S71 MONTLY BUDGET STATEMENT AS AT 30 JUNE 2026

STATEMENT OF FINANCIAL PERFORMANCE, POSITION AND THE IMPLEMENTATION OF THE 2025/26 BUDGET (MFMA SECTION 71) FOR THE PERIOD ENDED 3O JUNE 2026

(File No: 9/1/2/3)
(Author: KM/LL)
(1st Level: MANCO 01/07/2026)
(2nd Level: STANCO 09/07/2026)
(3rd Level: EXCO 22/07/2026)
(4th Level :COUNCIL 30/07/2026)

1. PURPOSE

The purpose of the report is for the council to consider and note the statement of the financial performance and the implementation of the 2025/26 budget of the Umzimvubu Local Municipality for the period ending 30 June 2026.
To also inform Management and Council about ratio analysis of the current financial affairs of the municipality as outlined in MFMA Circular 71.

2. AUTHORITY

Council

3. LEGAL / STATUTORY REQUIREMENTS

The constitution of the Republic of South Africa, 1996
Municipal Finance Management Act No 56, 2003 Chapter 8, Section 71
Municipal Budget Reporting Regulations

4. BACKGROUND

The Monthly budget statement is prepared in terms of section 71 of the Municipal Finance Management Act No 56, 2003 and Municipal Budget and Reporting regulations as per Government Gazzette 32141.

The information in this report is the financial performance for the transaction processed up to the close of business on 30 June 2026 for the year ending 30 June 2026. This report has been compiled in order to comply with Section 71 of the MFMA

FINANCIAL IMPLICATIONS

Dashboard summary

C. Liquidity Management								
						8 Month		
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months	Cash and cash equivalents	113,502,000	*Please refer to page 7 of MFMA Circular No. 71*	Unspent relates to Disaster Recovery Grant to be rolled over to the next financial year)
					Unspent Conditional Grants	22,070,286		
					Overdraft	-		
					Short Term Investments	130,858,293		
					Total Annual Operational Expenditure	337,794,000		

Budget vs Actuals- Revenue

Description	Total Budget	Year-To-Date	Pending	Avaliable Budget	Actual Percentage
Revenue	**- 601,760,652.00**	**- 525,658,694.54**	**-**	**- 76,101,957.46**	87%
Agency Services	- 2,900,000.00	- 2,317,328.78	-	- 582,671.22	80%
Fines; Penalties and Forfeits	- 2,527,000.00	- 4,328,968.62	-	1,801,968.62	171%
Interest	- 7,200,000.00	- 6,646,617.38	-	- 553,382.62	92%
Interest; Dividend and Rent on Land	- 11,280,000.00	- 10,369,268.48	-	- 910,731.52	92%
Licences or Permits	- 2,565,000.00	- 2,649,138.36	-	84,138.36	103%
Operational Revenue	- 4,414,000.00	- 748,343.09	-	- 3,665,656.91	17%
Property Rates by Usage	- 72,174,980.00	- 70,721,840.67	-	- 1,453,139.33	98%
Rental from Fixed Assets	- 7,455,000.00	- 3,383,744.73	-	- 4,071,255.27	45%
Sales of Goods and Rendering of Services	- 77,666,652.00	- 34,305,467.61	-	- 43,361,184.39	44%
Service Charges	- 1,487,600.00	- 1,185,040.60	-	- 302,559.40	80%
Transfers and Subsidies	- 412,090,420.00	- 389,002,936.22	-	- 23,087,483.78	94%

The projected figure for revenue is R601 million and the actuals are at R525 million, which translates to 87% as at the end of month 12.

The Human Settlement Housing Projects had an over budgeting hence the sale of goods and rendering of services is still at 44%.

The rental of fixed assets amount is still low because of non-payment of rentals by the tenants as well as non-occupancy of rental properties.

Budget vs Actuals-Expenditure

Description	Total Budget	Year-To-Date	Pending	Avaliable Budget	Actual Percentage
Expenditure	**512,718,698.00**	**418,398,277.86**	**6,024,152.89**	**88,296,267.25**	82%
Contracted Services	178,710,923.00	122,401,299.31	1,408,930.58	54,900,693.11	68%
Depreciation and Amortisation	89,550,000.00	80,633,727.02	1,500.00	8,914,772.98	90%
Employee Related Cost	114,196,756.00	103,452,630.71	-	10,744,125.29	91%
Inventory Consumed	10,915,502.00	7,232,616.03	1,008,266.67	2,674,619.30	66%
Operating Leases	1,667,220.00	1,379,516.65	-	287,703.35	83%
Operational Cost	76,035,641.00	63,341,049.64	3,310,457.82	9,384,133.54	83%
Remuneration of Councillors	25,016,238.00	24,623,291.32	-	392,946.68	98%
Transfers and Subsidies	16,626,418.00	15,334,147.18	294,997.82	997,273.00	92%

The anticipated expenditure for the year is amounting to R512 million and the actual expenditure incurred is R418 million resulting in 82% against the anticipated budget.

The implementation of cost containment measures is the cause of the 83% on operational costs.

The use of Assets module on the system had a positive contribution towards the depreciation amount reported.

BUDGET AND TREASURY DEPARTMENT: REPORT ON GRANT EXPENDITURE FOR THE PERIOD ENDED 30 JUNE 2026

(File No: 9/1/2/3)
(Author: KM/LL)
(1st Level: MANCO 01/07/2026)
(2nd Level: STANCO 09/07/2026)
(3rd Level: EXCO 22/07/2026)
(4th Level :COUNCIL 30/07/2026)

Purpose

Purpose of the report is for the Council to note the grants expenditure incurred by the Municipality for the period ending 30 June 2026.

Statutory requirements

The Constitution of RSA
MFMA
MBRR

Parties consulted

None

Authority

Council

Annexure

Month June 2026												
			UMZIMVUBU LOCAL MUNICIPALITY									
Ref			Balance	Amount	Total	Expenditure				Balance	%	Allocation Spending%
No	Description	Total Allocation	BF	Received	Liability	Operating	Capital	VAT	Total	Unspent @ 30.06.2026	Spending	
1	MUNICIPAL INFRASTRUCTURE	57,096,000.00	-	57,096,000	57,096,000		49,816,157	6,577,002	56,393,159	702,841	99%	99%
2	FINANCIAL MANAGEMENT	1,800,000.00	-	1,800,000	1,800,000	1,651,939		148,061	1,800,000	0	100%	100%
3	ELECTRIFICATION PROJECT	16,977,957.00	2,007,957	14,970,000	16,977,957		12,973,824	1,946,074	14,919,897	2,058,060	88%	88%
4	EXPANDED PUBLIC WORKS	2,773,000.00		2,773,000	2,773,000	2,773,000		-	2,773,000	-	100%	100%
5	EPWP-INCENTIVE GRANT	2,743,902.00	169,902	2,574,000	2,743,902	2,734,650		9,252	2,743,902	-	100%	100%
6	ARTS AND CULTURE	1,794,518.00	321,518	1,473,000	1,794,518	1,210,613		74,291	1,284,905	509,613	72%	72%
7	Municipal Disaster Recovery Grant	57,188,000.00	-	57,188,000	57,188,000		29,318,696	4,397,804	33,716,501	23,471,499	59%	59%
8	Human Settlement Housing Project	61,800,000.00	20,437,099	-	20,437,099		20,703,158	-	20,703,158	-266,059	101%	34%
	Grand total	**202,173,377**	**22,936,476**	**137,874,000**	**160,810,476**	**8,370,203**	**62,789,981**	**13,152,484**	**79,914,863**	**26,475,955**	**50%**	40%

Discussion

The municipality will fully spend other allocations with the exception of MDRG where there will be a rollover application.

Recommendations

That, the 99% spending on MIG be noted by the Council

That, the 88% spending on INEP be noted by the Council

That, the 100% spending on FMG be noted by the Council

That, the 100% spending on EPWP be noted by the Council

That, the 59% spending on MDRG be noted by the Council

That, the 34% spending on HSHP be noted by the Council

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(4th Level :COUNCIL 30/07/2026)

Purpose
Purpose of the report is for the Council to note amount relating to Unauthorized expenditure, the Irregular and Fruitless and wasteful expenditure incurred by the Municipality for the period ending 30th of June 2026.

Statutory requirements
The Constitution of RSA
MFMA
MBRR

Parties consulted
None

Authority
Council

Financial Implications
The Fruitless and Wasteful amount reported in the current financial year was incurred in the prior financial years pending the investigation as well the high court ruling on the recovery of funds from the estate of the deceased employee.

Due to the award made to the Panel of Attorneys where the advert was for a period less than 30 days, it was resolved that as long as the contract is still valid, the expenditure incurred is disclosed as Irregular until the expiration of the contract. The panel was advertised and it is on an evaluation stage during the reporting period.

Annexure

EC442					
Register for Irregular, fruitless and wasteful expenditure 2025/26 FY					
	Opening balance	Additions	Write off	Recovered	Balance as at 30/06/2026
Unauthorized expenditure	-			-	-
Irregular expenditure	4,368,897.00			-	4,368,897.00
Fruitless and Wasteful expenditure	839,721.00	-	-		839,721.00
	5,208,618.00	**-**	**-**	-	**5,208,618.00**

Recommendations

That, the Fruitless and wasteful expenditure amounting to R839 thousand be noted by Council

That, the Irregular expenditure amounting to R4.3 million be noted by the Council

Thet, the Council notes the total amount of R5.2 million in relation to UIFWE

BUDGET AND TREASURY DEPARTMENT: DEBTORS AND REVENUE COLLECTED REPORT AS AT JUNE 2026

File No: 9/1/2/3)
(Author: KM/FS)
(1st Level: MANCO 01/07/2026)
(2nd Level: STANCO 09/07/2026)
(3rd Level: EXCO 22 /07/2026)
(4th Level :COUNCIL /07/2026)

PURPOSE

The purpose of the report is for the Council to consider and note collection of monies due to the municipality for the month of June 2026

To also inform Management and Council of the steps taken to recover municipal monies as required by MFMA.

