INGQUZA HILL LOCAL MUNICIPALITY

BUDGET AND TREASURY OFFICE

IN-YEAR REPORTING: MFMA SECTION 71 REPORT FOR JUNE 2026

TABLE OF CONTENTS

1. Introduction 3
2. Legal And Or Legislative Background 3
3. The Audit Action Plan 4
IN-YEAR BUDGET STATEMENT 5
4. Monthly Budget Statement: Summary 5
5. Monthly Budget Statement – Financial Performance (Functional Classification) 7
6. Monthly Budget Statement: Financial Performance (Revenue and Expenditure by Municipal Vote) 8
7. Monthly Budget Statement: Financial Performance (revenue and expenditure) 9
a) Revenue 10
b) Expenditure 12
8. Monthly Budget Statement: Capital Expenditure 13
9. Monthly Budget Statement: Financial Position 15
10. Monthly Budget Statement: Cashflow 16
SUPPORTING DOCUMENTATION 17
11. Debtors Age Analysis 17
12. Creditors Age Analysis 19
13. Cash and Cash Equivalents 19
14. Allocation and Grant Receipts and Expenditure 20
15. Employee Related Costs and Remuneration of Councillors 21
16. Top Twenty Creditors Paid (June 2026) 23
17. UIFW Expenditure 23
OTHER REPORTS 27
18. Status Of mSCOA (Municipal Standard Chart of Accounts) 27
19. The Supply Chain Management Report 28
20. Assets and Fleet Management 99
21. Free Basic Services 103
QUALITY CERTIFICATE 105

EXECUTIVE SUMMARY

1. INTRODUCTION

The Municipality approved the 2025/26 Annual Budget and Medium-Term Revenue and Expenditure Framework (MTREF) in May 2025. An Adjustments Budget was subsequently approved in December 2025 to incorporate approved conditional grant roll-overs. A further Adjustments Budget was approved in February 2026 in terms of Section 28 of the Municipal Finance Management Act (MFMA), Act 56 of 2003, following Council's consideration of the Mid-Year Budget and Performance Assessment. The adjustments were made to the budget, SDBIP, procurement plan, and other supporting documentation as required by the Act.

The purpose of this report, prepared in terms of Section 71 of the Municipal Finance Management Act (MFMA), No. 56 of 2003, is to report on the financial performance of the Municipality against the approved budget. This includes reporting on revenue, expenditure, assets, and liabilities. This report reflects the financial performance of the Municipality for June 2026, being the twelfth and last 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 the Council and medium-term planning of service delivery by aligning targets to achieve backlog elimination.

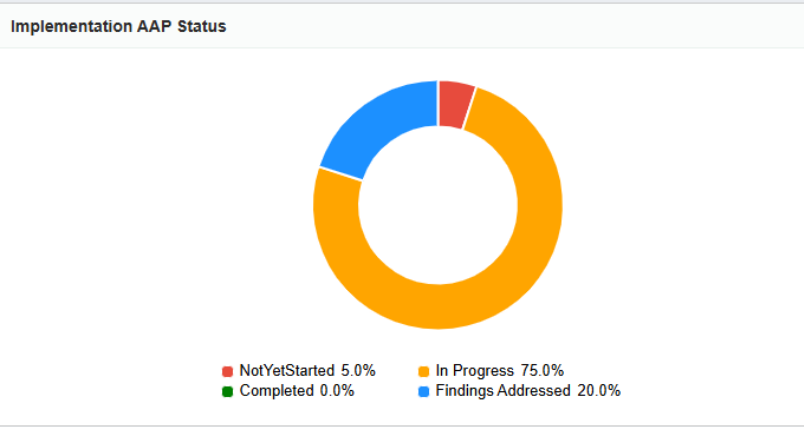
3. THE AUDIT ACTION PLAN

The municipality was audited by the Auditor General of South Africa (AGSA) for the 2024/25 financial period, wherein a qualified audit opinion was issued. The MFMA requires that management must develop an audit action plan that will address the issues that have been raised during the audit by the Auditor General.

Management developed the audit action plan through the National Treasury's Web-enabled Platform to address issues raised by the Auditor General in the 2024/25 audit cycle. The implementation of this plan will be monitored until all the issues raised have been resolved. The implementation is also reviewed and reported upon by the Internal Audit Unit.

This action plan should identify the finding, the root cause, the completion date for the development of the action plan, the due date for the implementation of the action plan, the responsible official and many other pertinent pieces of information.

The following is the graphic representation of the progress of the implementation of the approved actions: -



In terms of the graphic representation above, there are 60 findings that have been lifted from the detailed audit findings, 11 of which are matters affecting the audit report, and 49 other matters. Action plans have been developed and approved for all the findings. The implementation of the audit action plan indicates that 5% of the actions have not been started, 75% actions are in progress, 0% actions are completed and 20% actions have been confirmed to address the findings raised.

It is important to note that of the action plans in-progress, there a significant number of them that are at a very high percentage of implementation. The actions that were proposed for the property plant and equipment have all been started and finalised, however, the confirmation of the whether the actions have adequately addressed the finding will be tested when the compiled prior year adjustments are audited.

The prior year adjustments were submitted to the AGSA, after reviews by the Internal Audit, Audit Committee, Provincial Treasury and CoGTA. These prior year adjustments are contained in the 09 Months Interim Financial Statements. Feedback on these Interim Financial Statements is expected in the middle of July 2026.

IN-YEAR BUDGET STATEMENT

4. MONTHLY BUDGET STATEMENT: SUMMARY

The table below shows the performance of the municipality for the month of June 2026, the twelfth month of the 2025/26 financial year. The total revenue for June 2026 amounted to just over R25,3 million, whilst the expenditure for the same month was R32 million, resulting in a deficit for the month of R6,8 million. It can be noted that the overall expenditure is also affected by movements in the depreciation after reviews in the asset register compilation exercise.

Choose name from list - Table C1 Monthly Budget Statement Summary - M12 - June

Description	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								%	
Financial Performance									
Property rates	44 121	42 607	42 607	1 296	42 387	42 607	(220)	-1%	42 607
Service charges	1 394	1 296	1 396	121	1 437	1 396	41	3%	1 396
Investment revenue	24 126	22 000	24 000	1 515	19 574	24 000	(4 426)	-18%	24 000
Transfers and subsidies - Operational	367 753	362 391	394 171	20 730	380 735	394 171	(13 436)	-3%	394 171
Other own revenue	63 931	24 877	32 753	1 907	29 885	32 753	(2 868)	-9%	32 753
Total Revenue (excluding capital transfers and contributions)	**501 326**	**453 171**	**494 928**	**25 568**	**474 019**	**494 928**	**(20 909)**	**-4%**	**494 928**
Employee costs	163 510	181 307	190 714	15 092	178 403	190 714	(12 311)	-6%	190 714
Remuneration of Councillors	29 154	31 073	31 073	2 352	28 244	31 073	(2 829)	-9%	31 073
Depreciation and amortisation	56 618	57 500	63 500	(39 995)	59 813	63 500	(3 687)	-6%	63 500
Interest	4 137	150	4 150	–	–	4 150	(4 150)	-100%	4 150
Inventory consumed and bulk purchases	–	–	–	3	3	–	3	#DIV/0!	–
Transfers and subsidies	5 096	7 000	7 764	1 005	5 534	7 764	(2 230)	-29%	7 764
Other expenditure	213 690	275 347	334 360	53 982	253 450	334 360	(80 910)	-24%	334 360
Total Expenditure	**472 204**	**552 377**	**631 561**	**32 438**	**525 448**	**631 561**	**(106 114)**	**-17%**	**631 561**
Surplus/(Deficit)	**29 122**	**(99 206)**	**(136 634)**	**(6 870)**	**(51 429)**	**(136 634)**	**85 205**	**-62%**	**(136 634)**
Transfers and subsidies - capital (monetary allocations)	79 404	65 535	66 126	8 096	65 474	66 126	(652)	-1%	66 126
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**108 526**	**(33 671)**	**(70 508)**	**1 225**	**14 045**	**(70 508)**	**84 553**	**-120%**	**(70 508)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**108 526**	**(33 671)**	**(70 508)**	**1 225**	**14 045**	**(70 508)**	**84 553**	**-120%**	**(70 508)**
Capital expenditure & funds sources									
Capital expenditure	**132 362**	**137 355**	**146 996**	**15 901**	**112 678**	**146 996**	**(34 318)**	**-23%**	**146 996**
Capital transfers recognised	78 267	65 535	66 338	3 965	53 907	66 338	(12 431)	-19%	66 338
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**50 492**	**71 820**	**80 658**	**11 937**	**58 771**	**80 658**	**(21 887)**	**-27%**	**80 658**
Total sources of capital funds	**128 759**	**137 355**	**146 996**	**15 901**	**112 678**	**146 996**	**(34 318)**	**-23%**	**146 996**
Financial position									
Total current assets	363 554	316 387	273 624		339 401				273 624
Total non current assets	1 592 564	1 741 531	1 745 171		1 645 429				1 745 171
Total current liabilities	96 646	67 059	61 774		111 203				61 774
Total non current liabilities	29 786	32 596	35 596		29 786				35 596
Community wealth/Equity	**1 825 103**	**1 958 263**	**1 921 426**		**1 844 040**				**1 921 426**
Cash flows									
Net cash from (used) operating	–	81 471	62 423	(49 773)	305 557	46 595	(258 963)	-556%	62 423
Net cash from (used) investing	128 891	(137 355)	(145 240)	(9 415)	(118 953)	(145 240)	(26 287)	18%	(145 240)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**396 713**	**279 097**	**252 163**	**–**	**475 140**	**236 335**	**(238 805)**	**-101%**	**205 718**
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	6 556	7 170	1 680	1 660	1 651	1 634	1 635	126 788	148 773
Creditors Age Analysis									
Total Creditors	12 095	–	–	–	–	–	–	–	12 095

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

Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 - June

Description	Ref	2024/25	Budget Year 2025/26							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD	Full Year
R thousands	1								%	
Revenue - Functional										
Governance and administration		**416 238**	**426 127**	**431 127**	**5 827**	**424 310**	**431 127**	(6 817)	-2%	**431 127**
Executive and council		1 593	1 716	1 716	124	1 716	1 716	–		1 716
Finance and administration		414 645	424 411	429 411	5 703	422 594	429 411	(6 817)	-2%	429 411
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**133 626**	**77 396**	**109 791**	**26 024**	**95 360**	**109 791**	(14 431)	-13%	**109 791**
Planning and development		3 504	4 647	4 707	409	4 497	4 707	(210)	-4%	4 707
Road transport		130 122	72 749	105 084	25 614	90 863	105 084	(14 221)	-14%	105 084
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**30 866**	**15 183**	**20 135**	**1 813**	**19 823**	**20 135**	**(312)**	-2%	**20 135**
Energy sources		20 478	3 660	7 842	202	7 364	7 842	(477)	-6%	7 842
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		10 388	11 523	12 294	1 611	12 459	12 294	165	1%	12 294
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Revenue - Functional	2	**580 730**	**518 706**	**561 053**	**33 663**	**539 493**	**561 053**	**(21 561)**	**-4%**	**561 053**
Expenditure - Functional										
Governance and administration		**237 770**	**303 474**	**325 101**	**28 478**	**282 151**	**325 101**	(42 950)	-13%	**325 101**
Executive and council		87 148	108 434	113 309	12 348	103 404	113 309	(9 905)	-9%	113 309
Finance and administration		147 021	189 727	206 981	10 649	169 531	206 981	(37 450)	-18%	206 981
Internal audit		3 601	5 313	4 811	5 481	9 216	4 811	4 405	92%	4 811
Community and public safety		**131**	**–**	**–**	**–**	**–**	**–**	–		**–**
Community and social services		131	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**107 872**	**142 266**	**186 787**	**(3 796)**	**137 141**	**186 787**	(49 646)	-27%	**186 787**
Planning and development		31 550	39 385	41 015	246	31 252	41 015	(9 763)	-24%	41 015
Road transport		76 322	102 881	145 772	(4 042)	105 889	145 772	(39 883)	-27%	145 772
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**126 431**	**106 637**	**119 673**	**7 756**	**106 155**	**119 673**	**(13 518)**	-11%	**119 673**
Energy sources		32 477	17 010	21 356	(1 843)	17 642	21 356	(3 714)	-17%	21 356
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		93 954	89 627	98 317	9 598	88 514	98 317	(9 804)	-10%	98 317
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Expenditure - Functional	3	**472 204**	**552 377**	**631 561**	**32 438**	**525 448**	**631 561**	**(106 114)**	**-17%**	**631 561**
Surplus/ (Deficit) for the year		**108 526**	**(33 671)**	**(70 508)**	**1 225**	**14 045**	**(70 508)**	**84 553**	**-120%**	**(70 508)**

The table above shows the revenue and expenditure per functional classification. Road Transport recorded the highest revenue (R25 Million) for the reporting period, mainly attributable to the recognition of revenue from the conditional grants.

The expenditure for the same period can be attributed to the various departments, with the highest expenditure incurred by the Executive and Council at just over R12.3

million, followed by the Finance Function at R10 million and Trading Services Function at just over R7,7 million.

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

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

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 - June

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
Revenue by Vote	1									
Vote 1 - Governance and Administration		416 238	426 127	431 127	5 827	424 310	431 127	(6 817)	-1.6%	431 127
Vote 2 - Community Services and Public Safety		10 388	11 523	12 294	1 611	12 459	12 294	165	1.3%	12 294
Vote 3 - Economic and Enviromental Services		1 474	2 008	2 068	188	1 476	2 068	(593)	-28.7%	2 068
Vote 4 - Trading Services		20 478	3 660	7 842	202	7 364	7 842	(477)	-6.1%	7 842
Vote 5 - Technical Services		132 152	75 388	107 723	25 836	93 884	107 723	(13 839)	-12.8%	107 723
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	**580 730**	**518 706**	**561 053**	**33 663**	**539 493**	**561 053**	**(21 561)**	**-3.8%**	**561 053**
Expenditure by Vote	1									
Vote 1 - Governance and Administration		237 770	303 474	325 101	28 478	282 151	325 101	(42 950)	-13.2%	325 101
Vote 2 - Community Services and Public Safety		94 084	89 627	98 317	9 598	88 514	98 317	(9 804)	-10.0%	98 317
Vote 3 - Economic and Enviromental Services		27 455	36 749	38 379	246	31 131	38 379	(7 247)	-18.9%	38 379
Vote 4 - Trading Services		32 477	17 010	21 356	(1 843)	17 642	21 356	(3 714)	-17.4%	21 356
Vote 5 - Technical Services		80 417	105 517	148 408	(4 042)	106 009	148 408	(42 399)	-28.6%	148 408
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	**472 204**	**552 377**	**631 561**	**32 438**	**525 448**	**631 561**	**(106 114)**	**-16.8%**	**631 561**
Surplus/ (Deficit) for the year	2	**108 526**	**(33 671)**	**(70 508)**	**1 225**	**14 045**	**(70 508)**	**84 553**	**-119.9%**	**(70 508)**

