

**STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF  
THE 2025/26 BUDGET FOR THE PERIOD ENDED 30 APRIL 2026**

**1. PURPOSE**

The purpose of the report is for the Executive Mayor to **CONSIDER** and **NOTE** the statement of financial performance and the implementation of the 2025/26 budget of the Buffalo City Metropolitan Municipality for the period ended 30 April 2026.

**2. AUTHORITY**

Executive Mayor.

**3. LEGAL / STATUTORY REQUIREMENTS**

3.1. The Constitution of the Republic of South Africa, 1996

3.2. Municipal Finance Management Act No 56, 2003 Chapter 7, Section 71

3.3. Municipal Budget and Reporting Regulations, 2009

**4. BACKGROUND / REASONING**

In terms of Section 71 of the Municipal Finance Management Act No 56, 2003 Chapter 7, “the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality’s budget”.

According to the Municipal Budget Reporting and Regulations (MBRR), 2009, “the monthly budget statement of a municipality must be in a format specified in Schedule C and include all the required tables, charts and explanatory information taking into account any guidelines issued by the Minister in terms of S168(1) of the Act” (MFMA). This report follows the legislative requirements of the Municipal Budget and Reporting Regulations (Schedule C format).

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# **PART 1: IN-YEAR REPORT**

## 5. RESOLUTIONS

It is recommended that:

- (i) Executive Mayor **CONSIDERS** and **NOTES** the report on the statement of financial performance and the implementation of the 2025/26 budget for the period ended 30 April 2026 including supporting documentation attached as Annexure A to F.
- (ii) Executive Mayor **NOTES** the spending trend on capital and operating projects as well as the reasons for such an expenditure as indicated in section 14 and 15 respectively of this report.
- (iii) Executive Mayor **NOTES** the year to date collection rate for the period ended 30 April 2026 of 70.96%.

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**M. YAWA**

**CITY MANAGER**

**BUFFALO CITY METROPOLITAN MUNICIPALITY**

SIYABULELA PETER/ VM

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**DATE**

### **ANNEXURES:**

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Buffalo City Metropolitan Development Agency Performance Report

## **6. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY FOR THE PERIOD ENDED 30 APRIL 2026**

### **6.1. Dashboard / Performance Summary**

**Table 1: Performance Summary**

<b>OVERALL OPERATING RESULTS – 30 APRIL 2025</b>		<b>OVERALL OPERATING RESULTS – 30 APRIL 2026</b>	
Income	R 8,698,867,904	Income	R 9,334,356,282
Expenditure	(R 9,277,140,968)	Expenditure	(R 9,601,444,430)
Operating Surplus/(Deficit) before Transfers and Subsidies Recognised – Capital	(R 578,273,064)	Operating Surplus/(Deficit) before Transfers and Subsidies Recognised – Capital	(R 267,088,148)
Transfers and Subsidies Recognized – Capital	R 406,968,607	Transfers and Subsidies Recognised – Capital	R 566,460,191
Intercompany/Parent subsidiary transactions	R 38,387,532	Intercompany/Parent subsidiary transactions	R 33,043,478
Surplus/(Deficit) after Capital Transfers	(R 132,916,925)	Surplus/(Deficit) after Capital Transfers	R 332,415,522
<b>CASH MANAGEMENT – 30 APRIL 2025</b>		<b>CASH MANAGEMENT – 30 APRIL 2026</b>	
<b>Cash and cash equivalents</b>	<b>R 1,282,332,268</b>	<b>Cash and cash equivalents</b>	<b>R 1,410,074,942</b>
Account Payables	(R 1,191,447,199)	Account Payables	(R 1,209,402,244)
Unspent conditional grants	(R 795,229,932)	Unspent conditional grants	(R 475,510,219)
Committed to Capital budget-own funds	(R 249,546,133)	Committed to Capital budget-own funds	(R 239,233,454)
<b>DEBTORS – 30 APRIL 2025</b>		<b>DEBTORS – 30 APRIL 2026</b>	
Total debtors' book (incl. impairment)	R 8,906,683,168	Total debtors' book (incl. impairment)	R 10,182,541,984
Total debtors – Government	R 119,331,179	Total debtors – Government	R 207,798,511
Total debtors – Business	R 1,578,929,722	Total debtors – Business	R 1,833,790,351
Total debtors – Households	R 7,208,422,267	Total debtors – Households	R 8,140,953,122
Total debt written off incl. Vat (YTD)	R 456,838,157	Total debt written off incl. Vat (YTD)	R 754,769,040
<b>TOTAL LONG-TERM LOANS</b>		<b>SURPLUS / (DEFICIT) PER SERVICE</b>	
<b>30 APRIL 2025</b>	<b>30 APRIL 2026</b>	<b>30 APRIL 2025</b>	<b>30 APRIL 2026</b>
R 79,631,458	R 54,593,766	Water R 245,642,521	R 231,911,100
<b>REPAIRS AND MAINTENANCE</b>		Electricity (R 704,854,258)	(R 771,928,203)
<b>30 APRIL 2025</b>	<b>30 APRIL 2026</b>	Refuse R 133,799,762	R 168,961,574
Exp.= R335.64 m, which is 64% of budget of R527.75 m	Exp.= R288.17 m, which is 64% of budget of R450.80 m	Sewerage R 227,124,906	R 281,884,166
<b>CAPITAL EXPENDITURE</b>		<b>OPERATING PROJECTS EXPENDITURE</b>	
<b><u>30 April 2025: Exp. as a % of Adjusted Budget of R1.43b:</u></b>	<b><u>30 April 2026: Exp. as a % of Adjusted Budget of R1.55b:</u></b>	<b><u>30 April 2025: Exp. as a % of Adjusted Budget of R521.16m:</u></b>	<b><u>30 April 2026: Exp. as a % of Adjusted Budget of R581.67m:</u></b>
Exp. (excl. vat) = 687.34 mil % exp. (Excl. vat) :48%	Exp. (excl. vat) = R709,43 mil % exp. (Excl. vat) :46%	Exp. (excl. vat) = R215.62 mil % exp. (excl. vat): 41%	Exp. (excl. vat) = R298.72 mil % exp. (excl. vat): 51%
Exp. (incl. vat) = R740.70 mil % exp. (incl. vat): 52%	Exp. (incl. vat) = R772.73 mil % exp. (incl. vat): 50%	Exp. (incl. vat) = R220.97 mil % exp. (incl. vat): 42%	Exp. (incl. vat) = R306.87 mil % exp. (incl. vat): 53%

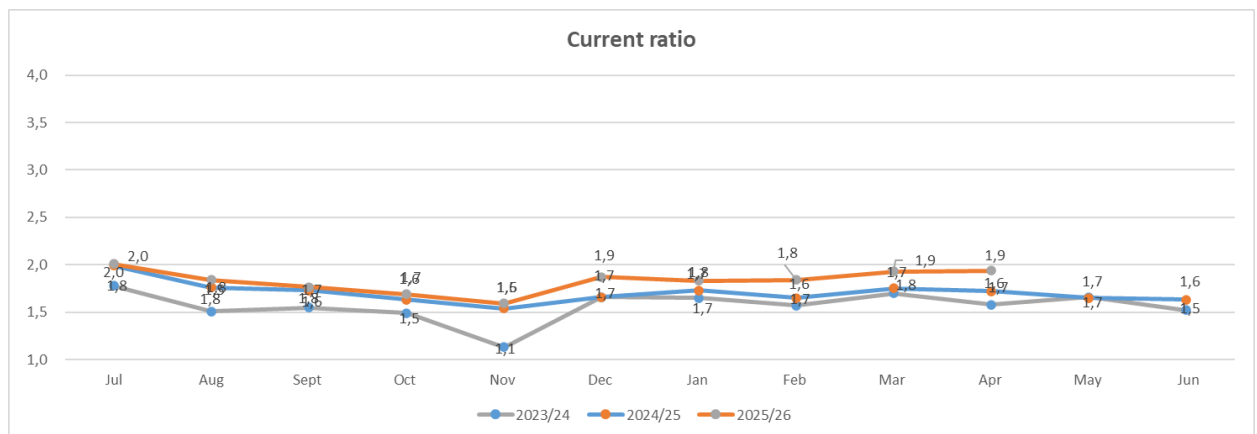
<b>FINANCIAL</b>	<b>30 APRIL 2025</b>	<b>30 APRIL 2026</b>	<b>HUMAN RESOURCES 30 APRIL 2026</b>	
Operating Surplus/(Deficit) after Capital Transfers and Intercompany transactions	(R 647,635,716)	R 332,415,522	Total staff complement	4 808
Debtors' collection ratio	69,62%	70,96%	Staff Appointments	184
YTD Grants and subsidies: recognized – Capital	R 289,732,849	R 566,460,191	Staff Terminations	168
Creditor's payment days	29 days	39 days	Number of funded vacant posts (under recruitment process)	393
Current ratio	1.72:1	1.94:1	Total overtime paid (YTD)	R 148,364,773
Total Debt to Revenue	0,89%:	0.58%	Allowances and benefits – Councillors (YTD)	R 62,740,622
Capital Charges to Operating Expenditure	0.41%	0.34%	Salary bill – Officials (YTD)	R 2,375,546,013
Cost coverage ratio	0.74 month	1.33 month	Workforce costs as a % of expenditure	25.39%

## 6.2. Liquidity position

Buffalo City Metropolitan Municipality's liquidity is considered stable as the Current Ratio is 1.94:1. which indicates the ability of municipality's current assets to cover its current liabilities. This is within the norm of 1.5-2:1. However, the non-achievement of the budgeted collection of 76% and high rate of increase in operating costs is a threat to the City's cash position. This ratio denotes that the City is able to meet its short-term liabilities.

The graph below shows a comparison of the current ratio for the current financial year and the two previous financial years.

**Figure 1: Current Ratio**



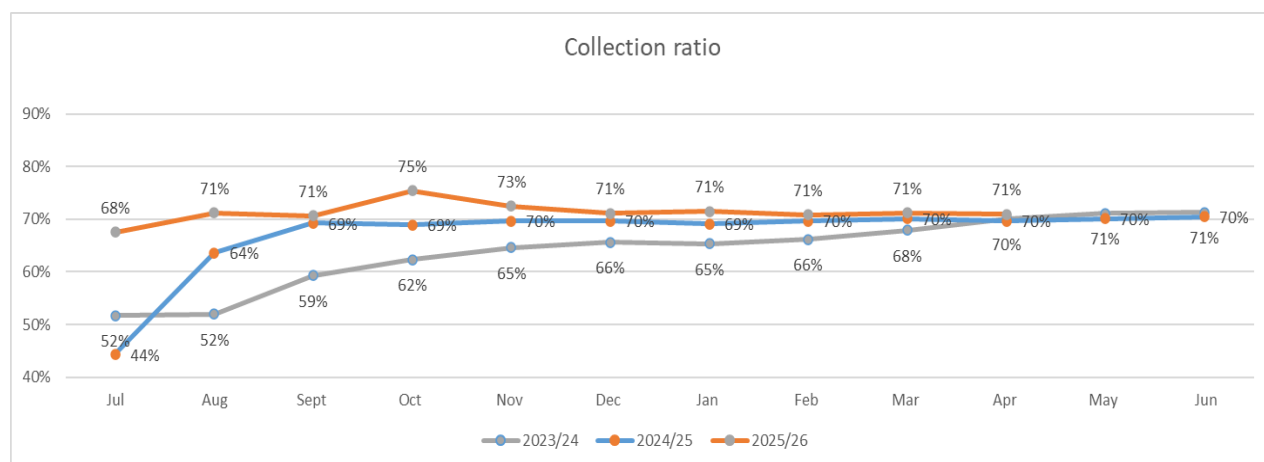
## 6.3. Collection Rate and Outstanding Debtors

The year-to-date collection rate as at 30 April 2026 is 70.96% (2024/25: 69,62%). This ratio denotes the City's ability to collect the billed revenue from its consumers. The collection rate has decreased by 0.22% from last month where 71,18% was achieved for the period ended 31 March 2026. Refer to Section 8 for further details.



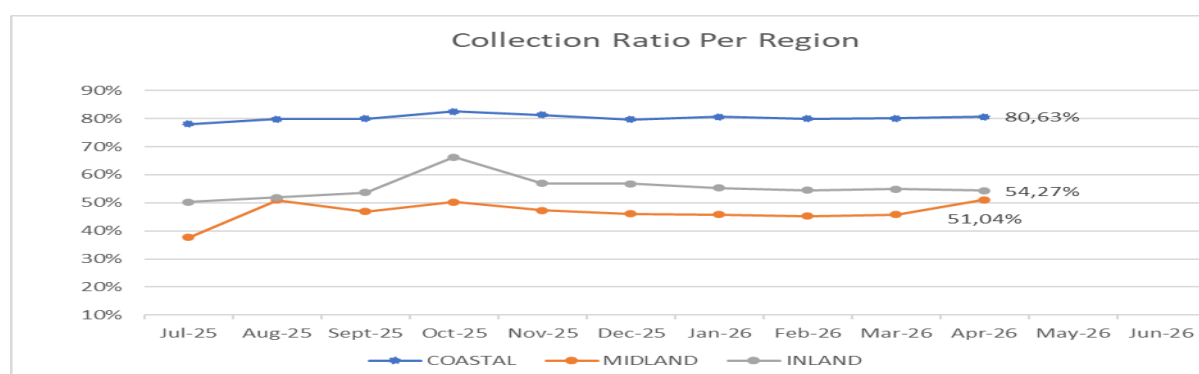
The graph below shows a comparison of the monthly collection ratio for the current financial year and the two previous financial years.

**Figure 2: Collection Ratio**



The graph below shows comparison of the monthly collection ratio per region for the current financial year. The year-to-date collection rate as at 30 April 2026 per region is as follows: Coastal 80,63% Midland 51,04% and Inland 54,27%.

**Figure 3: Collection Ratio Per Region**



Total gross debtors' book (including current accounts) as at 30 April 2026 amounts to R10.18 billion (2024/25 R8.91 billion). Households: R8.14 billion, Business: R1.83 billion and Government: R207.80 million. Refer to section 8 of the report for details on debtors' management. The debtors' age analysis report is reflected on Annexure B – SC3.

#### **6.4. Capital Expenditure**

The Metro has spent 50% (R772.73 million, inclusive of reclaimed vat) of its 2025/26 adjusted capital budget of R1.55 billion as at 30 April 2026. This reflects a decline when compared to the same period in the previous financial year where 52% (R740.70 million, inclusive of reclaimed vat) of the adjusted capital budget of R1.43 billion was spent. (Refer to Section 14 for further details).

A detailed schedule of the capital projects expenditure is outlined in **Annexure E**.

#### **6.5. Operating Projects**

The Metro has spent 53% (R306.87 million, inclusive of reclaimed vat) of its 2025/26 adjusted operating projects budget of R581.67 million as at 30 April 2026. This reflects an improvement when compared to the same period in the previous financial year where 42% (R220.97 million, inclusive of reclaimed vat) of the adjusted operating projects budget of R521.16 million was spent. (Refer to Section 15 for further details).

A detailed schedule of the operating projects expenditure is outlined in **Annexure D**.

#### **6.6. Expenditure on Conditional Grants (DoRA Allocation)**

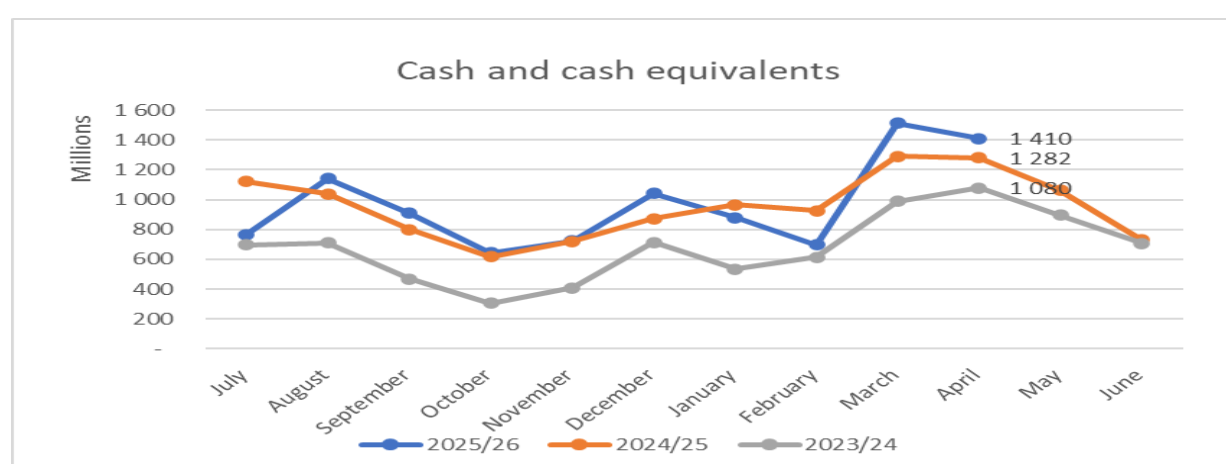
The Metro has spent 54% (R672.17 million, inclusive of reclaimed vat) of its 2025/26 conditional grants approved adjusted budget of R1.25 billion as at 30 April 2026. This reflects a slight decline when compared to the same period in the previous financial year where 56% (R584.66 million, inclusive of reclaimed vat) of conditional grants budget of R1.05 billion was spent. (Refer to Section 11.1 for further details).

## 6.7. Cash and Cash Equivalents

The cash and cash equivalents of the City as at 30 April 2026 is R1.41 billion made up of cash at the primary bank account amounting to R106.63 million and call investment deposits of R1.30 billion. This funding is invested with various financial institutions in compliance with the MFMA.

The graph below shows comparison of the monthly cash and cash equivalents over the 3-year period.

**Figure 4: Cash and Cash Equivalents**



Cash reserves have shown an improvement when compared to the same period over the previous two financial years. Refer to Section 7.4.5 and Annexure A – C7 for the cash flow statement as well as Section 10 and Annexure B – SC5 for the investment portfolio breakdown. The City has since decreased its capital investment from internally generated funds.

