

MANDENI MUNICIPALITY (KZN 291)



FOURTH QUARTER REPORT SECTION 52(D) (mSCOA) 2024/25 FINANCIAL YEAR

JULY– JUNE 2025

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1.1 MAYORS' FOREWORD

Attached

1.2 COUNCIL RESOLUTION

Resolution No: C

Refer to the recommendations contained in this report.

1.3 EXECUTIVE SUMMARY**LEGAL REQUIREMENTS**

In terms of section 52(d) of the MFMA, the Mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state affairs of the municipality.

Quarterly reports are submitted in a prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month.

- Actual revenue, per revenue source;
- Actual expenditure, per vote;
- Actual capital expenditure, per vote;
- The amount of any allocations received and actual expenditure on grant allocations excluding expenditure on the equitable share.
- the actual expenditure on those allocations
- when necessary, an explanation of—
- any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
- any material variances from the service delivery and budget implementation plan; and
- Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

1.3.2 FINANCIAL PERFORMANCE

BUDGET SUMMARY

The following table represents an executive summary for fourth quarter of the financial year ended 30th June 2025.

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - Q4 Fourth Quarter

Description	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								%	
Financial Performance									
Total Revenue (excluding capital)	422 701	447 101	442 150	10 674	426 153	442 150	(15 998)	-4%	447 101
Employee costs	133 709	152 543	152 543	13 001	150 320	152 543	(2 223)	-1%	152 543
Remuneration of Coun	14 564	16 388	16 388	1 246	15 205	16 388	(1 182)	-7%	16 388
Total Expenditure	397 367	443 031	461 700	38 450	409 934	461 700	(51 766)	-11%	443 031
Surplus/(Deficit)	25 334	4 070	(19 550)	(27 776)	16 218	(19 550)	35 768	-183%	4 070
Transfers and subsidies - capital	55 093	39 760	47 421	12 187	46 183	47 421	(1 238)	-3%	39 760
Surplus/(Deficit) after capital transfers &	80 427	43 830	27 872	(15 589)	62 401	27 872	34 529	124%	43 830
Surplus/ (Deficit) for the year	80 427	43 830	27 872	(15 589)	62 401	27 872	34 529	124%	43 830
Capital expenditure & funds sources									
Capital expenditure	139 662	127 600	135 814	17 759	116 185	135 814	(19 629)	-14%	127 600
Capital transfers recog	51 789	34 702	41 319	6 639	38 308	41 319	(3 011)	-7%	34 702
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated fu	87 873	92 898	94 496	11 120	77 877	94 496	(16 618)	-18%	92 898
Total sources of capit	139 662	127 600	135 814	17 759	116 185	135 814	(19 629)	-14%	127 600
TOTAL BUDGET	537 029	570 631	597 514	56 210	526 120	597 514	(71 395)	(0)	570 631

As can be seen from the table above, Actual surplus for the period ended 30th June 2025 is Significantly more than the Budgeted Surplus by- 100%. Monthly budget statement summary (Table C1), for the period ending 30th June 2025 (year to date actual), shows a surplus of R62.4million against YTD budget of R14.7million which reflects variance of more than 100%.

Currently there are no financial challenges and major risks facing the municipality.

1.4 IN- YEAR BUDGET STATEMENT TABLES

Table 1

Table C1 below provides a summary of the overall performance of the municipality.

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - Q4 Fourth Quarter									
Description	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									
Financial Performance									
Property rates	58 321	62 237	62 237	(10)	64 001	62 237	1 764	3%	62 237
Service charges	73 544	86 448	86 448	7 474	77 752	86 448	(8 696)	-10%	86 448
Investment revenue	26 748	–	–	–	–	–	–		–
Transfers and subsidies - C	26 748	28 000	28 000	1 050	20 011	28 000	(7 989)	-29%	28 000
Other own revenue	237 340	270 416	265 466	2 160	264 390	265 466	(1 077)	-0%	–
Total Revenue (excluding capital transfers and	422 701	447 101	442 150	10 674	426 153	442 150	(15 998)	-4%	447 101
Employee costs	133 709	152 543	152 543	13 001	150 320	152 543	(2 223)	-1%	152 543
Remuneration of Councillors	14 564	16 388	16 388	1 246	15 205	16 388	(1 182)	-7%	16 388
Depreciation and amortisation	33 728	37 856	37 856	–	32 390	37 856	(5 466)	-14%	37 856
Interest	137	3 300	3 300	–	0	3 300	(3 300)	-100%	3 300
Inventory consumed and bought	56 309	62 398	63 500	4 662	58 693	63 500	(4 806)	-8%	62 398
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	158 921	170 546	188 114	19 541	153 326	188 114	(34 788)	-18%	170 546
Total Expenditure	397 367	443 031	461 700	38 450	409 934	461 700	(51 766)	-11%	443 031
Surplus/(Deficit)	25 334	4 070	(19 550)	(27 776)	16 218	(19 550)	35 768	-183%	4 070
Transfers and subsidies - capital (monetary)	55 093	39 760	47 421	12 187	46 183	47 421	(1 238)	-3%	39 760
Surplus/(Deficit) after capital transfers &	80 427	43 830	27 872	(15 589)	62 401	27 872	34 529	124%	43 830
Surplus/ (Deficit) for the year	80 427	43 830	27 872	(15 589)	62 401	27 872	34 529	124%	43 830
Capital expenditure & funds sources									
Capital expenditure	139 662	127 600	135 814	17 759	116 185	135 814	(19 629)	-14%	127 600
Capital transfers recognised	51 789	34 702	41 319	6 639	38 308	41 319	(3 011)	-7%	34 702
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	87 873	92 898	94 496	11 120	77 877	94 496	(16 618)	-18%	92 898
Total sources of capital funds	139 662	127 600	135 814	17 759	116 185	135 814	(19 629)	-14%	127 600
TOTAL BUDGET	537 029	570 631	597 514	56 210	526 120	597 514	(71 395)	(0)	570 631

Table 2

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

KZN291 Mandeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q4 Fourth Quarter										
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								%	
Revenue - Functional										
Governance and administration		323 455	340 236	340 968	1 052	334 101	340 968	(6 867)	-2%	340 236
Executive and council		—	8 038	8 038	—	—	8 038	(8 038)	-100%	8 038
Finance and administration		323 455	332 198	332 930	1 052	334 101	332 930	1 171	0%	332 198
Internal audit		—	—	—	—	—	—	—		—
Community and public safety		4 710	5 464	5 764	885	5 562	5 764	(202)	-4%	5 464
Community and social service		4 710	5 073	5 373	884	5 545	5 373	172	3%	5 073
Sport and recreation		—	—	—	—	—	—	—		—
Public safety		—	391	391	1	17	391	(375)	-96%	391
Housing		—	—	—	—	—	—	—		—
Health		—	—	—	—	—	—	—		—
Economic and environmental		63 161	45 527	53 388	11 848	51 320	53 388	(2 068)	-4%	45 527
Planning and development		42 536	41 542	47 120	11 109	47 078	47 120	(42)	0%	41 542
Road transport		20 625	3 985	6 268	739	4 242	6 268	(2 026)	-32%	3 985
Environmental protection		—	—	—	—	—	—	—		—
Trading services		86 468	95 634	89 452	9 017	81 293	89 452	(8 159)	-9%	95 634
Energy sources		72 748	80 675	74 024	7 719	66 249	74 024	(7 774)	-11%	80 675
Water management		—	—	—	—	—	—	—		—
Waste water management		—	—	—	—	—	—	—		—
Waste management		13 720	14 958	15 428	1 298	15 044	15 428	(384)	-2%	14 958
Other	4	—	—	—	—	—	—	—		—
Total Revenue - Functional	2	477 794	486 861	489 572	22 801	472 276	489 572	(17 296)	-4%	486 861
Expenditure - Functional										
Governance and administration		194 195	217 123	237 648	12 493	188 632	237 648	(49 016)	-21%	217 123
Executive and council		62 011	66 001	72 502	5 047	65 905	72 502	(6 597)	-9%	66 001
Finance and administration		132 185	151 121	165 146	7 446	122 726	165 146	(42 419)	-26%	151 121
Internal audit		—	—	—	—	—	—	—		—
Community and public safety		46 599	42 761	46 183	5 562	56 299	46 183	10 116	22%	42 761
Community and social service		33 291	30 811	30 453	3 368	40 713	30 453	10 260	34%	30 811
Sport and recreation		12 862	10 030	13 714	1 359	13 715	13 714	1	0%	10 030
Public safety		418	1 890	1 747	872	1 816	1 747	69	4%	1 890
Housing		29	30	269	(36)	55	269	(214)	-80%	30
Health		—	—	—	—	—	—	—		—
Economic and environmental		69 233	83 202	83 136	8 537	81 263	83 136	(1 873)	-2%	83 202
Planning and development		18 934	25 716	24 359	1 464	22 685	24 359	(1 674)	-7%	25 716
Road transport		46 605	53 423	54 653	6 594	54 002	54 653	(652)	-1%	53 423
Environmental protection		3 694	4 063	4 124	479	4 577	4 124	452	11%	4 063
Trading services		88 370	99 070	94 057	12 604	84 167	94 057	(9 889)	-11%	99 070
Energy sources		77 057	76 143	69 955	11 483	71 325	69 955	1 370	2%	76 143
Water management		—	—	—	—	—	—	—		—
Waste water management		2 543	2 802	2 802	—	2 650	2 802	(153)	-5%	2 802
Waste management		8 770	20 124	21 299	1 121	10 192	21 299	(11 107)	-52%	20 124
Other		—	876	676	20	292	676	(384)	-57%	876
Total Expenditure - Functional	3	398 397	443 031	461 700	39 216	410 653	461 700	(51 047)	-11%	443 031
Surplus/ (Deficit) for the year		79 397	43 830	27 872	(16 414)	61 623	27 872	33 752	121%	43 830

