

MANDENI MUNICIPALITY

KZN291



BUDGET & TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED JULY 2025/26 FINANCIAL YEAR

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2025/26 BUDGET FOR THE PERIOD ENDING 31 JULY 2025.

1. PURPOSE

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2025/26 Budget of the Mandeni Municipality for the period ending 31 JULY 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 ending 31 JULY 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 - M01 July								
Description	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
Financial Performance								
Total Revenue (excluding capital)	428 363	454 622	112 381	112 381	37 885	74 496	197%	454 622
Total Expenditure	437 877	487 944	28 162	28 162	41 835	(13 672)	-33%	487 944
Surplus/(Deficit)	(9 514)	(33 322)	84 218	84 218	(3 950)	88 168	-2232%	(33 322)
Transfers and subsidies -	46 183	46 017	1 085	1 085	3 835	(2 750)	-72%	46 017
Surplus/(Deficit) after capital transfers & year	36 669	12 694	85 303	85 303	(115)	85 418	-74334%	12 694
	36 669	12 694	85 303	85 303	(115)	85 418	-74334%	12 694
Capital expenditure & funds sources								
Capital expenditure	(411 192)	130 596	1 180	1 180	10 883	(9 703)	-89%	130 596
Capital transfers recognise	(191 364)	40 058	943	943	3 338	(2 395)	-72%	40 058
Borrowing	(3 881)	–	–	–	–	–	–	–
Internally generated funds	(215 947)	90 538	237	237	7 545	(7 308)	-97%	90 538
Total sources of capital fu	(411 192)	130 596	1 180	1 180	10 883	(9 703)	-89%	130 596
TOTAL BUDGET		618 540	29 343	29 343	52 718	(23 375)	(0)	618 540

As can be seen from the table above, Actual surplus for the period ended 31st July 2025 is Significantly more than the Budgeted Surplus. Monthly budget statement summary (Table C1), for the period ending 31st July 2025 (year to date actual), shows a surplus of R85.3million against YTD budget of R115thousand which reflects variance of more than 100%.

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

Table 1

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

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M01 July								
Description	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
Financial Performance								
Property rates	63 942	64 913	25	25	5 409	(5 385)	-100%	64 913
Service charges	77 826	97 399	7 532	7 532	8 117	(585)	-7%	97 399
Investment revenue	19 863	25 000	1 496	1 496	2 083	(587)	-28%	25 000
Transfers and subsidies	253 010	254 956	102 570	102 570	21 246	81 323	383%	254 956
Other own revenue	13 721	12 353	758	758	1 029	(271)	-26%	12 353
(excluding capital transfers and	428 363	454 622	112 381	112 381	37 885	74 496	197%	454 622
Employee costs	158 635	167 901	13 489	13 489	13 992	(503)		167 901
Remuneration of Council	14 814	17 043	1 246	1 246	1 420	(174)		17 043
Depreciation and amortis	36 349	36 240	—	—	3 020	(3 020)		36 240
Interest	0	3 050	—	—	254	(254)		3 050
Inventory consumed and	64 559	72 025	6 393	6 393	6 069	325		72 025
Transfers and subsidies	—	—	—	—	—	—		—
Other expenditure	163 520	191 685	7 034	7 034	17 080	(10 046)	-59%	191 685
Total Expenditure	437 877	487 944	28 162	28 162	41 835	(13 672)	-33%	487 944
Surplus/(Deficit)	(9 514)	(33 322)	84 218	84 218	(3 950)	88 168	-2232%	(33 322)
Transfers and subsidies - capital (monetary	46 183	46 017	1 085	1 085	3 835	(2 750)	-72%	46 017
capital transfers & contributions	36 669	12 694	85 303	85 303	(115)	85 418	-74334%	12 694
Surplus/ (Deficit) for the year	36 669	12 694	85 303	85 303	(115)	85 418	-74334%	12 694
Capital expenditure & funds sources								
Capital expenditure	(411 192)	130 596	1 180	1 180	10 883	(9 703)	-89%	130 596
Capital transfers recognis	(191 364)	40 058	943	943	3 338	(2 395)	-72%	40 058
Borrowing	(3 881)	—	—	—	—	—		—
Internally generated funds	(215 947)	90 538	237	237	7 545	(7 308)	-97%	90 538
Total sources of capital f	(411 192)	130 596	1 180	1 180	10 883	(9 703)	-89%	130 596
Financial position								
Total current assets	280 641	178 561		350 918				178 561
Total non current assets	800 282	805 344		801 463				805 344
Total current liabilities	81 199	88 340		67 353				88 340
Total non current liabilities	22 198	25 770		22 198				25 770
Community wealth/Equity	977 527	869 795		1 062 830				869 795
Cash flows								
Net cash from (used) ope	(210 282)	62 299	76 372	72 583	8 032	(64 551)	-804%	62 299
Net cash from (used) inve	124 669	(144 685)	(1 180)	(1 180)	(12 057)	(10 877)	90%	(144 685)
Net cash from (used) fina	—	—	—	—	—	—		—
Cash/cash equivalents a	144 605	9 822	75 192	212 843	88 183	(124 660)	-141%	—
Debtors & creditors analysis	0-30 Days	31-60 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis								
Total By Income Source	7 869	1 931	2 925	2 850	2 796	40 611	198 561	260 939
Creditors Age Analysis								
Total Creditors	17	—	—	—	—	—	—	17

1.1.1 Table 2

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

KZN291 Mandeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1							%	
Revenue - Functional									
Governance and administration		336 773	342 170	103 671	103 671	28 514	75 157	264%	342 170
Executive and council		—	8 365	101 749	101 749	697	101 052	14496%	8 365
Finance and administration		336 773	333 805	1 922	1 922	27 817	(25 895)	-93%	333 805
Internal audit		—	—	—	—	—	—		—
Community and public safety		5 480	6 128	370	370	511	(141)	-28%	6 128
Community and social services		5 241	5 719	368	368	477	(108)	-23%	5 719
Sport and recreation		222	—	—	—	—	—		—
Public safety		17	408	2	2	34	(32)	-95%	408
Housing		—	—	—	—	—	—		—
Health		—	—	—	—	—	—		—
Economic and environmental		51 371	52 717	1 592	1 592	4 393	(2 801)	-64%	52 717
Planning and development		47 129	48 740	627	627	4 062	(3 435)	-85%	48 740
Road transport		4 242	3 977	965	965	331	634	191%	3 977
Environmental protection		—	—	—	—	—	—		—
Trading services		80 922	99 623	7 833	7 833	8 302	(469)	-6%	99 623
Energy sources		66 440	83 081	6 439	6 439	6 923	(485)	-7%	83 081
Water management		—	—	—	—	—	—		—
Waste water management		—	—	—	—	—	—		—
Waste management		14 482	16 543	1 394	1 394	1 379	15	1%	16 543
Other	4	—	—	—	—	—	—		—
Total Revenue - Functional	2	474 545	500 638	113 466	113 466	41 720	71 746	172%	500 638
Expenditure - Functional									
Governance and administration		211 580	240 817	12 667	12 667	20 068	(7 401)	-37%	240 817
Executive and council		66 122	79 879	3 332	3 332	6 657	(3 325)	-50%	79 879
Finance and administration		145 457	160 937	9 335	9 335	13 411	(4 076)	-30%	160 937
Internal audit		—	—	—	—	—	—		—
Community and public safety		55 836	51 805	3 846	3 846	4 384	(538)	-12%	51 805
Community and social services		40 847	36 398	3 168	3 168	3 100	68	2%	36 398
Sport and recreation		13 472	13 045	678	678	1 087	(409)	-38%	13 045
Public safety		1 462	2 148	—	—	179	(179)	-100%	2 148
Housing		55	214	—	—	18	(18)	-100%	214
Health		—	—	—	—	—	—		—
Economic and environmental		82 112	92 410	4 232	4 232	7 701	(3 468)	-45%	92 410
Planning and development		23 312	26 477	1 390	1 390	2 206	(816)	-37%	26 477
Road transport		54 223	60 311	2 432	2 432	5 026	(2 594)	-52%	60 311
Environmental protection		4 577	5 622	410	410	468	(58)	-12%	5 622
Trading services		88 057	102 391	7 418	7 418	9 639	(2 221)	-23%	102 391
Energy sources		72 548	75 903	6 993	6 993	6 709	284	4%	75 903
Water management		—	—	—	—	—	—		—
Waste water management		2 798	3 048	—	—	254	(254)	-100%	3 048
Waste management		12 711	23 440	424	424	2 675	(2 251)	-84%	23 440
Other		292	522	—	—	43	(43)	-100%	522
Total Expenditure - Functional	3	437 877	487 944	28 162	28 162	41 835	(13 672)	-33%	487 944
Surplus/ (Deficit) for the year		36 669	12 694	85 303	85 303	(115)	85 418	-74334%	12 694

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) - M01 July									
Vote Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original 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		–	8 365	101 749	101 749	697	101 052	14496.4%	8 365
Vote 2 - Finance and administrative		336 773	333 805	1 922	1 922	27 817	(25 895)	-93.1%	333 805
Vote 3 - Internal audit		–	–	–	–	–	–		–
Vote 4 - Community and social se		5 257	6 128	370	370	511	(141)	-27.5%	6 128
Vote 5 - Sport and Recreation		222	–	–	–	–	–		–
Vote 6 - Public safety		–	–	–	–	–	–		–
Vote 7 - Housing		–	–	–	–	–	–		–
Vote 8 - Planning and Developme		47 129	48 740	627	627	4 062	(3 435)	-84.6%	48 740
Vote 9 - Road transport		4 242	3 977	965	965	331	634	191.3%	3 977
Vote 10 - Energy sources		66 440	83 081	6 439	6 439	6 923	(485)	-7.0%	83 081
Vote 11 - Waste Management		14 482	16 543	1 394	1 394	1 379	15	1.1%	16 543
Vote 12 - Environmental Protectio		–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–		–
Total Revenue by Vote	2	474 545	500 638	113 466	113 466	41 720	71 746	172.0%	500 638
Expenditure by Vote	1								
Vote 1 - Executive and council		66 122	79 879	3 332	3 332	6 657	(3 325)	-50.0%	79 879
Vote 2 - Finance and administrative		145 457	160 624	9 335	9 335	13 385	(4 050)	-30.3%	160 624
Vote 3 - Internal audit		–	313	–	–	26	(26)	-100.0%	313
Vote 4 - Community and social se		40 847	36 398	3 168	3 168	3 100	68	2.2%	36 398
Vote 5 - Sport and Recreation		13 472	13 045	678	678	1 087	(409)	-37.6%	13 045
Vote 6 - Public safety		1 462	2 148	–	–	179	(179)	-100.0%	2 148
Vote 7 - Housing		55	214	–	–	18	(18)	-100.0%	214
Vote 8 - Planning and Developme		23 604	26 998	1 390	1 390	2 250	(860)	-38.2%	26 998
Vote 9 - Road transport		57 021	63 359	2 432	2 432	5 280	(2 848)	-53.9%	63 359
Vote 10 - Energy sources		72 548	75 903	6 993	6 993	6 709	284	4.2%	75 903
Vote 11 - Waste Management		12 711	23 440	424	424	2 675	(2 251)	-84.1%	23 440
Vote 12 - Environmental Protectio		4 577	5 622	410	410	468	(58)	-12.4%	5 622
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–		–
Total Expenditure by Vote	2	437 877	487 944	28 162	28 162	41 835	(13 672)	-32.7%	487 944
Surplus/ (Deficit) for the ye	2	36 669	12 694	85 303	85 303	(115)	85 418	-74334.3%	12 694

