



Dr. Beyers Naudé

MUNICIPALITY | MUNISIPALITEIT | UMASIPALA

rising together for development

**DRAFT BUDGET
2025/26 – 2027/28**

CHURCH SQUARE
PO BOX 71
GRAAFF-REINET
TEL: 049 807 5700
FAX: 049 892 4319
EMAIL: municipality@bnlm.gov.za
www.bnlm.gov.za

TABLE OF CONTENTS

PART 1 – ANNUAL BUDGET

- 1.1 Mayor's Report
- 1.2 Council Resolutions
- 1.3 Executive Summary
- 1.4 Operating Revenue Framework
- 1.5 Operating Expenditure Framework
- 1.6 Capital Expenditure
- 1.7 Annual Budget Tables

PART 2 – SUPPORTING DOCUMENTATION

- 2.1 Overview of annual budget process
- 2.2 Alignment of annual budget with Integrated Development Plan
- 2.3 Overview of budget related policies
- 2.4 Overview of budget assumptions
- 2.5 Overview of budget funding
- 2.6 Allocations and grants made by the municipality
- 2.7 Councillors' and employee benefits
- 2.8 Annual budgets and service delivery and budget implementation plans – Directorates
- 2.9 Legislation compliance status
- 2.10 Municipal Manager's quality certification

PART 1 – ANNUAL BUDGET

1.1 MAYOR'S REPORT

To be included in final budget.

1.2 COUNCIL RESOLUTIONS

The mayor recommends that the Council resolves that:

- 1 The annual budget of the Dr Beyers Naude Municipality for the financial year 2025/26 and the indicative allocations for the projected outer years 2026/27 and 2027/28; and the multi-year and single year capital appropriations be approved for the purpose of complying with section 24 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, as set-out in the following tables:
 - 1.1 Consolidated Budget Summary – Schedule A1
 - 1.2 Budgeted Financial Performance (revenue and expenditure by standard classification) – Schedule A2
 - 1.3 Budgeted Financial Performance (revenue and expenditure by municipal vote) – Schedule A3
 - 1.4 Budgeted Financial Performance (revenue by source and expenditure by type) – Schedule A4
 - 1.5 and multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source – Schedule A5
- 2 The budgeted financial position, budgeted cash flows, cash-backed reserves/accumulated surplus, asset management and basic service delivery targets be noted as set-out in the following tables:
 - 2.1 Budgeted Financial Position – Schedule A6
 - 2.2 Budgeted Cash Flows – Schedule A7
 - 2.3 Cash backed reserves and accumulated surplus reconciliation – Schedule A8
 - 2.4 Asset management – Schedule A9
 - 2.5 Basic service delivery measurement – Schedule A10
- 3 The service tariffs and property rates be increased as per the tariffs schedule with effect from 1 July 2025.
- 4 The indicative tariffs for 2025/2026 to 2027/2028 be increased as follows:

| | 2025/2026 | 2026/2027 | 2027/2028 |
|----------------|-----------|-----------|-----------|
| Property rates | 1% | 4.6% | 4.4% |
| Water | 4.3% | 4.6% | 4.4% |
| Sanitation | 4.3% | 4.6% | 4.4% |
| Refuse | 4.3% | 4.6% | 4.4% |
| Electricity | 14.3% | 10.95% | 10.92% |

- 5 That the detailed capital budget as per Annexure C be approved
- 6 That the tariffs, fees, and charges as reflected on the tariff list, in terms of Section 30 (2) and (4) of the Local Government: Municipal Structures Act, Act No: 117 of 1998 (as amended), read with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, be approved with effect 1 July 2025.

- 7 That the following reviewed budget related policies be approved:
 - (a) Credit control and debt collection
 - (b) Tariff policy
 - (c) Supply Chain Management Policy
 - (d) Asset management policy
 - (e) Cash management, banking & investment policy
 - (f) Budget policy
 - (g) Virement policy
 - (h) Funding and reserve policy
 - (i) Borrowing policy
 - (j) Indigent support policy
 - (k) Rates Policy
 - (l) Contract Management Policy
 - (m) Unauthorised, Fruitless & Wasteful and Irregular Expenditure policy
 - (n) Rewards, gifts, and favours policy
 - (o) Inventory management policy
 - (p) Transport and fleet management policy
 - (q) Cost containment policy
 - (r) Long term financial planning policy
 - (s) Community Improvement Policy

- 8 That the following reviewed by-laws be approved
 - (a) Tariff by-law
 - (b) Credit control and debt collection by-law
 - (c) Rates by-law
 - (d) Community Improvement Policy and By Law

1.3 EXECUTIVE SUMMARY

The key service delivery priorities, as outlined in the IDP, informed the development of the Budget, including the need to maintain and improve the Municipality’s financial sustainability. Furthermore, cost containment measures are being implemented to curb costs and to improve operational efficiency.

National Treasury’s MFMA Circulars No. 48, 51, 54, 55, 58, 59, 66, 67, 70, 72, 74, 75, 78, 79, 85, 86, 89, 91, 93, 94, 98, 99, 107,108, 115, 122, 123, 124, 127, 128, 129 and 130 were used to guide the compilation of the 2024/25 Medium Term Revenue and Expenditure Framework (MTREF).

The Municipality faced the following significant challenges during the compilation of the 2025/26. MTREF:

- Maintaining revenue collection rates at the targeted levels.
- Maintaining electricity and water losses at acceptable levels.
- Fully implementing cost containment measures.
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure; and
- Maintaining an acceptable cost coverage ratio.
- Drought conditions currently faced by the municipality and surrounding areas.

The following budgeting principles and guidelines directly informed the compilation of the 2025/26. MTREF:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The level of property rates and tariff increases to consider the need to address maintenance and infrastructural backlogs.
- The level of property rates and tariff increases to ensure the delivery of municipal services on a financially sustainable basis.
- The need to enhance the municipality’s revenue base.
- Implementation of the cost containment regulations.
- No loan funding is available to support the Capital Budget, in view of financial affordability considerations.

In view of the, the following table represents an overview of the 2025/26 Medium-term Revenue and Expenditure Framework:

Table 1 (Overview of the 2024/25 MTREF)

| | Current Year | 2024/25 Medium Term Revenue and Expenditure | | |
|---------------------|---------------------------------|---|--------------------------------|--------------------------------|
| | Adjusted Budget 2024/25 R | Budget Year 2025/26 R | Budget Year +1 2026/27 R | Budget Year +2 2027/28 R |
| Total Revenue | -621 305 121.57 | -711 638 927.71 | -744 374 318.39 | -778 615 537.03 |
| Total Expenditure | 642 320 924.34 | 650 777 342.07 | 680 713 099.81 | 712 025 902.40 |
| (Surplus)/Deficit | 21 015 802.77 | -60 861 585.64 | -63 661 218.58 | -66 589 634.64 |
| Capital Expenditure | 67 328 826.86 | 106 690 519.09 | 111 598 282.97 | 116 731 803.98 |

The municipality is showing an operational surplus, however the budget remains unfunded, when we consider the current outstanding debtors' and creditors' balances. As it stands, agreements have been entered into with some creditors, but the full Eskom balance remains payable immediately, until such a time as an agreement is signed.

However, MFMA circular 124 has highlighted the Municipal Debt Relief that is conditional, and application based, has therefore been sanctioned where Eskom will write-off all debt municipalities owe as on 31 March 2023 (excluding the March 2023 current account). This will be done over three national financial years and require as a critical qualification that municipalities monthly honour their current (monthly consumption).

The municipality applied in September 2023 and was approved as from December 2023. The municipality is assessed monthly for compliance with MFMA circular 124. Upon meeting all the conditions, a compliance certificate is issued by National Treasury to the municipality as well as Eskom.

There are various reporting compliance requirements that have been proclaimed through the MFMA circulars 124, 127, 128, 129 and 130. The municipality has included these reporting requirements in the monthly s71 and quarterly s52 reports.

There is a general increase in revenue, as result of tariff increases and continued implementation of cost reflective tariffs. The revenue is also affected negatively by the impact of the ongoing drought and loadshedding which cuts across all services as most depend on electricity.

Total operating revenue has increased by 15% or R90 million for the 2025/26 financial year, compared to the 2024/25 Adjustments Budget. This increase in revenue is due to increased allocations of government grants.

The municipality completed investigations into cost of supply and a baseline tariff was established for each service in 2019 to 2022. Thorough investigations were also concluded on electricity tariffs, the effect of the wheeling agreement with Eskom and management has completed physical verification of bulk consumer meters. The intention of the physical verification was to ensure that all possible tampering is identified for these users, correct meters are installed and are functional and to ensure that each user is linked to the correct tariff. A lot of work has been performed, and the project is expected to continue into the 2025/26 financial year.

For the two outer years, operational revenue increases by 5% respectively.

Total operating expenditure for the 2025/26 financial year amounts to R651 million, resulting in a budgeted operating surplus of R61 million. Compared to the 2024/25 Adjustments Budget, operational expenditure increased by R8 million (1%). The municipality is currently struggling financially, and cost containment measures are implemented. Cost containment measures include a monthly curb on overtime, acting allowances, and travel expenses. It also includes the stopping of non-essential procurement.

For the two outer years, operational expenditure increases by 5% respectively. The 2026/27 and 2027/28 budgets reflect operating surpluses of R63 million and R66 million respectively.

The major operating expenditure items for 2025/26 are remuneration (council and employees) (35%), bulk electricity purchases (22%), interest paid (2%) depreciation (11%), Repairs and Maintenance (9%), Contracted services (7%) and other expenditure (14%).

Funding for the 2025/26 Operating Budget is funded from various sources, the major sources being service charges such as electricity, water, sanitation and refuse collection (46%), property rates (8%), grants and subsidies received from National and Provincial Governments (40%).

To fund the 2025/26 Operating Budget, the following increases in property rates and service charges will be affected with effect from 1 July 2025:

| | |
|-----------------|---|
| Property rates: | Increase with 1% |
| Water: | Increase with 4.3% |
| Refuse: | Increase with 4.3% |
| Sewerage: | Increase with 4.3% |
| Sanitation: | Increase with 4.3% |
| Electricity: | Electricity tariff will increase with 14.3%. Please note that the increase is subject to approval by NERSA and this percentage may vary towards the final adopted budget. |

The municipality has conducted a cost of supply study on all tariffs in 2019 to 2022. The study revealed that all the services are currently being rendered at below cost which puts enormous strain on the cash flow of the municipality. It was therefore imperative that these tariffs be changed to include baseline tariffs. Due to the poor economic conditions, revenue and tariffs could not be increased with more than the proposed 4.3% by National Treasury.

The original capital budget of R107 million for 2025/26 is R40 million or 58% higher than the 2024/25 Adjustments Budget, this is due to more grant funded projects for 2025/26. The Capital Budget over the MTREF will be mainly funded from government grants and subsidies, as limited internal funding is available. Capital expenditure for 2025/26 will amount to R107 million.

The budget provides for assistance to the poor and includes the following social package:

- Water – 6 kl free
- Electricity – 50 kwh free
- Refuse – 100% of monthly cost free.
- Sanitation – 100% of monthly cost free
- Property Rates- 100% of assessed rates.

All budget related policies have been reviewed and workshopped with top management. The policies were workshopped with councillors. The policies will also be subjected to public participation. There are no significant changes to the policies, and the minor changes will be presented to council before final approval of this budget.

1.4 OPERATING REVENUE FRAMEWORK

The continued provision and expansion of municipal services is dependent on the Municipality generating sufficient revenues. Efficient and effective revenue management is thus of vital importance in ensuring the ongoing financial sustainability of the Municipality. Furthermore, in accordance with the MFMA, expenditure must be limited to the realistically anticipated revenues.

The Municipality's revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard.
- Tariff Policies.
- Property Rates Policy.
- Indigent Policy and provision of free basic services.
- The level of property rates and tariff increases must ensure financially sustainable service delivery.
- The level of property rates and tariff increases to consider the maintenance and replacement of infrastructure, including the expansion of services.
- Determining fully cost reflective tariffs for trading services.
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Efficient revenue management, targeting a 85% annual collection rate for property rates and service charges.
- Impact of loadshedding on municipal service delivery.

The following table is a summary of the 2025/26 MTREF (classified by main revenue source):

Table 2 (Summary of main revenue sources)

Choose name from list - Table A1 Budget Summary

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| R thousands | | | | | | | | | | |
| Financial Performance | | | | | | | | | | |
| Property rates | - | (3 309) | 45 518 | 51 761 | 51 761 | 51 761 | 55 396 | 54 142 | 56 416 | 57 826 |
| Service charges | 231 029 | 218 157 | 281 294 | 286 139 | 311 209 | 311 209 | 260 227 | 325 524 | 339 196 | 347 676 |
| Investment revenue | 308 | 646 | 1 102 | 1 196 | 1 196 | 1 196 | 738 | 1 251 | 1 304 | 1 336 |
| Transfer and subsidies - Operational | 106 712 | 117 261 | 123 584 | 130 772 | 143 825 | 143 825 | 130 311 | 192 368 | 200 447 | 205 458 |
| Other own revenue | 22 277 | 40 144 | 186 241 | 43 462 | 42 819 | 42 819 | 30 530 | 45 539 | 47 452 | 48 638 |
| Total Revenue (excluding capital transfers and contributions) | 360 326 | 372 899 | 637 739 | 513 329 | 550 809 | 550 809 | 477 203 | 618 824 | 644 815 | 660 935 |

In the 2025/26 financial year, property rates and service charges amount to R385 million increases to R402 million and R421 million in the 2026/27 and 2027/28 financial years, respectively.

The following continued efforts to increase the revenue base were introduced in 2019 to 2024:

- Implementation of cost reflective tariffs after a cost of supply study was conducted.
- Implementation of drought tariff
- Introduction of environmental levy
- Introduction of the fire services levy
- Implementation of quarterly reconciliation of valuation roll to billing schedule.
- Implementation of NERSA compliant cost of supply study for electricity business
- Implementation of a new valuation roll with increased market values.

The following continued efforts to increase the revenue base will be introduced in 2025:

- Ringfencing of municipal services to ensure each service is self-sufficient.

