

INGQUZA HILL LOCAL MUNICIPALITY



BUDGET AND TREASURY OFFICE
IN-YEAR REPORTING: MFMA SECTION 71 REPORT FOR
SEPTEMBER 2025

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EXECUTIVE SUMMARY

1. INTRODUCTION

The municipality approved the 2025/26 Annual Budget and the MTREF in May 2025. The purpose of this report, which is prepared in terms of section 71 of the Municipal Finance Management Act No. 56 of 2003, is to report on the performance of the municipality against the approved budget, that is expenditure, revenues, assets, and liabilities. This report is in respect of the performance of the municipality for September 2025, the third month of the 2025/26 financial year.

2. LEGAL AND OR LEGISLATIVE BACKGROUND

Section 71 of the Municipal Finance Management Act (MFMA), (Act 56 of 2003) prescribes certain conditions that need to be complied with, in terms of the mentioned Act. This report indicates the performance of the municipality against the approved budget for the period reported on.

The Accounting Officer of the Municipality must report by no later than 10 working days after the end of each month to the Mayor and the relevant Provincial Treasury, a statement in the **prescribed format** on the state of the Municipality's budget, that is performance against the set targets.

Section 66 of the Municipal Finance Management Act further prescribes that all expenditure incurred by the Municipality on staff salaries, allowances and benefits be reported upon in a format and for the prescribed period. It is considered appropriate to report on this section of the Act monthly to coincide with the reporting requirements of Section 71(1) of the Act.

The objectives of the budget format reforms in terms of these regulations are:

- To ensure that the Municipal budget and financial reporting formats support the other financial management reforms introduced by the Municipal Finance Management Act (MFMA).
- To formalize the norms and standards governing Municipal Budget and Financial Reporting formats, to improve the credibility, sustainability, transparency, accuracy, and reliability of budgets and in-year reports.
- To improve the Council's ability to deliver basic services to all by addressing issues of financial sustainability.
- To facilitate informed policy choices by Council and medium-term planning of service delivery by aligning targets to achieve backlog elimination.

3. PERFORMANCE AGAINST THE APPROVED BUDGET

The municipality generated a revenue of R5,8 million for the month of September 2025. This brings the total revenue generated to-date to R178,9 million. The

significant portion of the revenue generated relates to revenue generated from funds kept in the bank accounts of the municipality which are not readily required for service delivery.

The municipality also incurred expenditure for the same period, which is R37,6 million, bringing the total year-to-date amount to just over R124 million. This has resulted in a year-to-date surplus of R54,3 million.

Further details on the variances and other information are detailed in the subsequent paragraphs.

IN-YEAR BUDGET STATEMENT

4. MONTHLY BUDGET STATEMENT: SUMMARY

The table below shows the performance of the municipality for the month of September 2025, the third month of the 2025/26 financial year. The total revenue for September 2025 amounted to R5,8 million, whilst the expenditure for the same month was R37,6 million, resulting in a deficit for the month of R31,8 million.

| EC153 Ngquza Hills - Table C1 Monthly Budget Statement Summary - M03 - September | | | Budget Year 2025/26 | | | | | | | |
|--|------------------|-------------------|---------------------|--------------------|--------------------|--------------------|---------------------|-----------------|-----------------|--------------------|
| Description | 2024/25 | | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| | Audited Outcome | | | | | | | | | |
| R thousands | | | | | | | | | | |
| Financial Performance | | | | | | | | | | |
| Property rates | 39 803 | 42 607 | — | 1 597 | 20 794 | 10 652 | 10 142 | 95% | 42 607 | |
| Service charges | 1 394 | 1 296 | — | 119 | 357 | 324 | 33 | 10% | 1 296 | |
| Investment revenue | 24 126 | 22 000 | — | 1 517 | 5 211 | 5 500 | (289) | -5% | 22 000 | |
| Transfers and subsidies - Operational | 367 753 | 362 391 | — | 620 | 145 301 | 90 598 | 54 703 | 60% | 362 391 | |
| Other own revenue | 63 931 | 24 877 | — | 2 011 | 7 303 | 6 219 | 1 084 | 17% | 24 877 | |
| Total Revenue (excluding capital transfers and contributions) | 497 008 | 453 171 | — | 5 865 | 178 966 | 113 293 | 65 673 | 58% | 453 171 | |
| Employee costs | 163 510 | 181 307 | — | 14 198 | 42 097 | 45 327 | (3 229) | -7% | 181 307 | |
| Remuneration of Councillors | 29 154 | 31 073 | — | 2 278 | 6 835 | 7 768 | (933) | -12% | 31 073 | |
| Depreciation and amortisation | 58 694 | 57 500 | — | 4 939 | 15 157 | 14 375 | 782 | 5% | 57 500 | |
| Interest | 4 119 | 150 | — | — | — | 38 | (38) | -100% | 150 | |
| Inventory consumed and bulk purchases | — | — | — | — | — | — | — | — | — | |
| Transfers and subsidies | 5 147 | 7 000 | — | — | 813 | 1 750 | (937) | -54% | 7 000 | |
| Other expenditure | 215 411 | 275 347 | — | 16 262 | 59 701 | 68 837 | (9 136) | -13% | 275 347 | |
| Total Expenditure | 476 035 | 552 377 | — | 37 678 | 124 603 | 138 094 | (13 492) | -10% | 552 377 | |
| Surplus/(Deficit) | 20 973 | (99 206) | — | (31 813) | 54 363 | (24 801) | 79 165 | -319% | (99 206) | |
| Transfers and subsidies - capital (monetary allocations) | 79 404 | 65 535 | — | 6 689 | 21 831 | 16 384 | 5 448 | 33% | 65 535 | |
| Transfers and subsidies - capital (in-kind) | — | — | — | — | — | — | — | — | — | |
| Surplus/(Deficit) after capital transfers & contributions | 100 377 | (33 671) | — | (25 124) | 76 195 | (8 418) | 84 612 | -1005% | (33 671) | |
| Share of surplus/ (deficit) of associate | — | — | — | — | — | — | — | — | — | |
| Surplus/ (Deficit) for the year | 100 377 | (33 671) | — | (25 124) | 76 195 | (8 418) | 84 612 | -1005% | (33 671) | |
| Capital expenditure & funds sources | | | | | | | | | | |
| Capital expenditure | 132 421 | 114 855 | — | 5 363 | 24 007 | 28 714 | (4 707) | -16% | 114 855 | |
| Capital transfers recognised | 78 327 | 65 535 | — | 4 811 | 18 984 | 16 384 | 2 600 | 16% | 65 535 | |
| Borrowing | — | — | — | — | — | — | — | — | — | |
| Internally generated funds | 50 492 | 49 320 | — | 551 | 5 023 | 12 330 | (7 307) | -59% | 49 320 | |
| Total sources of capital funds | 128 819 | 114 855 | — | 5 363 | 24 007 | 28 714 | (4 707) | -16% | 114 855 | |
| Financial position | | | | | | | | | | |
| Total current assets | 340 620 | 316 387 | — | — | 432 857 | — | — | — | — | 316 387 |
| Total non current assets | 1 620 112 | 1 741 531 | — | — | 1 634 955 | — | — | — | — | 1 741 531 |
| Total current liabilities | 96 774 | 67 059 | — | — | 127 567 | — | — | — | — | 67 059 |
| Total non current liabilities | 29 797 | 32 596 | — | — | 29 797 | — | — | — | — | 32 596 |
| Community wealth/Equity | 1 836 090 | 1 958 263 | — | — | 1 910 449 | — | — | — | — | 1 958 263 |
| Cash flows | | | | | | | | | | |
| Net cash from (used) operating | 268 094 | 81 471 | 95 772 | 15 821 | 160 611 | 20 368 | (140 244) | -689% | 81 471 | |
| Net cash from (used) investing | 128 891 | (137 355) | (137 355) | (8 459) | (34 283) | (34 339) | (56) | 0% | (137 355) | |
| Net cash from (used) financing | — | — | — | — | — | — | — | — | — | |
| Cash/cash equivalents at the month/year end | 664 806 | 279 097 | 293 397 | — | 414 865 | 321 010 | (93 855) | -29% | 232 653 | |
| Debtors & creditors analysis | 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 | |
| Debtors Age Analysis | | | | | | | | | | |
| Total By Income Source | 2 597 | 1 772 | 18 087 | 1 890 | 1 864 | 1 852 | 1 819 | 108 933 | 138 815 | |
| Creditors Age Analysis | | | | | | | | | | |
| Total Creditors | 5 874 | — | — | 16 | — | — | — | — | 5 891 | |

5. MONTHLY BUDGET STATEMENT – FINANCIAL PERFORMANCE (FUNCTIONAL CLASSIFICATION)

EC153 Ngquza Hills - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 - September

| Description | Ref | 2024/25 Audited | Budget Year 2025/26 | | | | | | | |
|--|----------|--------------------|---------------------|----------|-----------------|----------------|----------------|-----------------|---------------|-----------------|
| | | | Original | Adjusted | Monthly actual | YearTD actual | YearTD budget | YTD | YTD % | Full Year |
| R thousands | 1 | | | | | | | | | |
| Revenue - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 431 134 | 426 127 | – | 4 360 | 172 836 | 106 532 | 66 304 | 62% | 426 127 |
| Executive and council | | 1 593 | 1 716 | – | 145 | 434 | 429 | 5 | 1% | 1 716 |
| Finance and administration | | 429 541 | 424 411 | – | 4 216 | 172 401 | 106 103 | 66 299 | 62% | 424 411 |
| Internal audit | | – | – | – | – | – | – | – | – | – |
| <i>Community and public safety</i> | | – | – | – | – | – | – | – | – | – |
| Community and social services | | – | – | – | – | – | – | – | – | – |
| Sport and recreation | | – | – | – | – | – | – | – | – | – |
| Public safety | | – | – | – | – | – | – | – | – | – |
| Housing | | – | – | – | – | – | – | – | – | – |
| Health | | – | – | – | – | – | – | – | – | – |
| Economic and environmental services | | 114 413 | 77 396 | – | 7 005 | 22 785 | 19 349 | 3 436 | 18% | 77 396 |
| Planning and development | | 3 504 | 4 647 | – | 316 | 953 | 1 162 | (208) | -18% | 4 647 |
| Road transport | | 110 909 | 72 749 | – | 6 689 | 21 831 | 18 187 | 3 644 | 20% | 72 749 |
| Environmental protection | | – | – | – | – | – | – | – | – | – |
| Trading services | | 30 866 | 15 183 | – | 1 189 | 5 177 | 3 796 | 1 381 | 36% | 15 183 |
| Energy sources | | 20 478 | 3 660 | – | 225 | 2 366 | 915 | 1 451 | 159% | 3 660 |
| Water management | | – | – | – | – | – | – | – | – | – |
| Waste water management | | – | – | – | – | – | – | – | – | – |
| Waste management | | 10 388 | 11 523 | – | 964 | 2 811 | 2 881 | (70) | -2% | 11 523 |
| Other | 4 | – | – | – | – | – | – | – | – | – |
| Total Revenue - Functional | 2 | 576 413 | 518 706 | – | 12 554 | 200 797 | 129 677 | 71 121 | 55% | 518 706 |
| Expenditure - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 240 514 | 303 474 | – | 20 658 | 70 643 | 75 869 | (5 226) | -7% | 303 474 |
| Executive and council | | 86 923 | 108 434 | – | 6 866 | 21 161 | 27 109 | (5 948) | -22% | 108 434 |
| Finance and administration | | 149 991 | 189 727 | – | 13 377 | 48 248 | 47 432 | 816 | 2% | 189 727 |
| Internal audit | | 3 601 | 5 313 | – | 415 | 1 234 | 1 328 | (94) | -7% | 5 313 |
| <i>Community and public safety</i> | | 131 | – | – | – | – | – | – | – | – |
| Community and social services | | 131 | – | – | – | – | – | – | – | – |
| Sport and recreation | | – | – | – | – | – | – | – | – | – |
| Public safety | | – | – | – | – | – | – | – | – | – |
| Housing | | – | – | – | – | – | – | – | – | – |
| Health | | – | – | – | – | – | – | – | – | – |
| Economic and environmental services | | 106 972 | 142 266 | – | 8 952 | 30 378 | 35 567 | (5 188) | -15% | 142 266 |
| Planning and development | | 30 980 | 39 385 | – | 2 016 | 5 780 | 9 846 | (4 067) | -41% | 39 385 |
| Road transport | | 75 991 | 102 881 | – | 6 936 | 24 599 | 25 720 | (1 122) | -4% | 102 881 |
| Environmental protection | | – | – | – | – | – | – | – | – | – |
| Trading services | | 128 418 | 106 637 | – | 8 068 | 23 582 | 26 659 | (3 078) | -12% | 106 637 |
| Energy sources | | 33 381 | 17 010 | – | 1 007 | 4 141 | 4 253 | (112) | -3% | 17 010 |
| Water management | | – | – | – | – | – | – | – | – | – |
| Waste water management | | – | – | – | – | – | – | – | – | – |
| Waste management | | 95 037 | 89 627 | – | 7 061 | 19 441 | 22 407 | (2 966) | -13% | 89 627 |
| Other | | – | – | – | – | – | – | – | – | – |
| Total Expenditure - Functional | 3 | 476 035 | 552 377 | – | 37 678 | 124 603 | 138 094 | (13 492) | -10% | 552 377 |
| Surplus/ (Deficit) for the year | | 100 377 | (33 671) | – | (25 124) | 76 195 | (8 418) | 84 612 | -1005% | (33 671) |

The table above shows the revenue and expenditure per functional classification. The highest revenue has been received at the Road And Transport Function and this is mainly due to recognition of revenue after conditional grant provisions have been met. The revenue generated from the Road and Transport Function is R6,6 million.

The expenditure for the same period can be attributed to the various departments, e.g. expenditure of just over R6,8 million for Executive and Council, R13,3 million for Finance and Administration, R8,9 million for Economic and Environmental Services and R8 million for the Trading Services.

6. MONTHLY BUDGET STATEMENT: FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY MUNICIPAL VOTE)

The table above indicates the revenue and expenditure per municipal vote.

EC153 Ngquza Hills - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 - September

| Vote Description | Ref | 2024/25 | | Budget Year 2025/26 | | | | | | |
|---|----------|----------------|-----------------|---------------------|-----------------|----------------|----------------|-----------------|-----------------|-----------------|
| | | Audited | Original | Adjusted | Monthly actual | YearTD actual | YearTD budget | YTD | YTD % | Full Year |
| R thousands | | | | | | | | | | |
| Revenue by Vote | 1 | | | | | | | | | |
| Vote 1 - Governance and Administration | | 431 134 | 426 127 | - | 4 360 | 172 836 | 106 532 | 66 304 | 62,2% | 426 127 |
| Vote 2 - Community Services and Public Safety | | 10 388 | 11 523 | - | 964 | 2 811 | 2 881 | (70) | -2,4% | 11 523 |
| Vote 3 - Economic and Environmental Services | | 1 474 | 2 008 | - | 86 | 276 | 502 | (226) | -45,0% | 2 008 |
| Vote 4 - Trading Services | | 20 478 | 3 660 | - | 225 | 2 366 | 915 | 1 451 | 158,6% | 3 660 |
| Vote 5 - Technical Services | | 112 939 | 75 388 | - | 6 919 | 22 508 | 18 847 | 3 661 | 19,4% | 75 388 |
| Vote 6 - | | - | - | - | - | - | - | - | - | - |
| Vote 7 - | | - | - | - | - | - | - | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - |
| Total Revenue by Vote | 2 | 576 413 | 518 706 | - | 12 554 | 200 797 | 129 677 | 71 121 | 54,8% | 518 706 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 1 - Governance and Administration | | 240 514 | 303 474 | - | 20 658 | 70 643 | 75 869 | (5 226) | -6,9% | 303 474 |
| Vote 2 - Community Services and Public Safety | | 95 168 | 89 627 | - | 7 061 | 19 441 | 22 407 | (2 966) | -13,2% | 89 627 |
| Vote 3 - Economic and Environmental Services | | 26 675 | 36 749 | - | 2 016 | 5 694 | 9 187 | (3 494) | -38,0% | 36 749 |
| Vote 4 - Trading Services | | 33 381 | 17 010 | - | 1 007 | 4 141 | 4 253 | (112) | -2,6% | 17 010 |
| Vote 5 - Technical Services | | 80 296 | 105 517 | - | 6 936 | 24 685 | 26 379 | (1 694) | -6,4% | 105 517 |
| Vote 6 - | | - | - | - | - | - | - | - | - | - |
| Vote 7 - | | - | - | - | - | - | - | - | - | - |
| Vote 8 - | | - | - | - | - | - | - | - | - | - |
| Vote 9 - | | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - |
| Vote 15 - | | - | - | - | - | - | - | - | - | - |
| Total Expenditure by Vote | 2 | 476 035 | 552 377 | - | 37 678 | 124 603 | 138 094 | (13 492) | -9,8% | 552 377 |
| Surplus/ (Deficit) for the year | 2 | 100 377 | (33 671) | - | (25 124) | 76 195 | (8 418) | 84 612 | -1005,2% | (33 671) |

