APPROVED BUDGET OF
JOE MOROLONG LOCAL MUNICIPALITY

(NC 451)

2026/27 TO 2028/29
MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS

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Table of Contents

Glossary 3

PART 1 6

Mayoral Budget Speech 6

Council's Budget Resolution 11

1.1 Executive Summary 13

1.2. Operating Revenue Framework 16

1.3 Operating Expenditure Framework 26

1.4 Capital expenditure 31

1.5 Annual Budget Tables 33

Part 2 – Supporting Documentation 51

2.1 Overview of the annual budget process 51

2.2 Budget Process Overview 51

2.3 Intergrated Development Plan 52

2.4 IDP and Service Delivery and Budget Implementation Plan 52

2.5 Community Consultation 53

2.6 Overview of alignment of annual budget with IDP 54

2.7 Measurable performance objectives and indicators 62

2.8 Overview budget related policies 64

2.9 Overview of budget assumptions 66

2.10 Overview of budget funding 68

2.11 Expenditure on grants and reconciliations of unspent funds 77

2.12 Monthly targets for revenue, expenditure and cash flow 81

2.13 Contracts having future budgetary implication 88

2.14 Capital expenditure details 88

2.14 Legislation Compliance Status 120

2.15 Municipal Manager's Quality Certificate 121

Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities

AFS- Annual Financial Statements

Budget – The financial plan of the Municipality

Budget Related Policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's Statement of Financial Performance

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period

CFO - Chief Financial Officer

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

KPI's – Key Performance Indicators. Measures of service output and/or outcome

MFMA – The Municipal Finance Management Act – No. 53 of 2003. The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous three years and current years' financial position
NT – National Treasury

Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages
Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand

R&M – Repairs and maintenance on property, plant and equipment

SCM – Supply Chain Management

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget

Vote means one of the main segment into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and which specifies the total amount that is appropriated for the purpose of the department or functional area concerned.

Zero Based Budgeting means as opposed to incremental budgeting, zero-based budgeting means that each year's budget is drawn up independently from that if the previous year. This means that items are not included simply because they were in the previous budget. Each item has to be justified and motivated for and the purpose of each item is considered. All items in the capital are treated on a "zero-basis"

PART 1
Mayoral Budget Speech

Madam Speaker,

Members of the Executive Committee,

Councilors,

Our Traditional Leaders,

Municipal Manager,

Senior Managers,

Guests,

Ladies and Gentlemen,

Good day to you all. Thank you for the opportunity to present the Final Budget for the 2026/27 Financial Year.

Madam Speaker, our municipality continues to face serious challenges of drought and water shortages as a result of persistently low rainfall. Many water sources have dried up, forcing both residents and livestock to depend on limited water supply points. This situation places immense pressure on the municipality to respond decisively.

As Council, we continue to work collaboratively with the Department of Agriculture, CoGTA, and the National MIG Office to refurbish and equip boreholes across various villages in order to improve access to water and build resilience against climate-related challenges.

Madam Speaker, the global and domestic economic environment remains constrained. The average inflation rate for the past year is estimated at approximately 5.2%, while the headline inflation outlook is projected at 4.8% for 2026/27 and stabilising at around 4.5% in the outer years.

In addition, the municipality is significantly affected by rising fuel prices, which continue to place upward pressure on the cost of service delivery. Increased fuel costs directly impact:

- Water tanker operations and borehole maintenance
- Refuse removal and waste management services
- Maintenance of municipal fleet and infrastructure
- General operational and logistical costs

These rising costs further strain our already limited financial resources and require stricter cost-containment and efficiency measures.

It is with these economic realities in mind that we continue to place strong emphasis on value for money in procurement, encouraging a culture of savings, and maximizing all available revenue sources for the 2026/27 financial year, as we strive to secure the Municipality's financial sustainability.

This budget provides Council and the community of Joe Morolong Local Municipality with a clear overview of revenue, expenditure, and projections for the coming financial year.

Madam Speaker, this budget is also being tabled in a significant year as we approach the upcoming Local Government Elections. This moment reminds us of our responsibility to account to our communities, to strengthen governance, and to ensure that service delivery remains at the centre of everything we do. We reaffirm our commitment to transparency, accountability, and responsiveness to the needs of our people.

Due to the prevailing economic conditions, this Annual Budget does not fully address all the challenges facing the municipality. However, we remain resolute in our commitment to improving the lives of our citizens and advancing the ideals of a democratic and developmental local government.

Management of Joe Morolong Local Municipality plays a critical role in strengthening the link between community needs and government priorities. Our focus remains on improving service delivery and enhancing the quality of life for all residents.

Budgeting requires making difficult choices between competing priorities within limited resources. The challenge remains to do more with less while ensuring efficient and effective service delivery.

The application of sound financial management principles in compiling this financial plan is essential to ensure the Municipality remains financially viable and capable of delivering sustainable and equitable services.

Honourable Speaker, the allocation towards capital expenditure reflects our commitment to accelerating service delivery through improved infrastructure and good governance.

The budget before Council has been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) and complies with Generally Recognised Accounting Practice.

It further aligns with national and provincial priorities, including:

- Investment in infrastructure to support long-term economic growth
- Strengthening core municipal service delivery
- Job creation and local economic development
- Expanded Public Works Programmes and labour-intensive initiatives
- Protection of vulnerable communities through targeted support
- Improved revenue management and debt collection
- Increased focus on repairs, maintenance, and asset management

The following key cost drivers were considered in compiling the 2026/27 budget:

- Eskom tariff increase estimated at approximately 12%–13%
- Bulk water tariff increase estimated at approximately 5%
- Inflationary pressures on goods and services
- Rising fuel and transportation costs impacting operations

FOCUS OF THE 2026/27 BUDGET

The Municipality will focus on:

- Delivering core services as mandated by the Constitution
- Prioritising maintenance and refurbishment of existing infrastructure
- Strengthening internal capacity to reduce reliance on external consultants
- Investing in infrastructure to support economic growth
- Ensuring sustainable and reliable service delivery to communities

CAPITAL BUDGET

The Capital Budget for the 2026/27 financial year amounts to R97 million, allocated as follows:

- Provision of Water – R51 million
- Roads – R24 million
- Sanitation – R13 million
- Computers, Office Equipment and Other – R5.3 million
- Municipal Vehicles – R3.7 million

Capital projects are funded through:

- National Government Grants – R87 million
- Own Funding – R9.8 million

IN CONCLUSION

The budget tabled today represents a continued commitment to achieving the Municipality’s strategic objectives, including institutional development, improved service delivery, financial sustainability, and enhanced governance.

I extend my sincere appreciation to the Municipal Manager for providing leadership to the administration, as well as to all Directors and staff for their dedication in serving our communities in line with our vision of “a wealthy and prosperous local community with equal access to basic services and sustainable development opportunities.”

I also thank all Councillors for their commitment in balancing community expectations with limited resources, particularly during this important electoral period.

Together, let us continue to work towards building a resilient, accountable, and service-driven municipality.

I THANK YOU.

D D Leutlwetse-Tshabalala
MAYOR

Council's Budget Resolution

- Council of Joe Morolong Local Municipality, acting in terms of section 24 of the Municipality Finance Management Act: Act 56 of 2003, Table Approved Budget for 2026/27 financial year and single-year capital appropriations as set-out in the core table contained in the bound budget document with effect from a 1 July 2026.

    - ✓ Table A2: Budgeted Financial Performance (expenditure by standard classification)
    - ✓ Table A3: Budgeted Financial Performance (expenditure by municipal vote)
    - ✓ Table A4: Budgeted Financial Performance (revenue by source)
    - ✓ Table A5: Budgeted Capital Expenditure for both multi-year and single year appropriations by vote, standard classification and funding

- The council also, acting in terms of Section 75A of the municipality System Act, Act 32 of 2000, adopted with effect from 1 July 2026.
    1. Tariffs for property rates, electricity, water supply, sanitation services and solid waste services and tariffs for other services.
    2. And the Council of Joe Morolong approved cash backing implemented through the utilisation of bulk services fees and portion of revenue generated from property rates to ensure cash backing for unspent conditional grants for effectiveness to the Municipal budget as required by the legal prescripts, Section 8 of the municipality Budget and Reporting Regulations.

BUDGET RELATED POLICIES ADOPTED TO COUNCIL ALONG-SIDE WITH THE BUDGET:

1) Property Rates Policy
2) Banking and Investment Policy
3) Budget, Funding, Reserves & Virement Policy
4) Credit Control and Debt Collection Policy
5) Fixed Assets Policy
6) Indigent Policy
7) Risk Management Policy
8) Supply Chain Management Policy
9) Tariffs Policy
10) Fruitless and Wasteful Expenditure Policy
11) Cash Shortage Policy
12) Bad Debt Write Off Policy
13) Asset Management Policy
14) Petty Cash Policy
15) Cost Containment Policy
16) Borrowing Policy

BUDGET RESOLUTION: RESCNL2026-00269

1.1 Executive Summary

The key service delivery priorities, as reflected in the Integrated Development Plan (IDP), informed the development of the Budget, including the need to maintain the Municipality’s financial sustainability.

The application of sound financial management principles for the compilation of the municipality’s financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all members of communities.

The municipality’s service delivery priorities were reviewed as part of this year’s planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on “nice to have” items in order to save money and improve service delivery. Key areas where savings were realized were on telephone and internet usage, workshops payment and catering.

- **National Treasury’s MFMA Circular No. 134 was used to guide the compilation of the 2026/27 MTREF.**

    - **The main challenges experienced during the compilation of the 2026/27 MTREF can be summarized as follows**:

        - The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and cash position of the municipality;
        - Elimination of non-priority expenditure that does serve the interest of service delivery to communities
        - The municipality‘s inability to generate enough own revenue to assist the infrastructure challenges in our communities.
        - Escalating Employee Related Costs, that continue to be greater than 30%, as compared to the total operating budget (after excluding the non-cash items), which is necessitated by various allowances that are paid to municipal employees.
        - Affordability of capital projects

- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure, more so due to the rampant vandalisation of municipal infrastructure that has recently occurred.
- The unfunded/underfunded mandates negatively impacting on the municipality’s budget, such as the Library Services which is not necessarily under the municipality in terms of the Constitution of RSA Act.

- **The following budget principles and guidelines directly informed the compilation of the 2026/27 MTREF:**

    - The 2025/26 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted.
    - The budget was prepared on a zero base principle and some of the operational expenses such as some contracted service and fuel expenses were prepared based on the 2026/27 financial year performance.
    - Intermediate service level standards were used to inform the, targets and backlog eradication goals;
    - Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs. For the next financial year, tariffs and property rates have been increased and there are two separate tariffs and rates applicable to municipality; being the one for businesses and the other for residential
    - Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
    - There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are

reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the 2026/27 Medium-term Revenue and Expenditure Framework:

Table 1 Overview of the 2026/27 MTREF

	Adjustment Budget 2025/26 R '000	**Budget Year 2026/27 R '000**	**Budget Year +1 2027/28 R '000**	**Budget Year +2 2028/29 R '000**
Total Operating Revenue	R451 130	R424 526	R473 987	R489 815
Total Operating Expenditure	R454 292	465 446	480 097	510 648
(Surplus)/Deficit for the year	-R3 162	-R40 920	-R6 110	-R20 833
Total Capital Expenditure	R125 928	97 213	91 767	94 672

Total operating revenue has Decrease by R27 million for the 2026 /27 financial year when compared to the 2025/26 Adjustments Budget. For the two outer years, operational revenue will increase by R49 million and then increase by R 16 million respectively.

Total operating expenditure for the 2026/27 financial year has been appropriated at R 465 million and translates into a budgeted deficit of R 41 million. When compared to the 2025/26 Adjustments Budget, operational expenditure has increased by R11 million in the 2026/27 budget and will increase by R 15 million and R 15 million for each of the respective outer years of the MTREF. The operating deficit for the two outer years of R 6 million and R 21 million.

The capital budget of R 97 million for 2026/27 is 2 per cent less when compared to the 2025/26 Adjustment Budget. The capital programme decreases to R94 million in the 2027/28 financial year and R95 million in 2028/29. The capital budget will be funded from government grants and internally generated funds (surplus) over MTREF.

1.2. Operating Revenue Framework

For Joe Morolong local Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality.
The reality is that we are faced with development backlogs, poverty and high unemployment.
The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is to be built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Trading services are fully cost-reflective and ring-fenced;
- Determining the tariff escalation rate by calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of subsidised services; and
- Tariff policies of the municipality.

The following table is a summary of the 2026/27 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

NC451 Joe Morolong - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	6 999	6 679	10 605	12 549	17 353	17 353	17 353	11 627	12 010	12 395
Service charges - Water	2	37 575	9 178	12 268	22 026	21 840	21 840	21 840	47 024	48 576	50 131
Service charges - Waste Water Management	2	1 340	1 472	1 450	3 518	1 369	1 369	1 369	4 671	4 826	4 980
Service charges - Waste Management	2	3 170	2 248	2 266	5 688	1 703	1 703	1 703	6 933	7 162	7 391
Sale of Goods and Rendering of Services	2	180	279	252	176	256	256	256	193	199	206
Agency services	2	-	-	-	30	30	30	30	33	34	35
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	8 254	22 281	17 378	19 796	19 796	19 796	19 796	1 037	1 071	1 106
Interest earned from Current and Non Current Assets	2	6 234	7 842	9 511	8 176	8 176	8 176	8 176	11 128	11 495	11 863
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	78	97	105	162	162	162	162	178	184	190
Licence and permits	2	-	-	445	151	151	151	151	165	171	176
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	147	1 017	362	293	293	293	293	322	333	343
Non-Exchange Revenue											
Property rates	2	-	46 859	48 659	51 118	33 692	33 692	33 692	26 716	27 598	28 481
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	-	-	-	10	10	10	10	720	736	753
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	182 005	210 260	392 071	206 022	209 916	209 916	209 916	204 613	209 561	216 015
Interest	2	6 794	28 939	33 716	14 477	14 477	14 477	14 477	1 403	1 450	1 496
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	-	-	-	3 307	3 307	3 307	3 307	6 872	7 122	7 373
Other Gains	2	-	8 298	3 712	(22)	(22)	(22)	(22)	363	375	387
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		**252 776**	**345 451**	**532 801**	**347 475**	**332 507**	**332 507**	**332 507**	**324 000**	**332 903**	**343 321**

Table 3 Percentage growth in revenue by main revenue source

NC451 Joe Morolong - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2026/27 Medium Term Revenue & Expenditure Framework					
R thousand	Budget Year 2026/27		Budget Year +1 2027/28		Budget Year +2 2028/29	
Revenue						
Exchange Revenue						
Service charges - Electricity	11 627	3.6%	12 010	3.6%	12 395	3.6%
Service charges - Water	47 024	14.5%	48 576	14.6%	50 131	14.6%
Service charges - Waste Water Management	4 671	1.4%	4 826	1.4%	4 980	1.5%
Service charges - Waste Management	6 933	2.1%	7 162	2.2%	7 391	2.2%
Sale of Goods and Rendering of Services	193	0.1%	199	0.1%	206	0.1%
Agency services	33	0.0%	34	0.0%	35	0.0%
Interest earned from Receivables	1 037	0.3%	1 071	0.3%	1 106	0.3%
Interest earned from Current and Non Current Assets	11 128	3.4%	11 495	3.5%	11 863	3.5%
Rental from Fixed Assets	178	0.1%	184	0.1%	190	0.1%
Licence and permits	165	0.1%	171	0.1%	176	0.1%
Operational Revenue	322	0.1%	333	0.1%	343	0.1%
Non-Exchange Revenue		0.0%		0.0%		0.0%
Property rates	26 716	8.2%	27 598	8.3%	28 481	8.3%
Fines, penalties and forfeits	720	0.2%	736	0.2%	753	0.2%
Transfer and subsidies - Operational	204 613	63.2%	209 561	62.9%	216 015	62.9%
Interest	1 403	0.4%	1 450	0.4%	1 496	0.4%
Gains on disposal of Fixed and Intangible Assets	6 872	2.1%	7 122	2.1%	7 373	2.1%
Other Gains	363	0.1%	375	0.1%	387	0.1%
Total Revenue (excluding capital transfers and contributions)	**324 000**		**332 903**		**343 321**	

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

The municipality’s revenue from operating grants and transfers totals R324 million in 2026/27 and steadily increases to R332 million by 2027/28 and increases to R343 million of total revenue of municipality generated from grants, the revenue from operating grants form a significant percentage of the revenue basket for the Joe Morolong Local Municipality. The increase in property rates revenue in relation to the updated valuation, whereby there are additional mining development in the area. The municipality has revised the property rates budget based on the fact that there were historical adjustments that were corrected. These were largely related to charges on Farmers for agriculture, that were billed on business category..

The municipality submitted the 2026/27 Approved budget based on the NERSA tariffs application. Furthermore, the municipality assessed the bulk purchases against electricity billed and collected. This resulted in the distribution losses that amounted to 46% and this necessitated for an audit to be conducted in order to identify the root cause. The audit is currently at 95% and the preliminary findings have been identified and discussed with the mine (South 32 in Hotazel).

There is a huge juncture of prepaid electricity meters not consuming and business customers charged with prepaid electricity and are actual supposed to be charged as industrial.

The municipality has further identified properties that did not have meters for billing and will be installing those critical meters. In addition, the municipality will also install SMART meters on the Distribution areas to monitor electricity bought from ESKOM and the electricity distributed to its customers

The water budget was based on the fact that there were meters that were faulty and will be replacing these meters. Furthermore, the meters were purchased and will be replacing areas which were dysfunctional on the ground.

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

Table 4 Operating Transfers and Grant Receipts

NC451 Joe Morolong - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
RECEIPTS	1.2									
Operating										
National Government										
Monetary Allocations										
Equitable Share		170 404	180 561	382 178	194 285	194 285	194 285	195 164	201 604	208 056
Expanded Public Works Programme Integrated Grant		1 140	2 159	1 231	1 554	1 554	1 554	1 446	–	–
Local Government Financial Management Grant		3 100	3 100	3 000	3 000	3 000	3 000	3 000	3 000	3 000
Municipal Infrastructure Grant		3 425	2 819	3 453	3 606	3 500	3 500	3 500	3 500	3 500
Total Monetary Allocations		178 068	188 639	389 862	202 445	202 339	202 339	203 110	208 104	214 556
Total Operating/National Government		178 068	188 639	389 862	202 445	202 339	202 339	203 110	208 104	214 556
Provincial Government										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Total Operating/Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										
Monetary Allocations										
Mining Companies		1 714	20 368	903	727	727	727	103	106	110
Northern Cape Arts and Cultural Council		1 800	1 252	1 306	1 350	1 350	1 350	1 400	1 350	1 350
Total Monetary Allocations		3 514	21 620	2 210	2 077	2 077	2 077	1 502 713	1 456 154	1 459 551
Allocations In-kind										
[insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/Other Grant Providers		3 514	21 620	2 210	2 077	2 077	2 077	1 503	1 456	1 460
Total Operating	5	181 582	210 260	392 071	204 522	204 416	204 416	204 612 713	209 560 566	216 015 304
Capital										
National Government										
Monetary Allocations										
Municipal Infrastructure Grant		81 534	74 188	65 355	68 518	68 624	68 624	69 526	77 584	80 144
Water Services Infrastructure Grant		40 000	53 700	55 989	50 000	50 000	50 000	31 000	63 500	66 351
Total Monetary Allocations		121 534	127 888	121 344	118 518	118 624	118 624	100 525 999	141 084 000	146 495 000
Total Capital/National Government		121 534	127 888	121 344	118 518	118 624	118 624	100 525 999	141 084 000	146 495 000
Provincial Government										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										

Monetary Allocations										
[insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
[insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Other Grant Providers		-	-	-	-	-	-	-	-	-
Total Capital	5	**121 534**	**127 888**	**121 344**	**118 518**	**118 624**	**118 624**	**100 526**	**141 084**	**146 495**
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		**303 116**	**338 147**	**513 415**	**323 040**	**323 040**	**323 040**	**305 139**	**350 645**	**362 510**

1.2.1. Operational revenue assumptions – tariffs

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 4.4 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of both Eskom and Vaal Central Water bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and water, these tariffs are largely outside the control of the municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions.