The service charges as stated above are the main source of funding for the municipality with a contribution of R324.2 million or 46% of the total budget. The individual service contribution to service charges is as follows:

- Electricity 57%
- Water 17%
- Refuse 3%
- Sanitation 23%

The following table provides a breakdown of the various operating grants and subsidies allocated to the Municipality over the medium term:

| | 2025/2026 | 2026/2027 | 2027/2028 |
|---|--------------------|--------------------|--------------------|
| DORA GRANTS | | | |
| Operational grants | | | |
| Equitable share | 126 546 000 | 131 231 000 | 137 143 000 |
| Local Government Financial Management Grant | 3 000 000 | 3 000 000 | 3 100 000 |
| Expanded Public Works Programme Integrated Grant for Municipalities | 1 396 000 | - | - |
| Infrastructure grants | | | |
| Municipal Infrastructure Grant | 34 481 000 | 26 283 000 | 27 328 000 |
| Integrated National Electrification Programme (Municipal) Grant | - | 11 923 000 | 12 462 000 |
| Water Services Infrastructure Grant | 23 328 000 | 35 000 000 | 36 750 000 |
| Municipal Disaster Recovery Grant | 5 005 000 | - | - |
| Indirect grants (Allocations in kind) | | | |
| Integrated National Electrification Programme (Eskom) Grant | 326 000 | 5 280 000 | 6 572 000 |
| Regional Bulk Infrastructure Grant | - | - | - |
| | 194 082 000 | 212 717 000 | 223 355 000 |
| SBDM GRANTS | | | |
| Fire services subsidy | 2 600 000 | 2 600 000 | 2 600 000 |
| Transfers from Provincial Departments | | | |
| Municipal Allocations from Provincial Departments | | | |
| OFFICE OF THE PREMIER | | | |
| Small Town Revitalisation Programme | 30 000 000 | 34 644 000 | - |
| DEPARTMENT OF ECONOMIC DEVELOPMENT AND ENVIRONMENTAL AFFAIRS | | | |
| Expanded Public Works Programme (EPWP), and Waste Management, Waste Greening and Cleaning, and Alien plants Eradication | 2 332 000 | 2 332 000 | 2 332 000 |
| Department of sports, recreation, arts and culture | | | |
| Library subsidy | 3 105 000 | 3 211 000 | - |
| Other grants | | | |
| SETA | 333 120 | 333 120 | - |
| | 38 370 120 | 43 120 120 | 4 932 000 |
| TOTAL | 232 452 120 | 255 837 120 | 228 287 000 |

1.4.1 Property Rates

The following provisions in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rateable value (Section 17(h) of the MPRA).
- If the usage of a property changes during a financial year, the rebate applicable will be reduced *pro rata* for the balance of the financial year.
- Indigents receive 100% subsidy on the rates levied for the year.

The property rates tariff is standardised to ensure all owners in a category pays the same rate in all the towns in the municipality's jurisdiction. The prescribed ratio is applied.

The property rates increase is influenced by the following:

- Employee related costs increased by 4.3%.
- Providing for debt impairment.
- Increasing the revenue to ensure non-profit divisions are properly subsidised,

The valuation roll has been implemented from 1 July 2024. This valuation roll will expire at the end of the 2029/2030 financial year.

1.4.2 Sale of Water and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars No. 48, 51, 54, 55, 58, 59, 66, 67, 70, 72, 74, 75, 78, 79, 85, 86, 89, 91, 93, 94, 98, 99, 107, 108, 115, 122, 123, 124, 127, 128, 129 and 130:

Municipalities are encouraged to review the level and structure of their water tariffs to ensure:

- Fully cost reflective water tariffs – tariffs should include the costs associated with bulk water purchases, the maintenance and renewal of purification plants, water networks and water reticulation expansion.
- Water tariffs are structured to protect basic levels of service; and
- Water tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that water tariffs are fully cost reflective by 2014/15. In this regard a cost of supply study was conducted, and the new baseline tariff will be introduced as the first step tariff. Dr Beyers Naude is a municipality which was formed through the amalgamation of 3 former municipalities. As a result of the amalgamation the municipality is also faced with trying to standardise tariffs within the different towns. A further cost of supply study has been done and was introduced in the 2024/25 financial year and will be gradually phased-in over the MTREF.

The prevailing drought makes it difficult to improve revenue generation from this service. It is now more important to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting in respect of water services.

Ongoing accurate monitoring and reporting of municipal Non-Revenue Water (NRW) and water loss performance against set targets and baselines has become more critical. The municipality is currently monitoring water losses monthly but are faced with a huge number of metres that are faulty. This contributes to the inaccurate billing and collection of water tariffs. Grant funding has been received to conduct a study on all faulty metres and areas of water losses. The project started during the 2017/18 financial year and was completed in the 2019/20 financial year. The replacement of meters commenced in 2021/22 and was completed in 2022/23. The impact of the project was minimal due to drought.

The tariff will be increased with 4.3% from 1 July 2025. The proposed tariff increase is mainly influenced by the following:

- Employee related costs
- Repairs and maintenance of water infrastructure
- Providing for debt impairment.
- Implementation of cost reflective tariffs
- The prevailing drought

The water tariff structure is designed in such a manner that higher levels of water consumption are progressively charged at a higher rate. The drought tariff will also be implemented during the time of drought as currently experienced.

1.4.3 Sale of Electricity and Impact of Tariff Increases

The National Energy Regulator of South Africa (NERSA) is responsible for the price determination of the bulk costs of electricity. In January 2025, NERSA approved tariff increases of 12.74 per cent in 2024/25. Considering the Eskom tariff increase, the Municipality's consumer tariffs will be increased by 14.3 % in line to the cost of supply study to offset the additional electricity bulk purchase costs as from 1 July 2025.

The tariff increases are mainly influenced by the following:

- Employee related costs
- The cost of bulk electricity purchases
- Repairs and maintenance of electricity infrastructure
- Providing for debt impairment
- Implementing cost reflective tariffs

The population of the municipality is stagnant, and minimal growth is expected over the MTREF. It is thus estimated that the revenue will only grow with percentage of price increases.

The proposed electricity tariff increases, still require approval by NERSA.

1.4.4 Sanitation and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars No. 48, 51, 54, 55, 58, 59, 66, 67, 70, 72, 74, 75, 78, 79, 85, 86, 89, 91, 93, 94, 98, 99, 107, 108, 115, 122, 123, 124, 127, 128, 129 and 130:

Municipalities are encouraged to review the level and structure of their water tariffs to ensure:

- Fully cost reflective sanitation tariffs – tariffs should include the costs associated with maintenance and renewal of treatment plants, sanitation networks and sanitation infrastructure expansion.
- Sanitation tariffs are structured to protect basic levels of service; and
- Sanitation tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that sanitation tariffs are fully cost reflective by 2014/15. In this regard the municipality conducted a cost of supply study to determine a new baseline tariff that was introduced in 2019/20. Dr Beyers Naude is a municipality which was formed through the amalgamation of 3 former municipalities. As a result of the amalgamation the municipality is also faced with trying to standardise tariffs within the different towns. The tariff policy of the municipality makes provision to phase in the standardised tariffs over a period of 3 years.

As a result, the tariff will increase of 4.3% as from 1 July 2025. The tariff increase is mainly influenced by the following:

- Employee related costs
- Repairs and maintenance of sanitation infrastructure
- Providing for debt impairment
- Implementing cost reflective tariffs

1.4.5 Refuse Collection and Impact of Tariff Increases

National Treasury has urged municipalities to ensure that refuse tariffs are fully cost reflective by 2014/15. The tariffs should consider the need to maintain a cash-backed reserve to cover the future costs of the rehabilitation of landfill sites.

The revenue generated from refuse collection is not sufficient to ensure proper service delivery. The municipality is facing challenges with regards to infrastructure, fleet, and tools. The tariff increases by 4.3% for refuse collection and will thus be implemented as described above.

The proposed tariff increase is mainly influenced by the following:

- Employee related costs
- Implementation of environmental levy
- Providing for debt impairment
- Provision for landfill sites.
- Tariff not cost reflective.

1.5 OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2025/26 budget and MTREF is informed by the following:

- The funding of the budget over the medium-term is informed by the requirements of Section 18 and 19 of the MFMA.
- A balanced budget approach by limiting operating expenditure to the operating revenue.

The following table is a high-level summary of the 2025/26 budget and MTREF (classified per main type of operating expenditure):

Table 4 (Summary of operating expenditure by standard classification item)

| Choose name from list - Table A1 Budget Summary | | | | | | | | | | |
|---|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| R thousands | | | | | | | | | | |
| Employee costs | 165 336 | 165 857 | 185 151 | 191 893 | 192 238 | 192 238 | 131 779 | 212 196 | 221 108 | 226 636 |
| Remuneration of councillors | 9 067 | 9 416 | 9 974 | 10 255 | 10 255 | 10 255 | 6 790 | 10 727 | 11 178 | 11 457 |
| Depreciation and amortisation | 64 708 | 66 714 | 65 172 | 65 308 | 65 308 | 65 308 | 45 328 | 68 313 | 71 182 | 72 961 |
| Interest | 29 682 | 57 371 | 83 101 | 72 387 | 30 572 | 30 572 | 23 752 | 10 572 | 11 016 | 11 291 |
| Inventory consumed and bulk purchases | 120 496 | 120 302 | 139 521 | 137 860 | 147 424 | 147 424 | 108 123 | 149 063 | 155 324 | 159 207 |
| Transfers and subsidies | 20 | 22 | 120 | 150 | 150 | 150 | 120 | 150 | 156 | 160 |
| Other expenditure | 119 861 | 115 844 | 145 914 | 185 259 | 207 795 | 207 795 | 101 646 | 195 977 | 204 208 | 209 313 |
| Total Expenditure | 509 171 | 535 525 | 628 952 | 663 113 | 653 742 | 653 742 | 417 538 | 646 997 | 674 171 | 691 026 |

The total operating expenditure decreased by R8 million (1%) from R653 million in 2024/25 to R647 million in 2025/26. Below is a discussion of the main expenditure components.

Employee related costs

The 2025/26 budget has general increase of 4.3%. This is based on the average CPI for the MTREF as per MFMA budget circular no 130. The total budget provision of R212 million has been allocated for the 2025/26 financial year.

Employee related costs in the 2025/26 Budget, represent 33% of the total operating expenditure.

Remuneration of Councillors

The remuneration of Councillors is determined by the Minister of Co-operative Governance and Traditional Affairs, in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been considered in preparing the budget.

Debt Impairment

The provision for debt impairment was determined based on a targeted annual collection rate of 85%.

While this expenditure represents a non-cash flow item, it is considered in determining the total costs associated with the rendering of municipal services and the realistically anticipated revenues.

Depreciation and Asset Impairment

It is anticipated that depreciation will increase over the MTREF. The total cost of R68 million is allocated to the 2025/26 financial year.

Finance Charges

Finance charges consist primarily of the repayment of interest on outstanding trade creditors. The municipality is currently facing severe cash flow problems and is unable to pay creditors within the 30 days as required by legislation.

Bulk Electricity Purchases

The bulk purchases of electricity are budgeted at R143 million in 2025/26.

NERSA has approved a 12.74% increase in the Eskom bulk tariff for the 2025/26 financial year. The impact of loadshedding has affected the bulk purchases negatively.

Repairs and Maintenance

Repairs and maintenance for 2025/26 amounts to R60 million and equates to 9% of the total operating expenditure. The municipality anticipates increasing this amount over the MTREF as an improvement in revenue is noted.

Per National Treasury circular number 71 of 2014 on uniform Financial Ratios and Norms, Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value) for the 2024/25 budget is 3%.

The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of services. The norm is 8%.

A ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets. An increasing expenditure trend may be indicative of high asset-usage levels, which can prematurely require advanced levels of Repairs and Maintenance or a need for Asset Renewal / Replacements. Also, should an increasing expenditure trend suddenly drop to lower levels without an increase in the fixed asset value, this may be indicative of challenges in spending patterns. This may also indicate that the Municipality is experiencing cash flow problems and therefore unable to spend at appropriate levels on its repairs to existing assets or purchase of new assets thus impacting negatively on service delivery.

Contracted Services

In the 2025/26 financial year, the budget provision amounts to R42 million and equates to 7% of the total operating expenditure.

Transfers and Subsidies

In the 2025/26 financial year, the budget provision amounts to R150 thousand and includes transfers to the local Tourism and SPCA.

Other Expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. The expenditure is R196 million in 2025/26 and equates to 30% of the total operating expenditure.

Other expenditure is made up of general expenses – other and vehicle expenses.

1.5.1 Priority relating to repairs and maintenance.

The repairs and maintenance expenditure in the 2025/26 financial year is R60 million, compared to 2024/25 (R44 million) an increase of R16 million because of the maintaining of Repairs and maintenance plans.

In relation to the total operating expenditure, repairs and maintenance constitutes 9% for the 2025/26 financial year and 10% for the 2026/27 and 2027/28 financial years, respectively.

1.5.2 Free Basic Services: Indigent Support

The indigent support assists indigent households that have limited financial ability to pay for municipal services. To qualify for free services, the households are required to register in terms of the Municipality's Indigent Policy, whilst the monthly household income may not exceed two state pensions. Detail relating to free services, cost of free basic services, as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement).

The cost of the indigent support of the registered indigent households is financed by national government through the local government equitable share allocation, received in terms of the annual Division of Revenue Act.

1.6 CAPITAL EXPENDITURE

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 6 (2025/26 Medium-term capital budget per vote)

| Vote Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| R thousand | 1 | | | | | | | | | | |
| Capital multi-year expenditure sub-total | 7 | - | - | - | - | - | - | - | - | - | - |
| <i>Single-year expenditure to be appropriated</i> | 2 | | | | | | | | | | |
| Vote 9 - MUNICIPAL MANAGER (31: CAPEX) | | - | - | - | 40 | - | - | - | - | - | - |
| Vote 10 - CORPORATE SERVICES: ADMINISTRN (32: CAPEX) | | - | - | - | 320 | 320 | 320 | - | - | - | - |
| Vote 11 - CORPORATE SERVICES: COMM SERV (33: CAPEX) | | - | - | - | 9 250 | - | - | - | 10 000 | 10 420 | 10 681 |
| Vote 12 - CORPORATE SERVICES: PROTECTION (34: CAPEX) | | - | - | - | 1 140 | 474 | 474 | 24 | - | - | - |
| Vote 13 - FINANCIAL SERVICES (36: CAPEX) | | - | - | - | 3 730 | 480 | 480 | 411 | 622 | 648 | 664 |
| Vote 14 - TECHNICAL SERVICES: ENGINEERING (38: CAPEX) | | - | - | - | 56 380 | 65 055 | 65 055 | 24 354 | 96 069 | 100 103 | 102 606 |
| Vote 15 - TECHNICAL SERVICES: ELECTRICAL (39: CAPEX) | | - | - | - | 18 114 | 1 000 | 1 000 | - | - | - | - |
| Capital single-year expenditure sub-total | | - | - | - | 88 974 | 67 329 | 67 329 | 24 789 | 106 691 | 111 172 | 113 951 |
| Total Capital Expenditure - Vote | | - | - | - | 88 974 | 67 329 | 67 329 | 24 789 | 106 691 | 111 172 | 113 951 |

Of the total amount of R106 million for 2025/26, an amount of R62 million has been budgeted for the development of infrastructure, which represents 59% of the total capital budget.