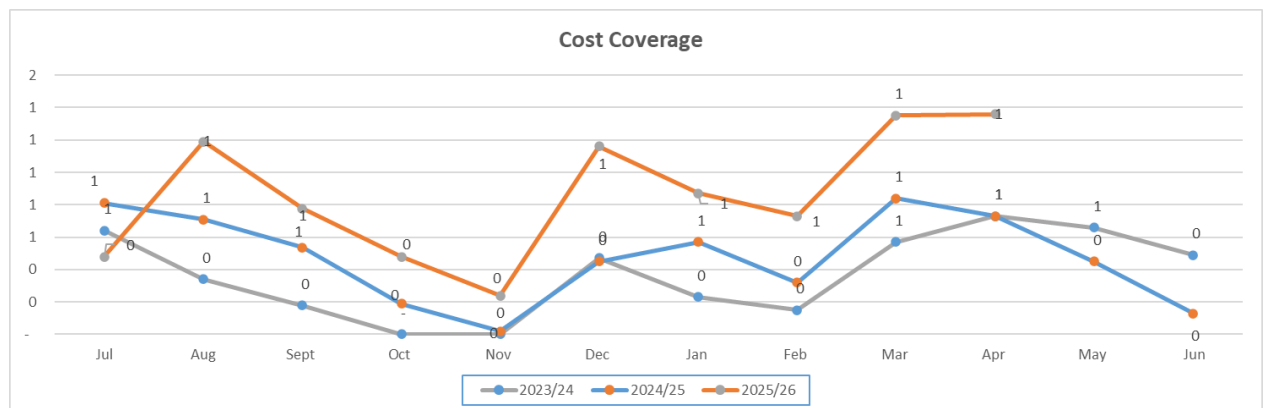
The cost coverage ratio of the City is 1.33 month. This ratio indicates the municipality's ability to meet its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue during that period. This ratio denotes that the City will be able to meet its monthly operating commitments as the ratio is within the norm of 1-3 months as per the MFMA circular 71. The City's cost coverage will have a short- and long-term negative effect on the City's Credit Ratings.

The below are the strategies to improve the cost coverage ratio:

- Continuous engagements with the Provincial Department of Human Settlements and BCMM Human Settlements to fast track the payment of HSDG projects and collection thereof.
- Recovery of collectable debt owed through full implementation of the Credit Control Policy
- Increase the Revenue base of the Metro
- Review and address the under/unfunded mandates the City carries out on behalf of other Government Departments
- Continuous implementation of the Cost Containment Measures currently in place to improve the City's financial health.

The graph below shows comparison of the monthly cost coverage for the current financial year and the two previous financial years.

**Figure 5: Cost Coverage**



## 6.8. Outstanding Creditors

The Metro always strives to pay all its creditors within 30 days as stipulated by section 65 (e) of the MFMA except when there are disputes on received invoices. The creditors payment period for the reporting period (30 April 2026) is 39 days. The creditors' days as at 30 April 2026 includes an amount of R245.65 relating to Eskom, which is only due at month-end. When excluding this not-yet-due amount, the adjusted creditors' days is 27 days. Refer to Section 9 for details.

Table 2 below reflects a breakdown of Account Payables for the reporting period under review which amounted to R1,21 billion made up of the following:

**Table 2: Account Payables breakdown**

<b>Accounts Payable</b>	<b>Amount</b>
Trade payables	309 404 930
Payments received in advance	228 218 712
Retention monies	75 100 103
Accrued leave pay	131 274 799
Deposits received	8 231 637
Sundry creditors - other	457 172 063
<b>Total</b>	<b>1 209 402 244</b>

#### **6.9. Long-Term Debt Profile**

The total long-term borrowings of the municipality as at 30 April 2026 amounts to R54.59 million. Refer to Annexure C for the schedule of borrowings. The ratio of capital charges to operating expenditure as at 30 April 2026 is 0.34%. This ratio assesses the level of capital charges / interest charges to operating expenditure. The norm as per the MFMA circular 71 is between 6 and 8%. The total debt to revenue ratio is 0.58% as at 30 April 2026, this indicates the extent of total borrowings (short- and long-term debt financing) in relation to total operating revenue of the municipality. The purpose of the ratio is to provide assurance that sufficient revenue will be generated to repay liabilities. The outcome is below the National Treasury set ceiling of 45%.

#### **6.10. Performance by Trading Service - Electricity**

The electricity service has achieved an operating deficit of R 771 928 203 for the period ended 30 April 2026. The following are the factors that contributed to the deficit.

- i. The Metro has high electricity losses which account for R1.28 for every kWh sold.
- ii. Increase in meter tampering and illegal connections into the BCMM

#### Electrical Grid.

- iii. The move by more affluent consumers off grid or alternative energy sources.
- iv. The City is using a Revaluation Model as an accounting policy of choice to subsequently measure its infrastructure assets in line with Generally Recognised Accounting Practices (GRAP) which results to annual increase in the City's asset base due to price increases in the construction industry, this therefore attracts an equivalent increase in the depreciation expense for the Metro's infrastructure network.

#### Remedial action to address loss of revenue from electricity services:

- i. The monitoring of Smart Electricity Metering will assist in curbing non-technical losses.
- ii. Electrification of informal areas is currently being implemented in suitable informal settlements to reduce illegal connections.
- iii. Investigating alternative ways to provide non-grid solutions to informal areas with potential support from Department of Energy (DoE).
- iv. Revenue protection services performs raids through collaborations with other law enforcement agencies (SAPS, Metro law enforcement & Department of Justice).
- v. The Metro has introduced a revised basic charge for Small-scale embedded generation (SSEG) customers to off-set some of the financial loss associated with "off-grid" customers.
- vi. The Metro has embarked on a National Treasury turn-around strategy where it is expected to derive funding from National Treasury to fund the loss reduction program.

## 7. IN-YEAR BUDGET STATEMENT MAIN TABLES

### 7.1 Monthly Budget Statement Summary

The table below provides a high-level summary of the Metro's financial performance, capital expenditure, financial position, cash flow, debtors and creditors analysis.

**Table 3:C1: Monthly Budget Statement Summary**

BUF Buffalo City - Table C1 Consolidated Monthly Budget Statement Summary - M10 April

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	2 169 015	2 328 401	2 328 401	167 447	1 846 125	1 878 088	(31 963)	-2%	2 328 401
Service charges	4 994 155	5 391 833	5 335 333	444 085	4 440 332	4 456 075	(15 743)	-0%	5 335 333
Investment revenue	72 215	71 134	71 134	5 970	45 008	59 852	(14 844)	-25%	71 134
Transfers and subsidies - Operational	1 483 807	1 801 124	1 771 062	43 776	1 534 732	1 474 124	60 608	0	1 771 062
Other own revenue	1 558 575	1 361 077	1 417 577	68 518	1 468 160	1 280 261	187 899	15%	1 417 577
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>10 277 766</b>	<b>10 953 569</b>	<b>10 923 507</b>	<b>729 797</b>	<b>9 334 356</b>	<b>9 148 400</b>	<b>185 956</b>	<b>2%</b>	<b>10 923 507</b>
Employee costs	2 780 686	2 932 056	2 899 791	235 614	2 375 546	2 339 839	35 707	2%	2 899 791
Remuneration of Councillors	70 373	81 578	81 578	8 443	62 741	63 484	(743)	-1%	81 578
Depreciation and amortisation	2 362 853	595 663	599 663	131 565	1 378 681	501 906	876 775	175%	599 663
Interest	44 468	6 551	21 551	458	5 619	14 610	(8 991)	-62%	21 551
Inventory consumed and bulk purchases	2 984 568	3 483 065	3 359 886	228 027	2 764 075	2 658 612	105 463	4%	3 359 886
Transfers and subsidies	102 451	117 729	129 479	3 282	87 749	80 600	7 149	9%	129 479
Other expenditure	3 737 721	3 734 958	3 829 590	280 932	2 927 034	3 050 285	(123 251)	-4%	3 829 590
<b>Total Expenditure</b>	<b>12 083 121</b>	<b>10 951 601</b>	<b>10 921 539</b>	<b>888 321</b>	<b>9 601 444</b>	<b>8 709 336</b>	<b>892 108</b>	<b>10%</b>	<b>10 921 539</b>
<b>Surplus/(Deficit)</b>	<b>(1 805 354)</b>	<b>1 968</b>	<b>1 968</b>	<b>(158 524)</b>	<b>(267 088)</b>	<b>439 064</b>	<b>(706 152)</b>	<b>-161%</b>	<b>1 968</b>
Transfers and subsidies - capital (monetary allocations)	773 040	808 900	1 101 895	83 848	566 460	627 220	(60 760)	-10%	1 101 895
Transfers and subsidies - capital (in-kind)	5 666	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(1 026 648)</b>	<b>810 868</b>	<b>1 103 864</b>	<b>(74 676)</b>	<b>299 372</b>	<b>1 066 284</b>	<b>(766 912)</b>	<b>-72%</b>	<b>1 103 864</b>
Share of surplus/ (deficit) of associate	36 996	-	-	-	33 043	-	33 043	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(989 651)</b>	<b>810 868</b>	<b>1 103 864</b>	<b>(74 676)</b>	<b>332 416</b>	<b>1 066 284</b>	<b>(733 868)</b>	<b>-69%</b>	<b>1 103 864</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>1 230 341</b>	<b>1 159 709</b>	<b>1 549 220</b>	<b>49 267</b>	<b>709 434</b>	<b>1 208 738</b>	<b>(499 304)</b>	<b>-41%</b>	<b>1 549 220</b>
Capital transfers recognised	702 486	808 800	1 102 795	72 752	501 258	844 269	(343 012)	-41%	1 102 795
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	527 855	350 908	446 425	(23 485)	208 176	364 468	(156 292)	-43%	446 425
<b>Total sources of capital funds</b>	<b>1 230 341</b>	<b>1 159 709</b>	<b>1 549 220</b>	<b>49 267</b>	<b>709 434</b>	<b>1 208 738</b>	<b>(499 304)</b>	<b>-41%</b>	<b>1 549 220</b>
<b>Financial position</b>									
Total current assets	5 595 370	6 037 042	5 977 169		7 628 926				5 977 169
Total non current assets	42 466 105	31 201 935	42 408 034		41 794 633				42 408 034
Total current liabilities	7 384 468	3 727 589	4 036 967		4 780 541				4 036 967
Total non current liabilities	1 331 812	1 049 141	1 374 428		1 304 462				1 374 428
Community wealth/Equity	43 011 000	32 462 247	42 973 808		43 341 603				42 973 808
<b>Cash flows</b>									
Net cash from (used) operating	5 791 310	1 195 726	1 627 210	705 594	6 087 728	(482 806)	(6 570 534)	1361%	1 627 210
Net cash from (used) investing	(1 213 755)	(1 159 709)	(1 549 220)	(49 267)	(717 466)	(1 291 017)	(573 551)	44%	(1 549 220)
Net cash from (used) financing	(7 704)	(21 746)	(21 746)	140	(22 723)	(18 122)	4 601	-25%	(21 746)
<b>Cash/cash equivalents at the month/year end</b>	<b>5 290 837</b>	<b>871 066</b>	<b>787 272</b>	<b>6 078 568</b>	<b>6 078 568</b>	<b>(1 060 916)</b>	<b>(7 139 483)</b>	<b>673%</b>	<b>787 272</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	708 296	375 370	305 815	265 171	269 045	236 395	1 386 722	6 635 729	10 182 542
<b>Creditors Age Analysis</b>									
Total Creditors	1 150 198	59 204	-	-	-	-	-	-	1 209 402

## 7.2 Monthly Budget Statement – Financial Performance (standard classification)

The table below is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.

**Table 4: C2: Monthly Budget Statement – Financial Performance (standard classification)**

BUF Buffalo City - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - M10 April

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
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>3 810 696</b>	<b>4 133 003</b>	<b>3 975 186</b>	<b>193 751</b>	<b>3 444 917</b>	<b>3 409 153</b>	35 763	1%	<b>3 975 186</b>
Executive and council		22 480	19 211	19 211	618	24 176	15 579	8 597	55%	19 211
Finance and administration		3 788 216	4 113 792	3 955 975	193 133	3 420 741	3 393 575	27 166	1%	3 955 975
Internal audit		–	–	–	–	–	–	–	–	–
<i><b>Community and public safety</b></i>		<b>591 214</b>	<b>809 936</b>	<b>676 158</b>	<b>17 095</b>	<b>411 251</b>	<b>513 094</b>	(101 843)	-20%	<b>676 158</b>
Community and social services		33 400	87 169	59 669	1 847	29 234	42 523	(13 289)	-31%	59 669
Sport and recreation		17 572	26 592	26 670	1 001	12 411	17 495	(5 084)	-29%	26 670
Public safety		242 505	208 755	216 376	7 119	190 629	166 011	24 618	15%	216 376
Housing		296 186	487 379	373 402	7 067	178 321	287 036	(108 716)	-38%	373 402
Health		1 552	42	42	61	655	28	627	2245%	42
<i><b>Economic and environmental services</b></i>		<b>266 933</b>	<b>195 291</b>	<b>374 309</b>	<b>17 978</b>	<b>148 535</b>	<b>261 422</b>	(112 886)	-43%	<b>374 309</b>
Planning and development		97 802	132 130	129 311	4 159	58 075	94 037	(35 962)	-38%	129 311
Road transport		169 131	63 160	244 998	13 818	90 460	167 385	(76 924)	-46%	244 998
Environmental protection		–	–	–	–	–	–	–	–	–
<i><b>Trading services</b></i>		<b>6 303 481</b>	<b>6 518 064</b>	<b>6 902 856</b>	<b>553 417</b>	<b>5 825 847</b>	<b>5 525 237</b>	<b>300 610</b>	5%	<b>6 902 856</b>
Energy sources		3 272 365	3 384 566	3 494 365	304 421	3 060 728	2 969 177	91 551	3%	3 494 365
Water management		1 399 786	1 376 974	1 557 549	136 647	1 353 200	1 171 611	181 589	15%	1 557 549
Waste water management		883 160	897 870	994 311	60 924	734 169	737 217	(3 049)	0%	994 311
Waste management		748 170	858 654	856 631	51 425	677 751	647 232	30 519	5%	856 631
<i><b>Other</b></i>	<b>4</b>	<b>84 149</b>	<b>106 175</b>	<b>96 892</b>	<b>31 405</b>	<b>70 267</b>	<b>66 714</b>	<b>3 553</b>	<b>5%</b>	<b>96 892</b>
<b>Total Revenue - Functional</b>	<b>2</b>	<b>11 056 473</b>	<b>11 762 469</b>	<b>12 025 402</b>	<b>813 645</b>	<b>9 900 816</b>	<b>9 775 620</b>	<b>125 197</b>	<b>1%</b>	<b>12 025 402</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>2 127 905</b>	<b>2 167 654</b>	<b>2 235 561</b>	<b>170 284</b>	<b>1 753 924</b>	<b>1 800 806</b>	(46 882)	-3%	<b>2 235 561</b>
Executive and council		328 614	349 398	383 940	30 131	296 812	298 225	(1 413)	0%	383 940
Finance and administration		1 787 421	1 801 686	1 835 033	138 485	1 445 884	1 489 388	(43 504)	-3%	1 835 033
Internal audit		11 870	16 570	16 588	1 667	11 228	13 193	(1 965)	-15%	16 588
<i><b>Community and public safety</b></i>		<b>1 537 433</b>	<b>1 558 816</b>	<b>1 470 469</b>	<b>106 451</b>	<b>1 190 573</b>	<b>1 178 740</b>	11 833	1%	<b>1 470 469</b>
Community and social services		216 319	169 006	171 109	13 879	164 026	138 665	25 361	18%	171 109
Sport and recreation		500 646	409 831	432 239	40 013	429 660	343 764	85 896	25%	432 239
Public safety		624 517	558 069	564 964	42 328	449 359	452 906	(3 547)	-1%	564 964
Housing		140 841	366 108	244 578	5 696	100 440	197 433	(96 993)	-49%	244 578
Health		55 110	55 802	57 578	4 535	47 088	45 972	1 116	2%	57 578
<i><b>Economic and environmental services</b></i>		<b>786 385</b>	<b>741 073</b>	<b>764 094</b>	<b>77 763</b>	<b>824 512</b>	<b>620 278</b>	204 233	33%	<b>764 094</b>
Planning and development		247 883	264 827	266 812	14 191	153 689	210 397	(56 709)	-27%	266 812
Road transport		538 502	476 246	497 282	63 572	670 823	409 881	260 942	64%	497 282
Environmental protection		–	–	–	–	–	–	–	–	–
<i><b>Trading services</b></i>		<b>7 483 820</b>	<b>6 328 267</b>	<b>6 279 542</b>	<b>526 218</b>	<b>5 716 299</b>	<b>4 981 874</b>	<b>734 425</b>	15%	<b>6 279 542</b>
Energy sources		3 625 107	4 382 455	4 226 132	314 361	3 647 055	3 333 232	313 823	9%	4 226 132
Water management		1 754 669	920 192	913 663	104 960	1 039 424	752 374	287 050	38%	913 663
Waste water management		1 302 563	461 200	495 720	44 322	450 586	390 995	59 592	15%	495 720
Waste management		801 480	564 419	644 027	52 575	579 233	505 273	73 960	15%	644 027
<i><b>Other</b></i>		<b>149 554</b>	<b>155 791</b>	<b>171 873</b>	<b>7 606</b>	<b>116 137</b>	<b>127 638</b>	<b>(11 500)</b>	<b>-9%</b>	<b>171 873</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>12 085 096</b>	<b>10 951 601</b>	<b>10 921 539</b>	<b>888 321</b>	<b>9 601 444</b>	<b>8 709 336</b>	<b>892 108</b>	<b>10%</b>	<b>10 921 539</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(1 028 624)</b>	<b>810 868</b>	<b>1 103 864</b>	<b>(74 676)</b>	<b>299 372</b>	<b>1 066 284</b>	<b>(766 912)</b>	<b>-0,719238</b>	<b>1 103 864</b>



### 7.3 Monthly Budget Statement – Financial Performance (Revenue and expenditure by municipal vote)

The table below shows budgeted financial performance in relation to the revenue and expenditure by vote as well as the operating surplus or deficit for the City.