Table 4 provides information on the planned revenue and operational expenditures against the actual results for the period ending 31ST JULY 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) - M01 July									
Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue									
Exchange Revenue									
Service charges - Electricity		64 753	82 686	6 360	6 360	6 891	(530)	-8%	82 686
Service charges - Water		—	—	—	—	—	—	—	—
Service charges - Waste Water Ma		—	—	—	—	—	—	—	—
Service charges - Waste management		13 073	14 713	1 172	1 172	1 226	(55)	-4%	14 713
Sale of Goods and Rendering of S		2 604	1 513	114	114	126	(12)	-9%	1 513
Agency services		—	—	—	—	—	—	—	—
Interest		—	—	—	—	—	—	—	—
Interest earned from Receivables		1 487	2 016	125	125	168	(43)	-26%	2 016
Interest from Current and Non Cur		19 863	25 000	1 496	1 496	2 083	(587)	-28%	25 000
Dividends		—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—
Rental from Fixed Assets		563	755	48	48	63	(15)	-24%	755
Licence and permits		—	—	—	—	—	—	—	—
Special rating levies		—	—	—	—	—	—	—	—
Operational Revenue		1 355	1 252	105	105	104	0	0%	1 252
Non-Exchange Revenue		—	—	—	—	—	—	—	—
Property rates		63 942	64 913	25	25	5 409	(5 385)	-100%	64 913
Surcharges and Taxes		—	—	—	—	—	—	—	—
Fines, penalties and forfeits		934	1 367	6	6	114	(108)	-95%	1 367
Licence and permits		969	998	57	57	83	(26)	-32%	998
Transfers and subsidies - Operatio		253 010	254 956	102 570	102 570	21 246	81 323	383%	254 956
Interest		3 570	4 453	304	304	371	(67)	-18%	4 453
Fuel Levy		—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	—	—	—	—	—	—	—
Other Gains		2 239	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and subsidies)		428 363	454 622	112 381	112 381	37 885	74 496	197%	454 622
Expenditure By Type									
Employee related costs		158 635	167 901	13 489	13 489	13 992	(503)	-4%	167 901
Remuneration of councillors		14 814	17 043	1 246	1 246	1 420	(174)	-12%	17 043
Bulk purchases - electricity		58 515	66 107	6 368	6 368	5 509	859	16%	66 107
Inventory consumed		6 044	5 918	26	26	560	(534)	-95%	5 918
Debt impairment		—	32 077	—	—	3 779	(3 779)	-100%	32 077
Depreciation and amortisation		36 349	36 240	—	—	3 020	(3 020)	-100%	36 240
Interest		0	3 050	—	—	254	(254)	-100%	3 050
Contracted services		82 295	89 650	2 834	2 834	7 471	(4 637)	-62%	89 650
Transfers and subsidies		—	—	—	—	—	—	—	—
Irrecoverable debts written off		10 328	6 637	—	—	553	(553)	-100%	6 637
Operational costs		71 196	62 722	4 200	4 200	5 227	(1 027)	-20%	62 722
Losses on Disposal of Assets		965	600	—	—	50	(50)	-100%	600
Other Losses		(1 264)	—	—	—	—	—	—	—
Total Expenditure		437 877	487 944	28 162	28 162	41 835	(13 672)	-33%	487 944
Surplus/(Deficit)		(9 514)	(33 322)	84 218	84 218	(3 950)	88 168	(0)	(33 322)
Transfers and subsidies - capital (monetary)		46 183	46 017	1 085	1 085	3 835	(2 750)	(0)	46 017
Transfers and subsidies - capital (in-kind)		—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & Income Tax		36 669	12 694	85 303	85 303	(115)			12 694
Surplus/(Deficit) after income tax		36 669	12 694	85 303	85 303	(115)			12 694
Share of Surplus/Deficit attributable to		—	—	—	—	—			—
Share of Surplus/Deficit attributable to		—	—	—	—	—			—
Surplus/(Deficit) attributable to		36 669	12 694	85 303	85 303	(115)			12 694
Share of Surplus/Deficit attributable to		—	—	—	—	—			—
Intercompany/Parent subsidiary tra		—	—	—	—	—			—
Surplus/ (Deficit) for the year		36 669	12 694	85 303	85 303	(115)			12 694

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

Figure 1

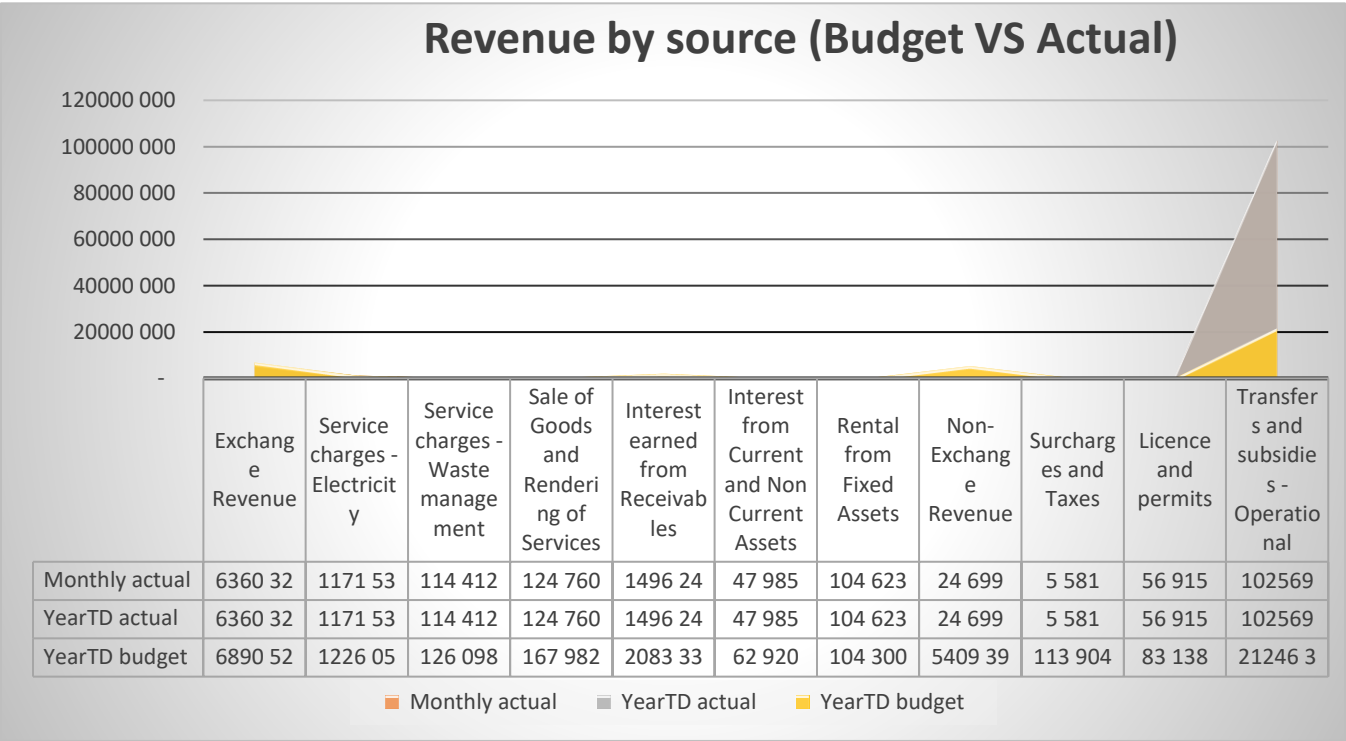
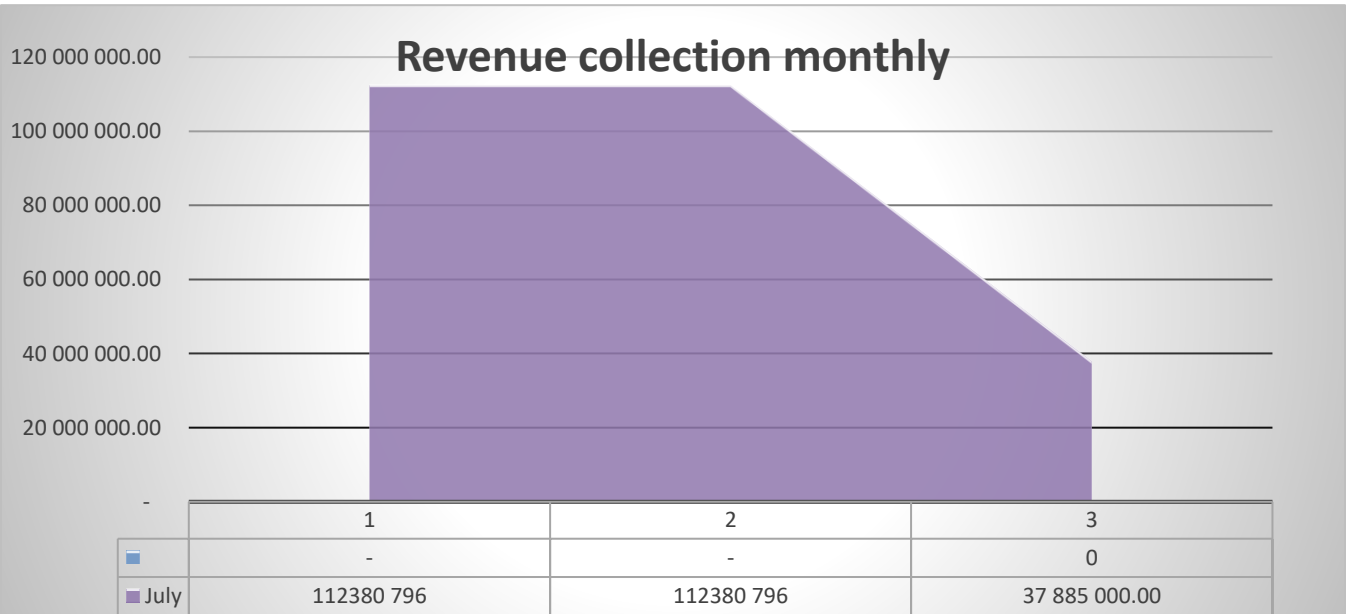


Figure 2



Revenue:

- The Year to Date (YTD) total revenue earned is R112.4million for the period ending 31st JULY 2025 excluding capital conditional grant income. The YTD Budget is R37.9million; therefore, this reflects an over performance OVER 100%, this is caused by the Equitable share received of R101.7million of R244.2million which is the first of the 3trenches where the budget is split across the 12months.

