</b>	<b>250 192</b>	<b>258 622</b>	<b>(8 430)</b>	<b>-3%</b>	<b>443 031</b>
<b>Surplus/(Deficit)</b>	<b>25 334</b>	<b>4 070</b>	<b>(61 151)</b>	<b>55 078</b>	<b>2 187</b>	<b>52 891</b>	<b>2418%</b>	<b>4 070</b>
Transfers and subsidies -	55 093	39 760	–	17 344	23 194	(5 849)	-25%	39 760
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>80 427</b>	<b>43 830</b>	<b>(61 151)</b>	<b>72 422</b>	<b>25 381</b>	<b>47 042</b>	<b>185%</b>	<b>43 830</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>80 427</b>	<b>43 830</b>	<b>(61 151)</b>	<b>72 422</b>	<b>25 381</b>	<b>47 042</b>	<b>185%</b>	<b>43 830</b>
<b>Capital expenditure &amp; funds sources</b>								
<b>Capital expenditure</b>	<b>139 662</b>	<b>127 600</b>	<b>6 038</b>	<b>62 271</b>	<b>74 433</b>	<b>(12 163)</b>	<b>-16%</b>	<b>127 600</b>
Capital transfers recognised	51 789	34 702	69	15 538	20 243	(4 704)	-23%	34 702
Borrowing	–	–	–	–	–	–	–	–
Internally generated funds	87 873	92 898	5 969	46 732	54 191	(7 458)	-14%	92 898
<b>Total sources of capital funds</b>	<b>139 662</b>	<b>127 600</b>	<b>6 038</b>	<b>62 271</b>	<b>74 433</b>	<b>(12 163)</b>	<b>-16%</b>	<b>127 600</b>
<b>Financial position</b>								
Total current assets	329 657	240 614		349 128				240 614
Total non current assets	713 576	692 232		755 286				692 232
Total current liabilities	81 153	55 157		69 912				55 157
Total non current liabilities	21 070	22 993		21 070				22 993
Community wealth/Equity	<b>941 010</b>	<b>854 696</b>		<b>1 013 432</b>				<b>854 696</b>
<b>Cash flows</b>								
Net cash from (used) operating	46 687	46 034	(49 617)	86 282	57 173	(29 109)	-51%	46 034
Net cash from (used) investing	535 861	(146 740)	(6 944)	(71 612)	(85 598)	(13 987)	16%	(146 740)
Net cash from (used) financing	–	–	–	–	–	–	–	–
<b>Cash/cash equivalents at the</b>	<b>450 536</b>	<b>(284 129)</b>	<b>–</b>	<b>223 478</b>	<b>(211 849)</b>	<b>(435 327)</b>	<b>205%</b>	<b>–</b>
<b>Debtors &amp; creditors analysis</b>								
	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>								
Total By Income Source	9 047	3 341	2 963	3 377	30 789	19 336	191 150	262 880
<b>Creditors Age Analysis</b>								
Total Creditors	762	–	–	–	–	–	–	762

**Table 1.3**

**Table C2 provides the statement of financial performance by standard classification.**

KZN291 Mandeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January									
Description	Ref	Budget Year 2024/25							
		2023/24 Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1							%	
<b>Revenue - Functional</b>									
<b>Governance and administration</b>		<b>323 455</b>	<b>340 236</b>	<b>(40 076)</b>	<b>249 982</b>	<b>198 471</b>	51 511	26%	<b>340 236</b>
Executive and council		–	8 038	–	–	4 689	(4 689)	-100%	8 038
Finance and administration		323 455	332 198	(40 076)	249 982	193 782	56 200	29%	332 198
Internal audit		–	–	–	–	–	–	–	–
<b>Community and public safety</b>		<b>4 710</b>	<b>5 464</b>	<b>323</b>	<b>2 737</b>	<b>3 187</b>	(451)	-14%	<b>5 464</b>
Community and social services		4 710	5 073	321	2 731	2 959	(228)	-8%	5 073
Sport and recreation		–	–	–	–	–	–	–	–
Public safety		–	391	2	5	228	(223)	-98%	391
Housing		–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		<b>63 161</b>	<b>45 527</b>	<b>705</b>	<b>20 827</b>	<b>26 557</b>	(5 731)	-22%	<b>45 527</b>
Planning and development		42 536	41 542	371	18 792	24 233	(5 441)	-22%	41 542
Road transport		20 625	3 985	334	2 035	2 324	(289)	-12%	3 985
Environmental protection		–	–	–	–	–	–	–	–
<b>Trading services</b>		<b>86 468</b>	<b>101 895</b>	<b>5 395</b>	<b>49 069</b>	<b>59 439</b>	(10 370)	-17%	<b>101 895</b>
Energy sources		72 748	82 849	4 115	40 510	48 329	(7 819)	-16%	82 849
Water management		–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–
Waste management		13 720	19 045	1 280	8 559	11 110	(2 550)	-23%	19 045
<b>Other</b>	4	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	2	<b>477 794</b>	<b>493 122</b>	<b>(33 653)</b>	<b>322 614</b>	<b>287 654</b>	<b>34 960</b>	<b>12%</b>	<b>493 122</b>
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>		<b>193 804</b>	<b>217 123</b>	<b>13 559</b>	<b>113 673</b>	<b>126 842</b>	(13 169)	-10%	<b>217 123</b>
Executive and council		61 619	66 001	4 487	40 219	38 688	1 532	4%	66 001
Finance and administration		132 185	151 121	9 073	73 454	88 154	(14 700)	-17%	151 121
Internal audit		–	–	–	–	–	–	–	–
<b>Community and public safety</b>		<b>46 599</b>	<b>42 761</b>	<b>5 474</b>	<b>30 468</b>	<b>24 944</b>	5 525	22%	<b>42 761</b>
Community and social services		33 291	30 811	3 679	22 877	17 973	4 903	27%	30 811
Sport and recreation		12 862	10 030	1 795	7 054	5 851	1 203	21%	10 030
Public safety		418	1 890	–	508	1 102	(594)	-54%	1 890
Housing		29	30	–	29	18	12	66%	30
Health		–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		<b>69 233</b>	<b>83 202</b>	<b>5 519</b>	<b>44 703</b>	<b>48 534</b>	(3 831)	-8%	<b>83 202</b>
Planning and development		18 934	25 716	1 525	12 864	15 001	(2 137)	-14%	25 716
Road transport		46 605	53 423	3 612	29 393	31 163	(1 770)	-6%	53 423
Environmental protection		3 694	4 063	383	2 446	2 370	76	3%	4 063
<b>Trading services</b>		<b>88 370</b>	<b>105 330</b>	<b>2 945</b>	<b>61 304</b>	<b>61 443</b>	(138)	0%	<b>105 330</b>
Energy sources		77 057	78 317	2 159	39 612	45 685	(6 073)	-13%	78 317
Water management		–	–	–	–	–	–	–	–
Waste water management		2 543	2 802	245	1 701	1 635	66	4%	2 802
Waste management		8 770	24 211	540	19 992	14 123	5 869	42%	24 211
<b>Other</b>		–	<b>876</b>	–	<b>43</b>	<b>511</b>	<b>(468)</b>	<b>-92%</b>	<b>876</b>
<b>Total Expenditure - Functional</b>	3	<b>398 006</b>	<b>449 292</b>	<b>27 498</b>	<b>250 192</b>	<b>262 274</b>	<b>(12 082)</b>	<b>-5%</b>	<b>449 292</b>
<b>Surplus/ (Deficit) for the year</b>		<b>79 788</b>	<b>43 830</b>	<b>(61 151)</b>	<b>72 422</b>	<b>25 381</b>	<b>47 042</b>	<b>185%</b>	<b>43 830</b>

**Table 1.4**

**Table C3 Monthly Budget Statement – Financial Performance and expenditure by municipal vote.**

KZN291 Mandeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January									
Vote Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>Revenue by Vote</b>	1								
Vote 1 - Executive and council		–	8 038	–	–	4 689	(4 689)	-100.0%	8 038
Vote 2 - Finance and administration		323 455	332 198	(40 076)	249 982	193 782	56 200	29.0%	332 198
Vote 3 - Internal audit		–	–	–	–	–	–	–	–
Vote 4 - Community and social servi		4 710	5 464	323	2 737	3 187	(451)	-14.1%	5 464
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–	–
Vote 6 - Public safety		–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–	–
Vote 8 - Planning and Development		42 536	41 542	371	18 792	24 233	(5 441)	-22.5%	41 542
Vote 9 - Road transport		20 625	3 985	334	2 035	2 324	(289)	-12.4%	3 985
Vote 10 - Energy sources		72 748	82 849	4 115	40 510	48 329	(7 819)	-16.2%	82 849
Vote 11 - Waste Management		13 720	19 045	1 280	8 559	11 110	(2 550)	-23.0%	19 045
Vote 12 - Environmental Protection		–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–
<b>Total Revenue by Vote</b>	2	<b>477 794</b>	<b>493 122</b>	<b>(33 653)</b>	<b>322 614</b>	<b>287 654</b>	<b>34 960</b>	<b>12.2%</b>	<b>493 122</b>
<b>Expenditure by Vote</b>	1								
Vote 1 - Executive and council		61 619	66 001	4 487	40 219	38 688	1 532	4.0%	66 001
Vote 2 - Finance and administration		132 185	151 121	9 073	73 454	88 154	(14 700)	-16.7%	151 121
Vote 3 - Internal audit		–	–	–	–	–	–	–	–
Vote 4 - Community and social servi		33 291	30 811	3 679	22 877	17 973	4 903	27.3%	30 811
Vote 5 - Sport and Recreation		12 862	10 030	1 795	7 054	5 851	1 203	20.6%	10 030
Vote 6 - Public safety		418	1 890	–	508	1 102	(594)	-53.9%	1 890
Vote 7 - Housing		29	30	–	29	18	12	65.7%	30
Vote 8 - Planning and Development		18 934	26 592	1 525	12 907	15 512	(2 605)	-16.8%	26 592
Vote 9 - Road transport		49 148	56 225	3 857	31 094	32 798	(1 704)	-5.2%	56 225
Vote 10 - Energy sources		77 057	78 317	2 159	39 612	45 685	(6 073)	-13.3%	78 317
Vote 11 - Waste Management		8 770	24 211	540	19 992	14 123	5 869	41.6%	24 211
Vote 12 - Environmental Protection		3 694	4 063	383	2 446	2 370	76	3.2%	4 063
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–
<b>Total Expenditure by Vote</b>	2	<b>398 006</b>	<b>449 292</b>	<b>27 498</b>	<b>250 192</b>	<b>262 274</b>	<b>(12 082)</b>	<b>-4.6%</b>	<b>449 292</b>
<b>Surplus/ (Deficit) for the yea</b>	2	<b>79 788</b>	<b>43 830</b>	<b>(61 151)</b>	<b>72 422</b>	<b>25 381</b>	<b>47 042</b>	<b>185.3%</b>	<b>43 830</b>

**Table 1.5** provides information on the planned revenue and operational expenditures against the actual results for the period ending 31<sup>st</sup> January 2025

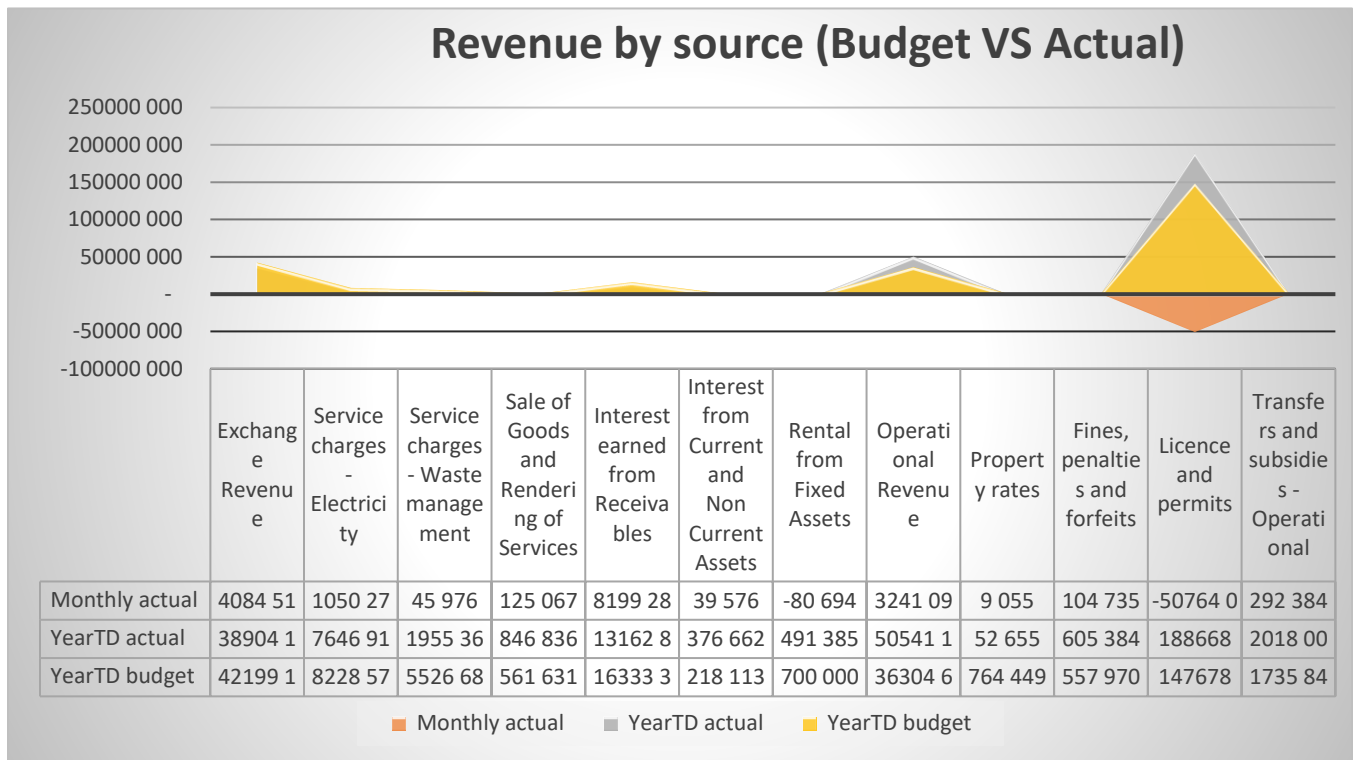
This report analyses each major component under following headings;