**Table 5: C3: Monthly Budget Statement – Financial Performance (Revenue and expenditure by municipal vote)**

**BUF Buffalo City - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10**

Vote 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 by Vote	1									
Vote 01 - Directorate - Executive Support Services		148	–	935	31	103	610	(507)	-83,1%	935
Vote 02 - Directorate - Municipal Manager		22 798	19 211	19 211	3 391	26 979	15 579	11 401	73,2%	19 211
Vote 03 - Directorate - Human Settlement		296 186	487 379	373 402	18 266	189 520	287 036	(97 517)	-34,0%	373 402
Vote 04 - Directorate - Chief Financial Officer		3 706 308	4 075 817	3 917 065	189 089	3 391 188	3 365 083	26 105	0,8%	3 917 065
Vote 05 - Directorate - Corporate Services		15 638	9 851	9 851	532	8 055	7 848	207	2,6%	9 851
Vote 06 - Directorate - Infrastructure Services		5 724 454	5 722 571	6 291 224	524 936	5 247 683	5 045 389	202 293	4,0%	6 291 224
Vote 07 - Directorate - Spatial Planning And Development		152 615	98 155	95 336	6 231	67 932	63 436	4 496	7,1%	95 336
Vote 08 - Directorate - Health / Public Safety & Emergency Services		242 505	227 755	216 376	7 119	190 629	166 012	24 617	14,8%	216 376
Vote 09 - Directorate - Municipal Services		–	–	–	–	–	–	–	–	–
Vote 10 - Directorate - Economic Development & Agencies		132 125	168 273	158 991	32 815	114 819	117 349	(2 531)	-2,2%	158 991
Vote 11 - Directorate - Solid Waste And Environmental Management		754 520	864 673	862 649	51 675	681 467	650 555	30 912	4,8%	862 649
Vote 12 - Directorate - Sport, Recreation & Community Development		46 173	88 783	80 361	2 659	38 603	56 722	(18 119)	-31,9%	80 361
Vote 13 - Vote 13		–	–	–	–	–	–	–	–	–
Vote 14 - Vote 14		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	11 093 469	11 762 469	12 025 402	836 744	9 956 977	9 775 620	181 357	1,9%	12 025 402
Expenditure by Vote	1									
Vote 01 - Directorate - Executive Support Services		258 821	291 081	308 016	23 980	223 081	238 893	(15 812)	-6,6%	308 016
Vote 02 - Directorate - Municipal Manager		174 057	172 129	187 746	12 529	155 947	143 329	12 619	8,8%	187 746
Vote 03 - Directorate - Human Settlement		140 453	366 108	244 220	5 664	100 109	197 134	(97 025)	-49,2%	244 220
Vote 04 - Directorate - Chief Financial Officer		1 136 938	1 231 183	1 247 682	98 414	1 000 833	1 022 629	(21 796)	-2,1%	1 247 682
Vote 05 - Directorate - Corporate Services		239 628	245 802	271 702	19 377	214 656	220 749	(6 093)	-2,8%	271 702
Vote 06 - Directorate - Infrastructure Services		7 417 008	6 379 738	6 309 788	537 613	5 925 019	5 029 358	895 660	17,8%	6 309 788
Vote 07 - Directorate - Spatial Planning And Development		371 625	290 643	291 543	19 835	195 465	232 929	(37 464)	-16,1%	291 543
Vote 08 - Directorate - Health / Public Safety & Emergency Services		629 057	568 420	572 978	43 424	454 312	458 729	(4 416)	-1,0%	572 978
Vote 09 - Directorate - Municipal Services		–	–	–	–	–	–	–	–	–
Vote 10 - Directorate - Economic Development & Agencies		183 148	217 790	224 308	10 952	151 792	165 553	(13 762)	-8,3%	224 308
Vote 11 - Directorate - Solid Waste And Environmental Management		972 196	744 979	819 229	77 148	733 491	644 343	89 148	13,8%	819 229
Vote 12 - Directorate - Sport, Recreation & Community Development		562 166	443 727	444 327	39 384	446 739	355 690	91 049	25,6%	444 327
Vote 13 - Vote 13		–	–	–	–	–	–	–	–	–
Vote 14 - Vote 14		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	12 085 096	10 951 601	10 921 539	888 321	9 601 444	8 709 336	892 108	10,2%	10 921 539
Surplus/ (Deficit) for the year	2	(991 627)	810 868	1 103 864	(51 577)	355 532	1 066 284	(710 751)	-66,7%	1 103 864

#### 7.4 Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)

The statement of financial performance presented in table below, compares the expenditure and revenue on accrual basis against budget for the period ended 30 April 2026.

**Table 6: C4: Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)**

BUF Buffalo City - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April										
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		3 019 887	3 197 096	3 162 327	276 670	2 725 250	2 766 006	(40 756)	-1%	3 162 327
Service charges - Water		913 969	1 000 901	996 670	79 504	821 233	785 268	35 965	5%	996 670
Service charges - Waste Water Management		580 716	632 342	614 842	47 582	492 661	489 463	3 198	1%	614 842
Service charges - Waste management		479 584	561 494	561 494	40 329	401 187	415 337	(14 150)	-3%	561 494
Sale of Goods and Rendering of Services		122 557	159 693	133 271	10 812	104 264	97 269	6 995	7%	133 271
Agency services		21 002	29 389	29 389	(1 373)	24 047	24 980	(933)	-4%	29 389
Interest								—		
Interest earned from Receivables		375 564	231 858	281 578	47 722	401 494	224 649	176 845	79%	281 578
Interest from Current and Non Current Assets		72 215	71 134	71 134	5 970	45 008	59 852	(14 844)	-25%	71 134
Dividends								—		
Renton Land								—		
Rental from Fixed Assets		31 261	25 306	25 306	3 278	29 489	23 514	5 975	25%	25 306
Licence and permits								—		
Special rating levies								—		
Operational Revenue		66 617	92 056	63 931	161	30 597	53 233	(22 636)	-43%	63 931
Non-Exchange Revenue								—		
Property rates		2 169 015	2 328 401	2 328 401	167 447	1 846 125	1 878 088	(31 963)	-2%	2 328 401
Surcharges and Taxes								—		
Fines, penalties and forfeits		56 647	10 108	10 108	813	7 856	8 987	(1 131)	-13%	10 108
Licence and permits		16 427	14 625	12 953	1 251	12 711	11 786	924	8%	12 953
Transfers and subsidies - Operational		1 483 807	1 801 124	1 771 062	43 776	1 534 732	1 474 124	60 608	4%	1 771 062
Interest		6 327	—	6 500	799	7 418	3 900	3 518	90%	6 500
Fuel Levy		777 132	798 042	798 042	—	798 042	798 042	—		798 042
Operational Revenue		54 818	—	56 500	5 030	52 176	33 900	18 276	54%	56 500
Gains on disposal of Assets		1 211	—	—	—	40	—	40	0%	—
Other Gains		29 012	—	—	25	25	—	25	0%	—
Discontinued Operations								—		
Total Revenue (excluding capital transfers and contributions)		10 277 766	10 953 569	10 923 507	729 797	9 334 356	9 148 400	185 956	2%	10 923 507

**BUF Buffalo City - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April**

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 By Type										
Employee related costs		2 780 686	2 932 056	2 899 791	235 614	2 375 546	2 339 839	35 707	2%	2 899 791
Remuneration of councillors		70 373	81 578	81 578	8 443	62 741	63 484	(743)	-1%	81 578
Bulk purchases - electricity		2 631 543	3 193 457	3 065 657	204 919	2 501 405	2 412 530	88 875	4%	3 065 657
Inventory consumed		353 025	289 608	294 229	23 108	262 670	246 082	16 588	7%	294 229
Debt impairment		1 987 596	1 891 898	1 891 898	157 379	1 574 548	1 576 708	(2 160)	0%	1 891 898
Depreciation and amortisation		2 362 853	595 663	599 663	131 565	1 378 681	501 906	876 775	175%	599 663
Interest		44 468	6 551	21 551	458	5 619	14 610	(8 991)	-62%	21 551
Contracted services		854 597	1 165 425	1 153 463	67 330	697 950	786 932	(88 983)	-11%	1 153 463
Transfers and subsidies		102 451	117 729	129 479	3 282	87 749	80 600	7 149	9%	129 479
Irrecoverable debts written off		—	—	—	—	—	—	—		—
Operational costs		671 089	556 263	662 858	46 179	548 024	584 316	(36 293)	-6%	662 858
Losses on Disposal of Assets		11 817	—	—	—	—	—	—		—
Other Losses		212 622	121 371	121 371	10 043	106 512	102 328	4 184	4%	121 371
Total Expenditure		12 083 121	10 951 601	10 921 539	888 321	9 601 444	8 709 336	892 108	10%	10 921 539
Surplus/(Deficit)		(1 805 354)	1 968	1 968	(158 524)	(267 088)	439 064	(706 152)	(0)	1 968
Transfers and subsidies - capital (monetary allocations)		773 040	808 900	1 101 895	83 848	566 460	627 220	(60 760)	(0)	1 101 895
Transfers and subsidies - capital (in-kind)		5 666	—	—	—	—	—	—		—
Surplus/(Deficit) after capital transfers & contributions		(1 026 648)	810 868	1 103 864	(74 676)	299 372	1 066 284	(766 912)	(0)	1 103 864
Income Tax		—	—	—	—	—	—	—		—
Surplus/(Deficit) after income tax		(1 026 648)	810 868	1 103 864	(74 676)	299 372	1 066 284	(766 912)	(0)	1 103 864
Share of Surplus/Deficit attributable to Joint Venture								—		
Share of Surplus/Deficit attributable to Minorities								—		
Surplus/(Deficit) attributable to municipality		(1 026 648)	810 868	1 103 864	(74 676)	299 372	1 066 284	(766 912)	(0)	1 103 864
Share of Surplus/Deficit attributable to Associate		1 976	—	—	—	—	—	—		—
Intercompany/Parent subsidiary transactions		36 996	—	—	—	33 043	—	33 043	—	—
Surplus/ (Deficit) for the year		(987 676)	810 868	1 103 864	(74 676)	332 416	1 066 284	(733 868)	(0)	1 103 864

#### **7.4.1 ANALYSIS OF STATEMENT OF FINANCIAL PERFORMANCE**

The explanation below pertains to all variances that are more than 10%.

##### **7.4.1.1 Interest earned from Receivables**

Due to the month-on-month growth in debt book, the interest is raised commensurately, thus exceeding the budgeted values.

##### **7.4.1.2 Interest from Current and Non Current Assets**

A decrease in the interest rate has contributed to the underperformance of interest on external investments.

##### **7.4.1.3 Rental from Fixed Assets**

Rental from Fixed Assets has increased following as Revenue Management is currently in the process of aligning the billing register with the lease register; as a result of this exercise, certain lease debtor accounts were reviewed, updated, and adjusted accordingly, which has led to an increase in the revenue billed.

##### **7.4.1.4 Operational Revenue - Exchange Revenue**

Operational revenue is made up of numerous miscellaneous items such as sundry income, commission: transaction handling fees, insurance refund and administrative handling fees which makes it difficult to predict and some are market and/ or demand driven.

##### **7.4.1.5 Fines, penalties and forfeits**

Underperformance can be attributed to the fact that the department cannot compel an offender to pay their fine. An offender has the right to submit a representation to reduce or withdraw a fine, furthermore the offender also has the right to appear in court and the Magistrate or State Public Prosecutor may decide whether to proceed with the traffic offence or withdraw.

#### **7.4.1.6 Interest**

The variance is as a result of interest charged on availability charge that is charged on serviced vacant or undeveloped land, which has resulted in the debtor's book that is increasing due to non-payment of debtors despite credit control action being implemented.

#### **7.4.1.7 Operational Revenue - Non-Exchange Revenue**

Operational revenue relates to availability charge that is charged on serviced vacant or undeveloped land. The overperformance on operational revenue is due to vandalised properties, where land usage changed to vacant land. Land purchases by property developers lead to subdivision of properties, and these properties are registered to individual property owners as vacant land until the property is fully developed. This process leads to an increase in the vacant land serviced.

#### **7.4.1.8 Depreciation & asset impairment**

The depreciation amount as disclosed in the Statement of Financial Performance is inclusive of the Revaluation component which then translates into higher depreciation costs. The budget for depreciation resulting from the revalued portion of Property, Plant and Equipment is budgeted in the Statement of Financial Position in line with MFMA circular no.58, however, the monthly transactions are sitting in the Statement of Financial Performance and will be transferred to the Statement of Financial Position at year end to correct the overspending and align with the budget.

#### **7.4.1.9 Interest**

Interest in respect of the ""Rehabilitation of Landfill sites" not yet realised on financial system. Provision to be realised on 30 June 2026. There has been no movement in the interest as the interest related to the rehabilitation of landfill sites is calculated at financial year-end to reflect the unwinding of the discount on the rehabilitation provision. This will be calculated and processed as at 30 June 2026. "

#### 7.4.2 Repairs and maintenance

Table 7 below reflects that as at 30 April 2026 the repairs and maintenance expenditure is 64% of the approved budget of R450.80 million (2024/25:59%). Refer to Annexure B: SC13c (repairs and maintenance by asset class).

**Table 7: Repairs and Maintenance per Directorate**

Directorate	<u>2025/2026</u> <u>Annual</u> <u>Budget</u> <u>R</u>	<u>2025/2026</u> <u>Annual</u> <u>Expenditure</u> <u>R</u>	<u>2025/2026</u> <u>-</u> <u>Variance</u> <u>R</u>	<u>2025/2026</u> <u>% Of</u> <u>Budget</u> <u>%</u>
Directorate of Executive Support Services	1 994 811	220 316	1 774 495	11%
Directorate of The City Manager	202 568	18 195	184 373	9%
Directorate of Corporate Services	6 938 094	4 517 055	2 421 039	65%
Directorate of Spatial Planning & Development	22 421 369	9 689 735	12 731 634	43%
Directorate of Economic Development & Agencies	16 538 609	1 173 808	15 364 801	7%
Directorate of Finance	12 283 540	4 720 611	7 562 929	38%
Directorate of Public Safety & Emergency Services	8 610 360	2 322 084	6 288 276	27%
Directorate of Human Settlement	502 899	150 351	352 548	30%
Directorate of Infrastructure Services	351 672 011	253 149 478	98 522 533	72%
Electricity	156 162 523	118 984 778	37 177 745	76%
Water	41 463 591	23 487 758	17 975 833	57%
Sanitation	50 333 612	31 447 459	18 886 153	62%
Other	103 712 285	79 229 482	24 482 803	76%
Directorate of Solid Waste & Environmental Management	16 883 667	6 392 573	10 491 094	38%
Directorate of Sport, Recreation & Community Developmental Services	12 751 658	5 820 393	6 931 265	46%
<b>TOTAL</b>	<b>450 799 586</b>	<b>288 174 598</b>	<b>162 624 988</b>	<b>64%</b>

The repairs and maintenance budget of the Metro is below the recommended National Treasury norm of 8% as the percentage of Property Plant and Equipment. The main challenge in achieving the 8% is the use of the revaluation model to value Property Plant and Equipment. The Metro's infrastructure repairs, and maintenance programme is complemented by the renewal and upgrading of existing assets capital programme.

In the current financial year, the metro has allocated R758.65 million in the upgrading and renewal programme that complements the repairs and maintenance. Refer to Annexure B: SC13b (Capital expenditure on renewal of existing assets by) and SC13e (Capital expenditure on upgrading of existing assets by asset class).

### 7.4.3 Capital Expenditure excluding vat (municipal vote, standard classification, and funding)

The table below reflects the Metro's capital programme in relation to capital expenditure by municipal vote, capital expenditure by standard classification and funding sources.

**Table 8: C5: Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification, and funding)**

BUF Buffalo City - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M10 April)

Vote 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
<b>R thousands</b>	<b>1</b>									
<b>Multi-Year expenditure appropriation</b>	<b>2</b>									
Vote 01 - Directorate - Executive Support Services		679	2 500	2 500	43	922	2 000	(1 078)	-54%	2 500
Vote 02 - Directorate - Municipal Manager		9 120	3 750	25 850	22	5 901	16 337	(10 436)	-64%	25 850
Vote 03 - Directorate - Human Settlement		192 372	182 007	189 918	5 196	113 609	151 202	(37 593)	-25%	189 918
Vote 04 - Directorate - Chief Financial Officer		148 285	58 015	94 995	94	81 015	77 074	3 941	5%	94 995
Vote 05 - Directorate - Corporate Services		12 289	10 900	28 123	178	4 236	19 761	(15 525)	-79%	28 123
Vote 06 - Directorate - Infrastructure Services		700 980	555 443	865 416	36 814	396 298	654 801	(258 503)	-39%	865 416
Vote 07 - Directorate - Spatial Planning And Development		71 344	54 435	61 615	1 301	34 785	48 692	(13 907)	-29%	61 615
Vote 08 - Directorate - Health / Public Safety & Emergency Services		12 538	52 500	51 005	523	18 051	44 434	(26 383)	-59%	51 005
Vote 09 - Directorate - Municipal Services		-	-	-	-	-	-	-	-	-
Vote 10 - Directorate - Economic Development & Agencies		29 212	59 567	49 567	1 311	14 445	42 218	(27 773)	-66%	49 567
Vote 11 - Directorate - Solid Waste And Environmental Management		32 681	117 941	103 691	768	25 214	90 471	(65 256)	-72%	103 691
Vote 12 - Directorate - Sport, Recreation & Community Development		20 841	62 651	76 539	3 016	14 958	61 749	(46 791)	-76%	76 539
Vote 13 - Vote 13		-	-	-	-	-	-	-	-	-
Vote 14 - Vote 14		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>4,7</b>	<b>1 230 341</b>	<b>1 159 709</b>	<b>1 549 220</b>	<b>49 267</b>	<b>709 434</b>	<b>1 208 738</b>	<b>(499 304)</b>	<b>-41%</b>	<b>1 549 220</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>194 194</b>	<b>91 138</b>	<b>167 741</b>	<b>337</b>	<b>97 169</b>	<b>128 137</b>	<b>(30 968)</b>	<b>-24%</b>	<b>167 741</b>
Executive and council		9 799	6 250	26 850	65	6 823	17 437	(10 614)	-61%	26 850
Finance and administration		184 394	84 888	139 391	272	90 346	109 800	(19 454)	-18%	139 391
Internal audit		-	-	1 500	-	-	900	(900)	-100%	1 500
<b>Community and public safety</b>		<b>238 611</b>	<b>312 504</b>	<b>341 319</b>	<b>8 900</b>	<b>153 173</b>	<b>275 388</b>	<b>(122 215)</b>	<b>-44%</b>	<b>341 319</b>
Community and social services		7 567	45 915	51 265	1 028	7 942	41 133	(33 191)	-81%	51 265
Sport and recreation		21 937	36 582	48 371	2 153	12 149	39 410	(27 261)	-69%	48 371
Public safety		12 538	41 700	37 305	523	15 852	33 164	(17 312)	-52%	37 305
Housing		192 372	182 007	189 918	5 196	113 609	151 202	(37 593)	-25%	189 918
Health		4 197	6 300	14 461	-	3 622	10 480	(6 859)	-65%	14 461
<b>Economic and environmental services</b>		<b>306 845</b>	<b>112 870</b>	<b>322 667</b>	<b>11 463</b>	<b>137 000</b>	<b>230 378</b>	<b>(93 378)</b>	<b>-41%</b>	<b>322 667</b>
Planning and development		62 165	38 562	45 443	1 302	29 692	35 806	(6 114)	-17%	45 443
Road transport		244 680	74 309	277 225	10 161	107 307	194 571	(87 264)	-45%	277 225
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>461 498</b>	<b>583 729</b>	<b>668 025</b>	<b>27 257</b>	<b>307 650</b>	<b>532 697</b>	<b>(225 047)</b>	<b>-42%</b>	<b>668 025</b>
Energy sources		208 474	186 195	212 647	13 003	132 944	170 056	(37 112)	-22%	212 647
Water management		135 836	161 031	190 119	8 104	123 160	150 145	(26 984)	-18%	190 119
Waste water management		97 367	133 909	185 426	5 547	32 886	140 029	(107 143)	-77%	185 426
Waste management		19 820	102 594	79 834	604	18 659	72 467	(53 808)	-74%	79 834
<b>Other</b>		<b>29 193</b>	<b>59 467</b>	<b>49 467</b>	<b>1 309</b>	<b>14 443</b>	<b>42 138</b>	<b>(27 695)</b>	<b>-66%</b>	<b>49 467</b>
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	<b>1 230 341</b>	<b>1 159 709</b>	<b>1 549 220</b>	<b>49 267</b>	<b>709 434</b>	<b>1 208 738</b>	<b>(499 304)</b>	<b>-41%</b>	<b>1 549 220</b>
<b>Funded by:</b>										
National Government		702 486	808 685	1 099 639	72 750	500 165	842 350	(342 185)	-41%	1 099 639
Provincial Government		-	115	-	-	-	26	(26)	-100%	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	3 156	2	1 093	1 893	(801)	-42%	3 156
<b>Transfers recognised - capital</b>		<b>702 486</b>	<b>808 800</b>	<b>1 102 795</b>	<b>72 752</b>	<b>501 258</b>	<b>844 269</b>	<b>(343 012)</b>	<b>-41%</b>	<b>1 102 795</b>
<b>Borrowing</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Internally generated funds</b>		<b>527 855</b>	<b>350 908</b>	<b>446 425</b>	<b>(23 485)</b>	<b>208 176</b>	<b>364 468</b>	<b>(156 292)</b>	<b>-43%</b>	<b>446 425</b>
<b>Total Capital Funding</b>		<b>1 230 341</b>	<b>1 159 709</b>	<b>1 549 220</b>	<b>49 267</b>	<b>709 434</b>	<b>1 208 738</b>	<b>(499 304)</b>	<b>-41%</b>	<b>1 549 220</b>