7. MONTHLY BUDGET STATEMENT: FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE)

EC153 Ngquza Hills - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 - September

| Description | Ref | 2024/25 | | Budget Year 2025/26 | | | | | | |
|--|-----|-----------------|-----------------|---------------------|-----------------|----------------|-----------------|-----------------|-----------------|--|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | |
| R thousands | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | - | - | - | - | - | - | - | - | |
| Service charges - Water | | - | - | - | - | - | - | - | - | |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | |
| Service charges - Waste management | | 1 394 | 1 296 | - | 119 | 357 | 324 | 33 | 10% | |
| Sale of Goods and Rendering of Services | | 20 808 | 4 276 | - | 242 | 2 441 | 1 069 | 1 373 | 128% | |
| Agency services | | 4 475 | 6 400 | - | 417 | 1 231 | 1 600 | (369) | -23% | |
| Interest | | - | - | - | - | - | - | - | - | |
| Interest earned from Receivables | | 1 020 | 749 | - | 84 | 250 | 187 | 63 | 34% | |
| Interest from Current and Non Current Assets | | 24 126 | 22 000 | - | 1 517 | 5 211 | 5 500 | (289) | -5% | |
| Dividends | | - | - | - | - | - | - | - | - | |
| Rent on Land | | - | - | - | - | - | - | - | - | |
| Rental from Fixed Assets | | 1 043 | 1 224 | - | 68 | 184 | 306 | (122) | -40% | |
| Licence and permits | | 115 | 200 | - | 3 | 24 | 50 | (26) | -51% | |
| Special Rating Levies | | - | - | - | - | - | - | - | - | |
| Operational Revenue | | 143 | 380 | - | 126 | 214 | 95 | 119 | 126% | |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 39 803 | 42 607 | - | 1 597 | 20 794 | 10 652 | 10 142 | 95% | |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | |
| Fines, penalties and forfeits | | 1 988 | 1 552 | - | 212 | 661 | 388 | 273 | 70% | |
| Licence and permits | | - | - | - | - | - | - | - | - | |
| Transfers and subsidies - Operational | | 367 753 | 362 391 | - | 620 | 145 301 | 90 598 | 54 703 | 60% | |
| Interest | | 9 178 | 9 097 | - | 858 | 2 297 | 2 274 | 23 | 1% | |
| Fuel Levy | | - | - | - | - | - | - | - | - | |
| Operational Revenue | | - | - | - | - | - | - | - | - | |
| Gains on disposal of Assets | | 5 948 | 1 000 | - | - | - | 250 | (250) | -100% | |
| Other Gains | | 19 213 | - | - | - | - | - | - | - | |
| Discontinued Operations | | - | - | - | - | - | - | - | - | |
| Total Revenue (excluding capital transfers and contributions) | | 497 008 | 453 171 | - | 5 865 | 178 966 | 113 293 | 65 673 | 58% | |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 163 510 | 181 307 | - | 14 198 | 42 097 | 45 327 | (3 229) | -7% | |
| Remuneration of councillors | | 29 154 | 31 073 | - | 2 278 | 6 835 | 7 768 | (933) | -12% | |
| Bulk purchases - electricity | | - | - | - | - | - | - | - | - | |
| Inventory consumed | | - | - | - | - | - | - | - | - | |
| Debt impairment | | 10 071 | 11 163 | - | - | - | 2 791 | (2 791) | -100% | |
| Depreciation and amortisation | | 58 694 | 57 500 | - | 4 939 | 15 157 | 14 375 | 782 | 5% | |
| Interest | | 4 119 | 150 | - | - | - | 38 | (38) | -100% | |
| Contracted services | | 88 182 | 106 909 | - | 8 970 | 24 961 | 26 727 | (1 766) | -7% | |
| Transfers and subsidies | | 5 147 | 7 000 | - | - | 813 | 1 750 | (937) | -54% | |
| Irrecoverable debts written off | | 8 735 | 16 500 | - | 107 | 576 | 4 125 | (3 549) | -86% | |
| Operational costs | | 108 495 | 140 775 | - | 7 185 | 34 163 | 35 194 | (1 031) | -3% | |
| Losses on Disposal of Assets | | (72) | - | - | - | - | - | - | - | |
| Other Losses | | - | - | - | - | - | - | - | - | |
| Total Expenditure | | 476 035 | 552 377 | - | 37 678 | 124 603 | 138 094 | (13 492) | -10% | |
| Surplus/(Deficit) | | 20 973 | (99 206) | - | (31 813) | 54 363 | (24 801) | 79 165 | -319% | |
| Transfers and subsidies - capital (monetary allocations) | | 79 404 | 65 535 | - | 6 689 | 21 831 | 16 384 | 5 448 | 33% | |
| Transfers and subsidies - capital (in-kind) | | - | - | - | - | - | - | - | - | |
| Surplus/(Deficit) after capital transfers & contributions | | 100 377 | (33 671) | - | (25 124) | 76 195 | (8 418) | | (33 671) | |
| Income Tax | | - | - | - | - | - | - | - | - | |
| Surplus/(Deficit) after income tax | | 100 377 | (33 671) | - | (25 124) | 76 195 | (8 418) | | (33 671) | |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | |
| Surplus/(Deficit) attributable to municipality | | 100 377 | (33 671) | - | (25 124) | 76 195 | (8 418) | | (33 671) | |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | |
| Surplus/ (Deficit) for the year | | 100 377 | (33 671) | - | (25 124) | 76 195 | (8 418) | | (33 671) | |

In the table above the following can be highlighted

a) Revenue

i Waste Management

The municipality generated revenue from solid waste removal to the amount of R119 000 for the month of September 2025. There is a 10% variance against the budgeted amount which is a positive achievement. Management must continue to analyse whether all revenue due to be billed is billed, then subsequently ensure that all billed revenue is collected.

ii Sale of Goods and Rendering of Services

The revenue source generated a revenue of R242 000 for the month of September 2025. It must be noted that this revenue also includes revenue from implementation of the INEP projects in terms of construction contracts. This also means that on the other hand the conditions of INEP would have been met, and the revenue is then realised. The revenue to date on this source is R2,4 million.

iii Agency Fees

The municipality generates revenue from operating the Driver's License and Testing Centre. For September 2025, the municipality generated revenue of R417 000 which results in variance of -23% of the budgeted amount. There is an indication that the centre is not yet fully functional, although the plans of the municipality are that it should be fully functional during this financial year. This should see a reduction in the variance and optimum performance from the centre.

iv Interest From Current and Non-Current Assets

The municipality receives interest from balances in its main and its call accounts. In September 2025 the municipality generated R1,5 million which results in a -5% variance of the budgeted amount for the same period of R5,5 million. The management will continue to monitor the interests accumulated from the funds and ensure that the funds are placed in accounts that are likely to generate more revenue during the periods in which they are not required for service delivery.

v Property Rates

The municipality bills the rateable properties within the municipality for property rates. The billing processed by the municipality for property rates in September 2025 is just over R1,5 million. This results in a year-to-date billing of R20,7 million. This amount still reflects a percentage significantly higher than the budgeted amount, and this as a result of the billing for government properties which is done annually in July of a financial year.

vi Rental From Fixed Assets

The municipality generated revenue of R62 000 for August 2025 in relation to the rental of properties it owns. There is a current exercise that management is undergoing to review all municipal leased properties, determining whether the current rentals and agreements are appropriate. The results of that analysis will be tabled to council for resolution.

vii Transfers and Subsidies

The municipality receives transfers and subsidies from various government departments, some of which are conditional grants and others unconditional. From the operational grants, the municipality received or recognised just of R620 000 in the month of September 2025.

The capital transfers generated just over R6,6 million, and this is due to recognition of revenue from the Municipal Infrastructure Grant. This brings into total revenue recognition of capital transfers to R21,8 million.

b) Expenditure

i Employee Related Costs

The municipality pays employees' salaries and allowances for services rendered as employees of the municipality. In September 2025, the expenditure relating to Employee Related Costs is R14,1million, resulting in a variance of -7% which can be attributed to vacancies that have not yet been filled.

The Corporate Services Department has compiled a recruitment plan that intends to deal with the elimination of vacancies, giving attention to the critical positions that have been vacant for a while. There is much progress on the recruitment on the vacant positions in terms of the recruitment plan.

ii Remuneration of Councillors

The upper limits on the remuneration of municipal office bearers is a gazette that determines the salaries and allowances that councillors must be paid. The municipality pays the remuneration of councillors in line with the provisions of this gazette. In September 2025, the municipality spent just over R2,2 million on the remuneration of councillors. This results in a variance of -12%, and this can be attributed to the increase that has not yet been indicated in terms of an updated gazette, which has not been issued.

iii Contracted Services

The contracted services for September 2025 amounted to R8,9 million, with an underspending of 7%. Management will continue to monitor the

spending patterns of the municipality to ensure that all service delivery imperatives are met.

iv Operational Costs

The operational costs incurred by the municipality in September 2025 amounted to R7,1 million. This has resulted in year-to-date amount of R34,1 million, resulting in a variance of 3% under expenditure.

v Depreciation And Amortisation

The municipality has implemented a system-based asset management, which computes the depreciation monthly. The depreciation for September 2025 is R4,9 million.

8. MONTHLY BUDGET STATEMENT: CAPITAL EXPENDITURE

The table below indicates the capital expenditure for the month of September 2025, which was just over R5,3 million, R5,2 million of which is at Technical Services and R150 000 is at Governance and Administration.

EC153 Ngquza Hills - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 - September

| Vote Description | Ref | 2024/25 | | Budget Year 2025/26 | | | | | | |
|---|------------|----------------|----------------|---------------------|----------------|---------------|---------------|----------------|--------------|----------------|
| | | Audited | Original | Adjusted | Monthly actual | YearTD actual | YearTD budget | YTD | YTD % | Full Year |
| R thousands | 1 | | | | | | | | | |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - Governance and Administration | | – | – | – | – | – | – | – | – | |
| Vote 2 - Community Services and Public Safety | | – | – | – | – | – | – | – | – | |
| Vote 3 - Economic and Environmental Services | | – | – | – | – | – | – | – | – | |
| Vote 4 - Trading Services | | – | – | – | – | – | – | – | – | |
| Vote 5 - Technical Services | | – | – | – | – | – | – | – | – | |
| Vote 6 - | | – | – | – | – | – | – | – | – | |
| Vote 7 - | | – | – | – | – | – | – | – | – | |
| Vote 8 - | | – | – | – | – | – | – | – | – | |
| Vote 9 - | | – | – | – | – | – | – | – | – | |
| Vote 10 - | | – | – | – | – | – | – | – | – | |
| Vote 11 - | | – | – | – | – | – | – | – | – | |
| Vote 12 - | | – | – | – | – | – | – | – | – | |
| Vote 13 - | | – | – | – | – | – | – | – | – | |
| Vote 14 - | | – | – | – | – | – | – | – | – | |
| Vote 15 - | | – | – | – | – | – | – | – | – | |
| Total Capital Multi-year expenditure | 4,7 | – | – | – | – | – | – | – | – | |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - Governance and Administration | | 19 642 | 11 850 | – | 150 | 150 | 2 963 | (2 812) | -95% | 11 850 |
| Vote 2 - Community Services and Public Safety | | 8 507 | 7 170 | – | – | – | 1 793 | (1 793) | -100% | 7 170 |
| Vote 3 - Economic and Environmental Services | | 505 | 2 000 | – | – | – | 500 | (500) | -100% | 2 000 |
| Vote 4 - Trading Services | | 9 303 | 13 000 | – | – | – | 3 250 | (3 250) | -100% | 13 000 |
| Vote 5 - Technical Services | | 94 464 | 80 835 | – | 5 213 | 23 857 | 20 209 | 3 648 | 18% | 80 835 |
| Vote 6 - | | – | – | – | – | – | – | – | – | – |
| Vote 7 - | | – | – | – | – | – | – | – | – | – |
| Vote 8 - | | – | – | – | – | – | – | – | – | – |
| Vote 9 - | | – | – | – | – | – | – | – | – | – |
| Vote 10 - | | – | – | – | – | – | – | – | – | – |
| Vote 11 - | | – | – | – | – | – | – | – | – | – |
| Vote 12 - | | – | – | – | – | – | – | – | – | – |
| Vote 13 - | | – | – | – | – | – | – | – | – | – |
| Vote 14 - | | – | – | – | – | – | – | – | – | – |
| Vote 15 - | | – | – | – | – | – | – | – | – | – |
| Total Capital single-year expenditure | 4 | 132 421 | 114 855 | – | 5 363 | 24 007 | 28 714 | (4 707) | -16% | 114 855 |
| Total Capital Expenditure | | 132 421 | 114 855 | – | 5 363 | 24 007 | 28 714 | (4 707) | -16% | 114 855 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 19 642 | 11 850 | – | 150 | 150 | 2 963 | (2 812) | -95% | 11 850 |
| Executive and council | | 50 | 300 | – | – | – | 75 | (75) | -100% | 300 |
| Finance and administration | | 19 592 | 11 550 | – | 150 | 150 | 2 888 | (2 737) | -95% | 11 550 |
| Internal audit | | – | – | – | – | – | – | – | – | – |
| Community and public safety | | 5 832 | – | – | – | – | – | – | – | – |
| Community and social services | | 2 877 | – | – | – | – | – | – | – | – |
| Sport and recreation | | 2 955 | – | – | – | – | – | – | – | – |
| Public safety | | – | – | – | – | – | – | – | – | – |
| Housing | | – | – | – | – | – | – | – | – | – |
| Health | | – | – | – | – | – | – | – | – | – |
| Economic and environmental services | | 94 970 | 82 835 | – | 5 213 | 23 857 | 20 709 | 3 148 | 15% | 82 835 |
| Planning and development | | 505 | 2 000 | – | – | – | 500 | (500) | -100% | 2 000 |
| Road transport | | 94 464 | 80 835 | – | 5 213 | 23 857 | 20 209 | 3 648 | 18% | 80 835 |
| Environmental protection | | – | – | – | – | – | – | – | – | – |
| Trading services | | 11 978 | 20 170 | – | – | – | 5 043 | (5 043) | -100% | 20 170 |
| Energy sources | | 9 303 | 13 000 | – | – | – | 3 250 | (3 250) | -100% | 13 000 |
| Water management | | – | – | – | – | – | – | – | – | – |
| Waste water management | | – | – | – | – | – | – | – | – | – |
| Waste management | | 2 675 | 7 170 | – | – | – | 1 793 | (1 793) | -100% | 7 170 |
| Other | | – | – | – | – | – | – | – | – | – |
| Total Capital Expenditure - Functional Classification | 3 | 132 421 | 114 855 | – | 5 363 | 24 007 | 28 714 | (4 707) | -16% | 114 855 |
| Funded by: | | | | | | | | | | |
| National Government | | 70 969 | 64 835 | – | 4 811 | 18 984 | 16 209 | 2 775 | 17% | 64 835 |
| Provincial Government | | 7 358 | 700 | – | – | – | 175 | (175) | -100% | 700 |
| District Municipality | | – | – | – | – | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Deparment Agencies, etc) | | – | – | – | – | – | – | – | – | – |
| Transfers recognised - capital | | 78 327 | 65 535 | – | 4 811 | 18 984 | 16 384 | 2 600 | 16% | 65 535 |
| Borrowing | 6 | – | – | – | – | – | – | – | – | – |
| Internally generated funds | | 50 492 | 49 320 | – | 551 | 5 023 | 12 330 | (7 307) | -59% | 49 320 |
| Total Capital Funding | | 128 819 | 114 855 | – | 5 363 | 24 007 | 28 714 | (4 707) | -16% | 114 855 |

9. MONTHLY BUDGET STATEMENT: FINANCIAL POSITION

The table below shows the financial position of the municipality as at the end of September 2025. It is the reflection of the total assets of the municipality as well as the total liabilities of the municipality.