2. AUTHORITY

Council.

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 52.

Municipal Property Rates Act No. 6 of 2004

Municipal systems Act.

All Revenue policy.

4. BACKGROUND

In terms of section 64 (1) of the Municipal Finance Management Act No 56, 2003 Chapter 8, “the Accounting officer is responsible for the management of the revenue of the municipality and must henceforth (2) take all reasonable steps to ensure that there are systems and controls in place to account for such revenue”.

DEBT BALANCES BY TYPE

The municipality closed with a debt book of R 65 788 304.44 AS AT 30 June 2026 made up of the rates, refuse removal and interest on outstanding debt for various consumer debtors.

Region	**Department**	**Current**	**30 days**	**60 days**	**90 days**	**120 Days +**	**Total**
e.g Umzim	Agriculture	-	-	-	-	- 900.21	- 900.21
	Health	5,306.84	1,782.03	660.00	53.02	3,293.17	11,095.06
	Public Works	- 819,413.04	- 113,455.43	388,970.66	388,524.30	13,224,902.49	13,069,528.98
	Alfred Ndzo	6,226.52	5,320.53	5,313.04	5,305.56	801,362.66	823,528.31
	Socila Developments	660.00	-	-	-	-	660.00
	Residents	976,471.01	518,768.02	451,321.39	442,714.17	20,050,137.27	22,439,411.86
	Councillors	1,764.92	82.19	-	-	-	1,847.11
	Staff	3,344.95	-	- 200.00	- 134.68	- 108.31	2,901.96
	Businesses &Commercials	1,158,093.26	533,465.21	491,061.60	449,711.61	23,686,230.88	26,318,562.56
	Education	4,008.11	2,017.12	2,010.13	1,999.12	23,216.30	33,250.78
	DLRRD	4,414.83	7,472.89	7,481.78	7,483.15	1,036,183.34	1,063,035.99
	Nat.Departments	32,117.31	28,450.82	23,778.42	26,291.51	1,914,743.98	2,025,382.04
	Grand Total	**1,372,994.71**	**983,903.38**	**1,370,397.02**	**1,321,947.76**	**60,739,061.57**	**65,788,304.44**

Staff and Councillors debt June 2026 is broken down as follows: -

Staff/ Councillor	Erf No.	Town	Current	30 days	60 days	90 days	Outstanding amount
Cllr Garane	75	EMaxesibeni	R1132.92	R 82.19	R 0.00	R 0.00	R 1215.11
Cllr Mdzinwa	521	Kwa-Bhaca	R632.00	R 0.00	R 0.00	R 0.00	R632.00
Mr Nota	238	EMaxesibeni	R -245.50	R 0.00	R 0.00	R 0.00	R -245.50
Mr Nota	540	Kwa-Bhaca	R -200.00	R -134.68	R -108.31	R 0.00	R -442.99
Mr Makanda	3769	Kwa-Bhaca	R 1803.58	R 0.00	R 0.00	R 0.00	R 1803.58

Mr Makanda	3770	Kwa-Bhaca	R 1786.87	R0.00	R 0.00	R 0.00	R 1786.87
Total							**R 4749.57**

JUNE 2026 RENTAL DEBTORS

RENTAL DEBTOR REPORT													
DATE RANGE	**202606**												
TARIFF CODE	**Jun-26**	**26-May**	**26-Apr**	**26-Mar**	**26-Feb**	**Jan-26**	**25-Dec**	**25-Nov**	**25-Oct**	**25-Sep**	**25-Aug**	**25-Jul**	**TOTAL**
'002530 LEASE RENTALS	617,540.94	207,797.25	224,505.10	174,562.90	319,518.02	172,823.77	172,823.77	221,785.49	221,785.49	139,846.32	135,693.16	151,755.07	2,760,437.28
'002531 RESIDENTIAL RENTALS	16,897.51	16,721.34	16,396.87	16,396.87	16,396.87	18,034.00	18,034.00	18,034.00	18,034.00	17,358.34	17,358.34	17,358.34	207,020.48
INTEREST	7,690.32	7,865.69	7,723.90	7,647.81	7,503.88	5,870.24	6,901.06	8,020.52	7,487.00	7,490.98	7,437.49	7,383.97	89,022.86
'009008 VAT LEVIED	92,631.14	31,169.58	31,456.20	26,184.43	43,814.99	23,657.20	25,923.56	22,763.26	33,267.82	22,763.26	22,763.26	22,763.26	399,157.96
'008888 PAYMENTS	- 121,988.21	- 919,044.52	- 31,586.21	- 38,004.68	- 538,662.67	- 200,457.20	- 709,344.68	-102,484.20	-201,081.51	-196,559.94	- 16,061.90	-745,091.46	-3,820,367.18
	612,771.70	**- 655,490.66**	**248,495.86**	**186,787.33**	**- 151,428.91**	**19,928.01**	**- 485,662.29**	**168,119.07**	**79,492.80**	**- 9,101.04**	**167,190.35**	**-545,830.82**	- 364,728.60

JUNE 2026 TRAFFIC FINES REPORT

	Billing	Reciepts	Balance	Collection %
Op Bal			11,504,205.00	
25-Jul	142,950.00	26,400.00	116,550.00	18%
25-Aug	132,850.00	31,400.00	101,450.00	24%
25-Sep	103,000.00	29,950.00	73,050.00	29%
25-Oct	115,400.00	30,250.00	85,150.00	26%
25-Nov	112,000.00	28,700.00	83,300.00	26%
25-Dec	138,500.00	31,000.00	107,500.00	22%
26-Jan	126,700.00	77,850.00	48,850.00	61%
26-Feb	170,900.00	75,700.00	95,200.00	44%
26-Mar	255,100.00	72,990.00	182,110.00	29%
26-Apr	246,900.00	90,444.00	156,456.00	37%
26-May	245,150.00	144,373.00	100,777.00	59%
26-Jun	225,120.00	64,592.00	160,528.00	29%
Total	**2,014,570.00**	**703,649.00**	**12,815,126.00**	**35%**

For the month of **JUNE 2026**, traffic fines received to date amounted to **R 64 592.00**

REPORTING ON REVENUE ENHANCEMENT STREAMS

The purpose of the report is to monitor and evaluating initiatives aimed at improving the municipality's revenue collection. It ensures transparency, accountability and compliance with legislations and policies. This report presents an overview of revenue collection and enhancement activities for the month of JUNE 2026

SegmentDesc	TotalBudget	TotalActual	Collection%
Property Rates	- 72,174,980.00	- 69,211,657.16	96%
Vehicle Registration 209104080	- 2,900,000.00	- 2,246,578.26	77%
Interest current account 200112010	- 580,000.00	- 394,128.75	68%
Interest investments 200112020	- 10,000,000.00	- 8,521,673.82	85%
Interest Waste Management	- 700,000.00	- 598,317.25	85%
Drivers Learners Licenses 209104010	- 2,200,000.00	- 2,228,595.00	101%
Vehicle testing station 209104085	- 165,000.00	- 120,453.00	73%
Human Settlement 3.5% Management Fees	- 2,163,000.00	- 577,515.85	27%
Bursary Repayment	- 101,000.00	- 28,421.57	28%
Sundry income Marathon 200116087	- 150,000.00	- 128,668.18	86%
Hall Rental 207111010	- 120,000.00	- 101,188.65	84%
Sophia Recreational 207111015	- 190,000.00	- 207,991.43	109%
Parks 207116054	- 5,000.00	- 2,586.10	52%
Plant Rental 203111060	- 50,000.00	- 27,148.21	54%
Lease Rolyats Group 200	- 4,340,000.00	- 2,397,788.37	55%
Advertising Mt Ayliff Billboard 206116005	- 60,000.00	- 59,423.44	99%
Rezoning Aplication 203116073	- 8,300.00	- 31,532.18	380%
Building Plan Fees 203116010	- 650,000.00	- 363,006.77	56%
Funeral Plot Fees 207116026	- 15,000.00	- 14,468.76	96%
Rezoning Certificate 203116074	- 8,000.00	- 6,312.98	79%
Clearance Certificate 200116017	- 15,000.00	- 4,447.88	30%
Traffic Escort Fees	- 15,000.00	- 11,105.20	74%
Special Concent 203116079	- 2,010.00	-	0%
SG Diagrams 203116075	- 3,000.00	-	0%
Tender Fees 203116091	- 50,000.00	-	0%
Subdivision 203116085	- 15,000.00	- 7,324.35	49%
Landfill Site Disposal Charges	- 5,000.00	- 1,304.35	26%
Refuse Removal 208110070	- 1,482,600.00	- 1,285,966.73	87%
Traffic Fines 209102060	- 1,177,000.00	- 695,908.50	59%
Pound fees 207116062	- 1,350,000.00	- 1,173,376.61	87%
Retention Forfiets	1.00	- 437,687.51	-43768751%
Interest from Non-Exchange	- 7,200,000.00	- 6,325,852.30	88%
Licences or Permits Trading	1.00	- 5,217.39	-521739%
Trading Licence 205103080	- 200,000.00	- 263,369.93	132%
Total	**- 108,094,888.00**	**- 97,479,016.48**	**90%**

ACTIONS TAKEN TO REDUCE DEBTOR.

- Debtors' reconciliations are done internally for all Government Departments
- A reconciliation of enforceable traffic fines is being carried out between our Community Safety and Department of Justice and Constitutional Development.