Table 3

Table C3 provides the statement of financial performance by standard classification.

KZN291 Mandeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q4 Fourth Quarter										
Vote 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									%	
Revenue by Vote	1									
Vote 1 - Executive and council		–	8 038	8 038	–	–	8 038	(8 038)	-100.0%	8 038
Vote 2 - Finance and administration		323 455	332 198	332 930	1 052	334 101	332 930	1 171	0.4%	332 198
Vote 3 - Internal audit		–	–	–	–	–	–	–		–
Vote 4 - Community and social serv		4 710	5 464	5 764	885	5 562	5 764	(202)	-3.5%	5 464
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–		–
Vote 6 - Public safety		–	–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–	–		–
Vote 8 - Planning and Development		42 536	41 542	47 120	11 109	47 078	47 120	(42)	-0.1%	41 542
Vote 9 - Road transport		20 625	3 985	6 268	739	4 242	6 268	(2 026)	-32.3%	3 985
Vote 10 - Energy sources		72 748	80 675	74 024	7 719	66 249	74 024	(7 774)	-10.5%	80 675
Vote 11 - Waste Management		13 720	14 958	15 428	1 298	15 044	15 428	(384)	-2.5%	14 958
Vote 12 - Environmental Protection		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	477 794	486 861	489 572	22 801	472 276	489 572	(17 296)	-3.5%	486 861
Expenditure by Vote	1									
Vote 1 - Executive and council		62 011	66 001	72 502	5 047	65 905	72 502	(6 597)	-9.1%	66 001
Vote 2 - Finance and administration		132 185	151 121	165 146	7 446	122 726	165 146	(42 419)	-25.7%	151 121
Vote 3 - Internal audit		–	–	–	–	–	–	–		–
Vote 4 - Community and social serv		33 291	30 811	30 453	3 368	40 713	30 453	10 260	33.7%	30 811
Vote 5 - Sport and Recreation		12 862	10 030	13 714	1 359	13 715	13 714	1	0.0%	10 030
Vote 6 - Public safety		418	1 890	1 747	872	1 816	1 747	69	4.0%	1 890
Vote 7 - Housing		29	30	269	(36)	55	269	(214)	-79.6%	30
Vote 8 - Planning and Development		18 934	26 592	25 035	1 483	22 976	25 035	(2 058)	-8.2%	26 592
Vote 9 - Road transport		49 148	56 225	57 456	6 594	56 651	57 456	(805)	-1.4%	56 225
Vote 10 - Energy sources		77 057	76 143	69 955	11 483	71 325	69 955	1 370	2.0%	76 143
Vote 11 - Waste Management		8 770	20 124	21 299	1 121	10 192	21 299	(11 107)	-52.1%	20 124
Vote 12 - Environmental Protection		3 694	4 063	4 124	479	4 577	4 124	452	11.0%	4 063
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	398 397	443 031	461 700	39 216	410 653	461 700	(51 047)	-11.1%	443 031
Surplus/ (Deficit) for the year	2	79 397	43 830	27 872	(16 414)	61 623	27 872	33 752	121.1%	43 830

Table 4 provides information on the planned revenue and operational expenditures against the actual results for the period ending 30th June 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) - Q4 Fourth Quarter

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									%	
Revenue										
Exchange Revenue										
Service charges - Electricity		61 164	72 341	72 341	6 400	64 753	72 341	(7 588)	-10%	72 341
Service charges - Water		—	—	—	—	—	—	—	—	—
Service charges - Waste Water M		—	—	—	—	—	—	—	—	—
Service charges - Waste manage		12 380	14 106	14 106	1 074	12 997	14 106	(1 109)	-8%	14 106
Sale of Goods and Rendering of S		11 818	9 474	2 755	1 359	2 172	2 755	(583)	-21%	9 474
Agency services		—	—	—	—	—	—	—	—	—
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		919	963	1 500	126	1 487	1 500	(13)	-1%	963
Interest from Current and Non Cu		26 748	28 000	28 000	1 050	20 011	28 000	(7 989)	-29%	28 000
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		294	374	724	50	594	724	(130)	-18%	374
Licence and permits		—	—	—	—	—	—	—	—	—
Operational Revenue		1 507	1 200	1 750	(478)	1 653	1 750	(97)	-6%	1 200
Non-Exchange Revenue		—	—	—	—	—	—	—	—	—
Property rates		58 321	62 237	62 237	(68)	63 942	62 237	1 706	3%	62 237
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		1 584	1 310	1 310	2	934	1 310	(377)	-29%	1 310
Licence and permits		985	957	957	69	969	957	13	1%	957
Transfers and subsidies - Operat		241 981	253 163	253 163	725	253 011	253 163	(151)	0%	253 163
Interest		3 460	2 976	3 308	307	3 570	3 308	262	—	2 976
Other Gains		1 541	—	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital)		422 701	447 101	442 150	10 615	426 093	442 150	(16 057)	-4%	447 101
Expenditure By Type										
Employee related costs		133 709	152 543	152 543	13 001	150 320	152 543	(2 223)	-1%	152 543
Remuneration of councillors		14 955	16 388	16 388	855	14 814	16 388	(1 574)	-10%	16 388
Bulk purchases - electricity		52 475	57 866	57 866	9 607	58 515	57 866	650	1%	57 866
Inventory consumed		3 835	4 533	5 634	882	6 005	5 634	371	7%	4 533
Debt impairment		6 048	30 261	30 261	—	—	30 261	(30 261)	-100%	30 261
Depreciation and amortisation		33 728	37 856	37 856	—	32 390	37 856	(5 466)	-14%	37 856
Interest		137	3 300	3 300	—	0	3 300	(3 300)	-100%	3 300
Contracted services		85 801	79 270	84 257	14 308	83 431	84 257	(826)	-1%	79 270
Transfers and subsidies		—	—	—	—	—	—	—	—	—
Irrecoverable debts written off		3 750	6 261	6 261	(54)	(54)	6 261	(6 315)	-101%	6 261
Operational costs		62 365	54 755	66 735	5 169	69 838	66 735	3 103	5%	54 755
Losses on Disposal of Assets		501	—	600	233	233	600	(367)	-61%	—
Other Losses		456	—	—	30	(25)	—	(25)	—	—
Total Expenditure		397 759	443 031	461 700	44 033	415 469	461 700	(46 231)	-10%	443 031
Surplus/(Deficit)		24 942	4 070	(19 550)	(33 418)	10 624	(19 550)	30 173	(0)	4 070
Transfers and subsidies		55 093	39 760	47 421	12 187	46 183	47 421	(1 238)	(0)	39 760
Transfers and subsidies		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers &		80 035	43 830	27 872	(21 231)	56 807	27 872			43 830
Income Tax		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after income tax		80 035	43 830	27 872	(21 231)	56 807	27 872			43 830
Share of Surplus/Deficit attributable to		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to		80 035	43 830	27 872	(21 231)	56 807	27 872			43 830
Share of Surplus/Deficit attributable to		—	—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary tr		—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year		80 035	43 830	27 872	(21 231)	56 807	27 872			43 830