EC153 Ngquza Hills - Table C6 Monthly Budget Statement - Financial Position - M03 - September

| 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 | | 288 536 | 279 097 | – | 364 761 | 279 097 |
| Trade and other receivables from exchange transactions | | 1 645 | 5 599 | – | 1 790 | 5 599 |
| Receivables from non-exchange transactions | | 9 607 | 25 362 | – | 26 810 | 25 362 |
| Current portion of non-current receivables | | – | – | – | – | – |
| Inventory | | 768 | – | – | 768 | – |
| VAT | | 40 064 | 6 328 | – | 38 728 | 6 328 |
| Other current assets | | (0) | – | – | (0) | – |
| Total current assets | | 340 620 | 316 387 | – | 432 857 | 316 387 |
| Non current assets | | | | | | |
| Investments | | – | – | – | – | – |
| Investment property | | 787 727 | 779 523 | – | 787 727 | 779 523 |
| Property, plant and equipment | | 832 385 | 962 008 | – | 847 228 | 962 008 |
| Biological assets | | – | – | – | – | – |
| Living and non-living resources | | – | – | – | – | – |
| Heritage assets | | – | – | – | – | – |
| Intangible assets | | – | – | – | – | – |
| Trade and other receivables from exchange transactions | | – | – | – | – | – |
| Non-current receivables from non-exchange transactions | | – | – | – | – | – |
| Other non-current assets | | – | – | – | – | – |
| Total non current assets | | 1 620 112 | 1 741 531 | – | 1 634 955 | 1 741 531 |
| TOTAL ASSETS | | 1 960 732 | 2 057 917 | – | 2 067 812 | 2 057 917 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | – | – | – | – | – |
| Financial liabilities | | 1 439 | – | – | 1 439 | – |
| Consumer deposits | | – | – | – | – | – |
| Trade and other payables from exchange transactions | | 53 384 | 64 279 | – | 56 630 | 64 279 |
| Trade and other payables from non-exchange transactions | | 1 035 | – | – | 28 497 | – |
| Provision | | 3 336 | 2 579 | – | 3 336 | 2 579 |
| VAT | | 37 581 | 201 | – | 37 665 | 201 |
| Other current liabilities | | – | – | – | – | – |
| Total current liabilities | | 96 774 | 67 059 | – | 127 567 | 67 059 |
| Non current liabilities | | | | | | |
| Financial liabilities | | 2 250 | – | – | 2 250 | – |
| Provision | | 27 548 | 32 596 | – | 27 548 | 32 596 |
| Long term portion of trade payables | | – | – | – | – | – |
| Other non-current liabilities | | – | – | – | – | – |
| Total non current liabilities | | 29 797 | 32 596 | – | 29 797 | 32 596 |
| TOTAL LIABILITIES | | 126 571 | 99 655 | – | 157 364 | 99 655 |
| NET ASSETS | 2 | 1 834 161 | 1 958 263 | – | 1 910 449 | 1 958 263 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 1 836 090 | 1 958 263 | – | 1 910 449 | 1 958 263 |
| Reserves and funds | | – | – | – | – | – |
| Other | | – | – | – | – | – |

10. MONTHLY BUDGET STATEMENT: CASHFLOW

EC153 Ngquza Hills - Table C7 Monthly Budget Statement - Cash Flow - M03 - September

| Description | Ref | 2024/25 Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | Budget Year 2025/26 | | | YTD variance % | Full Year Forecast |
|--|----------|-------------------------------|--------------------|--------------------|----------------|---------------------|-----------------|------------------|----------------------|-----------------------|
| | | | | | | YearTD actual | YearTD budget | YTD variance | | |
| R thousands | 1 | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Property rates | | 31 304 | 48 227 | 48 227 | 1 191 | 5 684 | 12 057 | (6 372) | -53% | 48 227 |
| Service charges | | 1 230 | 2 511 | 2 511 | 90 | 368 | 628 | (260) | -41% | 2 511 |
| Other revenue | | 6 816 | 50 664 | 50 664 | 3 277 | 25 965 | 12 666 | 13 299 | 105% | 50 664 |
| Transfers and Subsidies - Operational | | 356 951 | 362 391 | 362 391 | 2 434 | 146 541 | 90 598 | 55 943 | 62% | 362 391 |
| Transfers and Subsidies - Capital | | 62 145 | 65 535 | 65 535 | 21 527 | 45 054 | 16 384 | 28 670 | 175% | 65 535 |
| Interest | | 340 | 22 000 | 22 000 | 3 | 351 | 5 500 | (5 149) | -94% | 22 000 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (190 692) | (462 707) | (462 707) | (12 702) | (63 352) | (115 677) | 52 324 | -45% | (462 707) |
| Interest | | - | (150) | 150 | - | - | (38) | 38 | -100% | (150) |
| Transfers and Subsidies | | - | (7 000) | 7 000 | - | - | (1 750) | 1 750 | -100% | (7 000) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 268 094 | 81 471 | 95 772 | 15 821 | 160 611 | 20 368 | (140 244) | -689% | 81 471 |
| 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 | | 128 891 | (137 355) | (137 355) | (8 459) | (34 283) | (34 339) | 56 | 0% | (137 355) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | 128 891 | (137 355) | (137 355) | (8 459) | (34 283) | (34 339) | (56) | 0% | (137 355) |
| 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 | | 396 985 | (55 883) | (41 583) | 7 362 | 126 329 | (13 971) | | | (55 883) |
| Cash/cash equivalents at beginning: | | 267 822 | 334 981 | 334 981 | | 288 536 | 334 981 | | | 288 536 |
| Cash/cash equivalents at month/year end: | | 664 806 | 279 097 | 293 397 | | 414 865 | 321 010 | | | 232 653 |

SUPPORTING DOCUMENTATION

11. DEBTORS AGE ANALYSIS

The municipality bills consumers for property rates and solid waste removal. Interest is charged on overdue accounts. The billed revenue must then be collected to ensure that the municipality has enough cash and cash equivalents to meet all its obligations as the fall due. The following is the Debtors Age Analysis at the end of September 2025.

EC153 Ngquza Hills - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 - September

| Description | NT Code | Budget Year 2025/26 | | | | | | | | |
|---|-------------|---------------------|--------------|---------------|--------------|--------------|--------------|--------------|----------------|----------------|
| | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Ds | 151-180 Ds | 181 Ds-1 Yr | Over 1Yr | Total |
| R thousands | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | - | - | - | - | - | - | - | - | - |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | - | - | - | - | - | - | - | - | - |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 1 527 | 853 | 17 178 | 993 | 968 | 963 | 938 | 83 055 | 106 474 |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | - | - | - | - | - | - | - | - | - |
| Receivables from Exchange Transactions - Waste Management | 1600 | 129 | 115 | 110 | 101 | 99 | 97 | 96 | 11 331 | 12 078 |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | - | - | - | - | - | - | - | - | - |
| Interest on Arrear Debtor Accounts | 1810 | 942 | 804 | 799 | 796 | 798 | 793 | 785 | 14 546 | 20 262 |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | - | - | - | - | - | - | - | - | - |
| Other | 1900 | - | - | - | - | - | - | - | 1 | 1 |
| Total By Income Source | 2000 | 2 597 | 1 772 | 18 087 | 1 890 | 1 864 | 1 852 | 1 819 | 108 933 | 138 815 |
| 2024/25 - totals only | | - | - | - | - | - | - | - | - | - |
| Debtors Age Analysis By Customer Group | | | | | | | | | | |
| Organs of State | 2200 | 198 | 61 | 16 490 | 58 | 59 | 60 | 59 | 6 361 | 23 346 |
| Commercial | 2300 | 1 780 | 1 066 | 1 033 | 1 248 | 1 226 | 1 217 | 1 188 | 62 467 | 71 224 |
| Households | 2400 | 619 | 645 | 564 | 584 | 579 | 576 | 572 | 40 105 | 44 244 |
| Other | 2500 | - | - | - | - | - | - | - | - | - |
| Total By Customer Group | 2600 | 2 597 | 1 772 | 18 087 | 1 890 | 1 864 | 1 852 | 1 819 | 108 933 | 138 815 |

The management is implementing an approach discussed at the Revenue Committee as well as at BTO Portfolio Committee, wherein management must pay target attention to commercial properties. This is with the view that the commercial properties have a better ability of settling their debt as they are in business. This would be followed by close engagements with the government departments as they also have an obligation to settle all amounts outstanding and owing to the municipality.

a) Debt Collection Rate

The Ratio indicates the collection rate & measures increases or decreases in Debtors relative to annual billed revenue.

September 2025 collection levels:

The municipality bills for Property Rates and Solid Waste Removal. Interest is then levied on outstanding debts. For August 2025, the municipality has a total billing of over R18,4 million, whilst over R3,8 million was collected, and this results in a month collection rate of 21%. This is mainly due to the annual billing for government properties that occurs in July, whilst the payment for the same is expected to be received in the subsequent months, most like September 2025.

This still shows a year-to-date level of collection below the targets on collection, and as such the engagements with the ratepayers need to be intensified, and the planned specialized engagement with the commercial property owners needs to be expedited.

| <u>Category</u> | <u>25-Sep</u> | <u>Year-to-Date</u> |
|------------------------|----------------------|----------------------------|
| Rates | 1 488 559,53 | 20 208 223,44 |
| Refuse | 136 879,90 | 410 639,70 |
| Interest Levied | 941 607,20 | 2 547 471,70 |
| | 2 567 046,63 | 23 166 334,84 |
| Receipts | -1 290 029,23 | -6 269 156,24 |
| | 1 277 017,40 | 16 897 178,60 |
| Collection Rate | 50% | 27% |

a. Comments Regarding Government Debt

There is continuous engagement with government departments in ensuring that information that will result in the bills being paid is forwarded. All schedules and other information have already been forwarded, including invoices to the relevant departments, especially Department of Public Works, who is responsible for most of the billed amount.

12. CREDITORS AGE ANALYSIS

The table below shows the creditors age analysis as at the end of September 2025.

| EC153 Ngquza Hills - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 - September | | Budget Year 2025/26 | | | | | | | | | Prior year totals for chart (same period) |
|---|-------------|---------------------|-----------------|-----------------|------------------|-------------------|-------------------|----------------------|----------------|--------------|--|
| Description | NT Code | 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 | 5 874 | - | - | 16 | - | - | - | - | 5 891 | - |
| Auditor General | 0800 | - | - | - | - | - | - | - | - | - | - |
| Other | 0900 | - | - | - | - | - | - | - | - | - | - |
| Total By Customer Type | 1000 | 5 874 | - | - | 16 | - | - | - | - | 5 891 | - |

13. CASH AND CASH EQUIVALENTS

The municipality keeps its funds on the primary and other call accounts. The balances in the bank accounts as at the end of August 2025 were just over R376 million and can be tabled as follows:

| ACCOUNT TYPE | ACC NAME | BALANCE |
|-----------------------|--------------|----------------|
| Cheque account | Ingquza Hill | 232 759 706,62 |
| Call account | Ingquza Hill | 276 274,84 |
| Operational Account | Ingquza Hill | 75 046 960,26 |
| MIG Call Acc | Ingquza Hill | 5 339 940,39 |
| Plant Call Acc | Ingquza Hill | 40 591 879,38 |
| Call account | Ingquza Hill | 1 451 127,03 |
| Call account | Ingquza Hill | 4 730 283,63 |
| Call account | Ingquza Hill | 2 469 592,52 |
| Call account | Ingquza Hill | 885 925,19 |
| Call account | Ingquza Hill | 1 370 641,71 |
| 364 922 331,57 | | |

14. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

a) Grants Receipts for September 2025

The following are the grant receipts for the month of September 2025.

| EC153 Ngquza Hills - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 - September | | | | | | | | | | |
|---|-----|-----------------|-----------------|---------------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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 | | | | | | | | | | |
| RECEIPTS: | 1,2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 352 936 | 360 096 | — | — | 147 107 | 90 024 | 57 083 | 63,4% | 360 096 |
| Expanded Public Works Programme Integrated Grant | | 1 593 | 1 716 | — | — | 429 | 429 | — | — | 1 716 |
| Municipal Disaster Relief Grant | | 1 623 | 8 114 | — | — | — | 2 029 | (2 029) | -100,0% | 8 114 |
| Local Government Financial Management Grant | 3 | 3 000 | 2 800 | — | — | 3 000 | 700 | 2 300 | 328,6% | 2 800 |
| Municipal Infrastructure Grant | | — | 2 639 | — | — | — | 660 | (660) | -100,0% | 2 639 |
| Equitable Share | | 346 720 | 344 827 | — | — | 143 678 | 86 207 | 57 471 | 66,7% | 344 827 |
| Provincial Government: | | 8 638 | 2 295 | — | 2 434 | 2 434 | 574 | 1 860 | 324,2% | 2 295 |
| Municipal Disaster Relief Grant | | 6 490 | — | — | 2 434 | 2 434 | — | 2 434 | #DIV/0! | — |
| Library Grant | | 1 495 | 795 | — | — | — | 199 | (199) | -100,0% | 795 |
| LG Seta Grant | | 653 | 1 500 | — | — | — | 375 | (375) | -100,0% | 1 500 |
| District Municipality: | | — | — | — | — | — | — | — | — | — |
| Other grant providers: | | — | — | — | — | — | — | — | — | — |
| Total Operating Transfers and Grants | | 361 574 | 362 391 | — | 2 434 | 149 541 | 90 598 | 58 943 | 65,1% | 362 391 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 81 812 | 64 635 | — | 21 527 | 45 054 | 16 159 | 28 895 | 178,8% | 64 635 |
| Municipal Infrastructure Grant | | 81 812 | 64 635 | — | 21 527 | 45 054 | 16 159 | 28 895 | 178,8% | 64 635 |
| Provincial Government: | | — | 700 | — | — | — | 175 | (175) | -100,0% | 700 |
| Library Grant | | — | 700 | — | — | — | 175 | (175) | -100,0% | 700 |
| District Municipality: | | — | — | — | — | — | — | — | — | — |
| Other grant providers: | | — | — | — | — | — | — | — | — | — |
| Total Capital Transfers and Grants | | 81 812 | 65 335 | — | 21 527 | 45 054 | 16 334 | 28 720 | 175,8% | 65 335 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | | 443 386 | 427 726 | — | 23 961 | 194 595 | 106 931 | 87 664 | 82,0% | 427 726 |

b) Grant Expenditure for September 2025

| EC153 Ngquza Hills - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 - September | | | | | | | | | | |
|---|-----|-----------------|-----------------|---------------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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: | | 19 098 | 15 269 | — | 418 | 1 246 | 3 817 | (2 571) | -67,4% | 15 269 |
| Expanded Public Works Programme Integrated Grant | | 1 593 | 1 716 | — | 145 | 434 | 429 | 5 | 1,2% | 1 716 |
| Municipal Disaster Relief Grant | | — | 8 114 | — | — | — | 2 029 | (2 029) | -100,0% | 8 114 |
| Local Government Financial Management Grant | 3 | 3 000 | 2 800 | — | 45 | 134 | 700 | (566) | -80,8% | 2 800 |
| Municipal Infrastructure Grant | | 2 030 | 2 639 | — | 229 | 677 | 660 | 17 | 2,6% | 2 639 |
| Municipal Disaster Recovery Grant | | 12 475 | — | — | — | — | — | — | — | — |
| Provincial Government: | | 1 935 | 2 295 | — | 202 | 377 | 574 | (197) | -34,3% | 2 295 |
| Municipal Disaster Relief Grant | | (0) | — | — | — | — | — | — | — | — |
| Library Grant | | 1 282 | 795 | — | 129 | 304 | 199 | 106 | 53,2% | 795 |
| LG Seta Grant | | 653 | 1 500 | — | 73 | 73 | 375 | (302) | -80,8% | 1 500 |
| District Municipality: | | — | — | — | — | — | — | — | — | — |
| Other grant providers: | | — | — | — | — | — | — | — | — | — |
| Total Operating Transfers and Grants | | 21 033 | 17 564 | — | 620 | 1 623 | 4 391 | (2 768) | -63,0% | 17 564 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 79 191 | 64 635 | — | 6 689 | 21 831 | 16 159 | 5 673 | 35,1% | 64 635 |
| Municipal Infrastructure Grant | | 79 191 | 64 635 | — | 6 689 | 21 831 | 16 159 | 5 673 | 35,1% | 64 635 |
| Provincial Government: | | 213 | 700 | — | — | — | 175 | (175) | -100,0% | 700 |
| Specify (Add grant description) | | 213 | 700 | — | — | — | 175 | (175) | -100,0% | 700 |
| District Municipality: | | — | — | — | — | — | — | — | — | — |
| Other grant providers: | | — | — | — | — | — | — | — | — | — |
| Total Capital Transfers and Grants | | 79 404 | 65 335 | — | 6 689 | 21 831 | 16 334 | 5 498 | 33,7% | 65 335 |
| TOTAL EXPENDITURE OF TRANSFERS & GRANTS | | 100 437 | 82 899 | — | 7 310 | 23 454 | 20 725 | 2 730 | 13,2% | 82 899 |

15. EMPLOYEE RELATED COSTS AND REMUNERATION OF COUNCILLORS

The detail provided below relates to the expenditure by the municipality for the period of September 2025. This also includes details of the amounts spent on the remuneration of councilors.

a) PAYROLL MANAGEMENT

- The municipal salaries are paid on the 15th of every month.
- Salaries for the month of September 2025 were processed successfully, and all salary related Journals were processed.
- The municipality is using Payday system to process salaries and then import the Journals to the Munsoft Financial system. Management is in the process of ensuring that payroll reconciliations are performed, reviewed and where necessary, required adjustments and corrections are made.