EXCHANGE REVENUE**Service Charges: Electricity**

- Revenue for service charges- electricity is recognized on an invoice basis and the total amount billed is R6.4million over a pro-rata budget of R6.9 million which is an under-performance by 8%. Economic downturn lead to a decrease in overall electricity demand as businesses and households reduce consumption.
- The actual cash collected is R5.0million for the month ended July 2025.

Service Charges: Refuse

- The actual revenue from Service Charges Refuse as at 31st July 2025 is R1.2million against the budgeted income of R1.2million which under performance by 4%. The variance is considered immaterial.
- The actual cash collected is R316thousand for the month of July 2025.

Sale of Goods and rendering services

- Sale of Goods and services amounts to R114 thousand in comparison with the year-to-date budget of R126thousand, thus indicating an under performance by R12thousand or -9%, The variance is due to the fact that most of the items under this vote are difficult to measure in terms of performance, as they include revenues from sources such as tender document sales, town planning fees, clearance certificates, library fines for overdue books, and building plan fees.

Interest earned from receivables.

- Interest earned from receivables amounts to R125thousand in comparison with the year-to-date budget of R168thousand. The variance of R43thousand is the cause of customers not owning up-to agreements.

Interest from Current and Non-Current assets

- Interest earned on external investments amounts to R1.5million in comparison with the year-to-date budget of R2.1million, thus indicating an under performance by R587thousand or 28 percent, 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 R48thousand in comparison with the year-to-date budget of R63thousand thus indicating an under performance of R15thousand or 24%.

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 R105thousand over a pro-rata budget of R104thousand, this line vote budget has been achieved.

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 is R25thousand over a YTD budget of R5.4million which is a under - collection by 100%. The variance in this vote is due to the municipal bylaw that approved charging rates over 10 months instead of 12months, with the remaining 2 months regarded as catch-up months and a payment break for those who are up to date.
- The actual cash collected being R5.7million for the month ended 31st July 2025.

Fines, Penalties and forfeits

- Fines for the month of July is underperformed by 95%, amounting to R108 thousand below the pro-rata budget of R114thousand. The underperformance is primarily attributed to a prevailing culture of non-payment and adverse economic conditions. It is important to note that revenue reported to date is on a cash basis, as the municipality accounts for fines in accordance with iGRAP 1 at year-end. This vote also includes library fine fees for overdue books.

Licences and permits.

- Licences and permits have under-performed by 32% or R26 thousand with an actual amount of R57thousand as compared to pro-rata budget of R83thousand, the variance is mainly due to the testing machine being out of service for more than two weeks, as a significant amount of cash is usually collected from license renewals.

Transfers & subsidies

- Transfers and subsidies recognised operational amounts to R102.6million YTD Actual in comparison with the pro-rata budget of R21.2million, thus indicating an over performance by R81.3million or 383 percent, The variance is mainly attributable to the Municipality receiving the first tranche of the Equitable Share amounting to R101.7 million, where Equitable share is received over 3tranches.

- Transfers and subsidies capital amounts to R1.1million in comparison with the pro-rata budget of R3.8 million, thus indicating an under performance by R2.3 million 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 R304thousand in comparison with the pro-rata budget of R371thousand, thus indicating an under performance by R67thousand or 18percent. The variance arises from customers failing to adhere to their agreed-upon payment arrangements

Operating Expenditure from July 2025

The table below reflects trend of expenditure for the period ended 31st July 2025

Figure 3

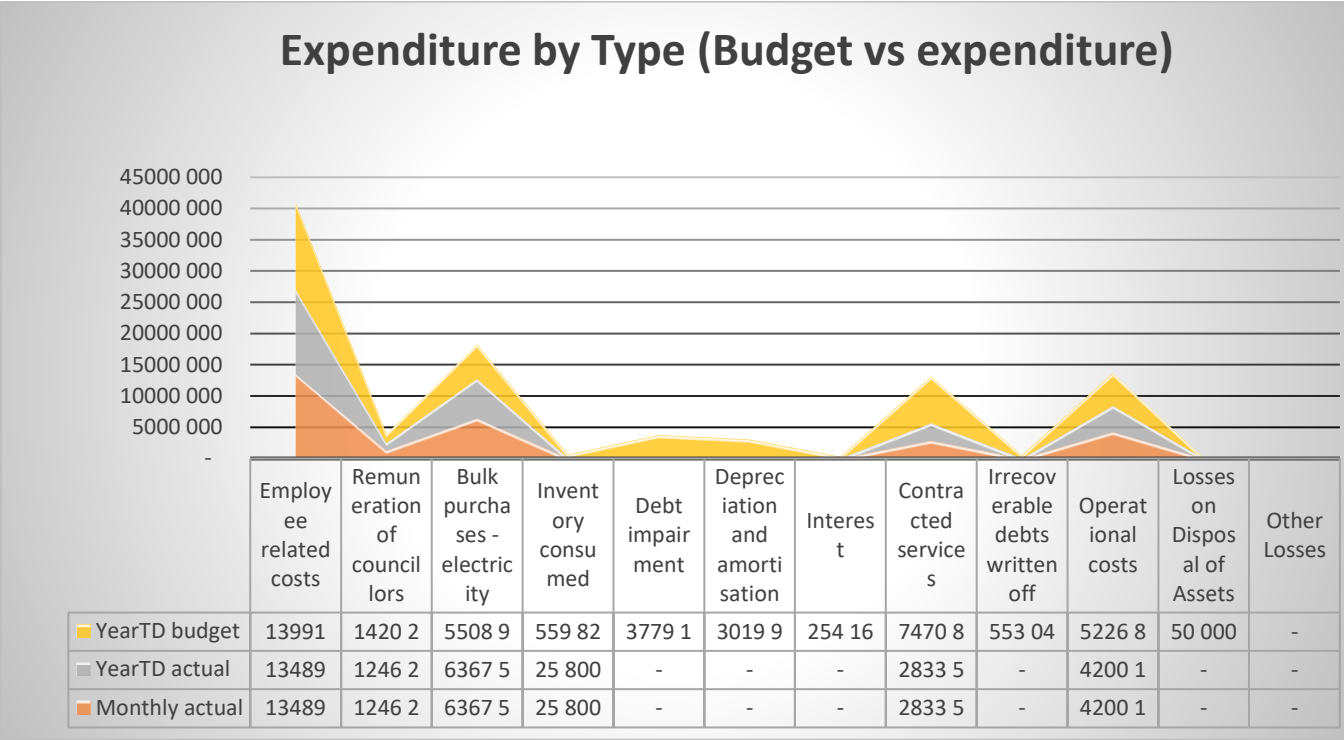
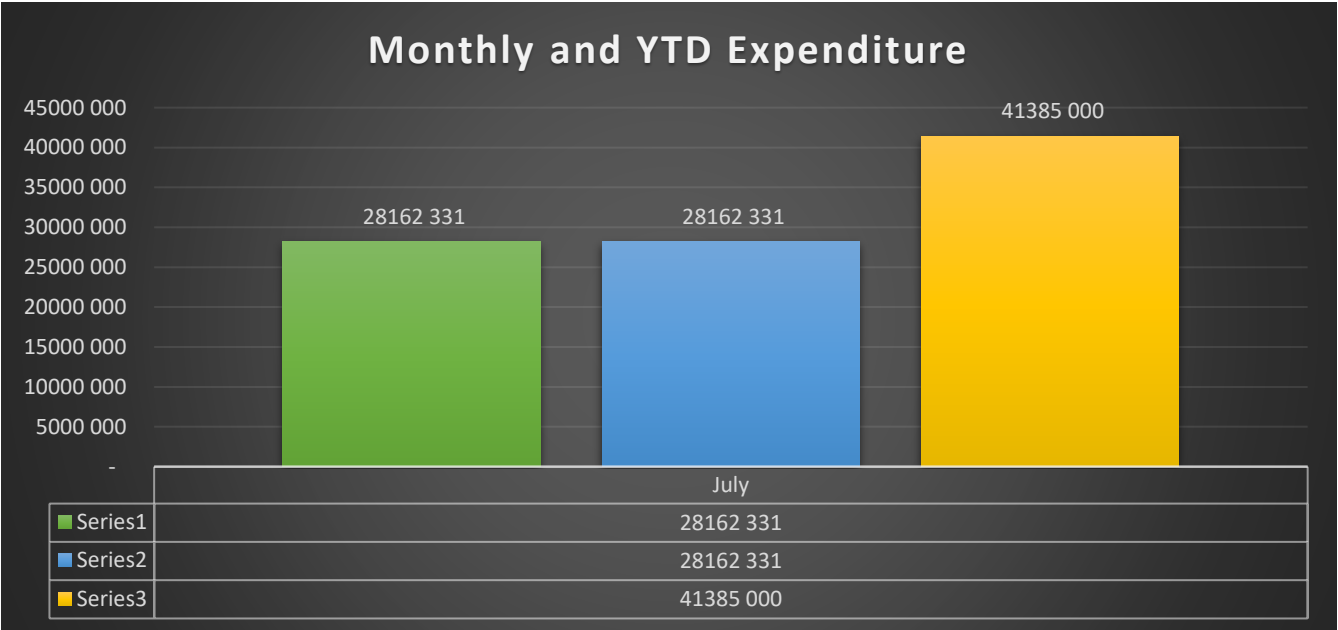


Figure 4



Operating Expenditure:

- The total operational expenditure YTD Actual for the period ending 31st July 2025 amounted to R28.2million against the planned target of R41.8million. As at the end of July the operational expenditure budget has been under spent by -33% or -R16.7million. *Detailed expenditure analysis is below:*

Employee Related Costs

- Employee related costs YTD expenditure for the period ending 31 July 2025 amounted to R13.5million while the pro-rata budget of R14million with an underspending of R503thousand or -4%. All previously vacant positions have now been filled, with a notable focus on the Finance Department. the variance in this vote 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 31st July 2025 was under spent by R1.1million The YTD Remuneration of Councilor's budget is R1.4million whilst the actual expenditure of R1.2million incurred results in under-spending of -12% YTD expenditure performance.

Bulk Purchases

- The YTD on Bulk purchases amounts to R6.4million which is an over performance when compared to pro-rata budget of R5.5million. The variance of R859thousand or 16% over projected budget is caused by the increase in tariff rates.

Inventory Consumed

- Inventory Consumed are reflecting an underperformance by 96% or R534thousand, when compared to pro-rata budget of R560thousand against the Actual amount of R26thousand 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 100percent. A journal to this vote is done bi-annually (January and June)

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 YTD for Depreciation and Asset impairment is reflecting an underperformance by 100percent. The variance of R3.0 million is due to the Depreciation vote not being processed, as the year-end processes are still under control.