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

Figure 1

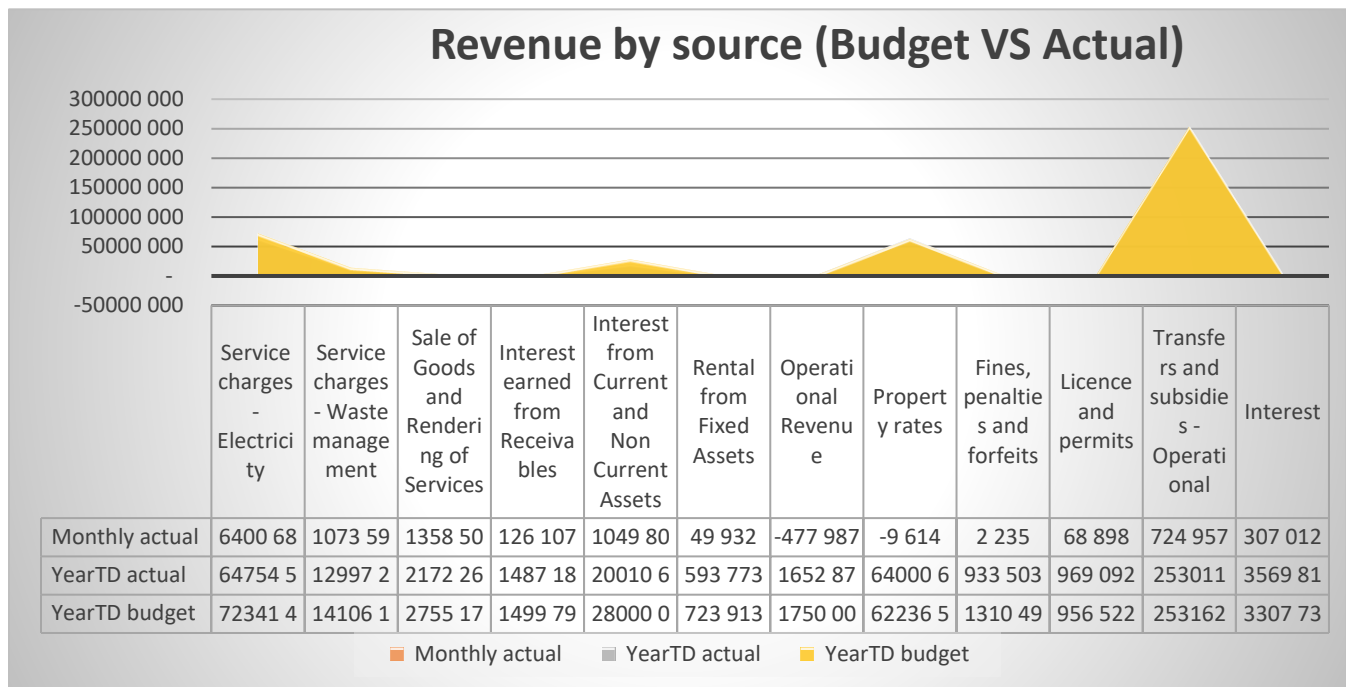
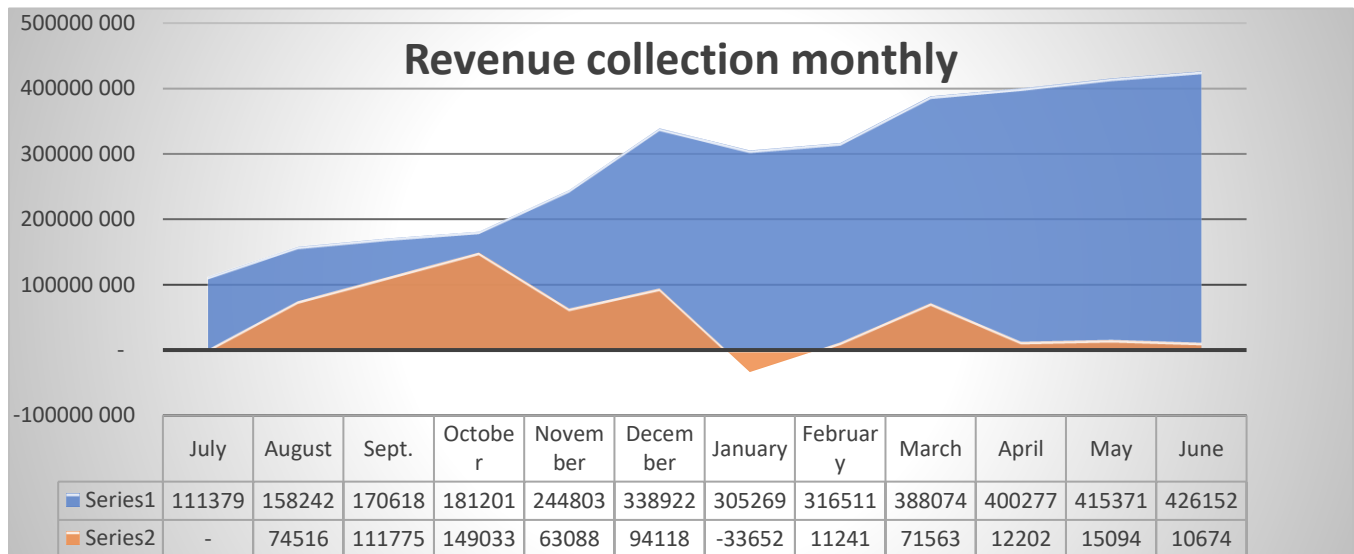


Figure 2



Revenue:

- The Year to Date (YTD) total revenue earned is R426.2million for the period ending 30th June 2025 excluding capital conditional grant income. The Budget is R442.2million; therefore, this reflects an under performance against the revenue projected by 4%, this under performance is immaterial.

EXCHANGE REVENUE**Service Charges: Electricity**

- Revenue for service charges- electricity is recognized on an invoice basis and the total amount billed is R64,76million over a budget of R72.3 million which is an under-performance by 10% or R 7.6million, The shortfall is primarily due to challenges related to stolen electricity meters.

The actual cash collected is R 4.2million for the month ended June 2025.

Service Charges: Refuse

- The actual revenue from Service Charges Refuse as at 30 June 2025 is R13million against the budgeted income of R14,1million which under performance by 8%.
- The actual cash collected is R490thousand for the month of June 2025.

Sale of Goods and rendering services

- Sale of Goods and services amounts to R2.2 million in comparison with the budget of R2.8 million, thus indicating an under performance by R583thousand or -21%, The variance is due to the return of the INEP grant.

Interest earned from receivables.

- Interest earned from receivables amounts to R1.5million in comparison with the budget of R1.5million, the variance of 1% is immaterial.

Interest from Current and Non-Current assets

- Interest earned on external investments amounts to R20.0 million in comparison with the budget of R28 million, thus indicating an under performance by R8million or 29percent, The variance arises from the majority of the investment maturing at the end of the financial year.

Rental from fixed assets

- Revenue from rental of facilities recognised amounts to R594 thousand in comparison with the budget amount of R724 thousand thus indicating an under performance of R130 thousand or 18% The decline, when compared to previous months, is attributed to several staff houses remaining vacant since February.

Operational Revenue

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

The performance in Operational Revenue amounts to R1.7million which is less than anticipated budget of R1,8million, thus indicating an under performance of R97thousand or 6%, The variance can be attributed to several projects currently being advertised by the Municipality, e.g. Tender documents.

NON-EXCHANGE REVENUE**Property Rates**

- The municipality accounts for Property Rates on an invoice basis in line with GRAP requirements. The Actual for rates shows over -collection Budget of R1.8million, which is an over collection by 3%. The variance in this vote is due to realisation of Properties which were not linked in the Municipal Billing.
- The actual cash collected being R2.3million for the month ended 30 June 2025.

