



nelson mandela bay  
M U N I C I P A L I T Y

# MID-YEAR REPORT

2025/  
2026



MID-YEAR BUDGET  
AND PERFORMANCE  
ASSESSMENT REPORT



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# STATEMENT BY CITY MANAGER

It is my pleasure to present the 2025/26 Mid-Year Budget and Performance Assessment Report of Nelson Mandela Bay Municipality for the period 1 July 2025 to 31 December 2025. This report provides an overview of the Institution's performance and financial position in the first half of the financial year.

In terms of Section 72 of the Local Government: Municipal Finance Management (Act No. 56 of 2003), the Accounting Officer of the Municipality must by 25 January of each year assess the performance (both financial and non-financial) of the Municipality and its Entities for the first half of the financial year and submit a report to the Executive Mayor, the National Treasury, and the relevant Provincial Treasury.

In terms of Section 52(d), the Mayor of the Municipality must within 30 days of the end of each quarter, submit a report to Council on the implementation of the Budget and the financial state of affairs of the Municipality.

Furthermore, Section 54(1)(f) states that the Mayor must, on receipt of a statement or report submitted by the accounting officer of the municipality, in terms of section 71 or 72 (in the case of a section 72 report), submit the Report to the Council by 31 January of each year.

The Performance Report is based on the approved 2025/26 Service Delivery and Budget Implementation Plan (SDBIP) which contains 65 key performance indicators, aligned to the following outcome areas:

- Electricity and Energy
- Environment and Waste
- Financial Management
- Fire and Disaster Services
- Governance
- Housing and Community Facilities
- Local Economic Development
- Transport and Roads
- Water and Sanitation

These outcome areas are further categorised in line with the following key performance areas:

KPA 1 : Basic service delivery

KPA 2 : Municipal institutional development and transformation

KPA 3 : Local economic development

KPA 4 : Municipal financial viability and management

KPA 5 : Good governance and public participation

At the mid-point of the 2025/26 financial year, Nelson Mandela Bay Municipality has demonstrated meaningful progress in service delivery, economic facilitation, governance transparency and social protection, despite operating in a constrained fiscal, infrastructural and economic environment. The period under review reflects an organisation that is stabilising key systems, accelerating economic responsiveness, and deliberately repositioning itself for stronger second-half performance.

### **Strengthening Basic Service Delivery**

The Municipality continues to deliver essential services to communities across the metro, with notable successes in waste management, environmental monitoring, electricity network responsiveness, and public health protection.

- **98% of recognised informal settlements** received regular waste removal services, significantly exceeding the target of 85%. This reflects strong operational coordination and a tangible improvement in dignity, cleanliness and public health in vulnerable communities.
- **Coastal water quality monitoring exceeded targets**, with 42 samples taken against a planned 36, reinforcing the Municipality's commitment to environmental stewardship, tourism confidence, and constitutional obligations.
- **Electricity supply reliability remains strong**, with **96% of unplanned outages restored within industry timeframes**, despite severe weather conditions, rural network exposure, and vandalism challenges.
- **Water and sewer connections continued to expand**, laying the foundation for future household connections once planning and interdepartmental dependencies are fully resolved.

While some infrastructure KPIs reflect underperformance, these are largely attributable to capacity constraints, interdepartmental dependencies, and legacy planning misalignments, all of which are now being actively addressed through reprioritisation, revised targets, and improved integration.

### **Driving Inclusive Economic Growth**

The Municipality has delivered exceptional performance in local economic development, positioning Nelson Mandela Bay as an increasingly efficient and business-friendly metro.

- **Building plan approvals far outperformed expectations**, with applications processed in an average of **10 days** for both small and large developments—well ahead of 30- and 60-day targets. This directly supports investment, construction activity, and job creation.
- **Business licence applications were finalised in an average of just 4 working days**, reinforcing investor confidence and reducing barriers to entry for entrepreneurs.
- **Local procurement was significantly strengthened**, with **72% of operating expenditure spent within the municipal area**, injecting resources directly into the local economy.
- Through EPWP, CWP and related programmes, the Municipality created **5,469 work opportunities**, exceeding the target by over 45% and providing income relief, skills exposure and social stability during a challenging economic period.
- **Indigent relief spending exceeded targets**, ensuring broader access to free basic services and reinforcing the Municipality's pro-poor developmental mandate.

### **Improving Financial Stability and Revenue Performance**

Financial performance at mid-year reflects prudent expenditure control, improving revenue interventions, and growing fiscal discipline, even as affordability pressures persist.

- Operating revenue reached **57% of the annual budget**, supported by timely billing of property rates early in the financial year.
- **Collection rate performance exceeded expectations**, with the collection ratio reaching **51% against a 40% target**, driven by the appointment of service providers, debt relief communication, and improved payment options.
- **Rates revenue collection also exceeded target**, underscoring early gains from strengthened revenue management strategies.

- The Municipality maintained a **trade payables-to-cash ratio above target**, signalling an improved ability to meet short-term obligations.

While liquidity, creditor payment periods and debtor days remain areas of concern, these challenges are clearly diagnosed, and corrective actions—including system reforms, centralised invoice processing, enhanced oversight, and targeted revenue enforcement—are actively being implemented.

### **Advancing Governance, Transparency and Participation**

Governance systems showed important areas of stability and accountability during the reporting period.

- **100% compliance** was achieved in ward committee establishment, ensuring full geographic representation and structured community engagement.
- **All tenders above R200,000 were published**, and **no tenders were cancelled**, reflecting improved planning, transparency and supply chain governance.
- Although formal compliance with councillor-convened community meeting requirements was low, **all wards were engaged through public participation platforms**, and corrective communication has already been instituted to strengthen compliance going forward.

### **Organisational Capacity and Institutional Reform**

The Municipality acknowledges capacity constraints, particularly in recruitment turnaround times, fleet availability and maintenance execution. Encouragingly, **structural reforms are underway**, including:

- Automation of recruitment processes
- Reprioritisation of funded posts
- SCM policy reforms and threshold increases
- Section 154 support interventions
- Enhanced interdepartmental coordination

These reforms are expected to unlock performance improvements in the second half of the financial year.

## **Looking Ahead**

The mid-year performance reflects a municipality that is regaining momentum, delivering clear wins in economic facilitation, environmental protection, social support, and transparency, while confronting its challenges with realism and resolve.

With revised targets, budget realignments, strengthened revenue strategies and institutional reforms now in motion, Nelson Mandela Bay Municipality is well-positioned to accelerate delivery, deepen financial resilience, and improve service outcomes in the remainder of the 2025/26 financial year.

**The story of this mid-year review is one of progress under pressure, learning in action, and a city laying the groundwork for sustained improvement.**

We remain committed to our responsibility to provide dedicated quality services to the residents of our city and express my sincere gratitude and appreciation to our political leadership, employees and stakeholders, as the achievements made by the Institution would not be possible without a collaborative approach towards improved service delivery.



**ADV. L. NGOQO**  
**ACTING CITY MANAGER**

NELSON MANDELA BAY MUNICIPALITY  
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)  
2025/26 MID-YEAR PERFORMANCE REPORT

MFMA C88 OUTCOME	IDP MFMA C88 REF / MSA REG REF	SDBIP MFMA C88 REF / MSA REG REF	KEY PERFORMANCE INDICATOR	SECOND QUARTER BASELINE TARGETS AND ACTUAL PERFORMANCES FOR YEAR-TO-YEAR COMPARISON		2025/26 ANNUAL PERFORMANCE TARGET	PERFORMANCE INFORMATION REPORTED FOR THE 2025/26 FIRST QUARTER			PERFORMANCE INFORMATION REPORTED FOR THE 2025/26 SECOND QUARTER				REPORTING DIRECTORATE / OFFICE
				2024/25 SECOND QUARTER TARGET (1 JULY 2024 - 30 DECEMBER 2025)	2024/25 SECOND QUARTER ACTUAL PERFORMANCE		1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	1ST QUARTER ACTUAL PERFORMANCE (1 JULY 2025 - 30 SEPTEMBER 2025)	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025 - 31 DECEMBER 2025)	2ND QUARTER ACTUAL PERFORMANCE (1 JULY 2025 - 31 DECEMBER 2025)	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	
EE1. Improved access to electricity	EE1.1	EE1.1.1	Number of dwellings provided with connections to the mains electricity supply by the municipality	398	27	1000	50	104	Over achieved	300	235	Partially achieved	<p><b>WORK DONE:</b> As at 31 December 2025, a total of 235 dwellings were connected to the municipal mains electricity supply.</p> <p><b>REASONS FOR UNDERPERFORMANCE:</b> It should be noted that a dwelling is only be connected once it has been occupied by a beneficiary. The underperformance is attributed to planned relocations not taking place as scheduled, which negatively affected delivery against this key performance indicator.</p> <p><b>CORRECTIVE MEASURES / MITIGATION:</b> As a result, the budget was reprioritised, and an amount of R6.445 million was reallocated to the Refurbishment of Transformers project. The adjusted budget for this KPI is R6.555 million, with a revised annual target of 437 connections.</p> <p><b>MID-TERM ADJUSTMENT:</b> KPI targets will be amended during the mid-year adjustment process to align the 2025/26 SDBIP targets with the adjusted budget and revised relocation programme.</p>	ELECTRICITY AND ENERGY
EE2. Improved affordability of electricity	N/A	EE2.1.1	Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE)	N/A	N/A	7%	<p>In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager.</p> <p><b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.</p>							BUDGET AND TREASURY
EE3. Improved reliability of electricity service	N/A	EE3.1.1	Percentage of unplanned outages that are restored to supply within industry standard timeframes	96%	96%	96%	96%	94%	Partially achieved	96%	96%	Partially achieved	<p><b>WORK DONE:</b> As at 31 December 2025, 609 unplanned outages occurred. 584 outages were restored within 24hrs, amounting to 96% (95.89% rounded) of unplanned outages that were restored to supply within industry standard timeframes.</p> <p><b>REASONS FOR UNDERPERFORMANCE:</b> The reported underperformance is attributable to the rural electricity network being exposed to harsh weather conditions and wildlife, particularly in areas near the West Depot. These factors resulted in a high number of cable faults. In addition, incidents of theft and vandalism further contributed to the underperformance.</p> <p><b>CORRECTIVE ACTION / MITIGATION:</b> To mitigate the underperformance, ongoing maintenance will be carried out on the rural network. In addition, community awareness initiatives will be implemented to educate residents on the consequences of theft and vandalism</p>	ELECTRICITY AND ENERGY
EE3. Improved reliability of electricity service	N/A	EE3.2.1	Percentage of planned maintenance performed	N/A	N/A	95%	95%	78%	Partially achieved	95%	75%	Partially achieved	<p><b>WORK DONE:</b> As at 31 December 2025, 75% of the planned maintenance activities (714 out of 956) were completed. The reported performance includes activities related to high-voltage substations, high-voltage overhead lines, and high-voltage underground infrastructure.</p> <p><b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance is attributed to operational constraints, specifically the continued shortage of personnel due to vacant posts that have not yet been filled, as well as fleet challenges arising from prolonged vehicle maintenance. These constraints hindered the execution of planned maintenance activities.</p> <p><b>CORRECTIVE MEASURES / MITIGATION:</b> The Municipality is in the process of addressing critical vacancies to mitigate operational constraints. Where critical posts are unfilled, these are being exchanged with funded non-critical positions to ensure continuity of service delivery and improved operational capacity. In addition, engagements have been held with Fleet Management to identify and implement viable solutions to improve the availability of fleet resources.</p>	ELECTRICITY AND ENERGY

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EE4. Improved energy sustainability	EE4.4	N/A	KPA 1: BASIC SERVICE DELIVERY	5	Percentage non-technical electricity losses (electricity losses as a result of non-technical causes attributed to either electricity theft / non-metered electricity / meter tampering / meter failures and/or illegal connections)	N/A	N/A	17%	18.5%	24.43% of the total electricity losses	Not achieved	18%	22.46% (as at November 2025)	Not achieved	<p><b>WORK DONE:</b> As at 30 November 2025, the Municipality reported non-technical energy losses of 22.46%. It should be noted that billing for December 2025 consumption commenced on 1 January 2026. Consequently, non-technical electricity losses for December 2025 can only be calculated towards the end of January 2026, once all billing processes for the period under review have been finalised.</p> <p><b>REASONS FOR UNDERPERFORMANCE:</b> The reported underperformance is attributed to electricity theft, non-metered electricity consumption, meter tampering, meter failures, and illegal connections. It should further be noted that July - August 2025 fall within the winter period, during which electricity tariffs are higher, including the implementation of new financial-year tariffs. These factors typically result in an increased incidence of electricity theft and meter tampering.</p> <p><b>CORRECTIVE ACTION / MITIGATION:</b> To mitigate non-technical energy losses, the Loss Control Division, operating under the Retail and Commercial Management Sub-Directorate, has been assigned primary responsibility for implementing interventions aimed at reducing non-technical losses within Nelson Mandela Bay Municipality.</p> <p><b>The losses calculation is as -</b>  <b>Unbilled Energy:</b>                      Total Purchase Energy (1 469 308 853 kWh) minus Total Sales Energy (1 021 827 104 kWh) = 447 481 749 kWh (Unbilled Energy)  <b>% Total Losses:</b>                      Energy loss = ( 447 481 749 kWh) divide by Total Purchase Energy (1 469 308 853 kWh) = 30.46%, (includes both Technical and Non-Technical Losses)                      Technical Losses are calculated at 8% (kWh):                      Total Purchase Energy (1 469 308 853 kWh x 8%) = 117 544 708 kWh  <b>Non-Technical Losses:</b>                      Energy Loss (447 481 749 kWh) minus Technical Losses (117 544 708 kWh) =329 937 041 kWh                      Non-Technical Losses is recorded at:                      (Energy Loss (447 481 749 kWh) minus Technical Losses (117 544 708 kWh)) divide by Total Purchase Energy (1 469 308 853 kWh) = 22.46%                      Total Losses is recorded at 30.46% =447 481 749 kWh                      % Technical Losses are recorded at 8% =117 544 708 kWh                      %Non-Technical Losses are recorded at 22.46% = 329 937 041 kWh</p>	ELECTRICITY AND ENERGY
ENV1. Improved air quality	N/A	ENV1.12	KPA 1: BASIC SERVICE DELIVERY	6	Percentage of AQ monitoring stations providing adequate data over a reporting year	N/A	N/A	20%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager.			NOTE: Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.			PUBLIC HEALTH	
ENV3. Increased access to refuse removal	ENV3.1	ENV3.11	KPA 1: BASIC SERVICE DELIVERY	7	Percentage of recognised informal settlements receiving basic waste removal services	83%	85%	85%	85%	85%	Achieved	85%	98%	Over achieved	<p><b>WORK DONE:</b> As at 31 December 2025, 98% of known informal settlements received integrated waste handling services, with refuse removal conducted on a weekly basis. It should be noted that in 2 of the 156 known informal settlements, community members were relocated to another area. As a result, the total number of known informal settlements was revised from 156 to 154.</p> <p><b>REASON(S) FOR OVERPERFORMANCE:</b> Accordingly, 151 of the 154 known informal settlements received integrated waste handling services throughout the financial year. The remaining 3 settlements did not receive waste handling services due to the absence of road infrastructure to access the sites.</p> <p>Performance calculation: (1) Number of informal settlements receiving integrated waste handling services ÷ (2) Total number of recognised/known informal settlements × 100 = 151/154 × 100 = 98%.</p>	PUBLIC HEALTH

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ENV5. Coastal and inland water resources maintained	N/A	ENV5.12	KPA 1: BASIC SERVICE DELIVERY	8	Number of coastal water samples taken for monitoring purposes	33	36	96 samples	Service provider to test water samples appointed	Service provider appointed to test water samples	Achieved	36 samples	42 samples	Over achieved	SPORTS, RECREATION, ARTS AND CULTURE	
ENV5. Coastal and inland water resources maintained	N/A	ENV5.21	KPA 1: BASIC SERVICE DELIVERY	9	Number of inland water samples tested for monitoring purposes	729 samples	531 samples	1404 samples	351 samples	281 samples	Not achieved	729 samples	544 samples	Not achieved	PUBLIC HEALTH	
FM1. Enhanced municipal budgeting and budget implementation	FM1.1	FM1.11	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	10	Total Capital Expenditure as a percentage of Total Capital Budget	N/A	N/A	95%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.						BUDGET AND TREASURY	
FM1. Enhanced municipal budgeting and budget implementation	FM1.1	FM1.12	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	11	Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	N/A	N/A	95%	25%	20%	Partially achieved	50%	37%	Not achieved	BUDGET AND TREASURY	

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FM1. Enhanced municipal budgeting and budget implementation	FM1.1 & FM2.1	FM1.13	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	12	Total Operating Revenue as a percentage of Total Operating Revenue Budget	N/A KPI Exempt	N/A KPI Exempt	95%	25%	39%	Overachieved	50%	57%	Overachieved	<b>WORK DONE:</b> During the period under review, the actual operating revenue as a % of budgeted operating revenue amounted to 57%. <b>REASONS FOR OVERPERFORMANCE:</b> The main reason for overperformance is attributed to the fact that the raising of annual property rates for the full financial year occurs during the month of July.	BUDGET AND TREASURY
FM1. Enhanced municipal budgeting and budget implementation	FM1.1	FM1.14	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	13	Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget	N/A KPI Exempt	N/A KPI Exempt	95%	40%	43%	Overachieved	70%	60%	Partially Achieved	<b>WORK DONE:</b> During the period under review, service charges and property rates revenue as a % of service charges and property rates revenue budget, was calculated at 60%. This implies that what was budgeted to be billed was in fact billed by the Municipality. It must be noted that this, however, does not relate to actual collection rates. <b>REASONS FOR UNDERPERFORMANCE / MID-TERM ADJUSTMENT:</b> The KPI's mid-year target will be amended during the mid-year adjustment process to align the 2025/26 SDBIP with the relevant Senior Manager's performance agreement, which reflects a target of 60%. The misalignment between the SDBIP and the performance agreement is attributed to human error.	BUDGET AND TREASURY
FM2. Improved financial sustainability and liability management	FM2.2	FM2.21	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	14	Cash backed reserves reconciliation at year end	N/A	N/A	143%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.							BUDGET AND TREASURY
FM3. Improved liquidity management	FM3.1	FM3.11	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	15	Cash/Cost coverage ratio	3.6 months	2.8 months	3.4 months	2.6 months	1.93 months	Partially achieved	2.8 months	2.01 months	Not achieved	<b>WORK DONE:</b> During the period under review, the cost coverage ratio was calculated at 2.01 months. This indicator measures the Municipality's ability to meet its fixed operational costs using its available cash and cash equivalents. Based on the reported ratio, the Municipality is able to cover its fixed operating cost obligations for 2.01 months with its current cash and cash equivalents. The formula used to calculate performance is as follows: (Cash and cash equivalents – unspent conditional grants) + fixed operating costs. <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance reported against this KPI is primarily attributable to the high value of unspent conditional grants amounting to R837 million. Unspent conditional grants represent transfers and subsidies received by the Municipality that had not been utilised by the end of the reporting period and may be refundable to national or provincial departments and/or external agencies. <b>CORRECTIVE ACTION / MITIGATION:</b> One of the key imperatives issued by National Treasury is the implementation of financial reforms that require each trading service to account for its financial performance independently, rather than on a consolidated basis. In this regard, Directorates will be encouraged to budget and plan more accurately and appropriately, aligned to project-specific requirements, to improve financial management and reporting outcomes.	BUDGET AND TREASURY
FM3. Improved liquidity management	FM3.1	FM3.12	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	16	Current ratio (current assets/current liabilities)	N/A	N/A	2.3	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.							BUDGET AND TREASURY
FM3. Improved liquidity management	FM3.1	FM3.13	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	17	Trade payables to cash ratio	152%	238%	61%	61%	71%	Overachieved	61%	67%	Over achieved	<b>WORK DONE:</b> During the period under review, the trade payables to cash ratio was calculated at 67%. The ratio indicates the municipality's capacity to pay its creditors with cash and cash equivalents only. Cash equivalents includes municipal assets that may be converted to cash immediately. Trade payables are obligations payable by the municipality for goods or services provided to the municipality. The ratio is calculated by dividing cash and cash equivalents, by trade payables. <b>REASON(S) FOR OVERPERFORMANCE:</b> The over performance reported against this key performance indicator is mainly due to the Trade and Other Payables being lower than initially budgeted for when setting the target. As a result, this ratio is higher than anticipated.	BUDGET AND TREASURY

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FM3. Improved liquidity management	FM3.1	FM3.14	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	18	Liquidity ratio	1.1	1.8	1.2	1.2	1.1	Partially achieved	1.2	1.1	Partially achieved	<p><b>WORK DONE:</b> During the period under review, the liquidity ratio was calculated at 1.1. The indicator is used to determine a municipality's ability to pay off current debt obligations (short-term debt) with cash and investment without raising external capital. A municipality with adequate liquidity will have adequate cash available to pay its short term obligations. The ratio is calculated by dividing Cash and Cash Equivalents by Current Liabilities.</p> <p><b>REASON FOR UNDERPERFORMANCE:</b> The lower than anticipated collection rate had a negative impact on this ratio. The specific reasons for low collection rate have been unpacked in KPI 28 (Collection Rate Ratio) below.</p> <p><b>CORRECTIVE ACTION / MITIGATION:</b> Revenue Management Collection Strategies going forward are, amongst others:</p> <ol style="list-style-type: none"> <li>24 hour disconnection notices will be issued and delivered</li> <li>High arrear accounts will be targeted where revenue is likely to be received through disconnection blitzes by targeting small, medium and large businesses</li> <li>Blacklisting of consumers.</li> </ol>	BUDGET AND TREASURY
FM4. Improved expenditure management	FM4.3	FM4.31	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	19	Creditors payment period	33 days	33 days	30 days	30 days	40 days	Not achieved	30 days	40 days	Not achieved	<p><b>WORK DONE:</b> During the reporting period, the average creditor payment period was 40 days.</p> <p><b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance reported is attributable to several challenges, including the following:</p> <ul style="list-style-type: none"> <li>Payments to service providers were committed by service directorates despite insufficient budget availability, necessitating budget amendments after invoices had already been submitted.</li> <li>Work was undertaken outside the terms and conditions of existing contracts (out-of-scope work) and/or where contracts had lapsed or expired, resulting in irregular expenditure that is not permissible in terms of section 78(1)(c) of the MFMA.</li> <li>Work was undertaken without a valid purchase order issued by an authorised official, leading to irregular expenditure that is not permissible in terms of section 78(1)(c) of the MFMA.</li> </ul> <p>Instances were identified where the processes to obtain Authority to Pay invoices contained irregularities, as well as similar challenges with the section 32 reports required to accompany such authority prior to payment authorisation.</p> <p><b>CORRECTIVE ACTION / MITIGATION:</b></p> <p>To mitigate the reported underperformance, refresher training sessions will be conducted by the Creditors Division to update officials on system usage and to address internal processing and administrative challenges. In addition, the standard operating procedure for the payment of creditors has been documented and will assist in streamlining and rectifying processing and administrative processes. Furthermore, the Budget and Treasury Directorate will continue to issue direct memoranda to relevant directorates—copied to the respective Members of the Mayoral Committee (MMCs)—whenever overdue invoices are identified within the payment value chain. The Expenditure Management Sub-Directorate also circulates a weekly report on all unpaid invoices to the City Manager, Executive Directors, and Accountants.</p> <p>In addition, a decision has been taken and formally communicated that, going forward, all service provider invoices must be centralised and submitted exclusively to the Creditors Division.</p>	BUDGET AND TREASURY
FM5. Improved asset management	FM5.1	FM5.11	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	20	Percentage of total capital expenditure funded from own funding (Internally generated funds + Borrowings)	39%	35%	34%	34%	37%	Overachieved	34%	33%	Partially achieved	<p><b>WORK DONE:</b> During the reporting period, 33% of capital expenditure incurred was funded through internally generated funds and borrowings. This indicator measures the extent to which the Municipality's total capital expenditure is financed from internally generated funds and borrowings. It should be noted that, in terms of legislative requirements, municipalities must fund their capital budgets through a combination of own contributions, grants, and external loans. The proportion funded from own sources (NMBM target of 34%) is determined during the annual and adjustment budget processes.</p> <p><b>REASON FOR UNDERPERFORMANCE:</b> The underperformance is attributable to the fact that no expenditure was incurred on loan-funded projects during the reporting period, as grant-funded projects were prioritised.</p> <p><b>CORRECTIVE ACTION / MITIGATION:</b> Loan funding and related expenditure will be closely monitored during the second half of the financial year, and a turnaround strategy will be considered where necessary.</p>	BUDGET AND TREASURY
FM5. Improved asset management	FM5.1 & FM7.2	FM5.12	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	21	Percentage of total capital expenditure funded from capital conditional grants	N/A	N/A	63%	<p>In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager.</p> <p><b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.</p>							BUDGET AND TREASURY

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FMS: Improved asset management	FMS.2	FMS.21	KPA.4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	22	Percentage of total capital expenditure on renewal/upgrading of existing assets	N/A	N/A	43%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.							BUDGET AND TREASURY
FMS: Improved asset management	FMS.2	FMS.22	KPA.4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	23	Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment	N/A	N/A	68%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.							BUDGET AND TREASURY
FMS: Improved asset management	FMS.3	FMS.31	KPA.4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	24	Repairs and Maintenance as a percentage of property, plant, equipment and investment property	1.95%	1.13%	3.1%	0.80%	0.61%	Partially achieved	1.60%	1.05%	Not achieved	<b>WORK DONE:</b> During the period under review, repairs and maintenance expenditure as a percentage of property, plant, equipment, and investment property was calculated at 1.05%. <b>REASONS FOR UNDERPERFORMANCE:</b> Spending on repairs and maintenance remains low primarily due to Supply Chain Management (SCM) processes not being undertaken timeously prior to the start of the financial year. As a result, projects are not implementation-ready at the commencement of the year. It should further be noted that the execution of this operating expenditure category is dependent on several internal processes being in place. A significant portion of repairs and maintenance expenditure relates to Facilities Management and requires key contracts, such as the minor works tender, to be in place. Additional constraints include the absence of, or poorly planned, managed, and implemented Repairs and Maintenance Plans within service delivery directorates. <b>CORRECTIVE ACTION / MITIGATION:</b> The deployment of COGTA officials under Section 154 is intended to support the Municipality in addressing SCM, governance, capacity, and audit challenges, all of which impact asset management processes. To ensure that relevant contracts and materials are in place before the start of the financial year, increased attention will be given by SCM and directorates to procurement planning and directorate-specific procurement cycles. Furthermore, planned maintenance plans will be assessed in terms of their relevance, readiness for implementation, and the adequacy of allocated budgets. It should also be noted that, following the review of the SCM Policy, the threshold limit per transaction was increased to R750,000. This amendment is expected to improve efficiency and enhance the Municipality's ability to effectively spend on repairs and maintenance.	BUDGET AND TREASURY
FMS: Improved supply chain management	N/A	FMS.12	KPA.4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	25	Percentage of awarded tenders (over R200k), published on the municipality's website	100%	100%	100%	100%	58%	Not achieved	100%	81%	Partially achieved	<b>WORK DONE:</b> During the period under review, 32 tenders were awarded above the value of R200k. 26 of the 32 tenders awarded were included in the notice of awards, published on the municipality's website. <b>REASON FOR UNDERPERFORMANCE:</b> It may be noted that notice of awards are published monthly basis during the first week of the following month. 6 of the 32 tender awards were made during December 2025 and will be published on the municipality's website in the first week of January 2026. <b>CORRECTIVE ACTION / MITIGATION:</b> All outstanding tenders were since uploaded onto the website by 12 January 2026.	BUDGET AND TREASURY
FMS: Improved supply chain management	N/A	FMS.13	KPA.4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	26	Percentage of tender cancellations	N/A KPI Exempt	N/A KPI Exempt	10%	2%	0%	Overachieved	4%	0%	Overachieved	<b>WORK DONE:</b> During the period under review, 16 new tenders were advertised. 0% of these tenders advertised during the financial year, were also cancelled. <b>REASON(S) FOR OVERPERFORMANCE:</b> The municipality caters for a small percentage of tenders being cancelled for valid reasons such as: no adequate bidders, inadequate bidders, etc. This leeway, however, was not required during the quarter.	BUDGET AND TREASURY

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FM7. Improved revenue and debtors management	FM7.1	FM7.11	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	27	Debtors payment period	30 days	154.75 days	30 days	30 days	102 days	Not achieved	30 days	168 days	Not achieved	<b>WORK DONE:</b> As at 31 December 2025, the debtors payment period was calculated at 168 days. Debtor payment days refers to the average number of days required for a municipality to receive payment from its consumers for the bills/invoices issued to them for services rendered. <b>REASON(S) FOR UNDERPERFORMANCE:</b> The underperformance reported against this key performance indicator can be attributed to the annual increase in water, electricity and property rates tariffs which increased the rand amount (revenue) that has been billed to customers (consumer debt). As a result of the current economic environment, consumers do not always have sufficient funds to pay the Municipality immediately. <b>CORRECTIVE ACTION / MITIGATION:</b> Revenue Management Collection Strategies going forward are, amongst others: 1. 24 hour disconnection notices are issued and delivered 2. High arrear accounts are targeted where revenue is likely to be received through disconnection blitzes by targeting small, medium and large businesses 3. Blacklisting of consumers.	BUDGET AND TREASURY
FM7. Improved revenue and debtors management	FM7.1	FM7.12	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	28	Percentage billed revenue collected (excluding write-offs)	90%	74%	80%	80%	66%	Partially achieved	80%	72%	Partially achieved	<b>WORK DONE:</b> During the period under review, the collection rate ratio amounted to 72%. It may be noted that this Key Performance Indicator measures revenue collected by the municipality relative to billed, but does not take bad debts written-off into consideration as required by the MFMA Circular 88 KPI, "Collection Rate Ratio." In this instance, the collection rate ratio refers to the revenue that was collected from rates plus services rendered, whilst KPI 50 (Percentage of budgeted rates revenue collected) below, considers rates revenue only and does not include revenue generated through services rendered nor considers bad debts written-off. <b>REASON(S) FOR UNDERPERFORMANCE:</b> The underperformance reported against this key performance indicator is due to the fact that there has been an increase in water and other services debt not being collected and the inability / unwillingness of residents being able to pay its debts in the current economic environment. <b>CORRECTIVE ACTION / MITIGATION:</b> Revenue Management Collection Strategies going forward are, amongst others: 1. 24 hour disconnection notices are issued and delivered 2. High arrear accounts are targeted where revenue is likely to be received through disconnection blitzes by targeting small, medium and large businesses 3. Blacklisting of consumers.	BUDGET AND TREASURY
FM7. Improved revenue and debtors management	FM7.1	FM7.12	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	29	Collection rate ratio	40%	56%	76%	20%	43%	Overachieved	40%	51%	Overperformance	<b>WORK DONE:</b> During the period under review, 51% of revenue that was billed, was in fact collected. <b>REASON(S) FOR OVERPERFORMANCE:</b> The overperformance reported against this key performance indicator is attributed to: - a) the appointment of service providers to assist the municipality, specifically with the collection of funds from debtors, rendered nor considers bad debts written-off. b) informing residents about debt relief options. c) encouraging those who qualify as indigents to apply for ATTP, and d) inform residents of easier account payment options.	BUDGET AND TREASURY
FM7. Improved revenue and debtors management	FM7.3	FM7.31	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	30	Net Surplus /Deficit Margin for Electricity	N/A	N/A	0%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.						BUDGET AND TREASURY; ELECTRICITY AND ENERGY	
FM7. Improved revenue and debtors management	FM7.3	FM7.32	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	31	Net Surplus /Deficit Margin for Water	N/A	N/A	0%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.						BUDGET AND TREASURY; INFRASTRUCTURE AND ENGINEERING	

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FM7. Improved revenue and debtors management	FM7.3	FM7.3S	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	32	Net Surplus /Deficit Margin for Wastewater	N/A	N/A	0%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.				BUDGET AND TREASURY; INFRASTRUCTURE AND ENGINEERING			
FM7. Improved revenue and debtors management	FM7.3	FM7.3A	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	33	Net Surplus /Deficit Margin for Refuse	N/A	N/A	0%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.				BUDGET AND TREASURY; PUBLIC HEALTH			
FD1. Mitigated effects of fires and disasters	FD.1.1	FD1.11	KPA 1: BASIC SERVICE DELIVERY	34	Percentage compliance with the required attendance time for structural firefighting incidents	75%	67%	75%	75%	69.58%	Partially achieved	75%	65%	Partially achieved	WORK DONE: As at 31 December 2025, altogether 699 structural fires were attended to within Nelson Mandela Bay. Of these, a total of 457 complied with the required response time of 14 minutes or less, resulting in an actual performance of 65% being reported. <b>REASON(S) FOR UNDERPERFORMANCE:</b> The reported underperformance is primarily due to increased volumes of emergency calls, which reduce the ability to dispatch units promptly as resources are stretched across multiple simultaneous incidents. The rise in emergency calls can be attributed to elevated average daily temperatures, which exacerbate fire risks (e.g., a higher number of bushfires), as well as challenges such as an aging fleet and staffing shortages. <b>CORRECTIVE ACTION / MITIGATION:</b> To address the underperformance, the municipality has conducted public awareness campaigns in schools and communities during October and November to reduce human-caused fires. Additionally, the municipality promotes the integration of volunteers to increase firefighting capacity. <b>NOTE:</b> Structural fire incidents are defined as incidents of fire outbreaks in habitable formal structures (buildings that have approved building plans) and habitable informal structures (informal residential dwellings where no approved building plans exist). Actual performance is calculated as follows: Number of structural fire incidents where attendance time was 14 min or less / Total number of calls for structural fire incidents, i.e. 457/699 x 100.	SAFETY AND SECURITY
GG1. Improved municipal capability	GG.1.2	GG1.22	KPA 2: MUNICIPAL TRANSFORMATION AND DEVELOPMENT	35	Percentage of vacant posts filled within 6 months	90%	37%	90%	90%	47%	Not achieved	90%	36%	Not achieved	WORK DONE: During the period under review, a total of 321 vacancies were filled. However, only 116 of these positions were filled within the prescribed six-month turnaround time. This means that 36% (36.14% when rounded) of vacant posts were filled within six months. The key performance indicator measures the processing efficiency of the recruitment process. Specifically, it measures the percentage of posts for which an appointment decision is made within six months from the date on which authority to proceed with filling the post is received (recruitment notice date). <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance is attributable to the following factors: a) Delays in the recruitment process across the value chain, caused by dependencies on various stakeholders, as well as delays in the drafting of longlists for advertised positions. b) With regard to the filling of senior management positions, Council approval is required. Delays were experienced due to the postponement of the Council meeting scheduled for October 2025, as well as the deferral of recruitment items to the subsequent Council meeting in December 2025. c) Delays in decision-making related to appointments below senior management level. <b>CORRECTIVE ACTION / MITIGATION:</b> In terms of mitigation, it is noted that the administration has no control over the scheduling of Council meetings. The following corrective actions are therefore being considered for implementation: (i) Full automation of recruitment applications for all staff levels to reduce interdependencies in the value chain and, in particular, to address delays in the drafting of longlists. (ii) Development and adherence to an action plan for the filling of senior management positions.	CORPORATE SERVICES

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GG2: Improved municipal responsiveness	GG 2.1	GG2.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	36	Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)	100%	100%	100%	100%	100%	Achieved	100%	100%	Achieved	<b>WORK DONE:</b> As at 31 December 2025, 100% of ward committees (60/60) with 6 or more ward committee members (excluding the ward councillor) were in place.	CORPORATE SERVICES
GG2: Improved municipal responsiveness	GG 2.1	GG2.12	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	37	Percentage of wards that have held a quarterly councillor-convened community meeting	100%	0%	100%	100%	8%	Not achieved	100%	8%	Not achieved	<b>WORK DONE:</b> During the period under review, the Municipality engaged all 60 wards through public participation meetings and/or other community engagements. However, not all meetings complied with the administrative and reporting requirements prescribed in MFMA Circular 88 for this key performance indicator. In terms of MFMA Circular 88, a councillor-convened community meeting qualifies as a public meeting only if it meets the following criteria: Public notice is issued; The meeting is convened by the ward councillor; and The meeting is held within the ward of the councillor issuing the public notice. Where any of the above criteria are not met, MFMA Circular 88 prescribes that such meetings may not be included in the numerator when calculating performance for this key performance indicator. <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance is attributed to non-compliance by Ward Councillors with the procedures, administrative requirements, and reporting standards set out in MFMA Circular 88, particularly with regard to the issuing of public notices for planned community meetings. <b>CORRECTIVE ACTION / MITIGATION:</b> In terms of mitigation, monthly communication was sent to Councillors over the period Oct - Dec 2025, specifying the requirements as stated in MFMA Circular 88.	CORPORATE SERVICES
GG3: Improved municipal administration	GG 3.1	GG 3.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	38	Number of repeat audit findings  (reduced from 67 repeat audit findings issued by the Auditor General in 2023/24)	N/A	N/A	65 findings	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.							BUDGET AND TREASURY
GG3: Improved municipal administration	GG 3.1	GG 3.12	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	39	Percentage of councillors who have declared their financial interests	N/A	N/A	100%	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.							CORPORATE SERVICES
GG5: Zero tolerance of fraud and corruption	GG 5.1	GG5.11	KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	40	Number of active suspensions longer than three months	0	5	0	0	3	Not achieved	0	9	Not achieved	<b>WORK DONE:</b> As at 31 December 2025, there were nine active suspensions longer than three months. It may be noted that this key performance indicator measures the total number of active suspensions at the time of reporting that were initiated more than three months prior and had not yet been resolved. Disciplinary processes and timelines are determined upon the merits of each disciplinary case and the implementation of the two sets of Disciplinary Regulations applicable to financial and non-financial misconduct. <b>REASON(S) FOR UNDERPERFORMANCE:</b> Due to the complexity and detailed nature of the suspensions and the required investigations, the number of active suspensions longer than three months are higher than anticipated. Reasons include inter alia: 1. Continuous submission of medical certificates 2. Refusal of internal staff to preside over cases 3. Challenges in obtaining presiding officers and chairpersons from other municipalities through SALGA 4. Delays in finalising investigations due to the complexity of the misconduct. <b>CORRECTIVE ACTION / MITIGATION:</b> The Municipality endeavours to finalise all suspensions within a reasonable period. Under future circumstances, the municipality intends to first place officials elsewhere whilst investigations are underway relating to allegations made against the employee. Suspensions will only be imposed when necessary.	CORPORATE SERVICES

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MFMA C88 OUTCOME	IDP MFMA C88 REF / MSA REG REF	SDBIP MFMA C88 REF / MSA REG REF	KEY PERFORMANCE AREA (KPA)	KPI NO	KEY PERFORMANCE INDICATOR	SECOND QUARTER BASELINE TARGETS AND ACTUAL PERFORMANCES FOR YEAR-TO-YEAR COMPARISON		2025/26 ANNUAL PERFORMANCE TARGET	PERFORMANCE INFORMATION REPORTED FOR THE 2025/26 FIRST QUARTER			PERFORMANCE INFORMATION REPORTED FOR THE 2025/26 SECOND QUARTER				REPORTING DIRECTORATE / OFFICE
						2024/25 SECOND QUARTER TARGET (1 JULY 2024 - 30 DECEMBER 2025)	2024/25 SECOND QUARTER ACTUAL PERFORMANCE		1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	1ST QUARTER ACTUAL PERFORMANCE (1 JULY 2025 - 30 SEPTEMBER 2025)	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025 - 31 DECEMBER 2025)	2ND QUARTER ACTUAL PERFORMANCE (1 JULY 2025 - 31 DECEMBER 2025)	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	
HS1: Improved access to adequate housing	HS1.1	HS1.1	KPA 1: BASIC SERVICE DELIVERY	41	Number of subsidised housing units constructed using various Human Settlements Programmes	N/A	N/A	400								HUMAN SETTLEMENTS
HS1: Improved access to adequate housing	HS1.1	HS1.12	KPA 1: BASIC SERVICE DELIVERY	42	Number of serviced sites	N/A	N/A	1200								HUMAN SETTLEMENTS
HS1: Improved access to adequate housing	N/A	HS1.22	KPA 1: BASIC SERVICE DELIVERY	43	Number of title deeds registered to beneficiaries	N/A	N/A	900								HUMAN SETTLEMENTS
HS1: Improved access to adequate housing	HS1.3	HS1.3	KPA 1: BASIC SERVICE DELIVERY	44	Number of informal settlements assessed (enumerated and classified)	N/A	N/A	2								HUMAN SETTLEMENTS
HS1: Improved access to adequate housing	HS1.3	HS1.32	KPA 1: BASIC SERVICE DELIVERY	45	Number of informal settlements upgraded to Phase 2	N/A	N/A	2								HUMAN SETTLEMENTS
HS2: Improved functionality of the residential property market	HS2.2	HS2.21	KPA 3: LOCAL ECONOMIC DEVELOPMENT	46	Number of residential properties developed through state subsidised human settlements programmes entering the municipal valuation roll	N/A	N/A	500								BUDGET AND TREASURY
HS2: Improved functionality of the residential property market	HS2.2	HS2.22	KPA 3: LOCAL ECONOMIC DEVELOPMENT	47	Average number of days taken to process building plan applications of less than 500 square meters	30 days	11 days	30 days	30 days	10 days		30 days	10 days	Overachieved	WORK DONE: During the period under review, the average number of days taken to process residential building applications of less than 500 square meter, amounted to 10 days. REASONS FOR OVERPERFORMANCE: The reason for overperformance reported against this Key Performance Indicator is attributed to the strict adherence to the SOP (Building Plan Process Workflow) and timely communication to applicants.	HUMAN SETTLEMENTS
LED1: Growing inclusive local economies	N/A	LED1.11	KPA 3: LOCAL ECONOMIC DEVELOPMENT	48	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	50%	29%	34%	34%	39%	Overachieved	34%	72%	Overachieved	WORK DONE: During the period under review, 72% of the operating expenditure was spent on contracting service providers physically residing within the municipal area. REASONS FOR OVERPERFORMANCE: It should be noted that, as contractors cannot be awarded contracts or penalised based on locality, this key performance indicator serves purely as a statistical reflection of expenditure within the local region.	BUDGET AND TREASURY

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						2024/25 SECOND QUARTER TARGET (1 JULY 2024 - 30 DECEMBER 2025)	2024/25 SECOND QUARTER ACTUAL PERFORMANCE		1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	1ST QUARTER ACTUAL PERFORMANCE (1 JULY 2025 - 30 SEPTEMBER 2025)	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025 - 31 DECEMBER 2025)	2ND QUARTER ACTUAL PERFORMANCE (1 JULY 2025 - 31 DECEMBER 2025)	ACHIEVEMENT STATUS	PERFORMANCE ANALYSIS, REASONS FOR OVERPERFORMANCE / UNDERPERFORMANCE AND MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE	
LED1. Growing inclusive local economies	N/A	LED1.21	KPA 3: LOCAL ECONOMIC DEVELOPMENT	49	Number of work opportunities created by the municipality through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	2551	5496	9012	1628	3454	Over achieved	3756	5469	Over achieved	<b>WORK DONE:</b> During the period under review, 5469 work opportunities were created by the Municipality through the Expanded Public Works Programme and Public Employment Programmes. Of these, 2970 were created through the implementation of capital programmes, 158 were created through projects funded by the EPWP Incentive Grant, 441 were created through the PEP grant and an additional 1900 were created through the Community Works Programme (CWP). <b>REASON(S) FOR OVERPERFORMANCE:</b> The overperformance reported against this key performance indicator is attributed to additional CWP work opportunities provided that were not anticipated at the beginning of the financial year. In addition, more work opportunities were created through the Public Employment Programme and the Incentive Grant Programme by placing more participants on shorter term contracts, spreading opportunity of work.	CHIEF OPERATING OFFICER
LED2. Improved levels of economic activity in municipal economic spaces	LED 2.1	LED2.11	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	50	Percentage of budgeted rates revenue collected	40%	45%	85%	20%	66%	Partially achieved	40%	44%	Over achieved	<b>WORK DONE:</b> During the reporting period, 44% of budgeted rates were collected by the Municipality (Actual rates collected = R1 457 895 931 vs Budgeted rates = R3 299 358 000). It may be noted, that as per the wording of this KPI, only revenue collected for rates is included in the calculation, whilst the "collection rate ratio" KPI 29 above, measures the revenue collected for rates as well as services. <b>REASON(S) FOR OVERPERFORMANCE:</b> The overperformance reported against this KPI is attributed to the appointment of service providers to assist the municipality, specifically with the collection of funds from debtors.	BUDGET AND TREASURY
LED2. Improved levels of economic activity in municipal economic spaces	LED 2.1	LED 2.12	KPA 3: LOCAL ECONOMIC DEVELOPMENT	51	Percentage of the municipality's operating budget spent on indigent relief for free basic services	1.30%	1.48%	2.65%	0.70%	0.74%	Overachieved	1.30%	1.41%	Overachieved	<b>WORK DONE:</b> During the period under review, R274 858 989 or 1.41% of the municipality's operating budget had been spent on indigent relief for free basic services (including water, sanitation, electricity and waste removal, but excluding rebates on rate accounts). <b>REASON(S) FOR OVERPERFORMANCE:</b> The overperformance reported against this KPI is attributed to actively encouraging those who qualify as indigents to apply for ATTP, by issuing communication with each municipal account.	BUDGET AND TREASURY
LED3. Improved ease of doing business within the municipal area	N/A	LED3.11	KPA 3: LOCAL ECONOMIC DEVELOPMENT	52	Average time taken to finalise business licence applications	21 working days	4 working days	21 working days	21 working days	5 working days	Over achieved	21 working days	4 working days	Over achieved	<b>WORK DONE:</b> As at 31 December 2025, the Municipality reported an average turnaround time of 4 working days to finalise business licence applications. The purpose of the key performance indicator is to measure the average number of working days a business owner can expect to wait for an outcome on a business licence application which has been assessed as a "complete application", from the date of submission and receipt of a complete business licence application, to the date of the outcome of a licensing decision received from the Municipality. Of the 153 business licence applications received to date, 81 were assessed to be "complete" in terms of the indicator requirements and were processed within the prescribed timeline. A "complete application" refers to the point at which all of the required administrative information has been supplied by the business, allowing the Municipality to proceed with the processing of the business licence application. <b>REASON(S) FOR OVERPERFORMANCE:</b> The overperformance reported against this key performance indicator is attributed to a concerted effort made by the Municipality in finalising all business applications timeously.	PUBLIC HEALTH
LED3. Improved ease of doing business within the municipal area	N/A	LED 3.12	KPA 3: LOCAL ECONOMIC DEVELOPMENT	53	Average time taken to finalise informal trading permits	5 days	4 days	5 days	5 days	N/A	Not applicable	5 days	8 days	Not achieved	<b>WORK DONE:</b> During the period under review, the turnaround time for issuing informal trading permits was 8 days. <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance against this KPI is due to the municipality being in the process of implementing an automated system while still relying on the manual system as a backup until the automated system is audited. This dual-system approach has stretched staff capacity. <b>CORRECTIVE ACTION / MITIGATION:</b> The relevant department has engaged with Internal Audit to conduct an MIS audit and is awaiting guidance to ensure the system enhances operational efficiency. Additionally, staff will be guided to ensure the collection of proof of expenditure (POE) and its integration into the system are completed seamlessly.	ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE

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LED3. Improved ease of doing business within the municipal area	N/A	LED3.13	KPA 3: LOCAL ECONOMIC DEVELOPMENT	54	Average number of days taken to process building application of 500 square meters or more	60 days	10 days	60 days	60 days	11 days	Overachieved	60 days	10 days	Overachieved	WORK DONE: During the period under review, the average number of days taken to process building applications of 500 square meters or more amounted to 10 days. REASON(S) FOR OVERPERFORMANCE: The reason for overperformance reported against this Key Performance Indicator is attributed to the strict adherence to the SOP (Building Plan Process Workflow) & timely communication to applicants.	HUMAN SETTLEMENTS
LED3. Improved ease of doing business within the municipal area	N/A	LED3.21	KPA 3: LOCAL ECONOMIC DEVELOPMENT	55	Percentage of revenue clearance certificates issued within 10 working days from the time of completed application received	95%	99%	100%	100%	99.53% <u>Amended to:</u> 100% (in line with Internal Audit findings)	Overachieved/Amended to Achieved	100%	99%	Partially achieved	WORK DONE: During the period under review, 99% or 5 131 of a total of 5 205 rates clearance certificates were issued within 10 working days or less. REASON(S) FOR UNDERPERFORMANCE / MID-TERM ADJUSTMENT: The KPI targets will be amended during the mid-year adjustment process to align the 2025/26 SDBIP with the relevant Senior Manager's performance agreement, which reflects an annual target of 95%. The misalignment between the SDBIP and the performance agreement is attributed to human error.	BUDGET AND TREASURY
LED3. Improved ease of doing business within the municipal area	N/A	LED3.31	KPA 3: LOCAL ECONOMIC DEVELOPMENT	56	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	90 days	N/A	90 days	90 days	790 days <u>Amended to:</u> 727 days (in line with verified information)	Not achieved	90 days	761 days	Not achieved	WORK DONE: During the period under review, 32 tenders were awarded, of which 24 complied with the 80/20 principle. The turnaround time from the date of advertisement to the date of award for these 24 tenders accumulatively amounted to 15,394 days. In this regard the average number of days amounted to 641days (15 394 / 24). REASONS FOR UNDERPERFORMANCE: The underperformance reported against this key performance indicator is due to continued challenges experienced within the supply chain management processes. CORRECTIVE ACTION / MITIGATION: The deployment of COGTA officials under Section 154 is intended to support the Municipality in addressing SCM, governance, capacity, and audit challenges, all of which impact the turnaround time.	BUDGET AND TREASURY
LED3. Improved ease of doing business within the municipal area	N/A	LED3.32	KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	57	Percentage of municipal payments made to service providers who submitted complete forms within 30 days of invoice submission	100%	40%	100%	100%	61%	Not achieved	100%	66%	Not achieved	WORK DONE: During the reporting period, 66% of municipal payments were made to service providers who had submitted complete documentation within 30 days of invoice submission. The average turnaround time for payments during the reporting period was 39 days. REASONS FOR UNDERPERFORMANCE: The underperformance reported is attributable to several challenges, including the following: Payments to service providers were committed by service directorates despite insufficient budget availability, resulting in the need for budget amendments after invoices had already been submitted. Work was undertaken outside the terms and conditions of contracts (out-of-scope work) and/or where contracts had lapsed or expired, resulting in irregular expenditure that is not permissible in terms of section 78(1)(c) of the MFMA. Work was undertaken without a valid purchase order issued by an authorised official, resulting in irregular expenditure that is not permissible in terms of section 78(1)(c) of the MFMA. Instances were identified where the processes to obtain Authority to Pay invoices contained irregularities, as well as similar challenges with the section 32 reports that must accompany such authority prior to payment authorisation. CORRECTIVE ACTION / MITIGATION: To mitigate the reported underperformance, refresher training sessions will be conducted by the Creditors Division to update officials on system usage and to address internal processing and administrative challenges. In addition, the standard operating procedure for the payment of creditors has been documented and will assist in streamlining and rectifying processing and administrative processes. Furthermore, the Budget and Treasury Directorate will continue to issue direct memoranda to relevant directorates—copied to the respective Members of the Mayoral Committee (MMCs)—whenever overdue invoices are identified within the payment value chain. The Expenditure Management Sub-Directorate also circulates a weekly report on all unpaid invoices to the City Manager, Executive Directors, and Accountants. In addition, a notice has been issued informing all service providers that, going forward, all invoices must be submitted to a centralised point, namely the Creditors Division	BUDGET AND TREASURY

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TR 5. Improved access to public transport (incl. NMT)	N/A	TR5.11	KPA 1: BASIC SERVICE DELIVERY	58	Number of scheduled public transport access points added	N/A	N/A	20	In terms of MFMA Circular 88, the Municipality is required to report performance against this Key Performance Indicator in the Annual Performance Report only. However, where feasible, the Municipality monitors performance against this KPI throughout the financial year by incorporating relevant targets into the performance scorecard of the responsible Senior Manager. <b>NOTE:</b> Some indicators measure outcomes or end results rather than activities or outputs that can be meaningfully tracked on a quarterly basis. Indicators with annual targets are therefore only measurable once all annual data is available. Measuring these indicators quarterly may be misleading or statistically unreliable.							INFRASTRUCTURE AND ENGINEERING
TR 5. Improved access to public transport (incl. NMT)	N/A	TR5.31	KPA 1: BASIC SERVICE DELIVERY	59	Percentage of scheduled municipal bus trips that are universally accessible	32%	31.08%	32%	32%	11%	Not achieved	32%	18%	Not achieved	<b>WORK DONE:</b> As at 31 December 2025, 18% of scheduled municipal bus trips were universally accessible. A total of 40,710 trips were planned across the system and only 7,374 of these are considered to be universally accessible. Performance is calculated as follows: $7,374 \div 40,710 \times 100 = 18.11\%$ (rounded to 18%). <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance against this KPI is due to bus operations only commencing on 02 August 2025 with very limited services, and only 7 buses being operational. The unavailability of buses was caused by the fact that the service provider responsible for maintenance was unwilling to carry out any maintenance and repairs of the buses due to unpaid invoices. <b>CORRECTIVE ACTION / MITIGATION:</b> Since 1 June 2025, an amount of R8.8 million has been paid to the service provider for the ongoing refurbishment, servicing, and maintenance of the municipal fleet. Continuous communication between the service provider and the Municipality has significantly reduced the backlog of outstanding invoice payments. However, limited capacity at the service provider's facilities has remained a challenge in fully addressing the operational backlog. Regular progress meetings are being held with the service provider, and capacity has since improved. It is anticipated that full service operations will be restored in the final month of the quarter. <b>MID-TERM ADJUSTMENT:</b> KPI targets will be amended during the mid-year adjustment process to align the 2025/26 SDBIP with the relevant Senior Manager's performance agreement, which reflects a target of 19%. The misalignment between the SDBIP and the performance agreement is attributed to human error.	INFRASTRUCTURE AND ENGINEERING
WS1. Improved access to sanitation	WS1.11	WS1.11	KPA 1: BASIC SERVICE DELIVERY	60	Number of new sewer connections meeting minimum standards	750	1092	2000	250	276	Over achieved	750	327	Not achieved	<b>WORK DONE:</b> As at 31 December 2025, a total of 327 new sewer connections meeting the minimum required standards were installed. <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance reported against this key performance indicator is primarily due to interdependencies with other departments, which resulted in the late receipt of erf numbers, built layout plans, beneficiary lists, account numbers, and route numbers required for the installation of new connections. In addition, during target setting, connections installed in outer years but only added to the billing system during the current financial year were included in the target. However, the intention of this key performance indicator is to measure only new (first-time) connections installed within the 2025/26 financial year. This misalignment further exacerbated the reported underperformance. <b>CORRECTIVE ACTION / MITIGATION:</b> To mitigate the underperformance, an interdepartmental meeting will be convened to improve integration between planning and execution for the remainder of the financial year. <b>MID-TERM ADJUSTMENT:</b> KPI targets will be amended during the mid-year adjustment process to realign target setting with the requirements outlined in the key performance indicator's Technical Indicator Description.	INFRASTRUCTURE AND ENGINEERING
WS2. Improved access to water	WS2.11	WS2.11	KPA 1: BASIC SERVICE DELIVERY	61	Number of new water connections meeting minimum standards	750	1092	2000	250	276	Over achieved	750	327	Not achieved	<b>WORK DONE:</b> As at 31 December 2025, a total of 327 new water connections meeting the minimum required standards were installed. <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance reported against this key performance indicator is primarily due to interdependencies with other departments, which resulted in the late receipt of erf numbers, built layout plans, beneficiary lists, account numbers, and route numbers required for the installation of new connections. In addition, during target setting, connections installed in outer years but only added to the billing system during the current financial year were included in the target. However, the intention of this key performance indicator is to measure only new (first-time) connections installed within the 2025/26 financial year. This misalignment further exacerbated the reported underperformance. <b>CORRECTIVE ACTION / MITIGATION:</b> To mitigate the underperformance, an interdepartmental meeting will be convened to improve integration between planning and execution for the remainder of the financial year. <b>MID-TERM ADJUSTMENT:</b> KPI targets will be amended during the mid-year adjustment process to realign target setting with the requirements outlined in the key performance indicator's Technical Indicator Description.	INFRASTRUCTURE AND ENGINEERING

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WS4. Improved quality of water (incl. wastewater)	WS4.1	WS4.1.1	KPA 1: BASIC SERVICE DELIVERY	62	Percentage of water treatment capacity unused	N/A	N/A	15%							INFRASTRUCTURE AND ENGINEERING	
WS4. Improved quality of water (incl. wastewater)	WS4.2	WS4.2.1	KPA 1: BASIC SERVICE DELIVERY	63	Percentage of trade effluent producers inspected for compliance	N/A	N/A	50%							INFRASTRUCTURE AND ENGINEERING	
WS4. Improved quality of water (incl. wastewater)	N/A	WS4.3.1	KPA 1: BASIC SERVICE DELIVERY	64	Percentage of wastewater treatment capacity unused	N/A	N/A	15%							INFRASTRUCTURE AND ENGINEERING	
WS5. Improved water sustainability	WS5.1	N/A	KPA 1: BASIC SERVICE DELIVERY	65	Percentage real water losses as defined by the International Water Association (Physical losses of water from the distribution system, including leakage and storage overflows)	34%	38%	31%	34%	34.9%	Partially achieved	33%	38.3%	Partially achieved	INFRASTRUCTURE AND ENGINEERING	



# **ANNEXURE "A"**

## **FINANCIAL REPORT OF NELSON MANDELA BAY MUNICIPALITY**



# **1. MID-TERM FINANCIAL REPORT FOR THE PERIOD 01 JULY 2025 TO 31 DECEMBER 2025 AND THE ASSESSMENT OF THE MUNICIPALITY'S FINANCIAL POSITION AS AT 31 DECEMBER 2025 (2025/26 FINANCIAL YEAR)**

## **1.1 PURPOSE**

The purpose of this report is to assess the financial performance and financial position of the Municipality and its consequential impact on the implementation of the approved 2025/26 Operating and Capital Budgets. This financial report presents an assessment of the municipality's financial performance and financial position as at 31 December 2025 as required in terms of Section 72 and Section 52 of the Municipal Finance Management Act (MFMA) (56 of 2003). The report also highlights financial risks to the municipality that were identified whilst implementing the Council approved budget, with some of these risks being mentioned in previous reports to the Budget and Treasury Standing Committee.