RECOMMENDATIONS

- That, the report on debtors' collection and revenue collection for the month of June 2026 amounting to **R 831 701.75** noted by Council.
- That, the report on outstanding traffic fines for the month of June 2026 amounting to **R 12 815 126.00** be noted by Council.
- That, the following aged outstanding debtors balance of **R 65 788 304.44**
- for the month of June 2026 be noted by Council:
  - Current – R 1 372 994.71
  - 30 days – R 983 903.38
  - 60 days – R 1,370 397.02
  - 90 days – R 1 321 947.76
  - 120 +days – R 60 739 061.57

That, the following categorised outstanding debtor type be noted by Council:

- Residential debt – R 22 444 160.93
- Commercial debt – R 26 318 562.56
- Government debt – R 17 025 580.95

That, the total amount owed by Councillors and Staff members amounting to **R 4749.57** be noted by Council.

REVENUE COLLECTION RATE AND INVESTMENT REPORT AS AT 30 JUNE 2026

File No: 9/1/2/3)
(Author: KM/FS)
(1st Level: MANCO 01/07/2026)
(2nd Level: STANCO 09/07/2026)
(3rd Level: EXCO 22 /07/2026)
(4th Level :COUNCIL /07/2026)

PURPOSE

The purpose of the report is for the Council to consider and note collection of monies due to the municipality for the month of June 2026

To also inform Management and Council of the steps taken to recover municipal monies as required by MFMA.

1. AUTHORITY

Council

2. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 52

Municipal systems Act

Debt collection and Credit control policy

4. BACKGROUND

In terms of section 64 (1) of the Municipal Finance Management Act No 56, 2003 Chapter 8, “the Accounting officer is responsible for the management of the revenue of the municipality and must henceforth (2) take all reasonable steps to ensure that there are systems and controls in place to account for such revenue”.

Municipal bills are sent to the ratepayers monthly once billing for the services (rates and refuse) is completed. The payments received towards the bill inform the revenue collection rate of the municipality for each period. The municipality considers payments received through direct payments and walk through payments. The municipality bills, monthly the following categories of ratepayers:

- Residents
- Businesses
- Government departments

The bill considers all the rebates and exemptions. The collection rate as at end June 2026 was 87% as depicted in the tables below:

PERIOD	BILLING	COLLECTION	COLLECTION%
25-Jul	60,984,200.42	- 1,944,757.28	-3%
25-Aug	1,880,154.75	- 445,742.97	-24%
25-Sep	1,880,154.75	- 9,312,740.74	-495%
25-Oct	1,304,609.91	- 598,960.39	-46%
25-Nov	1,341,012.20	- 422,853.09	-32%
25-Dec	1,427,489.88	- 406,099.88	-28%
26-Jan	1,701,250.79	- 1,488,530.64	-87%
26-Feb	1,701,250.79	- 3,481,685.94	-205%
26-Mar	1,575,064.54	- 1,838,806.65	-117%
26-Apr	1,644,776.61	- 27,102,317.88	-1648%
26-May	1,644,776.61	- 19,786,736.74	-1203%
26-Jun	1,253,220.25	- 645,121.54	-51%
	78,337,961.50	**- 67,474,353.74**	**-86%**

A collection percentage of 51% has been achieved for the month of June 2026 i.e. collection of R 645 121.54 against the billing of 1 253 220.25.

The breakdown of the collection for the month of June 2026 is as follows:

Businesses and commercial R -321 184.51 which is 50% of the total collection

Residential R-184 937.00 which is 29% of the total collection

Government R-139 000.03 which is 22% of the total collection.

The collection report split by town is 62% collection in KwaBhaca Town and 38% collection in eMaxesibeni.

INVESTMENTS

The municipality has investments into three banks that are registered in terms of the Banks Act No. 94 of 1990 read with section 7 (1) (2) of MFMA Act No. 56 0f 2003.

Bank Name		Account #	Investm S	Investmer	Term Valu	Month	Interest %	BOQ Amount	Top Up	Withdrawals	Int Capitalise	B/S Balance
Operational Bank Inv	Unconditional	'60029450715	01/07/202	30/06/203	Y	202605	10	23,040.56			125.72	23,166.28
Service Delivery Ban	Unconditional	'62033254723	01/07/202	30/06/203	Y	202605	10	49,575,991.14		- 16,000,000.00	227,577.49	33,803,568.63
Guarantee Bank Inves	Unconditional	'62068742157	01/07/202	30/06/203	Y	202605	10	185,084.07			1,009.85	186,093.92
Nedbank Bank Investm	Unconditional	'7881112786	01/07/202	30/06/203	Y	202605	5.75	41,978,358.80			237,953.97	42,216,312.77
Total Unconditional								**91,762,474.57**	**-**	**- 16,000,000.00**	**466,667.03**	**76,229,141.60**
Mig Bank Investment	Conditional	'62086036714	01/07/202	30/06/203	Y	202605	10	13,843,246.12		- 521,333.22	74,606.20	13,396,519.10
Fmg Bank Investment	Conditional	'62276187294	01/07/202	30/06/203	Y	202605	10	1,887,600.68			10,299.05	1,897,899.73
Electrification Bank	Conditional	'62288560925	01/07/202	30/06/203	Y	202605	10	3,151,519.87		- 339,449.23	17,009.67	2,829,080.31
Housing Bank Investm	Conditional	'62891519971	01/07/202	30/06/203	Y	202605	10	206.79			1.13	207.92
MD RECOVERY GRANT IN	Conditional	'63093652965	01/03/202	30/06/204	Y	202605	10	43,053,824.66		- 6,771,975.27	223,594.52	36,505,443.91
Total Conditional								**61,936,398.12**	**-**	**- 7,632,757.72**	**325,510.57**	**54,629,150.97**
Total								**153,698,872.69**	**-**	**- 23,632,757.72**	**792,177.60**	**130,858,292.57**

For the reporting period, the municipality had a balance of R 76 229 141.60 for unconditional investments and R 54 629 150 for conditional investments all totalling to R 130 858 292.57

The above-mentioned investments are made up of money that is not immediately required for use as per section 13 (1) of MFMA Act No. 56 of 2003. evacuate

RECOMMENDATIONS

- That, the report on revenue collection rate of 51% for the month of June 2026 be noted by Council.
- That, the billing amounting to R1 253 220.25 for Property Rates, Refuse Removal (including interest charged) for the month June 2026 be noted by Council.
- That, the total amount of R 645 121.54 has been received from Rates and Services for the month of June 2026 be noted by Council.
- That, the 86% collection rate for the period ending June 2026 be noted by Council.
- That, the total investments for the month ending June 2026 amounting to R 130 858 292.57 be noted by Council.

BUDGET AND TREASURY DEPARTMENT: FREE BASIC SERVICES / INDIGENT REPORT AS AT JUNE 2026

PURPOSE

To report to the Council on Free basic services for the month of June 2026.

LEGAL REQUIREMENTS

Constitution of the Republic of South Africa, 1996.
Local Government: Municipal Systems Act, No 32 of 2000.

STATUTORY

Constitution of the Republic of SA – section 27 (1) (c).
Local Government Municipal systems act- section 73 (1) (c).

BACKGROUND AND REASONING

The municipality's CAAT's verified indigent register is made up of electricity = 3621, solar =1133 and paraffin = 1748 which gives to a total 6502 approved indigent households for the whole municipality. Indigent beneficiaries are subsidized with monthly maintenance on solar, 50kWh subsidy of electricity supplied by Eskom and paraffin as another means of alternative electricity.

The table below presents indigent beneficiation per type of service: -

Type of service	Number of beneficiaries	Status
Solar	Inspection has been completed in 239 household in 6 Wards out of 314 approved indigent household. The breakdown of the status core as at end June 2026 has been attached as an annexure.	New service provider has been appointed and is currently on site
Electricity (ESKOM)	1367	It's a monthly subsidy where each registered indigent household receive

		50 KWh free basic electricity token on monthly basis , and 320 new applications have been submitted to Eskom to be configured for Free Basic Electricity. Eskom is however refusing to configure these new applications due to alleged arear debt by Eskom and the municipality is disputing arear debt.
Paraffin	1571 indigent households have benefited from paraffin subsidy where each household receive 20L.	The contract has ended, and the advert for new contractor to be appointed was closing on the 2nd of April 2026 and is currently on evaluation stage.

Breakdown of the beneficiaries between Registered and Collection

	Registered	Claims	difference
Total Paraffin	1748	1612	136
Total Electricity	3621	1318	2303
Total Solar	1133	1133	0
Total	**6502**	**4063**	**2439**

LABOUR IMPLICATIONS

None

FINANCIAL IMPLICATIONS

Expenditure incurred as of June 2026 amounted to R407 639.37

SERVICE DELIVERY IMPLICATIONS

Provision of free basic services.

RECOMMENDATIONS

- That, the report on Free Basic services for June 2026 be noted by Council.
- That the expenditure of R407 639.37 incurred in June 2026 be noted by the council
- That the total breakdown between registered indigent households against collection be noted by Council.

BUDGET AND TREASURY DEPARTMENT: REPORT ON VAT FOR THE MONTH ENDED 30 JUNE 2026 REPORT.

(File No: /07/26)
(Author: FT/LL)
(1st Level: MANCO 01/07/2026)
(2nd Level: STANCO 09/07/2026)
(3rd Level: EXCO 22/07/2026)
(4th Level: COUNCIL 30/07/2026)

PURPOSE

The purpose of the report is for the council to consider and note the VAT report of the Umzimvubu Local Municipality for the period ending 30 June 2026.