1.2.2. Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 129 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2026 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of all residential properties and of all properties used for multiple purposes, provided one or more components of such properties are used for residential purposes, is exempt from the payment of rates in terms of Section 17(1)(h) of the Property Rates Act.
- 100% rebate will granted to registered indigents in terms of the Indigent Policy

Table 5 Comparison of rates to be levied for the 2026/27 financial year

Tariff description	Approved Tariffs 2025/26	Approved Tariffs 2026/27
1. Property Rates		
Property levy is cent in a Rand.	**cents in a Rand**	**cents in a Rand**
Residential properties	0.01431	0.01484
First R15000 exempt (Section 17 (1)(h) MPRA	R15 000	R15 000
Rebates	40%	40%
Agricultural properties	0.000507	0.000538
Business and Commercial properties	0.02900	0.03007
Rebates based on BBBEE (by application)		
Mining properties	0.02900	0.03007
Rebates based on BBBEE (by application)		
Industrial properties	0.02920	0.03028
Rebates based on BBBEE (by application)		
Properties owned by Organ of the State		
Public Service Purpose	0.02638	0.02735
Rebates		
Public Service Infrastructure properties	0.00360	0.00373
Rebates	100%	100%
Public Benefit Organisations	0.00360	0.00373
Vacant land	0.01441	0.01494

1.2.3 Sales of Water and Impact of Tariff Increases

South Africa in general faces similar challenges with regard to water supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of water infrastructure, water networks and the operational cost
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

A tariff increase of 3.7 per cent as from 1 July 2026 for water. In addition 6kl of water per 30 day period will again be granted for free to all the registered indigents.

Table 6 Approved Water Tariffs

RESIDENTIAL		
	Approved Tariffs 2025/26	**Approved Tariffs 2026/27**
0 – 6 k/l	R 8.70	R 9.03
6– 20 k/l	R 10.87	R 11.27
> 20 k/l	R 20.77	R 21.54
Basic charge	R 98.12	R 101.75
Water availability charges (prepaid users)		
Residential	**Approved Tariffs 2025/26**	**Approved Tariffs 2026/27**
0 – 6 k/l	R 25.89	R 26.85
6– 20 k/l	R 25.89	R 26.85
> 20 k/l	R 25.89	R 26.85
Basic charge	R 25.89	R 26.85
Business, Industrial (Mining) and Organ of State	**Approved Tariffs 2025/26**	**Approved Tariffs 2026/27**
0 – 6 k/l	R 38.62	R 40.05
6– 20 k/l	R 46.63	R 48.35
> 20 k/l	R 56.28	R 58.36
Basic charge	R 141.29	R 146.52
INDIGENT RESIDENTIAL PROPERTIES		
The provision is granted when the owner is a registered indigent in terms of the Indigent support policy.The first 6Kl is free, thereafter the charge is based on step tariff and is payable by the Indigent consumer	**Approved Tariffs 2025/26**	**Approved Tariffs 2026/27**
First 6 Kiloliters of water free.	**6 KL**	**6 KL**
0 – 6 k/l		
6– 20 k/l	R 10.87	R 11.27
> 20 k/l	R 20.77	R 21.54
Basic charge	R 98.12	R 101.75
BUSINESS, FARMING & ORGAN OF STATE	**Approved Tariffs 2025/26**	**Approved Tariffs 2026/27**
0 – 6 k/l	R 21.75	R 22.55
6– 20 k/l	R 28.12	R 29.16
> 20k/l	R 38.38	R 39.80
Basic charge	R 98.12	R 101.75

1.2.4. Sanitation and Impact of Tariff Increase

A tariff increase of 3.7 percent for sanitation from 1 July 2026 is tabled by council.

Table 7 Comparison between current sanitation charges and increases

Residential	Approved Tariffs 2025/26	Approved Tariffs 2026/27
Sanitation	R 106.15	R 110.08
Business and industrial and government		
Sanitation charge	R 263.79	R 273.55

1.2.5 Refuse and Impact of Tariff Increases

A tariff increase of 3.7 percent for refuse from 1 July 2026 is approved by council

Table 8 Comparison between current refuse charges and increases

Note that refuse collection will be dependent on the number of collections done per property	Approved Tariffs 2025/26	Approved Tariffs 2026/27
Residential/Household		
Refuse removal charge (1 X per week)	R 319.43	R 331.25
Special household Tariff for schools, creches, other educational institutions, churches and welfare or life clubs, residential used for business	R 427.30	R 443.11
Business, Industrial and Organ of State	**Approved Tariffs 2025/26**	**Approved Tariffs 2026/27**
Business, Hotel, Guest Houses, Flats 1 X per week	R 382.81	R 396.97
Business, Hotel, Guest Houses, Flats 2 X per week	R 619.24	R 642.15
Business, Hotel, Guest Houses, Flats 4 X per week	R 805.01	R 834.80
Garden refuse	**Approved Tariffs 2025/26**	**Approved Tariffs 2026/27**
Garden refuse (per 3m³ load or part thereof)	R 759.14	R 787.23
Building Rubble (per 3m³ load or part thereof)	R 1 366.46	R 1 417.02
Bulk Refuge Container	R 789.51	R 818.72
Compost (bulk) per m³	R 1 138.71	R 1 180.84

1.2.6 Electricity and impact of Tariff Increases

A tariff increase of 12.74% percent for electricity from 1 July 2026 is approved by council as recommended by NERSA in MFMA Circular no: 128

Table 9 Comparison between current electricity charges and increases

DOMESTIC CUSTOMERS

DOMESTIC PREPAID	Approved Tariffs 2025/26	Approved Tariffs 2026/27
Basic charge (R/Month)	R 218.27	R 237.94
Energy charge (c/kWh)	R 379.23	R 413.40
NORMAL METERED INDUSTRIAL	**Approved Tariffs 2025/26**	**Approved Tariffs 2026/27**
Basic charge (R/Month)	R 297.59	R 324.40
Energy charge c/kWh	R 333.12	R 363.13
COMMERCIAL LOW SINGLE PHASE	**Approved Tariffs 2025/26**	**Approved Tariffs 2026/27**
Basic charge (R/Month)	R 216.32	R 235.81
Energy charge c/kWh	R 375.86	R 409.72
COMMERCIAL LOW THREE (3) PHASE	**Approved Tariffs 2025/26**	**Approved Tariffs 2026/27**
Basic charge (R/Month)	R 204.53	R 222.96
Energy charge (c/kWh)	R 376.99	R 410.96

COMMERCIAL HIGH THREE (3) PHASE	Approved Tariffs 2025/26	Approved Tariffs 2026/27
Basic charge (R/Month)	R 297.59	R 324.40
Energy charge (c/kWh)	R 276.00	R 300.87
Demand charge (R/kVA)	R 110.00	R 119.91

The tariffs for 2026/27 MTREF are based on the following assumptions:

- That the demand for services will remain at the same levels, meaning that consumers will continue consuming at the same quantities as the previous period
- That the paying customers will continue paying for their services and those who cannot afford will register as indigents and benefit from free basic services
- That credit control policy will be applied to prevent customers in accumulating debt without paying the municipality and entering into a repayment arrangement with the municipality’s finance department
- That non-paying customers including indigents who consume more that the approved quantum will be disconnected from services in line with the credit control policy until acceptable arrangements/payments are made
- That the municipality will take a conservative approach on tariff hike taking into account affordability and inflation
- That no surcharges will be implemented in their near future for all services
- That consumers will continue to switch over from post-paid to prepaid electricity metering
- That the municipality will charge a basic charge for the first 6kl of water will be not be charged and that indigent person will be fully subsidized for the same.
- That the average tariff increases will be as affordable as possible.

1.2.7 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been kept to between 3.7 per cent and 12.74 per cent, with the increase for indigent households being to 3.7 per cent.

1.3 Operating Expenditure Framework

The Municipality's expenditure framework for the 2026/27 budget and MTREF is informed by the following:

- Budgetary constraints (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Funding compliance Budget Circular 42
- Operational gains and efficiencies will be directed to funding repairs and maintenance;
- Strict adherences to the principle of no project plan *no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2026/27 budget and MTREF (classified per main type of operating expenditure):

Table 11 Summary of operating expenditure by standard classification item

NC451 Joe Morolong - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Expenditure											
Employee related costs	2	93 921	118 782	128 894	130 925	128 029	128 029	128 029	145 786	149 051	153 651
Remuneration of councillors	2	13 636	15 934	14 973	14 010	14 222	14 222	14 222	14 709	15 194	15 680
Bulk purchases - electricity	2	10 506	14 013	16 499	16 498	16 498	16 498	16 498	20 634	21 314	21 996
Inventory consumed	2,8	16 392	31 937	31 172	25 711	25 551	25 551	25 551	26 560	27 436	28 314
Debt impairment	2,3	256 672	64 298	(88 315)	20 771	12 970	12 970	12 970	18 940	19 564	20 189
Depreciation, amortisation and impairment	2	248 181	124 152	133 101	107 961	107 961	107 961	107 961	98 414	101 658	104 909
Interest, Dividends and Rent on Land	2	757	550	603	37	81	81	81	330	341	352
Contracted services	2	41 240	48 449	57 160	41 573	44 371	44 371	44 371	57 525	57 298	59 074
Transfers and subsidies	2	25 382	9 953	9 059	600	400	400	400	600	620	640
Irrecoverable debts written off	2	-	-	78 456	17 828	17 828	17 828	17 828	18 495	19 105	19 716
Operational costs	2	48 608	36 393	63 758	41 685	49 362	49 362	49 362	49 226	50 688	52 297
Disposal of Fixed and Intangible Assets	2	-	10 019	14 249	5 724	5 724	5 724	5 724	3 051	3 152	3 253
Other Losses	2	(8)	(0)	-	(22)	(22)	(22)	(22)	24	25	25
Total Expenditure		**755 286**	**474 481**	**459 609**	**423 300**	**422 975**	**422 975**	**422 975**	**454 293**	**465 446**	**480 097**

The budgeted allocation for employee related costs for the 2026/27 financial year totals R146 million. Employee related has increased by R15 million as compare to Audited Outcome 2024/25. The SALGBC wage increase is still on negotiation stage the municipality increased employee related by inflation rate. Salary increases have been factored into this budget at a percentage increase of 4.75 per cent for the 2026/27 financial year. An annual increase of 4.75% per cent has been included in the two outer years of the MTREF.

The cost associated with the remuneration of Councillors is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality’s budget.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Inventory Consumed increase by R1 million from R26 million during the audited outcome of 2026/27 This is inclusive of Store Items from water, electricity and waste water and Fuel. Previously Fuel was not treated as Inventory Consumed, was not store at the institution.

The provision of debt impairment was determined based on an annual collection rate as per Debt Write-off Policy of the municipality.

Depreciation is at the R98 million this was informed by the updated Fixed assets register and municipality is intending of dispose assets that are obsolete and redundant.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges which are R330 thousand for 2026/27 and increases to R341 thousands by 2027/28. Audit outcome was inclusive of interest on overdue accounts.

Transfer and subsides will utilized to fund the upcoming Small Medium and Micro Enterprise(SMME's) within the jurisdiction of Joe Morolong Local Municipality.

Other expenditure comprises of various line items relating to the daily operations of the municipality including repairs and maintenance. This group of expenditure has also been investigated as a possible avenue where savings and efficiencies can be achieved but the cost under these items are relatively fixed due to the fact that we were already very conservative when compiling the budget, growth has been limited to average increase of 12.74 per cent for 2026/27 unless there was a specific reason for such line item to be more than inflation.

1.3.1 Repairs and Maintenance

Table 12 Repairs and Maintenance per asset class

NC451 Joe Morolong - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		10 659	11 463	7 747	10 000	8 000	8 000	18 740	19 358	19 978
Roads Infrastructure		–	–	–	–	–	–	1 500	1 550	1 599
Roads		–	–	–	–	–	–	1 500	1 550	1 599
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	10	10	11
Drainage Collection		–	–	–	–	–	–	10	10	11
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	1 100	1 136	1 173
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	1 100	1 136	1 173
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		10 659	11 463	7 747	10 000	8 000	8 000	15 500	16 012	16 524
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		10 659	11 463	7 747	10 000	8 000	8 000	10 500	10 847	11 194
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	5 000	5 165	5 330
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	600	620	640
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–	–	600	620	640
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	30	31	32
Landfill Sites		–	–	–	–	–	–	30	31	32
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–

Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Community Facilities		–	–	–	–	–	–	–	–	–
Halls		–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Operational Buildings		–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–

Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		2 259	1 934	2 757	3 400	5 400	5 400	3 000	3 099	3 198
Transport Assets		2 259	1 934	2 757	3 400	5 400	5 400	3 000	3 099	3 198
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	**12 918**	**13 397**	**10 504**	**13 400**	**13 400**	**13 400**	**21 740**	**22 457**	**23 176**
R&M as a % of PPE & Investment Property		*1.5%*	*1.5%*	*1.2%*	*2.4%*	*1.7%*	*1.7%*	*2.2%*	*2.4%*	*2.4%*
R&M as % Operating Expenditure		*1.7%*	*2.8%*	*2.3%*	*3.2%*	*3.2%*	*3.2%*	*5.1%*	*4.9%*	*5.0%*

For the 2026/27 financial year, R27 million of total repairs and maintenance will be spent on infrastructure assets. Water infrastructure has received a significant proportion of this allocation totalling up to R15 million, followed by Transport assets has been allocated R3 million of total repairs and maintenance.

1.4 Capital expenditure

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

Table 13 2026/27 Medium-term capital budget per vote

NC451 Joe Morolong - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref 1	2026/27 Medium Term Revenue & Expenditure Framework Budget Year 2026/27		Budget Year +1 2027/28		Budget Year +2 2028/29	
Capital Expenditure - Functional							
Governance and administration		**8 300**		**8 574**		**8 848**	
Executive and council		1 700	1.7%	1 756	1.9%	1 812	1.9%
Finance and administration		6 600	6.8%	6 818	7.4%	7 036	7.4%
Community and public safety		**500**		**–**		**–**	
Public safety		500		–	0.0%	–	0.0%
Housing		–	–	–	0.0%	–	0.0%
Health		–		–	0.0%	–	0.0%
Economic and environmental services		**24 702**		**27 395**		**30 026**	
Planning and development		500	0.5%	517	0.6%	533	0.6%
Road transport		24 002	24.7%	26 671	29.1%	29 280	30.9%
Environmental protection		200	0.2%	207	0.2%	213	0.2%
Trading services		**63 712**		**55 799**		**55 799**	
Water management		51 011	52.5%	43 098	47.0%	43 098	45.5%
Waste water management		12 700	13.1%	12 700	13.8%	12 700	13.4%
Total Capital Expenditure - Functional	3	**97 214**	**–**	**91 767**	**–**	**94 673**	**–**

For 2026/27 an amount of R 97 million has been budgeted for the capital expenses and increases to R 92 million in 2027/28. For 2026/27 financial year water receives the highest allocation of R 51 million, which represent 53 per cent followed by roads at R24 million at 24 per cent and then waste management at R13 million at 13 per cent.

The Capital Budget for the 2026/27 financial year amounts to R97 million, allocated as follows:

- Provision of Water – R51 million
- Roads – R24 million
- Sanitation – R13 million
- Computers, Office Equipment and Other – R5.3 million
- Municipal Vehicles – R3.7 million

Capital projects are funded through:

- National Government Grants – R87 million
- Own Funding – R9.8 million

1.5 Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2026/27 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page

Table 14 – Table A1 Budget Summary

Explanatory notes: Table A1 Budget Summary

- Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
- The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
- Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard: a. The operating surplus/deficit (after Total Expenditure) is positive over the next three years (MTREF)
- Capital expenditure is balanced by capital funding sources, of which
    i. Transfers recognized is reflected on the Financial Performance Budget;
    ii. Internally generated funds are financed from a combination of the current operating surplus.

Table 15 – Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

NC451 Joe Morolong - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional										
Governance and administration		**188 244**	**297 204**	**482 189**	**276 811**	**262 658**	**262 658**	**242 550**	**250 478**	**258 420**
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		188 244	297 204	482 189	276 811	262 658	262 658	242 550	250 478	258 420
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**3 017**	**3 508**	**16 545**	**3 184**	**7 343**	**7 343**	**2 409**	**2 384**	**2 411**
Community and social services		3 017	3 508	2 643	2 994	2 994	2 994	1 499	1 452	1 455
Sport and recreation		–	–	13 457	–	4 159	4 159	–	–	–
Public safety		–	–	445	190	190	190	910	932	955
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**85 027**	**59 431**	**3 589**	**15 984**	**15 958**	**15 958**	**33 330**	**29 596**	**30 475**
Planning and development		3 492	2 990	3 589	3 667	3 641	3 641	3 606	3 610	3 613
Road transport		81 534	56 441	–	12 316	12 316	12 316	28 277	25 985	26 861
Environmental protection		0	0	0	1	1	1	1 447	1	1
Trading services		**98 114**	**113 276**	**151 823**	**170 014**	**165 172**	**165 172**	**146 237**	**191 529**	**198 510**
Energy sources		8 694	13 401	12 502	13 722	19 252	19 252	12 136	12 537	12 938
Water management		83 600	93 078	132 497	121 777	118 644	118 644	107 041	148 835	154 150
Waste water management		1 592	3 155	2 888	27 587	24 333	24 333	19 672	22 525	23 546
Waste management		4 228	3 642	3 936	6 928	2 943	2 943	7 388	7 632	7 876
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	**374 402**	**473 420**	**654 145**	**465 993**	**451 131**	**451 131**	**424 526**	**473 987**	**489 816**
Expenditure - Functional										
Governance and administration		**140 253**	**231 370**	**245 757**	**202 908**	**208 780**	**208 780**	**215 439**	**222 467**	**229 507**
Executive and council		28 640	31 162	36 362	31 629	32 732	32 732	32 848	33 932	35 017
Finance and administration		109 588	198 141	207 394	168 819	174 163	174 163	179 987	185 845	191 713
Internal audit		2 025	2 066	2 001	2 461	1 884	1 884	2 604	2 690	2 777
Community and public safety		**137 102**	**65 882**	**(29 293)**	**16 429**	**14 141**	**14 141**	**19 806**	**20 362**	**20 970**
Community and social services		15 713	10 207	7 447	9 654	8 636	8 636	8 789	8 983	9 228
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		1 259	2 071	3 293	4 786	4 040	4 040	9 482	9 794	10 106
Housing		120 130	53 605	(40 033)	1 989	1 465	1 465	1 535	1 585	1 636
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**220 175**	**128 470**	**133 999**	**38 971**	**67 182**	**67 182**	**48 916**	**46 881**	**48 269**
Planning and development		35 939	22 718	27 688	16 420	15 079	15 079	20 326	20 882	21 438
Road transport		179 993	102 188	103 928	19 584	49 479	49 479	23 518	22 228	22 940
Environmental protection		4 243	3 565	2 383	2 966	2 623	2 623	5 071	3 771	3 892
Trading services		**257 908**	**49 045**	**109 665**	**164 992**	**132 873**	**132 873**	**170 132**	**175 736**	**181 352**
Energy sources		31 446	3 660	22 525	51 362	29 559	29 559	56 074	57 925	59 778
Water management		211 687	90 333	85 637	101 883	91 594	91 594	100 815	104 132	107 456
Waste water management		13 110	(45 406)	(174)	6 653	6 433	6 433	6 924	7 152	7 381
Waste management		1 665	459	1 678	5 094	5 287	5 287	6 319	6 527	6 736
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	**755 438**	**474 768**	**460 129**	**423 300**	**422 975**	**422 975**	**454 293**	**465 446**	**480 097**
Surplus/(Deficit) for the year		**(381 036)**	**(1 348)**	**194 016**	**42 693**	**28 155**	**28 155**	**(29 767)**	**8 541**	**9 718**

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms if each of these functional areas which enables the National Treasury to compile ‘whole of government’ reports.

Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

Note that as a general principle the revenues for the Trading Services should exceed their expenditures.