EC153 Ngquza Hills - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 - September

| Summary of Employee and Councillor remuneration | Ref | Budget Year 2025/26 | | | | | | | | |
|--|-----|---------------------|-----------------|-----------------|-----------------|----------------|---------------|----------------|--------------|----------------|
| | | 2024/25 | | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % |
| | | Audited Outcome | Original Budget | | | | | | | |
| R thousands | | 1 | A | B | C | | | | | D |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | | 24 317 | 20 383 | 20 383 | 1 813 | 5 449 | 5 096 | 353 | 7% | 20 383 |
| Pension and UIF Contributions | | – | – | – | – | – | – | – | – | – |
| Medical Aid Contributions | | – | – | – | – | – | – | – | – | – |
| Motor Vehicle Allowance | | 1 927 | 6 305 | 6 305 | 202 | 597 | 1 576 | (979) | -62% | 6 305 |
| Cellphone Allowance | | 2 826 | 3 758 | 3 758 | 251 | 753 | 939 | (186) | -20% | 3 758 |
| Housing Allowances | | 84 | 138 | 138 | 12 | 36 | 35 | 1 | 4% | 138 |
| Other benefits and allowances | | – | 489 | 489 | – | – | 122 | (122) | -100% | 489 |
| Sub Total - Councillors | | 29 154 | 31 073 | 31 073 | 2 278 | 6 835 | 7 768 | (933) | -12% | 31 073 |
| % increase | 4 | | 6,6% | 6,6% | | | | | | 6,6% |
| Senior Managers of the Municipality | 3 | | | | | | | | | |
| Basic Salaries and Wages | | 3 537 | 4 398 | 4 398 | 340 | 1 020 | 1 100 | (80) | -7% | 4 398 |
| Pension and UIF Contributions | | 10 | 13 | 13 | 1 | 3 | 3 | (1) | -18% | 13 |
| Medical Aid Contributions | | – | 308 | 308 | – | – | 77 | (77) | -100% | 308 |
| Overtime | | – | – | – | – | – | – | – | – | – |
| Performance Bonus | | 3 144 | 449 | 449 | 346 | 741 | 112 | 629 | 560% | 449 |
| Motor Vehicle Allowance | | 918 | 1 499 | 1 499 | 74 | 259 | 375 | (116) | -31% | 1 499 |
| Cellphone Allowance | | 119 | 273 | 273 | 9 | 31 | 68 | (38) | -55% | 273 |
| Housing Allowances | | – | 211 | 211 | – | – | 53 | (53) | -100% | 211 |
| Other benefits and allowances | | 1 | 7 | 7 | 0 | 0 | 2 | (2) | -90% | 7 |
| Payments in lieu of leave | | – | – | – | – | – | – | – | – | – |
| Long service awards | | – | – | – | – | – | – | – | – | – |
| Post-retirement benefit obligations | 2 | – | – | – | – | – | – | – | – | – |
| Entertainment | | – | – | – | – | – | – | – | – | – |
| Scarcity | | – | – | – | – | – | – | – | – | – |
| Acting and post related allowance | | – | – | – | – | – | – | – | – | – |
| In kind benefits | | – | – | – | – | – | – | – | – | – |
| Sub Total - Senior Managers of Municipality | | 7 729 | 7 158 | 7 158 | 771 | 2 054 | 1 790 | 264 | 15% | 7 158 |
| % increase | 4 | | -7,4% | -7,4% | | | | | | -7,4% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 93 413 | 103 409 | 103 409 | 7 890 | 24 048 | 25 852 | (1 805) | -7% | 103 409 |
| Pension and UIF Contributions | | 13 959 | 16 974 | 16 974 | 1 221 | 3 711 | 4 244 | (532) | -13% | 16 974 |
| Medical Aid Contributions | | 9 141 | 17 301 | 17 301 | 830 | 2 447 | 4 325 | (1 878) | -43% | 17 301 |
| Overtime | | 14 650 | 8 199 | 8 199 | 1 402 | 3 573 | 2 050 | 1 524 | 74% | 8 199 |
| Performance Bonus | | 4 050 | 8 254 | 8 254 | 262 | 660 | 2 063 | (1 403) | -68% | 8 254 |
| Motor Vehicle Allowance | | 9 684 | 10 141 | 10 141 | 927 | 2 853 | 2 535 | 318 | 13% | 10 141 |
| Cellphone Allowance | | 1 283 | 1 326 | 1 326 | 195 | 648 | 331 | 317 | 96% | 1 326 |
| Housing Allowances | | 5 199 | 5 559 | 5 559 | 462 | 1 390 | 1 390 | 0 | 0% | 5 559 |
| Other benefits and allowances | | 303 | 450 | 450 | 82 | 220 | 112 | 108 | 96% | 450 |
| Payments in lieu of leave | | 981 | 231 | 231 | – | – | 58 | (58) | -100% | 231 |
| Long service awards | | 788 | 185 | 185 | – | 15 | 46 | (31) | -67% | 185 |
| Post-retirement benefit obligations | 2 | 1 224 | 522 | 522 | 88 | 255 | 131 | 124 | 95% | 522 |
| Entertainment | | – | – | – | – | – | – | – | – | – |
| Scarcity | | – | – | – | – | – | – | – | – | – |
| Acting and post related allowance | | 1 105 | 1 380 | 1 380 | 69 | 222 | 345 | (123) | -36% | 1 380 |
| In kind benefits | | – | – | – | – | – | – | – | – | – |
| Sub Total - Other Municipal Staff | | 155 781 | 173 929 | 173 929 | 13 427 | 40 044 | 43 482 | (3 439) | -8% | 173 929 |
| % increase | 4 | | 11,6% | 11,6% | | | | | | 11,6% |
| Total Parent Municipality | | 192 664 | 212 161 | 212 161 | 16 476 | 48 933 | 53 040 | (4 108) | -8% | 212 161 |

16. TOP TWENTY CREDITORS PAID



| Code | Creditor Name | Amount |
|-------|--------------------------------------|---------------|
| 09998 | MVUMEZA TRADING ENTERPRISE | R2,200,756.60 |
| 60094 | JOLWANA MGIDLANA INC | R1,660,850.15 |
| 00892 | PANGWA TRADING ENTERPRISE | R1,425,108.12 |
| 02000 | MVI CONSTRUCTION AND MAINTENANCE | R1,208,433.33 |
| 00102 | VITSHA TRADING | R1,155,289.41 |
| 45689 | TENTAMOUNT TRADING 68 | R1,144,733.54 |
| 01989 | IHEANS TRAVELLING AGENCY | R1,064,992.13 |
| 02180 | MBONGENI AMAHLE TRADING AND PROJECTS | R1,011,997.44 |
| 00431 | MUNSOFT | R1,009,952.89 |
| 00907 | AUDITOR GENERAL | R771,785.47 |
| 00372 | ESKOM | R599,249.50 |
| 01738 | SWORD GROUP | R546,500.00 |
| 01908 | PANGWA TRADING ENTERPRISE | R512,135.07 |
| 01067 | TECHSEEDS TELECOMMUNICATIONS | R498,992.49 |
| 01569 | SJAKA GROUP(PTY)LTD | R474,209.92 |
| 00854 | IQHAYIYA DESIGN WORKSHOP ARCHI | R464,034.26 |
| 02359 | HOZAC HOLDINGS | R207,000.00 |
| 09665 | UPHHLISO NOHLUMO | R198,243.91 |
| 00965 | NELSON MANDELA METROPOLITAN UN | R187,057.00 |
| 02294 | THANGOLWETHU 92 | R183,160.00 |

17. UIFW EXPENDITURE

a) Fruitless & Wasteful Expenditure as of September 2025 - The municipality is making payments within 30 days as required by MFMA section 65(e) to avoid interest and penalties. No fruitless and wasteful expenditure has been identified for the period reported on, which is August 2025. However, following an investigation that was done by the MPAC in cooperation with the Audit Committee regarding the material irregularity on the VAT Contract, fruitless and wasteful expenditure was also identified. These were payments made over and above the percentage commission per the contract. The following is the summary of what is referred to:

| Period | Payee | DocDate | Period | Amount | Disbursements | Amount | Comment |
|---------|-------------------------|------------|--|--------------|---------------|--------------|--|
| 2021/11 | MAXIMUM PROFIT RECOVERY | 2021/02/12 | Various Periods | 1 249 817,85 | Yes | 250 000,00 | Analysing and correcting setup on the vote structure on the financial system |
| 2021/11 | MAXIMUM PROFIT RECOVERY | 19/11/2021 | Sept 2021 and Unspecified period | 679 445,60 | No | 374 497,59 | Claim from the unspecified period from Report 6 |
| 2022/01 | MAXIMUM PROFIT RECOVERY | 2022/01/02 | 2021/10 and 2016/09 to 2021/01 and 2021/11 | 1 023 642,83 | Yes | 100 000,00 | |
| 2022/02 | MAXIMUM PROFIT RECOVERY | 22/02/2022 | 2021/12 and 2016/09 to 2021/01 | 651 031,19 | Yes | 79 900,00 | Fees for performing VAT Recovery Assignment - Mid-Year Recon |
| | | | | | | 78 800,00 | Fees for performing VAT Recovery Assignment - Auditor General Support |
| | | | | | | 92 500,00 | Fees for performing VAT Recovery Assignment - Document Management |
| 2022/03 | MAXIMUM PROFIT RECOVERY | 2022/08/04 | Jan-22 | 466 278,95 | Yes | 78 256,63 | Fees for performing VAT Recovery Assignment - Auditor General Support |
| | | | | | | 52 251,85 | Fees for performing VAT Recovery Assignment - Rectification of Invoices |
| 2022/05 | MAXIMUM PROFIT RECOVERY | 2022/02/06 | Feb-22 | 288 478,35 | Yes | 120 445,00 | Fees for performing VAT Recovery Assignment - Responding to Adhoc SARS Queries |
| 2022/06 | MAXIMUM PROFIT RECOVERY | 2022/11/07 | Apr-22 | 475 071,19 | Yes | 78 120,32 | |
| 2022/09 | MAXIMUM PROFIT RECOVERY | 22/09/2022 | May 2022 and June 2022 | 871 171,16 | Yes | 92 450,00 | Fees for performing VAT Recovery Assignment - Disbursements |
| 2022/11 | MAXIMUM PROFIT RECOVERY | 2022/11/11 | Jul-22 | 311 085,33 | Yes | 62 925,00 | Fees for performing VAT Recovery Assignment - Disbursements |
| | | | | | | 1 460 146,39 | |

The fruitless and wasteful expenditure will be disclosed as follows until a proper process to deal with it has been followed: -

| | 2024 | 2023 |
|--|------------------|------------------|
| Opening balance as previously reported | 1 503 439 | 17 290 |
| Add: Fruitless and Wasteful Expenditure - current | - | 26 003 |
| Add: Fruitless and Wasteful expenditure - prior period | 20 785 | 1 460 146 |
| Less: Amount written off | 64 078 | - |
| Closing balance | 1 460 146 | 1 503 439 |

b) Unauthorised Expenditure - In terms of section 32 of the MFMA, 'unauthorised expenditure' may only be authorised (condoned) by the municipal council in an adjustments budget. Unauthorised expenditure that occurs in the first half of a municipal financial year may be authorised by the council in the main adjustments budget that must be tabled in council before 28 February. There is no unauthorised expenditure incurred to date.

c) Irregular Expenditure - In terms of section 32 of the MFMA, 'irregular expenditure', the municipality must (a) recover irregular from the person liable for expenditure unless the expenditure(b) in the case of irregular is after investigation by council committee certified by the council as irrecoverable and written off by the council.

No irregular expenditure has been incurred or identified for the period of September 2025. The irregular expenditure that is currently being processed through the committees of council is from the prior years and no resolution has been taken on it yet.

It is important to note that during audit, additional irregular expenditure of just of R5 million was identified by the Auditor General, relating to the approval and processing of variation orders.

The irregular expenditure as at the end of August 2025 can be summarised as shown in the table below: -

| | | <u>2025</u> | <u>2024</u> |
|---|--|-------------------|-------------------|
| Opening balance as previously reported | | 19 842 499 | 10 301 212 |
| Add: Irregular expenditure - current | | - | 9 380 477 |
| Add: Irregular expenditure - prior period | | - | 160 810 |
| Less: Amount written off | | - | - |
| Closing balance | | 19 842 499 | 19 842 499 |

OTHER REPORTS

18. STATUS OF mSCOA (MUNICIPAL STANDARD CHART OF ACCOUNTS)

The municipality is using mSCOA chart for live system and budgeting purposes, all monthly reports are drawn from data strings that are taken straight from the system (Munsoft) and they are imported directly to CaseWare to generated schedule C monthly reports.

The municipality's mSCOA Steering Committee has not convened as required. This was due to the appointments to the committee that had not been made. The appointments have however since been made of all relevant officials into the committee. Training was conducted in the month of May 2025 for management and members of the steering committee.

There has been engagements with the vendor, to establish the extent to which the municipality utilizes the system, and plans have been put in place to ensure that there is ultimately a full implementation of a mSCOA compliant accounting system.

From a National Treasury validation perspective, we do a monthly upload of the financial (and certain non-financial) transactions from the General Ledger, which the National Treasury interrogate for integrity purposes. To date we have successfully uploaded all the required strings. The budget verification between data strings and A-Schedule was done and completed and Ingquza Hill was 100% compliant.

19. THE SUPPLY CHAIN MANAGEMENT REPORT

Tabled below is the report on SCM matters to be reported for the month of May 2025.

The municipality has a procurement plan that was developed and approved by council. This was reviewed with the budget adjustment processes and amended as such.

18.1 SCM Policy & Procedures

18.1.1 Adoption by Council

The SCM Policy was adopted by Council on May 2025, with the approval of the budget and budget related policies.

18.1.2 SCM Procedures

The municipality has SCM processes in place, however it is a challenge to source the written document to support the processes that are being implemented. The processes are cascaded from Treasury Procedures.

Management is in the process of compiling the SCM Procedures for implementation within the section.

18.2 Delegations

The municipality has a SCM delegation of authority that is reviewed regularly by management and council for alignment with various operational requirements and provisions of applicable legislation.

18.3 Functioning of the SCM Unit

18.3.1 SCM Structure

The municipality has an organisational structure that is approved by council. The structure also includes the SCM unit, set up such that there is segregation of duties and accountability at various levels. Management continues to work to ensure that there is adequate filling of all positions in the section.

18.3.2 Declaration of Interest

The SCM officials fill in and sign declaration of interest forms annually. These forms are filed and kept at the SCM offices. The intention is for all employees to declare possible conflicts of interest with service providers that may need to be doing business with the municipality.

18.3.3 Code of Conduct for SCM Practitioners

All SCM Practitioners and officials are made to sign the code of conduct after ensuring that they are aware of the contents thereof.

18.3.4 Training of SCM Personnel

The SCM Manager and Officers attended a workshop on SCM and Bid Committees which was organised and hosted internally. There are continued adhoc trainings and workshops that are conducted for the

officials, including those that relate to processes and procedures in the financial management system.

18.4 Functioning of Bid Committees

18.4.1 Constitution of Bid Committees

The Bid Committees are constituted in terms of SCM Regulations 27, 28 and 29. The IHLM SCM Policy is also aligned to these regulations. There has been a significant improvement in the sitting of bid committees after the filling of vacant positions at senior and middle management levels.

18.4.2 Alignment of Infrastructure Committees with Infrastructure Delivery Management System (IDMS)

The municipality has not established the infrastructure committees that would implement the IDMS. Management is working on the implementation of IDMS and establishment of the Infrastructure Committees.

18.4.3 Bid Committee Terms of Reference

The IHLM has developed terms of reference for each of the bid committees that have been appointed.

18.5 Reporting Items

a) Deviations

1. Section 114 (Approval of tenders not recommended)

| Date of Award | Bid No. | Description of Goods/Services/Works | Award Value | BEC Recommendation | BAC Recommendation | Reason for Deviation | Notifications & Dates | | |
|---------------|---------|-------------------------------------|-------------|--------------------|--------------------|----------------------|-----------------------|------|------|
| | | | | | | | AG | PT | NT |
| None | None | None | None | None | None | None | None | None | None |

2. Regulation 32 (Procurement of goods and services under contracts secured by other organs of State)

| Date of Award | | Contract Description | Award Value | Service Provider | Name of Contract Owner (Department / Municipality) | Consent obtained from Organ of State and Service Provider | | Reason for Implementing Reg. 32 |
|---------------|--|----------------------|-------------|------------------|--|---|------|---------------------------------|
| | | | | | | Yes | No | |
| None | | None | None | None | None | None | None | None |
| | | | | | | | | |

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3. Regulation 36 (Deviation from, and ratification of minor breaches of, procurement processes)

| Order Date | Description | Supplier Details | Amount | Deviation Reason |
|------------|----------------------------------|------------------|-------------|------------------|
| | POLICY RELATED DEVIATIONS | | | |
| | | | | |
| 25/09/2025 | Advert | Arena Holdings | R 62 909,60 | Impractical |

4. Regulation 17 Procurement for the Month

| SECTION 17 TRANSACTION DETAILS | | | | | | | | PROCUREMENT PROCESS | | |
|--------------------------------|----------------|---------------|--------|-------------------------|-------------|---------------|------------------------|---------------------|------------------|-----------------------|
| Payment Date | Payment Number | Supplier Name | Amount | Description of Incident | Approved by | Date Approved | Department Responsible | Normal Process | Process Followed | Reason for Section 17 |
| None | | | | | | | | | | |

b) Unauthorized, Irregular, Fruitless & Wasteful Expenditure

- i The municipality utilizes the template as recommended in MFMA Circular 68. No UIFW has been incurred for the period under review.

| Date of Irregular EX | Date Reported | Department | Official | Description of Goods or Services | Date reported to Council | Supplier/Service Provider | Amount | Reported to PT and AGSA |
|----------------------|---------------|------------|----------|----------------------------------|--------------------------|---------------------------|--------|-------------------------|
| | | | | | | | | |

| | | | | | | | | |
|------|-----|-----|-----|-----|-----|-----|-----|-----|
| None | N/A |
|------|-----|-----|-----|-----|-----|-----|-----|-----|

- ii When the instances of the UIFW have been identified, they are reported to the Provincial Treasury as part of the section 71 reporting.
- iii The SCM section has reported on previous occasions to the council on the instances of UIFW and it is currently being considered by the MPAC and the MDB.

c) Unsolicited Bids (if any)

| Description of Goods/services | Amount | Date Submitted to Council | Supported | | Date submitted to Provincial Treasury | Supported | |
|-------------------------------|--------|---------------------------|-----------|------|---------------------------------------|-----------|------|
| | | | Yes | No | | Yes | No |
| None | None | None | None | None | None | None | None |

18.6 Central Suppliers Database (CSD)

- i The municipality utilises the CSD as its primary database for service providers. This is in line with the regulations and latest amendment gazettes. The accounting system currently utilised by the municipality currently synchronises with the CSD to ensure that the locally available information is updated and aligned.

| Challenge | Solution by NT |
|-----------|----------------|
|-----------|----------------|

| | |
|------|-----|
| None | N/A |
|------|-----|

ii **Uploading payroll information:** The department of cooperative services is updating the information of newly employees on central database to eliminate the risk of trading with individuals in the service of the state.

18.7 Procurement Plan Implementation

i **Format of Procurement Plan:** The SCM Unit compiled a Procurement Plan contributed into by all directorates. The procurement plan mainly considers procurement that is estimated to be above R300 000 or may be a long-term contract. Management will then report on the plan as it is implemented during the financial year.

ii **Report on implementation of procurement plans:** The procurement plan is being implemented. There are various challenges in the implementation of the procurement plan. They range from the non-sitting of the Bid Specification Committee up to the late submissions of requisitions by user departments. To mitigate this challenge the supply chain management section prepares a procurement update report on weekly basis to assist departments to realize the importance of monitoring their projects that are in the PP service.