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

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 - June

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									%	
Revenue										
Exchange Revenue										
Service charges - Electricity		–	–	–	–	–	–	–		–
Service charges - Water		–	–	–	–	–	–	–		–
Service charges - Waste Water Management		–	–	–	–	–	–	–		–
Service charges - Waste management		1 394	1 296	1 396	121	1 437	1 396	41	3%	1 396
Sale of Goods and Rendering of Services		20 808	4 276	8 457	299	7 882	8 457	(575)	-7%	8 457
Agency services		4 475	6 400	6 400	348	5 218	6 400	(1 182)	-18%	6 400
Interest		–	–	–	–	–	–	–		–
Interest earned from Receivables		1 020	749	1 049	86	1 015	1 049	(33)	-3%	1 049
Interest from Current and Non Current Assets		24 126	22 000	24 000	1 515	19 574	24 000	(4 426)	-18%	24 000
Dividends		–	–	–	–	–	–	–		–
Rent on Land		–	–	–	–	–	–	–		–
Rental from Fixed Assets		1 043	1 224	1 224	75	881	1 224	(343)	-28%	1 224
Licence and permits		115	200	200	16	91	200	(109)	-54%	200
Special Rating Levies		–	–	–	–	–	–	–		–
Operational Revenue		143	380	380	4	265	380	(115)	-30%	380
Non-Exchange Revenue								–		
Property rates		44 121	42 607	42 607	1 296	42 387	42 607	(220)	-1%	42 607
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		1 988	1 552	1 947	269	3 442	1 947	1 495	77%	1 947
Licence and permits		–	–	–	–	–	–	–		–
Transfers and subsidies - Operational		367 753	362 391	394 171	20 730	380 735	394 171	(13 436)	-3%	394 171
Interest		9 178	9 097	11 097	810	9 867	11 097	(1 230)	-11%	11 097
Fuel Levy		–	–	–	–	–	–	–		–
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		5 948	1 000	2 000	–	1 223	2 000	(777)	-39%	2 000
Other Gains		19 213	–	–	–	–	–	–		–
Discontinued Operations		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**501 326**	**453 171**	**494 928**	**25 568**	**474 019**	**494 928**	**(20 909)**	**-4%**	**494 928**
Expenditure By Type										
Employee related costs		163 510	181 307	190 714	15 092	178 403	190 714	(12 311)	-6%	190 714
Remuneration of councillors		29 154	31 073	31 073	2 352	28 244	31 073	(2 829)	-9%	31 073
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		–	–	–	3	3	–	3	#DIV/0!	–
Debt impairment		10 251	11 163	11 163	–	–	11 163	(11 163)	-100%	11 163
Depreciation and amortisation		56 618	57 500	63 500	(39 995)	59 813	63 500	(3 687)	-6%	63 500
Interest		4 137	150	4 150	–	–	4 150	(4 150)	-100%	4 150
Contracted services		87 375	106 909	151 398	30 212	111 641	151 398	(39 757)	-26%	151 398
Transfers and subsidies		5 096	7 000	7 764	1 005	5 534	7 764	(2 230)	-29%	7 764
Irrecoverable debts written off		8 735	16 500	16 500	1 345	8 637	16 500	(7 863)	-48%	16 500
Operational costs		107 701	140 775	155 299	22 425	133 173	155 299	(22 126)	-14%	155 299
Losses on Disposal of Assets		(372)	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**472 204**	**552 377**	**631 561**	**32 438**	**525 448**	**631 561**	**(106 114)**	**-17%**	**631 561**
Surplus/(Deficit)		**29 122**	**(99 206)**	**(136 634)**	**(6 870)**	**(51 429)**	**(136 634)**	**85 205**	**-62%**	**(136 634)**
Transfers and subsidies - capital (monetary allocations)		79 404	65 535	66 126	8 096	65 474	66 126	(652)	-1%	66 126
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**108 526**	**(33 671)**	**(70 508)**	**1 225**	**14 045**	**(70 508)**			**(70 508)**
Income Tax		–	–	–	–	–	–	–		–
Surplus/(Deficit) after income tax		**108 526**	**(33 671)**	**(70 508)**	**1 225**	**14 045**	**(70 508)**			**(70 508)**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–		–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–		–
Surplus/(Deficit) attributable to municipality		**108 526**	**(33 671)**	**(70 508)**	**1 225**	**14 045**	**(70 508)**			**(70 508)**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–		–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year		**108 526**	**(33 671)**	**(70 508)**	**1 225**	**14 045**	**(70 508)**			**(70 508)**

In the table above the following can be highlighted

a) Revenue

i Waste Management

The Municipality billed revenue of R121 000 from solid waste removal services for the month of June 2026 and a YTD billing of R1,4 million against the budget of R1,3 million. This reflects a variance of 3% against the budgeted amount, suggesting that revenue billing is in line with the approved budget. Management continues to monitor the completeness of billing to ensure that all revenue due is billed and subsequently collected.

ii Sale of Goods and Rendering of Services

The revenue source generated a revenue of R299 000 for the month of June 2026. This resulted in a year-to-date amount of just over R7,8 million. This line item includes the services rendered by the municipality by electrifying villages as per the agreement with the Department of Energy (INEP).

iii Agency Fees

The Municipality generates revenue from the operation of the Driver's Licence and Testing Centre (DLTC). For June 2026, revenue of R348 000 was generated, resulting in a negative variance of 18% against the budgeted amount. The municipality was granted a full license to operate the DLTC, including the testing for driver's licenses. The municipality will be increasing its marketing drive to ensure that there is widespread awareness of the operations of the DLTC and the availability of driver's licenses testing.

iv Interest From Current and Non-Current Assets

The Municipality earns interest on balances held in its primary bank account and call accounts. For June 2026, interest income of R1.5 million was generated, resulting in a negative variance of 18% against the budgeted year-to-date amount of R24 million. Management will continue to monitor interest earned on available funds and ensure that surplus cash is invested in accounts that maximise returns during periods when the funds are not immediately required for service delivery and other municipal running costs.

v Property Rates

The Municipality levies property rates on all rateable properties within its jurisdiction. Property rates billing processed during June 2026 amounted to approximately R1,2 million, bringing the year-to-date billed revenue to R42,3 million. There has only been -1% variance on the budget amount for rates.

It is important to note that there was an exercise carried out by a service provider, ensuring that all state owned rural properties are billed and paid for by the Department of Public Works. This exercise has resulted in over R32 million received by the municipality for those properties. This however has no bearing on collection rate as the raised debt was all paid, and relates to prior year periods.

vi Rental From Fixed Assets

The Municipality generated revenue of R75 000 for June 2026 from the rental of municipal-owned properties, resulting in a year-to-date total of R881 000. Management is currently undertaking a review of all municipal lease agreements to assess the appropriateness of existing rental tariffs and contractual terms. The outcomes of this review will be submitted to Council for consideration and resolution prior to implementation.

vii Transfers and Subsidies

The Municipality receives transfers and subsidies from various government departments, comprising both conditional and unconditional grants. During June 2026, operational grant revenue of just over R20 million was recognised, bringing the year-to-date total to R380 million.

The most contributing factor to the R20 million is the R18 million recognised from the recognition of revenue from the Municipal Disaster Recovery Grant, given the commencement of implementation on the maintenance on the approved infrastructure assets.

b) Expenditure

i Employee Related Costs

- The Municipality incurs expenditure on employee salaries and allowances for services rendered. For June 2026, expenditure on Employee Related Costs amounted to just over R15 million, resulting in a negative variance of 6% against the budget. The variance is mainly attributable to funded vacancies that have not yet been filled. The total year-to-date expenditure on Employee Related Costs amounts to R178,4 million.

- 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 of Remuneration for Municipal Public Office Bearers, as prescribed by Government Gazette, determines the salaries and allowances payable to councillors. The Municipality remunerates councillors in accordance with the provisions of the applicable Gazette.

In June 2026, expenditure on councillor remuneration amounted to just over R2.3 million, resulting in a negative variance of 9% against the budget.

iii Contracted Services

The contracted services for June 2026 amounted to R30,2 million. The year-to-date expenditure on contracted services at the end of June 2026 is R111 million. This results in a year-to-date variance of negative 26% which is a significant under spending percentage. This calls on management to ensure that there are more reliable estimates for the budgeted amounts.

The contracted services include services contracted for maintenance of roads and other assets, travelling and accommodation, maintenance of the municipal fleet, legal fees and other contracted services.

iv Operational Costs

The operational costs incurred by the municipality in June 2026 amounted to R22,4 million. This has resulted in year-to-date expenditure of R133,7 million, resulting in a negative variance of 14% against year-to-date budget.

8. Monthly Budget Statement: Capital Expenditure

The table below indicates capital expenditure for the month of June 2026 amounting to just over R15,9 million. The bulk of the capital expenditure is at Technical Services at just over R8,6 million. The capital expenditure to-date is just over R112 million funded from grants and internally generated funds.

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 - June

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 Enviromental 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		19 592	11 850	8 880	3 358	6 021	8 880	(2 859)	-32%	8 880
Vote 2 - Community Services and Public Safety		8 507	7 170	9 328	1 524	2 576	9 328	(6 752)	-72%	9 328
Vote 3 - Economic and Enviromental Services		505	2 500	470	531	817	470	347	74%	470
Vote 4 - Trading Services		9 303	13 000	12 499	1 861	10 133	12 499	(2 367)	-19%	12 499
Vote 5 - Technical Services		94 454	102 835	115 818	8 628	93 132	115 818	(22 686)	-20%	115 818
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	132 362	137 355	146 996	15 901	112 678	146 996	**(34 318)**	**-23%**	146 996
Total Capital Expenditure		**132 362**	**137 355**	**146 996**	**15 901**	**112 678**	**146 996**	**(34 318)**	**-23%**	**146 996**
Capital Expenditure - Functional Classification										
Governance and administration		**19 592**	**11 850**	**8 880**	**3 358**	**6 021**	**8 880**	(2 859)	-32%	**8 880**
Executive and council		99	300	300	–	46	300	(254)	-85%	300
Finance and administration		19 493	11 550	8 580	3 358	5 975	8 580	(2 605)	-30%	8 580
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		**94 960**	**105 335**	**116 288**	**9 158**	**93 949**	**116 288**	(22 339)	-19%	**116 288**
Planning and development		505	2 500	470	531	817	470	347	74%	470
Road transport		94 454	102 835	115 818	8 628	93 132	115 818	(22 686)	-20%	115 818
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**11 978**	**20 170**	**21 827**	**3 385**	**12 708**	**21 827**	(9 119)	-42%	**21 827**
Energy sources		9 303	13 000	12 499	1 861	10 133	12 499	(2 367)	-19%	12 499
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		2 675	7 170	9 328	1 524	2 576	9 328	(6 752)	-72%	9 328
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**132 362**	**137 355**	**146 996**	**15 901**	**112 678**	**146 996**	**(34 318)**	**-23%**	**146 996**
Funded by:										
National Government		70 909	64 835	65 638	3 363	53 305	65 638	(12 333)	-19%	65 638
Provincial Government		7 358	700	700	602	602	700	(98)	-14%	700
District Municipality		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		–	–	–	–	–	–	–		–
Transfers recognised - capital		**78 267**	**65 535**	**66 338**	**3 965**	**53 907**	**66 338**	**(12 431)**	**-19%**	**66 338**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		50 492	71 820	80 658	11 937	58 771	80 658	(21 887)	-27%	80 658
Total Capital Funding		**128 759**	**137 355**	**146 996**	**15 901**	**112 678**	**146 996**	**(34 318)**	**-23%**	**146 996**

9. MONTHLY BUDGET STATEMENT: FINANCIAL POSITION

As at 30 June 2026, the Municipality's total assets amounted to R1,9billion against total liabilities of R140 million, resulting in net assets of R1.9 billion. Cash and cash equivalents were at R226 million, supporting the indication that the municipality will be able to meet its obligations as they fall due.

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M12 - June

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	236 335	262 264	236 335
Trade and other receivables from exchange transactions		775	5 599	3 599	1 960	3 599
Receivables from non-exchange transactions		33 255	25 362	27 362	32 781	27 362
Current portion of non-current receivables		–	–	–	–	–
Inventory		(0)	–	–	(0)	–
VAT		40 987	6 328	6 328	42 396	6 328
Other current assets		(0)	–	–	(0)	–
Total current assets		**363 554**	**316 387**	**273 624**	**339 401**	**273 624**
Non current assets						
Investments		–	–	–	–	–
Investment property		787 727	779 523	779 523	787 727	779 523
Property, plant and equipment		804 837	962 008	965 648	857 703	965 648
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		**1 592 564**	**1 741 531**	**1 745 171**	**1 645 429**	**1 745 171**
TOTAL ASSETS		**1 956 119**	**2 057 917**	**2 018 796**	**1 984 831**	**2 018 796**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		1 418	–	–	1 418	–
Consumer deposits		–	–	–	–	–
Trade and other payables from exchange transactions		53 276	64 279	58 985	54 992	58 985
Trade and other payables from non-exchange transactions		1 035	–	(591)	13 839	(591)
Provision		3 336	2 579	3 179	3 336	3 179
VAT		37 581	201	201	37 619	201
Other current liabilities		–	–	–	–	–
Total current liabilities		**96 646**	**67 059**	**61 774**	**111 203**	**61 774**
Non current liabilities						
Financial liabilities		2 238	–	–	2 238	–
Provision		27 548	32 596	35 596	27 548	35 596
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**29 786**	**32 596**	**35 596**	**29 786**	**35 596**
TOTAL LIABILITIES		**126 431**	**99 655**	**97 370**	**140 989**	**97 370**
NET ASSETS	2	**1 829 688**	**1 958 263**	**1 921 426**	**1 843 842**	**1 921 426**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1 825 103	1 958 263	1 921 426	1 844 040	1 921 426
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1 825 103**	**1 958 263**	**1 921 426**	**1 844 040**	**1 921 426**

10. MONTHLY BUDGET STATEMENT: CASHFLOW

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M12 - June

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	48 227	48 227	31 273	47 267	48 227	(960)	-2%	48 227
Service charges		–	2 511	2 611	68	961	2 611	(1 650)	-63%	2 611
Other revenue		–	50 664	52 059	(27 641)	48 899	52 059	(3 161)	-6%	52 059
Transfers and Subsidies - Operational		–	362 391	394 171	–	388 938	394 171	(5 233)	-1%	394 171
Transfers and Subsidies - Capital		–	65 535	65 535	–	67 274	65 535	1 739	3%	65 535
Interest		–	22 000	26 300	1 236	6 251	26 300	(20 049)	-76%	26 300
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		–	(462 707)	(534 394)	(54 709)	(254 032)	(534 394)	280 362	-52%	(534 394)
Interest		–	(150)	150	–	–	(150)	150	-100%	150
Transfers and Subsidies		–	(7 000)	7 764	–	–	(7 764)	7 764	-100%	7 764
NET CASH FROM/(USED) OPERATING ACTIVITIES		**–**	**81 471**	**62 423**	**(49 773)**	**305 557**	**46 595**	**(258 963)**	**-556%**	**62 423**
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)	(145 240)	(9 415)	(118 953)	(145 240)	26 287	-18%	(145 240)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**128 891**	**(137 355)**	**(145 240)**	**(9 415)**	**(118 953)**	**(145 240)**	**(26 287)**	**18%**	**(145 240)**
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		**128 891**	**(55 883)**	**(82 818)**	**(59 187)**	**186 604**	**(98 646)**			**(82 818)**
Cash/cash equivalents at beginning:		267 822	334 981	334 981		288 536	334 981			288 536
Cash/cash equivalents at month/year end:		396 713	279 097	252 163		475 140	236 335			205 718

The table above reflects the municipality's cash inflows and outflows for May. Cash generated from operating activities was mainly driven by revenue collected from rates, service charges, grants and other revenue sources, while cash outflows were mainly attributable to employee related costs, contracted services, and operational expenditure and other sources.

Cash flows from investing activities relate primarily to capital expenditure incurred on infrastructure and other municipal assets.

Financing activities reflect movements in borrowings and other financing arrangements where applicable. The municipality has no loans or borrowings.

The municipality maintained a positive cash and cash equivalents position during the reporting period. Variations in cash flows are mainly influenced by the timing of grant receipts, debtor collections, and expenditure incurred on operational and capital projects.

SUPPORTING DOCUMENTATION

11. DEBTORS AGE ANALYSIS

The Municipality bills consumers for Property Rates and Solid Waste Removal services, and interest is charged on overdue accounts. It is critical that billed revenue is collected to ensure the Municipality maintains sufficient cash and cash equivalents to meet its financial obligations as they fall due.

Management is implementing a targeted approach, as discussed at the Revenue Committee and the BTO Portfolio Committee, to prioritise collections from commercial properties. This strategy is based on the understanding that commercial properties have a greater capacity to settle their debts due to their business operations. Following this, management will engage closely with government departments, which also have an obligation to settle all outstanding amounts owed to the Municipality.