Fines, Penalties and forfeits

- Fines for the month of June are underperformed by 29% or R377 thousand, over a budget of R984thousand. This is mainly due to the culture of non-payment and adverse economic conditions Revenue reported to date is on cash basis, as the municipality accounts for fines in terms of iGRAP 1 during year end.
- The traffic fines register is yet to be obtained from all law enforcement officers. The same will need to be receipted using the accrual basis of accounting in order to recognise the income accordingly.

Licences and permits.

- Licences and permits have under-performed by 1% or R13thousand with an actual amount of R969thousand this variance is immaterial.

Transfers & subsidies

- Transfers and subsidies recognised operational amounts to R253.0million verses the R253.2million, which is R151thousand difference, this variance is immaterial.
- Transfers and subsidies capital amounts to R46.2million in comparison with the budget of R47.4 million, thus indicating an under performance by R1.2 million or 2.6% variance is mainly attributable by expenditure in MIG. *(Detailed report on MIG expenditure has been provided below)*

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 R3.6million in comparison with the budget of R3.3 million, thus indicating an over performance by R262 thousand or 8percent. The variance arises from customers failing to adhere to their agreed-upon payment arrangements

Operating Expenditure from June 2025

The table below reflects trend of expenditure for the period ended 30th June 2025

Figure 3

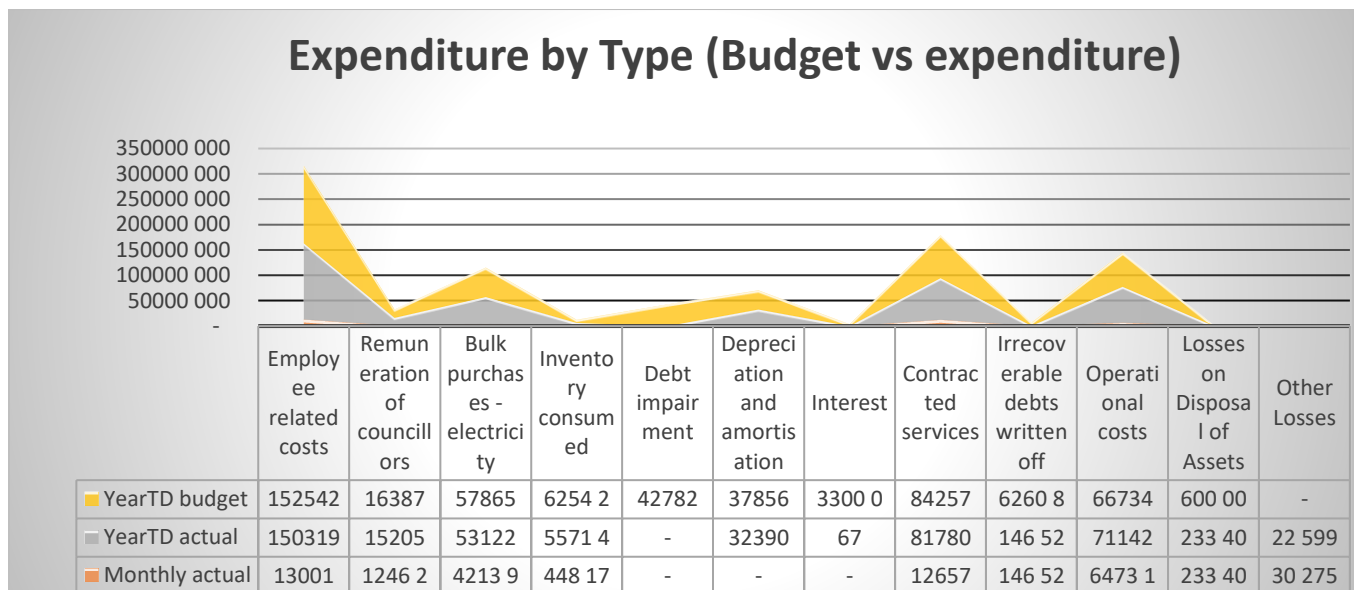
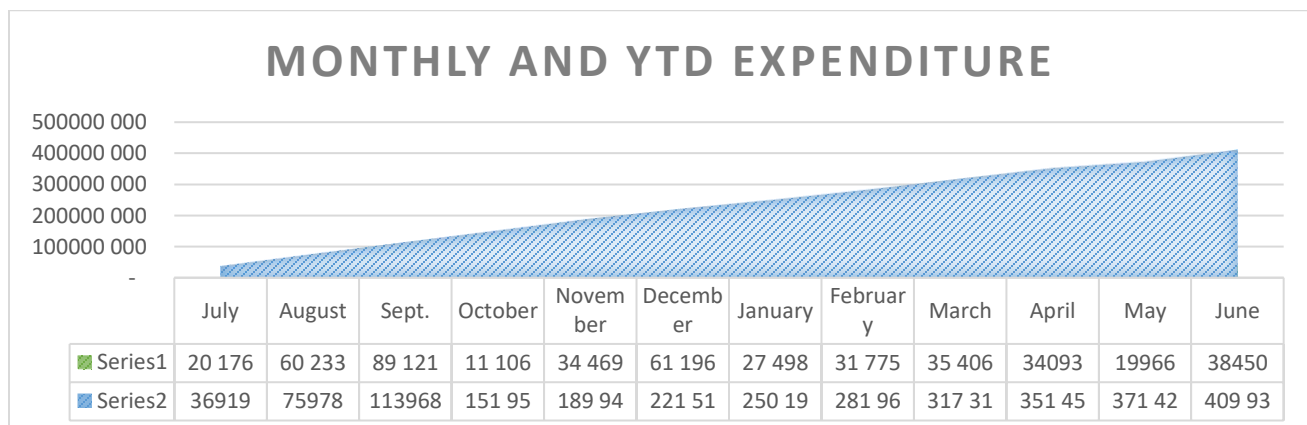


Figure 4



Operating Expenditure:

- The total operational expenditure YTD Actual for the period ending 30 June 2025 amounted to R 109.9million against the planned target of R 474.8million. As at the end of June the operational expenditure budget has been under spent by -14% or -R65million. *Detailed expenditure analysis is below:*

Employee Related Costs

- Employee related costs YTD expenditure for the period ending 30th June 2025, amounted to R150.3million while the YTD budget was R153.5million with an underspending of R2.2million or -1%. The variance is immaterial.
- Furthermore, to that it should be noted that employee bonuses are now being paid on their birth month.

Remuneration of Councilors

- Councilors' allowances pro-rata budget as at 30th June 2025 was under spent by R1.2million or 7%, Variance is due to Cllrs upper limits which have been approved by COGTA in relation to prior financial year. Back pay will be processed once upper limits have been approved.

Bulk Purchases

- The YTD on Bulk purchases amounts to R58.5million which is an over performance when compared to the yearly budget of R57.9million. The variance of R650 thousand (1%) below the projected budget is due to the installation of a new upgraded 3-phase meter, following the property's conversion into student accommodation.

Inventory Consumed

- Inventory Consumed are reflecting an underperformance by 11% or R683thousand, when compared to budget of R6.3million against the YTD Actual amount of R5.6million 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 is reflecting an under performance by 100%. The debt impairment Journal will be processed after the Council approval on the 29th June 2025
- When the provision for debt impairment is calculated, the following assumptions must be taken into consideration.
 - Each debtor's account per age analysis must be analyzed.

- The frequency of payment must be analysed 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 year-to-date expenditure on Depreciation and Asset Impairment reflects an underperformance of 14%, equivalent to R5.5million, against the total budget of R37.9 million. The variance is mainly due to some capital expenditure items still under construction.

Interest

- Finance charges reflect an underperformance by -100percent, the first invoice has not received and for allocation.
- 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 3percent or R2.5million, from a total budget of R84.3million against the YTD actual of R81.8million, This item included all the contracted and outsourced services by the municipality. the variance is immaterial.

Irrecoverable debts written off

- Irrecoverable debts written off has underperformed by 98% when compared to YTD actual amount of R147thousand against YTD budget total amount of R6.3million. This is due to result of Indigents and untraceable debtors which have been written off within the third quarter of this financial year. The municipality has been in the process of data cleansing, and we have discovered deceased accounts, liquidated companies etc.

Operational Cost

- Other expenditure is overspent in this month by 5% or R3.1million when compared to budgeted amount of R66.7million. However ,the variance is considered immaterial.