- Revenue by Source
- Operational Expenditure by Type, and

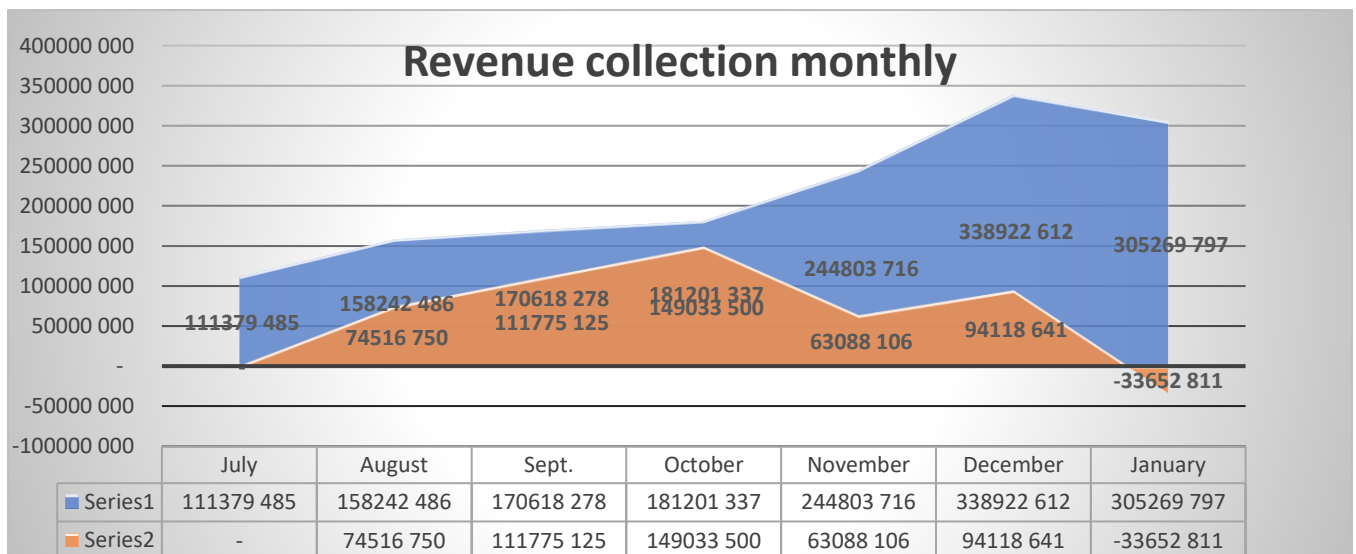
KZN291 Mandeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January									
Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue</b>									
<b>Exchange Revenue</b>									
Service charges - Electricity		61 164	72 341	4 085	38 904	42 199	(3 295)	-8%	72 341
Service charges - Water		—	—	—	—	—	—	—	—
Service charges - Waste Water Mana		—	—	—	—	—	—	—	—
Service charges - Waste management		12 380	14 106	1 050	7 647	8 229	(582)	-7%	14 106
Sale of Goods and Rendering of Serv		11 818	9 474	46	1 955	5 527	(3 571)	-65%	9 474
Agency services		—	—	—	—	—	—	—	—
Interest		—	—	—	—	—	—	—	—
Interest earned from Receivables		919	963	125	847	562	285	51%	963
Interest from Current and Non Curren		26 748	28 000	8 199	13 163	16 333	(3 170)	-19%	28 000
Dividends		—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—
Rental from Fixed Assets		294	374	40	377	218	159	73%	374
Licence and permits		—	—	—	—	—	—	—	—
Operational Revenue		1 507	1 200	(81)	491	700	(209)	-30%	1 200
<b>Non-Exchange Revenue</b>									
Property rates		58 321	62 237	3 241	50 541	36 305	14 236	39%	62 237
Surcharges and Taxes		—	—	—	—	—	—	—	—
Fines, penalties and forfeits		1 584	1 310	9	53	764	(712)	-93%	1 310
Licence and permits		985	957	105	605	558	47	8%	957
Transfers and subsidies - Operationa		241 981	253 163	(50 764)	188 668	147 678	40 990	28%	253 163
Interest		3 460	2 976	292	2 018	1 736	282	—	2 976
Fuel Levy		—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	—	—	—	—	—	—	—
Other Gains		1 541	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—
<b>Total Revenue (excluding</b>		<b>422 701</b>	<b>447 101</b>	<b>(33 653)</b>	<b>305 270</b>	<b>260 809</b>	<b>44 461</b>	<b>17%</b>	<b>447 101</b>
<b>Expenditure By Type</b>									
Employee related costs		133 709	152 543	12 790	82 447	88 983	(6 536)	-7%	152 543
Remuneration of councillors		14 564	16 388	1 246	9 094	9 559	(466)	-5%	16 388
Bulk purchases - electricity		52 475	57 866	1 424	33 044	33 755	(711)	-2%	57 866
Inventory consumed		3 835	4 533	288	2 887	2 831	56	2%	4 533
Debt impairment		6 048	30 261	—	15 130	17 652	(2 522)	-14%	30 261
Depreciation and amortisation		33 728	37 856	3 014	20 560	22 083	(1 523)	-7%	37 856
Interest		137	3 300	—	0	1 925	(1 925)	-100%	3 300
Contracted services		85 801	79 270	4 259	41 574	46 241	(4 667)	-10%	79 270
Transfers and subsidies		—	—	—	—	—	—	—	—
Irrecoverable debts written off		3 750	6 261	—	3 130	3 652	(522)	-14%	6 261
Operational costs		62 365	54 755	4 477	42 325	31 940	10 384	33%	54 755
Losses on Disposal of Assets		501	—	—	—	—	—	—	—
Other Losses		456	—	—	—	—	—	—	—
<b>Total Expenditure</b>		<b>397 367</b>	<b>443 031</b>	<b>27 498</b>	<b>250 192</b>	<b>258 622</b>	<b>(8 430)</b>	<b>-3%</b>	<b>443 031</b>
<b>Surplus/(Deficit)</b>		<b>25 334</b>	<b>4 070</b>	<b>(61 151)</b>	<b>55 078</b>	<b>2 187</b>	<b>52 891</b>	<b>0</b>	<b>4 070</b>
Transfers and subsidies - capital (monetary allocations)		55 093	39 760	—	17 344	23 194	(5 849)	(0)	39 760
Transfers and subsidies -		—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>80 427</b>	<b>43 830</b>	<b>(61 151)</b>	<b>72 422</b>	<b>25 381</b>			<b>43 830</b>
Income Tax		—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) after income tax</b>		<b>80 427</b>	<b>43 830</b>	<b>(61 151)</b>	<b>72 422</b>	<b>25 381</b>			<b>43 830</b>
Share of Surplus/Deficit attributable to		—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) attributable to municipality</b>		<b>80 427</b>	<b>43 830</b>	<b>(61 151)</b>	<b>72 422</b>	<b>25 381</b>			<b>43 830</b>
Share of Surplus/Deficit attributable to		—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary trans		—	—	—	—	—	—	—	—
<b>Surplus/ (Deficit) for the year</b>		<b>80 427</b>	<b>43 830</b>	<b>(61 151)</b>	<b>72 422</b>	<b>25 381</b>			<b>43 830</b>

The above revenue and expenditure sources can be graphically presenting in figure 1 and 2 below:

**Figure 1**



**Figure 2**



**Revenue:**

- The Year to Date (YTD) total revenue earned is R305,3million for the period ending 31 January 2025 excluding capital conditional grant income. The YTD Budget is R260,8million; therefore, this



reflects an over performance against the revenue projected by 17%, this is a reflection that the municipality has achieved more of its revenue performance budget.

## **EXCHANGE REVENUE**

### **Service Charges: Electricity**

- Revenue for service charges- electricity is recognized on an invoice basis and the total amount billed is R42,2million under a budget YTD of R38,9million. The variance of -8% or R3,3million is indeed immaterial.
- The actual cash collected is R4,7 million for the month ended January 2025.

### **Service Charges: Refuse**

- The billed revenue from Service Charges Refuse as @ 31<sup>st</sup> January 2025 is R 7,6million against the budgeted income of R8,2million, which under performance by 7%. The variance is immaterial.
- The actual cash collected is R279thousand for the month of January 2025.

### **Sale of Goods and rendering services**

- Sale of Goods and services amounts to R2million in comparison with the year-to-date budget of R5,5million, thus indicating an under performance by R3,6million and or -65%, variance is caused by the INEP expenditure that has been allocated to the vote for the correction of GRAP transacting. This vote also includes: Tender documents sales vote and Escort fees vote, which is the person responsible for the patrolling of children who are going to school and also Library photocopies.
- **Interest earned from receivables.**
- In line with council adopted credit control policy, the municipality charges interest on arrear debtors.
- Interest earned from receivables amounts to R847thousand in comparison with the year-to-date budget of R562 thousand, thus indicating an over performance by R285thousand or 51%. The Municipality has noticed the majority of the customers did honour their agreements compared to the previous months.

### **Interest from Current and Non-Current assets**

- Interest earned on external investments amounts to R13,2million in comparison with the year-to-date budget of R16,3million, thus indicating an under performance by R3,2million or 19 percent, variance is caused by the Investments maturity date are towards the year end.

## **Rental from fixed assets**

- Revenue from rental of facilities recognised amounts to R377 thousand in comparison with the year-to-date budget amount of R218 thousand thus indicating an over performance of R159thousand or 73%.
- Variance is due to level of demand in the usage of municipal facilities such as (Community Halls, Sports Fields and rental of municipal houses) when comparing to the projections.

## **Operational Revenue**

- The majority of the Council own funded sources are budgeted under this category.

The year-to-date performance in Operational Revenue amounts to R491thousand which is less than anticipated YTD budget of R700thousand, thus indicating an under performance of R209 thousand or 30%, this is a budget for other expenditure not listed as revenue by vote.

## **NON-EXCHANGE REVENUE**

### **Property Rates**

- The municipality accounts for Property Rates on an invoice basis in line with GRAP requirements. The YTD Actual for rates shows over billing by 39% or R14,2million. The variance in this vote is due to Annual Billing for the year of R30million and the implementation of SV3.
- The actual cash collected being R5,5million for the month ended 31<sup>st</sup> January 2025.

### **Fines, Penalties and forfeits**

- Fines for the month of January are underperformed by 93% or -R 712thousand, over a pro-rata budget of R764thousand. The variance is since PS fines and Library fines are impossible to collect as no proper trace of customers is kept within the Municipality. Library fines are charge for tardiness of books.

### **Licences and permits.**

- Licences and permits have a performance of 8% or R47thousand with an actual amount of R605 thousand as compared to pro-rata budget of R5588 thousand, variance is due to the level of demand for issuing of licences and permits. Revenue reported has been received from issuing licences and permits by traffic department and trading licences for business within the municipality. This revenue collection is only monitored through walk in customers only.

## Transfers & subsidies

- Transfers and subsidies recognised operational amounts to R188,7million YTD Actual in comparison with the YTD budget of R147,7million, thus indicating an over performance by R41 million or 128% variance is mainly attributable to the municipality receiving 2nd trench of Equitable share of R81,1million against the Gazette allocation of R 243,6million, which will be received over 3 Trenches.
- Transfers and subsidies capital amounts to R17,3million in comparison with the YTD budget of R23,2million, thus indicating an under performance by R5,9 million variance is mainly attributable by expenditure in MIG. *(Detailed report on MIG expenditure has been provided below)*

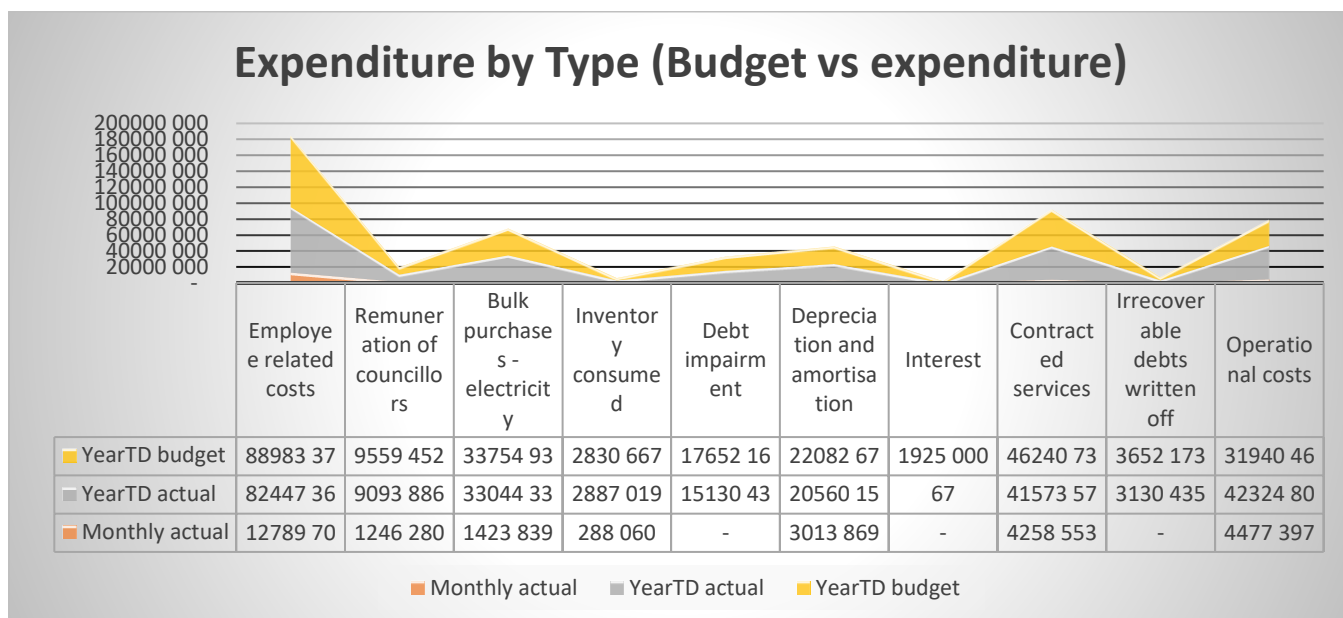
## Interest

- Interest earned from receivables amounts to R2million in comparison with the year-to-date budget of R1,7million, thus indicating an over performance by R282thousand or 16percent.

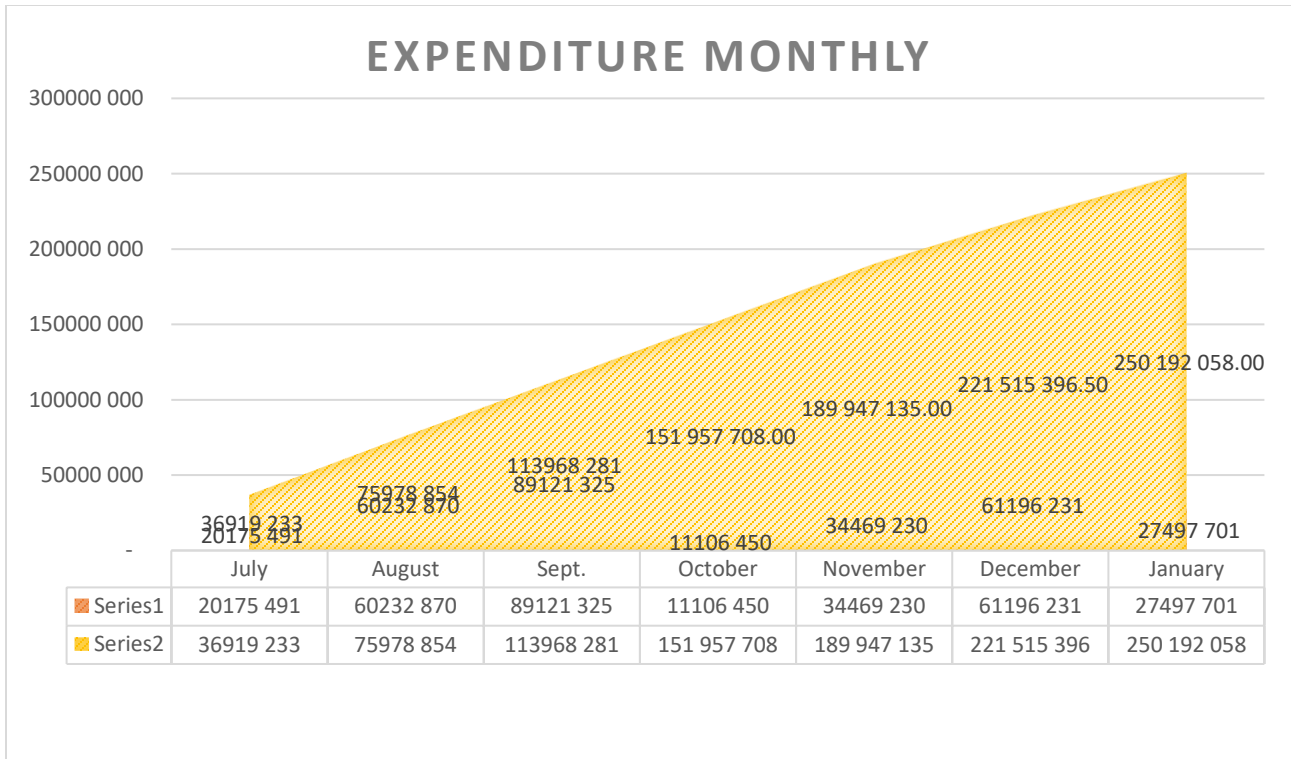
## Operating Expenditure from January 2025

The table below reflects trend of expenditure for the period ended 31<sup>st</sup> January 2025

**Figure 6**



**Figure 7**



#### Operating Expenditure:

- The total operational expenditure YTD Actual for the period ending 31<sup>st</sup> January 2025 amounted to R250,2million against the planned target of R258,6million. As at the end of January the operational expenditure budget has been reached. *Detailed expenditure analysis is below:*

#### Employee Related Costs

- Employee related costs YTD expenditure for the period ending 31<sup>st</sup> January 2025 amounted to R82,4million while the YTD budget was R89million with an underspending of R6,5million or -7%. Variance is due to positions that were prioritised in the budget which have not been filled. However, recruitment processes are underway to filling of these positions.
- Furthermore, to that it should be noted that employee bonuses are now being paid on their birth month.
- Another contributing factor to this variance is due to calculation of provision for leave and long service awards which are processed at year end upon receiving the actuarial calculation for Actuaries.

#### Remuneration of Councilors

- Councilors' allowances pro-rata budget as at 31<sup>st</sup> January 2025 was under spent by R466thousand. The YTD Remuneration of Councilor's budget was R9,6million whilst the actual

expenditure incurred results in slightly under-spending of -5% YTD expenditure performance. The variance is immaterial.

### **Bulk Purchases**

- The YTD on Bulk purchases amounts to R33,0million which is a slight under performance when compared to YTD pro-rata budget of R33,8million. The variance of R711thousand or -2% over projected budget is caused by the period variances in Eskom invoices. The variance is immaterial.

### **Inventory Consumed**

- Inventory Consumed are reflecting an underperformance of 2% or R56thousand, when compared to YTD budget of R2,8million, variance is due to the implementation of procurement plan,
- Budget allocated for this item relates to materials procured by the municipality towards repairs and maintenance which are kept at stores for rendering of services, such as pothole patching materials, workshop stock etc.
- The municipality regularly reviews its repairs and maintenance plan to ensure that the infrastructure of the municipality is regularly monitored for its aging.