The table below provides the Debtors Age Analysis as at the end of June 2026.

Choose name from list - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 - June

Description	NT Code	Budget Year 2025/26											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	5 528	6 156	674	657	653	643	643	95 057	110 009	97 652	(1 347)	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	132	114	110	103	101	101	100	11 693	12 453	12 098	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	897	899	897	901	896	891	892	20 037	26 310	23 617	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	1	1	1	-	-
Total By Income Source	**2000**	**6 556**	**7 170**	**1 680**	**1 660**	**1 651**	**1 634**	**1 635**	**126 788**	**148 773**	**133 368**	**(1 347)**	**-**
2024/25 - totals only		-	-	-	-	-	-	-	-	-	-	-	-
Debtors Age Analysis By Customer Group													
Organs of State	2200	4 481	5 648	187	191	190	190	190	21 773	32 851	22 534	-	-
Commercial	2300	1 452	919	899	881	876	864	863	61 500	68 254	64 984	(1 336)	-
Households	2400	622	603	594	589	584	580	581	43 515	47 668	45 850	(11)	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	**2600**	**6 556**	**7 170**	**1 680**	**1 660**	**1 651**	**1 634**	**1 635**	**126 788**	**148 773**	**133 368**	**(1 347)**	**-**

a) Debt Collection Rate

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

June 2026 collection levels:

The Municipality bills for Property Rates and Solid Waste Removal services, and interest is levied on outstanding accounts. For June 2026, the Municipality generated total billings of just over R30,1 million, of which over R33 million was collected. This represents a monthly collection rate of 113% against billed revenue. On a year-to-date basis, total billings amount to just over R75 million, while collections total just over R51,5 million, resulting in a year-to-date collection rate of 68%.

The monthly collection rate must however be viewed in the context that there has been an exercise carried out by a service provider, wherein Public Works properties, in rural areas, that had not been billed historically, were identified, presented to Public Works, billed and the department settled the billing for those properties. This billing and payment relates to the prior periods, and management has ensured that it is accounted for accurately.

The year-to-date collection rate remains below the targeted level. As such, engagements with ratepayers need to be intensified, and the planned specialised engagement with commercial property owners should be expedited to improve revenue performance.

Category		Jun-26		Year-to-Date
Rates		29 110 374		62 913 101
Refuse		138 641		1 627 201
Interest Levied		896 725		10 882 544
		30 145 739		**75 422 847**
Receipts	-	33 948 741	-	51 508 451
	-	**3 803 001**		**23 914 396**
Collection Rate		**113%**		**68%**

b. Comments Regarding Government Debt

There is ongoing engagement with government departments to ensure that all information required to facilitate payment of outstanding bills is provided. All relevant schedules, supporting documentation, and invoices have already been submitted to the departments responsible, particularly the Department of Public Works, which accounts for most of the billed revenue.

12. Creditors Age Analysis

The table below presents the creditors' age analysis as at the end of June 2026, reflecting total creditors of R12million in the 0–30-day category. The municipality remains committed to settling all creditor accounts within 30 days, in line with National Treasury requirements.

Choose name from list - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 - June

Description	NT Code	Budget Year 2025/26								Prior year totals for chart (same period)
R thousands		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	12 095	–	–	–	–	–	–	–	12 095	–
Auditor General	0800	–	–	–	–	–	–	–	–	–	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	12 095	–	–	–	–	–	–	–	12 095	–

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 June 2026 were just over R226 million and can be tabled as follows:

BANK	ACCOUNT TYPE	ACC NAME	BALANCE
FNB	Cheque account	Ingquza Hill	20 933 145.39
FNB	Call account	Ingquza Hill	286 944.44
FNB	Operational Account	Ingquza Hill	81 148 398.24
FNB	MIG Call Acc	Ingquza Hill	73 074.19
FNB	Plant Call Acc	Ingquza Hill	145 763 459.78
FNB	Call account	Ingquza Hill	86 017.60
FNB	Call account	Ingquza Hill	13 854 234.21
FNB	Call account	Ingquza Hill	30 255.82
FNB	Call account	Ingquza Hill	24 458.04
FNB	Call account	Ingquza Hill	64 246.93
			262 264 234.64

14. Allocation and Grant Receipts and Expenditure

a) Grants Receipts for June 2026

The following table reflects the grant receipts for the month of June 2026

Choose name from list - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 - June

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	391 840	2 434	388 957	391 840	(2 883)	-0.7%	391 840
Expanded Public Works Programme Integrated Grant		1 593	1 716	1 716	-	1 716	1 716	-		1 716
Municipal Disaster Relief Grant		1 623	8 114	39 858	2 434	39 414	39 858	(444)	-1.1%	39 858
Local Government Financial Management Grant	3	3 000	2 800	2 800	-	3 000	2 800	200	7.1%	2 800
Municipal Infrastructure Grant		-	2 639	2 639	-	-	2 639	(2 639)	-100.0%	2 639
Equitable Share		346 720	344 827	344 827	-	344 827	344 827	0	0.0%	344 827
Provincial Government:		8 638	2 295	2 331	(2 634)	2 782	2 331	451	19.3%	2 331
Municipal Disaster Relief Grant		6 490	-	-	(2 434)	-	-	-		-
Library Grant		1 495	795	831	(200)	1 331	831	500	60.2%	831
LG Seta Grant		653	1 500	1 500	-	1 450	1 500	(50)	-3.3%	1 500
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants		361 574	362 391	394 171	(200)	391 739	394 171	(2 432)	-0.6%	394 171
Capital Transfers and Grants										
National Government:		81 812	64 635	64 635	-	67 274	64 635	2 639	4.1%	64 635
Municipal Infrastructure Grant		81 812	64 635	64 635	-	67 274	64 635	2 639	4.1%	64 635
Provincial Government:		-	700	700	-	-	700	(700)	-100.0%	700
Library Grant		-	700	700	-	-	700	(700)	-100.0%	700
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants		81 812	65 335	65 335	-	67 274	65 335	1 939	3.0%	65 335
TOTAL RECEIPTS OF TRANSFERS & GRANTS		443 386	427 726	459 506	(200)	459 013	459 506	(493)	-0.1%	459 506

Grant Expenditure for June 2026

The table below depicts spending on grants as per allocated to the municipality.

Choose name from list - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 - June

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	47 013	19 780	33 757	47 013	(13 256)	-28.2%	47 013
Expanded Public Works Programme Integrated Grant		1 593	1 716	1 716	124	1 716	1 716	–		1 716
Municipal Disaster Relief Grant		–	8 114	39 858	18 149	26 019	39 858	(13 839)	-34.7%	39 858
Local Government Financial Management Grant	3	3 000	2 800	2 800	1 286	3 000	2 800	200	7.1%	2 800
Municipal Infrastructure Grant		2 030	2 639	2 639	221	3 021	2 639	382	14.5%	2 639
Municipal Disaster Recovery Grant		12 475	–	–	–	–	–	–		–
Provincial Government:		1 935	2 295	2 331	950	2 126	2 331	(205)	-8.8%	2 331
Municipal Disaster Relief Grant		(0)	–	–	–	–	–	–		–
Library Grant		1 282	795	831	157	676	831	(155)	-18.7%	831
LG Seta Grant		653	1 500	1 500	793	1 450	1 500	(50)	-3.3%	1 500
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants		21 033	17 564	49 344	20 730	35 883	49 344	(13 461)	-27.3%	49 344
Capital Transfers and Grants										
National Government:		79 191	64 635	65 226	7 465	64 843	65 226	(382)	-0.6%	65 226
Municipal Infrastructure Grant		79 191	64 635	65 226	7 465	64 843	65 226	(382)	-0.6%	65 226
Provincial Government:		213	700	700	631	656	700	(44)	-6.4%	700
Library Grant		213	700	700	631	656	700	(44)	-6.4%	700
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total Capital Transfers and Grants		79 404	65 335	65 926	8 096	65 499	65 926	(427)	-0.6%	65 926
TOTAL EXPENDITURE OF TRANSFERS & GRANTS		100 437	82 899	115 270	28 825	101 382	115 270	(13 888)	-12.0%	115 270

15. Employee Related Costs and Remuneration of Councillors

The detail provided below relates to the expenditure by the municipality for the period of June 2026. 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 June 2026 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 monthly.

Choose name from list - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 - June

Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		24 317	20 383	20 383	1 873	22 582	20 383	2 199	11%	20 383
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		1 927	6 305	6 305	224	2 508	6 305	(3 797)	-60%	6 305
Cellphone Allowance		2 826	3 758	3 758	243	3 008	3 758	(750)	-20%	3 758
Housing Allowances		84	138	138	12	145	138	7	5%	138
Other benefits and allowances		–	489	489	–	–	489	(489)	-100%	489
Sub Total - Councillors		**29 154**	**31 073**	**31 073**	**2 352**	**28 244**	**31 073**	**(2 829)**	**-9%**	**31 073**
% increase	4		**6.6%**	**6.6%**						**6.6%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3 537	4 398	7 304	397	5 494	7 304	(1 810)	-25%	7 304
Pension and UIF Contributions		10	13	13	1	11	13	(2)	-18%	13
Medical Aid Contributions		–	308	181	–	–	181	(181)	-100%	181
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		3 144	449	340	368	1 622	340	1 282	377%	340
Motor Vehicle Allowance		918	1 499	1 120	90	990	1 120	(130)	-12%	1 120
Cellphone Allowance		119	273	273	10	38	273	(235)	-86%	273
Housing Allowances		–	211	136	–	–	136	(136)	-100%	136
Other benefits and allowances		1	7	7	0	1	7	(7)	-93%	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**	**9 374**	**866**	**8 155**	**9 374**	**(1 219)**	**-13%**	**9 374**
% increase	4		**-7.4%**	**21.3%**						**21.3%**
Other Municipal Staff										
Basic Salaries and Wages		93 413	103 409	105 360	8 034	99 776	105 360	(5 584)	-5%	105 360
Pension and UIF Contributions		13 959	16 974	17 708	1 394	15 487	17 708	(2 221)	-13%	17 708
Medical Aid Contributions		9 141	17 301	12 381	902	10 319	12 381	(2 062)	-17%	12 381
Overtime		14 650	8 199	14 182	1 359	15 318	14 182	1 137	8%	14 182
Performance Bonus		4 050	8 254	7 340	273	5 862	7 340	(1 478)	-20%	7 340
Motor Vehicle Allowance		9 684	10 141	12 091	1 172	11 818	12 091	(273)	-2%	12 091
Cellphone Allowance		1 283	1 326	2 691	201	2 483	2 691	(208)	-8%	2 691
Housing Allowances		5 199	5 559	6 011	488	5 697	6 011	(315)	-5%	6 011
Other benefits and allowances		303	450	955	170	928	955	(27)	-3%	955
Payments in lieu of leave		981	231	71	27	54	71	(16)	-23%	71
Long service awards		788	185	225	8	397	225	173	77%	225
Post-retirement benefit obligations	2	1 224	522	1 030	113	1 060	1 030	30	3%	1 030
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		1 105	1 380	1 096	71	910	1 096	(186)	-17%	1 096
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**155 781**	**173 929**	**181 140**	**14 213**	**170 110**	**181 140**	**(11 030)**	**-6%**	**181 140**
% increase	4		**11.6%**	**16.3%**						**16.3%**
Total Parent Municipality		**192 664**	**212 161**	**221 587**	**17 430**	**206 509**	**221 587**	**(15 078)**	**-7%**	**221 587**

16. Top Twenty Creditors Paid (June 2026)

Code	Creditor Name	Amount
1	HYGIENE HUB	R4 032 086.00
2	IHEANS TRAVELLING AGENCY	R3 186 402.47
3	GADE AND DLOVA TRADING	R2 981 401.78
4	ESIHLE SUPPLIERS AND SERVICES	R2 915 135.87
5	SIBUKWA INVESTMENTS	R2 748 003.13
6	ANDEV GROUP (PTY)LTD	R2 142 133.75
7	SOLANA PROJECT MANAGERS	R2 055 544.88
8	MUNSOFT	R1 939 883.26
9	ALIZOZI	R1 625 995.35
10	BCALA CIVILS	R1 604 960.87
11	DLANYEKA ENGINEERING	R1 578 724.95
12	NJILO TECHNOLOGY SYSTEMS	R1 500 000.00
13	IXHANGA TRADING	R1 433 590.00
14	ESKOM	R1 347 815.71
15	VITSHA TRADING	R1 223 225.48
16	PANGWA TRADING ENTERPRISE	R1 204 773.64
17	VILO SECURITY SERVICES	R1 134 249.41
18	LINATHIH PROJECTS	R1 108 600.00
19	YG SOLUTIONS (PTY) LTD	R1 066 235.78
20	ZONEX GEOMATICS	R950 000.00

17. UIFW Expenditure

a) **Fruitless & Wasteful Expenditure as of June 2026 -** 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 June 2026. 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: -

	2025	**2024**
Opening balance as previously reported	1 524 224	43 293
Add: Fruitless and Wasteful Expenditure - current	-	20 785
Add: Fruitless and Wasteful expenditure - prior period	-	1 460 146
Less: Amount written off	- 64 078	-
Closing balance	**1 460 146**	**1 524 224**

There is also a matter relating to instances identified by the AGSA during the 2024/25 Performance Audit. These instances of either financial loss, duplication of work, poor contract management, need to be investigated and properly classified as required. The instances are as follows:

NO.	DEPARTMENT	DESCRIPTION	SUCCESSFUL BIDDERS	Closing Balance	Reason for Fruitless and Wasteful Expenditure
1	Technical Services	Construction of Flagstaff Town Hall	Iqhayiya Design Workshop	R237 908.40	There is a potential financial loss of R237 908,40 that was paid to the principal agent. This amount includes the fees for inception = R55 270,39; fees for Concept and viability = R165 811,17 and Environmental consultant R16 826,48 as per Invoice 3 of the PSP dated 09 May 2023 which was the last invoice submitted for audit
2	Technical Services	Construction of Flagstaff Town Hall	Lithubalam Projects	R1 719 711.84	Clause 42.2.7 of the contract specify that the penalty for not reaching the agreed practical completion date shall be 4.00 cents per R100.00 of the contract sum, this works out to R 3560.48 per calendar day, the contractor was in default for 483 calendar days (15 September 2023 – 10 January 2025). The total for the penalties in this period that should have been imposed to the contractor amounts to R1 719 711,84 and no penalties were imposed by the municipality.
3	Technical Services	Construction of Flagstaff Town Hall	Lithubalam Projects	R2 985 787.83	During the audit it was noted that the initial bill of quantities for Lithubalam Projects made a provision for budgetary allowance amounting to R400 000.00. This budgetary allowance was used on the project to offset price escalation in the construction industry. We obtained and inspected the payments certificates, it was noted that the amount paid under escalations on the BOQ summary schedule amounted to R2 985 787.83 which exceeds the initially budgeted amount by 646%. Furthermore, during enquiry with the PMU Manager, it was established that the Cost Price Adjustment (CPA) was not applicable on this project, this was also confirmed by the municipality through an RFI PA 01 response. This then means that the R2 985 787,83 was paid for services not rendered on the project.
4	Technical Services	Construction of Flagstaff Town Hall	Project Steering Committee/CLO	R178 365.00	VO 02 was for the appointment of the Project Steering Committee (PSC), Community Liaison Officer (CLO) and student amounting to R178 365,00. These costs were not part of the priced BOQ. This was as a result of poor project planning
5	Technical Services	Construction of Flagstaff Town Hall	Lithubalam Projects	R816 074.47	iii.VO 03 was for remedial work due to vandalism. The amount of the VO was R816 074,47 and this amount will be regarded as fruitless and wasteful expenditure. This VO could have been avoided if the contractor provided proper security on site and completed the project within the allocated project duration. It is not clear due to non-availability of information as to whether the vandalised items were from work completed by the first contractor or by the second contractor Lithubalam Projects. However, this indicates that the project was not sufficiently safeguarded
6	Technical Services	Construction of Flagstaff Town Hall	Lithubalam Projects	R67 981.58	VO 04 was for additional building works and as part of the works there was foundation work included for an amount of R67 981,58. Foundation was already done by the first contractor, this VO could have been avoided if the contractor priced the tender document correctly
7	Technical Services	Construction of Flagstaff Town Hall	Lithubalam Projects	R650 537.00	v.VO 05 was for re-measurement of building works. However, there was no supporting evidence to show what was the VO for. The amount of the VO was R650 537,07 and this VO could have been avoided if the client reviewed the documents through the gateway reviews to ensure that quantities are adequately measured.
8	Technical Services	Construction of Flagstaff Town Hall	Lithubalam Projects/ZZK Projects	R5 083 417.74	During the audit it was noted that the municipality terminated the contractor Lithubalam Projects (LLP) on 10 January 2025 when the project was 90% complete with the remaining amount of R47 994,24 on the contract. The project contract value was initially R8 901 209,07 and was revised to R10 638 648,31 due to variation orders. The expenditure on the project was R10 590 654,07 when LLP was terminated
	Technical Services	Construction of Flagstaff Town Hall	ZZK Trading	R1 719 887.84	The contractor failed to complete the project within the stipulated timelines and the municipality did not impose any penalties on the contractor, the project was delayed from 15 September 2025 to 10 January 2025, totalling to 483 calendar days delay. Clause 42.2.7 of the contract specify that the penalty for not reaching the agreed practical completion date shall be 4.00 cents per R100.00 of the contract sum, this works out to R 3560.48 per calendar day. Therefore, resulting in a loss of R1 719 977.84 (R3560.48 x 483
			TOTAL	**R13 459 671.70**	

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. 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 June 2026. 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 R4 million was identified by the Auditor General, relating to the procurement through deviations which was judged to be poor planning rather than an emergency or impracticality to follow SCM Processes.