#### 7.4.4 Monthly Budget Statement – Financial Position

The table below reflects the financial position of the Metro. It is good to note that the Metro has excess assets over liabilities resulting in the net worth of R43.34 billion as per statement of financial position. Consumer debtors and other debtors are reflected net of impairments.

**Table 9: C6: Monthly Budget Statement – Financial Position**

BUF Buffalo City - Table C6 Consolidated Monthly Budget Statement - Financial Position - M10						
Description	Ref	2024/25 Audited Outcome	Original Budget	Budget Year 2025/26 Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		488 787	891 066	802 185	1 410 075	802 185
Trade and other receivables from exchange transactions		2 503 901	2 889 108	2 572 589	2 998 588	2 572 589
Receivables from non-exchange transactions		1 554 164	1 229 872	1 559 807	1 529 134	1 559 807
Current portion of non-current receivables		—	—	—	(1)	—
Inventory		64 219	77 652	64 061	99 116	64 061
VAT		965 689	929 804	960 214	1 578 705	960 214
Other current assets		18 610	19 539	18 313	13 309	18 313
<b>Total current assets</b>		<b>5 595 370</b>	<b>6 037 042</b>	<b>5 977 169</b>	<b>7 628 926</b>	<b>5 977 169</b>
<b>Non current assets</b>						
Investments						
Investment property		788 463	497 715	795 663	788 463	795 663
Property, plant and equipment		40 902 960	29 892 101	40 793 613	40 193 786	40 793 613
Biological assets						
Living and non-living resources						
Heritage assets		53 392	54 060	53 392	53 392	53 392
Intangible assets		11 698	29 955	46 775	49 400	46 775
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		709 592	728 104	718 592	709 592	718 592
<b>Total non current assets</b>		<b>42 466 105</b>	<b>31 201 935</b>	<b>42 408 034</b>	<b>41 794 633</b>	<b>42 408 034</b>
<b>TOTAL ASSETS</b>		<b>48 061 475</b>	<b>37 238 977</b>	<b>48 385 203</b>	<b>49 423 559</b>	<b>48 385 203</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		—	—	—	—	—
Financial liabilities		47 553	20 829	18 534	20 829	18 534
Consumer deposits		97 981	105 157	101 320	101 623	101 320
Trade and other payables from exchange transactions		4 994 769	1 297 305	1 722 185	1 201 171	1 722 185
Trade and other payables from non-exchange transactions		166 229	289 601	52 650	555 227	52 650
Provision		473 646	443 844	470 507	478 921	470 507
VAT		1 604 290	1 570 854	1 671 771	2 422 771	1 671 771
Other current liabilities		—	—	—	—	—
<b>Total current liabilities</b>		<b>7 384 468</b>	<b>3 727 589</b>	<b>4 036 967</b>	<b>4 780 541</b>	<b>4 036 967</b>
<b>Non current liabilities</b>						
Financial liabilities		54 708	33 934	36 230	33 764	36 230
Provision		1 003 193	1 015 207	1 064 286	996 787	1 064 286
Long term portion of trade payables		273 911	—	273 911	273 911	273 911
Other non-current liabilities		—	—	—	—	—
<b>Total non current liabilities</b>		<b>1 331 812</b>	<b>1 049 141</b>	<b>1 374 428</b>	<b>1 304 462</b>	<b>1 374 428</b>
<b>TOTAL LIABILITIES</b>		<b>8 716 280</b>	<b>4 776 730</b>	<b>5 411 395</b>	<b>6 085 003</b>	<b>5 411 395</b>
<b>NET ASSETS</b>	2	<b>39 345 195</b>	<b>32 462 247</b>	<b>42 973 808</b>	<b>43 338 556</b>	<b>42 973 808</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		32 430 401	10 058 352	32 027 445	32 757 957	32 027 445
Reserves and funds		10 580 599	22 403 895	10 946 363	10 580 599	10 946 363
Other		—	—	—	—	—
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>43 011 000</b>	<b>32 462 247</b>	<b>42 973 808</b>	<b>43 338 556</b>	<b>42 973 808</b>



### 7.4.5 Monthly Budget Statement – Cash Flow

The Metros' cash flow position and cash/cash equivalent outcome is shown in the table below. The Metro's cash position reflects a net increase of R679,05 million resulting in cash and cash equivalents closing balance of R1.41 billion as at 30 April 2026.

**Table 10: C7: Monthly Budget Statement – Cash Flow**

BUF Buffalo City - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M10 April

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
<b>R thousands</b>	<b>1</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		1 549 289	1 769 585	1 769 585	120 764	1 383 516	1 474 654	(91 138)	-6%	1 769 585
Service charges		3 911 764	4 097 793	4 054 853	366 770	3 623 885	3 379 044	244 841	7%	4 054 853
Other revenue		941 362	1 213 438	1 314 064	812 655	5 977 322	1 095 054	4 882 269	446%	1 314 064
Transfers and Subsidies - Operational		1 410 094	1 741 520	1 710 437	6 032	1 437 810	1 425 364	12 445	1%	1 710 437
Transfers and Subsidies - Capital		773 040	808 685	904 925	–	782 363	754 105	28 259	4%	904 925
Interest		354 639	257 153	285 133	12 651	97 195	237 611	(140 416)	-59%	285 133
Dividends								–		
<b>Payments</b>										
Suppliers and employees		(7 713 540)	(8 599 507)	(8 294 047)	(610 911)	(7 136 437)	(8 750 520)	(1 614 082)	18%	(8 294 047)
Interest		(9 577)	(6 551)	(21 551)	–	(7 089)	(17 959)	(10 870)	61%	(21 551)
Transfers and Subsidies		(61 780)	(86 389)	(96 189)	(2 368)	(70 836)	(80 158)	(9 321)	12%	(96 189)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>1 155 291</b>	<b>1 195 726</b>	<b>1 627 210</b>	<b>705 594</b>	<b>6 087 728</b>	<b>(482 806)</b>	<b>(6 570 534)</b>	<b>1361%</b>	<b>1 627 210</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		77 752	–	–	–	(8 032)	–	(8 032)	#DIV/0!	–
Decrease (increase) in non-current receivables			–	–	–	–	–	–		
Decrease (increase) in non-current investments								–		
<b>Payments</b>										
Capital assets		(1 194 010)	(1 159 709)	(1 549 220)	(49 267)	(709 434)	(1 291 017)	(581 583)	45%	(1 549 220)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(1 116 258)</b>	<b>(1 159 709)</b>	<b>(1 549 220)</b>	<b>(49 267)</b>	<b>(717 466)</b>	<b>(1 291 017)</b>	<b>(573 551)</b>	<b>44%</b>	<b>(1 549 220)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	3 340	3 340	(758 795)	(4 666 130)	2 783	(4 668 913)	-167761%	3 340
<b>Payments</b>										
Repayment of borrowing		(28 991)	(25 086)	(25 086)	–	(25 086)	(20 905)	4 181	-20%	(25 086)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(28 991)</b>	<b>(21 746)</b>	<b>(21 746)</b>	<b>(758 795)</b>	<b>(4 691 216)</b>	<b>(18 122)</b>	<b>4 673 094</b>	<b>-25787%</b>	<b>(21 746)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>10 042</b>	<b>14 272</b>	<b>56 244</b>	<b>(102 467)</b>	<b>679 046</b>	<b>(1 791 944)</b>			<b>56 244</b>
Cash/cash equivalents at beginning:		720 987	856 795	731 029	–	731 029	731 029			731 029
Cash/cash equivalents at month/year end:		731 029	871 066	787 272		1 410 075	(1 060 916)			787 272

## **PART 2: SUPPORTING** **DOCUMENTATION**

## 8. DEBTOR'S MANAGEMENT

The debtor analysis below (table 11) provides an age analysis summary by revenue source and customer category for the total debtors.

**Table 11: SC3 Monthly Budget Statement Aged Debtors**

**BUF Buffalo City - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April**

Description	NT Code	Budget Year 2025/26										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	116 830	83 728	67 588	51 804	59 990	56 660	292 896	1 966 094	2 695 591	2 427 444	8 151	19 759
Trade and Other Receivables from Exchange Transactions - Electricity	1300	255 541	91 609	70 982	53 583	62 138	48 166	297 752	638 042	1 517 812	1 099 681	3 706	57 461
Receivables from Non-exchange Transactions - Property Rates	1400	168 098	79 853	60 444	56 328	49 138	45 138	304 216	1 320 021	2 083 237	1 774 842	9 805	51 603
Receivables from Exchange Transactions - Waste Water Management	1500	55 818	31 288	24 774	22 912	21 081	20 452	119 848	570 873	867 047	755 166	3 410	13 401
Receivables from Exchange Transactions - Waste Management	1600	45 067	29 245	25 166	24 902	23 411	22 647	132 593	807 300	1 110 331	1 010 853	2 939	11 900
Receivables from Exchange Transactions - Property Rental Debtors	1700	262	254	249	251	249	248	1 380	10 889	13 783	13 017	–	–
Interest on Arrear Debtor Accounts	1810	50 112	48 623	47 979	47 790	45 387	35 961	191 302	1 066 911	1 534 065	1 387 351	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	16 566	10 770	8 633	7 600	7 651	7 123	46 735	255 599	360 677	324 708	1 345	3 255
<b>Total By Income Source</b>	<b>2000</b>	<b>708 296</b>	<b>375 370</b>	<b>305 815</b>	<b>265 171</b>	<b>269 045</b>	<b>236 395</b>	<b>1 386 722</b>	<b>6 635 729</b>	<b>10 182 542</b>	<b>8 793 062</b>	<b>29 356</b>	<b>157 379</b>
<b>2024/25 - totals only</b>		<b>667 318</b>	<b>355 072</b>	<b>286 973</b>	<b>262 563</b>	<b>232 917</b>	<b>222 755</b>	<b>1 135 848</b>	<b>5 743 237</b>	<b>8 906 683</b>	<b>7 597 320</b>	<b>81 928</b>	<b>147 630</b>
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	32 981	20 459	15 303	11 817	10 622	9 751	63 338	43 527	207 799	139 055	–	–
Commercial	2300	304 184	88 771	70 807	58 187	52 785	47 277	275 399	936 381	1 833 790	1 370 028	–	–
Households	2400	371 131	266 140	219 704	195 167	205 637	179 367	1 047 986	5 655 822	8 140 953	7 283 978	29 356	157 379
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total By Customer Group</b>	<b>2600</b>	<b>708 296</b>	<b>375 370</b>	<b>305 815</b>	<b>265 171</b>	<b>269 045</b>	<b>236 395</b>	<b>1 386 722</b>	<b>6 635 729</b>	<b>10 182 542</b>	<b>8 793 062</b>	<b>29 356</b>	<b>157 379</b>

### **8.1. Additional debtors' information**

The total debtor's book, which includes all charges including VAT, amounted to R10,182,541,984 as at 30 April 2026 which is an increase of R180,310,643 over the amount of R10,002,231,341 as at 31 March 2026.

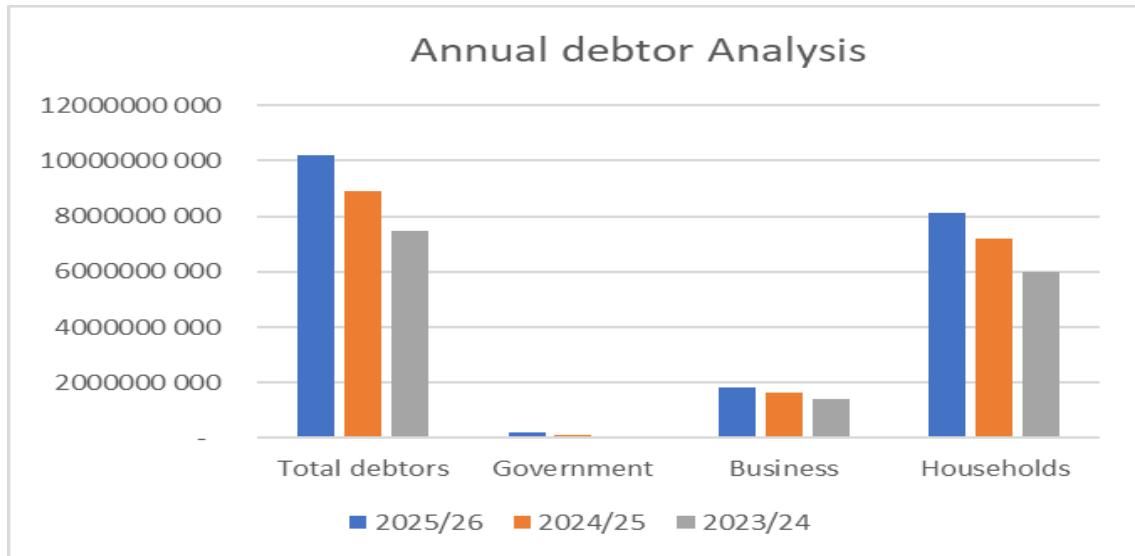
During the month, credit control action and debt collection action was implemented. Pre-termination notices were sent to all customers due for disconnection/blocking. This relates to residential and non-residential customers. Registered Indigent Debtors who are in arrears remain on the partial block type (60/40).

#### **The following process has been done to assess the recoverability of the Debt Book:**

- Analysis of indigent customers that are included in the debt book.
- Perform an analysis to identify bad debts to be written off on non-Indigent consumers using the appropriate reasonable methodologies.
- The irrecoverable debt will be quantified on each individual debt affected and the report will be submitted to Council for consideration.
- Business debtors to be considered based upon individual application for debt reduction of which the process is underway.
- Review the current incentive scheme and recommend that the 50/50 **(Option1 rand for rand incentive (Settlement 50% of the arrear debt and receive a 50% discount)** percentage be based on the reducing balance method when making an arrangement of the payment portion till the outstanding balance is settled.

The graph below shows comparison of annual movements in debtors for the 3-year period.

**Figure 6: Debtors age analysis over the 3-year period**



Total gross debtors' book (including current accounts) as at 30 April 2026 amounts to R10.18 billion (2024/25 R8.91 billion). Households: R8.14 billion, Business: R1.83 billion and Government: R207.80 million. Refer to section 8 of the report for details on debtors' management.

## 8.2. Debtor's Age Analysis.

### 8.2.1. Age Analysis by income source.

Table 12 below details debtors age analysis by income source as at 30 April 2026. It also provides comparison with the previous month (31 March 2026) which indicates an increase from 10.00 billion to R 10.18 billion.

**Table 12: Debtor's Age Analysis by Income Source Comparison**

AGEING	RATES	SEWERAGE	ELECTRICITY	WATER	REFUSE	SUNDRY DEBTORS	TOTAL FOR APRIL 2026	TOTAL FOR MARCH 2026
CURRENT	181 614 366	60 997 485	263 693 219	131 472 560	51 826 976	18 691 241	708 295 848	702 271 952
30 DAYS	93 101 268	36 297 947	99 287 029	98 080 328	35 755 813	12 847 356	375 369 740	360 472 241
60 DAYS	73 328 648	29 670 799	78 799 544	81 748 968	31 574 680	10 692 033	305 814 673	290 879 367
90 DAYS	70 345 491	27 661 678	60 633 697	65 752 027	31 155 288	9 622 827	265 171 008	285 972 387
120 DAYS TO 360 DAYS	528 624 072	208 072 410	491 341 598	532 411 459	236 074 000	82 944 357	2 079 467 896	2 038 008 359
YEAR 1+	1 605 526 227	664 645 582	702 000 063	2 241 791 809	921 552 895	312 906 243	6 448 422 819	6 324 627 035
TOTAL	2 552 540 072	1 027 345 902	1 695 755 151	3 151 257 151	1 307 939 652	447 704 057	10 182 541 984	10 002 231 341

### 8.2.2. Age Analysis per Category

Table 13 below details debtors age analysis per category type as at 30 April 2026. It also reflects the percentage split per category with domestic consumers having the highest share followed by business. Please note that the financial system is not able to produce a collection ratio per category, however the collection ratio is reported on total debtors.