AUTHORITY

Council

LEGAL / STATUTORY REQUIREMENTS

The constitution of the Republic of South Africa, 1996
Municipal Finance Management Act No 56, 2003
Value Added Tax (VAT) Act of 1991

BACKGROUND

ULM is a VAT vendor as required by the VAT Act of 1991.
The municipality monthly is obligated by the VAT act to collect and pay over the portion of VAT that is owing to the Receiver of Revenue.
To ensure that all VAT that is due to the municipality is recovered within a reasonable period.
The information in this report is the VAT for the transaction processed up to the close of business on 31 July 2025 for the year ending 30 June 2026.

DISCUSSION

- SARS requires that ULM submitted VAT returns by the 25th of each month following the month submitted for.
- The submission consists of Input VAT which is tax added when the municipality procures good and services and Output VAT which is tax charged by the municipality on services rendered to the community.
- Therefore, ULM submit to SARS the Net off Input and Output VAT
- When Input VAT is more that Output SARS will refund the amount to ULM
- When Input is less than Output, ULM will pay SARS.
- The table below is the summary of VAT refundable as from July 2025 to June 2026.

Annexture

2025-2026 VAT RETURNS SUMMARY REPORT				
Month	**VAT Input**	**VAT Output**	**VAT Receivable**	**Comment**
July'25	5,560,801.62	- 1,025,852.28	4,534,949.34	To set off INEP VAT Debt
August'25	1,805,106.19	- 32,007.42	1,773,098.77	To set off INEP VAT Debt
September'25	3,638,596.32	- 62,662.09	3,575,934.23	To set off INEP VAT Debt
October'25	2,768,934.40	- 94,382.89	2,674,551.51	To set off INEP VAT Debt
November'25	2,525,808.53	- 284,924.22	2,240,884.31	To set off INEP VAT Debt Balance
December'25	4,875,803.52	- 365,977.83	4,509,825.69	Refund Received

January'26	890,039.34	- 21,703.56	868,335.78	Refund Received
February'26	1,859,226.68	- 143,857.01	1,715,369.67	Refund Received
March'26	1,859,226.68	- 143,857.01	1,715,369.67	Refund Received
April'26	2,225,806.82	- 78,283.37	2,147,523.45	Refund Received
May'26	3,240,217.28	- 130,199.63	3,110,017.65	Refund Received
June'26	3,557,840.97	- 12,248.66	3,545,592.31	Awaiting SARS Refund
	34,807,408.35	**- 2,395,955.97**	**32,411,452.38**	

CHALLENGES

- SARS take its time to finalize the audit on the returns submitted.
- SARS is currently conducting VAT audit from 2020/2021 to 2024/2025 FY

RECOMMENDATION

Council to note the report.

BUDGET AND TREASURY DEPARTMENT: REPORT ON COST CONTAINMENT MEASURES FOR THE MONTH ENDED 30 JUNE 2026 REPORT

(File No: /01/26)
(Author: FT/LL)
(1st Level: MANCO 01/07/2026)
(2nd Level: STANCO /07/2026)
(3rd Level: EXCO /07/2026)
(4th Level: COUNCIL /07/2026)

PURPOSE

The purpose of the report is for the council to consider and note the Cost Containment Measures report of the Umzimvubu Local Municipality for the period ending 30 June 2026.

AUTHORITY

Council

LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003
COGTA and National Treasury Circular of the 1st of July 2019
Umzimvubu Cost Containment Policy

BACKGROUND

Section 65 of the MFMA states that the accounting officer of a municipality is responsible for the management of the expenditure of the municipality.
The national government has been aware of the need to contain costs and Cabinet resolved that all spheres of government, including municipalities and municipal entities, must implement measures to contain operational costs and eliminate all non-essential expenditure.
In reinforcing the above, the Minister of Finance also announced further cost containment measures and a circular was issued in this regard which urged Municipal Manager's and Mayors of municipalities to exercise and oversee the elimination of wasteful expenditure.
The information in this report is the performance of the municipality against Cost Containment Measures on the transaction processed up to the close of business on from July 25 to June 2026.

DISCUSSION

During the month of June 2019, the minister of finance approved Municipal Cost Containment regulations effective from 1 July 2019. The regulations required municipalities to develop, adopt and implement policies as part of their budget related policies to support cost containment measures. The council of Umzimvubu Local municipality developed and adopted a policy on cost containment that is now being implemented and is being reviewed annually.

Below is a report on expenditures incurred Implementing such policy, which indicates that the Implementation of this policy is yet effective.

Cost Containment Report as of 30 June 2026			
	To-Date		
Cost Containment Measures	Budget	Expenditure	Savings
	R'000	R'000	R'000
Use of consultants	17,583,400.00	12,837,623.83	4,745,776.17
Travel and subsistence	2,865,711.16	2,865,711.16	-
Domestic accommodation	6,751,000.00	5,827,228.35	923,771.65
Sponsorships, events and catering	3,803,596.00	3,233,831.00	569,765.00
Communication	2,279,500.00	1,678,265.68	601,234.32
	R32,604,296.00	**R26,442,660.02**	**R6,161,635.98**

Expenditure on Consultants as of 30 June 2026	
Segment Description	**Expenditure**
Internal audit committee 204300183	R663,500.00
Business Financial PMS evaluation 201300255	R322,450.53
Best Practices	R3,997,825.83
Conveyancing 204300201	R2,253,802.30
Financial Management 200300119	R733,159.48
Strategic Annual Risk Assessment	R0.00
Communication Strategy consultant 206300043	R0.00
Job evaluation 201300191	R0.00
Housing Sector Plan 203300360	R193,695.66
Interim valuation 200300181	R1,285,152.17
Development of Storm water Management plan	R0.00
Survey Planning 203300335	R296,226.09
Legal Fees 204300199	R4,489,048.08
	R14,234,860.14

CHALLENGES

- Lack of close monitoring of operational expenditure

REMEDIAL ACTIONS

- That it is the obligation of every municipal official and councilor to ensure the proper implementation as well as application of this circular to avoid irregular or fruitless expenditure.
- User departments to monitor closely their expenditure and adhere to cost containment measures.

RECOMMENDATIONS

Council to note the report.

BUDGET AND TREASURY DEPARTMENT: REPORT ON PAYMENT OF CREDITORS FOR THE MONTH ENDED 30 JUNE 2026 REPORT

(File No: /07/2026)
(Author: FT/LL)
(1st Level: MANCO 01/07/2026)
(2nd Level: STANCO /07/2026)
(3rd Level: EXCO /07/2026)
(4th Level: COUNCIL /07/2026)

PURPOSE

The purpose of the report is for the council to consider and note the Payment of creditors report of the Umzimvubu Local Municipality for the period ending 30 June 2026.

AUTHORITY

Council

LEGAL / STATUTORY REQUIREMENTS

The constitution of the Republic of South Africa, 1996
Municipal Finance Management Act No 56, 2003
Supply Chain Management Policy
Subsistence and Travel Policy

BACKGROUND

According to MFMA the municipality must pay all its creditors with 30 days of receipt of a valid invoice.
Umzimvubu Local Municipality due to it being rural and dealing with SMME's in most cases developed its own Standard Procedure Manual to pay its creditors every Friday.
ULM has adopted a weekly payment run.
ULM has a Policy which clearly states that all invoices must be submitted by not later than Tuesday for payment, any invoice received after Tuesday will be paid in the next payment run.

DISCUSSION

As part of their daily responsibilities, the expenditure section works with user departments, receive invoices from service providers, assess such invoices and agrees to all the details in the invoice.
After that stage it is when by law the municipality can declare that they have received an invoice for payment.
The invoice is then dated stamped and must be paid within 30 days from the date of the stamp.

Below is a summary of creditors paid during the year:

2025-2026 EXPENDITURE SUMMARY REPORT					
No of Creditors, Invoices & Paid within 30 days					
Month	**Amount Due**	**Received**	**Amount Paid**	**Difference**	**Paid after 30 days**
July'25	57,287,148.56	194	57,287,148.56	-	None
August'25	19,948,995.02	126	19,948,995.02	-	None
September'25	40,493,924.69	128	40,493,924.69	-	None
October'25	30,776,678.29	192	30,776,678.29	-	None
November'25	35,118,011.40	193	35,118,011.40	-	None
December'25	48,238,812.41	192	48,238,812.41	-	None
January'26	13,448,395.19	110	13,448,395.19	-	None
February'26	21,678,129.67	156	21,678,129.67	-	None
March'26	28,369,183.69	205	28,369,183.69	-	None
April'26	24,573,262.19	223	24,573,262.19	-	None
May'26	30,923,621.44	185	30,923,621.44	-	None
June'26	39,517,646.56	234	39,517,646.56	-	None
	390,373,809.11	**2,138**	**390,373,809.11**	**-**	

CHALLENGES

- Incomplete documentation on the voucher
- Upon submission of full vouchers, inconsistence on the voucher vs invoices.
- Late submission of payment vouchers
- Submission of Invoices with closed account by Suppliers
- Lack of adherence to Internal Control on submission of Payment Vouchers

RECOMMENDATION

- User Department to make sure all the supporting documents needed per voucher are attached before submitting for payment.

- To adhere to Expenditure Internal Control on submission of payment Vouchers
- Council to note the report.

BUDGET AND TREASURY DEPARTMENT: REPORT ON PAYMENT OF PAYROL FOR THE MONTH ENDED 30 JUNE 2026 REPORT

(File No: /07/26)
(Author: FT/LL)
(1st Level: MANCO 01/07/2026)
(2nd Level: STANCO /07/2026)
(3rd Level: EXCO /07/2026)
(4th Level: COUNCIL /07/2026)

PURPOSE

The purpose of the report is for the council to consider and note the payroll report of the Umzimvubu Local Municipality for the period ending 30 June 2026.