CAPITAL PROJECTS

| DESCRIPTION | FUND DESCRIPTION | AREA DESCRIPTION | BRANCH DESCRIPTION | BUDGET |
|-----------------------------------|--|---------------------------------|-------------------------------|-----------------------|
| Collie Koeberg Sport Fields | Municipal Infrastructure Grant | CORPORATE SERVICES: COMM SERV | PARKS RECREATION GROUNDS | 10 000 000.00 |
| Laptop computers | Local Government Financial Management Grant | FINANCIAL SERVICES | INFORMATION TECHNOLOGY | 50 000.00 |
| Office chairs | Local Government Financial Management Grant | FINANCIAL SERVICES | DIRECTOR: FINANCIAL SERVICES | 10 000.00 |
| Office equipment | Local Government Financial Management Grant | FINANCIAL SERVICES | DIRECTOR: FINANCIAL SERVICES | 300 000.00 |
| Air Conditioner - BTO | Local Government Financial Management Grant | FINANCIAL SERVICES | DIRECTOR: FINANCIAL SERVICES | 112 000.00 |
| Revamb Garage into Filing Room | Local Government Financial Management Grant | FINANCIAL SERVICES | DIRECTOR: FINANCIAL SERVICES | 150 000.00 |
| Layout plans - informal settleme | Upgrading of Informal Settlements Program Grant | TECHNICAL SERVICES: ENGINEERING | DIRECTOR: TECHNICAL SERVICES | 9 467 165.00 |
| Layout plans - informal settleme | Upgrading of Informal Settlements Program Grant | TECHNICAL SERVICES: ENGINEERING | DIRECTOR: TECHNICAL SERVICES | 8 545 582.00 |
| Layout plans - informal settleme | Upgrading of Informal Settlements Program Grant | TECHNICAL SERVICES: ENGINEERING | DIRECTOR: TECHNICAL SERVICES | 1 340 484.00 |
| Development of multipurpose c | Eastern Cape Department of Human Settlements Grant | TECHNICAL SERVICES: ENGINEERING | DIRECTOR: TECHNICAL SERVICES | 9 731 394.13 |
| Nieu Bethesda Housing Project | Eastern Cape Department of Human Settlements Grant | TECHNICAL SERVICES: ENGINEERING | DIRECTOR: TECHNICAL SERVICES | 23 500 000.00 |
| Office Furniture - Housing Unit | Upgrading of Informal Settlements Program Grant | TECHNICAL SERVICES: ENGINEERING | DIRECTOR: TECHNICAL SERVICES | 100 000.00 |
| Computers | Upgrading of Informal Settlements Program Grant | TECHNICAL SERVICES: ENGINEERING | DIRECTOR: TECHNICAL SERVICES | 45 000.00 |
| New raw water reservoir: GRT | Municipal Infrastructure Grant | TECHNICAL SERVICES: ENGINEERING | SEWERAGE SERVICE | 19 692 893.96 |
| Laptops | Municipal Infrastructure Grant | TECHNICAL SERVICES: ENGINEERING | WATER SERVICE | 68 000.00 |
| Upgrading of Streets and Storm | Municipal Infrastructure Grant | TECHNICAL SERVICES: ENGINEERING | PUBL WORKS: STORMWTR DRAINAGE | 19 546 700.00 |
| Acquisition of new computers - | Municipal Infrastructure Grant | TECHNICAL SERVICES: ENGINEERING | PROJECT MANAGEMENT UNIT | 20 000.00 |
| Acquisition of new office furnitu | Municipal Infrastructure Grant | TECHNICAL SERVICES: ENGINEERING | PROJECT MANAGEMENT UNIT | 11 300.00 |
| Upgrading And Refurbishment C | Municipal Infrastructure Grant | TECHNICAL SERVICES: ENGINEERING | PUBL WORKS: STREETS | 4 000 000.00 |
| | | | | 106 690 519.09 |

1.7 ANNUAL BUDGET TABLES

The ten main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section. These tables set out the Municipality's 2025/26 Budget and MTREF to be considered for approval by Council.

Choose name from list - Table A1 Budget Summary

| Description | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|--|------------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| R thousands | | | | | | | | | | |
| Financial Performance | | | | | | | | | | |
| Property rates | - | (3 309) | 45 518 | 51 761 | 51 761 | 51 761 | 55 396 | 54 142 | 56 416 | 57 826 |
| Service charges | 231 029 | 218 157 | 281 294 | 286 139 | 311 209 | 311 209 | 260 227 | 325 524 | 339 196 | 347 676 |
| Investment revenue | 308 | 646 | 1 102 | 1 196 | 1 196 | 1 196 | 738 | 1 251 | 1 304 | 1 336 |
| Transfer and subsidies - Operational | 106 712 | 117 261 | 123 584 | 130 772 | 143 825 | 143 825 | 130 311 | 192 368 | 200 447 | 205 458 |
| Other own revenue | 22 277 | 40 144 | 186 241 | 43 462 | 42 819 | 42 819 | 30 530 | 45 539 | 47 452 | 48 638 |
| Total Revenue (excluding capital transfers and contributions) | 360 326 | 372 899 | 637 739 | 513 329 | 550 809 | 550 809 | 477 203 | 618 824 | 644 815 | 660 935 |
| Employee costs | 165 336 | 165 857 | 185 151 | 191 893 | 192 238 | 192 238 | 131 779 | 212 196 | 221 108 | 226 636 |
| Remuneration of councillors | 9 067 | 9 416 | 9 974 | 10 255 | 10 255 | 10 255 | 6 790 | 10 727 | 11 178 | 11 457 |
| Depreciation and amortisation | 64 708 | 66 714 | 65 172 | 65 308 | 65 308 | 65 308 | 45 328 | 68 313 | 71 182 | 72 961 |
| Interest | 29 682 | 57 371 | 83 101 | 72 387 | 30 572 | 30 572 | 23 752 | 10 572 | 11 016 | 11 291 |
| Inventory consumed and bulk purchases | 120 496 | 120 302 | 139 521 | 137 860 | 147 424 | 147 424 | 108 123 | 149 063 | 155 324 | 159 207 |
| Transfers and subsidies | 20 | 22 | 120 | 150 | 150 | 150 | 120 | 150 | 156 | 160 |
| Other expenditure | 119 861 | 115 844 | 145 914 | 185 259 | 207 795 | 207 795 | 101 646 | 195 977 | 204 208 | 209 313 |
| Total Expenditure | 509 171 | 535 525 | 628 952 | 663 113 | 653 742 | 653 742 | 417 538 | 646 997 | 674 171 | 691 026 |
| Surplus/(Deficit) | (148 844) | (162 626) | 8 787 | (149 783) | (102 933) | (102 933) | 59 666 | (28 173) | (29 356) | (30 090) |
| Transfers and subsidies - capital (monetary allocations) | 67 371 | 72 996 | 63 684 | 52 204 | 70 493 | 70 493 | 35 746 | 92 814 | 96 712 | 99 130 |
| Transfers and subsidies - capital (in-kind) | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | (81 474) | (89 631) | 72 471 | (97 580) | (32 440) | (32 440) | 95 412 | 64 641 | 67 356 | 69 040 |
| Share of Surplus/Deficit attributable to Associate | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | (81 474) | (89 631) | 72 471 | (97 580) | (32 440) | (32 440) | 95 412 | 64 641 | 67 356 | 69 040 |
| Capital expenditure & funds sources | | | | | | | | | | |
| Capital expenditure | - | - | - | 88 974 | 67 329 | 67 329 | 24 789 | 106 691 | 111 172 | 113 951 |
| Transfers recognised - capital | - | - | - | 47 474 | 64 629 | 64 629 | 24 529 | 106 681 | 110 888 | 113 940 |
| Borrowing | - | - | - | 1 200 | - | - | - | - | - | - |
| Internally generated funds | - | - | - | 40 300 | 2 700 | 2 700 | 261 | 10 | 10 | 11 |
| Total sources of capital funds | - | - | - | 88 974 | 67 329 | 67 329 | 24 789 | 106 691 | 110 899 | 113 951 |
| Financial position | | | | | | | | | | |
| Total current assets | (9 850) | (15 442) | 146 563 | 66 397 | 79 116 | 79 116 | 324 420 | 169 364 | 184 596 | 209 950 |
| Total non current assets | 1 100 250 | 1 114 778 | 1 103 985 | 1 136 497 | 1 122 772 | 1 122 772 | 1 084 704 | 1 103 762 | 1 141 945 | 1 181 815 |
| Total current liabilities | 444 811 | 583 893 | 532 658 | 703 362 | 688 967 | 688 967 | 612 484 | 534 874 | 525 427 | 525 516 |
| Total non current liabilities | 73 623 | 80 629 | 86 092 | 77 414 | 80 629 | 80 629 | 85 043 | 86 092 | 86 092 | 86 092 |
| Community wealth/Equity | 701 535 | 586 572 | 452 004 | 418 365 | 428 539 | 428 539 | 417 109 | 475 287 | 538 704 | 603 708 |
| Cash flows | | | | | | | | | | |
| Net cash from (used) operating | (223 751) | 119 775 | 174 724 | 219 627 | 26 397 | 24 875 | 185 354 | 128 251 | 134 026 | 137 377 |
| Net cash from (used) investing | (14) | - | - | - | - | - | - | (106 691) | (110 899) | (113 951) |
| Net cash from (used) financing | - | - | - | - | - | - | - | - | - | - |
| Cash/cash equivalents at the year end | (223 764) | 119 775 | 174 724 | 219 627 | 26 397 | 24 875 | 185 354 | 21 651 | 44 778 | 68 205 |
| Cash backing/surplus reconciliation | | | | | | | | | | |
| Cash and investments available | 1 318 | 12 205 | 9 365 | (124 939) | (34 596) | (34 596) | 35 440 | 18 939 | 28 915 | 39 140 |
| Application of cash and investments | 465 617 | 614 754 | 445 685 | 499 476 | 598 871 | 588 583 | 476 757 | 391 751 | 376 880 | 361 694 |
| Balance - surplus (shortfall) | (464 299) | (602 549) | (436 319) | (624 415) | (633 468) | (623 180) | (441 316) | (372 811) | (347 965) | (322 554) |
| Asset management | | | | | | | | | | |
| Asset register summary (WDV) | 1 071 234 | 1 023 693 | 994 794 | 1 005 097 | 1 024 137 | 1 024 137 | - | 895 074 | 987 496 | 986 267 |
| Depreciation | 64 708 | 66 714 | 65 172 | 65 308 | 65 308 | 65 308 | 68 313 | 71 182 | 72 961 | |
| Renewal and Upgrading of Existing Assets | - | - | (1 617) | 43 560 | 29 347 | 29 347 | 29 578 | 30 820 | 31 591 | |
| Repairs and Maintenance | 24 229 | 21 456 | 37 337 | 48 226 | 41 475 | 41 475 | 56 984 | 59 377 | 60 862 | |
| Free services | | | | | | | | | | |
| Cost of Free Basic Services provided | - | 34 668 | 44 209 | 25 739 | 27 949 | 27 949 | - | - | - | |
| Revenue cost of free services provided | - | 3 309 | 3 676 | (221) | (221) | (221) | - | - | - | |
| Households below minimum service level | | | | | | | | | | |
| Water: | - | - | - | - | - | - | - | - | - | |
| Sanitation/sewerage: | - | - | - | - | - | - | - | - | - | |
| Energy: | - | - | - | - | - | - | - | - | - | |
| Refuse: | - | - | - | - | - | - | - | - | - | |

Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

| Functional Classification Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Revenue - Functional | 1 | | | | | | | | | |
| Revenue and administration | | 160 710 | 154 339 | 167 275 | 185 414 | 183 780 | 183 780 | 191 465 | 199 507 | 204 494 |
| Executive and council | | 36 | 10 | 14 | 162 | 162 | 162 | 170 | 177 | 181 |
| Finance and administration | | 160 674 | 154 329 | 167 261 | 185 252 | 183 618 | 183 618 | 191 296 | 199 330 | 204 313 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| Community and public safety | | 3 475 | 6 929 | 4 734 | 6 512 | 17 233 | 17 233 | 60 530 | 63 072 | 64 649 |
| Community and social services | | 2 453 | 2 457 | 2 495 | 2 451 | 3 248 | 3 248 | 3 254 | 3 391 | 3 476 |
| Sport and recreation | | 85 | 68 | 63 | 63 | 63 | 63 | 65 | 68 | 70 |
| Public safety | | 936 | 4 405 | 2 176 | 3 999 | 3 999 | 3 999 | 4 481 | 4 669 | 4 785 |
| Housing | | 1 | - | - | - | 9 924 | 9 924 | 52 730 | 54 944 | 56 318 |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 33 926 | 38 246 | 28 033 | 35 889 | 37 821 | 37 821 | 50 118 | 52 223 | 53 529 |
| Planning and development | | 1 774 | 4 000 | 2 868 | 5 509 | 1 988 | 1 988 | 2 054 | 2 140 | 2 194 |
| Road transport | | 32 152 | 34 246 | 25 165 | 30 380 | 33 501 | 33 501 | 45 732 | 47 653 | 48 844 |
| Environmental protection | | - | - | - | - | 2 332 | 2 332 | 2 332 | 2 430 | 2 491 |
| Trading services | | 269 899 | 291 679 | 501 345 | 337 662 | 382 413 | 382 413 | 409 467 | 426 664 | 437 331 |
| Energy sources | | 126 984 | 117 736 | 283 427 | 131 096 | 142 761 | 142 761 | 149 636 | 155 921 | 159 819 |
| Water management | | 83 807 | 96 525 | 116 232 | 81 286 | 107 143 | 107 143 | 121 226 | 126 317 | 129 475 |
| Waste water management | | 26 881 | 42 954 | 65 217 | 82 897 | 83 769 | 83 769 | 87 622 | 91 302 | 93 585 |
| Waste management | | 32 227 | 34 463 | 36 469 | 42 383 | 48 740 | 48 740 | 50 982 | 53 124 | 54 452 |
| Other | 4 | 89 | 334 | 37 | 55 | 55 | 55 | 58 | 60 | 62 |
| Total Revenue - Functional | 2 | 468 100 | 491 526 | 701 423 | 565 533 | 621 302 | 621 302 | 711 638 | 741 527 | 760 065 |
| Expenditure - Functional | | | | | | | | | | |
| Revenue and administration | | 187 261 | 182 248 | 230 104 | 228 913 | 185 444 | 185 444 | 173 584 | 180 875 | 185 397 |
| Executive and council | | 34 056 | 33 397 | 34 112 | 32 899 | 37 948 | 37 948 | 34 951 | 36 419 | 37 330 |
| Finance and administration | | 152 064 | 147 682 | 194 655 | 194 584 | 146 066 | 146 066 | 136 772 | 142 517 | 146 080 |
| Internal audit | | 1 141 | 1 168 | 1 337 | 1 431 | 1 431 | 1 431 | 1 861 | 1 939 | 1 987 |
| Community and public safety | | 36 842 | 37 908 | 32 883 | 41 056 | 44 804 | 44 804 | 46 717 | 48 679 | 49 896 |
| Community and social services | | 5 574 | 4 980 | 5 219 | 7 785 | 7 070 | 7 070 | 9 272 | 9 662 | 9 903 |
| Sport and recreation | | 20 647 | 20 865 | 16 071 | 21 104 | 24 956 | 24 956 | 23 988 | 24 996 | 25 620 |
| Public safety | | 8 018 | 9 196 | 9 834 | 9 290 | 9 470 | 9 470 | 9 962 | 10 381 | 10 640 |
| Housing | | 126 | 141 | 157 | 262 | 262 | 262 | 274 | 286 | 293 |
| Health | | 2 477 | 2 726 | 1 602 | 2 615 | 3 046 | 3 046 | 3 220 | 3 355 | 3 439 |
| Economic and environmental services | | 45 857 | 52 332 | 47 807 | 55 590 | 62 729 | 62 729 | 69 450 | 72 367 | 74 176 |
| Planning and development | | 18 203 | 24 623 | 20 227 | 21 505 | 23 412 | 23 412 | 23 023 | 23 990 | 24 590 |
| Road transport | | 27 653 | 27 708 | 27 580 | 34 085 | 36 985 | 36 985 | 46 426 | 48 376 | 49 586 |
| Environmental protection | | - | - | - | - | 2 332 | 2 332 | - | - | - |
| Trading services | | 302 445 | 342 395 | 424 836 | 334 996 | 354 514 | 354 514 | 361 339 | 376 516 | 385 929 |
| Energy sources | | 148 179 | 137 246 | 162 926 | 173 366 | 184 447 | 184 447 | 183 765 | 191 484 | 196 271 |
| Water management | | 87 895 | 91 943 | 105 319 | 78 281 | 76 662 | 76 662 | 71 139 | 74 127 | 75 980 |
| Waste water management | | 33 012 | 64 150 | 103 283 | 54 356 | 62 431 | 62 431 | 75 238 | 78 397 | 80 357 |
| Waste management | | 33 359 | 49 056 | 53 308 | 28 994 | 30 974 | 30 974 | 31 197 | 32 507 | 33 320 |
| Other | 4 | 3 559 | 2 222 | 3 373 | 2 538 | 6 231 | 6 231 | - | - | - |
| Total Expenditure - Functional | 3 | 575 964 | 617 104 | 739 003 | 663 093 | 653 722 | 653 722 | 651 091 | 678 436 | 695 397 |
| Surplus/(Deficit) for the year | | (107 864) | (125 578) | (37 580) | (97 560) | (32 420) | (32 420) | 60 548 | 63 091 | 64 668 |

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

| Vote Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Revenue by Vote | 1 | | | | | | | | | |
| Vote 1 - COUNCIL (10: IE) | | 36 | 10 | 14 | 162 | 162 | 162 | 170 | 177 | 181 |
| Vote 2 - MUNICIPAL MANAGER (11: IE) | | - | 217 | - | - | - | - | - | - | - |
| Vote 3 - CORPORATE SERVICES: ADMINISTRN (12: IE) | | 7 905 | 9 468 | 18 164 | 6 403 | 7 200 | 7 200 | 7 373 | 7 683 | 7 875 |
| Vote 4 - CORPORATE SERVICES: COMM SERV (13: IE) | | 33 126 | 36 093 | 37 341 | 43 359 | 52 049 | 52 049 | 54 336 | 56 618 | 58 033 |
| Vote 5 - CORPORATE SERVICES: PROTECTION (14: IE) | | 3 885 | 6 303 | 5 575 | 10 133 | 13 255 | 13 255 | 14 928 | 15 555 | 15 944 |
| Vote 6 - FINANCIAL SERVICES (16: IE) | | 155 133 | 147 219 | 149 115 | 179 052 | 177 095 | 177 095 | 184 488 | 192 236 | 197 042 |
| Vote 7 - TECHNICAL SERVICES: ENGINEERING (18: IE) | | 141 031 | 174 481 | 207 788 | 195 328 | 228 782 | 228 782 | 300 708 | 313 338 | 321 172 |
| Vote 8 - TECHNICAL SERVICES: ELECTRICAL (19: IE) | | 126 984 | 117 736 | 283 427 | 131 096 | 142 761 | 142 761 | 149 636 | 155 921 | 159 819 |
| Total Revenue by Vote | 2 | 468 101 | 491 527 | 701 424 | 565 534 | 621 303 | 621 303 | 711 639 | 741 528 | 760 066 |
| Expenditure by Vote to be appropriated | 1 | | | | | | | | | |
| Vote 1 - COUNCIL (10: IE) | | 11 634 | 12 826 | 12 071 | 12 908 | 12 608 | 12 608 | 13 903 | 14 487 | 14 849 |
| Vote 2 - MUNICIPAL MANAGER (11: IE) | | 20 356 | 20 698 | 24 815 | 24 103 | 27 316 | 27 316 | 26 473 | 27 585 | 28 275 |
| Vote 3 - CORPORATE SERVICES: ADMINISTRN (12: IE) | | 41 068 | 39 313 | 39 707 | 45 747 | 45 530 | 45 530 | 53 210 | 55 445 | 56 831 |
| Vote 4 - CORPORATE SERVICES: COMM SERV (13: IE) | | 60 460 | 76 687 | 75 380 | 57 529 | 68 113 | 68 113 | 62 873 | 65 514 | 67 151 |
| Vote 5 - CORPORATE SERVICES: PROTECTION (14: IE) | | 15 031 | 16 267 | 16 517 | 16 666 | 19 746 | 19 746 | 25 068 | 26 120 | 26 773 |
| Vote 6 - FINANCIAL SERVICES (16: IE) | | 121 012 | 114 078 | 159 960 | 152 754 | 107 347 | 107 347 | 85 068 | 88 641 | 90 857 |
| Vote 7 - TECHNICAL SERVICES: ENGINEERING (18: IE) | | 158 200 | 200 007 | 247 423 | 180 040 | 188 634 | 188 634 | 203 272 | 211 809 | 217 104 |
| Vote 8 - TECHNICAL SERVICES: ELECTRICAL (19: IE) | | 148 179 | 137 246 | 163 130 | 173 366 | 184 447 | 184 447 | 183 765 | 191 484 | 196 271 |
| Total Expenditure by Vote | 2 | 575 940 | 617 122 | 739 003 | 663 113 | 653 742 | 653 742 | 653 632 | 681 084 | 698 111 |
| Surplus/(Deficit) for the year | 2 | (107 840) | (125 595) | (37 579) | (97 579) | (32 439) | (32 439) | 58 007 | 60 444 | 61 955 |

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|--|-----|------------------|------------------|-----------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Revenue | | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | | |
| Service charges - Electricity | 2 | 126 955 | 117 665 | 147 725 | 130 531 | 142 179 | 142 179 | 130 259 | 148 720 | 154 966 | 158 840 |
| Service charges - Water | 2 | 44 979 | 40 609 | 51 742 | 49 075 | 56 426 | 56 426 | 46 497 | 59 021 | 61 500 | 63 038 |
| Service charges - Waste Water Management | 2 | 26 869 | 33 259 | 52 130 | 70 369 | 71 016 | 71 016 | 54 005 | 74 283 | 77 403 | 79 338 |
| Service charges - Waste Management | 2 | 32 227 | 26 624 | 29 697 | 36 163 | 41 588 | 41 588 | 29 466 | 43 501 | 45 328 | 46 461 |
| Sale of Goods and Rendering of Services | | 720 | 1 133 | 905 | 2 153 | 2 153 | 2 153 | 787 | 2 252 | 2 346 | 2 405 |
| Agency services | | 1 918 | 1 857 | 1 903 | 5 841 | 5 841 | 5 841 | 2 370 | 6 109 | 6 366 | 6 525 |
| Interest | | | | | | | | | | | |
| Interest earned from Receivables | | 4 120 | 8 533 | 14 563 | 13 234 | 13 234 | 13 234 | 14 559 | 13 843 | 14 424 | 14 785 |
| Interest earned from Current and Non Current Assets | | 308 | 646 | 1 102 | 1 196 | 1 196 | 1 196 | 738 | 1 251 | 1 304 | 1 336 |
| Dividends | | | | | | | | | | | |
| Rent on Land | | | | | | | | | | | |
| Rental from Fixed Assets | | 1 225 | 2 217 | 970 | 2 127 | 2 127 | 2 127 | 549 | 2 224 | 2 318 | 2 376 |
| Licence and permits | | 963 | 895 | 868 | 964 | 964 | 964 | 816 | 1 009 | 1 051 | 1 077 |
| Special rating levies | | | | | | | | | | | |
| Operational Revenue | | 6 728 | 7 971 | 20 208 | 8 453 | 8 453 | 8 453 | 794 | 8 844 | 9 215 | 9 445 |
| Non-Exchange Revenue | | | | | | | | | | | |
| Property rates | 2 | - | (3 309) | 45 518 | 51 761 | 51 761 | 51 761 | 55 396 | 54 142 | 56 416 | 57 826 |
| Surcharges and Taxes | | 4 345 | 14 638 | 10 366 | 7 936 | 4 155 | 4 155 | 5 651 | 4 346 | 4 529 | 4 642 |
| Fines, penalties and forfeits | | 728 | 534 | 1 311 | 94 | 3 231 | 3 231 | 2 437 | 4 129 | 4 302 | 4 410 |
| Licences or permits | | | | | | | | | | | |
| Transfer and subsidies - Operational | | 106 712 | 117 261 | 123 584 | 130 772 | 143 825 | 143 825 | 130 311 | 192 368 | 200 447 | 205 458 |
| Interest | | 1 531 | 2 366 | 1 907 | 2 661 | 2 661 | 2 661 | 2 568 | 2 784 | 2 901 | 2 973 |
| Fuel Levy | | | | | | | | | | | |
| Operational Revenue | | - | - | 133 241 | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | | | | | | | | | | |
| Other Gains | | | | | | | | | | | |
| Discontinued Operations | | | | | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | 360 326 | 372 899 | 637 739 | 513 329 | 550 809 | 550 809 | 477 203 | 618 824 | 644 815 | 660 935 |
| Expenditure | | | | | | | | | | | |
| Employee related costs | 2 | 165 336 | 165 857 | 185 151 | 191 893 | 192 238 | 192 238 | 131 779 | 212 196 | 221 108 | 226 636 |
| Remuneration of councillors | | 9 067 | 9 416 | 9 974 | 10 255 | 10 255 | 10 255 | 6 790 | 10 727 | 11 178 | 11 457 |
| Bulk purchases - electricity | 2 | 115 746 | 112 711 | 134 569 | 133 107 | 142 671 | 142 671 | 104 586 | 143 076 | 149 085 | 152 812 |
| Inventory consumed | 8 | 4 751 | 7 592 | 4 952 | 4 753 | 4 753 | 4 753 | 3 537 | 5 987 | 6 239 | 6 395 |
| Debt impairment | 3 | - | - | 417 | 18 300 | 15 560 | 15 560 | - | 4 552 | 4 743 | 4 862 |
| Depreciation and amortisation | | 64 708 | 66 714 | 65 172 | 65 308 | 65 308 | 65 308 | 45 328 | 68 313 | 71 182 | 72 961 |
| Interest | | 29 682 | 57 371 | 83 101 | 72 387 | 30 572 | 30 572 | 23 752 | 10 572 | 11 016 | 11 291 |
| Contracted services | | 28 016 | 28 802 | 62 039 | 25 856 | 69 488 | 69 488 | 20 502 | 33 835 | 35 256 | 36 138 |
| Transfers and subsidies | | 20 | 22 | 120 | 150 | 150 | 150 | 120 | 150 | 156 | 160 |
| Irrecoverable debts written off | | - | - | - | 4 829 | 4 829 | 4 829 | 1 | 5 051 | 5 263 | 5 395 |
| Operational costs | | 91 845 | 87 041 | 83 458 | 136 273 | 117 917 | 117 917 | 81 142 | 152 539 | 158 945 | 162 919 |
| Losses on disposal of Assets | | | | | | | | | | | |
| Other Losses | | | | | | | | | | | |
| Total Expenditure | | 509 171 | 535 525 | 628 952 | 663 113 | 653 742 | 653 742 | 417 538 | 646 997 | 674 171 | 691 026 |
| Surplus/(Deficit) | | (148 844) | (162 626) | 8 787 | (149 783) | (102 933) | (102 933) | 59 666 | (28 173) | (29 356) | (30 090) |
| Transfers and subsidies - capital (monetary allocations) | 6 | 67 371 | 72 996 | 63 684 | 52 204 | 70 493 | 70 493 | 35 746 | 92 814 | 96 712 | 99 130 |
| Transfers and subsidies - capital (in-kind) | 6 | | | | | | | | | | |
| Surplus/(Deficit) after capital transfers & contributions | | (81 474) | (89 631) | 72 471 | (97 580) | (32 440) | (32 440) | 95 412 | 64 641 | 67 356 | 69 040 |
| Income Tax | | | | | | | | | | | |
| Surplus/(Deficit) after income tax | | (81 474) | (89 631) | 72 471 | (97 580) | (32 440) | (32 440) | 95 412 | 64 641 | 67 356 | 69 040 |
| Share of Surplus/Deficit attributable to Joint Venture | | | | | | | | | | | |
| Share of Surplus/Deficit attributable to Minorities | | | | | | | | | | | |
| Surplus/(Deficit) attributable to municipality | | (81 474) | (89 631) | 72 471 | (97 580) | (32 440) | (32 440) | 95 412 | 64 641 | 67 356 | 69 040 |
| Share of Surplus/Deficit attributable to Associate | 7 | | | | | | | | | | |
| Intercompany/Parent subsidiary transactions | | | | | | | | | | | |
| Surplus/(Deficit) for the year | 1 | (81 474) | (89 631) | 72 471 | (97 580) | (32 440) | (32 440) | 95 412 | 64 641 | 67 356 | 69 040 |