**Table 13: Age Analysis per Category Type**

CATEGORY TYPE	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS+	Total	% Share
<b>Domestic</b>	336 883 062	240 196 629	208 010 652	192 113 613	6 871 815 610	7 849 019 566	77
<b>Indigent</b>	30 693 760	24 657 261	10 735 589	2 342 358	203 847 966	272 276 934	3
<b>Business</b>	304 183 957	88 771 020	70 807 395	58 186 565	1 311 841 414	1 833 790 351	18
<b>Government</b>	32 980 654	20 459 001	15 303 452	11 817 465	127 237 939	207 798 511	2
<b>Municipal Staff*</b>	3 457 266	1 248 507	936 764	696 014	13 055 835	19 394 387	0
<b>Councillors*</b>	97 149	37 321	20 821	14 992	91 951	262 235	0
<b>Total</b>	<b>708 295 848</b>	<b>375 369 740</b>	<b>305 814 673</b>	<b>265 171 008</b>	<b>8 527 890 715</b>	<b>10 182 541 984</b>	<b>100</b>

Note\*: A stop order deduction is implemented for all municipal staff and councillors in arrears. When new staff join the employ of the municipality in many instances there is services debt, and therefore the arrears will be liquidated over an acceptable period of time, in terms of the Credit Control Policy. The reason why the debt reflects in the 30/60/90 day columns relating to staff and councillors is due to the fact that when the stop orders are receipted the payment is allocated to the oldest ageing category. In terms of the accounting treatment of the amounts received, within the financial system the amounts are allocated against the oldest debt first resulting in the outstanding balance as reflected in the above table.

During the month of April 2026, a total of **R3,322,597** was receipted against staff and councillors accounts. The amount was allocated as follows:

Current Billing Receipts	R 2,419 488.47
Arrear's Receipts	<u>R 903 108.64</u>
Total Receipts	<u>R 3,322 597.11</u>

### 8.2.3. Government Accounts

The total owed by Government Departments to Buffalo City Metropolitan Municipality as at 30 April 2026 amounted to R207,798,511 and this is an increase of R5,037,370 as compared to 31 March 2026. as compared to 28 February 2026. The debt is actively being pursued, and suspension of services is implemented for debt that is unpaid.

It must also be noted that Government Departments do not settle their accounts by the due date and often pay after month-end, resulting in the accounts being unpaid at the time of reporting.

The breakdown of the arrears per department (excluding accounts in credit) indicated in the table hereunder, as at 30 April 2026.

**Table 14: Analysis of Government Debtors**

DEPARTMENT	PROPERTY RATES	SERVICES	VALUE AS AT 30 APRIL 2026	VALUE AS AT 31 MARCH 2026	DIFFERENCE
National Department of Public Works	19 028 517	15 992 392	35 020 909	35 485 970	(465 061)
Provincial Department of Public Works	55 445 990	23 268 647	78 714 637	72 174 241	6 540 396
Department of Education	-	30 368 477	30 368 477	37 467 378	(7 098 901)
Department of Health	-	45 474 242	45 474 242	40 453 657	5 020 584
Department of Social Development	-	448 425	448 425	76 659	371 766
Department of Transport	-	75 201	75 201	103 157	(27 956)
Department of Agriculture	-	139 695	139 695	124 188	15 507
Department of Nature Conservation	-	322 844	322 844	313 950	8 893
Department of Human Settlements	-	5 133 737	5 133 737	4 757 406	376 331
Sport, Recreation, Arts and Culture	-	211 898	211 898	141 511	70 387
Department of Labour - UIF Services	-	42 409	42 409	42 409	-
Members of Provincial Legislature	-	220 874	220 874	183 499	37 375
Department of Water Affairs	-	86 817	86 817	82 672	4 145
Department of Rural Development and Land Reform	-	11 538 346	11 538 346	11 354 423	183 923
<b>TOTAL</b>	<b>74 474 507</b>	<b>133 324 004</b>	<b>207 798 511</b>	<b>202 761 121</b>	<b>5 037 390</b>



## 9. CREDITOR'S ANALYSIS

The creditors' analysis as depicted in table 15 below contains an aged analysis by customer type. The Metro strives to pay its creditors within 30 days as stipulated by section 65 (e) of the MFMA except when there are disputes on received invoices. The creditors' days as at 30 April 2026 includes an amount of R245.65 relating to Eskom, which is only due at month-end. When excluding this not-yet-due amount, the adjusted creditors' days is 27 days. The creditors payment period for the reporting period (30 April 2026) is 39 days.

**Table 15: SC4 Monthly Budget Statement Aged Creditors**

BUF Buffalo City - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
<b>R thousands</b>											
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	245 651	-	-	-	-	-	-	-	245 651	413 432
Bulk Water	0200	30 714	-	-	-	-	-	-	-	30 714	28 133
PAYE deductions	0300	39 229	-	-	-	-	-	-	-	39 229	36 496
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	39 185	-	-	-	-	-	-	-	39 185	37 410
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	250 201	59 204	-	-	-	-	-	-	309 405	333 392
Auditor General	0800	1 814	-	-	-	-	-	-	-	1 814	1 726
Other	0900	543 404	-	-	-	-	-	-	-	543 404	340 858
Medical Aid deductions	0950	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>1 150 198</b>	<b>59 204</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 209 402</b>	<b>1 191 447</b>

The table below (table 16) depicts actual payments made by BCMM to its top twenty (20) creditors in April 2026.

**Table 16: Payments made to the 20 highest paid creditors – April 2026**

<u>CREDITOR</u>	<u>30 DAYS</u>	<u>60 DAYS</u>	<u>90 DAYS</u>	<u>120 DAYS</u>	<u>TOTAL</u>
Creditor 1	245 651 153,07				245 651 153,07
Creditor 2	30 714 398,42				30 714 398,42
Creditor 3		20 938 973,69			20 938 973,69
Creditor 4	1 756 859,49	17 184 694,41			18 941 553,90
Creditor 5	2 343 713,17	3 166 252,44			5 509 965,61
Creditor 6	4 791 417,50				4 791 417,50
Creditor 7	4 303 795,30				4 303 795,30
Creditor 8	3 892 717,25				3 892 717,25
Creditor 9	2 008 705,60	1 755 677,86			3 764 383,46
Creditor 10		3 617 824,59			3 617 824,59
Creditor 11	2 336 953,66	1 017 254,88			3 354 208,54
Creditor 12	1 535 219,96	1 478 965,31			3 014 185,27
Creditor 13		2 998 222,89			2 998 222,89
Creditor 14	2 777 907,36				2 777 907,36
Creditor 15	2 253 911,57	349 999,23			2 603 910,80
Creditor 16		2 465 181,40			2 465 181,40
Creditor 17		2 342 171,01			2 342 171,01
Creditor 18	1 078 284,51	1 078 284,51			2 156 569,02
Creditor 19	2 050 695,87				2 050 695,87
Creditor 20	1 219 784,08	810 822,84			2 030 606,92
<b>TOTAL</b>	<b>308 715 516,81</b>	<b>59 204 325,06</b>	<b>-</b>	<b>-</b>	<b>367 919 841,87</b>

## 10. INVESTMENT PORTFOLIO ANALYSIS

The investment portfolio analysis detailed in table 17 below includes information of the institution where funds are invested, period of investment, type of investment and accrued interest for the month.

**Table 17: SC5 Monthly Budget Statement – investment portfolio**

BUF Buffalo City - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M010 April 2026

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
<b>Municipality</b>														
Absa - 4094793455		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	235	35	1 000	1 000	271
Absa - 4094788949		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	3 886	200	-	-	4 086
Absa - 4094793968		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	251	13	-	-	264
First National Bank - 62938182285		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	2 937	142	2 635	-	444
Stanlib - 552200137		Call Account	Call Account	Yes	Variable	7,06	-		Call Account	15	1	-	-	16
Nedbank - 03/7881532939/000041		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	1 379	71	-	-	1 450
Nedbank - 03/7881532939/000108		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	119	6	-	-	125
Absa - 4094789157		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	1 178	61	-	-	1 239
Nedbank - 03/7881532939/000110		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	428	22	-	-	450
Absa - 4094790083		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	1 683	87	-	-	1 770
Stanlib - 552200133		Call Account	Call Account	Yes	Variable	7,06	-		Call Account	367	21	-	-	387
Stanlib - 700475605		Call Account	Call Account	Yes	Variable	7,06	-		Call Account	1	0	-	-	1
Nedbank - 03/7881532939/000128		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	18 008	1 608	151 480	170 175	38 311
First National Bank - 62938013572		Call Account	Call Account	Yes	Variable	6,60	-		Call Account	14 906	1 155	83 394	70 996	3 664
Standard - 76586/442745		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	27 483	793	66 000	132 095	94 371
Absa - 4094790211		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	67 469	2 612	182 838	204 000	91 243
First National Bank - 62938181039		Call Account	Call Account	Yes	Variable	6,60	-		Call Account	1 211	214	5 705	8 151	3 871
Stanlib - 552200140		Call Account	Call Account	Yes	Variable	7,06	-		Call Account	253	14	-	-	267
Absa - 4094793895		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	653	12	665	-	0
First National Bank - 62938179951		Call Account	Call Account	Yes	Variable	6,60	-		Call Account	617	32	-	-	649
Nedbank - 03/7881532939/000133		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	3 954	204	-	-	4 158
Nedbank - 03/7881532939/000134		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	194	10	-	-	204

**BUF Buffalo City - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M010 April 2026**

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
<b>Municipality</b>														
First National Bank - 62938190080		Call Account	Call Account	Yes	Variable	6,60	-		Call Account	3 315	431	12 881	20 000	10 864
Standard - 76586/524914		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	21	1	-	-	22
Nedbank - 03/7881532939/000136		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	4	0	-	-	4
Nedbank - 03/7881532939/000144		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	681	35	-	-	716
Nedbank - 03/7881532939/000145		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	2 237	243	7 383	9 500	4 597
Standard - 76586/553472		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	739	38	-	-	777
Standard - 76586/553471		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	1 604	82	877	-	809
Absa - 4101937017		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	2 489	2 259	51 553	136 020	89 215
Standard - 76586/571767		Call Account	Call Account	Yes	Variable	7,06	-		Call Account	873	1 474	154 066	199 332	47 612
Stanlib - 552200136		Call Account	Call Account	Yes	Variable	7,06	-		Call Account	3 736	209	-	-	3 945
Stanlib - 700893064		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	2 313	156	10 000	10 000	2 470
Standard Bank - 76586/570901		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	11 773	606	-	-	12 380
Standard Bank - 76586/570902		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	4 281	220	-	-	4 502
First National Bank - 63074776891		Call Account	Call Account	Yes	Variable	6,60	-		Call Account	147 347	7 647	-	-	154 994
Nedbank - 03/7881532939/000153		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	126 564	6 519	-	-	133 083
Absa - 4117284828		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	36 079	1 381	19 031	-	18 429
Nedbank - 03/7881532939/000154		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	30 579	1 294	25 768	-	6 105
Standard Bank - 76586/573578		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	77 212	3 688	29 682	-	51 217
First National Bank - 63170877775		Call Account	Call Account	Yes	Variable	6,60	-		Call Account	-	440	21 699	103 307	82 048
Nedbank - 03/7881532939/000155		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	-	-	-	66 000	66 000
First National Bank - 63040210667		Call Account	Call Account	Yes	Variable	6,60	-		Call Account	26 360	1 380	-	4 797	32 537
Stanlib - 552200130		Call Account	Call Account	Yes	Variable	7,06	-		Call Account	402	23	-	-	425
Stanlib - 552200132		Call Account	Call Account	Yes	Variable	7,06	-		Call Account	16	1	-	-	17
Standard - 76586/442736		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	620	745	69 000	125 000	57 365
Stanlib - 552200131		Call Account	Call Account	Yes	Variable	7,06	-		Call Account	516	1 952	202 000	247 000	47 468
First National Bank - 62938189471		Call Account	Call Account	Yes	Variable	6,60	-		Call Account	788	512	127 000	161 000	35 299
Nedbank - 03/7881532939/000101		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	169	1 145	181 000	250 000	70 314
Absa - 4094793536		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	180	2 629	300 000	417 000	119 809
Absa - 4094789872		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	496	26	-	-	522
Standard - 76586/442741		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	202	10	-	-	212
Standard - 76586/442744		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	1 193	61	-	-	1 255
First National Bank - 62938188887		Call Account	Call Account	Yes	Variable	6,60	-		Call Account	81	4	-	-	85
Nedbank - 03/7881532939/000129		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	1 059	55	-	-	1 114
Standard - 76586/442738		Call Account	Call Account	Yes	Variable	6,55	-		Call Account	4 137	76	4 213	-	0
<b>Municipality sub-total</b>										<b>635 293</b>	<b>42 655</b>	<b>1 709 871</b>	<b>2 335 373</b>	<b>1 303 449</b>
<b>Entities</b>														
<b>Entities sub-total</b>										<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>									<b>635 293</b>	<b>42 655</b>	<b>1 709 871</b>	<b>2 335 373</b>	<b>1 303 449</b>

## 11. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Transfers and grants receipts per allocation or grant is provided in the table below. Further details on grants expenditure performance (inclusive of vat) are detailed in section 11.1 below.

**Table 18: SC6 Monthly Budget Statement – transfers and grants receipts**

BUF Buffalo City - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M10 April

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:		1 367 872	1 425 869	1 444 039	–	1 434 039	1 444 039	(10 000)	-0,7%	1 444 039
Energy Efficiency And Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		1 218 324	1 296 018	1 296 018	–	1 296 018	1 296 018	–	0,0%	1 296 018
Expanded Public Works Programme Integrated Grant		2 314	2 434	2 434	–	2 434	2 434	–	0,0%	2 434
Infrastructure Skills Development Grant		10 800	8 800	8 800	–	8 800	8 800	–	0,0%	8 800
Local Government Financial Management Grant		981	1 000	1 000	–	1 000	1 000	–	0,0%	1 000
Metro Informal Settlements Partnership Grant		23 233	23 992	23 992	–	23 992	23 992	–	0,0%	23 992
Neighbourhood Development Partnership Grant		35 847	22 500	22 500	–	18 000	22 500	(4 500)	-20,0%	22 500
Programme And Project Preparation Support Grant		15 000	16 000	16 000	–	10 500	16 000	(5 500)	-34,4%	16 000
Public Transport Network Grant		–	–	–	–	–	–	–	–	–
Urban Development Financing Grant		–	–	18 170	–	18 170	18 170	0	0,0%	18 170
Urban Settlement Development Grant		61 373	55 125	55 125	–	55 125	55 125	–	0,0%	55 125
Provincial Government:		30 000	315 651	247 612	–	–	–	–	–	247 612
Deat		–	–	–	–	–	–	–	–	–
Dsrac		–	18 757	8 112	–	–	–	–	–	8 112
Friends Of Zoo (Felzoo)		–	–	–	–	–	–	–	–	–
Gompo & Mdants Art		–	–	–	–	–	–	–	–	–
Gompo Surv (Dvri)		–	–	–	–	–	–	–	–	–
Ikhwezi Block / Dev		–	–	–	–	–	–	–	–	–
Infrastructure Grant		30 000	296 894	239 500	–	–	–	–	–	239 500
Kwt Grants Gov		–	–	–	–	–	–	–	–	–
Mdants Upgr Md Asses Study		–	–	–	–	–	–	–	–	–
Mdants Urban Renew		–	–	–	–	–	–	–	–	–
Needscamp Planning		–	–	–	–	–	–	–	–	–
Pilot Housing Proj		–	–	–	–	–	–	–	–	–
Reeston Dev-Land Aff		–	–	–	–	–	–	–	–	–
Transitional Grant		–	–	–	–	–	–	–	–	–
Other transfers and grants [insert description]		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Other grant providers:		20 385	–	19 692	2 333	18 241	18 241	–	0,0%	19 692
Eastern Cape Arts Council		17 883	–	18 757	2 333	17 883	17 883	–	0,0%	18 757
European Union		–	–	–	–	–	–	–	–	–
Institutional Support (Housing)		–	–	–	–	–	–	–	–	–
Local Government Water And Related Service Seta		–	–	–	–	–	–	–	–	–
Peoples Housing Process (Housing)		–	–	–	–	–	–	–	–	–
Umsombomvu Fund		–	–	–	–	–	–	–	–	–
Unsp. City Of Leiden		–	–	–	–	–	–	–	–	–
Unsp. City Of Oldenburg		2 502	–	935	–	358	358	–	0,0%	935
Unsp. Glasgow Partnshp		–	–	–	–	–	–	–	–	–
Unsp. Salaida/Galve		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	1 418 257	1 741 520	1 711 343	2 333	1 452 280	1 462 280	(10 000)	-0,7%	1 711 343
Capital Transfers and Grants										
National Government:		901 181	808 685	1 044 457	–	946 791	973 113	(26 322)	-2,7%	1 044 457
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Infrastructure Skills Development Grant		200	200	200	–	200	200	–	0,0%	200
Integrated City Development Grant		–	–	–	–	–	–	–	–	–
Integrated National Electrification Programme Grant		–	–	–	–	–	–	–	–	–
Local Government Financial Management Grant		–	–	–	–	–	–	–	–	–
Metro Informal Settlements Partnership Grant		212 389	294 366	294 366	–	275 871	294 366	(18 495)	-6,3%	294 366
Municipal Disaster Recovery Grant		78 000	–	71 344	–	–	–	–	–	71 344
Municipal Disaster Relief Grant		44 600	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		2 000	10 000	10 000	–	10 000	10 000	–	0,0%	10 000
Public Transport Network Grant		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–	–	–
Urban Development Financing Grant		–	–	164 428	–	164 428	164 428	–	0,0%	164 428
Urban Settlement Development Grant		563 992	504 119	504 119	–	496 292	504 119	(7 827)	-1,6%	504 119
Provincial Government:		19	–	–	–	–	–	–	–	–
Capacity Building and Other Grants		19	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Other grant providers:		–	1 485	4 641	–	–	2 810	(2 810)	-100,0%	4 641
[insert description]		–	–	–	–	–	–	–	–	–
Parent Municipality		–	1 485	1 485	–	–	1 233	(1 233)	-100,0%	1 485
Unspecified		–	–	3 156	–	–	1 578	(1 578)	-100,0%	3 156
Total Capital Transfers and Grants	5	901 199	810 170	1 049 098	–	946 791	975 924	(29 132)	-3,0%	1 049 098
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	2 319 457	2 551 690	2 760 441	2 333	2 399 071	2 438 203	(39 132)	-1,6%	2 760 441

### 11.1. Expenditure on Conditional Grants (DoRA Allocation)

The Metro has spent 54% (R672.17 million, inclusive of reclaimed vat) of its 2025/26 conditional grants approved adjusted budget of R1.25 billion as at 30 April 2026. This reflects a slight decline when compared to the same period in the previous financial year where 56% (R584.66 million, inclusive of reclaimed vat) of conditional grants budget of R1.05 billion was spent.