AUTHORITY

Council

LEGAL / STATUTORY REQUIREMENTS

The constitution of the Republic of South Africa, 1996
Municipal Finance Management Act No 56, 2003
Income Tax Act 58 of 1962

BACKGROUND

In terms of section 66 of the Municipal Finance Management Act No. 56 of 2003, the Accounting Officer of the municipality must report to the Council in the format and for the periods prescribed, all expenses relating to staff salaries, allowances, and benefits, separately disclosing (inter alia) travel, subsistence and accommodation allowances paid. Umzimvubu policy provides two payroll runs which by the 15th of each month councilors salaries are paid and by the 25th of each month all staff are paid.

Payments of Subsistence and travelling are paid upon return of an official or councilor travelling for work related activity which might be a meeting /conference /seminar /workshop /site visits etc. within municipal jurisdiction and beyond.
Umzimvubu Municipal jurisdiction includes Mt Ayliff and Mount Frere as determined by the Demarcation Board.

ANNEXURE

2025-2026 Payroll Summary Report				
	Councillors		Officials (Staff, HOD's & Casuals)	
Period	Salary bill	Substance & Travel	Salary bill	Substance & Travel
July'25	R1,681,390.44	R27,724.71	R7,593,043.82	R126,957.88
August'25	R1,692,014.57	R38,348.83	R7,788,221.78	R70,663.41
September'25	R1,756,136.99	R102,471.25	R9,079,590.11	R234,138.85
October'25	R1,681,354.13	R27,724.71	R8,090,798.52	R133,364.99
November'25	R1,685,741.10	R32,075.35	R12,844,537.51	R33,465.79
December'25	R1,803,491.46	R149,825.71	R8,613,307.13	R371,763.25
January'26	R1,724,006.80	R6,630.04	R7,927,420.63	R126,141.42
February'26	R1,802,341.90	R128,601.47	R8,425,062.60	R172,818.84
March'26	R1,700,974.26	R27,183.13	R8,022,004.73	R130,522.89
April'26	R2,422,098.88	R26,208.71	R7,986,484.32	R148,583.24
May'26	R1,826,387.28	R91,972.97	R8,227,761.98	R119,875.51
June'26	R1,931,312.55	R196,898.24	R16,247,998.84	R316,468.69
Total	**R21,707,250.36**	**R855,665.12**	**R110,846,231.97**	**R1,984,764.76**

CHALLENGES

- Late submission of payroll inputs, these inputs include:
- Change of banking details
- Removal on the system of an employee who resigned after the 15th which is the deadline of input submission: this mostly affects EPWP.
- Late submission of S & T claims

REMEDIAL ACTIONS

- User department to strictly monitors the submission of input.
- Adherence of deadline on submission of S & T Claim

RECOMMENDATION

Council to note the report.

BUDGET AND TREASURY OFFICE DEPARTMENT: SUPPLY CHAIN MANAGEMENT REPORT FOR THE MONTH ENDED 30 JUNE 2026

(File No.: 02/9/1/2)

(Author: Chief Financial Officer/ KM/ XB)

(1st Level: MTM - 01/06/2026)

(2nd Level: BTO STANCO -09/07/2026)

(3rd Level: EXCO -22/07/2026)

(4th Level: Council -29/07/2026)

PURPOSE

To report Supply Chain Management processes and other procurements matters for the reporting Month ended **30 June 2026.**

The municipality did not have any deviations for the month of **30 June 2026.**

To report bids invited, evaluated, adjudicated, and awarded for the reporting month ended **30 June 2026**

To report an identified irregular expenditure.

LEGAL REQUIREMENTS AND AUTHORITY OR MANDATE

Local Government: Municipal Finance Management Act, No 56 of 2003, Section 56-66 and Chapter 11 (Part 1).

Local Government: Municipal Systems Act No.32 of 2000.

Construction Industry Development Board Act No 38 of 2000

Preferential Procurement Policy Framework Act No 5 of 2000 and Regulations dated 07 December 2011 as well as new regulations dated **04 November 2022.**

Approved Supply Chain Management Policy.

BACKGROUND AND REASONING

For the month ended **30 June 2026**, the Municipality has operated financially through procurement processes as follows:

DASHBOARD / PERFORMANCE SUMMARY

	30 June 2026
BIDS AND QUOTATIONS INVITED	
Quotations below 30 000.00	46
Invited Quotations above 30 000.00	7
Invited Bids	19
AWARDED BIDS	
Quotations below 30 000.00	46
Awarded Quotations above 30 000.00	10
Awarded Bids	9
Total Summary values of Procurements,	
Below R30 000 (SCM Orders)	**R722,501.25**
R30 001 – R300 000 (Seven days' notice)	**R994,900.00**
Above R300 000	**R15,232,702.23**
Section 32	**0**
Deviations (Section 36)	**0**
% of Competitive Bids awarded per area,	
Local (Mount Frere and Mount Ayliff)	79.16%
Region (Alfred Nzo)	0%
Province (Eastern Cape)	20.84%
National (Excluding Mount Ayliff and Mount frere)	0%
% of Quotations awarded per area, (R30 001 – R300 000)	
Local (Mount Frere and Mount Ayliff)	100%
Region (Alfred Nzo)	0%

Province (Eastern Cape)	0%
National (Excluding Mount Frere and Mount Ayliff)	0%
Number of meetings set successfully	**5**
Bid Specification Committee	2
Bid Evaluation Committee	2
Bid Adjudication Committee	1
Objections received	0
Cancelled bids	1 (Provision of Screening & Vetting Services)
Irregular expenditure	Nil

1. Bids

The purpose of this report is to report to Council in terms of section 6(2) and 6 (3) of the Supply Chain Management Policy on the implementation of the Supply Chain Management Policy for the quarter ended **30 June 2026.**

- **46 Quotations** below 30K were requested in the reporting Month of September 2025.
- **7 Quotations** above 30K were advertised on the notice board and Municipal website for a period of seven days in the reporting Month of **June 2026.**
- **19 Competitive bids** were advertised on the daily dispatch and E-tender portal, Municipal website month of **June 2026.**
- **46 Quotations** below 30k were awarded in the for the month ended **30 June 2026**.
- **10 Quotations** above 30k were awarded in the for the month ended **30 June 2026**.
- **9 Competitive bids** were awarded in the month ended **30 June 2026**.

Procurements

The awards are made in accordance with the provisions of the Supply Chain Management Policy, also the different thresholds are adhered to in terms of procurement ranges.

- Procurement below R30 000 through SCM orders requesting three quotations for the reporting month ended **30 June 2026**, amounts to **R722,501.25.**
- Procurement above **R 30,000.00-R 300,000.00** which is advertised on the Municipal notice board and website for a period of seven days, for the reporting month ended **30 June 2026** amounts to **R994,900.00.**
- Procurement above R300 000.00 which are done through formal submission of bids advertised and placed at public notices for 14 or more days, for the month ended **30 June 2026**, amounts to **R15,232,702.23.**
- No Deviations done for the month of **31 June 2026.**
- No Reg 32 awards were made for the reporting quarter ended **31 June 2026.**

Percentage of bids awarded.

The municipality is taking cognisance of the developmental goals and objectives of the local economic development department in ensuring that the local suppliers are elevated and considered for procurement of goods and services. Notwithstanding the above-mentioned objective however an award for a specific service is made to a competent and highest scoring points service provider regardless of the location within the country, it is therefore not always practical to award local service providers for all procurement. Be that as it may, for Quotations the municipality / SCM at most report **100%** to Local service providers.

- For the reporting month ended **31 June 2026**, above R300 000.00 awarded bids through open / **competitive bidding 79.16%** was awarded to local suppliers within Mount Ayliff and Mount Frere.
- For the reporting month ended **31 June 2026**, quotations between R30 001 – R300 000.00, **100%** was awarded to local suppliers within Umzimvubu Local municipality.
- For the reporting month ended **31 June 2026**, quotations between R2001 – R30 000.00, **100%** was awarded to local suppliers within Umzimvubu Local municipality.

1.1. QUOTATIONS INVITED

PERCENTAGES *ON TOTAL PROCUREMENTS OF QUOTATIONS ABOVE R 30 001 THE ALLOCATIONS HAVE BEEN DONE AS TABULATED BELOW*

Umzimvubu LM	District	Province-EC	National	Total Procurements above R30 001
10(100%)	0(0%)	0(0%)	0(0%)	10

1.2 BIDS AWARDED

Percentages on total procurements of bids the allocations have been done as tabulated below,

Umzimvubu LM	District	Province-EC	National	Total Procurements above R300 000
7(79,16%)	0(0%)	2(20.84%)	0(0%)	9

19.1. **SECTION 32 PROCUREMENT**

- No section 32 awards were made for the month of **June 2026**.

1.4. DEVIATIONS (Section 36)

No deviations for the month of **June 2026**.

DEVIATION ILLUSTRATED BY GRAPH MONTHLY

No deviations for the month of **June 2026**.

2. IRREGULAR EXPENDITURE

On review of procurement for the month, 0 non-compliances with SCM prescripts have been identified and as a result no Irregular Expenditure identified to be reported to Council, MEC and Auditor General**.**

3. Inventory Management:

Inventory on hand is valued at an amount of **2,843,763.95** for the month of **June 2026.** Schedule of **Annexure F** for Inventory Reconciliation has been attached.

Compliance

An identified irregular expenditure will be reported to all relevant structures. Bid committees have been established and members are expected to converge as per the scheduled and communicated timeframes of meetings. Monthly reports have been submitted as required by regulation of Supply Chain Management Policy of the Council. Bid committee meetings have been recorded with the statistics of presence and absenteeism of members. Written apologies are recorded in the Monthly report. The number of bid committee meetings for the agenda items as listed in the report are recorded in the dashboard.