Table 16 – Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

NC451 Joe Morolong - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue by Vote	1									
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–
Vote 2 - Office Of The Municipal Manager		–	–	–	–	–	–	–	–	–
Vote 3 - LED / Development and Town Planning		68	170	136	97	177	177	106	110	113
Vote 4 - Corporate Services		1 088	28 883	4 840	762	35	35	259	268	276
Vote 5 - Technical Services		183 073	172 537	155 276	179 009	178 045	178 045	170 626	213 382	220 994
Vote 6 - Financial Services		187 156	268 321	477 349	276 013	262 587	262 587	242 291	250 211	258 144
Vote 7 - Community Services		3 017	3 509	16 545	10 113	10 287	10 287	11 244	10 017	10 288
Total Revenue by Vote	2	**374 402**	**473 420**	**654 145**	**465 993**	**451 131**	**451 131**	**424 526**	**473 987**	**489 816**
Expenditure by Vote ***to be appropriated***	1									
Vote 1 - Executive and Council		21 512	25 137	25 868	24 138	23 086	23 086	24 899	25 720	26 543
Vote 2 - Office Of The Municipal Manager		10 148	9 406	13 959	11 568	13 107	13 107	12 242	12 646	13 050
Vote 3 - LED / Development and Town Planning		32 253	17 522	17 759	11 980	10 574	10 574	13 119	13 552	13 985
Vote 4 - Corporate Services		48 373	57 613	80 806	53 691	57 973	57 973	62 331	64 388	66 448
Vote 5 - Technical Services		442 209	156 333	223 594	183 922	181 571	181 571	194 539	198 767	205 008
Vote 6 - Financial Services		59 598	139 310	83 353	113 511	114 613	114 613	115 968	119 713	123 465
Vote 7 - Community Services		141 345	69 447	14 791	24 490	22 051	22 051	29 571	28 982	29 866
Total Expenditure by Vote	2	**755 438**	**474 768**	**460 129**	**423 300**	**422 975**	**422 975**	**452 668**	**463 768**	**478 365**
Surplus/(Deficit) for the year	2	**(381 036)**	**(1 348)**	**194 016**	**42 693**	**28 155**	**28 155**	**(28 142)**	**10 219**	**11 450**

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the total budgeted operating and capital expenditure performance in relation to the organisational structure of the municipality. This table also presents the overall surplus of the municipality for each budget year. The operating expenditure is separately presented on table A4 and the capital expenditure presented on table A5

Table 17 – Table A4 Budgeted Financial Performance (revenue and expenditure)

N451 Joe Morolong - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	6 999	6 679	10 605	12 549	17 353	17 353	17 353	11 627	12 010	12 395
Service charges - Water	2	37 575	9 178	12 268	22 026	21 840	21 840	21 840	47 024	48 576	50 131
Service charges - Waste Water Management	2	1 340	1 472	1 450	3 518	1 369	1 369	1 369	4 671	4 826	4 980
Service charges - Waste Management	2	3 170	2 248	2 266	5 688	1 703	1 703	1 703	6 933	7 162	7 391
Sale of Goods and Rendering of Services	2	180	279	252	176	256	256	256	193	199	206
Agency services	2	-	-	-	30	30	30	30	33	34	35
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	8 254	22 281	17 378	19 796	19 796	19 796	19 796	1 037	1 071	1 106
Interest earned from Current and Non Current Assets	2	6 234	7 842	9 511	8 176	8 176	8 176	8 176	11 128	11 495	11 863
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	78	97	105	162	162	162	162	178	184	190
Licence and permits	2	-	-	445	151	151	151	151	165	171	176
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	147	1 017	362	293	293	293	293	322	333	343
Non-Exchange Revenue											
Property rates	2	-	46 859	48 659	51 118	33 692	33 692	33 692	26 716	27 598	28 481
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	-	-	-	10	10	10	10	720	736	753
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	182 005	210 260	392 071	206 022	209 916	209 916	209 916	204 613	209 561	216 015
Interest	2	6 794	28 939	33 716	14 477	14 477	14 477	14 477	1 403	1 450	1 496
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Fixed and Intangible Assets	2	-	-	-	3 307	3 307	3 307	3 307	6 872	7 122	7 373
Other Gains	2	-	8 298	3 712	(22)	(22)	(22)	(22)	363	375	387
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		**252 776**	**345 451**	**532 801**	**347 475**	**332 507**	**332 507**	**332 507**	**324 000**	**332 903**	**343 321**
Expenditure											
Employee related costs	2	93 921	118 782	128 894	130 925	128 029	128 029	128 029	145 786	149 051	153 651
Remuneration of councillors	2	13 636	15 934	14 973	14 010	14 222	14 222	14 222	14 709	15 194	15 680
Bulk purchases - electricity	2	10 506	14 013	16 499	16 498	16 498	16 498	16 498	20 634	21 314	21 996
Inventory consumed	2,8	16 392	31 937	31 172	25 711	25 551	25 551	25 551	26 560	27 436	28 314
Debt impairment	2,3	256 672	64 298	(88 315)	20 771	12 970	12 970	12 970	18 940	19 564	20 189
Depreciation, amortisation and impairment	2	248 181	124 152	133 101	107 961	107 961	107 961	107 961	98 414	101 658	104 909
Interest, Dividends and Rent on Land	2	757	550	603	37	81	81	81	330	341	352
Contracted services	2	41 240	48 449	57 160	41 573	44 371	44 371	44 371	57 525	57 298	59 074
Transfers and subsidies	2	25 382	9 953	9 059	600	400	400	400	600	620	640
Irrecoverable debts written off	2	-	-	78 456	17 828	17 828	17 828	17 828	18 495	19 105	19 716
Operational costs	2	48 608	36 393	63 758	41 685	49 362	49 362	49 362	49 226	50 688	52 297
Disposal of Fixed and Intangible Assets	2	-	10 019	14 249	5 724	5 724	5 724	5 724	3 051	3 152	3 253
Other Losses	2	(8)	(0)	-	(22)	(22)	(22)	(22)	24	25	25
Total Expenditure		**755 286**	**474 481**	**459 609**	**423 300**	**422 975**	**422 975**	**422 975**	**454 293**	**465 446**	**480 097**
Surplus/(Deficit)		**(502 510)**	**(129 030)**	**73 192**	**(75 824)**	**(90 469)**	**(90 469)**	**(90 469)**	**(130 293)**	**(132 543)**	**(136 777)**
Transfers and subsidies - capital (monetary allocations)	6	121 534	127 888	121 344	118 518	118 624	118 624	118 624	100 526	141 084	146 495
Transfers and subsidies - capital (in-kind)	6	92	82	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		**(380 884)**	**(1 061)**	**194 536**	**42 693**	**28 155**	**28 155**	**28 155**	**(29 767)**	**8 541**	**9 718**
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		**(380 884)**	**(1 061)**	**194 536**	**42 693**	**28 155**	**28 155**	**28 155**	**(29 767)**	**8 541**	**9 718**
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		**(380 884)**	**(1 061)**	**194 536**	**42 693**	**28 155**	**28 155**	**28 155**	**(29 767)**	**8 541**	**9 718**
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	**(380 884)**	**(1 061)**	**194 536**	**42 693**	**28 155**	**28 155**	**28 155**	**(29 767)**	**8 541**	**9 718**

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

Total operating revenue is R 324 Million for 2026/27 and increase to R333 million and then increases to R 334 Million by 2027/28 and 2028/29 respectively.

Revenue to be generated from property rates will be R 26 Million in the 2026/27 and increase to R 28 million by 2027/28 financial year.

Services charges relating to electricity, water, sanitation and refuse removal constitutes R 70 million in 2026/27 and increases to R 72 million in 2027/28. This growth can mainly be attributed to the increase in the bulk prices of electricity and water.

Transfers recognised – operating income includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are increasing.

The total operational expenditure amounts to R 454 million for 2026/27 and increase to R465 million by 2027/28.

Table 18– Table A5 Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Office Of The Municipal Manager		–	163	–	600	–	–	–	1 700	1 756	1 812
Vote 3 - LED / Development and Town Planning		–	–	–	–	–	–	–	500	517	533
Vote 4 - Corporate Services		2 735	2 993	5 359	4 550	2 000	2 000	2 000	5 500	5 682	5 863
Vote 5 - Technical Services		(1 194)	40 430	62 447	110 951	112 951	112 951	112 951	81 570	78 828	81 437
Vote 6 - Financial Services		750	–	40	800	2 200	2 200	2 200	1 100	1 136	1 173
Vote 7 - Community Services		7 893	8 924	(693)	5 231	5 263	5 263	5 263	700	207	213
Capital multi-year expenditure sub-total	7	**10 183**	**52 509**	**67 152**	**122 132**	**122 414**	**122 414**	**122 414**	**91 070**	**88 125**	**91 031**
Single-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Office Of The Municipal Manager		–	–	–	–	–	–	–	–	–	–
Vote 3 - LED / Development and Town Planning		–	–	–	–	–	–	–	–	–	–
Vote 4 - Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote 5 - Technical Services		(22 095)	(3 427)	4 332	6 086	3 514	3 514	3 514	6 144	3 642	3 642
Vote 6 - Financial Services		–	–	–	–	–	–	–	–	–	–
Vote 7 - Community Services		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**(22 095)**	**(3 427)**	**4 332**	**6 086**	**3 514**	**3 514**	**3 514**	**6 144**	**3 642**	**3 642**
Total Capital Expenditure - Vote		**(11 912)**	**49 082**	**71 484**	**128 218**	**125 928**	**125 928**	**125 928**	**97 214**	**91 767**	**94 673**
Capital Expenditure - Functional											
Governance and administration		**3 485**	**(2 893)**	**5 399**	**5 950**	**4 200**	**4 200**	**4 200**	**8 300**	**8 574**	**8 848**
Executive and council		–	163	–	100	–	–	–	1 700	1 756	1 812
Finance and administration		3 485	(3 056)	5 399	5 350	4 200	4 200	4 200	6 600	6 818	7 036
Internal audit		–	–	–	500	–	–	–	–	–	–
Community and public safety		**7 893**	**8 924**	**(693)**	**4 931**	**4 963**	**4 963**	**4 963**	**500**	**–**	**–**
Community and social services		7 893	–	(4 175)	1 150	804	804	804	–	–	–
Sport and recreation		–	8 924	3 482	3 781	4 159	4 159	4 159	–	–	–
Public safety		–	–	–	–	–	–	–	500	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**(3 694)**	**5 241**	**31 764**	**12 402**	**14 179**	**14 179**	**14 179**	**24 702**	**27 395**	**30 026**
Planning and development		–	–	–	–	–	–	–	500	517	533
Road transport		(3 694)	5 241	31 764	12 102	13 879	13 879	13 879	24 002	26 671	29 280
Environmental protection		–	–	–	300	300	300	300	200	207	213
Trading services		**(19 596)**	**37 810**	**35 015**	**104 935**	**102 585**	**102 585**	**102 585**	**63 712**	**55 799**	**55 799**
Energy sources		–	–	–	–	–	–	–	–	–	–
Water management		(497)	37 603	35 015	83 442	82 198	82 198	82 198	51 011	43 098	43 098
Waste water management		(19 098)	208	–	21 492	20 387	20 387	20 387	12 700	12 700	12 700
Waste management		–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**(11 912)**	**49 082**	**71 484**	**128 218**	**125 928**	**125 928**	**125 928**	**97 214**	**91 767**	**94 673**
Funded by:											
National Government		(44 637)	45 927	28 283	118 518	118 624	118 624	118 624	87 414	82 470	85 078
Provincial Government		–	–	–	–	2 500	2 500	2 500	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**(44 637)**	**45 927**	**28 283**	**118 518**	**121 124**	**121 124**	**121 124**	**87 414**	**82 470**	**85 078**
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		32 726	3 156	43 201	9 700	4 804	4 804	4 804	9 800	9 297	9 595
Total Capital Funding	7	**(11 912)**	**49 082**	**71 484**	**128 218**	**125 928**	**125 928**	**125 928**	**97 214**	**91 767**	**94 673**

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.

Capital expenditure has been appropriated at R 97 million for the 2026/27 financial year and increases over the MTREF to R 91 million and R 95 million respectively for the two outer years.

The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

The capital programme is funded from National Treasury capital transfers and internally generated funds from current year surpluses.

Table 19- Table A6 Budget Financial position

NC451 Joe Morolong - Table A6 Budgeted Financial Position

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
ASSETS											
Current assets											
Cash and cash equivalents	1	34 956	17 874	4 375	15 030	94 559	94 559	94 559	9 660	66 453	71 777
Short term Investments	2	–	–	–	–	–	–	–	–	–	–
Trade and other receivables from exchange transactions	3	21 983	30 560	62 372	43 803	89 958	89 958	89 958	56 065	57 116	58 805
Receivables from non-exchange transactions	3	–	128 412	172 319	123 382	222 467	222 467	222 467	159 892	163 282	166 913
Current portion of non-current receivables	4	–	–	–	–	–	–	–	–	–	–
Inventory	5	3 157	4 253	6 449	17 706	6 507	6 507	6 507	3 284	3 357	3 435
VAT Receivable	6	47 109	49 032	123 103	52 662	79 236	79 236	79 236	42 724	43 664	44 668
Other current assets	7	2 622	1 262	617	1 383	1 111	1 111	1 111	617	631	645
Total current assets		**109 827**	**231 393**	**369 234**	**253 965**	**493 838**	**493 838**	**493 838**	**272 243**	**334 502**	**346 242**
Non current assets											
Investments	8	–	–	–	–	–	–	–	–	–	–
Investment property	9	5 166	13 464	17 176	12 359	16 071	16 071	16 071	16 963	17 334	17 731
Property, plant and equipment	10	883 265	959 039	884 213	837 182	1 075 356	1 075 356	1 075 356	1 026 667	1 040 549	1 064 330
Biological assets	11	–	–	–	–	–	–	–	–	–	–
Living resources	12	–	–	–	–	–	–	–	–	–	–
Heritage assets	13	–	–	–	–	–	–	–	–	–	–
Intangible assets	14	1 482	1 269	893	4 773	1 206	1 206	1 206	1 606	1 609	1 614
Trade and other receivables from exchange transactions	15	–	–	–	–	–	–	–	–	–	–
Non-current receivables from non-exchange transactions	15	–	–	–	–	–	–	–	–	–	–
Other non-current assets	16	–	–	–	–	–	–	–	–	–	–
Total non current assets		**889 913**	**973 771**	**902 282**	**854 313**	**1 092 634**	**1 092 634**	**1 092 634**	**1 045 235**	**1 059 492**	**1 083 675**
TOTAL ASSETS		**999 740**	**1 205 164**	**1 271 516**	**1 108 278**	**1 586 472**	**1 586 472**	**1 586 472**	**1 317 478**	**1 393 994**	**1 429 918**
LIABILITIES											
Current liabilities											
Bank overdraft	17	–	–	–	–	–	–	–	–	–	–
Financial liabilities	18	141	226	168	528	470	470	470	–	–	–
Consumer deposits	19	36	39	92	93	90	90	90	92	94	96
Trade and other payables from exchange transactions	20	72 036	63 358	241 102	46 224	452 698	452 698	452 698	84 375	94 624	99 686
Trade and other payables from non-exchange transactions	21	(1 008)	–	11	629	3 024	3 024	3 024	–	–	–
Provision	22	692	1 112	6 657	1 105	3 492	3 492	3 492	3 158	3 228	3 302
VAT Payable	23	10 163	7 311	9 241	20 030	24 428	24 428	24 428	12 828	13 110	13 411
Other current liabilities	24	–	–	–	–	–	–	–	886	911	937
Total current liabilities		**82 060**	**72 046**	**257 270**	**68 609**	**484 201**	**484 201**	**484 201**	**101 339**	**111 967**	**117 432**
Non current liabilities											
Financial liabilities	25	504	376	183	127	127	127	127	–	–	–
Provision	26	8 213	9 725	11 455	9 725	11 455	11 455	11 455	11 455	11 707	11 976
Long term portion of trade payables	27	–	–	–	–	–	–	–	–	–	–
Other non-current liabilities	28	–	–	–	–	–	–	–	4 453	4 551	4 656
Total non current liabilities		**8 717**	**10 101**	**11 637**	**9 852**	**11 582**	**11 582**	**11 582**	**15 908**	**16 258**	**16 632**
TOTAL LIABILITIES		**90 777**	**82 147**	**268 908**	**78 461**	**495 783**	**495 783**	**495 783**	**117 247**	**128 225**	**134 064**
NET ASSETS		**908 962**	**1 123 017**	**1 002 608**	**1 029 817**	**1 090 689**	**1 090 689**	**1 090 689**	**1 200 231**	**1 265 769**	**1 295 854**
COMMUNITY WEALTH/EQUITY											
Accumulated surplus/(deficit)	29	1 378 083	1 129 202	1 128 755	983 518	1 058 081	1 058 081	1 058 081	1 200 231	1 265 769	1 295 854
Reserves and funds	30	–	–	–	–	–	–	–	–	–	–
Other	31	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	32	**1 378 083**	**1 129 202**	**1 128 755**	**983 518**	**1 058 081**	**1 058 081**	**1 058 081**	**1 200 231**	**1 265 769**	**1 295 854**

Explanatory notes to Table A6 - Budgeted Financial Position

- Table A6 is consistent with international standards of good financial management practice, and improves understand-ability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
- This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
- The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
- Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. 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 informed directly by forecasting the statement of financial position.

Table 20- Table A7 Budgeted Cash Flow

NC451 Joe Morolong - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	41 305	33 692	33 692	33 692	16 633	17 173	17 732
Service charges		–	–	–	43 613	42 265	42 265	42 265	72 338	74 725	76 587
Other revenue		–	–	–	13 888	18 802	18 802	18 802	37 506	36 380	37 524
Transfers and Subsidies - Operational	1	143	251 661	420 718	206 022	209 916	209 916	209 916	204 613	209 561	216 015
Transfers and Subsidies - Capital	1	–	–	121 347	118 518	118 624	118 624	118 624	100 526	141 084	146 495
Interest		–	–	–	42 449	44 643	44 643	44 643	13 568	14 016	14 464
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		43 365	14 635	(373 182)	(281 960)	(287 596)	(287 596)	(287 596)	(349 227)	(356 549)	(367 706)
Finance charges		–	–	–	(37)	(81)	(81)	(81)	(330)	(341)	(352)
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**43 508**	**266 295**	**168 884**	**183 798**	**180 264**	**180 264**	**180 264**	**95 627**	**136 049**	**140 759**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	4 100	4 271	4 443
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Insurance Refund - Capital		–	–	–	–	–	–	–	–	–	–
Interest on Short Term Investment (Greater then 90 days) and Long Term Investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	–	–	(146 145)	(130 516)	(130 516)	(130 516)	(114 074)	(98 704)	(98 916)
Retention (Capital)		–	–	–	(12 152)	(12 152)	(12 152)	(12 152)	(8 986)	(4 124)	(4 254)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**–**	**–**	**(158 297)**	**(142 668)**	**(142 668)**	**(142 668)**	**(118 960)**	**(98 557)**	**(98 727)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**43 508**	**266 295**	**168 884**	**25 501**	**37 596**	**37 596**	**37 596**	**(23 333)**	**37 493**	**42 032**
Cash/cash equivalents at the year begin:	2	**56 669**	**34 956**	**17 873**	**6 212**	**4 375**	**4 375**	**4 375**	**4 375**	**4 472**	**4 574**
Cash/cash equivalents at the year end:	2	**100 177**	**301 251**	**186 757**	**31 712**	**41 971**	**41 971**	**41 971**	**(18 958)**	**41 964**	**46 607**

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Table 21- Table A8 Budgeted Cash Flow Cash Backed Reserves/Accumulated Surplus Reconciliation

NC451 Joe Morolong- Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Cash and investments available											
Cash/cash equivalents at the year end	1	100 177	301 251	186 757	31 712	41 971	41 971	41 971	(18 958)	41 964	46 607
Other current investments > 90 days		(65 221)	(283 378)	(182 382)	(16 683)	52 587	52 587	52 587	28 618	24 488	25 170
Non current Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**34 956**	**17 874**	**4 375**	**15 030**	**94 559**	**94 559**	**94 559**	**9 660**	**66 453**	**71 777**
Application of cash and investments											
Unspent conditional transfers		(1 008)	–	11	629	3 024	3 024	3 024	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	11 658	11 658	11 658	(43 772)	(44 735)	(45 764)
Other working capital requirements	3	72 036	63 358	241 102	(126 644)	66 691	66 691	66 691	(193 186)	(183 523)	(184 029)
Other provisions		–	–	6 317	–	3 158	3 158	3 158	3 158	3 228	3 302
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		**71 028**	**63 358**	**247 430**	**(126 015)**	**84 531**	**84 531**	**84 531**	**(233 800)**	**(225 030)**	**(226 492)**
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		**(36 072)**	**(45 484)**	**(243 054)**	**141 044**	**10 027**	**10 027**	**10 027**	**243 460**	**291 483**	**298 268**
Creditors transferred to Debt Relief - Non-Current portion		–	–	–	–	–	–	–	–	–	–
Surplus(shortfall) - Including Non-Current Creditors Trf to Debt Relief Benefits		**(36 072)**	**(45 484)**	**(243 054)**	**141 044**	**10 027**	**10 027**	**10 027**	**243 460**	**291 483**	**298 268**

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.