Table 19 below reflects the year-to-date expenditure on 2025/2026 total conditional grants.

**Table 19: Spending per Conditional Grant Funding Allocation**

<b><u>Funding/Grant</u></b>	<b><u>2025/26 Approved Budget</u></b>	<b><u>YTD Expenditure (vat) R</u></b>	<b><u>YTD Variance (vat incl.) R</u></b>	<b><u>% Expenditure (vat incl.)</u></b>
Finance Management Grant	1 000 000	848 227	151 773	85%
Infrastructure Skills Development Grant	9 000 000	6 059 355	2 940 645	67%
Urban Settlement Development Grant	559 244 001	340 228 516	219 015 485	61%
Urban Settlement Development Grant c/o	26 186 107	10 551 861	15 634 247	40%
Neighbourhood Development Partnership Grant	10 000 000	53 653	9 946 347	1%
Neighbourhood Development Partnership Grant (PEP)	22 500 000	19 650 264	2 849 736	87%
Informal Settlement Upgrading Partnership Grant	318 358 000	176 258 519	142 099 481	55%
Expanded Public Works Programme Grant	2 434 000	2 434 000	-	100%
Programme and Project Preparation Support Grant (PPPSG)	16 000 000	5 956 077	10 043 924	37%
Municipal Disaster Response Grant c/o	27 996 396	10 819 223	17 177 173	39%
Municipal Disaster Recovery Grant c/o	71 343 637	24 402 614	46 941 023	34%
Metro Trading Service	182 597 998	74 930 670	107 667 328	41%
<b>TOTAL</b>	<b>1 246 660 139</b>	<b>672 192 978</b>	<b>574 467 161</b>	<b>54%</b>

Comments on performance of programmes that are implemented by the above funding are detailed below.

**Details of the projects that are implemented by each grant are reflected in both Annexure D and E.**

Also refer to section 14.1 of the report on measures to improve expenditure performance.

#### **11.1.1. FINANCE MANAGEMENT GRANT (FMG)**

There are currently 8 (eight) interns serving on the internship programme. The interns are being remunerated accordingly. Furthermore, the grant will be utilised for capacity and upskilling of the interns and officials in the Finance directorate as well as Internal Audit. Expenditure is in line with set targets.

#### **11.1.2. INFRASTRUCTURE SKILLS DEVELOPMENT GRANT (ISDG)**

Seven (7) interns have left the programme since the commencement of the financial year. Subsequently, the number of mentors also decreased, this has led to low expenditure. Recruitment process to employ new interns is underway and will conclude before the end of May 2026, this will improve expenditure.

#### **11.1.3. URBAN SETTLEMENT DEVELOPMENT GRANT (USDG)**

BCMM has spent 61% (R340,20 million, inclusive of reclaimed vat) of its 2025/2026 USDG adjusted budget of R559.24 million as at 30 April 2026. Under expenditure can be attributed to projects which are still under procurement processes, expenditure is expected to improve as procurement processes are concluded for the different projects. What has been approved by National Treasury as a rollover is R26,19 million and 40% expenditure has been incurred against this rollover amount as it was only approved on December 2025 Council.

#### **11.1.4. NEIGHBORHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)**

Delays in the procurement of a service provider, as well as the non-performance of the appointed contractor, resulted in no expenditure being incurred on the contract. The contractor has been terminated, and a new contractor has been appointed. The new contractor is on site and expenditure is expected to improve.

#### **11.1.5. INFORMAL SETTLEMENT UPGRADING PARTNERSHIP GRANT (ISUPG)**

BCMM has spent 55% (R176,26 million, inclusive of reclaimed vat) of its 2025/2026 ISUPG budget of R318.36 million as at 30 April 2026. Under expenditure can be attributed to projects which are still under procurement processes, expenditure is expected to improve as procurement processes are concluded for the different projects.

#### **11.1.6. PROGRAMME AND PROJECT PREPARATION SUPPORT GRANT (PPPSG)**

There are currently two (2) projects being implemented under the PPPSG programme. The first is the Detailed Feasibility Study: West Bank and Woodbrook Battery Storage, which has been completed. The second is the Feasibility Study, including the signing of a Power Purchase Agreement and Public–Private Partnerships for Buffalo City Metropolitan Municipality, which was awaiting council approval to proceed with the appointment of GTAC (Government Technical Advisory Centre). Council has approved the appointment of GTAC in the January 2026 Council meeting and the grant will fully be spent by 30 June 2026.

#### **11.1.7. MUNICIPAL DISASTER RESPONSE GRANT**

The contractors for the projects have been appointed under the Municipal Disaster Response Grant, all projects that required environmental authorization have been approved and some projects are awaiting Water Use License Authorization (WULA). Expenditure is expected to improve as projects progress to implementation stage.

#### **11.1.8. MUNICIPAL DISASTER RECOVERY GRANT**

The contractors for the projects have been appointed under the Municipal Disaster Recovery Grant, all projects that required environmental authorization have been approved and some projects are awaiting Water Use License Authorization (WULA). Expenditure is expected to improve as projects progress to implementation stage.



#### **11.1.9. METRO TRADING SERVICES**

Funding of R182.60 million was appropriated into the budget after Council approval of the mid-year adjustment budget. Procurement processes have been initiated to ensure that funding is spent by 30 June 2026.

## 12. COUNCILLOR AND EMPLOYEE BENEFITS

### 12.1. Councillor and Employees Benefits Summary

Table 20 below provides summary of employees and councillors remuneration. The workforce costs as a percentage of total expenditure amounted to 25.39%. This is within the norm of 25% - 40%.

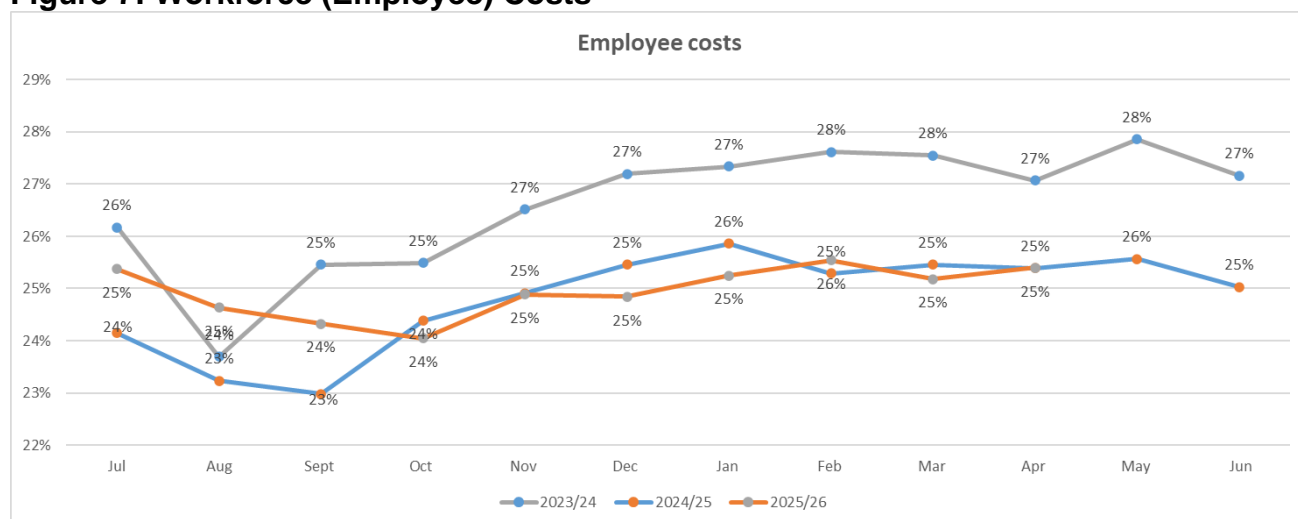
**Table 20: SC8 Monthly Budget Statement – Councillor, Board Members and Staff Benefits**

BUF Buffalo City - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April

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
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		39 843	49 631	49 631	4 852	35 495	38 623	(3 128)	-8%	49 631
Pension and UIF Contributions		4 369	4 956	4 956	540	3 907	3 857	50	1%	4 956
Medical Aid Contributions		1 773	2 397	2 397	171	1 634	1 866	(232)	-12%	2 397
Motor Vehicle Allowance								–		
Cellphone Allowance		4 313	4 945	4 945	356	3 582	3 848	(267)	-7%	4 945
Housing Allowances		14 807	2 839	2 839	2 047	13 094	2 210	10 884	493%	2 839
Other benefits and allowances		5 268	16 808	16 808	477	5 028	13 080	(8 052)	-62%	16 808
<b>Sub Total - Councillors</b>		<b>70 373</b>	<b>81 578</b>	<b>81 578</b>	<b>8 443</b>	<b>62 741</b>	<b>63 484</b>	<b>(743)</b>	<b>-1%</b>	<b>81 578</b>
<b>% increase</b>	4		<b>15,9%</b>	<b>15,9%</b>						<b>15,9%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	3	17 438	19 668	25 379	1 381	16 022	18 964	(2 942)	-16%	25 379
Pension and UIF Contributions		3 304	2 689	2 689	304	3 036	2 162	874	40%	2 689
Medical Aid Contributions		563	434	434	57	513	349	164	47%	434
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	1 050	1 050	–	–	844	(844)	-100%	1 050
Motor Vehicle Allowance		3 749	4 179	4 179	341	3 407	3 360	46	1%	4 179
Cellphone Allowance		309	251	251	26	265	202	63	31%	251
Housing Allowances		4 009	2 041	2 041	403	3 689	1 641	2 047	125%	2 041
Other benefits and allowances		23	55	55	0	(27)	45	(71)	-160%	55
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		17	99	99	–	–	80	(80)	-100%	99
In kind benefits		–	–	–	–	–	–	–		–
<b>Sub Total - Senior Managers of Municipality</b>		<b>29 412</b>	<b>30 467</b>	<b>36 178</b>	<b>2 512</b>	<b>26 904</b>	<b>27 647</b>	<b>(742)</b>	<b>-3%</b>	<b>36 178</b>
<b>% increase</b>	4		<b>3,6%</b>	<b>23,0%</b>						<b>23,0%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		1 649 654	1 753 251	1 715 174	142 106	1 468 652	1 388 865	79 787	6%	1 715 174
Pension and UIF Contributions		336 733	376 668	376 668	29 628	296 827	302 843	(6 016)	-2%	376 668
Medical Aid Contributions		126 233	154 275	154 275	11 472	110 604	124 037	(13 434)	-11%	154 275
Overtime		163 884	165 227	165 327	16 092	148 365	132 898	15 466	12%	165 327
Performance Bonus		134 473	152 183	152 183	14 035	118 103	122 356	(4 253)	-3%	152 183
Motor Vehicle Allowance		48 559	49 434	49 434	4 412	44 942	39 746	5 197	13%	49 434
Cellphone Allowance		3 995	4 637	4 637	320	3 195	3 728	(534)	-14%	4 637
Housing Allowances		9 442	15 437	15 437	744	7 893	12 412	(4 519)	-36%	15 437
Other benefits and allowances		27 291	81 722	81 722	3 943	40 582	65 706	(25 124)	-38%	81 722
Payments in lieu of leave		51 801	–	–	–	–	–	–		–
Long service awards		52 706	40 184	40 184	3 818	38 713	32 308	6 405	20%	40 184
Post-retirement benefit obligations	2	65 157	42 031	42 031	0	1	33 793	(33 792)	-100%	42 031
Entertainment		–	–	–	–	–	–	–		–
Scarcity		39 821	22 086	22 086	3 244	33 576	17 758	15 818	89%	22 086
Acting and post related allowance		13 783	12 187	12 187	669	10 879	9 798	1 081	11%	12 187
In kind benefits		–	–	–	–	–	–	–		–
<b>Sub Total - Other Municipal Staff</b>		<b>2 723 531</b>	<b>2 869 321</b>	<b>2 831 345</b>	<b>230 482</b>	<b>2 322 333</b>	<b>2 286 249</b>	<b>36 084</b>	<b>2%</b>	<b>2 831 345</b>
<b>% increase</b>	4		<b>5,4%</b>	<b>4,0%</b>						<b>4,0%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>2 779 177</b>	<b>2 931 396</b>	<b>2 899 131</b>	<b>235 520</b>	<b>2 375 546</b>	<b>2 339 308</b>	<b>34 496</b>	<b>1%</b>	<b>2 899 131</b>

The graph below shows the workforce costs as a percentage of total expenditure for the current financial year and the two previous financial years.

**Figure 7: Workforce (Employee) Costs**



## 12.2. Overtime Analysis

Table 21 below provides comparison of overtime expenditure against budget per directorate for the period ended 30 April 2026. Table 22 below details overtime expenditure incurred per cost centre for the past three months ended 30 April 2026.

**Table 21: Overtime per Directorate**

Directorate Overtime	2025/2026 Annual Budget R	2025/2026 YTD Budget R	2025/2026 YTD Expenditure R	2025/2026 YTD Variance R	2025/2026 % of YTD Budget %
Directorate of Executive Support Services	6 486 932	7 248 918	7 028 027	220 891	97%
Directorate of The City Manager	903 579	750 954	709 058	41 897	94%
Directorate of Corporate Services	483 244	471 767	668 604	(196 837)	142%
Directorate of Spatial Planning & Development	93 219	161 888	139 594	22 294	86%
Directorate of Economic Development & Agencies	254 256	622 111	702 175	(80 064)	113%
Directorate of Finance	5 545 679	4 952 251	6 917 162	(1 964 911)	140%
Directorate of Public Safety & Emergency Services	37 828 559	44 267 322	45 691 130	(1 423 808)	103%
Directorate of Infrastructure Services	62 167 450	50 162 863	58 305 824	(8 142 961)	116%
Electricity	23 945 535	19 321 632	24 891 522	(5 569 890)	129%
Water	12 000 961	9 683 565	21 559 086	(11 875 521)	223%
Sanitation	17 285 176	13 947 394	9 715 457	4 231 937	70%
Other	8 935 778	7 210 272	2 139 758	5 070 513	30%
Directorate of Solid Waste & Environmental Management	15 217 564	12 279 040	12 453 146	(174 107)	101%
Directorate of Sport, Recreation & Community Development	15 472 975	12 485 131	15 750 054	(3 264 924)	126%
<b>Total</b>	<b>165 327 034</b>	<b>133 402 245</b>	<b>148 364 773</b>	<b>(14 962 529)</b>	<b>111%</b>

The total overtime payment for the months of February 2026, March 2026 and April 2026 is reflected below. There was an increase in the total payment of overtime between February 2026 and March 2026 of R908 013,73 and a decrease in the total payment of overtime between March 2026 and April 2026 of R2 837 719,70.