Loss on disposal of assets

- The Losses on Disposal vote reflects an under-expenditure of R367 thousand, or 61%, against the budgeted amount of R600 thousand, with actual expenditure recorded at R233 thousand. This loss relates to assets disposed of during the auction held on 12 July 2025.

2. Capital Expenditure

Table C5 Monthly Budget Statement – Capital Expenditure

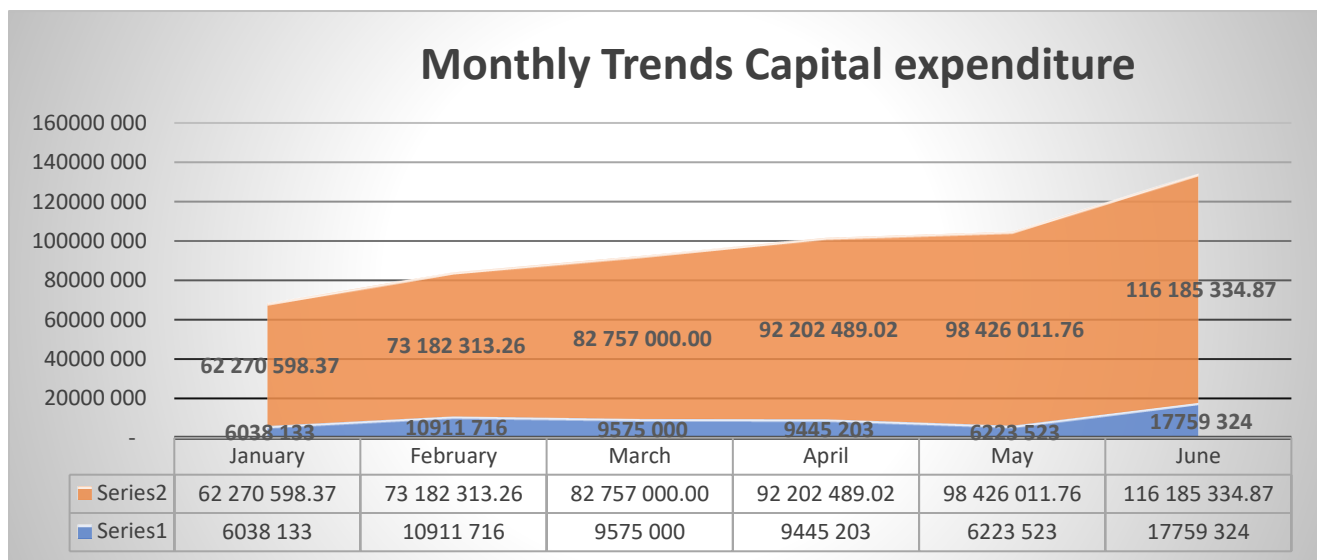
KZN291 Mandeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q4 Fourth Quarter										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Single Year expense	2									
Vote 1 - Executive and council		1 932	5 870	11 431	2 430	12 470	11 431	1 038	9%	5 870
Vote 2 - Finance and administration		14 562	8 557	13 616	576	10 635	13 616	(2 981)	-22%	8 557
Vote 3 - Internal audit		—	—	—	—	—	—	—	—	—
Vote 4 - Community and social services		772	4 457	4 107	1 140	3 202	4 107	(905)	-22%	4 457
Vote 5 - Sport and Recreation		5 512	10 127	13 426	1 456	6 998	13 426	(6 428)	-48%	10 127
Vote 6 - Public safety		—	939	852	849	893	852	41	5%	939
Vote 7 - Housing		—	—	—	—	—	—	—	—	—
Vote 8 - Planning and Development		19 023	12 191	11 215	2 822	7 273	11 215	(3 942)	-35%	12 191
Vote 9 - Road transport		89 974	79 535	76 856	8 223	72 030	76 856	(4 826)	-6%	79 535
Vote 10 - Energy sources		2 154	3 752	2 178	263	1 126	2 178	(1 052)	-48%	3 752
Vote 11 - Waste Management		5 734	2 174	2 134	—	1 560	2 134	(574)	-27%	2 174
Vote 12 - Environmental Protection		—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE]		—	—	—	—	—	—	—	—	—
Total Capital single	4	139 662	127 600	135 814	17 759	116 185	135 814	(19 629)	-14%	127 600
Total Capital Expenditure		139 662	127 600	135 814	17 759	116 185	135 814	(19 629)	-14%	127 600
Capital Expenditure - Functional Classification										
Governance and administration		16 494	14 426	25 047	3 006	23 104	25 047	(1 943)	-8%	14 426
Executive and council		1 932	5 870	11 431	2 430	12 470	11 431	1 038	9%	5 870
Finance and administration		14 562	8 557	13 616	576	10 635	13 616	(2 981)	-22%	8 557
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		6 284	15 522	18 385	3 445	11 093	18 385	(7 292)	-40%	15 522
Community and social services		772	4 457	4 107	1 140	3 202	4 107	(905)	-22%	4 457
Sport and recreation		5 512	10 127	13 426	1 456	6 998	13 426	(6 428)	-48%	10 127
Public safety		—	939	852	849	893	852	41	5%	939
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
Economic and environmental		108 996	91 726	88 071	11 046	79 302	88 071	(8 768)	-10%	91 726
Planning and development		19 023	12 191	11 215	2 822	7 273	11 215	(3 942)	-35%	12 191
Road transport		89 974	79 535	76 856	8 223	72 030	76 856	(4 826)	-6%	79 535
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		7 888	5 926	4 312	263	2 686	4 312	(1 626)	-38%	5 926
Energy sources		2 154	3 752	2 178	263	1 126	2 178	(1 052)	-48%	3 752
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		5 734	2 174	2 134	—	1 560	2 134	(574)	-27%	2 174
Other		—	—	—	—	—	—	—	—	—
Total Capital Expenditure	3	139 662	127 600	135 814	17 759	116 185	135 814	(19 629)	-14%	127 600
Funded by:										
National Government		51 072	33 963	40 614	6 473	37 718	40 614	(2 896)	-7%	33 963
Provincial Government		717	739	705	166	590	705	(115)	-16%	739
District Municipality		—	—	—	—	—	—	—	—	—
Transfers and		—	—	—	—	—	—	—	—	—
Transfers recognised - capital		51 789	34 702	41 319	6 639	38 308	41 319	(3 011)	-7%	34 702
Borrowing	6	—	—	—	—	—	—	—	—	—
Internally generated funds		87 873	92 898	94 496	11 120	77 877	94 496	(16 618)	-18%	92 898
Total Capital Funding		139 662	127 600	135 814	17 759	116 185	135 814	(19 629)	-14%	127 600

Capital Expenditure of June 2025:

The YTD capital expenditure budget is R116.2million against YTD actual Capital expenditure amounted to R135.8million resulting in an under performance of (14%) 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 at June 2025



- Capital grants funded by National Government actual of R37.7million versus YTD Budget of R40.6million, expenditure reported has underspent by (7%). However, the municipality will ensure that grant is fully spent by year end.
- Capital grants funded by Provincial Government YTD actual is R590thousand over YTD budget of R705thousand, which gives an under-performance by 16%.
- Capital grants funded Internally actual is R77.9million versus YTD Budget of R94.5 million variance of 18% 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 - Q4 Fourth Quarter