Table 22- Table A9 Asset Management

NC451 Joe Morolong- Table A9 Asset Management

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CAPITAL EXPENDITURE										
Total New Assets	1	**(3 833)**	**46 453**	**71 157**	**120 132**	**120 414**	**120 414**	**91 070**	**88 125**	**91 031**
Roads Infrastructure		(3 694)	5 241	30 202	12 102	13 879	13 879	24 002	26 671	29 280
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		(13 766)	28 925	(5 727)	75 356	76 684	76 684	44 867	39 457	39 457
Sanitation Infrastructure		(19 098)	208	–	21 492	20 387	20 387	12 700	12 700	12 700
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***(36 558)***	***34 374***	***24 474***	***108 951***	***110 951***	***110 951***	***81 570***	***78 828***	***81 437***
Community Facilities		7 893	–	(4 175)	1 000	654	654	–	–	–
Sport and Recreation Facilities		–	8 924	3 482	3 781	4 159	4 159	–	–	–
Community Assets		***7 893***	***8 924***	***(693)***	***4 781***	***4 813***	***4 813***	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	(0)	350	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	***(0)***	***350***	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	186	–	1 000	1 900	1 900	30	31	32
Intangible Assets		–	***186***	–	***1 000***	***1 900***	***1 900***	***30***	***31***	***32***
Computer Equipment		**141**	**323**	**192**	**1 100**	**2 000**	**2 000**	**2 520**	**2 603**	**2 686**
Furniture and Office Equipment		–	**795**	**1 417**	**300**	**300**	**300**	**2 750**	**2 841**	**2 932**
Machinery and Equipment		**22 098**	**265**	**42 017**	**350**	**150**	**150**	**500**	–	–
Transport Assets		**2 594**	**1 587**	**3 749**	**3 300**	**300**	**300**	**3 700**	**3 822**	**3 944**
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	**(8 079)**	**2 629**	**327**	**8 086**	**5 514**	**5 514**	**6 144**	**3 642**	**3 642**
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		(8 079)	2 629	327	8 086	5 514	5 514	6 144	3 642	3 642
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***(8 079)***	***2 629***	***327***	***8 086***	***5 514***	***5 514***	***6 144***	***3 642***	***3 642***
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–

Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Upgrading of Existing Assets	6	–	–	–	–	–	–	–	–	–
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	–	–	–	–	–	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	**(11 912)**	**49 082**	**71 484**	**128 218**	**125 928**	**125 928**	**97 214**	**91 767**	**94 673**
Roads Infrastructure		(3 694)	5 241	30 202	12 102	13 879	13 879	24 002	26 671	29 280
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		(21 846)	31 554	(5 400)	83 442	82 198	82 198	51 011	43 098	43 098
Sanitation Infrastructure		(19 098)	208	–	21 492	20 387	20 387	12 700	12 700	12 700
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***(44 637)***	***37 003***	***24 802***	***117 037***	***116 465***	***116 465***	***87 714***	***82 470***	***85 078***
Community Facilities		7 893	–	(4 175)	1 000	654	654	–	–	–
Sport and Recreation Facilities		–	8 924	3 482	3 781	4 159	4 159	–	–	–
Community Assets		***7 893***	***8 924***	***(693)***	***4 781***	***4 813***	***4 813***	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	(0)	350	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	***(0)***	***350***	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	186	–	1 000	1 900	1 900	30	31	32
Intangible Assets		–	***186***	–	***1 000***	***1 900***	***1 900***	***30***	***31***	***32***
Computer Equipment		**141**	**323**	**192**	**1 100**	**2 000**	**2 000**	**2 520**	**2 603**	**2 686**
Furniture and Office Equipment		–	**795**	**1 417**	**300**	**300**	**300**	**2 750**	**2 841**	**2 932**
Machinery and Equipment		**22 098**	**265**	**42 017**	**350**	**150**	**150**	**500**	–	–
Transport Assets		**2 594**	**1 587**	**3 749**	**3 300**	**300**	**300**	**3 700**	**3 822**	**3 944**
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		**(11 912)**	**49 082**	**71 484**	**128 218**	**125 928**	**125 928**	**97 214**	**91 767**	**94 673**

ASSET REGISTER SUMMARY - PPE (WDV)	5	841 004	886 673	858 691	562 210	801 121	801 121	1 011 283	937 006	957 496
Roads Infrastructure		350 487	324 335	262 019	100 656	112 094	112 094	252 402	250 743	256 357
Storm water Infrastructure		20 283	14 130	13 436	16 159	15 349	15 349	17 203	17 574	17 973
Electrical Infrastructure		2 884	2 589	2 309	(19 833)	(19 736)	(19 736)	(23 165)	(23 955)	(24 743)
Water Supply Infrastructure		428 173	474 274	507 345	365 563	584 589	584 589	670 116	624 458	638 413
Sanitation Infrastructure		975	1 178	1 058	33 461	33 361	33 361	20 784	398	401
Solid Waste Infrastructure		1 184	8 242	7 421	56	6 858	6 858	7 417	7 573	7 740
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***803 986***	***824 747***	***793 587***	***496 061***	***732 516***	***732 516***	***944 757***	***876 790***	***896 141***
Community Assets		17 838	32 134	29 599	28 381	32 006	32 006	38 600	32 424	33 130
Heritage Assets		–	–	–	–	–	–	–	–	–
Investment properties		**5 166**	**13 464**	**17 176**	**12 359**	**16 071**	**16 071**	**16 963**	**17 334**	**17 731**
Other Assets		–	–	–	4 226	8 831	8 831	6 561	6 669	6 791
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		1 482	1 269	893	4 773	1 206	1 206	1 606	1 609	1 614
Computer Equipment		**2 519**	**2 157**	**1 696**	**(1 193)**	**401**	**401**	**1 247**	**1 270**	**1 295**
Furniture and Office Equipment		**1 990**	**2 081**	**2 925**	**(1 371)**	**528**	**528**	**2 849**	**2 910**	**2 977**
Machinery and Equipment		**1 505**	**2 271**	**3 288**	**(14 410)**	**(11 302)**	**(11 302)**	**(12 413)**	**(13 375)**	**(13 833)**
Transport Assets		**6 518**	**8 543**	**9 518**	**22 096**	**20 856**	**20 856**	**11 106**	**11 368**	**11 644**
Land		–	**8**	**8**	**11 288**	**8**	**8**	**8**	**8**	**8**
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living Resources		–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	**841 004**	**886 673**	**858 691**	**562 210**	**801 121**	**801 121**	**1 011 283**	**937 006**	**957 496**
EXPENDITURE OTHER ITEMS		**261 099**	**137 403**	**135 355**	**115 825**	**115 825**	**115 825**	**116 053**	**119 880**	**123 714**
Depreciation	7	248 181	124 006	124 851	102 425	102 425	102 425	94 313	97 422	100 538
Repairs and Maintenance by Asset Class	3	**12 918**	**13 397**	**10 504**	**13 400**	**13 400**	**13 400**	**21 740**	**22 457**	**23 176**
Roads Infrastructure		–	–	–	–	–	–	1 500	1 550	1 599
Storm water Infrastructure		–	–	–	–	–	–	10	10	11
Electrical Infrastructure		–	–	–	–	–	–	1 100	1 136	1 173
Water Supply Infrastructure		10 659	11 463	7 747	10 000	8 000	8 000	15 500	16 012	16 524
Sanitation Infrastructure		–	–	–	–	–	–	600	620	640
Solid Waste Infrastructure		–	–	–	–	–	–	30	31	32
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		***10 659***	***11 463***	***7 747***	***10 000***	***8 000***	***8 000***	***18 740***	***19 358***	***19 978***
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		**2 259**	**1 934**	**2 757**	**3 400**	**5 400**	**5 400**	**3 000**	**3 099**	**3 198**
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Mature		–	-	-	-	-	-	-	-	-
Immature		–	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		**261 099**	**137 403**	**135 355**	**115 825**	**115 825**	**115 825**	**116 053**	**119 880**	**123 714**
Renewal and upgrading of Existing Assets as % of total capex		*67.8%*	*5.4%*	*0.5%*	*6.3%*	*4.4%*	*4.4%*	*6.3%*	*4.0%*	*3.8%*
Renewal and upgrading of Existing Assets as % of deprecn		*-3.3%*	*2.1%*	*0.3%*	*7.9%*	*5.4%*	*5.4%*	*6.5%*	*3.7%*	*3.6%*
R&M as a % of PPE & Investment Property		*1.5%*	*1.5%*	*1.2%*	*2.4%*	*1.7%*	*1.7%*	*2.2%*	*2.4%*	*2.4%*
Renewal and upgrading and R&M as a % of PPE and Investment Property		*0.6%*	*1.8%*	*1.3%*	*3.9%*	*2.4%*	*2.4%*	*2.8%*	*2.8%*	*2.8%*

Explanatory notes to Table A9 - Asset Management

Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality doesn’t meet the above recommendations.

The total repairs and maintenance amounts to 1.9 % of the total value Property, Plant and Equipment in the 2026/27 budget and remains 1.5% in the following year. We acknowledge that the municipality should provide at least 8% of the total value of assets for repair and maintenance as stated on MFMA Circular No 70.

Table 23- Table A10 Basic Service Delivery Measurement

NC451 Joe Morolong- Table A10 Basic service delivery measurement

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Household service targets	1									
Water:										
Piped water inside dwelling		–	–	–	–	–	–	–	–	–
Piped water inside yard (but not in dwelling)		–	–	–	–	–	–	–	–	–
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		–	–	–	–	–	–	–	–	–
Flush toilet (with septic tank)		–	–	–	–	–	–	–	–	–
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Energy:										
Electricity (at least min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (min.service level)		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Refuse:										
Removed at least once a week		–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–	–	–
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–	–	–
Informal Settlements		–	–	–	–	–	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)										
Water (6 kilolitres per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free sanitation service to **indigent households**)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per **indigent** household per month)		–	–	–	–	–	–	–	–	–
Refuse (removed once a week **for indigent households**)		4 200	4 385	4 582	4 999	4 999	4 999	3 681	3 847	3 943
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		1 300	1 357	1 418	1 547	1 547	1 547	–	–	–
Total cost of FBS provided	8	**5 500**	**5 742**	**6 000**	**6 546**	**6 546**	**6 546**	**3 681**	**3 847**	**3 943**
Highest level of free service provided per household										
Property rates (R value threshold)		15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (Rand per household per month)		–	–	–	–	–	–	–	–	–
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		–	–	–	–	–	–	–	–	–

Revenue cost of subsidised services provided (R'000)	9									
Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)		–	–	–	–	–	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**		–	–	–	–	–	–	–	–	–
Water **(in excess of 6 kilolitres per indigent household per month)**		–	–	–	–	–	–	–	–	–
Sanitation **(in excess of free sanitation service to indigent households)**		–	–	–	–	–	–	–	–	–
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**		–	–	–	–	–	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**		–	–	–	–	–	–	–	–	–
Municipal Housing - rental rebates		–	–	–	–	–	–	–	–	–
Housing - top structure subsidies	6	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		–	–	–	–	–	–	–	–	–

Explanatory notes to Table A10 - Basic Service Delivery Measurement

Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
The municipality continues to make good progress with the eradication of backlogs.

It is anticipated that these Free Basic Services will cost the municipality R 3.6 million in 2026/27, increasing to R3.8 million in 2027/28. This is covered by the municipality’s equitable share allocation from national government..

It is very difficult to measure correctly the revenue cost of free basic as the municipality is mostly rural and the infrastructure used for water was communal stand pipes except Van Zylsrus and Hotazel, and the municipality is busy installing the prepaid meter that assist in measuring the correct cost of revenue for free basic service, and Eskom provide the electricity in more than 99% of municipal areas.

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.
The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the executive chairpersonship of Finance, Human Resource and Administration.
The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.2 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2025) a time schedule that sets out the process to revise the IDP and prepare the budget.

There were deviations from key dates set out in the budget time schedule tabled in council but the activities were all carried out in different dates as compared to the planned dates.

2.3 Intergrated Development Plan

Integrated Development Planning is the process through which the municipality prepares a strategic developmental plan, which is the principal strategic instrument guiding all planning, management, budgeting, development and implementation decisions, taking into account inputs from all stakeholders.

For our planning and programmes to be effective all strategic planning within the municipality must take place within the framework of the IDP. Through integrated development planning different plans are integrated, coordinated and linked to the use of natural, financial, human and physical resources.

During IDP review the following are some of the issues and concerns raised as well as comments received during the consultation process:

- Several complaints were received regarding poor service delivery, especially water and the state of road infrastructure (road sign, bridges, internal, access and main roads) that it need to tarred;
- There were requests regarding the electricity for high mass lights, infill's and extensions on the areas were the have been new development.
- To increase the swiftness for construction of halls, sports fields, toilets (UDS) and fencing of cemeteries including maintenance.
- The community also requested the municipality to improve on turnaround time relating to maintenance issues relating to water infrastructure

2.4 IDP and Service Delivery and Budget Implementation Plan

Municipalities are required to develop five year Integrated Development Plans which must be reviewed annually. It is also required that such plans must find expression in the Budget. The IDP and the budget are interrelated documents. The IDP is the budget in words, just as the budget is the IDP in figures. In the past two years comprehensive efforts have been made towards ensuring that the two documents are closely link.

The municipality's IDP is a principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes

When compiling of the 2026/27 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the midyear of 2026/27 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.5 Community Consultation

The 2026/27 MTREF will be tabled before council on the 31st March 2026 together with community consultation time table. Consultation time table will be published in the municipal website and local newspaper and hard copies for Approved budget will be available in the main municipal office and satellite offices and Approved budget softcopy was loaded on the municipal website (www.joemorolong.gov.za).
All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees were utilised to facilitate the community consultation process from 20 -27 May 2026. The applicable dates and venues will be published in all the local newspapers and notice board of public places. Other stakeholders involved in the consultation will include sector departments, mining houses and churches and community-based organisations. All the Community Consultation meetings were successful.

Approved IDP, Budget and Tariffs for 2026/27 FY Community Consultation Meetings

SCHEDULE OF COMMUNITY CONSULTATION MEETINGS (NEW DATES) 2026/27 DRAFT IDP, BUDGET & TARIFFS					
	DATE	WARD	PLACE	TIME	WARD COUNCILLOR
DAY 1	20-May-26	1	Heuningvlei	09h00	Cllr Pako Bareki
		3	Klein Eiffel	14h00	Cllr Gopolang Kgositau
	20-May-26	5	Mmatoro	09h00	Cllr Gomolemo Tagane
		4	Magobing	14h00	Cllr Tumelo Gaobuse
DAY 2	21-May-26	2	Gaarapoana	09h00	Cllr Kabelo Lebatlang
		8	Magobing East	14h00	Cllr Sally Manzana
	21-May-26	9	Ditshipeng	09h00	Cllr Patricia Filipo
		7	Cardington	14h00	Cllr Goitseone Kaotsane
DAY 3	26-May-26	10	Glenred	09h00	Cllr Thapelo Mosegedi
		11	Segwaneng	14h00	Cllr Butinyane Mbolekwa
	26-May-26	12	Dithakong (Majanking Section)	09h00	Cllr Lesedi Manankong
		13	Dikhing	14h00	Cllr Kealeboga Majoro
DAY 4	27-May-26	6	Ncwaneng	09h00	Cllr Lesego Machogo
	27-May-26	14	Ellendalle	09h00	Cllr Segomotsi Choche
		15	Manyeding	14h00	Cllr Obakeng Kolberg

2.6 Overview of alignment of annual budget with IDP

The IDP crosses departmental divisions by linking the physical, social, institutional and economic components of planning and development with management and development structure. It also integrates and aligns planning in different spheres of government and therefore enforcing and upholding the spirit of co-operative governance in the public sector.

For our planning and programmes to be effective all strategic planning within the municipality must take place within the framework of the IDP. Through integrated development planning different plans are integrated, coordinated and linked to the use of natural, financial, human and physical resources.

The following IDP's five strategic objectives that have directly informed the compilation of 2026/27 MTREF budget

- Provide quality basic services to community
- Good governance and community participation
- Institutional Development and Transformation
- Local Economic Development
- Municipal Financial Viability

The following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 24 – Table SA4: Reconciliation between the IDP strategic objectives and budgeted revenue

NC451 Joe Morolong - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	MTDP Service Outcome	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Increase Financial viability	01. A Capable, Ethical And Developmental State	–	–	–	3 169	2 869	2 869	–	–	–
Promote good governance	09. Responsive; accountable; effective and efficient local government	(374 402)	–	–	–	–	–	–	–	–
Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment	40. Improved service delivery in the local government sphere	–	–	–	–	–	–	(125)	(129)	(133)
Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment	42. An ethical, capable, and professional public service	–	–	–	–	–	–	11 187	11 579	11 972
Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved governance and performance of public entities	23. Increased infrastructure investment, access, and efficiency	–	–	–	–	–	–	(36)	(38)	(39)
Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved governance and performance of public entities	35. Social cohesion and nation-building	–	–	–	–	–	–	312 938	321 453	331 481
Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere	40. Improved service delivery in the local government sphere	–	–	–	–	–	–	100 522	141 080	146 491
Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Secured cyber space	42. An ethical, capable, and professional public service	–	–	–	–	–	–	40	41	43

To develop community facilities	02. Economic Transformation And Job Creation	–	(82)	(31)	1 335	1 335	1 335	–	–	–
To ensure that the municipal assets are properly safeguarded	01. A Capable, Ethical And Developmental State	–	(8 298)	–	–	–	–	–	–	–
To govern municipal affairs	06. Social Cohesion And Safe Communities	–	–	(3 712)	–	–	–	–	–	–
To promote and enhance the financial viability of the municipality	01. A Capable, Ethical And Developmental State	–	–	(682)	5 201	5 148	5 148	–	–	–
To promote oversight and public accountability	06. Social Cohesion And Safe Communities	–	(337 152)	(528 375)	338 878	324 263	324 263	–	–	–
To provide bulk water and sanitation services	05. Spatial Integration, Human Settlements And Local Government	–	–	–	117 893	117 999	117 999	–	–	–
To provide bulk water and sanitation services	05. Spatial Integration, Human Settlements And Local Government	–	(127 888)	(121 344)	–	–	–	–	–	–
To provide environmental management services	05. Spatial Integration, Human Settlements And Local Government	–	–	–	(118)	(118)	(118)	–	–	–
To provide IT service	01. A Capable, Ethical And Developmental State	–	–	–	37	37	37	–	–	–
To provide refuse removal services	05. Spatial Integration, Human Settlements And Local Government	–	–	–	(402)	(402)	(402)	–	–	–
Allocations to other priorities										
Total Revenue (excluding capital transfers and contributions)		**(374 402)**	**(473 420)**	**(654 145)**	**465 993**	**451 131**	**451 131**	**424 526**	**473 987**	**489 816**

Table 25 – Table SA5: Reconciliation between the IDP strategic objectives and budgeted operating expenditure

NC451 Joe Morolong - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	MTDP Service Outcome	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Increase Financial viability	01. A Capable, Ethical And Developmental State	–	(47 806)	–	–	–	–	–	–	–
Increase Financial viability	09. Responsive, accountable, effective and efficient local government	–	–	–	–	–	–	–	–	–
Increase Financial viability	09. Responsive; accountable; effective and efficient local government	339	–	–	–	–	–	–	–	–
Manage budget and treasury section	09. Responsive; accountable; effective and efficient local government	106 981	–	–	–	–	–	–	–	–
Promote good governance	04. Decent employment through inclusive growth	25 382	–	–	–	–	–	–	–	–
Promote good governance	09. Responsive; accountable; effective and efficient local government	366 704	–	–	–	–	–	–	–	–
Promote safe and clean environment	05. Spatial Integration, Human Settlements And Local Government	–	–	–	1	1	1	–	–	–
Promote safe and clean environment	06. An efficient, competitive and responsive economic infrastructure network	10 649	–	–	–	–	–	–	–	–
Provide Electricity	06. An efficient, competitive and responsive economic infrastructure network	13 632	–	–	–	–	–	–	–	–
Provide housing	08. Sustainable human settlements and improved quality of household life	119 468	–	–	–	–	–	–	–	–
Provide Water	06. An efficient, competitive and responsive economic infrastructure network	111 997	–	–	–	–	–	–	–	–
Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Economic transformation and equitable inclusion of women, youth, and persons with disabilities	20. Increased employment and work opportunities	–	–	–	–	–	–	1 600	1 653	1 706
Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Economic transformation and equitable inclusion of women, youth, and persons with disabilities	35. Social cohesion and nation-building	–	–	–	–	–	–	320	331	341

Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment	40. Improved service delivery in the local government sphere	–	–	–	–	–	–	403	417	430
Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment	42. An ethical, capable, and professional public service	–	–	–	–	–	–	308 709	317 346	327 327
Strategic Priority 2: Reduce Poverty and Tackle the High Cost of Living: Reduced poverty and improved livelihoods	23. Increased infrastructure investment, access, and efficiency	–	–	–	–	–	–	10 072	10 405	10 738
Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved governance and performance of public entities	35. Social cohesion and nation-building	–	–	–	–	–	–	121 998	125 803	129 760
Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere	35. Social cohesion and nation-building	–	–	–	–	–	–	1 772	1 830	1 889
Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere	40. Improved service delivery in the local government sphere	–	–	–	–	–	–	9 309	7 551	7 792
Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service Strategic Priority 2: Reduce Poverty and Tackle the High Cost of Living: Social cohesion and nation-building	40. Improved service delivery in the local government sphere	–	–	–	–	–	–	109	112	115
Sustainable basic service delivery	06. An efficient, competitive and responsive economic infrastructure network	286	–	–	–	–	–	–	–	–
To ensure that the municipal assets are	01. A Capable, Ethical And Developmental State	–	10 165	–	–	–	–	–	–	–

properly safeguarded										
To govern municipal affairs	06. Social Cohesion And Safe Communities	–	–	–	1 266	1 263	1 263	–	–	–
To govern municipal affairs	06. Social Cohesion And Safe Communities	–	1 383	23 913	–	–	–	–	–	–
To improve public participation	06. Social Cohesion And Safe Communities	–	–	–	1 786	1 758	1 758	–	–	–
To improve public participation	06. Social Cohesion And Safe Communities	–	1 817	1 784	–	–	–	–	–	–
To promote and enhance the financial viability of the municipality	01. A Capable, Ethical And Developmental State	–	127 107	137 979	277 388	283 230	283 230	–	–	–
To promote integrated human settlement planning	05. Spatial Integration, Human Settlements And Local Government	–	52 251	(55 987)	12 617	7 995	7 995	–	–	–
To promote local economic development	02. Economic Transformation And Job Creation	–	9 953	9 059	1 700	900	900	–	–	–
To promote oversight and public accountability	06. Social Cohesion And Safe Communities	–	307 098	376 011	120 768	122 957	122 957	–	–	–
To promote the interests and rights of targeted groups – women, children, youth, elderly, people living with disabilities, people living with HIV/AIDS	06. Social Cohesion And Safe Communities	–	228	62	445	220	220	–	–	–
To provide bulk water and sanitation services	05. Spatial Integration, Human Settlements And Local Government	–	–	–	6 592	4 354	4 354	–	–	–
To provide bulk water and sanitation services	05. Spatial Integration, Human Settlements And Local Government	–	13 026	(28 586)	–	–	–	–	–	–
To provide environmental management services	05. Spatial Integration, Human Settlements And Local Government	–	–	–	735	299	299	–	–	–
To provide environmental management services	05. Spatial Integration, Human Settlements And Local Government	–	(456)	(4 107)	–	–	–	–	–	–
Allocations to other priorities										
Total Expenditure		**755 438**	**474 768**	**460 129**	**423 300**	**422 975**	**422 975**	**454 293**	**465 446**	**480 097**

Table 26– Table SA6: Reconciliation between the IDP strategic objectives and budgeted capital expenditure

NC451 Joe Morolong - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective R thousand	MTDP Service Outcome	IUDF	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Promote good governance	09. Responsive; accountable; effective and efficient local government	**04. Governance**		19 902	–	–	–	–	–	–	–	–
Provide recreational facilities	05. Spatial Integration, Human Settlements And Local Government	**02. Inclusion and access**		–	–	–	1 000	654	654	–	–	–
Provide recreational facilities	05. Spatial Integration, Human Settlements And Local Government	**02. Inclusion and access**		–	–	–	–	–	–	–	–	–
Provide Roads	06. An efficient, competitive and responsive economic infrastructure network	**02. Inclusion and access**		(3 694)	–	–	–	–	–	–	–	–
Provide Sanitation	06. An efficient, competitive and responsive economic infrastructure network	**02. Inclusion and access**		(19 098)	–	–	–	–	–	–	–	–
Provide Water	06. An efficient, competitive and responsive economic infrastructure network	**02. Inclusion and access**		(47 097)	–	–	–	–	–	–	–	–
Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Increased employment and work opportunities	20. Increased employment and work opportunities	**03. Growth**		–	–	–	–	–	–	–	–	–
Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment	35. Social cohesion and nation-building	**04. Governance**		–	–	–	–	–	–	600	620	640
Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment	42. An ethical, capable, and professional public service	**04. Governance**		–	–	–	–	–	–	4 120	3 739	3 859
Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved governance and performance of public entities	35. Social cohesion and nation-building	**04. Governance**		–	–	–	–	–	–	4 780	4 938	5 096

Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere	40. Improved service delivery in the local government sphere	**02. Inclusion and access**		–	–	–	–	–	–	87 714	82 470	85 078
Sustainable road service delivery	05. Spatial Integration, Human Settlements And Local Government	**02. Inclusion and access**		–	(2 052)	–	–	–	–	–	–	–
To assist the municipality to achieve its objectives	06. Social Cohesion And Safe Communities	**04. Governance**		–	–	–	300	300	300	–	–	–
To assist the municipality to achieve its objectives	06. Social Cohesion And Safe Communities	**04. Governance**		–	795	1 417	–	–	–	–	–	–
To develop community facilities	02. Economic Transformation And Job Creation	**03. Growth**		–	8 924	3 482	3 781	4 159	4 159	–	–	–
To promote and enhance the financial viability of the municipality	01. A Capable, Ethical And Developmental State	**04. Governance**		–	–	–	2 150	2 150	2 150	–	–	–
To promote good intergovernmental-relation in the municipality	06. Social Cohesion And Safe Communities	**04. Governance**		–	–	–	100	–	–	–	–	–
To promote good intergovernmental-relation in the municipality	06. Social Cohesion And Safe Communities	**04. Governance**		–	163	–	–	–	–	–	–	–
To promote oversight and public accountability	06. Social Cohesion And Safe Communities	**04. Governance**		–	(4 310)	(194)	4 800	4 200	4 200	–	–	–
To provide bulk water and sanitation services	05. Spatial Integration, Human Settlements And Local Government	**02. Inclusion and access**		–	–	–	102 935	100 585	100 585	–	–	–
To provide bulk water and sanitation services	05. Spatial Integration, Human Settlements And Local Government	**02. Inclusion and access**		–	37 819	35 015	–	–	–	–	–	–
To provide IT service	01. A Capable, Ethical And Developmental State	**04. Governance**		–	–	–	1 050	–	–	–	–	–
To provide IT service	01. A Capable, Ethical And Developmental State	**04. Governance**		–	451	(0)	–	–	–	–	–	–
To provide roads and stormwater service	05. Spatial Integration, Human Settlements And Local Government	**02. Inclusion and access**		–	–	–	12 102	13 879	13 879	–	–	–
To provide roads and stormwater service	05. Spatial Integration, Human Settlements And Local Government	**02. Inclusion and access**		–	7 293	31 764	–	–	–	–	–	–
Water Quality Management	06. An efficient, competitive and responsive economic infrastructure network	**02. Inclusion and access**		38 076	–	–	–	–	–	–	–	–
Allocations to other priorities			3									
Total Capital Expenditure			1	**(11 912)**	**49 082**	**71 484**	**128 218**	**125 928**	**125 928**	**97 214**	**91 767**	**94 673**

2.7 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Table 27– Table SA8: Performance indicators and benchmarks.

Choose name from list - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.3%	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	1.3	3.2	1.4	3.7	1.0	1.0	1.0	2.7	3.0	2.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.3	3.2	1.4	3.7	1.0	1.0	1.0	2.7	3.0	2.9
Liquidity Ratio	Monetary Assets/Current Liabilities	0.7	0.7	0.3	0.9	0.4	0.4	0.4	0.6	1.1	1.1
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	0.0%	0.0%	0.0%	193.2%	178.6%	178.6%	178.6%	126.3%	126.3%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	193.2%	178.6%	178.6%	178.6%	126.3%	126.3%	125.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	21.9%	56.5%	59.9%	59.3%	97.5%	97.5%	97.5%	68.8%	68.4%	67.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		71.9%	21.0%	129.1%	145.8%	1078.6%	1078.6%	1078.6%	-445.1%	225.5%	213.9%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical	0	0	0	0	0	0	0	0	0	0
	Total Volume Losses (kW) non technical	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	–	–	–	–	–	–	–	–	–	–
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes :System input	Bulk Purchase	0	0	0	0	0	0	0	0	0	0
	Water treatment works	0	0	0	0	0	0	0	0	0	0
	Natural sources	0	0	0	0	0	0	0	0	0	0
Water Distribution Losses (2)	Total Volume Losses (kℓ)	–	–	–	–	–	–	–	–	–	–
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	37.2%	34.4%	24.2%	37.7%	38.5%	38.5%	38.5%	45.0%	44.8%	44.8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	42.6%	39.0%	27.0%	41.7%	42.8%	42.8%	48.3%	49.5%	49.3%	49.3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5.1%	3.9%	2.0%	3.9%	4.0%	4.0%	6.5%	6.7%	6.7%	6.8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	98.5%	36.1%	25.1%	31.1%	32.5%	32.5%	32.5%	30.5%	30.6%	30.7%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	–	–	12.6	7.7	7.4	7.4	24.3	22.6	22.5	23.2
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	102.0%	915.0%	1124.7%	440.5%	724.3%	724.3%	724.3%	292.1%	288.8%	286.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.1	7.9	4.9	0.8	1.1	1.0	1.0	(0.4)	–	–

Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, municipality borrowing strategy is primarily informed by the affordability of debt repayments. The following financial performance indicators have formed part of the compilation of the 2026/27 MTREF:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure.

- *Capital charges to own revenue* is a measure of the cost of borrowing in relation to the municipality's own revenue.

Revenue Management

As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, and credit control and debt collection.

Creditors Management

The municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure more than 95 per cent compliance rate to this legislative obligation. This has had a favourable impact on suppliers" perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.

2.8 Overview budget related policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

a) **Budget, Funding, Reserves and Virement Policy**

The policy aim to set out; the principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget, responsibilities of the mayor , the accounting officer , the chief financial officer and other senior managers in compiling the budget and to establish and maintain procedures to ensure adherence Joe Morolong Municipality's IDP review and budget processes.

b) **Banking and Investment Policy**

The policy aim to gain the optimal return on banking and investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes. The effectiveness of the policy is dependent on the accuracy of the municipality's cash management programme, which must identify the amounts surplus to the municipality's needs, as well as the time when and period for which such revenues are surplus.

c) **Credit Control and Debt Collection Policy**

The policy aim to maximize revenue by timeously collecting all moneys owed to the municipality; ensure that action are taken to recover arrear debt is warranted and fair; to enable Joe Morolong Local Municipality to develop and maintain a sustainable service delivery relationship with its customers; to deliver excellent service to the communities of Joe Morolong Local Municipality in return for payment of their rates and service accounts and encourage and inculcate the culture of payment.

d) **Tariffs Policy**

The policy aim to empower council with among other things, the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements. To determine fair, transparent and affordable charges based on its economic regions and their impact on local economic development.

e) **Fruitless and Wasteful Expenditure Policy**

The policy aim to provide for measures to identify unauthorised, irregular or fruitless and wasteful expenditure; provide for frameworks to avoid of any irregular expenditure or any fruitless and wasteful expenditure; provide for recovery of irregular expenditure or any fruitless and wasteful expenditure and to provide for reporting on any irregular expenditure or any fruitless and wasteful expenditure.

f) **Supply Chain Management Policy**

The policy aim to ensure sound, sustainable and accountable supply chain management practices within the municipality, whilst promoting black economic empowerment as a priority in terms of the goals and objectives of the municipality's preferential procurement policy.

The above policies will be available on the municipal website (www.joemorolong.gov.za) as well as the following:

- Property Rates policy
- Fixed Assets policy
- Indigent Policy
- Risk Management Policy
- Cash Shortage Policy
- Bad Debt Written Off Policy
- Asset Management Policy
- Petty Cash Policy
- Cost Containment

2.9 Overview of budget assumptions

a) Inflation

There are some factors that have been taken into consideration in the compilation of the 2026/27 budget:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on municipal residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 30 per cent of total operating expenditure in the 2026/27 MTREF.

b) Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher that CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection currently has been budgeted at 95 per cent of annual billings for rates, services, rents, and for other revenue. The performance of arrear collections have been budgeted at 95 per cent collection for 2026/27 MTREF.

c) Salary increases

The wage agreement has concluded between SALGBC and municipal workers unions .The municipality has budget salary increase of 4.75 percent and in case the agreement will be below the budgeted increase, this will be good as it will be the additional money available on improving of service delivery.

d) Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- EPWP and LED through the capital projects
- Provision of clean water
- Sanitation
- Electricity; and
- Decent housing

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

e) Ability of the municipality to spend and deliver on the programmes

It is estimated that spending rate at an average of at least 98 per cent is to be achieved on operating expenditure and average of 99 per cent on the capital programme for the 2026/27 MTREF of which performance has been factored into the cash flow budget.

2.10 Overview of budget funding

a) Operating Revenue

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

Table 29 – Breakdown of the operating revenue over medium term

NC451 Joe Morolong - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2026/27 Medium Term Revenue & Expenditure Framework						
R thousand	Budget Year 2026/27		Budget Year +1 2027/28		Budget Year +2 2028/29		
Revenue							
Exchange Revenue							
Service charges - Electricity	11 627	3.6%	12 010	3.6%	12 395	3.6%	
Service charges - Water	47 024	14.5%	48 576	14.6%	50 131	14.6%	
Service charges - Waste Water Management	4 671	1.4%	4 826	1.4%	4 980	1.5%	
Service charges - Waste Management	6 933	2.1%	7 162	2.2%	7 391	2.2%	
Sale of Goods and Rendering of Services	193	0.1%	199	0.1%	206	0.1%	
Agency services	33	0.0%	34	0.0%	35	0.0%	
Interest earned from Receivables	1 037	0.3%	1 071	0.3%	1 106	0.3%	
Interest earned from Current and Non Current Assets	11 128	3.4%	11 495	3.5%	11 863	3.5%	
Rental from Fixed Assets	178	0.1%	184	0.1%	190	0.1%	
Licence and permits	165	0.1%	171	0.1%	176	0.1%	
Operational Revenue	322	0.1%	333	0.1%	343	0.1%	
Non-Exchange Revenue		0.0%		0.0%		0.0%	
Property rates	26 716	8.2%	27 598	8.3%	28 481	8.3%	
Fines, penalties and forfeits	720	0.2%	736	0.2%	753	0.2%	
Transfer and subsidies - Operational	204 613	63.2%	209 561	62.9%	216 015	62.9%	
Interest	1 403	0.4%	1 450	0.4%	1 496	0.4%	
Gains on disposal of Fixed and Intangible Assets	6 872	2.1%	7 122	2.1%	7 373	2.1%	
Other Gains	363	0.1%	375	0.1%	387	0.1%	
Total Revenue (excluding capital transfers and contributions)	**324 000**		**332 903**		**343 321**		

Tariff setting plays a major role in ensuring the desired level of revenue, even though the municipality is still dependent on grants. Getting the tariff setting right assist in the compilation of credible and funded budget. The municipality derives its operational revenue from provision of services namely: water, electricity, sanitation and solid waste removal including property rates. The operational grants plays a major role in the municipal budget funding.

b) Capital Revenue

The following table is a breakdown of the capital revenue over medium term:

Table 30 – Breakdown of the capital funding over medium term

Vote Description R thousand	2026/27 Medium Term Revenue & Expenditure Framework Budget Year 2026/27		Budget Year +1 2027/28		Budget Year +2 2028/29	
Funded by:						
National Government	87 414	90%	82 470	90%	85 078	90%
Provincial Government	–		–		–	
District Municipality	–		–		–	
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–		–		–	
Transfers recognised - capital	**87 414**		**82 470**		**85 078**	
Borrowing	–		–		–	
Internally generated funds	9 800	10%	9 297	10%	9 595	10%
Total Capital Funding	**97 214**		**91 767**		**94 673**	

Capital grants and receipts equates to 90% of the total funding source which represents R87Million for the 2026/27 financial year and steadily decrease to R 82 million or 90% per cent by 2027/28.

Table 31 – Table SA18: Breakdown of the capital funding over medium term

NC451 Joe Morolong - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
RECEIPTS	1.2									
Operating										
National Government										
Monetary Allocations										
Equitable Share		170 404	180 561	382 178	194 285	194 285	194 285	195 164	201 604	208 056
Expanded Public Works Programme Integrated Grant		1 140	2 159	1 231	1 554	1 554	1 554	1 446	–	–
Local Government Financial Management Grant		3 100	3 100	3 000	3 000	3 000	3 000	3 000	3 000	3 000
Municipal Infrastructure Grant		3 425	2 819	3 453	3 606	3 500	3 500	3 500	3 500	3 500
Total Monetary Allocations		178 068	188 639	389 862	202 445	202 339	202 339	203 110	208 104	214 556
Total Operating/National Government		178 068	188 639	389 862	202 445	202 339	202 339	203 110	208 104	214 556
Provincial Government										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Total Operating/Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										
Monetary Allocations										
Mining Companies		1 714	20 368	903	727	727	727	103	106	110
Northern Cape Arts and Cultural Council		1 800	1 252	1 306	1 350	1 350	1 350	1 400	1 350	1 350
Total Monetary Allocations		3 514	21 620	2 210	2 077	2 077	2 077	1 502 713	1 456 154	1 459 551
Allocations In-kind										
[insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/Other Grant Providers		3 514	21 620	2 210	2 077	2 077	2 077	1 503	1 456	1 460
Total Operating	5	181 582	210 260	392 071	204 522	204 416	204 416	204 612 713	209 560 566	216 015 304
Capital										
National Government										
Monetary Allocations										
Municipal Infrastructure Grant		81 534	74 188	65 355	68 518	68 624	68 624	69 526	77 584	80 144
Water Services Infrastructure Grant		40 000	53 700	55 989	50 000	50 000	50 000	31 000	63 500	66 351
Total Monetary Allocations		121 534	127 888	121 344	118 518	118 624	118 624	100 525 999	141 084 000	146 495 000
Total Capital/National Government		121 534	127 888	121 344	118 518	118 624	118 624	100 525 999	141 084 000	146 495 000
Provincial Government										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants [insert description]										

Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										
Monetary Allocations										
[insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
[insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Other Grant Providers		-	-	-	-	-	-	-	-	-
Total Capital	5	121 534	127 888	121 344	118 518	118 624	118 624	100 526	141 084	146 495
TOTAL RECEIPTS OF TRANSFERS AND GRANTS		303 116	338 147	513 415	323 040	323 040	323 040	305 139	350 645	362 510

c) Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below provides understanding for Councillors and management. Some specific feature includes:

- Clear separation of receipts and payment by category
- Clear separation of government capital and operating receipts, which enables cash from ratepayers and other; to be provided for as cash inflow based on their actual performance and assist in determining collection rate for the municipality.
- Separation of borrowing and loan repayments.

Table 32 – Table A7: Budgeted cash flow management

NC451 Joe Morolong - Table A7 Budgeted Cash Flows

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	41 305	33 692	33 692	33 692	16 633	17 173	17 732
Service charges		–	–	–	43 613	42 265	42 265	42 265	72 338	74 725	76 587
Other revenue		–	–	–	13 888	18 802	18 802	18 802	37 506	36 380	37 524
Transfers and Subsidies - Operational	1	143	251 661	420 718	206 022	209 916	209 916	209 916	204 613	209 561	216 015
Transfers and Subsidies - Capital	1	–	–	121 347	118 518	118 624	118 624	118 624	100 526	141 084	146 495
Interest		–	–	–	42 449	44 643	44 643	44 643	13 568	14 016	14 464
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		43 365	14 635	(373 182)	(281 960)	(287 596)	(287 596)	(287 596)	(349 227)	(356 549)	(367 706)
Finance charges		–	–	–	(37)	(81)	(81)	(81)	(330)	(341)	(352)
Transfers and Subsidies	1	–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**43 508**	**266 295**	**168 884**	**183 798**	**180 264**	**180 264**	**180 264**	**95 627**	**136 049**	**140 759**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	4 100	4 271	4 443
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Insurance Refund - Capital		–	–	–	–	–	–	–	–	–	–
Interest on Short Term Investment (Greater then 90 days) and Long Term Investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	–	–	(146 145)	(130 516)	(130 516)	(130 516)	(114 074)	(98 704)	(98 916)
Retention (Capital)		–	–	–	(12 152)	(12 152)	(12 152)	(12 152)	(8 986)	(4 124)	(4 254)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**–**	**–**	**(158 297)**	**(142 668)**	**(142 668)**	**(142 668)**	**(118 960)**	**(98 557)**	**(98 727)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**43 508**	**266 295**	**168 884**	**25 501**	**37 596**	**37 596**	**37 596**	**(23 333)**	**37 493**	**42 032**
Cash/cash equivalents at the year begin:	2	**56 669**	**34 956**	**17 873**	**6 212**	**4 375**	**4 375**	**4 375**	**4 375**	**4 472**	**4 574**
Cash/cash equivalents at the year end:	2	**100 177**	**301 251**	**186 757**	**31 712**	**41 971**	**41 971**	**41 971**	**(18 958)**	**41 964**	**46 607**

The table below shows that cash and cash equivalent of the municipality. The 2026/27 MTREF show a steadily increase in cash and cash equivalent at the end of financial years.