### **Debt Impairment**

- The provision for bad debt Journal had been processed as at 31<sup>st</sup> December 2024 for R15,1million, however variance of R2,5million is noticed as under performance of -14% or -2,5million. The performance in the vote is prepared bi-annually, a second leg will be processed in June 2025.
- When provision for debt impairment is calculated, the following assumptions must take into consideration.
- Each debtor's account per age analysis must be analyzed.
- The frequency of payment must be analyses on each debtor.
- Indigent debtors, debtors with take on balances which cannot be explained, insolvent and debtors under administration of estate should be impaired 100%.
- The Municipality is guided by a write off policy when the assumptions are determined.
- Different services must be impaired separately.
- Different customer must be impaired separately.

### **Depreciation and Asset Impairment**

- The YTD Actual of R20,6million for Depreciation and asset impairment is reflecting an under performance by -7percent or R1,5million, when compared to pro-rata budget of R22,1million. The variance of R1,5million is due to the fact that most projects are still under work-in-progress as assets are depreciated when completed.

### **Interest**

- Finance charges reflect an underperformance by -100percent, the first invoice has been received and allocated. The main transactions normally are allocated in January and June, which is every six months.
- Another contributing factor to finance charges is the reclassification of retirement benefit obligation interest costs in accordance with GRAP 25, this calculation will be done during year end after assessment by Actuarial Report has been completed for the year.

### **Contracted Services**

- Contracted services expenditure reflects an underspending of 10% or R4,7million, from YTD budget of R46,2million against the YTD actual of R41,6million, the variance is immaterial.

### **Irrecoverable debts written off**

- Irrecoverable debts written off is under performed by 14% for the amount of R3,1million. A Journal to the vote for the writing of irrecoverable debts had been tabled to the council.

### **Operational Cost**

- Other expenditure is overspent in this month by 33% or R10,4million when compared to YTD budget of R31,9million. The variance is due to activities that took place in the third quarter of the financial year. Most of the other expenditure items will take place during the third quarter of the year.
- Other expenditure - The majority of items are not a straight-line expenditure some are paid where it is needed e.g. printing and stationery, mayoral projects, external services etc. Certain expenditure items are based on a seasonal commitment.

### **Losses on Disposal of assets**

- There is no budget for this line of vote for the financial year 2024/25.

### **Other Losses**

- There is no budget for this line of vote for the financial year 2024/25.

## 2. Capital Expenditure

**Table C5 Monthly Budget Statement – Capital Expenditure**

**KZN291 Mandeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January**

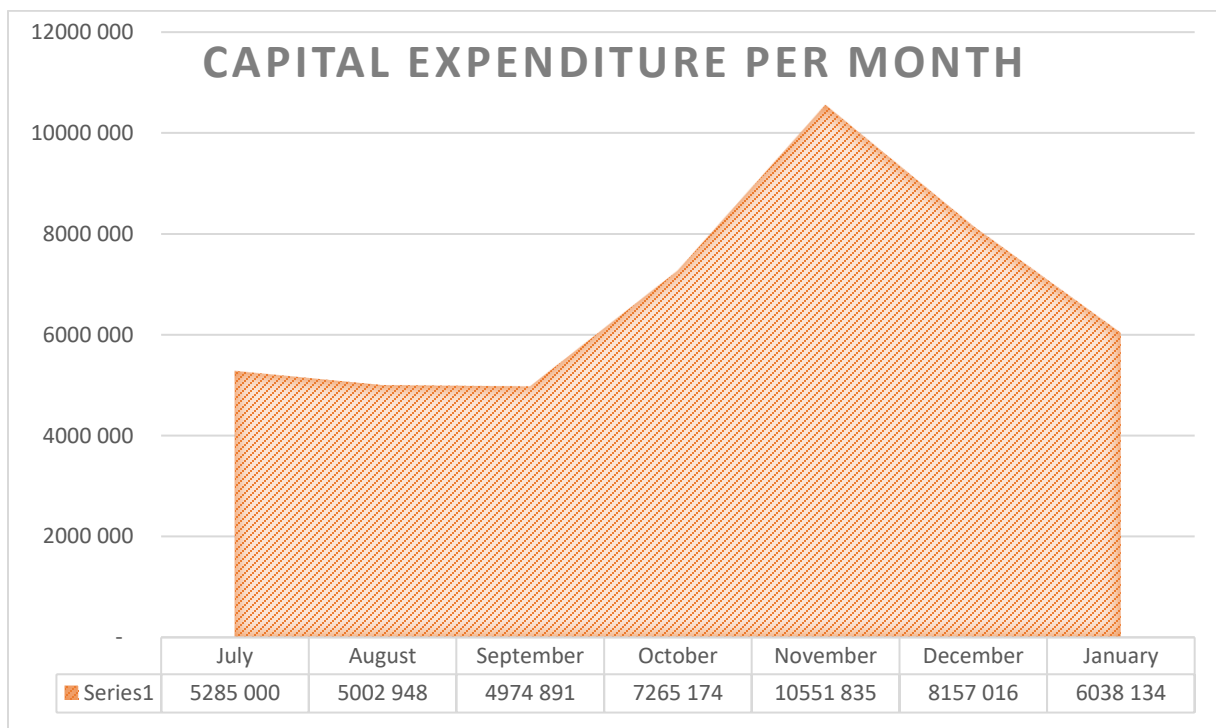
Vote Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>	1							%	
<b>Single Year expenditure appropriation</b>	2								
Vote 1 - Executive and council		1 932	5 870	–	4 968	3 424	1 544	45%	5 870
Vote 2 - Finance and administration		14 562	8 557	1 411	6 505	4 991	1 514	30%	8 557
Vote 3 - Internal audit		–	–	–	–	–	–	–	–
Vote 4 - Community and social services		772	4 457	303	819	2 600	(1 781)	-68%	4 457
Vote 5 - Sport and Recreation		5 512	10 127	(96)	2 281	5 907	(3 627)	-61%	10 127
Vote 6 - Public safety		–	939	–	–	548	(548)	-100%	939
Vote 7 - Housing		–	–	–	–	–	–	–	–
Vote 8 - Planning and Development		19 023	12 191	827	3 039	7 112	(4 072)	-57%	12 191
Vote 9 - Road transport		89 974	79 535	3 578	42 357	46 395	(4 039)	-9%	79 535
Vote 10 - Energy sources		2 154	3 752	14	742	2 189	(1 446)	-66%	3 752
Vote 11 - Waste Management		5 734	2 174	–	1 560	1 268	292	23%	2 174
Vote 12 - Environmental Protection		–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–
<b>Total Capital single-year expenditure</b>	4	<b>139 662</b>	<b>127 600</b>	<b>6 038</b>	<b>62 271</b>	<b>74 433</b>	<b>(12 163)</b>	<b>-16%</b>	<b>127 600</b>
<b>Total Capital Expenditure</b>		<b>139 662</b>	<b>127 600</b>	<b>6 038</b>	<b>62 271</b>	<b>74 433</b>	<b>(12 163)</b>	<b>-16%</b>	<b>127 600</b>
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>		<b>16 494</b>	<b>14 426</b>	<b>1 411</b>	<b>11 473</b>	<b>8 415</b>	<b>3 058</b>	<b>36%</b>	<b>14 426</b>
Executive and council		1 932	5 870	–	4 968	3 424	1 544	45%	5 870
Finance and administration		14 562	8 557	1 411	6 505	4 991	1 514	30%	8 557
Internal audit		–	–	–	–	–	–	–	–
<b>Community and public safety</b>		<b>6 284</b>	<b>15 522</b>	<b>208</b>	<b>3 100</b>	<b>9 055</b>	<b>(5 955)</b>	<b>-66%</b>	<b>15 522</b>
Community and social services		772	4 457	303	819	2 600	(1 781)	-68%	4 457
Sport and recreation		5 512	10 127	(96)	2 281	5 907	(3 627)	-61%	10 127
Public safety		–	939	–	–	548	(548)	-100%	939
Housing		–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		<b>108 996</b>	<b>91 726</b>	<b>4 406</b>	<b>45 396</b>	<b>53 507</b>	<b>(8 111)</b>	<b>-15%</b>	<b>91 726</b>
Planning and development		19 023	12 191	827	3 039	7 112	(4 072)	-57%	12 191
Road transport		89 974	79 535	3 578	42 357	46 395	(4 039)	-9%	79 535
Environmental protection		–	–	–	–	–	–	–	–
<b>Trading services</b>		<b>7 888</b>	<b>5 926</b>	<b>14</b>	<b>2 302</b>	<b>3 457</b>	<b>(1 155)</b>	<b>-33%</b>	<b>5 926</b>
Energy sources		2 154	3 752	14	742	2 189	(1 446)	-66%	3 752
Water management		–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–
Waste management		5 734	2 174	–	1 560	1 268	292	23%	2 174
<b>Other</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Expenditure - Functional</b>	3	<b>139 662</b>	<b>127 600</b>	<b>6 038</b>	<b>62 271</b>	<b>74 433</b>	<b>(12 163)</b>	<b>-16%</b>	<b>127 600</b>
<b>Funded by:</b>									
National Government		51 072	33 963	69	15 509	19 812	(4 303)	-22%	33 963
Provincial Government		717	739	–	29	431	(402)	-93%	739
District Municipality		–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-		–	–	–	–	–	–	–	–
<b>Transfers recognised - capital</b>		<b>51 789</b>	<b>34 702</b>	<b>69</b>	<b>15 538</b>	<b>20 243</b>	<b>(4 704)</b>	<b>-23%</b>	<b>34 702</b>
<b>Borrowing</b>	6	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Internally generated funds</b>		<b>87 873</b>	<b>92 898</b>	<b>5 969</b>	<b>46 732</b>	<b>54 191</b>	<b>(7 458)</b>	<b>-14%</b>	<b>92 898</b>
<b>Total Capital Funding</b>		<b>139 662</b>	<b>127 600</b>	<b>6 038</b>	<b>62 271</b>	<b>74 433</b>	<b>(12 163)</b>	<b>-16%</b>	<b>127 600</b>

### Capital Expenditure from January 2025:

The YTD capital expenditure budget is R74,4million against YTD actual Capital expenditure amounted to R62,3 million resulting in an under performance of (16%) on capital expenditure. Variance in capital expenditure were due to different reason (detail report on the progress on all capital projects has been provided below).

The capital expenditure year to date can be graphically presented as follows:

### Capital Expenditure reported as of January 2025



- Capital grants funded by National Government is R15,5million versus YTD Budget of R19,8million, expenditure reported has been underspent by (22%). However, the municipality will ensure that grant is fully spent by year end.
- Capital grants funded by Provincial Government has expenditure of R29thousand.
- Capital grants funded Internally actual is R46,7million versus YTD Budget of R54,2 million variance of 15% reflects and under expenditure on this item.



## 2.2 Monthly Budget Statement – expenditure on Repairs and Maintenance

KZN291 Mandeni - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M07 January

Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>	1								%
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>		<b>10 904</b>	<b>15 113</b>	<b>392</b>	<b>5 785</b>	<b>8 816</b>	<b>3 031</b>	<b>34.4%</b>	<b>15 113</b>
Roads Infrastructure		6 397	8 548	195	1 984	4 986	3 002	60.2%	8 548
<i>Roads</i>		6 397	7 939	–	1 790	4 631	2 842	61.4%	7 939
<i>Road Structures</i>		–	435	112	112	254	142	56.0%	435
<i>Road Furniture</i>		–	174	83	83	101	18	17.9%	174
<i>Capital Spares</i>		–	–	–	–	–	–	–	–
Storm water Infrastructure		1 017	2 870	–	2 365	1 674	(692)	-41.3%	2 870
<i>Drainage Collection</i>		1 017	2 870	–	2 365	1 674	(692)	-41.3%	2 870
<i>Storm water Conveyance</i>		–	–	–	–	–	–	–	–
<i>Attenuation</i>		–	–	–	–	–	–	–	–
Electrical Infrastructure		2 518	3 000	11	808	1 750	942	53.8%	3 000
<i>Power Plants</i>		–	43	–	40	25	(14)	-55.8%	43
<i>HV Substations</i>		–	–	–	–	–	–	–	–
<i>HV Switching Station</i>		–	–	–	–	–	–	–	–
<i>HV Transmission Conductors</i>		521	739	–	–	431	431	100.0%	739
<i>MV Substations</i>		77	43	–	25	25	0	1.3%	43
<i>MV Switching Stations</i>		–	–	–	–	–	–	–	–
<i>MV Networks</i>		47	130	–	48	76	28	37.3%	130
<i>LV Networks</i>		784	739	11	485	431	(53)	-12.4%	739
<i>Capital Spares</i>		1 089	1 304	–	211	761	550	72.2%	1 304
Water Supply Infrastructure		–	–	–	–	–	–	–	–
Information and Communication Infrastructure		972	696	186	627	406	(221)	-54.5%	696
<i>Data Centres</i>		–	–	–	–	–	–	–	–
<i>Core Layers</i>		972	696	186	627	406	(221)	-54.5%	696
<i>Distribution Layers</i>		–	–	–	–	–	–	–	–
<i>Capital Spares</i>		–	–	–	–	–	–	–	–
<b>Community Assets</b>		<b>1 843</b>	<b>2 148</b>	<b>166</b>	<b>706</b>	<b>1 253</b>	<b>547</b>	<b>43.7%</b>	<b>2 148</b>
Community Facilities		207	174	–	–	101	101	100.0%	174
<i>Halls</i>		107	–	–	–	–	–	–	–
<i>Centres</i>		–	–	–	–	–	–	–	–
<i>Police</i>		–	–	–	–	–	–	–	–
<i>PurIs</i>		101	174	–	–	101	101	100.0%	174
<i>Public Open Space</i>		–	–	–	–	–	–	–	–
<i>Capital Spares</i>		–	–	–	–	–	–	–	–
Sport and Recreation Facilities		1 635	1 974	166	706	1 151	446	38.7%	1 974
<i>Indoor Facilities</i>		–	–	–	–	–	–	–	–
<i>Outdoor Facilities</i>		1 635	1 974	166	706	1 151	446	38.7%	1 974
<i>Capital Spares</i>		–	–	–	–	–	–	–	–
<i>Unimproved Property</i>		–	–	–	–	–	–	–	–
<b>Other assets</b>		<b>30</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Operational Buildings		30	–	–	–	–	–	–	–
<i>Municipal Offices</i>		30	–	–	–	–	–	–	–
<b>Machinery and Equipment</b>		<b>5 289</b>	<b>6 348</b>	<b>215</b>	<b>4 385</b>	<b>3 703</b>	<b>(682)</b>	<b>-18.4%</b>	<b>6 348</b>
Machinery and Equipment		5 289	6 348	215	4 385	3 703	(682)	-18.4%	6 348
<b>Total Repairs and Maintenance Exp</b>	1	<b>18 065</b>	<b>23 609</b>	<b>773</b>	<b>10 876</b>	<b>13 772</b>	<b>2 896</b>	<b>21.0%</b>	<b>23 609</b>

The ratio for Repairs and Maintenance measures the level of repairs to ensure adequate maintenance and to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of service.

The Technical Services Department is currently implementing the following projects as per the Municipality's Integrated Development Plan (IDP):

**4.1 Projects under The Municipal Infrastructure Grant (MIG) Funding:**

2024/25 Financial Year MIG Allocation	<b>R41 101 000</b>
<b>Less:</b> Total Expenditure (incl. Retention)	R 5 129 880.66
Balance	R 35 971 119.34
Expenditure of as a %	<b>12.48%</b>

**Projects under Construction Stage**

- Construction of a Sportsfield in Hlomendlini, Ward 04
- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili Ward 13 Phase 2 and Ward 14 White City Section (Phumla, Indumiso and Malandela).
- Nyoni Taxi Route Phase 4
- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 1 (Mthombothi, Mbabala, Umgakla and Sondeza)
- The Rehabilitation of Bumbanani Road in Sundumbili: Ward 13, 14 & 15 - Phase1
- Upgrade of Machibini Link Road to Isithebe in Ward 10 and 12 Phase 2
- Construction of a Sportsfield and Combo Court in Khenana : Ward 10 - Phases 1 & 2

**Projects that are in the planning stage with MIG**

- Upgrade of Rural Gravel Roads in Mandeni, Phase 5 - Ward 8
- Rehabilitation of Quartz Road and Portion of Platinum Road in Ward 4
- Construction of a Sportsfield in Ward 2, Mandeni
- Construction of a Sportsfield in Ward 1, Mandeni

**Projects that are in planning stage and are to be registered with MIG**

The below listed projects are to be presented in the next MBPAC for approval.