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								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		10 904	15 113	14 678	4 843	14 257	14 678	422	2.9%	15 113
Roads Infrastructure		6 397	8 548	8 548	3 408	8 119	8 548	429	5.0%	8 548
Roads		6 397	7 939	7 939	3 286	7 813	7 939	126	1.6%	7 939
Road Structures		—	435	435	123	269	435	166	38.2%	435
Road Furniture		—	174	174	—	37	174	136	78.5%	174
Capital Spares		—	—	—	—	—	—	—	—	—
Storm water Infrastructure		1 017	2 870	2 870	324	2 267	2 870	602	21.0%	2 870
Drainage Collection		1 017	2 870	2 870	324	2 267	2 870	602	21.0%	2 870
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		2 518	3 000	2 565	936	2 662	2 565	(97)	-3.8%	3 000
Power Plants		—	43	43	—	40	43	4	9.2%	43
HV Substations		—	—	—	—	—	—	—	—	—
HV Switching Station		—	—	—	—	—	—	—	—	—
HV Transmission Conductors		521	739	739	200	200	739	539	72.9%	739
MV Substations		77	43	43	—	25	43	18	42.1%	43
MV Switching Stations		—	—	—	—	—	—	—	—	—
MV Networks		47	130	130	—	131	130	(1)	-0.4%	130
LV Networks		784	739	739	73	949	739	(210)	-28.4%	739
Capital Spares		1 089	1 304	870	662	1 317	870	(448)	-51.5%	1 304
Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
Information and Communication Inf		972	696	696	175	1 208	696	(513)	-73.7%	696
Data Centres		—	—	—	—	—	—	—	—	—
Core Layers		972	696	696	175	1 208	696	(513)	-73.7%	696
Distribution Layers		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Community Assets		1 843	2 148	2 197	351	2 157	2 197	40	1.8%	2 148
Community Facilities		207	174	43	20	66	43	(23)	-52.6%	174
Halls		107	—	—	—	—	—	—	—	—
Centres		—	—	—	—	—	—	—	—	—
Crèches		—	—	—	—	—	—	—	—	—
Clinics/Care Centres		—	—	—	—	—	—	—	—	—
Fire/Ambulance Stations		—	—	—	—	—	—	—	—	—
Testing Stations		—	—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	46	—	(46)	#DIV/0!	—
Cemeteries/Crematoria		—	—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—	—
Parks		101	174	43	20	20	43	23	53.2%	174
Public Open Space		—	—	—	—	—	—	—	—	—
Nature Reserves		—	—	—	—	—	—	—	—	—
Public Ablution Facilities		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		—	—	—	—	—	—	—	—	—
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		1 635	1 974	2 154	332	2 091	2 154	63	2.9%	1 974
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		1 635	1 974	2 154	332	2 091	2 154	63	2.9%	1 974
Capital Spares		—	—	—	—	—	—	—	—	—
Other assets		30	—	—	—	—	—	—	—	—
Operational Buildings		30	—	—	—	—	—	—	—	—
Municipal Offices		30	—	—	—	—	—	—	—	—
Pay/Enquiry Points		—	—	—	—	—	—	—	—	—
Machinery and Equipment		5 289	6 348	7 432	96	8 046	7 432	(614)	-8.3%	6 348
Machinery and Equipment		5 289	6 348	7 432	96	8 046	7 432	(614)	-8.3%	6 348
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Total Repairs and Maint	1	18 065	23 609	24 307	5 289	24 460	24 307	(153)	-0.6%	23 609

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

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

2024/25 Financial Year MIG Allocation	R46 473 000
Less: Total Expenditure (incl. Retention)	R46 473 000
Balance	R0
Expenditure of as a %	100%

Projects under Construction Stage

- Construction of a Sportsfield in Hlomendlini
- 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 Soccer Field and Combo Court in Khenana Township, Ward 10
- Construction of Community Hall in Ward 8

Projects that are in the planning stage with MIG

- 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 registered with MIG

- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 14, Chappies Section: Tender stage

4.2. Projects under Municipal Internal Funding

Projects under Construction

- Repair and Renovation of Civic Centre Roof in Mandeni: completed
- New Protection Services Centre DLTC: Completed, under defects
- Extension of Mechanical Workshop and Construction of New Offices
- P415-459 Ward 3 Streetlights: completed
- Extension of Portion of Kingfisher Road in Ward 3, Mandeni
- Rehabilitation of Isibuko Road (Masilela) and Stormwater Modification in Mandeni Ward 14

Projects under planning

- Establishment of new office building at the Municipality's Main Office :Tender stage, BAC
- Extension of Mechanical / Technical Services Building Phase 2 and Fencing of Technical Services Depot: Tender stage, BAC
- Construction of a Community Hall in Ward 6: Completed
- Construction of a Community Hall in Ward 12: Completed
- Construction of community hall in Ward 16: Incomplete
- Construction of community hall in Ward 11: Completed
- Construction of community hall in Ward 9: Completed
- Construction of community hall in Ward 10: Incomplete
- Establishment of new emergency centre: Ongoing

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

2023/24 and 2024/25 Financial Year Allocation	R 8 884 000.00
Less: Total Expenditure (Incl. VAT)	R 8 884 000.00
Balance	R 0.00
Expenditure as a %	100%

Projects under Planning Stage

- Mandeni Sub-station – Bulk

4.4 Municipal Disaster Response Grant

2024/25 Financial Year MIG Allocation	R5 180 500
Less: Total Expenditure (incl. Retention)	R704 887.88
Balance	R 4 435 612.12
Expenditure of as a %	13.6%

Projects under Construction

- Re-gravelling of Road from Thengela to Nazareth church in Ward 8.
- Re-gravelling of Road Thulas to Ematsheketseni road in Ward 12

5. PROGRESS ON PROJECTS AND EXPENDITURE**5.1 Municipal Infrastructure Grant****a) Installation of High Mast Lights in Mandeni, Phase 2 (Ward 3, 5, 9, 11 and 12x2)**

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 067 105.27	R 1 022 364.28
Construction Cost (incl. Retention) (V.O : R 367 004.50)	R 5 413 316.30	R 5 283 165.92
TOTALS (Incl. Vat)	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. Quotations for the supply points from Eskom have been received and paid for by the municipality. Eskom to commence with the installation of supply points.

Challenges: The energization of the high masts is dependent on Eskom to provide the supply points available. The installation of the supply points is estimated to commence within three months from the date of submission of the proof of payment to Eskom.

b) Construction of a Hlomendlini Sportfield - Ward 4

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 333 210.46	R 1 333 210.46
Construction Cost (incl. Retention)	R 7 951 934.33	R 4 598 092.71
Internal Funding (Professional and construction Fees)	R1 547 441.12	R1 118 795.88
TOTALS (Incl Vat)	R 10 832 585.91	R 7 050 099.05

Project Details

Name of Consultant: Siyazenzela Consulting

Name of Contractor: Sihawusethu Trading (Pty) Ltd
Project Commencement Date: January 2025
Contractual Completion Date: 5 May 2025
Revised Completion date: 13 June 2025

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 of Construction Progress 35% (Overall Progress 80%): Site Handover, Site Establishment 100%, Setting Out 100%, Site Clearance 90%, Subsoil 90%, Bulk Earthworks (Combo Court, Ablution & Guardhouse) 85%, Layerworks to Sportsfield 65%, Layerworks to Combo Court 40%, Access Road & Parking 30%, Grandstand 15%. Extension of Time Claim submitted and approved by the Municipality ending on the 13th of June. Penalties imposed on the project for poor performance.

Challenges: Poor performance of the Contractor due to poor workmanship caused by lack of supervision on site was noted in the previous months, with some signs of minimal improvements in this regard. Poor quality of works and non-compliance towards their contractual obligations still remains an area where improvements are required.

This has resulted in issuing further notices of default as the Contractor has failed to comply contractually and perform adequately on-site as per their requirements of the Contract.

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
Professional Fees	R 2 352 795.17	R 2 256 723.50
Construction Cost (incl. Retention)	R 16 257 859.82	R 16 126 099.66
Internal Funding (Professional/construction Fees)	R 400 352.92	R 400 352.92
TOTALS (Incl Vat)	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
Final Termination of Contract:	February 2025

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 **12th of September 2024** with Final Completion still outstanding as a result of the Contractor's Poor Performance in completing the identified snag list. Subsequent to the Contractor's failure to complete the project and an Intention to Terminate the Contract a Final Termination to the Contractor has since been served dated **Friday, 21st February 2025**. Bid document for completion of outstanding works has been issued to SCM for procurement of new contractor.

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

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 532 598.83	R 1 531 961.32
Construction Cost (incl. Retention)	R 12 148 430.66	R 12 148 430.66
Internal Funds (Professional/construction Fees)	R 667 565.79	R 635 042.07
TOTALS (Incl. Vat)	R 14 348 595.28	R 14 315 434.05

Project Details

Name of Consultant:	DLV Project Managers and Engineers
Termination Previous Contractor	22 August 2024
Name of Contractor:	BIG O Trading 298 CC
Project Commencement Date:	October 2024
Contractual Completion Date:	13 March 2025
Revised Completion date:	30 June 2025

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 93%: Site establishment - 100%, Setting Out -

100%, Mass Earthworks - 100%, Roadbed Preparation - 100%, C4 stabilized layer - 99%, Stormwater - 84%, Subsoil drainage - 100%, Priming 100%, Asphalt Surfacing - 100%, Kerbs - 96%, Kerb & Channel - 100%, Finishing the road reserve 80%, Setting up the pipe route by surveyor - 100%. Contractor achieved a Practical Completion of **Friday, 27th June 2025** and is currently busy with executing works that have been regarded as snags of the project.