The Committee must note that as this report contains financial and or performance information obtained or sourced from various role players, it goes without saying that the successful presentation of the required information depends on various stakeholders availing the required information timeously.

I must indicate, for an example, that the Electricity and Water losses disclosed in this report are obtained directly from officials of both Directorates (i.e. Electricity and Energy & Water Services), and in terms of this report the figures indicating both losses are as per the information received from the two Directorates. It is our desire that the information tabled to the Committee is always as updated as far as practically possible.

## **1.2 LEGISLATIVE REQUIREMENTS**

The Municipality is required to assess on an ongoing basis whether it collects sufficient revenue to meet its commitments, such as paying Employees, Councillors, Eskom, Department of Water Affairs, service providers, etc. In accordance with Section 71 and Section 52 of the Municipal Finance Management Act (MFMA) 56 of 2003. of the MFMA, the Accounting Officer is required to submit to the National and Provincial Treasuries a monthly statement on the state of the municipality's budget

## **1.3 EXECUTIVE SUMMARY**

This report provides a balanced and consolidated financial performance overview to assist Council in its oversight role over the financial affairs of the municipality. An analysis of the financial position and performance was undertaken to determine the relative financial strength and liquidity of the Municipality as at 31 December 2025.

To provide a comprehensive analysis, it was necessary to compare the 2025/26 Operating/ Capital Budgets, the General Ledger and the actual cash inflows and outflows of the Municipality, thereby determining relationships and the associated spending and income trends experienced for the 2025/26 financial year. The aforementioned were complemented by analysing the cash flow position, the investment portfolio, ratios, the operating and capital budget performance for the 2025/26 financial year, in order to facilitate an informed assessment of the relative liquidity and financial position of the Municipality.

## 1.4 FINANCIAL PERFORMANCE HIGHLIGHTS AS AT 31 DECEMBER 2025 OF THE 2025/26 FINANCIAL YEAR

The current financial performance highlights are as follows:

- 1.4.1 Operating revenue amounted to R11.099 billion, whilst operating expenditure amounted to R7.230 billion. It must be noted that R8.368 billion of the operating revenue comprises of Property Rates and Service Charges (i.e. Electricity, Water, Sanitation and Refuse) which represents billed revenue.

The following table summarises revenue raised vs expenditure incurred from 1 July 2025 to 31 December 2025.

**TABLE 1: Summary of Revenue Raised vs. Expenditure incurred (1 July 2025 to 31 December 2025)**

Description	Budget Year 2025/26		
	Original Budget	Year TD actual	% Achieved
<b>R thousands</b>			
<b>Revenue</b>			
<b>Exchange Revenue</b>			
Service charges - Electricity	6,464,349	3,143,597	48.63%
Service charges - Water	2,983,123	1,272,264	42.65%
Service charges - Waste Water Management	817,519	439,911	53.81%
Service charges - Waste management	348,080	173,333	49.80%
Sale of Goods and Rendering of Services	114,371	45,547	39.82%
Agency services	4,255	2,090	49.12%
Interest earned from Receivables	1,106,615	793,383	71.69%
Interest from Current and Non-Current Assets	291,739	116,359	39.88%
Rental from Fixed Assets	42,603	23,632	55.47%
Licence and permits	21,319	10,592	49.68%
Operational Revenue	29,273	22,738	77.67%
<b>Non-Exchange Revenue</b>			0.00%
Property rates	3,299,358	3,339,053	101.20%
Fines, penalties and forfeits	67,973	41,039	60.38%
Licence and permits	1	-	0.00%
Transfers and subsidies - Operational	2,944,497	1,628,334	55.30%
Interest	158,695	45,429	28.63%
Fuel Levy	861,978	-	0.00%
Gains on disposal of Assets	-	2,378	0.00%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>19,555,749</b>	<b>11,099,681</b>	<b>56.75%</b>
<b>Expenditure By Type</b>			0.00%
Employee related costs	4,886,977	2,051,764	41.98%
Remuneration of councillors	98,334	41,909	42.62%
Bulk purchases - electricity	7,277,226	3,668,924	50.42%
Inventory consumed	510,815	129,401	25.33%
Debt impairment	1,946,427	31	0.00%
Depreciation and amortisation	1,051,415	524,922	49.93%
Interest	72,173	22,581	31.29%
Contracted services	1,659,963	447,011	26.93%
Transfers and subsidies	94,962	91,852	96.73%
Irrecoverable debts written off	726,946	(61,766)	-8.50%
Operational costs	821,988	379,951	46.22%
Other Losses	385,921	-	0.00%
<b>Total Expenditure</b>	<b>19,533,147</b>	<b>7,296,580</b>	<b>37.35%</b>

1.4.2 Capital spending for 2025/26 as at 31 December 2025 amounts to R565.121 million or 27.02% of the approved consolidated capital budget of R2.091 billion.

1.4.3 The conditional grants as indicated in the table below have been received up to 31 December 2025. The table below also reflects the spending on conditional grants and Equitable Share.

**TABLE 2: Spending on Grants received from the national / provincial government as at 31 December 2025.**

Description	Budget Year 2025/26				
	Original Budget	YearTD actual	YearTD actual	Available to spend	% Achieved
<b>R thousands</b>		<b>RECEIPTS:</b>	<b>PAYMENTS</b>		<b>%</b>
<b>Operating Transfers and Grants</b>					
<b>National Government:</b>	<b>2,129,340</b>	<b>1,249,762</b>	<b>1,081,236</b>	<b>1,048,104</b>	<b>50.8%</b>
Local Government Equitable Share	1,637,749	987,708	987,708	650,051	60.3%
EPWP Incentive	2,457	1,720	326	2,131	13.3%
Finance Management	1,000	1,000	464	536	46.4%
Infrastructure Skills Development	8,900	5,000	3,146	5,754	35.3%
LGSETA	13,066	4,654	3,369	9,697	25.8%
Urban Settlements Development	103,902		64,330	39,572	61.9%
Public Transport Networks Operations	157,813	178,585	21,893	135,920	13.9%
Neighbourhood Development Partnership	4,000		–	4,000	0.0%
Urban Development Financing Grant	48,800	17,280		48,800	0.0%
Regional Bulk Infrastructure	52,338	17,871		52,338	34.1%
Energy Efficiency & Demand Side Management	1,339	–		1,339	0.0%
Informal Settlements Partnership Grant	97,977	35,944		97,977	36.68%
				–	
<b>Provincial Government:</b>	<b>136,666</b>	<b>17,579</b>	<b>7,145</b>	<b>129,521</b>	<b>5.2%</b>
DRPW (Maintenance of Roads)		7,946		–	
Marine and Coastal Development	923		17	906	1.9%
Housing Title Transfers	8,500	74	90	8,410	1.1%
Eastern Cape Capacity Building Grant	108,033	9,559	7,037	100,995	6.5%
Libraries	19,210			19,210	0.0%
<b>Total Operating Transfers and Grants</b>	<b>2,266,006</b>	<b>1,267,341</b>	<b>1,088,380</b>	<b>1,177,626</b>	<b>48.03%</b>
<b>Capital Transfers and Grants</b>					
<b>National Government:</b>	<b>1,323,561</b>	<b>815,067</b>	<b>398,126</b>	<b>925,435</b>	<b>30.1%</b>
Public Transport Infrastructure	140,412	–	20,792	119,620	14.8%
Urban Settlements Development	559,915	358,461	131,062	428,853	23.4%
Informal Settlements partnership Grant	279,910	207,478	127,735	152,175	45.6%
Flood Relief Grant			40,484	(36,381)	
Energy Efficiency & Demand Side Management	5,661	3,000	–	5,661	0.0%
Regional Bulk Infrastructure	337,662	246,129	38,623	299,039	11.4%
Flood Response Grant			64,049	(64,049)	
				–	
<b>Other grant providers:</b>	<b>43,000</b>	<b>–</b>	<b>16,130</b>	<b>26,870</b>	<b>37.51%</b>
Private Contributions	43,000	–	29,749	13,251	69.2%
				–	
<b>Total Capital Transfers and Grants</b>	<b>1,366,561</b>	<b>815,067</b>	<b>427,871</b>	<b>938,690</b>	<b>31.3%</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>3,632,567</b>	<b>2,082,409</b>	<b>1,516,252</b>	<b>2,116,315</b>	<b>41.74%</b>

1.4.4 As previously reported, the NMBM finalised the raising of an external loan during the 2020/21 financial year, to finance service delivery projects linked to the Water, Sanitation and Electricity services, in the amount of **R750 602 100**. The external borrowing was taken up in 6 tranches, and the last tranche of R 169,165,620 was taken up on 31 January 2023. As at 31 December 2025, the unspent portion of the External Loan from Nedbank amounted to **R1,707,617.39 (Incl VAT)**.

1.4.5 Overdue debts have increased by **R 3,197,631,320** during the 2025/26 financial year. The average collection rate for the 2025/26 financial year to date amounted to 71.61%. The collection rate for the month of December 2025 based on what was billed for November 2025 was 84.8%. As at 31 December 2025, R5,366,394,246 or 69.05% of the R7,493,873,180 revenue billed as at 31 December 2025 was received in cash. The budgeted collection rate of **75%** required that R5,620,404,885 should have been collected during this period, resulting in an under collection of revenue billed to date amounting to approximately **R254,010,639**.

1.4.6 An amount of R991.904 million is owing to Creditors (Trade and Other Payables excluding Bulk Electricity) of which R136.49 million is current creditors (within the 30-Day period and not yet payable or due). Creditors consist of Payments, Accruals and Retentions. Below is a table detailing the amounts included in this figure: -

**TABLE 3: Trade and other payables for the period ending 31 December 2025**

Detail	0 – 30 Days R '000	31-60 days R '000	61 – 90 days R '000	Above 91 days R '000	Total R '000	%
Bulk Electricity	431,507,688	-	-	-	431,507,688	30.32
Bulk Water	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-
Pensions/Retirement deductions	-	-	-	-	-	-
Loan Repayments	-	-	-	-	-	-
Trade Creditors	104,494,878	237,822	9,780,644	15,708,353	130,221,697	9.14
Auditor-General	-	-	-	-	-	-
Other	31,995,229	14,215,365	52,682,430	762,789,556	861,682,580	60.54
Medical Aid Deductions	-	-	-	-	-	-
<b>Total</b>	<b>567,997,795</b>	<b>14,453,187</b>	<b>62,463,074</b>	<b>778,497,909</b>	<b>1,423,411,965</b>	<b>100.00</b>

NB: NMBM's Eskom Bulk Electricity account is not in arrears as per the attached statement of account for this reporting period and the value indicated in Table SC4 comprises of a reconciling item and monthly accrual entry.

It is important to note that the Non-Current Creditors in the amount of R855.414 million contains Developers Contributions and Other deposits (R108,504 million), Creditors Retention (R169.059 million), Upgrading of New Brighton Library (R2.513 million) and Port Elizabeth Land Restitution Project (R2.129 million) that are not due within 30 days or to be paid back within the 2025/26 financial year.

It can be concluded that an amount of **R573.209 million** is due for payment but has been outstanding for a period of longer than 30 Days from the date of the invoice, due to various reasons. The remaining amount of R282.205 million, outstanding for a period of longer than 30 days, is not yet due for payment.

1.4.7 The municipality's investment portfolio has decreased by R318.353 million (8.45%) since June 2025 from R3.768 billion to R3.449 billion and this could have been because of the (i) number of payments that are processed during the period July to August 2025 as

leading up to the conclusion of the prior year annual financial statements (2024/25), (ii) poor debtors' collection rate which also had a material impact on the cash flow position, and (iii) a sign that the municipality may be utilizing the limited reserves to service certain operations, which is not financially sustainable.

- 1.4.8 The cumulative Non-Revenue Water losses for the 2024/25 financial year amounted to 73.741 million kl or 57.62%. The Cumulative Non-Revenue Water losses for the first 5 months of the 2025/26 financial year amounted to 40,864,257 kl or 60.39%.
- 1.4.9 The loss calculations for electricity up to 31 December 2025 were not available at the time of writing this report. The cumulative Electricity losses up to 30 November 2025 amounts to 447,481,749 kWh or an equivalent of R840,506,459.

It is evident that the current strategies to address both water and electricity losses are not yielding positive results, over and above the loan amounting to R750.6 million that was raised by the municipality to address these challenges.

## 1.5 ANALYSING THE OVERDUE CONSUMER DEBTORS AS AT 31 DECEMBER 2025

The analysis below indicates that from 30 June 2025 to 31 December 2025, the overdue debt has increased by **R3,197,631,320** as follows:

**TABLE 4: Overdue Consumer Debtors as at 31 December 2025**

Detail	OVERDUE AMOUNTS		
	June 2025	Dec 2025	Difference
Trade and Other Receivables from Exchange Transactions – Water	9,316,231,825	11,101,117,091	1,784,885,266
Trade and Other Receivables from Exchange Transactions – Electricity	865,756,793	1,005,372,235	139,615,442
Receivables from Non-exchange Transactions - Property Rates	1,833,780,746	2,064,408,825	230,628,079
Receivables from Exchange Transactions - Waste Water Management	1,512,178,329	1,689,316,086	177,137,757
Receivables from Exchange Transactions - Waste Management	742,881,536	826,604,613	83,723,077
Receivables from Exchange Transactions - Property Rental Debtors	61,488,193	64,294,782	2,806,589
Interest on Arrear Debtor Accounts	3,822,318,447	4,566,104,361	743,785,914
Other	438,674,731	473,723,927	35,049,196
<b>Total By Income Source</b>	<b>18,593,310,600</b>	<b>21,790,941,919</b>	<b>3,197,631,320</b>
<b>Debtors Age Analysis By Customer Group</b>			
Organs of State	207,945,308	298,711,404	90,766,097
Commercial	2,313,305,563	2,425,351,959	112,046,396
Households	16,016,183,523	18,788,608,101	2,772,424,578
Other NMBM	55,876,206	278,270,455	222,394,249
<b>Total By Customer Group</b>	<b>18,593,310,600</b>	<b>21,790,941,919</b>	<b>3,197,631,320</b>

The following table provides a detailed analysis of the Debtors' Age Analysis per category, for the period ending 31 December 2025: -

**Debtors' Age Analysis (Inclusive of VAT) as at 31 December 2025**

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total-
<b>Debtors Age Analysis By Income Source</b>									
Trade and Other Receivables from Exchange Transactions - Water	443,929,808	342,076,167	479,801,456	279,792,619	302,958,298	760,368,700	1,393,269,195	7,542,850,655	<b>11,545,046,899</b>
Trade and Other Receivables from Exchange Transactions - Electricity	487,307,547	120,505,939	133,262,254	101,031,770	57,465,080	27,685,335	84,598,582	480,823,276	<b>1,492,679,782</b>
Receivables from Non-exchange Transactions - Property Rates	1,914,364,716	116,681,059	54,157,062	92,563,560	123,838,905	30,214,785	185,695,339	1,461,258,115	<b>3,978,773,541</b>
Receivables from Exchange Transactions - Waste Water Management	116,092,742	68,022,445	58,080,533	46,364,541	43,933,394	37,013,144	195,998,752	1,239,903,277	<b>1,805,408,828</b>
Receivables from Exchange Transactions - Waste Management	51,115,235	29,522,475	15,875,885	18,338,880	20,711,574	12,635,814	85,638,585	643,881,400	<b>877,719,848</b>
Receivables from Exchange Transactions - Property Rental Debtors	4,025,947	2,649,546	372,594	1,125,373	2,514,337	158,718	7,011,257	50,462,957	<b>68,320,729</b>
Interest on Arrear Debtor Accounts	153,411,639	166,839,973	159,226,594	131,558,652	146,728,441	137,970,941	709,619,136	3,114,160,623	<b>4,719,516,000</b>
Other	17,423,012	9,403,078	11,245,535	7,875,014	4,389,235	6,934,188	35,078,115	398,798,762	<b>491,146,939</b>
<b>Total By Income Source</b>	<b>3,187,670,646</b>	<b>855,700,682</b>	<b>912,021,913</b>	<b>678,650,409</b>	<b>702,539,264</b>	<b>1,012,981,625</b>	<b>2,696,908,961</b>	<b>14,932,139,065</b>	<b>24,978,612,565</b>
<b>Debtors Age Analysis By Customer Group</b>									
Organs of State	57,690,010	25,482,828	10,659,088	29,775,886	47,388,454	7,657,328	34,280,734	143,467,086	<b>356,401,414</b>
Commercial	1,336,782,891	168,676,368	183,255,738	109,006,175	97,667,087	28,250,899	250,515,257	1,587,980,435	<b>3,762,134,850</b>
Households	1,730,831,361	613,465,373	675,176,998	483,245,022	495,657,925	965,893,455	2,407,278,179	13,147,891,149	<b>20,519,439,462</b>
Other NMBM)	62,366,384	48,076,113	42,930,089	56,623,326	61,825,798	11,179,943	4,834,791	52,800,395	<b>340,636,839</b>
<b>Total By Customer Group</b>	<b>3,187,670,646</b>	<b>855,700,682</b>	<b>912,021,913</b>	<b>678,650,409</b>	<b>702,539,264</b>	<b>1,012,981,625</b>	<b>2,696,908,961</b>	<b>14,932,139,065</b>	<b>24,978,612,565</b>

It must be noted that the period of 0 to 30 days, represents current accounts and anything greater than 30 days represent arrear accounts. In terms of the above, it can be stated that the arrear debtors' amount to about R21.791 billion (or R24.978 billion – R3.187 billion).

It is important to note that since around May 2024 Budget and Treasury Directorate in conjunction with other service delivery Directorates that include Electricity and Energy have embarked in joint operation (known as Revenue Enhancement Blitz) to attend with mainly businesses that are owing the municipality for services.

## 1.6 THE FINANCIAL IMPACT OF OVERTIME

The overtime worked for the first 6 month of the 2025/26 financial year amounted to R154,714,700. The main Directorates responsible for the overspending are the (i) Water Service, (ii) Safety & Security, (iii) Public Health, and (iv) Sanitation Services.

**TABLE 6: Overtime expenditure for the period 1 July to 31 December 2025.**

Directorate	2026 Budget	2026 Virements	2026 Actuals	Projection
Budget & Treasury	8,860,780	2,260,000	4,426,570	13,009,927
Chief Operating Officer	2,378,030	-565,000	592,078	2,365,277
Corporate Services	9,143,190	-76,290	3,282,998	8,841,085
Economic Development, Tourism & Agriculture	385,900		158,575	380,579
Electricity & Energy	69,077,020		25,299,281	63,430,774
Human Settlements	896,870	2,181,240	296,970	3,305,557
Infrastructure & Engineering Unit - Rate and General	10,923,700		2,010,355	9,617,852
Metro Water Service	37,150,030	-113,000	21,849,227	52,460,915
Municipal Manager	192,950		110,229	264,549
Office of the Executive Mayor	854,670	150,000	519,940	1,314,325
Public Health	30,909,110	830,470	15,361,066	37,282,240
Recreational & Cultural Services	10,716,380	3,476,380	4,503,857	14,709,347
Safety & Security	125,393,480	160,000	61,979,316	149,655,218
Sanitation - Metro	32,308,050	576,540	14,308,062	38,377,519
Special Projects and Programmes			16,177	38,826
<b>Grand Total</b>	<b>339,190,160</b>	<b>8,880,340</b>	<b>154,714,700</b>	<b>395,053,989</b>

Management within the affected Directorates will have to make concerted efforts to monitor the work programmes of employees to ensure that Overtime spending is curtailed.

**TABLE 7: Historic Overtime expenditure trends from 2017/18 to 2024/25**

Directorate	2017/2018 Actuals	2018/2019 Actuals	2019/2020 Actuals	2020/2021 Actuals	2021/2022 Actuals	2022/2023 Actuals	2023/2024 Actuals	2024/2025 Actuals
Infrastructure & Engineering R&G	4,317,024	6,247,465	5,349,645	7,781,651	8,054,250	9,693,501	10,348,310	6,355,367
Human Settlements	430,116	942,996	734,493	522,384	550,583	831,766	1,194,328	2,602,911
Public Health	20,781,046	27,247,273	24,848,033	30,955,479	37,847,153	37,213,127	40,586,874	38,852,920
Sport, Rec, Arts & Culture	6,207,957	9,206,181	7,858,502	4,700,056	8,458,916	10,601,282	14,310,731	16,926,914
<b>Safety &amp; Security</b>	<b>45,617,891</b>	<b>76,720,540</b>	<b>112,333,008</b>	<b>128,459,967</b>	<b>108,843,218</b>	<b>107,835,094</b>	<b>149,728,791</b>	<b>159,838,562</b>
Economic Dev, Tourism & Agri	568,589	640,741	802,378	668,259	472,287	675,650	1,324,153	418,884
Corporate Services	5,113,737	6,815,851	5,112,714	3,857,871	6,400,590	7,674,515	7,312,430	7,271,882
Budget & Treasury	7,913,218	9,404,412	7,576,136	4,514,354	6,249,574	6,949,565	7,335,618	9,586,026
Executive Mayor	435,847	307,970	420,580	358,220	544,583	412,059	893,557	1,113,589
Sanitation	16,154,418	19,237,423	24,073,918	26,278,028	29,265,055	36,340,236	40,947,849	40,697,648
Water	21,441,984	29,397,881	37,399,119	44,233,144	44,413,757	46,907,391	50,765,942	51,725,730
Municipal Manager	183,014	237,847	279,305	173,723	197,671	157,383	204,246	295,131
Electricity & Energy	25,209,115	35,465,323	41,720,359	50,381,141	56,910,684	80,896,565	92,641,006	78,002,423
Chief Operating Officer	252,894	677,398	386,227	1,515,504	903,439	1,225,940	1,201,055	1,525,182
Spec Proj and Programmes	97,673	230,027	119,170	14,705	33,309	43,225	65,920	46,898
<b>Grand Total</b>	<b>154,724,523</b>	<b>222,779,330</b>	<b>269,013,587</b>	<b>304,414,486</b>	<b>309,145,069</b>	<b>347,457,300</b>	<b>418,860,811</b>	<b>415,213,171</b>
<b>Percentage Increase</b>		<b>43.98%</b>	<b>20.75%</b>	<b>13.16%</b>	<b>1.55%</b>	<b>12.39%</b>	<b>20.55%</b>	<b>-0.87%</b>

As indicated previously there was a reduction in actual overtime payments from 2017 to 2018 which was the direct result of a new Overtime Policy that was implemented at the time for a period of 2 months only, and subsequently withdrawn as a result of a moratorium placed by Council on the implementation of that policy. As reported in the previous financial year/s, considering the extent of overspending, the conclusion of the outstanding Overtime Policy in line with the relevant legislation, by the Corporate Services and Human Resources Standing Committee is long overdue. The fact that there is no guiding policy dealing with this matter, poses a significant financial risk for the institution, as previously also raised during the budget assessments and or mid-term financial reviews by National Treasury.

**1.7 VARIOUS FINANCIAL RATIOS**

The following financial ratios are monitored on an ongoing basis:

**TABLE 8: Various ratios vs. targeted ratios for the 2025/26 financial year**

Ratio	Actual 2016/17	Actual 2017/18	Actual 2018/19	Actual 2019/20	Actual 2020/21	Restate 2021/22	Audit 2022/23	Audit 2023/24	June 2024/25	December 2025	Targets
Current Ratio	1.63:1	1.73:1	1.85:1	2.12:1	2.14:1	2.14:1	2.41:1	2.31:1	2.17:1	2.18:1	2.20:1
Liquidity Ratio	0.70:1	0.92:1	1.05:1	1.01:1	1.19:1	1.29:1	1.27:1	1.22:1	1.10:1	1.09:1	1.15:1
Average Debtors' Collection Rate	94.3%	93.1%	94.7%	83.4%	85.5%	76.16%	63.31%	75.62%	71.07%	71.61%	75.00%
Creditors' payment Rate (i.e., 30 Days on Receipt of Invoice)	33 days	43 days	44 days	50 days	59 days	72 days	59 days	61 days	46 days	43 days	30 days
Cost Coverage (excluding unspent conditional grants)	2.20 months	3.18 months	3.64 months	4.00 months	4.84 months	5.24 months	5.24 months	4.08 months	2.54 months	59.67 days	2.76 months
Debt servicing costs to Operating Revenue Ratio	2.78%	2.40%	2.17%	1.96%	1.91%	2.33%	1.97%	1.92%	1.68%	0.66%	1.36%

**1.7.1. Collection Rate as recorded above:**

It must be noted that the adjusted budgeted collection rate for the 2025/26 financial year was set at 75%. The average collection rate for the 2025/26 financial year to date amounted to 71.61%. The collection rate for the month of December 2025 based on what was billed for November 2025 was 84.80%. A lot is required to be done to improve this situation. As National Treasury advised during the latest Mid Term visit the city also require embarking on benchmark exercises with best performing cities to learn from best practices.

**1.7.2. Creditor's Payment Rate**

The main factors influencing the December 2025 payment days are the following:

The National Treasury target has been set at 30 days from the date when the invoice has been received. By using the receipt date of the invoice, as recorded by the Directorate, the number of days taken to pay creditors during the quarter is as follows:

- October 2025 – 47 days
- November 2025 – 58 days
- December 2025 - 43 days

The results above indicate that the Creditors' payment days were not met for the period of July 2025 to December 2025.

The December payment day's results of the NMBM are attributed to late payments that were made to supplier Sizwe Afrika IT Group which were paid in excess of 560 days from the Date of Receipt of invoice. The late payment reason recorded by the Corporate Services Directorate is "No Funds".

It remains the responsibility of each Directorate to ensure that Invoices are received and processed relating to service delivery within their Directorate.

During December the number of days to process documentation has increased significantly from November for the following Directorates:

<b>Directorate</b>	<b>No. of Days (December)</b>
Chief Operating Officer	118.13
Corporate Services	213.24
Water Services	64.93
Recreational and Cultural Services	40.26

The above results for the Chief Operating Officer Directorate are attributed to late payments that were made to various legal services which were approved in excess of 40 days from the Date of invoice. The late payment reason recorded by the Directorate is “RECEIVED FOR PROCESSING IN OCTOBER 2025 “.

The above results of the Budget & Treasury Directorate are attributed to late payments that were made to supplier DR F.J VAN AARDE INC and DR JIK NIAZI which were approved in excess of 500 days from the Date of Invoice. The late payment reason recorded by the Directorate is “Invoice Delayed.”.

The above results for the Water Services Directorate are attributed to late payments that were made to supplier Gap Management which were approved in excess of 40 days from the Date of invoice. The late payment reason recorded by the Directorate is “INSUFFICIENT FUNDS”.

The above results for the Safety & Recreational and Cultural Directorate are attributed to late payments for supplier METSI WATER SOLUTIONS which were approved in excess of 1700 days from the Date of Invoice. The late payment reason recorded by the Directorate is “late invoice”.

All Directorates who encounter delays in receiving Invoices from Suppliers should address this with the respective Supplier(s) as the resultant late payments may be attributed to the NMBM and punitive action against the NMBM may be initiated by the Supplier(s). The punitive action taken against the NMBM may also include (i) possible litigation and or (ii) interest charged by service providers on arrear or long outstanding invoices.

It must be noted that the level of the Creditors payment rate is due to various reasons, which can only be analysed on an invoice-by-invoice basis and per Directorate. In certain cases, it could be due to insufficient budget and compliance issues that may have not been properly addressed, such as proper authorities prior to committing the municipality to avoid unauthorised, irregular, and fruitless and wasteful expenditure (UIFW-E). Section 78(1)(c) of the Local Government: Municipal Finance Management Act (MFMA) (Act 56 of 2003) is instructive to senior managers and all officials dealing with the financial resources of the municipality in avoiding causing the incurrence of the UIFW-E.

The approach that has been implemented by Budget and Treasury Directorate is to write to Directorates requesting explanations for the delay in the payment of invoices, as well as ensuring that a report dealing with the payment of Creditors is tabled at EXCO as well as the Budget and

Treasury Standing Committee. It is also important to note that payments to creditors can only be based on **goods received** and **services rendered** as pre-payments are against the MFMA.

## **2 DETAILED REPORTS ATTACHED AS ANNEXURES TO THIS REPORT**

To comply with “Schedule C” of the Municipal Budget and Reporting Regulations (No. 32141 dated 17 April 2009) the following detailed schedules for the period ending 31 December 2025 are attached:

**Annexure “A1”** – Operating Revenue and Expenditure Performance: This Annexure illustrates the Operating Performance position for the reporting period. It answers the question of how the revenue as at the end of the reporting month compares to the expenditure for the same period.

**Annexure “A2”** – Capital Budget Performance: This Annexure gives the position of the Capital Budget for the reporting period. In total about 27.02% of the Consolidated Capital Budget of R2.091 billion has been incurred as at the end of December 2025. Some of the reasons that may have resulted in this position are disclosed elsewhere in this report.

**Annexure “A2(i)”** – Capital Expenditure Report. This Annexure show the detail of all Capital Projects per Directorate indicating the Budget, any amendments, expenditure up to 30 November 2025 as well as the funding source for each project.

**Annexure “A3”** – Projected Cash Flow Statement: This Annexure illustrates the inflows and outflows of Cash for the period ending 31 December 2025.

**Annexure “A4”** – Consolidated Budget Tables (incl. MBDA figures): This Annexure illustrates the financial position of NMBM for the reporting period including the financial records of the municipal entity.

**Annexure “A5”** – Analysis of Municipality’s Balance Sheet: This Annexure details the balance sheet items including:

- i. Outstanding Consumer Debtors
- ii. Overview of Creditors position
- iii. Investment portfolio
- iv. Grants receipts and Expenditure
- v. Councillor & Officials allowances & benefits.
- vi. Key performance Indicators

**Annexure “A6”** – MBDA’s Monthly Report & Budget Tables: This Annexure contains the tables for the MBDA (municipal entity) for the reporting period.

## **RECOMMENDATION**

- a) That the Budget & Treasury Standing Committee **NOTES** the Municipality’s consolidated (including the Entity) financial report as at 31 December 2025 Budget statement, prepared in line with Sections 71 and Section 52 of the Municipal Finance Management Act (MFMA) 56 of 2003. of the MFMA.

## OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE 2025/26 FINANCIAL YEAR AS AT 31<sup>st</sup> DECEMBER 2025

Below is an analysis of the operating revenue and expenditure performance compared to the approved 2025/26 Original Operating Budget.

Description	Budget Year 2025/26		
	Original Budget	Year TD actual	% Achieved
<b>R thousands</b>			
<b>Revenue</b>			
<b>Exchange Revenue</b>			
Service charges - Electricity	6,464,349	3,143,597	48.63%
Service charges - Water	2,983,123	1,272,264	42.65%
Service charges - Waste Water Management	817,519	439,911	53.81%
Service charges - Waste management	348,080	173,333	49.80%
Sale of Goods and Rendering of Services	114,371	45,547	39.82%
Agency services	4,255	2,090	49.12%
Interest	-	-	0.00%
Interest earned from Receivables	1,106,615	793,383	71.69%
Interest from Current and Non-Current Assets	291,739	116,359	39.88%
Dividends	-	-	0.00%
Rent on Land	-	-	0.00%
Rental from Fixed Assets	42,603	23,632	55.47%
Licence and permits	21,319	10,592	49.68%
Special rating levies	-	-	0.00%
Operational Revenue	29,273	22,738	77.67%
<b>Non-Exchange Revenue</b>			
Property rates	3,299,358	3,339,053	101.20%
Surcharges and Taxes	-	-	0.00%
Fines, penalties and forfeits	67,973	41,039	60.38%
Licence and permits	1	-	0.00%
Transfers and subsidies - Operational	2,944,497	1,628,334	55.30%
Interest	158,695	45,429	28.63%
Fuel Levy	861,978	-	0.00%
Operational Revenue	-	-	0.00%
Gains on disposal of Assets	-	2,378	0.00%

## Annexure “A1”

Description	Budget Year 2025/26		
	Original Budget	Year TD actual	% Achieved
Other Gains	–	–	0.00%
Discontinued Operations	–	–	0.00%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>19,555,749</b>	<b>11,099,681</b>	<b>56.76%</b>
<b>Expenditure By Type</b>			
Employee related costs	4,886,977	2,051,764	41.98%
Remuneration of councillors	98,334	41,909	42.62%
Bulk purchases - electricity	7,277,226	3,668,924	50.42%
Inventory consumed	510,815	129,401	25.33%
Debt impairment	1,946,427	31	0.00%
Depreciation and amortisation	1,051,415	524,922	49.93%
Interest	72,173	22,581	31.29%
Contracted services	1,659,963	447,011	26.93%
Transfers and subsidies	94,962	91,852	96.73%
Irrecoverable debts written off	726,946	(61,766)	-8.50%
Operational costs	821,988	379,951	46.22%
Losses on Disposal of Assets	–	–	0.00%
Other Losses	385,921	–	0.00%
<b>Total Expenditure</b>	<b>19,533,147</b>	<b>7,296,580</b>	<b>37.35%</b>

Below is a discussion of the significant revenue and expenditure variations:

The statement of financial performance should not be viewed in isolation from the cash flow statement and the cash flow forecast as discussed in **Annexure A3**.

## Annexure “A1”

### Revenue Variations

#### Property Rates

Property rates raised constitutes 101.20% of the approved budget.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Non-Exchange Revenue / Property rates</b>	<b>-3,299,358,360</b>	<b>- 3,339,053,180</b>	<b>-39,694,820</b>	<b>101.20%</b>
Agricultural Properties	-3,487,150		3,487,150	0.00%
Business and Commercial Properties	-1,041,540,250		1,041,540,250	0.00%
Industrial Properties	- 313,493,820		313,493,820	0.00%
Mining Properties	- 295,620		295,620	0.00%
Public Benefit Organisations	-2,382,200		2,382,200	0.00%
Public Service Infrastructure Properties	- 13,301,740		13,301,740	0.00%
Public Service Purposes Properties	- 216,085,150		216,085,150	0.00%
Residential Properties	-1,591,404,350	- 3,331,124,501	-1,739,720,151	209.32%
Residential Sectional Title Garages	-8,159,250	- 7,928,679	230,571	97.17%
Vacant Land	- 109,208,830		109,208,830	0.00%

The Property Rates will steadily decrease monthly due to the cost of ATTP that is regarded as revenue foregone.

Service Charges

It appears that the trends for Water, Sanitation (Wastewater) and Refuse (Waste) Services reflect lower than anticipated revenue trends.

## Annexure "A1"

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Exchange Revenue: Service Charges: Electricity</b>	<b>-6,464,349,080</b>	<b>- 3,143,597,163</b>	<b>3,320,751,917</b>	<b>48.63%</b>
Availability Charges	-73,068,380	-36,595,296	36,473,084	50.08%
Connection/Reconnection: Connections New: Non-government Housing	-3,029,240	- 2,974,301	54,939	98.19%
Electricity Sales: Commercial Conventional (3-Phase)	- 248,066,440	-111,498,612	136,567,828	44.95%
Electricity Sales: Commercial Prepaid	-77,186,000		77,186,000	0.00%
Electricity Sales: Domestic High: Prepaid	-1,586,858,700	-766,670,809	820,187,891	48.31%
Electricity Sales: Domestic Low: Domestic Indigent	-19,881,590	-24,121,142	- 4,239,552	121.32%
Electricity Sales: Domestic Low: Prepaid	- 169,321,070	-62,094,520	107,226,550	36.67%
Electricity Sales: Industrial more than (11 000 Volts) (High Voltage)	-22,684,250	-109,303,270	-86,619,020	481.85%
Electricity Sales: Industrial (400 Volts) (Low Voltage)	- 548,814,790	-190,719,253	358,095,537	34.75%
Electricity Sales: Time of Use Tariffs	-3,715,158,930	-1,839,484,853	1,875,674,077	49.51%
Joint Pole Usage	-28,040	- 12,432	15,608	44.34%
Meter Compliance Testing	-241,320	-120,435	120,885	49.91%
Meter Reading Fees	-10,330	- 2,239	8,091	21.68%
<b>Exchange Revenue: Service Charges: Waste Management</b>	<b>- 348,079,880</b>	<b>-173,332,977</b>	<b>174,746,903</b>	<b>49.80%</b>
Refuse Removal	- 330,584,360	-163,784,902	166,799,458	49.54%
Waste Bins	-17,495,520	- 9,548,075	7,947,446	54.57%
<b>Exchange Revenue: Service Charges: Wastewater Management</b>	<b>- 817,519,140</b>	<b>-439,911,452</b>	<b>377,607,688</b>	<b>53.81%</b>
Availability Charges	- 237,514,160	-120,956,060	116,558,100	50.93%
Connection/Reconnection		- 1,345,776	- 1,345,776	0.00%
Higher Level Service	-88,720,470	-63,443,677	25,276,793	71.51%
Industrial Effluent	-36,191,180	-20,744,907	15,446,273	57.32%
Industrial Wastewater	-66,978,450	-16,995,937	49,982,513	25.38%
Sanitation Charges	- 388,114,880	-216,425,095	171,689,785	55.76%
<b>Exchange Revenue: Service Charges: Water</b>	<b>-2,983,123,300</b>	<b>-1,272,264,047</b>	<b>1,710,859,253</b>	<b>42.65%</b>
Agricultural and Rural Water Service	-47,427,510	-21,080,181	26,347,329	44.45%
Availability Charges	- 244,395,700	-124,331,269	120,064,431	50.87%
Connection/Disconnection	-7,171,840	- 3,566,483	3,605,357	49.73%
Industrial Water	- 245,789,480	-143,481,981	102,307,499	58.38%
Sale: Conventional	208,578,820	108,210,025	-100,368,795	51.88%
Sale: Flat Rate	-3,325,170	- 1,630,645	1,694,525	49.04%
Urban Higher-Level Service	-2,643,592,420	-1,086,383,513	1,557,208,907	41.09%

-Interest Earned – External Investments

The interest earned represents the cash received in respect of investments that have matured during the 2025/26 financial year. Interest earnings are influenced by the extent of the municipality’s investment portfolio.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Exchange Revenue / Interest earned from Current and Non-Current Assets</b>	-291,738,690	-115,649,272	176,089,418	39.64%
Short Term Investments and Call Accounts	- 291,738,690	-115,649,272	176,089,418	39.64%

Rental of Facilities and Equipment

Rentals of facilities and equipment are higher than anticipated in the 2025/26 Budget. It is however important that all the Metro’s asset management structures ensure that all possible rentals be raised/ billed and that rental agreements are maintained at market related prices.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Exchange Revenue / Rental from Fixed Assets</b>	<b>- 42,603,190</b>	<b>- 22,849,626</b>	<b>19,753,564</b>	<b>53.63%</b>
Market Related: Property Plant and Equipment: Ad-hoc rentals: Community Assets	-481,000	-221,694	259,306	46.09%
Non-market Related: Investment Property: Ad-hoc rentals	- 4,671,330	- 2,488,306	2,183,024	53.27%
Non-market Related: Investment Property: Straight-lined Operating	- 12,564,000	- 6,579,312	5,984,688	52.37%
Non-market Related: Property Plant and Equipment: Ad-hoc rentals: Community Assets	- 13,354,980	- 7,353,604	6,001,376	55.06%
Non-market Related: Property Plant and Equipment: Ad-hoc rentals: Furniture and Office Equipment	- 3,150	- 4,687	-1,537	148.79%
Non-market Related: Property Plant and Equipment: Ad-hoc rentals: Machinery and Equipment	-130,440	-110,451	19,989	84.68%
Non-market Related: Property Plant and Equipment: Ad-hoc rentals: Other Assets	- 2,200,000	- 1,714,558	485,442	77.93%
Non-market Related: Property Plant and Equipment: Ad-hoc rentals: Solid Waste Infrastructure	- 5,403,820	- 3,323,289	2,080,531	61.50%
Non-market Related: Property Plant and Equipment: Straight-lined Operating: Community Assets	- 9,520	- 6,555	2,965	68.86%
Non-market Related: Property Plant and Equipment: Straight-lined Operating: Electrical Infrastructure	- 16,520	- 7,882	8,638	47.71%
Non-market Related: Property Plant and Equipment: Straight-lined Operating: Machinery and Equipment		- 1,073	-1,073	0.00%
Non-market Related: Property Plant and Equipment: Straight-lined Operating: Other Assets	- 3,448,430	-859,905	2,588,525	24.94%
Non-market Related: Property Plant and Equipment: Sub-lease Payment: Roads Infrastructure	-320,000	-178,310	141,690	55.72%

## Annexure “A1”

### Interest Earned: Outstanding Debtors

Interest Earned on Outstanding Debtors is higher than anticipated in the 2025/26 Operating Budget due to escalating Outstanding Debtors.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Exchange Revenue: Interest, Dividend and Rent on Land</b>	<b>-1,106,615,350</b>	<b>- 793,133,902</b>	<b>313,481,448</b>	<b>71.67%</b>
Interest: Receivables: Electricity	-93,279,110	- 583,976,470	-490,697,360	626.05%
Interest: Receivables: Housing Land Sales		-10,413	- 10,413	0.00%
Interest: Receivables: Waste Management	-83,359,430	-13,966,491	69,392,939	16.75%
Interest: Receivables: Wastewater Management	- 171,490,960	-28,270,828	143,220,132	16.49%
Interest: Receivables: Water	- 758,485,850	- 166,909,701	591,576,149	22.01%
<b>Non-exchange Revenue: Interest</b>	<b>- 158,694,720</b>	<b>-45,429,299</b>	<b>113,265,421</b>	<b>28.63%</b>
Interest: Receivables: Property Rates	- 158,694,720	-45,429,299	113,265,421	28.63%

### Fines

The total fines raised as at 31st December 2025 was R41.039 million or 60.38.%, compared to the 2025/26 Budget of R67.973 million.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Non-exchange Revenue: Fines, Penalties and Forfeits</b>	<b>- 67,972,940</b>	<b>- 41,039,292</b>	<b>26,933,648</b>	<b>60.38%</b>
Fines: Illegal Connections	-2,272,180	- 612,180	1,660,000	26.94%
Fines: Law Enforcement	-3,000		3,000	0.00%
Fines: Overdue Books Fine	- 289,060	-30,595	258,465	10.58%
Fines: Pound Fees	- 444,470	-60,913	383,557	13.70%
Fines: Traffic: Municipal	- 10,567,350	-6,831,731	3,735,619	64.65%
Fines: Traffic: Service Provider	- 19,688,730	- 26,705,761	-7,017,031	135.64%
Forfeits: Unclaimed Money		- 349,646	- 349,646	0.00%
Penalties: Disconnection Fees	- 34,708,150	-6,448,465	28,259,685	18.58%

## Annexure “A1”

### Licences or Permits

The total Licences or Permits revenue collected as at 31 December 2025 was R10.592 million or 49.68% compared to the 2025/26 Budget of R21.319 million.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Exchange Revenue: Licences or Permits</b>	<b>-21,319,060</b>	<b>-10,592,219</b>	<b>10,726,841</b>	<b>49.68%</b>
Boat	-472,610	-195,524	277,086	41.37%
Fauna and Flora	-350,000	-283,108	66,892	80.89%
Health Certificates	-570,650	-199,195	371,455	34.91%
Road and Transport: Drivers Licence Application/Duplicate Drivers Licences	- 2,688,910	- 1,275,121	1,413,789	47.42%
Road and Transport: Drivers Licence Certificate	- 9,049,210	- 4,883,033	4,166,177	53.96%
Road and Transport: Learner Licence Application	- 4,109,830	- 2,540,383	1,569,447	61.81%
Road and Transport: Learners Certificate	- 1,378,790	-221,170	1,157,620	16.04%
Road and Transport: Operators and Public Drivers Permits	- 1,882,700	-624,723	1,257,977	33.18%
Trading	-816,360	-369,961	446,399	45.32%
<b>Non-exchange Revenue: Licences or Permit</b>	<b>- 1,050</b>	<b>-354</b>	<b>696</b>	<b>33.71%</b>
Dog	- 1,050	-354	696	33.71%

## Annexure “A1”

### Grants and Subsidies received.

The table below reflects the unspent portions of the respective grants:

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Non-Exchange Revenue / Transfer and subsidies - Operational</b>	<b>-2,944,497,070</b>	<b>-1,628,334,300</b>	<b>1,316,162,770</b>	<b>55.30%</b>
Departmental Agencies and Accounts: National Departmental Agencies: Local Government, Water and Related Service SETA	- 13,065,580	-3,368,544	9,697,036	25.78%
Departmental Agencies and Accounts: National Departmental Agencies: Marine Living Resources Fund	- 923,230	-17,191	906,039	1.86%
Departmental Agencies and Accounts: National Departmental Agencies: South Africa Revenue Service (SARS)	- 682,491,030		682,491,030	0.00%
National Governments: Energy Efficiency and Demand Side Management Grant	-1,339,130	- 367,632	971,498	27.45%
National Governments: Expanded Public Works Programme Integrated Grant	-2,457,000	- 325,740	2,131,260	13.26%
National Governments: Infrastructure Skills Development Grant	-8,900,000	-3,146,420	5,753,580	35.35%
National Governments: Integrated Urban Development Grant	- 48,800,000		48,800,000	0.00%
National Governments: Local Government Financial Management Grant	-1,000,000	- 464,189	535,811	46.42%
National Governments: Metro Informal Settlements Partnership Grant	- 97,976,540	- 15,279,036	82,697,504	15.59%
National Governments: Programme and Project Preparation Support Grant			-	0.00%
National Governments: Public Transport Network Grant	- 157,813,300	- 21,893,031	135,920,269	13.87%
National Governments: Regional Bulk Infrastructure Grant	- 52,337,660		52,337,660	0.00%
National Governments: Urban Settlement Development Grant	- 103,901,800	-1,422,966	102,478,834	1.37%
National Revenue Fund: Equitable Share	- 1,637,749,000	- 1,562,360,000	75,389,000	95.40%
Provincial Government: Eastern Cape: Capacity Building and Other: Specify (Add grant description)	- 135,742,800	- 19,689,551	116,053,249	14.51%
Provincial Government: Eastern Cape: Infrastructure: Specify (Add grant description)			-	0.00%

**The Fuel Levy in the amount of R287,326,000 was received in September 2025, but was receipted against the Equitable Share. Therefore, the financial records have overstated the Equitable Share above and understated the Fuel Levy below by an amount of R287,326,000.**

### Fuel Levy

Fuel Levy is defined as a non-exchange other revenue source and was received as follows:

## Annexure “A1”

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Non-Exchange Revenue / Fuel Levy</b>	<b>-861,978,000</b>		<b>861,978,000</b>	<b>0.00%</b>
Fuel Levy (RSC Replacement Grant)	-861,978,000		861,978,000	0.00%

The Fuel Levy in the amount of R287,326,000 was included in the Equitable Share

### **Sale of Goods and Rendering of Services**

The variances are reflected in the table below.

## Annexure "A1"

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Exchange Revenue: Sales of Goods and Rendering of Services</b>	<b>- 114,371,030</b>	<b>- 45,547,173</b>	<b>68,823,857</b>	<b>39.82%</b>
Academic Services: Formal Training	-1,717,310	- 625,123	1,092,187	36.40%
Advertisements	-2,542,200	-2,060,789	481,411	81.06%
Building Plan Approval	-8,600,000	-5,653,793	2,946,207	65.74%
Buyers Card	-145,300	-20,365	124,935	14.02%
Camping Fees	-10,000		10,000	0.00%
Cemetery and Burial	-12,271,890	-4,253,370	8,018,520	34.66%
Cleaning and Removal	-151,700	-54,927	96,773	36.21%
Clearance Certificates	-1,977,930	- 782,502	1,195,428	39.56%
Computer Services	-74,300	-25,385	48,915	34.17%
Drainage Fees		- 168,928	- 168,928	0.00%
Encroachment Fees	-440,000	- 403,229	36,771	91.64%
Entrance Fees	-9,624,730	- 197,874	9,426,856	2.06%
Escort Fees	-937,310	-1,637,462	- 700,152	174.70%
Fire Services	-97,760	-44,348	53,412	45.36%
Laboratory Services	-418,800	- 187,497	231,303	44.77%
Legal Fees	-48,741,530	- 21,125,813	27,615,717	43.34%
Parking Fees	-14,310	-11,606	2,704	81.10%
Photocopies, Faxes and Telephone charges	-64,800	-28,614	36,186	44.16%
Removal of Restrictions	-1,900,000	-1,643,464	256,536	86.50%
Sale of Goods: Agricultural Products: Nursery Sale of Plants		-7,277	- 7,277	0.00%
Sale of Goods: Assets < Capitalisation Threshold		- 185,472	- 185,472	0.00%
Sale of Goods: Publications: Charts/Posters	-6,900	-63	6,837	0.92%
Sale of Goods: Publications: Prints	-130,330	-59,861	70,469	45.93%
Sale of Goods: Publications: Tender Documents	-1,889,690	- 513,788	1,375,902	27.19%
Sale of Goods: Sub-division and Consolidation Fees	-2,033,190		2,033,190	0.00%
Scrap, Waste & Other Goods: Recycling of Waste	-8,899,500	-3,447,061	5,452,439	38.73%
Scrap, Waste & Other Goods: Scrap	-492,050	- 289,409	202,641	58.82%
Transport Fees	-10,798,350	-2,086,139	8,712,211	19.32%
Valuation Services	-378,540	-33,012	345,528	8.72%
Weighbridge Fees	-12,610		12,610	0.00%

**Other Operational Revenue**

The variances are reflected in the table below.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Exchange Revenue: Operational Revenue</b>	<b>-29,273,460</b>	<b>-17,502,198</b>	<b>11,771,262</b>	<b>59.79%</b>
Administrative Handling Fees	- 1,200		1,200	0.00%
Breakages and Losses Recovered	- 16,000	- 3,625	12,375	22.66%
Commission: Transaction Handling Fees	-17,608,100	- 4,601,143	13,006,957	26.13%
Discounts and Early Settlements	- 4,359,290	- 4,293,685	65,605	98.50%
Incidental Cash Surpluses	- 28,570	- 91,312	- 62,742	319.61%
Inspection Fees: Statutory Services	- 3,600,000	- 2,413,241	1,186,759	67.03%
Insurance Refund	- 40,940	-592,471	-551,531	1447.17%
Merchandising, Jobbing and Contracts	- 1,400,000		1,400,000	0.00%
Recovery Maintenance	- 17,280	-112,081	- 94,801	648.62%
Registration Fees: Road and Transport	-217,380	- 62,007	155,373	28.52%
Request for Information: Access to Information Act	- 76,120	-129,003	- 52,883	169.47%
Request for Information: Accident Reports	-425,090	-122,582	302,508	28.84%
Request for Information: Duplicate IRP 5 Certificate		- 125	- 125	0.00%
Request for Information: Municipal Information and Statistics	- 16,000		16,000	0.00%
Request for Information: Plan Printing and Duplicates	- 600		600	0.00%
Sale of Property	- 24,000	- 4,525,733	- 4,501,733	18857.22%
Staff and Councillors Recoveries	- 1,442,890	-555,190	887,700	38.48%

**Expenditure Variations:**

## Annexure “A1”

### Employee Related Costs

The Operating Budget for Employee Related Costs amount to R4.887 billion for the 2025/26 financial year. The expenditure to date amounts to R2.025 million or 41.43% of the budgeted amount.

Row Labels	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Expenditure / Employee related costs</b>	<b>4,886,976,530</b>	<b>2,024,756,574</b>	<b>- 2,862,219,956</b>	<b>41.43%</b>
Board Members of Entities: Designation: Salaries and Allowances: Basic Salary	1,300,000		- 1,300,000	0.00%
<b>Municipal Staff: Post-retirement Benefit: Pension: Current Service Cost</b>	<b>16,833,730</b>		<b>- 16,833,730</b>	<b>0.00%</b>
<b>Salaries, Wages and Allowances</b>				
Allowances: Cellular and Telephone	1,720	786	- 934	45.70%
Allowances: Housing Benefits and Incidental: Essential User	32,988,990	14,103,989	- 18,885,001	42.75%
Allowances: Housing Benefits and Incidental: Housing Benefits	16,967,400	8,142,224	- 8,825,176	47.99%
Allowances: Non-pensionable	1,255,730	428,279	- 827,451	34.11%
Allowances: Service-Related Benefits: Acting and Post Related Allowances	143,940	8,533,248	8,389,308	5928.34%
Allowances: Service-Related Benefits: Bonus	184,689,960	164,167,168	- 20,522,792	88.89%
Allowances: Service-Related Benefits: Leave Pay	9,291,090		- 9,291,090	0.00%
Allowances: Service-Related Benefits: Long Service Award: Current Service Cost	151,495,780	66,438,482	- 85,057,298	43.86%
Allowances: Service-Related Benefits: Overtime: Night Shift	24,508,050	9,320,084	- 15,187,966	38.03%
Allowances: Service-Related Benefits: Overtime: Non-Structured	285,614,220	136,983,038	- 148,631,182	47.96%
Allowances: Service-Related Benefits: Overtime: Shift Additional Remuneration	27,717,930	11,112,801	- 16,605,129	40.09%
Allowances: Service-Related Benefits: Overtime: Structured	53,575,940	17,731,662	- 35,844,278	33.10%
Allowances: Service-Related Benefits: Scarcity Allowance	5,670	2,742,449	2,736,779	48367.71%
Allowances: Service-Related Benefits: Standby Allowance	45,268,490	18,019,922	- 27,248,568	39.81%
Allowances: Service-Related Benefits: Uniform/Special/Protective Clothing	2,150	985	- 1,165	45.80%
Allowances: Travel or Motor Vehicle	95,740,840	43,025,628	- 52,715,212	44.94%
Basic Salary and Wages	3,139,197,270	1,145,953,078	- 1,993,244,192	36.50%
Bonuses	46,753,270	22,045,658	- 24,707,612	47.15%
<b>Social Contributions</b>				
Bargaining Council	901,160	431,899	- 469,261	47.93%
Group Life Insurance	38,449,100	17,788,398	- 20,660,702	46.26%
Medical	231,734,540	113,223,021	- 118,511,519	48.86%
Pension	435,088,300	211,076,010	- 224,012,290	48.51%

## Annexure “A1”

Row Labels	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Unemployment Insurance	14,296,790	6,543,273	- 7,753,517	45.77%
<b>Senior Management: Chief Financial Officer</b>				
Salaries and Allowances: Basic Salary	3,121,050	1,653,293	- 1,467,757	52.97%
Salaries and Allowances: Bonuses	370,010		- 370,010	0.00%
Social Contributions: Unemployment Insurance	3,160		- 3,160	0.00%
<b>Senior Management: Designation</b>				
Salaries and Allowances: Basic Salary	22,871,690	3,951,565	- 18,920,125	17.28%
Salaries and Allowances: Bonuses	2,673,580		- 2,673,580	0.00%
Social Contributions: Unemployment Insurance	23,540	3,365	- 20,175	14.30%
<b>Senior Management: Municipal Manager (MM)</b>				
Salaries and Allowances: Basic Salary	3,621,540	1,335,209	- 2,286,331	36.87%
Salaries and Allowances: Bonuses	468,720		- 468,720	0.00%
Social Contributions: Unemployment Insurance	1,180	1,063	- 117	90.06%

The variance is due to certain allowances such as Overtime, Acting Allowance and Incentive Bonuses that are paid one month in arrears. Contributions to Post Retirement benefits and Leave Pay provision are only processed as at the close of the financial year as it relies on actuarial reports and the information as applicable as at 30 June of each financial year.

The overtime paid for the period July 2025 to December 2025 amounted to R154,714,700. The main Directorates responsible for the overspending are the Safety and Security, Water Service and Sanitation and Public Health and Human Settlements Directorates.