The irregular expenditure as at the end of May 2026 can be summarised as shown in the table below: -

		2026	**2025**
Opening balance as previously reported		37 851 517	19 842 499
Add: Irregular expenditure - current		-	18 009 018
Add: Irregular expenditure - prior period		-	-
Less: Amount written off		- 19 842 499	-
Closing balance		**18 009 018**	**37 851 517**

The details of the irregular expenditure identified to this far are as follows: -

NO.	DEPARTMENT	DESCRIPTION	SUCCESSFUL BIDDERS	Current Year Expenditure	Total expenditure to date	Total expenditure/Written-Off	Closing Balance	Reason for Irregular Expenditure
		Opening Balance						
1	Planning and Development	Security Services - Demolitions	Mafoko Security Patrols	R2 002 356.00	**R2 002 356.00**	R0.00	R2 002 356.00	Non-Compliance with legislation and regulations - Regulation 36 of the SCM Regulations
2	Planning and Development	Security Services - Demolitions	Red Ants	R2 111 580.14	**R2 111 580.14**	R0.00	R2 111 580.14	Non-Compliance with legislation and regulations - Regulation 36 of the SCM Regulations
3	Technical Services	IHLM/137/2023-24/Roads - Roof Repairs at Lusikisiki Municipal Offices	BKKY Waste Management and Projects	R1 449 326.22	**R1 449 326.22**	R0.00	R1 449 326.22	Non-Compliance with legislation and regulations - MFMA 56 of 2003 section 116 Contracts and contract management subsection (3)
4	Technical Services	IHLM/94/2023-24 - Task Order for Construction of Community hall at ward 31	Pangwa Trading	R5 267 998.42	**R5 267 998.42**	R0.00	R5 267 998.42	Non-Compliance with legislation and regulations - MFMA 56 of 2003 section 116 Contracts and contract management subsection (3)
5	Technical Services	IHLM/93/2023-24/ROADS - Task order for Installation of 100 type 1 infills	YG Solutions	R2 022 470.46	**R2 022 470.46**	R0.00	R2 022 470.46	Non-Compliance with legislation and regulations - MFMA 56 of 2003 section 116 Contracts and contract management subsection (3)
6	All Departments	SCM - Quotations below R30 000 were not evaluated as required by the PPPF Act	Various Bidders	R5 155 286.39	**R5 155 286.39**	R0.00	R5 155 286.39	Non-compliance with legislation and regulations SCM - Quotations below R30 000 were not evaluated as required by the PPPF Act
			TOTAL	**R18 009 017.63**	**R18 009 017.63**	**R0.00**	**R18 009 017.63**	

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's first Steering Committee meeting took place on the 24th of April 2026. The mSCOA PSC noted underutilisation of key system modules, including Contracts, Grants, SCM and PMS functionalities. Provincial Treasury highlighted compliance gaps and risks of continued non-compliance, while Munsoft reported 58% system utilisation. Measures are being implemented to improve mSCOA compliance and system functionality and the meetings will sit on a quarterly basis.

There have been engagements with the vendor, to establish the extent to which the municipality utilizes the system, and plans have been put in place including the training that BTO officials attended in April on contract management and SCM module, to ensure that there is ultimately a full implementation of an mSCOA compliant accounting system. The municipality has also signed an agreement on the IDP to be captured onto the system, and this will take effect from the 1st of July 2026.

From a National Treasury validation perspective, the municipality 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 June 2026.

The municipality has a procurement plan that was developed and approved by council. This was reviewed with the budget adjustment processes done in December and February 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 vacant 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 ad hoc 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.

This is evidenced by the achievement of targets set in the procurement plan of the municipality.

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

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

Order Date	**Description**	**Supplier Details**	**Amount**	**Deviation Reason**

POLICY RELATED DEVIATIONS				
			R 77 915,95	
28/05/2026	Advert	Arena Holdings	12 575,25	Impractical
04/06/2026	Advert	Arena Holdings	12 109,50	Impractical
04/06/2026	Advert	Arena Holdings	53 231,20	Impractical

4. Regulation 17 Procurement for the Month (May 2026)

Supplier Name	**Amount**	**Description of Incident**	**Approved by**	**Date Approved**	**Department Responsible**	**Normal Process**	**Process Followed**	**Reason for Section 17**
None								

b) Unsolicited Bids

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 cooperate 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

	FUNCTION:FINANCE													
	PROJECT	FUNDING	ITEM	TRANSACTION DATE	DOC.DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	Youth
	Operational:Municipal Running Cost	Equitable Share	Expenditure:Operational Cost:Travel and Subsistence:Domestic:Transport without Operator:Car Rental	2026/06/01	29/05/2026	Hiring of Group I Suv for Madam Speaker for a period of 06 days	Iheans Travelling Agency	Fleet Management	21 507,75	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Levies	Public Transport:Air Transport	2026/06/02	29/05/2026	Return Flights for S Mpengesi and S Mzana	Iheans Travelling Agency	Budget & Treasury Office	13 925,73	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Levies	Accommodation	2026/06/03	29/05/2026	Accommodation and meals for W Mhlongo and n Hlonti in Mthatha	Iheans Travelling Agency	Budget & Treasury Office	6 289,39	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Local Government Financial Management Grant	Expenditure:Operational Cost:Registration Fees:Seminars; Conferences; Workshops and Events:National	2026/06/10	03/06/2026	Training for 2 employees on Indigent	Munsoft	Budget & Treasury Office	30 849,58	Received	Gauteng	Black & White	Male & Female	Not Youth

						Refresher Training Programme								
	Workshops; Seminars and Subject Matter Training:Workshops	Levies	Expenditure:Operational Cost:Travel and Subsistence:Domestic:Accommodation	2026/06/10	03/06/2026	Accommodation, meals, flights and car hire for B Fikeni and S Jojo in Pretoria from 10-12 June 2026	Iheans Travelling Agency	Budget & Treasury Office	36 193,85	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Levies	Expenditure:Operational Cost:Travel and Subsistence:Domestic:Accommodation	2026/06/25	22/06/2026	Accommodation and meals for B Fikeni in Mthatha from 25-26 June 2026	Iheans Travelling Agency	Budget & Treasury Office	2 112,76	Received	Mthatha	Black	Female	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Expenditure:Operational Cost:Travel and Subsistence:Domestic:Transport without Operator:Car Rental	2026/06/29	25/06/2026	Hiring of Six Suv Group I 4x4's for IDP and Budget Roadshows	Iheans Travelling Agency	Fleet Management	86 496,55	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Levies	Expenditure:Operational Cost:Travel and Subsistence:Domestic:Accommodation	2026/06/30	25/06/22026	Acommodation and meals for 05 BTO interns	Iheans Travelling Agency	Budget & Treasury Office	81 061,41	Received	Mthatha	Black	Female	Not Youth

						in Dbn from 21-25 June 2026								
	TOTAL								**278 437,02**					
	FUNCTION-CORPORATE SERVICES & HUMAN RESOURCES													
	PROJECT	**FUNDING**	**ITEM**	**TRANSACTION DATE**	**DOC.DATE**	**SERVICE DESCRIPTION**	**SUPPLIER NAME**	**FUNCTION**	**VALUE**	**STATUS**	**LOCALITY**	**RACE**	**GENDER**	**YOUTH**
	Municipal Running Cost	Interest:Current and Non-current Assets:Bank Accounts	Printing; Publications and Books	2026/06/02	29/05/2026	Supply and Delivery of Stationery for Lusikisiki and Flagstaff Units	Masakhane Projects And Other	Administration	6 010,00	Open	Lusikisiki	Black	Male	Not Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Levies	Accommodation	2026/06/03	29/05/2026	Accommodation and meals for M Ntotho in Margate from 03-04 June 2026	Iheans Travelling Agency	Administration	1 819,47	Received	Mthatha	Black	Female	Not Youth
	Machinery and Equipment:Machinery and Equipment	Equitable Share	Contractors:Maintenance of Equipment	2026/06/03	29/05/2026	Servicing of 22 Dry Chemical powder	Torho Security And Projects	Administration	11 000,00	Received	Lusikisiki	Black	Male	Not Youth

						fire extinguishers								
	Workshops; Seminars and Subject Matter Training:Trainings employees	Levies	Accommodation	2026/06/09	03/06/2026	Accommodation, meals, flight and shuttle for M Matubatuba in Gqeberha from 01-03 June 2026	Iheans Travelling Agency	Administration	22 572,28	Received	Mthatha	Black	Female	Not Youth
	Occupational Health and Safety:Occupational Health & Safety	Levies	Pest Control and Fumigation	2026/06/10	03/06/2026	Pest Control and Fumigation for 8 Registry and Archives Store Rooms	Linman Trading (Pty) Ltd	Administration	15 500,00	Received	Lusikisiki	Black	Male	Not Youth
	Sport Development and Sponsorships (Internal):Sport	Equitable Share	Contractors:Interior Decorator	2026/06/17	11/06/2026	Stage décor for Physical Wellness Event at Sgcau Sport Ground on 19 June 2026.	Dub3lsoft	Human Resources	15 812,50	Received	Flagstaff	Black	Male	Not Youth

	Sport Development and Sponsorships (Internal):Sport	Equitable Share	Hire Charges	2026/06/17	11/06/2026	Hiring of Podium, 2 Double Vip Mobile Toilets, Generator, 4 Pole Tent, 450 Chairs and 3 Tables for Physical Wellness at Sgcau Sport Ground on 19 June 2026.	Unique Gift Traders	Human Resources	26 850,00	Received	Lusikisiki	Black	Female	Youth
	Sport Development and Sponsorships (Internal):Sport	Equitable Share	Contractors:Stage and Sound Crew	2026/06/17	11/06/2026	Stage And Sound Crew for Physical Wellness Event atSgcau Sport Ground on 19 June 2026.	Ultimate Dream Projects	Human Resources	19 500,00	Received	Lusikisiki	Black	Female	Youth
	Employee Assistance Programme:Employee wellness	Levies	Contractors:Employee Wellness	2026/06/17	11/006	Sport Coordin	Persistence Family	Administration	19 600,00	Recei	Lusikisiki	Black	Female	Not

					/2026	ator for Physical Wellness Event at Sgcau Sport Ground on 19 June 2026				ved				Youth
	port Development and Sponsorships (Internal):Sport	Equitable Share	Transport Provided as Part of Departmental Activities:Events	2026/06/17	11/06/2026	Transport for 200 Employees attending Physical Wellness Event at Sgcau Sport Field on 19 June 2026	Xhasani Trading	Human Resources	27 000,00	Received	Lusikisiki	Black	Male	Not Youth
	Employee Assistance Programme:Employee wellness	Levies	Contractors:Employee Wellness	2026/06/18	12/06/2026	4 Variety Umgowo Adult Jumping Castle for Physical wellness event at Sigcau Sports Ground on 19	Kwahlelwa Konke	Administration	6 000,00	Received	Flagstaff	Black	Female	Not Youth

						June 2026								
	Employee Assistance Programme:Employee wellness	Equitable Share	Advertising; Publicity and Marketing:Gifts and Promotional Items	2026/06/18	12/06/2026	59 Medals for Runners / Walkers attending Physical Wellness Event on 19 June 2026	Inamkita Trading And Projects	Human Resources	8 850,00	Received	Lusikisiki	Black	Female	Not Youth
	Employee Assistance Programme:Employee wellness	Equitable Share	Advertising; Publicity and Marketing:Gifts and Promotional Items	2026/06/22	17/06/2026	Procurement of 50 Unisex T-Shirts for Employee Wellness Day event	Mnatha Holdings	Human Resources	19 000,00	Received	Lusikisiki	Black	Male	Youth
	Capacity Building Councillors:Training councillors	Levies	Hire Charges	2026/06/22	17/06/2026	Venue and catering for 14 councillors in Lusikisiki from 22-26 June 2026	Iheans Travelling Agency	Human Resources	48 359,85	Received	Mthatha	Black	Female	Not Youth

	Workshops; Seminars and Subject Matter Training:Trainings employees	Levies	Accommodation	2026/06/23	18/06/2026	Accommodation and meals for 05 officials attending Graphic Design Training	Iheans Travelling Agency	Administration	97 273,69	Received	Mthatha	Black	Female	Not Youth
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/23	18/06/2026	Accommodation and meals for 12 municipal councillors in Lusikisiki from 22-26 June 2026	Iheans Travelling Agency	Human Resources	101 673,00	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Levies	Accommodation	2026/06/24	18/06/2026	Accommodation and meals for M Ntotho and G Mguca at Wild Coast Sun	Iheans Travelling Agency	Administration	12 969,83	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Levies	Accommodation	2026/06/29	18/06/2026	Accommodation and	Iheans Travelling Agency	Administration	9 271,15	Recei	Mthatha	Black	Female	Not Youth

						meals for Y Mnguni in East London from 10-13 June 2026				ved				
	Workshops; Seminars and Subject Matter Training:Trainings employees	Levies	Accommodation	2026/06/30	22/06/2026	Accommodation and meals for M Ntotho and G Mguca in Bizana frm 24-26 June 2026	Iheans Travelling Agency	Administration	17 249,65	Received	Mthatha	Black	Female	Not Youth
	Human Resource Management:Recruitment & Selection	Levies	Outsourced Services:Catering Services	2026/06/30	22/06/2026	Catering and venue for 10 people in Lusikisiki	Iheans Travelling Agency	Human Resources	7 603,75	Received	Mthatha	Black	Female	Not Youth
	Capacity Building Unemployed:community training	Levies	Outsourced Services:Catering Services	2026/06/30	22/06/2026	Morning Tea, Lunch With Soft Drinks For 24 People At Lusikisiki 04-12	Iheans Travelling Agency	Human Resources	63 350,10	Received	Mthatha	Black	Female	Not Youth

