



REVENUE MANAGEMENT REPORT FOR THE MONTH OF APRIL 2025

1. Purpose of the report

This report seeks to provide status on revenue management for the month of April 2025. The report gives details of collection, billing, and credit control and debt collection activities.

2. Legislative Background

Two primary Acts establish the legislative framework for credit control and debt collection within South African local government:

Local Government: Municipal Systems Act (Act 32 of 2000)

This Act, under Chapter 9, lays the groundwork for credit control and debt collection policies. It emphasizes the importance of municipalities collecting all revenue owed to them.

Municipal Finance Management Act (Act 56 of 2003)

This Act, specifically Section 62(f)(iii), mandates that municipalities establish and enforce a credit control and debt collection policy.

Additional Resources:

Credit Control and Debt Collection policy of Merafong City Local Municipality (MCLM)

Credit Control and Debt Collection By-Laws of MCLM

3. Key Performance Indicators (KPI)

- ❖ The collection rate for the month of April 2025 was 49% and the average collection.
- ❖ The Net debtor days at the end of the month of April 2025 was 2 222 days.
- ❖ The Billing of the month of March 2025 was done on the 5th day of the following month in line with trying to achieve timeous monthly billing.

*Below a breakdown of how the two KPI above are determined is provided.

Collection rate calculation

	Feb-25	Mar-25	Apr-25	<i>Please refer to page 5 of MFMA Circular No. 71</i>
	38.49%	65.16%	49.43%	
Gross Debtors closing balance	6,573,052,730	6,631,707,174	6,709,348,828	
Gross Debtors opening balance	6,464,002,093	6,573,052,730	6,631,707,174	
Bad debts written Off				
Billed Revenue	177,298,630	168,345,185	153,522,812	

**Formula: Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance -
Bad Debts Written Off) / Billed Revenue x 100*

Net debtor days calculation

	Feb-25	Mar-25	Apr-25	Please refer to page 6 of MFMA Circular No. 71
	1 643 days	1,858 days	2,222 days	
Gross debtors	6,573,052,730	6,631,707,174	6,709,348,828	
Bad debts Provision	5,774,955,669	5,774,955,669	5,774,955,669	
Billed Revenue	177,298,630	168,345,185	153,522,812	

* Formula: $(\text{Gross Debtors} - \text{Bad Debt Provision}) / \text{Billed Revenue}) \times 365$