| Vote Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| R thousand | 1 | | | | | | | | | | |
| Capital multi-year expenditure sub-total | 7 | - | - | - | - | - | - | - | - | - | - |
| Single-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 9 - MUNICIPAL MANAGER (31: CAPEX) | | - | - | - | 40 | - | - | - | - | - | - |
| Vote 10 - CORPORATE SERVICES: ADMINSTRN (32: CAPEX) | | - | - | - | 320 | 320 | 320 | - | - | - | - |
| Vote 11 - CORPORATE SERVICES: COMM SERV (33: CAPEX) | | - | - | - | 9 250 | - | - | - | 10 000 | 10 420 | 10 681 |
| Vote 12 - CORPORATE SERVICES: PROTECTION (34: CAPEX) | | - | - | - | 1 140 | 474 | 474 | 24 | - | - | - |
| Vote 13 - FINANCIAL SERVICES (36: CAPEX) | | - | - | - | 3 730 | 480 | 480 | 411 | 622 | 648 | 664 |
| Vote 14 - TECHNICAL SERVICES: ENGINEERING (38: CAPEX) | | - | - | - | 56 380 | 65 055 | 65 055 | 24 354 | 96 069 | 100 103 | 102 606 |
| Vote 15 - TECHNICAL SERVICES: ELECTRICAL (39: CAPEX) | | - | - | - | 18 114 | 1 000 | 1 000 | - | - | - | - |
| Capital single-year expenditure sub-total | | - | - | - | 88 974 | 67 329 | 67 329 | 24 789 | 106 691 | 111 172 | 113 951 |
| Total Capital Expenditure - Vote | | - | - | - | 88 974 | 67 329 | 67 329 | 24 789 | 106 691 | 111 172 | 113 951 |
| Capital Expenditure - Functional | | | | | | | | | | | |
| Governance and administration | | - | - | - | 3 770 | 1 010 | 1 010 | 411 | 622 | 648 | 664 |
| Executive and council | | - | - | - | 40 | - | - | - | - | - | - |
| Finance and administration | | - | - | - | 3 730 | 1 010 | 1 010 | 411 | 622 | 648 | 664 |
| Internal audit | | - | - | - | - | - | - | - | - | - | - |
| Community and public safety | | - | - | - | 2 890 | 264 | 264 | 24 | 34 985 | 36 455 | 37 366 |
| Community and social services | | - | - | - | 250 | - | - | - | - | - | - |
| Sport and recreation | | - | - | - | 1 500 | - | - | - | 10 000 | 10 420 | 10 681 |
| Public safety | | - | - | - | 1 140 | 264 | 264 | 24 | - | - | - |
| Housing | | - | - | - | - | - | - | - | 24 985 | 26 035 | 26 686 |
| Health | | - | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | - | - | - | 11 662 | 18 656 | 18 656 | 4 487 | 31 775 | 33 110 | 33 938 |
| Planning and development | | - | - | - | 15 | 14 750 | 14 750 | 3 603 | 27 775 | 28 942 | 29 666 |
| Road transport | | - | - | - | 11 647 | 3 906 | 3 906 | 884 | 4 000 | 4 168 | 4 272 |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - |
| Trading services | | - | - | - | 70 652 | 47 399 | 47 399 | 19 867 | 39 308 | 40 959 | 41 982 |
| Energy sources | | - | - | - | 18 184 | 1 000 | 1 000 | - | - | - | - |
| Water management | | - | - | - | 15 031 | 20 098 | 20 098 | 12 653 | 68 | 71 | 73 |
| Waste water management | | - | - | - | 29 687 | 26 301 | 26 301 | 7 213 | 39 240 | 40 888 | 41 910 |
| Waste management | | - | - | - | 7 750 | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Functional | 3 | - | - | - | 88 974 | 67 329 | 67 329 | 24 789 | 106 691 | 111 172 | 113 951 |
| Funded by: | | | | | | | | | | | |
| National Government | | - | - | - | 47 474 | 55 635 | 55 635 | 24 349 | 73 449 | 76 261 | 78 447 |
| Provincial Government | | - | - | - | - | 8 200 | 8 200 | 155 | 33 231 | 34 627 | 35 493 |
| District Municipality | | - | - | - | - | 794 | 794 | 24 | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions) | | - | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | 4 | - | - | - | 47 474 | 64 629 | 64 629 | 24 529 | 106 681 | 110 888 | 113 940 |
| Borrowing | 6 | - | - | - | 1 200 | - | - | - | - | - | - |
| Internally generated funds | | - | - | - | 40 300 | 2 700 | 2 700 | 261 | 10 | 10 | 11 |
| Total Capital Funding | 7 | - | - | - | 88 974 | 67 329 | 67 329 | 24 789 | 106 691 | 110 899 | 113 951 |

Choose name from list - Table A6 Budgeted Financial Position

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|-----|------------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| R thousand | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | |
| Current assets | | | | | | | | | | | |
| Cash and cash equivalents | | 1 318 | 12 205 | 9 365 | (124 939) | (34 596) | (34 596) | 35 440 | 18 939 | 28 915 | 39 140 |
| Trade and other receivables from exchange transactions | 1 | 9 383 | (192) | 4 365 | 61 102 | 8 344 | 8 344 | 102 314 | 15 141 | 28 096 | 41 326 |
| Receivables from non-exchange transactions | 1 | 19 | (622) | 38 671 | 54 049 | 32 684 | 32 684 | 58 306 | 39 811 | 40 451 | 41 098 |
| Current portion of non-current receivables | | | | | | | | | | | |
| Inventory | 2 | 4 589 | 6 206 | 12 357 | 13 157 | 8 709 | 8 709 | 16 513 | 14 860 | 16 111 | 17 363 |
| VAT | | (25 661) | (33 569) | 81 131 | 64 338 | 63 445 | 63 445 | 111 173 | 79 939 | 70 349 | 70 349 |
| Other current assets | | 501 | 529 | 674 | (1 309) | 529 | 529 | 674 | 674 | 674 | 674 |
| Total current assets | | (9 850) | (15 442) | 146 563 | 66 397 | 79 116 | 79 116 | 324 420 | 169 364 | 184 596 | 209 950 |
| Non current assets | | | | | | | | | | | |
| Investments | | | | | | | | | | | |
| Investment property | | 27 659 | 27 659 | 24 841 357.00 | 25 230 | 26 083 | 26 083 | 25 092 | 26 041 | 26 041 | 26 041 |
| Property, plant and equipment | 3 | 1 069 002 | 1 083 571 | 1 072 448 | 1 099 718 | 1 085 592 | 1 085 592 | 1 048 003 | 1 066 622 | 1 104 806 | 1 144 676 |
| Biological assets | | | | | | | | | | | |
| Living and non-living resources | | | | | | | | | | | |
| Heritage assets | | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 |
| Intangible assets | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Trade and other receivables from exchange transactions | | (35) | - | - | - | - | - | - | - | - | - |
| Non-current receivables from non-exchange transactions | | (1 535) | (1 576) | - | - | - | - | - | - | - | - |
| Other non-current assets | | (5 939) | (5 974) | (4 402) | 451 | - | - | 511 | - | - | - |
| Total non current assets | | 1 100 250 | 1 114 778 | 1 103 985 | 1 136 497 | 1 122 772 | 1 122 772 | 1 084 704 | 1 103 762 | 1 141 945 | 1 181 815 |
| TOTAL ASSETS | | 1 090 400 | 1 099 336 | 1 250 548 | 1 202 894 | 1 201 888 | 1 201 888 | 1 409 124 | 1 273 125 | 1 326 541 | 1 391 764 |
| LIABILITIES | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | |
| Bank overdraft | | | | | | | | | | | |
| Financial liabilities | | - | - | - | - | - | - | - | - | - | - |
| Consumer deposits | | 3 820 | 3 905 | 2 752 | 3 935 | 3 905 | 3 905 | (184) | 2 752 | 2 752 | 2 752 |
| Trade and other payables from exchange transactions | 4 | 481 633 | 632 054 | 469 665 | 638 714 | 634 799 | 634 799 | 499 716 | 470 034 | 470 034 | 470 034 |
| Trade and other payables from non-exchange transactions | 5 | - | - | 6 410 | 13 269 | - | - | 17 107 | 6 410 | 6 410 | 6 410 |
| Provision | | 7 514 | 11 380 | 11 828 | 13 225 | 13 437 | 13 437 | 10 619 | 11 459 | 11 459 | 11 459 |
| VAT | | (48 156) | (63 445) | 42 004 | 34 219 | 36 827 | 36 827 | 85 227 | 44 220 | 34 773 | 34 862 |
| Other current liabilities | | | | | | | | | | | |
| Total current liabilities | | 444 811 | 583 893 | 532 658 | 703 362 | 688 967 | 688 967 | 612 484 | 534 874 | 525 427 | 525 516 |
| Non current liabilities | | | | | | | | | | | |
| Financial liabilities | 6 | 7 608 | 10 969 | 1 049 | 7 755 | 10 969 | 10 969 | - | 1 049 | 1 049 | 1 049 |
| Provision | 7 | 36 365 | 41 407 | 48 839 | 41 407 | 41 407 | 41 407 | 48 839 | 48 839 | 48 839 | 48 839 |
| Long term portion of trade payables | | - | - | - | - | - | - | - | - | - | - |
| Other non-current liabilities | | 29 650 | 28 253 | 36 204 | 28 253 | 28 253 | 28 253 | 36 204 | 36 204 | 36 204 | 36 204 |
| Total non current liabilities | | 73 623 | 80 629 | 86 092 | 77 414 | 80 629 | 80 629 | 85 043 | 86 092 | 86 092 | 86 092 |
| TOTAL LIABILITIES | | 518 433 | 664 522 | 618 750 | 780 776 | 769 596 | 769 596 | 697 527 | 620 966 | 611 519 | 611 608 |
| NET ASSETS | | 571 967 | 434 815 | 631 798 | 422 118 | 432 292 | 432 292 | 711 597 | 652 159 | 715 022 | 780 156 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | |
| Accumulated surplus/(deficit) | 8 | 688 493 | 573 530 | 438 962 | 405 323 | 415 497 | 415 497 | 414 576 | 462 245 | 525 663 | 590 666 |
| Reserves and funds | 9 | 13 042 | 13 042 | 13 042 | 13 042 | 13 042 | 13 042 | 2 533 | 13 042 | 13 042 | 13 042 |
| Other | | | | | | | | | | | |
| TOTAL COMMUNITY WEALTH/EQUITY | 10 | 701 535 | 586 572 | 452 004 | 418 365 | 428 539 | 428 539 | 417 109 | 475 287 | 538 704 | 603 708 |

Choose name from list - Table A7 Budgeted Cash Flows

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|--|-----|------------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Property rates | | (12 190) | 20 090 | 30 398 | 52 947 | 55 008 | - | 35 087 | 59 633 | 62 138 | 63 691 |
| Service charges | | 44 022 | 133 234 | 45 862 | 315 883 | 323 615 | - | 45 812 | 356 706 | 371 977 | 381 276 |
| Other revenue | | 9 148 | 19 736 | 35 292 | 466 599 | 26 418 | 588 241 | 19 825 | 30 549 | 31 932 | 32 731 |
| Transfers and Subsidies - Operational | 1 | (102 816) | 102 998 | 304 001 | 100 976 | 112 631 | - | 262 748 | 159 740 | 166 449 | 170 610 |
| Transfers and Subsidies - Capital | 1 | 11 899 | 104 449 | 49 090 | 52 463 | 70 493 | - | 64 667 | 92 814 | 96 712 | 99 130 |
| Interest | | 7 | 32 | 69 | - | - | - | 76 | - | - | - |
| Dividends | | | | | | | | | - | - | - |
| Payments | | | | | | | | | | | |
| Suppliers and employees | | (173 821) | (260 764) | (289 977) | (769 240) | (561 769) | (563 366) | (242 861) | (571 192) | (595 182) | (610 061) |
| Interest | | | | | | | | | - | - | - |
| Transfers and Subsidies | 1 | | | | | | | | - | - | - |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | (223 751) | 119 775 | 174 724 | 219 627 | 26 397 | 24 875 | 185 354 | 128 251 | 134 026 | 137 377 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | | | | | | | | | - | - | - |
| Decrease (increase) in non-current receivables | | (14) | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | | | | | | | | | - | - | - |
| Payments | | | | | | | | | | | |
| Capital assets | | | | | | | | | (106 691) | (110 899) | (113 951) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (14) | - | - | - | - | - | - | (106 691) | (110 899) | (113 951) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | | | | | | | | | - | - | - |
| Borrowing long term/refinancing | | | | | | | | | - | - | - |
| Increase (decrease) in consumer deposits | | | | | | | | | - | - | - |
| Payments | | | | | | | | | | | |
| Repayment of borrowing | | | | | | | | | - | - | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | - | - | - | - | - | - | - | - | - | - |
| NET INCREASE/ (DECREASE) IN CASH HELD | | (223 764) | 119 775 | 174 724 | 219 627 | 26 397 | 24 875 | 185 354 | 21 561 | 23 128 | 23 426 |
| Cash/cash equivalents at the year begin: | 2 | | | | | | | | 90 | 21 651 | 44 778 |
| Cash/cash equivalents at the year end: | 2 | (223 764) | 119 775 | 174 724 | 219 627 | 26 397 | 24 875 | 185 354 | 21 651 | 44 778 | 68 205 |

Choose name from list - Table A8 Cash backed reserves/accumulated surplus reconciliation