Also, there has been an identified challenge of misalignment of the procurement to the SDBIP and other municipal strategic documents. This will be addressed by management during the mid-term assessment processes.

18.8 Quotations Awarded Below R30 000

| BUDGET & TREASURY | | | | | | | | | | | | | |
|-------------------|------|---------|------------------|----------|---------------------|---------------|----------|-------|--------|----------|------|-------|-------|
| PROJECT | ITEM | FUNDING | TRANSACTION DATE | DOC.DATE | SERVICE DESCRIPTION | SUPPLIER NAME | FUNCTION | VALUE | STATUS | LOCATION | RACE | GENER | YOUTH |
| | | | | | | | | | | | | | |

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| | | | | | | | | | | | | | |
|--|-------------------|--------|----------------|----------------|---|---|--------------------------------|------------------|--------------|--------------|---------------------------------|-------------------------|------------------|
| Workshops, Seminars &Subject Matter Trainings:Work shops | Accommoda tion | Levies | 03/09/202 5 | 02/09/ 2025 | Accommo dation and meals for N Hlonti in Mthatha | Coega Develop ment Corpora tion | Budget & Treasury Office | 4 389,8 4 | Recei ved | Gqebe rha | Bl a ck & Whi te | Male & Fema le | Not Yout h |
| Workshops, Seminars &Subject Matter Trainings:Work shops | Accommoda tion | Levies | 08/09/202 5 | 03/09/ 2025 | Accommo dation and meals for S Mzana and O Nomdlem bu in Gqeberha | Coega Develop ment Corpora tion | Budget & Treasury Office | 33 524,4 0 | Recei ved | Gqebe rha | Bl a ck & Whi te | Male & Fema le | Not Yout h |
| Workshops, Seminars &Subject Matter Trainings:Work shops | Accommoda tion | Levies | 12/09/202 5 | 09/09/ 2025 | Accommo dation and meals for M Vava and V Qetho in Dbn | Coega Develop ment Corpora tion | Budget & Treasury Office | 28 129,9 2 | Recei ved | Gqebe rha | Bl a ck & Whi te | Male & Fema le | Not Yout h |
| Workshops, Seminars &Subject Matter Trainings:Work shops | Accommoda tion | Levies | 17/09/202 5 | 16/09/ 2025 | Accommo dation and meals for P Dlomo in East | Iheans Travelli ng Agency | Budget & Treasury Office | 5 272,6 6 | Recei ved | Mthath a | Bl a ck | Fem ale | Not Yout h |

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| Workshops, Seminars & Subject Matter Trainings: Workshops | Accommodation | Levies | 23/09/2025 | 17/09/2025 | Accommodation and meals for B Fikeni in East London | Iheans Travelling Agency | Budget & Treasury Office | 1 748,86 | Received | Mthatha | Black | Female | Not Youth |
|---|--|---|------------------|------------|---|---------------------------------|--------------------------|------------------|----------|------------|-------|---------|-----------|
| TOTAL | | | | | | | | 73 065,68 | | | | | |
| FUNCTION-CORPORATE SERVICES & HUMAN RESOURCES | | | | | | | | | | | | | |
| PROJECT | ITEM | FUNDING | TRANSACTION DATE | DOC.D ATE | SERVICE DESCRIPTION | SUPPLI ER NAME | FUNCTION | VAL UE | STA TUS | LOCA LITY | RA CE | GEN DER | YOU TH |
| Municipal Running Cost | Printing, Publication and Books | Current & Non-Current Assets: Bank Accounts | 03/09/2025 | 26/08/2025 | Procurement of 50 boxes of A4 white paper | Fasimb a 13 Civils and Projects | Administration | 290 000,00 | Received | Flagstaff | Black | Male | Not Youth |
| Workshop, Seminar and Subject Matter Training: Training Employees | Learnerships and Internships | Equitable Share | 08/09/2025 | 03/09/2025 | Training provider for Cyber Security | The Alenoy IT Solutions | Administration | 28 740,00 | Received | Lusikisiki | Black | Female | Not Youth |
| Municipal Running Cost | Outsourced Services: Cleaning Services | Equitable Share | 09/09/2025 | 26/08/2025 | Procurement of 25 litres of floor polish | Mzishana | Administration | 21 000,00 | Received | Flagstaff | Black | Female | You th |

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|--|---------------------------------------|-----------------|------------|------------|--|-------------------------------|-----------------|----------|----------|----------|---------------|---------------|-----------|
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Levies | 12/09/2025 | 11/09/2025 | Accommodation and meals for C Madyaka in Mthatha | Coega Development Corporation | Administration | 293,20 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Outsourced Services:Catering Services | Equitable Share | 12/09/2025 | 22/08/2025 | catering and venue or 12 people in Lusikisiki | Coega Development Corporation | Administration | 38766,00 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Public Transport:Air Transport | Equitable Share | 12/09/2025 | 08/09/2025 | Flights and shuttle for Z Ntetha | Coega Development Corporation | Administration | 16598,40 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Levies | 12/09/2025 | 08/09/2025 | Accommodation and meals for Z Ntetha in Gqeberha | Coega Development Corporation | Administration | 5241,60 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Minimum Competency Level | Accommodation | Levies | 12/09/2025 | 08/09/2025 | Accommodation and meals for 5 | Coega Development Corporation | Human Resources | 75784,80 | Received | Gqeberha | Black & White | Male & Female | Not Youth |

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|--|--|--|------------|------------|---|-------------------------------|-----------------|------------|----------|-----------|-------|--------|-----------|
| | | | | | councillor s in Dbn | | | | | | | | |
| Municipal Games | Accommodation | Equitable Share | 12/09/2025 | 22/08/2025 | Accommodation and meals for 60 employees in Lesotho | Iheans Travelling Agency | Human Resources | 508 365,00 | Received | Mthatha | Black | Female | Not Youth |
| Human Resource Management: Recruitment & Selection | Accommodation | Levies | 15/09/2025 | 28/08/2025 | Accommodation and meals for S Galada and A Jordaan in Flagstaff | Iheans Travelling Agency | Human Resources | 104 280,00 | Received | Mthatha | Black | Female | Not Youth |
| Municipal Running Cost | Hire Charges | Equitable Share | 16/09/2025 | 11/09/2025 | Moving of safe from Lusikisiki to Flagstaff | Happy Herd | Administration | 13 600,00 | Received | Flagstaff | Black | Male | Youth |
| Municipal Running Cost | Transport provided as part of departmental activities:Events | Current & Non-Current Assets:Bank Accounts | 17/09/2025 | 26/08/2025 | Transport for employees attending staff meeting at | Flagstaff Logistics Solutions | Administration | 4 800,00 | Received | Flagstaff | Black | Female | Youth |

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|--|--|--|------------|------------|--|-----------------------------|-----------------|-----------|----------|-----------|---------------|---------------|-----------|
| | | | | | Bonginkosi Nongoma Community Hall | | | | | | | | |
| Human Resource Management: Recruitment & Selection | Outsourced Services:Catering Services | Levies | 18/09/2025 | 09/09/2025 | Catering for 10 people and 13 bottled water | Coega Corporate Development | Human Resources | 7371,00 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Levies | 19/09/2025 | 17/09/2025 | Accommodation and meals for M Matubatubaba in Jhb | Iheans Travelling Agency | Administration | 16945,50 | Received | Mthatha | Black | Female | Not Youth |
| Municipal Running Cost | Transport provided as part of departmental activities:Events | Current & Non-Current Assets:Bank Accounts | 23/09/2025 | 18/09/2025 | Transport for employees attending PMS training in Lusikisiki | Tedd Projects | Administration | 15000,00 | Received | Flagstaff | Black | Male | Not Youth |
| Municipal Running Cost | Outsourced Services:Catering Services | Levies | 23/09/2025 | 17/09/2025 | Catering for 220 people in Lusikisiki | Iheans Travelling Agency | Human Resources | 107104,25 | Received | Mthatha | Black | Female | Not Youth |

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|--|--|-----------------|------------|------------|---|--------------------------|-----------------|--------------|----------|---------|-------|--------|-----------|
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Levies | 23/09/2025 | 22/09/2025 | Accommodation and meals for M Matubatuba in East London | Iheans Travelling Agency | Administration | 3671,53 | Received | Mthatha | Black | Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Transport provided as part of departmental activities:Events | Equitable Share | 23/09/2025 | 01/09/2025 | Flights for M Matubatuba from Dbn to Jhb | Iheans Travelling Agency | Administration | 14202,33 | Received | Mthatha | Black | Female | Not Youth |
| Capacity Building Councilors:Training Councilors | Accommodation | Levies | 23/09/2025 | 18/09/2025 | Accommodation and meals for M Didiza in Mthatha | Iheans Travelling Agency | Human Resources | 12350,66 | Received | Mthatha | Black | Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Levies | 30/09/2025 | 18/09/2025 | Accommodation and meals for G Mguya in Barkley East | Iheans Travelling Agency | Administration | 5865,75 | Received | Mthatha | Black | Female | Not Youth |
| TOTAL | | | | | | | | 1 291 | | | | | |

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| | | | | | | | | 980,0 2 | | | | | |
|--|--------------------------------|---------|------------------|------------|--|-------------------------------|-----------------------|------------|-----------|-----------|---------------|---------------|------------|
| FUNCTION: ECONOMIC DEVELOPMENT & PLANNING | | | | | | | | | | | | | |
| PROJECT | ITEM | FUNDING | TRANSACTION DATE | DOC.D ATE | SERVICE DESCRIPTION | SUPPLI ER NAME | FUNCTION | VAL UE | STA TUS | LOCA LITY | RA CE | GEN DER | YOU TH |
| Workshops, Seminars &Subject Matter Trainings:Work shops | Accommodation | Levies | 01/09/2025 | 02/09/2025 | Accommodation and meals for D Mjokovana in Mthatha | Coega Development Corporation | Economic Developmen t | 4 300,2 9 | Recei ved | Gqeberha | Black & White | Male & Female | Not Yout h |
| Workshops, Seminars &Subject Matter Trainings:Work shops | Accommodation | Levies | 03/09/2025 | 01/09/2025 | Accommodation and meals for A Jordaan, L Laleni and L Sobantu in Mthatha | Coega Development Corporation | Economic Developmen t | 13 169,5 2 | Recei ved | Gqeberha | Black & White | Male & Female | Not Yout h |
| Municipal Running Cost | Contractors: Catering Services | Levies | 03/09/2025 | 01/09/2025 | Catering for 150 people at Bonginkosi Communi ty Hall | Zepzam o Trading | Economic Developmen t | 16 500,0 0 | Recei ved | Flagstaff | Black | Female | Not Yout h |

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|---|--|-------------------------------|------------|------------|---|-------------------------------|----------------------|-----------|----------|------------|---------------|---------------|-----------|
| Municipal Running Cost | Contractors: Catering Services | Levies | 03/09/2025 | 01/09/2025 | Catering for 150 people at Bonginkosi Community Hall | Local Service Providers | Economic Development | 17 700,00 | Received | Lusikisiki | Black | Male | Not Youth |
| Events and Organisations: LED Programmes | Transport provided as part of departmental activities:Events | Fines, Penalties and Forfeits | 11/09/2025 | 03/09/2025 | Transport for 58 people for hiking | Happy Herd | Economic Development | 13 700,00 | Received | Flagstaff | Black | Male | Not Youth |
| Workshops, Seminars &Subject Matter Trainings:Workshops | Accommodation | Levies | 12/09/2025 | 10/09/2025 | Accommodation and meals for Djokovana in East London | Coega Development Corporation | Economic Development | 10 483,20 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Municipal Running Cost | Contractors: Catering Services | Levies | 19/09/2025 | 12/09/2025 | Catering for 70 people at Bonginkosi Nongoma Community Hall | Sasolixs Distributors | Economic Development | 9 100,00 | Received | Lusikisiki | Black | Male | Not Youth |

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|--|--------------------------------|-------------------------------|------------|------------|--|---------------------------------------|----------------------|-----------|----------|------------|-------|--------|-----------|
| Municipal Running Cost | Contractors: Catering Services | Levies | 18/09/2025 | 09/09/2025 | Catering for 150 people at Ward 1 | Venn Construction | Economic Development | 15 000,00 | Received | Flagstaff | Black | Female | Not Youth |
| Municipal Running Cost | Contractors: Catering Services | Levies | 18/09/2025 | 09/09/2025 | Catering for 150 people at Ward 9 | Likum 14 Trading | Economic Development | 15 000,00 | Received | Flagstaff | Black | Female | Not Youth |
| Municipal Running Cost | Contractors: Catering Services | Levies | 18/09/2025 | 09/09/2025 | Catering for 150 people at Ward 29 | Ntu2s Multi Events | Economic Development | 18 000,00 | Received | Flagstaff | Black | Female | Not Youth |
| Events and Organisations:L ED Programmes | Contractors:Interior Decorator | Receivables: Property Rates | 19/09/2025 | 12/09/2025 | Interior décor and 16 table cloths in Lusikisiki | Mawowo Trading | Economic Development | 11 500,00 | Received | Lusikisiki | Black | Female | Not Youth |
| Tourism Development:T ourism Annual Events | Hire Charges | Receivables: Property Rates | 22/09/2025 | 18/09/2025 | Hiring of 300 plastic chairs and 16 round tables | Fikie's Deco Events Planning & Baking | Economic Development | 6 000,00 | Received | Lusikisiki | Black | Female | Youth |
| Events and Organisations:L ED Programmes | Hire Charges | Fines, Penalties and Forfeits | 22/09/2025 | 18/09/2025 | Venue for 30 people in Lusikisiki | Iheans Travelling Agency | Economic Development | 11 405,63 | Received | Mthatha | Black | Female | Not Youth |
| Municipal Running Cost | Contractors: Catering Services | Levies | 23/09/2025 | 17/09/2025 | Catering for 30 people in Lusikisiki | Iheans Travelling Agency | Economic Development | 1898 2,22 | Received | Mthatha | Black | Female | Not Youth |

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|--|---------------------------------------|-----------------------------|------------|------------|--|------------------------------|----------------------|-----------|----------|---------------|-------|--------|-----------|
| Events and Organisations:L ED Programmes | Stage & Sound Crew | Receivables: Property Rates | 23/09/2025 | 18/09/2025 | Hiring of PA system, projector and screen for business information day | Route 7 Trading 200 | Economic Development | 6600 | Received | Lusikisiki | Black | Female | Not Youth |
| Tourism Development:T ourism Annual Events | Stage & Sound Crew | Levies | 25/09/2025 | 04/09/2025 | Hiring of sound system for comedy show in Lusikisiki | Iheans Travelling Agency | Economic Development | 6 517,50 | Received | Mthatha | Black | Female | Not Youth |
| Tourism Development:T ourism Annual Events | Hire Charges | Receivables: Property Rates | 25/09/2025 | 03/09/2025 | Venue for 200 people in Lusikisiki | Iheans Travelling Agency | Economic Development | 15 642,00 | Received | Mthatha | Black | Female | Not Youth |
| Tourism Development:T ourism Annual Events | Outsourced Services:Catering Services | Receivables: Property Rates | 25/09/2025 | 18/09/2025 | Lunch packs for 100 people for hiking | Phumelela Consultancy | Economic Development | 18 000,00 | Received | Port St Johns | Black | Male | Not Youth |
| Municipal Running Cost | Contractors: Catering Services | Levies | 29/09/2025 | 25/09/2025 | Catering for 30 people in Flagstaff | Esiphayo Projects and Traing | Economic Development | 3 000,00 | Received | Flagstaff | Black | Male | Not Youth |

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| Events and Organisations:L ED Programmes | Hire Charges | Fines, Penalties and Forfeits | 29/09/2025 | 10/09/2025 | Venue for 120 people in Lusikisiki | Iheans Travelling Agency | Economic Development | 13 035,0 0 | Received | Mthatha | Black | Female | Not Youth |
|--|--------------------------------|--|------------------|------------|---|---------------------------------|--|--------------------|----------|-----------|-------|---------|-----------|
| Municipal Running Cost | Contractors: Catering Services | Levies | 29/09/2025 | 10/09/2025 | Catering for 120 people in Lusikisiki | Iheans Travelling Agency | Economic Development | 40 408,5 0 | Received | Mthatha | Black | Female | Not Youth |
| Workshops, Seminars &Subject Matter Trainings:Work shops | Accommodation | Levies | 30/09/2025 | 19/09/2025 | Accommodation and meals for B Njilo at Wild Coast Sun | Iheans Travelling Agency | Economic Development | 3 769,2 9 | Received | Mthatha | Black | Female | Not Youth |
| TOTAL | | | | | | | | 287 813,1 5 | | | | | |
| FUNCTION: ROADS INFRASTRUCTURE AND TECHNICAL SERVICES | | | | | | | | | | | | | |
| PROJECT | ITEM | FUNDING | TRANSA CTIO DATE | DOC.D ATE | SERVICE DESCRIPTION | SUPPLI ER NAME | FUNCTION | VAL UE | STA TUS | LOCA LITY | RA CE | GEN DER | YOU TH |
| Roads:Plant Expenses | Hire Charges | Current & Non-Current Assets:Bank Accounts | 03/09/2025 | 29/09/2025 | Hiring of water cutter for a period of 30 days | Fasimb a 13 Civils and Projects | Roads:Infra structure & Technical Services | 29 000,0 0 | Received | Flagstaff | Black | Male | Not Youth |