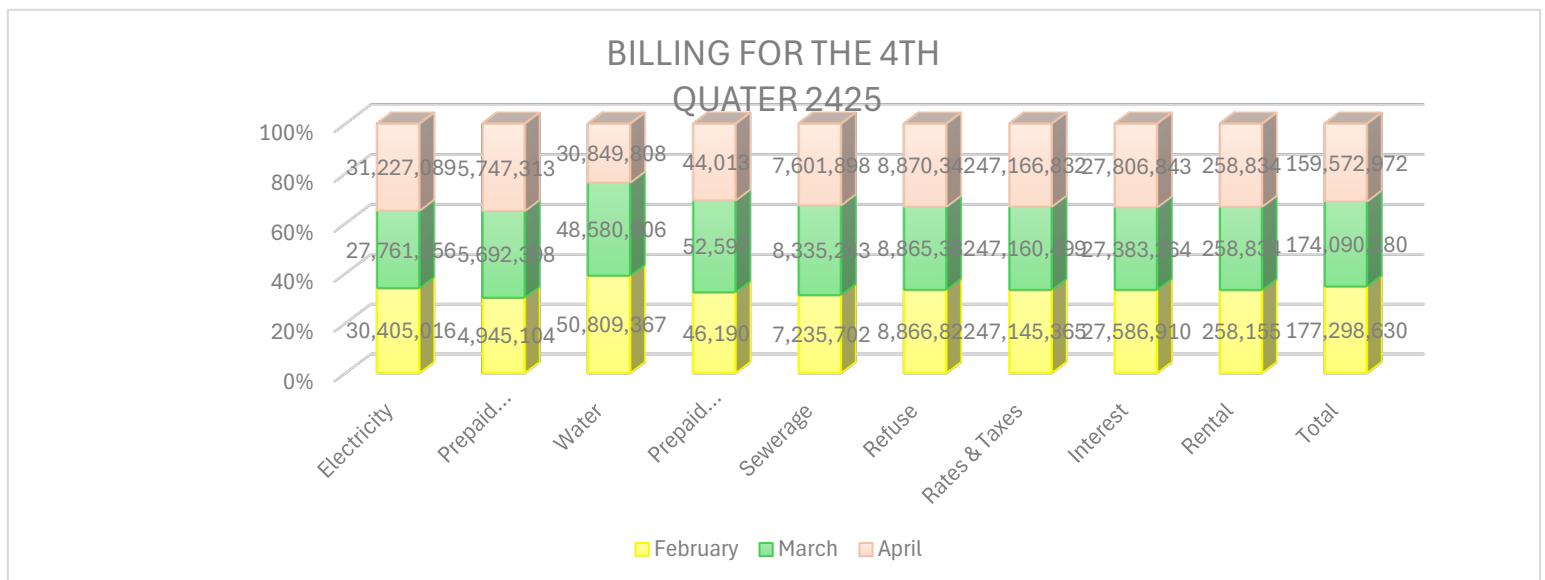
4. Monthly Billing Per Service

The total billing for the end of the month 30 April 2025 was R159,5 million, inclusive of interest on debtors and prepaid. Table A1 and chart 1 below illustrate further the billing break down per service.

Table A1: Billing per Service

Month	Electricity	Prepaid Electricity	Water	Prepaid Water	Sewerage	Refuse	Rates & Taxes	Interest	Rental	Total
February	30,405,016	4,945,104	50,809,367	46,190	7,235,702	8,866,822	47,145,365	27,586,910	258,155	177,298,630
March	27,761,056	5,692,398	48,580,906	52,597	8,335,243	8,865,382	47,160,499	27,383,264	258,834	174,090,180
April	31,227,089	5,747,313	30,849,808	44,013	7,601,898	8,870,342	47,166,832	27,806,843	258,834	159,572,972
TOTAL	58,166,072	10,637,503	99,390,273	98,786	15,570,945	17,732,204	94,305,863	54,970,175	516,990	351,388,810

Chart 1: Presents Revenue billed Per Service



Billing vs Receipts per Area

Table A3 Presents the billing vs Receipts per area

Area	Billing	Collections	Percentage
BLYBANK	1,984,449	38,703	2%
CARLETONVILLE	23,519,012	10,088,051	43%
CARLETONVILLE PLASE	34,951,151	1,499,167	4%
ELIJAH BARAYI VILLAGE	341,658	7,103	2%
FOCHVILLE	12,921,545	6,710,319	52%
FOCHVILLE INDISTRIAL	7,070	5,812	82%
FOCHVILLE PLASE	1,606,172	1,001,658	62%
FOUT ERWE	3,713	0	0%
GREENSPARK	2,118,577	13,479	1%
KHUTSONG	4,502,856	535,169	12%
KHUTSONG SOUTH	6,109,111	178,360	3%
KOKOSI	5,750,788	137,185	2%
OBERHOLZER	4,826,112	6,568,587	136%
Other	18,788,574	21,202,846	113%
PRETORIUSRUS	596,117	1,522,815	255%
WATERS EDGE	450,259	84,194	19%
WEDELA	3,598,505	184,882	5%
WELVERDIEND	1,375,472	1,050,401	76%
WONDERFONTEIN	2,523,660	2,185,669	87%

5. Rates and Taxes

165 applications for clearance figures were received and 105 clearance certificates issued for the purpose of property ownership transfer. 43 accounts records were updated to reflect the new owner's details.

Month	Clearance Figures Application	Clearance Certificates Issued	New ownership Accounts opened
February	38	54	64
March	165	105	43
April	130	115	23
TOTAL	333	274	130

- ❖ The valuation roll vs the financial system reconciliation was performed at the end of March 2025 and was in balance in terms of property market value.
- ❖ The disputes between the Municipality and the Mining houses are still ongoing with the matter still being deliberated at the Municipal Valuation Appeals Board.
- ❖ It is anticipated that the hearing will be concluded no later than the end of June 2025.
- ❖ The Mining Houses continue to pay part of their rates and taxes charges into a trust account.