	TOTAL								**557 265,27**					
	FUNCTION:ECONOMIC DEVELOPMENT & PLANNING													
	PROJECT	**FUNDING**	**ITEM**	**TRANSACTION DATE**	**DOC.DATE**	**SERVICE DESCRIPTION**	**SUPPLIER NAME**	**FUNCTION**	**VALUE**	**STATUS**	**LOCALITY**	**RACE**	**GENDER**	**Youth**
	Workshops; Seminars and Subject Matter Training:Workshops	Levies	Accommodation	2026/06/10	03/06/2026	Accommodationand meals for A Mashaba in Mthatha	Iheans Travelling Agency	Economic Development	2 112,76	Received	Mthatha	Black	Female	Not Youth
	Tourism Skills Development:Tourism	Receivables:Property Rates	Hire Charges	2026/06/10	04/06/2026	Hiring of Sound System, 3 Mics and Generator with fuel for the Forestry Fisheries Show Day in Flagstaff on 11 June 2026	Esam Projects 13	Economic Development	10 650,00	Received	Lusikisiki	Black	Female	Not Youth
	Tourism Skills Development:Tourism	Receivables:Property Rates	Hire Charges	2026/06/10	04/06/2026	Hiring of 4 Pole Tent , 150 Chairs, 10 Tables 2 Mobile	Vingawo	Economic Development	16 000,00	Received	Flagstaff	Black	Female	Not Youth

						Toilets and stage on11 June 2026								
	Tourism Skills Development:Tourism	Receivables:Waste Management	Contractors:Event Promoters	2026/06/10	04/06/2026	2 Local Traditional Dance Groups who will perfom at the Agricultural, Beekeepers, Forestry and Fisheries show day in Flagstaff on 11 June 2026	Percy Nokhalpha Trading	Economic Development	20 000,00	Received	Flagstaff	Black	Female	Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Levies	Accommodation	2026/06/17	12/06/2026	Accommodation and meals for N Mafuya at Wild Coast Sun	Iheans Travelling Agency	Economic Development	9 727,37	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Levies	Accommodation	2026/06/25	18/06/2026	Accommodation and meals	Iheans Travelling Agency	Economic Development	1 683,69	Received	Mthatha	Black	Female	Not Youth

						for A Mashaba in Port Alfred from 25-26 June 2026								
	TOTAL								**60 173,82**					
	FUNCTION MUNICIPAL MANAGERS & TOWN SECRETARY													
	PROJECT	**FUNDING**	**ITEM**	**TRANSACTION DATE**	**DOC.DATE**	**SERVICE DESCRIPTION**	**SUPPLIER NAME**	**FUNCTION**	**VALUE**	**STATUS**	**LOCALITY**	**RACE**	**GENDER**	**YOUTH**
	Operational:Municipal Running Cost	Equitable Share	Outsourced Services:Catering Services	2026/06/01	29/05/2026	Lunch packs for Z Ntukunezi in Gqeberha	Iheans Travelling Agency	Municipal Manager's Office	814,69	Received	Mthatha	Black	Female	Not Youth
	Recreational Functions:Pondo Revolt	Equitable Share	Contractors:Catering Services	2026/06/02	28/05/2026	Catering for 70 people attending preparatory meeting at Ingquza Hill site on 03 June 2026	Bhewu Trading	Municipal Manager's Office	8 050,00	Received	Flagstaff	Black	Female	Youth
	Burials:Burials	Fines; Penalties and Forfeits	Advertising; Publicity and Marketing:Gifts and Promotional Items	2026/06/02	28/05/2026	Groceries for	Zithuba	Municipal Manage	10 056,34	Recei	Lusikisiki	Black	Female	Not Youth

						Phitshana family		r's Office		ved				
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	2026/06/02	29/05/2026	Accommodationand meals for S Daniso, N Sicubu and L Mlatha attending board interviews	Iheans Travelling Agency	Municipal Manager's Office	9 727,37	Received	Mthatha	Black	Female	Not Youth
	Recreational Functions:Pondo Revolt	Equitable Share	Contractors:Catering Services	2026/06/03	29/05/2026	Catering for 245 people attending Memorial lecture on 05 June 2026	Amajwara Services And Supplier	Municipal Manager's Office	25 725,00	Received	Lusikisiki	Black	Female	Not Youth
	Awareness Campaign: Language awareness	Fines; Penalties and Forfeits	Outsourced Services:Catering Services	2026/06/03	29/05/2026	Catering for 250 people in Flagstaff on 18 June 2026	Venn Construction	Municipal Manager's Office	24 500,00	Received	Flagstaff	Black	Female	Not Youth
	Recreational Functions:Pondo Revolt	Equitable Share	Contractors:Catering Services	2026/06/03	29/05/2026	Catering for 150 people attending hike and tour	Vumbalempongo Trading	Municipal Manager's Office	20 250,00	Received	Lusikisiki	Black	Male	Not Youth

						for Impondo Revolt Massacre on 03 June 2026								
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	2026/06/03	29/05/2026	Accommodation and meals for Z Nkabi in Maletswai from 03-05 June 2026	Iheans Travelling Agency	Municipal Manager's Office	2 290,00	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Food and Beverage (Served)	2026/06/03	29/05/2026	Meals For Ms Zodwa Nkabi	Iheans Travelling Agency	Municipal Manager's Office	700,00	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	2026/06/03	29/05/2026	Service Fees	Iheans Travelling Agency	Municipal Manager's Office	257,89	Received	Mthatha	Black	Female	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/03	29/05/2026	Advert for IDP,PMS & Budget Document for 2026/2027 Financial Year.	Group Two Media Company	Municipal Manager's Office	1 998,70	Received	Kokstad	Black	Male	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/04	28/05/	Advert for Panel of	Pondol and Times	Municipal Manage	1 050,00	Recei	Bizana	Black	Male	Not

					2026	Electrical Consultants.		r's Office		ved				Youth
	Community Initiatives:Memorial Lecture	Equitable Share	Contractors:Interior Decorator	2026/06/04	28/05/2026	Interior decor for Ingquza Hill Massacre Commemoration Memorial Lecture on 5 June 2026.	Khwaloz Trading Enterprise (Pt	Municipal Manager's Office	27 000,00	Received	Lusikisiki	Black	Female	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/04	28/05/2026	Advert for EIA for a period of 36 Months.	Group Two Media Company	Municipal Manager's Office	1 998,70	Received	Kokstad	Black	Male	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/04	28/05/2026	Advert for Panel of Electrical Contractors.	Pondoland Times	Municipal Manager's Office	1 050,00	Received	Bizana	Black	Male	Not Youth
	Community Initiatives:Memorial Lecture	Equitable Share	Hire Charges	2026/06/04	28/05/2026	Hiring of logistics for Memorial Lecture on 05 June 2006	Lulwango Solutions	Municipal Manager's Office	22 000,00	Received	Lusikisiki	Black	Female	Youth

	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/04	28/05/2026	Advert for Supply & Delivery of a Sprinter Bus for Traffic Services.	Arena Holdings	Municipal Manager's Office	12 109,50	Received	Gauteng	Black & White	Male & Female	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/04	28/05/2026	Advert for Bulletin No: Hr 09/06/2026.	Arena Holdings	Municipal Manager's Office	53 231,20	Received	Gauteng	Black & White	Male & Female	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/04	28/05/2026	Advert for Panel of Town Planners.	Group Two Media Company	Municipal Manager's Office	1 998,70	Received	Kokstad	Black	Male	Not Youth
	Community Initiatives:Memorial Lecture	Equitable Share	Contractors:Stage and Sound Crew	2026/06/04	28/05/2026	Hiring of PA System for Memerial Lecture on 05 June 2026	Emie Trading	Municipal Manager's Office	12 000,00	Received	Flagstaff	Black	Female	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/04	28/05/2026	Kindly Arrange Publication Of A Local Newspaper Advert For The	Pondoland Times	Municipal Manager's Office	4 240,00	Received	Bizana	Black	Male	Not Youth

						2026/27 Budget.								
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/04	28/05/2026	Advert for additional panel of contractors	Izimba Projects	Municipal Manager's Office	2 000,00	Received	Matatiele	Black	Female	Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	2026/06/05	01/06/2026	Accommodation and meals for V.C Makedama and 2 VIP protectors in Mthatha	Iheans Travelling Agency	Municipal Manager's Office	7 131,24	Received	Mthatha	Black	Female	Not Youth
	Youth Development:Youth Development	Equitable Share	Outsourced Services:Catering Services	2026/06/08	04/06/2026	Lunch packs for 9 people attending Mayoral Cup Cluster Games on 06-07 June 2026	Iheans Travelling Agency	Municipal Manager's Office	2 541,83	Received	Mthatha	Black	Female	Not Youth
	Operational:Municipal Running Cost	Levies	Outsourced Services:Catering Services	2026/06/08	04/06/2026	Catering for 60 Government Officials, Committ	Nkalani Trading Enterprise	Municipal Manager's Office	6 000,00	Received	Flagstaff	Black	Female	Not Youth

						ee Members And Community Development Workers.								
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	2026/06/09	05/06/2026	Accommodation, meals, flights and car hire for V.C Makedama in Gqeberha from 02-04 June 2026	Iheans Travelling Agency	Municipal Manager's Office	34 314,64	Received	Mthatha	Black	Female	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Communication:Radio and TV Transmissions	2026/06/10	05/06/2026	4-Hour Live Broadcast of the Mayoral Cup Finals on 16 June 2026	Alfred Nzo Community Radio	Municipal Manager's Office	29 980,00	Received	Mount Ayliff	Black	Male & Female	Not Youth
	Awareness Campaign: Language awareness	Fines; Penalties and Forfeits	Contractors:Interior Decorator	2026/06/10	05/06/2026	Hiring of logistics for Human Rights and Translati	Ntu2s Multi Events	Municipal Manager's Office	10 850,00	Received	Flagstaff	Black	Female	Not Youth

						on Awareness Event in Flagstaff on 18 June 2026								
	Awareness Campaign:Awareness campaign	Equitable Share	Outsourced Services:Catering Services	2026/06/10	05/06/2026	Catering for 245 people at Manqilo Village on 11 June 2026	Nomvulo Consultants	Municipal Manager's Office	28 175,00	Received	Lusikisiki	Black	Male	Not Youth
	Awareness Campaign: Language awareness	Fines; Penalties and Forfeits	Contractors:Stage and Sound Crew	2026/06/17	12/06/2026	Hiring of stage, podium, and PA System in Flagstaff on 18 June 2026	Today's Hope Trading and Projects	Municipal Manager's Office	12 000,00	Received	Flagstaff	Black	Male	Not Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Domestic:Accommodation	2026/06/17	12/06/2026	Accommodation and meals for Dr Xolisa Tshongolo and Mr Lukhanyo Sigonye	Iheans Travelling Agency	Municipal Manager's Office	8 255,50	Received	Mthatha	Black	Female	Not Youth

						in Flagstaff								
	Operational:Municipal Running Cost	Equitable Share	Contractors:Event Promoters	2026/06/17	12/06/2026	Procurement of selfie frames for the upcoming Mpondo Revolt Commemoration	Achumile Amangwane Investments	Municipal Manager's Office	3 510,00	Received	Lusikisiki	Black	Female	Not Youth
	Awareness Campaign:Awareness campaign	Equitable Share	Outsourced Services:Catering Services	2026/06/18	12/06/2026	Catering for 240 people at Jikindaba Sports Ground on 19 June 2026	Protsec	Municipal Manager's Office	26 400,00	Received	Flagstaff	Black	Female	Not Youth
	Awareness Campaign: Language awareness	Fines; Penalties and Forfeits	Hire Charges	2026/06/18	12/06/2026	Hiring of 30 rectangular tables in Flagstaff on 18 June 2026	Feni Z Trading Enterprise (Pty	Municipal Manager's Office	6 000,00	Received	Lusikisiki	Black	Male	Youth
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/18	15/06/2026	Advert for Panel of Contractors	Group Two Media Company	Municipal Manager's Office	1 998,70	Received	Kokstad	Black	Male	Not Youth
	Community Initiatives:Moral re-generation	Equitable Share	Outsourced Services:Catering Services	2026/06/22	18/06/	Catering for 250	Ayanyuswa Trading	Municipal Manage	26 880,00	Recei	Flagstaff	Black	Male	Not

					2026	people at Xopozo Komkhulu on 23 June 2026.		r's Office		ved				Youth
	Awareness Campaign:Awareness campaign	Equitable Share	Outsourced Services:Catering Services	2026/06/22	18/06/2026	Catering for 60 people at Mzondlovu Royal Lusikisiki on 19 June 2026.	Kai-Kai Enterprise	Municipal Manager's Office	7 200,00	Received	Flagstaff	Black	Female	Not Youth
	Community Initiatives:Moral re-generation	Equitable Share	Outsourced Services:Catering Services	2026/06/23	18/06/2026	Catering for 240 people at Mbhayi Komkhulu 24th June 2026	Worthsky Communications	Municipal Manager's Office	28 800,00	Received	Flagstaff	Black	Female	Youth
	Community Initiatives:Moral re-generation	Equitable Share	Outsourced Services:Catering Services	2026/06/23	18/06/2026	Catering for 240 people at Dumasi Komkhulu on 25 June 2026	Buntu Action Trading	Municipal Manager's Office	28 800,00	Received	Flagstaff	Black	Female	Youth
	Plan Development:STRATEGIC MANAGEMENT & GOVERNANCE; STRATEGIC	Levies	Accommodation	2026/06/23	18/06/2026	Accommodation and meals	Iheans Travelling Agency	Municipal Manager's Office	14 132,11	Received	Mthatha	Black	Female	Not Youth

	PLANNING; PLAN DEVELOPMENT					for V.C Makedama and 2 VIP protectors in Mthatha from 22-24 June 2026								
	Operational:Municipal Running Cost	Equitable Share	Hire Charges	2026/06/25	22/06/2026	Conference venue for 220 Ward Committees in Lusikisiki From 25-26 June 2026	Iheans Travelling Agency	Municipal Manager's Office	14 121,25	Received	Mthatha	Black	Female	Not Youth
	Youth Development:Youth Development	Equitable Share	Contractors:Stage and Sound Crew	2026/06/25	22/06/2026	Hiring of stage and PA system at New Rest Sports Ground on 16 June 2026	Young Fruits Trading	Municipal Manager's Office	10 000,00	Received	Flagstaff	Black	Male	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Advertising; Publicity and Marketing:Tenders	2026/06/25	22/06/2026	Advert for review of IDP 2027-2032 Financial Year.	Pondol and Times	Municipal Manager's Office	1 500,00	Received	Bizana	Black	Male	Not Youth

	Youth Development:Youth Development	Equitable Share	Transport Provided as Part of Departmental Activities:Events	2026/06/25	22/06/2026	Hiring of 12 X 15-Seater Taxis for Mayoral Cup Tournament Final	Pewullas Trading	Municipal Manager's Office	32 850,00	Received	Lusikisiki	Black	Male	Not Youth
	Inter Governmental Relations (IGR) Programme:IGR meetings	Equitable Share	Contractors:Catering Services	2026/06/29	25/06/2026	Catering and venue for 300 people in Lusikisiki on 26 June 2026	Iheans Travelling Agency	Municipal Manager's Office	80 925,63	Received	Mthatha	Black	Female	Not Youth
	Community Initiatives:Memorial Lecture	Levies	Advertising; Publicity and Marketing:Gifts and Promotional Items	2026/06/29	25/06/2026	Vouchers for farmers in Flagstaff on 11 June 2026	Dakhile Group	Municipal Manager's Office	30 000,00	Received	Flagstaff	Black	Male	Youth
	Operational:Municipal Running Cost	Equitable Share	Hire Charges	2026/06/29	25/06/2026	Conferenceveue for Ward Committee Workshop in Lusikisiki from 25-26 June 2026	Iheans Travelling Agency	Municipal Manager's Office	23 897,50	Received	Mthatha	Black	Female	Not Youth