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| TOTAL | | | | | | | | 29 000,0 0 | | | | | | |
|---|-------------------|--------------------|-------------------------|----------------|---|---|----------------------------------|---------------------------|--------------|--------------|-----------------------------|-------------------------|------------------|--|
| FUNCTION MUNICIPAL MANAGERS & TOWN SECRETARY | | | | | | | | | | | | | | |
| PROJECT | ITEM | FUNDING | TRANSA CTION DATE | DOC.D ATE | SERVICE DESCRIP TION | SUPPLI ER NAME | FUNCTION | VAL UE | STA TUS | LOCA LITY | RA CE | GEN DER | YOU TH | |
| Workshop, Seminar and Subject Matter Training:Trainin g Employees | Accommoda tion | Equitable Share | 01/09/202 5 | 15/08/ 2025 | Accommo dation and meals for Z Msalela in Mthatha | Coega Develop ment Corpora tion | Municipal Manager's Office | 2 347,8 0 | Recei ved | Gqebe rha | Bl ack & Whi te | Male & Fema le | Not Yout h | |
| Workshop, Seminar and Subject Matter Training:Trainin g Employees | Accommoda tion | Equitable Share | 01/09/202 5 | 28/08/ 2025 | Accommo dation and meals for N Sicubu and I Mhlabeni in Mthatha | Coega Develop ment Corpora tion | Municipal Manager's Office | 17 690,0 0 | Recei ved | Gqebe rha | Bl ack & Whi te | Male & Fema le | Not Yout h | |
| Workshop, Seminar and Subject Matter Training:Trainin g Employees | Accommoda tion | Equitable Share | 02/09/202 5 | 01/09/ 2025 | Accommo dation and meals for Maxhayi and Madolo in Kokstad | Coega Develop ment Corpora tion | Municipal Manager's Office | 13 169,5 2 | Recei ved | Gqebe rha | Bl ack & Whi te | Male & Fema le | Not Yout h | |

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|--|---|-----------------|------------|------------|--|-------------------------------|----------------------------|----------|----------|------------|---------------|----------------|------------|
| Municipal Running Cost | Advertising, Publicity and Marketing:T enders | Equitable Share | 02/09/2025 | 13/08/2025 | Advert for panel of ICT support and maintenance | Pondoland Times | Municipal Manager's Office | 1 500,00 | Received | Bizana | Black | Male | Not Yout h |
| Municipal Running Cost | Advertising, Publicity and Marketing:T enders | Equitable Share | 02/09/2025 | 01/09/2025 | Advert for partnership with ECSECC | Pondoland Times | Municipal Manager's Office | 1 500,00 | Received | Bizana | Black | Male | Not Yout h |
| Municipal Running Cost | Advertising, Publicity and Marketing:T enders | Equitable Share | 02/09/2025 | 27/08/2025 | Advert for SMME support | Pondoland Times | Municipal Manager's Office | 1 500,00 | Received | Bizana | Black | Male | Not Yout h |
| Elderly:Elderly | Contractors: Stage and Sound Crew | Equitable Share | 03/09/2025 | 06/08/2025 | Hiring of sound system at Sigcau sportsfield | Tshimbi le Kholisile | Municipal Manager's Office | 3 800,00 | Received | Lusikisiki | Black | Male | Not Yout h |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 03/09/2025 | 02/09/2025 | Accommodation and meals for N Sicubu and I Mhlabeni in East London | Coega Development Corporation | Municipal Manager's Office | 9 653,28 | Received | Gqeberha | Black & White | Male & Fema le | Not Yout h |

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|--|----------------------------|-----------------|------------|------------|--|-------------------------------|----------------------------|-----------|----------|----------|---------------|---------------|-----------|
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 08/09/2025 | 19/08/2025 | Accommodation and meals for L Mlatha and N Sicubu in Queenstown | Coega Development Corporation | Municipal Manager's Office | 13 759,20 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 08/09/2025 | 20/08/2025 | Accommodation and meals for Njilo and L Nomlaba in Queenstown | Coega Development Corporation | Municipal Manager's Office | 13 759,20 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 08/09/2025 | 02/09/2025 | Accommodation and meals for Z Ntukuntezi and F Fikeni in East London | Iheans Travelling Agency | Municipal Manager's Office | 12 904,65 | Received | Mthatha | Black | Female | Not Youth |
| Municipal Running Cost | Advertising, Publicity and | Equitable Share | 09/09/2025 | 02/09/2025 | Advert for supplier | Pondoland Times | Municipal Manager's Office | 1 | Received | Bizana | Black | Male | Not Youth |

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|---|--|--------------------|----------------|----------------|---|---|----------------------------------|------------------|--------------|---------------|-----------|-------------------------|------------------|
| | Marketing:T enders | | | | informatio n day | | | 700,0 0 | | | | | |
| Municipal Running Cost | Advertising, Publicity and Marketing:T enders | Equitable Share | 11/09/202 5 | 01/09/ 2025 | Advert for panel Planning Contracto rs | Pondola nd Times | Municipal Manager's Office | 1 500,0 0 | Recei ved | Bizana | Bl ack | Male | Not Yout h |
| Municipal Running Cost | Advertising, Publicity and Marketing:T enders | Equitable Share | 11/09/202 5 | 15/08/ 2025 | Advert for municipal land audit | Pondola nd Times | Municipal Manager's Office | 1 500,0 0 | Recei ved | Bizana | Bl ack | Male | Not Yout h |
| Municipal Running Cost | Advertising, Publicity and Marketing:T enders | Equitable Share | 11/09/202 5 | 02/09/ 2025 | Advert for protective clothing for Technical Services | Izimba Projects | Municipal Manager's Office | 1 800,0 0 | Recei ved | Matati ele | Bl ack | Fema le | Yout h |
| Municipal Running Cost | Advertising, Publicity and Marketing:T enders | Equitable Share | 12/09/202 5 | 27/08/ 2025 | Advert for SMME support | Arena Holding s | Municipal Manager's Office | 16 301,2 5 | Recei ved | Gaute ng | Bl ack | Male & Fema le | Not Yout h |
| Workshop, Seminar and Subject Matter Training:Trainin g Employees | Accommoda tion | Equitable Share | 12/09/202 5 | 01/09/ 2025 | Accomo dation and meals for Z Ntukunte zi and F Fikeni in Mthatha | Coega Develop ment Corpora tion | Municipal Manager's Office | 12 448,8 0 | Recei ved | Gaute ng | Bl ack | Male & Fema le | Not Yout h |

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|--|--|-----------------|------------|------------|--|-------------------------------|----------------------------|----------|----------|----------|---------------|---------------|-----------|
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 12/09/2025 | 03/09/2025 | Accommodation and meals for L Nomlaba in Lesotho | Iheans Travelling Agency | Municipal Manager's Office | 38214,28 | Received | Mthatha | Black | Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 12/09/2025 | 03/09/2025 | Accommodation and meals for T Njilo and L Nomlaba in Mthatha | Iheans Travelling Agency | Municipal Manager's Office | 15088,02 | Received | Mthatha | Black | Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 16/09/2025 | 10/09/2025 | Accommodation and meals for L Nonkonyana and Z Mankonkwana in Gqeberha | Coega Development Corporation | Municipal Manager's Office | 16598,40 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Municipal Running Cost | Advertising, Publicity and Marketing:Tenders | Equitable Share | 17/09/2025 | 04/09/2025 | Advert for panel of training providers | Arena Holdings | Municipal Manager's Office | 12109,50 | Received | Gauteng | Black | Male & Female | Not Youth |

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|--|--|-----------------|------------|------------|--|-----------------------------------|----------------------------|----------|----------|-----------|-------|---------------|-----------|
| Municipal Running Cost | Advertising, Publicity and Marketing:Tenders | Equitable Share | 18/09/2025 | 02/09/2025 | Advert for fencing of Flagstaff Pound | Pondoland Times | Municipal Manager's Office | 1450,00 | Received | Bizana | Black | Male | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 18/09/2025 | 10/09/2025 | Accommodation and meals for V.C Makedama and 2 VIP Protectors in Mthatha | Iheans Travelling Agency | Municipal Manager's Office | 8500,00 | Received | Mthatha | Black | Female | Not Youth |
| Awareness Campaign:Awareness Campaign | Outsourced Services:Catering Services | Equitable Share | 23/09/2025 | 17/09/2025 | Catering for 200 people in Lusikisiki | Iheans Travelling Agency | Municipal Manager's Office | 44536,25 | Received | Mthatha | Black | Female | Not Youth |
| Municipal Running Cost | Radio and TV Transmissions | Equitable Share | 23/09/2025 | 17/09/2025 | 3 hour live streaming of IHLM Prayer day | Khiwa's Digital Media Productions | Municipal Manager's Office | 24000,00 | Received | Mthatha | Black | Male | Not Youth |
| Municipal Running Cost | Radio and TV Transmissions | Equitable Share | 23/09/2025 | 17/09/2025 | 5 day radio advert for IHLM Prayer day | Inkonjane Community Radio | Municipal Manager's Office | 12600,00 | Received | Flagstaff | Black | Male & Female | Not Youth |

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|--|--|-----------------|------------|------------|---|-----------------------------------|----------------------------|-----------|----------|------------|-------|---------------|-----------|
| Municipal Running Cost | Radio and TV Transmissions | Equitable Share | 23/09/2025 | 16/09/2025 | 1 hour radio slot for the mayor and 5 day radio advert for Heritage & Tourism event | Inkonjane Community Radio | Municipal Manager's Office | 12 600,00 | Received | Flagstaff | Black | Male & Female | Not Youth |
| Municipal Running Cost | Radio and TV Transmissions | Equitable Share | 25/09/2025 | 16/09/2025 | Live streaming of Heritage and Tourism event | Khiwa's Digital Media Productions | Municipal Manager's Office | 24 000,00 | Received | Mthatha | Black | Male | Not Youth |
| Municipal Running Cost | Advertising, Publicity and Marketing:Tenders | Equitable Share | 25/09/2025 | 19/09/2025 | Advert for committee advertisement | Arena Holdings | Municipal Manager's Office | 62 909,60 | Received | Gauteng | Black | Male & Female | Not Youth |
| Community Initiatives:Memorial Lecture | Outsourced Services:Catering Services | Equitable Share | 26/09/2025 | 18/09/2025 | Catering for 250 people attending IHLM Prayer day | Zekwande Malisa | Municipal Manager's Office | 24 500,00 | Open | Lusikisiki | Black | Female | Not Youth |

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| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 29/09/2025 | 22/09/2025 | Accommodation for V.C Makedama in Mthatha | Iheans Travelling Agency | Municipal Manager's Office | 5806,01 | Received | Mthatha | Black | Female | Not Youth |
|--|---------------|-----------------|------------------|------------|---|--------------------------|----------------------------|------------------|---------------|----------|-------|--------|-----------|
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 30/09/2025 | 22/08/2025 | Accommodation and meals for Z Ntukuntezi and X Njisane in Lesotho | Iheans Travelling Agency | Municipal Manager's Office | 99115,97 | Received | Mthatha | Black | Female | Not Youth |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Equitable Share | 30/09/2025 | 18/09/2025 | Accommodation and meals for Z Ntukuntezi in Gqeberha | Iheans Travelling Agency | Municipal Manager's Office | 28307,68 | Received | Mthatha | Black | Female | Not Youth |
| TOTAL | | | | | | | | 557169,41 | STATUS | | | | |
| FUNCTION: MAYOR AND COUNCIL | | | | | | | | | | | | | |
| PROJECT | ITEM | FUNDING | TRANSACTION DATE | DOC.DATE | SERVICE DESCRIPTION | SUPPLIER NAME | FUNCTION | VALUE | STATUS | LOCATION | | | |

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| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 01/09/2025 | 18/08/2025 | Accommodation and meals for N Daniso in Queenstown | Coega Development Corporation | Mayor & Council | 6388,50 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
|--|---------------|--------|------------|------------|--|-------------------------------|-----------------|----------|----------|----------|---------------|---------------|-----------|
| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 01/09/2025 | 28/08/2025 | Accommodation and meals for S.B Vatsha in Mthatha | Coega Development Corporation | Mayor & Council | 14709,24 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 02/09/2025 | 01/09/2025 | Accommodation and meals for N Gagai in East London | Coega Development Corporation | Mayor & Council | 7652,72 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 08/09/2025 | 19/08/2025 | Accommodation and meals for S.B Vatsha in Queenstown | Coega Development Corporation | Mayor & Council | 10155,60 | Received | Gqeberha | Black & White | Male & Female | Not Youth |

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| | | | | | | | | | | | | | |
|--|---------------|--------|------------|------------|---|-------------------------------|-----------------|-----------|----------|----------|---------------|---------------|-----------|
| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 08/09/2025 | 19/08/2025 | Accommodation and meals for M.I Nkunguin Queenstown | Coega Development Corporation | Mayor & Council | 10 155,60 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 08/09/2025 | 01/09/2025 | Accommodation abd meals for N Jam Jam in Mthatha | Coega Development Corporation | Mayor & Council | 6 879,60 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 09/09/2025 | 01/09/2025 | Accommodation and meals for N Gagai in East London | Coega Development Corporation | Mayor & Council | 7 652,72 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 1209/2025 | 01/09/2025 | Accommodation and meals for P.N Pepping in Mthatha | Coega Development Corporation | Mayor & Council | 10 319,40 | Received | Gqeberha | Black & White | Male & Female | Not Youth |

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| Capacity Building Councillors:Training Councilors | Accommodation | Levies | 12/09/2025 | 28/08/2025 | Accommodation and meals for Z Mhlongo in Mthatha | Coega Development Corporation | Mayor & Council | 6 224,40 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
|---|---------------|--------|------------|------------|---|-------------------------------|-----------------|-----------|----------|----------|---------------|---------------|-----------|
| Capacity Building Councillors:Training Councilors | Accommodation | Levies | 12/09/2025 | 03/09/2025 | Accommodation and meals for M.I Nkungu in Mthatha | Iheans Travelling Agency | Mayor & Council | 11 036,30 | Received | Mthatha | Black | Female | Not Youth |
| Capacity Building Councillors:Training Councilors | Accommodation | Levies | 30/09/2025 | 28/08/2025 | Accommodation and meals for S.B Vatsha in Jhb | Iheans Travelling Agency | Mayor & Council | 26 270,97 | Received | Mthatha | Black | Female | Not Youth |
| Capacity Building Councillors:Training Councilors | Accommodation | Levies | 30/09/2025 | 18/09/2025 | Accommodation and meals for V Somanini Gqeberha | Iheans Travelling Agency | Mayor & Council | 21 855,35 | Received | Mthatha | Black | Female | Not Youth |

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| Municipal Running Cost | Outsourced Services:Catering Services | Equitable Share | 29/09/2025 | 11/09/2025 | Catering for 60 people in Lusikisiki | Iheans Travelling Agency | Mayor & Council | 19226,63 | Received | Mthatha | Black | Female | Not Youth |
|--|---------------------------------------|--|------------------|------------|--|--------------------------|-----------------|------------------|----------|-----------|---------|---------------|-----------|
| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 30/09/2025 | 02/09/2025 | Accommodation and meals for P.N Pepping in East London | Iheans Travelling Agency | Mayor & Council | 2552,69 | Received | Mthatha | Black | Female | Not Youth |
| Capacity Building Councillors:Training Councillors | Accommodation | Levies | 30/09/2025 | 22/08/2025 | Accommodation and meals for P.N Pepping in Lesotho | Iheans Travelling Agency | Mayor & Council | 43189,30 | Received | Mthatha | Black | Female | Not Youth |
| TOTAL | | | | | | | | 204269,02 | | | | | |
| FUNCTION: GOVERNANCE INTERNAL AUDIT | | | | | | | | | | | | | |
| PROJECT | ITEM | FUNDING | TRANSACTION DATE | DOC.D ATE | SERVICE DESCRIPTION | SUPPLIER NAME | FUNCTION | VAL UE | STA TUS | LOCA LITY | | | |
| Workshops, Seminars &Subject Matter | Accommodation | Current & Non-Current Assets:Bank Accounts | 01/09/2025 | 27/08/2025 | Accommodation and meals for | Coega Development | Internal Audit | 8517,60 | Received | Gqeberha | Black & | Male & Female | Not Youth |

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| | | | | | | | | | | | | | |
|---|---------------|--|------------|------------|--|-------------------------------|-----------------|-----------|----------|----------|---------------|---------------|-----------|
| Trainings:Workshops | | | | | S Galada and S Ngidi in Mthatha | Corporation | | | | | White | | |
| Workshops, Seminars &Subject Matter Trainings:Workshops | Accommodation | Equitable Share | 01/09/2025 | 27/08/2025 | Accommodation and meals fro L Swana in Mthatha | Coega Development Corporation | Risk Management | 4 258,80 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Workshops, Seminars &Subject Matter Trainings:Workshops | Accommodation | Equitable Share | 23/09/2025 | 10/09/2025 | Accommodation and meals for S Magenu in East London | Iheans Travelling Agency | Risk Management | 6 440,00 | Received | Mthatha | Black | Female | Not Youth |
| Workshops, Seminars &Subject Matter Trainings:Workshops | Accommodation | Current & Non-Current Assets:Bank Accounts | 23/09/2025 | 11/09/2025 | Accommodation and meals for N Ruba, S Maphupha and A Buxoki in East London | Iheans Travelling Agency | Internal Audit | 11 730,00 | Received | Mthatha | Black | Female | Not Youth |