4. BID COMMITTEE SITTING

8.1. BID SPECIFICATION COMMITTEE

BSC DATE	MEMBERS	PRESENT	ABSENT	REASON	THE PROJECTS LISTED BELOW WERE PART OF THE AGENDA:
02 June 2026	1.Mr L Luzipho 2. Ms Madlanga 3. Ms Bingwa 4. Ms Dina 5. Ms Ndlangisa 6. Mr Ngejane	All Members			Provision Of Led Electronic Billboard Maintenance And Marketing Services For Umzimvubu Local Municipality For A Period Of 2 Years
23 June 2026	1.Mr L Luzipho 2. Ms Madlanga 3. Ms Bingwa 4. Ms Dina 5. Ms Ndlangisa 6. Mr Ngejane	All Members			Osborn Bridge Marhwaqa Access Road and Bridge

4.4. BID EVALUATION COMMITTEE

BEC DATE	MEMBERS	PRESENT	ABSENT	REASON	Comments
					THE PROJECTS LISTED BELOW WERE PART OF THE AGENDA:

BEC DATE	MEMBERS	PRESENT	ABSENT	REASON	Comments
3 June 2026	Mr Gamedala Mr M. Mafumbatha Mr Matola Mr Mbuyeleni				Supply and Delivery of alternative energy Njijini Community Hall Supply and Delivery of Yellow Maize Cluster B Supply and Delivery of Yellow Maize Cluster C
5 June 2026	Mr Gamedala Mr M. Mafumbatha Mr Matola Mr Mbuyeleni				Completion of Nciniba and Dinana Electrification

4.5. BID ADJUDICATION COMMITTEE

BAC DATE	MEMBERS	PRESENT	ABSENT	REASON	Comments
05 June 2026	Mr. K Mehlomakhulu Mr. J Moleko Mr L Makanda Ms Mbono Dr. Tshazi Mr X Blaweni Mrs Kubone				Conduct Ploughing Mechanization Cluster A Construction Of Colana Community Hall Construction Of Ngonyameni Community Hall Construction Of Upper Brooksnek Community Hall Completion Of Nciniba And Dinana Electrification Appointment Of Municipality Panel Of Attorneys For A Period Of 2 Years

5. OBJECTIONS RECEIVED

As per SCM policy, unsuccessful bidders have a period of 14 calendar days to object and provide reasons of such if feel disgruntled by the award and further allowed to lodge an appeal within that 14 days period then an appeal committee will adjudicate the reasons and conclude on the merits then give a ruling or a judgement based on the facts gathered to both parties If needs be arbitration will take place.

- There is 0 objection received in the reporting month ended **30 June 2026.**

6. CONTRACT MANAGEMENT

5.1. **Progress Reports/S116 Reports**

The unit did not receive the following S116 Reports for active contracts in the reporting month ended **30 June 2026**.

DEPARTMENT	PROJECT/CONTRACT	PROJECT MANAGER
INFRA-Building Section	1. Turnkey Project For Cabazana	Manager-Building- Mr. Yakobi

	B400(181) Rural Housing Project. 2. Turnkey Project For Dundee 500(34) Rural Housing Project. 3. Turnkey Project For Cancele 4. Turnkey Project For Nkungwini 5. Construction of Public Transport Pound phase 2 6. Chithwa Recreational Park Phase 2	
INFRA-Maintenance	1. Sogoni Phase 2 Electrification 2. Sixhotyeni Link Line 3. Silindini Bridge 4. Mqhekezweni AR Maintenance 5. Reconstruction Of Ilitha Bridge & Concrete Slab 6. Rehabilitation of Maqakambeni Access Road 7. Rehabilitation of Phuka to Hlathini Access Road and Reconstruction of Bridge 8. Reconstruction Sikhemane to Ntshakeni AR 9. Rehabilitation of Gubuzi Access Road & Concrete Slab	PMU-Mr Gamedala/Miss Qwane/Mr. Bingwa

	10. Reconstruction of Lutshikini Access Road 11. Reconstruction of Cabane Concrete Slab 12. Thabo Access Road 13. Mount White and Concrete Slab	

5.2. **Service Level Agreements**

The unit did not receive signed SLAs for following active contracts and works have commenced in the reporting month ended **30 June 2026**.

DEPARTMENT	PROJECT/CONTRACT	PROJECT MANAGER
INFRA	1. Reconstruction Of Bangweni To Njijini Bridge 2. Qhanqu Access Road Maintenance 3. Reconstruction Of Ilitha Bridge & Concrete Slab 4. Rehabilitation Of Gubhuzi Access Road & Concrete Slab	Manager-Building- Mr. Yakobi, PMU-Mr Gamedala/Miss Qwane/Mr. Bingwa

5.3. **Extension of Time.**

The unit received extension of time for active contracts in the reporting month ended **30 June 2026**.

6.4. Variation Orders

There are no variation orders approved for active contracts in the reporting month ended **30 June 2026.**

7. CANCELLED BIDS

As per the SCM Guide by National Treasury, Bids can be must be cancelled subject to the following conditions, in the event that in the application of the application of the 80/20 preference point system as stipulated in the tender documents, all tenders received exceed the estimated value of R50 000 000.00; in the event that in the application of the application of the 90/10 preference point system as stipulated in the tender documents, all tenders received are equal or below the estimated value of R50 000 000.00;if there is no longer a need for the services; funds are no longer available to cover the total envisaged expenditure; and if no acceptable tenders are received.

- There is 1 cancelled bid in the reporting month ended **31 June 2026**.

8. RELATED PARTIES DISCLOSURE

Régulation 45 Disclosure

Company name	**Appointment date**	**Description**	**Amount**	**Related Employee**
Nande 23 Projects	22-June-26	Supply & Deliver Material In Support Of Sithembe Ukuhlangana Primary Co.Op	**R28,000.00**	Yes, Spouse (Mr. L. Bingwa)
Mavest Trading Enterprise	25-Jun-26	Vouchers for teams participating in the Mayoral cup clusters games	**R119,000.00**	Yes, Spouse (Social Department)
Litto Trading	04-Jun-26	Supply and Delivery of Sport field Repair	**R14,133.50**	Yes, Spouse (Mrs N.Canca)

Grap 20 Disclosure

None

9. PROCUREMENT PLAN IMPLEMANTATION STATUS

Procurement plan as approved is being implemented and procurements are done as per plan except for those projects that have to be re-advertised due to various reasons, non-responsiveness etc.

1.1. NON-SUBMISSION AND LATE SUBMISSIONS

None.

RISK IMPLICATIONS

The risk implications and risk register will be reported on a Monthly basis through Monthly reports.

LABOUR IMPLICATIONS

None

SERVICE DELIVERY IMPLICATIONS

Delays on awards for bids negatively affect the service delivery.

FINANCIAL IMPLICATIONS

None

OTHER PARTIES CONSULTED

All the departments

SALIENT POINTS FOR DELIBERATIONS

None

Annexures

“A” –Procurement Plan

”B” – Quotation Register

”C” -Tender Register

”D”- Procured Goods Report as per Thresholds

“E” – R45 and Grap 20 Related Party Disclosure

“G”-Status of Projects

“F” Inventory Reconciliation

RECOMMENDATIONS

1. That, the report on supply chain management for the reporting month ended 30 June 2026 be noted by Council.
2. That, for the reporting month ended 30 June 2026 the has been no irregular expenditure detected and No Deviations incurred to be noted.
3. Projects status for the reporting month ended 30 June 2026 be noted.

BUDGET AND TREASURY OFFICE DEPARTMENT: FLEET MANAGEMENT REPORT FOR THE MONTH ENDED 30 JUNE 2026

(File No.: 02/9/1/2)

(Author: Chief Financial Officer/ KM/ XB)

(1st Level: MTM - 01/06/2026)

(2nd Level: BTO STANCO - 09/07/2026)

(3rd Level: EXCO -22/07/2026)

(4th Level: Council -29/07/2026)

PURPOSE

To report the activities performed by the Fleet Management Section for the period ended **30 June 2026**

BACKGROUND AND REASONING

Umzimvubu Local Municipality is in possession of 51 fleet support services which is comprised of 1 Dozer, 3 tractors, 2 Skip bin trailer, 1 Roadblock trailer ,3 TLB’s, 13

Trucks, 1 Sprinter Bus,4 Political bearer office Vehicles, 12 Vehicle allocated to Community Safety, 2 Vehicle allocated Infrastructure department & 09 pool vehicles. All the above Fleet is paid in full. It has been noted that all incident that occurred the involved officials need to be investigated to ascertain as to whether there was no negligence on the accidents.