Interest

- Finance charges reflect an underperformance by -100percent, this line item is journalized at year-end, in June 2026.
- 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 62percent or R4.6million, from pro-rata budget of R7.5million against the YTD actual of R2.8million. This item included all the contracted and outsourced services by the municipality. It includes services for catering, transport, etc. A wide range of programmes will commence in July 2025

Irrecoverable debts written off

- Irrecoverable debts written off has underperformed by 100% when compared to pro-rata budget of R553thousand. A journal entry will be processed in due time.

Operational Cost

- Other expenditure is overspent this month by 20% or R1.0million when compared to pro-rata budget of R5.2million. The programmes will commence in July 2025
-

Loss on disposal of assets

- The vote shows a 100% under-expenditure, primarily because disposal transactions are typically recorded at the end of the financial year.

2. Capital Expenditure

Table C5 Monthly Budget Statement – Capital Expenditure

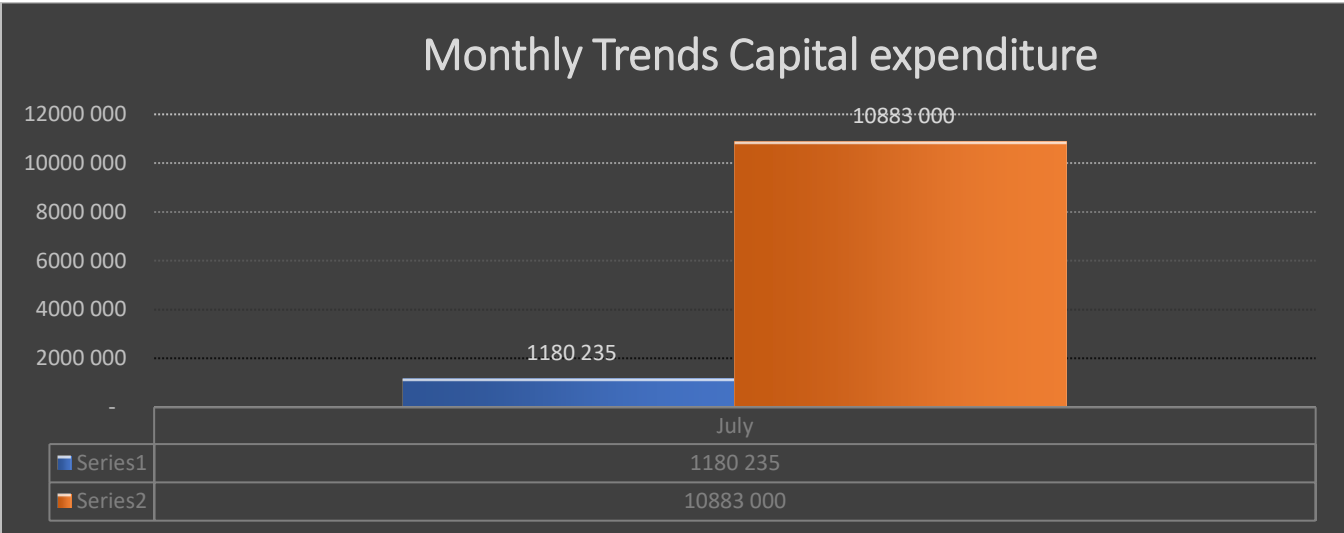
KZN291 Mandeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July									
Vote Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1							%	
Single Year expenditure approved	2								
Vote 1 - Executive and council		10 538	30 000	—	—	2 500	(2 500)	-100%	30 000
Vote 2 - Finance and administration		(138 558)	4 549	—	—	379	(379)	-100%	4 549
Vote 3 - Internal audit		—	—	—	—	—	—	—	—
Vote 4 - Community and social services		(108 316)	17 738	346	346	1 478	(1 132)	-77%	17 738
Vote 5 - Sport and Recreation		(2 375)	8 836	—	—	736	(736)	-100%	8 836
Vote 6 - Public safety		909	70	—	—	6	(6)	-100%	70
Vote 7 - Housing		—	—	—	—	—	—	—	—
Vote 8 - Planning and Development		(27 318)	7 522	—	—	627	(627)	-100%	7 522
Vote 9 - Road transport		(109 570)	55 386	834	834	4 616	(3 782)	-82%	55 386
Vote 10 - Energy sources		(32 328)	4 869	—	—	406	(406)	-100%	4 869
Vote 11 - Waste Management		(4 174)	1 626	—	—	135	(135)	-100%	1 626
Vote 12 - Environmental Protection		—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—
Total Capital single-year expenditure	4	(411 192)	130 596	1 180	1 180	10 883	(9 703)	-89%	130 596
Total Capital Expenditure		(411 192)	130 596	1 180	1 180	10 883	(9 703)	-89%	130 596
Capital Expenditure - Functional Classification									
Governance and administration		(128 020)	34 549	—	—	2 879	(2 879)	-100%	34 549
Executive and council		10 538	30 000	—	—	2 500	(2 500)	-100%	30 000
Finance and administration		(138 558)	4 549	—	—	379	(379)	-100%	4 549
Internal audit		—	—	—	—	—	—	—	—
Community and public safety		(109 782)	26 644	346	346	2 220	(1 874)	-84%	26 644
Community and social services		(108 316)	8 664	346	346	722	(376)	-52%	8 664
Sport and recreation		(2 375)	8 836	—	—	736	(736)	-100%	8 836
Public safety		909	9 143	—	—	762	(762)	-100%	9 143
Housing		—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—
Economic and environmental services		(136 888)	62 038	834	834	5 170	(4 336)	-84%	62 038
Planning and development		(27 318)	7 522	—	—	627	(627)	-100%	7 522
Road transport		(109 570)	54 517	834	834	4 543	(3 709)	-82%	54 517
Environmental protection		—	—	—	—	—	—	—	—
Trading services		(36 502)	7 365	—	—	614	(614)	-100%	7 365
Energy sources		(32 328)	4 869	—	—	406	(406)	-100%	4 869
Water management		—	—	—	—	—	—	—	—
Waste water management		—	870	—	—	72	(72)	-100%	870
Waste management		(4 174)	1 626	—	—	135	(135)	-100%	1 626
Other		—	—	—	—	—	—	—	—
Total Capital Expenditure - Functional Classification	3	(411 192)	130 596	1 180	1 180	10 883	(9 703)	-89%	130 596
Funded by:									
National Government		(191 469)	39 884	943	943	3 324	(2 380)	-72%	39 884
Provincial Government		104	174	—	—	14	(14)	-100%	174
District Municipality		—	—	—	—	—	—	—	—
Transfers and subsidies - capital (municipal allocations)		—	—	—	—	—	—	—	—
Transfers recognised - capital		(191 364)	40 058	943	943	3 338	(2 395)	-72%	40 058
Borrowing	6	(3 881)	—	—	—	—	—	—	—
Internally generated funds		(215 947)	90 538	237	237	7 545	(7 308)	-97%	90 538
Total Capital Funding		(411 192)	130 596	1 180	1 180	10 883	(9 703)	-89%	130 596

Capital Expenditure of JULY 2025:

The YTD capital expenditure budget is R10.9million against YTD actual Capital expenditure amounted to R1.2million resulting in an under performance of (89%) on capital expenditure. The 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 July 2025



- Capital grants funded by National Government are actual for R943million versus pro-rata Budget of R3.3million, expenditure reported has been underspent by (72%).
- Capital grants funded by Provincial Government under-performed by 100%.
- Capital grants funded Internally actual is R237thousand versus pro-rata Budget of R7.5million variance of 97% 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 - M01 July

Description	Ref	2024/25	Budget Year 2025/26							
		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		13 935	16 237	-	280	280	1 353	1 074	79.3%	16 237
Roads Infrastructure		8 864	8 426	-	165	165	702	538	76.6%	8 426
Roads		8 569	7 948	-	165	165	662	498	75.2%	7 948
Road Structures		269	304	-	-	-	25	25	100.0%	304
Road Furniture		26	174	-	-	-	14	14	100.0%	174
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		1 246	3 913	-	-	-	326	326	100.0%	3 913
Drainage Collection		1 246	3 913	-	-	-	326	326	100.0%	3 913
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		2 625	3 148	-	50	50	262	212	80.9%	3 148
Power Plants		40	130	-	-	-	11	11	100.0%	130
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		169	870	-	50	50	72	22	31.0%	870
MV Substations		7	61	-	-	-	5	5	100.0%	61
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		143	87	-	-	-	7	7	100.0%	87
LV Networks		949	1 130	-	-	-	94	94	100.0%	1 130
Capital Spares		1 317	870	-	-	-	72	72	100.0%	870
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	-	-	-	-	-	-	-	-
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-