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|-----|------------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Cash and investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | (223 764) | 119 775 | 174 724 | 219 627 | 26 397 | 24 875 | 185 354 | 21 651 | 44 778 | 68 205 |
| Other current investments > 90 days | | 225 083 | (107 570) | (165 359) | (344 566) | (60 993) | (59 471) | (149 914) | (2 711) | (15 863) | (29 064) |
| Non current Investments | 1 | - | - | - | - | - | - | - | - | - | - |
| Cash and investments available: | | 1 318 | 12 205 | 9 365 | (124 939) | (34 596) | (34 596) | 35 440 | 18 939 | 28 915 | 39 140 |
| Application of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | | - | - | 6 410 | 13 269 | - | - | 17 107 | 6 410 | 6 410 | 6 410 |
| Unspent borrowing | | | | | | | | | | | |
| Statutory requirements | 2 | (22 495) | (29 876) | (39 127) | (30 119) | (26 618) | (26 618) | (25 945) | (35 719) | (35 576) | (35 487) |
| Other working capital requirements | 3 | 480 598 | 633 251 | 466 574 | 503 101 | 612 053 | 601 765 | 474 977 | 409 601 | 394 587 | 379 313 |
| Other provisions | | 7 514 | 11 380 | 11 828 | 13 225 | 13 437 | 13 437 | 10 619 | 11 459 | 11 459 | 11 459 |
| Long term investments committed | 4 | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 5 | | | | | | | | | | |
| Total Application of cash and investments: | | 465 617 | 614 754 | 445 685 | 499 476 | 598 871 | 588 583 | 476 757 | 391 751 | 376 880 | 361 694 |
| Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits | | (464 299) | (602 549) | (436 319) | (624 415) | (633 468) | (623 180) | (441 316) | (372 811) | (347 965) | (322 554) |
| Creditors transferred to Debt Relief - Non-Current portion | | - | - | - | - | - | - | - | - | - | - |
| Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits | | (464 299) | (602 549) | (436 319) | (624 415) | (633 468) | (623 180) | (441 316) | (372 811) | (347 965) | (322 554) |

Choose name from list - Table A9 Asset Management

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| R thousand | | | | | | | | | | |
| CAPITAL EXPENDITURE | | | | | | | | | | |
| Total New Assets | 1 | - | - | 1 617 | 45 414 | 37 982 | 37 982 | 77 113 | 80 351 | 82 360 |
| Roads Infrastructure | | - | - | - | - | 6 410 | 6 410 | 4 000 | 4 168 | 4 272 |
| Storm water Infrastructure | | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | - | - | - | 11 846 | 1 000 | 1 000 | - | - | - |
| Water Supply Infrastructure | | - | - | 1 617 | 12 281 | 20 098 | 20 098 | - | - | - |
| Sanitation Infrastructure | | - | - | - | 433 | 700 | 700 | 19 693 | 20 520 | 21 033 |
| Solid Waste Infrastructure | | - | - | - | 1 000 | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | - | - | 1 617 | 25 559 | 28 208 | 28 208 | 23 693 | 24 688 | 25 305 |
| Community Facilities | | - | - | - | 9 210 | 5 000 | 5 000 | 9 731 | 10 140 | 10 394 |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | - | - |
| Community Assets | | - | - | - | 9 210 | 5 000 | 5 000 | 9 731 | 10 140 | 10 394 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | - | - | - | - | - | - | 150 | 156 | 160 |
| Housing | | - | - | - | - | 3 200 | 3 200 | 42 853 | 44 653 | 45 769 |
| Other Assets | | - | - | - | - | 3 200 | 3 200 | 43 003 | 44 809 | 45 930 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | - | - | 3 284 | 387 | 387 | 163 | 170 | 174 |
| Furniture and Office Equipment | | - | - | - | 386 | 177 | 187 | 410 | 427 | 438 |
| Machinery and Equipment | | - | - | - | 3 795 | 480 | 470 | 112 | 117 | 120 |
| Transport Assets | | - | - | - | 3 180 | 530 | 530 | - | - | - |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Mature | | - | - | - | - | - | - | - | - | - |
| Immature | | - | - | - | - | - | - | - | - | - |
| Living Resources | | - | - | - | - | - | - | - | - | - |
| Total Renewal of Existing Assets | 2 | - | - | - | 2 743 | 140 | 140 | 31 | 33 | 33 |
| Roads Infrastructure | | - | - | - | - | - | - | - | - | - |
| Storm water Infrastructure | | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | - | - | - | - | - | - | - | - | - |
| Water Supply Infrastructure | | - | - | - | 2 000 | - | - | - | - | - |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | - | - |
| Solid Waste Infrastructure | | - | - | - | - | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | - | - | - | 2 000 | - | - | - | - | - |
| Community Facilities | | - | - | - | - | - | - | - | - | - |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | - | - |
| Community Assets | | - | - | - | - | - | - | - | - | - |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Other Assets | | - | - | - | - | - | - | - | - | - |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | - | - | - | 70 | 70 | 20 | 21 | 21 |
| Furniture and Office Equipment | | - | - | - | - | 70 | 70 | 11 | 12 | 12 |
| Machinery and Equipment | | - | - | - | 743 | - | - | - | - | - |
| Transport Assets | | - | - | - | - | - | - | - | - | - |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Mature | | - | - | - | - | - | - | - | - | - |
| Immature | | - | - | - | - | - | - | - | - | - |
| Living Resources | | - | - | - | - | - | - | - | - | - |
| Total Upgrading of Existing Assets | 6 | - | - | (1 617) | 40 817 | 29 207 | 29 207 | 29 547 | 30 788 | 31 557 |
| Roads Infrastructure | | - | - | - | - | - | - | - | - | - |
| Storm water Infrastructure | | - | - | - | 1 597 | 9 185 | 9 185 | 19 547 | 20 368 | 20 877 |
| Electrical Infrastructure | | - | - | - | 2 400 | - | - | - | - | - |
| Water Supply Infrastructure | | - | - | (1 617) | 11 572 | 3 606 | 3 606 | - | - | - |
| Sanitation Infrastructure | | - | - | - | 18 428 | 16 416 | 16 416 | - | - | - |
| Solid Waste Infrastructure | | - | - | - | - | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | - | - | (1 617) | 33 997 | 29 207 | 29 207 | 19 547 | 20 368 | 20 877 |
| Community Facilities | | - | - | - | 6 250 | - | - | 10 000 | 10 420 | 10 681 |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | - | - |
| Community Assets | | - | - | - | 6 250 | - | - | 10 000 | 10 420 | 10 681 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | - | - | - | 570 | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Other Assets | | - | - | - | 570 | - | - | - | - | - |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment | | - | - | - | - | - | - | - | - | - |
| Machinery and Equipment | | - | - | - | - | - | - | - | - | - |
| Transport Assets | | - | - | - | - | - | - | - | - | - |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Mature | | - | - | - | - | - | - | - | - | - |
| Immature | | - | - | - | - | - | - | - | - | - |
| Living Resources | | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure | 4 | - | - | - | 88 974 | 67 329 | 67 329 | 106 691 | 111 172 | 113 951 |
| Roads Infrastructure | | - | - | - | - | 6 410 | 6 410 | 4 000 | 4 168 | 4 272 |
| Storm water Infrastructure | | - | - | - | 1 597 | 9 185 | 9 185 | 19 547 | 20 368 | 20 877 |
| Electrical Infrastructure | | - | - | - | 14 246 | 1 000 | 1 000 | - | - | - |
| Water Supply Infrastructure | | - | - | - | 25 853 | 23 704 | 23 704 | - | - | - |
| Sanitation Infrastructure | | - | - | - | 18 860 | 17 116 | 17 116 | 19 693 | 20 520 | 21 033 |
| Solid Waste Infrastructure | | - | - | - | 1 000 | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | - | - | - | 61 556 | 57 415 | 57 415 | 43 240 | 45 056 | 46 182 |
| Community Facilities | | - | - | - | 15 460 | 5 000 | 5 000 | 9 731 | 10 140 | 10 394 |
| Sport and Recreation Facilities | | - | - | - | - | - | - | 10 000 | 10 420 | 10 681 |
| Community Assets | | - | - | - | 15 460 | 5 000 | 5 000 | 19 731 | 20 560 | 21 074 |

| | | | | | | | | | | |
|--|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | - | - | - | 570 | - | - | 150 | 156 | 160 |
| Housing | | - | - | - | - | 3 200 | 3 200 | 42 853 | 44 653 | 45 769 |
| Other Assets | | - | - | - | 570 | 3 200 | 3 200 | 43 003 | 44 809 | 45 930 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | - | - | 3 284 | 457 | 457 | 183 | 191 | 195 |
| Furniture and Office Equipment | | - | - | - | 386 | 247 | 257 | 421 | 439 | 450 |
| Machinery and Equipment | | - | - | - | 4 538 | 480 | 470 | 112 | 117 | 120 |
| Transport Assets | | - | - | - | 3 180 | 530 | 530 | - | - | - |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Mature | | - | - | - | - | - | - | - | - | - |
| Immature | | - | - | - | - | - | - | - | - | - |
| Living Resources | | - | - | - | - | - | - | - | - | - |
| TOTAL CAPITAL EXPENDITURE - Asset class | | - | - | - | 88 974 | 67 329 | 67 329 | 106 691 | 111 172 | 113 951 |
| ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 1 071 234 | 1 023 693 | 994 794 | 1 005 097 | 1 024 137 | 1 024 137 | 895 074 | 987 496 | 986 267 |
| Roads Infrastructure | | (277 613) | (324 853) | (461 443) | (371 647) | (329 360) | (329 360) | (455 958) | (373 880) | (385 778) |
| Storm water Infrastructure | | - | - | - | (8 378) | (790) | (790) | 9 113 | 18 608 | 28 341 |
| Electrical Infrastructure | | - | - | - | 14 246 | 1 000 | 1 000 | - | - | - |
| Water Supply Infrastructure | | 1 131 752 | 1 144 336 | 1 231 306 | 1 138 920 | 1 136 771 | 1 136 771 | 1 198 599 | 1 168 518 | 1 137 754 |
| Sanitation Infrastructure | | - | - | - | 13 600 | 11 856 | 11 856 | 14 191 | 28 978 | 44 134 |
| Solid Waste Infrastructure | | 18 083 | 17 349 | 16 631 | 17 158 | 15 439 | 15 439 | 21 767 | 20 580 | 19 365 |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | 872 221 | 836 832 | 786 494 | 803 899 | 834 916 | 834 916 | 787 711 | 862 804 | 843 816 |
| Community Assets | | (4 691) | (5 790) | (7 075) | 3 479 | (790) | (790) | 12 729 | 33 289 | 54 363 |
| Heritage Assets | | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 | 11 098 |
| Investment properties | | 27 659 | 27 659 | 24 841 | 25 230 | 26 083 | 26 083 | 26 041 | 26 041 | 26 041 |
| Other Assets | | 108 810 | 98 119 | 109 204 | 100 482 | 100 285 | 100 285 | - | - | - |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Computer Equipment | | - | - | - | 3 284 | 607 | 607 | 183 | 329 | 477 |
| Furniture and Office Equipment | | - | - | - | 330 | 247 | 257 | 421 | 760 | 1 106 |
| Machinery and Equipment | | (8 371) | (9 703) | (1 593) | (9 904) | (14 170) | (14 180) | (13 458) | (17 173) | (20 983) |
| Transport Assets | | 9 677 | 11 331 | 18 149 | 13 197 | 11 861 | 11 861 | 18 149 | 18 149 | 18 149 |
| Land | | 54 830 | 54 148 | 53 676 | 54 002 | 54 002 | 54 002 | 52 200 | 52 200 | 52 200 |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Living Resources | | - | - | - | - | - | - | - | - | - |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 5 | 1 071 234 | 1 023 693 | 994 794 | 1 005 097 | 1 024 137 | 1 024 137 | 895 074 | 987 496 | 986 267 |
| EXPENDITURE OTHER ITEMS | | 88 937 | 88 169 | 102 509 | 113 534 | 106 783 | 106 783 | 125 297 | 130 559 | 133 823 |
| Depreciation | 7 | 64 708 | 66 714 | 65 172 | 65 308 | 65 308 | 65 308 | 68 313 | 71 182 | 72 961 |
| Repairs and Maintenance by Asset Class | 3 | 24 229 | 21 456 | 37 337 | 48 226 | 41 475 | 41 475 | 56 984 | 59 377 | 60 862 |
| Roads Infrastructure | | 727 | 1 482 | 2 147 | 4 999 | 4 999 | 4 999 | 7 410 | 7 721 | 7 914 |
| Storm water Infrastructure | | 34 | 17 | 123 | 775 | 775 | 775 | 471 | 490 | 503 |
| Electrical Infrastructure | | 1 388 | 497 | 2 588 | 3 495 | 2 645 | 2 645 | 4 765 | 4 965 | 5 089 |
| Water Supply Infrastructure | | - | - | - | 290 | 290 | 290 | 303 | 316 | 324 |
| Sanitation Infrastructure | | 378 | 16 434 | 20 902 | 23 826 | 17 925 | 17 925 | 22 600 | 23 549 | 24 138 |
| Solid Waste Infrastructure | | - | - | - | - | - | - | - | - | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | 2 527 | 18 430 | 25 760 | 33 385 | 26 634 | 26 634 | 35 549 | 37 042 | 37 968 |
| Community Facilities | | - | - | - | - | - | - | 1 000 | 1 042 | 1 068 |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | - | - |
| Community Assets | | - | - | - | - | - | - | 1 000 | 1 042 | 1 068 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | 70 | 228 | 486 | 2 769 | 2 119 | 2 119 | 4 852 | 5 056 | 5 183 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Other Assets | | 70 | 228 | 486 | 2 769 | 2 119 | 2 119 | 4 852 | 5 056 | 5 183 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | - | - | - | - | - | - | - | - | - |
| Furniture and Office Equipment | | - | - | - | - | - | - | - | - | - |
| Machinery and Equipment | | 21 632 | 2 797 | 10 741 | 12 072 | 12 722 | 12 722 | 15 483 | 16 133 | 16 536 |
| Transport Assets | | - | - | 349 | - | - | - | 100 | 104 | 107 |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Mature | | - | - | - | - | - | - | - | - | - |
| Immature | | - | - | - | - | - | - | - | - | - |
| Living Resources | | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURE OTHER ITEMS | | 88 937 | 88 169 | 102 509 | 113 534 | 106 783 | 106 783 | 125 297 | 130 559 | 133 823 |
| Renewal and upgrading of Existing Assets as % of total capex | | 0.0% | 0.0% | 0.0% | 49.0% | 43.6% | 43.6% | 27.7% | 27.7% | 27.7% |
| Renewal and upgrading of Existing Assets as % of deprec | | 0.0% | 0.0% | -2.5% | 66.7% | 44.9% | 44.9% | 43.3% | 43.3% | 43.3% |
| R&M as a % of PPE & Investment Property | | 2.3% | 2.1% | 3.8% | 4.9% | 4.1% | 4.1% | 6.4% | 6.1% | 6.2% |
| Renewal and upgrading and R&M as a % of PPE and Investment Property | | 2.3% | 2.1% | 3.6% | 9.2% | 7.0% | 7.0% | 9.8% | 9.2% | 9.5% |