	Youth Development:Youth Development	Equitable Share	Accommodation	2026/06/29	25/06/2026	Accommodation, meals, flights and car hire for X Vusiwe and 5 people in Jhb from 15-24 June 2026	Iheans Travelling Agency	Municipal Manager's Office	234 988,46	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Food and Beverage (Served)	2026/06/30	24/06/2026	Accommodation and meals for P.N Pepping and 2 VIP protectors in East London from 17-20 June 2026	Iheans Travelling Agency	Municipal Manager's Office	49 386,36	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	2026/06/30	24/06/2026	Accommodation and meals for Nonkonyana and Sibonda in Dbn from 11-	Iheans Travelling Agency	Municipal Manager's Office	36 628,35	Received	Mthatha	Black	Female	Not Youth

						15 June 2026								
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	2026/06/30	25/06/2026	Accommodation and meals for V.C Makedama in Dbn from 03-04 June 2026	Iheans Travelling Agency	Municipal Manager's Office	5 844,91	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Trainings employees	Equitable Share	Accommodation	2026/06/30	25/06/2026	Accommodation and meals for 3 Officials accompanying The Mayor	Iheans Travelling Agency	Municipal Manager's Office	13 686,75	Received	Mthatha	Black	Female	Not Youth
	TOTAL								**1 059 846,32**					
	FUNCTION: MAYOR AND COUNCIL													
	PROJECT	**FUNDING**	**ITEM**	**TRANSACTION DATE**	**DOC.DATE**	**SERVICE DESCRIPTION**	**SUPPLIER NAME**	**FUNCTION**	**VALUE**	**STATUS**	**LOCALITY**	**RACE**	**GENDER**	**YOUTH**
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/01	25/05/2026	Accommodation, meals, car hire and flights for P.N Pepping	Iheans Travelling Agency	Mayor & Council	55 675,75	Received	Mthatha	Black	Female	Not Youth

						and Z Ntukuntezi in Gqeberha from 01-04 June 2026								
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/01	25/05/2026	Accommodation and meals for S.B Vatsha and 2 VIP protectors in Gqeberha from 01-04 June 2026	Iheans Travelling Agency	Mayor & Council	37 328,99	Received	Mthatha	Black	Female	Not Youth
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/01	25/05/2026	Accommodation and meals for N.Nyenyiso in Gqeberha from 01-04 Jue 2026	Iheans Travelling Agency	Mayor & Council	9 727,37	Received	Mthatha	Black	Female	Not Youth
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/01	25/05/2026	Accommodation and meals for M	Iheans Travelling Agency	Mayor & Council	25 972,24	Received	Mthatha	Black	Female	Not Youth

						Nkungu and L Nomlaba in Gqeberha from 01-04 June 2026								
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/01	25/05/2026	Accommodation and meals for N Daniso in Gqeberha from 01-04 June 2026	Iheans Travelling Agency	Mayor & Council	9 727,37	Received	Mthatha	Black	Female	Not Youth
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/01	25/05/2026	Accommodation and meals for N Gagai-Nkugu in Gqebeha from 01-04 June 2026	Iheans Travelling Agency	Mayor & Council	9 727,37	Received	Mthatha	Black	Female	Not Youth
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/08	03/06/2026	Accommodation and meals for V Somani	Iheans Travelling Agency	Mayor & Council	2 112,76	Received	Mthatha	Black	Female	Not Youth

						in Mthatha								
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/08	03/06/2026	Accommodation and meals for S.B Vatsha in Maletswai	Iheans Travelling Agency	Mayor & Council	4 562,25	Received	Mthatha	Black	Female	Not Youth
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/08	03/06/2026	Accommodation and meals for 2 VIP protectors accompanying Madam Speaker Cllr S.B Vatsha.	Iheans Travelling Agency	Mayor & Council	9 124,50	Received	Mthatha	Black	Female	Not Youth
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/24	18/06/2026	Accommodation and meals for P.N Pepping, Z Ntukuntezi and F Fikeni in Mthatha from 23-25 June 2026	Iheans Travelling Agency	Mayor & Council	25 499,72	Received	Mthatha	Black	Female	Not Youth

	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/25	18/06/2026	Accommodation and meals for 170 wad committees in Lusikisiki from 24-26 June 2026	Iheans Travelling Agency	Mayor & Council	546 601,00	Received	Mthatha	Black	Female	Not Youth
	Operational:Municipal Running Cost	Equitable Share	Outsourced Services:Catering Services	2026/06/25	18/06/2026	Catering for 220 people In Lusikisiki from 25-26 June 2026	Iheans Travelling Agency	Mayor & Council	155 333,75	Received	Mthatha	Black	Female	Not Youth
	Capacity Building Councillors:Training councillors	Levies	Accommodation	2026/06/29	19/06/2026	Accommodation and meals for P.N Pepping and Z Ntukuntezi in Gqeberha from 01-04 June 2026	Iheans Travelling Agency	Mayor & Council	1 725,16	Received	Mthatha	Black	Female	Not Youth
	TOTAL								**893 118,23**					
	FUNCTION: GOVERNANCE INTERNAL AUDIT													

	PROJECT	FUNDING	ITEM	TRANSACTION DATE	DOC.DATE	SERVICE DESCRIPTION	SUPPLIER NAME	FUNCTION	VALUE	STATUS	LOCALITY	RACE	GENDER	YOUTH
	Workshops; Seminars and Subject Matter Training:Workshops	Equitable Share	Accommodation	2026/06/05	01/06/2026	Accommodation and meals for Risk Management Committee Chairperson in Flagstaff from 08-10 June 2026	Iheans Travelling Agency	Risk Management	3 693,25	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Equitable Share	Accommodation	2026/06/05	01/06/2026	Accommodation and meals for A Tini and B Boya in Lusikisiki from 08-10 June 2026	Iheans Travelling Agency	Risk Management	8 255,50	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Equitable Share	Accommodation	2026/06/08	05/06/2026	Accommodation and meals for V Hlehliso in Lusikisiki from 08-10	Iheans Travelling Agency	Risk Management	4 127,75	Received	Mthatha	Black	Female	Not Youth

						June 2026								
	Workshops; Seminars and Subject Matter Training:Workshops	Equitable Share	Hire Charges	2026/06/09	05/06/2026	Venue and catering for 30 people in Lusikisiki	Iheans Travelling Agency	Risk Management	9 830,56	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Equitable Share	Outsourced Services:Catering Services	2026/06/23	18/06/2026	Catering for 26 people in Lusikisiki on 22 June 2026	Iheans Travelling Agency	Risk Management	5 083,65	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Fund:Operational:Revenue:General Revenue:Interest; Dividend and Rent on Land:Interest:Current and Non-current Assets:Bank Accounts	Accommodation	2026/06/29	25/06/2026	Accommodation and meals for Mr Daniso and Makhobongwane in Dbn from 12 to 16 June 2026	Iheans Travelling Agency	Internal Audit	41 147,15	Received	Mthatha	Black	Female	Not Youth
	TOTAL								**72 137,86**					
	FUNCTION: COMMUNITY SERVICES SOLID WASTE													
	PROJECT	**FUNDING**	**ITEM**	**TRANSACTION DATE**	**DOC.DATE**	**SERVICE DESCRIPTION**	**SUPPLIER NAME**	**FUNCTION**	**VALUE**	**STATUS**	**LOCALITY**	**RACE**	**GENDER**	**YOUTH**

	Music; Arts and Culture:Festivals:Arts & Culture	Agency Services	Accommodation	2026/06/02	27/05/2026	Accommodation and meals for 2 Local Crafters in Grahamstown from 24-30 June 2026	Iheans Travelling Agency	Community Services	64 555,84	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Current and Non-current Assets:Bank Accounts	Accommodation	2026/06/02	27/05/2026	Accommodationand meals for Z Masumpa and P Makhobongwana in Grahamstown From 24-30 June 2026. Masumpa To Check Out On 29 June 2026	Iheans Travelling Agency	Community Services	55 333,58	Received	Mthatha	Black	Female	Not Youth
	Marathons; Sport and Recreation:Sport & recreation	Agency Services	Accommodation	2026/06/05	01/06/2026	Accommodation and meals for Z Masump	Iheans Travelling Agency	Community Services	6 180,76	Received	Mthatha	Black	Female	Not Youth

						a in East London from 04-06 June 2026								
	Marathons; Sport and Recreation:Sport & recreation	Agency Services	Accommodation	2026/06/08	02/06/2026	Accommodation and meals for 8 Footbal Scouters in Lusikisiki on 6-7 June 2026	Iheans Travelling Agency	Community Services	35 008,20	Received	Mthatha	Black	Female	Not Youth
	Marathons; Sport and Recreation:Sport & recreation	Equitable Share	Advertising; Publicity and Marketing:Gifts and Promotional Items	2026/06/10	05/06/2026	Sport hampers for Ms N. Qhantsi And Mr Daniso on 14 June 2026	Lapuma Trading	Community Services	8 041,68	Received	Lusikisiki	Black	Female	Not Youth
	Music; Arts and Culture:Festivals:Arts & Culture	General Revenue:Rental from Fixed Assets	Outsourced Services:Catering Services	2026/06/15	10/06/2026	Catering For 25 Members Of Ihlm Initiation Forum For 26 Days	Nomalinge Trading 8785	Community Services	71 500,00	Received	Lusikisiki	Black	Female	Not Youth
	Marathons; Sport and Recreation:Sport & recreation	Agency Services	Transport Provided as Part of Departmental Activities:Events	2026/06/18	05/06/2026	Transport for 07 Athletes	Bulela Printers	Community Services	10 500,00	Recei	Flagstaff	Black	Female	Not Youth

						From Lusikisiki Harriers Club Who Will Be Participating At The Comrades Marathon Race In Durban 14 June 2026.				ved				
	Marathons; Sport and Recreation:Sport & recreation	Agency Services	Expenditure:Operational Cost:Hire Charges	2026/06/22	15/06/2026	Hiring of 1 Pole Tent, 120 Plastic Chairs, 03 Mobile VIP and 04 folding tables on 20 June 2026.	Zepzamo Trading	Community Services	22 000,00	Received	Flagstaff	Black	Female	Not Youth
	Marathons; Sport and Recreation:Sport & recreation	Agency Services	Outsourced Services:Catering Services	2026/06/22	15/06/2026	Catering for 120 people attending Indigenous Horse	Mcqam Communications	Community Services	14 400,00	Received	Lusikisiki	Black	Male	Not Youth

						Racing Festival on 20 June 2026								
	Marathons; Sport and Recreation:Sport & recreation	Agency Services	Accommodation	2026/06/22	15/06/2026	Accomodationand meals for Z Masumpa in Dbn from 21-25 June 2026	Iheans Travelling Agency	Community Services	12 969,83	Received	Mthatha	Black	Female	Not Youth
	Workshops; Seminars and Subject Matter Training:Workshops	Current and Non-current Assets:Bank Accounts	Domestic:Accommodation	2026/06/30	22/06/2026	Accommodation and meals for Z Masumpa in East London from 04-06 June 2026	Iheans Travelling Agency	Community Services	6 338,28	Received	Mthatha	Black	Female	Not Youth
	TOTAL								**306 828,17**					
	GRAND TOTAL								**3 227 806,69**					

18.9 Formal RFQ's R30 000.00 – R300 000.00: June 2026

	NAME OF CONTRACTOR	MAAA NUMBER	CONTRACT NUMBER	DESCRIPTION OF CONTRACT	DATE OF AWARD	CONTRACT PERIOD	CONTRACT VALUE	LOCALITY	GENDER	YOUTH AND RACE

1.	Likum 14 Trading	MAAA0538929	IHLM/188/2025-26/MM'S	Catering for 500 VIP for Ingquza Hill commemoration	01-Jun-26	Once off	R71 500,00	Flagstaff	Female	Black and Not Youth
2.	Sword Group	MAAA0447951	IHLM/187/2025-26/COMM	Supply and delivery Equipment for community safety	02-Jun-26	Once off	R58 000,00	Flagstaff	Male and Woman	Black 1 youth and 1 not youth
3.	Xhasani Trading cc	MAAA0093492	IHLM/195/2025-26/MM'S	Transport for 1440 People attending Memorial lecture	04-Jun-26	Once off	R261 000,00	Lusikisiki	Male owned	Black and not youth
4.	Bhulu Security and Cleaning Services	MAAA1455808	IHLM/193/2025-26/MM'S	Transport for 960 people attending women's programme	04-Jun-26	Once off	R271 100,00	Flagstaff	Male	black and youth
5.	Tedds Projects Pty Ltd	MAAA0700077	IHLM/194/2025-26/MM'S	Transport for 1140 people attending Ingquza Hill Commemoration	04-Jun-26	Once off	R288 000,00	Flagstaff	Male owned	Black and Not Youth
6.	Thunzi	MAAA1448310	IHLM/185/2025-26/ICT	Supply and delivery of printers	05-Jun-26	Once off	R27 684,00	Bizana	Male owned	Black and not youth
7.	Alenoy IT Solutions	MAAA1212029	IHLM/180/2025-26/ADMIN	Training on server management	08-Jun-26	Once off	R200 000,00	Lusikisiki	Male and Woman	Black and Not Youth
8.	LinathiH Projects	MAAA0315313	IHLM/196/2025-26/MM'S	Transport for 1440 People attending mayoral cup	04-Jun-26	Once off	R300 000,00	Flagstaff	Male	Black and Not Youth
9.	Zukhanye Consulting	MAAA1398193	IHLM/175/2025-26/ROADS	Supply and delivery of 2 Wendy houses	10-Jun-26	Once off	R150 000,00	East London	Male	Black and Not Youth
10.	Remy Bouy Clothing	MAAA1688738	IHLM/181/2025-26/ADMIN	Supply and delivery of stationery	15-Jun-26	Once off	R271 220,00	Flagstaff	Male owned	Black and Youth
11.	B12 Trading Pty Ltd	MAAA1508264	IHLM/192/2025-26/CORP	Catering for 450 people for wellness day	15-Jun-26	Once off	R69 390,00	Lusikisiki	Male owned	Black and Not Youth
12.	Nomalinge Trading 8785	MAAA0837070	IHLM/202/2025-26/MM'S	Catering for 25 people for 26 days	15-Jun-26	Once off	R71 500,00	Lusikisiki	Female owned	Black and Not Youth
13.	DNB Business Chain	MAAA1489801	IHLM/191/2025-26/COMM	Supply and delivery of soccer kits and equipment	15-Jun-26	Once off	R71 710,00	Matatiele	Female owned	Black and Youth
14.	Nomalinge Trading 8785	MAAA0837070	IHLM/204/2025-26/MM'S	Catering for 300 people attending mayoral cup	23-Jun-26	Once off	R33 000,00	Lusikisiki	Female owned	Black and Not Youth
15.	Pewullas Trading	MAAA1228298	IHLM/206/2025-26/MM'S	Transport services for Mayoral Cup Tournament	25-Jun-26	Once off	R32 850,00	Lusikisiki	Male owned	Black and Not Youth

16.	Lolwethuthando Pty Ltd	MAAA0138042	IHLM/201/2025-26/COMM	Events Promoter for horse racing Competition	30-Jun-26	Once off	R164 620,00	Flagstaff	Female owned	Black and Not Youth