Table 33 – Table SA10: Funding Compliance Measurement

Choose name from list Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	100 177	301 251	186 757	31 712	41 971	41 971	41 971	(18 958)	41 964	46 607
Cash + investments at the yr end less applications - R'000	18(1)b	2	(36 072)	(45 484)	(243 054)	141 044	10 027	10 027	10 027	243 460	291 483	298 268
Cash year end/monthly employee/supplier payments	18(1)b	3	2.1	7.9	4.9	0.8	1.1	1.0	1.0	(0.4)	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(380 884)	(1 061)	194 536	42 693	28 155	28 155	28 155	(29 767)	8 541	9 718
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	29.4%	7.3%	20.1%	(26.0%)	(6.0%)	(6.0%)	21.7%	(2.7%)	(2.8%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	0.0%	103.4%	123.6%	123.6%	123.6%	128.5%	126.2%	125.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	522.9%	96.8%	(117.4%)	21.9%	17.1%	17.1%	17.1%	19.5%	19.5%	19.5%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	9.5%	9.6%	9.6%	9.6%	9.2%	4.5%	4.5%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	623.2%	47.6%	(28.8%)	86.9%	0.0%	0.0%	(30.9%)	2.1%	2.4%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1.5%	1.5%	1.2%	2.4%	1.7%	1.7%	2.2%	2.4%	2.4%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	67.8%	5.4%	0.5%	6.3%	4.4%	4.4%	0.0%	6.3%	4.0%	3.8%

Cash and Cash equivalents

The municipality's cash position was discussed as part of the budgeted cash flow statement. If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year.

Cash and Investments less applications

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. A positive" cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

Cash at year end/monthly employee and supplier payments

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection. In 2026/27 adopted budget the ratio was at positive and after revised budget is -2.1% as part of the 2026/27 MTREF the municipality continues to strive in improve cash position though the ratio to move downwards to 10.2 and then continue to increase over the MTREF. As indicated above the municipality will be able to cover the municipality's employee and supplier payments.

Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

Service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in revenue, which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 3-6 per cent). The result is intended to be an approximation of the real increase in revenue. From the table above it can be seen that the percentage 5% then decreases to 0% then increase to 0 per cent for the respective two outer financial years. The increase in revenue is as results of property rate which was informed by the updated valuation roll whereby the rates revenue decreased by 30 per cent in 2026/27 financial year. Considering the lowest percentage tariff increase in relation to revenue generated from rates and services charges is 20.9 per cent. This trend will have to be carefully monitored and managed with the implementation of the budget.

Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are collected. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 95 per cent for each of the respective financial years. It must be noted that service charges, property rate and rent is calculated at the collection rate of 95 per cent.

In addition the risks associated with objections to the valuation roll need to be clarified and hence the conservative approach, also taking into consideration the cash flow challenges experienced in the current financial year. This measure and performance objective will have to be precisely managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

Debt Impairment expense as % of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision has been appropriated at 13.1, 13.1 and 13.1 per cent over the MTREF.

Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

Borrowing Receipts % of Capital Expenditure

The purpose of this measurement is to determine the proportion of a municipality's own-funded capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. The municipality will not be utilizing external borrowing for any of its capital projects and therefore the ratio is 0%.

Transfers / Grants Revenue as a % of Government Grants Available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The municipality has budgeted for all transfers.

Current Consumer Debtors % change

The purpose of these measures are to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. The municipality is currently data cleansing which will reduce the debtor's arrears. The consumer will increase by 27.9 percent for 2026/27 then 3.3 percent for the outer years.

Repairs and Maintenance expenditure levels

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected.

Asset renewal as % of capital budget

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability.

2.11 Expenditure on grants and reconciliations of unspent funds

Table 34 – Table SA19 - Expenditure on transfers and grants programmes

NC451 Joe Morolong - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
EXPENDITURE	1									
Operating										
National Government										
Monetary Allocations										
Equitable Share		297 866	185 108	210 917	174 439	174 285	174 285	194 361	200 775	207 200
Expanded Public Works Programme Integrated Grant		546	1 082	1 046	1 554	1 554	1 554	1 421	–	–
Local Government Financial Management Grant		3 038	2 935	2 797	3 005	3 000	3 000	2 676	2 676	2 676
Municipal Infrastructure Grant		2 758	4 060	7 073	3 576	3 500	3 500	3 509	3 509	3 510
Total Monetary Allocations		304 209	193 186	221 833	182 575	182 339	182 339	201 967	206 961	213 386
Total National Government		304 209	193 186	221 833	182 575	182 339	182 339	201 967	206 961	213 386
Provincial Government										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Total Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/District Municipalities		-	-	-	-	-	-	-	-	-
Other Grant Providers										
Monetary Allocations										
Northern Cape Arts and Cultural		1 288	1 383	1 322	1 350	1 355	1 355	1 411	1 362	1 362
Total Monetary Allocations		1 288	1 383	1 322	1 350	1 355	1 355	1 411 350	1 361 518	1 362 155
Allocations In-kind										
Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Operating/Other Grant Providers		1 288	1 383	1 322	1 350	1 355	1 355	1 411 350	1 361 518	1 362 155
Total operating expenditure of Transfers and Grants		304 209	193 186	221 833	182 575	182 339	182 339	201 967	206 961	213 386
Capital										
National Government										
Monetary Allocations										
Municipal Infrastructure Grant		(30 711)	25 828	10 837	68 518	68 624	68 624	49 521	67 474	70 083
Water Services Infrastructure Grant		(13 927)	20 099	17 447	50 000	50 000	50 000	37 893	14 996	14 996
Total Monetary Allocations		(44 637)	45 927	28 283	118 518	118 624	118 624	87 414	82 470	85 078
Total National Government		(44 637)	45 927	28 283	118 518	118 624	118 624	87 414	82 470	85 078
Provincial Government										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Total Provincial Government		-	-	-	-	-	-	-	-	-
District Municipalities										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										

Other transfers/grants [insert description]										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/District Municipalities		-	-	-	-	-	-	-	-	-
<u>Other Grant Providers</u>										
Monetary Allocations										
Other transfers/grants [insert description]										
Total Monetary Allocations		-	-	-	-	-	-	-	-	-
Allocations In-kind										
Total Allocations In-kind		-	-	-	-	-	-	-	-	-
Total Capital/Other Grant Providers		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		**(44 637)**	**45 927**	**28 283**	**118 518**	**118 624**	**118 624**	**87 414**	**82 470**	**85 078**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**259 571**	**239 112**	**250 117**	**301 093**	**300 963**	**300 963**	**289 381**	**289 431**	**298 464**

Table 35 – Table SA20 – Reconciliation of transfers, grants receipts and unspent funds

NC451 Joe Morolong - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Operating transfers and grants:	1,3									
Monetary Allocations										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		4 006	8 759	7 692	8 160	9 794	9 794	7 946	6 500	6 500
Repayment of grants		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**4 006**	**8 759**	**7 692**	**8 295**	**9 928**	**9 928**	**7 946**	**6 500**	**6 500**
Conditions still to be met - transferred to liabilities		–	–	–	(134)	(134)	(134)	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	1 252	1 306	1 350	2 363	2 363	196 564	202 954	209 406
Conditions met - transferred to revenue		**–**	**1 252**	**1 306**	**1 350**	**2 363**	**2 363**	**196 564**	**202 954**	**209 406**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		**4 006**	**10 011**	**8 998**	**9 645**	**12 291**	**12 291**	**204 510**	**209 454**	**215 906**
Total operating transfers and grants - CTBM	2	**–**	**–**	**–**	**(134)**	**(134)**	**(134)**	**–**	**–**	**–**
Capital transfers and grants:	1,3									
Monetary Allocations										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		121 534	127 207	121 347	118 518	118 624	118 624	100 526	141 084	146 495
Conditions met - transferred to revenue		**121 534**	**127 207**	**121 347**	**119 013**	**118 624**	**118 624**	**100 526**	**141 084**	**146 495**
Conditions still to be met - transferred to liabilities		–	–	–	(495)	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		**121 534**	**127 207**	**121 347**	**119 013**	**118 624**	**118 624**	**100 526**	**141 084**	**146 495**
Total capital transfers and grants - CTBM	2	**–**	**–**	**–**	**(495)**	**–**	**–**	**–**	**–**	**–**
TOTAL TRANSFERS AND GRANTS REVENUE		**125 540**	**137 218**	**130 345**	**128 657**	**130 915**	**130 915**	**305 036**	**350 538**	**362 401**
TOTAL TRANSFERS AND GRANTS - CTBM		**–**	**–**	**–**	**(629)**	**(134)**	**(134)**	**–**	**–**	**–**

Table 36 – Table SA 24 – Summary of personnel numbers

NC451 Joe Morolong - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2024/25			Current Year 2025/26			Budget Year 2026/27		
Number	**1,2**	**Positions**	**Permanent employees**	**Contract employees**	**Positions**	**Permanent employees**	**Contract employees**	**Positions**	**Permanent employees**	**Contract employees**
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		29	–	29	29	–	29	29	–	29
Board Members of municipal entities	4	–	–	–	–	–	–	–	–	–
Municipal employees	5	–	–	–	–	–	–	–	–	–
Municipal Manager and Senior Managers	3	6	–	6	6	1	1	6	5	1
Other Managers	7	27	23	–	30	23	–	31	28	–
Professionals		*4*	*3*	–	*4*	*3*	–	*5*	*4*	–
Finance		2	2	–	2	2	–	2	2	–
Spatial/town planning		–	–	–	–	–	–	1	1	–
Information Technology		–	–	–	–	–	–	–	–	–
Roads		–	–	–	–	–	–	–	–	–
Electricity		–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–
Refuse		–	–	–	–	–	–	–	–	–
Other		2	1	–	2	1	–	2	1	–
Technicians		*241*	*134*	*7*	*241*	*134*	*7*	*245*	*155*	*3*
Finance		19	9	–	19	9	–	19	14	–
Spatial/town planning		–	–	–	–	–	–	–	–	–
Information Technology		3	2	–	3	2	–	3	3	–
Roads		–	–	–	–	–	–	2	1	–
Electricity		1	–	–	1	–	–	3	1	–
Water		5	2	–	5	2	–	5	2	–
Sanitation		8	7	–	8	7	–	8	7	–
Refuse		15	6	–	15	6	–	15	6	–
Other		33	17	–	33	17	–	33	17	–
Clerks (Clerical and administrative)		54	36	6	54	36	6	54	36	3
Service and sales workers		86	53	–	86	53	–	86	66	–
Skilled agricultural and fishery workers		–	–	–	–	–	–	–	–	–
Craft and related trades		–	–	–	–	–	–	–	–	–
Plant and Machine Operators		17	2	1	17	2	1	17	2	–
Elementary Occupations		–	–	–	–	–	–	–	–	–
TOTAL PERSONNEL NUMBERS	9	**307**	**160**	**42**	**310**	**161**	**37**	**316**	**192**	**33**
% increase		–	–	–	1.0%	0.6%	(11.9%)	1.9%	19.3%	(10.8%)
Total municipal employees headcount	6, 10	**66**	**38**	**9**	**63**	**41**	**5**	**63**	**41**	**5**
Finance personnel headcount	8, 10	**54**	**29**	**9**	**54**	**32**	**5**	**54**	**32**	**5**
Human Resources personnel headcount	8, 10	**12**	**9**	**–**	**9**	**9**	**–**	**9**	**9**	**–**

2.12 Monthly targets for revenue, expenditure and cash flow

Table 36 – Table SA 25 – Budgeted monthly revenue and expenditure

Choose name from list - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue																
Exchange Revenue																
Service charges - Electricity		969	969	969	969	969	969	969	969	969	969	969	969	11 627	12 010	12 395
Service charges - Water		3 919	3 919	3 919	3 919	3 919	3 919	3 919	3 919	3 919	3 919	3 919	3 919	47 024	48 576	50 131
Service charges - Waste Water Management		389	389	389	389	389	389	389	389	389	389	389	389	4 671	4 826	4 980
Service charges - Waste Management		578	578	578	578	578	578	578	578	578	578	578	578	6 933	7 162	7 391
Sale of Goods and Rendering of Services		16	16	16	16	16	16	16	16	16	16	16	16	193	199	206
Agency services		3	3	3	3	3	3	3	3	3	3	3	3	33	34	35
Interest		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest earned from Receivables		86	86	86	86	86	86	86	86	86	86	86	86	1 037	1 071	1 106
Interest earned from Current and Non Current Assets		927	927	927	927	927	927	927	927	927	927	927	927	11 128	11 495	11 863
Dividends		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rent on Land		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental from Fixed Assets		15	15	15	15	15	15	15	15	15	15	15	15	178	184	190
Licence and permits		14	14	14	14	14	14	14	14	14	14	14	14	165	171	176
Special rating levies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Construction Contract Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Development Charges		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		27	27	27	27	27	27	27	27	27	27	27	27	322	333	343
Non-Exchange Revenue																
Property rates		2 226	2 226	2 226	2 226	2 226	2 226	2 226	2 226	2 226	2 226	2 226	2 226	26 716	27 598	28 481
Surcharges and Taxes		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		60	60	60	60	60	60	60	60	60	60	60	60	720	736	753
Licences or permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer and subsidies - Operational		17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	204 613	209 561	216 015
Interest		117	117	117	117	117	117	117	117	117	117	117	117	1 403	1 450	1 496
Fuel Levy		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Gains on disposal of Fixed and Intangible Assets		573	573	573	573	573	573	573	573	573	573	573	573	6 872	7 122	7 373
Other Gains		30	30	30	30	30	30	30	30	30	30	30	30	363	375	387
Discontinued Operations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**27 000**	**27 000**	**27 000**	**27 000**	**27 000**	**27 000**	**27 000**	**27 000**	**27 000**	**27 000**	**27 000**	**27 000**	**324 000**	**332 903**	**343 321**
Expenditure																
Employee related costs		12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	12 149	145 786	149 051	153 651
Remuneration of councillors		1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	1 226	14 709	15 194	15 680
Bulk purchases - electricity		1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	1 719	20 634	21 314	21 996
Inventory consumed		2 214	2 213	2 213	2 213	2 213	2 213	2 213	2 213	2 213	2 213	2 213	2 213	26 560	27 436	28 314
Debt impairment		1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	18 940	19 564	20 189
Depreciation, amortisation and impairment		8 201	8 201	8 201	8 201	8 201	8 201	8 201	8 201	8 201	8 201	8 201	8 201	98 414	101 658	104 909
Interest, Dividends and Rent on Land		28	28	28	28	28	28	28	28	28	28	28	28	330	341	352
Contracted services		4 794	4 794	4 794	4 794	4 794	4 794	4 794	4 794	4 794	4 794	4 794	4 794	57 525	57 298	59 074
Transfers and subsidies		50	50	50	50	50	50	50	50	50	50	50	50	600	620	640
Irrecoverable debts written off		1 541	1 541	1 541	1 541	1 541	1 541	1 541	1 541	1 541	1 541	1 541	1 541	18 495	19 105	19 716
Operational costs		4 102	4 102	4 102	4 102	4 102	4 102	4 102	4 102	4 102	4 102	4 102	4 102	49 226	50 688	52 297
Disposal of Fixed and Intangible Assets		254	254	254	254	254	254	254	254	254	254	254	254	3 051	3 152	3 253
Other Losses		2	2	2	2	2	2	2	2	2	2	2	2	24	25	25
Total Expenditure		**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**454 293**	**465 446**	**480 097**
Surplus/(Deficit)		**(10 858)**	**(10 858)**	**(10 858)**	**(10 858)**	**(10 858)**	**(10 858)**	**(10 858)**	**(10 858)**	**(10 858)**	**(10 858)**	**(10 858)**	**(10 858)**	**(130 293)**	**(132 543)**	**(136 777)**
Transfers and subsidies - capital (monetary allocations)		8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	100 526	141 084	146 495
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(29 767)**	**8 541**	**9 718**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(29 767)**	**8 541**	**9 718**
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(29 767)**	**8 541**	**9 718**
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(29 767)**	**8 541**	**9 718**

Table 38 – Table SA 26 – Budgeted monthly revenue and expenditure (municipal vote)

NC451 Joe Morolong - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue by Vote																
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Office Of The Municipal Manager		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - LED / Development and Town Planning		9	9	9	9	9	9	9	9	9	9	9	9	106	110	113
Vote 4 - Corporate Services		22	22	22	22	22	22	22	22	22	22	22	22	259	268	276
Vote 5 - Technical Services		14 219	14 219	14 219	14 219	14 219	14 219	14 219	14 219	14 219	14 219	14 219	14 219	170 626	213 382	220 994
Vote 6 - Financial Services		20 191	20 191	20 191	20 191	20 191	20 191	20 191	20 191	20 191	20 191	20 191	20 191	242 291	250 211	258 144
Vote 7 - Community Services		937	937	937	937	937	937	937	937	937	937	937	937	11 244	10 017	10 288
Total Revenue by Vote		**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**424 526**	**473 987**	**489 816**
Expenditure by Vote to be appropriated																
Vote 1 - Executive and Council		2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	2 075	24 899	25 720	26 543
Vote 2 - Office Of The Municipal Manager		1 020	1 020	1 020	1 020	1 020	1 020	1 020	1 020	1 020	1 020	1 020	1 020	12 242	12 646	13 050
Vote 3 - LED / Development and Town Planning		1 093	1 093	1 093	1 093	1 093	1 093	1 093	1 093	1 093	1 093	1 093	1 093	13 119	13 552	13 985
Vote 4 - Corporate Services		5 194	5 194	5 194	5 194	5 194	5 194	5 194	5 194	5 194	5 194	5 194	5 194	62 331	64 388	66 448
Vote 5 - Technical Services		16 211	16 212	16 212	16 212	16 212	16 212	16 212	16 212	16 212	16 212	16 212	16 212	194 539	198 767	205 008
Vote 6 - Financial Services		9 664	9 664	9 664	9 664	9 664	9 664	9 664	9 664	9 664	9 664	9 664	9 664	115 968	119 713	123 465
Vote 7 - Community Services		2 464	2 464	2 464	2 464	2 464	2 464	2 464	2 464	2 464	2 464	2 464	2 464	29 571	28 982	29 866
Total Expenditure by Vote		**37 722**	**37 722**	**37 722**	**37 722**	**37 722**	**37 722**	**37 722**	**37 722**	**37 722**	**37 722**	**37 722**	**37 722**	**452 668**	**463 768**	**478 365**
Surplus/(Deficit) before assoc.		**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(28 142)**	**10 219**	**11 450**
Income Tax		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(2 345)**	**(28 142)**	**10 219**	**11 450**

Table 39 – Table SA 27 – Budgeted monthly revenue and expenditure (standard classification)

Choose name from list - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue - Functional																
Governance and administration		**20 213**	**20 213**	**20 213**	**20 213**	**20 213**	**20 213**	**20 213**	**20 213**	**20 213**	**20 213**	**20 213**	**20 213**	**242 550**	**250 478**	**258 420**
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Finance and administration		20 213	20 213	20 213	20 213	20 213	20 213	20 213	20 213	20 213	20 213	20 213	20 213	242 550	250 478	258 420
Internal audit		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Community and public safety		**201**	**201**	**201**	**201**	**201**	**201**	**201**	**201**	**201**	**201**	**201**	**201**	**2 409**	**2 384**	**2 411**
Community and social services		125	125	125	125	125	125	125	125	125	125	125	125	1 499	1 452	1 455
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		76	76	76	76	76	76	76	76	76	76	76	76	910	932	955
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**2 777**	**2 777**	**2 777**	**2 777**	**2 777**	**2 777**	**2 777**	**2 777**	**2 777**	**2 777**	**2 777**	**2 777**	**33 330**	**29 596**	**30 475**
Planning and development		300	301	301	301	301	301	301	301	301	301	301	301	3 606	3 610	3 613
Road transport		2 356	2 356	2 356	2 356	2 356	2 356	2 356	2 356	2 356	2 356	2 356	2 356	28 277	25 985	26 861
Environmental protection		121	121	121	121	121	121	121	121	121	121	121	121	1 447	1	1
Trading services		**12 186**	**12 186**	**12 186**	**12 186**	**12 186**	**12 186**	**12 186**	**12 186**	**12 186**	**12 186**	**12 186**	**12 186**	**146 237**	**191 529**	**198 510**
Energy sources		1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	1 011	12 136	12 537	12 938
Water management		8 920	8 920	8 920	8 920	8 920	8 920	8 920	8 920	8 920	8 920	8 920	8 920	107 041	148 835	154 150
Waste water management		1 639	1 639	1 639	1 639	1 639	1 639	1 639	1 639	1 639	1 639	1 639	1 639	19 672	22 525	23 546
Waste management		616	616	616	616	616	616	616	616	616	616	616	616	7 388	7 632	7 876
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Functional		**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**35 377**	**424 526**	**473 987**	**489 816**
Expenditure - Functional																
Governance and administration		**17 953**	**17 953**	**17 953**	**17 953**	**17 953**	**17 953**	**17 953**	**17 953**	**17 953**	**17 953**	**17 953**	**17 953**	**215 439**	**222 467**	**229 507**
Executive and council		2 737	2 737	2 737	2 737	2 737	2 737	2 737	2 737	2 737	2 737	2 737	2 737	32 848	33 932	35 017
Finance and administration		14 999	14 999	14 999	14 999	14 999	14 999	14 999	14 999	14 999	14 999	14 999	14 999	179 987	185 845	191 713
Internal audit		217	217	217	217	217	217	217	217	217	217	217	217	2 604	2 690	2 777
Community and public safety		**1 650**	**1 650**	**1 650**	**1 650**	**1 650**	**1 650**	**1 650**	**1 650**	**1 650**	**1 650**	**1 650**	**1 650**	**19 806**	**20 362**	**20 970**
Community and social services		732	732	732	732	732	732	732	732	732	732	732	732	8 789	8 983	9 228
Sport and recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Public safety		790	790	790	790	790	790	790	790	790	790	790	790	9 482	9 794	10 106
Housing		128	128	128	128	128	128	128	128	128	128	128	128	1 535	1 585	1 636
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**4 076**	**4 076**	**4 076**	**4 076**	**4 076**	**4 076**	**4 076**	**4 076**	**4 076**	**4 076**	**4 076**	**4 076**	**48 916**	**46 881**	**48 269**
Planning and development		1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	20 326	20 882	21 438
Road transport		1 960	1 960	1 960	1 960	1 960	1 960	1 960	1 960	1 960	1 960	1 960	1 960	23 518	22 228	22 940
Environmental protection		423	423	423	423	423	423	423	423	423	423	423	423	5 071	3 771	3 892
Trading services		**14 178**	**14 178**	**14 178**	**14 178**	**14 178**	**14 178**	**14 178**	**14 178**	**14 178**	**14 178**	**14 178**	**14 178**	**170 132**	**175 736**	**181 352**
Energy sources		4 673	4 673	4 673	4 673	4 673	4 673	4 673	4 673	4 673	4 673	4 673	4 673	56 074	57 925	59 778
Water management		8 401	8 401	8 401	8 401	8 401	8 401	8 401	8 401	8 401	8 401	8 401	8 401	100 815	104 132	107 456
Waste water management		577	577	577	577	577	577	577	577	577	577	577	577	6 924	7 152	7 381
Waste management		527	527	527	527	527	527	527	527	527	527	527	527	6 319	6 527	6 736
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional		**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**37 858**	**454 293**	**465 446**	**480 097**
Surplus/(Deficit) before assoc.		**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(29 767)**	**8 541**	**9 718**
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit)	1	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(2 481)**	**(29 767)**	**8 541**	**9 718**