Choose name from list - Table A10 Basic service delivery measurement

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|--|-----|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Household service targets | 1 | | | | | | | | | |
| Water: | | | | | | | | | | |
| Piped water inside dwelling | | - | - | - | - | - | - | - | - | - |
| Piped water inside yard (but not in dwelling) | | - | - | - | - | - | - | - | - | - |
| Using public tap (at least min.service level) | 2 | - | - | - | - | - | - | - | - | - |
| Other water supply (at least min.service level) | 4 | - | - | - | - | - | - | - | - | - |
| <i>Minimum Service Level and Above sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Using public tap (< min.service level) | 3 | - | - | - | - | - | - | - | - | - |
| Other water supply (< min.service level) | 4 | - | - | - | - | - | - | - | - | - |
| No water supply | | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Total number of households | 5 | - | - | - | - | - | - | - | - | - |
| Sanitation/sewerage: | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | - | - | - | - | - | - | - | - | - |
| Flush toilet (with septic tank) | | - | - | - | - | - | - | - | - | - |
| Chemical toilet | | - | - | - | - | - | - | - | - | - |
| Pit toilet (ventilated) | | - | - | - | - | - | - | - | - | - |
| Other toilet provisions (> min.service level) | | - | - | - | - | - | - | - | - | - |
| <i>Minimum Service Level and Above sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Bucket toilet | | - | - | - | - | - | - | - | - | - |
| Other toilet provisions (< min.service level) | | - | - | - | - | - | - | - | - | - |
| No toilet provisions | | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Total number of households | 5 | - | - | - | - | - | - | - | - | - |
| Energy: | | | | | | | | | | |
| Electricity (at least min.service level) | | - | - | - | - | - | - | - | - | - |
| Electricity - prepaid (min.service level) | | - | - | - | - | - | - | - | - | - |
| <i>Minimum Service Level and Above sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Electricity (< min.service level) | | - | - | - | - | - | - | - | - | - |
| Electricity - prepaid (< min. service level) | | - | - | - | - | - | - | - | - | - |
| Other energy sources | | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Total number of households | 5 | - | - | - | - | - | - | - | - | - |
| Refuse: | | | | | | | | | | |
| Removed at least once a week | | - | - | - | - | - | - | - | - | - |
| <i>Minimum Service Level and Above sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Removed less frequently than once a week | | - | - | - | - | - | - | - | - | - |
| Using communal refuse dump | | - | - | - | - | - | - | - | - | - |
| Using own refuse dump | | - | - | - | - | - | - | - | - | - |
| Other rubbish disposal | | - | - | - | - | - | - | - | - | - |
| No rubbish disposal | | - | - | - | - | - | - | - | - | - |
| <i>Below Minimum Service Level sub-total</i> | | - | - | - | - | - | - | - | - | - |
| Total number of households | 5 | - | - | - | - | - | - | - | - | - |
| Households receiving Free Basic Service | 7 | | | | | | | | | |
| Water (6 kilolitres per household per month) | | - | - | - | - | - | - | - | - | - |
| Sanitation (free minimum level service) | | - | - | - | - | - | - | - | - | - |
| Electricity/other energy (50kwh per household per month) | | - | - | - | - | - | - | - | - | - |
| Refuse (removed at least once a week) | | - | - | - | - | - | - | - | - | - |
| Informal Settlements | | - | - | - | - | - | - | - | - | - |
| Cost of Free Basic Services provided - Formal Settlements (R'000) | | | | | | | | | | |
| Water (6 kilolitres per indigent household per month) | | - | 5 364 | 16 849 | 5 328 | 6 127 | 6 127 | - | - | - |
| Sanitation (free sanitation service to indigent households) | | - | 9 684 | 11 948 | 12 502 | 12 727 | 12 727 | - | - | - |
| Electricity/other energy (50kwh per indigent household per month) | | - | 11 781 | 8 641 | 1 688 | 1 942 | 1 942 | - | - | - |
| Refuse (removed once a week for indigent households) | | - | 7 839 | 6 772 | 6 220 | 7 153 | 7 153 | - | - | - |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | | - | - | - | - | - | - | - | - | - |
| Total cost of FBS provided | 8 | - | 34 668 | 44 209 | 25 739 | 27 949 | 27 949 | - | - | - |
| Highest level of free service provided per household | | | | | | | | | | |
| Property rates (R value threshold) | | | | | | | | | | |
| Water (kilolitres per household per month) | | | | | | | | | | |
| Sanitation (kilolitres per household per month) | | | | | | | | | | |
| Sanitation (Rand per household per month) | | | | | | | | | | |
| Electricity (kwh per household per month) | | | | | | | | | | |
| Refuse (average litres per week) | | | | | | | | | | |
| Revenue cost of subsidised services provided (R'000) | 9 | | | | | | | | | |
| Property rates (tariff adjustment) (impermissible values per section 17 of MPRA) | | | | | | | | | | |
| Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA | | - | 3 309 | 3 676 | (221) | (221) | (221) | - | - | - |
| Water (in excess of 6 kilolitres per indigent household per month) | | - | - | - | - | - | - | - | - | - |
| Sanitation (in excess of free sanitation service to indigent households) | | - | - | - | - | - | - | - | - | - |
| Electricity/other energy (in excess of 50 kwh per indigent household per month) | | - | - | - | - | - | - | - | - | - |
| Refuse (in excess of one removal a week for indigent households) | | - | - | - | - | - | - | - | - | - |
| Municipal Housing - rental rebates | | | | | | | | | | |
| Housing - top structure subsidies | 6 | | | | | | | | | |
| Other | | | | | | | | | | |
| Total revenue cost of subsidised services provided | | - | 3 309 | 3 676 | (221) | (221) | (221) | - | - | - |

PART 2 – SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF ANNUAL BUDGET PROCESS

The Budget process usually starts in September after the approval of a timetable to guide the preparation of the 2025/26 to 2027/28 Operating and Capital Budgets.

The timetable provides broad time limits for the IDP and Budget preparation process. It allows for consultation with stakeholders, such as the elected public representatives, employees of the Municipality, Civil Society, State departments, business, and labour, during April/May 2025. The main aim of the timetable was to ensure that an IDP and a balanced Budget are tabled in May 2025.

The Service Delivery and Budget Implementation Plan is the mechanism that ensures that the IDP and the Budget is aligned.

The draft budget is to be considered by the Budget Steering Committee under the direction of the mayor. The Budget Steering Committee consist of the Mayor, the Chairperson of the Budget and Treasury Standing Committee, the Municipal Manager, and senior officials. The primary aims of the Committee are to ensure that:

- The budget compilation process complies with legislation.
- There is proper alignment between the service delivery priorities as set out in the municipality's IDP and the Budget, considering the need to maintain the financial sustainability of the Municipality.
- The Municipality's revenue and tariff determination strategies generate sufficient cash resources to deliver services; and
- The various spending priorities of the different municipal directorates are rigorously evaluated and prioritised in the allocation of resources.

IDP & Budget Timetable 2025/26

The preparation of the 2025/26 IDP and Budget were guided by the following schedule of key deadlines as approved by to be approved by Council.

| Activity | Date |
|---|-------------------|
| IDP/Budget Schedule approved by Council | August 2024 |
| Tabling of draft IDP and Budget in Council | March 2025 |
| Public Participation | April to May 2025 |
| Final adoption of IDP and Budget by Council | May 2025 |

2.2 ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

The Integrated Development Plan (IDP) determines and prioritises the needs of the community.

The review of the IDP, in accordance with the Municipal Systems Act, was guided and informed by the following principles:

- Achievement of the five strategic priorities of the municipality.
- Focusing on service delivery backlogs and the maintenance of infrastructure.
- Addressing community priorities (needs) as identified in the IDP.

The review of the IDP focused on establishing measurable performance indicators and targets. These targets informed the preparation of the multi-year budget, as well as the Service Delivery and Budget Implementation Plan (SDBIP).

The 2025/26 Operating and Capital Budgets were prepared in accordance with the IDP.

The key strategic focus areas of the IDP are as follows:

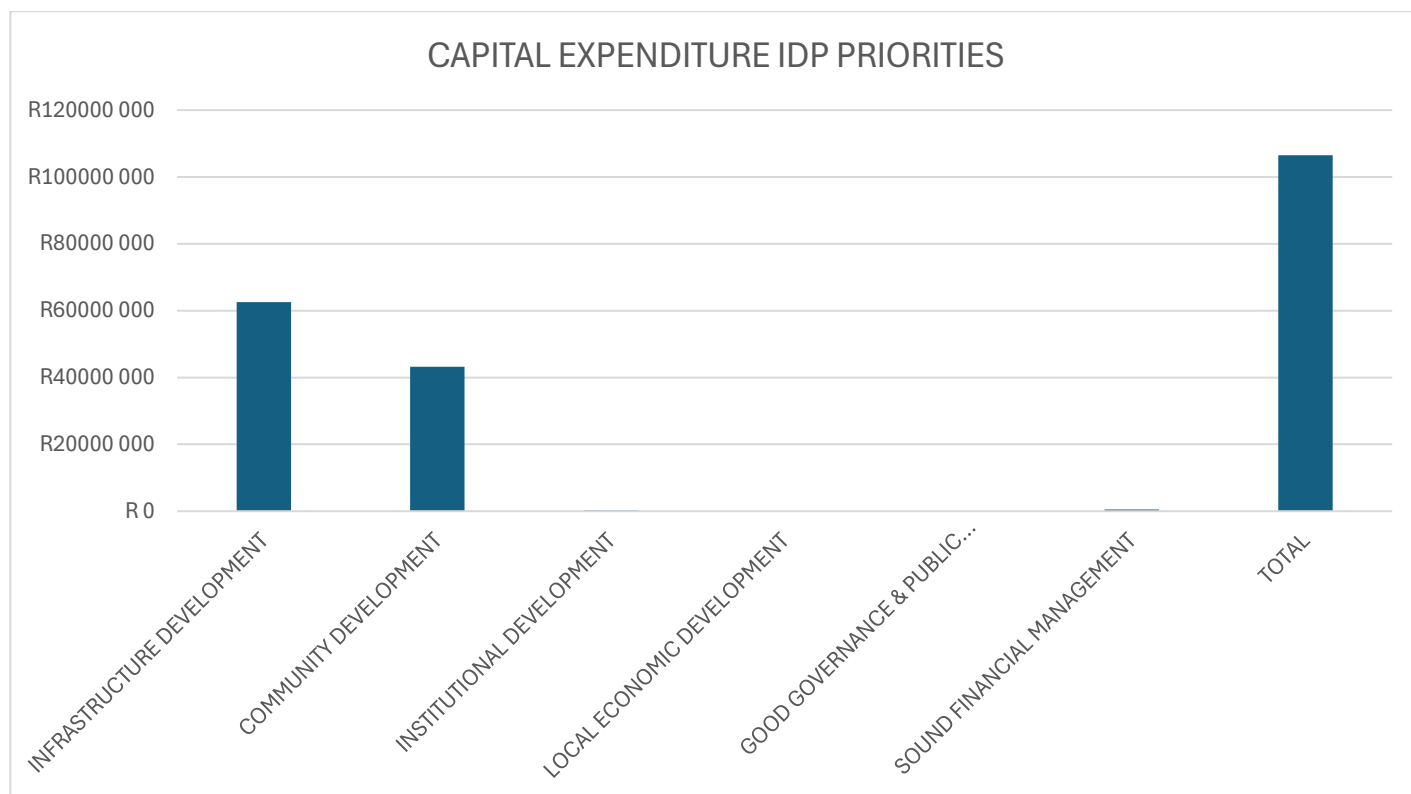
- Municipal transformation and development
- Service delivery and infrastructure development.
- Local economic development
- Financial sustainability and viability
- Good governance and public participation

The budget consultation process will take the form of a series of meetings to be held throughout the municipal area with the elected public representatives, employees of the Municipality, Civil Society, business, labour, National and Provincial Governments on how the budget addresses the IDP priorities and objectives. The feedback flowing from these meetings will be referred to the relevant Directorates for their attention.

Below is a table, which illustrates the link between the Budget and the IDP.

BUDGET ALLOCATION ACCORDING TO IDP PRIORITIES

| | | | | | BACK TO BASICS | | |
|----------------------------|----------------------------|-----------------------|---------------------------|----------------------------|--|----------------------------|---------------------|
| | INFRASTRUCTURE DEVELOPMENT | COMMUNITY DEVELOPMENT | INSTITUTIONAL DEVELOPMENT | LOCAL ECONOMIC DEVELOPMENT | GOOD GOVERNANCE & PUBLIC PARTICIPATION | SOUND FINANCIAL MANAGEMENT | TOTAL |
| CAPITAL EXPENDITURE | R62 592 825 | R43 231 394 | R244 300 | R0 | R0 | R472 000 | R106 540 519 |



2.3 OVERVIEW OF BUDGET RELATED POLICIES

The MFMA and the Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, be updated on an annual basis. All budget related policies have been reviewed and/or developed. Policies will be workshopped extensively with Council and Top Management and will further be workshopped with all relevant stakeholders.

The following policies are now in place:

- | | | |
|--|---|------------------------------|
| • Credit control and debt collection | - | workshopped, to be reviewed. |
| • Tariff policy | - | workshopped, to be reviewed. |
| • Supply Chain policy | - | workshopped, to be reviewed. |
| • SCM Infrastructure Procurement | - | workshopped, to be reviewed. |
| • Asset management policy | - | workshopped, to be reviewed. |
| • Subsistence and Travel policy | - | workshopped, to be reviewed. |
| • Cash management, banking & investment policy | - | workshopped, to be reviewed. |
| • Budget policy | - | workshopped, to be reviewed. |
| • Virement policy | - | workshopped, to be reviewed. |
| • Funding and reserve policy | - | workshopped, to be reviewed. |
| • Borrowing policy | - | workshopped, to be reviewed. |
| • Rates policy | - | workshopped, to be reviewed. |
| • Indigent support policy | - | workshopped, to be reviewed. |
| • Cost containment policy | - | workshopped, to be reviewed. |
| • Long term financial planning policy | - | workshopped, to be reviewed. |
| • Community Improvement Policy | - | workshopped, to be approved. |

The following by-laws were developed and will be promulgated once all legislative processes have been concluded:

- Tariff by-law.
- Credit control and debt collection by-law.
- Rates by-law.
- Community Improvement by-law.