18.10 Bids above R300 000.00

NO	NAME OF CONTRACTOR	MAAA NUMBER	CONTRACT NUMBER	DESCRIPTION OF CONTRACT	DATE OF AWARD	CONTRACT PERIOD	CONTRACT VALUE	LOCALITY	OWNERSHIP	RACE & AGE GROUP
1.	Gibbs Africa Peace Corp JV Mjayeli Security	MAAA1280369	IHLM/156/2025-26/PLANN	Panel of Private security for a period of 12 months	02-Jun-26	12 Months	Rate Based	East London	Female and Male owned	Black Youth and not youth
2.	Gasela Protection Services	MAAA0585885	IHLM/156/2025-26/PLANN	Panel of Private security for a period of 12 months	02-Jun-26	12 Months	Rate Based	Lusikisiki	Male owned	Black and youth
3.	Vilo Security	MAAA0029440	IHLM/156/2025-26/PLANN	Panel of Private security for a period of 12 months	02-Jun-26	12 Months	Rate Based	Bizana	Male owned	Not Youth and Black
4.	All Black Security Services	MAAA0968466	IHLM/156/2025-26/PLANN	Panel of Private security for a period of 12 months	02-Jun-26	12 Months	Rate Based	Mt Allyf	Female and Male owned	Black 1 youth and 1 not youth
5.	Munsoft Pty Ltd	MAAA0175705	IHLM/184/2025-26/BTO	Compilation of Annual Financial Statements for 2025-26 FY	02-Jun-26	06 Months	R2 419 690,28	Gauteng	Female and Male owned	
6.	Sword Group	MAAA0447951	IHLM/167/2025-26/MM'S	Supply and delivery of Pre-school Materials	03-Jun-26	Once Off	R493 260,00	Bizana	Male and Woman	Black 1 youth and 1 not youth
7.	Samysivu Pty Ltd	MAAA0685939	IHLM/182/2025-26/COMM	Supply and delivery of uniform and protective clothing	08-Jun-26	Once Off	R752 300,00	Flagstaff	Female Owned	Coloured and Youth
8.	Zithuba Pty Ltd		IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Female owned	Black and Youth
9.	Bluestep Trading	MAAA0330972	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Female owned	Black and not youth

10.	Fasimba 13 Civils and Projects	MAAA1351805	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Male Owned	Black and not youth
11.	LTDOZ	MAAA1345895	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Male Owned	Black and Youth
12.	Lingomso lethu Capital	MAAA0980668	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Female owned	Black and Youth
13.	Ikhwalo Nande Group	MAAA1490079	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Male owned	Black and Youth
14.	Alika Construction	MAAA0511333	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Male Owned	Black and not youth
15.	Linokwani Costruction	MAAA0998186	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Female owned	Black and Youth
16.	Ebhungeni Holdings	MAAA140622	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Male Owned	Black and not youth

17.	Million Colours Group	MAAA0933291	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Male Owned	Black and not youth
18.	MAT Trading Enterprise	MAAA0361787	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Male Owned	Black and not youth
19.	Situfuza and Lwandle Pty	MAAA1502591	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Female owned	Black and not youth
20.	Mventshane Trading Enterprise	MAAA0744383	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Female owned	Black and not youth
21.	Athis Trading	MAAA0572331	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Male Owned	Black and not Youth
22.	Fezanathi Projects Pty	MAAA1486887	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Male Owned	Black and Youth
23.	Qedanation	MAAA1622130	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Male Owned	Black and Youth

24.	Uthi Bathethile Ngam Pty	MAAA1616799	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Female owned	Black and youth
25.	SV Concepts	MAAA1259992	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Male Owned	Black and youth
26.	Jeanete Group	MAAA1474755	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Male owned	Black and Youth
27.	Bhewu Trading	MAAA1280358	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Female owned	Black and youth
28.	We are the Hygiene Hub	MAAA0931330	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Female owned	Black and Youth
29.	Chia Trading	MAAA0028748	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Female and Male owned	Black and not youth
30.	Achumile Amangwane Investments	MAAA1258075	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Female owned	Black and youth

31.	LinathiH Projects	MAAA0315313	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Male Owned	Black and Youth
32.	Glory N Snowy Construction	MAAA1464350	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Female Owned	Black and Youth
33.	Ngceke Construction	MAAA1512287	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Lusikisiki	Male owned	Black and not youth
34.	Samysivu Pty Ltd	MAAA0685939	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Female Owned	Coloured and Youth
35.	Mkhwane Group	MAAA0512181	IHLM/53/2025-26/PLAN	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	11-Jun-26	2 Years	Rate Based	Flagstaff	Male Owned	Black and not youth
36.	We are the Hygiene Hub	MAAA0931330	IHLM/17/2025-26/COMM	Supply and delivery of uniform for traffic and security personnel	15-Jun-26	Once Off	R3 760 645,25	Flagstaff	Female owned	Black and Youth
37.	Siphaqeni Enterprise t/a SV Concepts	MAAA1259992	IHLM/148/2025-26/BTO	Supply and delivery of paraffin for cluster A	25-Jun-26	03 Months	R833 940,00	Flagstaff	Male Owned	Black and not youth
38.	Fasimba 13 Civils and Projects	MAAA1351805	IHLM/148/2025-26/BTO	Supply and delivery of paraffin for cluster B	25-Jun-26	03 Months	R797 900,00	Flagstaff	Female Owned	Coloured and Youth
39.	Samysivu Pty Ltd	MAAA0685939	IHLM/148/2025-26/BTO	Supply and delivery of paraffin for cluster C	25-Jun-26	03 Months	R838 032,00	Lusikisiki	Female Owned	Black and not youth

40.	Kwetane and Sons Electrical & Projects	MAAA0421195	IHLM/148/2025-26/BTO	Supply and delivery of paraffin for cluster D	25-Jun-26	03 Months	R698 100,00	Lusikisiki	Male Owned	Black and not youth
41.	LinathiH Projects	MAAA0315313	IHLM/148/2025-26/BTO	Supply and delivery of paraffin for cluster E	25-Jun-26	03 Months	R808 600,00	Flagstaff	Male Owned	Black and youth
42.	Mpandla Construction	MAAA0282155	IHLM/148/2025-26/BTO	Supply and delivery of paraffin for cluster F	25-Jun-26	03 Months	R855 900,00	Flagstaff	Female Owned	Black and not youth
43.	Lingomso lethu Capital	MAAA0980668	IHLM/148/2025-26/BTO	Supply and delivery of paraffin for cluster G	25-Jun-26	03 Months	R725 940,00	Flagstaff	Female Owned	Black and youth
44.	Peskey Trading Enterprise	MAAA0598212	IHLM/148/2025-26/BTO	Supply and delivery of paraffin for cluster H	25-Jun-26	03 Months	R741 000,00	Flagstaff	Female Owned	Black and not youth
45.	Aphiwe Qhamani Group Society	MAAA0945254	IHLM/148/2025-26/BTO	Supply and delivery of paraffin for cluster J	25-Jun-26	03 Months	R807 229,20	Flagstaff	Male Owned	Black and youth
46.	Samysivu Pty Ltd	MAAA0685939	IHLM/199/2025-26/FLEET	Supply and delivery of extended bakkie	26-Jun-26	Once Off	R885 685,00	Flagstaff	Female Owned	Coloured and Youth

18.11 Task Orders: June 2026

NO	NAME OF CONTRACTOR	CONTRACT NUMBER	DESCRIPTION OF CONTRACT	DATE OF AWARD	CONTRACT VALUE
1.	Esihle Suppliers and services Pty Ltd	IHML/112/2025-26/ROADS	Task order for re-gravelling of Ntongwana Access road	**11-June-26**	**R2 169 172,56**
2.	Andev Group Pty Ltd	IHML/112/2025-26/ROADS	Task order for re-gravelling of Mbeki Access road	**11-June-26**	**R5 047 800,88**
3.	Dlanyeka Engineering	IHML/112/2025-26/ROADS	Task order for re-gravelling of Kwanene to Sikhulu Access road	**11-June-26**	**R5 758 041,24**
4.	Pangwa Trading	IHLM/94/2023-24/ROADS	Task order for renovations of Lusikisiki Municipal Offices	**11-June-26**	**R5 611 816,10**

5.	Zonex Geomatics	IHLM/63/2025-26/PLAN	Task order for consolidation and topographic survey for flagstaff municipal sites and Slovo	**23-June-26**	**R310 000,00**
6.	Zonex Geomatics	IHLM/63/2025-26/PLAN	Task order for consolidation of Lusikisiki Town Hall and old Flagstaff municipal offices	**23-June-26**	**R250 000,00**
7.	Zonex Geomatics	IHLM/63/2025-26/PLAN	Pegging of Nkululekweni settlement	**23-June-26**	**R499 558,11**
8.	Gibbs Africa Peace Corp JV Mjayeli Security	IHLM/156/2025-26/PLANN	Task Order for Private security services for a period of 03 months	**26-June-26**	**R596 297,07**

18.12 Municipal Bid Appeals (if applicable)

There is an ongoing appeal/challenge to the process of appointment of a service provider for the Construction of Lusikisiki Offices. The status of the court challenge is best reported in the legal section of the municipality.

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	Court judgement 28/04/2024

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) 168 (2025-26)	222	01	01
Commitment amounts as at the **30 June 2026 R 100 939 896,99**			

18.14 Contracts Expiring in 2026

Contract No.	Contract Description	End Date	Amount
IHLM/122/2023-24/BTO	Provision of tyre supply, fitment, maintenance and repairs	28 August 2026	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
	Coega Corporate Travel	Provision of Travel Management Services	Contract Expiring on the 30 June 2026	Budget and Treasury Office

7.				
8.	Iheans Trading t/a Iheans Travelling Agency	Provision of Travel Management Services	Contract Expiring on the 05 March 2027	Budget and Treasury Office
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
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
26.	MIE Pty Ltd	Provision of Background verification check for a period of 03 Years	The Contract is expiring on 14-April-2028	Corporate Services
27.	Gemini Moon Trading	Provision of electronic document management system for a period of 36 months	The Contract is expiring on 05-May-2028	Manager ICT and Admin
28.	Tech Seeds Telecommunications	Website revamp services for a period of 24 months	The Contract is expiring on 14-May-2027	Manager ICT and Admin

29.	Chartall Creations	Provision of revenue based strategies process and funding prioritisation on risk basis for a period of 36 months	The Contract is expiring on 30-May-2028	Budget and Treasury
30.	Maximum Profit Recovery	Provision of revenue based strategies process and funding prioritisation on risk basis for a period of 36 months	The Contract is expiring on 30-May-2028	Budget and Treasury
31.	Sword Group	Supply, delivery and Minor Maintenance for Municipal Facilities	The Contract is expiring on 03-July-2028	Technical Services
32.	Techi Engineering	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
33.	Mesabiso Civil & Projects	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
34.	S. Zoko Consulting	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
35.	Zinzame Consulting Engineers	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
36.	Insika Yethu Pty Ltd	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services

37.	Hi-Tec Consulting Engineers	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
38.	Ubuhle Bempisi Consulting Engineers	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
39.	4 Dimension Engineering	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
40.	Bhuku Consulting Engineers	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
41.	Beacon Holdings	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
42.	BI Infrastructure Consultants	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
43.	Bonsai Engineering & Construction	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
44.	Leko Engineering	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services

45.	Black Mountain Consulting	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
46.	Usiba lwe Afrika	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
47.	MI Consulting	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
48.	Mlala Emazweni Trading & Projects	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
49.	Engineering Aces	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
50.	Afroteam Consultants	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
51.	MBSA Consulting	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services
52.	YG Solutions	Panel of Professional Services for Civil and Structural Engineers for a period of 36 months	Contract is expiring on 25 August 2028	Technical Services

53.	Gemin Moon Trading 6 Pty Ltd	Panel of ICT service providers for a period of 36 Months	Contract is expiring on 04 November 2028	Manager ICT and Admin
54.	Techseeds Telecommunication	Panel of ICT service providers for a period of 36 Months	Contract is expiring on 04 November 2028	Manager ICT and Admin
55.	Njilo Technology Systems	Panel of ICT service providers for a period of 36 Months	Contract is expiring on 04 November 2028	Manager ICT and Admin
56.	MNT Geomatics	Panel of Land Surveyors for a period of 2 years	Contract is expiring on 24 March 2028	Planning and Development
57.	NTG Solutions	Panel of Land Surveyors for a period of 2 years	Contract is expiring on 24 March 2028	Planning and Development
58.	Zonex Geomatics	Panel of Land Surveyors for a period of 2 years	Contract is expiring on 24 March 2028	Planning and Development
59.	Likamva Geomatics Pty Ltd	Panel of Land Surveyors for a period of 2 years	Contract is expiring on 24 March 2028	Planning and Development
60.	Denasa Civils	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
61.	Khanyakhwezi Trading Enterprise	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
62.	Egxeni Engineering	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

63.	Aphiwe Qhamani Group Society	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
64.	Mpiyakhe Construction and Traffic Services	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
65.	Boboshe Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
66.	Orie Dynamic Trading Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
67.	L.G Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
68.	Alutha Holdings 82	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
69.	Thabo Ntlangula Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
70.	SELB Trading 85 cc	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

71.	Tdoz 82 Trading Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
72.	Andev Group Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
73.	Mngeyane Holdings Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
74.	Senzakahle SA Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
75.	Lulwakhuyo Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
76.	Kwangi 12	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
77.	Solana Projects Managers	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
78.	Alizozi Pty	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

79.	B. Cala Civils Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
80.	Ixhanga Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
81.	Dlanyeka Engineering Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
82.	Sjaka Group	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
83.	Gade and Dlova Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
84.	BB Logistics	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
85.	Lambadino Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
86.	Njomane General Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

87.	Zeezee Khula Tradning t/a ZZK Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
88.	Anzet Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
89.	Esihle Suppliers & Services Pty	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
90.	Castlehill Trading 265 cc	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
91.	Masilo Projects	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
92.	Million Colours Group	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
93.	Sibukwa Investments	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
94.	Kokstad Tool Hire t/a Igorha Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

95.	Indumeni Trading cc	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
96.	Syanda Investments	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
97.	Ibala Consulting Pty Ltd	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
98.	MVI Construction and Maintenance	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
99.	Vuyie Xolie Consctruction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
100.	Mabozela Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
101.	Vitsha Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
102.	NSG 122011 Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

103.	Luzuko Trading Enterprise	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
104.	Mvumeza Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
105.	Nase Construction	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
106.	Chia Trading	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
107.	Pangwa Trading Enterprise	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
108.	Phefong Construction and Projects 39 cc	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services
109.	Advance Call	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Corporate Services
110.	Denasa Civils	Panel of contractors civil engineering services for a period of 03 years	Contract is expiring on April 2029	Technical Services

111.	Gibbs Africa Peace Corp JV Mjayeli Security	Panel of Private security for a period of 12 months	Contract is expiring on June 2027	Planning and Development
112.	Gasela Protection Services	Panel of Private security for a period of 12 months	Contract is expiring on June 2027	Planning and Development
113.	Vilo Security	Panel of Private security for a period of 12 months	Contract is expiring on June 2027	Planning and Development
114.	All Black Security Services	Panel of Private security for a period of 12 months	Contract is expiring on June 2027	Planning and Development
115.	Zithuba Pty Ltd	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
116.	Bluestep Trading	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
117.	Fasimba 13 Civils and Projects	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
118.	LTDOZ	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
119.	Lingomso lethu Capital	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
120.	Ikhwalo Nande Group	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development

121.	Alika Construction	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
122.	Linokwani Costruction	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
123.	Ebhungeni Holdings	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
124.	Million Colours Group	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
125.	MAT Trading Enterprise	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
126.	Situfuza and Lwandle Pty	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
127.	Mventshane Trading Enterprise	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
128.	Athis Trading	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
129.	Fezanathi Projects Pty	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development

130.	Qedanation	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
131.	Uthi Bathethile Ngam Pty	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
132.	SV Concepts	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
133.	Jeanete Group	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
134.	Bhewu Trading	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
135.	We are the Hygiene Hub	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
136.	Chia Trading	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
137.	Achumile Amangwane Investments	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development
138.	LinathiH Projects	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years	Contract is expiring on June 2028	Planning and Development

139.	Glory N Snowy Construction	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years.	Contract is expiring on June 2028	Planning and Development
140.	Ngceke Construction	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years.	Contract is expiring on June 2028	Planning and Development
141.	Samysivu Pty Ltd	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years.	Contract is expiring on June 2028	Planning and Development
142.	Mkhwane Group	Incubation programme for construction, rehabilitation and maintenance for a period of 2 years.	Contract is expiring on June 2028	Planning and Development

18.16 Variations

For the month of June 2026, the following are the reported variation orders.

Contractor & Contract No.	Contract Description	Contract Value	Reasons for Variation	Amount
None				

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.