- Construction of Community Hall in Ward 8 (the project was presented at the MBPAC but there were concerns regarding the design components and price. The

adjustments have been done, and the document will again be presented at the next MBPAC scheduled for the 12/13 February 2025.)

- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 14, Chappies Section. (The draft tender document is being prepared for submission to SCM to prepare for tender briefing.)
- Construction of a Soccer Field and Combo Court in Khenana Township, Ward 10 (the project was approved at the MBPAC on the 20<sup>th</sup> of November 2024, awaiting Notice of Registration) - Final Design and Bid Document Submitted for review and approval by Municipality.

#### **4.2. Projects under Municipal Internal Funding**

##### **Projects under Construction**

- Repair and Renovation of Civic Centre Roof in Mandeni
- New Protection Services Centre DLTC
- Extension of Mechanical Workshop and Construction of New Offices
- P415-459 Ward 3 Streetlights

##### **Projects under planning**

- Establishment of new office building at the Municipality's Main Office
- Upgrade of Links Road Mosomonce Bus Route and Enembe/Isithebe Link Road Ward 13
- Extension of Mechanical/ Technical Services Building Phase 2 and Fencing of Technical Services Depot
- Construction of a Community Hall in Ward 6
- Construction of a Community Hall in Ward 12
- Construction of community hall in ward 16
- Construction of community hall in ward 11
- Establishment of new cemeteries, phase 1 (Tender stage)
- Establishment of new emergency centre

##### **Awarded and launched projects due to start construction in January 2025**

- Portion of Extension of Kingfisher Road in Ward 3, Mandeni
- Rehabilitation of Isibuko Road (Masilela) and Stormwater Modification in Mandeni Ward 14

#### **4.3. Projects under the Integrated National Electrification Programme (INEP)**

2024/25 Financial Year Allocation	<b>R 9 227 000</b>
<b>Less:</b> Total Expenditure	R 0
Balance	R 9 227 000
Expenditure as a %	<b>0%</b>

**Projects under Planning Stage**

- Mandeni Sub-station - Bulk

**5. PROGRESS ON PROJECTS AND EXPENDITURE**

**5.1 Municipal Infrastructure Grant**

Projects under Construction Stage

**a) Installation of High Mast Lights in Mandeni, Phase 2 (Ward 3, 5, 9, 11 and 12x2)**

<b>CATEGORY</b>	<b>APPROVED BUDGET</b>	<b>EXPENDITURE</b>
<b>Professional Fees</b>	R 1 067 105.27	R 1 022 364.28
<b>Construction Cost (incl. Retention) (V.O : R 367 004.50)</b>	R 5 413 316.30	R 5 283 165.92
<b>TOTALS (Incl. Vat)</b>	R 6 480 421.57	R 6 3055 530.20

**Project Details**

**Name of Consultant:** Africoast JBFE Project Manager  
**Name of Contractor:** R Busisiwe (Pty) Ltd  
**Project Commencement Date:** January 2023  
**Contractual Completion Date:** July 2023  
**Revised Completion date:** 20 May 2024

**Project Scope**

- Supply and install of 6 x 30m high mast lighting.

- Installation and Commissioning of street and high mast lighting.
- Certifying all the installations for compliance.
- Submitting project report, designs/drawings and quality stacks on project handover.

**Current Status Overall Construction progress 98%:** All overhead support infrastructure and underground infrastructure has been installed. All 6 High masts have been erected, and light fittings have been installed. The project awaits the approval of the supply and metering points by Eskom, which will subsequently allow for the energization and commissioning of the high masts.

**Challenges:** The reference number pertaining to this project was unavailable, this means metering points could not be provided by Eskom. A new application process has been initiated and a new reference number has been issued by Eskom. This subsequently allows Eskom to register the project and provide metering points. Awaiting Eskom to assign personnel to attend to site and do feasibility study on the provision of metering points for the project as required.

**b) Construction of a Hlomendlini Sportfield - Ward 4**

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 846 700.02	R 1 317 689.58
Construction Cost (incl. Retention)	R 8 041 369.71	R 3 493 216.27
Sub-Total (MIG Funds)	R 8 888 069.73	R 4 810 905.85
Sub-total (Internal Funds) Approved (26.07.2023)	R 1 547 441.12	R 803 258.28
<b>TOTALS (Incl Vat)</b>	<b>R 10 435 510.85</b>	<b>R 5 614 164.13</b>

**Project Details**

**Name of Consultant:** Siyazenzela Consulting  
**Name of Contractor:** Sihawusethu Trading (Pty) Ltd  
**Project Commencement Date:** January 2025  
**Contractual Completion Date:** May 2025  
**Revised Completion date:** N/A

**Project Scope**

- Site Establishment and Setting out of works.
- Bulk earthworks to the various elements of infrastructure on site.

- Construction of a soccer field (110m x 75m).
- Construction of a combi court (38m x 19.5m).
- Construction of an ablution facility (10 toilet units), with change rooms (3 toilet units), public toilets (2 toilet units) and office/first aid room including water, sewage, and electrical supply.
- Construction of a grandstand with a minimum of 5 rows of seats (length of 25m).
- Installation of fencing including gate house (pedestrian and vehicle gates).
- Construction of an unpaved parking area.

**Current Status Overall Construction Progress 53.5%** : Site Handover / Technical Meeting was held with the Contractor due to commence with Site Establishment by end of January 2025.

**Challenges:** Previous contractor surrendered contract/project. Municipality accepted and led to termination of the contractor. Project progress that is being reported takes into account the contract that was terminate i.e continuation.

**c) Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili Ward 13 Phase 2 and Ward 14 White City Section (Phumla, Indumiso and Malandela).**

CATEGORY	APPROVED BUDGET	EXPENDITURE
<b>Professional Fees</b>	R 2 352 795.17	R 2 256 723.50
<b>Construction Cost (incl. Retention)</b>	R 16 257 859.82	R 16 126 099.66
<b>Internal Funding (Professional Fees)</b>	R 400 352.92	R 400 352.92
<b>TOTALS (Incl Vat)</b>	R 19 011 007.91	R 18 783 176.08

**Project Details**

**Name of Consultant:** Singh Govender & Associates cc  
**Name of Contractor:** MVI-SSSS Trading Enterprise cc  
**Project Commencement Date:** August 2023  
**Contractual Completion Date:** April 2024  
**Revised Practical Completion date:** September 2024

## **Project Scope**

- Site Establishment: Establishment of offices, tools, plant, etc.
- General requirements for construction activities: Employment of Local Labour and CLO.
- Site clearance: removal of topsoil, cutting of trees and bushes, where required.
- The implementation of Traffic Accommodation facilities.
- Milling of the existing road asphalt to spoil.
- Excavation of the existing road layerworks to stockpile and spoil.
- Subgrade treatment: 300mm undercut to spoil and replace with G7 backfill at unsuitable founding conditions.
- Rip and recompact Roadbed (Subgrade) in preparation for layerworks.
- Installation of cable ducts - and protection to existing services where necessary.
- Import G5 and G2 material from commercial sources for layerworks.
- Construction of a 150mm Subbase layer with G5 material obtained from commercial sources.
- Construction of a 150mm Base layer with G2 material obtained from commercial sources.
- Pre-pulverising cement stabilising of the existing Base layer for areas with minimal degree of surface failures.
- Construction of concrete V-Drains and Kerbing and Channelling.
- Construction of a 40mm Asphalt layer- Mix D, obtained from commercial sources.
- Construction of speed humps.
- Construction of Stormwater pipelines utilising 600mmØ and 450mmØ concrete pipes. The installation of Sub-soil drains for subsurface drainage.
- Construction of Side Inlet Manholes along the roadways. Installation of Guardrails.
- Installation of Gabions.
- Installation of Retaining walls.
- Installation of Road Signs and painting of Road Markings.
- Clearing of the road reserve

**Current Status Overall Construction progress 99%:** Site establishment 90%, Setting Out of works is 100%, Traffic Accommodation 100%, Site Clearance 100% and Roadbed Preparation 100%, Stormwater Installation 100%, Manhole Construction 97%, Subsoil installation 95%, service crossing ducts 92%, Subsoil Drainage G5 material layer 100% for

our subbase layer, G2 Base layer 100%, Asphalt Surfacing 100%, Road Signs & Marking 85%, Speed Humps 100%, Guardrails 100%, Kerbing and Channel 97.5%, Gabion Retaining Wall 60%.

Practical Completion was achieved on the **12<sup>th</sup> of September 2024** with Final Completion still outstanding as a result of the Contractor’s Poor Performance in completing the identified snag list. An Intention to Terminate the Contractor has since been served.

**Challenges:** Delay in the commencement of works due to Contractor meeting Contractual Obligations. An Award Adjustment Application has been submitted to COGTA for approval as the project was appointed for an amount of R 5 479 308.70 incl. vat more than the amount approved by COGTA i.e. Notification of Registration Amount (NOR). Project delays which have been encountered include recent inclement weather conditions, theft of survey pegs, hard rock excavation and existing services such as water and sewer pipe leaks. Furthermore, we have experienced very unsuitable in-situ material as a result of high moisture level including seepage due to fluctuation in subsurface ground water levels. Heavy Rains has been a major contributor to the challenges and ultimate delays.

**d) Completion of the “Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 1 (Mthombothi, Mbabala, Umgakla and Sondeza)”**

<b>CATEGORY</b>	<b>APPROVED BUDGET</b>	<b>EXPENDITURE</b>
<b>Professional Fees</b>	R 1 532 598.83	R 1 531 961.31
<b>Construction Cost (incl. Retention)</b>	R 12 148 430.66	R 8 612 878.70
<b>Internal Funds</b>	R 667 565.79	R 0.00
<b>TOTALS (Incl. Vat)</b>	R 14 348 595.28	R 10 144 840.01



## **Project Details**

<b>Name of Consultant:</b>	DLV Project Managers and Engineers
<b>Termination Previous Contractor</b>	22 August 2024
<b>Name of Contractor:</b>	BIG O Trading 298 CC
<b>Project Commencement Date:</b>	October 2024
<b>Contractual Completion Date:</b>	March 2025
<b>Revised Completion date:</b>	N/A

## **Project Scope**

- Site establishment
- Site clearance
- Completion of Mass Earthworks
- Roadbed Preparation
- Clearing Existing Stormwater Infrastructure
- Completion of New Stormwater Infrastructure
- New Pavement Layerworks
- Road Surfacing
- Kerbs and Channels
- Road Restraint Systems
- Road Signs
- Road Marking
- Finishing

**Current Status Overall Construction progress 68%:** Site establishment - 100%, Mass Earthworks - 80%, Roadbed Preparation - 60%, C4 stabilized layer - 70%, Stormwater - 80%, Subsoil drainage - 80%, Asphalt Surfacing - 15%, Kerbs - 25% setting up the pipe route by surveyor - 90%, Setting up the road by the surveyor - 85%, Site Clearance - 75%, Pipe laying - 75%, Manholes complete - 50%.

**Challenges:** Previous Contractor was terminated as a result of Non-Compliance to the contract. Recent inclement weather conditions causing delays to the scope of works.

The request for additional funding was redirected to the municipality due COGTA not approving the application for award adjustment. Mandeni Municipality has since approved to fund the project internally with an amount of R 667 565.79 incl. vat.

e) Rehabilitation of Bumbanani Road in Sundumbili - Ward 13, 14 & 15 Phase 1

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 2 243 837.65	R 2 181 610.01
Construction Cost (incl. Retention)	R 10 679 964.34	R 7 496 965.36
Internal Funds	R 4 629 230.16	R 0.00
<b>TOTALS (Incl. Vat)</b>	<b>R 17 553 032.14</b>	<b>R 9 678 575.37</b>

**Project Details**

**Name of Consultant:** Kukhanya Projects (Pty) Ltd  
**Name of Contractor:** Iqhawe Elihle Trading  
**Project Commencement Date:** May 2024  
**Contractual Completion Date:** February 2025  
**Revised Completion date:** N/A

**Project Scope**

- Site establishment
- Site clearance
- Finishing Construction of 1km long, 7m width asphalt surface road.
- Construction of Kerb and channel where required.
- Construction of Kerb inlet, headwall and manholes where required.
- Construction of 967m stormwater pipes ranging from 450mm-900mm diameter.
- Construction of 874m long, 2m width asphalt finished sidewalk.
- Construction and preparation of bell mouth to tie in the existing internal access road in the vicinity of the proposed road.
- Milling of existing asphalt (to be stockpiled and re-used by the client) Construction of subsoil drain where required.

**Current Status Overall Construction progress 49%:** Contractual Submissions 100%, Site Establishment 100%, Accommodation of Traffic 41% Road Construction Works 41%, Stormwater 37%, Kerb & Channel Works 0%, Sidewalk Construction 0% and Asphalt Laying 0%.

**Challenges:** Heaving section (Road Failure) has been identified on subgrade layer between chainage 20 -120, Bumbanani Road. Theft of Survey Pegs being a continuous issue on site and water pipe bursts. Recent inclement weather conditions.

**f) Upgrade of Machibini Link Road to Isithebe in Ward 10 and 12 - Phase 2**

<b>CATEGORY</b>	<b>APPROVED BUDGET</b>	<b>EXPENDITURE</b>
<b>Professional Fees (MIG)</b>	R 2 743 191.52	R 2 232 054.79
<b>Construction Cost (MIG)</b>	R 17 536 070.12	R 1 040 521.59
<b>Internal Funds</b>	R 3 932 538.28	R 0.00
<b>TOTALS (Incl. Vat)</b>	R 24 211 799.92	R 3 272 576.38

**Name of Consultant:** Urbanru (Pty) LTD

**Name of Contractor:** Silo Construction

**Project Commencement Date:** September 2024

**Contractual Completion Date:** June 2025

**Revised Completion date:** N/A

**Project Scope**

- Establishment on site.
- Clearing & grubbing.
- Traffic accommodation facilities.
- Removal of layers and stockpiling for later use. (Earthworks)
- Construction of stormwater infrastructure.
- Construction of sidewalks
- Construction of layer works
- Erection of Kerbing and Channel.
- Clearing of road reserve.
- Road marking, including road signs.
- Traffic calming measures.
- Finishing off, removal of site establishment and 12 months' maintenance of the works as stipulated per the defect liability period clause.

**Current Status Overall Construction progress 12%:** Contractor has established on site 100%. Contractor has planned alternate routes for traffic accommodation 100%. Clear and grub 20%. Earthworks 20%. Removal of existing asphalt 30%. Boxing out 30%. Demolishing of existing concrete crossing at Ch: 3500 100%. Construction of dumprock layer as per Site Instruction No. 8 25%.

**Challenges:** After the slow progress meeting held between the client, consultant and contractor, the contractor presented the remedial plan. There has since been improvement in terms of the progress.

**g) Construction of a Sportsfield and Combo Court in Khenana : Ward 10 - Phases 1 & 2**

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 441 758.19	R 846 060.67
Construction Cost (incl. Retention)	R 10 600 230.99	R 0.00
<b>TOTALS (Incl. Vat)</b>	R 12 041 989.18	R 846 060.67

**Project Details**

**Name of Consultant:** Impumelelo Consulting Engineers  
**Name of Contractor:** Nikeresa Construction  
**Project Commencement Date:** January 2024  
**Contractual Completion Date:** February 2025  
**Revised Completion date:** N/A

**Project Scope**

- Site establishment
- Site clearance
- Bulk earthworks / civils works
- Install Clear View Fencing Complete including gates
- Construction of a Guardhouse and Ablution Facility
- Construction of a Soccer Field
- Construction of a Open Brickwork and Concrete Grandstands
- Construction of a Outdoor Gym inclusive of gym equipment
- Construction of a Combo Court
- Stormwater Control Measures

- Installation of Highmast

**Current Status Overall Construction progress 0%:** Site Handover / Technical Meeting was held with the Contractor due to commence with Site Establishment by end of January 2025.

**Challenges:** NIL

## 5.2. Municipal Internal Funding:

### Projects under Construction Stage

#### a) Repair and Renovation of Civic Centre Roof in Mandeni

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 829 510.70	R 1 829 510.71
Construction Cost (Excluding Retention)	R10 993 497.45	R 10 993 497.47
<b>TOTALS (Incl. Vat)</b>	<b>R 12 823 008.15</b>	<b>R 12 823 008.18</b>

### Project Details

<b>Name of Consultant:</b>	LZM Africa Holdings
<b>Name of Contractor:</b>	Uhlanga Trading Enterprise
<b>Project Commencement Date:</b>	October 2022
<b>Contractual Completion Date:</b>	July 2023
<b>Revised Practical Completion date:</b>	30 June 2024

### **Project Scope**

The scope of works includes the following activities.

- Replacement of Existing roof
- Replacing existing ceiling
- Treatment of Rising damp by Specialists
- Installation of Energy saving Components and the replacement of all existing Electrical Components and Wiring

- Upon Replacement of Existing Roofs, the networking and Security cabling will be exposed to damages therefore re-routing and the installation of cable trays is recommendable.
- Damaged Walls with visible rising damp has to restored and re-painted.