Description	2025/26 Budget	2025/26 Actuals	% Achieved
Budget & Treasury	8,860,780	4,426,570	49.96%
Chief Operating Officer	2,378,030	592,078	24.90%
Corporate Services	9,143,190	3,282,998	35.91%
Economic Development, Tourism & Agriculture	385,900	158,575	41.09%
Electricity & Energy	69,077,020	25,299,281	36.62%
Human Settlements	896,870	296,970	33.11%
Infrastructure & Engineering Unit - Rate and General	10,923,700	2,010,355	18.40%
Metro Water Service	37,150,030	21,849,227	58.81%
Municipal Manager	192,950	110,229	57.13%
Office of the Executive Mayor	854,670	519,940	60.84%

## Annexure “A1”

Description	2025/26 Budget	2025/26 Actuals	% Achieved
Public Health	30,909,110	15,361,066	49.70%
Recreational & Cultural Services	10,716,380	4,503,857	42.03%
Safety & Security	125,393,480	61,979,316	49.43%
Sanitation - Metro	32,308,050	14,308,062	44.29%
Special Projects and Programmes		16,177	0.00%
<b>Grand Total</b>	<b>339,190,160</b>	<b>154,714,700</b>	<b>45.61%</b>

These directorates will have to make a concerted effort to monitor the work programmes of employees in these Directorates.

The table below reflects Actual Overtime Payments for the past 8 years.

Directorate	2017/2018 Actuals	2018/2019 Actuals	2019/2020 Actuals	2020/2021 Actuals	2021/2022 Actuals	2022/2023 Actuals	2023/2024 Actuals	2024/2025 Actuals
Infrastructure & Engineering R&G	4,317,024	6,247,465	5,349,645	7,781,651	8,054,250	9,693,501	10,354,960	6,355,367
Human Settlements	430,116	942,996	734,493	522,384	550,583	831,766	1,194,328	2,602,911
Public Health	20,781,046	27,247,273	24,848,033	30,955,479	37,847,153	37,213,127	40,924,662	39,153,350
Sport, Rec, Arts & Culture	6,207,957	9,206,181	7,858,502	4,700,056	8,458,916	10,601,282	14,414,429	16,980,072
<b>Safety &amp; Security</b>	<b>45,617,891</b>	<b>76,720,540</b>	<b>112,333,008</b>	<b>128,459,967</b>	<b>108,843,218</b>	<b>107,835,094</b>	<b>186,680,177</b>	<b>201,641,664</b>
Economic Dev, Tourism & Agri	568,589	640,741	802,378	668,259	472,287	675,650	1,362,733	443,153
Corporate Services	5,113,737	6,815,851	5,112,714	3,857,871	6,400,590	7,674,515	7,487,691	7,530,754
Budget & Treasury	7,913,218	9,404,412	7,576,136	4,514,354	6,249,574	6,949,565	7,364,097	9,586,458
Executive Mayor	435,847	307,970	420,580	358,220	544,583	412,059	893,557	1,113,589
Sanitation	16,154,418	19,237,423	24,073,918	26,278,028	29,265,055	36,340,236	42,469,074	42,315,290
Water	21,441,984	29,397,881	37,399,119	44,233,144	44,413,757	46,907,391	52,749,968	53,859,164
Municipal Manager	183,014	237,847	279,305	173,723	197,671	157,383	204,246	295,131
Electricity & Energy	25,209,115	35,465,323	41,720,359	50,381,141	56,910,684	80,896,565	94,860,714	79,947,555
Chief Operating Officer	252,894	677,398	386,227	1,515,504	903,439	1,225,940	1,201,055	1,525,182
Spec Project and Programmes	97,673	230,027	119,170	14,705	33,309	43,225	66,091	46,727
<b>Grand Total</b>	<b>154,724,523</b>	<b>222,779,330</b>	<b>269,013,587</b>	<b>304,414,486</b>	<b>309,145,069</b>	<b>347,457,300</b>	<b>462,227,782</b>	<b>463,396,367</b>
<b>Percentage Increase</b>		<b>43.98%</b>	<b>20.75%</b>	<b>13.16%</b>	<b>1.55%</b>	<b>12.39%</b>	<b>33.03%</b>	<b>0.25%</b>

As indicated previously the reduction in actual overtime payments from 2017 to 2018 is the direct result of a new overtime policy that was implemented at the time for a period of 2 months only; and subsequently withdrawn as a result of a moratorium placed by Council on the implementation of that policy.

As reported in the previous financial year/s, considering the extent of overspending, the conclusion of the outstanding Overtime Policy in line with the relevant legislation, by the Corporate Services and Human Resources Standing Committee is long overdue. The fact that there is no guiding policy dealing with this matter, poses a significant risk for the institution.

The Committee should note that the latest draft Overtime Policy is currently with the Policy & Research Review Unit under the COO’s office as administratively required before other processes are followed. As soon as the draft Overtime Policy is concluded by the Policy & Research Review Unit under the COO’s office it will be taken through the Council structures. One of the critical aims of the Policy is to set the payment of Overtime to the National threshold as determined, annually, by the Minister of Employment & Labour as well as the Collective Agreement on Conditions of Service as they are binding documents that the Municipality must comply with.

#### Debt Impairment inclusive of Bad Debts and Doubtful Debt Provision

Bad debts are written off upon Council’s approval. Impairment of Receivables are normally adjusted at financial year-end when the impairment of doubtful debts is concluded.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Expenditure / Debt impairment</b>	<b>1,946,426,770</b>		<b>-1,946,426,770</b>	<b>0.00%</b>
Other Receivables from Non-exchange Revenue: Non-Specific Accounts	25,105,120		-25,105,120	0.00%
Other Receivables from Non-exchange Revenue: Property Rates	353,731,390		-353,731,390	0.00%
Trade and Other Receivables from Exchange Transactions: Electricity	97,016,220		-97,016,220	0.00%
Trade and Other Receivables from Exchange Transactions: Waste Management	102,328,190		-102,328,190	0.00%
Trade and Other Receivables from Exchange Transactions: Wastewater Management	167,896,650		-167,896,650	0.00%
Trade and Other Receivables from Exchange Transactions: Water	1,200,349,200		-1,200,349,200	0.00%
<b>Expenditure / Irrecoverable debts written off</b>	<b>726,946,380</b>	<b>-61,765,773</b>	<b>-788,712,153</b>	<b>-8.497%</b>
Exchange: Electricity	21,111,770	732,710	-20,379,060	3.471%
Exchange: Non-Specific Accounts		101,180,555	101,180,555	0.000%
Exchange: Waste Management	30,565,570	3,608,199	-26,957,371	11.805%
Exchange: Wastewater Management	62,098,760	6,719,167	-55,379,593	10.820%
Exchange: Water	525,111,060	-194,558,518	-719,669,578	-37.051%
Non-exchange: Property Rates	88,059,220	20,552,114	-67,507,106	23.339%

Remuneration of Councillors

The table below contains a list of Remuneration of Councillors Items where the actual expenditure is reflected:

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Expenditure: Remuneration of Councillors</b>	<b>98,334,200</b>	<b>41,908,511</b>	<b>-56,425,689</b>	<b>42.62%</b>
Chief Whip: Allowances and Service-Related Benefits: Basic Salary	1,255,800	588,220	- 667,580	46.84%
Chief Whip: Allowances and Service-Related Benefits: Cell phone Allowance	4,720		- 4,720	0.00%
Deputy Executive Mayor/Deputy Mayor: Allowances and Service-Related Benefits: Basic Salary	1,333,130	624,447	- 708,683	46.84%
Deputy Executive Mayor/Deputy Mayor: Allowances and Service-Related Benefits: Cell phone Allowance	49,310		- 49,310	0.00%
Executive Committee/Mayoral Committee: Allowances and Service-Related Benefits: Basic Salary	13,929,560	5,882,200	-8,047,360	42.23%
Executive Committee/Mayoral Committee: Allowances and Service-Related Benefits: Cell phone Allowance	406,360		- 406,360	0.00%
Executive Mayor/Mayor: Allowances and Service-Related Benefits: Basic Salary	1,682,280	773,196	- 909,084	45.96%
Executive Mayor/Mayor: Allowances and Service-Related Benefits: Cell phone Allowance	49,310		- 49,310	0.00%
Section 79 committee chairperson: Allowances and Service-Related Benefits: Basic Salary	1,303,710	1,141,930	- 161,780	87.59%
Section 79 committee chairperson: Allowances and Service-Related Benefits: Cell Phone Allowance	4,720		- 4,720	0.00%
Speaker: Allowances and Service-Related Benefits: Basic Salary	1,405,930	624,447	- 781,483	44.42%
Speaker: Allowances and Service-Related Benefits: Cell phone Allowance	49,310		- 49,310	0.00%
Total for All Other Councillors: Allowances and Service-Related Benefits: Basic Salary	71,301,560	29,616,916	-41,684,644	41.54%
Total for All Other Councillors: Allowances and Service-Related Benefits: Cell phone Allowance	5,558,500	2,657,154	-2,901,346	47.80%

Finance Charges

The expenditure is influenced by the timing of payments, in accordance with the loan repayment schedules.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Expenditure / Interest</b>	<b>72,173,060</b>	<b>22,581,489</b>	<b>-49,591,571</b>	<b>31.29%</b>
Borrowings: Annuity Loans	72,173,060	22,432,539	-49,740,521	31.08%
Deposits		148,951	148,951	0.00%
Overdue Accounts		-	-	0.00%

Bulk Purchases

The table below indicates financial transactions as at 31 December 2025, in respect of Bulk Purchases.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Expenditure / Bulk purchases - electricity</b>	<b>7,277,226,000</b>	<b>3,668,924,193</b>	<b>-3,608,301,807</b>	<b>50.42%</b>
Electricity: ESKOM	7,277,226,000	3,668,924,193	-3,608,301,807	50.42%

The extent of actual electricity losses has a significant impact on the Bulk electricity purchases. **The average electricity losses to 30 June 2025 were at 26.81% or R1.323 billion. The electricity service is already running at a significant loss by only taking the primary costs into consideration. The electricity service deficit is effectively being funded from Property Rates.**

Electricity losses (Refer to Table below)

The non-revenue electricity losses for the 2024/25 budget year amounts to 26.81% (932,537,678kWh), or an equivalent of R1.323 billion. The year-to-date total non-revenue electricity losses for the 2025/26 budget year are 30.46% (447,481,749kWh) or equivalent to R840.506 million. The year-to-date Electricity Loss calculation up to 31 December 2025 was not available or received from Electricity and Energy Directorate at the time of finalising this report. The non-revenue electricity losses for the month ending 30 November 2025 budget year amounts to 30.46% (447,481,749kWh) It is evident that the current strategies to address electricity losses are not yielding the desired results.

The highest percentage non-revenue electricity losses per month are always incurred during the high season tariff months namely July and August of each year, which significantly affects the value of electricity losses. Electricity losses have increased materially over the last 6 financial years, including the 2025/26 financial year.

The tariff used to calculate the losses are based on the bulk purchase price and excludes distribution and administration costs.

- Electricity losses comprise of both Technical and Non-Technical losses.
- Technical Losses are assumed to be at 8%.
- Technical Losses include electricity system and line losses that are unavoidable.
- Non-Technical losses include theft by way of illegal connections, tampering etc.
- Internal consumption is the use of energy in municipal buildings & street lighting.
- Average purchased price will be finally recalculated annually.

## 2025/26 Electricity Losses

Item	Jul-25 kWh	Aug-25 kWh	Sep-25 kWh	Oct-25 kWh	Nov-25 kWh	Accum Total
<b>1 Energy Charge from Eskom Account Transaction Summary</b>						
Off-Peak	133,291,658	119,281,236	116,933,249	115,031,243	111,680,779	596,218,165
Standard	127,860,575	132,629,864	118,513,156	111,919,326	116,925,594	607,848,515
Peak	50,369,015	58,933,896	49,763,500	48,099,576	50,609,020	257,775,007
<b>Total Energy Charge</b>	<b>311,521,248</b>	<b>310,844,996</b>	<b>285,209,905</b>	<b>275,050,145</b>	<b>279,215,393</b>	<b>1,461,841,687</b>
<b>Power X Green Energy</b>	715,973	1,349,568	1,591,168	2,218,767	1,591,689	7,467,166
<b>Total Energy Charge</b>	<b>312,237,221</b>	<b>312,194,564</b>	<b>286,801,073</b>	<b>277,268,912</b>	<b>280,807,082</b>	<b>1,469,308,853</b>
<b>2 Energy Sales from NMBM Customers</b>						
Prepaid - Domestic & Business	32,266,340	31,958,214	29,636,111	29,993,085	28,255,259	152,109,009
Prepaid & Credit - Free Basic Electricity	2,415,505	2,371,767	1,951,628	2,146,272	1,937,126	10,822,298
Credit - Domestic	13,433,985	13,412,049	12,397,471	13,033,467	11,236,865	63,513,837
Credit - Small Businesses	1,457,050	1,082,579	1,338,238	1,200,500	1,240,736	6,319,103
Credit - Medium Businesses	42,381,266	8,278,006	26,886,319	28,596,904	27,311,949	133,454,443
Credit - Large Businesses	136,692,192	124,024,927	116,378,151	129,446,785	124,143,746	630,685,802
Electricity Unmetered Supply	0	0	0		0	0
Unmetered Municipal Buildings	0	0	0		0	0
Streetlights and Traffic Lights	5,716,158	4,528,189	4,714,698	5,110,425	4,853,142	24,922,612
Energy Sales (Pre Street Lights Sales)	228,646,338	181,127,541	188,587,919	204,417,014	194,125,680	996,904,492
<b>Total Energy Sales (Incl Street Lights)</b>	<b>234,362,496</b>	<b>185,655,730</b>	<b>193,302,617</b>	<b>209,527,439</b>	<b>198,978,822</b>	<b>1,021,827,104</b>
<b>3 Unbilled Energy (Energy Charge less Energy Sales)</b>	<b>77,874,725</b>	<b>126,538,835</b>	<b>93,498,456</b>	<b>67,741,473</b>	<b>81,828,260</b>	<b>447,481,749</b>
<b>4 Energy Loss</b>	<b>77,874,725</b>	<b>126,538,835</b>	<b>93,498,456</b>	<b>67,741,473</b>	<b>81,828,260</b>	<b>447,481,749</b>
Technical Energy Losses	24,978,978	24,975,565	22,944,086	22,181,513	22,464,567	117,544,708
Non-Technical Energy Loss	52,895,747	101,563,270	70,554,370	45,559,960	59,363,694	329,937,041
5 % Total Losses (Energy Loss divided by Total Energy Charge)	24.94%	40.53%	32.60%	24.43%	29.14%	30.46%
6 % Non-Technical Losses	16.94%	32.53%	24.60%	16.43%	21.14%	22.46%
7 % Technical Losses	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
8 Average Purchase Price	2.16	2.32	1.60	1.53	1.54	1.54
9 <b>Rand Value - Technical Losses</b>	44,148,349	70,799,851	37,268,668	36,139,712	39,725,301	228,081,881
10 <b>Rand Value - Non-Technical Losses</b>	124,099,932	222,488,679	112,104,751	67,264,328	86,466,888	612,424,577
11 <b>Rand Value - Total Losses</b>	<b>168,248,280</b>	<b>293,288,530</b>	<b>149,373,419</b>	<b>103,404,040</b>	<b>126,192,189</b>	<b>840,506,459</b>

## Annexure “A1”

Item	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Accum Total
<b>Total Electricity Losses</b>	24.94%	40.53%	32.60%	24.43%	29.14%	30.46%
Non-Tech Electricity Losses	16.94%	32.53%	24.60%	16.43%	21.14%	22.46%
Technical Electricity Losses	8%	8%	8%	8%	8%	8%
Technical Electricity Losses Apportionment	32.08%	19.74%	24.54%	32.74%	27.45%	26.27%
Non-Technical Electricity Losses Apportionment	67.92%	80.26%	75.46%	67.26%	72.55%	73.73%
	44,148,349	70,799,851	37,268,668	36,139,712	39,725,301	228,081,881
	124,099,932	222,488,679	112,104,751	67,264,328	86,466,888	612,424,577
	168,248,280	293,288,530	149,373,419	103,404,040	126,192,189	<b>840,506,459</b>

### 2025/2026 Water Losses

Financial Year	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Annual
<b>Volume Treated (kℓ)</b>	11,208,682	11,157,074	10,894,426	11,278,578	11,242,367	11,848,716	<b>67,629,843</b>
<b>Revenue Volume (kℓ)</b>	4,473,833	4,473,833	4,314,712	4,190,001	4,205,447	4,383,859	<b>26,041,685</b>
<b>Revenue Water (%)</b>	<b>39.9%</b>	<b>40.1%</b>	<b>39.6%</b>	<b>37.2%</b>	<b>37.4%</b>	<b>37.0%</b>	<b>38.5%</b>
<b>NRW volume (kℓ)</b>	6,010,948	6,683,241	6,579,714	7,088,577	7,036,920	7,464,857	<b>40,864,257</b>
<b>NRW (%)</b>	<b>53.6%</b>	<b>59.9%</b>	<b>60.4%</b>	<b>62.8%</b>	<b>62.6%</b>	<b>63.0%</b>	<b>60.4%</b>
<b>Real Losses (kℓ)</b>	3,938,318	4,416,381	3,271,349	4,702,444	4,666,282	4,961,507	<b>25,956,279</b>
<b>Real Losses (%)</b>	<b>35.1%</b>	<b>39.6%</b>	<b>30.0%</b>	<b>41.7%</b>	<b>41.5%</b>	<b>41.9%</b>	<b>38.3%</b>
<b>Water Losses (kℓ)</b>	5,546,927	6,220,255	6,121,980	6,623,160	6,572,228	6,988,038	<b>38,072,587</b>
<b>Water Losses (%)</b>	<b>49%</b>	<b>56%</b>	<b>56%</b>	<b>59%</b>	<b>58%</b>	<b>59%</b>	<b>56.3%</b>
<b>ILI</b>	11.53	12.92	12.72	13.78	13.69	14.53	<b>13.19</b>

#### Water Losses (Refer to Tables above)

The cumulative Water losses for the 2024/25 financial year amounted to 73.741 million kl or 57.62%. The Cumulative Water losses for the first 6 months of the 2025/26 financial year amounted to 38,072,587 kl or 56.3%.

It is evident that the current strategies implemented to address water losses are not yielding positive results. Water losses have increased materially over the last 7 financial years, including the 2025/26 financial year.

Other Materials

The table below contains a list of Other Materials Items where the actual expenditure is reflected:

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Expenditure / Inventory consumed</b>	<b>510,814,600</b>	<b>129,400,629</b>	<b>-381,413,971</b>	<b>25.33%</b>
Consumables: Standard Rated	132,914,970	41,733,134	-91,181,836	31.40%
Consumables: Zero Rated	73,785,300	31,191,908	-42,593,392	42.27%
Finished Goods	29,186,780	6,578,023	-22,608,757	22.54%
Materials and Supplies	97,023,140	49,897,564	-47,125,576	51.43%
Water	177,904,410		-177,904,410	0.00%

Water bulk purchases are paid against the Statement of Financial Position – Inventory. The portion that represents Revenue Water consumed is required to be transacted against Other Materials.

Contracted Services

The table below contains a list of Contracted Services Items where the actual expenditure is reflected.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Expenditure: Contracted Services</b>	<b>1,652,462,670</b>	<b>433,904,334</b>	<b>- 1,218,558,336</b>	<b>26.26%</b>
<b>Consultants and Professional Services</b>				
Business and Advisory: Accounting and Auditing	595,280		-595,280	0.00%
Business and Advisory: Audit Committee	1,165,320	437,117	-728,203	37.51%
Business and Advisory: Business and Financial Management	447,210	46,621	-400,589	10.42%
Business and Advisory: Commissions and Committees	492,370	240,675	-251,695	48.88%
Business and Advisory: Communications	2,033,190		- 2,033,190	0.00%
Business and Advisory: Forensic Investigators	39,732,350		-39,732,350	0.00%
Business and Advisory: Human Resources	1,000,000		- 1,000,000	0.00%
Business and Advisory: Occupational Health and Safety	330,930	39,750	-291,180	12.01%
Business and Advisory: Organisational	1,685,400		- 1,685,400	0.00%
Business and Advisory: Project Management	65,889,810	10,862,861	-55,026,949	16.49%
Business and Advisory: Research and Advisory	11,716,920	1,010,800	-10,706,120	8.63%

## Annexure "A1"

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Infrastructure and Planning: Architectural	106,000		-106,000	0.00%
Infrastructure and Planning: Engineering: Civil	17,202,560	326,291	-16,876,269	1.90%
Infrastructure and Planning: Engineering: Electrical	19,119,870		-19,119,870	0.00%
Infrastructure and Planning: Engineering: Structural	1,500,000	- 87,815	- 1,587,815	-5.85%
Infrastructure and Planning: Geodetic, Control and Surveys			-	0.00%
Infrastructure and Planning: Town Planner	4,128,000	808,273	- 3,319,727	19.58%
Laboratory Services: Medical		58,482	58,482	0.00%
Laboratory Services: Roads	280,000	130,021	-149,979	46.44%
Laboratory Services: Water	1,349,350	62,420	- 1,286,930	4.63%
Legal Cost: Collection	47,957,280	20,989,496	-26,967,784	43.77%
Legal Cost: Issue of Summons	784,250		-784,250	0.00%
Legal Cost: Legal Advice and Litigation	82,583,230	57,453,953	-25,129,277	69.57%
<b>Contractors</b>			-	
Artists and Performers	1,920,000	62,965	- 1,857,035	3.28%
Audio-visual Services	1,300,500		- 1,300,500	0.00%
Building	123,272,800	22,004,086	-101,268,714	17.85%
Catering Services	1,232,770	643,846	-588,924	52.23%
Event Promoters	49,400		- 49,400	0.00%
Fire Protection	1,785,900	100,610	- 1,685,290	5.63%
Gardening Services	8,420,300	2,457,257	- 5,963,043	29.18%
Gas	2,100,050	1,152,068	-947,982	54.86%
Maintenance of Buildings and Facilities	178,821,950	13,919,951	-164,901,999	7.78%
Maintenance of Equipment	286,358,660	104,503,880	-181,854,780	36.49%
Maintenance of Unspecified Assets	50,000		- 50,000	0.00%
Management of Informal Settlements	35,845,650	2,756,652	-33,088,999	7.69%
Medical Services	37,000		- 37,000	0.00%
Pest Control and Fumigation	1,259,470	79,008	- 1,180,462	6.27%
Plants, Flowers and Other Decorations	12,140		- 12,140	0.00%
Prepaid Electricity Vendors	8,533,050	1,276,802	- 7,256,248	14.96%
Preservation/Restoration/Dismantling/Cleaning Services	332,460		-332,460	0.00%
Safeguard and Security	14,484,970	3,063,721	-11,421,249	21.15%
Sewerage Services	134,906,820	43,548,164	-91,358,656	32.28%
Sports and Recreation	1,610,970		- 1,610,970	0.00%
Stage and Sound Crew	1,277,230	25,132	- 1,252,098	1.97%
Tracing Agents and Debt Collectors	715,810		-715,810	0.00%

## Annexure “A1”

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Traffic and Street Lights	150,000		-150,000	0.00%
Transportation	36,521,770	17,764,929	-18,756,841	48.64%
<b>Outsourced Services</b>			-	
Administrative and Support Staff	5,435,000		- 5,435,000	0.00%
Alien Vegetation Control	13,871,380	1,418,832	-12,452,548	10.23%
Animal Care	2,392,570	355,975	- 2,036,595	14.88%
Burial Services	2,824,590	706,224	- 2,118,366	25.00%
Business and Advisory: Accounting and Auditing	1,436,800		- 1,436,800	0.00%
Business and Advisory: Commissions and Committees	1,715,590	54,916	- 1,660,674	3.20%
Business and Advisory: Communications	3,009,940	1,305,932	- 1,704,008	43.39%
Business and Advisory: Human Resources	106,180		-106,180	0.00%
Business and Advisory: Project Management	277,644,900	52,536,117	-225,108,783	18.92%
Business and Advisory: Qualification Verification	2,882,550	7,297	- 2,875,253	0.25%
Business and Advisory: Quality Control	2,324,170	508,053	- 1,816,117	21.86%
Business and Advisory: Research and Advisory	1,519,350		- 1,519,350	0.00%
Business and Advisory: Valuer	3,641,000		- 3,641,000	0.00%
Catering Services	150,000	24,764	-125,236	16.51%
Cleaning Services	2,176,410	112,370	- 2,064,040	5.16%
Clearing and Grass Cutting Services	48,458,980	12,108,680	-36,350,300	24.99%
Connection/Dis-connection: Electricity	3,751,720		- 3,751,720	0.00%
Connection/Dis-connection: Water	1,320,300		- 1,320,300	0.00%
Drivers Licence Cards	6,579,600	1,482,672	- 5,096,928	22.53%
Electrical	47,338,110	12,196,351	-35,141,759	25.76%
Fire Services	10,000		- 10,000	0.00%
Hygiene Services	2,143,770	4,895,627	2,751,857	228.37%
Medical Waste Removal	467,750		-467,750	0.00%
Meter Management	20,193,710	5,401,996	-14,791,714	26.75%
Printing Services	5,707,170	1,970,152	- 3,737,018	34.52%
Professional Staff	1,194,550		- 1,194,550	0.00%
Refuse Removal	13,396,950	49,321	-13,347,629	0.37%
Security Services	20,937,200	28,089,519	7,152,319	134.16%
Sewerage Services	2,319,610		- 2,319,610	0.00%
Traffic Management	15,860,730	4,849,103	-11,011,627	30.57%
Transport Services	553,100	92,418	-460,682	16.71%

Other Expenditure

The table below contains a list of Other Expenditure Items where the actual expenditure is reflected.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Expenditure / Operational costs</b>	<b>829,488,410</b>	<b>328,079,980</b>	<b>- 501,408,430</b>	<b>39.55%</b>
<b>Operating Leases</b>			-	
Computer Equipment	178,450	64,327	-114,123	36.05%
Furniture and Office Equipment	17,371,080	4,328,573	- 13,042,507	24.92%
Other Assets	31,866,290	3,245,394	- 28,620,896	10.18%
<b>Operational Cost</b>			-	
Advertising, Publicity and Marketing: Auctions	15,920	1,935	-13,985	12.16%
Advertising, Publicity and Marketing: Corporate and Municipal Activities	11,379,680	2,721,476	- 8,658,204	23.92%
Advertising, Publicity and Marketing: Customer/Client Information	689,070	70,675	-618,395	10.26%
Advertising, Publicity and Marketing: Gifts and Promotional Items	463,180		-463,180	0.00%
Advertising, Publicity and Marketing: Municipal Newsletters	147,600	17,459	-130,141	11.83%
Advertising, Publicity and Marketing: Signs	265,100		-265,100	0.00%
Advertising, Publicity and Marketing: Staff Recruitment	2,101,200	59,330	- 2,041,870	2.82%
Advertising, Publicity and Marketing: Tenders	3,020,760	250,301	- 2,770,459	8.29%
Assets less than the Capitalisation Threshold	12,559,180	1,074,635	- 11,484,545	8.56%
Bank Charges, Facility and Card Fees: Bank Accounts	7,078,550	2,766,146	- 4,312,404	39.08%
Bank Charges, Facility and Card Fees: Third Parties	2,730		-2,730	0.00%
Bursaries (Employees)	3,357,620	121,585	- 3,236,035	3.62%
Cash Discount	116,410		-116,410	0.00%
Cleaning Services: Car Valet and Washing Services	11,620	703	-10,917	6.05%
Cleaning Services: Laundry Services	223,780	5,590	-218,190	2.50%
Commission: Prepaid Electricity	9,100,000	2,925,234	- 6,174,766	32.15%
Commission: Third Party Vendors	6,274,970	1,527,826	- 4,747,144	24.35%
Communication: Cellular Expenditure	25,992,460	5,425,715	- 20,566,745	20.87%
Communication: Licences (Radio and Television)	319,610		-319,610	0.00%
Communication: Postage/Stamps/Frinking Machines	1,270,010	137,214	- 1,132,796	10.80%
Communication: Radio and TV Transmissions	21,600		-21,600	0.00%
Communication: Rent Private Bag and Postal Box	6,220	613	-5,607	9.85%
Communication: SMS Bulk Message Service	1,659,690	1,480,895	-178,795	89.23%

## Annexure "A1"

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Communication: Telemetric Systems	43,610		-43,610	0.00%
Communication: Telephone Installation	250,820		-250,820	0.00%
Communication: Telephone, Fax, Telegraph and Telex	15,815,660	1,478,054	- 14,337,606	9.35%
Cost relating to the Sale of Houses		681	681	0.00%
Courier and Delivery Services	485,130	147,473	-337,657	30.40%
Deeds	319,140	37,776	-281,364	11.84%
Drivers Licences and Permits	324,740	10,740	-314,000	3.31%
Entertainment: Senior Management	2,000		-2,000	0.00%
Entertainment: Total for All Other Councillors	200,000	160,880	-39,120	80.44%
External Audit Fees	33,830,350	24,374,510	- 9,455,840	72.05%
External Computer Service: Data Lines	2,456,950	13,672	- 2,443,278	0.56%
External Computer Service: Information Services	6,173,100	130,647	- 6,042,453	2.12%
External Computer Service: Internet Charge	2,695,990	222,968	- 2,473,022	8.27%
External Computer Service: Network Extensions	1,826,140	358,865	- 1,467,275	19.65%
External Computer Service: Remote Server Access	1,338,690		- 1,338,690	0.00%
External Computer Service: Software Licences	84,784,740	54,298,873	- 30,485,867	64.04%
External Computer Service: Specialised Computer Service	5,372,240	967,937	- 4,404,303	18.02%
External Computer Service: System Development	26,178,860	13,787	- 26,165,073	0.05%
External Computer Service: Wireless Network	12,303,040	2,516,162	- 9,786,878	20.45%
Firearm Handling Fees	43,920		-43,920	0.00%
Hire Charges	230,862,450	94,249,715	- 136,612,735	40.83%
Insurance Underwriting: Claims paid to Third Parties	1,705,670	17,597	- 1,688,073	1.03%
Insurance Underwriting: Excess Payments	54,140		-54,140	0.00%
Insurance Underwriting: Insurance Brokers Fees	693,460	193,887	-499,573	27.96%
Insurance Underwriting: Premiums	33,154,610	25,962,030	- 7,192,580	78.31%
Intercompany/Parent-subsiidiary Transactions	8,159,250	3,505,478	- 4,653,772	42.96%
Land Alienation Costs	400,000		-400,000	0.00%
Learnerships and Internships	13,003,730	4,146,848	- 8,856,882	31.89%
Levies Paid - Water Resource Management Charges	14,419,170	393,359	- 14,025,811	2.73%
Licences: Motor Vehicle Licence and Registrations	8,278,270	3,236,800	- 5,041,470	39.10%
Licences: Performing Arts	1,000		-1,000	0.00%
Management Fee	7,645,000	4,252,352	- 3,392,648	55.62%
Municipal Services	62,605,580	40,042,018	- 22,563,562	63.96%
Printing, Publications and Books	3,179,560	180,057	- 2,999,503	5.66%

## Annexure "A1"

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Professional Bodies, Membership and Subscription	1,479,850	345,877	- 1,133,973	23.37%
Registration Fees: Professional and Regulatory Bodies	387,880	1,192	-386,688	0.31%
Registration Fees: Seminars, Conferences, Workshops and Events: National	4,811,990	1,322,187	- 3,489,803	27.48%
Resettlement Cost	342,670	25,000	-317,670	7.30%
Rewards Incentives	2,000,000	869,818	- 1,130,182	43.49%
Samples and Specimens	362,960		-362,960	0.00%
Servitudes and Land Surveys	530,000		-530,000	0.00%
Signage	583,890	1,260	-582,630	0.22%
Skills Development Fund Levy	38,349,400	17,464,703	- 20,884,697	45.54%
Storage of Files (Archiving)	906,230	280,177	-626,053	30.92%
System Access and Information Fees	12,500		-12,500	0.00%
Taking over Contractual Obligations	700,000		-700,000	0.00%
Transport Provided as Part of Departmental Activities: Events	21,500		-21,500	0.00%
Transport Provided as Part of Departmental Activities: Municipal Activities	916,250	847,613	-68,637	92.51%
Travel Agency and Visa's	1,852,480	42,649	- 1,809,831	2.30%
Travel and Subsistence: Domestic: Accommodation	4,265,210	639,298	- 3,625,912	14.99%
Travel and Subsistence: Domestic: Daily Allowance	782,270	309,999	-472,271	39.63%
Travel and Subsistence: Domestic: Food and Beverage (Served)	235,420		-235,420	0.00%
Travel and Subsistence: Domestic: Incidental Cost	144,130	273	-143,857	0.19%
Travel and Subsistence: Domestic: Transport with Operator: Other Transport Provider	2,800		-2,800	0.00%
Travel and Subsistence: Domestic: Transport with Operator: Public Transport: Air Transport	3,517,600	126,473	- 3,391,127	3.60%
Travel and Subsistence: Domestic: Transport with Operator: Public Transport: Railway Transport			-	0.00%
Travel and Subsistence: Domestic: Transport with Operator: Public Transport: Road Transport	265,280	5,532	-259,748	2.09%
Travel and Subsistence: Domestic: Transport without Operator: Car Rental	1,837,820	93,460	- 1,744,360	5.09%
Travel and Subsistence: Domestic: Transport without Operator: Own Transport	322,900	4,413	-318,487	1.37%
Travel and Subsistence: Foreign: Accommodation	237,030	10,500	-226,530	4.43%
Travel and Subsistence: Foreign: Daily Allowance	105,060	65,809	-39,251	62.64%
Travel and Subsistence: Foreign: Incidental Cost	7,420		-7,420	0.00%
Travel and Subsistence: Foreign: Transport with Operator: Public Transport: Air Transport	420,000	112,000	-308,000	26.67%
Travel and Subsistence: Foreign: Transport with Operator: Public Transport: Road Transport	48,780	1,400	-47,380	2.87%
Travel and Subsistence: Non-employees	1,003,760	21,785	-981,975	2.17%
Uniform and Protective Clothing	18,499,690	5,335,054	- 13,164,636	28.84%
Vehicle Tracking	4,000,000		- 4,000,000	0.00%
Ward Committees	22,560,000	8,376,596	- 14,183,404	37.13%

## Annexure “A1”

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Wet Fuel	3,079,420		- 3,079,420	0.00%
Workmen's Compensation Fund	796,430	4,638,120	3,841,690	582.36%

### Transfers and Subsidies Paid

The table below contains a list of Transfers and Subsidies Paid Items where the actual expenditure is reflected.

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Expenditure / Transfers and subsidies</b>	<b>94,962,010</b>	<b>91,852,005</b>	<b>-3,110,005</b>	<b>96.73%</b>
Departmental Agencies and Accounts: Provincial Departmental Agencies: Northern Cape Economic Development Agency	1,134,000		-1,134,000	0.00%
Departmental Agencies and Accounts: National Departmental Agencies: South Africa Local Government Association (SALGA)	21,394,920		- 21,394,920	0.00%
Departmental Agencies and Accounts: Provincial Departmental Agencies: Subsidiary Entity		73,188,105	73,188,105	0.00%
Households: Other Transfers (Cash): Bursaries (Non-Employee)	600,000	57,352	- 542,648	9.56%
Non-profit institutions: Public Schools: Other Educational Institutions: School Support	1,747,500		-1,747,500	0.00%
Non-profit institutions: Sporting Bodies - Rent	1,134,000		-1,134,000	0.00%
Non-profit institutions: Tourism	205,000		- 205,000	0.00%
Non-profit institutions: Use - It	67,746,590	18,606,549	- 49,140,041	27.46%
Private Enterprises: Subsidies to Financial Private Enterprise: Product	1,000,000		-1,000,000	0.00%

### Repairs and Maintenance

The table below contains lists of Repairs and Maintenance Expenditure where the actual expenditure is reflected.

#### **Repairs and Maintenance at mSCOA by Project segment:**

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Infrastructure: Corrective Maintenance: Emergency</b>				
Electrical Infrastructure: MV Networks: MV Conductors	67,744,310	25,839,896	- 41,904,414	38.143%

## Annexure "A1"

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Electrical Infrastructure: MV Substations: MV Substation Equipment	19,114,150	4,189,625	- 14,924,525	21.919%
Electrical Infrastructure: Power Plants: Control and Instrumentation	5,840,630	12,650	- 5,827,980	0.217%
Roads Infrastructure: Road Furniture: Road Furniture	2,000,000	176,965	- 1,823,035	8.848%
Roads Infrastructure: Road Furniture: Traffic Signs	4,500,000	614,133	- 3,885,867	13.647%
Roads Infrastructure: Road Structures: Civil Structures	57,706,480	8,853,340	- 48,853,140	15.342%
Roads Infrastructure: Road Structures: Road Bridges	401,540		-401,540	0.000%
Roads Infrastructure: Roads: Land	1,790,450	- 354,250	- 2,144,700	-19.786%
Roads Infrastructure: Roads: Pavements	33,564,760	6,462,999	- 27,101,761	19.255%
Sanitation Infrastructure: Pump Station: Civil Structure	51,780		-51,780	0.000%
Sanitation Infrastructure: Pump Station: Mechanical Equipment	500,000	61,326	-438,674	12.265%
Sanitation Infrastructure: Wastewater Treatment: Civil Structure	947,570		-947,570	0.000%
Sanitation Infrastructure: Wastewater Treatment: Pipe Work	118,457,160	41,294,660	- 77,162,500	34.860%
Storm water Infrastructure: Attenuation: Civil Structures	250,000		-250,000	0.000%
Storm water Infrastructure: Storm water Conveyance: Civil Structures	9,174,000	2,344,845	- 6,829,155	25.560%
Storm water Infrastructure: Storm water Conveyance: Pipe Work	7,264,630	1,180,705	- 6,083,925	16.253%
Water Supply Infrastructure: Bulk Mains: Pipe Work	34,428,720	18,110,084	- 16,318,636	52.602%
Water Supply Infrastructure: Dams and Weirs: Electrical Equipment	1,800,000		- 1,800,000	0.000%
Water Supply Infrastructure: Dams and Weirs: Mechanical Equipment	350,000		-350,000	0.000%
Water Supply Infrastructure: Distribution: Municipal Service Connections	160,000	2,339	-157,661	1.462%
Water Supply Infrastructure: Pump Station: Electrical Equipment	180,000		-180,000	0.000%
Water Supply Infrastructure: Water Treatment: Mechanical Equipment	606,080		-606,080	0.000%
<b>Infrastructure: Corrective Maintenance</b>				
Electrical Infrastructure: LV Networks: Public Lighting	17,698,290	4,300,526	- 13,397,764	24.299%
Electrical Infrastructure: MV Networks: MV Conductors	20,766,560	8,424,279	- 12,342,281	40.567%
Information and Communication Infrastructure: Core Layers: Communication Equipment	1,600,000	1,230	- 1,598,770	0.077%
Sanitation Infrastructure: Pump Station: Civil Structure	17,426,500	2,431,814	- 14,994,686	13.955%
Sanitation Infrastructure: Pump Station: Electrical Equipment	10,000		-10,000	0.000%
Sanitation Infrastructure: Pump Station: Mechanical Equipment	200,000		-200,000	0.000%
Sanitation Infrastructure: Pump Station: Pipe Work	818,420		-818,420	0.000%
Sanitation Infrastructure: Wastewater Treatment: Buildings	507,890		-507,890	0.000%
Sanitation Infrastructure: Wastewater Treatment: Pavements	24,610		-24,610	0.000%
Storm water Infrastructure: Storm water Conveyance: Drainage	564,100		-564,100	0.000%
Water Supply Infrastructure: Dams and Weirs: Civil Structure	311,000		-311,000	0.000%
Water Supply Infrastructure: Distribution: Municipal Service Connections	54,448,740	34,655,814	- 19,792,926	63.649%
Water Supply Infrastructure: Pump Station: Buildings	151,270	685	-150,585	0.453%

## Annexure "A1"

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Water Supply Infrastructure: Pump Station: Electrical Equipment	1,896,880	4,459	- 1,892,421	0.235%
Water Supply Infrastructure: Pump Station: Mechanical Equipment	49,157,800	23,443,644	- 25,714,156	47.691%
Water Supply Infrastructure: Reservoirs: Civil Structure	2,800,000		- 2,800,000	0.000%
Water Supply Infrastructure: Reservoirs: External Facilities	224,500		-224,500	0.000%
Water Supply Infrastructure: Reservoirs: Service Connections on Site	50,000		-50,000	0.000%
Water Supply Infrastructure: Water Treatment: Buildings	813,590	12,700	-800,890	1.561%
Water Supply Infrastructure: Water Treatment: Electrical Equipment	1,051,610	271,891	-779,719	25.855%
Water Supply Infrastructure: Water Treatment: Mechanical Equipment	3,553,350	183,683	- 3,369,667	5.169%
<b>Infrastructure: Preventative Maintenance: Condition Based</b>				
Electrical Infrastructure: Power Plants: Control and Instrumentation	268,570		-268,570	0.000%
Rail Infrastructure: Rail Furniture	66,340		-66,340	0.000%
Sanitation Infrastructure: Wastewater Treatment: Buildings	600,000		-600,000	0.000%
Water Supply Infrastructure: Distribution: Pipe Work	60,640		-60,640	0.000%
Water Supply Infrastructure: Water Treatment: Buildings	172,230	3,900	-168,330	2.264%
<b>Infrastructure: Preventative Maintenance: Interval Based</b>				
Rail Infrastructure: Rail Lines: Rail Lines and Ballast	2,052,500		- 2,052,500	0.000%
Roads Infrastructure: Roads: Pavements	220,380		-220,380	0.000%
Sanitation Infrastructure: Pump Station: Civil Structure	150,000		-150,000	0.000%
Sanitation Infrastructure: Wastewater Treatment: Buildings	1,076,470	38,806	- 1,037,665	3.605%
Sanitation Infrastructure: Wastewater Treatment: Earthworks	106,330		-106,330	0.000%
Sanitation Infrastructure: Wastewater Treatment: Mechanical Equipment	539,250		-539,250	0.000%
Water Supply Infrastructure: Dams and Weirs: Mechanical Equipment	3,000	2,822	- 178	94.072%
<b>Non-infrastructure: Corrective Maintenance: Emergency</b>				
Community Assets: Community Facilities: Clinics/Care Centres: Land	55,650	29,440	-26,210	52.902%
Community Assets: Community Facilities: Galleries: Buildings	30,000		-30,000	0.000%
Community Assets: Community Facilities: Halls: Buildings	200,000		-200,000	0.000%
Community Assets: Community Facilities: Halls: Electrical Equipment	2,300,000		- 2,300,000	0.000%
Community Assets: Community Facilities: Libraries: Buildings	567,500	130,954	-436,546	23.076%
Community Assets: Community Facilities: Markets: Buildings	550,000	91,163	-458,837	16.575%
Community Assets: Community Facilities: Markets: Electrical Equipment	100,000	3,900	-96,100	3.900%
Community Assets: Community Facilities: Museums: Buildings	531,040	6,120	-524,920	1.152%
Community Assets: Community Facilities: Nature Reserves: Mechanical Equipment	42,580		-42,580	0.000%
Community Assets: Community Facilities: Parks: Buildings	2,865,560	268,156	- 2,597,404	9.358%
Community Assets: Community Facilities: Police: Buildings	151,170		-151,170	0.000%
Community Assets: Community Facilities: Public Ablution Facilities: Buildings	762,730	116,900	-645,830	15.327%

## Annexure "A1"

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Community Assets: Community Facilities: Public Open Space: Buildings	308,110		-308,110	0.000%
Community Assets: Community Facilities: Public Open Space: Civil Structures	457,830		-457,830	0.000%
Community Assets: Community Facilities: Public Open Space: External Facilities	613,290	158,523	-454,767	25.848%
Community Assets: Community Facilities: Public Open Space: Land	991,860	45,284	-946,576	4.566%
Community Assets: Sport and Recreation Facilities: Indoor Facilities: Buildings	9,541,040	630,265	- 8,910,775	6.606%
Community Assets: Sport and Recreation Facilities: Outdoor Facilities: Buildings	486,340	145,059	-341,281	29.827%
Computer Equipment	4,968,950	342,903	- 4,626,047	6.901%
Furniture and Office Equipment	3,412,130	78,342	- 3,333,788	2.296%
Heritage Assets: Conservation Areas	73,700		-73,700	0.000%
Machinery and Equipment	42,526,660	8,129,957	- 34,396,703	19.117%
Other Assets: Housing: Social Housing: Buildings	7,251,000	91,304	- 7,159,696	1.259%
Other Assets: Operational Buildings: Depots: Buildings	5,267,130	179,780	- 5,087,350	3.413%
Other Assets: Operational Buildings: Depots: Civil Structures	517,570	1,900	-515,670	0.367%
Other Assets: Operational Buildings: Depots: External Facilities	791,260		-791,260	0.000%
Other Assets: Operational Buildings: Depots: Metalwork's	120,080		-120,080	0.000%
Other Assets: Operational Buildings: Laboratories: Buildings	400,720	64,511	-336,209	16.099%
Other Assets: Operational Buildings: Municipal Offices: Buildings	36,624,740	1,514,756	- 35,109,984	4.136%
Other Assets: Operational Buildings: Municipal Offices: Electrical Equipment	110,000		-110,000	0.000%
Other Assets: Operational Buildings: Municipal Offices: Land	26,900		-26,900	0.000%
Other Assets: Operational Buildings: Municipal Offices: Mechanical Equipment	3,043,600	349,385	- 2,694,215	11.479%
Other Assets: Operational Buildings: Training Centres: Buildings	100,000	8,676	-91,324	8.676%
Other Assets: Operational Buildings: Workshops: Buildings	200,000		-200,000	0.000%
Transport Assets	5,533,520	1,501,851	- 4,031,669	27.141%
<b>Non-infrastructure: Corrective Maintenance: Planned</b>				
Computer Equipment	224,320		-224,320	0.000%
Furniture and Office Equipment	3,480		-3,480	0.000%
Intangible Assets: Licences and Rights: Computer Software and Applications	51,540		-51,540	0.000%
Machinery and Equipment	2,084,470	54,073	- 2,030,397	2.594%
Other Assets: Housing: Staff Housing: Buildings	195,000	1,945	-193,055	0.997%
Other Assets: Operational Buildings: Depots: Buildings	950,060	- 3,196	-953,256	-0.336%
Other Assets: Operational Buildings: Municipal Offices: Buildings	1,529,530	200,676	- 1,328,854	13.120%
Other Assets: Operational Buildings: Municipal Offices: External Facilities	346,750	24,050	-322,700	6.936%
Other Assets: Operational Buildings: Municipal Offices: Land	114,040		-114,040	0.000%
Transport Assets	36,883,590	17,881,415	- 19,002,175	48.481%
<b>Non-infrastructure: Preventative Maintenance: Condition Based</b>				

## Annexure “A1”

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Community Assets: Community Facilities: Halls: Buildings	10,000		-10,000	0.000%
Heritage Assets: Monuments	150,000	48,725	-101,275	32.483%
Machinery and Equipment	1,100		-1,100	0.000%
Other Assets: Operational Buildings: Municipal Offices: Buildings	513,800	181,000	-332,800	35.228%
Other Assets: Operational Buildings: Municipal Offices: External Facilities	194,090	3,000	-191,090	1.546%
<b>Non-infrastructure: Preventative Maintenance: Interval Based</b>				
Community Assets: Community Facilities: Halls: Buildings	5,037,500	455,092	- 4,582,408	9.034%
Community Assets: Community Facilities: Halls: Electrical Equipment	100,000		-100,000	0.000%
Community Assets: Community Facilities: Halls: Land	300,000		-300,000	0.000%
Community Assets: Community Facilities: Libraries: Buildings	932,780	24,200	-908,580	2.594%
Community Assets: Sport and Recreation Facilities: Outdoor Facilities: Buildings	30,000		-30,000	0.000%
Computer Equipment	107,700		-107,700	0.000%
Furniture and Office Equipment	275,790	1,533	-274,257	0.556%
Intangible Assets: Licences and Rights: Computer Software and Applications	6,304,480	5,083,886	- 1,220,594	80.639%
Other Assets: Operational Buildings: Depots: Buildings	4,378,070	126,579	- 4,251,491	2.891%
Other Assets: Operational Buildings: Depots: Electrical Equipment	1,000,000		- 1,000,000	0.000%
Other Assets: Operational Buildings: Municipal Offices: Buildings	735,840	10,611	-725,229	1.442%
Other Assets: Operational Buildings: Municipal Offices: External Facilities	333,900		-333,900	0.000%
<b>Grand Total</b>	<b>740,533,570</b>	<b>220,548,284</b>	<b>- 519,985,286</b>	<b>29.782%</b>

### Repairs and Maintenance by Asset Class:

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
<b>Community and Social Services</b>				
Core Function: Animal Care and Diseases	155,110		-155,110	0.00%
Core Function: Cemeteries, Funeral Parlours and Crematoriums	1,357,620	57,069	- 1,300,551	4.20%
Core Function: Community Halls and Facilities	30,799,330	1,999,554	- 28,799,776	6.49%
Non-core Function: Disaster Management	74,170	5,830	-68,340	7.86%
Non-core Function: Libraries and Archives	1,385,280	142,454	- 1,242,826	10.28%
Non-core Function: Museums and Art Galleries	523,540	6,385	-517,155	1.22%
<b>Energy Sources</b>				
Core Function: Electricity	146,304,340	43,993,889	- 102,310,451	30.07%
Core Function: Street Lighting and Signal Systems	4,200,000	614,133	- 3,585,867	14.62%
Non-core Function: Electricity	400,000		-400,000	0.00%
<b>Environmental Protection</b>				

## Annexure “A1”

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Core Function: Biodiversity and Landscape	835,080	36,698	-798,382	4.39%
Non-core Function: Nature Conservation	15,000		-15,000	0.00%
<b>Executive and Council</b>			-	
Core Function: Mayor and Council	230,510	1,550	-228,960	0.67%
Core Function: Municipal Manager, Town Secretary and Chief Executive	31,630		-31,630	0.00%
<b>Finance and Administration</b>			-	
Core Function: Administrative and Corporate Support	465,900	125,329	-340,571	26.90%
Core Function: Asset Management	33,760		-33,760	0.00%
Core Function: Finance	6,012,770	15,188	- 5,997,582	0.25%
Core Function: Fleet Management	23,700,000	14,112,416	- 9,587,584	59.55%
Core Function: Human Resources	258,500	11,218	-247,282	4.34%
Core Function: Information Technology	807,000	1,064	-805,936	0.13%
Core Function: Legal Services	21,800		-21,800	0.00%
Core Function: Marketing, Customer Relations, Publicity and Media Co-ordination	3,670		-3,670	0.00%
Core Function: Security Services	508,260	5,767	-502,493	1.13%
Core Function: Supply Chain Management	468,930	58,506	-410,424	12.48%
Core Function: Valuation Service	84,520		-84,520	0.00%
<b>Health</b>			-	
Core Function: Health Services	2,141,110	55,084	- 2,086,026	2.57%
Core Function: Laboratory Services	3,900,720	67,958	- 3,832,762	1.74%
<b>Housing</b>			-	
Non-core Function: Housing	10,139,880	134,648	- 10,005,232	1.33%
Non-core Function: Informal Settlements	1,450,000		- 1,450,000	0.00%
<b>Internal Audit</b>			-	
Core Function: Governance Function	113,140	1,014	-112,127	0.90%
<b>Other</b>			-	
Core Function: Licensing and Regulation	641,470	94,906	-546,564	14.80%
Core Function: Markets	1,812,060	115,984	- 1,696,076	6.40%
Core Function: Tourism	15,000		-15,000	0.00%
<b>Planning and Development</b>			-	
Core Function: Corporate Wide Strategic Planning (IDPs, LEDs)	5,617,470	5,083,886	-533,584	90.50%
Core Function: Economic Development/Planning	68,000		-68,000	0.00%
Core Function: Project Management Unit	108,780	1,010	-107,770	0.93%
Core Function: Town Planning, Building Regulations and Enforcement, and City Engineer	1,009,710	1,252	- 1,008,458	0.12%
<b>Public Safety</b>			-	

## Annexure “A1”

Description	2025/26 Budget	2025/26 Actuals	2025/26 Variance	% Achieved
Core Function: Cleansing	15,750		-15,750	0.00%
Core Function: Fire Fighting and Protection	6,655,280	1,613,016	- 5,042,264	24.24%
Core Function: Police Forces, Traffic and Street Parking Control	7,808,110	537,296	- 7,270,814	6.88%
<b>Road Transport</b>			-	
Core Function: Roads	113,618,910	19,051,501	- 94,567,409	16.77%
Non-core Function: Public Transport	10,358,770	2,470,116	- 7,888,654	23.85%
<b>Sport and Recreation</b>			-	
Core Function: Beaches and Jetties	2,045,000	95,502	- 1,949,498	4.67%
Core Function: Community Parks (including Nurseries)	2,568,680	287,066	- 2,281,614	11.18%
Core Function: Recreational Facilities	7,416,230	280,064	- 7,136,166	3.78%
Core Function: Sports Grounds and Stadiums	7,968,860	1,230,222	- 6,738,638	15.44%
<b>Waste Management</b>			-	
Core Function: Solid Waste Disposal (Landfill Sites)	1,441,170	97,485	- 1,343,685	6.76%
Core Function: Solid Waste Removal	432,880		-432,880	0.00%
Core Function: Street Cleaning	626,350	- 7,200	-633,550	-1.15%
<b>Waste Water Management:</b>			-	
Core Function: Public Toilets	1,407,570	116,900	- 1,290,670	8.31%
Core Function: Sewerage	146,506,020	45,110,919	- 101,395,101	30.79%
Core Function: Wastewater Treatment	18,962,690	2,188,490	- 16,774,200	11.54%
<b>Water Management:</b>			-	
Core Function: Water Distribution	144,170,290	76,222,210	- 67,948,080	52.87%
Core Function: Water Storage	4,675,420	950	- 4,674,470	0.02%
Core Function: Water Treatment	18,161,530	4,510,956	- 13,650,574	24.84%
<b>Grand Total</b>	<b>740,533,570</b>	<b>220,548,284</b>	<b>- 519,985,286</b>	<b>29.78%</b>

## Annexure “A2”

### CAPITAL BUDGET PERFORMANCE AT 31 DECEMBER 2025

Below is an analysis of the capital expenditure compared to the approved 2025/26 Capital Budget.