The balances in the trust accounts of the various mining houses on the 13 of March 2025 is reflected below.

Month	Harmony	Anglo	Golden Core (Anglo)	Balance
Feb-25	34 528 960	12 777 134	43 399 975	90 706 069
Mar-25	34 828 727	12 701 057	44 030 344	91 560 128

Balances owed on rates taxes owed by the mining houses:

Period	Harmony	Golden Core	Sibanye Gold	Total
Feb-25	330 615 202	675 874 086	1 025 460 102	2 031 949 392
Mar-25	344 745 074	704 288 907	1 039 645 523	2 088 079 505
Apr-25	349 589 360	714 103 528	1 053 854 797	2 117 547 657

6. Pay points

Pay-points collected a total amount of R5,1 million for the month April 2025 and the collection per pay point is broken down below in table A4.

Two pay-points remain non-operational with the Greenspark pay-point still undergoing renovation and the last update from public works indicated that they are near completion with the renovations. Kokosi main paypoint was handed over after renovations but after the heavy rainfall the roof started leaking and public works has now taken the office back to repair the leaking roof.

Table A4 Presents the year to date pay point collections.

Period	Carltonville	Fochville	Khutsong South	Wedela	Kokosi ext 1	Blybank	Kokosi Main	Greenspark	Total
Jul-24	3,686,041	560,417	5,790		No Collection	Non Operational	Non Operational	Non Operational	4,252,248
Aug-24	3,841,725	505,587	4,450		No Collection	Non Operational	Non Operational	Non Operational	4,351,762
Sep-24	4,275,298	580,944	4,470		No Collection	Non Operational	Non Operational	Non Operational	4,860,712
Oct-24	5,542,835	546,149	6,320	14,403	No Collection	No Collection	Non Operational	Non Operational	6,109,707
Nov-24	5,328,836	754,365	31,050	20,070	51,033	No Collection	Non Operational	Non Operational	6,185,353
Dec-24	4,434,340	609,630	2,490	14,195	4,037.53	No Collection	Non Operational	Non Operational	5,064,692
Jan-25	5,207,675	791,617	12,540	15,383	965.00	No Collection	Non Operational	Non Operational	6,028,180
Feb-25	4,093,502	665,994	5,580	24,759	200.00	No Collection	Non Operational	Non Operational	4,790,035
Mar-25	4,866,705	631,089	8,040	38,947	No Collection	No Collection	Non Operational	Non Operational	5,544,781
Apr-25	4,685,259	411,929	6,000	10,242	20.00	1,300.00	Non Operational	Non Operational	5,114,750
	45,962,217	6,057,720	86,730	137,998	56,255.22	-	-	-	52,302,220

7. Meter Reading Performance

- ❖ A total of 36 781 conventional meters were sent out to the meters readers to obtain meter readings for the purpose of finalizing the monthly billing of April 2025.
- ❖ The total comprised of 30 927 water meters and 5 854 electricity meters.
- ❖ 4 527 electricity meters were successfully read and 1 327 meters that could not be read.
- ❖ 22 111 water meters were successfully read and 8 816 meters that could not be read.

Various failure reasons for the meters that could not be read is provided in the tables below, a list of these meters have also been shared with the infrastructure department to assist in addressing issues hindering the obtaining of meter reading.

Notices of contravention of section 27 of the credit control policy will be issued to all properties where readings could not be obtained due to access denied, gate locked and dogs preventing access to the property.

Electricity Meters Failure Reasons	February No: of Meters	March No: of Meters	April No: of Meters
01-BEES	6	6	0
01-CROOKED METER	2	2	2
01-DAMAGED	35	35	19
01-DOGS	40	27	28
03-ACCESS DENIED	92	64	63
03-CANT FIND ADDRESS	3		1
03-CANT FIND METER	40	30	35
03-DISPLAY BLANK	7	11	3
03-GATE LOCKED	1055	880	802
03-METER REMOVED	176	193	188
03-OBSTRUCTION ON METER	3	5	5
03-PRIVATE LOCK	144	164	163
03-PREPAID METER	171	35	39
Total	1774	1318	1327