Information and Communication Infrastructure	1 201	750	—	65	65	63	(2)	-4.0%	750	
Data Centres	—	—	—	—	—	—	—	—	—	
Core Layers	1 201	750	—	65	65	63	(2)	-4.0%	750	
Distribution Layers	—	—	—	—	—	—	—	—	—	
Capital Spares	—	—	—	—	—	—	—	—	—	
Community Assets	1 914	2 885	—	—	—	240	240	100.0%	2 885	
Community Facilities	66	363	—	—	—	30	30	100.0%	363	
Halls	—	—	—	—	—	—	—	—	—	
Centres	—	—	—	—	—	—	—	—	—	
Crèches	—	—	—	—	—	—	—	—	—	
Clinics/Care Centres	—	—	—	—	—	—	—	—	—	
Fire/Ambulance Stations	—	—	—	—	—	—	—	—	—	
Testing Stations	—	—	—	—	—	—	—	—	—	
Museums	—	—	—	—	—	—	—	—	—	
Galleries	—	—	—	—	—	—	—	—	—	
Theatres	—	—	—	—	—	—	—	—	—	
Libraries	46	213	—	—	—	18	18	100.0%	213	
Cemeteries/Crematoria	—	—	—	—	—	—	—	—	—	
Police	—	—	—	—	—	—	—	—	—	
Parks	20	150	—	—	—	13	13	100.0%	150	
Public Open Space	—	—	—	—	—	—	—	—	—	
Nature Reserves	—	—	—	—	—	—	—	—	—	
Public Ablution Facilities	—	—	—	—	—	—	—	—	—	
Markets	—	—	—	—	—	—	—	—	—	
Stalls	—	—	—	—	—	—	—	—	—	
Abattoirs	—	—	—	—	—	—	—	—	—	
Airports	—	—	—	—	—	—	—	—	—	
Taxi Ranks/Bus Terminals	—	—	—	—	—	—	—	—	—	
Capital Spares	—	—	—	—	—	—	—	—	—	
Sport and Recreation Facilities	1 847	2 522	—	—	—	210	210	100.0%	2 522	
Indoor Facilities	—	—	—	—	—	—	—	—	—	
Outdoor Facilities	1 847	2 522	—	—	—	210	210	100.0%	2 522	
Capital Spares	—	—	—	—	—	—	—	—	—	
Heritage assets	—	—	—	—	—	—	—	—	—	
Monuments	—	—	—	—	—	—	—	—	—	
Historic Buildings	—	—	—	—	—	—	—	—	—	
Works of Art	—	—	—	—	—	—	—	—	—	
Conservation Areas	—	—	—	—	—	—	—	—	—	
Other Heritage	—	—	—	—	—	—	—	—	—	
Investment properties	—	—	—	—	—	—	—	—	—	
Revenue Generating	—	—	—	—	—	—	—	—	—	
Improved Property	—	—	—	—	—	—	—	—	—	
Unimproved Property	—	—	—	—	—	—	—	—	—	
Non-revenue Generating	—	—	—	—	—	—	—	—	—	
Improved Property	—	—	—	—	—	—	—	—	—	
Unimproved Property	—	—	—	—	—	—	—	—	—	
Other assets	—	348	—	—	—	29	29	100.0%	348	
Operational Buildings	—	348	—	—	—	29	29	100.0%	348	
Municipal Offices	—	348	—	—	—	29	29	100.0%	348	
Pay/Enquiry Points	—	—	—	—	—	—	—	—	—	
Building Plan Offices	—	—	—	—	—	—	—	—	—	
Workshops	—	—	—	—	—	—	—	—	—	
Yards	—	—	—	—	—	—	—	—	—	
Stores	—	—	—	—	—	—	—	—	—	
Laboratories	—	—	—	—	—	—	—	—	—	
Training Centres	—	—	—	—	—	—	—	—	—	
Manufacturing Plant	—	—	—	—	—	—	—	—	—	
Depots	—	—	—	—	—	—	—	—	—	
Capital Spares	—	—	—	—	—	—	—	—	—	
Housing	—	—	—	—	—	—	—	—	—	
Staff Housing	—	—	—	—	—	—	—	—	—	
Social Housing	—	—	—	—	—	—	—	—	—	
Capital Spares	—	—	—	—	—	—	—	—	—	
Biological or Cultivated Assets	—	—	—	—	—	—	—	—	—	
Biological or Cultivated Assets	—	—	—	—	—	—	—	—	—	
Intangible Assets	—	—	—	—	—	—	—	—	—	
Servitudes	—	—	—	—	—	—	—	—	—	
Licences and Rights	—	—	—	—	—	—	—	—	—	
Water Rights	—	—	—	—	—	—	—	—	—	
Effluent Licenses	—	—	—	—	—	—	—	—	—	
Solid Waste Licenses	—	—	—	—	—	—	—	—	—	
Computer Software and Applications	—	—	—	—	—	—	—	—	—	
Load Settlement Software Applications	—	—	—	—	—	—	—	—	—	
Unspecified	—	—	—	—	—	—	—	—	—	
Computer Equipment	—	—	—	—	—	—	—	—	—	
Computer Equipment	—	—	—	—	—	—	—	—	—	
Furniture and Office Equipment	—	—	—	—	—	—	—	—	—	
Furniture and Office Equipment	—	—	—	—	—	—	—	—	—	
Machinery and Equipment	8 094	10 438	—	16	16	870	854	98.2%	10 438	
Machinery and Equipment	8 094	10 438	—	16	16	870	854	98.2%	10 438	
Transport Assets	—	—	—	—	—	—	—	—	—	
Transport Assets	—	—	—	—	—	—	—	—	—	
Land	—	—	—	—	—	—	—	—	—	
Land	—	—	—	—	—	—	—	—	—	
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—	—	—	
Zoo's, Marine and Non-biological Animals	—	—	—	—	—	—	—	—	—	
Living resources	—	—	—	—	—	—	—	—	—	
Mature	—	—	—	—	—	—	—	—	—	
Policing and Protection	—	—	—	—	—	—	—	—	—	
Zoological plants and animals	—	—	—	—	—	—	—	—	—	
Immature	—	—	—	—	—	—	—	—	—	
Policing and Protection	—	—	—	—	—	—	—	—	—	
Zoological plants and animals	—	—	—	—	—	—	—	—	—	
Total Repairs and Maintenance Expenditure	1	23 943	29 907	—	295	295	2 492	2 197	88.1%	29 907



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	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/construction 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 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
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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 Ematsheketsheeni 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: Amathokoizamahle (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%.

Challenges: N/A



5.3 Division of Revenue Act on Grants Receipts

KZN291 Mandeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

Description	Ref	2024/25	Budget Year 2025/26						
		Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								%	
RECEIPTS:	1,2								
Operating Transfers and Grants									
National Government:		29 857	250 223	104 160	109 275	20 852	1 672	8.0%	250 223
EPWP Incentive	—	3 784	1 714	—	1 815	143	1 672	1170.7%	1 714
Finance Management	—	1 850	1 900	—	1 800	158			1 900
Integrated National Electrification	—	7 200	—	—	1 500	—			—
Local Government Equitable Share	—	—	244 198	101 749	101 749	20 350			244 198
Municipal Infrastructure Grant	—	17 023	2 411	2 411	2 411	201			2 411
	—						—		
Other transfers and grants [insert description]							—		
Provincial Government:		(19 093)	4 933	—	—	411	(411)	-100.0%	4 933
KwaZulu-Natal_Capacity Building	—	(19 093)	4 933	—	—	411	(411)	-100.0%	4 933
Other transfers and grants [insert description]							—		
Total Operating Transfers and Grants	5	10 764	255 156	104 160	109 275	21 263	1 261	5.9%	255 156
Capital Transfers and Grants									
National Government:		132 244	45 817	11 589	16 771	3 818	7 771	203.5%	45 817
Municipal Infrastructure Grant	—	128 668	45 817	11 589	11 589	3 818	7 771	203.5%	45 817
Integrated National Electrification	—	3 576	—	—	—	—			—
Municipal Disaster Recovery	—	—	—	—	5 182	—			—
Provincial Government:		50 633	—	—	—	—	—		—
KwaZulu-Natal_Infrastructure	—	50 633	—	—	—	—	—		—
Total Capital Transfers and Grants	5	182 877	45 817	11 589	16 771	3 818	7 771	203.5%	45 817
TOTAL RECEIPTS OF TRANSFERS AND GRANTS	5	193 642	300 973	115 749	126 046	25 081	9 032	36.0%	300 973



5.4 Division of Revenue Act on Grants Expenditure

KZN291 Mandeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

Description		Ref	2024/25	Budget Year 2025/26							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
EXPENDITURE											
Operating expenditure of Transfers and Grants											
National Government:			46 605	6 025	–	504	504	502	2	0.4%	6 025
Expanded Public Works Programme Integrated Grant		–	4 807	1 714	–	221	221	143	78	54.4%	1 714
Integrated National Electrification Programme Grant		–	6 487	–	–	–	–	–	–	–	–
Local Government Financial Management Grant		–	1 850	1 900	–	69	69	158	(90)	-56.6%	1 900
Municipal Disaster Relief Grant		–	21 482	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		–	11 979	2 411	–	215	215	201	14	7.0%	2 411
Other transfers and grants [insert description]											
Provincial Government:			4 282	4 933	–	317	317	411	(95)	-23.0%	4 933
KwaZulu-Natal_Capacity Building and Other_Specify (Add grant description)_Receipts											
KwaZulu-Natal		–	4 282	4 933	–	317	317	411	(95)	-23.0%	4 933
Other transfers and grants [insert description]											
District Municipality:			–	–	–	–	–	–	–	–	–
[insert description]											
Other grant providers:			–	–	–	–	–	–	–	–	–
[insert description]											
Total operating expenditure of Transfers and Grants:			50 887	10 958	–	821	821	913	(92)	-10.1%	10 958
Capital expenditure of Transfers and Grants											
National Government:			135 667	50 998	–	1 085	1 085	4 250	(3 165)	-74.5%	45 817
Integrated National Electrification Programme Grant		–	2 553	–	–	–	–	–	–	–	–
Municipal Disaster Recovery Grant		–	15 556	5 182	–	687	687	432	255	59.0%	–
Municipal Infrastructure Grant		–	117 558	45 817	–	398	398	3 818	(3 420)	-89.6%	45 817
Other capital transfers [insert description]											
Provincial Government:			44 303	–	–	–	–	–	–	–	–
KwaZulu-Natal		–	44 303	–	–	–	–	–	–	–	–
District Municipality:			–	–	–	–	–	–	–	–	–
KwaZulu-Natal-DC 29 - Ilembe-Infrastructure		–	–	–	–	–	–	–	–	–	–
Other grant providers:			–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants			179 970	50 998	–	1 085	1 085	4 250	(3 165)	-74.5%	45 817
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS			230 857	61 957	–	1 906	1 906	5 163	(3 257)	-63.1%	56 775



3. Debtors Age Analysis

Table SC3 Monthly Budget Statement_ Debtors Age Analysis

KZN291 Mandeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July													
Description	NT Code	Budget Year 2025/26										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receiv	1200	—	—	—	—	—	—	—	—	—	—	—	—
Trade and Other Receiv	1300	1 034	459	190	130	98	112	635	2 777	5 435	3 752	—	—
Receivables from Non-e	1400	(20)	21	1 852	1 494	1 451	1 377	31 264	95 973	133 410	131 559	—	—
Receivables from Excha	1500	—	—	—	—	—	—	—	—	—	—	—	—
Receivables from Excha	1600	1 244	1 072	943	933	917	890	5 999	60 222	72 221	68 961	—	—
Receivables from Excha	1700	(90)	(36)	(11)	(49)	(35)	3	21	123	(75)	62	—	—
Interest on Arrear Debt	1810	429	407	422	418	419	414	2 693	33 957	39 158	37 900	—	—
Recoverable unauthoris	1820	—	—	—	—	—	—	—	—	—	—	—	—
Other	1900	5 272	8	(1)	(0)	0	0	—	5 509	10 790	5 509	—	—
Total By Income Sourc	2000	7 869	1 931	3 396	2 925	2 850	2 796	40 611	198 561	260 939	247 743	—	—
2024/25 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	197	188	311	261	282	259	18 142	28 980	48 620	47 925	—	—
Commercial	2300	5 554	340	914	610	529	549	9 021	23 238	40 754	33 946	—	—
Households	2400	1 872	1 249	2 038	1 921	1 907	1 855	12 042	140 940	163 824	158 665	—	—
Other	2500	246	154	133	133	133	133	1 405	5 403	7 741	7 208	—	—
Total By Customer Gro	2600	7 869	1 931	3 396	2 925	2 850	2 796	40 611	198 561	260 939	247 743	—	—

The total Consumer debtors outstanding as 31st July 2025 is **R 260.9million**

- **Debt book indicates 3% decrease from 1st June 2024 to July 2025; within a month the debt book has accumulated a 3% decrease.**
- Debtors collection rate at June 2025 is 78%
- 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 on. 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 debtor'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 its credibility and this will subsequently affect its 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 letter
- 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.