Vote Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Budget & Treasury	-	6,270	-	-	-	3,135	(3,135)	-100%	6,270
Vote 2 - Public Health	10,334	92,663	-	15	1,610	46,332	(44,722)	-97%	92,663
Vote 3 - Human Settlements	107,754	2,421	-	6,305	12,708	1,211	11,498	950%	2,421
Vote 4 - Economic Development, Tourism & Agriculture	-	809	-	783	16,055	404	15,650	3871%	809
Vote 5 - Corporate Services	-	30,376	-	230	230	15,188	(14,958)	-98%	30,376
Vote 6 - Infrastructure & Engineering Unit - Rate & General	359,666	83,012	-	63,798	196,201	41,506	154,695	373%	83,012
Vote 7 - Metro Water Service	286,984	31,696	-	10,677	74,281	15,848	58,433	369%	31,696
Vote 8 - Sanitation - Metro	95,950	32,665	-	2,501	27,554	16,333	11,221	69%	32,665
Vote 9 - Electricity & Energy	167,496	14,336	-	29,626	90,289	7,168	83,121	1160%	14,336
Vote 10 - Executive & Council	22,245	-	-	-	-	-	-	-	-
Vote 11 - Safety & Security	1,910	47,752	-	-	-	23,876	(23,876)	-100%	47,752
Vote 12 - Mandela Bay Stadium	-	5,150	-	-	-	2,575	(2,575)	-100%	5,150
Vote 13 - Special Projects and Programmes	-	-	-	-	-	-	-	-	-
Vote 14 - Recreational & Cultural Services	5,790	67,934	-	4,117	5,971	33,967	(27,996)	-82%	67,934
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>1,058,131</b>	<b>415,084</b>	<b>-</b>	<b>118,052</b>	<b>424,899</b>	<b>207,542</b>	<b>217,357</b>	<b>105%</b>	<b>415,084</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Budget & Treasury	2,034	23,000	-	1,168	2,600	11,500	(8,900)	-77%	23,000
Vote 2 - Public Health	84,980	14,800	-	43,531	58,842	7,400	51,442	695%	14,800
Vote 3 - Human Settlements	3,753	179,914	-	-	65	89,957	(89,892)	-100%	179,914
Vote 4 - Economic Development, Tourism & Agriculture	4,692	8,000	-	45	232	4,000	(3,768)	-94%	8,000
Vote 5 - Corporate Services	16,980	5,924	-	276	8,451	2,962	5,489	185%	5,924
Vote 6 - Infrastructure & Engineering Unit - Rate & General	73,621	465,049	-	19,096	40,798	232,524	(191,727)	-82%	465,049
Vote 7 - Metro Water Service	23,797	517,148	-	110	4,359	258,574	(254,215)	-98%	517,148

## Annexure “A2”

Vote Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
Vote 8 - Sanitation - Metro	13,339	195,999	–	2,095	2,943	97,999	(95,056)	-97%	195,999
Vote 9 - Electricity & Energy	19,835	199,287	–	–	3,004	99,644	(96,640)	-97%	199,287
Vote 10 - Executive & Council	–	–	–	–	–	–	–	–	–
Vote 11 - Safety & Security	5,037	24,600	–	2,670	3,382	12,300	(8,918)	-73%	24,600
Vote 12 - Mandela Bay Stadium	–	6,850	–	–	–	3,425	(3,425)	-100%	6,850
Vote 13 - Special Projects and Programmes	–	–	–	–	–	–	–	–	–
Vote 14 - Recreational & Cultural Services	19,616	35,630	–	13,120	15,544	17,815	(2,271)	-13%	35,630
Vote 15 - [NAME OF VOTE 15]	–	–	–	–	–	–	–	–	–
<b>Total Capital single-year expenditure</b>	<b>267,682</b>	<b>1,676,202</b>	<b>–</b>	<b>82,111</b>	<b>140,222</b>	<b>838,101</b>	<b>(697,879)</b>	<b>-83%</b>	<b>1,676,202</b>
<b>Total Capital Expenditure</b>	<b>1,325,813</b>	<b>2,091,286</b>	<b>–</b>	<b>200,163</b>	<b>565,121</b>	<b>1,045,643</b>	<b>(480,522)</b>	<b>-46%</b>	<b>2,091,286</b>
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	<b>73,836</b>	<b>270,443</b>	<b>–</b>	<b>7,659</b>	<b>24,531</b>	<b>135,221</b>	<b>(110,690)</b>	<b>-82%</b>	<b>270,443</b>
Executive and council							–		
Finance and administration	73,836	270,443		7,659	24,531	135,221	(110,690)	-82%	270,443
Internal audit							–		
<b>Community and public safety</b>	<b>98,759</b>	<b>199,467</b>	<b>–</b>	<b>29,944</b>	<b>51,583</b>	<b>99,733</b>	<b>(48,151)</b>	<b>-48%</b>	<b>199,467</b>
Community and social services	28,652	73,580		4,636	6,781	36,790	(30,009)	-82%	73,580
Sport and recreation	46,444	77,340		14,790	27,221	38,670	(11,449)	-30%	77,340
Public safety	23,204	46,647		10,518	17,580	23,323	(5,743)	-25%	46,647
Housing	260	600				300	(300)	-100%	600
Health	199	1,300				650	(650)	-100%	1,300
<b>Economic and environmental services</b>	<b>466,376</b>	<b>490,593</b>	<b>–</b>	<b>75,567</b>	<b>222,593</b>	<b>245,297</b>	<b>(22,703)</b>	<b>-9%</b>	<b>490,593</b>
Planning and development	22,245			783	16,055	–	16,055	#DIV/0!	–
Road transport	444,130	489,593		74,783	206,539	244,797	(38,258)	-16%	489,593
Environmental protection	–	1,000				500	(500)	-100%	1,000
<b>Trading services</b>	<b>686,842</b>	<b>1,122,783</b>	<b>–</b>	<b>86,993</b>	<b>266,414</b>	<b>561,392</b>	<b>(294,978)</b>	<b>-53%</b>	<b>1,122,783</b>
Energy sources	183,659	205,123		29,626	93,293	102,562	(9,269)	-9%	205,123

## Annexure “A2”

Vote Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
Water management	312,352	554,787		11,371	80,448	277,393	(196,945)	-71%	554,787
Waste water management	159,354	324,873		15,999	55,402	162,437	(107,034)	-66%	324,873
Waste management	31,477	38,000		29,997	37,271	19,000	18,271	96%	38,000
<b>Other</b>	–	8,000			–	4,000	(4,000)	-100%	8,000
<b>Total Capital Expenditure - Functional Classification</b>	<b>1,325,813</b>	<b>2,091,286</b>	<b>–</b>	<b>200,163</b>	<b>565,121</b>	<b>1,045,643</b>	<b>(480,522)</b>	<b>-46%</b>	<b>2,091,286</b>
<b>Funded by:</b>									
National Government	1,029,744	1,325,029		113,378	348,908	662,514	(313,606)	-47%	1,325,029
Provincial Government						–	–		–
District Municipality						–	–		–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	20,302	43,000		13,616	29,745	21,500	8,245	38%	43,000
<b>Transfers recognised - capital</b>	<b>1,050,046</b>	<b>1,368,029</b>	<b>–</b>	<b>126,994</b>	<b>378,654</b>	<b>684,014</b>	<b>(305,361)</b>	<b>-45%</b>	<b>1,368,029</b>
<b>Borrowing</b>	<b>43,414</b>	<b>60,500</b>				<b>30,250</b>	<b>(30,250)</b>	<b>-100%</b>	<b>60,500</b>
<b>Internally generated funds</b>	<b>232,354</b>	<b>662,757</b>		<b>73,169</b>	<b>186,467</b>	<b>331,379</b>	<b>(144,912)</b>	<b>-44%</b>	<b>662,757</b>
<b>Total Capital Funding</b>	<b>1,325,813</b>	<b>2,091,286</b>	<b>–</b>	<b>200,163</b>	<b>565,121</b>	<b>1,045,643</b>	<b>(480,522)</b>	<b>-46%</b>	<b>2,091,286</b>

- The performance on expenditure for capital projects by Directorate is reflected in Annexure A2i.
- Only 27.02% of the Capital Budget was spend as of 31 December 2025. This largely represents two months’ expenditure as supplier invoices are paid 30 days from the date of the invoice.

The impact of the Capital Budget on the Municipality’s cash flow position is discussed in **Annexure A3** of this report.

## CAPITAL EXPENDITURE REPORT FOR THE PERIOD 1 JULY 2025 – 31 DECEMBER 2025

## CAPITAL EXPENDITURE BY DIRECTORATE FOR 2025/26

1 JULY 2025 - 31 DECEMBER 2025 - FINAL

Directorate	Project	Project Title	2025/26 Original Budget	2025/26 Adjustments Budget	Virements	Budget Amendments	2025/26 Budget	Expenditure	Source Code	Finance Source
Budget & Treasury	20182605	Construction of new offices at Supply Chain Management	18,100,000.00				18,100,000.00		901	CRR
Budget & Treasury	20182612	B&T Office Renovations - ETB	300,000.00				300,000.00		901	CRR
Budget & Treasury	20230299	Purchase & installation of Water Tanks: Customer Care Centres	300,000.00				300,000.00		901	CRR
Budget & Treasury	20240240	Purchase of Filing Cabinets for Customer Care Archiving	2,000,000.00				2,000,000.00		901	CRR
Budget & Treasury	20240242	Upgrading of NMBM Legacy System - mSCOA	3,000,000.00				3,000,000.00		901	CRR
Budget & Treasury	20250085	Emergency Security Measures at Harrower Road Cable Yard - Enclosing Perimeter	0.00			2,429,660.00	2,429,660.00	1,943,468.82	901	CRR
Budget & Treasury	20250335	Installation of CCTV Equipment: Creditors Section	200,000.00				200,000.00		901	CCR
Budget & Treasury	20250336	Installation of Alarm system - Creditors Section	250,000.00				250,000.00		901	CRR
Budget & Treasury	20250337	Replacement of Old Laptop and Desktops: Creditors Section	350,000.00				350,000.00		901	CCR
Budget & Treasury	20250338	Office Furniture - Budget & Treasury	420,000.00				420,000.00	6,943.16	901	CRR
Budget & Treasury	20250339	Burglar Proofing - Creditors Section	100,000.00				100,000.00		901	CCR
Budget & Treasury	20250392	Purchase of new forklift - SCM	650,000.00				650,000.00	649,889.00	901	CRR
Budget & Treasury	20200262	Replacement of Old Laptops and Desktop PC's	400,000.00				400,000.00		959	Levies
Budget & Treasury	20220171	Acquisition of Motor Vehicle for Customer Care	750,000.00				750,000.00		959	Levies
Budget & Treasury	20230296	Replacement of Revenue Sub-Directorate Computer Equipment	200,000.00				200,000.00		959	Levies
Budget & Treasury	20230300	Replacement of Air-Conditioning Units: Customer Care Centres	150,000.00				150,000.00		959	Levies
Budget & Treasury	20250088	Replacement of Handheld Devices - Meter Reading	200,000.00				200,000.00		959	Levies
Corporate Services	20250391	Upgrade of Jeff Masemola Hall	1,000,000.00		-110,000		890,000.00		901	CRR
Corporate Services	20250377	Corporate Services - Purchase of Furniture	200,000.00		-		200,000.00		901	CRR
Corporate Services	20220112	Purchase of Computer Equipment	1,000,000.00				1,000,000.00	604,944.32	901	CRR
Corporate Services	20250280	Construction of Ward 8 Councillor Office	1,900,000.00				1,900,000.00		901	CRR
Corporate Services	20240159	Installation of New Lifts: Mfanasekhaya Gqobose Building	2,250,000.00				2,250,000.00		901	CRR
Corporate Services	20240157	Installation of New Lifts: Lillian Diedericks Building	4,400,000.00				4,400,000.00		901	CRR
Corporate Services	20230181	Purchase of ICT infrastructure and equipment			110,000		110,000.00		901	CRR
Corporate Services	20250228	Purchase of Kitchen Equipment at Uitenhage Community Halls	100,000.00		5,000		105,000.00	103,784.10	959	Levies
Corporate Services	20250330	Lillian Diedericks - Replace roller shutter door at Minus 1 Entrance	200,000.00				200,000.00		959	Levies
Corporate Services	20250268	City Hall Auditorium- Installation of standby water pump.	40,000.00				40,000.00		959	Levies
Corporate Services	20250319	Chatty Community Hall - Ablution Upgrade	100,000.00				100,000.00		959	Levies
Corporate Services	20250056	Walmer Town Hall: Installation of Anti-Climb Fence	400,000.00				400,000.00		959	Levies
Corporate Services	20250318	Bethelsdorp Community Hall - Ablution Upgrade	150,000.00				150,000.00		959	Levies

## Annexure "A2(i)"

## CAPITAL EXPENDITURE BY DIRECTORATE FOR 2025/26

1 JULY 2025 - 31 DECEMBER 2025 - FINAL

Corporate Services	20250305	Mfanasekhaya Gqobose Building - Installation of Water treatment auto dosing system for the Aircon Ch	46,000.00			46,000.00		959	Levies
Corporate Services	20190264	Air Conditioning of Municipal Buildings	1,400,000.00		-400,000	1,000,000.00	380,333.71	959	Levies
Corporate Services	20250329	Mfanasekhaya Gqobose Building - Replacement of rollershutter doors at Main Entrance and Banking Hall	200,000.00			200,000.00		959	Levies
Corporate Services	20250282	Upgrade of Corporate HR Office- 16th Floor Lillian Diedericks Building	350,000.00			350,000.00		959	Levies
Corporate Services	20250226	Installation of Wireless, Networking and High Masts	2,000,000.00			2,000,000.00		959	Levies
Corporate Services	20250254	Ward 54 Office: Temporary Office Container, kitchen & ablutions	450,000.00		20,000	470,000.00		959	Levies
Corporate Services	20250328	Lillian Diedericks - Upgrade to all floorways	500,000.00		-450,000	50,000.00		959	Levies
Corporate Services	20250231	Jeff Masemola Hall - Fencing of Hall and Caretakers Cottage	364,000.00			364,000.00		959	Levies
Corporate Services	20230053	Woolboard Council Chamber: Recording system and microphones	850,000.00			850,000.00		959	Levies
Corporate Services	20250260	Feather Market Centre - Upgrading of Ablution Facilities	300,000.00			300,000.00		959	Levies
Corporate Services	20250053	Booyens Park Hall: Installation of anti-climb fence	300,000.00			300,000.00		959	Levies
Corporate Services	20250313	Matthew Goniwe Hall - Installation of New GateMotor and construction of a ramp	35,000.00			35,000.00		959	Levies
Corporate Services	20250279	Purchase of Furniture for Skills Development office	200,000.00			200,000.00	166,300.65	959	Levies
Corporate Services	20250278	Purchase of new PA System at Nangoza Jebe Hall	50,000.00			50,000.00		959	Levies
Corporate Services	20250323	Burchell Drive Depot - Installation of security measures	200,000.00			200,000.00		959	Levies
Corporate Services	20250320	Booyens Park Hall - Ablution Upgrade	100,000.00			100,000.00		959	Levies
Corporate Services	20250257	Alarm and security installations at NMBM Corporate Buildings	1,200,000.00			1,200,000.00		959	Levies
Corporate Services	20250039	Upgrade to Fidelity Building	800,000.00			800,000.00		959	Levies
Corporate Services	20250059	Despatch Depot: Installation of Anti-Climb Fence	800,000.00			800,000.00		959	Levies
Corporate Services	20250316	Limba Hall - Purchase of water tanks with purification system	20,000.00		-5,000	15,000.00	11,909.00	959	Levies
Corporate Services	20250296	City Hall - Installation of Water treatment auto dosing system for the Aircon Chiller Plant (Open sy	102,000.00			102,000.00		959	Levies
Corporate Services	20250269	City Hall Auditorium - Installation of overhead projector	90,000.00			90,000.00		959	Levies
Corporate Services	20250324	Harrower RD Depot -Purchase of Boardroom furniture	150,000.00			150,000.00		959	Levies
Corporate Services	20250263	KwaNobuhle Depot - Upgrade to Facilities	200,000.00			200,000.00	98,470.00	959	Levies
Corporate Services	20230181	Purchase of ICT infrastructure and equipment	13,000,000.00			13,000,000.00	7,113,848.56	959	Levies
Corporate Services	20250312	Motherwell NU 2 Hall -Replacement of Roof	25,000.00		-20,000	5,000.00		959	Levies
Corporate Services	20250321	Gail Road Depot: Installation of anti-climb fence	600,000.00			600,000.00		959	Levies
Corporate Services	20250271	Purchase of Furniture for Halls & Conference centres	400,000.00			400,000.00		959	Levies
Corporate Services	20250303	Noninzi Luzipho - Installation of Water treatment auto dosing system for the Aircon Chiller Plant (C	46,000.00			46,000.00		959	Levies
Corporate Services	20230184	Purchase Of Tools And Equipment	100,000.00		400,000	500,000.00	173,981.34	959	Levies

**Annexure “A2(i)”**

**CAPITAL EXPENDITURE BY DIRECTORATE FOR 2025/26**

**1 JULY 2025 - 31 DECEMBER 2025 - FINAL**

Corporate Services	20250334	Algoa House Upgrade	300,000.00				300,000.00		959	Levies
Corporate Services	20250308	Cecil Kapi Hall - Installation of Aluminium windows and Anti-Climb Fence	80,000.00				80,000.00		959	Levies
Corporate Services	20250325	Harrower RD Depot - Purchase of Overhead projector with screen Facilities	50,000.00				50,000.00		959	Levies
Corporate Services	20250227	Cuyler Depot - Fencing	500,000.00				500,000.00		959	Levies
Corporate Services	20250322	Malabar Community Hall - Upgrade to ablution facilities	150,000.00				150,000.00		959	Levies
Corporate Services	20250298	Fidelity Building - Installation of Water treatment auto dosing system for the Aircon Chiller Plant	102,000.00				102,000.00		959	Levies
Corporate Services	20250277	Purchase of furniture for Facilities Management Offices and kitchen - 4th Floor Lillian Diedericks	200,000.00				200,000.00	27,270.24	959	Levies
Corporate Services	20250050	Installation of alarm systems at ward councillors offices	200,000.00				200,000.00		959	Levies
Corporate Services	20250377	Corporate Services - Purchase of Furniture			450,000		450,000.00		959	Levies
EDTA	20240239	EDTA: Coldrooms and Banana Ripening Facilities at Market	8,000,000				8,000,000.00		901	CRR
EDTA	20250389	EDTA: Procurement of Computers, Computer equipment and Laptops.	200,000.00				200,000.00	96,800.00	901	CRR
EDTA	20250304	Development of Food Garden: Bayland	434,780.00				434,780.00	45,413.60	972	ISUPG
EDTA	20250300	Development of Food Garden: Walmer Airport Valley	173,910.00				173,910.00	89,952.37	972	ISUPG
Electricity	20250374	E&E - Replacement of Laptops and Computer equipments	75,000.00				75,000.00		901	CRR
Electricity	20250375	E&E - Purchase of Office Furniture and Equipment	100,000.00				100,000.00		901	CRR
Electricity	20200209	Public Contribution - Private Township Development	5,000,000.00				5,000,000.00	3,752,890.96	923	PUBLIC CONTRIBUTION S
Electricity	20200339	E&E Miscellaneous Mains and Substations	13,000,000.00				13,000,000.00	11,548,012.67	923	PUBLIC CONTRIBUTION S
Electricity	20200207	Reinforcement of Electricity Network - Coega IDZ	25,000,000.00				25,000,000.00	14,436,283.27	923	PUBLIC CONTRIBUTION S
Electricity	20210092	Public Lighting - Retro fit	10,000,000.00				10,000,000.00	3,538,046.73	951	USDG
Electricity	20200338	E&E - Public Lighting	10,178,250.00				10,178,250.00	2,166,447.44	951	USDG
Electricity	20200188	E&E-Electrification of State Subsidised Houses	15,000,000.00				15,000,000.00	933,388.84	951	USDG
Electricity	20150028	Refurbishment of Power Transformers	6,000,000.00				6,000,000.00	3,823,425.69	951	USDG
Electricity	2026TBA	Increase in Electrical Capacity at Kelvin Jones WWTW	0.00		1,200,000		1,200,000.00	0.00	951	USDG
Electricity	20200125	Reinforcement of Electricity Network- Despatch	1,000,000.00				1,000,000.00		959	LEVIES
Electricity	20210094	Relay Replacement	2,000,000.00				2,000,000.00		959	LEVIES
Electricity	20200203	HV Line Refurbishment (66 & 132KV)	3,000,000.00				3,000,000.00	2,574,966.47	959	LEVIES
Electricity	20240166	Perl Road Substation - Installation of 3rd Transformer	1,000,000.00				1,000,000.00		959	LEVIES

## Annexure "A2(i)"

## CAPITAL EXPENDITURE BY DIRECTORATE FOR 2025/26

1 JULY 2025 - 31 DECEMBER 2025 - FINAL

Electricity	20200113	Reinforcement of Electricity Network- North	1,000,000.00			1,000,000.00	991,710.00	959	LEVIES
Electricity	20200330	E&E- HV Circuit breakers replacement at major substations	3,000,000.00			3,000,000.00	1,062,514.92	959	LEVIES
Electricity	20182549	Upgrade of Commercial Meters - Remote Metering	2,000,000.00			2,000,000.00	501,147.00	959	LEVIES
Electricity	20170045	Distribution Substation Building Refurbishment Programme	1,000,000.00			1,000,000.00	10,050.50	959	LEVIES
Electricity	20240165	Walmer - Summerstrand 132kV Powerline upgrade	1,000,000.00			1,000,000.00	64,493.28	959	LEVIES
Electricity	20182550	Smart Pre-Payment Meters	2,000,000.00			2,000,000.00	1,771,828.80	959	LEVIES
Electricity	20200105	Low Voltage Reticulation Improvement	500,000.00			500,000.00		959	LEVIES
Electricity	20200106	Electricity Buildings Improvements	1,000,000.00			1,000,000.00		959	LEVIES
Electricity	20200131	New/Replacement of Plant and Motor Vehicles	3,000,000.00			3,000,000.00		959	LEVIES
Electricity	20200123	Reinforcement of Electricity Network- Mount Road	1,270,000.00			1,270,000.00	834,893.71	959	LEVIES
Electricity	20200137	Procurement of Metering Products	4,000,000.00			4,000,000.00	3,003,840.00	959	LEVIES
Electricity	20070209	Substation Fibre Optic Backbone	2,000,000.00			2,000,000.00		959	LEVIES
Electricity	20200333	E&E- Deal Party 22kV Upgrade	2,500,000.00			2,500,000.00	972,236.42	959	LEVIES
Electricity	20200120	Reinforcement of Electricity Network- Uitenhage	2,000,000.00			2,000,000.00	84,006.74	959	LEVIES
Electricity	20200117	Reinforcement of Electricity Network- Korsten	700,000.00			700,000.00		959	LEVIES
Electricity	20240156	Replace Munelek Server and Storage infrastructure	3,500,000.00			3,500,000.00		959	LEVIES
Electricity	20200128	Reinforcement of Electricity Network- Western	500,000.00			500,000.00		959	LEVIES
Electricity	20200115	Reinforcement of Electricity Network- Wells Estate	3,000,000.00			3,000,000.00	4870.8	959	LEVIES
Electricity	20200126	Reinforcement of Electricity Network- South	1,000,000.00			1,000,000.00		959	LEVIES
Electricity	20200201	Supervisory Control - Equipment Upgrade	1,000,000.00			1,000,000.00		959	LEVIES
Electricity	20150028	Refurbishment of Power Transformers	2,500,000.00			2,500,000.00	0.00	959	LEVIES
Electricity	20240169	Renewable Energy projects for self consumption	100,000.00			100,000.00		959	LEVIES
Electricity	20200119	Reinforcement of Electricity Network- Newton Park	500,000.00			500,000.00		959	LEVIES
Electricity	20240171	LV Line Refurbishment	2,000,000.00			2,000,000.00	909,993.15	959	LEVIES
Electricity	20240163	REINFORCEMENT OF ELECTRICITY NETWORKS-COEGA - Internal funds	1,000,000.00			1,000,000.00		959	LEVIES
Electricity	20240172	MV Line Refurbishment	6,300,000.00			6,300,000.00	2,787,250.26	959	LEVIES
Electricity	20200337	E&E - Mabandla MV Upgrade	2,500,000.00			2,500,000.00	209,026.83	959	LEVIES
Electricity	20170022	Undeclared Informal Electrification	40,521,740.00			40,521,740.00	18,723,230.08	972	ISUPG
Electricity	20230285	2024 ISUP - Install 132kV/11kV 31.5MVA transformer @ Kulati Sub - Ward 22	3,043,480.00			3,043,480.00	2,380,972.59	972	ISUPG
Electricity	20210345	E&E Construction of 22KV Feeder to Motherwell NU30 - Ward 54	6,956,520.00			6,956,520.00	3,165,831.93	972	ISUPG
Electricity	20210341	E&E Bulk infrastructure establish New Sub Station -Booyens Park - Joe Slovo (Ward 36)	13,913,050.00		9,565,220	23,478,270.00	11,736,826.01	972	ISUPG
Electricity	20200337	E&E - Mabandla MV Upgrade	1,304,350.00			1,304,350.00	1,304,350.00	972	ISUPG
Electricity	20210372	E&E - EEDSM Energy Efficient Public Lighting	5,660,870.00			5,660,870.00		976	EEDSM

## Annexure "A2(i)"

## CAPITAL EXPENDITURE BY DIRECTORATE FOR 2025/26

1 JULY 2025 - 31 DECEMBER 2025 - FINAL

Human Settlements	20230126	Walmer Erf 11305 - Roadworks (HS)	8,000,000.00			8,000,000.00		951	USDG
Human Settlements	20230125	Walmer Airport Valley (Area B&C) - Sewer Reticulation (HS)	8,000,000.00			8,000,000.00		951	USDG
Human Settlements	20220068	Khayamnandi Phase 5 - Roadworks (Human Settlements)	7,530,800.00			7,530,800.00	5,639,549.55	951	USDG
Human Settlements	20250127	Jagvlagte HS5Stormwater Reticulation (Human Settlements)	2,000,000.00			2,000,000.00		951	USDG
Human Settlements	20250129	Jagvlagte HS5Sewer Reticulation (Human Settlements)	8,000,000.00			8,000,000.00		951	USDG
Human Settlements	20250126	Jagvlagte HS5Roadworks ( Human Settlements)	6,468,700.00			6,468,700.00		951	USDG
Human Settlements	20220071	Khayamnandi Phase 5 - Sewer Reticulation	5,652,630.00			5,652,630.00	2,536,473.46	951	USDG
Human Settlements	20190104	Connections and Water Meters	5,000,000.00			5,000,000.00	298,753.50	951	USDG
Human Settlements	20230122	Walmer Airport Valley (Area B&C) - Roadworks (HS)	21,000,000.00			21,000,000.00		951	USDG
Human Settlements	20230128	Walmer Erf 11305 - Water Reticulation (HS)	3,000,000.00			3,000,000.00		951	USDG
Human Settlements	20230097	Jachtvlakte HS 8 (Chatty 11-14)Stormwater Reticulation	7,000,000.00			7,000,000.00	120,910.94	951	USDG
Human Settlements	20220069	Khayamnandi Phase 5 - Stormwater Reticulation	2,000,000.00			2,000,000.00	1,227,764.91	951	USDG
Human Settlements	20230129	Walmer Erf 11305 - Sewer Reticulation (HS)	8,000,000.00			8,000,000.00		951	USDG
Human Settlements	20230127	Walmer Erf 11305 - Stormwater Reticulation (HS)	4,000,000.00			4,000,000.00		951	USDG
Human Settlements	20230123	Walmer Airport Valley (Area B&C) - Stormwater Reticulation	7,000,000.00			7,000,000.00		951	USDG
Human Settlements	20230124	Walmer Airport Valley (Area B&C) - Water Reticulation (HS)	4,000,000.00			4,000,000.00		951	USDG
Human Settlements	20230096	Jachtvlakte HS 8 (Chatty 11-14)Roadworks (HS)	13,000,000.00			13,000,000.00	628,736.84	951	USDG
Human Settlements	20250128	Jagvlagte HS5Water Reticulation (Human Settlements)	3,000,000.00			3,000,000.00		951	USDG
Human Settlements	20170088	Nkatha/Seyisi - Sewer Reticulation	8,000,000.00			8,000,000.00		951	USDG
Human Settlements	20230099	Jachtvlakte HS 8 (Chatty 11-14)Sewer Reticulation (HS)	13,000,000.00			13,000,000.00	245,086.53	951	USDG
Human Settlements	20230098	Jachtvlakte HS 8 (Chatty 11-14)Water Reticulation (HS)	5,000,000.00			5,000,000.00	217,639.69	951	USDG
Human Settlements	20220070	Khayamnandi Phase 5 - Water Reticulation	2,000,000.00			2,000,000.00	1,125,451.30	951	USDG
Human Settlements	20250181	Purchase of Office Equipment - Building Inspectorate Division	36,000.00		-25,000	11,000.00		959	LEVIES
Human Settlements	20250124	Purchase of vehicle (Housing Delivery)	450,000.00			450,000.00		959	LEVIES
Human Settlements	20250123	Fencing of the Motherwell Housing Support Centre (Housing Delivery)	1,000,000.00			1,000,000.00		959	LEVIES
Human Settlements	20250122	Purchase of Conferencing Equipment (Housing Delivery)	280,000.00			280,000.00		959	LEVIES
Human Settlements	20240102	Acquisition of Land Survey Equipment	600,000.00			600,000.00		959	LEVIES
Human Settlements	20250182	Purchase of Computer Equipment - Building Inspectorate Division	30,000.00		25,000	55,000.00		959	LEVIES
Human Settlements	20250125	Purchase of vehicle (Administration)	550,000.00			550,000.00		959	LEVIES
Human Settlements	20230117	Bethelsdorp Ext 32,34,36 - Water Reticulation	3,478,260.00			3,478,260.00	101,159.98	972	ISUPG
Human Settlements	20230119	Bethelsdorp Ext 32,34,36 - Sewer Reticulation	5,478,270.00			5,478,270.00	252,858.39	972	ISUPG
Human Settlements	20230105	Bethelsdorp Ext 32,34,36 - Roadworks (Human Settlements)	6,956,530.00			6,956,530.00	219,587.52	972	ISUPG
Human Settlements	20250133	Motherwell NU 30 Ph4 - Sewer Reticulation (Human Settlements)	3,120,260.00			3,120,260.00		972	ISUPG
Human Settlements	20250131	Motherwell NU 30 Ph4 - Stormwater Reticulation (Human Settlements)	1,560,130.00			1,560,130.00		972	ISUPG

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Human Settlements	20250130	Motherwell NU 30 Ph4 - Roadworks (Human Settlements)	4,160,350.00			4,160,350.00		972	ISUPG
Human Settlements	20250132	Motherwell NU 30 Ph4 - Water Reticulation (Human Settlements)	1,560,130.00			1,560,130.00		972	ISUPG
Human Settlements	20230106	Bethelsdorp Ext 32,34,36 - Stormwater Reticulation	2,347,830.00			2,347,830.00	94,415.98	972	ISUPG
Human Settlements	20250376	Human Settlements - Purchase of computers and computer equipment	75,000.00			75,000.00	65,246.10	901	CRR
Public Health	20190316	PH - Replacement of Refuse Compactors	30,000,000.00			30,000,000.00	29,997,183.27	901	CRR
Public Health	20210219	PH: Purchase of Computer Equipment	1,500,000.00			1,500,000.00	250,075.22	901	CRR
Public Health	20210220	PH: Purchase of Office Furniture	200,000.00			200,000.00		901	CRR
Public Health	20250207	Purchase of Guardhouses for Cemeteries	300,000.00			300,000.00		901	CRR
Public Health	20250354	Upgrade and Development of Public Open Spaces - Maitlands	1,600,000.00			1,600,000.00		901	CRR
Public Health	20200027	Specialised Medical Equipment	100,000.00			100,000.00		959	LEVIES
Public Health	20190198	Upgrading of Ablution Facility - Peter Gibbs Nursery	600,000.00			600,000.00		959	LEVIES
Public Health	20240164	Fencing of Van Stadens Nature Reserve	150,000.00			150,000.00		959	LEVIES
Public Health	20190171	PH - Upgrade and Development of Motherwell Cemetery	800,000.00			800,000.00		959	LEVIES
Public Health	20190313	PH: Purchase of Waste Containers	2,000,000.00			2,000,000.00		959	LEVIES
Public Health	20240235	New Carports at Swartkops Tigerbay Depot	1,000,000.00			1,000,000.00		959	LEVIES
Public Health	20240237	Upgrade of the jetty at Tygerbay	200,000.00			200,000.00		959	LEVIES
Public Health	20240161	Upgrade of internal roads within Van Stadens Nature reserve	250,000.00			250,000.00		959	LEVIES
Public Health	20240143	Upgrading of Verwoed Drop-off Site	2,000,000.00			2,000,000.00		959	LEVIES
Public Health	20170131	Air Pollution Monitoring Equipment	1,000,000.00			1,000,000.00		959	LEVIES
Public Health	20190307	Procurement of Specialised Vehicles - Public Health	8,100,000.00			8,100,000.00	1,750,035.70	959	LEVIES
Public Health	20190162	Upgrade and Development of Bloemendal Cemetery	600,000.00			600,000.00		959	LEVIES
Public Health	20190298	Occupational Health and Wellness Center - Walmer	200,000.00			200,000.00		959	LEVIES
Public Health	20210228	Construction of new greenhouses at Peter Gibbs Nursery	600,000.00			600,000.00		959	LEVIES
Public Health	20240139	Upgrade and development of Despatch cemetery	300,000.00			300,000.00	294,450.01	959	LEVIES
Public Health	20230280	Upgrade and Development of Bethelsdorp Cemetery	500,000.00			500,000.00		959	LEVIES
Public Health	20190283	Upgrade of Uitenhage Dog Pound	500,000.00			500,000.00		959	LEVIES
Public Health	20210227	Upgrade and Development of Kabah Cemetery	600,000.00			600,000.00		959	LEVIES
Public Health	20250210	Municipal Health System	2,000,000.00			2,000,000.00		959	LEVIES
Public Health	20190156	Upgrade and Development of Forest Hill Cemetery	500,000.00			500,000.00	526,309.91	959	LEVIES
Public Health	20210233	PH: Purchase of Plant and Equipment	200,000.00			200,000.00		959	LEVIES
Public Health	20190168	Upgrade and Development of Matanzima Cemetery	500,000.00			500,000.00	457,515.05	959	LEVIES
Public Health	20240177	Rehabilitation of Van Standens Nature Reserve Roof coverings	1,000,000.00			1,000,000.00		959	LEVIES
Public Health	20210231	Non-Specialised Vehicles - Public Health	10,000,000.00			10,000,000.00		959	LEVIES
Public Health	20230219	Upgrade and Development of Public Open Spaces -Siqokwana Par	1,400,000.00			1,400,000.00	1,257,419.98	951	USDG

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Public Health	20230212	Upgrade and Development of Public Open Spaces-Jacaranda Park	1,500,000.00			1,500,000.00	1,510,272.30	951	USDG
Public Health	20230192	Upgrade of Major Parks: St. Georges Park	1,400,000.00			1,400,000.00	1,295,533.97	951	USDG
Public Health	20220119	Waste - Fencing of Arlington disposal site	500,000.00			500,000.00	311,578.79	951	USDG
Public Health	20230220	Upgrade and Development of Public Open Spaces -Goldberg Saltlake Park	1,500,000.00			1,500,000.00		951	USDG
Public Health	20230217	Upgrade and Development of Public Open Spaces -Sipres Park	1,200,000.00		-	1,200,000.00	1,115,100.32	951	USDG
Public Health	20200196	Development of waste disposal facilities (Koedoeskloof)	2,000,000.00			2,000,000.00		951	USDG
Public Health	20230214	Upgrade and Development of Public Open Spaces St Lilia Park	1,200,000.00			1,200,000.00	640,809.83	951	USDG
Public Health	20200289	Development of waste disposal facilities - Arlington	2,000,000.00			2,000,000.00	331,616.58	951	USDG
Public Health	20230218	Upgrade and Development of Public Open Spaces - Richter Park	1,500,000.00			1,500,000.00		951	USDG
Public Health	20250351	Upgrade and Development of Public Open Spaces - Indwe Park	1,500,000.00			1,500,000.00		951	USDG
Public Health	20250215	Upgrade and Development of Public Open Spaces - Bunn Street Park	683,910.00			683,910.00		951	USDG
Public Health	20230215	Upgrade and Development of Public Open Spaces -Jolobe Park	1,300,000.00			1,300,000.00	1,277,446.56	951	USDG
Public Health	20230213	Upgrade and Development of Public Open Spaces -Chamois Park	1,700,000.00			1,700,000.00		951	USDG
Public Health	20250283	Upgrade and Development of Public Open Spaces - Mgolodela Park	1,478,260.00			1,478,260.00		972	ISUPG
Public Health	20220119	Waste - Fencing of Arlington disposal site	16,987,850.00		7,387,520	24,375,370.00	15,189,696.53	972	ISUPG
Public Health	20250285	Upgrade and Development of Public Open Spaces - Middle Park	1,478,260.00			1,478,260.00	1,384,684.56	972	ISUPG
Public Health	20250284	Upgrade and Development of Public Open Spaces - Siyamthanda Park	1,478,260.00			1,478,260.00	1,387,457.86	972	ISUPG
Public Health	20250371	Upgrade and Development of Public Open Spaces - MK 32 Park	1,478,260.00			1,478,260.00	1,474,852.29	972	ISUPG
Public Health	20250281	Upgrade and Development of Public Open Spaces - Kingston Park	1,478,260.00			1,478,260.00		972	ISUPG
Roads & Stormwater	20190106	Small Plant & Equipment	162,160.00			162,160		901	CRR
Roads & Stormwater	20230276	Tarring Of Gravel Roads- Priority 2	29,427,820.00			29,427,820		901	CRR
IPTS	20190054	IPTS - The Development of Cleary Park Depot and Terminal	400,000.00			400,000		918	IPTS
IPTS	20250080	IPTS - Road Improvements	15,000,000.00			15,000,000	12,463,962.70	918	IPTS
IPTS	20250079	IPTS - Provision of Bus Stops and Signage	10,000,000.00			10,000,000	532,690.31	918	IPTS
IPTS	20190175	IPTS - Automated Fare Collection (AFC) System	38,622,000.00			38,622,000		918	IPTS
IPTS	20220168	IPTS - Refurbishment of Busses	10,000,000.00		20,000,000.00	30,000,000	4,286,333.21	918	IPTS
IPTS	20200213	IPTS-Bus Rapid Transit	35,289,700.00		-35,210,000	79,700		918	IPTS

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IPTS	20250229	IPTS - Widening of Bereng Road	7,000,000.00			7,000,000		918	IPTS
IPTS	20060229	IPTS -Work Package: Public Transport Facilities	600,000.00			600,000		918	IPTS
IPTS	20250078	IPTS - Upgrading of Kariega Fresh Produce Market into an Interim Depot	10,000,000.00			10,000,000	3,508,890.37	918	IPTS
IPTS	20250230	IPTS - Construction of Kwa-Nobuhle Holding Depot	1,500,000.00			1,500,000		918	IPTS
IPTS	20230246	IPTS - The Development of Kariega CBD, Kwanobuhle	1,500,000.00			1,500,000		918	IPTS
IPTS	20220050	IPTS - TOC including Bus Priority	500,000.00			500,000		918	IPTS
IPTS	20210277	IPTS - OMS APTMS Lite - Phase 2	10,000,000.00			10,000,000		918	IPTS
Roads & Stormwater	20250011	Roads & Stormwater - Disaster - Rehabilitation of KAT Canal	5,000,000.00			5,000,000		951	USDG
Roads & Stormwater	20230276	Tarring Of Gravel Roads- Priority 2	42,757,260.00			42,757,260	42,757,260.00	951	USDG
Roads & Stormwater	2026TBA1	Construction of New Access Road at Rocklands WWTW			7,000,000	7,000,000	-	951	USDG
Roads & Stormwater	2026TBA2	Construction of New Stormwater at Rocklands WWTW			1,000,000	1,000,000	-	951	USDG
Roads & Stormwater	20190106	Small Plant & Equipment	4,000,000.00	-250,000		3,750,000	37,415.68	959	Levies
Roads & Stormwater	20190294	Aluta Continua Access Road - Joe Slovo	22,000,000.00			22,000,000	10,038,395.44	959	Levies
Roads & Stormwater	20200050	Rehabilitate concrete roads	3,000,000.00			3,000,000		959	Levies
Roads & Stormwater	20200051	Resurfacing tar roads	25,000,000.00	-500,000		24,500,000	3,297,120.45	959	Levies
Roads & Stormwater	20200053	Upgrading of depots and offices	3,000,000.00			3,000,000		959	Levies
Roads & Stormwater	20200054	Rehabilitation of Roads	12,000,000.00			12,000,000	2,134,991.69	959	Levies
Roads & Stormwater	20200055	Replacement vehicle fleet-Automotive Transport	10,000,000.00		-3,478,260	6,521,740		959	Levies
Roads & Stormwater	20200056	Roads-New /Replacement Vehicle fleet	5,000,000.00		-3,921,740	1,078,260		959	Levies
Roads & Stormwater	20200057	Rehabilitation of Workshop Buildings	1,000,000.00			1,000,000	171,200.00	959	Levies
Roads & Stormwater	20200059	Reconstruction of stormwater system - Metrowide	2,000,000.00			2,000,000	1,995,301.12	959	Levies
Roads & Stormwater	20200060	Rehabilitation of Stormwater Ponds	2,000,000.00			2,000,000	1,681,580.62	959	Levies
Roads & Stormwater	20200062	Flood Risk improvement (All other rivers)	500,000.00			500,000		959	Levies
Roads & Stormwater	20200063	Stormwater Improvements	3,000,000.00	500,000		3,500,000		959	Levies
Roads & Stormwater	20200064	Motherwelll Canal Wetlands	500,000.00			500,000		959	Levies
Roads & Stormwater	20200065	New Traffic signals for roads intersections	500,000.00			500,000	121,141.73	959	Levies
Roads & Stormwater	20200068	TM24 Guidance Signs	350,000.00			350,000		959	Levies
Roads & Stormwater	20200069	Public Transport facilities	2,000,000.00			2,000,000		959	Levies
Roads & Stormwater	20200070	Traffic Control Equipment	7,000,000.00			7,000,000	524,377.06	959	Levies
Roads & Stormwater	20200073	Upgrade Main Road through Swartkops	2,000,000.00			2,000,000		959	Levies
Roads & Stormwater	20200078	Intersection Improvements	1,500,000.00			1,500,000	498,298.12	959	Levies
Roads & Stormwater	20200082	Construction of footbridges	500,000.00			500,000		959	Levies
Roads & Stormwater	20200083	Rehabilitation of Verges and sidewalks	2,000,000.00			2,000,000		959	Levies

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Roads & Stormwater	20200086	Rehabilitation of Bridge Structures	1,500,000.00			1,500,000	406,471.90	959	Levies
Roads & Stormwater	20210173	Road Traffic Calming Measures	4,000,000.00			4,000,000	582,325.75	959	Levies
Roads & Stormwater	20210174	Roads - Peri - urban: Rehabilitation of gravel roads	2,000,000.00			2,000,000		959	Levies
Roads & Stormwater	20210176	Roads - Provision of Rudimentary Services	3,000,000.00			3,000,000		959	Levies
Roads & Stormwater	20210214	Roads: Purchase of Computer Equipment	400,000.00	340,000		740,000	345,971.52	959	Levies
Roads & Stormwater	20220117	Roads- Tarring of circles-New Brighton	10,000,000.00			10,000,000	8,679,574.44	959	Levies
Roads & Stormwater	20220122	Roads-Reconstruction of Old PE-Uitenhage Road	14,000,000.00			14,000,000	525,258.69	959	Levies
Roads & Stormwater	20230265	Wells Estate - Access Road - Tyinirha & Bhunga Roads	2,000,000.00			2,000,000		959	Levies
Roads & Stormwater	20230266	Stormwater Improvements Ikamvelihle: Ponds rehabilitation	1,500,000.00			1,500,000		959	Levies
Roads & Stormwater	20230267	Cannonville/Colechester: Stormwater improvements - road construction	2,000,000.00			2,000,000		959	Levies
Roads & Stormwater	20230271	John Tallant Link Road: Upgrading of Old Grahamstown Road	1,000,000.00			1,000,000	567,726.32	959	Levies
Roads & Stormwater	20230274	New Brighton/ Kwazakhele: Bulk Stormwater Phase 1	3,000,000.00			3,000,000	1,001,405.52	959	Levies
Roads & Stormwater	20230275	Blue Horizon Bay Bulk Stormwater: Phase 1	500,000.00			500,000		959	Levies
Roads & Stormwater	20230276	Tarring Of Gravel Roads- Priority 2	27,000,000.00			27,000,000	817,687.50	959	Levies
Roads & Stormwater	20230277	Provision of Sidewalk - Phase 25	10,000,000.00			10,000,000	8,061,795.63	959	Levies
Roads & Stormwater	20230282	Zwide Bulk Stormwater	12,800,000.00			12,800,000	11,826,663.26	959	Levies
Roads & Stormwater	20230322	Roads - Office Furniture	100,000.00	-90,000		10,000		959	Levies
Roads & Stormwater	20240192	Fencing of Road Reserves - Metrowide	1,000,000.00			1,000,000		959	Levies
Roads & Stormwater	20250011	Roads & Stormwater - Disaster - Rehabilitation of KAT Canal	13,000,000.00			13,000,000		959	Levies
Roads & Stormwater	20250064	MDRG - Construction of new stormwater outlet headwalls, pipeline and drainage at Mavuso Road	0.00		3,921,740	3,921,740		959	Levies
Roads & Stormwater	20250068	MDRG - Upgrade & Restoration of Salt Lake - Siebritz Pond	0.00		2,084,650	2,084,650	666,892.20	959	Levies
Roads & Stormwater	20250069	MDRG - Construction of new stormwater piping at Budaza Street	0.00		1,393,610	1,393,610		959	Levies
Roads & Stormwater	20250370	Construction of Tshiwula street in New Brighton	2,000,000.00			2,000,000	2,171,330.59	959	Levies
Roads & Stormwater	20240313	2025 ISUP -Vistarus/Roliilahla - Construction of Roads - Jan, Xolani and Mpendula street in ward 31	11,304,350.00			11,304,350	4,886,341.27	972	ISUPG
Roads & Stormwater	20250236	2026 ISUP-construction of roads-motherwell NU 30	17,391,300.00			17,391,300	5,636,968.73	972	ISUPG
Roads & Stormwater	20250237	2026 ISUP-construction of roads-khayamnandi phase 6	17,391,300.00			17,391,300	7,467,199.02	972	ISUPG
Roads & Stormwater	20250235	2026 ISUP-construction of roads-bethelsdorp ext 32,34 and 36	17,391,300.00			17,391,300		972	ISUPG
Roads & Stormwater	20230307	2024 ISUP - Joe Slovo Ward 41 Construction of Roads	17,391,300.00			17,391,300	13,606,655.11	972	ISUPG
Roads & Stormwater	20240309	2025 ISUP-Khayamnandi -Nonkwiniza,Sakhisizwe, Ngcezi ward 41	17,391,300.00			17,391,300	12,654,306.10	972	ISUPG
Roads & Stormwater	20240311	2025 ISUP - Motherwell NU12 (Area C) - ward 54 - construction of road - Sizinzi	17,391,300.00	-17,391,300		-		972	ISUPG

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Roads & Stormwater	20260029	2025 ISUP - Motherwell NU12 (Area B)- construction of roads - Ward 54	0.00			17,391,300.00	17,391,300		972	ISUPG
Roads & Stormwater	20250064	MDRG - Construction of new stormwater outlet headwalls, pipeline and drainage at Mavuso Road	0.00			5,540,001	5,540,001	4,116,544.66	975	MDRG
Roads & Stormwater	20250065	MDRG - Reconstruction of Moegesukkel Access Road	0.00			4,184,343	4,184,343	861,052.75	975	MDRG
Roads & Stormwater	20250066	MDRG - Reconstruction of Salt Lake - Jacks Street(Stormwater Channel 500m X 450mm)	0.00			2,362,309	2,362,309	336,836.32	975	MDRG
Roads & Stormwater	20250067	MDRG - Reconstruction of Salt Lake - Jacks Street(Roadworks 400m X 6m)	0.00			13,970	13,970	55,986.48	975	MDRG
Roads & Stormwater	20250068	MDRG - Upgrade & Restoration of Salt Lake - Siebritz Pond	0.00			3,548,600	3,548,600	3,548,600.00	975	MDRG
Roads & Stormwater	20250069	MDRG - Construction of new stormwater piping at Budaza Street	0.00			3,346,701	3,346,701	932,533.23	975	MDRG
Roads & Stormwater	20250070	MDRG - Reconstruction of Jabavu Footbridge in Kariega	0.00			4,766,726	4,766,726	89,656.36	975	MDRG
Roads & Stormwater	20250071	MDRG - Reconstruction of Mngwanza Street in Kariega	0.00			1,936,778	1,936,778	107,906.36	975	MDRG
Roads & Stormwater	20250072	MDRG - Reconstruction of De Mist Canal in Kariega	0.00			9,266,694	9,266,694	3,368,661.63	975	MDRG
Roads & Stormwater	20250073	MDRG - Reconstruction of Fourie Street in Kariega	0.00			2,469,191	2,469,191	1,095,828.61	975	MDRG
Roads & Stormwater	20250074	MDRG - Reconstruction of Stormwater Drainage System at Moegesukkel Access Road	0.00			7,629,205	7,629,205	2,431,585.29	975	MDRG
Roads & Stormwater	20250176	MDRecG - Rehabilitation to Bridge and associated road works - Entrance to KwaNobuhle Ward 43	0.00			33,634,549.00	33,634,549	31,444,064.86	977	MDRecG
Roads & Stormwater	20250177	MDRecG -Rehabilitation to Bridge & associated road works - Ponana Tini & Matanzima Bridge Reconstruction	0.00			29,588,380.00	29,588,380	24,250,540.54	977	MDRecG
Safety & Security	20230176	Traffic: Purchase of roadblock trailer with signage	300,000.00				300,000.00	257,226.30	901	CRR
Safety & Security	20230178	Traffic: Purchase of Vehicles for Traffic College	800,000.00		156,000		956,000.00		901	CRR
Safety & Security	20190233	Fire: Purchase of Fire Appliance/ Engine	4,000,000.00				4,000,000.00		901	CRR
Safety & Security	20230121	Traffic: Construction of Motorcycle Test Track at Motherwell	300,000.00		290,000		590,000.00		901	CRR
Safety & Security	20190123	Purchase of Computer Equipment - Fire & Emergency	300,000.00				300,000.00		901	CRR
Safety & Security	20230115	Traffic: Construction of Store at Sidwell Traffic Centre	1,500,000.00				1,500,000.00		901	CRR
Safety & Security	20230173	Traffic: Purchase & Install Law Enforcement Equipment	2,000,000.00		-124,000		1,876,000.00		901	CRR
Safety & Security	20190228	Purchase of Radios for Safety and Security Directorate	12,000,000.00				12,000,000.00		901	CRR
Safety & Security	20190141	Purchase of Hydraulic Platform for Fire & Emergency Services	15,000,000.00				15,000,000.00		901	CRR
Safety & Security	20230170	Fire: Replacement of fence at Uitenhage Fire Station	500,000.00				500,000.00		901	CRR
Safety & Security	20230116	Traffic: Construction of inside wall at Motherwell DLTC	300,000.00				300,000.00		901	CRR
Safety & Security	20210207	Refurbishment / Renewal of Miramar Fire Station	500,000.00				500,000.00		901	CRR
Safety & Security	20230171	Fire: Automation of Engine Bay Doors at Fire Stations	500,000.00				500,000.00		901	CRR
Safety & Security	20170154	Purchase of Firefighting Vehicle - Rescue Pump	10,000,000.00				10,000,000.00		901	CRR
Safety & Security	20190232	Purchase of Off-Road Vehicles for Fire & Emergency Services	1,956,350.00				1,956,350.00		901	CRR
Safety & Security	20230113	Traffic: Purchase of Firearms	1,000,000.00		-32,000	-700,000	268,000.00		901	CRR

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Safety & Security	20230120	Traffic: Construction of LMV Maneuvering Area - Uitenhage	1,000,000.00		-215,000		785,000.00		901	CRR
Safety & Security	20170142	S&S: Purchase of Vehicles for Metro Police	550,000.00				550,000.00	550,000.00	901	CRR
Safety & Security	20240090	Traffic: Rehab of Traffic & licensing Buildings - Uitenhage	500,000.00			- 500,000	-		901	CRR
Safety & Security	20210202	Lift to accommodate Disabled Persons: Sidwell Traffic Centre	1,000,000.00				1,000,000.00		901	CRR
Safety & Security	20210204	Upgrade of Kwanobuhle Fire Station	300,000.00				300,000.00		901	CRR
Safety & Security	20230118	Traffic: Upgrade of Learner's Class at Korsten DLTC	300,000.00		-75,000		225,000.00		901	CRR
Safety & Security	20210206	Refurbishment / Renewal of Govan Mbeki Fire Station	300,000.00				300,000.00		901	CRR
Safety & Security	20230179	Traffic: Purchase of Vehicles for Law Enforcement	6,495,850.00				6,495,850.00	2,412,845.72	901	CRR
Safety & Security	20230091	Procure & Install CCTV System at Sidwell Traffic Department	0.00			700,000	700,000.00		901	CRR
Safety & Security	20260021	Traffic: Rehab of Traffic & licensing Buildings - Sidwell	0.00			500,000	500,000.00		901	CRR
Safety & Security	20170142	S&S: Purchase of Vehicles for Metro Police	0.00		5,600		5,600.00	5,571.80	959	Levies
Safety & Security	20230166	Security: Purchase of Furniture & Office Equipment	500,000.00				500,000.00		959	Levies
Safety & Security	20230161	Upgrade of Metro Police Bethelsdorp Precinct	500,000.00		-5,600		494,400.00		959	Levies
Safety & Security	20190124	Purchase of Computer Equipment - Disaster Management	250,000.00				250,000.00	156,516.48	959	Levies
Safety & Security	20240095	Purchase of Vehicles - Disaster Management	1,750,000.00				1,750,000.00		959	Levies
Safety & Security	20240091	Security: Purchase of Vehicles	2,000,000.00				2,000,000.00		959	Levies
Safety & Security	20230174	Security: Purchase & install camera for surveillance vehicle	1,500,000.00				1,500,000.00		959	Levies
Safety & Security	20230107	Security Purchase of Firearms	250,000.00				250,000.00		959	Levies
Safety & Security	20230103	Security Purchase of Law Enforcement Equipment	1,500,000.00				1,500,000.00		959	Levies
Safety & Security	20230163	Metro Police: Purchase of Furniture and Office Equipment	500,000.00				500,000.00		959	Levies
Safety & Security	20190232	Purchase of Off-Road Vehicles for Fire & Emergency Services	2,000,000.00				2,000,000.00		959	Levies
Safety & Security	20230108	Metro Police Purchase of Law Enforcement Equipment	200,000.00				200,000.00		959	Levies
Sanitation	20190244	Purchase of Vehicles for Sanitation Services	5,000,000.00				5,000,000.00		901	CRR
Sanitation	20200319	Sanitation: Purchase of Small Plant & Equipment	300,000.00		-46,000		254,000.00	252,955.00	959	Levies
Sanitation	20250075	Sanitation: Purchase of Furniture & Office Equipment	100,000.00		-20,000		80,000.00	42,945.87	959	Levies
Sanitation	20210243	Sanitation: Purchase of Computer Equipment	250,000.00		366,000		616,000.00	382,155.00	959	Levies
Sanitation	20250197	Sanitation: Office Accommodation and other Upgrades at Depots	100,000.00		180,000		280,000.00		959	Levies
Sanitation	20190244	Purchase of Vehicles for Sanitation Services	3,000,000.00		-480,000		2,520,000.00	2,093,772.51	959	Levies
Sanitation	20182431	Fishwater Flats WWTW Grit & Sludge Treatment Facility	500,000.00				500,000.00		951	USDG
Sanitation	20200160	Construction of Florida Heights Bulk Sewer	100,000.00		-40,000		60,000.00		951	USDG
Sanitation	20240178	Renew Mechanical & Electrical Equipment - Driftsands WWTW	2,000,000.00		-600,000		1,400,000.00	362,842.89	951	USDG
Sanitation	20182423	BEP: Supply and install communal ablutions	2,000,000.00				2,000,000.00	218,987.19	951	USDG
Sanitation	20240183	Renew Mechanical & Electrical Equipment-Kwanobuhle WWTW	2,500,000.00			-2,400,000	100,000.00	93,787.05	951	USDG
Sanitation	20190249	Sanitation: Upgrade of Rocklands WWTW	100,000.00		300,000		400,000.00	378,136.27	951	USDG
Sanitation	20240180	Renew Mechanical & Electrical Equipment-Kelvin Jones WWTW	3,000,000.00		600,000	2,600,000	6,200,000.00	5,586,518.01	951	USDG
Sanitation	20190278	Sanitation Services: Upgrading of Fishwater Flats WWTW	2,000,000.00				2,000,000.00	252,643.03	951	USDG
Sanitation	20190247	Sanitation: Upgrading of Despatch Reclamation Works	1,000,000.00				1,000,000.00		951	USDG

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Sanitation	20250194	Renewal of Sewerage Pipelines & Infrastructure - South	34,182,660.00		500,000		34,682,660.00	8,825,764.28	951	USDG
Sanitation	20240181	Renew Mechanical & Electrical Equipment of FWF WWTW	2,588,050.00		100,000		2,688,050.00		951	USDG
Sanitation	20240179	Renew Mechanical & Electrical Equipment -Cape Recife WWTW	2,500,000.00				2,500,000.00	179,494.04	951	USDG
Sanitation	20190257	Sanitation: Rehabilitation of Pump Stations	20,000,000.00				20,000,000.00	6,925,270.09	951	USDG
Sanitation	20230272	Driftsands Collector Sewer Augmentation - Phase 3	500,000.00				500,000.00		951	USDG
Sanitation	20190256	Sanitation: Kwazakhele Collector Sewer Augmentation: Phase 3	10,000,000.00			-8,000,000	2,000,000.00		951	USDG
Sanitation	20230270	Paapenkuil Main Sewer Augmentation	100,000.00				100,000.00		951	USDG
Sanitation	20230273	Hydraulic Upgrading of Kelvin Jones WWTW	2,000,000.00				2,000,000.00		951	USDG
Sanitation	20190248	Sanitation: Upgrading of Kelvin Jones WWTW	2,000,000.00		40,000		2,040,000.00	884,820.68	951	USDG
Sanitation	20240189	Sanitation: Purchase of Telemetry/ SCADA System	4,000,000.00				4,000,000.00		951	USDG
Sanitation	20200161	Upgrade of Melbrooks Bulk Sewer	500,000.00				500,000.00		951	USDG
Sanitation	20250192	Sanitation: Collector Sewer Walmer Heights & Mount Pleasant - Phases 2 & 3	500,000.00		-300,000		200,000.00		951	USDG
Sanitation	20240186	Sanitation: Renewal of Swartkops Screw Pump Station	1,000,000.00				1,000,000.00		951	USDG
Sanitation	20250193	Renewal of Sewerage Pipelines & Infrastructure - North	23,178,220.00		-500,000		22,678,220.00	1,166,625.80	951	USDG
Sanitation	20230268	Motherwell-Brickfields Sewer Siphon Upgrade	500,000.00				500,000.00		951	USDG
Sanitation	20190253	Sanitation Services: Seaview Bulk Sewerage	250,000.00				250,000.00		951	USDG
Sanitation	20210244	Sanitation: Upgrade at Brickfields WWTW	100,000.00				100,000.00		951	USDG
Sanitation	20240182	Renewal of Mechanical & Electrical Equipment - Despatch Reclamation Works	2,000,000.00			-200,000	1,800,000.00	132,341.99	951	USDG
Sanitation	20240058	Sanitation Services: Rehabilitation of Kwanobuhle WWTW	2,500,000.00				2,500,000.00		951	USDG
Sanitation	20190258	Sanitation: Sampling Station Equipment	250,000.00		-100,000		150,000.00		951	USDG
Sanitation	20230269	Bulk Sewers: Joe Slovo, Mandelaville & Allenridge West UIT -	6,000,000.00				6,000,000.00		951	USDG
Sanitation	20190250	Sanitation: Jagtvlakte Bulk Sewer	3,000,000.00			-1,200,000	1,800,000.00		951	USDG
Sanitation	20240265	Sanitation: Cape Recife WWTW Construction of Pump Station Rising Main Pipeline	25,500,000.00				25,500,000.00		962	Loan Funding
Sanitation	20230272	Driftsands Collector Sewer Augmentation - Phase 3	1,500,000.00				1,500,000.00		962	Loan Funding
Sanitation	20182428	1411: Swartkops Low Level Collector Sewer Upgrade	8,500,000.00				8,500,000.00		962	Loan Funding
Sanitation	20250192	Sanitation: Collector Sewer Walmer Heights & Mount Pleasant - Phases 2 & 3	25,000,000.00				25,000,000.00		962	Loan Funding
Sanitation	20230012	Sanitation: Construction of Communal Ablution Facilities	23,565,220.00			-18,782,611	4,782,609.00	337,217.32	972	ISUPG
SRAC	20230256	Wells Estate Beach - Upgrade Infrastructure	1,500,000.00		500,000		2,000,000.00		901	CRR
SRAC	20230255	Rehabilitation of Motherwell Library	500,000.00				500,000.00		901	CRR
SRAC	20240121	Upgrade of Newton Park Swimming Pool	1,050,000.00			-	1,050,000.00		901	CRR
SRAC	20200225	Re-Construction of Kwanobuhle Library	7,000,000.00				7,000,000.00		901	CRR
SRAC	20250388	SRAC: Procurement of Computers, computer equipment and Laptops .	75,000.00				75,000.00	18,505.00	901	CRR