**Current Status Overall Construction progress 100%:** Project is completed.

**Challenges:** Contractor is yet to complete the snags identified on the final inspection that took place on the **Wednesday, 06<sup>th</sup> November 2024** due to poor performance and planning for the works to be completed. An Intention to Terminate the Contractor has since been issued.

**b) New Protection Services Centre DLTC**

<b>CATEGORY</b>	<b>APPROVED BUDGET</b>	<b>EXPENDITURE</b>
<b>Professional Fees</b>	R 2 114 723.00	R 1 615 369.85
<b>Construction Cost (including variation order)</b>	R 15 525 192.27	R 14 600 179.49
<b>TOTALS (Incl. Vat)</b>	R 17 639 915.27	R 16 215 549.34

**Project Details**

**Name of Consultant:** Nzamakhuze Holdings  
**Name of Contractor:** Mlombomvu Projects  
**Project Commencement Date:** January 2023  
**Contractual Completion Date:** July 2023  
**Revised Completion date:** 31 August 2024

**Project Scope**

- Site establishment
- Site clearance
- Fencing (450m Approximately) and installation of Vehicular Gates
- Excavation for foundation
- Construction of brickworks for super structure
- Installation of roof sheeting including finishing off remaining works
- Plaster and Paint works for internal walls

- Electrical connections and Plumbing works
- Building Electrical and Mechanical Works (Fire and HVAC)
- Portable water pipeline supply will be connected on the district Municipality main water pipeline.
- Parking and related pavement earthworks and layer works
- Stormwater Drainage Works and Installation of Jojo Tanks (specification changed to steel tank)
- Yard marking
- Installation of Sewer Reticulation
- Finishes
- Landscaping
- Cleaning, removal of building rubble and reinstatement of lawns

**Additional Scope:**

- Installation of a steel tank
- Installation of burglar guards
- Construction of a steep hill

**Current Status Overall Construction progress 100%:** Site Establishment 100%, Excavation for foundation 100%, Construction of brickworks for super structure 100%, Installation of roof sheeting including finishing off remaining works (suspended ceiling) 100%, Installation of Sewer Reticulation 100%, Parking and related pavement earthworks 100%, layer works 100%, Concrete Drains 100%, Plaster 100% and Paint works for internal walls 100%, Plumbing works 100%, Building Electrical and Mechanical Works (Fire and HVAC) 100%, Stormwater Drainage Works 100%, Portable water pipeline supply will be connected on the district Municipality main water pipeline 100%, Yard Marking 100%, Fencing 100% and installation of Vehicular Gates 100%, Finishes 100%. Landscaping 100%, Cleaning, removal of building rubble and reinstatement of lawns 100%.

Additional Scope:

- Installation of a steel tank - 100%
  - Installation of burglar guards - 100%
  - Construction of a steep hill - 100%
- Project has reached completion stage.

**Challenges:** None.

c) **Extension of Mechanical Workshop and Construction of New Offices**

<b>CATEGORY</b>	<b>APPROVED BUDGET</b>	<b>EXPENDITURE</b>
<b>Professional Fees</b>	R 1 910 105.97	R 1 774 651.88
<b>Construction Cost (Incl Ret.)</b>	R 16 996 962.19	R 14 153 894.59
<b>TOTALS (Incl. Vat)</b>	R 18 907 069.16	R 15 928 546.47

**Project Details**

**Name of Consultant:** Ukwakha Consulting Engineers  
**Name of Contractor:** Bheka Phezulu Investment and Sales  
**Project Commencement Date:** July 2023  
**Contractual Completion Date:** March 2024  
**Revised Completion date:** February 2025

**Project Scope**

- Site establishment
- Site clearance, demolition of existing pavement
- Demolition of an existing building
- Earthworks
- Construction of the new 146m<sup>2</sup> Mechanical workshop
- Demolition & Modification of the existing workshop storage
- Modification, Repairing and plumbing of the Existing Toilets & Change room
- Construction of the new 100.70m<sup>2</sup> Office Block
- Construction of the new canteen
- Extension of the existing storage rooms by 114m<sup>2</sup>
- Fiberglass Roof Sheet IBR 3.6m Clear - Covered Walkway
- Construction of new pavement around the site
- Stormwater drainage installation
- Installation of electrical, mechanical, and associated works
- Renovation of the Male and Female Ablution and change rooms
- Construction of New Slabs

**Current Status Overall Construction progress 90%:** Site Establishment 100%, Site Clearance 40%, Demolition of existing pavement 95%, Demolition of an existing building



100% and Construction of the new Office Block 94%, Earthworks 50%, Construction of the new 146m<sup>2</sup> Mechanical workshop 60%, Construction of the new canteen 95%, Extension of the existing storage rooms 50%, Fiberglass Roof Sheet IBR 3.6m Clear - Covered Walkway 40%, Construction of new pavement around the site 10%, Stormwater drainage installation 70%, Installation of electrical, mechanical and associated works 40%, Renovation of the Male and Female Ablution and change rooms 96%, Construction of New Slab for the vehicle wash bay 90%

**Challenges:** The Contractor has since submitted a revised construction programme and an acceleration plan indicating a new practical completion date of January 2025, this has come as a result of poor planning and inadequate resource allocation along with adverse weather conditions. The Contractor has submitted a revised Extension of Time No.4 application which has been approved for practical completing being noted for February 2025 with penalties to be imposed should the Contractor not achieve completion. The Contractor has shown some improvements with regards to the rate of construction works, resource allocations and production levels.

**d) P415 - 459 Ward 3 Streetlights**

<b>CATEGORY</b>	<b>APPROVED BUDGET</b>	<b>EXPENDITURE</b>
<b>Professional Fees</b>	R 293 059.33	R 277 406.82
<b>Construction Cost Incl. (Retention)</b>	R 3 056 951.76	R 2 478 588.5
<b>TOTALS (Incl. Vat)</b>	R 3 350 071.12	R 3 169 394.62

**Project Details**

**Name of Consultant:** AM Consulting Engineers  
**Name of Contractor:** R Busisiwe (Pty) Ltd  
**Project Commencement Date:** May 2024  
**Contractual Completion Date:** 30 September 2024  
**Revised Completion date:** N/A

**Project Scope:**

- Provision and installation of 52 stepped poles measuring 11 meters each.
- Provision and installation of 3 equipped electrical streetlighting kiosks.

- Installation and activation of streetlighting and kiosks.
- Submission of shop drawings for poles and kiosks before procurement.
- Certification of all installations for compliance.
- Submission of project reports, as-built drawings, and quality stacks upon project handover.

**Current Status Overall Construction progress 99%:** All 52 lights have been energized. Contractor to attend to a snag list as identified by the consultant.

**Challenges:** Delays from the contractor in attending to the snag list.

**e) Portion of extension of Kingfisher Road in Ward 3 of Mandeni Municipality**

<b>CATEGORY</b>	<b>APPROVED BUDGET</b>	<b>EXPENDITURE</b>
<b>Professional Fees</b>	R 310 913.91	R 152 069.50
<b>Construction Cost Incl. (Retention)</b>	R 1 962 640.62	R 0.00
<b>TOTALS (Incl. Vat)</b>	R 2 273 54.53	R 152 069.50

**Project Details**

**Name of Consultant:** Brimstohn Consulting JV  
**Name of Contractor:** Khumbusi Projects  
**Project Commencement Date:** January 2025  
**Contractual Completion Date:** March 2025  
**Revised Completion date:** N/A

**Project Scope:**

- Establishment on site.
- Clearing & grubbing.
- Traffic accommodation facilities.
- Removal of layers and stockpiling for later use.(Earthworks)
- Construction of stormwater infrastructure.
- Construction of sidewalks
- Construction of layer works

- Erection of Kerbing and Channel.
- Clearing of road reserve.
- Road marking, including road signs.
- Traffic calming measures and streetlights
- Finishing off, removal of site establishment and 12 months' maintenance of the works as stipulated per the defect liability period clause.

**Current Status Overall Construction progress 6%:** The contractor sent the request to resume the works in January 2025 due to construction break where suppliers will be unavailable. Site Establishment 80%. Setting out 100%.

**Challenges:** The contractor submitted the contractual obligations documents after the 14 days had lapsed after the kick off meeting which delayed the contractor to start with establishment on site. The other challenge has come because of the consultant issuing incorrect road alignment design therefore they had to do the new survey and redesign the road using the correct alignment.

**f) Rehabilitation of Isibuko Road (Masilela) and Stormwater Modification in Mandeni Ward 14**

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 585 113.19	R 432 208.58
Construction Cost Incl. (Retention)	R 3 798 772.18	R 323 092.50
<b>TOTALS (Incl. Vat)</b>	<b>R 4 383 885.37</b>	<b>R 755 301.08</b>

**Project Details**

**Name of Consultant:** Ngeja Consulting Engineers  
**Name of Contractor:** Humble Frank Multi Service  
**Project Commencement Date:** January 2025  
**Contractual Completion Date:** May 2025  
**Revised Completion date:** N/A

**Project Scope:**

- Establishment on site.

- Clearing & grubbing.
- Traffic accommodation facilities.
- Milling and ripping of asphalt pavement layer works.
- Construction of 0.426 km of pavement layer.
- Installation of 600,750 & 900mm dia. concrete pipe
- Construction of manhole structures
- Surface seal 0.426 km of road with a 30mm Continuously graded Asphalt seal.
- Construct kerbs and channels.
- Clean out, repair existing and improve stormwater drainage structures/systems.
- Gabions and Pitching.
- Construct interlock sidewalk 1,5m wide over 0.3 km length.
- Removal and reinstatement of electrical poles.
- Ancillary works (traffic calming, guardrails, and road signage).
- Finishing off, removal of site establishment and 12 months' maintenance of the works as stipulated per the defect liability period clause.

**Current Status Overall Construction progress 21%:** Site Establishment 78%. Traffic accommodation (ongoing). Clearing and grubbing 100%. Milling and ripping of asphalt pavement layerworks 100%. Boxing of road 100%. Installation of stormwater pipe culverts 35%. Removal and reinstatement of electrical poles 50%.

**Challenges:** The contractor hit the water pipe. They reported the issue to Ilembe Municipality, and it was fixed.

## Projects under planning

### a) Main Offices Master Plan and Building of the New Office Block

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 5 000 000	R 7 694 949.40
Construction Cost Incl. (Retention)	TBC	TBC
<b>TOTALS (Incl. Vat)</b>	R 5 000 000	R 7 694 949.40

### Project Details

**Name of Consultant:** DLV engineers and project managers  
**Name of Contractor:** TBC  
**Project Commencement Date:** TBC  
**Contractual Completion Date:** TBC  
**Revised Completion date:** N/A

**Project Scope:**

- Assessment of the current conditions of the proposed site;
- Determine the accommodation schedule requirements from Mandeni Local Municipality.
- Architectural design proposals for approval from Mandeni Local Municipality;
- Engineering survey of the site;
- A geotechnical investigation to establish the current roads centreline materials investigations;
- Detailed architectural design;
- Detailed bulk earthworks, civil infrastructure, electrical, parking areas, stormwater and roads designs;
- Cost analysis, schedule of quantities and quantity surveying activities;
- Compilation of Tender Documents;
- Tender process and evaluation;
- Construction implementation and supervision;
- Project Completion.

**Current Status Overall Construction progress:** Inception 100%, Concept and Viability 100% and design development 80%.

**Challenges:** N/A

**b) Extension of Mechanical/ Technical Services Building Phase 2 and Fencing of Technical Services Depot**

<b>CATEGORY</b>	<b>APPROVED BUDGET</b>	<b>EXPENDITURE</b>
<b>Professional Fees</b>	R 1 375 853.79	R 378 334.76
<b>Construction Cost Incl. (Retention)</b>	TBC	TBC

<b>TOTALS (Incl. Vat)</b>	R 1 375 853.79	R 378 334.76
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**Project Details**

**Name of Consultant:** Mabalengwe Engineers  
**Name of Contractor:** TBC  
**Project Commencement Date:** TBC  
**Contractual Completion Date:** TBC  
**Revised Completion date:** N/A

**Project Scope:**

- Bulk Earthworks (Platforms)
- 5,5m Wide Croton Place Road
- 7m Wide Cul-de-sac
- Yellow Plant Parking Lots
- Walkways
- Road Kerbs
- Retaining Walls
- Balustrading
- Ramps
- Storm water reticulation
- Water reticulation Item
- 2,5m High Brickwall Fencing
- 3m High Clear-vu Fencing
- Landscaping

**Current Status Overall Construction progress:** Inception 100%, Concept and Viability 100% and Project on planning stage.

**Challenges:** N/A

**5.3. Department of Energy: Integrated National Electrification Programme (INEP)**

**Projects**

Projects under Construction

a) **Emhlangeni Electrification Project - 110 HH**

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 657 761.40	R 657 761.40
Construction Cost Incl. (Retention)	R 3 283 535.71	R 3 283 535.71
<b>TOTAL (excl. vat)</b>	<b>R 3 941 297.11</b>	<b>R 3 941 297.11</b>

**Project Details**

<b>Name of Consultant:</b>	PSMT Consulting Engineers
<b>Name of Contractor:</b>	R Busisiwe (Pty) Ltd
<b>Project Commencement Date:</b>	May 2023
<b>Completion Date:</b>	July 2023
<b>Revised Completion Date:</b>	30 April 2024

**Current Status:** Original scope on the project is complete with all 100 customers energized. Awaiting outage approval by Eskom for energization of 10 customers which were identified later on the project as an extra scope of works.

**Challenges:** N/A

b) **Okhovothe Electrification Project**

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R210 983.83	R128 424.94
Construction Cost Incl. (Retention)	R 899 998.72	R 582 773.82
Performance Guarantee Incl. (Vat)		R 103 499.87
<b>TOTAL (Excl. Vat)</b>	<b>R1 363 717.39</b>	<b>R 814 698.63</b>

**Project Details**

**Name of Consultant:** BVI Engineers  
**Name of Contractor:** Onombuthu (Pty) Ltd  
**Project Commencement Date:** May 2023  
**Completion Date:** August 2023  
**Revised Completion Date:** June 2024

**Current Status:** Overall Construction progress is at 100%. Currently negotiating with Eskom for outage to energize the 105 dry connections.

**Challenges:** Poor performance from the appointed consultant. Project energization is currently on hold due unavailability of a design approval letter. Consultant not responsive on emails when requested for information as required by Eskom for issuing of the approval letter. Project is not approved by Eskom; due processes were not followed by consultant in obtaining approval for the project implementation. Project approval still to be obtained from Eskom once all required information has been gathered and submitted.

c) **Mandeni Substation Project**

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 11,826,735.62	R 7 380 000.00
Construction Cost	R0	R0
<b>TOTAL</b>	R 7 384 000.00	R 7 384 000.00

**Project Details**

**Name of Consultant:** ZLM Engineers  
**Name of Contractor:** N/A  
**Project Commencement Date:** 12 May 2023  
**Completion Date:** TBC  
**Revised Completion Date:** Nil

**Current Status:** Project detailed design completed. Currently awaiting tender documentation and procurement to be submitted by consultant.



**Challenges:** Application for a self-build to Eskom has been made. Eskom has provided the municipality with a cost estimate fee for carrying out a feasibility study and provide Network information from where the High Voltage line feeding the substation will be tied in. The municipality has provided proof of payment for the cost estimate fee payment has been made to Eskom as per the cost estimate quotation provided. This subsequently allows Eskom to commence with their feasibility study and provide necessary network capacity status. Still awaiting Eskom to visit the proposed site and commence with the feasibility study.