Challenges: Remedial works due to inadequate quality of works from Subcontractor's and Main Contractor. Unsatisfaction of community with some of the reinstatement works that have been carried out by the previous contractor's scope of works.

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 2 243 764.93
Construction Cost (incl. Retention)	R 10 679 964.34	R 10 679 964.34
Internal Funds(Professional/construction fees)	R 4 629 230.16	R 1 562 012.76
TOTALS (Incl. Vat)	R 17 553 032.15	R 14 485 742.03

Project Details

Name of Consultant: Kukhanya Projects (Pty) Ltd

Name of Contractor: Iqhawe Elihle Trading

Project Commencement Date: May 2024

Contractual Completion Date: 10 February 2025

Revised Completion date: 25 July 2025

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 71%: Contractual Submissions 100%, Site Establishment 100%, Accommodation of Traffic 70% Road Construction Works 67%, Stormwater 92%, Kerb & Channel Works 57%, Sidewalk Construction 34% 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 along with water pipe bursts infrastructure due to the damages this causes to the road layer works because of leakages. Contractor has been issued with a Notice of slow progress because of the rate of construction works, poor planning and inadequate resource allocation on their end. Discovery of existing water and sewer main pipeline which intersect / running parallel with the proposed stormwater has delayed works around the affected area on Bumbanani Road section. Inadequate resources and workmanship of appointed local Subcontractors has also contributed to the slow progress of works. The Transnet Gas Pipeline intersecting with the proposed stormwater along with an existing sewerline remains to be challenge because of not having cover as per requirements of the Wayleave Application from Transnet.

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

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees (MIG)	R 2 743 191.52	R 2 696 436.49
Construction Cost (MIG)	R 17 536 070.12	R 6 202 059.46
Internal Funds Professional/construct ion fees)	R 3 932 538.28	R 0.00
TOTALS (Incl. Vat)	R 24 211 799.92	R 8 898 495.95

Name of Consultant:

Urbanru (Pty) LTD

Name of Contractor: Silo Construction
Project Commencement Date: September 2024
Contractual Completion Date: 26 June 2025
Revised Completion date: 4 July 2025

Project Scope

- Establishment on site.
- Clearing & grubbing.
- Traffic accommodation facilities.
- Removal of layers and stockpiling for later use. (Earthworks)
- Demolish existing culverts.
- 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 45%: Contractor has established on site 100%. Contractor has planned alternate routes for traffic accommodation 100%. Clear and grub 100%. Removal of existing asphalt 100%. Earthworks 100%. Demolishing of existing concrete culverts at Ch 3+050 and Ch 3+500 100%. Culvert at 3+050 earthworks 100%. . Some road sections require removal of unsuitable material, that activity is ongoing. Construction of dump rock layer is being done as and when there is a need. Importing of fill material to formation 60%. Concrete culverts at Ch 3+050, setting out, dump rock construction, levelling and blinding construction are complete, contractor is busy with steel fixing. Concrete culvert at Ch 3+500 setting out, levelling is complete, and they have commenced with the installation of concrete pipe culverts.

Challenges: The contractor had experienced the issues with the key personnel; they have appointed the new construction manager. The contractor is behind the programme by 30 days and is experiencing rain and breakdown of plant delays. Unsuitable in-situ material discovered

and could not be used as subgrade material as planned. Delays experienced due to severe plant breakdowns supplied by local subcontractors.

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 1 072 692.41
Construction Cost (incl. Retention & Surety)	R 10 600 230.99	R 4 167 333.89
TOTALS (Incl. Vat)	R 12 041 989.18	R 5 240 026.3

Project Details

Name of Consultant: Impumelelo Consulting Engineers
Name of Contractor: Nikeresa Construction
Project Commencement Date: January 2025
Contractual Completion Date: March 2026
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 41%: Site Handover / Technical Meeting - 100%, Contractual Submissions 100%, Site Establishment - 100%, Clearing & Grubbing - 100%,

Setting Out - 60%, Bulk Earthworks - 50%, Civil Works - 12%, Fencing 70%.

Challenges: Contractor's performance with regards to planning of works and quality of works has been noted as inadequate.

h) Construction of a Community Hall in the Wangu Area, Ward 8.

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 344 770.77	R 954 872.93
Construction Cost (incl. Retention & Surety)	R 7 180 245.34	R 349 583.47
TOTALS (Incl. Vat)	R 8 525 016.11	R 1 304 456.40

Project Details

Name of Consultant: GIBB (Pty) LTD
Name of Contractor: Siyaroro Trading
Project Commencement Date: June 2025
Contractual Completion Date: March 2026
Revised Completion date: N/A

Project Scope

- Establishment on site
- Site clearance
- Concrete work
- Brickwork
- Plaster
- Painting
- Installation of ironmongery
- Ceiling installation
- Installation of sanitary fittings
- Installation of doors and windows
- Tiling
- Plumbing and drainage.
- Electrical installations

- HVAC installations
- Timber roof trusses and roof sheeting.
- Roadworks
- Asphalt surfacing for parking area
- Installation of kerbs
- Landscaping
- Fencing
- Specialist signage
- General cleaning

Current Status Overall Construction progress 0%:

Challenges: N/A

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
TOTALS (Incl. Vat)	R 12 823 008.15	R 12 823 008.18

Project Details

Name of Consultant:	LZM Africa Holdings
Name of Contractor:	Uhlanga Trading Enterprise
Project Commencement Date:	October 2022
Contractual Completion Date:	July 2023
Revised Practical Completion date:	30 June 2024
Actual Completion Date:	February 2025

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 be restored and re-painted.

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

Challenges: n/a

b) New Protection Services Centre DLTC

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 2 114 723.00	R 1 615 369.85
Construction Cost (including variation order)	R 15 525 192.27	R 14 600 179.49
TOTALS (Incl. Vat)	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%

Challenges: N/a

c) Extension of Mechanical Workshop and Construction of New Offices

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 910 105.97	R 1 774 651.88
Construction Cost (Incl Ret.)	R 16 996 962.19	R 15 103 608.53
TOTALS (Incl. Vat)	R 18 907 069.16	R 16 878 260.41

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: 24 February 2025
Contractor's Termination Date: 17 April 2025

Project Scope

- Site establishment
- Site clearance, demolition of existing pavement
- Demolition of an existing building
- Earthworks
- Construction of the new 146m² Mechanical workshop
- Demolition & Modification of the existing workshop storage
- Modification, Repairing and plumbing of the Existing Toilets & Change room
- Construction of the new 100.70m² Office Block
- Construction of the new canteen
- Extension of the existing storage rooms by 114m²
- 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 92%: Site Establishment 100%, Site Clearance 95%, Demolition of existing pavement 95%, Demolition of an existing building 100% and Construction of the new Office Block 96%, Earthworks 50%, Construction of the new 146m² Mechanical workshop 75%, Construction of the new canteen 95%, Extension of the existing storage rooms 65%, Fiberglass Roof Sheet IBR 3.6m Clear - Covered Walkway 45%, Construction of new pavement around the site 30%, 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 submitted a revised Extension of Time No.4 application which has been approved for a Revised Practical Completion date being noted for 24th of February 2025, penalties to be imposed should the Contractor not achieve the Revised Completion Date. The Contractor has shown some sense of improvements with regards to the rate of construction works but the recovery of the project to meet the revised completion date has been failed to be achieved as a result of poor planning, inadequate resource allocations and production levels along with inclement weather conditions.

On the 17th of April 2025, the Contractor was issued with a Letter of Termination of the project as a result of Non-compliance towards their contract and failure to bring the project to a final completion.

d) P415 - 459 Ward 3 Streetlights

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 293 059.33	R 277 406.82
Construction Cost Incl. (Retention)	R 3 056 951.76	R 2 478 588.5
TOTALS (Incl. Vat)	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 100%: All 52 lights have been energized.
 The project has been completed and closed off.