Water Meters Failure Reasons	February No: of Meters	March No: of Meters	April No: of Meters
01-BEES	11	9	10
01-DAMAGED	288	201	150
01-DOGS	333	212	221
01-FLOODED WATER	607	624	723
01-GLASS VAPOURED	23	11	10
01-LEAK COUNCIL SIDE	96	102	108
03-ACCESS DENIED	372	131	126
03-CANT FIND METER	300	240	200
03-GATE LOCKED	3227	4135	3844
03-INSTALL FACE DOWN	58	66	61
03-NO METER	2783	3372	3336
03-OBSTRUCTION ON METER	1506	1530	1522
03-PREPAID METER	64	26	25
03-UNABLE TO LOCATE	97	115	28
Total	9765	10774	8816

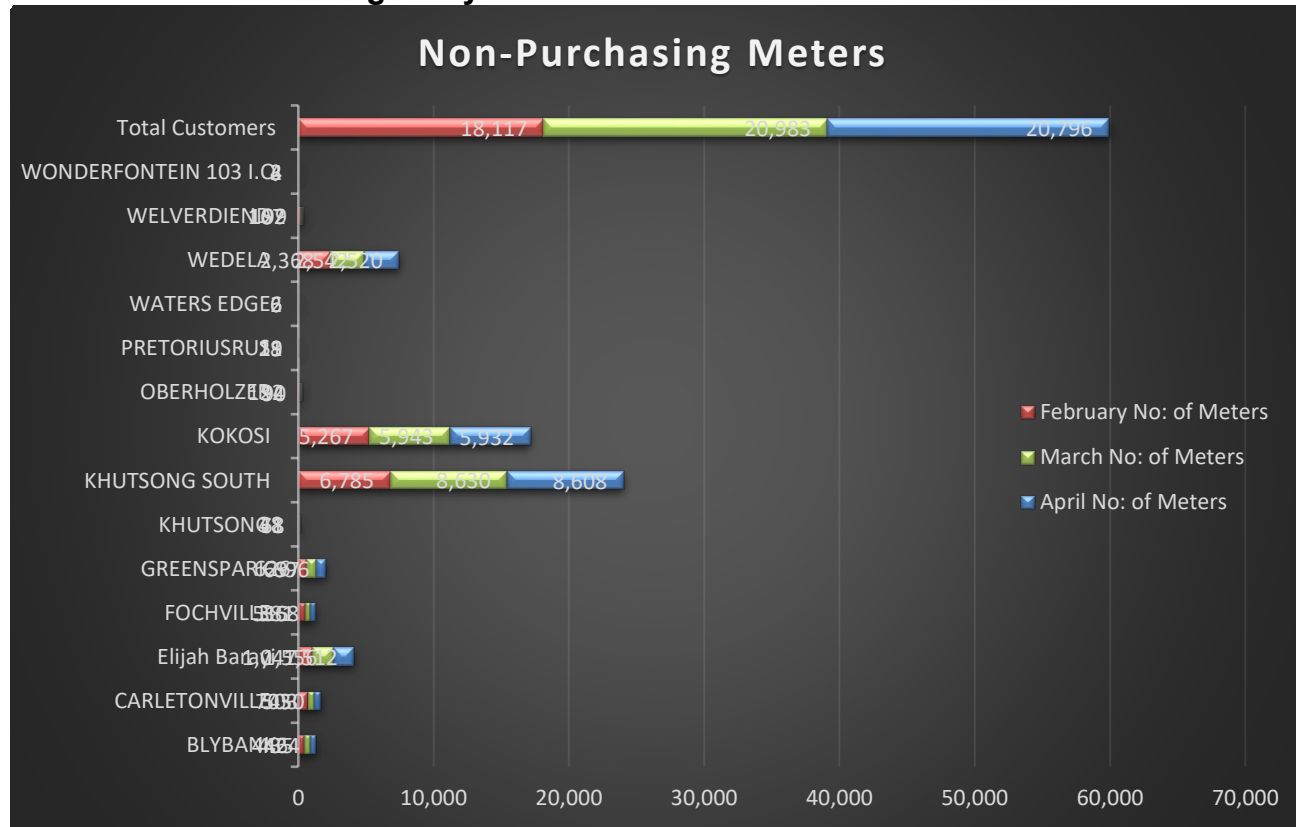
8. Pre-Paid Non-Purchases Analysis and TID Progress

20 796 prepaid meters out of a total population of 31 573 pre-paid meters were flagged as non-purchasing meters in the last 90 days. These meters are suspected to have been tampered, and a report of such meters has been provided to the electrical department for further investigation. The total non-purchasing meters represents 65% of the entire pre-paid meter population in the month of April 2025.