### 5.3 Division of Revenue Act on Grants Receipts

KZN291 Mandeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January									
Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>RECEIPTS:</b>	1,2								
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>		<b>261 703</b>	<b>258 621</b>	<b>-</b>	<b>189 453</b>	<b>150 862</b>	<b>212</b>	<b>0.1%</b>	<b>254 776</b>
EPWP Incentive	-	4 807	1 815	-	1 271	1 059	212	20.0%	1 815
Finance Management	-	1 850	1 800	-	1 800	1 050			1 800
Integrated National Electrification Pro	-	7 200	9 227	-	1 500	5 382			5 382
Local Government Equitable Share	-	230 823	243 588	-	182 691	142 093			243 588
Municipal Infrastructure Grant	-	17 023	2 191	-	2 191	1 278			2 191
	3						-		
Other transfers and grants [insert description]							-		
<b>Provincial Government:</b>		<b>50 633</b>	<b>3 769</b>	<b>-</b>	<b>3 769</b>	<b>1 570</b>	<b>2 199</b>	<b>140.0%</b>	<b>-</b>
KwaZulu-Natal_Infrastructure_Infrast	-	50 633	-	-	-	-	-		-
							-		
library	4		2 226		2 226	928	1 299	140.0%	
cybercadest			1 543		1 543	643	900	140.0%	
Other transfers and grants [insert description]							-		
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
[insert description]							-		
							-		
<b>Other grant providers:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Total Operating Transfers and Grant</b>	5	<b>312 336</b>	<b>262 390</b>	<b>-</b>	<b>193 222</b>	<b>152 432</b>	<b>2 411</b>	<b>1.6%</b>	<b>254 776</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>		<b>82 276</b>	<b>38 910</b>	<b>-</b>	<b>19 433</b>	<b>16 213</b>	<b>3 220</b>	<b>19.9%</b>	<b>38 910</b>
Municipal Infrastructure Grant (MIG)	-	82 276	38 910	-	19 433	16 213	3 220	19.9%	38 910
Integrated National Electrification Pro	-								
							-		
Other capital transfers [insert description]							-		
<b>Provincial Government:</b>		<b>13 680</b>	<b>850</b>	<b>-</b>	<b>850</b>	<b>354</b>	<b>496</b>	<b>140.0%</b>	<b>4 619</b>
KwaZulu-Natal_Capacity Building ar	-	13 680	850	-	850	354	496	140.0%	4 619
							-		
<b>Total Capital Transfers and Grants</b>	5	<b>95 956</b>	<b>39 760</b>	<b>-</b>	<b>20 283</b>	<b>16 567</b>	<b>3 716</b>	<b>22.4%</b>	<b>43 529</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp;</b>	5	<b>408 292</b>	<b>302 150</b>	<b>-</b>	<b>213 505</b>	<b>168 999</b>	<b>6 127</b>	<b>3.6%</b>	<b>298 305</b>

KZN291 Mandeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January									
Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>								%	
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>		<b>261 703</b>	<b>258 621</b>	<b>57 577</b>	<b>193 459</b>	<b>150 862</b>	<b>42 597</b>	<b>28.2%</b>	<b>5 806</b>
EPWP Incentive	–	4 807	1 815	237	1 489	1 059	430	40.7%	1 815
Finance Management	–	1 850	1 800	136	1 087	1 050	37	3.6%	–
Integrated National Electrification Progra	–	7 200	9 227	37	37	5 382	(5 346)	-99.3%	1 800
Local Government Equitable Share	–	230 823	243 588	56 957	189 562	142 093	47 469	33.4%	–
Municipal Infrastructure Grant	–	17 023	2 191	209	1 284	1 278	7	0.5%	2 191
0									
Other transfers and grants [insert description]									
<b>Provincial Government:</b>		<b>50 124</b>	<b>3 769</b>	<b>272</b>	<b>2 490</b>	<b>2 199</b>	<b>291</b>	<b>13.3%</b>	<b>–</b>
KwaZulu-Natal_Infrastructure_Infrastructure_RECEIPTS									
KwaZulu-Natal	–	44 861	–	–	–	–	–	–	–
library	–	840	–	–	–	–	–	–	–
cybercadest	–	4 423	2 226	272	2 115	1 299	817	62.9%	–
Other transfers and grants [insert description]			1 543	–	375	900	(525)	-58.4%	–
<b>District Municipality:</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
[insert description]									
<b>Other grant providers:</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Other Transfers Public Corporations</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
[insert description]									
<b>Total operating expenditure of Transfers and</b>		<b>311 827</b>	<b>262 390</b>	<b>57 849</b>	<b>195 949</b>	<b>153 061</b>	<b>42 889</b>	<b>28.0%</b>	<b>5 806</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>		<b>78 743</b>	<b>38 910</b>	<b>–</b>	<b>17 162</b>	<b>22 698</b>	<b>(5 536)</b>	<b>-24.4%</b>	<b>38 910</b>
Municipal Infrastructure Grant	–	78 743	38 910	–	17 162	22 698	(5 536)	-24.4%	38 910
–									
–									
0									
0									
Other capital transfers [insert description]									
<b>Provincial Government:</b>		<b>–</b>	<b>850</b>	<b>29</b>	<b>29</b>	<b>496</b>	<b>(467)</b>	<b>-94.2%</b>	<b>–</b>
0			850	29	29	496	(467)	-94.2%	–
<b>District Municipality:</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
0									
<b>Other grant providers:</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
0									
<b>Total capital expenditure of Transfers and Gr</b>		<b>78 743</b>	<b>39 760</b>	<b>29</b>	<b>17 191</b>	<b>23 194</b>	<b>(6 003)</b>	<b>-25.9%</b>	<b>38 910</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND</b>		<b>390 570</b>	<b>302 150</b>	<b>57 878</b>	<b>213 140</b>	<b>176 254</b>	<b>36 886</b>	<b>20.9%</b>	<b>44 716</b>

### 3. Debtors Age Analysis

**Table SC3 Monthly Budget Statement\_ Debtors Age Analysis**

KZN291 Mandeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January												
Description	NT Code	Budget Year 2024/25									Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
<b>R thousands</b>												
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from	1200	–	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from	1300	4 400	266	220	170	107	119	582	2 567	8 432	3 546	
Receivables from Non-exchange	1400	2 981	1 586	1 211	1 352	1 857	29 383	11 623	89 380	139 374	133 596	
Receivables from Exchange Tran	1500	–	–	–	–	–	–	–	–	–	–	
Receivables from Exchange Tran	1600	1 192	1 037	1 015	976	1 037	909	5 107	59 697	70 970	67 726	
Receivables from Exchange Tran	1700	23	19	5	37	1	1	3	123	212	165	
Interest on Arrear Debtor Account	1810	436	432	427	428	375	377	2 020	33 724	38 219	36 923	
Recoverable unauthorised, irregu	1820	–	–	–	–	–	–	–	–	–	–	
Other	1900	15	–	–	–	–	–	–	5 659	5 674	5 659	
<b>Total By Income Source</b>	<b>2000</b>	<b>9 047</b>	<b>3 341</b>	<b>2 878</b>	<b>2 963</b>	<b>3 377</b>	<b>30 789</b>	<b>19 336</b>	<b>191 150</b>	<b>262 880</b>	<b>247 614</b>	
<b>2023/24 - totals only</b>												
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	2200	608	346	53	316	1 688	15 523	5 483	24 949	48 966	47 959	
Commercial	2300	5 377	700	622	534	23	12 163	2 109	22 313	43 842	37 143	
Households	2400	2 915	2 165	2 076	1 964	1 542	2 338	10 618	139 348	162 965	155 809	
Other	2500	146	130	127	148	125	765	1 126	4 540	7 107	6 704	
<b>Total By Customer Group</b>	<b>2600</b>	<b>9 047</b>	<b>3 341</b>	<b>2 878</b>	<b>2 963</b>	<b>3 377</b>	<b>30 789</b>	<b>19 336</b>	<b>191 150</b>	<b>262 880</b>	<b>247 614</b>	

The total Consumer debtors outstanding as 31<sup>st</sup> January 2025 is **R262,9 million**

- Debt book indicates 9% increase from to 1<sup>st</sup> July 2024 to January 2025, within 7 months the debt book has accumulated a 1% increase.
- Debtors' collection rate at January 2025 is 70%
- We are however maintaining and ensuring the collection of the current debt but our biggest challenge is the historic debt. We have since appointed three Debt Collectors to follow up on outstanding debtors, Debt collectors are operating Debt pack while telephoning Debtors, printing section 29 and Final demands, we will soon be moving to legal in order to further our collection measured on consumers that are resistant to pay nor respond to our Debt collectors.
- Our Debt collectors have embarked on an exercise where different households are being visited in order to assess the state affordability of each household, this exercise is aimed at assisting the Municipality to classify its debt book in terms of collectability or non-collectability of the debt, the program is ongoing.
- There is a challenge of high level of debt that calls for reassessments of the debtors, impairments.
- It is quite a challenge to collect satisfactory revenue from Sundumbili since we do not have any leverage to restrict in order to encourage regular payments from consumers thereon. I.e. Eskom is licensed to supply electricity.
- The high debt is mainly due to non-payment by Household in Sundumbili.

- Interventions have been made which are expected that they will change the current status, as the municipality is placing every effort in ensuring that we collect and recover the outstanding debt.
- We are currently undergoing the process of categorizing our book per various customers so that we know which ones to chase once our debt management system is up and running.
- We have also initiated a meter audit exercise, through Conlog, in order to ensure that we receive all the funds due for electricity supplied without any household tampering with our meter and steal electricity, the program is currently o
- Debt collection measures have been improved after the policy review by issuing summons with the intention to attach movable property. This initiative is however a slow process because of sheriff's involvement. They cannot cope with the number of summons to be served, upon attachment of movable properties for sale in execution, the sheriff returns with "nulla bona" which defeats the entire process. Property owners are not regular domiciles of properties indebted to council and have since left with no possible trace, legal proceedings cannot be extended further since courts are reluctant in granting intended judgement (section 66 declaring properties especially executable) as the said properties are primary residents to the latte's relatives or dependents.

### **Auditor General's matter of emphasis**

- It should be noted that the issue of Material impairments to debtors is one of the factors that affected our audit opinion
- It was also noted that we are having a challenge in identifying and eliminating indigent cheaters
- The audit Further identified the billing discrepancies relating to interest charged for outstanding debt and property rates
- It should be noted if things were to carry on this way this institution is going to lose it credibility and this will subsequently affect it going concern and we will soon be regarded as a grant dependent Municipality
- We should also put an emphasis that this issue is not entirely dependent on the Revenue team but requires a collective effort of each and every member of the Mandeni family to play a meaningful role so as to ensure that we redeem ourselves from these challenges.
- We have formulated a plan of collection going forward and our plan has been highlighted in the AG's management latter
- The plan provided is more operational but we have highlighted that strategic interventions need to be put in place so as to uplift the standard of living of our communities, attract and retain investment.
- Open opportunities for more job creation so as to ensure that we are serving the community that can afford to pay for our services.
- We need to ensure that we deal with the low hanging fruits in as far as basic service delivery is concerned. Fix potholes, streetlights, maintain roads clean our town and collect our waste on time.
- It is the above few things that encourage our people to come forward and assist their Municipality when they can see that their Municipality is working for them.

### **2022/23 Debt Collection**

- For this financial year, despite the challenges we anticipate to reach our target and collect nothing less than **R40 ml**
- We are determined and resolute that such shall happen judging from the recent collection trends and our projections.

### **Planned Interventions to Increase Collections (Property rates and Service Charges)**

- On a weekly basis, a list of top 20 debtors (businesses, government and domestic) is extracted from the debtors list.
- Debtors selected are encouraged to come and make arrangements for payment;
- In the event that they still default on payments, these debtors are written final demand letters and if no positive response is received, a process of effecting service disconnections ensues in line with our credit control policy.

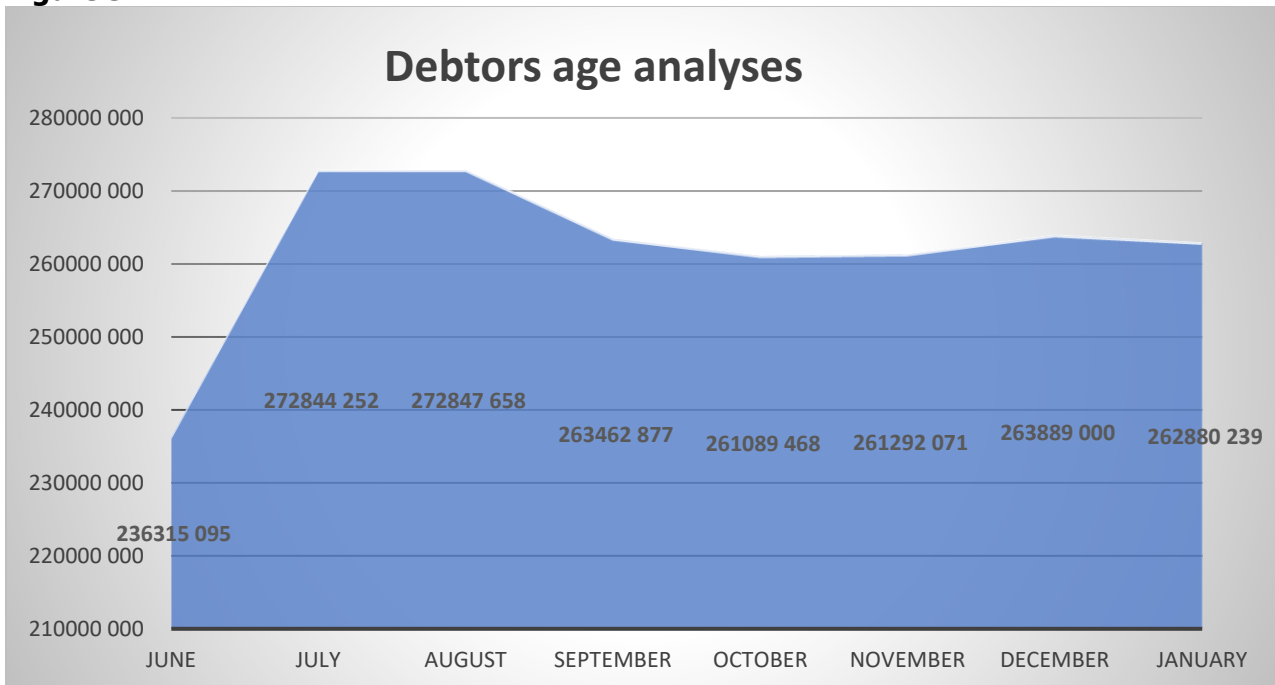
<b>ACCOUNTS WITH LETTERS OF FINAL DEMAND FOR PAYMENT SENT OUT</b>					
<b>ACC. NO.</b>	<b>TOWN</b>	<b>ERF NO.</b>	<b>DEBTORS NAME</b>	<b>DEBT TYPE</b>	<b>AMOUNT R</b>
001002500	SUNDUMBILI A	25	DLADLA	RATES/REFUSE	R51 438.12
002002500	SUNDUMBILI B	25	MOLOI	RATES/REFUSE	R61 279.76
002003000	SUNDUMBILI B	3	MNGOMEZULU	REFUSE/RATES	R90 278.03
001004500	SUNDUMBILI A	45	MTOTI	RATES/REFUSE	R67 976.12
002005400	SUNDUMBILI B	54	NTSIMBI	RATES/REFUSE	R51 524.36
002005600	SUNDUMBILI B	56	MAGWAZI	RATES/REFUSE	R92 375.77
001005700	SUNDUMBILI A	57	NXELE	RATES/REFUSE	R53 206.01
002003300	SUNDUMBILI B	33	BHENGU	RATES/REFUSE	R80 074.69
001006200	SUNDUMBILI A	62	MOYANA	RATES/REFUSE	R84 649.53
002007300	SUNDUMBILI B	73	MBUNDA	RATES/REFUSE	R100 897.50
002007500	SUNDUMBILI B	75	ZUMA	RATES/REFUSE	R75 721.36
001007800	SUNDUMBILI A	78	MAZIBUKO	RATES/REFUSE	R93 605.12
001008300	SUNDUMBILI A	83	MKHWANAZI	RATES/REFUSE	R93 082.34
002008400	SUNDUMBILI B	84	MBUTHO	RATES/REFUSE	R57 949.48
002009500	SUNDUMBILI B	95	MTHEMBU	RATES/REFUSE	R80 645.34
002010100	SUNDUMBILI B	101	ZUMA	RATES/REFUSE	R77 478.45
001010500	SUNDUMBILI A	105	MPONGOSE	RATES/REFUSE	R61 958.42
002010500	SUNDUMBILI B	105	NDLOVU	RATES/REFUSE	R86 802.23
001012900	SUNDUMBILI A	129	NTULI	RATES/REFUSE	R65 000.72
001013200	SUNDUMBILI A	132	SIKHAKLANE	RATES/REFUSE	R670 465.28
<b>TOTAL</b>					<b>R2 096 408.63</b>