2.4 OVERVIEW OF BUDGET ASSUMPTIONS

The municipal fiscal environment is influenced by a variety of macro-economic control measures. National Treasury provides guidelines on the ceiling of year-on-year increases in the total Operating Budget, whilst the National Electricity Regulator of South Africa (NERSA) regulates bulk electricity tariff increases. The Municipality's employee related costs are also influenced by collective agreements concluded in the South African Local Government Bargaining Council. Various government departments also affect municipal service delivery through the level of grants and subsidies.

The following principles and guidelines directly informed the compilation of the Budget:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The need to enhance the municipality's revenue base.
- The level of property rates and tariff increases to consider the need to address maintenance and infrastructural backlogs, including the expansion of services.
- The level of property rates and tariff increases to ensure the delivery of services on a financially sustainable basis.
- Raising of loan funding should be considered to address critical needs.

- No growth in revenue sources has been provided for in view of current consumption trends in municipal services.
- Restructuring of major trade creditors over long term periods to ensure financial sustainability and a funded budget.
- Restructuring of tariffs to uniform tariffs and ensuring baseline tariff as per cost of supply study.
- Negative impact of load shedding on service delivery.

The Municipality faced the following significant challenges in preparing the 2025/26 – 2027/28. Budget:

- Fully implementing cost containment measures.
- Maintaining revenue collection rates at the targeted levels.
- Maintaining electricity and water losses at acceptable levels.
- Dealing with an unfunded budget of the past and measures to address this in the future.
- Different tariff structures in the different towns and converting this to uniform tariffs.
- Creditors inherited from former municipalities which is still placing financial strain on the cash flow and hence the restructuring of creditors over long term period.
- Introducing cost reflective tariffs
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure.
- Maintaining an acceptable cost coverage ratio.
- Impact of loadshedding on service delivery.
- Introduction of ring-fencing of municipal services.

The multi-year budget is therefore underpinned by the following assumptions:

| | 2025/26 | 2026/27 | 2027/28 |
|--|---------|---------|---------|
| Income | % | % | % |
| Tariff Increases for water | 4.3 | 4.6 | 4.4 |
| Tariff Increases for sanitation | 4.3 | 4.6 | 4.4 |
| Tariff Increases for refuse | 4.3 | 4.6 | 4.4 |
| Property rates increase. | 1 | 4.6 | 4.4 |
| Electricity tariff increase (on average) | 14.3 | 10.95 | 10.92 |
| Revenue collection rates | 85 | 85 | 95 |
| Expenditure increases allowed | | | |
| Salary increases | 4.3 | 4.6 | 4.4 |
| Increase in bulk purchase of electricity costs | 12.74 | 4.6 | 4.4 |

2.5 OVERVIEW OF BUDGET FUNDING

2.5.1 Medium-term outlook: operating revenue

The following table provides a breakdown of operating revenue over the medium-term:

Table 7 (Breakdown of the operating revenue over the medium-term)

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

| Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|-----------------------|-----------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year+1 2026/27 | Budget Year+2 2027/28 |
| Revenue | | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | | |
| Service charges - Electricity | 2 | 126 955 | 117 665 | 147 725 | 130 531 | 142 179 | 142 179 | 130 259 | 148 720 | 154 966 | 158 840 |
| Service charges - Water | 2 | 44 979 | 40 609 | 51 742 | 49 075 | 56 426 | 56 426 | 46 497 | 59 021 | 61 500 | 63 038 |
| Service charges - Waste Water Management | 2 | 26 869 | 33 259 | 52 130 | 70 369 | 71 016 | 71 016 | 54 005 | 74 283 | 77 403 | 79 338 |
| Service charges - Waste Management | 2 | 32 227 | 26 624 | 29 697 | 36 163 | 41 588 | 41 588 | 29 466 | 43 501 | 45 328 | 46 461 |
| Sale of Goods and Rendering of Services | | 720 | 1 133 | 905 | 2 153 | 2 153 | 2 153 | 787 | 2 252 | 2 346 | 2 405 |
| Agency services | | 1 918 | 1 857 | 1 903 | 5 841 | 5 841 | 5 841 | 2 370 | 6 109 | 6 366 | 6 525 |
| Interest | | | | | | | | | | | |
| Interest earned from Receivables | | 4 120 | 8 533 | 14 563 | 13 234 | 13 234 | 13 234 | 14 559 | 13 843 | 14 424 | 14 785 |
| Interest earned from Current and Non Current Assets | | 308 | 646 | 1 102 | 1 196 | 1 196 | 1 196 | 738 | 1 251 | 1 304 | 1 336 |
| Dividends | | | | | | | | | | | |
| Rent on Land | | | | | | | | | | | |
| Rental from Fixed Assets | | 1 225 | 2 217 | 970 | 2 127 | 2 127 | 2 127 | 549 | 2 224 | 2 318 | 2 376 |
| Licence and permits | | 963 | 895 | 868 | 964 | 964 | 964 | 816 | 1 009 | 1 051 | 1 077 |
| Special rating levies | | | | | | | | | | | |
| Operational Revenue | | 6 728 | 7 971 | 20 208 | 8 453 | 8 453 | 8 453 | 794 | 8 844 | 9 215 | 9 445 |
| Non-Exchange Revenue | | | | | | | | | | | |
| Property rates | 2 | - | (3 309) | 45 518 | 51 761 | 51 761 | 51 761 | 55 396 | 54 142 | 56 416 | 57 826 |
| Surcharges and Taxes | | 4 345 | 14 638 | 10 366 | 7 936 | 4 155 | 4 155 | 5 651 | 4 346 | 4 529 | 4 642 |
| Fines, penalties and forfeits | | 728 | 534 | 1 311 | 94 | 3 231 | 3 231 | 2 437 | 4 129 | 4 302 | 4 410 |
| Licences or permits | | | | | | | | | | | |
| Transfer and subsidies - Operational | | 106 712 | 117 261 | 123 584 | 130 772 | 143 825 | 143 825 | 130 311 | 192 368 | 200 447 | 205 458 |
| Interest | | 1 531 | 2 366 | 1 907 | 2 661 | 2 661 | 2 661 | 2 568 | 2 784 | 2 901 | 2 973 |
| Fuel Levy | | | | | | | | | | | |
| Operational Revenue | | - | - | 133 241 | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | | | | | | | | | | |
| Other Gains | | | | | | | | | | | |
| Discontinued Operations | | | | | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | 360 326 | 372 899 | 637 739 | 513 329 | 550 809 | 550 809 | 477 203 | 618 824 | 644 815 | 660 935 |

2.5.2 Medium-term outlook: capital revenue

The following table provides a breakdown of the funding components of the 2025/26 medium-term capital programme:

Table 8 (Sources of capital revenue over the MTREF)

| Vote Description | Ref | 2021/22 | 2022/23 | 2023/24 | Current Year 2024/25 | | | | 2025/26 Medium Term Revenue & Expenditure Framework | | |
|--|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2025/26 | Budget Year +1 2026/27 | Budget Year +2 2027/28 |
| Funded by: | | | | | | | | | | | |
| National Government | | - | - | - | 47 474 | 55 635 | 55 635 | 24 349 | 73 449 | 76 261 | 78 447 |
| Provincial Government | | - | - | - | - | 8 200 | 8 200 | 155 | 33 231 | 34 627 | 35 493 |
| District Municipality | | - | - | - | - | 794 | 794 | 24 | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions) | | | | | | | | | | | |
| Transfers recognised - capital | 4 | - | - | - | 47 474 | 64 629 | 64 629 | 24 529 | 106 681 | 110 888 | 113 940 |
| Borrowing | 6 | - | - | - | 1 200 | - | - | - | - | - | - |
| Internally generated funds | | - | - | - | 40 300 | 2 700 | 2 700 | 261 | 10 | 10 | 11 |
| Total Capital Funding | 7 | - | - | - | 88 974 | 67 329 | 67 329 | 24 789 | 106 691 | 110 899 | 113 951 |

2.5.3 Medium-term outlook: Borrowing

The municipality should consider raising loans for capital items required from own funds as well as buying vehicles instead of leasing.

2.5.4 Medium-term outlook: Working towards a funded budget.

The municipality did not manage to table a funded budget. The unfunded budget is based on the following:

- Restructuring of debt owed to major creditors over long term period.
- Implementing cost reflective tariffs – phase 3 – Introduction and implementation of secondary tariffs

The municipality has addressed the following issues to ensure a positive move towards becoming financially sustainable:

- Replacing the faulty meters within all areas thus limiting losses and increasing revenue
- Standardising tariffs in all areas
- Calculating cost reflective tariffs and implementation thereof over 3 years
- Implementing a new valuation roll for Dr Beyers Naude with effect 1 July 2024
- Continuing to implement cost containment measures.

2.6 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

The municipality will be making the following allocations:

- SPCA - R20 000
- Pauper burials - R10 000
- Tourism - R120 000

2.7 COUNCILLORS AND EMPLOYEE BENEFITS

DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS

The following tables set out the allowances and employee benefits budgeted for the 2025/26 budget year:

The municipality has twenty-four (24) councillors, consisting of one fulltime Mayor, four EXCO Members also chairpersons of sec. 79 committees and one MPAC chairperson of which the allowances are set out in table below.

| Grade | Councillor(s) | Number | Salary p/p | Allowance | Total Remuneration |
|-------|---------------------------------------|-----------|------------|------------------|--------------------|
| 3 | Mayor (full-time) | 1 | 920 379 | 47 004 | 967 383 |
| | Speaker (Full-time) | 1 | 736304 | 47 004 | 783 308 |
| | Exco Members (part time) | 4 | 385 097 | 188 016 | 1 728 404 |
| | S79 Committee Chairperson (part-time) | 1 | 373 791 | 47 004 | 420 795 |
| | Part-time Councillors | 17 | 291 266 | 795 264 | 5 750 590 |
| | TOTAL | 24 | | 1 124 292 | |

Senior Managers

| Grade | Position | Number | Salary p/p | Allowance | Total |
|-------|------------------------------------|----------|------------|------------------|------------------|
| 3 | Municipal Manager | 1 | 1 449 660 | 155 536 | 1 605 196 |
| | Director Finance | 1 | 1 184 979 | 136 633 | 1 321 612 |
| | Director Corporate Services | 1 | 1 187 717 | 134 666 | 1 322 383 |
| | Acting Director Community Services | 1 | | | 1 068 686 |
| | Director Engineering and Planning | 1 | 1 184 979 | 136 559 | 1 321 538 |
| | TOTAL | 5 | | 1 124 292 | 6 639 416 |

2.8 ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS –DIRECTORATES

In terms of section 53 (1)(c)(ii) of the MFMA, the Service Delivery and Budget Implementation Plan (SDBIP) constitutes a detailed plan for implementing the Municipality's delivery of services and its annual budget, which must include the following:

- (a) Monthly projections of
 - Revenue to be collected, by source; and
 - Operational and capital expenditure, by vote.
- (b) Service delivery targets and performance indicators for each quarter.

In accordance with Section 53 of the MFMA, the Mayor is required to approve the SDBIP within 28 days after the approval of the budget. Furthermore, the Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators, as set out in the SDBIP, are made public within 14 days after the approval of the SDBIP.

The SDBIP gives effect to the IDP and Budget of the Municipality. It includes the service delivery targets and performance indicators for each quarter, which forms the basis for the performance agreements of the Directors. It therefore facilitates oversight over the financial and non-financial performance of the Municipality and allows the Municipal Manager to monitor the performance of the Directors, the Executive Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality.

The SDBIP relating to the 2025/26 financial year will be approved by the Mayor during June 2025, following the approval of the Budget.

2.9 LEGISLATION COMPLIANCE STATUS

The following reflects the status of implementation of some of the key MFMA areas:

IDP

A draft revised 2025/26 IDP has been developed, which will be considered at a Council meeting to be held in May 2025. The IDP includes specific deliverables that forms the basis for the Budget and SDBIP.

Budget

The draft annual budget document has been developed taking the MFMA and National Treasury (NT) requirements into account. Budgets are being tabled and approved within the required legislated time limits.

Annual Report

The Annual Report has been developed taking the MFMA and NT requirements into account. The 2023/24 Annual Report was tabled in January 2025.

Oversight Report

The Municipal Public Accounts Committee has considered the 2023/24 Annual report. Its Oversight Report will be considered and approved at a Council meeting to be held on 25 March 2025.

In-Year Reporting

The municipality submits the various reports required to the Mayor, Council, and NT on an ongoing basis, in accordance with the MFMA.

Supply Chain Management Policy (SCM)

A Supply Chain Management Policy has been adopted and implemented in accordance with the MFMA and NT requirements.

All the required committee structures are in place. Whilst the municipality is working at making these new processes operate more efficiently and effectively, it is considered that the municipality is currently complying with the MFMA and NT guidelines.

Budget and Treasury

A Budget and Treasury Office has been established in accordance with the MFMA and NT requirements, consisting of a CFO and municipal officials reporting to the CFO.

Audit Committee

An Audit Committee has been established and meets on a quarterly basis.

Internal Audit Function

The Municipality's Internal Audit Function is performed in-house and reports to the Municipal Manager and is operating in accordance with an audit plan.

In relation to the 2025/26 financial year and beyond, the municipality plans to focus on the following high priority areas:

- Working towards an unqualified audit status.

Internship Programme

The municipality has appointed five interns.

Municipal Standard Chart of Accounts (mSCOA)

The municipality has made significant progress on compliance. Data strings are uploaded monthly, and a "green" status has been maintained. All legislative required information has been submitted. The municipality is continuously working on reaching full compliance. The budget schedules are generated from the financial system.

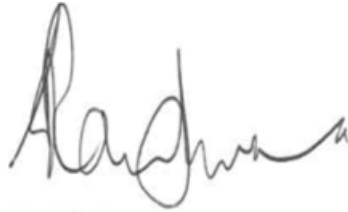
2.10 MUNICIPAL MANAGER'S QUALITY CERTIFICATION

Quality Certificate

I, EDWARD MARTIN RANKWANA, Municipal Manager of Dr Beyers Naude Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Print Name : EDWARD MARTIN RANKWANA

MUNICIPAL MANAGER OF DR BEYERS NAUDE MUNICIPALITY (EC101)



Signature : _____

Date : 25 March 2025