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SRAC	20210217	Construction of new lifeguard house at Sardinia bay	4,800,000.00			4,800,000.00		901	CRR
SRAC	20230251	Upgrade and Restoration of Main Library - Phase 2	15,700,000.00			15,700,000.00		901	CRR
SRAC	20220189	Rehabilitation of Park Drive Museum	100,000.00			100,000.00		901	CRR
SRAC	20220146	Upgrade and development of Brighton Beach Infrastructure	900,000.00			900,000.00		901	CRR
SRAC	20230253	Rehabilitation of Red Location Precinct (Phase 2) - Library	1,500,000.00	-500,000		1,000,000.00		901	CRR
SRAC	20220099	Upgrade of Raymond Mhlaba Swimming Pool	1,000,000.00			1,000,000.00		901	CRR
SRAC	20240136	Renewal of SRAC St georges offices	1,000,000.00			1,000,000.00		901	CRR
SRAC	20210297	Upgrade of ST Georges pool	900,000.00	-740,000		160,000.00		901	CRR
SRAC	20190158	SRAC: Upgrade and restoration of libraries - Zwide	2,000,000.00			2,000,000.00		901	CRR
SRAC	20230331	SRAC: Purchase of Office Furniture & Equipment	100,000.00	400,000		500,000.00		901	CRR
SRAC	20250248	SRAC: Purchase of Bakkie Canopies	0.00	60,000		60,000.00		901	CRR
SRAC	20250246	Rehabilitation of Kwazakhele swimming pool	0.00	280,000		280,000.00		901	CRR
SRAC	20250246	Rehabilitation of Kwazakhele swimming pool	500,000.00			500,000.00		959	Levies
SRAC	20240121	Upgrade of Newton Park Swimming Pool	2,300,000.00		-1,300,000	1,000,000.00	45,000.00	959	Levies
SRAC	20240120	Rehabilitation of Mzontsundu Sports field	1,500,000.00			1,500,000.00	868,108.89	959	Levies
SRAC	20240131	Purchase of lifeguard towers	700,000.00			700,000.00	358,000.00	959	Levies
SRAC	20250084	Rehabilitation of Langa Memorial	10,000,000.00			10,000,000.00	4,346,211.34	959	Levies
SRAC	20250248	SRAC: Purchase of Bakkie Canopies	100,000.00	-		100,000.00		959	Levies
SRAC	20200225	Re-Construction of Kwanobuhle Library	600,000.00			600,000.00		959	Levies
SRAC	20220109	Upgrade of coastal infrastructure -Hobie Yacht Club	1,000,000.00			1,000,000.00		959	Levies
SRAC	20220095	Rehabilitation & Restoration of Kwamagxaki Library	2,000,000.00			2,000,000.00		959	Levies
SRAC	20250245	Fencing of Linton Grange Library	1,000,000.00			1,000,000.00	915,208.39	959	Levies
SRAC	20220146	Upgrade and development of Brighton Beach Infrastructure	2,000,000.00			2,000,000.00		959	Levies
SRAC	20220106	Upgrade of coastal infrastructure- Kings Beach Ablutions	1,000,000.00			1,000,000.00		959	Levies
SRAC	20250243	Gelvandale Caretaker Cottage	1,500,000.00			1,500,000.00		959	Levies
SRAC	20220183	Upgrading of Chevrolet caretaker cottage	1,000,000.00			1,000,000.00		959	Levies
SRAC	20220107	Upgrade of coastal infrastructure -Pollock Beach Ablutions	1,000,000.00			1,000,000.00		959	Levies
SRAC	20220094	Rehabilitation & Restoration of Chatty Library	2,000,000.00			2,000,000.00		959	Levies
SRAC	20220108	Upgrade of coastal infrastructure -Bluewater Bay Ablution	1,000,000.00			1,000,000.00		959	Levies
SRAC	20250251	Mendi Arts Centre: Purchase of large digital screen	300,000.00			300,000.00		959	Levies
SRAC	20250250	Rehabilitation of Wolfson Stadium	1,000,000.00			1,000,000.00		959	Levies
SRAC	20190154	Happy Valley - Upgrade of Infrastructure	2,000,000.00			2,000,000.00		959	Levies
SRAC	20260018	Rehabilitation of Varsvlei swimming pool	0.00	-	1,300,000.00	300,000.00		959	Levies
SRAC	20220099	Upgrade of Raymond Mhlaba Swimming Pool		1,000,000		1,000,000.00		959	Levies
SRAC	20230295	Upgrade of City Friends Sports Field	3,478,260.00			3,478,260.00	1,570,671.48	972	ISUPG
SRAC	20230356	Ward 33 Govan Mbeki Village Sports Facility.	3,478,260.00			3,478,260.00	1,874,070.42	972	ISUPG
SRAC	20240312	Upgrade of Rensburg Sportsfield	2,608,700.00			2,608,700.00	2,345,955.20	972	ISUPG

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SRAC	20250255	Rehabilitation of Matanzima Sportsfield Phase 1	3,478,260.00			3,478,260.00	1,763,824.89	972	ISUPG
SRAC	20250264	Rehabilitation of Ekuphumleni Multi Purpose centre	2,173,910.00			2,173,910.00		972	ISUPG
SRAC	20240308	Joe Slovo Sportfield: Grass Planting, Borehole installation, construction of a retaining wall	3,478,260.00			3,478,260.00	1,249,621.54	972	ISUPG
SRAC	20240306	Upgrade of Walmer Sportsfield	2,608,700.00			2,608,700.00	915,183.21	972	ISUPG
SRAC	20240322	Rehabilitation of Jabavu Stadium	3,534,780.00			3,534,780.00	2,608,488.40	951	USDG
SRAC	20240124	Upgrade of Zwide stadium	3,000,000.00			3,000,000.00	2,636,785.37	951	USDG
SRAC	20220094	Rehabilitation & Restoration of Chatty Library	1,500,000.00			1,500,000.00		951	USDG
Water	20190163	Water Services: Purchase of New Vehicles	196,250.00			196,250.00		901	CRR
Water	20250172	Water: Rehabilitation of Reservoirs- Bulk	2,000,000.00		-126,000	1,874,000.00		901	CRR
Water	20240057	Water Services: Rehabilitation of Nooitgedagt WTW	4,066,180.00			4,066,180.00		901	CRR
Water	20250173	Water: Rehabilitation of Reservoirs - Distribution	3,000,000.00			3,000,000.00		901	CRR
Water	20250180	Water: Site Security and preparation including fencing of proposed Future Desalination Plant at Scho	100,000.00			100,000.00		901	CRR
Water	20190237	Water Services: Bulk Water Metering + Control	1,000,000.00			1,000,000.00		901	CRR
Water	20250163	Renewal of Distribution Water Pipelines	12,391,730.00		-874,000	11,517,730.00		901	CRR
Water	20200143	Water: Purchase and Installation of Water Meters	3,000,000.00		1,000,000	4,000,000.00		901	CRR
Water	20190163	Water Services: Purchase of New Vehicles	12,000,000.00			12,000,000.00	1,301,714.60	959	Levies
Water	20240067	Water: Purchase of Small Plant & Equipment	400,000.00		200,000	600,000.00	95,683.12	959	Levies
Water	20200321	Water: Purchase of Furniture & Office Equipment.	600,000.00			600,000.00	261,552.80	959	Levies
Water	20200318	Water: Purchase of Computer Equipment	400,000.00		165,000	565,000.00	242,389.31	959	Levies
Water	20240119	Scientific Services: Purchase of Instrumentation for Water Analysis	5,500,000.00			5,500,000.00		959	Levies
Water	20250174	Scientific Services: Renovations and Upgrade to Laboratory Premises	2,000,000.00		-365,000	1,635,000.00		959	Levies
Water	20190239	Water Services: Installation of Zone Water Meters	1,000,000.00			1,000,000.00		959	Levies
Water	20250187	Water Services: Rehabilitation of Wellfields	1,000,000.00			1,000,000.00		951	USDG
Water	20190242	Water Services: Upgrading Groendal Water Treatment Works	3,000,000.00			3,000,000.00		951	USDG
Water	20250186	Water Services: Rehabilitation of Rocklands WTW	1,500,000.00			1,500,000.00		951	USDG
Water	20210280	Renewal of Elandsjagt Water Treatment Works	6,000,000.00		400,000	6,400,000.00		951	USDG
Water	20250172	Water: Rehabilitation of Reservoirs- Bulk	2,000,000.00			2,000,000.00		951	USDG
Water	20240057	Water Services: Rehabilitation of Nooitgedagt WTW	4,000,000.00			4,000,000.00	1,197,497.00	951	USDG
Water	20190235	Water Services: Rehabilitation of Water Pump Stations	20,000,000.00			20,000,000.00	597,445.20	951	USDG
Water	20250173	Water: Rehabilitation of Reservoirs - Distribution	3,000,000.00			3,000,000.00	2,337,956.76	951	USDG
Water	20190238	Water Services: Upgrading of Churchill Water Treatment Works	4,500,000.00			4,500,000.00	330,573.41	951	USDG
Water	20190241	Water Services: Purchase of Telemetry Equipment	6,000,000.00		-400,000	5,600,000.00		951	USDG
Water	20240117	Water: Purchase + Install Advanced Meter Infrastructure	4,000,000.00			4,000,000.00		951	USDG
Water	20210274	Upgrade of Linton Grange WTW	3,000,000.00			3,000,000.00		951	USDG

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Water	20240173	Water: Construction of Greenbushes Pipeline	1,000,000.00				1,000,000.00		951	USDG
Water	20190236	Construction of Coegakop Water Treatment Works (NON-MDRG)	250,000.00				250,000.00		951	USDG
Water	20190237	Water Services: Bulk Water Metering + Control	2,000,000.00				2,000,000.00		951	USDG
Water	20250191	Water Bulk Services for Seaview Development	500,000.00				500,000.00		951	USDG
Water	20182415	1412: Rehabilitation of Loerie Water Treatment Works	5,000,000.00				5,000,000.00		951	USDG
Water	20080094	Water Services: Rehabilitation of Dams	2,000,000.00				2,000,000.00		951	USDG
Water	20250162	Renewal of Bulk Water Pipelines	26,580,770.00				26,580,770.00	2,437,146.09	951	USDG
Water	20250163	Renewal of Distribution Water Pipelines	28,229,170.00				28,229,170.00	17,574,189.43	951	USDG
Water	20200143	Water: Purchase and Installation of Water Meters	15,000,000.00			4,000,000	19,000,000.00	15,356,723.33	951	USDG
Water	20200008	Water: Installation of Standpipes and Associated Water Meter	3,500,000.00				3,500,000.00	2,292,442.25	951	USDG
Water	20182414	Groundwater: Drought : Drilling & Equipping of Boreholes	500,000.00				500,000.00		951	USDG
Water	20190239	Water Services: Installation of Zone Water Meters	13,000,000.00			-12,000,000	1,000,000.00		951	USDG
Water	20250175	Water: Older Dams' Bulk Pipelines Augmentation	6,500,000.00				6,500,000.00	2,995,834.28	951	USDG
Water	20260037	Water: Purchase, Installation & Replacement of ICI Water Meters				14,000,000.00	14,000,000.00		951	USDG
Water	20230011	Installation of Standpipes & associated infrastructure-ISUP				2,608,696.00	2,608,696.00		972	ISUPG
Water	20230224	RBIG: Construction of Motherwell to Bethelsdorp Pipeline	173,913,040.00				173,913,040.00	7,114,254.61	973	RBIG
Water	20230226	RBIG: Borehole Exploration & Development	165,217,390.00				165,217,390.00	26,470,818.87	973	RBIG
Water	20250083	MDRG: Replacement of Collapsed/ Burst Pipelines (Jones & Taylor Street - Kariega CBD)				434,780.00	434,780.00		975	MDRG
NMBM Stadium	20250363	NMBM Stadium: Fencing of the Lake	1,800,000				1,800,000.00		901	CRR
NMBM Stadium	20250372	NMBM Stadium: Installation of Security Burglary Bars for Trading Stations.	1,200,000				1,200,000.00		901	CRR
NMBM Stadium	20250379	NMBM Stadium: Purchase of Fall Arrest & Rescue Equipment	50,000				50,000.00		901	CRR
NMBM Stadium	20250380	NMBM Stadium: Procurement of the Financial Information Systems.	400,000				400,000.00		901	CRR
NMBM Stadium	20250381	NMBM Stadium: Replacement of Emergency Door Lock System.	2,000,000				2,000,000.00		901	CRR
NMBM Stadium	20250382	NMBM Stadium: Replacement of old access control system.	1,500,000				1,500,000.00		901	CRR
NMBM Stadium	20250383	NMBM Stadium: Procurement and Installation of CCTV cameras.	1,500,000				1,500,000.00		901	CRR
NMBM Stadium	20250384	NMBM Stadium: Replacement of Fire Detection System at the NMBM Stadium.	1,750,000				1,750,000.00		901	CRR

**Annexure "A2(i)"**

**CAPITAL EXPENDITURE BY DIRECTORATE FOR 2025/26**

**1 JULY 2025 - 31 DECEMBER 2025 - FINAL**

NMBM Stadium	20250385	NMBM Stadium: Earthing (Lightning Prevention) Upgrade, Testing and Certification.	500,000				500,000.00		901	CRR
NMBM Stadium	20250386	NMBM Stadium: Upgrade of ICT Network Infrastructure.	1,000,000				1,000,000.00		901	CRR
NMBM Stadium	20250387	NMBM Stadium: Purchase of 250 Wheelie Bins.	300,000				300,000.00		901	CRR
<b>TOTAL EXPENDITURE</b>			<b>2,091,286,000</b>	<b>-</b>	<b>-</b>	<b>96,720,712</b>	<b>2,188,006,712</b>	<b>548,245,139</b>		<b>25%</b>

## Annexure “A3”

### PROJECTED CASH FLOW STATEMENT FOR THE 2025/26 FINANCIAL YEAR

#### Projected Cash Flow Statement as at 31 December 2025

The purpose of the cash flow statement is to compare the cash inflows (receipts) with the cash outflows (payments), to ascertain the adequacy of the cash inflows to cover the cash outflows.

**Table C7 Consolidated Monthly Budget Statement - Cash Flow – M06 December 2025**

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	2,707,048	2,969,423		199,053	1,268,193	1,484,712	(216,519)	-15%	2,969,423
Service charges	7,258,037	8,091,941		671,594	4,278,809	4,045,971	232,839	6%	8,091,941
Other revenue	147,928	1,748,498		128,684	1,203,028	874,249	328,779	38%	1,748,498
Transfers and Subsidies - Operational	1,493,316	2,944,497		694,329	1,554,667	1,472,249	82,419	6%	2,944,497
Transfers and Subsidies - Capital	1,240,929	1,368,029			815,067	684,014	131,053	19%	1,368,029
Interest	341,670	158,695		16,217	139,619	79,347	60,272	76%	158,695
Dividends	189				-	-	-		-
<b>Payments</b>									
Suppliers and employees	(12,149,957)	(14,984,867)		(1,309,155)	(8,665,884)	(7,492,433)	1,173,451	-16%	(14,984,867)
Interest	(100,793)	(72,173)			(57,443)	(36,087)	21,357	-59%	(72,173)
Transfers and Subsidies	(81,059)	(94,962)			(9,402)	(47,481)	(38,079)	80%	(94,962)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>857,308</b>	<b>2,129,081</b>	<b>-</b>	<b>400,723</b>	<b>526,655</b>	<b>1,064,540</b>	<b>537,885</b>	<b>51%</b>	<b>2,129,081</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	35	1,700			-	850	(850)	-100%	1,700
Decrease (increase) in non-current receivables		(160,820)			-	(80,410)	80,410	-100%	(160,820)
Decrease (increase) in non-current investments					-	-	-		-
<b>Payments</b>									
Capital assets	(1,262,954)	(1,915,737)		(201,264)	(794,656)	(957,869)	(163,212)	17%	(1,915,737)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(1,262,918)</b>	<b>(2,074,857)</b>	<b>-</b>	<b>(201,264)</b>	<b>(794,656)</b>	<b>(1,037,429)</b>	<b>(242,772)</b>	<b>23%</b>	<b>(2,074,857)</b>

## Annexure “A3”

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans							-		
Borrowing long term/refinancing							-		
Increase (decrease) in consumer deposits							-		
<b>Payments</b>									
Repayment of borrowing	(213,246)	(195,600)			(50,352)	(97,800)	(47,448)	49%	(195,600)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(213,246)</b>	<b>(195,600)</b>	-	-	<b>(50,352)</b>	<b>(97,800)</b>	<b>(47,448)</b>	<b>49%</b>	<b>(195,600)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(618,857)</b>	<b>(141,376)</b>	-	<b>199,459</b>	<b>(318,353)</b>	<b>(70,688)</b>			<b>(141,376)</b>
Cash/cash equivalents at beginning:	4,426,349	4,443,980			3,767,943	4,443,980			3,767,943
Cash/cash equivalents at month/year end:	3,807,493	4,302,604	-	199,459	3,449,590	4,373,292			3,626,566

The significant variances are discussed below:

Receipts: Ratepayer and Other and Payments: Suppliers and Employees

- The variances are mainly affected by VAT claimed back from SARS and VAT paid over to SARS.

Payments: Suppliers and employees

- The payments of 2024/25 Creditors during July and August impacted on the cash flow

Government Grants

- Variances due to the timing and amounts of grants to be transferred, not being available at the time the budget was concluded.

## Annexure “A4”

### NMBM BUDGET TABLES

The seven main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section of the report. These tables set out the Municipality’s budget performance for the 2025/26 financial year as at 31 December 2025 and are to be noted by Council. Each table is accompanied by explanatory notes.

[Where the word - Consolidated – appears in the Table title it signifies that the municipal entity figures are included in the table]

#### Monthly Budget Tables

**Table C1 Consolidated Monthly Budget Statement Summary – M06 December 2025**

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								%	
<b>Financial Performance</b>									
Property rates	3,041,099	3,299,358	–	(13,161)	3,339,053	1,649,679	1,689,374	102%	3,299,358
Service charges	9,600,929	10,613,071	–	758,960	5,029,106	5,306,536	(277,430)	-5%	10,613,071
Investment revenue	341,064	291,739	–	16,805	116,359	145,869	(29,510)	-20%	291,739
Transfers and subsidies - Operational	1,786,166	2,944,497	–	608,657	1,628,334	1,472,249	156,086	0	2,944,497
Other own revenue	2,734,676	2,407,084	–	172,899	986,829	1,203,542	(216,713)	-18%	2,407,084
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>17,503,934</b>	<b>19,555,749</b>	<b>–</b>	<b>1,544,160</b>	<b>11,099,681</b>	<b>9,777,875</b>	<b>1,321,807</b>	<b>14%</b>	<b>19,555,749</b>
Employee costs	4,169,895	4,886,977	–	333,372	2,051,764	2,443,488	(391,724)	-16%	4,886,977
Remuneration of Councillors	85,933	98,334	–	7,001	41,909	49,167	(7,259)	-15%	98,334
Depreciation and amortisation	792,451	1,051,415	–	87,480	524,922	525,708	(785)	-0%	1,051,415
Interest	65,707	72,173	–	149	22,581	36,087	(13,505)	-37%	72,173
Inventory consumed and bulk purchases	7,050,541	7,788,041	–	455,017	3,798,325	3,894,020	(95,695)	-2%	7,788,041
Transfers and subsidies	81,059	94,962	–	9,262	91,852	47,481	44,371	93%	94,962
Other expenditure	6,439,013	5,541,245	–	196,892	765,227	2,770,623	(2,005,396)	-72%	5,541,245
<b>Total Expenditure</b>	<b>18,684,598</b>	<b>19,533,147</b>	<b>–</b>	<b>1,089,173</b>	<b>7,296,580</b>	<b>9,766,574</b>	<b>(2,469,994)</b>	<b>-25%</b>	<b>19,533,147</b>
<b>Surplus/(Deficit)</b>	<b>(1,180,664)</b>	<b>22,602</b>	<b>–</b>	<b>454,987</b>	<b>3,803,101</b>	<b>11,301</b>	<b>3,791,800</b>	<b>33553%</b>	<b>22,602</b>
Transfers and subsidies - capital (monetary allocations)	1,029,744	1,325,029	–	113,378	348,908	662,514	(313,606)	-47%	1,325,029
Transfers and subsidies - capital (in-kind)	20,302	43,000	–	13,616	29,745	21,500	8,245	38%	43,000
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(130,618)</b>	<b>1,390,631</b>	<b>–</b>	<b>581,981</b>	<b>4,181,755</b>	<b>695,315</b>	<b>3,486,440</b>	<b>501%</b>	<b>1,390,631</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>(130,618)</b>	<b>1,390,631</b>	<b>–</b>	<b>581,981</b>	<b>4,181,755</b>	<b>695,315</b>	<b>3,486,440</b>	<b>501%</b>	<b>1,390,631</b>

## Annexure "A4"

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>1,325,813</b>	<b>2,091,286</b>	–	<b>200,163</b>	<b>565,121</b>	<b>871,369</b>	<b>(306,248)</b>	<b>-35%</b>	<b>2,091,286</b>
Capital transfers recognised	1,050,046	1,368,029	–	126,994	378,654	570,012	(191,358)	-34%	1,368,029
Borrowing	43,414	60,500	–	–	–	25,208	(25,208)	-100%	60,500
Internally generated funds	<b>232,354</b>	<b>662,757</b>	–	<b>73,169</b>	<b>186,467</b>	<b>276,149</b>	<b>(89,682)</b>	<b>-32%</b>	<b>662,757</b>
<b>Total sources of capital funds</b>	<b>1,325,813</b>	<b>2,091,286</b>	–	<b>200,163</b>	<b>565,121</b>	<b>871,369</b>	<b>(306,248)</b>	<b>-35%</b>	<b>2,091,286</b>
<b>Financial position</b>									
Total current assets	10,851,364	8,219,431	–		6,923,392				–
Total non-current assets	20,555,281	21,591,711	–		21,454,135				–
Total current liabilities	6,596,453	3,736,991	–		3,165,309				–
Total non-current liabilities	3,763,209	5,285,536	–		3,763,973				–
Community wealth/Equity	<b>21,046,982</b>	<b>20,788,616</b>	–		<b>21,448,245</b>				–
<b>Cash flows</b>									
Net cash from (used) operating	857,308	2,129,081	–	400,723	526,655	887,117	360,461	41%	2,129,081
Net cash from (used) investing	(1,262,918)	(2,074,857)	–	(201,264)	(794,656)	(864,524)	(69,868)	8%	(2,074,857)
Net cash from (used) financing	(213,246)	(195,600)	–	–	(50,352)	(81,500)	(31,148)	38%	(195,600)
<b>Cash/cash equivalents at the month/year end</b>	<b>3,807,493</b>	<b>4,302,604</b>	–	<b>199,459</b>	<b>3,449,590</b>	<b>4,385,074</b>	<b>935,484</b>	<b>21%</b>	<b>3,626,566</b>
<b>Debtors &amp; creditors analysis</b>									
	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	3,187,671	855,701	912,022	678,650	702,539	1,012,982	–	–	24,554,286
<b>Creditors Age Analysis</b>									
Total Creditors	567,998	14,453	62,463	15,708	–	114,138	–	–	1,423,412

### Explanatory notes to Table C1 – Monthly Budget Summary

The aim of the Budget Summary is to provide a concise overview of the actual budget performance from all the major financial perspectives (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance). The table provides an overview of the actual amounts spent compared to the monthly budget projections within the context of operating performance, resources utilised for capital expenditure, financial position, cash, and funding compliance.

**Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) – M06 December 2025**

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue - Functional</b>									
<b>Governance and administration</b>	<b>4,562,473</b>	<b>5,319,654</b>	–	<b>604,394</b>	<b>4,528,244</b>	<b>2,659,827</b>	1,868,417	70%	<b>5,319,654</b>
Executive and council	1,549	1,239	–	112	460	620	(159)	-26%	1,239
Finance and administration	4,560,923	5,318,415	–	604,261	4,527,762	2,659,207	1,868,555	70%	5,318,415
Internal audit	–	–	–	20	22	–	22	#DIV/0!	–
<b>Community and public safety</b>	<b>1,449,562</b>	<b>1,567,920</b>	–	<b>43,397</b>	<b>492,504</b>	<b>783,960</b>	(291,456)	-37%	<b>1,567,920</b>
Community and social services	51,120	55,718	–	1,834	12,436	27,859	(15,423)	-55%	55,718
Sport and recreation	28,984	61,742	–	14,328	28,667	30,871	(2,205)	-7%	61,742
Public safety	1,147,052	1,152,721	–	15,847	413,804	576,361	(162,557)	-28%	1,152,721
Housing	216,923	296,361	–	11,310	36,815	148,181	(111,366)	-75%	296,361
Health	5,484	1,377	–	79	783	689	95	14%	1,377
<b>Economic and environmental services</b>	<b>608,248</b>	<b>693,709</b>	–	<b>64,827</b>	<b>185,432</b>	<b>346,854</b>	(161,423)	-47%	<b>693,709</b>
Planning and development	194,469	216,108	–	3,261	16,705	108,054	(91,349)	-85%	216,108
Road transport	382,193	475,427	–	61,480	168,208	237,714	(69,506)	-29%	475,427
Environmental protection	31,587	2,173	–	87	518	1,087	(568)	-52%	2,173
<b>Trading services</b>	<b>11,895,429</b>	<b>13,303,182</b>	–	<b>957,430</b>	<b>6,257,251</b>	<b>6,651,591</b>	(394,340)	-6%	<b>13,303,182</b>
Energy sources	6,321,258	6,745,392	–	577,945	3,816,320	3,372,696	443,624	13%	6,745,392
Water management	3,767,489	4,501,481	–	274,600	1,583,531	2,250,740	(667,209)	-30%	4,501,481
Waste water management	1,313,626	1,460,230	–	75,083	601,901	730,115	(128,214)	-18%	1,460,230
Waste management	493,056	596,079	–	29,802	255,498	298,040	(42,541)	-14%	596,079
<b>Other</b>	<b>38,268</b>	<b>39,312</b>	–	<b>1,106</b>	<b>14,904</b>	<b>19,656</b>	(4,752)	-24%	<b>39,312</b>
<b>Total Revenue - Functional</b>	<b>18,553,980</b>	<b>20,923,778</b>	–	<b>1,671,154</b>	<b>11,478,335</b>	<b>10,461,881</b>	<b>1,019,722</b>	<b>10%</b>	<b>20,923,778</b>

Annexure "A4"

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
<b>Expenditure - Functional</b>									
<b>Governance and administration</b>	<b>2,600,785</b>	<b>2,136,987</b>	-	<b>189,589</b>	<b>1,098,877</b>	<b>1,068,494</b>	30,384	3%	<b>2,136,987</b>
Executive and council	265,181	472,674	-	24,238	149,154	236,337	(87,183)	-37%	472,674
Finance and administration	2,275,144	1,595,696	-	154,743	912,359	797,848	114,511	14%	1,595,696
Internal audit	60,460	68,618	-	10,608	37,364	34,309	3,056	9%	68,618
<b>Community and public safety</b>	<b>1,935,165</b>	<b>2,555,762</b>	-	<b>149,670</b>	<b>887,483</b>	<b>1,277,881</b>	(390,398)	-31%	<b>2,555,762</b>
Community and social services	356,599	438,661	-	26,693	168,797	219,330	(50,533)	-23%	438,661
Sport and recreation	492,776	681,444	-	35,288	220,223	340,722	(120,499)	-35%	681,444
Public safety	687,598	744,821	-	45,065	286,127	372,410	(86,283)	-23%	744,821
Housing	262,818	429,504	-	26,516	115,411	214,752	(99,341)	-46%	429,504
Health	135,374	261,333	-	16,108	96,924	130,666	(33,743)	-26%	261,333
<b>Economic and environmental services</b>	<b>1,207,516</b>	<b>1,369,222</b>	-	<b>96,125</b>	<b>605,978</b>	<b>684,611</b>	(78,633)	-11%	<b>1,369,222</b>
Planning and development	418,400	497,245	-	45,466	292,918	248,623	44,296	18%	497,245
Road transport	749,144	781,698	-	46,902	291,902	390,849	(98,947)	-25%	781,698
Environmental protection	39,972	90,279	-	3,756	21,158	45,139	(23,981)	-53%	90,279
<b>Trading services</b>	<b>12,872,506</b>	<b>13,361,568</b>	-	<b>647,898</b>	<b>4,669,142</b>	<b>6,680,784</b>	(2,011,642)	-30%	<b>13,361,568</b>
Energy sources	7,435,315	8,404,058	-	492,195	4,020,216	4,202,029	(181,813)	-4%	8,404,058
Water management	3,906,440	3,191,843	-	63,382	161,052	1,595,921	(1,434,870)	-90%	3,191,843
Waste water management	945,691	1,089,674	-	47,357	295,688	544,837	(249,149)	-46%	1,089,674
Waste management	585,060	675,993	-	44,965	192,187	337,997	(145,810)	-43%	675,993
<b>Other</b>	<b>68,627</b>	<b>109,608</b>	-	<b>5,891</b>	<b>35,100</b>	<b>54,804</b>	(19,704)	-36%	<b>109,608</b>
<b>Total Expenditure - Functional</b>	<b>18,684,598</b>	<b>19,533,147</b>	-	<b>1,089,173</b>	<b>7,296,580</b>	<b>9,766,574</b>	(2,469,994)	-25%	<b>19,533,147</b>
<b>Surplus/ (Deficit) for the year</b>	<b>(130,618)</b>	<b>1,390,631</b>	-	<b>581,981</b>	<b>4,181,755</b>	<b>695,315</b>	<b>3,489,716</b>	<b>5.0141849</b>	<b>1,390,631</b>

**Explanatory notes to Table C2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

The 'standard classification' refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities report their operations in one common format, to facilitate comparison across all municipalities. It is to be noted that the revenue by vote as reflected in this table, includes revenue attributable to capital grants.

Annexure "A4"

**Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – M06  
December 2025**

Vote Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								%	
<b>Revenue by Vote</b>									
Vote 1 - Budget & Treasury	4,359,864	5,134,970	-	601,721	4,507,097	2,567,485	1,939,612	75.5%	5,134,970
Vote 2 - Public Health	540,535	695,260	-	42,122	287,865	347,630	(59,765)	-17.2%	695,260
Vote 3 - Human Settlements	279,632	510,410	-	20,238	65,253	255,205	(189,952)	-74.4%	510,410
Vote 4 - Economic Development, Tourism & Agriculture	25,970	20,417	-	2,440	8,335	10,209	(1,873)	-18.4%	20,417
Vote 5 - Corporate Services	42,728	32,326	-	2,541	13,596	16,163	(2,567)	-15.9%	32,326
Vote 6 - Infrastructure & Engineering Unit - Rate & General	386,342	472,852	-	61,986	179,990	236,426	(56,436)	-23.9%	472,852
Vote 7 - Metro Water Service	3,774,032	4,474,443	-	275,074	1,573,931	2,237,221	(663,291)	-29.6%	4,474,443
Vote 8 - Sanitation - Metro	1,313,626	1,379,071	-	68,524	585,413	689,536	(104,122)	-15.1%	1,379,071
Vote 9 - Electricity & Energy	6,343,949	6,746,305	-	577,413	3,824,726	3,373,153	451,574	13.4%	6,746,305
Vote 10 - Executive & Council	146,395	172,908	-	1,839	9,186	86,454	(77,268)	-89.4%	172,908
Vote 11 - Safety & Security	1,165,836	1,154,129	-	7,611	407,837	577,064	(169,227)	-29.3%	1,154,129
Vote 12 - Mandela Bay Stadium	76,554	76,984	-	-	-	38,492	(38,492)	-100.0%	76,984
Vote 13 - Special Projects and Programmes	22,636	-	-	2	7	-	7	#DIV/0!	-
Vote 14 - Recreational & Cultural Services	75,881	53,704	-	9,643	15,100	26,852	(11,752)	-43.8%	53,704
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>18,553,980</b>	<b>20,923,778</b>	<b>-</b>	<b>1,671,154</b>	<b>11,478,335</b>	<b>10,461,889</b>	<b>1,016,446</b>	<b>9.7%</b>	<b>20,923,778</b>
<b>Expenditure by Vote</b>									
Vote 1 - Budget & Treasury	1,289,303	1,204,286	-	84,943	411,794	602,143	(190,349)	-31.6%	1,204,286
Vote 2 - Public Health	882,865	1,119,216	-	77,531	392,972	559,608	(166,636)	-29.8%	1,119,216
Vote 3 - Human Settlements	380,087	546,771	-	35,353	170,202	273,385	(103,184)	-37.7%	546,771
Vote 4 - Economic Development, Tourism & Agriculture	90,926	97,173	-	4,639	44,649	48,586	(3,938)	-8.1%	97,173
Vote 5 - Corporate Services	487,809	629,786	-	30,918	261,214	314,893	(53,679)	-17.0%	629,786
Vote 6 - Infrastructure & Engineering Unit - Rate & General	979,722	1,056,500	-	66,114	414,267	528,250	(113,983)	-21.6%	1,056,500
Vote 7 - Metro Water Service	3,929,151	3,205,891	-	58,301	183,285	1,602,946	(1,419,661)	-88.6%	3,205,891
Vote 8 - Sanitation - Metro	939,781	905,113	-	53,526	279,827	452,557	(172,730)	-38.2%	905,113
Vote 9 - Electricity & Energy	7,428,874	8,335,233	-	491,814	4,017,826	4,167,617	(149,790)	-3.6%	8,335,233

## Annexure "A4"

Vote Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
Vote 10 - Executive & Council	499,016	587,196	-	61,503	344,593	293,598	50,995	17.4%	587,196
Vote 11 - Safety & Security	1,229,121	1,239,282	-	87,490	548,451	619,641	(71,190)	-11.5%	1,239,282
Vote 12 - Mandela Bay Stadium	95,833	74,984	-	-	20,580	37,492	(16,912)	-45.1%	74,984
Vote 13 - Special Projects and Programmes	25,667	9,431	-	782	4,940	4,716	224	4.8%	9,431
Vote 14 - Recreational & Cultural Services	426,442	522,285	-	36,259	201,982	261,142	(59,161)	-22.7%	522,285
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>18,684,598</b>	<b>19,533,147</b>	<b>-</b>	<b>1,089,173</b>	<b>7,296,580</b>	<b>9,766,574</b>	<b>(2,469,994)</b>	<b>-25.3%</b>	<b>19,533,147</b>
<b>Surplus/ (Deficit) for the year</b>	<b>(130,618)</b>	<b>1,390,631</b>	<b>-</b>	<b>581,981</b>	<b>4,181,755</b>	<b>695,315</b>	<b>3,486,440</b>	<b>501.4%</b>	<b>1,390,631</b>

### Explanatory notes to Table C3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

The purpose of the format in which the monthly budget reporting table is presented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Executive Directors concerned. Operating revenue and expenditure is thus presented by 'vote'. A 'vote' is defined as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

### Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) – M06 December 2025

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>								%	
<b>Revenue</b>									
<b>Exchange Revenue</b>									
Service charges - Electricity	6,311,908	6,464,349		398,475	3,143,597	3,232,175	(88,577)	-3%	6,464,349
Service charges - Water	2,372,534	2,983,123		265,931	1,272,264	1,491,562	(219,298)	-15%	2,983,123
Service charges - Waste Water Management	605,997	817,519		65,469	439,911	408,760	31,152	8%	817,519
Service charges - Waste management	310,491	348,080		29,084	173,333	174,040	(707)	0%	348,080
Sale of Goods and Rendering of Services	123,819	114,371		6,762	45,547	57,186	(11,638)	-20%	114,371
Agency services	3,968	4,255		356	2,090	2,127	(37)	-2%	4,255
Interest	-	-		-	-	-	-	-	-
Interest earned from Receivables	1,282,033	1,106,615		150,571	793,383	553,308	240,075	43%	1,106,615
Interest from Current and Non-Current Assets	341,064	291,739		16,805	116,359	145,869	(29,510)	-20%	291,739
Dividends	506	-		-	-	-	-	-	-

## Annexure "A4"

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
Rent on Land	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	43,493	42,603	-	3,785	23,632	21,302	2,331	11%	42,603
Licence and permits	22,448	21,319	-	1,277	10,592	10,660	(67)	-1%	21,319
Special rating levies	-	-	-	-	-	-	-	-	-
Operational Revenue	50,891	29,273	-	2,796	22,738	14,637	8,101	55%	29,273
<b>Non-Exchange Revenue</b>	-	-	-	-	-	-	-	-	-
Property rates	3,041,099	3,299,358	-	(13,161)	3,339,053	1,649,679	1,689,374	102%	3,299,358
Surcharges and Taxes	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	169,887	67,973	-	7,351	41,039	33,986	7,053	21%	67,973
Licence and permits	1	1	-	0	-	1	(1)	-100%	1
Transfers and subsidies - Operational	1,786,166	2,944,497	-	608,657	1,628,334	1,472,249	156,086	11%	2,944,497
Interest	213,590	158,695	-	-	45,429	79,347	(33,918)	-43%	158,695
Fuel Levy	824,005	861,978	-	-	-	430,989	(430,989)	-100%	861,978
Operational Revenue	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets	35	-	-	-	2,378	-	2,378	#DIV/0!	-
Other Gains	-	-	-	-	-	-	-	-	-
Discontinued Operations	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>17,503,934</b>	<b>19,555,749</b>	<b>-</b>	<b>1,544,160</b>	<b>11,099,681</b>	<b>9,777,875</b>	<b>1,321,807</b>	<b>14%</b>	<b>19,555,749</b>
<b>Expenditure By Type</b>									
Employee related costs	4,169,895	4,886,977	-	333,372	2,051,764	2,443,488	(391,724)	-16%	4,886,977
Remuneration of councillors	85,933	98,334	-	7,001	41,909	49,167	(7,259)	-15%	98,334
Bulk purchases - electricity	6,500,312	7,277,226	-	437,904	3,668,924	3,638,613	30,311	1%	7,277,226
Inventory consumed	550,228	510,815	-	17,113	129,401	255,407	(126,007)	-49%	510,815
Debt impairment	3,822,444	1,946,427	-	-	31	973,213	(973,182)	-100%	1,946,427
Depreciation and amortisation	792,451	1,051,415	-	87,480	524,922	525,708	(785)	0%	1,051,415
Interest	65,707	72,173	-	149	22,581	36,087	(13,505)	-37%	72,173
Contracted services	1,076,456	1,659,963	-	88,546	447,011	829,981	(382,970)	-46%	1,659,963
Transfers and subsidies	81,059	94,962	-	9,262	91,852	47,481	44,371	93%	94,962
Irrecoverable debts written off	430,676	726,946	-	38,986	(61,766)	363,473	(425,239)	-117%	726,946
Operational costs	714,151	821,988	-	69,360	379,951	410,994	(31,043)	-8%	821,988
Losses on Disposal of Assets	-	-	-	-	-	-	-	-	-
Other Losses	395,285	385,921	-	-	-	192,961	(192,961)	-100%	385,921
<b>Total Expenditure</b>	<b>18,684,598</b>	<b>19,533,147</b>	<b>-</b>	<b>1,089,173</b>	<b>7,296,580</b>	<b>9,766,574</b>	<b>(2,469,994)</b>	<b>-25%</b>	<b>19,533,147</b>
<b>Surplus/(Deficit)</b>	<b>(1,180,664)</b>	<b>22,602</b>	<b>-</b>	<b>454,987</b>	<b>3,803,101</b>	<b>11,301</b>	<b>3,791,800</b>	<b>0</b>	<b>22,602</b>
Transfers and subsidies - capital (monetary allocations)	1,029,744	1,325,029	-	113,378	348,908	662,514	(313,606)	(0)	1,325,029
Transfers and subsidies - capital (in-kind)	20,302	43,000	-	13,616	29,745	21,500	8,245	0	43,000

**Annexure "A4"**

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(130,618)</b>	1,390,631	–	581,981	4,181,755	695,315	3,486,440	0	1,390,631
Income Tax					–		–		
<b>Surplus/(Deficit) after income tax</b>	<b>(130,618)</b>	1,390,631	–	581,981	4,181,755	695,315	3,486,440	0	1,390,631
Share of Surplus/Deficit attributable to Joint Venture							–		
Share of Surplus/Deficit attributable to Minorities							–		
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(130,618)</b>	1,390,631	–	581,981	4,181,755	695,315	3,486,440	0	1,390,631
Share of Surplus/Deficit attributable to Associate							–		
Intercompany/Parent subsidiary transactions							–		
<b>Surplus/ (Deficit) for the year</b>	<b>(130,618)</b>	1,390,631	–	581,981	4,181,755	695,315	3,486,440	0	1,390,631

**Explanatory notes to Table C4 - Budgeted Financial Performance (revenue and expenditure)**

The Financial Performance Budget is required to be approved concurrently by revenue source and expenditure type, to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the monthly results, the monthly budget-to-date projections, and the original budget, to assess performance.

**Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification, and funding) – M06 December 2025**

Vote Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								%	
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Budget & Treasury	–	6,270	–	–	–	3,135	(3,135)	-100%	6,270
Vote 2 - Public Health	10,334	92,663	–	15	1,610	46,332	(44,722)	-97%	92,663
Vote 3 - Human Settlements	107,754	2,421	–	6,305	12,708	1,211	11,498	950%	2,421
Vote 4 - Economic Development, Tourism & Agriculture	–	809	–	783	16,055	404	15,650	3871%	809
Vote 5 - Corporate Services	–	30,376	–	230	230	15,188	(14,958)	-98%	30,376
Vote 6 - Infrastructure & Engineering Unit - Rate & General	359,666	83,012	–	63,798	196,201	41,506	154,695	373%	83,012
Vote 7 - Metro Water Service	286,984	31,696	–	10,677	74,281	15,848	58,433	369%	31,696
Vote 8 - Sanitation - Metro	95,950	32,665	–	2,501	27,554	16,333	11,221	69%	32,665
Vote 9 - Electricity & Energy	167,496	14,336	–	29,626	90,289	7,168	83,121	1160%	14,336
Vote 10 - Executive & Council	22,245	–	–	–	–	–	–		–
Vote 11 - Safety & Security	1,910	47,752	–	–	–	23,876	(23,876)	-100%	47,752

Annexure "A4"

Vote Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
Vote 12 - Mandela Bay Stadium	-	5,150	-	-	-	2,575	(2,575)	-100%	5,150
Vote 13 - Special Projects and Programmes	-	-	-	-	-	-	-	-	-
Vote 14 - Recreational & Cultural Services	5,790	67,934	-	4,117	5,971	33,967	(27,996)	-82%	67,934
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>1,058,131</b>	<b>415,084</b>	<b>-</b>	<b>118,052</b>	<b>424,899</b>	<b>207,542</b>	<b>217,357</b>	<b>105%</b>	<b>415,084</b>
<b>Single Year expenditure appropriation</b>									
Vote 1 - Budget & Treasury	2,034	23,000	-	1,168	2,600	11,500	(8,900)	-77%	23,000
Vote 2 - Public Health	84,980	14,800	-	43,531	58,842	7,400	51,442	695%	14,800
Vote 3 - Human Settlements	3,753	179,914	-	-	65	89,957	(89,892)	-100%	179,914
Vote 4 - Economic Development, Tourism & Agriculture	4,692	8,000	-	45	232	4,000	(3,768)	-94%	8,000
Vote 5 - Corporate Services	16,980	5,924	-	276	8,451	2,962	5,489	185%	5,924
Vote 6 - Infrastructure & Engineering Unit - Rate & General	73,621	465,049	-	19,096	40,798	232,524	(191,727)	-82%	465,049
Vote 7 - Metro Water Service	23,797	517,148	-	110	4,359	258,574	(254,215)	-98%	517,148
Vote 8 - Sanitation - Metro	13,339	195,999	-	2,095	2,943	97,999	(95,056)	-97%	195,999
Vote 9 - Electricity & Energy	19,835	199,287	-	-	3,004	99,644	(96,640)	-97%	199,287
Vote 10 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 11 - Safety & Security	5,037	24,600	-	2,670	3,382	12,300	(8,918)	-73%	24,600
Vote 12 - Mandela Bay Stadium	-	6,850	-	-	-	3,425	(3,425)	-100%	6,850
Vote 13 - Special Projects and Programmes	-	-	-	-	-	-	-	-	-
Vote 14 - Recreational & Cultural Services	19,616	35,630	-	13,120	15,544	17,815	(2,271)	-13%	35,630
Vote 15 - [NAME OF VOTE 15]	-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>267,682</b>	<b>1,676,202</b>	<b>-</b>	<b>82,111</b>	<b>140,222</b>	<b>838,101</b>	<b>(697,879)</b>	<b>-83%</b>	<b>1,676,202</b>
<b>Total Capital Expenditure</b>	<b>1,325,813</b>	<b>2,091,286</b>	<b>-</b>	<b>200,163</b>	<b>565,121</b>	<b>1045,643</b>	<b>(480,522)</b>	<b>-46%</b>	<b>2,091,286</b>
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>	<b>73,836</b>	<b>270,443</b>	<b>-</b>	<b>7,659</b>	<b>24,531</b>	<b>135,221</b>	<b>(110,690)</b>	<b>-82%</b>	<b>270,443</b>
Executive and council							-		
Finance and administration	73,836	270,443		7,659	24,531	135,221	(110,690)	-82%	270,443
Internal audit							-		
<b>Community and public safety</b>	<b>98,759</b>	<b>199,467</b>	<b>-</b>	<b>29,944</b>	<b>51,583</b>	<b>99,733</b>	<b>(48,151)</b>	<b>-48%</b>	<b>199,467</b>
Community and social services	28,652	73,580		4,636	6,781	36,790	(30,009)	-82%	73,580

Annexure "A4"

Vote Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
Sport and recreation	46,444	77,340		14,790	27,221	38,670	(11,449)	-30%	77,340
Public safety	23,204	46,647		10,518	17,580	23,323	(5,743)	-25%	46,647
Housing	260	600			-	300	(300)	-100%	600
Health	199	1,300			-	650	(650)	-100%	1,300
<b>Economic and environmental services</b>	<b>466,376</b>	<b>490,593</b>	<b>-</b>	<b>75,567</b>	<b>222,593</b>	<b>245,297</b>	<b>22,703</b>	<b>-9%</b>	<b>490,593</b>
Planning and development	22,245			783	16,055	-	16,055	-	-
Road transport	444,130	489,593		74,783	206,539	244,797	(38,258)	-16%	489,593
Environmental protection	-	1,000			-	500	(500)	-100%	1,000
<b>Trading services</b>	<b>686,842</b>	<b>1,122,783</b>	<b>-</b>	<b>86,993</b>	<b>266,414</b>	<b>561,392</b>	<b>(294,978)</b>	<b>-53%</b>	<b>1,122,783</b>
Energy sources	183,659	205,123		29,626	93,293	102,562	(9,269)	-9%	205,123
Water management	312,352	554,787		11,371	80,448	277,393	(196,945)	-71%	554,787
Waste water management	159,354	324,873		15,999	55,402	162,437	(107,034)	-66%	324,873
Waste management	31,477	38,000		29,997	37,271	19,000	18,271	96%	38,000
<b>Other</b>	<b>-</b>	<b>8,000</b>			<b>-</b>	<b>4,000</b>	<b>(4,000)</b>	<b>-100%</b>	<b>8,000</b>
<b>Total Capital Expenditure - Functional Classification</b>	<b>1,325,813</b>	<b>2,091,286</b>	<b>-</b>	<b>200,163</b>	<b>565,121</b>	<b>1,045,643</b>	<b>(480,522)</b>	<b>-46%</b>	<b>2,091,286</b>
<b>Funded by:</b>									
National Government	1,029,744	1,325,029		113,378	348,908	662,514	(313,606)	-47%	1,325,029
Provincial Government						-	-		-
District Municipality						-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	20,302	43,000		13,616	29,745	21,500	8,245	38%	43,000
<b>Transfers recognised - capital</b>	<b>1,050,046</b>	<b>1,368,029</b>	<b>-</b>	<b>126,994</b>	<b>378,654</b>	<b>684,014</b>	<b>(305,361)</b>	<b>-45%</b>	<b>1,368,029</b>
<b>Borrowing</b>	<b>43,414</b>	<b>60,500</b>			<b>-</b>	<b>30,250</b>	<b>(30,250)</b>	<b>-100%</b>	<b>60,500</b>
<b>Internally generated funds</b>	<b>232,354</b>	<b>662,757</b>		<b>73,169</b>	<b>186,467</b>	<b>331,379</b>	<b>(144,912)</b>	<b>-44%</b>	<b>662,757</b>
<b>Total Capital Funding</b>	<b>1,325,813</b>	<b>2,091,286</b>	<b>-</b>	<b>200,163</b>	<b>565,121</b>	<b>1,045,643</b>	<b>(480,522)</b>	<b>-46%</b>	<b>2,091,286</b>

**Explanatory notes to Table C5 - Budgeted Capital Expenditure by vote, standard classification, and funding**

Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

## Annexure "A4"

Table C6 Consolidated Monthly Budget Statement - Financial Position – M06 December 2025

Description	2024/25	Budget Year 2025/26			
	Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	3,811,121	4,302,604		3,449,590	4,302,604
Trade and other receivables from exchange transactions	6,417,587	3,024,485		2,716,818	3,024,485
Receivables from non-exchange transactions	370,381	385,614		444,319	385,614
Current portion of non-current receivables					-
Inventory	213,248	114,046		272,745	114,046
VAT	39,027	148,902		31,333	148,902
Other current assets		243,781		8,587	243,781
<b>Total current assets</b>	<b>10,851,364</b>	<b>8,219,431</b>	<b>-</b>	<b>6,923,392</b>	<b>8,219,431</b>
<b>Non-current assets</b>					
Investments					
Investment property	134,272	143,891		138,357	143,891
Property, plant and equipment	19,970,524	21,030,531		20,857,052	21,030,531
Biological assets					-
Living and non-living resources					-
Heritage assets	264,723	235,238		264,472	235,238
Intangible assets	39,673	11,045		47,915	11,045
Trade and other receivables from exchange transactions	82,888	114,626		82,888	114,626
Non-current receivables from non-exchange transactions	63,202	56,379		63,452	56,379
Other non-current assets					
<b>Total non-current assets</b>	<b>20,555,281</b>	<b>21,591,711</b>	<b>-</b>	<b>21,454,135</b>	<b>21,591,711</b>
<b>TOTAL ASSETS</b>	<b>31,406,645</b>	<b>29,811,142</b>	<b>-</b>	<b>28,377,527</b>	<b>29,811,142</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft					
Financial liabilities	129,104	222,246		129,860	222,246
Consumer deposits	156,623	163,472		161,855	163,472
Trade and other payables from exchange transactions	5,283,718	2,504,910		1,479,710	2,504,910
Trade and other payables from non-exchange transactions	460,954	321,180		836,537	321,180
Provision	469,584	525,183		460,877	525,183
VAT					

**Annexure “A4”**

Description	2024/25	Budget Year 2025/26			
	Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Other current liabilities	96,470			96,470	
<b>Total current liabilities</b>	<b>6,596,453</b>	<b>3,736,991</b>	<b>-</b>	<b>3,165,309</b>	<b>3,736,991</b>
<b>Non-current liabilities</b>					
Financial liabilities	796,001	938,463		798,756	938,463
Provision	1,487,634	3,474,755		1,488,895	3,474,755
Long term portion of trade payables	3,251			3,251	-
Other non-current liabilities	1,476,324	872,317		1,473,071	872,317
<b>Total non-current liabilities</b>	<b>3,763,209</b>	<b>5,285,536</b>	<b>-</b>	<b>3,763,973</b>	<b>5,285,536</b>
<b>TOTAL LIABILITIES</b>	<b>10,359,663</b>	<b>9,022,527</b>	<b>-</b>	<b>6,929,282</b>	<b>9,022,527</b>
<b>NET ASSETS</b>	<b>21,046,982</b>	<b>20,788,616</b>	<b>-</b>	<b>21,448,245</b>	<b>20,788,616</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated surplus/(deficit)	20,497,994	20,556,579		20,899,257	20,556,579
Reserves and funds	548,988	232,037		548,988	232,037
Other					
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>21,046,982</b>	<b>20,788,616</b>	<b>-</b>	<b>21,448,245</b>	<b>20,788,616</b>

**Explanatory notes to Table C6 - Budgeted Financial Position**

1. The table presents Assets less, Liabilities as Community Wealth. The order of items within each group is also aligned to the convention of showing items in order of liquidity, i.e., assets readily converted to cash or liabilities immediately required to be met from cash appear first.
2. Any movement on the Budgeted Financial Performance or the Capital Budget will invariably impact on the Budgeted Financial Position. For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption informs the budget provision for debt impairment, which in turn impacts on the provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is directly informed by forecasting the statement of financial position.

Table C7 Consolidated Monthly Budget Statement - Cash Flow – M06 December 2025

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates	2,707,048	2,969,423		199,053	1,268,193	1,484,712	(216,519)	-15%	2,969,423
Service charges	7,258,037	8,091,941		671,594	4,278,809	4,045,971	232,839	6%	8,091,941
Other revenue	147,928	1,748,498		128,684	1,203,028	874,249	328,779	38%	1,748,498
Transfers and Subsidies - Operational	1,493,316	2,944,497		694,329	1,554,667	1,472,249	82,419	6%	2,944,497
Transfers and Subsidies - Capital	1,240,929	1,368,029			815,067	684,014	131,053	19%	1,368,029
Interest	341,670	158,695		16,217	139,619	79,347	60,272	76%	158,695
Dividends	189				-	-	-		-
<b>Payments</b>									
Suppliers and employees	(12,149,957)	(14,984,867)		(1,309,155)	(8,665,884)	(7,492,433)	1,173,451	-16%	(14,984,867)
Interest	(100,793)	(72,173)			(57,443)	(36,087)	21,357	-59%	(72,173)
Transfers and Subsidies	(81,059)	(94,962)			(9,402)	(47,481)	(38,079)	80%	(94,962)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>857,308</b>	<b>2,129,081</b>	<b>-</b>	<b>400,723</b>	<b>526,655</b>	<b>1,064,540</b>	<b>537,885</b>	<b>51%</b>	<b>2,129,081</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	35	1,700			-	850	(850)	-100%	1,700
Decrease (increase) in non-current receivables		(160,820)			-	(80,410)	80,410	-100%	(160,820)
Decrease (increase) in non-current investments					-	-	-		-
<b>Payments</b>									
Capital assets	(1,262,954)	(1,915,737)		(201,264)	(794,656)	(957,869)	(163,212)	17%	(1,915,737)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(1,262,918)</b>	<b>(2,074,857)</b>	<b>-</b>	<b>(201,264)</b>	<b>(794,656)</b>	<b>(1,037,429)</b>	<b>(242,772)</b>	<b>23%</b>	<b>(2,074,857)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans							-		
Borrowing long term/refinancing							-		
Increase (decrease) in consumer deposits							-		
<b>Payments</b>									
Repayment of borrowing	(213,246)	(195,600)			(50,352)	(97,800)	(47,448)	49%	(195,600)

**Annexure "A4"**

Description	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(213,246)</b>	<b>(195,600)</b>	–	–	<b>(50,352)</b>	<b>(97,800)</b>	<b>(47,448)</b>	<b>49%</b>	<b>(195,600)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(618,857)</b>	<b>(141,376)</b>	–	<b>199,459</b>	<b>(318,353)</b>	<b>(70,688)</b>			<b>(141,376)</b>
Cash/cash equivalents at beginning:	4,426,349	4,443,980			3,767,943	4,443,980			3,767,943
Cash/cash equivalents at month/year end:	3,807,493	4,302,604	–	199,459	3,449,590	4,373,292			3,626,566

**Explanatory notes to Table C7 - Budgeted Cash Flow Statement**

1. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.
2. It reflects the expected cash in-flows versus cash outflows that are likely to result from the implementation of the budget.