Point of Consideration – New TLB was delivered on Friday the 26th of June 2026 at KwaBhaca ULM Offices

No.	Registration No.	Make	Model	Type of a vehicle
1	FML 789 EC	Toyota Hino	2010	Truck
2	HDN643EC	Volvo Tlb	2013	TLB
3	FVW683EC	Nissan Ud85	2014	Truck
4	MJK843EC/ FLK754EC	Caterpillar	2010	TLB
5	HFV675EC	Np200 1.6	2014	Bakkie
6	HFV657EC	Np200 1.6	2014	Bakkie
7	HKY792EC	Toyota Hilux 2.0vvti	2015	Bakkie
8	HKY 842EC	Toyota Hillux 2.5d-4d	2015	Bakkie
9	HLN238EC	Fuso 4 Ton Truck	2014	Truck

No.	Registration No.	Make	Model	Type of a vehicle
10	HSP961EC	Toyota Corolla 1.6 Quest	2016	Sedan
11	JCD 207 EC	Polo 1.4	2018	Sedan
12	JCD 211 EC	Polo 1.6	2018	Sedan
13	JCK 692 EC	Toyota 2.4 Gd	2018	Bakkie
14	JCY 289 EC	Isuzu Truck 500	2018	Truck
15	JHX 122 EC	Polo 1.6	2019	Traffic Admin
16	JHX 135 EC	Toyota 2.4 Gd	2019	Pound vehicle
17	JJT 154 EC	VW Crafter 2.0	2019	23 seater Bus
18	JMK 370 EC	VW Golf 1.4	2019	Traffic vehicle with Truvelo System
19	JMX 074 EC	Toyota Corolla 1.6 Auto	2020	Pool & Mayor & Speakers Relief
NB	JVF 554 EC	Toyota 2.4 Gd D/Cab	2021	Amount paid the Municipality

No.	Registration No.	Make	Model	Type of a vehicle
				R 390 081.60
20	JVF 565 EC	Toyota Fortuner 2.4 GD	2021	Pool/ Relief vehicle
21	JVF 573 EC	Toyota 2.4 Gd S/Cab	2021	Poo vehiclel
22	JWP 402 EC	UD 250 Nissan Refuse Truck	2021	MT Frere Refuse Truck
23	JYH 475 EC	Toyota 2.4 Gd6 D/Cab	2022	Traffic Bakkie
24	JYH 481 EC	Toyota 2.4 Gd6 D/Cab	2022	Traffic Bakkie
25	JYH 485 EC	Toyota 2.4 Gd D/Cab	2022	Traffic Bakkie
	JYR 603 EC	Right Off		
26	JZX 814 EC	Toyota Fortuner 2.4 GD	2022	Speakers Vehicle SUV
27	KHK 347 EC	Hino Truck	2022	Waste Management Truck
28	KHK 342 EC	Hino Truck	2022	Waste Manag

No.	Registration No.	Make	Model	Type of a vehicle
				ement Truck
29	KFJ 930 EC	IsuzuTruck	2022	Pound Truck
30	KDM 398 EC	Toyota 2.4 Gd6 D/Cab	2023	Pool Vehicle
31	KDM 418 EC	Corolla Quest Puls	2023	Pool Vehicle
32	KDM 426 EC	Toyota 2.4 Gd6 D/Cab	2023	Pool vehicle
33	KDM 442 EC	Toyota 2.4 Gd6 D/Cab 4X4	2023	Pool vehicle
34	Vin Number – 118 761	Isuzu FTR 850	2023	Truck
35	Vin Number – 11 4666	Isuzu NPR 400	2023	Truck
36	Vin Number – 114 715	Isuzu NPR 400	2023	Truck
37	KGT 458 EC	Toyota 2.8 Gd6 D/Cab 4X2	2023	Traffic bakkie
38	KGT 459 EC	Toyota 2.8 Gd6 D/Cab 4X2	2023	Traffic bakkie
39	KGT 462 EC	Toyota 2.8 Gd6 D/Cab 4X2	2023	Traffic

No.	Registration No.	Make	Model	Type of a vehicle
40	KHW 594 EC	UD Trucks	2023	Skip Bin Trailer
41	KJP 840 EC	UD 250 Croner Nissan Truck	2024	MT Ayliff Refuse Truck
42	KPF 437 EC	Toyota Fortuner GD6 2.4 4x4	2025	Mayoral
43	KPM 112 EC	JCB 3CX Plus Backhoe	2025	WM TLB
44	FZK 297EC	John Deere Tractor	2012	Tractor
45	HDN641EC	Volvo Landfill Site Dozer	**2014**	Dozer
46	HZW 966 EC	John Deere Tractor	**2017**	Tractor

47	JBL 406 EC	Trailer Challenger. Roadblock Trailer –		Traffic Roadblock Trailer
48	JBL 457 EC	Skip Bin Trailer		Mt Ayliff Skip Bin Trailer
49	JBL 462 EC	Skip Bin Trailer		Mt Ayliff Skip Bin Trailer
50	KPX 524 EC	Landini	**2025**	Tractor
51	KTB 637 EC	Toyota Fortuner 2.4 GD6 4X4	**2026**	Speakers

DISCUSSION

For the easy comparison on vehicles' expenses, a consolidated expenditure report has been made for two months – (As per the attached annexure).

Point of Consideration -

INSURANCE UPDATES ON CLAIMS

Date	Number Plate	Name of the Driver	Designation	Details	Status	Accident Report Submitted	Progress/Sta of investigati
13/09/2025	KHK 347 EC	Ms Nolindo Mdanyana	Truck Driver	The Hino transporter Truck was involved in an accident	An excess amount of R 38 223.59 for the truck, upon	Yes	Investigation report submitt

				after the Mzinto junction. Where the driver lost control & it overturned.	inspection of the vehicle, it was noted that some of the repairs were not done accordingly.		
08/04/2026	JHX 135 EC	Amanda Gxumisa	Disaster Driver	The incident happened at the gate of the ULM Sophia offices. When the disaster driver was being tested for driving. She is new to the position.	Assessed, approved by the insurance, panel beater to be appointed	No	Investigation Report submit
28/04/2026	JVF 565 EC	S Maqabuka	Chief Whip Driver	The incident happened at Margate hotel gate. The driver	Giorgio express Auto body is the appointed panel	No	Investigation report submitt

				hit a yellow beam. The beam is still kind of thing mounted in the center of a gate. It separates the entrance and the exit of vehicles on that driveway.	beater, vehicle to be taken to the panel beater on 01 July 2026		

Fuel Expenses

Fuel expenses for all municipal fleet for the amount is an amount of **R 283 784.82** and Fleet Repairs an amount of **R 0.00** for the month of **30 June 2026.**

Office Bearers Vehicle Usage Report

The Mayor Vehicle- Fuel expenses an amount of **R 27 907.10** and repairs an amount of **R 0.00**

The Speaker new Vehicle- Fuel expenses an amount of **R 8750.90** and repairs an amount of **R 0.00**

Chief Whip vehicle- Fuel expenses an amount of **R 7869.03** and repairs an amount of **R 0.00**

RISK IMPLICATIONS

The risk implications and risk register will be reported on a Monthly basis through Monthly reports.

LABOUR IMPLICATIONS

None

SERVICE DELIVERY IMPLICATIONS

Non-availability of vehicles for officials negatively affect the service delivery.

FINANCIAL IMPLICATIONS

None

OTHER PARTIES CONSULTED

All the departments

SALIENT POINTS FOR DELIBERATIONS

None

Annexures

“A” –Political Bearer Office fuel report

“B” –Fuel Reconciliation

RECOMMENDATIONS

1. That, the report on fleet management for the reporting month ended 30 June 2026 be noted by Council.
2. Fuel expenses for the reporting month ended 30 June 2026 be noted by Council.

BUDGET AND TREASURY OFFICE DEPARTMENT: ASSET MANAGEMENT REPORT FOR MONTH END MAY 2026

(File No: 9/1/2/3)
(Author: KM/LL)
(1st Level: MANCO 01/07/2026)
(2nd Level: STANCO 09/07/2026)
(3rd Level: EXCO 22/07/2026)
(4th Level :COUNCIL 30/07/2026)

PURPOSE

The purpose of the report is for the council to consider and note asset management of Umzimvubu Local Municipality for the period ending June 2026.

AUTHORITY

Council

LEGAL / STATUTORY REQUIREMENTS

The constitution of the Republic of South Africa, 1996
Municipal Finance Management Act No 56, 2003
GRAP Standards

BACKGROUND

Section 63. of the MFMA states that:
(1) The accounting officer of a municipality is responsible for the management of—

(a) the assets of the municipality, including the safeguarding and the maintenance of those assets; and

(b) the liabilities of the municipality.

(2) The accounting officer must for the purposes of subsection (1) take all reasonable steps to ensure—

(a) that the municipality has and maintains management, accounting and information system that accounts for the assets and liabilities of the municipality.

(b) that the municipality's assets and liabilities are valued in accordance with standards of generally recognized accounting practice; and

(c) that the municipality has and maintains a system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.

Municipality must ensure that a complete, accurate and up-to-date computerized fixed asset register is maintained. The fixed asset register shall be maintained in the format determined by the chief financial officer, which format shall comply with the requirements of generally recognized accounting practice (GRAP)

SERVICE DELIVERY IMPLICATIONS

Capital projects taking longer to be completed will have a negative impact on delivery service.

STAFF IMPLICATIONS

There are no staff implications.

FINANCIAL IMPLICATIONS

Given the current conditions of the assets, the municipality may incur high costs of completing the projects as their condition has deteriorated.