**Table 22: Overtime Per Cost Centre: February 2026 – April 2026**

		February 2026 Amount	March 2026 Amount	April 2026 Amount
	<b>DIRECTORATE EXECUTIVE SUPPORT SERVICES</b>			
0505	OFFICE OF THE DIRECTOR EXECUTIVE SUPPORT SERVICES	-	-	14,725.67
0511	COMM/MARKETING /INTERNAT & INTERGOV REL	2,369.40	19,202.02	-
0512	INTERNATIONAL & INTERGOVERNMENTAL RELAT	2,583.36	23,384.95	3,105.60
0523	IDP & BUDGET INTEGRATION	8,703.60	9,573.96	63,038.13
0531	POLITICAL OFFICE ADMINISTRATION	5,733.06	-	19,631.70
0532	OFFICE OF THE CHIEF WHIP	146,309.15	148,775.19	133,285.13
0533	OFFICE OF THE DEPUTY EXECUTIVE MAYOR	14,933.12	9,711.00	8,811.11
0534	OFFICE OF THE EXECUTIVE MAYOR	227,071.36	211,315.09	240,056.10
0535	OFFICE OF THE SPEAKER	268,641.47	135,913.68	361,412.75
0536	MPAC	18,497.40	23,108.37	40,752.87
0542	SPECIAL PROGRAMMES	1,921.06	-	-
		<b>696,762.98</b>	<b>580,984.26</b>	<b>884,819.06</b>
	<b>DIRECTORATE OF THE CITY MANAGER</b>			
1005	OFFICE OF THE CITY MANAGER	58,064.32	47,073.06	107,732.12
1061	LEGAL SERVICES & MUNICIPAL COURT	-	-	6,640.32
		<b>58,064.32</b>	<b>47,073.06</b>	<b>114,372.44</b>
	<b>DIRECTORATE OF CORPORATE SERVICES</b>			
1512	ADMINISTRATIVE & CORPORATE SUPPORT	40,561.78	-8,247.30	19,494.74
1513	AUXILLIARY / RECORDS & DECISION TRACKING AND TELECOMMUNICATIONS	36,813.26	32,239.29	49,652.68
1514	INFORMATION / TECHNOLOGY & SUPPORT	48,730.23	16,603.90	59,635.03
1536	ORGANISATIONAL DEVELOPMENT	-	-	2,298.80
		<b>126,105.27</b>	<b>40,595.89</b>	<b>131,081.25</b>
	<b>DIRECTORATE OF SPATIAL PLANNING &amp; DEVELOPMENT</b>			
2037	TRAFFIC MANAGEMENT & SAFETY	1,589.76	3,974.40	7,021.44
		<b>1,589.76</b>	<b>3,974.40</b>	<b>7,021.44</b>

		February 2026 Amount	March 2026 Amount	April 2026 Amount
	<b>DIRECTORATE OF ECONOMIC DEVELOPMENT &amp; AGENCIES</b>			
2511	FRESH PRODUCE MARKET	24,397.14	26,509.23	22,859.86
2521	TOURISM / ARTS / CULTURE & HERITAGE	-	-	5,185.43
2531	TRADE / INDUSTRY & RURAL AGRARIAN	-	-	2,376.80
		<b>24,397.14</b>	<b>26,509.23</b>	<b>30,422.09</b>
	<b>DIRECTORATE OF FINANCE</b>			
3021	CORPORATE ASSET MANAGEMENT	-	601.35	2,245.04
3033	PAYROLL & BENEFITS	-	12,210.76	-12,210.76
3052	ACCOUNTS MANAGEMENT & REVENUE CONTROL	6,098.40	4,802.49	4,268.88
3053	COASTAL REVENUE MANAGEMENT	70,593.44	20,808.60	303,460.66
3054	CUSTOMER RELATIONS (CALL CENTRE)	200070.64	230346.69	311138.56
3055	INLAND REVENUE MANAGEMENT	51,050.93	22,857.58	231,327.34
3056	MIDLAND REVENUE MANAGEMENT	-	11,348.46	125,653.53
3057	RATES AND VALUATIONS	-	-	2,650.48
3061	STRATEGY & OPERATIONS	-	21,461.72	3,496.50
3071	SUPPLY CHAIN MANAGEMENT	-	-	9,137.76
		<b>327,813.41</b>	<b>324,437.65</b>	<b>981,167.99</b>
	<b>DIRECTORATE OF PUBLIC SAFETY &amp; EMERGENCY SERVICES</b>			
3512	DISASTER MANAGEMENT	16,483.06	13,598.10	18,220.10
3513	FIRE & RESCUE	832,472.59	436,480.51	783,961.19
3532	LAW ENFORCEMENT SERVICES	2,053,767.46	1,540,358.90	1,934,202.34
3533	TRAFFIC SERVICES	624,512.56	404,351.16	569,340.58
		<b>3,527,235.67</b>	<b>2,394,788.67</b>	<b>3,305,724.21</b>
	<b>DIRECTORATE OF INFRASTRUCTURE SERVICES</b>			
4505	OFFICE OF THE DIRECTOR OF INFRASTRUCTURE SERVICES	47,814.92	44,821.84	81,885.36
4511	ELECTRICAL & ENERGY SERVICES	3,694.50	4,125.53	4,864.43
4512	CUSTOMER SERVICES & REVENUE PROTECTION	164,468.20	161,372.08	214,802.21
4513	ELECTRICAL DEVELOPMENT / CONTRACTS & ASSETS	2,097.00	1,782.45	2,306.70
4514	ELECTRICAL DISTRIBUTION	1,683,541.74	1,711,586.73	1,672,619.89
4522	CONSTRUCTION	16,226.09	22,109.32	27,557.40
4524	ROADS	99280.35	98433.09	103511.96
4532	SANITATION	1,735,418.67	1,321,135.22	1,356,102.96
4533	SCIENTIFIC SERVICES	-	20,487.76	20,776.32
4534	MADEN DAM	29,058.42	13,704.78	29,064.78
4535	WATER SERVICES	1,044,429.17	909,297.34	947,781.37
4536	UMZONYANA WATER TREATMENT WORKS	140,409.12	130,847.88	118,339.35

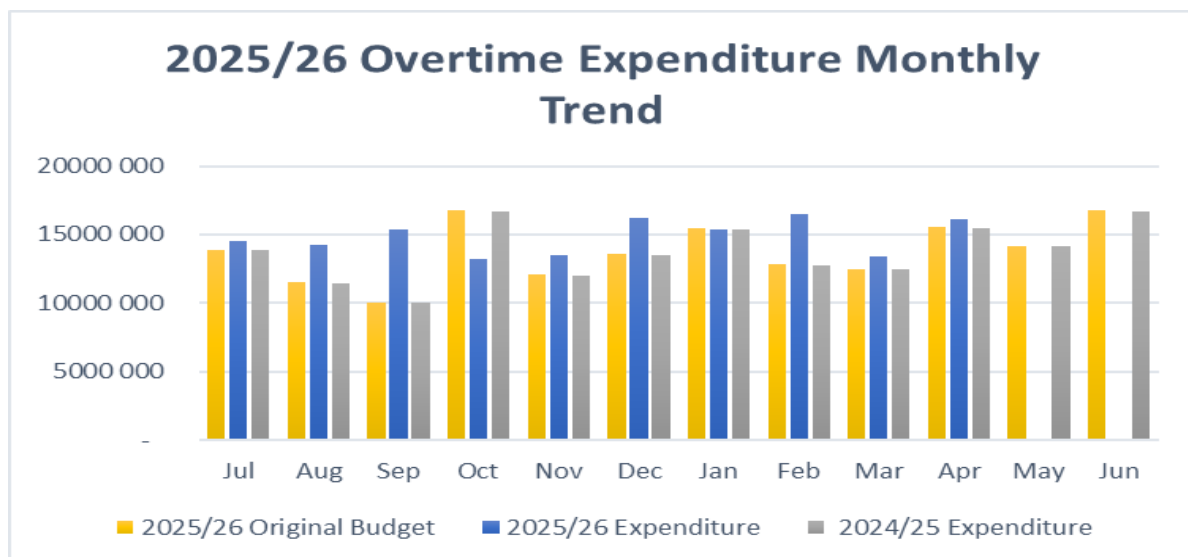
		February 2026 Amount	March 2026 Amount	April 2026 Amount
4537	KWT WATER TREATMENT WORKS	86,883.24	49,319.48	111,877.10
4538	MDANTSANE BULK PUMPING	39,381.02	41,293.20	34,955.82
4539	WATER OPERATION & MAINT (INLAND)	491,098.89	407,023.06	393,836.38
4540	WATER OPERATION & MAINT (MIDLAND)	690,190.45	337,984.51	407,701.86
4542	FLEET SERVICES & PLANT	14,556.61	18,771.28	14,662.85
4543	WORKSHOPS	44940.79	50099.95	34888.99
		<b>6,333,489.18</b>	<b>5,344,195.50</b>	<b>5,577,535.73</b>
	<b>DIRECTORATE OF SOLID WASTE &amp; ENVIRONMENTAL SERVICE</b>			
5511	GENERAL MANAGER'S OFFICE	344,228.23	-	-
5512	LANDFILLS & TRANSFER STATIONS	-	316,829.65	383,314.98
5513	WASTE REMOVAL & CLEANSING (COASTAL)	131,496.15	85,205.11	88,973.10
5514	WASTE REMOVAL & CLEANSING (MIDLAND)	345,107.63	183,472.60	219,011.97
5517	LANDFILL & TRANSFER STATIONS	97,967.00	101,645.63	113,476.09
5522	ENVIROMENTAL PLANNING (IEMP)	7,708.00	3,216.00	5,125.44
5523	COASTAL BEACHES & NATURE MANAGEMENT	172,440.82	45,838.48	46,108.54
5524	GRASS CUTTING & VEGETATION CONTROL	32,370.08	45,220.54	35,984.99
5533	MUNICIPAL HEALTH SERVICES	16,485.30	5,378.70	2,759.27
		<b>1,147,803.21</b>	<b>786,806.71</b>	<b>894,754.38</b>
	<b>DIRECTORATE OF SPORT, RECREATION &amp; COMMUNITY DEVELOPMENT</b>			
6005	OFFICE OF THE DIRECTOR OF SPORT, RECREATION & COMMUNITY DEVELOPMENT	-	2,298.80	2,298.80
6011	GM OFFICE	37,521.16	55,291.00	43,837.76
6012	LIBRARIES	30,281.62	39,790.60	39,369.72
6013	HALLS	215,394.44	268,042.91	246,858.62
6014	ZOO & AQUARIUM	176,680.38	170,219.50	149,383.59
6022	PARKS (COASTAL)	6,034.35	4,466.00	1,282.40
6023	CEMETERIES (COASTAL)	113,398.81	146,163.46	132,982.23
6024	PARKS (MIDLAND)	4,289.63	3,447.74	18,446.26
6025	CEMETERIES (MIDLAND)	113,940.51	121,545.02	131,074.86
6026	PARKS (INLAND)	176,070.24	142,270.14	156,536.50
6027	CEMETERIES (INLAND)	95,581.04	74,634.15	91,887.03
6031	GM OFFICE	-	11,097.24	3,699.08
6032	FACILITIES	70,585.34	120,787.36	154,070.69
6033	SWIMMING POOLS	500,397.04	484,709.73	375,359.64
6034	RESORTS MANAGEMENT	86,968.54	88,371.21	42,223.55
		<b>1,627,143.10</b>	<b>1,733,134.86</b>	<b>1,589,310.73</b>
	<b>TOTAL OVERTIME</b>	<b>13,068,382.07</b>	<b>13,976,395.80</b>	<b>11,138,676.10</b>

**The measures that have been put in place to reduce overtime are the following:**

- a) Employees are not permitted to work more than ten (10) hours overtime per week in line with the Basic Conditions of Employment Act.
- b) All planned overtime is capped at forty (40) hours per month in line with the Basic Conditions of Employment Act.
- c) All emergency overtime to be signed and approved by Heads of Directorates to ensure accountability and emphasis on control measures.
- d) Regular communication is maintained with all line managers to ensure close monitoring overtime expenditure.
- e) Payroll division in Human Resources conducts spot checks on departmental calculations.
- f) Office of the Speaker and Chief Whip has implemented a 120-hour overtime threshold, effective from July 2024.
- g) Department of Electricity has capped overtime payments at 80 hours, including emergencies.
- h) The introduction of a twenty-four-hour (24) shift system for Law Enforcement has been put on hold.

The graph below shows the overtime expenditure monthly trend for the current financial year compared to prior year.

**Figure 8: Overtime Expenditure Monthly Trend**



### 12.2.1. Comments on Overtime

#### a) Directorate of Corporate Services

Due to an increase in vandalism targeting fibre infrastructure, after-hours support was required to ensure continuous network availability.

#### b) Directorate Of Economic Development & Agencies

The department prioritises overtime and only approves overtime that is necessary. The cold rooms, cashiers and access controllers are the few sections that work overtime.

#### c) Directorate of Finance

The over expenditure on overtime is as a result of Revenue Management staff who worked overtime to minimize the high volume of old queries and recent queries to get accounts resolved, as the call centre is required to be operational 365 days a year, which includes weekends and public holidays. The staff are 5-day workers and as such need to be paid overtime for work done on a weekend and public holidays in order to keep the Call Centre operational. The billing department worked overtime to resolve queries relating to meter changes and incorrect readings. Furthermore, overtime was worked for the finalisation of the Annual Financial Statements and attending to audit queries.

#### d) Directorate of Public Safety & Emergency Services

Structured overtime is compulsory compensation payable as a result of the requirements to work on Sundays and Public Holidays as part of a shift system.

These include but not limited to:

- a) Officers required to attend to emergencies and accidents.
- b) Security Guards working longer hours due to the fact that there are installations which require security & safeguarding.
- c) Disaster Management carrying out event safety management, including festive season events; and attending to disasters such as fires, storm damage & floods.



**e) Directorate of Infrastructure Services**

- i. Electricity – This is due to emergency raids which are carried out after hours to eradicate illegal connections and emergency standby work carried out over weekends and after hours. Vandalism & Theft contributes a large percentage of overtime worked.
- ii. Water - Overtime expenditure is due to emergency callouts for burst pipes, water leaks, water outages and replacement of shift workers at water treatment works and pump stations.

**f) Directorate of Solid Waste & Environmental Management**

Overtime expenditure was a result of extended working hours for Lifeguards in order to cater for the demand of the service. Supervisor's operating hours were also extended to accommodate operations executed by project participants over weekends. Municipal Health Services officials had to attend to a number of events, mainly musical that took place in the city as part of festive season's activities. Officials from the Department are therefore expected to be present to monitor Sound Levels, Food Vendors, Ablutions Facilities, Waste Management during these events.

**g) Directorate of Sport, Recreation & Community Development**

The Zoo and Aquarium are open 7 days a week and staff are required at the facility to ensure the captive animals are cared for correctly. Halls and Libraries Overtime is linked to hall usage which is also operational for 7 days a week. Cemeteries burials and cremations conducted over weekends due to religious beliefs and cultural customs.

**12.3. Standby and Shift Allowance Analysis**

Table 23 below reflects the total standby and shift payment for the months of February 2026, March 2026 and April 2026. There was a decrease in the total payment between February 2026 and March 2026 of R409 916, and an increase in the total payment between March 2026 and April 2026 of R215 203.

**Table 23: Standby & Shift Allowance per Directorate**

	February 2026 Amount	March 2026 Amount	April 2026 Amount
Directorate of Executive Support Services	9 417	18 673	19 717
Directorate of the City Manager	1 275	623	2 432
Directorate of Corporate Services	8 992	7 095	10 164
Directorate of Development & Spatial Planning	5 863	912	11 152
Directorate of Economic Development & Agencies	4 019	2 373	3 107
Directorate of Finance	21 188	20 730	24 448
Directorate of Public Safety & Emergency Services	1 001 206	847 447	1 008 420
Directorate of Infrastructure Services	-	-	-
Directorate of Solid Waste & Environmental Management	1 148 452	982 593	994 354
Directorate of Sport, Recreation & Community Development	465 760	379 934	401 366
<b>TOTAL</b>	<b>2 701 389</b>	<b>2 291 473</b>	<b>2 506 676</b>

**12.4. Cost of Temporary Staff**

Table 24 below reflects the total payment of Temporary Staff for the months of February 2026, March 2026 and April 2026. There was an increase in the total payment between February 2026 and March 2026 of R500 355 and an increase in the total payment between March 2026 and April 2026 of R950 650.

**Table 24: Temporary Staff per Directorate**

	February 2026 Amount	March 2026 Amount	April 2026 Amount
Directorate of Executive Support Services	2 221 367	2 492 288	2 523 312
Directorate of the City Manager	186 906	194 182	226 638
Directorate of Corporate Services	1 179 341	1 219 880	1 179 985
Directorate of Spatial Planning & Development	31 469	87 168	124 517
Directorate of Finance	-	-	-
Directorate of Public Safety & Emergency Services	744 110	940 454	956 812
Directorate of Infrastructure Services	62 314	68 401	68 401
Directorate of Solid Waste & Environmental Management	-	-	-
Directorate of Sport, recreation & Community Development	692 523	693 797	838 475
<b>TOTAL</b>	<b>6 009 129</b>	<b>6 509 485</b>	<b>7 460 135</b>

## 12.5. Councillors Costs

The table below shows the budget and expenditure to date for councillors' costs. The year-to-date budget of R63.48 million less the year-to-date expenditure of R62.74 million which leaves a variance of R743 475.

**Table 25: Councillors Costs**

**Councillors Allowances and Benefits**

<b>Councillors Allowances And Benefits</b>	<b>2025/2026 Annual Budget R</b>	<b>2025/2026 YTD Budget R</b>	<b>2025/2026 YTD Expenditure R</b>	<b>2025/2026 Variance R</b>	<b>2025/2026 Variance %</b>
Councillors Allowances	54 576 747	42 471 738	39 077 031	3 394 706	7,99
Housing Allowance	2 839 272	2 209 527	13 094 002	-10 884 475	-492,62
Medical Aid Allowance	2 397 470	1 865 716	1 634 091	231 625	12,41
Pension Allowance	4 956 471	3 857 136	3 907 405	-50 269	-1,30
Travel Allowance	16 807 948	13 079 980	5 028 093	8 051 887	61,56
<b>Total</b>	<b>81 577 908</b>	<b>63 484 097</b>	<b>62 740 622</b>	<b>743 475</b>	<b>1,17</b>

### 13. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

BCMDA has spent R43.42 million (70.03%) of its 2025/2026 approved operating budget of R61.99 million. A detailed analysis of the entity's performance for month ended 30 April 2026 is outlined in the attached Annexure F.

**Table 26: Monthly Budget Statement – summary of municipal entity**

Buffalo City Development Agency - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April										
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	1									
Exchange Revenue								-		
Service charges - Electricity								-		
Service charges - Water								-		
Service charges - Waste Water Management								-		
Service charges - Waste Management								-		
Sale of Goods and Rendering of Services		0	-	-	-	18	-	18		
Agency services		-	-	-	-	-	-	-		
Interest								-		
Interest earned from Receivables								-		
Interest earned from Current and Non Current Assets		2 717	2 281	2 281	107	1 527	1 919	(392)	-20.4%	2 281
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		-	-	-	-	-	-	-		-
Licence and permits								-		
Special rating levies								-		
Operational Revenue		-	-	-	-	11	-	11		-
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes								-		
Fines, penalties and forfeits								-		
Licences or permits								-		
Transfer and subsidies - Operational		8 263	59 718	59 718	1 303	9 951	48 635	(38 683)	-79.5%	59 718
Interest								-		
Fuel Levy								-		
Operational Revenue								-		
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		-	-	-	-	-	-	-		-
Discontinued Operations								-		
									-77.2%	
Total Revenue (excluding capital transfers and contributions)		10 980	61 999	61 999	1 410	11 508	50 553	(39 045)		61 999
Expenditure By Type										
Employee related costs		27 743	32 268	32 268	2 620	26 309	25 944	365	1.4%	32 268
Remuneration of board members								-		
Bulk purchases - electricity								-		
Inventory consumed		345	235	235	36	191	197	(6)	-2.9%	235
Debt impairment								-		
Depreciation and asset impairment	2	625	540	540	17	343	452	(110)	-24.2%	540
Interest		20	-	-	-	-	-	-		
Contracted services		8 324	25 376	25 376	1 172	11 470	15 974	(4 504)	-28.2%	25 376
Transfers and subsidies		450	-	-	-	-	-	-		-
Irrecoverable debts written off		-	-	-	-	-	-	-		-
Operational costs		6 082	3 580	3 580	288	5 107	3 318	1 788	53.9%	3 580
Losses on disposal of Assets		-	-	-	-	-	-	-		-
Other Losses		9	-	-	-	-	-	-		-
Total Expenditure	3	43 597	61 999	61 999	4 133	43 420	45 886	(2 466)	-5.4%	61 999
Surplus/(Deficit)		(32 617)	-	-	(2 723)	(31 912)	4 668	(36 580)	-783.6%	-
Transfers and subsidies - capital (monetary allocations)									-100.0%	
		-	100	100	-	-	81	(81)		100
Transfers and subsidies - capital (in-kind)								-		
									-771.9%	
Surplus/(Deficit) before taxation		(32 617)	100	100	(2 723)	(31 912)	4 749	(36 661)		100
Income Tax		-	-	-	-	-	-	-		-
Surplus/(Deficit) for the year		(32 617)	100	100	(2 723)	(31 912)	4 749	(36 661)		100

#### 14. CAPITAL PROGRAMME PERFORMANCE

The Metro has spent 50% (R772.73 million, inclusive of reclaimed vat) of its 2025/26 adjusted capital budget of R1.55 billion as at 30 April 2026. This reflects a decline when compared to the same period in the previous financial year where 52% (R740.70 million, inclusive of reclaimed vat) of the adjusted capital budget of R1.43 billion was spent. (Refer to Section 14 for further details).