The table A5 and chart 4 below represent the non-purchasing meters per area.

Zone	February No: of Meters	March No: of Meters	April No: of Meters
BLYBANK	446	435	424
CARLETONVILLE	703	503	450
Elijah Barayi	1,047	1,556	1,512
FOCHVILLE	515	381	368
GREENSPARK	626	697	696
KHUTSONG	48	71	68
KHUTSONG SOUTH	6,785	8,630	8,608
KOKOSI	5,267	5,943	5,932
OBERHOLZER	122	94	90
PRETORIUSRUS	18	21	19
WATERS EDGE	2	6	6
WEDELA	2,368	2,542	2,520
WELVERDIEND	167	102	99
WONDERFONTEIN 103 I.Q	3	2	4
Total Customers	18,117	20,983	20,796

Chart 4: Non-Purchasing Analysis



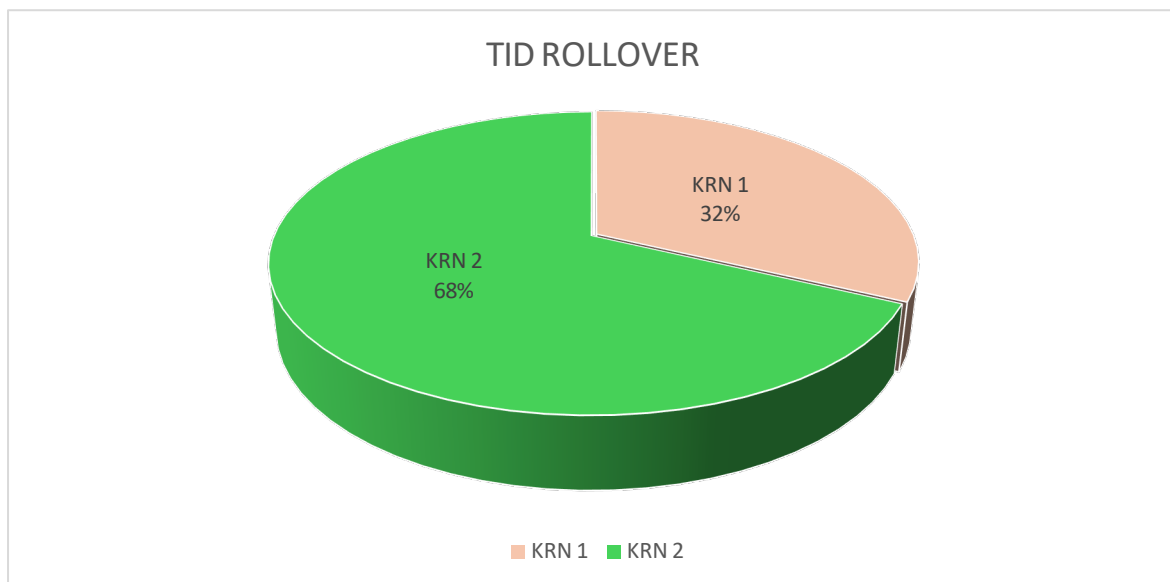
TID rollover progress update by area and Date for the period 01 April 2025 to 30 April 2025

No prepaid meters were rolled over or replaced with KRN 2 compliant meter in the month of April 2025, the total number of meters on KRN 2 remains at 21 447 out of the total meter population of 31 573 which represents 68%. A total of 10 126 meters remains on KRN 1 as still not rolled over.