**ANALYSIS OF THE MUNICIPALITY’S BALANCE SHEET**

In this section the Municipality’s Debtors, Creditors and Investments will be analysed. These components have a significant impact on the Municipality’s financial position.

**1. DEBTORS AGE ANALYSIS & ANNUAL DEBTORS COLLECTION RATE POSITION AS AT 31 DECEMBER 2025****1.1. Overview of Outstanding Consumer Debtors (Inclusive of VAT)**

Below is an analysis of the outstanding consumer debtors as at **31 December 2025** compared to the position as at 30 June 2025.

**Debtors’ Age Analysis (Inclusive of VAT) as at end of 30 June 2025**

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total-
<b>Debtors Age Analysis By Income Source</b>									
Trade and Other Receivables from Exchange Transactions – Water	R908,065,652	R285,000,809	R282,767,309	R263,148,298	R269,785,561	R287,423,869	R1,527,147,228	R6,400,958,751	<b>R10,224,297,477</b>
Trade and Other Receivables from Exchange Transactions – Electricity	R419,693,150	R70,447,088	R115,709,629	R24,274,572	R23,342,674	R20,826,825	R110,870,220	R500,285,785	<b>R1,285,449,942</b>
Receivables from Non-exchange Transactions – Property Rates	R273,741,526	R49,099,639	R19,639,268	R19,072,233	R50,926,118	R123,974,042	R273,783,564	R1,297,285,882	<b>R2,107,522,272</b>
Receivables from Exchange Transactions – Wastewater Management	R107,189,464	R59,107,130	R48,271,886	R43,588,220	R41,685,312	R38,513,334	R179,800,271	R1,101,212,176	<b>R1,619,367,793</b>
Receivables from Exchange Transactions – Waste Management	R48,046,584	R24,171,785	R16,255,984	R13,051,465	R16,527,226	R13,581,744	R76,778,671	R582,514,661	<b>R790,928,120</b>
Receivables from Exchange Transactions – Property Rental Debtors	R2,291,471	R2,786,906	R1,279,348	R462,984	R2,361,384	R1,258,288	R10,330,263	R43,009,020	<b>R63,779,664</b>
Interest on Arrear Debtor Accounts	R138,951,371	R146,685,960	R121,988,080	R100,607,708	R139,848,960	R115,832,188	R619,545,269	R2,577,810,283	<b>R3,961,269,818</b>
Other	R19,501,230	R5,999,254	R6,259,921	R6,375,369	R6,828,336	R4,005,871	R33,015,434	R376,190,546	<b>R458,175,961</b>
<b>Total By Income Source</b>	<b>R1,917,480,448</b>	<b>R643,298,571</b>	<b>R612,171,424</b>	<b>R470,580,849</b>	<b>R551,305,571</b>	<b>R605,416,160</b>	<b>R2,831,270,920</b>	<b>R12,879,267,104</b>	<b>R20,510,791,048</b>
Organs of State	R33,160,771	R13,682,904	R9,044,039	R5,967,568	R8,023,735	R5,685,091	R34,542,747	R130,999,223	<b>R241,106,079</b>
Commercial	R552,210,894	R124,250,184	R137,882,608	R45,281,797	R75,144,901	R106,382,932	R268,091,338	R1,556,271,803	<b>R2,865,516,457</b>
Households	R1,324,498,665	R504,684,609	R464,639,793	R418,803,998	R467,153,496	R492,637,567	R2,525,174,048	R11,143,090,012	<b>R17,340,682,188</b>
Other NMBM)	R7,610,118	R680,874	R604,984	R527,486	R983,439	R710,570	R3,462,787	R48,906,066	<b>R63,486,324</b>
<b>Total By Customer Group</b>	<b>R1,917,480,448</b>	<b>R643,298,571</b>	<b>R612,171,424</b>	<b>R470,580,849</b>	<b>R551,305,571</b>	<b>R605,416,160</b>	<b>R2,831,270,920</b>	<b>R12,879,267,104</b>	<b>R20,510,791,048</b>

## Annexure “A5”

### Debtors’ Age Analysis (Inclusive of VAT) as at 31 December 2025

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total-
<b>Debtors Age Analysis By Income Source</b>									
Trade and Other Receivables from Exchange Transactions - Water	R 443,929,808	R 342,076,167	R 479,801,456	R 279,792,619	R 302,958,298	R 760,368,700	R 1,393,269,195	R 7,542,850,655	<b>R 11,545,046,899</b>
Trade and Other Receivables from Exchange Transactions - Electricity	R 487,307,547	R 120,505,939	R 133,262,254	R 101,031,770	R 57,465,080	R 27,685,335	R 84,598,582	R 480,823,276	<b>R 1,492,679,782</b>
Receivables from Non-exchange Transactions - Property Rates	R 1,914,364,716	R 116,681,059	R 54,157,062	R 92,563,560	R 123,838,905	R 30,214,785	R 185,695,339	R 1,461,258,115	<b>R 3,978,773,541</b>
Receivables from Exchange Transactions - Waste Water Management	R 116,092,742	R 68,022,445	R 58,080,533	R 46,364,541	R 43,933,394	R 37,013,144	R 195,998,752	R 1,239,903,277	<b>R 1,805,408,828</b>
Receivables from Exchange Transactions - Waste Management	R 51,115,235	R 29,522,475	R 15,875,885	R 18,338,880	R 20,711,574	R 12,635,814	R 85,638,585	R 643,881,400	<b>R 877,719,848</b>
Receivables from Exchange Transactions - Property Rental Debtors	R 4,025,947	R 2,649,546	R 372,594	R 1,125,373	R 2,514,337	R 158,718	R 7,011,257	R 50,462,957	<b>R 68,320,729</b>
Interest on Arrear Debtor Accounts	R 153,411,639	R 166,839,973	R 159,226,594	R 131,558,652	R 146,728,441	R 137,970,941	R 709,619,136	R 3,114,160,623	<b>R 4,719,516,000</b>
Other	R 17,423,012	R 9,403,078	R 11,245,535	R 7,875,014	R 4,389,235	R 6,934,188	R 35,078,115	R 398,798,762	<b>R 491,146,939</b>
<b>otal By Income Source</b>	<b>R 3,187,670,646</b>	<b>R 855,700,682</b>	<b>R 912,021,913</b>	<b>R 678,650,409</b>	<b>R 702,539,264</b>	<b>R 1,012,981,625</b>	<b>R 2,696,908,961</b>	<b>R 14,932,139,065</b>	<b>R 24,978,612,565</b>
<b>By Customer Group</b>									
Organs of State	R 57,690,010	R 25,482,828	R 10,659,088	R 29,775,886	R 47,388,454	R 7,657,328	R 34,280,734	R 143,467,086	<b>R 356,401,414</b>
Commercial	R 1,336,782,891	R 168,676,368	R 183,255,738	R 109,006,175	R 97,667,087	R 28,250,899	R 250,515,257	R 1,587,980,435	<b>R 3,762,134,850</b>
Households	R 1,730,831,361	R 613,465,373	R 675,176,998	R 483,245,022	R 495,657,925	R 965,893,455	R 2,407,278,179	R 13,147,891,149	<b>R 20,519,439,462</b>
Other NMBM)	R 62,366,384	R 48,076,113	R 42,930,089	R 56,623,326	R 61,825,798	R 11,179,943	R 4,834,791	R 52,800,395	<b>R 340,636,839</b>
<b>Total By Customer Group</b>	<b>R 3,187,670,646</b>	<b>R 855,700,682</b>	<b>R 912,021,913</b>	<b>R 678,650,409</b>	<b>R 702,539,264</b>	<b>R 1,012,981,625</b>	<b>R 2,696,908,961</b>	<b>R 14,932,139,065</b>	<b>R 24,978,612,565</b>

The above-mentioned analysis indicates that from 30 June 2025 – 31 December 2025 the overdue debt has increased by **R 3,197,631,320** as follows:

## Annexure "A5"

Detail	OVERDUE AMOUNTS		
	June 2025	Dec 2025	Difference
Trade and Other Receivables from Exchange Transactions – Water	R 9,316,231,825	R 11,101,117,091	R 1,784,885,266
Trade and Other Receivables from Exchange Transactions – Electricity	R 865,756,793	R 1,005,372,235	R 139,615,442
Receivables from Non-exchange Transactions - Property Rates	R 1,833,780,746	R 2,064,408,825	R 230,628,079
Receivables from Exchange Transactions - Waste Water Management	R 1,512,178,329	R 1,689,316,086	R 177,137,757
Receivables from Exchange Transactions - Waste Management	R 742,881,536	R 826,604,613	R 83,723,077
Receivables from Exchange Transactions - Property Rental Debtors	R 61,488,193	R 64,294,782	R 2,806,589
Interest on Arrear Debtor Accounts	R 3,822,318,447	R 4,566,104,361	R 743,785,914
Other	R 438,674,731	R 473,723,927	R 35,049,196
<b>Total By Income Source</b>	<b>R 18,593,310,600</b>	<b>R 21,790,941,919</b>	<b>R 3,197,631,320</b>
<b>Debtors Age Analysis By Customer Group</b>			
Organs of State	R 207,945,308	R 298,711,404	R 90,766,097
Commercial	R 2,313,305,563	R 2,425,351,959	R 112,046,396
Households	R 16,016,183,523	R 18,788,608,101	R 2,772,424,578
Other NMBM	R 55,876,206	R 278,270,455	R 222,394,249
<b>Total By Customer Group</b>	<b>R 18,593,310,600</b>	<b>R 21,790,941,919</b>	<b>R 3,197,631,320</b>

The credit control policy is being implemented to its fullest extent except for the component dealing with the sale in execution of both movable and immovable assets. The Municipality is currently implementing the Debt Relief Programme, as previously approved by Council.

**Growth in Debt by category**

The following table further provides the Committee with the history of how the arrear debt situation has escalated from July 2021 up to date:

<b>Outstanding Debtors by Category</b>					
<b>Month</b>	<b>Category</b>				<b>Total</b>
	<b>Government</b>	<b>Business</b>	<b>Household</b>	<b>NMBM</b>	
Jul-21	164,531,984	1,650,649,855	4,642,038,574	40,205,793	6,497,426,206
Aug-21	152,655,812	1,696,234,145	4,847,662,045	56,852,499	6,753,404,501
Sep-21	154,560,053	1,703,479,311	5,113,737,194	35,130,687	7,006,907,245
Oct-21	177,656,262	1,802,561,606	5,461,557,379	36,729,127	7,478,504,374
Nov-21	207,095,304	1,828,372,065	5,785,896,888	37,354,462	7,858,718,719
Dec-21	223,874,721	1,784,577,155	6,040,058,139	40,020,922	8,088,530,937
Jan-22	237,008,342	1,901,393,994	6,320,662,619	45,053,874	8,504,118,829
Feb-22	198,555,915	1,845,283,283	6,553,678,171	41,994,914	8,693,512,283
Mar-22	219,906,424	1,901,929,313	6,745,447,544	38,838,083	8,906,121,364
Apr-22	230,404,967	1,827,933,684	6,942,836,405	39,878,537	9,041,053,593
Aug-22	104,831,777	1,432,153,667	6,381,720,942	29,470,399	7,948,176,785
Jun-22	150,887,128	1,816,207,856	7,242,667,376	41,306,707	9,251,069,067
Jul -22	138,071,594	1,808,368,730	7,418,890,959	46,068,829	9,411,400,112
Aug-22	151,120,798	1,816,655,770	7,685,015,131	42,592,857	9,695,384,556
Sep22	148,963,028	1,777,666,427	8,141,070,821	43,360,378	10,111,060,654
Oct-22	169,097,100	1,862,433,940	8,690,261,192	39,216,030	10,761,008,262
Nov-22	175,395,539	1,854,190,450	9,251,754,703	38,691,566	11,320,032,258
Dec-22	174,209,778	1,905,344,288	9,928,689,845	39,909,204	12,048,153,115
Jan-23	174,827,696	1,996,042,621	10,648,762,048	40,748,002	12,860,380,367
Feb-23	176,856,024	1,937,809,593	11,156,534,665	42,318,764	13,313,519,046
Mar-23	217,843,623	1,997,766,080	10,761,831,590	43,100,182	13,020,541,475
Apr-23	205,466,554	1,977,511,175	10,911,698,951	43,626,887	13,138,303,567
Aug-23	183,660,173	1,715,095,892	12,193,828,288	44,494,833	14,137,079,186
Jun-23	180,626,258	1,693,956,774	12,418,048,260	45,144,604	14,337,775,896
Jul-23	201,939,518	1,686,747,320	10,546,100,402	47,048,250	12,481,835,490
Aug-23	214,260,250	1,782,258,524	9,705,918,697	47,880,223	11,750,317,694
Sep-23	215,745,355	1,716,498,076	9,887,164,628	48,130,578	11,867,538,637
Oct-23	273,612,281	1,810,482,735	10,141,679,960	49,094,613	12,274,869,589
Nov-23	271,672,951	1,799,288,677	10,291,152,699	49,706,259	12,411,820,586
Dec-23	251,753,539	1,840,991,493	10,599,811,819	50,626,221	12,743,183,072
Jan-24	275,047,389	1,969,061,504	10,877,700,438	51,293,876	13,173,103,207
Feb-24	263,997,695	1,931,167,397	10,918,727,543	51,862,769	13,165,755,404

Annexure “A5”

Outstanding Debtors by Category					
Month	Category				Total
	Government	Business	Household	NMBM	
Mar-24	293,455,981	1,928,911,901	11,217,728,359	52,693,625	13,492,789,866
Apr-24	253,570,819	1,965,095,353	11,556,278,346	53,522,806	13,828,467,324
May-24	242,576,649	1,946,880,797	11,874,086,827	54,292,281	14,117,836,554
Jun-24	231,521,682	1,899,268,104	12,100,517,510	54,699,516	14,286,006,812
Jul-24	228,921,087	1,903,823,803	12,423,234,420	55,883,249	14,611,862,559
Aug-24	244,162,039	1,948,975,989	12,657,121,635	56,181,501	14,906,441,164
Sep-24	372,719,669	2,030,014,442	13,034,630,529	61,542,519	15,498,906,799
Oct-24	300,321,026	2,081,209,490	13,361,509,471	55,741,933	15,798,511,920
Nov-24	308,906,246	2,007,411,268	13,690,120,573	51,237,856	16,057,675,943
Dec-24	267,284,737	2,011,924,190	14,153,487,540	57,457,639	16,490,154,106
Jan-25	292,608,087	2,234,872,942	14,543,487,044	52,812,762	17,123,780,835
Feb-25	263,064,536	2,082,158,004	14,850,419,714	56,189,217	17,251,831,471
Mar-25	262,455,602	2,172,537,717	15,196,769,162	54,371,627	17,686,134,108
Apr-25	221,716,152	2,167,433,608	15,447,495,243	60,207,039	17,896,852,042
May-25	217,890,457	2,293,815,347	15,748,365,642	55,773,097	18,315,884,543
Jun-25	207,945,308	2,313,305,563	16,016,183,523	55,876,206	18,593,310,600
Jul-25	196,610,722	2,335,786,835	16,307,164,623	56,557,423	18,896,119,603
Aug-25	208,465,973	2,373,713,695	17,164,809,118	67,967,781	19,814,956,567
Sep-25	375,117,475	2,373,528,742	17,539,105,272	129,629,525	20,417,381,014
Oct-25	337,647,733	2,334,963,062	17,875,704,436	184,755,253	20,733,070,484
Nov-25	326,578,511	2,341,756,969	18,356,123,272	227,434,394	21,251,893,146
Dec-25	298,711,404	2,425,351,959	18,788,608,101	278,270,455	<b>21,790,949,919</b>

**1.2. Annual Debtors Collection Rate**

The Debtors Collection Rate ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services. The Collection Rate target is set at 80% as per the 2024/2025 IDP and the Annual Municipal Budget. However, a Collection Rate of 85% or more is required to decrease the provision for doubtful debts so that more funds are released for service delivery.

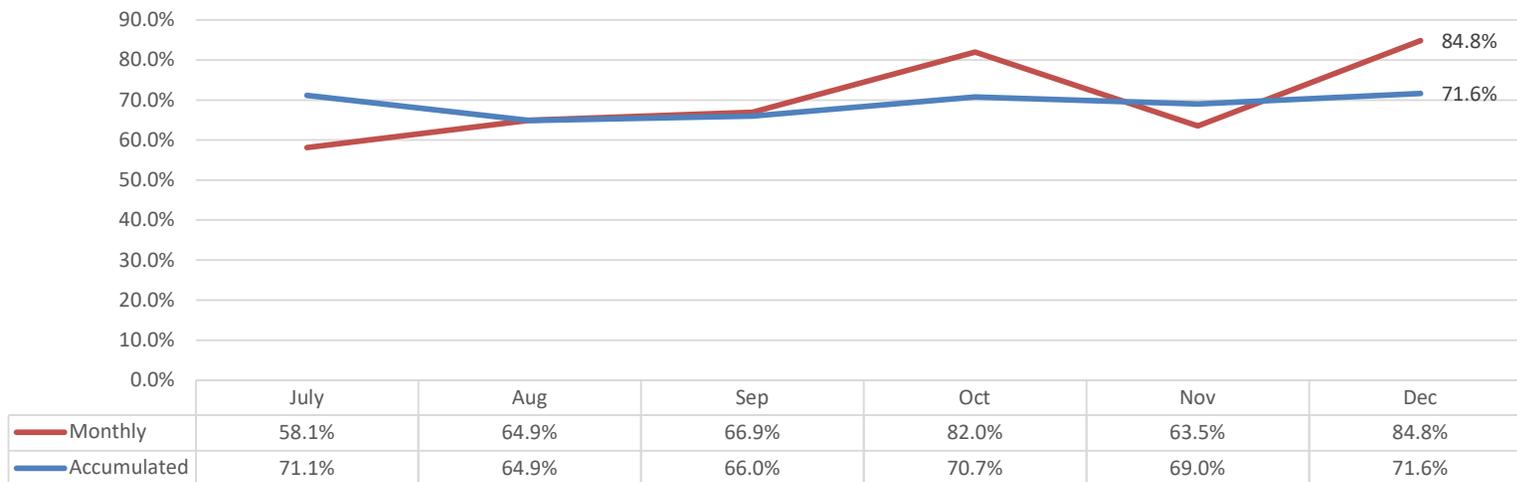
The ratio to determine the percentage collection rate is calculated as follows:

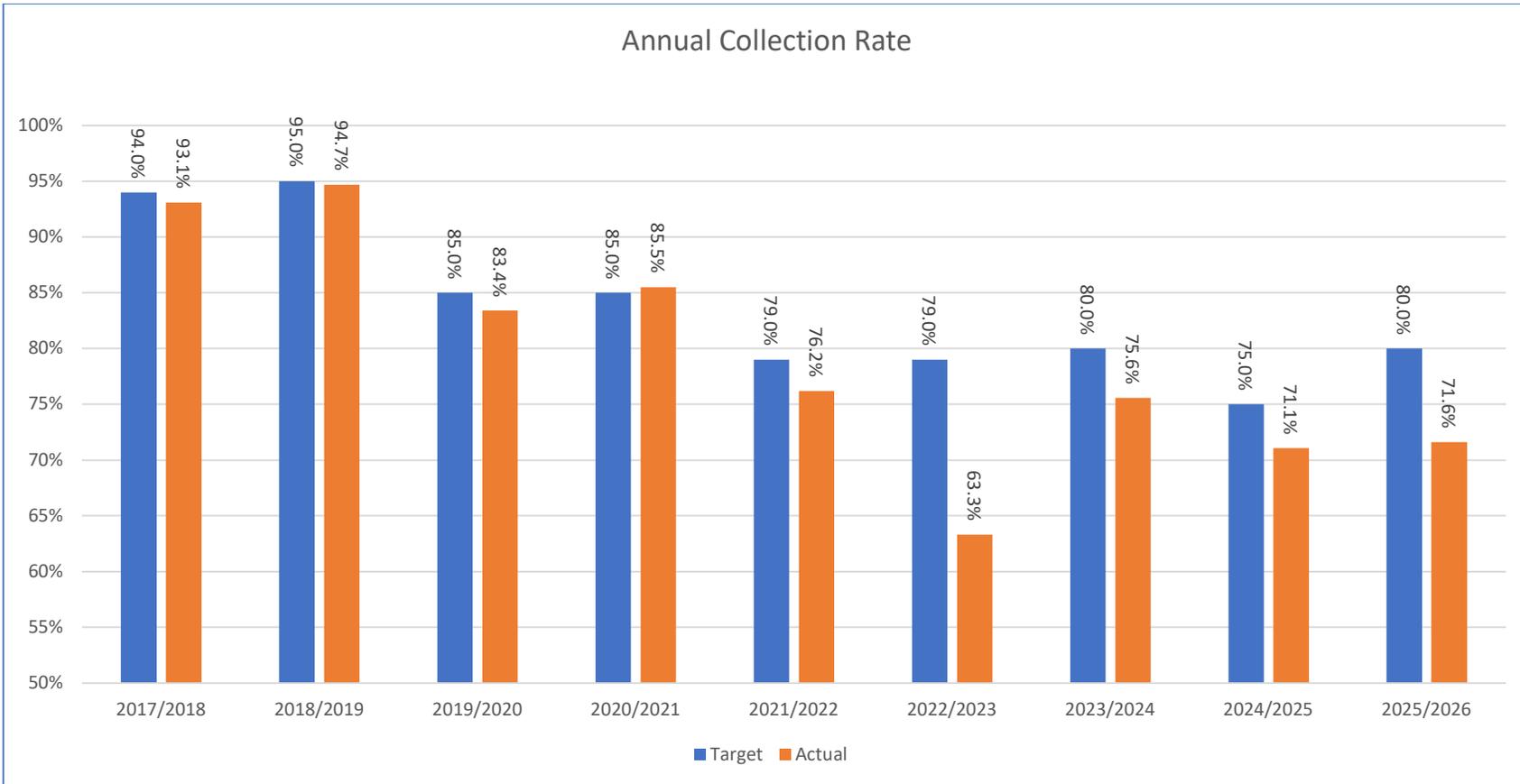
$$\frac{\text{Total Payments Received on Accounts rendered during financial year}}{\text{Total Value of Accounts Rendered during Financial year.}} \times 100 = \text{Percentage Collection Rate}$$

## Annexure “A5”

The Collection Rate for revenue raised in November 2025 collected in December 2025 stands at 84.8%. The cumulative Collection Rate for the 2025/26 year to date amounts to 71.6%. This is 8.4% lower than the Budgeted collection rate of 80%. If the collection rate continues at the low level of 84.8%, Council will have to give serious consideration to cut its operational expenditure budget by R1.523 billion. The cumulative Collection Rate for the 2024/25 financial year was 71.07%. This was 3.93% lower than the budgeted collection rate of 75% for the 2024/25 financial year. This implies that the NMBM revenue budget for 2024/25 have been overstated by R648.374 million.

**REVENUE COLLECTION RATE TREND IN 2025-2026  
FINANCIAL YEAR**





## 1.3 Other Debtors

The bridge financing of the Housing function is at a level of R196,735,237 million as at 31 December 2025. It is important that the current level of R196.74 million be managed downwards.

## 2. Overview of Creditors position

Below is an analysis of the status of the major creditors:

## Supporting Table SC4 Monthly Budget Statement - aged creditors – M06 December 2025

Detail	0 – 30 Days R '000	31-60 days R '000	61 – 90 days R '000	Above 91 days R '000	Total R '000	%
Bulk Electricity	431,507,688	-	-	-	431,507,688	30.32
Bulk Water	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-
Pensions/Retirement deductions	-	-	-	-	-	-
Loan Repayments	-	-	-	-	-	-
Trade Creditors	104,494,878	237,822	9,780,644	15,708,353	130,221,697	9.14
Auditor-General	-	-	-	-	-	-
Other	31,995,229	14,215,365	52,682,430	762,789,556	861,682,580	60.54
Medical Aid Deductions	-	-	-	-	-	-
<b>Total</b>	<b>567,997,796</b>	<b>14,453,187</b>	<b>62,463,073</b>	<b>778,497,909</b>	<b>1,423,411,966</b>	<b>100.00</b>

The above amounts represent invoices still to be paid by the NMBM and MBDA. Creditors' payments for the NMBM approximate **112.02 days**, based on the date of invoice. The target for payment days is recorded at 30 days from receiving the relevant invoice from service provider to the payment date. The **112.02 days** excludes delayed payments as a result of irregular expenditure.

A monthly report is submitted to Management Team on the outcome of the creditors' payment process. Executive Directors are held responsible for outcomes in the following two areas: -

- Adhering to the **19** days allocated to Directorates for processing of all payments – this currently forms part of the Executive Directors' scorecards; and
- Reporting on and being held accountable for irregular expenditure – this is dealt with through the MPAC sub-committee for irregular, fruitless & wasteful and unauthorised expenditure.

## 2.1 Payment of Service Providers

### Payment of Service Providers

Section 65(2)(e) of the MFMA states that “all monies owing by the Municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure”.

To ensure efficient administration all reporting in relation to payment is based on using the invoice date as the baseline and not the date of receipt of the invoice. An average number of days to make payment from the date of invoice have been calculated at 35 days, by allowing 5 days for postal travel of the invoice from supplier to the municipality.

For performance measuring purpose the 35 days has been split as follows:

- Phase 1 – The Directorate has 19 days to process from date of invoice: and
- Phase 2 – Creditors, Accountants & Cash Management have 16 days to finalise the payment process.

It must be noted that the date of receipt is inserted in the payments program by the directorate who is capturing the invoice. This date is subjective as it relies on the directorate to be honest when capturing the date, the invoice document was physically received by the municipality.

This reporting standard is being applied due to the fact that:

- Service Providers give discount based on the invoice date, irrespective of the invoice receipt date.
- Performance of the NMBM in relation to payment is determined by the Service Provider from the date of the invoice.
- Recording of the invoice receipt date may be subjective, impractical to manage and difficult to prove.

### **DATE OF INVOICE vs DATE OF DIRECTORATE APPROVAL**

**Table 1: Reflects the number of Days taken by Directorates to process documentation for payment from Date of Invoice**

DIRECTORATE	October 2025	Total No of Invoices	November 2025	Total No of Invoices	December 2025	Total No of Invoices
Budget & Treasury	6.99	766	4.71	809	4.84	758
Chief Operating Officer	33.44	232	40.60	124	51.86	191
Corporate Services	138.66	377	55.80	226	95.48	330
Economic Development, Tourism & Agriculture	5.50	16	4.64	11	9.23	22
Electricity & Energy	17.75	234	48.34	322	16.19	195
Human Settlements	6.91	64	6.31	95	4.12	85
Infrastructure & Engineering: Rate & General	10.80	856	54.97	744	9.09	870
Water Services	19.91	97	8.71	95	25.45	193

## Annexure “A5”

DIRECTORATE	October 2025	Total No of Invoices	November 2025	Total No of Invoices	December 2025	Total No of Invoices
Municipal Manager	3.33	27	13.42	24	13.73	37
Office of the Executive Mayor	N/A	N/A	N/A	N/A	N/A	N/A
Public Health	7	271	11.36	236	22.61	289
Recreational & Cultural Services	50.14	108	9.78	76	13.09	88
Safety & Security	8.02	127	32.61	153	6.63	111
Sanitation	41.32	139	20.62	82	14.05	151
<b>Average for all Directorates</b>	<b>28.79</b>	<b>3314</b>	<b>29.97</b>	<b>2997</b>	<b>21.89</b>	<b>3320</b>

An analysis of **Table 1** illustrates the following:

During December the number of days to process documentation has increased significantly from November for the following Directorates:

Directorate	No. of Days (December)
Chief Operating Officer	118.13
Corporate Services	213.24
Water Services	64.93
Recreational and Cultural Services	40.26

The above results of the Chief Operating Officer Directorate are attributed to late payments that were made to various legal services suppliers which were approved in excess of 40 days from the Date of Invoice. The late payment reason recorded by the Directorate is “RECEIVED FOR PROCESSING IN OCTOBER 2025”.

The above results for the Corporate Services Directorate are attributed to late payments that were made to supplier SIZWE AFRICA IT GROUP which were approved in excess of 1498 days from the Date of invoice. The late payment reason recorded by the Directorate is “No funds “.

The above results for the Water Services Directorate are attributed to late payments that were made to supplier GAP Management which were approved in excess of 40 days from the Date of invoice. The late payment reason recorded by the Directorate is “INSUFFICIENT FUNDS”.

The above results for the Recreational and Cultural Services Directorate are attributed to late payment for supplier METSI WATER SOLUTIONS which was approved in excess of 1700 days from the Date of Invoice. The late payment reason recorded by the Directorate is “late inv” .

**DATE OF RECEIPT OF INVOICE vs DATE OF DIRECTORATE APPROVAL**

**Table 2** below illustrates by Directorate the number of days taken to process documentation from the date of Receipt of invoice:

DIRECTORATE	October 2025	Total No of Invoices	November 2025	Total No of Invoices	December 2025	Total No of Invoices
Budget & Treasury	6.99	766	4.71	809	4.84	758
Chief Operating Officer	33.44	232	40.6	124	51.86	191
Corporate Services	138.66	377	55.8	226	95.48	330
Economic Development, Tourism & Agriculture	5.50	16	4.64	11	9.23	22
Electricity & Energy	17.75	234	48.34	322	16.19	195
Human Settlements	6.91	64	6.31	95	4.12	85
Infrastructure & Engineering: Rate & General	10.80	856	54.97	744	9.09	870
Water Services	19.91	97	8.71	95	25.45	193
Municipal Manager	3.33	27	13.42	24	13.73	37
Office of the Executive Mayor	N/A	N/A	N/A	N/A	N/A	N/A
Public Health	7	271	11.36	236	22.61	289
Recreational & Cultural Services	50.14	108	9.78	76	13.09	88
Safety & Security	8.02	127	32.61	153	6.63	111
Sanitation	41.32	139	20.62	82	14.05	151
<b>Average for all Directorates</b>	<b>28.79</b>	<b>3314</b>	<b>29.97</b>	<b>2997</b>	<b>21.89</b>	<b>3320</b>

The Directorates’ performance cumulatively has improved for the month of December 2025 when compared to November 2025 as per **Table 2**.

The recording of the Invoice received Date is performed by each respective Directorate and is subjective as Suppliers often dispute that there has been any delay for submitting Invoices to the NMBM. When Suppliers initiate punitive action for late payment, such as legal action; penalty interest; revoking the NMBM’s credit facility, etc. the date of the Invoice becomes relevant and not the date that it was received.

The analysis of the Average Number of Days between the **Invoice Date** and the **Date of Receipt of Invoice** per Directorate indicates the following for December 2025:

Directorate	No. of Days (December 25)
Budget & Treasury	66.20
Chief Operating Officer	66.99
Corporate Services	119.49
Economic Development, Tourism & Agriculture	15.36
Electricity & Energy	21.76

**Annexure “A5”**

<b>Directorate</b>	<b>No. of Days (December 25)</b>
Human Settlements	17.49
Infrastructure & Engineering: Rate & General	18.07
Water Services	39.94
Municipal Manager	5.32
Office of the Executive Mayor	N/A
Public Health	22.30
Recreational & Cultural Services	29.76
Safety & Security	21.24
Sanitation	24.95

The above information indicates that there is a significant delay between the Supplier's Invoice date and the date that it is received at the NMBM. This is evident for the following Directorates where it has taken in excess of 30 Days for the Invoices to be received:

- Budget & Treasury 66.20
- Chief Operating Officer 66.99
- Corporate Services 119.49
- Water Services 39.94

All Directorates who encounter delays in receiving Invoices from Suppliers should address this with the respective Supplier(s) as the resultant late payments may be attributed to the NMBM and punitive action against the NMBM may be initiated by the Supplier(s).

The overall number of days taken to process documentation for payment has not improved for December 2025 when compared to November 2025.

**Table 3: Reflects the Average number of Days taken by the NMBM to pay Service Providers from the date that the EFT is available for release.**

	<b>Number of Days taken by Accountant to sign off documentation</b>	<b>Number of Days taken by Creditors to process &amp; final Sign Off of EFT</b>	<b>Delay in release of EFT's</b>	<b>Total No. of days from date Directorate approves Invoice</b>
October	12	4	3	19
November	25	5	2	32
December	18	4	2	24

Table 3 above reflects the Phase 2 process payment cycle where the target has been set at **16 days**. The target for this phase of processing was not met for the months of October 2025 to December 2025.

If we combine Phase 1 and Phase 2 in the payment process, then the number of days taken to pay creditors from date of invoice is as follows against the target of 35 days.

October 2025 –	76.23 days
November 2025 –	119.44 days
December 2025 –	112.02 days

The National Treasury target is 30 days from the date when the invoice has been received. By using the receipt date of the invoice, as recorded by the Directorate, the number of days taken to pay creditors during the quarter is as follows:

October 2025 –	47 days
November 2025 –	58 days
December 2025 –	43 days

The results above indicate that the Creditors’ payment days were not met for the period of October 2025 to December 2025.

The December 2025 payment day’s results of the NMBM are attributed to late payments that were made to supplier SIZWE AFRICA IT GROUP which were paid in excess of 560 days from the Date of Receipt of invoice. The late payment reason recorded by the Corporate Services Directorate is “No funds”.

It remains the responsibility of each Directorate to ensure that Invoices are received and processed relating to service delivery within their Directorate.

Another factor that contributes to a poor payment days’ outcome is that some Directorates paid the majority of their Invoices in excess of 30 days from the Date of Receipt of Invoice as per the analysis below which measures the efficiency rate per Directorate, where the Chief Operating Officer and Water Services Directorates achieved a Creditors’ Efficiency Rate of 38.74 percent and 54.40 percent, respectively, versus the NMBM’s target of one hundred (100) percent.

**Annexure “A5”**

<b>Directorate</b>	<b>Total No. Of Invoices (December 2025)</b>	<b>No. of Invoices paid within 30 Days of Receipt</b>	<b>Efficiency Rate (%), calculated as No. of Invoices paid within 30 days of Receipt /Total No. of Invoices*100</b>
Budget & Treasury	758	733	96.70
Chief Operating Officer	191	74	38.74
Corporate Services	330	210	63.64
Economic Development, Tourism & Agriculture	22	16	72.73
Electricity & Energy	195	155	79.50
Human Settlements	85	82	96.50
Infrastructure & Engineering: Rate & General	870	760	87.36
Water Services	193	105	54.40
Municipal Manager	37	23	62.16
Office of the Executive Mayor	0	0	0
Public Health	289	202	69.90
Recreational & Cultural Services	88	64	72.73
Safety & Security	111	97	87.40
Sanitation	151	93	61.60

### 3. Investment Portfolio as at 31 December 2025

Below is an analysis of the Investment Portfolio as at 31 December 2025: -

Financial Institution	ABSA Term Deposit	ABSA Call Deposit	FNB Term Deposit	Investec Call Deposit	Nedbank Term Deposit	Nedbank Call Deposit	Standard Bank Term Deposit	Stanlib Term Deposit	Total NMBM Investments	ABSA Current Account	MBDA	Sanlam Shares	NMBM Total
Value of Investment: 30Jun25	465,000,000	7,676,969	590,000,000	198,144,344	360,000,000	680,500,000	761,700,000	259,657	3,063,280,970	661,046,249	40,304,461	3,311,165	3,767,942,846
Value of Investment: 31Dec25	610,000,000	7,676,969	630,000,000	204,969,023	0	680,500,000	836,700,000	259,657	2,970,105,649	439,101,444	36,754,285	3,628,288	3,449,589,665
(Decrease) / Increase in Investments	145,000,000	0	40,000,000	6,824,679	360,000,000	0	-70,000,000	0	-93,175,321	221,944,805	-3,550,177	317,122	-318,353,180
% Exposure of Institution	17.68%	0.22%	18.26%	5.94%	0.00%	19.73%	24.26%	0.01%	86.10%	12.73%	1.07%	0.11%	100.00%
Actual Interest earned to date	-16,215,893	-218,320	-16,785,022	-6,824,679	-15,993,895	-15,576,925	-24,965,680	-8,043	-96,588,456	-18,811,809	-958,839		-116,359,104

There is a decrease in the investment portfolio since 30 June 2025 amounting to R318.353 million.

The following analysis indicates the extent to which the investments are committed:

#### **Cash backed Reserves**

Cash and Cash Equivalents (Short-term Investment Deposits)  
Short-term Investments

**R'000**  
3,449,590  
3,628  
**3,453,218**

#### **Application of Cash**

Unspent Conditional Grants  
Statutory Funds – COID  
Self-Insurance Fund  
Outstanding Creditors Liability  
Internally Generated Funding  
Provision for Land Fill Sites  
Provision for Rehab of Swartkops river  
Brookes Bequest  
Current Provisions  
Consumer Deposits  
Unspent Borrowing

836,537  
70,723  
289,142  
1,423,412  
476,290  
600,686  
124,559  
29,683  
460,877  
161,855  
1,708

#### **Total Commitments**

**Commitments more than Cash and Cash Equivalents**

**4,475,472**  
**1,022,254**

The Commitments exceeds Cash and Cash Equivalents by an amount of R 1.022 billion.

The following financial strategies are being implemented to address this situation:

- Optimisation of all revenue streams.
- Increasing collection rates above the targeted percentage utilising the credit control policy of Council.
- Disposal of serviced land in order to boost the depleted Capital Replacement Reserve.
- Implementation of Cost Containment Policy.

## 4. Allocation and Grant receipts and expenditure for the 2025/26 financial year

## Monthly Budget Statement - Transfers and Grants - Receipts and Expenditure – December 2025

Description	Budget Year 2025/26				
	Original Budget	Year TD actual	Year TD actual	Available to Spend	% Spent
<b>R thousands</b>		<b>RECEIPTS:</b>	<b>PAYMENTS</b>		
<b>Operating Transfers and Grants</b>					
<b>National Government:</b>	<b>2,129,340</b>	<b>1,249,762</b>	<b>1,081,236</b>	<b>1,048,104</b>	<b>50.78%</b>
Local Government Equitable Share	1,637,749	987,708	987,708	650,041	60.31%
EPWP Incentive	2,457	1,720	326	2,131	13.26%
Finance Management	1,000	1,000	464	536	46.42%
Infrastructure Skills Development	8,900	5,000	3,146	5,754	35.35%
LGSETA	13,066	4,654	3,369	9,697	25.78%
Urban Settlements Development	103,902	–	64,330	39,571	61.91%
Public Transport Networks Operations	157,813	178,585	21,893	135,920	13.87%
Neighbourhood Development Partnership	4,000	–	–	4,000	0.00%
Urban Development Financing Grant	48,800	17,280	–	48,800	0.00%
Regional Bulk Infrastructure	52,338	17,871	–	52,338	0.00%
Energy Efficiency & Demand Side Management	1,339	–	–	1,339	0.00%
Informal Settlements Partnership Grant	97,977	35,944	–	97,977	0.00%
				–	
<b>Provincial Government:</b>	<b>136,666</b>	<b>17,579</b>	<b>7,145</b>	<b>129,521</b>	<b>5.23%</b>
DRPW (Maintenance of Roads)		7,946	–	–	#DIV/0!
Marine and Coastal Development	923	–	17	906	1.86%
Housing Title Transfers	8,500	74	90	8,410	1.06%
Eastern Cape Capacity Building Grant	108,033	9,559	7,037	100,995	6.51%
Libraries	19,210	–	–	19,210	0.00%
<b>Total Operating Transfers and Grants</b>	<b>2,266,006</b>	<b>1,267,341</b>	<b>1,088,381</b>	<b>1,177,625</b>	<b>48.03%</b>
<b>Capital Transfers and Grants</b>					
<b>National Government:</b>	<b>1,323,561</b>	<b>815,067</b>	<b>398,126</b>	<b>925,435</b>	<b>30.08%</b>

Description	Budget Year 2025/26				
	Original Budget	Year TD actual	Year TD actual	Available to Spend	% Spent
Public Transport Infrastructure	140,412	–	20,792	119,620	14.81%
Urban Settlements Development	559,915	358,461	131,062	428,853	23.41%
Informal Settlements partnership Grant	279,910	207,478	127,735	152,176	45.63%
Flood Relief Grant		–	64,049	(64,049)	#DIV/0!
Energy Efficiency & Demand Side Management	5,661	3,000	–	5,661	0.00%
Regional Bulk Infrastructure	337,662	246,129	38,623	299,040	11.44%
Flood Response Grant			15,865	(15,865)	#DIV/0!
				–	
<b>Other grant providers:</b>	<b>43,000</b>	<b>–</b>	<b>29,745</b>	<b>13,255</b>	<b>69.18%</b>
<i>Private Contributions</i>	43,000	–	29,745	13,255	69.18%
				–	
<b>Total Capital Transfers and Grants</b>	<b>1,366,561</b>	<b>815,067</b>	<b>427,871</b>	<b>938,689</b>	<b>31.31%</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>3,632,567</b>	<b>2,082,409</b>	<b>1,516,252</b>	<b>2,116,314</b>	<b>41.74%</b>

**DORA Operating Grants:****Expanded Public Works Programme (EPWP)**

This grant is to incentivise municipalities to expand work creation efforts through the use of labour-intensive delivery.

DORA Allocation:	R 2,457,000
Amount of Grant Received	R 1,720,000
Expenditure to date:	R 325,740
<b>Unspent as at 31 December 2025</b>	<b>R 2,131,260</b>

As at 31 December 2025, 13.26% of the DORA allocation was spent.

**Infrastructure Skills Development**

This grant is to strengthen capacity of local government, to effectively and efficiently deliver quality infrastructure, by increasing the pool of skills.

DORA Allocation:	R 8,900,000
Amount of Grant Received	R 5,000,000
Expenditure to date:	R 3,146,420
<b>Unspent as at 31 December 2025:</b>	<b>R 5,753,580</b>

As at 31 December 2025, 35.35% of the DORA allocation was spent.

#### **Finance Management Grant**

This grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R 1,000,000
Amount of Grant Received	R 1,000,000
Expenditure to date:	R 464,189
<b>Unspent as at 31 December 2025:</b>	<b>R 535,811</b>

As at 31 December 2025, 46.42% of the DORA allocation was spent.

#### **Urban Development Financing Grant**

This grant is to spatially transform cities with financially sustainable trading services that are able to meet their service delivery mandates; to support metropolitan municipalities with resilient infrastructure investment, including programme and project preparation to enable them to leverage additional concessionary and commercial loan finance to enhance sustainable infrastructure investment.

DORA Allocation:	R 48,800,000
Amount of Grant Received	R Nil
Expenditure to date:	R Nil
<b>Unspent as at 31 December 2025:</b>	<b>R 48,800,000</b>

As at 31 December 2025, 0% of the DORA allocation was spent.

#### **Urban Settlements Development Grant – Portion allocated for operational expenditure.**

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Original Allocation:	R 103,901,800
Amount of Grant Received	R Nil
Expenditure to date:	R 64,330,329
<b>Unspent as at 31 December 2025:</b>	<b>R 39,571,471</b>

As at 31 December 2025, 61,91% of the DORA allocation was spent.

**Public Transport Networks Operations – Portion allocated for operational expenditure.**

This grant is to provide supplementary operational funding to municipalities.

DORA Original Allocation:	R 157,813,300
Amount of Grant Received	R 178,585,000
Expenditure to date:	R 21,893,031
<b>Unspent as at 31 December 2025:</b>	<b>R 135,920,269</b>

As at 31 December 2025, 13.87% of the DORA allocation was spent.

**Informal Settlements Partnership Grant – Portion allocated for operational expenditure.**

In 2020/21, this new grant was introduced to fund Operating Expenditure relating to the upgrade of informal settlements through partnerships between communities and metros.

DORA Original Allocation:	R 97,976,540
Amount of Grant Received	R 35,944,289
Expenditure to date:	R Nil
<b>Unspent as at 31 December 2025:</b>	<b>R 97,976,540</b>

As at 31 December 2025, 0% of the DORA allocation was spent.

**Energy Efficiency & Demand Management Grant– Portion allocated for operational expenditure.**

This grant is used to provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within the municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.

DORA Allocation:	R 1,339,130
Amount of Grant Received	R Nil
Expenditure to date:	R Nil
<b>Unspent as at 31 December 2025:</b>	<b>R 1,339,130</b>

As at 31 December 2025, 0% of the DORA allocation was spent.

### Regional Bulk Infrastructure Grant

To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance that connects water resources to infrastructure serving extensive areas across municipal boundaries or large regional bulk infrastructure serving numerous communities over a large area within a municipality; and to implement bulk infrastructure with a potential of addressing water conservation and water demand management (WC/WDM) projects or facilitate and contribute to the implementation of local WC/WDM projects that will directly impact on bulk infrastructure requirements.

DORA Allocation:	R 52,337,660
Amount of Grant Received	R 17,871,432
Expenditure to date:	R Nil
<b>Unspent as at 31 December 2025:</b>	<b>R 52,337,660</b>

As at 31 December 2025, 0% of the DORA allocation was spent.

### Neighbourhood Development Partnership

This grant is for eradicating spatial inequality towards the creation of liveable, sustainable, resilient, efficient and integrated town and cities.

DORA Allocation:	R 4,000,000
Amount of Grant Received:	R Nil
Expenditure to date:	R 0
<b>Unspent as at 31 December 2025:</b>	<b>R 4,000,000</b>

As at 31 December 2025, 0% of the DORA allocation was spent.

**Capital Grants (DORA)****Urban Settlements Development Grant**

This grant is to assist metropolitan municipalities to improve urban land production to the benefit of poor households, to improve spatial integration and densities by supplementing the budgets of metropolitan municipalities.

DORA Original Allocation:	R 559,915,200
Amount of Grant Received	R 358,461,000
Expenditure to date:	R 131,062,439
<b>Unspent as at 31 December 2025:</b>	<b>R 428,852,761</b>

As at 31 December 2025, 23.41% of the DORA allocation was spent.

**Public Transport Infrastructure Grant**

This grant is to provide for accelerated planning, construction, and improvement of public and non-motorised transport infrastructure.

DORA Original Allocation:	R 140,411,700
Amount of Grant Received	R Nil
Expenditure to date:	R 20,791,877
<b>Unspent as at 31 December 2025:</b>	<b>R 119,619,823</b>

As at 31 December 2025, 14.81% of the DORA allocation was spent.

**Informal Settlements Partnership Grant – Portion allocated for capital expenditure.**

In 2020/21, this new grant was introduced to fund Capital Expenditure relating to the upgrade of informal settlements through partnerships between communities and metros.

DORA Original Allocation:	R 279,910,460
Amount of Grant Received	R 207,477,711
Expenditure to date:	R 127,734,901
<b>Unspent as at 31 December 2025:</b>	<b>R 152,175,559</b>

As at 31 December 2025, 45.63% of the DORA allocation was spent.

**Energy Efficiency & Demand Management Grant**

This grant is used to provide subsidies to municipalities to implement energy efficiency and demand side management (EEDSM) initiatives within the municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.

DORA Allocation:	R 5,660,870
Amount of Grant Received	R 3,000,000
Expenditure to date:	R NIL
<b>Unspent as at 31 December 2025:</b>	<b>R 5,660,870</b>

As at 31 December 2025, 0% of the DORA allocation was spent.

**Regional Bulk Infrastructure Grant**

To develop new, refurbish, upgrade and replace ageing bulk water and sanitation infrastructure of regional significance that connects water resources to infrastructure serving extensive areas across municipal boundaries or large regional bulk infrastructure serving numerous communities over a large area within a municipality; and to implement bulk infrastructure with a potential of addressing water conservation and water demand management (WC/WDM) projects or facilitate and contribute to the implementation of local WC/WDM projects that will directly impact on bulk infrastructure requirements.

DORA Allocation:	R 337,662,340
Amount of Grant Received	R 246,128,568
Expenditure to date:	R 38,622,834
<b>Unspent as at 31 December 2025:</b>	<b>R 299,039,506</b>

As at 31 December 2025, 11.44% of the DORA allocation was spent.

**5. Councillor and Board members’ allowances and employee benefits**

Below is an analysis of Councillor, Board members’ allowances and employee benefits:

Supporting Table SC8 Monthly Budget Statement - Councillor and staff benefits – M06 December 2025

Summary of Employee and Councillor remuneration	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	80,653	92,212		6,577	39,251	46,106	(6,855)	-15%	92,212
Pension and UIF Contributions				-			-		
Medical Aid Contributions				-			-		
Motor Vehicle Allowance				-			-		
Cell phone Allowance	5,280	6,122		425	2,657	3,061	(404)	-13%	6,122
Housing Allowances				-			-		
Other benefits and allowances				-			-		
<b>Sub Total - Councillors</b>	<b>85,933</b>	<b>98,334</b>	<b>-</b>	<b>7,001</b>	<b>41,909</b>	<b>49,167</b>	<b>(7,259)</b>	<b>-15%</b>	<b>98,334</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	11,893	29,614		802	6,940	14,807	(7,867)	-53%	29,614
Pension and UIF Contributions	10	28		(4)	-	14	(14)	-100%	28
Medical Aid Contributions				-		-	-		
Overtime				-		-	-		
Performance Bonus	(5,422)	3,512		4	4	1,756	(1,752)	-100%	3,512
Motor Vehicle Allowance				-		-	-		
Cell phone Allowance				-		-	-		
Housing Allowances				-		-	-		
Other benefits and allowances				-		-	-		
Payments in lieu of leave				-		-	-		
Long service awards				-		-	-		
Post-retirement benefit obligations				-		-	-		
Entertainment				-		-	-		
Scarcity				-		-	-		
Acting and post related allowance				-		-	-		
In kind benefits				-		-	-		
<b>Sub Total - Senior Managers of Municipality</b>	<b>6,482</b>	<b>33,154</b>	<b>-</b>	<b>802</b>	<b>6,944</b>	<b>16,577</b>	<b>(9,633)</b>	<b>-58%</b>	<b>33,154</b>
<b>Other Municipal Staff</b>									

Summary of Employee and Councillor remuneration	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
Basic Salaries and Wages	2,188,903	3,101,590		192,414	1,145,953	1,550,795	(404,842)	-26%	3,101,590
Pension and UIF Contributions	415,693	449,385		36,445	217,619	224,693	(7,073)	-3%	449,385
Medical Aid Contributions	218,684	231,735		18,933	113,223	115,867	(2,644)	-2%	231,735
Overtime	463,396	391,416		36,098	175,148	195,708	(20,560)	-11%	391,416
Performance Bonus	225,183	231,443		13,122	186,213	115,722	70,491	61%	231,443
Motor Vehicle Allowance	86,312	95,741		7,435	43,026	47,870	(4,845)	-10%	95,741
Cell phone Allowance	2	2		0	1	1	(0)	-9%	2
Housing Allowances	45,447	49,956		3,675	22,246	24,978	(2,732)	-11%	49,956
Other benefits and allowances	60,012	85,877		6,765	36,669	42,938	(6,269)	-15%	85,877
Payments in lieu of leave		9,291		-	-	4,646	(4,646)	-100%	9,291
Long service awards	260,585	151,496		10,948	66,438	75,748	(9,309)	-12%	151,496
Post-retirement benefit obligations	105,260	16,834		-	-	8,417	(8,417)	-100%	16,834
Entertainment				-		-	-		-
Scarcity	17,281	6		0	2,742	3	2,740	96635%	6
Acting and post related allowance	22,832	144		1,805	8,533	72	8,461	11757%	144
In kind benefits				-		-	-		-
<b>Sub Total - Other Municipal Staff</b>	<b>4,109,590</b>	<b>4,814,914</b>	<b>-</b>	<b>327,641</b>	<b>2,017,812</b>	<b>2,407,457</b>	<b>(389,645)</b>	<b>-16%</b>	<b>4,814,914</b>
<b>Total Parent Municipality</b>	<b>4,202,005</b>	<b>4,946,403</b>	<b>-</b>	<b>335,445</b>	<b>2,066,665</b>	<b>2,473,202</b>	<b>(406,536)</b>	<b>-16%</b>	<b>4,946,403</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>									
<b>Board Members of Entities</b>									
Board Fees	1,159	1,300		268	916	650	266	41%	1,300
<b>Sub Total - Executive members Board</b>	<b>1,159</b>	<b>1,300</b>	<b>-</b>	<b>268</b>	<b>916</b>	<b>650</b>	<b>266</b>	<b>41%</b>	<b>1,300</b>
<b>Senior Managers of Entities</b>									
Basic Salaries and Wages	12,832	10,611		1,810	10,313	5,305	5,007	94%	10,611
Pension and UIF Contributions		1,641		167	953	821	132	16%	1,641
Medical Aid Contributions		944		96	548	472	76	16%	944
Performance Bonus	294	116		56	112	58	53	92%	116
Motor Vehicle Allowance		4,600		469	2,672	2,300	371	16%	4,600
Cell phone Allowance		5		2	5	2	2	92%	5
Other benefits and allowances		146		70	139	73	67	92%	146
<b>Sub Total - Senior Managers of Entities</b>	<b>13,127</b>	<b>18,063</b>	<b>-</b>	<b>2,670</b>	<b>14,741</b>	<b>9,032</b>	<b>5,710</b>	<b>63%</b>	<b>18,063</b>
<b>Other Staff of Entities</b>									

Summary of Employee and Councillor remuneration	2024/25	Budget Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
Basic Salaries and Wages	32,327	16,029		1,633	9,308	8,014	1,294	16%	16,029
Pension and UIF Contributions		1,547		158	899	774	125	16%	1,547
Medical Aid Contributions		1,688		172	980	844	136	16%	1,688
Performance Bonus	1,199					-	-		-
Other benefits and allowances	6,012	281		29	163	140	23	16%	281
<b>Sub Total - Other Staff of Entities</b>	<b>39,538</b>	<b>19,545</b>	-	<b>1,992</b>	<b>11,350</b>	<b>9,772</b>	<b>1,578</b>	<b>16%</b>	<b>19,545</b>
<b>Total Municipal Entities</b>	<b>53,824</b>	<b>38,908</b>	-	<b>4,929</b>	<b>27,007</b>	<b>19,454</b>	<b>7,553</b>	<b>39%</b>	<b>38,908</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>4,255,828</b>	<b>4,985,311</b>	-	<b>340,374</b>	<b>2,093,672</b>	<b>2,492,655</b>	<b>(398,983)</b>	<b>-16%</b>	<b>4,985,311</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>4,169,895</b>	<b>4,886,977</b>	-	<b>333,372</b>	<b>2,051,764</b>	<b>2,442,838</b>	<b>(391,990)</b>	<b>-16%</b>	<b>4,886,977</b>

## 6. Key performance indicators

The table below reflects the key performance indicators as per the 2025/26 Original Budget and the associated performance to date.

### Supporting Table SC2 quarterly Budget Statement - performance indicators – M06 December 2025

Description of financial indicator	Basis of calculation	Budget Year 2025/26	
		Original Budget	Year TD actual
<b><u>Borrowing Management</u></b>			
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	1.4%	1%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	2.9%	0%
<b><u>Safety of Capital</u></b>			
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	19.18%	15.1%
Gearing	Long Term Borrowing/ Funds & Reserves	4.51%	3.7%
<b><u>Liquidity</u></b>			
Current Ratio	Current assets/current liabilities	2.20:1	2.19:1
Liquidity Ratio	Monetary Assets/Current Liabilities	1.15:1	1.09:1
<b><u>Revenue Management</u></b>			
Annual Debtors Collection Rate (Payment Level %)	Last 12 months Receipts/ Last 12 months Billing	75%	71.61%

Description of financial indicator	Basis of calculation	Budget Year 2025/26	
		Original Budget	Year TD actual
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	19%	17%
<b>Creditors Management</b>			
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	100%	65.86%
<b>Other Indicators</b>			
Employee costs	Employee costs/Total Revenue - Operating Revenue	24.99%	12%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	3.79%	1.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue	6. %	4%
<b>IDP regulation financial viability indicators</b>			
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within budget year)	62.03 times	129 times
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	29.58%	26.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	82.94 days	59.7 days

The above table is discussed in detail below.

## 6.1 Borrowing Management

### 6.1.1 Borrowing to Asset Ratio

This ratio assesses to what extent there are adequate assets to cover the amount of outstanding long-term borrowing.