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| Workshops, Seminars &Subject Matter Trainings:Workshops | Accommodation | Current & Non-Current Assets:Bank Accounts | 29/09/2025 | 22/09/2025 | Logistics for S Galada in Jhb | Iheans Travelling Agency | Internal Audit | 27 028,07 | Received | Mthatha | Black | Female | Not Youth |
|--|---------------|--|-------------|------------|---|-------------------------------|-----------------|------------------|----------|----------|---------------|---------------|-----------|
| Workshops, Seminars &Subject Matter Trainings:Workshops | Accommodation | Equitable Share | 29/09/2025 | 18/09/2025 | Logistics for L Swana in Jhb | Iheans Travelling Agency | Risk Management | 22 302,89 | Received | Mthatha | Black | Female | Not Youth |
| TOTAL | | | | | | | | 80 277,36 | | | | | |
| FUNCTION:LEGAL SERVICES | | | | | | | | | | | | | |
| | ITEM | FUNDING | TRANSACTION | DOC.DATE | SERVICE DESCRIPTION | SUPPLIER NAME | FUNCTION | VALUE | STATUS | LOCATION | | | |
| Workshop, Seminar and Subject Matter Training:Training Employees | Accommodation | Current and Non-Current Assets:Bank Accounts | 02/09/2025 | 27/08/2025 | Accommodation and meals for M Zukulu in Mthatha | Coega Development Corporation | Legal Services | 6 584,78 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| TOTAL | | | | | | | | 6 584,78 | | | | | |
| FUNCTION: COMMUNITY SERVICES SOLID WASTE | | | | | | | | | | | | | |

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| PROJECT | ITEM | FUNDING | TRANSACTION DATE | DOC.D ATE | SERVICE DESCRIPTION | SUPPLI ER NAME | FUNCTION | VAL UE | STA TUS | LOCA LITY | RA CE | GEN DER | YOU TH |
|-------------------------------------|--|-----------------|------------------|------------|--|---------------------------------|--------------------|-----------|----------|-----------|---------------|---------------|-----------|
| Library Programmes:Library Services | Outsourced Services:Catering Services | Library Grant | 02/09/2025 | 13/08/2025 | Catering for 250 people in Lusikisiki | Coega Development Corporation | Community Services | 54356,25 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Municipal Running Cost | Hire Charges | Agency Services | 12/09/2025 | 28/08/2025 | Venue for 30 people in Lusikisiki | Coega Development Corporation | Community Services | 5132,40 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Municipal Running Cost | Outsourced Services:Catering Services | Equitable Share | 12/09/2025 | 28/08/2025 | Catering for 30 people in Lusikisiki on 08-09 September 2025 | Coega Development Corporation | Community Services | 20748,00 | Received | Gqeberha | Black & White | Male & Female | Not Youth |
| Sport & Recreation | Transport provided as part of departmental activities:Events | Agency Services | 23/09/2025 | 18/09/2025 | Transport for 16 people from Flagstaff and Lusikisiki to East London | Li Dwera Transport and Services | Community Services | 11500,00 | Received | Flagstaff | Black | Male | Not Youth |
| TOTAL | | | | | | | | 91 | | | | | |

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| | | | | | | | | | | | | | |
|-------------|--|--|--|--|--|--|--|------------------------|--|--|--|--|--|
| | | | | | | | | 736,6 5 | | | | | |
| GRAND TOTAL | | | | | | | | 2 330 764, 91 | | | | | |

18.9 Formal RFQ's R30 000.00 – R300 000.00

| N o | NAME OF CONTRACTOR | MAAA NUMBER | CONTRAC T NUMBER | DESCRIPTION OF CONTRACT | DATE OF AWARD | CONTRACT PERIOD | CONTRACT VALUE | LOCALITY | GENDER | YOUTH AND RACE |
|--------|---|----------------|-------------------------------|---|------------------|--------------------|-------------------|------------|-----------------|------------------------|
| 1. | Linokwani Costruction | MAAA0998186 | IHLM/37/20 25- 26/COMM | Provision of Event Management for IHLM Arts Festival | 03-Sep-25 | Once off | R70 000,00 | Lusikisiki | Female owned | Black and Youth |
| 2. | LinathiH Projects | MAAA0315313 | IHLM/27/20 25- 26/ADMIN | Transport to Ngqadu for Inkciyo | 03-Sep-25 | Once off | R97 500,00 | Flagstaff | Male | Black and Not Youth |
| 3. | Nomalinge Trading 8785 | MAAA0837070 | IHLM/25/20 25- 26/MM'S | Catering for 300 people for GBV awareness | 08-Sep-25 | Once off | R34 500,00 | Lusikisiki | Female owned | Black and Not Youth |
| 4. | Bhulu Security and Cleaning Services | MAAA1455808 | IHLM/52/20 25- 26/ECON | Transport for 480 people for heritage and tourism event | 09-Sep-25 | Once off | R167 850,00 | Flagstaff | Male | black and youth |
| 5. | JNW Trading Enterprise | MAAA0837072 | IHLM/47/20 25- 26/COMM | Supply and delivery of pound medicine | 10-Sep-25 | Once off | R227 500,00 | Flagstaff | Female owned | Black and Not Youth |
| 6. | Persistence Family | MAAA1494302 | IHLM/29/20 25- 26/COMM | Supply and delivery of grass cutting strings | 10-Sep-25 | Once off | R24 000,00 | Flagstaff | Female owned | Black and Youth |
| 7. | Fasimba 13 Civils and Projects | MAAA1351805 | IHLM/31/20 25- 26/COMM | Supply and delivery of Gazzebos | 11-Sep-25 | Once off | R41 250,00 | Flagstaff | Male owned | Black and Not Youth |

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| | | | | | | | | | | |
|----|---|-------------|-------------------------------|--|-----------|----------|-------------|------------|-----------------|------------------------|
| 8. | Bhewu Trading | MAAA1280358 | IHLM/49/20 25- 26/ADMIN | Catering for 400 people | 11-Sep-25 | Once off | R38 000,00 | Flagstaff | Female owned | Black and youth |
| 9. | Timeless T | MAAA0779325 | IHLM/43/20 25- 26/ECON | Interior Deco Services for Tourism and Heritage Event | 11-Sep-25 | Once off | R57 500,00 | Bizana | Female owned | Black and Not Youth |
| 10 | We are the Hygiene Hub | MAAA0931330 | IHLM/13/20 25- 26/ADMIN | Supply and delivery of stationery | 17-Sep-25 | Once off | R240 051,00 | Flagstaff | Female owned | Black and Youth |
| 11 | Fasimba 13 Civils and Projects | MAAA1351805 | IHLM/48/20 25- 26/COMM | Supply and delivery of Cartridges and toners | 18-Sep-25 | Once off | R212 946,75 | Flagstaff | Male owned | Black and Not Youth |
| 12 | DNB Business Chain | MAAA1489801 | IHLM/42/20 25- 26/ECON | Hiring of Logistics for annual tourism event on the 27 September 2025 | 18-Sep-25 | Once off | R90 090,00 | Matatiele | Female owned | Black and Youth |
| 13 | Today's Hope Trading & Projects 164 | MAAA0323947 | IHLM/41/20 25- 26/ECON | Hiring of stage and sound for annual tourism event | 22-Sep-25 | Once off | R169 500,00 | Flagstaff | Male owned | Black and Not Youth |
| 14 | Achumile Amangwane Investments | MAAA1258075 | IHLM/50/20 25- 26/ECON | Supply and delivery of Hiking Gear for annual tourism event | 23-Sep-25 | Once off | R54 030,00 | Lusikisiki | Female owned | Black and Youth |
| 15 | Fezanathi Projects Pty | MAAA1486887 | IHLM/54/20 25- 26/ADMIN | Supply and delivery of door signs | 23-Sep-25 | Once off | R44 660,00 | Flagstaff | Male owned | Black and Youth |

18.10 Bids above R300 000.00

| NO | NAME OF CONTRACTOR | MAAA NUMBER | CONTRACT NUMBER | DESCRIPTION OF CONTRACT | DATE OF AWARD | CONTRAC T PERIOD | CONTRACT VALUE | LOCALITY | OWNERSHIP | RACE & AGE GROUP |
|----|-----------------------------------|----------------|----------------------------|---|------------------|---------------------|-------------------|-----------|--------------|---------------------|
| 1. | YG Solutions | MAAA0572284 | IHLM/103/202 4-25/ROADS | Panel of Professional Services for Civil and Structural Engineers for a period of 36 months | 04-Sep-25 | 36 Months | Rate Based | Libode | Male Owned | Black and not youth |
| 2. | Sikhalo Trading & Construction | MAAA0643979 | IHLM/40/2025 -26/ECON | Provision and events co-ordination for annual Tourism Event | 18-Sep-25 | Once Off | R460 000,00 | Flagstaff | Female Owned | Black and Youth |

18.11 Task Orders

| NAME OF CONTRACTOR | CONTRACT NUMBER | DESCRIPTION OF CONTRACT | DATE OF AWARD | CONTRACT VALUE |
|--------------------|-----------------------|---|---------------|----------------|
| Likamva Geomatics | IHLM/100/2021-22/PLAN | Task order for Topographic survey and pegging of 114 site in Lusikisiki | 03-Sep-25 | R234 935,34 |
| MNT Geomatics | IHLM/100/2021-22/PLAN | Task order for pegging Mbeki Settlement | 04-Sep-25 | R409 950,00 |
| MNT Geomatics | IHLM/100/2021-22/PLAN | Task order for pegging of municipal sites for Flagstaff and Lusikisiki | 04-Sep-25 | R198 720,00 |
| Masilo Projects | IHLM/93/2023-24/ROADS | Task order for installation and construction of 05 High Masts | 25-Sep-25 | R4 206 450,45 |
| YG Solutions | IHLM/93/2023-24/ROADS | Task order for Maintenance of 03 High masts for ward 6,9 & 14 | 29-Sep-25 | R830 590,95 |
| YG Solutions | IHLM/93/2023-24/ROADS | Task order for installation of 05 high masts ward 1,2 3, 5 & 16 | 29-Sep-25 | R4 696 017,53 |
| Lumda Trading | IHLM/93/2023-24/ROADS | Task order for Electrification of 111 Households | 30-Sep-25 | R3 197 963,17 |

18.12 Municipal Bid Appeals (if applicable)

| Bid Number | Bidder's name (Lodged Objection) | Date the objection was lodged | Appeal Status |
|------------------------|---|--------------------------------------|----------------------|
| IHLM/117/2022-23/ROADS | Pharaohs QS, Masakhane PM | 11/10/2023 | Pending |

18.13 Contracts Register Statistics

| No. of Current Contracts | No. of contracts awarded to SMMEs within the municipal area (local suppliers) | No. of Contracts about to expire in <6 months | No. of Expired Contracts but still in use |
|---|---|---|---|
| 154 (2023-24) 53 (2024-25) 32 (2025-26) | 147 | 07 | 01 |
| Commitment amounts as at the 30 September 2025 R151 552 080, 32 | | | |

18.14 Contracts Expiring in 2025

| Contract No. | Contract Description | End Date | Amount |
|--|---|-------------------|---------------|
| Nyana Oyintanda Trading/Caltex Flagstaff | Supply and delivery of Diesel and lubricants for a period of 03 years. | 26 September 2025 | Rate Based |
| IHLM/99/2021-22/PLAN | Panel of Conveyancer Services for a period of 36 Months | 30 September 2025 | Rate Based |
| IHLM/104/2021-22/PLAN | Panel of Local Economic Service Providers for a period of 36 months | 31 October 2025 | Rate Based |
| IHLM/100/2021-22/PLAN | Panel of Land Surveyors for a period of 36 Months | 31 October 2025 | Rate Based |
| IHLM/102/2021-22/PLAN | Panel of Environmental Impact Assessment Services for a period of 36 Months | 31 October 2025 | Rate Based |
| IHLM/09/2022-23/ICT | Maintenance and Support for ICT Infrastructure for a period of 36 Months | 31 October 2025 | Rate Based |
| IHLM/32/2023-24/ROADS | Panel of Contractors Civil Engineering | 07 December 2025 | Rate Based |

18.15 Long-term Contracts

| NO. | DESCRIPTION | NATURE & PURPOSE OF THE AGREEMENT | STATUS | RESPONSIBLE OFFICIALS |
|-----|---|--|--|----------------------------|
| 1. | Agreement between IHLM and MTN | Cellphone contract for Managers agreement | Cell phone contract has expired on the 31-May-2024 | Manager ICT and Admin |
| 2. | Agreement between IHLM and MTN | Cellphone contract for Councilor's agreement | Cell phone contract is expired on the 31-10-2024 | Manager ICT and Admin |
| 3. | Agreement between IHLM and Techseeds | Municipal Website Re-Design | The Contract is expired on the 30-06-2024 | Manager ICT and Admin |
| 4. | Agreement between IHLM and Bidvest Steiner | Provision of Hygiene Services | The Contract is expired on the 10-06-2024 | Manager ICT and Admin |
| 5. | Agreement between IHLM and Techseeds | ICT Infrastructure Maintenance | Cell phone contract is expiring on the 31-10-2025 | Manager ICT and Admin |
| 6. | First National Bank | Provision of Banking Services | The Contract is expiring on the 10-06-2026 | Chief Financial Officer |
| 7. | Coega Corporate Travel | Provision of Travel Management Services | Contract Expiring on the 30 June 2026 | Budget and Treasury Office |
| 8. | Iheans Trading t/a Iheans Travelling Agency | Provision of Travel Management Services | Contract Expiring on the 05 March 2027 | Budget and Treasury Office |

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| | | | | |
|-----|--|--|---|--------------------------------------|
| 9. | Lateral Unison | Insurance Services for a period of 03 years | Contract Expiring on the 28-Jun-27 | Manager Asset, Fleet and Expenditure |
| 10. | Riley Auctioneers | Auction Services | Contract Expiring on the 28-Jun-26 | Manager Asset, Fleet and Expenditure |
| 11. | Amalande Construction t/a Amalande Tyres | Provision of tyre supply, fitment, maintenance and repairs | Contract Expiring on the 20 August 2026 | Manager Asset, Fleet and Expenditure |
| 12. | Sky Metro | Printing services for a period of 36 Months | Contract expiring on the 19 November 2027 | Manager ICT and Admin |
| 13. | Hygiene Hub | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |
| 14. | Mat Trading Enterprise | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |
| 15. | N M Merge Projects | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |
| 16. | Ebhungeni Holdings | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |
| 17. | Sandu M (PTY) | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |
| 18. | Sword Group | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |
| 19. | Samysivu | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |

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| | | | | |
|-----|-------------------------------|---|---|----------------------------|
| 20. | Vilito Trading | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |
| 21. | Masinyane and Son | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |
| 22. | Million Colours Group | Panel for supply and delivery of Refuse Bags for a period of 3 years | Contract expiring on the 25 February 2028 | Manager Community Services |
| 23. | Ntlesko Trading | Provision of Cell phone contract for a period of 24 Months | The Contract is expiring on the 10-March-2027 | Manager ICT and Admin |
| 24. | Black Space Ultimate | Provision of Microsoft Office 365 E3 Services for a period of 36 Months | The Contract is expiring on the 18-March-2028 | Manager ICT and Admin |
| 25. | Tech Seeds Telecommunications | Provision of Telephone System for 320 users for 36 Months | The Contract is expiring on 18-March-2028 | Manager ICT and Admin |

18.16 Variations

For the month of September 2025, the following are the reported variation orders.

| Contractor & Contract No. | Contract Description | Contract Value | Reasons for Variation | Amount |
|---------------------------|--|----------------------|--------------------------|-------------------|
| Mbongeni Amahle Trading | Task order for electrification of 133 households | R2 455 537,67 | Additional scope of work | R368 330,67 @ 15% |

Variations above 15% or 20% (Comply with MFMA S116(3))

None

18.17 Supplier Performance Management

i The Purpose of Supplier Performance Management

The purpose of this submission is to appraise the committee on the overall performance of service providers/suppliers contracted by the Municipality for the provision of goods and services. The report covers the contract management activities and performance analysis of all service providers/suppliers/contractors engaged by the Departments across the Municipality. This is a consolidated report and entails a summary of all reports submitted by various Project Managers.

Supply Chain Management Policy requires the accounting officer to establish and implement an effective system of logistics management, which must include the monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for goods or services.

ii Discussion

In the execution of its service delivery responsibilities, the Municipality appoints qualifying companies to assist in the implementation of its projects and/or supply of the required goods or services. This then presents the need to ensure that these contracted service providers comply with the contractual conditions in the provision of the required goods and services. This function is performed in terms of Section 116 of the MFMA (Act No. 56 of 2003). It is therefore essential that a service level agreement is signed prior to the commencement of any contract.

iii PERFORMANCE MONITORING OF SERVICE PROVIDERS

The Contract Management Section of the SCM Unit in conjunction with the relevant Project Managers is responsible for the monitoring of all service providers and contractors' performance. The successful implementation of projects will eventually yield to the realization of the Council's goals and targets as indicated in the Municipality's SDBIP. The focus is on compliance with all applicable legislations in the appointment of these entities with clearly identified project deliverables or scope of works. The Council must realize value for money in all these contracts.

The performance evaluation is an ongoing process within the departments in the municipality, however, the contracts management unit collates the information on a quarterly basis for reporting purposes.

18.18 Bids advertised (Annexure)

i Website: All bids between the range of R30 000 to R300 000 and are advertised on website.

- ii E-tender portal: E-port is working; therefore, all Adverts were uploaded on the website.
- iii CIDB: All bids that require to be advertised on CIDB were advertised and printouts were saved for compliance and audit purposes.
- iv Cancelled bids: None

18.19 Local Content Reporting

| Contract Description | Designated Sector | % Designated | Award Value | Date of Award | Reporting to DTI |
|----------------------|-------------------|--------------|-------------|---------------|------------------|
| None | | | | | |

20. ASSETS AND FLEET MANAGEMENT

Asset Management is the unit within the Budget and Treasury Department that is responsible for the co-ordination of asset management function throughout the municipality.