ACCOUNTS WITH LETTERS OF FINAL DEMAND FOR PAYMENT SENT OUT					
ACC. NO.	address	ERF NO.	DEBTORS NAME	DEBT TYPE	AMOUNT R
001019100	SUNDUMBILI A	191	NGCOBO	RATES/REFUSE	R44 121.13
001019500	SUNDUMBILI A	195	NHLEKO/BUTHELEZI	RATES/REFUSE	R77 607.69
001019900	SUNDUMBILI A	199	MNGADI	RATES/REFUSE	R61 776.86
001020500	SUNDUMBILI A	205	DLAMINI	RATES/REFUSE	R18 852.85
001023100	SUNDUMBILI A	231	NGCOBO	REFUSE/RATES	R19 917.04
001120800	SUNDUMBILI A	1208	ZULU	RATES/REFUSE	R12 304.83
001126700	SUNDUMBILI A	1267	MTHEMBU	RATES/REFUSE	R18 577.56
001121300	SUNDUMBILI A	1213	MTHEMBU	RATES/REFUSE	R85 347.82
001023500	SUNDUMBILI A	235	MITSHALI	RATES/REFUSE	R23 699.94
001126400	SUNDUMBILI A	1264	MNTAMBO	RATES/REFUSE	R74 116.50
001018700	SUNDUMBILI A	187	DUZE	RATES/REFUSE	R40 538.94
001122400	SUNDUMBILI A	1224	NYANDENI	RATES/REFUSE	R71 330.96
001123600	SUNDUMBILI A	1236	SIBIYA	RATES/REFUSE	R78 770.63
001126600	SUNDUMBILI A	1266	MDANDA/MANQELE	RATES/REFUSE	R25 216.27
001020800	SUNDUMBILI A	208	VILAKAZI	RATES/REFUSE	R7 964.87
001021000	SUNDUMBILI A	210	MBATHA	RATES/REFUSE	R79 027.78
001017700	SUNDUMBILI A	177	BUTHELEZI	RATES/REFUSE	R27 574.78
001125000	SUNDUMBILI A	1250	NGUBANE	RATES/REFUSE	R46 525.97
001022800	SUNDUMBILI A	228	KHUZWAYO	RATES/REFUSE	R52 954.17
001018400	SUNDUMBILI A	184	MTETWA	RATES/REFUSE	R23 417.23
TOTAL					R889 643.82



DISCONNECTIONS JULY 2025						
NO.	ACCOUNT NO.	TOWN	ADDRESS	NAME	DEBT TYPE	AMOUNT R
1	008004671	MANDENI	13 IMPUNZI	MAKHOBHA/MYENI	RATES/ELECTRICITY	R32 278.08
2	009909671	MANDENI	13 MIMOSA	CELE	RATES/ELECTRICITY	R20 445.31
3	009908221	MANDENI	13 SPRINGBOK	DUMAKO	RATES/ELECTRICITY	R10 854.74
4	009903581	MANDENI	13 WHIMBREL	DLUDLA	RATES/ELECTRICITY	R48 645.12
5	009900041	MANDENI	134 ANDERSON	SAGADAVEN	RATES/ELECTRICITY	R12 566.42
6	009906501	MANDENI	14 SPRINGBOK	ROUILLON	RATES/ELECTRICITY	R9 188.17
7	009910101	MANDENI	16 ACACIA AVENUE	GOVENDER	RATES/ELECTRICITY	R32 577.07
8	008061317	MANDENI	17 KARAMI FLATS	DHLODHLO	RATES/ELECTRICITY	R4 702.98
9	009903731	MANDENI	17 TROGON	NGWANE	RATES/ELECTRICITY	R8 387.28
10	009901701	MANDENI	18/20 FRYE RD	THE SECRETARY	RATES/ELECTRICITY	R18 774.40
11	009901711	MANDENI	18/20 FRYE RD	PROVINCIAL	RATES/ELECTRICITY	R37 690.26
12	009910281	MANDENI	2 ERICA PLACE	MADUNA	RATES/ELECTRICITY	R27 484.11
13	002200612	MANDENI	2 RICHARDS	NGUBANE	RATES/ELECTRICITY	R4 062.79
14	009900371	MANDENI	20 OHARA	MKWANAZI	RATES/ELECTRICITY	R10 811.22
15	008078619	MANDENI	20 SUNDANCE	NAIDOO	RATES/ELECTRICITY	R2 672.45
16	009500051	MANDENI	22 DUBE	PRINSLOO	RATES/ELECTRICITY	R26 593.43
17	008800871	MANDENI	23 OHARA	XULU	RATES/ELECTRICITY	R14 660.20
18	009911941	MANDENI	27 ALOE	MBONGWA	RATES/ELECTRICITY	R7 240.52
19	009907542	MANDENI	3 GAZELLE	SOMTSEWU	RATES/ELECTRICITY	R31 434.64
20	008005571	MANDENI	30 KUDU	NTULI	RATES/ELECTRICITY	R15 682.86
21	008201211	MANDENI	45 INYATHI RD	ARANDA TEXTILES	RATES/ELECTRICITY	R6 071.17
22	008903642	MANDENI	52 GREIG RD	MCHUNU	RATES/ELECTRICITY	R4 098.02
23	009902701	MANDENI	60 GREIG RD	MKHWANAZI	RATES/ELECTRICITY	R27 914.89
24	009901141	MANDENI	63 ANDERSON RD	NDELELA	RATES/ELECTRICITY	R4 584.72
25	009900791	MANDENI	66 ANDERSON	NDWANDWE	RATES/ELECTRICITY	R46 938.34
26	002901731	MANDENI	75 PATRYS RD	MDUNGE	RATES/ELECTRICITY	R4 630.26
27	002400712	MANDENI	13 RICHARDS	KHUMALO	RATES/ELECTRICITY	R5 066.28
28	009902311	MANDENI	12 READ ROAD	MNGADI	RATES/ELECTRICITY	R7 372.06
29	008902282	MANDENI	12 DUIKER RD	NAIDOO	RATES/ELECTRICITY	R9 937.00
30	009908731	MANDENI	12 DUBE	MPONTSHANE	RATES/ELECTRICITY	R5 667.47
31	008802121	MANDENI	11 JOHNSTON	DUBE	RATES/ELECTRICITY	R32 463.25
32	009901451	MANDENI	11 FARROW	NDELELA	RATES/ELECTRICITY	R2 580.38
33	009401651	MANDENI	10 TROGON	NGCOBO	RATES/ELECTRICITY	R56 118.26
34	009903301	MANDENI	10 STRARREN	NSELE	RATES/ELECTRICITY	R3 421.68
35	009900131	MANDENI	1 STRATTEN	NDELELA	RATES/ELECTRICITY	R4 671.40
36	009900691	MANDENI	1 RICHARDS CIRCLE	MPHILI	RATES/ELECTRICITY	R24 317.30
37	009910591	MANDENI	1 BEGONIA RD	MANZINI	RATES/ELECTRICITY	R10 561.34
38	009911751	MANDENI	6 CYCAD PLACE	MANZINI	RATES/ELECTRICITY	R23 805.64
39	009910291	MANDENI	46 ACACIA	JANSE VAN RENS	RATES/ELECTRICITY	R91 195.06
40	004003242	MANDENI	48 ANDERSON	DLAMINI	RATES/ELECTRICITY	R3 138.75
41	009909281	MANDENI	51 PATRYS	HLONGWANE	RATES/ELECTRICITY	R9 794.07
42	009981311	MANDENI	16 KUDU RD	NGCOBO	RATES/ELECTRICITY	R12 239.57
43	009902311	MANDENI	12 READ RD	RASOOL	RATES/ELECTRICITY	R7 383.14
44	009700861	MANDENI	16/18 IMPUNZI	HOLTZHAUSEN	RATES/ELECTRICITY	R3 994.60
45	009903601	MANDENI	17 SANDPIPER	MWANDLA	RATES/ELECTRICITY	R36 693.97
46	009601081	MANDENI	20 IMPUNZI	KHUMALO	RATES/ELECTRICITY	R8 491.28
47	008701011	MANDENI	63 GREIG ROAD	MHLONGO	RATES/ELECTRICITY	R25 487.80
48	008701381	MANDENI	5 GREIG RD	EBRAHIM	RATES/ELECTRICITY	R2 692.05
49	003001132	MANDENI	3 INYATHI	NGXEKANA	RATES/ELECTRICITY	R6 300.64
TOTAL						R864 382.44

Figure 5

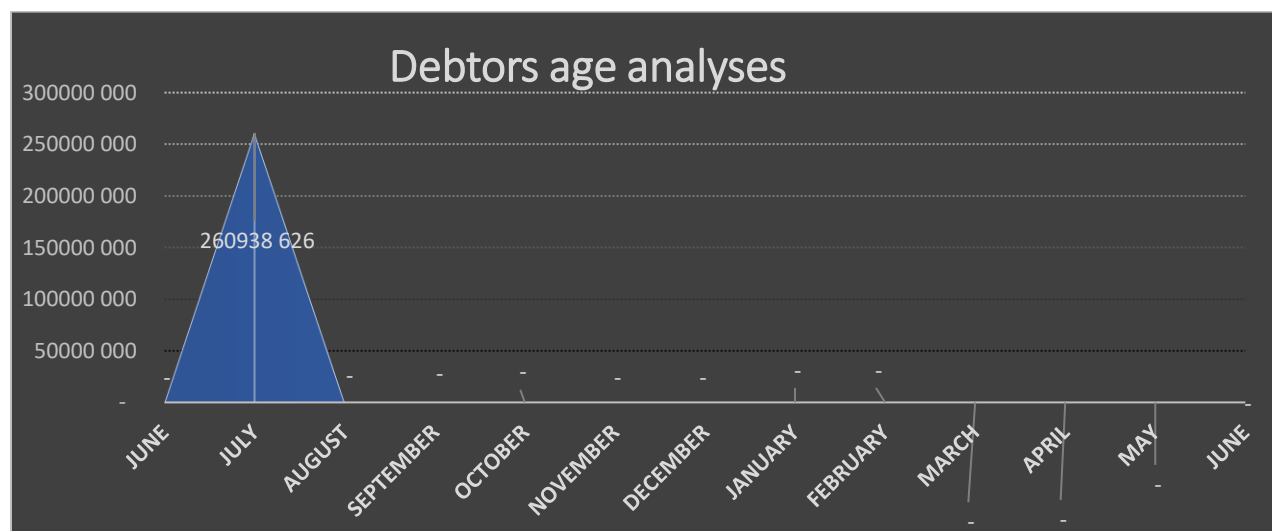
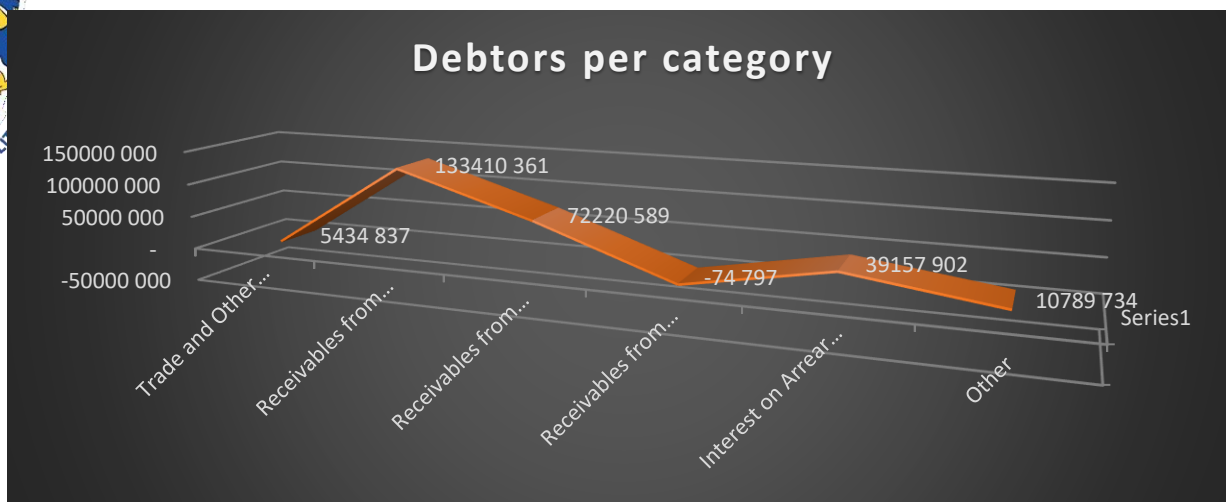