Disconnection list 2025						
NO	ACCOUNT NO.	TOWN	ERF NO.	NAME	DEBT TYPE	AMOUNT R
1	009906971	Mandeni	11 INYALA ROAD	JOUBERT	RATES/ELECTRICITY	R15 094.76
2	009904491	Mandeni	11 PATRYS ROAD	MTHEMBU	RATES/ELECTRICITY	R20 218.57
3	009800021	Mandeni	11 TALBOT ROAD	SITHOLE	RATES/ELECTRICITY	R20 854.65
4	009002041	Mandeni	12 IMPALA ROAD	ZULU	RATES/ELECTRICITY	R9 735.75
5	009909671	Mandeni	13 MIMOSA PLACE	CELE	RATES/ELECTRICITY	R19 602.85
6	002200612	Mandeni	2 RICHARDS CIRCLE	NGUBANE	RATES/ELECTRICITY	R8 257.47
7	009900611	Mandeni	9 RICHARDS CIRCLE	NAIDOO	RATES/ELECTRICITY	R17 934.34
8	008061315	Mandeni	15 KARAMI FLATS	MSOMI	RATES/ELECTRICITY	R67 178.58
9	009800882	Mandeni	17 INYALA ROAD	HARDING	RATES/ELECTRICITY	R17 186.13
10	009909512	Mandeni	20 UMDONI PLACE	BUSANE	RATES/ELECTRICITY	R27 789.92
11	009801431	Mandeni	22 READ ROAD	MASONDO	RATES/ELECTRICITY	R13 137.94
12	009904701	Mandeni	32 PLOVER CRESCENT	CELE	RATES/ELECTRICITY	R38 858.37
13	009901181	Mandeni	4 FARROW ROAD	NZUZA	RATES/ELECTRICITY	R11 511.99
14	009905171	Mandeni	47 TROGON ROAD	THE NA BUTHELEZI TRUST	RATES/ELECTRICITY	R12 912.28
15	002901821	Mandeni	49 IMPUNZI ROAD	LANGA	RATES/ELECTRICITY	R19 716.57
16	002500882	Mandeni	5 PHILIP ROAD	OLDHAM PROPERTIES & LEASING	RATES/ELECTRICITY	R12 528.88
17	009902561	Mandeni	5 WATSON ROAD	ZUNGU	RATES/ELECTRICITY	R15 678.82
18	008801781	Mandeni	57 GREIG ROAD	VAN RENSBURY	RATES/ELECTRICITY	R99 362.40
19	009907451	Mandeni	6 IMPUNZI ROAD	RAMPERSAD	RATES/ELECTRICITY	R26 739.54
20	009900821	Mandeni	60 ANDERSON ROAD	THABETHE	RATES/ELECTRICITY	R35 633.32
21	008701011	Mandeni	63 GREIG ROAD	MHLONGO	RATES/ELECTRICITY	R22 027.50
22	002401262	Mandeni	64 ANDERSON ROAD	KHUMALO	RATES/ELECTRICITY	R13 729.66
23	009981051	Mandeni	7 GAZELLE PLACE	ZIKHALI	RATES/ELECTRICITY	R39 757.42
24	009911761	Mandeni	8 CYCAD PLACE	MZIMELA	RATES/ELECTRICITY	R494 228.40
25	009902221	Mandeni	8 MATTHEWS ROAD	KHAMBULE	RATES/ELECTRICITY	R30 461.78
26	002900531	Mandeni	8 ORIB ROAD	MKHIZE	RATES/ELECTRICITY	R16 875.07
27	009901051	Mandeni	81 ANDERSON ROAD	THE SECRETARY	RATES/ELECTRICITY	R26 562.04
28	009908211	Mandeni	82 PATRYS ROAD	GUMEDE	RATES/ELECTRICITY	R64 253.64
29	009903581	Mandeni	13 WHIMBREL ROAD	DLUDLA	RATES/ELECTRICITY	R46 721.18
30	009702121	Mandeni	42 IMPUNZI ROAD	NZIMANDE	RATES/ELECTRICITY	R21 151.95
31	009701301	Mandeni	37 o'hara Road	KUBHEKA	RATES/ELECTRICITY	R57 717.56
					<b>TOTAL</b>	<b>R1 343 419.33</b>

**ARRANGEMENT - JANUARY 2025 REPORT**

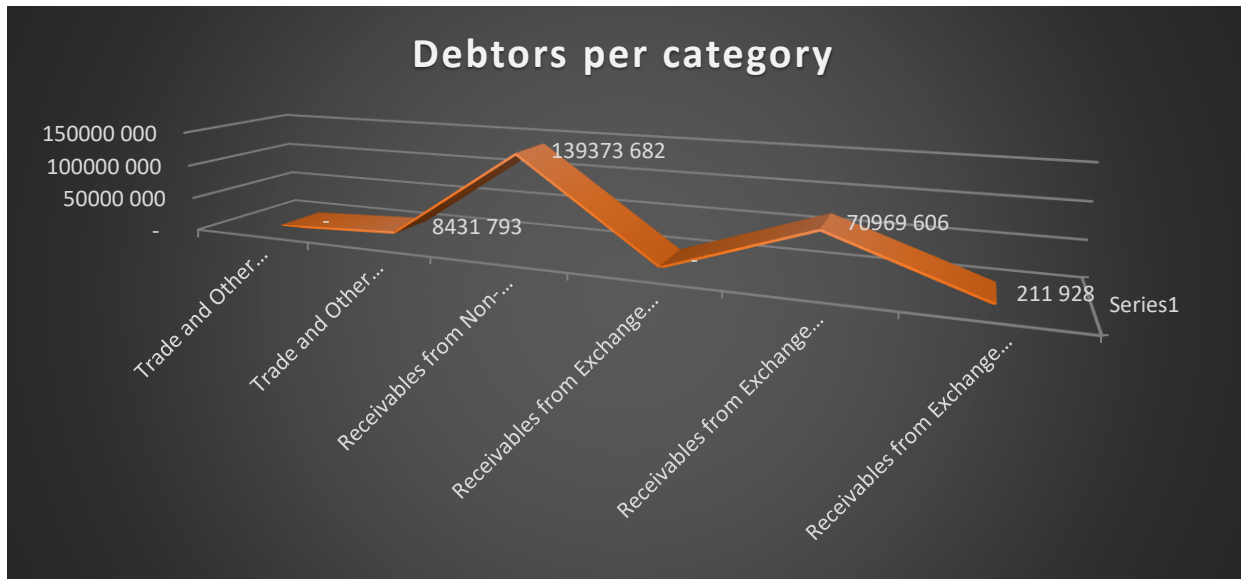
NO.	DATE	ACCOUNT HOLDER	REF NUMBER	ADDRESS	ACCOUNT NUMBER	AMOUNT OWING	AMOUNT AGREED	COMMENTS
1	14/01/2025	MATTHEE	10	10 KUDU ROAD	009907821	R86667.69	R2000.00	PER MONTH
2	17/01/2025	MSOMI	13	13 KUDU ROAD	008004971	R4796.38	R1000.00	PER MONTH
3	28/01/2025	SOMTSEWU	03	03 GAZELLE PLACE	009907542	R28688.82	R2000.00	PER MONTH
4	29/01/2025	NDLELA	02	02 GAZELLE ROAD	0089037792	R9541.85	R1000.00	PER MONTH
5	29/01/2025	NDLELA	11	11 FARROW ROAD	009901451	R10789.72	R1000.00	PER MONTH
6	29/01/2025	SAGADEVEN	134	134 ANDERSON ROAD	009900041	R9564.97	R1200.00	PER MONTH
7	28/01/2025	DUBE	17	17 TALBOT ROAD	009903001	R18756.58	R1000.00	PER MONTH
8	29/01/2025	NHLUMAYO	12	12 SANDPIPER ROAD	009905201	R11524.34	R1130.00	PER MONTH
9	30/01/2025	CELE	13	13 MIMOSA ROAD	009909671	R18439.56	R3000.00	PER MONTH
10	30/01/2025	ZANGWA	131	131 ANDRSON ROAD	008700781	R85066.95	R1500.00	PER MONTH
11	30/01/2025	NZIMA	05	05 BEGONIA ROAD	009910611	R13292.02	R2660.00	PER MONTH
12	30/01/2025	NZIMA	03	03 BEGONIA ROAD	009910601	R8419.93	R2060.00	PER MONTH
13	30/01/2025	NTSHANGASE	17	17 MIMOSA ROAD	009909691	R28265.84	R2000.00	PER MONTH
14	31/01/2025	MBUTHU	398	SUNDUMBILI A	001039800	R2330.31	R700.00	PER MONTH
15	31/01/2025	SHEZI	381	SUNDUMBILI A	001038100	R36468.17	R10940.00	PER MONTH
16	31/01/2025	GCVWENSA	512	SUNDUMBILI B	002051200	R25000.73	R1500.00	PER MONTH
17	31/01/2025	MBUYISA	31	31 TALBOT ROAD	009903071	R34465.50	R1500.00	PER MONTH
18	31/01/2025	GABELA	29	29 ANDERSON ROAD	009901561	R8013.69	R800.00	PER MONTH
19	31/01/2025	MKHWANAZI	83	SUNDUMBILI A	001008300	R92294.15	R500.00	PER MONTH
20	31/01/2025	KANNI	05	5 DUJIKER ROAD	009909161	R15408.59	R800.00	PER MONTH
21	30/01/2025	NXUMALO	915	SUNDUMBILI A	001091500	R2571.94	R500.00	PER MONTH
22	30/01/2025	MTSHALI	561	SUNDUMBILI B	002056100	R8173.66	R2000.00	PER MONTH
23	30/01/2025	MASONDO	22	22 READ ROAD	009801431	R8486.65	R2000.00	PER MONTH
24	28/01/2025	MDLETSHE	27	SUNDUMBILI A	001002700	R49897.60	R500.00	PER MONTH
25	30/01/2025	KHUMALO	20	20 IMPUNZI ROAD	009601081	R4328.93	R1500.00	PER MONTH
26	31/01/2025	GUMEDE	834	SUNDUMBILI A	001083400	R15582.17	R9349.20	PER MONTH
27	31/01/2025	NDWANDWE	66	66 ANDERSON ROAD	009900791	R43571.27	R4000.00	PER MONTH
28	31/01/2025	KHUMALO	540	SUNDUMBILI A	001054000	R26912.54	R3000.00	PER MONTH
29	28/01/2025	MKHWANAZI	83	SUNDUMBILI A	001008300	R93871.89	R20 000.00	PER MONTH
30	31/01/2025	DUBE	09	09 PATRYS ROAD	009904501	R17727.49	R1500.00	PER MONTH
	<b>TOTAL</b>					<b>R826383.30</b>	<b>R93439.20</b>	

**Figure 9**



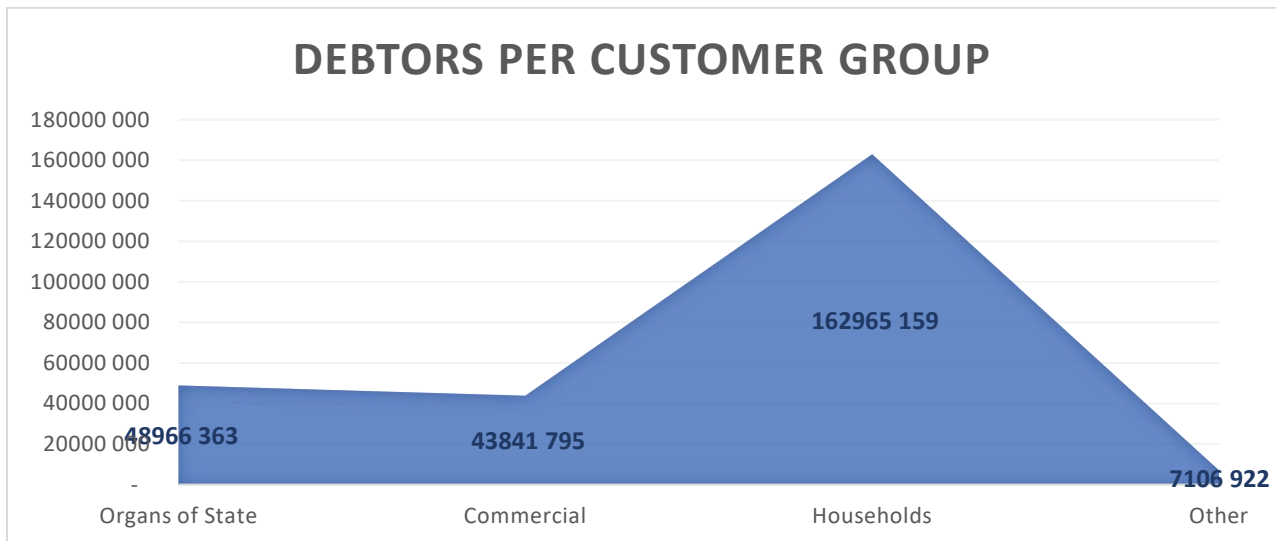
**Figure 10**





The municipal debtors have reduced from R263,9 million to R263,9 million that is from June 2023 until 31<sup>st</sup> January 2025. This increase is between Household debtors of 62% and it is followed by Organs of State by 19 % and Business Commercial is 17% and lastly the other debtors with a percentage of 3%.

▪ **Total Outstanding Debtors from January 2025**



**Councilors and Employees in Arrear**

- Debt outstanding on Councilors as at January 2025 is R235,046.62
- Staff Accounts in arrears as at January 2025 is R 67,258.54

However, it should be noted that both Councilors and Staff have made arrangement with the municipality to settle this outstanding debt.

#### 4. CREDITOR'S AGE ANALYSIS

##### Table SC4 Monthly Budget Statement\_ Creditors Age Analysis

KZN291 Mandeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January											Prior year totals for report	
Description	NT Code	Budget Year 2024/25										
		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		
R thousands												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement de	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	610	-	-	-	-	-	-	-	610	610	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	
Other	0900	152	-	-	-	-	-	-	-	152	152	
<b>Total By Customer Type</b>	<b>1000</b>	<b>762</b>	-	-	-	-	-	-	-	<b>762</b>	762	

- Creditors aged R762thousand as of 31<sup>st</sup> January 2025. (Age analysis listing attached)
- 100% of the creditors are on current as per our age analysis, we ensure that creditors are paid within 30 days as stipulated by the MFMA.

#### Top 10 Creditors

Top 10 Creditors (January 2025)

Name	Amount
ESKOM HOLDING	R 1 967 294.25
EMALANGENI	R 680 062.43
KING CETSHWAYO	R 163 292.36
BAMBHANANI ENTERPRISE	R 213 928.63
MALUTHULI TRADING	R 305 625.00
EZAMALUNQA	R 1 485 682.00
NJOMISA BOEDERY	R 44 903.91
CITY OF CHOICE	R 766 248.95
ILEMBE MUNICIPALITY	R 95 058.92
CONLOG	R 311 846.46

## 5. MONTHLY BUDGET STATEMENT - FINANCIAL POSITION

Table C6 displays the financial position of the municipality as at 31<sup>st</sup> January 2025

KZN291 Mandeni - Table C6 Monthly Budget Statement - Financial Position - M07 January					
Description	Ref	2023/24	Budget Year 2024/25		
		Audited Outcome	Original Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1				
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		208 837	78 954	223 478	78 954
Trade and other receivables from exchange transactions		57 057	33 169	44 622	33 169
Receivables from non-exchange transactions		13 127	36 042	33 866	36 042
Current portion of non-current receivables		–	–	–	–
Inventory		42 734	38 984	43 083	38 984
VAT		7 677	53 465	3 855	53 465
Other current assets		225	–	225	–
<b>Total current assets</b>		<b>329 657</b>	<b>240 614</b>	<b>349 128</b>	<b>240 614</b>
<b>Non current assets</b>					
Investments		–	–	–	–
Investment property		41 913	60 544	41 913	60 544
Property, plant and equipment		669 291	631 390	711 050	631 390
Biological assets		–	–	–	–
Living and non-living resources		–	–	–	–
Heritage assets		–	–	–	–
Intangible assets		2 372	298	2 323	298
Trade and other receivables from exchange transactions		–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–
Other non-current assets		–	–	–	–
<b>Total non current assets</b>		<b>713 576</b>	<b>692 232</b>	<b>755 286</b>	<b>692 232</b>
<b>TOTAL ASSETS</b>		<b>1 043 233</b>	<b>932 846</b>	<b>1 104 414</b>	<b>932 846</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft		–	–	–	–
Financial liabilities		6 043	–	5 673	–
Consumer deposits		170	216	155	216
Trade and other payables from exchange transactions		54 641	23 220	27 483	23 220
Trade and other payables from non-exchange transactions		9 028	8 284	23 088	8 284
Provision		4 572	8 677	4 572	8 677
VAT		6 698	14 759	8 942	14 759
Other current liabilities		–	–	–	–
<b>Total current liabilities</b>		<b>81 153</b>	<b>55 157</b>	<b>69 912</b>	<b>55 157</b>
<b>Non current liabilities</b>					
Financial liabilities		–	–	–	–
Provision		–	–	–	–
Long term portion of trade payables		–	–	–	–
Other non-current liabilities		21 070	22 993	21 070	22 993
<b>Total non current liabilities</b>		<b>21 070</b>	<b>22 993</b>	<b>21 070</b>	<b>22 993</b>
<b>TOTAL LIABILITIES</b>		<b>102 223</b>	<b>78 150</b>	<b>90 982</b>	<b>78 150</b>
<b>NET ASSETS</b>	2	<b>941 010</b>	<b>854 696</b>	<b>1 013 432</b>	<b>854 696</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated surplus/(deficit)		738 338	852 610	810 760	852 610
Reserves and funds		202 672	2 086	202 672	2 086
Other		–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>941 010</b>	<b>854 696</b>	<b>1 013 432</b>	<b>854 696</b>

## RATIOS FOR THE MONTH

**Current ratio:** The municipality's current assets are (5) times that of current liabilities.

The ratio measures short-term liquidity, that is, the extent to which the current liabilities can be paid from current assets. The higher the ratio, the healthier is the situation. The ratio of 5 is favorable as it is above the norm of 1:1 normally set for municipalities. This indicates that there is sufficient cash to meet creditor obligations.