Challenges: N/A.

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

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 310 913.91	R 299 433.95
Construction Cost Incl. (Retention)	R 1 962 640.62	R 1 879 452.60
TOTALS (Incl. Vat)	R 2 273 54.53	R 2 178 886.55

Project Details

Name of Consultant:	Brimstohn Consulting JV
Name of Contractor:	Khumbusi Projects
Project Commencement Date:	January 2025
Contractual Completion Date:	30 April 2025
Revised Completion date:	24 June 2025

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 100%: Site Establishment 100%. Setting out 100%. Clearing and grubbing 100%. Earthworks 100%. Stormwater Pipes 100% and manholes 100%. Road formation 100%. G7 layer 100%. G5 layer 100%. G2 layer 100%, Asphalt 100%, Kerbing and channel 100%, Finishing off road reserve 100%

The contractor has been issued with the instruction to do the additional work, which is to clear, level and import G7 gravel material for the DLTC public parking. EOT was up to 24 June 2025.

Challenges: The project experienced lots of rain and subsequent rain days which caused delays in the progress.

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

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 585 113.19	R 582 493.53
Construction Cost Incl. (Retention)	R 3 798 772.18	R 3 777 077.20
TOTALS (Incl. Vat)	R 4 383 885.37	R 4 359 570.73

Project Details

Name of Consultant: Ngeja Consulting Engineers
Name of Contractor: Humble Frank Multi Service
Project Commencement Date: January 2025
Contractual Completion Date: 5 April 2025
Revised Completion date: 18 June 2025

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 100%: Site Establishment 100%. Traffic accommodation (ongoing). Clearing and grubbing 100%. Milling and ripping of asphalt pavement layerworks 100%. Removal and reinstatement of electrical poles 100%. Boxing of road 100%. Installation of stormwater pipe culverts 100%. Roadbed preparation 100%, G5 layer 100%. G2 layer 100%, Kerbing and channelling 100%, sidewalk base stabilization 100%.

The contractor has submitted extension of time claim for rain delays and additional works identified up to 18 June 2025.

Additional scope:

- Backfilling behind kerbs and slope – 100%
- Gabions and mattress installation – 100%
- Guardrails installation – 100%

Challenges: Adverse weather conditions and subsequent rain days which caused delays in the progress. The contractor has submitted extension of time claim for rain delays and additional works identified up to 18 June 2025.

g) Establishment Of New Cemeteries, Phase 1 In Hlomendlini

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	n/a	n/a
Construction Cost Incl. (Retention)	R2 199 829.68	R0
TOTALS (Incl. Vat)	R2 199 829.68	R 0

Project Details

Name of Consultant: N/A
Name of Contractor: Mdlangeni Trading cc
Project Commencement Date: 15 April 2025

Contractual Completion Date: 30 June 2025

Revised Completion date: n/a

Project Scope:

- Site Establishment
- Supply and installation of a 1 500 m concrete palisade fencing including gates to the Hlomendlini Cemetery as specified in the Bill of quantities.
- Construction of a guardhouse.

Current Status Overall Construction progress 0%: Contractor has been granted access to site.

Challenge: Project has been brought to halt by community. contractor is off site until matter is resolved through public engagement with ward councillor.

Projects under Planning Stage

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

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 10 000 000(R5 000 000-adjustment budget)	R 13 409 689.08
Construction Cost Incl. (Retention)	TBC	TBC
TOTALS (Incl. Vat)	R 10 000 000	R 13 409 689.08

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: Project advertised on the 29th of April 2025 with Tenders being closed on **Monday, 2nd June 2025**. Tender stage to appoint suitable service provider.

Challenges: N/A

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

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 375 853.79	R 378 334.76
Construction Cost Incl. (Retention)	TBC	TBC
TOTALS (Incl. Vat)	R 1 375 853.79	R 378 334.76

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. Tender stage. Awaiting award for suitable service provider.

Challenges: Due to budget limitations, other items have been removed from this phase of the project and are to be implemented in the outer years.

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
TOTAL (excl. vat)	R 3 941 297.11	R 3 941 297.11

Project Details

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

Current Status: Project is complete. All outages done. Project to be handed over to Eskom.

Challenges: None.

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
TOTAL (Excl. Vat)	R1 363 717.39	R 814 698.63

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%.

Challenges: Project detailed design has been approved by Eskom, the commissioning will commence on the 14th of July 2025. This date was decided at a preplanning meeting held on the 1st of July 2025.

c) Mandeni Substation Project

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 11,826,735.62	R 8 884 000.00
Construction Cost	R0	R0
TOTAL	R 8 884 000.00	R 8 884 000.00

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 is currently at the design stage. Draft design has been submitted for consideration however the final design to be concluded with the approval of Eskom design team.

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 made the payment for the cost estimate fee. This subsequently allows Eskom to commence with their feasibility study and provide necessary network capacity information. Currently awaiting Eskom to present the final design of the feeder line to the substation.

5.4 Municipal Disaster Response Grant

(a) Re-gravelling Road from Thengela to Nazareth Church in Ward 8

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 398 803.57	R 94 090.91
Construction Cost (Including retention)	R 1 981 696.43	R 223 709.50
TOTAL	R 2 380 500.00	R 317 800.41

Project Details

Name of Consultant: Libeko (Pty) Ltd
Name of Contractor: Musa and Sons Trading Enterprise (Pty) Ltd
Project Commencement Date: June 2025
Anticipated Completion Date: October 2025
Revised Completion Date: Nil

Project Scope:

- Site establishment
- Clearing and grabbing.
- Mass Earthworks (Cut to borrow to fill, cut to spoil)
- Layer works consisting of (G9, G7 & G5 Gravel materials)
- Concrete V-Drains and Subsoils
- Prefabricated Culverts
- Road signs
- Landscaping works, topsoiling and grassing

Current Status Overall Construction progress 2%: Site Establishment 100%, Setting out - 100 %, Clearing and grabbing - 0%, Installation of sub soil - 0%, Overhaul - 0%, concrete pipe installation and construction of Structure (Stormwater), Bulk earthworks (cut to fill & cut to spoil) - 0%, Preparation of the roadbed – 0%, Gravel subbase layer (G7) - 0%, Gravel wearing

course (G5), - 0%, Installation of gabions and mattresses - 0%, Installation of signages - 0%,
Clearing of road reserve

Challenges: N/A

(b) Re-gravelling of Thulas to Ematsheketshehi road in Ward 12

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 349 144.02	R 262 887.47
Construction Cost	R 2 493 885.89	R 124 200.00
TOTAL	R 2 800 000.0	R 387 087.47

Project Details

Name of Consultant: FDKL Engineering Consultants

Name of Contractor: Amathokozamahle (Pty) LTD

Project Commencement Date: June 2025

Completion Date: October 2025

Revised Completion Date: Nil

- Site Establishment
- Temporary works including services relocation / protection, and traffic accommodation
- Clear and grubbing for roadworks
- Mass Earthworks (Cut to borrow to fill, cut to spoil)
- Layer works consisting of (G9, G7 & G5 Gravel materials)
- Concrete V-Drains and Subsoils
- Prefabricated Culverts
- Concrete Surfacing (25 MPa) of Steep areas
- Landscaping works, topsoiling and grassing
- **Current Status Overall Construction progress: Construction 6%:** Site Establishment 70%, Clear and grubbing for roadworks 0%, Mass Earthworks (Cut to borrow to fill 0%, cut to spoil 0%) Layer works consisting of (G9 - 0%, G7- 0% & G5 - 0% Gravel materials), Concrete V-Drains 0% and Subsoils 0%, Prefabricated Culverts 0%, Concrete Surfacing (25 MPa) of Steep areas 0%, Landscaping works, topsoiling and grassing 0%.

Tel 032 456 8200
Fax 032 456 2504 / 086 568 9741
Email ceo@mandeni.gov.za
2 Kingfisher Road, Mandeni, KwaZulu Natal, 4490, South Africa
PO Box 144, Mandeni, 4490

www.mandeni.gov.za

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: -

▪ **FOURTH QUARTER REPORT S52(d)**

has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act,

Print Name **Mr S.G. Khuzwayo**

Municipal Manager of Mandeni Municipality (KZN291)

Signature: _____

Date: **30 JUNE 2025**