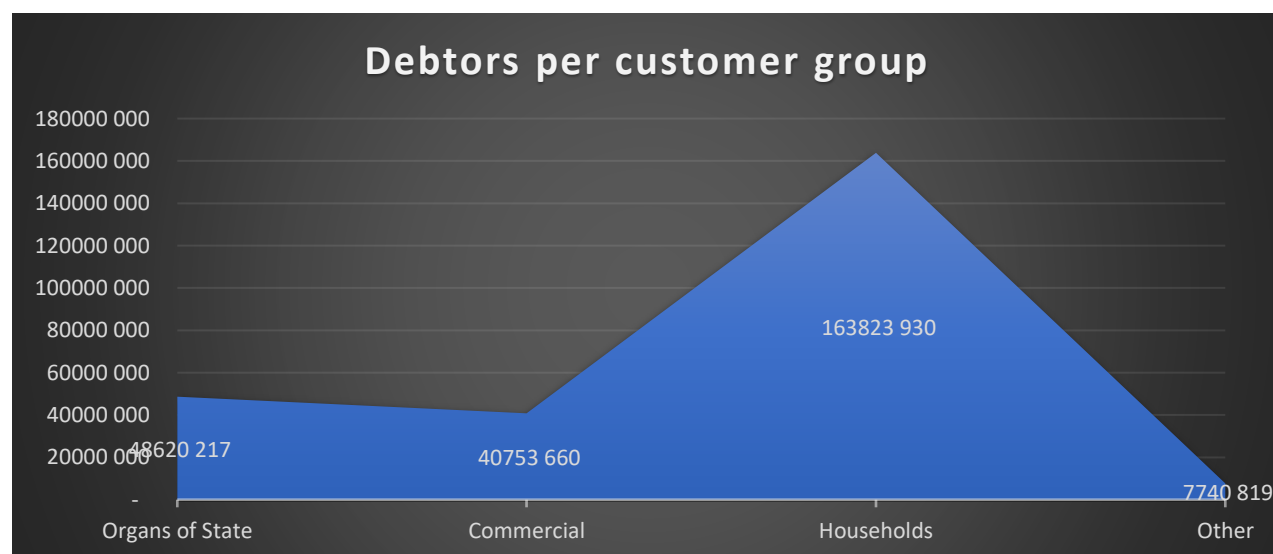
Figure 6



The municipal debtors have reduced from R263,5 million to R260.9 million that is from June 2025 until July 2025. This increase is between Household debtors of 65% and it is followed by Organs of State by 17 % and Business Commercial is 16% and lastly the other debtors with a percentage of 2%.

▪ **Total Outstanding Debtors from July 2025**

Figure 7



Councillors and Employees in Arrear

- Debt outstanding on Staff as at July is R5,576.08
- Councillors Accounts in arrears as at July is R221,013.47



- 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 - M01 July

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		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											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	—	—	—	—	—	—	—	—	—	—
Bulk Water	0200	—	—		—	—	—	—	—	—	—
PAYE deductions	0300	—	—		—	—	—	—	—	—	—
VAT (output less input)	0400		—		—	—	—	—	—	—	—
Pensions / Retirement deductions	0500	—	—	—	—	—	—	—	—	—	—
Loan repayments	0600	—	—	—	—	—	—	—	—	—	—
Trade Creditors	0700	—	—		—	—	—	—	—	—	—
Auditor General	0800	—	—	—	—	—	—	—	—	—	—
Other	0900	17	—							17	17
Medical Aid deductions	0950		—	—	—	—	—	—	—	—	—
Total By Customer Type	1000	17	—	—	—	—	—	—	—	17	17

- Creditors aged is R17thousand as of 31st July 2025. (Age analysis listing attached)
- 95% 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 (JULY 2025)

Name	Amount
ESKOM HOLDING	R 13 880 688.99
EMALANGENI	R 709 978.98
CCG SYSTEMS	R 1 591 665.90
BAMBHANANI ENTERPRISE	R 224 226.56
MALUTHULI TRADING	R 313 535.01
EZAMALUNQA	R 1 893 338.84
NJOMISA BOEDERY	R 44 903.91
CITY OF CHOICE	R 307 600.89
ILEMBE MUNICIPALITY	R 18 605.84
MBD CONSULTING	R 217 445.12



5. MONTHLY BUDGET STATEMENT - FINANCIAL POSITION

Table C6 displays the financial position of the municipality as at 31st July 2025

KZN291 Mandeni - Table C6 Monthly Budget Statement - Financial Position - M01 July

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		131 974	9 811	–	212 843	9 811
Trade and other receivables from exchange transactions		58 668	43 899	–	59 813	43 899
Receivables from non-exchange transactions		41 426	44 829	–	29 522	44 829
Current portion of non-current receivables		–	–	–	–	–
Inventory		41 639	41 799	–	41 670	41 799
VAT		6 709	38 224	–	6 845	38 224
Other current assets		225	–	–	225	–
Total current assets		280 641	178 561	–	350 918	178 561
Non current assets						
Investments		–	–	–	–	–
Investment property		44 152	41 913	–	44 152	41 913
Property, plant and equipment		754 006	761 503	–	755 187	761 503
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		2 124	1 928	–	2 124	1 928
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		800 282	805 344	–	801 463	805 344
TOTAL ASSETS		1 080 924	983 905	–	1 152 381	983 905
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		9 025	–	–	9 025	–
Consumer deposits		181	162	–	215	162
Trade and other payables from exchange transactions		53 729	46 847	–	26 467	46 847
Trade and other payables from non-exchange transactions		5 143	2 058	–	17 238	2 058
Provision		5 380	17 141	–	5 380	17 141
VAT		7 742	22 133	–	9 029	22 133
Other current liabilities		–	–	–	–	–
Total current liabilities		81 199	88 340	–	67 353	88 340
Non current liabilities						
Financial liabilities		–	–	–	–	–
Provision		–	–	–	–	–
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		22 198	25 770	–	22 198	25 770
Total non current liabilities		22 198	25 770	–	22 198	25 770
TOTAL LIABILITIES		103 397	114 110	–	89 551	114 110
NET ASSETS	2	977 527	869 795	–	1 062 830	869 795
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		774 854	867 662	–	860 158	867 662
Reserves and funds		202 672	2 133	–	202 672	2 133
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	977 527	869 795	–	1 062 830	869 795



RATIOS FOR THE MONTH

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

The ratio measures the 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 5.21:0.19c 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, R5.21c

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 78%.

Collection days: 769days 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 the 01 month of 2025/26 at 78%

	9 Month
Cash and cash equivalents	168 434 087
Unspent Conditional Grants	17 385 055
Overdraft	-
Short Term Investments	208 492 592
Total Annual Operational Expenditure	487 944 000

	5.21
Current Assets	350 918 421
Current Liabilities	67 353 218

	78%
Gross Debtors closing balance	263 791 437
Gross Debtors opening balance	262 266 700
Bad debts written Off	
Billed Revenue	7 016 687

	0%
Consumer Debtors Bad debts written off	

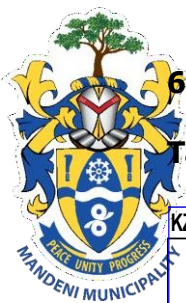


Consumer Debtors Current bad debt Provision	15 130 435
	769 days
Gross debtors	268 923 777
Bad debts Provision	15 130 435
Billed Revenue	120 425 951

	177%
Cash and cash Equivalents	168 434 087
Bank Overdraft	-
Short Term Investment	208 492 592
Long Term Investment	-
Unspent Grants	17 385 055
Net Assets	1 062 829 895
Share Premium	
Share Capital	
Revaluation Reserve	
Fair Value Adjustment Reserve	
Accumulated Surplus	860 157 568

	0%
PPE, Investment Property and Intangible Impairment	-
PPE at carrying value	755 186 616
Investment at carrying value	44 152 000
Intangible Assets at carrying value	2 123 913

	0%
Total Repairs and Maintenance Expenditure	295 449
PPE at carrying value	755 186 616
Investment Property at Carrying value	44 152 000



6. MONTHLY BUDGET STATEMENT -CASH FLOW

Table C7 below display the Cash Flow Statement for the period ending 31st July 2025

KZN291 Mandeni - Table C7 Monthly Budget Statement - Cash Flow - M01 July										
Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(53 016)	49 972	–	8 730	8 730	4 164	4 566	110%	49 972
Service charges		(63 648)	98 454	–	847	847	8 205	(7 358)	-90%	98 454
Other revenue		6 425	26 748	–	2 220	2 220	2 229	(9)	0%	26 748
Transfers and Subsidies - Operational		219 427	254 956	–	101 749	101 749	21 246	80 503	379%	254 956
Transfers and Subsidies - Capital		149 742	46 017	–	14 000	14 000	3 835	10 165	265%	46 017
Interest		–	25 232	–	44	44	2 103	(2 059)	-98%	25 232
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(469 213)	(436 031)	–	(51 218)	(55 007)	(33 495)	21 512	-64%	(436 031)
Interest		–	(3 050)	–	–	–	(254)	(254)	100%	(3 050)
Transfers and Subsidies		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		(210 282)	62 299	–	76 372	72 583	8 032	(64 551)	-804%	62 299
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		124 669	(144 685)	–	(1 180)	(1 180)	(12 057)	(10 877)	90%	(144 685)
NET CASH FROM/(USED) INVESTING ACTIVITIES		124 669	(144 685)	–	(1 180)	(1 180)	(12 057)	(10 877)	90%	(144 685)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		(85 613)	(82 386)	–	75 192	71 403	(4 025)			–
Cash/cash equivalents at beginning:		230 217	92 208	–	–	141 440	92 208			141 440
Cash/cash equivalents at month/year end:		144 605	9 822	–	75 192	212 843	88 183			–

As per the pre-audited Annual Financial Statements (AFS), the cash and cash equivalents at the beginning of the 2023/24 financial year amounted to R141.4 million. a net increase at the month end of July for R71.4million is noticed.