Table A6 Presents TID roll over made per area

AREA	Num Meters	KRN 1	KRN 2	% Complete
BLYBANK	575	213	362	63,0%
CARLETONVILLE	3 035	117	2 918	96,1%
Elijah Barayi	3 972	834	3 138	79,0%
FOCHVILLE	2 976	90	2 886	97,0%
GREENSPARK	780	273	507	65,0%
KHUTSONG	72	44	28	38,9%
KHUTSONG SOUTH	9 043	5 030	4 013	44,4%
KOKOSI	6 347	2 379	3 968	62,5%
OBERHOLZER	731	70	661	90,4%
PRETORIUSRUS	123	18	105	85,4%
WATERS EDGE	11	6	5	45,5%
WEDELA	3 474	1 005	2 469	71,1%
WELVERDIEND	430	46	384	89,3%
WONDERFONTEIN 103 I.Q	4	1	3	75,0%
Total	31573	10 126	21 447	67,9%

Chart 5 TID Rollover



7. CREDIT CONTROL AND DEBT MANAGEMENT

Credit Control

A total of 743 demand notices were issued for the month of April 2025, demand notices were preceded by a total 1 266 SMS sent out to consumers informing them of their arrears account. 254 disconnections were carried out and 85 reconnections were done.

Table A7 presents a breakdown of credit control action per area.

Suburb	SMS	Number of Arrears Notices Issued	Number Final Disconnection Issued	Disconnection	Reconnection
CARLETONVILLE	193	146	65	83	41
FOCHVILLE INDUSTRIAL		0	0		
FOCHVILLE	98	84	38	65	29
FOUT ERWE (8888))	0	0	0		
GREENPARK	0	0	0		
KHUTSONG SOUTH	930	460	1		
KHUTSONG	0	0	0		
KOKOSI	0	0	0		
OBERHOLZER	26	36	25	100	12
PRETORIUSRUS	6	7	2		
UNKNOWN	5	3	3		
WATERS EDGE	1	2	2		
WEDELA					
WELVERDIEND	7	5	6	6	3
WONDERFONTEIN			0		
Z BUITEGEBIED (100)					
TOTAL	1266	743	142	254	85

Debt Management

The Municipality currently does not have a contracted debt collector at the moment with the previous service provider's contract with the Municipality having ended on 31st December 2024. There is currently no debt collection process underway.

Employees and Councilors Municipal Debt

- ❖ A total of R476 917.00 is owed by councillors and R2,5 million is owed by Municipal staff at the end of April 2024.
- ❖ R606 033,43 recovered from staff salaries and 76 819,07 from councillors in April 2025.

Debtors Age Analysis

- ❖ The total Municipal debtors' book was R6.7 billion at the end of April 2025 and the debtor's book grew by 1% which represents an increase of R77,6 million to our debtors' book from the previous month's balance.

Below table A7 gives a breakdown of the Debtor Age Analysis per area and table A8 gives a breakdown of the Debtors Age Analysis per customer category.

Table A7 Presents the age analysis at 30 April 2025 per area.

Area	0-30 Days	31-60 Days	61-90 Days	91-120 Days	f 121-150 Days	151-180 Days	181+ Days	Balance
BLYBANK	2,090,007	2,258,681	3,955,309	261,387	5,408,156	1,777,778	57,722,547	73,473,865
CARLETONVILLE	-404,664,748	441,065,408	19,968,734	510,763	4,977,355	7,808,615	88,815,830	157,308,041
CARLETONVILLE PLASE	47,928,116	48,533,801	83,716,077	13,785,224	44,951,841	44,895,873	2,994,842,185	3,278,653,117
ELIJAH BARAYI VILLAGE	353,671	340,684	666,324	40,943	329,087	458,143	7,966,208	10,155,060
FOCHVILLE	7,174,605	9,025,051	11,858,056	-15,609	4,405,380	3,904,020	38,316,191	74,667,695
FOCHVILLE INDISTRIAL	7,122	1,520	2,153	169	-2,328	3,168	26,546	38,350
FOCHVILLE PLASE	1,601,288	1,451,633	2,769,180	176,470	1,515,521	1,464,964	38,104,800	47,083,856
FOUT ERWE	4,062	2,505	4,663	324	4,008	2,500	69,688	87,751
GREENSPARK	2,549,279	1,592,742	2,091,602	366,879	2,079,607	1,231,190	78,969,747	88,881,046
KHUTSONG	6,730,451	7,104,762	11,587,042	2,035,206	5,353,548	6,223,949	483,465,182	522,500,140
KHUTSONG SOUTH	9,421,237	10,071,762	22,836,978	2,804,389	10,618,854	12,880,223	631,129,036	699,762,479
KOKOSI	8,732,698	11,457,022	15,633,318	2,666,430	9,003,783	7,815,560	612,832,058	668,140,868
OBERHOLZER	3,455,642	4,363,191	5,936,746	-100,945	2,025,848	1,874,902	24,014,765	41,570,150
Other	16,896,516	17,245,022	5,532,900	547,940	-5,067,200	403,169	633,024,072	668,582,418
PRETORIUSRUS	279,172	203,097	606,030	-7,512	228,543	185,278	2,759,734	4,254,342
WATERS EDGE	443,145	466,584	565,324	23,803	176,355	245,397	6,766,755	8,687,364
WEDELA	5,071,109	6,182,777	10,105,491	1,339,326	6,632,797	4,825,719	300,604,846	334,762,065
WELVERDIEND	955,431	1,077,918	2,322,616	-24,961	708,196	814,932	19,838,042	25,692,174
WONDERFONTEIN	2,505,457	2,373,052	42,583	1,108	-16,016	13,911	124,116	5,044,211
Z BUIITEGEBIED	14	14	14	14	14	14	3,749	3,834
Grand Total	-288,465,725	564,817,225	200,201,140	24,411,350	93,333,349	96,829,305	6,019,396,099	6,709,348,828