To ensure that municipal assets are managed, controlled, safeguard and utilized in an efficient and effective manner. Fleet Management also is the unit within Budget and treasury department that is responsible for the management and effective utilisation of municipal fleet. Expenditure Management is the unit as well within Budget and Treasury section which deals with the payment of suppliers as well as payment of salaries. The following are items that can be highlighted relating to asset and fleet management:

a. Asset Additions

The municipality procured one bulk filer in September 2025.

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WIP additions as of 30 September 2025 are as follows:

| No | Project Name | Consultant | Contractor | Class | Opening Balance | 31-Jul-25 | 31-Aug-25 | 30-Sep-25 | Closing Balance 30 September 2025 | Comments |
|----|--|--------------------------|--------------------------|--------------------------------|-----------------|---------------|--------------|--------------|---|-------------|
| | | | | | 01 July 2025 | | | | | |
| | | | | | | | | | | |
| 1 | New Municipal Offices Lusikisiki | Uphuhliso Nohlumo | N/A | Other Assets | 7,628,949.85 | 1,769,324.10 | 1,546,204.42 | 2,677,260.34 | 13,621,738.71 | In Progress |
| 2 | Flagstaff Municipal Offices | Iqhayiya Design Workshop | N/A | Other Assets | 5,750,792.80 | - | - | - | 5,750,792.80 | In Progress |
| 3 | Taxi Rank | Leko Consulting | N/A | Community Assets | 2,739,544.12 | - | - | - | 2,739,544.12 | In Progress |
| 4 | Flagstaff Town Hall (Phase2) | Iqhayiya Design Workshop | Lithubalam Trading | Community Assets | 14,693,708.40 | 1,232,500.00 | 380,000.00 | - | 16,306,208.40 | In Progress |
| 5 | Lusikisiki Town Hall (Phase 2) | Calliper Consulting | Cece JV Nkanyeni/Athine | Community Assets | 11,636,556.02 | - | 1,302,666.47 | 401,076.72 | 13,340,299.21 | In Progress |
| 6 | Ward 2 Sport Field | Leko Consulting | Brainwave Projects | Community Assets | 23,652,420.36 | - | - | - | 23,652,420.36 | In Progress |
| 7 | Ward 26 Sports field | Iqhayiya Design Workshop | Vitsha Trading | Community Assets | 20,451,352.02 | - | - | - | 20,451,352.02 | In Progress |
| 8 | Facelift Towns (Internal Streets Flagstaff) Phase 2 | Ziinzame Consulting | MVI Construction | Infrastructure-Road | 24,505,425.32 | 6,277,134.96 | 720,405.00 | 1,050,811.59 | 32,553,776.87 | In Progress |
| 9 | Facelift Towns (Internal Streets Lusikisiki) Phase 3 | Uphuhliso Nohlumo | Mvumeza Trading | Infrastructure-Road | 25,741,895.66 | - | 3,818,728.83 | 2,086,087.40 | 31,646,711.89 | In Progress |
| 10 | Construction of Lambasi Driveway | N/A | Vilito JV Vitsha Trading | Infrastructure-Road | 2,604,501.42 | - | - | - | 2,604,501.42 | In Progress |
| 11 | Construction of Mtshayazafe Access Road | N/A | Mphumzi and Sons | Infrastructure-Road | 4,028,434.18 | - | - | - | 4,028,434.18 | In Progress |
| 12 | Construction of Qhamangweni Access Road | BM Infrastructure | N/A | Infrastructure-Road | 272,447.47 | - | - | - | 272,447.47 | In Progress |
| 13 | Construction of Sirhetshe to Sibuthe Access Road | Mlala Emazweni Trading | Tentamount | Infrastructure-Road | 251,786.85 | - | 560,044.22 | 435,376.25 | 1,247,207.32 | In Progress |
| 14 | Construction of Ngonyameni Access road & Bridge | Mlala Emazweni Trading | Tswela | Infrastructure-Road | 335,676.57 | 917,612.42 | 480,080.82 | - | 1,733,369.81 | In Progress |
| 15 | Supply and Installation of 5 Solar Street Lights | N/A | Magnetic Power | Infrastructure-Electrification | 590,944.16 | - | - | - | 590,944.16 | In Progress |
| 16 | Construction of Mtshayelo Access Road | Mlala Emazweni Trading | Pangwa Trading | Infrastructure-Road | 268,258.88 | 892,617.60 | 505,614.15 | 1,239,224.45 | 2,905,715.08 | In Progress |
| 17 | Construction of Zone 5 Sportsfield | SDM Consulting/Zambro | N/A | Community Assets | 7,695,367.06 | 1,556,703.36 | - | - | 9,252,070.42 | In Progress |
| | | | | Opening Balance | 152,848,061.15 | 12,645,892.44 | 9,313,743.91 | 7,889,836.75 | 182,697,534.25 | |

b. Asset Verification

The verification of assets in the normal operations of the municipality was done in the fourth quarter of the previous financial year. Management is currently engaged with verification of assets as responses to requests for information by the AG.

c. Asset Bar Coding

The acquired bulk filer was bar coded.

d. Loss on Assets.

There has been no loss of assets in the month of September 2025

e. Insurance

All municipal Assets that were procured are insured with Lateral Unison.

The Insurance cover is for from 01 July 2024 to 30 June 2027 i.e. we have contracted a service Provider for a period of 36 Months.

Newly procured Assets were added to the insurance.

There are two claims that have been registered with the insurance company as follows:

| No | Client | Registration No | Description | Luib Claim Number | Client Claim Ref | Section | Peril | DateOfLoss | NotifiedDate | Claims Status |
|----|---------------------------------|-----------------|-------------------------|-------------------|------------------|--------------------------|------------------|------------|--------------|------------------------|
| 1 | Ingouza Hill Local Municipality | HYW 633 EC | NISSAN TIPPER TRUCK | LAT0002-00002760 | IHL001 | Motor Commercial | Accident | 2025/07/08 | 2025/07/14 | Awaiting Authorisation |
| 2 | Ingouza Hill Local Municipality | N/A | Councilor Khumalo Claim | LAT0002-00002580 | F2/25/031144 | Sasria Policy Extensions | Malicious damage | 2025/06/04 | 2025/06/04 | Settled |

f. Disposal of Assets

The Disposal listing was approved by the Council, and an Auction was conducted. Management is awaiting proceeds from the auction which are expected to be transferred in early October 2025.

| Type Description | Data | | | | | | | | |
|--------------------------------|-------------------|-----------------|-------------------|----------------------|------------|------------------|----------------------|------------------|--------------|
| | Sum of Cost O/Bal | Sum of Cost Adj | Sum of Cost C/Bal | Sum of Adj Dep O/Bal | Sum of Dep | Sum of Dep C/Bal | Sum of Adj Imp O/Bal | Sum of Imp C/Bal | Sum of NBV |
| Community Assets | 342 962,00 | - | 342 962,00 | 165 016,18 | 15 818,62 | 180 834,80 | - | - | 162 127,20 |
| Computer Equipment | 1 607 772,79 | - | 1 607 772,79 | 1 363 539,66 | 11 000,12 | 1 374 539,78 | 15 530,19 | 15 530,19 | 217 702,82 |
| Furniture and Office Equipment | 943 302,12 | - | 943 302,12 | 653 279,63 | 17 954,90 | 671 234,53 | 88 293,07 | 88 293,07 | 183 774,52 |
| Machinery and Equipment | 2 141 162,62 | - | 2 141 162,62 | 1 394 153,81 | 106 100,68 | 1 500 254,49 | 52 512,91 | 52 512,91 | 588 395,22 |
| Roads Infrastructure | 5 839,32 | - | 5 839,32 | 5 839,32 | - | 5 839,32 | - | - | - |
| Transport Assets | 3 112 445,12 | - | 3 112 445,12 | 2 505 324,72 | 280 714,47 | 2 786 039,19 | - | - | 326 405,93 |
| Grand Total | 8 153 483,97 | - | 8 153 483,97 | 6 087 153,32 | 431 588,79 | 6 518 742,11 | 156 336,17 | 156 336,17 | 1 478 405,69 |

g. Fleet Management

There were eight (8) vehicles that were sent for services and repairs, and these were completed.

| No | VEHICLE | REGISTRATION NO | SERVICE PROVIDER | AMOUNT | SERVICE DESCRIPTION |
|----|-------------------------|-----------------|---------------------------------|-------------|---|
| 1 | Toyota Hilux | KNG127EC | Halfway Toyota Shelly Beach | R5,886.75 | Replaced front brake pads and discs. |
| 2 | Toyota Hilux | KNG164EC | Halfway Toyota Shelly Beach | R5,886.75 | Replaced front brake pads and discs. |
| 3 | Toyota Fortuner | KMM272EC | Buffalo Toyota East London | R6,199.12 | Replaced front brake pads and discs. |
| 4 | Komatsu Motor Grader | KHY015EC | Komatsu | R62,000.64 | Replaced oil filter, breather filter, fuel filter, gear oil, transmission oil, hydraulic oil, engine oil, and filter kit. |
| 5 | Bell Excavator | JTE3160766 | Bell Equipment Sales SA Limited | R35,939.36 | Fuel tank sender unit, bucket tips, pin lock, washers. |
| 6 | Bell 315 Backhoe Loader | HTZ035EC | Bell Equipment Sales SA Limited | R117,383.03 | Replaced seal kits, HYD upper link arm assy, hydraulic cylinder recon, mounting bracket, upper link arm assy. |
| 7 | Bell 670G Motor Grader | HTZ040EC | Bell Equipment Sales SA Limited | R46,641.08 | Replaced bolts and nuts, grader cutting edge, backing plates. |
| 8 | Bell 670G Motor Grader | HZF166EC | Bell Equipment Sales SA Limited | R46,641.08 | Replaced bolts and nuts, grader cutting edge, backing plates. |
| | | | | | R326,577.81 |

h. Accident Report

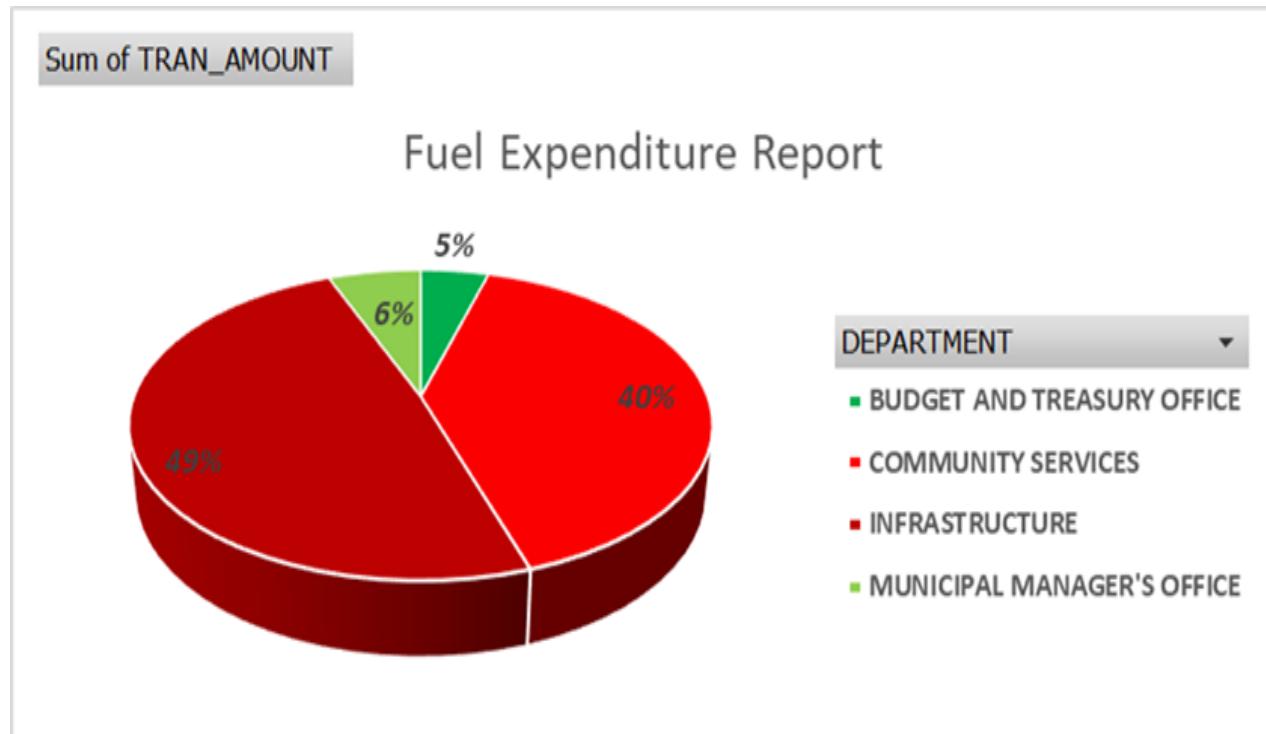
| No | Vehicle | Registration Number | Date of Accident | Accident Description | Progress Report |
|----|----------|---------------------|------------------|-------------------------------|---|
| 1 | UD Truck | HYW633EC | 07/07/2025 | Loading Beam has been damaged | We are waiting for the assessment report. |

i. Vehicle Registration

| VEHICLE DESCRIPTION | REGISTRATION NO | SERVICE PROVIDER | AMOUNT |
|---------------------------|-----------------|-------------------------|------------------|
| Toyota Corolla | JLV742EC | Department of Transport | R546.00 |
| Toyota Corolla | JLV731EC | Department of Transport | R546.00 |
| Toyota Land Cruiser | HCN720EC | Department of Transport | R1,080.00 |
| Isuzu KB | JGD213EC | Department of Transport | R840.00 |
| Bomag Single Drum Roller | KGR746EC | Department of Transport | R132.00 |
| Bell 315SK Backhoe Loader | HTZ035EC | Department of Transport | R132.00 |
| Bell Motor Grader | HTZ040EC | Department of Transport | R132.00 |
| Bell Motor Grader | HZF166EC | Department of Transport | R132.00 |
| John Deere | HSJ469EC | Department of Transport | R258.00 |
| | | | R3,798.00 |

j. Fuel Expenditure

| No | August 2025 | September 2025 | Percentage Change | Reasons for Variance |
|----|--------------|----------------|--------------------|--|
| 1 | R 827,719.07 | R 872,961.42 | 5% Increase | There were more Maintenance activities during the month of September 2025. |



21. FREE BASIC SERVICES

a. Legal Background

Free Basic Services Guidelines stipulate that the indigent people should be taken care of at the local sphere of government. The indigent people should be provided with free basic services such as electricity, alternative energy, water and sanitation and waste collection until such time come and they graduate from their status. The equitable share is primarily granted to improve the lives of the poor and marginalized people in our communities.

b. Indigent register, Data collection and Data Capturing

Data collection has been done and a continua's program done through Ward Councillors, traditional leaders, CDW's and ward committees in all the thirty-two various wards that are within the boundaries of Ingquza Hill local municipality.

c. Data capturing for Indigent register, here are the figures as per the ward:

| WARDS NO | INDIGENT REGISTER PER WARD |
|----------|----------------------------|
| 1. | 723 |
| 2. | 774 |

| WARDS NO | INDIGENT REGISTER PER WARD |
|----------|----------------------------|
| 3. | 771 |
| 4. | 633 |
| 5. | 705 |
| 6. | 1022 |
| 7. | 791 |
| 8. | 656 |
| 9. | 710 |
| 10. | 904 |
| 11. | 802 |
| 12. | 562 |
| 13. | 494 |
| 14. | 574 |
| 15. | 746 |
| 16. | 944 |
| 17. | 608 |
| 18. | 729 |
| 19. | 644 |
| 20. | 543 |
| 21. | 644 |
| 22. | 411 |
| 23. | 518 |
| 24. | 707 |
| 25. | 555 |
| 26. | 1015 |
| 27. | 599 |
| 28. | 582 |
| 29. | 743 |
| 30. | 828 |
| 31. | 630 |

| WARDS NO | INDIGENT REGISTER PER WARD |
|--------------|----------------------------|
| 32. | 700 |
| TOTAL | 22 267 |

d. Eskom

In September 2025, we have 2 531 beneficiaries claiming an amount of R319 341,84 for people who benefited from free basic electricity (FBE) on the month of August 2025, then the invoice was generated on the month of 19 September 2025, and each household receives 50 KW units from Eskom (FBE).

e. Alternative Energy (PARAFFIN):

The service providers for the distribution of paraffin were appointed. The deliveries were carried out in July 2025 and completed in August 2025. Management is currently engaged with the process of ensuring that there is accurate indigent data, and also looking into various available alternative energy sources.

f. Financial Expenditure for Free Basic Electricity (FBE) and Paraffin:

The expenditure incurred in 2025/26 is as follows:

| 2025/26 | CURRENT YEAR |
|-------------------------------------|---------------|
| Opening Balance September 2025 | R4 278 970,00 |
| Expenditure incurred September 2025 | R319 341,84 |
| Closing balance September 2025 | R3 959 628,00 |

QUALITY CERTIFICATE

I, V.C. Makedama, Municipal Manager of Ingquza Hill Local Municipality, hereby certify that the Section 71 report and supporting documentation for M03 – September 2025, have been prepared in accordance with Municipal Finance Management Act No 56 of 2003 and the regulations made under that Act.

PRINT NAME: _____ Velile Castro Makedama _____

Municipal Manager of Ingquza Hill Local Municipality

SIGNATURE _____

DATE _____

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, Velile Castro Makhedama, municipal manager of Ingquza Hill Local Municipality, hereby certify that Section 71 and supporting documents for M03/September been prepared in accordance with the Municipal Finance Management Act and the regulations made under the act.

Print Name: V. C. Makhedama

Municipal Manager of Ingquza Local Municipality

Signature: V. C. Makhedama

Date: 06/10/2025