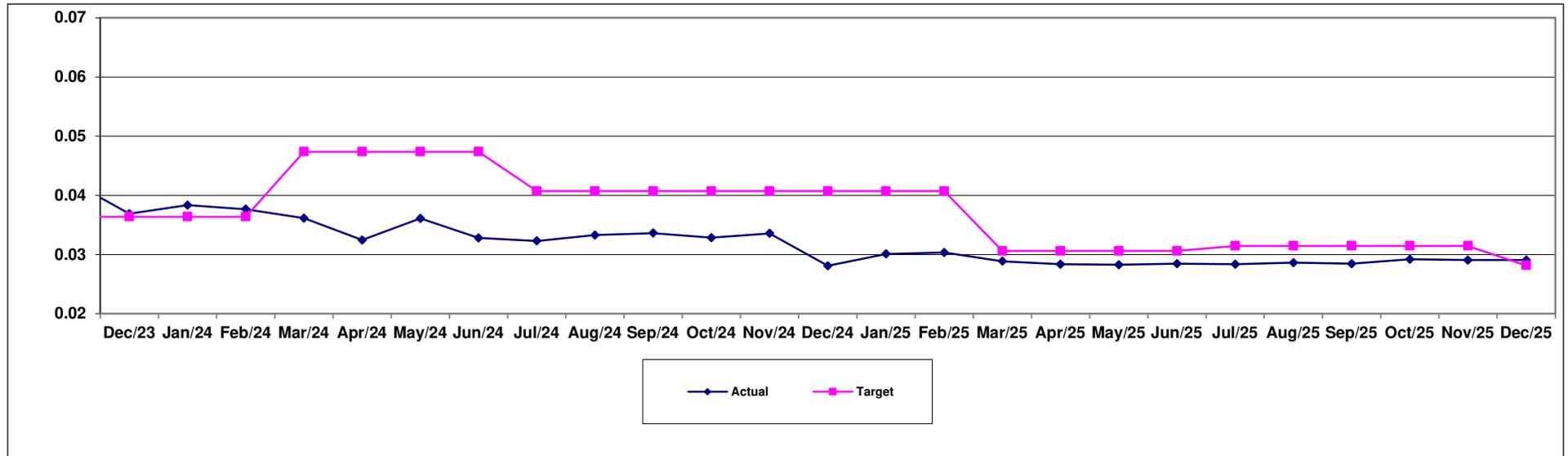
The ratio is determined as follows:

#### Long-Term Borrowing / Total Assets

The risk that the Municipality might not be able to settle its long-term borrowing becomes greater if this ratio is high. The Municipality must therefore exercise due caution, so that its assets are not overburdened by raising excessive borrowing. The careful and judicious management of borrowing is considered very critical, to ensure the Municipality’s continued financial viability.

As at the end of December 2025, the borrowing to asset ratio was at 0.03:1, compared to the 2025/26 original budget target of 0.03:1. A ratio of 0.03:1 as reflected in the 2025/26 original budget appears to be appropriate for the Municipality from a financial affordability and sustainability perspective. External borrowing should only be utilised for the creation of economic assets that will generate future revenue streams for the Municipality.

Figure 1: Borrowing to Asset Ratio



**6.1.2 Capital Charges to Operating Expenditure**

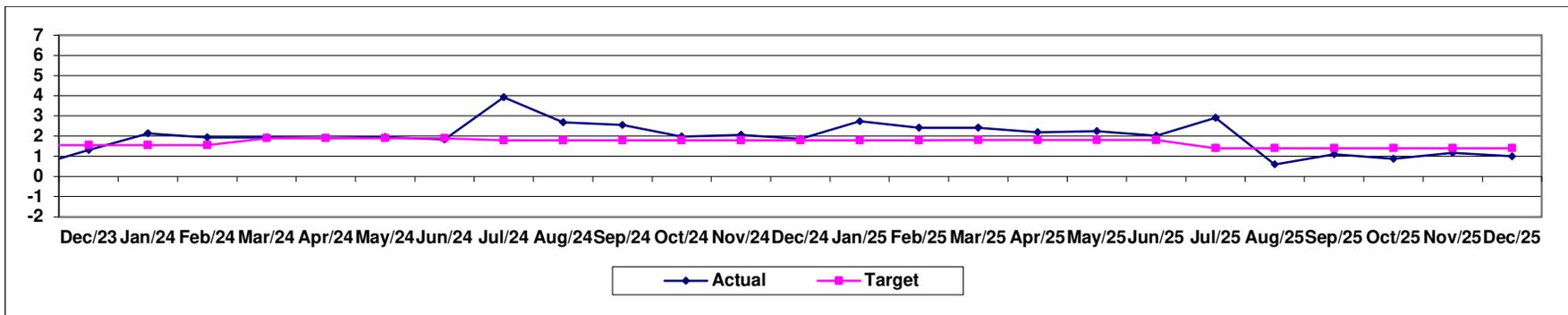
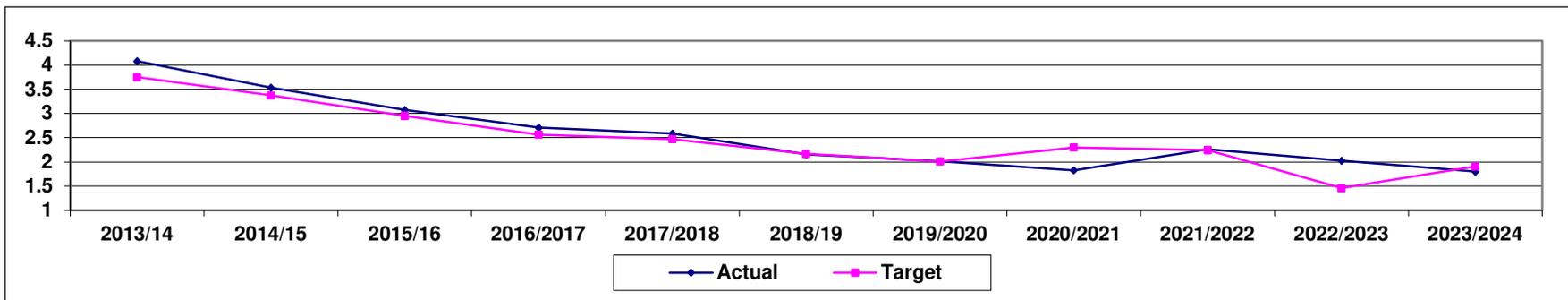
This ratio indicates the proportion of capital charges (interest and principal paid on borrowing) to actual operating expenditure to date. The ratio also provides an assurance that the proportion of capital charges to total annual operating expenditure is financially prudent.

The ratio is determined as follows:

**Capital Charges / Total Operating Expenditure to date.**

The ratio indicates that 1% of the Operating adjusted Budget was utilised for capital charges, compared to the 2025/26 original budget target of 1.4%. Capital charges (Debt servicing costs) are paid at specific intervals. The ratio as at 31 December 2025 will increase as operating expenditure are processed during the remainder of the 2025/26 financial year.

Figure 2: Capital Charges to Annual Operating Expenditure



**6.1.3 Borrowed funding of capital expenditure.**

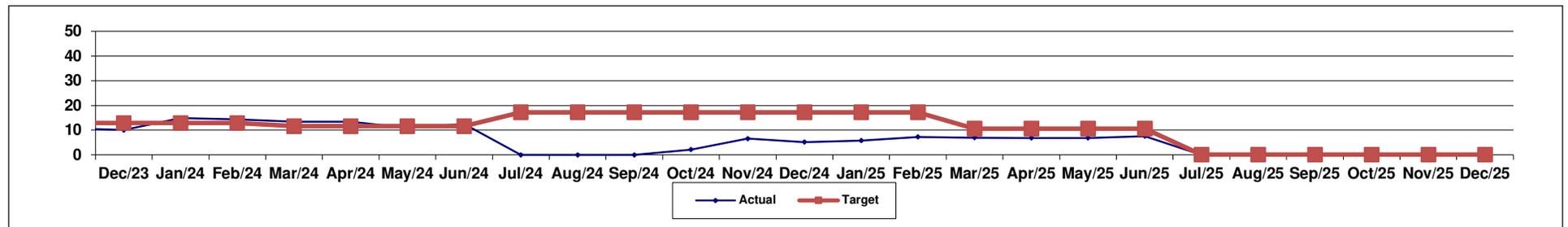
This ratio indicates the proportion of borrowed funding to actual capital expenditure to date (excluding transfers and grants). The ratio also indicates the extent of capital expenditure being financed from borrowed funding compared to own and other funding sources, excluding transfers and grant-funded expenditure.

The ratio is determined as follows:

**Capital expenditure funded from Borrowings / Total Capital Expenditure to date (excluding transfers and grants)**

The ratio was at 0.00:1 compared to the budget target of 0.08:1 as per the 2025/26 original Budget.

Figure 3: Borrowed funding of Capital Expenditure



**6.1.4 Debt Servicing Costs to Operating Revenue Ratio**

This ratio indicates the proportion of debt servicing costs (interest and principal paid on borrowing) to actual operating revenue to date.

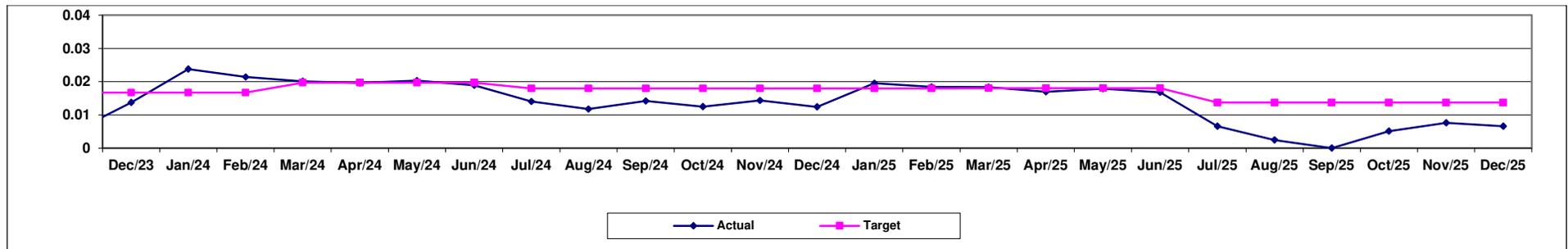
The ratio is determined as follows:

**Debt Servicing Costs/ Operating Revenue**

The risk that the Municipality might not be able to settle its annual long-term borrowing commitments becomes greater if this ratio is high. The Municipality must therefore exercise due caution, so that its operating revenues are not overburdened by the level of borrowing. The careful and judicious management of borrowing is considered very critical, to ensure the Municipality’s continued financial viability.

As at the end of December 2025, the debt servicing costs to operating revenue ratio was at 0.01:1, compared to the 2025/26 original budget target of 0.01:1. A ratio of 0.03:1 appears to be the maximum borrowing level for the Municipality from a financial affordability and sustainability perspective. The ratio indicates that the Municipality is positioned to take on limited external borrowing over the short to medium term.

Figure 4: Debt Servicing Costs to Operating Revenue Ratio



## 2. Safety of Capital

### 6.2.1 Gearing Ratio

The gearing ratio assesses the percentage of capital employed that is financed by long-term borrowing.

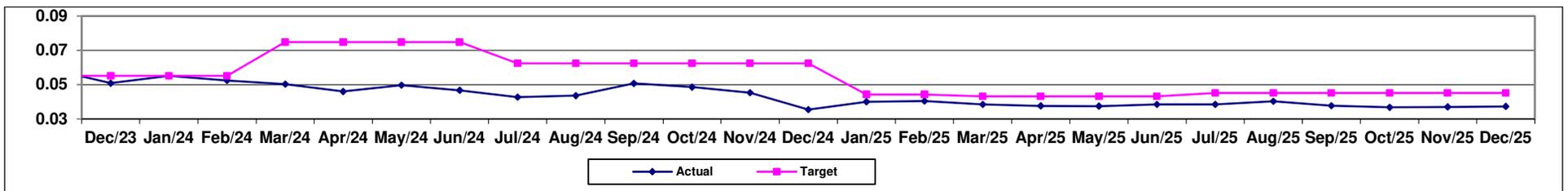
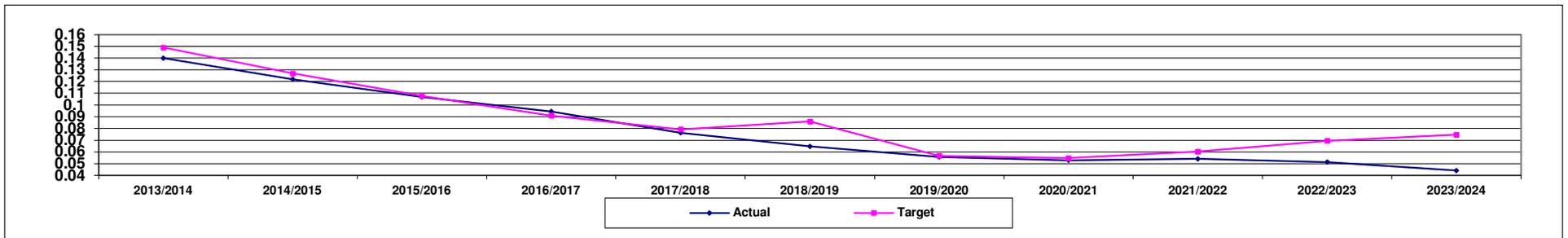
The ratio is determined as follows:

**Long Term Borrowing / Funds & Reserves (Equity)**

The higher the gearing ratio, the higher the dependence will be on borrowings. The lower the gearing ratio, the higher will be the dependence on the Municipality's funds and reserves.

The gearing ratio as at the end of December 2025 was 0.04:1, compared to the 2025/26 original budget target of 0.05:1.

Figure 5: Gearing Ratio



### 6.3 Liquidity

#### 6.3.1 Current Ratio

The current ratio assesses a Municipality’s ability to meet its short-term commitments.

The ratio is determined as follows:

#### Current assets / Current liabilities

The different components of current assets and current liabilities are reflected below:

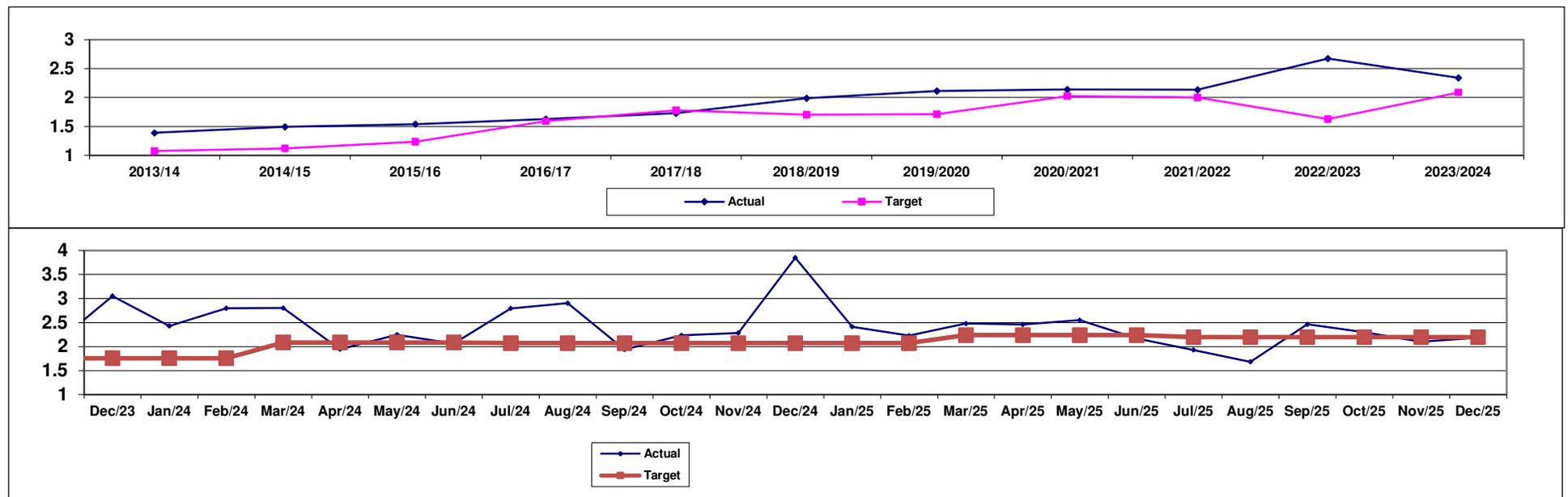
<b>Current Assets</b>	<b>R</b>	<b>%</b>
Cash & investments	3,449,589,665	49.83%
Consumer Debtors	2,716,817,818	39.24%
Other Debtors	452,906,033	6.54%
Vat	31,332,665	0.45%
Inventory	272,745,342	3.94%
<b>Total</b>	<b>6,923,391,523</b>	<b>100.00%</b>
<b>Current Liabilities</b>	<b>R</b>	<b>%</b>
Borrowing	129,859,750	4.10%
Consumer Deposits	161,854,938	5.11%
Trade and other payables	2,316,247,541	73.18%
Provisions	557,347,182	17.61%
<b>Total</b>	<b>3,165,309,410</b>	<b>100.00%</b>
<b>Current Ratio</b>	<b>2.19:1</b>	

It is to be noted that cash and investments, consumer debtors, other debtors and inventory comprise 49.83%, 39.24%, 6.54% and 3.94% respectively of total current assets. Trade and other payables constitute 73.18% of total current liabilities (refer to Sections 1.8.3, 1.8.1 and 1.8.2 of this report for a further discussion on investments, debtors, and creditors).

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments to its creditors. In this regard, it is important that the Municipality ensure the relative liquidity of its current assets. Non-liquid assets, such as long outstanding debtors, could negatively affect liquidity, possibly resulting in a situation where current assets are not liquid enough to cover current liabilities. The ratio as of 31 December 2025 was 2.19:1.

The current ratio is of utmost importance to measure the financial liquidity and sustainability of the Municipality. The 2025/26 original budget target of 2.2:1 is a satisfactory target. It is important that a ratio of at least 2:1 be achieved for medium and long-term financial sustainability.

Figure 6: Current Ratio



### 6.3.2 Liquidity Ratio

The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

The ratio is determined as follows:

#### Monetary assets / Current liabilities

The different components of monetary assets and current liabilities are reflected below.

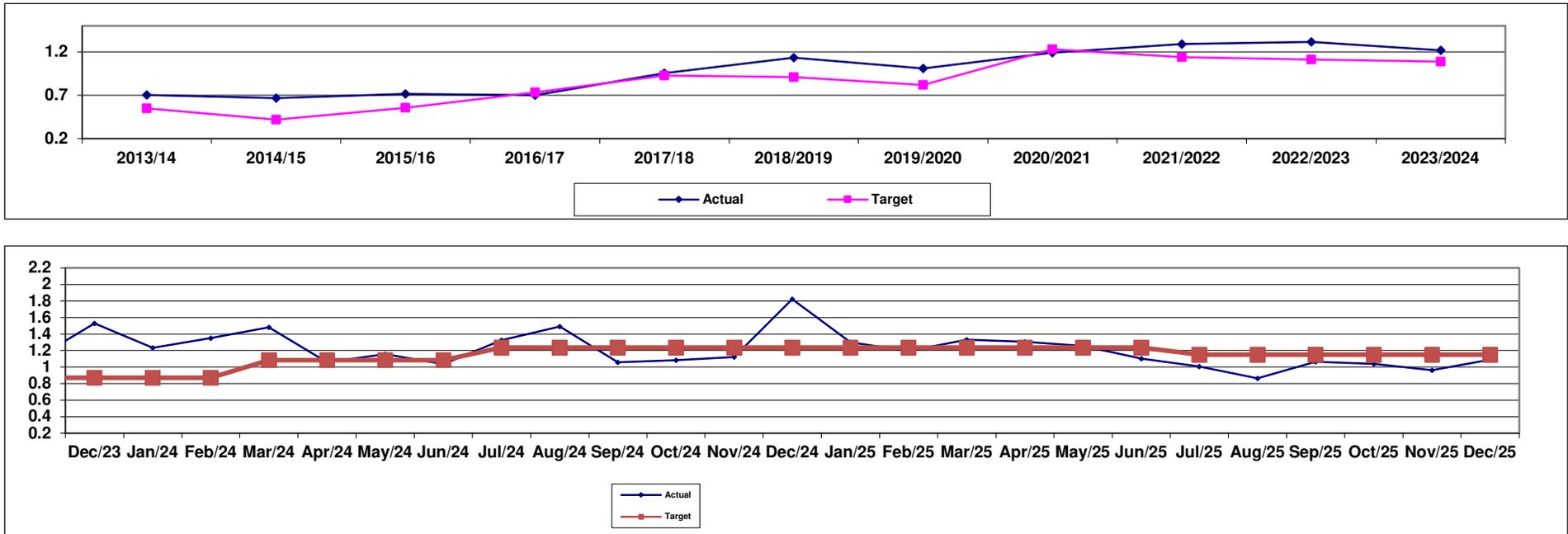
<b>Monetary Assets</b>	<b>R</b>	<b>%</b>
Cash & investments	3,449,589,665	100.00%
<b>Total</b>	<b>3,449,589,665</b>	<b>100.00%</b>

<b>Current Liabilities</b>	<b>R</b>	<b>%</b>
Borrowing	129,859,750	4.10%
Consumer Deposits	161,854,938	5.11%
Trade and other payables	2,316,247,541	73.18%
Provisions	557,347,182	17.61%
<b>Total</b>	<b>3,165,309,410</b>	<b>100.00%</b>
<b>Current Ratio</b>	<b>1.09:1</b>	

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 30 November 2025 is 1.09:1.

The liquidity ratio is of utmost importance to measure the financial liquidity and sustainability of the Municipality. The 2025/26 original budget target of 1.15:1 is a satisfactory target. It is important that a ratio of at least 1:1 be achieved for medium and long-term financial sustainability.

Figure 7: Liquidity Ratio



## 6.4 Revenue Management

### 6.4.1 Annual Debtors Collection Rate

This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services. The ratio is 82% as per the 2025/26 Original Budget. However, a collection rate of 100% or more is required to decrease the provision for doubtful debts so that more funds are released for service delivery.

The ratio to determine the percentage collection rate is as follows:

$$\frac{\text{Total Payments Received in respect of Billing this Financial year}}{\text{Total Value of Accounts Rendered this Financial year}} \times 100 = \text{Percentage Collection Rate}$$

The average collection rate for the period July 2025 to December is 71.61%. The collection rate for December 2025 amounted to 84.80%.

Figure 8: Annual Debtors Collection Rate

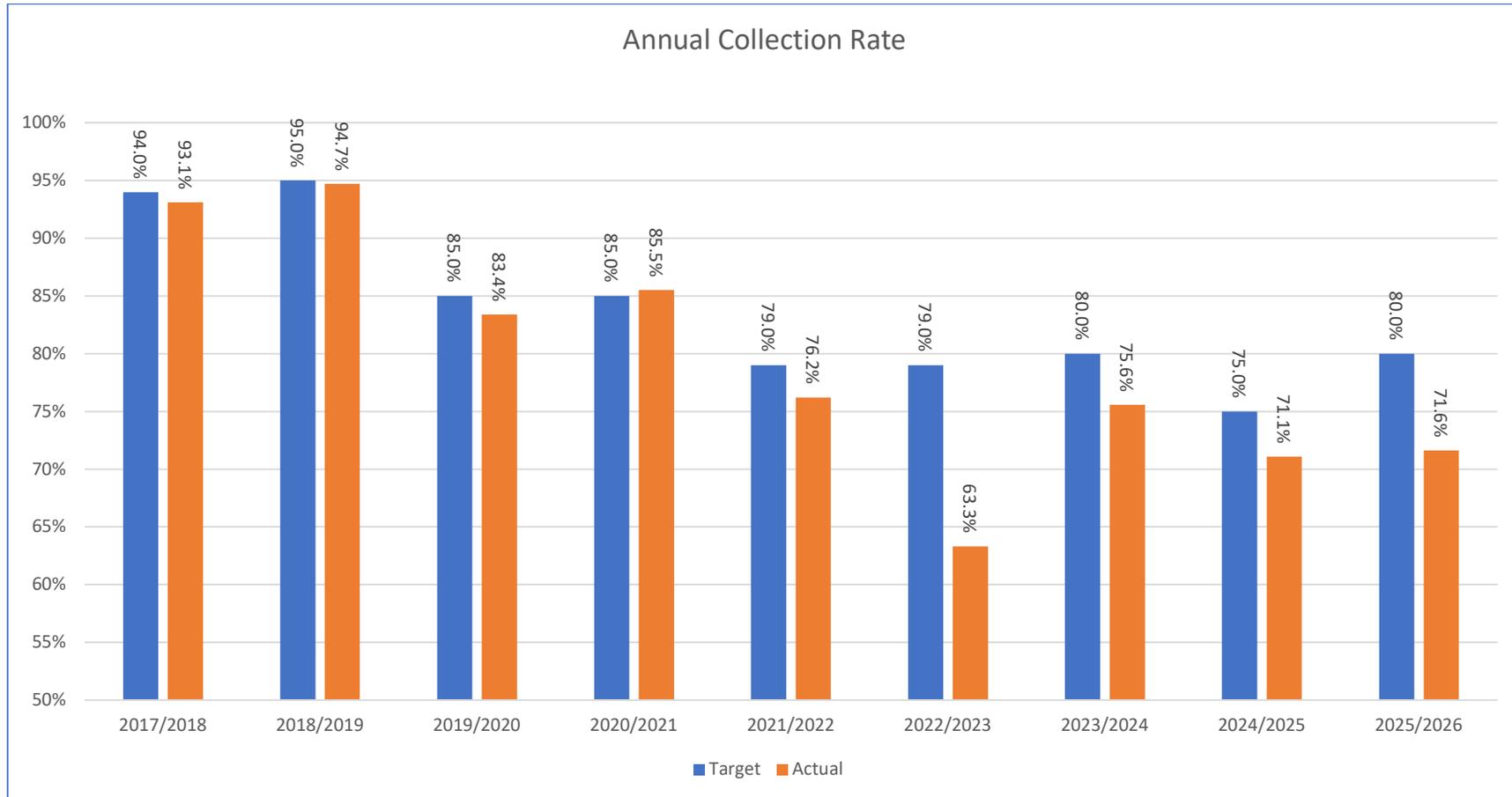
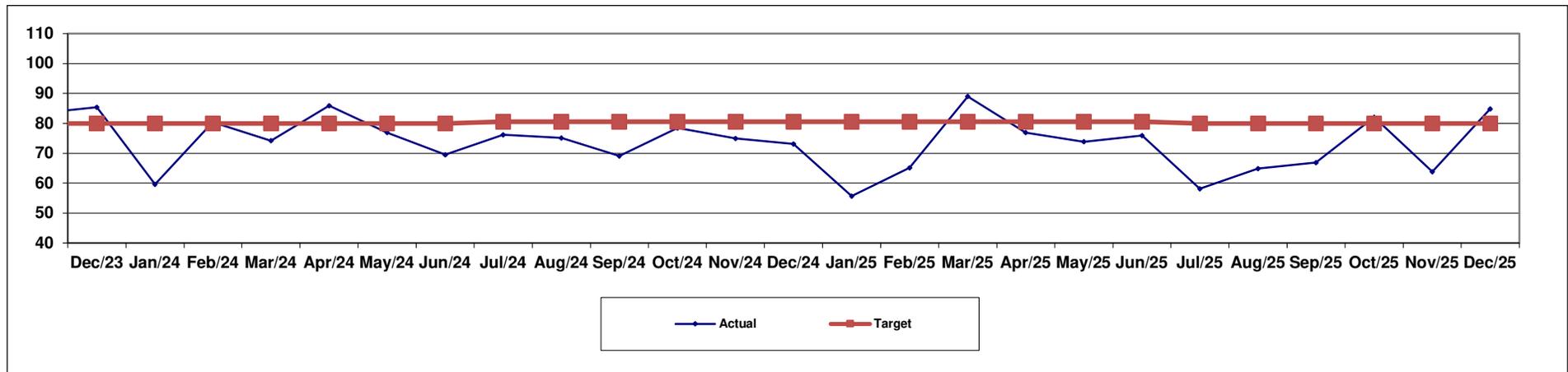


Figure 9: Monthly Debtors Collection Rate



**6.4.2 Outstanding Debtors to Annual Operating Revenue**

This ratio focuses on the amount owed by outstanding debtors as a percentage of the annualised operating revenue.

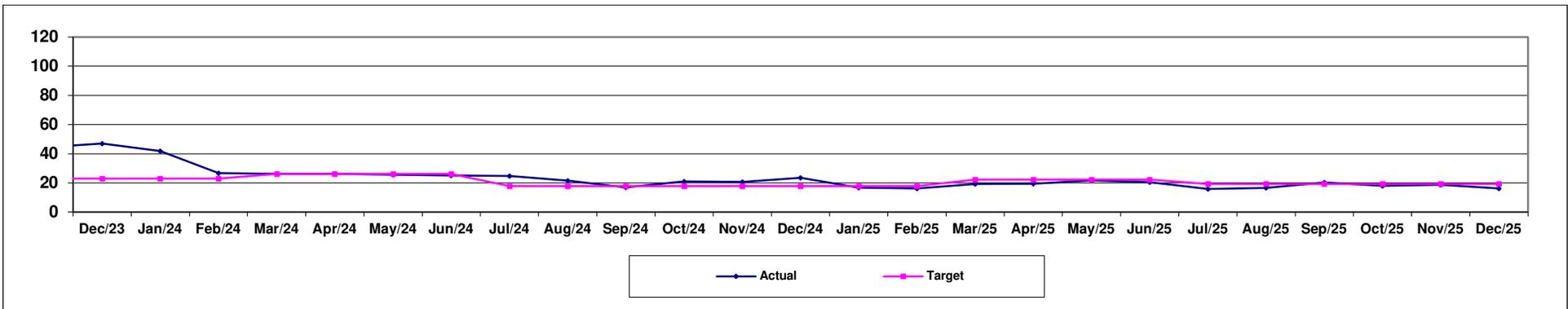
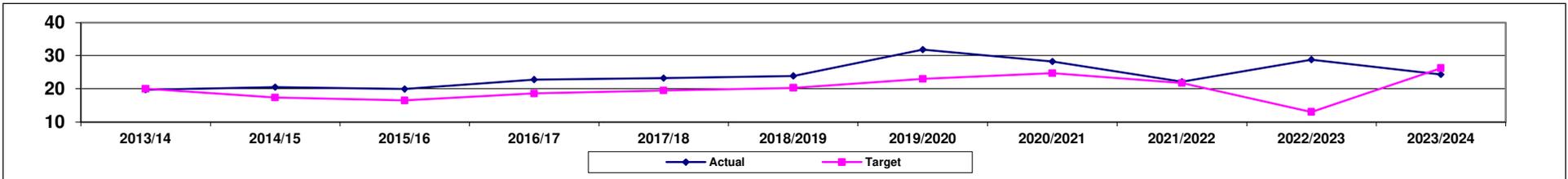
The ratio is determined as follows:

**Outstanding Debtors / Annualised Operating Revenue**

The ratio at the end of December 2025 was 16.21% compared to the 2025/26 original budget target of 19.27%.

A Revenue Enhancement Strategy to improve revenue collection has been drafted and is being reviewed. This strategy is monitored by the CFO monthly and reported to the Budget and Treasury Standing Committee on a quarterly basis. Amongst others, the decline in the current economic climate has had a negative impact on this ratio.

Figure 10: Outstanding Debtors to Annual Operating Revenue



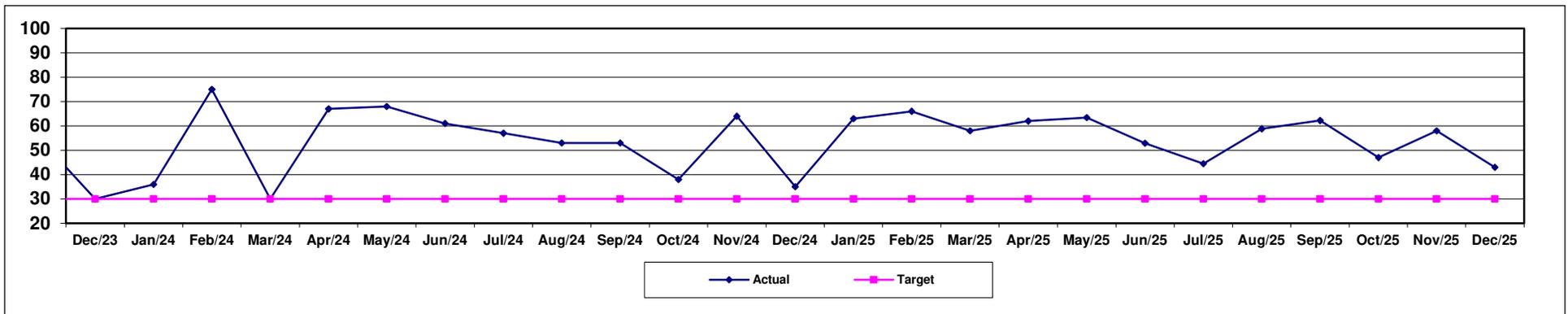
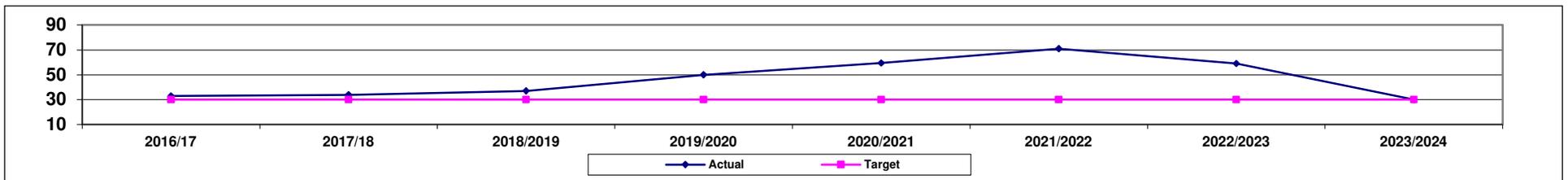
**6.5 Creditor Management**

**6.5.1 Creditors Turnover (days)**

This ratio reflects the number of days that it takes on average to pay the Municipality’s suppliers. Section 65 (2) (e) of the MFMA states that all money owing by the Municipality must be paid within 30 days of receiving the relevant invoice or statement.

The ratio is determined from the date of receipt of the invoice until the date of payment. The ratio as at 31 December 2025 amounted to 43 days (also refer to Section 1.8.2 of this report).

Figure 11: Creditors Turnover (days) (From date of Invoice Received)



**6.6 Financial Viability and Sustainability**

### 6.6.1 Operating Surplus

The ratio indicates the extent to which revenues cover operational expenses only or are also available for capital funding or debt repayments.

The ratio is determined as follows:

**Operating Result or Net Results (Excluding Capital Items) x 100**  
**Total Operating Revenue (Excluding Capital Items)**

The ratio as at 31 December 2025 amounted to 30,85%.

Operating Surplus Ratio	2019/20 Actuals	2020/21 Actuals	2021/22 Actuals	2022/23 Actuals	2023/24 Actuals	2023/24 Restated	2024/25 Adjusted Budget	2024/25 Pre-Audited Actuals	2025/26 Approved Budget	December 2025
Operating surplus/(deficit)	980,374,999	1,086,670,839	406,057,160	231,752,790	925,191,000	-551,509,000	1,286,455,540	-1,560,372,933	22,602,060	3,803,101,307
Less: Transfers recognised Capital	1,124,719,714	711,898,872	851,761,620	785,685,640	1,008,853,570	1,083,354,442	1,286,456,000	1,050,046,147	1,368,028,660	378,653,810
Total	-144,344,715	374,771,968	-445,704,460	-553,932,850	-83,662,570	531,845,442	-460	-510,326,786	-1,345,426,600	3,424,447,497
Total Operating Revenue	11,509,629,367	12,222,925,790	12,835,447,880	14,846,440,730	16,345,994,090	16,383,664,572	18,028,290,660	17,452,318,942	19,555,749,200	11,099,681,232
Ratio	-1.25	3.07	-3.47	-3.73	-0.51	3.25	0.00	-2.92	-6.88	30.85

### 6.6.2 Cost coverage

The ratio indicates the extent to which the available cash and investments are adequate to cover monthly payments.

The ratio is determined as follows:

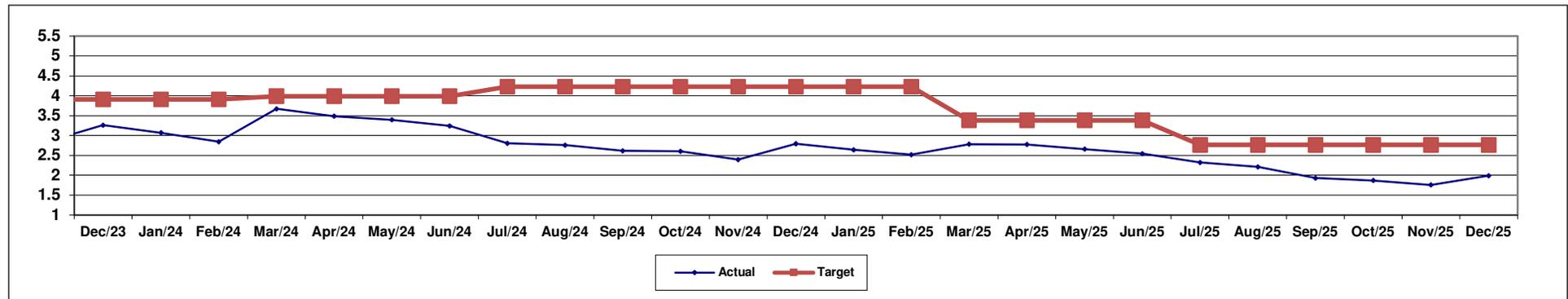
**Cash and Cash Equivalents – Unspent Conditional Grants – Overdraft – Unspent External Loan + Short Term Investments /Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provisions for Bad Debts, Impairment and Loss on the disposal of Assets):**

$$\frac{R3,449,589,655 - R893,151,266}{R1,285,203,123} = 1.99 \text{ months (59.67days)}$$

The cost coverage ratio is 1.99 months. The monthly average projected budget operating payments for the period July 2025 to December 2025 was used as a basis for the calculation. The 2025/26 original budget target is 2.76 months.

National Treasury has indicated that the cost coverage of 3 months should be the target.

Figure 12: Cost Coverage (months)



### 6.6.3 Net Financial Liabilities

This ratio indicates the extent to which total liabilities, from which current assets are subtracted, can be serviced from operating revenues.

The ratio is determined as follows:

$$\frac{\text{Total Liabilities} - \text{Current Assets}}{\text{Total Operating Revenue (Excluding Capital Items)}} \times 100$$

The ratio as at 31 December 2025 amounts to 0.05%.

Net Financial Liabilities Ratio	2019/20 Actuals	2020/21 Actuals	2021/22 Actuals	2022/23 Actuals	2023/24 Actuals	2023/24 Restated	2024/25 Adjusted budget	2024/25 Pre- audit Actuals	2025/26 Approved Budget	December 2025
Total Liabilities	7,294,045,405	7,521,362,193	7,225,915,005	7,273,572,291	7,537,589,711	7,872,618,041	8,378,025,000	10,271,428,573	9,022,526,690	6,929,282,147
Less: Current Assets	5,455,686,919	6,288,466,533	6,320,549,421	7,047,421,892	7,924,465,307	7,866,463,151	7,145,112,000	10,850,374,030	8,219,431,360	6,923,391,523
Total	1,838,358,486	1,232,895,659	905,365,584	226,150,400	-386,875,596	6,154,890	1,232,913,000	-578,945,457	803,095,330	5,890,624
Operating Revenue excl. Transfer recognised Capital	11,939,658,863	12,222,925,790	12,835,447,880	13,895,014,910	13,700,048,766	14,846,440,730	16,345,994,090	17,452,318,942	19,555,749,200	11,099,681,232
<b>Ratio</b>	<b>15.40</b>	<b>10.09</b>	<b>7.05</b>	<b>1.63</b>	<b>-2.82</b>	<b>0.04</b>	<b>7.54</b>	<b>-3.32</b>	<b>4.11</b>	<b>0.05</b>

#### 6.6.4 Asset Sustainability

This ratio indicates the extent to which the infrastructure (non-financial) assets managed by the Municipality are being replaced as they reach the end of their useful lives.

The ratio is determined as follows:

#### Capital Expenditure in Replacement of Assets (Renewals) x100 Depreciation Expenditure

The ratio as of 31 December 2025 amounts to 36.41%.

Asset Sustainability Ratio	2019/20 Actuals	2020/21 Actuals	2021/22 Actuals	2022/23 Actuals	2023/24 Actuals	2023/24 Restated	2024/25 Adjusted Budget	2024/25 Pre- Audit Actuals	2025/26 Approved Budget	December 2025
Capital renewals	235,822,048	303,828,967	302,258,967	266,314,170	295,886,967	757,052,074	512,306,979	390,835,687	441,111,580	191,131,401
Depreciation	739,657,047	740,575,415	740,575,415	1,033,770,465	1,039,206,040	1,001,987,866	1,018,442,490	952,306,037	1,051,415,360	524,922,204
<b>Ratio</b>	<b>31.88</b>	<b>41.03</b>	<b>40.81</b>	<b>25.76</b>	<b>28.47</b>	<b>75.56</b>	<b>50.30</b>	<b>41.04</b>	<b>41.95</b>	<b>36.41</b>

The ratio indicates that capital renewals, as compared to depreciation is lower than anticipated in the 2025/26 original Budget.

### 6.6.5 Asset Preservation

This ratio indicates the extent to which repairs and maintenance expenditure is incurred in relation to the useful lives of the assets.

The ratio is determined as follows:

$$\text{Operating Expenditure on Repairs \& Maintenance + Capital Expenditure on Renewals} / \text{Depreciation Expenditure} \times 100$$

The ratio as of 31 December 2025 amounts to 78.43%. The ratio is lower than anticipated in the 2025/26 approved Budget.

Asset Preservation Ratio	2019/20 Actuals	2020/21 Actuals	2021/22 Actuals	2022/23 Actuals	2023/24 Actuals	2023/24 Restated	2024/25 Pre Audit Actuals	2024/25 Adjusted Budget	2025/26 Approved Budget	December 2025
Operating Repairs and maintenance	454,913,720	477,612,894	464,474,380	497,619,120	494,040,490	381,773,007	578,635,000	758,359,380	740,533,570	220,548,285
Capital renewals	235,822,048	303,828,967	302,258,967	266,314,170	295,886,967	757,052,074	319,751,000	512,306,979	441,111,580	191,131,401
<b>Total</b>	<b>690,735,768</b>	<b>781,441,861</b>	<b>766,733,347</b>	<b>763,933,290</b>	<b>786,927,457</b>	<b>1,138,825,081</b>	<b>898,386,000</b>	<b>1,270,666,359</b>	<b>1,181,645,150</b>	<b>317,361,480</b>
Depreciation	739,657,047	740,575,415	740,575,415	1,033,770,465	1,039,206,040	1,001,987,866	1,294,092,330	1,018,442,490	1,051,415,360	524,922,204
<b>Ratio</b>	<b>93.39</b>	<b>105.52</b>	<b>103.53</b>	<b>73.90</b>	<b>75.72</b>	<b>113.66</b>	<b>69.42</b>	<b>124.77</b>	<b>112.39</b>	<b>78.43</b>

### 6.7 Other Indicators

#### 6.7.1 Employee costs as a percentage of Total Operating Income

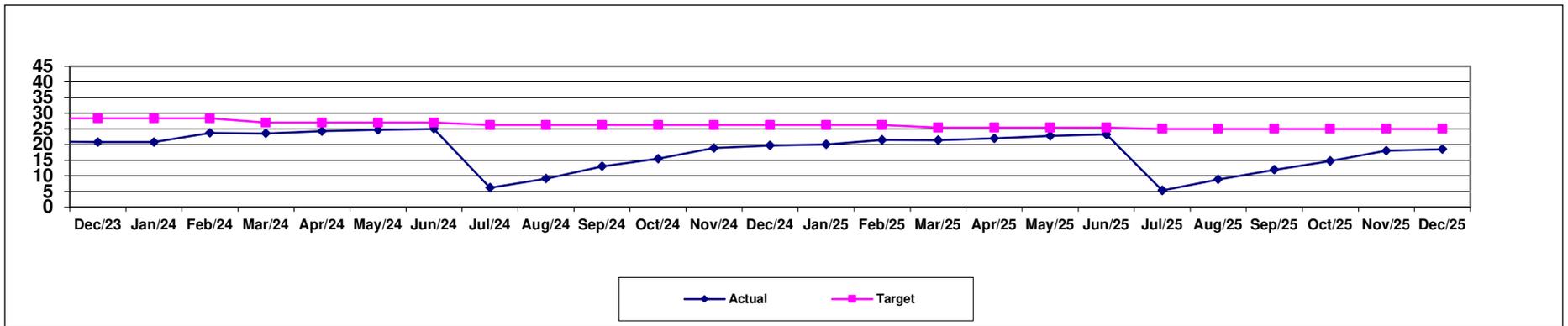
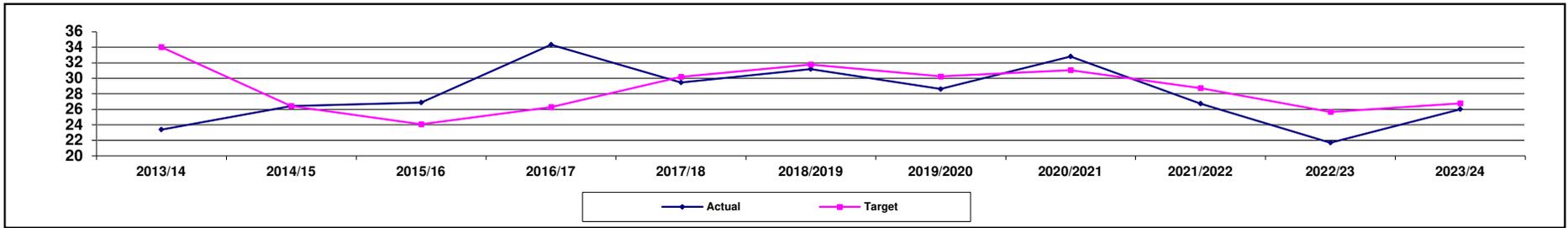
This ratio assesses the extent to which the Municipality’s Operating Revenue is consumed by costs associated with the employment of human resources.

The ratio is determined as follows:

$$\text{Employee Costs to Date} / \text{Total Operating Revenue to Date}$$

The target has been set at 24.99% for the financial year. As of 31 December 2025, the actual personnel costs constituted 18.48% of the total operating income.

Figure 13: Personnel Cost as a % of Total Revenue



**6.7.2 Repairs and Maintenance as a % of Total Operating Revenue**

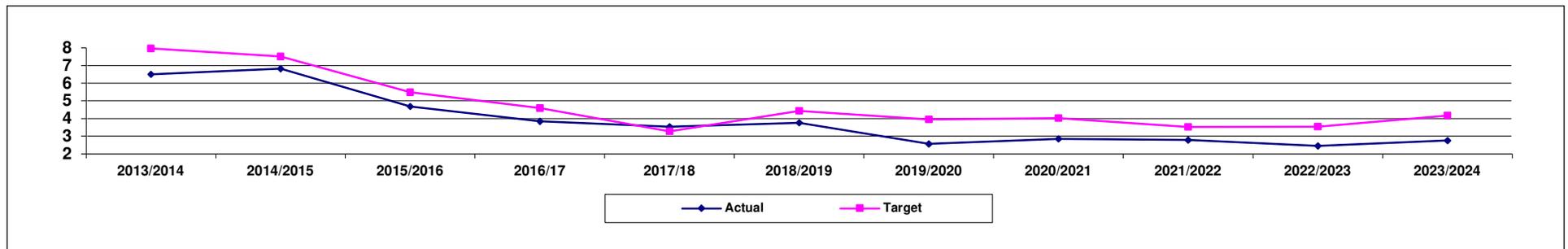
This ratio assesses the extent to which the Municipality’s Operating Revenue is consumed by costs associated with the repairs and maintenance of its assets.

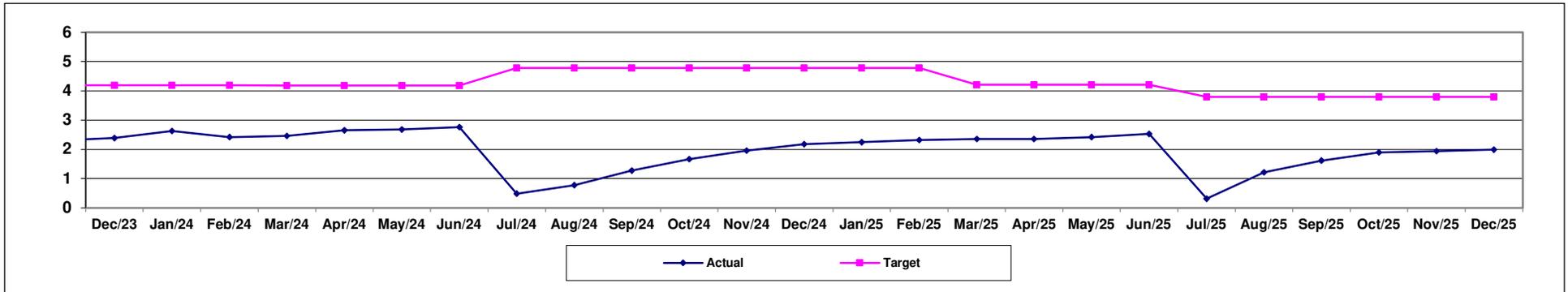
The ratio is determined as follows:

**Repairs and Maintenance expenditure to date / Total Operating Income to date**

The actual expenditure of 1.99% is below the 2025/26 original budget target of 3.79%. Repairs and Maintenance of assets are undertaken on an on-going basis.

Figure 14: Repairs and Maintenance as a % of Total Operating Income





**6.7.3 Repairs and Maintenance as a % of the book value of Property, Plant and Equipment (PPE)**

This ratio assesses the level of repairs and maintenance expenditure incurred, compared to the book value of PPE.

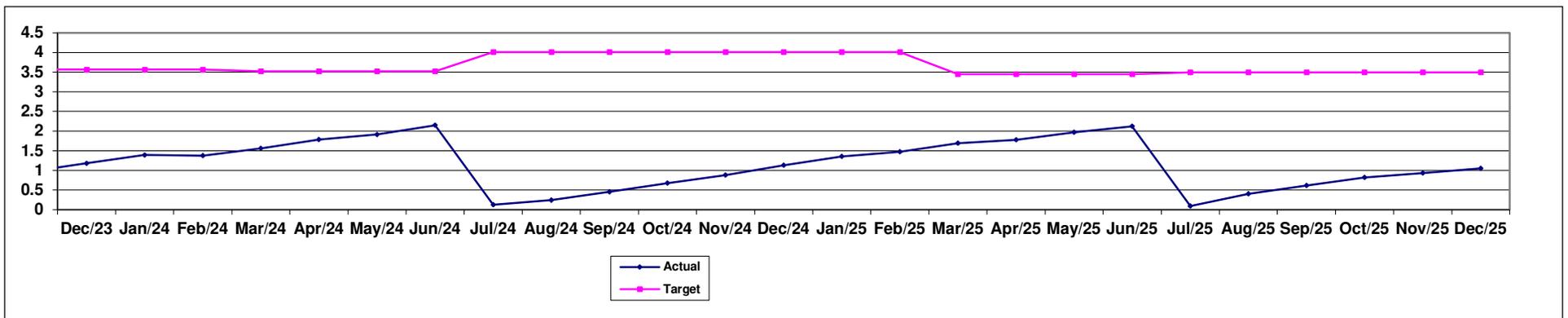
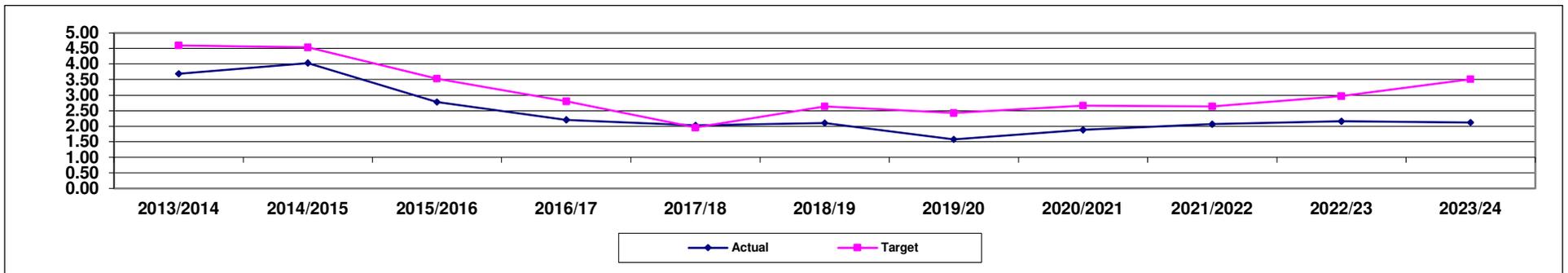
The ratio is determined as follows:

**Repairs and maintenance expenditure to date / Book value of PPE to date**

The repairs and maintenance expenditure incurred to date constitutes 1.05% of the book value of PPE, as at the end of December 2025, compared to the 2025/26 original budget target of 3.50%. This indicates a relatively low level of repairs and maintenance expenditure, considering that significant backlogs currently exist. The expenditure levels are anticipated to increase in future, as the maintenance backlogs have now been determined.

It should be noted that new assets would not have an immediate effect on the repairs and maintenance component, as they do not generally deteriorate within the first few years.

Figure 15: Repairs and Maintenance as a % of the book value of (PPE)



**6.7.4 Capital Budget Spending**

This ratio assesses the level of actual capital spending compared to the budgeted capital expenditure.

The ratio is determined as follows:

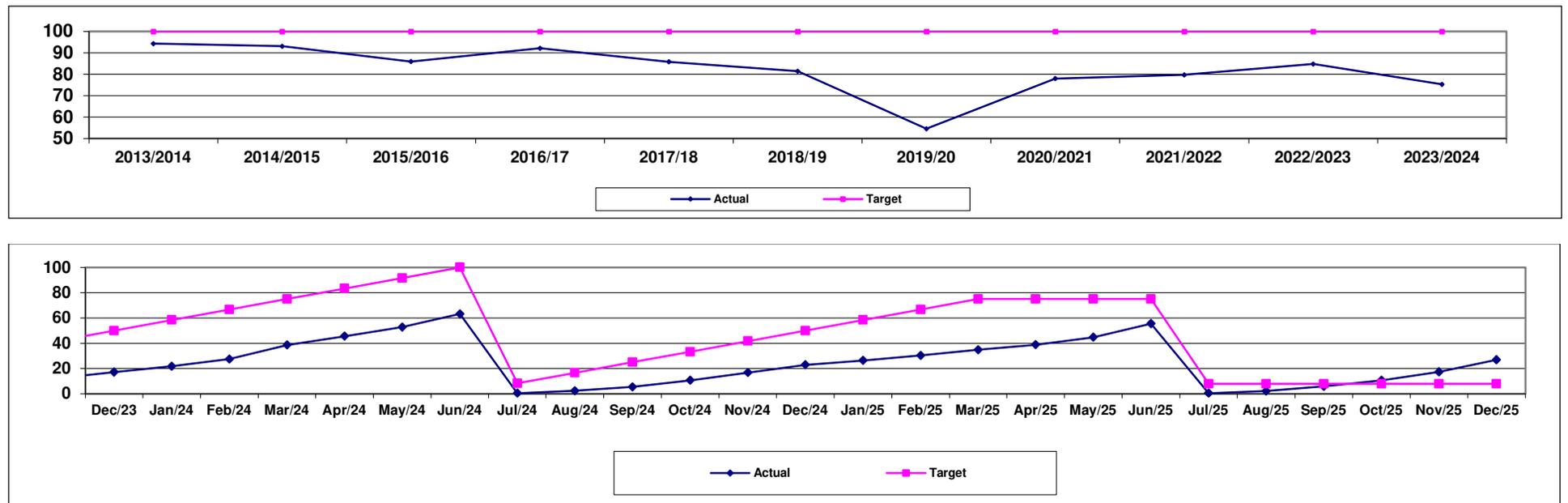
**Actual Capital spending to date / Approved Capital Budget**

The actual spending as at the end of December 2025 amounted to 27.02%.

The Budget Performance Monitoring Forum meets every two months, as opposed to previously meeting on a quarterly basis. The Executive Directors present their capital budgets at the Forum meetings by project, with detailed explanations in the event of under/overspending.

Monthly one-on-one sessions are held with Directorates, to identify problem areas early on in the process. These meetings are attended by the Chairperson of the Budget and Treasury Committee, the Portfolio Councillor and the Executive Director of the Directorate concerned and representatives from the Budget and Treasury Directorate.

Figure 16: Capital Budget Spending



**6.7.5 Own Revenue Generation**

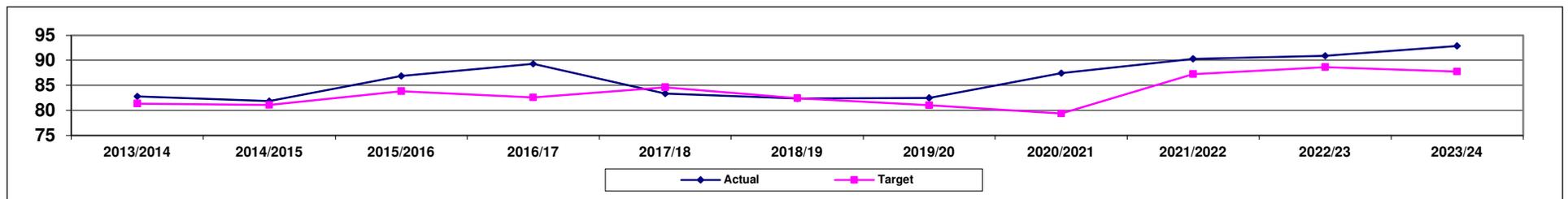
This ratio measures the extent to which the Municipality has control over its revenue sources, i.e., what percentage of its revenue is generated locally. The higher the ratio, the less reliant a Municipality is on Provincial and National Government to support its operations.