**Liquidity ratio:** The cash and cash equivalents are the current liabilities, R4,99c

**Creditors' system efficiency:** 100 percent of the creditors outstanding are less than 30 days.

**Creditor's payment:** it takes the municipality 0 days to pay its creditors.

**Outstanding debtors:** billing far exceeds the collection on outstanding debt at the rate of 70%.

**Collection days:** 1062 days it takes the municipality to collect outstanding debt.

**Cost coverage:** on average the municipality has sustained its existence for the period of 5 months without any grant funding.

**Debtors collection rate:** as at seventh month is 70 %

	4.99
Current Assets	349 127 997
Current Liabilities	69 912 016

	5 Month
Cash and cash equivalents	7 924 486
Unspent Conditional Grants	24 567 614
Overdraft	-
Short Term Investments	215 567 441
Total Annual Operational Expenditure	443 031 000

	35%
Employee/personnel related cost	69 657 661
Councillors Remuneration	7 847 606
Total Operating Expenditure	222 694 357
Taxation Expense	-

	17%
Contracted Services	37 315 016
Total Operating Expenditure	222 694 357
Taxation Expense	

	70%
Gross Debtors closing balance	262 883 004

Gross Debtors opening balance	236 985 481
Bad debts written Off	-
Billed Revenue	85 185 297

	0%
Consumer Debtors Bad debts written off	-
Consumer Debtors Current bad debt Provision	15 130 435.00

	1 062 days
Gross debtors	262 883 004.00
Bad debts Provision	15 130 435
Billed Revenue	85 185 297

	20%
Total Operating Expenditure	250 192 000
Taxation Expense	
Total Capital Expenditure	62 271 000

	0%
PPE, Investment Property and Intangible Impairment	
PPE at carrying value	711 050 000
Investment at carrying value	41 913 000
Intangible Assets at carrying value	2 323 000

## 6. MONTHLY BUDGET STATEMENT -CASH FLOW

Table C7 below display the Cash Flow Statement for the period ending 31<sup>st</sup> January 2025

KZN291 Mandeni - Table C7 Monthly Budget Statement - Cash Flow - M07 January										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		(40 534)	31 118	-	5 225	33 289	18 152	15 136	83%	31 118
Service charges		(61 611)	75 777	-	5 090	42 815	44 203	(1 389)	-3%	75 777
Other revenue		16 188	4 674	-	119	3 481	3 163	318	10%	4 674
Transfers and Subsidies - Operational		446 262	262 390	-	(51 537)	191 031	163 825	27 206	17%	262 390
Transfers and Subsidies - Capital		119 004	39 760	-	-	22 474	23 194	(720)	-3%	39 760
Interest		31 127	28 000	-	8 617	16 028	16 333	(306)	-2%	28 000
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(463 749)	(392 386)	-	(17 130)	(222 835)	(209 773)	13 062	-6%	(392 386)
Finance charges		-	(3 300)	-	-	-	(1 925)	(1 925)	100%	(3 300)
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>46 687</b>	<b>46 034</b>	<b>-</b>	<b>(49 617)</b>	<b>86 282</b>	<b>57 173</b>	<b>(29 109)</b>	<b>-51%</b>	<b>46 034</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		535 861	(146 740)	-	(6 944)	(71 612)	(85 598)	(13 987)	16%	(146 740)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>535 861</b>	<b>(146 740)</b>	<b>-</b>	<b>(6 944)</b>	<b>(71 612)</b>	<b>(85 598)</b>	<b>(13 987)</b>	<b>16%</b>	<b>(146 740)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>582 549</b>	<b>(100 705)</b>	<b>-</b>	<b>(56 561)</b>	<b>14 670</b>	<b>(28 425)</b>			<b>-</b>
Cash/cash equivalents at beginning:		(132 013)	(183 424)	-	-	208 808	(183 424)			208 808
Cash/cash equivalents at month/year end:		450 536	(284 129)	-	-	223 478	(211 849)			-

Cash and cash equivalent at the beginning of 2023/24 financial year was R208.8 million as per pre-audited AFS and cash and cash equivalent as at 31<sup>st</sup> January 2025 is R223,5million. The net increase of R14,7million is observed, as the Municipality has a positive trend for the past months which means the municipality has available cash to cover all operating expenses, pay debts if any and reinvest in growth.

Table C7 shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.


## **Revenue -Receipts**

- The property collection rate to date is 139% or R14,2million of the billed revenue as at January 2025.
- Service Charges: Electricity and Refuse is 85% or -R 3,9million billed revenue as at January 2025.
- Other Revenue collected to date is R3,5million over a Budget of R7,8million which gives a collection of 45% of these votes. A combination of votes from rentals of properties, licenses and permits and other sources of revenue are included. Further to that the additional revenue from VAT refunds received as at January totals to R19,1million.
- Government grants received operational and Capital as of 31<sup>st</sup> January 2025, 213,5million.
- Interest earned on external investments amounts to R 13,2million in comparison with the year-to-date budget of R16,3 million which is under performance of 19%.

## **Payments**

- Suppliers and employees for cash outflows of R222,8 million as of 31<sup>st</sup> January 2025.
- Finance charges reflect under performance by 100 percent or R1,9million against YTD actual of R0 thousand. Usually, this votes interest is allocated in January and at year end.
- Capital Assets of R 62,3million as at 31<sup>st</sup> January 2025 shows an under-performance of 16% when compared to YTD Budget of R74,4million. A monthly capex in this vote is only R6,0million.


## 6.1. BANK RECONCILIATION STATEMENT AS AT JANAUARY 2025

	Mandeni Municipality	
<b>BANK RECONCILIATION STATEMENT FOR JANUARY 2025</b>		
<b>Main Account :52940480587</b>		
<b>Opening FNB Bank Balance as on 1 JANUARY 2025</b>	<b>10 583 189.10</b>	<b>10 583 189.10</b>
PLUS: Deposits Banked	11 920 240.65	
PLUS: Interest received	47 403.01	
PLUS: Transfers In	11 500 000.00	
PLUS:Interest received From Call 1	234 416.78	
PLUS:Unpaid	29 460.00	
PLUS: MATURED INVESTMENTS	52 431 643.84	
PLUS: SARS REFUND	5 174 192.85	
PLUS: GRANTS RECEIVED	-	
<b>Total Deposits</b>	<b>81 337 357.13</b>	<b>81 337 357.13</b>
<b>Less:Total payments</b>	<b>- 83 996 060.27</b>	<b>- 83 996 060.27</b>
LESS: EFT Payments	- 30 902 321.52	
LESS: Bank Charges	- 24 110.49	
LESS: Transfers Out	- 52 431 643.84	
LESS: NEW INVESTMENTS	-	
LESS: Debit Orders	- 637 984.42	
<b>Closing FNB Bank Balance as on 31 JANUARY 2025</b>		<b>7 924 485.96</b>
<b>Cashbook Reconciliation for 31 JANUARY 2025</b>		
OPENING BALANCE 1/07/2024	2 026 213 166.77	
OPENING BALANCE 1/07/2024	96 176 000.00	
OPENING BALANCE 1/07/2024	- 2 112 242 032.86	
OPENING BALANCE 1/07/2024-INTEREST	593 200.30	
OPENING BALANCE-1/7/2024 -BANK CHARGES	- 1 380 300.52	
Cashbook Balance as on 1 JANUARY 2025-D0001/IA09567/F0001/X049/R0099/001/FIN	516 934 624.95	
Less:Cashbook Balance as on 1 JANUARY 2025-D0001/IA09850/F0001/X049/R0099/001/FIN	- 515 833 024.51	
Corrections to be made (JNL DR/CR)	13 086.24	
PLUS: Deposits Banked for JANUARY 2025	11 949 700.65	
LESS: EFT Payments for JANUARY 2025	- 30 963 356.52	
Plus december 2024 outstanding (reconciled )	-	
Less: Bank Charges to date	- 165 593.65	
PLUS: Grant received	-	
Less : New investment	-	
Less: Payments not yet paid during January 2025	-	
PLUS: Interest received to date	307 315.52	
PLUS:Interest received From Call 1-JANUARY 2025	234 416.78	
PLUS MATURED INVESTMENT	52 431 643.84	
PLUS :SARS REFUND	5 174 192.85	
PLUS :TRANSFER IN	11 500 000.00	
LESS:TRANSFER OUT	- 52 431 643.84	
LESS: Debit Orders for JANUARY 2025	- 637 984.42	
<b>Closing Cashbook Balance as on 31 JANUARY 2025</b>	<b>7 873 411.59</b>	<b>7 873 411.59</b>
		<b>51 050.00</b>
<b>Reconciling Items</b>	<b>Amount</b>	
ADD: Journal Debits - on Cashbook not on Bank Statement	51 050.00	
MONTH END BALANCE PER BANK STATEMENT- 31 JANUARY 2025		<b>7 924 485.96</b>
ADJUSTED MONTH END CASHBOOK BALANCE- 31 JANUARY 2025		<b>7 924 461.59</b>
DIFFERENCE		<b>24.37</b>



## 6.2. MONTHLY BUDGET STATEMENT- INVESTMENT PORTFOLIO

The following information presents the short-term investments balances broken down per investment type as of 31<sup>st</sup> January 2025

 <b>INVESTMENT REGISTER FOR JANUARY 2025</b>									
Name of grant	Bank account number	INTEREST RATES	Opening Balance as at	Re-Investments	Expenditure	interest	bank charges	Closing Balance as at	TOTAL INTEREST EARNED TO DATE
			2025/01/01					2025/01/31	
		%	R	R	R	R	R	R	R
call 1-internal grant	61294217372	7.20	12 298 815.15	52 431 643.84	11 734 416.78	234 416.78	-	53 230 458.99	1 848 992.71
Call account 2 - HOUSING	62028673219	7.20	2 158 347.20	-	-	12 281.89	-	2 170 629.09	88 964.16
Call account 3-MIG	62812286400	7.20	18 601 307.95	-	-	105 721.68	-	18 707 029.63	613 205.05
Call account 5-TMT	62113325882	7.20	509 227.27	4 050.00	-	2 900.75	(78.90)	516 099.12	20 185.56
Call account 6-INEP	62527527462	7.20	1 510 809.92	-	-	8 319.80	-	1 519 129.72	50 983.57
Call account 7-AR	62538203449	7.20	4 883 515.42	-	-	27 755.76	-	4 911 271.18	213 568.28
Call account 8-Title Deed	62812286963	7.20	4 475 633.16	-	-	25 437.54	-	4 501 070.70	190 998.36
Call account 9-Disaster Recovery	63048438097	7.20	11 685.87	-	-	66.42	-	11 752.29	470.75
ABSA BANK	208168-2978	9.78	100 000 000.00	-	-	911 013.70	-	100 000 000.00	5 734 027.39
ABSA BANK	208168-3128	9.70	50 000 000.00	-	50 000 000.00	39 863.02	-	-	2 431 643.84
ABSA BANK	208168-3152	9.30	-	-	-	-	-	-	1 172 054.79
ABSA BANK	208168-3152	8.13	-	-	-	-	-	-	364 737.58
ABSA BANK	20-8187-5210	8.52	30 000 000.00	-	-	238 093.15	-	30 000 000.00	420 164.38
FNB-MAIN BANK	52940480587					47 403.01			307 315.52
<b>TOTAL</b>			<b>224 449 341.94</b>	<b>52 435 693.84</b>	<b>(61 734 416.78)</b>	<b>1 653 273.50</b>	<b>78.90</b>	<b>215 567 440.72</b>	<b>13 457 311.94</b>

## 7. MONTHLY BUDGET STATEMENT - Employee costs and councilors benefits (Section 66 MFMA)

KZN291 Mandeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January										
Summary of Employee and Councillor remuneration	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		12 378	13 768	-	1 072	7 879	8 031	(152)	-2%	13 768
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		528	675	-	37	262	394	(131)	-33%	675
Cellphone Allowance		1 491	1 687	-	126	878	984	(105)	-11%	1 687
Housing Allowances		167	258	-	11	74	151	(77)	-51%	258
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>14 564</b>	<b>16 388</b>	<b>-</b>	<b>1 246</b>	<b>9 094</b>	<b>9 559</b>	<b>(466)</b>	<b>-5%</b>	<b>16 388</b>
<b>% increase</b>	4		<b>12.5%</b>							<b>12.5%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		3 865	5 876	-	388	2 714	3 428	(714)	-21%	5 876
Pension and UIF Contributions		1	11	-	-	-	7	(7)	-100%	11
Medical Aid Contributions		163	42	-	25	148	25	124	501%	42
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		380	499	-	-	-	291	(291)	-100%	499
Motor Vehicle Allowance		716	871	-	60	418	508	(90)	-18%	871
Cellphone Allowance		272	195	-	29	200	114	86	75%	195
Housing Allowances		114	278	-	14	99	162	(63)	-39%	278
Other benefits and allowances		347	286	-	40	281	167	114	69%	286
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	5 131	3 736	-	-	-	2 179	(2 179)	-100%	3 736
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>10 989</b>	<b>11 794</b>	<b>-</b>	<b>555</b>	<b>3 860</b>	<b>6 880</b>	<b>(3 020)</b>	<b>-44%</b>	<b>11 794</b>
<b>% increase</b>	4		<b>7.3%</b>							<b>7.3%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		83 417	94 130	-	8 169	54 441	54 909	(469)	-1%	94 130
Pension and UIF Contributions		13 566	15 938	-	1 314	8 987	9 297	(310)	-3%	15 938
Medical Aid Contributions		6 332	6 180	-	793	4 305	3 605	700	19%	6 180
Overtime		3 361	2 469	-	418	2 051	1 440	611	42%	2 469
Performance Bonus		6 601	6 513	-	625	3 876	3 799	77	2%	6 513
Motor Vehicle Allowance		4 751	5 495	-	414	2 870	3 206	(335)	-10%	5 495
Cellphone Allowance		617	604	-	64	428	352	76	21%	604
Housing Allowances		315	362	-	28	199	211	(12)	-6%	362
Other benefits and allowances		983	887	-	341	1 058	517	540	104%	887
Payments in lieu of leave		3 462	2 718	-	-	187	1 585	(1 399)	-88%	2 718
Long service awards		355	1 407	-	69	187	821	(634)	-77%	1 407
Post-retirement benefit obligations	2	(1 041)	4 047	-	-	-	2 361	(2 361)	-100%	4 047
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>122 720</b>	<b>140 748</b>	<b>-</b>	<b>12 235</b>	<b>78 587</b>	<b>82 103</b>	<b>(3 516)</b>	<b>-4%</b>	<b>140 748</b>
<b>% increase</b>	4		<b>14.7%</b>							<b>14.7%</b>
<b>Total Parent Municipality</b>		<b>148 273</b>	<b>168 930</b>	<b>-</b>	<b>14 036</b>	<b>91 541</b>	<b>98 543</b>	<b>(7 002)</b>	<b>-7%</b>	<b>168 930</b>

## 8. External Loan

NONE

## 9. Performance Indicators

KZN291 Mandeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M07 January							
Description of financial indicator	Basis of calculation	Ref	2023/24	Budget Year 2024/25			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	9.3%	0.0%	0.0%	4.4%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		9.6%	6.4%	0.0%	7.6%	6.4%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>							
Current Ratio	Current assets/current liabilities	1	406.2%	436.2%	0.0%	499.4%	436.2%
Liquidity Ratio	Monetary Assets/Current Liabilities		257.3%	143.1%	0.0%	319.7%	143.1%
<b>Revenue Management</b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		16.7%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b>Funding of Provisions</b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b>Other Indicators</b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		31.6%	34.1%	0.0%	27.0%	34.1%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		4.3%	5.3%	0.0%	3.6%	5.3%
Interest & Depreciation	I&D/Total Revenue - capital revenue		8.0%	9.2%	0.0%	0.0%	4.4%
<b>IDP regulation financial viability indicators</b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

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### **QUALITY CERTIFICATE**

**Regulation 27 prescribes that the Municipal Manager must sign a quality certificate in the format prescribed below;**

I, Sizwe G. Khuzwayo the Municipal Manager of Mandeni Municipality KZN291, hereby certify that:

- **Monthly Budget Statements**

for the month of **January 2025** has been prepared in accordance with the Municipal Finance Management Act and regulations under that Act.

Print Name **Mr. Sizwe.G. Khuzwayo**

Municipal manager of Mandeni Municipality (KZN 291)

Signature\_\_\_\_\_

Date **18 February 2025**