Refer to Annexure A – C5 for the breakdown per municipal vote standard classification & funding; Annexure B – SC12 for monthly expenditure trends; SC13a for breakdown of asset classification for new assets; SC13b for breakdown on asset classification on renewal of existing asset and SC13e for breakdown on asset classification on upgrading of existing asset.

A detailed schedule of the capital projects expenditure is outlined in **Annexure E**.

Table 27 below reflects capital expenditure performance per source of funding.

**Table 27: Capital Expenditure per Funding Source against Budget**

<b>Funding</b>	<b>2025/2026 Adjusted Budget</b>	<b>YTD Expenditure (incl. VAT)</b>	<b>Variance (incl. VAT)</b>	<b>% Expenditure (incl. VAT)</b>
<b>TOTAL OWN FUNDING</b>	<b>447 424 689</b>	<b>208 191 236</b>	<b>239 233 454</b>	<b>47%</b>
Urban Settlement Development Grant	504 119 128	277 921 089	226 198 039	55%
Urban Settlement Development Grant c/o	26 186 107	10 551 861	15 634 247	40%
City Of Oldenburg	3 155 797	1 091 153	2 064 644	35%
Informal Settlements Upgrading Partnership Grant	294 365 924	164 643 995	129 721 929	56%
Neighbourhood Development Partnership Grant	10 000 000	53 653	9 946 347	1%
Municipal Disaster Response Grant c/o	27 996 396	10 819 223	17 177 173	39%
Municipal Disaster Recovery Grant c/o	71 343 636	24 402 614	46 941 022	34%
Metro Trading Services Funding	164 428 200	74 930 670	89 497 530	46%
Infrastructure Skills Development Grant	200 000	119 600	80 400	60%
<b>TOTAL GRANTS</b>	<b>1 101 795 189</b>	<b>564 533 857</b>	<b>537 261 331</b>	<b>51%</b>
<b>TOTAL CAPITAL BUDGET</b>	<b>1 549 219 878</b>	<b>772 725 093</b>	<b>776 494 785</b>	<b>50%</b>

Table 28 below reflects capital expenditure performance per function.

**Table 28: Actual Expenditure per Function against Budget**

Function	2025/2026 Adjusted Budget	YTD Expenditure (incl. VAT)	Variance (incl. VAT)	% Expenditure (incl. VAT)
<b>Governance and administration</b>	<b>167 141 206</b>	<b>97 182 700</b>	<b>69 958 506</b>	<b>58%</b>
Executive and council	28 350 000	6 826 488	21 523 512	24%
Finance and administration	138 791 206	90 356 212	48 434 994	65%
<b>Community and public safety</b>	<b>341 319 252</b>	<b>170 304 896</b>	<b>171 014 356</b>	<b>50%</b>
Community and social services	51 264 638	8 389 314	42 875 324	16%
Sport and recreation	48 370 919	12 987 730	35 383 189	27%
Public safety	37 304 711	16 669 361	20 635 350	45%
Human settlements	189 917 983	128 636 858	61 281 125	68%
Health	14 461 000	3 621 632	10 839 368	25%
<b>Economic and environmental services</b>	<b>323 267 295</b>	<b>148 823 194</b>	<b>174 444 100</b>	<b>46%</b>
Planning and development	46 042 526	33 976 258	12 066 268	74%
Road transport	277 224 768	114 846 936	162 377 832	41%
<b>Trading services</b>	<b>668 024 996</b>	<b>341 134 729</b>	<b>326 890 267</b>	<b>51%</b>
Energy sources	212 646 630	149 038 894	63 607 736	70%
Water management	190 118 522	135 458 354	54 660 168	71%
Waste water management	185 425 951	36 869 433	148 556 518	20%
Waste management	79 833 894	19 768 049	60 065 845	25%
<b>Other - LED</b>	<b>49 467 130</b>	<b>15 279 574</b>	<b>34 187 556</b>	<b>31%</b>
<b>TOTAL - PER FUNCTION</b>	<b>1 549 219 878</b>	<b>772 725 093</b>	<b>776 494 785</b>	<b>50%</b>

Table 29 below reflects capital expenditure performance per directorate.

**Table 29: Actual Expenditure per Directorate against Budget**

Directorate	2025/2026 Adjusted Budget	YTD Expenditure (incl. VAT)	Variance (incl. VAT)	% Expenditure (incl. VAT)
Executive Support Services	2 500 000	922 206	1 577 794	37%
City Manager's Office	25 850 000	5 904 282	19 945 718	23%
Corporate Services	28 123 196	4 236 110	23 887 086	15%
Spatial Planning & Development	61 615 487	39 079 695	22 535 792	63%
Economic Development & Agencies	49 467 130	15 279 574	34 187 556	31%
Finance Services	88 745 049	80 790 427	7 954 622	91%
Public Safety & Emergency Services	51 004 711	18 868 997	32 135 714	37%
Human Settlements	189 917 983	128 636 858	61 281 125	68%
Infrastructure Services	865 415 871	436 213 617	429 202 254	50%
Sports, Recreation & Community Development	76 539 159	16 017 599	60 521 560	21%
Solid Waste & Environmental Management	103 691 292	26 549 490	77 141 802	26%
<b>TOTAL DIRECTORATES</b>	<b>1 542 869 878</b>	<b>772 498 855</b>	<b>770 371 023</b>	<b>50%</b>
BCMDA Projects	100 000	1 690	98 310	2%
Asset Replacements	6 250 000	224 548	6 025 453	4%
<b>TOTAL CONSOLIDATED CAPITAL PER DIRECTORATE</b>	<b>1 549 219 878</b>	<b>772 725 093</b>	<b>776 494 785</b>	<b>50%</b>

The capital programme performance by month is tabulated in table 30 below (exclusive of Vat).

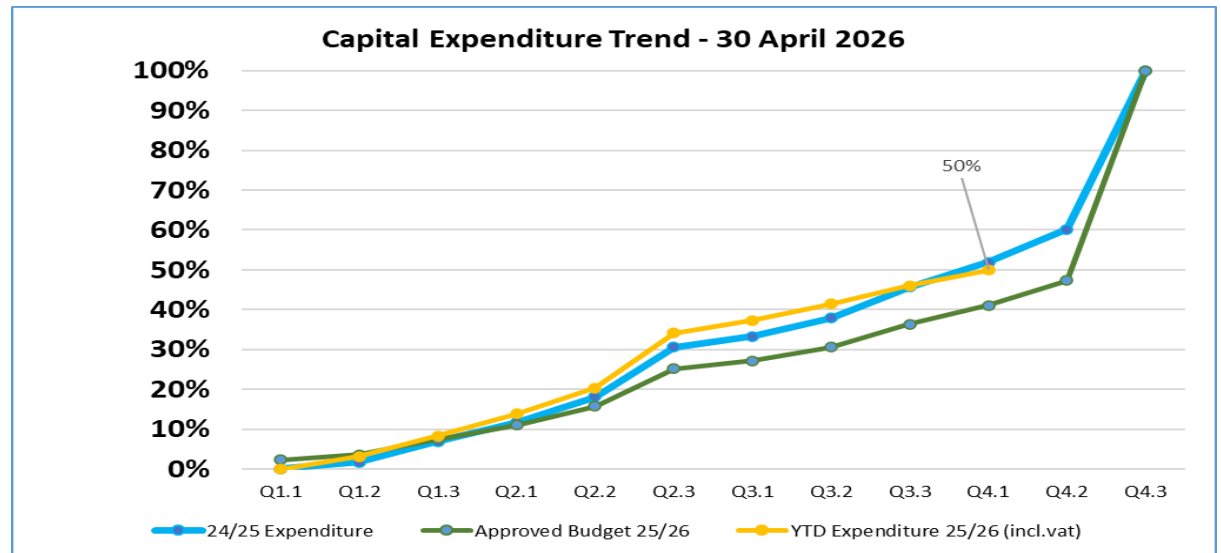
**Table 30: SC12 Monthly Budget Statement – capital expenditure trend**

BUF Buffalo City - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M10 April

Month	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<b>Monthly expenditure performance trend</b>									
July	1 524	70 803	70 803	0	0	70 803	70 802	100,0%	0%
August	22 635	91 480	91 480	45 707	45 707	162 283	116 576	71,8%	3%
September	68 648	102 018	102 018	73 203	73 203	264 300	191 098	72,3%	5%
October	63 942	112 556	112 556	83 338	83 338	376 856	293 517	77,9%	5%
November	83 769	123 094	123 094	92 766	92 766	499 949	407 183	81,4%	6%
December	165 218	98 874	98 874	198 084	198 084	598 824	400 740	66,9%	13%
January	34 410	109 552	109 552	43 420	43 420	708 376	664 956	93,9%	3%
February	60 583	163 411	163 411	58 389	58 389	871 787	813 398	93,3%	4%
March	102 310	166 709	166 709	65 260	65 260	1 038 496	973 236	93,7%	4%
April	84 303	170 241	170 241	49 267	49 267	1 208 738	1 159 471	95,9%	0
May	108 995	173 797	173 797	–	49 267	1 382 535	1 333 268	96,4%	0
June	434 002	166 685	166 685	–	–	1 549 220	1 549 220	100,0%	–
<b>Total Capital expenditure</b>	<b>1 230 341</b>	<b>1 549 220</b>	<b>1 549 220</b>	<b>709 434</b>					

The graph below shows the capital expenditure trend inclusive of reclaimed vat for the current financial year and the previous financial year.

**Figure 9: Capital Expenditure Trend**



#### 14.1. Strategies that have been put in place to improve expenditure.

The City continues to implement intervention measures to improve the City's spending performance. As a tool to monitor the performance of each bid committee, weekly reports are submitted to the City Manager on the sitting of bid committees to assist in early identification of challenges and poor performance by the committees. The above

assists the City Manager to produce prompt interventions and remedial actions, the following has been implemented as part of the remedial action:

- a) Continuous restructuring of bid committees to ensure effectiveness and efficiency. Additional members have been appointed to address the problem of non-sitting of committees because of meetings failing to meet the required quorum.
- b) All bid committee members have been taken through formal training in an effort to:
  - I. Improve the turnaround in processing of bids at committees.
  - II. Improve quality of bid specifications which in turn makes evaluation swifter and reduce the rate of withdrawn tenders due to incorrect specification.
  - III. Reduce the rate of litigations that are a result of incorrect evaluation and award due to poor specifications.
- c) This seeks to achieve the envisaged target of three months for the procurement process from initiation to the award of an open bid.
- d) Reconfiguration of processes at the Supply Chain Management unit are also underway to improve all procurement related activities. SCM is compiling weekly register of all requisitions submitted by Directorates and this process will help to address the challenges of missing requisitions or requisitions not captured timeously causing unnecessary procurement delays.
- e) All committee meetings are required to sit at least once a week to ensure that there is no backlog.
- f)
- g) There is a capital spending committee that has been set by the Executive Mayor which is composed of Mayoral Committee Members and Heads of Directorates; its purpose is to monitor capital expenditure performance.



## 15. OTHER SUPPORTING DOCUMENTS

### 15.1. Operating Projects Expenditure

The Metro has spent 53% (R306.87 million, inclusive of reclaimed vat) of its 2025/26 adjusted operating projects budget of R581.67 million as at 30 April 2026. This reflects an improvement when compared to the same period in the previous financial year where 42% (R220.97 million, inclusive of reclaimed vat) of the adjusted operating projects budget of R521.16 million was spent. (Refer to Section 15 for further details).

A detailed schedule of the operating projects expenditure is outlined in **Annexure D**. Also refer to section 14.1 above of the report on measures that are implemented to improve expenditure.

Tables 31 and 32 below summarise Annexure D.

**Table 31: Operating Projects per Directorate**

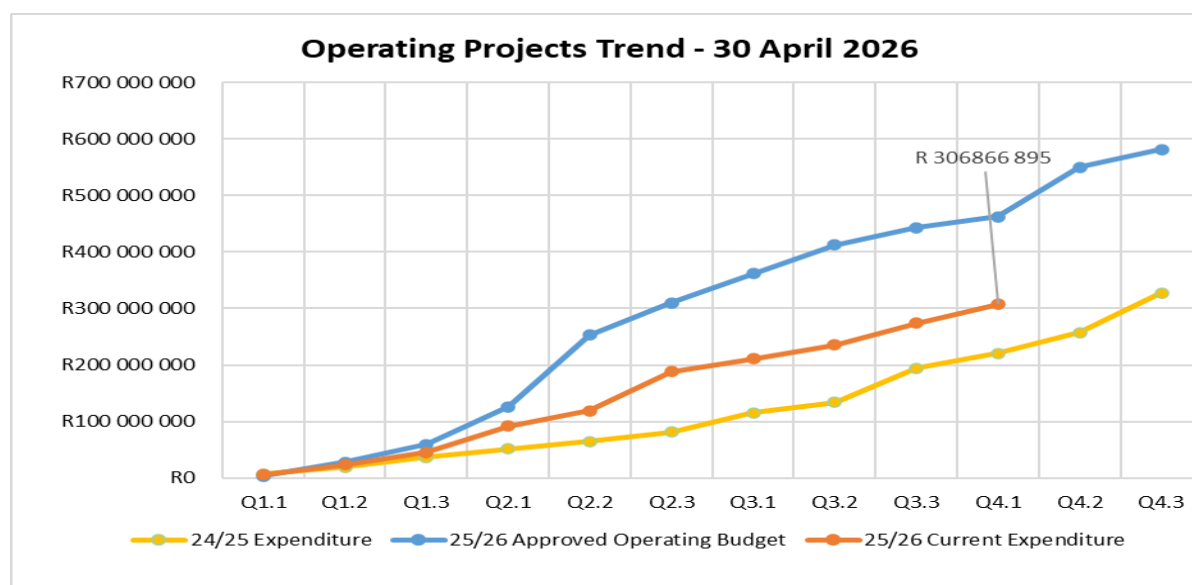
<b>Directorate</b>	<b><u>2025/2026 Adjusted Budget</u></b>	<b><u>YTD Expenditure (incl. vat)</u></b>	<b><u>Variance (incl.VAT)</u></b>	<b><u>% Expenditure (incl. vat)</u></b>
Executive Support Services	21 935 398	6 313 178	15 622 220	29%
City Manager's Office	44 810 224	35 137 739	9 672 486	78%
Corporate Services	34 250 000	6 209 755	28 040 245	18%
Spatial Planning & Development	13 414 886	3 258 668	10 156 219	24%
Economic Development & Agencies	50 269 823	18 368 146	31 901 678	37%
Finance Services	12 871 900	16 796 076	-3 924 176	130%
Public Safety & Emergency Services	3 900 000	2 165 278	1 734 722	56%
Human Settlements	186 221 637	57 418 500	128 803 137	31%
Infrastructure Services	134 351 095	71 721 231	62 629 864	53%
Sports, Recreation & Community Development	3 450 000	762 366	2 687 634	22%
Solid Waste & Environmental Management	76 191 087	88 715 959	-12 524 872	116%
<b>TOTAL OPERATING PROJECTS</b>	<b>581 666 051</b>	<b>306 866 895</b>	<b>274 799 155</b>	<b>53%</b>

**Table 32: Operating Projects Per Funding Source**

<b>Funding</b>	<b>2025/2026 Adjusted Budget</b>	<b>YTD Expenditure (incl. vat)</b>	<b>Variance (incl. VAT)</b>	<b>% Expenditure (incl. vat)</b>
<b>TOTAL OWN FUNDING</b>	<b>203 267 400</b>	<b>126 321 581</b>	<b>76 945 819</b>	<b>62%</b>
City of Oldenburg c/o	935 398	103 051	832 347	11%
Urban Settlement Development Grant	55 124 874	62 307 427	-7 182 553	113%
Finance Management Grant	1 000 000	848 227	151 773	85%
Informal Settlements Upgrading Partnership Grant	23 992 076	11 614 524	14 477 552	45%
Infrastructure Skills Development Grant	8 800 000	5 939 755	2 860 245	67%
Programme and Project Preparation Support Grant	16 000 000	5 956 077	10 043 924	37%
Expanded Public Works Programme	2 434 000	2 434 000	0	100%
Human Settlements Development Grant	167 611 947	46 897 570	118 614 377	28%
Neighbourhood Development Partnership Grant	22 500 000	19 650 264	2 849 736	87%
Department of Transport c/o	71 888 104	21 939 949	49 948 155	31%
Sector Education and Training Authority c/o	3 717 955	1 952 845	1 765 110	53%
Sector Education and Training Authority	4 394 297	901 626	3 492 671	21%
<b>TOTAL GRANTS</b>	<b>378 398 651</b>	<b>180 545 315</b>	<b>197 853 336</b>	<b>48%</b>
<b>TOTAL OPERATING PROJECTS BUDGET</b>	<b>581 666 051</b>	<b>306 866 895</b>	<b>274 799 155</b>	<b>53%</b>

The graph below shows the operating projects expenditure trend for the current financial year and the previous financial year.

**Figure 10: Operating Projects Expenditure Trend**



## **16. MUNICIPAL MANAGER'S QUALITY CERTIFICATION**

<b>QUALITY CERTIFICATE</b>
----------------------------

I, Mxolisi Yawa, City Manager of Buffalo City Metropolitan Municipality do hereby certify that –

☐

The monthly budget statement (Section 71 Report)

for the period ending **April 2026** has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

**Print name: Mxolisi Yawa**

**City Manager of Buffalo City Metropolitan Municipality**

**Signature: .....**