The ratio is determined as follows:

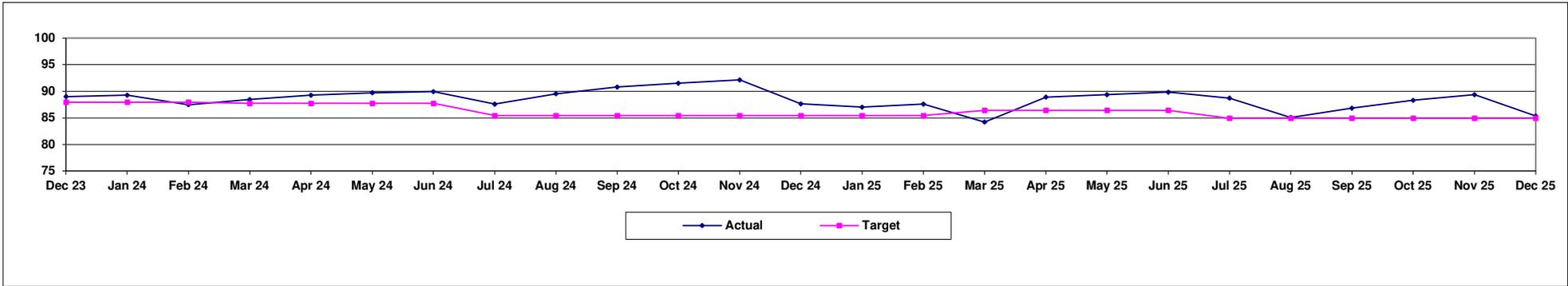
**Own Revenue Sources / Total Operating Income (includes operating grants)**

As at the end of December 2025, the Municipality’s own revenue sources constituted 85.33% of its total Operating Income compared to the 2025/26 original budget target of 84.94%. The Municipality is thus not fully reliant on the finances received from Provincial and National Government to support its day-to-day operations. The equitable share, for example greatly assists the Municipality to cover the ATTP subsidies. Although the Municipality would like to become sufficient by not having to rely on Government support via Grants and Subsidies it has become very clear that without increased Government funding the Municipality will not be able to meet its service delivery mandate from its limited revenue base.

Figure 17: Own Revenue Generation



# Annexure "A5"



## 6.7.6 Reducing Electricity and Water Losses

### 6.7.6.1 Electricity Losses

This ratio indicates the percentage of electricity losses incurred in relation to the number of electricity units purchased.

The ratio is determined as follows:

$$\frac{\text{Electricity units purchased} - \text{Electricity units sold}}{\text{Electricity units purchased}} \times 100$$

The total non-revenue electricity losses for the 12 months of the 2024/25 financial year amounts to 26.81% (932,537,678Kwh), or an equivalent of R1.323 billion up from R1.176billion or 26.36% (889,563,661Kw) for the 2023/24 budget year. The Electricity Loss calculation up to 31 November is R840.506 million.

### 6.7.6.2 Water Losses

This ratio indicates the percentage of water losses incurred in relation to the number of water units purchased.

The ratio is determined as follows:

$$\frac{\text{Water units purchased} - \text{Water units sold}}{\text{Water units purchased}} \times 100$$

The cumulative Water losses for the 2024/25 financial year amounted to 73.741 million kl or 57.62%. The Cumulative Water losses for the first 6 months of the 2025/26 financial year amounted to 38,072,587 kl or 56.3%.

It is evident that the current strategies to address both water and electricity losses are not yielding positive results, over and above the loan amounting to R750.6 million that was raised by the municipality to address these challenges.

## Mandela Bay Development Agency - Table F1 Monthly Budget Statement Summary – M06 31 December 2025

Description	2024/25	Current Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	5,000	-	249	959	2,500	(2)	-62%	5,000
Transfers recognised - operational	-	149,426	-	25,006	102,818	74,713	28	38%	149,426
Other own revenue	-	3,000	-	1,178	6,018	1,500	5	301%	3,000
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>157,426</b>	-	<b>26,433</b>	<b>109,795</b>	<b>78,713</b>	<b>31,082</b>	<b>0</b>	<b>157,426</b>
Employee costs	-	44,755	-	4,561	25,991	22,378	3,613	0	44,755
Remuneration of Board Members	-	1,300	-	268	916	650	266	0	1,300
Depreciation and asset impairment	-	2,415	-	63	422	1,208	(785)	(0)	2,415
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	-	50,115	-	20,482	65,008	25,057	39,951	0	50,115
<b>Total Expenditure</b>	-	<b>98,585</b>	-	<b>25,373</b>	<b>92,337</b>	<b>49,292</b>	<b>43,045</b>	<b>0</b>	<b>98,585</b>
<b>Surplus/(Deficit)</b>	-	<b>58,842</b>	-	<b>1,060</b>	<b>17,458</b>	<b>29,421</b>	<b>(11,963)</b>	<b>(0)</b>	<b>58,842</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>58,842</b>	-	<b>1,060</b>	<b>17,458</b>	<b>29,421</b>	<b>(11,963)</b>	<b>(0)</b>	<b>58,842</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>58,842</b>	-	<b>1,060</b>	<b>17,458</b>	<b>29,421</b>	<b>(11,963)</b>	<b>(0)</b>	<b>58,842</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	61,642	-	783	16,055	30,821	(14,766)	(0)	61,642
Transfers recognised - capital	-	61,642	-	783	16,055	30,821	(14,766)	(0)	-

## Annexure A6

Description	2024/25	Current Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	-	-	-	-	-	-	-		-
<b>Total sources of capital funds</b>	-	61,642	-	783	16,055	30,821	(14,766)	(0)	-
<b>Financial position</b>									
Total current assets	-	46,120	-		193,378				46,120
Total non-current assets	-	20,450	-		62,019				20,450
Total current liabilities	-	33,285	-		186,667				33,285
Total non-current liabilities	-	-	-		1,261				1,261
Community wealth/Equity	-	<b>33,285</b>	-		<b>67,469</b>				<b>32,024</b>
<b>Cash flows</b>									
Net cash from (used) operating	-	58,842	-	(16,365)	31,310	29,421	1,889	0	58,842
Net cash from (used) investing	-	(58,842)	-	(4,280)	(34,859)	(29,421)	(5,438)	0	(58,842)
Net cash from (used) financing	-	-	-	-	-	0	(0)	(0)	-
<b>Cash/cash equivalents at the year end</b>	40,304	40,304	40,304	(20,645)	(3,550)	0	(3,550)	(8,874)	40,304

**Mandela Bay Development Agency - Table F2 Monthly Budget Statement Financial Performance (revenue and expenditure) – M06 31 December 2025**

Description	2024/25	Current Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue By Source</b>									
Property rates									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue	-		-			-	-		-
Rental of facilities and equipment	-	1,000	-	82	783	500	283	56.5%	1,000
Interest earned - external investments	-	5,000	-	249	959	2,500	(1,541)	-61.6%	5,000
Interest earned - outstanding debtors									
Dividends received									
Fines, penalties and forfeits									
Licences and permits									
Agency services									
Transfers and subsidies	-	149,426	-	25,006	102,818	74,713	28,105	37.6%	149,426
Other revenue	-	2,000	-	1,097	5,235	1,000	4,235	423.5%	2,000
Gains									
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>-</b>	<b>157,426</b>	<b>-</b>	<b>26,433</b>	<b>109,795</b>	<b>78,713</b>	<b>31,082</b>	<b>39.5%</b>	<b>157,426</b>
<b>Expenditure By Type</b>									
Employee related costs	-	44,755		4,561	25,991	22,378	3,613	16.1%	44,755
Remuneration of Directors	-	1,300		268	916	650	266	40.9%	1,300
Debt impairment	-	83		-	31	42	(11)	-25.8%	83
Depreciation & asset impairment	-	2,415		63	422	1,208	(785)	-65.0%	2,415
Finance charges	-								
Bulk purchases	-								
Other materials	-								
Contracted services	-	20,000		877	13,107	10,000	3,107	31.1%	20,000
Transfers and subsidies	-								
Other expenditure	-	30,031		19,605	51,871	15,016	36,855	245.4%	30,031

## Annexure A6

Description	2024/25	Current Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
Losses				-	-	-	-		
<b>Total Expenditure</b>	-	98,585	-	25,373	92,337	49,292	43,045	87.3%	98,585
<b>Surplus/(Deficit)</b>	-	58,842	-	1,060	17,458	29,421	(11,963)	-40.7%	58,842
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)							-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)				-	-		-		
Transfers and subsidies - capital (in-kind - all)							-		
<b>Surplus/(Deficit) before taxation</b>	-	58,842	-	1,060	17,458	29,421	(11,963)	-40.7%	58,842
Taxation							-		
<b>Surplus/(Deficit) for the year</b>	-	58,842	-	1,060	17,458	29,421	(11,963)		58,842

## Mandela Bay Development Agency - Table F3 Monthly Budget Statement Capital Expenditure – M06 31 December 2025

Description	2024/25	Current Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>								%	
<b>Capital expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	10,000	-	-	10,409	5,000	(5,409)	-108.2%	10,000
Rail Infrastructure	-	10,000	-	-	10,409	5,000	(5,409)	-108.2%	10,000
<i>Rail Lines</i>	-	-	-	-	-	-	-		-
<i>Rail Structures</i>	-	10,000	-	-	10,409	5,000	(5,409)	-108.2%	10,000
<b>Community Assets</b>	-	48,842	-	544	3,174	24,421	21,247	87.0%	48,842
Sport and Recreation Facilities	-	48,842	-	544	3,174	24,421	21,247	87.0%	48,842
<i>Indoor Facilities</i>	-	-	-	-	-	-	-		-
<i>Outdoor Facilities</i>	-	48,842	-	544	3,174	24,421	21,247	87.0%	48,842
<i>Capital Spares</i>	-	-	-	-	-	-	-		-
<b>Intangible Assets</b>	-	200	-	-	28	100	72	71.8%	200
Servitudes	-	-	-	-	-	-	-		-
Licences and Rights	-	200	-	-	28	100	72	71.8%	200
<i>Water Rights</i>	-	-	-	-	-	-	-		-

## Annexure A6

Description	2024/25	Current Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
<i>Effluent Licenses</i>	-	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>	-	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>	-	200	-	-	28	100	72	71.8%	200
<i>Load Settlement Software Applications</i>	-	-	-	-	-	-	-	-	-
<i>Unspecified</i>	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	<b>400</b>	-	<b>31</b>	<b>72</b>	<b>200</b>	<b>128</b>	63.9%	<b>400</b>
Computer Equipment	-	400	-	31	72	200	128	63.9%	400
<b>Furniture and Office Equipment</b>	-	<b>200</b>	-	<b>209</b>	<b>333</b>	<b>100</b>	<b>(233)</b>	-233.3%	<b>200</b>
Furniture and Office Equipment	-	200	-	209	-	100	100	100.0%	200
<b>Machinery and Equipment</b>	-	<b>2,000</b>	-	-	<b>2,038</b>	<b>1,000</b>	<b>(1,038)</b>	-103.8%	<b>2,000</b>
Machinery and Equipment	-	2,000	-	-	2,038	1,000	(1,038)	-103.8%	2,000
<b>Total Capital Expenditure</b>	-	<b>61,642</b>	-	<b>783</b>	<b>16,055</b>	<b>30,821</b>	<b>14,766</b>	<b>47.9%</b>	<b>61,642</b>
<b>Funded by:</b>									
National Government							-		
Provincial Government		61,642	-	783	16,055	30,821	14,766	47.9%	-
Parent Municipality							-		
District Municipality							-		
<b>Transfers recognised - capital</b>	-	<b>61,642</b>	-	<b>783</b>	<b>16,055</b>	<b>30,821</b>	<b>14,766</b>	<b>0</b>	-
<b>Borrowing</b>							-		
<b>Internally generated funds</b>							-		
<b>Total Capital Funding</b>	-	<b>61,642</b>	-	<b>783</b>	<b>16,055</b>	<b>30,821</b>	<b>14,766</b>	<b>0</b>	-

Mandela Bay Development Agency - Table F4 Monthly Budget Statement Financial Position – M06 31 December 2025

Vote Description	2024/25	Current Year 2025/26			
	Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash		400		3	400
Call investment deposits		34,720		36,751	34,720
Consumer debtors		-			-
Other debtors		11,000		154,981	11,000
Current portion of long-term receivables					-
Inventory				1,643	-
<b>Total current assets</b>	-	<b>46,120</b>	-	<b>193,378</b>	<b>46,120</b>
<b>Non-current assets</b>					
Long-term receivables					
Investments					
Investment property					
Investment in Associate					
Property, plant and equipment		20,000		61,343	20,000
Biological				-	
Intangible		200		426	200
Other non-current assets		250		251	250
<b>Total non-current assets</b>	-	<b>20,450</b>	-	<b>62,019</b>	<b>20,450</b>
<b>TOTAL ASSETS</b>	-	<b>66,570</b>	-	<b>255,398</b>	<b>66,570</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft					
Borrowing					
Consumer deposits					
Trade and other payables		25,000		180,543	25,000
Provisions		8,285		6,124	8,285
<b>Total current liabilities</b>	-	<b>33,285</b>	-	<b>186,667</b>	<b>33,285</b>

## Annexure A6

Vote Description	2024/25	Current Year 2025/26			
	Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
<b>Non-current liabilities</b>					
Borrowing					
Provisions				1,261	1,261
<b>Total non-current liabilities</b>	-	-	-	<b>1,261</b>	<b>1,261</b>
<b>TOTAL LIABILITIES</b>	-	<b>33,285</b>	-	<b>187,928</b>	<b>34,546</b>
<b>NET ASSETS</b>	-	<b>33,285</b>	-	<b>67,469</b>	<b>32,024</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	-	33,285	-	67,469	32,024
Reserves					
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	-	<b>33,285</b>	-	<b>67,469</b>	<b>32,024</b>

## Mandela Bay Development Agency - Table F5 Monthly Budget Statement Cash Flows – M06 31 December 2025

Description	2024/25	Current Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								%	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates							-		
Service charges			-				-		-
Other revenue		3,000		1,904	2,605	1,500	1,105	73.7%	3,000
Transfers and Subsidies - Operational		85,585		1,450	80,408	42,792	37,616	87.9%	85,585
Transfers and Subsidies - Capital		58,842		-	33,834	29,421	4,413	15.0%	58,842
Interest		5,000		249	959	2,500	(1,541)	-61.6%	5,000
Dividends					-	-	-		
<b>Payments</b>									
Suppliers and employees		(93,585)		(19,969)	(86,496)	(46,792)	(39,704)	84.9%	(93,585)
Finance charges					-	-	-		-
Dividends paid						-	-		-
Transfers and Grants						-	-		-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	-	<b>58,842</b>	-	<b>(16,365)</b>	<b>31,310</b>	<b>29,421</b>	<b>1,889</b>	<b>6.4%</b>	<b>58,842</b>

Annexure A6

Description	2024/25	Current Year 2025/26							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE							-		
Decrease (increase) in non-current receivables							-		
Decrease (increase) in non-current investments							-		
<b>Payments</b>									
Capital assets		(58,842)		(4,280)	(34,859)	(29,421)	(5,438)	18.5%	(58,842)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	-	<b>(58,842)</b>	-	<b>(4,280)</b>	<b>(34,859)</b>	<b>(29,421)</b>	<b>(5,438)</b>	<b>18.5%</b>	<b>(58,842)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans							-		
Borrowing long term/refinancing						0	(0)	-100.0%	
Increase (decrease) in consumer deposits							-		
<b>Payments</b>									
Repayment of borrowing		-			-	-	-		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	-	-	-	-	-	<b>0</b>	<b>(0)</b>	<b>-100.0%</b>	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	-	-	-	<b>(20,645)</b>	<b>(3,550)</b>	<b>0</b>	<b>(3,550)</b>	<b>887399478.1%</b>	-
Cash/cash equivalents at the year begin:	40,304	40,304	40,304						40,304
Cash/cash equivalents at the year end:	40,304	40,304	40,304	(20,645)	(3,550)	0	(3,550)	887399478.1%	40,304



# **ANNEXURE "B"**

## **REPORT ON MUNICIPAL ENTITY – MANDELA BAY DEVELOPMENT AGENCY (MBDA)**



## MBDA MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR THE PERIOD ENDING 31 DECEMBER 2025

### 1. PURPOSE

The purpose of the report is to provide an overview of the mid-year budget and performance assessment of the MBDA for the period 01 July 2025 and 31 December 2025.

### 2. LEGISLATIVE BACKGROUND

In terms of Section 88 of the MFMA the accounting officer of a municipal entity must by **20 January of each year**:

- a) assess the performance of the entity during the first half of the financial year, taking into account:
  - i. the monthly statements referred to in section 87 for the first half of the financial year and the targets set in the service delivery, business plan or other agreement with the entity's parent municipality; and
  - ii. the entity's annual report for the past year, and progress on resolving problems identified in the annual report; and
- b) submit a report on such assessment to—
  - i. the board of directors of the entity; and
  - ii. the parent municipality of the entity.

### 3. EXECUTIVE SUMMARY

The Council approved financial impact to the MBDA for the 2025/26 financial year and the indicative outer years 2026/27 and 2027/28 amounted to R157.4 million (2025/26), R160.4 million (2026/27), and R170 million (2027/28) as shown in table 1 below:

**Table 1: MBDA 2025 to 2028 MTREF Budget.**

MBDA AMENDED BUDGET 2025/2026	ORIGINAL BUDGET 2025/26	BUDGET 2026/27	BUDGET 2026/27	
<b>OPEX</b>				
GOVERNANCE	10,150,772	8,472,176	8,980,507	
TOTAL PRECINCT MANAGEMENT	44,501,188	45,577,635	48,312,293	
CORPORATE SERVICES	18,876,970	19,377,740	20,540,404	
BUDGET AND TREASURY	25,055,989	24,911,549	26,447,436	
<b>TOTAL</b>	<b>98,584,920</b>	<b>98,339,100</b>	<b>104,280,640</b>	
<b>FUNDING OPEX</b>	<b>98,584,920</b>	<b>98,339,100</b>	<b>104,280,640</b>	
- NMBM FUNDED	85,584,920	90,292,100	95,709,640	
- MBDA FUNDED	8,000,000	8,047,000	8,571,000	
- ECDC FUNDED	5,000,000	-	-	
- TBCSA FUNDED	-	-	-	
<b>CAPEX</b>				
Feathermarket		6,472,820	9,585,835	
Moore Dyke	12,000,000	5,055,000	5,110,605	
Railway Sheds	10,000,000	10,110,000	10,221,210	
Zip-line	6,000,000	10,110,000	10,221,210	
Aberdeens		15,165,000	15,331,815	
Amphi Theater	25,841,530	-	-	
Nelson Mandela Statue	5,000,000	-	-	
Bayworld Project		15,165,000	15,331,815	
<b>TOTAL</b>	<b>58,841,530</b>	<b>62,077,820</b>	<b>65,802,490</b>	
<b>FUNDING CAPEX</b>	<b>58,841,530</b>	<b>62,077,820</b>	<b>65,802,490</b>	
- NMBM FUNDED	58,841,530	62,077,820	65,802,490	
- KFW FUNDED	-	-	-	
<b>EXPENDITURE BY TYPE</b>				
	2025/26	BUDGET 2025/26	BUDGET 2026/27	% of Total Expenditure
Employee related costs	44,755,154	46,992,912	49,342,557	44.27%
Remuneration of directors	1,300,000	1,391,000	1,488,370	1.29%
Debt impairment	83,434	90,000	95,000	0.08%
Depreciation and asset impairment	2,415,000	2,535,750	2,662,538	2.39%
Contracted services	20,000,000	20,893,000	22,302,661	19.78%
Operational costs	25,031,331	26,436,439	28,389,514	27.25%
ECDC Project	5,000,000	-	-	4.95%
<b>Total Expenditure excl. Capex</b>	<b>98,584,920</b>	<b>98,339,100</b>	<b>104,280,640</b>	
<b>Capital expenditure on assets excl. KfW</b>	<b>58,841,530</b>	<b>62,077,820</b>	<b>65,802,490</b>	
<b>Total Opex and Capex excl. KfW</b>	<b>98,584,920</b>	<b>98,339,100</b>	<b>104,280,640</b>	
<b>Total Opex and Capex incl. KfW</b>	<b>157,426,450</b>	<b>160,416,920</b>	<b>170,083,130</b>	

E Bergins, X Daku, P Kadi, N Mheshe, W Moss, O Mtati, L Nkantsu, K Nzo (Board Chairperson), D Sapere, N Tys  
Company Secretary: M Matiwane



### 3.1 Key Summary Points

1. A key business assumption underlying the 2025/26 MBDA Annual Business Plan is that the entity will be funded at the quantum and frequency agreed by the Council in addition to own revenue generation initiatives.
2. In terms of the signed Service Delivery Agreement (SDA), the NMBM is obliged to make payment of the approved budget in quarterly disbursements, in advance to the MBDA.
3. In relation to the management of the Nelson Mandela Bay Stadium, the MBDA is expected to fund the operations of the NMBM Stadium and claim such funds from the NMBM.
4. The above is predicated by the fact that the budget of the NMB Stadium rests with the NMBM and is controlled by the NMBM on a claim's basis from the MBDA.
5. During the period, there remains significant challenges in recovering claims. the MBDA is still owed by the parent municipality claims pertaining to the general expenses however salary claims are being paid see below more details on the amounts owed.
  - a. The outstanding general expenses claims for 2024/2025 is **R49 796 249.97**.
  - b. The outstanding general expenses claims for 2025/2026 is **R7 649 517.21**.
  - c. The outstanding general expenses claims for 2023/2024 is **R42 878 723,73**.
  - d. The salary claims for 2024/2025 of R16 870 888.57 were fully settled by the NMBM.
  - e. The total outstanding debt payable to the MBDA to date is **R100 324 490.90**.
  - f. The total revenue for surrender payable to the NMBM to date is **R17 209 712.62**. To date, **R3,649,658.97** has already been surrendered to the NMBM in April 2025. This underscores the Agency's ongoing commitment to financial transparency and compliance with the SLA, despite the growing financial imbalance between receivables and payables.



6. The NMB Stadium is on a month-to-month management appointment. The process of the handover is underway and once it is finalized the facility will be handed over to the parent municipality.

### 3.2 Financial Performance

7. At mid-term, the MBDA year-to-date (YTD) operating expenditure performance was **R 58 588 874 or 59% (excluding NMB Stadium expenditure R33 748 343)** against a budget of **R98 584 924**. At mid-term, the MBDA year-to-date (YTD) capital expenditure performance was **R13 314 942 or 23% for infrastructure programmes** against a budget of **R58 841 530 (refer to Table 1 below for budget performance against expenditure for each project)**. The actual expenditure on non-infrastructure capital projects, i.e. Property, Plant and Equipment (PPE) is **R2 471 297** against a budget allocation of **R 2 800 000**. The total capex expenditure overall is 26%.

**Table 1: MBDA Budget performance against expenditure for each project**

Programme	Project	2025 / 2026 Capital Budget	Total Spend to date	Total Cost % Spend
<b>Baakens River Valley Programme</b>	Baakens Zip Line	6 000 000	346 086	6%
<b>Korsten / Schauderville Programme</b>	Korsten / Schauderville Other	12 000 000	314 056	3%
<b>Kariega CBD Precinct Programme</b>	Refurbishment of Uitenhage Railway Sheds - Phase 1	11 000 000	10 409 292	95%
<b>North End Precinct Programme</b>	STADIUM APHITHEATRE	24 841 530	246 507	1%
	STADIUM - NMU Sculpture	5 000 000	1 999 000	40%
<b>Total-NMBM Funded Projects</b>		<b>58 841 530</b>	<b>13 314 942</b>	<b>23%</b>
<b>TOTAL - MBDA</b>		<b>58 841 530</b>	<b>13 314 942</b>	<b>23%</b>

8. During this period, the total contracts expenditure was R27 700 902.21 with the MBDA amounting to R17 768 691.04 and the NMBS at R9 932 211.17
9. The Level 1 B-BBEE expenditure contributed R8 568 684.41 and R4 719 298.07 for the MBDA and the Stadium, respectively. Level 2 B-BBEE expenditure contributed R7 875 429.20 and R940 191.63 for the MBDA and NMBS, respectively.

E Bergins, X Daku, P Kadi, N Mheshe, W Moss, O Mtati, L Nkantsu, K Nzo (Board Chairperson), D Sapere, N Tys  
Company Secretary: M Matiwane



### 3.3 Non-financial performance

The detailed performance can be found in the MBDA 2025-26 Institutional performance scorecard annexed (Annexure B) hereto. In summary the MBDA achieved **61%** performance for Quarter 1 and **57%** performance for Quarter 2.

10. Below table is a synopsis of the MBDA's performance over the review period and reflected in greater detail in the 2025/26 Second Quarter Institutional Scorecard Performance report.

**MBDA's 2025/26 SECOND QUARTER PERFORMANCE (INSTITUTIONAL SCORECARD)**

KEY PERFORMANCE AREA	NO OF KPIS OVER-ACHIEVED	NO OF KPIS ACHIEVED	NO OF KPIS PARTIALLY ACHIEVED	NO OF KPIS NOT ACHIEVED	NO OF KPIS NOT APPLICABLE IN THIS QUARTER	TOTAL NUMBER OF KPIS	% PERFORMANCE (KPIS OVER-ACHIEVED AND ACHIEVED)
<b>KPA 1:</b> Basic Service Delivery	N/A						
<b>KPA 2:</b> Municipal Institutional Development and Transformation	0	1	1	0	0	2	50%
<b>KPA 3:</b> Local Economic Development	2	7	8	0	0	17	53%
<b>KPA 4:</b> Municipal Financial Viability and Management	4	0	3	0	0	7	57%
<b>KPA 5:</b> Good Governance and Public Participation	0	2	0	0	0	2	100%
<b>OVERALL PERFORMANCE</b>	6	10	12	0	0	28	57%

E Bergins, X Daku, P Kadi, N Mheshe, W Moss, O Mtati, L Nkantsu, K Nzo (Board Chairperson), D Sapere, N Tys  
Company Secretary: M Matiwane



**mandela bay**  
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#### 4. RECOMMENDATIONS

- That the content of the MBDA mid-year budget and performance assessment be noted referred to in section 88 of Municipal Finance Management Act including the supporting document (**Annexure A**).
- That the detailed performance MBDA 2025-26 Institutional performance scorecard annexed (**Annexure B**) be noted.

E Bergins, X Daku, P Kadi, N Mheshe, W Moss, O Mtati, L Nkantsu, K Nzo (Board Chairperson), D Sapere, N Tys  
**Company Secretary:** M Matiwane

**ANNEXURE A - Mandela Bay Development Agency - Monthly Budget Statement Summary - Q2 Second Quarter**

Description	Current Year 2025/26							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>								
<b>Financial Performance</b>								
Property rates	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-
Investment revenue	5 000	-	249	959	2 500	(2)	-62%	5 000
Transfers recognised - operational	149 426	-	25 006	102 818	74 713	28	38%	149 426
Other own revenue	3 000	-	1 178	6 018	1 500	5	301%	3 000
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>157 426</b>	<b>-</b>	<b>26 433</b>	<b>109 795</b>	<b>78 713</b>	<b>31 082</b>	<b>0</b>	<b>157 426</b>
Employee costs	44 755	-	4 561	25 991	22 378	3 613	0	44 755
Remuneration of Board Members	1 300	-	268	916	650	266	0	1 300
Depreciation and asset impairment	2 415	-	63	422	1 208	(785)	(0)	2 415
Finance charges	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-
Other expenditure	50 115	-	20 482	65 008	25 057	39 951	0	50 115
<b>Total Expenditure</b>	<b>98 585</b>	<b>-</b>	<b>25 373</b>	<b>92 337</b>	<b>49 292</b>	<b>43 045</b>	<b>0</b>	<b>98 585</b>
<b>Surplus/(Deficit)</b>	<b>58 842</b>	<b>-</b>	<b>1 060</b>	<b>17 458</b>	<b>29 421</b>	<b>(11 963)</b>	<b>(0)</b>	<b>58 842</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>58 842</b>	<b>-</b>	<b>1 060</b>	<b>17 458</b>	<b>29 421</b>	<b>(11 963)</b>	<b>(0)</b>	<b>58 842</b>
Taxation	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>58 842</b>	<b>-</b>	<b>1 060</b>	<b>17 458</b>	<b>29 421</b>	<b>(11 963)</b>	<b>(0)</b>	<b>58 842</b>
<b>Capital expenditure &amp; funds sources</b>								
<b>Capital expenditure</b>	61 642	-	515	15 786	30 821	(15 035)	(0)	61 642
Transfers recognised - capital	61 642	-	515	15 786	30 821	(15 035)	(0)	-
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>61 642</b>	<b>-</b>	<b>515</b>	<b>15 786</b>	<b>30 821</b>	<b>(15 035)</b>	<b>(0)</b>	<b>-</b>
<b>Financial position</b>								
Total current assets	46 120	-		193 378				46 120

Total non current assets	20 450	-		62 019				20 450
Total current liabilities	33 285	-		186 667				33 285
Total non current liabilities	-	-		1 261				1 261
Community wealth/Equity	<b>33 285</b>	-		<b>67 469</b>				<b>32 024</b>
<b>Cash flows</b>								
Net cash from (used) operating	58 842	-	(16 365)	31 310	29 421	1 889	0	58 842
Net cash from (used) investing	(58 842)	-	(4 280)	(34 859)	(29 421)	(5 438)	0	(58 842)
Net cash from (used) financing	-	-	-	-	0	(0)	(0)	-
<b>Cash/cash equivalents at the year end</b>	<b>40 304</b>	<b>40 304</b>	<b>(20 645)</b>	<b>(3 550)</b>	<b>0</b>	<b>(3 550)</b>	<b>(8 874)</b>	<b>40 304</b>

**NOTE:**

**TOTAL OPERATING EXPENDITURE**

Less: Stadium Expenditure

**Operating Expenditure excluding Stadium**

**92 337 217**

33 748 343

**58 588 874**

**CAPITAL EXPENDITURE**

Property Plant and Equipment

Capital Projects

2 471 297

13 314 942

**15 786 239**

ANNEXURE B: MANDELA BAY DEVELOPMENT AGENCY  
2025/26 INSTITUTIONAL SCORECARD

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/FOCUS AREA	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2024/25 ESTIMATED)	2025/2026 ANNUAL TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	ACTUAL PERFORMANCE AS AT 30 SEPTEMBER 2025	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025- 31 DECEMBER 2025)	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2025	ACHIEVEMENT STATUS (Over achieved, Achieved, Partially achieved, Not achieved, Not)	PERFORMANCE ANALYSIS: REASONS FOR OVERPERFORMANCE REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE BUDGETARY COMMENTS
<b>COMPLETION OF HISTORIC/ACTIVE PROJECTS (TRANSITIONAL KPIS)</b>													
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	1	KORSTENSCHAUDERVILLE	Completing the Moore Dyke Sports Complex	Final Account completed Consultant tender advertised	Practical completion of the Moore Dyke Sports Complex achieved by 30 June 2026	Consultant appointed from the consortium panel	Consultant appointed from the consortium panel	Achieved	Contractor appointed Site handover to contractor undertaken	In progress (Bid evaluation process in progress for the contractor)	Partially Achieved	<b>WORK DONE:</b> During the period under review, the tender for the contractor was advertised, as well as the bid evaluation process commencing. <b>REASONS FOR UNDERPERFORMANCE:</b> The main reason for the underperformance reported against this KPI, was due to the budget was based on the bill of quantities at the inception of the project during 2020, whilst the tender estimate being higher than the 2021 quantities. As a result, the tender required readvertisement. The tender closing also had to be extended due to the number of queries by the bidders. <b>CORRECTIVE ACTION / MITIGATION:</b> In order to mitigate delays and ensure future targets are met, the following is expected: -Appointment prioritised in Q3. -Site handover and site establishment to happen simultaneously
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	2	KARIEGA PRECINCT/CBD	Completing the Uitenhage Railway Sheds	75% (15/20 Activities)	Mezzanine block completed by 31 December 2025	Foyer and events space completed	In progress (Construction of the foyer and events space completed)	Partially Achieved	Mezzanine block completed	In progress (Foyer and Event space: construction work complete, final finishes in progress Mezzanine block construction in progress)	Partially Achieved	<b>WORK DONE:</b> During the period under review, the construction of the foyer and event space were constructed, however the finishes were still in progress resulting in a partial achievement status. With regards to the mezzanine block, the construction was completed, the building envelope was enclosed. However, the mezzanine floor and finishes are ongoing. In this regard, the completion of the mezzanine block space as a whole are allocated an achievement status of partial achievement. <b>REASONS FOR UNDERPERFORMANCE:</b> The reasons for underperformance reported against this KPI are due to: 1) Construction quality and remedial proposals which introduced new work, approval processes and required re-planning. 2) SMME and local labour force absenteeism which negatively impacted progress and reduced productivity during the quarter. 3) Resource changes which negatively impacted overall progress 4) Security challenges- vandalism reported <b>CORRECTIVE ACTION / MITIGATION:</b> The following mitigative measures will be applied: -Issuing non-conformance records to the Contractor -Scheduling more consistent meetings to keep abreast of challenges -Expedite shop drawing approvals
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	3	BAAKENS/CBD	Completing phase 1 and phase 2 for Baakens Zipline	Construction contractor appointed by 30 June 2025	Phase 1 final completion achieved by 30 June 2026 Site Establishment Completed for Phase 2 by 30 June 2026	Phase 1 practical completion inspection completed	Not achieved	Not Achieved	Phase 1 practical completion achieved Phase 2 detailed concept designs completed	In progress (Phase 1: No work undertaken Phase 2 detailed concept designs completed)	Partially Achieved	<b>WORK DONE:</b> It may be noted that Phase 1 relates to the construction work, whilst phase 2 relates to designs for construction of the zipline structure, supporting facilities and urban upgrades. During the period under review, with regards to Phase 1, there was no construction work that was carried out. In respect of Phase 2, detailed designs were completed. <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance reported against Phase 1 is due to the fact that non-conformity records were issued to the principal contractor and as a result of the non-conformity, principal contractor withdrew from the contract. The records indicated the following: 1) The contractor did not have an appointed and approved Health and Safety officer on site. 2) No site establishment or works on the site 3) Lack of responsive behaviour to Principal Agents requests by the contractor. The above led to the issuing of the Notice of Default. <b>CORRECTIVE ACTION / MITIGATION:</b> Because of the withdrawal, the tender needed to be readvertised, which is currently being re-prepared. To expedite the progress it is intended that phase 1 and 2 work will be integrated in quarter 3.

KEY PERFORMANCE AREA (KPA)		MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/FOCUS AREA	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2024/25 ESTIMATED)	2025/2026 ANNUAL TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	ACTUAL PERFORMANCE AS AT 30 SEPTEMBER 2025	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025- 31 DECEMBER 2025)	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2025	ACHIEVEMENT STATUS (Over achieved, Achieved, Partially achieved, Not achieved)	PERFORMANCE ANALYSIS: REASONS FOR OVERPERFORMANCE REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE BUDGETARY COMMENTS
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS		4	NMB STADIUM PRECINCT	Erecting the Nelson Mandela Statue at the Nelson Mandela Bay Stadium	New KPI 2025-26	Erection of the Nelson Mandela Statue on site completed by 31 March 2026.	Statue design approved by MBDA Exco	Statue design approved by MBDA Exco	Achieved	Construction of the Nelson Mandela Statue commenced off site	Construction of the Nelson Mandela Statue commenced off site	Achieved	<b>WORK DONE:</b> During the period under review, the construction of the Nelson Mandela Statue commenced off site
<b>TRANSVERSAL / CROSS-CUTTING KPI'S</b>														
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS		5	ENTIRE MBDA	Number of precinct activation, launches and partnership events hosted	8	10	3 (3 - Q1)	4	Over Achieved	5 (3 - Q1 2 - Q2)		Achieved	<b>WORK DONE:</b> Additional to those events hosted in Q1, a carols by candlelight event was hosted at St Peters during the second quarter, equating to 5 events in total for the period July - December 2025.
KPA4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: SUSTAINABILITY		6	ENTIRE MBDA	Percentage of MBDA's operating budget actually spent	96	95% by 30 June 2026	30%	20%	Not Achieved	60%	59%	Partially Achieved	<b>WORK DONE:</b> During the quarter under review the Operating expenditure is 59% or R58 588 874 against a budget of R98 584 920. <b>REASONS FOR UNDERPERFORMANCE:</b> Opex target is 60% vs an actual performance of 59.4% which is 0.6% below target. The underperformance is insignificant and is attributable to marginal underspending in areas such as Temporary Employees and general repairs and maintenance of managed sites. <b>CORRECTIVE ACTION:</b> It is anticipated that improved quarter project planning by user Department will be undertaken to ensure speedy initiation (by user Department) and completion of SCM processes to unlock projects.
KPA4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: SUSTAINABILITY		7	ENTIRE MBDA	Percentage of MBDA's capital budget actually spent	59% including MPC 70% excluding MPC	95% by 30 June 2026	15%	12%	Partially Achieved	30%	23%	Partially Achieved	<b>WORK DONE:</b> During the quarter under review the capital expenditure is 23% or R13 314 942 against a budget of R58 584 530. <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance reported against this KPI is due to the fact that the bulk of the projects are awaiting the contractor appointment for works to commence on site example. For example, the amphitheatre and Moore Dyke projects which account for the majority of the capital budget. Hence the expenditure is lower than expected. As mentioned above there are also delays in the expenditure on the Baakens zipline project. <b>CORRECTIVE ACTION:</b> Once the supply chain processes have been concluded the expenditure will be accelerated as the projects will be on site. It is intended that the project managers will work closely with contractors and consultants to improve delivery turnaround times.

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/FOCUS AREA	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2024/25 ESTIMATED)	2025/2026 ANNUAL TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	ACTUAL PERFORMANCE AS AT 30 SEPTEMBER 2025	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025- 31 DECEMBER 2025)	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2025	ACHIEVEMENT STATUS (Over achieved, Achieved, Partially achieved, Not achieved, Not)	PERFORMANCE ANALYSIS: REASONS FOR OVERPERFORMANCE REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE BUDGETARY COMMENTS
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	8	ENTIRE MBDA	Economic Impact assessment covering all precincts (Kariega, Stadium and CBD) developed and published	2024-25 Final economic impact assessment report published by 30 June 2025	Final economic impact assessment report published by 30 June 2026.	Indicator Formulation and Survey Design completed	Indicator Formulation and Survey Design completed	Achieved	Study area profiling completed Fieldwork and data collection completed Economic modelling completed	In progress (Fieldwork and data collection completed Economic modelling completed)	Partially Achieved	<b>WORK DONE:</b> During the quarter under review the following was completed: Indicator Formulation and Survey Design completed (Q1) Fieldwork and data collection completed (Q2) Economic modelling completed (Q2) <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance reported against this KPI is due to incorrect target setting. Precision and accuracy is key to the audit and planning processes. The sub-targets of area profiling and fieldwork / data collection have been compiled as 2 separate steps in the target and as such the field work and profiling need to be proven as 2 components of the process. Area profiling is general regarded as being able to create and synthesize a picture about an area whilst data collection is the raw data collected in the field and thus the use of survey forms alone cannot prove that a collated profile of an area was created from the data. Because of this, it is expected that the POE and area profiles are anticipated to be provided during the upcoming quarter. <b>CORRECTIVE ACTION / MITIGATION:</b> The targets for this KPI will be investigated for further possible mid-term amendments to ensure all upcoming process targets align to the actual work planned in each quarter.
KPA4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: SUSTAINABILITY	9	ENTIRE MBDA	Rand value of revenue generated from MBDA Facilities/operations	New KPI (2025-26)	R600,000 by 30 June 2026	R150,000	R260 902	Over Achieved	R300 000	R392,292	Over Achieved	<b>WORK DONE:</b> During the quarter under review the rand value generated from MBDA facilities is R392 292 <b>REASONS FOR OVERPERFORMANCE:</b> It may be noted that event booking numbers were bolstered by the return of regular, large clients (such as the multi-day Marketfees) and additional, new events (such as the ABSA Bank Sales Presentation sessions, and the Capscum cooking school graduation) coupled with an increase in the booking of school events at the Science centre.
KPA4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: SUSTAINABILITY	10	NMB STADIUM PRECINCT	Rand value of revenue generated at the Nelson Mandela Bay Stadium.	New KPI (2025-26)	R20 200 000 By 30 June 2026	R5,000,000	R6 452 220.68	Over Achieved	R8 200 000	R9,333,190.22	Over Achieved	<b>WORK DONE:</b> During the period under review the rand value generated from NMB Stadium is R9 333 190,22. <b>REASONS FOR OVERPERFORMANCE:</b> The Stadium hosted a Bafana Bafana game as the team was not initially thought to qualify, and as such was not anticipated at the planning stages in July.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	11	ENTIRE MBDA	Implementing MBDA's Culture Framework Implementation Plan.	New KPI (2025-26)	Implementation of the 2025-26 culture framework implementation plan completed by 30 June 2026	Service provider appointed Culture Survey designed	In progress (Culture Survey designed)	Partially Achieved	Culture framework designed and implementation plan approved by EXCO  Culture Survey designed Culture framework and implementation plan tabled at EXCO	In progress (Service provider appointed)	Partially Achieved	<b>WORK DONE:</b> During the period under review, the appointment of a service provider and the designing of the culture survey was completed. Furthermore, the framework and implementation plan was tabled but not approved by EXCO. <b>REASONS FOR UNDERPERFORMANCE:</b> The underperformance reported against this KPI is due to the fact that EXCO deferred the Implementation Plan to January 2026 due to areas that need further refinement, alignment and clarification. <b>CORRECTIVE ACTION / MITIGATION:</b> It is intended that the revisions requested by EXCO will be addressed speedily by communicating with the relevant individuals directly to avoid further communication delays

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/FOCUS AREA	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2024/25 ESTIMATED)	2025/2026 ANNUAL TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	ACTUAL PERFORMANCE AS AT 30 SEPTEMBER 2025	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025 - 31 DECEMBER 2025)	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2025	ACHIEVEMENT STATUS (Over achieved, Achieved, Partially achieved, Not achieved, Not)	PERFORMANCE ANALYSIS: REASONS FOR OVERPERFORMANCE REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE BUDGETARY COMMENTS
KPA 2: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	#1: BECOMING CHANGE AGENTS	12	ENTIRE MBDA	Cascading the performance management system within the MBDA	New KPI (2025-26)	Quarter 3 2025-2026 performance reviews conducted for executive management.	Quarter 4 2024-25 performance reviews conducted for executive management.	Quarter 4 2024-25 performance reviews conducted for executive management.	Achieved	Quarter 1 2025-2026 performance reviews conducted for executive management.	Quarter 1 2025-2026 performance reviews conducted for executive management.	Partially Achieved	WORK DONE: During the period under review, Quarter 1 2025-2026 performance reviews were conducted for executive management and tabled to the MBDA corporate services committee.
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	13	ENTIRE MBDA	Implementing MBDA's Leadership Development Programme Plan	New KPI (2025-26)	Implementation of Leadership Development programme 2025/26 implementation plan completed by 30 June 2026.	Service provider appointed Skills audit report completed	In progress (RFQ advertised)	Partially Achieved	Leadership Development programme plan with 2025/26 implementation plan approved by EXCO	In progress (Service provider appointed Skills audit report completed Leadership Development programme plan with 2025/26 implementation plan tabled to EXCO)	Partially Achieved	WORK DONE: During the period under review, the service provider was appointed. The skills audit report was completed and the Leadership Development programme plan with 2025/26 implementation plan was tabled but not approved by EXCO REASONS FOR UNDERPERFORMANCE: The underperformance reported against this KPI is due to the fact that EXCO deferred the Implementation Plan to January 2026 due to areas that need further refinement, alignment and clarification. CORRECTIVE ACTION / MITIGATION: It is intended that the revisions requested by EXCO will be addressed speedily by communicating with the relevant individuals directly to avoid further communication delays
KPA 2: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	#1: BECOMING CHANGE AGENTS	14	ENTIRE MBDA	Migrating MBDA to the e-Document Control System	New KPI (2025-26)	Migration to eDoc Control System in supply chain management completed By 30 June 2026	eDocument control system and services procured	In progress (RFQ advertised)	Partially Achieved	eDocument control system installation undertaken Training for SCM officials on the eDocument control system commenced	In progress (eDocument control system installation undertaken)	Partially Achieved	WORK DONE: The e document control system has been procured and installed. A training session was arranged for the designated internal SCM official and IT officials. The training, however, was not attended by any SCM officials. REASONS FOR UNDERPERFORMANCE: A training session was arranged for the SCM officials but due to conflicting commitments the officials could not attend. CORRECTIVE ACTION/MITIGATION: A series of training sessions will be arranged once all individuals are back from leave during the third quarter
KPA4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: FINANCIAL SUSTAINABILITY	15	ENTIRE MBDA	% of suppliers paid within 30 days	New KPI (2025/26)	100% of compliant invoices paid to suppliers within 30 days of receipt	100% of compliant invoices paid to suppliers within 30 days of receipt	97% of compliant invoices paid to suppliers within 30 days of receipt	Partially Achieved	100% of compliant invoices paid to suppliers within 30 days of receipt	99% of compliant invoices paid to suppliers within 30 days of receipt	Partially achieved	WORK DONE: During the period under review, accumulatively there were 439 out of 442 invoices (99%) that were paid within 30 days. REASONS FOR UNDERPERFORMANCE: It may be noted that all the invoices that were issued during the second quarter were paid within 30 days. The 3 invoices that were not paid within 30 days were accounted for during the first quarter. CORRECTIVE ACTION / MITIGATION: The MBDA will continue to try and process invoices in the upcoming quarters at the same rate as was done during Q2.
KPA4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: FINANCIAL SUSTAINABILITY	16	ENTIRE MBDA	% Revenue collected on debts due to MBDA	New KPI (2025-26)	95% revenue collected for debts due by 30 June 2026	95% revenue collected for debts due by 30 September 2025	77% revenue collected for debts due by 30 September 2025	Partially Achieved	95% revenue collected for debts due by 31 December 2025	97% revenue collected for debts due by 31 December 2025	Over Achieved	WORK DONE: During the period under review, 97% of the revenue owed to the MBDA was collected. REASONS FOR UNDERPERFORMANCE: The main reason for overperformance reported against this KPI is attributed to the diligent effort of staff to keep track of invoices on a continuous basis.

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/FOCUS AREA	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2024/25 ESTIMATED)	2025/2026 ANNUAL TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	ACTUAL PERFORMANCE AS AT 30 SEPTEMBER 2025	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025- 31 DECEMBER 2025)	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2025	ACHIEVEMENT STATUS (Over achieved, Achieved, Partially achieved, Not achieved, Not)	PERFORMANCE ANALYSIS: REASONS FOR OVERPERFORMANCE REASONS FOR UNDERPERFORMANCE IMPROVE PERFORMANCE BUDGETARY COMMENTS
<b>PROJECT PREPARATION AND PLANNING (PIPELINE)</b>													
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	17	NMB STADIUM PRECINCT	Constructing the Amphitheatre in the Stadium Precinct	New KPI (2025/26)	Phase 1 manufacturing of the roof structure completed off site by 30 June 2026  Phase 1 installation of street furniture completed on site by 30 June 2026	Draft concept designs completed  Consultant appointed from the consortium panel	Draft concept designs completed.  Consultant appointed from the consortium panel.	Achieved	Detailed designs completed	Detailed Designs completed	Achieved	<b>WORK DONE:</b> During the period under review, the detailed designs were completed.
<b>DYNAMIC AND CAPABLE MUNICIPAL OWNED ENTITY/GOOD GOVERNANCE</b>													
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	#1: BECOMING CHANGE AGENTS	18	ENTIRE MBDA	Creating a mature risk management culture within MBDA	New KPI (2025/26)	Q3 2025/26 quarterly risk report submitted to risk management committee including Fraud, Strategic, Operational, Projects risks  2026/27 risk assessment undertaken by 30 June 2026	Q4 2024/25 quarterly risk report submitted to risk management committee including Fraud, Strategic, Operational, Projects risks	Q4 2024/25 strategic risk register submitted to risk management committee	Partially achieved	Q1 2025/26 quarterly risk report submitted to risk management committee including Fraud, Strategic, Operational, Projects risks	Q1 2025/26 quarterly risk report submitted to risk management committee including Fraud, Strategic, Operational, Projects risks	Achieved	<b>WORK DONE:</b> During the period under review the quarter 1 risk report was submitted to the risk management committee including the fraud, strategic, operational and projects risks on the 25th November 2025.
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	#5: FINANCIAL SUSTAINABILITY	19	ENTIRE MBDA	Submitting legislated financial reports (applicable to an entity) to the parent municipality	New KPI (2025/26)	Monthly MFMA S87 reports submitted to the parent municipality	Monthly MFMA S87 reports submitted to the parent municipality	Monthly MFMA S87 reports submitted to the parent municipality	Achieved	Monthly MFMA S87 reports submitted to the parent municipality	Monthly MFMA S87 reports submitted to the parent municipality	Achieved	<b>WORK DONE:</b> During the period under review, monthly MFMA S87 reports were submitted to the parent municipality during October, November and December.
<b>PRONG ONE: TOTAL PRECINCT MANAGEMENT</b>													
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	20	ALL PRECINCTS	Percentage implementation of the cleansing implementation plan	100% implementation of the cleansing plan by 30 June 2025	100% implementation of the cleansing plan By 30 June 2026	100% implementation of the cleansing plan	100% implementation of the cleansing plan	Achieved	100% implementation of the cleansing plan	100% implementation of the cleansing plan	Achieved	<b>WORK DONE:</b> During the period under review, 100% of the cleansing campaign was completed

KEY PERFORMANCE AREA (KPA)	MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/FOCUS AREA	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2024/25 ESTIMATED)	2025/2026 ANNUAL TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	ACTUAL PERFORMANCE AS AT 30 SEPTEMBER 2025	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025- 31 DECEMBER 2025)	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2025	ACHIEVEMENT STATUS (Over achieved, Achieved, Partially achieved, Not achieved, Not)	PERFORMANCE ANALYSIS: REASONS FOR OVERPERFORMANCE REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE BUDGETARY COMMENTS
KPA 3-1: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	21	ALL PRECINCTS	Percentage implementation of the security implementation plan	100% implementation of the Security plan by 30 June 2025	100% implementation of security plan By 30 June 2026	100% implementation of security plan	100% implementation of security plan	Achieved	100% implementation of security plan	80%	Partially Achieved	<b>WORK DONE:</b> During the period under review, 80% of the security plan was finalised. It was required that the following actions be undertaken over the first half of the year: -Q1 Security Provider Performance Assessment completed -State of the Mandate Area Security Progress Report prepared -Q1 Security quarterly report prepared -Q2 Security Provider Performance Assessment completed -Q2 Security quarterly report prepared  It may be noted that all actions were completed within the specified timeframe, except the Q2 Security quarterly report, which was prepared and finalised on 6 January 2026 which falls into the third quarter reporting period.  <b>REASONS FOR UNDERPERFORMANCE:</b> The report covers the period of 01 October 2025-31 December 2025 (Quarter 2) however due to the timing of the collation of the incidents reported the report was collated and signed off in January 2026.  <b>CORRECTIVE ACTION:</b> The quarterly report has since been provided, albeit in the third quarter.
KPA 3-1: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	22	ENTIRE MBDA	Completing the installation of security infrastructure	New KPI 2025-26	Installation of CCTV cameras completed in: Valley road, Tramways, Russel Road and rose street, Strand and Govan Mbeki Avenue by September 2025	Installation of CCTV cameras completed in: Valley road, Tramways, Russel Road and rose street, Strand and Govan Mbeki Avenue	In progress  (Installation of CCTV cameras completed in: Valley road, Tramways)	Partially Achieved	Installation of CCTV cameras completed in: Valley road, Tramways, Russel Road and rose street, Strand and Govan Mbeki Avenue by September 2025	In progress  (Installation of CCTV cameras completed in: -Valley Road -Russel Road and Rose Street -Strand and Govan Mbeki Avenue -Stadium Precinct and North End Lake)	Partially Achieved	<b>WORK DONE:</b> During the period under review, the following work was undertaken: Installation of CCTV cameras completed in: Valley road completed (Q1) Tramways completed (Q1) Russel Road and rose street (Q2) Strand and Govan Mbeki Avenue (Q2) Stadium Precinct and North end lake (Q2)  It may be noted that work on CCTV installation is still in progress in: NMB Science Centre and Uitenhage CBD Helenvale Resource Centre  <b>REASONS FOR UNDERPERFORMANCE :</b> The reasons for underperformance have been recorded as follows: Helenvale: Access to 110mm sleeves and manholes around the Stanford Road bridge is a challenge as certain manholes are filled concrete and access to existing ducts is required. Uitenhage: Delays on wayleaves from NMBM  <b>CORRECTIVE ACTION:</b> The project manager will ensure continued follow-ups with the service provider to ensure that the installation is complete.
KPA 3-1: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	23	INNER CITY CBD	Completing the beautification artwork in Strand Street	New KPI 2025-26	Beautification artwork in Strand Street completed By 30 June 2026	Call for proposals advertised	Call for proposals advertised	Achieved	Proposal selected by the panel of adjudicators	Proposal selected by the panel of adjudicators	Partially Achieved	<b>WORK DONE:</b> During the period under review, proposals were selected by the panel of adjudicators.
KPA 3-1: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	24	ENTIRE MBDA	Number of EPWP work opportunities created.	1246	300	75	261	Over Achieved	150	485	Over Achieved	<b>WORK DONE:</b> During the period under review, 485 work opportunities were created.  <b>REASON FOR OVERPERFORMANCE:</b> The main reason reported against this KPI is mbda's commitment to creating an enabling local economy by equipping local people with short term job opportunities.
KPA 3-1: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS	25	NMB STC	Development of a Business Plan for the Science & Technology Park	New KPI (2025-26)	Final Business plan for the Science and Technology Park submitted to MBDA Board for noting by 30 June 2026	Consultant Appointed	Consultant Appointed	Achieved	Draft Business plan for the Science and Technology Park completed	Draft Business plan for the Science and Technology Park completed	Achieved	<b>WORK DONE:</b> During the period under review, the draft business plan for the Science and Technology Park has been completed.

KEY PERFORMANCE AREA (KPA)		MBDA STRATEGIC OBJECTIVES	KPI NO	PRECINCT/FOCUS AREA	KEY PERFORMANCE INDICATOR	BASELINE (ANNUAL PERFORMANCE OF 2024/25 ESTIMATED)	2025/2026 ANNUAL TARGET	1ST QUARTER PLANNED TARGET (1 JULY 2025 - 30 SEPTEMBER 2025)	ACTUAL PERFORMANCE AS AT 30 SEPTEMBER 2025	ACHIEVEMENT STATUS	2ND QUARTER PLANNED TARGET (1 JULY 2025- 31 DECEMBER 2025)	ACTUAL PERFORMANCE AS AT 31 DECEMBER 2025	ACHIEVEMENT STATUS (Over achieved, Achieved, Partially achieved, Not achieved, Not)	PERFORMANCE ANALYSIS: REASONS FOR OVERPERFORMANCE REASONS FOR UNDERPERFORMANCE, MITIGATION OR MEASURES TAKEN TO CORRECT / IMPROVE PERFORMANCE BUDGETARY COMMENTS
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#1: BECOMING CHANGE AGENTS		26	NMB STC	Number of programmes hosted by NMB Science Centre to schools.	133	100 by 30 June 2026	30 (Q1 - 30)	30	Over Achieved	50 (Q1 - 30 Q2 - 20)	52	Over Achieved	<b>WORK DONE:</b> Delivered curriculum-aligned practicals, science shows, and facilitated STEMI clubs to 52 schools. <b>REASONS FOR OVERPERFORMANCE:</b> The main reason for overperformance reported against this KPI is due to the popularity and effectiveness of the programmes hosted by the Science Centre. As a result, additional schools booked visits to the Centre, resulting more programmes being hosted, than initially predicted.
<b>PRONG 2: MBDA PROJECT MANAGEMENT SERVICES</b>														
KPA 3: LOCAL ECONOMIC DEVELOPMENT	#6: FINANCIAL SUSTAINABILITY		27	ENTIRE MBDA	Number of sustainability initiatives co-ordinated	New KPI (2025-26)	4 sustainability initiatives hosted by 30 June 2026	1	1	Achieved	2	2	Achieved	<b>WORK DONE:</b> During the period under review, the following training initiatives were facilitated: 1. Unemployed youth on the Built Environment (industry related) 2. Contractor Development training (CIDB capacitation)
KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	#5: FINANCIAL SUSTAINABILITY		28	ENTIRE MBDA	Number of funding applications submitted to potential funders	3	5 by June 2026	2	3	Over Achieved	2 (by September 2025)	3	Over Achieved	<b>WORK DONE:</b> There were 3 funding application submitted to for the following: DSBD Business Infrastructure Funding Science Centre ECDC Funding Application Transactional Advisors DSBD Business Infrastructure Funding Amphitheatre <b>REASONS FOR OVERPERFORMANCE:</b> The overperformance was due to an additional request by the Science Centre Manager and application was submitted for funding for the Centre.