Table A8 Presents the age analysis at 30 April 2025 per customer category.

Categories	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181+ Days	Balance
Business	17,276,440	13,802,718	11,521,399	609,157	4,839,629	5,725,075	117,504,178	171,278,597
Councillors	50,845	31,050	43,384	12,295	15,119	11,426	312,800	476,917
Domestic	11,414,961	18,057,706	25,001,648	2,324,819	15,668,390	11,298,666	625,816,181	709,582,371
Indigents	2,627,341	2,360,730	3,461,922	155,930	745,017	844,872	25,405,274	35,601,087
Industrial	697,192	221,968	244,599	11,847	133,676	162,960	2,294,924	3,767,165
Mines	50,708,575	50,647,614	87,720,687	13,565,194	45,076,845	46,990,379	2,938,945,786	3,233,655,080
Municipal	533,159	531,753	821,909	13,034	336,884	323,024	2,079,425	4,639,188
National Public Works(Recog)	253,351	304,522	830,508	26,808	303,997	204,886	5,359,169	7,283,240
National Public Works(Unrecog)	40,559	27,105	51,969	10,592	30,322	29,839	2,417,192	2,607,577
Other	-373,731,903	477,535,569	69,378,663	7,639,243	25,777,336	30,853,086	2,292,574,414	2,528,852,491
Provincial Public Works(Recog)	836,957	516,985	37,695	1,275	11	14,823	-539,943	867,803
Provincial Public Works(Unrecog)	341,170	311,489	494,328	30,578	220,061	233,525	5,690,758	7,321,909
Provincial: Agriculture	543	540	1,025	52	534	534	9,878	13,106
Provincial: Education Sec20	54,567	53,288	47,626	144	23,293	13,380	-746	191,552
Provincial: Education Sec21	94,877	94,469	163,807	208	35,898	18,725	16,533	424,517
Provincial: Health	22,094	22,295	37,504	685	5,008	3,913	107,277	198,776
Staff	313,549	297,427	342,467	9,489	121,330	100,193	1,402,999	2,587,454
Grand Total	-288,465,725	564,817,225	200,201,140	24,411,350	93,333,349	96,829,305	6,019,396,099	6,709,348,828

7. Challenges Faced

- ❖ Access denied to meters
- ❖ Broken meters
- ❖ Self-reconnection
- ❖ Network challenges
- ❖ High volumes of customers queries
- ❖ Office Space

8. RECOMMENDATIONS

- i.) The need to capacitate the revenue division in terms of personnel and office space.
- ii.) Maintenance and equipping all our pay points to provide proper revenue support related services to our communities.
- iii.) Urgent prioritization of replacement of all non-functional meters.
- iv.) For the electrical department to perform regular inspections on all meters flagged for non-purchasing.
- v.) That the finance section 80 committee take cognisance of the revenue management report for the month of April 2025.