OTHER PARTIES CONSULTED

None

ATTACHMENTS

Yes

DISCUSSIONS

1.Movables Assets Additions as at end June 2026

Additions for June

Count	Asset Barcode	Reporting	Asset Type Description	Supplier	Cost Incl VAT	Acquisition Cost	Ready For Use Date
Additions 2025/26	ULM 10233	COMPUTER EQUIPMENT	Computer with slip printer	Precious	22,000.00	22,000.00	2026/05/25
Additions 2025/26	101386	MACHINERY	Speed Camera	Truvelo Manufactrer	355,553.50	309,176.96	2026/06/19
Additions 2025/27	101330	MACHINERY	Speed Camera	Truvelo Manufactrer	355,553.50	309,176.96	2026/06/19

2.Completed Capital projects - June 2026

1. Municipal hall parking area -
2. Nophoyi sport field
3. Sogoni community hall
4. Ntenetyana to Godola Access Road
5. Qhanqu Access Road
6. Mt White Access Road
7. Surfacing of Kwa Bhaca internal street phase 8
8. Moyeni-Galali Access Road

Completed Capital projects July 2025 - June 2026

Ref:	WIP REF	Project Name	*Type*	Asset Class	Status	Closing Balance 2025	Capital Expenditure 2026	Transfers Out 2026/ Completed	Closing Balance 2026
ULM_WIP_359	A357	Surfacing of MT Frere Internal Streets Phase 8	***I***	Infrastructure	Completed	17,235,175.60	7,094,309.09		24,329,484.69
ULM_WIP_386	A384	Profetional Fees Mt White AR with concrete slab	***I***	Infrastructure	Completed	223,230.85	527,419.25		750,650.10
ULM_WIP_417	A415	Ntenetyana - Godola AR	***I***	Infrastructure	Completed	1,394,040.00	288,021.47		1,682,061.47
ULM_WIP_424	A422	Mt White AR with concrete slab	*I*	Infrastructure	Completed		7,771,920.43		7,771,920.43
ULM_WIP_427	A425	SOGONI COMMUNITY HALL	*B*	Community	Completed		2,505,553.01		2,505,553.01
ULM_WIP_433	A431	Moyeni - Galali AR Maint	*I*	Infrastructure	Completed		1,082,792.52		1,082,792.52
ULM_WIP_456	A454	Completion of Nophoyi Cluster Sport Facility	*B*	Building	Completed		1,369,680.00		1,369,680.00
ULM_WIP_461	A459	Qhanqu AR Maintenance	*I*	Infrastructure	Completed		1,438,235.31		1,438,235.31
ULM_WIP_464	A462	Emaxesibeni Municipal hall parking area	*I*	Infrastructure	Completed		697,492.79		697,492.79
ULM_WIP_398	A396	Ntsizwa Hiking trail	***I***	Community	Completed	2,448,089.06	2,633,317.81	- 5,081,406.87	-
ULM_WIP_436	A434	Sigidini AR Maint	*I*	Infrastructure	Completed		1,860,901.23	- 1,860,901.23	-
ULM_WIP_440	A438	Fadeni AR Maint	*I*	Infrastructure	Completed		743,280.00	- 743,280.00	-
ULM_WIP_442	A440	Upper Dambeni AR Maint	*I*	Infrastructure	Completed		1,267,921.50	- 1,267,921.50	-
ULM_WIP_446	A444	Mpoza AR Maint	*I*	Infrastructure	Completed		879,611.40	- 879,611.40	-
ULM_WIP_448	A446	Ndakeni to Malenge AR Maint	*I*	Infrastructure	Completed		1,050,895.04	- 1,050,895.04	-
ULM_WIP_455	A453	Thwa AR Maint	*I*	Infrastructure	Completed		1,128,740.00	- 1,128,740.00	-
ULM_WIP_459	A457	Nkangala to Nkwazini AR	*I*	Infrastructure	Completed		833,272.76	- 833,272.76	-
ULM_WIP_351	A349	Prof Fees - Bhakaleni to Sekileni via Mqoma Access Road-MIG	***I***	Infrastructure	Completed	1,314,891.60	422,936.96	- 1,737,828.56	-
ULM_WIP_379	A377	Ntenetyana camp site	***B***	Community	Completed	497,880.09	370,040.38	- 867,920.47	-
ULM_WIP_385	A383	Bhakaleni to Sekileni via Mqoma Access Road-MIG	***I***	Infrastructure	Completed	6,728,200.10	5,619,626.00	- 12,347,826.10	-
ULM_WIP_396	A394	Sikolweni AR	***I***	Infrastructure	Completed	719,455.00	325,093.88	- 1,044,548.88	-
ULM_WIP_405	A403	Nqalweni AR	***I***	Infrastructure	Completed	862,580.82	518,321.78	- 1,380,902.60	-
ULM_WIP_407	A405	Nyathini Bridge	***I***	Infrastructure	Completed	1,806,685.00	236,290.00	- 2,042,975.00	-
ULM_WIP_418	A416	Velem via Mthonjeni - Gamakhulu AR	***I***	Infrastructure	Completed	1,696,530.00	763,917.28	- 2,460,447.28	-
ULM_WIP_422	A420	Osborn Community hall	*B*	Community	Completed		3,022,306.51	- 3,022,306.51	-
ULM_WIP_425	A423	Nxashini AR Maintenance	*I*	Infrastructure	Completed		1,339,275.00	- 1,339,275.00	-
ULM_WIP_426	A424	Sidakeni Community Hall	*B*	Community	Completed		2,612,921.73	- 2,612,921.73	-
ULM_WIP_429	A427	Luxwesa AR Maintenance	*I*	Infrastructure	Completed		1,386,721.91	- 1,386,721.91	-
ULM_WIP_430	A428	Magcakini to Majuba AR Maintenance	*I*	Infrastructure	Completed		1,023,281.76	- 1,023,281.76	-
ULM_WIP_432	A430	Mmangweni Access Road	*I*	Infrastructure	Completed		1,689,596.95	- 1,689,596.95	-
ULM_WIP_437	A435	Sivumela AR Maint	*I*	Infrastructure	Completed		1,386,760.00	- 1,386,760.00	-
ULM_WIP_439	A437	Bethane via Luqolweni to Bhakaneni AR Maint	*I*	Infrastructure	Completed		1,651,870.00	- 1,651,870.00	-
ULM_WIP_443	A441	Good Hope via Komkhulu Access Road	*I*	Infrastructure	Completed		1,797,963.81	- 1,797,963.81	-
ULM_WIP_445	A443	Dutyini Slab	*I*	Infrastructure	Completed		28,009.08	- 28,009.08	-

BOQs have been sent to Engineers for unbundling and capitalizing purpose, for other projects a reminder has been sent to Infrastructure.

Retention registers as at June 2026 (Annexure A)

Retention Schedule Reconciliation

Municipality:	**UMZIMVUBU LOCAL MUNICIPALITY**
Period:	**Jun-26**
Opening Balance as at 01 July 2025	**13,788,170.86**
Retention Paid 2025/2026	**7,504,819.40**
Retention Raised to date 2025/2026	**15,053,008.60**
Closing Balance as at June 2026	**28,841,179.46**

Overdue retentions – To be transferred to Municipal Revenue

- Upgrading of EmaXesibeni Streets along CBD Phase 2
- Mpemba Bridge with 6km

UMZIMVUBU LOCAL MUNICIPALITY
RETENTION SCHEDULE 2025-2026

UMZIMVUBU

RETENTION SCHEDULE FOR 2025-2026											
		Retention With-Held				Retention/Surety Released			Balance To Date	Project Status to date	
Name of the Project	Contractor Awarded	Construction Award Value	Retention Opening Balance as at 01 July 2025	Retentionand Surety withheld as at 30 June 2026(excluding VAT)	Total June 2026	Retention/surety Released/Adjustment(VAT Incl)	VAT on Retention/surety	Retention/surety Release/Adjusted (VAT Excl)	Retetion plus Surety Closing Balance 30 June 2026 excl V	Project Status to date	Funding
Upgrading of EmaXesibeni Streets along CBD Phase 2	Mabona Civils & Plant Hire	20,175,503.12	R 429,191.91		R 429,191.91				R 429,191.91	Retention	OTP
Mpemba Bridge with 6km	Bhodlinyama Trading	12,166,112.11	R 306,871.55		R 306,871.55				R 306,871.55	Retention	MIG

Unclaimed Retention transferred to Municipal revenue

- Dungu Access road
- Gubhuzi Access road
- Fencing of Emaxesibeni Landfill site
- Completion of Nophoyi Sport field

UMZIMVUBU LOCAL MUNICIPALITY
RETENTION SCHEDULE 2025-2026

UMZIMVUBU

RETENTION SCHEDULE FOR 2025-2026						
		Retention With-Held			Balance To Date	Project Status to date
Name of the Project	Contractor Awarded	Construction Award Value	Retention Opening Balance as at 01 July 2025	Total March 2026	Retetion plus Surety Closing Balance 30 June 2025 excl VAT	Project Status to date
Completion of Nophoyi Sport	Twizza	1,689,281.00	R 36,720.50	R 36,720.50	R 36,720.50	Completed
Fencing of Emaxesibeni Land	Nondoda Construction	1,063,700.00	R 76,422.42	R 76,422.42	R 76,422.42	Completed
Dungu Access road	Hlubelihle Trading	1,491,970.00	R 140,959.00	R 140,959.00	R 140,959.00	Completed
Gubhuzi Access Road	iXhanga Trading	1,272,880.00	R 166,610.25	R 166,610.25	R 166,610.25	Completed
		5,517,831.00	**420,712.17**	**420,712.17**	**420,712.17**	-

Work In Progress as at June 2026 (Annexure B)

2026			
Reconciliation of Work-in-Progress			
	Infrastructure	**Buildings**	**Total**
Opening balance	50,785,446	43,063,663	R93,849,109.00
Additions/capital expenditure	R86,315,674.60	R20,039,578.57	R106,355,253.17
Transferred to completed items	- 45,831,767.86	- 8,181,416.67	-R54,013,184.53
	91,269,352.74	**54,921,824.90**	**146,191,177.64**

Commitment report as 30 June 2026 (Annexure C)

FULL PROJECT ID EXTRACT	TENDER/BID/PROJECT NUMBER EXPORT FILE	DESCRIPTION	Service	Commitment Start of Year VAT Inclusive	Expenditure during the year VAT Inclusive	Commitment Year end VAT Inclusive
		Total		**28,069,560.61**	**-**	**28,069,560.61**
		Buildings		6,448,860.81	-	6,448,860.81
		Community		-	-	-
		Infrastructure		21,620,699.80	-	21,620,699.80
		Intangible		-	-	-
		Investment		-	-	-
		Other		-	-	-

Recommendation

That the report for June 2026 (S71) be noted by Council.