Table C7 provides a projection of the anticipated cash inflows and outflows, illustrating the cash flow patterns likely to result from the implementation of the approved budget.



Revenue -Receipts

The property collection rate to date is under-performed by 100% or R5.4million of the billed revenue as of July 2025.

Service Charges: Electricity and Refuse is 88% or R7.5million collected from the billed revenue of R8.1million as of July 2025.

- Other Revenue collected form VAT refunds received as of July totals R1.9million.
- Government grants received YTD total of R115.7million as at 31st July 2025
- Interest earned on external investments amounts to R1.5million in comparison with the pro-rata budget of R2.1million which is an under performance of 28%.

Payments

- Suppliers and employees for cash outflows of R55.0million. The total payment for suppliers and employees is noted the same as there are payments from the INEP and Title deed.
- Finance charges reflect underperformance by 100 percent.
- Capital Assets of R1.2million for the month of July 2025 shows an under-performance of 89% as at July 2025.



6.1. BANK RECONCILIATION STATEMENT AS AT JULY 2025

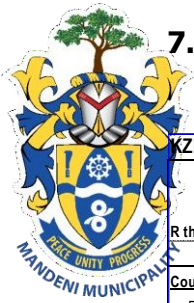
Mandeni Municipality			
BANK RECONCILIATION STATEMENT FOR JULY 2025			
Main Account :52940480587			
Opening FNB Bank Balance as on JULY 2025	16 298 905.13	16 298 905.13	
PLUS: Deposits Banked	11 933 627.43		
PLUS: Interest received	42 670.48		
PLUS: Transfers In	182 970 275.31		
PLUS:Interest received From Call 1	341 040.63		
PLUS:Unpaid	-		
PLUS: MATURED INVESTMENTS	109 512 054.79		
PLUS: SARS REFUND	1 890 827.10		
PLUS: GRANTS RECEIVED	115 749 000.00		
Total Deposits	422 439 495.74	422 439 495.74	
Less:Total payments	- 435 291 088.08	- 435 291 088.08	
LESS: EFT Payments	- 58 770 092.84		
LESS: Bank Charges	- 21 734.82		
LESS: Transfers Out	- 225 749 000.00		
LESS: NEW INVESTMENTS	- 150 000 000.00		
LESS: Debit Orders	- 750 260.42		
Closing FNB Bank Balance as on 31 JULY 2025		3 447 312.79	
Cashbook Reconciliation for 31 JULY 2025			
OPENING BALANCE 1/07/2024	2 026 213 166.77		
OPENING BALANCE 1/07/2024	96 176 000.00		
OPENING BALANCE 1/07/2024	- 2 112 252 018.86		
OPENING BALANCE 1/07/2024-INTEREST	593 200.30		
OPENING BALANCE-1/7/2024 -BANK CHARGES	- 1 380 300.52		
TOTAL OPENING BALANCE 1/07/2024	9 350 047.69		
Cashbook Balance as on 1 JULY 2025-D0001/IA09567/F0001/X049/R0099/001/FIN	783 885 878.34		
Less:Cashbook Balance as on 1 JULY 2025-D0001/IA09850/F0001/X049/R0099/001/FIN	- 777 070 511.50		
Corrections to be made (JNL CR)	-		
Corrections to be made (JNL DR)	-		
PLUS: Deposits Banked for JULY 2025	11 933 627.43		
LESS: EFT Payments for JULY 2025	- 58 785 007.84		
Plus JUNE 2025 outstanding (reconciled)	-		
Less: Bank Charges to date	- 302 212.59		
PLUS: Grant received	115 749 000.00		
Less : New investment	- 150 000 000.00		
Less: Payments not yet paid during JULY 2025	-		
PLUS: Interest received to date	456 638.92		
PLUS:Interest received From Call 1-JULY 2025	341 040.63		
PLUS MATURED INVESTMENT	109 512 054.79		
PLUS :SARS REFUND	1 890 827.10		
PLUS :TRANSFER IN	182 970 275.31		
LESS:TRANSFER OUT	- 225 749 000.00		
LESS: Debit Orders for -JULY 2025	- 750 260.42		
Closing Cashbook Balance as on 31 JULY 2025	3 432 397.87	3 432 397.87	
		14 915.00	
Reconciling Items	Amount		
ADD: Journal Debits - on Cashbook not on Bank Statement	14 915.00		
ADJUSTED MONTH END CASHBOOK BALANCE- 31 JULY 2025		3 447 312.87	
MONTH END BALANCE PER BANK STATEMENT- 31 JULY 2025		3 447 312.79	
DIFFERENCE		0.08	



6.2. MONTHLY BUDGET STATEMENT- INVESTMENT PORTFOLIO

The following information presents the short-term investments balances broken down per investment type as of 31 JULY 2025

INVESTMENT REGISTER FOR JULY 2025								
Name of grant	INTEREST RATES	Opening Balance as at	Re-Investments	Expenditure	interest	bank charges	Closing Balance as at	TOTAL INTEREST EARNED TO DATE
		2025/07/01					2025/07/31	
	%	R	R	R	R	R	R	R
call 1-internal grant	7.20	458.99	211 749 000.00	180 341 040.63	341 040.63	-	31 749 458.99	341 040.63
Call account 2 - HOUSING	7.20	2 154 237.34	-	-	11 130.32	-	2 165 367.66	11 130.32
Call account 3-MIG	7.20	42 815.33	14 000 000.00	398 376.89	42 015.89		13 686 454.33	42 015.89
Call account 5-TMT	7.20	543 050.80	4 040.00	-	2 767.57	55.82	549 802.55	2 767.57
Call account 6-INEP	7.20	-		-	-	-	-	-
Call account 7-AR	7.20	5 709 080.25	34 790.95	1 511 827.09	24 386.06	-	4 256 430.17	24 386.06
Call account 8-Title Deed	7.20	2 221 084.43	-	95 200.00	11 469.29	-	2 137 353.72	11 469.29
Call account 9-Disaster Recovery	7.20	4 923 118.02	-	999 662.28	24 268.47	-	3 947 724.21	24 268.47
ABSA BANK	9.78	100 000 000.00		(100 000 000.00)	-		-	-
NEDBANK	7.87	50 000 000.00		-	258 739.72		50 000 000.00	258 739.72
ABSA BANK	7.92	100 000 000.00	-	-	737 753.42		100 000 000.00	737 753.42
FNB-MAIN BANK					42 670.48		-	42 670.48
TOTAL		265 593 845.16	225 787 830.95	(83 346 106.89)	1 496 241.85	(55.82)	208 492 591.63	1 496 241.85



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

KZN291 Mandeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

Summary of Employee and Councilor remuneration	Ref	2024/25	Budget Year 2025/26							
		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
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		12 742	14 319	–	1 070	1 070	1 193	(123)	-10%	14 319
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		452	702	–	39	39	58	(19)	-32%	702
Cellphone Allowance		1 493	1 754	–	126	126	146	(20)	-14%	1 754
Housing Allowances		126	269	–	11	11	22	(12)	-53%	269
Other benefits and allowances		–	–	–	–	–	–	–	–	–
Sub Total - Councillors		14 814	17 043	–	1 246	1 246	1 420	(174)	-12%	17 043
% increase	4		15.0%							15.0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		7 359	5 833	–	479	479	486	(7)	-1%	5 833
Pension and UIF Contributions		–	11	–	–	–	1	(1)	-100%	11
Medical Aid Contributions		268	153	–	23	23	13	10	79%	153
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		570	399	–	–	–	33	(33)	-100%	399
Motor Vehicle Allowance		716	909	–	60	60	76	(16)	-21%	909
Cellphone Allowance		342	281	–	29	29	23	5	22%	281
Housing Allowances		170	292	–	14	14	24	(10)	-42%	292
Other benefits and allowances		482	485	–	40	40	40	(0)	-1%	485
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations		5 617	3 923	–	–	–	327	(327)	-100%	3 923
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		15 524	12 285	–	644	644	1 024	(380)	-37%	12 285
% increase	4		-20.9%							-20.9%
Other Municipal Staff										
Basic Salaries and Wages		96 503	105 238	–	8 818	8 818	8 770	48	1%	105 238
Pension and UIF Contributions		15 787	17 150	–	1 376	1 376	1 429	(53)	-4%	17 150
Medical Aid Contributions		7 748	7 271	–	695	695	606	90	15%	7 271
Overtime		4 129	3 191	–	386	386	266	120	45%	3 191
Performance Bonus		8 019	5 711	–	624	624	476	148	31%	5 711
Motor Vehicle Allowance		4 999	6 161	–	428	428	513	(85)	-17%	6 161
Cellphone Allowance		758	832	–	69	69	69	(1)	-1%	832
Housing Allowances		340	405	–	30	30	34	(4)	-12%	405
Other benefits and allowances		2 185	1 052	–	257	257	88	169	193%	1 052
Payments in lieu of leave		3 327	2 798	–	124	124	233	(110)	-47%	2 798
Long service awards		439	1 498	–	38	38	125	(87)	-69%	1 498
Post-retirement benefit obligations		(1 123)	4 310	–	–	–	359	(359)	-100%	4 310
Entertainment		–	–	–	–	–	–	–	–	–
Scarcity		–	–	–	–	–	–	–	–	–
Acting and post related allowance		–	–	–	–	–	–	–	–	–
In kind benefits		–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		143 111	155 617	–	12 845	12 845	12 968	(123)	-1%	155 617
% increase	4		8.7%							8.7%
Total Parent Municipality		173 449	184 944	–	14 735	14 735	15 412	(677)	-4%	184 944

8. External Loan

NONE



9. Performance Indicators

KZN291 Mandeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M01 July

Description of financial indicator	Basis of calculation	Ref	2024/25	Budget Year 2025/26			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	8.1%	0.0%	0.0%	4.1%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.9%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		9.2%	8.6%	0.0%	7.0%	8.6%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	345.6%	202.1%	0.0%	521.0%	202.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		162.5%	11.1%	0.0%	316.0%	11.1%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		23.4%	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%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
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		37.0%	36.9%	0.0%	12.0%	36.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.6%	6.6%	0.0%	0.3%	6.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		8.5%	8.6%	0.0%	0.0%	4.4%
<u>IDP regulation financial viability indicators</u>							
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:

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- **Monthly Budget Statements**

for the month of **July 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 **14 August 2025**