No	Contract no. & Description	Name of Contractor	Date of Supplier performance assessment	Supplier Performance Assessment Report Compiled		Supplier performance assessment / performance rating			Department
				Yes	No				
						April	**May**	**June**	
1	IHLM/51/2025-26/ICT Biometric and Network Points	Techseeds Telecommunications	30-April-2026	Yes	N/A	Acceptable	N/A	N/A	Corporate Services
	IHLM/95/2024-25/ICT Website Revamp	Techseeds Telecommunications	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Corporate Services
2	IHLM/62/2022-Legal Services	Jolwana Mgidlana	26-May-2026	Yes	N/A	N/A	Acceptable	N/A	Legal Services
3	IHLM/32/2023-24/Roads Surfacing of 3.8km Paving Internal Street	MVI Construction	30-June-26	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
4	IHLM/32/2023-24/Roads Rehabilitation of Bisana Access Road	Alutha Holdings	31-May-26	Yes	N/A	N/A	Acceptable	N/A	Infrastructure
5	IHLM/51/2025-26/ICT Provision of UPS	Njilo Technology	30-June-2026	Yes	N/A	N/A	Acceptable	Acceptable	Corporate Services

6	IHLM/94/2025-26/ROADS Renovations of IHLM offices in Lusikisiki ward 15	Pangwa Trading	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
7	IHLM/142/2025-26/ADMIN Supply and delivery of Cleaning Material	Qedanation	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Corporates Services
8	IHLM/112/2025-26/Roads Re-Construction of Ludiwana Via Skitini Access Road in wars 07	Solana Projects	30-June-26	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
9	IHLM/112/2025-26/Roads Re-Construction of Gininda Access Road in ward 01	Esihle Suppliers& Services	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
10	IHLM/112/2025-26 Roads Re-Construction of Mzenge Access Road in Ward 10	B.Cala	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
11	IHLM/112/2025-26/Roads Re-Construction of Zikumbini Access Road	Sibukwa Investments	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
12	IHLM/112/2025-26/Roads Re-Construction of Malizole Access Road in ward 15	Sibukwa Investments	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
13	IHLM/112/2025-26/Roads Re-Construction of Kwanene to Sikhulu Access Road in Ward 03	Dlanyeka Engineering	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
14	IHLM/63/2025-26/PLAN Pegging of Nkululekweni Settlement	Zonex Geomatics	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Planning and Development
14	IHLM/63/2025-26/PLAN Consolidation of Municipal Sites in Flagstaff and Lusikisiki	Zonex Geomatics	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Planning and Development
15	IHLM/102/2021-22/PLAN	Earthguard Consulting	30-April-2026	Yes		N/A	N/A	N/A	Planning and Development

	Prof Services for Climate Change Response Strategy for IHLM				Acceptable				
16	IHLM/148/2025-26/BTO Supply and delivery of Paraffin for a period of 03 Months	Kwetane and Sons Electrical and Projects	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Budget and Treasury
17	IHLM/148/2025-26/BTO Supply and delivery of Paraffin for a period of 03 Months	Linathi Projects	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Budget and Treasury
18	IHLM/148/2025-26/BTO Supply and delivery of Paraffin for a period of 03 Months	Aphiwe Qhamani Group Society	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Budget and Treasury
19	IHLM/148/2025-26/BTO Supply and delivery of Paraffin for a period of 03 Months	Siphaqeni Enterprises	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Budget and Treasury
20	IHLM/126/2025-26/COMM Supply and delivery of 80 Street Litter Bins	We are the Hygien Hub	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Community Services
21	IHLM/17/2025-26/COMM Supply and delivery of Uniform for Traffic and Security Services	We are the Hygien Hub	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Community Services
22	IHLM/112/2025-26/Roads Re-Construction of Siwali Access Road in Ward 22	Gade and Dlova	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure

23	IHLM/112/2025-26/Roads Re-Construction of Taleni Access Road in Ward 28	Alizozi PTY	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
24	IHLM/112/2025-26/Roads Re-Construction of Mavela Access Road in Ward 21	MCG	30-June-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
25	IHLM/94/2025-26/ROADS Renovations of IHLM New Offices	Vitsha Trading	30-May-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
26	IHLM/94/2025-26/ROADS Construction of Sportsfield	Ibala	30 May-2026	Yes	N/A	N/A	Acceptable	N/A	Infrastructure
27	IHLM/94/2025-26/ROADS Renovations of IHLM offices in Lusikisiki ward 15	Athindura	30-May-2026	Yes	N/A	N/A	N/A	Acceptable	Infrastructure
28	IHLM/77/2024-25/ICT Provision of Electronic Document Management System	Gemini Moon Trading	18-June-26	Yes	N/A	N/A	Acceptable	Acceptable	Infrastructure

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 following are the movables additions for June 2026:

Quantity	Description	Total
40	Concrete Street Litter Bin	411 700.00
30	Fire Extinguisher	30 000.00
32	Grass Cutter	646 860.80
1	Hp officejet Pro	8 868.00
40	Metal Street Litter Bin	465 700.00
1	Toyota Hilux DC 2.4 GD6 4X4	580 283.43
1	UPS	1 304 347.83
	Grand Total	**3 447 760.06**

The following assets were completed in June 2026:-

No	Project Name	Class	Additions 2025-26	Completed Assets	Closing Balance 30 June 2026	Comments
1	Lusikisiki Town Hall (Phase	Community Assets	11 281 937.43	-22 918 493.45	-	Completed
2	Installation of Street lights	Infrastructure-Electrification	1 447 184.00	- 1 447 184.00	-	Completed
3	Public High Masts	Infrastructure-Electrification	3 053 313.78	- 3 053 313.78	-	Completed
4	Ward 25 High Mast	Infrastructure-Electrification	3 271 397.00	- 3 271 397.00	-	Completed

Work-In-Progress as at 30 June 2026 are as follows:

No	Project Name	Class	Opening Balance 2026	Additions 2025-26	Completed Assets	Closing Balance 30 June 2026	Comments
1	Flagstaff Town Hall (Phase2)	Community Assets	14 693 708.40		- 14 693 708.40	0.00	Completed
1	Ward 26 Sports field	Community Assets	20 451 352.02		- 20 451 352.02	-	Completed
1	Construction of Lambasi Driveway	Infrastructure-Road	2 625 181.27		- 2 625 181.27	-	Completed
1	Construction of Mtshayazafe Access Road	Infrastructure-Road	4 028 434.18		- 4 028 434.18	-	Completed
1	Supply and Installation of 5 Solar Street Lights	Infrastructure-Electrification	590 944.16		- 590 944.16	-	Completed
1	Construction of Mtshayelo Access Road	Infrastructure-Road	268 258.88	5 277 754.27	- 5 546 013.15	-	Completed
1	Fencing of flaggstaff Pound	Community Assets	-	717 519.00	- 717 519.00	-	Completed
10	New Municipal Offices Lusikisiki	Other Assets	7 628 949.85			7 628 949.85	In Progress
11	Flagstaff Municipal Offices	Other Assets	5 750 792.80	20 883 769.45		26 634 562.25	In Progress
12	Taxi Rank	Community Assets	2 739 544.12			2 739 544.12	In Progress
1	Lusikisiki Town Hall (Phase 2)	Community Assets	11 636 556.02	11 281 937.43	- 22 918 493.45	-	Completed
14	Ward 2 Sport Field	Community Assets	23 625 719.39			23 625 719.39	In Progress
15	Facelift Towns (Internal Streets Flagstaff) Phase 2	Infrastructure-Road	24 655 418.56	14 508 346.55		39 163 765.11	In Progress
16	Facelift Towns (Internal Streets Lusikisiki) Phase 3	Infrastructure-Road	25 731 895.66	17 369 359.48		43 101 255.14	In Progress
17	Construction of Qhamangweni Access Road	Infrastructure-Road	272 447.47			272 447.47	In Progress
18	Construction of Sirhetshe to Sibuthe Access Road	Infrastructure-Road	251 786.85	4 451 724.74		4 703 511.59	In Progress
19	Construction of Zone 5 Sportsfield	Community Assets	7 695 367.06	4 054 548.48		11 749 915.54	In Progress
1	Installation of Street lights	Infrastructure-Electrification	-	1 447 184.00	- 1 447 184.00	-	Completed
22	Ngonyameni to Maqanyeni access road	Infrastructure-Road	335 676.57	5 063 943.61		5 399 620.18	In Progress
1	Public High Masts	Infrastructure-Electrification	-	3 053 313.78	- 3 053 313.78	-	Completed
1	Ward 25 High Mast	Infrastructure-Electrification	-	3 271 397.00	- 3 271 397.00	-	Completed
		Balance	**152 982 033.27**	**91 380 797.79**	**- 79 343 540.41**	**165 019 290.65**	

b. Asset Verification

The Asset Verification commenced on 11 May 2026 as per the verification Plan in preparation for the year end. Progress report has been attached.

- Immovable Assets 100% verified- Team is busy with data cleansing and reconciliations.
- Movable Assets 95% completed, estimated completions date is 14 July 2026, Outstanding items are laptops in the custody of councillors.

c. Asset Bar Coding

During month of June all asset additions that were procured we barcoded and Added in the Asset register.

d. Loss on Assets.

There has been no loss of assets in the month of June 2026

e. Insurance

- The insurance for all municipal Assets was renewed 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.

f. Accident Report

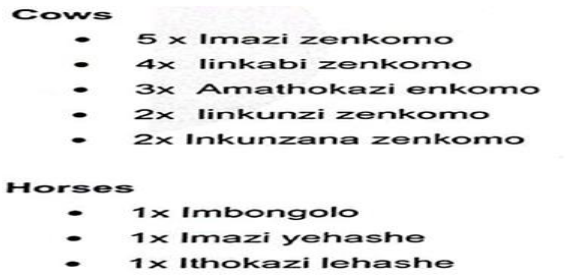
One accident during the month of June 2026 as per the following details:

Toyota Corolla KMM262EC 17-Jun-26

A Toyota Corolla KMM262EC was damaged in multi-vehicle pileup near Flagstaff Square. The accident was caused by a Toyota Quantum with no registration that reportedly suffered brake failure. The Toyota Quantum collided with an initial vehicle causing a chain reaction sequence among the vehicles behind the Toyota Corolla KMM262EC. The Toyota Corolla was struck by the Hyundai Tucson with registration number BC33CNZN which had been parked behind it. The Toyota Corolla KMM262EC sustained damage to both rear bumper and the left hand panel. The claim has been forwarded to Lateral Unison Insurance for repairs.

g. Disposal of Assets

The Auction of the below Animals was re-scheduled due to Foot and Mouth diseases, and we were advised by the Vet that the Animals have been quarantined for a specific period. Below are the animals that have been quarantined:



h. Fleet Management (Repairs & Maintenance)

There were eight (12) vehicles that were sent for services and repairs, and these were completed.

VEHICLE	REGISTRATION NO	AMOUNT	SERVICE DESCRIPTION
Toyota Fortuner	KMM265EC	R 6 268.74	Changed disc pads (rear), engine oil, oil filter, fuel filter, pollen filter and brackets.
Toyota Fortuner	JYP685EC	R 14 210.37	Replaced front & rear disc and front & rear disc pads, diski skim..
Toyota Corolla	JLV742EC	R 58 126.00	Repaired light bar, control unit, speaker, key pad, siren and wiring harness.
Toyota Corolla	JLV752EC	R 9 356.71	Replaced fan belt and alternator complete.
Toyota Hilux	KNG173EC	R 5 546.94	Replaced front disc pads and disk pads.
Toyota Hilux	KNG145EC	R 5 886.75	Replaced front disc pads and disk pads.
Toyota Hilux	KNG171EC	R 5 886.75	Replaced front disc pads and disk pads.
Nissan UD Truck	HZH939EC	R 85 957.46	Changed oil and filters, sublet charge COF, welding and grease.
Nissan UD Truck	JHK093EC	R 175 449.65	Carried out service, fit a new tyre, hydraulic cylinder recon, brake linning, shock spring front, seal kit.
Beifang Benchi Powerstar	HTZ046EC	R 170 647.69	Fixed door lock, exhaust bracket, bolt, repaired wiring and welding, replaced battrey and engine oil.
Fuso Truck	KHD985EC	R 14 200.00	Branding of the truck.
Nissan Truck	KGR746EC	R 257 483.37	Carried out servive, repaired wiring, door lock, brake lining, battery, pump, welding, seal kit, mudflap.
		R 809 020.43	

i. Vehicle Registration

There were no vehicle registrations in June 2026.

j. Fuel Expenditure

The municipality is using Fuel cards for the municipal vehicles. The total fuel expenditure for the month of June 2026 is as follows.

1.1.1. The municipality is using Fuel cards for the municipal vehicles.

1.1.2. The total fuel expenditure for the month of June 2026 is as follows.

No	May 2026	June 2026	Reasons for Variance
1	R 1 567 303.60	R1 398 318.27	This is attributable to certain plant items that came back from repairs and maintenance and were operational during the month of June 2026, and increase in fuel prices

k. STATUS OF MUNICIPAL FLEET

Report on Fleet Management including yellow fleet.

- The municipality currently is having 61 Municipal vehicles including the yellow plant.
- A Fleet Management system was installed by Netstar Company.
- The Municipal Vehicles are driven using the drivers Tags

21. FREE BASIC SERVICES

a. Legal Background

The Free Basic Services (FBS) Guidelines stipulate that indigent households must be supported at the local sphere of government. Qualifying indigent beneficiaries are to be provided with free basic services, including electricity, alternative energy, water and sanitation, and waste collection, until such time that they improve their socio-economic status and no longer qualify as indigent. At present, the municipality provides electricity and paraffin as alternative energy sources, with a strategic plan to transition to gas soon.

These services are funded by Equitable Share which is primarily intended to improve the living conditions of poor and marginalised communities by enabling municipalities to provide these basic services.

b. Indigent register, Data collection and Data Capturing

Data collection has been done through Ward Councillors, traditional leaders, CDW's and ward committees in all the thirty-two wards that are within Ingquza Hill local municipality jurisdiction. The municipality has acquired five handheld devices that aide with the capturing of the collected data.

WARDS NO	INDIGENT REGISTER PER WARD	ELECTRICITY PER WARD	ALTERNATE ENERGY PER WARD
1.	830	534	296
2.	785	568	217
3.	795	561	234
4.	660	367	293
5.	730	528	202
6.	1055	437	618
7.	830	490	340
8.	700	520	180
9.	815	469	346
10.	940	350	590
11.	905	625	280
12.	605	407	198
13.	500	367	133
14.	765	370	395
15.	750	450	300
16.	960	582	378
17.	640	450	190
18.	885	490	395
19.	690	435	255
20.	610	310	300
21.	665	225	440
22.	540	160	380
23.	690	238	452
24.	750	400	350
25.	645	368	277
26.	1085	480	605
27.	630	333	297
28.	625	410	215
29.	790	345	445
30.	890	630	260
31.	695	490	205
32.	715	428	287

WARDS NO	INDIGENT REGISTER PER WARD	ELECTRICITY PER WARD	ALTERNATE ENERGY PER WARD
TOTAL	**24 170**	**13 817**	**10 353**

c. ESKOM (Electricity)

During the period under review (June 2026), the municipality had **4002 beneficiaries** claiming an amount of R505 076 for people who benefited from free basic electricity (FBE). The beneficiaries receive 50 KW units from Eskom (FBE).

d. ALTERNATIVE ENERGY (Paraffin)

The municipality has appointed service providers for the delivery of paraffin to beneficiaries of alternative energy. The delivery has commenced and will be completed in the middle of July 2026.

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

2025/26	CURRENT YEAR
Opening Balance June 2026	**R1 509 114.12**
Expenditure incurred June 2026	**R505 067.00**
Closing balance June 2026	**R1 004 047.00**

QUALITY CERTIFICATE

I, **V.C. Makedama**, Municipal Manager of Ingquza Hill Local Municipality, hereby certify that the Section 71 report and supporting documentation for M12 – June 2026, 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_____