Table 40 – Table SA 28 – Budgeted monthly capital expenditure (municipal votes)

Choose name from list - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
<u>Multi-year expenditure</u> *to be appropriated*	1															
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Office Of The Municipal Manager		142	142	142	142	142	142	142	142	142	142	142	142	1 700	1 756	1 812
Vote 3 - LED / Development and Town Planning		42	42	42	42	42	42	42	42	42	42	42	42	500	517	533
Vote 4 - Corporate Services		458	458	458	458	458	458	458	458	458	458	458	458	5 500	5 682	5 863
Vote 5 - Technical Services		6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	81 570	78 828	81 437
Vote 6 - Financial Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Community Services		58	58	58	58	58	58	58	58	58	58	58	58	700	207	213
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		142	142	142	142	142	142	142	142	142	142	142	142	1 700	1 756	1 812
Vote 11 - [NAME OF VOTE 11]		42	42	42	42	42	42	42	42	42	42	42	42	500	517	533
Vote 12 - [NAME OF VOTE 12]		458	458	458	458	458	458	458	458	458	458	458	458	5 500	5 682	5 863
Vote 13 - [NAME OF VOTE 13]		6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	6 797	81 570	78 828	81 437
Vote 14 - [NAME OF VOTE 14]		92	92	92	92	92	92	92	92	92	92	92	92	1 100	1 136	1 173
Vote 15 - [NAME OF VOTE 15]		58	58	58	58	58	58	58	58	58	58	58	58	700	207	213
Capital multi-year expenditure sub-total	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<u>Single-year expenditure</u> *to be appropriated*		42	42	42	42	42	42	42	42	42	42	42	42	500	517	533
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Office Of The Municipal Manager		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - LED / Development and Town Planning		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - Corporate Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Technical Services		512	512	512	512	512	512	512	512	512	512	512	512	6 144	3 642	3 642
Vote 6 - Financial Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Community Services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		512	512	512	512	512	512	512	512	512	512	512	512	6 144	3 642	3 642
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Table 41 – Table SA 29 – Budgeted monthly capital expenditure (standard classification)

Table 42– Table SA 30 – Budgeted monthly cash flow

Choose name from list - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2026/27												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Cash Receipts By Source															
Property rates	1 386	1 386	1 386	1 386	1 386	1 386	1 386	1 386	1 386	1 386	1 386	1 386	16 633	17 173	17 732
Service charges - electricity revenue	1 063	1 063	1 063	1 063	1 063	1 063	1 063	1 063	1 063	1 063	1 063	1 063	12 760	13 182	13 603
Service charges - water revenue	3 958	3 958	3 958	3 958	3 958	3 958	3 958	3 958	3 958	3 958	3 958	3 958	47 495	49 063	50 633
Service charges - sanitation revenue	426	426	426	426	426	426	426	426	426	426	426	426	5 112	5 281	5 450
Service charges - refuse revenue	581	581	581	581	581	581	581	581	581	581	581	581	6 970	7 199	6 900
Rental of facilities and equipment	17	17	17	17	17	17	17	17	17	17	17	17	200	207	213
Interest earned - external investments	927	927	927	927	927	927	927	927	927	927	927	927	11 128	11 495	11 863
Interest earned - outstanding debtors	203	203	203	203	203	203	203	203	203	203	203	203	2 441	2 521	2 602
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	51	51	51	51	51	51	51	51	51	51	51	51	615	628	643
Licences and permits	15	15	15	15	15	15	15	15	15	15	15	15	182	188	194
Agency services	3	3	3	3	3	3	3	3	3	3	3	3	33	34	35
Transfers and Subsidies - Operational	17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	17 051	204 613	209 561	216 015
Other revenue	46	46	46	46	46	46	46	46	46	46	46	46	554	572	590
Cash Receipts by Source	**25 728**	**25 728**	**25 728**	**25 728**	**25 728**	**25 728**	**25 728**	**25 728**	**25 728**	**25 728**	**25 728**	**25 728**	**308 736**	**317 104**	**326 474**
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	8 377	100 526	141 084	146 495
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets	342	342	342	342	342	342	342	342	342	342	342	342	4 100	4 271	4 443
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vat Control (receipts)	2 993	2 994	2 994	2 994	2 994	2 994	2 994	2 994	2 994	2 994	2 994	2 994	35 922	34 751	35 848
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Insurance Refund - Capital	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Short Term Investment (Greater then 90 days) and Long Term Investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	**37 440**	**37 440**	**37 440**	**37 440**	**37 440**	**37 440**	**37 440**	**37 440**	**37 440**	**37 440**	**37 440**	**37 440**	**449 283**	**497 210**	**513 260**
Cash Payments by Type															
Employee related costs	(12 356)	(12 356)	(12 356)	(12 356)	(12 356)	(12 356)	(12 356)	(12 356)	(12 356)	(12 356)	(12 356)	(12 356)	(148 271)	(151 618)	(156 298)
Remuneration of councillors	(1 226)	(1 226)	(1 226)	(1 226)	(1 226)	(1 226)	(1 226)	(1 226)	(1 226)	(1 226)	(1 226)	(1 226)	(14 714)	(15 199)	(15 686)
Finance charges	(28)	(28)	(28)	(28)	(28)	(28)	(28)	(28)	(28)	(28)	(28)	(28)	(330)	(341)	(352)
Bulk purchases - Electricity	(1 977)	(1 977)	(1 977)	(1 977)	(1 977)	(1 977)	(1 977)	(1 977)	(1 977)	(1 977)	(1 977)	(1 977)	(23 729)	(24 512)	(25 296)
Acquisition inventory - water and other inventory	(2 420)	(2 420)	(2 420)	(2 420)	(2 420)	(2 420)	(2 420)	(2 420)	(2 420)	(2 420)	(2 420)	(2 420)	(29 044)	(30 002)	(30 963)
Contracted services	(5 672)	(5 672)	(5 672)	(5 672)	(5 672)	(5 672)	(5 672)	(5 672)	(5 672)	(5 672)	(5 672)	(5 672)	(68 061)	(67 863)	(69 968)
Transfers and subsidies - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	(4 566)	(4 566)	(4 566)	4 514	(4 566)	(4 566)	(4 566)	(4 566)	(4 566)	(4 566)	(4 566)	(4 566)	(54 787)	(56 384)	(58 174)
Cash Payments by Type	**(28 245)**	**(28 245)**	**(28 245)**	**(19 165)**	**(28 245)**	**(28 245)**	**(28 245)**	**(28 245)**	**(28 245)**	**(28 245)**	**(28 245)**	**(28 245)**	**(338 936)**	**(345 919)**	**(356 736)**
Other Cash Flows/Payments by Type															
Capital assets	(9 506)	(9 506)	(9 506)	(9 506)	(9 506)	(9 506)	(9 506)	(9 506)	(9 506)	(9 506)	(9 506)	(9 506)	(114 074)	(98 704)	(98 916)
Retention (Capital)	(749)	(749)	(749)	(749)	(749)	(749)	(749)	(749)	(749)	(749)	(749)	(749)	(8 986)	(4 124)	(4 254)
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	(885)	(885)	(885)	(885)	(885)	(885)	(885)	885	(885)	(885)	(885)	(885)	(10 620)	(10 971)	(11 322)
Total Cash Payments by Type	**(39 385)**	**(39 385)**	**(39 385)**	**(30 305)**	**(39 385)**	**(39 385)**	**(39 385)**	**(37 615)**	**(39 385)**	**(39 385)**	**(39 385)**	**(39 385)**	**(472 616)**	**(459 717)**	**(471 228)**
NET INCREASE/(DECREASE) IN CASH HELD	**(1 945)**	**(1 944)**	**(1 944)**	**7 135**	**(1 944)**	**(1 944)**	**(1 944)**	**(174)**	**(1 944)**	**(1 944)**	**(1 944)**	**(1 944)**	**(23 333)**	**37 493**	**42 032**
Cash/cash equivalents at the month/year begin:	4 375	365	365	365	365	365	365	365	365	365	365	365	4 375	4 472	4 574
Cash/cash equivalents at the month/year end:	2 431	(1 580)	(1 580)	7 499	(1 580)	(1 580)	(1 580)	190	(1 580)	(1 580)	(1 580)	(1 580)	(18 958)	41 964	46 607

2.13 Contracts having future budgetary implication

In terms of the municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years).

2.14 Capital expenditure details

The following three tables present details of the municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 43: Table SA 34a - Capital expenditure on new assets by asset class

NC451 Joe Morolong - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**(36 558)**	**34 374**	**24 474**	**108 951**	**110 951**	**110 951**	**81 570**	**78 828**	**81 437**
Roads Infrastructure		(3 694)	5 241	30 202	12 102	13 879	13 879	24 002	26 671	29 280
Roads		(3 694)	5 241	30 202	12 102	13 879	13 879	24 002	26 671	29 280
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		(13 766)	28 925	(5 727)	75 356	76 684	76 684	44 867	39 457	39 457
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		25 252	28 925	(5 727)	75 056	76 684	76 684	44 567	39 457	39 457
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		(39 018)	–	–	300	–	–	300	–	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		(19 098)	208	–	21 492	20 387	20 387	12 700	12 700	12 700
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		(0)	–	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		(19 098)	208	–	21 492	20 387	20 387	12 700	12 700	12 700
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–

Capital Spares	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–	–	–	–
Data Centres	–	–	–	–	–	–	–	–	–
Core Layers	–	–	–	–	–	–	–	–	–
Distribution Layers	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Community Assets	**7 893**	**8 924**	**(693)**	**4 781**	**4 813**	**4 813**	**–**	**–**	**–**
Community Facilities	7 893	–	(4 175)	1 000	654	654	–	–	–
Halls	7 893	–	(4 175)	1 000	654	654	–	–	–
Centres	–	–	–	–	–	–	–	–	–
Crèches	–	–	–	–	–	–	–	–	–
Clinics/Care Centres	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations	–	–	–	–	–	–	–	–	–
Testing Stations	–	–	–	–	–	–	–	–	–
Museums	–	–	–	–	–	–	–	–	–
Galleries	–	–	–	–	–	–	–	–	–
Theatres	–	–	–	–	–	–	–	–	–
Libraries	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria	–	–	–	–	–	–	–	–	–
Police	–	–	–	–	–	–	–	–	–
Parks	–	–	–	–	–	–	–	–	–
Public Open Space	–	–	–	–	–	–	–	–	–
Nature Reserves	–	–	–	–	–	–	–	–	–
Public Ablution Facilities	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Stalls	–	–	–	–	–	–	–	–	–
Abattoirs	–	–	–	–	–	–	–	–	–
Airports	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	–	8 924	3 482	3 781	4 159	4 159	–	–	–
Indoor Facilities	–	–	–	–	–	–	–	–	–
Outdoor Facilities	–	8 924	3 482	3 781	4 159	4 159	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Monuments	–	–	–	–	–	–	–	–	–
Historic Buildings	–	–	–	–	–	–	–	–	–
Works of Art	–	–	–	–	–	–	–	–	–
Conservation Areas	–	–	–	–	–	–	–	–	–
Other Heritage	–	–	–	–	–	–	–	–	–
Investment properties	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Other assets	**–**	**–**	**(0)**	**350**	**–**	**–**	**–**	**–**	**–**
Operational Buildings	–	–	(0)	350	–	–	–	–	–
Municipal Offices	–	–	(0)	100	–	–	–	–	–
Pay/Enquiry Points	–	–	–	–	–	–	–	–	–
Building Plan Offices	–	–	–	–	–	–	–	–	–
Workshops	–	–	–	–	–	–	–	–	–
Yards	–	–	–	250	–	–	–	–	–
Stores	–	–	–	–	–	–	–	–	–
Laboratories	–	–	–	–	–	–	–	–	–
Training Centres	–	–	–	–	–	–	–	–	–
Manufacturing Plant	–	–	–	–	–	–	–	–	–
Depots	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Staff Housing	–	–	–	–	–	–	–	–	–
Social Housing	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	–	186	–	1 000	1 900	1 900	30	31	32
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	186	–	1 000	1 900	1 900	30	31	32
Water Rights	–	–	–	–	–	–	–	–	–
Effluent Licenses	–	–	–	–	–	–	–	–	–
Solid Waste Licenses	–	–	–	–	–	–	–	–	–
Computer Software and Applications	–	186	–	1 000	1 900	1 900	30	31	32
Load Settlement Software Applications	–	–	–	–	–	–	–	–	–
Unspecified	–	–	–	–	–	–	–	–	–

Computer Equipment		141	323	192	1 100	2 000	2 000	2 520	2 603	2 686
Computer Equipment		141	323	192	1 100	2 000	2 000	2 520	2 603	2 686
Furniture and Office Equipment		–	795	1 417	300	300	300	2 750	2 841	2 932
Furniture and Office Equipment		–	795	1 417	300	300	300	2 750	2 841	2 932
Machinery and Equipment		22 098	265	42 017	350	150	150	500	–	–
Machinery and Equipment		22 098	265	42 017	350	150	150	500	–	–
Transport Assets		2 594	1 587	3 749	3 300	300	300	3 700	3 822	3 944
Transport Assets		2 594	1 587	3 749	3 300	300	300	3 700	3 822	3 944
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	**(3 833)**	**46 453**	**71 157**	**120 132**	**120 414**	**120 414**	**91 070**	**88 125**	**91 031**

Table 44: Table SA 34b - Capital expenditure on renewal existing assets by asset class

NC451 Joe Morolong - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		(8 079)	2 629	327	8 086	5 514	5 514	6 144	3 642	3 642
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Roads		–	–	–	–	–	–	–	–	–
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		(8 079)	2 629	327	8 086	5 514	5 514	6 144	3 642	3 642
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		(8 079)	2 629	327	6 086	3 514	3 514	6 144	3 642	3 642
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	2 000	2 000	2 000	–	–	–
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–

Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Core Layers		–	–	–	–	–	–	–	–	–
Distribution Layers		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Community Facilities		–	–	–	–	–	–	–	–	–
Halls		–	–	–	–	–	–	–	–	–
Centres		–	–	–	–	–	–	–	–	–
Crèches		–	–	–	–	–	–	–	–	–
Clinics/Care Centres		–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations		–	–	–	–	–	–	–	–	–
Testing Stations		–	–	–	–	–	–	–	–	–
Museums		–	–	–	–	–	–	–	–	–
Galleries		–	–	–	–	–	–	–	–	–
Theatres		–	–	–	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria		–	–	–	–	–	–	–	–	–
Police		–	–	–	–	–	–	–	–	–
Parks		–	–	–	–	–	–	–	–	–
Public Open Space		–	–	–	–	–	–	–	–	–
Nature Reserves		–	–	–	–	–	–	–	–	–
Public Ablution Facilities		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Stalls		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Airports		–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Monuments		–	–	–	–	–	–	–	–	–
Historic Buildings		–	–	–	–	–	–	–	–	–
Works of Art		–	–	–	–	–	–	–	–	–
Conservation Areas		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Improved Property		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–
Municipal Offices		–	–	–	–	–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–	–	–	–	–
Building Plan Offices		–	–	–	–	–	–	–	–	–
Workshops		–	–	–	–	–	–	–	–	–
Yards		–	–	–	–	–	–	–	–	–
Stores		–	–	–	–	–	–	–	–	–
Laboratories		–	–	–	–	–	–	–	–	–
Training Centres		–	–	–	–	–	–	–	–	–
Manufacturing Plant		–	–	–	–	–	–	–	–	–
Depots		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Social Housing		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Water Rights		–	–	–	–	–	–	–	–	–
Effluent Licenses		–	–	–	–	–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–	–	–	–	–
Computer Software and Applications		–	–	–	–	–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	–	–	–	–	–	–	–

Computer Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Transport Assets		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	1	**(8 079)**	**2 629**	**327**	**8 086**	**5 514**	**5 514**	**6 144**	**3 642**	**3 642**
Renewal of Existing Assets as % of total capex		*67.8%*	*5.4%*	*0.5%*	*6.3%*	*4.4%*	*4.4%*	*6.3%*	*4.0%*	*3.8%*
Renewal of Existing Assets as % of deprecn"		*-3.3%*	*2.1%*	*0.3%*	*7.9%*	*5.4%*	*5.4%*	*6.5%*	*3.7%*	*3.6%*

Table 45: Table SA 34c – Repairs and maintenance expenditure by asset class

NC451 Joe Morolong- Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**10 659**	**11 463**	**7 747**	**10 000**	**8 000**	**8 000**	**18 740**	**19 358**	**19 978**
Roads Infrastructure		–	–	–	–	–	–	1 500	1 550	1 599
Roads		–	–	–	–	–	–	1 500	1 550	1 599
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	10	10	11
Drainage Collection		–	–	–	–	–	–	10	10	11
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	1 100	1 136	1 173
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	1 100	1 136	1 173
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		10 659	11 463	7 747	10 000	8 000	8 000	15 500	16 012	16 524
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		10 659	11 463	7 747	10 000	8 000	8 000	10 500	10 847	11 194
Reservoirs		–	–	–	–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		–	–	–	–	–	–	5 000	5 165	5 330
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	600	620	640
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–	–	600	620	640
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	30	31	32
Landfill Sites		–	–	–	–	–	–	30	31	32
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–

Data Centres	–	–	–	–	–	–	–	–	–
Core Layers	–	–	–	–	–	–	–	–	–
Distribution Layers	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Community Assets	–	–	–	–	–	–	–	–	–
Community Facilities	–	–	–	–	–	–	–	–	–
Halls	–	–	–	–	–	–	–	–	–
Centres	–	–	–	–	–	–	–	–	–
Crèches	–	–	–	–	–	–	–	–	–
Clinics/Care Centres	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations	–	–	–	–	–	–	–	–	–
Testing Stations	–	–	–	–	–	–	–	–	–
Museums	–	–	–	–	–	–	–	–	–
Galleries	–	–	–	–	–	–	–	–	–
Theatres	–	–	–	–	–	–	–	–	–
Libraries	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria	–	–	–	–	–	–	–	–	–
Police	–	–	–	–	–	–	–	–	–
Parks	–	–	–	–	–	–	–	–	–
Public Open Space	–	–	–	–	–	–	–	–	–
Nature Reserves	–	–	–	–	–	–	–	–	–
Public Ablution Facilities	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Stalls	–	–	–	–	–	–	–	–	–
Abattoirs	–	–	–	–	–	–	–	–	–
Airports	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Indoor Facilities	–	–	–	–	–	–	–	–	–
Outdoor Facilities	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Monuments	–	–	–	–	–	–	–	–	–
Historic Buildings	–	–	–	–	–	–	–	–	–
Works of Art	–	–	–	–	–	–	–	–	–
Conservation Areas	–	–	–	–	–	–	–	–	–
Other Heritage	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Other assets	–	–	–	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–	–	–	–
Municipal Offices	–	–	–	–	–	–	–	–	–
Pay/Enquiry Points	–	–	–	–	–	–	–	–	–
Building Plan Offices	–	–	–	–	–	–	–	–	–
Workshops	–	–	–	–	–	–	–	–	–
Yards	–	–	–	–	–	–	–	–	–
Stores	–	–	–	–	–	–	–	–	–
Laboratories	–	–	–	–	–	–	–	–	–
Training Centres	–	–	–	–	–	–	–	–	–
Manufacturing Plant	–	–	–	–	–	–	–	–	–
Depots	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Staff Housing	–	–	–	–	–	–	–	–	–
Social Housing	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–	–	–	–
Water Rights	–	–	–	–	–	–	–	–	–
Effluent Licenses	–	–	–	–	–	–	–	–	–
Solid Waste Licenses	–	–	–	–	–	–	–	–	–
Computer Software and Applications	–	–	–	–	–	–	–	–	–
Load Settlement Software Applications	–	–	–	–	–	–	–	–	–
Unspecified	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–	–	–	–

Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		2 259	1 934	2 757	3 400	5 400	5 400	3 000	3 099	3 198
Transport Assets		2 259	1 934	2 757	3 400	5 400	5 400	3 000	3 099	3 198
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	**12 918**	**13 397**	**10 504**	**13 400**	**13 400**	**13 400**	**21 740**	**22 457**	**23 176**

Table 45: Table SA 34d – Depreciation by asset

NC451 Joe Morolong - Supporting Table SA34d Depreciation by asset class

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Depreciation by Asset Class/Sub-class										
Infrastructure		**228 832**	**118 001**	**118 876**	**77 399**	**77 499**	**77 499**	**67 757**	**69 983**	**72 215**
Roads Infrastructure		177 199	94 250	92 513	15 237	45 237	45 237	16 151	16 684	17 218
Roads		177 199	94 250	92 513	15 237	45 237	45 237	16 151	16 684	17 218
Road Structures		–	–	–	–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		1 359	358	385	262	362	362	278	287	296
Drainage Collection		1 359	358	385	262	362	362	278	287	296
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		633	276	275	23 810	3 810	3 810	25 239	26 072	26 906
Power Plants		–	–	–	–	–	–	–	–	–
HV Substations		–	–	–	–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–	–	–	–
MV Networks		–	–	–	11 905	1 905	1 905	12 619	13 036	13 453
LV Networks		633	276	275	11 905	1 905	1 905	12 619	13 036	13 453
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		49 201	22 285	24 791	36 936	26 936	26 936	24 867	25 678	26 492
Dams and Weirs		–	–	–	–	–	–	–	–	–
Boreholes		23 607	9 081	9 262	14 371	14 371	14 371	15 234	15 736	16 240
Reservoirs		6 060	4 483	5 138	14 319	4 319	4 319	893	912	933
Pump Stations		820	1 983	2 666	839	839	839	890	919	948
Water Treatment Works		–	–	–	–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–	–	–	–
Distribution		18 714	6 739	7 725	7 407	7 407	7 407	7 851	8 111	8 370
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		318	103	104	525	525	525	556	574	593
Pump Station		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Waste Water Treatment Works		318	103	104	525	525	525	556	574	593
Outfall Sewers		–	–	–	–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		124	729	809	628	628	628	666	688	710
Landfill Sites		124	729	809	628	628	628	666	688	710
Waste Transfer Stations		–	–	–	–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Rail Structures		–	–	–	–	–	–	–	–	–
Rail Furniture		–	–	–	–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
MV Substations		–	–	–	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Piers		–	–	–	–	–	–	–	–	–
Revetments		–	–	–	–	–	–	–	–	–
Promenades		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–

Data Centres	–	–	–	–	–	–	–	–	–
Core Layers	–	–	–	–	–	–	–	–	–
Distribution Layers	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Community Assets	**10 949**	**1 646**	**1 812**	**3 057**	**3 057**	**3 057**	**3 240**	**3 347**	**3 454**
Community Facilities	2 012	(455)	1 812	2 672	2 672	2 672	2 832	2 926	3 019
Halls	2 012	(455)	1 812	2 495	2 495	2 495	2 645	2 732	2 820
Centres	–	–	–	–	–	–	–	–	–
Crèches	–	–	–	–	–	–	–	–	–
Clinics/Care Centres	–	–	–	–	–	–	–	–	–
Fire/Ambulance Stations	–	–	–	–	–	–	–	–	–
Testing Stations	–	–	–	–	–	–	–	–	–
Museums	–	–	–	–	–	–	–	–	–
Galleries	–	–	–	–	–	–	–	–	–
Theatres	–	–	–	–	–	–	–	–	–
Libraries	–	–	–	–	–	–	–	–	–
Cemeteries/Crematoria	–	–	–	90	90	90	95	99	102
Police	–	–	–	–	–	–	–	–	–
Parks	–	–	–	87	87	87	92	95	98
Public Open Space	–	–	–	–	–	–	–	–	–
Nature Reserves	–	–	–	–	–	–	–	–	–
Public Ablution Facilities	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Stalls	–	–	–	–	–	–	–	–	–
Abattoirs	–	–	–	–	–	–	–	–	–
Airports	–	–	–	–	–	–	–	–	–
Taxi Ranks/Bus Terminals	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities	8 937	2 101	–	385	385	385	408	422	435
Indoor Facilities	–	–	–	–	–	–	–	–	–
Outdoor Facilities	8 937	2 101	–	385	385	385	408	422	435
Capital Spares	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Monuments	–	–	–	–	–	–	–	–	–
Historic Buildings	–	–	–	–	–	–	–	–	–
Works of Art	–	–	–	–	–	–	–	–	–
Conservation Areas	–	–	–	–	–	–	–	–	–
Other Heritage	–	–	–	–	–	–	–	–	–
Investment properties	**–**	**–**	**–**	**200**	**200**	**200**	**212**	**219**	**226**
Revenue Generating	–	–	–	200	200	200	212	219	226
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	200	200	200	212	219	226
Non-revenue Generating	–	–	–	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–	–	–	–
Other assets	**1 831**	**651**	**662**	**2 095**	**2 095**	**2 095**	**2 223**	**2 296**	**2 370**
Operational Buildings	1 831	651	662	2 095	2 095	2 095	2 223	2 296	2 370
Municipal Offices	1 831	651	662	2 095	2 095	2 095	2 223	2 296	2 370
Pay/Enquiry Points	–	–	–	–	–	–	–	–	–
Building Plan Offices	–	–	–	–	–	–	–	–	–
Workshops	–	–	–	–	–	–	–	–	–
Yards	–	–	–	–	–	–	–	–	–
Stores	–	–	–	–	–	–	–	–	–
Laboratories	–	–	–	–	–	–	–	–	–
Training Centres	–	–	–	–	–	–	–	–	–
Manufacturing Plant	–	–	–	–	–	–	–	–	–
Depots	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Housing	–	–	–	–	–	–	–	–	–
Staff Housing	–	–	–	–	–	–	–	–	–
Social Housing	–	–	–	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–	–	–	–
Intangible Assets	1 317	456	416	151	251	251	185	197	210
Servitudes	–	–	–	–	–	–	–	–	–
Licences and Rights	1 317	456	416	151	251	251	185	197	210
Water Rights	–	–	–	–	–	–	–	–	–
Effluent Licenses	–	–	–	–	–	–	–	–	–
Solid Waste Licenses	–	–	–	–	–	–	–	–	–
Computer Software and Applications	1 317	456	416	151	251	251	185	197	210
Load Settlement Software Applications	–	–	–	–	–	–	–	–	–
Unspecified	–	–	–	–	–	–	–	–	–
Computer Equipment	1 238	565	512	1 311	1 311	1 311	1 390	1 436	1 482
Computer Equipment	1 238	565	512	1 311	1 311	1 311	1 390	1 436	1 482

Furniture and Office Equipment		484	517	573	778	778	778	825	852	880
Furniture and Office Equipment		484	517	573	778	778	778	825	852	880
Machinery and Equipment		624	565	490	15 546	15 346	15 346	16 479	17 023	17 568
Machinery and Equipment		624	565	490	15 546	15 346	15 346	16 479	17 023	17 568
Transport Assets		2 905	1 604	1 510	1 888	1 888	1 888	2 001	2 068	2 134
Transport Assets		2 905	1 604	1 510	1 888	1 888	1 888	2 001	2 068	2 134
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Depreciation	1	**248 181**	**124 006**	**124 851**	**102 425**	**102 425**	**102 425**	**94 313**	**97 422**	**100 538**

Table 46: Table SA 36 – Detailed capital budget per municipal vote

R thousand									2022/23	2023/24	2024/25	Current Year 2025/26			2026/27 Medium Term Revenue & Expenditure Framework		
Function	Project Description	Type	MTDP Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Parent municipality: *List all capital projects grouped by Function*																	
Asset Management	**NC451_Capital Acquisition_Computers Hardware_Finance**	**New**	*An ethical, capable, and professional public service*		**Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment**	*Computer Equipment*	*Computer Equipment*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	470	486	501
Asset Management	**NC451 _Capital Acquisition_Corporate Services_Office Furniture**	**New**	*Social cohesion and nation-building*		**Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment**	*Furniture and Office Equipment*	*Furniture and Office Equipment*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	600	620	640
Asset Management	**NC451_Capital Acquisition_Computers_Finance**	**New**	*Social cohesion and nation-building*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved**	*Intangible Assets*	*Licences and Rights*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	30	31	32

					governance and performance of public entities												
Fleet Management	**NC451_Capital Acquisiton_Fleet Management_Transport Assets**	**New**	*Social cohesion and nation-building*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved governance and performance of public entities**	*Transport Assets*	*Transport Assets*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	3 500	3 616	3 731
Information Technology	**NC451_Capital Acquisition_Computers Hardware_Information Technology**	**New**	*An ethical, capable, and professional public service*		**Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment**	*Computer Equipment*	*Computer Equipment*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	1 000	1 033	1 066
Information Technology	**NC451_Capital Acquisition_Information Technology**	**New**	*Social cohesion and nation-building*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved governance and performance of public entities**	*Computer Equipment*	*Computer Equipment*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	1 000	1 033	1 066

Municipal Manager, Town Secretary and Chief Executive	**NC451 _Capital Acquisition_Communication Furniture and Office Equipments**	**New**	*An ethical, capable, and professional public service*		**Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment**	*Furniture and Office Equipment*	*Furniture and Office Equipment*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	1 650	1 704	1 759
Municipal Manager, Town Secretary and Chief Executive	**NC451 _Capital Acquisition_Communication Equipments**	**New**	*Social cohesion and nation-building*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved governance and performance of public entities**	*Computer Equipment*	*Computer Equipment*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	50	52	53
Police Forces, Traffic and Street Parking Control	**NC451_Capital Acquisiton_Traffic_Traffic Equipment**	**New**	*An ethical, capable, and professional public service*		**Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment**	*Machinery and Equipment*	*Machinery and Equipment*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	500	–	–
Pollution Control	**NC451_Capital Acquisition_Envirnmental Services_Skip Unit**	**New**	*Social cohesion and nation-building*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved**	*Transport Assets*	*Transport Assets*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	200	207	213

					governance and performance of public entities											
Roads	**NC451_Capital Acquisition_Roads GAHUWE TO DITHAKONG ACCESS ROAD**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Roads Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	15 446	19 446	19 446
Roads	**NC451_Capital Acquisition_Roads_Churchill Internal Road**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Roads Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	8 556	7 225	9 833
Roads	**NC451_Capital Acquisition_Roads_NCWELENGWE Internal Road**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local local**	*Infrastructure*	*Roads Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(6 879)	–	–

					government sphere												
Roads	**NC451_Capital Acquisition_Roads_NCWELENGWE Internal Road**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Roads Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	6 879	–	–
Sewerage	**NC451_Capital Acquisition_Waste Water_Bendel**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Sanitation Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	2 489	2 489	2 489
Sewerage	**NC451_Capital Acquisition_Waste Water_Kampaneng**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Sanitation Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	2 016	2 016	2 016

Sewerage	**NC451_Capital Acquisition_Waste Water_Gapitia**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Sanitation Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	1 590	1 590	1 590
Sewerage	**NC451_Capital Acquisition_Waste Water Gamorona**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Sanitation Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(2 980)	–	–
Sewerage	**NC451_Capital Acquisition_Waste Water Gamorona**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Sanitation Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	2 980	–	–
Sewerage	**NC451_Capital Acquisition_Waste Water_Makhubung**	**New**	*Improved service delivery in the local*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental**	*Infrastructure*	*Sanitation Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	6 606	6 606	6 606

			government sphere		**State: Improved service delivery in the local government sphere**												
Sewerage	**NC451_Capital Acquisition_Waste Water DITHAKONG**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Sanitation Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	17 407	–	–
Sewerage	**NC451_Capital Acquisition_Waste Water DITHAKONG**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Sanitation Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(17 407)	–	–
Sports Grounds and Stadiums	**NC451_Capital Acquisition_DITHAKONG SPORTFIELD**	**New**	*Increased employment and work opportunities*		**Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Increased employment and work opportunities**	*Community Assets*	*Sport and Recreation Facilities*	**Ward 12**	*0*	*0*	*0*	*0*	–	–	6 827	–	–

Sports Grounds and Stadiums	**NC451_Capital Acquisition_DITHAKONG SPORTFIELD**	**New**	*Increased employment and work opportunities*		**Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Increased employment and work opportunities**	*Community Assets*	*Sport and Recreation Facilities*	**Ward 12**	*0*	*0*	*0*	*0*	–	–	(6 827)	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer	**NC451 _Capital Acquisition_Communication Furniture and Office Equipments**	**New**	*An ethical, capable, and professional public service*		**Strategic Priority 1: Drive Inclusive Economic Growth and Job Creation: Supportive and sustainable economic policy environment**	*Furniture and Office Equipment*	*Furniture and Office Equipment*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	500	517	533
Water Distribution	**NC451_Capital Acquisition_Water MADULARANCH**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	1 884	–	–
Water Distribution	**NC451_Capital Acquisition_Water MADULARANCH**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(1 884)	–	–

					local government sphere												
Water Distribution	**NC451_Capital Acquisition_Water_Padstow**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	10 936	–	–
Water Distribution	**NC451_Capital Acquisition_Water_Padstow**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(10 936)	–	–
Water Distribution	**NC451_Capital Acquisition_Water_Cardington**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	4 348	3 213	3 213

Water Distribution	**NC451_Capital Acquisition_Boreholes Refurbish_Stilrus**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Ward 3**	*0*	*0*	*0*	*0*	–	–	(2 218)	–	–	
Water Distribution	**NC451_Capital Acquisition_Boreholes Refurbish_Stilrus**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Ward 3**	*0*	*0*	*0*	*0*	–	–	2 218	–	–	
Water Distribution	**NC451_Capital Acquisition_Water_March**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(6 663)	–	–	
Water Distribution	**NC451_Capital Acquisition_Water_March**	**New**	*Improved service delivery in the local*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	6 663	–	–	

			government sphere		**State: Improved service delivery in the local government sphere**												
Water Distribution	**NC451_Capital Acquisition_Boreholes Refurbish_Wyk 3**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(1 831)	(1 961)	(1 961)
Water Distribution	**NC451_Capital Acquisition_Boreholes Refurbish_Wyk 3**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	1 831	1 961	1 961
Water Distribution	**NC451_Capital Acquisition_Boreholes Refurbish_Gasehunelo Wyk 5**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	1 721	1 285	1 285

					government sphere													
Water Distribution	**NC451_Capital Acquisition_Water_Logobate**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	11 994	–	–	
Water Distribution	**NC451_Capital Acquisition_Water_Logobate**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(11 994)	–	–	
Water Distribution	**NC451_Capital Acquisition_Boreholes Refurbish_Zero**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	2 702	1 071	1 071	

Water Distribution	**NC451_Capital Acquisition_Boreholes Refurbish_Khudukwaneg**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Ward 3**	*0*	*0*	*0*	*0*	–	–	2 085	2 234	2 234
Water Distribution	**NC451_Capital Acquisition_Boreholes Refurbish_Khudukwaneg**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Ward 3**	*0*	*0*	*0*	*0*	–	–	(2 085)	(2 234)	(2 234)
Water Distribution	**NC451_Capital Acquisition_Water_Cassel**	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	16 465	8 141	8 141
Water Distribution	**NC451_Capital Acquisition_Water_Damros**	**New**	*Improved service delivery in the local*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	13 566	17 914	17 914

			government sphere		**State: Improved service delivery in the local government sphere**													
Water Distribution	NC451_Capital Acquisition_Water_DOCKSON	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	12 000	–	–	
Water Distribution	NC451_Capital Acquisition_Water_DOCKSON	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(12 000)	–	–	
Water Distribution	NC451_Capital Acquisition_Water Tanks	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	300	–	–	

					government sphere											
Water Distribution	NC451_Capital Acquisition_Water Tanks	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	318	–	–
Water Distribution	NC451_Capital Acquisition_Water Tanks	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(636)	–	–
Water Distribution	NC451_Capital Acquisition_Water Tanks	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	318	–	–

Water Distribution	NC451_Capital Acquisition_Boreholes Refurbish_Gasehunelo Wyk 10	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	1 721	1 285	1 285
Water Distribution	NC451_Capital Acquisition_Water_Kampaneng	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	(9 747)	–	–
Water Distribution	NC451_Capital Acquisition_Water_Kampaneng	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	9 747	–	–
Water Distribution	NC451_Capital Acquisition_Water_Magobing-East	**New**	*Improved service delivery in the local*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	7 354	7 354	7 354

			government sphere		**State: Improved service delivery in the local government sphere**											
Water Distribution	NC451_Capital Acquisition_Water_Cahar	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Whole of the Municipality**	*0*	*0*	*0*	*0*	–	–	2 835	2 835	2 835
Water Distribution	NC451_Capital Acquisition_Boreholes Refurbish_Magojaneng	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	Water Supply Infrastructure	Ward 5	–	–	–	–	–	–	2 806	3 006	3 006
Water Distribution	NC451_Capital Acquisition_Boreholes Refurbish_Magojaneng	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local**	*Infrastructure*	Water Supply Infrastructure	Ward 5	–	–	–	–	–	–	(2 806)	(3 006)	(3 006)

					government sphere											
Water Distribution	NC451_Capital Acquisition_Boreholes Refurbish_Mathanthanyaneng Ward 14	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Ward 3**	*0*	*0*	*0*	*0*	–	–	(2 765)	–	–
Water Distribution	NC451_Capital Acquisition_Boreholes Refurbish_Mathanthanyaneng Ward 14	**New**	*Improved service delivery in the local government sphere*		**Strategic Priority 3: Build a Capable, Ethical, and Developmental State: Improved service delivery in the local government sphere**	*Infrastructure*	*Water Supply Infrastructure*	**Ward 3**	*0*	*0*	*0*	*0*	–	–	2 765	–	–
Parent Capital expenditure													**–**		**97 214**	**91 767**	**94 673**
Entities: *List all capital projects grouped by Entity*																	
Entity A Water project A **Entity B** Electricity project B																	

Entity Capital expenditure		**–**		**–**	**–**	**–**
Total Capital expenditure		**–**		**97 214**	**91 767**	**94 673**

2.14 Legislation Compliance Status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
   Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.

2. Internship programme
   The municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Budget & Treasury Office. Since the introduction of the Internship programme the municipality has successfully employed 5 of the trained 29 interns through whereby 7 interns resigned during the programme and a majority of those who completed the programme were appointed in the municipality.

3. Budget and Treasury Office
   The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee
   An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan
   The detail SDBIP document is at a Approved stage and will be finalised after approval of the 2026/27 MTREF in May 2026 directly aligned and informed by the 2026/27 MTREF.

6. Annual Report
   Annual report is compiled in terms of the MFMA and National Treasury requirements.

2.15 Municipal Manager's Quality Certificate

2.15 Municipal Manager's Quality Certificate

JOE MOROLONG LOCAL MUNICIPALITY

JOE MOROLONG
LOCAL MUNICIPALITY

NC 451

QUALITY CERTIFICATE

I, Boipelo Motlhaping, Municipal Manager of JOE MOROLONG LOCAL MUNICIPALITY, hereby certify that the Annual Budget and Supporting Documentation have been prepared In accordance with the Municipal Finance Management Act;(Act 56 of 2003) and regulations made under the act and that the Annual Budget are consistent with the Integrated Development Plan of the municipality.

PRINT NAME:……Boipelo Motlhaping……………………………………………………………

Municipal Manager of JOE MOROLONG LOCAL MUNICIPALITY (NC 451)

Signature: ………………………………………

Date : 22/06/2026……………………………